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PROCEEDINGS AND DEBATES OF THE *106th* CONGRESS, SECOND SESSION

## SENATE—*Monday, July 10, 2000*

The Senate met at 1:01 p.m. and was called to order by the President pro tempore [Mr. THURMOND].

### PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Lord God, our help in ages past and our hope for years to come, we thank You for Your mercy and blessing toward the United States throughout our history. Hear us as we seek Your continued guidance today. May the women and men of this Senate be so sensitive to Your grand vision for our Nation that they will be a conscience to our citizens in calling them back to You. Give these leaders soundness of judgment, courage in their decisions, and a united zeal to serve You together. You have warned us that a kingdom divided against itself cannot stand. Help us to affirm that those things on which we agree are of greater value than those things on which we differ. As we work together, deepen our understanding of one another's needs and enlarge our respect of one another's opinions. Make us one in the common cause of justice, righteousness, and truth. We all commit ourselves to the work of government for the honor and glory of Your Name. Amen.

### PLEDGE OF ALLEGIANCE

The Honorable JON KYL, a Senator from the State of Arizona, led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

### SCHEDULE

Mr. LOTT. Mr. President, today the Senate will immediately begin consideration of H.R. 4578, the Interior appropriations bill. I see that the chairman of the subcommittee is here and ready to proceed. Opening statements will be made and amendments are expected to be offered during today's session.

At 3:30 today, however, it will be my intention to turn to the executive nomination of Madelyn Creedon to be Deputy Administrator of the National Security Administration. This was included in an earlier agreement, that we would complete debate and have a vote on this nomination prior to Wednesday of this week. I thought it was best we do it today. The vote will occur on her confirmation at 5:30 p.m. today.

During the Senate's consideration of the Interior bill, those Senators who have amendments should work with the bill managers in an effort to complete action on the bill as soon as possible. I commend the Appropriations Subcommittee on the Interior for the work they have done on this legislation. Many areas could have been added that would have been controversial and would have made it difficult to complete the bill. They were not included. I hope, therefore, that in a relatively short period of time we can complete action on this very important Interior appropriations bill.

Members should be on notice that it will be the leadership's intent to debate amendments to the DOD authorization bill during the evening sessions this week. That was agreed to before we went out for the Fourth of July recess. There was a unanimous consent agreement entered into that limits Senators to relevant amendments to the Department of Defense authorization bill. I believe all amendments had to be filed by the close of business that day, which was Friday of the week before last. Any amendment votes ordered during the DOD authorization bill will be postponed to occur the next morning. We are hoping we can proceed under that agreement so that Monday night, Tuesday night, and Wednesday night, if necessary, we can go to the Department of Defense authorization bill around 6:30 or 7 o'clock each night so we can complete action on this very important bill.

I emphasize again that this Department of Defense authorization bill has been pending in one form or another before the Senate for quite some time. A number of nongermane amendments were offered and voted on that are connected to this bill. They have been dealt with in one way or another now. We are ready to complete action on the underlying Defense authorization bill itself. It has a lot of very important items for the future of our military. Included among those are significant improvements in the health care provisions for our military men and women and their families and for our retirees and their families. This is important legislation. Hopefully, we can complete it under this procedure of taking up amendments each night and having votes at the beginning of the session the next morning.

As a remainder, cloture was filed on the motion to proceed to the death tax legislation prior to the July recess. Pursuant to rule XXI, that cloture vote will occur 1 hour after the Senate convenes tomorrow, unless an agreement is reached where we don't have to have a recorded vote on the motion to proceed, that we can pass that by voice vote and move straight to the bill itself. We haven't worked that out yet. That is always a possibility. Otherwise, though, we will have that vote 1 hour after we come in on Tuesday morning.

The Senate is expected to return to the reconciliation bill, which has a statutory time limitation of 20 hours, the latter part of this week. Of course, that is the reconciliation bill for the marriage penalty tax relief. Votes will occur each day of the Senate's session, with late nights and possibly a late Friday or Saturday session in order to complete the reconciliation bill.

I thank my colleagues for their attention. I emphasize that point again. It is our hope to go to the reconciliation bill on the marriage penalty tax Thursday, and complete action on that bill before the end of the session this week. Since we could take up to 20 hours under the reconciliation provisions—and of course amendments at the end of that process don't count against the 20 hours—we could very easily go into the afternoon on Friday, Friday night, or Saturday. I hope Members are aware of that and prepare their schedule accordingly.

Since we only have 3 weeks before we recess for the August period for the national conventions, I think it is safe to say we will be having votes throughout

● This "bullet" symbol identifies statements or insertions which are not spoken by a member of the Senate on the floor.

the day, and we will have votes on Monday and Fridays for the 3 weeks we have remaining. We have a lot of work to do. I appreciate the support and cooperation of all Senators.

I hope Members had a good Fourth of July recess period in the Nation's Capital or back home with constituents. We are prepared to work hard and get a lot of the people's business done.

I yield the floor.

## RESERVATION OF LEADER TIME

The PRESIDING OFFICER (Mr. KYL). Under the previous order, the leadership time is reserved.

The Senator from Nevada.

Mr. REID. Mr. President, while the leader is on the floor, I state for the minority, we are here; we are ready to work; we understand the tremendous load of work that we have. We only have about 35 legislative days until we adjourn this Congress.

In addition to the appropriations bills, there are other pieces of legislation we can move along. The leader has indicated a couple of things he is interested in accomplishing this week. We are happy to work on those. It is also important that we don't lose sight of the fact we have a number of matters in conference. We have to complete the conference committee reports so we can come back and vote on those. We have issues that are out there, not the least of which are the Patients' Bill of Rights, prescription drugs, gun safety, a minimum wage increase for families around America, and education. I hope we also can focus on some of these issues during the next 35 legislative days.

The minority is here; we are ready to move. I think we have worked very hard on these appropriations bills in the last 6 weeks. I think the last week we were able to get a lot done, including the emergency supplemental, which is so important. We would also direct the leader's attention to the fact that there are other matters originally contained in the supplemental we need to complete in the immediate future.

## DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to consideration of H.R. 4578, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 4578), making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2001, and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Appropriations, with an amendment to strike all after the enacting clause and insert the part printed in italic, as follows:

*That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of the Interior and related agencies for the fiscal year ending September 30, 2001, and for other purposes, namely:*

### *TITLE I—DEPARTMENT OF THE INTERIOR*

### *BUREAU OF LAND MANAGEMENT*

### *MANAGEMENT OF LANDS AND RESOURCES*

*For expenses necessary for protection, use, improvement, development, disposal, cadastral surveying, classification, acquisition of easements and other interests in lands, and performance of other functions, including maintenance of facilities, as authorized by law, in the management of lands and their resources under the jurisdiction of the Bureau of Land Management, including the general administration of the Bureau, and assessment of mineral potential of public lands pursuant to Public Law 96–487 (16 U.S.C. 3150(a)), $693,133,000, to remain available until expended, of which $3,898,000 shall be available for assessment of the mineral potential of public lands in Alaska pursuant to section 1010 of Public Law 96–487 (16 U.S.C. 3150); and of which not to exceed $1,000,000 shall be derived from the special receipt account established by the Land and Water Conservation Act of 1965, as amended (16 U.S.C. 460l–6a(i)); and of which $2,500,000 shall be available in fiscal year 2001 subject to a match by at least an equal amount by the National Fish and Wildlife Foundation, to such Foundation for cost-shared projects supporting conservation of Bureau lands and such funds shall be advanced to the Foundation as a lump sum grant without regard to when expenses are incurred; in addition, $34,328,000 for Mining Law Administration program operations, including the cost of administering the mining claim fee program; to remain available until expended, to be reduced by amounts collected by the Bureau and credited to this appropriation from annual mining claim fees so as to result in a final appropriation estimated at not more than $693,133,000, and $2,000,000, to remain available until expended, from communication site rental fees established by the Bureau for the cost of administering communication site activities: Provided, That appropriations herein made shall not be available for the destruction of healthy, unadopted, wild horses and burros in the care of the Bureau or its contractors.*

### *WILDLAND FIRE MANAGEMENT*

*For necessary expenses for fire preparedness, suppression operations, emergency rehabilitation and hazardous fuels reduction by the Department of the Interior, $292,679,000, to remain available until expended, of which not to exceed $9,300,000 shall be for the renovation or construction of fire facilities: Provided, That such funds are also available for repayment of advances to other appropriation accounts from which funds were previously transferred for such purposes: Provided further, That unobligated balances of amounts previously appropriated to the "Fire Protection" and "Emergency Department of the Interior Firefighting Fund" may be transferred and merged with this appropriation: Provided further, That persons hired pursuant to 43 U.S.C. 1469 may be furnished subsistence and lodging without cost from funds available from this appropriation: Provided further, That notwithstanding 42 U.S.C. 1856d, sums received by a bureau or office of the Department of the Interior for fire protection rendered pursuant to 42 U.S.C. 1856 et seq., protection of United States property, may be credited to the appropriation from which funds were expended to provide that protection, and are available without fiscal year limitation.*

### *CENTRAL HAZARDOUS MATERIALS FUND*

*For necessary expenses of the Department of the Interior and any of its component offices and bureaus for the remedial action, including associated activities, of hazardous waste substances, pollutants, or contaminants pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (42 U.S.C. 9601 et seq.), $10,000,000, to remain available until expended: Provided, That notwithstanding 31 U.S.C. 3302, sums recovered from or paid by a party in advance of or as reimbursement for remedial action or response activities conducted by the Department pursuant to section 107 or 113(f) of such Act, shall be credited to this account to be available until expended without further appropriation: Provided further, That such sums recovered from or paid by any party are not limited to monetary payments and may include stocks, bonds or other personal or real property, which may be retained, liquidated, or otherwise disposed of by the Secretary and which shall be credited to this account.*

### *CONSTRUCTION*

*For construction of buildings, recreation facilities, roads, trails, and appurtenant facilities, $15,360,000, to remain available until expended.*

### *PAYMENTS IN LIEU OF TAXES*

*For expenses necessary to implement the Act of October 20, 1976, as amended (31 U.S.C. 6901–6907), $145,000,000, of which not to exceed $400,000 shall be available for administrative expenses: Provided, That no payment shall be made to otherwise eligible units of local government if the computed amount of the payment is less than $100.*

### *LAND ACQUISITION*

*For expenses necessary to carry out sections 205, 206, and 318(d) of Public Law 94–579, including administrative expenses and acquisition of lands or waters, or interests therein, $10,600,000, to be derived from the Land and Water Conservation Fund, to remain available until expended.*

### *OREGON AND CALIFORNIA GRANT LANDS*

*For expenses necessary for management, protection, and development of resources and for construction, operation, and maintenance of access roads, reforestation, and other improvements on the revested Oregon and California Railroad grant lands, on other Federal lands in the Oregon and California land-grant counties of Oregon, and on adjacent rights-of-way; and acquisition of lands or interests therein including existing connecting roads on or adjacent to such grant lands; $104,267,000, to remain available until expended: Provided, That 25 percent of the aggregate of all receipts during the current fiscal year from the revested Oregon and California Railroad grant lands is hereby made a charge against the Oregon and California land-grant fund and shall be transferred to the General Fund in the Treasury in accordance with the second paragraph of subsection (b) of title II of the Act of August 28, 1937 (50 Stat. 876).*

### *FOREST ECOSYSTEMS HEALTH AND RECOVERY FUND*

### *(REVOLVING FUND, SPECIAL ACCOUNT)*

*In addition to the purposes authorized in Public Law 102–381, funds made available in the Forest Ecosystem Health and Recovery Fund can be used for the purpose of planning, preparing, and monitoring salvage timber sales and forest ecosystem health and recovery activities such as release from competing vegetation and density control treatments. The Federal share of receipts (defined as the portion of salvage timber receipts not paid to the counties under 43 U.S.C. 1181f and 43 U.S.C. 1181–1 et seq., and Public Law 103–66) derived from treatments funded by this account shall be deposited into the Forest Ecosystem Health and Recovery Fund.*

### *RANGE IMPROVEMENTS*

*For rehabilitation, protection, and acquisition of lands and interests therein, and improvement* *of Federal rangelands pursuant to section 401 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701), notwithstanding any other Act, sums equal to 50 percent of all moneys received during the prior fiscal year under sections 3 and 15 of the Taylor Grazing Act (43 U.S.C. 315 et seq.) and the amount designated for range improvements from grazing fees and mineral leasing receipts from Bankhead-Jones lands transferred to the Department of the Interior pursuant to law, but not less than $10,000,000, to remain available until expended: Provided, That not to exceed $600,000 shall be available for administrative expenses.*

### SERVICE CHARGES, DEPOSITS, AND FORFEITURES

*For administrative expenses and other costs related to processing application documents and other authorizations for use and disposal of public lands and resources, for costs of providing copies of official public land documents, for monitoring construction, operation, and termination of facilities in conjunction with use authorizations, and for rehabilitation of damaged property, such amounts as may be collected under Public Law 94–579, as amended, and Public Law 93–153, to remain available until expended: Provided, That notwithstanding any provision to the contrary of section 305(a) of Public Law 94–579 (43 U.S.C. 1735(a)), any moneys that have been or will be received pursuant to that section, whether as a result of forfeiture, compromise, or settlement, if not appropriate for refund pursuant to section 305(c) of that Act (43 U.S.C. 1735(c)), shall be available and may be expended under the authority of this Act by the Secretary to improve, protect, or rehabilitate any public lands administered through the Bureau of Land Management which have been damaged by the action of a resource developer, purchaser, permittee, or any unauthorized person, without regard to whether all moneys collected from each such action are used on the exact lands damaged which led to the action: Provided further, That any such moneys that are in excess of amounts needed to repair damage to the exact land for which funds were collected may be used to repair other damaged public lands.*

### MISCELLANEOUS TRUST FUNDS

*In addition to amounts authorized to be expended under existing laws, there is hereby appropriated such amounts as may be contributed under section 307 of the Act of October 21, 1976 (43 U.S.C. 1701), and such amounts as may be advanced for administrative costs, surveys, appraisals, and costs of making conveyances of omitted lands under section 211(b) of that Act, to remain available until expended.*

### ADMINISTRATIVE PROVISIONS

*Appropriations for the Bureau of Land Management shall be available for purchase, erection, and dismantlement of temporary structures, and alteration and maintenance of necessary buildings and appurtenant facilities to which the United States has title; up to $100,000 for payments, at the discretion of the Secretary, for information or evidence concerning violations of laws administered by the Bureau; miscellaneous and emergency expenses of enforcement activities authorized or approved by the Secretary and to be accounted for solely on his certificate, not to exceed $10,000: Provided, That notwithstanding 44 U.S.C. 501, the Bureau may, under cooperative cost-sharing and partnership arrangements authorized by law, procure printing services from cooperators in connection with jointly produced publications for which the cooperators share the cost of printing either in cash or in services, and the Bureau determines the cooperator is capable of meeting accepted quality standards.*

## UNITED STATES FISH AND WILDLIFE SERVICE

### RESOURCE MANAGEMENT

*For necessary expenses of the United States Fish and Wildlife Service, for scientific and economic studies, conservation, management, investigations, protection, and utilization of fishery and wildlife resources, except whales, seals, and sea lions, maintenance of the herd of long-horned cattle on the Wichita Mountains Wildlife Refuge, general administration, and for the performance of other authorized functions related to such resources by direct expenditure, contracts, grants, cooperative agreements and reimbursable agreements with public and private entities, $758,442,000, to remain available until September 30, 2002, except as otherwise provided herein, of which not less than $2,000,000 shall be provided to local governments in southern California for planning associated with the Natural Communities Conservation Planning (NCCP) program and shall remain available until expended: Provided, That not less than $1,000,000 for high priority projects which shall be carried out by the Youth Conservation Corps as authorized by the Act of August 13, 1970, as amended: Provided further, That not to exceed $6,355,000 shall be used for implementing subsections (a), (b), (c), and (e) of section 4 of the Endangered Species Act, as amended, for species that are indigenous to the United States (except for processing petitions, developing and issuing proposed and final regulations, and taking any other steps to implement actions described in subsection (c)(2)(A), (c)(2)(B)(i), or (c)(2)(B)(ii)): Provided further, That of the amount available for law enforcement, up to $400,000 to remain available until expended, may at the discretion of the Secretary, be used for payment for information, rewards, or evidence concerning violations of laws administered by the Service, and miscellaneous and emergency expenses of enforcement activity, authorized or approved by the Secretary and to be accounted for solely on his certificate: Provided further, That of the amount provided for environmental contaminants, up to $1,000,000 may remain available until expended for contaminant sample analyses.*

### CONSTRUCTION

*For construction, improvement, acquisition, or removal of buildings and other facilities required in the conservation, management, investigation, protection, and utilization of fishery and wildlife resources, and the acquisition of lands and interests therein; $54,803,000, to remain available until expended.*

### LAND ACQUISITION

*For expenses necessary to carry out the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 460l–4 through 11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the United States Fish and Wildlife Service, $46,100,000, to be derived from the Land and Water Conservation Fund, to remain available until expended.*

### COOPERATIVE ENDANGERED SPECIES CONSERVATION FUND

*For expenses necessary to carry out the provisions of the Endangered Species Act of 1973 (16 U.S.C. 1531–1543), as amended, $26,925,000, to be derived from the Cooperative Endangered Species Conservation Fund, to remain available until expended.*

### NATIONAL WILDLIFE REFUGE FUND

*For expenses necessary to implement the Act of October 17, 1978 (16 U.S.C. 715s), $10,000,000.*

### NORTH AMERICAN WETLANDS CONSERVATION FUND

*For expenses necessary to carry out the provisions of the North American Wetlands Conservation Act, Public Law 101–233, as amended, $16,500,000, to remain available until expended.*

### WILDLIFE CONSERVATION AND APPRECIATION FUND

*For necessary expenses of the Wildlife Conservation and Appreciation Fund, $797,000, to remain available until expended.*

### MULTINATIONAL SPECIES CONSERVATION FUND

*For expenses necessary to carry out the African Elephant Conservation Act (16 U.S.C. 4201–4203, 4211–4213, 4221–4225, 4241–4245, and 1538), the Asian Elephant Conservation Act of 1997 (16 U.S.C. 4261–4266), and the Rhinoceros and Tiger Conservation Act of 1994 (16 U.S.C. 5301–5306), $2,500,000, to remain available until expended: Provided, That funds made available under this Act and Public Law 105–277 for rhinoceros, tiger, and Asian elephant conservation programs are exempt from any sanctions imposed against any country under section 102 of the Arms Export Control Act (22 U.S.C. 2799aa–1).*

### ADMINISTRATIVE PROVISIONS

*Appropriations and funds available to the United States Fish and Wildlife Service shall be available for purchase of not to exceed 79 passenger motor vehicles, of which 72 are for replacement only (including 41 for police-type use); repair of damage to public roads within and adjacent to reservation areas caused by operations of the Service; options for the purchase of land at not to exceed $1 for each option; facilities incident to such public recreational uses on conservation areas as are consistent with their primary purpose; and the maintenance and improvement of aquaria, buildings, and other facilities under the jurisdiction of the Service and to which the United States has title, and which are used pursuant to law in connection with management and investigation of fish and wildlife resources: Provided, That notwithstanding 44 U.S.C. 501, the Service may, under cooperative cost sharing and partnership arrangements authorized by law, procure printing services from cooperators in connection with jointly produced publications for which the cooperators share at least one-half the cost of printing either in cash or services and the Service determines the cooperator is capable of meeting accepted quality standards: Provided further, That the Service may accept donated aircraft as replacements for existing aircraft: Provided further, That notwithstanding any other provision of law, the Secretary of the Interior may not spend any of the funds appropriated in this Act for the purchase of lands or interests in lands to be used in the establishment of any new unit of the National Wildlife Refuge System unless the purchase is approved in advance by the House and Senate Committees on Appropriations in compliance with the reprogramming procedures contained in Senate Report 105–56.*

## NATIONAL PARK SERVICE

### OPERATION OF THE NATIONAL PARK SYSTEM

*For expenses necessary for the management, operation, and maintenance of areas and facilities administered by the National Park Service (including special road maintenance service to trucking permittees on a reimbursable basis), and for the general administration of the National Park Service, including not less than $2,000,000 for high priority projects within the scope of the approved budget which shall be carried out by the Youth Conservation Corps as authorized by 16 U.S.C. 1706, $1,443,795,000, of which $9,227,000 for research, planning and interagency coordination in support of land acquisition for Everglades restoration shall remain available until expended, and of which not to exceed $7,000,000, to remain available until expended, is to be derived from the special fee account established pursuant to title V, section 5201 of Public Law 100–203.*

### NATIONAL RECREATION AND PRESERVATION

*For expenses necessary to carry out recreation programs, natural programs, cultural programs,* *heritage partnership programs, environmental compliance and review, international park affairs, statutory or contractual aid for other activities, and grant administration, not otherwise provided for, $58,209,000, of which $2,000,000 shall be available to carry out the Urban Park and Recreation Recovery Act of 1978 (16 U.S.C. 2501 et seq.).*

### HISTORIC PRESERVATION FUND

*For expenses necessary in carrying out the Historic Preservation Act of 1966, as amended (16 U.S.C. 470), and the Omnibus Parks and Public Lands Management Act of 1996 (Public Law 104–333), $44,347,000, to be derived from the Historic Preservation Fund, to remain available until September 30, 2002, of which $7,177,000 pursuant to section 507 of Public Law 104–333 shall remain available until expended.*

### CONSTRUCTION

*For construction, improvements, repair or replacement of physical facilities, including the modifications authorized by section 104 of the Everglades National Park Protection and Expansion Act of 1989, $207,079,000, to remain available until expended: Provided, That $1,000,000 for the Great Falls Historic District, $650,000 for Lake Champlain National Historic Landmarks, and $365,000 for the U.S. Grant Boyhood Home National Historic Landmark shall be derived from the Historic Preservation Fund pursuant to 16 U.S.C. 470a.*

### LAND AND WATER CONSERVATION FUND

### (RESCISSION)

*The contract authority provided for fiscal year 2001 by 16 U.S.C. 460l–10a is rescinded.*

### LAND ACQUISITION AND STATE ASSISTANCE

*For expenses necessary to carry out the Land and Water Conservation Act of 1965, as amended (16 U.S.C. 460l–4 through 11), including administrative expenses, and for acquisition of lands or waters, or interest therein, in accordance with the statutory authority applicable to the National Park Service, $87,140,000, to be derived from the Land and Water Conservation Fund, to remain available until expended, of which $40,000,000 is for the State assistance program including $1,000,000 to administer the State assistance program, and of which $10,000,000 may be for State grants for land acquisition in the State of Florida: Provided, That the Secretary may provide Federal assistance to the State of Florida for the acquisition of lands or waters, or interests therein, within the Everglades watershed (consisting of lands and waters within the boundaries of the South Florida Water Management District, Florida Bay and the Florida Keys, including the areas known as the Frog Pond, the Rocky Glades and the Eight and One-Half Square Mile Area) under terms and conditions deemed necessary by the Secretary to improve and restore the hydrological function of the Everglades watershed: Provided further, That funds provided under this heading for assistance to the State of Florida to acquire lands within the Everglades watershed are contingent upon new matching non-Federal funds by the State and shall be subject to an agreement that the lands to be acquired will be managed in perpetuity for the restoration of the Everglades: Provided further, That none of the funds provided for the State Assistance program may be used to establish a contingency fund.*

### ADMINISTRATIVE PROVISIONS

*Appropriations for the National Park Service shall be available for the purchase of not to exceed 340 passenger motor vehicles, of which 273 shall be for replacement only, including not to exceed 319 for police-type use, 12 buses, and 9 ambulances: Provided, That none of the funds appropriated to the National Park Service may be used to process any grant or contract documents which do not include the text of 18 U.S.C. 1913: Provided further, That none of the funds appropriated to the National Park Service may be used to implement an agreement for the redevelopment of the southern end of Ellis Island until such agreement has been submitted to the Congress and shall not be implemented prior to the expiration of 30 calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) from the receipt by the Speaker of the House of Representatives and the President of the Senate of a full and comprehensive report on the development of the southern end of Ellis Island, including the facts and circumstances relied upon in support of the proposed project.*

*None of the funds in this Act may be spent by the National Park Service for activities taken in direct response to the United Nations Biodiversity Convention.*

*The National Park Service may distribute to operating units based on the safety record of each unit the costs of programs designed to improve workplace and employee safety, and to encourage employees receiving workers' compensation benefits pursuant to chapter 81 of title 5, United States Code, to return to appropriate positions for which they are medically able.*

## UNITED STATES GEOLOGICAL SURVEY

### SURVEYS, INVESTIGATIONS, AND RESEARCH

*For expenses necessary for the United States Geological Survey to perform surveys, investigations, and research covering topography, geology, hydrology, biology, and the mineral and water resources of the United States, its territories and possessions, and other areas as authorized by 43 U.S.C. 31, 1332, and 1340; classify lands as to their mineral and water resources; give engineering supervision to power permittees and Federal Energy Regulatory Commission licensees; administer the minerals exploration program (30 U.S.C. 641); and publish and disseminate data relative to the foregoing activities; and to conduct inquiries into the economic conditions affecting mining and materials processing industries (30 U.S.C. 3, 21a, and 1603; 50 U.S.C. 98g(1)) and related purposes as authorized by law and to publish and disseminate data; $847,596,000, of which $62,879,000 shall be available only for cooperation with States or municipalities for water resources investigations; and of which $16,400,000 shall remain available until expended for conducting inquiries into the economic conditions affecting mining and materials processing industries; and of which $1,525,000 shall remain available until expended for ongoing development of a mineral and geologic data base; and of which $32,322,000 shall be available until September 30, 2002 for the operation and maintenance of facilities and deferred maintenance; and of which $147,773,000 shall be available until September 30, 2002 for the biological research activity and the operation of the Cooperative Research Units: Provided, That none of these funds provided for the biological research activity shall be used to conduct new surveys on private property, unless specifically authorized in writing by the property owner: Provided further, That no part of this appropriation shall be used to pay more than one-half the cost of topographic mapping or water resources data collection and investigations carried on in cooperation with States and municipalities.*

### ADMINISTRATIVE PROVISIONS

*The amount appropriated for the United States Geological Survey shall be available for the purchase of not to exceed 53 passenger motor vehicles, of which 48 are for replacement only; reimbursement to the General Services Administration for security guard services; contracting for the furnishing of topographic maps and for the making of geophysical or other specialized surveys when it is administratively determined that such procedures are in the public interest; construction and maintenance of necessary buildings and appurtenant facilities; acquisition of lands for gauging stations and observation wells; expenses of the United States National Committee on Geology; and payment of compensation and expenses of persons on the rolls of the Survey duly appointed to represent the United States in the negotiation and administration of interstate compacts: Provided, That activities funded by appropriations herein made may be accomplished through the use of contracts, grants, or cooperative agreements as defined in 31 U.S.C. 6302 et seq.*

## MINERALS MANAGEMENT SERVICE

### ROYALTY AND OFFSHORE MINERALS MANAGEMENT

*For expenses necessary for minerals leasing and environmental studies, regulation of industry operations, and collection of royalties, as authorized by law; for enforcing laws and regulations applicable to oil, gas, and other minerals leases, permits, licenses and operating contracts; and for matching grants or cooperative agreements; including the purchase of not to exceed eight passenger motor vehicles for replacement only; $134,010,000, of which $86,257,000, shall be available for royalty management activities; and an amount not to exceed $107,410,000, to be credited to this appropriation and to remain available until expended, from additions to receipts resulting from increases to rates in effect on August 5, 1993, from rate increases to fee collections for Outer Continental Shelf administrative activities performed by the Minerals Management Service over and above the rates in effect on September 30, 1993, and from additional fees for Outer Continental Shelf administrative activities established after September 30, 1993: Provided, That to the extent $107,410,000 in additions to receipts are not realized from the sources of receipts stated above, the amount needed to reach $107,410,000 shall be credited to this appropriation from receipts resulting from rental rates for Outer Continental Shelf leases in effect before August 5, 1993: Provided further, That $3,000,000 for computer acquisitions shall remain available until September 30, 2002: Provided further, That funds appropriated under this Act shall be available for the payment of interest in accordance with 30 U.S.C. 1721(b) and (d): Provided further, That not to exceed $3,000 shall be available for reasonable expenses related to promoting volunteer beach and marine cleanup activities: Provided further, That notwithstanding any other provision of law, $15,000 under this heading shall be available for refunds of overpayments in connection with certain Indian leases in which the Director of the Minerals Management Service concurred with the claimed refund due, to pay amounts owed to Indian allottees or tribes, or to correct prior unrecoverable erroneous payments.*

### OIL SPILL RESEARCH

*For necessary expenses to carry out title I, section 1016, title IV, sections 4202 and 4303, title VII, and title VIII, section 8201 of the Oil Pollution Act of 1990, $6,118,000, which shall be derived from the Oil Spill Liability Trust Fund, to remain available until expended.*

## OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

### REGULATION AND TECHNOLOGY

*For necessary expenses to carry out the provisions of the Surface Mining Control and Reclamation Act of 1977, Public Law 95–87, as amended, including the purchase of not to exceed 10 passenger motor vehicles, for replacement only; $100,801,000: Provided, That the Secretary of the Interior, pursuant to regulations, may use directly or through grants to States, moneys collected in fiscal year 2001 for civil penalties assessed under section 518 of the Surface Mining Control and Reclamation Act of 1977 (30*

*U.S.C. 1268), to reclaim lands adversely affected by coal mining practices after August 3, 1977, to remain available until expended: Provided further, That appropriations for the Office of Surface Mining Reclamation and Enforcement may provide for the travel and per diem expenses of State and tribal personnel attending Office of Surface Mining Reclamation and Enforcement sponsored training.*

### *ABANDONED MINE RECLAMATION FUND*

*For necessary expenses to carry out title IV of the Surface Mining Control and Reclamation Act of 1977, Public Law 95–87, as amended, including the purchase of not more than 10 passenger motor vehicles for replacement only, $201,438,000, to be derived from receipts of the Abandoned Mine Reclamation Fund and to remain available until expended; of which up to $10,000,000, to be derived from the Federal Expenses Share of the Fund, shall be for supplemental grants to States for the reclamation of abandoned sites with acid mine rock drainage from coal mines, and for associated activities, through the Appalachian Clean Streams Initiative: Provided, That grants to minimum program States will be $1,600,000 per State in fiscal year 2001: Provided further, That of the funds herein provided up to $18,000,000 may be used for the emergency program authorized by section 410 of Public Law 95–87, as amended, of which no more than 25 percent shall be used for emergency reclamation projects in any one State and funds for federally administered emergency reclamation projects under this proviso shall not exceed $11,000,000: Provided further, That prior year unobligated funds appropriated for the emergency reclamation program shall not be subject to the 25 percent limitation per State and may be used without fiscal year limitation for emergency projects: Provided further, That pursuant to Public Law 97–365, the Department of the Interior is authorized to use up to 20 percent from the recovery of the delinquent debt owed to the United States Government to pay for contracts to collect these debts: Provided further, That funds made available under title IV of Public Law 95–87 may be used for any required non-Federal share of the cost of projects funded by the Federal Government for the purpose of environmental restoration related to treatment or abatement of acid mine drainage from abandoned mines: Provided further, That such projects must be consistent with the purposes and priorities of the Surface Mining Control and Reclamation Act: Provided further, That the State of Maryland may set aside the greater of $1,000,000 or 10 percent of the total of the grants made available to the State under title IV of the Surface Mining Control and Reclamation Act of 1977, as amended (30 U.S.C. 1231 et seq.), if the amount set aside is deposited in an acid mine drainage abatement and treatment fund established under a State law, pursuant to which law the amount (together with all interest earned on the amount) is expended by the State to undertake acid mine drainage abatement and treatment projects, except that before any amounts greater than 10 percent of its title IV grants are deposited in an acid mine drainage abatement and treatment fund, the State of Maryland must first complete all Surface Mining Control and Reclamation Act priority one projects: Provided further, That from the funds provided herein, in addition to the amount granted to the State of Kentucky under Sections 402(g)(1) and 402(g)(5) of the Surface Mining Control and Reclamation Act, an additional $1,000,000 shall be made available to the State of Kentucky to demonstrate reforestation techniques on abandoned coal mine sites.*

## *BUREAU OF INDIAN AFFAIRS*

### *OPERATION OF INDIAN PROGRAMS*

*For expenses necessary for the operation of Indian programs, as authorized by law, including the Snyder Act of November 2, 1921 (25 U.S.C. 13), the Indian Self-Determination and Education Assistance Act of 1975 (25 U.S.C. 450 et seq.), as amended, the Education Amendments of 1978 (25 U.S.C. 2001–2019), and the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2501 et seq.), as amended, $1,704,620,000, to remain available until September 30, 2002 except as otherwise provided herein, of which not to exceed $93,225,000 shall be for welfare assistance payments and notwithstanding any other provision of law, including but not limited to the Indian Self-Determination Act of 1975, as amended, not to exceed $125,485,000 shall be available for payments to tribes and tribal organizations for contract support costs associated with ongoing contracts, grants, compacts, or annual funding agreements entered into with the Bureau prior to or during fiscal year 2001, as authorized by such Act, except that tribes and tribal organizations may use their tribal priority allocations for unmet indirect costs of ongoing contracts, grants, or compacts, or annual funding agreements and for unmet welfare assistance costs; and up to $5,000,000 shall be for the Indian Self-Determination Fund which shall be available for the transitional cost of initial or expanded tribal contracts, grants, compacts or cooperative agreements with the Bureau under such Act; and of which not to exceed $412,556,000 for school operations costs of Bureau-funded schools and other education programs shall become available on July 1, 2001, and shall remain available until September 30, 2002; and of which not to exceed $54,694,000 shall remain available until expended for housing improvement, road maintenance, attorney fees, litigation support, self-governance grants, the Indian Self-Determination Fund, land records improvement, and the Navajo-Hopi Settlement Program: Provided, That notwithstanding any other provision of law, including but not limited to the Indian Self-Determination Act of 1975, as amended, and 25 U.S.C. 2008, not to exceed $43,160,000 within and only from such amounts made available for school operations shall be available to tribes and tribal organizations for administrative cost grants associated with the operation of Bureau-funded schools: Provided further, That any forestry funds allocated to a tribe which remain unobligated as of September 30, 2002, may be transferred during fiscal year 2003 to an Indian forest land assistance account established for the benefit of such tribe within the tribe's trust fund account: Provided further, That any such unobligated balances not so transferred shall expire on September 30, 2003.*

### *CONSTRUCTION*

*For construction, repair, improvement, and maintenance of irrigation and power systems, buildings, utilities, and other facilities, including architectural and engineering services by contract; acquisition of lands, and interests in lands; and preparation of lands for farming, and for construction of the Navajo Indian Irrigation Project pursuant to Public Law 87–483, $341,004,000, to remain available until expended: Provided, That such amounts as may be available for the construction of the Navajo Indian Irrigation Project may be transferred to the Bureau of Reclamation: Provided further, That not to exceed 6 percent of contract authority available to the Bureau of Indian Affairs from the Federal Highway Trust Fund may be used to cover the road program management costs of the Bureau: Provided further, That any funds provided for the Safety of Dams program pursuant to 25 U.S.C. 13 shall be made available on a nonreimbursable basis: Provided further, That for fiscal year 2001, in implementing new construction or facilities improvement and repair project grants in excess of $100,000 that are provided to tribally controlled grant schools under Public Law 100–297, as amended, the Secretary of the Interior shall use the Administrative and Audit Requirements and Cost Principles for Assistance Programs contained in 43 CFR part 12 as the regulatory requirements: Provided further, That such grants shall not be subject to section 12.61 of 43 CFR; the Secretary and the grantee shall negotiate and determine a schedule of payments for the work to be performed: Provided further, That in considering applications, the Secretary shall consider whether the Indian tribe or tribal organization would be deficient in assuring that the construction projects conform to applicable building standards and codes and Federal, tribal, or State health and safety standards as required by 25 U.S.C. 2005(a), with respect to organizational and financial management capabilities: Provided further, That if the Secretary declines an application, the Secretary shall follow the requirements contained in 25 U.S.C. 2505(f): Provided further, That any disputes between the Secretary and any grantee concerning a grant shall be subject to the disputes provision in 25 U.S.C. 2508(e).*

### *INDIAN LAND AND WATER CLAIM SETTLEMENTS AND MISCELLANEOUS PAYMENTS TO INDIANS*

*For miscellaneous payments to Indian tribes and individuals and for necessary administrative expenses, $35,276,000, to remain available until expended; of which $25,225,000 shall be available for implementation of enacted Indian land and water claim settlements pursuant to Public Laws 101–618 and 102–575, and for implementation of other enacted water rights settlements; of which $8,000,000 shall be available for Tribal compact administration, economic development and future water supplies facilities under Public Law 106–163; and of which $1,877,000 shall be available pursuant to Public Laws 99–264, 100–383, 100–580 and 103–402.*

### *INDIAN GUARANTEED LOAN PROGRAM ACCOUNT*

*For the cost of guaranteed loans, $4,500,000, as authorized by the Indian Financing Act of 1974, as amended: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $59,682,000.*

*In addition, for administrative expenses to carry out the guaranteed loan programs, $488,000.*

### *ADMINISTRATIVE PROVISIONS*

*The Bureau of Indian Affairs may carry out the operation of Indian programs by direct expenditure, contracts, cooperative agreements, compacts and grants, either directly or in cooperation with States and other organizations.*

*Appropriations for the Bureau of Indian Affairs (except the revolving fund for loans, the Indian loan guarantee and insurance fund, and the Indian Guaranteed Loan Program account) shall be available for expenses of exhibits, and purchase of not to exceed 229 passenger motor vehicles, of which not to exceed 187 shall be for replacement only.*

*Notwithstanding any other provision of law, no funds available to the Bureau of Indian Affairs for central office operations, pooled overhead general administration (except facilities operations and maintenance), or provided to implement the recommendations of the National Academy of Public Administration's August 1999 report shall be available for tribal contracts, grants, compacts, or cooperative agreements with the Bureau of Indian Affairs under the provisions of the Indian Self-Determination Act or the Tribal Self-Governance Act of 1994 (Public Law 103–413).*

*In the event any tribe returns appropriations made available by this Act to the Bureau of Indian Affairs for distribution to other tribes, this action shall not diminish the Federal Government's trust responsibility to that tribe, or the* *government-to-government relationship between the United States and that tribe, or that tribe's ability to access future appropriations.*

*Notwithstanding any other provision of law, no funds available to the Bureau, other than the amounts provided herein for assistance to public schools under 25 U.S.C. 452 et seq., shall be available to support the operation of any elementary or secondary school in the State of Alaska.*

*Appropriations made available in this or any other Act for schools funded by the Bureau shall be available only to the schools in the Bureau school system as of September 1, 1996. No funds available to the Bureau shall be used to support expanded grades for any school or dormitory beyond the grade structure in place or approved by the Secretary of the Interior at each school in the Bureau school system as of October 1, 1995. Funds made available under this Act may not be used to establish a charter school at a Bureau-funded school (as that term is defined in section 1146 of the Education Amendments of 1978 (25 U.S.C. 2026)), except that a charter school that is in existence on the date of the enactment of this Act and that has operated at a Bureau-funded school before September 1, 1999, may continue to operate during that period, but only if the charter school pays to the Bureau a pro-rata share of funds to reimburse the Bureau for the use of the real and personal property (including buses and vans), the funds of the charter school are kept separate and apart from Bureau funds, and the Bureau does not assume any obligation for charter school programs of the State in which the school is located if the charter school loses such funding. Employees of Bureau-funded schools sharing a campus with a charter school and performing functions related to the charter school's operation and employees of a charter school shall not be treated as Federal employees for purposes of chapter 171 of title 28, United States Code (commonly known as the "Federal Tort Claims Act"). Not later than June 15, 2001, the Secretary of the Interior shall evaluate the effectiveness of Bureau-funded schools sharing facilities with charter schools in the manner described in the preceding sentence and prepare and submit a report on the finding of that evaluation to the Committees on Appropriations of the Senate and of the House.*

### DEPARTMENT OFFICES

### INSULAR AFFAIRS

### ASSISTANCE TO TERRITORIES

*For expenses necessary for assistance to territories under the jurisdiction of the Department of the Interior, $68,471,000, of which: (1) $64,076,000 shall be available until expended for technical assistance, including maintenance assistance, disaster assistance, insular management controls, coral reef initiative activities, and brown tree snake control and research; grants to the judiciary in American Samoa for compensation and expenses, as authorized by law (48 U.S.C. 1661(c)); grants to the Government of American Samoa, in addition to current local revenues, for construction and support of governmental functions; grants to the Government of the Virgin Islands as authorized by law; grants to the Government of Guam, as authorized by law; and grants to the Government of the Northern Mariana Islands as authorized by law (Public Law 94–241; 90 Stat. 272); and (2) $4,395,000 shall be available for salaries and expenses of the Office of Insular Affairs: Provided, That all financial transactions of the territorial and local governments herein provided for, including such transactions of all agencies or instrumentalities established or used by such governments, may be audited by the General Accounting Office, at its discretion, in accordance with chapter 35 of title 31, United States Code: Provided further, That Northern Mariana Islands Covenant grant funding shall be provided according to those terms of the Agreement of the Special Representatives on Future United States Financial Assistance for the Northern Mariana Islands approved by Public Law 104–134: Provided further, That of the amounts provided for technical assistance, sufficient funding shall be made available for a grant to the Close Up Foundation: Provided further, That the funds for the program of operations and maintenance improvement are appropriated to institutionalize routine operations and maintenance improvement of capital infrastructure in American Samoa, Guam, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, the Republic of Palau, the Republic of the Marshall Islands, and the Federated States of Micronesia through assessments of long-range operations maintenance needs, improved capability of local operations and maintenance institutions and agencies (including management and vocational education training), and project-specific maintenance (with territorial participation and cost sharing to be determined by the Secretary based on the individual territory's commitment to timely maintenance of its capital assets): Provided further, That any appropriation for disaster assistance under this heading in this Act or previous appropriations Acts may be used as non-Federal matching funds for the purpose of hazard mitigation grants provided pursuant to section 404 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170c).*

### COMPACT OF FREE ASSOCIATION

*For economic assistance and necessary expenses for the Federated States of Micronesia and the Republic of the Marshall Islands as provided for in sections 122, 221, 223, 232, and 233 of the Compact of Free Association, and for economic assistance and necessary expenses for the Republic of Palau as provided for in sections 122, 221, 223, 232, and 233 of the Compact of Free Association, $20,545,000, to remain available until expended, as authorized by Public Law 99–239 and Public Law 99–658.*

### DEPARTMENTAL MANAGEMENT

### SALARIES AND EXPENSES

*For necessary expenses for management of the Department of the Interior, $64,019,000, of which not to exceed $8,500 may be for official reception and representation expenses and of which up to $1,000,000 shall be available for workers compensation payments and unemployment compensation payments associated with the orderly closure of the United States Bureau of Mines.*

### OFFICE OF THE SOLICITOR

### SALARIES AND EXPENSES

*For necessary expenses of the Office of the Solicitor, $40,196,000.*

### OFFICE OF INSPECTOR GENERAL

### SALARIES AND EXPENSES

### OFFICE OF INSPECTOR GENERAL

*For necessary expenses of the Office of Inspector General, $27,846,000.*

### OFFICE OF SPECIAL TRUSTEE FOR AMERICAN INDIANS

### FEDERAL TRUST PROGRAMS

*For operation of trust programs for Indians by direct expenditure, contracts, cooperative agreements, compacts, and grants, $82,628,000, to remain available until expended: Provided, That funds for trust management improvements may be transferred, as needed, to the Bureau of Indian Affairs "Operation of Indian Programs" account and to the Departmental Management "Salaries and Expenses" account: Provided further, That funds made available to Tribes and Tribal organizations through contracts or grants obligated during fiscal year 2001, as authorized by the Indian Self-Determination Act of 1975 (25 U.S.C. 450 et seq.), shall remain available until expended by the contractor or grantee: Provided further, That notwithstanding any other provision of law, the statute of limitations shall not commence to run on any claim, including any claim in litigation pending on the date of the enactment of this Act, concerning losses to or mismanagement of trust funds, until the affected tribe or individual Indian has been furnished with an accounting of such funds from which the beneficiary can determine whether there has been a loss: Provided further, That notwithstanding any other provision of law, the Secretary shall not be required to provide a quarterly statement of performance for any Indian trust account that has not had activity for at least 18 months and has a balance of $1.00 or less: Provided further, That the Secretary shall issue an annual account statement and maintain a record of any such accounts and shall permit the balance in each such account to be withdrawn upon the express written request of the account holder.*

### INDIAN LAND CONSOLIDATION

*For implementation of a program for consolidation of fractional interests in Indian lands and expenses associated with redetermining and redistributing escheated interests in allotted lands by direct expenditure or cooperative agreement, $10,000,000, to remain available until expended and which may be transferred to the Bureau of Indian Affairs and Departmental Management of which not to exceed $500,000 shall be available for administrative expenses: Provided, That the Secretary may enter into a cooperative agreement, which shall not be subject to Public Law 93–638, as amended, with a tribe having jurisdiction over the reservation to implement the program to acquire fractional interests on behalf of such tribe: Provided further, That the Secretary may develop a reservation-wide system for establishing the fair market value of various types of lands and improvements to govern the amounts offered for acquisition of fractional interests: Provided further, That acquisitions shall be limited to one or more reservations as determined by the Secretary: Provided further, That funds shall be available for acquisition of fractional interests in trust or restricted lands with the consent of its owners and at fair market value, and the Secretary shall hold in trust for such tribe all interests acquired pursuant to this program: Provided further, That all proceeds from any lease, resource sale contract, right-of-way or other transaction derived from the fractional interest shall be credited to this appropriation, and remain available until expended, until the purchase price paid by the Secretary under this appropriation has been recovered from such proceeds: Provided further, That once the purchase price has been recovered, all subsequent proceeds shall be managed by the Secretary for the benefit of the applicable tribe or paid directly to the tribe.*

### NATURAL RESOURCE DAMAGE ASSESSMENT AND RESTORATION

### NATURAL RESOURCE DAMAGE ASSESSMENT FUND

*To conduct natural resource damage assessment activities by the Department of the Interior necessary to carry out the provisions of the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (42 U.S.C. 9601 et seq.), Federal Water Pollution Control Act, as amended (33 U.S.C. 1251 et seq.), the Oil Pollution Act of 1990 (33 U.S.C. 2701 et seq.), and the Act of July 27, 1990, as amended (16 U.S.C. 19jj et seq.), $5,403,000, to remain available until expended.*

### ADMINISTRATIVE PROVISIONS

*There is hereby authorized for acquisition from available resources within the Working Capital Fund, 15 aircraft, 10 of which shall be for replacement and which may be obtained by* *donation, purchase or through available excess surplus property: Provided, That notwithstanding any other provision of law, existing aircraft being replaced may be sold, with proceeds derived or trade-in value used to offset the purchase price for the replacement aircraft: Provided further, That no programs funded with appropriated funds in the "Departmental Management", "Office of the Solicitor", and "Office of Inspector General" may be augmented through the Working Capital Fund or the Consolidated Working Fund.*

## *GENERAL PROVISIONS, DEPARTMENT OF THE INTERIOR*

*SEC. 101. Appropriations made in this title shall be available for expenditure or transfer (within each bureau or office), with the approval of the Secretary, for the emergency reconstruction, replacement, or repair of aircraft, buildings, utilities, or other facilities or equipment damaged or destroyed by fire, flood, storm, or other unavoidable causes: Provided, That no funds shall be made available under this authority until funds specifically made available to the Department of the Interior for emergencies shall have been exhausted: Provided further, That all funds used pursuant to this section are hereby designated by Congress to be "emergency requirements" pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, and must be replenished by a supplemental appropriation which must be requested as promptly as possible.*

*SEC. 102. The Secretary may authorize the expenditure or transfer of any no year appropriation in this title, in addition to the amounts included in the budget programs of the several agencies, for the suppression or emergency prevention of wildland fires on or threatening lands under the jurisdiction of the Department of the Interior; for the emergency rehabilitation of burned-over lands under its jurisdiction; for emergency actions related to potential or actual earthquakes, floods, volcanoes, storms, or other unavoidable causes; for contingency planning subsequent to actual oil spills; for response and natural resource damage assessment activities related to actual oil spills; for the prevention, suppression, and control of actual or potential grasshopper and Mormon cricket outbreaks on lands under the jurisdiction of the Secretary, pursuant to the authority in section 1773(b) of Public Law 99–198 (99 Stat. 1658); for emergency reclamation projects under section 410 of Public Law 95–87; and shall transfer, from any no year funds available to the Office of Surface Mining Reclamation and Enforcement, such funds as may be necessary to permit assumption of regulatory authority in the event a primacy State is not carrying out the regulatory provisions of the Surface Mining Act: Provided, That appropriations made in this title for wildland fire operations shall be available for the payment of obligations incurred during the preceding fiscal year, and for reimbursement to other Federal agencies for destruction of vehicles, aircraft, or other equipment in connection with their use for wildland fire operations, such reimbursement to be credited to appropriations currently available at the time of receipt thereof: Provided further, That for wildland fire operations, no funds shall be made available under this authority until the Secretary determines that funds appropriated for "wildland fire operations" shall be exhausted within thirty days: Provided further, That all funds used pursuant to this section are hereby designated by Congress to be "emergency requirements" pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, and must be replenished by a supplemental appropriation which must be requested as promptly as possible: Provided further, That such replenishment funds shall be used to reimburse, on a pro rata basis, accounts from which emergency funds were transferred.*

*SEC. 103. Appropriations made in this title shall be available for operation of warehouses, garages, shops, and simiiar facilities, wherever consolidation of activities will contribute to efficiency or economy, and said appropriations shall be reimbursed for services rendered to any other activity in the same manner as authorized by sections 1535 and 1536 of title 31, United States Code: Provided, That reimbursements for costs and supplies, materials, equipment, and for services rendered may be credited to the appropriation current at the time such reimbursements are received.*

*SEC. 104. Appropriations made to the Department of the Interior in this title shall be available for services as authorized by 5 U.S.C. 3109, when authorized by the Secretary, in total amount not to exceed $500,000; hire, maintenance, and operation of aircraft; hire of passenger motor vehicles; purchase of reprints; payment for telephone service in private residences in the field, when authorized under regulations approved by the Secretary; and the payment of dues, when authorized by the Secretary, for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members.*

*SEC. 105. Appropriations available to the Department of the Interior for salaries and expenses shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901–5902 and D.C. Code 4–204).*

*SEC. 106. Annual appropriations made in this title shall be available for obligation in connection with contracts issued for services or rentals for periods not in excess of 12 months beginning at any time during the fiscal year.*

*SEC. 107. No funds provided in this title may be expended by the Department of the Interior for the conduct of offshore leasing and related activities placed under restriction in the President's moratorium statement of June 26, 1990, in the areas of northern, central, and southern California; the North Atlantic; Washington and Oregon; and the eastern Gulf of Mexico south of 26 degrees north latitude and east of 86 degrees west longitude.*

*SEC. 108. No funds provided in this title may be expended by the Department of the Interior for the conduct of offshore oil and natural gas preleasing, leasing, and related activities, on lands within the North Aleutian Basin planning area.*

*SEC. 109. No funds provided in this title may be expended by the Department of the Interior to conduct offshore oil and natural gas preleasing, leasing and related activities in the eastern Gulf of Mexico planning area for any lands located outside Sale 181, as identified in the final Outer Continental Shelf 5-Year Oil and Gas Leasing Program, 1997–2002.*

*SEC. 110. No funds provided in this title may be expended by the Department of the Interior to conduct oil and natural gas preleasing, leasing and related activities in the Mid-Atlantic and South Atlantic planning areas.*

*SEC. 111. Advance payments made under this title to Indian tribes, tribal organizations, and tribal consortia pursuant to the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) or the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2501 et seq.) may be invested by the Indian tribe, tribal organization, or consortium before such funds are expended for the purposes of the grant, compact, or annual funding agreement so long as such funds are—*

*(1) invested by the Indian tribe, tribal organization, or consortium only in obligations of the United States, or in obligations or securities that are guaranteed or insured by the United States, or mutual (or other) funds registered with the Securities and Exchange Commission and which only invest in obligations of the United States or securities that are guaranteed or insured by the United States; or*

*(2) deposited only into accounts that are insured by an agency or instrumentality of the United States, or are fully collateralized to ensure protection of the funds, even in the event of a bank failure.*

*SEC. 112. Notwithstanding any other provisions of law, the National Park Service shall not develop or implement a reduced entrance fee program to accommodate non-local travel through a unit. The Secretary may provide for and regulate local non-recreational passage through units of the National Park System, allowing each unit to develop guidelines and permits for such activity appropriate to that unit.*

*SEC. 113. Refunds or rebates received on an on-going basis from a credit card services provider under the Department of the Interior's charge card programs may be deposited to and retained without fiscal year limitation in the Departmental Working Capital Fund established under 43 U.S.C. 1467 and used to fund management initiatives of general benefit to the Department of the Interior's bureaus and offices as determined by the Secretary or his designee.*

*SEC. 114. Appropriations made in this title under the headings Bureau of Indian Affairs and Office of Special Trustee for American Indians and any available unobligated balances from prior appropriations Acts made under the same headings, shall be available for expenditure or transfer for Indian trust management activities pursuant to the Trust Management Improvement Project High Level Implementation Plan.*

*SEC. 115. Notwithstanding any provision of law, the Secretary of the Interior is authorized to negotiate and enter into agreements and leases, without regard to section 321 of chapter 314 of the Act of June 30, 1932 (40 U.S.C. 303b), with any person, firm, association, organization, corporation, or governmental entity for all or part of the property within Fort Baker administered by the Secretary as part of Golden Gate National Recreation Area. The proceeds of the agreements or leases shall be retained by the Secretary and such proceeds shall be available, without future appropriation, for the preservation, restoration, operation, maintenance and interpretation and related expenses incurred with respect to Fort Baker properties.*

*SEC. 116. A grazing permit or lease that expires (or is transferred) during fiscal year 2001 shall be renewed under section 402 of the Federal Land Policy and Management Act of 1976, as amended (43 U.S.C. 1752) or if applicable, section 510 of the California Desert Protection Act (16 U.S.C. 410aaa–50). The terms and conditions contained in the expiring permit or lease shall continue in effect under the new permit or lease until such time as the Secretary of the Interior completes processing of such permit or lease in compliance with all applicable laws and regulations, at which time such permit or lease may be canceled, suspended or modified, in whole or in part, to meet the requirements of such applicable laws and regulations. Nothing in this section shall be deemed to alter the Secretary's statutory authority.*

*SEC. 117. Notwithstanding any other provision of law, for the purpose of reducing the backlog of Indian probate cases in the Department of the Interior, the hearing requirements of chapter 10 of title 25, United States Code, are deemed satisfied by a proceeding conducted by an Indian probate judge, appointed by the Secretary without regard to the provisions of title 5, United States Code, governing the appointments in the competitive service, for such period of time as the Secretary determines necessary: Provided, That the basic pay of an Indian probate* *judge so appointed may be fixed by the Secretary without regard to the provisions of chapter 51, and subchapter III of chapter 53 of title 5, United States Code, governing the classification and pay of General Schedule employees, except that no such Indian probate judge may be paid at a level which exceeds the maximum rate payable for the highest grade of the General Schedule, including locality pay.*

*SEC. 118. (a) Notwithstanding any other provision of law, with respect to amounts made available for tribal priority allocations in Alaska, such amounts shall only be provided to tribes the membership of which on June 1, 2000 is composed of at least 25 individuals who are Natives (as such term is defined in section 3(b) of the Alaska Native Claims Settlement Act).*

*(b) Amounts that would have been made available for tribal priority allocations in Alaska but for the limitation contained in subsection (a) shall be provided to the respective Alaska Native regional nonprofit corporation (as listed in section 103(a)(2) of Public Law 104–193, 110 Stat. 2159) for the respective region in which a tribe subject to subsection (a) is located, notwithstanding any resolution authorized under federal law to the contrary.*

*SEC. 119. None of the funds in this Act may be used to establish a new National Wildlife Refuge in the Kankakee River basin that is inconsistent with the United States Army Corps of Engineers' efforts to control flooding and siltation in that area. Written certification of consistency shall be submitted to the House and Senate Committees on Appropriations prior to refuge establishment.*

*SEC. 120. (a) In this section—*

*(1) the term "Huron Cemetery" means the lands that form the cemetery that is popularly known as the Huron Cemetery, located in Kansas City, Kansas, as described in subsection (b)(3); and*

*(2) the term "Secretary" means the Secretary of the Interior.*

*(b)(1) The Secretary shall take such action as may be necessary to ensure that the lands comprising the Huron Cemetery (as described in paragraph (3)) are used only in accordance with this subsection.*

*(2) The lands of the Huron Cemetery shall be used only—*

*(A) for religious and cultural uses that are compatible with the use of the lands as a cemetery; and*

*(B) as a burial ground.*

*(3) The description of the lands of the Huron Cemetery is as follows:*

*The tract of land in the NW quarter of sec. 10, T. 11 S., R. 25 E., of the sixth principal meridian, in Wyandotte County, Kansas (as surveyed and marked on the ground on August 15, 1888, by William Millor, Civil Engineer and Surveyor), described as follows:*

*"Commencing on the Northwest corner of the Northwest Quarter of the Northwest Quarter of said Section 10;*

*"Thence South 28 poles to the 'true point of beginning';*

*"Thence South 71 degrees East 10 poles and 18 links;*

*"Thence South 18 degrees and 30 minutes West 28 poles;*

*"Thence West 11 and one-half poles;*

*"Thence North 19 degrees 15 minutes East 31 poles and 15 feet to the 'true point of beginning', containing 2 acres or more.".*

*SEC. 121. None of the Funds provided in this Act shall be available to the Bureau of Indian Affairs or the Department of the Interior to transfer land into trust status for the Shoalwater Bay Indian Tribe in Clark County, Washington, unless and until the tribe and the county reach a legally enforceable agreement that addresses the financial impact of new development on the county, school district, fire district, and other local governments and the impact on zoning and development.*

*SEC. 122. None of the funds provided in this Act may be used by the Department of the Interior to implement the provisions of Principle 3(C)ii and Appendix section 3(B)(4) in Secretarial Order 3206, entitled "American Indian Tribal Rights, Federal-Tribal Trust Responsibilities, and the Endangered Species Act".*

*SEC. 123. No funds appropriated for the Department of the Interior by this Act or any other Act shall be used to study or implement any plan to drain Lake Powell or to reduce the water level of the lake below the range of water levels required for the operation of the Glen Canyon Dam.*

*SEC. 124. Funds appropriated for the Bureau of Indian Affairs for postsecondary schools for fiscal year 2001 shall be allocated among the schools proportionate to the unmet need of the schools as determined by the Postsecondary Funding Formula adopted by the Office of Indian Education Programs.*

*SEC. 125. On the date of enactment, the National Marine Fisheries Service and the U.S. Fish and Wildlife Service shall continue consultation with the U.S. Army Corps of Engineers to develop a comprehensive plan to eliminate Caspian Tern nesting at Rice Island in the Columbia River Estuary. The agencies shall develop a report on the significance of tern predation in limiting salmon recovery and their roles and recommendations for the Rice Island colony relocation by March 31, 2001. This report shall address all available options for successfully completing the Rice Island colony relocation.*

*SEC. 126. Notwithstanding any other provision of law, in conveying the Twin Cities Research Center under the authority provided by Public Law 104–134, as amended by Public Law 104–208, the Secretary may accept and retain land and other forms of reimbursement: Provided, That the Secretary may retain and use any such reimbursement until expended and without further appropriation: (1) for the benefit of the National Wildlife Refuge System within the State of Minnesota; and (2) for all activities authorized by Public Law 100–696; 16 U.S.C. 460zz.*

*SEC. 127. Section 112 of Public Law 103–138 (107 Stat. 1399) is amended by striking "permit LP–GLBA005–93" and inserting "permit LP–GLBA005–93 and in connection with a corporate reorganization plan, the entity that, after the corporate reorganization, holds entry permit CP–GLBA004–00 each".*

*SEC. 128. Notwithstanding any other provision of law, the Secretary of the Interior shall designate Anchorage, Alaska, as a port of entry for the purpose of section 9(f)(1) of the Endangered Species Act of 1973 (16 U.S.C. 1538(f)(1)).*

*SEC. 129. (a) The first section of Public Law 92–501 (86 Stat. 904) is amended by inserting after the first sentence "The park shall also include the land as generally depicted on the map entitled 'subdivision of a portion of U.S. Survey 407, Tract B, dated May 12, 2000' ".*

*(b) Section 3 of Public Law 92–501 is amended to read as follows: "There are authorized to be appropriated such sums as are necessary to carry out the terms of this Act.".*

## *TITLE II—RELATED AGENCIES*

## *DEPARTMENT OF AGRICULTURE*

### *FOREST SERVICE*

### *FOREST AND RANGELAND RESEARCH*

*For necessary expenses of forest and rangeland research as authorized by law, $221,966,000, to remain available until expended.*

### *STATE AND PRIVATE FORESTRY*

*For necessary expenses of cooperating with and providing technical and financial assistance to States, territories, possessions, and others, and for forest health management, cooperative forestry, and education and land conservation activities, $226,266,000, to remain available until expended, as authorized by law.*

### *NATIONAL FOREST SYSTEM*

*For necessary expenses of the Forest Service, not otherwise provided for, for management, protection, improvement, and utilization of the National Forest System, $1,233,824,000, to remain available until expended, which shall include 50 percent of all moneys received during prior fiscal years as fees collected under the Land and Water Conservation Fund Act of 1965, as amended, in accordance with section 4 of the Act (16 U.S.C. 460l–6a(i)): Provided, That unobligated balances available at the start of fiscal year 2001 shall be displayed by extended budget line item in the fiscal year 2002 budget justification: Provided further, That of the amount available for vegetation and watershed management, the Secretary may authorize the expenditure or transfer of such sums as necessary to the Department of the Interior, Bureau of Land Management for removal, preparation, and adoption of excess wild horses and burros from National Forest System lands: Provided further, That $5,000,000 shall be allocated to the Alaska Region, in addition to its normal allocation for the purposes of preparing additional timber for sale, to establish a 3-year timber supply and such funds may be transferred to other appropriations accounts as necessary to maximize accomplishment: Provided further, That of funds available for Wildlife and Fish Habitat Management, $400,000 shall be provided to the State of Alaska for cooperative monitoring activities, and of the funds provided for Forest Products, $700,000 shall be provided to the State of Alaska for monitoring activities at Forest Service log transfer facilities, both in the form of an advance, direct lump sum payment.*

### *WILDLAND FIRE MANAGEMENT*

*For necessary expenses for forest fire presuppression activities on National Forest System lands, for emergency fire suppression on or adjacent to such lands or other lands under fire protection agreement, and for emergency rehabilitation of burned-over National Forest System lands and water, $618,500,000, to remain available until expended: Provided, That such funds are available for repayment of advances from other appropriations accounts previously transferred for such purposes: Provided further, That not less than 50 percent of any unobligated balances remaining (exclusive of amounts for hazardous fuels reduction) at the end of fiscal year 2000 shall be transferred, as repayment for post advances that have not been repaid, to the fund established pursuant to section 3 of Public Law 71–319 (16 U.S.C. 576 et seq.): Provided further, That notwithstanding any other provision of law, up to $5,000,000 of funds appropriated under this appropriation may be used for Fire Science Research in support of the Joint Fire Science Program: Provided further, That all authorities for the use of funds, including the use of contracts, grants, and cooperative agreements, available to execute the Forest Service and Rangeland Research appropriation, are also available in the utilization of these funds for Fire Science Research.*

*For an additional amount to cover necessary expenses for emergency rehabilitation, presuppression due to emergencies, and wildfire suppression activities of the Forest Service, $150,000,000, to remain available until expended: Provided, That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: Provided further, That these funds shall be available only to the extent an official budget request for a specific dollar amount, that includes designation of the entire* *amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.*

### *CAPITAL IMPROVEMENT AND MAINTENANCE*

*For necessary expenses of the Forest Service, not otherwise provided for, $448,312,000, to remain available until expended for construction, reconstruction, maintenance and acquisition of buildings and other facilities, and for construction, reconstruction, repair and maintenance of forest roads and trails by the Forest Service as authorized by 16 U.S.C. 532–538 and 23 U.S.C. 101 and 205: Provided, That $5,000,000 of the funds provided herein for roads shall be for the purposes of section 502(e) of Public Law 15–83: Provided further, That up to $15,000,000 of the funds provided herein for road maintenance shall be available for the decommissioning of roads, including unauthorized roads not part of the transportation system, which are no longer needed: Provided further, That no funds shall be expended to decommission any system road until notice and an opportunity for public comment has been provided on each decommissioning project: Provided further, That any unobligated balances of amounts previously appropriated to the Forest Service "Reconstruction and Construction" account as well as any unobligated balances remaining in the "National Forest System" account for the facility maintenance and trail maintenance extended budget line items may be transferred to and merged with the "Capital Improvement and Maintenance" account.*

### *LAND ACQUISITION*

*For expenses necessary to carry out the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601–4 through 11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the Forest Service, $76,320,000, to be derived from the Land and Water Conservation Fund, to remain available until expended: Provided, That notwithstanding any other provision of law, of the funds provided not less than $5,000,000 but not to exceed $10,000,000 shall be made available to Kake Tribal Corporation to implement the Kake Tribal Corporation Land Transfer Act upon its enactment into law.*

### *ACQUISITION OF LANDS FOR NATIONAL FORESTS SPECIAL ACTS*

*For acquisition of lands within the exterior boundaries of the Cache, Uinta, and Wasatch National Forests, Utah; the Toiyabe National Forest, Nevada; and the Angeles, San Bernardino, Sequoia, and Cleveland National Forests, California, as authorized by law, $1,068,000, to be derived from forest receipts.*

### *ACQUISITION OF LANDS TO COMPLETE LAND EXCHANGES*

*For acquisition of lands, such sums, to be derived from funds deposited by State, county, or municipal governments, public school districts, or other public school authorities pursuant to the Act of December 4, 1967, as amended (16 U.S.C. 484a), to remain available until expended.*

### *RANGE BETTERMENT FUND*

*For necessary expenses of range rehabilitation, protection, and improvement, 50 percent of all moneys received during the prior fiscal year, as fees for grazing domestic livestock on lands in National Forests in the 16 Western States, pursuant to section 401(b)(1) of Public Law 94–579, as amended, to remain available until expended, of which not to exceed 6 percent shall be available for administrative expenses associated with on-the-ground range rehabilitation, protection, and improvements.*

### *GIFTS, DONATIONS AND BEQUESTS FOR FOREST AND RANGELAND RESEARCH*

*For expenses authorized by 16 U.S.C. 1643(b), $92,000, to remain available until expended, to be derived from the fund established pursuant to the above Act.*

### *MANAGEMENT OF NATIONAL FOREST LANDS FOR SUBSISTENCE USES*

### *SUBSISTENCE MANAGEMENT, FOREST SERVICE*

*For necessary expenses of the Forest Service to manage federal lands in Alaska for subsistence uses under title VIII of the Alaska National Interest Lands Conservation Act (Public Law 96–487), $5,500,000, to remain available until expended.*

### *ADMINISTRATIVE PROVISIONS, FOREST SERVICE*

*Appropriations to the Forest Service for the current fiscal year shall be available for: (1) purchase of not to exceed 132 passenger motor vehicles of which 13 will be used primarily for law enforcement purposes and of which 129 shall be for replacement; acquisition of 25 passenger motor vehicles from excess sources, and hire of such vehicles; operation and maintenance of aircraft, the purchase of not to exceed six for replacement only, and acquisition of sufficient aircraft from excess sources to maintain the operable fleet at 192 aircraft for use in Forest Service wildland fire programs and other Forest Service programs; notwithstanding other provisions of law, existing aircraft being replaced may be sold, with proceeds derived or trade-in value used to offset the purchase price for the replacement aircraft; (2) services pursuant to 7 U.S.C. 2225, and not to exceed $100,000 for employment under 5 U.S.C. 3109; (3) purchase, erection, and alteration of buildings and other public improvements (7 U.S.C. 2250); (4) acquisition of land, waters, and interests therein, pursuant to 7 U.S.C. 428a; (5) for expenses pursuant to the Volunteers in the National Forest Act of 1972 (16 U.S.C. 558a, 558d, and 558a note); (6) the cost of uniforms as authorized by 5 U.S.C. 5901–5902; and (7) for debt collection contracts in accordance with 31 U.S.C. 3718(c).*

*None of the funds made available under this Act shall be obligated or expended to abolish any region, to move or close any regional office for National Forest System administration of the Forest Service, Department of Agriculture without the consent of the House and Senate Committees on Appropriations.*

*Any appropriations or funds available to the Forest Service may be transferred to the Wildland Fire Management appropriation for forest firefighting, emergency rehabilitation of burned-over or damaged lands or waters under its jurisdiction, and fire preparedness due to severe burning conditions if and only if all previously appropriated emergency contingent funds under the heading "Wildland Fire Management" have been released by the President and apportioned.*

*Funds appropriated to the Forest Service shall be available for assistance to or through the Agency for International Development and the Foreign Agricultural Service in connection with forest and rangeland research, technical information, and assistance in foreign countries, and shall be available to support forestry and related natural resource activities outside the United States and its territories and possessions, including technical assistance, education and training, and cooperation with United States and international organizations.*

*None of the funds made available to the Forest Service under this Act shall be subject to transfer under the provisions of section 702(b) of the Department of Agriculture Organic Act of 1944 (7 U.S.C. 2257) or 7 U.S.C. 147b unless the proposed transfer is approved in advance by the House and Senate Committees on Appropriations in compliance with the reprogramming procedures contained in House Report No. 105–163.*

*None of the funds available to the Forest Service may be reprogrammed without the advance approval of the House and Senate Committees on Appropriations in accordance with the procedures contained in House Report No. 105–163.*

*No funds appropriated to the Forest Service shall be transferred to the Working Capital Fund of the Department of Agriculture without the approval of the Chief of the Forest Service.*

*Funds available to the Forest Service shall be available to conduct a program of not less than $2,000,000 for high priority projects within the scope of the approved budget which shall be carried out by the Youth Conservation Corps as authorized by the Act of August 13, 1970, as amended by Public Law 93–408.*

*Of the funds available to the Forest Service, $1,500 is available to the Chief of the Forest Service for official reception and representation expenses.*

*To the greatest extent possible, and in accordance with the Final Amendment to the Shawnee National Forest Plan, none of the funds available in this Act shall be used for preparation of timber sales using clearcutting or other forms of even-aged management in hardwood stands in the Shawnee National Forest, Illinois.*

*Pursuant to sections 405(b) and 410(b) of Public Law 101–593, of the funds available to the Forest Service, up to $2,250,000 may be advanced in a lump sum as Federal financial assistance to the National Forest Foundation, without regard to when the Foundation incurs expenses, for administrative expenses or projects on or benefitting National Forest System lands or related to Forest Service programs: Provided, That of the Federal funds made available to the Foundation, no more than $400,000 shall be available for administrative expenses: Provided further, That the Foundation shall obtain, by the end of the period of Federal financial assistance, private contributions to match on at least one-for-one basis funds made available by the Forest Service: Provided further, That the Foundation may transfer Federal funds to a non-Federal recipient for a project at the same rate that the recipient has obtained the non-Federal matching funds: Provided further, That hereafter, the National Forest Foundation may hold Federal funds made available but not immediately disbursed and may use any interest or other investment income earned (before, on, or after the date of the enactment of this Act) on Federal funds to carry out the purposes of Public Law 101–593: Provided further, That such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States.*

*Pursuant to section 2(b)(2) of Public Law 98–244, $2,650,000 of the funds available to the Forest Service shall be available for matching funds to the National Fish and Wildlife Foundation, as authorized by 16 U.S.C. 3701–3709, and may be advanced in a lump sum as Federal financial assistance, without regard to when expenses are incurred, for projects on or benefitting National Forest System lands or related to Forest Service programs: Provided, That the Foundation shall obtain, by the end of the period of Federal financial assistance, private contributions to match on at least one-for-one basis funds advanced by the Forest Service: Provided further, That the Foundation may transfer Federal funds to a non-Federal recipient for a project at the same rate that the recipient has obtained the non-Federal matching funds.*

*Funds appropriated to the Forest Service shall be available for interactions with and providing technical assistance to rural communities for sustainable rural development purposes.*

*Notwithstanding any other provision of law, 80 percent of the funds appropriated to the Forest Service in the "National Forest System" and*

*"Capital Improvement and Maintenance" accounts and planned to be allocated to activities under the "Jobs in the Woods" program for projects on National Forest land in the State of Washington may be granted directly to the Washington State Department of Fish and Wildlife for accomplishment of planned projects. Twenty percent of said funds shall be retained by the Forest Service for planning and administering projects. Project selection and prioritization shall be accomplished by the Forest Service with such consultation with the State of Washington as the Forest Service deems appropriate.*

*Funds appropriated to the Forest Service shall be available for payments to counties within the Columbia River Gorge National Scenic Area, pursuant to sections 14(c)(1) and (2), and section 16(a)(2) of Public Law 99–663.*

*The Secretary of Agriculture is authorized to enter into grants, contracts, and cooperative agreements as appropriate with the Pinchot Institute for Conservation, as well as with public and other private agencies, organizations, institutions, and individuals, to provide for the development, administration, maintenance, or restoration of land, facilities, or Forest Service programs, at the Grey Towers National Historic Landmark: Provided, That, subject to such terms and conditions as the Secretary of Agriculture may prescribe, any such public or private agency, organization, institution, or individual may solicit, accept, and administer private gifts of money and real or personal property for the benefit of, or in connection with, the activities and services at the Grey Towers National Historic Landmark: Provided further, That such gifts may be accepted notwithstanding the fact that a donor conducts business with the Department of Agriculture in any capacity.*

*Funds appropriated to the Forest Service shall be available, as determined by the Secretary, for payments to Del Norte County, California, pursuant to sections 13(e) and 14 of the Smith River National Recreation Area Act (Public Law 101–612).*

*Notwithstanding any other provision of law, any appropriations or funds available to the Forest Service not to exceed $500,000 may be used to reimburse the Office of the General Counsel (OGC), Department of Agriculture, for travel and related expenses incurred as a result of OGC assistance or participation requested by the Forest Service at meetings, training sessions, management reviews, land purchase negotiations and similar non-litigation related matters. Future budget justifications for both the Forest Service and the Department of Agriculture should clearly display the sums previously transferred and the requested funding transfers.*

*No employee of the Department of Agriculture may be detailed or assigned from an agency or office funded by this Act to any other agency or office of the department for more than 30 days unless the individual's employing agency or office is fully reimbursed by the receiving agency or office for the salary and expenses of the employee for the period of assignment.*

*The Forest Service shall fund overhead, national commitments, indirect expenses, and any other category for use of funds which are expended at any units, that are not directly related to the accomplishment of specific work on-the-ground (referred to as "indirect expenditures"), from funds available to the Forest Service, unless otherwise prohibited by law: Provided, That the Forest Service shall implement and adhere to the definitions of indirect expenditures established pursuant to Public Law 105–277 on a nationwide basis without flexibility for modification by any organizational level except the Washington Office, and when changed by the Washington Office, such changes in definition shall be reported in budget requests submitted by the Forest Service: Provided further, That the Forest Service shall provide in all future budget justifications, planned indirect expenditures in accordance with the definitions, summarized and displayed to the Regional, Station, Area, and detached unit office level. The justification shall display the estimated source and amount of indirect expenditures, by expanded budget line item, of funds in the agency's annual budget justification. The display shall include appropriated funds and the Knutson-Vandenberg, Brush Disposal, Cooperative Work-Other, and Salvage Sale funds. Changes between estimated and actual indirect expenditures shall be reported in subsequent budget justifications: Provided, That during fiscal year 2001 the Secretary shall limit total annual indirect obligations from the Brush Disposal, Cooperative Work-Other, Knutson-Vandenberg, Reforestation, Salvage Sale, and Roads and Trails funds to 20 percent of the total obligations from each fund.*

*Any appropriations or funds available to the Forest Service may be used for necessary expenses in the event of law enforcement emergencies as necessary to protect natural resources and public or employee safety: Provided, That such amounts shall not exceed $750,000.*

*The Secretary of Agriculture shall pay $4,449 from available funds to Joyce Liverca as reimbursement for various expenses incurred as a Federal employee in connection with certain high priority duties performed for the Forest Service.*

*The Forest Service shall submit a report to the House and Senate Committees on Appropriations by March 1, 2001 indicating the anticipated timber offer level in fiscal year 2001 with the funds provided in this Act: Provided, That if the anticipated offer level is less than 3.6 billion board feet, the agency shall submit a reprogramming request to attain this offer level by the close of fiscal year 2001.*

*Of the funds available to the Forest Service, $150,000 shall be made available in the form of an advanced, direct lump sum payment to the Society of American Foresters to support conservation education purposes in collaboration with the Forest Service.*

*The Secretary of Agriculture may authorize the sale of excess buildings, facilities, and other properties owned by the Forest Service and located on the Green Mountain National Forest, the revenues of which shall be retained by the Forest Service and available to the Secretary without further appropriation and until expended for maintenance and rehabilitation activities on the Green Mountain National Forest.*

## *DEPARTMENT OF ENERGY*

### *CLEAN COAL TECHNOLOGY*

### *(DEFERRAL)*

*Of the funds made available under this heading for obligation in prior years, $67,000,000 shall not be available until October 1, 2001: Provided, That funds made available in previous appropriations Acts shall be available for any ongoing project regardless of the separate request for proposal under which the project was selected.*

### *FOSSIL ENERGY RESEARCH AND DEVELOPMENT*

### *(INCLUDING TRANSFER OF FUNDS)*

*For necessary expenses in carrying out fossil energy research and development activities, under the authority of the Department of Energy Organization Act (Public Law 95–91), including the acquisition of interest, including defeasible and equitable interests in any real property or any facility or for plant or facility acquisition or expansion, and for conducting inquiries, technological investigations and research concerning the extraction, processing, use, and disposal of mineral substances without objectionable social and environmental costs (30 U.S.C. 3, 1602, and 1603), performed under the minerals and materials science programs at the Albany Research Center in Oregon $413,338,000, to remain available until expended, of which $12,000,000 for oil technology research shall be derived by transfer from funds appropriated in prior years under the heading "Strategic Petroleum Reserve, SPR Petroleum Account": Provided, That no part of the sum herein made available shall be used for the field testing of nuclear explosives in the recovery of oil and gas: Provided further, That up to 4 percent of program direction funds available to the National Energy Technology Laboratory may be used to support Department of Energy activities not included in this account.*

### *ALTERNATIVE FUELS PRODUCTION*

### *(RESCISSION)*

*Of the unobligated balances under this heading, $1,000,000 are rescinded.*

### *NAVAL PETROLEUM AND OIL SHALE RESERVES*

### *(RESCISSION)*

*Of the amounts previously appropriated under this heading, $7,000,000 are rescinded: Provided, That the requirements of 10 U.S.C. 7430(b)(2)(B) shall not apply to fiscal year 2001 and any fiscal year thereafter: Provided further, That, notwithstanding any other provision of law, unobligated funds remaining from prior years shall be available for all naval petroleum and oil shale reserve activities.*

### *ELK HILLS SCHOOL LANDS FUND*

*For necessary expenses in fulfilling installment payments under the Settlement Agreement entered into by the United States and the State of California on October 11, 1996, as authorized by section 3415 of Public Law 104–106, $36,000,000, to become available on October 1, 2001 for payment to the State of California for the State Teachers' Retirement Fund from the Elk Hills School Lands Fund.*

### *ENERGY CONSERVATION*

### *(INCLUDING TRANSFER OF FUNDS)*

*For necessary expenses in carrying out energy conservation activities, $761,937,000, to remain available until expended, of which $2,000,000 shall be derived by transfer from unobligated balances in the Biomass Energy Development account: Provided, That $172,000,000 shall be for use in energy conservation programs as defined in section 3008(3) of Public Law 99–509 (15 U.S.C. 4507): Provided further, That notwithstanding section 3003(d)(2) of Public Law 99–509, such sums shall be allocated to the eligible programs as follows: $138,000,000 for weatherization assistance grants and $34,000,000 for State energy conservation grants: Provided further, That notwithstanding any other provision of law, the Secretary of Energy may waive the matching requirement for weatherization assistance provided for by Public Law 106–113 in whole or in part for a State which he finds to be experiencing fiscal hardship or major changes in energy markets or suppliers or other temporary limitations on its ability to provide matching funds, provided that the State is demonstrably engaged in continuing activities to secure non-federal resources and that such waiver is limited to one fiscal year and that no state may be granted such waiver more than twice: Provided further, That Indian tribal grantees of weatherization assistance shall not be required to provide matching funds.*

### *ECONOMIC REGULATION*

*For necessary expenses in carrying out the activities of the Office of Hearings and Appeals, $2,000,000, to remain available until expended.*

### *STRATEGIC PETROLEUM RESERVE*

*For necessary expenses for Strategic Petroleum Reserve facility development and operations and program management activities pursuant to the Energy Policy and Conservation*

*Act of 1975, as amended (42 U.S.C. 6201 et seq.), $157,000,000, to remain available until expended.*

### ENERGY INFORMATION ADMINISTRATION

*For necessary expenses in carrying out the activities of the Energy Information Administration, $74,000,000, to remain available until expended.*

### ADMINISTRATIVE PROVISIONS, DEPARTMENT OF ENERGY

*Appropriations under this Act for the current fiscal year shall be available for hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; purchase, repair, and cleaning of uniforms; and reimbursement to the General Services Administration for security guard services.*

*From appropriations under this Act, transfers of sums may be made to other agencies of the Government for the performance of work for which the appropriation is made.*

*None of the funds made available to the Department of Energy under this Act shall be used to implement or finance authorized price support or loan guarantee programs unless specific provision is made for such programs in an appropriations Act.*

*The Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, private or foreign: Provided, That revenues and other moneys received by or for the account of the Department of Energy or otherwise generated by sale of products in connection with projects of the Department appropriated under this Act may be retained by the Secretary of Energy, to be available until expended, and used only for plant construction, operation, costs, and payments to cost-sharing entities as provided in appropriate cost-sharing contracts or agreements: Provided further, That the remainder of revenues after the making of such payments shall be covered into the Treasury as miscellaneous receipts: Provided further, That any contract, agreement, or provision thereof entered into by the Secretary pursuant to this authority shall not be executed prior to the expiration of 30 calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) from the receipt by the Speaker of the House of Representatives and the President of the Senate of a full comprehensive report on such project, including the facts and circumstances relied upon in support of the proposed project.*

*No funds provided in this Act may be expended by the Department of Energy to prepare, issue, or process procurement documents for programs or projects for which appropriations have not been made.*

*In addition to other authorities set forth in this Act, the Secretary may accept fees and contributions from public and private sources, to be deposited in a contributed funds account, and prosecute projects using such fees and contributions in cooperation with other Federal, State or private agencies or concerns.*

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### INDIAN HEALTH SERVICE

### INDIAN HEALTH SERVICES

*For expenses necessary to carry out the Act of August 5, 1954 (68 Stat. 674), the Indian Self-Determination Act, the Indian Health Care Improvement Act, and titles II and III of the Public Health Service Act with respect to the Indian Health Service, $2,184,421,000, together with payments received during the fiscal year pursuant to 42 U.S.C. 238(b) for services furnished by the Indian Health Service: Provided, That funds made available to tribes and tribal organizations through contracts, grant agreements, or any other agreements or compacts authorized by the Indian Self-Determination and Education Assistance Act of 1975 (25 U.S.C. 450), shall be deemed to be obligated at the time of the grant or contract award and thereafter shall remain available to the tribe or tribal organization without fiscal year limitation: Provided further, That $12,000,000 shall remain available until expended, for the Indian Catastrophic Health Emergency Fund: Provided further, That $426,756,000 for contract medical care shall remain available for obligation until September 30, 2002: Provided further, That of the funds provided, up to $17,000,000 shall be used to carry out the loan repayment program under section 108 of the Indian Health Care Improvement Act: Provided further, That funds provided in this Act may be used for 1-year contracts and grants which are to be performed in two fiscal years, so long as the total obligation is recorded in the year for which the funds are appropriated: Provided further, That the amounts collected by the Secretary of Health and Human Services under the authority of title IV of the Indian Health Care Improvement Act shall remain available until expended for the purpose of achieving compliance with the applicable conditions and requirements of titles XVIII and XIX of the Social Security Act (exclusive of planning, design, or construction of new facilities): Provided further, That funding contained herein, and in any earlier appropriations Acts for scholarship programs under the Indian Health Care Improvement Act (25 U.S.C. 1613) shall remain available for obligation until September 30, 2002: Provided further, That amounts received by tribes and tribal organizations under title IV of the Indian Health Care Improvement Act shall be reported and accounted for and available to the receiving tribes and tribal organizations until expended: Provided further, That, notwithstanding any other provision of law, of the amounts provided herein, not to exceed $243,781,000 shall be for payments to tribes and tribal organizations for contract or grant support costs associated with contracts, grants, self-governance compacts or annual funding agreements between the Indian Health Service and a tribe or tribal organization pursuant to the Indian Self-Determination Act of 1975, as amended, prior to or during fiscal year 2001, of which not to exceed $10,000,000 may be used for such costs associated with new and expanded contracts, grants, self-governance compacts or annual funding agreements: Provided further, That amounts appropriated to the Indian Health Service shall not be used to pay for contract health services in excess of the established Medicare and Medicaid rate for similar services: Provided further, That Indian tribes and tribal organizations that operate health care programs under contracts or compacts pursuant to the Indian Self-Determination and Education Assistance Act of 1975, Public Law 93–638, as amended, may access prime vendor rates for the cost of pharmaceutical products on the same basis and for the same purposes as the Indian Health Service may access such products: Provided further, That funds available for the Indian Health Care Improvement Fund may be used, as needed, to carry out activities typically funded under the Indian Health Facilities account.*

### INDIAN HEALTH FACILITIES

*For construction, repair, maintenance, improvement, and equipment of health and related auxiliary facilities, including quarters for personnel; preparation of plans, specifications, and drawings; acquisition of sites, purchase and erection of modular buildings, and purchases of trailers; and for provision of domestic and community sanitation facilities for Indians, as authorized by section 7 of the Act of August 5, 1954 (42 U.S.C. 2004a), the Indian Self-Determination Act, and the Indian Health Care Improvement Act, and for expenses necessary to carry out such Acts and titles II and III of the Public Health Service Act with respect to environmental health and facilities support activities of the Indian Health Service, $349,350,000, to remain available until expended: Provided, That notwithstanding any other provision of law, funds appropriated for the planning, design, construction or renovation of health facilities for the benefit of an Indian tribe or tribes may be used to purchase land for sites to construct, improve, or enlarge health or related facilities: Provided further, That from the funds appropriated herein, $5,000,000 shall be designated by the Indian Health Service as a contribution to the Yukon-Kuskokwim Health Corporation (YKHC) to start a priority project for the acquisition of land, planning, design and construction of 79 staff quarters at Bethel, Alaska, subject to a negotiated project agreement between the YKHC and the Indian Health Service: Provided further, That this project shall not be subject to the construction provisions of the Indian Self-Determination and Education Assistance Act and shall be removed from the Indian Health Service priority list upon completion: Provided further, That the Federal Government shall not be liable for any property damages or other construction claims that may arise from YKHC undertaking this project: Provided further, That the land shall be owned or leased by the YKHC and title to quarters shall remain vested with the YKHC: Provided further, That notwithstanding any provision of law governing Federal construction, $240,000 of the funds provided herein shall be provided to the Hopi Tribe to reduce the debt incurred by the Tribe in providing staff quarters to meet the housing needs associated with the new Hopi Health Center: Provided further, That $5,000,000 shall remain available until expended for the purpose of funding joint venture health care facility projects authorized under the Indian Health Care Improvement Act, as amended: Provided further, That priority, by rank order, shall be given to tribes with outpatient projects on the existing Indian Health Services priority list that have Service-approved planning documents, and can demonstrate by March 1, 2001, the financial capability necessary to provide an appropriate facility: Provided further, That joint venture funds unallocated after March 1, 2001, shall be made available for joint venture projects on a competitive basis giving priority to tribes that currently have no existing Federally-owned health care facility, have planning documents meeting Indian Health Service requirements prepared for approval by the Service and can demonstrate the financial capability needed to provide an appropriate facility: Provided further, That the Indian Health Service shall request additional staffing, operation and maintenance funds for these facilities in future budget requests: Provided further, That not to exceed $500,000 shall be used by the Indian Health Service to purchase TRANSAM equipment from the Department of Defense for distribution to the Indian Health Service and tribal facilities: Provided further, That not to exceed $500,000 shall be used by the Indian Health Service to obtain ambulances for the Indian Health Service and tribal facilities in conjunction with an existing interagency agreement between the Indian Health Service and the General Services Administration: Provided further, That not to exceed $500,000 shall be placed in a Demolition Fund, available until expended, to be used by the Indian Health Service for demolition of Federal buildings.*

### ADMINISTRATIVE PROVISIONS, INDIAN HEALTH SERVICE

*Appropriations in this Act to the Indian Health Service shall be available for services as authorized by 5 U.S.C. 3109 but at rates not to* *exceed the per diem rate equivalent to the maximum rate payable for senior-level positions under 5 U.S.C. 5376; hire of passenger motor vehicles and aircraft; purchase of medical equipment; purchase of reprints; purchase, renovation and erection of modular buildings and renovation of existing facilities; payments for telephone service in private residences in the field, when authorized under regulations approved by the Secretary; and for uniforms or allowances therefore as authorized by 5 U.S.C. 5901–5902; and for expenses of attendance at meetings which are concerned with the functions or activities for which the appropriation is made or which will contribute to improved conduct, supervision, or management of those functions or activities: Provided, That in accordance with the provisions of the Indian Health Care Improvement Act, non-Indian patients may be extended health care at all tribally administered or Indian Health Service facilities, subject to charges, and the proceeds along with funds recovered under the Federal Medical Care Recovery Act (42 U.S.C. 2651–2653) shall be credited to the account of the facility providing the service and shall be available without fiscal year limitation: Provided further, That notwithstanding any other law or regulation, funds transferred from the Department of Housing and Urban Development to the Indian Health Service shall be administered under Public Law 86–121 (the Indian Sanitation Facilities Act) and Public Law 93–638, as amended: Provided further, That funds appropriated to the Indian Health Service in this Act, except those used for administrative and program direction purposes, shall not be subject to limitations directed at curtailing Federal travel and transportation: Provided further, That notwithstanding any other provision of law, funds previously or herein made available to a tribe or tribal organization through a contract, grant, or agreement authorized by title I or title III of the Indian Self-Determination and Education Assistance Act of 1975 (25 U.S.C. 450), may be deobligated and reobligated to a self-determination contract under title I, or a self-governance agreement under title III of such Act and thereafter shall remain available to the tribe or tribal organization without fiscal year limitation: Provided further, That none of the funds made available to the Indian Health Service in this Act shall be used to implement the final rule published in the Federal Register on September 16, 1987, by the Department of Health and Human Services, relating to the eligibility for the health care services of the Indian Health Service until the Indian Health Service has submitted a budget request reflecting the increased costs associated with the proposed final rule, and such request has been included in an appropriations Act and enacted into law: Provided further, That funds made available in this Act are to be apportioned to the Indian Health Service as appropriated in this Act, and accounted for in the appropriation structure set forth in this Act: Provided further, That with respect to functions transferred by the Indian Health Service to tribes or tribal organizations, the Indian Health Service is authorized to provide goods and services to those entities, on a reimbursable basis, including payment in advance with subsequent adjustment, and the reimbursements received therefrom, along with the funds received from those entities pursuant to the Indian Self-Determination Act, may be credited to the same or subsequent appropriation account which provided the funding, said amounts to remain available until expended: Provided further, That reimbursements for training, technical assistance, or services provided by the Indian Health Service will contain total costs, including direct, administrative, and overhead associated with the provision of goods, services, or technical assistance: Provided further, That the appropriation structure for the Indian Health Service may not be altered without advance approval of the House and Senate Committees on Appropriations.*

## *OTHER RELATED AGENCIES*

### *Office of Navajo and Hopi Indian Relocation*

#### *SALARIES AND EXPENSES*

*For necessary expenses of the Office of Navajo and Hopi Indian Relocation as authorized by Public Law 93–531, $15,000,000, to remain available until expended: Provided, That funds provided in this or any other appropriations Act are to be used to relocate eligible individuals and groups including evictees from District 6, Hopi-partitioned lands residents, those in significantly substandard housing, and all others certified as eligible and not included in the preceding categories: Provided further, That none of the funds contained in this or any other Act may be used by the Office of Navajo and Hopi Indian Relocation to evict any single Navajo or Navajo family who, as of November 30, 1985, was physically domiciled on the lands partitioned to the Hopi Tribe unless a new or replacement home is provided for such household: Provided further, That no relocatee will be provided with more than one new or replacement home: Provided further, That the Office shall relocate any certified eligible relocatees who have selected and received an approved homesite on the Navajo reservation or selected a replacement residence off the Navajo reservation or on the land acquired pursuant to 25 U.S.C. 640d–10.*

### *Institute of American Indian and Alaska Native Culture and Arts Development*

#### *PAYMENT TO THE INSTITUTE*

*For payment to the Institute of American Indian and Alaska Native Culture and Arts Development, as authorized by title XV of Public Law 99–498, as amended (20 U.S.C. 56 part A), $4,125,000.*

### *Smithsonian Institution*

#### *SALARIES AND EXPENSES*

*For necessary expenses of the Smithsonian Institution, as authorized by law, including research in the fields of art, science, and history; development, preservation, and documentation of the National Collections; presentation of public exhibits and performances; collection, preparation, dissemination, and exchange of information and publications; conduct of education, training, and museum assistance programs; maintenance, alteration, operation, lease (for terms not to exceed 30 years), and protection of buildings, facilities, and approaches; not to exceed $100,000 for services as authorized by 5 U.S.C. 3109; up to five replacement passenger vehicles; purchase, rental, repair, and cleaning of uniforms for employees, $387,755,000, of which not to exceed $47,088,000 for the instrumentation program, collections acquisition, Museum Support Center equipment and move, exhibition reinstallation, the National Museum of the American Indian, the repatriation of skeletal remains program, research equipment, information management, and Latino programming shall remain available until expended, and including such funds as may be necessary to support American overseas research centers and a total of $125,000 for the Council of American Overseas Research Centers: Provided, That funds appropriated herein are available for advance payments to independent contractors performing research services or participating in official Smithsonian presentations: Provided further, That the Smithsonian Institution may expend Federal appropriations designated in this Act for lease or rent payments for long term and swing space, as rent payable to the Smithsonian Institution, and such rent payments may be deposited into the general trust funds of the Institution to the extent that federally supported activities are housed in the 900 H Street, N.W. building in the District of Columbia: Provided further, That this use of Federal appropriations shall not be construed as debt service, a Federal guarantee of, a transfer of risk to, or an obligation of, the Federal Government: Provided further, That no appropriated funds may be used to service debt which is incurred to finance the costs of acquiring the 900 H Street building or of planning, designing, and constructing improvements to such building.*

#### *REPAIR, RESTORATION AND ALTERATION OF FACILITIES*

*For necessary expenses of repair, restoration, and alteration of facilities owned or occupied by the Smithsonian Institution, by contract or otherwise, as authorized by section 2 of the Act of August 22, 1949 (63 Stat. 623), including not to exceed $10,000 for services as authorized by 5 U.S.C. 3109, $57,600,000, to remain available until expended, of which $7,600,000 is provided for repair, rehabilitation and alteration of facilities at the National Zoological Park: Provided, That contracts awarded for environmental systems, protection systems, and repair or restoration of facilities of the Smithsonian Institution may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price.*

#### *CONSTRUCTION*

*For necessary expenses for construction, $4,500,000, to remain available until expended.*

#### *ADMINISTRATIVE PROVISIONS, SMITHSONIAN INSTITUTION*

*None of the funds in this or any other Act may be used to initiate the design for any proposed expansion of current space or new facility without consultation with the House and Senate Appropriations Committees.*

*The Smithsonian Institution shall not use Federal funds in excess of the amount specified in Public Law 101–185 for the construction of the National Museum of the American Indian.*

*None of the funds in this or any other Act may be used for the Holt House located at the National Zoological Park in Washington, D.C., unless identified as repairs to minimize water damage, monitor structure movement, or provide interim structural support.*

### *National Gallery of Art*

#### *SALARIES AND EXPENSES*

*For the upkeep and operations of the National Gallery of Art, the protection and care of the works of art therein, and administrative expenses incident thereto, as authorized by the Act of March 24, 1937 (50 Stat. 51), as amended by the public resolution of April 13, 1939 (Public Resolution 9, Seventy-sixth Congress), including services as authorized by 5 U.S.C. 3109; payment in advance when authorized by the treasurer of the Gallery for membership in library, museum, and art associations or societies whose publications or services are available to members only, or to members at a price lower than to the general public; purchase, repair, and cleaning of uniforms for guards, and uniforms, or allowances therefor, for other employees as authorized by law (5 U.S.C. 5901–5902); purchase or rental of devices and services for protecting buildings and contents thereof, and maintenance, alteration, improvement, and repair of buildings, approaches, and grounds; and purchase of services for restoration and repair of works of art for the National Gallery of Art by contracts made, without advertising, with individuals, firms, or organizations at such rates or prices and under such terms and conditions as the Gallery may deem proper, $64,781,000, of which not to exceed $3,026,000 for the special exhibition program shall remain available until expended.*

### *REPAIR, RESTORATION AND RENOVATION OF BUILDINGS*

*For necessary expenses of repair, restoration and renovation of buildings, grounds and facilities owned or occupied by the National Gallery of Art, by contract or otherwise, as authorized, $10,871,000, to remain available until expended: Provided, That contracts awarded for environmental systems, protection systems, and exterior repair or renovation of buildings of the National Gallery of Art may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price.*

### *JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS*

### *OPERATIONS AND MAINTENANCE*

*For necessary expenses for the operation, maintenance and security of the John F. Kennedy Center for the Performing Arts, $14,000,000.*

### *CONSTRUCTION*

*For necessary expenses for capital repair and restoration of the existing features of the building and site of the John F. Kennedy Center for the Performing Arts, $20,000,000, to remain available until expended.*

### *WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS*

### *SALARIES AND EXPENSES*

*For expenses necessary in carrying out the provisions of the Woodrow Wilson Memorial Act of 1968 (82 Stat. 1356) including hire of passenger vehicles and services as authorized by 5 U.S.C. 3109, $7,310,000.*

### *NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES*

### *NATIONAL ENDOWMENT FOR THE ARTS*

### *GRANTS AND ADMINISTRATION*

*For necessary expenses to carry out the National Foundation on the Arts and the Humanities Act of 1965, as amended, $105,000,000 shall be available to the National Endowment for the Arts for the support of projects and productions in the arts through assistance to organizations and individuals pursuant to sections 5(c) and 5(g) of the Act, for program support, and for administering the functions of the Act, to remain available until expended: Provided, That funds previously appropriated to the National Endowment for the Arts "Matching Grants" account may be transferred to and merged with this account.*

### *NATIONAL ENDOWMENT FOR THE HUMANITIES*

### *GRANTS AND ADMINISTRATION*

*For necessary expenses to carry out the National Foundation on the Arts and the Humanities Act of 1965, as amended, $104,604,000, shall be available to the National Endowment for the Humanities for support of activities in the humanities, pursuant to section 7(c) of the Act, and for administering the functions of the Act, to remain available until expended.*

### *MATCHING GRANTS*

*To carry out the provisions of section 10(a)(2) of the National Foundation on the Arts and the Humanities Act of 1965, as amended, $15,656,000, to remain available until expended, of which $11,656,000 shall be available to the National Endowment for the Humanities for the purposes of section 7(h): Provided, That this appropriation shall be available for obligation only in such amounts as may be equal to the total amounts of gifts, bequests, and devises of money, and other property accepted by the chairman or by grantees of the Endowment under the provisions of subsections 11(a)(2)(B) and 11(a)(3)(B) during the current and preceding fiscal years for which equal amounts have not previously been appropriated.*

### *INSTITUTE OF MUSEUM AND LIBRARY SERVICES*

### *OFFICE OF MUSEUM SERVICES*

### *GRANTS AND ADMINISTRATION*

*For carrying out subtitle C of the Museum and Library Services Act of 1996, as amended, $24,907,000, to remain available until expended.*

### *ADMINISTRATIVE PROVISIONS*

*None of the funds appropriated to the National Foundation on the Arts and the Humanities may be used to process any grant or contract documents which do not include the text of 18 U.S.C. 1913: Provided, That none of the funds appropriated to the National Foundation on the Arts and the Humanities may be used for official reception and representation expenses: Provided further, That funds from nonappropriated sources may be used as necessary for official reception and representation expenses.*

### *COMMISSION OF FINE ARTS*

### *SALARIES AND EXPENSES*

*For expenses made necessary by the Act establishing a Commission of Fine Arts (40 U.S.C. 104), $1,078,000: Provided, That the Commission is authorized to charge fees to cover the full costs of its publications, and such fees shall be credited to this account as an offsetting collection, to remain available until expended without further appropriation.*

### *NATIONAL CAPITAL ARTS AND CULTURAL AFFAIRS*

*For necessary expenses as authorized by Public Law 99–190 (20 U.S.C. 956(a)), as amended, $7,000,000.*

### *ADVISORY COUNCIL ON HISTORIC PRESERVATION*

### *SALARIES AND EXPENSES*

*For necessary expenses of the Advisory Council on Historic Preservation (Public Law 89–665, as amended), $3,189,000: Provided, That none of these funds shall be available for compensation of level V of the Executive Schedule or higher positions.*

### *NATIONAL CAPITAL PLANNING COMMISSION*

### *SALARIES AND EXPENSES*

*For necessary expenses, as authorized by the National Capital Planning Act of 1952 (40 U.S.C. 71–71i), including services as authorized by 5 U.S.C. 3109, $6,500,000: Provided, That all appointed members of the Commission will be compensated at a rate not to exceed the daily equivalent of the annual rate of pay for positions at level IV of the Executive Schedule for each day such member is engaged in the actual performance of duties.*

### *UNITED STATES HOLOCAUST MEMORIAL COUNCIL*

### *HOLOCAUST MEMORIAL COUNCIL*

*For expenses of the Holocaust Memorial Council, as authorized by Public Law 96–388 (36 U.S.C. 1401), as amended, $34,439,000, of which $1,900,000 for the museum's repair and rehabilitation program and $1,264,000 for the museum's exhibitions program shall remain available until expended.*

### *PRESIDIO TRUST*

### *PRESIDIO TRUST FUND*

*For necessary expenses to carry out title I of the Omnibus Parks and Public Lands Management Act of 1996, $23,400,000 shall be available to the Presidio Trust, to remain available until expended. The Trust is authorized to issue obligations to the Secretary of the Treasury pursuant to section 104(d)(3) of the Act, in an amount not to exceed $10,000,000.*

## *TITLE III—GENERAL PROVISIONS*

*SEC. 301. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.*

*SEC. 302. No part of any appropriation under this Act shall be available to the Secretary of the Interior or the Secretary of Agriculture for the leasing of oil and natural gas by noncompetitive bidding on publicly owned lands within the boundaries of the Shawnee National Forest, Illinois: Provided, That nothing herein is intended to inhibit or otherwise affect the sale, lease, or right to access to minerals owned by private individuals.*

*SEC. 303. No part of any appropriation contained in this Act shall be available for any activity or the publication or distribution of literature that in any way tends to promote public support or opposition to any legislative proposal on which congressional action is not complete.*

*SEC. 304. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.*

*SEC. 305. None of the funds provided in this Act to any department or agency shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of such department or agency except as otherwise provided by law.*

*SEC. 306. No assessments may be levied against any program, budget activity, subactivity, or project funded by this Act unless advance notice of such assessments and the basis therefor are presented to the Committees on Appropriations and are approved by such committees.*

*SEC. 307. None of the funds in this Act may be used to plan, prepare, or offer for sale timber from trees classified as giant sequoia (Sequoiadendron giganteum) which are located on National Forest System or Bureau of Land Management lands in a manner different than such sales were conducted in fiscal year 2000.*

*SEC. 308. None of the funds made available by this Act may be obligated or expended by the National Park Service to enter into or implement a concession contract which permits or requires the removal of the underground lunchroom at the Carlsbad Caverns National Park.*

*SEC. 309. None of the funds appropriated or otherwise made available by this Act may be used for the AmeriCorps program, unless the relevant agencies of the Department of the Interior and/or Agriculture follow appropriate reprogramming guidelines: Provided, That if no funds are provided for the AmeriCorps program by the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2001, then none of the funds appropriated or otherwise made available by this Act may be used for the AmeriCorps programs.*

*SEC. 310. None of the funds made available in this Act may be used: (1) to demolish the bridge between Jersey City, New Jersey, and Ellis Island; or (2) to prevent pedestrian use of such bridge, when it is made known to the Federal official having authority to obligate or expend such funds that such pedestrian use is consistent with generally accepted safety standards.*

*SEC. 311. (a) LIMITATION OF FUNDS.—None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to accept or process applications for a patent for any mining or mill site claim located under the general mining laws.*

*(b) EXCEPTIONS.—The provisions of subsection (a) shall not apply if the Secretary of the Interior determines that, for the claim concerned: (1) a patent application was filed with the Secretary on or before September 30, 1994; and (2) all requirements established under sections 2325 and 2326 of the Revised Statutes (30 U.S.C. 29 and 30) for vein or lode claims and sections 2329, 2330, 2331, and 2333 of the Revised Statutes (30 U.S.C. 35, 36, and 37) for placer claims, and section 2337 of the Revised Statutes (30 U.S.C. 42)*

*for mill site claims, as the case may be, were fully complied with by the applicant by that date.*

*(c) REPORT.—On September 30, 2001, the Secretary of the Interior shall file with the House and Senate Committees on Appropriations and the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report on actions taken by the department under the plan submitted pursuant to section 314(c) of the Department of the Interior and Related Agencies Appropriations Act, 1997 (Public Law 104–208).*

*(d) MINERAL EXAMINATIONS.—In order to process patent applications in a timely and responsible manner, upon the request of a patent applicant, the Secretary of the Interior shall allow the applicant to fund a qualified third-party contractor to be selected by the Bureau of Land Management to conduct a mineral examination of the mining claims or mill sites contained in a patent application as set forth in subsection (b). The Bureau of Land Management shall have the sole responsibility to choose and pay the third-party contractor in accordance with the standard procedures employed by the Bureau of Land Management in the retention of third-party contractors.*

*SEC. 312. Notwithstanding any other provision of law, amounts appropriated to or earmarked in committee reports for the Bureau of Indian Affairs and the Indian Health Service by Public Laws 103–138, 103–332, 104–134, 104–208, 105–83, 105–277, and 106–113 for payments to tribes and tribal organizations for contract support costs associated with self-determination or self-governance contracts, grants, compacts, or annual funding agreements with the Bureau of Indian Affairs or the Indian Health Service as funded by such Acts, are the total amounts available for fiscal years 1994 through 2001 for such purposes, except that, for the Bureau of Indian Affairs, tribes and tribal organizations may use their tribal priority allocations for unmet indirect costs of ongoing contracts, grants, self-governance compacts or annual funding agreements.*

*SEC. 313. Notwithstanding any other provision of law, for fiscal year 2001 the Secretaries of Agriculture and the Interior are authorized to limit competition for watershed restoration project contracts as part of the "Jobs in the Woods" component of the President's Forest Plan for the Pacific Northwest or the Jobs in the Woods Program established in Region 10 of the Forest Service to individuals and entities in historically timber-dependent areas in the States of Washington, Oregon, northern California and Alaska that have been affected by reduced timber harvesting on Federal lands.*

*SEC. 314. None of the funds collected under the Recreational Fee Demonstration program may be used to plan, design, or construct a visitor center or any other permanent structure without prior approval of the House and the Senate Committees on Appropriations if the estimated total cost of the facility exceeds $500,000.*

*SEC. 315. All interests created under leases, concessions, permits and other agreements associated with the properties administered by the Presidio Trust shall be exempt from all taxes and special assessments of every kind by the State of California and its political subdivisions.*

*SEC. 316. None of the funds made available in this or any other Act for any fiscal year may be used to designate, or to post any sign designating, any portion of Canaveral National Seashore in Brevard County, Florida, as a clothing-optional area or as an area in which public nudity is permitted, if such designation would be contrary to county ordinance.*

*SEC. 317. Of the funds provided to the National Endowment for the Arts—*

*(1) The Chairperson shall only award a grant to an individual if such grant is awarded to such individual for a literature fellowship, National Heritage Fellowship, or American Jazz Masters Fellowship.*

*(2) The Chairperson shall establish procedures to ensure that no funding provided through a grant, except a grant made to a State or local arts agency, or regional group, may be used to make a grant to any other organization or individual to conduct activity independent of the direct grant recipient. Nothing in this subsection shall prohibit payments made in exchange for goods and services.*

*(3) No grant shall be used for seasonal support to a group, unless the application is specific to the contents of the season, including identified programs and/or projects.*

*SEC. 318. The National Endowment for the Arts and the National Endowment for the Humanities are authorized to solicit, accept, receive, and invest in the name of the United States, gifts, bequests, or devises of money and other property or services and to use such in furtherance of the functions of the National Endowment for the Arts and the National Endowment for the Humanities. Any proceeds from such gifts, bequests, or devises, after acceptance by the National Endowment for the Arts or the National Endowment for the Humanities, shall be paid by the donor or the representative of the donor to the Chairman. The Chairman shall enter the proceeds in a special interest-bearing account to the credit of the appropriate endowment for the purposes specified in each case.*

*SEC. 319. (a) In providing services or awarding financial assistance under the National Foundation on the Arts and the Humanities Act of 1965 from funds appropriated under this Act, the Chairperson of the National Endowment for the Arts shall ensure that priority is given to providing services or awarding financial assistance for projects, productions, workshops, or programs that serve underserved populations.*

*(b) In this section:*

*(1) The term "underserved population" means a population of individuals, including urban minorities, who have historically been outside the purview of arts and humanities programs due to factors such as a high incidence of income below the poverty line or to geographic isolation.*

*(2) The term "poverty line" means the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))) applicable to a family of the size involved.*

*(c) In providing services and awarding financial assistance under the National Foundation on the Arts and Humanities Act of 1965 with funds appropriated by this Act, the Chairperson of the National Endowment for the Arts shall ensure that priority is given to providing services or awarding financial assistance for projects, productions, workshops, or programs that will encourage public knowledge, education, understanding, and appreciation of the arts.*

*(d) With funds appropriated by this Act to carry out section 5 of the National Foundation on the Arts and Humanities Act of 1965—*

*(1) the Chairperson shall establish a grant category for projects, productions, workshops, or programs that are of national impact or availability or are able to tour several States;*

*(2) the Chairperson shall not make grants exceeding 15 percent, in the aggregate, of such funds to any single State, excluding grants made under the authority of paragraph (1);*

*(3) the Chairperson shall report to the Congress annually and by State, on grants awarded by the Chairperson in each grant category under section 5 of such Act; and*

*(4) the Chairperson shall encourage the use of grants to improve and support community-based music performance and education.*

*SEC. 320. No part of any appropriation contained in this Act shall be expended or obligated to fund new revisions of national forest land management plans until new final or interim final rules for forest land management planning are published in the Federal Register. Those national forests which are currently in a revision process, having formally published a Notice of Intent to revise prior to October 1, 1997; those national forests having been court-ordered to revise; those national forests where plans reach the 15 year legally mandated date to revise before or during calendar year 2001; national forests within the Interior Columbia Basin Ecosystem study area; and the White Mountain National Forest are exempt from this section and may use funds in this Act and proceed to complete the forest plan revision in accordance with current forest planning regulations.*

*SEC. 321. No part of any appropriation contained in this Act shall be expended or obligated to complete and issue the 5-year program under the Forest and Rangeland Renewable Resources Planning Act.*

*SEC. 322. None of the funds in this Act may be used to support Government-wide administrative functions unless such functions are justified in the budget process and funding is approved by the House and Senate Committees on Appropriations.*

*SEC. 323. Notwithstanding any other provision of law, none of the funds in this Act may be used for GSA Telecommunication Centers or the President's Council on Sustainable Development.*

*SEC. 324. None of the funds in this Act may be used for planning, design or construction of improvements to Pennsylvania Avenue in front of the White House without the advance approval of the House and Senate Committees on Appropriations.*

*SEC. 325. Amounts deposited during fiscal year 2000 in the roads and trails fund provided for in the fourteenth paragraph under the heading "FOREST SERVICE" of the Act of March 4, 1913 (37 Stat. 843; 16 U.S.C. 501), shall be used by the Secretary of Agriculture, without regard to the State in which the amounts were derived, to repair or reconstruct roads, bridges, and trails on National Forest System lands or to carry out and administer projects to improve forest health conditions, which may include the repair or reconstruction of roads, bridges, and trails on National Forest System lands in the wildland-community interface where there is an abnormally high risk of fire. The projects shall emphasize reducing risks to human safety and public health and property and enhancing ecological functions, long-term forest productivity, and biological integrity. The Secretary shall commence the projects during fiscal year 2001, but the projects may be completed in a subsequent fiscal year. Funds shall not be expended under this section to replace funds which would otherwise appropriately be expended from the timber salvage sale fund. Nothing in this section shall be construed to exempt any project from any environmental law.*

*SEC. 326. None of the funds provided in this or previous appropriations Acts for the agencies funded by this Act or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be transferred to or used to fund personnel, training, or other administrative activities at the Council on Environmental Quality or other offices in the Executive Office of the President for purposes related to the American Heritage Rivers program.*

*SEC. 327. Other than in emergency situations, none of the funds in this Act may be used to operate telephone answering machines during core business hours unless such answering machines include an option that enables callers to reach* *promptly an individual on-duty with the agency being contacted.*

*SEC. 328. No timber sale in Region 10 shall be advertised if the indicated rate is deficit when appraised under the transaction evidence appraisal system using domestic Alaska values for western red cedar: Provided, That sales which are deficit when appraised under the transaction evidence appraisal system using domestic Alaska values for western red cedar may be advertised upon receipt of a written request by a prospective, informed bidder, who has the opportunity to review the Forest Service's cruise and harvest cost estimate for that timber. Program accomplishments shall be based on volume sold. Should Region 10 sell, in fiscal year 2001, the annual average portion of the decadal allowable sale quantity called for in the current Tongass Land Management Plan in sales which are not deficit when appraised under the transaction evidence appraisal system using domestic Alaska values for western red cedar, all of the western red cedar timber from those sales which is surplus to the needs of domestic processors in Alaska, shall be made available to domestic processors in the contiguous 48 United States at prevailing domestic prices. Should Region 10 sell, in fiscal year 2001, less than the annual average portion of the decadal allowable sale quantity called for in the current Tongass Land Management Plan in sales which are not deficit when appraised under the transaction evidence appraisal system using domestic Alaska values for western red cedar, the volume of western red cedar timber available to domestic processors at prevailing domestic prices in the contiguous 48 United States shall be that volume: (i) which is surplus to the needs of domestic processors in Alaska; and (ii) is that percent of the surplus western red cedar volume determined by calculating the ratio of the total timber volume which has been sold on the Tongass to the annual average portion of the decadal allowable sale quantity called for in the current Tongass Land Management Plan. The percentage shall be calculated by Region 10 on a rolling basis as each sale is sold (for purposes of this amendment, a "rolling basis" shall mean that the determination of how much western red cedar is eligible for sale to various markets shall be made at the time each sale is awarded). Western red cedar shall be deemed "surplus to the needs of domestic processors in Alaska" when the timber sale holder has presented to the Forest Service documentation of the inability to sell western red cedar logs from a given sale to domestic Alaska processors at price equal to or greater than the log selling value stated in the contract. All additional western red cedar volume not sold to Alaska or contiguous 48 United States domestic processors may be exported to foreign markets at the election of the timber sale holder. All Alaska yellow cedar may be sold at prevailing export prices at the election of the timber sale holder.*

*SEC. 329. None of the funds appropriated by this Act shall be used to propose or issue rules, regulations, decrees, or orders for the purpose of implementation, or in preparation for implementation, of the Kyoto Protocol which was adopted on December 11, 1997, in Kyoto, Japan at the Third Conference of the Parties to the United Nations Framework Convention on Climate Change, which has not been submitted to the Senate for advice and consent to ratification pursuant to article II, section 2, clause 2, of the United States Constitution, and which has not entered into force pursuant to article 25 of the Protocol.*

*SEC. 330. The Forest Service, in consultation with the Department of Labor, shall review Forest Service campground concessions policy to determine if modifications can be made to Forest Service contracts for campgrounds so that such concessions fall within the regulatory exemption of 29 CFR 4.122(b). The Forest Service shall offer in fiscal year 2001 such concession prospectuses under the regulatory exemption, except that, any prospectus that does not meet the requirements of the regulatory exemption shall be offered as a service contract in accordance with the requirements of 41 U.S.C. 351–358.*

*SEC. 331. A project undertaken by the Forest Service under the Recreation Fee Demonstration Program as authorized by section 315 of the Department of the Interior and Related Agencies Appropriations Act for Fiscal Year 1996, as amended, shall not result in—*

*(1) displacement of the holder of an authorization to provide commercial recreation services on Federal lands. Prior to initiating any project, the Secretary shall consult with potentially affected holders to determine what impacts the project may have on the holders. Any modifications to the authorization shall be made within the terms and conditions of the authorization and authorities of the impacted agency.*

*(2) the return of a commercial recreation service to the Secretary for operation when such services have been provided in the past by a private sector proviaer, except when—*

*(A) the private sector provider fails to bid on such opportunities;*

*(B) the private sector provider terminates its relationship with the agency; or*

*(C) the agency revokes the permit for noncompliance with the terms and conditions of the authorization.*

*In such cases, the agency may use the Recreation Fee Demonstration Program to provide for operations until a subsequent operator can be found through the offering of a new prospectus.*

*SEC. 332. Section 801 of the National Energy Conservation Policy Act (42 U.S.C. 8287(a)(2)(D)(iii)) is amended by striking "$750,000" and inserting "$10,000,000".*

*SEC. 333. From the funds appropriated in Title V of Public Law 105–83 for the purposes of section 502(e) of that Act, the following amounts are hereby rescinded: $1,000,000 for snow removal and pavement preservation and $4,000,000 for pavement rehabilitation.*

*SEC. 334. In section 315(f) of Title III of Section 101(c) of Public Law 104–134 (16 U.S.C. 460l–6a note), as amended, strike "September 30, 2001" and insert "September 30, 2002", and strike "September 30, 2004" and insert "September 30, 2005".*

*SEC. 335. None of the funds in this Act may be used by the Secretary of the Interior to issue a prospecting permit for hardrock mineral exploration on Mark Twain National Forest land in the Current River/Jack's Fork River—Eleven Point Watershed (not including Mark Twain National Forest land in Townships 31N and 32N, Range 2 and Range 3 West, on which mining activities are taking place as of the date of the enactment of this Act): Provided, That none of the funds in this Act may be used by the Secretary of the Interior to segregate or withdraw land in the Mark Twain National Forest, Missouri under section 204 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1714).*

*SEC. 336. The authority to enter into stewardship and end result contracts provided to the Forest Service in accordance with Section 347 of Title III of Section 101(e) of Division A of Public Law 105–825 is hereby expanded to authorize the Forest Service to enter into an additional 28 contracts subject to the same terms and conditions as provided in that section: Provided, That of the additional contracts authorized by this section at least 9 shall be allocated to Region 1 and at least 3 to Region 6.*

*SEC. 337. Any regulations or policies promulgated or adopted by the Departments of Agriculture or the Interior regarding recovery of costs for processing authorizations to occupy and use Federal lands under their control shall adhere to and incorporate the following principle arising from Office of Management and Budget Circular, A–25; no charge should be made for a service when the identification of the specific beneficiary is obscure, and the service can be considered primarily as benefiting broadly the general public.*

*SEC. 338. LOCAL EXEMPTIONS FROM FOREST SERVICE DEMONSTRATION PROGRAM FEES. Section 6906 of Title 31, United States Code, is amended—*

*(1) by inserting "(a) IN GENERAL.—" before "Necessary"; and*

*(2) by adding at the end the following:*

*"(b) LOCAL EXEMPTIONS FROM DEMONSTRATION PROGRAM FEES.—*

*"(1) IN GENERAL.—Each unit of general local government that lies in whole or in part within the White Mountain National Forest and persons residing within the boundaries of that unit of general local government shall be exempt during that fiscal year from any requirement to pay a Demonstration Program Fee (parking permit or passport) imposed by the Secretary of Agriculture for access to the Forest.*

*"(2) ADMINISTRATION.—The Secretary of Agriculture shall establish a method of identifying persons who are exempt from paying user fees under paragraph (1). This method may include valid form of identification including a drivers license.".*

*SEC. 339. None of the funds made available in this or any other Act may be used by the Bureau of Land Management or the U.S. Forest Service to assess, appraise, determine, proceed to determine, or collect rents for right-of-way uses for federal lands except as such rents have been or may be determined in accordance with the linear fee schedule published on July 8, 1997 ([43 CFR 2803.1–2(c)(1)(i)]).*

*SEC. 340. Notwithstanding any other provision of law, for fiscal year 2001, the Secretary of Agriculture is authorized to limit competition for fire and fuel treatment and watershed restoration contracts in the Giant Sequoia National Monument and the Sequoia National Forest. Preference for employment shall be given to dislocated and displaced workers in Tulare, Kern and Fresno Counties, California, for work associated with the establishment of the Sequoia National Monument.*

*SEC. 341. The Chief of the Forest Service, in consultation with the Administrator of the Small Business Administration, shall prepare a regulatory flexibility analysis, in accordance with chapter 6 of part I of title 5, United States Code, of the impact of the White River National Forest Plan on communities that are within the boundaries of the White River National Forest.*

*SEC. 342. None of the funds appropriated or otherwise made available by this Act may be used to finalize or implement the published roadless area conservation rule of the Forest Service published on May 10, 2000 (36 Fed. Reg. 30276, 30288), or any similar rule, in any inventoried roadless area in the White Mountain National Forest.*

*SEC. 343. From funds previously appropriated in Public Law 105–277, under the heading "Department of Energy, Fossil Energy Research and Development", the Secretary of Energy shall make available within 30 days after enactment of this Act $750,000 for the purpose of executing proposal #FT40770.*

*SEC. 344. (a) In addition to any amounts otherwise made available under this Act to carry out the Tribally Controlled College or University Assistance Act of 1978, $1,891,000 is appropriated to carry out such Act for fiscal year 2001.*

*(b) Notwithstanding any other provision of this Act, the amount of funds provided to a Federal agency that receives appropriations under this Act in an amount greater than $20,000,000*

*shall be reduced, on a pro rata basis, by an amount equal to the percentage necessary to achieve an aggregate reduction of $1,891,000 in funds provided to all such agencies under this Act. Each head of a Federal agency that is subject to a reduction under this subsection shall ensure that the reduction in funding to the agency resulting from this subsection is offset by a reduction in travel expenditures of the agency.*

*(c) Within 30 days of enactment of this Act, the Director of the Office of Management and Budget shall submit to the Committees on Appropriations of the House and Senate a listing of the amounts by account of the reductions made pursuant to the provisions of subsection (b) of this section.*

*This Act may be cited as the "Department of the Interior and Related Agencies Appropriations Act, 2001".*

Mr. GORTON. Mr. President, I am pleased to bring before the Senate the Interior and Related Agencies Appropriations Act for fiscal year 2001. The bill totals $15.474 billion in discretionary budget authority, an amount that is more than $600 million over the current year level but almost $1 billion lower than the administration's budget request. The bill is right at its 302(b) allocation, and as such any amendments must be fully offset.

Drafting this bill is always a great challenge, in large part because it funds programs and activities that have a direct and tangible impact on the constituents that we represent. This is particularly true for those of my colleagues from western States that contain large amounts of Federal and tribal lands. But aside from the usual challenges posed by the Interior bill, this year's version has been especially difficult given the lofty expectations raised by the administration's rather extravagant budget. The administration's request amounts to an increase of 11 percent overall—a hefty increase in light of our ongoing efforts to maintain some degree of control over Federal spending. The bill before the Senate contains a more reasonable increase of about 5 percent—an amount that I think is appropriate as we attempt to fashion an overall budget that protects Social Security and Medicare, reduces the national debt, and provides for sensible tax relief.

Despite the more modest funding levels contained in this bill, I can assure my colleagues that the bill is a responsible product that is responsive to the most pressing needs of the land management agencies; the agencies that provide health, education and other services to Indian people; the several cultural institutions under the subcommittee's jurisdiction; and a number of Department of Energy programs that are particularly relevant today in light of the recent rise in gasoline prices.

In drafting this bill in consultation with the ranking member of the subcommittee, Senator BYRD, I have followed a number of basic principles.

First, the bill provides nearly 100 percent of the money required to fund increases in fixed costs such as pay and benefits. These are cost increases over which the subcommittee has little or no control. Failure to provide these funds simply means agencies must reduce services or program delivery from current year levels. For the Interior bill as a whole, these fixed cost increases total more than $300 million in FY 2001. Providing this amount simply to maintain current levels of service takes a large bit out of the overall increase in the subcommittee's allocation.

Second, I have placed a high priority in those agencies and functions for which the Federal Government has sole or primary responsibility. Providing for the core operating needs of the land management agencies continues to be a central priority in this bill. We have also tried to provide adequate sums for the operation and maintenance of the Smithsonian, the National Gallery, and the Kennedy Center—institutions that are our direct responsibility. Finally, we have done our very best to provide for the core needs of the Indian peoples for whom we have trust responsibility—partiuclarly in the area of health services and education.

The third major principle that has guided me in developing this bill really flows from the second. For years, I have listened to Senator DOMENICI, Senator DORGAN, Senator CAMPBELL, and others talk in hearings, markups, and casual conservation about the need for major investment in the construction and repair of Indian schools. I have been shown pictures of Indian schools in other States to which none of us would want to send our own children, and am aware of schools in my own State that are in desperate need of repair or replacement. Much like Department of Defense schools, these Indian schools are the direct responsibility of the Federal Government. In many cases, however, they look very little like Department of Defense schools, and are not in a condition that we would allow to occur within the DOD school system.

As chairman of the Interior subcommittee, it has been frustrating to not be able to respond to such a pressing need in anything more than an incremental manner. But given the difficult spending constraints under which the committee has been operating for a number of years, it has been impossible to make significant progress on this issue without it being identified as a priority in administration budget requests. This year, however, the administration has responded to the pleas of my colleagues—a development that apparently was spurred by the President's recent visit to Indian country. The FY 2001 budget request includes dramatic increases for both new school construction and repair and rehabilitation of existing schools. While the bill before you does not provide 100 percent of the request, it does provide an increase of $143 million for BIA school construction and repair. This amount is enough to complete the next six schools on the construction priority list, as well as provide an $84 million increase for the repair and rehabilitation account. Maintaining these funding levels will be one of my highest priorities in conference with the House.

Adhering to these fundamental principles while remaining within the subcommittee's 302(b) allocation did not leave a great deal of room for other program increases. As a result, there is perhaps less in this bill for land acquisition, grant programs, and specific member projects than some would like. I think, however, that the bill reflects the right set of priorities. I have attempted to allocate available resources to the most compelling needs identified in agency budget requests, as well as to the particular priorities identified to me in the more than 2,000 individual requests I have received from Members of this body. I regret not being able to do more of the things that my colleagues have asked me to do, but want to assure Members on both sides of the aisle that I have made every effort to treat these requests in a fair and even-handed manner.

While I do not wish to belabor the details, I do want to take a moment to point out a few highlights of the bill for the benefit of my colleagues who have not had a chance to review it closely. For the land management agencies, the bill provides significant increases for core operational needs.

The bill provides an increase of $80 million for operation of the National Park System, including more than $25 million for increases in the base operating budgets of more than 80 parks and related sites, including the U.S. Park Police. These increases build on similar increases that have been provided for the past several years. The bill also provides an increase of $11 million for the National Park Service to continue efforts to research and document fundamental scientific information on the biological, geological, and hydrological resources present in our park system.

For the Bureau of Land Management, the bill fully funds the request for noxious weed control, fully funds the budget request for annual and deferred maintenance, and provides an increase of $7.2 million for recreation programs. The bill also provides a $10 million increase for Payments In Lieu of Taxes, continuing the committee's steady effort to raise PILT funding toward the authorized level.

For the Forest Service, the bill provides increases of $10.5 million for recreation programs, and provides level funding for the timber program to prevent further erosion of timber offer levels. The bill also fully funds firefighting preparedness, provides all the funds requested to address survey and manage issues under the Northwest Forest Plan, and provides increases over the President's budget request for both road and trail maintenance.

For the U.S. Fish and Wildlife Service, the bill provides increases of $17 million for refuge operations and maintenance to continue efforts to bolster the Service's basic operational capabilities. The bill also includes increases of $15 million for endangered species accounts, and $5 million for law enforcement programs that have been flat-funded for a number of years.

With respect to the cultural agencies funded in this bill, I am pleased to note that funding for the National Endowment for the Arts is increased by $7 million, and funding for the National Endowment for the Humanities is increased by $5 million. While these increases are fairly modest, they are indicative of the widespread support that these two agencies have within the Senate. The increases also reflect the degree to which the Endowments have responded to congressional concerns about the types of activities being funded, and the way in which project funding decisions are made. While last year we were not able to maintain the higher Senate funding levels in conference with the House, I fully intend to maintain the increases provided for the Endowments in the final FY 2001 bill. I will put the leadership of the other body on notice now that the Senate has no intention of receding on this matter.

This bill also provides funding for a portion of the Department of Energy, including programs that support research on energy conservation and fossil energy development. This research is critical to reducing our Nation's dependence on foreign oil, and to reducing harmful emissions from vehicles, power plants and other sources. The bill provides targeted increases for the most effective of these programs. Of particular not is the $11 million increase over the request level for oil technology research and development. This program, which is designed to enhance oil production from domestic sources and to develop cleaner petroleum-based fuels, was inexplicably slated for a large reduction the administration's budget request. In light of the recent and alarming rise in the price of gasoline, such a reduction seems highly imprudent at this time. The bill also provides increases for research on cleaner, more fuel-efficient vehicles, including additional funding for the Partnership for a Next Generation of Vehicles. This program was eliminated by the other body during floor debate—something which also seems imprudent in light of our growing dependence on foreign oil, and the potentially disastrous impact that rising oil prices could have on our economy.

Among the many Indian programs funded in this bill, I have already discussed the high priority that has been placed on education programs. The bill provides increases for other Indian programs, however, including an increase of $143 million for Indian Health Services. This amount includes a $41 million program increase for additional clinical services, a $20 million increase for contract health services, and a $25 million increase for facilities construction and improvement. The bill continues the committee's efforts to help the Department of the Interior reform its abysmal trust management system. As many of my colleagues are aware, the Department is making a concerted effort to deal with a trust management mess that has been building for decades, if not the entire 20th century. This bill provides the full administration request for the Office of Special Trustee, which is charged with overseeing the trust reform initiative. The bill also provides an increase of $12.5 million for trust reform activities within the Bureau of Indian Affairs.

On a more parochial level, I would like also to talk about what this bill means for the people of Washington State. The land management agencies funded through the Interior Appropriations bill have a dramatic impact on the ecological and economic health of the Pacific Northwest. With more than 25 percent of the land in Washington State owned by the Federal Government, I have taken a special interest in assuring that we have the resources and policies that promote recreational and economic opportunities, and environmental preservation.

In preparing the FY 2001 Interior appropriations bill, I focused on three key issues for Washington State: restoring the health of our salmon runs, providing recreational opportunities, and promoting a clean Washington State.

The salmon crisis has reached new heights in the past 6 months. While greeted by the good news that some returning Columbia River runs are at their highest levels in more than a decade, the cause of decline and the goals for recovery remain a mystery. The clash between local governments and the Federal agencies responsible for addressing the listing of these species has grown increasingly tense.

Fortunately, most can agree that homegrown efforts to recover salmon will be the foundation for addressing the species' future. In this year's Interior bill, I have continued and increased the Federal Government's investment in funding volunteer salmon recovery groups that have the best track record for identifying and restoring crucial stream and river habitat for salmon.

Increasingly, the role of fish hatcheries in the larger effort to restore naturally spawning runs of salmon has come under scrutiny. A group of key scientists from the U.S. Fish and Wildlife Service, National Marine Fisheries Service, Northwest Indian Fisheries Commission, and Washington Department of Fish and Wildlife have joined forces to develop standards for the more than 100 hatcheries located in the State. I have secured funding to continue this effort to redesign hatchery practices and retrofit the facilities to ultimately enhance salmon runs rather than detract from the larger recovery goals.

The Northwest continues to be a hot spot for recreation. Whether you are a day hiker from downtown Seattle or a back country horseman from Okanogan, all of us have a desire to preserve and enhance the recreation opportunities on our public lands. This year, I have focused my attention on improving camping and hiking opportunities in the Middle Fork Snoqualmie Valley and preserving the history of Ebey's Landing on Whidbey Island.

Finally, the health and beauty of our public lands are assets we cannot ignore. The diversity of wildlife that resides in our forests, refuges and parks must be preserved in the future. I have dedicated funding to acquiring key tracts of land that will provide connective habitat in the Cascade Range. Our children deserve a clean Washington State, and the fiscal year 2001 Interior appropriations bill makes a strong investment in the public lands we depend on for ecological and economic stability.

In the interests of expediting debate on this bill, I will not spend more of the Senate's time describing its many noteworthy features. I do, however, wish to make one final observation regarding the bill as a whole. The bill will soon be open to amendment. Any Senator may offer an amendment to move funding from one program to another. Some of these proposals I may support, as I do not claim to know all there is to know about programs funded in this bill. Many such amendments I will oppose, however, because I think the bill before you represents an appropriate balance among competing priorities. But whatever the case, the point is that the process of amendment is available to us—to all Senators.

The administration's budget request includes a proposal that would greatly diminish the right of Senators to offer amendments to change spending priorities in this bill. The "Lands Legacy" initiative would fence off a significant number of the programs in this bill and provide a set amount of funding for those programs. An amendment to move funding from this Lands Legacy pot to other programs would not be possible. For instance, one could not propose to shift funds from Urban and Community Forestry to Tribally Controlled Community Colleges, or from the Cooperative Endangered Species Fund to the National Park Service operations account. Regardless of what individual Senators might think about such amendments, to prohibit the simple offering of the amendment is absurd. That is why the committee has rejected the administration proposal entirely. And that is why this Senator is vehemently opposing efforts being made elsewhere in Congress to take land acquisition and a handful of favored grant programs off budget, thereby preventing the Appropriations Committee and the Senate as a whole from weighing the merits of those programs against the other critical—but sometimes less visible or popular—activities funded in this bill.

On one further matter, I know several of my colleagues have inquired about emergency items that were included in the supplemental portion of the Agriculture appropriations bill, but which were not included in the supplemental title of the military construction bill that was sent to the President prior to the recess. This category includes funding for hurricane damage to National Park Service and U.S. Fish and Wildlife Service facilities, and funding championed by Senator GRAMS that would address a major timber blowdown in Minnesota and Wisconsin. While I can not now say exactly how we will address these issues, I want to assure my colleagues that this senator is committed to seeing that these previously identified emergency needs are addressed.

Before I turn to Senator BYRD for his opening remarks, I want to state for the record how much I continue to enjoy working with him in putting this bill together year after year. He is a forceful and eloquent advocate for the interests of the State of West Virginia, as well as for the interests of Members on his side of the aisle and I may say, my side of the aisle. He is always cognizant, however, of the need to put forward a well balanced bill that adequately addresses the pressing national priorities that come under the subcommittee's jurisdiction. It is a great pleasure to work with him and his able staff. I also want to thank my own staff for the many hours they have put into this bill. It is often a grueling process, and I know I speak for all Senators in expressing appreciation for the work that has been done to get us this far.

With that, I will only add the comment that I hope we will be able to deal with this bill relatively promptly and deal with it within the parameters set by the bill itself. I think it is not nearly as controversial a proposal as sometimes has been the case in the past. The House has, of course, already passed its Interior appropriations bill, and I have every hope we can finish our task relatively promptly and send not only an acceptable but an absolutely first-rate bill to the President of the United States.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, it is a great pleasure to join with the distinguished Senator from Washington in presenting this bill. He is an extraordinarily fine chairman. I have chaired this subcommittee now for, oh, a good many years, but Senator GORTON is really one of the best subcommittee chairmen in this Senate. I say that without any hesitation. I have no compunctions about saying he is one of the finest chairmen with whom I have ever served in these 42 years in the Senate. I mean every word of it.

I have found him always to be very courteous, very considerate, very cooperative; and he is this way with all Senators—not just with me but with all of our colleagues. I could not hope to have a better chairman than he. And if it were not for the honor that goes along with the chairmanship, I would just as soon he kept this. But there is a certain honor with it, so I look forward to the time when I will be chairman of the full committee and subcommittee again. But my hat is always off to this chairman, Senator GORTON.

This is an important piece of legislation that provides for the management of our natural resources, undertakes important energy research, supports vital Indian health and education programs, and works to protect and preserve our national and cultural heritage. It is a bill on which Senator GORTON and I cooperate very closely on a bipartisan basis. We know no party in our relationship in this Senate. And that is said without any reservations whatsoever. There is no Republican Party, no Democratic Party where SLADE GORTON and I are concerned in working on this subcommittee. And I can say the same with respect to the full committee with respect to TED STEVENS, the distinguished Senator from Alaska. There is no party line in that committee.

The programs and activities funded under the jurisdiction of the subcommittee are treated in a fair and balanced way, as is customary for the annual Interior appropriations bills under the chairmanship of Senator SLADE GORTON. He is one of the best—if not the best—subcommittee chairman with whom I have had the opportunity to serve. The bill was reported unanimously by the committee, and I urge my colleagues to support its passage.

I will not repeat the summary of the bill just provided by the subcommittee chairman, except to say that, as it currently stands, this measure provides $15.4 billion in new discretionary budget authority. This amount, while less than the administration's request, is nevertheless $628 million above last year's enacted level. The bill, as reported by the committee, has fully utilized the subcommittee's entire 302(b) allocation of $15.4 billion in discretionary budget authority. Consequently, to remain consistent with the Budget Act, any amendments that propose increased funding will have to be fully offset.

So if any Senator has any amendment in mind that seeks to add money, that Senator or his staff, or both, should busy themselves about finding an offset because Peter is going to have to pay Paul in this instance. It is going to come out of somebody's funding, and I am determined it will not be mine. So I suggest that Senators look for an offset because they have to have it.

In terms of total spending, the Interior bill is by no means the largest of the 13 annual appropriations measures. Yet, despite its relatively modest size, the Interior appropriations bill commands significant attention from Members of the Senate. As is the case every year, the subcommittee received more than 2,000 Member requests seeking consideration of a particular project, or account, or activity under the jurisdiction of one agency or another in this bill. All of these requests are very important to our colleagues and the people that they represent. Unfortunately, because of the constrained spending level under the allocations provided to the Congress, it is not possible to adequately respond to all of these requests. That is what makes the crafting of this bill so difficult. Trying to balance the specific needs addressed by the Member requests on one hand, while remaining within the budgetary allocations on the other hand, is an arduous task, indeed—not as arduous, perhaps, as the problem that Solomon had, but sometimes I wonder.

Nevertheless, it is our responsibility—the responsibility of our chairman and myself—to undertake that very difficult assignment, and I commend him for his splendid efforts in meeting the highest priority needs of all Senators. For months now, he has gone to great lengths to work with me and to keep me informed, and to work with my staff to keep my staff informed, of his recommendations throughout the process of marking up and reporting this bill. Throughout this process, Senator GORTON's graciousness—that word is key, "graciousness"—and his dedication to duty have never wavered, and I am personally grateful to him for all his courtesies.

I also express my appreciation to the fine staff members on the majority staff side, as well as members on the minority staff side. We have a new staff person on this side of the aisle—Peter Kiefhaber, German to the core, smart as they come, and hard working. That is what I like about him. He is hard working, he is courteous, and he is extremely efficient.

So with that, I think I shall join my chairman in asking Senators, if they have them, to bring their amendments to the floor. It would be my hope, as I used to do when I was chairman, to urge, with the approval of the chairman of the subcommittee, our floor staffs to contact Senators and see if they have any amendments. If they have them, let's draw up a list. Let's know which Senators have what amendments, and let's draw up a list. It would be my hope that at a time not too far away we could get unanimous consent that that be a finite list. Then we could go from there.

But I will not suggest that at the moment. I have not discussed that with the chairman. Whenever he is ready to ask his staff on that side of the aisle, I will do the same over here. We will have our leadership make calls to Senators and let us know if we are to anticipate any problems from them. If we are to anticipate such, let us know about it. And because we do have other business, we must get on with it.

I again thank my chairman, Mr. GORTON. I thank our staffs.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, once again, I thank my friend and colleague, Senator BYRD, not only for his kind words but substantively for the fact that I believe we have brought to the floor a bill that can command wide respect and that is not likely to be faced with profound amendments that change the direction or the philosophy of the bill itself.

We have put together a list of rumored amendments as well as some en bloc amendments that we can accept in closing. It is relatively modest in length. It will be good if some of them can be brought today, of course, in the course of the next less than 2 hours. But I do hope that by tomorrow we will be in a position to get a unanimous consent agreement for a finite number of amendments and can develop a way in which to deal with them very promptly.

The majority leader has told us how much he has to accomplish for the week. It will be a wonderful tribute to us, and a great help to us, if we are able to be in conference on this committee well before the week is over.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. WELLSTONE. Mr. President, I thank my colleague from Washington and Senator BYRD, who I know want to expedite the matter, for allowing me to speak about an amendment that I am now drafting. I want to make sure this works out well. This is in response to something, as the Senator mentioned, that is a priority for both myself and Senator GRAMS. What happened is that we in Minnesota were hit with a once-in-a-thousand-years storm, literally. It was on July 4, 1999. Over 400,000 acres in Minnesota were damaged, including the Boundary Waters Canoe Area Wilderness, as well as the Gunflint Corridor, in Superior National Forest. This started in the Boundary Waters Wilderness area, which is really a national treasure.

What we are worried about is the blow-down to which Senator GORTON referred. We had a hearing in Grand Rapids on Friday. Senator CRAIG chaired the hearing, and I thought he did a superb job. Basically, what people are focused on right now is how to deal with this blow-down and the possibility of a conflagration. Everybody is very worried about what could happen. The Forest Service—I think there was also consensus on this—is doing a very good job. I think that is what people across the spectrum were saying.

What happened is we had $9.2 million in emergency funding that came out of the Senate Appropriations Committee, however we lost much of that funding when the MILCON bill got put together. The funding went from $9.2 million to $2 million. This additional $7.2 million—and I know you heard from Senator GRAMS on this as well—is critically important to us. It is important also for some of the work that the Forest Service is trying to do just by way of education.

It is incredible how few minor fires we have had; people have been paying very careful attention and are doing everything they can to prevent them. It also goes to the whole question of how we deal with the trees that are down and the underbrush and whether or not we can do the prescribed burns on what kind of schedule. This is critically important to my State of Minnesota.

So what I want to do is take 10 minutes or so to outline what we are dealing with in Minnesota, and then I will have an amendment that I will send to the desk, or I can get it to staff and Senators and see whether we can just reach some agreement.

Again, this was an unbelievable storm that hit our State. In many ways, what I think has happened is that it has brought Minnesotans together; it has brought the best out in people. We are talking about our beloved national forests. This is a critically important area; 400,000 acres in 7 counties were hit by a storm that damaged as much as 70 percent of the trees in certain areas and wiped out numerous rows. The damage of this storm has presented unbelievable challenges, not only to land managers but all Minnesotans—people who depend on the national forest for their jobs, family incomes, industrial materials such as paper and pulp, and family vacations and recreation.

Mr. President, I do think that the Forest Service, as I said, has begun to implement a significant and important effort. In particular, what they are trying to deal with is the dead and downed timber, which is a great threat to people in the State, and really, I think, a great threat to the country because we are talking about a crown jewel wilderness area.

My intention is to have an amendment—we are working on it right now, drafting it in such a way that we clearly make the case for emergency funding, which I think we can. We really should have had this additional money. I want to make sure it is OK with colleagues on both sides. And then later on maybe we will have a vote or maybe it can be accepted. I hope we can get an agreement on this amendment. I wanted to signal my intention to you and spell out what I want to do.

Mr. President, I heard my colleague refer to this blow-down amendment. I wonder whether he might respond.

Mr. GORTON. Will the Senator yield?

Mr. WELLSTONE. Yes, but I would like to hold the floor a few more minutes. I yield temporarily.

Mr. GORTON. Mr. President, the emergency, the task, the unprecedented nature of the storm damage that is described by the Senator from Minnesota is absolutely correct. There is not a single thing he has said that meets with any resistance or disagreement on the part of this Senator.

I wish that money had been included in the bill that is now law. As I believe the Senator knows, it remains in the Agriculture appropriations bill. I guess, procedurally at least, the principal challenge or principal question is which one of these two bills is going to get to the President and actually be signed first because I know the Senator from Minnesota wishes to have this money in hand.

I make this suggestion to the Senator from Minnesota. If he would get together in just the next few hours or over the evening with the junior Senator from Minnesota and present us with a joint project, I will discuss the matter with Senator BYRD and with the leadership and tell the Senator that I think he is absolutely right; I want to get this job done as quickly as I possibly can. I will be delighted—and I am sure Senator BYRD will be delighted as well—to see to it that we do this in a way in which it becomes law and the money becomes available as quickly as possible.

Mr. WELLSTONE. Mr. President, I very much appreciate the Senator's comments. As far as I am concerned, this request should come from both Senators. I would be delighted if Senator GRAMS joined me. We will get the wording of the amendment to you. We will do this together. We want to just get it done for our State. I think the Senator from Washington can appreciate that sentiment. That is his modus operandi. I will let other Senators come forward with amendments now. I will get the amendment to you. We will have Senator GRAMS join in, and we will try to get it done on this bill.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. BINGAMAN. Mr. President, I want to take a few minutes to talk about the energy conservation programs in this Interior appropriations bill that we are now considering. First, I want to thank Chairman GORTON and Senator BYRD for their fine work on this bill. In particular, I am very glad to see that funding for energy conservation is 5 percent above last year's level. I firmly believe that every dollar spent on research and development for energy efficiency pays back many times in the real value for the American consumer. These programs are saving the Nation an estimated $20 billion per year in energy costs at this time.

I would like to focus my comments today on one particular program in the energy conservation budget, and that is, the Partnership for a New Generation of Vehicles. This is generally referred to as PNGV. It is a cost-shared, industry-government partnership.

It is working to improve the fuel economy of passenger cars with the ultimate goal of developing midsized cars that will get up to 80 miles per gallon.

Talking about energy efficiency in the transportation sector I believe is especially timely given the high gasoline prices that we are all concerned about throughout the Nation. I believe every Senator needs to understand why gasoline prices are rising, why the days of cheap oil are unlikely to return anytime soon, and why programs such as PNGV are so important to our economic competitors.

During the last couple of weeks, we have heard a lot on the Senate floor about the decline in domestic oil production and various proposals to stimulate new production. But production is only one side of the coin. A far more important factor in the long-term increase in oil prices is the dramatic upsurge in worldwide demand for petroleum products. The steep increase in consumption here in the United States compounds the worldwide situation.

Today, the U.S. transportation sector—this includes air, boat, rail, and highway travel, all of our transportation sector—is 95-percent dependent on oil. Transportation accounts for two-thirds of our Nation's oil consumption and a quarter of our total energy use. While over the last 25 years the residential, the commercial, and industrial sectors have all been able to reduce their dependence on oil, the transportation sector consumption of oil has skyrocketed.

I show you this chart. This shows petroleum use increases mainly occurring in the transportation sector. This chart goes back 30 years—from 1970 to the year 2000—and then forward for 20 years. If you look at these other areas, it tries to show the industrial use, and the residential, commercial, or electric generation use of petroleum products. They are all relatively stable. The increases are not excessive in those areas. In fact, there are declines in electric generation and residential and commercial. But in transportation the increase is very substantial.

From the first gas price shock in 1973 until 1998, oil use for transportation grew an astounding 37 percent. If that is not bad enough, according to this chart from the Energy Information Agency—let me show you this second chart. The demand for oil in the transportation sector is anticipated to increase another 46 percent over the next 20 years.

Another key point from the chart is that over half of our oil consumption for transportation is used for light-duty vehicles; that is, passenger vehicles and pickup trucks. Today, more people are driving more miles in vehicles that use more fuel per mile. As you can see, unless something is done, our passenger cars will consume half again more fuel in 2020 than they do today.

I think all Senators agree on the need to reduce our dependence on imported oil. Today, America imports more than half of its oil. The cost of importing oil is a dangerous drag on our economy.

Reducing our dependence on imported oil is a daunting and long-term challenge that will require a variety of measures. Surely efforts to increase domestic production need to play a role in that strategy. However, I am afraid there is no silver bullet. Increased domestic production alone will not meet America's skyrocketing demand for oil.

With transportation accounting for two-thirds of our oil use, I believe the key is to reduce transportation demand through a wide range of measures, including technology advances that squeeze more useful energy out of every drop of oil.

That's where PNGV comes in. Started in 1993, PNGV brings together the expertise of the nation's colleges and universities, government agencies, national laboratories, suppliers, and the auto industry in a 10-year effort to dramatically improve the fuel efficiency of passenger vehicles. PNGV research efforts are focused on developing breakthrough technologies that are key to improving fuel economy. Work is underway on lightweight materials, aerodynamics, tires, power electronics, energy storage, combustion science, fuel cells, and hybrid propulsion systems.

The long-term goal of the program is to develop mid-size passenger sedans with up to three-times better fuel economy in a vehicle that retains all the performance, comfort, safety, and cost of today's comparable models.

In the past seven years, a number of PNGV's innovations have started to improve the fuel economy of today's production vehicles. Many of these innovations originated in our national laboratories. I am pleased to see our laboratories are playing a major role in PNGV. Let me cite a few examples of recent accomplishments:

One automaker is now using a technology developed at Sandia National Laboratories in Albuquerque, in my state of New Mexico, to produce axle shafts that are stronger, lighter, and less expensive.

The Pacific Northwest Laboratory in the Chairman's home state of Washington helped develop a hydroforming technique that is being used to shape door, deck and hood panels in current model vehicles.

Using analytical methods developed at Oak Ridge National Laboratory, automakers are now producing pickup truck boxes from lightweight composite materials.

And Los Alamos National Laboratory, also in my state, is one of the world leaders in fuel cell technology. Through PNGV, the lab's unique capabilities are being brought to bear on what may well be the automobile technology of the future. A fuel cell offers the highest possible efficiency with near zero emissions—certainly a goal worth striving for.

In addition to producing immediate fuel savings, PNGV is a program that is meeting its milestones. Earlier this year, and on schedule, all three domestic automakers rolled out high efficiency concept vehicles: the Ford Prodigy, DaimlerChrysler's ESX-3, and GM's Precept. These cars demonstrated, for the first time, the technical feasibility of a 5-passenger, 80-mile per gallon vehicle. This is truly a remarkable achievement.

I believe all Senators agree that the views of the National Academy of Sciences carry considerable weight in this body. Just last month, the Academy's National Research Council completed its sixth annual review of PNGV. It had this to say about the program:

> Though confronted with enormous technological problems, PNGV has made significant progress in meeting its objectives, and reaching the 2000 milestones represents an outstanding effort.

I ask unanimous consent that a summary of the National Research Council's sixth report on PNGV be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered

(See exhibit 1.)

Mr. BINGAMAN. Mr. President, the NRC's report went on to describe the major challenges that remain in the final four years of the program. PNGV's goal is ambitious but achievable: to develop production vehicles that meet all safety and emissions standards while simultaneously maintaining current vehicle cost levels. The increase in federal funding in the bill before us today will help ensure that PNGV can meet its goal.

Last month, Chairman GORTON lead a debate here on the Senate floor about fuel efficiency standards, and I want to thank him for his effort. I do believe it is an important issue. How ever that debate eventually plays out, it should be clear that we are not going to be able to reduce our dangerous dependence on imported foreign oil without vehicles that are more efficient. And the American public is not going to stand for vehicles that do not provide the same levels of safety, comfort, and performance they've come to expect. That's exactly what PNGV is all about.

I'd like to make one last point. Both Europe and Japan have recently taken steps to raise the average fuel economy of their vehicles. In Europe, automakers are committed to increasing fuel economy by 33 percent by 2008. In Japan, fuel economy levels are set to increase 23 percent by 2010. I do believe fuel efficiency is an issue of international economic competitiveness. We must aggressively pursue efforts like PNGV, or risk falling behind in the global automotive market.

In closing, I am pleased that the Senate bill provides adequate funding for PNGV. However, I am concerned this year about maintaining the Senate's funding level for PNGV in conference. In what I believe was a very wrongheaded action, the House all but eliminated funding for this vital program. Mr. President, this is not the time to reduce our commitment to cutting-edge research that offers the promise of dramatic reductions in our need for oil. I hope all senators will want to work with the committee to maintain the Senate's funding level for PNGV as the bill moves to conference.

Mr. President, I ask unanimous consent that a letter from Secretary Richardson opposing the House's actions be printed the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. BINGAMAN. Mr. President, PNGV represents the best of America's minds working together on one of the most important issues we face today.

I again thank Chairman GORTON, and Senator BYRD for their work on this bill and especially for the funding they've provided for energy conservation and PNGV.

EXHIBIT I

[From the National Academies, June 15, 2000]

### FUEL ECONOMY, COST MAY BE COMPROMISED TO MEET TOUGHER EMISSION STANDARDS IN NEXT-GENERATION CARS

WASHINGTON.—A public-private partnership to create a highly fuel-efficient car reached a major milestone earlier this year with the unveiling of concept vehicles, but the ability to meet both fuel-economy objectives and emission standards by a 2004 deadline remains a monumental challenge, says a new report from the National Academies' National Research Council.

The U.S. Environmental Protection Agency's new emissions standards for vehicle exhaust, which will be phased in beginning in 2004, are significantly more stringent than those that were in place when the public-private program, called the Partnership for a New Generation of Vehicles (PNGV), was initiated six years ago. All of the demonstrated concept vehicles—DaimlerChrysler's ESX3, Ford's Prodigy, and GM's Precept—use hybrid electric technology, which incorporates electric power from a battery with a small diesel engine. While the concept vehicles can achieve a fuel economy in the range of 70 to 80 miles per gallon, none meet the new emission standards.

"Though confronted with enormous technological problems, PNGV has made significant progress in meeting its objectives, and reaching the 2000 milestone represents an outstanding effort," said Trevor O. Jones, chair of the committee that wrote the report and chairman and chief executive officer of Biomec Inc., Cleveland. "As the program moves toward the 2004 deadline to introduce production prototype vehicles, major attention will need to be devoted to meeting the new emissions standards while simultaneously attaining cost and fuel economy objectives, which continue to elude PNGV engineers."

In the committee's judgment, EPA's "Tier 2" standards for nitrogen oxides and particulate matter will delay the use of the diesel engine—and its significant fuel-economy benefit—until systems can be developed that meet the new standards. PNGV also may have to shift its attention to other internal combustion engine designs with greater potential for extremely low emissions and high fuel efficiency.

The partnership should develop models that can predict the type and amount of emissions for a variety of engines and exhaust treatment systems in different versions of hybrid electric vehicles, the report says. These efforts will assist researchers in evaluating the feasibility of meeting the Tier 2 standards and provide data that could then be used to establish an appropriate plan for the next phase of the program.

Currently, fuel cells—an alternative power source—have the greatest potential to meet emissions standards and energy-efficiency requirements. All of the vehicle manufacturers are building concept vehicles powered by fuel cells that are estimated to get up to an equivalent of 100 mpg. Though notable progress has been made, the automotive fuel cell remains a long-range development facing significant hurdles, including the need to substantially reduce costs, which are running about five times higher than the program projected. The fuel cells are targeted for production automobiles sometime after 2004 by some vehicle builders.

New types of fuel and the infrastructure of refineries, distribution systems, and service stations are extremely important considerations in developing both internal combustion engines and fuel cells. The committee recommends that PNGV and the petroleum industry more fully address fuel issues and strengthen their cooperative programs.

As the program moves closer to commercially viable vehicles, the National Highway and Traffic Safety Administration should support major safety studies to determine how lightweight cars perform in collisions with heavier vehicles, the report says. These activities are critically important because PNGV vehicles, although similar in size to today's vehicles, will weigh much less with lighter bodies, frames, interior components, and window glass.

Although substantial accomplishments have been made, high cost is a serious problem in almost every area of the PNGV program, the committee said. The costs of most components of the concept vehicles are higher than their target values. For example, research continues to be conducted on aluminum and other composite materials for use in major vehicle components, but costs still are not competitive with steel. Battery costs are at least three times greater than the program's target. And DaimlerChrysler has estimated that its ESX3 concept vehicle would cost $7,500 more than a traditional vehicle in its class.

Given the complexity of the assignment and the tight timeline, the committee lauded PNGV's technical teams for their overall achievements and effectiveness in meeting project goals and their ability to develop solid industry-government-academia working relationships despite their competitive positions. And while the individual car manufacturers took different approaches in building their concept vehicles, all have made significant contributions and benefited by using technologies developed through the collaborative program. Further, many of the technologies—such as lightweight body materials—are being incorporated into vehicles that are in production today.

The Partnership for a New Generation of Vehicles is an alliance of U.S. government agencies and the U.S. Council for Automotive Research (USCAR), whose members are the country's three major automakers—DaimlerChrysler, Ford, and General Motors. PNGV was formed in late 1993 to develop an affordable midsize vehicle by 2004 with a fuel economy of up to 80 mpg—three times more efficient than today's vehicles—while meeting or exceeding government safety and emission requirements. Since 1994, the Research Council has conducted annual reviews of the program's goals and progress at the request of the U.S. Department of Commerce.

The study was sponsored by the U.S. departments of Commerce, Energy, and Transportation. The Research Council is the principal operating arm of the National Academy of Sciences and the National Academy of Engineering. It is a private, nonprofit institution that provides independent advice on science and technology issues under a congressional charter. A committee roster follows.

### STANDING COMMITTEE TO REVIEW THE RESEARCH PROGRAM OF THE PARTNERSHIP FOR A NEW GENERATION OF VEHICLES

Trevor O. Jones (chair), Chair and Chief Executive Officer, Biomec Inc., Cleveland.

Craig Marks (vice chair), President, Creative Management Solutions, Bloomfield Hills, Mich.

William Agnew, Director, Programs and Plans, General Motors Research Laboratories (retired), Washington, Mich.

Alexis T. Bell, Professor, Department of Chemical Engineering, University of California, Berkeley.

W. Robert Epperly, President, Epperly Associates Inc., Mountain View, Calif.

David E. Foster, Professor, Department of Mechanical Engineering, University of Wisconsin, Madison.

Norman A. Gjostein, Clinical Professor of Engineering, University of Michigan, Dearborn.

David F. Hagen, General Manager of Alpha Simultaneous Engineering, Ford Technical Affairs, Ford Motor Co. (retired), Dearborn, Mich.

John B. Heywood, Sun Jae Professor of Mechanical Engineering, Massachusetts Institute of Technology, Cambridge.

Fritz Kalhammer, Consultant, Strategic Science and Technology, and Transportation Groups, and Former Vice President, Strategic Research and Development, Electric Power Research Institute, Palo Alto, Calif.

John G. Kassakian, Professor, Department of Electrical Engineering, and Director, Laboratory for Electromagnetic and Electronic Systems, Massachusetts Institute of Technology, Cambridge.

Harold H. Kung, Professor, Department of Chemical Engineering, Northwestern University, Evanston, Ill.

John Scott Newman, Professor, Department of Chemical Engineering, University of California, Berkeley.

Roberta Nichols, Manager, Electric Vehicles External Strategy and Planning Department, Ford Motor Co. (retired), Plymouth, Mich.

Vernon P. Roan, Professor of Mechanical Engineering, and Director, Center for Advanced Studies in Engineering, University of Florida, Palm Beach Gardens.

Research Council Staff

James Zucchetto, Director, Board on Energy and Environmental Systems.

EXHIBIT 2

THE SECRETARY OF ENERGY,
*Washington, DC, June 15, 2000.*

Hon. RALPH REGULA,
*Chairman, Subcommittee on Interior and Related Agencies, Committee on Appropriations, U.S. House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: I am writing to express my concern regarding yesterday's House action to effectively terminate Partnership for a New Generation of Vehicles (PNGV) activities. I thank you for your efforts to defeat this amendment. I know you agree that especially now, during this current spike in energy prices, is not the time to reduce the U.S. commitment to cutting-edge research and development that will reduce our dependence on petroleum.

The Sununu amendment virtually eliminates the entire budget for the Partnership for a New Generation of Vehicles (PNGV). This is a matter of great concern to the Department, since PNGV has been a highly successful program aimed at reducing our country's growing consumption of petroleum products for transportation. As gasoline prices exceed $2.00 per gallon in the midwest, we are reminded that the United States has become increasingly vulnerable to oil price shocks and supply disruptions. Other impacts of this growing petroleum consumption are greater air pollution and increasing greenhouse gas emissions.

Technologies from PNGV results have already appeared in cars available for sale today. Earlier this year, the three PNGV year 2000 concept cars demonstrated the technical feasibility of 80 mile per gallon 5-passenger sedans. Each of these cars represents a unique approach to the challenges addressed by PNGV and showcases the progress made in advanced technology research and development through the partnership. The work is not finished, however.

Major challenges remain to be addressed during the final four years of this program, especially the size, weight, cost and emissions performance of individual components. The reliability of these technologies, both individually and in the context of a system, also needs to be demonstrated.

In its sixth review of the PNGV, released today, the National Research Council (NRC) notes that, measured against the magnitude of the challenge, "PNGV is making good progress." The NRC characterizes meeting the PNGV 2000 concept vehicle milestone as "an outstanding . . . effort."

Given projections of substantial growth in the number of vehicles worldwide in the years ahead, combined with uncertainty about the ability of worldwide petroleum production to keep up, it would be extremely unwise to terminate this program that is key to developing high energy efficiency vehicles without compromising the features that make them attractive to U.S. consumers.

Also, it is vital, during a period of increasing worldwide competition to produce more fuel-efficient vehicles, that we maintain support for U.S. producers. In view of significant support being provided by governments in Europe and Japan, it seems particularly ill-advised for us to abandon our leadership. Any reduction in PNGV funding would jeopardize achievement of our objectives.

I appreciate your leadership in protecting energy research and development funding. If you have further questions, you may contact me or have a member of your staff contact Mr. John C. Angell, Assistant Secretary for Congressional and Intergovernmental Affairs, at (202) 586-5450.

Yours sincerely,

BILL RICHARDSON.

The PRESIDING OFFICER (Mr. BUNNING). The Senator from Washington.

Mr. GORTON. Mr. President, I compliment the Senator from New Mexico on his presentation and I ask if he will return to the two charts.

I appreciate the kind words of the Senator from New Mexico on this general field. My own view is we do need to do what we can to produce more petroleum products from sources that are within the control of the United States. I am convinced we also, in meeting this challenge, need to move aggressively toward the development and increased use of alternative fuels for our automobiles. Even if we are relatively successful in both of those courses of action, the challenge of an increased dependence and increased use of fossil fuels in transportation, or of even alternative fuels, is simply going to continue to grow.

The Senator from New Mexico, in stressing the importance of a greater degree of efficiency in the use of energy for transportation purposes, is directly on point. As he stated, this appropriations bill includes a modest increase in its appropriation for the Partnership for a New Generation of Vehicles, a program I have supported ever since I took the chairmanship of this subcommittee. I think it is very important to the country as a whole. I think it is a constructive partnership between government and the private sector.

I am delighted to have a Member speak on this specific element of the bill that I had to pass over rather quickly. The top line on the chart indicates the nature of the problem.

The Senator from New Mexico also mentioned my effort in a different appropriations bill, once again, to go back to mandated, better fuel efficiency standards on the part of automobiles and small trucks. That is at least a first cousin, if not closer, to the proposition to which the Senator from New Mexico is speaking.

If we are to be successful, if we are to turn that rapidly rising line in the chart and even flatten it out, it seems to me we have to engage in all of these. The subject about which he spoke is particularly important.

I can assure the Senator from New Mexico that in a conference committee with the House on this subject, I will hold out as eloquently as I possibly can for the full Senate appropriation.

Mr. BINGAMAN. Mr. President, I respond by thanking the Senator from Washington for his comments and indicate that I think his leadership on this issue is extremely important, particularly so given the wrongheaded action the House of Representatives has taken in their bill of essentially zeroing out the funding for this very important program after 6 successful years of progress in a 10-year program.

I am encouraged by the Senator's statements. I will certainly do anything I can to assist the Senator in seeing to it that this is adequately funded in the future.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. Mr. President, I take a few minutes to comment on the bill and some of the areas of particular concern.

First, I recognize and thank the chairman and Senator BYRD for their good work. It is a tough job on any appropriations bill to hold down spending and keep it within the budget. Yet it is very difficult to set the priorities. This is one of the hardest jobs in the Congress. I appreciate the work they have done.

Particularly in this Interior bill, it is very hard to put together a bill that gets support throughout the entire Congress, representing all the States in the country, when a large part of the activity goes on, of course, in the public land States.

I want to comment on a few of those areas that are of particular concern to those who live in the West, where much of the State is owned by the Federal Government, ranging from 25 to nearly 90 percent of some States belonging to the Federal Government. Our economy, our future, all those things are tied very closely to what happens with the management of Federal lands. Much of that is within this budget of Interior.

I am particularly pleased, as chairman of the Subcommittee on National Parks, that the funding for national parks is in this budget, as well. Certainly we would all like to see as much support as possible for parks, but there is an increase here, as there has been over the past several years. There are some 379 parks in this country, national parks, all of which are quite different—from Yellowstone to the Statue of Liberty—parks that are unique.

The idea, of course, is to have the basic support for parks come from appropriations. We have developed over the past several years some alternative support, supplemental sources of funding that are not meant to replace, of course, but simply to supplement. These are such things as demonstration fees, which are then used in the park in which they are collected, or highway funds which come from the highways and go to the parks. I am thinking particularly in this case of Yellowstone Park, where highways are a very important part of their funding. Much of that goes there. We encourage contributions that can be made from the private sector.

There are several areas of concern, of course. One of them is PILT—payment in lieu of taxes. This is a program designed for a county where much of the land is owned by the Federal Government, where they would normally have real estate taxes that would come in through the operations of the county. Of course, when the Federal Government owns the land, those taxes are not collected and therefore this is a replacement and one that has been there for a very long time. It is quite important. It is very important because, in most cases, the counties provide the kinds of services on the public lands that they would provide on the private lands, even though the Federal Government, by its nature, does not pay the taxes. So these are payments that are made in lieu of.

There are some increases in this budget over the last year, but not nearly equal to the taxes that would be collected if the Federal Government did not own the land. So to the extent that is some measurement of fairness, then we are still quite below where we ought to be in the PILT area. We raised the authorization a number of years ago. Now it is tied to some kind of growth in the economy. We are, of course, quite below what the authorized level would be. We have some increases. We would like to have some consideration given to them.

Large amounts of land in Wyoming belong to the Federal Government—in the entire West. It creates some responsibility. Last week I met with county commissioners in Big Horn, WY, and their primary concern was what we are going to do with PILT because much of their county is Federal land. We have a unique relationship with the Federal Government. The Government depends on local communities to provide this infrastructure. Without the support of these counties, the Federal Government would be unable to manage theirs. I am talking about highways; I am talking about police protection; I am talking about health care and emergency care. All these things are provided without the basis of support that is usually there. So that is what the payment in lieu of taxes is all about. I know it is very difficult, but I think it is a program that merits some consideration and perhaps we will have the opportunity to increase those payments somewhat.

Actually, it is not confined to Western States. About 49 different States participate in the PILT program throughout the country, including the District of Columbia and three territories, so, of course, it is widespread in support.

Earlier this year, we had 57 Senators join in a letter supporting an increase in PILT funding. I will submit, a little later, for consideration some opportunity perhaps to give a little boost to that kind of funding. It is something that has a real meaning.

Let me give a little example. We have 23 counties in my State of Wyoming. Teton County is 96 percent Federally owned, Park County, 82 percent federally owned, on down the line; in Big Horn County, which I mentioned a little while ago, 80 percent of that county belongs to the Federal Government. It goes on. So I think there is a great deal of interest in that, and in the question of fairness.

Let me say, too, even though the appropriations are not actually the area where these kinds of decisions are often made, I think it is important to recognize this administration has made a drive towards the end. I understand the President is seeking to change the legacy to be one of a sort of Theodore Roosevelt thing, with land acquisition, the proposal to have 40 million acres roadless, in addition to the Antiquities Act and other things. This is going on currently.

One of the difficulties is not so much the idea of controlling roads. I have no problem with that. There should not be roads everywhere; we need to take a look at them. I am more concerned about the method in which it has been undertaken. Rather than having a major decision made by bureaucrats in Washington, we ought to go through the process. We have what are called forest studies over several years, and we have forest planning. That is where it ought to be done, so the people locally can participate.

We have talked about all the meetings we have had, and I have attended some of them, but the problem is, because this was done on a nationwide basis, hardly anyone who came to the meetings knew what they were talking about, including many of the people from the Forest Service. So there needs to be some real input. Perhaps there is something we can do to slow down that area.

Going back to parks, there are some 27 or 28 parks where one of the access functions that people enjoy is using snow machines in the wintertime in places such as Teton Park and Yellowstone Park and in Minnesota—there are a number there. Now we have another one of these bureaucratic knee-jerk responses that we are going to eliminate the use of snowmobiles in national parks.

I do not argue there ought not be some control. There should be, and there can be. There ought to be some control over the machines themselves. The manufacturers have said they are willing to do that, to lower the noise and do something about the emissions. The problem is the EPA has never set up any standards with which they need to comply. I understand if you are going to put a great deal of money into research to change these machines, you have to know where you need to be to be able to comply. We have never done this.

In addition, even though it seems as if a lot of people are using them, there are many fewer using the facilities in the wintertime. So it would have been possible, if the park had managed the snow machines rather than just letting them go, to separate the uses if they conflict with one another. If you have snow machines conflicting with cross-country skiers, in most parts you can have some space in between them. The park is never managed. Instead of seeking to manage these kinds of things, they simply say: Now we are going to do away with them.

The real issue there is access. Parks and public lands at least have two major functions. One is to preserve the resource. The second is to give the owners, who are the taxpayers, an opportunity to enjoy them. One of the ways of enjoying them is, in this case, a snow machine. Rather than simply eliminate it, it seems to me we ought to take a little bit more time and find some ways to fit that into what we are doing, whether it is used for hunting or hiking or sightseeing.

We were talking about energy over here. One of the reasons we are having energy problems is that our domestic production is down. One of the reasons it is down is we have made it more difficult to have access in the public lands. In Wyoming, that is a real problem because half the land belongs to the Federal Government.

So I think there are a lot of things we can do to be able to still protect the resource yet provide for multiple use of those resources.

Finally, there is grazing. A year ago, the Senate bill had language in it that if the Bureau of Land Management, didn't have the resources to go in and investigate and take a look at a grazing allotment—if the BLM did not get there, as they were supposed to, then they could cancel the allotment of this grazing. All we are saying is, when the BLM can't get to it, until they are able to, they ought to be able to go on as they have before, under their original contract. That is language that should be there. We would like to make sure it is there as we go through this.

Finally, there is a wild horse problem. We have a large number of wild horses in Wyoming. Not many people have to deal with that problem. The administration has requested $9 million for the next 4 years as part of an effort to bring the wild horses back to manageable levels. As a matter of fact, in the Red Desert of Wyoming, about 10 years ago, there was a lawsuit which required that these numbers be brought down. The BLM has never done that. Now they say: We can't do it unless we have some additional funding. The House funded the administration's request, but an amendment on the floor brought it down to $5 million. The Senate bill does not fund the administration's request. Now we have the possibility of BLM taking money away from other uses unless they have some more resources to handle these wild horses.

I hope we can talk about some of these issues. I understand they are unique problems. I do not think there are many wild horses in Rhode Island, but they are in other places. This is the kind of bill where we have to deal with the unique things that happen in the West.

Again, I appreciate very much the work of the chairman. I know he comes from a western State with a considerable amount of unique and public resources as well. I also know that he is very interested in dealing with them fairly.

I compliment that effort. I want to work with him to see if we can deal with some of these other unique problems that arise.

I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. My colleague from Missouri is very gracious and I can do this in 30 seconds.

AMENDMENT NO. 3772

(Purpose: To increase funding for emergency expenses resulting from wind storms)

Mr. WELLSTONE. Mr. President, I call up my amendment.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Minnesota [Mr. WELLSTONE], for himself and Mr. GRAMS, proposes an amendment numbered 3772.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 165, between lines 18 and 19, insert the following:

For an additional amount for emergency expenses resulting from damage from windstorms, $7,249,000 to become available upon enactment of this Act and, to remain available until expended: *Provided*, That the entire amount shall be available only to the extent that the President submits to Congress an official budget request for a specific dollar amount that includes designation of the entire amount of the request as an emergency requirement for the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.): *Provided further*, That the entire amount is designated by Congress as an emergency requirement under section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(A)).

Mr. WELLSTONE. Mr. President, this amendment, again, is to restore $7.2 million in emergency funding. My colleague from Washington made a helpful suggestion. Senator GRAMS is coming back from Minnesota today. I believe we can do this together. I ask unanimous consent that my amendment be laid aside, and when Senator GRAMS comes back, we will talk tonight. We will both come out together. He will join me.

I thank my colleague from Washington and my colleague from West Virginia as well for their support. It is terribly important to get this additional money to deal with the blowdown. I thank my colleagues.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Missouri.

Mr. BOND. Mr. President, I ask unanimous consent that I may be permitted to proceed for 4 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

## NATIONAL WOMEN'S SMALL BUSINESS SUMMIT REPORT

Mr. BOND. Mr. President, on a number of occasions, I have come to this floor to talk about the importance of women-owned businesses. Women-owned businesses employ more than 27.5 million people and generate over $3.6 billion in sales and have grown by 103 percent in the past 4 years.

As one of the fastest growing segments of the economy, women-owned small businesses are essential to America's future prosperity, as well as the prosperity and the well-being of the individual communities and particularly the families of those women who own businesses.

In recognition of this growth and contribution to our economic life, I convened with a bipartisan group of policymakers a national women's small business summit entitled "New Leaders for a New Century," which was held in Kansas City, MO, on June 4 and 5 of this year. The cosponsors of that conference were my ranking member on the Small Business Committee, Senator JOHN KERRY, along with Senators DIANNE FEINSTEIN, KAY BAILEY HUTCHISON, OLYMPIA SNOWE, and MARY LANDRIEU.

Today I am very pleased to announce that we are releasing a report of the recommendations of the women who attended this summit. Copies will be available in every office. It will be available through the Small Business Committee, and later I will also ask that portions be printed in the RECORD.

Because the conference was designed to elicit directly the views, concerns, and policy recommendations of women business owners, we learned more about the obstacles women entrepreneurs face and the specific issues which are of the utmost importance to them.

It is interesting; what we learned is this: Despite the advances women have made in the entrepreneurial area, their top priorities remain, first, procuring their fair share of Federal contracts. We have already dealt with that on this floor, and in a bipartisan, overwhelming vote on a resolution said the Federal Government needs to live up to its legislatively mandated responsibility to set aside 5 percent of small business contracts for women small business owners. They have not even come halfway to the goal.

Second, the women business owners who met with us are very much concerned about taxes. They said their top priority was getting rid of the death tax. Small business owners do not know when they will owe the estate or death tax or how much they will owe, so they have enormously high compliance costs.

A survey by the National Association of Women Business Owners found that the estate tax imposed almost $60,000 in death-tax-related cost on women business owners. That is not taxes imposed; that is how much it cost the average woman-owned small business to figure out what the death tax implication would be.

As a congressman colleague in Missouri once said, there ought be no taxation without respiration. That was the overwhelming view of the women in this conference.

In addition, the report outlines the women's views on what the Federal Government can do to help women entrepreneurs in areas such as access to capital, pensions and retirement, expanding markets, and health care. By asking women small business owners themselves to identify their professional concerns and make corresponding policy recommendations, we as policymakers, as legislators, should be able to craft our agenda much more effectively, and that agenda is oversight of the Small Business Administration and other Government agencies complying with the law, as well as legislative recommendations. This, we think, should facilitate even greater success on the part of current women small business owners and also offer incentives to more women to consider becoming business owners themselves.

Mr. President, I ask unanimous consent that the conclusion of the report be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

### CONCLUSION

The Summit participants were a diverse group of experienced women business owners who presented their candid views in response to the challenge from the Summit's sponsors. The participants' discussions focused on a vast number of wide-ranging issues and problems in seven areas confronting women-owned small businesses. There was no script directing the agenda. The Summit was participant-driven—the participants identified problems, they formulated solutions, and they put the recommendations in priority order.

Each participant brought a unique perspective to the Summit. One half of all participants had companies that had been in business for at least 10 years. Eighty-six percent of the women small-business owners were between the ages of 35 and 64. These seasoned executives and entrepreneurs brought years of experience to the table, and they are the best source for ideas on and solutions to the pressing problems confronting women-owned businesses in America today.

The issue singled out as the top priority by the Summit participants were Federal procurement. The participants at the highly attended Procurement session made a series of 13 recommendations. From this list, the participants' number one priority was that Federal agencies must begin awarding 5% of their contract dollars to women-owned small businesses. This 5% goal was established by Congress in 1994, and Federal agencies have failed to reach even one-half of the goal—2.5%—every year since the goal was enacted into law.

The second highest-ranked priority area for women business owners was the availability of capital, with a particular emphasis on their inability to raise equity investment capital. For start-up and fast-growing companies, the ability to raise equity capital is often critical to building a successful business. Equity infusions are designed to strengthen a company's balance sheet, which enables it to borrow money from banks and other commercial lenders in order to meet the company's day-to-day operating needs. The door to equity capital has been effectively shut and locked for the vast majority of women business owners.

The Summit's goal was to ensure that the recommendations from the participants receive serious scrutiny from the 107th Congress and the new Administration as they are sworn-in this coming January. New incentives should be developed in some areas to help women-owned small businesses continue to thrive. But in other areas, government must simply stay out of the way and let these entrepreneurs do what they do best—run successful companies. At the same time, the heads of Federal agencies need to be held accountable when their agency fails to do its part under the law, such as with the requirement that the Federal government must award 5% of its contracts to women-owned small businesses.

With all of the participants' specific recommendations in each of the respective topic areas, the Congress and the Executive Branch have a new mandate—listen to what women shall-business owners have said and answer their call to action. In that vein, this report will be distributed to every Member of the United States Senate and House of Representatives and to the President of the United States in order to ensure that the Summit's recommendations are in the forefront of what needs to be done to help small businesses. The major issues singled out by the Summit participants must be the focus of the Congress and the Administration as they work to support and assist women-owned small businesses, which are so critical to the continued economic prosperity of this country.

## DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2001—Continued

Mr. BOND. Mr. President, I thank my distinguished colleague, the chairman of the committee, for allowing me this time. I thank the ranking member, Senator BYRD, for having done an excellent job on this bill. There are many items in the bill before us that I, along with the Senator from Wyoming, believe are very important. We wish them Godspeed.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## THE GREENBRIER

Mr. BYRD. Mr. President, tucked into a sheltered green valley in Southern West Virginia is a magical place, a place where fascinating history, natural majesty, and sumptuous comfort have combined since the first days of our nation's founding to create a spot that is justly world-renowned. That place, Mr. President, is called The Greenbrier, in White Sulphur Springs, West Virginia. It has been a special place for several decades now, overflowing with game for the Shawnee Indians, a spa since colonial days, a place of high society idylls and balls, fought over during the Civil War, a World War II diplomatic internment site and then a rest and recuperation hospital for wounded soldiers, and a secret government relocation site—all cloaked behind the well-bred, white-columned face of a grand southern belle of a resort.

Mr. President, in May, my wife Erma and I celebrated our 63rd anniversary. Erma is my childhood sweetheart, the former Erma Ora James. We have written a lot of history together over the past 63 years, and I could not ask for a better coauthor.

This year, as we have in the last several years, we celebrated at the fabled Greenbrier resort in White Sulphur Springs. I am certainly not original in my inspiration to celebrate moments of marital bliss there—President John Tyler, the first President to be married in office, spent part of his 1844 honeymoon in White Sulphur Springs. Actors Debbie Reynolds and Eddie Fisher spent part of their 1955 honeymoon there, and Mr. and Mrs. Joseph P. Kennedy arrived at the Greenbrier on October 11, 1914, for a two-week honeymoon. Many, many, other famous names are inscribed in the Greenbrier's guest register. The history that Erma and I have created together is a blink of the eye compared to that of The Greenbrier, whose healing waters were first enjoyed by hardy colonists in 1778, as they had been by Shawnee Indians for untold years before that.

The Greenbrier has been a resort almost since the day in 1778 that Mrs. Anderson, one of the first homesteaders in the Greenbrier area of the "Endless Mountains," as the region was identified on colonial maps, first tested the wondrous mineral waters on her chronic rheumatism. Word of Mrs. Anderson's recovery spread rapidly, and numerous log cabins were soon erected near the spring. The "summer season" at the spring was born, albeit in a somewhat primitive state.

Still, the fame of the spring along Howard's Creek continued to spread. Thomas Jefferson mentioned "Howard's Creek of Green Briar" in his "Notes on the State of Virginia" in 1784; that same year, George Washington focused the Virginia legislature's attention on the commercial prospects of the "Old State Road" running between the Kanawha River valley, through The Greenbrier's lands, to the piedmont and tidewater sections of Virginia. Along the route of today's roadway between the hotel and the golf clubhouse stands a monument to this vision. The Buffalo Trail monument commemorates the point at which the pre-colonial Indian Buffalo Trail crossed the Allegheny Mountains on its way from the Atlantic Coast to Ohio. This trail became the James River and Kanawha Turnpike, which for over a century carried commerce and development from the settled East to the future states of West Virginia, Kentucky, Ohio, Indiana, Illinois, and Missouri. By 1809, a tavern with a dining room, a barn, a stable, mills, and numerous cabins constituted a hospitable stopping place along the still-rugged route West. And rheumatism sufferers were joined at this watering hole by others more interested in the creature comforts and social interaction than in relieving joint pain.

By 1815, the first spring house was built over the spring head, and a thriving resort was attracting visitors who typically stayed for several weeks at a time. A hotel and many surrounding cottages, some quite sumptuous, were erected over the years. Commodore Stephen Decatur, hero of the Barbary Wars, brought his wife for a 16-day stay in 1817, and Henry Clay of Kentucky, Speaker of the House of Representatives, spent some time at White Sulphur Springs during several summers over some 30 years. The cool mountain breezes under the shelter of ancient oaks, combined with stylish fans and gentle rocking chairs on a shady porch, made the Greenbrier a comfortable spot in those sweltering summers before air conditioning.

In many ways, the Greenbrier has changed little over the years. The gracious sweep of lawn, the stately trees, the ranks of white cottages and imposing hotel facades hark back to that earlier era. Many of the cottages, most too sumptuous to be called merely "cottages," have their own special histories. One of the cottages was owned by Jerome Napoleon Bonaparte, who was a nephew of the French Emperor. General John J. Pershing, Commander of the Allied Forces in World War I completed his memoirs in the cottage named "Top Notch." Early morning horseback rides are still popular, and Erma and I recently enjoyed the romantic carriage ride through the grounds. Hunting, fishing, and even falconry are still practiced. But more golf courses, tennis courts, and swimming pools encourage a more active lifestyle than in those early days. The Greenbrier is justly famous for its golf and for the Sam Snead Golf School. Though I do not play, I still enjoy the beautifully landscaped courses with their wide sweeps of lawn and water dotted with sandy island obstacles. The partaking of the sulfur water, that elemental component of the original spa experience, is now complemented by health and beauty facilities and services that pamper every part of you. A visit to the Greenbrier has grown ever more restorative over the years.

Henry Clay, that great man from Kentucky, the State of the Senator who now presides over the Senate with a dignity and degree of charm and skill and poise as rare as a day in June, often visited at the Greenbrier, as I have said.

Henry Clay was an early political fan of the Greenbrier, surely the most gracious and comfortable stopping place on his many trips between Washington and his home in Kentucky. Other well-known figures and luminaries who visited the resort prior to the Civil War were Presidents Martin Van Buren, Andrew Jackson, Millard Fillmore, Franklin Pierce, and James Buchanan. I have already noted that President John Tyler honeymooned at the Greenbrier. Dolly Madison, Daniel Webster, Davy Crockett, Francis Scott Key, and John C. Calhoun, and many other political notables have also contributed to engrossing dinner conversations there in more recent years, including Senate greats such as Everett Dirksen, Sam Ervin, Jacob Javits, and Barry Goldwater. Other politicians preferred the outstanding golf at the resort, including President Eisenhower, President Nixon (as a Vice President), and Vice President Hubert Humphrey. President Woodrow Wilson has also graced the Greenbrier, though I do not know if he was a golfer.

The Greenbrier has always been a favorite spot of other celebrities, as well. The Vanderbilts, Astors, Hearsts, Forbes, Luces, DuPonts, and the Kennedys have sojourned there, as did Prince Ranier and Princess Grace with their children Albert and Caroline. The Duke and Duchess of Windsor danced the night away in the grand ballroom. Bing Crosby has sung there, and Johnny Carson, Steve Allen, Dr. Norman Vincent Peale, Rudi Valle, Art Buchwald, Dr. Jonas Salk, Cyrus Eaton, and the Reverend Billy Graham have all made mealtime conversations there sparkle more than the crystal chandeliers in the dining room. Babe Ruth and Lou Gehrig are just two of the sporting greats who have autographed the guest register. Clare Booth Luce wrote the first draft of her most enduring play, "The Women", during a three-day stay in 1936. Like Tennyson's brook, the fascinating list of notables could go on and on forever. People watching—that is watching people—has always been a spectator sport at Greenbrier functions!

The Greenbrier has experienced trauma as well as galas. During the Civil War, the Greenbrier's location astride a strategic rail line into Richmond, Virginia, put her in the line of fire. Troops were billeted in her guest rooms, but both sides spared a favorite pre-war vacation site and fighting raged along the Greenbrier River. Being in what became Southern West Virginia, during the debate over succession in 1863, the Greenbrier's fate as a West Virginia or a Virginia citizen was uncertain. I am surely glad that West Virginia was the winner!

During Reconstruction, the hotel's healing waters also helped to heal the wounds of war, as grand society from both sides of the conflict continued to meet at the Greenbrier. General Robert E. Lee was a frequent visitor. In General Robert E. Lee's single post-war political statement, he led a group of prominent Southern leaders vacationing at the Greenbrier in drafting and signing what became known as "The White Sulphur Manifesto" of 1868. This document, widely reprinted in newspapers across the country, declared that, in the minds of these men, questions of secession from the Union and slavery "were decided by war," and that, upon the reestablishment of self-governance in the South, the Southern people would "faithfully obey the Constitution and laws of the United States, treat the Negro populations with kindness and humanity and fulfill every duty incumbent on peaceful citizens, loyal to the Constitution of their country." The war was truly over.

In 1869, one of the most famous photographs ever taken at White Sulphur Springs included Robert E. Lee and a group of former Confederate Generals, among them Henry Wise of Virginia, P.G.T. Beauregard of Louisiana, and Bankhead Magruder of Virginia. Other ex-Confederate officers who visited the resort were Alexander Lawton of Georgia, Joseph Brent of Maryland, James Conner of South Carolina, Martin Gary of South Carolina, and Robert Lilley of Virginia. Former Union General William S. Rosecrans visited General Lee while Lee was vacationing one summer at the Greenbrier.

The Greenbrier has served the nation well in two other wars, as well—World War II and the Cold War. At the outbreak of World War II, the hotel served as a rather gilded cage for several thousand foreign diplomats and their families, from Germany, Italy, Hungary, Bulgaria, and, later, Japan. It was then taken over by the federal government for the Army's use as a rest and recuperation hospital for wounded soldiers, before returning, like the soldiers it housed, to civilian life.

Much has been made, in recent years, of the Greenbrier's secret life as a covert agent of the U.S. government. In 1992, the existence of an emergency government relocation center built secretly deep beneath the Greenbrier was revealed. The result of an extraordinary partnership between the CSX Corporation and the federal government, the bunker contained facilities to house and operate the entire United States Congress in the event of nuclear attack. It had its origin in plans created by President Eisenhower to ensure the survival of the constitutional system of checks and balances. The President had to convince Congressional leaders, including Senate Majority Leader Lyndon B. Johnson, to go along with the plan, which was carried out in the greatest secrecy for over forty years. The secrecy was necessary, because the bunker at the Greenbrier was not designed to withstand a direct hit, but, rather, to ensure security through a combination of physical design and camouflage. The remote shelter of the West Virginia hills proved a perfect combination of cover, concealment, and denial.

Now, the bunker is open to the public for tours. It is fascinating to see the level of detail that was included in the bunker, but it is also sobering to reflect upon the real fear of Armageddon that existed in this country during those years and which justified this kind of contingency planning. As you finish the tour and return to the sunlit world of golf, lazy country walks, luxurious settings, and fine dining that is the hallmark of the Greenbrier experience, it is difficult to recall those not-so-distant times when school children practiced hiding under their desks in the event of a conventional or nuclear exchange.

I encourage my fellow Senators, and, indeed, anyone listening, to visit the Greenbrier, to tour the bunker, and to relish the history and the service that are so much a part of this precious piece of West Virginia. Avoid the current high gas prices and road congestion, and take the train as so many have before you. Leave steamy, contentious, Washington behind for a time, and step out at the Greenbrier's rail depot wondering at the beauty, the cool breezes that smell of fresh, clean air and wildflowers. Allow yourself to be swept along by the attentive, unobtrusive service of an earlier age and be deposited in a bright, flower-bedecked room before a pre-dinner stroll about the grounds. You will be walking with the celebrities of the past as you write a wonderful new chapter in your own history.

I was mentioning the Amtrak train. My recollection went back to a time in England when the distinguished Senator from Washington, SLADE GORTON, and his nice wife Sally, and Erma and I rode the train from London up to York. Oh, my, what a wonderful time we had in York, visiting through the countryside with its narrow roads and its hedges and having our meetings with the British. Those were most enjoyable days and memorable ones.

But riding the train in itself is a real treat. I like to ride trains, and I know SLADE GORTON does, too. Has he ever told about his bicycle journey across the United States? He and his wife and their children traveled by bicycle, a bicycle odyssey, across the United States of America, all the way from the Pacific to the Atlantic. That would be something worth reading about. Better still, talk with him in person about it.

I close with the immortal words and images of the poet William Wordsworth, who lived from 1770 to 1850, when the Greenbrier was yet in its early days. But his lines eloquently capture the sights one can now happen upon when strolling through the magical grounds of this wonderful outpost of gentle civilization amid the mountains, and they capture the happiness such beauty inspires:

> I wandered lonely as a cloud
> That floats on high o'er vales and hills,
> When all at once I saw a crowd,
> A host, of golden daffodils;
> Beside the lake, beneath the trees,
> Fluttering and dancing in the breeze.
>
> Continuous as the stars that shine
> And twinkle on the milky way,
> They stretched in never-ending line
> Along the margin of a bay:
> Ten thousand saw I at a glance,
> Tossing their heads in sprightly dance.
>
> The waves beside them danced; but they
> Out-did the sparkling waves in glee:
> A poet could not but be gay,
> In such a jocund company:
> I gazed—and gazed—but little thought
> What wealth the show to me had brought:
>
> For oft, when on my couch I lie
> In vacant or in pensive mood,
> They flash upon that inward eye
> Which is the bliss of solitude;
> And then my heart with pleasure fills,
> And dances with the daffodils.

Like the Greenbrier, the forests in West Virginia.

I yield the floor.

The PRESIDING OFFICER (Ms. COLLINS). The Senator from Tennessee.

Mr. THOMPSON. Madam President, I ask unanimous consent to speak for 20 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THOMPSON. Madam President, I say to the Senator from West Virginia how much I appreciate that rendition and bringing us back to a better reality here from time to time.

I remember the comments by that same poet who once said:

> Getting and spending, we lay waste our powers,
> Little we see in nature that is ours.

I don't think anyone can ever say that about the senior Senator from West Virginia.

Mr. BYRD. He said, "we lay waste our powers." But I can assure you that the Senator from Tennessee doesn't lay awaste his powers. He is a busy man, and he serves his country and his State in a great fashion.

I thank the Senator for his kind words.

Mr. THOMPSON. I appreciate that very much.

## PROLIFERATION OF WEAPONS OF MASS DESTRUCTION

Mr. THOMPSON. Madam President, I rose on the floor on June 22 to address a matter of great concern to everyone, the issue of proliferation of weapons of mass destruction.

A couple of years ago, I was watching late night television and ran across a seminar being conducted by former Senator Sam Nunn. Someone asked him during a question and answer period what he considered to be the greatest threat to the United States of America. He mentioned terrorism and the new emerging threat of weapons of mass destruction.

A short time after that, I was watching the Charlie Rose Show late one night with former Secretary of State Warren Christopher. When asked the same question, he gave the same answer: That post cold war, we have not concerned ourselves perhaps very much with some of these issues but that we should, and there are emerging threats out there.

I think the Senator from West Virginia is contemplating a proposal that deals with this very issue.

I have been specifically concerned with that issue with regard to China for a couple of reasons: One, they continue to lead the nations of the world in the proliferation of weapons of mass destruction, according to our intelligence community; two, because we are now getting ready to embark on the issue of permanent normal trade relations with China.

Many of us are free traders; many of us believe in open markets; many of us want to support that. I think the majority of the Senate certainly does. Is there not any better time, and is it not incumbent upon us in the same general timeframe and the same general debate, that we couldn't, shouldn't, consider something so vitally important to this country as the issue of our nuclear trading partner, that we are being asked to embrace in a new world regime, that sits with us on the Security Council of the United Nations? Is it too much to ask of them to cease this dangerous proliferation of weapons of mass destruction and the supplying of these rogue nations with weapons of mass destruction—be they chemical, biological, or nuclear—which pose a threat to us?

We are considering now the issue of the national missile defense system. Many people in this Nation, I think a majority of people in this Congress, are very concerned that we have no defense against such a terrorist attack, an accidental attack, an attack by a rogue nation with weapons of mass destruction, and that we need such a missile defense.

One of the primary reasons we need a national missile defense system has to do with the activities of the Chinese and their supplying of rogue nations with these materials, expertise, capabilities, military parts that have nuclear capabilities which we are so concerned that, by the year of 2005, could be turned against us. Must we not consider this as we consider permanent normal trade relations? As important as trade is, is it more important than our national security? I think that question answers itself.

I pointed out on June 22 that the Rumsfeld Commission reported in July of 1998 that: China poses a threat as a significant proliferator of ballistic missiles, weapons of mass destruction, and enabling technology. The commission went on to say China's behavior thus far makes it appear unlikely that it will soon effectively reduce its country's sizable transfer of critical technologies, experts, or expertise to the emerging missile powers.

A little later, on June 22 of this year, the Far Eastern Economic Review reported:

> Robert Einhorn, the U.S. Assistant Secretary of State for Nonproliferation, left Hong Kong on June 11 with a small delegation bound for Beijing.

The article said:

> Neither the American nor Chinese side reported this trip. Einhorn is on a delicate mission to get a commitment from Beijing not to export missile technology and components to Iran and Pakistan.

It went on to say:

> . . . U.S. intelligence reports suggest that China may have begun building a missile plant in Pakistan. If true, it would be the second Chinese-built plant there.

If that article is indeed true, it would certainly be consistent with what we know about other Chinese activities. There is a recent report that there is growing Chinese support for Libya and their missile program. We know they have supported the Iranian missile program. We know they have supported the North Korean missile program. So those are some of the things we discussed back on June 22.

Let's bring ourselves up to date now. Just this last Sunday, Sunday a week, July 2, the New York Times reported:

> American intelligence agencies have told the Clinton administration and Congress that China has continued to aid Pakistan's effort to building long-range missiles that could carry nuclear weapons, according to several officials with access to intelligence reports.

The story goes on to say:

> . . . how China stepped up the shipment of specialty steels, guidance systems, and technical expertise to Pakistan . . . since 1998.

That is very recent activity. Shipments to Pakistan have been continued over the past 8 to 18 months, according to this story.

This, of course, would be in violation of the Missile Technology Control Regime to which the Chinese Government agreed to adhere. Strangely enough, weeks ago, our Secretary of State praised the Chinese for complying with the MTCR. It is pretty obvious now they are not complying. Some answers need to be forthcoming from the Secretary of State with regard to that.

But things are more serious than that because we now know, because of these recent developments and, perhaps, because of some of the issues we are considering in this Senate, the administration sent another envoy to the Chinese for 2 days of talks concerning some of these proliferation problems. On July 9, we got a report back from that latest trip, where our people went over there to plead with the Chinese to change their behavior at a time when we are about to consider permanent normal trade relations. We have gotten the results back. According to the New York Times on July 9, this visiting American official, who is Mr. J.D. Holum, adviser to the Secretary of State on arms control, said:

> After 2 days of talks, the Chinese would not allay concerns about recent Chinese help for Pakistan's ballistic missile program.

He is quoted here as saying:

> We raised our concern that China has provided aid to Pakistan and other countries . . .

That is according to Mr. Holum.

The article goes on to say:

> Some Chinese arms experts say that China is unlikely to promise to end exports of missile technology anytime soon because such trade, or the threat of it, gives China a bargaining chip over the scale of American weapons sold to Taiwan.

Apparently, what the Chinese Government is saying is that as long as we assist Taiwan—which we are determined to do—for defensive purposes against the aggression of the Chinese Government, they are going to continue to assist these outlaw nations in their offensive designs that might be targeted toward the United States.

That bears some serious consideration. The Chinese Government is saying if you continue to be friendly with Taiwan and assist them in defending themselves against us, we are going to continue to make the world more dangerous for you and the rest of the world by continuing to assist these nations of great concern. We have to ask ourselves: Are we willing to acquiesce to that kind of blackmail? We have a policy with regard to Taiwan. It is well stated. Are we going to withdraw our support for Taiwan, which might assist in doing something about this proliferation? I don't think so. I would certainly oppose it. I think most every Member of this body would oppose that. So you can take that option off the table.

What are we going to do? The other option would be to continue to sit pat, continue our policy, and see the continued proliferation of weapons of mass destruction. We will try to build a missile defense system that will catch them. While they are building up over there, we will build up over here.

There is a third option, of course. That is to tell the Chinese Government that, yes, we will trade with you; yes, we want to engage with you; yes, we will help you see progress in human rights and other issues; yes, we acknowledge you have taken a lot of people out of poverty and opened up your markets somewhat; yes, we will do all those things, but if you continue to do things that pose a mortal threat to the United States of America, we will respond to that in an economic way. There will be consequences to you.

It does not have to be directly related to trade. We can do some other things that would not hurt our people. For example, the Chinese have access to our capital markets. They raise billions of dollars in our capital markets. It is free and open to them. It is not transparent at all. We don't know what they do with that money. Some people think they use it to build up their army. But Chinese interests raise billions of dollars in our capital markets. Should we allow them to continue to doing that when they are supplying these rogue nations with weapons that are a threat to us? It makes no sense at all.

Must we read in the paper someday that the North Koreans or the Iranians, sure enough, have a missile and have the nuclear capability of send a nuclear missile to the United States of America?

People say: They know they would be wiped off the face of the Earth. We could retaliate and they would never do something like that. No. 1, we made a lot of mistakes in this country by assuming other people think the same way we do. No. 2, I am not sure we are always going to be able to detect the source of a missile such as that. The United States would not likely, as some people say—having it trip off their tongue so easily—wipe a nation off the face of the Earth unless we were absolutely sure. So there is no need to go down that road. We must do something on the front end that will ameliorate the possibility of our ever getting into that situation and that condition. That is why 17 of my colleagues and I have proposed a bill called the Chinese Nonproliferation Act, which basically calls for an annual assessment of the activities of the Chinese Government and Chinese Government-controlled entities within China, to see how they are doing on a yearly basis in terms of their proliferation activity. Then, if there is a finding that they continue their proliferation activity, the President has the authority to take action.

I believe that is the least we can do under the circumstances. Our bill has become quite controversial because many people think it complicates the issue of permanent normal trade relations with China. They do not want to do anything—No. 1, they say—to hurt our exporters. We have made changes. No one can arguably say our bill hurts U.S. exporters now. We don't want to hurt our agricultural industry. We have made changes to accommodate that concern. We are not designing this in order to hurt our agricultural industry, so that is not an issue anymore.

When you get right down to it, the opponents of this bill are primarily concerned about doing anything to agitate the Chinese at a time in which we are trying to get permanent normal trade relations passed. I don't think we ought to gratuitously aggravate them. But if we are not prepared to risk the displeasure of a nation that is doing things that pose a mortal threat to our national security, what are we prepared to do?

What is more important than that? I am not saying let's cut off trade with them. I am not saying let's take action against them for precipitous reasons or reasons that are not well thought out. I am saying we must respond to these continued reports from the Rumsfeld Commission, from the Cox Commission, from our biennial intelligence assessments, from these reports from our own envoys coming back saying the Chinese are basically telling us to get lost. We know what they are doing, and they are apparently not even denying it anymore. And we are going to approve PNTR without even taking up this issue?

We are trying to get a vote on this bill. So far we have been unable to do so. I ask my colleagues to seriously consider what kind of signal we are going to be sending. We talk a lot about signals around here. I ask what kind of signal we are going to be sending to the Chinese Government, to our allies, to the rest of the world, if we are not willing to take steps to defend ourselves? A great country that is unwilling to defend itself will not be a great country forever.

I yield the floor.

## DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT—Continued

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Madam President, in less than 10 minutes, under the previous order, the Senate will move on to another subject. We have completed opening statements on the Interior appropriations bill. The two Senators from Minnesota have offered an amendment, and we have had notice of several others.

This is simply to announce to my colleagues that sometime tomorrow—I hope relatively early tomorrow—we trust we will be in a position to make a unanimous consent request stating that there is a deadline for the filing of amendments. I do believe we will be able to begin to discuss actual amendments fairly promptly tomorrow morning, but as the majority leader said, in the evenings from now on, we will move to the Defense authorization bill. So Members who wish their amendments to be considered should notify both managers as promptly as possible, should file those amendments as promptly as possible, and should begin to arrange with the managers for times relatively convenient to all concerned to bring them up.

The majority leader would like to finish this bill tomorrow. I must say that I join him fervently in that wish, a wish that is not, however, a prediction. Nonetheless, a great deal remains to be done this week. The more promptly Members can come to the floor with their amendments and see whether or not we can deal with them informally or whether they will require a vote the better off all Members of the Senate will be. It is doubtful we will get anything more accomplished between now and 3:30, however. So at this point I will suggest the absence of a quorum and will ask that it be called off at 3:30 so we can move to the next matter of business. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DASCHLE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DASCHLE. Madam President, I will use my leader time to make a couple of comments.

## SENATE AGENDA

Mr. DASCHLE. Madam President, I welcome everyone back from our week away for the Fourth of July recess. I did not have an opportunity to talk this morning with the majority leader, and I understand he was able to come to the floor and indicate there is a lot of work to be done, and I share his view about the extent to which work should be done.

I hope we can work as productively this coming work period as we worked in the last work period. We had an arrangement that I think worked very well following an unfortunate confrontation prior to the time we went away for the Memorial Day recess. The cooperation and partnership that was demonstrated over this last work period is one that I hope we can model again.

I say that because I am concerned about the precarious way with which we are starting this week. Senator LOTT has filed a cloture motion on the motion to proceed to the estate tax, and then it is my understanding his intention is to file a cloture motion on the bill itself. I remind my colleagues that is exactly what got us into the position we were in prior to the Memorial Day recess. I hope we can work through that.

I have offered Senator LOTT a limit on the number of amendments to the estate tax bill and a time limit on the amendment. I am very disappointed that we are not able to do what we have been able to do on so many bills, and that is reach some sort of accommodation for both sides. We still have some time this week, and I am hopeful that will happen.

Let me also say that I am increasingly not only concerned but alarmed that we have yet to schedule a date certain for the consideration of permanent normal trade relations with China. I had a clear understanding we would take up the bill this month. Yet I am told now that at a Republican staff meeting today there was a good deal of discussion about the need to move it to September.

I inform my colleagues that we will ask unanimous consent to take up PNTR. If that fails, at some point this week, we will actually make a motion to proceed to PNTR by a time certain this month. We cannot fail to act on that issue any longer. We must act. So we will make that motion to proceed to PNTR if the majority leader chooses not to make the motion for whatever reason.

I will also say that, as he has indicated, there is a good deal of business left undone that, for whatever reason, has been blocked by some of our colleagues on the other side. We will want to address those issues as well.

We will offer a motion to proceed to the Patients' Bill of Rights. We will certainly want to do that, as well as prescription drugs, minimum wage, and a number of issues relating to common sense gun legislation, such as closing the so-called gun show loophole and dealing with the incremental approaches to gun safety that the Senate supported as part of the juvenile justice bill.

I will say, we will also want to move to proceed to the H-1B legislation that passed in the House overwhelmingly. We want to be able to offer amendments. We would like to take it up. It should happen this week; if not this week, next week. But we ought to take up H-1B as well.

You could call this week the "Trillion Dollar Week," the Trillion Dollar Week because our Republican colleagues are choosing to ignore all of the legislation I have just noted, given the limited time we have, and instead commit this country to $1 trillion in two tax cuts relating, first, to the marriage penalty, which we are told by CBO would cost a little over $250 billion over a 10-year period of time; and the estate tax repeal, which, over a fully implemented 10-year period, costs $750 billion.

That is $1 trillion dealing with just two issues: the estate tax and the marriage penalty. It does not even go to the array of other tax-related questions that some of our Republican colleagues have addressed in the past. We could be up into $3 or $4 trillion worth of tax cuts if all of the tax proposals made by our Republican colleagues were enacted. But we may want to call this the "Trillion Dollar Week" if our Republican colleagues have their way: $750 billion on the estate tax; $250 billion on the marriage tax penalty—and, I will say, $1 trillion, with very limited debate, with no real opportunity to offer amendments, with no real suggestion about whether or not we ought to have at least the right to offer alternatives to spending that much money.

The Democrats believe very strongly in the need to ensure that small businesses and farms are protected and that the ability is provided to transfer small businesses and farms. But we can do that for a lot less than $750 billion. We believe very strongly in the importance of the elimination of the marriage tax penalty. But we do not have to spend $250 billion to deal with it.

In fact, the regular order right now is the marriage tax penalty. We have offered a limit on amendments, a limit on time on those 10 amendments. We could take it up and deal with it this week—or could have last week, last month, the month before. Instead, what our Republicans colleagues are doing—and, I might add, all the time calling for our cooperation—is saying:

No, we are not going to do that. We are not going to give you relevant amendments on the marriage penalty. We are going to go to the first reconciliation bill so you can't have amendments. We are going to take up the bill that way. But we still want your cooperation.

Now we are told that we will have an opportunity to vote on cloture because we are given the same mandate, the same ultimatum, when it comes to amendments on estate taxes.

So let me end where I started. I really do hope that we can have as productive a time this coming month as we had last month. I thought it was a good month. But I must say, this is a precarious beginning with this Trillion Dollar Week. It is a precarious beginning when, with all of the people's business the majority leader referred to, we are not actually going to deal with the people's business. We are going to deal with 2 percent of the population affected by the estate tax, and we are going to deal with a marriage penalty bill that goes way beyond repealing the marriage penalty, that actually gives a bonus to some taxpayers, all the time denying Democratic Senators the right to offer amendments on other directions that we might take.

So I look forward to talking and working with the majority leader, and I look forward to a good and rigorous debate about all of the issues having to do with the people's business.

Mr. REID. Would the Senator yield for a question before he yields the floor?

Mr. DASCHLE. I would be happy to yield to the assistant Democratic leader.

Mr. REID. I have listened to the Democratic leader outline what we have not been able to do. I fully support, as does the entire Democratic caucus, what the Senator is trying to accomplish. The one thing the Democratic leader did not mention, though, I say to my leader—there has been a tremendous furor from the Republican side about how they want to help the high-tech community, but the one thing that has not been accomplished is a simple little bill to change the Export Administration Act so our high-tech industry can compete with the rest of the world.

As we speak, we are losing our business position in the world in selling computers. We lead the world in building and selling high-tech computers. That is being taken from us as a result of four or five people on the Republican side who are holding up this most important legislation.

I say to my leader, I hope this is something on which we can also move forward. We would be willing to debate it for 30 minutes, for an hour. There is all this talk about helping the high-tech industry. In my opinion, the most important thing we could do is to get some attention focused on what has not been done regarding the high-tech industry. H-1B visas, of course, that is important.

On the airplane ride back from Las Vegas, I had the good fortune to read a book the Democratic leader has already read and told me how much he has enjoyed called "The New New Thing." That book indicates how important it is that we have the people to do the work of this scientific nature. We need to change the H-1B. We agree there. But we also need to change our ability to have more exports to improve our balance of trade.

I close by saying, 44 Senators are willing to come in early in the morning, to stay late at night, to give up our weekends, to do whatever is necessary these next 3 weeks to move this legislation the Democratic leader has outlined.

Mr. DASCHLE. The assistant Democratic leader has made a very important point. The list I referred to certainly is not all inclusive. He listed one important omission; that is the export administration bill. In fact, I do not know of anyone who has put more time in trying to get that bill scheduled than the assistant Democratic leader. I thank him publicly for his willingness to try to find a way with which to bring this legislation up.

He is absolutely right. As we consider our huge deficit in our balance of payments, it is the only real black eye we have in an otherwise extraordinary economic record. As we consider that, I cannot think of anything more important than ensuring we stay competitive in the international marketplace today. There is no better way to do that than to address export enhancement legislation, as the assistant Democratic leader has noted.

I also say to the assistant Democratic leader, today, again, the president of the U.S. Chamber of Commerce, Tom Donohue, has called upon the Senate to act. He has called upon the Senate to act on PNTR immediately. I am sure he would also call upon the Senate to act on the export administration bill.

But there is a growing crescendo of people out there concerned that this is a Senate which has done little, which has blocked the people's business, not enacted it. Prescription drugs, the Patients' Bill of Rights, the minimum wage, effective gun legislation, China PNTR, and H-1B—all of those ought to be done. All of those ought to be done this month. We will have very little time left when we get back after the August recess. So we have to make every day count. We want to work with the majority to make that happen.

With that, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KYL. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## EXECUTIVE SESSION

### NOMINATION OF MADELYN R. CREEDON, OF INDIANA, TO BE DEPUTY ADMINISTRATOR FOR DEFENSE PROGRAMS, NATIONAL NUCLEAR SECURITY ADMINISTRATION

Mr. KYL. Madam President, on behalf of the leader, I ask unanimous consent that the Senate now proceed to executive session for the consideration of Calendar No. 473, the nomination of Madelyn Creedon to be Deputy Administrator for Defense Programs, under the terms of the consent agreement reached June 14.

The PRESIDING OFFICER. Without objection, it is so ordered.

The assistant legislative clerk read the nomination of Madelyn R. Creedon, of Indiana, to be Deputy Administrator for Defense Programs, National Nuclear Security Administration.

Mr. KYL. Madam President, it is my intention in a moment to ask unanimous consent to speak on a different subject. Perhaps Senator LEVIN would like to comment briefly. I know he has a more lengthy statement he would like to make at a later time.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. LEVIN. I thank my good friend from Arizona. I can withhold my statement. It is not that long, but I will be here in any event. I am happy to yield to Senator KYL for his statement on this or any other matter.

Mr. KYL. Mr. President, I ask unanimous consent to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

## THE DEATH TAX ELIMINATION ACT

Mr. KYL. Madam President, tomorrow the Senate is expected to vote on a motion to invoke cloture on the motion to proceed to the consideration of the House-passed Death Tax Elimination Act, H.R. 8. I want to take a few minutes today to explain a key element of that legislation, one that wasn't discussed much during the House debate but which I think is critical to Senators understanding actually how the legislation works.

The bill which passed the House on June 9 by a vote of 279–136—incidentally, 65 House Democrats joined Republicans in very bipartisan support for the bill—ultimately repeals the Federal estate tax. But the change in policy is really more substantial than just that. The details are very important because they offer a way for both sides of the aisle to bridge past differences with respect to the estate tax, specifically with respect to how transfers at death are taxed.

Although it is true that H.R. 8, the bill that passed the House, would repeal the estate tax at the end of a 10-year phaseout period, the appreciation and inherited assets would not go untaxed. That is a very important point, Madam President. This is a departure from previous estate tax repeal proposals.

Under H.R. 8, a tax would still be imposed, but it would be imposed when the inherited property is sold; that is, after the income is actually realized, rather than at the artificial moment of death. The House bill, therefore, removes death from the calculation of the imposition of the tax. Earnings from an asset would be taxed the same whether the asset were earned or inherited.

The plan broadens the capital gains tax base by using the decedent's basis in the property to calculate the tax. That differs from current law where the basis can be stepped up to the fair market value at the time of death. In exchange for the broader tax base, a lower tax rate would apply. The capital gains tax rate would be the general rate that would apply.

I also note that a limited step-up in basis would be preserved to assure that small estates bear no new tax liability as a result of these changes.

What we have done is to ensure that nobody who would escape paying the estate tax would ever have to pay a capital gains tax on that amount of money, so everybody would be treated the same in terms of avoiding liability from any tax; and only those who choose to sell an asset at a later point in time, after the property is inherited, would pay a tax. They would pay a capital gains tax—a much lower rate than the estate tax—and they would have the benefit of an exemption even more generous from the estate tax today.

Here is how the bill would actually work. The estate tax would essentially be replaced by a capital gains tax. That tax would be imposed on the gain or the increase in value of the inherited property relative to its original basis or cost, plus any cost of improvements. As with the estate tax, as I said, there would be an amount of property exempt from taxation. In the case of the new capital gains tax, the exemption would be $1.3 million of gain. That is, the decedent's basis would be exempt, whatever that amount of money is, plus $1.3 million. That exemption would be divided among all of the heirs. Now, $1.3 million is the amount that can be currently shielded from the estate tax by family-owned businesses or farms. So we have provided a basic exemption here that is the same as the most generous exemption under today's law.

In addition to that, we provide an additional exemption. A surviving spouse will be entitled to $3 million more, in addition to the exemption I just mentioned; that means the decedent's basis—his cost of the property—plus $3 million for the property transferred by the decedent to him or her. For married couples, there is an additional $1.3 million in exempt gains that can be added for the second spouse, for a total exemption of $5.6 million above the decedent's basis in the property, $1.3 million for the first spouse, plus $1.3 million for the second spouse, plus $3 million for spousal transfers.

In each case, the exempt amount is added to the basis. It, of course, cannot exceed the fair market value of the property at the time of death. That is the way these exemptions add up. They provide a significant exemption from the payment of any capital gains tax even when the property was inherited and later sold.

Why is this change important? For one thing, it removes death as the trigger for the tax. That is the object that most of us want to achieve—to take death out of the equation. It is an artificial event. People are certainly not making plans based upon death. I don't think anybody can justify death being a taxable event. Ordinarily, we see taxable events as the earning of income, the gain of profit from an investment, the sale of property, and the result of income from that. Those are taxable kinds of events. Death is purely an artificial event which should not be a trigger for any payment of tax. In fact, we all appreciate that it creates a great hardship on families at the very time of death.

For example, frequently the owner of the business—the person who started the business—has to figure out at that very difficult time in their life how to pay the estate tax. Frequently, the only way to do that is actually to sell the business, sell the farm, or sell the assets in order to acquire enough liquid assets to pay the estate tax. It takes death out of the equation.

That is the first object of this. I think it is the most important.

But a tax would be imposed on the beneficiaries of an estate just as it would have been imposed if someone had realized a capital gain during his or her lifetime. The beneficiaries of an estate would not only inherit assets but they would also inherit the decedent's tax basis on that property. The trigger for the tax is, therefore, the sale of the assets and the realization of income. That is the appropriate time to levy a tax—not when someone dies.

Advocates of the death tax often note that it serves as a backstop for the income tax by imposing taxes at death on income that previously escaped taxation. They are referring to capital gains that have never been realized. It is theoretically possible for that to be the case, although it is ordinarily true that you have spent ordinary income to acquire an asset and you have already paid income taxes on that ordinary income. But for someone who may have come into property in some other way, there could theoretically be unrealized gains that would escape taxation, except for the proposal that we have.

It is true that under current law those gains, but for the estate tax, would go untaxed forever because of the step-up basis. In other words, under current law, you acquire the market value as of the date of death, and that is the value of the property. So if you later dispose of it, there is very little gain if you dispose of it quickly. But of course you have to pay a 55-percent or lower percent death tax on that property.

The House-passed bill addresses this concern of unrealized gains never being taxed head on. It not only eliminates the death tax but also the step-up basis. So unrealized gains will ultimately be taxed if and when the inherited property is sold off. Therefore, nothing escapes taxation.

This concept, I must confess, was one which I heard Senator MOYNIHAN talking about when I first presented the death tax repeal to the Finance Committee. There was some concern. While we all appreciate that it is not good tax policy to impose a tax at the time of death, there has to be some way to recapture a tax on these unrealized gains. This is the proposal that does that. Therefore, it is not only eminently fair but it conforms the tax policy for everyone—people who acquire a decedents' estate or people who simply earn money—and it doesn't contain this bad element of taxing at the time of death. Instead, when you make the economic decision to sell property you have inherited—if you make that decision—you know what the tax consequences are. You know how much income you are going to receive. You can figure out how much tax you are going to pay. If you decide to go ahead and sell at that point, then you pay a capital gains tax using the original basis. But it is your decision based upon your timing and your economic circumstance and not because of a fortuitous event of death.

It is interesting; President Clinton's fiscal year 2001 budget, on page 109 of the analytical perspectives, scores the existing step-up basis in capital gains and death at $28.2 billion in fiscal year 2001, and a total of $152.96 billion over 5 years. So elimination of the step-up basis as proposed in H.R. 8 can, therefore, be expected to recoup a portion of the revenue lost from the death tax repeal. That reduces the cost of the death tax repeal substantially.

To say it another way, when you eliminate the death tax altogether, you are eliminating all of that revenue. But if you come back and collect a capital gains tax using the original basis on any of the inherited assets that are later sold, the Federal Government is at least going to recoup some of that revenue. Will it be 40 percent? Will it be 30 percent? I don't know.

But it is interesting that the President's own people score the step-up basis of capital gains at death at over $28 billion in fiscal year 2001. That is roughly the amount of the estate tax that is going to be collected.

So if you assume that all of the property would be immediately sold, then the Government theoretically would recoup all of that money.

That won't happen. Obviously, people will wait a while to sell assets. But the point is that it illustrates the Government is not going to have a total loss of revenue as a result of the repeal of the estate tax. There will be revenue coming in from the capital gains tax that replaces it.

I think whatever revenue losses are associated with repeal, of course, also needs to be put in perspective. This is the point that is most important to me.

The President's budget, on page 2, estimates that revenues for 2001 will amount to over $2 trillion, rising to $2.92 trillion—almost $3 trillion—by the year 2010, the year that the death tax repeal would actually be implemented. In other words, by 2010, the Federal Government will collect an additional $840 billion in just that 1 year. Surely, with an $840 billion surplus in just that tenth year that the estate tax is repealed, we can afford to eliminate this unfair tax and still satisfy pressing national needs with the additional $840 billion.

It is pretty clear when you put that in perspective that no one should vote against estate tax repeal on the basis that the Federal Government can't afford it. Clearly, it can afford it.

One final point: I call Senators' attention to a letter that should be reaching their offices from the National Association of Women Business Owners, or NAWBO as it is sometimes called. The organization is writing in very strong support of death tax elimination. They write that women business owners in the country employ one out of every four workers.

By the way, about half of the small businesses in the country are women owned. So this is a very important point to the National Association of Women Business Owners. It is one of the groups that very strongly supported us when we had the White House conference, and repeal of the death tax was No. 4 on the list of legislative items.

In any event, here is what they write with respect to the point that one out of over four workers, or about 27 million workers in the United States, are employed by women business owners:

> When a woman-owned business has to be sold to pay the death tax, jobs are lost.

This was written by president Barbara Stanbridge and vice president for public policy, Sheila Brooks.

They say, "on average, 39 jobs per business, or 11,000 jobs, have already been lost due to the planning and payment of the death tax."

It is not only the payments that will suffer, but it is also the planning. The payments that go to the lawyers, estate planners, and insurance also increases expenses and results in job loss.

NAWBO projects on average 103 jobs per business—or a total of 28,000 jobs—will be lost as a result of the tax over the next 5 years.

Ms. Stanbridge and Ms. Brooks note that women businesses are just starting to grow. Many are first-generation businesses, and they have just begun to realize that, due to the death tax, their business will not be passed on to the next generation—at least not without a 55-percent estate tax and perhaps a 55-percent gift tax during life. Most of the businesses can't afford to pay the tax. As I said before, they are sold off frequently to big corporations that are not subject to the death tax.

Let me make this point.

I was asked by a reporter today what the original theory of death tax was. The reporter said it doesn't seem to make any sense. It doesn't make sense. But the original theory was they would prevent the accumulation of wealth. It was put in at a time when it was kind of the progressive or populist time, and there was a feeling that we should prevent the accumulation of wealth.

Let me give you a story of a friend of mine in Phoenix, AZ. He came to Arizona from New York and built a printing business. Eventually, he employed about 200 people. He was a very successful entrepreneur. A lot of people depended on Jerry Wisotsky, a pillar of the community, who contributed huge sums of money to all kinds of causes. He was a very rough and gruff guy on the exterior. On the interior, he had a heart of gold. He could not turn down any request for a charity in town. He was very generous. All of his family were. When he died, the family found that everything had been plowed back into the business—the latest of printing equipment and so on. He had no hard cash to pay the huge estate tax. They had to sell the business.

To whom did they sell it? It was some big conglomerate—a big German company, I think. But it was a big corporation.

So much for the death tax preventing the accumulation of wealth. It took a whole bunch of wealth from one family in Phoenix, AZ, and transferred it to a big international corporation.

It doesn't prevent the accumulation of wealth. It concentrates wealth in the big companies that end up being able to afford to buy the business—frequently at bargain basement prices. It is unfair. It is not good for communities.

I made the point about contributions of this one family. As I said, that family used to contribute to every charity in Arizona. They are still very generous, but they don't have the assets they used to have when Jerry owned the business. This argument that charities are going to suffer if we repeal the estate tax I know to be wrong.

I am waiting for the first executive director of some big charity organization in the community to come back to me and lobby against the repeal of the estate tax on the grounds that it will hurt contributions to charity. I will immediately call every member of that person's board of directors and say: Do you know what your hired person is lobbying for back here? They are lobbying to pay 55 percent of the estate tax to the U.S. Government because it might be an incentive to contribute more to their charity.

I think these folks will turn tail and go home. The reality is people who are big hearted will make big contributions, as the Wisotsky family, and they can do it if they have an income stream coming, rather than if they have to sell the business to somebody else.

I talked about the women-owned businesses. Minority-owned businesses are in the same position, which is why we have strong support from various minority business organizations. However, the point of repeal of the estate tax is it is in keeping with the American dream. The American dream is to work hard, be successful, and give your children a greater opportunity than you had. That is the American dream. The estate tax works counter to the American dream, the ability to pass on something to your children and grandchildren after you have worked very hard during your lifetime to save that money.

That is another point. The death tax penalizes savers. We talk about tax policy and trying to promote savings and investment. The estate tax is exactly contrary to that. On the one hand, the Federal Government seeks to encourage people to save through IRAs, Roth IRAs, 401(k)'s, education savings accounts, and lower tax rates on capital gains. Yet on the other hand, it penalizes savers upon their death with death tax rates as high as 55 percent.

Consider two couples with similar lifetime earnings. One spends lavishly during their lifetime and leaves only a small estate. That couple is not subject to the death tax. The second couple who foregoes lavish spending and sets money aside for family, for the future, for contingencies in the future—as the Government policy seeks to have them do—gets hit with a substantial tax on death degree. That is not right. It is not good tax policy or good national economic policy.

It is particularly not fair because there is a better way: Tax the gains when they are realized; don't tax at death. That is what the Death Tax Elimination Act is all about. I urge Senators to take a very close look at this when we have this issue of the cloture vote. Think very carefully about not allowing us to proceed. There is some notion that politically some people will want to use the death tax repeal legislation to offer all kinds of nongermane amendments to make whatever other points they may want to make. Everybody around here knows the Senate schedule is very tight. Everybody knows the death tax repeal is extremely popular around the country. A very high percentage, 70 to 80 percent of the American people, support its repeal. It passed the House of Representatives. If everyone had been there, it would be a veto-proof vote. I believe it will be a veto-proof vote. It is pretty clear the death tax repeal is going to pass. It will be successful if it comes to a vote.

I don't know whether some people plan to play political games and use this vehicle to score political points on totally unrelated matters. I urge those Members to think very carefully about that strategy. If we are not able to get the clean version of the House bill, H.R. 8, to a vote, I will be standing on the floor pointing fingers at those people who have prevented the Senate from doing that. I think that is very fair. It is very appropriate.

The House of Representatives overwhelmingly repealed the death tax. The American people want it repealed. We will have an opportunity to consider it in the Senate. Those Senators who stand in the way of this, playing parliamentary games, using amendment tactics with amendments that are not germane to the estate tax, we are going to be on the floor pointing out the results of their efforts. If they stop this with those tactics, they will have to accept the consequences of their actions. It is fine with me to have people try to amend the bill. I don't think they will be successful. This bill, written by Chairman BILL ARCHER and Representative DUNN and others in the House of Representatives, including members of the minority, is very well put together. It reduces rates for the first 10 years and has a repeal at the end of the 10-year period. By then it is all gone. That should give everybody time to adjust to the fact that it is going to be repealed, however it will be repealed.

I hope my colleagues will not decide to try to derail the opportunity to repeal the death tax through a strategy either of denying cloture—in other words, the ability to bring the bill to a final vote on the floor of the Senate—or alternatively, to require the majority leader to agree to nongermane amendments, which obviously would sink the ship.

It is my understanding from talking to the majority leader today that he does not yet have an agreement to permit bringing the bill to the floor with a limited number of germane amendments, with a clear vote before the end of this week. If that can't be accomplished, we will have to move for cloture and we will have a cloture vote. I believe we will get cloture. When we do, then only germane amendments are allowed. There will be a vote by the end of the week. Members can't say they are for repeal of the death tax and then engage in tactics which prevent the Senate from ever getting to that vote.

Let me make a couple of other points. This is a very bipartisan approach both in terms of outside groups and the strong support we have had both in the House and in the Senate from Members on both side of the aisle. That is why I do not make a blanket action over who might use dilatory tactics. Many members of the minority are cosponsors of this legislation. When I originally developed this concept, Senator BOB KERREY of Nebraska was very supportive and immediately became a cosponsor of what is now known as the Kyl-Kerrey bill. We have 29 cosponsors. Frankly, we could have more. Nine are members of the minority party. The rest are members of the majority party.

Let me single out these members of the minority party who have been willing to support us. I am sure there will be more, but cosponsors include Senators BOB KERREY, JOHN BREAUX, CHUCK ROBB, BLANCHE LINCOLN, RON WYDEN, MARY LANDRIEU, MAX CLELAND, EVAN BAYH, and PATTY MURRAY. These are all Senators who I think have studied this and realize there is a tax on the unrealized gains incorporated in this bill, so it becomes a very fair bill just taking death out of the equation. I particularly thank those Senators for putting aside any partisanship in recognizing the importance of this repeal.

For those who are not totally familiar with the overall essence of the bill, let me describe the key elements of it.

As amended, H.R. 8 would, first, in the year 2001 convert the unified credit to a true exemption and repeal the so-called 5-percent bubble and expand the availability of qualified conservation easements. It would also repeal rates in excess of 53 percent in that first year.

Between 2002 and 2009 it would phase down the estate tax rates by 1 percent to 2 percent each year.

Third, in 2010 it would implement the Kyl-Kerrey language eliminating the death tax and implementing a carry-over-basis regime, as I discussed earlier.

Over the Fourth of July, I had occasion to attend some ceremonies and hear our Founding Fathers quoted. Of course Benjamin Franklin is always one of the most fun to quote, but he is one who, some 200 years ago, said: Nothing in this world is certain but death and taxes. .

It should come as no surprise that after 200 years the Federal Government would find a way to put those two inevitabilities together to create a death tax which is not only confiscatory but also offensive to the American sense of fairness and also harmful to small business and to the economy. It was also harmful to the environment, and this is so because what happens is families find, in order to pay the tax, they have to sell land they would like to keep in the family for its environmental value. But they find they have to sell it to generate income. Inevitably what happens is the property is developed. That development is the reason why there are conservation groups who have also joined us in opposition to the estate tax and in favor of its repeal.

There is another point I want to mention. Opponents of our legislation say this only affects a few people. First of all, it is not true; it affects a lot of people. It is true in the end only a few people have to end up paying. But a lot of people have spent a lot of money preparing various tax shelters to escape the payment of the estate tax.

Who benefits, of course, are the lawyers and the estate tax planners and the insurance companies. I have nothing against any of those folks, but I don't think we need to create tax policy just to create jobs for lawyers. I am a lawyer. I know I always had plenty to do without having to get into this. So I don't think any of those folks would have real grounds for suggesting that in order to keep them in business we have to keep the estate tax. So it is not just the people who pay, it is also the people who have to try to avoid paying.

There is another thing. The Chair is well aware of this because she and I share the same concern about this problem, as a result of which I understand either tomorrow or Wednesday there is going to be a hearing before the Aging Committee, talking about senior citizens who end up getting bilked or scammed because of people who come to them and say to avoid the death tax they have to give them a bunch of money to set up some kind of trust to save their assets. Most of these people are people who would not have to pay the tax; their estates are just not big enough to be taxed. They fall within the exemption. But they are afraid. They have heard about this death tax and they are susceptible to these scams which take large amounts of money from them under the guise of estate planning which is not necessary for them.

So you not only have the people who have to pay the tax, you not only have the people who have to pay not to pay the tax, but you also have people who get scammed into paying some of these unscrupulous folks, setting up trusts they do not need because they would never be subject to the tax.

You also find—again I go back to the example I cited before—when businesses are sold, frequently jobs are lost, and those jobs are also affected, as I pointed out, by the reduced income from the businesses that have to prepare not to pay the tax. So it is just not true the tax only affects a limited number of people. In fact, I believe it was 3 years ago that we had the latest statistics for the amount of money spent to avoid paying the estate tax. It was almost exactly the same as the amount of tax paid in that particular year. In effect, it is a double taxation and a very inefficient tax when you have to pay that much money to avoid paying the tax.

Edward McCaffrey—I don't think he would mind me putting this label on him—who is a liberal, a professor of law at the University of Southern California, put it this way.

> Polls and practices show that we like sin taxes, such as on alcohol and cigarettes. . . . The estate tax is an anti-sin, or virtue tax. It is a tax on work and savings without consumption, on thrift, on long-term savings.

He is exactly right. We may all be for sin taxes. But one of the reasons why the bulk of Americans, whether they will ever have to pay the tax or not, oppose the estate tax is they realize it is contrary to everything we believe in America. It is not a tax on sin; it is a tax on virtue—saving something for your kids when you die.

Let me also cite economists Henry Aaron and Alicia Munnell, making the very same point. Writing in a 1992 study, they said that death taxes:

> [H]ave failed to achieve their intended purposes. They raise little revenue. They impose large excess burdens. They are unfair.

As I noted, opinion polls constantly show between 70 percent and 80 percent of Americans favor repeal of the death tax. When Californians had the chance to weigh in with a ballot proposition, they voted 2 to 1 to repeal their State's death tax. I think that is a very important point because that vote was very recent.

The legislatures of six other States have enacted legislation since 1997 that would either eliminate or significantly reduce the burden of their States' death taxes. In fact, the minority leader was here a moment ago. I note on the ballot in the home State of the distinguished minority leader, South Dakota, there will be a proposition this fall for the elimination of the death tax.

If you talk to the men and women who run small businesses around the country, if you talk to people who join in meetings, gatherings that I talk to all the time, you will find very strong support for repeal of the tax. Remember, it is a tax that is imposed on a family business when it is least able to afford the payment, on the death of the person with the greatest practical and institutional knowledge of that business' operations. That is the reason why so many businesses cannot make it to the second generation or the third.

I mentioned before the women- and minority-owned businesses. Instead of passing hard-earned and successful businesses on to the next generation, many of these families have had to sell their companies in order to pay the death tax. That certainly stops the upward mobility that is so important to some of these groups. It is why death tax repeal is supported by groups such as the National Association of Women Business Owners, the U.S. Hispanic Chamber of Commerce, the National Black Chamber of Commerce, the National Indian Business Association, and the National Association of Neighborhoods.

This is a very wide spectrum of organizations representing a very broad spectrum of the American community. I cannot think of a policy that has come to the Senate in recent times that has a more broad appeal to it than the repeal of this very unfortunate and unfair tax.

I mentioned before the argument about concentration of wealth. I just want to go back to that for a moment. There is a February 2000 study by the National Association of Women Business Owners, the Independent Women's Forum and the Center for the Study of Taxation combined. It found the death tax costs female entrepreneurs nearly $60,000 on death tax planning, obviously money they could use to put back into their businesses. They report that 39 jobs were lost per business due to the costs of death tax planning during the last 5 years. Think about that. Women business owners report that the cost of death tax planning will create 103 new jobs per business in the next 5 years.

Think about that statistic. Most of the businesses we think about are much smaller than that to begin with, but we know small businesses can grow to 200 or 300 employees if they are successful. These numbers are staggering when you stop to think about the amount of job loss that results, just from the costs of planning to avoid the estate tax. It is an incredible statistic.

There is a June 1999 survey of the impact of the death tax on family business employment levels in upstate New York which found that the average spending for death tax planning was as much as $125,000 per company. Think of that. For the 365 businesses surveyed, the total number of jobs lost already as a result of the cost of death tax planning was over 5,100 jobs.

The average estimated number of jobs these businesses would lose over the next 5 years if they actually had to pay the death tax exceeds 80 per business, with the numbers of jobs at risk at a minimum of 15,000 jobs. This is just among something like 300 companies in upstate New York. These are staggering statistics. If you expand that to the rest of the country, it is impossible to argue that the estate tax is not my problem, that it is just for a few rich folks. It affects everybody in this country.

What it suggests to me is that although it is paid by only a small number of individual taxpayers, it has a disproportionately large negative impact on the economy. As someone said, it is the tax with the longest shadow of any on the books.

The adverse consequences are compounded over time, too. A December 1998 report by the Joint Economic Committee concluded that the existence of a death tax in this century has reduced the stock of capital in the economy by nearly half a trillion dollars.

Think about what a half of a trillion dollars of capital stock infused into the economy in the future could mean. These surpluses that are projected now would be expanded even more significantly because the growth in capital would obviously provide a lot more return on investment.

It is really staggering when one stops to think about the impact of this one tax and how pernicious it is, all the way from the individual minority-owned business to the economy of the United States losing half a trillion dollars in capital stock. Just think, by repealing the death tax and putting those resources to better use, the joint committee estimates that as many as 240,000 jobs could be created just over a period of 7 years. Americans would have an additional $24.4 billion in disposable personal income over that period of time. If we said to the American people: We have a great deal for you; how would you like another $25 billion in the next 7 years and all we have to do is repeal this tax that does not bring in revenues to the United States proportionate to the cost that it imposes on the economy, I think they would say that is a very good deal.

It seems to me almost all of the arguments for those who used to favor the tax have been pretty well laid to the side, and the only question now is how we are going to get this to a vote in the Senate and how we are then going to be able to send it to the President.

I mentioned the cost to the environment a moment ago. Maybe those who have in mind offering amendments would like to consider this for just a moment: An increasing number of families who own environmentally sensitive lands, as I said before, have had to sell property for development to raise the money to pay the death tax, which destroys natural habitats as a result. With that in mind, Michael

Bean of The Nature Conservancy observed that the death tax is highly regressive in the sense that it encourages the destruction of ecologically important land. So maybe folks who were planning to speak in opposition to this would like to take that into consideration.

Because it tends to encourage development and sprawl, a lot of environmental organizations have endorsed its repeal. Among those organizations: The Izaak Walton League, the Wildlife Society, Quail Unlimited, the Wildlife Management Institute, and the International Association of Fish and Wildlife Agencies.

Incidentally, pending repeal in 2010, as I noted before, H.R. 8 expands the availability of qualified conservation easements, which is something I am sure all of these conservation organizations support.

For all of these reasons, it is going to be very hard to explain why we would not support repeal of this tax. It overwhelmingly passed in the House of Representatives.

The repeal portion of the death tax recaptures taxes on unrealized gains, something that had been a problem for some Members of the other side of the aisle. I understand why, and I was happy to include that compromise in this legislation, and Representative ARCHER did the same.

In the meantime, it enhances conservation easements, reduces rates. I really cannot think of a good argument against this. And yet constituents may ask: Why can't you get it to a vote? Why do you need to worry about this?

The reason is, frankly, because of the rules of the Senate, any Senator has the ability to raise nongermane matters until we have had a cloture motion voted on and approved. There are those who would like to take advantage of this opportunity to raise their favorite issue in that way. If enough people do that with these nongermane riders which we have all heard so much about, it can sink the ship that otherwise would carry the legislative business to the President for his signature.

I hope that will not happen. I hope very much we can reach an agreement to quickly take up and consider any amendments and then vote for the repeal of the estate tax, vote for the House-passed bill, H.R. 8. I hope we can do that tomorrow at the very latest. If we cannot, then obviously we are going to have to file cloture and have that vote on Thursday.

I encourage all of my colleagues to look at this legislation very carefully because there is some misinformation about it. I know I talked for some time today, but hopefully I have been able to answer some of the questions that have been raised in my remarks. I stand ready to work with Senators who want to understand better exactly what we are trying to do here, what the effect of it will be, and what the many organizations are that support this legislation because they are significant. I certainly hope they will make their feelings known during the course of the next few days, too, because it is important for our colleagues to understand the depth and breadth of support for repeal of the estate tax.

I conclude by thanking Senator LEVIN, again, for allowing me to take this time and to urge my colleagues to support H.R. 8, to agree to a time agreement that will enable us to take it up in a timely fashion, to get it disposed of with germane amendments as quickly as possible so we can have a vote on repeal sometime this week.

That is something the American people would feel very proud we accomplished. Everyone can go back to their constituencies and brag about it. It is not partisan; it is bipartisan. Republicans cannot brag they did it all alone because many Democrats in the House made it possible with a veto-proof margin. Without the support of our Democratic colleagues in the Senate, I know we would not have gotten this far today.

I am very hopeful people on both sides of the aisle will see not just the fairness of it but the political benefit in responding to our constituents, which is, after all, what we are supposed to be doing around here. We know they would like to see repeal, and I think it is time for us to show them we can get something done here; we can do this and not hide behind all of the usual parliamentary maneuvers that are so common in the Senate.

I am very hopeful we will be able to finish this bill by the end of this week, send it on to the President, and go back to our constituents and say we did something very important for them: We repealed the death tax.

I thank the Chair, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LEVIN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## NOMINATION OF MADELYN R. CREEDON, OF INDIANA, TO BE DEPUTY ADMINISTRATOR FOR DEFENSE PROGRAMS, NATIONAL NUCLEAR SECURITY ADMINISTRATION—Continued

Mr. LEVIN. Madam President, what is the pending business?

The PRESIDING OFFICER. The pending business is the nomination of Madelyn Creedon to be Deputy Administrator for Defense Programs, National Nuclear Security Administration.

Mr. LEVIN. Madam President, I am pleased to come to the floor today and support the nomination of a very talented and a highly qualified member of the Armed Services Committee staff to be the Deputy Administrator for Defense Programs of the newly created National Nuclear Security Administration.

Madelyn Creedon has served her country for her entire professional life in a variety of important national security positions. She has served as Associate Deputy Secretary of Energy, working closely and directly with Deputy Secretary Charles Curtis. She was the general counsel for the Defense Base Closure and Realignment Commission, and she has served as minority counsel to the Committee on Armed Services and counsel under my predecessor, Senator Sam Nunn. She spent 10 years as a trial attorney in the Department of Energy.

Madelyn Creedon's nomination for this important position was unanimously reported to the full Senate by the Armed Services Committee on April 13. After working with her for more than 8 years on the Armed Services Committee, I know firsthand of her extraordinary understanding of the national security programs of the Department of Energy and of her passionate commitment to the success of these programs and to the national security of the United States.

There are few people who have Madelyn Creedon's depth of experience and her knowledge in the nuclear weapons programs of the Department of Energy.

Last month the Senate confirmed the nomination of Gen. John Gordon to be the Under Secretary of the Department of Energy and the head of the new National Nuclear Security Administration. All of us are aware of the significant challenges General Gordon is facing in this position. The Administrator of the new National Nuclear Security Administration is responsible for maintaining the safety, security and reliability of our Nation's nuclear warheads; for managing the Department of Energy laboratories; for cleaning up some of the worst environmental problems in the country; and for addressing security problems that continue to undermine pubic confidence in the Department of Energy. As one of the senior deputies in the National Nuclear Security Administration, Madelyn Creedon's knowledge and experience in all of these areas will be of great assistance in helping General Gordon address the challenges he is facing.

I had a discussion with General Gordon last week. He told me that he wants Madelyn Creedon to be his deputy Administrator for Defense Programs, and he is anxious for Madelyn Creedon to get to work as his Deputy Administrator.

Madelyn Creedon is well known and respected by Senators on both sides of the aisle. Prior to her confirmation hearing in the Armed Services Committee, Senator WARNER and I received a letter from Senator LUGAR. I would like to quote just a few sentences from Senator LUGAR's letter:

> As you know, Mr. Chairman, I am a strong supporter of U.S. nonproliferation efforts in the former Soviet Union. These programs have continually garnered bipartisan support because of the outstanding efforts of dedicated Members of Congress and staff on both sides of the aisle. Madelyn's efforts in this area have made tremendous contributions to the successful implementation of these important programs. Her oversight and legislative analyses of these programs have improved our country's national security. I am confident that she will provide the same level of expertise and dedication if confirmed as Deputy Administrator for Defense Programs at the Department of Energy.
>
> It is with great enthusiasm that I offer my strong support for Madelyn's nomination, and I am hopeful that members of the Armed Services Committee and the full Senate will concur.

Madam President, I ask unanimous consent that the full text of Senator LUGAR's letter be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. LEVIN. If confirmed today, I understand that Madelyn Creedon will be the first woman to be placed in charge of the safety and reliability of America's nuclear deterrent. I cannot imagine any individual who would be better qualified to handle this awesome responsibility. We will miss Madelyn Creedon on the Armed Services Committee, but I think we all know that the committee's and the Senate's loss will be the country's gain.

In closing, I first thank Madelyn Creedon for her dedicated service on the staff of the Armed Services Committee. I congratulate her on her nomination by the President to this important position in the Department of Energy. Finally, I thank Madelyn Creedon for her continued willingness to serve the country. And I thank her family—her husband Jim, her daughter Meredith, and her son John—for their sacrifices in supporting her in this demanding position.

EXHIBIT NO. 1

UNITED STATES SENATE,
*Washington, DC, April 11, 2000.*

Hon. JOHN WARNER,
*Chairman,*
Hon. CARL LEVIN,
*Ranking Member, Committee on Armed Services, U.S. Senate, Washington, DC*

DEAR MR. CHAIRMAN AND SENATOR LEVIN: I regret that I am unable to appear before your committee today to introduce a fellow Hoosier and offer my support for the nomination of Madelyn Creedon to the position of Deputy Administrator of Defense Programs at the Department of Energy. My responsibilities as Chairman of the Senate Agriculture Committee have required my presence at an important oversight hearing.

It is always a source of great pride to see Hoosiers making valuable contributions to our country's security. Madelyn has an outstanding record of service to the U.S. government. She has served with distinction as Associate Deputy Secretary for National Security Programs at the Department of Energy, as General Counsel for the Base Realignment and Closure Commission, and here in the Senate as Minority Council of the Senate Armed Services Committee. It has been in the fulfillment of this last assignment that I have had the opportunity to observe and work with Madelyn.

As you know, Mr. Chairman, I am a strong supporter of U.S. nonproliferation efforts in the former Soviet Union. These programs have continually garnered bipartisan support because of the outstanding efforts of dedicated Members of Congress and staff on both sides of the aisle. Madelyn's efforts in this area have made tremendous contributions to the successful implementation of these important programs. Her oversight and legislative analyses of these programs have improved our country's national security. I am confident that she will provide the same level of expertise and dedication if confirmed as Deputy Administrator for Defense Programs at the Department of Energy.

It is with great enthusiasm that I offer my strong support for Madelyn's nomination, and I am hopeful that members of the Armed Services Committee and the full Senate will concur.

Sincerely,

RICHARD G. LUGAR,
*United States Senator.*

Mr. LEVIN. Madam President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOMENICI. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. It is good to see you, Madam President, and to be back today. I just arrived from New Mexico, which accounts for my failure to put a more conventional tie on, but if I took the time to do that I would have missed an opportunity to speak on this issue.

I am going to take a few minutes to discuss the way I see the matter, the pending nomination of Madelyn Creedon for Deputy Administrator of the National Nuclear Security Administration for Defense Programs.

Let me start by suggesting that everyone should know, and I believe the nominee understands, that she does not work for the Secretary of Energy. She works for the new National Nuclear Security Administrator for Defense Programs within the Department of Energy. We might hearken back to only a few months ago when we had a very lengthy, multiday debate with reference to what we should do to reorganize the Department of Energy in the aftermath of the Wen Ho Lee incident, and a very major report by the President's most significant security group headed by former Senator Warren Rudman of New Hampshire.

They recommended, and we adopted by law, a total reorganization within the Department of Energy of the matters that pertain to nuclear weaponry and nonproliferation on the basis that the Department of Energy had been built up just topsy-turvy and we had, within a very dysfunctional multilayered department, a most, most significant American concern, to wit: the nuclear weaponry of America. Believe it or not, a Department called Energy is in charge of the nuclear laboratories that produce all the science with reference to nuclear weapons and the three or four sites within America that used to produce weapons when we produced them. They are now part of a very dramatically changed effort called science-based stockpile stewardship, which means we are going to make every effort to make sure our nuclear weapons are safe and secure without ever doing another nuclear test. We are trying diligently to do that.

Now we have a new department within the Department. Let me repeat that, because we are having so much difficulty getting out the message that we have already created a new entity, just let it start working. It is called the National Nuclear Security Administration. It is a hard name. In fact, I remembered it by carrying around to hearings a coffee cup that had "NNSA" on it. Then I was able to remember the name. But across the country they were all asking about 6 weeks ago: What are we going to do in the aftermath of Wen Ho Lee, finding some other secrets that had been misplaced in very peculiar circumstances?

The first thing we ought to say is that we have already done something about it. We have created a semiautonomous agency that, in the not too distant future, will be running all of that. We have already selected the person in charge, thank God, a very distinguished general—that means he is a four-star—who was with the CIA, worked at Sandia National Laboratories and was an adviser to two Presidents on security. He has agreed to take this job. In other words, he will be running, within the Department of Energy, under his own power, all the nuclear weapons activities. This nominee will work for him.

It was very important that we find out, since he did not select her, whether he wanted her for this job. I would think that would be the most logical question we would have; if the new man, General Gordon, who is going to run this, was not part of her selection and she was going to be his deputy, we surely ought to ask: Do you want her?

So I am first reporting to the Senate that I had a responsibility of finding that out, because she also wanted to know.

I can report to the Senate that he said: As matters are going now, I would not want to stand in the way—in fact, I will support her confirmation by the Senate. So let's not expand much on that. Let's just say that the man for whom she will work, because he is going to be in charge of all this—she is not going to be working for the Secretary of Energy—has said: OK, even though I did not pick her, let's try her.

I also want to tell the Senate that she had a lot to do, staffwise, with opposing this new law. She was the one helping Senators who opposed the creation of the National Nuclear Security Administration. So I have talked with her at length and I have said: Will you enforce this law? And she said: I will.

Do you understand, you are working for the general who runs the new National Nuclear Security Administration?

She said: I do. I work for him. I will try to help him be a success.

Do you understand that the Secretary of Energy has created a number of positions that violate this law, to wit: He has put dual-hatted some people to work for him and the new man, when Congress did not intend that?

They intended that all the people who worked for the general worked only for him, not the Secretary; that there not be 10, 12, 14 people who worked for both of them.

She said: I understand that.

He said: Did you hear the Secretary of Energy say he would fight that no longer?

She said: I did.

Did you hear him say he would support amendments to totally clarify this so there are no dual-hatted people who worked for both the Secretary of Energy and the general in charge of trying to create some decent management within our nuclear weapons complex, including the laboratories and the manufacturing centers and the nonproliferation activities that go with the laboratories?

She said she understands that.

Everybody seems to be on board.

The problem is the general was just sworn in. There were a few months of delay for various reasons, not the least of which was that right after signing the bill into law, the President and Secretary of Energy, Bill Richardson, did not seek to implement the law very quickly. As a matter of fact, they went very slowly.

We are now at a point where the general is in office, and he needs to build his team. She will be part of his team. If Senators are worried about whether she will work in that regard, they can vote for her or against her. I did not come to the floor to fight her nomination because I satisfied myself that she understood the law and pledged to enforce it and understood she worked for the general, not for the Secretary of Energy, for the foreseeable future. I do not know how long she will be in office. I do not know how long he will be in office, although we intend to make his term a 3-year term.

With that, and given this background, I will vote for her. I am clearly of the opinion she has sufficient talent and expertise based on background and who she worked for and what she did. I do say it will be very challenging, based on her experience, for her to truly help this general make this work because she will be working for him, a very distinguished American retiring from the Air Force where he was a four-star general to undertake this job. It was a true act of patriotism on his part. He decided to take one of the most challenging jobs in Government, hardly understood as of today. But I assume that if it all works out, he will be very well known in a few years. If it really works out, he will be known for having set the nuclear weapons part of our Government on the right path, with the right management, not only with reference to security—for that will be his job also—but he will set it on a management path that something as refined as our nuclear weapons should have in place for the American people.

That has not been the case. There have been at least three major studies just crying out for us to fix this, the last one done by the President's board on national security matters, headed by Warren Rudman with four other distinguished Americans, recommended this, and we helped draft the first law. We had five chairmen on the Republican side sponsoring the legislation which worked its way through the Senate and through the House and has now created this semiautonomous agency that I just described to the Senate and to those who are interested in where the security is going to come from for the nuclear weapons complex and our laboratories.

We have created a whole new management effort. It is not going to be setting new boxes within the Department of Energy, which I have predicted will never work, but rather a total semi-independent agency with its own national administrator who will have total power and control.

For those who are fearful of this, we have indicated on the environmental side that they must comply with NEPA, the National Environmental Policy Act. But as to other rules and regulations, it is clear they can make their own, consistent with good judgment, preserving and protecting the safety of our nuclear weapons and preservation of these great National Laboratories.

We banter around the security problems that have occurred, but everybody knows, since the Manhattan Project, we have always had the best—not the second best—we have had the very best laboratories in the world in charge of our nuclear designs, the nuclear weapons breakthroughs, and Los Alamos has always been the leader.

They are having problems. Instead of saying, here are new rules we are going to pass in Congress, let's just make sure we are going to give the new administrator of that semiautonomous agency, General Gordon, everything he needs to take it out from under the dysfunctional Department of Energy and run it in a semiautonomous manner as described by law.

Madelyn Creedon will be a big part of that. I came to the floor to speak so she will know that many of us have a genuine interest in this working; and we will have our minds and ears and eyes wide open and paying attention, and the Secretary of Energy knows we will, too. We want this general to have as much as he needs to do this job right. She will be his first assistant. Everybody should understand it is a big job.

I do not need anymore time. I yield the floor.

The PRESIDING OFFICER (Mr. L. CHAFEE). The Senator from Michigan.

Mr. LEVIN. Mr. President, first, I thank my good friend from New Mexico for support of the Creedon nomination. It is important his support be there and his voting for her is a very significant step on his part. I know how deeply involved he is in the issue and how hard he fought for the creation of the semiautonomous agency, the National Nuclear Security Administration. She has satisfactorily assured him and all of us she will fully carry out this law.

As a matter of fact, when she was helping the staff when this bill was in the Senate, she helped us work out the bipartisan bill that passed the Senate by a vote of 97–1. The good Senator from New Mexico was very much in the forefront of that effort to create the bipartisan effort that we successfully created in the Senate. Again, there was only one vote against the bill as it passed the Senate, and she helped us perfect that bill. I want to give her some credit.

Perhaps even more importantly, the responsibility of whatever bumps that have been along this road are ours, not hers, because she staffs us. Just the way we want her to be the right arm of General Gordon, so she has been staffing us as well and carried out that role very well.

We are, as Senators, responsible for our staff's work. If there is disagreement on this with some of the difficulties in creation of this particular semiautonomous agency or in the way it has been implemented, those disagreements lie with the Secretary of Energy or, to the extent they are legislative, lie with perhaps some Senators but not surely with our staffs who are carrying out our wishes, as we want and expect her to carry out General Gordon's wishes.

Mr. DOMENICI. Mr. President, can I make sure the Senator from Michigan and I have one thing clear because he has been so honest with me once we got past this problem? We are both going to see to it, to the best of our ability, that the semiautonomous agency, as created by law, is carried out. He told us that the other day when he was meeting with Republicans.

I am very pleased because I think we all have to watch it. Clearly, General Gordon is going to need a lot of help. I think the Senator from Michigan would concur it is not easy to set up a semiautonomous agency within the Department of Energy. He told us: Let's go. And so did Senator LIEBERMAN: Let's get it done. Is that a fair assessment?

Mr. LEVIN. It is a fair assessment, and I think General Gordon is ready to have Madelyn there assisting him and will be a big boost. That is what he told me on the phone. The Senator from New Mexico recounted a conversation with General Gordon. I had a similar conversation with him. I wanted to be sure he truly wanted Madelyn Creedon because he was not the administrator at the time that nomination was forthcoming. I wanted to be sure he was, in fact, desirous of having her as his deputy, and he is so desirous and very much supports the nomination. We now can proceed to that vote, and, hopefully, she will receive an overwhelming vote of support.

Mr. BINGAMAN. Mr. President, I rise today to speak in support of Ms. Madelyn Creedon, who has been nominated by the President to become the Deputy Administrator for Defense Programs of the new National Nuclear Security Administration (NNSA) at the Department of Energy.

Ms. Creedon has a distinguished career with broad and deep experience regarding Department of Energy defense programs over which she will have oversight and management responsibilities in her position as "second in command" at the NNSA.

My colleagues should be aware that before joining the staff of the Armed Services Committee in 1990, Ms. Creedon worked for ten years with the Office of the General Counsel at the Department of Energy (DOE).

She returned to DOE after serving as counsel to the Armed Services Committee during 1990 through 1994 during which time she had oversight and review responsibilities of DOE national security and environmental programs.

At DOE, Ms. Creedon served as Associate Deputy Secretary of Energy for National Security Programs from 1995 to 1997 when she resumed her position on the Armed Services Committee, once again with oversight responsibilities for DOE defense and environmental programs.

In short, Mr. President, Ms. Creedon's professional credentials for this position are impeccable.

Let me add, Mr. President, that I have worked closely with her during the past several years in my capacity as ranking member of the Strategic and Emerging Threats Subcommittees of the Armed Services Committee.

I've found Ms. Creedon to be fully knowledgeable about the issues we have discussed, and to be a person of sound judgment regarding possible solutions in the interest of improving our national security.

Her professional capabilities and commitment to public service and national security are plain to see for all of us on both sides of the aisle who have worked with her.

I strongly urge my colleagues to vote in favor of Ms. Creedon's nomination to assume this important new position as Deputy Administrator to NNSA. Her experience and know-how will be key to ensuring a smooth transition to a successful NNSA.

Mr. KYL. Mr. President, might I inquire either of the Chair or Senator LEVIN, is there time remaining or is the vote scheduled to occur right at 5:30?

The PRESIDING OFFICER. There is time remaining; 4 minutes on the Republican side.

Mr. KYL. In that event, Mr. President, I would like to conclude with some remarks in opposition to the nominee.

With all due respect to Senator LEVIN—he knows I have the utmost respect for him—I believe Madelyn Creedon is not qualified for this very important position, one of the most important positions in our Government. She has never held the kind of positions, as her predecessors have, that would qualify her to head this particular agency.

The Deputy Administrator for Defense Programs has the direct authority over the Directors of the three National Laboratories, the head of the Nevada Test Site, and the heads of the four nuclear weapons production facilities. This is the person who is in charge of our nuclear weapons production facilities, as well as the nuclear weapons laboratories and programs.

While Ms. Creedon has worked as Senator LEVIN's counsel, before that and in between working for Senator LEVIN, she has also served as general counsel on the Base Closure Commission. She also served for a little over a year as an assistant to the Deputy Secretary of Energy. And she was counsel for special litigation at the Department of Energy from 1980 to 1990.

She has never had the kind of educational background or administrative background that would qualify her for this position. The Deputy Administrator will be called upon to manage numerous large and very technically complex projects that are expanding the limits of America's scientific knowledge. Experience in managing large organizations and a technical background are highly desirable.

The previous holder of this position, for example, Dr. Victor Reis, has a Ph.D. in physics and previously headed the Defense Advanced Research Projects Agency—or DARPA, as we know it—and also served as Director of Defense Research and Engineering at the Department of Defense.

We have known for a long time that our nuclear weapons program has had great problems. With the appointment now of General Gordon to head the security side of this program, as Senator DOMENICI has just talked about, I think it is important that we have somebody really well qualified as the Deputy Administrator. I do not believe it is accurate to say that Ms. Creedon is his nominee. I think it is accurate to say he has no objection to her nomination.

But as was pointed out, her nomination was made prior to the time he took his position. While I am certain that her nomination will be confirmed here today, I think for those of us who believe very strongly in national security, a strong nuclear weapons program, and a future that will ensure that our weapons are safe and reliable, it requires us to vote "no" on a nomination which is clearly inferior.

There are 50 people who could readily be identified who have far superior qualifications to serve in this highly technical, very important post. For that reason, again, with all due deference to Senator LEVIN, and with deference to the nominee, I will be voting "no" and urging my colleagues to do the same.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Do I have 1 minute left?

The PRESIDING OFFICER. The Senator has 11 minutes.

Mr. LEVIN. I will just use one of my minutes to fill in part of the record, and then we want to proceed to a vote.

Madelyn Creedon has also served as Associate Deputy Secretary of Energy for National Security Programs. It is a very important part of her background where she worked directly with then-Deputy Secretary of Energy Charles Curtis. In addition to being minority counsel for the Armed Services Committee, she served as counsel under my predecessor, Senator Nunn, when he was chairman of the committee.

So there are some additional important facets of her experience. As the Senator from Arizona mentioned, and as the Senator from New Mexico mentioned, General Gordon, who is the new person to run the agency, to run this new semiautonomous entity, specifically told me not just that he has no objection, but he supports her being both appointed and confirmed, and he had no objection to my putting it that way.

So the person for whom we have voted and confirmed overwhelmingly to run this semiautonomous agency is anxious to get her on board and very much supports her nomination and confirmation.

With that, I yield back the remainder of my time.

Mr. DOMENICI. Mr. President, I yield back any time we might have. I understand we will proceed to vote when time is yielded back.

Mr. President, I ask for the yeas and nays on the confirmation.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is, Will the Senate advise and consent to the nomination of Madelyn R. Creedon, of Indiana, to be Deputy Administrator for Defense Programs, National Nuclear Security Administration? The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Illinois (Mr. FITZGERALD), the Senator from Oklahoma (Mr. INHOFE), the Senator from Arizona (Mr. MCCAIN), the Senator from Alaska (Mr. MURKOWSKI), the Senator from Pennsylvania (Mr. SANTORUM), the Senator from Pennsylvania (Mr. SPECTER), and the Senator from Ohio (Mr. VOINOVICH) are necessarily absent.

Mr. REID. I announce that the Senator from Hawaii (Mr. AKAKA), the Senator from Delaware (Mr. BIDEN), the Senator from Illinois (Mr. DURBIN), the Senator from Iowa (Mr. HARKIN), the Senator from Massachusetts (Mr. KERRY), the Senator from Vermont (Mr. LEAHY), the Senator from Arkansas (Mrs. LINCOLN), the Senator from Maryland (Ms. MIKULSKI), and the Senator from New Jersey (Mr. TORRICELLI) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 54, nays 30, as follows:

[Rollcall Vote No. 172 Ex.]

### YEAS—54

Abraham
Ashcroft
Baucus
Bayh
Bingaman
Bond
Boxer
Breaux
Bryan
Burns
Byrd
Chafee, L.
Cleland
Collins
Conrad
Daschle
DeWine
Dodd
Domenici
Dorgan
Edwards
Feingold
Feinstein
Gorton
Graham
Hagel
Hollings
Hutchison
Inouye
Jeffords
Johnson
Kennedy
Kerrey
Kohl
Landrieu
Lautenberg
Levin
Lieberman
Lugar
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Roth
Sarbanes
Schumer
Snowe
Stevens
Thurmond
Warner
Wellstone
Wyden

### NAYS—30

Allard
Bennett
Brownback
Bunning
Campbell
Cochran
Coverdell
Craig
Crapo
Enzi
Frist
Gramm
Grams
Grassley
Gregg
Hatch
Helms
Hutchinson
Kyl
Lott
Mack
McConnell
Nickles
Roberts
Sessions
Shelby
Smith (NH)
Smith (OR)
Thomas
Thompson

### NOT VOTING—16

Akaka
Biden
Durbin
Fitzgerald
Harkin
Inhofe
Kerry
Leahy
Lincoln
McCain
Mikulski
Murkowski
Santorum
Specter
Torricelli
Voinovich

The nomination was confirmed.

Mr. LOTT. I move to reconsider the vote.

Mr. LEVIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will resume legislative session.

## ORDER OF BUSINESS

Mr. LOTT. Mr. President, what is the pending business now?

The PRESIDING OFFICER. Interior appropriations bill, H.R. 4578.

Mr. LOTT. I believe we are working to go forward tonight on the Defense authorization bill. I see the managers are on the floor, the chairman and ranking member, and I presume that will be something we can do around 6:30 or 7 o'clock.

I will check with the managers of the Interior appropriations bill and see if there is any further business they need to do on that bill tonight before we go to Defense authorization.

I see the distinguished Senator from West Virginia on the floor. As one of the managers, does Senator BYRD know if there is further business on the Interior appropriations bill tonight?

Mr. BYRD. Mr. President, in talking a little earlier with the distinguished Senator from Washington, Mr. GORTON, he indicated to me that we had completed our work today on that bill and we would be back on it tomorrow. I assume he did not anticipate anything further today.

Mr. LOTT. Mr. President, that was my understanding also, but I wanted to doublecheck. We will make one last check with Senator GORTON on that. We are hoping good progress can be made on the Interior appropriations bill tomorrow, hopefully even finish it tomorrow, if at all possible, and we will be glad to work with the managers on that.

I yield to Senator KENNEDY.

Mr. KENNEDY. I thank the leader.

Mr. LOTT. I yield to Senator KENNEDY.

Mr. KENNEDY. Just for a question.

As I understand it, the majority leader is going to propound a unanimous consent request to consider the Defense authorization bill. I will not object to that. But I hope the leader would consider moving back to the consideration of the Elementary and Secondary Education Act at an evening session following the disposition.

I do not want to object to moving to this particular proposal, but I expect to object to going to other proposals if we are not given at least some assurance that we are going to revisit the Elementary and Secondary Education Act.

I commend the leader for having the night sessions. I think this is challenging all of us. I think we ought to be responsive to that. I certainly welcome the leader's determination to move the process forward in the Senate, but I hope at least the leader could work out, with our leadership, some opportunity for an early return to the Elementary and Secondary Education Act.

I will not object on this particular request this evening, but I do want to indicate, as that debate is going on for tonight and tomorrow evening, I hope we will have the opportunity for the leader to speak with Senator DASCHLE and work out a process. If we are not going to do that, then I will be constrained to object in the future, until we have some opportunity, with certainty, of revisiting the elementary and secondary education legislation, which is so basic and fundamentally important to families in this country.

I thank the leader for yielding.

Mr. LOTT. Mr. President, if I could respond to Senator KENNEDY's question, first of all, I, too, would very much like to see us complete the Elementary and Secondary Education Act. The committee did very good work on that legislation. The Senate spent a week, over a week perhaps, having amendments offered and voted on.

With regard to the underlying Elementary and Secondary Education Act and other nongermane amendments that were offered, that delayed our ability to complete that legislation. But I feel very strongly about getting it done. I am very pleased with the condition the bill is in. I think it might be a good idea that we workout an arrangement on the Elementary and Secondary Education Act for next week, perhaps similar to what we have done with the DOD authorization bill, hoping to work on that bill tonight and having votes on amendments, if any are ordered, in the morning; the same thing tomorrow night with votes occurring the next morning. We could do the same thing on the Elementary and Secondary Education Act.

But there is a key thing here. On the Elementary and Secondary Education Act, some nongermane amendments were offered delaying our ability to complete our work on that, and some that were germane. But we reached a point where we needed to try to find an agreement to complete our work.

After being abused severely by both sides of the aisle, perhaps, depending on your point of view—the Defense authorization bill had all kinds of nongermane amendments offered to it—after a period of time, there was an agreement that we needed to see if we could complete action on this very important Department of Defense authorization bill; it provides very important changes in the law, things that cannot be done just with the Defense appropriations bill, including improvements in the health care benefits for our military men and women and their families, and our retirees. We have to do this bill to get it done.

Therefore, under the persistent leadership of the Senator from Virginia and the Senator from Michigan, the managers, we came to an agreement last week, a unanimous consent agreement, that nongermane amendments would not be offered any longer and all amendments had to be offered by the close of business Friday.

While they have a long list of amendments they have to work through, I am satisfied they can get it done now that they are focused on amendments related to the Department of Defense authorization bill.

I would be glad to pursue a similar type arrangement with the Democratic leadership, with Senator KENNEDY involved, where we could maybe get a list of amendments by the close of business Friday, work on the bill at night but limit it to germane amendments that could be debated and voted on and complete action, hopefully, in a relatively reasonable period of time.

Mr. KENNEDY. If the Senator can yield for a very brief observation?

Mr. LOTT. I yield to Senator KENNEDY.

Mr. KENNEDY. I think that is a very reasonable request, with the understanding that school safety and security is also of fundamental importance to families and to schools. I think we have had good debates on class size, on afterschool programs, on well-trained teachers, new technologies, on accountability, measures about training programs and other programs. We can debate all of those matters. If we do not have safety in the schools as well, those matters will have much less relevance than they otherwise might.

I guess we still have some differences with the majority leader on the issue of school safety. I think most parents in the country believe that is a relevant amendment. Under the particular procedures of the Senate, it might be declared not to be, but certainly I think, for most Members of the Senate, it would be.

I, for one, would be willing to let that decision be made by the Senate, if we could have a vote up or down on that issue, about whether it is relevant or not relevant. I have not mentioned it or talked it over with the sponsors of the amendment or the leader, but I would think we could have a judgment made on that by the Senate itself in a very quick order and have that resolved and then move to the other amendments, if it is agreeable with the majority leader.

Mr. LOTT. As I say, we will work with the Democratic leadership and see if we can work out an agreement similar to the one we have on the Department of Defense authorization bill.

Let me make it clear. Being the son of a schoolteacher—in public schools, I might add—I know the importance of safety. I also know the importance of discipline because I have been the beneficiary of discipline from my mother, the schoolteacher.

I also know Americans all over this country, in every State, would like to have our schools be safe and drug free. So the idea that we would have metal detector devices where that is called for in certain schools, and where we would have other efforts to make sure the schools are safer, that is something, certainly, we should all work toward. Hopefully, we could do that when we take up the legislation.

I understand there was a suggestion earlier that there had been some delay in calling up the legislation referred to generally as H–1B legislation, that is, S. 2045, which would allow for certain high-tech workers to come into the country on a limited basis and for a limited period of time, and that, for some reason, had not been called up because of something that we had not been doing.

Let me emphasize that I want this legislation to be considered. I would like us to move it as quickly as possible. The problem we got into earlier when we were trying to work out an agreement was we were told there would have to be numerous amendments—I don't know, six or eight amendments, that were nongermane that would be in order for us to consider this very important legislation that I think has bipartisan support and that many people in this country, in business and industry and high tech, say addresses a major problem because the number that is allowed is now being reached and we need this legislation. I want to make it very clear we are not only willing to move it; we are anxious.

I ask unanimous consent the Senate now proceed to the consideration of Calendar No. 490, S. 2045, the H–1B legislation, and I further ask unanimous consent the committee substitute be agreed to, the bill be read the third time and passed, the title amendment be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the bill appear in the RECORD.

Mr. REID. Reserving the right to object, Mr. President.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. I say to my friend, the leader, I know how difficult his job is, but, in spite of the difficulty of his job, H–1B is something that we on the minority side believe should have its day in the Senate. I have been assigned by our leader to come up with a number of amendments on our side. We have whittled it down from 10. I think we could get back on six or seven amendments. We would have short time agreements on every one of those. Most of them would be relevant, would be germane. They relate to the subject at issue.

I say to my friend from Mississippi, it reminds me of Senator MOYNIHAN. He wrote a very nice piece called "Defining Deviancy Down" a few years ago, indicating although we believed some things were real bad, with the encroachment of time and change of mores, we started accepting those things that at one time were bad. That does not make it good that we are accepting it, but that is what Senator MOYNIHAN wrote about, and I am confident he was right.

I say to my friend, the majority leader, that is kind of what we have here—not defining deviancy, but defining Senate procedure down. We are not filibustering H–1B. We want to have this. We believe it could be completed in 1 day.

If you look at the definition of "filibuster," we are not filibustering anything. This is the definition from the dictionary: The use of irregular or obstructive tactics, such as exceptionally long speeches by a member of a minority in a legislative assembly to prevent the adoption of a measure generally favored or to force a decision almost unanimously disliked.

We are not filibustering. We want H–1B to come before this body. We want to work with you. We agree it is important legislation, but can't we have a few amendments? We are going to have short time agreements. We are not asking that things that are not relevant be brought up. We have matters that relate to immigration in this country.

As I say, I have been given the assignment by our leader to see how we can squeeze down these amendments. I feel almost as if we have lost by doing this. We do not like that, but we have agreed to work with the leader and have a number of amendments, have time agreements, to move this legislation forward.

I hope the leader will allow us that luxury, and I say "luxury" in the sense recognizing what Senator MOYNIHAN wrote. A year or two ago, we would never have considered this because that was not the way we did things in the Senate. We believe matters should be brought up and handled as they have for over 200 years in this body, unless someone else wants to speak.

Mr. KENNEDY. Will the Senator yield?

Mr. REID. Reserving my objection.

Mr. KENNEDY. Will the Senator be willing to go to H–1B tonight, ask consent to go without the restrictions? I certainly urge our Democratic leadership to go to it. If he wants to go to it, let's go to H–1B.

Mr. REID. We have a number of amendments, I say to my friend from Massachusetts.

Mr. KENNEDY. Let the Senate work its will. He indicated he would. After he objects, our Democratic leader will ask to go to that, will move to go to H–1B, put it before the Senate, and let's go ahead and consider it.

The PRESIDING OFFICER. The majority leader.

Mr. LOTT. Mr. President, I did ask consent, as a matter of fact. That is what the reservation is on: that we go to this bill, and we pass this bill tonight.

I might also add, earlier I asked consent that we go to the bill and that there be five relevant amendments on each side of the aisle, that second-degree amendments be in order, which would have brought it to 20 amendments, and that was objected to on the Democratic side of the aisle. Even the idea of 10 amendments with second-degree amendments in order was objected to.

First of all, I assume this is not controversial. I assume it has broad support on both sides of the aisle. I assume it is something the Senate wants to get done. That is all I am trying to do. I heard today the Democratic leaders saying they want to do this bill; that we were holding it up. I am trying to find a way to move it. Let me emphasize this, too.

Some people say: Why don't you just call it up and let it go the way Senators would like to handle it, amendments and everything else.

Here is what we have to do this week alone: The Interior appropriations bill; we are going to be doing the Defense authorization bill at night; we are going to have a procedure to finally eliminate the death tax; we are going to have a procedure to get a vote on eliminating the marriage penalty tax. That is all this week.

Also along the way, we are going to try to get an agreement to take up the Thompson nonproliferation language with regard to China so that we can find a time to go to the China PNTR bill. We also have to do the Agriculture appropriations bill, the energy and water appropriations bill, Housing and Urban Development and Veterans appropriations bill, the Commerce- State-Justice appropriations bill, and the DC appropriations bill.

We should do all of those before we recess for the August recess. We have done six so far, and that has been with a lot of cooperation on both sides and a lot of pushing and pleading because every time an appropriations bill is offered, 100 amendments appear. On the Defense authorization bill, I think there are 200 amendments.

As far as this job of trying to coordinate all these different interests being a problem, I do not view it that way. It is just we have to have some reasonable understanding of how we are going to proceed to get four major bills done this week, to get five more appropriations bills done before the August recess, to get the Thompson nonproliferation language considered, and to get the China PNTR legislation considered as soon as possible.

We would like to find a way to work in among that, maybe at night, the Elementary and Secondary Education Act. I would love to pass that legislation just as it is or even after some more amendments, but we have to find a time. We can do that at night. We can work day and night for the next 3 weeks.

I would like to do the H–1B. I tried to offer an agreement that could have led to 20 amendments. That was objected to on the other side. I am trying to find a way to get all these good things done. I will continue to try and hopefully we will be able to work out an agreement to consider them all. These appropriations bills are high priority. That is the people's business.

If we do not get the appropriations bills done, Housing and Urban Development is going to have a problem with housing in which they are involved. The energy and water appropriations bill has a lot of very important energy-and-water-related issues. Certainly both sides of the aisle would like to see us get to the Agriculture appropriations bill at the earliest possible date, hopefully next Tuesday at the latest. Those are all the things we have to do.

I want to make sure—I am willing to go to H–1B right away, pass it or to get some agreement that will not take 3, 4 days on one bill in among all these other urgent bills we have to do.

Mr. REID. If my friend will allow me——

The PRESIDING OFFICER. Is there objection?

Mr. REID. If I may make a statement on my reservation. Reserving the right to object.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. We really should have H–1B passed. It does not mean everybody is in favor of it, but it is something that needs to be done. It is very important legislation. We need to have the matter debated. I hope the leader will take back the colloquy today. The Senator misspoke. He said 20 amendments. I think he meant 10 amendments with five on each side. Ten on each side would be a deal. We can do that this instant. I think the majority leader made a mistake.

Mr. LOTT. Actually, it is five on each side, which would be 10, plus second-degree amendments would have been in order, which could have brought it to 20.

Mr. REID. I hope the Senator will withdraw his unanimous consent request; otherwise, we will object to it. We first should see if it can be brought up and debated as any other matter. I think I know the answer to that question. Then the Senator should review his suggestion that we have five amendments per side and, of course, if relevant includes immigration-related and training-related amendments, we may not be able to do five. But I did indicate to the Senator, we were already down to seven. We are down to seven amendments on our side. We would agree——

Mr. LOTT. Seven amendments on H–1B or seven amendments on estate tax.

Mr. REID. H–1B. We should revisit this issue. If the Senator wants to reintroduce his unanimous consent request tomorrow, fine. Let's see if we can come up with something that will meet the timeframe of what the majority leader wishes. As I have indicated, this is not my preference in doing business, but this legislation is very important, and I want to spread upon the RECORD the fact we are not trying to hold up this legislation. The minority wants to move forward, as Senator DASCHLE indicated today. If the Senator persists in his unanimous consent request, I will object. I hope the Senator will withdraw that and see if in the next 24 hours we can work something out on this important legislation.

Mr. LOTT. So the record will be clear, I am trying hard to find a way to get this considered. I won't insist on my unanimous consent request, but since we are working night and day and looking for ways to get these things done, if you are down to seven, if you can get it down to five relevant amendments, and we can continue to work on this, maybe this would be a bill we could do at night the third week, but we are willing to see if we can find a way to get it done.

Mr. REID. I think this is Mississippi math because we started at 10 and kind of split the difference.

Mr. LOTT. No, no. It was 5 and 5.

Mr. REID. No, but it was 10 on our side. We said 10; you said 5. But now I said we are down to 7.

Mr. LOTT. You are headed in the right direction. Just keep working. You are making progress.

Mr. REID. So I hope we can work something out on this. In the meantime, Mr. President——

Mr. DORGAN. Reserving the right to object.

The PRESIDING OFFICER. Is there objection?

Mr. DORGAN. Reserving the right to object.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. I am a little uncomfortable with the discussion here. The discussion is: Under what conditions will the majority leader allow us to consider this bill? I understand that amendments are inconvenient, but the rules of the Senate allow people to be elected to the Senate and offer amendments and consider legislation.

The unanimous consent request offered by the majority leader was to take up this bill and pass it without any discussion or any amendments. Now there is a negotiation here saying: Maybe I will allow it to be brought to the floor if the Senator from Nevada would, on behalf of his side, agree to no more than five amendments.

The fact is, it seems to me if we fretted a little less about what someone might do when they bring something to the floor and started working through it, it would probably take a whole lot less time.

I happen to be supportive of the H–1B legislation, but I am not very supportive of some notion of anybody in the Senate saying: Here are the conditions under which we will consider it—and only these conditions—and if you don't like it, we won't consider it.

I hope the Senator from Nevada—if the majority leader insists on his unanimous consent request—will make a unanimous consent request following that similar to the one suggested by the Senator from Massachusetts, a unanimous consent request to bring the issue to the floor under the regular order at this time.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Objection.

The PRESIDING OFFICER. Objection is heard.

Mr. LOTT. Mr. President, I now ask unanimous consent that the Senate proceed to morning business, with Senators permitted to speak for up to 10 minutes each.

Mr. REID. If the Senator would withhold, I do ask unanimous consent that the H–1B legislation be brought before the Senate at this time, that we be allowed to proceed on that.

Mr. LOTT. Mr. President, I withhold that UC request I made, but I object to the one that was just made.

The PRESIDING OFFICER. Objection is heard.

## MORNING BUSINESS

Mr. LOTT. Mr. President, I renew my unanimous consent request that the Senate proceed to a period of morning business, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

## NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2001

Mr. WARNER. Mr. President, while the distinguished leader is on the floor, there was some hope we could bring up the military authorization bill tonight. Senator LEVIN and I consulted with you on this, I say to the majority leader. We will have for our joint leadership tomorrow a list of amendments, with time agreements, and be ready to go. I say to the majority leader, you can splice this in as you see fit. I assure the majority leader—I see my distinguished colleague from Michigan on the floor—my colleague from Michigan is ready to join me on this. We will present to our joint leadership specific germane amendments on the list, and move along on this bill.

Mr. LOTT. Mr. President, if the Senator would yield, I am not sure what that means. That means, I think, you are not going to be able to consider any amendments tonight.

Mr. WARNER. That is correct. We made a strong effort.

Mr. LOTT. When you say you will present a list of amendments, and will try to work them through the process, that does mean, I take it, the amendments still would be debated, if they have to be debated.

Mr. WARNER. That is correct.

Mr. LOTT. Tuesday night.

Mr. WARNER. Tuesday night.

Mr. LOTT. The votes would occur on Wednesday morning, if any?

Mr. WARNER. That is correct.

Mr. LOTT. Do you have any amendments where there would be a need for a vote in the morning?

Mr. WARNER. Not tomorrow morning, I say to the leadership.

Mr. LOTT. Can you give me an idea about how many nights might be involved here because we are already beginning to think about another bill next week.

Mr. WARNER. I listened to that very carefully. I would say that with three evenings we can do it. And there may be a juncture during the course of the day when there could be an hour or two. If you give us a ring, we will have an amendment to plug in for that brief period of time.

Mr. LEVIN. If the leader will yield, it would be very helpful—I know it is difficult, and I have not had a chance to speak to my chairman about this, but if we knew in advance about when we would start the evening proceeding, I think that would help us line up some amendments.

Mr. LOTT. I believe sort of the gentlemen's agreement we were talking about last week was that we would start at about 6:30 or 7 o'clock, but not later than 7, and hopefully as early as 6:30 tomorrow night, possibly even Wednesday night. Thursday night is not likely. So then you might have to look at next Monday night for the third night, if a third night in fact is used.

There is a possibility we will reach a moment of lull or we will see an hour or two coming sometime during the day, and we will call quickly and ask for the managers to come over and do some of their work.

Mr. LEVIN. That would be good.

Mr. REID. Mr. President, if I could, just being involved on the fringes of this legislation, I think with the work of Senator LEVIN and Senator WARNER, they will complete this in two nights.

Mr. LOTT. I like the sound of that. Good luck.

Mr. WARNER. I thank our distinguished leader.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. I understood we are in morning business at this time. Are we moving toward the Defense authorization bill? If we are moving on the Defense authorization bill, I will withhold.

The PRESIDING OFFICER. We are in morning business.

Mr. KENNEDY. I see my friends from Michigan and Virginia. Anytime they are prepared to request the floor, I will yield time.

## H–1B VISAS AND ELEMENTARY AND SECONDARY EDUCATION

Mr. KENNEDY. Mr. President, I just want to take a moment of the Senate's time to speak about the two issues that have been talked about recently. One is the H–1B visa issue, to which the majority leader referred, as did Senator REID and Senator DORGAN, which will lift the caps so that we can have available to American industry some of the able, gifted, and talented individuals who have come to this country and who can continue to make a difference in terms of our economy.

We are in the process—at least I thought so, as a member of the Immigration Subcommittee—of working with Senator ABRAHAM from the State of Michigan, in working that process through to try to respond to the concerns that the leadership have; and that is that we debate that issue in a timely way, with a limited number of amendments, and that we reach a final conclusion in a relatively short period of time.

I had believed that those negotiations, at least from our side, were very much on track. During the negotiations, we had talked to the White House as well as with the House Judiciary Committee members, all of whom have an obvious interest.

So it did come as kind of a surprise—not that we are not prepared to move ahead. I would be prepared to move ahead even this evening. I do not know where the Senator from Michigan, who has the prime responsibility for that legislation, is this evening. He is not on the floor. But he has been conscientious in addressing that question.

One of the fundamental concerns—as we move toward permitting a number of individuals who have special skills to come in and fill in with the special slots that are crying out for need in our economy—is a recognition that, within our society, these are jobs that eventually should be available to American workers. There is nothing magical about these particular jobs--that if Americans have the opportunity for training, for additional kinds of education, they would be well qualified to hold these jobs.

Many of us have believed, as we have addressed the immediate need for the increase, that we also ought to address additional kinds of training programs, so that in the future we will have these kinds of high-paying jobs which offer enormous hope and opportunity to individuals, as well as the companies for whom they work, being made available to Americans. We discussed and debated those issues with the Judiciary Committee. We made pretty good progress on those issues. So I think there is a broad degree of support in terms of trying to address that issue.

But there are also some particular matters that cry out for justice as well. When you look back on the immigration issues, there were probably 350,000, perhaps 400,000 individuals who qualified for an amnesty program that was part of the law. As a result of a court holding that was actually overturned, all of these individuals' lives have been put at risk and, without any degree of certainty, subject to instances of deportation. So we wanted to try to address this issue. It seems to me that could be done in a relatively short period of time. It is a question of fundamental decency and fundamental justice.

We treat individuals who come from Central American countries differently, depending upon which country they come from. Therefore, there was some desire we would have a common position with regard to individuals. Senator MOYNIHAN had introduced legislation to that effect. That is basically a question of equity. There are really no surprises. It is not a new subject to Members of the Senate. It is something about which many of us have heard, on different occasions, when we have been back to see our constituencies.

These are some of the items that I think we could reach, if there were differences, a reasonable time agreement. But they are fundamental in terms of justice and fairness to individuals and their families.

If we are going to consider one aspect of change in the immigration law, it is not unreasonable to say if we are going to address that now, we ought to at least have the Senate vote in a responsible way on these other matters in a relatively short period of time so the Senate can be meeting its responsibilities in these other areas. So I look forward to the early consideration of this bill.

This isn't the first time we have dealt with the H-1B issue. We made some changes a few years ago. We were able to work it out in a bipartisan way. There is no reason that American industry should have concern that we are not going to take action. We will take action. Hopefully, we will do it in the next 3 weeks. There is no reason we should not.

The other issue is the question of elementary and secondary education. I certainly understand the responsibilities we have in completing Defense authorization, which is enormously important legislation. I am heartened by what the majority leader has said with regard to the follow-on in terms of elementary and secondary education. That is a priority for all American families. We ought to debate it. The principal fact is that we have debated it for 6 days and we have had seven amendments. Three of them were virtually unanimous. We didn't have to have any rollcall votes. On 2 of the 6 days, we were restricted because we were forbidden to offer amendments and have votes. We haven't had a very busy time with that as compared to the bankruptcy legislation, where we had 15 days and more than 55 amendments.

In allocating time, we are asking for fairness to the American families on education. If the Senate is going to take 15 days and have 55 amendments on bankruptcy legislation, we can take a short period of time—2 or 3 days—and have good debate on the question of elementary and secondary education, which is so important to families across the country.

With all respect to the majority leader, the issue of school safety is out there. We need to ensure that we will do everything we possibly can to make sure we are not only going to have small class sizes, well-trained teachers, afterschool programs, efforts to try to help to respond to the needed repairs that are so necessary to so many schools across this country, and strong accountability provisions but make sure that, even if we are able to get those, the schools are going to be safe. We have measures we believe the Senate should address to make them safe.

If the majority is going to continue to, in a real way, filibuster, effectively, the consideration of elementary and secondary education by never bringing the matter before the Senate, they bear the responsibility of doing so. It is their responsibility. Every family in this country ought to understand that because they have the power, the authority, and the responsibility to put that before the Senate. If there is a question in terms of the relevancy or nonrelevancy of a particular amendment, the Senate can make that decision. But when we are denying families in this country the opportunity to address that and respond to it, we do a disservice to the families and to the children in this country, and, I believe, to the Senate itself.

This issue isn't going to go away. It will not go away. We may have only 3 more weeks, but we are going to continue to press it. We are going to press it all during July and all during September as well. It will not go away. Elementary and secondary education needs to be addressed. We have to take action. We owe it to the American families, and we have every intention of pursuing it.

I thank the Chair.

## BRIGADIER GENERAL PAUL M. HANKINS

Mr. THURMOND. Mr. President, I rise today to pay tribute to an outstanding officer in the United States Air Force who is an individual we have each come to know over the past two-years—Brigadier General Paul M. Hankins.

As those of us who work on national security matters know, General Hankins has been serving as the Deputy Director of Legislative Liaison, where he has worked closely with us on a variety of issues of great importance to the defense of the nation. As he has done in all his previous assignments, General Hankins distinguished himself as an individual of selflessness who possesses a strong sense of service and an unflagging dedication to executing his duties to the best of his abilities.

General Hankins arrived at the job of Deputy Director of Legislative Liaison well prepared for the position. A graduate of the United States Air Force Academy, he is a career personnel officer whose assignments are a mix of operational, joint, and high-level staff duties. Included among his tours are assignments at Tactical Air Command, Air Training Command, Air Combat Command, and the Air Force Personnel Center. The General has also served previously in the Secretary of the Air Force's Office of Legislative Liaison and with the Office of the Undersecretary of Defense for Personnel and Readiness. He commanded the 6th Support Group at MacDill Air Force Base, Florida, and he served as chief of the Air Force Colonels' Group.

During the 106th Congress, General Hankins has been a valuable intermediary between the Congress and the Air Force on any number of vital matters. He always provided clear, concise, and timely information that was beneficial in supporting our deliberations on national security matters. Clearly, the leadership, professional abilities, experiences, and expertise of General Hankins enabled him to foster excellent working relationships that benefitted the Air Force and the Untied States Senate.

On a personal note, I am pleased to point out that I have known General Hankins since his days as a young captain, when he first demonstrated his skills at building ties with the Legislative Branch. At the time, he was serving at Kelly Air Force Base near San Antonio when he met a young woman who was a member of my Washington staff and visiting that facility. To make a long story short, Paul Hankins and the former Donna Folse fell in love, had a whirlwind romance, and got married approximately one-year after they began dating. Today, they have been married for fifteen years and together, they have raised two fine children, Priscilla and Clark.

The reward that the Air Force is giving General Hankins for doing a difficult and demanding job well is to give him an even more challenging assignment, solving the recruiting and retention issues facing the Air Force. Then again, given how the General has repeatedly demonstrated his ability to successfully meet and complete any assignment with which he has been tasked, it should not be surprising that the Secretary and Chief of Staff would select him to head-up this effort.

I am confident that I speak for all my colleagues when I say that we are grateful and appreciative for the hard work of General Hankins during his tenure as Deputy Director of Air Force Legislative Liaison. He is a credit to the Air Force and he can be proud of both the record of accomplishment he has created and the high regard in which he is held. We wish the General the best of luck in his new assignment and continued success in the years to come.

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## VICTIMS OF GUN VIOLENCE

Mr. LEVIN. Mr. President, it has been more than a year since the Columbine tragedy, but still this Republican Congress refuses to act on sensible gun legislation.

Since Columbine, thousands of Americans have been killed by gunfire. Until we act, Democrats in the Senate will read some of the names of those who lost their lives to gun violence in the past year, and we will continue to do so every day that the Senate is in session.

In the name of those who died, we will continue this fight. Following are the names of some of the people who were killed by gunfire one year ago today.

July 10, 1999:
Thomas Carson, 72, Houston, TX;
Vincent Coleman, 22, Irvington, NJ;
Joseph Horter, 79, Philadelphia, PA;
Gregory Jones, 29, Miami-Dade County, FL;
Ricky Lane, 38, Mesquite, TX;
Edler Monestime, 51, Miami-Dade County, FL;
Cashonda Miller, 18, Kansas City, MO;
Gene Pailin, 17, Dallas, TX;
Michael Perry, 31, Miami-Dade County, FL;
Tristan Thompson, 23, Houston, TX;
David Woods, 21, Kansas City, MO;
Unidentified male, 27, Newark, NJ;
Unidentified male, 31, Portland, OR.

In addition, Mr. President, since the Senate was not in session last week, I ask unanimous consent that the names also be printed in the RECORD of some of those who were killed by gunfire last year on the days from June 30th through July 9th.

June 30:
Edwin Cruz, 23, Chicago, IL;
Jermaine Demps, 26, Detroit, MI;
Stephen Gawel, 37, Detroit, MI;
Arron Green, 19, Detroit, MI;
Herth Hawks, 25, Charlotte, NC;
Blake King, 17, Gary, IN;
Donte A. Marshall, 22, Gary, IN;
Benjamin McCoy, 18, Gary, IN;
Edward Perry, Jr., 27, Baltimore, MD;
Sharon P. Robinson, 51, Oklahoma City, OK;
Jessie Wilburn, 48, Dallas, TX;
Unidentified male, 50, Nashville, TN.

July 1:
CRAIG Butler, 44, Philadelphia, PA;
James Hopkins, 20, Baltimore, MD;
Michael Okarma, 56, Seattle, WA;
Derrick Owens, 26, Bridgeport, CT;
Gloria Pickett, Detroit, MI;
Angel Rivera, 23, Philadelphia, PA;
Frankie Rivera, 29, Philadelphia, PA;
Mark Spann, 18, Baltimore, MD;
Anthony Stroud, 12, Houston, TX;
Unidentified male, 14, Chicago, IL.

July 2:
Antonio Baker, 21, Charlotte, NC;
Keith Carter, 34, Detroit, MI;
Eric Harvey, 14, Nashville, TN;
Tae-Dong Kim, 59, San Antonio, TX;
Ahmed Massey, 14, Rock Hill, SC;
Derren Minnick, 30, Philadelphia, PA;
James Ortiz, 39, Houston, TX;
Michael A. Smith, 25, Chicago, IL;
Unidentified male, 18, Newark, NJ.

July 3:
J.C. Addington, 81, Dallas, TX;
Kelton R. Austin, 24, Chicago, IL;
Patricia Austin, 38, Akron, OH;
Norberta Bachiller, 48, Miami-Dade County, FL;
Raymond Castillo, 19, Dallas, TX;
William Brock Crews, 24, Washington, DC;
Gerald Crowder, 21, Atlanta, GA;
Ronald V. Daily, 56, Oklahoma City, OK;
Ricky Davis, 22, Chicago, IL;
Augustine Garza, 18, Chicago, IL;
George Green, Jr., 47, Dallas, TX;
Reginald Griffin, 15, St. Louis, MO;
Anthony Hawkins, 16, Houston, TX;
James Jones, 40, Baltimore, MD;
Carl Peterson, 45, Superior, WI;
Luis Rebolledo, 25, Chicago, IL;
Salvador Romero, 35, Detroit, MI;
Kenny Sharpless, Detroit, MI;
Jeremy Thalley, 16, Denver, CO;
Shawn Washington, 28, Oakland, CA.

July 4:
Souksevenh Bounphithack, 34, Minneapolis, MN;
Charles Butler, 52,Washington, DC;
Quinn Johnson, 28, Miami-Dade County, FL;
Eric McCara, 39, Detroit, MI;
Kenneth C. Rutledge, 22, Chicago, IL;
Mark Russell, 35, Akron, OH;
Gerardo Silva, 21, Chicago, IL;
Demario Stephens, 18, Oakland, CA;
Won J. Yoon, 26, Bloomington, IN.

July 5:
Dewayne Allen, 21, New Orleans, LA;
Jason Anderson, Pine Bluff, AR;
Jill H. Barringham, 53, Seattle, WA;
Melvin Blagman, 19, Philadelphia, PA;
Davattah Brown, 37, Gainesville, FL;
Lewis J. Fennell, 52, Oklahoma City, OK;
Brian Paylor, 18, Baltimore, MD;
Jose Pantoja, 27, Houston, TX;
Unidentified female, 67, Nashville, TN;
Unidentified male, 74, Honolulu, HI;
Unidentified male, 18, Newark, NJ.

July 6:
Alicia Arellano, 23, Elkhart, IN;
John Thomas Crowder, 34, Washington, DC;
Darren Franklin, 13, New Orleans, LA;
Eugene Glass, 29, Detroit, MI;
James Hartsock, 66, Houston, TX;
Raymond E. Johnson, Pine Bluff, AR;
Doffice Kelly, 48, Fort Wayne, IN;
Mark Kingsbury, 25, Washington, DC;
Ronald Powell, 26, Kansas City, MO;
Tamica Tyler, Pine Bluff, AR;
Kevin Walter, 40, Detroit, MI;
Linda A. Winters, 35, Chicago, IL.

July 7:
Lugene Akins, 41, Rochester, NY;
Allen G. Barrousse, 40, New Orleans, LA;
Imon T. Boyce, 20, Oklahoma City, OK;
Theodore M. Goode, 26, Oklahoma City, OK;
Eric Goodloe, 20, Gary, IN;
Kevin Gore, 17, Philadelphia, PA;
Duskie M. Murrow, 20, Oklahoma City, OK;
Angel Ortiz, 26, Holyoke, MA;
Peter Quattro, 24, Miami-Dade County, FL;
Delfino Vega, 21, Chicago, IL;
Unidentified male, 43, Bellingham, WA;
Unidentified male, 57, San Jose, CA.

July 8:
Renee Battle, 29, Chicago, IL;
Bruce Bensch, 52, Miami-Dade County, FL;
Devon Campbell, 19, Louisville, KY;
Roberto Carmona, Jr., 17, Chicago, IL;
Curtis J. Crawley, 19, Rochester, NY;
Jerrod Crump, Pine Bluff, AR;
Vickie A. Owensboro, 36, Memphis, TN;
Jesus Gomez, 24, Seattle, WA;
Nathan Goodman, 17, Dallas, TX;
Julia Matlock, 39, Nashville, TN;
Curlenzo Stith, 29, Baltimore, MD;
Francisco Terrazas, 19, Chicago, IL;
Maurice Thomas, 26, Chicago, IL;
Margie Villarreal, 24, San Antonio, TX;
Juan Yanes, 80, Miami-Dade County, FL.

July 9:
John Amado, 22, San Bernardino, CA;
Mark Barton, San Francisco, CA;

Michael Day, 20, Washington, DC;
Michael Gloria, 17, Mesquite, TX;
John Hendricks, Detroit, MI;
Lindell Kendall, 16, Macon, GA;
Russell H. Lee, 39, Seattle, WA;
Benjamin Lindsey, 34, Atlanta, GA;
Miguel McElroy, 18, Minneapolis, MN;
Oren W. Nevins, 69, Oklahoma City, OK;
Tony Paxton, 28, Miami-Dade County, FL;
Freddie Poyner, 15, Baltimore, MD;
Michael Randell, 33, Tulsa, OK;
Anthony Whitney, 27, Kansas City, MO;
Unidentified male, San Francisco, CA.

## IMPACT AID SCHOOL CONSTRUCTION AMENDMENT

Mr. BAUCUS. Mr. President, last week, I was successful in achieving the inclusion of a bipartisan amendment in the Manager's Amendment on Labor, Health and Human Services, and Education Appropriation bill, on one of the most important issues we will deal with in this Congress—the poor condition of our Nation's school buildings.

Let me briefly describe this amendment before I talk about the larger problem this amendment is seeking to address.

This amendment is co-sponsored by Senator BINGAMAN, Senator DOMENICI, and Senator HUTCHISON from Texas—this bipartisan group should send a very strong signal that this amendment is worthy of support.

This is a very simple amendment. Both the House and Senate versions of the Labor-HHS Appropriations bill set aside $25 million for Impact Aid school construction. This amendment increases that amount to $10 million.

It offsets the increase by reducing the administrative and related expenses of the Departments of Health and Human Services, Labor, and Education on a pro rata basis by $10 million.

Allow me to explain why this amendment is so important to me and to the bi-partisan group of Senators that support this amendment.

As you know, there are a number of pending bills that address our nation's school construction needs. And in the past days, we have voted on a number of amendments addressing school construction issues generally.

These funds assist local school districts who are then able to raise the remainder of their construction funds through bond issues. Like other school costs, the bonds are paid for by taxes on local property.

Issuing bonds is a time-honored approach to school construction. But in the heated national debate, one group of children is continually left out in the cold—students who live on federally owned land, usually an Indian reservation or a military installation.

In Montana, some 12,000 children fall into this category.

These schools are located in areas where much of the local property can't be taxed because of Federal activities. This tax-exempt property may be a military base or an Indian reservation.

In many cases, the local public schools have to educate the children of families that live on the property. These so-called "Federal Students" could come from military families. They could come from civilian families. They could come from Native American families.

The Congress has recognized its responsibility for these schools through payments authorized by Title VIII of the Elementary and Secondary Education Act.

The House and Senate bills allocate $25 million for school construction to be distributed under Section 8007 of the Elementary and Secondary Education Act.

This is simply insufficient to meet the needs of these federally impacted schools.

In fiscal year 2000, Montana had 28 school districts that were 50 percent or more impacted with either Indian land children or military students. Nationwide, there were 249 such districts.

In FY2000, the average allocation per school district in Montana of Impact Aid funds is just below $18,000. The average dollar received per student is $57.

Think about that for a moment. $57 for construction is not going to do a heck of a lot of good for schools that are literally falling down.

Now, under the FY2001 appropriations bill, funding would increase to approximately $90 per student. And while that's better than $57, it still falls way short of meeting the needs of our students.

Let me tell you a couple of stories to illustrate this point.

I remember talking last year with the Superintendent for the Harlem School District Don Bidwell. His district is so crowded, he has students using a closet, where they used to keep the snow blower, for a classroom. Now the snow blower is in the hall and the students are in the closet.

And let me tell you about a recent visit with Steve Smyth, the Superintendent of the Browning school district in Montana.

Browning is situated in one of the windiest areas of Montana. Mr. Smyth informed me that a year ago, the students, teachers, administrators and community watched the roof on the high school building literally curl up like the lid on a sardine can because of the harsh winds.

Just to replace that roof, the district spent $115,881. And yet, they only received $27,000 for school construction and repairs in FY 2000. How can we justify giving them only enough money to pay for one-fourth of their roof? That is a disgrace.

Let me give you another example. In 1998, the Box Elder school received $13,000 in Impact Aid construction funding. In FY 2000, they received $19,500. That might be enough to give half the building a paint job, but not for much more.

It's like trying to put out a fire with squirt gun. What this school really needs is a new building or a major renovation.

The condition of these schools is not a Montana problem. Nor a Nebraska problem. Nor a partisan problem.

Instead, it's a national problem.

As a nation, we can no longer pretend that this is a problem in a few schools in a few states that can be solved with a few scraps from our federal education appropriation.

Every child in the United States deserves a healthy learning environment. An important and vital part of that environment is the physical structure the learning takes place in. Our children should be confident their school will still be standing by the end of the day. Our children shouldn't fear that their school is going to burn down because of faulty wiring.

Mothers and fathers should know that when they drop their children off at school or send them off to the school bus, that they are sending them to a safe place.

I am pleased the managers of this bill saw this amendment fit to be included in their amendment. I thank Senators BINGAMAN, DOMENICI, and HUTCHISON from Texas for their support. I hope that the conferees will maintain this increased level of funding.

## REFORMING UNILATERAL SANCTIONS ON FOOD AND MEDICINE

Mr. BAUCUS. Mr. President, I rise today to address recent developments in the effort to reform our sanctions policy towards food and medicine.

Let me recall a bit of recent history. Late last year, the Senate passed legislation to end the use of food and medicine as a weapon of foreign policy. We passed it by a substantial margin—70 to 28—as an amendment to the FY 2000 Agriculture Appropriations bill.

We have both moral and commercial concerns. It is just wrong to inflict suffering on innocent people by withholding food and medicine because we oppose the policies of their government. This goes against the core values of our nation.

Commercially, the reform legislation would open markets to American producers, especially American farmers. They have been struggling through a long and terrible crisis brought on by low prices and bad weather. Opening new foreign markets would especially help our family farms.

The sanctions reform amendment ran into stiff opposition from House members in conference. Their main objection was that the bill would allow food and medicine sales to Cuba. Unfortunately, they prevailed, and the amendment was struck from the conference report.

That was last year. What about this year? We've had two important developments.

On the Senate side, the Agriculture Committee included sanctions reform in the FY 2001 Agriculture Appropriations bill, which was reported out in May. It is the section of the bill entitled the "Food and Medicine for the World Act." I would like to acknowledge the work of my colleagues on this important legislation, especially Senators DODD, DORGAN, ROBERTS, ASHCROFT and HAGEL.

It is very similar to the amendment the Senate passed last year. I would note that it contains a new provision which weakens the sanctions reform effort. This provision requires one-year licenses for sales of food or medicine to governments on the State Department's terrorism list. Currently this list covers seven countries, Iran, Iraq, Libya, Syria, Sudan, North Korea and Cuba. I believe that this provision is an unnecessary restriction on our agricultural exporters.

But I am much more concerned about recent developments on the House side.

In late June, House members struck a deal to accommodate the same small group which fights against sanctions reform every year. Those members now have one main target: Cuba.

This recent House deal is billed as a move to lift unilateral sanctions on food and medicine. In fact, it does just the opposite. Let me explain.

First, it would outlaw all finance and insurance of food sales to Cuba, even sales to private groups. This would essentially prohibit all U.S. exports. In today's world, nobody trades without some sort of finance. It takes at least a letter of credit. What is the alternative? Only to ride along on the cargo ship to exchange your wheat for cash in Havana harbor. Everybody requires some sort of commercial insurance. In fact, the House agreement is so broadly written that it might even make third-country finance illegal. This is very bad legislation.

Second, the House agreement would impose even stricter licensing requirements than are in effect today on sales of food and medicine. These new restrictions would apply not just to Cuba, but also to Iran, Iraq, Libya, Sudan, Syria and North Korea.

Third, it would make it harder for U.S. exporters to travel to Cuba to explore the market.

Fourth, it would prohibit any food assistance, such as Food for Peace, to Cuba, as well as to Iran.

Accepting these provisions would be a major setback for the Senate.

The House agreement goes beyond sanctions for food and medicine. It includes provisions on travel to Cuba, an entirely unrelated issue. It would remove all flexibility from the current travel regulations in two ways. First, it would make them statutory. They could only be changed in the future by new legislation. Second, it would deny the Treasury Department any discretion in issuing travel licenses.

I understand that the current House plan is to strip this bad legislation from their version of the FY 2001 Agriculture Appropriations bill, and then bring it up in conference. We must not let a small group of House members prevail again this year. I firmly oppose the House agreement, and I urge my colleagues to do likewise. We should work to ensure passage of the Food and Medicine for the World Act.

Last year, the Senate took action that was correct and sound. We should continue to press forward.

## THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business Friday, July 7, 2000, the Federal debt stood at $5,664,950,120,488.65 (Five trillion, six hundred sixty-four billion, nine hundred fifty million, one hundred twenty thousand, four hundred eighty-eight dollars and sixty-five cents).

One year ago, July 7, 1999, the Federal debt stood at $5,627,556,000,000 (Five trillion, six hundred twenty-seven billion, five hundred fifty-six million).

Five years ago, July 7, 1995, the Federal debt stood at $4,929,459,000,000 (Four trillion, nine hundred twenty-nine billion, four hundred fifty-nine million).

Twenty-five years ago, July 7, 1975, the Federal debt stood at $528,168,000,000 (Five hundred twenty-eight billion, one hundred sixty-eight million) which reflects a debt increase of more than $5 trillion—$5,136,782,120,488.65 (Five trillion, one hundred thirty-six billion, seven hundred eighty-two million, one hundred twenty thousand, four hundred eighty-eight dollars and sixty-five cents) during the past 25 years.

## ADDITIONAL STATEMENTS

## A NATION OF IMMIGRANTS

• Mr. KENNEDY. Mr. President, each year the American Immigration Law Foundation and the American Immigration Lawyers Association sponsor a national writing contest on immigration. Thousands of fifth grade students across the country participate in the competition, answering the question, "Why I'm Glad America is a Nation of Immigrants."

In fact, "A Nation of Immigrants" was the title of a book that President Kennedy wrote in 1958, when he was a Senator. In this book, and throughout his life, he celebrated America's great heritage and history of immigration as a principal source of the nation's progress and achievements.

As one of the judges of this year's contest, I was impressed by the quality of writing that was presented and the great pride of these students in America's immigrant heritage. Many of these essays told the story of their own family's immigration to the United States.

The winner of this year's contest is Kaitlin Young, a fifth grader at St. Anne Elementary School in Warren, Michigan. She wrote about her diverse immigrant background and how this diversity enriches her life. Other students honored for their creative essays were Shayna Walton of Arizona, John Klaasen of Washington, Allison Paige Sigmon of North Carolina, and Christa Conway of Connecticut.

I believe that these award winning essays from the "Celebrate America" contest will be of interest to all of us in the Senate, and I ask that they may be printed in the RECORD.

The essays are as follow.

### IMMIGRATION & ME

(By Kaitlin Young, Warren, MI, grand prize winner)

If it weren't for immigration, the diversity in me
I might be a Who-not on my family tree.
English, Irish, Dutch, American Indian too
Italian ancestry in the mix, a family tree in bloom.

America welcomed my ancestors–a promise to be free
Ellis Island & the Statue of Liberty are symbols dear to me.
Our country's promise, the freedom to worship here
Practice our family customs and belief we hold dear.

The promise of America rings throughout me
The Torch of Freedom helped shape my family tree.
My Grandmas and Grandpas are from here and there
So when Mom married Dad, I came from everywhere.

I eat different foods from across the world
Irish stew, potatoes and pasta that is curled.
Salmon steak, pot roast, and Dutch Apple pie
Egg rolls, pizza, a menu diversified.

Soccer, Bocce Ball, and Cricket too.
Without immigration, you might not play the sports you do.
Without immigration what would you hear?
The same old sounds filling your ear.

If it were not for immigration, what would we see?
All the leaves the same on my family tree.
That is why I am so happy for diversity,
Because of Immigration—I am me!

### WHY I'M GLAD AMERICA IS A NATION OF IMMIGRANTS

(By Shayna Walton, Tucson, AZ, finalist)

Hooray Hooray for the U.S.A.
Life is good the American Way.

Immigrants come from far and near
To have a much better life right here.

They come in hopes of a freer life.
Sometimes they come to leave their strife.

What a better place we have become
because of all that immigrants have done.

They've shared their different ways they cook
and written many stories in a book.

The unique styles that they wear—
now you see them everywhere.

They've brought us lots of delicious foods
which certainly has improved our moods!

They've created dances, songs and art
Which has caused happiness in my heart.

All the immigrants' different languages are so neat
To learn them all would be quite a feat!

In this country you can have your say
You can give your opinion and talk all day!

We are all immigrants in our own way—
I'm so glad that we're all here to stay!

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### Why I Am Glad That America Is A Nation Of Immigrants

(By John Klaasen, Olympia, WA, finalist)

Iceland
Madagascar
Mexico
India
Germany
Russia
Afghanistan
Nepal
Taiwan
South Korea

Oceania
Finland

Thailand
Haiti
Ecuador

Uruguay
New Zealand
Indonesia
Turkey
Egypt
Denmark

Spain
Tanzania
Albania
Togo
Ethiopia
Sri Lanka

Oman
France

Algeria
Mongolia
Eritrea
Romania
Iraq
Canada
Argentina

All
Refugees
Enter Looking for

Freedom,
Respect and
Open arms into our
Merry nation

Asylum
Legal residence and
Liberty

Offer
Values,
Education,
Rights,

Traditions,
Honor and
Equal treatment.

We
Offer
Refugees
Lasting
Democracy.

---

### Why I Am Glad America Is A Nation Of Immigrants

(By Allison Paige Sigmon, Sparta, NC, finalist)

Intelligence, inventions
Movies, medicine, music, melting pot
Medical breakthroughs, marketing
Innovations, instruments (musical)
Global diversity, gods, government
Racial equality, restaurants, religion
Ancestors, agriculture, architecture, artists
News, Nobel Peace Prize, nationalities
Teachers, theatre, trade, technology, transportation
Space travel, sports, science

All of these words are what I think immigrants have brought to our country to make us a strong and powerful nation.

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### Why I'm Glad America Is A Nation Of Immigrants

(By Christa Conway, Manchester, CT, finalist)

What do the people bring when they come to America's shores?
What do the people bring on their boats rowing with oars?
What do the people bring in their trunks, bags, and cases?
What do the people bring?
They bring a world of new faces.

The first sight that they get of land, is like a cavern of gold
They see all brand new faces, all both young and old.
They see the green fresh grass, or see the glittering snow,
What do the immigrants see?
They see a new world to know.

What were the gifts they brought?
They weren't gold, riches and powers!
They brought just simply their culture,
Which now we proclaim as ours.

Music, festivals, stories,
Which we can now enjoy.
Everyone will enjoy it!!
Every girl and every boy!!

So why I'm glad America
Is a nation of immigrants true,
Is something that really matters,
It matters to me and you.
Immigrants are what make America whole,
What makes it pure and unique.
This melting pot of cultures,
Will never spring a leak!!!•

## "THE WONDERS OF WARD 8"

• Mr. JEFFORDS. Mr. President, it gives me pleasure to bring to my colleagues' attention a truly remarkable program that, unfortunately, is not located in my home state of Vermont, but nonetheless, does great work for Vermonters. Let me talk for a moment about the "Wonders of Ward 8." To enlighten my colleagues, "Ward 8" houses the inpatient Post Traumatic Stress Disorder (PTSD) treatment program at the Northhampton VA hospital. According to Friends of Ward 8, a group of veterans whose lives have taken on new meaning as a result of their treatment at this facility, there is no better place on earth to deal with the psychological wounds of war.

The Department of Veterans Affairs (VA) is recognized worldwide as a true leader in the area of PTSD research and I applaud my friend Dr. Matt Friedman and his staff at the National Center for PTSD for the incredible work they have done to bring this often debilitating condition to the forefront of public recognition and scholarly research. Thanks also go to Dr. Friedman for making treatment of PTSD a priority for the VA. Ward 8 is a shining example of what an inpatient program specializing in trauma treatment should look like. Although Ward 8 is located in Massachusetts, veterans from all over the country have benefitted from this program—including many, many Vermonters. It was established to offer inpatient rehabilitative treatment to veterans suffering from PTSD as a result of their wartime service and is one of eight inpatient VA programs. Ward 8 provides this high quality service while running one of the most efficient and cost effective inpatient treatment program in the VA system.

According to the Friends of Ward 8, the staff at this facility are the reason for its success. I would like to recognize and thank the "heroes" of Ward 8 beginning with the Program Director Dr. Sonny Monteiro and his dedicated staff of men and women including Dr. Richard Pearlstein, Bruce Bennett, Sherrill Ashton, John Christopher, Ken Zerneri, Gary Kuck, Fran Lunny, Joe Polito, Brooks Ryder, Judy Zahn, Heather White, Wayne Lynch, Alec Provost, Mike Connor, Barbara Graf and Delores Elliott. I hear again and again from Vermonters about how they bring compassion and healing to the science of mental health. It is the human touch that they so generously dispense that makes such a difference in the lives of veterans who struggle to recuperate from their wounds of war. Their dedication to their jobs and to the lives they touch has built a legacy for this program unrivaled by any other PTSD program in the country.

I thank you, Ward 8, and the many veterans from around the country who have crossed your threshold, thank you.•

## RECOGNIZING QWEST COMMUNICATIONS INTERNATIONAL

• Mr. ALLARD. Mr. President, I rise to comment on some significant developments that have recently taken place in my home state of Colorado that will positively benefit the entire world of telecommunications.

Qwest Communications International, Inc. of Denver, a young, worldwide leader in broadband Internet-based communications, continues to expand its technologies and vision for the coming century. Just three and one-half years ago, this innovative company catapulted the world into the

Information Age beginning by branding its nation-wide fiber-optic network and developing connections into Mexico, intercontinental cable to Europe and transpacific submarine capacity to the Pacific Rim. The Company's services provide a full range of leading-edge data, voice, video, e-commerce, web-hosting and related services to consumers and business customers, including a variety of multimillion dollar government contracts recently awarded to Qwest, such as the Treasury Department and DOE's Energy Sciences Network.

Qwest has positioned itself for the new Information Age economy by combining its strengths and forming numerous strategic alliances, partnerships and evolving its next-generation infrastructure through a variety of acquisitions.

About one year ago Qwest and U.S. WEST announced their intent to merge. On Friday, June 30 that merger became reality.

I applaud the FCC, the states and other appropriate agencies for reviewing and approving this complementary merger in a respectable timeframe and in accordance with the 1996 Telecommunications Act. This now allows the "new" Qwest to bring a different competitive dynamic to the global marketplace.

I ask my colleagues today to join me in commending the regulatory bodies for enhancing the process of this merger and to the Companies' merger review team, led by Drake Tempest and Steve Davis, as well as other Company officials. In closing, I extend my best wishes for continued success to Qwest and its Chairman and CEO, Joe Nacchio. Mr. Nacchio will resume the leadership of the "new" Qwest to bring the benefits of this global Company to all of our constituents.●

## RECOGNITION OF THE YOUTH INVESTMENT PROGRAM OF THE TUKWILA SCHOOL DISTRICT

● Mr. GORTON. Mr. President, in February of 1999, I awarded my first Innovation in Education Award to the Tukwila School District for their "Friends and Family Program." Now, over a year later, I am standing on the Senate floor again to recognize an innovative program in this same district, the Youth Investment Program at Cascade View Elementary. As both these awards indicate, great things are coming out of the Tukwila School District and this innovative summer school program is no exception.

Teachers and educators at Cascade View Elementary realized that many of their students were in need of additional help to be ready for their upcoming school year. Cascade Valley wanted to take advantage of the summer months to target students who need extra help in reading, math, and writing skills. Thus, the Youth Investment Program was created. Last week, I visited with teachers and students from this program and witnessed first-hand the tremendous impact that it has on its students.

In classes where approximately 22-percent of the students speak English as a second language and skill levels range across the board, these teachers have produced spectacular results in their students' academic achievements and social development.

Michael Silver, Superintendent of the Tukwila District, says "There is a high percentage of kids from different ethnic groups who are at different skill levels. Our program has been able to streamline their learning to catch them up for their new grade level."

The Youth Investment Program is also preparing students to succeed in the 21st century by incorporating computer training into many of the traditional academic subjects. The computer skills of each child are monitored throughout program. Teachers have also used computers to teach non-traditional courses such as drama and music which has enabled students and teachers to bring new meaning to the classroom. I am positive that these students will return to school in the fall not only equipped with renewed confidence but also with the skills and knowledge demanded by the new technology age.

After spending a time with the students and teachers involved in the Youth Investment Program, it was not hard for me to see why the efforts of the Tukwila School District continue to stand out among local education in Washington State. Mr. President, the Youth Investment Program demonstrates once again that our local educators know how to meet the needs of their students. I applaud the work of the staff and teachers at Cascade View and I am pleased to present my 44th Innovation in Education Award to the Youth Investment Program.●

## MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. McCathran, one of his secretaries.

### EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

## MESSAGE FROM THE HOUSE

### ENROLLED BILL SIGNED

At 1:09 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the Speaker pro tempore has signed the following enrolled bill:

S. 148. An act to require the Secretary of the Interior to establish a program to provide assistance in the conservation of neotropical migratory birds.

The bill was signed subsequently by the President pro tempore (Mr. THURMOND).

## EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–9598. A communication from the Secretary of Veterans Affairs, transmitting, pursuant to law, the report entitled "Equitable Relief Granted By The Secretary Of Veterans Affairs In Calendar Year 1999"; to the Committee on Veterans' Affairs.

EC–9599. A communication from the Vice-Chairman of the Federal Election Commission, transmitting, pursuant to law, the report of a rule entitled "Election Cycle Reporting by Authorized Committees", received on July 6, 2000; to the Committee on Rules and Administration.

EC–9600. A communication from the Director of Policy Directives and Instructions Branch, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, the report of a rule entitled "Jurisdictional change for the Los Angeles and San Francisco asylum offices" (RIN1115–AF18 (INS No. 1949–98)) received on June 27, 2000; to the Committee on the Judiciary.

EC–9601. A communication from the Attorney General, transmitting, pursuant to law, a report relative to the status of the United States Parole Commission; to the Committee on the Judiciary.

EC–9602. A communication from the Assistant Attorney General, transmitting, pursuant to law, a report relative to the Office of Police Corps and Law Enforcement Education for Calendar Year 1999; to the Committee on the Judiciary.

EC–9603. A communication from the Associate Deputy Attorney General and White House Liaison, transmitting, pursuant to law, the report of a vacancy in the position of Assistant Attorney General, Tax Division, Department of Justice; to the Committee on the Judiciary.

EC–9604. A communication from the Legislative Liaison of the Trade and Development Agency, transmitting, pursuant to law, the report relative to funding obligations dated June 22, 2000; to the Committee on Appropriations.

EC–9605. A communication from the Architect of the Capitol, transmitting, pursuant to law, the report of all expenditures during the period October 1, 1999 through March 31, 2000; to the Committee on Appropriations.

EC–9606. A communication from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, the report of the texts of international agreements, other than treaties, and background statements; to the Committee on Foreign Relations.

EC–9607. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, a report of the transmittal of the certification of the proposed issuance of an export license relative to the United Kingdom; to the Committee on Foreign Relations.

EC–9608. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, a report of the transmittal of the certification of the proposed issuance of an export license relative to Egypt; to the Committee on Foreign Relations.

EC–9609. A communication from the Acting Chief Counsel (Foreign Assets Control), Department of Treasury, transmitting, pursuant to law, the report of a rule entitled "Foreign Narcotics Kingpin Sanctions Regulations" (RIN CFR Part 598) received on June 2, 2000; to the Committee on Foreign Relations.

EC–9610. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to law, the report of a rule entitled "Passport Procedures-Amendment to Execution of Passport Application Regulation" received on June 21, 2000; to the Committee on Foreign Relations.

EC–9611. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to law, the report of the transmittal of the certification of the proposed issuance of an export license relative to French Guiana; to the Committee on Foreign Relations.

EC–9612. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, a report of the transmittal of the certification of the proposed issuance of an export license relative to Australia and Japan; to the Committee on Foreign Relations.

EC–9613. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, a report of the transmittal of the certification of the proposed issuance of an export license relative to Canada and Sweden; to the Committee on Foreign Relations.

EC–9614. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, a report of the transmittal of the certification of the proposed issuance of an export license relative to Germany; to the Committee on Foreign Relations.

EC–9615. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, a report of the transmittal of the certification of the proposed issuance of an export license relative to Australia; to the Committee on Foreign Relations.

EC–9616. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, a report of the transmittal of the certification of the proposed issuance of an export license relative to France and Germany; to the Committee on Foreign Relations.

EC–9617. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, a report of the transmittal of the certification of the proposed issuance of an export license relative to France and the United Kingdom; to the Committee on Foreign Relations.

EC–9618. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to law, a report relative to "Overseas Surplus Property" for fiscal years 2000 through 2001; to the Committee on Foreign Relations.

## REPORTS OF COMMITTEES DURING ADJOURNMENT

Under the authority of the order of the Senate of June 30, 2000, the following reports of committees were submitted on July 5, 2000:

By Mr. ROTH, from the Committee on Finance, with an amendment in the nature of a substitute:

H.R. 3916: To amend the Internal Revenue Code of 1986 to repeal the excise tax on telephone and other communication services (Rept. No. 106–328).

By Mr. ROTH, from the Committee on Finance, without amendment:

S. 2839: A bill to amend the Internal Revenue Code of 1986 to provide marriage tax relief by adjusting the standard deduction, 15-percent and 28-percent rate brackets, and earned income credit, and for other purposes (Rept. No. 106–329).

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## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 1438: A bill to establish the National Law Enforcement Museum on Federal land in the District of Columbia (Rept. No. 106–330).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, without amendment:

S. 1670: A bill to revise the boundary of Fort Matanzas National Monument, and for other purposes (Rept. No. 106–331).

S. 2020: A bill to adjust the boundary of the Natchez Trace Parkway, Mississippi, and for other purposes (Rept. No. 106–332).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with amendments:

S. 2511: A bill to establish the Kenai Mountains-Turnagain Arm National Heritage Area in the State of Alaska, and for other purposes (Rept. No. 106–333).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of substitute:

H.R. 2879: A bill to provide for the placement at the Lincoln Memorial of a plaque commemorating the speech of Martin Luther King, Jr., known as the "I have A Dream" speech (Rept. No. 106–334).

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## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. BREAUX:

S. 2840. A bill to establish a Commission on the Bicentennial of the Louisiana Purchase and the Lewis and Clark Expedition; to the Committee on Government Affairs.

By Mr. ROBB (for himself, Mr. DURBIN, Mr. SARBANES, Ms. MIKULSKI, Mr. AKAKA, Mr. WELLSTONE, Mr. FEINGOLD, Mr. SCHUMER, and Mr. KENNEDY):

S. 2841. A bill to ensure that the business of the Federal Government is conducted in the public interest and in a manner that provides for public accountability, efficient delivery of services, reasonable cost savings, and prevention of unwarranted Government expenses, and for other purposes; to the Committee on Government Affairs.

By Mr. REID:

S. 2842. A bill to direct the Secretary of Agriculture to convey certain land to Lander County, Nevada, for continued use as a cemetery; to the Committee on Energy and Natural Resources.

By Mr. BREAUX:

S. 2843. A bill for the relief of Antonio Costa; to the Committee on the Judiciary.

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## SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. INOUYE:

S. Res. 334. A resolution expressing appreciation to the people of Okinawa for hosting United States defense facilities, commending the Government of Japan for choosing Okinawa as the site for hosting the summit meeting of the G–8 countries, and for other purposes; to the Committee on Foreign Relations.

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## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. REID:

S. 2842. A bill to direct the Secretary of Agriculture to convey certain land to Lander County, Nevada, for continued use as a cemetery; to the Committee on Energy and Natural Resources.

### THE LANDER COUNTY CEMETERY CONVEYANCE ACT

Mr. REID. Mr. President, I rise today to introduce the Lander County Cemetery Conveyance Act.

The settlement of Kingston, Nevada was destination and home to pioneers that settled the isolated high desert valleys of the central Great Basin. The inhabitants of this community set aside a specific community cemetery to provide the final resting place for friends and family who passed away. The early settlers established and managed the cemetery in the late 1800's. The Kingston cemetery is on land now managed by the United States Forest Service (FS). The FS is selling approximately one acre to the Town of Kingston, but this conveyance does not allow for the long-term use and expansion beyond the undisturbed historic graves, the implementation of the community's original 10 acre site plan, nor the protection of the uncharted graves.

Mr. President, the site of this historic cemetery was established prior to the designation of the Forest Reserve surrounding the Town of Kingston. The surrounding Forest Reserve was established in 1908. Under current law, the agency must sell the encumbered land at fair market value to this community for continued use. My bill provides for the conveyance of the balance of the original, recognized cemetery location to Lander County, at no cost, contingent on the completed sale of the acre to the Town of Kingston. It is unconscionable to me that this landlocked, rural community is required to buy their ancestors back from the Federal government.

I sincerely hope that members of Congress recognize the benefit to the local community that the conveyance would provide and pass this legislation.

Mr. President, I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2842

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. FINDINGS.**

Congress finds that—

(1) the historical use by settlers and travelers since the late 1800's of the cemetery known as "Kingston Cemetery" in Kingston, Nevada, predates incorporation of the land on which the cemetery is situated within the jurisdiction of the Forest Service;

(2) it is appropriate that that use be continued through local public ownership of the parcel rather than through the permitting process of the Federal agency; and

(3) to ensure that all areas that may have unmarked gravesites are included and to ensure the availability of adequate gravesite space in future years, a parcel of approximately 10 acres, the acreage included in the original permit issued by the Forest Service for the cemetery, should be conveyed for that purpose.

**SEC. 2. CONVEYANCE TO LANDER COUNTY, NEVADA.**

(a) CONVEYANCE.—Notwithstanding any other provision of law, the Secretary of Agriculture, acting through the Chief of the Forest Service (referred to in this section as the "Secretary"), simultaneously with or as soon as practicable after the conveyance of the core parcel under subsection (b), shall convey, without consideration, subject to valid existing rights, to Lander County, Nevada (referred to in this section as the "county"), all right, title, and interest of the United States in and to the remaining parcel of the land described in subsection (c).

(b) CONVEYANCE OF CORE PARCEL.—The making of the conveyance under subsection (a) is contingent on the making of a conveyance, under Public Law 85–569 (commonly known as the "Townsite Act") (16 U.S.C. 478a), of 1.25 acres of the land described in subsection (c) in which gravesites have been identified.

(c) DESCRIPTION OF LAND.—The parcel of land referred to in subsection (a) is the parcel of National Forest System land (including any improvements on the land) known as "Kingston Cemetery," consisting of approximately 10 acres and more particularly described as SW1/4SE1/4SE1/4 of section 36, T. 16N., R. 43E., Mount Diablo Meridian.

(d) USE OF LAND.—

(1) IN GENERAL.—The county (including its successors) shall continue the use of the parcel conveyed under subsection (a) as a cemetery.

(2) REVERSION.—If the Secretary, after notice to the county and an opportunity for a hearing, makes a finding that the county has discontinued the use of the parcel conveyed under subsection (a) as a cemetery, title to the parcel shall revert to the Secretary.

(e) ACCESS.—At the time of the conveyance under subsection (a), the Secretary shall grant the county an easement granting access for persons desiring to visit the cemetery and other cemetery purposes over Forest Development Road #20307B, notwithstanding any future closing of the road for other use.

## ADDITIONAL COSPONSORS

S. 662

At the request of Mr. L. CHAFEE, the name of the Senator from Pennsylvania (Mr. SANTORUM) was added as a cosponsor of S. 662, a bill to amend title XIX of the Social Security Act to provide medical assistance for certain women screened and found to have breast or cervical cancer under a federally funded screening program.

S. 682

At the request of Mr. HELMS, the name of the Senator from Idaho (Mr. CRAIG) was added as a cosponsor of S. 682, a bill to implement the Hague Convention on Protection of Children and Co-operation in Respect of Intercounty Adoption, and for other purposes.

S. 702

At the request of Mr. HARKIN, the name of the Senator from Minnesota (Mr. WELLSTONE) was added as a cosponsor of S. 702, a bill to amend the Fair Labor Standards Act of 1938 to prohibit discrimination in the payment of wages on account of sex, race, or national origin, and for other purposes.

S. 1333

At the request of Mr. WYDEN, the name of the Senator from Michigan (Mr. ABRAHAM) was added as a cosponsor of S. 1333, a bill to expand homeownership in the United States.

S. 1485

At the request of Mr. NICKLES, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 1485, a bill to amend the Immigration and Nationality Act to confer United States citizenship automatically and retroactively on certain foreign-born children adopted by citizens of the United States.

S. 1810

At the request of Mrs. MURRAY, the names of the Senator from Wisconsin (Mr. KOHL) and the Senator from Missouri (Mr. ASHCROFT) were added as cosponsors of S. 1810, a bill to amend title 38, United States Code, to clarify and improve veterans' claims and appellate procedures.

S. 1900

At the request of Mr. LAUTENBERG, the name of the Senator from Indiana (Mr. LUGAR) was added as a cosponsor of S. 1900, a bill to amend the Internal Revenue Code of 1986 to allow a credit to holders of qualified bonds issued by Amtrak, and for other purposes.

S. 1935

At the request of Mr. HARKIN, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 1935, a bill to amend title XIX of the Social Security Act to provide for coverage of community attendant services and supports under the medicaid program.

S. 2061

At the request of Mr. BIDEN, the names of the Senator from Virginia (Mr. WARNER) and the Senator from Hawaii (Mr. AKAKA) were added as cosponsors of S. 2061, a bill to establish a crime prevention and computer education initiative.

S. 2287

At the request of Mr. L. CHAFEE, the names of the Senator from Virginia (Mr. ROBB) and the Senator from Maine (Ms. COLLINS) were added as cosponsors of S. 2287, a bill to amend the Public Health Service Act to authorize the Director of the National Institute of Environmental Health Sciences to make grants for the development and operation of research centers regarding environmental factors that may be related to the etiology of breast cancer.

S. 2408

At the request of Mr. BINGAMAN, the names of the Senator from Minnesota (Mr. WELLSTONE) and the Senator from South Dakota (Mr. JOHNSON) were added as cosponsors of S. 2408, a bill to authorize the President to award a gold medal on behalf of the Congress to the Navajo Code Talkers in recognition of their contributions to the Nation.

S. 2588

At the request of Mr. BENNETT, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 2588, a bill to assist the economic development of the Ute Indian Tribe by authorizing the transfer to the Tribe of Oil Shale Reserve Numbered 2, to protect the Colorado River by providing for the removal of the tailings from the Atlas uranium milling site near Moab, Utah, and for other purposes.

S. 2598

At the request of Mr. BINGAMAN, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 2598, a bill to authorize appropriations for the United States Holocaust Memorial Museum, and for other purposes.

S. 2608

At the request of Mr. GRASSLEY, the name of the Senator from Nevada (Mr. BRYAN) was added as a cosponsor of S. 2608, a bill to amend the Internal Revenue Code of 1986 to provide for the treatment of certain expenses of rural letter carriers.

S. 2609

At the request of Mr. CRAIG, the name of the Senator from Mississippi (Mr. LOTT) was added as a cosponsor of S. 2609, a bill to amend the Pittman-Robertson Wildlife Restoration Act and the Dingell-Johnson Sport Fish Restoration Act to enhance the funds available for grants to States for fish and wildlife conservation projects, and to increase opportunities for recreational hunting, bow hunting, trapping, archery, and fishing, by eliminating chances for waste, fraud, abuse, maladministration, and unauthorized expenditures for administration and implementation of those Acts, and for other purposes.

S. 2612

At the request of Mr. GRAHAM, the name of the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of S. 2612, a bill to combat Ecstasy trafficking, distribution, and abuse in the United States, and for other purposes.

S. 2700

At the request of Mr. L. CHAFEE, the name of the Senator from Illinois (Mr. FITZGERALD) was added as a cosponsor of S. 2700, a bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to promote the cleanup and reuse of brownfields, to provide financial assistance for brownfields revitalization, to enhance State response programs, and for other purposes.

S. 2703

At the request of Mr. AKAKA, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 2703, a bill to amend the provisions of title 39, United States Code, relating to the manner in which pay policies and schedules and fringe benefit programs for postmasters are established.

S. 2729

At the request of Mr. CONRAD, the name of the Senator from Michigan (Mr. ABRAHAM) was added as a cosponsor of S. 2729, a bill to amend the Internal Revenue Code of 1986 and the Surface Mining Control and Reclamation Act of 1977 to restore stability and equity to the financing of the United Mine Workers of America Combines Benefit Fund by eliminating the liability of reachback operations, to provide additional sources of revenue to the Fund, and for other purposes.

S. 2739

At the request of Mr. LAUTENBERG, the names of the Senator from Mississippi (Mr. LOTT), the Senator from Alabama (Mr. SESSIONS), and the Senator from South Carolina (Mr. HOLLINGS) were added as cosponsors of S. 2739, a bill to amend title 39, United States Code, toprovide for the issuance of a semipostal stamp in order to afford the public a convenient way to contribute to funding for the establishment of the World War II Memorial.

S. 2769

At the request of Mr. LEAHY, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 2769, a bill to authorize funding for National Instant Criminal Background Check System improvements.

S. 2793

At the request of Mr. HOLLINGS, the names of the Senator from South Dakota (Mr. DASCHLE) and the Senator from New Mexico (Mr. BINGAMAN) were added as cosponsors of S. 2793, a bill to amend the Communications Act of 1934 to strengthen the limitation on holding and transfer of broadcast licenses to foreign persons, and to apply a similar limitation to holding and transfer of other telecommunications media by or to foreign governments.

S. 2806

At the request of Mr. SARBANES, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 2806, a bill to amend the National Housing Act to clarify the authority of the Secretary of Housing and Urban Development to terminate mortgagee origination approval for poorly performing mortgagees.

S. 2807

At the request of Mr. BREAUX, the names of the Senator from Ohio (Mr. DEWINE) and the Senator from Washington (Mr. GORTON) were added as cosponsors of S. 2807, a bill to amend the Social Security Act to establish a Medicare Prescription Drug and Supplemental Benefit Program and to stabilize and improve the Medicare+Choice program, and for other purposes.

S. 2815

At the request of Mr. CLELAND, the name of the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 2815, a bill to provide for the nationwide designation of 2-1-1 as a toll-free telephone number for access to information and referrals on human services, to encourage the deployment of the toll-free telephone number, and for other purposes.

S. CON. RES. 60

At the request of Mr. FEINGOLD, the names of the Senator from Arizona (Mr. MCCAIN), the Senator from Georgia (Mr. CLELAND), and the Senator from Nevada (Mr. REID) were added as cosponsors of S. Con. Res. 60, a concurrent resolution expressing the sense of Congress that a commemorative postage stamp should be issued in honor of the U.S.S. *Wisconsin* and all those who served aboard her.

S. CON. RES. 123

At the request of Mr. LAUTENBERG, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. Con. Res. 123, a concurrent resolution expressing the sense of the Congress regarding manipulation of the mass and intimidation of the independent press in the Russian Federation, expressing support for freedom of speech and the independent media in the Russian Federation, and calling on the President of the United States to express his strong concern for freedom of speech and the independent media in the Russian Federation.

S. CON. RES. 128

At the request of Mr. SANTORUM, the name of the Senator from Missouri (Mr. ASHCROFT) was added as a cosponsor of S. Con. Res. 128, a concurrent resolution to urge the Nobel Commission to award the Nobel Prize for Peace to His Holiness, Pope John Paul II, for his dedication to fostering peace throughout the world.

S. RES. 268

At the request of Mr. EDWARDS, the names of the Senator from Michigan (Mr. ABRAHAM), the Senator from Mississippi (Mr. COCHRAN), and the Senator from Arizona (Mr. MCCAIN) were added as cosponsors of S. Res. 268, a resolution designating July 17 through July 23 as "National Fragile X Awareness Week."

S. RES. 294

At the request of Mr. ABRAHAM, the names of the Senator from Ohio (Mr. VOINOVICH) and the Senator from Oregon (Mr. WYDEN) were added as cosponsors of S. Res. 294, a resolution designating the month of October 2000 as "Children's Internet Safety Month."

S. RES. 304

At the request of Mr. BIDEN, the names of the Senator from New Mexico (Mr. BINGAMAN), the Senator from Vermont (Mr. JEFFORDS), the Senator from Indiana (Mr. BAYH), and the Senator from Massachusetts (Mr. KENNEDY) were added as cosponsors of S. Res. 304, a resolution expressing the sense of the Senate regarding the development of educational programs on veterans' contributions to the country and the designation of the week that includes Veterans Day as "National Veterans Awareness Week" for the presentation of such educational programs.

S. RES. 332

At the request of Mr. KENNEDY, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. Res. 332, a resolution expressing the sense of the Senate with respect to the peace process in Northern Ireland.

AMENDMENT NO. 3751

At the request of Mr. BENNETT, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of amendment No. 3751 proposed to S. 2549, an original bill to authorize appropriations for fiscal year 2001 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

## SENATE RESOLUTION 334—EXPRESSING APPRECIATION TO THE PEOPLE OF OKINAWA FOR HOSTING UNITED STATES DEFENSE FACILITIES, COMMENDING THE GOVERNMENT OF JAPAN FOR CHOOSING OKINAWA AS THE SITE FOR HOSTING THE SUMMIT MEETING OF THE G-8 COUNTRIES, AND FOR OTHER PURPOSES

Mr. INOUYE submitted the following resolution; which was referred to the Committee on Foreign Relations:

### S. RES. 334

Whereas the Treaty of Mutual Cooperation and Security between the United States and Japan, signed at Washington January 19, 1960 (11 UST 1632), serves the common security needs of the United States and Japan and is the foundation of peace and stability in East Asia;

Whereas the maintenance of the forward-based elements of the Armed Forces of the United States gives credibility to the United States role in the region;

Whereas the largest United States military bases in East Asia are in Okinawa;

Whereas, in attending the summit meeting of the G-8 countries in Okinawa in July 2000, President Clinton will be making the first visit by a United States President to Okinawa;

Whereas the late Keizo Obuchi, former Prime Minister of Japan, strongly supported the choice of Okinawa as the site for the summit meeting of the G-8 countries and devoted much energy to Okinawan affairs;

Whereas Prime Minister Yoshiro Mori of Japan is deeply committed to the successful hosting of the summit meeting of the G-8 countries in Okinawa and to the development of the prefecture of Okinawa; and

Whereas Governor Keichi Inamine of Okinawa and the people of Okinawa have shown their desire to play a significantly greater role in regional and global affairs through their hosting of the summit meeting of the G-8 countries and other initiatives: Now, therefore, be it

*Resolved*, That the Senate—

(1) expresses its deep appreciation to the people of Okinawa for hosting the United States military facilities in Okinawa, which are of vital importance to peace and stability in East Asia;

(2) commends the Government of Japan for its choice of Okinawa as the site for hosting the leaders of the G-8 countries;

(3) expresses hope for a successful summit meeting of the G-8 countries; and

(4) urges the President to work with the leaders of Japan to devise a joint United States-Japan education initiative that strengthens the human resource base in Okinawa, particularly with a view to meeting Okinawa's economic needs and Asia-Pacific aspirations.

SEC. 2. In this resolution, the term "G-8 countries" means the group of countries consisting of France, Germany, Japan, the United Kingdom, the United States, Canada, Italy, and Russia established to facilitate economic cooperation among the eight major economic powers.

## AMENDMENTS SUBMITTED

## DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

### WELLSTONE (AND GRAMS) AMENDMENT NO. 3771

(Ordered to lie on the table.)

Mr. WELLSTONE (for himself and Mr. GRAMS) submitted an amendment intended to be proposed by them to the bill (H.R. 4578) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2001, and for other purposes; as follows:

At the appropriate place, insert:

NATIONAL FOREST SYSTEM

For an additional amount for 'National Forest System' for emergency expenses resulting from damages from wind storms, $7,249,000, to become available upon enactment of this act and to remain available until expended: *Provided*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: *Provided further*, That the entire amount shall be available only to the extent an official budget request for a specific dollar amount, that includes designation of the entire amount of the request as an emergency requirement as defined by such Act, is transmitted by the President to the Congress.

### WELLSTONE AMENDMENT NO. 3772

Mr. WELLSTONE (for himself and Mr. GRAMS) proposed an amendment to the bill 4578, supra; as follows:

On page 165, between lines 18 and 19, insert the following:

For an additional amount for emergency expenses resulting from damage from windstorms, $7,249,000, to become available upon enactment of this Act, and to remain available until expended: *Provided*, That the entire amount shall be available only to the extent that the President submits to Congress an official budget request for a specific dollar amount that includes designation of the entire amount of the request as an emergency requirement for the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.): *Provided further*, That the entire amount is designated by Congress as an emergency requirement under section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(A)).

### GORTON AMENDMENT NO. 3773

(Ordered to lie on the table.)

Mr. GORTON submitted an amendment intended to be proposed by him to the bill, H.R. 4578, supra; as follows:

On page 167, line 15 of the bill, insert the number "0" between the numbers "1" and "5".

### STEVENS AMENDMENT NO. 3774

(Ordered to lie on the table.)

Mr. STEVENS submitted an amendment intended to be proposed by him to the bill, H.R. 4578, supra; as follows:

At the appropriate place insert the following:

SEC. . Sections 5104, 5106 and 5109 of division B of H.R. 4425 as presented to the President on July 1, 2000 (106th Congress), are repealed.

## NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2001

### DOMENICI AMENDMENT NO. 3775

(Ordered to lie on the table.)

Mr. DOMENICI submitted an amendment intended to be proposed by him to the bill (S. 2549) to authorize appropriations for fiscal year 2001 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; as follows:

On page 353, between lines 15 and 16, insert the following:

**SEC. 914. COORDINATION AND FACILITATION OF DEVELOPMENT OF DIRECTED ENERGY TECHNOLOGIES, SYSTEMS, AND WEAPONS.**

(a) FINDINGS.—Congress makes the following findings:

(1) Directed energy systems are available to address many current challenges with respect to military weapons, including offensive weapons and defensive weapons.

(2) Directed energy weapons offer the potential to maintain an asymmetrical technological edge over adversaries of the United States for the foreseeable future.

(3) It is in the national interest that funding for directed energy science and technology programs be increased in order to support priority acquisition programs and to develop new technologies for future applications.

(4) It is in the national interest that the level of funding for directed energy science and technology programs correspond to the level of funding for large-scale demonstration programs in order to ensure the growth of directed energy science and technology programs and to ensure the successful development of other weapons systems utilizing directed energy systems.

(5) The industrial base for several critical directed energy technologies is in fragile condition and lacks appropriate incentives to make the large-scale investments that are necessary to address current and anticipated Department of Defense requirements for such technologies.

(6) It is in the national interest that the Department of Defense utilize and expand upon directed energy research currently being conducted by the Department of Energy, other Federal agencies, the private sector, and academia.

(7) It is increasingly difficult for the Federal Government to recruit and retain personnel with skills critical to directed energy technology development.

(8) The implementation of the recommendations contained in the High Energy Laser Master Plan of the Department of Defense is in the national interest.

(9) Implementation of the management structure outlined in the Master Plan will facilitate the development of revolutionary capabilities in directed energy weapons by achieving a coordinated and focused investment strategy under a new management

structure featuring a joint technology office with senior-level oversight provided by a technology council and a board of directors.

(b) COORDINATION AND OVERSIGHT UNDER HIGH ENERGY LASER MASTER PLAN.—(1) Subchapter II of Chapter 8 of title 10, United States Code, is amended by adding at the end the following new section:

**“§ 204. Joint Technology Office**

“(a) ESTABLISHMENT.—(1) There is in the Department of Defense a Joint Technology Office (in this section referred to as the ‘Office’). The Office shall be considered an independent office within the Office of the Secretary of Defense.

“(2) The Secretary of Defense may delegate responsibility for authority, direction, and control of the Office to the Deputy Under Secretary of Defense for Science and Technology.

“(b) DIRECTOR.—(1) The head of the Office shall be a civilian employee of the Department of Defense in the Senior Executive Service who is designated by the Secretary of Defense for that purpose. The head of the Office shall be known as the ‘Director of the Joint Technology Office’.

“(2) The Director shall report directly to the Deputy Under Secretary of Defense for Science and Technology.

“(c) OTHER STAFF.—The Secretary of Defense shall provide the Office such civilian and military personnel and other resources as are necessary to permit the Office to carry out its duties under this section.

“(d) DUTIES.—The duties of the Office shall be to—

“(1) develop and oversee the management of a Department of Defense-wide program of science and technology relating to directed energy technologies, systems, and weapons;

“(2) serve as a point of coordination for initiatives for science and technology relating to directed energy technologies, systems, and weapons from throughout the Department of Defense;

“(3) develop and promote a program (to be known as the ‘National Directed Energy Technology Alliance’) to foster the exchange of information and cooperative activities on directed energy technologies, systems, and weapons between and among the Department of Defense, other Federal agencies, institutions of higher education, and the private sector;

“(4) initiate and oversee the coordination of the high-energy laser and high power microwave programs and offices of the military departments; and

“(5) carry out such other activities relating to directed energy technologies, systems, and weapons as the Deputy Under Secretary of Defense for Science and Technology considers appropriate.

“(e) COORDINATION WITHIN DEPARTMENT OF DEFENSE.—(1) The Director of the Office shall assign to appropriate personnel of the Office the performance of liaison functions with the other Defense Agencies and with the military departments.

“(2) The head of each military department and Defense Agency having an interest in the activities of the Office shall assign personnel of such department or Defense Agency to assist the Office in carrying out its duties. In providing such assistance, such personnel shall be known collectively as ‘Technology Area Working Groups’.

“(f) JOINT TECHNOLOGY BOARD OF DIRECTORS.—(1) There is established in the Department of Defense a board to be known as the ‘Joint Technology Board of Directors’ (in this section referred to as the ‘Board’).

“(2) The Board shall be composed of 9 members as follows:

“(A) The Under Secretary of Defense for Acquisition and Technology, who shall serve as chairperson of the Board.

“(B) The Director of Defense Research and Engineering, who shall serve as vice-chairperson of the Board.

“(C) The senior acquisition executive of the Department of the Army.

“(D) The senior acquisition executive of the Department of the Navy.

“(E) The senior acquisition executive of the Department of the Air Force.

“(F) The senior acquisition executive of the Marine Corps.

“(G) The Director of the Defense Advanced Research Projects Agency.

“(H) The Director of the Ballistic Missile Defense Organization.

“(I) The Director of the Defense Threat Reduction Agency.

“(3) The duties of the Board shall be—

“(A) to review and comment on recommendations made and issues raised by the Council under this section; and

“(B) to review and oversee the activities of the Office under this section.

“(g) JOINT TECHNOLOGY COUNCIL.—(1) There is established in the Department of Defense a council to be known as the ‘Joint Technology Council’ (in this section referred to as the ‘Council’).

“(2) The Council shall be composed of 8 members as follows:

“(A) The Deputy Under Secretary of Defense for Science and Technology, who shall be chairperson of the Council.

“(B) The senior science and technology executive of the Department of the Army.

“(C) The senior science and technology executive of the Department of the Navy.

“(D) The senior science and technology executive of the Department of the Air Force.

“(E) The senior science and technology executive of the Marine Corps.

“(F) The senior science and technology executive of the Defense Advanced Research Projects Agency.

“(G) The senior science and technology executive of the Ballistic Missile Defense Organization.

“(H) The senior science and technology executive of the Defense Threat Reduction Agency.

“(3) The duties of the Council shall be—

“(A) to review and recommend priorities among programs, projects, and activities proposed and evaluated by the Office under this section;

“(B) to make recommendations to the Board regarding funding for such programs, projects, and activities; and

“(C) to otherwise review and oversee the activities of the Office under this section.”.

(2) The table of sections at the beginning of subchapter II of chapter 8 of such title is amended by adding at the end the following new section:

“204. Joint Technology Office.”.

(3)(A) The Secretary of Defense shall locate the Joint Technology Office under section 204 of title 10, United States Code (as added by this subsection), at a location determined appropriate by the Secretary, not later than October 1, 2000.

(B) In determining the location of the Office, the Secretary shall, in consultation with the Deputy Under Secretary of Defense for Science and Technology, evaluate whether to locate the Office at a site at which occur a substantial proportion of the directed energy research, development, test, and evaluation activities of the Department of Defense.

(c) TECHNOLOGY AREA WORKING GROUPS UNDER HIGH ENERGY LASER MASTER PLAN.—The Secretary of Defense shall provide for the implementation of the portion of the High Energy Laser Master Plan relating to technology area working groups.

(d) ENHANCEMENT OF INDUSTRIAL BASE.—(1) The Secretary of Defense shall develop and undertake initiatives, including investment initiatives, for purposes of enhancing the industrial base for directed energy technologies and systems.

(2) Initiatives under paragraph (1) shall be designed to—

(A) stimulate the development by institutions of higher education and the private sector of promising directed energy technologies and systems; and

(B) stimulate the development of a workforce skilled in such technologies and systems.

(e) ENHANCEMENT OF TEST AND EVALUATION CAPABILITIES.—The Secretary of Defense shall consider modernizing the High Energy Laser Test Facility at White Sands Missile Range, New Mexico, in order to enhance the test and evaluation capabilities of the Department of Defense with respect to directed energy weapons.

(f) COOPERATIVE PROGRAMS AND ACTIVITIES.—(1) The Secretary of Defense shall evaluate the feasibility and advisability of entering into cooperative programs or activities with other Federal agencies, institutions of higher education, and the private sector, including the national laboratories of the Department of Energy, for the purpose of enhancing the programs, projects, and activities of the Department of Defense relating to directed energy technologies, systems, and weapons. The Secretary shall carry out the evaluation in consultation with the Joint Technology Board of Directors established by section 204 of title 10, United States Code (as added by subsection (b) of this section).

(2) The Secretary shall enter into any cooperative program or activity determined under the evaluation under paragraph (1) to be feasible and advisable for the purpose set forth in that paragraph.

(g) PARTICIPATION OF JOINT TECHNOLOGY COUNCIL IN ACTIVITIES.—The Secretary of Defense shall, to the maximum extent practicable, carry out activities under subsections (c), (d), (e), and (f), through the Joint Technology Council established pursuant to section 204 of title 10, United States Code.

(h) FUNDING FOR FISCAL YEAR 2001.—(1)(A) Of the amount authorized to be appropriated by section 201(4) for research, development, test, and evaluation, Defense-wide, up to $50,000,000 may be available for science and technology activities relating to directed energy technologies, systems, and weapons.

(2) The Director of the Joint Technology Office established pursuant to section 204 of title 10, United States Code, shall allocate amounts available under paragraph (1) among appropriate program elements of the Department of Defense, and among cooperative programs and activities under this section, in accordance with such procedures as the Director shall establish.

(3) In establishing procedures for purposes of the allocation of funds under paragraph (2), the Director shall provide for the competitive selection of programs, projects, and activities to be the recipients of such funds.

(i) DIRECTED ENERGY DEFINED.—In this section, the term “directed energy”, with respect to technologies, systems, or weapons, means technologies, systems, or weapons that provide for the directed transmission of energies across the energy and frequency spectrum, including high energy lasers and high power microwaves.

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## DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

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### SHELBY AMENDMENT NO. 3776

(Ordered to lie on the table.)

Mr. SHELBY submitted an amendment intended to be proposed by him to the bill, H.R. 4578, supra; as follows:

On page 163, after line 23, insert the following:

**SEC. 1 . MIGRATORY BIRD TREATY ACT PENALTIES.**

Section 6 of the Migratory Bird Treaty Act (16 U.S.C. 707) is amended—

(1) in subsection (a), by striking "$15,000" and inserting "$5,000"; and

(2) by striking subsection (c) and inserting the following:

"(c) Placement of Bait.—Notwithstanding section 3571 of title 18, United States Code—

"(1) an individual who violates section 3(b)(2) shall be fined not more than $5,000, imprisoned not more than 180 days, or both; and

"(2) a person, other than an individual, that violates section 3(b)(2) shall be fined not more than $10,000, imprisoned not more than 180 days, or both.".

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## DISABLED VETERANS' LIFE MEMORIAL LEGISLATION

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### THOMAS AMENDMENT NO. 3777

Mr. WARNER (for Mr. Thomas) proposed an amendment to the bill (S. 311) to authorize the Disabled Veterans' LIFE Memorial Foundation to establish a memorial in the District of Columbia or its environs, and for other purposes; as follows:

On page 2, line 1, strike "American".

On page 2, line 10, strike "American".

On page 3, after line 16, insert the following new section and redesignate the following sections accordingly:

**"SEC. 201 SHORT TITLE.**

"This title may be cited as the "Commemorative Works Clarification and Revision Act of 2000".

4. On page 8, line 6, through page 9, line 6, strike subsection (h) in its entirety and insert the following:

"(h) Section 8 of the Act (40 U.S.C. 1008) is amended as follows:

"(1) In subsection (a)(3) and (a)(4) and in subsection (b) by striking "person" each place it appears and inserting "sponsor";

"(2) By amending subsection (b) to read as follows:

"(b) In addition to the foregoing criteria, no construction permit shall be issued unless the sponsor authorized to construct the commemorative work has donated an amount equal to 10 percent of the total estimated cost of construction to offset the costs of perpetual maintenance and preservation of the commemorative work. All such proceeds shall be available for the nonrecurring repair of the sponsor's commemorative work pursuant to the provisions of this subsection. The provisions of this subsection shall not apply in instances when the commemorative work is constructed by a Department or agency of the Federal Government and less than 50 percent of the funding for such work is provided by private sources.

"(1) Notwithstanding any other provision of law, money on deposit in the Treasury on the date of enactment of this subsection provided by a sponsor for maintenance pursuant to this subsection shall be credited to a separate account in the Treasury.

"(2) Money provided by a sponsor pursuant to the provisions of this subsection after the date of enactment of the Commemorative Works Clarification and Revision Act of 2000 shall be credited to a separate account with the National Park Foundation.

"(3) Upon request, the Secretary of the Treasury or the National Park Foundation shall make all or a portion of such moneys available to the Secretary or the Administrator (as appropriate) for the maintenance of a commemorative work. Under no circumstances may the Secretary or Administrator request funds from a separate account exceeding the total money in the account established under paragraph (1) or (2). The Secretary and the Administrator shall maintain an inventory of funds available for such purposes. Funds provided under this paragraph shall be available without further appropriation and shall remain available until expended."; and

"(3) By amending subsection (c) to read as follows:

"(c) The sponsor shall be required to submit to the Secretary or the Administrator (as appropriate) an annual report of operations, including financial statements audited by an independent certified public accountant, paid for by the sponsor authorized to construct the commemorative work.".

5. On page 10, after line 17, insert the following:

**"SEC. 204. PREVIOUSLY APPROVED MEMORIALS.**

"Nothing in this title shall apply to a memorial whose site was approved, in accordance with the Commemorative Works Act of 1986 (Public Law 99-652; 40 U.S.C. 1001 et seq.), prior to the date of enactment of this title.".

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## NOTICE OF HEARING

### COMMITTEE ON INDIAN AFFAIRS

Mr. CAMPBELL. Mr. President, I would like to announce that the Committee on Indian Affairs will meet on Wednesday, July 12, 2000 at 2:30 p.m. in room 485 of the Russell Senate Building to conduct an oversight hearing on the reports of the Bureau of Indian Affairs and the General Accounting Office on Risk Management and Tort Liability.

Those wishing additional information may contact committee staff at 202/224-2251.

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## PRIVILEGES OF THE FLOOR

Mr. GORTON. Mr. President, I ask unanimous consent that Sheila Sweeney and Scott Dalzell, detailees to the Appropriations Committee, be granted floor privileges for the duration of debate on the fiscal year 2001 Interior appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that Dan Alpert, a fellow in my office, be allowed floor privileges during the pendency of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

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## ELECTRIC RELIABILITY 2000 ACT

On June 30, 2000, the Senate passed S. 2071. the Electric Reliability 2000 Act, as follows:

S. 2071

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Electric Reliability 2000 Act".

**SEC. 2. ELECTRIC RELIABILITY ORGANIZATION.**

(a) In General.—Part II of the Federal Power Act (16 U.S.C. 824 et seq.) is amended by adding at the end the following:

**"SEC. 215. ELECTRIC RELIABILITY ORGANIZATION.**

"(a) Definitions.—In this section:

"(1) Affiliated regional reliability entity.—The term 'affiliated regional reliability entity' means an entity delegated authority under subsection (h).

"(2) Bulk-power system.—

"(A) In general.—The term 'bulk-power system' means all facilities and control systems necessary for operating an interconnected electric power transmission grid or any portion of an interconnected transmission grid.

"(B) Inclusions.—The term 'bulk-power system' includes—

"(i) high voltage transmission lines, substations, control centers, communications, data, and operations planning facilities necessary for the operation of all or any part of the interconnected transmission grid; and

"(ii) the output of generating units necessary to maintain the reliability of the transmission grid.

"(3) Bulk-power system user.—The term 'bulk-power system user' means an entity that—

"(A) sells, purchases, or transmits electric energy over a bulk-power system; or

"(B) owns, operates, or maintains facilities or control systems that are part of a bulk-power system; or

"(C) is a system operator.

"(4) Electric reliability organization.—The term 'electric reliability organization' means the organization designated by the Commission under subsection (d).

"(5) Entity rule.—The term 'entity rule' means a rule adopted by an affiliated regional reliability entity for a specific region and designed to implement or enforce 1 or more organization standards.

"(6) Independent director.—The term 'independent director' means a person that—

"(A) is not an officer or employee of an entity that would reasonably be perceived as having a direct financial interest in the outcome of a decision by the board of directors of the electric reliability organization; and

"(B) does not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director of the electric reliability organization.

"(7) Industry sector.—The term 'industry sector' means a group of bulk-power system users with substantially similar commercial interests, as determined by the board of directors of the electric reliability organization.

"(8) Interconnection.—The term 'interconnection' means a geographic area in which the operation of bulk-power system components is synchronized so that the failure of 1 or more of the components may adversely affect the ability of the operators of other components within the interconnection to maintain safe and reliable operation of the facilities within their control.

"(9) ORGANIZATION STANDARD.—

"(A) IN GENERAL.—The term 'organization standard' means a policy or standard adopted by the electric reliability organization to provide for the reliable operation of a bulk-power system.

"(B) INCLUSIONS.—The term 'organization standard' includes—

"(i) an entity rule approved by the electric reliability organization; and

"(ii) a variance approved by the electric reliability organization.

"(10) PUBLIC INTEREST GROUP.—

"(A) IN GENERAL.—The term 'public interest group' means a nonprofit private or public organization that has an interest in the activities of the electric reliability organization.

"(B) INCLUSIONS.—The term 'public interest group' includes—

"(i) a ratepayer advocate;

"(ii) an environmental group; and

"(iii) a State or local government organization that regulates participants in, and promulgates government policy with respect to, the market for electric energy.

"(11) SYSTEM OPERATOR.—

"(A) IN GENERAL.—The term 'system operator' means an entity that operates or is responsible for the operation of a bulk-power system.

"(B) INCLUSIONS.—The term 'system operator' includes—

"(i) a control area operator;

"(ii) an independent system operator;

"(iii) a transmission company;

"(iv) a transmission system operator; and

"(v) a regional security coordinator.

"(12) VARIANCE.—The term 'variance' means an exception from the requirements of an organization standard (including a proposal for an organization standard in a case in which there is no organization standard) that is adopted by an affiliated regional reliability entity and is applicable to all or a part of the region for which the affiliated regional reliability entity is responsible.

"(b) COMMISSION AUTHORITY.—

"(1) JURISDICTION.—Notwithstanding section 201(f), within the United States, the Commission shall have jurisdiction over the electric reliability organization, all affiliated regional reliability entities, all system operators, and all bulk-power system users, including entities described in section 201(f), for purposes of approving organization standards and enforcing compliance with this section.

"(2) DEFINITION OF TERMS.—The Commission may by regulation define any term used in this section consistent with the definitions in subsection (a) and the purpose and intent of this Act.

"(c) EXISTING RELIABILITY STANDARDS.—

"(1) SUBMISSION TO THE COMMISSION.—Before designation of an electric reliability organization under subsection (d), any person, including the North American Electric Reliability Council and its member Regional Reliability Councils, may submit to the Commission any reliability standard, guidance, practice, or amendment to a reliability standard, guidance, or practice that the person proposes to be made mandatory and enforceable.

"(2) REVIEW BY THE COMMISSION.—The Commission, after allowing interested persons an opportunity to submit comments, may approve a proposed mandatory standard, guidance, practice, or amendment submitted under paragraph (1) if the Commission finds that the standard, guidance, or practice is just, reasonable, not unduly discriminatory or preferential, and in the public interest.

"(3) EFFECT OF APPROVAL.—A standard, guidance, or practice shall be mandatory and applicable according to its terms following approval by the Commission and shall remain in effect until it is—

"(A) withdrawn, disapproved, or superseded by an organization standard that is issued or approved by the electric reliability organization and made effective by the Commission under subsection (e); or

"(B) disapproved by the Commission if, on complaint or upon motion by the Commission and after notice and an opportunity for comment, the Commission finds the standard, guidance, or practice to be unjust, unreasonable, unduly discriminatory or preferential, or not in the public interest.

"(4) ENFORCEABILITY.—A standard, guidance, or practice in effect under this subsection shall be enforceable by the Commission.

"(d) DESIGNATION OF ELECTRIC RELIABILITY ORGANIZATION.—

"(1) REGULATIONS.—

"(A) PROPOSED REGULATIONS.—Not later than 90 days after the date of enactment of this section, the Commission shall propose regulations specifying procedures and requirements for an entity to apply for designation as the electric reliability organization.

"(B) NOTICE AND COMMENT.—The Commission shall provide notice and opportunity for comment on the proposed regulations.

"(C) FINAL REGULATION.—Not later than 180 days after the date of enactment of this section, the Commission shall promulgate final regulations under this subsection.

"(2) APPLICATION.—

"(A) Submission.—Following the promulgation of final regulations under paragraph (1), an entity may submit an application to the Commission for designation as the electric reliability organization.

"(B) CONTENTS.—The applicant shall describe in the application—

"(i) the governance and procedures of the applicant; and

"(ii) the funding mechanism and initial funding requirements of the applicant.

"(3) NOTICE AND COMMENT.—The Commission shall—

"(A) provide public notice of the application; and

"(B) afford interested parties an opportunity to comment.

"(4) DESIGNATION OF ELECTRIC RELIABILITY ORGANIZATION.—The Commission shall designate the applicant as the electric reliability organization if the Commission determines that the applicant—

"(A) has the ability to develop, implement, and enforce standards that provide for an adequate level of reliability of bulk-power systems;

"(B) permits voluntary membership to any bulk-power system user or public interest group;

"(C) ensures fair representation of its members in the selection of its directors and fair management of its affairs, taking into account the need for efficiency and effectiveness in decisionmaking and operations and the requirements for technical competency in the development of organization standards and the exercise of oversight of bulk-power system reliability;

"(D) ensures that no 2 industry sectors have the ability to control, and no 1 industry sector has the ability to veto, the applicant's discharge of its responsibilities as the electric reliability organization (including actions by committees recommending standards for approval by the board or other board actions to implement and enforce standards);

"(E) provides for governance by a board wholly comprised of independent directors;

"(F) provides a funding mechanism and requirements that—

"(i) are just, reasonable, not unduly discriminatory or preferential and in the public interest; and

"(ii) satisfy the requirements of subsection (l);

"(G) has established procedures for development of organization standards that—

"(i) provide reasonable notice and opportunity for public comment, taking into account the need for efficiency and effectiveness in decisionmaking and operations and the requirements for technical competency in the development of organization standards;

"(ii) ensure openness, a balancing of interests, and due process; and

"(iii) includes alternative procedures to be followed in emergencies;

"(H) has established fair and impartial procedures for implementation and enforcement of organization standards, either directly or through delegation to an affiliated regional reliability entity, including the imposition of penalties, limitations on activities, functions, or operations, or other appropriate sanctions;

"(I) has established procedures for notice and opportunity for public observation of all meetings, except that the procedures for public observation may include alternative procedures for emergencies or for the discussion of information that the directors reasonably determine should take place in closed session, such as litigation, personnel actions, or commercially sensitive information;

"(J) provides for the consideration of recommendations of States and State commissions; and

"(K) addresses other matters that the Commission considers appropriate to ensure that the procedures, governance, and funding of the electric reliability organization are just, reasonable, not unduly discriminatory or preferential, and in the public interest.

"(5) EXCLUSIVE DESIGNATION.—

"(A) IN GENERAL.—The Commission shall designate only 1 electric reliability organization.

"(B) MULTIPLE APPLICATIONS.—If the Commission receives 2 or more timely applications that satisfy the requirements of this subsection, the Commission shall approve only the application that the Commission determines will best implement this section.

"(e) ORGANIZATION STANDARDS.—

"(1) SUBMISSION OF PROPOSALS TO COMMISSION.—

"(A) IN GENERAL.—The electric reliability organization shall submit to the Commission proposals for any new or modified organization standards.

"(B) CONTENTS.—A proposal submitted under subparagraph (A) shall include—

"(i) a concise statement of the purpose of the proposal; and

"(ii) a record of any proceedings conducted with respect to the proposal.

"(2) REVIEW BY THE COMMISSION.—

"(A) NOTICE AND COMMENT.—The Commission shall—

"(i) provide notice of a proposal under paragraph (1); and "(ii) allow interested persons 30 days to submit comments on the proposal.

"(B) ACTION BY THE COMMISSION.—

"(i) IN GENERAL.—After taking into consideration any submitted comments, the Commission shall approve or disapprove a proposed organization standard not later than the end of the 60-day period beginning on the date of the deadline for the submission of comments, except that the Commission may extend the 60-day period for an additional 90 days for good cause.

"(ii) FAILURE TO ACT.—If the Commission does not approve or disapprove a proposal within the period specified in clause (i), the proposed organization standard shall go into effect subject to its terms, without prejudice to the authority of the Commission to modify the organization standard in accordance with the standards and requirements of this section.

"(C) EFFECTIVE DATE.—An organization standard approved by the Commission shall take effect not earlier than 30 days after the date of the Commission's order of approval.

"(D) STANDARDS FOR APPROVAL.—

"(i) IN GENERAL.—The Commission shall approve a proposed new or modified organization standard if the Commission determines the organization standard to be just, reasonable, not unduly discriminatory or preferential, and in the public interest.

"(ii) CONSIDERATIONS.—In the exercise of its review responsibilities under this subsection, the Commission—

"(I) shall give due weight to the technical expertise of the electric reliability organization with respect to the content of a new or modified organization standard; but

"(II) shall not defer to the electric reliability organization with respect to the effect of the organization standard on competition.

"(E) REMAND.—A proposed organization standard that is disapproved in whole or in part by the Commission shall be remanded to the electric reliability organization for further consideration.

"(3) ORDERS TO DEVELOP OR MODIFY ORGANIZATION STANDARDS.—The Commission, on complaint or on motion of the Commission, may order the electric reliability organization to develop and submit to the Commission, by a date specified in the order, an organization standard or modification to an existing organization standard to address a specific matter if the Commission considers a new or modified organization standard appropriate to carry out this section, and the electric reliability organization shall develop and submit the organization standard or modification to the Commission in accordance with this subsection.

"(4) VARIANCES AND ENTITY RULES.—

"(A) PROPOSAL.—An affiliated regional reliability entity may propose a variance or entity rule to the electric reliability organization.

"(B) EXPEDITED CONSIDERATION.—If expedited consideration is necessary to provide for bulk-power system reliability, the affiliated regional reliability entity may—

"(i) request that the electric reliability organization expedite consideration of the proposal; and

"(ii) file a notice of the request with the Commission.

"(C) FAILURE TO ACT.—

"(i) IN GENERAL.—If the electric reliability organization fails to adopt the variance or entity rule, in whole or in part, the affiliated regional reliability entity may request that the Commission review the proposal.

"(ii) ACTION BY THE COMMISSION.—If the Commission determines, after a review of the request, that the action of the electric reliability organization did not conform to the applicable standards and procedures approved by the Commission, or if the Commission determines that the variance or entity rule is just, reasonable, not unduly discriminatory or preferential, and in the public interest and that the electric reliability organization has unreasonably rejected or failed to act on the proposal, the Commission may—

"(I) remand the proposal for further consideration by the electric reliability organization; or

"(II) order the electric reliability organization or the affiliated regional reliability entity to develop a variance or entity rule consistent with that requested by the affiliated regional reliability entity.

"(D) PROCEDURE.—A variance or entity rule proposed by an affiliated regional reliability entity shall be submitted to the electric reliability organization for review and submission to the Commission in accordance with the procedures specified in paragraph (2).

"(5) IMMEDIATE EFFECTIVENESS.—

"(A) IN GENERAL.—Notwithstanding any other provision of this subsection, a new or modified organization standard shall take effect immediately on submission to the Commission without notice or comment if the electric reliability organization—

"(i) determines that an emergency exists requiring that the new or modified organization standard take effect immediately without notice or comment;

"(ii) notifies the Commission as soon as practicable after making the determination;

"(iii) submits the new or modified organization standard to the Commission not later than 5 days after making the determination; and

"(iv) includes in the submission an explanation of the need for immediate effectiveness.

"(B) NOTICE AND COMMENT.—The Commission shall—

"(i) provide notice of the new or modified organization standard or amendment for comment; and

"(ii) follow the procedures set out in paragraphs (2) and (3) for review of the new or modified organization standard.

"(6) COMPLIANCE.—Each bulk power system user shall comply with an organization standard that takes effect under this section.

"(f) COORDINATION WITH CANADA AND MEXICO.—

"(1) RECOGNITION.—The electric reliability organization shall take all appropriate steps to gain recognition in Canada and Mexico.

"(2) INTERNATIONAL AGREEMENTS.—

"(A) IN GENERAL.—The President shall use best efforts to enter into international agreements with the appropriate governments of Canada and Mexico to provide for—

"(i) effective compliance with organization standards; and

"(ii) the effectiveness of the electric reliability organization in carrying out its mission and responsibilities.

"(B) COMPLIANCE.—All actions taken by the electric reliability organization, an affiliated regional reliability entity, and the Commission shall be consistent with any international agreement under subparagraph (A).

"(g) CHANGES IN PROCEDURE, GOVERNANCE, OR FUNDING.—

"(1) SUBMISSION TO THE COMMISSION.—The electric reliability organization shall submit to the Commission—

"(A) any proposed change in a procedure, governance, or funding provision; or

"(B) any change in an affiliated regional reliability entity's procedure, governance, or funding provision relating to delegated functions.

"(2) CONTENTS.—A submission under paragraph (1) shall include an explanation of the basis and purpose for the change.

"(3) EFFECTIVENESS.—

"(A) CHANGES IN PROCEDURE.—

"(i) CHANGES CONSTITUTING A STATEMENT OF POLICY, PRACTICE, OR INTERPRETATION.—A proposed change in procedure shall take effect 90 days after submission to the Commission if the change constitutes a statement of policy, practice, or interpretation with respect to the meaning or enforcement of the procedure.

"(ii) OTHER CHANGES.—A proposed change in procedure other than a change described in clause (i) shall take effect on a finding by the Commission, after notice and opportunity for comment, that the change—

"(I) is just, reasonable, not unduly discriminatory or preferential, and in the public interest; and

"(II) satisfies the requirements of subsection (d)(4).

"(B) CHANGES IN GOVERNANCE OR FUNDING.—A proposed change in governance or funding shall not take effect unless the Commission finds that the change—

"(i) is just, reasonable, not unduly discriminatory or preferential, and in the public interest; and

"(ii) satisfies the requirements of subsection (d)(4).

"(4) ORDER TO AMEND.—

"(A) IN GENERAL.—The Commission, on complaint or on the motion of the Commission, may require the electric reliability organization to amend a procedural, governance, or funding provision if the Commission determines that the amendment is necessary to meet the requirements of the section.

"(B) FILING.—The electric reliability organization shall submit the amendment in accordance with paragraph (1).

"(h) DELEGATIONS OF AUTHORITY.—

"(1) IN GENERAL.—

"(A) IMPLEMENTATION AND ENFORCEMENT OF COMPLIANCE.—At the request of an entity, the electric reliability organization shall enter into an agreement with the entity for the delegation of authority to implement and enforce compliance with organization standards in a specified geographic area if the electric reliability organization finds that—

"(i) the entity satisfies the requirements of subparagraphs (A), (B), (C), (D), (F), (J), and (K) of subsection (d)(4); and

"(ii) the delegation would promote the effective and efficient implementation and administration of bulk-power system reliability.

"(B) OTHER AUTHORITY.—The electric reliability organization may enter into an agreement to delegate to an entity any other authority, except that the electric reliability organization shall reserve the right to set and approve standards for bulk-power system reliability.

"(2) APPROVAL BY THE COMMISSION.—

"(A) SUBMISSION TO THE COMMISSION.—The electric reliability organization shall submit to the Commission—

"(i) any agreement entered into under this subsection; and

"(ii) any information the Commission requires with respect to the affiliated regional reliability entity to which authority is delegated.

"(B) STANDARDS FOR APPROVAL.—The Commission shall approve the agreement, following public notice and an opportunity for comment, if the Commission finds that the agreement—

“(i) meets the requirements of paragraph (1); and

“(ii) is just, reasonable, not unduly discriminatory or preferential, and in the public interest.

“(C) Rebuttable presumption.—A proposed delegation agreement with an affiliated regional reliability entity organized on an interconnection-wide basis shall be rebuttably presumed by the Commission to promote the effective and efficient implementation and administration of the reliability of the bulk-power system.

“(D) Invalidity absent approval.—No delegation by the electric reliability organization shall be valid unless the delegation is approved by the Commission.

“(3) Procedures for entity rules and variances.—

“(A) In general.—A delegation agreement under this subsection shall specify the procedures by which the affiliated regional reliability entity may propose entity rules or variances for review by the electric reliability organization.

“(B) Interconnection-wide entity rules and variances.—In the case of a proposal for an entity rule or variance that would apply on an interconnection-wide basis, the electric reliability organization shall approve the entity rule or variance unless the electric reliability organization makes a written finding that the entity rule or variance—

“(i) was not developed in a fair and open process that provided an opportunity for all interested parties to participate;

“(ii) would have a significant adverse impact on reliability or commerce in other interconnections;

“(iii) fails to provide a level of reliability of the bulk-power system within the interconnection such that the entity rule or variance would be likely to cause a serious and substantial threat to public health, safety, welfare, or national security; or

“(iv) would create a serious and substantial burden on competitive markets within the interconnection that is not necessary for reliability.

“(C) Noninterconnection-wide entity rules and variances.—In the case of a proposal for an entity rule or variance that would apply only to part of an interconnection, the electric reliability organization shall approve the entity rule or variance if the affiliated regional reliability entity demonstrates that the proposal—

“(i) was developed in a fair and open process that provided an opportunity for all interested parties to participate;

“(ii) would not have an adverse impact on commerce that is not necessary for reliability;

“(iii) provides a level of bulk-power system reliability that is adequate to protect public health, safety, welfare, and national security and would not have a significant adverse impact on reliability; and

“(iv) in the case of a variance, is based on a justifiable difference between regions or subregions within the affiliated regional reliability entity's geographic area.

“(D) Action by the electric reliability organization.—

“(i) In general.—The electric reliability organization shall approve or disapprove a proposal under subparagraph (A) within 120 days after the proposal is submitted.

“(ii) Failure to act.—If the electric reliability organization fails to act within the time specified in clause (i), the proposal shall be deemed to have been approved.

“(iii) Submission to the commission.—After approving a proposal under subparagraph (A), the electric reliability organization shall submit the proposal to the Commission for approval under the procedures prescribed under subsection (e).

“(E) Direct submissions.—An affiliated regional reliability entity may not submit a proposal for approval directly to the Commission except as provided in subsection (e)(4).

“(4) Failure to reach delegation agreement.—

“(A) In general.—If an affiliated regional reliability entity requests, consistent with paragraph (1), that the electric reliability organization delegate authority to it, but is unable within 180 days to reach agreement with the electric reliability organization with respect to the requested delegation, the entity may seek relief from the Commission.

“(B) Review by the commission.—The Commission shall order the electric reliability organization to enter into a delegation agreement under terms specified by the Commission if, after notice and opportunity for comment, the Commission determines that—

“(i) a delegation to the affiliated regional reliability entity would—

“(I) meet the requirements of paragraph (1); and

“(II) would be just, reasonable, not unduly discriminatory or preferential, and in the public interest; and

“(ii) the electric reliability organization unreasonably withheld the delegation.

“(5) Orders to modify delegation agreements.—

“(A) In general.—On complaint, or on motion of the Commission, after notice to the appropriate affiliated regional reliability entity, the Commission may order the electric reliability organization to propose a modification to a delegation agreement under this subsection if the Commission determines that—

“(i) the affiliated regional reliability entity—

“(I) no longer has the capacity to carry out effectively or efficiently the implementation or enforcement responsibilities under the delegation agreement;

“(II) has failed to meet its obligations under the delegation agreement; or

“(III) has violated this section;

“(ii) the rules, practices, or procedures of the affiliated regional reliability entity no longer provide for fair and impartial discharge of the implementation or enforcement responsibilities under the delegation agreement;

“(iii) the geographic boundary of a transmission entity approved by the Commission is not wholly within the boundary of an affiliated regional reliability entity, and the difference in boundaries is inconsistent with the effective and efficient implementation and administration of bulk-power system reliability; or

“(iv) the agreement is inconsistent with a delegation ordered by the Commission under paragraph (4).

“(B) Suspension.—

“(i) In general.—Following an order to modify a delegation agreement under subparagraph (A), the Commission may suspend the delegation agreement if the electric reliability organization or the affiliated regional reliability entity does not propose an appropriate and timely modification.

“(ii) Assumption of responsibilities.—If a delegation agreement is suspended, the electric reliability organization shall assume the responsibilities delegated under the delegation agreement.

“(i) Organization Membership.—Each system operator shall be a member of—

“(1) the electric reliability organization; and

“(2) any affiliated regional reliability entity operating under an agreement effective under subsection (h) applicable to the region in which the system operator operates, or is responsible for the operation of, a transmission facility.

“(j) Enforcement.—

“(1) Disciplinary actions.—

“(A) In general.—Consistent with procedures approved by the Commission under subsection (d)(4)(H), the electric reliability organization may impose a penalty, limitation on activities, functions, or operations, or other disciplinary action that the electric reliability organization finds appropriate against a bulk-power system user if the electric reliability organization, after notice and an opportunity for interested parties to be heard, issues a finding in writing that the bulk-power system user has violated an organization standard.

“(B) Notification.—The electric reliability organization shall immediately notify the Commission of any disciplinary action imposed with respect to an act or failure to act of a bulk-power system user that affected or threatened to affect bulk-power system facilities located in the United States.

“(C) Right to petition.—A bulk-power system user that is the subject of disciplinary action under paragraph (1) shall have the right to petition the Commission for a modification or rescission of the disciplinary action.

“(D) Injunctions.—If the electric reliability organization finds it necessary to prevent a serious threat to reliability, the electric reliability organization may seek injunctive relief in the United States district court for the district in which the affected facilities are located.

“(E) Effective date.—

“(i) In general.—Unless the Commission, on motion of the Commission or on application by the bulk-power system user that is the subject of the disciplinary action, suspends the effectiveness of a disciplinary action, the disciplinary action shall take effect on the 30th day after the date on which—

“(I) the electric reliability organization submits to the Commission—

“(aa) a written finding that the bulk-power system user violated an organization standard; and

“(bb) the record of proceedings before the electric reliability organization; and

“(II) the Commission posts the written finding on the Internet.

“(ii) Duration.—A disciplinary action shall remain in effect or remain suspended unless the Commission, after notice and opportunity for hearing, affirms, sets aside, modifies, or reinstates the disciplinary action.

“(iii) Expedited consideration.—The Commission shall conduct the hearing under procedures established to ensure expedited consideration of the action taken.

“(2) Compliance orders.—The Commission, on complaint by any person or on motion of the Commission, may order compliance with an organization standard and may impose a penalty, limitation on activities, functions, or operations, or take such other disciplinary action as the Commission finds appropriate, against a bulk-power system user with respect to actions affecting or threatening to affect bulk-power system facilities located in the United States if the

Commission finds, after notice and opportunity for a hearing, that the bulk-power system user has violated or threatens to violate an organization standard.

"(3) OTHER ACTIONS.—The Commission may take such action as is necessary against the electric reliability organization or an affiliated regional reliability entity to ensure compliance with an organization standard, or any Commission order affecting electric reliability organization or affiliated regional reliability entity.

"(k) RELIABILITY REPORTS.—The electric reliability organization shall—

"(1) conduct periodic assessments of the reliability and adequacy of the interconnected bulk-power system in North America; and

"(2) report annually to the Secretary of Energy and the Commission its findings and recommendations for monitoring or improving system reliability and adequacy.

"(l) ASSESSMENT AND RECOVERY OF CERTAIN COSTS.—

"(1) IN GENERAL.—The reasonable costs of the electric reliability organization, and the reasonable costs of each affiliated regional reliability entity that are related to implementation or enforcement of organization standards or other requirements contained in a delegation agreement approved under subsection (h), shall be assessed by the electric reliability organization and each affiliated regional reliability entity, respectively, taking into account the relationship of costs to each region and based on an allocation that reflects an equitable sharing of the costs among all electric energy consumers.

"(2) RULES.—The Commission shall provide by rule for the review of costs and allocations under paragraph (1) in accordance with the standards in this subsection and subsection (d)(4)(F).

"(m) APPLICATION OF ANTITRUST LAWS.—

"(1) IN GENERAL.—Notwithstanding any other provision of law, the following activities are rebuttably presumed to be in compliance with the antitrust laws of the United States:

"(A) Activities undertaken by the electric reliability organization under this section or affiliated regional reliability entity operating under a delegation agreement under subsection (h).

"(B) Activities of a member of the electric reliability organizations or affiliated regional reliability entity in pursuit of the objectives of the electric reliability organization or affiliated regional reliability entity under this section undertaken in good faith under the rules of the organization of the electric reliability organization or affiliated regional reliability entity.

"(2) AVAILABILITY OF DEFENSES.—In a civil action brought by any person or entity against the electric reliability organization or an affiliated regional reliability entity alleging a violation of an antitrust law based on an activity under this Act, the defenses of primary jurisdiction and immunity from suit and other affirmative defenses shall be available to the extent applicable.

"(n) REGIONAL ADVISORY ROLE.—

"(1) ESTABLISHMENT OF REGIONAL ADVISORY BODY.—The Commission shall establish a regional advisory body on the petition of the Governors of at least two-thirds of the States within a region that have more than one-half of their electrical loads served within the region.

"(2) MEMBERSHIP.—A regional advisory body—

"(A) shall be composed of 1 member from each State in the region, appointed by the Governor of the State; and

"(B) may include representatives of agencies, States, and Provinces outside the United States, on execution of an appropriate international agreement described in subsection (f).

"(3) FUNCTIONS.—A regional advisory body may provide advice to the electric reliability organization, an affiliated regional reliability entity, or the Commission regarding—

"(A) the governance of an affiliated regional reliability entity existing or proposed within a region;

"(B) whether a standard proposed to apply within the region is just, reasonable, not unduly discriminatory or preferential, and in the public interest; and

"(C) whether fees proposed to be assessed within the region are—

"(i) just, reasonable, not unduly discriminatory or preferential, and in the public interest; and

"(ii) consistent with the requirements of subsection (l).

"(4) DEFERENCE.—In a case in which a regional advisory body encompasses an entire interconnection, the Commission may give deference to advice provided by the regional advisory body under paragraph (3).

"(o) APPLICABILITY OF SECTION.—This section does not apply outside the 48 contiguous States.

"(p) REHEARINGS; COURT REVIEW OF ORDERS.—Section 313 applies to an order of the Commission issued under this section.

"(q) PRESERVATION OF STATE AUTHORITY.—

"(1) The electric reliability organization shall have authority to develop, implement, and enforce compliance with standards for the reliable operation of only the bulk-power system.

"(2) This section does not provide the electric reliability organization or the Commission with the authority to set and enforce compliance with standards for adequacy or safety of electric facilities or services.

"(3) Nothing in this section shall be construed to preempt any authority of any State to take action to ensure the safety, adequacy, and reliability of electric service within that State, as long as such action is not inconsistent with any organization standard.

"(4) Not later than 90 days after the application of the electric reliability organization or other affected party, the Commission shall issue a final order determining whether a State action is inconsistent with an organization standard, after notice and opportunity for comment, taking into consideration any recommendations of the electric reliability organization.

"(5) The Commission, after consultation with the electric reliability organization, may stay the effectiveness of any State action, pending the Commission's issuance of a final order.".

(b) ENFORCEMENT.—

(1) GENERAL PENALTIES.—Section 316(c) of the Federal Power Act (16 U.S.C. 825o(c)) is amended—

(A) by striking "subsection" and inserting "section"; and

(B) by striking "or 214" and inserting "214 or 215".

(2) CERTAIN PROVISIONS.—Section 316A of the Federal Power Act (16 U.S.C. 825o–1) is amended by striking "or 214" each place it appears and inserting "214, or 215".

## THE DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS, 2001

On June 30, 2000, the Senate amended and passed H.R. 4577, as follows:

*Resolved,* That the bill from the House of Representatives (H.R. 4577) entitled "An Act making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2001, and for other purposes.", do pass with the following amendment:

Strike out all after the enacting clause and insert:

### *DIVISION A—DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES*

*That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2001, and for other purposes, namely:*

### *TITLE I—DEPARTMENT OF LABOR*

### *EMPLOYMENT AND TRAINING ADMINISTRATION*

### *TRAINING AND EMPLOYMENT SERVICES*

*For necessary expenses of the Workforce Investment Act, including the purchase and hire of passenger motor vehicles, the construction, alteration, and repair of buildings and other facilities, and the purchase of real property for training centers as authorized by the Workforce Investment Act and the National Skill Standards Act of 1994; $2,990,141,000 plus reimbursements, of which $1,718,801,000 is available for obligation for the period July 1, 2001 through June 30, 2002, of which $1,250,965,000 is available for obligation for the period April 1, 2001 through June 30, 2002, including $1,000,965,000 to carry out chapter 4 of the Workforce Investment Act and $250,000,000 to carry out section 169 of such Act; and of which $20,375,000 is available for the period July 1, 2001 through June 30, 2004 for necessary expenses of construction, rehabilitation, and acquisition of Job Corps centers: Provided, That $9,098,000 shall be for carrying out section 172 of the Workforce Investment Act, and $3,500,000 shall be for carrying out the National Skills Standards Act of 1994: Provided further, That no funds from any other appropriation shall be used to provide meal services at or for Job Corps centers: Provided further, That funds provided to carry out section 171(d) of such Act may be used for demonstration projects that provide assistance to new entrants in the workforce and incumbent workers: Provided further, That funding provided to carry out projects under section 171 of the Workforce Investment Act of 1998 that are identified in the Conference Agreement, shall not be subject to the requirements of section 171(b)(2)(B) of such Act, the requirements of section 171(c)(4)(D) of such Act, or the joint funding requirements of sections 171(b)(2)(A) and 171(c)(4)(A) of such Act: Provided further, That funding appropriated herein for Dislocated Worker Employment and Training Activities under section 132(a)(2)(A) of the Workforce Investment Act of 1998 may be distributed for Dislocated Worker Projects under section 171(d) of the Act without regard to the 10 percent limitation contained in section 171(d) of the Act.*

*For necessary expenses of the Workforce Investment Act, including the purchase and hire of passenger motor vehicles, the construction, alteration, and repair of buildings and other facilities, and the purchase of real property for training centers as authorized by the Workforce*

Investment Act; $2,463,000,000 plus reimbursements, of which $2,363,000,000 is available for obligation for the period October 1, 2001 through June 30, 2002, and of which $100,000,000 is available for the period October 1, 2001 through June 30, 2004, for necessary expenses of construction, rehabilitation, and acquisition of Job Corps centers.

### COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

To carry out the activities for national grants or contracts with public agencies and public or private nonprofit organizations under paragraph (1)(A) of section 506(a) of title V of the Older Americans Act of 1965, as amended, or to carry out older worker activities as subsequently authorized, $343,356,000.

To carry out the activities for grants to States under paragraph (3) of section 506(a) of title V of the Older Americans Act of 1965, as amended, or to carry out older worker activities as subsequently authorized, $96,844,000.

### FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

For payments during the current fiscal year of trade adjustment benefit payments and allowances under part I; and for training, allowances for job search and relocation, and related State administrative expenses under part II, subchapters B and D, chapter 2, title II of the Trade Act of 1974, as amended, $406,550,000, together with such amounts as may be necessary to be charged to the subsequent appropriation for payments for any period subsequent to September 15 of the current year.

### STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS

For authorized administrative expenses, $153,452,000, together with not to exceed $3,095,978,000 (including not to exceed $1,228,000 which may be used for amortization payments to States which had independent retirement plans in their State employment service agencies prior to 1980), which may be expended from the Employment Security Administration account in the Unemployment Trust Fund including the cost of administering section 51 of the Internal Revenue Code of 1986, as amended, section 7(d) of the Wagner-Peyser Act, as amended, the Trade Act of 1974, as amended, the Immigration Act of 1990, and the Immigration and Nationality Act, as amended, and of which the sums available in the allocation for activities authorized by title III of the Social Security Act, as amended (42 U.S.C. 502–504), and the sums available in the allocation for necessary administrative expenses for carrying out 5 U.S.C. 8501–8523, shall be available for obligation by the States through December 31, 2001, except that funds used for automation acquisitions shall be available for obligation by the States through September 30, 2003; and of which $153,452,000, together with not to exceed $763,283,000 of the amount which may be expended from said trust fund, shall be available for obligation for the period July 1, 2001 through June 30, 2002, to fund activities under the Act of June 6, 1933, as amended, including the cost of penalty mail authorized under 39 U.S.C. 3202(a)(1)(E) made available to States in lieu of allotments for such purpose: Provided, That to the extent that the Average Weekly Insured Unemployment (AWIU) for fiscal year 2001 is projected by the Department of Labor to exceed 2,396,000, an additional $28,600,000 shall be available for obligation for every 100,000 increase in the AWIU level (including a pro rata amount for any increment less than 100,000) from the Employment Security Administration Account of the Unemployment Trust Fund: Provided further, That funds appropriated in this Act which are used to establish a national one-stop career center system, or which are used to support the national activities of the Federal-State unemployment insurance programs, may be obligated in contracts, grants or agreements with non-State entities: Provided further, That funds appropriated under this Act for activities authorized under the Wagner-Peyser Act, as amended, and title III of the Social Security Act, may be used by the States to fund integrated Employment Service and Unemployment Insurance automation efforts, notwithstanding cost allocation principles prescribed under Office of Management and Budget Circular A–87.

### ADVANCES TO THE UNEMPLOYMENT TRUST FUND AND OTHER FUNDS

For repayable advances to the Unemployment Trust Fund as authorized by sections 905(d) and 1203 of the Social Security Act, as amended, and to the Black Lung Disability Trust Fund as authorized by section 9501(c)(1) of the Internal Revenue Code of 1954, as amended; and for nonrepayable advances to the Unemployment Trust Fund as authorized by section 8509 of title 5, United States Code, and to the "Federal unemployment benefits and allowances" account, to remain available until September 30, 2002, $435,000,000.

In addition, for making repayable advances to the Black Lung Disability Trust Fund in the current fiscal year after September 15, 2001, for costs incurred by the Black Lung Disability Trust Fund in the current fiscal year, such sums as may be necessary.

### PROGRAM ADMINISTRATION

For expenses of administering employment and training programs, $107,651,000, including $6,431,000 to support up to 75 full-time equivalent staff, the majority of which will be term Federal appointments lasting no more than 1 year, to administer welfare-to-work grants, together with not to exceed $48,507,000, which may be expended from the Employment Security Administration account in the Unemployment Trust Fund.

## PENSION AND WELFARE BENEFITS ADMINISTRATION

### SALARIES AND EXPENSES

For necessary expenses for the Pension and Welfare Benefits Administration, $103,342,000.

## PENSION BENEFIT GUARANTY CORPORATION

### PENSION BENEFIT GUARANTY CORPORATION FUND

The Pension Benefit Guaranty Corporation is authorized to make such expenditures, including financial assistance authorized by section 104 of Public Law 96–364, within limits of funds and borrowing authority available to such Corporation, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended (31 U.S.C. 9104), as may be necessary in carrying out the program through September 30, 2001, for such Corporation: Provided, That not to exceed $11,652,000 shall be available for administrative expenses of the Corporation: Provided further, That expenses of such Corporation in connection with the termination of pension plans, for the acquisition, protection or management, and investment of trust assets, and for benefits administration services shall be considered as non-administrative expenses for the purposes hereof, and excluded from the above limitation.

## EMPLOYMENT STANDARDS ADMINISTRATION

### SALARIES AND EXPENSES

For necessary expenses for the Employment Standards Administration, including reimbursement to State, Federal, and local agencies and their employees for inspection services rendered, $350,779,000, together with $1,985,000 which may be expended from the Special Fund in accordance with sections 39(c), 44(d) and 44(j) of the Longshore and Harbor Workers' Compensation Act: Provided, That $2,000,000 shall be for the development of an alternative system for the electronic submission of reports required to be filed under the Labor-Management Reporting and Disclosure Act of 1959, as amended, and for a computer database of the information for each submission by whatever means, that is indexed and easily searchable by the public via the Internet: Provided further, That the Secretary of Labor is authorized to accept, retain, and spend, until expended, in the name of the Department of Labor, all sums of money ordered to be paid to the Secretary of Labor, in accordance with the terms of the Consent Judgment in Civil Action No. 91–0027 of the United States District Court for the District of the Northern Mariana Islands (May 21, 1992): Provided further, That the Secretary of Labor is authorized to establish and, in accordance with 31 U.S.C. 3302, collect and deposit in the Treasury fees for processing applications and issuing certificates under sections 11(d) and 14 of the Fair Labor Standards Act of 1938, as amended (29 U.S.C. 211(d) and 214) and for processing applications and issuing registrations under title I of the Migrant and Seasonal Agricultural Worker Protection Act (29 U.S.C. 1801 et seq.).

### SPECIAL BENEFITS

### (INCLUDING TRANSFER OF FUNDS)

For the payment of compensation, benefits, and expenses (except administrative expenses) accruing during the current or any prior fiscal year authorized by title 5, chapter 81 of the United States Code; continuation of benefits as provided for under the heading "Civilian War Benefits" in the Federal Security Agency Appropriation Act, 1947; the Employees' Compensation Commission Appropriation Act, 1944; sections 4(c) and 5(f) of the War Claims Act of 1948 (50 U.S.C. App. 2012); and 50 percent of the additional compensation and benefits required by section 10(h) of the Longshore and Harbor Workers' Compensation Act, as amended, $56,000,000 together with such amounts as may be necessary to be charged to the subsequent year appropriation for the payment of compensation and other benefits for any period subsequent to August 15 of the current year: Provided, That amounts appropriated may be used under section 8104 of title 5, United States Code, by the Secretary of Labor to reimburse an employer, who is not the employer at the time of injury, for portions of the salary of a reemployed, disabled beneficiary: Provided further, That balances of reimbursements unobligated on September 30, 2000, shall remain available until expended for the payment of compensation, benefits, and expenses: Provided further, That in addition there shall be transferred to this appropriation from the Postal Service and from any other corporation or instrumentality required under section 8147(c) of title 5, United States Code, to pay an amount for its fair share of the cost of administration, such sums as the Secretary determines to be the cost of administration for employees of such fair share entities through September 30, 2001: Provided further, That of those funds transferred to this account from the fair share entities to pay the cost of administration, $30,510,000 shall be made available to the Secretary as follows: (1) for the operation of and enhancement to the automated data processing systems, including document imaging, medical bill review, and periodic roll management, in support of Federal Employees' Compensation Act administration, $19,971,000; (2) for conversion to a paperless office, $7,005,000; (3) for communications redesign, $750,000; (4) for information technology maintenance and support, $2,784,000; and (5) the remaining funds shall be paid into the Treasury as miscellaneous receipts: Provided further, That the Secretary may require that any person filing a notice of injury or a claim for benefits under chapter 81 of title 5, United States Code, or 33 U.S.C. 901 et seq., *provide as part of such notice and claim, such identifying information (including Social Security account number) as such regulations may prescribe.*

### BLACK LUNG DISABILITY TRUST FUND

### (INCLUDING TRANSFER OF FUNDS)

*Beginning in fiscal year 2001 and thereafter, such sums as may be necessary from the Black Lung Disability Trust Fund, to remain available until expended, for payment of all benefits authorized by section 9501(d)(1) (2) (4) and (7) of the Internal Revenue Code of 1954, as amended; and interest on advances as authorized by section 9501(c)(2) of that Act. In addition, the following amounts shall be available from the Fund for fiscal year 2001 for expenses of operation and administration of the Black Lung Benefits program as authorized by section 9501(d)(5) of that Act: $30,393,000 for transfer to the Employment Standards Administration, "Salaries and Expenses"; $21,590,000 for transfer to Departmental Management, "Salaries and Expenses"; $318,000 for transfer to Departmental Management, "Office of Inspector General"; and $356,000 for payments into Miscellaneous Receipts for the expenses of the Department of Treasury.*

### OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

### SALARIES AND EXPENSES

*For necessary expenses for the Occupational Safety and Health Administration, $425,983,000, including not to exceed $88,493,000 which shall be the maximum amount available for grants to States under section 23(g) of the Occupational Safety and Health Act, which grants shall be no less than 50 percent of the costs of State occupational safety and health programs required to be incurred under plans approved by the Secretary under section 18 of the Occupational Safety and Health Act of 1970; and, in addition, notwithstanding 31 U.S.C. 3302, the Occupational Safety and Health Administration may retain up to $750,000 per fiscal year of training institute course tuition fees, otherwise authorized by law to be collected, and may utilize such sums for occupational safety and health training and education grants: Provided, That of the amount appropriated under this heading that is in excess of the amount appropriated for such purposes for fiscal year 2000, at least $22,200,000 shall be used to carry out education, training, and consultation activities as described in subsections (c) and (d) of section 21 of the Occupational Safety and Health Act of 1970 (29 U.S.C. 670(c) and (d)): Provided further, That, notwithstanding 31 U.S.C. 3302, the Secretary of Labor is authorized, during the fiscal year ending September 30, 2001, to collect and retain fees for services provided to Nationally Recognized Testing Laboratories, and may utilize such sums, in accordance with the provisions of 29 U.S.C. 9a, to administer national and international laboratory recognition programs that ensure the safety of equipment and products used by workers in the workplace: Provided further, That none of the funds appropriated under this paragraph shall be obligated or expended to prescribe, issue, administer, or enforce any standard, rule, regulation, or order under the Occupational Safety and Health Act of 1970 which is applicable to any person who is engaged in a farming operation which does not maintain a temporary labor camp and employs 10 or fewer employees: Provided further, That no funds appropriated under this paragraph shall be obligated or expended to administer or enforce any standard, rule, regulation, or order under the Occupational Safety and Health Act of 1970 with respect to any employer of 10 or fewer employees who is included within a category having an occupational injury lost workday case rate, at the most precise Standard Industrial Classification Code for which such data are published, less than the national average rate as such rates are most recently published by the Secretary, acting through the Bureau of Labor Statistics, in accordance with section 24 of that Act (29 U.S.C. 673), except—*

*(1) to provide, as authorized by such Act, consultation, technical assistance, educational and training services, and to conduct surveys and studies;*

*(2) to conduct an inspection or investigation in response to an employee complaint, to issue a citation for violations found during such inspection, and to assess a penalty for violations which are not corrected within a reasonable abatement period and for any willful violations found;*

*(3) to take any action authorized by such Act with respect to imminent dangers;*

*(4) to take any action authorized by such Act with respect to health hazards;*

*(5) to take any action authorized by such Act with respect to a report of an employment accident which is fatal to one or more employees or which results in hospitalization of two or more employees, and to take any action pursuant to such investigation authorized by such Act; and*

*(6) to take any action authorized by such Act with respect to complaints of discrimination against employees for exercising rights under such Act:*

*Provided further, That the foregoing proviso shall not apply to any person who is engaged in a farming operation which does not maintain a temporary labor camp and employs 10 or fewer employees.*

### MINE SAFETY AND HEALTH ADMINISTRATION

### SALARIES AND EXPENSES

*For necessary expenses for the Mine Safety and Health Administration, $244,747,000, including purchase and bestowal of certificates and trophies in connection with mine rescue and first-aid work, and the hire of passenger motor vehicles; including up to $1,000,000 for mine rescue and recovery activities, which shall be available only to the extent that fiscal year 2001 obligations for these activities exceed $1,000,000; in addition, not to exceed $750,000 may be collected by the National Mine Health and Safety Academy for room, board, tuition, and the sale of training materials, otherwise authorized by law to be collected, to be available for mine safety and health education and training activities, notwithstanding 31 U.S.C. 3302; and, in addition, the Administration may retain up to $1,000,000 from fees collected for the approval and certification of equipment, materials, and explosives for use in mines, and may utilize such sums for such activities; the Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, or private; the Mine Safety and Health Administration is authorized to promote health and safety education and training in the mining community through cooperative programs with States, industry, and safety associations; and any funds available to the department may be used, with the approval of the Secretary, to provide for the costs of mine rescue and survival operations in the event of a major disaster.*

### BUREAU OF LABOR STATISTICS

### SALARIES AND EXPENSES

*For necessary expenses for the Bureau of Labor Statistics, including advances or reimbursements to State, Federal, and local agencies and their employees for services rendered, $369,327,000, together with not to exceed $67,257,000, which may be expended from the Employment Security Administration account in the Unemployment Trust Fund; and $10,000,000 which shall be available for obligation for the period July 1, 2001 through June 30, 2002, for Occupational Employment Statistics.*

### DEPARTMENTAL MANAGEMENT

### SALARIES AND EXPENSES

*For necessary expenses for Departmental Management, including the hire of three sedans, and including the management or operation, through contracts, grants or other arrangements, of Departmental bilateral and multilateral foreign technical assistance, of which the funds designated to carry out bilateral assistance under the international child labor initiative shall be available for obligation through September 30, 2002, $30,000,000 for the acquisition of Departmental information technology, architecture, infrastructure, equipment, software and related needs which will be allocated by the Department's Chief Information Officer in accordance with the Department's capital investment management process to assure a sound investment strategy; $337,964,000: Provided, That no funds made available by this Act may be used by the Solicitor of Labor to participate in a review in any United States court of appeals of any decision made by the Benefits Review Board under section 21 of the Longshore and Harbor Workers' Compensation Act (33 U.S.C. 921) where such participation is precluded by the decision of the United States Supreme Court in Director, Office of Workers' Compensation Programs v. Newport News Shipbuilding, 115 S. Ct. 1278 (1995), notwithstanding any provisions to the contrary contained in Rule 15 of the Federal Rules of Appellate Procedure: Provided further, That no funds made available by this Act may be used by the Secretary of Labor to review a decision under the Longshore and Harbor Workers' Compensation Act (33 U.S.C. 901 et seq.) that has been appealed and that has been pending before the Benefits Review Board for more than 12 months: Provided further, That any such decision pending a review by the Benefits Review Board for more than 1 year shall be considered affirmed by the Benefits Review Board on the 1-year anniversary of the filing of the appeal, and shall be considered the final order of the Board for purposes of obtaining a review in the United States courts of appeals: Provided further, That these provisions shall not be applicable to the review or appeal of any decision issued under the Black Lung Benefits Act (30 U.S.C. 901 et seq.): Provided further, That beginning in fiscal year 2001, there is established in the Department of Labor an office of disability employment policy which shall, under the overall direction of the Secretary, provide leadership, develop policy and initiatives, and award grants furthering the objective of eliminating barriers to the training and employment of people with disabilities. Such office shall be headed by an assistant secretary: Provided further, That of amounts provided under this head, not more than $23,002,000 is for this purpose.*

### VETERANS EMPLOYMENT AND TRAINING

*Not to exceed $186,913,000 may be derived from the Employment Security Administration account in the Unemployment Trust Fund to carry out the provisions of 38 U.S.C. 4100–4110A, 4212, 4214, and 4321–4327, and Public Law 103–353, and which shall be available for obligation by the States through December 31, 2001. To carry out the Stewart B. McKinney Homeless Assistance Act and section 168 of the Workforce Investment Act of 1998, $19,800,000, of which $7,300,000 shall be available for obligation for the period July 1, 2001, through June 30, 2002.*

### OFFICE OF INSPECTOR GENERAL

*For salaries and expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $50,015,000, together with not to exceed*

*$4,770,000, which may be expended from the Employment Security Administration account in the Unemployment Trust Fund.*

### GENERAL PROVISIONS

*SEC. 101. None of the funds appropriated in this title for the Job Corps shall be used to pay the compensation of an individual, either as direct costs or any proration as an indirect cost, at a rate in excess of Executive Level II.*

### (TRANSFER OF FUNDS)

*SEC. 102. Not to exceed 1 percent of any discretionary funds (pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended) which are appropriated for the current fiscal year for the Department of Labor in this Act may be transferred between appropriations, but no such appropriation shall be increased by more than 3 percent by any such transfer: Provided, That the Appropriations Committees of both Houses of Congress are notified at least 15 days in advance of any transfer.*

*SEC. 103. EXTENDED DEADLINE FOR EXPENDITURE. Section 403(a)(5)(C)(viii) of the Social Security Act (42 U.S.C. 603(a)(5)(C)(viii)) (as amended by section 806(b) of the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2000 (as enacted into law by section 1000(a)(4) of Public Law 106–113)) is amended by striking "3 years" and inserting "5 years".*

*SEC. 104. ELIMINATION OF SET-ASIDE OF PORTION OF WELFARE-TO-WORK FUNDS FOR PERFORMANCE BONUSES. (a) IN GENERAL.—Section 403(a)(5) of the Social Security Act (as amended by section 806(b) of the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2000 (as enacted into law by section 1000(a)(4) of Public Law 106–113)) is amended by striking subparagraph (E) and redesignating subparagraphs (F) through (K) as subparagraphs (E) through (J), respectively.*

*(b) CONFORMING AMENDMENTS.—The Social Security Act (as amended by section 806(b) of the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2000 (as enacted into law by section 1000(a)(4) of Public Law 106–113)) is further amended as follows:*

*(1) Section 403(a)(5)(A)(i) (42 U.S.C. 603(a)(5)(A)(i)) is amended by striking "subparagraph (I)" and inserting "subparagraph (H)".*

*(2) Subclause (I) of each of subparagraphs (A)(iv) and (B)(v) of section 403(a)(5) (42 U.S.C. 603(a)(5)(A)(iv)(I) and (B)(v)(I)) is amended—*

*(A) in item (aa)—*

*(i) by striking "(I)" and inserting "(H)"; and*

*(ii) by striking "(G), and (H)" and inserting "and (G)"; and*

*(B) in item (bb), by striking "(F)" and inserting "(E)".*

*(3) Section 403(a)(5)(B)(v) (42 U.S.C. 603(a)(5)(B)(v)) is amended in the matter preceding subclause (I) by striking "(I)" and inserting "(H)".*

*(4) Subparagraphs (E), (F), and (G)(i) of section 403(a)(5) (42 U.S.C. 603(a)(5)), as so redesignated by subsection (a) of this section, are each amended by striking "(I)" and inserting "(H)".*

*(5) Section 412(a)(3)(A) (42 U.S.C. 612(a)(3)(A)) is amended by striking "403(a)(5)(I)" and inserting "403(a)(5)(H)".*

*(c) FUNDING AMENDMENT.—Section 403(a)(5)(H)(i)(II) of such Act (42 U.S.C. 603(a)(5)(H)(i))(II) (as redesignated by subsection (a) of this section and as amended by section 806(b) of the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2000 (as enacted into law by section 1000(a)(4) of Public Law 106–113)) is further amended by striking "$1,450,000,000" and inserting "$1,400,000,000".*

*(d) EFFECTIVE DATE.—The amendments made by subsections (a), (b), and (c) of this section shall take effect on October 1, 2000.*

*SEC. 105. None of the funds made available in this Act may be used by the Occupational Safety and Health Administration to promulgate, issue, implement, administer, or enforce any proposed, temporary, or final standard on ergonomic protection.*

## TITLE II—DEPARTMENT OF HEALTH AND HUMAN SERVICES

### HEALTH RESOURCES AND SERVICES ADMINISTRATION

### HEALTH RESOURCES AND SERVICES

*For carrying out titles II, III, VII, VIII, X, XII, XIX, and XXVI of the Public Health Service Act, section 427(a) of the Federal Coal Mine Health and Safety Act, title V and section 1820 of the Social Security Act, the Health Care Quality Improvement Act of 1986, as amended, and the Native Hawaiian Health Care Act of 1988, as amended, $4,572,424,000, of which $150,000 shall remain available until expended for interest subsidies on loan guarantees made prior to fiscal year 1981 under part B of title VII of the Public Health Service Act, of which $10,000,000 shall be available for the construction and renovation of health care and other facilities, of which $25,000,000 from general revenues, notwithstanding section 1820(j) of the Social Security Act, shall be available for carrying out the Medicare rural hospital flexibility grants program under section 1820 of such Act, and of which $4,000,000 shall be provided to the Rural Health Outreach Office of the Health Resources and Services Administration for the awarding of grants to community partnerships in rural areas for the purchase of automated external defibrillators and the training of individuals in basic cardiac life support: Provided, That the Division of Federal Occupational Health may utilize personal services contracting to employ professional management/administrative and occupational health professionals: Provided further, That of the funds made available under this heading, $250,000 shall be available until expended for facilities renovations at the Gillis W. Long Hansen's Disease Center: Provided further, That in addition to fees authorized by section 427(b) of the Health Care Quality Improvement Act of 1986, fees shall be collected for the full disclosure of information under the Act sufficient to recover the full costs of operating the National Practitioner Data Bank, and shall remain available until expended to carry out that Act: Provided further, That fees collected for the full disclosure of information under the "Health Care Fraud and Abuse Data Collection Program", authorized by section 221 of the Health Insurance Portability and Accountability Act of 1996, shall be sufficient to recover the full costs of operating the Program, and shall remain available to carry out that Act until expended: Provided further, That no more than $5,000,000 is available for carrying out the provisions of Public Law 104–73: Provided further, That of the funds made available under this heading, $253,932,000 shall be for the program under title X of the Public Health Service Act to provide for voluntary family planning projects: Provided further, That amounts provided to said projects under such title shall not be expended for abortions, that all pregnancy counseling shall be nondirective, and that such amounts shall not be expended for any activity (including the publication or distribution of literature) that in any way tends to promote public support or opposition to any legislative proposal or candidate for public office: Provided further, That $538,000,000 shall be for State AIDS Drug Assistance Programs authorized by section 2616 of the Public Health Service Act.*

### RICKY RAY HEMOPHILIA RELIEF FUND PROGRAM

*For payment to the Ricky Ray Hemophilia Relief Fund, as provided by Public Law 105–369, $85,000,000, of which $10,000,000 shall be for program management.*

### HEALTH EDUCATION ASSISTANCE LOANS PROGRAM ACCOUNT

*Such sums as may be necessary to carry out the purpose of the program, as authorized by title VII of the Public Health Service Act, as amended. For administrative expenses to carry out the guaranteed loan program, including section 709 of the Public Health Service Act, $3,679,000.*

### VACCINE INJURY COMPENSATION PROGRAM TRUST FUND

*For payments from the Vaccine Injury Compensation Program Trust Fund, such sums as may be necessary for claims associated with vaccine-related injury or death with respect to vaccines administered after September 30, 1988, pursuant to subtitle 2 of title XXI of the Public Health Service Act, to remain available until expended: Provided, That for necessary administrative expenses, not to exceed $2,992,000 shall be available from the Trust Fund to the Secretary of Health and Human Services.*

### CENTERS FOR DISEASE CONTROL AND PREVENTION

### DISEASE CONTROL, RESEARCH, AND TRAINING

*To carry out titles II, III, VII, XI, XV, XVII, XIX and XXVI of the Public Health Service Act, sections 101, 102, 103, 201, 202, 203, 301, and 501 of the Federal Mine Safety and Health Act of 1977, sections 20, 21, and 22 of the Occupational Safety and Health Act of 1970, title IV of the Immigration and Nationality Act and section 501 of the Refugee Education Assistance Act of 1980; including insurance of official motor vehicles in foreign countries; and hire, maintenance, and operation of aircraft, $3,204,496,000, of which $20,000,000 shall be made available to carry out children's asthma programs and $4,000,000 of such $20,000,000 shall be utilized to carry out improved asthma surveillance and tracking systems and the remainder shall be used to carry out diverse community-based childhood asthma programs including both school- and community-based grant programs, except that not to exceed 5 percent of such funds may be used by the Centers for Disease Control and Prevention for administrative costs or reprogramming, and of which $175,000,000 shall remain available until expended for the facilities master plan for equipment and construction and renovation of facilities, and in addition, such sums as may be derived from authorized user fees, which shall be credited to this account, and of which $25,000,000 shall be made available through such Centers for the establishment of partnerships between the Federal Government and academic institutions and State and local public health departments to carry out pilot programs for antimicrobial resistance detection, surveillance, education and prevention and to conduct research on resistance mechanisms and new or more effective antimicrobial compounds, and of which $10,000,000 shall remain available until expended to carry out the Fetal Alcohol Syndrome prevention and services program: Provided, That in addition to amounts provided herein, up to $91,129,000 shall be available from amounts available under section 241 of the Public Health Service Act: Provided further, That none of the funds made available for injury prevention and control at the Centers for Disease Control and Prevention may be used to advocate or promote gun control: Provided further, That the Director may redirect the total amount made available under authority of Public Law 101–502, section 3, dated November 3, 1990, to activities the Director may so designate: Provided further, That the Congress* *is to be notified promptly of any such transfer: Provided further, That not to exceed $10,000,000 may be available for making grants under section 1509 of the Public Health Service Act to not more than 15 States: Provided further, That notwithstanding any other provision of law, a single contract or related contracts for development and construction of facilities may be employed which collectively include the full scope of the project: Provided further, That the solicitation and contract shall contain the clause "availability of funds" found at 48 CFR 52.232-18: Provided further, That in addition to amounts made available under this heading for the National Program of Cancer Registries, an additional $15,000,000 shall be made available for such Program and special emphasis in carrying out such Program shall be given to States with the highest number of the leading causes of cancer mortality: Provided further, That amounts made available under this Act for the administrative and related expenses of the Centers for Disease Control and Prevention shall be reduced by $15,000,000: Provided further, That the funds made available under this heading for section 317A of the Public Health Service Act may be made available for programs operated in accordance with a strategy (developed and implemented by the Director for the Centers for Disease Control and Prevention) to identify and target resources for childhood lead poisoning prevention to high-risk populations, including ensuring that any individual or entity that receives a grant under that section to carry out activities relating to childhood lead poisoning prevention may use a portion of the grant funds awarded for the purpose of funding screening assessments and referrals at sites of operation of the Early Head Start programs under the Head Start Act.*

## NATIONAL INSTITUTES OF HEALTH

### NATIONAL CANCER INSTITUTE

*For carrying out section 301 and title IV of the Public Health Service Act with respect to cancer, $3,804,084,000.*

### NATIONAL HEART, LUNG, AND BLOOD INSTITUTE

*For carrying out section 301 and title IV of the Public Health Service Act with respect to cardiovascular, lung, and blood diseases, and blood and blood products, $2,328,102,000.*

### NATIONAL INSTITUTE OF DENTAL AND CRANIOFACIAL RESEARCH

*For carrying out section 301 and title IV of the Public Health Service Act with respect to dental disease, $309,923,000.*

### NATIONAL INSTITUTE OF DIABETES AND DIGESTIVE AND KIDNEY DISEASES

*For carrying out section 301 and title IV of the Public Health Service Act with respect to diabetes and digestive and kidney disease, $1,318,106,000.*

### NATIONAL INSTITUTE OF NEUROLOGICAL DISORDERS AND STROKE

*For carrying out section 301 and title IV of the Public Health Service Act with respect to neurological disorders and stroke, $1,189,425,000.*

### NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES

*For carrying out section 301 and title IV of the Public Health Service Act with respect to allergy and infectious diseases, $2,066,526,000.*

### NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

*For carrying out section 301 and title IV of the Public Health Service Act with respect to general medical sciences, $1,554,176,000.*

### NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT

*For carrying out section 301 and title IV of the Public Health Service Act with respect to child health and human development, $986,069,000.*

### NATIONAL EYE INSTITUTE

*For carrying out section 301 and title IV of the Public Health Service Act with respect to eye diseases and visual disorders, $516,605,000.*

### NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

*For carrying out sections 301 and 311 and title IV of the Public Health Service Act with respect to environmental health sciences, $508,263,000.*

### NATIONAL INSTITUTE ON AGING

*For carrying out section 301 and title IV of the Public Health Service Act with respect to aging, $794,625,000.*

### NATIONAL INSTITUTE OF ARTHRITIS AND MUSCULOSKELETAL AND SKIN DISEASES

*For carrying out section 301 and title IV of the Public Health Service Act with respect to arthritis and musculoskeletal and skin diseases, $401,161,000.*

### NATIONAL INSTITUTE ON DEAFNESS AND OTHER COMMUNICATION DISORDERS

*For carrying out section 301 and title IV of the Public Health Service Act with respect to deafness and other communication disorders, $303,541,000.*

### NATIONAL INSTITUTE OF NURSING RESEARCH

*For carrying out section 301 and title IV of the Public Health Service Act with respect to nursing research, $106,848,000.*

### NATIONAL INSTITUTE ON ALCOHOL ABUSE AND ALCOHOLISM

*For carrying out section 301 and title IV of the Public Health Service Act with respect to alcohol abuse and alcoholism, $336,848,000.*

### NATIONAL INSTITUTE ON DRUG ABUSE

*For carrying out section 301 and title IV of the Public Health Service Act with respect to drug abuse, $790,038,000.*

### NATIONAL INSTITUTE OF MENTAL HEALTH

*For carrying out section 301 and title IV of the Public Health Service Act with respect to mental health, $1,117,928,000.*

### NATIONAL HUMAN GENOME RESEARCH INSTITUTE

*For carrying out section 301 and title IV of the Public Health Service Act with respect to human genome research, $385,888,000.*

### NATIONAL CENTER FOR RESEARCH RESOURCES

*For carrying out section 301 and title IV of the Public Health Service Act with respect to research resources and general research support grants, $775,212,000: Provided, That none of these funds shall be used to pay recipients of the general research support grants program any amount for indirect expenses in connection with such grants: Provided further, That $75,000,000 shall be for extramural facilities construction grants.*

### NATIONAL CENTER FOR COMPLEMENTARY AND ALTERNATIVE MEDICINE

*For carrying out section 301 and title IV of the Public Health Service Act with respect to complementary and alternative medicine, $100,089,000.*

### JOHN E. FOGARTY INTERNATIONAL CENTER

*For carrying out the activities at the John E. Fogarty International Center, $61,260,000.*

### NATIONAL LIBRARY OF MEDICINE

*For carrying out section 301 and title IV of the Public Health Service Act with respect to health information communications, $256,953,000, of which $4,000,000 shall be available until expended for improvement of information systems: Provided, That in fiscal year 2001, the Library may enter into personal services contracts for the provision of services in facilities owned, operated, or constructed under the jurisdiction of the National Institutes of Health.*

### OFFICE OF THE DIRECTOR

### (INCLUDING TRANSFER OF FUNDS)

*For carrying out the responsibilities of the Office of the Director, National Institutes of Health, $352,165,000, of which $48,271,000 shall be for the Office of AIDS Research: Provided, That funding shall be available for the purchase of not to exceed 20 passenger motor vehicles for replacement only: Provided further, That the Director may direct up to 1 percent of the total amount made available in this or any other Act to all National Institutes of Health appropriations to activities the Director may so designate: Provided further, That no such appropriation shall be decreased by more than 1 percent by any such transfers and that the Congress is promptly notified of the transfer: Provided further, That the National Institutes of Health is authorized to collect third party payments for the cost of clinical services that are incurred in National Institutes of Health research facilities and that such payments shall be credited to the National Institutes of Health Management Fund: Provided further, That all funds credited to the National Institutes of Health Management Fund shall remain available for one fiscal year after the fiscal year in which they are deposited: Provided further, That up to $500,000 shall be available to carry out section 499 of the Public Health Service Act: Provided further, That, notwithstanding section 499(k)(10) of the Public Health Service Act, funds from the Foundation for the National Institutes of Health may be transferred to the National Institutes of Health.*

### BUILDINGS AND FACILITIES

*For the study of, construction of, and acquisition of equipment for, facilities of or used by the National Institutes of Health, including the acquisition of real property, $148,900,000, to remain available until expended, of which $47,300,000 shall be for the neuroscience research center: Provided, That notwithstanding any other provision of law, a single contract or related contracts for the development and construction of the first phase of the National Neuroscience Research Center may be employed which collectively include the full scope of the project: Provided further, That the solicitation and contract shall contain the clause "availability of funds" found at 48 CFR 52.232-18.*

## SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION

### SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES

*For carrying out titles V and XIX of the Public Health Service Act with respect to substance abuse and mental health services, the Protection and Advocacy for Mentally Ill Individuals Act of 1986, and section 301 of the Public Health Service Act with respect to program management, $2,730,757,000, of which $15,000,000 shall remain available until expended to carry out the Fetal Alcohol Syndrome prevention and services program, of which $10,000,000 shall be used to provide grants to local non-profit private and public entities to enable such entities to develop and expand activities to provide substance abuse services to homeless individuals: Provided, That in addition to amounts provided herein, $12,000,000 shall be available from amounts available under section 241 of the Public Health Services Act, to carry out the National Household Survey on Drug Abuse: Provided further, That within the amounts provided herein, $3,000,000 shall be available for the Center for Mental Health Services to support through grants a certification program to improve and evaluate the effectiveness and responsiveness of suicide hotlines and crisis centers in the United States and to help support and evaluate a national hotline and crisis center network.*

## AGENCY FOR HEALTHCARE RESEARCH AND QUALITY

### HEALTHCARE RESEARCH AND QUALITY

*For carrying out titles III and IX of the Public Health Service Act, amounts received from Freedom of Information Act fees, reimbursable* *and interagency agreements, and the sale of data shall be credited to this appropriation and shall remain available until expended: Provided, That the amount made available pursuant to section 926(b) of the Public Health Service Act shall not exceed $269,943,000.*

### HEALTH CARE FINANCING ADMINISTRATION

### GRANTS TO STATES FOR MEDICAID

*For carrying out, except as otherwise provided, titles XI and XIX of the Social Security Act, $93,586,251,000, to remain available until expended.*

*For making, after May 31, 2001, payments to States under title XIX of the Social Security Act for the last quarter of fiscal year 2001 for unanticipated costs, incurred for the current fiscal year, such sums as may be necessary.*

*For making payments to States or in the case of section 1928 on behalf of States under title XIX of the Social Security Act for the first quarter of fiscal year 2002, $36,207,551,000, to remain available until expended.*

*Payment under title XIX may be made for any quarter with respect to a State plan or plan amendment in effect during such quarter, if submitted in or prior to such quarter and approved in that or any subsequent quarter.*

### PAYMENTS TO HEALTH CARE TRUST FUNDS

*For payment to the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds, as provided under sections 217(g) and 1844 of the Social Security Act, sections 103(c) and 111(d) of the Social Security Amendments of 1965, section 278(d) of Public Law 97–248, and for administrative expenses incurred pursuant to section 201(g) of the Social Security Act, $70,381,600,000.*

### PROGRAM MANAGEMENT

*For carrying out, except as otherwise provided, titles XI, XVIII, XIX, and XXI of the Social Security Act, titles XIII and XXVII of the Public Health Service Act, and the Clinical Laboratory Improvement Amendments of 1988, not to exceed $2,018,500,000, to be transferred from the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds, as authorized by section 201(g) of the Social Security Act; together with all funds collected in accordance with section 353 of the Public Health Service Act and such sums as may be collected from authorized user fees and the sale of data, which shall remain available until expended, and together with administrative fees collected relative to Medicare overpayment recovery activities, which shall remain available until expended: Provided, That all funds derived in accordance with 31 U.S.C. 9701 from organizations established under title XIII of the Public Health Service Act shall be credited to and available for carrying out the purposes of this appropriation: Provided further, That $18,000,000 appropriated under this heading for the managed care system redesign shall remain available until expended: Provided further, That $3,000,000 of the amount available for research, demonstration, and evaluation activities shall be available to continue carrying out demonstration projects on Medicaid coverage of community-based attendant care services for people with disabilities which ensures maximum control by the consumer to select and manage their attendant care services: Provided further, That the Secretary of Health and Human Services is directed to collect fees in fiscal year 2001 from Medicare+Choice organizations pursuant to section 1857(e)(2) of the Social Security Act and from eligible organizations with risk-sharing contracts under section 1876 of that Act pursuant to section 1876(k)(4)(D) of that Act: Provided further, That administrative fees collected relative to Medicare overpayment recovery activities shall be transferred to the Health Care Fraud and Abuse Control (HCFAC) account, to be used for Medicare Integrity Program (MIP) activities in addition to the amounts already specified, and shall remain available until expended.*

### ADMINISTRATION FOR CHILDREN AND FAMILIES

### LOW INCOME HOME ENERGY ASSISTANCE

*For making payments under title XXVI of the Omnibus Reconciliation Act of 1981, $300,000,000: Provided, That these funds are hereby designated by the Congress to be emergency requirements pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985: Provided further, That these funds shall be made available only after submission to the Congress of a formal budget request by the President that includes designation of the entire amount of the request as an emergency requirement as defined in such Act.*

### REFUGEE AND ENTRANT ASSISTANCE

*For making payments for refugee and entrant assistance activities authorized by title IV of the Immigration and Nationality Act and section 501 of the Refugee Education Assistance Act of 1980 (Public Law 96–422), $418,321,000, to remain available through September 30, 2003.*

*For carrying out section 5 of the Torture Victims Relief Act of 1998 (Public Law 105–320), $7,265,000.*

### PAYMENTS TO STATES FOR CHILD SUPPORT ENFORCEMENT AND FAMILY SUPPORT PROGRAMS

*For making payments to States or other non-Federal entities under titles I, IV–D, X, XI, XIV, and XVI of the Social Security Act and the Act of July 5, 1960 (24 U.S.C. ch. 9), $2,473,880,000, to remain available until expended; and for such purposes for the first quarter of fiscal year 2002, $1,000,000,000, to remain available until expended.*

*For making payments to each State for carrying out the program of Aid to Families with Dependent Children under title IV–A of the Social Security Act before the effective date of the program of Temporary Assistance to Needy Families (TANF) with respect to such State, such sums as may be necessary: Provided, That the sum of the amounts available to a State with respect to expenditures under such title IV–A in fiscal year 1997 under this appropriation and under such title IV–A as amended by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 shall not exceed the limitations under section 116(b) of such Act.*

*For making, after May 31 of the current fiscal year, payments to States or other non-Federal entities under titles I, IV–D, X, XI, XIV, and XVI of the Social Security Act and the Act of July 5, 1960 (24 U.S.C. ch. 9), for the last 3 months of the current year for unanticipated costs, incurred for the current fiscal year, such sums as may be necessary.*

### PAYMENTS TO STATES FOR THE CHILD CARE AND DEVELOPMENT BLOCK GRANT

*For carrying out sections 658A through 658R of the Omnibus Budget Reconciliation Act of 1981 (The Child Care and Development Block Grant Act of 1990), in addition to amounts already appropriated for fiscal year 2001, $817,328,000: Provided, That of the funds appropriated for fiscal year 2001, $19,120,000 shall be available for child care resource and referral and school-aged child care activities: Provided further, That of the funds appropriated for fiscal year 2001, in addition to the amounts required to be reserved by the States under section 658G, $222,672,000 shall be reserved by the States for activities authorized under section 658G, of which $100,000,000 shall be for activities that improve the quality of infant and toddler child care.*

### SOCIAL SERVICES BLOCK GRANT

*For making grants to States pursuant to section 2002 of the Social Security Act, $600,000,000: Provided, That notwithstanding section 2003(c) of such Act, as amended, the amount specified for allocation under such section for fiscal year 2001 shall be $600,000,000.*

### CHILDREN AND FAMILIES SERVICES PROGRAMS

### (INCLUDING RESCISSIONS)

*For carrying out, except as otherwise provided, the Runaway and Homeless Youth Act, the Developmental Disabilities Assistance and Bill of Rights Act, the Head Start Act, the Child Abuse Prevention and Treatment Act, the Native American Programs Act of 1974, title II of Public Law 95–266 (adoption opportunities), the Adoption and Safe Families Act of 1997 (Public Law 105–89), the Abandoned Infants Assistance Act of 1988, part B(1) of title IV and sections 413, 429A, 1110, and 1115 of the Social Security Act; for making payments under the Community Services Block Grant Act, section 473A of the Social Security Act, and title IV of Public Law 105–285; and for necessary administrative expenses to carry out said Acts and titles I, IV, X, XI, XIV, XVI, and XX of the Social Security Act, the Act of July 5, 1960 (24 U.S.C. ch. 9), the Omnibus Budget Reconciliation Act of 1981, title IV of the Immigration and Nationality Act, section 501 of the Refugee Education Assistance Act of 1980, section 5 of the Torture Victims Relief Act of 1998 (Public Law 105–320), sections 40155, 40211, and 40241 of Public Law 103–322 and section 126 and titles IV and V of Public Law 100–485, $7,895,723,000, of which $5,000,000 shall be made available to provide grants for early childhood learning for young children, of which $55,928,000, to remain available until September 30, 2002, shall be for grants to States for adoption incentive payments, as authorized by section 473A of title IV of the Social Security Act (42 U.S.C. 670–679); of which $134,074,000, to remain available until expended, shall be for activities authorized by sections 40155, 40211, and 40241 of Public Law 103–322; of which $606,676,000 shall be for making payments under the Community Services Block Grant Act; and of which $6,267,000,000 shall be for making payments under the Head Start Act, of which $1,400,000,000 shall become available October 1, 2001 and remain available through September 30, 2002: Provided, That to the extent Community Services Block Grant funds are distributed as grant funds by a State to an eligible entity as provided under the Act, and have not been expended by such entity, they shall remain with such entity for carryover into the next fiscal year for expenditure by such entity consistent with program purposes: Provided further, That the Secretary shall establish procedures regarding the disposition of intangible property which permits grant funds, or intangible assets acquired with funds authorized under section 680 of the Community Services Block Grant Act, as amended, to become the sole property of such grantees after a period of not more than 12 years after the end of the grant for purposes, and uses consistent with the original grant: Provided further, That amounts made available under this Act for the administrative and related expenses of the Department of Health and Human Services, the Department of Labor, and the Department of Education shall be further reduced on a pro rata basis by $14,137,000.*

*Funds appropriated for fiscal year 2000 under section 429A(e), part B of title IV of the Social Security Act shall be reduced by $6,000,000.*

*Funds appropriated for fiscal year 2000 under section 413(h)(1) of the Social Security Act shall be reduced by $15,000,000.*

### PROMOTING SAFE AND STABLE FAMILIES

*For carrying out section 430 of the Social Security Act, $305,000,000.*

### PAYMENTS TO STATES FOR FOSTER CARE AND ADOPTION ASSISTANCE

*For making payments to States or other non-Federal entities under title IV–E of the Social Security Act, $4,868,100,000.*

For making payments to States or other non-Federal entities under title IV–E of the Social Security Act, for the first quarter of fiscal year 2002, $1,735,900,000.

### ADMINISTRATION ON AGING

### AGING SERVICES PROGRAMS

For carrying out, to the extent not otherwise provided, the Older Americans Act of 1965, as amended, and section 398 of the Public Health Service Act, $954,619,000, of which $5,000,000 shall be available for activities regarding medication management, screening, and education to prevent incorrect medication and adverse drug reactions: Provided, That notwithstanding section 308(b)(1) of the Older Americans Act of 1965, as amended, the amounts available to each State for administration of the State plan under title III of such Act shall be reduced not more than 5 percent below the amount that was available to such State for such purpose for fiscal year 1995: Provided further, That in considering grant applications for nutrition services for elder Indian recipients, the Assistant Secretary shall provide maximum flexibility to applicants who seek to take into account subsistence, local customs, and other characteristics that are appropriate to the unique cultural, regional, and geographic needs of the American Indian, Alaska and Hawaiian Native communities to be served.

### OFFICE OF THE SECRETARY

### GENERAL DEPARTMENTAL MANAGEMENT

For necessary expenses, not otherwise provided, for general departmental management, including hire of six sedans, and for carrying out titles III, XVII, and XX of the Public Health Service Act, and the United States-Mexico Border Health Commission Act, $206,766,000, together with $5,851,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from the Hospital Insurance Trust Fund and the Supplemental Medical Insurance Trust Fund: Provided further, That of the funds made available under this heading for carrying out title XX of the Public Health Service Act, $10,569,000 shall be for activities specified under section 2003(b)(2), of which $9,131,000 shall be for prevention service demonstration grants under section 510(b)(2) of title V of the Social Security Act, as amended, without application of the limitation of section 2010(c) of said title XX.

### OFFICE OF INSPECTOR GENERAL

For expenses necessary for the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $33,849,000.

### OFFICE FOR CIVIL RIGHTS

For expenses necessary for the Office for Civil Rights, $20,742,000, together with not to exceed $3,314,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from the Hospital Insurance Trust Fund and the Supplemental Medical Insurance Trust Fund: Provided, That an additional $2,500,000 shall be made available for the Office for Civil Rights: Provided further, That amounts made available under this title for the administrative and related expenses of the Department of Health and Human Services shall be reduced by $2,500,000".

### POLICY RESEARCH

For carrying out, to the extent not otherwise provided, research studies under section 1110 of the Social Security Act, $16,738,000.

### RETIREMENT PAY AND MEDICAL BENEFITS FOR COMMISSIONED OFFICERS

For retirement pay and medical benefits of Public Health Service Commissioned Officers as authorized by law, for payments under the Retired Serviceman's Family Protection Plan and Survivor Benefit Plan, for medical care of dependents and retired personnel under the Dependents' Medical Care Act (10 U.S.C. ch. 55), and for payments pursuant to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), such amounts as may be required during the current fiscal year.

### PUBLIC HEALTH AND SOCIAL SERVICES EMERGENCY FUND

For public health and social services, $264,600,000.

### GENERAL PROVISIONS

SEC. 201. Funds appropriated in this title shall be available for not to exceed $37,000 for official reception and representation expenses when specifically approved by the Secretary.

SEC. 202. The Secretary shall make available through assignment not more than 60 employees of the Public Health Service to assist in child survival activities and to work in AIDS programs through and with funds provided by the Agency for International Development, the United Nations International Children's Emergency Fund or the World Health Organization.

SEC. 203. None of the funds appropriated under this Act may be used to implement section 399L(b) of the Public Health Service Act or section 1503 of the National Institutes of Health Revitalization Act of 1993, Public Law 103–43.

SEC. 204. None of the funds appropriated in this Act for the National Institutes of Health and the Substance Abuse and Mental Health Services Administration shall be used to pay the salary of an individual, through a grant or other extramural mechanism, at a rate in excess of Executive Level II.

SEC. 205. Notwithstanding section 241(a) of the Public Health Service Act, such portion as the Secretary shall determine, but not more than 1.6 percent, of any amounts appropriated for programs authorized under the PHS Act shall be made available for the evaluation (directly or by grants or contracts) of the implementation and effectiveness of such programs.

### (TRANSFER OF FUNDS)

SEC. 206. Not to exceed 1 percent of any discretionary funds (pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended) which are appropriated for the current fiscal year for the Department of Health and Human Services in this Act may be transferred between appropriations, but no such appropriation shall be increased by more than 3 percent by any such transfer: Provided, That the Appropriations Committees of both Houses of Congress are notified at least 15 days in advance of any transfer.

SEC. 207. The Director of the National Institutes of Health, jointly with the Director of the Office of AIDS Research, may transfer up to 3 percent among institutes, centers, and divisions from the total amounts identified by these two Directors as funding for research pertaining to the human immunodeficiency virus: Provided, That the Congress is promptly notified of the transfer.

SEC. 208. Of the amounts made available in this Act for the National Institutes of Health, the amount for research related to the human immunodeficiency virus, as jointly determined by the Director of the National Institutes of Health and the Director of the Office of AIDS Research, shall be made available to the "Office of AIDS Research" account. The Director of the Office of AIDS Research shall transfer from such account amounts necessary to carry out section 2353(d)(3) of the Public Health Service Act.

SEC. 209. None of the funds appropriated in this Act may be made available to any entity under title X of the Public Health Service Act unless the applicant for the award certifies to the Secretary that it encourages family participation in the decision of minors to seek family planning services and that it provides counseling to minors on how to resist attempts to coerce minors into engaging in sexual activities.

SEC. 210. None of the funds appropriated by this Act (including funds appropriated to any trust fund) may be used to carry out the Medicare+Choice program if the Secretary denies participation in such program to an otherwise eligible entity (including a Provider Sponsored Organization) because the entity informs the Secretary that it will not provide, pay for, provide coverage of, or provide referrals for abortions: Provided, That the Secretary shall make appropriate prospective adjustments to the capitation payment to such an entity (based on an actuarially sound estimate of the expected costs of providing the service to such entity's enrollees): Provided further, That nothing in this section shall be construed to change the Medicare program's coverage for such services and a Medicare+Choice organization described in this section shall be responsible for informing enrollees where to obtain information about all Medicare covered services.

SEC. 211. (a) MENTAL HEALTH.—Section 1918(b) of the Public Health Service Act (42 U.S.C. 300x–7(b)) is amended to read as follows:

"(b) MINIMUM ALLOTMENTS FOR STATES.—Each State's allotment for fiscal year 2001 for programs under this subpart shall not be less than such State's allotment for such programs for fiscal year 2000.".

(b) SUBSTANCE ABUSE.—Section 1933(b) of the Public Health Service Act (42 U.S.C. 300x–33(b)) is amended to read as follows:

"(b) MINIMUM ALLOTMENTS FOR STATES.—Each State's allotment for fiscal year 2001 for programs under this subpart shall not be less than such State's allotment for such programs for fiscal year 2000.".

SEC. 212. Notwithstanding any other provision of law, no provider of services under title X of the Public Health Service Act shall be exempt from any State law requiring notification or the reporting of child abuse, child molestation, sexual abuse, rape, or incest.

SEC. 213. EXTENSION OF CERTAIN ADJUDICATION PROVISIONS.—The Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990 (Public Law 101–167) is amended—

(1) in section 599D (8 U.S.C. 1157 note)—

(A) in subsection (b)(3), by striking "1997, 1998, 1999, and 2000" and inserting "1997, 1998, 1999, 2000 and 2001"; and

(B) in subsection (e), by striking "October 1, 2000" each place it appears and inserting "October 1, 2001"; and

(2) in section 599E (8 U.S.C. 1255 note) in subsection (b)(2), by striking "September 30, 2000" and inserting "September 30, 2001".

SEC. 214. None of the funds provided in this Act or in any other Act making appropriations for fiscal year 2001 may be used to administer or implement in Arizona or in the Kansas City, Missouri or in the Kansas City, Kansas area the Medicare Competitive Pricing Demonstration Project (operated by the Secretary of Health and Human Services).

SEC. 215. WITHHOLDING OF SUBSTANCE ABUSE FUNDS. (a) IN GENERAL.—Except as provided by subsection (e) none of the funds appropriated by this Act may be used to withhold substance abuse funding from a State pursuant to section 1926 of the Public Health Service Act (42 U.S.C. 300x–26) if such State certifies to the Secretary of Health and Human Services by March 1, 2001 that the State will commit additional State funds, in accordance with subsection (b), to ensure compliance with State laws prohibiting the sale of tobacco products to individuals under 18 years of age.

(b) AMOUNT OF STATE FUNDS.—The amount of funds to be committed by a State under subsection (a) shall be equal to 1 percent of such

*State's substance abuse block grant allocation for each percentage point by which the State misses the retailer compliance rate goal established by the Secretary of Health and Human Services under section 1926 of such Act.*

*(c) ADDITIONAL STATE FUNDS.—The State is to maintain State expenditures in fiscal year 2001 for tobacco prevention programs and for compliance activities at a level that is not less than the level of such expenditures maintained by the State for fiscal year 2000, and adding to that level the additional funds for tobacco compliance activities required under subsection (a). The State is to submit a report to the Secretary on all fiscal year 2000 State expenditures and all fiscal year 2001 obligations for tobacco prevention and compliance activities by program activity by July 31, 2001.*

*(d) ENFORCEMENT OF STATE OBLIGATIONS.—The Secretary shall exercise discretion in enforcing the timing of the State obligation of the additional funds required by the certification described in subsection (a) as late as July 31, 2001.*

*(e) TERRITORIES.—None of the funds appropriated by this Act may be used to withhold substance abuse funding pursuant to section 1926 from a territory that receives less than $1,000,000.*

*SEC. 216. Section 403(a)(3) of the Social Security Act (42 U.S.C. 603(a)(3)) is amended—*

*(1) in subparagraph (A)—*

*(A) in clause (i), by striking "and" at the end;*

*(B) in clause (ii)—*

*(i) by striking "1999, 2000, and 2001" and inserting "1999 and 2000"; and*

*(ii) by striking the period at the end and inserting "; and"; and*

*(C) by adding at the end the following new clause:*

*"(iii) for fiscal year 2001, a grant in an amount equal to the amount of the grant to the State under clause (i) for fiscal year 1998." and*

*(2) in subparagraph (G), by inserting at the end, "Upon enactment, the provisions of this Act that would have been estimated by the Director of the Office of Management and Budget as changing direct spending and receipts for fiscal year 2001 under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99–177), to the extent such changes would have been estimated to result in savings in fiscal year 2001 of $240,000,000 in budget authority and $122,000,000 in outlays, shall be treated as if enacted in an appropriations act pursuant to Rule 3 of the Budget Scorekeeping Guidelines set forth in the Joint Explanatory Statement of the Committee of Conference accompanying Conference Report No. 105–217, thereby changing discretionary spending under section 251 of that Act.".*

*SEC. 217. (a) Notwithstanding Section 2104(f) of the Social Security Act (the Act), the Secretary of Health and Human Services shall reduce the amounts allotted to a State under subsection (b) of the Act for fiscal year 1998 by the applicable amount with respect to the State; and*

*(b) Notwithstanding Section 2104(a) of the Act, the Secretary shall increase the amount otherwise payable to each State under such subsection for fiscal year 2003 by the amount of the reduction made under paragraph (a) of this section. Funds made available under this subsection shall remain available through September 30, 2004.*

*(c) APPLICABLE AMOUNT DEFINED.—In subsection (a), with respect to a State, the term "applicable amount" means, with respect to a State, an amount bearing the same proportion to $1,900,000,000 as the unexpended balance of its fiscal year 1998 allotment as of September 30, 2000, which would otherwise be redistributed to States in fiscal year 2001 under Section 2104(f) of the Act, bears to the sum of the unexpended balances of fiscal year 1998 allotments for all States as of September 30, 2000: Provided, That, the applicable amount for a State shall not exceed the unexpended balance of its fiscal year 1998 allotment as of September 30, 2000.*

*SEC. 218. SENSE OF THE SENATE ON PREVENTION OF NEEDLESTICK INJURIES. (a) FINDINGS.—The Senate finds that—*

*(1) the Centers for Disease Control and Prevention reports that American health care workers report 600,000 to 800,000 needlestick and sharps injuries each year;*

*(2) the occurrence of needlestick injuries is believed to be widely under-reported;*

*(3) needlestick and sharps injuries result in at least 1,000 new cases of health care workers with HIV, hepatitis C or hepatitis B every year;*

*(4) more than 80 percent of needlestick injuries can be prevented through the use of safer devices; and*

*(5) the Occupational Safety and Health Administration's November 1999 Compliance Directive has helped clarify the duty of employers to use safer needle devices to protect their workers. However, millions of State and local government employees are not covered by OSHA's bloodborne pathogen standards and are not protected against the hazards of needlesticks.*

*(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Senate should pass legislation that would eliminate or minimize the significant risk of needlestick injury to health care workers.*

*SEC. 219. (a) IN GENERAL.—There is appropriated $10,000,000 that may be used by the Director of the National Institute for Occupational Safety and Health to—*

*(1) establish and maintain a national database on existing needleless systems and sharps with engineered sharps injury protections;*

*(2) develop a set of evaluation criteria for use by employers, employees, and other persons when they are evaluating and selecting needleless systems and sharps with engineered sharps injury protections;*

*(3) develop a model training curriculum to train employers, employees, and other persons on the process of evaluating needleless systems and sharps with engineered sharps injury protections and to the extent feasible to provide technical assistance to persons who request such assistance; and*

*(4) establish a national system to collect comprehensive data on needlestick injuries to health care workers, including data on mechanisms to analyze and evaluate prevention interventions in relation to needlestick injury occurrence.*

*(b) DEFINITIONS.—In this section:*

*(1) EMPLOYER.—The term "employer" means each employer having an employee with occupational exposure to human blood or other material potentially containing bloodborne pathogens.*

*(2) ENGINEERED SHARPS INJURY PROTECTIONS.—The term "engineered sharps injury protections" means—*

*(A) a physical attribute built into a needle device used for withdrawing body fluids, accessing a vein or artery, or administering medications or other fluids, that effectively reduces the risk of an exposure incident by a mechanism such as barrier creation, blunting, encapsulation, withdrawal, retraction, destruction, or other effective mechanisms; or*

*(B) a physical attribute built into any other type of needle device, or into a nonneedle sharp, which effectively reduces the risk of an exposure incident.*

*(3) NEEDLELESS SYSTEM.—The term "needleless system" means a device that does not use needles for—*

*(A) the withdrawal of body fluids after initial venous or arterial access is established;*

*(B) the administration of medication or fluids; and*

*(C) any other procedure involving the potential for an exposure incident.*

*(4) SHARP.—The term "sharp" means any object used or encountered in a health care setting that can be reasonably anticipated to penetrate the skin or any other part of the body, and to result in an exposure incident, including, but not limited to, needle devices, scalpels, lancets, broken glass, broken capillary tubes, exposed ends of dental wires and dental knives, drills, and burs.*

*(5) SHARPS INJURY.—The term "sharps injury" means any injury caused by a sharp, including cuts, abrasions, or needlesticks.*

*(c) OFFSET.—Amounts made available under this Act for the travel, consulting, and printing services for the Department of Labor, the Department of Health and Human Services, and the Department of Education shall be reduced on a pro rata basis by $10,000,000.*

*SEC. 220. None of the funds made available under this Act may be made available to any entity under the Public Health Service Act after September 1, 2001, unless the Director of the National Institutes of Health has provided to the Chairman and Ranking Member of the Senate Committees on Appropriations, and Health, Education, Labor, and Pensions a proposal to require a reasonable rate of return on both intramural and extramural research by March 31, 2001.*

*SEC. 221. (a) STUDY.—The Secretary of Health and Human Services shall conduct a study to examine—*

*(1) the experiences of hospitals in the United States in obtaining reimbursement from foreign health insurance companies whose enrollees receive medical treatment in the United States;*

*(2) the identity of the foreign health insurance companies that do not cooperate with or reimburse (in whole or in part) United States health care providers for medical services rendered in the United States to enrollees who are foreign nationals;*

*(3) the amount of unreimbursed services that hospitals in the United States provide to foreign nationals described in paragraph (2); and*

*(4) solutions to the problems identified in the study.*

*(b) REPORT.—Not later than March 31, 2001, the Secretary of Health and Human Services shall prepare and submit to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Appropriations, a report concerning the results of the study conducted under subsection (a), including the recommendations described in paragraph (4) of such subsection.*

*SEC. 222. NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT. Section 448 of the Public Health Service Act (42 U.S.C. 285g) is amended by inserting "gynecologic health," after "with respect to".*

*SEC. 223. In addition to amounts otherwise appropriated under this title for the Centers for Disease Control and Prevention, $37,500,000, to be utilized to provide grants to States and political subdivisions of States under section 317 of the Public Health Service Act to enable such States and political subdivisions to carry out immunization infrastructure and operations activities: Provided, That of the total amount made available in this Act for infrastructure funding for the Centers for Disease Control and Prevention, not less than 10 percent shall be used for immunization projects in areas with low or declining immunization rates or areas that are particularly susceptible to disease outbreaks, and not more than 14 percent shall be used to carry out the incentive bonus program: Provided further, That amounts made available under this Act for the administrative and related expenses of the Department of Health and Human Services, the Department of Labor, and the Department of Education shall be further reduced on a pro rata basis by $37,500,000.*

*SEC. 224. None of the funds appropriated under this Act shall be expended by the National Institutes of Health on a contract for the care of the 288 chimpanzees acquired by the National Institutes of Health from the Coulston Foundation, unless the contractor is accredited by the Association for the Assessment and Accreditation of Laboratory Animal Care International or has a Public Health Services assurance, and has not been charged multiple times with egregious violations of the Animal Welfare Act.*

*SEC. 225. (a) In addition to amounts made available under the heading "Health Resources and Services Administration-Health Resources and Services" for poison prevention and poison control center activities, there shall be available an additional $20,000,000 to provide assistance for such activities and to stabilize the funding of regional poison control centers as provided for pursuant to the Poison Control Center Enhancement and Awareness Act (Public Law 106–174).*

*(b) Amounts made available under this Act for the administrative and related expenses of the Department of Health and Human Services, the Department of Labor, and the Department of Education shall be further reduced on a pro rata basis by $20,000,000.*

*SEC. 226. SENSE OF THE SENATE REGARDING THE DELIVERY OF EMERGENCY MEDICAL SERVICES. (a) FINDINGS.—The Senate finds the following:*

*(1) Several States have developed and implemented a unique 2-tiered emergency medical services system that effectively provides services to the residents of those States.*

*(2) These 2-tiered systems include volunteer and for-profit emergency medical technicians who provide basic life support and hospital-based paramedics who provide advanced life support.*

*(3) These 2-tiered systems have provided universal access for residents of those States to affordable emergency services, while simultaneously ensuring that those persons in need of the most advanced care receive such care from the proper authorities.*

*(4) One State's 2-tiered system currently has an estimated 20,000 emergency medical technicians providing ambulance transportation for basic life support and advanced life support emergencies, over 80 percent of which are handled by volunteers who are not reimbursed under the medicare program under title XVIII of the Social Security Act.*

*(5) The hospital-based paramedics, also known as mobile intensive care units, are reimbursed under the medicare program when they respond to advanced life support emergencies.*

*(6) These 2-tiered State health systems save the lives of thousands of residents of those States each year, while saving the medicare program, in some instances, as much as $39,000,000 in reimbursement fees.*

*(7) When Congress requested that the Health Care Financing Administration enact changes to the emergency medical services fee schedule as a result of the Balanced Budget Act of 1997, including a general overhaul of reimbursement rates and administrative costs, it was in the spirit of streamlining the agency, controlling skyrocketing health care costs, and lengthening the solvency of the medicare program.*

*(8) The Health Care Financing Administration is considering implementing new emergency medical services reimbursement guidelines that may destabilize the 2-tier system that has developed in these States.*

*(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Health Care Financing Administration should—*

*(1) consider the unique nature of 2-tiered emergency medical services delivery systems when implementing new reimbursement guidelines for paramedics and hospitals under the medicare program under title XVIII of the Social Security Act; and*

*(2) promote innovative emergency medical service systems enacted by States that reduce reimbursement costs to the medicare program while ensuring that all residents receive quick and appropriate emergency care when needed.*

*SEC. 227. SENSE OF THE SENATE REGARDING IMPACTS OF THE BALANCED BUDGET ACT OF 1997. (a) FINDINGS.—The Senate makes the following findings:*

*(1) Since its passage in 1997, the Balanced Budget Act of 1997 has drastically cut payments under the medicare program under title XVIII of the Social Security Act in the areas of hospital, home health, and skilled nursing care, among others. While Congress intended to cut approximately $100,000,000,000 from the medicare program over 5 years, recent estimates put the actual cut at over $200,000,000,000.*

*(2) A recent study on home health care found that nearly 70 percent of hospital discharge planners surveyed reported a greater difficulty obtaining home health services for medicare beneficiaries as a result of the Balanced Budget Act of 1997.*

*(3) According to the Medicare Payment Advisory Commission, rural hospitals were disproportionately affected by the Balanced Budget Act of 1997, dropping the inpatient margins of such hospitals over 4 percentage points in 1998.*

*(b) SENSE OF SENATE.—It is the sense of the Senate that Congress and the President should act expeditiously to alleviate the adverse impacts of the Balanced Budget Act of 1997 on beneficiaries under the medicare program under title XVIII of the Social Security Act and health care providers participating in such program.*

## *TITLE III—DEPARTMENT OF EDUCATION*

### *OFFICE OF ELEMENTARY AND SECONDARY EDUCATION*

### *EDUCATION REFORM*

*For carrying out activities authorized by title IV of the Goals 2000: Educate America Act as in effect prior to September 30, 2000, and sections 3122, 3132, 3136, and 3141, parts B, C, and D of title III, and part I of title X of the Elementary and Secondary Education Act of 1965, $1,434,500,000, of which $40,000,000 shall be for the Goals 2000: Educate America Act, and of which $192,000,000 shall be for section 3122: Provided, That up to one-half of 1 percent of the amount available under section 3132 shall be set aside for the outlying areas, to be distributed on the basis of their relative need as determined by the Secretary in accordance with the purposes of the program: Provided further, That if any State educational agency does not apply for a grant under section 3132, that State's allotment under section 3131 shall be reserved by the Secretary for grants to local educational agencies in that State that apply directly to the Secretary according to the terms and conditions published by the Secretary in the Federal Register: Provided further, That, notwithstanding part I of title X of the Elementary and Secondary Education Act of 1965 or any other provision of law, a community-based organization that has experience in providing before- and after-school services shall be eligible to receive a grant under that part, on the same basis as a school or consortium described in section 10904 of that Act, and the Secretary shall give priority to any application for such a grant that is submitted jointly by such a community-based organization and such a school or consortium.*

### *EDUCATION FOR THE DISADVANTAGED*

*For carrying out title I of the Elementary and Secondary Education Act of 1965, and section 418A of the Higher Education Act of 1965, $8,986,800,000, of which $2,729,958,000 shall become available on July 1, 2001, and shall remain available through September 30, 2002, and of which $6,223,342,000 shall become available on October 1, 2001 and shall remain available through September 30, 2002, for academic year 2000–2001: Provided, That $7,113,403,000 shall be available for basic grants under section 1124: Provided further, That up to $3,500,000 of these funds shall be available to the Secretary on October 1, 2000, to obtain updated local educational agency level census poverty data from the Bureau of the Census: Provided further, That $1,222,397,000 shall be available for concentration grants under section 1124A: Provided further, That grant awards under sections 1124 and 1124A of title I of the Elementary and Secondary Education Act of 1965 shall be made to each State and local educational agency at no less than 100 percent of the amount such State or local educational agency received under this authority for fiscal year 2000: Provided further, That notwithstanding any other provision of law, grant awards under section 1124A of title I of the Elementary and Secondary Education Act of 1965 shall be made to those local educational agencies that received a Concentration Grant under the Department of Education Appropriations Act, 2000, but are not eligible to receive such a grant for fiscal year 2001: Provided further, That each such local educational agency shall receive an amount equal to the Concentration Grant the agency received in fiscal year 2000, ratably reduced, if necessary, to ensure that these local educational agencies receive no greater share of their hold-harmless amounts than other local educational agencies: Provided further, That notwithstanding any other provision of law, in calculating the amount of Federal assistance awarded to a State or local educational agency under any program under title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.) on the basis of a formula described in section 1124 or 1124A of such Act (20 U.S.C. 6333, 6334), any funds appropriated for the program in excess of the amount appropriated for the program for fiscal year 2000 shall be awarded according to the formula, except that, for such purposes, the formula shall be applied only to States or local educational agencies that experience a reduction under the program for fiscal year 2001 as a result of the application of the 100 percent hold harmless provisions under the heading "Education for the Disadvantaged": Provided further, That the Secretary shall not take into account the hold harmless provisions in this section in determining State allocations under any other program administered by the Secretary in any fiscal year.*

### *IMPACT AID*

*For carrying out programs of financial assistance to federally affected schools authorized by title VIII of the Elementary and Secondary Education Act of 1965, $1,030,000,000, of which $818,000,000 shall be for basic support payments under section 8003(b), $50,000,000 shall be for payments for children with disabilities under section 8003(d), $82,000,000, to remain available until expended, shall be for payments under section 8003(f), $35,000,000 shall be for construction under section 8007, $47,000,000 shall be for Federal property payments under section 8002 and $8,000,000 to remain available until expended shall be for facilities maintenance under section 8008: Provided, That amounts made available under this Act for the administrative and related expenses of the Department of Health and Human Services, the Department of Labor, and the Department of Education shall be further reduced on a pro rata basis by $10,000,000.*

### *SCHOOL IMPROVEMENT PROGRAMS*

*For carrying out school improvement activities authorized by titles II, IV, V–A and B, VI, IX, X, and XIII of the Elementary and Secondary*

*Education Act of 1965 ("ESEA"); the Stewart B. McKinney Homeless Assistance Act; and the Civil Rights Act of 1964 and part B of title VIII of the Higher Education Act of 1965; $4,672,534,000, of which $1,100,200,000 shall become available on July 1, 2001, and remain available through September 30, 2002, and of which $2,915,000,000 shall become available on October 1, 2001 and shall remain available through September 30, 2002 for academic year 2001–2002: Provided, That of the amount appropriated, $435,000,000 shall be for Eisenhower professional development State grants under title II–B and $3,100,000,000 shall be for title VI and up to $750,000 shall be for an evaluation of comprehensive regional assistance centers under title XIII of ESEA: Provided further, That of the amount made available for Title VI, $2,700,000,000 shall be available, notwithstanding any other provision of law, for purposes consistent with title VI to be determined by the local education agency as part of a local strategy for improving academic achievement: Provided further, That these funds may also be used to address the shortage of highly qualified teachers to reduce class size, particularly in early grades, using highly qualified teachers to improve educational achievement for regular and special needs children; to support efforts to recruit, train and retrain highly qualified teachers; to carry out part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.); or for school construction and renovation of facilities, at the sole discretion of the local educational agency: Provided further, That funds made available under this heading to carry out section 6301(b) of the Elementary and Secondary Education Act of 1965 shall be available for education reform projects that provide same gender schools and classrooms, consistent with applicable law: Provided further, That of the amount made available under this heading for activities carried out through the Fund for the Improvement of Education under part A of title X, $10,000,000 shall be made available to enable the Secretary of Education to award grants to develop and implement school dropout prevention programs.*

### *READING EXCELLENCE*

*For necessary expenses to carry out the Reading Excellence Act, $91,000,000, which shall become available on July 1, 2001 and shall remain available through September 30, 2002 and $195,000,000 which shall become available on October 1, 2001 and remain available through September 30, 2002.*

### *INDIAN EDUCATION*

*For expenses necessary to carry out, to the extent not otherwise provided, title IX, part A of the Elementary and Secondary Education Act of 1965, as amended, $115,500,000.*

## *OFFICE OF BILINGUAL EDUCATION AND MINORITY LANGUAGES AFFAIRS*

### *BILINGUAL AND IMMIGRANT EDUCATION*

*For carrying out, to the extent not otherwise provided, bilingual, foreign language and immigrant education activities authorized by parts A and C and section 7203 of title VII of the Elementary and Secondary Education Act of 1965, without regard to section 7103(b), $443,000,000: Provided, That State educational agencies may use all, or any part of, their part C allocation for competitive grants to local educational agencies.*

## *OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES*

### *SPECIAL EDUCATION*

*For carrying out the Individuals with Disabilities Education Act, $7,352,341,000, of which $2,464,452,000 shall become available for obligation on July 1, 2001, and shall remain available through September 30, 2002, and of which $4,624,000,000 shall become available on October 1, 2001 and shall remain available through September 30, 2002, for academic year 2001–2002: Provided, That $1,500,000 shall be for the recipient of funds provided by Public Law 105–78 under section 687(b)(2)(G) of the Act to provide information on diagnosis, intervention, and teaching strategies for children with disabilities: Provided further, That the amount for section 611(c) of the Act shall be equal to the amount available for that section under Public Law 106–113, increased by the rate of inflation as specified in section 611(f)(1)(B)(ii) of the Act.*

### *REHABILITATION SERVICES AND DISABILITY RESEARCH*

*For carrying out, to the extent not otherwise provided, the Rehabilitation Act of 1973, the Assistive Technology Act of 1998, and the Helen Keller National Center Act, $2,799,519,000: Provided, That notwithstanding section 105(b)(1) of the Assistive Technology Act of 1998 ("the AT Act"), each State shall be provided $50,000 for activities under section 102 of the AT Act: Provided further, That notwithstanding section 105(b)(1) and section 101(f)(2) and (3) of the Assistive Technology Act of 1998, each State shall be provided a minimum of $500,000 for activities under section 101: Provided further, That $7,000,000 shall be used to support grants for up to three years to states under title III of the AT Act, of which the Federal share shall not exceed 75 percent in the first year, 50 percent in the second year, and 25 percent in the third year, and that the requirements in section 301(c)(2) and section 302 of that Act shall not apply to such grants.*

## *SPECIAL INSTITUTIONS FOR PERSONS WITH DISABILITIES*

### *AMERICAN PRINTING HOUSE FOR THE BLIND*

*For carrying out the Act of March 3, 1879, as amended (20 U.S.C. 101 et seq.), $12,500,000.*

### *NATIONAL TECHNICAL INSTITUTE FOR THE DEAF*

*For the National Technical Institute for the Deaf under titles I and II of the Education of the Deaf Act of 1986 (20 U.S.C. 4301 et seq.), $54,366,000, of which $7,176,000 shall be for construction and shall remain available until expended: Provided, That from the total amount available, the Institute may at its discretion use funds for the endowment program as authorized under section 207.*

### *GALLAUDET UNIVERSITY*

*For the Kendall Demonstration Elementary School, the Model Secondary School for the Deaf, and the partial support of Gallaudet University under titles I and II of the Education of the Deaf Act of 1986 (20 U.S.C. 4301 et seq.), $87,650,000: Provided, That from the total amount available, the University may at its discretion use funds for the endowment program as authorized under section 207.*

## *OFFICE OF VOCATIONAL AND ADULT EDUCATION*

### *VOCATIONAL AND ADULT EDUCATION*

*For carrying out, to the extent not otherwise provided, the Carl D. Perkins Vocational and Technical Education Act, the Adult Education and Family Literacy Act, and title VIII–D of the Higher Education Act of 1965, as amended, and Public Law 102–73, $1,726,600,000, of which $1,000,000 shall remain available until expended, and of which $929,000,000 shall become available on July 1, 2001 and shall remain available through September 30, 2002 and of which $791,000,000 shall become available on October 1, 2001 and shall remain available through September 30, 2002: Provided, That of the amounts made available for the Carl D. Perkins Vocational and Technical Education Act, $5,600,000 shall be for tribally controlled postsecondary vocational and technical institutions under section 117: Provided further, That $9,000,000 shall be for carrying out section 118 of such Act: Provided further, That up to 15 percent of the funds provided may be used by the national entity designated under section 118(a) to cover the cost of authorized activities and operations, including Federal salaries and expenses: Provided further, That the national entity is authorized, effective upon enactment, to charge fees for publications, training, and technical assistance developed by that national entity: Provided further, That revenues received from publications and delivery of technical assistance and training, notwithstanding 31 U.S.C. 3302, may be credited to the national entity's account and shall be available to the national entity, without fiscal year limitation, so long as such revenues are used for authorized activities and operations of the national entity: Provided further, That of the funds made available to carry out section 204 of the Perkins Act, all funds that a State receives in excess of its prior-year allocation shall be competitively awarded: Provided further, That in making these awards, each State shall give priority to consortia whose applications most effectively integrate all components under section 204(c): Provided further, That of the amounts made available for the Carl D. Perkins Vocational and Technical Education Act, $5,000,000 shall be for demonstration activities authorized by section 207: Provided further, That of the amounts made available for the Adult Education and Family Literacy Act, $14,000,000 shall be for national leadership activities under section 243 and $6,500,000 shall be for the National Institute for Literacy under section 242: Provided further, That $22,000,000 shall be for Youth Offender Grants, of which $5,000,000 shall be used in accordance with section 601 of Public Law 102–73 as that section was in effect prior to the enactment of Public Law 105–220: Provided further, That of the amounts made available for title I of the Perkins Act, the Secretary may reserve up to 0.54 percent for incentive grants under section 503 of the Workforce Investment Act, without regard to section 111(a)(1)(C) of the Perkins Act: Provided further, That of the amounts made available for the Adult Education and Family Literacy Act, the Secretary may reserve up to 0.54 percent for incentive grants under section 503 of the Workforce Investment Act, without regard to section 211(a)(3) of the Adult Education and Family Literacy Act.*

## *OFFICE OF STUDENT FINANCIAL ASSISTANCE*

### *STUDENT FINANCIAL ASSISTANCE*

*For carrying out subparts 1, 3 and 4 of part A, part C and part E of title IV of the Higher Education Act of 1965, as amended, $10,624,000,000, which shall remain available through September 30, 2002.*

*The maximum Pell Grant for which a student shall be eligible during award year 2001–2002 shall be $3,650: Provided, That notwithstanding section 401(g) of the Act, if the Secretary determines, prior to publication of the payment schedule for such award year, that the amount included within this appropriation for Pell Grant awards in such award year, and any funds available from the fiscal year 2000 appropriation for Pell Grant awards, are insufficient to satisfy fully all such awards for which students are eligible, as calculated under section 401(b) of the Act, the amount paid for each such award shall be reduced by either a fixed or variable percentage, or by a fixed dollar amount, as determined in accordance with a schedule of reductions established by the Secretary for this purpose.*

### *FEDERAL FAMILY EDUCATION LOAN PROGRAM ACCOUNT*

*For Federal administrative expenses to carry out guaranteed student loans authorized by title IV, part B, of the Higher Education Act of 1965, as amended, $48,000,000.*

### OFFICE OF POSTSECONDARY EDUCATION

### HIGHER EDUCATION

*For carrying out, to the extent not otherwise provided, section 121 and titles II, III, IV, V, VI, VII, and VIII of the Higher Education Act of 1965, as amended, and the Mutual Educational and Cultural Exchange Act of 1961; $1,694,520,000, of which $10,000,000 for interest subsidies authorized by section 121 of the Higher Education Act of 1965, shall remain available until expended: Provided, That $11,000,000, to remain available through September 30, 2002, shall be available to fund fellowships under part A, subpart 1 of title VII of said Act, of which up to $1,000,000 shall be available to fund fellowships for academic year 2001–2002, and the remainder shall be available to fund fellowships for academic year 2002–2003: Provided further, That $3,000,000 is for data collection and evaluation activities for programs under the Higher Education Act of 1965, including such activities needed to comply with the Government Performance and Results Act of 1993: Provided further, That section 404F(a) of the Higher Education Amendments of 1998 is amended by striking out "using funds appropriated under section 404H that do not exceed $200,000" and inserting in lieu thereof "using not more than 0.2 percent of the funds appropriated under section 404H".*

### HOWARD UNIVERSITY

*For partial support of Howard University (20 U.S.C. 121 et seq.), $224,000,000, of which not less than $3,530,000 shall be for a matching endowment grant pursuant to the Howard University Endowment Act (Public Law 98–480) and shall remain available until expended.*

### COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM

*For Federal administrative expenses authorized under section 121 of the Higher Education Act of 1965, $737,000 to carry out activities related to existing facility loans entered into under the Higher Education Act of 1965.*

### HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING PROGRAM ACCOUNT

*The total amount of bonds insured pursuant to section 344 of title III, part D of the Higher Education Act of 1965 shall not exceed $357,000,000, and the cost, as defined in section 502 of the Congressional Budget Act of 1974, of such bonds shall not exceed zero.*

*For administrative expenses to carry out the Historically Black College and University Capital Financing Program entered into pursuant to title III, part D of the Higher Education Act of 1965, as amended, $208,000.*

### OFFICE OF EDUCATIONAL RESEARCH AND IMPROVEMENT

### EDUCATION RESEARCH, STATISTICS, AND IMPROVEMENT

*For carrying out activities authorized by the Educational Research, Development, Dissemination, and Improvement Act of 1994, including part E; the National Education Statistics Act of 1994, including sections 411 and 412; section 2102 of title II, and parts A, B, and K and section 10102, section 10105, and 10601 of title X, and part C of title XIII of the Elementary and Secondary Education Act of 1965, as amended, and title VI of Public Law 103–227, $506,519,000, of which $250,000 shall be for the Web-Based Education Commission: Provided, That of the funds appropriated under section 10601 of title X of the Elementary and Secondary Education Act of 1965, as amended, $1,500,000 shall be used to conduct a violence prevention demonstration program: Provided further, That of the funds appropriated $5,000,000 shall be made available for a high school State grant program to improve academic performance and provide technical skills training, $5,000,000 shall be made available to provide grants to enable elementary and secondary schools to provide physical education and improve physical fitness: Provided further, That $50,000,000 of the funds provided for the national education research institutes shall be allocated notwithstanding section 912(m)(1)(B–F) and subparagraphs (B) and (C) of section 931(c)(2) of Public Law 103–227 and $20,000,000 of that $50,000,000 shall be made available for the Interagency Education Research Initiative: Provided further, That the amounts made available under this Act for the administrative and related expenses of the Department of Health and Human Services, the Department of Labor, and the Department of Education shall be further reduced on a pro rata basis by $10,000,000: Provided further, That of the funds available for section 10601 of title X of the Elementary and Secondary Education Act of 1965, as amended, $150,000 shall be awarded to the Center for Educational Technologies to complete production and distribution of an effective CD–ROM product that would complement the "We the People: The Citizen and the Constitution" curriculum: Provided further, That, in addition to the funds for title VI of Public Law 103–227 and notwithstanding the provisions of section 601(c)(1)(C) of that Act, $1,000,000 shall be available to the Center for Civic Education to conduct a civic education program with Northern Ireland and the Republic of Ireland and, consistent with the civics and Government activities authorized in section 601(c)(3) of Public Law 103–227, to provide civic education assistance to democracies in developing countries. The term "developing countries" shall have the same meaning as the term "developing country" in the Education for the Deaf Act: Provided further, That of the amount made available under this heading for activities carried out through the Fund for the Improvement of Education under part A of title X, $50,000,000 shall be made available to enable the Secretary of Education to award grants to develop, implement, and strengthen programs to teach American history (not social studies) as a separate subject within school curricula.*

### DEPARTMENTAL MANAGEMENT

### PROGRAM ADMINISTRATION

*For carrying out, to the extent not otherwise provided, the Department of Education Organization Act, including rental of conference rooms in the District of Columbia and hire of two passenger motor vehicles, $396,671,000.*

### OFFICE FOR CIVIL RIGHTS

*For expenses necessary for the Office for Civil Rights, as authorized by section 203 of the Department of Education Organization Act, $73,224,000.*

### OFFICE OF THE INSPECTOR GENERAL

*For expenses necessary for the Office of Inspector General, as authorized by section 212 of the Department of Education Organization Act, $35,456,000.*

### GENERAL PROVISIONS

*SEC. 301. No funds appropriated in this Act may be used for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to overcome racial imbalance in any school or school system, or for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to carry out a plan of racial desegregation of any school or school system.*

*SEC. 302. None of the funds contained in this Act shall be used to require, directly or indirectly, the transportation of any student to a school other than the school which is nearest the student's home, except for a student requiring special education, to the school offering such special education, in order to comply with title VI of the Civil Rights Act of 1964. For the purpose of this section an indirect requirement of transportation of students includes the transportation of students to carry out a plan involving the reorganization of the grade structure of schools, the pairing of schools, or the clustering of schools, or any combination of grade restructuring, pairing or clustering. The prohibition described in this section does not include the establishment of magnet schools.*

*SEC. 303. No funds appropriated under this Act may be used to prevent the implementation of programs of voluntary prayer and meditation in the public schools.*

### (TRANSFER OF FUNDS)

*SEC. 304. Not to exceed 1 percent of any discretionary funds (pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended) which are appropriated for the Department of Education in this Act may be transferred between appropriations, but no such appropriation shall be increased by more than 3 percent by any such transfer: Provided, That the Appropriations Committees of both Houses of Congress are notified at least 15 days in advance of any transfer.*

*SEC. 305. IMPACT AID. Notwithstanding any other provision of this Act—*

*(1) the total amount appropriated under this title to carry out title VIII of the Elementary and Secondary Education Act of 1965 shall be $1,075,000,000;*

*(2) the total amount appropriated under this title for basic support payments under section 8003(b) of the Elementary and Secondary Education Act of 1965 shall be $853,000,000; and*

*(3) amounts made available for the administrative and related expenses of the Department of Labor, Health and Human Services, and Education, shall be further reduced on a pro rata basis by $35,000,000.*

*SEC. 306. (a) In addition to any amounts appropriated under this title for the loan forgiveness for child care providers program under section 428K of the Higher Education Act of 1965 (20 U.S.C. 1078–11), an additional $10,000,000 is appropriated to carry out such program.*

*(b) Notwithstanding any other provision of this Act, amounts made available under titles I and II, and this title, for salaries and expenses at the Departments of Labor, Health and Human Services, and Education, respectively, shall be reduced on a pro rata basis by $10,000,000.*

*SEC. 307. TECHNOLOGY AND MEDIA SERVICES. Notwithstanding any other provision of this Act—*

*(1) the total amount appropriated under this title under the heading "OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES" under the heading "SPECIAL EDUCATION" to carry out the Individuals with Disabilities Education Act shall be $7,353,141,000, of which $35,323,000 shall be available for technology and media services; and*

*(2) the total amount appropriated under this title under the heading "DEPARTMENTAL MANAGEMENT" under the heading "PROGRAM ADMINISTRATION" shall be further reduced by $800,000.*

*SEC. 308. (a) In addition to any amounts appropriated under this title for the Perkin's loan cancellation program under section 465 of the Higher Education Act of 1965 (20 U.S.C. 1087ee), an additional $15,000,000 is appropriated to carry out such program.*

*(b) Notwithstanding any other provision of this Act, amounts made available under titles I and II, and this title, for salaries and expenses at the Departments of Labor, Health and Human Services, and Education, respectively, shall be further reduced on a pro rata basis by $15,000,000.*

*SEC. 309. The Comptroller General of the United States shall evaluate the extent to which funds made available under part A of title I of the Elementary and Secondary Education Act of 1965 are allocated to schools and local educational agencies with the greatest concentrations of school-age children from low-income* *families, the extent to which allocations of such funds adjust to shifts in concentrations of pupils from low-income families in different regions, States, and substate areas, the extent to which the allocation of such funds encourages the targeting of State funds to areas with higher concentrations of children from low-income families, the implications of current distribution methods for such funds, and formula and other policy recommendations to improve the targeting of such funds to more effectively serve low-income children in both rural and urban areas, and for preparing interim and final reports based on the results of the study, to be submitted to Congress not later than February 1, 2001, and April 1, 2001.*

*SEC. 310. The amount made available under this title under the heading "OFFICE OF POSTSECONDARY EDUCATION" under the heading "HIGHER EDUCATION" to carry out section 316 of the Higher Education Act of 1965 is increased by $5,000,000, which increase shall be used for construction and renovation projects under such section; and the amount made available under this title under the heading "OFFICE OF POSTSECONDARY EDUCATION" under the heading "HIGHER EDUCATION" to carry out part B of title VII of the Higher Education Act of 1965 is decreased by $5,000,000.*

## *TITLE IV—RELATED AGENCIES*

### *ARMED FORCES RETIREMENT HOME*

#### *ARMED FORCES RETIREMENT HOME*

*For expenses necessary for the Armed Forces Retirement Home to operate and maintain the United States Soldiers' and Airmen's Home and the United States Naval Home, to be paid from funds available in the Armed Forces Retirement Home Trust Fund, $69,832,000, of which $9,832,000 shall remain available until expended for construction and renovation of the physical plants at the United States Soldiers' and Airmen's Home and the United States Naval Home: Provided, That, notwithstanding any other provision of law, a single contract or related contracts for development and construction, to include construction of a long-term care facility at the United States Naval Home, may be employed which collectively include the full scope of the project: Provided further, That the solicitation and contract shall contain the clause "availability of funds" found at 48 CFR 52.232-18 and 252.232-7007, Limitation of Government Obligations. In addition, for completion of the long-term care facility at the United States Naval Home, $6,228,000 to become available on October 1, 2001, and remain available until expended.*

### *CORPORATION FOR NATIONAL AND COMMUNITY SERVICE*

#### *DOMESTIC VOLUNTEER SERVICE PROGRAMS, OPERATING EXPENSES*

*For expenses necessary for the Corporation for National and Community Service to carry out the provisions of the Domestic Volunteer Service Act of 1973, as amended, $302,504,000: Provided, That none of the funds made available to the Corporation for National and Community Service in this Act for activities authorized by part E of title II of the Domestic Volunteer Service Act of 1973 shall be used to provide stipends or other monetary incentives to volunteers or volunteer leaders whose incomes exceed 125 percent of the national poverty level.*

### *CORPORATION FOR PUBLIC BROADCASTING*

*For payment to the Corporation for Public Broadcasting, as authorized by the Communications Act of 1934, an amount which shall be available within limitations specified by that Act, for the fiscal year 2003, $365,000,000: Provided, That no funds made available to the Corporation for Public Broadcasting by this Act shall be used to pay for receptions, parties, or similar forms of entertainment for Government officials or employees: Provided further, That none of the funds contained in this paragraph shall be available or used to aid or support any program or activity from which any person is excluded, or is denied benefits, or is discriminated against, on the basis of race, color, national origin, religion, or sex: Provided further, That in addition to the amounts provided above, $20,000,000, to remain available until expended, shall be for digitalization, pending enactment of authorizing legislation.*

### *FEDERAL MEDIATION AND CONCILIATION SERVICE*

#### *SALARIES AND EXPENSES*

*For expenses necessary for the Federal Mediation and Conciliation Service to carry out the functions vested in it by the Labor Management Relations Act, 1947 (29 U.S.C. 171-180, 182-183), including hire of passenger motor vehicles; for expenses necessary for the Labor-Management Cooperation Act of 1978 (29 U.S.C. 175a); and for expenses necessary for the Service to carry out the functions vested in it by the Civil Service Reform Act, Public Law 95-454 (5 U.S.C. ch. 71), $38,200,000, including $1,500,000, to remain available through September 30, 2002, for activities authorized by the Labor-Management Cooperation Act of 1978 (29 U.S.C. 175a): Provided, That notwithstanding 31 U.S.C. 3302, fees charged, up to full-cost recovery, for special training activities and other conflict resolution services and technical assistance, including those provided to foreign governments and international organizations, and for arbitration services shall be credited to and merged with this account, and shall remain available until expended: Provided further, That fees for arbitration services shall be available only for education, training, and professional development of the agency workforce: Provided further, That the Director of the Service is authorized to accept and use on behalf of the United States gifts of services and real, personal, or other property in the aid of any projects or functions within the Director's jurisdiction.*

### *FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION*

#### *SALARIES AND EXPENSES*

*For expenses necessary for the Federal Mine Safety and Health Review Commission (30 U.S.C. 801 et seq.), $6,320,000.*

### *INSTITUTE OF MUSEUM AND LIBRARY SERVICES*

#### *OFFICE OF LIBRARY SERVICES: GRANTS AND ADMINISTRATION*

*For carrying out subtitle B of the Museum and Library Services Act, $168,000,000, to remain available until expended.*

### *MEDICARE PAYMENT ADVISORY COMMISSION*

#### *SALARIES AND EXPENSES*

*For expenses necessary to carry out section 1805 of the Social Security Act, $8,000,000, to be transferred to this appropriation from the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds.*

### *NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE*

#### *SALARIES AND EXPENSES*

*For necessary expenses for the National Commission on Libraries and Information Science, established by the Act of July 20, 1970 (Public Law 91-345, as amended), $1,495,000.*

### *NATIONAL COUNCIL ON DISABILITY*

#### *SALARIES AND EXPENSES*

*For expenses necessary for the National Council on Disability as authorized by title IV of the Rehabilitation Act of 1973, as amended, $2,615,000.*

### *NATIONAL EDUCATION GOALS PANEL*

*For expenses necessary for the National Education Goals Panel, as authorized by title II, part A of the Goals 2000: Educate America Act, $2,350,000.*

### *NATIONAL LABOR RELATIONS BOARD*

#### *SALARIES AND EXPENSES*

*For expenses necessary for the National Labor Relations Board to carry out the functions vested in it by the Labor-Management Relations Act, 1947, as amended (29 U.S.C. 141-167), and other laws, $216,438,000: Provided, That no part of this appropriation shall be available to organize or assist in organizing agricultural laborers or used in connection with investigations, hearings, directives, or orders concerning bargaining units composed of agricultural laborers as referred to in section 2(3) of the Act of July 5, 1935 (29 U.S.C. 152), and as amended by the Labor-Management Relations Act, 1947, as amended, and as defined in section 3(f) of the Act of June 25, 1938 (29 U.S.C. 203), and including in said definition employees engaged in the maintenance and operation of ditches, canals, reservoirs, and waterways when maintained or operated on a mutual, nonprofit basis and at least 95 percent of the water stored or supplied thereby is used for farming purposes.*

### *NATIONAL MEDIATION BOARD*

#### *SALARIES AND EXPENSES*

*For expenses necessary to carry out the provisions of the Railway Labor Act, as amended (45 U.S.C. 151-188), including emergency boards appointed by the President, $10,400,000.*

### *OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION*

#### *SALARIES AND EXPENSES*

*For expenses necessary for the Occupational Safety and Health Review Commission (29 U.S.C. 661), $8,720,000.*

### *RAILROAD RETIREMENT BOARD*

#### *DUAL BENEFITS PAYMENTS ACCOUNT*

*For payment to the Dual Benefits Payments Account, authorized under section 15(d) of the Railroad Retirement Act of 1974, $160,000,000, which shall include amounts becoming available in fiscal year 2001 pursuant to section 224(c)(1)(B) of Public Law 98-76; and in addition, an amount, not to exceed 2 percent of the amount provided herein, shall be available proportional to the amount by which the product of recipients and the average benefit received exceeds $160,000,000: Provided, That the total amount provided herein shall be credited in 12 approximately equal amounts on the first day of each month in the fiscal year.*

#### *FEDERAL PAYMENTS TO THE RAILROAD RETIREMENT ACCOUNTS*

*For payment to the accounts established in the Treasury for the payment of benefits under the Railroad Retirement Act for interest earned on unnegotiated checks, $150,000, to remain available through September 30, 2002, which shall be the maximum amount available for payment pursuant to section 417 of Public Law 98-76.*

#### *LIMITATION ON ADMINISTRATION*

*For necessary expenses for the Railroad Retirement Board for administration of the Railroad Retirement Act and the Railroad Unemployment Insurance Act, $92,500,000, to be derived in such amounts as determined by the Board from the railroad retirement accounts and from moneys credited to the railroad unemployment insurance administration fund.*

#### *LIMITATION ON THE OFFICE OF INSPECTOR GENERAL*

*For expenses necessary for the Office of Inspector General for audit, investigatory and review activities, as authorized by the Inspector General Act of 1978, as amended, not more than $5,700,000, to be derived from the railroad retirement accounts and railroad unemployment insurance account: Provided, That none of the funds made available in any other paragraph of this Act may be transferred to the Office; used* to carry out any such transfer; used to provide any office space, equipment, office supplies, communications facilities or services, maintenance services, or administrative services for the Office; used to pay any salary, benefit, or award for any personnel of the Office; used to pay any other operating expense of the Office; or used to reimburse the Office for any service provided, or expense incurred, by the Office.

### SOCIAL SECURITY ADMINISTRATION

#### PAYMENTS TO SOCIAL SECURITY TRUST FUNDS

For payment to the Federal Old-Age and Survivors Insurance and the Federal Disability Insurance trust funds, as provided under sections 201(m), 228(g), and 1131(b)(2) of the Social Security Act, $20,400,000.

#### SPECIAL BENEFITS FOR DISABLED COAL MINERS

For carrying out title IV of the Federal Mine Safety and Health Act of 1977, $365,748,000, to remain available until expended.

For making, after July 31 of the current fiscal year, benefit payments to individuals under title IV of the Federal Mine Safety and Health Act of 1977, for costs incurred in the current fiscal year, such amounts as may be necessary.

For making benefit payments under title IV of the Federal Mine Safety and Health Act of 1977 for the first quarter of fiscal year 2002, $114,000,000, to remain available until expended.

#### SUPPLEMENTAL SECURITY INCOME PROGRAM

For carrying out titles XI and XVI of the Social Security Act, section 401 of Public Law 92-603, section 212 of Public Law 93-66, as amended, and section 405 of Public Law 95-216, including payment to the Social Security trust funds for administrative expenses incurred pursuant to section 201(g)(1) of the Social Security Act, $23,053,000,000, to remain available until expended: *Provided*, That any portion of the funds provided to a State in the current fiscal year and not obligated by the State during that year shall be returned to the Treasury.

From funds provided under the previous paragraph, not less than $100,000,000 shall be available for payment to the Social Security trust funds for administrative expenses for conducting continuing disability reviews.

In addition, $210,000,000, to remain available until September 30, 2002, for payment to the Social Security trust funds for administrative expenses for continuing disability reviews as authorized by section 103 of Public Law 104-121 and section 10203 of Public Law 105-33. The term "continuing disability reviews" means reviews and redeterminations as defined under section 201(g)(1)(A) of the Social Security Act, as amended.

For making, after June 15 of the current fiscal year, benefit payments to individuals under title XVI of the Social Security Act, for unanticipated costs incurred for the current fiscal year, such sums as may be necessary.

For making benefit payments under title XVI of the Social Security Act for the first quarter of fiscal year 2002, $10,470,000,000, to remain available until expended.

#### LIMITATION ON ADMINISTRATIVE EXPENSES

For necessary expenses, including the hire of two passenger motor vehicles, and not to exceed $10,000 for official reception and representation expenses, not more than $6,469,800,000 may be expended, as authorized by section 201(g)(1) of the Social Security Act, from any one or all of the trust funds referred to therein: Provided, That not less than $1,800,000 shall be for the Social Security Advisory Board: Provided further, That unobligated balances at the end of fiscal year 2001 not needed for fiscal year 2001 shall remain available until expended to invest in the Social Security Administration information technology and telecommunications hardware and software infrastructure, including related equipment and non-payroll administrative expenses.

From funds provided under the first paragraph, not less than $200,000,000 shall be available for conducting continuing disability reviews.

In addition to funding already available under this heading, and subject to the same terms and conditions, $450,000,000, to remain available until September 30, 2002, for continuing disability reviews as authorized by section 103 of Public Law 104-121 and section 10203 of Public Law 105-33. The term "continuing disability reviews" means reviews and redeterminations as defined under section 201(g)(1)(A) of the Social Security Act, as amended.

In addition, $91,000,000 to be derived from administration fees in excess of $5.00 per supplementary payment collected pursuant to section 1616(d) of the Social Security Act or section 212(b)(3) of Public Law 93-66, which shall remain available until expended. To the extent that the amounts collected pursuant to such section 1616(d) or 212(b)(3) in fiscal year 2001 exceed $91,000,000, the amounts shall be available in fiscal year 2002 only to the extent provided in advance in appropriations Acts.

From funds previously appropriated for this purpose, any unobligated balances at the end of fiscal year 2000 shall be available to continue Federal-State partnerships which will evaluate means to promote Medicare buy-in programs targeted to elderly and disabled individuals under titles XVIII and XIX of the Social Security Act.

#### OFFICE OF INSPECTOR GENERAL

#### (INCLUDING TRANSFER OF FUNDS)

For expenses necessary for the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $16,944,000, together with not to exceed $52,500,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

In addition, an amount not to exceed 3 percent of the total provided in this appropriation may be transferred from the "Limitation on Administrative Expenses", Social Security Administration, to be merged with this account, to be available for the time and purposes for which this account is available: Provided, That notice of such transfers shall be transmitted promptly to the Committees on Appropriations of the House and Senate.

### UNITED STATES INSTITUTE OF PEACE

#### OPERATING EXPENSES

For necessary expenses of the United States Institute of Peace as authorized in the United States Institute of Peace Act, $12,951,000.

## TITLE V—GENERAL PROVISIONS

SEC. 501. The Secretaries of Labor, Health and Human Services, and Education are authorized to transfer unexpended balances of prior appropriations to accounts corresponding to current appropriations provided in this Act: Provided, That such transferred balances are used for the same purpose, and for the same periods of time, for which they were originally appropriated.

SEC. 502. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 503. (a) No part of any appropriation contained in this Act shall be used, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television, or video presentation designed to support or defeat legislation pending before the Congress or any State legislature, except in presentation to the Congress or any State legislature itself.

(b) No part of any appropriation contained in this Act shall be used to pay the salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity designed to influence legislation or appropriations pending before the Congress or any State legislature.

SEC. 504. The Secretaries of Labor and Education are authorized to make available not to exceed $20,000 and $15,000, respectively, from funds available for salaries and expenses under titles I and III, respectively, for official reception and representation expenses; the Director of the Federal Mediation and Conciliation Service is authorized to make available for official reception and representation expenses not to exceed $2,500 from the funds available for "Salaries and expenses, Federal Mediation and Conciliation Service"; and the Chairman of the National Mediation Board is authorized to make available for official reception and representation expenses not to exceed $2,500 from funds available for "Salaries and expenses, National Mediation Board".

SEC. 505. Notwithstanding any other provision of this Act, no funds appropriated under this Act shall be used to carry out any program of distributing sterile needles or syringes for the hypodermic injection of any illegal drug unless the Secretary of Health and Human Services determines that such programs are effective in preventing the spread of HIV and do not encourage the use of illegal drugs.

SEC. 506. (a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

(b) NOTICE REQUIREMENT.—In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

(c) PROHIBITION OF CONTRACTS WITH PERSONS FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a "Made in America" inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the person shall be ineligible to receive any contract or subcontract made with funds made available in this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 507. When issuing statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with Federal money, all grantees receiving Federal funds included in this Act, including but not limited to State and local governments and recipients of Federal research grants, shall clearly state: (1) the percentage of the total costs of the program or project which will be financed with Federal money; (2) the dollar amount of Federal funds for the project or program; and (3) percentage and dollar amount of the total costs of the project or program that will be financed by non-governmental sources.

SEC. 508. (a) None of the funds appropriated under this Act, and none of the funds in any trust fund to which funds are appropriated under this Act, shall be expended for any abortion.

(b) None of the funds appropriated under this Act, and none of the funds in any trust fund to which funds are appropriated under this Act, shall be expended for health benefits coverage that includes coverage of abortion.

*(c) The term "health benefits coverage" means the package of services covered by a managed care provider or organization pursuant to a contract or other arrangement.*

*SEC. 509. (a) The limitations established in the preceding section shall not apply to an abortion—*

*(1) if the pregnancy is the result of an act of rape or incest; or*

*(2) in the case where a woman suffers from a physical disorder, physical injury, or physical illness, including a life-endangering physical condition caused by or arising from the pregnancy itself, that would, as certified by a physician, place the woman in danger of death unless an abortion is performed.*

*(b) Nothing in the preceding section shall be construed as prohibiting the expenditure by a State, locality, entity, or private person of State, local, or private funds (other than a State's or locality's contribution of Medicaid matching funds).*

*(c) Nothing in the preceding section shall be construed as restricting the ability of any managed care provider from offering abortion coverage or the ability of a State or locality to contract separately with such a provider for such coverage with State funds (other than a State's or locality's contribution of Medicaid matching funds).*

*SEC. 510. (a) None of the funds made available in this Act may be used for—*

*(1) the creation of a human embryo or embryos for research purposes; or*

*(2) research in which a human embryo or embryos are destroyed, discarded, or knowingly subjected to risk of injury or death greater than that allowed for research on fetuses in utero under 45 CFR 46.208(a)(2) and section 498(b) of the Public Health Service Act (42 U.S.C. 289g(b)).*

*(b) For purposes of this section, the term "human embryo or embryos" includes any organism, not protected as a human subject under 45 CFR 46 as of the date of the enactment of this Act, that is derived by fertilization, parthenogenesis, cloning, or any other means from one or more human gametes or human diploid cells.*

*SEC. 511. (a) LIMITATION ON USE OF FUNDS FOR PROMOTION OF LEGALIZATION OF CONTROLLED SUBSTANCES.—None of the funds made available in this Act may be used for any activity that promotes the legalization of any drug or other substance included in schedule I of the schedules of controlled substances established by section 202 of the Controlled Substances Act (21 U.S.C. 812).*

*(b) EXCEPTIONS.—The limitation in subsection (a) shall not apply when there is significant medical evidence of a therapeutic advantage to the use of such drug or other substance or that federally sponsored clinical trials are being conducted to determine therapeutic advantage.*

*SEC. 512. None of the funds made available in this Act may be obligated or expended to enter into or renew a contract with an entity if—*

*(1) such entity is otherwise a contractor with the United States and is subject to the requirement in section 4212(d) of title 38, United States Code, regarding submission of an annual report to the Secretary of Labor concerning employment of certain veterans; and*

*(2) such entity has not submitted a report as required by that section for the most recent year for which such requirement was applicable to such entity.*

*SEC. 513. Except as otherwise specifically provided by law, unobligated balances remaining available at the end of fiscal year 2000 from appropriations made available for salaries and expenses for fiscal year 2000 in this Act, shall remain available through December 31, 2001, for each such account for the purposes authorized: Provided, That the House and Senate Committees on Appropriations shall be notified at least 15 days prior to the obligation of such funds.*

*SEC. 514. None of the funds made available in this Act may be used to promulgate or adopt any final standard under section 1173(b) of the Social Security Act (42 U.S.C. 1320d–2(b)) providing for, or providing for the assignment of, a unique health identifier for an individual (except in an individual's capacity as an employer or a health care provider), until legislation is enacted specifically approving the standard.*

*SEC. 515. Section 410(b) of The Ticket to Work and Work Incentives Improvement Act of 1999 (Public Law 106–170) is amended by striking "2009" both places it appears and inserting "2001".*

*SEC. 516. Amounts made available under this Act for the administrative and related expenses for departmental management for the Department of Labor, the Department of Health and Human Services, and the Department of Education shall be reduced on pro rata basis by $50,000,000.*

*SEC. 517. (a) None of the funds appropriated under this Act to carry out section 330 or title X of the Public Health Service Act (42 U.S.C. 254b, 300 et seq.), title V or XIX of the Social Security Act (42 U.S.C. 701 et seq., 1396 et seq.), or any other provision of law, shall be used for the distribution or provision of postcoital emergency contraception, or the provision of a prescription for postcoital emergency contraception, to an unemancipated minor, on the premises or in the facilities of any elementary school or secondary school.*

*(b) This section takes effect 1 day after the date of enactment of this Act.*

*(c) In this section:*

*(1) The terms "elementary school" and "secondary school" have the meanings given the terms in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801).*

*(2) The term "unemancipated minor" means an unmarried individual who is 17 years of age or younger and is a dependent, as defined in section 152(a) of the Internal Revenue Code of 1986.*

*SEC. 518. Title V of the Public Health Service Act (42 U.S.C. 290aa et seq.) is amended by adding at the end the following:*

### *"PART G—REQUIREMENT RELATING TO THE RIGHTS OF RESIDENTS OF CERTAIN FACILITIES*

***"SEC. 581. REQUIREMENT RELATING TO THE RIGHTS OF RESIDENTS OF CERTAIN FACILITIES.***

*"(a) IN GENERAL.—A public or private general hospital, nursing facility, intermediate care facility, residential treatment center, or other health care facility, that receives support in any form from any program supported in whole or in part with funds appropriated to any Federal department or agency shall protect and promote the rights of each resident of the facility, including the right to be free from physical or mental abuse, corporal punishment, and any restraints or involuntary seclusions imposed for purposes of discipline or convenience.*

*"(b) REQUIREMENTS.—Restraints and seclusion may only be imposed on a resident of a facility described in subsection (a) if—*

*"(1) the restraints or seclusion are imposed to ensure the physical safety of the resident, a staff member, or others; and*

*"(2) the restraints or seclusion are imposed only upon the written order of a physician, or other licensed independent practitioner permitted by the State and the facility to order such restraint or seclusion, that specifies the duration and circumstances under which the restraints are to be used (except in emergency circumstances specified by the Secretary until such an order could reasonably be obtained).*

*"(c) DEFINITIONS.—In this section:*

*"(1) RESTRAINTS.—The term 'restraints' means—*

*"(A) any physical restraint that is a mechanical or personal restriction that immobilizes or reduces the ability of an individual to move his or her arms, legs, or head freely, not including devices, such as orthopedically prescribed devices, surgical dressings or bandages, protective helmets, or any other methods that involves the physical holding of a resident for the purpose of conducting routine physical examinations or tests or to protect the resident from falling out of bed or to permit the resident to participate in activities without the risk of physical harm to the resident; and*

*"(B) a drug or medication that is used as a restraint to control behavior or restrict the resident's freedom of movement that is not a standard treatment for the resident's medical or psychiatric condition.*

*"(2) SECLUSION.—The term 'seclusion' means any separation of the resident from the general population of the facility that prevents the resident from returning to such population if he or she desires.*

***"SEC. 582. REPORTING REQUIREMENT.***

*"(a) IN GENERAL.— Each facility to which the Protection and Advocacy for Mentally Ill Individuals Act of 1986 applies shall notify the appropriate agency, as determined by the Secretary, of each death that occurs at each such facility while a patient is restrained or in seclusion, of each death occurring within 24 hours after the patient has been removed from restraints and seclusion, or where it is reasonable to assume that a patient's death is a result of such seclusion or restraint. A notification under this section shall include the name of the resident and shall be provided not later than 7 days after the date of the death of the individual involved.*

*"(b) FACILITY.—In this section, the term 'facility' has the meaning given the term 'facilities' in section 102(3) of the Protection and Advocacy for Mentally Ill Individuals Act of 1986 (42 U.S.C. 10802(3)).".*

***"SEC. 583. REGULATIONS AND ENFORCEMENT.***

*"(a) TRAINING.—Not later than 1 year after the date of enactment of this part, the Secretary, after consultation with appropriate State and local protection and advocacy organizations, physicians, facilities, and other health care professionals and patients, shall promulgate regulations that require facilities to which the Protection and Advocacy for Mentally Ill Individuals Act of 1986 (42 U.S.C. 10801 et seq.) applies, to meet the requirements of subsection (b).*

*"(b) REQUIREMENTS.—The regulations promulgated under subsection (a) shall require that—*

*"(1) facilities described in subsection (a) ensure that there is an adequate number of qualified professional and supportive staff to evaluate patients, formulate written individualized, comprehensive treatment plans, and to provide active treatment measures;*

*"(2) appropriate training be provided for the staff of such facilities in the use of restraints and any alternatives to the use of restraints; and*

*"(3) such facilities provide complete and accurate notification of deaths, as required under section 582(a).*

*"(c) ENFORCEMENT.—A facility to which this part applies that fails to comply with any requirement of this part, including a failure to provide appropriate training, shall not be eligible for participation in any program supported in whole or in part by funds appropriated to any Federal department or agency.".*

*SEC. 519. It is the sense of the Senate that each entity carrying out an Early Head Start program under the Head Start Act should—*

*(1) determine whether a child eligible to participate in the Early Head Start program has received a blood lead screening test, using a test that is appropriate for age and risk factors, upon the enrollment of the child in the program; and*

*(2) in the case of an child who has not received such a blood lead screening test, ensure that each enrolled child receives such a test either by referral or by performing the test (under contract or otherwise).*

*SEC. 520. (a) Whereas sexual abuse in schools between a student and a member of the school staff or a student and another student is a cause for concern in America;*

*(b) Whereas relatively few studies have been conducted on sexual abuse in schools and the extent of this problem is unknown;*

*(c) Whereas according to the Child Abuse and Neglect Reporting Act, a school administrator is required to report any allegation of sexual abuse to the appropriate authorities;*

*(d) Whereas an individual who is falsely accused of sexual misconduct with a student deserves appropriate legal and professional protections;*

*(e) Whereas it is estimated that many cases of sexual abuse in schools are not reported;*

*(f) Whereas many of the accused staff quietly resign at their present school district and are then rehired at a new district which has no knowledge of their alleged abuse;*

*(g) Therefore, it is the Sense of the Senate that the Secretary of Education should initiate a study and make recommendations to Congress and State and local governments on the issue of sexual abuse in schools.*

### *TITLE VI—CHILDREN'S INTERNET PROTECTION*

*SEC. 601. SHORT TITLE. This title may be cited as the "Childrens' Internet Protection Act".*

*SEC. 602. REQUIREMENT FOR SCHOOLS AND LIBRARIES TO IMPLEMENT FILTERING OR BLOCKING TECHNOLOGY FOR COMPUTERS WITH INTERNET ACCESS AS CONDITION OF UNIVERSAL SERVICE DISCOUNTS. (a) SCHOOLS.—Section 254(h) of the Communications Act of 1934 (47 U.S.C. 254(h)) is amended—*

*(1) by redesignating paragraph (5) as paragraph (7); and*

*(2) by inserting after paragraph (4) the following new paragraph (5):*

*"(5) REQUIREMENTS FOR CERTAIN SCHOOLS WITH COMPUTERS HAVING INTERNET ACCESS.—*

*"(A) INTERNET FILTERING.—*

*"(i) IN GENERAL.—Except as provided in clause (ii), an elementary or secondary school having computers with Internet access may not receive services at discount rates under paragraph (1)(B) unless the school, school board, or other authority with responsibility for administration of the school—*

*"(I) submits to the Commission a certification described in subparagraph (B); and*

*"(II) ensures the use of such computers in accordance with the certification.*

*"(ii) APPLICABILITY.—The prohibition in paragraph (1) shall not apply with respect to a school that receives services at discount rates under paragraph (1)(B) only for purposes other than the provision of Internet access, Internet service, or internal connections.*

*"(B) CERTIFICATION.—A certification under this subparagraph is a certification that the school, school board, or other authority with responsibility for administration of the school—*

*"(i) has selected a technology for its computers with Internet access in order to filter or block Internet access through such computers to—*

*"(I) material that is obscene; and*

*"(II) child pornography; and*

*"(ii) is enforcing a policy to ensure the operation of the technology during any use of such computers by minors.*

*"(C) ADDITIONAL USE OF TECHNOLOGY.—A school, school board, or other authority may also use a technology covered by a certification under subparagraph (B) to filter or block Internet access through the computers concerned to any material in addition to the material specified in that subparagraph that the school, school board, or other authority determines to be inappropriate for minors.*

*"(D) TIMING OF CERTIFICATIONS.—*

*"(i) SCHOOLS WITH COMPUTERS ON EFFECTIVE DATE.—*

*"(I) IN GENERAL.—Subject to subclause (II), in the case of any school covered by this paragraph as of the effective date of this paragraph under section 602(h) of the Childrens' Internet Protection Act, the certification under subparagraph (B) shall be made not later than 30 days after such effective date.*

*"(II) DELAY.—A certification for a school covered by subclause (I) may be made at a date that is later than is otherwise required by that subclause if State or local procurement rules or regulations or competitive bidding requirements prevent the making of the certification on the date otherwise required by that subclause. A school, school board, or other authority with responsibility for administration of the school shall notify the Commission of the applicability of this subclause to the school. Such notice shall specify the date on which the certification with respect to the school shall be effective for purposes of this clause.*

*"(ii) SCHOOLS ACQUIRING COMPUTERS AFTER EFFECTIVE DATE.—In the case of any school that first becomes covered by this paragraph after such effective date, the certification under subparagraph (B) shall be made not later than 10 days after the date on which the school first becomes so covered.*

*"(iii) NO REQUIREMENT FOR ADDITIONAL CERTIFICATIONS.—A school that has submitted a certification under subparagraph (B) shall not be required for purposes of this paragraph to submit an additional certification under that subparagraph with respect to any computers having Internet access that are acquired by the school after the submittal of the certification.*

*"(E) NONCOMPLIANCE.—*

*"(i) FAILURE TO SUBMIT CERTIFICATION.—Any school that knowingly fails to submit a certification required by this paragraph shall reimburse each telecommunications carrier that provided such school services at discount rates under paragraph (1)(B) after the effective date of this paragraph under section 602(h) of the Childrens' Internet Protection Act in an amount equal to the amount of the discount provided such school by such carrier for such services during the period beginning on such effective date and ending on the date on which the provision of such services at discount rates under paragraph (1)(B) is determined to cease under subparagraph (F).*

*"(ii) FAILURE TO COMPLY WITH CERTIFICATION.—Any school that knowingly fails to ensure the use of its computers in accordance with a certification under subparagraph (B) shall reimburse each telecommunications carrier that provided such school services at discount rates under paragraph (1)(B) after the date of such certification in an amount equal to the amount of the discount provided such school by such carrier for such services during the period beginning on the date of such certification and ending on the date on which the provision of such services at discount rates under paragraph (1)(B) is determined to cease under subparagraph (F).*

*"(iii) TREATMENT OF REIMBURSEMENT.—The receipt by a telecommunications carrier of any reimbursement under this subparagraph shall not affect the carrier's treatment of the discount on which such reimbursement was based in accordance with the third sentence of paragraph (1)(B).*

*"(F) CESSATION DATE.—*

*"(i) DETERMINATION.—The Commission shall determine the date on which the provision of services at discount rates under paragraph (1)(B) shall cease under this paragraph by reason of the failure of a school to comply with the requirements of this paragraph.*

*"(ii) NOTIFICATION.—The Commission shall notify telecommunications carriers of each school determined to have failed to comply with the requirements of this paragraph and of the period for which such school shall be liable to make reimbursement under subparagraph (E).*

*"(G) RECOMMENCEMENT OF DISCOUNTS.—*

*"(i) RECOMMENCEMENT.—Upon submittal to the Commission of a certification under subparagraph (B) with respect to a school to which clause (i) or (ii) of subparagraph (E) applies, the school shall be entitled to services at discount rates under paragraph (1)(B).*

*"(ii) NOTIFICATION.—The Commission shall notify the school and telecommunications carriers of the recommencement of the school's entitlement to services at discount rates under this subparagraph and of the date on which such recommencement begins.*

*"(iii) ADDITIONAL NONCOMPLIANCE.—The provisions of subparagraphs (E) and (F) shall apply to any certification submitted under clause (i).*

*"(H) PUBLIC AVAILABILITY OF POLICY.—A school, school board, or other authority that enforces a policy under subparagraph (B)(ii) shall take appropriate actions to ensure the ready availability to the public of information on such policy and on its policy, if any, relating to the use of technology under subparagraph (C).*

*"(I) LIMITATION ON FEDERAL ACTION.—*

*"(i) IN GENERAL.—No agency or instrumentality of the United States Government may—*

*"(I) establish any criteria for making a determination under subparagraph (C);*

*"(II) review a determination made by a school, school board, or other authority for purposes of a certification under subparagraph (B); or*

*"(III) consider the criteria employed by a school, school board, or other authority for purposes of determining the eligibility of a school for services at discount rates under paragraph (1)(B).*

*"(ii) ACTION BY COMMISSION.—The Commission may not take any action against a school, school board, or other authority for a violation of a provision of this paragraph if the school, school board, or other authority, as the case may be, has made a good faith effort to comply with such provision.".*

*(b) LIBRARIES.—Such section 254(h) is further amended by inserting after paragraph (5), as amended by subsection (a) of this section, the following new paragraph:*

*"(6) REQUIREMENTS FOR CERTAIN LIBRARIES WITH COMPUTERS HAVING INTERNET ACCESS.—*

*"(A) INTERNET FILTERING.—*

*"(i) IN GENERAL.—A library having one or more computers with Internet access may not receive services at discount rates under paragraph (1)(B) unless the library—*

*"(I) submits to the Commission a certification described in subparagraph (B); and*

*"(II) ensures the use of such computers in accordance with the certification.*

*"(ii) APPLICABILITY.—The prohibition in paragraph (1) shall not apply with respect to a library that receives services at discount rates under paragraph (1)(B) only for purposes other than the provision of Internet access, Internet service, or internal connections.*

*"(B) CERTIFICATION.—*

*"(i) ACCESS OF MINORS TO CERTAIN MATERIAL.—A certification under this subparagraph is a certification that the library—*

"(I) has selected a technology for its computer or computers with Internet access in order to filter or block Internet access through such computer or computers to—

"(aa) material that is obscene;

"(bb) child pornography; and

"(cc) any other material that the library determines to be inappropriate for minors; and

"(II) is enforcing a policy to ensure the operation of the technology during any use of such computer or computers by minors.

"(ii) ACCESS TO CHILD PORNOGRAPHY GENERALLY.—

"(I) IN GENERAL.—A certification under this subparagraph with respect to a library is also a certification that the library—

"(aa) has selected a technology for its computer or computers with Internet access in order to filter or block Internet access through such computer or computers to child pornography; and

"(bb) is enforcing a policy to ensure the operation of the technology during any use of such computer or computers.

"(II) SCOPE.—For purposes of identifying child pornography under subclause (I), a library may utilize the definition of that term in section 2256(8) of title 18, United States Code.

"(III) RELATIONSHIP TO OTHER CERTIFICATIONS.—The certification under this clause is in addition to any other certification applicable with respect to a library under this subparagraph.

"(C) ADDITIONAL USE OF TECHNOLOGY.—A library may also use a technology covered by a certification under subparagraph (B) to filter or block Internet access through the computers concerned to any material in addition to the material specified in that subparagraph that the library determines to be inappropriate for minors.

"(D) TIMING OF CERTIFICATIONS.—

"(i) LIBRARIES WITH COMPUTERS ON EFFECTIVE DATE.—

"(I) IN GENERAL.—In the case of any library covered by this paragraph as of the effective date of this paragraph under section 602(h) of the Childrens' Internet Protection Act, the certifications under subparagraph (B) shall be made not later than 30 days after such effective date.

"(II) DELAY.—The certifications for a library covered by subclause (I) may be made at a date than is later than is otherwise required by that subclause if State or local procurement rules or regulations or competitive bidding requirements prevent the making of the certifications on the date otherwise required by that subclause. A library shall notify the Commission of the applicability of this subclause to the library. Such notice shall specify the date on which the certifications with respect to the library shall be effective for purposes of this clause.

"(ii) LIBRARIES ACQUIRING COMPUTERS AFTER EFFECTIVE DATE.—In the case of any library that first becomes subject to the certifications under subparagraph (B) after such effective date, the certifications under that subparagraph shall be made not later than 10 days after the date on which the library first becomes so subject.

"(iii) NO REQUIREMENT FOR ADDITIONAL CERTIFICATIONS.—A library that has submitted the certifications under subparagraph (B) shall not be required for purposes of this paragraph to submit an additional certifications under that subparagraph with respect to any computers having Internet access that are acquired by the library after the submittal of such certifications.

"(E) NONCOMPLIANCE.—

"(i) FAILURE TO SUBMIT CERTIFICATION.—Any library that knowingly fails to submit the certifications required by this paragraph shall reimburse each telecommunications carrier that provided such library services at discount rates under paragraph (1)(B) after the effective date of this paragraph under section 602(h) of the Childrens' Internet Protection Act in an amount equal to the amount of the discount provided such library by such carrier for such services during the period beginning on such effective date and ending on the date on which the provision of such services at discount rates under paragraph (1)(B) is determined to cease under subparagraph (F).

"(ii) FAILURE TO COMPLY WITH CERTIFICATION.—Any library that knowingly fails to ensure the use of its computers in accordance with a certification under subparagraph (B) shall reimburse each telecommunications carrier that provided such library services at discount rates under paragraph (1)(B) after the date of such certification in an amount equal to the amount of the discount provided such library by such carrier for such services during the period beginning on the date of such certification and ending on the date on which the provision of such services at discount rates under paragraph (1)(B) is determined to cease under subparagraph (F).

"(iii) TREATMENT OF REIMBURSEMENT.—The receipt by a telecommunications carrier of any reimbursement under this subparagraph shall not affect the carrier's treatment of the discount on which such reimbursement was based in accordance with the third sentence of paragraph (1)(B).

"(F) CESSATION DATE.—

"(i) DETERMINATION.—The Commission shall determine the date on which the provision of services at discount rates under paragraph (1)(B) shall cease under this paragraph by reason of the failure of a library to comply with the requirements of this paragraph.

"(ii) NOTIFICATION.—The Commission shall notify telecommunications carriers of each library determined to have failed to comply with the requirements of this paragraph and of the period for which such library shall be liable to make reimbursement under subparagraph (E).

"(G) RECOMMENCEMENT OF DISCOUNTS.—

"(i) RECOMMENCEMENT.—Upon submittal to the Commission of a certification under subparagraph (B) with respect to a library to which clause (i) or (ii) of subparagraph (E) applies, the library shall be entitled to services at discount rates under paragraph (1)(B).

"(ii) NOTIFICATION.—The Commission shall notify the library and telecommunications carriers of the recommencement of the library's entitlement to services at discount rates under this paragraph and of the date on which such recommencement begins.

"(iii) ADDITIONAL NONCOMPLIANCE.—The provisions of subparagraphs (E) and (F) shall apply to any certification submitted under clause (i).

"(H) PUBLIC AVAILABILITY OF POLICY.—A library that enforces a policy under clause (i)(II) or (ii)(I)(bb) of subparagraph (B) shall take appropriate actions to ensure the ready availability to the public of information on such policy and on its policy, if any, relating to the use of technology under subparagraph (C).

"(I) LIMITATION ON FEDERAL ACTION.—

"(i) IN GENERAL.—No agency or instrumentality of the United States Government may—

"(I) establish any criteria for making a determination under subparagraph (C);

"(II) review a determination made by a library for purposes of a certification under subparagraph (B); or

"(III) consider the criteria employed by a library purposes of determining the eligibility of the library for services at discount rates under paragraph (1)(B).

"(ii) ACTION BY COMMISSION.—The Commission may not take any action against a library for a violation of a provision of this paragraph if the library has made a good faith effort to comply with such provision.".

(c) MINOR DEFINED.—Paragraph (7) of such section, as redesignated by subsection (a)(1) of this section, is amended by adding at the end the following:

"(D) MINOR.—The term 'minor' means any individual who has not attained the age of 17 years.".

(d) CONFORMING AMENDMENT.—Paragraph (4) of such section is amended by striking "paragraph (5)(A)" and inserting "paragraph (7)(A)".

(e) SEPARABILITY.—If any provision of paragraph (5) or (6) of section 254(h) of the Communications Act of 1934, as amended by this section, or the application thereof to any person or circumstance is held invalid, the remainder of such paragraph and the application of such paragraph to other persons or circumstances shall not be affected thereby.

(f) REGULATIONS.—

(1) REQUIREMENT.—The Federal Communications Commission shall prescribe regulations for purposes of administering the provisions of paragraphs (5) and (6) of section 254(h) of the Communications Act of 1934, as amended by this section.

(2) DEADLINE.—Notwithstanding any other provision of law, the requirements prescribed under paragraph (1) shall take effect 120 days after the date of the enactment of this Act.

(g) AVAILABILITY OF RATES.—Discounted rates under section 254(h)(1)(B) of the Communications Act of 1934 (47 U.S.C. 254(h)(1)(B))—

(1) shall be available in amounts up to the annual cap on Federal universal service support for schools and libraries only for services covered by Federal Communications Commission regulations on priorities for funding telecommunications services, Internet access, Internet services, and Internet connections that assign priority for available funds for the poorest schools; and

(2) to the extent made available under paragraph (1), may be used for the purchase or acquisition of filtering or blocking products necessary to meet the requirements of section 254(h)(5) and (6) of that Act, but not for the purchase of software or other technology other than what is required to meet those requirements.

(h) EFFECTIVE DATE.—The amendments made by this section shall take effect 120 days after the date of the enactment of this Act.

SEC. 603. FETAL TISSUE. The General Accounting Office shall conduct a comprehensive study into Federal involvement in the use of fetal tissue for research purposes within the scope of this Act to be completed by September 1, 2000. The study shall include but not be limited to—

(1) the annual number of orders for fetal tissue filled in conjunction with federally funded fetal tissue research or programs over the last 3 years;

(2) the costs associated with the procurement, dissemination, and other use of fetal tissue, including but not limited to the costs associated with the processing, transportation, preservation, quality control, and storage of such tissue;

(3) the manner in which Federal agencies ensure that intramural and extramural research facilities and their employees comply with Federal fetal tissue law;

(4) the number of fetal tissue procurement contractors and tissue resource sources, or other entities or individuals that are used to obtain, transport, process, preserve, or store fetal tissue, which receive Federal funds and the quantity, form, and nature of the services provided and the amount of Federal funds received by such entities;

(5) the number and identity of all Federal agencies within the scope of this Act expending

*or exchanging Federal funds in connection with obtaining or processing fetal tissue or the conduct of research using such tissue;*

*(6) the extent to which Federal fetal tissue procurement policies and guidelines adhere to Federal law;*

*(7) the criteria that Federal fetal tissue research facilities use for selecting their fetal tissue sources, and the manner in which the facilities ensure that such sources comply with Federal law.*

*SEC. 604. PROVISION OF INTERNET FILTERING OR SCREENING SOFTWARE BY CERTAIN INTERNET SERVICE PROVIDERS. (a) REQUIREMENT TO PROVIDE.—Each Internet service provider shall at the time of entering an agreement with a residential customer for the provision of Internet access services, provide to such customer, either at no fee or at a fee not in excess of the amount specified in subsection (c), computer software or other filtering or blocking system that allows the customer to prevent the access of minors to material on the Internet.*

*(b) SURVEYS OF PROVISION OF SOFTWARE OR SYSTEMS.—*

*(1) SURVEYS.—The Office of Juvenile Justice and Delinquency Prevention of the Department of Justice and the Federal Trade Commission shall jointly conduct surveys of the extent to which Internet service providers are providing computer software or systems described in subsection (a) to their subscribers. In performing such surveys, neither the Department nor the Commission shall collect personally identifiable information of subscribers of the Internet service providers.*

*(2) FREQUENCY.—The surveys required by paragraph (1) shall be completed as follows:*

*(A) One shall be completed not later than one year after the date of the enactment of this Act.*

*(B) One shall be completed not later than two years after that date.*

*(C) One shall be completed not later than three years after that date.*

*(c) FEES.—The fee, if any, charged and collected by an Internet service provider for providing computer software or a system described in subsection (a) to a residential customer shall not exceed the amount equal to the cost of the provider in providing the software or system to the subscriber, including the cost of the software or system and of any license required with respect to the software or system.*

*(d) APPLICABILITY.—The requirement described in subsection (a) shall become effective only if—*

*(1) 1 year after the date of the enactment of this Act, the Office and the Commission determine as a result of the survey completed by the deadline in subsection (b)(2)(A) that less than 75 percent of the total number of residential subscribers of Internet service providers as of such deadline are provided computer software or systems described in subsection (a) by such providers;*

*(2) 2 years after the date of enactment of this Act, the Office and the Commission determine as a result of the survey completed by the deadline in subsection (b)(2)(B) that less than 85 percent of the total number of residential subscribers of Internet service providers as of such deadline are provided such software or systems by such providers; or*

*(3) 3 years after the date of the enactment of this Act, if the Office and the Commission determine as a result of the survey completed by the deadline in subsection (b)(2)(C) that less than 100 percent of the total number of residential subscribers of Internet service providers as of such deadline are provided such software or systems by such providers.*

*(e) INTERNET SERVICE PROVIDER DEFINED.—In this section, the term "Internet service provider" means a service provider as defined in section 512(k)(1)(A) of title 17, United States Code, which has more than 50,000 subscribers.*

## *TITLE VII—UNIVERSAL SERVICE FOR SCHOOLS AND LIBRARIES*

*SEC. 701. SHORT TITLE. This title may be cited as the "Neighborhood Children's Internet Protection Act".*

*SEC. 702. NO UNIVERSAL SERVICE FOR SCHOOLS OR LIBRARIES THAT FAIL TO IMPLEMENT A FILTERING OR BLOCKING SYSTEM FOR COMPUTERS WITH INTERNET ACCESS OR ADOPT INTERNET USE POLICIES. (a) NO UNIVERSAL SERVICE.—*

*(1) IN GENERAL.—Section 254 of the Communications Act of 1934 (47 U.S.C. 254) is amended by adding at the end the following:*

*"(l) IMPLEMENTATION OF INTERNET FILTERING OR BLOCKING SYSTEM OR USE POLICIES.—*

*"(1) IN GENERAL.—No services may be provided under subsection (h)(1)(B) to any elementary or secondary school, or any library, unless it provides the certification required by paragraph (2) to the Commission or its designee.*

*"(2) CERTIFICATION.—A certification under this paragraph with respect to a school or library is a certification by the school, school board, or other authority with responsibility for administration of the school, or the library, or any other entity representing the school or library in applying for universal service assistance, that the school or library—*

*"(A) has—*

*"(i) selected a system for its computers with Internet access that are dedicated to student use in order to filter or block Internet access to matter considered to be inappropriate for minors; and*

*"(ii) installed on such computers, or upon obtaining such computers will install on such computers, a system to filter or block Internet access to such matter; or*

*"(B)(i) has adopted and implemented an Internet use policy that addresses—*

*"(I) access by minors to inappropriate matter on the Internet and World Wide Web;*

*"(II) the safety and security of minors when using electronic mail, chat rooms, and other forms of direct electronic communications;*

*"(III) unauthorized access, including so-called 'hacking', and other unlawful activities by minors online;*

*"(IV) unauthorized disclosure, use, and dissemination of personal identification information regarding minors; and*

*"(V) whether the school or library, as the case may be, is employing hardware, software, or other technological means to limit, monitor, or otherwise control or guide Internet access by minors; and*

*"(ii) provided reasonable public notice and held at least one public hearing or meeting which addressed the proposed Internet use policy.*

*"(3) LOCAL DETERMINATION OF CONTENT.—For purposes of a certification under paragraph (2), the determination regarding what matter is inappropriate for minors shall be made by the school board, library, or other authority responsible for making the determination. No agency or instrumentality of the United States Government may—*

*"(A) establish criteria for making such determination;*

*"(B) review the determination made by the certifying school, school board, library, or other authority; or*

*"(C) consider the criteria employed by the certifying school, school board, library, or other authority in the administration of subsection (h)(1)(B).*

*"(4) EFFECTIVE DATE.—This subsection shall apply with respect to schools and libraries seeking universal service assistance under subsection (h)(1)(B) on or after July 1, 2001.".*

*(2) CONFORMING AMENDMENT.—Subsection (h)(1)(B) of that section is amended by striking "All telecommunications" and inserting "Except as provided by subsection (l), all telecommunications".*

*(b) STUDY.—Not later than 150 days after the date of the enactment of this Act, the National Telecommunications and Information Administration shall initiate a notice and comment proceeding for purposes of—*

*(1) evaluating whether or not currently available commercial Internet blocking, filtering, and monitoring software adequately addresses the needs of educational institutions;*

*(2) making recommendations on how to foster the development of products which meet such needs; and*

*(3) evaluating the development and effectiveness of local Internet use policies that are currently in operation after community input.*

*SEC. 703. IMPLEMENTING REGULATIONS. Not later than 100 days after the date of the enactment of this Act, the Federal Communications Commission shall adopt rules implementing this title and the amendments made by this title.*

## *TITLE VIII—SOCIAL SECURITY AND MEDICARE OFF-BUDGET LOCKBOX ACT OF 2000*

*SEC. 801. SHORT TITLE. This title may be cited as the "Social Security and Medicare Off-Budget Lockbox Act of 2000".*

*SEC. 802. STRENGTHENING SOCIAL SECURITY POINTS OF ORDER. (a) IN GENERAL.—Section 312 of the Congressional Budget Act of 1974 (2 U.S.C. 643) is amended by inserting at the end the following:*

*"(g) STRENGTHENING SOCIAL SECURITY POINT OF ORDER.—It shall not be in order in the House of Representatives or the Senate to consider a concurrent resolution on the budget (or any amendment thereto or conference report thereon) or any bill, joint resolution, amendment, motion, or conference report that would violate or amend section 13301 of the Budget Enforcement Act of 1990.".*

*(b) SUPER MAJORITY REQUIREMENT.—*

*(1) POINT OF ORDER.—Section 904(c)(1) of the Congressional Budget Act of 1974 is amended by inserting "312(g)," after "310(d)(2),".*

*(2) WAIVER.—Section 904(d)(2) of the Congressional Budget Act of 1974 is amended by inserting "312(g)," after "310(d)(2),".*

*(c) ENFORCEMENT IN EACH FISCAL YEAR.—The Congressional Budget Act of 1974 is amended in—*

*(1) section 301(a)(7) (2 U.S.C. 632(a)(7)), by striking "for the fiscal year" through the period and inserting "for each fiscal year covered by the resolution"; and*

*(2) section 311(a)(3) (2 U.S.C. 642(a)(3)), by striking beginning with "for the first fiscal year" through the period and insert the following: "for any of the fiscal years covered by the concurrent resolution.".*

*Sec. 803. MEDICARE TRUST FUND OFF-BUDGET. (a) IN GENERAL.—*

*(1) GENERAL EXCLUSION FROM ALL BUDGETS.—Title III of the Congressional Budget Act of 1974 is amended by adding at the end the following:*

*"EXCLUSION OF MEDICARE TRUST FUND FROM ALL BUDGETS*

*"SEC. 316. (a) EXCLUSION OF MEDICARE TRUST FUND FROM ALL BUDGETS.—Notwithstanding any other provision of law, the receipts and disbursements of the Federal Hospital Insurance Trust Fund shall not be counted as new budget authority, outlays, receipts, or deficit or surplus for purposes of—*

*"(1) the budget of the United States Government as submitted by the President;*

*"(2) the congressional budget; or*

*"(3) the Balanced Budget and Emergency Deficit Control Act of 1985.*

*"(b) STRENGTHENING MEDICARE POINT OF ORDER.—It shall not be in order in the House of Representatives or the Senate to consider a concurrent resolution on the budget (or any amendment thereto or conference report thereon) or*

*any bill, joint resolution, amendment, motion, or conference report that would violate or amend this section.".*

*(2) SUPER MAJORITY REQUIREMENT.—*

*(A) POINT OF ORDER.—Section 904(c)(1) of the Congressional Budget Act of 1974 is amended by inserting "316," after "313,".*

*(B) WAIVER.—Section 904(d)(2) of the Congressional Budget Act of 1974 is amended by inserting "316," after "313,".*

*(b) EXCLUSION OF MEDICARE TRUST FUND FROM CONGRESSIONAL BUDGET.—Section 301(a) of the Congressional Budget Act of 1974 (2 U.S.C. 632(a)) is amended by adding at the end the following: "The concurrent resolution shall not include the outlays and revenue totals of the Federal Hospital Insurance Trust Fund in the surplus or deficit totals required by this subsection or in any other surplus or deficit totals required by this title."*

*(c) BUDGET TOTALS.—Section 301(a) of the Congressional Budget Act of 1974 (2 U.S.C. 632(a)) is amended by inserting after paragraph (7) the following:*

*"(8) For purposes of Senate enforcement under this title, revenues and outlays of the Federal Hospital Insurance Trust Fund for each fiscal year covered by the budget resolution.".*

*(d) BUDGET RESOLUTIONS.—Section 301(i) of the Congressional Budget Act of 1974 (2 U.S.C. 632(i)) is amended by—*

*(1) striking "SOCIAL SECURITY POINT OF ORDER.—It shall" and inserting "SOCIAL SECURITY AND MEDICARE POINTS OF ORDER.—*

*"(1) SOCIAL SECURITY.—It shall"; and*

*(2) inserting at the end the following:*

*"(2) MEDICARE.—It shall not be in order in the House of Representatives or the Senate to consider any concurrent resolution on the budget (or amendment, motion, or conference report on the resolution) that would decrease the excess of the Federal Hospital Insurance Trust Fund revenues over Federal Hospital Insurance Trust Fund outlays in any of the fiscal years covered by the concurrent resolution. This paragraph shall not apply to amounts to be expended from the Hospital Insurance Trust Fund for purposes relating to programs within part A of Medicare as provided in law on the date of enactment of this paragraph.".*

*(e) MEDICARE FIREWALL.—Section 311(a) of the Congressional Budget Act of 1974 (2 U.S.C. 642(a)) is amended by adding after paragraph (3), the following:*

*"(4) ENFORCEMENT OF MEDICARE LEVELS IN THE SENATE.—After a concurrent resolution on the budget is agreed to, it shall not be in order in the Senate to consider any bill, joint resolution, amendment, motion, or conference report that would cause a decrease in surpluses or an increase in deficits of the Federal Hospital Insurance Trust Fund in any year relative to the levels set forth in the applicable resolution. This paragraph shall not apply to amounts to be expended from the Hospital Insurance Trust Fund for purposes relating to programs within part A of Medicare as provided in law on the date of enactment of this paragraph.".*

*(f) BASELINE TO EXCLUDE HOSPITAL INSURANCE TRUST FUND.—Section 257(b)(3) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by striking "shall be included in all" and inserting "shall not be included in any".*

*(g) MEDICARE TRUST FUND EXEMPT FROM SEQUESTERS.—Section 255(g)(1)(B) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by adding at the end the following:*

*"Medicare as funded through the Federal Hospital Insurance Trust Fund.".*

*(h) BUDGETARY TREATMENT OF HOSPITAL INSURANCE TRUST FUND.—Section 710(a) of the Social Security Act (42 U.S.C. 911(a)) is amended—*

*(1) by striking "and" the second place it appears and inserting a comma; and*

*(2) by inserting after "Federal Disability Insurance Trust Fund" the following: ", Federal Hospital Insurance Trust Fund".*

*SEC. 804. PREVENTING ON-BUDGET DEFICITS. (a) POINTS OF ORDER TO PREVENT ON-BUDGET DEFICITS.—Section 312 of the Congressional Budget Act of 1974 (2 U.S.C. 643) is amended by adding at the end the following:*

*"(h) POINTS OF ORDER TO PREVENT ON-BUDGET DEFICITS.—*

*"(1) CONCURRENT RESOLUTIONS ON THE BUDGET.—It shall not be in order in the House of Representatives or the Senate to consider any concurrent resolution on the budget, or conference report thereon or amendment thereto, that would cause or increase an on-budget deficit for any fiscal year.*

*"(2) SUBSEQUENT LEGISLATION.—Except as provided by paragraph (3), it shall not be in order in the House of Representatives or the Senate to consider any bill, joint resolution, amendment, motion, or conference report if—*

*"(A) the enactment of that bill or resolution as reported;*

*"(B) the adoption and enactment of that amendment; or*

*"(C) the enactment of that bill or resolution in the form recommended in that conference report, would cause or increase an on-budget deficit for any fiscal year.".*

*(b) SUPER MAJORITY REQUIREMENT.—*

*(1) POINT OF ORDER.—Section 904(c)(1) of the Congressional Budget Act of 1974 is amended by inserting "312(h)," after "312(g),".*

*(2) WAIVER.—Section 904(d)(2) of the Congressional Budget Act of 1974 is amended by inserting "312(h)," after "312(g),".*

*SEC. 805. SOCIAL SECURITY AND MEDICARE SAFE DEPOSIT BOX ACT OF 2000. (a) SHORT TITLE.—This section may be cited as the "Social Security and Medicare Safe Deposit Box Act of 2000".*

*(b) PROTECTION OF SOCIAL SECURITY AND MEDICARE SURPLUSES.—*

*(1) MEDICARE SURPLUSES OFF-BUDGET.—Notwithstanding any other provision of law, the net surplus of any trust fund for part A of Medicare shall not be counted as a net surplus for purposes of—*

*(A) the budget of the United States Government as submitted by the President;*

*(B) the congressional budget; or*

*(C) the Balanced Budget and Emergency Deficit Control Act of 1985.*

*(2) POINTS OF ORDER TO PROTECT SOCIAL SECURITY AND MEDICARE SURPLUSES.—Section 312 of the Congressional Budget Act of 1974 is amended by adding at the end the following new subsection:*

*"(g) POINTS OF ORDER TO PROTECT SOCIAL SECURITY AND MEDICARE SURPLUSES.—*

*"(1) CONCURRENT RESOLUTIONS ON THE BUDGET.—It shall not be in order in the House of Representatives or the Senate to consider any concurrent resolution on the budget, or conference report thereon or amendment thereto, that would set forth an on-budget deficit for any fiscal year.*

*"(2) SUBSEQUENT LEGISLATION.—It shall not be in order in the House of Representatives or the Senate to consider any bill, joint resolution, amendment, motion, or conference report if—*

*"(A) the enactment of that bill or resolution as reported;*

*"(B) the adoption and enactment of that amendment; or*

*"(C) the enactment of that bill or resolution in the form recommended in that conference report, would cause or increase an on-budget deficit for any fiscal year.*

*"(3) DEFINITION.—For purposes of this section, the term 'on-budget deficit', when applied to a fiscal year, means the deficit in the budget as set forth in the most recently agreed to concurrent resolution on the budget pursuant to section 301(a)(3) for that fiscal year.".*

*(3) SUPER MAJORITY REQUIREMENT.—*

*(A) POINT OF ORDER.—Section 904(c)(1) of the Congressional Budget Act of 1974 is amended by inserting "312(g)," after "310(d)(2),".*

*(B) WAIVER.—Section 904(d)(2) of the Congressional Budget Act of 1974 is amended by inserting "312(g)," after "310(d)(2),".*

*(c) PROTECTION OF SOCIAL SECURITY AND MEDICARE SURPLUSES.—*

*(1) IN GENERAL.—Chapter 11 of subtitle II of title 31, United States Code, is amended by adding before section 1101 the following:*

***"§1100. Protection of social security and medicare surpluses***

*"The budget of the United States Government submitted by the President under this chapter shall not recommend an on-budget deficit for any fiscal year covered by that budget.".*

*(2) CHAPTER ANALYSIS.—The chapter analysis for chapter 11 of title 31, United States Code, is amended by inserting before the item for section 1101 the following:*

*"1100. Protection of social security and medicare surpluses.".*

*(d) EFFECTIVE DATE.—This section shall take effect upon the date of its enactment and the amendments made by this section shall apply to fiscal year 2001 and subsequent fiscal years.*

*TITLE IX—GENETIC INFORMATION AND SERVICES*

*SEC. 901. SHORT TITLE. This title may be cited as the "Genetic Information Nondiscrimination in Health Insurance Act of 2000".*

*SEC. 902. AMENDMENTS TO EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974. (a) PROHIBITION OF HEALTH DISCRIMINATION ON THE BASIS OF GENETIC INFORMATION OR GENETIC SERVICES.—*

*(1) NO ENROLLMENT RESTRICTION FOR GENETIC SERVICES.—Section 702(a)(1)(F) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1182(a)(1)(F)) is amended by inserting before the period the following: "(including information about a request for or receipt of genetic services)".*

*(2) NO DISCRIMINATION IN GROUP PREMIUMS BASED ON PREDICTIVE GENETIC INFORMATION.—Subpart B of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 is amended by adding at the end the following:*

***"SEC. 714. PROHIBITING PREMIUM DISCRIMINATION AGAINST GROUPS ON THE BASIS OF PREDICTIVE GENETIC INFORMATION.***

*"A group health plan, or a health insurance issuer offering group health insurance coverage in connection with a group health plan, shall not adjust premium or contribution amounts for a group on the basis of predictive genetic information concerning any individual (including a dependent) or family member of the individual (including information about a request for or receipt of genetic services).".*

*(3) CONFORMING AMENDMENTS.—*

*(A) IN GENERAL.—Section 702(b) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1182(b)) is amended by adding at the end the following:*

*"(3) REFERENCE TO RELATED PROVISION.—For a provision prohibiting the adjustment of premium or contribution amounts for a group under a group health plan on the basis of predictive genetic information (including information about a request for or receipt of genetic services), see section 714.".*

*(B) TABLE OF CONTENTS.—The table of contents in section 1 of the Employee Retirement Income Security Act of 1974 is amended by inserting after the item relating to section 713 the following new item:*

*"Sec. 714. Prohibiting premium discrimination against groups on the basis of predictive genetic information.".*

*(b) LIMITATION ON COLLECTION OF PREDICTIVE GENETIC INFORMATION.—Section 702 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1182) is amended by adding at the end the following:*

*"(c) COLLECTION OF PREDICTIVE GENETIC INFORMATION.—*

*"(1) LIMITATION ON REQUESTING OR REQUIRING PREDICTIVE GENETIC INFORMATION.—Except as provided in paragraph (2), a group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall not request or require predictive genetic information concerning any individual (including a dependent) or family member of the individual (including information about a request for or receipt of genetic services).*

*"(2) INFORMATION NEEDED FOR DIAGNOSIS, TREATMENT, OR PAYMENT.—*

*"(A) IN GENERAL.—Notwithstanding paragraph (1), a group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, that provides health care items and services to an individual or dependent may request (but may not require) that such individual or dependent disclose, or authorize the collection or disclosure of, predictive genetic information for purposes of diagnosis, treatment, or payment relating to the provision of health care items and services to such individual or dependent.*

*"(B) NOTICE OF CONFIDENTIALITY PRACTICES AND DESCRIPTION OF SAFEGUARDS.—As a part of a request under subparagraph (A), the group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall provide to the individual or dependent a description of the procedures in place to safeguard the confidentiality, as described in subsection (d), of such predictive genetic information.*

*"(d) CONFIDENTIALITY WITH RESPECT TO PREDICTIVE GENETIC INFORMATION.—*

*"(1) NOTICE OF CONFIDENTIALITY PRACTICES.—*

*"(A) PREPARATION OF WRITTEN NOTICE.—A group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall post or provide, in writing and in a clear and conspicuous manner, notice of the plan or issuer's confidentiality practices, that shall include—*

*"(i) a description of an individual's rights with respect to predictive genetic information;*

*"(ii) the procedures established by the plan or issuer for the exercise of the individual's rights; and*

*"(iii) the right to obtain a copy of the notice of the confidentiality practices required under this subsection.*

*"(B) MODEL NOTICE.—The Secretary, in consultation with the National Committee on Vital and Health Statistics and the National Association of Insurance Commissioners, and after notice and opportunity for public comment, shall develop and disseminate model notices of confidentiality practices. Use of the model notice shall serve as a defense against claims of receiving inappropriate notice.*

*"(2) ESTABLISHMENT OF SAFEGUARDS.—A group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality, security, accuracy, and integrity of predictive genetic information created, received, obtained, maintained, used, transmitted, or disposed of by such plan or issuer.".*

*(c) DEFINITIONS.—Section 733(d) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1191b(d)) is amended by adding at the end the following:*

*"(5) FAMILY MEMBER.—The term 'family member' means with respect to an individual—*

*"(A) the spouse of the individual;*

*"(B) a dependent child of the individual, including a child who is born to or placed for adoption with the individual; and*

*"(C) all other individuals related by blood to the individual or the spouse or child described in subparagraph (A) or (B).*

*"(6) GENETIC INFORMATION.—The term 'genetic information' means information about genes, gene products, or inherited characteristics that may derive from an individual or a family member (including information about a request for or receipt of genetic services).*

*"(7) GENETIC SERVICES.—The term 'genetic services' means health services provided to obtain, assess, or interpret genetic information for diagnostic and therapeutic purposes, and for genetic education and counseling.*

*"(8) PREDICTIVE GENETIC INFORMATION.—*

*"(A) IN GENERAL.—The term 'predictive genetic information' means, in the absence of symptoms, clinical signs, or a diagnosis of the condition related to such information—*

*"(i) information about an individual's genetic tests;*

*"(ii) information about genetic tests of family members of the individual; or*

*"(iii) information about the occurrence of a disease or disorder in family members.*

*"(B) EXCEPTIONS.—The term 'predictive genetic information' shall not include—*

*"(i) information about the sex or age of the individual;*

*"(ii) information derived from physical tests, such as the chemical, blood, or urine analyses of the individual including cholesterol tests; and*

*"(iii) information about physical exams of the individual.*

*"(9) GENETIC TEST.—The term 'genetic test' means the analysis of human DNA, RNA, chromosomes, proteins, and certain metabolites, including analysis of genotypes, mutations, phenotypes, or karyotypes, for the purpose of predicting risk of disease in asymptomatic or undiagnosed individuals. Such term does not include physical tests, such as the chemical, blood, or urine analyses of the individual including cholesterol tests, and physical exams of the individual, in order to detect symptoms, clinical signs, or a diagnosis of disease.".*

*(d) EFFECTIVE DATE.—Except as provided in this section, this section and the amendments made by this section shall apply with respect to group health plans for plan years beginning 1 year after the date of the enactment of this Act.*

*SEC. 903. AMENDMENTS TO THE PUBLIC HEALTH SERVICE ACT. (a) AMENDMENTS RELATING TO THE GROUP MARKET.—*

*(1) PROHIBITION OF HEALTH DISCRIMINATION ON THE BASIS OF GENETIC INFORMATION IN THE GROUP MARKET.—*

*(A) NO ENROLLMENT RESTRICTION FOR GENETIC SERVICES.—Section 2702(a)(1)(F) of the Public Health Service Act (42 U.S.C. 300gg–1(a)(1)(F)) is amended by inserting before the period the following: "(including information about a request for or receipt of genetic services)".*

*(B) NO DISCRIMINATION IN PREMIUMS BASED ON PREDICTIVE GENETIC INFORMATION.—Subpart 2 of part A of title XXVII of the Public Health Service Act (42 U.S.C. 300gg–4 et seq.) is amended by adding at the end the following new section:*

**"SEC. 2707. PROHIBITING PREMIUM DISCRIMINATION AGAINST GROUPS ON THE BASIS OF PREDICTIVE GENETIC INFORMATION IN THE GROUP MARKET.**

*"A group health plan, or a health insurance issuer offering group health insurance coverage in connection with a group health plan shall not adjust premium or contribution amounts for a group on the basis of predictive genetic information concerning any individual (including a dependent) or family member of the individual (including information about a request for or receipt of genetic services).".*

*(C) CONFORMING AMENDMENT.—Section 2702(b) of the Public Health Service Act (42 U.S.C. 300gg–1(b)) is amended by adding at the end the following:*

*"(3) REFERENCE TO RELATED PROVISION.—For a provision prohibiting the adjustment of premium or contribution amounts for a group under a group health plan on the basis of predictive genetic information (including information about a request for or receipt of genetic services), see section 2707.".*

*(D) LIMITATION ON COLLECTION AND DISCLOSURE OF PREDICTIVE GENETIC INFORMATION.—Section 2702 of the Public Health Service Act (42 U.S.C. 300gg–1) is amended by adding at the end the following:*

*"(c) COLLECTION OF PREDICTIVE GENETIC INFORMATION.—*

*"(1) LIMITATION ON REQUESTING OR REQUIRING PREDICTIVE GENETIC INFORMATION.—Except as provided in paragraph (2), a group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall not request or require predictive genetic information concerning any individual (including a dependent) or a family member of the individual (including information about a request for or receipt of genetic services).*

*"(2) INFORMATION NEEDED FOR DIAGNOSIS, TREATMENT, OR PAYMENT.—*

*"(A) IN GENERAL.—Notwithstanding paragraph (1), a group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, that provides health care items and services to an individual or dependent may request (but may not require) that such individual or dependent disclose, or authorize the collection or disclosure of, predictive genetic information for purposes of diagnosis, treatment, or payment relating to the provision of health care items and services to such individual or dependent.*

*"(B) NOTICE OF CONFIDENTIALITY PRACTICES AND DESCRIPTION OF SAFEGUARDS.—As a part of a request under subparagraph (A), the group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall provide to the individual or dependent a description of the procedures in place to safeguard the confidentiality, as described in subsection (d), of such predictive genetic information.*

*"(d) CONFIDENTIALITY WITH RESPECT TO PREDICTIVE GENETIC INFORMATION.—*

*"(1) NOTICE OF CONFIDENTIALITY PRACTICES.—*

*"(A) PREPARATION OF WRITTEN NOTICE.—A group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall post or provide, in writing and in a clear and conspicuous manner, notice of the plan or issuer's confidentiality practices, that shall include—*

*"(i) a description of an individual's rights with respect to predictive genetic information;*

*"(ii) the procedures established by the plan or issuer for the exercise of the individual's rights; and*

*"(iii) the right to obtain a copy of the notice of the confidentiality practices required under this subsection.*

*"(B) MODEL NOTICE.—The Secretary, in consultation with the National Committee on Vital and Health Statistics and the National Association of Insurance Commissioners, and after notice and opportunity for public comment, shall develop and disseminate model notices of confidentiality practices. Use of the model notice shall serve as a defense against claims of receiving inappropriate notice.*

"(2) ESTABLISHMENT OF SAFEGUARDS.—A group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality, security, accuracy, and integrity of predictive genetic information created, received, obtained, maintained, used, transmitted, or disposed of by such plan or issuer.".

(2) DEFINITIONS.—Section 2791(d) of the Public Health Service Act (42 U.S.C. 300gg–91(d)) is amended by adding at the end the following:

"(15) FAMILY MEMBER.—The term 'family member' means, with respect to an individual—

"(A) the spouse of the individual;

"(B) a dependent child of the individual, including a child who is born to or placed for adoption with the individual; and

"(C) all other individuals related by blood to the individual or the spouse or child described in subparagraph (A) or (B).

"(16) GENETIC INFORMATION.—The term 'genetic information' means information about genes, gene products, or inherited characteristics that may derive from an individual or a family member (including information about a request for or receipt of genetic services).

"(17) GENETIC SERVICES.—The term 'genetic services' means health services provided to obtain, assess, or interpret genetic information for diagnostic and therapeutic purposes, and for genetic education and counseling.

"(18) PREDICTIVE GENETIC INFORMATION.—

"(A) IN GENERAL.—The term 'predictive genetic information' means, in the absence of symptoms, clinical signs, or a diagnosis of the condition related to such information—

"(i) information about an individual's genetic tests;

"(ii) information about genetic tests of family members of the individual; or

"(iii) information about the occurrence of a disease or disorder in family members.

"(B) EXCEPTIONS.—The term 'predictive genetic information' shall not include—

"(i) information about the sex or age of the individual;

"(ii) information derived from physical tests, such as the chemical, blood, or urine analyses of the individual including cholesterol tests; and

"(iii) information about physical exams of the individual.

"(19) GENETIC TEST.—The term 'genetic test' means the analysis of human DNA, RNA, chromosomes, proteins, and certain metabolites, including analysis of genotypes, mutations, phenotypes, or karyotypes, for the purpose of predicting risk of disease in asymptomatic or undiagnosed individuals. Such term does not include physical tests, such as the chemical, blood, or urine analyses of the individual including cholesterol tests, and physical exams of the individual, in order to detect symptoms, clinical signs, or a diagnosis of disease.".

(e) AMENDMENTS TO PHSA RELATING TO THE INDIVIDUAL MARKET.—The first subpart 3 of part B of title XXVII of the Public Health Service Act (42 U.S.C. 300gg–51 et seq.) (relating to other requirements) (42 U.S.C. 300gg–51 et seq.) is amended by adding at the end the following:

**"SEC. 2753. PROHIBITION OF HEALTH DISCRIMINATION ON THE BASIS OF PREDICTIVE GENETIC INFORMATION.**

"(a) PROHIBITION ON PREDICTIVE GENETIC INFORMATION AS A CONDITION OF ELIGIBILITY.—A health insurance issuer offering health insurance coverage in the individual market may not use predictive genetic information as a condition of eligibility of an individual to enroll in individual health insurance coverage (including information about a request for or receipt of genetic services).

"(b) PROHIBITION ON PREDICTIVE GENETIC INFORMATION IN SETTING PREMIUM RATES.—A health insurance issuer offering health insurance coverage in the individual market shall not adjust premium rates for individuals on the basis of predictive genetic information concerning such an individual (including a dependent) or a family member of the individual (including information about a request for or receipt of genetic services).

"(c) COLLECTION OF PREDICTIVE GENETIC INFORMATION.—

"(1) LIMITATION ON REQUESTING OR REQUIRING PREDICTIVE GENETIC INFORMATION.—Except as provided in paragraph (2), a health insurance issuer offering health insurance coverage in the individual market shall not request or require predictive genetic information concerning any individual (including a dependent) or a family member of the individual (including information about a request for or receipt of genetic services).

"(2) INFORMATION NEEDED FOR DIAGNOSIS, TREATMENT, OR PAYMENT.—

"(A) IN GENERAL.—Notwithstanding paragraph (1), a health insurance issuer offering health insurance coverage in the individual market that provides health care items and services to an individual or dependent may request (but may not require) that such individual or dependent disclose, or authorize the collection or disclosure of, predictive genetic information for purposes of diagnosis, treatment, or payment relating to the provision of health care items and services to such individual or dependent.

"(B) NOTICE OF CONFIDENTIALITY PRACTICES AND DESCRIPTION OF SAFEGUARDS.—As a part of a request under subparagraph (A), the health insurance issuer offering health insurance coverage in the individual market shall provide to the individual or dependent a description of the procedures in place to safeguard the confidentiality, as described in subsection (d), of such predictive genetic information.

"(d) CONFIDENTIALITY WITH RESPECT TO PREDICTIVE GENETIC INFORMATION.—

"(1) NOTICE OF CONFIDENTIALITY PRACTICES.—

"(A) PREPARATION OF WRITTEN NOTICE.—A health insurance issuer offering health insurance coverage in the individual market shall post or provide, in writing and in a clear and conspicuous manner, notice of the issuer's confidentiality practices, that shall include—

"(i) a description of an individual's rights with respect to predictive genetic information;

"(ii) the procedures established by the issuer for the exercise of the individual's rights; and

"(iii) the right to obtain a copy of the notice of the confidentiality practices required under this subsection.

"(B) MODEL NOTICE.—The Secretary, in consultation with the National Committee on Vital and Health Statistics and the National Association of Insurance Commissioners, and after notice and opportunity for public comment, shall develop and disseminate model notices of confidentiality practices. Use of the model notice shall serve as a defense against claims of receiving inappropriate notice.

"(2) ESTABLISHMENT OF SAFEGUARDS.—A health insurance issuer offering health insurance coverage in the individual market shall establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality, security, accuracy, and integrity of predictive genetic information created, received, obtained, maintained, used, transmitted, or disposed of by such issuer.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to—

(1) group health plans, and health insurance coverage offered in connection with group health plans, for plan years beginning after 1 year after the date of enactment of this Act; and

(2) health insurance coverage offered, sold, issued, renewed, in effect, or operated in the individual market after 1 year after the date of enactment of this Act.

SEC. 904. AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986. (a) PROHIBITION OF HEALTH DISCRIMINATION ON THE BASIS OF GENETIC INFORMATION OR GENETIC SERVICES.—

(1) NO ENROLLMENT RESTRICTION FOR GENETIC SERVICES.—Section 9802(a)(1)(F) of the Internal Revenue Code of 1986 is amended by inserting before the period the following: "(including information about a request for or receipt of genetic services)".

(2) NO DISCRIMINATION IN GROUP PREMIUMS BASED ON PREDICTIVE GENETIC INFORMATION.—

(A) IN GENERAL.—Subchapter B of chapter 100 of the Internal Revenue Code of 1986 is further amended by adding at the end the following:

**"SEC. 9813. PROHIBITING PREMIUM DISCRIMINATION AGAINST GROUPS ON THE BASIS OF PREDICTIVE GENETIC INFORMATION.**

"A group health plan shall not adjust premium or contribution amounts for a group on the basis of predictive genetic information concerning any individual (including a dependent) or a family member of the individual (including information about a request for or receipt of genetic services).".

(B) CONFORMING AMENDMENT.—Section 9802(b) of the Internal Revenue Code of 1986 is amended by adding at the end the following:

"(3) REFERENCE TO RELATED PROVISION.—For a provision prohibiting the adjustment of premium or contribution amounts for a group under a group health plan on the basis of predictive genetic information (including information about a request for or the receipt of genetic services), see section 9813.".

(C) AMENDMENT TO TABLE OF SECTIONS.—The table of sections for subchapter B of chapter 100 of the Internal Revenue Code of 1986 is amended by adding at the end the following:

"Sec. 9813. Prohibiting premium discrimination against groups on the basis of predictive genetic information.".

(b) LIMITATION ON COLLECTION OF PREDICTIVE GENETIC INFORMATION.—Section 9802 of the Internal Revenue Code of 1986 is amended by adding at the end the following:

"(d) COLLECTION OF PREDICTIVE GENETIC INFORMATION.—

"(1) LIMITATION ON REQUESTING OR REQUIRING PREDICTIVE GENETIC INFORMATION.—Except as provided in paragraph (2), a group health plan shall not request or require predictive genetic information concerning any individual (including a dependent) or a family member of the individual (including information about a request for or receipt of genetic services).

"(2) INFORMATION NEEDED FOR DIAGNOSIS, TREATMENT, OR PAYMENT.—

"(A) IN GENERAL.—Notwithstanding paragraph (1), a group health plan that provides health care items and services to an individual or dependent may request (but may not require) that such individual or dependent disclose, or authorize the collection or disclosure of, predictive genetic information for purposes of diagnosis, treatment, or payment relating to the provision of health care items and services to such individual or dependent.

"(B) NOTICE OF CONFIDENTIALITY PRACTICES; DESCRIPTION OF SAFEGUARDS.—As a part of a request under subparagraph (A), the group health plan shall provide to the individual or dependent a description of the procedures in place to safeguard the confidentiality, as described in subsection (e), of such predictive genetic information.

"(e) CONFIDENTIALITY WITH RESPECT TO PREDICTIVE GENETIC INFORMATION.—

"(1) NOTICE OF CONFIDENTIALITY PRACTICES.—

*"(A) PREPARATION OF WRITTEN NOTICE.—A group health plan shall post or provide, in writing and in a clear and conspicuous manner, notice of the plan's confidentiality practices, that shall include—*

*"(i) a description of an individual's rights with respect to predictive genetic information;*

*"(ii) the procedures established by the plan for the exercise of the individual's rights; and*

*"(iii) the right to obtain a copy of the notice of the confidentiality practices required under this subsection.*

*"(B) MODEL NOTICE.—The Secretary, in consultation with the National Committee on Vital and Health Statistics and the National Association of Insurance Commissioners, and after notice and opportunity for public comment, shall develop and disseminate model notices of confidentiality practices. Use of the model notice shall serve as a defense against claims of receiving inappropriate notice.*

*"(2) ESTABLISHMENT OF SAFEGUARDS.—A group health plan shall establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality, security, accuracy, and integrity of predictive genetic information created, received, obtained, maintained, used, transmitted, or disposed of by such plan.".*

*(c) DEFINITIONS.—Section 9832(d) of the Internal Revenue Code of 1986 is amended by adding at the end the following:*

*"(6) FAMILY MEMBER.—The term 'family member' means, with respect to an individual—*

*"(A) the spouse of the individual;*

*"(B) a dependent child of the individual, including a child who is born to or placed for adoption with the individual; and*

*"(C) all other individuals related by blood to the individual or the spouse or child described in subparagraph (A) or (B).*

*"(7) GENETIC INFORMATION.—The term 'genetic information' means information about genes, gene products, or inherited characteristics that may derive from an individual or a family member (including information about a request for or receipt of genetic services).*

*"(8) GENETIC SERVICES.—The term 'genetic services' means health services provided to obtain, assess, or interpret genetic information for diagnostic and therapeutic purposes, and for genetic education and counseling.*

*"(9) PREDICTIVE GENETIC INFORMATION.—*

*"(A) IN GENERAL.—The term 'predictive genetic information' means, in the absence of symptoms, clinical signs, or a diagnosis of the condition related to such information—*

*"(i) information about an individual's genetic tests;*

*"(ii) information about genetic tests of family members of the individual; or*

*"(iii) information about the occurrence of a disease or disorder in family members.*

*"(B) EXCEPTIONS.—The term 'predictive genetic information' shall not include—*

*"(i) information about the sex or age of the individual;*

*"(ii) information derived from physical tests, such as the chemical, blood, or urine analyses of the individual including cholesterol tests; and*

*"(iii) information about physical exams of the individual.*

*"(10) GENETIC TEST.—The term 'genetic test' means the analysis of human DNA, RNA, chromosomes, proteins, and certain metabolites, including analysis of genotypes, mutations, phenotypes, or karyotypes, for the purpose of predicting risk of disease in asymptomatic or undiagnosed individuals. Such term does not include physical tests, such as the chemical, blood, or urine analyses of the individual including cholesterol tests, and physical exams of the individual, in order to detect symptoms, clinical signs, or a diagnosis of disease.".*

*(d) EFFECTIVE DATE.—Except as provided in this section, this section and the amendments made by this section shall apply with respect to group health plans for plan years beginning after 1 year after the date of the enactment of this Act.*

## *DIVISION B—HEALTH CARE ACCESS AND PROTECTIONS FOR CONSUMERS*

### *SEC. 2001. SHORT TITLE.*

*This division may be cited as the "Patients' Bill of Rights Plus Act".*

## *TITLE XXI—TAX-RELATED HEALTH CARE PROVISIONS*

## *Subtitle A—Health Care and Long-Term Care*

### *SEC. 2101. DEDUCTION FOR HEALTH AND LONG-TERM CARE INSURANCE COSTS OF INDIVIDUALS NOT PARTICIPATING IN EMPLOYER-SUBSIDIZED HEALTH PLANS.*

*(a) IN GENERAL.—Part VII of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by redesignating section 222 as section 223 and by inserting after section 221 the following new section:*

### *"SEC. 222. HEALTH AND LONG-TERM CARE INSURANCE COSTS.*

*"(a) IN GENERAL.—In the case of an individual, there shall be allowed as a deduction an amount equal to the applicable percentage of the amount paid during the taxable year for insurance which constitutes medical care for the taxpayer and the taxpayer's spouse and dependents.*

*"(b) APPLICABLE PERCENTAGE.—*

*"(1) IN GENERAL.—For purposes of subsection (a), the applicable percentage shall be determined in accordance with the following table:*

| ***"For taxable years beginning in calendar year—*** | ***The applicable percentage is—*** |
|---|---|
| *2002 and 2003* | *25* |
| *2004* | *35* |
| *2005* | *65* |
| *2006 and thereafter* | *100.* |

*"(2) LONG-TERM CARE INSURANCE FOR INDIVIDUALS 60 YEARS OR OLDER.—In the case of amounts paid for a qualified long-term care insurance contract for an individual who has attained age 60 before the close of the taxable year, the applicable percentage is 100.*

*"(c) LIMITATION BASED ON OTHER COVERAGE.—*

*"(1) COVERAGE UNDER CERTAIN SUBSIDIZED EMPLOYER PLANS.—*

*"(A) IN GENERAL.—Subsection (a) shall not apply to any taxpayer for any calendar month for which the taxpayer participates in any health plan maintained by any employer of the taxpayer or of the spouse of the taxpayer if 50 percent or more of the cost of coverage under such plan (determined under section 4980B and without regard to payments made with respect to any coverage described in subsection (e)) is paid or incurred by the employer.*

*"(B) EMPLOYER CONTRIBUTIONS TO CAFETERIA PLANS, FLEXIBLE SPENDING ARRANGEMENTS, AND MEDICAL SAVINGS ACCOUNTS.—Employer contributions to a cafeteria plan, a flexible spending or similar arrangement, or a medical savings account which are excluded from gross income under section 106 shall be treated for purposes of subparagraph (A) as paid by the employer.*

*"(C) AGGREGATION OF PLANS OF EMPLOYER.—A health plan which is not otherwise described in subparagraph (A) shall be treated as described in such subparagraph if such plan would be so described if all health plans of persons treated as a single employer under subsection (b), (c), (m), or (o) of section 414 were treated as one health plan.*

*"(D) SEPARATE APPLICATION TO HEALTH INSURANCE AND LONG-TERM CARE INSURANCE.—Subparagraphs (A) and (C) shall be applied separately with respect to—*

*"(i) plans which include primarily coverage for qualified long-term care services or are qualified long-term care insurance contracts, and*

*"(ii) plans which do not include such coverage and are not such contracts.*

*"(2) COVERAGE UNDER CERTAIN FEDERAL PROGRAMS.—*

*"(A) IN GENERAL.—Subsection (a) shall not apply to any amount paid for any coverage for an individual for any calendar month if, as of the first day of such month, the individual is covered under any medical care program described in—*

*"(i) title XVIII, XIX, or XXI of the Social Security Act,*

*"(ii) chapter 55 of title 10, United States Code,*

*"(iii) chapter 17 of title 38, United States Code,*

*"(iv) chapter 89 of title 5, United States Code, or*

*"(v) the Indian Health Care Improvement Act.*

*"(B) EXCEPTIONS.—*

*"(i) QUALIFIED LONG-TERM CARE.—Subparagraph (A) shall not apply to amounts paid for coverage under a qualified long-term care insurance contract.*

*"(ii) CONTINUATION COVERAGE OF FEHBP.—Subparagraph (A)(iv) shall not apply to coverage which is comparable to continuation coverage under section 4980B.*

*"(d) LONG-TERM CARE DEDUCTION LIMITED TO QUALIFIED LONG-TERM CARE INSURANCE CONTRACTS.—In the case of a qualified long-term care insurance contract, only eligible long-term care premiums (as defined in section 213(d)(10)) may be taken into account under subsection (a).*

*"(e) DEDUCTION NOT AVAILABLE FOR PAYMENT OF ANCILLARY COVERAGE PREMIUMS.—Any amount paid as a premium for insurance which provides for—*

*"(1) coverage for accidents, disability, dental care, vision care, or a specified illness, or*

*"(2) making payments of a fixed amount per day (or other period) by reason of being hospitalized,*

*shall not be taken into account under subsection (a).*

*"(f) SPECIAL RULES.—*

*"(1) COORDINATION WITH DEDUCTION FOR HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS.—The amount taken into account by the taxpayer in computing the deduction under section 162(l) shall not be taken into account under this section.*

*"(2) COORDINATION WITH MEDICAL EXPENSE DEDUCTION.—The amount taken into account by the taxpayer in computing the deduction under this section shall not be taken into account under section 213.*

*"(g) REGULATIONS.—The Secretary shall prescribe such regulations as may be appropriate to carry out this section, including regulations requiring employers to report to their employees and the Secretary such information as the Secretary determines to be appropriate.".*

*(b) DEDUCTION ALLOWED WHETHER OR NOT TAXPAYER ITEMIZES OTHER DEDUCTIONS.—Subsection (a) of section 62 of such Code is amended by inserting after paragraph (17) the following new item:*

*"(18) HEALTH AND LONG-TERM CARE INSURANCE COSTS.—The deduction allowed by section 222.".*

*(c) CLERICAL AMENDMENT.—The table of sections for part VII of subchapter B of chapter 1 of such Code is amended by striking the last item and inserting the following new items:*

*"Sec. 222. Health and long-term care insurance costs.*

*"Sec. 223. Cross reference.".*

*(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.*

### *SEC. 2102. DEDUCTION FOR 100 PERCENT OF HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS.*

*(a) IN GENERAL.—Paragraph (1) of section 162(l) of the Internal Revenue Code of 1986 is amended to read as follows:*

*"(1) ALLOWANCE OF DEDUCTION.—In the case of an individual who is an employee within the meaning of section 401(c)(1), there shall be allowed as a deduction under this section an amount equal to 100 percent of the amount paid during the taxable year for insurance which constitutes medical care for the taxpayer and the taxpayer's spouse and dependents.".*

*(b) CLARIFICATION OF LIMITATIONS ON OTHER COVERAGE.—The first sentence of section 162(l)(2)(B) of such Code is amended to read as follows: "Paragraph (1) shall not apply to any taxpayer for any calendar month for which the taxpayer participates in any subsidized health plan maintained by any employer (other than an employer described in section 401(c)(4)) of the taxpayer or the spouse of the taxpayer.".*

*(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.*

### *SEC. 2103. LONG-TERM CARE INSURANCE PERMITTED TO BE OFFERED UNDER CAFETERIA PLANS AND FLEXIBLE SPENDING ARRANGEMENTS.*

*(a) CAFETERIA PLANS.—*

*(1) IN GENERAL.—Subsection (f) of section 125 of the Internal Revenue Code of 1986 (defining qualified benefits) is amended by inserting before the period at the end "; except that such term shall include the payment of premiums for any qualified long-term care insurance contract (as defined in section 7702B) to the extent the amount of such payment does not exceed the eligible long-term care premiums (as defined in section 213(d)(10)) for such contract".*

*(b) FLEXIBLE SPENDING ARRANGEMENTS.—Section 106 of such Code (relating to contributions by employer to accident and health plans) is amended by striking subsection (c).*

*(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.*

### *SEC. 2104. ADDITIONAL PERSONAL EXEMPTION FOR TAXPAYER CARING FOR ELDERLY FAMILY MEMBER IN TAXPAYER'S HOME.*

*(a) IN GENERAL.—Section 151 of the Internal Revenue Code of 1986 (relating to allowance of deductions for personal exemptions) is amended by redesignating subsection (e) as subsection (f) and by inserting after subsection (d) the following new subsection:*

*"(e) ADDITIONAL EXEMPTION FOR CERTAIN ELDERLY FAMILY MEMBERS RESIDING WITH TAXPAYER.—*

*"(1) IN GENERAL.—An exemption of the exemption amount for each qualified family member of the taxpayer.*

*"(2) QUALIFIED FAMILY MEMBER.—For purposes of this subsection, the term 'qualified family member' means, with respect to any taxable year, any individual—*

*"(A) who is an ancestor of the taxpayer or of the taxpayer's spouse or who is the spouse of any such ancestor,*

*"(B) who is a member for the entire taxable year of a household maintained by the taxpayer, and*

*"(C) who has been certified, before the due date for filing the return of tax for the taxable year (without extensions), by a physician (as defined in section 1861(r)(1) of the Social Security Act) as being an individual with long-term care needs described in paragraph (3) for a period—*

*"(i) which is at least 180 consecutive days, and*

*"(ii) a portion of which occurs within the taxable year.*

*Such term shall not include any individual otherwise meeting the requirements of the preceding sentence unless within the 39½ month period ending on such due date (or such other period as the Secretary prescribes) a physician (as so defined) has certified that such individual meets such requirements.*

*"(3) INDIVIDUALS WITH LONG-TERM CARE NEEDS.—An individual is described in this paragraph if the individual—*

*"(A) is unable to perform (without substantial assistance from another individual) at least two activities of daily living (as defined in section 7702B(c)(2)(B)) due to a loss of functional capacity, or*

*"(B) requires substantial supervision to protect such individual from threats to health and safety due to severe cognitive impairment and is unable to perform, without reminding or cuing assistance, at least one activity of daily living (as so defined) or to the extent provided in regulations prescribed by the Secretary (in consultation with the Secretary of Health and Human Services), is unable to engage in age appropriate activities.*

*"(4) SPECIAL RULES.—Rules similar to the rules of paragraphs (1), (2), (3), (4), and (5) of section 21(e) shall apply for purposes of this subsection.".*

*(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.*

### *SEC. 2105. STUDY OF LONG-TERM CARE NEEDS IN THE 21ST CENTURY.*

*(a) IN GENERAL.—The Secretary of Health and Human Services (referred to in this section as the "Secretary") shall on or after October 1, 2001, provide, in accordance with this section, for a study in order to determine—*

*(1) future demand for long-term health care services (including institutional and home and community-based services) in the United States in order to meet the needs in the 21st century; and*

*(2) long-term options to finance the provision of such services.*

*(b) DETAILS.—The study conducted under subsection (a) shall include the following:*

*(1) An identification of the relevant demographic characteristics affecting demand for long-term health care services, at least through the year 2030.*

*(2) The viability and capacity of community-based and other long-term health care services under different federal programs, including through the medicare and medicaid programs, grants to States, housing services, and changes in tax policy.*

*(3) How to improve the quality of long-term health care services.*

*(4) The integration of long-term health care services for individuals between different classes of health care providers (such as hospitals, nursing facilities, and home care agencies) and different Federal programs (such as the medicare and medicaid programs).*

*(5) The possibility of expanding private sector initiatives, including long-term care insurance, to meet the need to finance such services.*

*(6) An examination of the effect of enactment of the Health Insurance Portability and Accountability Act of 1996 on the provision and financing of long-term health care services, including on portability and affordability of private long-term care insurance, the impact of insurance options on low-income older Americans, and the options for eligibility to improve access to such insurance.*

*(7) The financial impact of the provision of long-term health care services on caregivers and other family members.*

*(c) REPORT AND RECOMMENDATIONS.—*

*(1) IN GENERAL.—October 1, 2002, the Secretary shall provide for a report on the study under this section.*

*(2) RECOMMENDATIONS.—The report under paragraph (1) shall include findings and recommendations regarding each of the following:*

*(A) The most effective and efficient manner that the Federal Government may use its resources to educate the public on planning for needs for long-term health care services.*

*(B) The public, private, and joint public-private strategies for meeting identified needs for long-term health care services.*

*(C) The role of States and local communities in the financing of long-term health care services.*

*(3) INCLUSION OF COST ESTIMATES.—The report under paragraph (1) shall include cost estimates of the various options for which recommendations are made.*

*(d) CONDUCT OF STUDY.—*

*(1) USE OF INSTITUTE OF MEDICINE.—The Secretary of Health and Human Services shall seek to enter into an appropriate arrangement with the Institute of Medicine of the National Academy of Sciences to conduct the study under this section. If such an arrangement cannot be made, the Secretary may provide for the conduct of the study by any other qualified non-governmental entity.*

*(2) CONSULTATION.—The study should be conducted under this section in consultation with experts from a wide-range of groups from the public and private sectors.*

## *Subtitle B—Medical Savings Accounts*

### *SEC. 2111. EXPANSION OF AVAILABILITY OF MEDICAL SAVINGS ACCOUNTS.*

*(a) REPEAL OF LIMITATIONS ON NUMBER OF MEDICAL SAVINGS ACCOUNTS.—*

*(1) IN GENERAL.—Subsections (i) and (j) of section 220 of the Internal Revenue Code of 1986 are hereby repealed.*

*(2) CONFORMING AMENDMENTS.—*

*(A) Paragraph (1) of section 220(c) of such Code is amended by striking subparagraph (D).*

*(B) Section 138 of such Code is amended by striking subsection (f).*

*(b) AVAILABILITY NOT LIMITED TO ACCOUNTS FOR EMPLOYEES OF SMALL EMPLOYERS AND SELF-EMPLOYED INDIVIDUALS.—*

*(1) IN GENERAL.—Section 220(c)(1)(A) of such Code (relating to eligible individual) is amended to read as follows:*

*"(A) IN GENERAL.—The term 'eligible individual' means, with respect to any month, any individual if—*

*"(i) such individual is covered under a high deductible health plan as of the 1st day of such month, and*

*"(ii) such individual is not, while covered under a high deductible health plan, covered under any health plan—*

*"(I) which is not a high deductible health plan, and*

*"(II) which provides coverage for any benefit which is covered under the high deductible health plan.".*

*(2) CONFORMING AMENDMENTS.—*

*(A) Section 220(c)(1) of such Code is amended by striking subparagraph (C).*

*(B) Section 220(c) of such Code is amended by striking paragraph (4) (defining small employer) and by redesignating paragraph (5) as paragraph (4).*

*(C) Section 220(b) of such Code is amended by striking paragraph (4) (relating to deduction limited by compensation) and by redesignating paragraphs (5), (6), and (7) as paragraphs (4), (5), and (6), respectively.*

*(c) INCREASE IN AMOUNT OF DEDUCTION ALLOWED FOR CONTRIBUTIONS TO MEDICAL SAVINGS ACCOUNTS.—*

*(1) IN GENERAL.—Paragraph (2) of section 220(b) of such Code is amended to read as follows:*

*"(2) MONTHLY LIMITATION.—The monthly limitation for any month is the amount equal to 1/12*

*of the annual deductible (as of the first day of such month) of the individual's coverage under the high deductible health plan.".*

*(2) Conforming amendment.—Clause (ii) of section 220(d)(1)(A) of such Code is amended by striking "75 percent of".*

*(d) Both Employers and Employees May Contribute to Medical Savings Accounts.—Paragraph (4) of section 220(b) of such Code (as redesignated by subsection (b)(2)(C)) is amended to read as follows:*

*"(4) Coordination with exclusion for employer contributions.—The limitation which would (but for this paragraph) apply under this subsection to the taxpayer for any taxable year shall be reduced (but not below zero) by the amount which would (but for section 106(b)) be includible in the taxpayer's gross income for such taxable year.".*

*(e) Reduction of Permitted Deductibles Under High Deductible Health Plans.—*

*(1) In general.—Subparagraph (A) of section 220(c)(2) of such Code (defining high deductible health plan) is amended—*

*(A) by striking "$1,500" in clause (i) and inserting "$1,000";*

*(B) by striking "$3,000" in clause (ii) and inserting "$2,000"; and*

*(C) by striking the matter preceding subclause (I) in clause (iii) and inserting "pursuant to which the annual out-of-pocket expenses (including deductibles and co-payments) are required to be paid under the plan (other than for premiums) for covered benefits and may not exceed—".*

*(2) Conforming amendment.—Subsection (g) of section 220 of such Code is amended to read as follows:*

*"(g) Cost-of-Living Adjustment.—*

*"(1) In general.—In the case of any taxable year beginning in a calendar year after 2002, each dollar amount in subsection (c)(2) shall be increased by an amount equal to—*

*"(A) such dollar amount, multiplied by*

*"(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which such taxable year begins by substituting 'calendar year 2001' for 'calendar year 1992' in subparagraph (B) thereof.*

*"(2) Special rules.—In the case of the $1,000 amount in subsection (c)(2)(A)(i) and the $2,000 amount in subsection (c)(2)(A)(ii), paragraph (1)(B) shall be applied by substituting 'calendar year 2002' for 'calendar year 2001'.*

*"(3) Rounding.—If any increase under paragraph (1) or (2) is not a multiple of $50, such increase shall be rounded to the nearest multiple of $50.".*

*(f) Limitation on Additional Tax on Distributions Not Used for Qualified Medical Expenses.—Section 220(f)(4) of such Code (relating to additional tax on distributions not used for qualified medical expenses) is amended by adding at the end the following:*

*"(D) Exception in case of sufficient account balance.—Subparagraph (A) shall not apply to any payment or distribution in any taxable year, but only to the extent such payment or distribution does not reduce the fair market value of the assets of the medical savings account to an amount less than the annual deductible for the high deductible health plan of the account holder (determined as of the earlier of January 1 of the calendar year in which the taxable year begins or January 1 of the last calendar year in which the account holder is covered under a high deductible health plan).".*

*(g) Treatment of Network-Based Managed Care Plans.—Section 220(c)(2)(B) of such Code (relating to special rules for high deductible health plans) is amended by adding at the end the following:*

*"(iii) Treatment of network-based managed care plans.—A plan which provides health care services through a network of contracted or affiliated health care providers, if the benefits provided when services are obtained through network providers meet the requirements of subparagraph (A), shall not fail to be treated as a high deductible health plan by reason of providing benefits for services rendered by providers who are not members of the network, so long as the annual deductible and annual limit on out-of-pocket expenses applicable to services received from non-network providers are not lower than those applicable to services received from the network providers.".*

*(h) Medical Savings Accounts May Be Offered Under Cafeteria Plans.—Subsection (f) of section 125 of such Code is amended by striking "106(b),".*

*(i) Effective Date.—*

*(1) In general.—Except as provided by paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 2001.*

*(2) Limitation on Additional Tax on Distributions Not Used for Qualified Medical Expenses.—The amendment made by subsection (f) shall apply to taxable years beginning after December 31, 2005.*

### SEC. 2112. AMENDMENTS TO TITLE 5, UNITED STATES CODE, RELATING TO MEDICAL SAVINGS ACCOUNTS AND HIGH DEDUCTIBLE HEALTH PLANS UNDER FEHBP.

*(a) Medical Savings Accounts.—*

*(1) Contributions.—Title 5, United States Code, is amended by redesignating section 8906a as section 8906c and by inserting after section 8906 the following:*

***"§8906a. Government contributions to medical savings accounts***

*"(a) An employee or annuitant enrolled in a high deductible health plan is entitled, in addition to the Government contribution under section 8906(b) toward the subscription charge for such plan, to have a Government contribution made, in accordance with succeeding provisions of this section, to a medical savings account of such employee or annuitant.*

*"(b)(1) The biweekly Government contribution under this section shall, in the case of any such employee or annuitant, be equal to the amount (if any) by which—*

*"(A) the biweekly equivalent of the maximum Government contribution for the contract year involved (as defined by paragraph (2)), exceeds*

*"(B) the amount of the biweekly Government contribution payable on such employee's or annuitant's behalf under section 8906(b) for the period involved.*

*"(2) For purposes of this section, the term 'maximum Government contribution' means, with respect to a contract year, the maximum Government contribution that could be made for health benefits for an employee or annuitant for such contract year, as determined under section 8906(b) (disregarding paragraph (2) thereof).*

*"(3) Notwithstanding any other provision of this section, no contribution under this section shall be payable to any medical savings account of an employee or annuitant for any period—*

*"(A) if, as of the first day of the month before the month in which such period commences, such employee or annuitant (or the spouse of such employee or annuitant, if coverage is for self and family) is entitled to benefits under part A of title XVIII of the Social Security Act;*

*"(B) to the extent that such contribution, when added to previous contributions made under this section for that same year with respect to such employee or annuitant, would cause the total to exceed—*

*"(i) the limitation under paragraph (1) of sectibn 220(b) of the Internal Revenue Code of 1986 (determined without regard to paragraph (3) thereof) which is applicable to such employee or annuitant for the calendar year in which such period commences; or*

*"(ii) such lower amount as the employee or annuitant may specify in accordance with regulations of the Office, including an election not to receive contributions under this section for a year or the remainder of a year; or*

*"(C) for which any information (or documentation) under subsection (d) that is needed in order to make such contribution has not been timely submitted.*

*"(4) Notwithstanding any other provision of this section, no contribution under this section shall be payable to any medical savings account of an employee for any period in a contract year unless that employee was enrolled in a health benefits plan under this chapter as an employee for not less than—*

*"(A) the 1 year of service immediately before the start of such contract year, or*

*"(B) the full period or periods of service between the last day of the first period, as prescribed by regulations of the Office of Personnel Management, in which he is eligible to enroll in the plan and the day before the start of such contract year,*

*whichever is shorter.*

*"(5) The Office shall provide for the conversion of biweekly rates of contributions specified by paragraph (1) to rates for employees and annuitants whose pay or annuity is provided on other than a biweekly basis, and for this purpose may provide for the adjustment of the converted rate to the nearest cent.*

*"(c) A Government contribution under this section—*

*"(1) shall be made at the same time that, and the same frequency with which, Government contributions under section 8906(b) are made for the benefit of the employee or annuitant involved; and*

*"(2) shall be payable from the same appropriation, fund, account, or other source as would any Government contributions under section 8906(b) with respect to the employee or annuitant involved.*

*"(d) The Office shall by regulation prescribe the time, form, and manner in which an employee or annuitant shall submit any information (and supporting documentation) necessary to identify any medical savings account to which contributions under this section are requested to be made.*

*"(e) Nothing in this section shall be considered to entitle an employee or annuitant to any Government contribution under this section with respect to any period for which such employee or annuitant is ineligible for a Government contribution under section 8906(b).*

***"§8906b. Individual contributions to medical savings accounts***

*"(a) Upon the written request of an employee or annuitant enrolled in a high deductible health plan, there shall be withheld from the pay or annuity of such employee or annuitant and contributed to the medical savings account identified by such employee or annuitant in accordance with applicable regulations under subsection (c) such amount as the employee or annuitant may specify.*

*"(b) Notwithstanding subsection (a), no withholding under this section may be made from the pay or annuity of an employee or annuitant for any period—*

*"(1) if, or to the extent that, a Government contribution for such period under section 8906a would not be allowable by reason of subparagraph (A) or (B)(i) of subsection (b)(3) thereof;*

*"(2) for which any information (or documentation) that is needed in order to make such contribution has not been timely submitted; or*

*"(3) if the employee or annuitant submits a request for termination of withholdings, beginning on or after the effective date of the request and before the end of the year.*

"(c) The Office of Personnel Management shall prescribe any regulations necessary to carry out this section, including provisions relating to the time, form, and manner in which any request for withholdings under this section may be made, changed, or terminated.".

(2) RULES OF CONSTRUCTION.—Nothing in this section or in any amendment made by this section shall be considered—

(A) to permit or require that any contributions to a medical savings account (whether by the Government or through withholdings from pay or annuity) be paid into the Employees Health Benefits Fund; or

(B) to affect any authority under section 1005(f) of title 39, United States Code, to vary, add to, or substitute for any provision of chapter 89 of title 5, United States Code, as amended by this section.

(3) CONFORMING AMENDMENTS.—

(A) The table of sections at the beginning of chapter 89 of title 5, United States Code, is amended by striking the item relating to section 8906a and inserting the following:

"8906a. Government contributions to medical savings accounts.
"8906b. Individual contributions to medical savings accounts.
"8906c. Temporary employees.".

(B) Section 8913(b)(4) of title 5, United States Code, is amended by striking "8906a(a)" and inserting "8906c(a)".

(b) INFORMATIONAL REQUIREMENTS.—Section 8907 of title 5, United States Code, is amended by adding at the end the following:

"(c) In addition to any information otherwise required under this section, the Office shall make available to all employees and annuitants eligible to enroll in a high deductible health plan, information relating to—

"(1) the conditions under which Government contributions under section 8906a shall be made to a medical savings account;

"(2) the amount of any Government contributions under section 8906a to which an employee or annuitant may be entitled (or how such amount may be ascertained);

"(3) the conditions under which contributions to a medical savings account may be made under section 8906b through withholdings from pay or annuity; and

"(4) any other matter the Office considers appropriate in connection with medical savings accounts.".

(c) HIGH DEDUCTIBLE HEALTH PLAN AND MEDICAL SAVINGS ACCOUNT DEFINED.—Section 8901 of title 5, United States Code, is amended—

(1) in paragraph (10) by striking "and" after the semicolon;

(2) in paragraph (11) by striking the period and inserting a semicolon; and

(3) by adding at the end the following:

"(12) the term 'high deductible health plan' means a plan described by section 8903(5) or section 8903a(d); and

"(13) the term 'medical savings account' has the meaning given such term by section 220(d) of the Internal Revenue Code of 1986.".

(d) AUTHORITY TO CONTRACT FOR HIGH DEDUCTIBLE HEALTH PLANS, ETC.—

(1) CONTRACTS FOR HIGH DEDUCTIBLE HEALTH PLANS.—Section 8902 of title 5, United States Code, is amended by adding at the end the following:

"(p)(1) The Office shall contract under this chapter for a high deductible health plan with any qualified carrier that offers such a plan and, as of the date of enactment of this subsection, offers a health benefits plan under this chapter.

"(2) The Office may contract under this chapter for a high deductible health plan with any qualified carrier that offers such a plan, but does not, as of the date of enactment of this subsection, offer a health benefits plan under this chapter.".

(2) COMPUTATION OF GOVERNMENT CONTRIBUTIONS TO PLANS UNDER CHAPTER 89 NOT AFFECTED BY HIGH DEDUCTIBLE HEALTH PLANS.—Paragraph (2) of section 8906(a) of title 5, United States Code, is amended by striking "(2)" and inserting "(2)(A)", and adding at the end the following:

"(B) Notwithstanding any other provision of this section, the subscription charges for, and the number of enrollees enrolled in, high deductible health plans shall be disregarded for purposes of determining any weighted average under paragraph (1).".

(e) DESCRIPTION OF HIGH DEDUCTIBLE HEALTH PLANS AND BENEFITS TO BE PROVIDED THEREUNDER.—

(1) IN GENERAL.—Section 8903 of title 5, United States Code, is amended by adding at the end the following:

"(5) HIGH DEDUCTIBLE HEALTH PLANS.—(A) One or more plans described by paragraph (1), (2), (3), or (4), which—

"(i) are high deductible health plans (as defined by section 220(c)(2) of the Internal Revenue Code of 1986); and

"(ii) provide benefits of the types referred to by section 8904(a)(5).

"(B) Nothing in this section shall be considered—

"(i) to prevent a carrier from simultaneously offering a plan described by subparagraph (A) and a plan described by paragraph (1) or (2); or

"(ii) to require that a high deductible health plan offer two levels of benefits.".

(2) TYPES OF BENEFITS.—Section 8904(a) of title 5, United States Code, is amended by inserting after paragraph (4) the following:

"(5) HIGH DEDUCTIBLE HEALTH PLANS.—Benefits of the types named under paragraph (1) or (2) of this subsection or both.".

(3) CONFORMING AMENDMENTS.—

(A) Section 8903a of title 5, United States Code, is amended by redesignating subsection (d) as subsection (e) and by inserting after subsection (c) the following:

"(d) The plans under this section may include one or more plans, otherwise allowable under this section, that satisfy the requirements of clauses (i) and (ii) of section 8903(5)(A).".

(B) Section 8909(d) of title 5, United States Code, is amended by striking "8903a(d)" and inserting "8903a(e)".

(4) REFERENCES.—Section 8903 of title 5, United States Code, is amended by adding after paragraph (5) (as added by paragraph (1) of this subsection) as a flush left sentence, the following:

"The Office shall prescribe regulations in accordance with which the requirements of section 8902(c), 8902(n), 8909(e), and any other provision of this chapter that applies with respect to a plan described by paragraph (1), (2), (3), or (4) of this section shall apply with respect to the corresponding plan under paragraph (5) of this section. Similar regulations shall be prescribed with respect to any plan under section 8903a(d).".

(f) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to contract years beginning on or after October 1, 2001. The Office of Personnel Management shall take appropriate measures to ensure that coverage under a high deductible health plan under chapter 89 of title 5, United States Code (as amended by this section) shall be available as of the beginning of the first contract year described in the preceding sentence.

### SEC. 2113. RULE WITH RESPECT TO CERTAIN PLANS.

(a) IN GENERAL.—Notwithstanding any other provision of law, health insurance issuers may offer, and eligible individuals may purchase, high deductible health plans described in section 220(c)(2)(A) of the Internal Revenue Code of 1986. Effective for the 5-year period beginning on October 1, 2001, such health plans shall not be required to provide payment for any health care items or services that are exempt from the plan's deductible.

(b) EXISTING STATE LAWS.—A State law relating to payment for health care items and services in effect on the date of enactment of this Act that is preempted under paragraph (1), shall not apply to high deductible health plans after the expiration of the 5-year period described in such paragraph unless the State reenacts such law after such period.

## Subtitle C—Other Health-Related Provisions

### SEC. 2121. EXPANDED HUMAN CLINICAL TRIALS QUALIFYING FOR ORPHAN DRUG CREDIT.

(a) IN GENERAL.—Subclause (I) of section 45C(b)(2)(A)(ii) of the Internal Revenue Code of 1986 is amended to read as follows:

"(I) after the date that the application is filed for designation under such section 526, and".

(b) CONFORMING AMENDMENT.—Clause (i) of section 45C(b)(2)(A) of such Code is amended by inserting "which is" before "being" and by inserting before the comma at the end "and which is designated under section 526 of such Act".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred after December 31, 2001.

### SEC. 2122. CARRYOVER OF UNUSED BENEFITS FROM CAFETERIA PLANS, FLEXIBLE SPENDING ARRANGEMENTS, AND HEALTH FLEXIBLE SPENDING ACCOUNTS.

(a) IN GENERAL.—Section 125 of the Internal Revenue Code of 1986 (relating to cafeteria plans) is amended by redesignating subsections (h) and (i) as subsections (i) and (j) and by inserting after subsection (g) the following new subsection:

"(h) ALLOWANCE OF CARRYOVERS OF UNUSED BENEFITS TO LATER TAXABLE YEARS.—

"(1) IN GENERAL.—For purposes of this title—

"(A) notwithstanding subsection (d)(2), a plan or other arrangement shall not fail to be treated as a cafeteria plan or flexible spending or similar arrangement, and

"(B) no amount shall be required to be included in gross income by reason of this section or any other provision of this chapter,

solely because under such plan or other arrangement any nontaxable benefit which is unused as of the close of a taxable year may be carried forward to 1 or more succeeding taxable years.

"(2) LIMITATION.—Paragraph (1) shall not apply to amounts carried from a plan to the extent such amounts exceed $500 (applied on an annual basis). For purposes of this paragraph, all plans and arrangements maintained by an employer or any related person shall be treated as 1 plan.

"(3) ALLOWANCE OF ROLLOVER.—

"(A) IN GENERAL.—In the case of any unused benefit described in paragraph (1) which consists of amounts in a health flexible spending account or dependent care flexible spending account, the plan or arrangement shall provide that a participant may elect, in lieu of such carryover, to have such amounts distributed to the participant.

"(B) AMOUNTS NOT INCLUDED IN INCOME.—Any distribution under subparagraph (A) shall not be included in gross income to the extent that such amount is transferred in a trustee-to-trustee transfer, or is contributed within 60 days of the date of the distribution, to—

"(i) a qualified cash or deferred arrangement described in section 401(k),

"(ii) a plan under which amounts are contributed by an individual's employer for an annuity contract described in section 403(b), *"(iii) an eligible deferred compensation plan described in section 457, or*

*"(iv) a medical savings account (within the meaning of section 220).*

*Any amount rolled over under this subparagraph shall be treated as a rollover contribution for the taxable year from which the unused amount would otherwise be carried.*

*"(C) Treatment of Rollover.—Any amount rolled over under subparagraph (B) shall be treated as an eligible rollover under section 220, 401(k), 403(b), or 457, whichever is applicable, and shall be taken into account in applying any limitation (or participation requirement) on employer or employee contributions under such section or any other provision of this chapter for the taxable year of the rollover.*

*"(4) Cost-of-Living Adjustment.—In the case of any taxable year beginning in a calendar year after 2002, the $500 amount under paragraph (2) shall be adjusted at the same time and in the same manner as under section 415(d)(2), except that the base period taken into account shall be the calendar quarter beginning October 1, 2001, and any increase which is not a multiple of $50 shall be rounded to the next lowest multiple of $50.*

*"(5) Applicability.—This subsection shall apply to taxable years beginning after December 31, 2001.".*

*(b) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.*

### SEC. 2123. REDUCTION IN TAX ON VACCINES.

*(a) In General.—Paragraph (1) of section 4131(b) of the Internal Revenue Code of 1986 (relating to amount of tax) is amended by striking "75 cents" and inserting "50 cents".*

*(b) Effective Date.—The amendment made by subsection (a) shall take effect on January 1, 2002.*

## Subtitle D—Miscellaneous Provisions

### SEC. 2131. NO IMPACT ON SOCIAL SECURITY TRUST FUND.

*(a) In General.—Nothing in this division (or an amendment made by this division) shall be construed to alter or amend the Social Security Act (or any regulation promulgated under that Act).*

*(b) Transfers.—*

*(1) Estimate of Secretary.—The Secretary of the Treasury shall annually estimate the impact that the enactment of this division has on the income and balances of the trust funds established under section 201 of the Social Security Act (42 U.S.C. 401).*

*(2) Transfer of Funds.—If, under paragraph (1), the Secretary of the Treasury estimates that the enactment of this division has a negative impact on the income and balances of the trust funds established under section 201 of the Social Security Act (42 U.S.C. 401), the Secretary shall transfer, not less frequently than quarterly, from the general revenues of the Federal Government an amount sufficient so as to ensure that the income and balances of such trust funds are not reduced as a result of the enactment of such division.*

### SEC. 2132. CUSTOMS USER FEES.

*Section 13031(j)(3) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(j)(3)) is amended by striking "2003" and inserting "2010".*

### SEC. 2133. ESTABLISHMENT OF MEDICARE ADMINISTRATIVE FEE FOR SUBMISSION OF PAPER CLAIMS.

*(a) Imposition of Fee.—Notwithstanding any other provision of law and subject to subsection (b), the Secretary of Health and Human Services shall establish (in the form of a separate fee or reduction of payment otherwise made under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.)) an administrative fee of $1 for the submission of a claim in a paper or non-electronic form for items or services for which payment is sought under such title.*

*(b) Exception Authority.—The Secretary of Health and Human Services shall waive the imposition of the fee under subsection (a)—*

*(1) in cases in which there is no method available for the submission of claims other than in a paper or non-electronic form; and*

*(2) for rural providers and small providers that the Secretary determines, under procedures established by the Secretary, are unable to purchase the necessary hardware in order to submit claims electronically.*

*(c) Treatment of Fees for Purposes of Cost Reports.—An entity may not include a fee assessed pursuant to this section as an allowable item on a cost report under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) or title XIX of such Act (42 U.S.C. 1396 et seq.).*

*(d) Effective Date.—The provisions of this section apply to claims submitted on or after January 1, 2002.*

### SEC. 2134. ESTABLISHMENT OF MEDICARE ADMINISTRATIVE FEE FOR SUBMISSION OF DUPLICATE AND UNPROCESSABLE CLAIMS.

*(a) Imposition of Fee.—Notwithstanding any other provision of law, the Secretary of Health and Human Services shall establish (in the form of a separate fee or reduction of payment otherwise made under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.)) an administrative fee of $2 for the submission of a claim described in subsection (b).*

*(b) Claims Subject to Fee.—A claim described in this subsection is a claim that—*

*(1) is submitted by an individual or entity for items or services for which payment is sought under title XVIII of the Social Security Act; and*

*(2) either—*

*(A) duplicates, in whole or in part, another claim submitted by the same individual or entity; or*

*(B) is a claim that cannot be processed and must, in accordance with the Secretary of Health and Human Service's instructions, be returned by the fiscal intermediary or carrier to the individual or entity for completion.*

*(c) Treatment of Fees for Purposes of Cost Reports.—An entity may not include a fee assessed pursuant to this section as an allowable item on a cost report under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) or title XIX of such Act (42 U.S.C. 1396 et seq.).*

*(d) Effective Date.—The provisions of this section apply to claims submitted on or after January 1, 2002.*

## TITLE XXII—PATIENTS' BILL OF RIGHTS

## Subtitle A—Right to Advice and Care

### SEC. 2201. PATIENT RIGHT TO MEDICAL ADVICE AND CARE.

*(a) In General.—Part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1181 et seq.) is amended—*

*(1) by redesignating subpart C as subpart D; and*

*(2) by inserting after subpart B the following:*

### "Subpart C—Patient Right to Medical Advice and Care

### "SEC. 721. ACCESS TO EMERGENCY MEDICAL CARE.

*"(a) Coverage of Emergency Services.—If a group health plan (other than a fully insured group health plan) provides coverage for any benefits consisting of emergency medical care, except for items or services specifically excluded from coverage, the plan shall, without regard to prior authorization or provider participation—*

*"(1) provide coverage for emergency medical screening examinations to the extent that a prudent layperson, who possesses an average knowledge of health and medicine, would determine such examinations to be necessary; and*

*"(2) provide coverage for additional emergency medical care to stabilize an emergency medical condition following an emergency medical screening examination (if determined necessary), pursuant to the definition of stabilize under section 1867(e)(3) of the Social Security Act (42 U.S.C. 1395dd(e)(3)).*

*"(b) Coverage of Emergency Ambulance Services.—If a group health plan (other than a fully insured group health plan) provides coverage for any benefits consisting of emergency ambulance services, except for items or services specifically excluded from coverage, the plan shall, without regard to prior authorization or provider participation, provide coverage for emergency ambulance services to the extent that a prudent layperson, who possesses an average knowledge of health and medicine, would determine such emergency ambulance services to be necessary.*

*"(c) Care After Stabilization.—*

*"(1) In General.—In the case of medically necessary and appropriate items or services related to the emergency medical condition that may be provided to a participant or beneficiary by a nonparticipating provider after the participant or beneficiary is stabilized, the nonparticipating provider shall contact the plan as soon as practicable, but not later than 2 hours after stabilization occurs, with respect to whether—*

*"(A) the provision of items or services is approved;*

*"(B) the participant or beneficiary will be transferred; or*

*"(C) other arrangements will be made concerning the care and treatment of the participant or beneficiary.*

*"(2) Failure to Respond and Make Arrangements.—If a group health plan fails to respond and make arrangements within 2 hours of being contacted in accordance with paragraph (1), then the plan shall be responsible for the cost of any additional items or services provided by the nonparticipating provider if—*

*"(A) coverage for items or services of the type furnished by the nonparticipating provider is available under the plan;*

*"(B) the items or services are medically necessary and appropriate and related to the emergency medical condition involved; and*

*"(C) the timely provision of the items or services is medically necessary and appropriate.*

*"(3) Rule of Construction.—Nothing in this subsection shall be construed to apply to a group health plan that does not require prior authorization for items or services provided to a participant or beneficiary after the participant or beneficiary is stabilized.*

*"(d) Reimbursement to a Non-Participating Provider.—The responsibility of a group health plan to provide reimbursement to a nonparticipating provider under this section shall cease accruing upon the earlier of—*

*"(1) the transfer or discharge of the participant or beneficiary; or*

*"(2) the completion of other arrangements made by the plan and the nonparticipating provider.*

*"(e) Responsibility of Participant.—With respect to items or services provided by a nonparticipating provider under this section, the participant or beneficiary shall not be responsible for amounts that exceed the amounts (including co-insurance, co-payments, deductibles or any other form of cost-sharing) that would be incurred if the care was provided by a participating health care provider with prior authorization.*

*"(f) Rule of Construction.—Nothing in this section shall be construed to prohibit a group health plan from negotiating reimbursement*

*rates with a nonparticipating provider for items or services provided under this section.*

*"(g) DEFINITIONS.—In this section:*

*"(1) EMERGENCY AMBULANCE SERVICES.—The term 'emergency ambulance services' means, with respect to a participant or beneficiary under a group health plan (other than a fully insured group health plan), ambulance services furnished to transport an individual who has an emergency medical condition to a treating facility for receipt of emergency medical care if—*

*"(A) the emergency services are covered under the group health plan (other than a fully insured group health plan) involved; and*

*"(B) a prudent layperson who possesses an average knowledge of health and medicine could reasonably expect the absence of such transport to result in placing the health of the participant or beneficiary (or, with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy, serious impairment to bodily functions, or serious dysfunction of any bodily organ or part.*

*"(2) EMERGENCY MEDICAL CARE.—The term 'emergency medical care' means, with respect to a participant or beneficiary under a group health plan (other than a fully insured group health plan), covered inpatient and outpatient items or services that—*

*"(A) are furnished by any provider, including a nonparticipating provider, that is qualified to furnish such items or services; and*

*"(B) are needed to evaluate or stabilize (as such term is defined in section 1867(e)(3) of the Social Security Act (42 U.S.C. 1395dd(e)(3)) an emergency medical condition.*

*"(3) EMERGENCY MEDICAL CONDITION.—The term 'emergency medical condition' means a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that a prudent layperson, who possesses an average knowledge of health and medicine, could reasonably expect the absence of immediate medical attention to result in placing the health of the participant or beneficiary (or, with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy, serious impairment to bodily functions, or serious dysfunction of any bodily organ or part.*

### *"SEC. 722. OFFERING OF CHOICE OF COVERAGE OPTIONS.*

*"(a) REQUIREMENT.—If a group health plan (other than a fully insured group health plan) provides coverage for benefits only through a defined set of participating health care professionals, the plan shall offer the participant the option to purchase point-of-service coverage (as defined in subsection (b)) for all such benefits for which coverage is otherwise so limited. Such option shall be made available to the participant at the time of enrollment under the plan and at such other times as the plan offers the participant a choice of coverage options.*

*"(b) POINT-OF-SERVICE COVERAGE DEFINED.—In this section, the term 'point-of-service coverage' means, with respect to benefits covered under a group health plan (other than a fully insured group health plan), coverage of such benefits when provided by a nonparticipating health care professional.*

*"(c) SMALL EMPLOYER EXEMPTION.—*

*"(1) IN GENERAL.—This section shall not apply to any group health plan (other than a fully insured group health plan) of a small employer.*

*"(2) SMALL EMPLOYER.—For purposes of paragraph (1), the term 'small employer' means, in connection with a group health plan (other than a fully insured group health plan) with respect to a calendar year and a plan year, an employer who employed an average of at least 2 but not more than 50 employees on business days during the preceding calendar year and who employs at least 2 employees on the first day of the plan year. For purposes of this paragraph, the provisions of subparagraph (C) of section 712(c)(1) shall apply in determining employer size.*

*"(d) RULE OF CONSTRUCTION.—Nothing in this section shall be construed—*

*"(1) as requiring coverage for benefits for a particular type of health care professional;*

*"(2) as requiring an employer to pay any costs as a result of this section or to make equal contributions with respect to different health coverage options;*

*"(3) as preventing a group health plan (other than a fully insured group health plan) from imposing higher premiums or cost-sharing on a participant for the exercise of a point-of-service coverage option; or*

*"(4) to require that a group health plan (other than a fully insured group health plan) include coverage of health care professionals that the plan excludes because of fraud, quality of care, or other similar reasons with respect to such professionals.*

### *"SEC. 723. PATIENT ACCESS TO OBSTETRIC AND GYNECOLOGICAL CARE.*

*"(a) GENERAL RIGHTS.—*

*"(1) DIRECT ACCESS.—A group health plan described in subsection (b) may not require authorization or referral by the primary care provider described in subsection (b)(2) in the case of a female participant or beneficiary who seeks coverage for obstetrical or gynecological care provided by a participating physician who specializes in obstetrics or gynecology.*

*"(2) OBSTETRICAL AND GYNECOLOGICAL CARE.—A group health plan described in subsection (b) shall treat the provision of obstetrical and gynecological care, and the ordering of related obstetrical and gynecological items and services, pursuant to the direct access described under paragraph (1), by a participating health care professional who specializes in obstetrics or gynecology as the authorization of the primary care provider.*

*"(b) APPLICATION OF SECTION.—A group health plan described in this subsection is a group health plan (other than a fully insured group health plan), that—*

*"(1) provides coverage for obstetric or gynecologic care; and*

*"(2) requires the designation by a participant or beneficiary of a participating primary care provider other than a physician who specializes in obstetrics or gynecology.*

*"(c) RULES OF CONSTRUCTION.—Nothing in this section shall be construed—*

*"(1) to require that a group health plan approve or provide coverage for—*

*"(A) any items or services that are not covered under the terms and conditions of the group health plan;*

*"(B) any items or services that are not medically necessary and appropriate; or*

*"(C) any items or services that are provided, ordered, or otherwise authorized under subsection (a)(2) by a physician unless such items or services are related to obstetric or gynecologic care;*

*"(2) to preclude a group health plan from requiring that the physician described in subsection (a) notify the designated primary care professional or case manager of treatment decisions in accordance with a process implemented by the plan, except that the group health plan shall not impose such a notification requirement on the participant or beneficiary involved in the treatment decision;*

*"(3) to preclude a group health plan from requiring authorization, including prior authorization, for certain items and services from the physician described in subsection (a) who specializes in obstetrics and gynecology if the designated primary care provider of the participant or beneficiary would otherwise be required to obtain authorization for such items or services;*

*"(4) to require that the participant or beneficiary described in subsection (a)(1) obtain authorization or a referral from a primary care provider in order to obtain obstetrical or gynecological care from a health care professional other than a physician if the provision of obstetrical or gynecological care by such professional is permitted by the group health plan and consistent with State licensure, credentialing, and scope of practice laws and regulations; or*

*"(5) to preclude the participant or beneficiary described in subsection (a)(1) from designating a health care professional other than a physician as a primary care provider if such designation is permitted by the group health plan and the treatment by such professional is consistent with State licensure, credentialing, and scope of practice laws and regulations.*

### *"SEC. 724. ACCESS TO PEDIATRIC CARE.*

*"(a) PEDIATRIC CARE.—If a group health plan (other than a fully insured group health plan) requires or provides for a participant or beneficiary to designate a participating primary care provider for a child of such participant or beneficiary, the plan shall permit the participant or beneficiary to designate a physician who specializes in pediatrics as the child's primary care provider if such provider participates in the network of the plan.*

*"(b) RULES OF CONSTRUCTION.—With respect to the child of a participant or beneficiary, nothing in subsection (a) shall be construed to—*

*"(1) require that the participant or beneficiary obtain prior authorization or a referral from a primary care provider in order to obtain pediatric care from a health care professional other than a physician if the provision of pediatric care by such professional is permitted by the plan and consistent with State licensure, credentialing, and scope of practice laws and regulations; or*

*"(2) preclude the participant or beneficiary from designating a health care professional other than a physician as a primary care provider for the child if such designation is permitted by the plan and the treatment by such professional is consistent with State licensure, credentialing, and scope of practice laws.*

### *"SEC. 725. TIMELY ACCESS TO SPECIALISTS.*

*"(a) TIMELY ACCESS.—*

*"(1) IN GENERAL.—A group health plan (other than a fully insured group health plan) shall ensure that participants and beneficiaries receive timely coverage for access to specialists who are appropriate to the medical condition of the participant or beneficiary, when such specialty care is a covered benefit under the plan.*

*"(2) RULE OF CONSTRUCTION.—Nothing in paragraph (1) shall be construed—*

*"(A) to require the coverage under a group health plan (other than a fully insured group health plan) of benefits or services;*

*"(B) to prohibit a plan from including providers in the network only to the extent necessary to meet the needs of the plan's participants and beneficiaries;*

*"(C) to prohibit a plan from establishing measures designed to maintain quality and control costs consistent with the responsibilities of the plan; or*

*"(D) to override any State licensure or scope-of-practice law.*

*"(3) ACCESS TO CERTAIN PROVIDERS.—*

*"(A) PARTICIPATING PROVIDERS.—Nothing in this section shall be construed to prohibit a group health plan (other than a fully insured group health plan) from requiring that a participant or beneficiary obtain specialty care from a participating specialist.*

*"(B) NONPARTICIPATING PROVIDERS.—*

*"(i) IN GENERAL.—With respect to specialty care under this section, if a group health plan (other than a fully insured group health plan) determines that a participating specialist is not*

*available to provide such care to the participant or beneficiary, the plan shall provide for coverage of such care by a nonparticipating specialist.*

*"(ii) TREATMENT OF NONPARTICIPATING PROVIDERS.—If a group health plan (other than a fully insured group health plan) refers a participant or beneficiary to a nonparticipating specialist pursuant to clause (i), such specialty care shall be provided at no additional cost to the participant or beneficiary beyond what the participant or beneficiary would otherwise pay for such specialty care if provided by a participating specialist.*

*"(b) REFERRALS.—*

*"(1) AUTHORIZATION.—Nothing in this section shall be construed to prohibit a group health plan (other than a fully insured group health plan) from requiring an authorization in order to obtain coverage for specialty services so long as such authorization is for an appropriate duration or number of referrals.*

*"(2) REFERRALS FOR ONGOING SPECIAL CONDITIONS.—*

*"(A) IN GENERAL.—A group health plan (other than a fully insured group health plan) shall permit a participant or beneficiary who has an ongoing special condition (as defined in subparagraph (B)) to receive a referral to a specialist for the treatment of such condition and such specialist may authorize such referrals, procedures, tests, and other medical services with respect to such condition, or coordinate the care for such condition, subject to the terms of a treatment plan referred to in subsection (c) with respect to the condition.*

*"(B) ONGOING SPECIAL CONDITION DEFINED.—In this subsection, the term 'ongoing special condition' means a condition or disease that—*

*"(i) is life-threatening, degenerative, or disabling; and*

*"(ii) requires specialized medical care over a prolonged period of time.*

*"(c) TREATMENT PLANS.—*

*"(1) IN GENERAL.—Nothing in this section shall be construed to prohibit a group health plan (other than a fully insured group health plan) from requiring that specialty care be provided pursuant to a treatment plan so long as the treatment plan is—*

*"(A) developed by the specialist, in consultation with the case manager or primary care provider, and the participant or beneficiary;*

*"(B) approved by the plan in a timely manner if the plan requires such approval; and*

*"(C) in accordance with the applicable quality assurance and utilization review standards of the plan.*

*"(2) NOTIFICATION.—Nothing in paragraph (1) shall be construed as prohibiting a plan from requiring the specialist to provide the plan with regular updates on the specialty care provided, as well as all other necessary medical information.*

*"(d) SPECIALIST DEFINED.—For purposes of this section, the term 'specialist' means, with respect to the medical condition of the participant or beneficiary, a health care professional, facility, or center (such as a center of excellence) that has adequate expertise (including age-appropriate expertise) through appropriate training and experience.*

*"(e) RIGHT TO EXTERNAL REVIEW.—Pursuant to the requirements of section 503B, a participant or beneficiary shall have the right to an independent external review if the denial of an item or service or condition that is required to be covered under this section is eligible for such review.*

**"SEC. 726. CONTINUITY OF CARE.**

*"(a) TERMINATION OF PROVIDER.—If a contract between a group health plan (other than a fully insured group health plan) and a treating health care provider is terminated (as defined in paragraph (e)(4)), or benefits or coverage provided by a health care provider are terminated because of a change in the terms of provider participation in such plan, and an individual who is a participant or beneficiary in the plan is undergoing an active course of treatment for a serious and complex condition, institutional care, pregnancy, or terminal illness from the provider at the time the plan receives or provides notice of such termination, the plan shall—*

*"(1) notify the individual, or arrange to have the individual notified pursuant to subsection (d)(2), on a timely basis of such termination;*

*"(2) provide the individual with an opportunity to notify the plan of the individual's need for transitional care; and*

*"(3) subject to subsection (c), permit the individual to elect to continue to be covered with respect to the active course of treatment with the provider's consent during a transitional period (as provided for under subsection (b)).*

*"(b) TRANSITIONAL PERIOD.—*

*"(1) SERIOUS AND COMPLEX CONDITIONS.—The transitional period under this section with respect to a serious and complex condition shall extend for up to 90 days from the date of the notice described in subsection (a)(1) of the provider's termination.*

*"(2) INSTITUTIONAL OR INPATIENT CARE.—*

*"(A) IN GENERAL.—The transitional period under this section for institutional or non-elective inpatient care from a provider shall extend until the earlier of—*

*"(i) the expiration of the 90-day period beginning on the date on which the notice described in subsection (a)(1) of the provider's termination is provided; or*

*"(ii) the date of discharge of the individual from such care or the termination of the period of institutionalization.*

*"(B) SCHEDULED CARE.—The 90 day limitation described in subparagraph (A)(i) shall include post-surgical follow-up care relating to non-elective surgery that has been scheduled before the date of the notice of the termination of the provider under subsection (a)(1).*

*"(3) PREGNANCY.—If—*

*"(A) a participant or beneficiary has entered the second trimester of pregnancy at the time of a provider's termination of participation; and*

*"(B) the provider was treating the pregnancy before the date of the termination;*

*the transitional period under this subsection with respect to provider's treatment of the pregnancy shall extend through the provision of post-partum care directly related to the delivery.*

*"(4) TERMINAL ILLNESS.—If—*

*"(A) a participant or beneficiary was determined to be terminally ill (as determined under section 1861(dd)(3)(A) of the Social Security Act) at the time of a provider's termination of participation; and*

*"(B) the provider was treating the terminal illness before the date of termination;*

*the transitional period under this subsection shall extend for the remainder of the individual's life for care that is directly related to the treatment of the terminal illness.*

*"(c) PERMISSIBLE TERMS AND CONDITIONS.—A group health plan (other than a fully insured group health plan) may condition coverage of continued treatment by a provider under this section upon the provider agreeing to the following terms and conditions:*

*"(1) The treating health care provider agrees to accept reimbursement from the plan and individual involved (with respect to cost-sharing) at the rates applicable prior to the start of the transitional period as payment in full (or at the rates applicable under the replacement plan after the date of the termination of the contract with the group health plan) and not to impose cost-sharing with respect to the individual in an amount that would exceed the cost-sharing that could have been imposed if the contract referred to in this section had not been terminated.*

*"(2) The treating health care provider agrees to adhere to the quality assurance standards of the plan responsible for payment under paragraph (1) and to provide to such plan necessary medical information related to the care provided.*

*"(3) The treating health care provider agrees otherwise to adhere to such plan's policies and procedures, including procedures regarding referrals and obtaining prior authorization and providing services pursuant to a treatment plan (if any) approved by the plan.*

*"(d) RULES OF CONSTRUCTION.—Nothing in this section shall be construed—*

*"(1) to require the coverage of benefits which would not have been covered if the provider involved remained a participating provider; or*

*"(2) with respect to the termination of a contract under subsection (a) to prevent a group health plan from requiring that the health care provider—*

*"(A) notify participants or beneficiaries of their rights under this section; or*

*"(B) provide the plan with the name of each participant or beneficiary who the provider believes is eligible for transitional care under this section.*

*"(e) DEFINITIONS.—In this section:*

*"(1) CONTRACT.—The term 'contract between a plan and a treating health care provider' shall include a contract between such a plan and an organized network of providers.*

*"(2) HEALTH CARE PROVIDER.—The term 'health care provider' or 'provider' means—*

*"(A) any individual who is engaged in the delivery of health care services in a State and who is required by State law or regulation to be licensed or certified by the State to engage in the delivery of such services in the State; and*

*"(B) any entity that is engaged in the delivery of health care services in a State and that, if it is required by State law or regulation to be licensed or certified by the State to engage in the delivery of such services in the State, is so licensed.*

*"(3) SERIOUS AND COMPLEX CONDITION.—The term 'serious and complex condition' means, with respect to a participant or beneficiary under the plan, a condition that is medically determinable and—*

*"(A) in the case of an acute illness, is a condition serious enough to require specialized medical treatment to avoid the reasonable possibility of death or permanent harm; or*

*"(B) in the case of a chronic illness or condition, is an illness or condition that—*

*"(i) is complex and difficult to manage;*

*"(ii) is disabling or life-threatening; and*

*"(iii) requires—*

*"(I) frequent monitoring over a prolonged period of time and requires substantial on-going specialized medical care; or*

*"(II) frequent ongoing specialized medical care across a variety of domains of care.*

*"(4) TERMINATED.—The term 'terminated' includes, with respect to a contract (as defined in paragraph (1)), the expiration or nonrenewal of the contract by the group health plan, but does not include a termination of the contract by the plan for failure to meet applicable quality standards or for fraud.*

*"(f) RIGHT TO EXTERNAL REVIEW.—Pursuant to the requirements of section 503B, a participant or beneficiary shall have the right to an independent external review if the denial of an item or service or condition that is required to be covered under this section is eligible for such review.*

**"SEC. 727. PROTECTION OF PATIENT-PROVIDER COMMUNICATIONS.**

*"(a) IN GENERAL.—Subject to subsection (b), a group health plan (other than a fully insured*

*group health plan and in relation to a participant or beneficiary) shall not prohibit or otherwise restrict a health care professional from advising such a participant or beneficiary who is a patient of the professional about the health status of the participant or beneficiary or medical care or treatment for the condition or disease of the participant or beneficiary, regardless of whether coverage for such care or treatment are provided under the contract, if the professional is acting within the lawful scope of practice.*

*''(b) RULE OF CONSTRUCTION.—Nothing in this section shall be construed as requiring a group health plan (other than a fully insured group health plan) to provide specific benefits under the terms of such plan.*

**''SEC. 728. PATIENT'S RIGHT TO PRESCRIPTION DRUGS.**

*''(a) IN GENERAL.—To the extent that a group health plan (other than a fully insured group health plan) provides coverage for benefits with respect to prescription drugs, and limits such coverage to drugs included in a formulary, the plan shall—*

*''(1) ensure the participation of physicians and pharmacists in developing and reviewing such formulary; and*

*''(2) in accordance with the applicable quality assurance and utilization review standards of the plan, provide for exceptions from the formulary limitation when a non-formulary alternative is medically necessary and appropriate.*

*''(b) RIGHT TO EXTERNAL REVIEW.—Pursuant to the requirements of section 503B, a participant or beneficiary shall have the right to an independent external review if the denial of an item or service or condition that is required to be covered under this section is eligible for such review.*

**''SEC. 729. SELF-PAYMENT FOR BEHAVIORAL HEALTH CARE SERVICES.**

*''(a) IN GENERAL.—A group health plan (other than a fully insured group health plan) may not—*

*''(1) prohibit or otherwise discourage a participant or beneficiary from self-paying for behavioral health care services once the plan has denied coverage for such services; or*

*''(2) terminate a health care provider because such provider permits participants or beneficiaries to self-pay for behavioral health care services—*

*''(A) that are not otherwise covered under the plan; or*

*''(B) for which the group health plan provides limited coverage, to the extent that the group health plan denies coverage of the services.*

*''(b) RULE OF CONSTRUCTION.—Nothing in subsection (a)(2)(B) shall be construed as prohibiting a group health plan from terminating a contract with a health care provider for failure to meet applicable quality standards or for fraud.*

**''SEC. 730. COVERAGE FOR INDIVIDUALS PARTICIPATING IN APPROVED CANCER CLINICAL TRIALS.**

*''(a) COVERAGE.—*

*''(1) IN GENERAL.—If a group health plan (other than a fully insured group health plan) provides coverage to a qualified individual (as defined in subsection (b)), the plan—*

*''(A) may not deny the individual participation in the clinical trial referred to in subsection (b)(2);*

*''(B) subject to subsections (b), (c), and (d) may not deny (or limit or impose additional conditions on) the coverage of routine patient costs for items and services furnished in connection with participation in the trial; and*

*''(C) may not discriminate against the individual on the basis of the participant's or beneficiaries participation in such trial.*

*''(2) EXCLUSION OF CERTAIN COSTS.—For purposes of paragraph (1)(B), routine patient costs do not include the cost of the tests or measurements conducted primarily for the purpose of the clinical trial involved.*

*''(3) USE OF IN-NETWORK PROVIDERS.—If one or more participating providers is participating in a clinical trial, nothing in paragraph (1) shall be construed as preventing a plan from requiring that a qualified individual participate in the trial through such a participating provider if the provider will accept the individual as a participant in the trial.*

*''(b) QUALIFIED INDIVIDUAL DEFINED.—For purposes of subsection (a), the term 'qualified individual' means an individual who is a participant or beneficiary in a group health plan and who meets the following conditions:*

*''(1)(A) The individual has been diagnosed with cancer for which no standard treatment is effective.*

*''(B) The individual is eligible to participate in an approved clinical trial according to the trial protocol with respect to treatment of such illness.*

*''(C) The individual's participation in the trial offers meaningful potential for significant clinical benefit for the individual.*

*''(2) Either—*

*''(A) the referring physician is a participating health care professional and has concluded that the individual's participation in such trial would be appropriate based upon the individual meeting the conditions described in paragraph (1); or*

*''(B) the participant or beneficiary provides medical and scientific information establishing that the individual's participation in such trial would be appropriate based upon the individual meeting the conditions described in paragraph (1).*

*''(c) PAYMENT.—*

*''(1) IN GENERAL.—Under this section a group health plan (other than a fully insured group health plan) shall provide for payment for routine patient costs described in subsection (a)(2) but is not required to pay for costs of items and services that are reasonably expected to be paid for by the sponsors of an approved clinical trial.*

*''(2) STANDARDS FOR DETERMINING ROUTINE PATIENT COSTS ASSOCIATED WITH CLINICAL TRIAL PARTICIPATION.—*

*''(A) IN GENERAL.—The Secretary shall, in accordance with this paragraph, establish standards relating to the coverage of routine patient costs for individuals participating in clinical trials that group health plans must meet under this section.*

*''(B) FACTORS.—In establishing routine patient cost standards under subparagraph (A), the Secretary shall consult with interested parties and take into account —*

*''(i) quality of patient care;*

*''(ii) routine patient care costs versus costs associated with the conduct of clinical trials, including unanticipated patient care costs as a result of participation in clinical trials; and*

*''(iii) previous and on-going studies relating to patient care costs associated with participation in clinical trials.*

*''(C) APPOINTMENT AND MEETINGS OF NEGOTIATED RULEMAKING COMMITTEE.—*

*''(i) PUBLICATION OF NOTICE.—Not later than November 15, 2000, the Secretary shall publish notice of the establishment of a negotiated rulemaking committee, as provided for under section 564(a) of title 5, United States Code, to develop the standards described in subparagraph (A), which shall include—*

*''(I) the proposed scope of the committee;*

*''(II) the interests that may be impacted by the standards;*

*''(iii) a list of the proposed membership of the committee;*

*''(iv) the proposed meeting schedule of the committee;*

*''(v) a solicitation for public comment on the committee; and*

*''(vi) the procedures under which an individual may apply for membership on the committee.*

*''(ii) COMMENT PERIOD.—Notwithstanding section 564(c) of title 5, United States Code, the Secretary shall provide for a period, beginning on the date on which the notice is published under clause (i) and ending on November 30, 2000, for the submission of public comments on the committee under this subparagraph.*

*''(iii) APPOINTMENT OF COMMITTEE.—Not later than December 30, 2000, the Secretary shall appoint the members of the negotiated rulemaking committee under this subparagraph.*

*''(iv) FACILITATOR.—Not later than January 10, 2001, the negotiated rulemaking committee shall nominate a facilitator under section 566(c) of title 5, United States Code, to carry out the activities described in subsection (d) of such section.*

*''(v) MEETINGS.—During the period beginning on the date on which the facilitator is nominated under clause (iv) and ending on March 30, 2001, the negotiated rulemaking committee shall meet to develop the standards described in subparagraph (A).*

*''(D) PRELIMINARY COMMITTEE REPORT.—*

*''(i) IN GENERAL.—The negotiated rulemaking committee appointed under subparagraph (C) shall report to the Secretary, by not later than March 30, 2001, regarding the committee's progress on achieving a consensus with regard to the rulemaking proceedings and whether such consensus is likely to occur before the target date described in subsection (F).*

*''(ii) TERMINATION OF PROCESS AND PUBLICATION OF RULE BY SECRETARY.—If the committee reports under clause (i) that the committee has failed to make significant progress towards such consensus or is unlikely to reach such consensus by the target date described in subsection (F), the Secretary shall terminate such process and provide for the publication in the Federal Register, by not later than June 30, 2001, of a rule under this paragraph through such other methods as the Secretary may provide.*

*''(E) FINAL COMMITTEE REPORT AND PUBLICATION OR RULE BY SECRETARY.—*

*''(i) IN GENERAL.—If the rulemaking committee is not terminated under subparagraph (D)(ii), the committee shall submit to the Secretary, by not later than May 30, 2001, a report containing a proposed rule.*

*''(ii) PUBLICATION OF RULE.—If the Secretary receives a report under clause (i), the Secretary shall provide for the publication in the Federal Register, by not later than June 30, 2001, of the proposed rule.*

*''(F) TARGET DATE FOR PUBLICATION OF RULE.—As part of the notice under subparagraph (C)(i), and for purposes of this paragraph, the 'target date for publication' (referred to in section 564(a)(5) of title 5, United States Code) shall be June 30, 2001.*

*''(G) EFFECTIVE DATE.—The provisions of this paragraph shall apply to group health plans (other than a fully insured group health plan) for plan years beginning on or after January 1, 2002.*

*''(3) PAYMENT RATE.—In the case of covered items and services provided by—*

*''(A) a participating provider, the payment rate shall be at the agreed upon rate, or*

*''(B) a nonparticipating provider, the payment rate shall be at the rate the plan would normally pay for comparable services under subparagraph (A).*

*''(d) APPROVED CLINICAL TRIAL DEFINED.—*

*''(1) IN GENERAL.—In this section, the term 'approved clinical trial' means a cancer clinical research study or cancer clinical investigation approved or funded (which may include funding*

*through in-kind contributions) by one or more of the following:*

*"(A) The National Institutes of Health.*

*"(B) A cooperative group or center of the National Institutes of Health.*

*"(C) The Food and Drug Administration.*

*"(D) Either of the following if the conditions described in paragraph (2) are met:*

*"(i) The Department of Veterans Affairs.*

*"(ii) The Department of Defense.*

*"(2) Conditions for Departments.—The conditions described in this paragraph, for a study or investigation conducted by a Department, are that the study or investigation has been reviewed and approved through a system of peer review that the Secretary determines—*

*"(A) to be comparable to the system of peer review of studies and investigations used by the National Institutes of Health, and*

*"(B) assures unbiased review of the highest scientific standards by qualified individuals who have no interest in the outcome of the review.*

*"(e) Construction.—Nothing in this section shall be construed to limit a plan's coverage with respect to clinical trials.*

*"(f) Plan Satisfaction of Certain Requirements; Responsibilities of Fiduciaries.—*

*"(1) In general.—For purposes of this section, insofar as a group health plan provides benefits in the form of health insurance coverage through a health insurance issuer, the plan shall be treated as meeting the requirements of this section with respect to such benefits and not be considered as failing to meet such requirements because of a failure of the issuer to meet such requirements so long as the plan sponsor or its representatives did not cause such failure by the issuer.*

*"(2) Construction.—Nothing in this section shall be construed to affect or modify the responsibilities of the fiduciaries of a group health plan under part 4 of subtitle B.*

*"(g) Study and Report.—*

*"(1) Study.—The Secretary shall study the impact on group health plans for covering routine patient care costs for individuals who are entitled to benefits under this section and who are enrolled in an approved cancer clinical trial program.*

*"(2) Report to congress.—Not later than January 1, 2005, the Secretary shall submit a report to Congress that contains an assessment of—*

*"(A) any incremental cost to group health plans resulting from the provisions of this section;*

*"(B) a projection of expenditures to such plans resulting from this section; and*

*"(C) any impact on premiums resulting from this section.*

*"(h) Right to External Review.—Pursuant to the requirements of section 503B, a participant or beneficiary shall have the right to an independent external review if the denial of an item or service or condition that is required to be covered under this section is eligible for such review.*

### "SEC. 730A. PROHIBITION OF DISCRIMINATION AGAINST PROVIDERS BASED ON LICENSURE.

*"(a) In General.—A group health plan (other than a fully insured group health plan) shall not discriminate with respect to participation or indemnification as to any provider who is acting within the scope of the provider's license or certification under applicable State law, solely on the basis of such license or certification.*

*"(b) Construction.—Subsection (a) shall not be construed—*

*"(1) as requiring the coverage under a group health plan of a particular benefit or service or to prohibit a plan from including providers only to the extent necessary to meet the needs of the plan's participants or beneficiaries or from establishing any measure designed to maintain quality and control costs consistent with the responsibilities of the plan;*

*"(2) to override any State licensure or scope-of-practice law; or*

*"(3) as requiring a plan that offers network coverage to include for participation every willing provider who meets the terms and conditions of the plan.*

### "SEC. 730B. GENERALLY APPLICABLE PROVISION.

*"In the case of a group health plan that provides benefits under 2 or more coverage options, the requirements of this subpart shall apply separately with respect to each coverage option.".*

*(b) Rule With Respect to Certain Plans.—*

*(1) In general.—Notwithstanding any other provision of law, health insurance issuers may offer, and eligible individuals may purchase, high deductible health plans described in section 220(c)(2)(A) of the Internal Revenue Code of 1986. Effective for the 5-year period beginning on the date of the enactment of this Act, such health plans shall not be required to provide payment for any health care items or services that are exempt from the plan's deductible.*

*(2) Existing state laws.—A State law relating to payment for health care items and services in effect on the date of enactment of this Act that is preempted under paragraph (1), shall not apply to high deductible health plans after the expiration of the 5-year period described in such paragraph unless the State reenacts such law after such period.*

*(c) Definition.—Section 733(a) of the Employee Retirement Income Security Act of 1974 (42 U.S.C. 1191(a)) is amended by adding at the end the following:*

*"(3) Fully insured group health plan.—The term 'fully insured group health plan' means a group health plan where benefits under the plan are provided pursuant to the terms of an arrangement between a group health plan and a health insurance issuer and are guaranteed by the health insurance issuer under a contract or policy of insurance.".*

*(d) Conforming Amendment.—The table of contents in section 1 of the Employee Retirement Income Security Act of 1974 is amended—*

*(1) in the item relating to subpart C of part 7 of subtitle B of title I, by striking "Subpart C" and inserting "Subpart D"; and*

*(2) by adding at the end of the items relating to subpart B of part 7 of subtitle B of title I, the following:*

*"SUBPART C—PATIENT RIGHT TO MEDICAL ADVICE AND CARE*

*"Sec. 721. Access to emergency medical care.*
*"Sec. 722. Offering of choice of coverage options.*
*"Sec. 723. Patient access to obstetric and gynecological care.*
*"Sec. 724. Access to pediatric care.*
*"Sec. 725. Timely access to specialists.*
*"Sec. 726. Continuity of care.*
*"Sec. 727. Protection of patient-provider communications.*
*"Sec. 728. Patient's right to prescription drugs.*
*"Sec. 729. Self-payment for behavioral health care services.*
*"Sec. 730. Coverage for individuals participating in approved cancer clinical trials.*
*"Sec. 730A. Prohibition of discrimination against providers based on licensure.*
*"Sec. 730B. Generally applicable provision.".*

### SEC. 2202. CONFORMING AMENDMENT TO THE INTERNAL REVENUE CODE OF 1986.

*Subchapter B of chapter 100 of the Internal Revenue Code of 1986 is amended—*

*'(1) in the table of sections, by inserting after the item relating to section 9812 the following new item:*

*"Sec. 9813. Standard relating to patient's bill of rights.";*

*and*

*(2) by inserting after section 9812 the following:*

### "SEC. 9813. STANDARD RELATING TO PATIENTS' BILL OF RIGHTS.

*"A group health plan (other than a fully insured group health plan) shall comply with the requirements of subpart C of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974, as added by section 2201 of the Patients' Bill of Rights Plus Act, and such requirements shall be deemed to be incorporated into this section.".*

### SEC. 2203. EFFECTIVE DATE AND RELATED RULES.

*(a) In General.—The amendments made by this subtitle shall apply with respect to plan years beginning on or after January 1 of the second calendar year following the date of the enactment of this Act. The Secretary shall issue all regulations necessary to carry out the amendments made by this section before the effective date thereof.*

*(b) Limitation on Enforcement Actions.—No enforcement action shall be taken, pursuant to the amendments made by this subtitle, against a group health plan with respect to a violation of a requirement imposed by such amendments before the date of issuance of regulations issued in connection with such requirement, if the plan has sought to comply in good faith with such requirement.*

## Subtitle B—Right to Information About Plans and Providers

### SEC. 2211. INFORMATION ABOUT PLANS.

*(a) Employee Retirement Income Security Act of 1974.—Subpart B of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1185 et seq.) is amended by adding at the end the following:*

### "SEC. 714. HEALTH PLAN INFORMATION.

*"(a) Requirement—*

*"(1) Disclosure.—*

*"(A) In general.—A group health plan, and a health insurance issuer that provides coverage in connection with group health insurance coverage, shall provide for the disclosure of the information described in subsection (b) to participants and beneficiaries—*

*"(i) at the time of the initial enrollment of the participant or beneficiary under the plan or coverage;*

*"(ii) on an annual basis after enrollment—*

*"(I) in conjunction with the election period of the plan or coverage if the plan or coverage has such an election period; or*

*"(II) in the case of a plan or coverage that does not have an election period, in conjunction with the beginning of the plan or coverage year; and*

*"(iii) in the case of any material reduction to the benefits or information described in paragraphs (1), (2) and (3) of subsection (b), in the form of a summary notice provided not later than the date on which the reduction takes effect.*

*"(B) Participants and beneficiaries.—The disclosure required under subparagraph (A) shall be provided—*

*"(i) jointly to each participant and beneficiary who reside at the same address; or*

*"(ii) in the case of a beneficiary who does not reside at the same address as the participant, separately to the participant and such beneficiary.*

*"(2) Rule of construction.—Nothing in this section shall be construed to prevent a group health plan sponsor and health insurance issuer from entering into an agreement under which either the plan sponsor or the issuer agrees to assume responsibility for compliance with the requirements of this section, in whole or in part,*

*and the party delegating such responsibility is released from liability for compliance with the requirements that are assumed by the other party, to the extent the party delegating such responsibility did not cause such noncompliance.*

*"(3) PROVISION OF INFORMATION.—Information shall be provided to participants and beneficiaries under this section at the last known address maintained by the plan or issuer with respect to such participants or beneficiaries, to the extent that such information is provided to participants or beneficiaries via the United States Postal Service or other private delivery service.*

*"(b) REQUIRED INFORMATION.—The informational materials to be distributed under this section shall include for each option available under the group health plan or health insurance coverage the following:*

*"(1) BENEFITS.—A description of the covered benefits, including—*

*"(A) any in- and out-of-network benefits;*

*"(B) specific preventative services covered under the plan or coverage if such services are covered;*

*"(C) any benefit limitations, including any annual or lifetime benefit limits and any monetary limits or limits on the number of visits, days, or services, and any specific coverage exclusions; and*

*"(D) any definition of medical necessity used in making coverage determinations by the plan, issuer, or claims administrator.*

*"(2) COST SHARING.—A description of any cost-sharing requirements, including—*

*"(A) any premiums, deductibles, coinsurance, copayment amounts, and liability for balance billing above any reasonable and customary charges, for which the participant or beneficiary will be responsible under each option available under the plan;*

*"(B) any maximum out-of-pocket expense for which the participant or beneficiary may be liable;*

*"(C) any cost-sharing requirements for out-of-network benefits or services received from nonparticipating providers; and*

*"(D) any additional cost-sharing or charges for benefits and services that are furnished without meeting applicable plan or coverage requirements, such as prior authorization or precertification.*

*"(3) SERVICE AREA.—A description of the plan or issuer's service area, including the provision of any out-of-area coverage.*

*"(4) PARTICIPATING PROVIDERS.—A directory of participating providers (to the extent a plan or issuer provides coverage through a network of providers) that includes, at a minimum, the name, address, and telephone number of each participating provider, and information about how to inquire whether a participating provider is currently accepting new patients.*

*"(5) CHOICE OF PRIMARY CARE PROVIDER.—A description of any requirements and procedures to be used by participants and beneficiaries in selecting, accessing, or changing their primary care provider, including providers both within and outside of the network (if the plan or issuer permits out-of-network services), and the right to select a pediatrician as a primary care provider under section 724 for a participant or beneficiary who is a child if such section applies.*

*"(6) PREAUTHORIZATION REQUIREMENTS.—A description of the requirements and procedures to be used to obtain preauthorization for health services, if such preauthorization is required.*

*"(7) EXPERIMENTAL AND INVESTIGATIONAL TREATMENTS.—A description of the process for determining whether a particular item, service, or treatment is considered experimental or investigational, and the circumstances under which such treatments are covered by the plan or issuer.*

*"(8) SPECIALTY CARE.—A description of the requirements and procedures to be used by participants and beneficiaries in accessing specialty care and obtaining referrals to participating and nonparticipating specialists, including the right to timely coverage for access to specialists care under section 725 if such section applies.*

*"(9) CLINICAL TRIALS.—A description the circumstances and conditions under which participation in clinical trials is covered under the terms and conditions of the plan or coverage, and the right to obtain coverage for approved cancer clinical trials under section 729 if such section applies.*

*"(10) PRESCRIPTION DRUGS.—To the extent the plan or issuer provides coverage for prescription drugs, a statement of whether such coverage is limited to drugs included in a formulary, a description of any provisions and cost-sharing required for obtaining on- and off-formulary medications, and a description of the rights of participants and beneficiaries in obtaining access to access to prescription drugs under section 727 if such section applies.*

*"(11) EMERGENCY SERVICES.—A summary of the rules and procedures for accessing emergency services, including the right of a participant or beneficiary to obtain emergency services under the prudent layperson standard under section 721, if such section applies, and any educational information that the plan or issuer may provide regarding the appropriate use of emergency services.*

*"(12) CLAIMS AND APPEALS.—A description of the plan or issuer's rules and procedures pertaining to claims and appeals, a description of the rights of participants and beneficiaries under sections 503, 503A and 503B in obtaining covered benefits, filing a claim for benefits, and appealing coverage decisions internally and externally (including telephone numbers and mailing addresses of the appropriate authority), and a description of any additional legal rights and remedies available under section 502.*

*"(13) ADVANCE DIRECTIVES AND ORGAN DONATION.—A description of procedures for advance directives and organ donation decisions if the plan or issuer maintains such procedures.*

*"(14) INFORMATION ON PLANS AND ISSUERS.—The name, mailing address, and telephone number or numbers of the plan administrator and the issuer to be used by participants and beneficiaries seeking information about plan or coverage benefits and services, payment of a claim, or authorization for services and treatment. The name of the designated decision-maker (or decision-makers) appointed under section 502(n)(2) for purposes of making final determinations under section 503A and approving coverage pursuant to the written determination of an independent medical reviewer under section 503B. Notice of whether the benefits under the plan are provided under a contract or policy of insurance issued by an issuer, or whether benefits are provided directly by the plan sponsor who bears the insurance risk.*

*"(15) TRANSLATION SERVICES.—A summary description of any translation or interpretation services (including the availability of printed information in languages other than English, audio tapes, or information in Braille) that are available for non-English speakers and participants and beneficiaries with communication disabilities and a description of how to access these items or services.*

*"(16) ACCREDITATION INFORMATION.—Any information that is made public by accrediting organizations in the process of accreditation if the plan or issuer is accredited, or any additional quality indicators (such as the results of enrollee satisfaction surveys) that the plan or issuer makes public or makes available to participants and beneficiaries.*

*"(17) NOTICE OF REQUIREMENTS.—A description of any rights of participants and beneficiaries that are established by the Patients' Bill of Rights Plus Act (excluding those described in paragraphs (1) through (16)) if such sections apply. The description required under this paragraph may be combined with the notices required under sections 711(d), 713(b), or 606(a)(1), and with any other notice provision that the Secretary determines may be combined.*

*"(18) AVAILABILITY OF ADDITIONAL INFORMATION.—A statement that the information described in subsection (c), and instructions on obtaining such information (including telephone numbers and, if available, Internet websites), shall be made available upon request.*

*"(c) ADDITIONAL INFORMATION.—The informational materials to be provided upon the request of a participant or beneficiary shall include for each option available under a group health plan or health insurance coverage the following:*

*"(1) STATUS OF PROVIDERS.—The State licensure status of the plan or issuer's participating health care professionals and participating health care facilities, and, if available, the education, training, specialty qualifications or certifications of such professionals.*

*"(2) COMPENSATION METHODS.—A summary description of the methods (such as capitation, fee-for-service, salary, bundled payments, per diem, or a combination thereof) used for compensating participating health care professionals (including primary care providers and specialists) and facilities in connection with the provision of health care under the plan or coverage. The requirement of this paragraph shall not be construed as requiring plans or issuers to provide information concerning proprietary payment methodology.*

*"(3) PRESCRIPTION DRUGS.—Information about whether a specific prescription medication is included in the formulary of the plan or issuer, if the plan or issuer uses a defined formulary.*

*"(4) EXTERNAL APPEALS INFORMATION.—Aggregate information on the number and outcomes of external medical reviews, relative to the sample size (such as the number of covered lives) determined for the plan or issuer's book of business.*

*"(d) MANNER OF DISCLOSURE.—The information described in this section shall be disclosed in an accessible medium and format that is calculated to be understood by the average participant.*

*"(e) RULES OF CONSTRUCTION.—Nothing in this section shall be construed to prohibit a group health plan, or a health insurance issuer in connection with group health insurance coverage, from—*

*"(1) distributing any other additional information determined by the plan or issuer to be important or necessary in assisting participants and beneficiaries in the selection of a health plan; and*

*"(2) complying with the provisions of this section by providing information in brochures, through the Internet or other electronic media, or through other similar means, so long as participants and beneficiaries are provided with an opportunity to request that informational materials be provided in printed form.*

*"(f) CONFORMING REGULATIONS.—The Secretary shall issue regulations to coordinate the requirements on group health plans and health insurance issuers under this section with the requirements imposed under part 1, to reduce duplication with respect to any information that is required to be provided under any such requirements.*

*"(g) SECRETARIAL ENFORCEMENT AUTHORITY.—*

*"(1) IN GENERAL.—The Secretary may assess a civil monetary penalty against the administrator of a plan or issuer in connection with the failure of the plan or issuer to comply with the requirements of this section.*

"(2) AMOUNT OF PENALTY.—

"(A) IN GENERAL.—The amount of the penalty to be imposed under paragraph (1) shall not exceed $100 for each day for each participant and beneficiary with respect to which the failure to comply with the requirements of this section occurs.

"(B) INCREASE IN AMOUNT.—The amount referred to in subparagraph (A) shall be increased or decreased, for each calendar year that ends after December 31, 2000, by the same percentage as the percentage by which the medical care expenditure category of the Consumer Price Index for All Urban Consumers (United States city average), published by the Bureau of Labor Statistics, for September of the preceding calendar year has increased or decreased from the such Index for September of 2000.

"(3) FAILURE DEFINED.—For purposes of this subsection, a plan or issuer shall have failed to comply with the requirements of this section with respect to a participant or beneficiary if the plan or issuer failed or refused to comply with the requirements of this section within 30 days—

"(A) of the date described in subsection (a)(1)(A)(i);

"(B) of the date described in subsection (a)(1)(A)(ii); or

"(C) of the date on which additional information was requested under subsection (c).".

(b) CONFORMING AMENDMENTS.—

(1) Section 732(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1191a(a)) is amended by striking "section 711" and inserting "sections 711 and 714".

(2) The table of contents in section 1 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1001) is amended by inserting after the item relating to section 713, the following:

"Sec 714. Health plan comparative information.".

(3) Section 502(b)(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1132(b)(3)) is amended by striking "733(a)(1))" and inserting "733(a)(1)), except with respect to the requirements of section 714".

**SEC. 2212. INFORMATION ABOUT PROVIDERS.**

(a) STUDY.—The Secretary of Health and Human Services shall enter into a contract with the Institute of Medicine for the conduct of a study, and the submission to the Secretary of a report, that includes—

(1) an analysis of information concerning health care professionals that is currently available to patients, consumers, States, and professional societies, nationally and on a State-by-State basis, including patient preferences with respect to information about such professionals and their competencies;

(2) an evaluation of the legal and other barriers to the sharing of information concerning health care professionals; and

(3) recommendations for the disclosure of information on health care professionals, including the competencies and professional qualifications of such practitioners, to better facilitate patient choice, quality improvement, and market competition.

(b) REPORT.—Not later than 18 months after the date of enactment of this Act, the Secretary of Health and Human Services shall forward to the appropriate committees of Congress a copy of the report and study conducted under subsection (a).

## Subtitle C—Right to Hold Health Plans Accountable

**SEC. 2221. AMENDMENTS TO EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.**

(a) IN GENERAL.—Part 5 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 is amended by inserting after section 503 (29 U.S.C. 1133) the following:

**"SEC. 503A. CLAIMS AND INTERNAL APPEALS PROCEDURES FOR GROUP HEALTH PLANS.**

"(a) INITIAL CLAIM FOR BENEFITS UNDER GROUP HEALTH PLANS.—

"(1) PROCEDURES.—

"(A) IN GENERAL.—A group health plan, or health insurance issuer offering health insurance coverage in connection with a group health plan, shall ensure that procedures are in place for—

"(i) making a determination on an initial claim for benefits by a participant or beneficiary (or authorized representative) regarding payment or coverage for items or services under the terms and conditions of the plan or coverage involved, including any cost-sharing amount that the participant or beneficiary is required to pay with respect to such claim for benefits; and

"(ii) notifying a participant or beneficiary (or authorized representative) and the treating health care professional involved regarding a determination on an initial claim for benefits made under the terms and conditions of the plan or coverage, including any cost-sharing amounts that the participant or beneficiary may be required to make with respect to such claim for benefits, and of the right of the participant or beneficiary to an internal appeal under subsection (b).

"(B) ACCESS TO INFORMATION.—With respect to an initial claim for benefits, the participant or beneficiary (or authorized representative) and the treating health care professional (if any) shall provide the plan or issuer with access to information necessary to make a determination relating to the claim, not later than 5 business days after the date on which the claim is filed or to meet the applicable timelines under clauses (ii) and (iii) of paragraph (2)(A).

"(C) ORAL REQUESTS.—In the case of a claim for benefits involving an expedited or concurrent determination, a participant or beneficiary (or authorized representative) may make an initial claim for benefits orally, but a group health plan, or health insurance issuer offering health insurance coverage in connection with a group health plan, may require that the participant or beneficiary (or authorized representative) provide written confirmation of such request in a timely manner.

"(2) TIMELINE FOR MAKING DETERMINATIONS.—

"(A) PRIOR AUTHORIZATION DETERMINATION.—

"(i) IN GENERAL.—A group health plan, or health insurance issuer offering health insurance coverage in connection with a group health plan, shall maintain procedures to ensure that a prior authorization determination on a claim for benefits is made within 14 business days from the date on which the plan or issuer receives information that is reasonably necessary to enable the plan or issuer to make a determination on the request for prior authorization, but in no case shall such determination be made later than 28 business days after the receipt of the claim for benefits.

"(ii) EXPEDITED DETERMINATION.—Notwithstanding clause (i), a group health plan, or health insurance issuer offering health insurance coverage in connection with a group health plan, shall maintain procedures for expediting a prior authorization determination on a claim for benefits described in such clause when a request for such an expedited determination is made by a participant or beneficiary (or authorized representative) at any time during the process for making a determination and the treating health care professional substantiates, with the request, that a determination under the procedures described in clause (i) would seriously jeopardize the life or health of the participant or beneficiary. Such determination shall be made within 72 hours after a request is received by the plan or issuer under this clause.

"(iii) CONCURRENT DETERMINATIONS.—A group health plan, or health insurance issuer offering health insurance coverage in connection with a group health plan, shall maintain procedures to ensure that a concurrent determination on a claim for benefits that results in a discontinuation of inpatient care is made within 24 hours after the receipt of the claim for benefits.

"(B) RETROSPECTIVE DETERMINATION.—A group health plan, or health insurance issuer offering health insurance coverage in connection with a group health plan, shall maintain procedures to ensure that a retrospective determination on a claim for benefits is made within 30 business days of the date on which the plan or issuer receives information that is reasonably necessary to enable the plan or issuer to make a determination on the claim, but in no case shall such determination be made later than 60 business days after the receipt of the claim for benefits.

"(3) NOTICE OF A DENIAL OF A CLAIM FOR BENEFITS.—Written notice of a denial made under an initial claim for benefits shall be issued to the participant or beneficiary (or authorized representative) and the treating health care professional not later than 2 business days after the determination (or within the 72-hour or 24-hour period referred to in clauses (ii) and (iii) of paragraph (2)(A) if applicable).

"(4) REQUIREMENTS OF NOTICE OF DETERMINATIONS.—The written notice of a denial of a claim for benefits determination under paragraph (3) shall include—

"(A) the reasons for the determination (including a summary of the clinical or scientific-evidence based rationale used in making the determination and instruction on obtaining a more complete description written in a manner calculated to be understood by the average participant);

"(B) the procedures for obtaining additional information concerning the determination; and

"(C) notification of the right to appeal the determination and instructions on how to initiate an appeal in accordance with subsection (b).

"(b) INTERNAL APPEAL OF A DENIAL OF A CLAIM FOR BENEFITS.—

"(1) RIGHT TO INTERNAL APPEAL.—

"(A) IN GENERAL.—A participant or beneficiary (or authorized representative) may appeal any denial of a claim for benefits under subsection (a) under the procedures described in this subsection.

"(B) TIME FOR APPEAL.—A group health plan, or health insurance issuer offering health insurance coverage in connection with a group health plan, shall ensure that a participant or beneficiary (or authorized representative) has a period of not less than 60 days beginning on the date of a denial of a claim for benefits under subsection (a) in which to appeal such denial under this subsection.

"(C) FAILURE TO ACT.—The failure of a plan or issuer to issue a determination on a claim for benefits under subsection (a) within the applicable timeline established for such a determination under such subsection shall be treated as a denial of a claim for benefits for purposes of proceeding to internal review under this subsection.

"(D) PLAN WAIVER OF INTERNAL REVIEW.—A group health plan, or health insurance issuer offering health insurance coverage in connection with a group health plan, may waive the internal review process under this subsection and permit a participant or beneficiary (or authorized representative) to proceed directly to external review under section 503B.

"(2) TIMELINES FOR MAKING DETERMINATIONS.—

"(A) ORAL REQUESTS.—In the case of an appeal of a denial of a claim for benefits under this subsection that involves an expedited or concurrent determination, a participant or beneficiary (or authorized representative) may request such appeal orally, but a group health *plan, or health insurance issuer offering health insurance coverage in connection with a group health plan, may require that the participant or beneficiary (or authorized representative) provide written confirmation of such request in a timely manner.*

*"(B) ACCESS TO INFORMATION.—With respect to an appeal of a denial of a claim for benefits, the participant or beneficiary (or authorized representative) and the treating health care professional (if any) shall provide the plan or issuer with access to information necessary to make a determination relating to the appeal, not later than 5 business days after the date on which the request for the appeal is filed or to meet the applicable timelines under clauses (ii) and (iii) of subparagraph (C).*

*"(C) PRIOR AUTHORIZATION DETERMINATIONS.—*

*"(i) IN GENERAL.—A group health plan, or health insurance issuer offering health insurance coverage in connection with a group health plan, shall maintain procedures to ensure that a determination on an appeal of a denial of a claim for benefits under this subsection is made within 14 business days after the date on which the plan or issuer receives information that is reasonably necessary to enable the plan or issuer to make a determination on the appeal, but in no case shall such determination be made later than 28 business days after the receipt of the request for the appeal.*

*"(ii) EXPEDITED DETERMINATION.—Notwithstanding clause (i), a group health plan, or health insurance issuer offering health insurance coverage in connection with a group health plan, shall maintain procedures for expediting a prior authorization determination on an appeal of a denial of a claim for benefits described in clause (i), when a request for such an expedited determination is made by a participant or beneficiary (or authorized representative) at any time during the process for making a determination and the treating health care professional substantiates, with the request, that a determination under the procedures described in clause (i) would seriously jeopardize the life or health of the participant or beneficiary. Such determination shall be made not later than 72 hours after the request for such appeal is received by the plan or issuer under this clause.*

*"(iii) CONCURRENT DETERMINATIONS.—A group health plan, or health insurance issuer offering health insurance coverage in connection with a group health plan, shall maintain procedures to ensure that a concurrent determination on an appeal of a denial of a claim for benefits that results in a discontinuation of inpatient care is made within 24 hours after the receipt of the request for appeal.*

*"(B) RETROSPECTIVE DETERMINATION.—A group health plan, or health insurance issuer offering health insurance coverage in connection with a group health plan, shall maintain procedures to ensure that a retrospective determination on an appeal of a claim for benefits is made within 30 business days of the date on which the plan or issuer receives necessary information that is reasonably required by the plan or issuer to make a determination on the appeal, but in no case shall such determination be made later than 60 business days after the receipt of the request for the appeal.*

*"(3) CONDUCT OF REVIEW.—*

*"(A) IN GENERAL.—A review of a denial of a claim for benefits under this subsection shall be conducted by an individual with appropriate expertise who was not directly involved in the initial determination.*

*"(B) REVIEW OF MEDICAL DECISIONS BY PHYSICIANS.—A review of an appeal of a denial of a claim for benefits that is based on a lack of medical necessity and appropriateness, or based on an experimental or investigational treatment, or requires an evaluation of medical facts, shall be made by a physician with appropriate expertise, including age-appropriate expertise, who was not involved in the initial determination.*

*"(4) NOTICE OF DETERMINATION.—*

*"(A) IN GENERAL.—Written notice of a determination made under an internal appeal of a denial of a claim for benefits shall be issued to the participant or beneficiary (or authorized representative) and the treating health care professional not later than 2 business days after the completion of the review (or within the 72-hour or 24-hour period referred to in paragraph (2) if applicable).*

*"(B) FINAL DETERMINATION.—The decision by a plan or issuer under this subsection shall be treated as the final determination of the plan or issuer on a denial of a claim for benefits. The failure of a plan or issuer to issue a determination on an appeal of a denial of a claim for benefits under this subsection within the applicable timeline established for such a determination shall be treated as a final determination on an appeal of a denial of a claim for benefits for purposes of proceeding to external review under section 503B.*

*"(C) REQUIREMENTS OF NOTICE.—With respect to a determination made under this subsection, the notice described in subparagraph (A) shall include—*

*"(i) the reasons for the determination (including a summary of the clinical or scientific-evidence based rationale used in making the determination and instruction on obtaining a more complete description written in a manner calculated to be understood by the average participant);*

*"(ii) the procedures for obtaining additional information concerning the determination; and*

*"(iii) notification of the right to an independent external review under section 503B and instructions on how to initiate such a review.*

*"(c) DEFINITIONS.—The definitions contained in section 503B(i) shall apply for purposes of this section.*

### *"SEC. 503B. INDEPENDENT EXTERNAL APPEALS PROCEDURES FOR GROUP HEALTH PLANS.*

*"(a) RIGHT TO EXTERNAL APPEAL.—A group health plan, and a health insurance issuer offering health insurance coverage in connection with a group health plan, shall provide in accordance with this section participants and beneficiaries (or authorized representatives) with access to an independent external review for any denial of a claim for benefits.*

*"(b) INITIATION OF THE INDEPENDENT EXTERNAL REVIEW PROCESS.—*

*"(1) TIME TO FILE.—A request for an independent external review under this section shall be filed with the plan or issuer not later than 60 business days after the date on which the participant or beneficiary receives notice of the denial under section 503A(b)(4) or the date on which the internal review is waived by the plan or issuer under section 503A(b)(1)(D).*

*"(2) FILING OF REQUEST.—*

*"(A) IN GENERAL.—Subject to the succeeding provisions of this subsection, a group health plan, and a health insurance issuer offering health insurance coverage in connection with a group health plan, may—*

*"(i) except as provided in subparagraph (B)(i), require that a request for review be in writing;*

*"(ii) limit the filing of such a request to the participant or beneficiary involved (or an authorized representative);*

*"(iii) except if waived by the plan or issuer under section 503A(b)(1)(D), condition access to an independent external review under this section upon a final determination of a denial of a claim for benefits under the internal review procedure under section 503A;*

*"(iv) except as provided in subparagraph (B)(ii), require payment of a filing fee to the plan or issuer of a sum that does not exceed $50; and*

*"(v) require that a request for review include the consent of the participant or beneficiary (or authorized representative) for the release of medical information or records of the participant or beneficiary to the qualified external review entity for purposes of conducting external review activities.*

*"(B) REQUIREMENTS AND EXCEPTION RELATING TO GENERAL RULE.—*

*"(i) ORAL REQUESTS PERMITTED IN EXPEDITED OR CONCURRENT CASES.—In the case of an expedited or concurrent external review as provided for under subsection (e), the request may be made orally. In such case a written confirmation of such request shall be made in a timely manner. Such written confirmation shall be treated as a consent for purposes of subparagraph (A)(v).*

*"(ii) EXCEPTION TO FILING FEE REQUIREMENT.—*

*"(I) INDIGENCY.—Payment of a filing fee shall not be required under subparagraph (A)(iv) where there is a certification (in a form and manner specified in guidelines established by the Secretary) that the participant or beneficiary is indigent (as defined in such guidelines). In establishing guidelines under this subclause, the Secretary shall ensure that the guidelines relating to indigency are consistent with the poverty guidelines used by the Secretary of Health and Human Services under title XIX of the Social Security Act.*

*"(II) FEE NOT REQUIRED.—Payment of a filing fee shall not be required under subparagraph (A)(iv) if the plan or issuer waives the internal appeals process under section 503A(b)(1)(D).*

*"(III) REFUNDING OF FEE.—The filing fee paid under subparagraph (A)(iv) shall be refunded if the determination under the independent external review is to reverse the denial which is the subject of the review.*

*"(IV) INCREASE IN AMOUNT.—The amount referred to in subclause (I) shall be increased or decreased, for each calendar year that ends after December 31, 2001, by the same percentage as the percentage by which the Consumer Price Index for All Urban Consumers (United States city average), published by the Bureau of Labor Statistics, for September of the preceding calendar year has increased or decreased from the such Index for September of 2001.*

*"(c) REFERRAL TO QUALIFIED EXTERNAL REVIEW ENTITY UPON REQUEST.—*

*"(1) IN GENERAL.—Upon the filing of a request for independent external review with the group health plan, or health insurance issuer offering coverage in connection with a group health plan, the plan or issuer shall refer such request to a qualified external review entity selected in accordance with this section.*

*"(2) ACCESS TO PLAN OR ISSUER AND HEALTH PROFESSIONAL INFORMATION.—With respect to an independent external review conducted under this section, the participant or beneficiary (or authorized representative), the plan or issuer, and the treating health care professional (if any) shall provide the external review entity with access to information that is necessary to conduct a review under this section, as determined by the entity, not later than 5 business days after the date on which a request is referred to the qualified external review entity under paragraph (1), or earlier as determined appropriate by the entity to meet the applicable timelines under clauses (ii) and (iii) of subsection (e)(1)(A).*

*"(3) SCREENING OF REQUESTS BY QUALIFIED EXTERNAL REVIEW ENTITIES.—*

*"(A) IN GENERAL.—With respect to a request referred to a qualified external review entity*

*under paragraph (1) relating to a denial of a claim for benefits, the entity shall refer such request for the conduct of an independent medical review unless the entity determines that—*

*"(i) any of the conditions described in subsection (b)(2)(A) have not been met;*

*"(ii) the thresholds described in subparagraph (B) have not been met;*

*"(iii) the denial of the claim for benefits does not involve a medically reviewable decision under subsection (d)(2);*

*"(iv) the denial of the claim for benefits relates to a decision regarding whether an individual is a participant or beneficiary who is enrolled under the terms of the plan or coverage (including the applicability of any waiting period under the plan or coverage); or*

*"(v) the denial of the claim for benefits is a decision as to the application of cost-sharing requirements or the application of a specific exclusion or express limitation on the amount, duration, or scope of coverage of items or services under the terms and conditions of the plan or coverage unless the decision is a denial described in subsection (d)(2)(C);*

*Upon making a determination that any of clauses (i) through (v) applies with respect to the request, the entity shall determine that the denial of a claim for benefits involved is not eligible for independent medical review under subsection (d), and shall provide notice in accordance with subparagraph (D).*

*"(B) THRESHOLDS.—*

*"(i) IN GENERAL.—The thresholds described in this subparagraph are that—*

*"(I) the total amount payable under the plan or coverage for the item or service that was the subject of such denial exceeds a significant financial threshold (as determined under guidelines established by the Secretary); or*

*"(II) a physician has asserted in writing that there is a significant risk of placing the life, health, or development of the participant or beneficiary in jeopardy if the denial of the claim for benefits is sustained.*

*"(ii) THRESHOLDS NOT APPLIED.—The thresholds described in this subparagraph shall not apply if the plan or issuer involved waives the internal appeals process with respect to the denial of a claim for benefits involved under section 503A(b)(1)(D).*

*"(C) PROCESS FOR MAKING DETERMINATIONS.—*

*"(i) NO DEFERENCE TO PRIOR DETERMINATIONS.—In making determinations under subparagraph (A), there shall be no deference given to determinations made by the plan or issuer under section 503A or the recommendation of a treating health care professional (if any).*

*"(ii) USE OF APPROPRIATE PERSONNEL.—A qualified external review entity shall use appropriately qualified personnel to make determinations under this section.*

*"(D) NOTICES AND GENERAL TIMELINES FOR DETERMINATION.—*

*"(i) NOTICE IN CASE OF DENIAL OF REFERRAL.—If the entity under this paragraph does not make a referral to an independent medical reviewer, the entity shall provide notice to the plan or issuer, the participant or beneficiary (or authorized representative) filing the request, and the treating health care professional (if any) that the denial is not subject to independent medical review. Such notice—*

*"(I) shall be written (and, in addition, may be provided orally) in a manner calculated to be understood by an average participant;*

*"(II) shall include the reasons for the determination; and*

*"(III) include any relevant terms and conditions of the plan or coverage.*

*"(ii) GENERAL TIMELINE FOR DETERMINATIONS.—Upon receipt of information under paragraph (2), the qualified external review entity, and if required the independent medical reviewer, shall make a determination within the overall timeline that is applicable to the case under review as described in subsection (e), except that if the entity determines that a referral to an independent medical reviewer is not required, the entity shall provide notice of such determination to the participant or beneficiary (or authorized representative) within 2 business days of such determination.*

*"(d) INDEPENDENT MEDICAL REVIEW.—*

*"(1) IN GENERAL.—If a qualified external review entity determines under subsection (c) that a denial of a claim for benefits is eligible for independent medical review, the entity shall refer the denial involved to an independent medical reviewer for the conduct of an independent medical review under this subsection.*

*"(2) MEDICALLY REVIEWABLE DECISIONS.—A denial described in this paragraph is one for which the item or service that is the subject of the denial would be a covered benefit under the terms and conditions of the plan or coverage but for one (or more) of the following determinations:*

*"(A) DENIALS BASED ON MEDICAL NECESSITY AND APPROPRIATENESS.—The basis of the determination is that the item or service is not medically necessary and appropriate.*

*"(B) DENIALS BASED ON EXPERIMENTAL OR INVESTIGATIONAL TREATMENT.—The basis of the determination is that the item or service is experimental or investigational.*

*"(C) DENIALS OTHERWISE BASED ON AN EVALUATION OF MEDICAL FACTS.—A determination that the item or service or condition is not covered but an evaluation of the medical facts by a health care professional in the specific case involved is necessary to determine whether the item or service or condition is required to be provided under the terms and conditions of the plan or coverage.*

*"(3) INDEPENDENT MEDICAL REVIEW DETERMINATION.—*

*"(A) IN GENERAL.—An independent medical reviewer under this section shall make a new independent determination with respect to—*

*"(i) whether the item or service or condition that is the subject of the denial is covered under the terms and conditions of the plan or coverage; and*

*"(ii) based upon an affirmative determination under clause (i), whether or not the denial of a claim for a benefit that is the subject of the review should be upheld or reversed.*

*"(B) STANDARD FOR DETERMINATION.—The independent medical reviewer's determination relating to the medical necessity and appropriateness, or the experimental or investigation nature, or the evaluation of the medical facts of the item, service, or condition shall be based on the medical condition of the participant or beneficiary (including the medical records of the participant or beneficiary) and the valid, relevant scientific evidence and clinical evidence, including peer-reviewed medical literature or findings and including expert consensus.*

*"(C) NO COVERAGE FOR EXCLUDED BENEFITS.—Nothing in this subsection shall be construed to permit an independent medical reviewer to require that a group health plan, or health insurance issuer offering health insurance coverage in connection with a group health plan, provide coverage for items or services that are specifically excluded or expressly limited under the plan or coverage and that are not covered regardless of any determination relating to medical necessity and appropriateness, experimental or investigational nature of the treatment, or an evaluation of the medical facts in the case involved.*

*"(D) EVIDENCE AND INFORMATION TO BE USED IN MEDICAL REVIEWS.—In making a determination under this subsection, the independent medical reviewer shall also consider appropriate and available evidence and information, including the following:*

*"(i) The determination made by the plan or issuer with respect to the claim upon internal review and the evidence or guidelines used by the plan or issuer in reaching such determination.*

*"(ii) The recommendation of the treating health care professional and the evidence, guidelines, and rationale used by the treating health care professional in reaching such recommendation.*

*"(iii) Additional evidence or information obtained by the reviewer or submitted by the plan, issuer, participant or beneficiary (or an authorized representative), or treating health care professional.*

*"(iv) The plan or coverage document.*

*"(E) INDEPENDENT DETERMINATION.—In making the determination, the independent medical reviewer shall—*

*"(i) consider the claim under review without deference to the determinations made by the plan or issuer under section 503A or the recommendation of the treating health care professional (if any);*

*"(ii) consider, but not be bound by the definition used by the plan or issuer of 'medically necessary and appropriate', or 'experimental or investigational', or other equivalent terms that are used by the plan or issuer to describe medical necessity and appropriateness or experimental or investigational nature of the treatment; and*

*"(iii) notwithstanding clause (ii), adhere to the definition used by the plan or issuer of 'medically necessary and appropriate', or 'experimental or investigational' if such definition is the same as the definition of such term—*

*"(I) that has been adopted pursuant to a State statute or regulation; or*

*"(II) that is used for purposes of the program established under titles XVIII or XIX of the Social Security Act or under chapter 89 of title 5, United States Code.*

*"(F) DETERMINATION OF INDEPENDENT MEDICAL REVIEWER.—An independent medical reviewer shall, in accordance with the deadlines described in subsection (e), prepare a written determination to uphold or reverse the denial under review. Such written determination shall include the specific reasons of the reviewer for such determination, including a summary of the clinical or scientific-evidence based rationale used in making the determination. The reviewer may provide the plan or issuer and the treating health care professional with additional recommendations in connection with such a determination, but any such recommendations shall not be treated as part of the determination.*

*"(e) TIMELINES AND NOTIFICATIONS.—*

*"(1) TIMELINES FOR INDEPENDENT MEDICAL REVIEW.—*

*"(A) PRIOR AUTHORIZATION DETERMINATION.—*

*"(i) IN GENERAL.—The independent medical reviewer (or reviewers) shall make a determination on a denial of a claim for benefits that is referred to the reviewer under subsection (c)(3) not later than 14 business days after the receipt of information under subsection (c)(2) if the review involves a prior authorization of items or services.*

*"(ii) EXPEDITED DETERMINATION.—Notwithstanding clause (i), the independent medical reviewer (or reviewers) shall make an expedited determination on a denial of a claim for benefits described in clause (i), when a request for such an expedited determination is made by a participant or beneficiary (or authorized representative) at any time during the process for making a determination, and the treating health care professional substantiates, with the request, that a determination under the timeline described in clause (i) would seriously jeopardize the life or health of the participant or beneficiary. Such determination shall be made not*

*later than 72 hours after the receipt of information under subsection (c)(2).*

*"(iii) CONCURRENT DETERMINATION.—Notwithstanding clause (i), a review described in such subclause shall be completed not later than 24 hours after the receipt of information under subsection (c)(2) if the review involves a discontinuation of inpatient care.*

*"(B) RETROSPECTIVE DETERMINATION.—The independent medical reviewer (or reviewers) shall complete a review in the case of a retrospective determination on an appeal of a denial of a claim for benefits that is referred to the reviewer under subsection (c)(3) not later than 30 business days after the receipt of information under subsection (c)(2).*

*"(2) NOTIFICATION OF DETERMINATION.—The external review entity shall ensure that the plan or issuer, the participant or beneficiary (or authorized representative) and the treating health care professional (if any) receives a copy of the written determination of the independent medical reviewer prepared under subsection (d)(3)(F). Nothing in this paragraph shall be construed as preventing an entity or reviewer from providing an initial oral notice of the reviewer's determination.*

*"(3) FORM OF NOTICES.—Determinations and notices under this subsection shall be written in a manner calculated to be understood by an average participant.*

*"(4) TERMINATION OF EXTERNAL REVIEW PROCESS IF APPROVAL OF A CLAIM FOR BENEFITS DURING PROCESS.—*

*"(A) IN GENERAL.—If a plan or issuer—*

*"(i) reverses a determination on a denial of a claim for benefits that is the subject of an external review under this section and authorizes coverage for the claim or provides payment of the claim; and*

*"(ii) provides notice of such reversal to the participant or beneficiary (or authorized representative) and the treating health care professional (if any), and the external review entity responsible for such review,*

*the external review process shall be terminated with respect to such denial and any filing fee paid under subsection (b)(2)(A)(iv) shall be refunded.*

*"(B) TREATMENT OF TERMINATION.—An authorization of coverage under subparagraph (A) by the plan or issuer shall be treated as a written determination to reverse a denial under section (d)(3)(F) for purposes of liability under section 502(n)(1)(B).*

*"(f) COMPLIANCE.—*

*"(1) APPLICATION OF DETERMINATIONS.—*

*"(A) EXTERNAL REVIEW DETERMINATIONS BINDING ON PLAN.—The determinations of an external review entity and an independent medical reviewer under this section shall be binding upon the plan or issuer involved.*

*"(B) COMPLIANCE WITH DETERMINATION.—If the determination of an independent medical reviewer is to reverse the denial, the plan or issuer, upon the receipt of such determination, shall authorize coverage to comply with the medical reviewer's determination in accordance with the timeframe established by the medical reviewer.*

*"(2) FAILURE TO COMPLY.—If a plan or issuer fails to comply with the timeframe established under paragraph (1)(B)(i) with respect to a participant or beneficiary, where such failure to comply is caused by the plan or issuer, the participant or beneficiary may obtain the items or services involved (in a manner consistent with the determination of the independent external reviewer) from any provider regardless of whether such provider is a participating provider under the plan or coverage.*

*"(3) REIMBURSEMENT.—*

*"(A) IN GENERAL.—Where a participant or beneficiary obtains items or services in accordance with paragraph (2), the plan or issuer involved shall provide for reimbursement of the costs of such items of services. Such reimbursement shall be made to the treating health care professional or to the participant or beneficiary (in the case of a participant or beneficiary who pays for the costs of such items or services).*

*"(B) AMOUNT.—The plan or issuer shall fully reimburse a professional, participant or beneficiary under subparagraph (A) for the total costs of the items or services provided (regardless of any plan limitations that may apply to the coverage of such items of services) so long as—*

*"(i) the items or services would have been covered under the terms of the plan or coverage if provided by the plan or issuer; and*

*"(ii) the items or services were provided in a manner consistent with the determination of the independent medical reviewer.*

*"(4) FAILURE TO REIMBURSE.—Where a plan or issuer fails to provide reimbursement to a professional, participant or beneficiary in accordance with this subsection, the professional, participant or beneficiary may commence a civil action (or utilize other remedies available under law) to recover only the amount of any such reimbursement that is unpaid and any necessary legal costs or expenses (including attorneys' fees) incurred in recovering such reimbursement.*

*"(g) QUALIFICATIONS OF INDEPENDENT MEDICAL REVIEWERS.—*

*"(1) IN GENERAL.—In referring a denial to 1 or more individuals to conduct independent medical review under subsection (c), the qualified external review entity shall ensure that—*

*"(A) each independent medical reviewer meets the qualifications described in paragraphs (2) and (3);*

*"(B) with respect to each review at least 1 such reviewer meets the requirements described in paragraphs (4) and (5); and*

*"(C) compensation provided by the entity to the reviewer is consistent with paragraph (6).*

*"(2) LICENSURE AND EXPERTISE.—Each independent medical reviewer shall be a physician or health care professional who—*

*"(A) is appropriately credentialed or licensed in 1 or more States to deliver health care services; and*

*"(B) typically treats the diagnosis or condition or provides the type or treatment under review.*

*"(3) INDEPENDENCE.—*

*"(A) IN GENERAL.—Subject to subparagraph (B), each independent medical reviewer in a case shall—*

*"(i) not be a related party (as defined in paragraph (7));*

*"(ii) not have a material familial, financial, or professional relationship with such a party; and*

*"(iii) not otherwise have a conflict of interest with such a party (as determined under regulations).*

*"(B) EXCEPTION.—Nothing in this subparagraph (A) shall be construed to—*

*"(i) prohibit an individual, solely on the basis of affiliation with the plan or issuer, from serving as an independent medical reviewer if—*

*"(I) a non-affiliated individual is not reasonably available;*

*"(II) the affiliated individual is not involved in the provision of items or services in the case under review; and*

*"(III) the fact of such an affiliation is disclosed to the plan or issuer and the participant or beneficiary (or authorized representative) and neither party objects;*

*"(ii) prohibit an individual who has staff privileges at the institution where the treatment involved takes place from serving as an independent medical reviewer if the affiliation is disclosed to the plan or issuer and the participant or beneficiary (or authorized representative), and neither party objects;*

*"(iii) permit an employee of a plan or issuer, or an individual who provides services exclusively or primarily to or on behalf of a plan or issuer, from serving as an independent medical reviewer; or*

*"(iv) prohibit receipt of compensation by an independent medical reviewer from an entity if the compensation is provided consistent with paragraph (6).*

*"(4) PRACTICING HEALTH CARE PROFESSIONAL IN SAME FIELD.—*

*"(A) IN GENERAL.—The requirement of this paragraph with respect to a reviewer in a case involving treatment, or the provision of items or services, by—*

*"(i) a physician, is that the reviewer be a practicing physician of the same or similar specialty, when reasonably available, as a physician who typically treats the diagnosis or condition or provides such treatment in the case under review; or*

*"(ii) a health care professional (other than a physician), is that the reviewer be a practicing physician or, if determined appropriate by the qualified external review entity, a health care professional (other than a physician), of the same or similar specialty as the health care professional who typically treats the diagnosis or condition or provides the treatment in the case under review.*

*"(B) PRACTICING DEFINED.—For purposes of this paragraph, the term 'practicing' means, with respect to an individual who is a physician or other health care professional that the individual provides health care services to individual patients on average at least 1 day per week.*

*"(5) AGE-APPROPRIATE EXPERTISE.—The independent medical reviewer shall have expertise under paragraph (2) that is age-appropriate to the participant or beneficiary involved.*

*"(6) LIMITATIONS ON REVIEWER COMPENSATION.—Compensation provided by a qualified external review entity to an independent medical reviewer in connection with a review under this section shall—*

*"(A) not exceed a reasonable level; and*

*"(B) not be contingent on the decision rendered by the reviewer.*

*"(7) RELATED PARTY DEFINED.—For purposes of this section, the term 'related party' means, with respect to a denial of a claim under a plan or coverage relating to a participant or beneficiary, any of the following:*

*"(A) The plan, plan sponsor, or issuer involved, or any fiduciary, officer, director, or employee of such plan, plan sponsor, or issuer.*

*"(B) The participant or beneficiary (or authorized representative).*

*"(C) The health care professional that provides the items of services involved in the denial.*

*"(D) The institution at which the items or services (or treatment) involved in the denial are provided.*

*"(E) The manufacturer of any drug or other item that is included in the items or services involved in the denial.*

*"(F) Any other party determined under any regulations to have a substantial interest in the denial involved.*

*"(h) QUALIFIED EXTERNAL REVIEW ENTITIES.—*

*"(1) SELECTION OF QUALIFIED EXTERNAL REVIEW ENTITIES.—*

*"(A) LIMITATION ON PLAN OR ISSUER SELECTION.—The Secretary shall implement procedures with respect to the selection of qualified external review entities by a plan or issuer to assure that the selection process among qualified external review entities will not create any incentives for external review entities to make a decision in a biased manner.*

*"(B) STATE AUTHORITY WITH RESPECT TO QUALIFIED EXTERNAL REVIEW ENTITIES FOR*

HEALTH INSURANCE ISSUERS.—With respect to health insurance issuers offering health insurance coverage in connection with a group health plan in a State, the State may, pursuant to a State law that is enacted after the date of enactment of the Patients' Bill of Rights Plus Act, provide for the designation or selection of qualified external review entities in a manner determined by the State to assure an unbiased determination in conducting external review activities. In conducting reviews under this section, an entity designated or selected under this subparagraph shall comply with the provision of this section.

"(2) CONTRACT WITH QUALIFIED EXTERNAL REVIEW ENTITY.—Except as provided in paragraph (1)(B), the external review process of a plan or issuer under this section shall be conducted under a contract between the plan or issuer and 1 or more qualified external review entities (as defined in paragraph (4)(A)).

"(3) TERMS AND CONDITIONS OF CONTRACT.—The terms and conditions of a contract under paragraph (2) shall—

"(A) be consistent with the standards the Secretary shall establish to assure there is no real or apparent conflict of interest in the conduct of external review activities; and

"(B) provide that the costs of the external review process shall be borne by the plan or issuer.

Subparagraph (B) shall not be construed as applying to the imposition of a filing fee under subsection (b)(2)(A)(iv) or costs incurred by the participant or beneficiary (or authorized representative) or treating health care professional (if any) in support of the review, including the provision of additional evidence or information.

"(4) QUALIFICATIONS.—

"(A) IN GENERAL.—In this section, the term 'qualified external review entity' means, in relation to a plan or issuer, an entity that is initially certified (and periodically recertified) under subparagraph (C) as meeting the following requirements:

"(i) The entity has (directly or through contracts or other arrangements) sufficient medical, legal, and other expertise and sufficient staffing to carry out duties of a qualified external review entity under this section on a timely basis, including making determinations under subsection (b)(2)(A) and providing for independent medical reviews under subsection (d).

"(ii) The entity is not a plan or issuer or an affiliate or a subsidiary of a plan or issuer, and is not an affiliate or subsidiary of a professional or trade association of plans or issuers or of health care providers.

"(iii) The entity has provided assurances that it will conduct external review activities consistent with the applicable requirements of this section and standards specified in subparagraph (C), including that it will not conduct any external review activities in a case unless the independence requirements of subparagraph (B) are met with respect to the case.

"(iv) The entity has provided assurances that it will provide information in a timely manner under subparagraph (D).

"(v) The entity meets such other requirements as the Secretary provides by regulation.

"(B) INDEPENDENCE REQUIREMENTS.—

"(i) IN GENERAL.—Subject to clause (ii), an entity meets the independence requirements of this subparagraph with respect to any case if the entity—

"(I) is not a related party (as defined in subsection (g)(7));

"(II) does not have a material familial, financial, or professional relationship with such a party; and

"(III) does not otherwise have a conflict of interest with such a party (as determined under regulations).

"(ii) EXCEPTION FOR REASONABLE COMPENSATION.—Nothing in clause (i) shall be construed to prohibit receipt by a qualified external review entity of compensation from a plan or issuer for the conduct of external review activities under this section if the compensation is provided consistent with clause (iii).

"(iii) LIMITATIONS ON ENTITY COMPENSATION.—Compensation provided by a plan or issuer to a qualified external review entity in connection with reviews under this section shall—

"(I) not exceed a reasonable level; and

"(II) not be contingent on the decision rendered by the entity or by any independent medical reviewer.

"(C) CERTIFICATION AND RECERTIFICATION PROCESS.—

"(i) IN GENERAL.—The initial certification and recertification of a qualified external review entity shall be made—

"(I) under a process that is recognized or approved by the Secretary; or

"(II) by a qualified private standard-setting organization that is approved by the Secretary under clause (iii).

"(ii) PROCESS.—The Secretary shall not recognize or approve a process under clause (i)(I) unless the process applies standards (as promulgated in regulations) that ensure that a qualified external review entity—

"(I) will carry out (and has carried out, in the case of recertification) the responsibilities of such an entity in accordance with this section, including meeting applicable deadlines;

"(II) will meet (and has met, in the case of recertification) appropriate indicators of fiscal integrity;

"(III) will maintain (and has maintained, in the case of recertification) appropriate confidentiality with respect to individually identifiable health information obtained in the course of conducting external review activities; and

"(IV) in the case recertification, shall review the matters described in clause (iv).

"(iii) APPROVAL OF QUALIFIED PRIVATE STANDARD-SETTING ORGANIZATIONS.—For purposes of clause (i)(II), the Secretary may approve a qualified private standard-setting organization if the Secretary finds that the organization only certifies (or recertifies) external review entities that meet at least the standards required for the certification (or recertification) of external review entities under clause (ii).

"(iv) CONSIDERATIONS IN RECERTIFICATIONS.—In conducting recertifications of a qualified external review entity under this paragraph, the Secretary or organization conducting the recertification shall review compliance of the entity with the requirements for conducting external review activities under this section, including the following:

"(I) Provision of information under subparagraph (D).

"(II) Adherence to applicable deadlines (both by the entity and by independent medical reviewers it refers cases to).

"(III) Compliance with limitations on compensation (with respect to both the entity and independent medical reviewers it refers cases to).

"(IV) Compliance with applicable independence requirements.

"(v) PERIOD OF CERTIFICATION OR RECERTIFICATION.—A certification or recertification provided under this paragraph shall extend for a period not to exceed 5 years.

"(vi) REVOCATION.—A certification or recertification under this paragraph may be revoked by the Secretary or by the organization providing such certification upon a showing of cause.

"(D) PROVISION OF INFORMATION.—

"(i) IN GENERAL.—A qualified external review entity shall provide to the Secretary, in such manner and at such times as the Secretary may require, such information (relating to the denials which have been referred to the entity for the conduct of external review under this section) as the Secretary determines appropriate to assure compliance with the independence and other requirements of this section to monitor and assess the quality of its external review activities and lack of bias in making determinations. Such information shall include information described in clause (ii) but shall not include individually identifiable medical information.

"(ii) INFORMATION TO BE INCLUDED.—The information described in this subclause with respect to an entity is as follows:

"(I) The number and types of denials for which a request for review has been received by the entity.

"(II) The disposition by the entity of such denials, including the number referred to a independent medical reviewer and the reasons for such dispositions (including the application of exclusions), on a plan or issuer-specific basis and on a health care specialty-specific basis.

"(III) The length of time in making determinations with respect to such denials.

"(IV) Updated information on the information required to be submitted as a condition of certification with respect to the entity's performance of external review activities.

"(iii) INFORMATION TO BE PROVIDED TO CERTIFYING ORGANIZATION.—

"(I) IN GENERAL.—In the case of a qualified external review entity which is certified (or recertified) under this subsection by a qualified private standard-setting organization, at the request of the organization, the entity shall provide the organization with the information provided to the Secretary under clause (i).

"(II) ADDITIONAL INFORMATION.—Nothing in this subparagraph shall be construed as preventing such an organization from requiring additional information as a condition of certification or recertification of an entity.

"(iv) USE OF INFORMATION.—Information provided under this subparagraph may be used by the Secretary and qualified private standard-setting organizations to conduct oversight of qualified external review entities, including recertification of such entities, and shall be made available to the public in an appropriate manner.

"(E) LIMITATION ON LIABILITY.—No qualified external review entity having a contract with a plan or issuer, and no person who is employed by any such entity or who furnishes professional services to such entity (including as an independent medical reviewer), shall be held by reason of the performance of any duty, function, or activity required or authorized pursuant to this section, to be civilly liable under any law of the United States or of any State (or political subdivision thereof) if there was no actual malice or gross misconduct in the performance of such duty, function, or activity.

"(i) DEFINITIONS.—In this section:

"(1) AUTHORIZED REPRESENTATIVE.—The term 'authorized representative' means, with respect to a participant or beneficiary—

"(A) a person to whom a participant or beneficiary has given express written consent to represent the participant or beneficiary in any proceeding under this section;

"(B) a person authorized by law to provide substituted consent for the participant or beneficiary; or

"(C) a family member of the participant or beneficiary (or the estate of the participant or beneficiary) or the participant's or beneficiary's treating health care professional when the participant or beneficiary is unable to provide consent.

"(2) CLAIM FOR BENEFITS.—The term 'claim for benefits' means any request by a participant or beneficiary (or authorized representative) for benefits (including requests that are subject to authorization of coverage or utilization review), for eligibility, or for payment in whole or in part, for an item or service under a group health plan or health insurance coverage offered by a health insurance issuer in connection with a group health plan.

"(3) GROUP HEALTH PLAN.—The term 'group health plan' shall have the meaning given such term in section 733(a). In applying this paragraph, excepted benefits described in section 733(c) shall not be treated as benefits consisting of medical care.

"(4) HEALTH INSURANCE COVERAGE.—The term 'health insurance coverage' has the meaning given such term in section 733(b)(1). In applying this paragraph, excepted benefits described in section 733(c) shall not be treated as benefits consisting of medical care.

"(5) HEALTH INSURANCE ISSUER.—The term 'health insurance issuer' has the meaning given such term in section 733(b)(2).

"(6) PRIOR AUTHORIZATION DETERMINATION.—The term 'prior authorization determination' means a determination by the group health plan or health insurance issuer offering health insurance coverage in connection with a group health plan prior to the provision of the items and services as a condition of coverage of the items and services under the terms and conditions of the plan or coverage.

"(7) TREATING HEALTH CARE PROFESSIONAL.—The term 'treating health care professional' with respect to a group health plan, health insurance issuer or provider sponsored organization means a physician (medical doctor or doctor of osteopathy) or other health care practitioner who is acting within the scope of his or her State licensure or certification for the delivery of health care services and who is primarily responsible for delivering those services to the participant or beneficiary.

"(8) UTILIZATION REVIEW.—The term 'utilization review' with respect to a group health plan or health insurance coverage means procedures used in the determination of coverage for a participant or beneficiary, such as procedures to evaluate the medical necessity, appropriateness, efficacy, quality, or efficiency of health care services, procedures or settings, and includes prospective review, concurrent review, second opinions, case management, discharge planning, or retrospective review.".

(b) CONFORMING AMENDMENT.—The table of contents in section 1 of the Employee Retirement Income Security Act of 1974 is amended by inserting after the item relating to section 503 the following:

"Sec. 503A. Claims and internal appeals procedures for group health plans.
"Sec. 503B. Independent external appeals procedures for group health plans.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to plan years beginning on or after 2 years after the date of enactment of this Act. The Secretary shall issue all regulations necessary to carry out the amendments made by this section before the effective date thereof.

### SEC. 2222. ENFORCEMENT.

Section 502(c) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1132(c)) is amended by adding at the end the following:

"(8) The Secretary may assess a civil penalty against any plan of up to $10,000 for the plan's failure or refusal to comply with any deadline applicable under section 503B or any determination under such section, except that in any case in which treatment was not commenced by the plan in accordance with the determination of an independent external reviewer, the Secretary shall assess a civil penalty of $10,000 against the plan and the plan shall pay such penalty to the participant or beneficiary involved.".

## Subtitle D—Remedies

### SEC. 2231. AVAILABILITY OF COURT REMEDIES.

(a) IN GENERAL.—Section 502 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1132) is amended by adding at the end the following:

"(n) CAUSE OF ACTION RELATING TO DENIAL OF A CLAIM FOR HEALTH BENEFITS.—

"(1) IN GENERAL.—

"(A) FAILURE TO COMPLY WITH EXTERNAL MEDICAL REVIEW.—In any case in which—

"(i) a designated decision-maker described in paragraph (2) fails to exercise ordinary care in approving coverage pursuant to the written determination of an independent medical reviewer under section 503B(d)(3)(F) that reverses a denial of a claim for benefits; and

"(ii) the failure described in clause (i) is the proximate cause of substantial harm to, or the wrongful death of, the participant or beneficiary;

such designated decision-maker shall be liable to the participant or beneficiary (or the estate of such participant or beneficiary) for economic and noneconomic damages in connection with such failure and such injury or death (subject to paragraph (4)).

"(B) WRONGFUL DETERMINATION RESULTING IN DELAY IN PROVIDING BENEFITS.—In any case in which—

"(i) a designated decision-maker described in paragraph (2) acts in bad faith in making a final determination denying a claim for benefits under section 503A(b);

"(ii) the denial described in clause (i) is reversed by an independent medical reviewer under section 503B(d); and

"(iii) the delay attributable to the failure described in clause (i) is the proximate cause of substantial harm to, or the wrongful death of, the participant or beneficiary;

such designated decision-maker shall be liable to the participant or beneficiary (or the estate of such participant or beneficiary) for economic and noneconomic damages in connection with such failure and such injury or death (subject to paragraph (4)).

"(2) DESIGNATED DECISION-MAKERS FOR PURPOSES OF LIABILITY.—An employer or plan sponsor shall not be liable under any cause of action described in paragraph (1) if the employer or plan sponsor complies with the following provisions:

"(A) APPOINTMENT.—A group health plan may designate one or more persons to serve as the designated decision-maker for purposes of paragraph (1). Such designated decision-makers shall have the exclusive authority under the group health plan (or under the health insurance coverage in the case of a health insurance issuer offering coverage in connection with a group health plan) to make determinations described in section 503A with respect to claims for benefits and determination to approve coverage pursuant to written determination of independent medical reviewers under section 503B, except that the plan documents may expressly provide that the designated decision-maker is subject to the direction of a named fiduciary.

"(B) PROCEDURES.—A designated decision-maker shall—

"(i) be a person who is named in the plan or coverage documents, or who, pursuant to procedures specified in the plan or coverage documents, is identified as the designated decision-maker by—

"(I) a person who is an employer or employee organization with respect to the plan or issuer;

"(II) a person who is such an employer and such an employee organization acting jointly; or

"(III) a person who is a named fiduciary;

"(ii) agree to accept appointment as a designated decision-maker; and

"(iii) be identified in the plan or coverage documents as required under section 714(b)(14).

"(C) QUALIFICATIONS.—To be appointed as a designated decision-maker under this paragraph, a person shall be—

"(i) a plan sponsor;

"(ii) a group health plan;

"(iii) a health insurance issuer; or

"(iv) any other person who can provide adequate evidence, in accordance with regulations promulgated by the Secretary, of the ability of the person to—

"(I) carry out the responsibilities set forth in the plan or coverage documents;

"(II) carry out the applicable requirements of this subsection; and

"(III) meet other applicable requirements under this Act, including any financial obligation for liability under this subsection.

"(D) FLEXIBILITY IN ADMINISTRATION.—A group health plan, or health insurance issuer offering coverage in connection with a group health plan, may provide—

"(i) that any person or group of persons may serve in more than one capacity with respect to the plan or coverage (including service as a designated decision-maker, administrator, and named fiduciary); or

"(ii) that a designated decision-maker may employ one or more persons to provide advice with respect to any responsibility of such decision-maker under the plan or coverage.

"(E) FAILURE TO DESIGNATE.—In any case in which a designated decision-maker is not appointed under this paragraph, the group health plan (or health insurance issuer offering coverage in connection with the group health plan), the administrator, or the party or parties that bears the sole responsibility for making the final determination under section 503A(b) (with respect to an internal review), or for approving coverage pursuant to the written determination of an independent medical reviewer under section 503B, with respect to a denial of a claim for benefits shall be treated as the designated decision-maker for purposes of liability under this section.

"(3) REQUIREMENT OF EXHAUSTION OF INDEPENDENT MEDICAL REVIEW.—Paragraph (1) shall apply only if a final determination denying a claim for benefits under section 503A(b) has been referred for independent medical review under section 503B(d) and a written determination by an independent medical reviewer to reverse such final determination has been issued with respect to such review.

"(4) LIMITATIONS ON RECOVERY OF DAMAGES.—

"(A) MAXIMUM AWARD OF NONECONOMIC DAMAGES.—The aggregate amount of liability for noneconomic loss in an action under paragraph (1) may not exceed $350,000.

"(B) INCREASE IN AMOUNT.—The amount referred to in subparagraph (A) shall be increased or decreased, for each calendar year that ends after December 31, 2001, by the same percentage as the percentage by which the Consumer Price Index for All Urban Consumers (United States city average), published by the Bureau of Labor Statistics, for September of the preceding calendar year has increased or decreased from the such Index for September of 2001.

"(C) JOINT AND SEVERAL LIABILITY.—In the case of any action commenced pursuant to paragraph (1), the defendant shall be liable only for the amount of noneconomic damages attributable to such defendant in direct proportion to such defendant's share of fault or responsibility for the injury suffered by the participant or beneficiary. In all such cases, the liability of a defendant for noneconomic damages shall be several and not joint.

"(D) TREATMENT OF COLLATERAL SOURCE PAYMENTS.—

"(i) IN GENERAL.—In the case of any action commenced pursuant to paragraph (1), the total amount of damages received by a participant or *beneficiary under such action shall be reduced, in accordance with clause (ii), by any other payment that has been, or will be, made to such participant or beneficiary to compensate such participant or beneficiary for the injury that was the subject of such action.*

*"(ii) AMOUNT OF REDUCTION.—The amount by which an award of damages to a participant or beneficiary for an injury shall be reduced under clause (i) shall be—*

*"(I) the total amount of any payments (other than such award) that have been made or that will be made to such participant or beneficiary to pay costs of or compensate such participant or beneficiary for the injury that was the subject of the action; less*

*"(II) the amount paid by such participant or beneficiary (or by the spouse, parent, or legal guardian of such participant or beneficiary) to secure the payments described in subclause (I).*

*"(iii) DETERMINATION OF AMOUNTS FROM COLLATERAL SOURCES.—The reduction required under clause (ii) shall be determined by the court in a pretrial proceeding. At the subsequent trial no evidence shall be admitted as to the amount of any charge, payments, or damage for which a participant or beneficiary—*

*"(I) has received payment from a collateral source or the obligation for which has been assured by a third party; or*

*"(II) is, or with reasonable certainty, will be eligible to receive from a collateral source which will, with reasonable certainty, be assumed by a third party.*

*"(5) AFFIRMATIVE DEFENSES.—In the case of any cause of action under paragraph (1), it shall be an affirmative defense that—*

*"(A) the group health plan, or health insurance issuer offering health insurance coverage in connection with a group health plan, involved did not receive from the participant or beneficiary (or authorized representative) or the treating health care professional (if any), sufficient information regarding the medical condition of the participant or beneficiary that was necessary to make a final determination on a claim for benefits under section 503A(b);*

*"(B) the participant or beneficiary (or authorized representative)—*

*"(i) was in possession of facts that were sufficient to enable the participant or beneficiary (or authorized representative) to know that an expedited review under section 503A or 503B would have prevented the harm that is the subject of the action; and*

*"(ii) failed to notify the plan or issuer of the need for such an expedited review; or*

*"(C) the cause of action is based solely on the failure of a qualified external review entity or an independent medical reviewer to meet the timelines applicable under section 503B.*

*Nothing in this paragraph shall be construed to limit the application of any other affirmative defense that may be applicable to the cause of action involved.*

*"(6) WAIVER OF INTERNAL REVIEW.—In the case of any cause of action under paragraph (1), the waiver or nonwaiver of internal review under section 503A(b)(1)(D) by the group health plan, or health insurance issuer offering health insurance coverage in connection with a group health plan, shall not be used in determining liability.*

*"(7) LIMITATIONS ON ACTIONS.—Paragraph (1) shall not apply in connection with any action that is commenced more than 1 year after—*

*"(A) the date on which the last act occurred which constituted a part of the failure referred to in such paragraph; or*

*"(B) in the case of an omission, the last date on which the decision-maker could have cured the failure.*

*"(8) LIMITATION ON RELIEF WHERE DEFENDANT'S POSITION PREVIOUSLY SUPPORTED UPON EXTERNAL REVIEW.—In any case in which the court finds the defendant to be liable in an action under this subsection, to the extent that such liability is based on a finding by the court of a particular failure described in paragraph (1) and such finding is contrary to a previous determination by an independent medical reviewer under section 503B(d) with respect to such defendant, no relief shall be available under this subsection in addition to the relief otherwise available under subsection (a)(1)(B).*

*"(9) CONSTRUCTION.—Nothing in this subsection shall be construed as authorizing a cause of action under paragraph (1) for—*

*"(A) the failure of a group health plan or health insurance issuer to provide an item or service that is specifically excluded under the plan or coverage; or*

*"(B) any denial of a claim for benefits that was not eligible for independent medical review under section 503B(d).*

*"(10) FEDERAL JURISDICTION.—In the case of any action commenced pursuant to paragraph (1) the district courts of the United States shall have exclusive jurisdiction.*

*"(11) DEFINITIONS.—In this subsection:*

*"(A) AUTHORIZED REPRESENTATIVE.—The term 'authorized representative' has the meaning given such term in section 503B(i).*

*"(B) CLAIM FOR BENEFITS.—The term 'claim for benefits' shall have the meaning given such term in section 503B(i), except that such term shall only include claims for prior authorization determinations (as such term is defined in section 503B(i)).*

*"(C) GROUP HEALTH PLAN.—The term 'group health plan' shall have the meaning given such term in section 733(a).*

*"(D) HEALTH INSURANCE COVERAGE.—The term 'health insurance coverage' has the meaning given such term in section 733(b)(1).*

*"(E) HEALTH INSURANCE ISSUER.—The term 'health insurance issuer' has the meaning given such term in section 733(b)(2) (including health maintenance organizations as defined in section 733(b)(3)).*

*"(F) ORDINARY CARE.—The term 'ordinary care' means the care, skill, prudence, and diligence under the circumstances prevailing at the time the care is provided that a prudent individual acting in a like capacity and familiar with the care being provided would use in providing care of a similar character.*

*"(G) SUBSTANTIAL HARM.—The term 'substantial harm' means the loss of life, loss or significant impairment of limb or bodily function, significant disfigurement, or severe and chronic physical pain.*

*"(12) EFFECTIVE DATE.—The provisions of this subsection shall apply to acts and omissions occurring on or after the date of enactment of this subsection.".*

*(b) IMMUNITY FROM LIABILITY FOR PROVISION OF INSURANCE OPTIONS.—*

*(1) IN GENERAL.—Section 502 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1132), as amended by subsection (a), is further amended by adding at the end the following:*

*"(o) IMMUNITY FROM LIABILITY FOR PROVISION OF INSURANCE OPTIONS.—*

*"(1) IN GENERAL.—No liability shall arise under subsection (n) with respect to a participant or beneficiary against a group health plan (other than a fully insured group health plan) if such plan offers the participant or beneficiary the coverage option described in paragraph (2).*

*"(2) COVERAGE OPTION.—The coverage option described in this paragraph is one under which the group health plan (other than a fully insured group health plan), at the time of enrollment or as provided for in paragraph (3), provides the participant or beneficiary with the option to—*

*"(A) enroll for coverage under a fully insured health plan; or*

*"(B) receive an individual benefit payment, in an amount equal to the amount that would be contributed on behalf of the participant or beneficiary by the plan sponsor for enrollment in the group health plan, for use by the participant or beneficiary in obtaining health insurance coverage in the individual market.*

*"(3) TIME OF OFFERING OF OPTION.—The coverage option described in paragraph (2) shall be offered to a participant or beneficiary—*

*"(A) during the first period in which the individual is eligible to enroll under the group health plan; or*

*"(B) during any special enrollment period provided by the group health plan after the date of enactment of the Patients' Bill of Rights Plus Act for purposes of offering such coverage option.".*

*(2) AMENDMENTS TO INTERNAL REVENUE CODE.—*

*(A) EXCLUSION FROM INCOME.—Section 106 of the Internal Revenue Code of 1986 (relating to contributions by employer to accident and health plans) is amended by adding at the end the following:*

*"(d) TREATMENT OF CERTAIN COVERAGE OPTION UNDER SELF-INSURED PLANS.—No amount shall be included in the gross income of an individual by reason of—*

*"(1) the individual's right to elect a coverage option described in section 502(o)(2) of the Employee Retirement Income Security Act of 1974, or*

*"(2) the receipt by the individual of an individual benefit payment described in section 502(o)(2)(A) of such Act."*

*(B) NONDISCRIMINATION RULES.—Section 105(h) of such Code (relating to self-insured medical expense reimbursement plans) is amended by adding at the end the following:*

*"(11) TREATMENT OF CERTAIN COVERAGE OPTIONS.—If a self-insured medical reimbursement plan offers the coverage option described in section 502(o)(2) of the Employee Retirement Income Security Act of 1974, employees who elect such option shall be treated as eligible to benefit under the plan and the plan shall be treated as benefiting such employees."*

*(c) CONFORMING AMENDMENT.—Section 502(a)(1)(A) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1132(a)(1)(A)) is amended by inserting "or (n)" after "subsection (c)".*

### ***SEC. 2232. LIMITATION ON CERTAIN CLASS ACTION LITIGATION.***

*(a) ERISA.—Section 502 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1132), as amended by section 2231, is further amended by adding at the end the following:*

*"(p) LIMITATION ON CLASS ACTION LITIGATION.—A claim or cause of action under section 502(n) may not be maintained as a class action.".*

*(b) RICO.—Section 1964(c) of title 18, United States Code, is amended—*

*(1) by inserting "(1)" after the subsection designation; and*

*(2) by adding at the end the following:*

*"(2) No action may be brought under this subsection, or alleging any violation of section 1962, against any person where the action seeks relief for which a remedy may be provided under section 502 of the Employee Retirement Income Security Act of 1974.".*

*(c) EFFECTIVE DATE.—*

*(1) IN GENERAL.—The amendments made by this section shall apply to all civil actions that are filed on or after the date of enactment of this Act.*

*(2) PENDING CIVIL ACTIONS.—Notwithstanding section 502(p) of the Employee Retirement Income Security Act of 1974 and section 1964(c)(2)*

*of title 18, United States Code, such sections 502(p) and 1964(c)(2) shall apply to civil actions that are pending and have not been finally determined by judgment or settlement prior to the date of enactment of this Act if such actions are substantially similar in nature to the claims or causes of actions referred to in such sections 502(p) and 1964(c)(2).*

**SEC. 2233. SEVERABILITY.**

*If any provision of this subtitle, an amendment made by this subtitle, or the application of such provision or amendment to any person or circumstance is held to be unconstitutional, the remainder of this subtitle, the amendments made by this subtitle, and the application of the provisions of such to any person or circumstance shall not be affected thereby.*

## TITLE XXIII—WOMEN'S HEALTH AND CANCER RIGHTS

### SEC. 2301. WOMEN'S HEALTH AND CANCER RIGHTS.

*(a) Short Title.—This section may be cited as the "Women's Health and Cancer Rights Act of 2000".*

*(b) Findings.—Congress finds that—*

*(1) the offering and operation of health plans affect commerce among the States;*

*(2) health care providers located in a State serve patients who reside in the State and patients who reside in other States; and*

*(3) in order to provide for uniform treatment of health care providers and patients among the States, it is necessary to cover health plans operating in 1 State as well as health plans operating among the several States.*

*(c) Amendments to ERISA.—*

*(1) In general.—Subpart B of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974, as amended by section 2211(a), is further amended by adding at the end the following:*

### "SEC. 715. REQUIRED COVERAGE FOR MINIMUM HOSPITAL STAY FOR MASTECTOMIES AND LYMPH NODE DISSECTIONS FOR THE TREATMENT OF BREAST CANCER AND COVERAGE FOR SECONDARY CONSULTATIONS.

*"(a) Inpatient Care.—*

*"(1) In general.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, that provides medical and surgical benefits shall ensure that inpatient coverage with respect to the treatment of breast cancer is provided for a period of time as is determined by the attending physician, in consultation with the patient, to be medically necessary and appropriate following—*

*"(A) a mastectomy;*

*"(B) a lumpectomy; or*

*"(C) a lymph node dissection for the treatment of breast cancer.*

*"(2) Exception.—Nothing in this section shall be construed as requiring the provision of inpatient coverage if the attending physician and patient determine that a shorter period of hospital stay is medically appropriate.*

*"(b) Prohibition on Certain Modifications.—In implementing the requirements of this section, a group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, may not modify the terms and conditions of coverage based on the determination by a participant or beneficiary to request less than the minimum coverage required under subsection (a).*

*"(c) Notice.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan shall provide notice to each participant and beneficiary under such plan regarding the coverage required by this section in accordance with regulations promulgated by the Secretary. Such notice shall be in writing and prominently positioned in any literature or correspondence made available or distributed by the plan or issuer and shall be transmitted—*

*"(1) in the next mailing made by the plan or issuer to the participant or beneficiary;*

*"(2) as part of any yearly informational packet sent to the participant or beneficiary; or*

*"(3) not later than January 1, 2001;*

*whichever is earlier.*

*"(d) Secondary Consultations.—*

*"(1) In general.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, that provides coverage with respect to medical and surgical services provided in relation to the diagnosis and treatment of cancer shall ensure that full coverage is provided for secondary consultations by specialists in the appropriate medical fields (including pathology, radiology, and oncology) to confirm or refute such diagnosis. Such plan or issuer shall ensure that full coverage is provided for such secondary consultation whether such consultation is based on a positive or negative initial diagnosis. In any case in which the attending physician certifies in writing that services necessary for such a secondary consultation are not sufficiently available from specialists operating under the plan with respect to whose services coverage is otherwise provided under such plan or by such issuer, such plan or issuer shall ensure that coverage is provided with respect to the services necessary for the secondary consultation with any other specialist selected by the attending physician for such purpose at no additional cost to the individual beyond that which the individual would have paid if the specialist was participating in the network of the plan.*

*"(2) Exception.—Nothing in paragraph (1) shall be construed as requiring the provision of secondary consultations where the patient determines not to seek such a consultation.*

*"(e) Prohibition on Penalties or Incentives.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, may not—*

*"(1) penalize or otherwise reduce or limit the reimbursement of a provider or specialist because the provider or specialist provided care to a participant or beneficiary in accordance with this section;*

*"(2) provide financial or other incentives to a physician or specialist to induce the physician or specialist to keep the length of inpatient stays of patients following a mastectomy, lumpectomy, or a lymph node dissection for the treatment of breast cancer below certain limits or to limit referrals for secondary consultations; or*

*"(3) provide financial or other incentives to a physician or specialist to induce the physician or specialist to refrain from referring a participant or beneficiary for a secondary consultation that would otherwise be covered by the plan or coverage involved under subsection (d).".*

*(2) Clerical amendment.—The table of contents in section 1 of the Employee Retirement Income Security Act of 1974 is amended by inserting after the item relating to section 714 the following new item:*

*"Sec. 715. Required coverage for minimum hospital stay for mastectomies and lymph node dissections for the treatment of breast cancer and coverage for secondary consultations.".*

*(d) Amendments to PHSA Relating to the Group Market.—Subpart 2 of part A of title XXVII of the Public Health Service Act (42 U.S.C. 300gg–4 et seq.) is amended by adding at the end the following new section:*

### "SEC. 2707. REQUIRED COVERAGE FOR MINIMUM HOSPITAL STAY FOR MASTECTOMIES AND LYMPH NODE DISSECTIONS FOR THE TREATMENT OF BREAST CANCER AND COVERAGE FOR SECONDARY CONSULTATIONS.

*"(a) Inpatient Care.—*

*"(1) In general.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, that provides medical and surgical benefits shall ensure that inpatient coverage with respect to the treatment of breast cancer is provided for a period of time as is determined by the attending physician, in consultation with the patient, to be medically necessary and appropriate following—*

*"(A) a mastectomy;*

*"(B) a lumpectomy; or*

*"(C) a lymph node dissection for the treatment of breast cancer.*

*"(2) Exception.—Nothing in this section shall be construed as requiring the provision of inpatient coverage if the attending physician and patient determine that a shorter period of hospital stay is medically appropriate.*

*"(b) Prohibition on Certain Modifications.—In implementing the requirements of this section, a group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, may not modify the terms and conditions of coverage based on the determination by a participant or beneficiary to request less than the minimum coverage required under subsection (a).*

*"(c) Notice.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan shall provide notice to each participant and beneficiary under such plan regarding the coverage required by this section in accordance with regulations promulgated by the Secretary. Such notice shall be in writing and prominently positioned in any literature or correspondence made available or distributed by the plan or issuer and shall be transmitted—*

*"(1) in the next mailing made by the plan or issuer to the participant or beneficiary;*

*"(2) as part of any yearly informational packet sent to the participant or beneficiary; or*

*"(3) not later than January 1, 2001;*

*whichever is earlier.*

*"(d) Secondary Consultations.—*

*"(1) In general.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan that provides coverage with respect to medical and surgical services provided in relation to the diagnosis and treatment of cancer shall ensure that full coverage is provided for secondary consultations by specialists in the appropriate medical fields (including pathology, radiology, and oncology) to confirm or refute such diagnosis. Such plan or issuer shall ensure that full coverage is provided for such secondary consultation whether such consultation is based on a positive or negative initial diagnosis. In any case in which the attending physician certifies in writing that services necessary for such a secondary consultation are not sufficiently available from specialists operating under the plan with respect to whose services coverage is otherwise provided under such plan or by such issuer, such plan or issuer shall ensure that coverage is provided with respect to the services necessary for the secondary consultation with any other specialist selected by the attending physician for such purpose at no additional cost to the individual beyond that which the individual would have paid if the specialist was participating in the network of the plan.*

*"(2) Exception.—Nothing in paragraph (1) shall be construed as requiring the provision of*

secondary consultations where the patient determines not to seek such a consultation.

"(e) Prohibition on Penalties or Incentives.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, may not—

"(1) penalize or otherwise reduce or limit the reimbursement of a provider or specialist because the provider or specialist provided care to a participant or beneficiary in accordance with this section;

"(2) provide financial or other incentives to a physician or specialist to induce the physician or specialist to keep the length of inpatient stays of patients following a mastectomy, lumpectomy, or a lymph node dissection for the treatment of breast cancer below certain limits or to limit referrals for secondary consultations; or

"(3) provide financial or other incentives to a physician or specialist to induce the physician or specialist to refrain from referring a participant or beneficiary for a secondary consultation that would otherwise be covered by the plan or coverage involved under subsection (d).".

(e) Amendments to PHSA Relating to the Individual Market.—The first subpart 3 of part B of title XXVII of the Public Health Service Act (42 U.S.C. 300gg–51 et seq.) (relating to other requirements) (42 U.S.C. 300gg–51 et seq.) is amended—

(1) by redesignating such subpart as subpart 2; and

(2) by adding at the end the following:

### "SEC. 2753. REQUIRED COVERAGE FOR MINIMUM HOSPITAL STAY FOR MASTECTOMIES AND LYMPH NODE DISSECTIONS FOR THE TREATMENT OF BREAST CANCER AND SECONDARY CONSULTATIONS.

"The provisions of section 2707 shall apply to health insurance coverage offered by a health insurance issuer in the individual market in the same manner as they apply to health insurance coverage offered by a health insurance issuer in connection with a group health plan in the small or large group market.".

(f) Amendments to the IRC.—

(1) In general.—Subchapter B of chapter 100 of the Internal Revenue Code of 1986, as amended by section 2202, is further amended by inserting after section 9813 the following:

### "SEC. 9814. REQUIRED COVERAGE FOR MINIMUM HOSPITAL STAY FOR MASTECTOMIES AND LYMPH NODE DISSECTIONS FOR THE TREATMENT OF BREAST CANCER AND COVERAGE FOR SECONDARY CONSULTATIONS.

"(a) Inpatient Care.—

"(1) In general.—A group health plan that provides medical and surgical benefits shall ensure that inpatient coverage with respect to the treatment of breast cancer is provided for a period of time as is determined by the attending physician, in consultation with the patient, to be medically necessary and appropriate following—

"(A) a mastectomy;

"(B) a lumpectomy; or

"(C) a lymph node dissection for the treatment of breast cancer.

"(2) Exception.—Nothing in this section shall be construed as requiring the provision of inpatient coverage if the attending physician and patient determine that a shorter period of hospital stay is medically appropriate.

"(b) Prohibition on Certain Modifications.—In implementing the requirements of this section, a group health plan may not modify the terms and conditions of coverage based on the determination by a participant or beneficiary to request less than the minimum coverage required under subsection (a).

"(c) Notice.—A group health plan shall provide notice to each participant and beneficiary under such plan regarding the coverage required by this section in accordance with regulations promulgated by the Secretary. Such notice shall be in writing and prominently positioned in any literature or correspondence made available or distributed by the plan and shall be transmitted—

"(1) in the next mailing made by the plan to the participant or beneficiary;

"(2) as part of any yearly informational packet sent to the participant or beneficiary; or

"(3) not later than January 1, 2000;

whichever is earlier.

"(d) Secondary Consultations.—

"(1) In general.—A group health plan that provides coverage with respect to medical and surgical services provided in relation to the diagnosis and treatment of cancer shall ensure that full coverage is provided for secondary consultations by specialists in the appropriate medical fields (including pathology, radiology, and oncology) to confirm or refute such diagnosis. Such plan or issuer shall ensure that full coverage is provided for such secondary consultation whether such consultation is based on a positive or negative initial diagnosis. In any case in which the attending physician certifies in writing that services necessary for such a secondary consultation are not sufficiently available from specialists operating under the plan with respect to whose services coverage is otherwise provided under such plan or by such issuer, such plan or issuer shall ensure that coverage is provided with respect to the services necessary for the secondary consultation with any other specialist selected by the attending physician for such purpose at no additional cost to the individual beyond that which the individual would have paid if the specialist was participating in the network of the plan.

"(2) Exception.—Nothing in paragraph (1) shall be construed as requiring the provision of secondary consultations where the patient determines not to seek such a consultation.

"(e) Prohibition on Penalties.—A group health plan may not—

"(1) penalize or otherwise reduce or limit the reimbursement of a provider or specialist because the provider or specialist provided care to a participant or beneficiary in accordance with this section;

"(2) provide financial or other incentives to a physician or specialist to induce the physician or specialist to keep the length of inpatient stays of patients following a mastectomy, lumpectomy, or a lymph node dissection for the treatment of breast cancer below certain limits or to limit referrals for secondary consultations; or

"(3) provide financial or other incentives to a physician or specialist to induce the physician or specialist to refrain from referring a participant or beneficiary for a secondary consultation that would otherwise be covered by the plan involved under subsection (d).".

(2) Clerical amendment.—The table of contents for chapter 100 of such Code is amended by inserting after the item relating to section 9813 the following new item:

"Sec. 9814. Required coverage for minimum hospital stay for mastectomies and lymph node dissections for the treatment of breast cancer and coverage for secondary consultations.".

## TITLE XXIV—GENETIC INFORMATION AND SERVICES

### SEC. 2401. SHORT TITLE.

This title may be cited as the "Genetic Information Nondiscrimination in Health Insurance Act of 2000".

### SEC. 2402. AMENDMENTS TO EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.

(a) Prohibition of Health Discrimination on the Basis of Genetic Information or Genetic Services.—

(1) No enrollment restriction for genetic services.—Section 702(a)(1)(F) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1182(a)(1)(F)) is amended by inserting before the period the following: "(including information about a request for or receipt of genetic services)".

(2) No discrimination in group premiums based on predictive genetic information.—Subpart B of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974, as amended by section 2301(c), is further amended by adding at the end the following:

### "SEC. 716. PROHIBITING PREMIUM DISCRIMINATION AGAINST GROUPS ON THE BASIS OF PREDICTIVE GENETIC INFORMATION.

"A group health plan, or a health insurance issuer offering group health insurance coverage in connection with a group health plan, shall not adjust premium or contribution amounts for a group on the basis of predictive genetic information concerning any individual (including a dependent) or family member of the individual (including information about a request for or receipt of genetic services).".

(3) Conforming amendments.—

(A) In general.—Section 702(b) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1182(b)) is amended by adding at the end the following:

"(3) Reference to related provision.—For a provision prohibiting the adjustment of premium or contribution amounts for a group under a group health plan on the basis of predictive genetic information (including information about a request for or receipt of genetic services), see section 716.".

(B) Table of contents.—The table of contents in section 1 of the Employee Retirement Income Security Act of 1974, as amended by section 2301, is further amended by inserting after the item relating to section 715 the following new item:

"Sec. 716. Prohibiting premium discrimination against groups on the basis of predictive genetic information.".

(b) Limitation on Collection of Predictive Genetic Information.—Section 702 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1182) is amended by adding at the end the following:

"(c) Collection of Predictive Genetic Information.—

"(1) Limitation on requesting or requiring predictive genetic information.—Except as provided in paragraph (2), a group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall not request or require predictive genetic information concerning any individual (including a dependent) or family member of the individual (including information about a request for or receipt of genetic services).

"(2) Information needed for diagnosis, treatment, or payment.—

"(A) In general.—Notwithstanding paragraph (1), a group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, that provides health care items and services to an individual or dependent may request (but may not require) that such individual or dependent disclose, or authorize the collection or disclosure of, predictive genetic information for purposes of diagnosis, treatment, or payment relating to the provision of health care items and services to such individual or dependent.

"(B) NOTICE OF CONFIDENTIALITY PRACTICES AND DESCRIPTION OF SAFEGUARDS.—As a part of a request under subparagraph (A), the group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall provide to the individual or dependent a description of the procedures in place to safeguard the confidentiality, as described in subsection (d), of such predictive genetic information.

"(d) CONFIDENTIALITY WITH RESPECT TO PREDICTIVE GENETIC INFORMATION.—

"(1) NOTICE OF CONFIDENTIALITY PRACTICES.—

"(A) PREPARATION OF WRITTEN NOTICE.—A group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall post or provide, in writing and in a clear and conspicuous manner, notice of the plan or issuer's confidentiality practices, that shall include—

"(i) a description of an individual's rights with respect to predictive genetic information;

"(ii) the procedures established by the plan or issuer for the exercise of the individual's rights; and

"(iii) the right to obtain a copy of the notice of the confidentiality practices required under this subsection.

"(B) MODEL NOTICE.—The Secretary, in consultation with the National Committee on Vital and Health Statistics and the National Association of Insurance Commissioners, and after notice and opportunity for public comment, shall develop and disseminate model notices of confidentiality practices. Use of the model notice shall serve as a defense against claims of receiving inappropriate notice.

"(2) ESTABLISHMENT OF SAFEGUARDS.—A group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality, security, accuracy, and integrity of predictive genetic information created, received, obtained, maintained, used, transmitted, or disposed of by such plan or issuer.".

(c) DEFINITIONS.—Section 733(d) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1191b(d)) is amended by adding at the end the following:

"(5) FAMILY MEMBER.—The term 'family member' means with respect to an individual—

"(A) the spouse of the individual;

"(B) a dependent child of the individual, including a child who is born to or placed for adoption with the individual; and

"(C) all other individuals related by blood to the individual or the spouse or child described in subparagraph (A) or (B).

"(6) GENETIC INFORMATION.—The term 'genetic information' means information about genes, gene products, or inherited characteristics that may derive from an individual or a family member (including information about a request for or receipt of genetic services).

"(7) GENETIC SERVICES.—The term 'genetic services' means health services provided to obtain, assess, or interpret genetic information for diagnostic and therapeutic purposes, and for genetic education and counseling.

"(8) PREDICTIVE GENETIC INFORMATION.—

"(A) IN GENERAL.—The term 'predictive genetic information' means, in the absence of symptoms, clinical signs, or a diagnosis of the condition related to such information—

"(i) information about an individual's genetic tests;

"(ii) information about genetic tests of family members of the individual; or

"(iii) information about the occurrence of a disease or disorder in family members.

"(B) EXCEPTIONS.—The term 'predictive genetic information' shall not include—

"(i) information about the sex or age of the individual;

"(ii) information derived from physical tests, such as the chemical, blood, or urine analyses of the individual including cholesterol tests; and

"(iii) information about physical exams of the individual.

"(9) GENETIC TEST.—The term 'genetic test' means the analysis of human DNA, RNA, chromosomes, proteins, and certain metabolites, including analysis of genotypes, mutations, phenotypes, or karyotypes, for the purpose of predicting risk of disease in asymptomatic or undiagnosed individuals. Such term does not include physical tests, such as the chemical, blood, or urine analyses of the individual including cholesterol tests, and physical exams of the individual, in order to detect symptoms, clinical signs, or a diagnosis of disease.".

(d) EFFECTIVE DATE.—Except as provided in this section, this section and the amendments made by this section shall apply with respect to group health plans for plan years beginning 1 year after the date of the enactment of this Act.

**SEC. 2403. AMENDMENTS TO THE PUBLIC HEALTH SERVICE ACT.**

(a) AMENDMENTS RELATING TO THE GROUP MARKET.—

(1) PROHIBITION OF HEALTH DISCRIMINATION ON THE BASIS OF GENETIC INFORMATION IN THE GROUP MARKET.—

(A) NO ENROLLMENT RESTRICTION FOR GENETIC SERVICES.—Section 2702(a)(1)(F) of the Public Health Service Act (42 U.S.C. 300gg–1(a)(1)(F)) is amended by inserting before the period the following: "(including information about a request for or receipt of genetic services)".

(B) NO DISCRIMINATION IN PREMIUMS BASED ON PREDICTIVE GENETIC INFORMATION.—Subpart 2 of part A of title XXVII of the Public Health Service Act (42 U.S.C. 300gg–4 et seq.), as amended by section 2301(d), is amended by adding at the end the following new section:

**"SEC. 2708. PROHIBITING PREMIUM DISCRIMINATION AGAINST GROUPS ON THE BASIS OF PREDICTIVE GENETIC INFORMATION IN THE GROUP MARKET.**

"A group health plan, or a health insurance issuer offering group health insurance coverage in connection with a group health plan shall not adjust premium or contribution amounts for a group on the basis of predictive genetic information concerning any individual (including a dependent) or family member of the individual (including information about a request for or receipt of genetic services).".

(C) CONFORMING AMENDMENT.—Section 2702(b) of the Public Health Service Act (42 U.S.C. 300gg–1(b)) is amended by adding at the end the following:

"(3) REFERENCE TO RELATED PROVISION.—For a provision prohibiting the adjustment of premium or contribution amounts for a group under a group health plan on the basis of predictive genetic information (including information about a request for or receipt of genetic services), see section 2708.".

(D) LIMITATION ON COLLECTION AND DISCLOSURE OF PREDICTIVE GENETIC INFORMATION.—Section 2702 of the Public Health Service Act (42 U.S.C. 300gg–1) is amended by adding at the end the following:

"(c) COLLECTION OF PREDICTIVE GENETIC INFORMATION.—

"(1) LIMITATION ON REQUESTING OR REQUIRING PREDICTIVE GENETIC INFORMATION.—Except as provided in paragraph (2), a group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall not request or require predictive genetic information concerning any individual (including a dependent) or a family member of the individual (including information about a request for or receipt of genetic services).

"(2) INFORMATION NEEDED FOR DIAGNOSIS, TREATMENT, OR PAYMENT.—

"(A) IN GENERAL.—Notwithstanding paragraph (1), a group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, that provides health care items and services to an individual or dependent may request (but may not require) that such individual or dependent disclose, or authorize the collection or disclosure of, predictive genetic information for purposes of diagnosis, treatment, or payment relating to the provision of health care items and services to such individual or dependent.

"(B) NOTICE OF CONFIDENTIALITY PRACTICES AND DESCRIPTION OF SAFEGUARDS.—As a part of a request under subparagraph (A), the group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall provide to the individual or dependent a description of the procedures in place to safeguard the confidentiality, as described in subsection (d), of such predictive genetic information.

"(d) CONFIDENTIALITY WITH RESPECT TO PREDICTIVE GENETIC INFORMATION.—

"(1) NOTICE OF CONFIDENTIALITY PRACTICES.—

"(A) PREPARATION OF WRITTEN NOTICE.—A group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall post or provide, in writing and in a clear and conspicuous manner, notice of the plan or issuer's confidentiality practices, that shall include—

"(i) a description of an individual's rights with respect to predictive genetic information;

"(ii) the procedures established by the plan or issuer for the exercise of the individual's rights; and

"(iii) the right to obtain a copy of the notice of the confidentiality practices required under this subsection.

"(B) MODEL NOTICE.—The Secretary, in consultation with the National Committee on Vital and Health Statistics and the National Association of Insurance Commissioners, and after notice and opportunity for public comment, shall develop and disseminate model notices of confidentiality practices. Use of the model notice shall serve as a defense against claims of receiving inappropriate notice.

"(2) ESTABLISHMENT OF SAFEGUARDS.—A group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality, security, accuracy, and integrity of predictive genetic information created, received, obtained, maintained, used, transmitted, or disposed of by such plan or issuer.".

(2) DEFINITIONS.—Section 2791(d) of the Public Health Service Act (42 U.S.C. 300gg–91(d)) is amended by adding at the end the following:

"(15) FAMILY MEMBER.—The term 'family member' means, with respect to an individual—

"(A) the spouse of the individual;

"(B) a dependent child of the individual, including a child who is born to or placed for adoption with the individual; and

"(C) all other individuals related by blood to the individual or the spouse or child described in subparagraph (A) or (B).

"(16) GENETIC INFORMATION.—The term 'genetic information' means information about genes, gene products, or inherited characteristics that may derive from an individual or a family member (including information about a request for or receipt of genetic services).

"(17) GENETIC SERVICES.—The term 'genetic services' means health services provided to obtain, assess, or interpret genetic information for diagnostic and therapeutic purposes, and for genetic education and counseling.

*''(18) PREDICTIVE GENETIC INFORMATION.—*

*''(A) IN GENERAL.—The term 'predictive genetic information' means, in the absence of symptoms, clinical signs, or a diagnosis of the condition related to such information—*

*''(i) information about an individual's genetic tests;*

*''(ii) information about genetic tests of family members of the individual; or*

*''(iii) information about the occurrence of a disease or disorder in family members.*

*''(B) EXCEPTIONS.—The term 'predictive genetic information' shall not include—*

*''(i) information about the sex or age of the individual;*

*''(ii) information derived from physical tests, such as the chemical, blood, or urine analyses of the individual including cholesterol tests; and*

*''(iii) information about physical exams of the individual.*

*''(19) GENETIC TEST.—The term 'genetic test' means the analysis of human DNA, RNA, chromosomes, proteins, and certain metabolites, including analysis of genotypes, mutations, phenotypes, or karyotypes, for the purpose of predicting risk of disease in asymptomatic or undiagnosed individuals. Such term does not include physical tests, such as the chemical, blood, or urine analyses of the individual including cholesterol tests, and physical exams of the individual, in order to detect symptoms, clinical signs, or a diagnosis of disease.''.*

*(e) AMENDMENTS TO PHSA RELATING TO THE INDIVIDUAL MARKET.—The first subpart 3 of part B of title XXVII of the Public Health Service Act (42 U.S.C. 300gg–51 et seq.) (relating to other requirements) (42 U.S.C. 300gg–51 et seq.), as amended by section 2301(e), is further amended by adding at the end the following:*

### *"SEC. 2754. PROHIBITION OF HEALTH DISCRIMINATION ON THE BASIS OF PREDICTIVE GENETIC INFORMATION.*

*''(a) PROHIBITION ON PREDICTIVE GENETIC INFORMATION AS A CONDITION OF ELIGIBILITY.—A health insurance issuer offering health insurance coverage in the individual market may not use predictive genetic information as a condition of eligibility of an individual to enroll in individual health insurance coverage (including information about a request for or receipt of genetic services).*

*''(b) PROHIBITION ON PREDICTIVE GENETIC INFORMATION IN SETTING PREMIUM RATES.—A health insurance issuer offering health insurance coverage in the individual market shall not adjust premium rates for individuals on the basis of predictive genetic information concerning such an individual (including a dependent) or a family member of the individual (including information about a request for or receipt of genetic services).*

*''(c) COLLECTION OF PREDICTIVE GENETIC INFORMATION.—*

*''(1) LIMITATION ON REQUESTING OR REQUIRING PREDICTIVE GENETIC INFORMATION.—Except as provided in paragraph (2), a health insurance issuer offering health insurance coverage in the individual market shall not request or require predictive genetic information concerning any individual (including a dependent) or a family member of the individual (including information about a request for or receipt of genetic services).*

*''(2) INFORMATION NEEDED FOR DIAGNOSIS, TREATMENT, OR PAYMENT.—*

*''(A) IN GENERAL.—Notwithstanding paragraph (1), a health insurance issuer offering health insurance coverage in the individual market that provides health care items and services to an individual or dependent may request (but may not require) that such individual or dependent disclose, or authorize the collection or disclosure of, predictive genetic information for purposes of diagnosis, treatment, or payment relating to the provision of health care items and services to such individual or dependent.*

*''(B) NOTICE OF CONFIDENTIALITY PRACTICES AND DESCRIPTION OF SAFEGUARDS.—As a part of a request under subparagraph (A), the health insurance issuer offering health insurance coverage in the individual market shall provide to the individual or dependent a description of the procedures in place to safeguard the confidentiality, as described in subsection (d), of such predictive genetic information.*

*''(d) CONFIDENTIALITY WITH RESPECT TO PREDICTIVE GENETIC INFORMATION.—*

*''(1) NOTICE OF CONFIDENTIALITY PRACTICES.—*

*''(A) PREPARATION OF WRITTEN NOTICE.—A health insurance issuer offering health insurance coverage in the individual market shall post or provide, in writing and in a clear and conspicuous manner, notice of the issuer's confidentiality practices, that shall include—*

*''(i) a description of an individual's rights with respect to predictive genetic information;*

*''(ii) the procedures established by the issuer for the exercise of the individual's rights; and*

*''(iii) the right to obtain a copy of the notice of the confidentiality practices required under this subsection.*

*''(B) MODEL NOTICE.—The Secretary, in consultation with the National Committee on Vital and Health Statistics and the National Association of Insurance Commissioners, and after notice and opportunity for public comment, shall develop and disseminate model notices of confidentiality practices. Use of the model notice shall serve as a defense against claims of receiving inappropriate notice.*

*''(2) ESTABLISHMENT OF SAFEGUARDS.—A health insurance issuer offering health insurance coverage in the individual market shall establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality, security, accuracy, and integrity of predictive genetic information created, received, obtained, maintained, used, transmitted, or disposed of by such issuer.''.*

*(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to—*

*(1) group health plans, and health insurance coverage offered in connection with group health plans, for plan years beginning after 1 year after the date of enactment of this Act; and*

*(2) health insurance coverage offered, sold, issued, renewed, in effect, or operated in the individual market after 1 year after the date of enactment of this Act.*

### *SEC. 2404. AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986.*

*(a) PROHIBITION OF HEALTH DISCRIMINATION ON THE BASIS OF GENETIC INFORMATION OR GENETIC SERVICES.—*

*(1) NO ENROLLMENT RESTRICTION FOR GENETIC SERVICES.—Section 9802(a)(1)(F) of the Internal Revenue Code of 1986 is amended by inserting before the period the following: ''(including information about a request for or receipt of genetic services)''.*

*(2) NO DISCRIMINATION IN GROUP PREMIUMS BASED ON PREDICTIVE GENETIC INFORMATION.—*

*(A) IN GENERAL.—Subchapter B of chapter 100 of the Internal Revenue Code of 1986, as amended by section 2301(f), is further amended by adding at the end the following:*

### *"SEC. 9815. PROHIBITING PREMIUM DISCRIMINATION AGAINST GROUPS ON THE BASIS OF PREDICTIVE GENETIC INFORMATION.*

*''A group health plan shall not adjust premium or contribution amounts for a group on the basis of predictive genetic information concerning any individual (including a dependent) or a family member of the individual (including information about a request for or receipt of genetic services).''.*

*(B) CONFORMING AMENDMENT.—Section 9802(b) of the Internal Revenue Code of 1986 is amended by adding at the end the following:*

*''(3) REFERENCE TO RELATED PROVISION.—For a provision prohibiting the adjustment of premium or contribution amounts for a group under a group health plan on the basis of predictive genetic information (including information about a request for or the receipt of genetic services), see section 9815.''.*

*(C) AMENDMENT TO TABLE OF SECTIONS.—The table of sections for subchapter B of chapter 100 of the Internal Revenue Code of 1986, as amended by section 2301(f), is further amended by adding at the end the following:*

*''Sec. 9815. Prohibiting premium discrimination against groups on the basis of predictive genetic information.''.*

*(b) LIMITATION ON COLLECTION OF PREDICTIVE GENETIC INFORMATION.—Section 9802 of the Internal Revenue Code of 1986 is amended by adding at the end the following:*

*''(d) COLLECTION OF PREDICTIVE GENETIC INFORMATION.—*

*''(1) LIMITATION ON REQUESTING OR REQUIRING PREDICTIVE GENETIC INFORMATION.—Except as provided in paragraph (2), a group health plan shall not request or require predictive genetic information concerning any individual (including a dependent) or a family member of the individual (including information about a request for or receipt of genetic services).*

*''(2) INFORMATION NEEDED FOR DIAGNOSIS, TREATMENT, OR PAYMENT.—*

*''(A) IN GENERAL.—Notwithstanding paragraph (1), a group health plan that provides health care items and services to an individual or dependent may request (but may not require) that such individual or dependent disclose, or authorize the collection or disclosure of, predictive genetic information for purposes of diagnosis, treatment, or payment relating to the provision of health care items and services to such individual or dependent.*

*''(B) NOTICE OF CONFIDENTIALITY PRACTICES; DESCRIPTION OF SAFEGUARDS.—As a part of a request under subparagraph (A), the group health plan shall provide to the individual or dependent a description of the procedures in place to safeguard the confidentiality, as described in subsection (e), of such predictive genetic information.*

*''(e) CONFIDENTIALITY WITH RESPECT TO PREDICTIVE GENETIC INFORMATION.—*

*''(1) NOTICE OF CONFIDENTIALITY PRACTICES.—*

*''(A) PREPARATION OF WRITTEN NOTICE.—A group health plan shall post or provide, in writing and in a clear and conspicuous manner, notice of the plan's confidentiality practices, that shall include—*

*''(i) a description of an individual's rights with respect to predictive genetic information;*

*''(ii) the procedures established by the plan for the exercise of the individual's rights; and*

*''(iii) the right to obtain a copy of the notice of the confidentiality practices required under this subsection.*

*''(B) MODEL NOTICE.—The Secretary, in consultation with the National Committee on Vital and Health Statistics and the National Association of Insurance Commissioners, and after notice and opportunity for public comment, shall develop and disseminate model notices of confidentiality practices. Use of the model notice shall serve as a defense against claims of receiving inappropriate notice.*

*''(2) ESTABLISHMENT OF SAFEGUARDS.—A group health plan shall establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality, security, accuracy, and integrity of predictive genetic information created, received, obtained, maintained, used, transmitted, or disposed of by such plan.''.*

*(c) DEFINITIONS.—Section 9832(d) of the Internal Revenue Code of 1986 is amended by adding at the end the following:*

"(6) Family member.—The term 'family member' means, with respect to an individual—

"(A) the spouse of the individual;

"(B) a dependent child of the individual, including a child who is born to or placed for adoption with the individual; and

"(C) all other individuals related by blood to the individual or the spouse or child described in subparagraph (A) or (B).

"(7) Genetic information.—The term 'genetic information' means information about genes, gene products, or inherited characteristics that may derive from an individual or a family member (including information about a request for or receipt of genetic services).

"(8) Genetic services.—The term 'genetic services' means health services provided to obtain, assess, or interpret genetic information for diagnostic and therapeutic purposes, and for genetic education and counseling.

"(9) Predictive genetic information.—

"(A) In general.—The term 'predictive genetic information' means, in the absence of symptoms, clinical signs, or a diagnosis of the condition related to such information—

"(i) information about an individual's genetic tests;

"(ii) information about genetic tests of family members of the individual; or

"(iii) information about the occurrence of a disease or disorder in family members.

"(B) Exceptions.—The term 'predictive genetic information' shall not include—

"(i) information about the sex or age of the individual;

"(ii) information derived from physical tests, such as the chemical, blood, or urine analyses of the individual including cholesterol tests; and

"(iii) information about physical exams of the individual.

"(10) Genetic test.—The term 'genetic test' means the analysis of human DNA, RNA, chromosomes, proteins, and certain metabolites, including analysis of genotypes, mutations, phenotypes, or karyotypes, for the purpose of predicting risk of disease in asymptomatic or undiagnosed individuals. Such term does not include physical tests, such as the chemical, blood, or urine analyses of the individual including cholesterol tests, and physical exams of the individual, in order to detect symptoms, clinical signs, or a diagnosis of disease.".

(d) Effective Date.—Except as provided in this section, this section and the amendments made by this section shall apply with respect to group health plans for plan years beginning after 1 year after the date of the enactment of this Act.

## TITLE XXV—PATIENT SAFETY AND ERRORS REDUCTION

### SEC. 2501. SHORT TITLE.

This title may be cited as the "Patient Safety and Errors Reduction Act".

### SEC. 2502. PURPOSES.

It is the purpose of this title to—

(1) promote the identification, evaluation, and reporting of medical errors;

(2) raise standards and expectations for improvements in patient safety;

(3) reduce deaths, serious injuries, and other medical errors through the implementation of safe practices at the delivery level;

(4) develop error reduction systems with legal protections to support the collection of information under such systems;

(5) extend existing confidentiality and peer review protections to the reports relating to medical errors that are reported under such systems that are developed for safety and quality improvement purposes; and

(6) provide for the establishment of systems of information collection, analysis, and dissemination to enhance the knowledge base concerning patient safety.

### SEC. 2503. AMENDMENT TO PUBLIC HEALTH SERVICE ACT.

Title IX of the Public Health Service Act (42 U.S.C. 299 et seq.) is amended—

(1) by redesignating part C as part D;

(2) by redesignating sections 921 through 928, as sections 931 through 938, respectively;

(3) in section 938(1) (as so redesignated), by striking "921" and inserting "931"; and

(4) by inserting after part B the following:

## "PART C—REDUCING ERRORS IN HEALTH CARE

### "SEC. 921. DEFINITIONS.

"In this part:

"(1) Adverse event.—The term 'adverse event' means, with respect to the patient of a provider of services, an untoward incident, therapeutic misadventure, or iatrogenic injury directly associated with the provision of health care items and services by a health care provider or provider of services.

"(2) Center.—The term 'Center' means the Center for Quality Improvement and Patient Safety established under section 922(b).

"(3) Close call.—The term 'close call' means, with respect to the patient of a provider of services, any event or situation that—

"(A) but for chance or a timely intervention, could have resulted in an accident, injury, or illness; and

"(B) is directly associated with the provision of health care items and services by a provider of services.

"(4) Expert organization.—The term 'expert organization' means a third party acting on behalf of, or in conjunction with, a provider of services to collect information about, or evaluate, a medical event.

"(5) Health care oversight agency.—The term 'health care oversight agency' means an agency, entity, or person, including the employees and agents thereof, that performs or oversees the performance of any activities necessary to ensure the safety of the health care system.

"(6) Health care provider.—The term 'health care provider' means—

"(A) any provider of services (as defined in section 1861(u) of the Social Security Act); and

"(B) any person furnishing any medical or other health care services as defined in section 1861(s)(1) and (2) of such Act through, or under the authority of, a provider of services described in subparagraph (A).

"(7) Provider of services.—The term 'provider of services' means a hospital, skilled nursing facility, comprehensive outpatient rehabilitation facility, home health agency, renal dialysis facility, ambulatory surgical center, or hospice program, and any other entity specified in regulations promulgated by the Secretary after public notice and comment.

"(8) Public health authority.—The term 'public health authority' means an agency or authority of the United States, a State, a territory, a political subdivision of a State or territory, and an Indian tribe that is responsible for public health matters as part of its official mandate.

"(9) Medical event.—The term 'medical event' means, with respect to the patient of a provider of services, any sentinel event, adverse event, or close call.

"(10) Medical event analysis entity.—The term 'medical event analysis entity' means an entity certified under section 923(a).

"(11) Root cause analysis.—

"(A) In general.—The term 'root cause analysis' means a process for identifying the basic or contributing causal factors that underlie variation in performance associated with medical events that—

"(i) has the characteristics described in subparagraph (B);

"(ii) includes participation by the leadership of the provider of services and individuals most closely involved in the processes and systems under review;

"(iii) is internally consistent; and

"(iv) includes the consideration of relevant literature.

"(B) Characteristics.—The characteristics described in this subparagraph include the following:

"(i) The analysis is interdisciplinary in nature and involves those individuals who are responsible for administering the reporting systems.

"(ii) The analysis focuses primarily on systems and processes rather than individual performance.

"(iii) The analysis involves a thorough review of all aspects of the process and all contributing factors involved.

"(iv) The analysis identifies changes that could be made in systems and processes, through either redesign or development of new processes or systems, that would improve performance and reduce the risk of medical events.

"(12) Sentinel event.—The term 'sentinel event' means, with respect to the patient of a provider of services, an unexpected occurrence that—

"(A) involves death or serious physical or psychological injury (including loss of a limb); and

"(B) is directly associated with the provision of health care items and services by a health care provider or provider of services.

### "SEC. 922. RESEARCH TO IMPROVE THE QUALITY AND SAFETY OF PATIENT CARE.

"(a) In General.—To improve the quality and safety of patient care, the Director shall—

"(1) conduct and support research, evaluations and training, support demonstration projects, provide technical assistance, and develop and support partnerships that will identify and determine the causes of medical errors and other threats to the quality and safety of patient care;

"(2) identify and evaluate interventions and strategies for preventing or reducing medical errors and threats to the quality and safety of patient care;

"(3) identify, in collaboration with experts from the public and private sector, reporting parameters to provide consistency throughout the errors reporting system;

"(4) identify approaches for the clinical management of complications from medical errors; and

"(5) establish mechanisms for the rapid dissemination of interventions and strategies identified under this section for which there is scientific evidence of effectiveness.

"(b) Center for Quality Improvement and Patient Safety.—

"(1) Establishment.—The Director shall establish a center to be known as the Center for Quality Improvement and Patient Safety to assist the Director in carrying out the requirements of subsection (a).

"(2) Mission.—The Center shall—

"(A) provide national leadership for research and other initiatives to improve the quality and safety of patient care;

"(B) build public-private sector partnerships to improve the quality and safety of patient care; and

"(C) serve as a national resource for research and learning from medical errors.

"(3) Duties.—

"(A) In general.—In carrying out this section, the Director, acting through the Center, shall consult and build partnerships, as appropriate, with all segments of the health care industry, including health care practitioners and patients, those who manage health care facilities, systems and plans, peer review organizations, health care purchasers and policymakers, and other users of health care research.

"(B) Required duties.—In addition to the broad responsibilities that the Director may assign to the Center for research and related activities that are designed to improve the quality *of health care, the Director shall ensure that the Center—*

*“(i) builds scientific knowledge and understanding of the causes of medical errors in all health care settings and identifies or develops and validates effective interventions and strategies to reduce errors and improve the safety and quality of patient care;*

*“(ii) promotes public and private sector research on patient safety by—*

*“(I) developing a national patient safety research agenda;*

*“(II) identifying promising opportunities for preventing or reducing medical errors; and*

*“(III) tracking the progress made in addressing the highest priority research questions with respect to patient safety;*

*“(iii) facilitates the development of voluntary national patient safety goals by convening all segments of the health care industry and tracks the progress made in meeting those goals;*

*“(iv) analyzes national patient safety data for inclusion in the annual report on the quality of health care required under section 913(b)(2);*

*“(v) strengthens the ability of the United States to learn from medical errors by—*

*“(I) developing the necessary tools and advancing the scientific techniques for analysis of errors;*

*“(II) providing technical assistance as appropriate to reporting systems; and*

*“(III) entering into contracts to receive and analyze aggregate data from public and private sector reporting systems;*

*“(vi) supports dissemination and communication activities to improve patient safety, including the development of tools and methods for educating consumers about patient safety; and*

*“(vii) undertakes related activities that the Director determines are necessary to enable the Center to fulfill its mission.*

*“(C) LIMITATION.—Aggregate data gathered for the purposes described in this section shall not include specific patient, health care provider, or provider of service identifiers.*

*“(c) LEARNING FROM MEDICAL ERRORS.—*

*“(1) IN GENERAL.—To enhance the ability of the health care community in the United States to learn from medical events, the Director shall—*

*“(A) carry out activities to increase scientific knowledge and understanding regarding medical error reporting systems;*

*“(B) carry out activities to advance the scientific knowledge regarding the tools and techniques for analyzing medical events and determining their root causes;*

*“(C) carry out activities in partnership with experts in the field to increase the capacity of the health care community in the United States to analyze patient safety data;*

*“(D) develop a confidential national safety database of medical event reports;*

*“(E) conduct and support research, using the database developed under subparagraph (D), into the causes and potential interventions to decrease the incidence of medical errors and close calls; and*

*“(F) ensure that information contained in the national database developed under subparagraph (D) does not include specific patient, health care provider, or provider of service identifiers.*

*“(2) NATIONAL PATIENT SAFETY DATABASE.—The Director shall, in accordance with paragraph (1)(D), establish a confidential national safety database (to be known as the National Patient Safety Database) of reports of medical events that can be used only for research to improve the quality and safety of patient care. In developing and managing the National Patient Safety Database, the Director shall—*

*“(A) ensure that the database is only used for its intended purpose;*

*“(B) ensure that the database is only used by the Agency, medical event analysis entities, and other qualified entities or individuals as determined appropriate by the Director and in accordance with paragraph (3) or other criteria applied by the Director;*

*“(C) ensure that the database is as comprehensive as possible by aggregating data from Federal, State, and private sector patient safety reporting systems;*

*“(D) conduct and support research on the most common medical errors and close calls, their causes, and potential interventions to reduce medical errors and improve the quality and safety of patient care;*

*“(E) disseminate findings made by the Director, based on the data in the database, to clinicians, individuals who manage health care facilities, systems, and plans, patients, and other individuals who can act appropriately to improve patient safety; and*

*“(F) develop a rapid response capacity to provide alerts when specific health care practices pose an imminent threat to patients or health care practitioners, or other providers of health care items or services.*

*“(3) CONFIDENTIALITY AND PEER REVIEW PROTECTIONS.—Notwithstanding any other provision of law any information (including any data, reports, records, memoranda, analyses, statements, and other communications) developed by or on behalf of a health care provider or provider of services with respect to a medical event, that is contained in the National Patient Safety Database shall be confidential in accordance with section 925.*

*“(4) PATIENT SAFETY REPORTING SYSTEMS.—The Director shall identify public and private sector patient safety reporting systems and build scientific knowledge and understanding regarding the most effective—*

*“(A) components of patient safety reporting systems;*

*“(B) incentives intended to increase the rate of error reporting;*

*“(C) approaches for undertaking root cause analyses;*

*“(D) ways to provide feedback to those filing error reports;*

*“(E) techniques and tools for collecting, integrating, and analyzing patient safety data; and*

*“(F) ways to provide meaningful information to patients, consumers, and purchasers that will enhance their understanding of patient safety issues.*

*“(5) TRAINING.—The Director shall support training initiatives to build the capacity of the health care community in the United States to analyze patient safety data and to act on that data to improve patient safety.*

*“(d) EVALUATION.—The Director shall recommend strategies for measuring and evaluating the national progress made in implementing safe practices identified by the Center through the research and analysis required under subsection (b) and through the voluntary reporting system established under subsection (c).*

*“(e) IMPLEMENTATION.—In implementing strategies to carry out the functions described in subsections (b), (c), and (d), the Director may contract with public or private entities on a national or local level with appropriate expertise.*

***“SEC. 923. MEDICAL EVENT ANALYSIS ENTITIES.***

*“(a) IN GENERAL.—The Director, based on information collected under section 922(c), shall provide for the certification of entities to collect and analyze information on medical errors, and to collaborate with health care providers or providers of services in collecting information about, or evaluating, certain medical events.*

*“(b) COMPATIBILITY OF COLLECTED DATA.—To ensure that data reported to the National Patient Safety Database under section 922(c)(2) concerning medical errors and close calls are comparable and useful on an analytic basis, the Director shall require that the entities described in subsection (c) follow the recommendations regarding a common set of core measures for reporting that are developed by the National Forum for Health Care Quality Measurement and Reporting, or other voluntary private standard-setting organization that is designated by the Director taking into account existing measurement systems and in collaboration with experts from the public and private sector.*

*“(c) DUTIES OF CERTIFIED ENTITIES.—*

*“(1) IN GENERAL.—An entity that is certified under subsection (a) shall collect and analyze information, consistent with the requirement of subsection (b), provided to the entity under section 924(a)(4) to improve patient safety.*

*“(2) INFORMATION TO BE REPORTED TO THE ENTITY.—A medical event analysis entity shall, on a periodic basis and in a format that is specified by the Director, submit to the Director a report that contains—*

*“(A) a description of the medical events that were reported to the entity during the period covered under the report;*

*“(B) a description of any corrective action taken by providers of services with respect to such medical events or any other measures that are necessary to prevent similar events from occurring in the future; and*

*“(C) a description of the systemic changes that entities have identified, through an analysis of the medical events included in the report, as being needed to improve patient safety.*

*“(3) COLLABORATION.—A medical event analysis entity that is collaborating with a health care provider or provider of services to address close calls and adverse events may, at the request of the health care provider or provider of services—*

*“(A) provide expertise in the development of root cause analyses and corrective action plan relating to such close calls and adverse events; or*

*“(B) collaborate with such provider of services to identify on-going risk reduction activities that may enhance patient safety.*

*“(d) CONFIDENTIALITY AND PEER REVIEW PROTECTIONS.—Notwithstanding any other provision of law, any information (including any data, reports, records, memoranda, analyses, statements, and other communications) collected by a medical event analysis entity or developed by or on behalf of such an entity under this part shall be confidential in accordance with section 925.*

*“(e) TERMINATION AND RENEWAL.—*

*“(1) IN GENERAL.—The certification of an entity under this section shall terminate on the date that is 3 years after the date on which such certification was provided. Such certification may be renewed at the discretion of the Director.*

*“(2) NONCOMPLIANCE.—The Director may terminate the certification of a medical event analysis entity if the Director determines that such entity has failed to comply with this section.*

*“(f) IMPLEMENTATION.—In implementing strategies to carry out the functions described in subsection (c), the Director may contract with public or private entities on a national or local level with appropriate expertise.*

***“SEC. 924. PROVIDER OF SERVICES SYSTEMS FOR REPORTING MEDICAL EVENTS.***

*“(a) INTERNAL MEDICAL EVENT REPORTING SYSTEMS.—Each provider of services that elects to participate in a medical error reporting system under this part shall—*

*“(1) establish a system for—*

*“(A) identifying, collecting information about, and evaluating medical events that occur with respect to a patient in the care of the provider of services or a practitioner employed by the provider of services, that may include—*

*“(i) the provision of a medically coherent description of each event so identified;*

*"(ii) the provision of a clear and thorough accounting of the results of the investigation of such event under the system; and*

*"(iii) a description of all corrective measures taken in response to the event; and*

*"(B) determining appropriate follow-up actions to be taken with respect to such events;*

*"(2) establish policies and procedures with respect to when and to whom such events are to be reported;*

*"(3) take appropriate follow-up action with respect to such events; and*

*"(4) submit to the appropriate medical event analysis entity information that contains descriptions of the medical events identified under paragraph (1)(A).*

*"(b) Promoting Identification, Evaluation, and Reporting of Certain Medical Events.—*

*"(1) In general.—Notwithstanding any other provision of law any information (including any data, reports, records, memoranda, analyses, statements, and other communications) developed by or on behalf of a provider of services with respect to a medical event pursuant to a system established under subsection (a) shall be privileged in accordance with section 925.*

*"(2) Rules of construction.—Nothing in this subsection shall be construed as prohibiting—*

*"(A) disclosure of a patient's medical record to the patient;*

*"(B) a provider of services from complying with the requirements of a health care oversight agency or public health authority; or*

*"(C) such an agency or authority from disclosing information transferred by a provider of services to the public in a form that does not identify or permit the identification of the health care provider or provider of services or patient.*

***"SEC. 925. CONFIDENTIALITY.***

*"(a) Confidentiality and Peer Review Protections.—Notwithstanding any other provision of law—*

*"(1) any information (including any data, reports, records, memoranda, analyses, statements, and other communications) developed by or on behalf of a health care provider or provider of services with respect to a medical event, that is contained in the National Patient Safety Database, collected by a medical event analysis entity, or developed by or on behalf of such an entity, or collected by a health care provider or provider or services for use under systems that are developed for safety and quality improvement purposes under this part—*

*"(A) shall be privileged, strictly confidential, and may not be disclosed by any other person to which such information is transferred without the authorization of the health care provider or provider of services; and*

*"(B) shall—*

*"(i) be protected from disclosure by civil, criminal, or administrative subpoena;*

*"(ii) not be subject to discovery or otherwise discoverable in connection with a civil, criminal, or administrative proceeding;*

*"(iii) not be subject to disclosure pursuant to section 552 of title 5, United States Code (the Freedom of Information Act) and any other similar Federal or State statute or regulation; and*

*"(iv) not be admissible as evidence in any civil, criminal, or administrative proceeding;*

*without regard to whether such information is held by the provider or by another person to which such information was transferred;*

*"(2) the transfer of any such information by a provider of services to a health care oversight agency, an expert organization, a medical event analysis entity, or a public health authority, shall not be treated as a waiver of any privilege or protection established under paragraph (1) or established under State law.*

*"(b) Penalty.—It shall be unlawful for any person to disclose any information described in subsection (a) other than for the purposes provided in such subsection. Any person violating the provisions of this section shall, upon conviction, be fined in accordance with title 18, United States Code, and imprisoned for not more than 6 months, or both.*

*"(c) Application of provisions.—The protections provided under subsection (a) and the penalty provided for under subsection (b) shall apply to any information (including any data, reports, memoranda, analyses, statements, and other communications) collected or developed pursuant to research, including demonstration projects, with respect to medical error reporting supported by the Director under this part.*

***"SEC. 926. AUTHORIZATION OF APPROPRIATIONS.***

*"There is authorized to be appropriated to carry out this part, $50,000,000 for fiscal year 2001, and such sums as may be necessary for subsequent fiscal years.".*

***SEC. 2504. EFFECTIVE DATE.***

*The amendments made by section 2503 shall become effective on the date of the enactment of this Act.*

*This Act may be cited as the "Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2001".*

## UNANIMOUS CONSENT AGREEMENT—H.R. 4577

### AMENDMENT NO. 3714

Mr. WARNER. Mr. President, during wrap-up of H.R. 4577, the Labor appropriations bill, amendment No. 3714, which had been agreed to, was inadvertently displaced. I ask unanimous consent that the amendment be placed back in its original position in the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

### AMENDMENT NO. 3633

Mr. WARNER. Mr. President, I ask unanimous consent that with respect to amendment No. 3633, previously agreed to, a correction be made with the following change:

On line 7, strike $1,065,000,000 and insert in lieu thereof $1,075,000,000.

The PRESIDING OFFICER. Without objection, it is so ordered.

## DISABLED VETERANS' LIFE MEMORIAL FOUNDATION

Mr. WARNER. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 516, S. 311.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 311) to authorize the Disabled Veterans' LIFE Memorial Foundation to establish a memorial in the District of Columbia or its environs, and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Energy and Natural Resources, with amendments, as follows:.

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.)

### S. 311

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### TITLE I—THE DISABLED AMERICAN VETERANS MEMORIAL

### **[SECTION 1.]** ***SECTION 101.*** **AUTHORITY TO ESTABLISH MEMORIAL.**

(a) In General.—**[**The Disabled**]** *Notwithstanding section 3(c) of Public Law 99–652, as amended (40 U.S.C. 1003(c)), the Disabled* Veterans' LIFE Memorial Foundation is authorized to establish a memorial on Federal land in the District of Columbia or its environs to honor disabled American veterans who have served in the Armed Forces of the United States.

(b) Compliance With Standards for Commemorative Works.—The establishment of the memorial authorized by subsection (a) shall be in accordance with the Act entitled "An Act to provide standards for placement of commemorative works on certain Federal lands in the District of Columbia and its environs, and for other purposes", approved November 14, 1986 (40 U.S.C. 1001 et seq.).

### **SEC. [2.]** ***102.*** **PAYMENT OF EXPENSES.**

The Disabled Veterans' LIFE Memorial Foundation shall be solely responsible for acceptance of contributions for, and payment of the expenses of, the establishment of the memorial authorized by section 1(a). No Federal funds may be used to pay any expense of the establishment of the memorial.

### **SEC. [3.]** ***103.*** **DEPOSIT OF EXCESS FUNDS.**

If, upon payment of all expenses of the establishment of the memorial authorized by section 1(a) (including the maintenance and preservation amount provided for in section 8(b) of the Act referred to in section 1(b)), or upon expiration of the authority for the memorial under section 10(b) of such Act, there remains a balance of funds received for the establishment of the memorial, the Disabled Veterans' LIFE Memorial Foundation shall transmit the amount of the balance to the Secretary of the Treasury for deposit in the account provided for in section 8(b)(1) of such Act.

### *TITLE II—COMMEMORATIVE WORKS ACT AMENDMENTS*

### *SEC. 201. REFERENCE TO COMMEMORATIVE WORKS ACT.*

*(a) In this title the term "Act" means the Commemorative Works Act of 1986, as amended (Public Law 99–652; 40 U.S.C. 1001 et seq.).*

### *SEC. 202. CLARIFICATIONS AND REVISIONS TO THE ACT.*

*(a) Section 1(b) of the Act (40 U.S.C. 1001(b)) is amended by striking the semicolon and inserting "and its environs, and to encourage the location of commemorative works within the urban fabric of the District of Columbia;".*

*(b) Section 2 of the Act (40 U.S.C. 1002) is amended as follows:*

*(1) In subsection (c) by striking "or a structure which is primarily used for other purposes" and inserting "that is not a commemorative work as defined by this Act";*

*(2) In subsection (d) by striking "person" and inserting "sponsor";*

*(3) In subsection (e) by striking "Areas I and II as depicted on the map numbered 869/86501, and dated May 1, 1986', and insert "the Reserve, Area I, and Area II as depicted on the map numbered 869/86501A, and dated March 23, 2000";*

*(4) By redesignating subsection (e) as subsection (f); and*

*(5) By adding a new subsection (e) as follows:*

*"(e) the term "Reserve" means the great cross-axis of the Mall, which is a substantially completed work of civic art and which generally*

*extends from the U.S. Capitol to the Lincoln Memorial, and from the White House to the Jefferson Memorial, as depicted on the map described in subsection (f);".*

*(c) Section 3 of the Act (40 U.S.C. 1003) is amended as follows:*

*(1) In subsection (b)—*

*(A) by striking "work commemorating a lesser conflict" and inserting "work solely commemorating a limited military engagement";*

*(B) by striking "10" and inserting "25"; and*

*(C) by striking "the event." and inserting "such war or conflict.".*

*(2) In subsection (c) by striking "other than a military commemorative work as described in subsection (b) of this section"; and*

*(3) In subsection (d) by striking "House Oversight" and inserting "Resources".*

*(d) Section 4 of the Act (40 U.S.C. 1004) is amended as follows:*

*(1) By amending subsection (a) to read as follows:*

*"(a) The National Capital Memorial Commission is hereby established and shall include the following members or their designees:*

*"(1) Director, National Park Service (who shall serve as Chairman);*

*"(2) Architect of the Capitol;*

*"(3) Chairman, American Battle Monuments Commission;*

*"(4) Chairman, Commission of Fine Arts;*

*"(5) Chairman, National Capital Planning Commission;*

*"(6) Mayor, District of Columbia;*

*"(7) Commissioner, Public Buildings Service, General Services Administration; and*

*"(8) Secretary, Department of Defense."; and*

*(2) In subsection (b) by striking "Administrator" and inserting "Administrator (as appropriate)".*

*(e) Section 5 of the Act (40 U.S.C. 1005) is amended—*

*(1) By striking "Administrator" and inserting "Administrator (as appropriate)" and*

*(2) By striking "869/8501, and dated May 1, 1986." and inserting "869/8501A, and dated March 23, 2000.".*

*(f) Section 6 of the Act (40 U.S.C. 1006) is amended as follows:*

*(1) In subsection (a) by striking "3(b)" and inserting "3(d)";*

*(2) By redesignating subsections (a) and (b) as subsections (b) and (c), respectively; and*

*(3) by adding a new subsection (a) as follows:*

*"(a) Sites for commemorative works shall not be authorized within the Reserve after January 1, 2000.".*

*(g) Section 7 of the Act (40 U.S.C. 1007) is amended as follows:*

*(1) By striking "person" and inserting "sponsor" each place it appears;*

*(2) In subsection (a) by striking "designs" and inserting "design concepts";*

*(3) In subsection (b) by striking "and Administrator" and inserting "or Administrator (as appropriate)";*

*(4) In subsection (b)(2) by striking "open space and existing public use; and" and inserting "open space, existing public use, and cultural and natural resources;";*

*(5) In subsection (b)(3) by striking the period at the end and inserting a semicolon; and*

*(6) by adding the following new paragraphs:*

*"(4) No commemorative work primarily designed as a museum may be located on lands under the jurisdiction of the Secretary in Area I or in East Potomac Park as depicted on the map referenced in subsection 2(f);*

*"(5) The National Capital Planning Commission and the Commission of Fine Arts may develop such criteria or guidelines specified to each site that are mutually agreed upon to ensure that the design of the commemorative work carries out the purposes of this Act; and"*

*"(6) Donor contributions to commemorative works shall not be acknowledged in any manner as part of the commemorative work or its site.".*

*(h) Section 8 of the Act (40 U.S.C. 1008) is amended as follows:*

*(1) In subsection (a)(3) and (a)(4) and in subsection (b) by striking "person" each place it appears and inserting "sponsor";*

*(2) In subsection (b)(1) and (b)(2) by striking "persons" each place it appears and inserting "a sponsor";*

*(3) By adding at the end of subsection (b)(1), "All such proceeds shall be available, without further appropriation, for the non-recurring repair of the sponsor's commemorative work.";*

*(4) In subsection (b)(2), by striking "Congress authorizes and directs that," and inserting "Congress authorizes and directs that, upon request,";*

*(5) In subsection (b)(2) in the first sentence strike "Administrator", and inserting "Administrator (as appropriate)"; and*

*(6) By amending subsection (c) to read as follows:*

*"(c) The sponsor shall be required to submit to the Secretary or the Administrator (as appropriate) an annual report of operations, including financial statements audited by an independent certified public accountant, paid for by the sponsor authorized to construct the commemorative work.".*

*(i) Section 9 of the Act (40 U.S.C. 1009) is hereby repealed.*

*(j) Section 10 of the Act (40 U.S.C. 1010) is amended as follows:*

*(1) by amending subsection (b) to read as follows:*

*"(b) Any legislative authority for a commemorative work shall expire at the end of the seven-year period beginning on the date of the enactment of such authority, or at the end of the seven-year period beginning on the date of the enactment of legislative authority to locate the commemorative work within Area I where such addition authority has been granted, unless:*

*"(1) the Secretary or the Administrator (as appropriate) has issued a construction permit for the commemorative work during that period; or*

*"(2) the Secretary or the Administrator, in consultation with the National Capital Memorial Commission, has made a determination that final design approvals have been obtained from the National Capital Planning Commission and the Commission of Fine Arts and that 75 percent of the amount estimated to be required to complete the memorial has been raised. If these two conditions have been met, the Secretary or the Administrator may extend the 7-year legislative authority for a period not to exceed three years from the date of expiration. Upon expiration of the legislative authority, any previous site and design approvals will also expire."; and*

*(2) By adding a new subsection (f) as follows:*

*"(f) The National Capital Planning Commission, in coordination with the Commission of Fine Arts and the National Capital Memorial Commission, shall complete its master plan to guide the location and development of future memorials outside the Reserve for the next 50 years, including evaluation of and guidelines for potential sites.".*

### AMENDMENT NO. 3777

(Purpose: To clarify that the sites for memorials previously approved are not affected by the amendments to the Commemorative Works Act made in title II of the bill, and to make clarifying changes)

Mr. WARNER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Virginia [Mr. WARNER], for Mr. THOMAS, proposes an amendment numbered 3777.

The amendment is as follows:

On page 2, line 1, strike "American".

On page 2, line 10, strike "American".

On page 3, after line 16, insert the following new section and redesignate the following sections accordingly:

**"SEC. 201. SHORT TITLE.**

"This title may be cited as the "Commemorative Works Clarification and Revision Act of 2000".

On page 8, line 6, through page 9, line 6, strike subsection (h) in its entirety and insert the following:

"(h) Section 8 of the Act (40 U.S.C. 1008) is amended as follows:

"(1) In subsection (a)(3) and (a)(4) and in subsection (b) by striking "person" each place it appears and inserting "sponsor";

"(2) by amending subsection (b) to read as follows:

"(b) In addition to the foregoing criteria, no construction permit shall be issued unless the sponsor authorized to construct the commemorative work has donated an amount equal to 10 percent of the total estimated cost of construction to offset the costs of perpetual maintenance and preservation of the commemorative work. All such proceeds shall be available for the nonrecurring repair of the sponsor's commemorative work pursuant to the provisions of this subsection. The provisions of this subsection shall not apply in instances when the commemorative work is constructed by a Department or agency of the Federal Government and less than 50 percent of the funding for such work is provided by private sources.

"(1) Notwithstanding any other provision of law, money on deposit in the Treasury on the date of enactment of this subsection provided by a sponsor for maintenance pursuant to this subsection shall be credited to a separate account in the Treasury.

"(2) Money provided by a sponsor pursuant to the provisions of this subsection after the date of enactment of the Commemorative Works Clarification and Revision Act of 2000 shall be credited to a separate account with the National Park Foundation.

"(3) Upon request, the Secretary of the Treasury or the National Park Foundation shall make all or a portion of such moneys available to the Secretary or the Administrator (as appropriate) for the maintenance of a commemorative work. Under no circumstances may the Secretary or Administrator request funds from a separate account exceeding the total money in the account established under paragraph (1) or (2). The Secretary and the Administrator shall maintain an inventory of funds available for such purposes. Funds provided under this paragraph shall be available without further appropriation and shall remain available until expended."; and

"(3) By amending subsection (c) to read as follows:

"(c) The sponsor shall be required to submit to the Secretary or the Administrator (as appropriate) an annual report of operations, including financial statements audited by an independent certified public accountant, paid for by the sponsor authorized to construct the commemorative work.".

On page 10, after line 17, insert the following:

**"SEC. 204. PREVIOUSLY APPROVED MEMORIALS.**

"Nothing in this title shall apply to a memorial whose site was approved, in accordance with the Commemorative Works Act of

1986 (Public Law 99-652; 40 U.S.C. 1001 et seq.), prior to the date of enactment of this title.".

Mr. WARNER. Mr. President, I ask unanimous consent that the amendment be agreed to, the committee amendments be agreed to, the bill be read the third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill appear in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 3777) was agreed to.

The committee amendments were agreed to.

The bill (S. 311), as amended, was read the third time and passed, as follows:

S. 311

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

## TITLE I—THE DISABLED VETERANS MEMORIAL

### SECTION 101. AUTHORITY TO ESTABLISH MEMORIAL.

(a) IN GENERAL.—Notwithstanding section 3(c) of Public Law 99-652, as amended (40 U.S.C. 1003(c)), the Disabled Veterans' LIFE Memorial Foundation is authorized to establish a memorial on Federal land in the District of Columbia or its environs to honor disabled veterans who have served in the Armed Forces of the United States.

(b) COMPLIANCE WITH STANDARDS FOR COMMEMORATIVE WORKS.—The establishment of the memorial authorized by subsection (a) shall be in accordance with the Act entitled "An Act to provide standards for placement of commemorative works on certain Federal lands in the District of Columbia and its environs, and for other purposes", approved November 14, 1986 (40 U.S.C. 1001 et seq.).

### SEC. 102. PAYMENT OF EXPENSES.

The Disabled Veterans' LIFE Memorial Foundation shall be solely responsible for acceptance of contributions for, and payment of the expenses of, the establishment of the memorial authorized by section 1(a). No Federal funds may be used to pay any expense of the establishment of the memorial.

### SEC. 103. DEPOSIT OF EXCESS FUNDS.

If, upon payment of all expenses of the establishment of the memorial authorized by section 1(a) (including the maintenance and preservation amount provided for in section 8(b) of the Act referred to in section 1(b)), or upon expiration of the authority for the memorial under section 10(b) of such Act, there remains a balance of funds received for the establishment of the memorial, the Disabled Veterans' LIFE Memorial Foundation shall transmit the amount of the balance to the Secretary of the Treasury for deposit in the account provided for in section 8(b)(1) of such Act.

## TITLE II—COMMEMORATIVE WORKS ACT AMENDMENTS

### SEC. 201. SHORT TITLE

This title may be cited as the "Commemorative Works Clarification and Revision Act of 2000".

### SEC. 202. REFERENCE TO COMMEMORATIVE WORKS ACT.

(a) In this title the term "Act" means the Commemorative Works Act of 1986, as amended (Public Law 99–652; 40 U.S.C. 1001 et seq.).

### SEC. 203. CLARIFICATIONS AND REVISIONS TO THE ACT.

(a) Section 1(b) of the Act (40 U.S.C. 1001(b)) is amended by striking the semicolon and inserting "and its environs, and to encourage the location of commemorative works within the urban fabric of the District of Columbia;".

(b) Section 2 of the Act (40 U.S.C. 1002) is amended as follows:

(1) In subsection (c) by striking "or a structure which is primarily used for other purposes" and inserting "that is not a commemorative work as defined by this Act";

(2) In subsection (d) by striking "person" and inserting "sponsor";

(3) In subsection (e) by striking "Areas I and II as depicted on the map numbered 869/86501, and dated May 1, 1986', and insert "the Reserve, Area I, and Area II as depicted on the map numbered 869/86501A, and dated March 23, 2000";

(4) By redesignating subsection (e) as subsection (f); and

(5) By adding a new subsection (e) as follows:

"(e) the term "Reserve" means the great cross-axis of the Mall, which is a substantially completed work of civic art and which generally extends from the U.S. Capitol to the Lincoln Memorial, and from the White House to the Jefferson Memorial, as depicted on the map described in subsection (f);".

(c) Section 3 of the Act (40 U.S.C. 1003) is amended as follows:

(1) In subsection (b)—

(A) by striking "work commemorating a lesser conflict" and inserting "work solely commemorating a limited military engagement";

(B) by striking "10" and inserting "25"; and

(C) by striking "the event." and inserting "such war or conflict.".

(2) In subsection (c) by striking "other than a military commemorative work as described in subsection (b) of this section"; and

(3) In subsection (d) by striking "House Oversight" and inserting "Resources".

(d) Section 4 of the Act (40 U.S.C. 1004) is amended as follows:

(1) By amending subsection (a) to read as follows:

"(a) The National Capital Memorial Commission is hereby established and shall include the following members or their designees:

"(1) Director, National Park Service (who shall serve as Chairman);

"(2) Architect of the Capitol;

"(3) Chairman, American Battle Monuments Commission;

"(4) Chairman, Commission of Fine Arts;

"(5) Chairman, National Capital Planning Commission;

"(6) Mayor, District of Columbia;

"(7) Commissioner, Public Buildings Service, General Services Administration; and

"(8) Secretary, Department of Defense."; and

(2) In subsection (b) by striking "Administrator" and inserting "Administrator (as appropriate)".

(e) Section 5 of the Act (40 U.S.C. 1005) is amended—

(1) By striking "Administrator" and inserting "Administrator (as appropriate)" and

(2) By striking "869/8501, and dated May 1, 1986." and inserting "869/8501A, and dated March 23, 2000.".

(f) Section 6 of the Act (40 U.S.C. 1006) is amended as follows:

(1) In subsection (a) by striking "3(b)" and inserting "3(d)";

(2) By redesignating subsections (a) and (b) as subsections (b) and (c), respectively; and

(3) by adding a new subsection (a) as follows:

"(a) Sites for commemorative works shall not be authorized within the Reserve after January 1, 2000.".

(g) Section 7 of the Act (40 U.S.C. 1007) is amended as follows:

(1) By striking "person" and inserting "sponsor" each place it appears;

(2) In subsection (a) by striking "designs" and inserting "design concepts";

(3) In subsection (b) by striking "and Administrator" and inserting "or Administrator (as appropriate)";

(4) In subsection (b)(2) by striking "open space and existing public use; and" and inserting "open space, existing public use, and cultural and natural resources;";

(5) In subsection (b)(3) by striking the period at the end and inserting a semicolon; and

(6) by adding the following new paragraphs:

"(4) No commemorative work primarily designed as a museum may be located on lands under the jurisdiction of the Secretary in Area I or in East Potomac Park as depicted on the map referenced in subsection 2(f);

"(5) The National Capital Planning Commission and the Commission of Fine Arts may develop such criteria or guidelines specified to each site that are mutually agreed upon to ensure that the design of the commemorative work carries out the purposes of this Act; and"

"(6) Donor contributions to commemorative works shall not be acknowledged in any manner as part of the commemorative work or its site.".

(h) Section 8 of the Act (40 U.S.C. 1008) is amended as follows:

(1) In subsections (a)(3) and (a)(4) and in subsection (b) by striking "person" each place it appears and inserting "sponsor".

(2) By amending subsection (b) to read as follows:

"(b) In addition to the foregoing criteria, no construction permit shall be issued unless the sponsor authorized to construct the commemorative work has donated an amount equal to 10 percent of the total estimated cost of construction to offset the costs of perpetual maintenance and preservation of the commemorative work. All such proceeds shall be available for the nonrecurring repair of the sponsor's commemorative work pursuant to the provisions of this subsection. The provisions of this subsection shall not apply in instances when the commemorative work is constructed by a department or agency of the Federal Government and less than 50 percent of the funding for such work is provided by private sources:

"(1) Notwithstanding any other provision of law, money on deposit in the Treasury on the date of enactment of this subsection provided by a sponsor for maintenance pursuant to this subsection shall be credited to a separate account in the Treasury.

"(2) Money provided by a sponsor pursuant to the provisions of this subsection after the date of enactment of the Commemorative Works Clarification and Revision Act of 2000 shall be credited to a separate account with the National Park Foundation.

"(3) Upon request, the Secretary of the Treasury or the National Park Foundation shall make all or a portion of such moneys available to the Secretary or the Administrator (as appropriate) for the maintenance of a commemorative work. Under no circumstances may the Secretary or Administrator request funds from a separate account exceeding the total money in the account established under paragraph (1) or (2). The Secretary and the Administrator shall maintain an inventory of funds available for such purposes. Funds provided under this paragraph shall be available without further appropriation and shall remain available until expended.".

(3) By amending subsection (c) to read as follows:

"(c) The sponsor shall be required to submit to the Secretary or the Administrator (as appropriate) an annual report of operations, including financial statements audited by an independent certified public accountant, paid for by the sponsor authorized to construct the commemorative work.".

(i) Section 9 of the Act (40 U.S.C. 1009) is hereby repealed.

(j) Section 10 of the Act (40 U.S.C. 1010) is amended as follows:

(1) by amending subsection (b) to read as follows:

"(b) Any legislative authority for a commemorative work shall expire at the end of the seven-year period beginning on the date of the enactment of such authority, or at the end of the seven-year period beginning on the date of the enactment of legislative authority to locate the commemorative work within Area I where such addition authority has been granted, unless:

"(1) the Secretary or the Administrator (as appropriate) has issued a construction permit for the commemorative work during that period; or

"(2) the Secretary or the Administrator, in consultation with the National Capital Memorial Commission, has made a determination that final design approvals have been obtained from the National Capital Planning Commission and the Commission of Fine Arts and that 75 percent of the amount estimated to be required to complete the memorial has been raised. If these two conditions have been met, the Secretary or the Administrator may extend the 7-year legislative authority for a period not to exceed three years from the date of expiration. Upon expiration of the legislative authority, any previous site and design approvals will also expire."; and

(2) By adding a new subsection (f) as follows:

"(f) The National Capital Planning Commission, in coordination with the Commission of Fine Arts and the National Capital Memorial Commission, shall complete its master plan to guide the location and development of future memorials outside the Reserve for the next 50 years, including evaluation of and guidelines for potential sites.".

**SEC. 204. PREVIOUSLY APPROVED MEMORIALS.**

Nothing in this title shall apply to a memorial whose site was approved, in accordance with the Commemorative Works Act of 1986 (Public Law 99-652; 40 U.S.C. 1001 et seq.), prior to the date of enactment of this title.

Mr. DASCHLE. Mr. President, I am proud and pleased that today the Senate has voted to authorize a memorial in our Nation's Capital to honor disabled American veterans.

I must say that it is humbling for me to be a co-sponsor of this bill alongside some of the very people we are honoring—my fellow Senators MAX CLELAND, DANIEL INOUYE and BOB KERREY. I know there are thousands of others across our country—some of whom I know personally—and they deserve much more than a monument. They all have had their lives disrupted, sometimes painfully, as a result of their willingness to fight for America and all that it stands for.

But we cannot undo the damage to limb and spirit that has already been inflicted. So we now authorize a permanent monument that will call attention to the special esteem we hold for our disabled veterans—living and dead. It is my sincere hope that we can create a singular commemorative site that will encourage all Americans to come, pause, and reflect on the meaning of sacrifice, patriotism, and the place of disabled citizens in our society.

Mr. President, wish the Disabled Veterans' LIFE Memorial Foundation all the best in the hard work to come, and I look forward to the day when the people of America can admire the memorial and reflect on the significant sacrifices it represents.

## ORDERS FOR TUESDAY, JULY 11, 2000

Mr. WARNER. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:30 a.m. on Tuesday, July 11. I further ask consent that on Tuesday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed to have expired, the time for the two leaders be reserved for their use later in the day, and the Senate then begin a period of morning business until 10:15 a.m., with the time equally divided between Senators ROTH and MOYNIHAN.

The PRESIDING OFFICER. Without objection, it is so ordered.

## PROGRAM

Mr. WARNER. Mr. President, for the information of all Senators, the Senate will be in a period of morning business until 10:15 a.m. tomorrow. Following morning business, a cloture vote will occur on the motion to proceed to H.R. 8, the Death Tax Elimination Act.

If cloture is invoked, the Senate will continue postcloture debate on the motion to proceed. In addition, it is expected that the Senate will resume consideration of the Interior appropriations bill in an effort to make further progress on that bill. As previously announced, it will be the leadership's intention to debate amendments to the DOD authorization bill during evening sessions this week. Any votes ordered on DOD amendments will be postponed to occur the following morning. The Senate is also expected to return to the reconciliation bill late this week. Senators can expect votes each day this week, with late nights and the possibility of a late session on Friday or a session on Saturday in order to complete the reconciliation bill.

## ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. WARNER. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:48 p.m., adjourned until Tuesday, July 11, 2000, at 9:30 a.m.

## NOMINATIONS

Executive nominations received by the Senate July 10, 2000:

### DEPARTMENT OF LABOR

LESLIE BETH KRAMERICH, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF LABOR, VICE RICHARD M. MCGAHEY, RESIGNED.

### IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

*To be lieutenant general*

LT. GEN. THOMAS R. CASE, 2013

### IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

*To be vice admiral*

VICE ADM. SCOTT A. FRY, 5541

### IN THE ARMY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY AS CHAPLAIN UNDER TITLE 10, U.S.C., SECTION 624:

*To be lieutenant colonel*

JOHN W. ALEXANDER, JR. 1504
MARIO M. AMEZCUA, 4656
LINDSEY E. ARNOLD, 1712
DIXEY R. BEHNKEN, 3135
SCOTT R. BORDERUD, 1779
DAVID R. BROCK, 1981
LAWRENCE J. CONWAY III, 5623
JOHN J. COOK III, 5089
DAVID L. DARBYSHIRE, 3693
IVERY L. DELACRUZ, 5105
CALVIN L. EASTHAM, JR. 6083
CHESTER C. EGERT, 4725
ERIC J. ERKKINEN, 5525
JOSEPH A. HARTRANFT, 8382
ROBERT D. HESTER, JR. 7686
DAVID P. HILLIS, 4933
JOSEPH J. KRAINTZ, JR. 8546
CHESTER H. LANIOUS, 2229
DANIEL L. MOLL, 9849
DENNIS R. NEWTON, 5710
JOHN E. POWERS, 4374
THOMAS E. PRESTON, 2451
MICHAEL C. PUNKE, 9709
BENJAMIN D. RICHARDSON, 8463
BYRON J. SIMMONS, 9668
RONALD L. SMITH, 9283
VIRGIL P. TRAVIS, JR. 7093
DONALD L. WILSON, 5277

## CONFIRMATION

Executive nomination confirmed by the Senate July 10, 2000:

### DEPARTMENT OF ENERGY

MADELYN R. CREEDON, OF INDIANA, TO BE DEPUTY ADMINISTRATOR FOR DEFENSE PROGRAMS, NATIONAL NUCLEAR SECURITY ADMINISTRATION.

# HOUSE OF REPRESENTATIVES—*Monday, July 10, 2000*

The House met at 12:30 p.m. and was called to order by the Speaker pro tempore (Mrs. BIGGERT).

## DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
*July 10, 2000.*

I hereby appoint the Honorable JUDY BIGGERT to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
*Speaker of the House of Representatives.*

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate has passed a bill and a concurrent resolution of the following titles in which the concurrence of the House is requested.

S. 2071. An act to benefit electricity consumers by promoting the reliability of the bulk-power system.

S. Con. Res. 129. Concurrent Resolution expressing the sense of Congress regarding the importance and value of education in United States history.

## MORNING HOUR DEBATES

The SPEAKER pro tempore. Pursuant to the order of the House of January 19, 1999, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 30 minutes, and each Member, except the majority leader, the minority leader, or the minority whip, limited to not to exceed 5 minutes.

The Chair recognizes the gentleman from Illinois (Mr. WELLER) for 5 minutes.

## THE MARRIAGE TAX PENALTY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from Illinois (Mr. WELLER) is recognized during morning hour debates for 5 minutes.

Mr. WELLER. Madam Speaker, over the last several years many of us have asked a question that we hear back at home time and time again. I represent the South Side of Chicago, the south suburbs, Cook and Will Counties, communities like Joliet, bedroom communities like Morris, Frankfort, a lot of farm towns.

I find whether I am in the city, the suburbs, or the country people often ask a pretty basic, fundamental question. That is, they ask a question: Is it right, is it fair that under our tax code 25 million married working couples pay on average $1,400 more in taxes just because they are married? They ask that fundamental question of fairness: Is it right, is it fair, that under our Tax Code if one chooses to get married, their taxes are going to go up?

We call that the marriage tax penalty, and it occurs where we have a husband and wife who are both in the work force, a two-earner household who, when they choose to join together in holy matrimony, one of our society's most basic institutions, they end up paying higher taxes than if they stayed single or got divorced. The vast majority of folks back home tell me they believe that is wrong.

The marriage tax penalty essentially works this way. Let me introduce a couple here, Shad and Michelle Hallihan, two public school teachers from Joliet, Illinois. They just had a baby this year and are starting a family. But because they are both in the work force, they suffer on average the average marriage tax penalty of almost $1,400.

Back home in Joliet that $1,400, that is 3 months of day care for their child at the local day care center while they both teach. That is a year's tuition at Joliet Junior College. The marriage tax penalty on average is real money to real people.

For some here in this House and some over in the Senate, particularly the folks down at the White House, they want to spend that money here in Washington rather than letting good folks like Shad and Michelle Hallihan keep what they suffer in the marriage tax penalty, money they could spend on their newborn baby.

Madam Speaker, Shad and Michelle's marriage tax penalty occurs because when we are married, we file jointly, we combine our income. So Shad and Michelle with their current income, if they stayed single or just chose to live together, they would each pay in the 15 percent tax bracket. But because they combine their income when they file jointly, they are forced to pay in a higher tax bracket, which causes them to pay $1,400 more in higher taxes.

I am proud to say as a key part of the Republican agenda this year this House passed overwhelmingly the Marriage Tax Elimination Act, H.R. 6. Every Republican and thankfully 48 Democrats broke ranks with their leadership and said they, too, wanted to eliminate the marriage tax penalty. We passed it out of the House with overwhelming bipartisan support.

Unfortunately, I guess I should congratulate the Senate Democrats because they prevented the Marriage Tax Elimination Act from moving through the Senate. Of course, we are now moving it through the budget process to get around their parliamentary procedure that they are using to prevent us from eliminating the marriage tax penalty.

Later this week we are going to be voting on an agreement between the House and Senate which essentially wipes out the marriage tax for 25 million couples. In fact, the legislation we will be voting on later this week is identical to what the House passed earlier this year, doubling the standard deduction for joint filers to twice that of singles. That will help those who do not itemize their taxes who suffer the marriage tax penalty, essentially wiping it out for every one of them.

We also widen the 15 percent bracket so joint filers can earn twice as much as single filers in the 15 percent tax bracket. The benefit of that is that means if one is an itemizer, someone who owns a home, and most middle class family do, that is why they itemize their taxes, they, too, will see their marriage tax penalty eliminated.

There are some on the other side and those at the White House who say, well, maybe we will do a little marriage tax relief, and we will just help those who do not itemize. So they are saying if one owns a home and is married and suffers the marriage tax penalty, that is tough. Bill Clinton, Al Gore, want them to continue suffering the marriage tax penalty.

Madam Speaker, I believe there is a need to help everyone who suffers the marriage tax penalty, whether they own a home or not, whether they itemize their taxes or not.

We have a great opportunity this week, Madam Speaker. I invite every Democrat to join with every Republican in voting to eliminate the marriage tax penalty. Think what it means to young couples like Shad and Michelle Hallihan, two hard-working public school teachers from Joliet, Illinois, who, because they chose to live together in holy matrimony and chose to join together in marriage, now suffer the marriage tax penalty. We are going to help them by eliminating the marriage tax penalty.

□This symbol represents the time of day during the House proceedings, e.g., □1407 is 2:07 p.m.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Madam Speaker, I want to invite everyone in this House to join together in helping good people like Shad and Michelle Hallihan. Let us do it. Let us eliminate the marriage tax penalty. Let us do it in a bipartisan way. I hope this time the President will sign it into law.

## RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until 2 p.m.

Accordingly (at 12 o'clock and 38 minutes p.m.), the House stood in recess until 2 p.m.

□ 1400

## AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mrs. BIGGERT) at 2 p.m.

## PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Eternal God, source of all authority under the heavens, and true Spirit who governs the world, renew us in Your image and make us a holy Nation.

Help young and old alike to comply to the laws of this land and offer respect to all who hold positions of rightful authority.

May Your Spirit stir in each human heart a gracious freedom that chooses to obey. May people everywhere embrace laws which assure good order and protect the life and liberty of all.

Give all lawmakers, this day, prudence and wisdom so that citizens may see Your holy will in true governance, both in good times and in bad times. For You live and govern now and forever. Amen.

## THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House her approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

## PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Oregon (Mr. WALDEN) come forward and lead the House in the Pledge of Allegiance.

Mr. WALDEN of Oregon led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

## COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives.

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
*Washington, DC, June 30, 2000.*
Hon. J. DENNIS HASTERT,
*The Speaker, House of Representatives, Washington, DC.*

DEAR MR. SPEAKER: Pursuant to the permission granted to Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, the Clerk received the following message from the Secretary of the Senate on June 30, 2000 at 1:25 p.m.

S. 148: That the Senate Agreed to House amendment.

H.R. 4425: That the Senate Agreed to conference report.

With best wishes, I am
Sincerely,
JEFF TRANDAHL,
*Clerk of the House.*

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 4 of rule I, the Speaker signed the following enrolled bill on Friday, June 30, 2000:

H.R. 4425, making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 2001, and for other purposes.

And the Speaker pro tempore signed the following enrolled bill on Tuesday, July 4, 2000:

S. 148, to require the Secretary of the Interior to establish a program to provide assistance in the conservation of neotropical migratory birds.

## APPOINTMENT AS MEMBER TO ABRAHAM LINCOLN BICENTENNIAL COMMISSION

The SPEAKER pro tempore. Pursuant to Section 5(a) of the Abraham Lincoln Bicentennial Commission Act (36 U.S.C. 101 note) and the order of the House of Thursday, June 29, 2000, the Speaker on Friday, June 30, 2000, appointed the following member on the part of the House to the Abraham Lincoln Bicentennial Commission to fill the existing vacancy thereon:

Ms. Lura Lynn Ryan, Kankakee, Illinois.

## COMMUNICATION FROM CHAIRMAN OF COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Committee on Transportation and Infrastructure, which was read and, without objection, referred to the Committee on Appropriations:

COMMITTEE ON TRANSPORTATION
AND INFRASTRUCTURE,
*Washington, DC, June 27, 2000.*
Hon. J. DENNIS HASTERT,
*Speaker, House of Representatives, Washington, DC.*

DEAR MR. SPEAKER: Enclosed please find copies of resolutions approved by the Committee on Transportation and Infrastructure on June 21, 2000, in accordance with 40 U.S.C. §606.

With warm regards, I remain
Sincerely,
BUD SHUSTER,
*Chairman.*

There was no objection.

## GAS PRICES SKYROCKET BECAUSE OF ADMINISTRATION

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Madam Speaker, every American with a car cannot help but notice how gas prices are skyrocketing out of control. Before summer began, the Clinton-Gore administration released a report showing that Americans could be paying as much as $1.80 a gallon for gas by this summer.

But, lo and behold, the Clinton Administration is no better at predicting gas prices than they are at protecting our Nation's most classified nuclear secrets. In many Midwest and Western States, prices so far are higher than $1.80; how about $2.35 a gallon and rising?

Vice President GORE, now touting his risky scheme to cut gas taxes, seems to forget that in 1993 he cast the tie-breaking vote to increase gas taxes, adding to the tax burden of seniors and working families in this country.

When it comes to keeping gas prices reasonable, the Clinton-Gore administration has failed the American people; and now, unfortunately, the American people are paying at the pump for this administration's mistake.

## SUPREME COURT DECISIONS CONFUSING AMERICA

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Madam Speaker, the courts have struck again. First, it is now perfectly legal to jab scissors into the brain of a full-term baby being delivered until the baby dies; second, Internet pornography is now perfectly legal, even for kids.

Think about it. The courts have ruled Communists can work in our defense plants, full-term babies can be killed, pornography, even for kids, is legal; but you cannot pray in school.

Beam me up. No wonder America is confused and screwed up.

I yield back the brains of these judges that evidently they have been sitting on for a long time.

## TAX RELIEF FOR MARRIED AMERICANS

(Mr. WELLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WELLER. Madam Speaker, let me ask a basic question of fundamental fairness: Is it right, is it fair, that under our Tax Code, 25 million married working couples on average pay $1,400 more in taxes just because they are married?

Is it right that under our Tax Code that a husband and wife who are both in the workforce are forced to pay higher taxes if they choose to get married and the only way to avoid the marriage tax penalty is either to get divorced or just not get married?

Madam Speaker, that is wrong, and I am so proud this House of Representatives passed overwhelmingly legislation to wipe out the marriage tax penalty for 25 million married working couples. This week we are going to pass legislation, agreement with the House and Senate, which will wipe out the marriage tax penalty for 25 million married working couples. I was proud to see that every House Republican supported H.R. 6, and 48 Democrats broke with their leadership to support our efforts.

I want to extend an invitation to my Democratic friends on other side of the aisle to join with us and make it a bipartisan effort to eliminate the marriage tax penalty. It is unfair; it is wrong. It is wrong to tax marriage. Let us eliminate the marriage tax penalty.

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair announces that she will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered or on which the vote is objected to under clause 6 of rule XX.

Any record votes on postponed questions will be taken after debate has concluded on all motions to suspend the rules, but not before 6 p.m. today.

## SENSE OF CONGRESS REGARDING IMPORTANCE AND VALUE OF EDUCATION IN UNITED STATES HISTORY

Mr. PETRI. Madam Speaker, I move to suspend the rules and concur in the Senate concurrent resolution (S. Con. Res. 129) expressing the sense of Congress regarding the importance and value of education in United States history.

The Clerk read as follows:

### S. CON. RES. 129

Whereas basic knowledge of United States history is essential to full and informed participation in civic life and to the larger vibrancy of the American experiment in self-government;

Whereas basic knowledge of the past serves as a civic glue, binding together a diverse people into a single Nation with a common purpose;

Whereas citizens who lack knowledge of United States history will also lack an understanding and appreciation of the democratic principles that define and sustain the Nation as a free people, such as liberty, justice, tolerance, government by the consent of the governed, and equality under the law;

Whereas a recent Roper survey done for the American Council of Trustees and Alumni reveals that the next generation of American leaders and citizens is in danger of losing America's civic memory;

Whereas the Roper survey found that 81 percent of seniors at elite colleges and universities could not answer basic high school level questions concerning United States history, that scarcely more than half knew general information about American democracy and the Constitution, and that only 22 percent could identify the source of the most famous line of the Gettysburg Address;

Whereas many of the Nation's colleges and universities no longer require United States history as a prerequisite to graduation, including 100 percent of the top institutions of higher education;

Whereas 78 percent of the Nation's top colleges and universities no longer require the study of any form of history;

Whereas America's colleges and universities are leading bellwethers of national priorities and values, setting standards for the whole of the United States' education system and sending signals to students, teachers, parents, and public schools about what every educated citizen in a democracy must know;

Whereas many of America's most distinguished historians and intellectuals have expressed alarm about the growing historical illiteracy of college and university graduates and the consequences for the Nation; and

Whereas the distinguished historians and intellectuals fear that without a common civic memory and a common understanding of the remarkable individuals, events, and ideals that have shaped the Nation, people in the United States risk losing much of what it means to be an American, as well as the ability to fulfill the fundamental responsibilities of citizens in a democracy: Now, therefore, be it

*Resolved by the Senate (the House of Representatives concurring)*, That it is the sense of Congress that—

(1) the historical illiteracy of America's college and university graduates is a serious problem that should be addressed by the Nation's higher education community;

(2) boards of trustees and administrators at institutions of higher education in the United States should review their curricula and add requirements in United States history;

(3) State officials responsible for higher education should review public college and university curricula in their States and promote requirements in United States history;

(4) parents should encourage their children to select institutions of higher education with substantial history requirements and students should take courses in United States history whether required or not; and

(5) history teachers and educators at all levels should redouble their efforts to bolster the knowledge of United States history among students of all ages and to restore the vitality of America's civic memory.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Wisconsin (Mr. PETRI) and the gentleman from California (Mr. GEORGE MILLER) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. PETRI).

### GENERAL LEAVE

Mr. PETRI. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on S. Con. Res. 129.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. PETRI. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise today in support of Senate Concurrent Resolution 129, which is identical to House Concurrent Resolution 366, a resolution introduced in the House before the Independence Day recess.

I would like first to thank the gentleman from Texas (Mr. ARMEY), the House majority leader, and the gentleman from Pennsylvania (Mr. GOODLING), chairman of the House Committee on Education and Workforce, whose cooperation has expedited the consideration of this resolution. I would also like to thank Senators LIEBERMAN and GORTON for their support of this resolution and commend the Senate for passing it on the Friday before the 4th of July holiday.

I am pleased to be here today with my colleague from California as cosponsor to offer this resolution to draw attention to the troubling historical illiteracy of our Nation's next generation of leaders. Senate Concurrent Resolution 129 expresses the sense of Congress regarding the importance and value of education in American history.

The need for this resolution is demonstrated by a Roper Center survey commissioned by the American Council of Trustees and Alumni. The Roper Center surveyed college seniors from the Nation's best colleges and universities as identified by the U.S. News & World Report's annual college rankings.

Specifically, the top 55 liberal arts colleges and research universities were sampled during the month of December 1999. The results of this survey revealed that seniors from America's elite colleges and universities received a grade of D or F on history questions drawn from a basic high school exam. Seniors could not identify Valley Forge, words from the Gettysburg Address, or even the basic principles of the United States Constitution.

Despite this lack of knowledge, according to reports by the American Council of Trustees and Alumni, many of today's colleges and universities no longer demand that their students study U.S. history. Students can now graduate from all of the top colleges and universities without taking a single course in U.S. history. At 78 percent of the institutions, students are not required to take any history at all.

Madam Speaker, I believe we should be alarmed by the findings of this study. When we lose our civic memory, when we lose our understanding of the remarkable individuals, events, and values that have shaped our experiment in self-government, we are losing much of what it means to be an American. We are losing sight of the responsibilities we share as citizens in a free democracy.

Having just celebrated the 4th of July, our Nation's day of independence and freedom, a day that evokes strong emotions and feelings of pride in our country, I believe it is particularly appropriate to emphasize our need to know and to understand U.S. history.

Madam Speaker, I include the following material for the RECORD:

[From the New York Times, June 28, 2000]

BASIC HISTORY TEST STUMPS MANY COLLEGIANS

WASHINGTON, June 27—Nearly 80 percent of seniors at 55 top colleges and universities, including Harvard and Princeton, received a D or an F on a 34-question high-school level test on American history.

More than a third of the students did not know that the Constitution established the division of power in American government, said the Center for Survey Research and Analysis at the University of Connecticut, which administered the test as part of a study to measure the teaching of American history.

Students were much more knowledgeable about popular culture—99 percent of the seniors tested identified "Beavis and Butthead" as "television cartoon characters."

But confronted with four options in a multiple-choice test, only 35 percent could name who was president when the Korean War began. And only 23 percent identified James Madison as the principal framer of the Constitution.

Asked the era in which the Civil War was fought, 40 percent did not know the correct period, 1850–1900.

Senator Joseph I. Lieberman, Democrat of Connecticut, said that he and other members of Congress would introduce resolutions calling on college and state officials to strengthen American history requirements at all levels of the educational system.

The study, sponsored by the American Council of Trustees and Alumni, found that none of the 55 institutions required American history for graduation. And only 78 percent of them required students to take any history classes, said Jerry Martin, one of the report's authors.

The history test was given by telephone to 556 college seniors chosen at random. The questions were drawn from a basic high school curriculum, and many had been used in the National Assessment of Education Program tests given to high school students.

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[From the New York Times, July 2, 2000]

HISTORY 101: SNOOP DOGGY ROOSEVELT

(By Scott Veale)

Listen up, class. We hate to spoil your holiday weekend, but an alarming new survey of American history knowledge—released just days before Independence Day, no less—suggests that the nation is in desperate need of summer school. The report, sponsored by the American Council of Trustees and Alumni, a Washington-based nonprofit group that promotes liberal-arts study, posed 34 high-school level questions randomly to 556 seniors at 55 leading colleges and universities, including Harvard, Princeton and Brown.

Only one student answered all the questions correctly, and the average score was a sobering 53 percent—even with a couple of gimmes about cartoon characters and rap stars tossed in. But maybe it's not too surprising: according to the survey, none of the schools examined require American history courses for graduation.

So put down those tube steaks and sharpen your pencils. It's time to match wits with tomorrow's leaders.

1. When was the Civil War?
a. 1750–1800
b. 1800–1850
c. 1850–1900
d. 1900–1950
e. after 1950

2. Who said "Give me liberty or give me death?"
a. John Hancock
b. James Madison
c. Patrick Henry
d. Samuel Adams

3. What is the Magna Carta?
a. The foundation of the British parliamentary system
b. The Great Seal of the monarchs of England
c. The French Declaration of the Rights of Man
d. The charter signed by the Pilgrims on the Mayflower

4. The term Reconstruction refers to:
a. Payment of European countries' debts to the United States after the First World War
b. Repairing of the physical damage caused by the Civil War
c. Readmission of the Confederate states and the protection of the rights of black citizens
d. Rebuilding of the transcontinental railroad and the canal system

5. Are Beavis and Butthead . . .
a. A radio show
b. Television cartoon characters
c. A musical group
d. Fictional soldiers

6. The Scopes trial was about:
a. Freedom of the press
b. Teaching evolution in the schools
c. Prayer in the schools
d. Education in private schools

7. The Emancipation Proclamation issued by Lincoln stated that:
a. Slaves were free in areas of the Confederate states not held by the Union
b. The slave trade was illegal
c. Slaves who fled to Canada would be protected
d. Slavery was abolished in the Union

8. The purpose of the authors of the Federalist Papers was to:
a. Establish a strong, free press in the colonies
b. Confirm George Washington's election as the first president
c. Win foreign approval for the Revolutionary War
d. Gain ratification of the U.S. Constitution

9. Sputnik was the name given to the first:
a. Telecommunications system
b. Animal to travel into space
c. Hydrogen bomb
d. Man-made satellite

10. The Missouri Compromise was the act that:
a. Funded the Lewis and Clark expedition on the upper Missouri River
b. Granted statehood to Missouri but denied the admission of any other states
c. Settled the boundary dispute between Missouri and Kansas
d. Admitted Maine into the Union as a free state and Missouri as a slave state

11. Which document established the division of powers between the states and the federal government?
a. The Marshall Plan
b. The Constitution
c. The Declaration of Independence
d. The Articles of Confederation

12. When was Thomas Jefferson president?
a. 1780–1800
b. 1800–1820
c. 1820–1840
d. 1840–1860
e. 1860–1880

13. What was the lowest point in American fortunes in the Revolutionary War?
a. Saratoga
b. Bunker Hill
c. Valley Forge
d. Fort Ticonderoga

14. In his farewell address, President George Washington warned against the danger of:
a. Expanding into territories beyond the Appalachian Mountains
b. Having war with Spain over Mexico
c. Entering into permanent alliances with foreign governments
d. Building a standing army and strong navy

15. The Monroe Doctrine declared that:
a. The American blockade of Cuba was in accord with international law
b. Europe should not acquire new territories in Western Hemisphere
c. Trade with China should be open to all Western nations
d. The annexation of the Philippines was legitimate

16. Who was the European who traveled in the United States and wrote down perceptive comments about what he saw in "Democracy in America"?
a. Lafayette
b. Tocqueville
c. Crevocoeur
d. Napoleon

17. Identify Snoop Doggy Dog.
a. A rap singer
b. Cartoon by Charles Schultz
c. A mystery series
d. A jazz pianist

18. Abraham Lincoln was president between:
a. 1780–1800
b. 1800–1820
c. 1820–1840
d. 1840–1860
e. 1860–1880

19. Who was the American general at Yorktown?
a. William T. Sherman
b. Ulysses S. Grant
c. Douglas McArthur
d. George Washington

20. John Marshall was the author of:
a. Roe v. Wade
b. Dred Scott v. Kansas
c. Marbury v. Madison
d. Brown v. Board of Education

21. Who was the "Father of the Constitution?"
a. George Washington
b. Thomas Jefferson
c. Benjamin Franklin

d. James Madison

22. Who said, "I regret that I have only one life to give for my country?"
a. John F. Kennedy
b. Benedict Arnold
c. John Brown
d. Nathan Hale

23. What was the source of the following phrase: "Government of the people, by the people, for the people?"
a. The speech: "I have a Dream?"
b. Declaration of Independence
c. U.S. Constitution
d. Gettysburg Address

24. Who was the second president of the U.S.?
a. Thomas Jefferson
b. James Madison
c. John Adams
d. Benjamin Franklin

25. Who was president when the U.S. purchased the Panama Canal?
a. Theodore Roosevelt
b. Jimmy Carter
c. Franklin D. Roosevelt
d. Woodrow Wilson

26. Who was the leading advocate for the U.S. entry into the League of Nations?
a. George C. Marshall
b. Woodrow Wilson
c. Henry Cabot Lodge
d. Eleanor Roosevelt

27. Who said, "Speak softly but carry a big stick?'"
a. William T. Sherman
b. Sitting Bull
c. John D. Rockefeller
d. Theodore Roosevelt

28. The Battle of the Bulge occurred during:
a. The Vietnam War
b. World War II
c. World War I
d. The Civil War

29. Which of the following was a prominent leader of the Abolitionist Movement?
a. Malcolm X
b. Martin Luther King Jr.
c. W.E.B. Du Bois
d. Frederick Douglass

30. Who was the president of the United States at the beginning of the Korean War?
a. John F. Kennedy
b. Franklin D. Roosevelt
c. Dwight Eisenhower
d. Harry Truman

31. When the United States entered World War II, which two major nations were allied with Germany?
a. Italy and Japan
b. Italy and Poland
c. Italy and Russia
d. Russia and Japan

32. Social legislation passed under President Lyndon B. Johnson's Great Society program included:
a. The Sherman Antitrust Act
b. The Voting Rights Act
c. The Tennessee Valley Authority
d. The Civilian Conservation Corps

33. Who was "First in war, first in peace, first in the hearts of his countrymen?"
a. George Washington
b. Woodrow Wilson
c. Dwight Eisenhower
d. Abraham Lincoln

34. Who was the leader of the Soviet Union when the United States entered World War II?
a. Peter Ustinov
b. Nikita Khrushchev
c. Marshal Tito
d. Joseph Stalin

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[From the Washington Post, July 2, 2000]

## NEGLECTING HISTORY . . .

(By David S. Broder)

A question for you before you set off your fireworks: Who was the American general at Yorktown? You have four guesses: William Tecumseh Sherman, Ulysses S. Grant Douglas MacArthur or George Washington.

When that question was asked late last year of 556 randomly chosen seniors at 55 top-rated colleges and universities, one out of three got it right. Stunningly, more of those about to graduate from great liberal arts colleges such as Amherst and Williams and Grinnell and world-class universities such as Harvard and Duke and the University of Michigan named Grant, the victorious general in the Civil War, than Washington, the commander of the Continental Army, as the man who defeated the British in the final battle of the Revolutionary War.

That was not the worst. Only 22 percent could identify the Gettysburg Address as the source of the phrase "government of the people, by the people, for the people." Most thought it came from the Declaration of Independence or the Constitution.

The results of this survey, using 34 questions normally asked of high school students, not elite college and university seniors, justify the term "historical illiteracy." That is what four members of Congress called the situation in a joint resolution they introduced last week warning that "the next generation of American leaders and citizens is in danger of losing America's civic memory."

Congress can do nothing but decry the situation. As Sen. Joe Lieberman of Connecticut, one of the sponsors, said, "We are not here to establish a national curriculum." But the challenge to parents and to educators is not to be ignored.

The college student poll was taken for a private group, the American Council of Trustees and Alumni. Its report makes two points: If these high school questions were used as a college test, 65 percent of the college students would flunk. Equally troubling, it said, none of the 55 elite colleges and universities (as rated by U.S. News & World Report) requires a course in American history before graduation.

This, I would add, despite the fact that it has been known for a long time that high school students aren't learning much about our history from their teachers. The most recent report from the National Assessment of Educational Progress (NAEP) was in 1994, and it too was devastating. That massive survey found that even though most students reported having taken American history in the eighth and 11th grades, little of it stuck. "Few students (11 percent) reached the proficient achievement level—defined as solid grade-level performance—and only 1 or 2 percent reached the advanced achievement level," the report said. Fully 57 percent of the high school seniors failed to demonstrate a basic level of understanding of American history and institutions—the lowest category in the test.

The Council of Trustees and Alumni, whose chairman is Lynne V. Cheney, is engaged in an ongoing debate with academics over a range of curriculum issues. But on this one, I found the heads of the major historical groups largely in agreement.

Dr. Arnita Jones, executive director of the American Historical Association told me, "Of course, students should be taking American history, and I would extend that to world history as well." But she said that on too many campuses, "resources are being pulled away from history and given to areas that seem to be more practical."

The reaction of Kenneth T. Jackson, the president of the Organization of American Historians and a professor at Columbia University, one of the elite schools whose students were surveyed, was more skeptical. He said, "The best colleges and universities have strong history departments and high enrollments. The smarter you are and the better college you attend, the more likely you are to take history."

But he said that in his first message to his fellow academics as association president, "I said we don't take our teaching seriously enough. We may be too free to teach our own speciality, rather than what students need to know. If you have a big department, it usually works out, but sometimes the only course that's open may be a history of 19th-century railroads in Tennessee."

As Lieberman said, "With the Fourth fast approaching, I can think of no better way to celebrate the anniversary of America's independence than for us to remember what moved a determined band of patriots to lay down all for liberty, and then to promise never to forget." Of course, you can't forget what you never learned.

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[From World News Now, July 3, 2000]

## A HISTORY SURVEY TAKEN AT 55 TOP COLLEGES IN U.S.

ANDERSON COOPER. A new survey shows that most college seniors don't know jack about American history. Jim Sciutto here was an American history major but we'll talk to him about that later. Seniors at 55 top colleges and universities including Harvard and Princeton, almost 80 percent of them got a D or an F on a high school level history test. Apparently only 23 percent knew that James Madison was a principle framer of the Constitution. But on the upside, 99 percent knew who Beavis and Butthead were. Don't worry, sleep safely.

GEORGE WILL. Yes, Beavis—'Identify Beavis and Butthead.' That was one of the questions.

DEREK MCGINTY. Three percent missed that, though, which I was wondering who they were.

GEORGE STEPHANOPOULOS. I'll—I'll—I'll confess. I took the test and I got—I got two wrong. But I think George is on to something. I actually taught at—at Columbia the last couple of years, and they have a core curriculum which helps. What I saw among the students now is they're in some ways very—so much smarter than students in the past. Their SAT scores are through the roof, but they don't necessarily know as much because they're not getting this concentrated teaching in history and other subjects.

SAM DONALDSON. Derek, a lot of white Americans look at some courses that introduce African history at the expense of US history and they say, 'They got it wrong.'

Mr. MCGINTY. Well, I mean, you're acting like there's only room for one. I think you have to have an inclusive view of history . . .

Mr. DONALDSON. I'm not acting any way, but I'm asking you about that because what I told you is correct. A lot of white Americans look at these courses and say, 'Well, I should be studying Texas history.'

Mr. MCGINTY. Well, I think they should be studying history as it—as it goes. It shouldn't be African or anything else. It—it never was that before, you know. Just when it was—to began to become—become more inclusive, suddenly it was African or whatever. I think that there is room to have a wide-ranging knowledge without leaving out anybody's history.

Mr. COOPER. And that was some of "This Week" from yesterday.

JIM SCIUTTO. We have the quiz right here. And Anderson has not taken it, so I'm going to take this opportunity to ask him a couple of questions.

Mr. COOPER. Uh-huh, Do you know what they teach you in your first year of correspondence—of anchor school, by the way?

Mr. SCIUTTO. Never be quizzed on air, right.

Mr. COOPER. Exactly.

Mr. SCIUTTO. George W. Bush should have learned that lesson.

Mr. COOPER. Do you want to know what other questions you're never suppose to . . .

Mr. SCIUTTO. See, he's stalling so I can't ask him a single question.

Mr. COOPER. I'm using up time is what I'm doing.

Mr. DONALDSON. I want to now come to something that has nothing to do with politics. It has to do with education. Published in the New York Times is an interesting History 101 quiz. It was not given by the Times, but someone gave this to 55 universities. These are college seniors and Harvard and other prestigious schools were included. Here were some of the questions and some of the percentages of right answers.

Number one. Folks, play along. Who was the American general at Yorktown? William T. Sherman, Ulysses S. Grant, Douglas McArthur, George Washington. Derek:

Mr. MCGINTY. George Washington.

Mr. DONALDSON. Well, only 34 percent—34 percent—got that right.

Number two. John Marshall was the author of Roe vs. Wade, Dred Scott and Kansas, Murbury vs. Madison, Brown vs. the Board of Education. George:

Mr. WILL. Marbury vs. Madison.

Mr. DONALDSON. That's correct. I mean, the great chief justice. Twenty-one percent of college seniors got that right.

Number three. The Battle of the Bulge occurred during the Vietnam War, World War II, World War I, the Civil War. I could add the Peloponnesian War. George Will:

Mr. WILL. World War II.

Mr. DONALDSON. World War II.

Mr. WILL. Sam . . .

Mr. DONALDSON. Well, let me just tell them—only 37 percent got that right. But what do you make of this?

Mr. WILL. Well, all of these seniors at some very prestigious schools, I don't know all of them, but they included Harvard, Princeton and Brown. All these schools had one thing in common: none of them have an American History prerequisite requirement for graduation.

Mr. DONALDSON. Why not?

Mr. WILL. Well, that's an excellent question, having seen that.

Mr. MCGINTY. If we're fair, though, some of those questions that had the lower percentages—because some of the answers 70 and 80 percent did get correct—some of the more obscure questions were . . .

Mr. SCIUTTO. Who said "Give me liberty or give me death?"

Mr. COOPER. And my options are?

Mr. SCIUTTO. Patrick Henry, James Madison, John Hancock, or Samuel Adams.

Mr. COOPER. Patrick Henry.

Mr. SCIUTTO. Right on. You're watching World News Now.

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[From CNN Late Edition With Wolf Blitzer July 2, 2000]

WOLF BLITZER. Time now for Bruce Morton's "Last Word," On this holiday weekend, when we celebrate America's past, some, it seems, may have to go back and hit the history books.

BRUCE MORTON, CNN correspondent. Independence Day is coming up—a good time to think about U.S. history, a subject America's young adults may not have a very good grasp of these days. A new survey asked randomly selected seniors from the country's top colleges and universities, among them Amherst, Harvard, Stanford, 34 multiple choice questions about American history.

Ninety-nine percent knew that Beavis and Butthead were TV cartoon characters. Eighty-nine percent knew that Sputnik was the first man-made satellite. Just one in four, 26 percent, knew that the emancipation Proclamation said that slaves in Confederate territory were free. Just 60 percent knew that the Constitution was the document which established the division of powers between the states and the federal government.

Thirty-eight percent correctly said Valley Forge was the lowest point in America fortunes during the Revolutionary War. Twenty-four percent said Bunker Hill was. Asked who was the American general at Yorktown, where the British surrendered ending the Revolutionary War, 34 percent correctly said George Washington, but 37 percent picked Ulysses Grant, a Union general in the Civil War.

Only 23 percent, correctly picked James Madison as the father of the Constitution. Fifty-three percent Thomas Jefferson, who instead wrote the Declaration of Independence, signed 224 years ago this week.

Forty percent knew it was accused spy Nathan Hale who said, "I regret that I have only one life to give for my country," Just 22 percent knew that the phrase "government of the people, by the people, and for the people" came from Lincoln's Gettysburg Address. Thirty-one percent said the U.S. Constitution, 43 percent the Declaration of independence.

One student of the 556 surveyed got all 34 questions right. Two students tied for worst—two questions right, the score of 6 percent. Overall, the average was 53 percent right. Put another way, if this had been a regular college test, 65 percent would have flunked, 16 percent gotten Ds, and 19 percent C or higher. Why such poor scores? Maybe because 100 percent of the colleges and universities in this survey, require no American history courses; 78 percent require no history at all.

A philosopher named George Santayana once wrote, "Those who do not remember the past are condemned to repeat it." What if he was right?

Happy Independence Day.

I'm Bruce Morton.

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[From the Chicago Tribune, July 2, 2000]

### JEFFERSON, NOT "THE JEFFERSONS"

(By William Hageman)

Another wave of college graduates is heading off into the real world, armed with degrees and eager to make their mark. Just don't ask them anything about history.

The American Council of Trustees and Alumni recently commissioned a survey of more than 500 college seniors from some of the top colleges and universities in the U.S. According to the results, four out of five seniors quizzed received a grade of D or F on history questions drawn from a basic high school curriculum. How bad was it?

—Only 34 percent of the students surveyed could identify George Washington as an American general at the Battle of Yorktown, the culminating battle of the American Revolution.

—Only 22 percent knew the line "Government of the people, by the people, for the people" came from the Gettysburg Address.

—Only 26 percent were familiar with the Emancipation Proclamation.

But all is not lost. Ninety-nine percent of the students knew who the cartoon characters Beavis and Butt-head are, and 98 percent could identify the rap singer Snoop Doggy Dogg.

On second thought, maybe all is lost.

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[From the Boston Herald, July 2, 2000]

### HISTORY'S GREEK TO THEM

"Don't know much about history," goes the refrain to an old pop tune. According to a survey by the American Council of Trustees and Alumni, it should be the theme song at America's elite institutions of higher education.

In the survey of seniors at 55 of the nation's top schools, including Harvard and Princeton, nearly 80 percent received a "D" or "F" grade on a 34-question, high-school level American history exam.

Most didn't know that the U.S. Constitution establishes a division of power in the national government—a real brain-teaser.

While 99 percent were familiar with the foul-mouthed cartoon characters Beavis and Butthead, only 23 percent identified James Madison as the principal framer of the Constitution.

None of these colleges has an American history graduation requirement, and 78 percent have no history requirement at all.

Public schools share responsibility for this tragedy. American history is too often relegated to minor league status, squeezed in amid the trendy programs du jour.

Sen. Joseph Lieberman, (D–Conn.), and others have introduced a resolution calling on administrators, trustees and state officials to strengthen the teaching of American history at all levels. When you're starting with next to nothing, there's nowhere to go but up.

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[From the Dayton Daily News, July 5, 2000]

### INFO-AGE STUDENTS MISSING IT

(By Mary McCarty)

Welcome back to work. If we can believe our daily newspapers—and of course we can, every blessed word—we spent this extravagant gift of a four-day weekend in style: traveling, barbecuing, ooh-ing and aah-ing over dozens of area fireworks displays.

But not, apparently, teaching our young anything about the significance of the holiday.

Sunday's New York Times raised the question: What in Bunker Hill do our college seniors know about history?

The Times reported that a Washington-based nonprofit, the American Council of Trustees and Alumni, conducted a survey of 556 seniors at 55 "leading colleges," including Harvard and Brown. They asked 32 high school-level history questions, throwing in a couple of pop-culture gimmes.

One student scored 100 percent. The average score was 53 percent.

Ninety-nine percent could identify Beavis and Butthead as cartoon characters.

But, given four multiple-choice answers—with the answers staring them in the face as expectantly as Regis Philbin—a mere 22 percent could place the phrase "Government of the people, by the people, for the people" in the Gettysburg Address.

Ninety-eight percent knew that Snoop Doggy Dog is a rap artist; 28 percent knew the Battle of the Bulge took place in World War II.

Thirty-eight percent guessed that the "lowest point in the Revolutionary War" was Valley Forge.

Yikes! These are the scions of the Information Age. An unprecedented amount of knowledge is literally at their fingertips, only a mouse click away. Miles and miles and miles of memory. Yet their cultural memory banks appear to be running alarmingly low.

Is that their fault or ours?

How long has it been since American history was truly part of the national conversation?

Over the four-day weekend, we did Fourth of July with all the trimmings: Fireworks, hot dogs and mustard, cookouts. Only once, during that time, did any or our friends mention the significance of the holiday. That was Zafar Rizvi of Butler Twp. He was born in Pakistan.

He brought us an essay making the Internet rounds, "Remembering Independence Day." "Have you ever wondered what happened to the 56 men who signed the Declaration of Independence?" the essay begins, and proceeds to elaborate, in gruesome detail.

At Zafar's insistence, we reluctantly turned our attention away from the grill. "I didn't know any of these things!" he exclaimed.

He wanted to know. "I think a lot of times people take for granted the freedom that they have—the right to vote, freedom of religion, the right to change the system," be said. "I never voted until I became an American citizen."

Zafar hasn't missed a change to vote in 15 years. He brings his 9-year-old son with him. He wears an "I voted" sticker back to the office.

He thinks it's important not only that we exercise our present-day freedoms, but also that we remember and celebrate our past. "A lot of people don't know the sacrifices made by their grandparents and great-great-grandparents," he said. "The Fourth of July is always a great feeling. I'm proud to be an American."

Maybe Harvard should appoint him honorary professor. We seem to be in danger of raising future generations with gigabytes of information instantly at their disposal.

And none of it engraved in their hearts.

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[From the Hartford Courant, July 2, 2000]

### History is a Mystery to Many

Maybe it's not surprising that far more college seniors can identify Beavis and Butthead than can describe James Madison's role in framing the Constitution. But it's disconcerting nevertheless.

A test to measure the teaching of American history was given to seniors at 55 top colleges and universities, including Harvard and Princeton. Administered by the Center for Survey Research and Analysis at the University of Connecticut, the 34-question test revealed a depressing dearth of knowledge about the United States. Nearly 80 percent of this country's best and brightest got a D or an F. More than a third of the students didn't know, for example, that the Constitution established the division of powers in American government.

Thomas Jefferson, who understood better than most that democracy depends on an educated public, must be tossing in his grave. Those who have knowledge about the nation's past are more likely to be invested in its future and to participate in its democratic processes. Sen. Joseph I. Lieberman quoted the sage of Monticello as saying, "If a nation expects to be ignorant and free, it expects that never was and never will be." The United States seems "well on its way to testing this proposition," Mr. Lieberman said.

Across the years, students have always been more familiar with the popular culture of their own era than with history. But perhaps never during the life of the Republic have so many known so little about the past.

One of the reasons is the weakening of curriculums. The UConn study found that none of the 55 colleges taking part in the survey require American history for graduation. Only 78 percent of the schools require students to take any history classes. Course catalogs are filled with too much politically correct drivel.

Mr. Lieberman is part of a bipartisan group in Congress that has introduced resolutions in the Senate and House calling on boards of trustees, college administrators and state education officials to strengthen American history requirements at all levels of the educational system. Ordinarily politicians should keep their hands off curriculums, but somebody has to speak up about the sorry state of history instruction today.

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[From the Chicago Sun-Times, July 4, 2000]

### Unhappy Course of Human Events

Today is Independence Day, the day we observe the July 4, 1776, signing of the Declaration of Independence. Oh, for you college kids out there? That's . . . independence . . . from . . . England.

We feel compelled to make that clear after reading the other day about a recent history quiz given to seniors at 55 top universities and colleges. The results of the 34-question American history test—high school level, at that—revealed that nearly 80 percent of the students received a D or an F.

The sorry showing revealed that college students—our, gulp, future leaders—are rather illiterate, history-wise. Beavis and Butthead? Ninety-nine percent knew those cartoon miscreants. James Madison? the "Father of the Constitution" was accurately identified by only 23 percent.

The survey was commissioned by the American Council of Trustees and Alumni, which used it to bemoan the back seat that history courses have taken in many of the nation's universities. "Students are allowed to graduate as if they didn't know the past existed," said one of the study's authors. That is a damning indictment of the nation's colleges and schools. Surely, one of the functions of education is to pass on the responsibilities of citizenship. Too many kids leave high school unable to read; now we have evidence that too many leave college unable to answer the most fundamental of history questions.

Those who do not remember the past are doomed to repeat it, was the warning of philosopher George Santayana. But we don't have to wait long to see the consequences of being disconnected from our history. Every election it becomes more and more apparent as voter turnout declines. Too many Americans have forgotten—or never learned about—the blood, sweat and tears that have been shed in the past for the freedoms we enjoy—and take for granted—in the 21st century. Young people have a particularly disappointing level of non-involvement at the ballot box. They are ignorant of this country's tradition of representative democracy, its record of expanding liberty and the duty of responsible adults to participate in our republic's political life.

Is it any wonder so many young people see no relevance in politics?

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[From the Detroit News, July 2, 2000]

### Beavis Meets "The Patriot"

The new Mel Gibson movie, The Patriot, a historical epic about the American Revolution, opened on this most patriotic of weekends to generally upbeat reviews. If the results of a recent survey are considered, however, one wonders where its audience may be.

The survey indicated that 80 percent of college seniors, tested at some of this nation's most prestigious schools, could not pass a very basic quiz on American history.

Only 23 percent, for example, correctly identified James Madison as the principal framer of the U.S. Constitution. However, 99 percent knew who Beavis and Butthead were. So they certainly wouldn't be expected to know much about how the War for Independence was conducted in South Carolina 220 years ago.

The survey results are hardly a surprise, given the way that history has been watered down, politically cleansed or eradicated for an entire generation of students. The universities chosen for the study were, in fact, selected on the basis of not requiring any American history course for graduation.

The English critics, who tend to take history a good deal more seriously, have complained that Mr. Gibson's film is perfectly beastly to the Brits. And in fact the Revolution, for all its glorification in American folklore, was a nasty, vicious war on both sides. It wasn't pretty, but it's a real part of U.S. history.

Mr. Gibson is, or course, a major star who turned Braveheart, a film about the 13th-century struggle of Scots under William Wallace to be free of English rule, into a box office success. One of its big scenes featured the hero's soldiers baring their backsides in a gesture of defiance.

Not much of that went on in the Revolutionary War. If it had, Mr. Gibson may have found a way to bring in the Beavis and Butthead crowd.

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[From Newsday (New York, NY), July 4, 2000]

### Life, Liberty and Pursuit of Barbecue

(By James P. Pinkerton)

July 4 was once known as Independence Day, but now it's simply "The Fourth of July." The sense of history that once motivated parades and patriotic displays is gone, maybe forever.

So today those who know that the Fourth commemorates the 56 signers of the Declaration of Independence, who risked all for "life, liberty, and the pursuit of happiness," are joined by those who see the holiday as an opportunity for barbecue, fireworks and party-heartying. And, although there is nothing wrong with revelry, remembrance is even better.

A new survey of 556 college seniors conducted by the American Council of Trustees and Alumni finds that, while 99 percent can correctly identify the cartoon characters Beavis and Butt-head, only 45 percent know even vaguely when Thomas Jefferson, principal author of the Declaration, served as president.

And, while 98 percent can identify the rap singer Snoop Doggy Dog, only 34 percent know that George Washington was the commander at the Battle of Yorktown, which settled the question of American independence.

To be sure, there's often an element of snobbery in polls that show Americans don't know much about history. No doubt many of the heroes of Yorktown, Gettsburg or the Battle of the Bulge had little or no formal education (although surviving veterans of that last Nazi offensive in late 1944 might be dismayed to know that just 37 percent of college seniors recognize the Battle of the Bulge took place during World War II).

But this poll was different: It wasn't directed toward ordinary students but rather toward students at 55 leading liberal-arts colleges, including Harvard and Princeton.

George Santayana, an Ivy Leaguer, once wrote that "those who cannot remember the past are condemned to repeat it." But just the opposite can be argued, too: Those who don't remember the past are doomed, or perhaps destined, never to repeat it.

It's possible that the United States has reached such a high plateau of economic prosperity and technologically based military superiority that the old values of heroism and sacrifice are no longer deemed necessary.

As evidence, consider the most useful look at the state of the union in print today: a new book, "Bobos in Paradise: The New Upper Class and How They Got There," by David Brooks. Bobos—a neologism combining "bourgeois" and "bohemian"—are defined as "the new information-age elite" for whom "self-cultivation is the imperative, with the emphasis on self."

So much, then, for the dying words—"I only regret that I have but one life to lose for my country"—of Revolutionary patriot Nathan Hale (whom just 40 percent of the college seniors could identify).

Freely identifying himself as a Bobo, Brooks writes, "We're not so bad. All societies have elites, and our educated elite is a lot more enlightened than some of the older elites, which were based on blood or wealth or military valor."

It would be easy to dismiss Bobos as selfish hedonists with no larger interests beyond themselves, but that wouldn't tell the whole story.

It's more accurate to assert that the Bobos, and all other less-well-off Americans who follow their politico-cultural leadership, are developing loyalties to newer ideas and institutions that seem more relevant to them than the American heritage.

For example, while the Stars and Stripes are as scarce as chewing tobacco in Bobo neighborhoods, it's easy to find environmentally-themed bumper strips, window decals, even flags and banners. Similarly, other cultural and political beliefs—from abortion rights to gay rights to gun control—are visibly represented in Bobo enclaves.

If patriotism can be defined as loyalty to the group, then Bobos are patriotic in their own fashion. Their loyalties are tilted away from the nation–state and toward new categories that often transcend national boundaries.

But even Brooks, bard of the Bobos, worries that Americans have drifted away from patriotic moorings.

"The Bobo task," he writes, "is to rebuild some sense of a united polity, some sense of national cohesion."

That's what "Independence Day" was once all about.

But today "interdependence" seems to many to be a more useful concept. If so, then maybe history, with all its bloody memories, really can be a thing of the past.

But, if not, the Bobos of today will have a hard time summoning up old-fashioned patriotism out of the fog of forgetfulness.

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[From the Roanoke Times & World News, July 3, 2000]

## DON'T LET AMERICA'S HISTORY FADE AWAY

Suppose you had to pass a pop quiz on America's history before you could eat a hot dog or take in a fireworks display tomorrow in celebration of the nation's founding. Could you?

Or are you in the category with about 80 percent of seniors at some of the nation's top colleges and universities who—according to a survey released last week by the University of Connecticut—are more familiar with America's bad boys Beavis and Butt-head than with America's Founding Fathers and the principles that guided them?

If the answer to the last question is "yes," perhaps you should skip the hot dogs and fireworks and instead attend one of the many naturalization ceremonies that will be held tomorrow for immigrants to become American citizens.

Those immigrants must pass a test about U.S. history and government, and often, say some officials of the Immigration and Naturalization Service, they are more knowledgeable on the subjects than many folks born, bred and educated in the USA.

OK, pretend the game isn't "Who Wants to Be a Millionaire" but "Who Wants to Be an American?" Pretend the stakes are—more valuable than money—the freedoms and privileges that most Americans consider their birthright. Could you, as immigrants must, correctly answer such questions as:

Why did the Pilgrims come to America? Name the 13 original states. What did the Emancipation Proclamation do? How many amendments are there to the Constitution? Why are there 100 members of the U.S. Senate? Who has the power to declare war? Who was Martin Luther King Jr.? Who is the commander in chief of the U.S. military? Which countries were our enemies during World War II? What are the two major political parties in America today? Who selects Supreme Court justices? What is the basic premise of the Declaration of Independence?

Granted, many immigrants participating in naturalization ceremonies tomorrow might think Dr. Martin Luther King Jr. (rather than Abraham Lincoln) freed the slaves. But few would confuse Jerry Springer with Patrick Henry, and almost all would know that the basic premise of the Declaration of Independence is that "all Men are created equal" and "are endowed by their Creator with certain unalienable Rights."

Any American born-and-bred college senior who doesn't know that should be flogged around the ears and jowls with a raw wiener.

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[From the Ledger (Lakeland, FL), July 2, 2000]

## GIVE ME LIBERTY OR GIVE ME . . . BEAVIS?; OPINION

(By Thomas Roe Oldt)

They say the kiddies don't know much about history. And we're not talking little kiddies, either. We're talking college seniors from the nation's allegedly top universities.

"They" are the Center for Survey Research and Analysis at the University of Connecticut, which recently conducted a review of what those seniors know about American history.

Turns out, not much. Given a 34-question multiple-guess high school exam on the subject, 80 percent received a D or F.

More than a quarter couldn't pick the leader of the Abolitionist Movement when given a choice among four people, three of whom weren't even alive prior to the Civil War.

Defining "Abolitionist" doubtless would have been a problem, but the kiddies were saved the embarrassment of being subjected to an exam even moderately comprehensive.

When asked to select the time frame of the Civil War in 50-year increments from 1750 to 1950 and beyond, 40 percent were stymied.

When it came to Supreme Court Justice John Marshall, 67 percent couldn't pick him as the author of Marbury v. Madison. The other choices included two 20th century picks, Roe v. Wade and Brown v. Board of Education.

Asked under whose administration the Korean War began, 65 percent thought it was someone other than Harry Truman.

The source of the phrase "Government of the people, by the people, for the people" was misidentified by 78 percent of respondents.

Only 26 percent knew that the Emancipation Proclamation freed slaves only in areas of the Confederacy not held by the Union. Reconstruction was believed by all but 29 percent to refer to something other than readmission of the Confederate states and protection of the rights of former slaves. Almost 60 percent thought it referred to repairing physical damage caused by the Civil War.

While 72 percent knew that Joseph Stalin was leader of the Soviet Union when the United States entered World War II, some picked Peter Ustinov, the actor. Too bad for the millions who died under Stalin, a very bad actor, that Ustinov wasn't head honcho. Thomas Jefferson was thought by 53 percent to be "Father of the Constitution" and 23 percent believed John F. Kennedy uttered the words, "I regret that I have only one life to give for my country."

Thirteen percent identified Sitting Bull as the phrase-maker who came up with "Speak softly but carry a big stick."

Basic cultural stuff, all in all.

But take heart! Speaking of base culture, all but 2 percent could identify Beavis, Butthead and Snoop Doggy Dog. It's a good thing Our Future Leaders weren't asking about world history. If the Magna Carta posed problems for them—only 56 percent got it right—imagine what the Hundred Years War would do?

So as an Independence Day weekend public service exercise, here is a simple quasi-world history exam sent in by a friend. Try this out on your college senior.

1. How long did the Hundred Years War last?
2. Which country makes Panama hats?
3. Where do we get catgut?
4. In which month do Russians celebrate the October Revolution?
5. What is a camel's hair brush made of?
6. The Canary Islands are named after what animal?
7. What was King George VI's first name?
8. What color is a purple finch?
9. What country do Chinese gooseberries come from?
10. How long did the Thirty Years War last?

While it's highly tempting to stretch this out over two columns in order to fill the greatest possible space with the least imaginable effort, it doesn't seem fair. So here are the answers?

1. 116 years, from 1337 to 1453.
2. Ecuador.
3. From sheep and horses.
4. November, since the Russian calendar was 13 days behind ours in 1917.
5. Squirrel fur.
6. The Latin name was Insularia Canaria, "Island of the Dogs."
7. Albert.
8. Distinctively crimson.
9. New Zealand.
10. At last! Thirty years, from 1618 to 1648.

On the advice of counsel, there will be no disclosure as the columnist's grade. Suffice it to say that the American history exam offered much less resistance.

Thomas Roe Oldt is a Winter Haven-based columnist for The Ledger. His opinion column appears on Sunday.

[From the Times-Picayune, July 4, 2000]

### STUDENTS SHOULD AT LEAST KNOW GEORGE

(By James Gill)

"The Patriot" is released at the same time as the latest survey to conclude that young Americans don't know squat.

What they are ignorant of on this occasion is American history, "they" being seniors at such tony schools as Harvard, Princeton and Brown. If they catch the flick, they may learn a thing or two about the Revolutionary War, which appears to be a closed book right now.

If your kid's an Ivy League hot shot who hasn't yet seen "The Patriot," please do not spoil it by revealing how that war turned out. Since Mel Gibson is the star, they will probably have their money on Australia.

Ok, let us not exaggerate, for it is not necessary. The American Council of Trustees and Alumni asked 556 students 34 easy questions. Although multiple choice made them even easier, only one kid got them all right, and the average score was 53 percent.

But the students are not so savvy as the numbers suggest. Two of the questions were gimmes, with only 1 percent failing to identify Beavis and Butthead as television carton characters and 2 percent laboring under the misapprehension that Snoop Doggy Dog was either a Charles Schultz cartoon, a mystery series or a jazz pianist.

Some of the answers suggested to serious questions, moreover, were too outlandish for consideration. Anyone not knowing who was leader of the Soviet Union at the outbreak of World War II, for instance, should not have had much trouble ruling out the English actor Peter Ustinov or the late Yugoslavian premier Marshal Tito. The fourth option was Khrushchev. The students did better on that question than on most, with 72 percent plumping for Stalin.

For 32 of the questions, four possible answers were suggested—five for each of the other two. A troglodyte asked to complete the survey might therefore expect to score close to 25 percent with the aid of a pin.

If the survey is to be trusted, the most privileged and educated of American kids are worth two troglodytes. Perhaps it is best if we do not know what the ratio is in Louisiana public colleges.

Today's students have such a shaky grasp of the revolutionary era that even George Washington is quite a mystery to them. Only 34 percent identified him as the American general at Yorktown, and 42 percent as being "first in war, first in peace and first in the hearts of his countrymen."

One suspects that these kids must have been in puckish mood, deliberately giving wrong answers. It is hard to believe, for instance,that anyone could get through grade school without knowing that Patrick Henry said, "Give me liberty or give me death." Yet there we have 34 percent of college seniors who purportedly do not know.

It is not that these kids have anything against the revolution. They are just as ill-informed about everything else.

A stock question in these surveys seems to be when the Civil War took place. Not precisely, of course, but within 50 years. The results are always shocking. This time there were five answers to choose from, starting with 1750–1800 and ending with the half-century now about to conclude. A pathetic 60 percent nailed it.

Applicants for American citizenship have to know more than plenty of these guys. A standard question for immigrants, for instance, is what the Emancipation Proclamation was all about, and there is no multiple choice. Of the students in this survey, 26 percent chose the right answer. Only 52 percent knew that the division of powers between the states and the federal government is spelled out in the Constitution.

Ask about anything—the Federalist Papers, Alexis de Tocqueville, the Scopes trial, the Monroe Doctrine—and a profound ignorance is revealed. Let us hope that Henry Ford was right when he said, "History is more or less bunk," and George Santayana was wrong when he said, "Those who cannot remember the past are condemned to repeat it."

Unfortunately, one suspects that Ford was about as good at philosophy as Santayana was at making cars.

While college seniors appear to be lacking in intellectual curiosity, today's sixth-graders, The New York Times reports, are under such pressure to excel in school that they study constantly and may "suffer tension headaches and bouts of anxiety."

Maybe everyone should make time to go see a movie.

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[From The Reporter, July 2, 2000]

### HISTORY 101: AMERICANS FLUNK WHEN IT COMES TO U.S. KNOWLEDGE

(By Amy Baumhardt)

If the words, "Give me liberty or give me death," sound only vaguely familiar, you apparently have plenty of company.

According to a recent survey, nearly 80 percent of seniors at 55 top colleges and universities—including Harvard and Princeton—received a D or F on a 34 question, high school level American history test. Yet, 98 percent were able to recognize the music of recording artist Snoop Doggy Dogg and 99 percent could identify cartoon characters Beavis and Butthead.

How is this possible? Sixth District Rep. Thomas Petri, R—Fond du Lac, is asking the same question.

Petri has joined with U.S. Sen. Joseph I. Lieberman, D–Conn., to announce the introduction of a resolution expressing "the importance and value of United States history" and calling on boards of trustees, college administrators and state officials to strengthen American history requirements.

On June 27, the Petri-Lieberman bill was introduced, urging colleges to take seriously the need to teach American history.

Petri said, "As we prepare to celebrate the Fourth of July, it is particularly appropriate to emphasize our need to know U.S. history.

He added, "A basic knowledge of United States history is essential to a full and informed participation in civic life. It is also the one bond that brings together our diverse peoples into a single nation with a common purpose."

Petri feels that "when we lose our civic memory, when we lose our understanding of the remarkable individuals, events and values that have shaped our experiment in self-government, we are losing much of what it means to be an American."

Local high school history teachers and college professors agree, to a point.

The consensus seems to be that history is obviously important. However, today's teachers are placing less of an emphasis on specific dates and times and more concentration on the overall impact history has on the lives of Americans.

"In my classroom, I teach my students historical concepts," said Lisa Steinacker, history teacher at Goodrich High School. "I think it gives kids a better understanding of why things are the way they are today."

At Ripon college, Professor Russell Blake shares the same philosophy.

"There needs to be an assurance that all citizens have some understanding of American history. However, I am not so much concerned that the students know exact dates but that they learn how to acquire historical knowledge."

Acquiring the knowledge doesn't seem to be a problem in the Fond du Lac area, especially on the high school level.

Steinacker was pleased to announce that history was the highest scoring subject on standardized tests for Fond du Lac students.

"I think that speaks highly for the K–12 curriculum in this area," she said.

Blake has no complaints on the college-end either.

"I think as a teacher, I will always have the wish that students would know more, but I have been a professor at Ripon since 1981 and have seen no decline in my students' performances," he said.

Perhaps Petri is correct in assuming the problems lies in the fact that many students, once they reach the college level, are no longer required to take U.S. history courses.

At present, students can graduate from 100 percent of the top colleges and universities in the nation without taking a single course in U.S. history. At 78 percent of the institutions, students are not required to take any history at all.

"The focus always seems to be on math and science," said Steinacker. "An understanding of history is important to be a well-rounded individual."

With the Fourth of July, the day of American independence, fast approaching, the need for historical understanding seems relevant to fully appreciate the holiday. Most of us enjoy a holiday on the Fourth, but do we know why?

Here's a quick history lesson:

Independence Day is the national holiday of the United States of America, commemorating this nation's split from England and the beginning of self government.

U.S. colonists were angered with King George III, due to England's "taxation without representation" policy. When nothing was done to change the situation, colonists took matters into their own hands.

In June 1776, a committee was formed to compose a formal declaration of independence. Headed by Thomas Jefferson, the committee included John Adams, Benjamin Franklin, Philip Livingston and Roger Sherman.

Together the men created the document that Americans still cherish and abide by today . . . the Declaration of Independence. The Continental Congress approved this document on July 4, 1776.

American history helps to define the nation's culture. It is not possible to bury the past if we hope to have a prosperous future.

Like Goodrich teacher Mike Dressler said last week. "The purpose of learning about history is so we don't repeat it."

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### EDUCATION: WHO'S BURIED IN GRANT'S TOMB? (A) BEAVIS AND BUTTHEAD, (B) LEE, (C) GRANT, (D) BRAINS OF TODAY'S COLLEGIANS

Like other Americans, many of this year's graduating seniors from the nation's top colleges and universities celebrated Independence Day with fireworks and barbecues. But according to a recent survey sponsored by the American Council of Trustees and Alumni, a Washington-based non-profit organization that promotes academic excellence in higher education, those graduates would have better spent the day learning what the Fourth of July means in history.

In the survey, the Roper organization last fall asked 556 seniors at the 55 highest-rated colleges and universities to complete a test on 34 high-school-level questions about American history. What do they know about their own country's past? Not much. Only one-third of the students could correctly answer more than 60 percent of the questions, even with a couple of pop-culture gimmes thrown in; just one correctly answered all of them. Overall, the average score was an appalling 53 percent.

How badly ignorant are the nation's young best and brightest about American history? Match yourself against the elite from Stanford, UC-Berkeley, UCLA, Harvard and other top colleges by taking the same test. Find out who are the real Yankee Doodle Dandies.

1. When was the Civil War?
   a. 1750–1800
   b. 1800–1850
   c. 1850–1900
   d. 1900–1950
   e. after 1950
2. Who said "Give me liberty or give me death"?
   a. John Hancock
   b. James Madison
   c. Patrick Henry
   d. Samuel Adams
3. What is the Magna Carta?
   a. The foundation of the British parliamentary system
   b. The Great Seal of the monarchs of England
   c. The French Declaration of the Rights of Man
   d. The charter signed by the Pilgrims on the Mayflower
4. The term Reconstruction refers to:
   a. Payment of European countries' debts to the United States after the First World War
   b. Repairing of the physical damage caused by the Civil War
   c. Readmission of the Confederate states and the protection of the rights of black citizens
   d. Rebuilding of the transcontinental railroad and the canal system
5. Are Beavis and Butthead . . .
   a. A radio show
   b. Television cartoon characters
   c. A musical group
   d. Fictional soldiers
6. The Scopes trial was about:
   a. Freedom of the press
   b. Teaching evolution in the schools
   c. Prayer in the schools
   d. Education in private schools
7. The Emancipation Proclamation issued by Lincoln stated that:
   a. Slaves were free in areas of the Confederate states not held by the Union
   b. The slave trade was illegal
   c. Slaves who fled to Canada would be protected
   d. Slavery was abolished in the Union
8. The purpose of the authors of the Federalist Papers was to:
   a. Establish a strong, free press in the colonies
   b. Confirm George Washington's election as the first president
   c. Win foreign approval for the Revolutionary War
   d. Gain ratification of the U.S. Constitution
9. Sputnik was the name given to the first:
   a. Telecommunications system
   b. Animal to travel into space
   c. Hydrogen bomb
   d. Man-made satellite.
10. The Missouri Compromise was the act that:
    a. Funded the Lewis and Clark expedition on the upper Missouri River
    b. Granted statehood to Missouri but denied the admission of any other states
    c. Settled the boundary dispute between Missouri and Kansas
    d. Admitted Maine into the Union as a free state and Missouri as a slave state
11. Which document established the division of powers between the states and the federal government?
    a. The Marshall Plan
    b. The Constitution
    c. The Declaration of Independence
    d. The Articles of Confederation
12. When was Thomas Jefferson president?
    a. 1780–1800
    b. 1800–1820
    c. 1820–1840
    d. 1840–1860
    e. 1860–1880
13. What was the lowest point in American fortunes in the Revolutionary War?
    a. Saratoga
    b. Bunker Hill
    c. Valley Forge
    d. Fort Ticonderoga
14. In his farewell address, President George Washington warned against the danger of:
    a. Expanding into territories beyond the Appalachian Mountains
    b. Having war with Spain over Mexico
    c. Entering into permanent alliances with foreign governments
    d. Building a standing army and strong navy
15. The Monroe Doctrine declared that:
    a. The American blockade of Cuba was in accord with international law
    b. Europe should not acquire new territories in Western Hemisphere
    c. Trade with China should be open to all Western nations
    d. The annexation of the Philippines was legitimate
16. Who was the European who traveled in the United States and wrote down perceptive comments about what he saw in "Democracy in America"?
    a. Lafayette
    b. Tocqueville
    c. Crevecoeur
    d. Napoleon
17. Identify Snoop Doggy Dog.
    a. A rap singer
    b. Cartoon by Charles Schultz
    c. A mystery series
    d. A jazz pianist
18. Abraham Lincoln was president between:
    a. 1780–1800
    b. 1800–1820
    c. 1820–1840
    d. 1840–1860
    e. 1860–1880
19. Who was the American general at Yorktown?
    a. William T. Sherman
    b. Ulysses S. Grant
    c. Douglas McArthur
    d. George Washington
20. John Marshall was the author of:
    a. Roe v. Wade
    b. Dred Scott v. Kansas
    c. Marbury v. Madison
    d. Brown v. Board of Education
21. Who was the "Father of the Constitution"?
    a. George Washington,
    b. Thomas Jefferson
    c. Benjamin Franklin
    d. James Madison
22. Who said, "I regret that I have only one life to give for my country"?
    a. John F. Kennedy
    b. Benedict Arnold
    c. John Brown
    d. Nathan Hale
23. What was the source of the following phrase: "Government of the people, by the people, for the people"?
    a. The speech: "I have a Dream"
    b. Declaration of Independence
    c. U.S. Constitution
    d. Gettysburg Address
24. Who was the second president of the U.S.?
    a. Thomas Jefferson
    b. James Madison
    c. John Adams
    d. Benjamin Franklin
25. Who was president when the U.S. purchased the Panama Canal?
    a. Theodore Roosevelt
    b. Jimmy Carter
    c. Franklin D. Roosevelt
    d. Woodrow Wilson
26. Who was the leading advocate for the U.S. entry into the League of Nations?
    a. George C. Marshall
    b. Woodrow Wilson
    c. Henry Cabot Lodge
    d. Eleanor Roosevelt
27. Who said, "Speak softly but carry a big stick"?
    a. William T. Sherman
    b. Sitting Bull
    c. John D. Rockefeller
    d. Theodore Roosevelt
28. The Battle of the Bulge occurred during:
    a. The Vietnam War
    b. World War II
    c. World War I
    d. The Civil War
29. Which of the following was a prominent leader of the Abolitionist Movement?
    a. Malcolm X
    b. Martin Luther King Jr.
    c. W.E.B. Du Bois
    d. Frederick Douglas
30. Who was the president of the United States at the beginning of the Korean War?
    a. John F. Kennedy
    b. Franklin D. Roosevelt
    c. Dwight Eisenhower
    d. Harry Truman
31. When the United States entered World War II, which two major nations were allied with Germany?
    a. Italy and Japan
    b. Italy and Poland
    c. Italy and Russia
    d. Russia and Japan
32. Social legislation passed under President Lyndon B. Johnson's Great Society program included:
    a. The Sherman Antitrust Act
    b. The Voting Rights Act
    c. The Tennessee Valley Authority
    d. The Civilian Conservation Corps
33. Who was "First in war, first in peace, first in the hearts of his countrymen?"
    a. George Washington
    b. Woodrow Wilson
    c. Dwight Eisenhower
    d. Abraham Lincoln
34. Who was the leader of the Soviet Union when the United States entered World War II?
    a. Peter Ustinov
    b. Nikita Khruschev
    c. Marshal Tito
    d. Joseph Stalin

The answers, along with the percentage of respondents who answered correctly:

1. C/60; 2. C/66; 3. A/56; 4. C/29; 5. B/99; 6. B/61; 7. A/26; 8. D/53; 9. D/89; 10. D/52; 11. B/60; 12.

B/45; 13. C/38; 14. C/52; 15. B/62; 16. B/49; 17. A/98; 18. E/44; 19. D/34; 20. C/33; 21. D/23; 22. D/40; 23. D/22; 24. C/73; 25. A/53; 26. B/69; 27. D/70; 28. B/37; 29. D/73; 30. D/35; 31. A/67; 32. B/30; 33. A/42; 34. D/72.

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### WE IGNORE HISTORY AT OUR OWN PERIL

Is it really surprising that 99 percent of college students can identify "Beavis and Butthead" as television cartoon characters but fail to identify key figures and concepts in American history?

The only eye-raising revelation in the study by the Center for Survey Research and Analysis at the University of Connecticut was that the students surveyed were seniors at the nation's top 55 top colleges and universities, including Harvard and Princeton.

Nearly 80 percent of the students received a D or F on a 34-question, high school level American history test. They had trouble identifying Valley Forge, words from the Gettysburg Address or the basic principles of the U.S. Constitution.

During this Independence Day weekend, this apparent ignorance takes on a greater significance as we ponder the words of Thomas Jefferson.

No. Not because Jefferson's DNA is being analyzed on Court TV over that nasty paternity battle. He was the principal author of the Declaration of Independence. Remember, "We the people . . ."

Naw. That guy Adams came up with the "We the people . . ." slogan. "We the people . . . in order to brew a tastier beer." That's Samuel Adams. We are talking about James Madison, the president and lead author of the Constitution and Bill of Rights.

Rep. Tom Petri, R-Fond du Lac, was among the four members of Congress last week that promises to introduce a resolution calling on boards of trustees, college administrators and state officials to strengthen American history requirements in all levels of the educational system.

A high percentage of colleges and universities don't require a single U.S. history class for graduation—lending an unusual understanding to the phrase "higher education." Even so, high school graduates should not get a degree unless they know the basics of American history.

"As we prepare to celebrate the Fourth of July, it is particularly appropriate to emphasize our need to know U.S. history," Petri said. "Without that familiarity, we lack an understanding and appreciation of the democratic principles which define and sustain us as a free people—namely liberty, justice, tolerance, government by the consent of the governed, and equality under the law."

Although the most a Congressional resolution can do is raise awareness, we were glad to see Petri help bring this troubling information to light.

Is it any wonder that we cannot get people to vote or involved in civic life?

We are not teaching our children why it is so absolutely important.

The final thought: Americans should be ashamed that so many young people are ignorant about U.S. history.

Madam Speaker, I reserve the balance of my time.

Mr. GEORGE MILLER of California. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise in support of Senate Concurrent Resolution 129, and I want to thank the gentleman from Wisconsin (Mr. PETRI) for bringing this to the floor.

We frequently hear concerns regarding the adequacy of education our children are receiving in the areas of math, science, and technology. Indeed, our committee, Congress, and the community as a whole currently focuses a great deal of attention on improving programs aimed at increasing the literacy of students in these subjects. We should, of course, continue to pursue excellence in the areas of math, science and technology, if we intend for the United States to remain a world leader in the increasingly competitive global economy.

However, is it not just as important that our citizens understand and appreciate the history of this great Nation, the democratic principles that define and sustain this Nation, such as liberty, justice, tolerance and equality under the law? For in the words of the third President of the United States, Thomas Jefferson, "If a Nation expects to be ignorant and free, it expects what never was and never will be."

However, as my colleague, the gentleman from Wisconsin (Mr. PETRI), has already stated, according to a recent study commissioned by the American Council of Trustees and Alumni, knowledge of American history in today's students is sorely lacking.

According to this study, which surveyed students from the top colleges and universities of this Nation, less than 20 percent of today's students could pass a high school level American history exam. Barely half possess the basic knowledge about American democracy and the Constitution.

We are not talking here about very difficult subjects, but we are talking about the great history of this country, the great history of the documents and theories of government that govern this Nation. We are talking about the roles of Thomas Jefferson, James Madison, George Washington, about the Constitution and the Declaration of Independence. These are basic fundamental tenets of this Nation. They are also basic and fundamental tenets that so many other nations aspire to, and yet we find out that knowledge of these documents and of this Nation's history is sorely lacking.

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The purpose of this resolution is to call attention to that problem and to try and get people to understand the need to pursue the knowledge of history in this country and the history of this Nation to better serve the Nation as we govern it.

I would like to thank the involvement of John Patrick Diggins, one of my former professors, at that time at San Francisco State who is now at the State University in New York, and I want to thank again my colleague, the gentleman from Wisconsin (Mr. PETRI) and Senator LIEBERMAN and Senator GORTON for introducing this legislation in the Senate, and I would hope that all of my colleagues would support it.

Madam Speaker, I reserve the balance of my time.

Mr. PETRI. Madam Speaker, I have no further requests for time.

Mr. SKEEN. Madam Speaker, I would like to take this opportunity to thank the House for the expedited consideration of Senate Concurrent Resolution 129, Expressing the sense of Congress regarding the importance and value of education in United States history. In the House of Representatives I had the honor of cosponsoring, along with four other members of Congress, Congressman PETRI's House Concurrent Resolution 366, our companion resolution.

In many ways this resolution could be one of the most important legislative efforts this Congress makes this year. What we are asking is for America's colleges and universities to review their curricula and add requirements in United States history. Many of us were shocked to find out that 100 percent of the nation's top institutions of higher learning no longer require United States history as a prerequisite to graduate. Almost as shocking is the 78 percent of schools that have eliminated any history requirements.

Related to this news was the fact that the Roper organization conducted a study of students from these institutions and found a shocking level of history illiteracy. In fact many could not answer history questions that are found on 8th grade tests. This is not good news for our nation. Our next generations deserve more guidance from us and that what this resolution calls for.

Our citizens, to fully participate in our government and in our civilization need to understand where this nation has been. They need to know the sacrifices our parents and grandparents made for our democracy. They need to be able to fully celebrate the historical successes we have had and they also need the knowledge to beware of the mistakes we have made as a nation. Many will say that history is cyclical. We still have much to learn as individuals and even more to learn as a nation. History education can teach us much. It will provide us with the information we need to pass on to the future generations. It will provide the road map for a great future. I am extremely proud to be a cosponsor of this important resolution.

Mr. KIND. Madam Speaker, this great country has an incredibly rich history. From the great Native American civilizations to the current era of global engagement, American history describes an incredible, sometimes turbulent journey toward the greatest democracy in the world. If the statistics cited in this bill are accurate, it is a shame so many of our college graduates know so little about that history.

I am proud to sit on the subcommittee on Higher Education, particularly since six universities are located in my district. It is important that we promote U.S. history in our colleges and universities to ensure that our future generations know we developed as a society and a culture. For example, the Constitution embodies our most cherished beliefs of democracy, liberty, justice, and equality. The fact that scarcely half of the college students recently tested knew even general information about the principles and institutions that make up the backbone of our country is sadly unacceptable. We cannot afford to have our colleges graduate historically illiterate citizens.

I admit I have a personal passion for history, and for me I benefit from working in Washington and city's close proximity to so many historical treasures. In particular I truly enjoy visiting the sites of the Civil War to pay homage to the men and women. Such opportunities have allowed me to actually experience parts of our history, and the excitement and interest of these places are only enhanced by reading about them and studying them beforehand.

I am also a student of European history, in particular, the history of 20th Century Europe. In this information age and new economy I would like to point out to college students that world history also remains important to their education. Learning the history of other cultures will greatly prepare them for their future in this rapidly changing world.

Improvement of education remains one of my top priorities in Congress. Therefore, I support this bill in order to encourage our college students to learn the history of their nation; a history that laid the foundation for their current and future opportunities.

Ms. JONES of Ohio. Madam Speaker, I rise today in support of S. Con. Res. 129, which recognizes the importance of education in U.S. History. Last week, we celebrated the 224th birthday of the United States. Within this historic context, this resolution is particularly fitting because throughout American history, education has enabled Americans to embrace opportunity.

For African-Americans, literacy was key to ending the bondage of slavery. For Americans of every background, education has been the key to escaping poverty. For this reason, we in Congress bear significant responsibility for increasing support to educational programs, such as Head Start, Title I, Pell Grants and other aid to college students, particularly students who are the first in their families to attend college. We know that disadvantaged students are more likely to drop out of high school and college without completing a degree. Yet, most jobs that pay a living wage now require knowledge of technology and training beyond high school. It is our responsibility as a wealthy nation to provide students with the support needed to graduate, join the economic mainstream and contribute to our national success story.

Moreover, in our current consideration of welfare reform, we have seen that targeted education and training can provide a leg up for working poor families to raise earnings and escape poverty. In the Eleventh Congressional District of Ohio, Cuyahoga Community College has done an excellent job of reaching out to adults in transition, and in preparing high school students for careers in technology. Around the country, community colleges enable disadvantaged people to realize their own potential and prepare to move into the economic mainstream.

The last seven years of prosperity we have enjoyed have not benefited everyone in our society. Education and training are the keys that will fling wide the portals of opportunity. America was founded on the principles of "Life, Liberty, and the Pursuit of Happiness." I salute our American history, and the key role of education to ensure opportunity for all.

Mr. PAUL. Madam Speaker, I rise to address two shortcomings of S. Con. Res. 129. I am certainly in agreement with the sentiments behind this resolution. The promotion of knowledge about, and understanding of, American history are among the most important activities those who wish to preserve American liberty can undertake. In fact, I would venture to say that with my work with various educational organizations, I have done as much, if not more, than any other member of Congress to promote the study of American history.

Unfortunately, while I strongly support efforts to increase the American public's knowledge of history, I cannot support a resolution claiming to encourage Americans to embrace their constitutional heritage, while its very language showcases a fundamental misunderstanding of the beliefs of America's founders and the drafters of the United States Constitution. Popular acceptance of this misunderstanding of the founders' thought is much more dangerous to American liberty than an inability to name the exact date of the Battle at Bunker Hill.

In particular, the resolution refers to American "democracy" and the "democratic" principles upon which this country was founded. However, this country was founded not as a democracy but as a constitutional republic. Madam Speaker, the distinction between a democracy and a republic is more than just a matter of semantics. The fundamental principle in a democracy is majority rule. Democracies, unlike republics, do not recognize fundamental rights of citizens (outside the right to vote) nor do they limit the power of the government. Indeed, such limitations are often scored as "intrusions on the will of the majority." Thus in a democracy, the majority, or their elected representatives, can limit an individual's right to free speech, defend oneself, form contracts, or even raise ones' children. Democracies recognize only one fundamental right: the right to participate in the choosing of their rulers at a pre-determined time.

In contrast, in a republic, the role of government is strictly limited to a few well-defined functions and the fundamental rights of individuals are respected. A constitution limiting the authority of central government and a Bill of Rights expressly forbidding the federal government from abridging the fundamental rights of a people are features of a republican form of government. Even a cursory reading of the Federalist Papers and other works of the founders shows they understood that obtaining the consent of 51 percent of the people does not in any way legitimize government actions abridging individual liberty.

Madam Speaker, the confusion over whether America is a democracy, where citizens' rights may be violated if the consent of 51 percent of the people may be obtained, or a republic, where the federal government is forbidden to take any actions violating a people's fundamental rights, is behind many of the flawed debates in this Congress. A constitutionally literate Congress that understands the proper function of a legislature in a constitutional republic would never even debate whether or not to abridge the right of self-defense, instruct parents how to raise and educate their children, send troops to intervene in distant foreign quarrels that do not involve the security of the country, or even deny entire classes of citizens the fundamental right to life.

Secondly, it is not the proper role of the United States Congress to dictate educational tenets to states and local governments. After all, the United States Constitution does not give the federal government any power to dictate, or even suggest, curriculum. Instead the power to determine what is taught in schools is reserved to states, local communities, and, above all, parents.

In conclusion, by mistaking this country's founding as being based on mass democracy rather than on republican principles, and by ignoring the constitutionally limited role of the federal government, this resolution promotes misunderstanding about the type of government necessary to protect liberty. Such constitutional illiteracy may be more dangerous than historical ignorance, since the belief that America was founded to be a democracy legitimizes the idea that Congress may violate people's fundamental rights at will. I, therefore, encourage my colleagues to embrace America's true heritage: a constitutional republic with strict limitations on the power of the central government.

Ms. SLAUGHTER. Madam Speaker, in 1988, National Endowment for the Humanities issued a report concluding that more than 80 percent of colleges and universities permitted students to graduate without taking a course in American history. Now, thirteen years later, standards have fallen even further with 78 percent of America's elite college and universities not requiring their student to take any history course at all. The results of this lackadaisical approach to learning and understanding our own country's history is devastating.

In a survey conducted by the American Council of Trustees and Alumni, only 23 percent of the students surveyed correctly identified James Madison as the "Father of the Constitution" while 54 percent incorrectly identified Thomas Jefferson. Unfortunately, the final results of the survey are equally embarrassing, with 65 percent of the students receiving a 59 percent or an "F" grade. This is unacceptable.

The poor performance of these students from America's top universities and colleges should serve as a wake-up call to Members of Congress that the academic quality of our history education programs is deteriorating to the point of no return.

But rather than take steps to improve these horrendous statistics with actual education reforms, the majority voted to slash teacher-training and student loan programs and recently rejected my amendment to moderately increase funding for the National Endowment for the Humanities, one of the only agencies that strives to preserve our nation's history through education.

I am a proud co-sponsor of S. Con. Res. 129 and I wholeheartedly agree that Congress needs to eradicate the profound historical illiteracy that currently plagues our nation's young people, but we can do better than to pass a "feel-good, do-nothing" resolution.

Mr. GEORGE MILLER of California. Madam Speaker, I yield back the balance of my time.

Mr. PETRI. Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. BIGGERT). The question is on the motion offered by the gentleman from Wisconsin (Mr. PETRI) that the House suspend the rules and concur in the Senate concurrent resolution, S. Con. Res. 129.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

## DESCHUTES RESOURCES CONSERVANCY REAUTHORIZATION ACT OF 1999

Mr. WALDEN of Oregon. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 1787) to reauthorize the participation of the Bureau of Reclamation in the Deschutes Resources Conservancy, and for other purposes.

The Clerk read as follows:

H.R. 1787

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Deschutes Resources Conservancy Reauthorization Act of 1999".

**SEC. 2. EXTENSION OF PARTICIPATION OF BUREAU OF RECLAMATION IN DESCHUTES RESOURCES CONSERVANCY.**

Section 301 of the Oregon Resource Conservation Act of 1996 (division B of Public Law 104–208; 110 Stat. 3009–534) is amended—

(1) in subsection (b)(3), by inserting before the period at the end the following: ", and up to a total amount of $2,000,000 during each of fiscal years 2002 through 2006"; and

(2) in subsection (h), by inserting before the period at the end the following: "and $2,000,000 for each of fiscal years 2002 through 2006".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Oregon (Mr. WALDEN) and the gentleman from California (Mr. GEORGE MILLER) each will control 20 minutes.

The Chair recognizes the gentleman from Oregon (Mr. WALDEN).

### GENERAL LEAVE

Mr. WALDEN of Oregon. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and insert extraneous material on H.R. 1787.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. WALDEN of Oregon. Madam Speaker, I yield myself such time as I may consume.

I appreciate the efforts of the gentleman from California (Mr. DOOLITTLE) and his staff in helping me to bring forward H.R. 1787, the Deschutes Resources Conservancy Reauthorization bill. I also appreciate the support of the gentleman from Oregon (Mr. DEFAZIO) and the gentleman from Oregon (Mr. BLUMENAUER) for this important bill.

The DRC is one of the best examples of a win-win program that I have ever seen. Because it is a consensus-based mission, it brings together central Oregonians from diverse backgrounds and should be the model for other resource management programs across our great country.

The DRC has brought together interests who have historically, at times, been at odds in competing for the limited supply of our resources. Board members include ranchers, the Bureau of Reclamation, the Oregon Department of Fish and Wildlife, the Warm Springs Tribes, the Forest Service, timber companies, developers and environmentalists, all working together and doing exceptional projects on the ground in central Oregon to improve water quality and water quantity.

The beauty of the DRC model is that they are taking scarce Federal dollars and then leveraging them with other grants to obtain the greatest impact. In 1999, the DRC leveraged its $450,000 appropriation to complete more than $2.1 million in on-the-ground restoration projects, more than a 4 to 1 ratio. These projects include piping irrigation district delivery systems to prevent water losses; securing in-stream water rights to restore flows to Squaw Creek; providing riparian fences to protect water banks; working with private timber landowners to restore riparian and wetland areas; and seeking donated water rights to enhance in-stream flows in the Deschutes River Basin.

Madam Speaker, I wholeheartedly support the reauthorization of this sound conservation program for another 5 years and support the increase of its reauthorization level. If the authorization level is increased as requested in this legislation, I do not have any objections to including the Department of Agriculture as an additional funding source.

Madam Speaker, I urge my colleagues to support this sound environmental legislation.

Madam Speaker, I reserve the balance of my time.

Mr. GEORGE MILLER of California. Madam Speaker, I yield myself such time as I may consume.

I want to thank the gentleman from Oregon for explaining this legislation. He has done more than an adequate job explaining the values of the Deschutes Resources Conservancy and I urge Members to support this legislation.

Madam Speaker, I yield back the balance of my time.

Mr. WALDEN of Oregon. Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Oregon (Mr. WALDEN) that the House suspend the rules and pass the bill, H.R. 1787.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

## WATER RESOURCES RESEARCH ACT REAUTHORIZATION

Mr. WALDEN of Oregon. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 4132) to reauthorize grants for water resources research and technology institutes established under the Water Resources Research Act of 1984.

The Clerk read as follows:

H.R. 4132

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. REAUTHORIZATION OF WATER RESOURCES RESEARCH ACT OF 1984.**

(a) WATER RESOURCES RESEARCH PROGRAM GRANTS.—Section 104(f)(1) of the Water Resources Research Act of 1984 (42 U.S.C. 10303(f)(1)) is amended by striking "$5,000,000 for fiscal year 1996, $7,000,000 for each of fiscal years 1997 and 1998, and $9,000,000 for each of fiscal years 1999 and 2000" and inserting "$9,000,000 for fiscal year 2001, $10,000,000 for each of fiscal years 2002 and 2003, and $12,000,000 for each of fiscal years 2004 and 2005".

(b) GRANTS FOR RESEARCH FOCUSED ON WATER PROBLEMS OF INTERSTATE NATURE.—The first sentence of section 104(g)(1) of such Act (42 U.S.C. 10303(g)(1)) is amended by striking "$3,000,000 for each of fiscal years 1996 through 2000" and inserting "$3,000,000 for fiscal year 2001, $4,000,000 for each of fiscal years 2002 and 2003, and $6,000,000 for each of fiscal years 2004 and 2005".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Oregon (Mr. WALDEN) and the gentleman from California (Mr. GEORGE MILLER) each will control 20 minutes.

The Chair recognizes the gentleman from Oregon (Mr. WALDEN).

### GENERAL LEAVE

Mr. WALDEN of Oregon. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 4132.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. WALDEN of Oregon. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, in partnership with the U.S. Geological Survey, the Water Resources Research Institutes have the capability to provide important support to the States in their long-term water planning, policy development and resources management efforts. The state water resources research institutes, under the authority of the Water Resources Research Act, have established an effective Federal-State partnership in water resources, education, and information transfer. These institutes are located in each of the 50 States, the District of Columbia, the Virgin Islands, Puerto Rico, and Guam/Federated States of Micronesia. They have worked with State and Federal agencies and water resources stakeholders in their home States for more than 3 decades while acting as a network for the exchange of water resources research and information transfer among States.

This legislation will reauthorize the Water Resources Research Act of 1984 for the fiscal years 2001 through 2005. It will provide increased funding for the water resources research program grants and provide an increase in the authorization for grants for research focused on water problems of an interstate nature.

We recognize the important role of these institutes and the role they play in our understanding of water policy and planning throughout the United States, and I urge passage of this legislation.

Madam Speaker, I reserve the balance of my time.

Mr. GEORGE MILLER of California. Madam Speaker, I yield myself such time as I may consume.

I rise in support of H.R. 4132, a bill to amend the Water Resources Research Act of 1984. This legislation extends the authorization's important program for 5 years and provides a modest increase in the authorization of appropriations. The water research program has provided us with extraordinary benefits for many years, and I would ask that all Members support the legislation.

Madam Speaker, I yield back the balance of my time.

Mr. WALDEN of Oregon. Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Oregon (Mr. WALDEN) that the House suspend the rules and pass the bill, H.R. 4132.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

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## CAHABA RIVER NATIONAL WILDLIFE REFUGE ESTABLISHMENT ACT

Mr. WALDEN of Oregon. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 4286) to provide for the establishment of the Cahaba River National Wildlife Refuge in Bibb County, Alabama, as amended.

The Clerk read as follows:

H.R. 4286

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

***SECTION 1. SHORT TITLE.***

*This Act may be cited as the "Cahaba River National Wildlife Refuge Establishment Act".*

***SEC. 2. FINDINGS.***

*The Congress finds the following:*

*(1) The Cahaba River in Alabama is recognized nationally for its unique biological diversity which includes providing habitat for 131 species of fish (more than any other river its size in North America).*

*(2) The Cahaba River is home to 64 rare and imperiled species of aquatic plants and animals, including fishes, freshwater turtles, mussels, and snails.*

*(3) The Cahaba River is home to 12 species of fish, mussels, and snails listed as endangered or threatened species.*

*(4) The Cahaba River is home to 6 terrestrial species of plants and animals listed as endangered or threatened species.*

*(5) The Cahaba River harbors the largest population in the world of the imperiled shoals lily, known locally as the Cahaba Lily.*

*(6) The Cahaba River watershed contains extremely rare plant communities that are home to 8 species of plants previously unknown to science and a total of 69 rare and imperiled species of plants.*

*(7) The Cahaba River is home to at least a dozen endemic aquatic animals that are found nowhere else in the world.*

*(8) The Cahaba River is the longest remaining free-flowing river in Alabama, flowing through 5 counties in central Alabama.*

*(9) The Cahaba River is recognized as an Outstanding Alabama Water by the Alabama Department of Environmental Management.*

*(10) The Cahaba River has high recreational value for hunters, anglers, birdwatchers, canoeists, nature photographers, and others.*

*(11) The Cahaba River Watershed supports large populations of certain game species, including deer, turkey, and various species of ducks.*

*(12) The Cahaba River area is deserving of inclusion in the National Wildlife Refuge System.*

***SEC. 3. DEFINITIONS.***

*In this Act:*

*(1) REFUGE.—The term "Refuge" means the Cahaba River National Wildlife Refuge established by section 4(a).*

*(2) SECRETARY.—The term "Secretary" means the Secretary of the Interior.*

***SEC. 4. ESTABLISHMENT OF REFUGE.***

*(a) ESTABLISHMENT.—*

*(1) IN GENERAL.—There is established in Bibb County, Alabama, the Cahaba National Wildlife Refuge, consisting of approximately 3,500 acres of Federal lands and waters, and interests in lands and waters, within the boundaries depicted upon the map entitled "Cahaba River National Wildlife Refuge–Proposed", dated April 10, 2000.*

*(2) BOUNDARY REVISIONS.—The Secretary may make such minor revisions of the boundaries of the Refuge as may be appropriate to carry out the purposes of the Refuge or to facilitate the acquisition of property within the Refuge.*

*(3) AVAILABILITY OF MAP.—The Secretary shall keep the map referred to in paragraph (1) available for inspection in appropriate offices of the United States Fish and Wildlife Service.*

*(b) EFFECTIVE DATE.—The establishment of the Refuge under paragraph (1) of subsection (a) shall take effect on the date the Secretary publishes, in the Federal Register and publications of local circulation in the vicinity of the area within the boundaries referred to in that paragraph, a notice that sufficient property has been acquired by the United States within those boundaries to constitute an area that can be efficiently managed as a National Wildlife Refuge.*

***SEC. 5. ACQUISITION OF LANDS AND WATERS.***

*(a) IN GENERAL.—The Secretary, subject to the availability of appropriations, may acquire up to 3,500 acres of lands and waters, or interests therein, within the boundaries of the Refuge described in section 4(a)(1).*

*(b) INCLUSION IN REFUGE.—Any lands, waters, or interests acquired by the Secretary under this section shall be part of the Refuge.*

***SEC. 6. ADMINISTRATION.***

*In administering the Refuge, the Secretary shall—*

*(1) conserve, enhance, and restore the native aquatic and terrestrial community characteristics of the Cahaba River (including associated fish, wildlife, and plant species);*

*(2) conserve, enhance, and restore habitat to maintain and assist in the recovery of animals and plants that are listed under the Endangered Species Act of 1973 (16 U.S.C. 1331 et seq.);*

*(3) in providing opportunities for compatible fish- and wildlife-oriented recreation, ensure that hunting, fishing, wildlife observation and photography, and environmental education and interpretation are the priority general public uses of the Refuge, in accordance with section 4(a)(3) and (4) of the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668ee(a)(3), (4)); and*

*(4) encourage the use of volunteers and to facilitate partnerships among the United States Fish and Wildlife Service, local communities, conservation organizations, and other non-Federal entities to promote public awareness of the resources of the Cahaba River National Wildlife Refuge and the National Wildlife Refuge System and public participation in the conservation of those resources.*

***SEC. 7. AUTHORIZATION OF APPROPRIATIONS.***

*There are authorized to be appropriated to the Secretary—*

*(1) such funds as may be necessary for the acquisition of lands and waters within the boundaries of the Refuge; and*

*(2) such funds as may be necessary for the development, operation, and maintenance of the Refuge.*

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Oregon (Mr. WALDEN) and the gentlewoman from Hawaii (Mrs. MINK) each will control 20 minutes.

The Chair recognizes the gentleman from Oregon (Mr. WALDEN).

### GENERAL LEAVE

Mr. WALDEN of Oregon. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 4286, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. WALDEN of Oregon. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, H.R. 4286, introduced by our colleagues, the gentleman from Alabama (Mr. BACHUS) and the gentleman from Alabama (Mr. RILEY) would establish the 3,500 acre Cahaba River National Wildlife Refuge in Bibb County, Alabama.

The Cahaba is the longest free-flowing river in Alabama and it may have the greatest concentration of fish biodiversity per mile of any river in the United States. It has been called "Alabama's rain forest" because it contains essential habitat for 69 rare and imperiled species and 131 species of fish. There are 13 species found nowhere else in the world but in the Cahaba River.

During the hearing on this bill, the subcommittee learned that only those landowners who are interested in selling their property were included within the proposed boundaries of the refuge. Furthermore, one of our witnesses, Ms. Wendy Allen of the Alabama Nature Conservancy testified that "This refuge represents an outstanding opportunity to protect some of the rarest species in the world via a remarkable public/private partnership."

The goals of this refuge would be to conserve native aquatic species, assist in the recovery of listed plants and animals, provide opportunities for wildlife-dependent recreation, and encourage partnerships and volunteers to assist in the operation of this refuge.

The Cahaba River is a unique, beautiful and pristine area that is worthy of refuge designation. I urge an "aye" vote on this important conservation measure, and I compliment the authors of this legislation for their outstanding leadership.

Madam Speaker, I reserve the balance of my time.

Mrs. MINK of Hawaii. Madam Speaker, I yield myself such time as I may consume.

I would like to take the time for the minority to speak in support of this legislation. This legislation is an important effort to establish a new National Wildlife Refuge in central Alabama along a 3½ mile reach of the Cahaba River.

The Cahaba River is a remarkable river in its biological diversity and concentration of rare endangered species. As examples, the Cahaba River Watershed provides habitat for 69 rare and imperiled aquatic species and 32 animal and plant species that are protected under the Endangered Species Act, including 13 endemic species that are found nowhere else in the world. This section of the Cahaba River should be added to the national wildlife refuge system to ensure its long-term protection.

H.R. 4286 was improved and clarified during its consideration by the Committee on Resources. I had the opportunity to sit in on the presentation of this bill by its sponsors. I am told the administration fully supports the enactment of H.R. 4286, and I urge my colleagues to vote "aye."

Madam Speaker, I yield back the balance of my time.

Mr. WALDEN of Oregon. Madam Speaker, I yield 4 minutes to the gentleman from Alabama (Mr. RILEY).

Mr. RILEY. Madam Speaker, I rise today in strong support of H.R. 4286, a bill that would establish the Cahaba River national wildlife refuge. I also wish to acknowledge efforts by the gentleman from Alabama (Mr. BACHUS), my good friend and colleague who has worked very hard to make this bill a reality.

The Cahaba River bill provides a rare opportunity for Congress to do something that is finally supported by environmentalists, industry groups, and all of our local municipalities. The Cahaba River runs through five counties in central Alabama, but as it meanders its way south of metropolitan Birmingham, water quality and habitat are adversely affected due to water degradation, siltation, and habitat destruction. Fortunately for all of us, this damage is not irreparable.

Right now, the Piper Bridge area of the third district of Alabama's Bibb County is used largely for silvaculture. In purchasing the land, the Federal Government would agree to maintain the area for public use and would ensure access.

The Cahaba River National Wildlife Refuge will conserve, enhance, and restore one of the most distinct and threatened rivers in the world. In its main stem, the Cahaba River is one of the most diverse rivers in North America, containing over 130 species. Of these species, 13 are found only in this river, and another 22 are believed to be seriously imperiled in this and other ecosystems.

□ 1430

These 3,500 acres are currently owned by four different landowners. All four have agreed to sell or convey the land, and all four have expressed their support for the national wildlife refuge. The approximate cost of $7 million, which will come out of the Land and Water Conservation Fund, is a relatively small sum for what we stand to gain.

Furthermore, it can be expected that this magnificent area will generate ecotourism revenue, which still remains a priority for many of us that represent rural districts.

Madam Speaker, I suggest that the return on investment for the wildlife refuge makes this one of the best deals before Congress this session. I would also like to invite all of my colleagues on either side of the aisle to view this river for themselves. There are few sites as moving, as stunningly beautiful, as the Cahaba River when it is covered by the Cahaba Lily in full bloom. It looks to be like a sheet of pure white over the river, while a multitude of creatures flourish beneath.

In closing, Madam Speaker, we must protect this most beautiful of rivers while we still have the opportunity, so I ask for the support of all my colleagues in the House in helping to preserve what I truly believe is a national treasure.

Mr. WALDEN of Oregon. Madam Speaker, I yield 5 minutes to the gentleman from Alabama (Mr. BACHUS).

Mr. BACHUS. Madam Speaker, I thank the gentleman for yielding time to me.

Madam Speaker, the Cahaba River has 131 species of fish, fresh water fish. That may not mean a lot, we have heard that figure twice today, but let me put that in comparison. That is more species of fresh water fish than the entire State of California. It has more mussels, more species of mussels, than Europe. It has, as the gentleman has already said, more endangered species among those 131 of any river in the United States.

But it goes beyond that. It has eight plants which had never been discovered. They were discovered on an expedition in 1992. It has more species of crayfish than any other river in the United States. So we are talking about a national treasure. We are talking about a national treasure that will not be here for our grandchildren unless we pass this bill.

The reason for that is that this river has been preserved along its lower course in its natural state until the past 5 or 10 years, as metropolitan Birmingham began to encroach on its watershed, and there was a tremendous amount of development in the upper watershed. In fact, today during the dry season as much as 99 percent of the water flow is diverted from the Cahaba River. That has had a tremendous negative impact on the lower stretches of the river.

Also, as this river becomes more and more known for its beauty, it has the largest stand of what is called aquatic lilies in the world. That has been advertised in the past 4 or 5 years. People have come down by the hundreds to view these lilies. Unfortunately, when they have come, they have actually gotten into the river and used crowbars and ripped some of these bulbs from the river, because this stand of lilies is in an area of the river that is owned by private landowners.

This has disturbed the people of Bibb County, who have enjoyed this beautiful river for years. The Bibb County Commission, the cities along the lower stretches of the river, and the landowners themselves all uniformly agreed that something needed to be done.

The Nature Conservancy, this is the national Nature Conservancy, they published a book in 1998, and in that they said, and I think this is something that all of us in Congress probably do not realize, and I know I did not, it said, "Few of us realize that the diversity of life in fresh water systems in the United States is exceptional, even when compared to the tropics. However, two centuries of dam construction, water withdrawals, land use alterations, pollution, and introduction of non-native species have led to the acceleration and in many cases irreparable losses of fresh water species."

They then went on to identify some watersheds that contain these endangered species. Unfortunately, this publication points out that Alabama leads the Nation in the number of species which are now extinct. Eight percent of the fresh water in the United States flows through Alabama. We have more passable rivers, more navigable rivers in miles, over 1,400, than any other State, but we have the dubious distinction of having the most extinct species.

We also have 69 that are endangered. Fortunately, almost all of those reside in this river. Almost all of those reside within this 15-mile stretch, so this piece of legislation is the first step in preserving this river and these species not only of fish but also of mussels and crayfish and other animals in the river from extinction. I would urge a "yes" vote.

Madam Speaker, in addition to my remarks, I would also like to express my sincere thanks to several people who have made this legislation a success.

Wendy Allen and the Members of The Nature Conservancy of Alabama.

Beth Stewart and the Members of the Cahaba River Society.

U.S. Alliance—Coosa Pines and the other private landowners who have been extremely supportive and patient throughout this entire process.

The Bibb County Commission and local Cahaba River Authority.

Commissioner Riley B. Smith of the Alabama Department of Conservation and Natural Resources, as well as, Majority Leader ARMEY for scheduling the bill on the Suspension Calendar today and Chairman DON YOUNG and Subcommittee Chair Mr. SAXTON for their support of this bill.

Mr. GEORGE MILLER of California. Madam Speaker, I yield myself such time as I may consume.

I think the Members obviously have made a compelling case, the case that we heard in committee for the protection of the Cahaba River. I would hope that all Members would support this legislation.

Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. WALDEN of Oregon. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. BIGGERT). The question is on the motion offered by the gentleman from Oregon (Mr. WALDEN) that the House suspend the rules and pass the bill, H.R. 4286, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

## NATIONAL WILDLIFE REFUGE SYSTEM CENTENNIAL ACT

Mr. WALDEN of Oregon. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4442) to establish a commission to promote awareness of the National Wildlife Refuge System among the American public as the System celebrates its centennial anniversary in 2003, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4442

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "National Wildlife Refuge System Centennial Act".

**SEC. 2. FINDINGS AND PURPOSES.**

(a) FINDINGS.—The Congress finds the following:

(1) President Theodore Roosevelt began the National Wildlife Refuge System by establishing the first refuge at Pelican Island, Florida, on March 14, 1903.

(2) The National Wildlife Refuge System is comprised of more than 93,000,000 acres of Federal lands managed by the United States Fish and Wildlife Service in more than 520 individual refuges and thousands of waterfowl production areas located in all 50 States and the territories of the United States.

(3) The System is the only network of Federal lands dedicated singularly to wildlife conservation and where wildlife dependent recreation and environmental education are priority public uses.

(4) The System serves a vital role in the conservation of millions of migratory birds, endangered species and threatened species, fish, marine mammals, and the habitats on which these species depend.

(5) Each year the System provides millions of Americans with opportunities to participate in wildlife-dependent recreation, including hunting, fishing, and wildlife observation.

(6) Public visitation to National Wildlife Refuges is growing, with more than 35,000,000 visitors annually. It is essential that visitor centers and public use facilities be properly constructed, operated, and maintained.

(7) The National Wildlife Refuge System Volunteer and Community Partnership Enhancement Act of 1998 (Public Law 105–242) significantly enhances the ability to incorporate volunteers and partnerships in refuge management.

(8) The System currently has an unacceptable backlog in critical operations and maintenance needs.

(9) The centennial anniversary of the System in 2003 offers an historic opportunity to appreciate these natural resources and expand public enjoyment of these lands.

(b) PURPOSES.—The purposes of this Act are the following:

(1) To establish a commission to promote awareness of the National Wildlife Refuge System among the American public as the System celebrates its centennial anniversary in 2003.

(2) To develop a long-term plan to meet the priority operations, maintenance, and construction needs of the System.

(3) To require each fiscal year an annual report prepared in the context of—

(A) the budget submission of the Department of the Interior to the President; and

(B) the President's budget request to the Congress.

(4) To improve public use programs and facilities of the System to meet the increasing needs of the public for wildlife-dependent recreation in the 21st century.

**SEC. 3. NATIONAL WILDLIFE REFUGE SYSTEM CENTENNIAL COMMISSION.**

(a) ESTABLISHMENT.—There is hereby established the National Wildlife Refuge System Centennial Commission (in this Act referred to as the "Commission").

(b) MEMBERS.—

(1) IN GENERAL.—The Commission shall be composed of the following members:

(A) The Director of the United States Fish and Wildlife Service.

(B) Up to 10 persons recommended by the Secretary of the Interior and appointed by the President.

(C) The chairman and ranking minority member of the Committee on Resources of the House of Representatives and of the Committee on Environment and Public Works of the Senate, the congressional representatives of the Migratory Bird Conservation Commission, and the Secretary of the Interior, who shall be ex-officio members.

(2) APPOINTMENTS.—Members of the Commission shall be appointed no later than 90 days after the effective date of this Act. Persons appointed by the President as members of the Commission may not otherwise be officers or employees of the Federal Government and shall, in the judgment of the President, represent the diverse beneficiaries of the System and have outstanding knowledge or appreciation of wildlife, natural resource management, or wildlife-dependent recreation. In making such appointments, the President shall make every effort to ensure that the views of the hunting, fishing, and wildlife observation communities are represented on the Commission.

(3) VACANCIES.—Any vacancy in the Commission—

(A) shall not affect its power or functions; and

(B) shall be expeditiously filled in the same manner as the original appointment.

(c) CHAIRPERSON.—The President shall appoint one of the members as the Chairperson of the Commission.

(d) BASIC PAY.—The members of the Commission shall receive no compensation for their service on the Commission.

(e) TRAVEL EXPENSES.—

(1) LEGISLATIVE BRANCH MEMBERS.—Members of the Commission from the legislative branch of the Government shall be allowed necessary travel expenses otherwise authorized by law for official travel.

(2) EXECUTIVE BRANCH MEMBERS.—Members of the Commission from the executive branch of the Government shall be allowed necessary travel expenses in accordance with section 5702 of title 5, United States Code.

(3) OTHER MEMBERS AND STAFF.—Members of the Commission appointed by the President and staff of the Commission may be allowed necessary travel or transportation expenses as authorized by section 5702 of title 5, United States Code.

(f) FUNCTIONS.—The Commission shall—

(1) prepare, in cooperation with Federal, State, local, and nongovernmental partners, a plan to commemorate the 100th anniversary of the beginning of the National Wildlife Refuge System on March 14, 2003;

(2) coordinate the activities of such partners undertaken pursuant to such plan; and

(3) plan and host, in cooperation with such partners, a conference on the National Wildlife Refuge System, and assist in the activities of such a conference.

(g) STAFF.—Subject to the availability of appropriations, the Commission may employ staff as necessary to carry out its functions.

(h) DONATIONS.—

(1) IN GENERAL.—The Commission may, in accordance with criteria established under paragraph (2), accept and use donations of money, personal property, or personal services.

(2) CRITERIA.—The Commission shall establish written criteria to be used in determining whether the acceptance of gifts or donations under paragraph (1) would—

(A) reflect unfavorably upon the ability of the Commission or any employee of the Commission to carry out its responsibilities or official duties in a fair and objective manner; or

(B) compromise the integrity or the appearance of the integrity of any person involved in those programs.

(i) ADMINISTRATIVE SUPPORT.—Upon the request of the Commission—

(1) the Secretary of the Interior, acting through the United States Fish and Wildlife Service, may provide to the Commission the administrative support services necessary for the Commission to carry out its responsibilities under this Act, including services related to budgeting, accounting, financial reporting, personnel, and procurement; and

(2) the head of any other appropriate Federal department or agency may furnish to the Commission such advice and assistance, with or without reimbursement, to assist the Commission in carrying out its functions.

(j) REPORTS.—

(1) ANNUAL REPORTS.—Not later than 1 year after the date of enactment of this Act, and annually thereafter, the Commission shall submit to the Congress an annual report of its activities and plans to Congress.

(2) FINAL REPORT.—Not later than September 30, 2004, the Commission shall submit to the Congress a final report of its activities, including an accounting of all funds received and expended by the Commission.

(k) TERMINATION.—

(1) IN GENERAL.—The Commission shall terminate upon the submission of its final report under subsection (j).

(2) DISPOSITION OF MATERIALS.—Upon termination of the Commission and after consultation with the Archivist of the United States and the Secretary of the Smithsonian Institution, the Secretary of the Interior—

(A) may deposit all books, manuscripts, miscellaneous printed matter, memorabilia, relics, and other similar materials of the Commission relating to the 100th anniversary of the National Wildlife Refuge System in Federal, State, or local libraries or museums or otherwise dispose of such materials; and

(B) may use other property acquired by the Commission for the purposes of the National Wildlife Refuge System, or treat such property as excess property.

**SEC. 4. FULFILLING THE PROMISE OF AMERICA'S NATIONAL WILDLIFE REFUGE SYSTEM: LONG-TERM PLANNING AND ANNUAL REPORTING REQUIREMENTS REGARDING THE OPERATIONS AND MAINTENANCE BACKLOG.**

(a) UNIFIED LONG-TERM PLAN.—No later than March 1, 2002, the Secretary of the Interior shall prepare and submit to the Congress and the President a unified long-term plan to address priority operations, maintenance, and construction needs of the National Wildlife Refuge System, including—

(1) priority staffing needs of the System; and

(2) operations, maintenance, and construction needs as identified in the Refuge Operating Needs System, the Maintenance Management System, the 5-year deferred maintenance list, the 5-year construction list, the United States Fish and Wildlife Service report entitled "Fulfilling the Promise of America's National Wildlife Refuge System", and individual refuge comprehensive conservation plans.

(b) ANNUAL SUBMISSION.—Beginning with the budget request for fiscal year 2003, the Secretary of the Interior shall prepare and submit in the context of each annual budget submission, a report that contains—

(1) an assessment of expenditures in the prior, current, and upcoming fiscal years to meet the operations and maintenance backlog as identified in the long-term plan under subsection (a); and

(2) transition costs in the prior, current, and upcoming fiscal years, as identified in the Department of the Interior analysis of newly acquired refuge lands, and a description of the method used to determine the priority status of these needs.

**SEC. 5. EFFECTIVE DATE.**

This Act shall become effective on January 20, 2001.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Oregon (Mr. WALDEN) and the gentleman from California (Mr. GEORGE MILLER) each will control 20 minutes.

The Chair recognizes the gentleman from Oregon (Mr. WALDEN).

Mr. WALDEN of Oregon. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, today we are considering H.R. 4442. This is the National Wildlife Refuge System Centennial Act. This legislation was introduced by the gentleman from New Jersey (Mr. SAXTON), along with a list of distinguished cosponsors, including the committee chairman, the gentleman from Alaska (Mr. YOUNG), and the ranking member, my colleague and friend, the gentleman from California (Mr. GEORGE MILLER).

This legislation recognizes a great achievement in conservation, 100 years of the National Wildlife System. While this is an important milestone, H.R. 4442 recognizes that we still have work ahead of us to reduce the operations and maintenance backlog within the refuge system. H.R. 4442 establishes a commission to plan activities to commemorate the 100th anniversary of this system. The bill also requires the Secretary to submit a comprehensive plan for addressing the maintenance and operations backlog within the refuge system.

This bill is supported by the administration and is noncontroversial. The American people deserve the finest refuge system in the world. I urge an aye vote on this important measure.

Madam Speaker, I reserve the balance of my time.

Mr. GEORGE MILLER of California. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I want to join my colleague from Oregon in calling for the support of this legislation to establish the Centennial Committee to coordinate the 100th anniversary of the refuge system.

Our National Wildlife Refuge system is one of the most magnificent land systems that we have in this country. It is the only system that we have where lands are set aside exclusively for the protection and conservation of fish, wildlife, and their habitats, and it is something that we can be very proud of as a nation. It is envied by countries all over the world for the foresight that so many people in different locations had to try and protect these available ecosystems and the refuge systems to protect fish and wildlife.

I also want to recognize that the workload of the Fish and Wildlife Service to manage these refuges has continued to soar as the public has continued to want to enjoy them, as they become outdoor schoolrooms for children to learn about fish and wildlife, for communities to learn about the interaction of fish and wildlife and our environment.

I want to thank the gentleman from Maryland (Mr. GILCHREST), the Audubon Society, and others for working out an amendment to the legislation with the Department of the Interior.

Mr. SAXTON. Madam Speaker, I am pleased that today the House is considering H.R. 4442, the National Wildlife Refuge System Centennial Act. I am joined in this important effort by 17 cosponsors, including the distinguished Chairman of the House Resources Committee, DON YOUNG, the Ranking Democratic Member of the Committee, GEORGE MILLER, the Ranking Democratic Subcommittee Member, ENI FALEOMAVAEGA, the Dean of the House of Representatives, JOHN DINGELL, and our colleague, DUKE CUNNINGHAM.

Since becoming Chairman of the House Subcommittee on Fisheries Conservation, Wildlife and Oceans, I have held many hearings on the operation, maintenance, and management of our nation's National Wildlife Refuge System. This unique system of Federal lands provides essential habitat for hundreds of fish and wildlife species, including more than 258 species listed as threatened or endangered under the Endangered Species Act.

The first wildlife refuge was created at Pelican Island, Florida, in 1903 by President Theodore Roosevelt. Today the System has 521 refuges and 38 wetland management districts, which are located in all 50 States and the 9 Commonwealths, Territories, and island possessions. These units range in size from the smallest of less than one acre, the Mille Lacs National Wildlife Refuge in Minnesota, to the largest of 19.3 million acres in the Arctic National Wildlife Refuge in Alaska. Money for refuge land acquisition primarily comes from the Land and Water Conservation Fund and the Migratory Bird Conservation Fund.

During the past five years, my Subcommittee has taken a leadership role in approving legislation to improve our National Wildlife Refuge System. Without question, the most important change was the enactment of the National Wildlife Refuge System Improvement Act of 1997. This landmark Act, P.L. 105–57, was sponsored by Chairman DON YOUNG and, for the first time, it created a comprehensive "organic law" governing the management of the world's largest and most diverse network of lands devoted to fish and wildlife. This historic measure also created a statutory shield to ensure that hunting and fishing and other forms of wildlife-dependent recreation will continue within the Refuge System, and it facilitates these traditional activities where compatible with conservation.

The second improvement, which I was honored to sponsor, was the National Wildlife Refuge System Volunteer and Community Partnership Enhancement Act. This legislation will improve the infrastructure of the Refuge System by encouraging volunteer activities. In 1999, over 28,000 individuals volunteered more than 1.3 million hours, which was worth more than $11 million in services. These services included staffing visitors centers, conducting hunter safety classes, landscaping, and operating heavy equipment. My bill, which was signed into law on October 5, 1998, and will encourage additional volunteers by establishing up to 20 pilot projects for the purpose of hiring full-time volunteer coordinators. It also made it easier for interested individuals and groups to donate money or services to a particular refuge.

Finally, during the past four years, a bipartisan group of Members, including myself, DON YOUNG, GEORGE MILLER, ENI FALEOMAVAEGA, NEIL ABERCROMBIE, JOHN DINGELL, and others have vigorously lobbied the House Appropriations Committee to increase funding to reduce the Refuge System's operations and maintenance backlog. Together with the Cooperative Alliance for Refuge Enhancement [CARE], we were successful in persuading our Appropriations colleagues to increase funding for this account by $86 million, which is a down payment on the maintenance backlog. While these increases were significant, there is much work to be done to reach the goal of having a fully operational Refuge System by 2003.

The legislation we are considering today recognizes the vital importance of the Refuge System and the fact that the System will celebrate its Centennial Anniversary in three years. Under the terms of this bill, a Commission will be established to promote awareness of the System; develop a long-term plan to meet the priority operations, maintenance and construction needs of the System; and to improve public use programs and facilities.

The National Wildlife Refuge System Centennial Commission would be composed of 11 voting members, including the Director of the U.S. Fish and Wildlife Service. In addition, the Chairman and Ranking Minority Members of the House Resources and Senate Environment and Public Works Committees, plus the Congressional Members of the Migratory Bird Conservation Commission, would serve as ex officio members.

The Commission would be charged with the responsibility for preparing a plan to commemorate the 100th Anniversary of the System, coordinating activities to celebrate that event, and hosting a conference on the National Wildlife Refuge System. The Commission would issue annual reports and would terminate no later than September 30, 2004.

Finally, this bill directs the Secretary of the Interior to prepare and submit to the Congress a long-term plan to address priority operations, maintenance, and construction needs of the National Wildlife Refuge System.

Madam Speaker, the American people deserve the finest Refuge System in the world. This bill is supported by the Administration and is noncontroversial. It is an appropriate next step in our efforts to ensure that the legacy of Theodore Roosevelt, one of our nation's greatest conservationists, will live on in the years ahead.

Again, I want to thank my distinguished colleagues for joining with me in this endeavor, and I urge enthusiastic support for the National Wildlife Refuge System Centennial Act.

Mr. KIND. Madam Speaker, I wish to voice my strong support for H.R. 4442, The National Wildlife Refuge System Centennial Act. My congressional district in western Wisconsin has more miles along the Mississippi River than another other district in the basin. My district is also home to the Upper Mississippi River National Wildlife and Fish Refuge, a refuge whose 200,000 acres extend 261 miles southward from Wabasha, Minnesota to just north of Rock Island, Illinois.

The Upper Mississippi Refuge lies at the heart of an area that serves as a migratory flyway for 40 percent of North America's waterfowl. It provides habitat for some 292 species of birds, 57 species of mammals, 37 species of amphibians and reptiles, and 118 species of fish. Moreover, it is the most widely used of all our National Wildlife Refuges, attracting roughly 3.5 million visitors a year—more than Yellowstone National Park.

Despite this fact, the Upper Mississippi Refuge currently lacks a full-time refuge manager. The nation's busiest refuge does not have a visitor center and there is only one handicapped boat landing along the entire border of the refuge.

I support Mr. SAXTON's National Wildlife Refuge System Centennial Act of 2000 because it will draw much needed public attention to the rich resources and the serious needs of Region 3 refuges as well as others across the nation. H.R. 4442 endorses Secretary Babbitt's directive to the Fish and Wildlife Service to develop a long-term plan to address the priority operations, maintenance, and construction needs of the Refuge System. This legislation goes a long way toward ensuring that the Refuge System will remain strong and vital for many years to come.

I urge my colleagues in the House to vote in favor of H.R. 4442.

Mr. HOLT. Madam Speaker, March 14, 2003 will mark a milestone in the history of wildlife in America—the centennial anniversary of the National Wildlife Refuge System.

When President Theodore Roosevelt set aside tiny Pelican Island on Florida's East Coast for birds nearly a century ago, he began a conservation legacy that now spans 93 million acres across the United States and its territories.

The National Wildlife Refuge System is America's only network of federal lands dedicated specifically to wildlife conservation, representing a steadfast commitment to protecting our wildlife heritage.

This vast network of strategically located habitats protect hundreds of endangered species, serves as stepping stones for millions of migratory birds and conserves our premier fisheries.

Incredibly, one of these stepping stones lies just 26 miles west of New York City's Times Square. The Great Swamp National Wildlife Refuge in Morris County, New Jersey, which is just north of my district, was established in 1960.

This 7,500-acre refuge consists of swamp woodland, hardwood ridges and cattail marsh. In the heart of one of the most densely populated areas in the world, the Refuge is home to more than 220 species of birds, as well as white tail deer, mink, beaver, river otter and coyote.

As development and sprawl continue to swallow more and more of our nation's critical wildlife habitat, we need to ensure that refuges like the Great Swamp continue to thrive. I have worked with my colleagues in Congress to protect our irreplaceable ecosystems by reinstating full state funding in Land and Water Conservation Fund. We are now setting aside proceeds from offshore oil drilling to protect our open spaces.

H.R. 4442, the National Wildlife Refuge System Centennial Act would greatly help improve the operations, maintenance and expansion of the refuge system to ensure that wildlife gets the protection it deserves. The refuge system currently has a $1 billion operations backlog and a $800 million maintenance backlog. H.R. 4442 would require the Secretary of the Interior to prepare and submit to Congress a long term plan to address these deficiencies and outline system expansion

Maybe most importantly, however, this legislation would establish a commission to commemorate the 100th anniversary of the refuge system. This would be instrumental in broadening public understanding and appreciation of protecting our wildlife heritage.

I strongly urge all of my colleagues to support this important legislation.

Mr. GEORGE MILLER of California. Madam Speaker, I urge support for this legislation, and I yield back the balance of my time.

Mr. WALDEN of Oregon. Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Oregon (Mr. WALDEN) that the House suspend the rules and pass the bill, H.R. 4442, as amended.

The question was taken.

Mr. WALDEN of Oregon. Madam Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

## SENSE OF THE HOUSE REGARDING ESTABLISHING A NATIONAL OCEAN DAY

Mr. WALDEN of Oregon. Madam Speaker, I move to suspend the rules and agree to the resolution (H. Res. 415) expressing the sense of the House of Representatives that there should be established a National Ocean Day to recognize the significant role the ocean plays in the lives of the Nation's people and the important role the Nation's people must play in the continued life of the ocean, as amended.

The Clerk read as follows:

*H. Res. 415*

*Whereas the oceans cover 71 percent of the Earth's surface and are key to the life support systems for all creatures on this planet;*

*Whereas the oceans contain a wondrous abundance and diversity of life, from the smallest microorganism to the mammoth blue whale;*

*Whereas ⅔ of the world's people live within 50 miles of a coast and 1 out of 6 American jobs are in fishing, shipping, or tourism;*

*Whereas the oceans provide almost limitless opportunities for exploration and discovery, and could supply a key source of life-saving medicines and treatments;*

*Whereas oceanography has contributed to an understanding of global climate change and the effects of the ocean on climate and weather, which inevitably has an impact on safety and quality of life;*

*Whereas efforts are underway to develop a new ocean monitoring system that will give us a better understanding of the critical relationship between oceans and global climate change;*

*Whereas a deepened understanding of the seas will enable us to track marine mammals, predict deadly storms such as those associated with El Niño, detect illegal fishing, and gain new insights into the complexities of climate change;*

*Whereas the oceans and coastal areas supply vital sources of food upon which people depend and that could be deteriorated by poor stewardship;*

*Whereas decades of pollution from industrial waste, sewage, and toxic runoff have taken their toll on the health of the oceans and on the marine life in them;*

*Whereas recent studies suggest that nearly 60 percent of the world's coral reefs, the "rainforests of the sea", are being degraded or destroyed by human activities and ten percent of the reefs may already be degraded beyond recovery;*

*Whereas fisheries and the food and products they produce are essential to the world's economy and steps should be taken to ensure that they do not become overexploited;*

*Whereas in the 21st century, people will look increasingly to the oceans to meet their everyday needs;*

*Whereas the oceans' resources are limited, and nations must work together to conserve them;*

*Whereas the oceans are the core of our own humanity, a treasure shared by all nations of the world, and our stewardship of this resource is our responsibility to our children, grandchildren, and all of Earth's inhabitants;*

*Whereas June 8th was declared Oceans Day at the Earth Summit Conference in Rio de Janeiro in 1992 and similar declarations have been made by individual nations;*

*Whereas the State of Hawaii has designated the first Wednesday of June as Ocean Day, in recognition of the very significant role the ocean plays in the lives of Hawaii's people, as well as Hawaii's culture, history, and traditions; and*

*Whereas the establishment of a National Ocean Day will raise awareness of the vital role oceans play in human life and that human beings must play in the life of the ocean: Now, therefore, be it*

*Resolved,* That it is the sense of the House of Representatives that a National Ocean Day should be established to recognize the significant role the ocean plays in the lives of the Nation's people, and the important role the Nation's people must play in the continued life of the ocean.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Oregon (Mr. WALDEN) and the gentleman from American Samoa (Mr. FALEOMAVAEGA) each will control 20 minutes.

The Chair recognizes the gentleman from Oregon (Mr. WALDEN).

### GENERAL LEAVE

Mr. WALDEN of Oregon. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on House Resolution 415, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. WALDEN of Oregon. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I am pleased today that the House is considering House Resolution 415. This is a resolution expressing the sense of the House of Representatives that a National Oceans Day should be established to recognize the significant role the ocean plays in our lives, that the ocean's resources are limited, and therefore, nations must work together to conserve them.

The oceans will continue to play an important role in the lives of our Nation's people, especially as the population grows. Currently, more than 50 percent of the Nation's population lives in the coastal areas of the United States, and one out of six American jobs is in fishing, shipping, or tourism. Yet, we do not have a full understanding of the oceans and their resources, upon which we rely so heavily.

Declaring a National Oceans Day would draw the public's attention to the importance of their relationship to the ocean, and more importantly, to the need for responsible stewardship. Internationally there has been recognition of the importance of the oceans, and the State of Hawaii has led the way in this country by declaring a day in June as Ocean Day.

Madam Speaker, I believe we should as a nation join in celebrating the significance of our oceans. I urge the House to support this resolution.

Madam Speaker, I reserve the balance of my time.

Mr. FALEOMAVAEGA. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise today in support of House Resolution 415, a resolution expressing the sense of the House of Representatives that there should be established a National Oceans Day to recognize the significant role the oceans play in our lives today and in the years to come.

I certainly want to thank the gentlewoman from Hawaii (Mrs. MINK) for introducing this legislation. I also want to thank the committee chairman, the gentleman from Alaska (Mr. YOUNG), and our ranking Democrat member, the gentleman from California (Mr. GEORGE MILLER), for their support of this resolution.

Madam Speaker, as we toil away in our offices today in Washington, D.C., it is quite easy to forget just how dependent we are on the world's oceans. With two-thirds of the Earth's surface covered with water, mostly oceans, they have a significant impact on our daily lives and everyone on this planet. The oceans' ability to retain heat longer than land masses provides a steady influence on daily temperature changes, and the energy generated by hurricanes and cyclones is felt throughout the equatorial regions, as well as through the subtropical zones.

Small increases in temperature could melt large amounts of ice at the poles. This will have an impact on coastal areas and an enormous impact on some small island countries in the Pacific, as well as in the Atlantic region, possibly totally submerging some of these atolls.

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Madam Speaker, the ocean also provides substance to much of the world's population through seafood and shellfish. In 1999, and for the 10th consecutive year, and for the information of my colleagues, the value of the volume of fish and shellfish imported into the United States now is at a record of over $9 billion, approximately 3.9 billion pounds.

The recreation and employment provided by the world's oceans are also significant. Coming from a small island community, Madam Speaker, I am intimately familiar with the ocean and am constantly reminded of the influence it has upon all of us. Passage of this resolution can serve as an annual reminder to all of us as to the important role the oceans play in our lives.

Madam Speaker, as the world's population develops in further appreciation of this important role, we can hope that the human race will treat the oceans with more respect, thereby maintaining this most important, valuable resource in our planet today.

Madam Speaker, I urge my colleagues to support this resolution.

Madam Speaker, I reserve the blance of my time.

Mr. WALDEN of Oregon. Madam Speaker, I have no one else to speak on this, and I continue to reserve the balance of my time.

Mr. FALEOMAVAEGA. Madam Speaker, it is my pleasure and honor to yield such time as she may consume to the gentlewoman from Hawaii (Mrs. MINK), who is the chief sponsor of this resolution.

Mrs. MINK of Hawaii. Madam Speaker, I rise today in support of House Resolution 415 which expresses the sense of Congress that a National Ocean Day should be established in recognition of the vital role that the ocean plays in the lives of our Nation's people and the significant impact our people have on the health of this essential resource.

I want to take this time to thank the chairman of this committee, the gentleman from Alaska (Mr. YOUNG); the ranking member, the gentleman from California (Mr. GEORGE MILLER) of the Committee on Resources; the gentleman from New Jersey (Mr. SAXTON); the ranking member, the gentleman from American Samoa (Mr. FALEOMAVAEGA) of the Subcommittee on Fisheries Conservation, Wildlife and Oceans for their efforts in bringing this bill to the floor today.

The oceans cover 71 percent of the Earth's surface and are key to the life support systems for all creatures on our planet. The oceans contain a wondrous abundance and diversity of life, and two-thirds of the world's people live within 50 miles of a coast and one out of six American jobs are marine related.

On June 8, the Earth's Summit Conference convened in Rio de Janeiro on 1992 and declared Oceans Day as part of the recognition of the importance of this resource and similar declarations have been made by other countries.

My own State followed suit shortly afterwards and declared the first Wednesday of June as Oceans Day in recognition of the significant role that oceans play in the lives of the people of my State.

So the adoption of this resolution will encourage the declaration of Oceans Day for the United States, and I hope that this resolution will pass.

The support of human existence by the oceans goes well beyond fisheries and other coastal resources. Oceanic research has contributed greatly to our understanding of global warming and of the effects of the ocean on climate and weather. Sea surface temperatures have a major effect on atmospheric circulation, warming and cooling trends brought on by the ocean currents like El Nino and La Nina have significant effects on the amount of rainfall, severity of storms and global temperatures. The warming caused by greenhouse gas emissions also affects the temperatures of the ocean.

We take the riches of the ocean for granted at our peril. This incredibly rich resource is neither inexhaustible nor immune to the actions of humankind. Poor stewardship of the oceans pollutes beaches, contaminates the food supply and robs people of a precious resource that they depend upon.

More than two-thirds of the world's fisheries are over exploited and more than a third of the world's fisheries are in a state of decline. Nearly 60 percent of the oceans' coral reefs, the rain forests of the sea, are degraded and destroyed by human activities.

In the 21st century, people will look increasingly to the resources of the oceans to meet its need. It is vital that the United States take the lead in ensuring that the oceans are recognized for its importance and protected so that its riches can be enjoyed and available for future declarations.

Madam Speaker, I urge my colleagues to vote for this resolution.

Mr. GEORGE MILLER of California. Madam Speaker, I support H. Res. 415 and urge all Members to do the same. The oceans are vital to the welfare of this Nation and its people. The idea of taking one day annually to remind people why they need to appreciate our oceans and coasts should attract broad bipartisan support.

Much of today's public awareness in the environment is attributed to the establishment 30 years ago of the first Earth Day. But as much as I applaud the success of Earth Day, it is my impression that we can and should do more to inform the public about the many threats confronting our oceans and coasts.

I have been encouraged by recent efforts of the Clinton administration that have focused public attention on ocean issues such as the International Year of the Reef in 1997, and the International Year of the Ocean in 1998. But it appears to me that an annual event to rally public support and interest in the oceans is needed if we are to sustain long-term public awareness.

H. Res. 415 would be a very helpful step in that direction, and I commend our colleague from Hawaii, Congresswoman PATSY MINK, for proposing this resolution. I also commend the Chairman of the Fisheries Subcommittee, Mr. SAXTON, and the ranking Democrat, Mr. FALEOMAVAEGA, for their support and cooperation in fine-tuning the resolution while it was under consideration by the Resources Committee. I urge all Members to support this bipartisan resolution.

Mr. FALEOMAVAEGA. Madam Speaker, I have no further speakers, and I yield back the balance of my time.

Mr. WALDEN of Oregon. Madam Speaker, I have no other speakers, and I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. BIGGERT). The question is on the motion offered by the gentleman from Oregon (Mr. WALDEN) that the House suspend the rules and agree to the resolution, H. Res. 415, as amended.

The question was taken.

Mrs. MINK of Hawaii. Madam Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8, rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

## GRIFFITH PROJECT PREPAYMENT AND CONVEYANCE ACT

Mr. WALDEN of Oregon. Madam Speaker, I move to suspend the rules and pass the Senate bill (S. 986) to direct the Secretary of the Interior to convey the Griffith Project to the Southern Nevada Water Authority.

The Clerk read as follows:

S. 986

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Griffith Project Prepayment and Conveyance Act".

**SEC. 2. DEFINITIONS.**

In this Act:

(1) The term "Authority" means the Southern Nevada Water Authority, organized under the laws of the State of Nevada.

(2) The term "Griffith Project" means the Robert B. Griffith Water Project, authorized by and constructed pursuant to the Southern Nevada Water Project Act, Public Law 89-292, as amended, (commonly known as the "Southern Nevada Water Project Act") (79 Stat. 1068), including pipelines, conduits, pumping plants, intake facilities, aqueducts, laterals, water storage and regulatory facilities, electric substations, and related works and improvements listed pursuant to "Robert B. Griffith Water Project (Formerly Southern Nevada Water Project), Nevada: Southern Clark County, Lower Colorado Region Bureau of Reclamation", on file at the Bureau of Reclamation and all interests in land acquired under Public Law 89–292, as amended.

(3) The term "Secretary" means the Secretary of the Interior.

(4) The term "Acquired Land(s)" means all interests in land, including fee title, right(s)-of-way, and easement(s), acquired by the United States from non-Federal sources by purchase, donation, exchange, or condemnation pursuant to Public Law 89–292, as amended for the Griffith Project.

(5) The term "Public Land" means lands which have never left Federal ownership and are under the jurisdiction of the Bureau of Land Management.

(6) The term "Withdrawn Land" means Federal lands which are withdrawn from settlement, sale, location of minerals, or entry under some or all of the general land laws and are reserved for a particular public purpose pursuant to Public Law 89–292, as amended, under the jurisdiction of the Bureau of Reclamation, or are reserved pursuant to Public Law 88–639 under the jurisdiction of the National Park Service.

**SEC. 3. CONVEYANCE OF GRIFFITH PROJECT.**

(a) IN GENERAL.—In consideration of the Authority assuming from the United States all liability for administration, operation, maintenance, and replacement of the Griffith Project and subject to the prepayment by the Authority of the Federal repayment amount of $121,204,348 (which amount shall be increased to reflect any accrued unpaid interest and shall be decreased by the amount of any additional principal payments made by the Authority after September 15, 1999, prior to the date on which prepayment occurs), the Secretary shall, pursuant to the provisions of this Act—

(1) convey and assign to the Authority all of the right, title, and interest of the United States in and to improvements and facilities of the Griffith Project in existence as of the date of this Act;

(2) convey and assign to the Authority all of the right, title, and interest of the United States to Acquired Lands that were acquired for the Griffith Project; and

(3) convey and assign to the Authority all interests reserved and developed as of the date of this Act for the Griffith Project in lands patented by the United States.

(b) Pursuant to the authority of this section, from the effective date of conveyance of the Griffith Project, the Authority shall have a right of way at no cost across all Public Land and Withdrawn Land—

(1) on which the Griffith Project is situated; and

(2) across any Federal lands as reasonably necessary for the operation, maintenance, replacement, and repair of the Griffith Project, including existing access routes.

Rights of way established by this section shall be valid for as long as they are needed for municipal water supply purposes and shall not require payment of rental or other fee.

(c) Within twelve months after the effective date of this Act—

(1) the Secretary and the Authority shall agree upon a description of the land subject to the rights of way established by subsection (b) of this section; and

(2) the Secretary shall deliver to the Authority a document memorializing such rights of way.

(d) REPORT.—If the conveyance under subsection (a) has not occurred within twelve months after the effective date of this Act, the Secretary shall submit to Congress a report on the status of the conveyance.

**SEC. 4. RELATIONSHIP TO EXISTING CONTRACTS.**

The Secretary and the Authority may modify Contract No. 7–07–30–W0004 and other contracts and land permits as necessary to conform to the provisions of this Act.

**SEC. 5. RELATIONSHIP TO OTHER LAWS AND FUTURE BENEFITS.**

(a) If the Authority changes the use or operation of the Griffith Project, the Authority shall comply with all applicable laws and regulations governing the changes at that time.

(b) On conveyance of the Griffith Project under section 3 of this Act, the Act of June 17, 1902 (43 U.S.C. 391 et seq.), and all Acts amendatory thereof or supplemental thereto shall not apply to the Griffith Project. Effective upon transfer, the lands and facilities transferred pursuant to this Act shall not be entitled to receive any further Reclamation benefits pursuant to the Act of June 17, 1902, and all Acts amendatory thereof or supplemental thereto attributable to their status as a Federal Reclamation Project, and the Griffith Project shall no longer be a Federal Reclamation Project.

(c) Nothing in this Act shall transfer or affect Federal ownership, rights, or interests in Lake Mead National Recreation Area associated lands, nor affect the authorities of the National Park Service to manage Lake Mead National Recreation Area including lands on which the Griffith Project is located consistent with the Act of August 25, 1916 (39 Stat. 535), Public Law 88–639, October 8, 1964 (78 Stat. 1039), or any other applicable legislation, regulation, or policy.

(d) Nothing in this Act shall affect the application of Federal reclamation law to water delivered to the Authority pursuant to any contract with the Secretary under section 5 of the Boulder Canyon Project Act.

(e) Effective upon conveyance of the Griffith Project and acquired interests in land under section 3 of this Act, the United States shall not be liable for damages of any kind arising out of any act, omission, or occurrence based on its prior ownership of the conveyed property.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Oregon (Mr. WALDEN) and the gentleman from American Samoa (Mr. FALEOMAVAEGA) each will control 20 minutes.

The Chair recognizes the gentleman from Oregon (Mr. WALDEN).

GENERAL LEAVE

Mr. WALDEN of Oregon. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on S. 986.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. WALDEN of Oregon. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, S. 986 was introduced by Senator REID of Nevada and a companion bill was introduced by our friend and colleague, the gentleman from Nevada (Mr. GIBBONS) on May 5 of 1999.

This legislation provides for the Southern Nevada Water Authority to accept responsibility for administration, operation and maintenance of the Griffith Project and to pay the net present value of the remaining repayment obligation. In addition, the bill directs the Secretary to convey and assign to the authority all right, title and interest of the United States in and to the Griffith Project.

The Griffith Project forms an integral part of a much larger water delivery system built separately by the Southern Nevada Water Authority and its constituent agencies. It consists of the intake facilities, pumping plants, et cetera required to provide water from Lake Meade for distribution.

Madam Speaker, I reserve the balance of my time.

Mr. FALEOMAVAEGA. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I fully support the passage of S. 986. I note that the Department of the Interior has raised concerns regarding the effect of the bill on the Lake Meade National Recreation area. It is my understanding that the rights of way provisions in S. 986, while generous, are intended to provide the Southern Nevada Water Authority with reasonable access to project facilities across Federal lands.

The Secretary of the Interior has responsibility for protecting and managing the Lake Mead National Recreation area, and I would expect the Secretary's participation in negotiations involving rights of way over Federal lands which provide ample opportunities to ensure that those resources are fully protected.

Madam Speaker, I would like to say that I want to commend the gentleman from Nevada (Mr. GIBBONS), my good friend, and the good senator from Nevada for his bipartisan support of this legislation, and I urge my colleagues to support this bill.

Madam Speaker, I reserve the balance of my time.

Mr. WALDEN of Oregon. Madam Speaker, I yield such time as he may consume to the gentleman from Nevada (Mr. GIBBONS), the author of the House companion bill to S. 986.

Mr. GIBBONS. Madam Speaker, I am pleased today to rise in support of S. 986, the Griffith Project Prepayment and Conveyance Act.

Madam Speaker, I would like to thank my friend and colleague, the gentleman from Oregon (Mr. WALDEN) for yielding me the time with which to speak and to thank the chairman of the committee, the gentleman from Alaska (Mr. YOUNG) and the gentleman from California (Mr. DOOLITTLE) for their leadership and assistance with this bill and also to thank my friend and colleague, the gentleman from American Samoa (Mr. FALEOMAVAEGA) for his courtesies and assistance in this bill as well.

The Griffith Project, formerly known as the Southern Nevada Project, was first authorized in 1965, and directed to Secretary of Interior to construct, operate and maintain the project in order to deliver water to Clark County, Nevada.

With the phenomenal growth of the Las Vegas Valley over the past several decades, and the associated need for additional water, the Griffith Project has become but a small part of the overall system used to deliver water to the Las Vegas metropolitan area.

With the strong support of the State and local government to increase and improve the water delivery and treatment system for the Las Vegas Valley, it is projected that the federally funded share of the overall system will decrease to approximately 6 percent when completed.

The time has come, Madam Speaker, for the title of the Griffith Project to be transferred to the local ownership, and this is the goal of S. 986. S. 986 will convey to the Southern Nevada Water Authority all right, title and interest of the United States in and to the Griffith Project.

This conveyance is subject to the payment by the Southern Nevada Water Authority of the net present value of the remaining repayment obligation.

This repayment obligation will be determined under financial terms and conditions that are similar to other title transfer laws which have been enacted on other projects.

The repayment obligation will also be governed by the guidance from the Department of Interior and the office of Management and Budget. This conveyance will simplify the overall operation of the system for the Southern Nevada Water Authority by removing some of the duplicative efforts required by having dual owners.

For example, a pump station in the Griffith Project portion of the system requires repairs or maintenance, then Project employees must notify the Bureau of Reclamation that a repair is needed.

Madam Speaker, then they must describe the exact nature of the work to be performed, obtain permission for a crew to perform the work and schedule the work to be done at such a time when the Bureau of Reclamation employees can be present just to watch or oversee the repair or maintenance being performed by the Project employees.

When the Project work is completed, the Bureau of Reclamation then sends a local bill to the water authority for the time spent by its personnel simply watching the work being done by the Project employees.

Madam Speaker, we should note that this could be as simple as replacing just a valve handle, even though there are no leaks or any technical problems with the system. Truly, Madam Speaker, this is a tremendous waste of Bureau of Reclamation time and an unnecessary and expensive cost burden for the people of Las Vegas.

In summary, this is a rather straightforward bill which will result in a much simplified and improved operation of the water supply and treatment facility for the Las Vegas Valley.

Madam Speaker, I, along with the senior Senator from Nevada, have worked with the Bureau of Reclamation to resolve their concerns, and we believe this is the right approach for Southern Nevada.

I do understand the right of way issues that remain and will work with the administration and those concerned with that right of way issue to resolve those problems, and I would ask my colleagues to support this bipartisan bill and pass S. 986.

Mr. FALEOMAVAEGA. Madam Speaker, I have no additional speakers, and I yield back the balance of my time.

Mr. WALDEN of Oregon. Madam Speaker, I have no further speakers, and I yield back the balance of my time as well.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Oregon (Mr. WALDEN) that the House suspend the rules and pass the Senate bill, S. 986.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

□ 1500

## SENSE OF CONGRESS REGARDING VIETNAMESE AMERICANS AND OTHERS WHO SEEK TO IMPROVE SOCIAL AND POLITICAL CONDITIONS IN VIETNAM

Mr. BEREUTER. Madam Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 322) expressing the sense of the Congress regarding Vietnamese Americans and others who seek to improve social and political conditions in Vietnam, as amended.

The Clerk read as follows:

H. CON. RES. 322

Whereas the Armed Forces of the United States and the Armed Forces of the Republic of Vietnam fought together for the causes of freedom and democracy in the former Republic of Vietnam;

Whereas the Armed forces of the Republic of Vietnam suffered enormous casualties, including over 250,000 deaths and more than 750,000 wounded between 1961 and 1975 for the cause of freedom;

Whereas many officers and enlisted personnel suffered imprisonment and forcible reeducation at the direction of the Government of the Socialist Republic of Vietnam;

Whereas on June 19 of each year, the Vietnamese American community traditionally commemorates those who gave their lives in the struggle to preserve the freedom of the former Republic of Vietnam;

Whereas June 19 serves as a reminder to Vietnamese Americans that the ideals and values of democracy are precious and should be treasured; and

Whereas the Vietnamese American community plays a critical role in raising international awareness of human rights concerns regarding the Socialist Republic of Vietnam: Now, therefore, be it

*Resolved by the House of Representatives (the Senate concurring)*, That the Congress—

(1) commends the sacrifices of those who served in the Armed Forces of the Republic of Vietnam; and

(2) applauds the contributions of all individuals whose efforts have focused, and continue to focus, international attention on human rights violations in Vietnam.

Amend the title so as to read: "Concurrent resolution expressing the sense of Congress regarding the sacrifices of individuals who served in the Armed Forces of the former Republic of Vietnam.".

The SPEAKER pro tempore (Mrs. BIGGERT). Pursuant to the rule, the gentleman from Nebraska (Mr. BEREUTER) and the gentleman from American Samoa (Mr. FALEOMAVAEGA) each will control 20 minutes.

The Chair recognizes the gentleman from Nebraska (Mr. BEREUTER).

GENERAL LEAVE

Mr. BEREUTER. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H. Con. Res. 322.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. BEREUTER. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, this Member rises in strong support of H. Con. Res. 322, a resolution that recognizes the sacrifices made by Vietnamese Americans who served in the armed forces of the former Republic of Vietnam. This Member congratulates the efforts of the distinguished gentleman from Virginia (Mr. DAVIS) to recognize the Vietnamese who fought bravely side by side with U.S. forces in Vietnam and to applaud all those whose efforts focus international attention on human rights violations in Vietnam. This Member is pleased to be a cosponsor of the legislation.

Each year on June 19, the Vietnamese-American community traditionally commemorates those who gave their lives in the struggle to preserve the freedom of the former Republic of Vietnam. During the war, the armed forces of the Republic of Vietnam suffered enormous casualties including over 250,000 killed and more than 750,000 wounded. They continued to suffer after the fighting ended when many were imprisoned and forced to undergo so-called reeducation. They continue their efforts even now playing an important role in raising international awareness of human rights violations in the Socialist Republic of Vietnam.

Moreover, Vietnamese Americans, many of whom arrived as refugees with little but the clothes on their backs, have made tremendous achievements and have contributed greatly to this country.

Earlier this year, this body approved H. Con. Res. 295 on Human Rights and Political Oppression in Vietnam. There was inevitably some duplication in the two initiatives. Therefore this Member, with the concurrence of the gentleman from Virginia (Mr. DAVIS), the sponsor of the resolution, amended H. Con. Res. 322 only to eliminate duplication. The resolution now focuses on commemorating the service and sacrifices of the former members of the armed forces of the Republic of Vietnam.

This Member urges all his colleagues to support this laudable resolution.

Madam Speaker, I reserve the balance of my time.

Mr. FALEOMAVAEGA. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I would like to strongly urge my colleagues to support this legislation. I certainly want to commend the gentleman from New York (Mr. GILMAN), the chairman of our committee, for bringing this resolution to the floor. I also want to commend the gentleman from Nebraska (Mr. BEREUTER), the chairman of the Subcommittee on Asia and the Pacific, for making the proper changes to this resolution that is now before us.

Madam Speaker, while Vietnam has made a bit of progress in the past few years in opening up its society, we need to maintain pressure on the Vietnamese government to move more aggressively towards democracy.

This resolution recognizes the important role that the more than 1 million Vietnamese Americans in our nation play in raising the awareness of the Vietnam human rights record.

The resolution also recognizes the sacrifices made by the armed forces of the United States and the former Republic of Vietnam in fighting to bring democracy and freedom to that nation. We are right to get the Congress on record on all of these issues.

I want to note also, Madam Speaker, the tremendous contributions 1 million Vietnamese Americans make to the betterment of our Nation becoming mainstream Americans. They are such an industrious people in education, business, and all walks of life. I want to commend the 1 million Vietnamese Americans that we have who are members of our Nation.

Yet with all this, I think we can also recognize that their hearts are still with the mother country, hopefully, in some way, and somehow that the greater sense of democracy will come about with the current administration of Vietnam in that country.

Madam Speaker, I do urge my colleagues to support this resolution. Again, I thank the gentleman from Nebraska (Mr. BEREUTER) for managing this legislation on the floor.

Madam Speaker, I reserve the balance of my time.

Mr. BEREUTER. Madam Speaker, it is my pleasure to yield such time as he may consume to the distinguished gentleman from California (Mr. BILBRAY), who has followed Vietnamese-American relations very carefully and has a direct knowledge of the contributions of the Vietnamese-American community to this country in his part of the Nation.

Mr. BILBRAY. Madam Speaker, I rise today in strong support of H. Con. Res. 322. I want to publicly thank the gentleman from Virginia (Mr. DAVIS) and the gentleman from New York (Chairman GILMAN), but most importantly, because he is here today, the gentleman from Nebraska (Chairman BEREUTER) for allowing this resolution to come to the floor.

Madam Speaker, many of us from all over the country know about the problems and the trials and tribulations of individuals who immigrated to this country from the Republic of Vietnam.

I think that it's appropriate to repeat why so many Vietnamese fought and died for freedom and democracy in their country. Over 250,000 Vietnamese from the Republic of Vietnam died in this struggle. Let me say this sincerely, they not only died for themselves, but also in the struggle against tyrannies, against oppression.

Frankly, I think too often we talk about a lot of inconsequential issues, but we need to remember that there is a long black wall down at the other end of the Mall. Many Americans and Vietnamese Americans walk that wall and trace out names. I think too often that, when we talk about that long black wall, we think about it as something that is in the past, something that is over, something that somebody else did or another generation did.

Madam Speaker, I am here to remind us all that the war may be over; but the struggle for what that wall symbolizes, the struggle for what the Vietnamese people in the Republic of Vietnam were fighting for, the struggle for what American men and women fought and died for is still going on today.

There are still individuals in Vietnam who are being tagged as "hard core", and who are in reeducation facilities. Now I think we all know what kind of catch word "reeducation" means. It basically means, if one does not think like the government, the government will teach one how to rethink so one thinks only their way.

Madam Speaker, I think that, as we address this resolution today, we should commit ourselves to the fact that the men and women that are symbolized on our wall at the other end of the Mall and the men and women who died from the Republic of Vietnam will be remembered by our constant quest to make sure that this struggle for freedom does continue.

I want to say, though, too, I guess too often we talk about "hyphenated Americans", and maybe being a son of a so-called "hyphenated American", I am always reminded that we are really not talking about Vietnamese. We are talking about Americans who came from Vietnam. We are talking about people that have made, not only a great struggle in Vietnam fighting Communism, but also a great struggle and great success at becoming new Americans, at becoming what this country has always promised the rest of the world: that if one works hard, one studies hard, one strives to do their best, if one is willing to make a contribution to this free society, this free society will reward one through one's own sweat of one's own brow.

I think that we all need to remind ourselves that these immigrants who came from the Republic of Vietnam, and as an example to all of us no matter what our race, what our creed, what our gender, that there still is the opportunity for those who are willing to work hard, to strive, and to contribute.

In closing, in San Diego County, we have a very large population of individuals who emigrated from the Republic of Vietnam, and their children now are as American as anyone who has been here for 200, 300 years. I am very proud that, when I go to review ROTC units, when we see the military young men and women lining up in San Diego, we will see the sons and the daughters of men and women who fought for their homeland and emigrated from the Republic of Vietnam in the worst of circumstances, but have learned the best of lessons both from their country of the past and their newly adopted country of the future.

Mr. FALEOMAVAEGA. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I also want to compliment the gentleman from California (Mr. BILBRAY) for his comments on this piece of legislation.

I should also note the fact that 58,000 American lives were lost in that terrible conflict. I think, if we are to assess what lesson our Nation has learned from Vietnam, I can say that, if we are ever to commit our men and women in uniform to engage in a war against enemy forces, our Nation's political and military leaders must all be committed to one purpose and one purpose only, and that is to win the war, nothing less, nothing more.

There is no such thing as a half-baked war, Madam Speaker. We are there to win, or do not waste the resources or the valuable blood of the men and women in uniform. That is probably the lesson I learned from Vietnam, Madam Speaker.

I think more important, in essence, is the fact we have 1 million Vietnamese Americans who believe in democracy, who believe in our form of government, who believe in the system where everybody is given better treatment, that no one is above the law. That is what America is about.

I want to commend again the many Vietnamese Americans who have made tremendous sacrifice, not only for their country, but their willingness to come here and make tremendous contributions for the betterment of our own Nation.

Again, I want to thank the gentleman from Nebraska (Mr. BEREUTER) for managing this piece of legislation.

Madam Speaker, I reserve the balance of my time.

Mr. BEREUTER. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I want to thank the gentleman from American Samoa (Mr. FALEOMAVAEGA) for his insightful statement. As a Vietnam-era veteran, I certainly appreciate the wisdom of what he has just said regarding appropriate foreign and security policy.

I would also like to compliment the distinguished gentleman from California (Mr. BILBRAY) for his insightful statement, very much focused on the many contributions that Vietnamese, who happen now to be American citizens, are making to this country and to all of those who are striving for citizenship.

Madam Speaker, it is my pleasure to yield such time as he may consume to the gentleman from California (Mr. ROYCE), vice chairman of the Subcommittee on Asia and the Pacific.

Madam Speaker, I have on two occasions seen the rapport and the attention that the gentleman from California (Mr. ROYCE) gives to Asians who are living in his district, immigrants, refugees, and to those many who have become citizens actively participating in the economy and the politics of California.

Mr. ROYCE. Madam Speaker, the gentleman from Nebraska (Chairman BEREUTER) is the author of this particular legislation, of this approach, of which I am a cosponsor. I want to thank him for introducing this bill.

It is important that we honor those in the Armed Forces in the United States and in the armed forces of the Republic of Vietnam who fought together. These brave individuals risked their lives for liberty, and their actions should be honored 25 years now after the fall of Saigon. We must remember their deeds while working for increased political and economic freedom in the socialist Republic of Vietnam.

I recently visited Vietnam. During my trip there, I paid a visit to the Venerable Thich Quang Do, who is the 72-year-old leader of the banned Unified Buddhist Church of Vietnam.

Because of his peaceful protests, those protests that he engaged in in support of political freedom and religious freedom, Thich Quang Do has been imprisoned and exiled. Even though he was under surveillance, Thich Quang Do welcomed my visit.

My private visits to him and Le Quang Liem, another dissident, were quickly denounced by the government. It is obvious the Vietnamese government is sensitive to international criticism. This obligates the United States to speak out constantly against the Vietnamese government's human rights violations. We may not always realize it, but protests by the American government and by the American people do help the cause of freedom in Vietnam. Silence is no alternative.

This international criticism has come about in large part due to the tireless work of the Vietnamese-American communities. Their efforts to raise awareness about human rights and about the violations of basic freedoms of Vietnam have a critical, critical effect.

It is imperative that we continue pressuring for increased openness in Vietnam. A two-track policy of engaging the Vietnamese government on economic reform on one hand while pressuring it on its political and religious repression, that approach requires diplomatic finesse. But if done right, it promises to bring long-sought freedom to the Vietnamese people, freedom for which many Americans have sacrificed.

I want to commend the gentleman from Nebraska (Chairman BEREUTER) for his authorship of this two-pronged approach. We all hope that it is successful in engaging and changing Vietnam.

□ 1515

Mr. FALEOMAVAEGA. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BEREUTER. Madam Speaker, I yield myself such time as I may consume to compliment the gentleman from California (Mr. ROYCE), who just spoke, for focusing on the policy implications and the direction that we should take in our relationship with the Socialist Republic of Vietnam. Certainly all of us want to work closely with our distinguished former colleague, Ambassador Pete Peterson, and we have been doing that on a variety of programs and votes in this effort here.

We would hope that our policies and actions regarding the government of Vietnam might bring some better results. We have at the current time trade negotiations ongoing in this city, and we hope that, in fact, the kind of response from the Vietnamese will be forthcoming and will result in a better human rights record in Vietnam and an opportunity, therefore, to improve our relationship with that country.

I thank my colleague for his outstanding statement, I thank the gentleman from American Samoa for his role, and I particularly wish to thank my staff director from the Subcommittee on Asia and the Pacific, Mike Ennis, for his outstanding work in this effort, in working with the staff of the distinguished gentleman from Virginia (Mr. DAVIS).

Madam Speaker, I urge support of the resolution.

Ms. JACKSON-LEE of Texas. Madam Speaker, I rise in support of this resolution commending the Vietnamese American Community for its work in bringing democratic principles and practices to the people of Vietnam. Social equality is the backbone of the American government and a fundamental principle in every democratic government.

As the leading democratic country in the world, the United States should take care to applaud the efforts of all people who have worked to spread democracy throughout the earth including the contributions of the Vietnamese American people.

After the fall of Saigon, the Vietnam's government punished those Vietnamese who had allied with the U.S. North Vietnam forces placed hundreds of thousands of southerners in prisons, re-education camps and economic zones in efforts to remove subversion and to consolidate the country.

The Communists created a society of suspicion that hounded prisoners even after their release. The men were treated as second class citizens. Families were deprived of employment and their children could not attend college. Police interrogated families if ex-prisoners were not seen for more than a day.

Prisoners were considered expendable, worked to death and forced to walk in rows down old minefields to find out where they were. Daughters of South Vietnamese military men were sometimes forced by destitution to become prostitutes.

The re-education camps remained the predominant devise of social control in the late 1980s. Considered to be institutions where rehabilitation was accomplished through education and socially constructive labor, the camps were used to incarcerate members of certain social classes in order to coerce them to accept and conform to the new social norms.

Sources say that up to 200,000 South Vietnamese spent at least a year in the camps, which range from model institutions visited by foreigners to remote jungle shacks were inmates died of malnutrition and disease. As late as 1987, Vietnamese officials stated that about 7,000 people remained in re-education camps.

The first wave of refugees, in 1975, had no established Vietnamese American communities to rely upon for help. Assistance came from government programs, private individuals, nonprofit organizations and churches. Vietnamese men who held high positions in their homeland took whatever jobs they could get. Vietnamese woman became full-time wage earners, often for the first time.

Most refugees in the first wave were young, well-educated urban elites, professionals and people with technical training. Despite the fact that many first wave arrivals were from privileged backgrounds, few were well prepared to take up new life in America. The majority did not speak English and all found themselves in the midst of a strange culture.

The refugees who arrived in the US often suffered traumatic experiences while escaping Vietnam by sea. Those caught escaping after the fall of Saigon, including children, were jailed. Almost every Vietnamese American family has a member who arrived as a refugee or who died en route.

Many Vietnamese Americans still refuse to accept the current communist government of their former homeland. For many, the pain, anger and hatred felt toward the communist regime that forced them into exile remains fresh. Fiercely proud of their heritage, yet left without a homeland, many Vietnamese Americans have vowed never to acknowledge that Vietnam is now one communist country.

The story of Le Van Me and wife Sen is a typical one of many refugees. Me was a lieutenant colonel in the South Vietnamese Army when they came to the U.S. They spent time in a refugee camp in Fort Chaffee, Arkansas, until the government found a church in Warsaw, Missouri, to sponsor them. In the small rural town, Me worked as a janitor for the church and all the parishioners helped the family in any way they could—giving them clothes, canned preserves, even working together to renovate a house where the family could live.

Me took classes at the community college. After 11 months, the family moved to California, drawn by the jobs rumored to be there. Me got a job as an electronic technician and started attending a neighborhood community college again. Sen was determined not to use food stamps for longer than two weeks. Within three years, they bought a three bedroom house in north San Jose. As Me explained "You really don't know what freedom is until you nearly die fighting for it."

Saigon fell 25 years ago, but the memories are still raw for many Vietnamese people. The exodus from Vietnam since 1975 has created a generation of exiles. The efforts of everyone, especially Vietnamese-Americans, to bring democracy must be recognized. We should hesitate no longer to make it known that the United States Congress proudly recognizes these efforts.

Madam Speaker, I urge each of my colleagues to support this Resolution.

Mr. GILMAN. Madam Speaker, I rise today in support of House Concurrent Resolution 322 expressing the sense of Congress regarding the sacrifices of individuals who served in the Armed Forces of the former Republic of Vietnam.

I want to thank the gentleman from Virginia, Mr. DAVIS, for introducing this resolution and for his continuing commitment to human rights and democracy in Vietnam.

I want to thank the chairman of the Asia-Pacific Subcommittee, Mr. BEREUTER, for his work in crafting the final language in this measure.

Madam Speaker, it is unfortunate that 10 years after the end of the cold war, the Socialist Republic of Vietnam is still a one-party state ruled and controlled by a Communist Party which represses political and religious freedoms and commits numerous human rights abuses.

It is appropriate that we recognize those who fought to oppose this tyranny which has fallen across Vietnam and those who continue the vigil of struggling for freedom and democracy there today.

Accordingly, I urge Hanoi to cease its violations of human rights and to undertake the long-overdue liberalization of its moribund and stifling political and economic system. The people of Vietnam clearly deserve better.

Finally, I call upon the Vietnamese government to do all it can—unilaterally—to assist in bringing our POW/MIAs home to American soil.

I want to praise this resolution for pointing out the injustice that tragically exists in Vietnam today and those who have—and are—still opposing it.

Once again I want to commend Mr. DAVIS for introducing this resolution and his abiding dedication to improving the lives of the people of Vietnam.

I am proud to be a cosponsor of this measure and I strongly urge my colleagues to support it and send a strong signal to Hanoi that it is time to free the minds and spirits of the Vietnamese people.

Ms. LOFGREN. Madam Speaker, I rise today in support of House Concurrent Resolution 322, which honors the wonderful contributions of our nation's Vietnamese-Americans in raising awareness of human rights abuses in Vietnam. I thank my colleagues Mr. DAVIS and Ms. SANCHEZ for their hard work on this issue. I am proud to be an original cosponsor of this important resolution, and urge my colleagues' overwhelming support today.

I represent San Jose, California, a community greatly enriched by the presence of immigrants. Quite a few of my constituents came to San Jose as refugees, escaping the brutal and oppressive political regime in Hanoi. I worked with those refugees as a Santa Clara County Supervisor, and many of those people have become my friends throughout the years. I believe that they have a unique perspective on the state of our country's relationship with Vietnam that is of immense value.

A quarter century after the fall of Saigon, the Communist government continues to oppress its citizens and violate their basic human rights. Stories of political repression, religious persecutions and extra-judicial detentions are all too common. Many Vietnamese-Americans have worked tirelessly to bring these violations to light, here in the United States and to the international community. As a result of their extraordinary dedication, awareness of the abuses of the Vietnamese government is growing exponentially.

I applaud their continued effort to bring democratic ideals and practices to Vietnam. This resolution is a small token of our gratitude for the hard work of the 1 million Vietnamese-Americans living in our country. I am proud to support it.

Mr. BEREUTER. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. BIGGERT). The question is on the motion offered by the gentleman from Nebraska (Mr. BEREUTER) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 322, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution, as amended, was agreed to.

The title of the concurrent resolution was amended so as to read: "Concurrent resolution expressing the sense of Congress regarding the sacrifices of individuals who served in the Armed Forces of the former Republic of Vietnam.".

A motion to reconsider was laid on the table.

## RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until approximately 4 p.m.

Accordingly (at 3 o'clock and 16 minutes p.m.), the House stood in recess until approximately 4 p.m.

□ 1600

## AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. KNOLLENBERG) at 4 o'clock and one minute p.m.

## GENERAL LEAVE

Mr. SKEEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks during further consideration of H.R. 4461, and that I may include tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

## AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

The SPEAKER pro tempore. Pursuant to House Resolution 538 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 4461.

□ 1602

### IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 4461) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2001, and for other purposes, with Mr. NUSSLE in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole House rose on Thursday, June 29, 2000, the bill was open for amendment from page 57, line 12, to page 58, line 8.

Are there further amendments to that portion of the bill?

Mr. OBEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to engage in a series of discussions with the distinguished gentleman from New Mexico (Mr. SKEEN).

Mr. Chairman, as we know, the Senate bill provides direct payments to dairy farmers estimated at $443 million to offset the record low prices we have seen for much of the past year.

I would simply ask the chairman if he would be willing to work with me to ensure that direct payments for dairy farmers are included in the bill when it emerges from conference.

Mr. SKEEN. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from New Mexico.

Mr. SKEEN. Mr. Chairman, I would be pleased to work with the gentleman from Wisconsin. I find that we agree more often than not on the specifics of dairy policy, and would point to the last 2 years of economic assistance payments we have jointly inserted into the agriculture appropriations conference report as proof.

Accordingly, I will be pleased to carry out our tradition of working together on dairy producer assistance, when and if we ever get to conference.

Mr. OBEY. Mr. Chairman, I thank the gentleman.

Let me turn to another subject, that of ultrafiltered milk. It seems there is always some new issue popping up in the dairy area. There are growing fears about the damaging impact on domestic dairy producers from imports of dry ultrafiltered or UF milk.

Ultrafiltration is an important technology widely used in cheese plants for about 15 years to remove water, lactose, and minerals and allow manufacturers to manipulate the ingredients in cheese to arrive at the desired finished product.

The use of liquid UF milk from another location has been approved by FDA on a case-by-case basis, but there is another problem. The problem is the threat of unlimited imports of dry UF milk from places like New Zealand following a petition to FDA earlier this year by the National Cheese Institute to change the standards of identity for cheese.

I understand that there are no quotas or tariffs on this product, which is currently used in bakery mixes, ice cream, and other products that do not have the strict standards of identity that cheese has. There have also been newspaper reports suggesting that dry UF milk is already being imported for use in American cheese plants, in violation of FDA regulations.

We need to know what the facts are so we can develop an appropriate response. At a minimum, we need to understand first how much UF milk is coming into the country and what it is used for. I would ask the chairman of the subcommittee if he would be willing to work with us to get answers to those questions through the GAO and other sources.

Mr. SKEEN. Mr. Chairman, I, too, have an interest in ultrafiltered milk. I believe it is prudent to have empirical facts in order to understand the specifics of a somewhat muddled portion of the dairy production and cheese-making process.

I would offer to the gentleman that we will jointly direct either the GAO or the committee S&I staff to conduct a factual investigation into how much UF milk is produced in this country and how much is being imported and what it is used for. At that time, and with the facts on our side, I am confident that we will be able to address the issue in an intelligent and productive manner.

Mr. OBEY. I thank the gentleman.

Now I would like to turn to another subject, Mr. Chairman. That is the Dairy Export Incentive Program.

I am concerned that the USDA is not being aggressive enough in encouraging dairy exports through the Dairy Export Incentive Program, or DEIP, which allows us to compete in world markets with highly subsidized exports in the European Union.

About 10 percent of DEIP contracts are apparently canceled, I understand due mainly to price undercutting by our competitors. For whatever the reason, we apparently have about 40,000 metric tons of canceled nonfat dry milk contracts dating back to June of 1995. This canceled tonnage can be reprogrammed for export by allowing exporters to rebid for them, but the Foreign Agricultural Service appears reluctant to do that, perhaps fearing that it may be taken to the WTO court by the European Union.

Mr. Chairman, as we know, DEIP saves money. It is cheaper to export surplus nonfat dry milk than it is for USDA to buy it and store it. Removing this product from the domestic market would have a beneficial impact on dairy prices. As such, again, I would ask the chair of the subcommittee to help me convince USDA to propose a solution to resolve the problem by the time we have reached conference on this bill, one that might include establishing a procedure for automatic rebidding of canceled tonnage.

Mr. SKEEN. Mr. Chairman, again, I would be pleased to work with the gentleman to address his concerns, as they are shared by myself and many others. It seems the administration has been entirely too willing to roll over to our competitors without looking to the interests of America's farmers and ranchers first, and anything we can do to reverse the trend will be a step forward.

Mr. OBEY. I thank the chairman.

Mr. Chairman, I would like to raise the question of cranberries.

The CHAIRMAN. The time of the gentleman from Wisconsin (Mr. OBEY) has expired.

(By unanimous consent, Mr. OBEY was allowed to proceed for 4 additional minutes.)

Mr. OBEY. Mr. Chairman, with respect to that product, cranberry growers, as we know, like all farmers today, it seems they are in dire straits due to overproduction, massive overproduction and lower prices. It costs about $35 per barrel to produce cranberries. Some growers in my district are getting as little as $9 or $10 a barrel for their crop.

The USDA recently announced its support for industry-proposed volume controls that are desperately needed to get a handle on overproduction. That is part of the solution, but will add to the farm income problems those cranberry growers are facing, so it seems to me we have to look for more things that can be done.

Another part of the solution might be for USDA to purchase surplus products. USDA has been very responsive so far looking for opportunities to purchase surplus product, but much more needs to be done if we are to restore balance to supply and demand.

As we know, cranberries are among the specialty crops eligible for purchase by the Secretary, with $200 million provided from the recently-passed crop insurance bill.

Would the chairman work with me to urge USDA to aggressively use the authority it has to purchase surplus cranberry products in a way that will make a significant difference to the industry?

Mr. SKEEN. If the gentleman will yield further, I will be glad to work with the gentleman towards that end.

Mr. OBEY. I would also appreciate it if the chairman would also help us to explore the possibility of helping growers through the current difficult times with direct payments.

The Cranberry Industry estimates that $20 million will improve income by about $3 to $4 per barrel for each grower. This bill already includes $100 million direct assistance to apple and potato growers. We have helped pork farmers, dairy farmers, wheat, corn, cotton, rice, oilseeds, and many others.

Would the chairman of the subcommittee be willing to work with me to ensure that America's cranberry growers receive the same kind of consideration in this respect that many other farmers have received?

Mr. SKEEN. If the gentleman will continue to yield, again, I would be very happy to work with the gentleman, as I, too, believe that specialty crops do not receive the support and attention that they deserve. Cranberries would definitely fall into that category.

Mr. OBEY. I thank the chairman, and I appreciate his consideration.

Ms. BALDWIN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, recently I introduced H.R. 4652, the Quality Cheese Act of 2000. This bipartisan bill would prohibit the FDA from allowing the use of dry ultrafiltered milk in the making of natural cheese.

My reason for introducing the bill was simple. Dry ultrafiltered milk, which is a milk derivative, can come in the United States virtually duty-free. It can take the place of domestically produced milk in cheese vats and the consumer cannot tell the difference. Using imported dry ultrafiltered milk would also undercut our domestic dairy farmers' market for their milk. My Wisconsin dairy farmers are already receiving the lowest price for their milk in over 20 years. We cannot allow their market to be further eroded.

There have been reports in farm publications that there are large volumes of dry ultrafiltered milk currently being imported. That is perfectly legal, but we do not know what the dry ultrafiltered milk is being used for. If this dry ultrafiltered milk is being used in natural cheese-making, it is being used illegally, to the detriment of consumers and the dairy farmers I represent.

It is my hope that the gentleman from New Mexico (Mr. SKEEN), the distinguished chairman of the Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies of the Committee on Appropriations, will work with myself and the gentleman from Wisconsin (Mr. OBEY) to find an answer to this important question.

Mr. SKEEN. Mr. Chairman, will the gentlewoman yield?

Ms. BALDWIN. I yield to the gentleman from New Mexico.

Mr. SKEEN. Mr. Chairman, as the gentlewoman knows, I also have an interest in ultrafiltered milk, as I recently discussed with the gentlewoman's colleague, the gentleman from Wisconsin (Mr. OBEY). I believe it is wise to understand the specifics of a somewhat muddled segment of the dairy production and cheese-making production.

Accordingly, we have to agree to jointly direct either the GAO or the subcommittee's S&I staff to conduct a factual investigation into how much UF milk is produced in this country and how much is being imported and what is it used for, and at that time, with the facts on our side, I am confident that we will be able to address the issue in an intelligent and productive manner.

I appreciate the gentlewoman's concerns, and look forward to working with her on behalf of the Nation's dairy industry.

Ms. BALDWIN. I thank the gentleman, Mr. Chairman.

### AMENDMENT NO. 38 OFFERED BY MR. BROWN OF OHIO

Mr. BROWN of Ohio. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 38 offered by Mr. BROWN of Ohio:

Page 58, line 4, insert after the colon the following: "*Provided further*, That $3,000,000 may be for activities carried out pursuant to section 512 of the Federal Food, Drug, and Cosmetic Act with respect to new animal drugs, in addition to the amounts otherwise available under this heading for such activities:".

□ 1615

Mr. BROWN of Ohio. Mr. Chairman, this amendment concerns antibiotic resistance from the use of antibiotics in livestock.

I would like to start with a story. Imagine your 7-year-old daughter is very sick from food poisoning. You take her to the hospital and antibiotics do not help. In a week, she dies a painful death. The autopsy shows that her body is riddled with *E. coli* bacteria which ate away at her organs from her brain down. This is a true story, and it happened to a family in northeast Ohio 2 years ago.

We thought we were winning the war against infectious diseases. With the introduction of antibiotics in the 1940s, humans gained an overwhelming advantage in the fight against bacteria that cause infectious diseases, but the war is not over.

Mr. Chairman, 2 weeks ago, the World Health Organization issued a ringing warning against antibiotic resistance. Around the world, microbes are mutating at an alarming rate into the new strains that fail to respond to drugs.

Dr. Marcos Esponal of the World Health Organization said, "we already have lost some of the current good antibiotics, streptomycin for TB; it's almost lost. Chloroquin for malaria, it's lost; penicillin, nobody uses it now; if we keep the same pace, we will be losing other potent and powerful drugs. So a window of opportunity is closing, and I would say if we don't act now, in 5 to 10 years, we will have a major crisis"; words from the World Health Organization.

We need to develop, Mr. Chairman, new antibiotics but it is too soon obviously to give up on the ones we have. By using antibiotics and antimicrobials more wisely and more sparingly, we can slow down antibiotic resistance.

We need to change the way drugs are given to people to be sure, but we also need to look at the way drugs are given to animals. According to the WHO, 50 percent of all antibiotics are used in agriculture, both for animals and for plants. In the U.S., livestock producers use drugs to treat sick herds and flocks legitimately. They also feed a steady diet of antibiotics for healthy livestock so they will gain weight more quickly and be ready for market sooner.

Many of these drugs are the same ones used to treat infections in people, including tetracycline. Prolonged exposure to antibiotics in farm animals provide a breeding ground science tells us for resistance strains of *E. coli*, salmonella and other bacteria harmful to humans. When transferred to people through food, it can cause dangerous infections.

Last week, an interagency task force issued a draft Public Health Action Plan to combat antimicrobial resistance. The plan provides a blueprint for specific, coordinated Federal actions. A top priority action item in the draft plan highlights work already underway at the Food and Drug Administration's Center for Veterinary Medicine.

In December of 1998, the FDA issued a proposed framework for evaluating and regulating new animal drugs in light of their contribution to antibiotic resistance in humans. The agency proposes to evaluate the drugs on the basis of their importance in human medicine and the potential exposure of humans to resistant bacteria that come from animals.

Mr. Chairman, this amendment would direct $3 million toward the Center for Veterinary Medicine's work on antibiotic resistance related to animal drugs. CVM Director Sundloff has stated that antibiotic resistance is the Center's top priority. However, the framework document states the agency will look first at approvals for new animal drugs and will look at drugs already in use in animals as time and resources permit.

We think an additional $3 million would give a significant boost to the ability of the Center for Veterinary Medicine to move forward on antibiotic resistance. Our amendment directs FDA to shift these funds from within the agency, while leaving the decision on the sources of the offset to the agency itself.

Please note the Committee on Appropriations, Mr. Chairman, has recommended a $53 million budget increase for FDA. Given this increase, we believe the agency can free up $3 million of that increase for its work on antibiotic resistance without harming other programs.

Mr. Chairman, I ask for his support, and ask for support of Members of the House for this amendment. The lives of our young children and our elderly parents, the people most vulnerable to food-borne illness, may be at stake.

Mr. SKEEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it provides an additional $3 million for a particular FDA activity, presumably to be funded at the expense of other FDA priorities.

I understand the forthright interest of the gentleman from Ohio (Mr. BROWN) in this situation and what the gentleman wants to do. The committee has fully funded the President's fiscal year 2001 budget request for new animal drug review, as can be seen on page 60 of the committee report on this bill.

The President requested $62,761,000 for the animal drugs and feeds program, an increase of $14,048,000 over fiscal year 2000. The committee fully funded the administration's request, which is a generous 22 percent increase.

Since the request was fully funded, I oppose the amendment and urge my colleagues to do the same. Please vote no on the amendment.

Mr. STUPAK. Mr. Chairman, I move to strike the last word and rise to support the Brown amendment to increase the antibiotic resistance funding by $3 million. Earlier this month, the World Health Organization issued a strong warning against antibiotic resistance.

If I may quote from the WHO, they said, "the world may only have a decade or two to make optimal use of many of the medicines presently available to stop infectious diseases. We are literally in a race against time to bring levels of infectious disease down worldwide before the disease wears the drugs down first"; that is by Mr. David

Heymann, executive director of the World Health Organization's communicable disease program.

Mr. Chairman, while many factors contribute to antibiotic resistance, an important cause is the overuse of antibiotics in livestock, both for treating disease and promoting faster growth. Many livestock receive a steady diet of antibiotics that are used in human medicine, especially tetracycline and penicillin.

Antibiotic-resistant microbes are then transferred from animals to humans primarily in food, causing infection from salmonella and E. coli that are difficult or impossible to treat.

Children and the elderly are most at risk for serious illness or death. The World Health Organization recommends reducing antibiotic use in animals to protect our own human health.

The Food and Drug Administration's Center for Veterinary Medicine, CVM, is taking steps to reduce the problem of antibiotic resistance from drug use in livestock. The agency's plan primarily addresses new animal drugs and will address drugs currently in use when resources permit.

That is where the Brown amendment comes in. This amendment would increase funding for the Food and Drug Administration's Center for Veterinary Medicine by $3 million for activities related to antibiotic resistance. Since the committee is recommending that the FDA receive an increase of $53 million, the Brown amendment would simply direct the agency to allocate an additional $3 million from the $53 million for this very important work.

Mr. Chairman, I would urge my colleagues, both Democrats and Republicans, to support the Brown amendment and this very important program.

Mr. BOYD. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Brown amendment.

Mr. Chairman, I would like to bring to the attention of the gentleman from New Mexico (Chairman SKEEN) and the body that this certainly has been described as a very serious issue in America today. I appreciate the opposition of the gentleman from New Mexico (Chairman SKEEN) to it on the basis of the funding. We do not know exactly where the funding is coming from, and I also understand that this is an issue that was not brought to the attention of the committee or subcommittee prior to today for increased funding.

I would like to let the body know that there is some funding in the food safety initiative and the FDA has the jurisdiction, or the responsibility, of looking at these kinds of issues and monitoring this, and we are absolutely not doing a sufficient job. I think that we do need some additional resources and efforts in this area.

I would encourage, Mr. Chairman, the gentleman from New Mexico (Mr. SKEEN) to try to work with us to see if we could not find some additional funding as we move into conference, but I would like to support the amendment of the gentleman from Ohio (Mr. BROWN).

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. BROWN).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

In addition, mammography user fees authorized by 42 U.S.C. 263(b) may be credited to this account, to remain available until expended.

In addition, export certification user fees authorized by 21 U.S.C. 381, as amended, may be credited to this account, to remain available until expended.

### BUILDINGS AND FACILITIES

For plans, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities of or used by the Food and Drug Administration, where not otherwise provided, $11,350,000, to remain available until expended (7 U.S.C. 2209b).

## INDEPENDENT AGENCIES

### COMMODITY FUTURES TRADING COMMISSION

For necessary expenses to carry out the provisions of the Commodity Exchange Act (7 U.S.C. 1 et seq.), including the purchase and hire of passenger motor vehicles; the rental of space (to include multiple year leases) in the District of Columbia and elsewhere; and not to exceed $25,000 for employment under 5 U.S.C. 3109, $69,000,000, including not to exceed $2,000 for official reception and representation expenses: *Provided*, That for fiscal year 2001 and thereafter, the Commission is authorized to charge reasonable fees to attendees of Commission sponsored educational events and symposia to cover the Commission's costs of providing those events and symposia, and notwithstanding 31 U.S.C. 3302, said fees shall be credited to this account, to be available without further appropriation.

### FARM CREDIT ADMINISTRATION

### LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed $36,800,000 (from assessments collected from farm credit institutions and from the Federal Agricultural Mortgage Corporation) shall be obligated during the current fiscal year for administrative expenses as authorized under 12 U.S.C. 2249: *Provided*, That this limitation shall not apply to expenses associated with receiverships.

## TITLE VII—GENERAL PROVISIONS

SEC. 701. Within the unit limit of cost fixed by law, appropriations and authorizations made for the Department of Agriculture for the current fiscal year under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed 389 passenger motor vehicles, of which 385 shall be for replacement only, and for the hire of such vehicles.

SEC. 702. Funds in this Act available to the Department of Agriculture shall be available for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901–5902).

SEC. 703. Not less than $1,500,000 of the appropriations of the Department of Agriculture in this Act for research and service work authorized by sections 1 and 10 of the Act of June 29, 1935 (7 U.S.C. 427, 427i; commonly known as the Bankhead-Jones Act), subtitle A of title II and section 302 of the Act of August 14, 1946 (7 U.S.C. 1621 et seq.), and chapter 63 of title 31, United States Code, shall be available for contracting in accordance with such Acts and chapter.

SEC. 704. The Secretary may transfer funds provided under this Act and other available unobligated balances of the Department of Agriculture to the Working Capital Fund for the acquisition of plant and capital equipment necessary for the delivery of financial, administrative, and information technology services: *Provided*, That none of the funds made available by this Act or any other Act shall be transferred to the Working Capital Fund without the prior approval of the agency administrator.

SEC. 705. New obligational authority provided for the following appropriation items in this Act shall remain available until expended: Animal and Plant Health Inspection Service, the contingency fund to meet emergency conditions, fruit fly program, integrated systems acquisition project, boll weevil program, up to 10 percent of the screwworm program, and up to $2,000,000 for costs associated with colocating regional offices; Food Safety and Inspection Service, field automation and information management project; funds appropriated for rental payments; Cooperative State Research, Education, and Extension Service, funds for competitive research grants (7 U.S.C. 450i(b)) and funds for the Native American Institutions Endowment Fund; Farm Service Agency, salaries and expenses funds made available to county committees; Foreign Agricultural Service, middle-income country training program and up to $2,000,000 of the Foreign Agricultural Service appropriation solely for the purpose of offsetting fluctuations in international currency exchange rates, subject to documentation by the Foreign Agricultural Service.

SEC. 706. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 707. Not to exceed $50,000 of the appropriations available to the Department of Agriculture in this Act shall be available to provide appropriate orientation and language training pursuant to section 606C of the Act of August 28, 1954 (7 U.S.C. 1766b; commonly known as the Agricultural Act of 1954).

SEC. 708. No funds appropriated by this Act may be used to pay negotiated indirect cost rates on cooperative agreements or similar arrangements between the United States Department of Agriculture and nonprofit institutions in excess of 10 percent of the total direct cost of the agreement when the purpose of such cooperative arrangements is to carry out programs of mutual interest between the two parties. This does not preclude appropriate payment of indirect costs on grants and contracts with such institutions when such indirect costs are computed on a similar basis for all agencies for which appropriations are provided in this Act.

SEC. 709. Notwithstanding any other provision of this Act, commodities acquired by the Department in connection with the Commodity Credit Corporation and section 32 price support operations may be used, as authorized by law (15 U.S.C. 714c and 7 U.S.C. 612c), to provide commodities to individuals in cases of hardship as determined by the Secretary of Agriculture.

SEC. 710. None of the funds in this Act shall be available to restrict the authority of the Commodity Credit Corporation to lease space for its own use or to lease space on behalf of other agencies of the Department of Agriculture when such space will be jointly occupied.

SEC. 711. None of the funds in this Act shall be available to pay indirect costs charged against competitive agricultural research, education, or extension grant awards issued by the Cooperative State Research, Education, and Extension Service that exceed 19 percent of total Federal funds provided under each award: *Provided*, That notwithstanding section 1462 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3310), funds provided by this Act for grants awarded competitively by the Cooperative State Research, Education, and Extension Service shall be available to pay full allowable indirect costs for each grant awarded under section 9 of the Small Business Act (15 U.S.C. 638).

SEC. 712. Notwithstanding any other provision of this Act, all loan levels provided in this Act shall be considered estimates, not limitations.

SEC. 713. Appropriations to the Department of Agriculture for the cost of direct and guaranteed loans made available in the current fiscal year shall remain available until expended to cover obligations made in the current fiscal year for the following accounts: the rural development loan fund program account; the rural telephone bank program account; the rural electrification and telecommunications loans program account; the rural housing insurance fund program account; and the rural economic development loans program account.

SEC. 714. Such sums as may be necessary for the current fiscal year pay raises for programs funded by this Act shall be absorbed within the levels appropriated by this Act.

SEC. 715. Notwithstanding chapter 63 of title 31, United States Code, marketing services of the Agricultural Marketing Service; the Grain Inspection, Packers and Stockyards Administration; the Animal and Plant Health Inspection Service; and the food safety activities of the Food Safety and Inspection Service may use cooperative agreements to reflect a relationship between the Agricultural Marketing Service; the Grain Inspection, Packers and Stockyards Administration; the Animal and Plant Health Inspection Service; or the Food Safety and Inspection Service and a State or Cooperator to carry out agricultural marketing programs, to carry out programs to protect the Nation's animal and plant resources, or to carry out educational programs or special studies to improve the safety of the Nation's food supply.

SEC. 716. Notwithstanding any other provision of law (including provisions of law requiring competition), the Secretary of Agriculture may hereafter enter into cooperative agreements (which may provide for the acquisition of goods or services, including personal services) with a State, political subdivision, or agency thereof, a public or private agency, organization, or any other person, if the Secretary determines that the objectives of the agreement will: (1) serve a mutual interest of the parties to the agreement in carrying out the programs administered by the Natural Resources Conservation Service; and (2) all parties will contribute resources to the accomplishment of these objectives: *Provided*, That Commodity Credit Corporation funds obligated for such purposes shall not exceed the level obligated by the Commodity Credit Corporation for such purposes in fiscal year 1998.

SEC. 717. None of the funds in this Act may be used to retire more than 5 percent of the Class A stock of the Rural Telephone Bank or to maintain any account or subaccount within the accounting records of the Rural Telephone Bank the creation of which has not specifically been authorized by statute: *Provided*, That notwithstanding any other provision of law, none of the funds appropriated or otherwise made available in this Act may be used to transfer to the Treasury or to the Federal Financing Bank any unobligated balance of the Rural Telephone Bank telephone liquidating account which is in excess of current requirements and such balance shall receive interest as set forth for financial accounts in section 505(c) of the Federal Credit Reform Act of 1990.

SEC. 718. Of the funds made available by this Act, not more than $1,500,000 shall be used to cover necessary expenses of activities related to all advisory committees, panels, commissions, and task forces of the Department of Agriculture, except for panels used to comply with negotiated rule makings and panels used to evaluate competitively awarded grants.

SEC. 719. None of the funds appropriated by this Act may be used to carry out section 410 of the Federal Meat Inspection Act (21 U.S.C. 679a) or section 30 of the Poultry Products Inspection Act (21 U.S.C. 471).

SEC. 720. No employee of the Department of Agriculture may be detailed or assigned from an agency or office funded by this Act to any other agency or office of the Department for more than 30 days unless the individual's employing agency or office is fully reimbursed by the receiving agency or office for the salary and expenses of the employee for the period of assignment.

SEC. 721. None of the funds appropriated or otherwise made available to the Department of Agriculture shall be used to transmit or otherwise make available to any non-Department of Agriculture employee questions or responses to questions that are a result of information requested for the appropriations hearing process.

SEC. 722. None of the funds made available to the Department of Agriculture by this Act may be used to acquire new information technology systems or significant upgrades, as determined by the Office of the Chief Information Officer, without the approval of the Chief Information Officer and the concurrence of the Executive Information Technology Investment Review Board: *Provided*, That notwithstanding any other provision of law, none of the funds appropriated or otherwise made available by this Act may be transferred to the Office of the Chief Information Officer without the prior approval of the Committees on Appropriations of both Houses of Congress.

SEC. 723. (a) None of the funds provided by this Act, or provided by previous Appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in the current fiscal year, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure through a reprogramming of funds which: (1) creates new programs; (2) eliminates a program, project, or activity; (3) increases funds or personnel by any means for any project or activity for which funds have been denied or restricted; (4) relocates an office or employees; (5) reorganizes offices, programs, or activities; or (6) contracts out or privatizes any functions or activities presently performed by Federal employees; unless the Committees on Appropriations of both Houses of Congress are notified 15 days in advance of such reprogramming of funds.

(b) None of the funds provided by this Act, or provided by previous Appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in the current fiscal year, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure for activities, programs, or projects through a reprogramming of funds in excess of $500,000 or 10 percent, whichever is less, that: (1) augments existing programs, projects, or activities; (2) reduces by 10 percent funding for any existing program, project, or activity, or numbers of personnel by 10 percent as approved by Congress; or (3) results from any general savings from a reduction in personnel which would result in a change in existing programs, activities, or projects as approved by Congress; unless the Committees on Appropriations of both Houses of Congress are notified 15 days in advance of such reprogramming of funds.

SEC. 724. With the exception of funds needed to administer and conduct oversight of grants awarded and obligations incurred prior to enactment of this Act, none of the funds appropriated or otherwise made available by this or any other Act may be used to pay the salaries and expenses of personnel to carry out section 793 of Public Law 104–127, the Fund for Rural America (7 U.S.C. 2204f).

SEC. 725. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries and expenses of personnel who carry out an environmental quality incentives program authorized by chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.) in excess of $174,000,000.

SEC. 726. None of the funds appropriated or otherwise available to the Department of Agriculture in the current fiscal year or thereafter may be used to administer the provision of contract payments to a producer under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) for contract acreage on which wild rice is planted unless the contract payment is reduced by an acre for each contract acre planted to wild rice.

SEC. 727. With the exception of funds needed to administer and conduct oversight of grants awarded and obligations incurred prior to enactment of this Act, none of the funds appropriated or otherwise made available by this or any other Act may be used to pay the salaries and expenses of personnel to carry out the provisions of section 401 of Public Law 105–185, the Initiative for Future Agriculture and Food Systems (7 U.S.C. 7621).

SEC. 728. None of the funds appropriated or otherwise made available by this Act shall be used to carry out any commodity purchase program that would prohibit eligibility or participation by farmer-owned cooperatives.

SEC. 729. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries and expenses of personnel to carry out a conservation farm option program, as authorized by section 1240M of the Food Security Act of 1985 (16 U.S.C. 3839bb).

SEC. 730. None of the funds made available by this Act or any other Act for any fiscal year may be used to carry out section 203(h) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1622(h)) unless the Secretary of Agriculture inspects and certifies agricultural processing equipment, and imposes a fee for the inspection and certification, in a manner that is similar to the inspection and certification of agricultural products under that section, as determined by the Secretary: *Provided*, That this provision shall not affect the authority of the Secretary to carry out the Federal Meat Inspection Act (21 U.S.C. 601 et seq.), the Poultry Products Inspection Act (21 U.S.C. 451 et seq.), or the Egg Products Inspection Act (21 U.S.C. 1031 et seq.).

SEC. 731. None of the funds appropriated by this Act or any other Act shall be used to pay the salaries and expenses of personnel who prepare or submit appropriations language as part of the President's Budget submission to the Congress of the United States for programs under the jurisdiction of the Appropriations Subcommittees on Agriculture, Rural Development, and Related Agencies that assumes revenues or reflects a reduction from the previous year due to user fees proposals that have not been enacted into law prior to the submission of the Budget unless such Budget submission identifies which additional spending reductions should occur in the event the user fees proposals are not enacted prior to the date of the convening of a committee of conference for the fiscal year 2002 appropriations Act.

SEC. 732. None of the funds appropriated or otherwise made available by this Act shall be used to carry out a Community Food Security program or any similar activity within the United States Department of Agriculture without the prior approval of the Committees on Appropriations of both Houses of Congress.

SEC. 733. None of the funds appropriated or otherwise made available by this or any other Act may be used to carry out provision of section 612 of Public Law 105-185.

Mr. SKEEN (during the reading). Mr. Chairman, I ask unanimous consent that the remainder of title VII through page 72, line 4 be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

The CHAIRMAN. Are there any amendments to this portion of the bill? If not, the Clerk will read.

The Clerk read as follows:

SEC. 734. Hereafter no funds shall be used for the Kyoto Protocol, including such Kyoto mechanisms as carbon emissions trading schemes and the Clean Development Mechanism that are found solely in the Kyoto Protocol and nowhere in the laws of the United States.

### AMENDMENT NO. 58 OFFERED BY MR. KNOLLENBERG

Mr. KNOLLENBERG. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 58 offered by Mr. KNOLLENBERG:

Page 72, line 5, strike Section 734 and Insert as Section 734:

None of the funds appropriated by this Act shall be used to propose or issue rules, regulations, decrees, or orders for the purpose of implementation, or in preparation for implementation, of the Kyoto Protocol which was adopted on December 11, 1997, in Kyoto, Japan, at the Third Conference of the Parties to the United Nations Framework Convention on Climate Change, which has not been submitted to the Senate for advice and consent to ratification pursuant to article II, section 2, clause 2, of the United States Constitution, and which has not entered into force pursuant to article 25 of the Protocol; Provided further, the limitation established in this section not apply to any activity otherwise authorized by law.

Mr. KNOLLENBERG. Mr. Chairman, I want to state at the outset that this amendment makes the language for this Agriculture Appropriations bill, H.R. 4461, exactly the same, word-for-word, as the language in the energy and water appropriations bill, the same, word-for-word, that will be in the foreign operations bill that will come before this body this week.

This language passed by voice vote with no opposition in about 1 minute just a few days ago. I would like to make four quick key points that are actually directed in this amendment. Number one, no agency can proceed with activities that are not specifically authorized and funded. Number two, no new authority is granted. Number three, neither the United Nations framework convention on climate control, nor the Kyoto Protocol are self-executing and specific implementing legislation is required for any regulation, program or initiative. Number four, since the Kyoto Protocol has not ratified and implementing legislation has not been approved by Congress, nothing contained exclusively in that treaty is funded.

Mr. Chairman, I just want to urge all Members to support what is a bipartisan supported amendment, and it has been our effort to strengthen through clarification and offer consistently in all of these bills and we think that is the proper approach, it simplifies things, clarifies things and I think strengthens things.

Mr. Chairman, in the morning two days ago, the House Appropriations Committee accepted my amendment to the Foreign Operations Appropriations bill. That afternoon an amendment that the gentleman from Indiana Mr. VISCLOSKY offered on the Energy and Water Appropriations bill was exactly the same wording as what I offered and what was accepted in the full House Appropriations Committee.

Mr. Chairman, I want to point out that this amendment regarding the Kyoto Protocol offered by me and then Mr. VISCLOSKY and now again by me cannot, under the Rules of the House of Representatives, authorize anything whatsoever on this Agriculture Appropriations bill, H.R. 106–4461, lest it be subject to a point of order.

This amendment shall not go beyond clarification and recognition of the original and enduring meaning of the law that has existed for years now—specifically that no funds be spent on unauthorized activities for the fatally flawed and unratified Kyoto Protocol.

Mr. Chairman, the whole nation deserves to hear the plea of this Administration for clarification of the Kyoto Protocol funding limitation. The plea came from the coordinator of all environmental policy for this Administration, George Frampton, in his position as Acting Chair of the Council on Environmental Quality. On March 1, 2000, on behalf of the Administration he stated before the VA/HUD appropriations subcommittee, and I quote, "Just to finish our dialogue here [about the Kyoto Protocol funding limitation], my point was that it is the very uncertainty about the scope of the language . . . that gives rise to our wanting to not have the continuation of this uncertainty created next year."

Mr. Chairman, I agree with Mr. OBEY when he stated to the Administration, "You're nuts!" upon learning of the fatally flawed Kyoto Protocol that Vice President Gore negotiated.

Mr. Chairman, I thank the Congress for the focus on the activities of this Administration, both authorized and unauthorized.

This amendment shall be read to be a clarification that is fully consistent with the provision that has been signed by President Clinton in six current appropriations laws.

A few key points must be reviewed:

First, no agency can proceed with activities that are not specifically authorized and funded. Mr. Chairman, there has been an effort to confuse the long-standing support that I as well as other strong supporters of the provision on the Kyoto Protocol have regarding important energy supply and energy conservation program. For example, there has never been a question about strong support for voluntary programs, development of clean coal technology, and improvements in energy conservation for all sectors of our economy. Notwithstanding arguments that have been made on the floor in recent days, I have never, ever tried to undermine, eliminate, delete, or delay any programs that have been specifically authorized and funded.

Second, no new authority is granted.

Third, since neither the United Nations Framework Convention on Climate Change nor the Kyoto Protocol are self executing, specific implementing legislation is required for any regulation, program, or initiative.

Fourth, since the Kyoto Protocol has not been ratified and implementing legislation has not been approved by Congress, nothing contained exclusively in that treaty is funded.

Mr. Chairman, as you know, the Administration negotiated the Kyoto Climate Change Protocol some time ago but has decided not to submit this treaty to the United States Senate for ratification. All indications from this Administration lead to the conclusion that they have no intention of ever submitting the Kyoto Protocol to the Senate.

Pursuant to Article II, Section 2, Clause 2 of the United States Constitution, the President only has the power to make treaties "by and with the Advice and Consent of the Senate." It is therefore unconstitutional for the President to make a treaty in contravention of the Advice of the Senate. The unanimous (95–0) advice of the Senate was given in Senate Resolution 105–98, referred to as the Byrd-Hagel Resolution.

Likewise it is therefore unconstitutional for the President to make a treaty with no intention of ever seeking the consent of the Senate.

The Protocol places severe restrictions on the United States while exempting most countries, including China, India, Mexico, and Brazil, from taking measures to reduce carbon dioxide equivalent emissions. The Administration undertook this course of action despite unanimous support in the United States Senate for the Senate's advice in the form of the Byrd-Hagel resolution calling for commitments by all nations and on the condition that the Protocol not adversely impact the economy of the United States.

We are also concerned that actions taken by Federal agencies constitute the implementation of this treaty before its submission to Congress as required by the Constitution of the United States. Clearly, Congress cannot allow any agency to attempt to interpret current law to avoid constitutional due process.

Clearly, we would not need this debate if the Administration would send the treaty to the Senate. The treaty would be disposed of and we could return to a more productive process for addressing our energy future.

During numerous hearings on this issue, the administration has not been willing to engage in this debate. For example, it took months to extract the documents the administration used for its flawed economics. The message is clear—there is no interest in sharing with the American public the real price tag of this policy.

A balanced public debate will be required because there is much to be learned about the issue before we commit this country to unprecedented curbs on energy use while most of the world is exempt.

Worse yet, some treaty supporters see this as only a first step to elimination of fossil energy production. Unfortunately, the Administration has chosen to keep this issue out of the current debate.

I look forward to working to assure that the administration and EPA understand the boundaries of the current law. It will be up to Congress to assure that backdoor implementation of the Kyoto Protocol does not occur.

In that regard I would like to include in the RECORD a letter with legislative history of the Clean Air Act reported by Congressman JOHN DINGELL who was the Chairman of the House Conference on the Cleam Air Act amendments of 1990. No one knows the Clean Air Act like Congressman DINGELL. He makes clear, and I quote, "Congress has not enacted implementing legislation authorizing EPA or any other agency to regulate greenhouse gases."

In closing, I look forward to the report language to clarify what activities are and are not authorized.

Mr. Chairman, I include the following letter for the RECORD:

OCTOBER 5, 1999.

Hon. DAVID M. MCINTOSH,  
*Chairman, Subcommittee on National Economic Growth, Natural Resources, and Regulatory Affairs, Committee on Government Reform, Washington, DC.*

DEAR MR. CHAIRMAN: I understand that you have asked, based on discussions between our staffs, about the disposition by the House-Senate conferees of the amendments in 1990 to the Clean Air Act (CAA) regarding greenhouse gases such as methane and carbon dioxide. In making this inquiry, you call my attention to an April 10, 1998 Environmental Protection Agency (EPA) memorandum entitled 'EPA's Authority to Regulate Pollutants Emitted by Electric Power Generation Sources' and an October 12, 1998 memorandum entitled 'The Authority of EPA to Regulate Carbon Dioxide Under the Clean Air Act' prepared for the National Mining Association. The latter memorandum discusses the legislative history of the 1990 amendments.

First, the House-passed bill (H.R. 3030) never included any provision regarding the regulation of any greenhouse gas, such as methane or carbon dioxide, nor did the bill address global climate change. The House, however, did include provisions aimed at implementing the Montreal Protocol on Substances that Deplete the Ozone Layer.

Second, as to the Senate version (S. 1630) of the proposed amendments, the October 12, 1998 memorandum correctly points out that the Senate did address greenhouse gas matters and global warming, along with provisions implementing the Montreal Protocol. Nevertheless, only Montreal Protocol related provisions were agreed to by the House-Senate conferees (see Conf. Rept. 101–952, Oct. 26, 1990).

However, I should point out that Public Law 101–549 of November 15, 1990, which contains the 1990 amendments to the CAA, includes some provisions, such as sections 813, 817 and 819–821, that were enacted as free-standing provisions separate from the CAA. Although the Public Law often refers to the 'Clean Air Act Amendments of 1990,' the Public Law does not specify that reference as the 'short title' of all of the provisions included the Public Law.

One of these free-standing provisions, section 821, entitled 'Information Gathering on Greenhouse Gases contributing to Global Climate Change' appears in the United States code as a 'note' (at 42 U.S.C. 7651k). It requires regulations by the EPA to 'monitor carbon dioxide emissions' from 'all affected sources subject to title V' of the CAA and specifies that the emissions are to be reported to the EPA. That section does not designate carbon dioxide as a 'pollutant' for any purpose.

Finally, Title IX of the Conference Report, entitled 'Clean Air Research,' was primarily negotiated at the time by the House and Senate Science Committees, which had no regulatory jurisdiction under House-Senate Rules. This title amended section 103 of the CAA by adding new subsections (c) through (k). New subsection (g), entitled 'Pollution Prevention and Control,' calls for 'non-regulatory strategies and technologies for air pollution prevention.' While it refers, as noted in the EPA memorandum, to carbon dioxide as a 'pollutant,' House and Senate conferees never agreed to designate carbon dioxide as a pollutant for regulatory or other purposes.

Based on my review of this history and my recollection of the discussions, I would have difficulty concluding that the House-Senate conferees, who rejected the Senate regulatory provisions (with the exception of the above-referenced section 821), contemplated regulating greenhouse gas emissions or addressing global warming under the Clean Air Act. Shortly after enactment of Public Law 101–549, the United Nations General Assembly established in December 1990 the Intergovernmental Negotiating Committee that ultimately led to the Framework Convention on Climate Change, which was ratified by the United States after advice and consent by the Senate. That Convention is, of course, not self-executing, and the Congress has not enacted implementing legislation authorizing EPA or any other agency to regulate greenhouse gases.

I hope that this is responsive.

With best wishes,

Sincerely,

JOHN D. DINGELL,  
*Ranking Member.*

Mr. VISCLOSKY. Mr. Chairman, I rise in support of the Knollenberg amendment. His characterization of the language is absolutely correct. It is the same as energy and water, it is the same as full committee has reported for foreign operations and essentially the same intent as Veterans Administration, HUD and Urban Development as well.

Mr. Chairman, I appreciate his work in a bipartisan fashion and, again, I agree with the premise of the gentleman from Michigan (Mr. KNOLLENBERG), Kyoto is not the law of the land, but we want to ensure that where we have authorized programs and where there is duplicate language that the law can also be followed. I do appreciate the initiative of the gentleman and would ask my colleagues to support his amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. KNOLLENBERG).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 735. After taking any action involving the seizure, quarantine, treatment, destruction, or disposal of wheat infested with karnal bunt, the Secretary of Agriculture shall compensate the producers and handlers for economic losses incurred as the result of the action not later than 45 days after receipt of a claim that includes all appropriate paperwork.

SEC. 736. Notwithstanding any other provision of law, the Town of Lloyd, New York and the Town of Harris, New York shall be eligible for loans and grants provided through the Rural Community Advancement Program.

☐ 1630

AMENDMENT NO. 56 OFFERED BY MR. BOYD

Mr. BOYD. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 56 offered by Mr. BOYD:

Page 72, lines 18 and 19, strike "Town of Harris" and insert "Town of Thompson".

Mr. BOYD. Mr. Chairman, I want to make sure that we have the amendment correct. It should be the amendment that changes the "Town of Harris" to the "Town of Thompson."

The CHAIRMAN. The gentleman from Florida is correct.

Mr. BOYD. Mr. Chairman, it is a technical amendment. I ask support for the amendment.

Mr. SKEEN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I accept the gentleman's amendment and recommend that the House do so as well.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. BOYD).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read:

The Clerk read as follows:

SEC. 737. Hereafter, notwithstanding section 502(h)(7) of the Housing Act of 1949 (42 U.S.C. 1472(h)(7)), the fee collected by the Secretary of Agriculture with respect to a guaranteed loan under such section 502(h) at the time of the issuance of such guarantee may be in an amount equal to not more than 2 percent of the principal obligation of the loan.

SEC. 738. The Secretary of Agriculture may use funds available under this and subsequent appropriation Acts to employ individuals to perform services outside the United States as determined by the agencies to be necessary or appropriate for carrying out programs and activities abroad; and such employment actions, hereafter referred to as Personal Service Agreements (PSA), are authorized to be negotiated, the terms of the PSA to be prescribed and work to be performed, where necessary, without regard to such statutory provisions as related to the negotiation, making and performance of contracts and performance of work in the United States. Individuals employed under a PSA to perform such services outside the United States shall not by virtue of such employment be considered employees of the United States Government for purposes of any law administered by the Office of Personnel Management. Such individuals may be considered employees within the meaning of the Federal Employee Compensation Act, 5 U.S.C. 8101 et seq. Further, that Government service credit shall be accrued for the time employed under a PSA should the individual later be hired into a permanent U.S. Government position within FAS or another U.S. Government agency if their authorities so permit.

SEC. 739. (a) IN GENERAL.—Section 141 of the Agricultural Market Transition Act (7 U.S.C. 7251) is amended—

(1) in subsection (b)(4), by striking "and 2000"; and inserting "through 2001"; and

(2) in subsection (h), by striking "2000" each place it appears and inserting "2001".

(b) CONFORMING AMENDMENT.—Section 142(e) of the Agricultural Market Transition Act (7 U.S.C. 7252(e)) is amended by striking "2001" and inserting "2002".

SEC. 740. In addition to amounts otherwise appropriated or made available by this Act, $4,000,000 is appropriated for the purpose of providing Bill Emerson and Mickey Leland Hunger Fellowships through the Congressional Hunger Center.

SEC. 741. Notwithstanding section 718, title VII of Public Law 105-277, as amended, funds made available hereafter in annual appropriations acts may be used to provide market access program assistance pursuant to section 203 of the Agricultural Trade Act of 1978, as amended (7 U.S.C. 5623), to any agricultural commodity as defined in section 102 of the Agriculture Trade Act of 1978, as amended (7 U.S.C. 5602), except for products specifically excluded by section 1302, title I of Public Law 103-66, as amended, the Omnibus Budget Reconciliation Act of 1993.

POINT OF ORDER

Mr. DEUTSCH. Mr. Chairman, I raise a point of order on this section restoring the eligibility of mink for MAP funds.

The CHAIRMAN. Are there other Members who wish to be heard on the point of order that this section constitutes legislation?

The Chair finds, that this provision explicitly supersedes existing law in violation of clause 2 of rule XXI. The point of order is sustained, and the provision is stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 742. None of the funds appropriated or otherwise made available by this Act may be used to include a flood plain determination in any environmental impact study conducted by or at the request of the Farm Service Agency for financial obligations or guarantees to aquaculture facilities pending the completion by the Secretary of Agriculture and submission to Congress of a study regarding the environmental impact of aquaculture activities in flood plains in Arkansas.

SEC. 743. Notwithstanding any other provision of law or regulation, hereafter Friends of the National Arboretum, an organization described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code incorporated in the District of Columbia, shall not be considered a prohibited source with respect to the United States National Arboretum and its employees for any reason, including for the purposes relating to gifts, compensation, or any other donations of any size or kind, so long as Friends of the National Arboretum remains an organization described under section 501(c)(3) of such Code and continues to conduct its operations exclusively for the benefit of the United States National Arboretum.

SEC. 744. Notwithstanding any other provision of law, the Secretary shall include the value of lost production when determining the amount of compensation to be paid to owners, as provided in Public Law 106-113, appendix E, title II, section 204, for the cost of tree replacement for commercial trees destroyed as part of the Citrus Canker Eradication Program in Florida.

SEC. 745. (a) The Secretary of Agriculture shall issue regulations requiring, for each child nutrition program, that—

(1) alternate protein products which are used to resemble and substitute, in part, for meat, poultry, or seafood shall meet the nutritional specifications for vegetable protein products set forth in section 2(e)(3) of the matter relating to vegetable protein products in appendix A to part 210 of title 7, Code of Federal Regulations, as in effect on April 9, 2000; and

(2) if alternate protein products comprise 30 percent or more of a meat, poultry, or seafood product, that fact shall be disclosed at the point of service.

(b) The Secretary shall require that the regulations issued pursuant to subsection (a) shall be implemented by each program participant not later than January 1, 2001, and thereafter.

SEC. 746. Effective 180 days after the date of the enactment of this Act and continuing for the remainder of fiscal year 2001 and each subsequent fiscal year, establishments in the United States that slaughter or process birds of the order Ratitae, such as ostriches, emus and rheas, and squab, for distribution in commerce as human food shall be subject to the ante mortem and post mortem inspection, reinspection, and sanitation requirements of the Poultry Products Inspection Act (21 U.S.C. 451 et seq.) rather than the voluntary poultry inspection program of the Department of Agriculture under section 203 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1622).

SEC. 747. In using funds made available under section 801(a) of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000 (Public Law 106-78; 113 Stat. 1175), or under the heading "CROP LOSS ASSISTANCE" under "COMMODITY CREDIT CORPORATION FUND" of H.R. 3425 of the 106th Congress (as contained in appendix E of Public Law 106-113 (113 Stat. 1501A-289)), to compensate nursery stock producers for nursery stock losses caused by Hurricane Irene on October 16 and 17, 1999, the Secretary of Agriculture shall treat the losses as losses to the 1999 nursery stock crop.

SEC. 748. Any regulation issued pursuant to any plan to eliminate Salmonella Enteritidis illnesses due to eggs (including the Action Plan to Eliminate Salmonella Enteritidis Illnesses Due to Eggs, published on December 10, 1999) which establishes requirements for producers or packers of shell eggs to conduct tests for Salmonella Enteritidis shall contain provisions to defray or reimburse the costs of such tests to producers or packers. Any requirements pursuant to any such plan to divert eggs into pasteurization shall be imposed only as a consequence of positive test results from end product testing. The number of environmental tests required pursuant to any such plan shall, to the extent practicable, not exceed the number of such tests required pursuant to existing national quality assurance programs for shell eggs.

SEC. 749. Section 321(b) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961(b)) is amended by adding at the end the following:

"(3) LOANS TO POULTRY FARMERS.—

"(A) INABILITY TO OBTAIN INSURANCE.—

"(i) IN GENERAL.—Notwithstanding any other provision of this subtitle, the Secretary may make a loan to a poultry farmer under this subtitle to cover the loss of a chicken house for which the farmer did not have hazard insurance at the time of the loss, if the farmer—

"(I) applied for, but was unable, to obtain hazard insurance for the chicken house;

"(II) uses the loan to rebuild the chicken house in accordance with industry standards in effect on the date the farmer submits an application for the loan (referred to in this paragraph as 'current industry standards');

"(III) obtains, for the term of the loan, hazard insurance for the full market value of the chicken house; and

"(IV) meets the other requirements for the loan under this subtitle, other than (if the Secretary finds that the applicant's farming operations have been substantially affected by a major disaster or emergency designated by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.)) the requirement that an applicant not be able to obtain sufficient credit elsewhere.

"(ii) AMOUNT.—The amount of a loan made to a poultry farmer under clause (i) shall be an amount that will allow the farmer to rebuild the chicken house in accordance with current industry standards.

"(B) LOANS TO COMPLY WITH CURRENT INDUSTRY STANDARDS.—

"(i) IN GENERAL.—Notwithstanding any other provision of this subtitle, the Secretary may make a loan to a poultry farmer under this subtitle to cover the loss of a chicken house for which the farmer had hazard insurance at the time of the loss, if—

"(I) the amount of the hazard insurance is less than the cost of rebuilding the chicken house in accordance with current industry standards;

"(II) the farmer uses the loan to rebuild the chicken house in accordance with current industry standards;

"(III) the farmer obtains, for the term of the loan, hazard insurance for the full market value of the chicken house; and

"(IV) the farmer meets the other requirements for the loan under this subtitle, other than (if the Secretary finds that the applicant's farming operations have been substantially affected by a major disaster or emergency designated by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.)) the requirement that an applicant not be able to obtain sufficient credit elsewhere.

"(ii) AMOUNT.—The amount of a loan made to a poultry farmer under clause (i) shall be the difference between—

"(I) the amount of the hazard insurance obtained by the farmer; and

"(II) the cost of rebuilding the chicken house in accordance with current industry standards.".

SEC. 750. Public Law 105-277, division A, title XI, section 1121 (112 Stat. 2681–44, 2681–45) is amended by—

(1) striking "not later than January 1, 2000" and inserting "not later than January 1, 2001"; and

(2) adding the following new subsection at the end thereof—

"(d) ADDITIONAL DISBURSEMENT.—

"(1) COTTON STORED IN GEORGIA.—The State of Georgia shall use funds remaining in the indemnity fund established in accordance with this section to compensate cotton producers in other States who stored cotton in the State of Georgia and incurred losses in 1998 or 1999 as the result of the events described in subsection (a).

"(2) GINNERS AND OTHERS.—The State of Georgia may also use funds remaining in the indemnity fund established in accordance with this section to compensate cotton ginners and others in the business of producing, ginning, warehousing, buying, or selling cotton for losses they incurred in 1998 or 1999 as the result of the events described in subsection (a), if—

"(A) as of March 1, 2000, the indemnity fund has not been exhausted;

"(B) the State of Georgia provides cotton producers (including cotton producers described in paragraph (1)) an additional time period prior to May 1, 2000, in which to establish eligibility for compensation under this section;

"(C) the State of Georgia determines during calendar year 2000 that all cotton producers in that State and cotton producers in other States as described in paragraph (1) have been appropriately compensated for losses incurred in 1998 or 1999 as described in subsection (a); and

"(D) such additional compensation is not made available until May 1, 2000.".

### APPLE MARKET LOSS ASSISTANCE AND QUALITY LOSS PAYMENTS FOR APPLES AND POTATOES

SEC. 751. (a) APPLE MARKET LOSS ASSISTANCE.—In order to provide relief for loss of markets for apples, the Secretary of Agriculture shall use $100,000,000 to make payments to apple producers. Payments shall be made on a per pound basis on each qualifying producer's 1999 production of apples, subject to such terms and conditions on such payments as may be established by the Secretary. Payments under this subsection, however, shall not be made with respect to that part of a farm's 1999 apple production that is in excess of 1.6 million pounds.

(b) QUALITY LOSS PAYMENTS FOR APPLES AND POTATOES.—In addition, the Secretary shall use $15,000,000 to provide compensation to producers of potatoes and to producers of apples who suffered quality losses to their 1999 production of those crops due to, or related to, a 1999 hurricane.

(c) NON-DUPLICATION OF PAYMENTS.—Notwithstanding any other provision of this section, the payments made under this section shall be designed to avoid, taken into account other federal compensation programs as may apply, a duplication of payments for the same loss. Payments made under Federal crop insurance programs shall not, however, be considered to be duplicate payments.

(d) FUNDING.—The Secretary of Agriculture shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out this section.

(e) EMERGENCY DESIGNATION.—The entire amount necessary to carry out this section shall be available only to the extent that an official budget request for the entire amount, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: *Provided*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.

SEC. 752. None of the funds appropriated or otherwise made available by this or any other Act may be used to pay salaries and expenses of personnel to carry out section 508(k) of the Federal Crop Insurance Act (7 U.S.C. 1508(k)) to reimburse approved insurance providers and agents for the administrative and operating costs that exceed 20 percent of the premium used to define loss ratio for plans currently reimbursed at 24.5 percent and a proportional reduction for the plans currently reimbursed at less than 24.5 percent.

### POINT OF ORDER

Mr. COMBEST. Mr: Chairman, I rise to make a point of order against the provision appearing on page 85, lines 6 through 15, of H.R. 4461, the Agriculture Appropriations bill for fiscal year 2001.

The provision cited above violates clause 2(b) of rule XXI of the House in that it contains legislative or authorizing language in an appropriations bill as noted below:

The provision places a limitation on expenditures of the Insurance Fund authorized under the Federal Crop Insurance Act where such limitation does not exist under current law instead of confining such limitation on expenditures to funds made available under this act. Additionally, by addressing funds in other acts, the amendment changes existing law in violation of clause 2(b) of rule XXI of the House.

The CHAIRMAN. Although a limitation, the section addresses funds outside the current bill and, therefore, does constitute legislation. The point of order is sustained. Section 752 is, therefore, stricken from the bill.

The Clerk will read.

The Clerk read as follows:

## TITLE VIII—TRADE SANCTIONS REFORM AND EXPORT ENHANCEMENT

### SEC. 801. SHORT TITLE.

This title may be cited as the "Trade Sanctions Reform and Export Enhancement Act of 2000".

### SEC. 802. DEFINITIONS.

In this title:

(1) AGRICULTURAL COMMODITY.—The term "agricultural commodity" has the meaning given the term in section 102 of the Agricultural Trade Act of 1978 (7 U.S.C. 5602).

(2) AGRICULTURAL PROGRAM.—The term "agricultural program" means—

(A) any program administered under the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1691 et seq.);

(B) any program administered under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431);

(C) any program administered under the Agricultural Trade Act of 1978 (7 U.S.C. 5601 et seq.);

(D) the dairy export incentive program administered under section 153 of the Food Security Act of 1985 (15 U.S.C. 713a–14);

(E) any commercial export sale of agricultural commodities; or

(F) any export financing (including credits or credit guarantees) provided by the United States Government for agricultural commodities.

(3) JOINT RESOLUTION.—The term "joint resolution" means—

(A) in the case of section 803(a)(1), only a joint resolution introduced within 10 session days of Congress after the date on which the report of the President under section 803(a)(1) is received by Congress, the matter after the resolving clause of which is as follows: "That Congress approves the report of the President pursuant to section 803(a)(1) of the Trade Sanctions Reform and Export Enhancement Act of 2000, transmitted on .", with the blank completed with the appropriate date; and

(B) in the case of section 806(1), only a joint resolution introduced within 10 session days of Congress after the date on which the report of the President under section 806(2) is received by Congress, the matter after the resolving clause of which is as follows: "That Congress approves the report of the President pursuant to section 806(1) of the Trade Sanctions Reform and Export Enhancement Act of 2000, transmitted on .", with the blank completed with the appropriate date.

(4) MEDICAL DEVICE.—The term "medical device" has the meaning given the term "device" in section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321).

(5) MEDICINE.—The term "medicine" has the meaning given the term "drug" in section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321).

(6) UNILATERAL AGRICULTURAL SANCTION.—The term "unilateral agricultural sanction" means any prohibition, restriction, or condition on carrying out an agricultural program with respect to a foreign country or foreign entity that is imposed by the United States for reasons of foreign policy or national security, except in a case in which the United States imposes the measure pursuant to a multilateral regime and the other member countries of that regime have agreed to impose substantially equivalent measures.

(7) UNILATERAL MEDICAL SANCTION.—The term "unilateral medical sanction" means any prohibition, restriction, or condition on exports of, or the provision of assistance consisting of, medicine or a medical device with respect to a foreign country or foreign entity that is imposed by the United States for reasons of foreign policy or national security, except in a case in which the United States imposes the measure pursuant to a multilateral regime and the other member countries of that regime have agreed to impose substantially equivalent measures.

### SEC. 803. RESTRICTION.

(a) NEW SANCTIONS.—Except as provided in sections 804 and 805 and notwithstanding any other provision of law, the President may not impose a unilateral agricultural sanction or unilateral medical sanction against a foreign country or foreign entity, unless—

(1) not later than 60 days before the sanction is proposed to be imposed, the President submits a report to Congress that—

(A) describes the activity proposed to be prohibited, restricted, or conditioned; and

(B) describes the actions by the foreign country or foreign entity that justify the sanction; and

(2) there is enacted into law a joint resolution stating the approval of Congress for the report submitted under paragraph (1).

(b) EXISTING SANCTIONS.—

(1) IN GENERAL.—Except as provided in paragraph (2), the President shall terminate any unilateral agricultural sanction or unilateral medical sanction that is in effect as of the date of enactment of this Act.

(2) EXEMPTIONS.—Paragraph (1) shall not apply to a unilateral agricultural sanction or unilateral medical sanction imposed—

(A) with respect to any program administered under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431);

(B) with respect to the Export Credit Guarantee Program (GSM–102) or the Intermediate Export Credit Guarantee Program (GSM–103) established under section 202 of the Agricultural Trade Act of 1978 (7 U.S.C. 5622); or

(C) with respect to the dairy export incentive program administered under section 153 of the Food Security Act of 1985 (15 U.S.C. 713a–14).

**SEC. 804. EXCEPTIONS.**

Section 803 shall not affect any authority or requirement to impose (or continue to impose) a sanction referred to in section 803—

(1) against a foreign country or foreign entity—

(A) pursuant to a declaration of war against the country or entity;

(B) pursuant to specific statutory authorization for the use of the Armed Forces of the United States against the country or entity;

(C) against which the Armed Forces of the United States are involved in hostilities; or

(D) where imminent involvement by the Armed Forces of the United States in hostilities against the country or entity is clearly indicated by the circumstances; or

(2) to the extent that the sanction would prohibit, restrict, or condition the provision or use of any agricultural commodity, medicine, or medical device that is—

(A) controlled on the United States Munitions List established under section 38 of the Arms Export Control Act (22 U.S.C. 2778);

(B) controlled on any control list established under the Export Administration Act of 1979 or any successor statute (50 U.S.C. App. 2401 et seq.); or

(C) used to facilitate the development or production of a chemical or biological weapon or weapon of mass destruction.

**SEC. 805. COUNTRIES SUPPORTING INTERNATIONAL TERRORISM.**

Notwithstanding section 803 and except as provided in section 807, the prohibitions in effect on or after the date of the enactment of this Act under section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371) on providing, to the government of any country supporting international terrorism, United States Government assistance, including United States foreign assistance, United States export assistance, or any United States credits or credit guarantees, shall remain in effect for such period as the Secretary of State determines under such section 620A that the government of the country has repeatedly provided support for acts of international terrorism.

**SEC. 806. TERMINATION OF SANCTIONS.**

Any unilateral agricultural sanction or unilateral medical sanction that is imposed pursuant to the procedures described in section 803(a) shall terminate not later than 2 years after the date on which the sanction became effective unless—

(1) not later than 60 days before the date of termination of the sanction, the President submits to Congress a report containing—

(A) the recommendation of the President for the continuation of the sanction for an additional period of not to exceed 2 years; and

(B) the request of the President for approval by Congress of the recommendation; and

(2) there is enacted into law a joint resolution stating the approval of Congress for the report submitted under paragraph (1).

**SEC. 807. STATE SPONSORS OF INTERNATIONAL TERRORISM.**

(a) IN GENERAL.—Notwithstanding any other provision of this title, the export of agricultural commodities, medicine, or medical devices to the government of a country that has been determined by the Secretary of State to have repeatedly provided support for acts of international terrorism under section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371) shall only be made—

(1) pursuant to one-year licenses issued by the United States Government for contracts entered into during the one-year period and completed with the 12-month period beginning on the date of the signing of the contract, except that, in the case of the export of items used for food and for food production, such one-year licenses shall otherwise be no more restrictive than general licenses; and

(2) without benefit of Federal financing, direct export subsidies, Federal credit guarantees, or other Federal promotion assistance programs.

(b) QUARTERLY REPORTS.—The applicable department or agency of the Federal Government shall submit to the appropriate congressional committees on a quarterly basis a report on any activities undertaken under subsection (a)(1) during the preceding calendar quarter.

(c) BIENNIAL REPORTS.—Not later than two years after the date of enactment of this Act, and every two years thereafter, the applicable department or agency of the Federal Government shall submit a report to the appropriate congressional committees on the operation of the licensing system under this section for the preceding two-year period, including—

(1) the number and types of licenses applied for;

(2) the number and types of licenses approved;

(3) the average amount of time elapsed from the date of filing of a license application until the date of its approval;

(4) the extent to which the licensing procedures were effectively implemented; and

(5) a description of comments received from interested parties about the extent to which the licensing procedures were effective, after the applicable department or agency holds a public 30-day comment period.

**SEC. 808. CONGRESSIONAL PROCEDURES.**

(a) REFERRAL OF REPORT.—A report described in section 803(a)(1) or 806(1) shall be referred to the appropriate committee or committees of the House of Representatives and to the appropriate committee or committees of the Senate.

(b) REFERRAL OF JOINT RESOLUTION.—

(1) IN GENERAL.—A joint resolution introduced in the Senate shall be referred to the Committee on Foreign Relations, and a joint resolution introduced in the House of Representatives shall be referred to the Committee on International Relations.

(2) REPORTING DATE.—A joint resolution referred to in paragraph (1) may not be reported before the eighth session day of Congress after the introduction of the joint resolution.

**SEC. 809. EFFECTIVE DATE.**

(a) IN GENERAL.—Except as provided in subsection (b), this title shall take effect on the date of enactment of this Act, and shall apply thereafter in any fiscal year.

(b) EXISTING SANCTIONS.—In the case of any unilateral agricultural sanction or unilateral medical sanction that is in effect as of the date of enactment of this Act, this title shall take effect 180 days after the date of enactment of this Act, and shall apply thereafter in any fiscal year.

POINT OF ORDER

Mr. DIAZ-BALART. Mr. Chairman, I rise to make a point of order against title VIII.

Mr. Chairman, I believe that title VIII violates clause 2 of rule XXI concerning legislating on an appropriations bill.

Title VIII is legislative in nature because it changes existing law by lifting sanctions against terrorist states in violation of a number of laws, including the Trading with the Enemy Act, the Cuban Democracy Act, and the Cuban Liberty and Democracy Solidarity Act, among other laws.

The CHAIRMAN. Does any other Member desire to be recognized on this point of order?

Mr. OBEY. Yes, I do, Mr. Chairman. I apologize, but I was momentarily distracted. Did the gentleman from Florida (Mr. DIAZ-BALART) just raise a point of order against the Nethercutt provision on the embargo?

Mr. DIAZ-BALART. Mr. Chairman, if the gentleman will yield, that is correct.

Mr. OBEY. Mr. Chairman, let me simply say that I will not try to get into the merits of the subject, but speaking to the point of order, the gentleman from Florida is obviously correct in his point of order because the Committee on Rules did not protect this section of the bill under the agreement worked out on the majority side of the aisle, which means at this point that there is no provision in law that will protect farmers; ability to export to the countries named either in this bill or in the supplemental appropriations bill. I personally find that to be regrettable.

But because of the decision of the Committee on Rules to not protect this section of the bill and because of the agreement that was reached by the majority party caucus, farmers are left in never-never land on this subject. Because of that decision, the gentleman is free to make the point of order, and there is no way to stop it from being stricken.

The CHAIRMAN. Are there other Members who wish to be heard on the point of order? If not, the Chair is prepared to rule.

The Chair finds that title VIII is entirely legislative in character. As such, it violates clause 2(b) of rule XXI. The point of order is sustained. Title VIII is stricken from the bill.

Mr. OBEY. Mr. Chairman, since no one else seems to at the moment be prepared to address an urgent item, I move to strike the last word.

Mr. Chairman, let me simply take some time right now to indicate that I think the gentleman from New Mexico (Mr. SKEEN) has done a lot of hard work trying to essentially squeeze a small amount of dollars into an even smaller bag.

I think the problem is that because of the unrealistic limitation placed upon this subcommittee by the full committee allocation, which was made necessary by what I consider to be a misguided budget resolution which passed this place, it means that this bill falls far short in a number of areas. It certainly falls far short with respect to food safety items. It falls far short with respect to resources needed to deal with market concentration.

The average farmer is in danger of becoming a serf because of the huge concentration that we see in the poultry business, the meat packing business of all kinds, frankly. That is happening in other sectors of agriculture as well.

The problems in agriculture, pests and diseases, the bill falls very, very short of where it needs to be. The conservation programs fall some $70 million short of the budget request. If we look at other problems, rural development, especially rural housing is $180 million below the budget request. PL–480 overseas food donation program is significantly below the request. Agriculture research and extension programs are $63 million below the request.

There are a number of problems associated with this bill, including the rider restricting egg safety measures to reduce salmonella contamination in eggs.

I would also say that this bill is totally absent any solution to the price problems being faced by many farmers. We have a collapsing price as far as dairy farmers are concerned. Many other farmers are facing similar problems with the products that they produce.

□ 1645

And this bill will not be made whole until we move to conference, where we will be faced with a number of Senate amendments that would add literally billions to try to help farmers get out from under the impact of the misguided Freedom to Farm Act that passed this body several years ago.

So I just wanted to put on record now what my reasons would be personally for opposing the bill when the time comes, although I recognize that the gentleman from New Mexico has been given virtually no maneuvering room in solving some of these problems. The fault lies not with him. The fault lies, in my view, with the budget resolution which was adopted in the first place, which makes it virtually impossible for this House to meet its responsibilities to farmers, to consumers of agriculture products, and to those interested in the issue of rural development as well.

Mr. LATHAM. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I too wanted to compliment the chairman from New Mexico on a great job on this bill. I think we will have a few more amendments, maybe in a few minutes here, but the gentleman from Wisconsin brought up a couple of points I wanted to speak to.

This is an appropriations bill. This is not policy. We are funding the policy that has been set by the Congress. I think there are a lot of things we can do to improve the future for our farmers; work harder on conservation to continue those efforts. I also think, as far as the livestock disease center that is going to be going into central Iowa, that that is going to be very, very important funding in this bill as far as the beginning of that process.

So I think this is a good bill. Obviously, we have very tight budget constraints that we are working under. But we also have to look at the fact that 5 years ago we had projected deficits of $200 billion or more as far as the eye could see. It has been only with some fiscal restraint in this House that we have been able to talk about surpluses and talk about returning some money back to the people out there who work so hard to earn the money that we spend here every day. And it is very important that we spend that money wisely and just do not open the checkbook up or we will be back in the same kind of deficit situation we were previous to this.

We have to look, as far as farm policy, I think, with open eyes about looking at relief as far as taxes, estate taxes, for our farmers. We have to look at our trade policies, the sanctions. It is unfortunate but it is true that the language that was the authorizing language in this bill for Cuba and Libya, Iran, Iraq, and North Korea was stricken from the bill. It will be done this year. We are going to crack that door open as far as lifting sanctions. But what we have to do is look at the rest of the sanction policy that we have, not only with the administration but with the Congress itself.

We have got to learn someday that using food and medicine as weapons in foreign policy does not work. They never punish the people that they are intended to punish. What we end up doing is hurting producers who are trying to sell into those markets. We put sanctions on countries with the idea of somehow hurting them, and all we do is hurt the poor people in those countries by depriving them of the availability of food and medicine.

We have also got to look at the regulatory situation we have in agriculture. As someone who lives on a farm, I understand that in northwest Iowa we have a lot of flat lands, they call them prairie potholes, and yet the bureaucrats here in Washington somehow believe that that is wetlands like they would envision them to be along the coast of the United States. It is not. We may have an eighth of an acre in the middle of a 240-acre field, and somehow that has to be protected, yet it is farmed every year anyway.

We have somehow got to make a determination in agriculture who has jurisdiction. Farmers have to deal with four Federal agencies today as far as wetlands regulations: USDA, Fish and Wildlife, the Army Corps of Engineers, and the EPA; and it is simply not working. They never get a straight answer from anyone.

So, Mr. Chairman, there are a lot of things that need to be done, we have to look at policy down the road, but again this bill is an appropriations bill. I think with the dollars we were given, the chairman did a fantastic job. And I also want to compliment the ranking member, who is not here, but compliment her also for the great cooperation. It is a real honor and privilege to serve on this subcommittee.

### AMENDMENT OFFERED BY MR. BOYD

Mr. BOYD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BOYD:

Page 96, after line 4, insert the following:

SEC. 753. None of the funds made available in this Act or in any other Act may be used to recover part or all of any payment erroneously made to any oyster fisherman in the State of Connecticut for oyster losses under the program established under section 1102(b) of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of Division A of the Omnibus Consolidated and Emergency Supplemental Approprations Act, 1999 (Public Law 105–277)), and the regulations issued pursuant to such section 1102(b).

Mr. BOYD (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. BOYD. Mr. Chairman, I rise to offer this amendment to right a wrong against the oyster harvesters of Connecticut.

This amendment would ensure that no funds would be used to force these men and women to return vital disaster aid back to USDA. Three years ago, the oyster fishermen who work the Long Island Sound and their families faced tough times. By the fall of 1998, over 95 percent of the oysters on 1,750 acres of oyster beds had died, devastating the $62 million industry and the families that relied on it for survival.

The USDA provided $1.5 million in disaster assistance last year to help get these families through the crisis and to ensure the long-time survival of Connecticut's valuable oyster industry. It was the right thing to do. It helped these small businesses get through tough times. The oystermen thought that they had weathered the storm.

But after surviving the crisis, just a few weeks ago the oyster harvesters got a letter in the mail from the USDA saying it was sorry, it made a mistake, and it wanted its money back; it wanted the $1.5 million returned. That money that was invested in reseeding oyster beds so that there would be an oyster harvest in the future, and it went to pay mortgages, to repair boats, and to feed and educate children.

Mr. Chairman, these are not people that have $1.5 million to give back to the Department of Agriculture. They should not be forced to mortgage their homes and futures to pay for a bureaucratic mistake.

My amendment would simply prohibit any funds made available in this act or in any other act from being used to recover part or all of any payment erroneously made to any Connecticut oyster harvester for oyster losses in 1998.

CBO has ruled it as budget neutral, taking no essential funds out of this bill. I call on my colleagues to support the amendment and bring justice home to the oyster harvesters of Connecticut.

Mr. SKEEN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I accept the gentleman's amendment and recommend that the House do so as well.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. BOYD).

The amendment was agreed to.

### AMENDMENT NO. 6 OFFERED BY MR. COBURN

Mr. COBURN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 6 offered by Mr. COBURN:

Insert before the short title the following title:

### TITLE IX—ADDITIONAL GENERAL PROVISIONS

SEC. 901. None of the funds made available in this Act may be used by the Food and Drug Administration for the testing, development, or approval (including approval of production, manufacturing, or distribution) of any drug solely intended for the chemical inducement of abortion.

Mr. COBURN. Mr. Chairman, we have addressed this amendment 2 years prior to now, and we have passed it each year in the House.

What this amendment does is limit and prohibit the use of funds by the Food and Drug Administration in approving any drug that's sole intended purpose is the chemical inducement of an abortion.

Why is this important? First of all, if we go and look at the authorizing language to the Food and Drug Administration what we will find is that, in fact, its charge and its mission is to provide safety and efficacy for life and health. There is nothing about the chemical inducement of an abortion that is safe, either for the mother or for the unborn child. The other reason that this is important is that it violates the very premise under which the FDA was authorized.

What this amendment would do is it would limit the expenditure of Federal funds by the Food and Drug Administration in their efforts to approve drugs whose sole purpose is to terminate life, to take the life of an unborn child.

One of the things that has come to light over the last 3 years that now cannot be disputed scientifically is that we have an ever enlarging number of women who encounter breast cancer. And although it is not politically correct in our culture today, the fact is that having an abortion markedly increases one's risk for breast cancer. There are now 10 out of 11 studies that prove that without a shadow of a doubt. An analysis of all those studies combined, plus other studies, show that there is a 30 percent increase in the risk for breast cancer.

We have funded through this Congress and many others marked research in breast cancer. We just passed a breast cancer and cervical cancer bill through this House with the whole goal to extend the life of these women. It would seem fitting to me that we would not want to allow the FDA to go down a course in which their whole intended purpose is to take the life of the unborn child.

The other thing that is important in this is that drugs that are intended solely for this purpose are intended so to take the life of a child under 9 weeks of age. We also have irrefutable evidence that now an unborn child at 19 days post conception has a heartbeat, and at 41 days post conception has brain waves.

If we look at our definition of death in this country and we say that the absence of brain waves and the absence of a heartbeat is death, then certainly the opposite of that is life. So what we are talking about is taking unborn life. Whether we fight about when life begins or not, we know it is present at 41 days. So we are talking about authorizing an agency of the Federal Government to figure out how best to provide a drug to take that life.

□ 1700

That is not what this country is about, it is not what this bill should be about, and I would ask that the Members support this amendment.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise today, once again, in opposition to the Coburn Amendment that would limit FDA testing on the drug Mifepristone or RU–486. As Congressman COBURN has tried year after year, this amendment, as drafted, would limit FDA testing on any drug that might induce miscarriage, including drugs that treat cancer, ulcers and rheumatoid arthritis.

Although this debate is truly about the FDA's ability to test, research and approve any drug based on sound scientific evidence, I find this continual assault on a women's choice and right to control her body frustrating, to put it lightly.

Just yesterday, the Supreme Court upheld a woman's right to choose whether or not an abortion is right for her, without the State enacting undue restrictions. By ruling the Nebraska "partial birth" ban unconstitutional, the Court reiterated that *Roe* v. *Wade* is still the law of the land and cannot be undermined with ambiguous anti-abortion language.

The Supreme Court's decision spotlights the judicial branch's role in protecting and preserving the reproductive rights of American women as the Constitution provided. In a similar vein, the Federal Drug Administration is charged with determining whether a drug is safe and effective without political interference. However, Mr. COBURN's Amendment would interject politics into this process with no regard to the health and well being of women in the country.

Mifepristone is a proven safe drug that has been used in France since 1988 after the French Minister of Health declared Ru–486 "the moral property of women," thus showing the enlightened state of affairs in France that continues to elude this country.

However, Mifespristone has continually satisfied the FDA's safety requirement in 1996 based on clinical trials and after two favorable letters it is expected to receive final approval soon.

Although Mifepristone was developed as a drug that induces chemical miscarriage, I am more concerned about its other potential uses in treating conditions such as infertility, ectopic pregnancy, endometriosis, uterine fibroids and breast cancer.

The problem with characterizing this amendment as an abortion drug is that Mifepristone has the potential for so many other uses. Thus if we only highlight one use of Mifepristone, then we might as well do the same for chemotherapy drugs which can also cause miscarriage.

Yet, because of the FDA's arduous approval process, many drugs have been found to be safe and effective, notwithstanding their potential usefulness in inducing miscarriage.

Thus, if we go by the Coburn standard, most of these drugs would have not been developed, and future drugs may be jeopardized. Research of potential treatments for each of these conditions is crucial to women's health. Controversy concerning this particular drug should not be a barrier to treatment.

Science should dictate what drugs are approved by the FDA, not politics. Congress has never instructed the FDA to approve or disapprove a drug. The FDA protocol for drug approval depends upon rigorous and objective scientific evaluation of a drug's safety. Ultimately, this is a decision that should be made by the researchers and doctors.

This amendment could jeopardize the integrity of the FDA approval process. Under this process, a company that wants to begin clinical trials on a new drug must submit an application for FDA approval. If that application has not been approved within 30 days, the company may move forward.

This amendment would prevent the FDA from reviewing any application for a drug that might induce miscarriage. No funds would be available for the FDA to even oversee any trials.

Therefore, I urge my Colleagues to oppose this amendment. We cannot afford to inhibit research on certain health conditions based upon the controversy of the particular drug. We also cannot allow the FDA to be limited in its ability to approve drugs based on politics.

Ms. WOOLSEY. Mr. Chairman, I rise in strong opposition to the Coburn amendment.

Since being elected to Congress eight years ago, I have been working with many of my colleagues for the right of all women in the United States to have safe, healthy alternatives to surgical abortions.

While we've seen RU–486 become available in Europe, we're still fighting for expanded research, development, and availability of drugs for medical abortions, like RU–486, here in the United States.

Even worse, in Congress we continue to face these outrageous efforts by the far right to block the Food and Drug Administration's approval of RU–486.

I'm sad to say it, but the Coburn amendment is the same attack that conservatives have tried every year.

Mr. Chairman, pure and simple, the Coburn amendment is an attack on a woman's right to make decisions that affect her health.

It seeks to deny a woman's right to safe medicines like RU–486 even when faced with a crisis pregnancy.

Furthermore, I ask my colleagues to realize that by prohibiting the FDA from approving these medicines—This amendment will also have a life-threatening impact on other women and men.

It harms those who have medical conditions, such as tumors, that can be treated with drugs like RU–486.

We cannot let the far right stand in the way of women's health or patients' lives.

I urge my colleagues—vote against the Coburn amendment!

Mr. SMITH of Michigan. Mr. Chairman, I am concerned about the implications on research if this amendment passes. Scientific study and preliminary evidence show Mifepristone (RU–486) has significant promise for the treatment of: Breast Cancer, Ovarian Cancer, Prostate Cancer, Cushing's Disease (a Pituitary Gland Disorder), Meningioma (benign brain tumors), and Ectopic Pregnancy.

If we block the FDA from testing or approving mifepristone, we may be penalizing thousands of Americans who have nothing to do with the abortion issue.

I feel this vote has greater ramifications than just abortion.

I am also concerned about preserving the scientific integrity of the FDA's drug approval process.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma (Mr. COBURN).

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. COBURN. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Pursuant to House Resolution 538, further proceedings on the amendment offered by the gentleman from Oklahoma (Mr. COBURN) will be postponed.

The point of no quorum is considered withdrawn.

AMENDMENT NO. 47 OFFERED BY MR. ROYCE

Mr. ROYCE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 47 offered by Mr. ROYCE:

Page 96, after line 7, insert the following:

### TITLE IX—ADDITIONAL GENERAL PROVISIONS

**SEC. 901. ACROSS-THE-BOARD PERCENTAGE REDUCTION.**

Each amount appropriated or otherwise made available by this Act that is not required to be appropriated or otherwise made available by a provision of law is hereby reduced by one percent.

Mr. ROYCE. Mr. Chairman, I realize that this year's agricultural appropriations bill is below last year's level, and I applaud the chairman for his efforts on that. However, even more reductions can be made in this bill, and should be made, because, frankly, Congress should continue to cut government waste.

Just a few weeks ago, the President signed into law a $15.3 billion crop insurance and emergency farm package. That measure marks the third big bill out of the agricultural economy in the last 3 years.

Now, this emergency bill amounts to a mini-farm bill affecting most divisions of the agricultural department and sprinkling pet programs to special interest groups. In effect, Congress has been passing more than one agricultural appropriations bill each year; we have been passing two.

In fiscal year 1999, Congress passed $6.6 billion in supplemental assistance. So far in fiscal year 2000, Congress has passed four different measures amounting to $15 billion in emergency agricultural spending, and this includes the $210 million of emergency spending attached to the military construction supplemental passed by this House just before the July 4th recess. Not even into fiscal year 2001 yet, Congress has already passed $1.6 billion in emergency funding.

Mr. Chairman, Congress cannot afford to past two appropriations bills for agriculture each and every year.

Since late 1998, Congress has allotted $22 billion in disaster market loss payments to growers, roughly doubling the subsidies promised under the 1996 Freedom to Farm law. Lawmakers are beginning to use this annual ritual of emergency packages as their vehicle of choice for moving pet projects.

Under the guise of a national emergency, Congress rams through emergency spending bills full of unnecessary, unwanted, unauthorized, unmitigated pork. The emergency package for Colombia-Kosovo and disaster relief included millions for a Coast Guard jet, for instance, for Alaska. It included money for an ice breaker and other egregious pork. If we do not cut back now, our senior citizens will pay the bills when Medicare or Social Security runs dry, and that is not a legacy any one of us wants to live with.

The Department of Agriculture in its current configuration still reflects the needs of an America that existed prior to the industrial revolution. These Depression-era programs still work to prop up commodity prices.

Most agriculture spending aimed at farmers is based on a restrictive centralized planning system. Sixty percent of farm payments goes to 15 percent of the farmers with gross sales in excess of $100,000. Very little of these price supports goes to those who really need it, the small family farmers.

Attempts to manipulate markets and subsidize the economic life of a group of businessmen only harm consumers and farmers. Programs dedicated to agriculture comprise 34 percent of the Department's budget. The remainder goes to forestry, rural development, and welfare.

Back in 1862, when Abraham Lincoln created this agency, five out of 10 American workers were employed in agriculture. Well, that is no longer the case today; yet the Agriculture Department is the fourth largest agency in the President's cabinet, behind Defense, Veterans and Treasury. There is now about one bureaucrat for every six full-time farmers, and not a single one of these bureaucrats helps crops grow.

I support a gradual and consistent reduction in this appropriations bill. We have made progress in the 1996 reforms, but we need to do more; and we need to ensure that these reforms stay put. We must continue to wean agricultural special interests from their dependence on the Federal Government.

My amendment is supported by Citizens Against Government Waste. A 1 percent across-the-board reduction will save American taxpayers $750 million next year alone. It is my hope that this money will go to debt reduction.

Again, the chairman has done an admirable job, but more can be done; and saving one penny on every dollar is the very least we can do. I urge my colleagues to support this amendment.

Mr. SKEEN. Mr. Chairman, I rise in opposition to the gentleman's amendment.

Mr. Chairman, the process associated with the appropriation is long. It includes oversight hearings and evaluations of many proposals. The subcommittee reviewed detailed budget requests and asked several thousand questions for the record. In addition, the subcommittee received over 2,900 individual requests for spending considerations from Members of the House.

The funding presented in this year's bill represents the culmination of many months of work by the subcommittee. The gentleman has not been specifically involved in the process.

The gentleman's amendment moves to arbitrarily cut funding without any consideration to the merit or value of the needs facing American agriculture. This approach ignores the methodical process that the committee used to fund the line items in this bill.

If the gentleman were truly interested in reducing the bill in a logical manner, he would identify the specific programs and accounts that should be reduced with his amendment. Then we could have a valuable debate on the individual merits of the funding proposal. But the gentleman's amendment simply employs the Draconian reduction approach to the discretionary portion of the bill, with little understanding as to its negative impact on vital programs funded by this bill.

I urge my colleagues to defeat the gentleman's amendment.

Mr. OBEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, this amendment is one of the best substitutes for thinking that I have seen on the floor in quite some time. The gentleman has given as one of his reasons for proposing this 1 percent cut the fact that he does not like the fact that there are some agriculture commodity supplementals that have been passed by the Congress. The fact is, those are not in this bill. They do not have diddly to do with this bill. They ought to be in this bill, because, I promise you, before the Congress is finished, it will respond to the problem on the farm with respect to prices.

The Senate has already passed $1.2 billion in additional assistance to farmers who are being crippled by low prices, thanks to the spectacular failure of the Freedom to Farm Act; and before this bill is finished, the House will have to accept some of what the Senate is talking about with respect to dairy funding, with respect to livestock funding and the rest.

But the fact is, right now the bill the gentleman is trying to cut does not contain those items, and because he does not like the fact that somewhere along the line those items might be funded, he apparently is willing to cut funding for child nutrition, to cut funding for agencies that protect the public against diseased food and items like that.

The gentleman would cut the regulation and safety of drugs and medical devices by FDA, he would cut rural water and sewer and housing and economic development, he would cut vital conservation programs on the farm, he would cut the APHIS program to help control plant and animal pests and diseases.

I just went through several national forests over the past 2 weeks and saw the incredible damage done to those forests by pests. In fact, I saw some spectacular damage in California. I would ask the gentleman whether he believes that pest control programs in California are really a waste of the taxpayers' money or not. It is destroying the timber harvests, it is destroying agricultural products of all kind, and, whether the gentleman recognizes it or not, forests are an agricultural product. At least they are seen that way by a lot of people who harvest forests for a living.

I would say that if the gentleman is comfortable in cutting USDA's Food Safety and Inspection Service, which is responsible for the inspection of meat and poultry, he may be comfortable doing that. I am not. If the gentleman is comfortable saying that 74,000 fewer low-income pregnant women and children will be served by the WIC program, he may be comfortable with that. I am not.

Mr. Chairman, with that, I think we ought to just let the chips fall where they may. I intend to oppose the amendment, and I would hope that other thoughtful Members of the House would as well.

Mr. LATHAM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to this amendment, and to just maybe clarify some of the statements made earlier.

The funding that was put in the supplemental was for hurricane damage. These are real emergencies. It has gone on now about a year, and without a vehicle to help the people out there that were so devastated last year.

I just want to remind the House also, the $15 billion bill that went through, that is spread out. The crop insurance portion of it is spread out over 5 years, and the intention is to have a crop insurance program in place policy-wise and funding-wise that is going to actually help farmers manage risk.

I think we have an extremely good product, and farmers will now have a vehicle where they can insure both price and yield risk, and hopefully the dependency for additional supplementals will be curbed dramatically in the future with that type of program in place. Also for livestock producers, it has a plan in there so that they can also cover both fatality and price risk.

So while I do not disagree with the intention of the gentleman, I think that we need to maintain fiscal sanity around here, but I have also heard over the 3 days of debate on this bill how this bill is currently underfunded to begin with. I think, like the gentleman from Wisconsin said, there are very vital services that are in this bill that would be dramatically harmed and programs that would be dramatically harmed with this type of cut.

I will say in reference to concern about the current farm policy that I do not know how one can say that our current farm bill really is responsible for the Asian financial collapse, where most of our major customers of the world have not been able to buy our products in the past few years. Fortunately, the economy in those areas is rebounding. Hopefully, the future will be better. I do not know how one can say anything about farm policy being the cause for 3 years of record worldwide production and surpluses. That simply is not the cause of what the price situation is as far as our grains are concerned, certainly.

Also when one looks at what our export policy is with the embargoes that we have on 40 percent of the world's population today, they are totally wrong and also have a great effect as far as the prices we see in agriculture.

So while I will match my record with anyone as far as being fiscally responsible here, I think this is ill conceived, will do a great amount of damage, and I would certainly hope that the House would reject it.

Mr. ROYCE. Mr. Chairman, will the gentleman yield?

Mr. LATHAM. I yield to the gentleman from California.

Mr. ROYCE. Mr. Chairman, the point I want to make to the House and the point I would like to make to the gentleman is that the actual economic loss from the weather-related disasters that the gentleman has cited was $1.5 billion. Congress responded to this by adding $4.2 billion in emergency disaster relief. This is the impulse that I am trying to check with this amendment, to cut 1 percent, because I think this has been the response; and it has been overly generous in terms of what it has done with the taxpayers' funds.

□ 1715

Mr. LATHAM. Mr. Chairman, reclaiming my time, I agree with the gentleman that the problem was at that time that not all of the losses in the agriculture sector were known. If we talk to the Members from North Carolina, from the South who were dramatically affected, there are additional costs, and I think there was $210 million in the supplemental to address those issues that were not addressed previously.

Again, I agree with the gentleman that we have to make sure that we keep a handle on spending, but certainly there was a real emergency and there continues to be because a lot of needs were not addressed previously.

So I appreciate the gentleman's comments.

Mr. BOYD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I also want to stand in opposition to the gentleman from California's amendment. I would agree with the gentleman that ad hoc disaster assistance payments on an annual or even sometimes more than an annual basis is not the way to run a good railroad here. I think the reason we have had to do that is because we have had a failed national agricultural policy called Freedom to Farm.

However, the gentleman's amendment does not deal with that problem; what his amendment does is go after such programs as Federal food safety programs, the APHIS programs which control the pests and diseases which we have all talked about here in the last month or two, such things as plum pox and citrus canker and glassy wing sharpshooter, and all of those sorts of invasive pests that come from other countries which the APHIS has the responsibility of keeping out of this country.

The regulation of safety and drugs and medical devices by the FDA would be cut by this gentleman's amendment; nutrition programs for children and the elderly; housing, water and sewer, and economic development programs available in rural and small town America; conservation programs of vital importance; those are the programs that the amendment cuts.

So I would implore the gentleman from California, Mr. Chairman. If he would like to work with us on improving the national agricultural policy of this Nation, I would very much like to do that, but I do not believe that this amendment is the right way to go, and I urge its defeat.

Mr. SMITH of Michigan. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the gentleman from California is rightly concerned about expenditures growing. I have mixed emotions on how to cut Federal spending.

In this case, if I could call on the gentleman from California, I would inquire, does he have an idea of the millions of dollars that this is going to cut from some important programs. The answer is roughly $145 million. $145 million that is going to come out of the Food and Drug Administration, that is going to come from food safety programs, that is going to come out of reductions to the farm service agencies that already are having difficulty serving farmers like they should. All the regulations that we have developed in this country are now overwhelming those county offices. So I am particularly concerned about the ability of farmers to receive help in keeping up with all of the rules and the regulations. This amendment would cut other farmer assistance programs.

Mr. Chairman, we are faced with a serious situation where other countries of the world are helping and subsidizing their farmers 5 times as much as we are; for example, in Europe. So how, when they subsidize their farmers to that level, can we cut spending, even by the one percent suggested.

We are going to have to make a decision. Do we want to keep agricultural production and the agriculture industry in this country alive and well, or are we going to let that industry fade. I say that we better think very carefully, not just this Congress, but the American people better think very carefully about whether we want to produce our own food and fiber in this country; whether we want to know that it is produced in a safe way; whether we want the freshness and reliable supply.

In this case, I speak very strongly against the amendment. We do need to increase the efficiency of U.S. Department of Agriculture operations, however it is a disservice to farmers to take $145 million out of the discretionary spending of the agriculture budget.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. ROYCE).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. ROYCE. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 538, further proceedings on the amendment offered by the gentleman from California (Mr. ROYCE) will be postponed.

### AMENDMENT NO. 36 OFFERED BY MR. CROWLEY

Mr. CROWLEY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 36 offered by Mr. CROWLEY:

Insert before the short title the following title:

### TITLE IX—ADDITIONAL GENERAL PROVISIONS

SEC. 901. None of the amounts made available in this Act for the Food and Drug Administration may be expended to enforce or otherwise carry out section 801(d)(1) of the Federal Food, Drug, and Cosmetic Act.

Mr. SKEEN. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. The gentleman from New Mexico (Mr. SKEEN) reserves a point of order.

The Chair recognizes the gentleman from New York (Mr. CROWLEY).

Mr. CROWLEY. Mr. Chairman, earlier this year, working with the House Committee on Government Reform's minority office and the gentleman from California (Mr. WAXMAN), the gentlewoman from New York (Mrs. LOWEY) and myself conducted a study of the cost that seniors in our congressional districts pay for their prescription drugs versus the cost paid by their counterparts in Canada and Mexico for the exact same drugs. Both the gentlewoman from New York (Mrs. LOWEY) and I were startled by the results, to say the least.

We found that seniors in our districts in New York pay, on average, 91 percent more than seniors in Canada and 89 percent more than seniors in Mexico for the exact same drugs; twice as much for the exact same drugs, same dosage, same in every way, expect price. We did not study arcane drugs not used in the real world to skew our data, but rather the 5 most popular prescription drugs sold to seniors in the U.S. today: Zocor, Prilosec, Procardia, Zoloft, and Norvasc.

Let me put it in perspective. I have a constituent in Long Island City, New York who has to purchase 100 capsules of Prilosec every 3 months for his wife. He pays almost $400 for these drugs. I have a letter from the gentleman who writes, "Isn't it an outrage for us to pay this price for medication my wife will have to take on a regular basis."

Well, my answer to that gentleman is yes, it is an outrage, especially in light of the fact that this same drug that costs $400 in Queens, New York would have cost him $107 in Mexico and $184 in Canada.

Similar results were borne out by a number of other studies conducted throughout the United States, studies which mirrored the results that the gentlewoman from New York (Mrs. LOWEY) and I saw in our respective districts. But if my constituent or any American went to Mexico or Canada to buy this drug and tried to bring them back over the border into the United States, he or she would be committing a Federal crime and could theoretically be punished for that crime.

The only thing criminal I see are these extremely high prices that they are forced to pay for drugs in the United States. Mr. Chairman, $400 for Prilosec, a drug that was researched, patented and manufactured here in the United States. It begs the question, Mr. Chairman: why is Prilosec cheaper in Canada and Mexico than here in the United States where it was made and developed in the first place? It is because in the United States the major drug manufacturers practice price discrimination whereby they charge those least able to pay, such as seniors on a fixed income, more for their medications than they charge others such as HMOs and large hospitals, that enjoy sweetheart deals with the drug manufacturers.

Price discrimination is illegal in Canada and in Mexico. That is why I am offering this amendment today, to highlight the practice of price discrimination by the pharmaceutical industry that is being used against millions of American seniors who need prescription drug medication. More simply put, Mr. Chairman, Americans are being gouged by the American pharmaceutical industry.

I go about trying to stop this practice of price discrimination by prohibiting funding to enforce Section 801(d)(1) of the Federal Food, Drug and Cosmetic Act. Currently, this section of Federal law restricts the rights of an individual to cross across international borders to purchase one's prescription drugs. This amendment will not only allow border residents to travel, but also force this Congress to confront and stop the practice of price discrimination in the pharmaceutical industry.

Mr. Chairman, I hear from my constituents all the time about the high cost paid by them for medications. That further reinforces my determination for this Congress to pass legislation mandating the inclusion of a prescription drug benefit under the Medicare program. Unfortunately, the seniors of America did not get that before the recess, despite all of the rhetoric from the other side of the aisle.

So I offer this amendment as a first step towards the assistance of America's seniors. Prescription drug medications are not a luxury, they are a necessity. Sometimes we forget that here as we enjoy our generous taxpayer-subsidized, top-of-the-line health insurance.

Let me make clear what my amendment will and will not do so as not to confuse the debate. It will decriminalize seniors who must travel south of the border to purchase their prescription drugs. It will highlight the fact that seniors in America are the continued victims of price discrimination which this GOP-controlled Congress continues to ignore. It will continue to prohibit the importation in the United States of non FDA-approved drugs that could be dangerous.

This amendment does not weaken inspection standards for the importation of foreign-made drugs into the U.S. At no time does this amendment change the existing Federal regulations regarding the importation of foreign manufactured drugs into the U.S. This amendment will not weaken the ability of our government to inspect and seize illegal narcotics being brought into the United States.

The CHAIRMAN. Does the gentleman from New Mexico (Mr. SKEEN) insist on his point of order?

Mr. SKEEN. Mr. Chairman, I withdraw my reservation of a point of order.

The CHAIRMAN. The gentleman's reservation of a point of order is withdrawn.

Mr. SKEEN. Mr. Chairman, I rise in opposition to the gentleman's amendment.

Although it is well-intentioned, this amendment will go far beyond its stated purpose. The amendment would eliminate the ability of the Food and Drug Administration to trace a drug back to the original manufacturer. It is in opposition to the intention of Congress as expressed in the Prescription Drug Marketing Act of 1987 and, most significantly, this amendment may harm the very people the gentleman intends to help.

The amendment assumes that all drugs with the same name are, in fact, the same. Let me assure my colleagues that this is not the case when dealing with imported drugs. There are many ways in which a drug may differ from one that one would pick up at one's pharmacy. Drugs that look legitimate may be counterfeit, sub-potent or contaminated. There is a great profit, and great potential harm, in counterfeit drugs. This amendment would severely hamper the efforts of the Food and Drug Administration inspectors to stop counterfeit drugs.

The amendment further assumes that drug regulation in other countries brings the same measure of safety that drug regulation in the United States brings. This is a false assumption. There is a reason that U.S. drug approval is considered the "gold standard." The FDA scientists inspect all manufacturing facilities and set standards for storage and handling of the drug. There is great variability in the quality controls on manufacturing throughout the world. It seems absurd that without any FDA inspection, consumers would take complex drugs made in countries in which they would not drink the water.

The amendment takes a shotgun approach to a very specific economic problem. It is not a solution that gives priority to people's health. In fact, it puts their health at risk. Is it fair for certain members of society, because of economic concerns, to have a lesser assurance of drug safety? Taking risks with drugs is not the way to solve an economic problem.

I would encourage my colleagues to address those concerns in other prescription drug discussions, and not in this bill.

□ 1730

When we take medication and are confident in its safe and effective use, we have the regulatory system that we have created to thank. I urge Members to keep the system strong and fair for all Americans by voting no on this amendment.

Mr. COBURN. I move to strike the last word, Mr. Chairman.

Mr. Chairman, I rise in strong support for this amendment. I believe the gentleman from New York has hit on an issue that we talked about during the prescription drug debate.

I want to carry it a little further. The drug that he utilized, one of those, is Prilosec. There are three drugs on the market to compete with that in the United States. They all do essentially the same thing. Prilosec is about to go off patent. It is a $5.9 billion per year drug, per year.

Of the two drugs that have come to market to compete with it, they are priced exactly the same. To me, that smells like no competition, it smells like a wink and a nod. Why, in a market that is a $6 billion market, would there not be any price competition for a drug that does essentially the same thing?

I believe there may be some legitimate concerns about minimal packaging or safety, but the thing we need to remember is that this amendment is directed towards drugs made in this country, shipped to Canada and then come back, or into Mexico and then come back. So these are drugs that have already been licensed, they have been manufactured in an FDA facility, and in fact they should be, under NAFTA, readily coming across our border without any inhibition whatever if there is a bona fide prescription for that drug in this country.

We have a crisis in prescription drugs, but it is not a crisis in Medicare, it is a crisis in price. The reason we have the crisis in price is there is not adequate competition in the pharmaceutical industry.

I would direct the Members of this body to go to the FTC's website where they have identified four manufacturers over the last year raising the cost for prescription drugs close to $1 billion on four separate drugs because they colluded with people to not bring other drugs to market. They were actually paying their competitors not to bring drugs to market.

So I believe the gentleman from New York has a wonderful idea. I believe it is an appropriate idea. I think the safety concerns are a red herring. There are not the safety concerns because they are actually manufactured in this country. The FDA will not have any limitations on it.

As far as traceability, we are going to be able to trace these drugs like any other drug. They are not going to be allowed to be sold in Canada with a prescription unless we can trace it and keep a record, just as in this country. There will be completely the same types of regulations in terms of pharmaceuticals.

As a practicing physician that sees that people cannot afford their medicines today, we have to do something. The first thing we need to do is to start competition. If the Justice Department is not going to investigate the pharmaceutical industry, we should be doing this and passing this amendment.

Mr. OBEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I will certainly support this amendment, but I must say that I will be amused to see those persons in this Chamber who will today vote for this amendment who just a short time ago voted to prevent us from being able to directly attack the problem of pricing for prescription drugs.

The fact is if this amendment passes what we will be saying is that, for instance, American senior citizens will not have to worry about whether they are being penalized when they go to Canada to buy drugs that are cheaper than they would be if they bought the very same brand name product in the United States.

To me, if this House wants to do something really significant, it would pass the Allen bill, which would simply require that in addition to providing a prescription drug benefit for all seniors under Medicare, that it would also guarantee that Medicare would be able to assure that drug prices charged to Medicare and to senior citizens under Medicare would have to be at the same lower price that drug companies make available their products to their most favored volume customers. That is what we really ought to do.

This amendment goes as far as it can go, but I would say that I do not think seniors should be fooled that they have gotten much help from folks who vote for this amendment who last week voted against our being able to expand Medicare coverage for every single American, and, for that matter, to attack the price issue at the same time.

Senior citizens should not have to leave America in order to be treated like Americans. They ought to be able to get the right treatment here at home, and they would if this Congress had guts enough to take on the pharmaceutical industry. It does not, so I guess this is the best we are able to do under the circumstances.

That is not the fault of the gentleman who offers the amendment, but it is the fault of every other Member of this House who chose last week to make a decision that prevented us from providing real direct help to seniors on the issue of prescription drug price. I do not think that many seniors are going to be fooled by people who will cast that vote last week and then run to embrace this amendment this week. I think they will recognize tokenism when they see it.

Mrs. EMERSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of this amendment, as well. It is really critical that we do something about the discrepancy in prices of prescription drugs in Mexico, Canada, and even in Europe as far as the prices that our senior citizens in rural Missouri are getting. We do not live close to any of the borders, just like the gentleman from New York (Mr. CROWLEY) said.

However, I have got more constituents than I can mention, and one comes to mind whose son has a very severe case of epilepsy. The only way she can afford the epilepsy medicine is to go to Canada to get it. It is a big problem because she is always scared of being punished by this government for having to do that, but she wants her son to be well, and she otherwise could not afford the drugs. So this is very important.

This is very similar to the legislation that the gentleman from Arkansas (Mr. BERRY), the gentleman from Vermont (Mr. SANDERS) and I introduced, the International Prescription Drug Parity Act, which would allow wholesalers, distributors, and pharmacists to reimport drugs back into the United States, subject to FDA safety regulations. It is very important because we must deal with the issue of price before we deal with the issue of prescription drug coverage. I think most people would agree with that.

I do, however, want to ask the gentleman from New York (Mr. CROWLEY) a couple of things, particularly with regard to the safety factor, because I cannot tell from the way his amendment is written if it is as tough with regard to safety as our legislation is.

Would the gentleman tell me about how the FDA would oversee or regulate the drugs that are reimported back into the United States, if he would?

Mr. CROWLEY. Mr. Chairman, will the gentlewoman yield?

Mrs. EMERSON. I yield to the gentleman from New York.

Mr. CROWLEY. Mr. Chairman, I thank the gentlewoman for yielding. This will not weaken the inspection standards for the importation of foreign-made drugs into the United States.

I understand the Committee on Commerce held hearings last month in June to address the concerns that the FDA had only inspected 25 percent of foreign drug manufacturers who brought medications by import into the United States.

My amendment will not weaken the FDA here at all, or even hamper their inspection services with regard to the foreign-made drugs being imported into the U.S. My amendment deals only with the reimportation, reimportation of American-made FDA-approved drugs back into the United States.

In fact, by taking the FDA out of the business of harassing seniors, the FDA might be able to free up additional resources to make sure what is being firsthand imported into America from abroad is safe for human consumption.

Additionally, by striking funding from the statute, we will not be opening up the borders for a free flow of non-FDA imported drugs to be brought into the United States. Section 21 of the U.S. Code states that it is illegal to bring non-FDA-approved drugs into the U.S.

My amendment does not change that law in any way. In fact, I understand why Section 801(d)1 was added to the law. Unfortunately, as of late, its interpretation has not been used to protect American consumers, but rather, large drug manufacturers, instead.

Mrs. EMERSON. I commend the gentleman and appreciate very much his explanation of the whole issue of safety, because we have got to get a handle on this issue once and for all, and I cannot bear to tell my constituents one more time that if they go to Canada or if they go to Mexico, they can get this drug for one-third to two-thirds less than they would pay here.

It is not fair for those people, and it is not fair that our American consumers are subsidizing the rest of the world. I thank the gentleman and I urge, again, strong support for this amendment.

Mr. GUTKNECHT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of this amendment. Last week the House did take some action late one night, I think Thursday night or 1½ weeks ago, that will begin to open this door. But this issue needs to be talked about a lot by this Congress.

I have a chart here which sort of demonstrates the problem. Many of us in the last week have had town hall meetings back in our districts or have met with senior citizens. We had one in my district, and I learned or relearned what we have been hearing before.

That is one example of one of my constituents who was traveling in Europe. Her traveling partner needed to get a prescription refilled. The prescription here in the United States is $120. The price of having that prescription filled in Europe for the same drug made in the same plant by the same company under the same FDA approval was $32.

This person has to take that drug, has to have it refilled every month, so the savings of about $90 a month times 12 works out to about $1,000 a year. The differences between what Americans pay and what the rest of the world pays for the same drugs is just outrageous.

Let us take a drug like Coumadin. My 82-year-old father takes Coumadin. It is a blood thinner, a very commonly prescribed drug. Here in the United States, the average price is about $30.25 for a 30-day supply. That same drug made in the same plant by the same company under the same FDA approval in Europe sells for only $2.85.

Mr. Speaker, we have a serious problem right now. Part of the problem is that Americans are paying a disproportionate share of the cost for research and ultimately I think a disproportionate share of the profits for the large pharmaceutical companies.

It would be easy for us as a Congress to sit here and blame the pharmaceutical companies and say, shame on them. But the truth of the matter is that it is shame on us. It is shame on us for allowing this to continue. It is shame on our own FDA because, in view of these huge differentials, we would think that the FDA would be doing something to help senior citizens and other American consumers.

The fact of the matter is that our own FDA is making matters worse. These are excerpts from an actual letter sent to a senior citizen, a very threatening letter that in effect says if they continue to do this, we believe they may be in violation of Federal law and we may have to come after them.

If someone is an 82-year-old senior citizen taking Coumadin or Synthroid or some of these other commonly-prescribed drugs and trying to save some money by getting them either through Mexico, Canada, or Europe, the last thing our Federal Government ought to do is threaten us, especially when those drugs are absolutely legal, they are FDA-approved, and the problem is the FDA has put the burden of proof on the consumer.

Finally, I support this legislation or this amendment here today, as well, because in many respects our Justice Department has failed, as well. It has failed in its oversight responsibilities to make certain that there is adequate competition and that there is not collusion between the large pharmaceutical companies.

It is not just shame on the pharmaceutical companies, it is shame on us, it is shame on the FDA, it is shame on the Justice Department. It is time that this Congress sends a very clear message that the game is over. We are not going to continue to subsidize the starving Swiss, we are not going to continue to subsidize the rest of the world in terms of prescription drugs, especially when our own seniors have to make very difficult decisions every day in terms of whether or not they are going to get the prescriptions that they need or the food they should have.

That is simply wrong, and we should not allow it to continue. I hope we can pass this amendment tonight to send one more clear message to the folks at FDA, the folks at Justice, and the people around the world that the game is over.

Mrs. MALONEY of New York. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Crowley amendment.

□ 1745

Mr. Chairman, I deeply support the Crowley amendment, and I am glad to see that many of our colleagues on the other side of the aisle also believe that we need to overturn the current FDA prohibition on U.S. citizens traveling to other countries to purchase prescription drugs manufactured in our country solely for individual use.

This important amendment is to decriminalize seniors who travel to Canada and Mexico for cheaper prescription drugs. I might also add that I strongly support the bill put forward by the gentleman from Maine (Mr. ALLEN) which would make seniors the same preferred customers as HMOs and also the President's plan to expand Medicare to cover prescription drugs.

These are all important measures, but this is an important amendment that addresses the issue of price discrimination being practiced by the drug manufacturers today.

In my home State of New York, breast cancer medications can cost over $100 per prescription while they are available in Canada and Mexico to their residents for a tenth of that price. Many women in our home State and, indeed, across the country are forced to dilute their prescriptions that fight breast cancer, to cut their pills in half because they cannot afford their prescription drugs in order to get by financially. And many in my home State get on the bus every weekend to go to Canada to purchase American manufactured drugs because it is cheaper than in their own country.

Mr. Chairman, this is just plain wrong. No doctor recommends it. No person deserves this type of treatment. They should be charged, at the very least, the same that the foreign governments are charging their citizens.

Recently, I conducted a study on price discrimination on consumers in the district that I represent which is Manhattan, East and West side, and Astoria, Queens, and compared the prices that were paid by consumers in other Nations, Mexico and Canada. I must add I was assisted in this by the gentleman from California (Mr. WAXMAN) and the staff of the Committee on Government Reform, and what we found was absolutely shocking.

We asked them to look at a total of eight drugs and compared the average costs in my district with the average costs paid by consumers in Mexico and Canada, and the drugs included in the study were some of the most widely prescribed drugs today. To take one example, the breast cancer drug Tamoxifen. Tamoxifen is sold under the brand name of Nolvadex, and it is the most frequently prescribed breast cancer drug in this Nation.

It is used by thousands of women across my State, across this Nation, across the country to treat early and advanced breast cancer. In fact, in 1998, the total sales of Tamoxifen were over $520 million. Yet women in this country who need Tamoxifen must pay 10 times what seniors in Canada pay.

Our studies showed that a 1-month supply of Tamoxifen costs only $9 in Canada, yet it costs over $109 in my district. This means that over the course of a year, women in my district will pay roughly 1,200 more than a woman in Canada. That is a price differential of over 10,000 percent.

This is a very important lifesaving drug that thousands of women need to survive. It is simply outrageous that drug companies are taking advantage of men and women suffering from this horrible disease.

But Tamoxifen is not the only drug that costs more in New York than in Canada and probably every other State in our country. In fact, all eight of the drugs which we studied costs at least 40 percent more in my district than they do abroad. The average price differential with Canada was 112 percent; with Mexico, it was 108 percent.

Prilosec, which is the top selling drug in the Nation, it is used for heartburn and ulcers, in the last 10 years, according to the manufacturer, more than 120 million prescriptions have been written for this drug, yet seniors and other consumers in my district they have to pay over $800 more each year for Prilosec than the consumers in Canada. Over $1,000 dollars more than seniors in Mexico.

Zocor, which is one of the most common cholesterol-reducing drugs in this country with over 15 million prescriptions in 1998, costs almost three times as much in my district as it does in Canada, and that is a difference of over $70 per month.

I would urge all of my colleagues on both sides of the aisle to support the Crowley amendment, it is long overdue, and also the Allen amendment, the President's plan and others to bring drug fairness into this country.

Mr. SKEEN. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

The CHAIRMAN. The Chair will divide the time evenly between the proponent of the amendment and the opponent of the amendment. The gentleman from New York (Mr. CROWLEY) and the gentleman from New Mexico (Mr. SKEEN) each will control 10 minutes.

Mr. CROWLEY. Mr. Chairman, I yield 3½ minutes to the gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. Mr. Chairman, I want to thank the gentleman from New York (Mr. CROWLEY) for his leadership on this important issue. We have an incredible situation, where those who are least able to pay for the important prescription medications that they require, our uninsured seniors and uninsured families, in fact, of all ages across the country, are asked to pay the highest prices for their prescription medications of any place in the entire world.

This burden has been imposed on those least able to pay and the gentleman from New York (Mr. CROWLEY) has come forward with a constructive proposal that will at least benefit those, who are near the Canadian and Mexican borders, since Canada does not impose price discrimination.

I think it is, however, very important to recognize that while Canada does not encourage price discrimination, this House has encouraged price discrimination. I have on two separate occasions with my colleague, the gentlewoman from Florida (Mrs. THURMAN) advanced before the Committee on Ways and Means proposals that would permit seniors, not just to get on a bus to Canada or Mexico, but would allow them in their own neighborhood pharmacy to get prescription medications, as the gentleman from Maine (Mr. ALLEN) has proposed, at the price that the pharmaceutical companies make those available to their most favored customers.

Unfortunately, every single Republican on the Committee on Ways and Means has joined with the pharmaceutical industry in saying no, in saying that it is right to continue charging our seniors, who are uninsured, more than anyone else in the world. So I applaud the effort of the gentleman from New York (Mr. CROWLEY), but by blocking our proposal in committee, by blocking the gentleman from Maine (Mr. ALLEN) when he offered the proposal last week, as Republicans presented not a Medicare prescription drug plan, but a political ploy here on the eve of the election, seniors have been denied the relief that they so desperately need. And this House has been denied the opportunity to extend to all Americans what the gentleman from New York (Mr. CROWLEY) would tonight extend at least to those near the Canadian and Mexican borders to gain access to bring more reasonably priced medications.

Last week, I joined with some seniors in central Texas to explore this issue of at all places, the Austin Humane Society. I learned through a study that we conducted that in this country if you have four legs and a tail and need a particular prescription drug, if you can say meow or woof or arf, you get a much better deal on prescriptions than if you are simply a senior, who is in serious need of medication.

I know that the gentleman from Maine (Mr. ALLEN) and others have made similar findings in other parts of the country. We demonstrated that on one very important arthritis drug, Lodine, for example, that the manufacturer is charging 188 percent more to those who would use the exact same quality and quantity for animals, for a dog, a cat or a horse or a cow, than it does for a senior, who lacks insurance.

I think that such price discrimination is wrong, the kind of discrimination that says it is okay for the same quality and quantity and type of drugs for manufacturers price to charge the wholesaler 188 percent more than for an individual, a senior, who is in need of that drug. That is the kind of price discrimination that groups masquerading under names like Citizens for Better Medicare, which really is a front for the pharmaceutical industry, are imposing on us.

Tonight the gentleman from New York (Mr. CROWLEY) proposes that we do just a little bit about it, and I encourage the House to adopt his approach, but hope that eventually we can move on to a broader proposal like that advanced by the gentleman from Maine (Mr. ALLEN).

Mr. SKEEN. Mr. Chairman, I yield myself the balance of the time.

Mr. Chairman, I certainly understand the concerns of my colleague from New York (Mr. CROWLEY), and I do not feel that a restriction on a regulatory agency is the way to achieve prescription drug price reform.

Mr. Chairman, I yield back the balance of my time.

Mr. CROWLEY. Mr. Chairman, I yield 2½ minutes to the gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Mr. Chairman, I thank the gentleman from New York (Mr. CROWLEY) for yielding me the time.

Mr. Chairman, I wanted to speak in favor of the amendment, and I do so with the greatest respect, of course, to the committee upon which I serve. But if we look at the seniors who are having to go across the border to get prescription drugs and other people who need it, they are not doing this because it is convenient, they are not doing it because they want to, they are not doing it because they want to support a Canadian pharmacy. They are doing it because they have to economically.

My dad is from Buffalo, New York, and I went to school in Michigan, and I know on those border States there is a lot of economic overlap and social overlap and everything else, and so for them to go to Canada to get cheaper drugs is not that unusual. But then imagine being 82 years old and getting a letter like this that says, however, future shipments of these or similar drugs may be refused admissions; that is very disturbing if we have to take something for high cholesterol or something for a heart condition. What am I doing?

These people are World War II veterans. They do not want to go around breaking the law, and that is what the implication is from FDA once they get it.

Mr. Chairman, look at these price differences. I think we cannot expect people who can save as much as 50 percent on a drug not to take advantage of it and to go overseas. But the second question about this is why are the drugs so less expensive in Canada than they are here, and I think that is where it becomes a universal quest for States that are not on the border. I mean, we need to know how come we can get Prozac for $18.50 and over here, it is $36. For Claritin, $44 versus $8.75. Prilosec, $109 versus $39.25.

We owe it to our constituents. Even if they are in Iowa, in the middle of the country geographically, if we are in a central State, domestically, in the United States of America, we would still need to know and we need to be able to tell our constituents why these drug prices are so different.

That is why I am supporting this amendment. I think, number one, we have to give people on the border States an opportunity; number two, we have to explore what are these differences, and this will help promote that debate.

Mr. CROWLEY. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota (Mr. MINGE).

Mr. MINGE. Mr. Chairman, the amendment that is before us this afternoon brings in the sharp relief the anomaly that exists with respect to the cost of prescription drugs in North America. It simply is unconscionable that if we travel to Mexico or to Canada we can buy prescription drugs for dramatically less than we can here within the United States.

It is unacceptable that seniors, who are the most vulnerable, who have the least in terms of resources to pay for these prescription drugs are the ones that are victimized to the greatest extent by this situation.

It is also an irony that is not lost on the seniors in this country that their pets can access these same prescription drugs for dramatically less than they can.

□ 1800

Mr. Chairman, I would like to associate myself with the comments of my colleagues from both sides of the aisle that have spoken in favor of the Crowley amendment, and I urge that all of our colleagues join in supporting this amendment to the appropriations bill.

Mr. CROWLEY. Mr. Chairman, how much time is remaining?

The CHAIRMAN. The gentleman from New York (Mr. CROWLEY) has 3 minutes remaining.

Mr. CROWLEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as the sponsor of this amendment, let me say that I am somewhat surprised at the support that this amendment has received from the other side of the aisle. I am astounded, quite frankly. I appreciate the support of many of the individuals who have spoken to me, some of whom are friends of mine from the other side of the aisle. I appreciate their comments on the floor. In no way do I believe that they are not being sincere at this point in time.

But just under 2 weeks ago, we stood here on this floor; and we passed a bill that I call to the floor a sham; and I continue to call that bill a sham.

The amendment that my colleagues have before them today is really of very little consequence, and I am the sponsor of this amendment. It basically takes away the authority of the FDA to prosecute any individual who reimports drugs that were made in this country. But it really is an attempt to shine a light on price discrimination in the United States.

But what this amendment does show, Mr. Chairman, in my opinion, is the hypocrisy of this House at times. In 1 week we can pass a sham of a bill, and a week and a half later, come back and pass an amendment that in and of itself will not go far enough to help most of the seniors in this country who are not insured, seniors who struggle on a weekly basis to pay rent, to pay their bills.

My constituent from Jackson Heights, Ann Greenbaum, pays $300 for a particular drug that her son needs, the exact same drug, and pays $15 under his plan. I will not say how old Mrs. Greenbaum is. She is considerably older than her son. These are the individuals we are trying to help.

My amendment, Mr. Chairman, will not help directly Ms. Greenbaum. What it does do, though, is highlight the hypocrisy of this House, how we can pass a bill that will not help the Mrs. Greenbaums of the world, will help some individuals, but certainly will not help enough.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. CROWLEY).

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mrs. EMERSON. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 538, further proceedings on the amendment offered by the gentleman from New York (Mr. CROWLEY) will be postponed.

### AMENDMENT NO. 52 OFFERED BY MR. ROYCE

Mr. ROYCE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

> Amendment No. 52 offered by Mr. ROYCE:
> Strike section 741.

Mr. SKEEN. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The gentleman from New Mexico (Mr. SKEEN) reserves a point of order.

Mr. ROYCE. Mr. Chairman, the rationale behind this amendment is simple. Hard-working taxpayers should not have to subsidize the advertising costs of America's private corporations. In my view, that is what the Market Access Program does.

Since 1986, the Federal Government has extracted $2 billion from the taxpaying public and has spent it for advertising on the part of larger corporations and cooperatives in subsidies to basically underwrite their marketing programs in foreign countries.

I think the American people would agree that their money could be better spent on deficit reduction or education or the environment or tax cuts rather than these advertising budgets.

Originally, this bill contained a provision quietly inserted that would have allowed American tax dollars to be spent promoting the sale of luxury mink products in foreign countries. However, once we discovered their plan to expand eligibility in the MAP program, proponents reversed the course and agreed to strike the provision in the bill.

But an important question remains, if it is wrong to spend hard-earned American tax dollars on the promotion of mink products, why is it acceptable to spend those same tax dollars overseas to promote other products?

Last April, the GAO released an independent report, a report that was requested by the gentleman from Ohio (Mr. CHABOT) and myself and Senator SCHUMER. That report questioned the economic benefits of the foreign agricultural service study, which had advanced the arguments to begin with in the favor of this bill.

Mr. LATHAM. Mr. Chairman, will the gentleman from California yield for a parliamentary inquiry?

Mr. ROYCE. I yield to the gentleman from Iowa.

Mr. LATHAM. Mr. Chairman, what amendment are we debating?

Mr. ROYCE. Amendment number 52 to eliminate the Market Access Program.

The CHAIRMAN. The gentleman from California is correct.

Mr. ROYCE. Mr. Chairman, reclaiming my time, I would just like to share that in the report the GAO determined that the Foreign Agricultural Service overstated the program's economic input, used a faulty methodology, which is inconsistent with Office of Management and Budget cost benefit guidelines.

The GAO also determined that the evidence contained within the relevant studies which estimate MAP's impact on specific markets is inconclusive. In fact, for every targeted market in which MAP funds demonstrated a positive effect, the studies found other target markets in which there was no discernible effect at all.

So various studies commissioned by Congress, commissioned by the Trade Promotion Coordinating Committee have determined the economic benefits of the MAP program to be overstated, to be inconclusive, and to be speculative.

But even if one does believe the flawed studies used by the proponents, one has all the more reasons to support the amendment. Because if MAP works, then corporations and trade associations ought to be spending their own money on their advertising budgets. The taxpayers should not be spending it.

Finally, MAP proponents have argued that due to recent reforms, big corporations no longer receive MAP funds. It is true that, in order to correct some of the more egregious abuses of the Market Access Program of which we pointed out in the past, reforms were enacted that limit companies to 5 years of assistance in a particular country. After this time, companies were to be graduated from that country's market.

While in fact some of the corporations were graduated in 1998, the graduation requirements were waived for cooperatives. What was the result of that waiver? The result was that large corporations received the subsidies.

We simply do not need this wasteful program. Let us be honest. Most American businesses do not benefit and do not try to take advantage of government handouts like MAP. In the case of MAP, as in most corporate welfare programs, beneficiaries consist primarily of politically well-connected corporations and trade associations.

Most, if not all of these organizations, would advertise their products overseas even without MAP funds, and they probably would work much harder to ensure that the money is well spent.

Mr. Chairman, Congress should end the practice of wasting tax dollars on special interest spending programs that unfairly take money from hard-working families to help profitable private companies increase their bottom line.

MAP is a massive corporate welfare program in my opinion, and we should eliminate it. I urge the support of the amendment.

### POINT OF ORDER

The CHAIRMAN. Does the gentleman from New Mexico (Mr. SKEEN) insist on his point of order?

Mr. SKEEN. Yes, Mr. Chairman.

The CHAIRMAN. The Chair finds that the amendment offered by the gentleman from California (Mr. ROYCE) proposes to strike from the bill a section already stricken on a point of order and, therefore, the amendment is not in order.

### PARLIAMENTARY INQUIRY

Mr. ROYCE. Mr. Chairman, my question to the parliamentarian was whether offering amendment No. 51 or No. 52 would be in order. I believe he said 52. If I understand correctly, then the answer would have been No. 51.

It is amendment No. 51 that could be offered.

The CHAIRMAN. The gentleman from California (Mr. ROYCE) has the apologies of the Chair. In fact, the gentleman would be correct in offering amendment No. 51.

Mr. ROYCE. Mr. Chairman, that being the case, that concludes my opening arguments on amendment No. 51.

### AMENDMENT NO. 51 OFFERED BY MR. ROYCE

The CHAIRMAN. The Chair will entertain the offer of the gentleman from California (Mr. ROYCE).

Mr. ROYCE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate amendment No. 51.

The text of the amendment is as follows:

Amendment No. 51 offered by Mr. ROYCE:

Page 96, after line 4, insert the following:

### TITLE IX—ADDITIONAL GENERAL PROVISIONS

SEC. 901. None of the funds appropriated or otherwise made available by this Act may be used to award any new allocations under the market access program or to pay the salaries of personnel to award such allocations.

Mr. SKEEN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, this is a near-annual amendment, so I will not speak at length.

For many small companies in the United States, this program is the only way they have of promoting their products in markets overseas. Small companies cannot afford sophisticated marketing campaigns or presence overseas. The Market Access Program helps them reach those markets, increase their sales, increase employment, and, ultimately, benefit the farmers and ranchers that produce the raw materials.

I would also add, Mr. Chairman, that our competitors in Europe are spending far more than the authorized $90 million a year that the Market Access Program provides.

Mr. Chairman, I oppose this amendment and urge my colleagues to vote "no."

Mr. BOYD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the gentleman's amendment also. I think, as the distinguished gentleman from New Mexico (Chairman SKEEN) has said, the Market Access Program is a program that comes under attack every year in this appropriations process. But yet the Market Access Program is designed to help small and independents producers, small businesses get into foreign markets.

This Congress basically has said to our agricultural producers that the savior for your future is foreign markets. But, yet, we are unwilling, we make an attempt on an annual basis to eliminate a program which helps small businesses and agricultural producers get into those markets.

Mr. Chairman, I know the gentleman from California (Mr. ROYCE) quoted some report. I would like to read from a report that was done by Deloitte and Touche, who was hired by the National Association of State Departments of Agriculture to evaluate MAP. I quote, "MAP is a significant source of support for new companies and new products entering foreign markets. MAP support is also beneficial to small firms as they begin to export. Our cases suggest that, without MAP support, many small firms would not be capable of carrying out standard marketing programs in key foreign markets."

Mr. Chairman, I encourage the Members to defeat the amendment.

Mr. LATHAM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong opposition to this amendment. The MAP program is something that works. It not only enables our products to be sold overseas and to be promoted over there, but we have to keep in mind that any dollar spent in the MAP program are matched by the commodity groups themselves. So if one is a pork producer, one puts one's dollars in the program. If one is a corn or soybean producer or beef producer or rice, whatever product it is, one has to match those funds.

It is extraordinarily important that we maintain the market access and to promote our products overseas and to show the world the quality products that we have in America and to find markets for our products overseas.

The MAP program in years past had some problems with it. It has been reformed. It is not putting any particular hamburger brand or something promoting those type of products overseas. These are commodities that are being promoted overseas. It is extraordinarily important that we maintain this program.

I would just like to say also, the gentleman on an earlier amendment talked about the assistance that is needed for agriculture and the payments and the emergencies and all of that. Well, this will go farther to help us avoid those types of problems in the future than probably any other program. At a time when especially in the Southeast Asian market where they are recovering, we need to be there promoting American agricultural products so that we can regain the share of market that was lost before when they went through their financial crisis.

So just in closing, Mr. Chairman, I would strongly urge Members to defeat this amendment. It is very important for American agriculture to maintain this very small assistance for our farmers.

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Ms. WOOLSEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong opposition to the Royce amendment. The Market Access Program, or MAP, is a valuable program and it serves our Nation's agricultural growers and our producers well. MAP has been a tremendous asset in opening overseas markets and keeping U.S. agricultural exports competitive in the world market. They do not play on an even playing field without the help of MAP.

As many of my colleagues know, I am privileged to represent Sonoma and Marin Counties, one of our Nation's premier wine-making regions of the country; and the wine industry is vital to my area. But it is not just vital to the people I work for in my congressional district, it is also vital to the entire State of California. In fact, California produces more than 90 percent of the United States' wine exports.

While our wine speaks for itself, we still need help crossing the borders. The same is true with fruits and almonds and the many other products where the U.S. excels. We also face uneven trade barriers around the globe with these products, and we need assistance from USDA. This assistance is very important.

This is why I am a steadfast enthusiastic supporter of this program. I regret that the program has been a perennial target for budgetary cuts, but I am very pleased that Congress each time, time and again, has understood the worthiness of this program and has, in their wisdom, continued to fund the MAP program.

I urge my colleagues to continue its support for the Market Access Program and to vote against the Royce amendment.

Mr. SMITH of Michigan. Mr. Chairman, I move to strike the requisite number of words in opposition to the amendment.

Mr. Chairman, we face challenges in this country if we are to maintain a strong agricultural industry. The challenge right now is that other countries are doing better than we are helping their farmers. As much as this country works to operate this particular program of marketing help to get the word out of the quality of our products and the price of our products, our appropriations are flat and we are losing ground with other countries.

For example, I would call to the attention for the gentleman from California that the European Union spends $92 million more than we do. Twice as much! The Cairns Group, countries of Australia, Canada, New Zealand, Brazil and others spend $306 million more than we do. So imagine, not only are countries such as the E.U. spending more than the United States in their so-called MAP program, in their effort to enhance marketing and promote their farmers' products, they are subsidizing their farmers up to five times as much as we do.

So on the one hand they are subsidizing their farmers to reduce the price they must charge for their exports and additionally they spend more on promotion—Huge competition for our American farmers, and in effect right now with the disastrous situation for farmers and ranchers in this country, it will put many of our farmers out of business. Again, not only are those countries subsidizing heavily to reduce their costs, but also they are spending much more than we are, double what we are, for example in Europe, to market their particular products at this lower subsidized price.

We have to make a decision in this country whether we are going to keep a strong ag industry in the United States. I think we should! This amendment should be defeated.

The export decline of the past several years has been harsh for America's farmers and ranchers, as well as for policy makers trying to address their concerns. While our export programs will never be a substitute for strong global markets and good agricultural policy we must ensure that the programs we administer are effective and efficient.

Mr. WEINER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do not claim to be from an agriculture rich district. In Brooklyn and Queens we do not grow all that much, or at least all that much that is addressed here in this bill, but I can tell my colleagues that I have been someone who has supported agriculture bills in this House because I recognize that there is a confluence of interest that exists. But just the same way frequently those of us who advocate for urban programs are called to task to defend some things in the bills that we support that often are troublesome, such is the case here for my friends who support agriculture spending.

Just so it is clear to those who are watching this debate, who are not as familiar with agriculture programs, like I am, this is essentially a program that pays for advertising for some of the biggest corporations in the United States. In the life of this program, to give some sense of context to this, McDonald's has received over $7 million. The Sunkist Corporation received nearly $7 million. Ernest and Julio Gallo received $5 million of taxpayer money to help, in essence, advertize their products overseas.

The argument that has been made a couple of times on this floor is, listen, we have to do it because there are those in other countries who are paying to subsidize their products and advertize them as well. Well, we are not in other countries. We do not represent the taxpayers in those countries, and we can argue the efficacy of doing that at another time. But the question we have to ask is, is this the wisest way for us to form coalitions behind agriculture programs and help family farmers that we have heard so much about on the floor this past couple of weeks.

Is the Pillsbury Corporation, the Wrangler Corporation, Burger King, Campbell Soup, General Mills, Hershey Foods, are these companies that really need our help with their advertising budget?

This is an amendment, and I commend the gentleman from Ohio (Mr. CHABOT) and the gentleman from California (Mr. ROYCE) for offering it, this is an amendment that simply says let us have a strong agriculture policy. Let us have an agriculture policy that helps our farmers stay in business, that helps those of us in urban areas to continue to thrive because the agriculture sector is doing as well as possible. Let us try to help people from the bottom up.

This is a classic case of going into the corporate boardrooms and saying here is a bag of money because that is essentially what the MAP program is. If my colleagues think that Tyson Food needs some help, then the MAP program is good; if my colleagues think the Ocean Spray Cranberries Company needs some help, then the MAP program is probably one my colleagues would support.

In order to ensure that we are able to keep these coalitions together that help agriculture bills and help other bills pass, we have to weed out, no pun intended, some of the things that are truly weak in these programs, and this is such a case. I would urge my colleagues to support this reduction in the MAP program.

Mr. SKEEN. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

The CHAIRMAN. The Chair will divide the time equally between the gentleman from California (Mr. ROYCE) proponent of the amendment, and an opponent of the amendment, the gentleman from New Mexico (Mr. SKEEN). The gentleman from California will control 5 minutes and the gentleman from New Mexico will control 5 minutes.

Mr. SKEEN. Mr. Chairman, I yield 2 minutes to the gentleman from Iowa (Mr. LATHAM).

Mr. LATHAM. Mr. Chairman, I just wanted to clarify something that was just previously said.

McDonald's does not get a dime of money, Tyson Food does not get a dime of money, the Sunkist Corporation does not get a dime of money. That is old news. As I mentioned earlier, this has been reformed.

The only thing we are promoting here are the products themselves. No brand names. No corporate brand names. So that argument is totally bogus. I want every Member to understand that. This promotion goes to promote pork, to promote eggs, to promote beef, soybeans, corn, whatever.

There is no McDonald's, there is no Sunkist, there is no Tyson. And for someone to say that is totally erroneous, and I want to just clarify that for the House.

Mr. SKEEN. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. FARR).

Mr. FARR of California. Mr. Chairman, I thank the gentleman very much for yielding me this time.

Before anyone votes for this amendment, think what is going on in America. This is the harvest season. This is time we celebrate. People are eating corn on the cob, having back-yard barbecues, watermelons are being eaten. This is the is time we are celebrating county fairs all over the United States. We celebrate agriculture, our number one industry.

Our number one industry needs to find markets. We grow more food in the United States than we can consume. If we are going to keep the prices of agriculture low (and frankly I think in many cases they are too low), we need to keep the markets open for growers to be able to sell their crops.

So my colleagues, before voting for this amendment, which is a bad amendment, wake up and smell the coffee. Every time we watch television and we see Juan Valdez telling us to buy Colombian coffee, not to buy a particular brand but to buy Colombian coffee, that is market promotion. We see wine industries in Italy trying to sell us Italian wine. That is market promotion.

American consumers are being sold by market promotion by foreign competitors all the time and we do not realize that we need to do the same for our crops in this global market. So wake up and smell that coffee. Strike down this amendment. It is a bad amendment precisely because it will not allow the small businesses, that this bill emphasizes, to be able to take advantage of this expanded program. Not those large corporations, which was falsely stated, that use to get a lot of the market promotion. That stuff was struck out in 1998.

This market promotion helps keep agriculture viable in the United States. It is absolutely essential that we keep our markets open. And we have a trade surplus. That we keep this all in the black. So let us keep America strong, keep agriculture strong, and strike down this amendment. Thank you.

Mr. SKEEN. Mr. Chairman, I yield such time as he may consume to the gentleman from Washington (Mr. HASTINGS).

Mr. HASTINGS of Washington. Mr. Chairman, I rise in opposition to this amendment.

I am very aware of the problems facing the agricultural economy. It is abundantly clear that the prosperity of our economy as a whole does not extend to our farmers and ranchers. Although agricultural producers' problems are as diverse as the crops they grow, there is one point on which they all agree—the need for more export markets. There is no question that exports are already vital to the health of the agriculture sector. Approximately one-third of all the harvested acreage in the United States is exported, and 62 percent of these exports are of high value products. Is it any wonder then that farmers and ranchers suffer when exports decrease, as they have in recent years, falling from $60 billion in 1996 to $49 billion last year?

Fortunately, we have effective tools at our disposal to enhance our nation's agricultural exports. The Market Access Program (MAP) is a program that works—and works well—without distorting world markets through export subsidies. How? By providing matching funds for commodity groups and small businesses to conduct market research, technical assistance, trade servicing, advertising and consumer promotions abroad. The American farmer produces some of the highest quality food products in the world, but we can't assume that every international consumer knows about them. MAP helps fill this education gap and allow our producers to create the new export opportunities so sorely needed by growers and processors.

A prime example of how these programs work to benefit agricultural producers took place in my district earlier this month. The National Potato Promotion Board and the Washington State Potato Commission sponsored a tour and a series of briefings on processed potato products, and dehydrated potatoes in particular, for food industry research and development executives from the Philippines, China, Korea, Japan, and Mexico. These representatives learned about American potato products and how they can be used in consumer products abroad. This tour, partially funded by MAP dollars, will likely result in new opportunities to export value-added agricultural products.

I believe that it is simple common sense to support this kind of successful promotion effort. That is why I introduced legislation to increase funding for MAP and the Foreign Market Development Program (FMDP) earlier this year. This legislation, H.R. 3593, the "Agricultural Market Access and Development Act," authorizes the Secretary of Agriculture to spend up to $200 million—but not less than the current $90 million—on MAP. Likewise, the bill requires that a minimum of $35 million be spent on the promotion of U.S. bulk commodities overseas through FMDP.

These increases are funded using unspent funds for the Export Enhancement Program (EEP), usually around $500 million per year. EEP promotes U.S. exports through direct subsidies and is therefore subject to Uruguay Round restrictions and slated for reduction.

Right now, foreign countries directly subsidize their agricultural exports and spend far more than the U.S. does each year promoting their products abroad. MAP and FMDP are the only programs that give our farmers and ranchers the chance to compete on a level playing field worldwide.

These are proven and effective programs—and they are good for our producers. It's time to expand MAP and FMDP so that more growers can benefit from export opportunities.

Mr. Chairman, for these reasons I rise in strong opposition to my friend's amendment to cut funding for the Market Access Program. We must work to open up opportunities to our farmers, not hamstring efforts to ensure agriculture success and independence. I urge my colleagues to vote no on this amendment and support a level playing field for American agriculture in the world market.

Mr. SKEEN. Mr. Chairman, I yield the balance of the time to the gentleman from Minnesota (Mr. MINGE).

The CHAIRMAN. The gentleman from Minnesota (Mr. Minge) is recognized for 2 minutes.

Mr. MINGE. Mr. Chairman, I would like to thank the gentleman for yielding me this time.

I certainly share with my colleague from California who introduced this amendment a level of discomfort with the market promotion program, the way it was structured several years ago. I think all of us in this body did. But the fact of the matter is the program has been adjusted. The most difficult to justify portions of the program have been eliminated, and what we are left with is generally a program that is promoting American agricultural products in foreign markets in a way that benefits farmers as opposed to benefiting corporate America.

I visited some of these offices, particularly in Japan. I have seen the men and the women that work for the Federal Government and work for some of the commodity groups present their material to the public in those countries, and I know that what they are doing is introducing American agricultural products to foreign consumers to build markets for American agricultural products, to open new opportunities for farmers in the United States, and I urge my colleagues to join in supporting this program.

There is no sector of the American economy that is more troubled than farming. We need to make sure that we explore every opportunity for America's farmers, not slam the door shut at this point in our economic history.

Mr. ROYCE. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, the Market Access Program is the leftover product of two previously failed USDA programs, the Market Promotion Program and the Targeted Export Assistance Program, and MAP funnels tax dollars to corporate trade associations and cooperatives to advertise private products overseas.

Now, let me reiterate my position here. I think advertising is a function of the private sector, not of the taxpayers. While proponents of the program claim that it boosts exports, claims that it creates jobs, there is no evidence to support it. General Accounting Office studies indicate that this program has no discernible effect on U.S. agricultural exports. The private sector knows how to advertise. It does not need government interference. Taxpayer dollars merely replace money that would be spent by private companies on their own advertising.

Provisions in the 1996 farm bill have attempted to reform MAP, but thus far have failed. The GAO audit and other audits find it overstated, inconclusive, and speculative in terms of its effect.

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Although the percentage of large companies that get MAP money have decreased, a number of corporations still receive millions of dollars indirectly through trade associations. The studies show that about three-quarters of the money indirectly benefits these corporations.

Under this year's bill, an attempt also was made to expand MAP. Fortunately, this provision was stricken; and now we go to the question of the program itself. I believe it is now time to end the program.

In the last 10 years, American taxpayers have shelled out $1 billion for this subsidy. I think the American people would agree that their money could be better spent, and I urge adoption of the amendment.

Mr. BARRETT of Nebraska. Mr. Chairman, I rise to oppose the Royce amendment to eliminate the Market Access Program (MAP).

Several weeks ago, the House passed legislation to grant PNTR to China. One of the best arguments for PNTR is that it will grant U.S. producers access to the Chinese market, much of which has been closed for too many years.

MAP is the program that will help U.S. producers—not large agribusinesses—gain that access. Exporting is a challenge, even for the most experienced. Many individual producers and small companies find it difficult to break into it and to be competitive internationally. MAP helps our producers, primarily through grants to state departments of agriculture, to overcome these hurdles by partially funding international market research and trade missions to foreign countries.

Access to the Chinese market does us no good if we can't take advantage of it. MAP will help our producers develop it and become better at international trade and marketing. Reject this short-sighted amendment. Support MAP.

Mr. ROYCE. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. ROYCE).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. ROYCE. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Pursuant to House Resolution 538, further proceedings on the amendment offered by the gentleman from California (Mr. ROYCE) will be postponed.

The point of no quorum is considered withdrawn.

Mr. OBEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, in full committee I offered an amendment to deal with the concentration of economic power in the processing industry in this country. We cannot offer that amendment on the floor because of budget limitations, but I want to make clear that before this bill returns from conference, it ought to do a number of things.

I wanted to add funding for the Grain Inspection Packers and Stockyards Administration, for instance, and to the Agriculture Department's Office of General Counsel to bring both accounts up to the amount requested by the President. The reason that I wanted to do that is very simple: we can throw all the money in the world that we want to at farm programs, but unless we deal with the fact that the agriculture industry is largely dominated by oligopolies, we are not going to do very much to help either the consumer or the farmer in the process.

There are four companies that now control 81 percent of cattle purchases, beef processing and wholesale marketing, and in only 5 years we have seen the margin between the price paid to farmers and wholesale price of beef jump by 24 percent. It just doesn't apply to the beef industry.

If you look at the pork market, four companies now control 56 percent of the pork market, and the margin between the wholesale price of pork and the price paid to the farmer has jumped by more than 50 percent.

We have had a continuous consolidation in the grain industry and in the dairy industry and an amazing concentration of economic power in the poultry industry, where giant corporations such as Perdue and Tyson's are not only squeezing farmers, but also abusing workers and wreaking havoc on the environment in the process.

To really address these problems, it seems to me we need substantive legislation, for example to grant the Agriculture Department authority to review mergers and acquisitions affecting farming and food, and we need to do a variety of other things. That, obviously, is beyond the scope of this bill. But this bill, for instance, in addition to the other funding shortfalls that I have discussed, also has a serious shortfall in the Office of General Counsel. We need to correct those problems when this bill comes back from conference.

As I say, we are precluded from offering an amendment to do anything major on this right now because of the Budget Act, but it is my full intention to see to it that when we go to conference, this matter is corrected; because until we do correct it, the consumers are going to continue to get euchred by the situation, and so will virtually every small farmer in America.

Mr. SHERMAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, as you may know, I have an amendment at the desk. I rise to explain why I will not be offering that amendment.

Mr. Chairman, that amendment deals with the provisions of this bill which provide funds for the inspection and facilitation of agricultural imports, particularly those from the Islamic Republic of Iran. In March of this year the administration lifted our ban on imports from Iran as to four products, three of them agricultural products; and I believe that lifting this ban may have been the result of undue optimism, or at least premature optimism.

The rhetoric in Tehran has improved, but the actions of the Iranian government have not. A year and a half ago, 13 Jews were arrested in the southern Iranian city of Shiraz. They have been subjected to show trials. Ten have been convicted. The average sentence is 9 years. Some of the sentences go up to 13 years.

That is why, Mr. Chairman, I drafted an amendment that would say that those three agricultural imports cannot come into this country, or at least none of our taxpayer dollars could be used for the necessary inspection.

But just as I believe the lifting of the ban on those imports may have reflected premature optimism, I do not want to be guilty of premature pessimism. It is quite possible, I think, that the Iranian president or their appellate court system will in the next few weeks vacate those verdicts, or at least release the prisoners. So I think it is best that I not offer this amendment, especially because this amendment, if adopted, would lock us into a particular position for an entire fiscal year; and it would deny the use of those funds to facilitate imports from Iran for the entire fiscal year.

Instead, I think it better that I will join with others in introducing legislation that will provide for a ban on all Iranian exports to the United States, agricultural and non-agricultural, until such time as the President of the U.S. is able to certify that the Iranian government has made substantial improvements in the treatment of its religious minorities.

Mr. Chairman, the charges against the 13 jailed in Shiraz were absurd, since no Jew in Iran is allowed to come anywhere near anything of military or security significance.

Mr. Chairman, the trials were reminiscent of those of Joseph Stalin, show trials with forced confessions, no evidence and very little specificity to the charges; and the verdicts were harsh, 10 convictions subjecting the defendants to a total of 89 years in prison.

Many governments around the world have said that these trials are the yardstick by which Iran must be judged as to whether it has made improvements in human rights and whether it has made improvements in treating its religious minorities. Clearly, Iran has not yet improved its behavior, even as there has been hopeful rhetoric.

Mr. Chairman, I believe that we should adopt the slogan "no justice, no caviar." We should certainly not allow the import of caviar, pistachios, dried fruit, or carpets into this country until justice is achieved.

Not only is a ban on the imports to the United States from Iran helpful in that it applies some pressure economically to Iran, it is also the strongest way that we can signal our position and puts us in a stronger position to deal with other countries: Germany, where the Iranian foreign minister is visiting today; Japan, which, unfortunately, is funding hydroelectric facilities in Iran; and the World Bank, which, unfortunately, approved, but did not yet disburse, a loan of $231 million.

So, Mr. Chairman, my hope is that this amendment will turn out to be unnecessary; that the authorities in Iran will reverse the decision of the trial court, or at least pardon the defendants. If that does not occur, then we will be in the position to move with a separate bill that will allow more flexibility and a greater scope than is allowed in an amendment to an appropriations bill. A separate bill will apply to non-agricultural goods, as well as agricultural goods, and provide the flexibility of a presidential certification.

In addition, I would hope that if a month from now these obscenely harsh verdicts are not reversed, that the conference committee will see fit to add my amendment to this Agricultural Appropriations bill before it comes back to this House.

So that explains, why, Mr. Chairman, I will not be offering my amendment.

Mr. UPTON. Mr. Chairman, I move to strike the last word for the purpose of entering into a colloquy with the chairman of the Subcommittee on Agriculture of the Committee on Appropriations.

Mr. Chairman, I want to bring to your attention the fire blight problem which destroyed many apple and pear crops in Michigan. While back home this past week, I personally saw the devastation in literally orchard after orchard along the road.

In May, a severe disaster struck Michigan, all but destroying the apple and pear crops in this highly intensive agriculture region. In addition to extremely wet, warm, and humid weather conditions throughout the month, a severe thunderstorm passed over southwest Michigan in May, causing severe damage to fruit trees and fruit crops. The thunderstorm's hail, high wind, and heavy rain scarred and wounded the leaves, limbs and fruit on the trees. In the case of apple and pear trees, these wounds provided an avenue for the fire blight to enter the trees, causing severe and widespread disease.

The result is that nearly 7,650 acres of the 17,000 acres of apple trees in this region have been severely affected by fire blight. Some of the remaining 9,000-some acres are affected as well, depending upon apple variety; but the trees are expected to recover in future years. Of the acreage severely affected, we suspect that nearly some 2,000 acres of apple trees will, in fact, die. The remainder may be saved, but their production in the future will certainly be significantly reduced.

My governor, Governor Engler, in conjunction with myself, the gentleman from Michigan (Mr. HOEKSTRA), the gentleman from Michigan (Mr. EHLERS), the gentleman from Michigan (Mr. SMITH), and Senator ABRAHAM have requested Secretary Glickman to designate the affected counties in Michigan as a disaster area, which should help to some degree.

However, more must be done. I am pleased to report that Senator ABRAHAM in the other body is working with his colleagues to provide some additional funds for relief as this body considers the fiscal year 2001 agriculture appropriation bill.

I would ask the gentleman from New Mexico (Chairman SKEEN) that as this bill moves through the legislative process that the gentleman work with our colleagues in the other body to provide much-needed relief to growers in southwest Michigan whose crops have been devastated by this fire blight.

Mr. SKEEN. Mr. Chairman, will the gentleman yield?

Mr. UPTON. I yield to the gentleman from New Mexico.

Mr. SKEEN. Mr. Chairman, I thank the gentleman from Michigan for his attention to this important issue. I give him my assurance that as this bill moves through the legislative process, I will do all that I can to work with the other body to provide much needed funding for the growers in southwest Michigan whose crops have been devastated by fire blight.

Mr. UPTON. Mr. Chairman, reclaiming my time, I thank the gentleman for his assurance, and I look forward to working with him in the future to make sure that we get needed assistance back to our growers in the Midwest.

### AMENDMENT OFFERED BY MR. COBURN

Mr. COBURN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COBURN:

Insert before the short title the following title:

### TITLE IX—ADDITIONAL GENERAL PROVISIONS

SEC. 901. None of the amounts made available in this Act for the Food and Drug Administration may be expended to take any action (administrative or otherwise) to interfere with the importation into the United States of drugs that have been approved for use within the United States and were manufactured in an FDA-approved facility in the United States, Canada, or Mexico.

Mr. COBURN. Mr. Chairman, I ask unanimous consent that time for debate on this amendment be limited to 10 minutes in opposition and 10 minutes in favor.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The CHAIRMAN. The gentleman from Oklahoma (Mr. COBURN) will control 10 minutes, and a Member opposed to the amendment will control 10 minutes.

The Chair recognizes the gentleman from Oklahoma (Mr. COBURN).

Mr. COBURN. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, first of all I want to thank the gentleman from Maine (Mr. BALDACCI), the gentleman from Minnesota (Mr. GUTKNECHT), and several others for their work in this area.

All this bill says is we are not going to intimidate seniors who are following the law, following NAFTA, and bringing drugs into this country from Canada or Mexico, as long as those are approved drugs and they have been manufactured in FDA-approved facilities.

Mr. Chairman, we have debated this issue to a great extent. All this amendment will do is say "hands off, FDA" on legal and qualified manufactured products. It does not have anything to do with limiting their ability on safety; it does not apply to anything but a legal drug. So that means my patients who now are trying to get their drugs from Canada, from Oklahoma, can in fact have a prescription mailed to Canada or Mexico and have it filled and shipped across the border, and the FDA cannot intimidate them and say they cannot do that. That is all we are talking about, drugs that are manufactured in this country and manufactured in FDA-approved facilities that are legal drugs.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. Is there a Member that rises in opposition to the amendment?

If not, does the gentleman from Oklahoma (Mr. COBURN) yield time?

□ 1915

Mr. COBURN. Mr. Chairman, I yield 5 minutes to the gentleman from Maine (Mr. BALDACCI).

Mr. BALDACCI. Mr. Chairman, I thank the gentleman from Oklahoma for his leadership in this area and his knowledge and the way he has been able to work together in a bipartisan fashion to get this issue addressed.

This is a very important issue to the State of Maine which borders Canada and which sees its citizens go regularly across the border in frustration as to why those same particular medicines cost so much less than they do in their own country. Recognizing that, the pharmaceutical industry, which I do not intend to vilify, has only said that they charge whatever the market will bear. I recognize, and this amendment recognizes, that many American citizens cannot bear what the pharmaceuticals are charging.

Mr. Chairman, I encourage my colleagues to support this amendment to be able to send a message that this is not an acceptable practice. We are watching many of our seniors have to split their drugs in half or not take them at all because they cannot afford them and they can go right across the border for the same drug that is manufactured in this country at a third or a fourth of the price, and only recognizing that it is the companies, in charging what they are charging, that is the differential between what they are paying and what the counterparts across the border will pay. We must ensure that the taxpayers who are providing the basic research at NIH and other research facilities, building the elemental research which the pharmaceutical industry builds upon those tax dollars, that the taxpayers of the United States have an opportunity to access in an affordable fashion.

Mr. Chairman, I commend the gentleman for his leadership in working together in a bipartisan fashion to address this issue and many other Members that are working on this issue, in the final analysis, to make sure that at the end of the day, the seniors have affordable, accessible prescription medicines so that they do not have to worry about the quality of their life and be able to be independent and live out their lives in a quality environment.

I support the amendment.

Mr. COBURN. Mr. Chairman, I yield such time as he may consume to the gentleman from New Hampshire (Mr. BASS).

Mr. BASS. Mr. Chairman, I rise in strong support of this pending amendment which would do more than any single action to lower the prices in this country for prescription medications.

Mr. COBURN. Mr. Chairman, I yield myself such time as I may consume.

Ms. KAPTUR. Mr. Chairman, will the gentleman from Oklahoma (Mr. COBURN) yield?

Mr. COBURN. I yield to the gentlewoman from Ohio.

Ms. KAPTUR. Mr. Chairman, I would ask very simple questions of those who have drafted this amendment and are offering it. Do the gentlemen wish to do anything in this amendment that would lessen the inspection that the FDA does of drugs that may be manufactured or sold in another country and used by U.S. citizens? I want to understand the full intent of the amendment, because when the FDA Commissioner came before our subcommittee and I asked the question about drugs from other countries, she said that they could not give certainty that they were of equal quality.

Mr. COBURN. Mr. Chairman, reclaiming my time, the drugs that are produced in FDA-approved facilities, they do assure at this time that they are made to the same standard as the drugs that are made in this country. Otherwise, they would not have their approved labeling from the FDA, and that is true in all FDA-approved facilities.

Ms. KAPTUR. Mr. Chairman, I thank the gentleman for the clarification.

Mr. COBURN. Mr. Chairman, reclaiming my time, I want to discuss a little bit about this problem.

We spent 2 weeks ago talking about the crisis in the pharmaceutical industry as far as our seniors in getting drugs. It is not just our seniors; it is everybody in this country is paying too much for drugs. There are five things that could happen tomorrow to lower the price for prescription drugs in this country. This is a small step that would help. It is not even one of the major ones.

The number one thing is to have a competitive market for prices in this country. We believe in free enterprise; there is not free enterprise in the pharmaceutical industry right now. All one has to do is look at the FTC Web site. There is documented collusion. We need to address that.

Number two, our President needs to stand up and bully pulpit the pharmaceutical industry's prices. We do not need price controls. We need competition. Competition allocates scarce resources better than any type of price control ever will. What we need is real competition. Ms. Reno has received a letter signed by me asking for an investigation of which as of today, now, 4 weeks later, there has been no response on the documented areas of collusion within the drug industry.

Number three, doctors need to do a better job giving generics to seniors, and they are not.

Finally, number four, the pharmaceutical companies are not all bad. They do a lot of good things. There are private, indigent programs in the pharmaceutical industry that the health professions need to utilize. They will supply their drugs.

Mr. Chairman, I yield the balance of my time to the gentleman from Maine (Mr. BALDACCI).

The CHAIRMAN. The gentleman from Maine (Mr. BALDACCI) is recognized for 4 minutes.

Mr. BALDACCI. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota (Mr. MINGE).

Mr. MINGE. Mr. Chairman, I would like to associate myself with the remarks of my colleagues from Oklahoma, from Maine, from New Hampshire and other Members that have spoken in support of this.

In Minnesota I know that we have had many seniors that have gone on bus trips and otherwise to Canada to purchase prescription drugs and often they come back with a feeling of intimidation. What we need to do is to assure them that if they are purchasing drugs that are safe, if they are purchasing drugs that are important for their health, that they are not subject to the harassment or the problems that they might face at the border when they come back.

Mr. BALDACCI. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana (Mr. BURTON).

Mr. BURTON of Indiana. Mr. Chairman, I rise in strong support of this amendment, because the gentleman from Oklahoma raised the issue of collusion. We have held hearings with the advisory panels of the Food and Drug Administration and the CDC that makes recommendations on vaccines, and we have found through our committee investigations that many of the people who are on these advisory committees that are making the decisions on what kind of vaccines our children are getting are being paid by the pharmaceutical companies that own large amounts of stock in the pharmaceutical companies.

So I would just like to say that the collusion that the gentleman refers to is not limited to the price controls or price problems that he has been talking about here today. We believe that there are other problems that need to be addressed. So I think the gentleman is on the right track, and I support this amendment strongly.

Mr. BALDACCI. Mr. Chairman, I yield such time as he may consume to the gentleman from Oklahoma (Mr. COBURN), if he would like to follow up and reinforce the safety and labeling issues that have been raised here.

Mr. COBURN. Mr. Chairman, I am happy to address those issues. Number one, we cannot manufacture a drug that comes into this country unless we are manufacturing it in an FDA-approved facility. That is number one. So safety is not a concern, and they can do whatever they want if it is not manufactured in an FDA-approved facility. Number two, it does not apply to a drug that is not approved in this country. So as far as the drugs that are approved in this country, those are the ones that are manufactured in an FDA-approved facility that will come in safe.

All we are saying is, since NAFTA is here, and I would have voted against had I been a Member of Congress at that time, but since it is here, let us use it. Let us get some benefit out of it besides stealing some of our jobs. So let us utilize NAFTA. This will not hamper the FDA.

Mr. BALDACCI. Mr. Chairman, in closing, I just want to first of all say that we are not under any illusions that all of a sudden one amendment is going to turn things around, but I believe that it is like many things, that it sends a message out, and from a million different amendments and messages and resolutions, at the end of the day, they have to receive the message and have got to be able to sit down and fashion a proposal that works universally across the board, accessible and affordable to all of our seniors, regardless of where they live and what their income is.

I think what we are seeing here today on the floor of the House and have seen throughout the country is a frustration with recognizing that something is up. People have figured out long before all of us that something is up and we need to address it. This is just one vehicle, one way to be able to do it. There are many others, and I support many of the different approaches, but at the end of the day, we have to make sure the seniors are taken care of.

Ms. KAPTUR. Mr. Chairman, I reluctantly rise in opposition to the amendment.

The CHAIRMAN. The gentlewoman from Ohio (Ms. KAPTUR) is recognized for 10 minutes.

Ms. KAPTUR. Mr. Chairman, I am concerned about this amendment and perhaps others that will be offered only from the sense of safety.

I rise in opposition, reluctantly, to enter into a colloquy with the gentleman who is offering the amendment here on our side. That is to ask, if a senior citizen, for example, goes on a bus trip from Maine or Ohio up to Canada or down to Mexico, when they go to a pharmaceutical operation and they go to buy a drug, let us say it is Claritin, how do they know that that is manufactured in any of the countries the gentleman is talking about with his amendment? Is it labeled? How do they know that it was manufactured in an FDA-approved facility?

The gentleman says in his amendment that these drugs were approved for use within the United States and manufactured in an FDA-approved facility. Does it say that on the box? Can the gentleman assure me, unlike the FDA commissioner who appeared before our committee and did not have the confidence that the gentleman has that seniors could be assured of equal content and equal inspection of these drugs? How can the gentleman be so certain that they are getting a product of equal import? If the gentleman could answer that question.

Mr. BALDACCI. Mr. Chairman, will the gentlewoman yield?

Ms. KAPTUR. I yield to the gentleman from Maine.

Mr. BALDACCI. Mr. Chairman, I certainly will yield, if I can, to the gentleman from Oklahoma who is a physician and practices.

But my experience, and from people that I have talked to that have gone across the border from Maine to Canada have purchased the same drug where it is made in the USA, and it does not say right on the label that it has been inspected by the FDA, but it was made in the USA, and that it is the same drug that they are purchasing.

Their experience is that they paid $400 or $500 for what would be $1,000 in this country. It is no different than what has been happening in agriculture with the pesticides and other types of products that are manufactured in this country, are sold overseas, and trying to be able to reimport those because of a permit process, not because of safety, not because of any issue as it may pertain to the impacts of the health of the individual, but just because of those issues, our farmers have been disadvantaged, our seniors have been disadvantaged, and as the gentleman from Oklahoma has said, it seems that NAFTA is a one-way street. They build the wall, and nothing gets in, but everything tends to come out. The gentlewoman recognizes that in her fights that she has led in this Congress over the years with regard to those issues.

Mr. Chairman, the gentleman from Oklahoma (Mr. COBURN) may like to respond on the safety issues.

Mr. COBURN. Mr. Chairman, will the gentlewoman yield?

Ms. KAPTUR. I yield to the gentleman from Oklahoma.

Mr. COBURN. Mr. Chairman, I think a couple of points are important. Number one is when we get a drug in this country, we do not know where it is made, because a large portion of our drugs in this country are made in Europe, made in South America, made in Puerto Rico, in FDA-approved facilities. They have to meet that standard. That is number one. Will there be an accident? Sure, there will be. I will not deny that there will be a mistake made in filling a prescription just like there is every day in this country as well.

However, I would challenge the ranking member on this committee, how many people are not getting the medicines they needed to because they cannot afford to get them, and if we allow competition to resume, which this is just one way of doing it, whom of them will markedly benefit their health, their quality of life? People's lives are being shortened today because of the abnormally high and ridiculously increased prices of many pharmaceuticals out there.

Can we assure 100 percent safety? No. The FDA cannot now. As a matter of fact, what they do is they look at drugs and say, are they safe enough? There is not any drug that is absolutely safe.

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Aspirin is not absolutely safe. But are we going to markedly increase the risk for Americans with this? Absolutely not. The FDA knows those facilities.

Will they have absolute assurance on a drug like Viagra, will somebody try to prostitute that drug and make a substitute? They are doing that now and they are bringing them in. It is not going to be a new problem for the FDA, and it is not going to be more of a problem.

What it is going to be is more access at better prices for our seniors and everybody else in this country for the pharmaceuticals, because the competitive model is not working in this industry today. This will be a shot that says that we need the competition to work. That is why we want to do this.

Ms. KAPTUR. Reclaiming my time, Mr. Chairman, perhaps the officials from the Food and Drug Administration are listening to this debate. If there is any doubt in their minds as to the net effect of this amendment as we move towards conference, we can tighten up the language to make sure that we do nothing to lessen the food, drug, and safety laws of the country, which are the strongest in the world, to protect the health of our people.

I know that neither gentlemen would want to undermine that. Obviously, they would want to improve it. Maybe there is some way that FDA could indicate on the boxes that it is from an FDA-approved facility. I think we want to give consumers ultimate confidence that the purchase they are making will not harm them.

Mr. COBURN. If the gentlewoman will continue to yield, the European Union today has just as strong rules as we do. They import drugs from all over. In terms of quality, efficacy, and safety, their laws are almost exactly the same. They are coming from a range of 13 to 15 countries. If they can do it, certainly we can do it with our neighbors.

Ms. KAPTUR. I would just say to the gentleman, in the food area they obviously do not have the same standards. In the drug area, their system is quite different.

Mr. BALDACCI. Mr. Chairman, if the gentlewoman will yield further, I appreciate the gentlewoman's suggestion. I would encourage the FDA and others that have any issue here, that can be tightened up in conference. I think that is an excellent suggestion, and I would look forward to working with the gentlewoman to tighten that up if it needed to be.

Ms. KAPTUR. I thank the gentleman for that. I withdraw my reluctant opposition, and look forward to the conference on the amendment.

Ms. DELAURO. Mr. Chairman, I am astonished that we are again debating an amendment that would stifle biomedical research and impose political will on an agency whose work is based on the non-partisan rule of science. This is an invasion into the FDA's drug approval process—a place where Congress has no right to be. We are not scientists. We created the FDA and charged it with determining which drugs are safe and effective for use in this country. We were wise to do so—the FDA has a long history of protecting the public from drugs that are uncertain or unsafe.

This amendment would change all that. In an attempt to impose their beliefs on all of America, anti-choice proponents of this amendment would have you believe that it would apply to drugs solely for the purpose of the chemical induction of abortion. But, in fact, we know that it would reach far beyond that.

Often times drugs are approved for one purpose, and later are found safe and effective for treating an entirely different condition. For example, the drug Doxil was originally approved by the FDA as an AIDS treatment. But later, in June of 1999, the FDA approved the same drug for the treatment of ovarian cancer. Even mifepristone, the target of this amendment, currently shows promise for use in the treatment of breast cancer, benign brain tumors, ovarian cancer, and even prostate cancer.

Let's call this amendment for what it is—an attempt to score a political point on abortion. Unfortunately, the casualties in this political move are biomedical research, independent scientific evaluation of medicines, and patient access to reproductive health drugs.

What this amendment would in fact do is begin a path whereby Congress decides, based on political and ideological considerations, what drugs it thinks America should or should not have access to, and then blocks the FDA from taking action to approve drugs deemed inappropriate. Let me ask you, what would this lead to next? Which political issue would be the target of the next attempt to thwart research or invade the FDA's drug approval process? We must be mindful of the dangerous precedent this amendment would set.

Now is not the time to limit the FDA in their work to determine the safety and efficacy of promising new drugs in America. This amendment would not only limit the FDA but it would have a chilling effect on biomedical research, particularly women's health research, which has been severely understudied for years. This amendment may be aimed at one issue, but it will have consequences for millions of Americans.

When we halt action on an entire category of drugs, we erase the possibility that those drugs could hold for treating other conditions. We stamp out the scientific pursuit of medicines that heal with one attempt to limit the safe practice of abortion—which I might remind my colleagues is still a legal right in this country.

This Congress has made biomedical research a priority. We have agreed that we have an obligation to fund the search for cures and better treatments for disease in this country. We have the unique opportunity as lawmakers to use public policy to actually improve people's health and improve their lives. But what this amendment would do is exactly the opposite—it would place political gain ahead of real progress. It would replace the gold standard of drug approval that this nation has come to trust with congressional restrictions based only on personal ideology—not sound science.

Speaking as both a legislator and a cancer survivor, I know the value of modern medicines. To be quite frank, I am offended by the idea that some lawmakers think they can dictate to the FDA what work they can do on proposals that could improve the lives of Americans.

I urge my colleagues—don't force your opinion regarding choice on the FDA and the people who rely on it for sound, scientific judgement. Allow the FDA to continue the important work it does in evaluating all potential pharmaceuticals. Do not subject the FDA scientists to the personal philosophies of some Members of this House. Preserve the promise of biomedical research and new drugs for all Americans. Defeat the Coburn Amendment.

Ms. SLAUGHTER. Mr. Chairman, I rise in strong opposition to the amendment offered by Representative COBURN.

For the past three years, Congress has revisited Rep. COBURN's amendment to prohibit the FDA from testing, developing, and approving drugs that could cause the chemical inducement of abortion. Like the so-called "partial birth abortion" ban, it has become a hallmark of the anti-choice agenda.

But this measure is not about abortion or even mifepristone. It is about Congress trying to dictate what the FDA is permitted to do and not to do. As a public health specialist by training, I am appalled that my colleagues would attempt to interfere with the FDA's ability to test, research, and approve any drug with political mandates.

Reproductive health drugs should be held to FDA's rigorous science-based requirements that any drug must meet before approval can be granted—just like any other drug. They should not be singled out simply because they deal with reproductive health.

In 1996, the Food and Drug Administration found mifepristone a safe and effective method for early medical abortion. This drug has been used successfully by more than 500,000 women around the world for over twenty years in countries like France, Sweden, and the United Kingdom, and was just recently made available in Spain, the Netherlands, Australia, and Israel. Every country in Europe, and beyond, seems to recognize the benefits of making this drug available to women—except the United States.

This measure seeks not only to deny American women access to mifepristone, it also threatens the health of Americans in general. In addition to providing safe, medical abortions, there is evidence that mifepristone has great potential to treat serious medical conditions such as inoperable brain tumors, prostate cancer, and infertility—as well as female specific conditions like endometriosis, uterine fibroids, and breast cancer.

I ask my colleagues, how many other uses are there for a drug like Viagra? Yet, Viagra hit the market in record time. What kind of message does that send to the world? The consideration of this measure and the failure of the United States to make this drug available tells the world that the health of Americans is negotiable and subject to the will of anti-choice politicians.

If passed, this amendment would not only compromise the integrity of FDA's scientific process, it would open the door for further invasions on the drug approval process. More importantly, it would set a very dangerous and irrevocable precedent in the medical community.

Over the past three decades, the face of reproductive health care has drastically changed to serve the needs of American women. And for the first time in history, a reproductive health drug has the potential to benefit not only American women, but to provide more appropriate care to millions of Americans. Who are we, Members of Congress, to interfere in the face of such immense scientific progress?

Americans trust that drugs approved by the FDA are safe. Vote "no" on the Coburn amendment and let the FDA do its job.

Ms. PELOSI. Mr. Chairman, I rise to oppose the Coburn amendment to the Agriculture Appropriations bill. I strongly disagree with this amendment because it would block the Food and Drug Administration from testing, developing, or approving any drug that would induce abortion, including RU–486. The Coburn amendment would limit the development of the next generation of safer, more effective contraceptives and this is wrong.

Women in America have a right to choose. We must protect this right. The goal of this Congress should be to reduce the number of abortions, protect the right of women to choose, and to make necessary medical choices safe and legal. It is wrong for Congress to tell the FDA to approve a particular drug or to disapprove one. Instead, it is the FDA's mission to decide whether a drug is "safe and effective." The Coburn amendment would make this decision for the FDA and substitute Congress' judgement over the judgement of medical professionals.

We must remember that RU–486 is a product proven to be medically safe. After extensive French and United States clinical trials, the FDA has determined that it is safe and effective for an early medical abortion. For about 20 years RU–486 has been available to Europe's women. The effect of this amendment is to ban RU–486 which can be used for a nonsurgical abortion. For women for whom surgical abortion poses risks or is otherwise inappropriate, the Coburn amendment unconstitutionally restricts the right to choose. For women living far from clinics, it precludes the possibility of receiving RU–486 in their physician's office, again burdening the right to choose. Women have the right to choose and I support the current FDA medical approval process.

We should not trample on the FDA's ability to test, research and approve drugs based on sound scientific evidence. We should also remember this amendment is not limited to just this one safe and effective drug. It is not simply about access to RU–486 alone. It would have a dangerous chilling effect on developing other drugs for various other medical purposes. Drugs used to treat other conditions including cancers and ulcers can induce abortion. This proposed ban could limit the FDA's capacity to consider approving these other therapies and could force researchers to reject promising treatment opportunities.

I stand with the American Medical Association; the American College of Obstetricians and Gynecologists; and the American Medical Women's Association to oppose this amendment.

I urge my colleagues to oppose the Coburn amendment and protect a woman's right to choose. Vote "no" on the Coburn amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma (Mr. COBURN).

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. COBURN. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Pursuant to House Resolution 538, further proceedings on the amendment offered by the gentleman from Oklahoma (Mr. COBURN) will be postponed.

The point of no quorum is considered withdrawn.

AMENDMENT OFFERED BY MS. KAPTUR

Ms. KAPTUR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. KAPTUR:

Page 96, after line 4, insert the following new section:

### TITLE IX—ADDITIONAL GENERAL PROVISIONS

SEC. . Within available funds, the Secretary of Agriculture is urged to use ethanol, biodiesel, and other alternative fuels to the maximum extent practicable in meeting the fuel needs of the Department of Agriculture.

Ms. KAPTUR. Mr. Chairman, I offer a sense of Congress resolution in the form of an amendment concerning ethanol and diesel fuels.

Mr. Chairman, we all have seen the price of fuel rise across the country, spike, and cause businesses and households a great deal of economic anxiety this summer. It was but yet another example of our overdependence on imported fuels to move this economy.

There is no one answer to that problem, but obviously we should all have a strong, very strong-willed position to move America toward any energy independence in our lifetime.

One of the most important departments to help us do that is the Department of Agriculture. In fact, the potential for the expanded use of ethanol and biodiesel and biofuels of all kinds using cellulose from our fields and forests is absolutely unlimited and it is renewable.

In addition to that, it is much less polluting. The State of Ohio, for example, I think leads the Nation in mixtures that involve ethanol. We have shown that research can be done in producing alternative fuels that benefit our environment, can actually help our engines burn more cleanly, and end our growing dependence.

Over 60 percent of the fuel used to power this economy comes from foreign sources. It is our major strategic vulnerability.

USDA has been helping in research, albeit slowly, over the years. We are making some progress. The intent of this resolution is to further encourage the Secretary of Agriculture to use ethanol, biodiesel, and other alternative fuels to the maximum extent practicable in all of USDA facilities across the country. There are hundreds.

One of the areas in which we are successfully working is in the district of the gentleman from Maryland (Mr. HOYER) in Beltsville, Maryland, at the chief research station in this country to power many of the land vehicles, tractors, and cars, used in that major research station.

What we are asking USDA to do in this sense of Congress resolution is to exert the maximum effort possible and look at the other sites around the country, including cooperative efforts with our land grant universities, with other research sites across the country, with the headquarters facilities here in Washington, D.C., and really help lead America forward and develop the set of connections that can move product from the farm into industrial and agricultural use by the end user.

So it is very straightforward, and if we are to be serious about alternative fuels, we must use every arrow in our quiver. We are asking the USDA to put added muscle behind this in every single facility that it operates across the country.

Mr. SKEEN. Mr. Chairman, will the gentlewoman yield?

Ms. KAPTUR. I yield to the gentleman from New Mexico.

Mr. SKEEN. Mr. Chairman, I accept the gentlewoman's amendment, and recommend that the House do so, as well.

Ms. KAPTUR. I thank the gentleman. I just wish we could power some of those sheep with some ethanol, but we will probably figure out a way to do that in the future.

Mr. SKEEN. We keep them well inoculated, and they do not buy their pharmaceuticals from anyplace other than home.

Ms. KAPTUR. I thank the gentleman for his support.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Ohio (Ms. KAPTUR).

The amendment was agreed to.

AMENDMENT NO. 70 OFFERED BY MR. GILMAN

Mr. GILMAN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 70 offered by Mr. GILMAN:

Page 85, after line 15, insert the following new section:

SEC. . The Secretary of Agriculture shall use $15,000,000 of the funds of the Commodity Credit Corporation to provide compensation to producers of onions whose farming operations are located in a county designated by the Secretary as a disaster area for drought in 1999 and who suffered quality losses to their 1999 onion production due to, or related to, drought. Payments shall be made on a per hundredweight basis on each qualifying producer's pre-1996 production of onions, based on the 5-year average market price for yellow onions.

Mr. SKEEN. Mr. Chairman, I reserve a point of order on the amendment.

Mr. GILMAN. Mr. Chairman, my amendment would require the Secretary of Agriculture to use $15 million of the funds of the Commodity Credit Corporation to provide compensation to producers of onions who were hard hit by drought in the 1999 growing season.

The reason for this amendment is quite obvious. Onion producers from my congressional district in Orange County, New York, have been devastated by either drought, wind, or rain 3 out of the past 4 years. Making matters worse, the USDA crop insurance program provided little or no assistance to these growers.

I had the opportunity to visit with our onion producers just this past week to learn of their outstanding plight. While it is imperative that these growers receive adequate assistance in order to survive, I will withdraw my amendment, since it is subject to a point of order in the House.

However, I would ask the distinguished chairman of our subcommittee, the gentleman from New Mexico (Mr. SKEEN), if I could speak with him on this important matter.

Mr. SKEEN. Mr. Chairman, will the gentleman yield?

Mr. GILMAN. I yield to the gentleman from New Mexico.

Mr. SKEEN. Mr. Chairman, I understand the gentleman's concern, and we will continue to do our best as the bill proceeds to conference.

Mr. GILMAN. Mr. Chairman, I would tell the gentleman, onion growers in Orange County, New York in my congressional district have suffered devastating losses 3 out of the past 4 years, 1996, 1998, and 1999. They are in desperate need of meaningful assistance. The small sums which crop insurance paid to these farmers due to the 1996, 1998 and 1999 losses failed to provide anything close to minimal relief.

Accordingly, our farming families continue to lose their farms, individuals are uprooted, a traditional way of life is jeopardized, and a segment of our national food supply has been further diminished. These are the very upheavals which crop insurance was designed initially to prevent.

The USDA has clearly demonstrated its inability to effectively deliver needed and equitable crop loss disaster assistance to Orange County onion farmers. Repeated and intense communications between the Department, my office, and onion producers over the last few years at all levels have failed to address any of our concerns.

USDA officials have stated that the Department does not have a clear direction from the Congress on how to proceed with the complicated and untraditional issues surrounding the unique situation facing these onion growers, including, one, how to compensate for crop quality losses; two, reliance on a crop insurance model that cannot adequately account for multiyear losses, let alone 3 out of the 4 years; and third, how to calculate payment for high-value family farm specialty crop businesses.

Accordingly, I would ask for the chairman's commitment to work with me to provide assistance to our onion growers in Orange County, New York, who have incurred devastating crop losses due to damaging weather-related conditions 3 out of the last 4 years.

Mr. SKEEN. Mr. Chairman, if the gentleman will continue to yield, again, I understand the gentleman's concern. We will continue to do our best as the bill proceeds to conference.

Mr. GILMAN. Mr. Chairman, while I am sure it will come as no surprise, our onion growers in Orange County are proud to receive few government subsidies. However, the current plight of these hard-working producers threatens the overall fate of our Hudson Valley, our State, and Nation's agricultural industry.

As their representative, I can no longer allow that unique and devastating situation to go unnoticed and unassisted, and thus I greatly appreciate the gentleman's willingness to work with us on this important matter. I thank the chairman.

Mr. SKEEN. I would tell the gentleman, we will do the very best we can on that matter.

Mr. GILMAN. Mr. Chairman, I ask unanimous consent to withdraw the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

AMENDMENT OFFERED BY MR. RANGEL

Mr. RANGEL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RANGEL:

At the end of the bill, insert after the last section, preceding the short title (page 96, after line 4), the following new title:

TITLE IX—ADDITIONAL GENERAL PROVISIONS

SEC. 901. None of the funds made available in this Act may be used—

(1) to implement section 620(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(a));

(2) to exercise the authorities conferred upon the President by section 5(b) of the Trading With the Enemy Act, which were being exercised with respect to Cuba on July 1, 1977, as a result of a national emergency

declared by the President before that date, and are being exercised on the day before the date of the enactment of this Act, and any regulations in effect on the day before such date of enactment pursuant to the exercise of such authorities;

(3) to implement any prohibition on exports to Cuba that is in effect on the day before the date of the enactment of this Act under the Export Administration Act of 1979;

(4) to implement the Cuban Democracy Act of 1992, other than section 1705(f) of that Act (relating to direct mail service to Cuba);

(5) to implement the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1996, or the amendments made by that Act;

(6) to implement subparagraph (A) of section 901(j)(2) of the Internal Revenue Code of 1986 (relating to denial of foreign tax credit, etc., with respect to certain foreign countries) with respect to Cuba;

(7) to implement section 902(c) of the Food Security Act of 1985;

(8) to implement General Note 3(b) of the Harmonized Tariff Schedule of the United States with respect to Cuba; or

(9) to regulate or prohibit travel to and from Cuba by individuals who are citizens or residents of the United States, or any transactions ordinarily incident to such travel, if such travel would be lawful in the United States.

Mr. MENENDEZ (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

POINT OF ORDER

Mr. DIAZ-BALART. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman from Florida is recognized on his point of order.

Mr. DIAZ-BALART. Mr. Chairman, I rise to make a point of order against this amendment on the ground that it violates clause 7 of rule XVI on the issue of germaneness.

Mr. Chairman, the amendment references a number 9, as a matter of fact, programs and/or laws. All of the programs, certainly not even the overwhelming majority of them that are referenced, are either administered or enforced or regulated or in any way funded by this bill that we are considering this evening.

There is clearly an issue of germaneness, so under clause 7 of rule XVI, I raise the point of order.

The CHAIRMAN. Does the gentleman from New York (Mr. RANGEL) wish to be heard on the point of order?

Mr. RANGEL. Yes, Mr. Chairman.

The CHAIRMAN. The gentleman from New York is recognized.

Mr. RANGEL. Mr. Chairman, it was my understanding that the gentleman from Florida was part of an agreement that would allow our farmers to export their products to Cuba.

Mr. Chairman, while it is true that the agreement was supposed to be done in conference and not on the floor, I thought I could facilitate what he was a party to by merely removing any restrictions that our farmers would have to allow them to sell their products. Knowing his disdain for communism and his support, I assume, to try to eliminate this form of lack of democracy in Cuba, it was the feeling of the House that we could attempt to derail the communism that existed in China, North Korea, in North Vietnam.

I just felt that if we have such compassion about trying to instill democracy all across Asia, we should have just as much concern about the nearness and proximity to my friend's home State, Florida.

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I thought that since the gentleman from Florida (Mr. DIAZ-BALART) was party to the agreement that this would allow us at least to do publicly on the House floor what so many said was going to be done privately in conference.

The CHAIRMAN. Is there another Member that wishes to be heard on this point of order?

Ms. ROS-LEHTINEN. Mr. Chairman, I wish to be recognized on this point of order.

The CHAIRMAN. The Chair would remind Members that they should direct their comments to the Chair regarding whether or not the point of order should or should not be sustained.

The gentlewoman from Florida may continue.

Ms. ROS-LEHTINEN. Mr. Chairman, I rise in opposition to the Rangel amendment, but I support my dear colleague, the gentleman from Florida (Mr. DIAZ-BALART) on the various points about why this part of the bill should be stricken, why this amendment should be stricken.

What this amendment is asking our U.S. agencies to do is to look the other way when U.S. laws governing trade with the oppressive Castro regime are being violated. It does so by prohibiting funds in the act from being used for the implementation of various foreign policy and national security restrictions.

This amendment extends far beyond the jurisdiction of the appropriations bill by referring to authorities, export controls and sanctions imposed under the Foreign Assistance Act, The Trading With the Enemy Act, the Export Administration Act, the Cuban Democracy Act, and other existing laws whose enforcements are administered by the Department of Commerce, the State Department, the Treasury Department and sometimes in consultation with the Department of Defense.

Mr. Chairman, it is ironic that the gentleman from New York (Mr. RANGEL), my good friend, the sponsor of this amendment, who repeatedly comes to the floor advocating for greater presidential authority over foreign policy and trade matters and seeks a minimal congressional involvement in any of these issues would offer an amendment which actually restricts the President and issues a congressional mandate dictating what the pertinent agencies can and cannot do. So I believe that this amendment, which really seeks to change U.S. policy toward the brutal Castro dictatorship which rules Cuba with an iron grip by circumventing and ignoring the committees of jurisdiction, who have the expertise in these issues; without affording those committees an opportunity to debate, discuss and offer recommendations.

Further, Mr. Chairman, the Rangel amendment is in direct conflict with the agreement that we had reached a few weeks ago on the sanctions issue, an agreement which I believe has received broad range of support, and this agreement not only maintains a strong stance against Cuba's totalitarian regime, but it also protects American taxpayers from bearing the burden of failed loans and poor investments with Castro.

I would hope that the chairman would rule that this is not germane to the bill in question.

The CHAIRMAN. The Chair is prepared to rule, but would inquire, are there other Members who wish to be heard specifically on the point of order?

The Chair has been lenient allowing a certain amount of substantive debate to creep into this and would be prepared to rule, unless there are other Members who wish to be heard on the point of order.

For what purpose does the gentleman from Minnesota rise?

Mr. MINGE. Mr. Chairman, I would like to address the point of order.

The CHAIRMAN. The gentleman from Minnesota is recognized for that purpose.

Mr. MINGE. Mr. Chairman, I would like to thank my colleague from New York (Mr. RANGEL) for bringing up this issue. We have all read of numerous hours of negotiations that have been spent on Cuba trade and agricultural products. We know that the agricultural appropriations bill has been held up for probably a month as a result of negotiations behind the scenes. This amendment is an opportunity for us to consider on the floor of the House of Representatives this very important issue, otherwise, this point of order seeks to force deliberation on this amendment into the closed confines of conference committee.

I urge that the Chairman rule against the point of order so that we have openness with respect to the legislative process and so that we have an opportunity to consider an amendment that provides a realistic opportunity for trade with Cuba rather than a hollow provision which will allow for very limited trade with Cuba.

Mr. Chairman, I really feel that this particular amendment is the only opportunity that this body will have to debate and deliberate on the trade with Cuba issue which otherwise is going to be foreclosed to this body, we will see something come back from conference committee, there will be a rule, which will waive all points of order, and this particular debate will be precluded.

The CHAIRMAN. The Chair is prepared to rule on the point of order.

The gentleman from New York (Mr. RANGEL) has the burden of proving that the amendment is germane.

Does the gentleman have additional arguments he would like to make in that regard?

Mr. RANGEL. The gentlewoman from California (Ms. WATERS) has been working on some points that deal with this point of order, and I would like to hear from her, Mr. Chairman.

The CHAIRMAN. The Chair has been quite lenient but asks Members to speak to the point of order.

Ms. WATERS. Mr. Chairman, I rise to support my colleague from New York (Mr. RANGEL) on this amendment and certainly believe it to be germane. I think it has been correctly stated that there has been a lot of backroom dealing going on on this issue. Day in and day out, we have heard about all of the antics, all of the various manipulations and maneuvering that has gone on only to have surfaced some very, very limited trade. One way that would perhaps allow our farmers to sell to Cuba, but would, on the other hand, do a lot of damage to the work that this President has been doing to help open up discussion and debate and to export democracy to Cuba.

It seems to me that this amendment would take care of some of the problems that have been created by my colleagues from the other side of the aisle, and I would simply ask that the Chair would recognize that and rule in favor of my colleague and the work that he is attempting to do.

The CHAIRMAN. The Chair is prepared to rule.

For what purpose does the gentleman from New Jersey rise?

Mr. MENENDEZ. Mr. Chairman, on the point of order if I may.

The CHAIRMAN. The gentleman from New Jersey is recognized.

Mr. MENENDEZ. Mr. Chairman, I have a great deal of respect for the gentleman from New York (Mr. RANGEL). I believe his venue here is inappropriate.

For those of us who are not privileged to sit on the Committee on Appropriations but who have ranking positions, as I do, on the Committee on International Economic Policy and Trade for which sanctions issue fall within the jurisdiction of our committee.

We do not believe that the appropriations bill is the appropriate venue for the pursuit. I did not believe that the amendment of the gentleman from Washington (Mr. NETHERCUTT) in the committee, which was legislating an appropriations bill, was appropriate.

It deprives those of us who have jurisdiction over certain items, if that is allowed to move forward, to, therefore, nullify the value of our positions; therefore, I think that the amendment is not germane.

I further think it is an attempt to legislate in an appropriations bill, because it talks about travel as well which has nothing to do within the appropriations part of this agriculture bill. On the merits, of course, I have a strong disagreement with the gentleman, but I believe his venue is wrong and I would urge that the Chair rule the amendment out of order.

The CHAIRMAN. The Chair is prepared to rule on the amendment.

The gentleman from New York (Mr. RANGEL) has the burden of proving that the amendment is germane. The preface in the amendment that it is confined to funds in the bill is helpful in determining germaneness, so long as the listed funding to be prohibited bears some relationship to the functions of departments and agencies covered by the bill.

The Chair is unable to determine any role the covered agencies have in carrying out several of the laws mentioned in the amendment. Title VIII of the reported bill has been stricken on a point of order and the list of sanctions relating to Cuba is no longer in the bill. For this reason, the amendment, although in the form of a limitation, does not relate in all respects to programs covered by the bill and is not germane. The point of order is sustained.

Mr. HOYER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to simply speak on behalf of the amendment that was already adopted, which I strongly support, and I want to thank the gentlewoman from Ohio (Ms. KAPTUR) for supporting. I also want to thank my good friend, the gentleman from New Mexico (Mr. SKEEN) for supporting this as well.

This dealt with the alternative fuels amendment that was already adopted, and the reason I wanted to rise in support of it is because for the last 11 months the Beltsville Agricultural Research Center, which is located in my district and so strongly supported by the committee, has been conducting a pilot project using biodiesel. Biodiesel, or any of the other alternative fuels, makes sense for two reasons, Mr. Chairman. First, because biodiesel is derived vegetable or soybean oil it opens another potential market for our Nation's farmers. Secondly, biodiesel is good for the environment. It is a renewable resource that burns much cleaner than conventional diesel.

At BARC, they use 80 percent diesel and 20 percent soybean oil mix. Their test results found that using biodiesel reduces carbon dioxide emissions 16 percent. Now that may have already been mentioned, but it bears repeating. Particulate matter, which is a major component of smog, is reduced by 22 percent and sulfur emissions are reduced by 20 percent.

Mr. Chairman, to date the 143 vehicles in their fleet have used over 60,000 gallons of biodiesel in their trucks, tractors and buses. They have found that maintenance costs are the same as using conventional diesel fuel.

In fact, the mechanics at BARC's motor pool actually prefer using biodiesel. Not only does it increase lubrication throughout the engine but unlike regular diesel, it does not emit fumes that cause eye irritations, a fact that those of us who have been behind buses from time to time will think is a pretty good idea.

I was going to urge my colleagues to adopt this amendment, but I want to commend my colleagues for already having done that, but I am pleased that I had the opportunity to rise. I congratulate the gentlewoman from Ohio (Ms. KAPTUR) for this initiative.

Ms. KAPTUR. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentlewoman from Ohio.

Ms. KAPTUR. Mr. Chairman, I wanted to thank the gentleman from Maryland (Mr. HOYER) for being such a strong supporter of alternative fuels and, obviously, with the gentleman's support, the Beltsville Research Station, the premiere agricultural research station in the country, is leading the rest of the Nation in this important arena.

Mr. Chairman, I want to thank the gentleman from Maryland (Mr. HOYER) for his own leadership as a member of the Committee on Appropriations in assuring that Beltsville understands the seriousness of this Congress in trying to move additional alternative fuels on-line for the sake, not just of the Beltsville station, but for the sake of the Nation. I want to thank the gentleman for taking the time today to place in the RECORD the actual research, the demonstration and the results of what has actually been accomplished at Beltsville.

Without question, the gentleman is placing a foundation there that can be built upon and transferred to other USDA sites, as well as the cooperative agreements that USDA can reach with all of our land grant universities across the country.

I just want to thank the gentleman for helping to spur these efforts forward and for helping Beltsville lead the rest of the Nation as it should.

Mr. HOYER. Reclaiming my time, Mr. Chairman, I thank the gentlewoman for her comments and thank her for her leadership. Again, I thank the chairman of the committee, the gentleman from New Mexico (Mr. SKEEN), my friend, for his leadership as well.

AMENDMENT NO. 33 OFFERED BY MR. SANFORD

Mr. SANFORD. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 33 offered by Mr. SANFORD: Insert before the short title the following:

### TITLE IX—ADDITIONAL GENERAL PROVISIONS

SEC. 901. None of the funds appropriated or otherwise made available by this Act to the Department of Agriculture may be used to carry out a pilot program under the child nutrition programs to study the effects of providing free breakfasts to students without regard to family income.

Mr. SANFORD. Mr. Chairman, this amendment simply gets at funding for the school breakfast pilot program. Mr. Chairman, this program was a 3-year authorization which basically chose six school districts from around the country to begin a pilot program looking at the link between eating breakfast and performance in school. Last year, $7 million went toward that cause, another $6 million is in this bill. This amendment goes after $6 million that is currently in the bill.

I would simply say that common sense would dictate, not another $6 million, that there is directly a link between having breakfast and performance for a young person at school.

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It does not take $13 million to tell us that young folks will do better in school after breakfast than without breakfast.

So I do not think this amendment is at all about the merits of the pilot program itself. Rather, I think that what this is about is do we want this pilot program to, since we know that is directly a link between one's performance and having breakfast, do we want to grow this into school breakfast for everybody around the country? For me, the answer would be no. Because if one actually looks at the numbers, it would cost a full $750 million a year to provide free breakfast for every school and every child in school districts across the country. To me, that says there is no free breakfast, there is no free lunch. $750 million is a lot of money.

Now, the reason I think it is worth looking at is that, if one is poor, one is going to get a free breakfast at school. Since 1975, the result of basically action taken here in this Congress, poor folks have been able to get a free breakfast. In fact, I have a chart here that shows participation rates around the country. In South Carolina, 98.9 percent of school districts offer breakfast. In West Virginia, it is 98.7. In Idaho, it is 97.8. In Texas, it is 96.8. In Delaware, it is 96.6.

I could read the other numbers for each of the other States in the Union; but the point is that, in the whole, we are looking at very high participation rates for breakfast.

The point is do we want to have another Federal mandate that says one is going to have school breakfast, and again I would say no. The reason I say no is that I think we have to take aim at helping folks. I think that those in need absolutely should be given a free breakfast. But if one is a lawyer, does one need to have a free breakfast for one's children? If one is a doctor, does one's children need to get a free breakfast? If one is a high-tech zillionaire from Silicon Valley, does one's children need to get a free breakfast?

In fact, if I look at the number of school districts across this country, 20 percent of the families who send their kids to public schools make in excess of $75,000. Five percent make over $132,000. Do we want people from Georgetown County, where per capita income is basically a little less than $20,000 a year in South Carolina, subsidizing people who make over $132,000 in the purchase of their child's breakfast? I would have to say no.

I as well would just make a point that the gentleman from Pennsylvania (Chairman GOODLING), the chairman of the Committee on Education and the Workforce, in the debate that occurred at the committee level on this came out on the side of we do not need a universal free breakfast program.

Finally, I want to say that I think that this is the most basic of all parental responsibilities. The idea that before one sends one's kid off to school that one help them with breakfast, especially if one is financially able to do so. This is a place wherein family traditions can be passed along, family history can be passed along, have you done your homework can be passed along. A lot of other normal family questions can occur at the breakfast table. So handing this off to school districts to me would be a mistake on that basis as well.

Ms. WOOLSEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in absolute opposition to the Sanford amendment, which would prohibit the Department of Agriculture from completing the School Breakfast Demonstration pilot project.

The School Breakfast Demonstration program is a scientific study to measure the effect of providing breakfast at school free of charge to all children, regardless of income, on a broad range of student outcomes, including grades, attendance, tardiness, and also behavior and concentration.

Mr. Chairman, yes, we should be providing breakfast for all of our children at their homes in the morning. But we are sure that parents in this busy world we are living in are commuting long hours, they are working long hours, and they leave the house before their children have had breakfast. Every child needs to go to school ready to learn on a full stomach.

The Meals for Achievement Act that I authored has already received half of its needed funding. The first $7 million was appropriated last year. The program is already under way. After a nationwide competition, six school districts have been chosen to participate.

As we debate, these school districts across the country representing a wide variety of schools, school districts, and students are already setting up their programs. Why would we today take that funding away from them?

Mr. Chairman, as a Nation, we are searching for answers to the many challenges our schools and our children face. Numerous studies, including one by Harvard University and Massachusetts General Hospital, show that children who eat breakfast improve both their grades and their behavior in school. But I can assure my colleagues, if I came to this floor and said to them that it is absolute that children who eat breakfast do better in school, one would say to me prove it.

I want a scientific study, and I want that study to be a government, a Federal Government-paid and -monitored study. That is why we need to do this pilot program.

But because children need to have breakfast is one of the reasons why many school districts and some in my district provide breakfast at school to all of their students on the mornings before standardized testing.

In today's world, if a child is lucky enough to have two parents living at home, chances are that both parents are working and commuting long hours. More and more parents are out the door on the road early in the morning with no time to sit down to breakfast. That does not mean they cannot afford breakfast. It means these children do not eat breakfast because there is nobody there to insist that they do.

The breakfast program is voluntary. Nobody has to go to school and eat breakfast. It will be available for all children no matter when and if they want to eat breakfast.

Whether we like it or not, many children do not eat; and they do arrive at school hungry. And when they are hungry, they are not ready to learn.

So unless we want to pass a law requiring every family to ensure their kids eat breakfast before school, and then hire a bunch of breakfast police to enforce our law, we need to understand the benefits of a universal school breakfast program.

That is why we must allow the Department of Agriculture to use the funds included in this bill to complete the School Breakfast Demonstration program. Along with most educators and scientists, I believe that previous experience and studies will hold true and that the School Breakfast Demonstration program will prove once again that school breakfast is not a welfare program, it is an education program that will benefit all students.

Just as we do not charge the wealthy students for their books and their computers because they can afford it, we must not charge students for breakfast. Because like a book or a computer, breakfast is a learning tool, a tool that must be made available to all.

Ms. KAPTUR. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to this amendment. I want to commend the gentlewoman from California (Ms. WOOLSEY) for her great leadership on assuring that every child in this country obtains proper nutrition. Obviously, the gentlewoman from California (Ms. WOOLSEY) represents a different area of the country than I might coming from northwest Ohio or the gentleman from South Carolina (Mr. SANFORD), the author of the amendment.

However, I can tell my colleagues, even in my own district, some of the most instructive people one can speak with are the food service workers in our schools. It is very shocking to go into some of the schools and to talk to these food service workers who tell us about a young child that comes in on a Monday morning who has not eaten all weekend and who asks permission to eat two school breakfasts because he or she has not had a decent meal all weekend. It is sad to think that that can happen in America; but in fact, it is happening every day. I am sure in some communities it is happening more than in other places.

I think as we use the school breakfast program to try to make sure that every child in these early years receives proper nutrition, and maybe that is a mothering role and so maybe the women of America feel more strongly about it, I think it is important to recognize that we need to understand how to make these programs work better to make sure that we are providing proper nutrition, to really understand which children may not be getting proper nutrition and what we can do about it.

Hopefully, every child would get the food they need at home; but we know that that just is not the case in today's world with people working two and three shifts, different jobs, split shifts, all the rest. Sometimes just finding family time for dinner is difficult in today's world. That is not the world I grew up in, but it is the world that so many families deal with today.

The money that we initially provided for this study totaled $7 million; and, in fact, the study is under way. The remaining $6 million that the gentlewoman from California (Ms. WOOLSEY) and others have supported is coming from transferring monies out of the WIC program, the Women, Infants and Children's feeding program that are carrying over balances that are not needed because we are being successful with enrollment in that program, taking great care to be sure that sufficient dollars do remain in the WIC program.

Nothing is more important than a good meal with proper nutrition for the learning ability of children. When they do not eat enough and they do not eat properly, they get tired. Their brains do not grow fast enough. Their early years are absolutely critical in producing a child that can fully function in this society.

So I would urge defeat of the amendment of the gentleman from South Carolina (Mr. SANFORD) and again compliment the gentlewoman from California (Ms. WOOLSEY) for her outstanding leadership and her great heart on making sure that every child in America grows to their full potential, beginning with good nutrition.

Mrs. CLAYTON. Mr. Chairman, hunger is an issue many in America would prefer to ignore.

This amendment is about hunger.

This amendment is about making sure all of our children have a hearty meal and a healthy start as they begin the school day.

There is evidence of hunger in 3.6 percent of all households in America.

Close to four million children are hungry.

Fourteen million children—twenty percent of the population of children—live in food insecure homes.

In food insecure homes, meals are skipped, or the size of meals is reduced.

More than ten percent of all households in America are food insecure.

Because there is such hunger and food insecurity, there is also infant mortality, growth stunting, iron deficiency, anemia, poor learning, and increased chances for disease.

Because there is such hunger and food insecurity, the poor are more likely to remain poor, the hungry are more likely to remain hungry.

It seems strange that we must fight for food for those who can not fight for themselves.

It really is time to stop picking on the poor.

Less than 3 percent of the budget goes to feed the hungry.

It is for those reasons we must soundly and solidly reject this ill-advised amendment.

Currently, Mr. Chairman, the Agriculture appropriations bill includes $6 million to complete the School Breakfast Program Demonstration program.

Last year, $7 million was appropriated for the project, and school districts have been chosen to participate.

It is imprudent, unwise and injudicious to discontinue this study at this time.

This project will give us the information we need to determine if providing breakfast at school for all children is a sound investment for federal dollars.

The link between eating breakfast and improved learning and behavior is already well established.

Students who eat breakfast do better on tests.

Students who eat breakfast make better grades.

Breakfast is a learning tool, just like books and computers.

We cannot prepare our children for the future if we insist upon policies that relegate them to the past.

And, we cannot protect and preserve our communities, if we do not adequately provide the most basic commodity for living—something to eat.

Nutrition programs are essential to the well-being of millions of our children.

These are citizens who often cannot provide for themselves and need help for existence.

They do not ask much.

Just a little help to sustain them through the day.

Just a little help to keep them alert in class and productive in their lives.

Food for all, especially our children, is worth fighting for.

Reject this Sanford amendment.

It is not worthy of our support.

Mr. GOODLING. Mr. Chairman, I rise in support of the amendment offered by Congressman SANFORD to H.R. 4461, the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act for 2001. This amendment would prohibit the use of funds to complete a pilot project under which all children will receive free school breakfasts, regardless of income.

I am a long-time proponent of child nutrition programs, but I also believe we must focus funding on those children in greatest need to services.

The universal breakfast pilot project is based on the premise that children who do not eat at school don't eat breakfast and that more children would eat breakfast at school if all children could eat for free.

Mr. Chairman, any school that wants to participate in the school breakfast program with federal reimbursements can do so, and all children are eligible for participation. However, in contrast to a universal breakfast program, only low-income children are eligible for free meals.

The school breakfast program has grown tremendously over the past years. In 1980, approximately 33,000 schools served breakfast. In 1990, approximately 43,000 schools participated. This year, approximately 74,000 schools did. The number of children participating in breakfast programs has increased as well. During the past 10 years the number of children receiving school breakfasts rose 88 percent, climbing from 4 million to 7.5 million

Over 85 percent of low-income children enrolled in elementary school attend a school offering the breakfast program. This is an important fact because there are more breakfast programs in elementary than secondary schools. As a results, the opportunity to participate in a breakfast program is available to the majority of low-income children in elementary schools.

Mr. Chairman, I doubt there is any member in this body who would disagree with the fact that breakfast is an important meal for children. It helps provide them the energy they need to perform will in school. We do not need to prove this through a demonstration program.

What is under debate is who is responsible for feeding our nation's children. While I believe it is important that all children have an opportunity to participate in a school breakfast program, I also think the primary responsibility for feeding children lies with their parents.

Any proposal to make school breakfast free to children at all income levels in all schools would primarily subsidize middle and upper income children who do not need a free breakfast.

One reason children do not participate in the breakfast program to the extent they participate in the lunch program is that many children eat breakfast at home with their families. This is not usually an option for lunch. Why would we want to encourage children to eat at school when they can spend valuable time with their parents?

If the argument in support of a universal breakfast program is that it will reduce the number of children who are missing breakfast, large research evaluations funded by the USDA in the early 1990s do not support that contention. Studies show that 94 percent of children in kindergarten through third grade already eat breakfast and that the presence of school breakfast does not increase this number.

I have opposed the funding of this pilot project from the beginning and continue to oppose it. It is not needed. We have a school breakfast program that is available to the majority of low-income children. Other children can participate if they want to do so.

At every opportunity, we should encourage children and parents to share meals together.

Mr. Chairman, I want to particularly thank Mr. SANFORD for the forethought and commitment to have us stop moving forward on an effort that is unnecessary and I think unwise. All a universal breakfast program does is increase the federal budget and reduce quality time between parents and children. I encourage my colleagues to support the Sanford amendment. We do not need this pilot project.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Carolina (Mr. SANFORD).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. SANFORD. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Pursuant to House Resolution 538, further proceedings on the amendment offered by the gentleman from South Carolina (Mr. SANFORD) will be postponed.

The point of no quorum is considered withdrawn.

AMENDMENT NO. 26 OFFERED BY MR. DEFAZIO

Mr. DEFAZIO. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 26 offered by Mr. DEFAZIO: Insert at the end of the bill (before the short title) the following:

TITLE IX—ADDITIONAL GENERAL PROVISIONS

SEC. 901. Notwithstanding any other provision of this Act, not more than $28,684,000 of the funds made available in this Act may be used for Wildlife Services Program operations under the heading "ANIMAL AND PLANT HEALTH INSPECTION SERVICE", and none of the funds appropriated or otherwise made available by this Act for Wildlife Services Program operations to carry out the first section of the Act of March 2, 1931 (7 U.S.C. 426), may be used to conduct campaigns for the destruction of wild predatory mammals for the purpose of protecting livestock.

Mr. SKEEN. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. The gentleman from New Mexico (Mr. SKEEN) reserves a point of order.

Mr. DEFAZIO. Mr. Chairman, may I ask, does the gentleman from New Mexico (Mr. SKEEN) intend to pursue his point of order, because in the interest of time, if he does, I will offer a different amendment.

Mr. SKEEN. Yes, I do, Mr. Chairman.

Mr. DEFAZIO. Mr. Chairman, I ask unanimous consent to withdraw amendment No. 26.

The CHAIRMAN. Without objection, the amendment is withdrawn.

There was no objection.

AMENDMENT NO. 39 OFFERED BY MR. DEFAZIO

Mr. DEFAZIO. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 39 offered by Mr. DEFAZIO: Insert before the short title the following:

TITLE IX—ADDITIONAL GENERAL PROVISIONS

SEC. 901. Notwithstanding any other provision of this Act, not more than $28,684,000 of the funds made available in this Act may be used for Wildlife Services Program operations under the heading "ANIMAL AND PLANT HEALTH INSPECTION SERVICE", and none of the funds appropriated or otherwise made available by this Act for Wildlife Services Program operations to carry out the first section of the Act of March 2, 1931 (7 U.S.C. 426), may be used to conduct campaigns for the destruction of wild animals for the purpose of protecting stock.

Mr. SKEEN. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 30 minutes evenly divided between the gentleman from Oregon (Mr. DEFAZIO) and myself.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

The CHAIRMAN. The gentleman from Oregon (Mr. DEFAZIO) and the gentleman from New Mexico (Mr. SKEEN) each will control 15 minutes.

The Chair recognizes the gentleman from Oregon (Mr. DEFAZIO).

Mr. DEFAZIO. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, we have debated this amendment before. Actually, this amendment passed the House this fiscal year 1999 but was narrowly defeated on a reconsideration vote after powerful special interests weighed in with howls of protest, false sense, and red herrings.

Well, first, let us dispense with the false arguments that we will hear tonight from the gentleman from Texas and others. This is not about public health and safety. Children in school yards will be safe whether or not this amendment passes. It does not go to the issue of wildlife that presents a public health and safety issue. It is not about dusky geese. It is not about brown tree snakes in Hawaii. It is not about airplanes falling from the sky after bird strikes.

□ 1945

None of those activities of the Animal Damage Control agency, now called Wildlife Services, would be affected by this amendment. It is not about tuberculosis and deer in the Midwest. We will hear all those things. It is not about that.

It is about one thing and one thing only. One specific program that is reserved for private ranching interests in the western United States. A program of subsidies to those ranchers. A program that is not available to any other member of the public who has a particular problem with wildlife on their property. It is only available to the ranchers.

It is an ineffective, indiscriminate program shooting, trapping, poisoning wildlife that has been promoted by ADC, which now calls themselves Wildlife Services. And this is, again, unlike their indiscriminate ineffective program, a very specific target, eliminate the $7 million a year subsidy. That would reduce the bill to the funding recommended by the President, which would fully meet all of the obligations to protect public health and safety and other duties of that agency except for the subsidized program which goes on to private ranch lands, benefits Sam Donaldson and others.

They have spent millions of dollars on this program, and there are more coyotes today than there were when the program began. They do not understand coyote biology. When they kill the alpha male and female, they end up with more coyotes spread over a wider range, which is exactly what has happened. They have managed to kill people's pets. They have managed to kill, unfortunately, human beings from plane crashes with the aerial gunning program.

Nothing in this amendment would prevent those same ranchers, who are subsidized by Federal taxpayers, from hiring someone or doing it themselves by any legal means to protect their livestock. They can do it themselves. Nothing in this amendment would prevent that. But it would say that they no longer will have the luxury of calling for a Federal employee to come upon their land to take care of their private wildlife problems. It will be up to them to pay for it themselves, to hire someone to do it for them.

That is the gist of this amendment. It is an amendment of great merit. It has passed the House before, and I recommend Members support it.

Mr. SKEEN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to make two points in regard to the amendment. First, the reason the committee has recommended funding Wildlife Services above the administration's level is because of requests from Members of this body. In fact, if we had the budget to accommodate all requests, the number would be much higher.

I would also point out that the committee recommendation also includes $1 million for aviation safety that was requested by the USDA officials after the budget submission. Sadly, Mr. Chairman, again this year APHIS suffered a plane crash that killed two people working for Wildlife Services. The USDA is in the second year of upgrading its aviation safety program and this budget is where that money comes from.

My second point, Mr. Chairman, is the issue of fairness. Livestock producers benefit from the APHIS program, and so do many other sectors. What is the point in singling out one group? Why not take away the funds used to protect fish farms or oilseed producers from migratory birds? Why not make the States and the cattle industry assume the full cost of the brucellosis program? Why not make the State of Hawaii and its tourism industry assume the full cost of protection from the brown tree snake? Let the States assume the full cost of rabies eradication and let the airlines and local airports assume the full cost of protection from bird strikes.

What I am saying to the vast majority of Members of this body whose districts benefit from Wildlife Services programs is that it is unfair to single out or attempt to single out one sector of one industry when so many others benefit.

In closing, I strongly recommend a "no" vote on this amendment. It will not achieve its purported purposes. It will endanger the health and welfare of people and animals alike. It is opposed by the States the sponsors represent. Contrary to recent assertions, it will have far-reaching and negative effects upon the Wildlife Services authority.

The sponsor should play it straight up and offer an amendment to do away with all lethal predator control. But they know it would never pass the House, so they attack one part of American agriculture that they have no use for. Oppose this amendment and let us get back to the real business of the House.

Mr. Chairman, I reserve the balance of my time.

Mr. DEFAZIO. Mr. Chairman, I yield 2 minutes to the gentleman from New Hampshire (Mr. BASS).

Mr. BASS. Mr. Chairman, I thank the gentleman from Oregon for yielding me this time, and I rise in strong support of the pending amendment.

Mr. Chairman, I would like to make five points. Number one, the wildlife methods of predator control are ineffective and wasteful. From 1983 to 1993, the amount of money that has been spent on this program has gone up by 71 percent, kills have gone up by 30 percent, and there is no significant reduction in the predator population.

Number two. Taxpayers should not be responsible for subsidizing predator control. As my friend from Oregon said when he spoke, not one word in this amendment would in any way impact a rancher's ability to shoot or control livestock on his or her property. All it says is that the taxpayers of this country are not going to subsidize gunning of predators on these ranches out in the West.

Thirdly, the Wildlife Services methods for predator control are inhumane. All we have to do is see footage of films of these helicopters and aircraft speeding low across the range with people with guns shooting indiscriminately from one end to the other. It is inhumane and it is dangerous.

My colleagues will hear and see the same posters that we have seen for years now, getting a little bit dog-eared, of the wolf chasing the little white sheep. They are gruesome pictures. What they do not show are the seven humans who have been killed in aviation accidents associated with gunning these animals down. These individuals ride in these helicopters and aircraft with their rifles shooting from the aircraft, which by the way, is a violation of FAA regulations.

I guess the fourth point is that alternative methods of predator control do exist. They do exist. We do not have to support a program where we take taxpayers' funds and use them to kill animals in a program that has never really worked, and all it really constitutes in the end is a subsidy to large western ranchers.

I urge support of the pending amendment.

Mr. SKEEN. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. BONILLA).

Mr. BONILLA. Mr. Chairman, I thank the gentleman for yielding me this time, and I rise in strong opposition to the DeFazio amendment.

This is amazing, this debate, and what kind of rhetoric is being tossed around this Chamber. The Wildlife Services program is violating Federal law in the air? FAA regulations? Give us a break.

These accusations that the program is inhumane. The accusations that it is not focused and that innocent wildlife are somehow caught in the cross-fire. The accusation that because there are more coyotes today, and there are, that it is a direct result of this program?

Those who are going to stand up and propose this amendment ought to at least stick to the facts. I have a fact here and a photo to prove how if we do not participate in this program, this inhumane activity will occur. These are several sheep in Oregon that were destroyed earlier on in a brutal way, as my colleagues can see from the photo, by wild coyotes who were roaming this area. This is the kind of inhumaneness that we are trying to stop. It is not only inhumane, it is of great cost to producers and farmers and ranchers around the country.

All of those who are standing up with this false rhetoric right now should perhaps consider, as they look at this photograph, about rewriting the nursery rhyme "Mary Had a Little Lamb" and we failed to protect it. That is what should rest on the consciences of those who would eliminate this very important program that promotes humaneness, is cost effective, and very important to farmers and ranchers around this country.

Mr. DEFAZIO. Mr. Chairman, I yield 3 minutes to the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Mr. Chairman, I appreciate the gentleman's courtesy in yielding me this time, and I of course am horrified by the picture of the slaughtered sheep that was shown here.

But let us talk for a moment about why this is offered. And I would suggest to my colleague from Texas that it is not superheated rhetoric. I would have invited him to go to Clackamas County, just outside of Portland, in my district, for a tragic incident a few months ago where the Wildlife Services agent placed a cluster of canisters of sodium cyanide on the land of a tree farmer. These so-called M-44 devices, once triggered, explode and release sodium cyanide gas several feet in the air. If sodium cyanide makes contact with the mucus membrane of an animal, touching the mouths, eyes, or nose, the animal will suffer a miserable death.

On a tree farm in Estacada, a family pet, a German Shepherd named Buddy, made the fatal mistake of stumbling across an M-44 loaded with sodium cyanide. I will not show my colleagues the picture of Buddy, his face dried with blood and foam caked on his face. But what if that canister had been dealt with by a child instead of a German Shepherd?

Currently, in my State, citizens have gathered 103,976 signatures to place on a Statewide ballot a measure to restrict the use of inhumane traps and poison. They do not want the USDA personnel setting out land mines on their private or public lands. These traps set by the Wildlife Services are just as dangerous as the poison.

Dozens of people in the State of Oregon have come forward to tell of their tragic experiences with steel-jawed traps, leghold traps, neck snares, and Conibear traps.

A chief copetitioner of the Oregon ballot measure is Jennifer Kirkpatrick, from the rural community of Scappoose, who has the story of being in a stream and had the misfortune of having her hand caught in the vice-like grip of one of these traps, a device set out in the water to crush the vertebrae of beaver, muskrat, or otter that swims into it. She indicated it was the most excruciating pain she had ever endured.

Because the trap was so large and powerful, she could not free her hand, with the trap crushing it. I think we can all imagine a car door slammed on our hand. She had to walk a quarter mile to her car and then drive several miles to a neighbor's home. The neighbor struggled 15 minutes to pry open that trap. She experienced a near complete loss of the use of her hand for 9 years. And being a seamstress, she was out of work and feared that her career would be over.

No place in Oregon, nor any other place in the West, is a logical area for the widespread use of these horrific traps and poisons at taxpayer expense. This amendment helps correct the problem. It does not stop private individuals who want to protect their livestock as they see fit. It simply requires the ranchers to assume the responsibility if they want to use these lethal weapons. I strongly urge approval of the amendment.

Mr. SKEEN. Mr. Chairman, I move that the Committee do now rise.

The CHAIRMAN. The question is on the motion offered by the gentleman from New Mexico (Mr. SKEEN) that the Committee do now rise.

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. DEUTSCH. Mr. Chairman, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

Mr. SKEEN. Mr. Chairman, I ask unanimous consent to withdraw the request.

The CHAIRMAN. Without objection, the motion to rise is withdrawn.

There was no objection.

The CHAIRMAN. The gentleman from New Mexico (Mr. SKEEN) controls 11 minutes and the gentleman from Oregon (Mr. DEFAZIO) controls 7 minutes.

Mr. SKEEN. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Chairman, I rise in strong opposition to the DeFazio amendment again this year, and for the basic same reasons we have in the past. There is a lot of misinformation about what this amendment does and does not do.

And I concede the point to the gentleman, and all of those who are proposing this amendment, that they are opposed to killing of wolves and coyotes and other animals that do great damage to American agriculture. I concede that point. But from the standpoint of what this amendment does, I think it is important to understand, first off, that the Wildlife Services program is a highly specialized organization within the United States Department of Agriculture's Animal and Plant Health Inspection Service. Wildlife Services uses, uses now, contrary to the previous Speaker, integrated wildlife management techniques and strategies to minimize the negative impacts of wildlife on livestock and crops, human health and safety, property, and threatened and endangered species.

□ 2000

If this amendment were to pass, the $7 million, the DeFazio amendment would redirect the $10 million in additional funds by prohibiting their use for livestock protection programs. Because of the cooperative nature of this program, a $7 million cut and a redirection of funds actually results in a total loss in the program of $23.7 million.

Now, this also will knock out $2 million of the bill's appropriated funds to increase wildlife services that will be dealing with the rabies control program and collaborations. The DeFazio amendment would not only cause a loss of $2 million for this important program, but would also cause an additional loss of cooperative money by local sponsors.

The funding for these wildlife professionals provides the basis that allows the State to devote funds for permanent personnel to perform all of the duties of animal control. By limiting the duties that wildlife professionals perform, we undermine the entire program.

Please oppose this misguided amendment.

Mr. DEFAZIO. Mr. Chairman, I yield 3 minutes to the gentlewoman from Maryland (Mrs. MORELLA).

Mrs. MORELLA. Mr. Chairman, I rise in strong support of the DeFazio-Bass-Morella amendment. What this amendment does is it would simply cut $7 million from the Department of Agriculture's Wildlife Services program, which would bring their budget to $28.7 million, as requested by the administration.

Wildlife Services spends millions of dollars annually to kill more than 100,000 coyotes, foxes, bears, mountain lions, and other predators in the Western United States. Although non-lethal alternatives do exist, Wildlife Services chooses to shoot, poison, trap and even club to death both target and non-target animals.

This is a taxpayer subsidy, as has been mentioned; and this taxpayer subsidy gives ranchers a disincentive to seek alternative methods of livestock protection that might be far more effective.

The USDA predator control methods are non-selective, they are inefficient, they are inhumane. Aerial gunning, sodium cyanide poisoning, steel-jawed leghold traps and neck snares are all common methods used by Wildlife Services. These techniques have been known to kill pets, as well as endangered and threatened species. Much of the killing is conducted before livestock is released into an area, with the expectation that predators will become a problem. However, killing wildlife to protect livestock is effective only if the individual animals who attack livestock are removed. Targeting the entire population is needlessly cruel, it wastes taxpayer dollars, and it can be counterproductive.

With this amendment, the Wildlife Services program could leave intact the research, education, and exchange of new information on wildlife damage management and non-lethal methods. Programs would also be funded to assist with non-lethal predator protection services and in cases to protect human and endangered species lives.

Reducing the proposed budget of Wildlife Services to the administration's request would send the message, would send the message, that efforts must be made to implement humane methods of protecting livestock. I urge my colleagues to support this amendment.

Mr. Chairman, I yield back the balance of my time.

Mr. SKEEN. Mr. Chairman, I yield 3 minutes to the gentleman from Oregon (Mr. WALDEN).

Mr. WALDEN of Oregon. Mr. Chairman, my colleague from Texas earlier used a little better quality shot of this. My colleague from Maryland who just spoke talked about how we need more humane protection of livestock. Let me tell the gentlewoman from Maryland about this picture. Let me tell about this picture.

Twenty-eight sheep were killed in one night by cougars. There were guard dogs, four of them, guarding these sheep. There were sheep herders on site when Sky Crebbs, a rancher in my district, ended up with this kill. This photo is so gruesome, I covered these up. My colleague from Texas did not do that. But it is so gruesome, I covered them up.

This is not unusual. I want to enter into the record, Mr. Chairman, a letter from Phil Ward, who is the head of the Oregon Department of Agriculture. It says: "According to a recent survey conducted by the Oregon Agricultural

Statistics Service, more than $158 million of annual damage to Oregon agricultural products occurs from wildlife."

All across my district, Mr. Speaker, we are seeing more and more incidents of predator problems: 144 pets were killed in Oregon in 1997, 165 in 1998, and 203 in 1999.

Let me share with you some headlines out of our local newspapers: "Agents track cougar that tussled with man."

"Cougar attacks and kills colt. Upset rancher threatens suit."

"Cougars come home to town."

"Calls from residents rise as the once elusive cat grows."

"Annie Hoye figured raccoons had gotten into an attached shed last spring when a banging against the side of the house woke her early one morning. But that afternoon she found the eviscerated carcass of a deer in her backyard. 'It must have been about how farmers feel when they find a mutilated cow and blame it on aliens,' she said."

"Cougar shot in La Grande neighborhood."

"Cougar seen in Ashland still around."

"Elk herds continue nose-dive because of predators."

"USDA employee kills big cougar out at Cottage Grove." My friend and colleague from the fourth district may be interested in this one: "A 7-foot 5½ inch male weighing 135 pounds was tracked down and shot after it killed its 30th sheep on a ranch near Elkton."

This is a serious problem if you are in a rural district like mine, with 70,000 square miles. Part of the problem is the Federal Government is the landlord of over half that land.

So I believe these people, who pay taxes and farm and ranch in this country, have the right to expect that the neighbor, the Federal Government on over 55 percent of the land, has an obligation to help manage this.

That is why, with predators on the rise, we should not be cutting funds. We should be using as many non-lethal efforts as possible, but that is not always possible. When you get a 7-foot cougar that has killed its 30th lamb, it is time for action before it kills a person.

Mr. Chairman, I include the letter referred to above for the RECORD.

DEPARTMENT OF AGRICULTURE,
*Salem, OR, May 19, 2000.*

Hon. JOE SKEEN,
*Chairman, Committee on Appropriations, Washington, DC.*

DEAR CONGRESSMAN SKEEN: Early next week the House of Representatives will vote on appropriations for the U.S. Department of Agriculture and related agencies.

I urge your support for full funding of the USDA-APHIS Wildlife Services programs. The Oregon Department of Agriculture works in cost-sharing and program relationships with USDA Wildlife Services to address the concerns of wildlife damage to agriculture crops in Oregon. Many producers also provide cost-share for the use of this program.

According to a recent survey conducted by the Oregon Agricultural Statistics Service, more than $158 million of annual damage to Oregon agricultural products occurs from wildlife.

APHIS/Wildlife Services also provides services through cooperative agreements with thousands of entities nationwide, including state game and fish agencies, state departments of health, city and local governments, school districts, colleges, airports, the U.S. military, Indian tribes, National Wildlife Refuges, departments of transportation, homeowner associations, electrical companies and many other parties.

I strongly request that you oppose any reduction in funding, and fully support adequate increases for necessary staffing and program costs.

Sincerely,

PHILLIP C. WARD,
*Director.*

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STATE DEPARTMENT OF AGRICULTURE,
*Salem, Oregon, May 18–19, 2000.*

BOARD OF AGRICULTURE OPPOSES ANY REDUCTION TO THE USDA-APHIS WILDLIFE SERVICES BUDGET

Whereas agriculture is a leading economic force in Oregon and the United States, and

Whereas the Wildlife Damage Survey identified in excess of $158 million of annual damage to Oregon agricultural products, and

Whereas agricultural producers implement $6 million of wildlife damage prevention efforts themselves and still require professional assistance from USDA-APHIS Wildlife Services, and

Whereas USDA-APHIS Wildlife Services delivers services to minimize the impact of wildlife damage which are vital to agriculture and to all segments of the population.

Be it resolved that the Oregon State Board of Agriculture opposes any reduction to the USDA-APHIS Wildlife Services budget.

The CHAIRMAN. The gentleman from Oregon (Mr. DEFAZIO) has 4½ minutes remaining, and the gentleman from New Mexico (Mr. SKEEN) has 6 minutes remaining.

Mr. DEFAZIO. Mr. Chairman, if I could inquire on the time, I yielded myself 3 minutes, the gentleman from Oregon (Mr. BLUMENAUER) 3 minutes, the gentleman from New Hampshire (Mr. BASS) 2 minutes, and the gentlewoman from Maryland (Mrs. MORELLA) 3 minutes.

How did we get that one-half minute in there?

The CHAIRMAN. The gentlewoman from Maryland (Mrs. MORELLA) did not consume the entire amount of time and yielded back one-half minute.

Mr. DEFAZIO. Mr. Chairman, I yield 2 minutes to the gentleman from Florida (Mr. DEUTSCH).

Mr. DEUTSCH. Mr. Chairman, this is an amendment where hopefully all of my colleagues will spend a little bit of time understanding the specifics of the amendment. It is an amendment which truly is very simple when we understand it and we look at the specifics of the amendment.

The specifics of the amendment deal with a corporate welfare program that exists in the United States of America as bad as any corporate welfare program that exists in this country. It specifically applies to ranchers, specifically to a function that there is no justifiable policy reason that taxpayers across this country should be subsidizing these ranchers. That is the program. That is what we are talking about.

We are not talking about whether or not coyotes should exist or whether or not ranchers should have the ability to do animal control. That is not what this amendment is about. What this amendment is about is taxpayer money being spent on a private function without a public purpose. That is what it is about, and that is why I urge the adoption of the amendment.

In a sort of Hobson effect, though, this is a program which is not even effective, which is one of the weird things about this; that there are in fact more effective ways to deal with animal control that have been done in many places without the use and the methods that are used by the Animal Damage Control program.

This is a program that the public holds in poor regard because it reflects a callous attitude and a waste of taxpayers' dollars. This program amounts to nothing more than corporate welfare. I urge the adoption of the amendment.

Ms. MCCARTHY of Missouri. Mr. Chairman, I rise today in strong support of the amendment sponsored by the gentleman from Oregon to decrease funding by $7 million for the Department of Agriculture's Wildlife Services program.

This program is costly, unnecessary, inhumane, dangerous and continues to expand eliminating any landowner incentive to control predators through other more cost-effective and humane measures.

The predator control program is not cost-effective and its funding has increased to almost $10 million annually. Sheep and cattle killed by predators could be replaced at one-third the cost the government spends in trying to control predators. These predatory control methods are dangerous for the animals, but some of the forms of predatory control such as aerial gunning are also high risk to Wildlife Service employees. Since 1996, six employees have been killed in four helicopter and plane crashes, the most recent occurred on March 27, 2000.

Ranchers should be taking care of predator control problems themselves. This amendment would not prevent ranchers and farmers from doing so. Currently, because of the federal subsidy, ranchers are discouraged from using more effective, humane, less-costly, and nonlethal methods such as guard dogs, electric sound and light devices, or predator exclusion fencing. There is no incentive for ranchers to use these types of control methods because the government is paying to kill the wild animals which attack these farmers' livestock. I don't object to farmers and ranchers protecting their property but I do object to the federal government paying for it.

Again, this program is costly, unnecessary, inhumane, and dangerous. I urge the adoption of the amendment.

Mr. UDALL of Colorado. Mr. Chairman, I rise today in support of the DeFazio-Bass-Morella amendment to the Agriculture Appropriations bill.

While I know the Wildlife Services engage in a number of valuable programs to mitigate human-wildlife conflicts, such as the bird control program at Denver International Airport, I am troubled by the reckless and seemingly inhumane procedures undertaken by this agency.

The most disturbing, not to mention dangerous, Wildlife Services endeavor is the Aerial Hunting Campaign. Over the past 10 years, 31 people have been injured, 7 of them fatally, in Wildlife Services aircraft accidents. Low altitude, low speed flying in remote areas is invariably high risk. To me this seems like a hazardous and costly way to go about predator control. As if that was not enough, Aerial Gunning does not help reduce livestock losses because it does not target offending animals, predators that we know are feeding on livestock.

For my colleagues who are not swayed by the disturbing, twisted excesses of the Wildlife Services program, I encourage you to look at the flawed economics behind this program. For every dollar of reported livestock damage, the Wildlife Services spends three dollars in the West to fix the problem.

The DeFazio-Bass amendment offered today is less punitive than amendments offered in previous years. It allows the agency to retain adequate funding, but compels the program to use tax dollars to kill the public's wildlife through a subsidy for private ranchers.

I encourage my colleagues to support the amendment.

Mr. SKEEN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. WALDEN of Oregon) having assumed the chair, Mr. Nussle, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4461) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2001, and for other purposes, had come to no resolution thereon.

## LIMITATION ON AMENDMENTS DURING FURTHER CONSIDERATION OF H.R. 4461, AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

Mr. SKEEN. Mr. Speaker, I ask unanimous consent that during the further consideration of H.R. 4461 in the Committee of the Whole pursuant to House Resolution 538, that no further amendments to the bill shall be in order except, one, pro forma amendments offered by the chairman or ranking minority member of the Committee on Appropriations or their designees for the purpose of debate; two, the following additional amendments, which shall be debatable for 10 minutes:

The amendments printed in the portion of the CONGRESSIONAL RECORD designated for that purpose in clause 8 of rule XVIII and numbered 9, 29, 32, 37, 48, 61 and 68.

Each additional amendment may be offered only by the Member designated in this request, or a designee, or the Member who caused it to be printed, or a designee, and shall be considered as read. Each additional amendment shall be debatable for the time specified, equally divided and controlled by the proponent and an opponent, and shall not be subject to amendment, and shall not be subject to a demand for a division of the question in the House or in the Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

Ms. KAPTUR. Mr. Speaker, reserving the right to object, for the purpose of discussion, I want to just clarify, because we have some Members on this side who have brought amendments up just recently and we had not expected those. I wanted to make sure that those Members understood that under this unanimous consent agreement, which I will ultimately support, I do not believe that they would be able to bring their amendments up. I wanted to clarify that.

The only amendments that would be allowed would be those that have already been printed in the RECORD?

Mr. SKEEN. If the gentlewoman will yield, that is correct.

Ms. KAPTUR. And available to the committee?

Mr. SKEEN. That is correct.

Ms. KAPTUR. For example, we have a Member here who may want to be recognized at this point to ascertain whether her amendments would be in order under this unanimous consent agreement. I would not want to preclude the gentlewoman from being at least able to inquire as to whether those amendments would be allowed.

Ms. WATERS. Mr. Speaker, will the gentlewoman yield?

Ms. KAPTUR. I yield to the gentlewoman from California.

Ms. WATERS. Mr. Speaker, I would like to inquire as to whether or not the three amendments that are being referenced are included in this group that is being agreed upon? These are three amendments that we had prepared. We did not realize that there would be perhaps a reduction or closing off of the opportunity to present amendments. I would certainly ask my colleagues to include these three amendments in this group.

Ms. KAPTUR. Mr. Speaker, reclaiming my time, I believe these would be the only three amendments on this side that currently are not allowed under the unanimous consent request. They all concern serious issues of civil rights and litigation related to that at the U.S. Department of Agriculture.

Mr. OBEY. Mr. Speaker, could I ask the gentleman from New Mexico (Chairman SKEEN) a question under the reservation of objection of the gentlewoman from Ohio? Could I ask whether or not, since it is my understanding that the amendments of the gentlewoman from California are subject to points of order, is it possible under the unanimous consent request that the gentleman is proposing, for those to be handled under the pro forma procedure laid out in the unanimous consent request?

Mr. SKEEN. If the gentlewoman will yield, yes.

Mr. OBEY. So the gentlewoman would be able to offer those amendments, even though they would be subject to a point of order? The gentlewoman cannot get a vote on the amendment, obviously, but we could strike the last word so that she can make the point that she wants on each of the three amendments?

□ 2015

Mr. SKEEN. Mr. Speaker, I will move to strike the last word and then yield to the gentlewoman from California (Ms. WATERS) at the appropriate time.

Mr. OBEY. So the gentleman will rise to strike the last word and recognize the gentlewoman from California (Ms. WATERS)?

Mr. SKEEN. Mr. Speaker, that is correct.

Ms. KAPTUR. Mr. Speaker, I thank the gentleman so much for that allowance. We realize it is in the nature of an unusual request, but we were unprepared as well until very recently. I also thank the gentlewoman from California (Ms. WATERS).

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. WALDEN of Oregon). Is there objection to the request of the gentleman from New Mexico?

There was no objection.

## AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

The SPEAKER pro tempore. Pursuant to House Resolution 538 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 4461.

□ 2016

### IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole

House on the State of the Union for the further consideration of the bill (H.R. 4461) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2001, and for other purposes, with Mr. NUSSLE in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose earlier today, pending was the amendment numbered 39 offered by the gentleman from Oregon (Mr. DEFAZIO).

### SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to House Resolution 538, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: amendment No. 6 offered by the gentleman from Oklahoma (Mr. COBURN); amendment No. 47 offered by the gentleman from California (Mr. ROYCE); amendment No. 36 offered by the gentleman from New York (Mr. CROWLEY); amendment No. 51 offered by the gentleman from California (Mr. ROYCE); an amendment offered by the gentleman from Oklahoma (Mr. COBURN); and amendment No. 33 offered by the gentleman from South Carolina (Mr. SANFORD).

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in the series.

### AMENDMENT NO. 6 OFFERED BY MR. COBURN

The CHAIRMAN. The pending business is the demand for a recorded vote on amendment No. 6 offered by the gentleman from Oklahoma (Mr. COBURN) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

### RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 182, noes 187, not voting 65, as follows:

[Roll No. 373]

AYES—182

Aderholt
Archer
Armey
Bachus
Baker
Barcia
Barrett (NE)
Bartlett
Barton
Bateman
Bereuter
Berry
Bilirakis
Bliley
Blunt
Bonilla
Bono
Borski
Brady (TX)
Bryant
Burton
Buyer
Callahan
Calvert
Canady
Cannon
Coble
Coburn
Combest
Cooksey
Costello
Cox
Crane
Cubin
Cunningham
Danner
DeLay
Diaz-Balart
Dickey
Doolittle
Doyle
Dreier
Dunn
Ehlers
Emerson
English
Everett
Ewing
Fletcher
Gallegly
Gekas
Gillmor
Goode
Goodlatte
Goodling
Goss
Green (WI)
Gutknecht
Hall (OH)
Hall (TX)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (MT)
Hobson
Hoekstra
Holden
Hostettler
Hunter
Hutchinson
Hyde
Istook
John
Johnson, Sam
Jones (NC)
Kanjorski
Kasich
Kildee
King (NY)
Kingston
Knollenberg
Kucinich
LaFalce
LaHood
Largent
Latham
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
Martinez
Mascara
McCrery
McHugh
McInnis
McIntyre
McKeon
Metcalf
Mica
Miller, Gary
Mollohan
Moran (KS)
Murtha
Nethercutt
Ney
Northup
Nussle
Oberstar
Ortiz
Oxley
Packard
Paul
Pease
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Pombo
Portman
Quinn
Radanovich
Rahall
Regula
Reynolds
Riley
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanford
Saxton
Schaffer
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shows
Shuster
Simpson
Skeen
Skelton
Smith (NJ)
Souder
Spence
Stearns
Stenholm
Stump
Stupak
Sununu
Tancredo
Tauzin
Terry
Thornberry
Thune
Tiahrt
Traficant
Visclosky
Vitter
Walden
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Weygand
Whitfield
Wicker
Wolf
Young (FL)

NOES—187

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barrett (WI)
Bass
Bentsen
Berman
Biggert
Bilbray
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson
Castle
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Cramer
Crowley
Cummings
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Edwards
Ehrlich
Engel
Eshoo
Etheridge
Evans
Farr
Filner
Foley
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Ganske
Gejdenson
Gephardt
Gibbons
Gilman
Gonzalez
Gordon
Granger
Green (TX)
Greenwood
Gutierrez
Hastings (FL)
Hilliard
Hinchey
Hoeffel
Holt
Hooley
Horn
Houghton
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson, E. B.
Jones (OH)
Kaptur
Kelly
Kennedy
Kind (WI)
Kleczka
Kolbe
Kuykendall
Lampson
Lantos
Larson
Leach
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (NY)
Markey
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (FL)
Miller, George
Minge
Mink
Moore
Moran (VA)
Morella
Nadler
Napolitano
Neal
Obey
Olver
Ose
Pallone
Pascrell
Pastor
Pelosi
Pickett
Pomeroy
Porter
Price (NC)
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Rothman
Roukema
Roybal-Allard
Sabo
Sanders
Sandlin
Sawyer
Schakowsky
Scott
Serrano
Sherman
Sisisky
Slaughter
Smith (MI)
Smith (TX)
Snyder
Stabenow
Stark
Strickland
Sweeney
Tauscher
Thomas
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Toomey
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Waters
Weiner
Wexler
Wilson
Wise
Woolsey
Wu
Wynn

NOT VOTING—65

Ballenger
Barr
Becerra
Berkley
Boehner
Burr
Camp
Campbell
Chabot
Chambliss
Chenoweth-Hage
Collins
Cook
Coyne
Davis (VA)
Deal
DeMint
Duncan
Fattah
Forbes
Ford
Fossella
Fowler
Gilchrest
Graham
Hansen
Hill (IN)
Hilleary
Hinojosa
Hulshof
Isakson
Jenkins
Kilpatrick
Klink
LaTourette
Lazio
Lee
Lewis (CA)
Lipinski
Lucas (KY)
Maloney (CT)
McCollum
McIntosh
McNulty
Moakley
Myrick
Norwood
Owens
Payne
Pryce (OH)
Rush
Sanchez
Scarborough
Shays
Smith (WA)
Spratt
Talent
Tanner
Taylor (MS)
Taylor (NC)
Vento
Watkins
Watt (NC)
Waxman
Young (AK)

☐ 2043

Mr. KENNEDY of Rhode Island, Mr. MARKEY and Mrs. BIGGERT changed their vote from "aye" to "no."

Mr. OBERSTAR changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Stated against:

Ms. SANCHEZ. Mr. Chairman, during rollcall vote No. 373 I was unavoidably detained. Had I been present, I would have voted "no."

### ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. Pursuant to House Resolution 538, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device will be taken on each amendment on which the Chair has postponed further proceedings.

### AMENDMENT NO. 47 OFFERED BY MR. ROYCE

The CHAIRMAN. The pending business is the demand for a recorded vote on Amendment No. 47 offered by the gentleman from California (Mr. ROYCE) on which further proceedings were postponed and on which the noes prevailed by a voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

### RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 53, noes 316, not voting 65, as follows:

### [Roll No. 374]

### AYES—53

Archer
Armey
Barton
Biggert
Bilbray
Brady (TX)
Burton
Cannon
Coble
Coburn
Cox
Crane
DeLay
Ehrlich
Franks (NJ)
Goode
Gutknecht
Hayworth
Hefley
Herger
Hoekstra
Hostettler
Hunter
Istook
Johnson, Sam
Kasich
Linder
Manzullo
Metcalf
Mica
Miller (FL)
Miller, Gary
Paul
Pease
Petri
Pitts
Radanovich
Ramstad
Rohrabacher
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanford
Schaffer
Sensenbrenner
Sessions
Shadegg
Stearns
Sununu
Tancredo
Toomey
Vitter

### NOES—316

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Barcia
Barrett (NE)
Barrett (WI)
Bartlett
Bass
Bateman
Bentsen
Bereuter
Berman
Berry
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Bryant
Buyer
Callahan
Calvert
Canady
Capps
Capuano
Cardin
Carson
Castle
Clay
Clayton
Clement
Clyburn
Combest
Condit
Conyers
Cooksey
Costello
Cramer
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Dunn
Edwards
Ehlers
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Filner
Fletcher
Foley
Ford
Frank (MA)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Granger
Green (TX)
Green (WI)
Greenwood
Gutierrez
Hall (OH)
Hall (TX)
Hastings (FL)
Hastings (WA)
Hayes
Hill (MT)
Hilliard
Hinchey
Hobson
Hoeffel
Holden
Holt
Hooley
Horn
Houghton
Hoyer
Hutchinson
Hyde
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy
Kildee
Kind (WI)
King (NY)
Kingston
Kleczka
Knollenberg
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
Latham
Leach
Levin
Lewis (GA)
Lewis (KY)
LoBiondo
Lofgren
Lowey
Lucas (OK)
Luther
Maloney (NY)
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Minge
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Oxley
Packard
Pallone
Pascrell
Pastor
Pelosi
Peterson (MN)
Peterson (PA)
Phelps
Pickering
Pickett
Pombo
Pomeroy
Porter
Portman
Price (NC)
Quinn
Rahall
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Sabo
Sanders
Sandlin
Sawyer
Saxton
Schakowsky
Scott
Serrano
Shaw
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Spence
Stabenow
Stark
Stenholm
Strickland
Stump
Stupak
Sweeney
Tauscher
Tauzin
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tierney
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Visclosky
Walden
Walsh
Wamp
Watts (OK)
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Wynn
Young (FL)

### NOT VOTING—65

Ballenger
Barr
Becerra
Berkley
Boehner
Burr
Camp
Campbell
Chabot
Chambliss
Chenoweth-Hage
Collins
Cook
Coyne
Davis (VA)
Deal
DeMint
Duncan
Fattah
Forbes
Fossella
Fowler
Gilchrest
Graham
Hansen
Hill (IN)
Hilleary
Hinojosa
Hulshof
Isakson
Jenkins
Kilpatrick
Klink
LaTourette
Lazio
Lee
Lewis (CA)
Lipinski
Lucas (KY)
Maloney (CT)
McCollum
McIntosh
McNulty
Moakley
Myrick
Norwood
Owens
Payne
Pryce (OH)
Rush
Sanchez
Scarborough
Shays
Smith (WA)
Spratt
Talent
Tanner
Taylor (MS)
Taylor (NC)
Vento
Waters
Watkins
Watt (NC)
Waxman
Young (AK)

□ 2052

So the amendment was rejected.

The result of the vote was announced as above recorded.

Stated against:

Ms. SANCHEZ. Mr. Chairman, during rollcall vote No. 374 I was unavoidably detained. Had I been present, I would have voted "no."

### AMENDMENT NO. 36 OFFERED BY MR. CROWLEY

The CHAIRMAN. The pending business is the demand for a recorded vote on Amendment No. 36 offered by the gentleman from New York (Mr. CROWLEY) on which further proceedings were postponed and on which the ayes prevailed by a voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

### RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 363, noes 12, not voting 59, as follows:

### [Roll No. 375]

### AYES—363

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bentsen
Bereuter
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burton
Buyer
Callahan
Calvert
Canady
Cannon
Capps
Capuano
Cardin
Carson
Castle
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Combest
Condit
Conyers
Cooksey
Costello
Cox
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dixon
Doggett
Doolittle
Doyle
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Filner
Fletcher
Foley
Ford
Frank (MA)
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Granger
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (MT)
Hilliard
Hinchey
Hobson
Hoeffel
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inslee
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kind (WI)
King (NY)
Kingston
Kleczka
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
Latham
Leach
Levin
Lewis (GA)
Lewis (KY)
Linder
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Oxley
Packard
Pallone
Pascrell
Pastor
Paul
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman

Roybal-Allard
Royce
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanders
Sandlin
Sanford
Sawyer
Saxton
Schaffer
Schakowsky
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Spence
Stabenow
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tancredo
Tauscher
Tauzin
Terry
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watts (OK)
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Wynn
Young (FL)

NOES—12

Archer
Dingell
Dooley
Dreier
Franks (NJ)
Frelinghuysen
Holt
Knollenberg
McCrery
Pease
Roukema
Thomas

NOT VOTING—59

Ballenger
Bateman
Becerra
Berkley
Burr
Camp
Campbell
Chabot
Chambliss
Chenoweth-Hage
Collins
Cook
Coyne
Davis (VA)
DeMint
Fattah
Forbes
Fossella
Fowler
Gilchrest
Graham
Hansen
Hill (IN)
Hilleary
Hinojosa
Hulshof
Isakson
Jenkins
Kilpatrick
Klink
LaTourette
Lazio
Lee
Lewis (CA)
Lipinski
Maloney (CT)
McCollum
McIntosh
McNulty
Moakley
Myrick
Norwood
Owens
Payne
Pryce (OH)
Rush
Sanchez
Scarborough
Shays
Smith (WA)
Spratt
Talent
Tanner
Taylor (MS)
Taylor (NC)
Vento
Watt (NC)
Waxman
Young (AK)

☐ 2059

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Stated for:

Ms. SANCHEZ. Mr. Chairman, during rollcall vote No. 375 I was unavoidably detained. Had I been present, I would have voted "yes."

### PERSONAL EXPLANATION

Ms. BERKLEY. Mr. Chairman, due to mechanical difficulties, my flight was 262 minutes late which is why I missed rollcall votes No. 373, No. 374, and No. 375. Had I been present, I would have voted no on No. 373, no on No. 374, and yes on No. 375.

### AMENDMENT NO. 51 OFFERED BY MR. ROYCE

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment No. 51offered by the gentleman from California (Mr. ROYCE) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

### RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 77, noes 301, not voting 56, as follows:

[Roll No. 376]

AYES—77

Andrews
Archer
Armey
Barr
Barrett (WI)
Bass
Berkley
Brown (OH)
Cannon
Chabot
Coble
Coburn
Cox
Crane
Cunningham
DeLay
Doggett
Duncan
Ehlers
Ehrlich
English
Franks (NJ)
Frelinghuysen
Green (TX)
Hayworth
Hefley
Hoekstra
Holt
Hostettler
Hyde
Istook
Kelly
Kind (WI)
Kleczka
Largent
Linder
LoBiondo
Lowey
Luther
Manzullo
McInnis
McKinney
Meehan
Miller (FL)
Miller, Gary
Morella
Nadler
Pallone
Pascrell
Paul
Petri
Portman
Ramstad
Rivers
Rohrabacher
Rothman
Roukema
Royce
Ryun (KS)
Salmon
Sanford
Saxton
Scarborough
Sensenbrenner
Shadegg
Shaw
Stark
Stearns
Sununu
Tancredo
Tierney
Toomey
Udall (CO)
Visclosky
Wamp
Weiner
Wu

NOES—301

Abercrombie
Ackerman
Aderholt
Allen
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Barcia
Barrett (NE)
Bartlett
Barton
Bateman
Bentsen
Bereuter
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Bryant
Burton
Buyer
Callahan
Calvert
Canady
Capps
Capuano
Cardin
Carson
Castle
Clay
Clayton
Clement
Clyburn
Combest
Condit
Conyers
Cooksey
Costello
Cramer
Crowley
Cubin
Cummings
Danner
Davis (FL)
Davis (IL)
Deal
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Dooley
Doolittle
Doyle
Dreier
Dunn
Edwards
Emerson
Engel
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Filner
Fletcher
Foley
Ford
Frank (MA)
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Granger
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hastings (FL)
Hastings (WA)
Hayes
Herger
Hill (MT)
Hilliard
Hinchey
Hobson
Hoeffel
Holden
Hooley
Horn
Houghton
Hoyer
Hunter
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E.B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kennedy
Kildee
King (NY)
Kingston
Knollenberg
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Larson
Latham
Leach
Levin
Lewis (GA)
Lewis (KY)
Lofgren
Lucas (KY)
Lucas (OK)
Maloney (NY)
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCrery
McDermott
McGovern
McHugh
McIntyre
McKeon
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller, George
Minge
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Murtha
Napolitano
Neal
Nethercutt
Ney
Northup
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Oxley
Packard
Pastor
Pease
Peterson (MN)
Peterson (PA)
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Price (NC)
Quinn
Rahall
Rangel
Regula
Reyes
Reynolds
Riley
Rodriguez
Roemer
Rogan
Rogers
Ros-Lehtinen
Roybal-Allard
Ryan (WI)
Sabo
Sanders
Sawyer
Schaffer
Schakowsky
Scott
Serrano
Sessions
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Spence
Spratt
Stabenow
Stenholm
Strickland
Stump
Stupak
Sweeney
Tauscher
Tauzin
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Towns
Traficant
Turner
Udall (NM)
Upton
Velazquez
Vitter
Walden
Walsh
Waters
Watkins
Watt (NC)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wynn
Young (FL)

NOT VOTING—56

Ballenger
Becerra
Burr
Camp
Campbell
Chambliss
Chenoweth-Hage
Collins
Cook
Coyne
Davis (VA)
DeMint
Fattah
Forbes
Fossella
Fowler
Gilchrest
Graham
Hansen
Hill (IN)
Hilleary
Hinojosa
Hulshof
Hutchinson
Isakson
Kilpatrick
Klink
LaTourette
Lazio
Lee
Lewis (CA)
Lipinski
Maloney (CT)
McCollum
McIntosh
McNulty
Moakley
Myrick
Norwood
Owens
Payne
Pelosi
Pryce (OH)
Radanovich
Rush
Sanchez
Sandlin
Shays
Smith (WA)
Talent
Tanner
Taylor (MS)
Taylor (NC)
Vento
Waxman
Young (AK)

☐ 2106

So the amendment was rejected.

The result of the vote was announced as above recorded.

Stated against:

Ms. SANCHEZ. Mr. Chairman, during rollcall vote No. 376 on July 10, 2000, I was unavoidably detained. Had I been present, I would have voted "no."

### AMENDMENT OFFERED BY MR. COBURN

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Oklahoma (Mr. COBURN) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 370, noes 12, not voting 52, as follows:

[Roll No. 377]

AYES—370

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burton
Buyer
Callahan
Calvert
Canady
Cannon
Capps
Capuano
Cardin
Carson
Castle
Chabot
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Combest
Condit
Costello
Cox
Cramer
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dixon
Doggett
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Filner
Fletcher
Foley
Ford
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Granger
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilliard
Hinchey
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Hoyer
Hunter
Hutchinson
Hyde
Inslee
Istook
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kind (WI)
King (NY)
Kingston
Kleczka
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
Latham
Leach
Levin
Lewis (GA)
Lewis (KY)
Linder
LoBiondo
Lofgren
Lucas (KY)
Lucas (OK)
Luther
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Oxley
Packard
Pallone
Pascrell
Pastor
Paul
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Portman
Price (NC)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaffer
Schakowsky
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tancredo
Tauscher
Tauzin
Terry
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Visclosky
Vitter
Walden
Walsh
Wamp
Watkins
Watt (NC)
Watts (OK)
Weiner
Weldon (FL)
Weldon (PA)
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Wynn
Young (FL)

NOES—12

Archer
Conyers
Crane
Dingell
Dooley
Jackson (IL)
Knollenberg
Lowey
McCrery
Porter
Thomas
Waters

NOT VOTING—52

Becerra
Burr
Camp
Campbell
Chambliss
Chenoweth-Hage
Collins
Cook
Cooksey
Coyne
Davis (VA)
DeMint
Fattah
Forbes
Fossella
Gilchrest
Graham
Hansen
Hilleary
Hinojosa
Houghton
Hulshof
Isakson
Kilpatrick
Klink
LaTourette
Lazio
Lee
Lewis (CA)
Lipinski
Maloney (CT)
McCollum
McIntosh
McNulty
Moakley
Myrick
Norwood
Owens
Payne
Pryce (OH)
Rush
Sanchez
Shays
Smith (WA)
Talent
Tanner
Taylor (MS)
Taylor (NC)
Vento
Waxman
Weller
Young (AK)

□ 2114

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Stated for:

Ms. SANCHEZ. Mr. Chairman, during rollcall vote No. 377 on July 10, 2000, I was unavoidably detained. Had I been present, I would have voted "yes."

AMENDMENT NO. 33 OFFERED BY MR. SANFORD

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment No. 33 offered by the gentleman from South Carolina (Mr. SANFORD) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 59, noes 323, not voting 52, as follows:

[Roll No. 378]

AYES—59

Armey
Baker
Barr
Bartlett
Bonilla
Brady (TX)
Burton
Buyer
Callahan
Cannon
Chabot
Coble
Combest
Cox
Crane
Cubin
DeLay
Doolittle
Duncan
Dunn
Ehlers
Franks (NJ)
Goode
Goodlatte
Goodling
Granger
Hastings (WA)
Hayworth
Hefley
Herger
Hill (IN)
Hobson
Hoekstra
Hostettler
Hunter
Johnson (CT)
Johnson, Sam
Kasich
Kingston
Largent
Manzullo
Mica
Miller, Gary
Paul
Pease
Pitts
Rohrabacher
Royce
Ryan (WI)
Salmon
Sanford
Schaffer
Sensenbrenner
Shadegg
Stearns
Stump
Thune
Toomey
Watts (OK)

NOES—323

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Baca
Bachus
Baird
Baldacci
Baldwin
Ballenger
Barcia
Barrett (NE)
Barrett (WI)
Barton
Bass
Bateman
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Bryant
Calvert
Canady
Capps
Capuano
Cardin
Carson
Castle
Clay
Clayton
Clement
Clyburn
Coburn
Condit
Conyers
Cooksey
Costello
Cramer
Crowley
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Deal
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Dreier
Edwards
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Filner
Fletcher
Foley
Ford
Fowler
Frank (MA)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gillmor
Gilman
Gonzalez
Gordon
Goss
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hastings (FL)
Hayes
Hill (MT)
Hilliard
Hinchey
Hoeffel
Holden
Holt
Hooley
Horn
Hoyer
Hutchinson
Hyde
Inslee
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy
Kildee
Kind (WI)
King (NY)
Kleczka
Knollenberg
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Larson
Latham
Leach
Levin
Lewis (GA)
Lewis (KY)
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (NY)
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCrery

McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Millender-McDonald
Miller (FL)
Miller, George
Minge
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Oxley
Packard
Pallone
Pascrell
Pastor
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pombo
Pomeroy
Porter
Portman
Price (NC)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Ryun (KS)
Sabo
Sanders
Sandlin
Sawyer
Saxton
Scarborough
Schakowsky
Scott
Serrano
Sessions
Shaw
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Spence
Spratt
Stabenow
Stark
Stenholm
Strickland
Stupak
Sununu
Sweeney
Tancredo
Tauscher
Tauzin
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thurman
Tiahrt
Tierney
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Wynn
Young (FL)

NOT VOTING—52

Becerra
Burr
Camp
Campbell
Chambliss
Chenoweth-Hage
Collins
Cook
Coyne
Davis (VA)
DeMint
Ewing
Fattah
Forbes
Fossella
Gilchrest
Graham
Hansen
Hilleary
Hinojosa
Houghton
Hulshof
Isakson
Kilpatrick
Klink
LaTourette
Lazio
Lee
Lewis (CA)
Linder
Lipinski
Maloney (CT)
McCollum
McIntosh
McNulty
Moakley
Myrick
Norwood
Owens
Payne
Pryce (OH)
Rush
Sanchez
Shays
Smith (WA)
Talent
Tanner
Taylor (MS)
Taylor (NC)
Vento
Waxman
Young (AK)

☐ 2120

So the amendment was rejected.

The result of the vote was announced as above recorded.

Stated against:

Ms. SANCHEZ. Mr. Chairman, during rollcall vote No. 378 on July 10, 2000, I was unavoidably detained. Had I been present, I would have voted "no."

PERSONAL EXPLANATION

Ms. KILPATRICK. Mr. Chairman, due to official business in my district, I was unable to record my vote on the following amendments to H.R. 4461, the Agriculture appropriations bill for fiscal year 2001, on which rollcalls were ordered. On the amendment offered by Mr. COBURN (rollcall No. 373), I would have voted "no;" on the amendment offered by Mr. ROYCE (rollcall No. 374), I would have voted "no;" on the amendment offered by Mr. CROWLEY (rollcall No. 375), I would have voted "aye;" on the amendment offered by Mr. CHABOT (rollcall No. 376), I would have voted "no;" on the amendment offered by Mr. COBURN (rollcall No. 377), I would have voted "aye;" and on the amendment offered by Mr. SANFORD (rollcall No. 378), I would have voted "no."

Mr. BISHOP. Mr. Chairman, I rise today to reluctantly support H.R. 4461, the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Bill for Fiscal Year 2001. I wish to commend Chairman YOUNG, Ranking Member OBEY, Subcommittee Chairman SKEEN and Subcommittee Ranking Member KAPTUR for their hard work during this stressful time for American agriculture and our hard-working farmers.

I support this legislation with the understanding that while this bill falls short in many areas, Congress needs to move now to stem the flood of debt, drought and despair in rural America.

Indeed, this bill has some acceptable provisions. To address the credit gap that farmers face, this bill appropriates the Administration's request of $130 million to support $4.6 billion in loans to farmers and ranchers through the Agricultural Credit Insurance Fund. There is increased funding for Farm Operating Loans and Farm Ownership Loans. In addition, there is $150 million for emergency disaster loans and $100 million for boll weevil eradication loans. As an increasing number of farmers sell their commodities at prices below their cost of production, the availability of this credit could be the difference in keeping many of the farmers in my District on the land.

This bill appropriates adequate stop-gap funding for Farm Service Agency salaries and expenses which will allow farmers to continue to get the services they need at their local FSA offices.

This Agriculture Appropriations bill increases funding for the Agricultural Research Service by $20 million over last year. This will allow for improved research for many producers. The bill appropriates $946 million for Cooperative State Research, Education and Extension Service to advance research, extension and education in the food and agricultural sciences. Soil and water conservation spending is increased by $16 million over last year's level. Rural Housing programs will increase by $89 million.

Many of these programs deserve more, but producers and other recipients need these programs now. I will continue to fight for agriculture's fair share.

Mr. Chairman, there are great deficiencies in this bill. The bill does not contain funding for important peanut research projects at the Dawson, Georgia ARS facility. A project to Develop, Evaluate and Transfer Technology to Improve the Efficiency and Quality in Peanuts and a project to Develop Technology/Methodology for Peanut Quality Management During Production and Post Harvest Processing are left unfunded in this bill. I will do everything I can to see that these important projects are funded in the final Conference Report.

The bill provides $35.2 billion for domestic nutrition programs—including food stamps, the school lunch and breakfast programs, and the Special Supplemental Food Program for Woman, Infants, and Children. This is an increase of $186 million over last year's level, but $1 billion less than the Administration requested. During this time of plenty in much of America we can do better.

I am going to vote for this bill even though it fails to address fundamental problems in providing the economic safety net farmers need to keep growing the highest quality, safest and cheapest food in the world.

Mr. Chairman, I am going to vote for this bill because it keeps the American food ship afloat. But it remains for this House of Representatives to complete its work to knit a safety net for America's farmers who are drowning in debt, disaster and depressed prices. This vote is just the first step.

Mr. TANCREDO. Mr. Chairman, I rise in support of the point of order offered by my friend, the gentleman from Florida (Mr. DIAZ-BALART) to strike Title VIII from H.R. 4461, the Department of Agriculture Appropriations Act. As my colleagues know, Title VIII would amend current law to ease economic sanctions against five nations: Cuba, Iran, Sudan, Libya, and North Korea. While much of the news reports and talk over the last few weeks have focused on the pros and cons of the compromise reached between members of both sides of the aisle on how the provision will affect the communist nation of Cuba, I mainly oppose this provision because of how it deals with—or shall I say ignores—the tragic situation that currently grips Sudan.

As a member of the International Relations Committee and especially the Subcommittee on Africa and the Subcommittee on International Operations and Human Rights, I have been following the situation in Sudan with great interest and concern. One of the reasons I chose to be on the Africa Subcommittee was to address the conflict in Sudan and the practice of slavery that still takes place in this modern day and age. This is a country, which has the longest running civil war in the world, and has been witness to over 1.9 million deaths over the past 15 years. More people have died in Sudan than in Kosovo, Bosnia, Afghanistan, Chechnya, Somalia and Algeria combined, yet few people still seem to take notice. At a time when we are sending military troops and proposing emergency supplemental appropriations for the situation in Kosovo, little is being done to counter these grievous human rights abuses that have been taking place for over a decade. It is time for the United States to take notice of the tragedy in Sudan, and for us to lend assistance to the Southern Sudanese, a people who are being butchered and enslaved by their own corrupt government.

But repealing economic sanctions on Sudan will, without a shadow of a doubt, aid the government of the Sudan, the National Islamic Front in Khartoum, which has perpetuated the deplorable human rights abuses.

I urge my colleagues to reexamine the proposed compromise—exempt Sudan from the provision so that we can all work toward meaningful change in this turbulent region of Africa.

Mr. SKEEN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr.

TANCREDO) having assumed the chair, Mr. NUSSLE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4461) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2001, and for other purposes, had come to no resolution thereon.

## REPORT ON H.R. 4811, FOREIGN OPERATIONS, EXPORT FINANCING AND RELATED PROGRAMS APPROPRIATIONS ACT, 2001

Mr. CALLAHAN, from the Committee on Appropriations, submitted a privileged report (Rept. No. 106–720) on the bill (H.R. 4811) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2001, and for other purposes, which was referred to the Union Calendar and ordered to be printed.

The SPEAKER pro tempore. Pursuant to clause 1, rule XXI, all points of order are reserved on the bill.

## PERSONAL EXPLANATION

Mr. WATKINS. Mr. Speaker, I was delayed on the first two votes this evening because of plane delay due to inclement weather in Cincinnati.

If I had been here on the Coburn amendment prohibiting the development or approval of any drug intended solely for the chemical inducement of abortion, I would have voted "yes."

On the Royce amendment, to reduce the total fiscal year 2001 agriculture appropriations by 1 percent, I would have voted "no."

## CORRECTION TO CONGRESSIONAL RECORD OF JUNE 21, 2000, ROLLCALL VOTE NUMBER 305

Pursuant to the order of the House of June 26, 2000, the CONGRESSIONAL RECORD, of June 21, 2000, was ordered corrected to correctly reflect that Representative ROYBAL-ALLARD did not vote on rollcall number 305 (H.R. 4635/ on agreeing to the Collins of Georgia amendment). The electronic voting system had incorrectly attributed an "aye" vote to Representative ROYBAL-ALLARD.

## SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

## MARRIAGE TAX PENALTY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. WELLER) is recognized for 5 minutes.

Mr. WELLER. Mr. Speaker, many of us over the last several years have asked a very basic and fundamental question, and this question is going to be answered again this week, and that is: Is it right, is it fair that under our Tax Code 25 million married working couples pay on average $1400 more in higher taxes just because they are married?

Is it right, is it fair that two people who joined together in holy matrimony, who both happen to work, are forced to pay higher taxes if they choose to get married? Today, the only way to avoid the marriage tax penalty if both the husband and wife work in the workforce is either choose not to get married or to get divorced. That is just wrong, that 25 million married working couples, 50 million Americans, pay higher taxes just because they are married. It is wrong, I believe, and I know many in this House do believe that it is wrong, that we punish society's most basic institution, marriage, with higher taxes. That is just unfair.

Let me introduce to my colleagues Shad and Michelle Hallihan, two public school teachers, from Joliet, Illinois. Shad and Michelle chose to get married a couple of years ago. They are both in the workforce. They just had a child this past year, a new baby. They pay the average marriage tax penalty of $1400. They knew that going into getting married, that they were going to pay more in taxes, but they chose to still get married.

I believe it is wrong. They pay $1400 more in higher taxes. In Joliet, Illinois, which is a south suburban community southwest of Chicago, $1400 for Shad and Michelle Hallihan, the average marriage tax penalty, is one year's tuition at Joliet Junior College, our local community college. It is 3 months of day care for their child. It is just wrong they have to pay more in taxes just because they are married.

Now, the marriage tax penalty comes into play when two people marry and they are both in the workforce and have two incomes, because under our Tax Code they file jointly, which means they combine their incomes. So in the case of Shad and Michelle, had they chose to stay single and just live together, they would each file as singles and they would each pay in the 15 percent tax bracket. But because they chose to get married, their combined income pushes them into the 28 percent tax bracket, so they get stuck with a higher tax bill just because they chose to get married.

Now, we believe in this House, and it is clearly one of the top agenda items for House Republicans, that we should bring about some tax fairness by eliminating the marriage tax penalty. I am proud that earlier this year every House Republican, and 48 Democrats who broke with their leadership, voted to wipe out the marriage tax penalty for 25 million married working couples. Unfortunately, Senator DASCHLE and the Senate Democrats used parliamentary procedures to block action on that legislation, and we have now had to go through the budget process, or so-called reconciliation, which is a word few people know the meaning of, but it allows us to bring up a bill with a simple majority vote.

□ 2130

With that ability, this week both the House and Senate are going to be voting on legislation which will wipe out the marriage tax penalty for 25 million married working couples.

Now, some on the other side and AL GORE and a few others say, Well, let's give just a little bit of marriage tax relief so we can say we are for it. AL GORE says we should only give marriage tax relief to those who do not itemize their taxes, those who use the standard deduction.

Well, we want to help those who do itemize, as well as those who do not itemize. If you think about it, most middle-class families, most middle-class couples, itemize their taxes because they are homeowners. Think about that. If you are a homeowner, those who oppose the bill we are going to be passing this week, because they do not want to help homeowners and they do not want to help those who itemize taxes, because they say they are rich, only rich people own homes today, according to AL GORE and other people.

Well, the bottom line is, the only way we can help Shad and Michelle Hallihan is if we pass the legislation we are going to pass this week, legislation that doubles the standard deduction for joint filers to twice that of singles, so we wipe out the marriage tax penalty for those who do not itemize, and then for those who do itemize, such as homeowners, or those who take the charitable deduction because they give to their institutions of faith or charity, we also widen the 15 percent bracket to twice that for joint filers to twice that of singles. That will eliminate essentially the marriage tax penalty for Shad and Michelle Hallihan.

Think about it. If we eliminate the marriage tax penalty, which we are going to vote this week to do, for 25 million married working couples, 50 million Americans, people like Shad and Michelle will have that extra $1,400 to take care of their child. That is 3 months of daycare. It is a year's tuition at Joliet Junior College if they want to continue to improve their education.

I want to extend an invitation to my friends on the Democratic side to join with us. Let us eliminate the marriage tax penalty this week.

## AGRICULTURAL APPROPRIATIONS

The SPEAKER pro tempore (Mr. TANCREDO). Under a previous order of the House, the gentleman from Minnesota (Mr. MINGE) is recognized for 5 minutes.

Mr. MINGE. Mr. Speaker, I would like to discuss for a few moments the legislation which we have been debating today and will take up again tomorrow in the U.S. House of Representatives. This is the agricultural appropriations bill.

I think many of us have rejoiced in the robust economy we have had here in the United States, but the sad fact is that farmers in America are not sharing in this robust economy. Instead, they are facing unprecedented low prices if you adjust for inflation. They are also looking at higher interest costs and increased fuel costs. This is a toxic cocktail that is going to take its toll on America's farmers as the year wears out.

So as we look at the agricultural appropriations bill, the question is, are we treating the farm sector of our economy fairly? I think in this regard it is important to first note that the appropriations subcommittee is constrained by the budget.

I happen to serve on the Committee on the Budget. I was very disappointed with the unfair treatment that America's farmers received from the Republican budget. I was constrained to vote against it, and I hope that as this appropriations bill moves to the Senate and comes back for consideration, that we can rectify some of its shortcomings. I would just like to point out a few.

First, and perhaps most importantly, we have failed to target the billions of dollars of agricultural assistance that is being spent in the U.S. Treasury. Instead, this money is going out the back-door, billions and billions these months; and it is going largely for the benefit of land ownership. It is not being targeted to assist those operating farmers who, indeed, are suffering from low prices.

Mr. Speaker, we are not targeting this money. We ought to be targeting the money. We ought to have programs that focus on the safety net concept, dealing with prices that farmers are receiving, not simply spending billions willy-nilly. We ought to have programs that recognize effective caps, but instead we have some that are receiving hundreds and hundreds of thousands of dollars and others scarcely enough to enable them to stay in their farming occupation.

A second problem is that the farm programs are largely administered by the Farm Service Agency. That agency, unfortunately, has many new programs thrust upon it, complicated changes in the programs it administers; and it has an inadequate staff. This is a dangerous recipe for disappointment, frustration and resignation ultimately by key employees. We ought to be providing the Farm Service Agency with the resources it needs, the staff that it needs to carry out its mission.

Third, the farm programs are also implemented, especially in the conservation area, by the Natural Resources and Conservation Service. The service itself is not adequately compensated. Furthermore, the conservation programs themselves are shortchanged.

Fourth, we have a dramatic limit on agricultural research, dramatically less than requested by the President.

Fifth, we have a dramatic limit on rural development, and, again, dramatically less than requested by the President.

Sixth, we have inadequate funding for the Packers and Stockyards Administration, or GIPSA. This is the agency in the Department of Agriculture that is charged with making sure that in the livestock sector we do not have unfair trade practices that undermine the farmer's ability to receive a fair price for the livestock that he or she is marketing. It is absolutely necessary that if we are going to fulfill the mission of the Packers and Stockyards Act, that GIPSA be adequately financed. It is shortchanged.

Similarly, the Office of General Counsel within the Secretary's office is shortchanged. We cannot expect these agencies of the Federal Government to perform their mission if they do not have an adequate staff of attorneys and economists.

Finally, the promise of trade has been held out to America's farmers as really the hope that they have for improved prices. But trade cannot be the cornerstone of our agricultural policy. It has to be one part.

We have talked about trade with Cuba today. Unfortunately, trade with Cuba is an illusion. It is not in the agriculture appropriations bill, and I fear it will not be when it comes back.

To be sure, we need to do the very best we can in this appropriations bill, but we have got to do more.

## MISSILE DEFENSE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. WELDON) is recognized for 5 minutes.

Mr. WELDON. Mr. Speaker, this past weekend we had one in a series of tests of our national missile defense program, which is currently under development, and supported both by the White House and by overwhelming support in both the House and the Senate. Unfortunately, this test was not a success, and there are those who are using this test to criticize the overall program and to say that technologically we are not prepared to move forward with missile defense.

I want to take a few moments to clarify what did happen and to clarify for the record what occurred in that test, and am offering to Members this week to have a full briefing, both classified and unclassified, on the details of the test that occurred this past weekend.

First of all, Mr. Speaker, the hit-to-kill technology that is fundamental to missile defense was not tested. It was not tested because we could not get the separation stage away from the main rocket.

Now, that is not new technology. That is not missile defense technology. In fact, Wernher von Braun and other scientists solved this problem 40 years ago. It is a technology necessary to launch every communications satellite into outer space. It is a technology utilized for every space mission that we get involved with. It is not a technology specific to missile defense. However, it failed. No one expected it to fail, just as when we launch communications satellites, we do not expect the separation technology to fail to allow that communications satellite to be put into an orbit.

Unfortunately, there are those who are misinformed; and there are those who are informed but want to mischaracterize what occurred as to say that this test was an indication that we are not ready to move forward with missile defense. Nothing could be further from the truth.

In fact, Mr. Speaker, I have come out and strongly criticized the corporation who was responsible for the separation stage technology and have put them on notice that if we do not solve this quality-control issue, there will be legislation to punitively punish them for other failures that may occur in the future.

But make no mistake about it, this test was not a failure of missile defense capability. We never got to that stage. The kill vehicle never had the opportunity to go after the target. It never had the opportunity to employ the sensors that are needed in missile defense to kill the incoming missile on its way into an American city.

We will do a full analysis and the Ballistic Missile Defense Organization and the Department of Defense will provide the full reports to us. But this week I will arrange, as the chairman of the Committee on Armed Services Subcommittee on Research and Development, for any colleague in this Chamber that wants, a full briefing on the test, exactly what occurred and why the test failed.

But, again, I would repeat, it was not a failure of missile defense, any more than a rocket trying to launch a satellite into space and failing would cause us to stop all future communication satellite launches. It is simply a problem that we need to get corrected, and we will get corrected.

As Jack Gantzler, our Deputy Secretary of Defense, and General Kadish, our three-star general in charge of missile defense, stated in Congressional hearings 2 and 3 weeks ago, they are totally confident in our technology; and we will move forward. But there are those who want to distort the facts. The Union of Unconcerned Scientists is one of them. Those members of the Flat Earth Society that would like to mischaracterize what occurred are not going to be allowed to get away with that, and I would encourage our colleagues to make sure they avail themselves of all the factual information surrounding that test.

## NUCLEAR ENERGY CRISIS LOOMING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. STRICKLAND) is recognized for 5 minutes.

Mr. STRICKLAND. Mr. Speaker, we all know what happens when we are too reliant on foreign sources for oil; and, as a result, in my district in southern Ohio and across this country, consumers are paying outrageous prices for a gallon of gasoline.

But there is another energy crisis looming that many of us seem not to be aware of. I think it is important for Members of this House and for citizens of this country to be aware of the fact that 23 percent of our Nation's electricity is generated by the use of nuclear power plants, and almost all of that fuel comes from a domestic source.

Unfortunately, in July of 1998, the United States Enrichment Corporation, which is the public corporation that was responsible for operating the two existing uranium enrichment facilities in this country, that corporation was privatized. Since privatization, disasters have occurred.

The mining industry is on the verge of collapse. The conversion industry, there is only one conversion plant in this country, and that is in Metropolis, Illinois. It is on the verge of collapse. And just 2 weeks ago the United States Enrichment Corporation, the privatized corporation, announced that they were closing one of our two enrichment facilities, the one in my district in Piketon, Ohio; and within a year some 1,800 to 2,000 workers will lose their jobs.

How did this disaster happen? Why are we on the verge of having to depend upon foreign sources for perhaps 20 percent of our Nation's electricity?

I have in my hand a waiver letter that was written by the chairman of the Public Board, Mr. William Rainer; and in this letter he is addressing the CEO of the Public Board, who is now the CEO of the private corporation.

Mr. Rainer says to Mr. Timbers in this letter: "As employees of a wholly owned government corporation, you may not participate personally or substantially in any particular matter that would have a direct and predictable effect on your financial interests or those of others, such as spouse."

□ 2145

However, Mr. Rainer granted Mr. Timbers this waiver, giving him permission to advise the board on whether or not USEC should be privatized, how it should be privatized, and the selection of the individuals to serve on the new privatized board. What is the result? Mr. Timbers went from making $350,000 as a government employee and after the company was privatized, Mr. Timbers made $2.48 million.

Mr. Speaker, if that is not substantive, I do not know what is. This is a sham and a farce, and this administration and this Congress have an obligation to look into these matters. If someone who worked for the government made $350,000, and then was given the privilege of making decisions which had the benefit of enabling him to enrich himself and then a year-and-a-half later ends up with a salary of $2.48 million, then there is no sense in us having any prohibition on these kinds of government employees being involved in matters that could enrich themselves.

Mr. Speaker, I am asking this House, I am asking this administration to come to their senses and to understand that we are facing a looming crisis in this country. If this rogue corporation continues without any prohibition, we find ourselves perhaps facing the demise of the enrichment industry in this country and becoming completely dependent on foreign sources for the essential fuel that is necessary to power our nuclear plants which provide some 23 percent of all of the electricity in this country.

Mr. Speaker, this is a serious matter. I am appreciative of the time I have had to share this with my colleagues and with the country. I will include for the RECORD at this time the letter I referred to earlier in my remarks.

USEC,
*Bethesda, MD, September 26, 1995.*

Mr. WILLIAM H. TIMBERS, Jr.,
*President and Chief Executive Officer, United States Enrichment Corporation, Bethesda, MD.*

DEAR MR. TIMBERS: Under 18 U.S.C. §208(a), USEC employees, as employees of a wholly owned Government corporation, may not participate personally and substantially in any particular matter that would have a direct and predictable effect on their financial interests or those of certain others, such as their spouses. Nevertheless, as Chairman of the Corporation's Board of Directors, under 18 U.S.C. §208(b)(1) I may waive the prohibition of 18 U.S.C. §208(a) where I determine that the employee's financial interest in the matter "is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect" from the employee.

On September 25, 1995, you provided me with a request for a waiver under section 208(b)(1) to allow you to participate in matters directed toward implementation of the "Plan for the Privatization of the United States Enrichment Corporation" (Plan), presented to the President of the United States on June 30, 1995, and effectuation of the Corporation's privatization. Your request stated that such matters would include, but not be limited to, providing advice and recommendations to the Corporation's Board of Directors on the following matters: the method that USEC should utilize in privatizing, e.g., an IPO or an M&A transaction, the timing of a privatization transaction, and whether any such transaction would meet the requirements of section 1502(a) of the Atomic Energy Act of 1954, as amended; the selection of a M&A buyer and the negotiation of a M&A transaction if a buyer is selected; and the selection of individuals to be appointed to serve on the board of the privatized corporation.

You presently are the President and Chief Executive Officer of USEC. In your position, you are required to implement resolutions adopted and approved by the Board of Directors and to act on directions provided thereby, to abide by the terms of the Atomic Energy Act of 1954, as amended, and of other laws, as each relates to the Corporation, and to carry out your duties as provided by the Corporation's By-laws. One of the primary responsibilities of the Corporation is to effectuate privatization through implementation of the Plan. In your position as President and CEO, you are responsible for overseeing day-to-day implementation, and ensuring the successful realization, of this project. In carrying out your privatization-related duties, including those matters detailed in your waiver request as outlined above, your financial interests in both your current Federal employment and your future employment will be affected. They will be affected by virtue of the privatization of USEC resulting in the termination of your current Federal employment. Moreover, matters relating to privatization also likely will affect your interests in future employment by structuring the possibilities for your employment with the private successor to USEC. In turn, the financial interests of the privatized entity may be imputed to you under the statute if you have an arrangement regarding future employment therewith. These effects on your current and future employment interests give you a disqualifying financial interest in privatization-related matters undertaken by the Corporation.

Under the terms of section 208(b)(1), disqualifying financial interest may be waived if the "interest is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect" from the employee. In this instance, the particular matter of privatization of the Corporation is not a project proposed by you or another employee of the Corporation. It is a goal that was placed with the Corporation by Congress. Therefore, working to realize that goal is incumbent upon every employee of the Corporation, although each will be personally affected by the outcome. Without such effort by USEC employees, privatization could not be realized. Given the effect that privatization will have on the financial interests of each of the officers of the Corporation, not just your own, it is not feasible to delegate your participation in privatization-related matters to a subordinate officer qualified to perform such tasks. However, the openness of the privatization process to the scrutiny of the USEC Board of Directors, the U.S. Treasury as the sole shareholder of the Corporation, and officials of the other Federal agencies will provide additional assurance as to the integrity of the services provided by each USEDC employee participating in the privatization process.

Given these factors, and the scope of this waiver as delineated herein, I do not find your disqualifying financial interests to be so substantial as to be deemed likely to affect the integrity of your services to the Government.

Pursuant to the foregoing analysis, I hereby grant a waiver of 18 U.S.C. §208(a) with regard to your participation in matters that would affect your financial interests, and those imputed to you, as previously described in this memorandum. Those financial interests, in light of the requirements imposed upon the Corporation by the Act and the Plan, are not so substantial as to be deemed likely to affect the integrity of your services in these matters.

The scope of this waiver extends to those matters, within your scope of authority and responsibility as President and Chief Executive Officer of USEC, directed toward implementation of the Plan and effectuation of the privatization. This waiver, however, does not extend to; (i) matters involving the determination of the terms and conditions of the counterpart position in the privatized corporation to that which you currently hold; or (ii) matters involving the determination of whether the person holding such position should be selected as a candidate for the board of directors of the privatized corporation.

As the Corporation's privatization efforts proceed, financial interests that conflict with your required duties, that were not anticipated at the time this waiver was issued, could arise. If at any time you have questions regarding the scope of this waiver, you should seek guidance from the General Counsel. The USEC General Counsel, on my behalf, has consulted with the Office of Government Ethics on this waiver and will provide them a copy of it.

Sincerely,

William J. Rainer,
*Chairman, Board of Directors.*

## SALUTE TO JOHNS HOPKINS HOSPITAL

The SPEAKER pro tempore (Mr. TANCREDO). Under a previous order of the House, the gentleman from Maryland (Mr. CUMMINGS) is recognized for 5 minutes.

Mr. CUMMINGS. Mr. Speaker, I rise today to pay tribute to Johns Hopkins Hospital located in my district in Baltimore, Maryland for its recently announced number one ranking among the Nation's hospitals.

Treating nearly 600,000 patients per year, Johns Hopkins Medicine has been recognized for more than a century as a leading center for patient care, medical research, and teaching. The institution, which includes a hospital and health system and the School of Medicine, is noted for its excellent faculty and staff covering every aspect of medicine, its two world class medical campuses, and multiple outreach programs for regional, national and international patient activities.

The flagship of this institution, Johns Hopkins Hospital, is a 1,025-bed facility and encompasses renowned centers such as the Brady Urological Institute, the Wilmer Eye Institute, the Johns Hopkins Comprehensive Cancer Center, and the Johns Hopkins Children's Center.

For the 10th straight year, the hospital has placed first on the annual U.S. News and World Report magazine hospital ranking. The rankings are based on three factors: reputation, mortality, and aspects of treatment such as technology and nursing care. Among 17 medical specialties evaluated, Hopkins ranked in the top 10 in 16 of them, including number one in ear, nose, throat, gynecological services, urology, and eye care. Further, 41 Johns Hopkins Hospital doctors were recognized in an American Health Magazine survey as among the best in the United States, more than any other medical center in the Nation.

Most significant to me, however, is Hopkins' commitment to Baltimore and the worldwide community. This institution has a sense of obligation and social responsibility that finds its foundation in instructions by its founder and benefactor. Over a century ago, the Baltimore merchant Johns Hopkins wrote to his trustees, and I quote, "The indigent of this city and its environs, without regard to sex, age or color, shall be received into this hospital."

In recent years, Hopkins has followed this commitment with the incorporation of the historic East Baltimore Community Action Coalition, better known as HEBCAC. It is a coalition formed among Baltimore City, the State of Maryland, Hopkins and the neighborhood to improve housing, attract new business, and offer social services to the 47,500 residents of East Baltimore, 43 percent of whom live in poverty. HEBCAC was part of the city's successful bid to become a Federal empowerment zone and secure $34 million from the Federal Government for physical rehabilitation of the neighborhood.

After more than a year of working closely with the East Baltimore community to identify their health concerns, Johns Hopkins also committed $4.5 million over a period of 5 years to establish an Urban Health Institute to tackle the vexing health problems that plague the community. The Institute brings together a wide range of Hopkins health experts, community leaders, business leaders, clergy and State and local agencies to forge a partnership that will first identify the most pressing health issues and then develop the best methods, including research, education and community outreach to address these problems.

Health priorities identified by the community that the institute is expected to address include substance abuse, violence, sexually transmitted diseases, HIV/AIDS, cardiovascular disease, pulmonary disease, environmental health, the elderly, and family maternal and child health services.

In my stead as a Member of this body, my focus is to create a livable community in my district of Baltimore as well as throughout the Nation. I believe that all Americans, regardless of race, ethnicity and social economic status, deserve livable communities where they feel safe, where their children can obtain a quality education, and where they have access to quality health care. All must share equitably in this American dream.

Johns Hopkins is truly making an effort to ensure that Baltimoreans and persons around the world are able to realize this dream by providing the kind of patient care that will allow them to live fruitful and productive lives. The hospital's commitment to medical excellence and to serving this community are deserving of recognition; and today, I salute Johns Hopkins Hospital for these efforts.

Congratulations to Johns Hopkins for being named the number one among hospitals and certainly a premier servant to our Nation's patients.

## COURAGE OVER CAUTION—WE MUST HAVE PEACE IN THE MIDDLE EAST

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, in less than 48 hours, one of the most historic and, I believe, one of the most important meetings will take place just a few miles away from the Capitol of the United States of America, and that is the gathering of President Clinton, Prime Minister Barak and President Arafat on deliberating on peace in the Mideast.

Let me salute all three of these gentlemen and particularly let me applaud the leadership of President William Jefferson Clinton. Many might offer to say that there is nothing else that he could do. Why should he not hold this summit? It is a win-win situation for him in the short time that he has to lead this Nation.

Mr. Speaker, peace is never easy. I think it is important to realize the leap of faith that is being taken by all three of these heads of nations. Camp David will be a very serious place; and, for many Americans, I believe it is important to focus our attention, our hearts and our minds on an effort to bring about peace to a region that has had 52 years of bloody conflicts. For more than half a century, there has been no peace in the Middle East.

I want to applaud the Prime Minister of Israel who realizes that he is on very dangerous ground. Already, three of the six of his coalition members have broken away and resigned because of its efforts to seek peace. Many have said he is fragilely kept in government, that no one will support him, and that there is no guarantee that he will remain as prime minister or head of government of the country of Israel. But I salute him for his words that he comes here with a profound sense of responsibility and, as well, to acknowledge that he has a mandate from the voters, the citizens of Israel to do all that he can to establish peace, not for those of us who live and those of us who are adults responsible for ourselves, but for the children and for those yet not born.

He is willing to consider giving 90 percent of the West Bank to the Palestinians; he is willing to consider some answer to the problem of Jerusalem running some part thereof. The details are not all present, but he is willing to discuss the status of Jerusalem. He is willing as well to allow a small number of Palestinians, so it has been reported, to return to what is today Israel. Yes, we must answer the question of the Palestinians who continuously view parts of Jerusalem or Jerusalem as having a religious significance to them. Jerusalem has a religious significance to all of us of many faiths from around this world. We must find a way to solve the problem with a respect for all and dignity for all and peace for the world.

Mr. Speaker, I believe it is important that once this peace agreement comes to fruition, that we look at an international peacekeeping contingent, as has been suggested by the Palestinians. Yes, as Secretary Albright has already stated, this is an effort of high stakes. It is an effort that hopefully will avoid the tragedy of death of a young Palestinian mother and child experiencing the wrong turn at the wrong time, and they met their death during some bloody conflict just a few days ago. Apologies were offered by the Government of Israel, but how many more will die? How many more mothers will lose their lives or babies or elderly? How many more Palestinians or how many more citizens of the State of Israel?

So as has been offered, it is high stakes, but frankly, I believe it is life or death. It is life or death for this world order. It is life or death for those of us who believe that the Mideast offers one of the strongest opportunities for anchoring the understanding of people from different walks of life and religious beliefs.

This is the time now to view this summit with all of the resources that we might offer as the United States of America to bolster the journey and travels of Prime Minister Barak, to acknowledge that he has lost his interior minister who has resigned, and his minister of foreign policy refuses to come. Yes, he is traveling a very difficult journey, but I believe that if the American people can offer to him their applause and congratulations along with our applause and respect for President Arafat, and to say to all three men and all that will be engaged in this discussion for peace, it is now time to select and to choose, Mr. Speaker, courage over caution. We must have peace.

## ISSUES OF CONCERN TO COLORADO AND THE NATION

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from Colorado (Mr. McINNIS) is recognized for 60 minutes as the designee of the majority leader.

Mr. McINNIS. Mr. Speaker, to begin this evening, as my colleagues know, many of us have been delayed due to transportation difficulties with the airlines out there. Some of my constituents were surprised to learn that Congressmen, in fact, also have their bags lost, that Congressmen also are delayed on these flights. So tonight I thought I would show my colleagues a pretty clear demonstration, since they may see it as I speak, of exactly what happens to a Congressman who loses his baggage. If my colleagues will look down, they will see my dress socks. Obviously, the real socks are in the suitcase and somewhere the suitcase is out there in that system.

In all seriousness about that, in the last 8 years, in serving in the United States Congress, I have had very good air service across this country.

□ 2200

As many of my colleagues know, we are very, very dependent in all walks of life in this country, we are very, very dependent on our service from one State to the next State or across the country.

I am telling the Members, in the last 3 months the air service in this country has deteriorated significantly. I have not, with the major airline that I fly, I have not, to the best of my knowledge, had an on-time arrival in 3 months. That has not happened, that kind of record has not happened in 8 years.

I am not going to speak about transportation this evening any more than I am doing right now other than to point out that this problem is getting worse. Once in a while the airlines can blame it on weather, once in a while the airlines can blame it on mechanics, but the fact is that there is a deterioration of service, and it is incumbent upon the executives of these airlines to fix the problem, because our country is too dependent upon it.

The taxpayers in this country provide a lot of dollars for airports. The passengers in this country provide a lot of dollars in their taxes that are put on there, passenger taxes at airports to help supplement our airline service. We deserve more, in my opinion.

It was with some interest last week that I saw news stories about what I guess they call air rage. There is no place for anyone on an airplane to take out their frustrations, in my opinion, on a stewardess or someone else on the airplane. But I do want Members to know that there should be some understanding of some of the frustration being felt by these passengers across the country.

I was at Denver International Airport today and there was a lady there who had been stuck for 2 days at that airport. So as we talk about airplane rage or some of these other things, remember what is happening to the passengers in this country. We deserve more from some of these airlines. That is not all of the airlines. Obviously, some of them are performing well.

I think it is time we pay very close attention, Mr. Speaker, to those ratings that come out every month or so talking about which of these airlines are having a tough time with service and which of the airlines want to merge, and come to us and ask us for more dollars for airports and things.

I think we have every justification to stand out and say, "Hey, why do you not improve your service? There are a lot of people paying taxes out there for better service."

In Denver, for example, we have one dominant airline. We have some of the highest business rates in the United States. We should expect premium service. I should add again that for many, many years I have received premium service out of Denver, but something has happened in the last 3 months. It is going to damage our economy here before too long.

### TOLL ROADS IN THE STATE OF COLORADO

Let me go on. I want to talk about several other things this evening. First, I want to talk about the proposition of toll roads in the State of Colorado. I want to move from there.

I have noticed several editorials in the last few days about estate taxes, actual editorials. In fact, it sounds to me like the Democrats, who have for years and years supported the death tax, and in fact, this year the Clinton administration in their budget proposes an increase, an increase in the death tax, these editorials sound like they are writing for that portion or that section of the Democratic Party that supports these death taxes. They act as if we owe the government these death taxes.

I am going to talk about the death taxes for a few minutes after I finish talking about the toll roads, and then I will spend a few minutes on social security and talk about the plan that we as Congressmen have for our retirement, although we are also on social security; the plan that Vice President GORE voted for, the plan that Vice President GORE, under his policies, under his procedures, supported.

We will talk a little about social security. We will talk about the problems with social security. We will talk about, look, do we do what the Vice President has proposed, although he has recently changed his mind, and that is kind of, do not touch it? Of course we are afraid to touch it, but if we do not do something about it, that system is going to break. It is going to fall out of the air. The engines are going to start coughing and that plane is going to fall out of the air.

We have to keep social security firm. The way to do it in my opinion is take some bold moves. Frankly, those bold moves have been proposed by George W. Bush, the Governor of the State of Texas. I want to talk about these policies.

I am not here tonight to get into partisan politics, but clearly there is a big distinction when it comes to social security between the Governor of the State of Texas and the Vice President. We have every right to stand on this floor and debate what those differences are.

I would venture to say that by the end of the debate, the majority of my friends on the Democratic side will join us on the Republican side saying, hey, let us take a bold move. Let us do something with social security. Let us save social security.

I would also venture to say that the majority of my colleagues on the Democratic side need to wake up, in my opinion. I do not say that in a derogatory fashion, but be aware, probably, is a better word, be aware of the fact that this death tax is hurting a lot of people in this country. Their policy of the death tax in this country should be changed. We will get into that.

Let us first of all talk about the newest proposition in the State of Colorado by some elitists, in my opinion. That is, gosh, Colorado is a popular spot.

Mr. Speaker, I represent the Third Congressional District of the State of Colorado. That district is one of the largest districts in the United States. It is also the highest district in the United States. Basically, it is all of western Colorado, here to my left.

If we talk about the mountains, and for those not familiar with western and eastern Colorado, the easy way to think about my district is basically all of the mountains, and then I do go some in eastern Colorado.

The Third Congressional District is geographically larger than the State of Florida. Although there are six congressional districts in Colorado, the Third Congressional District only has a little less than 20 percent of the population. Eighty plus percent of the population lives outside the Third District. But do Members know what? That 80 percent of the population to a large extent enjoys going into the mountains of Colorado.

A lot of us who grew up in Colorado, a lot of us who spent time in Colorado, know what those mountains mean to us. For generation after generation after generation of my families in Colorado, the mountains are what kept them in Colorado. The people of Colorado love their mountains. The people of Colorado are entitled to see their mountains. The people of Colorado are entitled to enjoy those mountains.

But last week we had a new proposal from some bureaucrat, quite frankly, saying, you know, we have too much traffic on I–70. For those who do not know what I–70 is in Colorado, they all know Interstate 70, but where it lies, it virtually cuts the State in half. The mountains go about like this.

What this bureaucrat has come up with is to say, well, let us go ahead because I–70 is so heavily traveled, especially out of the major cities, and we have another interstate called I–25, here, so we have a lot of traffic coming out of these cities, the metropolitan population areas, into the Third Congressional District to enjoy those mountains.

By the way, the highways in the Third Congressional District, they were not paid for by people in the Third Congressional District. Those are taxes to build those highways that were paid for by everybody in the State of Colorado and visitors to the State of Colorado. In fact, our Governor, who personally I have known for a number of years and who I think has done the most outstanding job of a Governor in many, many years, was able to forge through in his first few days and months of office a new program to fund additional taxes to build these highways.

We have grown in popularity. We do have a lot heavier traffic on the I–70 corridor. It used to be when I was in the State House of Representatives the only time we had heavy traffic on I–70 was on Friday afternoon, traffic up to the ski areas, and on Sunday afternoon, traffic back from the ski areas. Now almost every day of the week we have traffic on I–70.

So what happens? We have a highway that is being utilized very heavily, so we are trying to figure out solutions for it. Maybe there are ways, other routes that we can use. What are the solutions?

I could not believe my ears last week. We had a bureaucrat that came out and said, hey, not for any other congressional district in the State of Colorado, just the congressional district that the gentleman from Colorado (Mr. McINNIS) represents, let us put a toll booth right on the highway. Let us bring the troll in. We have taxed the people to build the highway, now let us tax them to keep them off the highway.

Most are familiar obviously with toll booths, Mr. Speaker. My guess would be their experience with toll booths has been we set up a toll booth to collect money because it is the truest form of "the user pays." The person who benefits from the highway is the one who travels on the highway and is the one who pays the tolls.

This toll booth being proposed by a bureaucrat is not a toll booth to raise money for construction of highways, it is a toll booth to impose a penalty upon people who want to come visit the Colorado mountains. It is a price to be put on, and if people can meet it, if they are wealthy enough, they get to go to the mountains. If they are a poor working guy out there or gal who does not have that kind of money, they do not get to go to the mountains. It is a new toll. We have a new troll in Colorado.

It is not fair. Fundamentally it is not fair. Let us talk a little about it. What kind of rate do Members think they would have to charge in that toll booth to keep people from visiting their mountains, $1? We are not going to stop anybody for $1, by charging a dollar in the toll booth, and the reason is we do not want them to go onto the highways, we want to slow down what we call congestion traffic.

Would it be $5? That is not going to slow it down. What about $20? Maybe a little. But $30 or $40, yes, we will then begin to slow the traffic down on I–70 going into the Colorado mountains, $30 or $40 or $50 at the toll booth. We will begin to take the congestion off that highway.

Do Members know who they are impacting or where the unfairness of this is? They are not impacting the person who drives the Mercedes, or in fact the person even in my economic bracket. I could afford to pay for it. But the people we are impacting are the people who live out here who work 40, 50, 60 hours a week, can barely get by, and they take their families to Glenwood Springs, Colorado, to the Hot Springs pool for family recreation, or they take them to the Sunlight Ski Area in Glenwood Springs, or to Powderhorn in Grand Junction, or they run them up to Breckenridge when there is a special rate for skiing.

There are a lot of families in Colorado that are not wealthy, Mr. Speaker. There are a lot of families in Colorado where both the man and woman are both working to make ends meet. A lot of those families that are not wealthy, where both parents have to work to make ends meet, enjoy the mountains just like somebody who has a lot of money enjoys the mountains.

It goes the other way, too, by the way. My guess would be, although I have not had a personal conversation with this individual who proposed this, my guess would be that he also wants to collect a toll going the other direction.

So when the people in rural Colorado, and I can tell the Members, a lot of children in rural Colorado have never been in an airplane. They have never been higher than maybe a four- or five-story building. Right now in probably 98, and this is hard to believe, in 98 or 96 percent of the State, maybe, 96 percent of the State of Colorado, there is one escalator, one escalator. So one of the beautiful areas of Colorado, one of the areas of major attractions, is Denver. Denver has the Broncos, it has the Rockies, the Children's Museum, the fish aquarium, it has the hockey team, it has Elitch Gardens, a lot of different things; Denver University. There are lots of things that the people in the mountains like to go to the city.

Now all of a sudden we have somebody out there trying to get momentum claiming that it is good for the environment to go ahead and tax the people that were taxed to build the road, tax them to keep them off the roads. They never even mentioned in this proposal what kind of impact it is going to have on that blue collar worker, that blue collar labor who does not make a lot of money, and 30 or 40 bucks out of their pocket means a lot. It hurts.

If these people really want to cut down on congestion through a toll road, they are not going to do it with $1, with $5. They are going to have to do it with $30, $40, $50. All of a sudden we have discovered a troll sitting on the tollgate to my district, to the district that I am privileged to represent. We have made a determination in Colorado that if people want to go see the mountains of Colorado, if they want to enjoy those 14,000 foot majestic packs, and I have by far more 14,000 foot peaks than other people in the country, I have 54 or so, if people want to go out and enjoy that, they can as long as they are part of the wealthy status, as long as they have the money to pay the toll. When they go up to the troll, if they have 40 or 30 bucks, throw it in the box.

Fortunately, we have a Governor in the State of Colorado who in my opinion is not going to stand for that kind of thing. Fortunately, we have a Governor in the State of Colorado who has stood up and put together a good highway improvement program. He has put those taxpayer dollars into construction.

I think there is some legitimate argument, by the way, for a toll booth if in fact that money is going to improve that road.

□ 2215

I can remember growing up, and my father used to show us all the time, the kids, he and my mom had six kids. My parents now live in Glenwood Springs, they are great, great wonderful people. I remember when I was young and mom and dad pointed out the Denver Bolder Turnpike, the only toll booth in the State of Colorado.

My dad and my mom always used to tell us, you know what is good about this? They are going to take this down, the government promised us, they are going to take it down the day they pay for the improvements on the Denver Bolder Turnpike.

Do you know what the government did back then? The day that those improvements were paid off, the toll booths came down. Now, that is fair, and people back then accepted the Denver Boulder Turnpike toll booth, because they knew that money was to improve the highway.

It was not put there as a punishment as this is being proposed to do. It was not put there to raise money off the Denver Boulder Turnpike and to transfer to other people programs, it was put there to improve that turnpike. My, my, my how things have changed over time.

Now they want to put a toll booth up there, this recommendation, to penalize you for using the very roads that those taxpayers put in place, to penalize you especially if you are lower middle income or lower income, to penalize you from going up and enjoying the mountains that give you the pride of the State of Colorado.

Colorado is known to my colleagues throughout this floor. You know Colorado. Some of you may know it for the Broncos. Some of you may know it for the Rockies. But, realistically, you know it because of those Rocky Mountains.

We have a fundamental right as citizens of the State of Colorado to enjoy our mountains, without having to pay a toll at a government toll booth to keep congestion off that highway, a toll booth that allows only the wealthy to go by. If you do not have that cash, that $30, $40, $50, and that is exactly what it is going to take to stop that congestion or at least slow it down, then you are out of luck.

It is wrong. And I am not going to drop this issue. I have written Chairman Dan Stuart on their input. I said thank you for the opportunity to comment on the scoping phase of the I-70 environmental impact statement. I am writing to notify your commission and the Federal Highway Administration that I adamantly, adamantly oppose the use of tolls or any other so-called congested pricing levies aimed at discouraging Coloradans from traveling along I-70 in Western Colorado.

Again, how interesting that the only toll booth they are suggesting is right there on the gateway to the Third Congressional District. I have been told by officials that the use of congestion tolls is but one of the many possible remedies being considered. Even so, I strongly urge the traffic planners charged with drafting this EIS to dismiss out of hand the idea of congestion toll roads based clearly on the lack of merit and the discrimination that it exercises against the people who do not make that kind of money, and they are being kept out of the mountains for which they have a lot of pride.

They are citizens of Colorado or visitors to Colorado. There are a whole range of sound and reasonable solutions I write about in this letter that are available. But erecting a toll gate to and from Western Colorado, erecting a toll gate to get in and out of my congressional district is wrong. It is wrong because it is being put there for a punitive nature to punish people who want to go into the mountains, because some ivy league person has thought gosh how cars are evil. Highways are evil. Congestion is evil. Of course, who likes congestion? We all like to have some great method of transportation that does not have congestion.

For you to go out and penalize us in Western Colorado by putting a toll gate both coming in and out of my district, it is not going to be accepted. Forget it. That is not in the letter, I thought I would just ad-lib a little there. But erecting that kind of gate is unacceptable.

While the use of tolls may be appropriate in certain circumstances, it would be unfair to impose a congestion toll for no reason other than to discourage travel by taxpayers who paid for the roads in the first place. Colorado taxpayers have paid more than their fair share for construction and maintenance of these roads. A new congestion toll without a corresponding improvement in the quality of the interstate would seem punitive.

Well, you get the point. I am not too excited about this proposal. I have not had an opportunity to talk with the particular bureaucrat that is out there proposing it.

But I will tell you before it catches on, before you try and go out there and try and dress it up so it looks real pretty, you better understand and I think strengthen our voice that is going to oppose this.

I want to commend the governor of the State of Colorado, that governor understands that there are lots of approaches that we can use to resolve this problem, that governor understands highways. And I would hope that my message rings throughout the entire bureaucracy including the Federal Highway Administration. Do not put toll booths on this highway simply for the purpose of punishing people who want to go up there, not for construction, but to punish them because they want to visit the Colorado mountains.

### DEATH TAXES

Let me move to another subject, death taxes. Colleagues we know what death taxes are. You work all your life. You accumulate. I will give you an example, my wife and I. My wife and I did not start with any money. We just started saving early on. I will tell you we did not have boats or nice cars. I mean we have used cars which were nice for us, and nothing against somebody who wants to have a boat, I think it is great. In fact, if I had the money, I would buy those, that is extra.

But in our mind, my wife and I in our life, one of our goals was to have something that when we went on, when we passed away and we could pass on to our children so they could have a little head start for their life so maybe they could afford a down payment on a home, so maybe the family ranch that is in my wife's family, that maybe her portion of the ranch could be enjoyed by the next generation following us, that maybe some of the other things that we have worked so hard to accomplish and we have toiled, just like many, many other young couples in our country are doing now, we did that a few years ago.

There are a lot of young people out in the country today, a lot of young people by the way, Democrats, in business. It is not all that bad, business. A lot of small business people, a lot of farmers and ranchers, a lot of young people getting into these professions and they, too, share the goal that my wife and I shared that my mother and father, my wife's mother and father shared and that is, look, we do not want to spoil the generation behind us, but let us do something for the generation, let us try and jump start them, let us give them a little head start.

Now, when you accumulate like that, you do not accumulate taxfree, with the exception of some IRAs, and those are taxed, but basically as my colleagues know, you do not accumulate this property tax free, you pay taxes on it. When you earn it, you are taxed on it, and you take what is left after the taxes and you put it into an account or you make some kind of an investment for the future.

We are not talking here about money that here you earn it, we are not talking about money that goes over here 100 percent, it does not happen. What happens here is the taxman comes in and he cuts his chunk here. He gets his chunk right here. So when it gets over here, your fund for the future has already been taxed.

So you begin to accumulate this property, with the goal, as my wife and I had, that at some point in the future you would be able to pass on in the next generation in our particular case maybe a piece of ground, maybe a business, maybe a portion of a ranch out there in Colorado. I keep referring to Colorado because ranching is an important industry, and the death taxes, Democrats, by the way you ought to pay attention to this, the death taxes have had a significant impact on our ranching community out in Colorado. They have been very punitive, very punishing.

So we get to this point and guess what happens? The government has not had enough. What the government does when you are young, there are teachers and in school they teach you to go out in America and capitalism, go out and the harder you work, the chances are, the harder you work, the more successes you will have, and that you have an opportunity to accumulate, you can buy your own home in the United States.

In America, you can own a ranch. In America if you work hard enough, you can do things, you can accomplish. Who would ever think that the government that preaches that at our young ages and tells our young people that the opportunities are no greater anywhere in the world but America, who would ever think that very government is flying over you like a vulture on the day you die to come in here and take property that has already been taxed and, in some cases, take out between 50 and 70 percent of that and move it to the government.

Now, what do death taxes do? Let us talk about a couple editorials. I read an editorial over the weekend, maybe it was in the Wall Street Journal or in the Denver Post. Anyway, I read this editorial. I think it was Broder, whatever his name is, the gentleman's name, and he talks about this estate, and he sounds like it is only fair for the government to come out and take money from you upon your death, even though you have already paid taxes on it.

They talk about as if it is a windfall for a family. Take my wife's family, for example, they have been on the same ranch in Colorado since 1850. The writer of this particular article seems to think it is a windfall, if that family is able to pass that ranch on to the next generation, my wife's generation and then the generation after my wife, to that generation as if it is a windfall. Then they always like to jump. Democrats you had 40 years to do something about this death tax.

Some of you have come over on it and I appreciate that. I noticed lately in the last couple of weeks the Democrat leadership, because they have now sensed that their policy of increasing the death tax, which is exactly what the Clinton administration has proposed to do in their budget is not selling well with the American people. The American people are saying, wait a minute, it does not make sense to us. We have already paid taxes. Why should punish us upon our death with another tax?

Some of you sense that. And the leadership over on the Democrat side has sensed that and now they have come up with the bill to help get rid of the death tax. I am glad you have acknowledged that there is a problem. I am glad after time after time after time you fought us on trying to eliminate or at least give some relief under the death tax that your leadership, the Democratic leadership policy has now begun to shift towards our side to say, you know, something maybe it is not fair when somebody dies that the vultures of the government go down and pick apart the property that has already been picked apart with taxes.

Nobody complains about the initial taxation if it is fair. Where the complaint comes in is how much more do you want, how much more do you think you can take out of this family ranch before you make that ranch collapse from an economic point of view?

Let us talk about what happens in an estate tax. Remember even if the wealthy and, oh, do they love that, do the editors and do some of the Democrats opposing this do they love to talk about the wealthy people of this country. This is a tax against the wealthy. In fact, it was designed in part as a punitive tax against the Carnegies and the Rockefellers and the Fords and people like that around the turn of the last century. Do they love to go out after rich people?

They love to create class warfare in this country. Let me tell you what happens even with a rich person in a community. I am going to give you a good example. A small town in Colorado, population maybe 9,000 people. I am not going to identify the person, other than to say let us call the gentleman Joe. Joe and his wife, Mary, these people are my parents' age, so they are in their 70s. They started out in this small town of Colorado.

Joe started out as a bean counter, as a bookkeeper for a construction company. I am telling you these names are made up, but the story is true. Mary was a homemaker, so they both worked real hard, she took care of the kids and Joe worked hard.

From day 1, he worked 6½ days a week. He sacrificed a lot of time away from his kids, and his wife sacrificed a lot of her time to make up for the time he was away from the kids. And over time he moved from being the bookkeeper in the construction company to have an opportunity to buy into it. This is a small town construction company, population 9,000. Then pretty soon he was able to save a little money here, save a little money there, and he was able to invest and start with some of his neighbors a local bank.

What did Joe do with the money? Joe did not take the money that he accumulated in his community, he did not take it out in his backyard and dig a hole and put the money in the ground. He used the money in the community. He bought buildings in the community. He employed people in the community. He gave significant contributions to almost every charity in the community. He helped a school on their funding drives. In other words, he was a strong economic factor. I should speak about both of them, both of them contributed to this in their own way. That couple was an economic mainstay of this small community in the state of Colorado.

What happens? Unfortunately, Mary passes away. My friend is a good guy, and his wife was very bright. But they did not go out and hire attorneys to try and evade taxes with the government. And so what happened when Mary died, the estate, her share of the estate went to Joe. Joe decided to liquidate the construction company, sell it, decided to sell the bank.

□ 2230

He did and he got hit with a capital gains tax. That is fair enough. At that point in time, it was at least 28 percent, at least 28 percent on the sale of it.

Then unfortunately my friend Joe, who was an economic mainstay with his wife in this community, what happened to him is he got terminal cancer. Four, five months later, he passed away. The government then came into this community. They forced that family to liquidate the buildings they had to come up with the money to pay an effective tax on that estate, when one puts in the capital gains, an effective tax of I think around 82 percent of 50 years of hard work in this community, 82 percent when combined with the capital gains. The government came in.

Now, true, they were wealthy. By standards, they were wealthy. They had worked in this community. They earned every darn dime of it through hard work. It did not fall out of the sky for them. The government certainly did not give it to them. They taxed it all along.

What happened as a result of this? So much to the local contributions to the local church. That money now goes to Washington, D.C. Instead of that money being circulated in their own community where it had been circulated for 50 years, it now is going to be transferred to Washington, D.C., because the Federal Government says we are entitled upon one's death to transfer that money from one's local community to our big city. So there goes the local contributions and the charities.

Let me tell my colleagues, the church there, the church that he went to, 80 percent of their budget was donated by this individual. It was a pretty good sized church. It had several hundred members in it; 80 percent of it was funded by that individual.

When that church, when the elders of the church went to speak to the family about continuing these contributions, the family said we do not have the money anymore. The money has been transferred to Washington, D.C. So much for any more jobs being generated by that money. So much for deposits being put into savings accounts and the local banks where local people could then go borrow the money to set out on their dreams or to buy a car or to pay for improvements of their house or maybe to buy a house.

All of these different things, money was sucked out of that community. I remember Ross Perot talking about the sucking sound or something of Mexico. If my colleagues want to see where the real sound is, take a look at where the death tax where it takes that money.

If one lives in Kansas and one dies in Kansas and one is hit with a death tax, that money does not stay in Kansas. That Federal death tax goes to Washington. If one dies in Florida and one gets hit with the death tax, that money does not stay in one's community in Florida, it goes to Washington. If one dies in California and Washington and Wyoming and Colorado and Utah and Idaho, wherever one dies, one's money does not stay in one's community to continue to circulate in one's community; it is sent to Washington, D.C.

How many of my colleagues out there think that money is being well spent in Washington, and how many of my colleagues out there think one darn dime makes its way back to that little community in Colorado?

These death taxes are fundamentally unfair. They are unjustified. It is perhaps, despite what some of these people are writing in their editorials, it is perhaps the most unjustified tax in our system. How does one justify taxing somebody upon their death simply because they have accumulated property upon which they have already paid taxes, simply upon which they have accumulated property by hard work, by following the American principles of free enterprise, by following the American principles of capitalism, by going out there and following their own dream in America; and when they get to that point in hopes of helping the next generation, they lose it.

Now, let us talk about something else that is impacted by these estate taxes, something that some of us may not even think about. Let us talk about open space.

In Colorado, again, I am awful proud of that State, and I am proud of my district. It is a wonderful, beautiful district. I think it is probably one of the most beautiful. The gentleman from Alaska (Mr. YOUNG) and I could compete, but by gosh we are both up there in the top. Our open space is what makes it beautiful.

We have tremendous, tremendous land in these States. But do my colleagues know what is happening? Take for example a typical family ranch. Now, some people will tell us, well, one has a large ranch out there and a ranching family, and the estate has a value over the amount of the government decides to tax, I mean the amount that puts it eligible for this death tax. What one ought to do, ranchers, go out and buy life insurance. That is what life insurance is for. If one is prudent and responsible to the next generation, one is going to go out and buy life insurance to save that ranch.

Well, do my colleagues know what, it is pretty obvious to me that people that make that kind of proposal have not ever tried to look very closely at the economics of ranching. One may have some land, but one does not get into ranching for money. One does not make enough money. Most ranchers out there do not make enough money to pay the premiums on the life insurance. So that is not a practical, realistic thing.

Well, what happens is, if one has a ranch, let us say a couple thousand acres, let us say in the Glenwood Springs Valley, so Glenwood Springs, Colorado, so one has high property values or higher property values, and, unfortunately, one and one's wife or one's wife and one pass away, do my colleagues know what happens to that property if one does not have the cash to pay off the government, if one's family does not have the cash to pay it off? I will tell my colleagues what happens. The family has got to sell the ranch.

Where is the value of a ranch in Colorado near Glenwood Springs? Is it in cattle ranching? Is it in sheep ranching? Is it in hay production? No. It is not in that economy. The value of it is one goes into that ranch, and one puts it in little tiny 35-acre parcels. One takes that beautiful open space, and one turns it into a 35-acre multihome, multiwealth subdivision.

So pretty soon these open spaces that one enjoys by the government that stands up here and preaches about the value of open space, and they themselves force one to dissect that land so one can pay them off upon the death of one's parents or upon one's death; one makes arrangements to have it split up like that.

These are some of the unintended consequences that decades of this death tax have had in our country. The time has come, and I can tell my colleagues I stand with a great deal of pride to see the governor of the State of Texas, one of his policies, if he becomes the President, and he has made it clear, and the reason I bring this up is I want to bring the Democrats to action. I want the Democrats to stand up and say me, too, because we want to get rid of this estate tax. The governor of the State of Texas said he is going after that estate tax if he becomes President.

Now, one can contrast that to the policies of the current administration. Remember what the current administration has proposed this year and in their budget. It is in the budget. It is not me just making this up. It is in their budget, the Democrats. It is in their budget. That is to increase the death taxes by $9.5 billion, not just keep it the same, but increase it.

I am telling my colleagues, fundamentally the American people will not support the proposal to raise the death taxes in this country. Every one of my colleagues on the Democratic side ought to take issue with the President and the Democrats' policy of trying to raise those estate taxes. Those death taxes are not right. They know they are not right. Their gut tells them it is not right to do that. It is not right to go to somebody who is living the American dream who has worked 50 or 60 years, or even if they worked 10 years, to go out and say on the property one has already paid taxes on, we are going to tax it again. We do not care what it does to the next generation. We do not care how the next generation pays for it. We do not know what kind of dreams have been squashed by the fact that those vultures are flying over one's death bed. The government does not care about what happens to the next generation that one has worked all one's life to provide a little something for. They do not care about whether or not those people get that money. They want that money transferred to Washington, D.C.

Now, tonight I know a lot of us have children who are now young couples. They are just now getting into the work force, couples that are worried about Social Security; couples that are worried about what they can save, and they have their dreams. Oh, to be that age again, to just dream about, oh, when we buy our first home, when we really get to go buy a brand-new car, when we get to have our children and our family, and then we can begin to think about, well, maybe we can put some money aside so they can have a college education, and maybe we can put some money aside so that, if something happens to us, they will be able to carry on the family business or the family ranch, or maybe they will have other money to give them a little head start.

If only they knew, if only these young people in this country knew what this policy, and, frankly, Democrats, they know they supported it, they have increased, they are proposing to increase it this year, they ought to join us. Because if these young people knew how this government operated with this death tax, they would be darn mad about it, very mad, very upset. I do not blame them a bit.

So I am asking my Democratic colleagues, and I am asking them to support a change in the policy of the Clinton-Gore administration, although GORE is very clear about his position on this. Let us do something about those death taxes.

### SOCIAL SECURITY

Well, enough with the estate taxes, enough for the toll road in Colorado that I talked to my colleagues about. Now I want to talk about something else. First of all, let me tell my colleagues, if they are age, say, 48, if they are 48 years or older, they do not even have to worry about what I am going to talk about because they are well taken care of.

I can tell my colleagues that the principles of the plan that I am going to talk about have primarily been pushed or advocated by the governor of the State of Texas, George W. Bush. Very clearly one of his principles is the people, currently the older people of our society, 48 and above somewhere in that area, they do not have to worry about it.

What am I talking about? I am talking about Social Security. Social Security. Let us talk about that program a little tonight. First of all, and again, as I said, if one is 48 years old, I am about there, if one is my age or above, there is plenty of money in Social Security.

On a cash basis, Social Security has a surplus. On an actuarial basis, which means once Social Security pays the obligations that it has made under the benefits of that program, Social Security is bankrupt. But for us to reach that bankrupt status, it is going to take 30 years. So that in my age bracket and above, we will not get to that point probably, or not many of us will get to the point where we really have to worry about the bankruptcy of Social Security. But I think it is incumbent upon those of us who do not have to worry about it for us that we sit down and start doing some planning and worrying about it for the next generation.

For the kids that are, the young men and women the age of my children, they should, and are now paying into the system. They are providing for us. We have an obligation to the young generation. Frankly, that is exactly what the governor of the State of Texas has said, George W. Bush. We have an obligation under his policies to provide some planning so that we do not hand to the next generation a bankrupt Social Security program.

Now, let us talk about the current problem. We will talk about some of the problems that we have in Social Security. But first of all, for any of those who think they can defend the Social Security system and the management of it right now, let me ask them a question, or just think about this for a minute. If one went down to the local convenience store and one bought a lotto ticket, paid 10 bucks, one bought a lotto ticket, and let us say one won the lotto and one won $10 million, wow, great, $10 million. Would anybody in these Chambers take one's $10 million or even $10,000 of that $10 million and send it to the Social Security Administration to invest it in the Social Security program for a return on one's dollars?

There is not any one in this Chamber that would even send $1 to Social Security voluntarily to invest on one's behalf. Why? Because over the last few years I will give one an example, if a young couple today putting into Social Security system, in other words, the young couple the age of my children, they can expect for the dollars that they are, that are taken out of their check and invested in the Social Security program, they can expect a return of 1.23 percent, 1 percent, a little over. Well, 1¼ percent is the kind of return that they can expect with their investment today.

That is assuming that no more benefits are increased. That is assuming that the number going into the system stays the same, 1.23 percent. I would defy anyone on this floor to go out there and show me a savings account anywhere in the country that pays 1.25 percent. Just show me one savings account that only pays that. I mean, even the most conservative savings account in the country pays 2 or 3 or 4 points above that. It is a lousy return.

It is a system that needs a fix. Let me tell my colleagues, the system is not broke entirely because of incompetence. There are several factors that have contributed to putting Social Security into the problem it is in today. One of them is pretty good news for all of us. That is that, over the years since Social Security was first put into place in about 1935, over the years, the life-span has increased dramatically.

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When Social Security was first put in, they did not expect that kind of jump in the increase in life-span. Unfortunately, as the life-span has increased, the premiums have not increased along with it. So now we have people who we maybe thought were going to be in the system for 10 years who are now in the system for 15 or 20 years. That is a problem.

Number two, the people that have put into the system, because of inflation, medical inflation and increased benefits and so on, the people that are now drawing Social Security, that are currently drawing a check out of Social Security, those people, during their lifetime, will pull out an average of $118,000 more than they put into the system. So the people today drawing out will pull out an average of $118,000 more than they put in. A system cannot be run economically when it allows participants to pull out more money than they put into the system. That is another problem that we have.

And finally, let me comment about the workers. This is an interesting statistic. When Social Security was first put into place, we had 42 people working for every person that was retired. The reason I am taking the time to write this is because it is so important. There were 42 people that were working for every person that was retired. Today that number is 3 people working for every person retired. And within the very near future, say 10 or 15 years, we will have 2 people for every person retired. My colleagues, those numbers spell trouble. We need to pay attention to the system. We need to do something to try to change the direction of this ship.

Well, let me tell my colleagues, for government employees, for us in these Chambers, for the Congressmen, we realized that we did not want to totally depend on Social Security for retirement so we developed our own plan here called the Thrift Savings Plan. And it is not just for Congressmen, by the way, it applies to government employees, 2.5 million employees. It is a program of choice. They are not forced into it. It is called the Thrift Savings Plan.

What the government did is they had to take care of these 2.5 million employees, so they allowed them to have a program of choice and every month those employees can take up to 10 percent of their pay and the government matches the first 5 percent. So they can put in 10 percent and then the government matches the first 5 percent, and they can invest it in one of three different programs.

One is a program which has high risk, but it also has high return. And this is the stock market. I think last year it was 28 percent return or a 20 percent return. Or, by choice, they can take a program that has a lower return but lower risk, or a program that is guaranteed by the government which has the lowest return but also the lowest risk, which by the way still exceeds greatly the 1.23 percent return we get in Social Security.

Now, that all sounds confusing, but suffice it to say the government has a program called the Thrift Savings Plan for 2.5 million employees to provide them with an option in Social Security, providing them with choice in investment. For example, if an individual makes lousy choices, here they only have 10 percent. Only 10 percent. The rest of the retirement there is no choice about where it goes. It is guaranteed payment. So no one can ever lose everything they have. It cannot happen under this system.

Well, what happened. Do my colleagues know who supported that, to my colleagues on the Democratic side? The vice president supported that. In fact, I have a quote somewhere, but the vice president was a cosponsor of the Thrift Savings Plan. He was a cosponsor. So what the Governor of the State of Texas and what many of us have said to do is to apply that somewhat toward Social Security. Let us allow the people, especially the young people in this country, the young people who are just getting started and who want to have more of a choice, a more sophisticated investment return, let us give them a choice.

Let us give them an opportunity not to put all of their Social Security money into a stock market; we are not going to do that, but let us allow them to have choice up to 2 percent. Take 2 percent of their paycheck, 2 percent, and remember for the Federal Government employees are allowed to take 10 percent, but allow people on Social Security under this proposal to take 2 percent and let them invest. Let them try their hand in the market. Historically, no matter what investment we look at, historically every investment out there in the stock market and the bond markets, and here I am talking as a whole, does better than 1.23 percent, which is what Social Security now pays.

Now, why would that program cause the kind of uproar that has been created in the last few months? Is it because the person pushing it the hardest is running for president? That has something to do with it. But what it really is, it frightens the status quo. That is what really is happening. What scares Washington, what makes bureaucrats shiver in their knees, is the fact that someone comes into this town and has a bold proposal, who wants to move off the status quo and wants to take charge. Someone who has enough guts to stand and say, hey, I am going to lead, I am going to take us into some positive territory, so either move with me or stand aside.

The minute the system, the bureaucracy of the Social Security or any government bureaucracy is challenged, watch out. Because, as my colleagues know, they will turn on you and try to tear you apart from every angle they can. And how interesting it is that that is exactly what is happening with the Governor of the State of Texas and his proposal to fix Social Security. He ought to receive a pat on the back from everybody in this Chamber. We ought to go up and say thanks for being bold enough to propose something with seriousness and be ready to charge forward with a change to Social Security. We should also thank him for being smart enough not to throw it all out; not to put it all at risk; and, most importantly under this proposal, he allows choice.

If a person in Social Security does not want to invest in any of those choices, they do not have to. If a government employee does not want to participate in the Thrift Savings Plan, they do not have to. It is a program of choice and it is a program, which, in my opinion, is the most viable option we have out there today to move Social Security out of the red into the black on an actuarial basis. That is the beauty of this thing.

Now, I know that since that proposal was made, first of all, after the Governor of the State of Texas advocated it, we had a lot of fire come from frankly the administration's policy and the vice president. But then, all of a sudden, the pollsters went out there and they came back with poll results that said the American people wanted to see us shore up Social Security; that the American people were willing to look at choice; the American people are willing to take reasonable, reasonable, risk, well, then all of a sudden the administration starts to change their policy. So now they have come up with a plan. That is good. Let us take these plans, let us put them together and let us save Social Security for the future.

Let me wrap it up. My colleagues have been very patient with me this evening. I appreciate the opportunity to address my colleagues.

I talked about toll roads, toll roads being proposed in the State of Colorado simply to punish people for being on the road. Not to build new highways, but to simply institute what I believe is congestive pricing. There is too much congestion, too much traffic on the road, let us take the people who built the roads with their taxes and let us tax them off the road. It is unacceptable.

Unacceptable as far as I am concerned, especially considering the fact they are putting the toll gate at the entrance of the Third Congressional District of the State of Colorado.

Secondly, I talked about the death taxes and how unfair that tax upon a person's death is. Whether an individual is wealthy or whether they have a ranch or whatever, think about the consequences of penalizing somebody upon their death. It is an unjustified tax. It is a tax we should eliminate. I hope we will not let these editorial writers in some of these papers convince us that it is a good way to attack the rich, that it is a good way to get a vendetta going among people who have taken the American Dream and lived it and accomplished it.

And, finally, as my colleagues know, I just wrapped up on Social Security. Let us take a plan that is a bold plan. Not a risky plan, not a risky plan for this next generation, but let us do something, let us make the next generation have something better than we have. After all, the American Dream is to make sure that the people, the generation and the children beyond us, live a better life than the best life we have ever lived. And we can do it if we just stick together.

## LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BECERRA (at the request of Mr. GEPHARDT) for today and July 11 on account of business in the district.

Mr. MCNULTY (at the request of Mr. GEPHARDT) for today and the balance of the week on account of family illness.

Mr. SMITH of Washington (at the request of Mr. GEPHARDT) for today and the balance of the week on account of personal business.

Mrs. FOWLER (at the request of Mr. ARMEY) for today on account of travel delays.

## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. PALLONE) to revise and extend their remarks and include extraneous material:)

Mr. MINGE, for 5 minutes, today.

Mr. STRICKLAND, for 5 minutes, today.

Mr. CUMMINGS, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

(The following Member (at the request of Mr. WELLER) to revise and extend his remarks and include extraneous material:)

Mr. WELLER, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. WELDON of Pennsylvania, for 5 minutes, today.

## ENROLLED BILL SIGNED

Mr. THOMAS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 4425. An act making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 2001, and for other purposes.

## BILLS PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, bills of the House of the following titles:

On June 30, 2000:

H.R. 3051. To direct the Secretary of the Interior, the Bureau of Reclamation, to conduct a feasibility study on the Jicarilla Apache Reservation in the State of New Mexico, and for other purposes.

H.R. 4762. To amend the Internal Revenue Code of 1986 to require 527 organizations to disclose their political activities.

On July 1, 2000:

H.R. 4425. Making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 2001, and for other purposes.

## ADJOURNMENT

Mr. McINNIS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 55 minutes p.m.), under its previous order, the House adjourned until tomorrow, Tuesday, July 11, 2000, at 9 a.m., for morning hour debates.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

8437. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting the Department's final rule—Pine Shoot Beetle; Addition to Quarantined Areas [Docket No. 99-101-1] received June 13, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8438. A letter from the Associate Administrator, Tobacco Programs, Department of Agriculture, transmitting the Department's final rule—Tobacco Inspection; Subpart B—Regulations [Docket No. TB-99-10] (RIN: 0581-AB65) received June 13, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8439. A letter from the Associate Administrator, Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting the Department's final rule—Tart Cherries Grown in the States of Michigan, et al.; Authorization of Japan as an Eligible Export Outlet for Diversion and Exemption Purposes [Docket No. FV00-930-4 IFR] received June 2, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8440. A letter from the transmitting the Department's final rule— Refrigeration Requirements for Shell Eggs [Docket No. PY-99-002] (RIN: 0581-AB60) received June 2, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8441. A letter from the Undersecretary, Acquisition and Technology, Department of Defense, transmitting a Report on Activities and Programs for Countering Proliferation and NBC Terrorism; to the Committee on Armed Services.

8442. A letter from the Assistant General Counsel for Regulations, Department of Housing and Urban Development, transmitting the Department's final rule—Public Housing Assessment System (PHAS): Technical Correction [Docket No. FR-4497-C-06] (RIN: 2577-AC08) received June 7, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

8443. A letter from the Chairman, Board of Governors, Federal Reserve System, transmitting the Eighty-Sixth Annual Report of the Board of Governors of the Federal Reserve System covering operations during calendar year 1999, pursuant to 12 U.S.C. 247; to the Committee on Banking and Financial

8444. A letter from the General Counsel, National Credit Union Administration, transmitting the Administration's final rule—Leasing— received June 9, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

8445. A letter from the Assistant General Counsel for Regulations, Office of Student Financial Assistance, Department of Education, transmitting the Department's final rule—Student Assistance General Provisions, Federal Family Education Loan Program, William D. Ford Federal Direct Loan Program, and State Student Incentive Grant Program—received June 21, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

8446. A letter from the Assistant General Counsel for Regulations, Special Education & Rehabilitative Services, Department of Education, transmitting the Department's final rule -Notice of Final Funding Priorities for Fiscal Years 2000-2001 for New Awards for the Alternative Financing Technical Assistance Program, both authorized under Title III of the Assistive Technology Act of 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

8447. A letter from the Director, Regulations Policy and Management Staff, FDA, Department of Health and Human Services, transmitting the Department's final rule—Investigational New Drug Applications; Amendment to Clinical Hold Regulations for Products Intended for Life-Threatening Diseases and Conditions [Docket No. 97N-0030] received June 8, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8448. A letter from the Director, Regulations Policy and Management Staff, FDA, Department of Health and Human Services, transmitting the Department's final rule—Sterility Requirement for Aqueous-Based Drug Products for Oral Inhalation [Docket No. 96N-0048] (RIN: 0910-AA88) received June 2, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8449. A letter from the Administrator, Environmental Protection Agency, transmitting a report on the, "Status of the State Small Business Stationary Source Technical and Environmental Compliance Programs (SBTCPs) for the Reporting Period, January-December 1998"; to the Committee on Commerce.

8450. A letter from the Deputy Division Chief, Competitive Pricing Division, Federal Communications Commission, transmitting the Commission's final rule—Access Change Reform Price Cap Performance Review for Local Exchange Carriers Low-Volume Long Distance Users Federal-State Joint Board On Universal Service [CC Docket No. 96-262, CC Docket No. 99-249, CC Docket No. 96-45] received June 2, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8451. A communication from the President of the United States, transmitting his termination of the national emergency with respect to Taliban, pursuant to 50 U.S.C. 1622(a); (H. Doc. No. 106—266); to the Committee on International Relations and ordered to be printed.

8452. A letter from the Lieutent General, Director, Defense Security Cooperation Agency, transmitting the listing of all outstanding Letters of Offer to sell any major defense equipment for $1 million or more; the listing of all Letters of Offer that were accepted, as of March 31, 2000, pursuant to 22 U.S.C. 2776(a); to the Committee on International Relations.

8453. A letter from the Deputy Archivist of the United States, National Archives and Records Administration, transmitting the Administration's final rule—Public Use of NARA Facilities (RIN: 3095-AA06) received June 5, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

8454. A letter from the Writer/Editor, Office of the Inspector General, National Science Foundation, transmitting the semiannual report on the activities of the Office of Inspector General for the period October 1, 1999 through March 31, 2000, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

8455. A letter from the Assistant Secretary for Fish and Wildlife and Parks, National Park Service, Department of the Interior, transmitting the Department's final rule—National Park System Units in Alaska; Denali National Park and Preserve, Special Regulations (RIN: 1024–AC58) received June 9, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8456. A letter from the Management Analyst, Department of the Interior, transmitting the Department's final rule—Subsistence Management Regulations for Public Lands in Alaska, Subparts A, B, C, and D Redefinition to Include Waters Subject to Subsistence Priority; Correction (RIN: 1018–AD68) received June 2, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8457. A letter from the Assistant Administrator for Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Designation the Cook Inlet, Alaska, Stock of Beluga Whale as Depleted Under the Marine Mammal Protection Act (MMPA) [Docket No. 990922260–0141–02; I.D. 083199E] (RIN: 0648–AM84) received June 2, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8458. A letter from the Rules Administrator, Bureau of Prisons, Department of Justice, transmitting the Department's final rule—Civil Contempt of Court Commitments [BOP–1092–F] (RIN: 1120–AA87) received June 5, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

8459. A letter from the General Counsel, National Tropical Botanical Garden, transmitting the annual audit report of the National Tropical Botanical Garden, Calendar Year 1999, pursuant to 36 U.S.C. 4610; to the Committee on the Judiciary.

8460. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Special Local Regulations for Marine Events; Maryland Swim for Life, Chester River, Chestertown, MD [CGD05–00–022] (RIN: 2115–AE46) received June 23, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8461. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—SAFETY ZONE: Arrival of Sailing Vessel AMISTAD, New Haven Harbor, Connecticut [CGD01–00–166] (RIN: 2115–AA97) received June 23, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8462. A communication from the President of the United States, transmitting the notification of suspension of preferential treatment for Belarus as a beneficiary developing country under the Generalized System of Preferences (GSP), pursuant to 49 U.S.C. app. 1515a(b); (H. Doc. No. 106—264); to the Committee on Ways and Means and ordered to be printed.

8463. A communication from the President of the United States, transmitting an updated report concerning the emigration laws and policies of Armenia, Azerbaijan, Georgia, Kazakhstan, Moldova, the Russian Federation, Tajikistan, Turkmenistan, Ukraine,, and Uzbekistan, pursuant to 19 U.S.C. 2432(b); (H. Doc. No. 106—265); to the Committee on Ways and Means and ordered to be printed.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. YOUNG of Alaska: Committee on Resources. H.R. 1787. A bill to reauthorize the participation of the Bureau of Reclamation in the Deschutes Resources Conservancy, and for other purposes (Rept. 106–712). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 4286. A bill to provide for the establishment of the Cahaba River National Wildlife Refuge in Bibb County, Alabama; with an amendment (Rept. 106–713). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 4132. A bill to reauthorize grants for water resources research and technology institutes established under the Water Resources Research Act of 1984 (Rept. 106–714). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 4442. A bill to establish a commission to promote awareness of the National Wildlife Refuge System among the American public as the System celebrates its centennial anniversary in 2003, and for other purposes (Rept. 106–715). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. House Resolution 415. Resolution expressing the sense of the House of Representatives that there should be established a National Ocean Day to recognize the significant role the ocean plays in the lives of the Nation's people and the important role the Nation's people must play in the continued life of the ocean; with an amendment (Rept. 106–716). Referred to the House Calendar.

Mr. YOUNG of Alaska: Committee on Resources. S. 986. An act to direct the Secretary of the Interior to convey the Griffith Project to the Southern Nevada Water Authority (Rept. 106–717). Referred to the Committee of the Whole House on the State of the Union.

Mr. HYDE: H.R. 4108. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to make grants to improve security at schools, including the placement and use of metal detectors; with an amendment (Rept. 106–718). Referred to the Committee of the Whole House on the State of the Union.

Mr. GEKAS: Committee on the Judiciary. H.R. 4391. A bill to amend title 4 of the United States Code to establish nexus requirements for State and local taxation of mobile telecommunication services; with an amendment (Rept. 106–719). Referred to the Committee of the Whole House on the State of the Union.

Mr. CALLAHAN: Committee on Appropriations. H.R. 4811. A bill making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2001, and for other purposes (Rept. 106–720). Referred to the Committee of the Whole House on the State of the Union.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. ARCHER:

H.R. 4810. A bill to provide for reconciliation pursuant to section 103(a)(1) of the concurrent resolution on the budget for fiscal year 2001; to the Committee on Ways and Means.

By Mr. CALLAHAN:

H.R. 4811. A bill making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2001, and for other purposes.

By Mr. ANDREWS:

H.R. 4812. A bill to amend the Electronic Fund Transfer Act to prohibit any operator of an automated teller machine that displays any paid advertising from imposing any fee on a consumer for the use of that machine, and for other purposes; to the Committee on Banking and Financial Services.

By Mr. ANDREWS:

H.R. 4813. A bill to amend chapter 89 of title 5, United States Code, to make available to Federal employees the option of obtaining health benefits coverage for dependent parents; to the Committee on Government Reform.

By Mr. BACHUS (for himself and Mr. DELAHUNT):

H.R. 4814. A bill to make illegal the sale, share or transfer of information acquired on the Internet with a pledge that it would not be released; to the Committee on Commerce.

By Mr. BALDACCI:

H.R. 4815. A bill to direct the Secretary of the Interior to provide assistance in planning, constructing, and operating a regional heritage center in Calais, Maine, to facilitate the management and interpretation of the Saint Croix Island International Historic Site; to the Committee on Resources.

By Mr. LEVIN:

H.R. 4816. A bill to make technical corrections in United States Customs Service regulations regarding the importation of goods bearing foreign owned trademarks or trade names, and for other purposes; to the Committee on Ways and Means.

By Mr. REYNOLDS:

H.R. 4817. A bill to amend title XVI of the Social Security Act to provide that annuities paid by States to blind veterans shall be disregarded in determining supplemental security income benefits; to the Committee on Ways and Means.

By Mr. RYAN of Wisconsin:

H.R. 4818. A bill to promote international monetary stability and to share seigniorage with officially dollarized countries; to the Committee on Banking and Financial Services.

By Mr. UDALL of New Mexico:

H.R. 4819. A bill to amend the Wildlife Services Program of the Department of Agriculture to emphasize the use of nonlethal methods of predator control for livestock protection and to target assistance under the program to operators of small farms and ranches through grants, training, and research regarding the use of nonlethal methods to predator control; to the Committee on Agriculture.

By Mr. HYDE:

H. Con. Res. 369. Concurrent resolution to urge the Nobel Commission to award the Nobel Prize for Peace to His Holiness, Pope John Paul II, for his dedication to fostering peace throughout the world; to the Committee on International Relations.

## MEMORIALS

Under clause 3 of rule XII, memorials were presented and referred as follows:

386. The SPEAKER presented a memorial of the Legislature of the State of Louisiana,

relative to House Concurrent Resolution No. 42 memorializing the United States Congress to financially assist in the implementation of a dairy waste management program in Louisiana; to the Committee on Agriculture.

387. Also, a memorial of the Legislature of the State of Louisiana, relative to House Concurrent Resolution No. 15 memorializing the United States Congress to amend Title X of the United States Code, relating to the compensation of retired military personnel, to permit concurrent receipt of retired military longevity pay and Veterans Administration disability compensation, including dependents allowances; to the Committee on Armed Services.

388. Also, a memorial of the General Assembly of the State of Tennessee, relative to Senate Joint Resolution 71 memorializing the United States Congress to study the need to increase the number and specificity of ethnicity categories used for the reporting of educational data; to the Committee on Education and the Workforce.

389. Also, a memorial of the General Assembly of the State of Tennessee, relative to Senate Joint Resolution No. 71 memorializing the United States Congress to study the need to increase the number and specificity of ethnicity categories used for the reporting of educational data; to the Committee on Education and the Workforce.

390. Also, a memorial of the Legislature of the State of Louisiana, relative to House Concurrent Resolution No. 4 memorializing Congress to obtain an apology from the government of Japan for crimes against prisoners of war during World War II; to the Committee on International Relations.

391. Also, a memorial of the Legislature of the State of Louisiana, relative to House Concurrent Resolution No. 54 memorializing the United States Congress to take appropriate action to eliminate unnecesarily intrusive questions on the long U.S. Census form so as to remove deterrents to a complete and accurate census and to urge and request Louisiana citizens to complete census forms as soon as possible; to the Committee on Government Reform.

392. Also, a memorial of the Legislature of the State of Iowa, relative to House Joint Resolution No. 7 memorializing the U.S. Congress to advise them that the State of Idaho, Governor and Legislature strongly object to President Clinton establishing roadless areas by executive order; to the Committee on Resources.

393. Also, a memorial of the Legislature of the State of Iowa, relative to House Joint Memorial No. 6 issuing a strong message to Congress and the President that the people of Idaho must be fully involved in any planning that would affect the economic well being of it's citizens and any such actions must be approved by way of vote of the people; to the Committee on Resources.

394. Also, a memorial of the Legislature of the State of Washington, relative to Senate Joint Memorial No. 8022 memorializing the Congress to accept the support of the people of the State of Washington for the National World War II Veterans' Memorial, a most well-deserved and worthy project; to the Committee on Resources.

395. Also, a memorial of the Legislature of the State of Idaho, relative to House Joint Resolution No. 10 memorializing the Congress to conduct comprehensive hearings on the proposed rules and the Section 303(d) TMDL program; to the Committee on Transportation and Infrastructure.

396. Also, a memorial of the Legislature of the State of Louisiana, relative to House Concurrent Resolution No. 17 memorializing the United States Congress to provide credit towards the nonfederal share in the Water Resources Development Act of 2000, for the cost of any work performed by the nonfederal interests for the interim flood protection that is determined to be compatible and an integral part of the Morganza to the Gulf of Mexico Hurricane Protection Project, and to allow the remaining portion of the nonfederal share to be paid over a period of time not to exceed thirty years; to the Committee on Transportation and Infrastructure.

397. Also, a memorial of the Legislature of the State of Idaho, relative to House Concurrent Resolution No. 46 memorializing the House of Representatives to establish and perpetually maintain and operate an Idaho state veterans cemetery; to the Committee on Veterans' Affairs.

398. Also, a memorial of the Legislature of the State of Louisiana, relative to House Concurrent Resolution No. 14 memorializing the United States Congress to correct any disparate tax treatment of independently contracted school bus operators by enacting legislation to cause a return to the pre-1989 policy of treating such operators as hybrid employees; to the Committee on Ways and Means.

399. Also, a memorial of the Legislature of the State of Louisiana, relative to House Concurrent Resolution No. 13 memorializing Congress to repeal the two federal Social Security provisions known as the Government Pension Offset and Windfall Elimination Provision, and thereby prevent the reduction of Social Security benefits received by beneficiaries who also receive “uncovered: government retirement benefits earned through work for a state or local government employer; to the Committee on Ways and Means.

400. Also, a memorial of the Legislature of the State of Idaho, relative to House Joint Memorial No. 8 petitioning the Senate and House of Representatives of the United States in Congress Assembled, and to the Congressional Delegation representing the State of Idaho in the Congress of the United States to quickly harmonize and equalize laboratory testing of potatoes so that there is mutual acceptance of each country's respective test results; jointly to the Committees on Agriculture and Ways and Means.

401. Also, a memorial of the Legislature of the State of Iowa, relative to House Joint Memorial No. 9 memorializing Congress and the Canadian Parliament concerning issues of communication, production data, animal health regulations, and the Pacific Cattle Project; jointly to the Committees on Agriculture and Ways and Means.

## ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 49: Ms. BROWN of Florida, Mr. MCCOLLUM, Mr. NADLER, and Mr. PAYNE.

H.R. 107: Mr. SMITH of New Jersey.

H.R. 205: Mr. HALL of Texas.

H.R. 218: Mr. LOBIONDO and Mr. STENHOLM.

H.R. 229: Mr. THOMPSON of Mississippi.

H.R. 460: Mrs. MINK of Hawaii, Mr. BAIRD, Mr. GIBBONS, and Mr. LATOURETTE.

H.R. 515: Ms. ROYBAL-ALLARD.

H.R. 531: Mr. HALL of Ohio and Mr. LATOURETTE.

H.R. 804: Mr. MOLLOHAN.

H.R. 815: Mr. BARRETT of Wisconsin.

H.R. 828: Mr. OLVER.

H.R. 864: Mr. EDWARDS.

H.R. 865: Mr. HUNTER.

H.R. 894: Mr. ROYCE.

H.R. 1111: Mr. LUCAS of Kentucky.

H.R. 1168: Mr. SOUDER.

H.R. 1217: Ms. SANCHEZ, Mr. JACKSON of Illinois, and Mr. MCDERMOTT.

H.R. 1248: Mr. LUCAS of Kentucky and Mr. BILIRAKIS.

H.R. 1263: Mrs. FOWLER.

H.R. 1264: Mrs. FOWLER and Mr. DEMINT.

H.R. 1285: Mr. OBERSTAR.

H.R. 1322: Ms. DEGETTE, Mr. RILEY, Mr. PETERSON of Pennsylvania, Mr. HOBSON, and Mr. PASCRELL.

H.R. 1485: Mrs. CUBIN.

H.R. 1525: Mr. KIND and Mr. GONZALEZ.

H.R. 1592: Ms. MCKINNEY.

H.R. 1621: Mr. LUCAS of Kentucky, Mr. COBLE, and Mr. HALL of Ohio.

H.R. 1871: Mr. PASTOR.

H.R. 1885: Mr. COBURN and Mr. MCGOVERN.

H.R. 1926: Mr. ETHERIDGE.

H.R. 2000: Mr. ROMERO-BARCELO.

H.R. 2059: Mr. NADLER and Ms. JACKSON-LEE of Texas.

H.R. 2420: Mrs. CHENOWETH-HAGE, Ms. GRANGER, Mr. THUNE, Mrs. CUBIN, Mr. GOODLATTE, and Mr. HALL of Texas.

H.R. 2457: Mr. KING, MR. PASCRELL, Mr. COYNE, Mrs. MEEK of Florida, Ms. VELAQUEZ, Mrs. THURMAN, Ms. SCHAKOWSKY, Ms. ROYBAL-ALLARD, Mr. CONDIT, Mr. DIXON, Mr. MASCARA, Mr. ALLEN, and Mr. SAWYER.

H.R. 2546: Mr. FILNER.

H.R. 2594: Ms. MILLENDER-MCDONALD.

H.R. 2631: Mr. BROWN of Ohio and Mr. LUCAS of Kentucky.

H.R. 2635: Mr. BARTLETT of Maryland and Mr. MCGOVERN.

H.R. 2741: Mr. ENGEL and Ms. JACKSON-LEE of Texas.

H.R. 2750: Mr. WEINER, Ms. STABENOW, Mr. COOK, Ms. MCKINNEY, and Mr. SOUDER.

H.R. 2814: Mr. ABERCROMBIE and Ms. MILLENDER-MCDONALD.

H.R. 2859: Ms. LEE, Mr. TOWNS, and Mr. WEXLER.

H.R. 2892: Mr. WOLF.

H.R. 2894: Mrs. MYRICK.

H.R. 2900: Mr. WEYGAND.

H.R. 2902: Ms. STABENOW.

H.R. 2916: Mrs. TAUSCHER, Ms. NORTON, and Ms. MILLENDER-MCDONALD.

H.R. 2917: Ms. MILLENDER-MCDONALD.

H.R. 3003: Mr. COOK.

H.R. 3010: Ms. MCKINNEY.

H.R. 3032: Mr. ACKERMAN and Mr. UNDERWOOD.

H.R. 3193: Mr. GILMAN, Mr. DINGELL, Mr. STRICKLAND, Mr. WEXLER, Mr. FRANKS of New Jersey, and Ms. MILLENDER-MCDONALD.

H.R. 3256: Mr. FRANKS of New Jersey.

H.R. 3433: Ms. MCCARTHY of Missouri, Mr. BORSKI, Mrs. MEEK of Florida, Mr. SHAYS, and Mr. GILCHREST.

H.R. 3463: Ms. RIVERS, Ms. KILPATRICK, Ms. SCHAKOWSKY, and Mr. FRANKS of New Jersey.

H.R. 3573: Mr. SHIMKUS.

H.R. 3580: Mr. MCKEON, Mr. DUNCAN, Mr. CANNON, Mr. PETERSON of Minnesota, Ms. LEE, Mr. KENNEDY of Rhode Island, and Mr. TERRY.

H.R. 3590: Mrs. MYRICK.

H.R. 3593: Mr. CLEMENT.

H.R. 3628: Mr. PAYNE, Mr. LAFALCE, Mr. MCKEON, and Mr. BRADY of Pennsylvania.

H.R. 3650: Ms. MILLENDER-MCDONALD.

H.R. 3700: Mrs. ROUKEMA, Mr. FOLEY, and Mrs. NAPOLITANO.

H.R. 3732: Mr. MOORE and Mr. POMEROY.

H.R. 3766: Mr. DEUTSCH, Mr. JONES of North Carolina, Mr. WU, Mr. WATT of North Caroline, and Mr. ETHERIDGE.

H.R. 3825: Mr. FARR of California.

H.R. 3826: Mr. ALLEN and Mr. NADLER.

H.R. 4076: Mr. FLETCHER and Mr. KUYKENDALL.

H.R. 4143: Mr. PAYNE.

H.R. 4149: Mr. NEAL of Massachusetts and Mr. MCGOVERN.

H.R. 4211: Ms. ROYBAL-ALLARD, Mrs. TAUSCHER, and Mr. SHERMAN.

H.R. 4215: Mr. THOMAS.

H.R. 4239: Mr. COYNE, Mr. CROWLEY, Mrs. LOWEY, Mr. FORBES, Mr. MEEKS of New York, and Mr. PALLONE.

H.R. 4260: Mr. ENGLISH and Mr. CLEMENT.

H.R. 4271: Mr. FLETCHER, Ms. HOOLEY of Oregon, Mr. PRICE of North Carolina, Mr. OLVER, and Mr. GORDON.

H.R. 4272: Mr. FLETCHER, Ms. HOOLEY of Oregon, Mr. PRICE of North Carolina, Mr. OLVER, and Mr. GORDON.

H.R. 4273: Mr. FLETCHER, Ms. HOOLEY of Oregon, Mr. PRICE of North Carolina, Mr. OLVER, and Mr. GORDON.

H.R. 4277: Mr. PRICE of North Carolina, Mrs. MEEK of Florida, Mr. COYNE, Mr. PASCRELL, Mr. ANDREWS, Mr. SMITH of New Jersey, Mr. HOLT, Mr. ROTHMAN, and Mr. SKEEN.

H.R. 4310: Mr. STRICKLAND.

H.R. 4330: Mr. QUINN.

H.R. 4340: Mr. COOK and Mr. POMEROY.

H.R. 4346: Mr. FILNER, Mr. MEEKS of New York, Ms. MILLENDER-MCDONALD, Mr. UDALL of New Mexico, Mr. CUMMINGS, Ms. LEE, Mr. BALDACCI, Mr. BERMAN, Mr. SANDLIN, Mr. FARR of California, Mr. PASTOR, Ms. CARSON, Ms. PELOSI, and Mr. RUSH.

H.R. 4357: Mr. BONIOR, Mr. WU, and Mr. WAXMAN.

H.R. 4375: Mr. NADLER.

H.R. 4395: Mr. FRANKS of New Jersey and Mr. JEFFERSON.

H.R. 4434: Mr. SAWYER, Mr. DOYLE, Mr. QUINN, and Mr. MCHUGH.

H.R. 4453: Mr. LEWIS of Georgia, Mr. ALLEN, and Mr. BERMAN.

H.R. 4479: Ms. MCKINNEY.

H.R. 4480: Mr. THOMPSON of Mississippi.

H.R. 4492: Ms. MILLENDER-MCDONALD, Mr. ANDREWS, Mr. ETHERIDGE, Mrs. CAPPS, and Mr. DEFAZIO.

H.R. 4536: Ms. CARSON, Ms. MILLENDER-MCDONALD, and Ms. HOOLEY of Oregon.

H.R. 4547: Mrs. FOWLER, Mr. PETERSON of Minnesota, and Mr. CLYBURN.

H.R. 4548: Mr. THOMAS.

H.R. 4567: Mr. CROWLEY and Mr. THOMPSON of Mississippi.

H.R. 4639: Mr. FRANKS of New Jersey.

H.R. 4644: Mr. TOWNS, Mrs. CLAYTON, Mrs. JONES of Ohio, Mrs. MEEK of Florida, Ms. LOFGREN, Ms. HOOLEY of Oregon, Ms. CARSON, and Mr. MEEKS of New York.

H.R. 4652: Mrs. EMERSON and Mr. VITTER.

H.R. 4653: Mr. MCNULTY, Mr. MCKEON, Mr. SMITH of New Jersey, and Mr. STEARNS.

H.R. 4659: Mrs. THURMAN.

H.R. 4669: Mr. HANSEN, Mr. HILLEARY, and Mr. SESSIONS.

H.R. 4677: Mr. TURNER and Mr. BISHOP.

H.R. 4697: Ms. MCKINNEY, Ms. ESHOO, Mr. HOYER, Mr. SHERMAN, and Mr. MENENDEZ.

H.R. 4706: Mr. STUPAK and Mr. MCHUGH.

H.R. 4722: Mr. JONES of North Carolina.

H.R. 4727: Mr. FRANK of Massachusetts, Mr. CLYBURN, Ms. MCKINNEY, Mr. KENNEDY of Rhode Island, and Mr. MASCARA.

H.R. 4737: Mr. BARR of Georgia, Mr. LOBIONDO, Mr. STUMP, and Mr. EHRLICH.

H.R. 4744: Mr. WELDON of Pennsylvania, Mr. RYAN of Wisconsin, and Mr. HOEKSTRA.

H.R. 4750: Mr. FROST, Mr. PASTOR, and Ms. MCKINNEY.

H.R. 4773: Mr. PALLONE.

H.R. 4776: Mr. CHAMBLISS, Mr. RYUN of Kansas, and Mr. MCHUGH.

H.R. 4793: Mr. ROGERS, Mrs. CLAYTON, Mrs. EMERSON, and Mr. MCHUGH.

H.R. 4807: Mr. SERRANO, Mr. DELAHUNT, Mr. BERMAN, Mr. SHIMKUS, Mrs. MINK of Hawaii, Mr. PALLONE, Mr. MCNULTY, Mr. HALL of Texas, and Mr. ABERCROMBIE.

H.J. Res. 60: Mr. UPTON.

H.J. Res. 100: Mrs. MALONEY of New York, Mr. ACKERMAN, Mr. MCGOVERN, Mr. EVANS, Mr. MCCOLLUM, and Mr. HINCHEY.

H.J. Res. 102: Mr. WATTS of Oklahoma, Mr. REYES, and Mr. MILLER of Florida.

H. Con. Res. 115: Mr. BROWN of Ohio and Mr. BONIOR.

H. Con. Res. 133: Ms. HOOLEY of Oregon.

H. Con. Res. 276: Mr. UNDERWOOD and Mr. PHELPS.

H. Con. Res 322: Mr. GILMAN.

H. Con. Res. 327: Mr. BARR of Georgia, Mrs. BIGGERT, Mr. STENHOLM, Mr. TERRY, Mr. FORBES, and Ms. MILLENDER-MCDONALD.

H. Con. Res. 340: Mr. DIXON, Mr. HORN, and Ms. STABENOW.

H. Con. Res. 348: Mr. GILMAN, Mr. SERRANO, and Ms. EDDIE BERNICE JOHNSON of Texas.

H. Con. Res. 350: Ms. ESHOO.

H. Con. Res. 351: Mr. EVANS.

H. Con. Res. 363: Ms. MCKINNEY.

H. Con. Res. 367: Mr. FROST, Mr. TERRY, Mr. GEJDENSON, Mrs. MORELLA, Mr. BROWN of Ohio, and Mr. EHRLICH.

H. Res. 187: Mrs. TAUSCHER.

H. Res. 531: Mr. SALMON and Mr. SHERMAN.

## PETITIONS, ETC.

Under clause 3 of rule XII, petitions and papers were laid on the clerk's desk and referred as follows:

90. The SPEAKER presented a petition of Embassy of the Republic of Macedonia, relative to a Resolution on the Position and Role of the Republic of Macedonia in the Stability Pact for Southeastern Europe; to the Committee on International Relations.

91. Also, a petition of City Council of Detroit, MI, relative to a resolution in support of project D.R.E.A.M.Z.Z.S (Detroit Relief Effort to Aide Mozambique, Zambia, Zimbabwe, and South Africa); to the Committee on International Relations.

92. Also, a petition of the Delegates of Aha Hawai'i Oiwi, HI, relative to A proclamation claiming authority to collectively represent the voice of the Hawaiian electorate worldwide, elected in accordance with principles enumerated by the one-man-one-vote rule, and as such, it is a legal and properly constituted elected body of representatives of the native Hawaiian people, both in Hawai'i and throughout the world; further reasserting the right to selfdetermination, incorporating the right to define our relationship with the United States, the State of Hawai'i and all aspects of self-goverance; to the Committee on Resources.

93. Also, a petition of the Legislature of Guam, relative to Resolution No. 268 petitioning the Congress of the United States of America not allow the designation of land on Guam as "Critical Habitat"; to the Committee on Resources.

94. Also, a petition of City Council of Dixon, IL, relative to A resolution opposing any congressional action to implement the Advisory Commission on Electronic Commerce's report proposals that would preempt state and local sovereignty, guaranteed by the 10th Amendment of the United States Constitution; supporting simplification of state and local sales taxes, and urges states to move more expeditiously to craft and approve model legislation; to the Committee on the Judiciary.

95. Also, a petition of The People of Chefornak, Alaska, relative to Resolution H.R. 701 petitioning the Congress to vote on and pass the Conservation and Reinvestment Act; jointly to the Committees on Resources, Agriculture, and the Budget.

96. Also, a petition of Lan-Oak Park District Board of Commissioners, Lansing, Illinois, relative to A resolution urging Congress to pass legislation to provide full and permanent funding for the Land and Water Conservation Fund and to pass HR 701/S 2123, the Conservation and Reinvestment Act (CARA) during its session in 2000; jointly to the Committees on Resources, Agriculture, and the Budget.

97. Also, a petition of City Council of Trenton, MI, relative to Resolution 2000–19 petitioning the 106th Congress to support the Conservation and Reinvestment Act by advancing CARA H.R. 701; jointly to the Committees on Resources, Agriculture, and the Budget.

98. Also, a petition of Legislature of Guam, relative to Resolution No. 268 petitioning the United States Congress to allow all excess federal lands returned to the Government of Guam to be disposed of as the local government determines, including but not limited to the return of the land to the original landowners and their heirs when possible; jointly to the Committees on the Judiciary, Resources, and Armed Services.

## AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

### H.R. 4461

OFFERED BY: MR. RANGEL OF NEW YORK

AMENDMENT NO. 75: At the end of the bill, insert after the last section, preceding the short title (page 96, after line 4), the following new title:

### TITLE IX—ADDITIONAL GENERAL PROVISIONS

SEC. 901. None of the funds made available in this Act may be used—

(1) to implement section 620(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(a));

(2) to exercise the authorities conferred upon the President by section 5(b) of the Trading With the Enemy Act, which were being exercised with respect to Cuba on July 1, 1977, as a result of a national emergency declared by the President before that date, and are being exercised on the day before the date of the enactment of this Act, and any regulations in effect on the day before such date of enactment pursuant to the exercise of such authorities;

(3) to implement any prohibition on exports to Cuba that is in effect on the day before the date of the enactment of this Act under the Export Administration Act of 1979;

(4) to implement the Cuban Democracy Act of 1992, other than section 1705(f) of that Act (relating to direct mail service to Cuba);

(5) to implement the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1996, or the amendments made by that Act;

(6) to implement subparagraph (A) of section 901(j)(2) of the Internal Revenue Code of 1986 (relating to denial of foreign tax credit, etc., with respect to certain foreign countries) with respect to Cuba;

(7) to implement section 902(c) of the Food Security Act of 1985;

(8) to implement General Note 3(b) of the Harmonized Tariff Schedule of the United States with respect to Cuba; or

(9) to regulate or prohibit travel to and from Cuba by individuals who are citizens or residents of the United States, or any transactions ordinarily incident to such travel, if such travel would be lawful in the United States.

### H.R. 4461

OFFERED BY: MS. WATERS

AMENDMENT NO. 76: Page 96, after line 4, insert the following new section:

### TITLE IX—ADDITIONAL GENERAL PROVISIONS

SEC. . The amounts otherwise provided in this Act are revised by reducing the amount made available under the heading Commodity Credit Corporation Fund—Reimbursement for Net Realized Losses by $500,000, and increasing the amount made available under the heading Farm Service Agency—Salaries and Expenses by $500,000, which shall be available to employ additional contractors for the Judge Adjudication Mediation Service for the resolution of outstanding claims in the case Pickford v. Glickman.

### H.R. 4461

OFFERED BY: MS. WATERS

AMENDMENT NO. 77: Page 96, after line 4, insert the following new section:

### TITLE IX—ADDITIONAL GENERAL PROVISIONS

SEC. . (a) The amounts otherwise provided in this Act are revised by reducing the amount made available under the heading Commodity Credit Corporation Fund—Reimbursement for Net Realized Losses by $1,000,000;

(b) There is hereby appropriated $1,000,000 for the payments of interest, which shall accrue at a rate of 20 percent per month, to any person who is a member of the plaintiff class in the case Pickford v. Glickman and to whom a payment pursuant to the consent decree entered in the case is more than 60 days in arrears.

### H.R. 4461

OFFERED BY: MS. WATERS

AMENDMENT NO. 78: Page 96, after line 4, insert the following new section:

SEC. . Within available funds, the Secretary of Agriculture is urged to establish the position of Assistant Secretary of Agriculture for Civil Rights, and all funds that would otherwise be expended for or provided to, and all duties and authorities of, the Special Assistant to the Secretary for Civil Rights shall be expended for or provided to, or transferred to, the Assistant Secretary of Agriculture for Civil Rights.

### H.R. 4461

OFFERED BY: MS. WATERS

AMENDMENT NO. 79: Page 96, after line 4, insert the following new section:

SEC. . There is hereby established the position of Assistant Secretary of Agriculture for Civil Rights, and all funds that would otherwise be expended for or provided to, and all duties and authorities of, the Special Assistant to the Secretary for Civil Rights shall be expended for or provided to, or transferred to, the Assistant Secretary of Agriculture for Civil Rights.

### H.R. 4811

OFFERED BY: MR. ROEMER

AMENDMENT NO. 1: In title II of the bill under the heading "BILATERAL ECONOMIC ASSISTANCE—FUNDS APPROPRIATED TO THE PRESIDENT—DEVELOPMENT ASSISTANCE", after the first dollar amount insert "(increased by $15,000,000)".

In title II of the bill under the heading "BILATERAL ECONOMIC ASSISTANCE—FUNDS APPROPRIATED TO THE PRESIDENT—OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT", after the first dollar amount insert "(decreased by $1,100,000)".

In title IV of the bill under the heading "MULTILATERAL ECONOMIC ASSISTANCE—FUNDS APPROPRIATED TO THE PRESIDENT—CONTRIBUTION TO THE MULTILATERAL INVESTMENT GUARANTEE AGENCY", after the dollar amount insert "(decreased by $4,900,000)".

In title IV of the bill under the heading "MULTILATERAL ECONOMIC ASSISTANCE—FUNDS APPROPRIATED TO THE PRESIDENT—CONTRIBUTION TO THE INTER-AMERICAN INVESTMENT CORPORATION", after the dollar amount insert "(decreased by $9,000,000)".

### H.R. 4811

OFFERED BY: MR. ROEMER

Amendment No. 2: In title II of the bill under the heading "BILATERAL ECONOMIC ASSISTANCE—FUNDS APPROPRIATED TO THE PRESIDENT—DEVELOPMENT ASSISTANCE", in the proviso relating to the Microenterprise Initiative, strike "not less than one-half" and all that follows and insert "not less than one-half shall be made available for providing loans in the amount (in 1995 United States dollars) of $300 or less to very poor people, particularly women, or for institutional support of organizations primarily engaged in making such loans.".

# EXTENSIONS OF REMARKS

## IN MEMORY OF THE HONORABLE WILLIAM J. RANDALL

### HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 10, 2000*

Mr. SKELTON. Mr. Speaker, it is with deep sadness that I inform the House of the death of a former member of this body, The Honorable William J. "Bill" Randall of Independence, Missouri.

Bill Randall was born July 16, 1909, in Independence, Missouri, a son of William R. Randall and Lillie B. Randall. He graduated from William Chrisman High School in 1927; Junior College of Kansas City in 1929; and University of Missouri in 1931. He received a LLB from Kansas City School of Law in 1936 and LLM from the same school in 1938. He married Margaret Layden in 1939, and she preceded him in death in 1986. Mr. Randall was a practicing attorney in the Independence area until 1943 when he served in southwest Pacific during World War II from March 1943 until December 1945. In 1947, he was elected Judge of Jackson County Court and served six consecutive terms until March 1959, at which time he was elected U.S. Representative of Missouri's Fourth Congressional District.

While in Congress from 1959 until his retirement in 1977, Representative Randall was appointed as the first chairman of the newly created 38-member Committee on Aging, and rose to become the fifth ranking member of the House Armed Services Committee. At his retirement, Representative Randall chaired two subcommittees on the Armed Services Committee, one subcommittee on the Government Operations Committee, and one subcommittee on the Committee on Aging. After retiring from Congress, Representative Randall remained in Washington, D.C. until 1981, during which time he lobbied for the U.S. Railway Association and represented other Missouri interests. In 1981, Representative Randall returned to Independence and resumed his practice with concentration in probate and estate law.

Representative Randall was also an involved member of his community. He was a member of the First United Methodist Church, a member of the Masonic Fraternal organizations and a member of Royal Order of Jesters. He was a member of Phi Kappa Psi social fraternity (University of Missouri) and was past Commander of Post #1000 Veterans of Foreign Wars.

Mr. Speaker, Representative Randall was a fine statesman for the people of the Fourth District of Missouri, with a distinguished record of public service. I know the Members of the House will join me in extending heartfelt condolences to his family: his daughter, Mary Pat Wilson, two grandsons, Patrick and Randall Wilson and a great-granddaughter, Adeline Wilson.

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## PROVIDING FOR CONSIDERATION OF H.R. 1304, QUALITY HEALTH-CARE COALITION ACT OF 2000

SPEECH OF

### HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, June 29, 2000*

Mr. STARK. Mr. Speaker, in order to bring this bill up on the floor today, the rule had to waive all points of order that could be raised against it.

Yesterday, we were on this same floor debating the creation of a Medicare Prescription drug benefit for seniors. Two-thirds of our seniors have no drug coverage whatsoever or have inadequate coverage—a Medicare drug benefit is a vital issue to them.

Yet, the Republican leadership refused to grant us a waiver so that the Democratic bill—which created a real, defined Medicare drug benefit that would be dependable and available to all seniors across the country—could be equally debated with the Republican counterpart.

Instead of allowing a real debate, they passed their sham bill that turns drug coverage for seniors over to the private insurance industry—the very same industry that refused to cover seniors in the past. It is a false promise to America's seniors.

Here we are less than 24 hours later and we are waiving all points of order against a bill that won't do anything to help the millions of people who are lacking health insurance or prescription drug coverage. Not at all. This bill will help one profession with a very high income—doctors.

Clearly, if you aren't among their monied friends, you don't get on to the floor of the House these days.

If enacted, this bill would cost the Federal government some $1.7 billion over five years in new outlays, and lose $2.5 billion in federal revenues over that same period. At the same time, it would cost consumers some $2.4 billion in increased insurance premiums because the effect of the anti-trust exemption is predicted to increase doctors' fees by some 15%.

While I am sympathetic to providers' frustration with managed care's ever-growing control over our health care system, granting anti-trust exemption to health care providers is not the solution needed.

I urge my colleagues to oppose the rule and if the rule passes to vote against H.R. 1304.

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## TRIBUTE IN APPRECIATION OF GEORGE ROWELL

### HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 10, 2000*

Mr. BARCIA. Mr. Speaker, today I speak in appreciation for the many years of dedicated service that George Rowell has given to his country and to his community.

Born October 5, 1926, George Rowell has led a heroic and inspirational life. A World War II Navy veteran, he continued his service to his country as a United States letter carrier, and for the past 42 years, George has been a member of American Legion Post 18, in my hometown of Bay City, MI. But he has always been more than just a member of Post 18. He has been Post Commander. He has been on the Legion Baseball and Poppy Drive Committees. He has taught flag folding classes in local public schools and he has been the Color Guard Commander for all Color Guards in Bay County. And for all of this and more, George was named Bay County Veteran of the Year.

Throughout American history, there are stories of great heroism, tremendous sacrifice and epic courage, but none is greater than the men and women who defended our Nation in World War II. America is safe and free because this generation of men and women willingly endured the hardships and sacrifices required to preserve our liberty. They answered the call and were there to fight for the Nation, so that all of us could enjoy the freedoms we hold so dearly. America is truly the land of the free and home of the brave because of men like George Rowell who were willing to risk their life at the altar of freedom.

It was General George Patton who said "Wars may be fought with weapons, but they are won by soldiers. It is the spirit of the soldier who follows and of the soldier who leads that gains the victory." Mr. Speaker, George Rowell has always been a "soldier who leads," and I ask all of my colleagues to join me in honoring him for his unending dedication to his family, his community, and his country. I could go on and on about George Rowell's patriotism, but I wanted to recognize him for all that he has done, and wish him well in the days ahead, days that will be filled with all the good fruits of a selfless life. I know that he will spend even more time with his wife of nearly 40 years, Mildred, and his three sons, David, George III, and Kenneth. George Rowell has lived a truly incredible life, and he serves as a role model and an inspiration to everyone who has ever met him.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

## HONORING LOUIE D. CARLEO

### HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 10, 2000*

Mr. McINNIS. Mr. Speaker, it is a personal privilege to honor Louie D. Carleo, an outstanding member of the Pueblo business community.

Louie was recipient of the Greater Pueblo Chamber of Commerce Charles W. Crews Business Leader of the Year award. Louie was recognized for his tireless efforts to redevelop the Downtown Pueblo area, making it a beautiful vibrant metropolis. Louie's achievements in the business world are equally notable. He is a past chairman of the chamber of commerce, an active member of the Pueblo Economic Development Corporation, and the proprietor of Commercial Builders, Sound Venture Realty and LDC Properties. This award publicly notes Louie's commitment to Pueblo as well as his deep commitment to the State of Colorado, its people and its future.

Louie is not only an outstanding member of the Pueblo business community, he has been an active leader in the American Red Cross, YMCA, Junior Achievement, and Posada. In addition, Louie was also the recipient of the Sam Walton Outstanding business leader of the year award for Pueblo, Colorado.

The people of Colorado have every right to be proud of Mr. Carleo. On behalf of the people of Colorado, I thank you, Louie, for your service.

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## LEGISLATIVE BRANCH APPROPRIATIONS ACT, 2001

SPEECH OF

### HON. SHEILA JACKSON-LEE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, June 22, 2000*

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4516) making appropriations for the Legislative Branch for the fiscal year ending September 30, 2001, and for other purposes.

Ms. JACKSON-LEE of Texas. Mr. Chairman, Speaker, I rise today to express concerns that this body has seen too much legislation presented by the House Committee on Appropriations that does not take into consideration what the real needs of our country nor its citizens. The Legislative Branch Appropriations bill along with other bills that are intended to fund domestic appropriation's have more often than not provided a sever lack of funding of several important areas of legitimate domestic legislative needs.

First and foremost the passage of the Legislative Branch Appropriations should not result in the avoidance of a court judgment against the Library of Congress. Therefore, I join my Colleague Congressman Wynn speaking out on any attempt to pass section 208 of the bill, as it was originally introduced to this body, contains language that would negate a court ordered decree issued by the United States Court for the District of Columbia. This would in affect rubber stamp the discriminatory practices of the Library of Congress by allowing the transfer of 84 temporary employees to permanent status without being required to undergo the federal government's competitive employee selection process.

This bill will fund Legislative Branch activity for the fiscal year ending September 30, 2001. Unfortunately as we consider this appropriations for next year it is not clear whether the appropriation needs for the Capitol Hill Police have been adequately met for this fiscal year, which is scheduled to end on September 30, 2000. My assessment of this situation is based on the Capitol Police Board's request that the House and Senate Legislative Branch Subcommittees approve transfer of a little over $16 million into their allotment for the remainder of this fiscal year. The Police Board makes this urgent request in order to address the revenue shortage of the Capitol Police for this fiscal year.

I would like to inform those colleagues of mine who are not aware of the fact that last month, May 2000, the Government Accounting Office (GAO) released a report on the finances of the Capitol Police. This report was produced in response to a letter, requesting a financial audit of the United States (USCP), sent to them by the Chairman of the Subcommittee on Legislative Appropriations of the House Committee on Appropriations. This GAO report is titled "United States Capitol Police, 1999 Financial Audit Highlights the Need to address Internal Control Weaknesses." The report found that the United States Capitol Police administration lacked internal financial control and was not effective in ensuring the following: that assets are safeguarded against loss or misappropriation. The report also stated that department transactions are executed in accordance with management's authority and with laws and regulations. Finally, the report clarified that there are no material misstatements in the financial reports.

What is more disturbing to me is that the report stated that on three occasions, involving its salaries appropriations, the USCP violated the Anti-Deficiency Act. The Anti-Deficiency Act prohibits an officer or employee of the United States from, among other things, making an expenditure from an appropriation that exceeds the amount available in the appropriation.

The report also acknowledges that the USCP is in the process of making improvements in response to earlier recommendation, substantial work remains.

For this reason, I ask my fellow members of the House of Representatives, who is policing the budget for the United States Capitol Police?

I strongly believe that this body must act to ensure that the rank and file of the Capitol Hill Police are adequately compensated for the vital work they do. The protection of this body and the thousands of visitors we receive each year is the sole responsibility of the United States Capitol Police. They have been asked by the American people to protect our nation's capitol, which includes every member of this body, from violent assault by those who would seek to do this democratic system harm. For this reason, I would like to ask that the appropriated authorization and appropriations committees provide a more comprehensive plan to compensate the men and women of the United State Capitol Police. After extensive research I would like to offer that at this time these officers are not being adequately compensated based on the fact that they are required to purchase uniform items and provide for their care from their own personal resources.

I was shocked to learn that our nation's capitol police are required to purchase uniform items and provide for their care at their own personal expense. These uniforms are not being worn by our Hill police officers for any other purpose than as a direct requirement of their jobs. Therefore any expense associated with the officer's uniforms should be treated as if they were the department's operational expense.

As written the Legislative Branch Appropriations legislation before us today will only pay for the cleaning of the officer's pants—not their shirts, which are the most visible feature of their uniforms. Those who administer the budget for the Capitol Hill For this reason, I beseech this body to allow for the budgeting for the cleaning expenses for the shirts of our capitol hill police uniforms. If these officers did launder and iron their own shirts, as the under funding of their annual uniform cleaning expense by this body suggests that they should do, then the crisp professional look that we have all come to see in our Hill Police Force would be difficult to maintain. However, because these law enforcement officers are professionals in every sense, they use their own income to ensure that their uniforms are adequately dry cleaned.

This body's actions in not passing legislation with sufficient appropriations nor legislative directives for the proper expensing of items of the Capitol Police budget rest with the lack of guidance of the United States Capitol Police in this area by this body.

The signs of under funding of our capitol hill police extends to their having to provide their own personal protection from work related injury to their feet, legs, and lower back. For this reason, many Capitol Hill Police spend up to $150 dollars for a pair of Red Wing foot ware. This foot ware provides the best protection to the front line Capitol Police officers who are required to work for hours on the unforgiving marble floors or concrete of the Capitol grounds. In addition to the expense of the shoes, the ware on the instep of the shoes requires a $15 to $20 replacement for each shoe every six months. I will not ask that each of you respond to a question regarding how many pairs of shoes have been worn through the soles while you have been working on Capitol Hill.

I do not want to make light of the hardship these men and women face in serving to protect the democratic heart of this nation. I do not need to remind each of you that in 1998, Officer Jacob J. Chestnut, and Detective John M. Gibson offered the ultimate—their lives—in their commitment to provide public service to our nation as Hill law enforcement officers.

At that time this body responded by making special appropriations for the administration of the police function on the Hill by providing an additional $1 million a week in funds in order to fill the obvious need for increased security.

It is also disturbing that the two-year salary cycle of the Capital Hill Police is not taken into consideration during the appropriations process. It is a documented fact that after each presidential and or congressional election the overtime costs of the Capitol Police budget, during that December following the November election, increases substantially in anticipation of the swearing in festivities, which will take place during the month of January. It is my hope that this body will allow for the Capitol Hill appropriations for those years, of which the year 2000 is one of them, to flex in order to insure that adequate overtime compensation is ready and available to the Capitol Hill Police Department.

We all know that these individuals are more than just police, they secure the well of this House so the legislative and deliberative affairs of the people of the United States may be conducted in an environment free from threats of violence. In providing this vital protection, they also act as hosts to the thousands of visitors who come to the Hill each year to see the democratic process up close.

This is a role that our Hill police officers fill very well. They act as greeters and provide tour references for persons who are unfamiliar with our Capitol grounds. For this reason, I would offer that, it would be very proper to consider action that would provide authorization and funding for the development of a professional roster of Hill greeters who are on the grounds to fill this void in customer service to our guest and constituents.

In closing, I would like to make it clear by noting in the record that I was not approached by any Capitol Hill Police officers to speak on this subject—on the contrary I have waited for an opportunity to discuss this matter for some time. I do so now—because I have eyes that can see and a thinking mind and I know that what we have done to these—our own public servants is not right.

I was on the Hill after the 1996 elections and know that the Capitol Police force were required to work thousands of hours in overtime, but these officers were not compensated for their labor until well into the next year. I was also here in 1998, when Officer Jacob J. Chestnut, and Detective John M. Gibson were killed, and several others including civilians, were wounded.

For this reason, and this reason only, I ask that my colleagues consider my words as they deliberate and vote on this important appropriation.

## TRIBUTE TO THE LATE WALTER JOHNSON

### HON. THOMAS M. BARRETT

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 10, 2000*

Mr. BARRETT of Wisconsin. Mr. Speaker, today I would like to pay tribute to a dedicated teacher, community visionary, and loving family man who passed away unexpectedly last week.

Walter Johnson was a man who loved life and all the important things in it—his family, his friends, his church, his students, his African American heritage. He loved the difference that he was making in our community through his work as an educator with the Milwaukee Public Schools, through his commitment to expanding low income housing for seniors and the disabled, and through his long time involvement with the Milwaukee branch of the NAACP.

Behind his dignified, gentle manner was a fierce determination to gain opportunity for all members of our community. He taught his students to do well by doing good. He was a leader at Calvary Baptist Church were he set an example for others in our city; that there is need and a way for people of faith to actively address poverty and prejudice. He served with the Milwaukee NAACP in many capacities, guiding the organization in its work to attain an integrated, diverse society—open to all Americans.

Shortly before he died, Martin Luther King, Jr. asked God to grant us all a chance to be participants in the newness and magnificent development of America. Walter Johnson heard the call and is now reaping his reward. I offer my condolences to his beloved wife, Minerva, and to his children, Christopher and Hilary. He will be missed.

## TRIBUTE TO MRS. MARIANNE NESTOR

### HON. JOE KNOLLENBERG

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 10, 2000*

Mr. KNOLLENBERG. Mr. Speaker, today I pay tribute to Mrs. Marianne Nestor, Vice-President of Fund Development and Volunteer Services of St. Joseph Mercy-Oakland Hospital. Mrs. Nestor resigned her post on June 30, 2000, after serving her community for over 20 years. It is a rare occurence that any person serves an institution so well for so long. Mrs. Nestor has been an asset to the hospital and community and will be sorely missed.

Marianne Nestor's distinguished career with St. Joseph Mercy-Oakland Hospital began in 1978 when she began serving as Vice-Chairwoman Board of Directors. Shortly after, she became Director of Volunteer Services, and later Director of Fund Development. In 1984 she was named the Director of the consolidated Fund Development, Volunteer Services, and Gift Shop department. At this post, Mrs. Nestor served of St. Joseph Mercy-Oakland Hospital for 15 years with the utmost concern for the hospital's patients and guests. In 1998, she became Vice-President of Fund Development and Volunteer Services. As a member of the President's senior management team, she has advised the hospital on overall operation of the hospital.

Despite the rigorous time constraints due to her hard work at the hospital, Mrs. Nestor found the time to additionally contribute to the community by volunteering for countless activities. Mrs. Nestor has been a volunteer Board Member, and later, President of the Rotary Club of Pontiac; a founding member of the Mental Illness Research Association; and a board member of the Russ Thomas Scholarship Foundation to name a few.

The residents of Oakland County have been fortunate to have Mrs. Nestor serve the community with the diligence and commitment rarely found today. She and her outstanding team of hospital volunteers have made of St. Joseph Mercy-Oakland Hospital one of the finest hospitals for health care in the country. She has been a great friend of mine and I wish her all the best.

## TRIBUTE TO MR. AND MRS. RICHARD E. BURKE OF HUNTSVILLE, AL

### HON. ROBERT E. (BUD) CRAMER, JR.

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 10, 2000*

Mr. CRAMER. Mr. Speaker, on July 15th, a wonderful couple, Mr. and Mrs. Richard Burke will celebrate their 50th, wedding anniversary. In 1950, Mrs. Frances McAllister Burke and Mr. Richard E. Burke exchanged wedding vows to spend a lifetime together.

Now 50 years later, they shine as pillars of matrimony. The Burkes are a loving man and woman who have come together to share their lives, raise a family and prove that family values and selfless commitment still have a place in this world whose fleeting values can be confusing and inpermanent.

Their son Waymon, daughter-in-law Jan and grandson Jason look up to this remarkable couple as role models on how to live and love successfully.

This tribute is a fitting honor for the Burkes who have shown us that commitments can be honored through five decades of the trials and tribulations of life. The Burkes have spent a good portion of their lives working hard with their landscaping company and with GTE. Now they are enjoying their well-deserved retirement together in the Big Cove community where they have lived since their marriage.

I commend Mr. and Mrs. Burke on their happy and strong marriage and I join their family and friends in wishing them a joyous and special celebration at the Bevill Center on July 15th.

## REMEMBERING MR. CHET SHIELDS

### HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 10, 2000*

Mr. McINNIS. Mr. Speaker, I ask that we take a moment to celebrate and remember the life of a great man, Chet Shields. In doing so, I would also like to remember this individual who has exemplified the notion of public service and civic duty.

Mr. Shields passed away after battling with Parkinson's disease. Mr. Shields was devoted to the environment and to his family. He had a prestigious career spanning three decades working for the Forest Service. Mr. Shields was born in Olathe, Colorado in 1928 and was part of the first graduating class at Smiley Junior High. Mr. Shields was active in many areas. He spent two years at Fort Lewis College before and after serving his country in

World War II. Mr. Shields was always interested in forestry and acted on that interest by earning a bachelor's and master's degree in forestry from Colorado A & M. He also received a master's degree in public administration from Harvard in 1957.

Mr. Shields was married in 1948 to his lovely wife Ruth, who has also shared his love for the environment. During his prestigious career with the forest service, he and his wife were stationed in Taos, Penasco and Mountainair, New Mexico, Happy Jack, Arizona, and Durango, Colorado. He served as deputy chief in the Forest Service's Washington D.C. office for 13 years, later he and his wife later retired to Durango Colorado in 1978. Although technically retired, he and his wife never lost their work ethic, as they both volunteered on the Bureau of Land Management and the Forest Service's archeology site surveys.

It is with this, Mr. Speaker, that I would like to remember Mr. Shields and his efforts to make his community a better place to live. His dedication and know-how have distinguished him greatly. The citizens of Colorado owe Chet a debt of gratitude and we will all miss him dearly.

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## COMPUTER MILESTONE

### HON. ELLEN O. TAUSCHER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 10, 2000*

Mrs. TAUSCHER. Mr. Speaker, today marks the occasion of a significant scientific achievement. Today, scientists at Livermore National Laboratory have started assembling the world's most powerful computer. This computer, known as ASCI White, delivered to Livermore on 28 tractor-trailer trucks, is capable of 12 trillion calculations per second. Mr. Speaker, that is more than three times faster than the most powerful computer in existence today.

One specific achievement of this endeavor is the collaboration it embodies. ASCI White is the product of work by IBM and our national labs, and the computer will now aid the Department of Energy in the work of simulating nuclear explosions without conducting live tests. Surely, this super computer is a model for the marvelous work that results from strong private-public partnerships.

Mr. Speaker. I submit the following article from the San Francisco Chronicle to be reprinted in the CONGRESSIONAL RECORD. And on behalf of this body, I would like to extend our congratulations to IBM, Livermore Lab, and all of the other agencies and individuals who contributed to this superb accomplishment.

[From the San Francisco Chronicle, June 29, 2000]

IBM ASSEMBLING EXPLOSIVE NEW SUPERCOMPUTER PROCESSORS TO MIMIC NUCLEAR DETONATIONS AT LIVERMORE LAB

(Carrie Kirby)

Technicians at Lawrence Livermore National Laboratory have begun assembling the world's most powerful supercomputer, the first sections of which were delivered by International Business Machines Corp. Monday.

The 8,100-processor computer, ASCI White, will be used to simulate nuclear explosions to maintain the nation's weapons stockpile. Exploding real nuclear bombs for testing purposes has been forbidden since the 1996 signing of the Comprehensive Test Ban Treaty. The testing is required to ensure that the nation's aging stockpile of nuclear weapons still functions properly and is safely stored.

The processors in the $110 million computer are no different than those found in high-end workstations used for engineering or design. But by putting 8,000 of them together in a box the size of two basketball courts, IBM has created a machine capable of 12.3 trillion operations per second—what scientists call a 12.3 teraflop computer.

Armed with a calculator, it would take a human being 10 million years to complete the number of calculations ASCI White can do in one second. That's three or four times better than the previous titlist for world's most powerful supercomputer, ASCI Blue Pacific, a 3.8 teraflop machine also located at Lawrence Livermore. ASCI White is 1,000 times more powerful than Deep Blue, the IBM supercomputer that beat world chess champion Garry Kasparov in 1997, and 30,000 times more powerful than the average personal computer. Its memory could comfortably house the Library of Congress—twice.

ASCI White is named for the Energy Department's Accelerated Strategic Computing Initiative.

Tractor trailers brought about a quarter of the massive computer to Lawrence Livermore Monday, and the rest will arrive during the summer. When it is complete, a team of several hundred scientists at Lawrence Livermore will use the computer to conduct the most realistic mock nuclear explosions ever.

Limited memory and computer power meant that previous simulations used a simplified, two-dimensional model to approximate a three-dimensional explosion.

"A one-dimensional problem assumes that the surface of the Earth is uniform—all earth or all water," said David Nowak, the physicist who will lead the ASCI White program at Lawrence Livermore. Two-dimensional models would assume that the Earth is smooth, without mountains, valleys or complicated factors such as air currents. "ASCI White allows us to go to three dimensions."

Nowak has been anticipating getting his hands on the computer for two years, while 1,000 engineers at IBM's Poughkeepsie, N.Y., laboratory designed and built it. Yet he knows that despite its mind-boggling abilities, ASCI White is not powerful enough to simulate the blasts as realistically as scientists want.

"To actually do the problem, we need 100 teraflops," Nowak said. "We think we can get that by 2004 or 2005."

The ASCI program calls for two more supercomputers to be built. The first, with 30 teraflops, will go to Los Alamos, N.M., in about two years. The second, with 100 teraflops, is scheduled to be assigned to Livermore, said lab spokesman David Schwoegler.

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## TRIBUTE TO DAN RATTINER

### HON. MICHAEL P. FORBES

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 10, 2000*

Mr. FORBES. Mr. Speaker, it is with great pleasure that I rise to congratulate Dan Rattiner, my neighbor and constituent from Long Island, on the 40th anniversary of Dan's Papers.

Dan Rattiner's story is that of many seeking the American dream. As a college student during the summer of 1960, Mr. Rattiner started a small, free, eight-page publication in Montauk, New York. Over time, as Eastern Long Island has grown, this one-man operation has grown into a 50-page publication employing over 40 people. Articles range from serious issue-based essays to coverage of summer in the Hamptons.

Mr. Rattiner's work ethic, dedication, and success represent the very best of Long Island, New York and our Nation. His commitment to journalistic excellence, all the while providing important information to the people of Southampton and Easthampton, is worthy of commendation and praise.

Mr. Speaker, I ask you and my distinguished colleagues to join me in congratulating Mr. Rattiner, for 40 years of bringing news with a local flavor to the people of Eastern Long Island. On behalf of the people of Long Island, I would like to thank Mr. Rattiner and the entire staff of Dan's Papers and I wish them the best of luck in the future.

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## MEDICARE RX 2000 ACT

SPEECH OF

### HON. MAXINE WATERS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 28, 2000*

Ms. WATERS. Mr. Speaker, I rise in opposition to H.R. 4680, the Medicare Prescription 2000 Act. H.R. 4680 is a poor excuse for a prescription drug bill for our Nation's senior citizens.

This Republican bill would force seniors who want prescription drug coverage to get it from private insurance companies. However, the bill provides no guarantee that individual seniors will have access to private insurance plans that cover prescription drug. Furthermore, even when coverage is offered, the premiums, deductibles and co-payments will vary widely, depending upon what plans are available in the area. Millions of seniors will not be able to afford to participate in these private insurance plans.

The Republican bill would provide payments for prescription drugs to private health insurance companies—not patients themselves or their health care providers. Many private insurance companies have unfairly restricted health care for their patients in the past. Now is not the time to give these insurance companies additional government benefits.

H.R. 4770, the alternative prescription drug bill proposed by the Democrats, would provide a guaranteed prescription drug benefit under

Medicare to all seniors who want one. This bill would ensure that all seniors who choose to participate would pay the same low premiums and receive the same benefits, regardless of where they live. Moreover, low-income seniors who cannot afford to pay the premiums would not be denied prescription drug coverage under the Democratic alternative.

It is time that Congress make prescription medicines available to all seniors who need them. I urge my colleagues to oppose this Republican giveaway to private insurance companies and support the Democratic alternative.

## HONORING MR. TOM MESSENGER

**HON. SCOTT McINNIS**

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 10, 2000*

Mr. McINNIS. Mr. Speaker, I would like to take a moment to honor a man that has devoted his career to protecting the health of people in the great State of Colorado, Tom Messenger. After 30 years of service to the citizens of Colorado, Tom is set to retire this week, bringing to a close what has been a truly distinguished career.

As his family, friends and colleagues celebrate Tom's retirement, I would like to pay tribute to his substantial efforts to improve the quality of life for all Coloradans. His career is eminently deserving of both the praise and thanks of this body.

Tom began his tenure as an environmental health advocate in 1970. He first started as a sanitarian for the Tri-County District Health Department and, after earning a masters degree, started a career at the Colorado Health Department. Early in his career, Tom demonstrated both the integrity and the skill needed to conduct a responsible, responsive and successful food safety program. His ambition and ability gave rise to his rapid ascension through the ranks of the Department. In 1980, Tom became the Department of Consumer Protection Assistant Director, holding that position until 1988. After a brief stint as the Department's budget director, Tom later returned to the Consumer Protection Division, serving as its appointed Director until today.

Tom has spent twenty seven years with the Department and his efforts to protect Colorado's health have been considerable. He has been the catalyst in bringing state, local and federal governments together toward mutually agreeable health policies. Throughout his career, Tom has been highly effective in bringing these often divergent entities together to address emerging health issues. In recent times, Tom has made a parade of bold breakthroughs in the Department, including providing the leadership at the state level to help ensure the successful introduction of a state retail food law, and coordinating a proactive action plan with the state dairy industry to address issues of antibiotic residues. Although these accomplishments only scratch the surface of what Tom has achieved, they both are indicative of the type of success that he has repeatedly encountered in his time working for the State of Colorado.

It is with this, Mr. Speaker, that I would like to pay tribute to Mr. Messenger and his efforts to make his community, state and nation a better and healthier place to live. His dedication and know-how have distinguished him greatly. The citizens of Colorado owe Tom a debt of gratitude and I wish him well during his retirement. Your family, friends and colleagues are proud of you, Tom, and we all are thankful for your dedicated service over the past three decades.

## INTRODUCTION OF SAINT CROIX ISLAND HERITAGE ACT

**HON. JOHN ELIAS BALDACCI**

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 10, 2000*

Mr. BALDACCI. Mr. Speaker, I am introducing today legislation to help Calais, Maine, commemorate the 400th anniversary of an internationally historic event. In 1604, a group of adventurers led by a French nobleman established a settlement on Saint Croix Island in the Saint Croix River that forms part of the border between Maine and New Brunswick. By accounts it was one of the earliest settlements in North America.

The residents of the region, with the Saint Croix Economic Alliance and the Sunrise County Economic Council and with the cooperation of state and federal agencies have worked for several years to develop a regional heritage center to mark the event with a celebration in 2004 with the United States, Canada and France. The island itself is the only international historic site in the National Park System. The heritage center in Calais will preserve and chronicle the region's cultural, natural, and historical heritage.

The work began with an evaluation of the market potential for the heritage center and preparation of a preliminary exhibit and operating plans. The loose-knit coalition secured planning funds and seed money from local businesses, the city of Calais, and the U.S. Forest Service. A full-time project coordinator is in place to oversee the development of the project.

It is time for the National Park Service to step forward. The Saint Croix Island Heritage Act would grant the Park Service the authority to provide assistance. The bill directs the Park Service to facilitate the development of the heritage center in time for the 400th anniversary of the island's settlement by French explorers. It authorizes the Secretary of the Interior to enter into cooperative agreements with other federal agencies as well as with nonprofit organizations, and state and local governments. It also authorizes $2.5 million for this endeavor.

## QUALITY HEALTH CARE COALITION ACT OF 2000

SPEECH OF

**HON. MATT SALMON**

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, June 29, 2000*

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 1304) to ensure and foster continued patient safety and quality of care by making the antitrust laws apply to negotiations between groups of health care professionals and health plans and health insurance issuers in the same manner as such laws apply to collective bargaining by labor organizations under the National Labor Relations Act:

Mr. SALMON. Mr. Chairman, I rise to comment on H.R. 1304, the Quality Health Care Coalition Act—Representative CAMPBELL's bill which the House passed on June 29. While I had some reservations about this bill, I supported the legislation because I believe that it ultimately will level the playing field for health care providers when they negotiate patient-care agreements with managed care companies. I believe that we should do all we can to restore the relationship between patient and physician. Too often, managed care companies negotiate with providers on a "take it or leave it" basis. And because many independent physicians have little leverage over third party payers, they must take what is offered for their services or lose patients. We improve the quality of patient care when we give physicians a greater role in determining care.

Mr. Chairman, as you know, the bill would give physicians and other health care providers the same collective bargaining options (under the Clayton and Sherman Acts) accorded to labor organizations under the National Labor Relations Act. Smartly, the negotiating authority granted by H.R. 1304 sunsets in three years. At that point, the General Accounting Office will study the impact of the legislation and make recommendations on how to improve it.

Opponents of the bill argue that it will allow physicians to form monopolies. Nothing in this legislation preempts the FTC or anti-trust department at DOJ from overseeing the business practices of groups formed by doctors. And the bill specifically states that physicians must negotiate in "good faith" with managed care companies. I encourage the FTC and the DOJ to continue to pay close attention to any activity that would adversely affect patients. Ironically, it is the HMOs which seem to exhibit monopolistic behavior. Over the last decade, third party payers have increasingly exercised their market power over both patients and doctors.

As I mentioned before, I have some reservations about the bill. For example, I am concerned that the legislation might create agreements where HMOs will pass any increase in health care costs to patients. I am also concerned that any shift in cost to patients will increase the number of uninsured. But, that argument is used every time Congress tries to reform the current health care system and it is the reason we cannot break the stranglehold that HMOs have on our health care decisions. At some point, we must return the health care market back to patients and doctors. I believe that this bill is a small step toward restoring the patient-physician relationship.

## NONLETHAL WILDLIFE SERVICES BILL

### HON. TOM UDALL

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 10, 2000*

Mr. UDALL of New Mexico. Mr. Speaker, as I have traveled the roads in my district talking and spending time with my constituents—small ranchers, sheep growers, farmers, conservationists, environmentalists and others—I have learned to understand and appreciate their different concerns over the issue of predators. This has been an important listening and learning experience for me. What I learned from all of this was the need for a balanced approach. On one hand environmentalists insist that out on the range, where no one can see, many predators are killed unnecessarily. The traditional small ranchers, sheep growers and farmers on the other hand, point out the need to find solutions for protecting the domestic resources that provide them with a living. Conservationists are concerned about predator impacts on both game animals and protected species.

My legislation is an effort to bring common sense thinking to these sensitive issues. In the rural Hispanic and Native American communities of my district, I have seen the need for finding ways to control predators that will allow them to preserve a way of life that is more than four centuries old while not putting the surrounding ecosystem under unnecessary stress. My legislation would provide grants through the Wildlife Services Agency, to assist with implementing nonlethal predator control in areas like my district. Funds would also be made available for providing training and technical assistance to traditional small ranchers, sheep growers and farmers regarding the use of nonlethal predator control in their operations. Emphasis would be placed on methods such as using burros, llamas, night penning and guard dogs for predator control.

Matching the funding to the small subsistence operators is important if the assistance is to get to those who need it to protect their livelihood. I am also recommending that the Secretary of Agriculture add to our knowledge base concerning these methods by conducting research directly or through grants to determine the extent of damage to livestock operations, throughout the western states, where different methods of predator control are used. Only then can we intelligently learn to find the balance that successfully protects traditional ways of living and our need for vital, thriving ecosystems.

## REMEMBERING DR. GEORGE "HOWARD" HARDY III

### HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 10, 2000*

Mr. McINNIS. Mr. Speaker, it is with great honor and profound sadness that I now rise to pay tribute to the life of Aspen, Colorado's great civic patriarch, Dr. George "Howard" Hardy III. After living a remarkably accomplished life, sadly, Dr. Hardy passed away while mountain biking in the four corners area. But even as we mourn his passing, everyone who knew Howard should take comfort in the truly incredible life he led.

Since the 1970's, few can claim a place in the Aspen community as lofty as Howard. His accomplishments and contributions, Mr. Speaker, were many. Howard was a well liked Dentist in the Aspen community. George Kauffman, a close friend of Howard's, said that: "Howard was a fixture in the community, and a core member of what makes Aspen special."

Howard, an Ohio native, received his undergraduate and doctoral degree from Case Western Reserve University in Cleveland, Ohio. After completion of his education, Howard used his acquired skills to serve his country in the Army as a captain and a Doctor. Following his service, Howard established a private practice in Aspen, Colorado. Patients still remember Howard's office as a heartwarming place, recalling Howard's wonderful sense of humor and his love of practical jokes.

One of Howard's colleagues, Dr. David Swersky, remembered the office as "joke central, people came into the office just to tell us some jokes, because they knew Howard was always game." Howard's compassion was easy to distinguish before a procedure. David said that "Howard would always start a procedure with a joke. He was very caring about his patients." He was not only a Doctor, but a friend to his patients. His relationships with his colleagues were also special, David said that "We had a very special relationship, I'm not only losing a partner. I'm losing a brother."

It is with this, Mr. Speaker, that I say thank you and good-bye to this great American who will long serve as an inspiration to us all. We will all miss him greatly.

## INTERNATIONAL MONETARY STABILITY ACT OF 2000

### HON. PAUL RYAN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 10, 2000*

Mr. RYAN of Wisconsin. Mr. Speaker, today I am introducing the International Monetary Stability Act of 2000. This bill would give countries who have been seriously considering using the U.S. dollar as their national currency the incentive to do so. When a foreign country grants the U.S. dollar legal tender in place of its own currency, that country dollarizes. This bill would serve to encourage such dollarization.

Dollarization is an extremely important issue for developing countries seeking monetary stability and economic growth in the Western Hemisphere. Of course, dollarization is no panacea. However, sound money combined with a sound fiscal policy—or I would even posit as a precursor to a sound fiscal policy—and property rights, and a viable rule of law, helps to ensure that dollarization can boost development in growing economies.

Today, countries can dollarize without consulting the Federal Reserve or the U.S. Treasury. There is no need for the Fed to be the world's lender of last resort by opening up its discount window to dollarized countries. Like Panama, countries can maintain liquidity through the private banking system.

The Fed will never be responsible for supervising foreign banks. Not only would sovereign governments disapprove of the United States regulating their private banking system, I would imagine that the Fed has no desire to grant foreign banks the same privileges that U.S. banks receive without making foreign banks pay for such protection.

The Fed already takes the international circumstances into account when formulating policy. If you remember back to the end of 1998, the Fed lowered interest rates three times to stem contagion, not because of any domestic considerations. Regardless, with a consistent law outlining dollarization agreements with the United States, countries understand from the beginning that the Fed will not act as their central bank.

There are significant benefits to the United States should more countries choose to dollarize. There would be a decrease in cases of dumping since foreign countries would lose the ability to devalue against the dollar to gain trade advantage, and U.S. businesses would find it easier to invest in these countries since currency risk and inflation risk are greatly diminished.

Likewise, dollarization lowers monetary instability within dollarized countries and increases the living standards of their citizens. During Senate hearings on dollarization, Judy Shelton, of Empower America, eloquently described the entrepreneurial spirit within Mexico but contrasted this optimism with a scenario of high interest rates and scarce bank loans for businesses. Indeed, sporadic devaluations and politically derived inflation negate expectations that a domestic currency can be a meaningful store of future value.

Inflation is directly linked to interest rates. Inflation expectations act as an interest rate premium. When inflation is expected to go up, interest rates are high. As we have seen lately in the United States in our own debate over rising interest rates, low rates reduce the cost of borrowing and increase prosperity, while higher rates raise the cost of capital and slow economic growth. For most Latin American countries, dollarization should lower their interest rates to within 4 percent of U.S. rates, depending on political and fiscal factors.

Further, because dollarization eliminates the ability of foreign central banks to manipulate money supply, which I would argue is a benefit of dollarization and not a cost as some analysts do, inflation is tied to U.S. inflation.

My bill, the International Monetary Stability Act of 2000, would give countries who have been seriously considering using the U.S. dollar as their national currency the incentive to do so. A couple of changes have been made since I first introduced the original bill last fall in order to take into account concerns raised by the Treasury Department during Senate hearings. One important change includes the ability of the Treasury to consider money laundering as a factor for deciding whether to certify a country for seigniorage sharing.

In general, enacting this legislation would set up a structure in which the U.S. Treasury would have the discretion to promote official dollarization in emerging market countries by offering to rebate 85% of the resulting increase in U.S. seigniorage earnings. Part of the remaining 15% would be distributed to countries like Panama that have already dollarized, but the majority of the 15% would be deposited at the Treasury Department as government revenue. Additionally, this bill would make it explicitly clear that the United States has no obligation to serve as a lender of last resort to dollarized countries, consider their economic conditions in setting monetary policy or supervise their banks.

I would like to conclude by repeating an old quote from Treasury Secretary Larry Summers. Back in 1992, when he was at the World Bank, Secretary Summers said "finding ways of bribing people to dollarize, or at least give back the extra seigniorage that is earned when dollarization takes place, ought to be an international priority. For the world as a whole, the advantages of dollarization seem clear to me."

Congressional leadership in exchange rate policies such as dollarization protects our own economy. Every foreign devaluation affects our economy through international trade and through the equity markets. American companies need reliable currencies to make investment decisions abroad; and American workers need to know countries cannot competitively devalue in an effort to lower foreign worker wages. The ramifications of an Asian-style economic collapse in Latin America, our own back yard, call for legislation that will help these countries embrace consistent economic growth.

I strongly believe that strengthening global economies, especially those in the Western Hemisphere, by encouraging dollarization is in America's best interest.

## PROMOTING HEALTHY EYES AND HEALTHY LIVES: THE CONGRESSIONAL GLAUCOMA CAUCUS

### HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 10, 2000*

Mr. RANGEL. Mr. Speaker, as one of the founders of the Congressional Glaucoma Caucus, I want to praise the work of a far-seeing business firm, the Pharmacia Corporation which encouraged and supported the formation of the Friends of the Congressional Glaucoma Caucus Foundation. The Congressional Glaucoma Caucus is a bipartisan group that grew out of discussions with several of my House colleagues. We recognized that there was a need to provide our constituents with free screenings for glaucoma, a devastating disease that robs a person of his or her sight. There is no cure for glaucoma—but it can be prevented if caught early enough. Unfortunately, many of our fellow Americans who are at highest risk for glaucoma are also unable to easily avail themselves of the latest in medical testing. We formed the Congressional Glaucoma Caucus to bring important information and preventive screenings to constituents in our own districts. The idea has gained great momentum. There are now 40 members of the Congressional Glaucoma Caucus and we have already held screenings in Florida, Illinois, New York, Tennessee, and Washington, DC. Hundreds of Americans have been referred for follow-up care of possible glaucoma or other acuity problems; hundreds of others have gone home from our screenings reassured that their eyes are healthy. In this effort we have had much help. The Friends of the Congressional Glaucoma Caucus Foundation was founded to bring together physicians, blindness prevention groups; industry spokespeople and others interested in this cause. The Foundation has done yeoman work in setting up the screenings and ensuring that they run smoothly and for that the members of the Caucus are profoundly grateful. A great deal of thanks is owed to the ophthalmologists and their staffs who have volunteered to conduct the actual screenings. And we owe the Pharmacia Corporation a debt of gratitude for its generous educational grant to the Friends of the Congressional Glaucoma Caucus Foundation. Their support has been vital, and has meant that not one penny of anyone's tax dollars have been spent on this noble effort. This is truly a wonderful thing, and I commend everyone involved.

## QUALITY HEALTH-CARE COALITION ACT OF 2000

SPEECH OF

### HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, June 29, 2000*

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 1304) to ensure and foster continued patient safety and quality of care by making the antitrust laws apply to negotiations between groups of health care professionals and health plans and health insurance issuers in the same manner as such laws apply to collective bargaining by labor organizations under the National Labor Relations Act:

Mr. STARK. Mr. Chairman, the fact that we are considering this legislation on the House floor today is a testament to the Republican leadership's lack of desire to deal with the real problems consumers are facing from managed care.

We passed a bipartisan Patients' Bill of Rights last October, the conference was appointed nearly four months ago—but we have made precious little progress on that important legislation that is already so long overdue.

That is what we should be debating on the House floor today. We should be debating extending patient protections to consumers to ensure that health plans cover emergency room care, that women have an unfettered right to ob/gyn care, that health plans are required to provide their members with access to specialists, that patients be guaranteed access to an independent external appeals, and that patients could hold health plans liable if their actions caused harm or death.

Instead, we are faced with a bill that does absolutely nothing to protect consumers in managed care—but does wonders to protect doctors' incomes.

I guess we shouldn't be surprised. This Republican Congress has shown us time and time again that they are far more interested in helping their monied friends and supporters than the general public.

On its face, this legislation raises numerous concerns. A simple look at the exceptions in the bill makes it clear that anti-trust exemptions fraught with potential problems.

It Exempts Federal Health Programs. In order to get the bill out of the Judiciary Committee the bill's supporters had to accept an amendment to exclude Medicare, Medicaid, the Federal Employees Health Benefits Plan, the State Children's Health Insurance Program, Veterans Health services, Indian Health Services and all other federal health programs from the law.

The reason for this amendment was that Congressional Budget Office analysis showed that the bill would impact federal spending for these programs by increasing expenditures by some $11.3 billion over 10 years.

Managed care plays a major role in most of these programs today. By allowing doctors to collectively bargain with managed care plans, CBO estimates that rates will increase by 15 percent. If the law applied to federal health programs it would obviously impact federal health spending. The supporters of the bill don't want to acknowledge the real costs associated with passage of this bill so they exempt federal programs from it.

Even with federal health programs exempted, CBO found that passage of the bill would decrease federal tax revenues by some $3.6 billion over ten years. Those federal losses come about because employers would claim larger deductions for the increased expense of providing health benefits (because of the increased bargaining power of doctors). This would also result in employees receiving a greater share of compensation in tax-sheltered benefits.

The law sunsets after three years. In another attempt to gain support, the bill has a provision that would automatically sunset the law after three years. This sunset provision is a direct acknowledgement of the concern that granting anti-trust exemptions is a dramatic move. The fact is that we don't know exactly how much strength doctors would exert through this new found ability to collectively bargain. It may be that they would exercise restraint and put the quality of care of their patients first. Then again, they might exercise united power by refusing to contract with health plans that won't meet their demands—whatever those demands might be.

Should the latter occur, the impact on patient care could be devastating. Therefore, the authors are acknowledging that an escape hatch might be necessary. I'd rather not open such a risky door in the first place.

After all of these strong statements, I must also acknowledge that I understand and empathize with the frustration of America's physicians and other health care providers. The growth of managed care has significantly altered their professions in ways in which we could not have imagined even 10 years ago. And, much of this change has not been good for patients or health care providers. Congress can and should take action to address those concerns, but this bill isn't the solution.

Instead, I urge Congress to move forward with passage of the Patients' Bill of Rights which would limit health plans' abilities to use financial incentives, eliminate gag clauses, and finally extend liability already faced by doctors and hospitals to the health plans that are making many of today's medical decisions.

Many of my colleagues may not know that I was voted the most fiscally conservative Democrat this year by the National Taxpayer's Union. In the spirit of maintaining my standing of strong fiscal responsibility—and on the many additional grounds I've mentioned—I strongly oppose H.R. 1304 and urge my colleagues to join with me in opposition to this so-called managed care "solution" that is fraught with such serious flaws.

## CONGRATULATIONS TO THE CITY OF CLINTON ON RECEIVING THE ALL-AMERICAN CITY AWARD

### HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 10, 2000*

Mr. SKELTON. Mr. Speaker, let me take this opportunity to congratulate the community of Clinton, Missouri, which recently received the designation of All-American City from the National Civic League.

The All-American City Award recognizes towns that work together to address critical community issues. The sponsors of this award commended Clinton for exhibiting outstanding citizen involvement, high government performance, local philanthropic resources, and intercommunity cooperation.

With a population of 9,300, Clinton was the smallest of the 10 cities selected for this award, although towns of all sizes participated on an equal level. A group of 75 residents of Clinton—including many student ambassadors—traveled to Louisville, Kentucky, in early June to present a summary of three of their community betterment programs to a panel of judges selected by the sponsor of the award.

Several projects which the sponsors noted as especially worthwhile included the START (Students Together Achieving Responsible Tasks) program. This local youth community service organization connects students with charitable volunteer opportunities. In addition, Clinton has made progress in attacking its biggest killer, cardiovascular disease, by creating a CHART wellness center staffed by local hospital employees. Through community educational measures and blood pressure and cholesterol screenings, this group helps increase awareness and prevention of heart disease. Also, the town participates in the Main Street USA program in an effort to revitalize its downtown and Historic Square Districts.

Mr. Speaker, I wish to extend my congratulations to the residents of the city of Clinton. It is with great pride that I honor them for being designated an All-American City.

## IN MEMORY OF IRENE WOODFIN

### HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 10, 2000*

Mr. McINNIS. Mr. Speaker, it is with profound sadness that I now rise to honor the life and memory of an outstanding person, my friend Irene Woodfin. Sadly, Irene passed away July 8, 2000 in her own home. As family and friends mourn her passing, I would like to pay tribute to this beloved wife to her husband, mother to her children, and friend to all. She will be missed by many. Even so, her life was a remarkable one that is most deserving of both the recognition and praise of this body.

Much of Irene's life was spent educating and helping others. Irene graduated from Greeley Colorado State Teacher's College (UNC) in 1927. After her distinguished teaching career, Irene retired from teaching in 1971. Irene was also very involved in community organizations and events throughout her life. Some of the groups she belonged to included being a member of Delta Kappa Gamma (Xi Chapter), American Association of University Women (AAUW), and always an active participant in her local church choir. Irene's love of making music and crafts brought her great distinction and were rightly a source of pride.

While her involvement in education and community are to be remembered, Irene's lasting legacy rests in her family. Irene is survived by her husband of 69 years, Dick Woodfin. Irene was the mother to three, grandmother to eight, great-grandmother to 17, and great-great-grandmother to 4. She also had 11 step-grand-children. In her children, grandchildren, and their offspring, Irene's love and generosity will endure.

As you can see, Mr. Speaker, Irene was a person who lived an accomplished life. Although friends and family are profoundly saddened by her passing, each can take solace in the wonderful life that she led. I know I speak for everyone who knew Irene well when I say she will be greatly missed.

## RECOGNITION OF THE PEOPLE OF THE INDIAN STATE OF PUNJAB

### HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 10, 2000*

Mr. BONIOR. Mr. Speaker, I rise today to recognize the extraordinary people of the Indian state of Punjab.

Punjab is an agricultural state, home of the Green Revolution and famous for the diligence of its people. Though Punjab comprises only 1.5 percent of India's territory, farmers from the state have provided 65 percent of India's wheat and 45 percent of its rice for the past 25 years. Punjab is a naturally breathtaking place, but I was most inspired by the limitless potential of its people. They are hardworking men and women, striving to better the lives of their families and neighbors, and sharing a deep devotion to God.

While in the city of Amritsar I visited the Golden Temple, the spiritual capital of Punjab and the destination of all Sikh pilgrims. It was truly an honor to witness the Sikh faith in practice within the walls of their holiest of temples. After experiencing the Punjabi people's intense spirituality firsthand, I now understand why Punjab today enjoys peace and stability.

Mr. Parkash S. Badal, Chief Minister of Punjab, was kind enough to meet with me during my stay in Punjab. We met not in the capital city, but in the small village of Sahouli, where the Chief Minister demonstrated his sincere concern for the villagers and farmers of Punjab. He is a man of great commitment to the state of Punjab and its people, and he has worked relentlessly to improve the lives of all Punjabis. The Chief Minister expressed to me the Punjabi people's profound desire to build a strong and lasting relationship with the United States, and he has asked for the help of this House of Representatives in doing so.

I encourage my colleagues and all Americans to welcome the Punjabi people with open arms. President Clinton recently traveled to India, and in doing so he displayed great foresight and wisdom. I believe it is our obligation to follow the President's lead and work to establish strong ties between our two nations' governments, businesses and citizens. I am confident Chief Minister Badal will continue to guide Punjab towards progress and prosperity, and I am hopeful my colleagues here today will join with me in my efforts to broaden and extend our personal and economic collaboration with the people of Punjab indefinitely.

## PERSONAL EXPLANATION

### HON. DENNIS MOORE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 10, 2000*

Mr. MOORE. Mr. Speaker, I inadvertently voted yes on Roll Call No. 369 and was unable to correct my vote in time prior to announcement of the result. My intention was to vote no.

## TRIBUTE TO TURNER N. ROBERTSON

### HON. EVA M. CLAYTON

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 10, 2000*

Mrs. CLAYTON. Mr. Speaker, on Sunday, July 2, 2000, a long-time official of the House will be laid to rest in Scotland Neck, North Carolina. At age 91, Turner N. Robertson has been called to rest and to reside in a place of total peace.

Mr. Robertson came to Congress in 1939, with then Representative John Kerr. He served in various positions until 1947, when he was appointed by Speaker Sam Rayburn as Chief of Page. He served in that position until his retirement in 1972, and moved to Coral Springs, Florida. Yet, even in retirement, he was consulted by Speakers John McCormick and Carl Albert. He received the Employee of the Year Award for the House of Representatives in 1971. A plaque to this effect hangs in the U.S. Capitol, across from the Speaker's office.

Turner was a gentle man, a true and honest American, a devoted husband and loving father. All who knew him were touched by his humility, strength of character and faith in God. He was well respected on Capitol Hill, and his friends spanned the spectrum from the Congresspersons he served to the Pages he supervised.

Born in Macon, North Carolina, on April 22, 1909, his early life involved great personal sacrifice. Yet, he was guided by faith. He is survived by his wife of 60 years, Ernestine, his daughter Barbara, his brother Bernard and sister Mrytice. His earthly family incluced many relatives, friends and church families in Washington, DC, Virginia, North Carolina and Florida. Turner N. Robertson was an ordinary man who was special and a special man who was ordinary.

God's finger has gently touched him and he now sleeps. I am confident that he has left a lastng impression on those who came to know him, and the principles that guided him will now serve as guideposts for those he leaves behind. He shall surely be missed. I feel certain, however, that he would want all of us to rejoice in his life and the time he spent on this earth.

## PERSONAL EXPLANATION

### HON. JOHN LINDER

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 10, 2000*

Mr. LINDER. Mr. Speaker, I would like it to be noted in the RECORD that on June 23, 2000, I intended to vote nay on Roll Call No. 372, final passage of H.R. 1304, the Quality Health Care Coalition Act.

## IN HONOR OF THE LATE BENNIE HOLMES, JR.

### HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 10, 2000*

Ms. PELOSI. Mr. Speaker, it is with great respect and sadness that I honor the life of Bennie Holmes Jr., who passed away recently at too young an age. Mr. Holmes' leadership in the civil rights movement and as an anti-poverty activist earned him the respect of our entire San Francisco community; his caring heart and kind ways earned him our affection. Bennie's presence in the community can never be replaced, but the work of his life will live on after him.

Bennie was born and reared in McComb, Mississippi, and it was there that he learned the values of hard work, community, and his deeply rooted sense of justice. In the late 1950's, he moved to California, and in 1961 he graduated from Monrovia High School in Los Angeles County. He later moved to San Francisco and continued his education at San Francisco State University, where he earned a degree in Political Science.

Mr. Holmes worked much of his life for racial equality. He helped to found the N.A.A.C.P. Junior Chapter at Pasadena College in 1961. In 1964 he organized a group from San Francisco which joined the 1964 march for civil rights that went from Selma to Montgomery, Alabama. He fought continually for the cause of civil rights with the Congress On Racial Equality, the Student Nonviolent Coordinating Committee, and the National Association for the Advancement of Colored People and with such individuals as Martin Luther King, Jr. and James Farmer.

Dedicated to fighting poverty and improving the lives of low-income residents, Bennie worked most of his professional life with the Economic Opportunity Council of San Francisco. For the past thirty-three years, Bennie was employed by this nonprofit group in several different capacities. He organized and raised money for numerous anti-poverty programs in San Francisco and worked to clothe, feed, and find employment for the neediest among us. Known and trusted by everyone, Bennie was regarded as the "eyes and ears" of the community because he was always looking out for those in need.

Mr. Holmes also organized workshops at which tenants learned their rights when dealing with landlords, worked with youth groups, and traveled extensively in Africa, Europe, and the United States.

Well-regarded for his tireless community service, Bennie was also admired for his delicious barbecue ribs. At social and political events, he could always be found behind the grill, serving the community in yet another way.

Bennie Holmes left us much too soon. He worked his entire life for civil rights, equal opportunity, and economic and social justice. He treated everyone with respect, and he was respected for doing so. His passing is a loss to all of our San Francisco community.

My thoughts and prayers are with his mother, Leola Wells Holmes, his children, and his entire family.

## HONORING STEVEN R. MAVIGLIO FOR HIS DEDICATED SERVICE TO THE U.S. HOUSE OF REPRESENTATIVES

### HON. RUSH D. HOLT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 10, 2000*

Mr. HOLT. Mr. Speaker, I rise tonight to express my appreciation to, and tremendous respect for, a dedicated public servant that is leaving my staff today, my administrative assistant, Steven R. Maviglio. Steve is leaving Capitol Hill after many years of dedicated service to the U.S. House of Representatives and to the nation.

Steve has been a key policy, political and management advisor to me since my election to Congress nearly two years ago. More than that, he has been a trusted friend. Prior to heading up my office, Steve served as a top aide to California Representative Vic Fazio, as Director of the House Democratic Caucus, and in high-level positions in the Department of Justice and the Office of the U.S. Trade Representative. Having been an elected official himself, Steve's guidance and counsel have been of tremendous value to me, as a new representative. When it comes to politics, Steve is a seasoned pro, and this institution will miss him. Anyone who has worked with Steve knows that his experience, his passion, and his humor are assets that will be sorely missed.

As my colleagues know, serving in the House of Representatives is a great honor and an even greater responsibility. Among the real benefits of being here is having the opportunity to work with some of the finest and most decent men and women anywhere in our nation. Steve is one of those talented people who have made my time here memorable and successful.

When the public looks at Congress, it is often easy to miss the dedicated staff that work here, helping Member's to do the people's business. Congressional staffers like Steve are the members of the congressional family who rarely get the attention they deserve. They share our hopes, our dreams, our commitment, our purpose, and our idealism. They are the ones who are in the office when we arrive in the morning and are still there when we leave at night. For my entire first term, Steve's commitment and hard work helped set me on the right course. He helped to oversee and implement all of the pieces that make up a successful Representative's office.

Being the top aide to a Member of Congress isn't an easy job. It's a position that is made up of many roles. Steve has been my adviser, gatekeeper, eyes, ears, and voice. Top aides like Steve act as all of these things and more. They are diplomats and negotiators, fighters and sometimes even scapegoats. When Members look good it is often because of the hard work of people like Steve. When something goes wrong they often shoulder the blame. While staffers are often overlooked, overworked, and under appreciated, I wanted to take this time to let Steve know that he is not. I am grateful for all that he has done for me, for the people of New Jersey and for this great institution.

The Democratic Members of this body and the people of central New Jersey have gained much from Steve Maviglio's years of hard work, his dedication, his friendship and his wise and reasoned counsel. Steve leaves my office today to begin work as the Press Secretary for Gov. Gray Davis of California; he will be missed here by me and his many friends.

I hope all of my colleagues will join me in extending to Steve our appreciation for a job well done and our best wishes for the challenges that lie ahead.

## COMMENDING THE INTERNATIONAL FINANCE DEPARTMENT LEGAL DEPARTMENT

### HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 10, 2000*

Mr. HALL of Ohio. Mr. Speaker, I rise today to bring to your attention the commendable actions of the International Finance Corporation (IFC) Legal Department, the private sector arm of the World Bank.

Since 1994, the IFC Legal Department has been involved in a joint effort with Gospel Rescue Ministries (GRM), a homeless shelter and drug rehabilitation/educational training center for men on the edge of DC's Chinatown neighborhood. This partnership has helped rebuild the lives of numerous formerly homeless individuals.

IFC offers men from Gospel Rescue Ministries the opportunity to work and receive training in the Legal Departments Records Room. The program allows these men to gain experience in records management while the IFC gains reliable help. Already, 14 men have taken part in the program and several of them have gone on to continue their studies, move to promising jobs with other firms, or take positions with other IFC Departments, while all have laid foundations for more stable lives.

The idea of IFC's involvement came about at a Legal Department retreat, where staff members said they wished they could see development impact locally or at least find ways of reaching out to the community. IFC Deputy General Counsel Jennifer Sullivan knew GRM and knew that it needed jobs for the graduates of its computer training program. Aware of openings in her department paying between $8 and $10 an hour, she proposed a partnership. As Ms. Sullivan has told me, it was definitely a win-win situation. These young men are gaining experience and training and IFC gets reliable, low-cost help.

Office manager Viki Betancourt and Records Room manager Michael Cortese closely track the program with GRM. Both were devastated when their first hire reverted to drug use and had to leave both the shelter and his job at IFC. But their eyes shine when they talk about the other men they have hired since.

One participant, who has earned his high school equivalency degree, is attending Strayer College and plans to become a minister. Others have landed jobs in other IFC departments. All feel a great responsibility to reach out to others in the shelter and show them that success is attainable. All have worked very hard and done well, according to Mr. Cortese. Other staff in the Records Room have come to appreciate the enthusiasm and dedication of these individuals.

Dr. Edward Eyring, director of GRM, says that most men who walk into the shelter cannot even conceive of being successful. Dr. Eyring is a friend of mine and an orthopedic surgeon who moved to Washington from Knoxville, Tennessee with his wife Mary Jane to run the privately supported program.

It is very appropriate that there is a sign over the front door of the program's facilities that reads, "If you haven't got a friend in the world, you can find one here. Come in." GRM says it has a 70 percent success rate in helping its men stay free of drugs and alcohol for at least 15 months but really offers more than just drug rehabilitation, aiming to give men support and training so that they can begin life anew. Nothing helps more than a job.

The IFC Legal Department staff is committed to finding ways to reach out to the community. This commitment has gone beyond words to provide employment opportunities that have transformed lives and renewed hope for a brighter future. The IFC deserves our congratulations and thanks for their successful involvement in the fight to combat homelessness in our nation's capital.

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## SECURING JUSTICE FOR THE IRANIAN JEWS

### HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 10, 2000*

Mr. TOWNS. Mr. Speaker, I rise today to express my deepest concerns for the ten Iranian Jews who were convicted last week of seditious crimes and sentenced to extraordinarily long sentences. By now it is well documented that the condemning trial was saturated with false evidence and forced confessions, and was never intended to expose the meaning of true justice. These individuals were small tradesmen, leading a life in the ways consistent with their religion, and it is that for which they are being punished. Religious persecution can never be allowed, but when such injustices are showcased before the international community, it is our responsibility to take a stand and say that this will not be tolerated.

We have seen legal and human rights organizations worldwide affirming that this trial was in fact a sham, and that it is beyond the realm of possibility to believe that such individuals could ever have been capable of committing the crimes for which they are accused.

By staging such a mockery of justice it is apparent that Iran has no comprehension of human or civil rights, and therefore convicted no other than themselves in proving that they remain unfit to enter any exercise of the civilized world.

In a recent meeting between President Clinton and the American relatives of the convicted Iranian Jews, a promise was made to use all possible U.S. government resources to secure the freedom of these individuals. This is a promise in which I would urge President Clinton to keep as I hope my colleagues here in the House would as well.

We must remember that as we speak that there are thousands of Jews remaining in Iran, who can be subjected to identical suppression at any time. We must take a stand here and now and say behavior such as this will not be tolerated both now and in the future.

Today, in New York the Jewish Community Relations Council and the Conference of Presidents of Major American Jewish Organizations organized a solidarity gathering in an effort to show the world community that we will continue to fight for the rights of these individuals until justice is truly served. I would like to commend these organizations for their efforts and would like to offer and assistance possible to the rectification of this atrocity.

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## CHURCH PLAN PARITY AND ENTANGLEMENT PREVENTION ACT

SPEECH OF

### HON. JOHN R. THUNE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 26, 2000*

Mr. THUNE. Mr. Speaker, I rise today to express my support for S. 1309. This bill clarifies that church sponsored employer benefit plans are not subject to state insurance laws.

Because church plans are exempt from the Employee Retirement Income Security Act of 1974, they do not benefit from the explicit preemption of state insurance regulation that secular self-insured health plans enjoy. Many service providers have been reluctant to do business with church benefit programs for fear that they themselves may violate state insurance rules barring contracts with unlicensed entities. In addition, state regulators occasionally raise questions about the legal status of these benefit programs. These complications have caused churches to contract with numerous service providers in order to comply with recent federal mandates on church plans.

S. 1309 remedies this problem by clarifying that church plans are not insurance companies for state law purposes. Congress has already addressed a similar problem for church sponsored employee benefit plans under federal securities laws, extending the exemptions enjoyed by secular plans and preempting state securities regulation of church plans.

Just this year, my own state of South Dakota enacted an exemption for church plans from its insurance laws—making my State the fourth state to so act. I commend the Director of Insurance, Darla Lyon, the State Legislature and the Governor for working hard to protect the health care benefits of church workers and to assist them in accessing discounted providers. South Dakota has now joined Texas, Florida and Minnesota in clarifying that church benefit plans are not insurance companies. It makes little sense to suggest that church benefit programs spend their resources to enact 46 more state exemptions. The pending bill will provide these programs the legal certainty they need in every state.

More than one million clergy, lay workers, and their families are presently being denied access to discounted service providers because of the ambiguous position of church plans under state law. S. 1309 corrects this problem.

I urge adoption of the pending bill.

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## SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, July 11, 2000 may be found in the Daily Digest of today's RECORD.

## MEETINGS SCHEDULED

### JULY 12

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings on the nomination of Francisco J. Sanchez, of Florida, to be an Assistant Secretary of Transportation; Frank Henry Cruz, of California, Ernest J. Wilson III, of Maryland, Katherine Milner Anderson, of Virginia, and Kenneth Y. Tomlinson, of Virginia, all to be a Member of the Board of Directors of the Corporation for Public Broadcasting.
SR–253

Armed Services
To hold hearings to examine the Department of Defense Anthrax Vaccine Immunization Program.
SH–216

10 a.m.
Health, Education, Labor, and Pensions
To hold hearings to examine the National Science Foundation.
SD–430

Judiciary
Technology, Terrorism, and Government Information Subcommittee
To hold hearings to examine identity theft and how to protect and restore your good name.
SD–226

Budget
To hold hearings on certain provisions of S. 2274, to amend title XIX of the Social Security Act to provide families and disabled children with the opportunity to purchase coverage under the medicaid program for such children.
SD–608

10:30 a.m.
Foreign Relations
To hold hearings to examine the United Nations policy in Africa.
SD–419

2 p.m.
Foreign Relations
International Economic Policy, Export and Trade Promotion Subcommittee
To hold hearings on the role of biotechnology in combating poverty and hunger in developing countries.
SD–419

Judiciary
To hold hearings on the nomination of Glenn A. Fine, of Maryland, to be Inspector General, Department of Justice; the nomination of Dennis M. Cavanaugh, of New Jersey, to be United States District Judge for the District of New Jersey; the nomination of James S. Moody, Jr., of Florida, to be United States District Judge for the Middle District of Florida vice a new position created by Public Law 106–113, approved November 29, 1999; the nomination of Gregory A. Presnell, of Florida, to be United States District Judge for the Middle District of Florida vice a new position created by Public Law 106–113, approved November 29, 1999; and the nomination of John E. Steele, of Florida, to be United States District Judge for the Middle District of Florida vice a new position created by Public Law 106–113, approved November 29, 1999.
SD–226

2:30 p.m.
Energy and Natural Resources
Forests and Public Land Management Subcommittee
To hold oversight hearings on the Draft Environmental Impact Statement implementing the October 1999 announcement by the Presidnet to review approximately 40 million acres of national forest for increased protection.
SD–366

Indian Affairs
To hold oversight hearings on risk management and tort liability relating to Indian matters.
SR–485

### JULY 13

9:30 a.m.
Energy and Natural Resources
Business meeting to consider pending calendar business; to be followed by oversight hearings to examine American gasoline supply problems.
SD–366

Commerce, Science, and Transportation
Business meeting to markup pending calendar business.
SR–253

Health, Education, Labor, and Pensions
Employment, Safety and Training Subcommittee
To hold hearings to examine ergonomics and health care.
SD–430

10 a.m.
Banking, Housing, and Urban Affairs
Business meeting to markup S. 2107, to amend the Securities Act of 1933 and the Securities Exchange Act of 1934 to reduce securities fees in excess of those required to fund the operations of the Securities and Exchange Commission, to adjust compensation provisions for employees of the Commission; S. 2266, to provide for the minting of commemorative coins to support the 2002 Salt Lake Olympic Winter Games and the programs of the United States Olympic Committee; S. 2453, to authorize the President to award a gold medal on behalf of Congress to Pope John Paul II in recognition of his outstanding and enduring contributions to humanity; S. 2459, to provide for the award of a gold medal on behalf of the Congress to former President Ronald Reagan and his wife Nancy Reagan in recognition of their service to the Nation; S. 2101, to promote international monetary stability and to share seigniorage with officially dollarized countries; and a committee print of a substitute amendment ot H.R. 3046, to preserve limited Federal agency reporting requirements on banking and housing matters to facilitate congressional oversight and public accountability.
SD–538

1 p.m.
Finance
International Trade Subcommittee
To hold hearings to examine the United States trade policy agenda at the G 8 Summit.
SD–215

2 p.m.
Appropriations
Energy and Water Development Subcommittee
Business meeting to markup H.R. 4733, making appropriations for energy and water development for the fiscal year ending September 30, 2001.
SD–124

Governmental Affairs
International Security, Proliferation and Federal Services Subcommittee
To hold hearings to examine the annual report of the Postmaster General.
SD–342

2:30 p.m.
Energy and Natural Resources
National Parks, Historic Preservation, and Recreation Subcommittee
To hold hearings on S. 2294, to establish the Rosie the Riveter-World War II Home Front National Historical Park in the State of California; S. 2331, to direct the Secretary of the Interior to recalculate the franchise fee owed by Fort Sumter Tours, Inc., a concessioner providing services to Fort Sumter National Monument, South Carolina; and S. 2598, to authorize appropriations for the United States Holocaust Memorial Museum.
SD–366

Intelligence
To hold closed hearings on pending intelligence matters.
SH–219

### JULY 18

9:30 a.m.
Energy and Natural Resources
Business meeting to consider pending calendar business.
SD–366

### JULY 19

9:30 a.m.
Energy and Natural Resources
Business meeting to consider pending calendar business.
SD–366

10 a.m.
Governmental Affairs
To hold hearings on certain legislative proposals and issues relevant to the operations of Inspectors General, including S. 870, to amend the Inspector General Act of 1978 (5 U.S.C. App.) to increase the efficiency and accountability of Offices of Inspecter General within Federal departments, and an Administrative proposal to grant statutory law enforcement authority to 23 Inspectors General.
SD–342

2:30 p.m.
Energy and Natural Resources
Water and Power Subcommittee
To hold oversight hearings on the status of the Biological Opinions of the National Marine Fisheries Service and the U.S. Fish and Wildlife Service on the operations of the Federal hydropower system of the Columbia River.
SD–366

Indian Affairs

To hold oversight hearings on activities of the National Indian Gaming Commission.

SR-485

### JULY 20

9:30 a.m.

Energy and Natural Resources

To hold oversight hearings on the United States General Accounting Office's investigation of the Cerro Grande Fire in the State of New Mexico, and from Federal agencies on the Cerro Grande Fire and their fire policies in general.

SD-366

Small Business

To hold hearings to examine the General Accounting Office's performance and accountability review.

SR-428A

10 a.m.

Indian Affairs

To hold hearings on S. 2688, to amend the Native American Languages Act to provide for the support of Native American Language Survival Schools.

SR-485

Banking, Housing, and Urban Affairs

To hold oversight hearings on the conduct of monetary policy by the Federal Reserve.

SH-216

### JULY 25

9:30 a.m.

Armed Services

To hold hearings to examine the National Missile Defense Program.

SH-216

### JULY 26

9 a.m.

Small Business

Business meeting to markup S. 1594, to amend the Small Business Act and Small Business Investment Act of 1958.

SR-428A

10 a.m.

Governmental Affairs

To hold hearings on S. 1801, to provide for the identification, collection, and review for declassification of records and materials that are of extraordinary public interest to the people of the United States.

SD-342

2:30 p.m.

Energy and Natural Resources

Forests and Public Land Management Subcommittee

To hold oversight hearings on potential timber sale contract liability incurred by the government as a result of timber sale contract cancellations.

SD-366

Indian Affairs

To hold hearings on S. 2526, to amend the Indian Health Care Improvement Act to revise and extend such Act.

SR-485

### JULY 27

10 a.m.

Indian Affairs

To hold oversight hearings on the Native American Graves Protection and Repatriation Act.

SR-485

### SEPTEMBER 26

9:30 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs on the Legislative recommendation of the American Legion.

345 Cannon Building

## CANCELLATIONS

### JULY 12

10 a.m.

Finance

To hold hearings on disclosure of political activity of tax code section 527 and other organizations.

SD-215

# SENATE—*Tuesday, July 11, 2000*

The Senate met at 9:31 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

## PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious Father, we gladly respond to the admonitions of the psalmist: "Commit your way to the Lord, trust also in Him and He shall bring it to pass, rest in the Lord and wait patiently for Him."—Psalm 37:5. We prayerfully accept the vital verbs of this advice and apply them to our faith today: commit, trust, rest, wait. You have shown us that when we commit to You our lives and our challenges, You go into action to bring about Your best for our lives. Commitment opens the flood gates of our minds and hearts to the flow of Your power to help with people or problems that concern us. We trust in Your reliable interventions to free us from anxiety. When we rest in Your everlasting arms, we experience spiritual resilience and refurbishment. All Your blessings are worth waiting for because nothing else gives us the strength and courage we really need. Thank You for Your faithful reliability. You, dear God, are our Lord and Saviour. Amen.

## PLEDGE OF ALLEGIANCE

The Honorable GEORGE V. VOINOVICH, a Senator from the State of Ohio, led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

## RECOGNITION OF THE MAJORITY LEADER

The PRESIDING OFFICER (Mr. VOINOVICH). The majority leader is recognized.

## SCHEDULE

Mr. LOTT. Mr. President, today the Senate will be in a period of morning business until 10:15. Following morning business, a cloture vote will occur on the motion to proceed to H.R. 8, the Death Tax Elimination Act.

### VOTE

I ask unanimous consent that the vote occur at 10:15 this morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. If cloture is invoked, the Senate will continue postcloture debate on the motion to proceed. The Senate may also resume consideration of the Interior appropriations bill in an effort to make further progress on that important piece of legislation. It is the intention of the managers of the Interior appropriations bill to lock up a filing deadline for first-degree amendments during today's session.

Senators should expect votes each day this week. Also, we will have late nights to have debate on amendments on the Defense authorization bill with votes on amendments, if necessary, occurring the following morning. I have been assured by the managers of that legislation, Senator WARNER and Senator LEVIN, that we will be working tonight and we probably will have some votes the first thing in the morning on the bill.

I regret that we have to have a vote on the motion to proceed. A good faith effort has been made to work out an agreement on a limited number of amendments, but we have not been able to come to an agreement on that.

It is important that we get to the substance of this legislation—the elimination of the death tax. It is high time we take action on this unfortunate tax provision that has been on the tax rolls since Theodore Roosevelt was President. I know from personal experience that it is having a very devastating effect on small businesses, family farms, and homesteads. I have come across members of families in tears in my own State on finding they had to sell their small business or their farm that has been in the family sometimes for two or three generations because they had to pay this most unfair death tax.

Many commentators seem perplexed, trying to understand why this legislation would have received such overwhelming support in the House of Representatives with an almost unanimous vote among the Republicans and 65 Democrats, from all regions, backgrounds, races, sex, and everything else. They can't understand why it got this very outstanding vote.

The answer is really very simple. First of all, all of us would like to be able to have an estate of some value when we reach the end of our role. We would like to be able to pass it on to our children for the next generation. The idea that the Federal Government would come and reach into the grave and pull back 40, 45, 50, or 55 percent of a life's work offends the American people regardless of financial status. It is a basically and patently unfair tax provision.

I am pleased we are going to move forward this week to get a vote. Of course, we will have to have a vote on cloture so that there won't be an extended series of unrelated, nongermane amendments or filibusters. But I hope we will get that vote. Then we will get to final vote on the substance. It is long overdue.

I commend the chairman of the committee, Chairman ROTH, and the ranking member, Senator MOYNIHAN, for allowing this legislation to come to the floor today for a vote. Also, again I must express my admiration for the way the House handled this matter.

I understand there will be a period for morning business. Senators are here prepared to speak on the substance of the legislation.

I yield the floor.

## RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order, leadership time is reserved.

The Senator from South Carolina.

## THE DEATH PENALTY

Mr. THURMOND. Mr. President, it is most unfortunate that the President has decided to delay the first federal execution in almost forty years.

Mr. Juan Garza was a vicious drug kingpin who was found guilty of three murders and sentenced to death in 1993. He was also convicted of various drug and money laundering offenses. Of course, there is no way to know how many American lives he destroyed indirectly through his extensive drug trafficking into this country. He is just the type of criminal that the Congress had in mind when we reestablished the federal death penalty in 1988.

His lawyers are not claiming he is innocent. Rather, they are making general arguments about the fairness of the death penalty, and the President is apparently sympathetic to this.

Over the weekend, the White House confirmed that the President will postpone the execution for at least 90 days and maybe until after the November elections. The reason for the administration has given is that the Justice Department is still drafting formal clemency guidelines. Mr. Garza was sentenced to death 7 years ago, and his case has been tied up in appeals ever since. The Supreme Court decided in November that it would not hear his case, and in May a judge scheduled his execution for August. The Department has had more than enough time to prepare such guidelines.

Of course, the President does not need any special death penalty guidelines to act. The President has the

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

power to commute Mr. Garza's sentence or even pardon him if he wishes. The President should make his decision and not further delay an already extremely long process.

This is consistent with this administration's treatment of the death penalty overall. Only steadfast opponents to capital punishment can argue that it is used too often in the federal system today. Last year, my Judiciary subcommittee held a hearing that discussed the federal death penalty in some detail. After becoming Attorney General, Ms. Reno established an elaborate review process at Main Justice to consider whether a U.S. attorney may seek the death penalty. She has permitted prosecutors to seek the death penalty in less than one-third of the cases when it is available.

Also, her review permits defense attorneys to argue that she should reject the death penalty in a particular case, but it does not permit victims to argue for the death penalty. I hope the Department's new clemency rules will allow victims to participate in the process. However, victims should be allowed to encourage the Department to seek the death penalty in the first place.

The death penalty is an essential form of punishment for the most serious of crimes. Yet, it has not been carried out in the federal system for 37 years. We should not continue to delay its use. When an inmate's appeals are exhausted, as they are in this case, the President should carry out the law.

## MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business, not to extend beyond the hour of 10:15 a.m., with the time to be equally divided between the Senator from Delaware and the Senator from New York.

Who yields time?

Mr. REID. On behalf of the Senator from New York, I yield 10 minutes to the Senator from North Dakota.

## ESTATE TAX REPEAL

Mr. DORGAN. Mr. President, I will comment briefly on the remarks made by the majority leader a few moments ago on the subject of the estate tax.

First of all, the question of repealing the estate tax or changing the estate tax is an important issue, but it is not an issue that is important to the exclusion of all other issues. The majority leader takes the position that the estate tax ought to be repealed completely so those in this country who die and leave $100 million in assets or $500 million in assets or $1 billion in assets, who now pay some estate tax, will be tax free. That is what "repeal" means.

I happen to believe we ought to change the estate tax to provide a significant exemption so that no small business and no family farm gets caught in the estate tax. I don't want people to try to leave the family farm or the small business to their children, only to discover there will be a crippling estate tax to pay. So I say, let's get rid of that situation. Let's provide an exemption—$8, $10 million—that takes care of the vast majority of cases.

But how about those folks who leave half a billion dollars or $1 billion? Do we really want to repeal the estate tax on that kind of estate? There are other and competing needs for the revenue involved. For example, we could pay down the Federal debt; we could provide a larger tax credit for college tuition; we could invest in elementary and secondary education; we could provide tax relief to middle-income families rather than to the wealthiest estates in the country.

I happen to believe we should change the estate tax, but I don't believe we ought to repeal the estate tax for the largest estates.

The majority leader says the problem is with the Democratic side of the Senate. No, the problem is that yesterday the majority leader came to the floor of the Senate and tried to pass the repeal of the estate tax by unanimous consent. No debate, no discussion, no amendments, $750 billion of tax cuts in the second decade after repeal—$750 billion in tax cuts by unanimous consent, without any debate, and without any amendments. That is what he tried to do yesterday. We objected to that.

Yesterday we proposed that he bring up this measure under a regular order. The majority leader objected to that. Democratic leaders proposed that the majority leader bring the bill up and allow 6, 8, or 10 amendments, with time agreements. But the majority leader has objected to that.

His position is: I want my way or no way. I want to bring it up and repeal all of the estate tax, which would mean generous tax cuts for the wealthiest estates in this country. If we don't do it his way, we were told, we won't have an opportunity to offer any amendments. That is the majority leader's position. The people elected to the Senate on this side of the aisle will not be able to offer amendments. He says in effect, "We have an idea, we intend to push that idea, we demand a vote on that idea, and, by the way, you, Senators, don't have any right to offer amendments."

That is the majority leader's position. That is not a position that is acceptable to me. It is not the way the Senate ought to work. There is something called a regular order.

Mr. DURBIN. Will the Senator yield?

Mr. DORGAN. I am happy to yield to the Senator.

Mr. DURBIN. I thank the Senator for raising the point that they were going to pass a $750 billion tax break for the wealthiest people in America, those who pay estate taxes, and do it without one minute of committee hearings—I see the chairman of the Senate Finance Committee on the floor—not a minute of hearing. This was going to be done without any discussion, any debate, $750 billion in tax breaks.

I ask my colleague, the Senator from North Dakota, whether or not he believes it also says something about the priorities of the Congress, that of all the different people who could be helped by this Congress, the highest, the single most important priority for the Republicans turns out to be the wealthiest. When it comes to helping people pay for their prescription drugs, when it comes to helping people, dealing with areas such as difficulties with HMOs, folks don't even have a voice in this debate. They are not even being considered.

Would the Senator address the whole question of prioritization, as to whether or not we are making the right decision in terms of helping the people who really need it the most in this country?

Mr. DORGAN. The Senator from Illinois is correct.

Let me correct something I said a moment ago. The majority leader yesterday tried to bring up H-1B legislation, not the estate tax. I was mistaken about that. I should have known better. I was on the floor at that time, as a matter of fact.

But it is true that the majority leader wants to bring up the estate tax and say to half of the Members of the Senate: You don't have a right to offer amendments, and if you don't like it, tough luck. That is what the issue is about.

The Senator from Illinois asked the question, Shouldn't this proposed repeal be measured against other priorities, and shouldn't this suggest what is important in the Senate? It sure does. There is not the time or the energy or the inspiration on the part of those who control the agenda in the Senate to have a real debate about protecting people against HMOs, and to try to pass a Patients' Bill of Rights. No, there is not time for that. Can we work to put a prescription drug benefit in the Medicare program? No, not quite enough time for that either. In fact, the other side understands that is an important issue, so they have cobbled together a goofy proposal that says OK, the senior citizens are having trouble affording prescription drugs, so let's give a subsidy to the insurance companies. Even the insurance companies see through that. They have come to my office—and I assume to the Senator's office—and said: We will not be able to offer a prescription drug plan. We would have to charge $1,200 for a plan that has $1,000 in benefits.

The point the Senator from Illinois makes is we have other priorities.

Those other priorities somehow don't get to the floor of the Senate because the big priority at the moment is to give an estate tax repeal to the largest estates in the country.

As I said, I think we ought to provide a significant exemption so that every family farm and every small business can be transferred to the kids upon the death of the parents, with no estate tax at all—none, zero. However, when a billionaire or someone with $500 million in assets dies and there is an estate, is it not unreasonable to have some transfer here, some estate tax, in order to use those resources for other purposes, such as reducing the Federal debt, providing middle income tax relief—a whole range of urgent needs? Is that not a reasonable thing? That is what we ought to measure this against.

Mr. DURBIN. Will the Senator yield?

Mr. DORGAN. I am happy to yield to the Senator.

Mr. DURBIN. If the Republicans have their way to totally repeal the estate tax for the wealthiest in America and take $750 billion out of the surplus for that purpose, doesn't that diminish the likelihood, doesn't that reduce the possibility, that we will have the resources to pass a meaningful prescription drug benefit for the elderly and disabled in America, one that helps all of them pay for the outrageous cost of prescription drugs?

Mr. DORGAN. I say to the Senator from Illinois, it is exactly as he states. With the wonderful economy we have had and the surpluses that are expected, there is a certain amount of revenue available. The priority, for the majority side, is to repeal the estate tax, including that top half of the estate tax that applies to the wealthiest estates in the country. If we follow this priority, that will crowd out the ability to do other things.

This is a question of making judgments about what is important, what is the priority of this Congress. Should we provide a prescription drug benefit for Medicare? Should this Congress make the investments in education that we should make? Should this Congress decide we should pay down the Federal debt? Should this Congress decide college tuition should trigger an increased tax credit that helps kids go to college? These are all priorities, and there are more of them that we ought to measure against this proposal to repeal the estate tax for the largest estates in the country.

As I said, it is a matter of priorities, and it is also a matter of will. What do we have time to do in the Senate? We are told by the majority leader that we do not have enough time to deal with Patients' Bill of Rights, prescription drugs for Medicare, the minimum wage, closing the gun show loophole. We do not have time for those things, we are told, but we have plenty of time for the things the majority wants to do. We have plenty of time to decide to repeal the estate tax completely, including repeal for the largest estates in the country. Do my colleagues know what that will do on average to an estate above $20 million? It will provide about a $12 million tax cut for the estate.

Mr. DURBIN. Will the Senator yield for another question?

Mr. DORGAN. Yes, I yield.

Mr. DURBIN. Is the Senator telling me we could give estate tax reform, virtually exempt all family farms, all small businesses—say your business is worth $8 million or less; you are not going to pay a tax on it; families with assets of $4 million would not pay an estate tax—and still then have the resources to provide for a prescription drug benefit if we refuse to go along with the Republican approach which gives this estate tax break to the very wealthiest in America, those in the multimillion-dollar, maybe even billion-dollar category?

Mr. DORGAN. I say to the Senator from Illinois, that is exactly the case. In fact, one of the proposals we offer as an amendment that is prevented by the majority leader would provide an $8 million exemption for a small business or small farm.

The PRESIDING OFFICER. The Senator's 10 minutes have expired.

Mr. ROTH. I yield 5 minutes to the distinguished assistant majority leader.

Mr. NICKLES. Mr. President, I remind my colleagues from Illinois and North Dakota, we have rules in the Senate, and that is to go through the Chair. The dialogs are interesting, but we are supposed to go through the Chair, and that has not happened in a while.

I want to correct some of the factual misstatements that were just made. My colleagues said we want to bring up the repeal of the death tax and offer no amendments. That is not correct. We have told our friends on the Democratic side that we will allow them to offer a substitute. They can have relevant amendments. We are willing to enter into time agreements to pass this bill. Frankly, what they want to do is unload an agenda they cannot pass.

My colleagues mentioned that we will not allow them a debate on the Patients' Bill of Rights. We already voted on it a couple of times. We voted on it last year, and we voted on it twice in the last month. The problem is they have a flawed proposal that will not pass and cannot pass.

We voted on the Patients' Bill of Rights. We voted on minimum wage. For them to say, instead of voting to repeal the death tax, which we are hopefully going to do, they have a lot of other things on which they would rather vote—we have given them votes on almost every issue that has been mentioned. On the death tax, we have said—and I will propound a unanimous consent request—we will have an amendment on each side; we will have three amendments on each side; we will consider their alternatives.

My colleague from Illinois said let's have an exemption, not change the rates; let's vote on this issue. We are willing to do that. The problem is our colleagues on the Democratic side really do not want a tax cut, period.

We are trying to eliminate the death tax so there will not be a tax on death. What there will be is a tax on the sale of the property when whomever inherits the property sells it. We will eliminate the taxable event on someone's death. This is a very significant and I believe one of the most positive things we can do if we want to help the economy, if we want fairness.

We are trying to help the small business people, the Democrats say; the Democrats are willing to do that. Hogwash. I used to run a small business. I did not want it to be small; I wanted it to be big. I do not know if it would meet the Democrats' definition. A lot of us really do believe we should eliminate the tax on someone's death and turn it into a taxable event when the property is sold. If individuals who receive this business or receive this property do not sell it, there will not be a taxable event. When they do sell it, there will be a tax, and that tax will be capital gains. That tax rate is 20 percent, not 39 percent, not 55 percent.

I want to correct a misstatement just made. We are willing to enter into time agreements. We are willing to consider relative amendments, substitutes. If they want to have a substitute that has an exemption, fine; let's vote on it. If they want to vote on an alternative, let's do it. We are willing to do it. But to say we are not willing to consider amendments and that it is "take our proposal that passed the House"——

Mr. DORGAN. Will the Senator yield?

Mr. NICKLES. In a moment I will.

The facts are, the cost over 10 years, which is the most we ever use, is $104 billion. I heard them say it is $750 billion. I do not know from where they are grabbing these figures. If we use that kind of analogy, it would be fun to see how much the tax increase of 1993 cost because if this tax cut is $750 billion over the next 20-some-odd years, I would hate to think how much the cost of the tax increase the Democrats passed in 1993 is.

The facts are, the estate tax repeal is $104 billion over the next 10 years. That is what passed the House. Hopefully, that is what the Senate will pass today, tomorrow, or in the near future.

Mr. DORGAN. Will the Senator from Oklahoma yield?

Mr. NICKLES. Not on my time. I will be happy to yield under the Senator's time. I only had 4 minutes.

Mr. DORGAN. Can I take 30 seconds?

Mr. REID. I yield Senator DORGAN 2 minutes.

Mr. DORGAN. I respectfully say that the Senator from Oklahoma is not accurate when he says that his side is willing to entertain amendments; I do not see a problem here; let's bring it on and have amendments and a discussion. That is exactly what the majority leader has denied. That is exactly what the majority leader said he will not allow to happen on the floor of the Senate.

If the Senator from Oklahoma is speaking for the majority leader on this issue, I say get the Democratic leader on the line, make an agreement, and let's have this issue on the floor where some amendments can be offered and votes taken, and we will see how people feel about the estate tax.

The Senator from Oklahoma is not accurate in leaving the impression that this has been a reasonable circumstance here and they are willing to entertain all kinds of amendments. That is not the case at all. In fact, our side has offered a reasonable number of amendments with time agreements, and the majority leader has said no, and that is the fact.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I said the majority leader, to my knowledge, is willing to enter into a time agreement and has given it to the minority leader. It said we will have relevant amendments. I have a list of amendments on prescription drugs, long-term health care, Medicare, retirement—in other words, a lot of things on the Democrats' agenda that have not been accomplished.

I said relevant amendments pertaining to the death tax and, unfortunately, our Democratic colleagues have not been willing to comply or agree. I had hoped we would have had a little less partisan exchange on a Tuesday morning. Let's go back to the Cloakroom and come up with two or three relevant amendments dealing with this issue and vote. That is the way we should work.

Mr. DORGAN. Do I have time remaining on the 2 minutes?

The PRESIDING OFFICER. The Senator has 1 minute remaining.

Mr. DORGAN. I say to the Senator from Oklahoma, there is nothing partisan in my intent to correct the impression left by the Senator from Oklahoma. I was simply saying that proposals have been made on the specific number of amendments and time agreements by our side and the majority leader has rejected them.

The Senator from Oklahoma seemed to suggest they are willing to entertain this, that, and the other thing; they are very reasonable; they will accept amendments. I was simply trying to correct a misimpression. I did not intend to be partisan.

This is an important issue. There are differences in how we view the issue. I happen to think we should change the estate tax so no small business or family farm ever gets caught in its web. We can do that. An $8 million or $10 million exemption would mean that virtually no family farm or small business ever would get caught in the web of the estate tax. But I do not happen to believe we should totally exempt the largest estates in this country from the estate tax. That is the difference.

Let's debate that difference and have amendments on the choices and make judgments as a Senate. It is not my intent ever to be partisan about this issue, but I want the right information to be given, and the right information is that we offered limited amendments and limited time agreements, and they were rejected.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. I yield 2 minutes to the Senator from Arizona.

Mr. KYL. Mr. President, Senator NICKLES made the point that the amendments the minority have sought to bring up have nothing to do with repeal of the death tax. That is why the majority leader said he will enter into an agreement with them but let's make it relevant and germane to the issue before the Senate.

When the American people see us going through these charades, I wonder how they can have any confidence in a body that seems to be so partisan and intent on changing the subject.

We have one subject before us today: repeal of the death tax. It is the House bill that passed overwhelmingly. Why can't we simply consider this bill with relevant and germane amendments? Why do we have to get off into prescription drugs and the rest?

Our distinguished colleague from North Dakota has said there is an alternative with respect to the repeal of the death tax. I would like to take that on because it relies on a section of the code today that is absolutely unworkable. Two-thirds of the cases that have been brought with respect to this section of the code have been won by the IRS. It does not work. Try to qualify, if you are a small business or a farm, under the section that they are taking about; you are not going to get relief. It is a sham proposal.

You can raise the exemption all you want, but if the definition precludes you from qualifying, you have not gained a thing. I can't wait to debate the alternative that the members of the minority want to propose. I will agree, right now, to consider that as an amendment that we would vote on here. If we can agree to consider that, we can move right on to the consideration of the death tax repeal because the provision they are talking about is unworkable, it is unfair, and it will not provide an adequate alternative to the repeal of the death tax that is called for under H.R. 8, the House-passed bill.

I urge my colleagues to support the cloture motion so we can get on with the debate about how we can finally bring an end to this most unfair and pernicious section of the Tax Code.

I welcome a debate of any germane alternative that members of the minority would like to present because I think when you hold them up side by side, H.R. 8 will win.

The PRESIDING OFFICER (Mr. FRIST). The Senator from Delaware.

Mr. ROTH. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I rise today in support of the motion to proceed to H.R. 8, the Death Tax Elimination Act of 2000, which overwhelmingly passed in the House by a vote of 279–136. I point out that it was a bipartisan vote. It included 65 Democrats. So this legislation that we are about to proceed to has significant bipartisan support.

This is an historic opportunity to repeal the onerous estate and gift taxes which currently have rates as high as 60 percent. In an age of surpluses where taxpayers are, indeed, paying too much, it is time to repeal the estate and gift taxes. Families who toil all their lives to build a business and diligently save and invest should not be penalized for their hard work when they die. Their assets were already taxed at least once—and it is unconscionable that their estates are taxed again at rates as high as 60 percent on the value of their assets at the time of their death.

This bill would address this problem.

I point out, we have held hearings on estate taxes in the Finance Committee as of the last Congress. It is the Finance Committee that is the committee of jurisdiction.

I also point out, this bill is substantially similar to the estate tax provisions in the tax bill that was vetoed by the President last year. Some may ask why this House bill did not come through the Finance Committee. The reason is that the bill holds to the estate tax provisions the House and Senate agreed to last year. Since the Finance Committee has already debated and approved these provisions and we have negotiated these provisions with the House, I saw no need to delay the bill in the committee and perhaps kill the chance of repealing the tax.

Now, I would like to briefly go through the bill before us. I point out, there are really two time periods to which the bill applies. In the first period, generally from 2001 to 2009, estate tax relief is provided on several fronts. In the second period, beginning in 2010, the entire estate and gift tax regime is repealed.

During the first part, from 2001 to 2009, the estate and gift tax rates are reduced on both the high end and low end. On the low end, currently, there is a unified credit that applies to the first $675,000 of an estate. That amount is scheduled to rise to $1 million in 2006.

While current law provides some relief for the smallest estates, for modest estates, those above the credit amount, a high tax rate applies. For example, now a decedent's estate of $750,000 faces a tax rate of 37 percent on each dollar over the credit amount. Keep in mind that is where the rate starts. For larger estates, the rates can be as high as 60 percent.

For the lower end estates, the bill converts the unified credit to an exemption. What this means is that estates right above the unified credit amount will face tax rates starting at 18 percent rather than 37 percent. In other words, for modest size estates, this bill cuts the tax rate in half.

For the larger estates, some now facing marginal rates as high as 60 percent, the bill includes a phased in rate cut. The rates are reduced from the current regime, with its highest rate of 60 percent, down to a top rate of 40.5 percent for the highest end estates. Please keep in mind that the base of the tax is property, not income, and the rate is still above the highest income tax rate of 39.6 percent.

Prior to full repeal in 2010, the bill would also expand the estate tax rules for conservation easements to encourage conservation. In addition, the bill provides simplification measures for the generation skipping transfer tax.

In 2010, the whole estate and gift tax regime is repealed. At the same time, a carryover basis regime is put in place instead of the current law step up in basis. This means that all taxable estates—and I emphasize we are only talking about taxable estates—that now enjoy a step up in basis will be subject to a carryover basis. Carryover basis simply means that the beneficiary of the estate's property receives the same basis as the decedent. For example, if a decedent purchased a farm for $100,000, and the farm was worth $2 million at death, the tax basis in the hands of the heirs would be $100,000. The step in basis is retained for all transfers in an amount up to $1.3 million per estate. In addition, transfers to a surviving spouse receive an additional step up of $3 million.

As I have already pointed out, the House passed the bill on a bipartisan basis with 65 Democrats voting in favor of repeal of the estate and gift taxes. Now is the Senate's opportunity to pass this bill on a bipartisan basis and send it to the President. It is my understanding this will be the only chance this year that we will have to pass this bill and repeal estate and gift taxes. If we fail, the bill dies. If we come together and vote in favor of the house bill—estate tax repeal that the Congress passed last year—it will go directly to the President for his signature.

Our family-owned businesses and farms must not be denied this relief. This should not be a partisan issue.

Unfortunately, the White House has indicated its opposition to repeal of estate and gift taxes and has promised to veto this bill. With roughly $2 trillion of estimated non-social security surpluses over the next 10 years, I believe the approximately $105 billion cost of repealing estate and gift taxes to be well within reason—it is only about 5 percent of the projected budget surplus. Other than being a money grab—estate and gift taxes do not serve any legitimate purpose.

Taxpayers are taxed on their earnings during their lives at least once. Our Nation has been built on the notion that anyone who works hard has the opportunity to succeed and create wealth. The estate and gift taxes are a disincentive to succeed and should be eliminated.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the distinguished chairman have as much time as he requires to finish his address, which I see is not much longer.

Mr. REID. Mr. President, I ask unanimous consent the vote scheduled for 10:15 be delayed until the Senator from Delaware and the Senator from New York have time to finish their statements. They are both managing this bill and should have an opportunity to speak.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH. Mr. President, as I was saying, the estate and gift taxes are a disincentive to succeed and should be eliminated. I believe it is the right thing to do. I urge my colleagues to vote in favor of the motion to proceed to this bill to repeal the estate and gift taxes.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, as a New Yorker—and I am sure my esteemed chairman will understand—I rise in defense of Theodore Roosevelt's estate tax: One of the great achievements at the beginning of this century and of the last century—although we have members of the Finance Committee staff who still think we are in the last century, but we won't get into that matter. Today, we are here to decide if a century later we should repeal it.

Again, I don't want to press this on my colleague and friend, the Senator from Delaware, but this matter should be in the Finance Committee. My friend doesn't have to say a word. We are the Committee that considers tax matters. It should have been referred to us and not sent directly to the floor.

When we begin the debate and the voting begins, the Democrats will have an alternative. It is simple. I say forthwith and I will say no more, it is less costly than the measure we have received from the House. We would increase the general exemption from the present $675,000 to $1 million immediately—it was scheduled to rise to that level in the year 2006—and then to $2 million in the year 2009. We would increase the exemption for family-owned businesses and farms from $1.3 million to $2 million immediately and to $4 million by the year 2009. This increase would eliminate the estate tax on virtually all family farms and 75 percent of family-owned businesses that would otherwise be subject to the estate tax. This measure will cost $64 billion over 10 years, roughly half the cost of the Republican proposal.

Of course, the measure the House has sent us, as our Chairman has stated, in the year 2010 repeals all estate taxes, and thereafter the true cost would be approximately $50 billion each year indefinitely.

We think this is an extravagant proposal driven by the legitimate politics of the hour. I understand that. I understand the President will veto the measure. I look forward confidently to its being passed and vetoed and not forgotten. It will be raised in the campaign. That, too, is legitimate.

But I have to say, sir, having lived on a farm for 36 years in upstate New York, the dairy farming world of that State has not prospered for half a century. We have a considerable number of meadows, in one of which the press gathered just a year ago last week to have Mrs. Clinton announce her candidacy for the seat I have the honor to hold right now. There were hundreds of journalists there. It amazed the world to look at it.

Sir, I have to suggest that if we had an equal gathering of family farmers in New York State whose farms would sell for $2 million, the turnout would be desultory and the press would report disaster. Does anybody here know a family farmer whose farm is worth $2 million a year? I don't mean farms in the eastern end of Long Island where viniculture takes place.

Mr. ROTH. I do.

Mr. MOYNIHAN. My dear and esteemed chairman says he knows a family farmer whose farm is worth more than $2 million.

Mr. ROTH. In Delaware.

Mr. MOYNIHAN. Therein, sir, lies the difference between the Democratic and Republican parties. I know of no such farmer; my friend from Delaware does. What more can I say? How pleased I am for him; how regretful I am for the toil-driven, poverty-stricken farmers of upstate New York.

With that, sir, the vote being announced 4 minutes late, I yield the floor and suggest we proceed under the order.

## DEATH TAX ELIMINATION ACT—MOTION TO PROCEED

### CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The assistant legislative clerk read as follows:

### Cloture Motion

We the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the motion to proceed to Calendar No. 608, H.R. 8, a bill to amend the Internal Revenue Code of 1986 to phase out the estate and gift taxes over a 10-year period:

Trent Lott, Bill Roth, Charles Grassley, Larry E. Craig, Chuck Hagel, Jeff Sessions, Pete Domenici, Strom Thurmond, Jon Kyl, Thad Cochran, Jim Bunning, Craig Thomas, Kay Bailey Hutchison, Susan M. Collins, Don Nickles, and Wayne Allard.

The PRESIDING OFFICER. By unanimous consent, the quorum call has been waived.

The question is, Is it the sense of the Senate that debate on the motion to proceed to H.R. 8, a bill to amend the Internal Revenue Code of 1986 to phase out the estate and gift taxes over a 10-year period, shall be brought to a close?

The yeas and nays are required under the rule.

The clerk will call the roll.

The assistant legislative clerk called the roll.

The yeas and nays resulted—yeas 99, nays 1, as follows:

[Rollcall Vote No. 173 Leg.]

YEAS—99

Abraham
Akaka
Allard
Ashcroft
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bryan
Bunning
Burns
Byrd
Campbell
Chafee, L.
Cleland
Cochran
Collins
Conrad
Coverdell
Craig
Crapo
Daschle
DeWine
Dodd
Domenici
Dorgan
Durbin
Edwards
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Hagel
Harkin
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kennedy
Kerrey
Kerry
Kohl
Kyl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
Mack
McCain
McConnell
Mikulski
Moynihan
Murkowski
Murray
Nickles
Reed
Reid
Robb
Roberts
Rockefeller
Roth
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Torricelli
Voinovich
Warner
Wellstone
Wyden

NAYS—1

Hollings

The PRESIDING OFFICER. On this vote, the yeas are 99, the nays are 1. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

Mr. ROTH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. Enzi). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Montana.

### UNANIMOUS-CONSENT REQUESTS

Mr. BAUCUS. Mr. President, I ask unanimous consent that upon disposition of the Interior appropriations bill, the Senate proceed to the consideration of the China PNTR legislation and that the first amendment in order to the bill be Senator Thompson's China sanctions amendment.

The PRESIDING OFFICER. Is there objection?

Mr. GREGG. Mr. President, reserving the right to object, obviously, the PNTR bill is an extremely important bill. This body understands that. Certainly those of us on this side of the aisle who have been the force for expanding trade in this world, who have been basically the majority vote of things the President has wished to do—for example, on the African free trade agreement and on NAFTA, two areas where it was really our side of the aisle that carried the ball for the administration, as they tried to open our trade opportunities across the world—are strongly supportive of the concept of PNTR.

But there is still a fair amount of work that has to be done before we can bring it to the floor. Specifically, as was alluded to, there is the Thompson amendment, which would be nice to be able to deal with independent of PNTR. There are also other issues which we are going to have to address before the PNTR is ripe for consideration.

So at this point I would have to object, although it is clearly the intention of our side of the aisle to bring up the PNTR issue and to hopefully pass it, as we did with NAFTA and as we did with the African free trade agreement. So I object.

The PRESIDING OFFICER. Objection is heard.

Mr. BAUCUS. Mr. President, I hope the majority side will not object. PNTR transcends all other issues that are before the Senate. It is an international issue. It is a public policy, a foreign policy issue, one which clearly falls in the category of politics stopping at the water's edge.

This measure is monumental in its implications. It must pass. The sooner it passes, the better. Delay is danger. We all know that our relations with China are extremely important but also tenuous. The more this issue is delayed, the more likely it is that some untoward, unanticipated, unexpected event might occur which would deteriorate relations between our two countries and make it more difficult to pass a very needed piece of legislation.

I understand the majority's concern about scheduling, about appropriations bills, about other matters. But I strongly urge the majority party and the leader of the majority party, who correctly sets the schedule, to put politics beyond this, to put policy, public interest, and national security above all the other concerns that are legitimate here in the Senate because once PNTR is set for a vote this month, I predict that the logjam will break. It will be easier then to take up other measures.

I very strongly urge the Senator from New Hampshire to pass the word on to the majority leader, and others, of the importance of bringing this bill up in July—this month, a date certain—so we can begin to establish a relatively comprehensive and solid relationship with the country that is going to be probably one of the most important countries that this country is going to be dealing with in this next century. It is absolutely critical.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. Mr. President, I commend the distinguished senior Senator from Montana for making the point again, with his unanimous consent request this morning, that we are simply asking for a date certain.

I am concerned that this issue, as was discussed and reported yesterday, could slip into September. If it slips into September, it might not be considered at all. In September there will be little opportunity to confront what we know is going to be a difficult challenge for us in terms of procedural factors in the consideration of this legislation.

So I have a very deep concern about this legislation slipping. This needs to be done this month. It ought to be done this week. We are going to continue to press for its consideration. I applaud the Senator from Montana in his willingness to do it.

There is an array of legislation that has been left undone. We will call attention to those issues as often as we can to encourage and to welcome the involvement and participation on the other side.

Another issue is the H–1B bill. It has been languishing now for a long period of time. I have expressed a willingness to cut down the amendments that we know are pending on the H–1B bill from the scores, maybe even over 100 amendments that could be offered to 10 amendments with time limits—with time limits. We would be willing to consider the H–1B bill with a time limit on each amendment, taking it up as soon as possible, in an effort to get that legislation passed as well. For whatever reason, the majority has continued to refuse to allow us consideration of the H-1B legislation as well.

The Patients' Bill of Rights, the prescription drug bill, the minimum wage bill, education amendments, the juvenile justice legislation—there is a legislative landfill, that gets larger and larger, in large measure because of the reluctance and outright opposition on the part of some of our colleagues on the other side to deal with these issues in a constructive manner in order that we may complete them yet this year.

Mr. DASCHLE. So, Mr. President, I again ask unanimous consent that upon the disposition of the Interior appropriations bill, the Senate proceed to the consideration of S. 2045, the H-1B visa bill, that it be considered under the following time agreement: One managers' amendment; that there be 10 relevant amendments per each leader in order to the bill; that relevant amendments shall include those related to H-1B, technology-related job training, education and access, and/or immigration; that debate on those amendments shall be limited to 30 minutes, equally divided in the usual form, and that relevant second-degree amendments be in order; that upon the disposition of the amendments, the bill be read a third time and the Senate vote on final passage.

The unanimous consent request would allow us to complete the H-1B bill in one day—one day. So I am hoping our colleagues will agree to this. I ask that unanimous consent at this time.

The PRESIDING OFFICER. Is there objection?

Mr. GREGG. Mr. President, reserving the right to object, the H-1B bill happens to be a priority of this side of the aisle. I would be happy to move to this if we could move to the H-1B bill. Unfortunately, the Democratic leader isn't proposing that we move to the H-1B bill. What the Democratic leader is proposing is that we move to an extraneous agenda attached to the H-1B bill, that we bring to this bill debate on all sorts of issues which have no relevance to H-1B. In fact, we have offered, on this side of the aisle, to bring up the H-1B bill with relevant amendments. That has not been accepted by the other side of the aisle.

We are continuing to be agreeable to bringing up the H-1B bill with relevant amendments. There is no question but that we should pass the H-1B bill. I do sense a touch of crocodile tears coming from the other side of the aisle because, as a practical matter, almost all the bills that are listed as being held up, such as the education bill—the PNTR is a little different class, but the H-1B bill, for sure—are being held up not because of the underlying bill, not because the underlying issue is in contest as to whether or not we should take it up—we are perfectly willing to take up those issues on this side of the aisle and have propounded a series of unanimous consent requests to accomplish exactly that—but it is because there is a whole set of other agenda items, which the Democratic leader has a right to and desires to bring up, but he cannot bring them up on those bills and then claim he is bringing up those bills, because he is not bringing up those bills; what he is bringing up is those bills plus an agenda as long as my arm of political issues that they wish to posture on for the next election.

If he wishes to bring up the H-1B bill with three relevant amendments, or even five relevant amendments, on each side, we would be happy to accept that type of approach.

I have to object to the present proposal, but I would be happy to propound a unanimous consent which limits discussion to relevant amendments, if the Democratic leader is willing to pursue a course of bringing up H-1B with relevant amendments. On the proposal as laid out by the Democratic leader, I object.

The PRESIDING OFFICER. Objection is heard.

The Democratic leader has the floor.

Mr. DASCHLE. Mr. President, to respond, I don't know what would be nonrelevant about technology-related job training. Is that relevant to H-1B? Of course, it is. I don't know what would be nonrelevant about technology-related education amendments. What could be nonrelevant about a technology-related education and access amendments? What is nonrelevant about immigration amendments? We are talking about the possibility of allowing 200,000 new immigrants to enter our country to work. We want to offer amendments we feel are relevant to H-1B, and we are not allowed.

Senators want to be Senators. In the Senate, we offer amendments to bills. We want to get this legislation passed as well. In the true tradition of the Senate, we ought to be able to offer amendments, relevant amendments.

Mr. GREGG. Mr. President, if the Senator will yield for a question, that is our position.

Mr. DASCHLE. I am happy to yield to the Senator from New Hampshire for a question.

Mr. GREGG. If the Senator's position is he is willing to allow relevant amendments, then we can develop a unanimous consent request which says "relevant amendments." Is that the Senator's position? The Senator just used the world "relevant" three times to describe the amendments he would propound. Therefore, it should not be a problem for the Senator to offer relevant amendments.

Mr. DASCHLE. Does the Senator from New Hampshire not think these issues are relevant?

Mr. GREGG. Mr. President, I always allow the Parliamentarian to determine relevancy, as the Democratic leader has always allowed the Parliamentarian to determine relevancy. That is why, when we use the term "relevant," if we both agree on the term "relevant," let's put it in the unanimous consent request and move forward.

Mr. DASCHLE. I am more than happy to deal with relevant amendments. Of course, as the Senator from New Hampshire knows, according to the strict definition of the word "relevance," our amendments would have to be related specifically to H-1B. He is unwilling to talk about relevant amendments as we understand it in the English language. Under the common understanding of the English language, "relevance" would allow the consideration of an immigration-related amendment during the H-1B debate because the H-1B bill is an immigration bill. It would allow technology-related education amendments to be considered relevant to the H-1B bill in this context. Certainly, technology-related job training amendments would be "relevant" under our common understanding of that term, but you can hide behind those specific defenses if you like. Again, I am happy to yield.

Mr. GREGG. Is it the position of the Senator that the Senate does not function under the English language?

Mr. DASCHLE. It is the position of this Senator that the term "relevant" fits the amendments that we have attempted to offer. Of course, the reason why our colleagues don't want to deal with these issues is not because they are not relevant. It is because they don't want to vote on immigration issues. They don't want to vote on education. They don't want to vote on technology-related job training. They have a take-it-or-leave-it approach to consideration of important legislation such as this.

We can go back to the time when they were in the minority. Relevance was never a question then for them. Then relevance was something they considered and accorded the right of every Senator, just as we are now advocating. We are talking about relevance. We are talking about the importance of relevant amendments.

Mr. KENNEDY. Will the Senator yield for a question?

Mr. DASCHLE. I am happy to yield to the Senator from Massachusetts.

Mr. KENNEDY. In response to the Senator, one of the amendments is to try to make sure that in the future there is going to be adequate training so we are not going to have to offer these jobs necessarily to immigrants, but they would be available to Americans who do not have those skills. To make an argument on the floor of the Senate that we are going to deny American workers the kind of training to get these high-paying jobs and participate in the expanding economy is just preposterous. That evidently is what the Senator from New Hampshire is doing. That is one of the key amendments that has been objected to by the Republicans.

This is what we are trying to do, to have training programs that are basically structured or organized, or education in the computer sciences through the National Science Foundation, through existing training programs so that we are not duplicating other training programs. It has been objected to.

I commend our leader. These are common sense amendments to an issue which can mean a great deal in an expanding economy and can make a great difference to American workers.

I cannot understand—I do understand because I think the Senator has been correct—why our Republican friends are constantly objecting to common sense measures which are absolutely relevant and absolutely essential in terms of the H-1B issue.

Mr. DASCHLE. The Senator from Massachusetts is absolutely right. He said it so eloquently. This is a relevance issue. Whether or not we continue to allow immigrants who come in to meet certain skill demands in this country is directly relevant to whether or not we are going to have an educated workforce. It is directly relevant to whether or not we are going to put the resources forward to train American workers in order to ensure that we might someday fill these jobs with workers from this country. If that is not relevant, I really don't know what is.

I yield to the Senator from North Dakota.

Mr. DORGAN. Mr. President, I appreciate the Senator from South Dakota yielding. Since the Senator from New Hampshire wants to discuss the meaning of the term "relevant," as the Senator from New Hampshire knows, the rules of the Senate have words that are used and interpreted in very narrow and unique ways. The term "relevant" has a very narrow meaning here in the Senate by which we make a judgment about which amendments might be in order. But the term "relevant" is not related to common sense, in the Senate at least.

Let me give an example. On the issue we were talking about this morning, the estate tax repeal proposed by our friends on the other side of the aisle, the Forbes 400 wealthiest Americans would benefit to the tune of $250 billion in 10 years. Now, if one says, as they propose, let's give a $250 billion tax exemption to the 400 wealthiest Americans as identified in Forbes magazine, and if we say, we have another idea for that tax repeal—instead of giving that tax relief to the 400 wealthiest Americans, let us instead give it to middle-income families with an enlarged tax credit for tuition so they can send their kids to college; or let us widen the 15-percent bracket to enable more families to take advantage of that low rate; or let us enact a prescription drug benefit for people who need prescription drug coverage—in short, if we propose a different way to use that revenue that in our view would be more effective and more important, we are told that is not relevant. You can't offer that, we hear. That is not relevant.

Of course it is relevant. My colleague just talked about common sense. Someone once described common sense as genius dressed in work clothes. There is no common sense on the issue of relevancy with respect to the Senate rules. Yet that is exactly the shield behind which they want to hide on these issues.

We have a right to offer amendments. We have a right to offer amendments that relate to the subject at hand. The proposal by the majority side is to prevent us from that opportunity. Our reaction to that is, "Nonsense." We have a right to do that. We have an absolute right to do that, as Members of the Senate.

Mr. DASCHLE. Mr. President, reclaiming the floor, let me end by saying again, I am disappointed.

I note the Senator from New Hampshire offered a sense-of-the-Senate resolution relating to Social Security on the Commerce-State-Justice bill in the last Congress. There was no concern then about whether it was relevant or not. Our distinguished majority leader offered an amendment relating to prayer in schools and at memorial services on the juvenile justice bill last year. Again, there was no concern about relevance. Senator HELMS offered an amendment that some of us may recall having to do with a patent for the Daughters of the Confederacy on the community service bill. He also offered a Lithuanian independence resolution on the Clean Air Act. Senator NICKLES offered an amendment to require a supermajority for tax increases on the unemployment insurance extension. Senator ROTH has offered tax cuts on appropriations bills.

There is a lot of interesting history having to do with relevance and amendments that may or may not pertain directly to the bill under Senate consideration. That is all we are asking.

What is even more noteworthy is the fact that we are willing to limit ourselves to 10 amendments with time limits. You can't do much better than that. What is good for the goose is good for the gander. If we could accommodate our distinguished colleagues in the past when they have offered amendments, certainly they should accommodate us. That is why the relevancy issue is so important here.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, the issue being debated and brought forward by the minority leader was that he wanted to take up and discuss H-1B. The presentation was for the purpose, at least formally it appeared, of taking up the H-1B issue. We are willing to take up the H-1B issue. And we are willing to do it with relevant amendments. Now, the other side says that is not the English language and it is not common sense to use the term "relevant." That term has been used for the past 200 years in this body, and I think it is reasonable to continue to use it.

On a number of occasions, we have presented unanimous consent requests asking that we be allowed to take up the H-1B legislation with relevant amendments. In fact, the Democratic leader said specifically that the amendments he was talking about would be relevant. He used the term "relevant." I understand that was more in the context of not necessarily the Senate, but in any event he used the term "relevant."

Right now, I am going to propound a unanimous consent request. I ask unanimous consent that it be in order for the majority leader, after consultation with the Democratic leader, to proceed to Calendar No. 490, S. 2045, the H-1B legislation, and it be considered under the following limitations:

Three relevant amendments per each leader in order to the bill; No other amendments in order other than second-degree amendments which are relevant to the first-degree amendments.

I further ask unanimous consent that following the disposition of the above amendments, the bill be read the third time and the Senate proceed to a vote on passage, with no intervening action or debate.

The purpose of this unanimous consent request is to bring up the H-1B visa issue, which I believe should be brought to the floor with relevant amendments.

Mr. REID. Mr. President, reserving the right to object, we have certainly made clear that in 1 day we would totally complete the debate on this legislation. Under the unanimous consent agreement we have offered, in 1 day we would be completed with H-1B. In fact, in the time we have spent procedurally trying to get this done, we would have already finished two amendments.

I think we would be much better off treating the Senate as the Senate. My friend from New Hampshire said for 200 years there has been a meaning of "relevance" in the Senate. Of course, that is true. It has changed under different precedents that have been set, but we think the one thing that has not changed—but they are trying very hard to change it—is how debate proceeds in the Senate. We are willing to even change how we feel we should proceed. We believe H-1B should be brought up and that debate should be completed on it. We would be through with that probably in 2 days. We are willing to cut that back to 1 day. I respectfully say that I object and I offer again, without restating it, the unanimous consent request.

The PRESIDING OFFICER. Objection is heard. The Senator from New Hampshire has the floor.

Mr. REID. Mr. President, I suggest to my friend from New Hampshire that he strongly consider the agreement we have offered—that H-1B be brought up and debate be completed in 1 day. That is what we should do. It would be better for the Senate and for the country.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. ROTH. Mr. President, what is the regular order?

The PRESIDING OFFICER. Debate on the motion to proceed on the bill under cloture, with 30 hours of debate for consideration.

Mr. REID. Mr. President, I ask my friend this, without his losing the floor. There are a number of Senators here to speak postcloture and debate the motion to proceed. Perhaps, we can agree on some order that people could speak. On your side, you have seven Senators and we have about the same number. Each person is entitled to 1 hour. People on our side would be willing—with the exception of one Senator—to take 30 minutes. I wonder if it is agreeable.

Mr. ROTH. Thirty minutes a person?

Mr. REID. Yes, instead of the 1 hour to which they are entitled. I wonder if you would agree to alternate back and forth—the majority and minority.

Mr. ROTH. I think we can agree to alternate back and forth; but as to who, at this time, we are not certain in what order. I will go ahead, and why don't we have some informal discussions to see how we proceed after that?

Mr. REID. That is appropriate. In the meantime, our people will speak.

Mr. ROTH. Mr. President, I rise today in support of the majority leader's motion to proceed to H.R. 8, the Death Tax Elimination Act of 2000, which overwhelmingly passed in the House by a vote of 279-136. As I pointed out before, that vote of 279 included 65 Democrats. So it was, indeed, a bipartisan vote in support of this legislation.

Before going into the details of the legislation, I'd like to talk about the rationale for this bill and the debate around it.

Some ask why are we concerned about the death tax. Only 2 percent of estates pay the tax. Many of those taxpayers have the resources to minimize the tax. Even if they have to pay the tax at rates approaching 60 percent, the balance of the estate is available for the beneficiaries. The other 98 percent of estates need not worry about it. Those in this position also argue that the revenue raised by the estate tax is better spent on Federal programs than kept by the children.

I guess it all depends on your perspective. The opponents of death tax repeal look at an estate as a thing, such as money or property, detached from the person that created it. From their view, it is a valuable resource for an ever-expanding Federal Government.

There is another view. If you look behind the statistics and revenue figures, you will see an estate as something that represents a lifetime of actions by the individuals and families. Every day a person makes decisions to sacrifice, work harder, and save. And every day these hardworking families are taxed on what they earn. Over a lifetime, this daily dedication adds up. It is natural that the families who created the wealth, by a lifetime of working hard and paying taxes, would want the benefit of their work to go to their families. That is, to stay within the family rather than be broken up and sent to Washington.

I take this latter view. Coming from a small state, like Delaware, I meet a lot of small business people and farmers. Everybody knows how hard these folks work, and if they are successful, they are in the position to pass along a family business or farm to their families. The death tax is a serious obstacle to these family farmers and small business people. Not only is a major portion of their hard work taken by the Federal Government, and spent here in Washington, DC, but the need for cash to pay the tax often ends up causing a sale of the farm or small business.

It is this fundamental unfairness, with particular grief inflicted on family farms and small business at the worst possible time, that, I believe, has resulted in bipartisan support for repealing the death tax. Nine Senate Democrats and 65 House Democrats, better than 20% of the Democratic caucuses of each body, support repeal of the death tax.

You're going to hear that family farmers and small businesses are already protected from the current death tax. Thanks to the Taxpayer Relief Act of 1997, we, on this side of the aisle, won a hard fought concession for estate and gift tax relief. Under that legislation, a family farm or small business couple can shield up to $2.6 million, on a phased in basis, from the death tax. Since that legislation became law, however, I have heard that the provision is technically and practically difficult for family farmers and small businesses to use. It seems that the better and simpler approach is to rid our family farmers and small businesses of the burden of this tax.

I'd like to turn to the bill before us.

The bill is substantially similar to the estate tax provisions in the tax bill that was vetoed by the President last year. Some may ask why this House bill did not come through the Finance Committee. The reason is that the bill holds to the estate tax provisions the House and Senate agreed to last year. Since the Finance Committee has already debated and approved these provisions and we have negotiated these provisions with the House, I saw no need to process the bill in the committee.

There are really two time periods to which the bill applies. In the first period, generally from 2001 to 2009, estate tax relief is provided on several fronts. In the second period, beginning in 2010, the whole estate and gift tax regime is repealed.

During the first part, from 2001 to 2010, the estate and gift tax rates are reduced on both the high end and low end. On the low end, currently, there is a unified credit that applies to the first $675,000 of an estate. That amount is scheduled to rise to $1 million in 2006.

While current law provides some relief for the smallest estates, for modest estates, those above the credit amount, a high tax rate applies. For example, now a decedent's estate of $750,000 faces a tax rate of 37 percent on each dollar over the credit amount. Keep in mind that's where the rate starts. For larger estates, the rates can be as high as 60 percent.

For the lower-end estates, the bill converts the unified credit to an exemption. What this means is that estates right above the unified credit amount, will face tax rates starting at 18 percent rather than 37 percent. In other words for modest size estates, this bill cuts the tax rate in half.

For the larger estates, some now facing marginal rates as high as 60 percent, the bill includes a phased in rate cut. The rates are reduced from the current regime, with its highest rate of 60 percent, down to a top rate of 40.5 percent for the highest end estates. Keep in mind that the base of the tax is property, not income, and the rate is still above the highest income tax rate of 39.6 percent.

Prior to full repeal in 2010, the bill would also expand the estate tax rules for conservation easements to encourage conservation. In addition, the bill provides some simplification measures for the generation skipping transfer tax.

In 2010, the whole estate and gift tax regime is repealed. At the same time, a carryover basis regime is put in place instead of the current law step up in basis. This means that all taxable estates—again, I want to emphasize the words "taxable estates"—that now enjoy a step up in basis will be subject to carryover basis. Carryover basis simply means that the beneficiary of the estate's property receives the same basis as the decedent. For example, if a decedent purchased a farm for $100,000 and the farm was worth $2,000,000 at death, the tax basis in the hands of the heirs would be $100,000. The step in basis is retained for all estates in an amount of up to $1.3 million per estate. In addition, transfers to a surviving spouse would receive an additional step up in the amount of $3 million.

The House passed the bill on a bipartisan basis with 65 Democrats voting in favor of repeal of the estate and gift taxes. Now is the Senate's opportunity to pass this bill on a bipartisan basis and send it to the President. It is my understanding this will be the only chance this year that we will have to pass this bill and repeal estate and gift taxes. If we fail, the bill dies. If we come together and vote in favor of the House bill—estate tax repeal that the Congress passed last year—it will go directly to the President for his signature.

Our family owned businesses and farms must not be denied this relief. This should not be a partisan issue.

Unfortunately, the White House has indicated its opposition to repeal of estate and gift taxes and has promised to veto this bill. With roughly $2 trillion of estimated non-Social Security surpluses over the next 10 years, I believe the approximately $105 billion cost of repealing estate and gift taxes to be well within reason—it is only about 5 percent of the projected budget surplus.

Other than being a money grab—estate and gift taxes do not serve any legitimate purpose. They certainly don't keep people from dying.

Taxpayers are taxed on their earnings during their lives at least once. Our nation has been built on the notion that anyone who works hard has the opportunity to succeed and create wealth. The estate and gift taxes are a disincentive to succeed and should be eliminated. It is the right thing to do, and it is the right thing to do now.

It has been said that there are only two certainties: death and taxes. The two are bad enough, but leave it to the Federal Government to find a way to make them worse by adding them together. This is probably the worst example of adding insult to injury ever devised. Yet Washington perpetuates over and over again on hard working families who have already paid taxes every day they have worked.

I urge my colleagues to support the motion to proceed to this bill.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. DORGAN. Mr. President, I listened with interest to the discussion by the Senator from Delaware. This is an issue brought to the floor of the Senate by those folks who believe that the estate tax ought to be repealed over the next 10 years—that it ought to be phased in and repealed completely. They call it a death tax.

There are some things we agree with and other things on which we don't agree. Let me discuss an area of agreement. I think most Members of Congress believe the estate tax ought to be reformed in a manner that prevents a small business or family farm that is being passed from the parents to the children from having some sort of crippling estate tax apply to that transfer. I think almost all Members agree that should not happen. We want to encourage the transfer of a family farm and a small business to the children. We want to encourage parents giving their family farm or small business to their children to operate and keep that small business open. To do that, we ought to provide a specific exemption for family farms and small businesses. We provide such an exemption now in current law, but it is not high enough. We ought to make it high enough so no family farm or small business gets caught in this web.

I propose $10 million. In fact, I cosponsored a piece of legislation authored by the Senator from Oklahoma a couple of years ago that had a $10 million ceiling in it with respect to the estate tax applied to a family farm or small business. We can increase the exemption so as to make sure no one has to worry about the interruption of the operation of a farm or small business. That is not rocket science. We can do that.

That is not the issue here. We want to offer an amendment to do that. If we ever get the estate tax repeal bill on the floor, we will offer an amendment that would say, "Let's not repeal it; let's instead provide a substantial increase in the exemption so family farms and small businesses are not hit with an estate tax." So that question is off the table.

The question now is, will some sort of estate tax remain? In the newspaper this morning there is a story about a fellow worth about $900 million, a big investor-type from New York. I will not use his name. He is using his personal money to spend $20 million on television advertising between now and the November election on the issue of education, particularly the issue of vouchers with respect to education.

It is his right to do that. Here is a person who amassed a fortune of $900 million, according to the newspaper, a terrific amount of money. He is just short of a billionaire. If that person at some point should die—and of course, everyone does—and that person's son or daughter gets an inheritance of $500 million because of the estate tax, who will stand on the floor and say shame on Congress for taking away part of that estate through an estate tax.

The question is, Are there some in this country at the upper scale of income and wealth whom we should expect to be able to pay an estate tax? They have lived in this wonderful country, enjoyed the bounty of being an American, been able to become a millionaire, a billionaire. The wealthiest 400 people, according to Forbes magazine, would get a $250 billion tax windfall in estate tax reductions under the proposal for complete repeal. There were 309 billionaires in the United States in 1999. More than one half of the billionaires in the world live in the United States. That is not a bad thing. That is a good thing. That is wonderful. What a great economy. What a great place to live and work and invest.

However, we have in this country a tax on estates. The majority has proposed eliminating the tax altogether, repealing it completely. According to the Treasury Department, when fully phased in, in the second 10 years, this would reduce federal revenues by $750 billion. We on the other hand have proposed to make changes in the estate tax to provide a sufficient exemption so that no family farm or small business is caught in the web of estate taxes. But we also believe that we ought to retain the revenue from some of the largest estates currently taxed in order to evaluate other possible uses for that revenue.

Incidentally, the motion to proceed to this is a debate about proceeding to this or something else. Is total repeal of the estate tax the only thing that represents a priority in Congress? How else might we use this money, $250 billion, that under the present proposal would go to the wealthiest 400 people in our country? How else might we use that $250 billion? What about giving it to working families in the form of a tax break, an increased tax credit for college tuition to help parents send their kids to school?

That seems reasonable to me. Or what about the possibility of using part of it to help pay down the Federal debt? During tough times, if we have run the Federal debt up to $5.7 trillion, how about during good times paying it down again? Perhaps we could use part of this revenue to pay down the debt. Or what about the proposition to use part of this revenue to provide a prescription drug benefit for those who are on Medicare? Those Americans who reach their senior years and have the lowest incomes of their lives are now discovering that the miracle drugs they need to extend and improve their lives are not available to them all too often because they cannot afford them. The drugs are priced out of reach.

Senior citizens have told me in hearings that when they go to the grocery store they go to the back of the store first because that is where they sell the prescription drugs. That is where the pharmacy is. They must go to the back of the grocery store to buy their prescription drugs to deal with their diabetes and their heart trouble and arthritis because only then will they know, after they have paid for the prescription drugs they need, only then will they know how much money they have to buy food. Only then will they know how much money they have left to eat.

What about using some of that estate tax revenue to provide a prescription drug benefit for the Medicare program rather than $250 billion for the richest 400 Americans?

The majority party has said: We intend to demand the repeal of the estate tax by bringing a bill to the floor, and we don't want to mess around with your amendments. In fact, the narrow crevice here in the Senate on relevancy would say it is not relevant for my colleague, the Senator from Illinois, to offer an amendment and say we are debating the repeal of $250 billion of tax obligation to the wealthiest 400 Americans, so I have another idea on what we ought to do with that $250 billion. I propose we use it to provide a prescription drug benefit in the Medicare program. It would only require part of that revenue. But that is his idea.

Under the narrow rules of the Senate, the majority says that is not relevant. We are not within the relevancy rules of the Senate, so we have no right to offer that idea. We have no right to offer that amendment.

We will and should have a longer and expanded debate about this issue. If we have the opportunity to offer amendments and have up-or-down votes on issues, we will have an opportunity to take away, forever, the proposition that small businesses or family farms are going to be caught with an estate tax. We will offer an amendment that provides a threshold beyond which no family farms or small businesses will be ever threatened by an estate tax.

That is not going to be the issue. The issue is much narrower than that. It is, Should we give up the revenue derived from an estate tax applied to the wealthiest estates in America? Should we give up revenue that could be used for other things, including reducing the Federal debt, providing middle-income tax relief, providing prescription drug benefits, or other urgent needs, or should we only decide our priority for the $250 billion is to relieve the tax burden on the estate of the wealthiest Americans? That is the question.

The question we are dealing with this morning is a motion to proceed to this issue. Proceed to what? Proceed to the estate tax repeal. Shall we proceed to debate the estate tax repeal? I have another idea. How about proceeding to debate the issue of prescription drugs in the Medicare program?

That is a bigger priority for me at the moment. Let's get that done. We have a very limited time between now and the middle of October when this Congress will complete its work. Let's proceed to do a Patients' Bill of Rights that gives real protection to patients in the health care system. Let's enact one that would say to a patient: You have a right to understand every option for your medical treatment—not just the cheapest —every option for your medical treatment; you have a right to that.

Some say we have debated that. Yes, we debated it and passed a patients' bill of goods, not a Patients' Bill of Rights. It is a hollow vessel. Let's get that back to the floor. Let's have a vigorous and aggressive debate. Let's have a discussion about the issues we have raised.

Let's have a discussion about the woman who was hiking in the Shenandoah mountains and fell off a 40-foot cliff and was taken to an emergency room with a concussion in a coma and multiple broken bones. After substantial medical treatment, she survived, only to be told by her HMO: We are not going to cover your emergency room treatment because you did not get prior approval to go to the emergency room.

This is a woman who was hauled in on a gurney in a coma and did not have prior approval for emergency room treatment. Let's talk about that.

Let's talk about a young boy named Ethan whose physical therapy was cut off. He was born with cerebral palsy, and it was judged by a managed care physician, or a managed care accountant, perhaps, that he had only a 50-percent chance of walking by age 5 and that was "insignificant": Therefore, the HMO said, we won't cover the rehabilitation therapy. Think about that. A 50-percent chance of walking by age 5 for young Ethan was deemed "insignificant" and so the HMO wouldn't cover his rehabilitation therapy. Let's talk about that.

Pass a motion to proceed to a Patients' Bill of Rights, and we will talk about these cases and these issues.

Let's talk about the young boy who died at the age 16. Senator REID and I had a hearing in Nevada. The young boy's mother told the tragic story. As she took her seat, she was crying and was holding aloft a large color picture of her 16-year-old son who had died, having been denied the treatment he needed to fight his cancer by the managed care organization. She said with tears in her eyes, holding a picture of her son aloft: My son looked at me and said: Mom, how can they do this to a kid?

Let's have a motion to proceed to talk about those issues. That is a priority with me.

This question of a motion to proceed is a question about what is important, what are our priorities. I say bring a Patients' Bill of Rights and have an aggressive, full debate. That issue has been in conference, and the conference has not moved a bit. The last time I mentioned that one of my colleagues protested: Oh, we have made a lot of progress. Month after month there has been no progress at all. When I heard that, I told him at least glaciers move an inch or two a year. There is no evidence that conference is alive. On a Patients' Bill of Rights, nothing is happening.

But, boy, take the estate tax repeal, just give some people around here a whiff of providing some big tax cuts to the wealthiest Americans and, all of a sudden, it is as if they had an industrial strength Vitamin B–12 shot. There is nothing but scurrying around this Chamber. Boy, are they excited.

We are excited about some other things. In fact, there are plenty of ideas for middle-income-tax relief. If we want to talk about tax cuts, we should be cautious because economists really do not have the foggiest idea what is going to happen 2, 4, 6, 10 years from now. They just do not know. We have been through a period in which we think this economy will never go into reverse; we think the business cycle has been repealed. It has not. We are going to go through periods of contraction, and we are going to continue to have economic conditions that we cannot predict. So we ought to be cautious about predictions of large, unrelenting surpluses.

Nonetheless, if we have surpluses in the future that are as generous as now predicted, it is perfectly reasonable for us to be talking about some targeted tax cuts that will make a real difference in the lives of people. There are plenty of such areas; repealing the estate tax for the wealthiest Americans does not rank high among them.

Yes, getting rid of the estate tax for family farms and small business does rank high. We are prepared to offer that amendment. If our amendment is adopted, we are not going to have the interruption of a family farm or small business when it passes from parents to children.

As I indicated earlier, there are 309 billionaires in this country. More than one-half of the billionaires—that is with a B—more than one-half of the billionaires in the world live in the United States. Good for us and good for them. I am as delighted as I can be with all that success. Many of them believe as I do that their estate ought to bear some estate tax when they die, and that estate tax, which we now receive, can be used for some other productive investments.

Some have an idea—incidentally, I have worked on it some as well. My colleague from Nebraska has worked on a proposal called KidSave, which would invest in supplementary savings accounts for children. In fact, we could develop a proposal which I have worked on that would in which the largest estates bearing an estate tax would help provide a modest pool of savings for every baby born in this country who then could access those savings upon, for example, the completion of high school.

What a wonderful incentive it would be to say to people that if they pay attention and do their homework and graduate from high school, a reward will be waiting for them. There are all kinds of ideas. But the only idea that moves around this Chamber is an idea on that side of the aisle that says we must repeal the entire estate tax and we must do it through a vote on this issue in this Chamber and we must do it by denying the minority the opportunity to offer any significant amendments.

Mrs. BOXER. Will my friend yield for a question?

Mr. DORGAN. I will be happy to yield.

Mrs. BOXER. I thank my friend for his eloquence on this point. Doesn't it really come down to on whose side are you? For whom do you come here to work? That is what my friend is saying. He is saying that if we did a fair alternative to the Republicans on this estate tax repeal, we can take care of those small family businesses, the farms, the people who have homes and have a lot of investment in them. We can essentially say only the very wealthiest, the ones who, frankly, owe a lot to the greatness of this Nation, the opportunity this Nation provides, their heirs would pay something and they would still wind up with millions and millions of dollars. My colleague is saying, maybe even with a little bit of courage around here, we could target those funds to those who deserve to have the same shot.

I just held in my State of California a very important seminar, which was a learning experience for me, on the cost of child care and the availability of important early education. What I learned is that in California, only one in five kids who need quality child care even has a slot. For four out of five of the kids, there is not even a slot. And if one is lucky enough to have a chance at that slot, does my colleague know what it costs? Almost as much as it does to go to a private college.

I applaud my friend and ask him this question: Isn't this motion to proceed really about whose side are we on around here? Are we on the side of the vast majority of the people who get up every day and work hard and want a little attention to their problems—prescription drugs, Patients' Bill of Rights, the things my friend has discussed, quality education, quality child care—or those who earn in the billions, and I say billions because that is really who is going to be impacted by this repeal. I ask my friend that question.

Mr. DORGAN. I think the Senator from California is right. I was thinking also about the alternatives. We have had a lot of discussion and will have, I assume, a great deal more discussion on the ability to pass a family farm on to the children, and I certainly support that.

I want to have an exemption that will prevent the estate tax from snaring in its web the passage of the family farm from parents to children.

I will say to my friends who raise these issues, if you want to help family farmers, we have an amendment that will enable you to do that. But then you go further and say: We want to provide the richest 400 people in America a $250 billion tax break during the second 10 years. That is triple the amount of money each year that we now spend on the farm program.

We have this Freedom to Farm bill which is just devastating family farmers. Grain prices have collapsed. They have been collapsed for a long time. Perhaps we could take just a third of the amount of money they want to give in tax relief to the wealthiest estates in America—just a third of it—and say: Let's have a farm program that really keeps family farmers on the farm. It is not a priority for some. See, that is the problem.

It would be nice, for example—just in terms of what people think priorities are—if we could all go to an auction sale at some point. Arlo Schmidt, an auctioneer in North Dakota —he is a wonderful auctioneer—told me about a young boy about 8 years old who came up and grabbed him by the leg at the end of an auction sale.

This boy was the son of a farmer whose machinery and land were being sold. This little boy grabbed the auctioneer around his thigh and, with tears in his eyes, looked up at him, pointed at him, and said: You sold my dad's tractor. This little boy was very angry. He said: You sold my dad's tractor. Arlo said: I patted him on the shoulder and tried to calm him down a little bit. This was after the action was over. His dad's equipment was gone, and so on.

The little boy had none of this calming. The little boy, with tears in his eyes, said: I wanted to drive that tractor when I got big.

The point is, we have a lot of things happening in this country that relate to family values and our economy and to what kind of country we are. One of them I care a lot about, because I come from a farm State, is the health of our family farmers and their ability to make a decent living.

For those who would come to the Senate and say, let's get rid of the entire estate tax, I would say, regarding the wealthiest estates in our country, for you to flex your muscles and exert your energy to lift the burden of the estate tax from estates worth $1 billion, I do not understand it.

I do not understand it when we have so many other needs, such as the need for income tax relief for middle-income families —not the wealthy estates—the need to enact a family farm program so the farmers have a decent chance to make a living, the need to adopt a Patients' Bill of Rights, the need to include a prescription drug benefit in the Medicare program—and do it soon. There are so many needs, and what you have done is elevate the need for lifting the burden of the estate tax on the largest estates in our country, saying: That is job No. 1. That is our priority.

Mr. DURBIN. Will the Senator yield for a question?

Mr. DORGAN. I am happy to yield.

Mr. DURBIN. The Senator made reference to an alternative to the Republican proposal to eliminate the estate tax. I am reading from this alternative. I would like to have the comment of the Senator from North Dakota. The Democratic alternative to change the estate tax would increase the exemption from $1.3 million per couple to $2 million per couple by 2002, and to $4 million per couple by 2010; meaning, if your estate is at $4 million, in the year 2010 you would not pay a single penny in estate taxes. This would eliminate the tax on two-thirds of the estates currently subject to tax every year.

The Democratic alternative would also increase the family-owned business exemption from $2.6 million per couple to twice that, of a general exemption, to $4 million per couple by 2002 and $8 million per couple by 2010. This would remove almost all family-owned farms and 75 percent of family-owned businesses from the estate tax rolls.

So the Democratic alternative eliminates two-thirds of the families paying estate taxes in America, 75 percent of the family-owned businesses, and virtually all of the family farms under the Democratic alternative, for a fraction of the cost of the Republican approach.

I think the Senator from North Dakota has made it clear that the people who are left at that point paying the estate tax, under the Democratic approach, would include, if I have not mistaken his comment, the Forbes top 400 wealthiest people in America. They would still be paying the estate tax.

I would like to ask the Senator from North Dakota if I am not mistaken. Did he not say that the Republican approach, as opposed to the Democratic approach, would mean for the top 400 wealthiest people in America, the Republican tax break would be $250 billion? Was that the comment made by the Senator from North Dakota? It would be a $250 billion tax break for 400 people in America? That is the Republican priority that they want to bring to the floor, and not consider everything else the Senator from North Dakota has raised?

Mr. DORGAN. Mr. President, the Senator from Illinois is correct.

Let me give you another piece of information. The largest 374 estates would get an average tax cut of $12.8 million. The largest 1,062 of the estates in this country—about five-hundredths of 1 percent of the estates—would get an estimated average tax cut of $7 million each.

The point isn't to say that having made money in this country is wrong or you should be penalized for it. That is not my point. My point is not that. This is a wonderful place in which some people do very well. Many of them who do very well do so because they work day and night. They have a certain genius —and good for them. There are others, however, as all of us know, who are fortunate to inherit a substantial amount of money —and good for them as well.

But our proposition is simple enough; that on those largest estates in this country—I am talking about the very largest estates—should there not be the retention of some basic estate tax to create some revenue that can be used then to invest in the future of this country, invest in its children, invest in its family farmers, invest in our senior citizens? Because we now receive that revenue. If we decide to repeal that revenue, the question is, measured against what? Is this the most important, or are there other areas that are more important? That is what we ought to be discussing.

That is why the motion to proceed, I think, is the place to discuss this. We have on a postcloture motion a number of hours within which we can discuss this issue. I hope my colleagues will also take some time.

I know it is popular to say: You know something, this is a death tax. The reason they say that is they have pollsters who poll the words, and they have discovered that if they use the words "death tax," it is a kind of pejorative that allows people to believe: Well, OK, let's repeal the death tax.

It is much more than that. It is a tax on a decedent's estate that applies at certain levels and at certain times. I would agree with the majority party, if they say the exemption isn't high enough. It should be much, much higher. We want to make it much higher. But I would not agree, and do not agree, if they say: Let us repeal the estate tax burden on the largest estates in this country.

Again, let me say that there are many who have amassed very substantial estates who believe we should not repeal the estate tax burden. Incidentally, a substantial amount of charitable giving in this country is stimulated by the presence of an estate tax. I would not use that to justify its presence, but I would say that one additional result of a total repeal for the largest estates will, I think, have a very significant impact on foundations and charities in this country.

But we are going to have a very substantial discussion as we move along. This is a very important issue dealing with a lot of revenue. I must say, it is interesting that the issue is brought to the floor of the Senate without even going to the Finance Committee. I would expect the chairman and ranking member of the Finance Committee would express great concern about that. This is an issue that has just bypassed the Finance Committee, just being brought right to the floor of the Senate, with no hearings, no discussions, no markup in the Finance Committee.

It is also a circumstance where the majority leader has indicated he wants to bring this up, but he does not want people to offer amendments really. And if they are to offer amendments, he wants them to be relevant with respect to the decision of relevancy in the Senate, not with respect to what is relevant or nonrelevant about the subjects that are on the floor of the Senate.

For example, if the proposal is to substantially cut revenue by exempting the largest estates in this country from any estate tax burden, if that is the proposal, it would not be relevant in the Senate to say: I have another idea. Why don't we retain the tax burden on the largest estates, exempt the tax burden on the other estates, and then, instead of costing the extra $50 or $60 billion for the first 10 years and substantially move over the next 10 years, let's use that difference to provide a middle-income tax break, or let's use that difference to provide a larger tax credit for college tuition to send your children to college. Let's use that difference to provide a benefit of prescription drugs in the Medicare program. Let's use that difference to pay down the Federal debt that now exists at around $5.7 trillion—all of those ideas would be out of order and considered, under the arcane Senate rules, as nonrelevant.

Mr. THOMAS. Will the Senator yield for a unanimous consent request?

Mr. DORGAN. Of course, I yield, without losing my right to the floor.

## ORDER FOR RECESS

Mr. THOMAS. Mr. President, I ask unanimous consent that the Senate recess today from the hours of 12:30 to 2:15 in order for the weekly party conferences to meet. I further ask unanimous consent that the time count against the postcloture debate time.

The PRESIDING OFFICER. Is there objection?

Mrs. BOXER. Reserving the right to object, I know Senator WELLSTONE has been here a long time, and I have been here a long time. Is there any way we can work out an order of recognition when we come back after the conference lunches? I ask Senator ROTH if that would be possible.

Mr. WELLSTONE. Mr. President, I thank the Senator from California. I think it would be a good idea if we could work out an order, and I am pleased to do so.

Mr. ROTH. Mr. President, I request that the Democratic side give us a list of the order, and we will try to develop one as well. Then when the manager comes back for the Democratic side, we will see if we can't work that out.

Mrs. BOXER. I ask my friend, Senator DORGAN, after the party luncheons, if he intends to continue to speak.

Mr. DORGAN. No, Mr. President.

Mrs. BOXER. As we have it now, it is Senator WELLSTONE first and myself second. I would defer to our ranking member and the chairman to work this out. If you could take that into consideration, I will not object to the request.

Mr. WELLSTONE. Reserving the right to object, I wonder whether I could ask unanimous consent that I be allowed to speak since I have been here all morning, when we come back from the break.

The PRESIDING OFFICER. The Senator would have to repropound his request.

Mr. ROTH. Mr. President, Senator MOYNIHAN and myself will work this out. We will try to work it out so we can alternate back and forth.

Mr. WELLSTONE. I will not object.

The PRESIDING OFFICER. On the unanimous consent as originally propounded, is there objection? Without objection, it is so ordered.

The Senator from North Dakota has the floor.

Mr. ROTH. I have a parliamentary question.

The PRESIDING OFFICER. The Senator from North Dakota yielded for a unanimous consent to be propounded. The floor returns to the Senator from North Dakota.

Mr. DORGAN. Mr. President, the facts are not very evident with respect to this debate in most cases.

I thought it would be useful to quote from an interesting publication, the "Farm and Ranch Guide"—it is a well-known publication to most farmers and ranchers—an article by Alan Guebert, "A Tax Break for the Rich Courtesy of Family Farmers" is its title.

He points out that in 1997, according to Internal Revenue Service data, 1.9 percent of the more than 2 million Americans who died paid any estate tax at all; only 1.9 percent paid any estate tax at all.

> As skinny as that slice was, an even skinnier 2,400 estates paid almost 50 percent of all estate taxes . . .

His point was, there are not many estates that are subject to an estate tax. I believe we ought to enact a generous exemption for family farms and small businesses so that no family farms or small businesses will be caught in the web of an estate tax.

It is not as if this is a riveting debate, of course. The estate tax is a complicated issue. It can be highly emotional. As we see in the Senate today, it is not going to keep people glued to their seats.

I suggest, however, the purpose of taxation is to pay for things we do in this country together. We build roads together because it doesn't make sense for each of us to build a road separately. We build schools because it makes sense that we do that together. We provide for a common defense. It requires taxes to pay for all this. It is what we do as Americans.

I probably shouldn't name particular cities, but go mail a letter in some cities around the world and see how quickly that letter moves. Go drive on some roads in rural Honduras and see how well your tires hold up. Go take a look at some of the services in other parts of the world and then evaluate what your tax dollar buys in this country. That is part of our investment in America. Some say that the payment of taxes is something we don't like very much—I think all of us share that feeling—so let's relieve that burden. They come to the floor with a plan. The plan is in writing and says, what we want to do is relieve the burden of the estate tax.

We say: That's all right. Let us relieve the burden so that nobody of ordinary means is going to have to pay an estate tax.

They say: No, that is not what we mean. Our idea is more than that. Our idea is, we want to remove the estate tax from everybody, including the largest estates in the country. So they say: our idea is to reduce the amount of revenue the Government has and to do it by relieving the burden of the estates tax on the largest estates.

We say: Well, that is an idea, but here is another idea. If we are talking about $250 billion in 10 years of tax relief, why go just to 400 of the wealthiest Americans? Why not provide some of that to the rest of the American folks?

How about to working families? How about some relief from the high payroll taxes people pay? How about some more relief from the cost of sending kids to college?

We have some ideas. But we are told: Your ideas don't matter. We are going to deal only with our own ideas, and those are ones that would benefit the upper-income folks. But we want to put clothes on it to disguise it a little because we know it doesn't sell very well to talk about providing tax relief to billionaires. We are going to disguise it to make it look different and call it tax relief for family farmers and small businesses.

But we support such relief. Let's do that right now. In fact, perhaps the Senator from Nevada could put forth a unanimous consent request. We can legislate like they do—don't go to the committees, don't have markups; just bring it to the floor and put forth a unanimous consent request. They have done that on the estate tax. Yesterday, they did it on the H-1B proposal. Perhaps we can say we support eliminating the estate tax for small businesses and family farmers and do it their way. That is not a good way to legislate, but let's try that. Then we can get that off the table so all that remains is the question, Are we going to provide a very substantial amount of tax relief to those 400 or so estates that represent the largest accumulation of wealth in the country? If that is the priority, what is it measured against—against the other priorities? Is it the most appropriate? Is it the most logical thing to do? Or are there other uses of that revenue that would make more sense for this country?

In summary, that is something that I think will be subject to a substantial amount of debate in the coming weeks. I wish to close where I began and say that there is a profound difference that exists between many of us and the majority party on the subject of whether the largest estates in this country should be relieved of the burden of paying an estate tax. I think there is a better use for those funds than tax relief for billionaires. On the other hand, there is no difference between us on whether we ought to make a quantum leap and provide a very significant exemption for the transfer of family farms or small businesses. And for a dramatic and substantial increase in the unified exemption from the current roughly $675,000 level, I would support taking that to the $4 million level for a husband and wife. I think we can do that. There certainly should be agreement on that. We can take that step, and what is left is an idea to relieve the rest of the burden by some of the majority, and other ideas that we would have for the use of those funds, including middle-income tax relief. Let's have that debate. It seems to me that would be the simple way of proceeding.

I wanted to make some of those points. I appreciate my colleagues who are also going to make some points in the postcloture discussion. Then we should have this debate, with amendments. I think time agreements could be developed, and I think at the end of the debate we would see where the votes are in the Senate on this issue.

I yield the floor.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. REID. Will the Senator yield for a unanimous consent request, without losing his right to the floor?

Mr. CRAIG. Yes.

Mr. REID. Mr. President, I have discussed this with the chairman of the Finance Committee. After the recess, which will be in a few minutes, we would like these Senators to speak. On our side of the aisle, the order of speakers would be Senators WELLSTONE, BOXER, FEINGOLD, KENNEDY, DURBIN, and HARKIN on postcloture regarding this estate tax matter. On the Republican side, the speakers who have been requested are Senators BURNS, KYL, and GRAMS so far. We will alternate back and forth. The majority will fill in a couple more speakers so there would be a requisite number on each side. People on my side have indicated they would take a half hour or so, but we won't lock in the time at this time, only the order of speakers.

I ask unanimous consent that we be able to do that at this time.

The PRESIDING OFFICER. Is the Senator from Idaho allowed to complete his time?

Mr. REID. Of course.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Idaho is recognized.

Mr. CRAIG. Mr. President, under a unanimous consent agreement, we are slated to recess at 12:30, is that correct?

The PRESIDING OFFICER. Yes.

Mr. CRAIG. Mr. President, I come to the floor to speak for a few moments. Senator DORGAN was on the floor talking about the character of his State and the character of this issue of estate tax or death tax, whatever we wish to call it. I call it that which destroys the American dream.

I have always been amazed that anyone who serves in public life can justify the revenue they spend for the sake of Government as somehow destroying someone else's life or property. Yet over the years, clearly, the estate tax provision of our national Tax Code has done just that.

The Presiding Officer is from the State of Wyoming. I am from Idaho. Much of our States are made up of farmers, ranchers, and small business people. Really, the character of the business and industry of our States is made up of small businesses.

Some of us strive all of our lives in a small business to create a little estate that we then want to hand to our children, if they choose to carry on that which we have developed. Yet in nearly every instance today, under current law, to be able to carry on that small Main Street business or that farm or that ranch, you have to re-buy it. You have to sell it to get the revenue to pay off the Federal Government, and then you spend the rest of your life, as the person who is the inheritor, paying for the business.

That is not the American dream. That is not what built the basis of wealth in our country which has generated this tremendous economy, which employs the men and women who make up the workforce of our economy. That is why I and others have consistently argued that, clearly, we needed to either eliminate the estate tax or do it in a way that recognizes those small- and medium-size proprietorships and businesses that are not held in stock or in corporations. That is exactly what we are attempting to do.

I am always amazed that the other side will come to the floor and say: Well, this is a great idea, but then again we ought to consider this or that, and maybe we ought not to do that, and that somehow it is wrong to generate wealth in our society and to want to be able to pass it on to our children and grandchildren.

Shame on those who want to deny the American dream. Shame on those who want to deny the energy and the spirit that has created this country and made it the greatest country ever known on the face of the Earth—a country great for its ability to allow individual citizens to grow and generate wealth in business. That is what this debate is fundamentally about. So anybody who wants to come to the floor and deny us as a Congress, as a people, the right to deal with this issue in a fair and equitable way simply denies the average citizen of this country the American dream.

Let us not get lost in the words. Let us not get lost in the phraseology about a little bit here and a little bit there, and we have to have all this money to spend in Government. This is the time of the greatest prosperity in the history of this country. There are articles out there saying that the surplus is going to double and triple into the trillions of dollars; yet we still have in the law a situation that says: If you die, you lose. If you die, the Government gets your work. If you die, all of the lifetime you have spent building a little business, a farm, or a ranch is somehow no longer yours.

I am sorry, but I am not going to get fouled up in the rhetoric, and I am going to continue to come to the floor to try to cut through the silly philosophy that somehow the Government has a right to all your money. What we have here is a responsible and legitimate piece of legislation to change the tax law of this country to gradually move us out of the situation that says if you die, you sell your business and the Government gets the money. What is wrong with medium- and small-size businesses that are not large corporations or stock-held businesses? What is wrong with allowing your children to have them, if they want them to continue that business and continue that legacy?

That is the issue that is before us. That is what is embodied in H.R. 8.

I suggest that anybody who would want to say something different—whether it is on the minor side, or whether they want to use the politics of the day to deny this to the average American—shame on you. I don't see any good politics in that kind of bad politics.

Mr. REID. Mr. President, I failed to be courteous to my friend from Idaho for allowing me to interrupt. I express my appreciation for his willingness to do that.

Mr. CRAIG. I thank the Senator from Nevada.

## RECESS

The PRESIDING OFFICER. Under the previous order, the hour of 12:30 having arrived, the Senate will stand in recess until the hour of 2:16 p.m.

Thereupon, the Senate, at 12:31 p.m., recessed until 2:16 p.m., whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. INHOFE).

The PRESIDING OFFICER. The Senator from Minnesota.

## DEATH TAX ELIMINATION ACT—MOTION TO PROCEED

Mr. WELLSTONE. Mr. President, let me, first of all, mention to colleagues when we look at this estate tax bill, the Center on Budget and Policy Priorities—and I think their work has been impeccable—points out that fewer than 1.9 percent of the 2.3 million people who died in 1997 had any tax levied on their estates. We are talking about 1.9 percent.

This repeal that my colleagues on the other side of the aisle are proposing helps the wealthiest 2 percent of Americans. I ask unanimous consent the full study from the Center on Budget and Policy Priorities be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Center on Budget and Policy Priorities, June 21, 2000]

### ESTATE TAX REPEAL: A WINDFALL FOR THE WEALTHIEST AMERICANS

(By Iris J. Lav and James Sly)

### SUMMARY

On June 9 the House passed legislation that would repeal the federal estate, gift, and generation-skipping transfer tax by 2010. The Senate is expected to consider estate tax repeal in July.

Repealing the estate tax would provide a massive windfall for some of the country's wealthiest families.

In 1997, the estates of fewer than 43,000 people—fewer than 1.9 percent of the 2.3 million people who died that year—had to pay any estate tax. The Joint Committee on Taxation projects that the percentage of people who die whose estates will be subject to estate tax will remain at about two percent for the foreseeable future. In other words, 98 of every 1,000 people who die face no estate tax whatsoever.

To be subject to tax, the size of an estate must exceed $675,000 in 2000. The estate tax exemption is rising to $1 million by 2006. Note than an estate of any size may be bequeathed to a spouse free of estate tax.

Each member of a married couple is entitled to the basic $675,000 exemption. Thus, a couple can effectively exempt $1.35 million from the estate tax in 2000, rising to $2 million by 2006.

The vast bulk of estate taxes are paid on very large estate. In 1997, some 2,400 estate—the largest five percent of estates that were of sufficient size to be taxable—paid nearly half of all estate taxes. These were estates with assets exceeding $5 million. This means about half of the estate tax was paid by the estates of the wealthiest one of every 1,000 people who died.

If the estate tax had been repealed, each of these 2,400 estates with assets exceeding $5 million would have received a tax-cut windfall in 1997 that averaged more than $3.4 million.

As these statistics make clear, the estates of a tiny fraction of the people who die each year—those with very large amounts of wealth—pay the bulk of all estate taxes.

Moreover, a recent Treasury Department study shows that almost no estate tax is paid by middle-income people. Most of the estate taxes are paid on the estates of people who, in addition to having very substantial wealth, still had high incomes around the time they died. The study found that 91 percent of all estate taxes are paid by the estate of people whose annual incomes exceeded $190,000 around the time of their death. Less than one percent of estate taxes are paid by the lowest-income 80 percent of the population, those with incomes below $100,000.

### SMALL BUSINESSES AND FAMILY FARMS

Very few people leave a taxable estate that includes a family business or farm. Only six of every 10,000 people who die leave a taxable estate in which a family business or farm forms the majority of the estate.

Nevertheless, it often is claimed that repeal of the estate tax is necessary to save family businesses and farms—that is, to assure they do not have to be liquidated to pay estate taxes. In reality, only a small fraction of the estate tax is paid on small family businesses and farms. Current estate tax law already includes sizable special tax breaks for family businesses and farms.

To the extent that problems may remain in the taxation of small family-owned businesses and farms under the estate tax, those problems could be specifically identified and addressed at a modest cost to Treasury. Wholesale repeal of the estate tax is not needed for this purpose.

Farms and family-owned business assets account for less than four percent of all assets in taxable estates valued at less than $5 million. Only a small fraction of the estate tax is paid on the value of farms and small family businesses.

Family-owned businesses and farms are eligible for special treatment under current law, including a higher exemption. The total exemption for most estates that include a family-owned business is $1.3 million in 2000, rather than $675,000. A couple can exempt up to $2.6 million of an estate that includes a family-owned business or farm.

Still another feature of current law allows deferral of estate tax payments for up to 14 years when the value of a family-owned business or farm accounts for at least 35 percent of an estate, with interest charged at rates substantially below market rates.

Claims that family-owned businesses have to be liquidated to pay estate taxes imply that most of the value of the estate is tied up in the businesses. But businesses or farms constitute the majority of the assets in very few estates that include family-owned businesses or farms. A Treasury Department analysis of data for 1998 shows that in only 776 of the 47,482 estates that were taxable that year—or just 1.6 percent of taxable estates—did family-owned businesses assets (such as closely held stock, non-corporate businesses, or partnerships) equal at least half of the gross estate. In only 642 estates—1.4 percent of the taxable estates—did farm assets, or farm assets and farm real estate, equal at least half of the gross estate.

Furthermore, the law can easily be changed to exempt from the estate tax a substantially larger amount of assets related to family-owned farms or businesses, and this can be done without repealing or making other sweeping changes in the estate tax. When the House considered the estate tax on June 9, Ways and Means Committee ranking member Charles Rangel offered an alternative that would have exempted the first $2 million of a family-owned business for an individual and $4 million for a couple, without requiring any estate planning.

### EFFECTIVE ESTATE TAX RATES MUCH LOWER THAN MARGINAL RATES

The estate tax is levied at graduated rates depending on the size of the estate; the highest tax rate is 55 percent. This sometimes leads people to conclude that when someone dies, half of their estate will go to the government.

It normally is not the case, however, that half of an estate is taxed away. Effective tax rates for estates of all sizes are much lower than the marginal tax rate of 55 percent. On average for all taxable estates in 1997, estate taxes represented 17 percent of the gross value of the estate. A combination of permitted exemptions, deductions, and credits, together with estate planning strategies, reduced the effective tax rate to less than one-third of the 55 percent top marginal tax rate.

### REPEAL OF THE ESTATE TAX CARRIES A HIGH COST

Repealing the estate tax would be very costly. According to the Joint Committee on Taxation, the House bill would cost $105 billion over the first 10 years, as it phases in slowly. Once the proposal was fully in effect—and the estate tax had been repealed—the proposal would cost about $50 billion a year. The cost of the proposal in the second 10 years—from 2011 to 2020—would be nearly six times the cost for 2001–2010.

Under the House bill, the estate tax would be reduced gradually over the next decade, leading to full repeal in calendar year 2010. Under current law, CBO projects the estate tax will bring in $48 billion a year by 2010.

In the 10 years between 2011 and 2020, the estate tax likely would bring in at least $620 billion under current law. The House bill includes a provision, relating to the valuation of capital assets when a person dies, that would offset a small portion of the revenue loss from repeal of the estate tax. The offsetting revenue gain is likely to be in the range of $5 billion to $10 billion a year.

The net effect of the House bill when fully phased in thus would be a revenue loss likely exceeding half a trillion dollars over 10 years.

The very high cost of repeal would be felt fully in the second decade of this century. That is the period when the baby boomers begin to retire in large numbers, substantially increasing the costs of programs such as Social Security, Medicare, and Medicaid. Repealing the estate tax would subsequently reduce the funds available to help meet these costs and to facilitate reforms of Social Security and Medicare that would extend the solvency of those programs, as well as to meet other priority needs such as improving educational opportunities, expanding health insurance coverage, and reducing child poverty. It also would leave fewer funds for tax cut targeted on average working families.

### MOST ESTATE TAXES ARE PAID BY LARGE ESTATES

Most estate taxes are paid by large estates rather than by small family-owned farms and businesses. As noted above, the first $675,000 of an estate is exempt from taxation in 2000, with the exemption scheduled to rise to $1 million by 2006. In addition, an unlimited amount of property can be bequeathed to a spouse free of estate tax.

Moreover, each member of a married couple is entitled to the basic $675,000 exemption. A number of simple estate planning devices are available under the law, the net effect of which is to double the amount a couple can exempt from estate taxation. Thus, a couple can effectively exempt $1.35 million from estate tax in 2000, rising to $2 million by 2006.

As a result of these exemptions and other provisions, such as unlimited deductions for charitable giving, only about two percent of all deaths result in estate tax liability. Of the 2.3 million people who died in 1997, for example, fewer than 43,000 had to pay any estate tax.

Of those estates that are taxable, the largest pay most of the estate tax. An analysis by IRS of the 42,901 taxable estates filing in 1997 showed that the 5.4 percent of taxable estates with gross value exceeding $5 million paid 49 percent of total estate taxes. In other words, about half the estate tax was paid by the estates of just 2,400 people—about one out of every 1,000 people who died. The 15 percent of taxable estates with gross value exceeding $2.5 million paid nearly 70 percent of total estate taxes.

The average estate tax payment for the 2,400 taxable estates with assets exceeding $5 million in 1997 was $3.47 million. If the estate tax had been fully repealed for 1997 filers, the 2,400 wealthiest people who died thus would have received a tax-cut windfall averaging about $3.5 million each. A few hundred of the very wealthiest people who left estates exceeding $20 million would have received a tax-cut windfall of more than $10 million each.

### ESTATE TAX PAYERS ALSO ARE HIGH-INCOME

A new analysis by the Treasury Department looks at the annual income of decedents who pay estate taxes. The Treasury analysis finds that virtually all estate taxes—99 percent—are paid on the estates of people who were in the highest 20 percent of the income distribution at the time of their death. Some 91 percent of all estate taxes are paid on the estates of individuals who had annual incomes of more than $190,000 around the time of their death.

### EFFECTIVE TAX RATE ON ESTATES IS FAR LOWER THAN MARGINAL RATES

It often is claimed that estate tax rates are too high and that the government should not be taking as much as half of a person's lifetime savings when he or she dies. The assertion that the government takes half of a person's estate stems from the fact that the estate tax is levied at graduated rates, with the highest marginal rate of 55 percent applying to estates with a value exceeding $3 million.

Data on estate taxes actually paid, however, show that estate taxes represent one-sixth the value of the average estate, not one-half. As shown in Table 1, estate taxes paid equaled 17 percent of the gross value of taxable estates for which estate tax returns were filed in 1997. The smallest and the largest estates had the lowest effective tax rates. In estates valued between $2.5 million and $20 million, the effective tax rate was approximately one-quarter of the amount of the gross estate.

### SMALL BUSINESSES AND FARMS MAKE UP ONLY A SMALL FRACTION OF TAXABLE ESTATES

IRS data show that farms and small, family-owned businesses make up only a small proportion of taxable estates. Farm property, regardless of size, accounted for about one-quarter of one percent of all assets included in taxable estates in 1997. Family-owned business assets, such as closely-held stocks, limited partnerships, and non-corporate businesses, accounted for less than four percent of the value of all taxable estates of less than $5 million. (Farm and family-owned business assets together accounted for about 10 percent of all assets in all estates and less than four percent of the value of taxable estates of less than $5 million.)

Of particular significance is a Treasury Department tabulation of 1998 data. It shows that in only 776 out of the 47,482 taxable estates that year did family-owned business assets (closely held stock, non-corporate businesses, or partnerships) equal at least half of the gross estate. Similarly, on only 642 out of these 47,482 taxable estates did farm assets or farm assets and farm real estate equal at least half the gross estate. Thus, for 1,418 estates out of the approximately 2.3 million people who died that year—or six out of every 10,000 people who died—did family-owned businesses or farms form the majority of the estate. The Treasury analysis found that estates that included these assets paid less than one percent of all estate taxes.

Most farms have relatively modest value. The Agriculture Department estimates that in 1998, fewer than six percent of all farms had a net worth in excess of $1.3 million, the amount of an estate that is completely exempt if the estate includes a family-owned farm. Only 1.5 percent of farms have net worth over $3 million.

### SMALLER, FAMILY-OWNED BUSINESS ALREADY ELIGIBLE FOR FAVORABLE TREATMENT

Family-owned businesses and farms already are eligible for special treatment under current law.

Under current law, family-owned businesses and farms may be valued in a special way that reflects the current use to which that property is put, rather than its market value. This provision generally reduces the value that is counted for purposes of estate tax; the reduction in value can be as much as $770,000 in 2000. This amount is indexed annually for inflation.

To use the special valuation, the decedent or other family members must have participated in the business for a number of years before the decedent's death, and family members must continue to operate the business or farm for the following 10 years. This assures that the benefit of this special valuation goes to relatively smaller businesses and farms than are family owned and operated.

The amount of an estate that is exempt from taxation is higher for family-owned businesses and farms than for other types of estates. Instead of the $675,000 exemption (which rises to $1 million in 2006), the 1997 tax law increased the total exemption for most estates that include family-owned businesses to $1.3 million.

In addition, when the value of a family-owned business or farm accounts for at least 35 percent of an estate, current law allows deferral of taxation. The tax payable on such an estate may be stretched over up to 14 years, including deferral of annual interest payments for five years, followed by up to 10 annual installments of principal and interest.

### IS IT DIFFICULT TO QUALIFY AS A "FAMILY-OWNED" BUSINESS?

Proponents of estate tax repeal often claim that increasing the exemption for family-owned businesses is not a sufficient remedy, because the law makes it too hard to qualify for treatment as a family-owned business. In fact, the definition of a family-owned business is very expansive so long as the family owns and operates the business and intends to continue doing so.

If a business is wholly owned and operated by the person who died, it easily qualifies for treatment as a family-owned business under current estate tax law. Otherwise, there are two key factors that determine whether the business or farm qualifies as a family-owned business.

The first factor is the relationship of the person who died to others who own a share in the business or help run it. For purposes of the estate tax, the term "family" is quite broad; it includes, for example, grandchildren and great-grandchildren and their spouses as well as nieces and nephews and their spouses.

The second consideration is whether the family actually owns and operates the business.

The family must own at least 50 percent of the business. However, if more than one family owns the business, the family of the person who died may own as little as 30 percent of the business.

Either the person who died or any family member (as family member is broadly defined) must have owned and materially participated in the business for at least five of the previous eight years. In general, material participation means working at the business and taking part in management decisions.

Businesses that manufacture or sell a product, provide a service, or engage in farming qualify for the special treatment. A business that is solely a holding company for managing other investments would not qualify.

The company cannot be publicly-traded. If stock in the business has been publicly-traded within three years of the person's death, the business does not qualify as family-owned.

The heirs also must continue to operate the business for a period of time. In the decade after the person's death, each qualified heir or a member of his or her family must materially participate in the business for at least five of any eight consecutive years. If three siblings inherit a business, for example, the test would be met if any one of them participated. It also would be met if one sibling's daughter were the only participant.

If payments are deferred and paid over time in installments, a below-market interest rate of just two percent applies to the tax attributable to the first $1,030,000 in value of a closely held (family) farm or business. There also is a preferential rate on the tax attributed to the remaining value of the family farm or business.

### ESTATE TAX RELIEF FOR FAMILY FARMS AND SMALL BUSINESSES CAN HAVE MODEST COST

There are a number of ways the estate tax burden could be substantially relieved for these family businesses and farms without repealing or making fundamental changes in the rest of the estate tax. A proposal offered in the House Rep. Charles Rangel, the ranking minority member of the Ways and Means Committee, as an alternative to repealing the estate tax included such a provision.

A provision in the Rangel proposal would have raised the exclusion for family-owned farms and small businesses from $1.3 million to $2 million. It also would have allowed the transfer of any unused portion of the exclusion between spouses. As a result, a married couple with a farm or small business interest would receive a $4 million exclusion. (Under current law, a couple can receive a $2.6 million exclusion for a farm or small business interest if they engage in some estate tax planning. The Rangel provision would have provided the $4 million exclusion without the need for estate tax planning.)

This type of substantial additional tax relief for family owned farms and businesses carries a cost that is only a tiny fraction of the cost of fully repealing the estate tax. This provision would cost about $2 billion a year, compared to the approximately $50 billion-a-year cost of the Archer proposal when fully in effect.

### REPEALING THE ESTATE TAX CARRIES A HIGH COST

The Joint Committee on Taxation estimates that the bill the House passed to reduce and ultimately eliminate the estate tax would cost $104.5 billion over the 10-year period from 2001 through 2010. Full repeal of the estate tax would be effective for people who die in 2010 and years after that. The full revenue effect from repealing the estate tax would not be felt until two to three years after that, because estate taxes are rarely paid in the year of death; it takes two to three years to settle an estate and file the estate-tax return. As a result, the cost of repealing the estate tax is not reflected in any year in the 10-year period covered by the revenue estimate for the bill.

### REPEALING THE ESTATE TAX WOULD REDUCE CHARITABLE BEQUESTS

Current estate tax law includes an unlimited charitable deduction; no estate tax is due on funds bequeathed to charities. For the largest estates that are subject to the 55 percent marginal estate tax rate, each additional $1,000 given to charity reduces estate taxes by $550.

In 1997, more than 15,500 estates took advantage of this provision, making—and deducting—donations worth more than $14 billion. (This includes the charitable deductions taken by all estates required to file estate tax returns in 1997, some of which were taxable and some of which had sufficient total deductions and credits to eliminate estate tax liability.)

The charitable deduction is most heavily used by the largest estates. In 1997, charitable deductions equaled 30 percent of the total gross assets of taxable estates valued over $20 million, as compared to about three percent of the assets of smaller estates. Over half of the taxable estates of more than $20 million took a deduction for charitable bequests in 1997; these estates gave a total of $7.5 billion to charity, averaging more than $41 million in donations per estate. This is one of the reasons the effective estate tax rates are lower for estates valued at $20 million or more than for estates valued between $1 million and $20 million. (See Table 1.)

The research on the effect of the estate tax on charitable giving has consistently shown that levying estate taxes increases the amount of charitable bequests. The most recent study, by Treasury Department economist David Joulfaian, analyzed the tax returns of people who died in 1992. Joulfaian found that eliminating the estate tax would reduce charitable bequests by about 12 percent overall. Had there been no estate tax in 1997, charities thus would likely have received about $1.7 billion less in bequests than they did.

The actual loss to charity is likely to be greater than is implied by looking solely at bequests, however, because some people with significant estates make charitable contributions while they still are alive with the intention of reducing both their income taxes and the amount of their assets on which the estate tax will be levied. If a person gives to charity through the popular device known as a charitable remainder trust, for example, the assets do not show up in the estate tax statistics. Under a charitable remainder trust, the person transfers assets to the trust. The trust provides the person a stream of income for the remainder of his or her life, and whatever remains in the trust at the end of the person's life goes to charity. The person gets an immediate income tax deduction for the amount that will go to charity, computed based on his or her life expectancy (as determined actuarially). In addition, amounts transferred in this manner are considered to have been transferred prior to death and are not included in the estate when the donor dies. In 1997, a total of 82,176 charitable remainder trusts were in existence, containing assets totaling $60.5 billion. Charitable remainder trusts are just one example of charitable donations that may take place toward the end of life that reduce both income taxes and estate taxes.

Under current law, CBO projects the estate tax will bring in $48 billion a year by 2010. In the 10 years between 2011 and 2020, the estate tax likely would bring in at least $620 billion under current law. Repealing the estate tax consequently would result in the loss of the entire $620 billion over the 10-year period. The House bill also includes a provision relating to the valuation of capital assets when a person dies that would offset a small portion of the revenue loss from repeal of the estate tax; the offsetting revenue gain is likely to be in the range of $5 billion to $10 billion a year. Thus, the net effect of the House bill, when fully phased in, would be a revenue loss likely to exceed half a trillion dollars over the 10-year period from 2011 through 2020.

Mr. WELLSTONE. Last week, President Clinton pointed out the cost of this repeal, helping the top wealthiest 2 percent of our population. It amounts to $100 billion over the first 10 years and then $750 billion over the next decade.

I will speak for some period of time, and I know other Senators will speak as well, about what we could be doing and should be doing instead of repealing this inheritance tax helping the top 2 percent of the population.

Instead of this repeal helping the top 2 percent of the population, we could help renew our national vow of equal opportunity for every child. We could start by making sure families in our country are helped with affordable child care. I can't think of a more important issue, especially for younger working families. I don't know how many times in Minnesota, or anywhere I go in the country, I have people coming up to me—maybe they make $40,000 a year or $35,000 a year, and the child care expenses range anywhere from $6,000 a year to $12,000 a year. We could have a refundable tax credit. It could be for families under $30.000. You could put it on a sliding fee scale basis. We could go up to $30,000, $40.000, $50,000 a year, which would help families afford child care. Why don't we do that?

The Federal Government—that means the Senate, that means the House of Representatives—could be a real player in pre-K education. By the way, child care—whether a family provider, whether in a child care center, or whether or not a child is at home with a parent—is all about education. Those children who are able to receive developmental child care, who were nurtured, who were intellectually stimulated, will come to kindergarten ready to learn and they will do well.

For many families, and not only low-income families, this is a salient issue. The way this is drafted right now, going to the wealthiest 2 percent of Americans, we could—and I intend to have an amendment that focuses on this—have some tax credits that go to families so they can afford child care.

This is an emergency situation in many of our States. At best, 20 percent of the children in 20 percent of these families are receiving any help whatsoever. There was a powerful piece in the Washington Post last weekend talking about the fact that not only can families not afford this, but there is almost a 40-percent turnover of child care providers every year.

I ask unanimous consent that this article, "Burdened Families Look for Child Care Aid," be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Washington Post, July 6, 2000]

### BURDENED FAMILIES LOOK FOR CHILD-CARE AID

(By Dale Russakoff)

WOODBRIDGE, N.J.—Debra Harris, a single mother, quit her $34,000-a-year job as an occupational therapist for the summer because she can't afford full-time care for her two children.

Kathy Popino, a receptionist, and her electrician husband have gone into debt to keep their toddler and 8-year-old in child care at the YMCA, after a bad experience with a lower-priced home caregiver.

Mary O'Mara, a computer network administrator, and her husband, a factory worker, have junked the conventional wisdom of "pay your mortgage first." They sometimes pay a late fee on their home loan to cover child care first, lest they lose coveted spaces in a center they trust.

Child care is in slow-motion crisis for middle-income families, and Middlesex County, N.J., is in the thick of it. With three of four mothers working outside the home—near the national average—this swath of suburbs dramatizes the cost to working families of the national political consensus that child care is a private, not public, responsibility.

For 30 years, politicians have promised to shift the burden for families in the middle, with little result. Vice President Gore recently called for tens of billions of dollars in spending and tax breaks over a decade to improve care from infancy through adolescence—a proposal advocates called impressive in its reach, but short on resources and details.

Texas Gov. George W. Bush has proposed initiatives only for the poor, saying working families can apply his proposed income tax cut to child care bills.

Would-be beneficiaries here had a feeling they'd heard that before.

"I was so hopeful when the Clintons came in," said Popino, 34. "I saw Hillary as a working mom's best friend. I remember she said, 'It takes a village.' Okay, it's been eight years. When are they going to get to my village?"

The politics of welfare reform has focused national attention and money on the vast child care needs of women in poverty, which remain unmet. And the economic boom is helping affluent families pay full-time nannies or the $800- to $1,000-a-month fees at new, high-quality centers.

But with a record 64 percent of mothers of preschoolers now employed, and day care ranked by the Census Bureau as the biggest expense of young families after food and housing, officials say middle-income families routinely are priced out of licensed centers and homes. The median income for families with two children is $45,500 annually, according to the Census Bureau.

"Basically, we have a market that isn't working," said Lynn White, executive director of the National Child Care Association, which represents 7,000 providers.

In a booming economy in which almost any job pays better, day care centers now lose a third to more than half of their staffs each year, and licensed home caregivers have quit in droves, according to national surveys.

The average starting wage for assistant day care teachers nationally rose 1 cent in eight years—to $6 an hour. Weekly tuition at centers in six cities rose 19 percent to 83 percent in the same period, as states tightened regulations.

Most industrialized countries invested heavily in early-childhood care as women surged into the work force in the 1970s, but Congress and a succession of presidents left the system here mostly to the marketplace, directly subsidizing only the poorest of the poor.

A federal child care tax credit, enacted in 1976, saves working families $3 billion, but advocates say it has fallen far behind inflation. (It saved Debra Harris $980 last year, leaving her cost at more than $7,000.)

When the military faced the same crisis of quality, affordability and supply a decade ago, Congress took a strikingly different approach. It financed a multibillion-dollar reform in the name of retaining top recruits and investing in future ones.

The result was a system of tightly enforced, high-quality standards for day care, home care and before- and after-school care. It included continual training of workers and more generous pay and benefits.

Advocates hail the system as a model. With 200,000 children in care, it costs an average of $7.200 a child, which the government subsidizes by income.

"The best chance a family has to be guaranteed affordable and high-quality care in this country is to join the military," concluded an analysis by the National Women's Law Center.

Debra Harris used to drop her kids at Pumpkin Patch Child Development Center in working-class Avenel every morning at 7 in a weathered Ford Escort. She popped buttered bagels in the center's microwave for their breakfasts before heading to Jersey City, where she was a school occupational therapist.

A bus took Whitney, 9, and Frankie, 7, to school and brought them back at day's end to Pumpkin Patch, which they complained was cramped and a bit boring. Their mother considered it the safest and best care she could afford.

This summer, though, Whitney and Frankie's needs would have grown before- and after-school care (total: $440 a month) to full-day care at Pumpkin Patch's camp (total: $1,400 a month). Harris recently went back over the match, incredulous at the results.

"I can make $25 an hour on a per-diem basis," she said. "If I work 40 hours a week, that's $4,000 a month, $3,200 after taxes. If I take out $1,400 for my mortgage and $1,400 for full-time day care, that leaves $400—$100 a week to buy food and gas, pay bills, go to the shore on the weekend. This is crazy!"

So Harris decided to quit her job for the summer, find part-time work and draw down her savings.

At 30, Harris prides herself on providing for her children "without ever using the welfare system, thank God," despite difficulties that include an ex-husband who is more than $6,000 behind in child support, according to her records.

Child care was never easier when she was married, and not just because of her husband's paycheck, Harris said. Early in their marriage, they were stationed in Germany with the Air Force and had access to German-subsidized child care. They paid $40 a month per child for full-time care in a stately, 19th-century building within walking distance of their home.

"I find it really discouraging that my own government says I shouldn't need help with child care," Harris said. "Now is when I really need some help."

The first time Washington tried to help—and failed—was 1971. Congress passed a $2 billion program to help communities develop child care for working families, but President Richard M. Nixon vetoed it as ill-conceived, writing in his veto message that it would "commit the vast moral authority of the National Government to the side of communal approaches to child-rearing over . . . the family-centered approach."

Mothers of school-age children kept going to work anyway. In 1947, 27 percent was employed at least part time; in 1960, it was 43 percent; in 1980, 64 percent; in 1998, 78 percent. State governments took the lead in setting child care standards, which vary dramatically, as do fees and quality.

In the late 1980's, with the number of children in care surging, Congress again took up the cause of middle-income as well as poor families. The resulting Act for Better Childcare, signed by then-President George Bush in 1990, vastly increased aid to the poor, whose needs were the most urgent. But middle-income families were left out.

Poor families' needs became even more pressing in 1996 with the passage of welfare reform, which sent women from assistance rolls to the work force. A federal child care block grant aimed at families making up to 85 percent of a state's median income is going overwhelmingly to families in or near poverty, reaching only 1 in 10 eligible children, according to the U.S. Department of Health and Human Services.

In 1988, President Clinton moved to expand the child care tax credit but was blocked by Republicans who said it slighted mothers who stayed home with their children.

This election year could be different, several analysts said. Although most voters care less about child care than Social Security and taxes, the issue rates highest with women younger than 50, particularly those under 30, a crucial voting bloc for both Bush and Gore.

Unlike 1996, when these women were solidly for Clinton, their concerns now have political cachet, according to Andes Kohut of the Pew Research Center for the People and the Press.

At the same time, advocates are linking quality child care to school readiness, hoping to tap into the national focus on education. They emphasize that the government subsidizes higher education for all families, but not "early ed," as they call child care, which hits young families, who have fewer resources.

Another political impetus comes from recent reports of the U.S. military program's success. Newspaper editorials in almost every region of the country asked why the civilian world can't have the same quality child care.

Kathy Popino has been asking for years. Her husband, Warren, was in the Coast Guard when their son, Matthew, was born, and they paid $75 a month—subsidized by the Department of Defense—to a home caregiver trained by the DOD. "She was wonderful. The military inspected all the time," Popino said.

When Warren left the Coast Guard to become an electrician, they moved to Metuchen, N.J., but couldn't find licensed care at even twice that price. They opted for an unlicensed home caregiver who cared for Matthew for $80 a month, along with two other children.

But Matthew, then 2, began crying nights, and "his personality did a 180," Kathy said. Unable to sleep herself or concentrate at work, Kathy moved him to a state-of-the-art KinderCare Learning Center they couldn't afford. "Visa became our best friend," she said.

Ultimately, they moved him to the YMCA, where they now pay about $800 a month for high-quality, full-time care for Gillian, 1½, and after-school care for Matthew, 8. The program there includes weekly swim lessons, daily sports and homework help in spacious, sun-filled rooms.

In the process, Popino has developed a keen class consciousness. "When summer camp starts, you pay every Monday, and everybody who pays with credit cards walks out to our used cars we owe money on. The people paying by check walk out and get in their new Lexus," she said.

The Y's fees are lower than prices at similar, for-profit centers, but cost pressures are rising as the labor market tightens. Child care director Rose Cushing said turnover rates are well over 30 percent, even with the agency paying health benefits to its teachers.

Twenty minutes south on U.S. Route 1, at Pumpkin Patch, where fees, teacher pay and the facilities are more modest, proprietor Michelle Alling has held on to four of her head teachers for five years, mainly because of their loyalty to the children.

On a recent morning, as one teacher baked chocolate-chip cookies with flour-blotched 3- and 4-year-olds, Alling acknowledged that they all desperately needed higher wages.

But "then you have families literally handing you their entire paycheck," she said, "and where does it come from?"

Mary O'Mara, the mother who sometimes makes ends meet by paying late fees on her mortgage, said politicians who look past this issue must live in a different world than hers. She wishes she could show them what she showed her mother, who used to tell her to relax and stay home with her children.

"I sat her down with a calculator, and I gave her a month's worth of bills—food, mortgage, child care, gasoline," O'Mara said. "There was almost nothing left, and that's with two middle-class incomes.

"She looked at me like she didn't believe it. She said, 'I didn't realize how tough it was out there.' "

Mr. WELLSTONE. Mr. President, instead of the repeal of the inheritance tax going to the wealthiest 2 percent, we could provide some tax credit assistance for working families so they could better afford child care for their children. Why can't we do that?

The evidence is irrefutable. The evidence is irreducible. These are the critically important years. Families in our States tell us how important this is. What are we doing moving forward on repealing an inheritance tax for the wealthiest 2 percent of Americans, not targeting it to family farmers and small businesses but across the board, instead of using some of this money—$100 billion over the first 10 years, but $750 billion over the second 10 years—to make sure families in our country can afford good child care for their children?

By the way, even when I talk about tax credits invested in affordable child care, it breaks my heart because this will not even be near enough. The truth is, we have to get serious about good developmental child care, and that means men and women who work in this field should not make $8 an hour or $6 an hour with no benefits at all, but we should value the work of adults who work with children: that we not continue to pay men and women who work in child care centers half of what we pay men and women who work in zoos taking care of animals.

As a Senator from Minnesota, I am absolutely confident that I am reflecting the priorities of Minnesotans when I say repeal of this estate tax, now crafted in such a way that it goes to the wealthiest 2 percent of Americans, is hardly a priority for people in Minnesota or people in the country. I would prefer to see us make the investment in child care. I intend to offer an amendment that deals with additional tax credits which will provide help for working families.

I will not use statistics, but every Senator, Democratic and Republican, knows intuitively that in today's economy, one of the most important indicators of whether or not a young person—or not such young person, since many of our students are no longer 18 and 19 living in a dorm but they are 40 and 50 years of age going back to school—can succeed is whether or not they are able to complete higher education. Yet we have this huge gap between the number of young people, or not such young people, from low- and moderate-income backgrounds who are able to complete college versus those who come from upper-income or upper-middle-income families, and it is because of the cost of higher education.

We have not fully funded the Pell Grant Program where we get the most bang for the buck, and when we passed the Hope Scholarship Program and said there would be a $1,500 tax credit for students to afford the first 2 years of school, it was not a refundable tax credit. So for a lot of the students in the community colleges in Minnesota, if they come from families with incomes under $30,000 a year, $28,000 a year, they do not get any benefit because it is not a refundable tax credit.

What could we be doing instead of moving forward on an agenda that repeals this inheritance tax that benefits the wealthiest 2 percent of the population? What we could do instead is provide refundable tax credits for our students so they can afford to go on to colleges and universities and do better for themselves and do better for their children. I say better for their children because, again, I have reached the conclusion, having spent a lot of time on campuses in Minnesota, that the nontraditional students have become the traditional students, and probably the majority of our students are now in their thirties and forties with children going back to school so they can do better for their kids.

Are we committed to education? Here is where we could be a player. Instead of repeal of this estate tax that the majority party wants us to move forward on, why are we not talking about a commitment to education? Why are we not, as Senators, making a difference where we can make a difference?

Yes, we can make a difference in kindergarten through 12th grade, but we can make a huge difference, it is our role to make a difference prekindergarten: to make a commitment to affordable child care so children coming into kindergarten are ready to learn; to make sure every child has an opportunity to do well; to make sure our students can go on and afford higher education so they can do better by themselves.

Why are we not making this commitment to education? What are we doing out here, trying to move forward this piece of legislation that is going to cost $100 billion over the first decade and then up to $750 billion over the next decade, with all of this money and all of these benefits flowing, roughly speaking, to the wealthiest 2 percent of the population? I have a bill, as does BARNEY FRANK in the House of Representatives, that basically says: What we can do is agree that we are talking about, by definition, very wealthy Americans; that we are trying to repeal this inheritance tax. We are saying—and I quote Barney Frank—"If you're old, rich, and dead, we're with you. If you're old, sick, and middle class, you're out of luck." I do not know that I would put it quite that way, but basically we could take this $750 billion over the second 10 years, $100 billion over the first 10 years, and finance prescription drug benefits so seniors will be able to afford prescription drugs.

I come from a State where fully 65 percent of senior citizens have no prescription drug coverage at all. All of us can talk about people who are spending up to $300, $400, $500 a month to cover prescription drug costs, and maybe their total monthly budget right now, based upon what benefits they have, is $1,000 or $1,200. We can talk about people who cut pills in half, though that is dangerous. We can talk about people who are faced with the choice: Can I afford prescription drugs or can I afford to eat but not both?

What in the world are we doing trying to proceed on a piece of legislation which is not at all targeted, which provides huge benefits, which basically busts our budget and robs our ability to invest in other decisive areas that are so important to people in our States and provides the benefits to the wealthiest 2 percent?

This debate is really a debate about our priorities and, and I will draw a bit from the Center on Budget and Policy Priorities: In 1997, the estates of fewer than 43,000 people—fewer than 1.9 percent of the 2.3 million people who died that year—had to pay any estate tax. That is 1.9 percent, roughly speaking, among the wealthiest 2 percent in the United States of America. It is going to cost us $100 billion over the first 10 years, and it is going to cost us $750 billion over the next 10 years.

You know what. If we had an unlimited amount of money, and we did not have other needs—such as affordable child care, making sure we have health security for families, making sure people have a pension, making sure young people and not so young people can go on and afford higher education, and making sure families can do well by their kids so they can do well by their country—I might be all for it.

But what about these other decisive needs? Don't they come first?

Mrs. BOXER. Will the Senator yield for a question?

Mr. WELLSTONE. I would be pleased to yield.

Mrs. BOXER. One of our colleagues was saying he was visited by an extremely successful gentleman who was worth in the hundreds of millions of dollars, perhaps as much as $1 billion. The gentleman was discussing with this particular Senator this repeal of the estate tax for the wealthiest in our Nation, for the billionaires, if you will, for the most wealthy among us. This very wealthy person was making the point that he was not for this repeal for the very wealthy.

He said we could fix it for some of the family farmers, the small businesses, with which, by the way, Democrats on the whole have agreed. But he said: Do you know how I made my money? A lot of people have worked for me. He said: Those people have worked really hard for me. They didn't grow up to be millionaires. They got up every day, and they worked for my business. He said, in a sense, if his children had to pay some of the inheritance back, and we took the funds here and put them into education and job training and health care and prescription drugs, he would feel pretty good about it.

Now, granted, this is a type of a person you do not run into that often. Most people are not that selfless. But I think that gentleman really put it out there for us to contemplate.

This is the greatest nation in the world. With a good idea, people can come up from poverty and they can make it to the top. Their heirs perhaps may not be that hard working, but maybe they are. But the fact is, this gentleman has focused on this, to say to this great country: I want to see it continue to be great. There is a notion about that, that this gentleman, I believe, has focused upon.

I offer that up to my friend because he points out how much work we have to do for ordinary people who get up and face problems every day. It seems to me to be a very small price to pay, for very few people at the very top who have, in a sense, made it mostly because of these hard-working people, that their estates give back a little bit to this great country to defend itself, to be able to afford to educate its young, et cetera. I want my friend to just comment on that.

Mr. WELLSTONE. Mr. President, I thank the Senator from California. I actually would like to comment on her point in two ways.

First of all, let me point out, right now the total exemption for most estates that include a family-owned business is $1.3 million in 2000. That is what it has gone up to. A couple can exempt up to $2.6 million of an estate that includes a family-owned business or farm.

I would have no problem further targeting that. I do not think my colleague from California would, either. But the proposal out on the floor by the Republican majority—a sort of across-the-board repeal that amounts to $850 billion of lost revenue over the next 20 years—has to be considered alongside what we are about as a nation, what we are about as a people. I think the Senator from California speaks to the whole question of community.

My definition of community is that we all do better when we all do better. The interesting thing is that many people in Minnesota who are economically very successful—I do not know if they are the wealthiest 2 percent; I can think of some for whom I think I can speak who would say: Look, in all due respect, in terms of the scheme of your priorities, my gosh, get it right first for children. Get it right by way of helping families and helping children. Get it right by investing in education.

We now have 44 million people with no health insurance whatsoever. We have probably twice that number who are underinsured. We have senior citizens for which Medicare does not pay for prescription drug benefits in many of our States, or cover very little of it, who are faced with those expenses. We have a lot of elderly people—we do not talk about this much—who are terrified that they are going to have to go to the poorhouse before anybody will help them with catastrophic expenses, if, God forbid, they can't live at home.

Right now—my colleague from Wisconsin knows this well; this has been one of his priorities—we have not put anywhere near the resources we should put into assisted living so people can stay at home and live as near a normal circumstance as possible. That is a big family issue.

Let's think about this for a moment. From little children—under 4 feet tall, who are beautiful, all of them—to people who are elderly and are having a hard time paying their health care bills, and especially at the very end of their lives, who are frail and are wondering can they stay at home and live with dignity and wondering who will help them, or if, God forbid, they have to be in a nursing home because of Alzheimer's disease or whatever the case may be, that across the board we have not made the investment.

There is a lot we need to do as a nation. These are important priorities, not only for our country, not only for California or Minnesota. That isn't the right way to say it. These are important family values. I say to Senator BOXER from California, what I am asking is: Where are our priorities that focus on family values?

To me, it is a family value to come out and talk about tax credits or a direct investment of money to make sure child care is affordable. It is a family value to make sure people, at the end of their lives, or toward the end of their lives, who have worked hard and have built this country, should not have to be in terror that there won't be anybody to help them stay at home, or, if they are in a nursing home, nobody to help them with their expenses.

The United States of America—I love this country—is the only country where you have to go to the poorhouse before you are eligible for any help—Medicaid, Medicare assistance. Clearly, as a nation, in terms of our own priorities, we are going to have to start valuing the work of adults who work with children. We are going to have to start valuing the work of adults who work with elderly people. We pay them $6 or $7 or $8 an hour, with no health care benefits. This cannot be done on the cheap.

We have all these challenges. We are talking about $100 billion the first 10 years, and then the second 10 years, $750 billion. That is what this costs to provide a blank check benefit to the wealthiest 2 percent of the population.

We have all these challenges before us in terms of Medicare, in terms of Social Security, in terms of making sure there is health security for families, in terms of making sure we get it right for our kids. They are the ones who we are going to be asking a lot of by the year 2020.

In the words of Rabbi Hillel: If not now, when? If we can't invest in our children now, when will we? If we can't invest in the health and the skills and the intellect of our children now, when will we ever do that?

So I say to my colleagues, I just mention one amendment which I hope to be able to bring to the floor on this bill, which will talk about rather than all of these benefits just going to the wealthiest 2 percent, how about an additional refundable tax credit to help families afford child care expenses?

I say to my colleague from California, and other colleagues as well, I am for patient protection, I am for passing legislation that provides not only patient protection but provides caregivers protection. Demoralized caregivers are not good caregivers. I think doctors and nurses ought to be in the kind of position to practice medicine the way they thought they could when they were in nursing or medical school.

But the other issue is all the people who fall between the cracks who have no health security. I am amazed that universal health care coverage is not back on the table. I do not believe for a moment that the United States of America, the wealthiest country in the world, with a booming economy, and record surpluses at the moment, cannot provide health security for American citizens, for families in this country.

You can't have it all ways. If my Republican colleagues want to come out and say their priority is to provide a great tax benefit for the wealthiest 2 percent of the population, which is going to cost us $850 billion over the next 20 years, then not only are we not going to be able to do right by Medicare, not only are we not going to be able to provide prescription drug costs, but we are not even going to begin to be able to talk about how we reach the goal of health security for every American citizen, for all the families in this country.

What are our priorities? Instead of moving forward on this piece of legislation, we ought to be focusing on health security for American citizens. Not that we need to look to the polls to give us guidance, but not surprisingly, along with education, health security for families and citizens, emerge as top issues.

I will mention two other issues in terms of what we could be doing and what we should be doing, instead of repealing the estate tax blanket repeal, across the board, benefits going to the wealthiest 2 percent of the population. I think I speak for every Senator, Democrat and Republican, on this one. In 1997, we passed what was called the Balanced Budget Act. Some people voted for it; some people voted against it. I am glad I voted against it. Different people vote different ways. If it wasn't then, it is crystal clear now that what we have done to the Medicare reimbursement by so dramatically cutting it has had a catastrophic effect on our hospitals and on our nursing homes, especially in our rural communities.

I attended a recent gathering at White Hospital in Hoyt Lakes, up on the Iron Range. Hospitals in a State such as Minnesota, where we don't have the fat in the system, do not make excessive profits at all. They are going to go under. We are going to have more and more hospital closings. These hospitals are community institutions. These hospitals are important to communities, not only because rural America doesn't do well; when people are trying to decide if they want to live in a rural community, they want to know whether they can afford to live in the community: will there be a job at a decent wage? Can they afford to farm? Are they going to get a decent price?

The second thing they want to know is whether they want to live in a rural community. If they don't have good health care and good education, they are not going to do it.

Last year, we said we fixed this problem. We restored about 10 percent of the cuts. Again, I am not now talking about universal health care coverage, although I believe our country must embrace this idea. I will introduce a bill next week, working with the Service Employees International Union. It is a decentralized health insurance program. I like it a lot. I want to get it back on the agenda. I think it is important that we have a constituency to fight for it in the country.

I am not even talking about prescription drug benefits. I am not even talking about major reform. I am saying, I don't know how in the world we go forward with this kind of across-the-board blanket repeal with the benefits going to the wealthiest 2 percent of the population when we aren't even getting it right in terms of getting the reimbursement that our health care providers actually deserve back in our States.

I will mention one other issue. Senator FEINGOLD is here on the floor, along with Senator BOXER, Senator REID, and Senator BURNS. Instead of going forward with this tax scheme, why aren't we dealing with a core issue: reform. Why aren't we debating campaign finance reform? There is probably a pretty strong correlation. Some of the programs I have talked about and some of the values I have talked about, the people who would most benefit are not the heavy hitters, not the givers. They are not the investors and big contributors. Clearly, the wealthiest 2 percent of the population are among the ranks of the biggest givers, although there is not a one-to-one correlation. Clearly, at the very top, many people I know in Minnesota and I think around the country think we ought to get our priorities straight. We ought to start with some of the priorities I have talked about.

Why aren't we dealing with reform? When are we going to get to dealing with the ways in which money has come to dominate politics? There is the McCain-Feingold bill. There is the clean money/clean election efforts in different States. I have introduced that legislation. One of the things I would like to do is to at least change three words of the Federal election code which would enable States, if they want to, to apply clean money/clean election to Federal races. If the State of Wisconsin or Minnesota said it would like to apply this to State legislative races but also to Federal races, it ought to be able to do that.

Whatever your own preference, I think people in our country are begging us to move forward on a reform agenda and to give them a political process in which they can believe. I think citizens in our country are yearning for politicians they can believe. They are yearning for a Senate and House of Representatives in which they can believe. They are yearning for a political process in which they can participate. Right now there is so much disillusionment and disengagement, it should worry all of us who believe in public service. I can't think of anything we could do that would be more important than to pass significant, substantive campaign finance reform, instead of a tax scheme in its present form providing the benefits to the wealthiest 2 percent.

Couldn't we be talking about campaign finance reform? Couldn't we be talking about renewing democracy in America? Couldn't we be talking about how to restore confidence in the Government and the political process? Couldn't we be talking about renewing our national vow of equal opportunity for every child and affordable child care? Couldn't we be talking about how to help families do well by their kids so they can do well by our country and could do well by our States? Couldn't we be talking about how to help men and women who want to go on to higher education afford higher education?

Couldn't we be talking about making sure elderly people can afford prescription drugs? Couldn't we be talking about how to have more health security for people in our country? So many citizens fall in between the cracks; so many citizens feel so insecure. Couldn't we be talking about all of that and more with a booming economy and record surpluses? Couldn't we now get some resources back in the communities so our families could do better, so our children could do better, so that we all would be doing better because we all would be doing better, which is what a community is about? I think we could. That is where we ought to be focusing.

I yield the floor.

The PRESIDING OFFICER. The Senator from Montana.

Mr. REID. Will the Senator from Montana yield for a unanimous consent request?

Mr. BURNS. I will yield.

Mr. REID. Mr. President, I have been advised by the two managers of the Interior appropriations bill—and this has been approved by the two leaders—that we would ask all Members to notify their respective Cloakrooms and/or Senator BYRD or Senator GORTON that by 6 o'clock tonight they should get all their amendments to either the Cloakroom or to the two leaders. It will be a finite list of amendments. Then the two leaders, the two managers of the bill can work through that and at some time have the actual amendments in their hands. I ask unanimous consent that that be the case.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Montana.

Mr. BURNS. Mr. President, I listened with great interest to my friend from Minnesota on this issue. I am not really sure if he was talking about families or not. The standard of living that this country enjoys has to be attributed in part to parents, moms and dads, grandmas and grandpas, and their ability to pass on some of their wealth to the next generation.

We all work hard for our kids. I don't know of a parent who doesn't work for their kids in this country. While we were doing that, we elevated the standard of living and the wealth of this country for more people than any other society on the face of the planet.

I didn't come from very wealthy folks.

My dad was a small farmer in Missouri with 160 acres, two rocks, and one dirt. But last year, I lost one of my elderly aunts, a sister to my father. In her estate, I inherited only one thing in the will—a 1991 Lincoln Town Car. I have never owned a Lincoln in my life. But you know what happened to that old car? It was sold in the estate sale to pay for the taxes. I was mad. Well, I am not saying we are doing badly now; what I am saying is, forget about the top 2 percent that the other side talks about because they don't pay estate taxes, folks. They have CPAs and lawyers. They can set aside trusts and do a lot of things to guard their fortunes and pass it on to the next generation of the family. It is the middle who gets hit. It is the man and wife who started off as a young couple and built a business. They pass on, the Government taxes it again after it has been taxed all of those years.

So how much do you want these folks to give? We could have been talking about a lot of things today. We could have already had an H-1B visa bill, which is being blocked by the other side. They didn't like a lockbox for Social Security. They didn't like education reform, so they blocked that too.

Now we are talking about a simple estate tax. To give you an idea, I have some good friends who live up in the middle part of Montana, and they are not wealthy, either. But this is who gets hurt. This is real stuff, not pie in the sky. This is not philosophical. This is plain old middle America.

These folks lost their father and were given, starting in 1991, estate taxes of $4,584.81. Then they started making regular payments. In 1992, $13,000; in 1993, $15,000; in 1994, $14,000; in 1995, $14,000; in 1996, $16,000; in 1997, $15,000; in 1998, $12,000; in 1999, $12,000, and they have another payment coming up this December. They have been paying on this for their father who has been dead for 13 years. These aren't wealthy people. I know them personally. That is who this falls on. The top 2 percent? That is a myth and everyone should know it.

Some folks in Polson, MT, have a series of small theaters. They are in little bitty towns in Montana. They are scared to death of this thing. They are getting to the age now where they are starting to worry. They have to set up some ways to shield themselves, but they are finding out that being that small, they can't. That is what we are talking about.

I ask unanimous consent that a letter sent to me, dated July 10, 2000, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JULY 10, 2000.

DEAR SENATOR BURNS: Please eliminate the estate tax. My husband and I and our children have worked for thirty years to build a stable family business which provides us with a modest living. We expected to pass it on to our grown children who are working with us, but upon our death they will be forced to sell pay the estate tax.

We own movie theaters in seven small towns in Montana and one is in Idaho, populations ranging from 2,500 to 10,000. We purchased the first one in 1971 a few months before our youngest daughter was born and the last theater was in 1992. It has been a family business, our daughters grew-up in the theater business, earning their first money selling popcorn. Now our oldest daughter and her husband are working full time as film booker and general manager. We would like to leave this operating business to our children, but it will not be possible if they must pay an estate tax on the appraised value of the business and buildings it has taken us years to accumulate and renovate.

The income of our business could not support the extra expense of the estate tax. The theater business is similar to other small business and farms where the value of the land, buildings, and equipment does not equate with the small profit derived from it. A huge tax on the value of the business is an extra expense the business can not pay. Therefore, upon our death, the theaters must be sold to pay the taxes.

When this business, our family has built, is sold it will leave our son-in-law and daughter with no means of support after devoting half their life to the company. They will be forced to start over at middle age. Yes, they will have some money, the amount remaining after taxes, real-estate, accountants, and lawyers fees, but certainly not enough to support them through old age. If the operation is not disrupted they can continue to be a stable tax payer and employer. I would also expect they would continue to provide quality movie theaters and possibly add more theaters in other small towns.

Please, this family has worked thirty years to build a profitable stable business we expected to continue into the next generations, please eliminate the Estate Tax.

Sincerely,

AYRON PICKERILL.

Should we be talking about this? Yes. Should we be talking about an energy spike? Yes. I have a situation in Montana where I have one concentrator that concentrates copper ore. They were shut down because of an electricity spike because of a policy of not allowing construction or the ability to generate more electricity. Maybe we better start talking about that. Yet some would embrace a policy to tear down the hydrodams on the Snake River and the Columbia River. Maybe we should start talking about that because that is going to throw a lot of moms and dads out of work. A lot of grandmas and grandpas aren't going to like that, either.

Who it hits is the small farmer. I can look around this body and I see my good friend from Wisconsin, where there are small farms over there; most of them are in the dairy business. They feed a few cattle, and they have hogs and a few sheep. They will find it very difficult to pass that along to their next of kin without paying a big tax. Why? Because during all this time we have been told of this great economic boom—and it has been on paper—rural America has not participated. Prices on the farm have not been that frisky, and they are not this year, either. What happens is that you are land rich and cash poor. Should something happen to the principal on that farm, it will probably sell at the steps. They will have to give it up to pay the estate taxes because, as land has gone up in value, just because of the demand for the land, not for what it will produce, it will have to sell.

If you want open areas and you want to protect the environment, do away with this estate tax and allow the open areas of America to stay open areas of America. As I have stated before, the truly wealthy do not pay that tax because they have CPAs and lawyers. They have an army of folks. They make sure they won't ever have to pay this tax. So it falls on the middle.

Large estates are still subject to capital gains. The other side won't talk about capital gains reform. Nonetheless, the large estates is where capital gains fall. Study after study shows that this tax imposes significant costs on the economy in terms of lower economic growth and less job creation. We are hurting enough in Montana.

We have to get our agriculture out of the doldrums. We have to be able to build an estate with a future, with the ability to give it to the next generation, letting it grow again, because we are a small business in Montana. I guess I am worrying about the folks who are on the land because I have participated in some of those sales. I am an auctioneer and proud of it. I never had the handle of being a lawyer—only an old cowboy who sputters numbers pretty well. I have sold out those folks and I know what they feel like. In fact, I sold out one, and when the sale was over and the settlement was all done, I gave them back my commission because, had I not done that, they would not have had anything.

If you want to do something for the children of this country, you ought to do something for education. If you want to do something about the quality of life in your sundown years, then allow estates to grow and allow them to be passed on to the next generation. We all work for our kids. That is what we are talking about. We are talking about a value we have had in this country since its inception. That is why we have grown. That is why we have more people who enjoy the good life in this society than in any other society.

That is what it is all about. We have a way in times of surplus of building even more wealth in your hometown rather than the wealth in Washington, DC. That wealth is in a bureaucracy that produces nothing. Let communities build. Don't jerk that money out of those communities. Let it grow. Let it grow at home. Let's pass this bill.

I yield the floor.

The PRESIDING OFFICER (Mr. CRAPO). The Senator from California is recognized.

Mrs. BOXER. Mr. President, I believe under a previous order I will be next to speak.

The PRESIDING OFFICER. The Senator is correct.

Mrs. BOXER. Thank you very much.

Mr. President, I hope people have been listening to this debate today because, frankly, I think it has been an important one so far. There are many people who are students of politics, and sometimes they get lost in what one party stands for versus what another party stands for. I think when you listen to these debates on the floor, many times you won't get the differences. But I think today you will get the differences between the parties. I think that is important. Regardless of what side you agree with, I think you need to know where people stand.

One of the absolute rights of the majority in the Senate—regardless of whether it is Republicans in charge, which is what we have now, or the Democrats, which we had when I first arrived here—is that the leaders have the very strong ability to set the agenda. That is one of the good things you get when you are in the leadership. You get to decide what you want to come to the floor. You get to take a look at the array of issues with which we deal, whether it is education or the environment or whether it is our children or our elderly or prescription drug benefits or Patients' Bill of Rights or pro-business legislation—whatever it is that you believe are the most important things. You get to decide which one of those things should come before the Senate.

As our majority leader has said many times, we are pressed for time. We have very few days remaining in this legislative agenda. We are in an election year. In many ways that limits our ability because of the press of time and the need to go to conventions, et cetera.

I think what this majority chooses to bring before us says a lot about who they are, whose side they are on, and in what they believe. The way my side of the aisle—the Democratic side of the aisle—responds to that agenda says a lot about who we are, whose side we are on, what we believe in, and for what we are going to fight. Today is a perfect day to draw the contrast.

Senator LOTT has chosen to put before us a repeal of the estate tax. I think you need to look at what that really means. What does it cost us in hard, cold dollars to repeal the estate tax? The answer is almost $1 trillion over 20 years.

Who in our society benefits from this repeal? What else could we do with that money if we decided to put this particular issue perhaps a little bit lower down on the priority list?

Once you look at all of these questions, I believe you will get a clear distinction of where the Democratic Party is and where the Republican Party is. I think that is good. You may come out supporting the Democratic Party, thinking they are on your side, or you may come out supporting the Republican Party and say they are on your side. That is what politics is all about. That is what debating is all about. But most important to me is that there are these defining differences and there is one of those defining differences.

Senator BURNS spoke about how repealing the estate tax is going to help ordinary Americans, and how important it is to help ordinary Americans.

I say to him that if he looks at the estate tax today, there are some inequities we can fix, and that we should fix that deal with family farms and smaller businesses and individuals. But to repeal the entire estate tax is helping those at the very top of the ladder. When I say top of the ladder, I mean those earning hundreds of millions of dollars and whose estates are worth hundreds of millions of dollars—perhaps into the billions of dollars.

If that is considered helping the ordinary person, then I guess I don't get it because when I travel around my State, the ordinary people and the average person are working really hard every day. Do you know what they are bringing home? They are bringing home $30,000 a year, $40,000 a year. And in California where we have to earn more, we have couples working. If they really do well, they may bring in $60,000, $70,000, or $80,000 a year. They are struggling at that range to buy a home. They are struggling at that range to find child care that is affordable and that is quality. They are struggling to help their parents meet their medical bills, yes, their pharmaceutical costs or perhaps long-term care or college tuition. They are struggling.

I say to my friends on the other side of the aisle that to couch this repeal of the estate tax as helping the average person is terribly misleading. Let me tell you why.

Right now, we have an estate tax that essentially says to a couple: You are exempted if you are worth up to about $1 million. It is exactly $1.2 million. You are exempt. There is an argument to be made that is not high enough given the value of housing, and so on. I can see why that ought to be raised.

The Democrats have an alternative. We raise it to $4 million for a couple so that in the future, children of couples who leave an estate of $4 million would have to pay nothing but only under $4 million. Do you know how many estates? That is a very small number of estates. Probably a percent and a half or so.

We say to farmers and small businesses: Yes, we understand the problem. We are going to increase the exemption for you from $2.6 million for a couple to $8 million per couple by 2010. So we are saying that to the small farmer and the businesspeople who for $8 million or less there is no estate taxes. Yes, it is going to cost something for our proposal, if we were offering it, because right now we haven't even gotten an agreement from the majority that we can offer our alternative. But it would cost $61 billion over 10 years compared to $105 billion over 10 years on the Republican side. It would cost over the next 10 years $300 billion compared to $750 billion.

The interesting thing is in our plan we essentially exempt almost everybody, except the very tiptop of the wealth scale. Yes, the Donald Trumps, the Leona Helmsleys, the Bill Gates of the world, who did so well in this the greatest country of all. Yes, their heirs may have to pay something to help the people who want the same chance they had. Because what do we do with the estate tax? It goes into defending our country. It goes into educating our people. It goes into health research to find a cure for Alzheimer's. The people at the very top of the ladder who I talk to say: You know, BARBARA, you have a lot of work to do. One of them isn't worrying about me. I am good. I am OK. My heirs can pay a little bit. It is OK.

But what do the Republicans do? They want to repeal the estate tax—not just for the small family farms, as we want to, and the small businesses and make sure that if they are worth $8 million they don't have to pay anything. They want to protect the people who are worth $10 million, $12 million, 20, 30, 40, 50, 60, 70, 80, 100, 200. Do I hear more? Yes, I do because there is no top. If you are worth $1 billion, your estate doesn't have to pay anything under their proposal.

To stand here and say that is protecting ordinary people—the average American—is just not true. I would prefer, if this was an honest statement, to say that we are going to help the richest people in this country because that is what they are doing. That is what they are doing.

This is an honest statement: Helping the richest people in this country who are worth $1 billion, $2 billion. You name it; there is no cap. To do that, it will cost $850 billion over the next 20 years.

We can fix the problem with the estate tax for less than half of that, and we can do some wonderful things with the rest of the funds that we save. What can we do? Why don't we look at the Tax Code. Why don't we understand that people who send kids to college have a very big expense. They could use a little help with a tax deduction or a tax credit.

I held a hearing on the crisis in quality child care. In California today—and I assume it is similar in Nevada—for every five kids who need quality child care, only one can get a slot. It is so expensive that people are saying they have to choose between paying their mortgage late and being assessed a late fee and paying child care.

Mr. REID. Will the Senator yield?

Mrs. BOXER. I am happy to yield to the Senator.

Mr. REID. I was in San Francisco recently and saw a headline in the newspaper that in San Francisco, nannies—people who take care of kids—are being paid an average of $60,000 a year.

Mrs. BOXER. It is out of control.

Mr. REID. What does that do to people who work for $30,000 a year who have a child or children? It makes it impossible.

Mrs. BOXER. We had testimony from parents and teachers who said sometimes parents are dropping their kids off at places where one would not want to drop a pet off, let alone a child.

Mr. REID. If the Senator will yield for another question, the Senator from California has led the Congress in afterschool programs. We need more money for afterschool programs. Some people have no money for the 2 or 3 hours after their child gets out of school and they get home. So we have latchkey kids, kids running in gangs.

Is that where it goes bad?

Mrs. BOXER. The Senator is absolutely correct. My friend is right. We tried so desperately in this Senate to simply get the funding for afterschool care up to the President's level. We failed.

Where were my friends who say they are fighting to repeal the estate tax, to help ordinary people? Where were they when I had a chance to take another million kids off the waiting list and put them into afterschool care so they wouldn't join gangs? They could not find the funds for that.

That is why I think this debate we are having today, I say to my assistant Democratic leader, is so important. It is all about priorities. The other side gets the chance to set the agenda. They overlook the people who need child care. They overlook the people who need afterschool. They do not want to do school construction. They do not want smaller class sizes. They do not want a real Patients' Bill of Rights. They do not want a guaranteed prescription drug benefit. Any don't even look at other tax breaks that are going to help people who send their kids to college with a tuition tax break.

They come out here, with their hearts full, and fight for the wealthiest people in this country. It is a fact.

Mr. REID. If the Senator will yield for another question, does the Senator recall how much money she was begging for on the elementary and secondary education bill, as well as on other occasions for afterschool programs? Remember how little that was?

Mrs. BOXER. Initially, it was little. Now we are simply asking for the President's level, which would be a couple hundred million dollars. I say to my friend, it is a lot less than this bill loses over the 20-year period.

Mr. REID. I further say to the Senator, as I understand it, in the second 10 years of this bill, we are talking not about millions; we are talking about billions. We are talking $750 billion.

The Senator is saying if we had the Cadillac of afterschool programs, it would cost $200 million?

Mrs. BOXER. If we had another $200 million, that would help reduce this waiting list. We were not able to get any increase whatever out of this particular Congress this year.

Mr. REID. I say to my friend, for each child who is kept from graduating from school, does the Senator recognize the cost on our society when that child drops out of school?

Mr. President, 3,000 children drop out of school each day. It costs our society untold suffering. That child unable to graduate from high school is less than they could be. It adds to the cost of the criminal justice system. It adds to the cost of the welfare system. It adds to the cost ultimately of the education system. Is the Senator also aware that 84 percent of the people who are in prisons in America today have no high school education?

Mrs. BOXER. I was not aware it was 84 percent, but my friend has been a leader on the whole issue of dropouts. His point is well taken.

We are looking at $850 billion over the next 20 years, just on this tax break, and they have others they will come up with, that are not capped, also, that will give to the top people. Yet they don't want to spend money on what will really make our society strong.

The point the Senator makes is so correct because I remember in the days I was in the House with the Senator, tracking the costs of a high school dropout to society every year. It was hundreds of millions of dollars in the course of their lifetime.

The Senator is exactly right, if we are talking about crime, if we are talking about drug abuse, if we are talking about alcohol abuse, if we are talking about people who are not productive, who cannot hold down jobs, who feel undervalued because they don't have a high school education. These are the competing priorities.

It amazes me how our friends can come with so much passion for the Donald Trumps, for the Leona Helmsleys, for the people who make all this money, and not have even a speck of compassion, it seems to me, for ordinary people.

Mr. REID. Will the Senator yield?

Mrs. BOXER. I am happy to yield to the Senator.

Mr. REID. The Senator recognizes that the minority, the Democrats, recognize this, and we want to increase the size of the estates that are not subject to the inheritance tax.

Mrs. BOXER. That is correct.

Mr. REID. It would increase the general exemption from $1.35 million per couple to $2 million per couple in 2 years, by the year 2002; and $4 million per couple by the year 2010.

Mrs. BOXER. I spoke about that.

Mr. REID. Is the Senator aware this makes just a few estates every year even subject to the tax?

Mrs. BOXER. Exactly. We move also on the exemption for farms and small businesses, and we go up to $8 million per couple by 2010 on that ladder, as well.

We are only talking about extremely large estates and a tiny percentage of people in this country. It is in the hundreds, really, who will wind up paying any type of estate tax—only those who have made it so big that, yes, maybe they can just give back a little bit to this country to pay for the defense of this country.

Mr. REID. As I understand the Senator, the Senator is saying the minority wants to raise the exemption of the estate tax. We want to, in effect, exclude most every small business and small farm in America from the estate tax.

Mrs. BOXER. That is correct.

Mr. REID. In addition to that, we are saying the really rich in this country, rather than give them a tax break, we should look at giving a tuition tax credit for people who want to send their children to college.

Mrs. BOXER. Exactly.

Mr. REID. We believe there should be some slack cut for child care programs that we have discussed on the Senate floor. And it would not be a bad idea to do something with afterschool programs and a number of other areas that help the working men and women of this country, and not the super rich—and I mean super rich. We are talking about a tax for not a millionaire, not a multimillionaire tax, but we are looking at maybe a billionaire tax.

Mrs. BOXER. That is what we are essentially saying. We really are saying that. That is why I say the question, whose side are you on, is very relevant to this debate.

We recognize the fact there has been inflation. We need to take another look at this estate tax. We are willing to make sure we help our family farmers. We want to help our small businesses. We want to help our individuals so their kids do not find themselves in a bind when they inherit the wealth from their families. We are willing to do that. We know President Clinton is willing to sign such a bill. We know he is going to veto the Republican version because he believes it is unfair to the middle class. He believes it is unfair.

What we are saying is we can take care of the problem and help those who have kids in college or who have kids in day care. We can give a prescription drug benefit that is guaranteed through Medicare to our seniors. We can do all these things and still have enough to do some debt reduction and a little bit for afterschool programs. That is how expensive this repeal is.

Mr. REID. Under the Senator's time, will she yield for another question?

Mrs. BOXER. Yes, I will be happy to yield.

Mr. REID. The Senator represents by far the largest populated State in the country, 33, 34 million people.

Mrs. BOXER. That is right.

Mr. REID. Its neighbor, the State of Nevada, the State I represent, has approximately 2 million people. The State of Nevada, under the old formula, does the Senator understand, has only 308 taxable estates?

Mrs. BOXER. Yes, 308.

Mr. REID. Mr. President, 308.

The other thing I ask the Senator is every State—I should not say every State because I am not certain it is true but I believe it is true—every State in the Union has an inheritance tax; if not every State, virtually every State. The State of Nevada 10 years ago passed its own inheritance tax.

Does the Senator realize there is an offset; that is, of the Federal tax that is collected, if a State has an inheritance tax of its own, it comes out first and goes to the State of Nevada or the State of California, for example, rather than the Federal Government?

Mrs. BOXER. Yes, 25 percent of the tax, as I understand it, goes back to our States.

Mr. REID. I ask the Senator if she knows, as I said, a portion of the estate tax goes to the States via estate tax credits as a revenuesharing provision with the States? In Nevada, 100 percent of the amount received through this estate tax credit is used for education, 50 percent is used for State university support, and 50 percent is used for elementary and secondary education. I ask my friend: Is it more important that we continue that, paid by only a fraction of the people in this country? In Nevada, instead of 308, under the new formula, it would be probably less than 100 estates, maybe closer to 70 estates.

The question is, Isn't it better we have—and I do not mean to denigrate him because he has done good things for the country; Bill Gates is worth $70 billion. If some misfortune overtook Bill Gates, shouldn't that huge estate pay some amount of money for education to the people of the State of Washington?

Mrs. BOXER. I answer that question in this way: I was discussing with another Senator a conversation he had with a very wealthy man who had made hundreds of millions, perhaps billions, of dollars, in the course of his lifetime in this country. Maybe this person is unusually kind and good hearted.

This person was saying to him: This great country made it possible for me to have this kind of accumulation of wealth, which is far beyond what any of my heirs need to have.

He can take care of his heirs for generations to come.

He said: But I have to admit that I earned all this money because a lot of folks worked for me, and those people got up every day. They did not become millionaires, but they did fine, and I want to make sure that, yes, I can help their kids.

That is what happens with an estate tax. How do we spend it? We defend the country for those kids. We help with education. We help with health research. We may find the cure for Alzheimer's for one of Bill Gates' future generations because of the funds we are able to put into health research.

Our friends on the other side of the aisle, in the name of helping ordinary people, are ignoring the fact that the Democratic alternative—which at this point we do not have permission to offer but I am very hopeful we will get that chance; it would be wonderful; they can support our alternative. They can ease the burden on the small family farms. They can ease the burden on the small businesses. They can ease the burden on couples who have accumulated wealth through, say, buying a house, for example, which went up greatly in value, such as they have in California. I do not want those kids to have to sell the home. That is why I am supporting the Democratic alternative.

We have an excellent alternative that costs less than half of what theirs does and allows us to help people pay for college. It will help grandmas and grandpas get prescription drugs. If our friends on the other side of the aisle really want a bill to become law, they should join hands with us because President Clinton said he will sign that bill. He will not sign the bill that he believes is helping people who are worth billions of dollars.

Mr. REID. Will the Senator yield for another question?

Mrs. BOXER. I will be happy to yield.

Mr. REID. Even in Silicon Valley, where there has been tremendous success and which has been the driving force of the high-tech industry, with the expensive homes, the Democratic version would help people there, wouldn't it?

Mrs. BOXER. I believe so.

Mr. REID. Of course it would, I say to my friend, because even though the estates there are bigger than a lot of places, we are talking about raising this to millions of dollars.

Mrs. BOXER. Exactly.

Mr. REID. Four million dollars.

Mrs. BOXER. All the people who need the help will be helped under the Democratic alternative.

Mr. REID. I say to my friend, even the very rich will be helped; isn't that true?

Mrs. BOXER. There is no doubt about it. If you define wealthy as $5 million, $6 million, $7 million, you are not going to have to pay anything if you are handing down a business, and up to $4 million for just the normal family exemption.

I say to my friend, another point I think we have not made strongly enough is that it is estimated by people on the Finance Committee that the Republican plan could discourage $250 billion in charitable contributions over 10 years. Why is that? We know people look at their estate planning and they look at different ways they are going to handle it. They say: OK, I will give so much to Uncle Sam, but I also want to give some to my favorite charities.

The charities are up in arms about this. My friends on the other side of the aisle are often saying how important the role of charities are, and they are right; they are very important. Yet we have estimates that say the drain on charitable pursuits could go down $250 billion. That is not good news for those folks out there who run the community symphonies and the ballets and the various nonprofits.

If we proceed with the Democratic alternative, we will be easing the burden on the people who need the burden eased; it is costing less than half of what the Republican plan will cost; it is saying to the wealthiest among us—and I am talking about the superwealthiest, as my friends put it—we want you to do well, but we know you understand the facts of life which are if we take this kind of money out of the Federal Government, we cannot do enough for our child care tax credits and for our afterschool programs. We cannot do enough for those in the middle class who are sending their kids to college. That costs a lot.

The fact is, we have other things we can do that can bring much more relief to ordinary, average American families.

I am going to close the way I opened, and that is to reiterate that I think this debate today has been a very important debate. It is true we are taking some time here, but many times people complain they do not see the differences between the parties; they do not understand what we stand for.

If they did nothing more than to look at the Democratic alternative, which cures a problem but is fair in its reach, if they did nothing more than take a look at the things that we still need to do, the unfinished business around here, to help our people—if I have to hear one more story about a patient in California who tells me that she cannot afford her prescription drugs, when I know we have the resources; just look at the Republican proposal—if you just exempted those who need it, you would have enough left over to take care of the grandma and the grandpa and the person sending their kid to college and the person struggling to pay for child care; we would have enough to do the things we need to do.

I hope the American people will take heed of this debate because in the end it is whose side are you on. I think at the end of the debate they can truly answer the question: Whose side are the Republicans on? The Donald Trumps, the Leona HELMSleys. Whose side are the Democrats on? Ordinary working, middle-class families are who we want to help.

I yield to my friend for a question.

Mr. REID. As I understand it, what the Senator is saying is, yes, we Democrats are willing to lower the taxes on the wealthy, but we do not want to take them away completely?

Mrs. BOXER. Exactly right. We are simply looking at the wealthy people, who we believe are not being treated fairly because perhaps their wealth is tied up in a family farm, in a small business, in a private home, and we say, fair enough, we do not want to see your family be forced to sell these assets. We do not want that to happen. In our alternative, we take care of this. But we do it in a way that is fiscally responsible, that leaves enough to take care of the pressing needs of our people, which everybody seems to think we have—prescription drugs, afterschool care, making sure that our kids get a decent quality education. Frankly, if we can just be moderate in our approach, we can do all of those things and come out on the side of ordinary Americans and be proud of ourselves.

I only hope that as this debate moves forward, the Democrats have a right to offer our alternative, and that some of our friends on the other side of the aisle will recognize that if they join with us, we will have a bill that is fair, that is good, that can take care of our other needs, and that the President will sign into law.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. GRAMS. Mr. President, I rise this afternoon in strong support of the House legislation that would repeal the death tax for working Americans. I support this bill because death taxes are just basically, bottom line, anti-American, antifamily, antieconomic, and antijob growth. The death taxes are just plain unfair. They are unjust, and they must be eliminated.

I know our friends on the other side of the aisle are just so enamored by being able to take some dollars from somebody so they can direct them to the causes they believe are the best. They want to direct where the money goes. They are saying we should take these dollars from these individuals or these families or these groups and bring it to Washington so we can decide in Washington how the money should be spent—not the individual who earned the money, not the trust funds that they might set up.

They always throw around the names of Bill Gates, Donald Trump, and Leona Helmsley. I do not see anything wrong with what they have done and what they have contributed. But somehow if they want to direct or control their money, even after death, somehow my friends on the other side of the aisle have a problem with that. In fact, if I am not mistaken, I think Mr. Gates has already set up a huge trust fund of about $20 billion to be given to charitable causes.

I hear over there that there would be a reduction in charitable giving. So somehow, if the Government took less of the money from you in taxes, you, in turn, would say: I have more money now, so I am going to give less to charity, or somehow, if the Government takes more from you in taxes, you are going to be more charitable with the little bit you have left.

I think the real debate here is, again, fairness, equity, and who is going to control or direct the money. Are we going to listen and have it all directed from here; That somehow they know better how to spend the money? They want to generate, control, and grow more Government, that it is more efficient, can deliver better services, and is more fair to Americans.

To me, this is nothing but greed on behalf of some politicians who want to control people. As I said, even after they are dead, they want to take even more money from them.

But their estates give back just a "little bit" in taxes. I do not call 55 percent of everything you worked for, and managed to save, put away, a "little bit." Fifty-five percent—give back a "little bit." Or the heirs should be happy to get half of the estate that your family has worked for, for nothing. You have probably been a part of it. And then after death, the Government can come in and grab 55 percent, and you should be happy because you get what is left over. Don't say anything. Just sit there and be happy because the Federal Government, in all its wisdom, is going to direct those dollars to the best causes and, indirectly, somehow they are going to benefit you and every other American.

There might be waste, fraud, and abuse going through the systems we have today, but if we only pump a little more money into it, or if we can only create more Government, somehow this is better than allowing an individual to decide how that money is going to be spent, what charities that individual wants to give to, what educational programs they want to support. But, no, somehow it is better if it comes to Washington.

But as you know, the Federal death tax is similar to the income tax. It was first imposed as just a temporary measure to finance World War I. Ronald Reagan said: There is nothing more permanent than a temporary Government program.

This is just a great example. The excise tax on the telephone—that was just repealed here a little while ago—imposed 100 years ago as a temporary tax is another great example.

Here is a temporary tax to help finance World War I. It was temporary. But once people get their hands on the money, they somehow believe they have more of a right to your labor than you do, that somehow they have more of a right to the money that you have worked for or generated than you do.

Why? When death taxes became permanent in 1916, estates under $9 million—that is in today's dollars—were not taxed at all. Death taxes later evolved to supposedly prevent the buildup of inherited wealth. The Government wanted to prevent the buildup of inherited wealth.

This idea of social engineering has made the death taxes, which now range from 37 percent to 55 percent, substantially higher than any other Federal taxes. The lowest estate tax rate is almost as high as the highest income tax rate, which is now, thanks to President Bill Clinton and the Democratic bill passed in 1993, the highest income tax rate, 39.6 percent.

Keep in mind the death taxes are levied on earnings and assets that have already been subject to income, payroll taxes, and other taxes at the Federal and State level. In other words, you have worked all your life. You have paid taxes up front on your income, on your profits. This is moneys that you have taken home after taxes, where you built an estate and somehow now they believe that you should pay just a "little bit" more—just a "little bit"—and, oh, by the way, only on the most wealthy in this country. If you have a farmer with $1 million out there driving a 1975 pickup, and he happens to die unexpectedly, he is among those wealthy individuals that we talk about.

Yes, they throw around the names of Bill Gates and Donald Trump, as if somehow they are bad people, but what they do is they try to camouflage the real reason for this bill, and that is, to get their hands on additional moneys. Despite the efforts by liberals, deaths taxes have failed to accomplish their stated purposes and instead have created inequality and injustice that hurts millions of Americans. Instead, this is one of the most expensive taxes imposed, and it does some of the most damage on the individuals who this money is taken from.

In fact, I think there are studies out there that have said, if we eliminated the inheritance tax, the estate tax, the death tax, that it would almost be a wash to the Federal Treasury because it costs billions of dollars today to administer because of all the audits and everything that has to be done.

It is costing billions of dollars to impose this tax. Then when we look at the damage it does to farms, to small businesses, to individuals, jobs that are lost, businesses that are lost, tax dollars that are lost, of course, in the process, the Government comes out probably a loser. There are many who would bet that if we could eliminate this death tax today, it would not affect the revenues and, in fact, we would probably have even larger economic growth; that the revenues to the Federal Treasury would be even larger because of it.

It is a punitive, mean-spirited, unfair, unjust, antijob, antieconomic tax that the other side of the aisle seems to like to impose on Americans, successful Americans or Americans just trying to hang on to their farm or their small business.

Let me give a few examples of how death taxes are hurting working Americans. My good friends on the other side of the aisle say they don't want to hear any more of these stories, but we have a lot of these stories because they affect millions of Americans every year.

John Batey of Tennessee runs a 500-acre family farm that has been a part of the Batey family for about 192 years. John has spent all of his life on his family's farm and, as most other farmers, he plans to be a good steward of the land, to save and to build his assets and some day leave the farm to his children.

After the death of his father 5 years ago and the death of his mother last June, John began to settle his parents' estate. As he was about to take over the family farm, the IRS sent him a death tax bill for a quarter of a million dollars, on a 500-acre farm in Tennessee, a quarter of a million dollar tax bite. The value of the farmland had increased significantly, but the death tax exemption has never been indexed. John had no choice but to sell some other assets. He also had to dip into their life savings and even borrow money to pay Uncle Sam.

Now, when we talk about wanting to have a prescription drug benefit, everything else, what kind of a financial shape has it put this family in? It has taken them from being able to pay and make due for themselves and exposed them to financial ruin and the need possibly of having to come to the Government begging for help because we have taken all their money. Now they are in debt, have less of their assets, and their savings are gone so they can pay Uncle Sam this unfair, unjust death tax. Somehow the big spenders in Washington needed that money more than John and his family needed it for their own well-being.

The story of Lee Ann Goddard Ferris, who testified during the Senate Finance Committee hearing, is another disheartening story. This isn't the Bill Gates of the world. This isn't Donald Trump, Leona Helmsley. This is Lee Ann Goddard Ferris. Her family owns a cattle ranch in Idaho which prospered through 60 years of hard work by her grandfather and father. By the way, they accumulated this after they paid the taxes on all of their income up to this point. In the fall of 1993, her father was accidentally killed when his clothing got caught in farm machinery. The unexpected death was devastating on the family, but so was the news from their attorney. Later on he told them: There is no way you can keep this place, absolutely no way. They said: Well, how can this be? We own the land. We have no debt. We lost my father, but now how are we going to lose the ranch? We don't have a mortgage on this place.

According to Lee Ann, in her testimony before the Finance Committee:

> Our attorney proceeded to pencil out the estate taxes . . . and we all sat back in total shock.

When their mother dies, the lawyer told the family, estate taxes will be $3.3 million. I know that is just a little bit, just giving back a little bit of what has been generated by Washington and this great economy, not by the hard work of millions and millions of Americans. You didn't do anything to create this economy. It all came out of here, out of Washington. You have benefited from it because of the benevolence and the wisdom out of Washington, not your hard work, not your brainpower, but Washington created this environment. We have heard this on the floor, that because Washington has done this, you have been the one who has taken advantage of it. So you should give back just a little bit to help, $3.3 million for a family in Idaho from a cattle ranch, just a little bit.

According to Ferris, the family had to sell off a parcel of land. They did this so they could buy a $1 million life insurance policy for her mother in the event that she should suddenly die. That would pay off one-third of the estate tax. The question still is, How will they handle the remaining $2 million? They already had to sell some assets to go out and buy this huge insurance policy. That only takes care of 33 percent. Who will pay the remaining $2 million? Ferris says she doesn't know. When her mother passes away, they are going to have to figure out another way of paying the other $2 million. Will that be in the sale of more of their assets, selling off more of the farm, basically driving them off the land and putting them somewhere else?

Timothy Scanlan, from my State of Minnesota, owns a family business. His family has built their business over the last 80 years. Their business has created many jobs. It has offered fine products. Again, they have paid taxes all their lives on everything. You are taxed to death the way it is now; the estate tax just finishes the job. They paid taxes, and they have never asked the Government for a handout. When his father and mother died a few years ago, the estates tax took nearly 60 percent of the value of his family business. Mr. Scanlan says:

> I am now trying to plan for the fourth generation to take over. As of today, it can't be done. We've worked so hard to create something good that we've created a company that has so much value that we would have to sell it in order to pay the taxes. Families, companies and farmers like us are a small minority working hard for generations only to have our government tax us out of our family business.

This isn't Bill Gates. This isn't Donald Trump. This isn't Leona Helmsley. These are average Americans.

There are many more stories such as these clearly showing that the death tax has hurt hard-working Americans the most. Not the rich; the rich can hire the lawyers. They can hire the estate planners to avoid all these taxes. We are not talking about tax relief for the wealthy, as some claim. I am not here trying to defend the wealthy. They are going to take care of themselves. It might cost them a couple million dollars to go out and hire people to set up the shelters they need. They will do that.

Why are we doing this? Why are we costing millions of dollars in the private sector, billions of dollars in the public sector to try to levy an unfair, unjust, antieconomic tax that hurts millions of Americans?

Realizing this injustice, the Republican-controlled Congress began to provide death tax relief in 1997 to farmers and small business owners by increasing the exemption from $600,000 to $1.2 million. When I talked about how increasing taxes of the Federal Government or eliminating the estate tax would almost be a wash, statistics show that about one-third of the surpluses we enjoy today are the direct result of the tax cuts in 1997. It means if we can reduce taxes, the economy grows. The economic pie gets bigger. The economic opportunities are better. The wages can improve. But, no, if you tax something, you get less of it. If that is what we want to do, continue to tax Americans into submission with these death taxes and having to break up or sell their businesses and farms, that is exactly what this unfair tax does.

There are crocodile tears about how if we can only collect this money, how much good can we do with this. Washington can do so much good. Just let us collect this tax, just a little bit of it—by the way, 55 percent—let us collect it, and we will continue these great Government programs. In fact, we will even create some new ones to go along with them.

Last year, we passed the Taxpayers Refund Act. For the first time ever, we voted to completely repeal the Federal death tax. Despite the fact that the President's own White House conference on small business made death tax repeal a top legislative priority, President Clinton vetoed this tax relief legislation.

When I travel around the State of Minnesota, I talk to hundreds of farmers. The one thing they tell me would help them most is the repeal of the death tax.

The average age of the majority of the farmers in Minnesota is 58. Within 10 years, there is going to be a tremendous shift of wealth of farmland and farm assets in Minnesota. Right now a lot of those assets are going to go to the Government, and it is going to drive the next generation off the farm because they won't be able to afford to do it.

I don't know where those farm assets are going to end up, but, because of this unfair tax, the majority of farmers in Minnesota tell me that would be their No. 1 priority. If we want to help rural America, if we want to help rural Minnesota, rural Wisconsin, the best thing we could do is help these farmers by getting rid of this death tax to allow them to pass their assets from generation to generation.

But again, despite the fact that the President's White House Conference on Small Business made the death tax repeal a top legislative priority, President Clinton vetoed this tax relief legislation. This is an administration that does not want to give one dime in tax relief—not one dime. In fact, the President's own bill that he submitted this year, which had a tax relief component included, would actually raise taxes this year by $9 billion. That is the President's version of tax relief. We will raise your taxes $9 billion this year. That is real tax relief.

Here is another example of a President who doesn't want less taxes but more taxes. It is supported by our good friends on the other side of the aisle.

Our Democratic colleagues insist that a cut in the death tax is a tax cut for the rich, and they "can hardly justify a costly tax cut that benefits some of the wealthiest taxpayers."

That is simply wrong. As I said earlier, it is the family farms and the small business owners whom the death tax particularly harms; it is not the rich. That is just cover, a smokescreen. That is the magician saying: Look at this hand, not at what I am doing here with this other hand. Concentrate on the super rich, but don't worry about the average middle-income taxpayer or small businesses.

A typical family farm could be valued at several million dollars due to land appreciation and the expensive farm equipment needed. I have said so many times that a farmer can die and can be worth $2 million or $3 million, but it is all in assets, value, and equipment. He has probably never driven a new pickup in his life and has worn his gloves until he can't hold them anymore. Yet, when he dies, he is a millionaire who should "give just a little bit back." Don't pass on the family farm; let Washington have it.

Many farms may never even earn a penny of profit. When the head of the household dies, the family can't come up with the money for estate taxes. They don't have a quarter million dollars in cash-flow. Everything they have is normally invested in the farm, in the assets and equipment. But they have to come up with money to pay the estate tax, and that means they have to sell equipment or land—in other words, break up the family farm.

This is the main reason we lose about 1,000 family farms each year in my State of Minnesota alone. They are driven out of business because of the estate tax. Are these rich people? No, they are hard-working Americans. I strongly believe Government policies should not punish those who have worked hard and been out there building up farms and businesses. There are many compelling reasons to end this unfair and unjust death tax:

First, the American dream is to work hard and make life better for their children. Here, if you work hard and put everything into it, you break your back to do it, if you are successful, they are going to penalize you. You may have built a business from the ground up, brick by brick, acre by acre, founded on persistence and determination, but if you are successful, they are going to break you.

Years of hard work eventually pay off. Their business thrives, farms prosper, and when the time comes to retire or leave the world, they are proud to pass something on to their children. But, wait, there is the tax man. By allowing them to build upon the success their parents and grandparents had achieved, they know they have given their children a good head start—again, until the tax collector steps in to demand Washington's share, taking up to 55 percent of the estate. As the witness said earlier in her testimony before the Finance Committee, her attorney said, "There is no way you can continue to operate this farm because you have to pay the taxes."

Once the Federal Government has finished taking its portion of the estate, few family businesses and farms can survive. Their heirs may be forced to sell off all or part of the business—again, just to satisfy the tax bill. All of the years of hard work poured into the creation of a piece of security for their family and their future evaporates. Oh, no, this is only for the rich, for the wealthiest. Again, that is a smokescreen to divert your attention, saying: Good, tax the rich people. But those "rich" people are many, many Americans—not a few but many average Americans.

Newt Gingrich once said, "You should not have to visit the undertaker and the tax man on the same day."

I think Mr. Gingrich was right. Research shows that 70 percent of family businesses do not survive through the second generation. Eighty-seven percent don't make it through the third generation. The death tax is a major factor contributing to the demise of family businesses and, as I said earlier, family farms. Nine out of ten successors whose family-owned businesses failed within 3 years of the principal owner's death said it was trouble paying the estate taxes that contributed to the company's demise.

I think Senator BURNS earlier talked about the year after year after year of payments a family had to make to the Government—$14,000 a year, $15,000 a year, $17,000 a year, and their dad had died 13 years earlier. So they were still trying to make a profit and pay the bills and then pay the tax man over and above their other taxes.

In fact, under the current tax system, it is cheaper to sell the family-owned business before death—cheaper to sell it before you die—rather than pass the business on to one's heirs. That is what happens a lot of times. You can't afford to die, so you have to sell the business beforehand so you can pay less taxes, and you help your family more than by waiting until you die.

No growing business can remain competitive in a tax regime that imposes tax rates as high as 55 percent upon the death of the founder or owner. Clearly, the Nation's estate tax laws penalize those who have worked the hardest to get ahead. Instead of encouraging family-owned businesses, the Federal Government has enacted tax policies that are a barrier to a better economy and better jobs.

A good question would be: On what moral ground should the Federal death tax be allowed to continue to punish hard-working Americans? If a death tax is unfair on somebody with a $500,000 estate, or a $50,000 estate, or if it is unfair to somebody with a $2 million estate—and now our good friends on the other side of the aisle say we will even grow that to $10 million—if it is unfair to a $10 million estate, how can it become fair or morally right on anything above that? On what moral ground should the Federal death tax be allowed to continue?

Revenue from death taxes accounts for about 1 percent of Federal tax receipts. But the real loss to the Federal Treasury could be much greater. It takes 65 cents to collect every dollar. Again, I told you it is a very expensive tax to go out and try to collect because of all of the auditing and everything that has to be done. So it takes 65 cents to collect a dollar. If we take in $20 billion a year, we have spent about $13 billion to collect it. It is an unfair tax, an immoral tax, which can drive these families out of business; and we lose even more revenue in lost jobs, lost productivity, not to mention the revenue loss from payroll, income, and other taxes when businesses are destroyed and those jobs are lost.

The death tax provisions are so complicated that family-owned businesses must spend approximately $33,138 over 6.5 years on attorneys, accountants, and financial experts to assist in estate planning.

Eliminating the estate tax would have a nominal impact on Washington's $1.8 trillion budget. When you look at the money we would save and the additional tax revenues, we could probably gain from the payroll and other taxes—and, again, this could be a wash—and we don't disrupt or destroy businesses, lives, and jobs.

But by encouraging savings, investing, and the establishment of more family-run businesses, the economic benefits for average Americans would be tremendous. There are many average Americans out there losing their jobs every time one of these businesses has to close or have assets sold off. So it disrupts many people, not just the owners of the business, but many who rely on the business for a livelihood to support their families.

Research shows that repeal of death taxes will create more than 275,000 jobs in the next 10 years. It will create 275,000 jobs if we can get rid of the death tax. We heard one claim that somehow there would be a reduction in charitable giving. So, somehow, if the Government takes less, you are not going to give as much to your favorite charity. I think if you had more money in your pocket at the end of the year, you might give more.

Americans are the most charitable people in the world, giving tens of billions of dollars a year. But the Government wants to take some of that because the Government, again, can be more benevolent or charitable with your money.

I wrote this point down, too. The Democrats said, "We want to help." Who? How? By taking money from some people so they can decide how to disburse it to others, rather than letting the individuals who own the assets make the decisions on charitable giving, whether to their schools, or their alma mater, churches, groups in their community, the Boy Scouts. Billions of dollars a year are distributed this way in charitable giving.

I don't think we need the Government to step in and say: No, we can do that better.

Again, research shows that repeal of death taxes will create more than 275,000 jobs in the next 10 years; that it will increase the gross domestic product by more than $1 trillion; and it could increase capital stock by $1.7 trillion.

It sounds to me as if there is another side of this argument —that getting rid of this unfair, unjust, and immoral tax would actually be an economic benefit to millions of Americans and to the Federal Government, for one. With such economic growth, Federal revenues would grow higher as well. Even Washington would benefit if we could get rid of this tax. But they can't see past the blinds. They say: No, we have to continue to penalize these people; we have to continue to take their money; we dare not to do that.

Congress can and should help working Americans keep their family assets by eliminating the damaging estate tax. I strongly urge my colleagues to vote to repeal this tax.

In the next few weeks, the Senate will be considering other important legislation to provide meaningful tax relief for working Americans, such as marriage penalty tax relief. I believe all of these efforts are critical to help ease the tax burden on American families against the marriage penalty.

Why do they call it a penalty? It is an unfair tax because, if a couple decides to get married, the Government wants to take more money unfairly. It is unjust. The estate tax is not different.

I know President Clinton said one time at a news conference a couple of years back, well, it might be an unfair tax but Washington needs the money—something in that respect. I am not quoting him word for word. But that was the gist of it; that somehow Washington needed the money even though it was unfair to take it, or it wasn't the right means of extracting more money from Americans, but somehow Washington needed it. Now we need even more because Washington can do better.

I believe all of these efforts, however, are critical. If we can get rid of the death tax and help to ease or eliminate the marriage penalty tax, it would help ease the tax burden on American families.

I again quote these numbers. It says here that research shows the repeal of the death tax will create more than 275,000 jobs in the next 10 years. It will increase our gross domestic product by more than $1 trillion. It will increase capital stock by $1.7 trillion. There would be a lot of financial advantages.

I also hope in the second reconciliation legislation Congress can consider and pass tax relief for American seniors by repealing all of the taxes on their retirement benefits.

Again, this administration and this President decided to increase taxes on the senior citizens receiving Social Security. They increased their taxes in 1993. That is another tax that I think we should repeal.

We talk about seniors not having enough money; that they have to decide between meals and medicine. They have to do that because Washington has decided to take more of their money. We need to repeal that tax on our senior citizens as well.

I challenge President Clinton to sign these tax relief measures into law so the American people can keep a little more of their own money for their own priorities and so they can make the decisions on how that should be done.

Again, I strongly urge my colleagues to vote in support of repealing the estate tax—the death tax—along with these other taxes to give Americans the ability to keep a little more of their hard-earned money.

I thank the President. I yield the floor.

The PRESIDING OFFICER (Mr. DEWINE). The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, as you know, this is one of those days that you actually look forward to when you are running for the Senate. I had an opportunity to be on the floor for virtually the entire debate today concerning the estate tax. It is actually a very welcome debate. But let me be clear. Democrats, as well as Republicans, welcome the opportunity to eliminate the estate tax for middle-income Americans and families who own small businesses and family farms.

We, on this side of the aisle, believe that we can completely abolish the estate tax for the overwhelming majority of American families who this tax affects at a fraction of the cost of the Republican proposal. Why is that? It is because, unfortunately, the Republican proposal focuses so much of the revenue that is available on the superwealthy.

When Senators give examples, as they have done today, they are often using one kind of example that the Democratic alternative would take care of, but their proposal actually spends great amounts of revenue on people who are actually not in the same position as the families which various Senators have described.

For example, the Senator from Montana, Senator BURNS, came out and very appropriately referred to the various Wisconsin farmers, dairy farmers, hog farmers, and feed farmers. He said this was the purpose of the repeal of the estate tax. But the fact is, you don't need to completely repeal the estate tax for everyone in the United States of America in order to take care of the problem of every family farmer in Wisconsin with regard to the estate tax. In fact, most of them don't face an estate tax at all given the exemptions under current law.

So this notion that somehow the Democrats are against taking care of the problems of farmers who are land rich and cash poor is simply untrue. It is not the Democratic position. In fact, it is just the opposite.

Senator GRAMS of Minnesota comes out and gives the example of the family from Idaho that faces a $3.3 million tax burden on the estate tax. He fails to point out that, under the Conrad-Moynihan proposal, that family would get at least substantial estate tax relief, and, we believe, although we would have to check it, perhaps a complete exemption from the estate tax. So the very example that the Senators from the other side of the aisle have used do not support their point. Those examples would be taken care of, I believe, under the Conrad-Moynihan proposal.

It is really a bit of a bait-and-switch approach. You come out and give the very appropriate examples of families who may need some estate tax relief, but the actual proposal spends a great deal of available revenue in this country on folks who, frankly, are not as desperately in need of this kind of relief.

This debate is very welcome because it gives us a chance to talk about what is most important. This motion to proceed allows us an opportunity to actually contrast the majority's priorities with those of the American people. This is a thread that has gone through the comments today of many of us on our side of the aisle—Senator DORGAN of North Dakota, to Senator WELLSTONE, to Senator BOXER. They pointed out that this is a great chance to talk about what the priorities are for the American people.

That is another thing I imagined I would have a chance to do when I came to the Senate. We like to deal in specific subjects and try to give a little expertise and show that we know something specific. But there are also days when we come out and, say, take this subject and that subject and compare them and see what is the most important thing for the American people. Fortunately, the debate today has allowed that opportunity.

By moving to this bill and by trying to pass this bill the way it is written with not just sensible estate tax reform but massive tax cuts for the extremely wealthy, the majority makes clear that it favors tax cuts for the very wealthy above anything else.

No, the majority's priorities are not those of working Americans.

Let me begin by discussing the estate tax, and why the majority's plan to completely repeal the estate tax is wrong.

To begin with, the estate tax affects only the wealthiest property holders. In 1997, only 42,901 estates paid the tax. That is the wealthiest 1.9 percent. People are already exempt from the tax in 98 out of 100 cases. Let me repeat that. Already, under current law, 98 out of 100 cases are completely exempt from the Federal estate tax.

This year individual estates up to $675,000 are exempt from taxation, and each spouse in a couple can claim that $675,000 exemption. So a couple can already, under current law, effectively exempt $1.35 million from the tax. To add to that, Congress has already enacted useful expansions of the exemption that have not yet taken effect.

By 2006, individual estates up to $1 million will be exempt and, therefore, couples will be able to exempt $2 million in tax. Had those exemptions been in effect in 1997, more than 44 percent of the estates that paid tax—remembering that most of them didn't pay tax in the first place anyway at that point—those still paying tax in 1997 would have been completely exempt.

In 1997, Congress also raised the exemption for family farms and small businesses, the ones that the Senators on the other side of the aisle have cited needing relief. In 1997, we raised the exemption for the family farm and small businesses to $1.3 million for an individual and $2.6 million for a couple. Small businesses and farms can also exclude part of the value of real property used in their operations. Those very few businesses and farms that are still subject to tax can pay it in installments over 14 years at below market interest rates.

In 1997, Congress went a long way toward making the estate tax less of a burden. Already in 1997, the superwealthy were paying most of the estate tax. The wealthiest 1 in 1,000 with estates larger than $5 million paid half the estate tax that year. That is why the Republican idea—and this is the Republican idea not to cut the estate tax, as they will say when they are giving their example—the Republican idea is to repeal the estate tax completely. That is tilted too heavily to the very wealthy. The Republican estate tax repeal would give the wealthiest 2,400 estates, the ones that now pay half the estate tax, an average tax cut just on the estate tax of $3.4 million each. Remember, we are talking about a situation where 98 out of 100 people get zero, nothing, from this estate tax cut.

Last month, Forbes magazine estimated that Mr. Bill Gates is personally worth about $60 billion. If, heaven forbid, Mr. and Mrs. Gates were to pass away and the Republican bill was fully in effect, if they otherwise would have paid the same average effective tax rate that the largest estates paid in 1997, then, believe it or not, this bill would give Bill Gates' heirs alone, just for those people in that family inheriting the money, an $8.4 billion tax break; $8.4 billion in revenue that we currently collect would go to this one family.

Think of how hard we worked on this Senate floor in bill after bill to find savings in deficit reductions that would somehow come together to reach that large figure, $8.4 billion. Think of how hard we debated programs and tax cuts that cost much less than $8.4 billion. Is the $8.4 billion tax cut for the family of Bill Gates the highest and best use of whatever budget surplus we may have? That is why Democrats can eliminate the estate tax for the vast majority of estates at a fraction of the cost.

As I noted, 44 percent of estates that paid tax in 1997 would have been completely exempt from tax if the exemption were raised to $1 million. Fully 85 percent of the estates would have paid no tax if the exemption had been raised to $2.5 million.

Senators CONRAD and MOYNIHAN have been working on a proposal that will eliminate the estate tax for most people for whom it would apply today, and to do so for substantially less cost than the majority's bill. I think the Democratic alternative is a good substitute. We ought to pass it. We ought to send it to the President for his signature.

If the majority fails to adopt that reasonable amendment, however, we will have others. One of the reasons I welcome this debate is because I am looking forward to offering an amendment that will try something else, that will simply maintain the estate tax on estates of $20 million or more. We are talking about estates of $20 million. We are certainly no longer talking about upper-middle-income families. We are talking about estates of $20 million. I don't think we are talking anymore about small businesses the way most people understand that term. In 1997, there were only 329 estates in the country that amounted to more than $20 million. But those 329 estates are worth $25 billion. We are talking about estates that average $75 million each. The majority's estate tax bill gives the heirs of estates such as those 329 multimillionaire estates a tax cut that averages $10.5 million each.

I am looking forward to this debate to see if the majority can at least keep itself from giving this massive tax cut, averaging $10.5 million each, to the wealthiest 1 in 10,000. We will see.

The point of amendments such as these is that an estate tax for the superwealthy does, in fact, serve some important social purposes. Yes, some sensible reforms are in order to increase the exemption to the estate tax for middle-income Americans, and certainly to address the special needs of small businesses and farmers. But the majority's position is too extreme. We live in a time of an increasing concentration of wealth. Last September, the Wall Street Journal reported in 1997 the Nation's wealthiest 10 percent owned 73 percent of the Nation's net worth. That is up from 68 percent in 1983. With the stock market boom of the 1990s, the wealthiest have done very well, indeed.

Those who hold this great wealth are in a better position to shoulder some of the costs of our society. An estate tax for the superwealthy makes them help out. It is ironic, just when the very wealthiest are doing as well as they have since the gilded age, the Republicans decide that the very wealthy deserve—and what we most need to do—is another tax break. An estate tax for the superwealthy also serves as a backstop to the income tax, ensuring that some income on which income tax is deferred or avoided is ultimately subject to at least some tax.

For example, because the income tax law steps up the basis of per capita gains on the value of a piece of property at the time of inheritance, no one pays income tax on capital gains that an individual built up on property the individual owns at the time of death, and, therefore, the estate tax provides the worthwhile social purpose, I believe, that the superwealthy have to at least make up for some of that.

I think there is a worthy point that has been debated a little bit in the last hour. An estate tax for the superwealthy does encourage charitable giving as Senator BOXER from California pointed out. A complete repeal of the estate tax would land a devastating blow on colleges, churches, museums, and other charitable institutions that rely on donors to leave gifts. The majority's repeal of the estate could well reduce charitable gifts and bequests by $6 billion annually.

The majority bill would be immensely expensive. The Joint Committee on Taxation projects that the majority bill would cost $105 billion over 10 years. Because the bill is phased in slowly over 10 years, its cost would actually explode even more in the second 10 years. When fully phased in, the bill would cost at least $50 billion a year, or more than $500 billion a decade. In fact, the Treasury Department says the figure would be about $750 billion over the decade.

Are tax cuts for the superwealthy the first place that we as a Nation want to spend more than half a trillion or three-quarters of a trillion dollars of the surplus?

Yes, it is true; some of the speakers on the other side have said America's economy is still strong. The Nation is enjoying the longest economic expansion in its history. Unemployment is at lowest in three decades, and home ownership is at the highest rate on record at 67 percent.

Several causes contributed to the current economic expansion, and it cannot be denied that a key contributor to our booming economy has been the Government's fiscal responsibility since 1993. I am very proud of that, as are many Members. The first tough vote I took was to support the President's deficit reduction plan in 1993. It worked, and it worked very well.

This responsible fiscal policy means that the Government has borrowed less from the public than it otherwise would have, and will have paid down $300 billion in publicly-debt held by October of this year. The Government no longer crowds out private borrowers from the credit market. The Government no longer bids up the price of borrowing—that is, interest rates—to finance its huge debt.

Because of our fiscal responsibility, interest rates are, so far, lower than they otherwise would be. Because of our fiscal responsibility, millions of American have saved money on their mortgages, car loans, and student loans. Because of our fiscal responsibility, businesses large and small have found it easier to invest and spur yet more new growth.

Massive tax cuts like the one before us today I think pose the greatest single threat to that responsible fiscal policy, and to the strong economy to which it has contributed. It is no secret and it has been essentially admitted to by the previous speaker, the Senator from Minnesota: The majority intends to pass—in one bill after another—a massive tax cut plan reminiscent of the early 1980s.

The majority leader said as much in a Republican radio address over the recess. After rattling off a series of tax cuts, the majority leader said, "Put all this together and we call it 'First Things First' "

I think it is supremely ironic that the majority leader chose to use those exact words, "first things first," for in so doing, he echoed what President Clinton said in his 1998 State of the Union Address, when he said, "What should we do with this projected surplus? I have a simple four-word answer: Save Social Security first."

That is, after all, what this debate is about: What should come first?

As I and other Democrats have said, and demonstrated by our votes, we support estate tax reform for middle-income Americans, small businesses, and family farmers. But as we debate what "first things" should come first, shouldn't we remember our commitments to Social Security and Medicare?

In the decade of 2011 to 2020, just as the costs of the bill before us today will begin to explode, the baby boom generation will begin to retire in numbers. Social Security's trustees project that, starting in 2015, the cost of Social Security benefits will exceed payroll tax revenues. Under the trustees' projections, this annual cash deficit will continue to grow. By 2037, the Social Security trust fund will have consumed all of its assets. Similarly, by 2025, the Medicare Hospital Insurance Trust Fund will have consumed all of its assets.

I almost hesitate to say this, but when I look at the young people in front of me who work so hard for us every day, they are the ones who will not get their Social Security if we are not responsible, if we do not make sure we put first things first.

According to the trustees, we can fix the Social Security program so that it will remain solvent for 75 years if we make changes now in either taxes or benefits equivalent to less than 2 percent of our payroll taxes. But if we wait until 2037, we will need to make changes equal to an increase in the payroll tax rate of 5.4 percentage points. We have a choice of small changes now or big changes later.

That is why it makes sense to see to our long-term obligations for Social Security and Medicare before we enact either tax cuts or yes, spending measures that would spend whatever that surplus might be. Before we enter into new obligations, we need to steward the people's resources to meet the commitments we already have.

I will tell you, when I think of Social Security, the generations that come after us, that is commitment No. 1.

Which is putting first things first: saving Social Security and Medicare or cutting estate taxes for the very rich?

As part of updating Medicare for the 21st century, we have to ensure that our elderly have access to lifesaving prescription drugs. Three out of five Medicare beneficiaries make do without dependable prescription drug coverage. We on this side of the aisle believe that it is a priority to create a voluntary Medicare prescription drug benefit that is accessible and affordable for all beneficiaries.

Which is putting first things first: helping provide needed medications for our elderly or cutting estate taxes for the very wealthy?

We on this side of the aisle believe that one of our Nation's most pressing unmet needs is the acute and growing demand for help with long-term care. I have worked on this issue more than any other issue in my 18 years in public office. Our Nation's population is aging: Today, 4 million Americans are over 85 years old. By 2030, more than twice as many—9 million Americans—will be. Already today, 54 million Americans—one in five—live with some kind of disability. One in ten copes with a severe disability. In four out of five cases, a family member serves as that disabled person's primary helper, and, believe me, serves under a heavy burden in doing so. If the majority allows us to offer amendments, I will join with others on this side of the aisle in an amendment that will take some of the money that the majority would use to cut taxes for the superwealthy and use it to help make tax benefits available to these hard-working and financially strapped helpers.

Again, which is putting first things first: helping people to provide long-term care for elderly and disabled family members or cutting estate taxes for the very wealthy?

It seems that more and more these days, we see legislation like that before us today that benefits the very wealthy. At the same time, Senators feel increasing pressure to raise larger and larger sums of money from wealthy contributors. Observers could be forgiven for linking the two phenomena. Observers could reasonably wonder whether the contact Senators increasingly have with wealthy contributors could perhaps lead Senators increasingly to continually believe that the problems of the very wealthy are the problems to which we must respond first.

The problem has only become worse with the large amounts of soft money being raised to get around the campaign finance laws. As the Supreme Court concluded in its decision this January in Nixon v. Shrink Missouri Government PAC: "[T]here is little reason to doubt that sometimes large contributions will work actual corruption of our political system, and no reason to question the existence of a corresponding suspicion among voters."

A number of us believe that it continues to be a matter of great urgency to stop this corrupting influence of soft money in our elections. We feel that in order to get our priorities right, we need to get our house in order. Although it was undeniably a good thing to reform disclosure of contributions by organizations that do business under section 527 of the tax code, as we just did, that is by no means enough. Those of us fighting for campaign finance reform will forego no opportunity to offer an amendment to ban corrupting soft money once and for all.

On that point, as we all know, only the tiniest fraction of the American people will be affected by this tax legislation before us today. But the American people also understand that those wealthy enough to be subject to estate taxes tend to have great political power.

Those wealthy interests are able to make unlimited political contributions, and they are represented in Washington by influential lobbyists that have pushed hard to get this bill to the floor.

The estate tax is one of those issues where political money seems to have an impact on the legislative outcome. That is why I want to quickly Call the Bankroll on some of the interests behind this bill, to give my colleagues and the public a sense of the huge amount of money at stake here. I talked about taxes, but now I am talking about political contributions.

Take for instance the National Federation of Independent Business. Repeal of the inheritance tax is one of the federation's top priorities, and the federation is considered one of the most powerful organizations in town.

They have the might of PAC and soft money contributions behind them.

NFIB's PAC has given more than $441,000 in PAC money through June 1 of this election cycle, according to the Center for Responsive Politics. That is on top of the incredible $1.2 million in PAC contributions NFIB doled out during the 1997–1998 election cycle.

NFIB has also given soft money during the first 18 months of the current election cycle—just over $30,000 so far.

Then there is the Food Marketing Institute, which represents supermarkets, and has also made a powerful push to bring this bill to the floor.

Behind that push was the weight of significant PAC and soft money contributions, which I am sure is not a surprise to anybody.

Through June 1st of this election cycle, the Food Marketing Institute has given more than $241,000 in PAC donations to candidates, after it made more than a half million in PAC donations during the previous cycle.

FMI is also an active soft money donor, with more than $156,000 in soft money to the parties since the beginning of this cycle through June 1st of this year.

On top of these wealthy associations, there are countless wealthy individuals who want to see the estate tax repealed. They are that tiny fraction of Americans who would benefit by the difference between the Republican approach and the more modest and appropriate Democratic approach.

These folks want an end to the estate tax, and they are also able to give unlimited soft money to the political parties to get their point across.

Then there is the most interesting player in the push to repeal the estate tax—the mystery donors.

That is right, we don't know who is funding one of the major efforts to end the so-called death tax.

We don't know because the group paying for it is one of those secretive 527 groups.

The group is called The Committee for New American Leadership, and was founded, I am told, by former House Speaker Newt Gingrich. The committee, identified in news reports as a 527 "stealth PAC," has been very busy pushing for the repeal of the estate tax, but nobody knows who is footing the bill for those efforts.

As I stand here today, these mystery donors are having a lot to say about what gets debated in the Senate, and we have no way of really knowing who they are, or how much they gave. But thankfully, all of that may be changing.

Thanks to the passage of the 527 disclosure bill, which the President almost immediately signed into law, from here on in we will know a lot more about who is writing the check to the Committee for New American Leadership, and the donors to every other stealth PAC that hid behind a tax loophole to evade public scrutiny.

So, reformers won a victory with passage of the 527 disclosure bill, and we are just getting started. We are going to keep pushing until we address the other gaping loopholes in the campaign finance law that allow wealthy interests spend unlimited amounts of money to push for bills like this one, which serve the interests of the wealthy few at the expense of most Americans.

Mr. President, again, to return to the central question, I ask: Which is putting first things first: ensuring honest elections, or cutting estate taxes for the very wealthy?

The majority shows by proceeding to this bill that it wants to help out those who have benefitted most in the latest economic boom. But the week before last, the business group the Conference Board released a report that said:

> Working full-time and year-round is, for more and more Americans, not enough.

The report, called "Does a Rising Tide Lift All Boats?" finds that Americans holding full-time jobs in the 1990s were just as likely to fall into poverty as Americans working full-time in the 1980s, and more likely to fall into poverty than full-time workers were in the 1970s. As The Wall Street Journal reported, economists attribute the problem in part to the erosion of the value of the minimum wage, which was in today's dollars worth about $7 in 1969, compared with the current minimum wage of $5.15 an hour.

We on this side of the aisle believe that it is a priority to enact an increase in the income of working Americans making the minimum wage. The majority appears to believe that a tax cut for the very wealthy should be addressed first.

So which is putting first things first: enacting a raise for working people making the minimum wage, or cutting estate taxes for the very wealthy?

Even if we chose to confine ourselves strictly to cut taxes, should our highest priority for tax cuts be the very wealthiest 2 percent of the population? The majority shows by proceeding to this bill that it favors tax cuts for the super-wealthy before tax cuts for anyone else.

We on this side of the aisle believe that it is a priority to cut taxes for working families struggling to stay out of poverty—families who have some of the highest marginal tax rates in our tax system. The majority's bill would give tax cuts to fewer than 43,000 upper-income taxpayers a year. In contrast, the President's proposal to expand the Earned Income Tax Credit to reward work and family would provide tax relief for 7 million working families, providing up to $1,155 in additional tax relief a family.

Among other things, the President's EITC proposal would increase benefits for working families with three or more children. The poverty rate for children in these larger families remains a stunning 29 percent, more than double the poverty rate among children in smaller families. A decade ago, a bipartisan group of Wisconsin State legislators enacted a substantially larger State EITC for families with three or more children, and it has helped to lift thousands of Wisconsin families from poverty.

Which is putting first things first: helping the kids in 7 million working families keep out of poverty, or cutting estate taxes for the children who stand to inherit from the very wealthy?

This Senator believes that it is a priority to simplify taxes and free people from paying income taxes altogether. One way to do this would be to expand the standard deduction. That would reduce tax liability for millions of working Americans. If the majority ever gives us a chance to offer amendments, I intend to offer such an amendment on tax legislation this year. Right now, 7 in 10 taxpayers take the standard deduction instead of itemizing. Expanding the standard deduction would make it worthwhile for even more Americans to use that easier method and avoid the difficult and cumbersome itemization forms. As well, expanding the standard deduction would free millions of middle-income working Americans from having any income tax liability at all.

So again, which is putting first things first: freeing millions of middle-income Americans from the income tax, or cutting estate taxes for the very wealthy?

Simplifying taxes generally should be a priority. Some have proposed that modest investors in mutual funds should be exempted from filling out the complicated capital gains schedule. Some have suggested streamlining the complicated child credit. Some have proposed further simplifying the Nanny Tax by raising the threshold for filing. These modest steps would relieve millions of middle-income taxpayers from needlessly complex and time-consuming tax forms, but they would also cost money.

So which is putting first things first: simplifying income taxes for millions of middle-income taxpayers, or, again, cutting estate taxes for a few hundred of the very wealthy?

Senators on both sides of the aisle believe that we should repeal the telephone tax for residential users. Pretty much everyone pays the telephone tax. Mr. President, 94 percent of American households have telephone service. And remember, fewer than 2 percent, even under current law, pay the estate tax. If the majority allows us to offer amendments, I will join with others on this side of the aisle in an amendment that will take some of the money that the majority would use to cut taxes for the super-wealthy and use it to repeal the telephone tax for residential users.

Now, the majority also wants to eliminate the telephone tax for businesses, which is just a tax cut for people who own stock in those businesses—not the most progressive of tax cuts—but cutting taxes on residential telephone users is among the more progressive tax cuts that one could imagine this Congress passing. But the schedule betrays the majority's priorities.

Which is putting first things first: repealing a residential telephone tax that nearly everyone pays, or repealing estate taxes that only very wealthiest 2 percent pay?

Senators on both sides of the aisle believe that it is a priority to help working American families to save. The President's proposal last year to encourage retirement savings through what he called USA Accounts made some sense. Similarly, this year, Vice President GORE's new Retirement Savings Plus accounts—voluntary, tax-free personal savings accounts separate from Social Security but with a Government match—are also a pretty good idea. Both USA Accounts and Retirement Savings Plus would help millions of middle-income Americans to save and build resources for retirement.

So again, when you look at that issue, which is putting first thing first: helping working American families to save, or cutting estate taxes for the very wealthy?

As I said at the outset, this is really a welcome debate. Because the majority's desire to increase tax breaks for the very wealthy paints so stark a contrast to the many ways by which Senators on this side of the aisle really do want to help working Americans.

This is not an example of class warfare. To point out what is going on, that is not what this is at all. In fact, what is class warfare is to maintain taxes on the vast majority of working Americans while cutting taxes only for the very wealthy Americans.

I have taken some time on this occasion to contrast the majority's priorities with those of the American people because the majority leader has made all too clear that he does not intend to allow a fair and full debate of this estate tax bill. I have made this case on the motion to proceed rather than waiting for the bill itself because, if the majority leader follows what has become his regular practice, he will, in all likelihood, file cloture on the bill as soon as we get to it.

Mr. President, I have said this before at much greater length, but I will say it again—others have said it better—this is not how the Senate was meant to work. This is the place where the Government was intended to consider policies fully and fairly.

The majority leader's all-too-rapid resort to cloture deprives Senators from debating priorities such as those I have discussed today, and so many more. That is why I have taken time during this debate on the motion to proceed, which is not where we normally have this sort of debate, to warn, before the majority leader files his cloture motion, against the dangers of invoking cloture on the estate tax bill.

This is a major bill. If enacted, it would take more than half a trillion dollars, maybe three-quarters of a trillion dollars a decade that would otherwise have gone to paying down the debt and put it in the hands of the very few wealthiest members of society. It would be neither fitting nor appropriate to effect the transfer of more than half a trillion dollars without a full and fair debate.

And that is why we must debate this motion fully today. For if there is a remedy for the majority leader's abuse of the cloture process, it is a more rigorous use of the cloture process when it is abused.

New York's Governor Al Smith said in 1933, "All the ills of democracy can be cured by more democracy." To paraphrase Governor Smith, the cure for not honoring the spirit of the Senate's rules is to honor the Senate's rules to the letter.

Thus, if the majority lseader wants all the benefits of the cloture rule, then he will have to bear all the costs of the cloture rule, as well. If the majority leader lays down a cloture motion, he should be prepared to have the full 30 hours of debate on the matter on which the Senate invokes cloture. If the Senate invokes cloture, it should expect to have to remain on the matter on which has invoked cloture.

Let's cut to the chase. The majority is moving to this complete repeal of the estate tax at least in part as a purely political gesture. The Administration has stated in so many words that the President would veto this bill. The majority apparently wants the veto and the issue more than it wants a good law that would eliminate estate taxes for the overwhelming majority of those who pay it.

Such a compromise is available if the majority is willing to take it. The majority need only adopt Senator CONRAD's and Senator MOYNIHAN's substitute, and we can have meaningful estate tax reform this year.

But if the majority does not do so, then we will debate this bill at length and vote on a series of amendments.

Mr. REID. Will the Senator yield for a question?

Mr. FEINGOLD. I will yield.

Mr. REID. I say this in the form of a question because I want to focus on one part of the Senator's speech. I know this is not an easy question to answer because it is coming from somebody I am going to try to compliment and applaud. Does the Senator recognize how appreciative the rest of the Senators are on the Democratic side for his leadership in exposing what is wrong with campaign finance on the Federal level in America? Is the Senator aware of how much we appreciate the work he has done?

Mr. FEINGOLD. I certainly know that the Senator from Nevada talks to me about this issue every chance he gets. I appreciate it. He has been one of the persons who has made it possible for us to raise this issue on the Senate floor. I appreciate the opportunity to occasionally come to the floor and point out, when we are on a particular bill, all the big soft money contributions that are behind some of these bills. It is part of the story that the public needs to know.

Mr. REID. How many people are in the State of Wisconsin?

Mr. FEINGOLD. Over 5 million.

Mr. REID. In the State of Nevada, we have about 2 million people. The last Senate election I was involved in, less than 2 years ago, in the small State of Nevada, in which at that time there weren't 2 million people, the two candidates, the Republican candidate and Democratic candidate, spent over $20 million. Is the Senator aware of that?

Mr. FEINGOLD. I believe the Senator has shared that with me before, but it is a horrifying number for any State, let alone a State the size of Nevada.

Mr. REID. That doesn't count independent expenditures. No one knows what they are.

Mr. FEINGOLD. We know about some of them, but there are whole categories, such as these 527s, we are not even sure where they came from or exactly how much is being spent.

Mr. REID. Again, I hope the Senator from Wisconsin understands the great contribution he has made to the Senate, to the State of Wisconsin, and the American people for not letting this issue die.

Mr. FEINGOLD. I thank the Senator from Nevada. That kind of encouragement is helpful because it is sometimes a lonely issue. What I have found most effective in talking to people, if you mention the issue of campaign finance reform in general, to use that term, or in the abstract, it is clear to people you are trying to do something that is important. But if you want to make it concrete for them, you have to show the connection between all that money and particular bills coming through here that really don't belong here. This is a great example, the estate tax. The idea that we give this huge tax break to a very few people when there are all these other priorities raises the question in people's minds: Why would elected officials do such a thing? I believe part of the answer is there is just too much money behind this bill.

Mr. REID. I want to ask two additional questions on the Senator's time. First of all, is the Senator aware that this matter now before the Senate has not had 1 minute of hearings in the Senate before the Finance Committee, the committee of jurisdiction?

Mr. FEINGOLD. I was not aware it was quite that bad. I knew it had been very little. It came straight through from the House, as I understand.

Mr. REID. I think in the same breath we mention the Senator from Wisconsin, it is fair to also talk about a real lone ranger, for lack of a better description, on the other side. That is the Senator from Arizona, JOHN MCCAIN, who has stood shoulder to shoulder with the Senator from Wisconsin. He has not had the support of his Republican colleagues as Senator FEINGOLD has had on the Democratic side. Does the Senator from Wisconsin agree that the Senator from Arizona has shown courage not only as a prisoner of war and as a fighter pilot but also his courage on this issue of campaign finance?

Mr. FEINGOLD. All of us who work on the issue with him consider him our commander, in effect. We, of course, are well aware not only of the fact that he worked so hard on this issue for years before his Presidential campaign, but he is also doing a tremendous job of channeling enthusiasm from his campaign into actually getting things done on campaign finance on the floor. That is how the 527s got through. Thanks to my colleagues from the other side of the aisle, about whom we often have to talk in less than positive terms on the campaign finance issue, almost every one of them supported us at least on that issue. We are hoping that will lead to a momentum to actually ban soft money and go beyond that. I thank the Senator from Nevada for his questions.

To conclude, we will vote on priorities. We will vote on which is putting first things first: paying down the debt to help Social Security and Medicare or cutting taxes for the super-wealthy.

We will afford the majority a number of opportunities to let us know how wealthy one has to be before even the majority considers one superwealthy. As I said earlier, I am looking forward to offering an amendment that would simply maintain the estate tax on estates of $20 million or more, and preserve those funds to pay down the debt to help Social Security and Medicare.

But if that amendment should not succeed, then I look forward to offering an amendment that would simply maintain the estate tax on estates of $100 million or more, and preserve those funds to pay down the debt to help Social Security and Medicare. If the majority does not consider estates of $20 million to be the super-wealthy, then perhaps they will agree that those worth $100 million are superwealthy.

If that amendment should not succeed, then I could have another that would maintain the estate tax on estates of a billion dollars or more, and preserve those funds to pay down the debt to help Social Security and Medicare. If the majority does not consider estates of $20 million to be the superwealthy, and does not consider estates of $100 million to be superwealthy, then perhaps they will agree that those worth a billion dollars deserve the title "superwealthy."

Ironically, some will then charge us on this side of the aisle with holding up the estate tax bill. But it is not we, but the majority who are thwarting the enactment of estate tax relief by clinging to their extreme repeal plan.

The choice for the majority is clear: The majority can persist in the political exercise of advancing the extreme bill that we are considering today. Or they can enact fiscally-responsible estate tax reform with overwhelming bipartisan majorities.

The opportunity is theirs to take, or to squander.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I ask unanimous consent that the order of speaking be that Senator SESSIONS be recognized for 15 minutes, Senator KYL for 15 minutes, and following that, Senator MURKOWSKI for 10 minutes. Then we would go to a Democrat at that time. I ask unanimous consent that be the order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. As a matter of parliamentary procedure, I ask the Chair this: I direct this comment more to the staff through the Chair. Maybe they can find out the leader's intention. Are we going to keep working after 6:30, or are we going to defense? We have a number of speakers lined up. When we learn what is going to happen, we can better arrange the order of speakers.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. SESSIONS. Mr. President, I believe it is time for us to quit nibbling around the edges and to eliminate the estate tax on the American people. It is an abysmal tax. It is an unfair tax. It taxes people on money they have already made. They pay taxes on that money. Then, after that, they may invest and buy property. When they die, the tax man reaches in and grabs up to 55 percent of the value of that estate. That is an astounding fact. The Federal Government is taking 55 percent from people for this tax. A majority of the people who have an estate have to go through the estate tax computation. It is an unfair tax.

I believe we ought to reduce taxes across the board. I was a leader and fought hard for the $500-per-child tax credit for middle-income American families. I think that was one of the finest things we ever did. It provided $1,500 in extra money —without taxes—for a family of three. That is $100-plus a month they can spend on their children. I supported equality in making insurance premiums deductible that don't apply to small businesses. We fought for the capital gains tax reduction. People said that was a tax for the rich. When we reduced the capital gains tax, more people were willing to buy, sell, and trade properties, stocks, and other things, and they paid more taxes. Revenues to the Government went up.

We will talk about the marriage penalty. It is absolutely unjustifiable to raise taxes on a couple who are married by $1,400 a year—$100 a month for a man and woman who are out working. When they get married, they have to pay more in taxes than if they lived single. It pays a bonus, in effect, for people who get a divorce. That is not the kind of public policy we ought to have. I want us to remember that nearly 70 percent of the American people oppose this estate tax. They know it is unfair and it ought to be eliminated.

I want to share a few insights into this subject, other than discussing the matter in general. I have had the opportunity to meet with people from Alabama—environmental experts—who shared with me that with regard to landowners and timber owners, the estate tax is one of the single most damaging environmental pieces of legislation that exists. They tell me that routinely, people who inherit timber land and property who owe large amounts of taxes have to go out and prematurely clear-cut the timber on the property and sell it to pay the estate tax. When you are talking about a 55-percent tax, what are you going to do if you are the widow or child of a person who worked and saved all his life and did everything right? You have to sell off the property or cut the timber—every stick of it—to pay the tax man in Washington. That is not good for families and for the environment.

The estate tax hurts farmers. Farmers are particularly property wealthy, but cash poor. They take what they have and plow it back into their land and equipment. When they die, they may have a very large tax burden. Perhaps they are making only a small amount on each acre they farm, but they are making an income from it. But maybe the problem is the land now is next to an interstate and the land now would be good for a motel and they want to value it at $100,000 an acre. All of a sudden, they are multimillionaires, and the family is hit for $1 million or $2 million or $5 million in taxes.

The farmers in this country are universally opposed to this tax. Every farm organization in my State tells me every time I meet with them, "Eliminate this estate tax, JEFF, whatever you do. That is rotten and we need to get rid of it." That is driving the issue before us today.

This tax savages small business. Every generation of farmers and small businesspeople have a debt. That business or family must absorb the cost of paying the estate tax. No such tax falls on the large, mega corporations, the giant international, multinational corporations. They never die. They never pay this tax. But every generation of small business has to face it. Every generation of farmers has to face it. Is it any wonder why large paper companies can buy up thousands of acres of land that have to be sold off by farming families who can't afford to pay the taxes on it, and then they never pay that tax? This is not a good tax for this country. It is wrong for this country. It punishes middle America, those who have done the right things by saving and accumulating some wealth.

This kills off competition. I know the story of an autoparts company. The family had built up an autoparts dealership. They had maybe as many as 27 stores; they were all about the State. You could see those companies there and they were growing. All of a sudden, the father who owned the company died, and they were faced with a huge tax burden. What could they do? They could borrow millions of dollars to pay the tax man, they could sell off a large part of their stores but lose the advantages of scale that they were gaining by growing and getting competitive with bigger companies, or they could sell out. The company family had to make a decision.

They sold the company to a major national autoparts company, and everybody would recognize their name. That large company would never be faced with that kind of capital crisis as a result of a death. But the smaller companies are. Maybe, just maybe, that 27-store autoparts company would have continued to be able to grow. Maybe, just maybe, they would not have had to shut down the distribution center in the small town in Alabama, as they did when it sold out to the big corporation. Maybe they could have grown and become a competitor to the major parts company distributing in this country and provided more competition, driving down the price of autoparts for the average American citizen who is out to buy what he needs to fix his automobile, truck, or farm equipment.

I think this thing has to be viewed in the overall context of how it impacts economic growth and competition in this country. I believe we need to make sure that we have not ingrained in our law a tax that reaches down, and when you have a big bush, a big growth of a plant that is growing big, maybe it is a Wal-Mart or Kmart or maybe a Car Quest, and it is getting bigger and bigger, and this little plant grows up and starts competing with it and gets a little sunlight and starts getting bigger, all of a sudden, somebody comes out and cuts the top off of it. That is what the estate tax does; it cuts the top off of small businesses. It savages them and makes them less competitive against the international, multinational, mega corporations. It is an anticompetitive act.

I believe we ought to do something about it. It brings in less than 2 percent of the income to this country. I reject this demagogic attack that because somebody made $20 million, they are somehow evil and rich and ought to be made to pay a huge amount of tax on that money. Well, it was said the Republicans are for this bill. It is a Republican idea and that is all bad. But in the House, even though those Democratic Representatives were under the most intense pressure from their leadership to hang to the party line, 65 of them rejected the pressure and stood firm and voted to completely eliminate this tax.

I think that shows it is not limited to a Republican idea. It is a broad bipartisan idea that has the overwhelming support of the American people. We only do it on estates of $20 million or more. I want to talk about that directly.

They say: Well, for an estate of $75 million, we ought to have no sympathy for them. We ought not to feel any concern that the tax man takes 55 percent of it. What is 55 percent of $75 million? It is $40 million. Who says it is fair to take $40 million of an estate that somebody has worked all of their life to build up with after-tax money, and you are just going to rip it out and send it to Washington? I don't believe that is just.

Again, those are the kinds of companies and businesses that are getting competitive. They have the ability to compete in the marketplace. If we savage them, we are knocking down small industries and businesses that might be competitive against the established order.

I think it is healthy for America to have growing companies worth $100 million or $150 million. I see no need to attack them when we don't attack Wal-Mart, Kmart, or GM, and Nestle's, and those kinds of companies.

Now we hear this talk about Social Security. Oh, yes, if we vote to eliminate the estate tax, we are going to oppose Social Security.

Let me tell you that we are going to protect Social Security. We are not going to allow Social Security to fail. We support it on this side of the aisle. We fought aggressively for a lockbox to lock up any Social Security surplus and guarantee it would not be spent by the big spenders that are here. The Democrats across the aisle opposed it and would not allow us to pass that bill. We set it aside anyway. But we don't have the protection to do it year after year as we would if we had passed a lockbox.

Why wouldn't they support that, if they like Social Security so much? The reason is they want more money to spend, spend, spend. That is the mentality—spend, spend, spend; ask for more votes for the people to whom you give money, and keep them in power year after year. By the way, we know more in Washington how to spend your money than you do.

Make no mistake, this is a classic case of taxes and who has the power. You give more money to the Federal Government and have less for yourself. Then the Government is empowered and you are diminished.

We ought to ask ourselves: How is it that the percentage of the total gross domestic product that goes to the Federal Government since President Clinton took over in 1992 has gone from 17.9 percent to 20.7 percent, higher than at the peak of World War II?

To say we can't conduct our business, take care of the needs of this country, and keep that tax rate from rising every year and the rising percentage of money going every year to Washington is a mistake. It is a fundamental choice that we as Americans have to make. Will we continue to allow the erosion of the independence, freedom, and autonomy of individual American citizens to be eroded in favor of a bloated and growing political Washington establishment?

Those are the choices we are dealing with. We ought to eliminate bad taxes. This estate tax is one of the worst. It costs an incredible amount for the Federal Government to collect. It costs an incredible amount for the families who have to go through the estate tax process to have to try to figure out ways to create trusts and so forth to minimize it. It is extremely painful to families. It brings in less than 2 percent of our national budget. Let's get rid of the tax. Let's not keep it anymore. Let us reject this cause that we are going to eliminate it for some but we are going to keep it on these other groups that make $20 million because they are evil, and we can take 55 percent of their money; that is all right. I don't believe that is a legitimate principle on which to operate.

I believe the tax rate ought to be fair. We have increased our Federal maximum tax rate on the wealthy now to 39 percent of what they make. That is a high amount—39 percent of everything somebody makes at the margin. Why do we now need to reach into the grave and take out what they have accumulated after paying those taxes?

I think we are going to eliminate this tax sooner or later. The American people support it overwhelmingly. The farmers and the small business groups support the elimination. So do the American people.

I would like to express my appreciation to Senator JON KYL for his leadership in consistently, effectively, and brilliantly promoting this legislation from the beginning.

We are at a point where we are going to bring it up for a vote. We had to have cloture to get it here. I appreciate that the majority leader has favored that. I look forward to hearing the Senator from Arizona's remarks at this time.

The PRESIDING OFFICER (Mr. SMITH of Oregon). The Senator from Arizona is recognized.

Mr. KYL. Thank you, Mr. President. I thank the Senator from Alabama for his kind remarks.

Mr. President, I heard some astonishing claims this morning and somewhat this afternoon. I would like to try to respond to some of the things that have been said by some of our friends on the other side of the aisle.

Let me, first of all, note for those who might be watching this that the primary object of those on the minority side is to stop us from having a vote on the repeal of the death tax. That is the last thing in the world they want. That is why they are trying to confuse the issue by suggesting that they want to offer all kinds of amendments that have nothing whatsoever to do with the death tax in order to prevent us from ever getting to a vote on the death tax.

When we keep talking about cloture, I will explain to those who aren't familiar with Senate terms that it is required because the distinguished minority leader will not reach an agreement with the majority leader on the terms under which we could bring this up for a vote. So we have to get 60 Senators who will agree to finally bring this matter to a close so we can actually have a vote. That will be a very important vote. Whether or not we get 60 votes, we don't know. But I am counting on a great deal of bipartisan support because we have bipartisan support in the House of Representatives which voted overwhelmingly for H.R. 8, which is the bill before us. There are nine Democratic sponsors of the Kyl-Kerrey bill, which is part of H.R. 8. That is the bill we introduced to repeal the death tax which was then incorporated in the House bill.

Just a quick reminder that the House bill and what we are debating here today will reduce the rates over a 10-year period and in the tenth year repeal the estate tax altogether by, in effect, replacing it with a capital gains tax. That is one of the points I will get to later. We are not forgoing all of this revenue, as people on the other side of the aisle have argued.

Actually, the taxes that will be collected when property is eventually sold and taxed under capital gains is just about the same amount that would be collected under the death tax. Anyway, chances are there won't be much revenue lost, even if that is a concern in this era of many hundred-billion-dollar surpluses. I want to start with those particular comments.

As I said, I was astonished by some of the claims made here. Let me mention two:

One by the Senator from North Dakota, Mr. DORGAN, who in effect said that the estate tax should be imposed on successful people as the price for the privilege of living in America and making a lot of money.

That turns the American dream on its head. The American dream, as I understand it, and as folks with whom I have talked in Arizona understand, is being able to work hard, to save, to invest, and to be able to create a situation where the next generation can have a little better opportunity than you had. That is the American dream. We all live for that, for our kids and our grandkids. It is exactly the opposite as expressed by some on the other side—that if you are successful, by golly, the Government is going to come in and take it all from you. No, excuse me—take half it from you when you die. First, they are not taking it from you. They are taking from your employees, from your kids, and from your grandkids. That is not fair. That is not the American dream.

The Senator from California, Mrs. BOXER, employing some of the new

Gore rhetoric, said it all boils down to a question of, Whose side are you on? Well, I will accept that challenge. Whose side are we on here?

Mr. President, I have a list of about 100 different organizations that strongly favor the repeal of the estate tax. I ask unanimous consent that this list be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

### FAMILY BUSINESS ESTATE TAX COALITION MEMBERS

Air Conditioning Contractors of America.

Akin, Gump, Strauss, Hauer & Feld, LLP.

American Alliance of Family Business.

American Bakers Association.

American Consulting Engineers Council.

American Dental Association.

American Family Business Institute.

American Farm Bureau Federation.

American Forest & Paper Association.

American Horse Council.

American Hotel and Motel Association.

American Institute of Certified Public Accountants.

American International Automobile Dealers Association.

American Sheep Industry Association.

American Soybean Association.

American Supply Association and American Warehouse Association.

American Trucking Association.

American Vintners Association.

American Wholesale Marketers Association.

The Association For Manufacturing Technology.

Amway Corporation.

Arnold & Porter.

Associated Builders and Contractors.

Associated Equipment Distributors.

Associated Equipment Distributors.

Associated Specialty Contractors.

Boland & Madigan, Inc.

Building Service Contractors Association International.

Chwat and Company, Inc.

Clark & Weinstock.

Collier, Shannon, Rill & Scott.

Communicating for Agriculture.

Davis & Harman.

Duffy Wall & Associates.

Families Against Confiscatory Estate & Inheritance Taxes.

Farm Credit Council.

Florists' Transworld Delivery Association.

Food Distributors International.

Food Marketing Institute.

Forest Industries Council on Taxation.

Guest & Associates, LLC.

Hallmark Cards, Inc.

Hogan & Hartsen.

12AAK Walton League.

Wildlife Society.

Quail Unlimited.

Wildlife Management Institute.

International Association of Fish & Wildlife Agencies.

Hooper, Hooper, Owen & Gould.

Independent Bakers Association.

Independent Bankers Association of America.

Independent Forest Product Association.

Independent Insurance Agents of America.

Independent Petroleum Association of America.

Institute of Certified Financial Planners.

International Council of Shopping Centers.

International Warehouse Logistics Association.

Lake States Lumber Association.

Land Trust Alliance.

Marine Retailers Association of America.

McKevitt & Schneier.

Miller & Chevalier.

Mullenholtz & Brimsek.

National Association of Plumbing-Heating-Cooling Contractors.

National Association of Conveniences Stores.

National Association of Realtors.

National Association of Wheat Growers.

National Association of Manufacturers.

National Association of Wheat Growers.

National Association of Music Merchants.

National Association of Wholesaler-Distributors.

National Association of State Departments of Agriculture.

National Association of Temporary and Staffing Services.

National Association of the Remodeling Industry.

National Association of Home Builders of the United States.

National Association of Beverage Retailers.

National Automatic Merchandising Association.

National Automobile Dealers Association.

National Beer Wholesalers Association.

National Cattlemen's Beef Association.

National Corn Growers Association.

National Cotton Council of America.

National Council of Farm Cooperatives.

National Electrical Contractors Association.

National Electrical Contractors Association Incorporated.

National Farmers Union.

National Federation of Independent Business.

National Funeral of Independent Business.

National Funeral Directors Association.

National Grange.

National Grocers Association.

National Hardwood Lumber Association.

National Licensed Beverage Association.

National Marine Manufacturers Association.

National Milk Producers Federation.

National Newspaper Association.

National Pork Producers Council.

National Precast Concrete Association.

National Restaurant Association.

National Retail Federation.

National Roofing Contractors Association.

National Rural Electric Cooperative Association.

National Small Business United.

National Telephone Cooperative Association.

National Tooling & Machining Association.

Neece, Cator, McGahey & Associates.

Newsletter Publishers Association.

Newspaper Association of America.

North American Equipment Dealers Association.

Northwest Woodland Owners Council.

O'Brien Calio.

Patton Boggs, LLP.

Petroleum Marketers Association of America.

Printing Industries of America.

Rae Evans & Associates.

Reed, Smith, Shaw & McClay.

Safeguard America's Family Enterprises.

Sheet Metal and Air Conditioning Contractor's National Association.

Small Business Legislative Council.

Southeastern Lumber Manufacturers Association.

Steptoe and Johnson.

Sullivan & Cromwell.

Tax Foundation, Inc.

Texas and Southwestern Cattle Raisers Association.

The Associated General Contractors of America.

The Employee Stock Ownership Plan Association.

The Heritage Foundation.

The Jefferson Group, Inc.

The Society of American Florists.

Tire Association of North America.

U.S. Apple Association.

U.S. Business & Industrial Council.

U.S. Chamber of Commerce.

U.S. Telephone Association.

United Fresh Fruits and Vegetable Association.

United States Business and Industrial Council.

Washington Council, P.C.

Wine and Spirits Wholesalers.

Wine and Spirits Wholesalers of America.

Wine Institute.

Harry C. Alford, Jr., President & CEO, National Black Chamber of Commerce.

Peter Homer, President & CEO, National Indian Business Association.

Ricardo C. Byrd, Executive Director, National Association of Neighborhoods.

John White, President, Texas Conference of Black Mayors.

U.S. Hispanic Chamber of Commerce.

Mr. KYL. I will not read the entire list. It includes not only organizations that we are familiar with such as the American Farmer Bureau Federation, the National Federation of Independent Business, the National Newspapers Association, the Small Business Legislative Council, and groups similar to that. It also includes groups such as the National Black Chamber of Commerce, the National Indian Business Association, the National Association of Neighborhoods, U.S. Hispanic Chamber of Commerce, the Texas Conference of Black Mayors. Also, environmental organizations such as the Wildlife Society, the Isaak Walton League, Wildlife Management Institute, International Association of Fish and Wildlife Agencies, and more.

Whose side are you on? We are on the side of the American people who believe, by percentages of 70 to 80 percent, the death tax ought to be repealed. That is whose side we are on. If we could ask the American people, 70 percent to 80 percent of whom believe this ought to be repealed, how do they vote, they vote to repeal it. That is whose side we are on.

The second point was, we should soak the rich; after all, they can afford it. There was a suggestion by Senator FEINGOLD a moment ago that, after all, this property never gets taxed unless we can tax it at the time of death. That is not what this bill says. We replace the death tax with the capital gains tax. Death is taken out of the equation. There is no tax when someone dies. But when the heirs decide to sell the property, if they ever do, they pay a capital gains tax, as the original owner would. They pay it on the basis of the original owner's cost in that.

This is why, according to the President's own budget, the Analytical Perspective of the Budget of the United

States, for this next fiscal year, notes that the step-up basis of capital gains on at death—the current law—in effect costs the Federal Government almost $153 billion over a 5-year period. That is about the tax collections from the inheritance tax.

While I am not suggesting this is going to be a complete wash, I am suggesting there is not going to be all that much revenue lost to the Treasury, if you are concerned about that and with multihundreds of billions of dollars of surplus. I am not concerned about revenue to the Treasury. If that is your concern, be not concerned. According to the President's own budget, the step-up in basis loses the Federal Government about $153 billion. If you calculate the amount of the estate tax that will be collected over 5 years, it is not a great deal more than that.

What is this business of step-up in basis? Senator FEINGOLD said this property is never taxed and that is why we have to have a death tax. It is taxed. First, your income is taxed. You are then going to buy things with it. You buy stock; you will invest in other kinds of investment. Of course, you spend a great deal of it. Whatever you spend, you are spending with after-tax dollars. It has already been taxed. However, if you want to tax it again, the fair way to tax it again is not at death, over which the decedent has no control, but rather as a capital gain by the individual or people who end up selling the asset, if and when they sell. That is an economic decision taking tax consequences into account. That is what we do here.

I am afraid some on the other side have not read the bill. What it does is, in effect, replace the estate tax with a capital gains tax. But a 20-percent capital gains rate is a whole lot better than a 55-percent death tax rate. The voluntary decision to sell the property and accept that tax burden is a whole lot more fair than having to pay the tax at death. This is not property that is not being taxed and, in fact, it is taxed as a result of the way we have structured this legislation.

Let me make another point about soaking the rich. It is simply not the case that it is the wealthiest estates that are paying most of the estate tax. I ask unanimous consent that an op-ed piece by Bruce Bartlett, appearing in the Washington Times, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Times, June 19, 2000]

### THE REAL RAP ON DEATH AND TAXES

(By Bruce Bartlett)

On June 9, the U.S. House of Representatives voted to abolish the estate and gift tax in the year 2010. Predictably, liberals denounced the action in the strongest possible terms. Bill Clinton called it "costly, irresponsible and regressive." The New York Times said, "Seldom have so many voted for a gargantuan tax cut for so few." Robert McIntyre of the far-left Citizens for Tax Justice told CBS News that supporters of repeal have done nothing but lie about their plan, which he views as nothing but a giveaway to the ultrawealthy.

The truth is that the burden of the estate tax falls primarily on modest estates, not those of the Bill Gates and Warren Buffets of the world. The latest data from the Internal Revenue Service tell the story. In 1997, more than 50 percent of all estate and gift taxes were collected from estates under $5 million. Only 20 percent came from the very wealthy, those with estates of more than $20 million.

Furthermore, the effective tax rate (net tax as a share of gross estate) is significantly higher for estates between $5 million and $20 million than on those of more than $20 million. An estate between $2.5 million and $5 million actually pays a higher rate than that paid by estates of more than $20 million—15 percent for the former and 11.8 percent for the latter.

How can this be the case when estate tax rates are steeply progressive, taxing estates of more than $3 million at a 55 percent rate? The answer is that estate planning can eliminate the tax if someone wants to spend sufficient time and money setting up trusts and organizing one's affairs for that purpose. Those with great wealth are far more likely to engage in estate planning than a farmer, small businessman or someone with a modest stock portfolio. Hence, the heaviest burden of the estate tax falls not on the very wealthy, but the slightly well-to-do.

The government gets more than two-thirds of all estate tax revenue from estates under $10 million. The idea that taxing the stuffing out of such estates does anything to equalize the distribution of wealth in America is ludicrous. All it does is prevent those with modest assets from becoming wealthy. Academic research has shown that estate taxes squeeze vital liquidity out of small businesses, often forcing them to sell out to larger competitors. Thus the estate tax makes it more difficult for small firms to grow and become large.

Of course, the same people who support high estate taxes also support aggressive use of the antitrust laws to break up big businesses like Microsoft because they lack competition. Yet the estate tax destroys many potential competitors in their cribs, before they are strong enough to challenge entrenched corporate elites.

One could, perhaps, make a case for a heavy estate tax if there were evidence a large share of the nation's wealthiest families got that way through inheritances. But this, in fact, is not the case in America and never has been. A 1961 study by the Brookings Institution found that only 6 percent of the wealthy acquired most of their assets through inheritance. Sixty-two percent reported no inheritances whatsoever.

A 1995 study by the Rand Corp. got similar results. It found that among the top 5 percent of households, ranked by wealth, inheritances accounted for just 8 percent of assets. A 1998 study by U.S. Trust Corp. found that among the wealthiest 1 percent of Americans, inheritances were a significant source of wealth for just 10 percent of them.

The truth is that most of the wealthy in America—even the billionaires—made it themselves. They weren't born with silver spoons in their mouths, living off the industry of their parents or grandparents. Most of the very wealthy got that way because they started businesses and took enormous risks that paid off. According to the latest Forbes 400 list of America's wealthiest people, 251 were self-made.

And among the modestly wealthy, with fortunes in the low seven digits, many got that way simply because they saved and invested for retirement the way all financial advisers say people should. The T. Rowe Price website, for example, advises that people need $20 in saving for every $1 they will need in retirement over and above Social Security. This means that to have $50,000 per year in retirement income a couple will need $1 million in assets.

It simply defies logic to tell people they need to save for retirement and then punish them for doing so by threatening to confiscate their estates after death. And it is absurd to tell such people they are the unworthy rich, who merely won life's lottery, when every penny they have came from their own hard work and investment. Yet that is what those fighting estate tax repeal are doing.

If it were only the very wealthy supporting estate tax repeal, there is no way estate tax repeal would have garnered 279 votes, including 65 Democrats. It is precisely because the estate tax is more of a tax on the middle class than the left believes it to be that the repeal effort has gotten so far. It is not Bill Gates and Warren Buffet out there pushing for repeal, but ordinary Americans who just don't want the Internal Revenue Service to be their estate's primary beneficiary.

Mr. KYL. I will read from part of this piece. He is a senior fellow with the National Center for Policy Analysis.

> The latest data from the Internal Revenue Service tells the story. In 1997, more than 50 percent of all estate and gift taxes were collected from estates under $5 million. Only 20 percent came from the very wealthy—those with estates more than $20 million.

He goes on:

> An estate between $2.5 million and $5 million actually pays a higher rate than that paid by estates of more than $20 million—15 percent for the former and only 11.8 for the later.

How can this be, he asks, when estate tax rates are steeply progressive, taxing estates of more than $3 million at a 55-percent rate? The answer is, that estate planning can eliminate the tax if someone wants to spend enough money and enough time in setting up trusts and organizing one's affairs for that purpose.

Those with more wealth obviously take advantage of that, whereas the small farmer, the small businessman or someone with a modest stock portfolio is not going to do it, and, in fact, doesn't, according to the statistics. The Government gets more than two-thirds of all estate tax revenue from the estates under $10 million. The idea that taxing the stuffing out of such estates does anything to equalize the distribution of wealth in America, he says, is ludicrous. All it does is prevent those with modest assets from becoming wealthy. Academic research has shown that estate taxes squeeze vital liquidity out of small businesses, often forcing them to sell out to larger competitors.

I told the story earlier in this debate about a family in Arizona in which that is precisely what happened.

Thus, he concludes, the estate tax makes it more difficult for small firms to grow and become large.

He makes another point:

> One could, perhaps, make a case for a heavy estate tax if there were evidence that a large share of the nation's wealthiest families got that way through inheritances. But this, in fact, is not the case in America and never has been. A 1961 study by the Brookings Institution found that only 6 percent of the wealthy acquired most of their assets through inheritance. Sixty-two percent reported no inheritance whatsoever.
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> A 1995 study by the Rand Corp. got similar results. They found among the top 5 percent of households, ranked by wealth, inheritance accounted for just 8 percent of assets. A 1998 study by U.S. Trust Corp. found among the wealthiest 1 percent of Americans' inheritances were a significant source of wealth for just 10 percent of them.

He concludes his piece with this:

> It simply defies logic to tell people they need to save for retirement and then punish them for doing so by threatening to confiscate their estates after death. It is absurd to tell such people that they are the unworthy rich who merely won life's lottery, when every penny they have has come from their own hard work and investment. Yet that is what those fighting estate tax repeal are doing.
>
> It is precisely because the estate tax is more of a tax on the middle-class that the left believes it to be that the repeal effort has gotten so far.

It seems to me, that the argument we have to keep this because it is important to soak the rich flies in the face of the studies I have cited. It is not the rich, in fact, who are getting soaked.

There has also been a suggestion, and Senator DORGAN made the point, there are all kinds of ideas for how to spend the money collected by this tax. I am sure those who like to tax and spend, who like to redistribute wealth, who believe in the liberal class warfare rhetoric, will find lots of ways to spend money. As I pointed out, we already have a huge surplus. This doesn't even make a dent in it.

Their argument is, therefore, we ought to be voting on other issues rather than voting on this. One of them was we should vote on the Patients' Bill of Rights. We already voted on the Patients' Bill of Rights. The other side lost. They don't like to accept the fact they lost, but it is called accept majority rule. That is what democracy is all about.

They also want to vote on drug benefits. We are going to have votes on drug benefits.

Everybody in America understands that you do things in order. The House passed the estate tax repeal. It is now before the Senate. Let's get it done and then we can take up that other legislation the other side wants to take up. It will be taken up. Let's do this now.

What is the reason not to? It all boils down to politics. That is the unfortunate proposition.

There is another point I find very interesting.

The PRESIDING OFFICER. The Senator has 2 minutes remaining.

Mr. KYL. Mr. President, I will make this point briefly. One of the alternatives suggested by the other side is to increase the amount of the exemption. The problem with that is there has never been a way to define who qualifies for the exemption in a simple enough way for it to be effective. In fact, we have a lot of tax experts who point out that few people are able to take advantage of the exemption today because it is just too difficult with which to comply.

In fact, the American Bar Association condemned it because it, in effect, created too much malpractice risk for lawyers who could not figure out how to make it work for their clients. It is considered the most dangerous section of the tax law because of the risk of malpractice claims.

I point out that currently there are 149 tax cases that have been decided and reported involving issues relating to section 2032A. The IRS has challenged the validity of section 2032A in estate planning, and the IRS has won approximately two-thirds of those cases.

Now section 2057, the successor, is the most dangerous and, if changed as suggested here, is going to be even worse, but it will, of course, create billions of dollars in legal and accounting fees. That is not what we should be all about, Mr. President. We should be about saving money for those who would no longer have to spend all of these millions of dollars to plan against the possibility of the estate tax. That is a huge amount of money that could be saved, about as much as is paid in estate taxes, by the way, and we can get back to a situation which is fair; namely, there will be a tax, but it will be a tax when the property is sold, not when the death occurs.

That is the basic fairness of this proposition. That is why I urge my colleagues to vote for cloture so we can vote for H.R. 8 and repeal this unfair death tax.

The PRESIDING OFFICER. Under the previous order, the Senator from Alaska is recognized for 10 minutes.

Mr. MURKOWSKI. Mr. President, I compliment my friend from Arizona for his forthright address on this very important subject that certainly needs to be resolved by this body.

As we continue the debate on repealing the death tax, there is a fundamental question to which we all must respond: Should the Federal Government have the right to confiscate as much as 60 percent of the assets that an individual or family business has built over a lifetime?

That is what this debate is all about, not the class warfare arguments we have heard from the other side, to a degree.

In my view, whether the estate tax is 60 percent or 40 percent or 20 percent, the estate tax is morally indefensible. It causes businesses that have been developed over a lifetime of hard work and sacrifice to be broken up just so Uncle Sam can take what some think is the Government's rightful share of that business.

I ask another question: Why do we have an estate tax? It may be interesting to go into the background. The reason is quite simple. Up until 1913, the Federal Government was primarily financed by tariffs. Estate taxes were periodically imposed to primarily finance wars or the threat of a war. For example, to finance the Spanish-American War, the Federal Government imposed a temporary estate tax in 1898. It was repealed in 1902. With the advent of World War I and the drop in tariff revenue, Congress adopted an estate tax with rates ranging from 1 percent to 10 percent.

What must be recognized about the estate taxes adopted in the 19th and early 20th centuries is the simple fact that there were no Federal income taxes to finance the Federal Government at that time. So the Government looked at estate taxes. As a result, all of the wealth that accumulated in estates had never before been taxed.

By contrast, when an individual dies today, his or her estate consists of assets that have been built with aftertax money. The elderly woman who dies with several hundred thousand dollars worth of Treasury notes in her estate has paid Federal income taxes every single year on those notes. The businesses that have been built up over a lifetime have paid income taxes and, in many cases, have paid corporate taxes to the Federal Government. Why, after accumulating wealth and having paid income taxes on that wealth, does the Federal Government have the right to confiscate that wealth? I do not think it has that right.

While I believe this is a moral question, I also look at the realities of estate planning and conclude that when confronted with an unfair and confiscatory tax system, Americans overwhelmingly reject the idea that the Government has such a right.

With proper estate planning, it is clear that many Americans can structure their affairs in such a way that they can entirely avoid paying any estate taxes. In fact, of the estates valued at more than $600,000, more than half, or 55 percent, paid not a single dollar in estate taxes. Of the richest Americans, those with estates valued over $20 million, nearly one-third paid no estate tax.

It seems to this Senator that the estate tax has become a bonanza for estate planners and tax accountants and an unfair and onerous burden to the small businesses and farmers of America who do not have the resources nor the time to take advantage of sophisticated estate planning schemes. As a result, more than 60 percent of the burden of the estate tax falls on estates valued at $5 million or less.

As my colleagues know, the primary asset in many of these smaller estates is the family business, whether a small retail or wholesale operation or a family farm. When it comes time to pay the estate tax, many of these family businesses are forced to liquidate a portion of the business or even, in some cases, the businesses themselves; or sell the farm to basically pay the taxes. That is unconscionable especially when it has taken decades to build a business.

The ability to pass on the assets that have been built up over a generation to another generation is made unrealistic by the tax burden associated with the estate tax and, in the case of those who have not been fortunate enough to do estate planning, many of these people feel they have been unjustly penalized by their Government, and I agree with them. When it comes time to pay the estate tax, many of these family businesses, as I have indicated, are forced to liquidate.

The other option for many of these businesses is to saddle a business with a large debt to pay the tax. This only heightens the cash-flow problems that many small businesses confront as a matter of everyday activity.

Of course, when sophisticated estate planning is available, many of these small business estate problems would undoubtedly go away, but then we as policymakers should ask ourselves: What is the sense in constructing a tax that primarily produces a livelihood to those who can advise others on how to avoid the tax?

I will repeat that because I think it bears a little reflection. We as policymakers really must ask ourselves: What is the sense in constructing a tax that primarily provides a livelihood to those who can advise others on how to avoid the tax? It is a bit ironic.

The time for the death tax has passed. I hope we will not see a filibuster of this measure that will help maintain the growth and development of our dynamic economy and protect the small businesses that are the backbone of our Nation.

Seeing no other Senator seeking recognition, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DURBIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURBIN. Mr. President, I understand under the previous agreement that I have up to 1 hour in debate at this point?

The PRESIDING OFFICER. The Senator is correct.

Mr. DURBIN. Mr. President, for those who are following the Senate proceedings, they are probably aware of the fact that we are involved in something called a motion to proceed, which is basically an introduction or a leadup to a debate on an issue.

We are proceeding to an issue on the question of the estate tax. The estate tax has been around, I think, since President Theodore Roosevelt in the last century. It is a source of revenue for the Federal Government that is imposed on the estates of some people after they pass away.

It is the position of the Republican majority that when you come to reforming the Tax Code of America, the first and highest priority is to deal with the estate tax. The basis for that statement on my part is the fact that it is the first matter of any consequence in terms of its cost that is being brought to the floor of the Senate by the Republican leadership.

So they believe, looking at the Tax Code—that affects literally every American, every individual, every family, every business—and searching out an inequity in it, that the estate tax is the source of an inequity, an unfairness, and it should be the first thing that we address if we are going to reform the Tax Code.

That is an interesting observation because when you consider how many Americans are affected by the estate tax, it turns out that they are literally very few in number.

In 1997, the estates of fewer than 43,000 people in America had to pay any Federal estate tax. That is 43,000 people out of 2.3 million who passed away in that year. So less than 2 percent—1.9 percent—of the estates of those passing away in the year 1997 had any obligation to pay the Federal estate tax—43,000 people.

What the Republicans have suggested as a way to eliminate this estate tax is to take money out of our anticipated surplus in the budget to make sure that those 43,000 in the future will not have to pay any estate tax.

What does this cost us out of the surplus? In the first 10 years or so, the estimates are somewhere in the $100–$150 billion range. But in the next 10-year period of time, it grows dramatically, and the cost of this tax relief for literally 1.9 percent of the people who die in a given year is some $750 billion.

Mr. LOTT. Mr. President, will the Senator yield?

Mr. DURBIN. I am happy to yield to the majority leader.

Mr. LOTT. I apologize for the interruption, but I was going to make an inquiry about the time schedule. I heard the Senator indicate he had 1 hour under an agreement. Are there other time agreements that have been entered into on each side?

Under the rule, you can get up to an hour. So we never got a time limitation?

Then, also, I believe earlier we had indicated we would go to the Department of Defense authorization bill tonight between 6:30 but not later than 7 o'clock. Has there been any agreement with regard to that?

The PRESIDING OFFICER. The Chair is not aware of one.

Mr. LOTT. I thank the Senator for yielding so that I could get some feel for the time. I will discuss it with the leadership on the other side. I still hope that while we have had debate on both sides today, for the most part on the death tax issue, we would still be able to keep our verbal commitment to Senator WARNER and Senator LEVIN that not later than 7 o'clock tonight we will go to the DOD authorization bill and see if we can make some progress on that.

Again, I appreciate the Senator for allowing me to interrupt him to get a clarification on that. I thank the Senator.

Mr. DURBIN. Mr. President, I was happy to yield to the majority leader to clarify the procedure.

Back to the point I was making. We are dealing with an estate tax that affects very few Americans—people in higher income categories. The decision has been made by the Republican leadership in the House of Representatives and the Senate that if we are going to change the Tax Code as it affects any American, any individual, any family, any business, the first and highest—obviously one of the most expensive—priority is to eliminate this estate tax.

I find that curious because I think if you went to the American people and said to them: When it comes to the taxes that you are likely to pay in your life and those that you believe are particularly unfair, would you believe that the estate tax ranks high on that list? It is not likely they would. They may object to taxes in general. They may object to this tax in particular. But the likelihood that the average American, even one who has done pretty well in life, is going to end up paying the Federal estate tax is minimal. Less than 2 percent of those who die each year pay the tax. If a spouse dies and leaves all the property to another spouse, there is no taxable event—no Federal estate tax is paid.

When you consider the fact that 98 out of every 100 people who die each year face no Federal estate tax, the obvious question is, Why is this the highest priority when it comes to the Republican agenda for tax reform? Wouldn't you think it would be a tax that would help out a lot more people than, say, 43,000 in 1997, some of the wealthiest people in our country? Wouldn't you think it might be a tax that affects the payroll tax that hundreds of thousands of workers pay each week? Or taxes that businesses pay? Or changing our Tax Code so a businessman can offer health insurance to his employee, for example? No, it is not. It turns out, when they drew up their list of priorities, the Republican leadership came to the conclusion that the most important group to single out for assistance would be the wealthiest among us, with this estate tax.

I might tell you, this is not a cheap, inexpensive undertaking. To think we are going to spend some $750 billion for this estate tax reform that is being asked for by the Republican side means, frankly, that money will not be there to be spent for other purposes, which is the reason I am on the floor tonight to discuss this estate tax in the context of choices that are to be made, decisions that are to be made. When the Republicans drew up the line of Americans who needed help the most, they put in the front of the line, in the first place in the line, the wealthiest in our country. That is not new. That is what George W. Bush has proposed when it comes to tax cuts: First help the wealthiest. When it comes to their agenda on the floor of the Senate, the Republican leadership has said: Before you do anything else, help the wealthiest people in our society.

Frankly, I come to this argument with a different perspective. I believe our obligation is to the entire Nation, not only to those who are financially articulate; those who are the largest contributors; those who have made the most of their lives by making the most of their income. It appears that I see this somewhat differently than those who are on the Republican side of the aisle.

Let me concede at the outset that the estate tax should be changed. The estate tax, as it is currently written, has not kept pace with reality. We have not increased the exemption under that estate tax as we should have, and we on the Democratic side are going to propose, as part of a reform of the estate tax, something I think will be of great assistance to the vast majority of families who are barely qualifying to pay an estate tax.

This is what we are going to propose on the Democratic side. We are going to increase the general exemption from $1.35 million per couple to $2 million per couple by 2002, and $4 million by 2010. That means that by 2010, if your estate is worth $4 million, you will not pay a penny in Federal estate tax. How many people will be eliminated from Federal estate tax liability because of the Democratic proposal? Two-thirds of the estates currently subject to tax would not be subject. So we are really taking those who are on the lower end of liability and removing that liability.

We go a step further because there is a legitimate concern in Illinois and around the country that many family farms, for example, cannot be passed on by a surviving spouse to the children; family businesses, small businesses that have been created cannot be passed on to children to carry on. I am sensitive to that. I have met a lot of farmers and a lot of businesspeople who have said: This is something we built our lives around, our family built their lives around. Then when we die, the value of the business is such we could not leave it to our kids.

I think we have to find a way to deal with it. The Democratic alternative does. Let me tell you how. We increase the family-owned business exemption from $2.6 million per couple to twice that of the general exemption of $4 million per couple by 2002; $8 million by 2010. The net result of it is this: This will remove virtually all family-owned farms from liability under the estate tax and 75 percent of family-owned businesses from the estate tax rolls.

I think this is a realistic and honest reform of the estate tax. I can go back to my home State of Illinois and say, for individuals as well as family farms and small businesses, we heard their pleas for assistance and relief and we responded in a way that I can defend. The cost of our approach, over a 20-year period, is some $300 billion. The cost of the Republican approach is $750 billion because, you see, they go all the way. They take the tax off virtually everyone. So if people have been so fortunate, living in this country, prospering in this country, to die with estates that are worth billions of dollars, then, frankly, the Republicans say they should not owe this country a nickel; at this point we are going to take the tax off of them; we are going to give them a tax break.

Let me show some charts to illustrate this tax and its impact. This is estates subject to the current estate tax—97 percent of the current nonfarm, non-small business estates pay no estate tax; 3 percent of small businesses and family farms might face some liability. So it is a tax, as I indicated earlier, that affects very few.

Look at this, too, in terms of the share of the estate tax burden. The bottom 98 percent of people who pass away in this country pay zero in Federal estate tax. The top one-tenth of the wealthiest 1 percent of estates in America pay 50 percent. We are talking about the highest rollers in America, the people who have done the best, who would end up paying over 50 percent of the income that comes to this country from estate taxes. Those are the people the Republicans say should be first in line when we talk about tax relief.

I see it a different way. Let me tell you some of the things we might consider doing instead of providing this kind of tax relief to people who are in such high-income categories.

We could take the difference between the Democratic and Republican plan, some $450 billion over 20 years, and pay down our publicly held national debt. I think that is of value to everybody in this country, rich and poor alike, families, individuals, businesses—big business and small business. Why? As the Government borrows money to pay down its debt, it is money taken out of the system that could have been used for the creation of businesses and capital creation. As the Government borrows money, it competes for available funds in the marketplace and raises interest rates. As we pay down our national debt, we reduce the burden of taxpayers to service that debt and, frankly, give to our children the very best legacy. We do not leave them the mortgage that we incurred for our debts during our lifetime.

Many of us believe that is a more responsible thing to do than to give a tax break under the estate tax to the wealthiest people in this country. The Republicans disagree. They say the highest priority is not bringing down our national debt; the highest priority tax relief is for people who are literally making millions of dollars a year.

Let me give an example. The Republican estate tax bill gives the Forbes magazine's 400 richest Americans, read this now, a $250 billion windfall tax break. Money that could have been spent to reduce our national debt, to say to future generations we are going to take that burden off your shoulders—instead is being given to literally the wealthiest people in America.

That is the idea of tax justice being propounded on the Republican side of the aisle. I don't think it works. I don't think it is consistent with the values and ethics of most American families.

There are other things that can be done and may not be accomplished because of this Republican strategy to eliminate the estate tax in its entirety. Let me address one that is so very important to so many people. It is the prescription drug benefit under Medicare. When the Medicare program was created in the 1960s, President Lyndon Johnson did something which literally changed America. He decided, with the help of the Democratic Congress, that we would create a health insurance plan for the elderly and disabled in America.

At that point in time, they were on their own. If they had the resources to pay for health insurance, or they were wealthy enough not to care, they were taken care of. But the vast majority of people going into retirement were really vulnerable. They no longer had a paycheck—maybe a Social Security check, but they had little else to turn to. When they faced a huge hospital bill or a doctor bill, they were on their own. So we created Medicare.

As good as Medicare has been—and it is a proven success because seniors are living longer—it didn't include prescription drugs. You know what that means today? When you go to a doctor and say, "I don't feel well," the doctor says, "Let me write out a prescription. Take the pills and see if it helps." So you go to the drug store and get the medicine. Maybe it will help, and in most cases it does. But the cost of those drugs continues to increase. A lot of seniors on fixed incomes can't afford to pay for the prescription drugs.

I have had hearings in the State of Illinois, and people have told stories that are sad but true, where they have had to make hard choices. There were seniors who were literally deciding whether or not to fill their prescriptions or to fill their grocery orders; seniors who would go into a supermarket and go to the pharmacy first to decide whether or not they could afford their medicine before they shopped for food; seniors who didn't fill prescriptions because they couldn't afford it, or they may take half a pill instead of what they were supposed to take because they couldn't afford to pay for the full prescription. That is a reality of life in America today.

When the Republicans say our highest priority has to be the elimination of an estate tax, which means a $250 billion windfall tax break to the 400 richest Americans, I think they have it all wrong. I think our highest priority should be a prescription drug benefit. After we have paid down this national debt, we should take a portion of it and put it in a prescription drug benefit under Medicare. That will help more people. It is certainly going to improve the quality of their lives.

If I had to list my highest priority after paying down the national debt, it would be to help with the prescription drug benefit. Now, the Republicans in the House proposed their own version of a prescription drug benefit. It is clearly something supported by the drug companies and pharmaceutical industry because it would allow them to continue to charge their high prices. What it would say is that basically they would subsidize people buying insurance to pay for their prescription drugs. But when you take a close look at it, it falls apart.

First off, the insurance industry doesn't offer that kind of prescription drug insurance by itself. If they do, it is extremely expensive. The reason they don't offer it is something called "adverse selection." If you happen to be very ill and need prescription drugs, you would go and try to buy such a policy. Of course, insurance works when people who are buying the insurance include not only those who need a payout immediately, but those who are going to pay premiums regularly until they do. Well, for that reason, the insurance industry already has said the Republican plan is not likely to ever result in any help to any senior citizens.

Plus, there are a lot of people who have misgivings about turning over prescription drugs and their future to insurance companies. They can recall what many of these same insurance companies did when it came to HMOs and managed care. They forgot about the patient and even forgot about the doctor. We had insurance clerks making decisions on health care. Frankly, the losers ended up being patients and their families.

I recall going to a hospital in Springfield, IL, and doing rounds with a local doctor. He made a decision that a woman should stay in the hospital over the weekend before important and delicate brain surgery on Monday. He had to call the insurance company in Nebraska and ask for permission for her to stay in the hospital. The insurance company clerk said: No, send her home. The surgery is not until Monday.

He said: She is elderly and frail, and she loses her balance; I don't want her to hurt herself, and I want her here Monday for this important surgery.

The insurance clerk was overruling the doctor. The doctor hung up the phone and said: Leave her in the hospital and I will appeal this later on.

That is the kind of insurance company situation the Republicans want to turn to when it comes to prescription drugs. They want these same insurance companies to decide whether or not you get your prescription drugs filled. Well, we have seen what they have done with managed care and with HMOs. It is no wonder that a lot of Americans are skeptical about the Republican approach to this. They would much rather see a plan for prescription drugs under Medicare, one that is universal and covers everybody. Medicare currently covers everybody. I also recall that in the last couple years some 1.3 million seniors have seen their Medicare HMO plans canceled by the insurance companies. So they are high and dry and are looking for insurance coverage.

When the Republicans say we can trust the insurance companies when it comes to prescription drugs and health care, human experience tells us otherwise. These companies make decisions based on the bottom line profit. These companies will cut off people in terms of their coverage when they no longer think they are turning a profit, and they will leave the people high and dry.

The other thing that is fundamentally flawed in the Republican approach on prescription drug benefits is they don't even address the question of pricing. You can create a prescription drug benefit that looks beautiful on paper. It will be easy to sit down with any number of Americans and come to that conclusion. But if you don't address the increasing cost of prescription drugs, it is a guarantee that that benefit and that program will fail. The Republicans do not even address that.

If we bring this program under Medicare, as the Democrats have suggested, we will have bargaining power. What is that worth when it comes to prescription drug benefits? You have heard stories, as I have, about people who go to Canada and buy the same drugs for a fraction of the cost in the United States. They are exactly the same drugs, made in the U.S., approved by the Federal Government, sent to Canada, where they charge a fraction of the cost. Why is this? It is because of the bargaining power of the Canadian Government. They sit down with the drug companies and they say: We are not going to agree to a price increase every month or to the prices going through the roof. If you want your drugs as part of our health care system in Canada, you will keep the prices under control.

Do you know what. The same drug companies—American drug companies—do just that. They keep prices under control in Canada, but they charge Americans skyrocketing drug prices.

The Republican plan on prescription drug benefits doesn't even address this. If you don't address the pricing of drugs, frankly, you are offering no benefit whatsoever—no prescription drug benefits. Do Americans want it? You bet they do, in overwhelming numbers. That is a high priority. But to take a look at this, the highest priority for the Republican leadership in the Senate is not prescription drug benefits for the elderly and disabled; it is the elimination of the estate tax, which gives the Forbes magazine 400 richest American families a $250 billion windfall tax break.

Which would help America more? Prescription drug benefits so seniors can remain independent and strong and healthy for a longer period of time or a windfall tax break to the wealthiest people in this country? I think the answer is obvious. But it really betrays the statement from the Republican side that they are in tune with the American people when they would come up with an estate tax change of such magnitude and which is so generous to the wealthiest among us, when the American people are looking for something much different from this Congress.

We want to make sure the drug benefit is available to everybody. We want to make sure you have your choice, that your doctor will be able to prescribe the necessary drugs for you and that they will be filled. We want to make sure that it is done under Medicare.

We think the effort of the Republicans to take this out of Medicare may be the beginning effort to basically tear down Medicare. This has never been a program the Republicans have cheered over. When we want to try to protect Medicare, it is usually a lonely voice on the Senate floor. They have not been willing to come forward. They understand it was a creation of Democratic leadership, and I guess they are not listening to their seniors and disabled at home who understand the critical importance of this program.

There are other things we can be doing in terms of the Tax Code that would help real people and families. One of them is the full deductibility of health insurance. The fact that self-employed people in this country cannot fully deduct their health insurance premiums is what I consider one of the major injustices in the Tax Code. If you start a small business and you want to provide health insurance for yourself, your family, or for some of your employees, you might find yourself in a position where you cannot deduct the full cost of the health insurance premiums from your taxes. Large corporations can; small businesses can't. Big corporations can do it; family farmers cannot.

That doesn't make any sense. It is unjust. It is a loophole in the Tax Code which should be changed to protect the small businessman and to protect the family farmer and the people who work for them.

If I draw up a list of priorities when it comes to tax reform, I don't start off with the 400 richest Americans and give them a $250 billion windfall tax break. Instead, I deal with real families, real businesses, and real people who are trying to find health insurance to cover members of their family.

I also think we should be considering a tax credit for small businesses that offer health insurance to their employees. We know in America that there are some 4 million people who have no health insurance whatsoever. I think that is a scandal. Frankly, in a nation as prosperous as we are and at a time when we are talking about literally trillion-dollar surpluses, it is incredible to me that we don't have the political will on a bipartisan basis to start talking about health insurance coverage for all sorts of American families and businesses. But we haven't done it. Instead, we hear from the Republican side of the aisle that before we talk about health insurance, before we start talking about tax credits to businesses, before we start talking about prescription drugs, let's take care of the richest people in America. That is their highest priority. That is the group they put on the front of the line. We see it differently on the Democratic side. We believe there are things we can do to improve the quality of life of many people.

Let me also tell you about another proposal on which I prepared legislation. It is called caregivers insurance. We have a plan now for children across America. Many of the States are implementing it. If children don't have health insurance, we help States pay for that health insurance. That is a good plan. I voted for it. I supported it. I think we should extend it to the next phase—to what I call caregivers insurance. When I make reference to caregivers, I am talking about people who work in day-care centers, those who are literally in charge of our children and grandchildren every single day. The people who work for a minimum wage, or slightly more, have no benefits. There is massive turnover in their jobs. I think we ought to be talking about extending health insurance for those caregivers in day-care centers, those who work in personal attendance of the disabled, home health care workers who take care of people so they can stay home and not have to go to nursing homes, and for those working in convalescent nursing homes.

Those are caregivers who have very little benefits. Yet we trust them with our parents, with our grandparents, with our children, and grandchildren.

I think that is the kind of thing many American people would like to see. It will help them pay for child care. It won't raise the cost. We will provide the health insurance through a program of our own at the Federal level. I would like to vote on it. I think it would be well received. I might not get that chance because the vote we will face in the next few days is whether or not, instead of helping caregivers who get up and go to work every day and take care of our kids and parents, we are going to give to the 400 richest Americans a $250 billion windfall tax break with the Republican proposal to eliminate the estate tax.

Mr. DORGAN. Mr. President, I wonder if the Senator from Illinois will yield.

Mr. DURBIN. I would be happy to yield.

Mr. DORGAN. Mr. President, I was interested in the discussion offered by the Senator from Illinois. In fact, I was interested in the discussion earlier by the Senator from Arizona, Mr. KYL, who was complaining about some comments I made earlier in the day.

As I understand the Senator from Illinois, he indicated earlier—and I did earlier today as well—that he would support an amendment that would effectively say we will repeal the estate tax for all small businesses and family farms up to $8 million. So there is no disagreement in this Chamber on that. We will repeal the estate tax for those estates up to $8 million. The difference is the majority party says that is not enough. We want to repeal the estate tax for estates over $8 million as well.

The Senator from Illinois seems to be saying, as I said this morning, that the loss of revenue by repealing the estate tax for the wealthiest estates in this country is something that ought to be measured against other alternatives, such as providing a tax cut for middle-income people, for example, or a range of investments that might be made to strengthen this country.

The Senator from Arizona, I noted, was saying: Well, people who think like that are big-spending liberals.

Who are the real big spenders? They are the folks who say: You know, we ought to spend money by deciding that a $1 billion estate should be relieved of the burden of having any estate tax at all, and decide that relieving an estate tax burden from the largest estates in this country is more important than investment in education, it is more important than a middle-income tax cut, it is more important than paying down the Federal debt.

Who are the big spenders, I ask the Senator from Illinois?

Mr. DURBIN. I think the Senator hit the nail on the head. What the Republicans are prepared to do is spend our surplus by providing tax breaks for the wealthy people in this country. The Senator and I happen to see it differently. We believe we can reform the estate tax and basically protect small businesses, family farms, and estates of people leaving $8 million, and still have money left for valid programs in this country. It will help a lot of working families and family farmers.

Mr. DORGAN. Isn't it a fact, more than reforming the estate tax, that the Senator from Illinois and the Senator from North Dakota and others would say let's effectively repeal the estate tax for estates up to $8 million for small businesses or family farms? In fact, the Senator from Illinois is saying let's repeal the estate tax to that level. But he doesn't want to go the next step as proposed by the majority party of saying no, that is important to do, but let's do something that is even more important. Let's make sure the repeal of the estate tax burden applies to people who leave estates of hundreds of millions of dollars.

Is that a priority? It seems to me that it ought to be measured against a range of other things that we ought to do.

I just make the point that I always smile a little when I hear these pejoratives about big spenders. It is sort of yesterday's news. It so happens that folks standing on this side of this Chamber are the ones who cast the tough votes that put this country back on track of getting rid of the burgeoning Federal deficits a few years ago when there was well over $300 billion in Federal deficits, and now, of course, to balance the budget. We cast the tough votes to do that. I don't need to hear much from people about who the big spenders are. We put this country back on track.

There are those who insist the largest estates in America should be relieved of their estate tax burdens and are suggesting that those of us who believe there are other alternatives that might be more appropriate—more middle-income tax relief, or other things—are called big spenders. I think that is yesterday's language in a wornout discussion.

Mr. DURBIN. I thank the Senator from North Dakota.

Mr. LOTT. Mr. President, will the Senator yield?

Mr. DURBIN. Without losing the floor, I would be happy to yield to the majority leader.

Mr. LOTT. I thank the Senator from Illinois for yielding this time for a unanimous consent request.

### INTERIOR APPROPRIATIONS AMENDMENTS

Mr. President, I ask unanimous consent that the following amendments be the only first-degree amendments in order to the Interior appropriations bill and subject to relevant second-degree amendments.

Those amendments are as follows:

B. Smith, Relevant;
B. Smith, Relevant;
Snowe, Relevant;
Snowe, Relevant;
Gramm, Relevant;
Helms, Relevant;
Abraham, Gas tax;
Inhofe, NEA;
Collins, Salmon;
Collins, SPRO authority;
Ashcroft, Methamphetamine Lab cleanup;
Sessions, Rosa Parks Library;
Sessions, Bonsecor Wild Life Refuge;
Sessions, Indian gambling;
Roth, Lewis Maritime Museum;
Crapo, Back country air stripes;
Brownback, Historic markers;
Thomas, Funding for payment in lieu of taxes;
Warner, Louis & Clark expedition bicentennial celebration;
Warner, Fish and Wildlife land purchase;
Grams, Windstorm expenses;
Hatch, Four corners monument;
Gorton, Technical;
Gorton, Technical;
Gorton, Relevant;
Gorton, Relevant;
Gorton, Relevant;
Gorton, Relevant;
Gorton, Relevant;
Craig, Roadless area rule making;
Domenici, Hazardous fuels reduction;
Domenici; Forest Service operations;
Domenici, New Mexico water;
Domenici, Park Service construction;
Grassley, Management of Mississippi River Island;
Grassley, Fish and Wildlife land exchange;
Grassley, Mississippi River Island land exchange;
Stevens, Relevant;
Stevens, Relevant;
Stevens, Direct conveyance of homestead to Dick Redmon;
Stevens, Direct payment to city of Cray;
Stevens, Accrual of interest on escrow;
Stevens, Subsistence dollars to Alaska
Stevens, Modify Weatherization Program;
Lott, Relevant to any on list;
Baucus, Forest Service funding;
Baucus, relevant;
Baucus, relevant;
Bingaman, Hazardous fuels;
Bingaman, Four Corners (w/Hatch);
Boxer, Pesticide use in National Parks;
Breaux/Landrieu
Cane River National Heritage area;
Bryan, Timber Sales;
Bryan, Forest Service land conveyance;
Bryd, Manager's amendment;
Bryd, DoE reprograming;
Bryd, Relevant to any on the list;
Conrad, Relevant;
Conrad, Relevant;
Daschle, Funds for United Sioux Tribes;
Daschle, Relevant to any on the list;
Dodd, Relevant;
Dorgan, Relevant;
Dorgan, Relevant;
Dorgan, Relevant;
Durbin, Strike section 116 grazing permits;
Durbin, Wildlife Refugee in Kankakee River Basin;
Edwards, Land acquisition;
Edwards, USGS flood gauges;
Edwards, Drug control on public lands;
Edwards, Crime control on public lands;
Edwards, Relevant;
Feingold, Relevant;
Feingold, Relevant;
Feingold, Relevant;
Feingold, Relevant;
Feingold, Relevant;
Feinstein, Sequoia National Monument;
Feinstein, Relevant,
Johnson, Relevant;
Johnson, Relevant;
Johnson, Relevant;
Kerrey, Relevant;
Kerry, American Rivers—Sec. 326;
Landrieu, National Center for Technology and Training;
Landrieu, Oakland Cemetery funding;
Levin, Land acquisition, NPS;
Levin, NPS operations;
Lieberman, Northeast Home Heating Oil;
Reed, NEA;
Reed, Weatherization;
Reid, Relevant to any on list;
Torricelli-Reed, Urban parks;
and, Wellstone, #3772 Minnesota Forest;

The PRESIDING OFFICER (Mr. BROWNBACK). Is there objection?

Without objection, it is so ordered.

### DEPARTMENT OF DEFENSE AUTHORIZATION

Mr. LOTT. Mr. President, I ask unanimous consent that no later than 6:30 p.m. tonight, notwithstanding rule XXII, the Senate resume consideration of the Department of Defense authorization bill. I further ask unanimous consent that any votes ordered with respect to the amendments offered and debated tonight occur beginning at 11:30 a.m. on Wednesday, with no second-degree amendments in order, where applicable, and 2 minutes prior to each vote for explanation, and that there be 2 hours prior to the 11:30 a.m. votes to be equally divided prior to proceeding to H.R. 8.

To sum up, we would complete the remaining debate time between now and 6:30 on the death tax issue. Then we would go to the Department of Defense authorization bill for debate on amendments tonight. Those votes on amendments, if any are required, would occur at 11:30.

When we come in at 9:30 tomorrow, we would have 2 more hours for debate time on the estate tax/death tax issue with no second degrees in order, and there will be 2 minutes prior to each recorded vote at 11:30, prior to the vote.

Mr. REID. Reserving the right to object, Mr. President, first of all, we are advised that we have a number of Senators who will have 15 minutes each to speak in the morning. I don't think we need to agree to the motion. We consent to going to H.R. 8, if that is OK with the leader.

Mr. LOTT. Prior to the agreeing to the amendments, to proceed, which could be done.

Mr. REID. We want to do it by consent rather than agreeing to the motion.

Mr. LOTT. Mr. President, I modify it to say that there will be 2 hours prior to 11:30 a.m., with 2 minutes equally divided before votes to be equally divided as we go to H.R. 8.

Mr. REID. Reserving the right to object, we just received a phone call. I think this is a good agreement, but I need to call a Senator. I say to the leader, if I handle this, the leader doesn't need to be on the floor and I can agree to the unanimous consent request proposed.

Mr. LOTT. I withhold my unanimous consent request at this time. I apologize for interrupting speakers. If Senator REID can make this call and we can renew this request momentarily, I would like to do it. I need to go to a retirement event for Senators and House Members. Hopefully, we can complete this momentarily.

I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. As I mentioned earlier, the issue before the Senate is the Republican proposal to abolish the estate tax. This is a tax which is paid by less than 2 percent of the people who die in America. Those who pay it are in the very highest income categories. When the Republican leadership put together its list of priorities of the most important things to be done under the Tax Code, they said the first and most important thing to do, and one of the most expensive things we can do, is to relieve the wealthiest people in America from paying an estate tax. That, to me, raises a question of priorities.

Who will be first in line on the Republican side of the aisle to benefit from this congressional action? According to the Republican leaders, the first in line will be the people who are first in line in the world—the wealthiest in this country, the wealthiest who will benefit from the elimination of this estate tax.

The New York Times editorial on June 11 of this year summarizes the impact of this Republican proposal:

> Seldom have so many voted for a gargantuan tax cut for so few. Abolishing the estate tax would have severe consequences. When fully phased in, the bill would cost about $50 billion a year. Repeal would also threaten the Nation's finest universities and museums. Wealthy families no longer facing estate tax cuts might well decide to leave more money to their families, and less to charity.
>
> The Democrats offered a more than reasonable alternative. Yet the House swatted the

> alternative aside, demonstrating that a large majority of Members were less concerned with rescuing family farms and businesses than with enriching their wealthiest supporters.

Another editorial worth making part of the RECORD is from USA Today on June 9:

> But behind the caterwauling about the "death tax" the truth is quite different. Most people will never be affected by inheritance taxes: 98 percent of all estates aren't big enough to be liable. Even among the elite 2 percent, very few are farmers and small businesses. But there are better ways to spend $50 billion a year than handing it to the heirs of the wealthiest people in the country. Take your pick: Middle class tax cuts, improved health benefits for seniors or paying down the national debt for starters.

That is what this is about.

The question we have to ask ourselves, Whose side are we on? Are we on the side of the wealthiest people in this country in terms of helping them out or will we be on the side of businesses, family farms, and families who are struggling to get by?

Another topic we are debating that relates to this debate on the estate tax is something called an H–1B visa.

Mr. LOTT. I apologize.

Mr. DURBIN. I am happy to yield to the majority leader.

Mr. LOTT. Mr. President, I renew my unanimous consent request.

The PRESIDING OFFICER. Is there objection?

Mr. REID. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURBIN. The H–1B visa is a request by many people in private industry to increase the number of those who can come into the United States by the tens of thousands to fill well-paying, highly skilled jobs. The argument of these businesses is that they can't find workers in America with the skills necessary. We find these arguments coming out of Silicon Valley and similar high-tech areas. They just cannot find skilled American workers to fill the jobs. They ask us to change the law and allow immigrants to come from other countries to fill these jobs. They have a legitimate concern.

Many Members believe we should do something to help them. If the alternative to bringing in people working in this country is shipping the jobs overseas, that certainly doesn't do our economy any good. Isn't it interesting that we are considering the shortages in skilled workers and allowing immigrants to come in to fill these jobs, instead of discussing as part of a program a way to improve education and training in America so we have these skilled workers?

If we are going to improve that education and training, it will cost money. Instead of putting the money into education to help kids go to college and to get special skills, the Republicans think we should put the money into tax relief for the wealthiest people in this country. That is the reprise we hear over and over again on the Republican side: Just make the wealthiest people in this country wealthier and America will be a better place to live.

I think the wealthy people can take care of themselves. They do pretty well. The people who need a helping hand are families trying to put their kids through school.

One of the tax benefits which most of us on the Democratic side support, one that has been proposed by President Clinton, allows working families to deduct the cost of college education from their taxes. That means if we have a tuition bill of $10,000, the Federal Government will basically help pay for college education expenses up to, say, $2,800 a year. That is a direct helping hand from the Government. It doesn't go to the wealthiest among us but to people who are struggling to make sure their kids have a better chance in this world than they had.

I have often thought to myself, when a new child is born into a family, after everybody has come around and admired the child and tried to figure out if he or she looks like mom or dad or grandma or grandpa, one of the things usually said is: Boy, by the time this little one reaches college age, how will we ever afford to pay for it? That is a real conversation I have heard over and over again.

Seldom, if ever—in fact, never—have I heard families say, boy, this little one here, I am worried about how much of my estate I will be able to leave when I die. People think in terms of the needs of the living. And the needs of the living include college education. On the Republican side, this is not a priority. It is certainly not as important a priority as giving a tax break to those with the most extensive and largest estates in America.

I can recall back in the late 1950s when the Russians launched Sputnik. There was a fear in the United States that they had a scientific advantage on the U.S. and that this advantage that launched the satellite into space might lead to a military superiority. Congress decided for one of the first times in its history to provide direct assistance to students. We created something known as the National Defense Education Act. The reason I recall that so fondly is because I happened to be one of the beneficiaries of that Federal program. It was a loan program. You could borrow money to go to college, complete your degree, and pay it back to the Government. It was the best deal I ever had. I like to think the money I received was money well spent for me and my family and perhaps for the country.

Isn't this a time in our history where we ought to be stepping back and, instead of trying to come up with an estate tax break for the wealthiest families in America, shouldn't we be thinking about ways to help families across America pay for college education and training so we in America have a workforce ready for the 21st century? I think education should be the first priority when it comes to tax breaks. I don't think the first priority should be the estate tax repeal that the Republicans have proposed. I think the wealthiest among us, as I said earlier, can take care of themselves. If we can find ways to help families pay for college education, then I think we will be doing something meaningful, something that is responsive to families, to what families across America are looking for. As I said earlier, the basic question is, Whose side are we on in Congress?

I also find it interesting that we have the time, whatever it takes, to spend debating and passing tax relief for wealthy Americans, but no time to address the question of an increase in the minimum wage. There are 350,000 people in my home State of Illinois who got up this morning and went to work making a minimum wage. Some of them are teenagers in their first jobs, but, sadly, many of them are folks who are working one, two, and three jobs trying to keep the families together. For years, literally for years, the Democrats have been asking for an increase in the minimum wage across America. Mr. President, $5.15 an hour is not enough. It is not enough to raise yourself, let alone a family. Unfortunately, the Republicans have opposed our efforts to increase the minimum wage by $1 over a 2-year period of time.

They say they are fearful of the impact it might have if we give people something closer to a living wage, but they obviously have no fear in spending $750 billion in a tax break for the wealthiest among us, people who are literally making, on average, over $190,000 a year in the year of their death. Those are the ones the Republicans believe need help from Congress. Those who get up every morning and go to work, cleaning tables in a restaurant, making the food in the kitchens, making the beds in the motels, watching our kids in day-care centers, the Republicans believe they do not need an increase in their minimum wage.

What a difference in priorities. I would put those folks who are working hard for America and doing the right thing in the front of the line. The Republicans put the wealthiest, those who have made the most in this great country of ours, as the highest priority when it comes to action by Congress.

Time and again, when given choices between increasing health care for workers and their families, giving tax benefits to small businesses so they can offer health insurance, giving people the means to pay for the college education of their kids, offering such things as long-term care insurance or help for the care of their aging parents, the Republicans have said: No, it is not on our priority list. Our priority list starts with the wealthiest people in America, the people who Forbes magazine identified as the 400 richest families in America who would benefit from the Republican estate tax repeal to the tune of $250 billion. That is where they believe we should spend the money.

Frankly, that is what elections are all about. Those of us on the Democratic side who believe we can have a better Nation, that we can take our anticipated surplus and invest it in the people of this country, think the Republicans are fundamentally wrong. We can reform the estate tax, we can exempt the vast majority of families, over 99 percent of the families in America, we can exempt virtually two-thirds or more of those who are currently paying the tax, and we can exempt family farms and small businesses—75 percent are currently paying the tax—and do it in a way where we will have money left to invest in education and health care. No, the Republicans, frankly, say every penny has to go to the wealthiest people in this country.

We ought to keep a running score on the proposals on the Republican side and what they are going to cost. This one is worth about $750 billion. If I am not mistaken, the George W. Bush tax cut for wealthy people—a separate tax cut—is worth over $1 trillion, and the George W. Bush proposal to privatize Social Security will cost some $800 billion and have benefits reduced under Social Security. To that extent, this gives us an idea of how the Republicans time and time again want to spend the surplus which we are now enjoying in this country. That is something many of us think is very shortsighted.

The President's belief, and one I share, is that the first commitment of any surplus should be in paying down the national debt so we carry less of a burden for paying interest on that debt and less of a burden for our children. We should take that money in our surplus and invest it in Social Security and Medicare so they are strong for a long time to come, and then target tax cuts to middle-income families, those who are struggling, as I said, to pay for basic expenses, whether it is day care, college education, or long-term care for their parents.

That is the difference in philosophy. That is the choice in the election year. For the Republicans, the first group in line will always be the wealthiest among us. That is their party. That is in what they believe. They think if the wealthy are treated right, America is a much better place to live. A lot of us believe differently. We think investing in our people is a much better investment.

I want to speak for a moment about prescription drugs, too, because I said earlier this is a priority among Democrats, Republicans, and Independents alike. They believe prescription drug benefits should be passed by this Congress. The Republican answer to that is the same answer they came up with on a Patients' Bill of Rights: They turned to the insurance industry and said to insurance companies: How can we make some money for you in terms of a Patients' Bill of Rights pricing?

They came up with this notion we would somehow subsidize insurance plans to pay for prescription drugs. I think Americans are skeptical of that approach. They understand the Democratic approach which would use the Medicare system, which would be universal, and is a tried-and-true system under Medicare to provide benefits to families across America and would give the Medicare system bargaining power to keep drug prices under control.

The Republicans want to subsidize insurance companies. It is no surprise Americans are skeptical of whether those insurance companies will be responsive to the needs of families when it comes to prescription drugs. That is why we have a serious difference between the two parties on this issue. The Republican bill does not give seniors a choice of guaranteeing coverage under Medicare. That is the most important single thing that seniors ask for: guaranteed prescription drug coverage under Medicare. The Republican plan does not respond to that.

The Republican plan also provides subsidies to insurance companies, and yet there is no guarantee that the insurance companies will even offer the coverage, and they will not be offering a Medicare-type plan.

The Republican approach on prescription drugs does nothing about fair prices. As I said earlier, the pharmaceutical companies must be cheering this idea. The Government is going to subsidize some sort of insurance scheme to pay for prescription drugs, and yet the prices continue to go through the roof. We understand that such a plan will never work. What insurance company is going to sign up to pay your prescription drugs with no guarantee of any control on price? The Republicans, obviously, are insensitive to the price issue.

In addition to accessibility to prescription drugs insurance, price is also important. Americans understand that drugs in Canada, made in the United States, sell for a fraction of the cost. One can take the same pill and order it at the veterinarian for one's dog and go across the street and order it for oneself and find a dramatic difference in cost. It is because the drug companies are gaming the system, and they are very open about it. They are going to charge the highest price to those who will pay it, and those who will pay for it in our country are the Medicare beneficiaries—the seniors and disabled.

Once again, Republicans have failed to respond to the basic need in this country: a prescription drug benefit. It is no surprise the Republicans do want to use the Medicare system as the Democrats have proposed. We believe we can provide to seniors the choice of a guaranteed prescription drug coverage under Medicare, but the Republicans are opposed to that. They have been critical of Medicare since its creation. They have talked about privatizing this benefit of prescription drugs, leading many to believe that ultimately they are hoping to privatize Medicare.

When we tried, incidentally, to privatize a portion of Medicare recently—we said to Medicare recipients: You can buy an HMO plan—the insurance companies, after a year or two, turned around and said they were not going to write coverage anymore. It has happened in Illinois and across the country and a million seniors have been left high and dry by an insurance market that is driven almost exclusively by profit.

That is, unfortunately, where the Republicans have turned again, to the insurance industry, to try to provide some help with prescription drugs. It is not going to work, and the American people know better. They are going to hold this Congress accountable. If the best we can come up with is the estate tax relief for the wealthiest estates in America and nothing when it comes to prescription drug benefits, then we have failed the most basic test, and that is whether we respond to the common need in this country. The common need clearly is for a prescription drug benefit, as well as a Patients' Bill of Rights so you can go to your doctor with confidence, and when that doctor makes a decision about you and your family's health, it is not going to be overruled by someone who works for an insurance company.

Those are the basics: Minimum wage, prescription drug benefit, Patients' Bill of Rights. These are things Republicans have not added to their list of priorities. No, their highest priority when it comes to spending and tax relief still turns out to be the wealthiest people in America. We believe that is wrongheaded. It does not take into account the folks who built this country and made it strong for so many years.

I conclude by saying this estate tax is really a test of the priorities of the political parties. Who will be the first in line in the U.S. Congress for help? Who would you turn to first with $750 billion to provide some equity under the Tax Code? Which group of Americans would you single as needing the most help? The Republicans have answered those questions with the repeal of the estate tax. They believe the people who need the help the most are the folks who have the most in America. I do not believe that is what America is all about.

I yield the floor.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from Maine.

Ms. COLLINS. On behalf of the majority leader, I ask unanimous consent that notwithstanding the DOD authorization bill, I be recognized for up to 12 minutes for debate on the estate tax issue.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Maine may proceed.

Ms. COLLINS. Mr. President, it is disappointing to hear the rhetoric from some of my colleagues on the other side of the aisle, implying that if we give our family farmers and our family business owners much needed relief from confiscatory death taxes that we will somehow not be able to afford prescription drug coverage for our senior citizens, or education for our children. That is simply not true. It is disheartening to hear these distortions from some of my colleagues.

I rise today as a longtime supporter of death tax relief for family-owned businesses and farms. In fact, the very first bill I introduced as a Senator in 1997 was to provide targeted estate tax relief for our family-owned businesses. I was very pleased when key elements of my legislation were incorporated into the 1997 tax reform bill.

I first became interested in this issue in my role as director of the Center for Family Business at Husson College in Bangor, ME, where I served prior to coming to the Senate. The center sponsored a seminar on how a family business should plan to pass a business on from generation to generation. It soon became very clear to me that a major obstacle to this goal, and a significant reason why so few family businesses survive to the second, third, or fourth generation, is the onerous estate tax.

To illustrate this fact, let me share with my colleagues the story of Judy Vallee of Portland, ME. Ms. Vallee's father started a restaurant in Portland, ME. He worked very hard. The whole family worked hard. Eventually he was able to build his business from one restaurant in Portland, ME, to a chain of 25 restaurants up and down the east coast.

Unfortunately, he died. The family was hit with a whopping estate tax bill of about $1 million—a bill they simply did not have the cash to pay because their assets were tied up in these restaurants. The result was the dismantling of this business, this very successful family business, which Mr. Vallee had labored a lifetime to build.

The ultimate result was that the family was forced to sell off all the restaurants but the one they started with in Portland. That is simply wrong. It is unfair when our tax policy forces a family to dismantle a lifetime of work. It is unfair that a parent cannot pass on to the next generation the fruits of that hard work.

The need for death tax relief is something that small businesses and farmers tell me about every time I am back home in Maine. And that is every weekend. I recently talked with auto dealers from all over the State, including an auto dealer in Bangor, ME, who has built a successful business that he very much wants to leave to his sons.

I have also talked with funeral directors, with bakery owners, with lumber dealers—with a host of businesses of all sizes and kinds throughout the State—who simply have the goal of working hard, creating jobs, building their businesses, and being able to leave those businesses to the next generation. Many of these businesses are capital intensive but cash poor. That is why they are hit so hard when the owner dies and they are subjected to onerous estate tax rates.

In many small towns throughout the State of Maine, these family businesses are the heart and the soul of the community. They are the businesses that support the United Way, sponsor the Little League team, and contribute generously to other local community-based charities. They are the businesses that are always there to help because they employ their friends, their neighbors, and their family members. They are so closely linked to the economy of the small towns in which they exist.

I know that small business owners across the State of Maine were so pleased to see the House of Representatives approve H.R. 8 last month with such a strong bipartisan vote. I stress, the vote was, indeed, broad based and bipartisan. A total of 65 House Democrats—both moderate and liberal Members—constituting more than 30 percent of the entire House Democratic caucus, joined Republicans in voting for the bill.

Here in the Senate there is also broad bipartisan support for the death tax relief bill introduced by my friend and colleague, Senator JON KYL, who has been such a leader in this effort.

As a matter of sound, long-term tax policy, H.R. 8 seeks to make a very fundamental and noteworthy change to the Tax Code. It recognizes that it is the sale of the asset, not the death of the owner, that should trigger a Federal tax. H.R. 8 would establish the principle that if family members inherit assets or property—a family business or a farm, for example—the Federal Government would tax those assets when they are sold by the heirs by imposing a capital gains tax.

Furthermore, the legislation before us would allow the Government to use the decedent's basis for determining the taxable amount of the inherited assets. So if a family businessperson dies and leaves the assets and property of their business to his or her children, they can continue running the business if they choose to do so without having to worry about the Federal Government's death tax bill forcing them to break up the business or sell the farm. This change would represent a giant step forward for many small businesses and family farms throughout Maine and the country.

There are two other points that I want to make about the impact of the death tax. The first is that it has a very unfortunate impact on jobs. The National Association of Women Business Owners, a group I was pleased to work with in my time with the Small Business Administration, has written a letter endorsing passage of this legislation. This organization surveyed many of its members and found that, on average, 39 jobs per business, or 11,000 jobs of those businesses surveyed, have already been lost due to the planning and the payment of the death tax. You can multiply that death tax time and again to see the deleterious impact of the death tax on job creation.

I know a bag manufacturer in northern Maine who told me that he spends tens of thousands of dollars each year on life insurance in order to be prepared in case he dies so that his family would not be hit by the estate tax. That is money he would like to invest right back into his business in order to hire more people or to buy new equipment or to expand his company. But instead, he is having to divert this money into planning for the estate tax. That is a point that is missed by my colleagues on the other side of the aisle.

They claim that only 2 percent of the people are affected by the estate tax. In fact, it is so many more than that because of businesses that spend tens of thousands of dollars each year on life insurance or estate tax planning in order to avoid the imposition of the death tax.

The second point that I want to make is the impact of the death tax on the concentration of economic power in this country. I think this is an issue that has been largely overlooked in this debate.

When a small business is sold because the children cannot afford to pay the death tax, it is usually sold to a large out-of-State corporation which is not subject to the death tax. When that happens, it generally results in layoffs for local employees, diminished commitment to the community, and a greater concentration of economic power. Surely, we should not want that to be the result of our Federal tax policy.

The time has come for Congress to act this year to provide overdue death tax relief to our Nation's small businesses and family farms.

In doing so, we will take a giant step forward in making our tax policy far fairer. No longer will it be the death of an owner that triggers the imposition of tax but, rather, the sale of the asset when income is realized. That makes so much more sense as a matter of tax policy. We will also be telling people who have worked so hard over a lifetime to build their business that we, too, believe in the American dream.

I yield back any time I may have remaining, and I yield the floor.

## NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2001

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of S. 2549 which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2549) to authorize appropriations for fiscal year 2001 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

Pending:

Smith (of New Hampshire) amendment No. 3210, to prohibit granting security clearances to felons.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, we are prepared to go, but I would like a few minutes to consult with the proponents of the next amendment, together with my distinguished ranking member. I propose to have a quorum call not to exceed 5 minutes. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WARNER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER. Mr. President, I will momentarily request that we go to regular order, which would bring up the amendment pending by the Senator from New Hampshire, Mr. SMITH. Might I inquire of the Chair if I am not correct?

The PRESIDING OFFICER. That is the pending amendment.

Mr. WARNER. Mr. President, I request regular order, that the amendment be brought up.

The PRESIDING OFFICER. The amendment is pending.

Mr. WARNER. Mr. President, I ask unanimous consent that the yeas and nays be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER. I thank the Chair.

Mr. SMITH of New Hampshire. Mr. President, the hearing the Armed Services Committee held April 6 on the issue of security clearances revealed a shocking lack of concern within DOD for protecting our national security secrets.

As a result of that hearing, I proposed an amendment. My amendment, again, is simple. It would prevent DOD from granting security clearances to those who are under indictment for, or have been convicted in a court of a crime punishable by imprisonment for a term exceeding 1 year.

It would also disallow a clearance for anyone who is a fugitive from justice; is an unlawful user of, or addicted to any controlled substance; has been adjudicated as a mental defective; or has been dishonorably discharged from the Armed Forces.

As I said on the floor earlier, in an investigative series by USA Today, it was reported that DOHA, the Defense Office of Hearings and Appeals, granted clearances routinely to felons, including a murderer, individuals with chronic alcohol and drug abuse problems, a pedophile and an exhibitionist, and a convicted cocaine dealer. All received security clearances to work for defense contractors. Another individual was awarded a clearance while on probation for bank fraud, yet another was allowed to keep his clearance after taking part in a $2 million fraud against the Navy. Another had a history of criminal sexual misconduct for which he was still undergoing therapy.

Common sense dictates that one convicted murderer—or one convicted drug dealer with a security clearance—is one too many.

One individual can wreak havoc on national security. The damaging legacy of Aldrich Ames, Jonathan Pollard, the Walkers, and now suspect spy, Wen Ho Lee, is well-known to all of us who deal with national security issues. We simply cannot afford to have loose standards when it comes to protecting our secrets—and protecting lives.

Let me just add that during the Armed Services Committee hearing on this issue, the witness from DOD's C3I, which oversees the Defense Security Services, said this in response to my questioning:

> I agree wholeheartedly with your observation that one unqualified person for a clearance is one too many, and clearly, I think zero defects is the goals for all of us.

Zero defects—that is what DOD said its goal is for security clearances—well, I agree with that completely, but we have to take measures to reach that goal—not just talk about it as an ideal.

Realistically, we cannot take all of the risk out of the system, but we can at least take a practical approach to denying clearances to those people who have broken the law by serious infractions. And we can send a message to DOHA that it has been far too lenient in granting clearances. This amendment sends that message.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to amendment No. 3210.

The amendment (No. 3210) was agreed to.

Mr. WARNER. I move to reconsider the vote.

Mr. LEVIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WARNER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WARNER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER. Mr. President, we have had an extensive conference with Senator BYRD and representatives of Senator ROTH's office.

### AMENDMENT NO. 3767

(Purpose: To provide for annual reporting of the national security implications of the bilateral trade and economic relationship between the United States and the People's Republic of China, and for other purposes)

Mr. WARNER. Mr. President, I send to the desk the Byrd-Warner amendment No. 3767.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Virginia (Mr. WARNER), for Mr. BYRD, for himself, Mr. WARNER, Mr. LEVIN, Mr. HOLLINGS, Mr. HELMS, Mr. BREAUX, Mr. HATCH, and Mr. CAMPBELL, proposes an amendment numbered 3767.

Mr. BYRD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 415, between lines 2 and 3, insert the following:

**SEC. 1061. ANNUAL REPORT ON NATIONAL SECURITY IMPLICATIONS OF UNITED STATES-CHINA TRADE RELATIONSHIP.**

(a) IN GENERAL.—Section 127(k) of the Trade Deficit Review Commission Act (19 U.S.C. 2213 note) is amended to read as follows:

"(k) UNITED STATES-CHINA NATIONAL SECURITY IMPLICATIONS.—

"(1) IN GENERAL.—Upon submission of the report described in subsection (e), the Commission shall continue for the purpose of monitoring, investigating, and reporting to Congress on the national security implications of the bilateral trade and economic relationship between the United States and the People's Republic of China.

"(2) ANNUAL REPORT.—Not later than March 1, 2001, and annually thereafter, the Commission shall submit a report to Congress, in both unclassified and classified form, regarding the national security implications and impact of the bilateral trade and economic relationship between the United States and the People's Republic of China. The report shall include a full analysis, along with conclusions and recommendations for legislative and administrative actions, of the national security implications for the United States of the trade and current balances with the People's Republic of China in goods and services, financial transactions, and technology transfers. The Commission shall also take into account patterns of trade and transfers through third countries to the extent practicable.

“(3) Contents of report.—The report described in paragraph (2) shall include, at a minimum, a full discussion of the following:

“(A) The portion of trade in goods and services that the People's Republic of China dedicates to military systems or systems of a dual nature that could be used for military purposes.

“(B) An analysis of the statements and writing of the People's Republic of China officials and officially-sanctioned writings that bear on the intentions of the Government of the People's Republic of China regarding the pursuit of military competition with, and leverage over, the United States and the Asian allies of the United States.

“(C) The military actions taken by the Government of the People's Republic of China during the preceding year that bear on the national security of the United States and the Asian allies of the United States.

“(D) The acquisition by the Government of the People's Republic of China and entities controlled by the Government of advanced military technologies through United States trade and technology transfers.

“(E) Any transfers, other than those identified under subparagraph (D), to the military systems of the People's Republic of China made by United States firms and United States-based multinational corporations.

“(F) The use of financial transactions, capital flow, and currency manipulations that affect the national security interests of the United States.

“(G) Any action taken by the Government of the People's Republic of China in the context of the World Trade Organization that is adverse to the United States national security interests.

“(H) Patterns of trade and investment between the People's Republic of China and its major trading partners, other than the United States, that appear to be substantively different from trade and investment patterns with the United States and whether the differences constitute a security problem for the United States.

“(I) The extent to which the trade surplus of the People's Republic of China with the United States is dedicated to enhancing the military budget of the People's Republic of China.

“(J) The overall assessment of the state of the security challenges presented by the People's Republic of China to the United States and whether the security challenges are increasing or decreasing from previous years.

“(3) National defense waiver.—The report described in paragraph (2) shall include recommendations for action by Congress or the President, or both, including specific recommendations for the United States to invoke Article XXI (relating to security exceptions) of the General Agreement on Tariffs and Trade Act of 1994 with respect to the People's Republic of China, as a result of any adverse impact on the national security interests of the United States.”.

(b) Conforming Amendments.—

(1) Name of commission.—Section 127(c)(1) of the Trade Deficit Review Commission Act (19 U.S.C. 2213 note) is amended by striking “Trade Deficit Review Commission” and inserting “United States-China Security Review Commission”.

(2) Qualifications of members.—Section 127(c)(3) of such Act (19 U.S.C. 2213 note) is amended by adding at the end the following new subparagraph:

“(C) Special considerations.—For the period beginning after December 1, 2000, consideration shall also be given to the appointment of persons with expertise and experience in national security matters and United States-China relations.”.

(3) Period of appointment.—Section 127(c)(3)(A) of such Act (19 U.S.C. 2213 note) is amended to read as follows:

“(A) In general.—

“(i) Appointment beginning with 107th congress.—Beginning with the 107th Congress and each new Congress thereafter, members shall be appointed not later than 30 days after the date on which Congress convenes. Members may be reappointed for additional terms of service.

“(ii) Transition.—Members serving on the Commission shall continue to serve until such time as new members are appointed.”.

(4) Terminology.—

(A) Section 127(c)(6) of such Act (19 U.S.C. 2213 note) is amended by striking “Chairperson” and inserting “Chairman”.

(B) Section 127(g) of such Act (19 U.S.C. 2213 note) is amended by striking “Chairperson” each place it appears and inserting “Chairman”.

(5) Chairman and vice chairman.—Section 127(c)(7) of such Act (19 U.S.C. 2213 note) is amended—

(A) by striking “Chairperson” and “vice chairperson” in the heading and inserting “Chairman” and “vice chairman”;

(B) by striking “chairperson” and “vice chairperson” in the text and inserting “Chairman” and “Vice Chairman”; and

(C) by inserting “at the beginning of each new Congress” before the end period.

(6) Hearings.—Section 127(f)(1) of such Act (19 U.S.C. 2213 note) is amended to read as follows:

“(1) Hearings.—

“(A) In general.—The Commission or, at its direction, any panel or member of the Commission, may for the purpose of carrying out the provisions of this Act, hold hearings, sit and act at times and places, take testimony, receive evidence, and administer oaths to the extent that the Commission or any panel or member considers advisable.

“(B) Information.—The Commission may secure directly from the Department of Defense, the Central Intelligence Agency, and any other Federal department or agency information that the Commission considers necessary to enable the Commission to carry out its responsibilities under this Act.”.

“(C) Security.—The Office of Senate Security shall provide classified storage and meeting and hearing spaces, when necessary, for the Commission.

“(D) Security clearances.—All members of the Commission and appropriate staff shall be sworn and hold appropriate security clearances.”.

(7) Appropriations.—Section 127(i) of such Act (19 U.S.C. 2213 note) is amended to read as follows:

“(i) Authorization.—

“(1) In general.—There are authorized to be appropriated to the Commission for fiscal year 2001, and each fiscal year thereafter, such sums as may be necessary to enable it to carry out its functions. Appropriations to the Commission are authorized to remain available until expended.

“(2) Foreign travel for official purposes.—Foreign travel for official purposes by members and staff of the Commission may be authorized by either the Chairman or the Vice Chairman.”.

(c) Effective Date.—The amendments made by this section shall take effect on December 1, 2000.

### AMENDMENT NO. 3794 TO AMENDMENT NO. 3767

(Purpose: To provide for annual reporting of the national security implications of the bilateral trade and economic relationship between the United States and the People's Republic of China, and for other purposes)

Mr. BYRD. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from West Virginia (Mr. Byrd), for himself and Mr. Warner, Mr. Levin, Mr. Hollings, Mr. Helms, Mr. Breaux, Mr. Hatch, Mr. Campbell, Mrs. Lincoln, and Mr. Wellstone, proposes an amendment numbered 3794 to amendment numbered 3767.

Mr. BYRD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's Record under “Amendments Submitted.”)

Mr. WARNER. Mr. President, I ask unanimous consent that the amendment be laid aside, and that we proceed with other matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

### AMENDMENTS NOS. 3250 AND 3751 MODIFICATIONS

Mr. WARNER. Mr. President, I ask unanimous consent that the amendment No. 3250 be modified by striking section 3531(a)(1) of the bill, and that amendment No. 3751 be modified by striking section 3405(e)(1)(b) of the Strom Thurmond National Defense Authorization Act for the fiscal year 1999, as amended by section 3202(b) of the bill.

The PRESIDING OFFICER. Is there objection?

Mr. LEVIN. Mr. President, reserving the right to object, as I understand, the request was that amendment No. 3751 be modified.

Is that correct?

Mr. WARNER. The Senator is correct.

Mr. LEVIN. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

### AMENDMENT NO. 3765

(Purpose: To require that the annual report on transfers of militarily sensitive technology to countries and entities of concern include a discussion of actions taken on recommendations of inspectors general contained in previous annual reports)

Mr. WARNER. Mr. President, I call up amendment No. 3765 which requires that the annual report on transfers of militarily sensitive technology to countries of concern include a discussion of actions taken on recommendations of inspectors general contained in previous annual reports.

Mr. President, I believe this amendment has been cleared by the other side.

Mr. LEVIN. It has been cleared.

Mr. WARNER. I urge the Senate to adopt the amendment.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Virginia (Mr. WARNER), for Mr. SMITH of New Hampshire, proposes an amendment numbered 3765.

Mr. WARNER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 415, between lines 2 and 3, insert the following:

### SEC. 1061. ADDITIONAL MATTERS FOR ANNUAL REPORT ON TRANSFERS OF MILITARILY SENSITIVE TECHNOLOGY TO COUNTRIES AND ENTITIES OF CONCERN.

Section 1402(b) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 798) is amended by adding at the end the following:

"(4) The status of the implementation or other disposition of recommendations included in reports of audits by Inspectors General that have been set forth in previous annual reports under this section.".

Mr. SMITH of New Hampshire. Mr. President, in section 1402 of the National Defense Authorization Act for Fiscal year 2000, Congress required annual reports by the agency Inspectors General on the transfers of militarily sensitive technology to countries and entities of concern. The first report was issued this spring and focused on so-called "deemed exports" or the release of technical data to a foreign national working in or visiting a federal facility in the United States.

The DOD IG found that Defense Department research centers released militarily valuable information to foreign visitors without ever determining whether export licenses were required. For example if foreign scientists (whether Chinese or Swedish) visit DOD or other federal labs, export licenses are not being requested before information is transferred. The IG found that Defense Department laboratories and research facilities lack procedures for determining whether export licenses are required, and the auditors found that the services were not even aware of the concept of "deemed" exports.

During FY99, DOD never asked for a deemed export license and out of 783 deemed export license applications to the Department of Commerce, only five came from the federal government (2 from NASA and 3 from DOE) despite wide-ranging scientific exchange programs with foreign nationals coming to our labs. (The 778 other licenses were requested by industry.)

The IG's report reveals another in a long line of security weaknesses recently uncovered. Militarily useful technology is leaking out of the U.S. in many different ways—either by direct commercial sale through relaxed export controls or by lax security procedures and information security polices that encourage effective espionage by nations who do not share U.S. interests. Deemed or knowledge exports are becoming ever more important to U.S. national security. It makes little sense for the U.S. to control the sale of weapon systems abroad, if we allow our potential adversaries to obtain the underlying know-how behind our weapons systems technology and manufacturing processes through scientific exchanges and knowledge transfers.

The Inspectors General made a series of recommendations to address the problems with deemed exports policies and procedures in order to better protect U.S. technology. It is anticipated that the IGs will make many more recommendations regarding export control procedures over the next 7 years. Historically, there is always a problem with effective implementation of any oversight recommendation. Without effective follow-up or interest shown by Congress, many IG recommendations are only partially implemented or not at all. The amendment I am offering ensures that Congress will receive a record of the status of agency implementation of recommends made by the Inspectors General on not only this year's deemed exports report, but on the next 6 annual export control reports. This will serve as a basis for possible legislation next year and in the future if agencies are behind schedule in implementing the IGs' recommendations.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 3765) was agreed to.

Mr. WARNER. Mr. President, I move to reconsider the vote.

Mr. LEVIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

### AMENDMENT NO. 3761

(Purpose: To provide for the concurrent payment to surviving spouses of disability and indemnity compensation and annuities under the Survivor Benefit Plan (SBP))

Mr. LEVIN. Mr. President, on behalf of Senators BRYAN and ROBB, I call up amendment No. 3761 which would provide for concurrent receipt by a surviving spouse of survivor benefit plan benefits and VA dependency and disability compensation.

I believe this amendment has been cleared by the other side.

Mr. WARNER. Mr. President, the Senator is correct. It has been cleared.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Michigan (Mr. LEVIN), for Mr. BRYAN and Mr. ROBB, proposes an amendment numbered 3761.

Mr. LEVIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 236, between lines 6 and 7, insert the following:

### SEC. 646. CONCURRENT PAYMENT TO SURVIVING SPOUSES OF DISABILITY AND INDEMNITY COMPENSATION AND ANNUITIES UNDER SURVIVOR BENEFIT PLAN.

(a) CONCURRENT PAYMENT.—Section 1450 of title 10, United States Code, is amended by striking subsection (c).

(b) CONFORMING AMENDMENTS.—That section is further amended by striking subsections (e) and (k).

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act, and shall apply with respect to the payment of annuities under the Survivor Benefit Plan under subchapter II of chapter 73 of title 10, United States Code, for months beginning on or after that date.

(d) RECOMPUTATION OF ANNUITIES.—The Secretary of Defense shall provide for the readjustment of any annuities to which subsection (c) of section 1450 of title 10, United States Code, applies as of the date before the date of the enactment of this Act, as if the adjustment otherwise provided for under such subsection (c) had never been made.

(e) PROHIBITION ON RETROACTIVE BENEFITS.—No benefits shall be paid to any person by virtue of the amendments made by this section for any period before the effective date of the amendments as specified in subsection (c).

Mr. WARNER. Mr. President, I urge adoption of the amendment.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 3761) was agreed to.

Mr. LEVIN. Mr. President, I move to reconsider the vote.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

### AMENDMENT NO. 3770, AS MODIFIED

(Purpose: To improve the ability of the National Laboratories to achieve their missions through collaborations with other institutions)

Mr. LEVIN. Mr. President, on behalf of Senator BINGAMAN, I call up amendment No. 3770 to establish the National Laboratories Partnership Act of 2000, and I send a modification to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Michigan (Mr. LEVIN), for Mr. BINGAMAN, Mr. DOMENICI, Mrs. MURRAY, Mr. GORTON, Mr. THOMPSON, Mr. FRIST, and Mr. MURKOWSKI, proposes an amendment numbered 3770, as modified.

Mr. LEVIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in Title XXXI, add the following subtitle:

### Subtitle . National Laboratories Partnership Improvement Act

**SECTION 31 1. SHORT TITLE.**

This subtitle may be cited as the "National Laboratories Partnership Improvement Act of 2000".

**SEC. 31 2. DEFINITIONS.**

For purposes of this subtitle—

(1) the term "Department" means the Department of Energy;

(2) the term "departmental mission" means any of the functions vested in the Secretary of Energy by the Department of Energy Organization Act (42 U.S.C. 7101 et seq.) or other law;

(3) the term "institution of higher education" has the meaning given such term in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a));

(4) the term "National Laboratory" means any of the following institutions owned by the Department of Energy—

(A) Argonne National Laboratory;

(B) Brookhaven National Laboratory;

(C) Idaho National Engineering and Environmental Laboratory;

(D) Lawrence Berkeley National Laboratory;

(E) Lawrence Livermore National Laboratory;

(F) Los Alamos National Laboratory;

(G) National Renewable Energy Laboratory;

(H) Oak Ridge National Laboratory;

(I) Pacific Northwest National Laboratory; or

(J) Sandia National Laboratory;

(5) the term "facility" means any of the following institutions owned by the Department of Energy—

(A) Ames Laboratory;

(B) East Tennessee Technology Park;

(C) Environmental Measurement Laboratory;

(D) Fermi National Accelerator Laboratory;

(E) Kansas City Plant;

(F) National Energy Technology Laboratory;

(G) Nevada Test Site;

(H) Princeton Plasma Physics Laboratory;

(I) Savannah River Technology Center;

(J) Stanford Linear Accelerator Center;

(K) Thomas Jefferson National Accelerator Facility;

(L) Waste Isolation Pilot Plant;

(M) Y-12 facility at Oak Ridge National Laboratory; or

(N) other similar organization of the Department designated by the Secretary that engages in technology transfer, partnering, or licensing activities;

(6) the term "nonprofit institution" has the meaning given such term in section 4 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3703(5));

(7) the term "Secretary" means the Secretary of Energy;

(8) the term "small business concern" has the meaning given such term in section 3 of the Small Business Act (15 U.S.C. 632);

(9) the term "technology-related business concern" means a for-profit corporation, company, association, firm, partnership, or small business concern that—

(A) conducts scientific or engineering research,

(B) develops new technologies,

(C) manufactures products based on new technologies, or

(D) performs technological services;

(10) the term "technology cluster" means a concentration of—

(A) technology-related business concerns;

(B) institutions of higher education; or

(C) other nonprofit institutions

that reinforce each other's performance through formal or informal relationships;

(11) the term "socially and economically disadvantaged small business concerns" has the meaning given such term in section 8(a)(4) of the Small Business Act (15 U.S.C. 637(a)(4)); and

(12) the term "NNSA" means the National Nuclear Security Administration established by Title XXXII of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106-65).

**SEC. 31 3. TECHNOLOGY INFRASTRUCTURE PILOT PROGRAM.**

(a) ESTABLISHMENT.—The Secretary, through the appropriate officials of the Department, shall establish a Technology Infrastructure Pilot Program in accordance with this section.

(b) PURPOSE.—The purpose of the program shall be to improve the ability of National Laboratories or facilities to support departmental missions by—

(1) stimulating the development of technology clusters that can support the missions of the National Laboratories or facilities;

(2) improving the ability of National Laboratories or facilities to leverage and benefit from commercial research, technology, products, processes, and services; and

(3) encouraging the exchange of scientific and technological expertise between National Laboratories or facilities and—

(A) institutions of higher education,

(B) technology-related business concerns,

(C) nonprofit institutions; and

(d) agencies of state, tribal, or local governments—

that can support the missions of the National Laboratories and facilities.

(c) PILOT PROGRAM.—In each of the first three fiscal years after the date of enactment of this section, the Secretary may provide no more than $10,000,000, divided equally, among no more than ten National Laboratories or facilities selected by the Secretary to conduct Technology Infrastructure Program Pilot Programs.

(d) PROJECTS.—The Secretary shall authorize the Director of each National Laboratory or facility designated under subsection (c) to implement the Technology Infrastructure Pilot Program at such National Laboratory or facility through projects that meet the requirements of subsections (e) and (f).

(e) PROGRAM REQUIREMENTS.—Each project funded under this section shall meet the following requirements:

(1) MINIMUM PARTICIPANTS.—Each project shall at a minimum include—

(A) a National Laboratories or facility; and

(B) one of the following entities—

(i) a business,

(ii) an institution of higher education,

(iii) a nonprofit institution, or

(iv) an agency of a state, local, or tribal government.

(2) COST SHARING.—

(A) MINIMUM AMOUNT.—Not less than 50 percent of the costs of each project funded under this section shall be provided from non-Federal sources.

(B) QUALIFIED FUNDING AND RESOURCES.—

(i) The calculation of costs paid by the non-federal sources to a project shall include cash, personnel, services, equipment, and other resources expended on the project.

(ii) Independent research and development expenses of government contractors that qualify for reimbursement under section 31-205-18(e) of the Federal Acquisition Regulations issued pursuant to section 25(c)(1) of the Office of Federal Procurement Policy Act (41 U.S.C. 421(c)(1)) may be credited towards costs paid by non-federal sources to a project, if the expenses meet the other requirements of this section.

(iii) No funds or other resources expended either before the start of a project under this section or outside the project's scope of work shall be credited toward the costs paid by the non-federal sources to the project.

(3) COMPETITIVE SELECTION.—All projects where a party other than the Department or a National Laboratory or facility receives funding under this section shall, to the extent practicable, be competitively selected by the National Laboratory or facility using procedures determined to be appropriate by the Secretary or his designee.

(4) ACCOUNTING STANDARDS.—Any participant receiving funding under this section, other than a National Laboratory or facility, may use generally accepted accounting principles for maintaining accounts, books, and records relating to the project.

(5) LIMITATIONS.—No federal funds shall be made available under this section for—

(A) construction; or

(B) any project for more than five years.

(f) SELECTION CRITERIA.—

(1) THRESHOLD FUNDING CRITERIA.—The Secretary shall authorize the provision of federal funds for projects under this section only when the Director of the National Laboratory or facility managing such a project determines that the project is likely to improve the participating National Laboratory or facility's ability to achieve technical success in meeting departmental missions.

(2) ADDITIONAL CRITERIA.—The Secretary shall also require the Director of the National Laboratory or facility managing a project under this section to consider the following criteria in selecting a project to receive federal funds—

(A) the potential of the project to succeed, based on its technical merit, team members, management approach, resources, and project plan;

(B) the potential of the project to promote the development of a commercially sustainable technology cluster, one that will derive most of the demand for its products or services from the private sector, that can support the missions of the participating National Laboratory or facility;

(C) the potential of the project to promote the use of commercial research, technology, products, processes, and services by the participating National Laboratory or facility to achieve its departmental mission or the commercial development of technological innovations made at the participating National Laboratory or facility;

(D) the commitment shown by non-federal organizations to the project, based primarily on the nature and amount of the financial and other resources they will risk on the project;

(E) the extent to which the project involves a wide variety and number of institutions of higher education, nonprofit institutions, and technology-related business concerns that can support the missions of the participating National Laboratory or facility and that will make substantive contributions to achieving the goals of the project;

(F) the extent of participation in the project by agencies of state, tribal, or local governments that will make substantive contributions to achieving the goals of the project; and

(G) the extent to which the project focuses on promoting the development of technology-related business concerns that are small business concerns or involves such small business concerns substantively in the project.

(3) SAVINGS CLAUSE.—Nothing in this subsection shall limit the Secretary from requiring the consideration of other criteria, as appropriate, in determining whether projects should be funded under this section.

(g) REPORT TO CONGRESS ON FULL IMPLEMENTATION.—Not later than 120 days after the start of the third fiscal year after the date of enactment of this section, the Secretary shall report to Congress on whether the Technology Infrastructure Program should be continued beyond the pilot stage, and, if so, how the fully implemented program should be managed. This report shall take into consideration the results of the pilot program to date and the views of the relevant Directors of the National laboratories and facilities. The report shall include any proposals for legislation considered necessary by the Secretary to fully implement the program.

### SEC. 31 4. SMALL BUSINESS ADVOCACY AND ASSISTANCE.

(A) ADVOCACY FUNCTION.—The Secretary shall direct the Director of each National Laboratory, and may direct the Director of each facility the Secretary determines to be appropriate, to establish a small business advocacy function that is organizationally independent of the procurement function at the National Laboratory or facility. The person or office vested with the small business advocacy function shall—

(1) work to increase the participation of small business concerns, including socially and economically disadvantaged small business concerns, in procurements, collaborative research, technology licensing, and technology transfer activities conducted by the National Laboratory or facility;

(2) report to the Director of the National Laboratory or facility on the actual participation of small business concerns in procurements and collaborative research along with recommendations, if appropriate, on how to improve participation;

(3) make available to small business concerns training, mentoring, and clear, up-to-date information on how to participate in the procurements and collaborative research, including how to submit effective proposals;

(4) increase the awareness inside the National Laboratory or facility of the capabilities and opportunities presented by small business concerns; and

(5) establish guidelines for the program under subsection (b) and report on the effectiveness of such program to the Director of the National Laboratory or facility.

(b) ESTABLISHMENT OF SMALL BUSINESS ASSISTANCE PROGRAM.—The Secretary shall direct the Director of each National Laboratory, and may direct the Director of each facility the Secretary determines to be appropriate, to establish a program to provide small business concerns—

(1) assistance directed at making them more effective and efficient subcontractors or suppliers to the National Laboratory or facility; or

(2) general technical assistance, the cost of which shall not exceed $10,000 per instance of assistance, to improve the small business concern's products or services.

(c) USE OF FUNDS.—None of the funds expended under subsection (b) may be used for direct grants to the small business concerns.

### SEC. 31 5. TECHNOLOGY PARTNERSHIPS OMBUDSMAN.

(a) APPOINTMENT OF OMBUDSMAN.—The Secretary shall direct the Director of each National Laboratory, and may direct the Director of each facility the Secretary determines to be appropriate, to appoint a technology partnership ombudsman to hear and help resolve complaints from outside organizations regarding each laboratory's policies and actions with respect to technology partnerships (including cooperative research and development agreements), patents, and technology licensing. Each ombudsman shall—

(1) be a senior official of the National Laboratory or facility who is not involved in day-to-day technology partnerships, patents, or technology licensing, or, if appointed from outside the laboratory, function as such a senior official; and

(2) have direct access to the Director of the National Laboratory or facility.

(b) DUTIES.—Each ombudsman shall—

(1) serve as the focal point for assisting the public and industry in resolving complaints and disputes with the laboratory regarding technology partnerships, patents, and technology licensing;

(2) promote the use of collaborative alternative dispute resolution techniques such as mediation to facilitate the speedy and low-cost resolution of complaints and disputes, when appropriate; and

(3) report, through the Director of the National Laboratory or facility, to the Department annually on the number and nature of complaints and disputes raised, along with the ombudsman's assessment of their resolution, consistent with the protection of confidential and sensitive information.

(c) DUAL APPOINTMENT.—A person vested with the small business advocacy function of section 31 4 may also serve as the technology partnership ombudsman.

### SEC. 31 6. STUDIES RELATED TO IMPROVING MISSION EFFECTIVENESS, PARTNERSHIPS, AND TECHNOLOGY TRANSFER AT NATIONAL LABORATORIES.

(a) STUDIES.—The Secretary shall direct the Laboratory Operations Board to study and report to him, not later than one year after the date of enactment of this section, on the following topics—

(1) the possible benefits from and need for policies and procedures to facilitate the transfer of scientific, technical, and professional personnel among National Laboratories and facilities; and

(2) the possible benefits from and need for changes in—

(A) the indemnification requirements for patents or other intellectual property licensed from a National Laboratory or facility;

(B) the royalty and fees schedules and types of compensation that may be used for patents or other intellectual property licensed to a small business concern from a National Laboratory or facility;

(C) the licensing procedures and requirements for patents and other intellectual property;

(D) the rights given to a small business concern that has licensed a patent or other intellectual property from a National Laboratory or facility to bring suit against third parties infringing such intellectual property;

(E) the advance funding requirements for a small business concern funding a project at a National Laboratory or facility through a Funds-In-Agreement;

(F) the intellectual property rights allocated to a business when it is funding a project at a National Laboratory or facility through a Fund-In-Agreement; and

(G) policies on royalty payments to inventors employed by a contractor-operated National Laboratory or facility, including those for inventions made under a Funds-In-Agreement.

(b) DEFINITION.—For the purpose of this section, the term “Funds-in—Agreement” means a contract between the Department and non-federal organization where that organization pays the Department to provide a service or material not otherwise available in the domestic private sector.

(c) REPORT TO CONGRESS.—Not later than one month after receiving the report under subsection (a), the Secretary shall transmit the report, along with his recommendations for action and proposals for legislation to implement the recommendations, to Congress.

### SEC. 31 7. OTHER TRANSACTIONS AUTHORITY.

(a) NEW AUTHORITY.—Section 646 of the Department of Energy Organization (42 U.S.C. 7256) is amended by adding at the end the following new subsection:

“(g) OTHER TRANSACTIONS AUTHORITY.—(1) In addition to other authorities granted to the Secretary to enter into procurement contracts, leases cooperative agreements, grants and other similar arrangements, the Secretary may enter into other transactions with public agencies, private organizations, or persons or such terms as the Secretary may deem appropriate in furtherance of basic, (1) In addition to other authorities granted to the Secretary to enter into other transactions with public agencies, private organizations, or persons on such terms as the Secretary may deem appropriate in furtherance of basic, applied, and advanced research now or hereafter vested in the Secretary. Such other transactions shall bet be subject to the provisions of section 9 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5908).

“(2)(A) the Secretary of Energy shall ensure that—

“(i) To the maximum extent practicable, no transaction entered into under paragraph (1) provides for research that duplicates research being conducted under existing programs carried out by the Department of Energy; and

“(ii) to the extent that the Secretary determines practicable, the funds provided by the Government under a transaction authorized by paragraph (1) do not exceed the total amount provided by other parties to the transaction.

“(B) A transaction authorized by paragraph (1) may be used for a research project when the use of a standard contract, grant, or cooperative agreement for such project is not feasible or appropriate.

“(3)(A) The Secretary shall not disclose any trade secret or commercial or financial information submitted by a non-federal entity under paragraph (1) that is privileged and confidential.

“(B) The Secretary shall not disclose, for five years after the date the information is received, any other information submitted by a non-federal entity under paragraph (1), including any proposal, proposal abstract, document supporting a proposal, business plan, or technical information that is privileged and confidential.

“(C) The Secretary may protect from disclosure, for up to five years, any information developed pursuant to a transaction under paragraph (1) that would be protected from disclosure under section 552(b)(4) of title 5, United States Code, if obtained from a person other than a federal agency.".

(b) IMPLEMENTATION.—Not later than six months after the date of enactment of this section, the Department shall establish guidelines for the use of other transactions. Other transactions shall be made available, if needed, in order to implement projects funded under section 31 3.

**SEC. 31 8. CONFORMANCE WITH NNSA ORGANIZATIONAL STRUCTURE.**

All actions taken by the Secretary in carrying out this subtitle with respect to National Laboratories and facilities that are part of the NNSA shall be through the Administrator for Nuclear Security in accordance with the requirements of Title XXXII of National Defense Authorization Act for Fiscal Year 2000.

**SEC. 31 9. ARCTIC ENERGY.**

(a) ESTABLISHMENT.—There is hereby established within the Department of Energy an Office of Arctic Energy.

(b) PURPOSE.—The purposes of the Office of Arctic Energy are—

(1) to promote research, development and deployment of electric power technology that is cost-effective and especially well suited to meet the needs of rural and remote regions of the United States, especially where permafrost is present or located nearby; and

(2) to promote research, development and deployment in such regions of—

(A) enhanced oil recovery technology, including heavy oil recovery, reinjection of carbon and extended reach drilling technologies;

(B) gas-to-liquids technology and liquified natural gas (including associated transportation systems);

(C) small hyroelectric facilities, river turbines and tidal power;

(D) natural gas hydrates, coal bed methane, and shallow bed natural gas; and

(E) alternative energy, including wind, geothermal, and fuel cells.

(c) LOCATION.—The Secretary shall locate the Office of Arctic Energy at a university with special expertise and unique experience in the matters specified in paragraphs 1 and 2 of subsection b.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out activities under this section $1,000,000 for the fiscal year after the date of enactment of this section.

Mr. BINGAMAN. Mr. President, I am pleased to be joined by Senators DOMENICI, MURRAY, GORTON, THOMPSON, FRIST, and MURKOWSKI in offering this amendment. This amendment, which is based on my bill, S. 1756, will strengthen the ways the Department of Energy's national labs and facilities can collaborate with industry to achieve their mission—something that's increasingly important now that industry funds 70 percent of our national R&D. The labs simply cannot stay on the cutting edge of technology and do their national security and science missions without rich and effective collaborations with industry.

A key provision of this amendment is a three year pilot program, called the Technology Infrastructure Program, authorizing the national labs to promote the development of "technology clusters"—the phenomena seen most famously in Silicon Valley—that will help the labs achieve their national security and science missions. The basic idea is for the labs to harness the innovative power of technology clusters to do their missions by strengthening collaboration in the regions around the labs.

Mr. President, let me explain this a little more. We know from places like Silicon Valley, or our own states, that a special innovative process can get started when enough institutions in an industry or technology come together in one place. For example, if you're interested in Internet businesses, Northern Virginia is an excellent place to be. For cars and, I believe, office furniture, you ought to think about Michigan.

Paradoxically, the Internet makes these regional processes more important, not less. Why? Because when it's cheap and easy to move information around, less mobile things like your labor force and special research facilities and how they interact with each other will be what makes the difference in how well you turn information into innovation. Consider how Silicon Valley has not dissipated, despite its many high costs. And, if companies move from there, they may go to Austin or Northern Virginia, but not just anywhere they can plug in a modern.

Now, the Technology Infrastructure Program will support projects that will help the labs do their missions by strengthening the institutions and relationships that aid collaborative innovation. Every project funded under this program must, as a threshold test, show that it will help a lab "achieve technical success in meeting" DOE missions. Here are some possible example projects: a small business incubator or a research park by the lab; a special training program for technicians in a technology used by the lab and local businesses; or a specialized design and research facility at a local university in a technology of interest to the lab and local businesses.

I think you can see from my examples that it would be hard to link these sorts of projects to the labs' missions unless they are done near the labs. So, that's what will happen in most cases. The money authorized for the pilot program is modest—no more than $10 million a year. But, I believe it could well prove to have an immodest result.

Here is another way to think about what we're trying to do with the Technology Infrastructure Program. Given the mission of the labs, the reason they exist as organizations with all sorts of sophisticated equipment and scientists is that they together in one place people working on related subjects, so they can collaborate with each other and share special facilities.

Well, the Technology Infrastructure Program will help extend that collaboration to outside a lab's gates, to firms and other institutions that are not part of the lab but that can help it do its mission better because they're nearby. Because the projects will be cost shared. DOE can save the taxpayer's money while effectively building out the labs beyond their gates. And, because the projects will help the labs leverage commercial technology, the labs will get more cutting edge technology at a lower cost.

In short, the labs' interest in collaborating with industry to achieve their missions means that they also have an interest in promoting a strong network of local collaborators.

Other provisions of this amendment will: create a small business advocate at the labs to get small businesses more involved in lab research and procurement; create a ombudsman at the labs to informally settle disputes over technology partnerships; establish a series of studies to investigate other ways to improve collaboration between the labs and industry; give DOE a highly flexible "other transactions" research authority like the one DoD has; and establish a DOE Office of Arctic Energy to focus on the special energy problems and opportunities in Arctic regions of the United States.

Of course, I'm well aware this amendment would be good for the communities around the labs. But, just as those of us with labs in our states have seen that what's good for the labs can be good for our communities, what's good for our communities can also be good for our labs.

In summary, this amendment takes the next steps in improving the ability of DOE's national labs to collaborate with academia and industry, and I think it will prove of great benefit to our national security, the labs, and the labs' communities. I greatly appreciate the support of Senators WARNER and LEVIN for including it in this bill.

Mr. WARNER. The amendment has been cleared. I urge its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3770), as modified, was agreed to.

Mr. LEVIN. Mr. President, I move to reconsider the vote.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3739, AS MODIFIED

(Purpose: To improve the modifications to the counterintelligence polygraph program of the Department of Energy)

Mr. WARNER. Mr. President, on behalf of myself, Senators SHELBY and BRYAN, I call up amendment No. 3739 to alter the committee provision regarding the Department of Energy polygraph requirements, and I send a modification to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Virginia (Mr. Warner), for Mr. Shelby and Mr. Bryan, proposes an amendment numbered 3739, as modified.

Mr. WARNER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 595, strike line 23 and all that follows through page 597, line 3, and insert the following:

"(2) Subject to paragraph (3), the Secretary may, after consultation with appropriate security personnel, waive the applicability of paragraph (1) to a covered person—

"(A) if—

"(i) the Secretary determines that the waiver is important to the national security interests of the United States;

"(ii) the covered person has an active security clearance; and

"(iii) the covered person acknowledges in a signed writing that the capacity of the covered person to perform duties under a high-risk program after the expiration of the waiver is conditional upon meeting the requirements of paragraph (1) within the effective period of the waiver;

"(B) if another Federal agency certifies to the Secretary that the covered person has completed successfully a full-scope or counterintelligence-scope polygraph examination during the 5-year period ending on the date of the certification; or

"(C) if the Secretary determines, after consultation with the covered person and appropriate medical personnel, that the treatment of a medical or psychological condition of the covered person should preclude the administration of the examination.

"(3)(A) The Secretary may not commence the exercise of the authority under paragraph (2) to waive the applicability of paragraph (1) to any covered persons until 15 days after the date on which the Secretary submits to the appropriate committees of Congress a report setting forth the criteria to be utilized by the Secretary for determining when a waiver under paragraph (2)(A) is important to the national security interests of the United States. The criteria shall include an assessment of counterintelligence risks and programmatic impacts.

"(B) Any waiver under paragraph (2)(A) shall be effective for not more than 120 days.

"(C) Any waiver under paragraph (2)(C) shall be effective for the duration of the treatment on which such waiver is based.

"(4) The Secretary shall submit to the appropriate committees of Congress on a semiannual basis a report on any determinations made under paragraph (2)(A) during the 6-month period ending on the date of such report. The report shall include a national security justification for each waiver resulting from such determinations.

"(5) In this subsection, the term 'appropriate committees of Congress' means the following:

"(A) The Committee on Armed Services and the Select Committee on Intelligence of the Senate.

"(B) The Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives.

"(6) It is the sense of Congress that the waiver authority in paragraph (2) not be used by the Secretary to exempt from the applicability of paragraph (1) any covered persons in the highest risk categories, such as persons who have access to the most sensitive weapons design information and other highly sensitive programs, including special access programs.

"(7) The authority under paragraph (2) to waive the applicability of paragraph (1) to a covered person shall expire on September 30, 2002.".

Mr. WARNER. Mr. President, I understand the amendment has been cleared on both sides.

Mr. LEVIN. Mr. President, it has been cleared on this side.

Mr. WARNER. I urge its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3739), as modified, was agreed to.

Mr. LEVIN. Mr. President, I move to reconsider the vote.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

### AMENDMENT NO. 3259, AS MODIFIED

(Purpose: To coordinate and facilitate the development by the Department of Defense of directed energy technologies, systems, and weapons)

Mr. WARNER. Mr. President, on behalf of Senator Domenici, I call up amendment No. 3259 relating to directed energy research and development, and I send a modification to the desk which would provide for the coordination and management of directed energy technologies and systems in the Department of Defense.

It is my understanding that this amendment has been cleared on the other side.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Virginia (Mr. Warner), for Mr. Domenici, proposes an amendment numbered 3259, as modified.

Mr. WARNER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 353, between lines 15 and 16, insert the following:

### SEC. 914. COORDINATION AND FACILITATION OF DEVELOPMENT OF DIRECTED ENERGY TECHNOLOGIES, SYSTEMS, AND WEAPONS.

(a) Findings.—Congress makes the following findings:

(1) Directed energy systems are available to address many current challenges with respect to military weapons, including offensive weapons and defensive weapons.

(2) Directed energy weapons offer the potential to maintain an asymmetrical technological edge over adversaries of the United States for the foreseeable future.

(3) It is in the national interest that funding for directed energy science and technology programs be increased in order to support priority acquisition programs and to develop new technologies for future applications.

(4) It is in the national interest that the level of funding for directed energy science and technology programs correspond to the level of funding for large-scale demonstration programs in order to ensure the growth of directed energy science and technology programs and to ensure the successful development of other weapons systems utilizing directed energy systems.

(5) The industrial base for several critical directed energy technologies is in fragile condition and lacks appropriate incentives to make the large-scale investments that are necessary to address current and anticipated Department of Defense requirements for such technologies.

(6) It is in the national interest that the Department of Defense utilize and expand upon directed energy research currently being conducted by the Department of Energy, other Federal agencies, the private sector, and academia.

(7) It is increasingly difficult for the Federal Government to recruit and retain personnel with skills critical to directed energy technology development.

(8) The implementation of the recommendations contained in the High Energy Laser Master Plan of the Department of Defense is in the national interest.

(9) Implementation of the management structure outlined in the Master Plan will facilitate the development of revolutionary capabilities in directed energy weapons by achieving a coordinated and focused investment strategy under a new management structure featuring a joint technology office with senior-level oversight provided by a technology council and a board of directors.

(b) Implementation of High Energy Laser Master Plan.—(1) The Secretary of Defense shall implement the management and organizational structure specified in the Department of Defense High Energy Laser Master Plan of March 24, 2000.

(2) The Secretary shall locate the Joint Technology Office specified in the High Energy Laser Master Plan at a location determined appropriate by the Secretary, not later than October 1, 2000.

(3) In determining the location of the Joint Technology Office, the Secretary shall, in consultation with the Deputy Under Secretary of Defense for Science and Technology, evaluate whether to locate the Office at a site at which occur a substantial proportion of the directed energy research, development, test, and evaluation activities of the Department of Defense.

(c) Enhancement of Industrial Base.—(1) The Secretary of Defense shall develop and undertake initiatives, including investment initiatives, for purposes of enhancing the industrial base for directed energy technologies and systems.

(2) Initiatives under paragraph (1) shall be designed to—

(A) stimulate the development by institutions of higher education and the private sector of promising directed energy technologies and systems; and

(B) stimulate the development of a workforce skilled in such technologies and systems.

(d) Enhancement of Test and Evaluation Capabilities.—The Secretary of Defense shall consider modernizing the High Energy Laser Test Facility at White Sands Missile Range, New Mexico, in order to enhance the test and evaluation capabilities of the Department of Defense with respect to directed energy weapons.

(e) Cooperative Programs and Activities.—The Secretary of Defense shall evaluate the feasibility and advisability of entering into cooperative programs or activities with other Federal agencies, institutions of higher education, and the private sector, including the national laboratories of the Department of Energy, for the purpose of enhancing the programs, projects, and activities of the Department of Defense relating to directed energy technologies, systems, and weapons.

(f) FUNDING FOR FISCAL YEAR 2001.—(1) Of the amount authorized to be appropriated by section 201(4) for research, development, test, and evaluation, Defense-wide, up to $50,000,000 may be available for science and technology activities relating to directed energy technologies, systems, and weapons.

(2) The Secretary of Defense shall establish procedures for the allocation of funds available under paragraph (1) among activities referred to in that paragraph. In establishing such procedures, the Secretary shall provide for the competitive selection of programs, projects, and activities to be carried out by the recipients of such funds.

(g) DIRECTED ENERGY DEFINED.—In this section, the term "directed energy", with respect to technologies, systems, or weapons, means technologies, systems, or weapons that provide for the directed transmission of energies across the energy and frequency spectrum, including high energy lasers and high power microwaves.

Mr. WARNER. Mr. President, I urge its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3259), as modified, was agreed to.

Mr. WARNER. Mr. President, I move to reconsider the vote.

Mr. LEVIN. Move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3760, AS MODIFIED

(Purpose: To expand and enhance United States efforts in the Russian nuclear complex to expedite the containment of nuclear expertise that presents a proliferation threat)

Mr. WARNER. Mr. President, on behalf of Senators DOMENICI, LEVIN, LUGAR, BIDEN, BINGAMAN, CRAIG, THOMPSON, HAGEL, and CONRAD, I send amendment No. 3760 to the desk, which expands and strengthens U.S. efforts in the Russian nuclear weapons complex, and I send a modification to the desk.

The PRESIDING OFFICER (Mr. ALLARD). The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Virginia [Mr. WARNER], for Mr. DOMENICI, for himself, Mr. LEVIN, Mr. LUGAR, Mr. BIDEN, Mr. BINGAMAN, Mr. CRAIG, Mr. THOMPSON, Mr. HAGEL, and Mr. CONRAD, proposes an amendment numbered 3760, as modified.

The amendment, as modified, is as follows:

On page 610, between lines 13 and 14, insert the following:

### Subtitle F—Russian Nuclear Complex Conversion

**SEC. 3191. SHORT TITLE.**

This subtitle may be cited as the "Russian Nuclear Weapons Complex Conversion Act of 2000".

**SEC. 3192. FINDINGS.**

Congress makes the following findings:

(1) The Russian nuclear weapons complex has begun closure and complete reconfiguration of certain weapons complex plants and productions lines. However, this work is at an early stage. The major impediments to downsizing have been economic and social conditions in Russia. Little information about this complex is shared, and 10 of its most sensitive cities remain closed. These cities house 750,000 people and employ approximately 150,000 people in nuclear military facilities. Although the Russian Federation Ministry of Atomic Energy has announced the need to significantly downsize its workforce, perhaps by as much as 50 percent, it has been very slow in accomplishing this goal. Information on the extent of any progress is very closely held.

(2) The United States, on the other hand, has significantly downsized its nuclear weapons complex in an open and transparent manner. As a result, an enormous asymmetry now exists between the United States and Russia in nuclear weapon production capacities and in transparency of such capacities. It is in the national security interest of the United States to assist the Russian Federation in accomplishing significant reductions in its nuclear military complex and in helping it to protect its nuclear weapons, nuclear materials, and nuclear secrets during such reductions. Such assistance will accomplish critical nonproliferation objectives and provide essential support towards future arms reduction agreements. The Russian Federation's program to close and reconfigure weapons complex plants and production lines will address, if it is implemented in a significant and transparent manner, concerns about the Russian Federation's ability to quickly reconstitute its arsenal.

(3) Several current programs address portions of the downsizing and nuclear security concerns. The Nuclear Cities Initiative was established to assist Russia in creating job opportunities for employees who are not required to support realistic Russian nuclear security requirements. Its focus has been on creating commercial ventures that can provide self-sustaining jobs in three of the closed cities. The current scope and funding of the program are not commensurate with the scale of the threats to the United States sought to be addressed by the program.

(4) To effectively address threats to United States national security interests, progress with respect to the nuclear cities must be expanded and accelerated. The Nuclear Cities Initiative has laid the groundwork for an immediate increase in investment which offers the potential for prompt risk reduction in the cities of Sarov, Snezhinsk, and Zheleznogorsk, which house four key Russian nuclear facilities. Furthermore, the Nuclear Cities Initiative has made considerable progress with the limited funding available. However, to gain sufficient advocacy for additional support, the program must demonstrate—

(A) rapid progress in conversion and restructuring; and

(B) an ability for the United States to track progress against verifiable milestones that support a Russian nuclear complex consistent with their future national security requirements.

(5) Reductions in the nuclear weapons-grade material stocks in the United States and Russia enhance prospects for future arms control agreements and reduce concerns that these materials could lead to proliferation risks. Confidence in both nations will be enhanced by knowledge of the extent of each nation's stockpiles of weapons-grade materials. The United States already makes this information public.

(6) Many current programs contribute to the goals stated herein. However, the lack of programmatic coordination within and among United States Government agencies impedes the capability of the United States to make rapid progress. A formal single point of coordination is essential to ensure that all United States programs directed at cooperative threat reduction, nuclear materials reduction and protection, and the downsizing, transparency, and nonproliferation of the nuclear weapons complex effectively mitigate the risks inherent in the Russian Federation's military complex.

(7) Specialists in the United States and the former Soviet Union trained in nonproliferation studies can significantly assist in the downsizing process while minimizing the threat presented by potential proliferation of weapons materials or expertise.

**SEC. 3193. EXPANSION AND ENHANCEMENT OF NUCLEAR CITIES INITIATIVE.**

(a) IN GENERAL.—The Secretary of Energy shall, in accordance with the provisions of this section, take appropriate actions to expand and enhance the activities under the Nuclear Cities Initiative in order to—

(1) assist the Russian Federation in the downsizing of the Russian Nuclear Complex; and

(2) coordinate the downsizing of the Russian Nuclear Complex under the Initiative with other United States nonproliferation programs.

(b) ENHANCED USE OF MINATOM TECHNOLOGY AND RESEARCH AND DEVELOPMENT SERVICES.—In carrying out actions under this section, the Secretary of Energy shall facilitate the enhanced use of the technology, and the research and development services, of the Russia Ministry of Atomic Energy (MINATOM) by—

(1) fostering the commercialization of peaceful, non-threatening advanced technologies of the Ministry through the development of projects to commercialize research and development services for industry and industrial entities; and

(2) authorizing the Department of Energy, and encouraging other departments and agencies of the United States Government, to utilize such research and development services for activities appropriate to the mission of the Department, and such departments and agencies, including activities relating to—

(A) nonproliferation (including the detection and identification of weapons of mass destruction and verification of treaty compliance);

(B) global energy and environmental matters; and

(C) basic scientific research of benefit to the United States.

(c) ACCELERATION OF NUCLEAR CITIES INITIATIVE.—(1) In carrying out actions under this section, the Secretary of Energy shall accelerate the Nuclear Cities Initiative by implementing, as soon as practicable after the date of the enactment of this Act, programs at the nuclear cities referred to in paragraph (2) in order to convert significant portions of the activities carried out at such nuclear cities from military activities to civilian activities.

(2) The nuclear cities referred to in this paragraph are the following:

(A) Sarov (Arzamas-16).

(B) Snezhinsk (Chelyabinsk-70).

(C) Zheleznogorsk (Krasnoyarsk-26).

(3) To advance nonproliferation and arms control objectives, the Nuclear Cities Initiative is encouraged to begin planning for accelerated conversion, commensurate with available resources, in the remaining nuclear cities.

(4) Before implementing a program under paragraph (1), the Secretary shall establish appropriate, measurable milestones for the activities to be carried out in fiscal year 2001.

(d) Plan for Restructuring the Russian Nuclear Complex.—(1) The President, acting through the Secretary of Energy, is urged to enter into negotiations with the Russian Federation for purposes of the development by the Russian Federation of a plan to restructure the Russian Nuclear Complex in order to meet changes in the national security requirements of Russia by 2010.

(2) The plan under paragraph (1) should include the following:

(A) Mechanisms to achieve a nuclear weapons production capacity in Russia that is consistent with the obligations of Russia under current and future arms control agreements.

(B) Mechanisms to increase transparency regarding the restructuring of the nuclear weapons complex and weapons-surplus nuclear materials inventories in Russia to the levels of transparency for such matters in the United States, including the participation of Department of Energy officials with expertise in transparency of such matters.

(C) Measurable milestones that will permit the United States and the Russian Federation to monitor progress under the plan.

(e) Encouragement of Careers in Nonproliferation.—(1) In carrying out actions under this section, the Secretary of Energy shall carry out a program to encourage students in the United States and in the Russian Federation to pursue a career in an area relating to nonproliferation.

(2) Of the amounts under subsection (f), up to $2,000,000 shall be available for purposes of the program under paragraph (1).

(f) Funding for Fiscal Year 2001.—(1) There is hereby authorized to be appropriated for the Department of Energy for fiscal year 2001, $30,000,000 for purposes of the Nuclear Cities Initiative, including activities under this section.

(2) The amount authorized to be appropriated by section 101(5) for other procurement for the Army is hereby reduced by $12,500,000, with the amount of the reduction to be allocated to the Close Combat Tactical Trainer.

(g) Limitation on Availability of Funds for Nuclear Cities Initiative.—No amount in excess of $17,500,000 authorized to be appropriated for the Department of Energy for fiscal year 2001 for the Nuclear Cities Initiative may be obligated or expended for purposes of providing assistance under the Initiative until 30 days after the date on which the Secretary of Energy submits to the Committees on Armed Services of the Senate and House of Representatives the following:

(1) A copy of the written agreement between the United States Government and the Government of the Russian Federation which provides that Russia will close some of its facilities engaged in nuclear weapons assembly and disassembly work within five years in exchange for participation in the Initiative.

(2) A certification by the Secretary that—

(A) project review procedures for all projects under the Initiative have been established and implemented; and

(B) such procedures will ensure that any scientific, technical, or commercial project initiated under the Initiative—

(i) will not enhance the military or weapons of mass destruction capabilities of Russia;

(ii) will not result in the inadvertent transfer or utilization of products or activities under such project for military purposes;

(iii) will be commercially viable within three years of the date of the certification; and

(iv) will be carried out in conjunction with an appropriate commercial, industrial, or other nonprofit entity as partner.

(3) A report setting forth the following:

(A) The project review procedures referred to in paragraph (2)(A).

(B) A list of the projects under the Initiative that have been reviewed under such project review procedures.

(C) A description for each project listed under subparagraph (B) of the purpose, lifecycle, out-year budget costs, participants, commercial viability, expected time for income generation, and number of Russian jobs created.

(h) Sense of Congress on Funding for Fiscal Years after Fiscal Year 2001.—It is the sense of Congress that the availability of funds for the Nuclear Cities Initiative in fiscal years after fiscal year 2001 should be contingent upon—

(1) demonstrable progress in the programs carried out under subsection (c), as determined utilizing the milestones required under paragraph (4) of that subsection; and

(2) the development and implementation of the plan required by subsection (d).

### SEC. 3194. SENSE OF CONGRESS ON THE ESTABLISHMENT OF A NATIONAL COORDINATOR FOR NONPROLIFERATION MATTERS.

It is the sense of Congress that—

(1) there should be a National Coordinator for Nonproliferation Matters to coordinate—

(A) the Nuclear Cities Initiative;

(B) the Initiatives for Proliferation Prevention program;

(C) the Cooperative Threat Reduction programs;

(D) the materials protection, control, and accounting programs; and

(E) the International Science and Technology Center; and

(2) the position of National Coordinator for Nonproliferation Matters should be similar, regarding nonproliferation matters, to the position filled by designation of the President under section 1441(a) of the Defense Against Weapons of Mass Destruction Act of 1996 (title XIV of Public Law 104–201; 110 Stat. 2727; 50 U.S.C. 2351(a)).

### SEC. 3195. DEFINITIONS.

In this subtitle:

(1) Nuclear city.—The term "nuclear city" means any of the closed nuclear cities within the complex of the Russia Ministry of Atomic Energy (MINATOM) as follows:

(A) Sarov (Arzamas–16).

(B) Zarechnyy (Penza–19).

(C) Novoural'sk (Sverdlovsk–44).

(D) Lesnoy (Sverdlovsk–45).

(E) Ozersk (Chelyabinsk–65).

(F) Snezhinsk (Chelyabinsk–70).

(G) Trechgornyy (Zlatoust–36).

(H) Seversk (Tomsk–7).

(I) Zhelenznogorsk (Krasnoyarsk–26).

(J) Zelenogorsk (Krasnoyarsk–45).

(2) Russian nuclear complex.—The term "Russian Nuclear Complex" refers to all of the nuclear cities.

Mr. WARNER. This amendment has been cleared on both sides. I ask unanimous consent my name be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment.

The amendment (No. 3760), as modified, was agreed to.

Mr. WARNER. I move to reconsider the vote.

Mr. LEVIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WARNER. Mr. President, I wish to advise the Senate that the amendment by Senator BENNETT and proposed by Senator THOMPSON will be initiated at 7:30 this evening.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WARNER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER. Mr. President, I am advised by the proponents and, indeed, the opponents of the amendment referred to as the Bennett amendment, that Senator BENNETT from Utah wishes to address the Senate with regard to this amendment at this time.

The PRESIDING OFFICER. The Senator from Utah.

### AMENDMENT NO. 3185

(Purpose: To provide for an adjustment of composite theoretical performance levels of high performance computers)

Mr. BENNETT. Mr. President, there is an amendment at the desk which I call up, amendment No. 3185.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Utah [Mr. BENNETT], for himself and Mr. REID, proposes an amendment numbered 3185

Mr. BENNETT. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 462, between lines 2 and 3, insert the following:

### SEC. 1210. ADJUSTMENT OF COMPOSITE THEORETICAL PERFORMANCE LEVELS OF HIGH PERFORMANCE COMPUTERS.

(a) Layover Period for New Performance Levels.—Section 1211 of the National Defense Authorization Act for Fiscal Year 1998 (50 U.S.C. App. 2404 note) is amended—

(1) in the second sentence of subsection (d), by striking "180" and inserting "60"; and

(2) by adding at the end the following:

"(g) Calculation of 60-Day Period.—The 60-day period referred to in subsection (d) shall be calculated by excluding the days on which either House of Congress is not in session because of an adjournment of the Congress sine die.".

(b) Effective Date.—The amendments made by subsection (a) shall apply to any new composite theoretical performance level established for purposes of section 1211(a) of the National Defense Authorization Act for Fiscal Year 1998 that is submitted by the President pursuant to section 1211(d) of that Act on or after the date of the enactment of this Act.

Mr. BENNETT. Mr. President, we have had a lot of discussion about this amendment. My understanding is that the order is for an hour equally divided between the proponents and the opponents of the amendment. I do not believe that time will be necessary. I certainly do not intend to take the time to explain all of the aspects of the amendment because I did so in a previous floor speech several weeks ago. I think, in the interest of moving things along tonight, I should just say to any who are interested in the issue to go back to my earlier floor speech, which was complete with charts and visual aids, and all of the other bells and whistles that we sometimes bring to the floor, and read that, and you will see how I feel about this amendment.

The Senator from Tennessee, Mr. THOMPSON, had great concerns about the issue we are discussing. This amendment has to do with export licenses for technical material, most particularly computer material that might be exported in such a way as to allow some foreign power to gain a computer capability that would enhance their military power against the United States.

Senator THOMPSON and I have been talking about this for weeks, if maybe not as long as a month or so, in an effort to find some accommodation to the concerns that he very legitimately raises about our national security and at the same time recognizes the reality of the marketplace, which is that these chips, if they are not exported from the United States, will get to the world market from Japan, Germany, Holland, and in one instance China itself.

We would like to make sure the international market is as dominated by American chips as we can possibly get it to be, which is why we are trying to shorten all of the time connected with this. Senator THOMPSON, who has his own concerns about it, has been asking that we not shorten the period as drastically as this amendment would do.

If I were offering the amendment entirely in a vacuum—that is, a legislative vacuum—I would like the amount shortened from 180 days to 30 days for the congressional action with respect to these items because I think 30 days is long enough.

I point out, at the moment, if we are going to export an F-16 to some foreign government, Congress has only 30 days to comment.

Some of these computers, to put it in the context of how rapidly things are moving, can be purchased at Toys "R" Us right now and be available for some foreign agent, if he wanted to come into the country, to tuck under his arm, walk through customs, go home to his country, and have a computer powerful enough in that toy that could do things that as recently as 3 years ago would seem miraculous.

So I have abandoned my 30-day desires because of the very significant legislative situation in which we find ourselves.

The 60-day requirement, which is in my amendment, has passed the House of Representatives by a vote of 415-8. I am told that if one comma is changed in the amendment that passes the Senate from the form in which it passed the House, it will run into problems in conference. So because I do not want it to run into problems in conference—I want it done—I have decided, as has the Senator from Nevada, Mr. REID, that we will forgo our desire for the 30-day period. We will endorse the 60-day period because that is in the House bill.

Now, the Senator from Tennessee has some legitimate concerns about the way this is done. I have discussed with him privately and now pledge to him publicly that I will work with him to find a way to inject the General Accounting Office into the congressional review process, something that is not called for at the moment. It is entirely haphazard at the moment. GAO gets involved if some Member of Congress asks them to get involved but not if that request is not made.

I am more than willing to say to the Senator from Tennessee that I will work with him to try to inject the GAO into the process, but I do believe that the proper and prudent thing for us to do tonight is to adopt the amendment in exactly the same language as it passed the House and thereby make sure it is not a conferenceable item and is something we will be certain will take place when the conference report is finally approved.

With that, Mr. President, I have nothing further to say, unless other Members of this body want to talk about the specific merits of it. I thank my friend from Tennessee for his willingness to work out the essential elements of this and pledge to him again publicly, as I have done privately, that I will work with him to see that we do our very best to accomplish the goal he seeks.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, before he does leave the floor, I express my appreciation to the Senator from Utah. He has been a real leader on this issue. It has been a pleasure to work with him. It seems we have been working on this for many months, which we have. In fact, it has been nearly a year. This is a very important time in the history of this country when this legislation will pass. I hope it will pass tomorrow.

Based upon that, Mr. President, I ask for the yeas and nays on the amendment. It is my understanding the vote is going to be set for 11:30 tomorrow.

The PRESIDING OFFICER (Mr. L. CHAFEE). Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. REID. Mr. President, I ask unanimous consent that Senators BOXER, BAUCUS, KERRY, REID of Nevada—I am already on the amendment—BENNETT, DASCHLE, BINGAMAN, ROBB, KENNEDY, CLELAND, and MURRAY be added as cosponsors of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, before the Senator from Utah leaves the floor, I want to tell him how much I appreciate his work on this issue. The work that has been done is very important.

I say to the Senator from Tennessee, he is a real advocate. He has worked very hard. He has a different view as to what should happen. He has formulated these ideas with great study and his staff has been easy to work with, but in this instance we believe we are right and that he is not quite right.

Based upon his advocacy, I, along with the Senator from Utah, am willing to work with the Senator from Tennessee. He has an idea that doesn't shorten the time whatsoever but would add another element; namely the General Accounting Office. Senator BENNETT has pledged that he would work with him on this issue, and I do so publicly also. We will try to find another vehicle to work with him on his legislation.

More than 50 percent of America's companies' revenues come from overseas sales. Also, more than 60 percent of the market for multiprocessor systems is outside the United States. What we are talking about is allowing the United States to maintain its position as a paramount producer of computers. That is what it amounts to. Things are changing very rapidly.

I can remember a few years ago I went to Clark County, in Las Vegas, NV, to the third floor of the courthouse. The entire third floor was the computer processing system for Clark County. Then Clark County was much smaller than it is now. Today the work that is done on that entire third floor could be done with a personal computer, a laptop; things have changed so rapidly. That is why we need to allow changes.

This little computer that I carry around, this "palm," as they call it, does remarkable things. I can store in this basically the Las Vegas phonebook. It has a calculator. It has numerous features that were impossible 2 years ago. It is now possible. That is what this amendment is all about: to allow the American computer industry to remain competitive and to allow sales overseas.

I appreciate the work of Senator PHIL GRAMM of Texas. He has worked on this matter for many months, along with Senator ENZI and Senator JOHNSON. I appreciate their support on this legislation.

The amendment, which has broad support from the high-tech industry and from a majority of the Members of the Senate, simply shortens the congressional review period for high performance computers from 180 days to 60 days and guarantees that the counting of those days not be tolled when Congress adjourns sine die.

We are operating under cold war era regulations and if we want to remain the world leader in computer manufacturing and in the high-tech arena, we must make this change immediately.

I have worked for the last year and a half with Senators GRAMM, ENZI, and JOHNSON on the Export Administration Act, but a few members of the majority have succeeded in blocking its passage. That bill is not moving and therefore, Senator BENNETT and I would like to simply pass this portion of the Export Administration Act to provide some temporary relief. The congressional review period for computer exports is six times longer than the review of munitions.

In February, the President, at my urging and the urging of others, proposed changes to the export controls on high performance computers, but because of the 180-day review period, these changes have yet to be implemented and U.S. companies are losing foreign market share to Chinese and other foreign competitors as we speak. This is already July and a February proposed change, which was appropriate at the time, and is nearly outdated now, has yet to go into effect.

This amendment is a bipartisan effort and one that we need to pass. Congress is stifling U.S. companies' growth and we can't stand for it, I can't stand for it. This underscores another point: the importance of exports to the U.S. computer industry. More than 50 percent of America's companies revenues come from overseas sales. If we give the international market to foreign competition in the short term, we will never get it back in the long term, and not only our economy, but our national security will founder.

A strong economy and a strong U.S. military depend on our leadership. U.S. companies have to be given the opportunity to compete worldwide in order to continue to lead the world in technological advances.

According to the Computer Coalition for Responsible Exports, U.S. computer export regulations are the most stringent in the world and give foreign competitors a head start. More than 60 percent of the market for multiprocessor systems is outside of the U.S. The U.S. industry faces stiff competition, as foreign governments allow greater export flexibility.

The current export control system interferes with legitimate U.S. exports because it does not keep pace with technology. The MTOPS level of microprocessors increased nearly 5-fold from 1998 to 1999—and today's levels will more than double when the Intel Itanium, I-Tanium, chip is introduced in the middle of this year. New export control thresholds will not take effect until the completion of the required six month waiting period—by then, the thresholds will be obsolete and American companies will have lost considerable market share in foreign countries.

The current export control system does not protect U.S. national security. The ability of America's defense system to maintain its technological advantage relies increasingly on the U.S. computer industry's ability to be at the cutting edge of technology. It does not make sense to impose a 180-day waiting period for products that have a 3-month innovation cycle and are widely available in foreign countries. Right now American companies are forbidden from selling computers in tier three countries while foreign competitors are free to do so.

As I indicated earlier, the removal of items from export controls imposed by the Munitions List, such as tanks, rockets, warships, and high-performance aircraft, requires only a 30-day waiting period. The sale of sensitive weapons, such as tanks, rockets, warships and high-performance aircraft, under the Foreign Military Sales program requires only a 30-day congressional review period. One hundred eighty days is too long.

The new Intel microprocessor, the Itanium, is expected to be available sometime this summer with companies such as NEW, Hitachi and Siemens already signed on to use the microprocessor. The most recent export control announcement made by the Administration on February 1 will therefore be out of date in less than six months.

Lastly—a review period, comparable to that applied to other export control and national security regimes, will still give Congress adequate time to review national security ramifications of any changes in the U.S. computer export control regime. I urge my colleagues to support this amendment and to allow our country's computer companies to compete with their foreign competitors and thereby continue to drive our thriving economy.

I believe that 30 days is the proper amount of time for the review period, but have agreed, with my colleague from Utah, to offer the identical language that passed in the House by a vote of 415 to 8. Less stringent language passed out of committee in the Senate, and there is no reason that this shouldn't pass with a large majority.

Mr. President, I ask unanimous consent that a letter from the U.S. Chamber of Commerce endorsing this legislation be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CHAMBER OF COMMERCE OF THE
UNITED STATES OF AMERICA,
*Washington, DC, June 13, 2000.*

TO MEMBERS OF THE UNITED STATES SENATE: The U.S. Chamber of Commerce, the world's largest business federation, representing more than three million businesses and organizations of every size, sector and region, offers our support of Senator Harry Reid's (D–NV) Amendment 3292 to the Defense Appropriations FY 2001 bill, which changes the regulations governing the export of high-speed computers. This measure will be considered today by the U.S. Senate.

Section 1211 of H.R. 1119, the "National Defense Authorization Act For Fiscal Year 1998" (Public Law 105–85) imposed new restrictions on exports of certain mid-level computers to various countries, even though similar technology is readily available in the international market place. (Mid-level is defined as operating at over 2,000 million theoretical operations per second (MTOPS). Section 1211 also authorized the president to establish a different, higher performance threshold for these restrictions but required a 180-day delay in the implementation of this new threshold, pending Congressional review of a report presenting the justification for the new threshold.

Our concern is that these computers—often mis-labeled "supercomputers" or "high-performance computers"—incorporate technology that is already in fairly wide use here and abroad. As with so many other efforts to unilaterally control the availability of relatively common technology, the result of this provision was another competitive disadvantage for U.S. firms in the global markets.

Earlier this month the House of Representatives approved similar legislation that reduced from 180 to 60 days the time frame for Congress to review the administration's justification for any changes in the performance thresholds for controlling these computer exports. This is important because the 180-day period often exceeds the life cycle of the computers and is longer than the congressional review period for removing various weapons from a list of defense items subject to export controls. While allowing time to address national security issues, this legislation also reduces the chances that computer transactions will languish in Congress and become obsolete before they are permitted to move forward.

In this regard, the U.S. Chamber remains committed to repeal of section 1211 for the reasons stated above. Amendment 3292 to the Defense Appropriations for FY 2001 bill is a major step in the right direction.

Sincerely,

R. BRUCE JOSTEN.

Mr. REID. Mr. President, I ask unanimous consent that a letter from the Information Technology Industry Council, which is representative of the employment of some 1.3 million people in the United States, in support of this legislation be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

INFORMATION TECHNOLOGY
INDUSTRY COUNCIL,
*Washington, DC, July 10, 2000.*

Hon. HARRY REID,
*United State Senate, Washington, DC.*

DEAR SENATOR REID: I am writing to follow-up on earlier correspondence to reaffirm the fact that ITI strongly supports the bipartisan Reid/Bennett amendment to the defense authorization bill. We urge your colleagues to support your amendment, and also to oppose any efforts to further water down what is already a compromise position for the computer industry.

The Reid/Bennett amendment would provide overdue relief from the current 180-day waiting period whenever US computer export thresholds are updated. Accordingly, this letter is to inform you and your colleagues that ITI anticipates including votes pertaining to computer exports in our annual High Tech Voting Guide. As you know, the High Tech Voting Guide is used by ITI to measure Members of Congress' support for the information technology industry and policies that ensure the success of the digital economy.

ITI is the leading association of U.S. providers of information technology products and services. ITI members had worldwide revenue of more than $633 billion in 1999 and employ an estimated 1.3 million people in the United States.

As you know, ITI has endorsed your legislation to shorten the Congressionally mandated waiting period to 30 days. While we strongly support our country's security objectives, there seems no rationale for treating business-level computers that are widely available on the world market as inherently more dangerous than items being removed from the nation's munitions list—an act that gives Congress just 30 calendar days to review.

Make no mistake. Computer exports are critical to the continued success of the industry and America's leadership in information technology. Computers today are improved and innovated virtually every quarter. In our view, it does not make sense to have a six-month waiting period for products that are being innovated in three-month cycles. That rapid innovation is what provides America with her valuable advantage in technology, both in the marketplace and ultimately for national security purposes—an argument put forth recently in a Defense Science Board report on this very subject.

As a good-faith compromise, ITI and the Computer Coalition for Responsible Exports (CCRE) backed an amendment to the House-passed defense authorization bill that established a 60-day waiting period and guaranteed that the counting of those days would not be tolled when Congress adjourns sine die. The House passed that amendment last month by an overwhelming vote of 415–8.

We thank you for your leadership in offering the bipartisan Reid/Bennett amendment as a companion to the House-passed compromise provision. We trust that it will pass the Senate with a similar overwhelming majority.

We have been heartened in recent weeks by the bipartisan agreement that the waiting period must be shortened. The Administration has recommended a 30-day waiting period. The House, as mentioned above, endorsed a 60-day waiting period. And Gov. George W. Bush has publicly endorsed a 60-day waiting period in recognition that commodity computers widely available from our foreign competitors cannot be effectively controlled.

We thank you for your strong and vocal leadership in this matter and look forward to working with you and other Senators to achieve a strong, bipartisan consensus on this and other issues critical to continuing America's technological pre-eminence.

Best regards,

RHETT B. DAWSON,
*President.*

Mr. REID. Again, I express my appreciation to the Senator from Tennessee and the Senator from Utah and look forward to an overwhelming vote tomorrow to send this matter to the House so it can be sent to the President's desk as quickly as possible.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. THOMPSON. Mr. President, I thank my colleagues for their statements. I think they accurately state the conversations we have had. I welcome their commitment to try to work with me toward finding another vehicle in order to alleviate some of the concerns I have had.

I intended to offer a second-degree amendment to this amendment, but I can count the votes. The better part of valor is for me to accept the commitment and assistance from my colleagues in order to try to interject some expertise into the consideration of the MTOP level issues in the future.

What we are seeing with regard to this amendment is a manifestation of a discussion that is going on in this country that is very important. We obviously are leading the world in terms of high technology. We are building supercomputers that no one else has. It is natural that our people want to develop their markets and have an export market. That is important to them from an economic standpoint. Many people in the computer industry are under the impression that if they can build something, it is immediately available worldwide, internationally, by everyone. I respectfully disagree with them on that. But they are of that opinion, and they are moving aggressively in Congress and otherwise to try to raise the level of the computers they can ship without an export license.

Let's keep in mind, that is the issue: What is going to be shipped without a license or with a license. We are not talking about stopping any sales. We are talking about time periods and how fast computers can be sold and what can be sold with or without a license. That is one side of what is going on in the country today in this discussion.

The other side is that all of the statements about our capabilities and our need to market and all those kinds of things may be true. But there is another side to the story, and that is the danger that sometimes is being interjected into the world by the proliferation of weapons of mass destruction.

We have been told in no uncertain terms by the Cox committee, and others, that the Chinese, for example, are using our technology. They are specifically using our high-performance computers to enhance their own nuclear capabilities. Potentially, they will be used against our own country. We know the Chinese are selling and supplying technology to rogue nations around the world—a big problem. That is a part of the discussion we are going to have over these next few weeks, I hope, in terms of how we address that with the Chinese.

So while it is important to have a viable high-tech market, and while the technological "genie" is out of the bottle to a great extent, there are some of us who still believe we should not abrogate all of our export control laws. And on what we are dealing with here tonight, Congress should have an adequate time to consider how much we want to raise the MTOP levels and how liberal we want to be in terms of allowing these computers to be exported—again, mind you, without a license. They can still export them at any level, theoretically. But they have to go through a license process.

Is the congressional review too long? Is 180 days too long? I point out that, I believe as late as a year ago—I think July of last year—while it was not in law, the practice was for the review time for Congress to take between 18 and 24 months. So 6 months kicked in just about a year ago. So we have gone from 18 to 24 months a year ago, and now Congress has 6 months. We narrowed it to 6 months now that we have to review it, when the administration decides it wants to raise the MTOP levels and become more liberal with exports. Now under this bill, we are narrowing the time further to 60 days—from 6 months to 60 days—for Congress to review the raising of a particular MTOP level.

I have a great problem with that. I know there is tremendous momentum in this Congress to accede to those who want Congress to have less and less a part in this process. I agree with colleagues who said Congress has not always done its due diligence, has not always used that process to its best advantage; we have sometimes sat on our hands.

What I am trying to do, and what I was going to do by my second-degree amendment, which I will now, with the help of colleagues, try to do separate and apart, is to say, OK, we will go down to 60 days, although I don't like it; but we will say, within that 60 days, let's have GAO take a look at it; let's have some expertise from the people who are used to analyzing these things because they don't always agree with the administration, as to what the foreign availability is or what the mass marketing for a particular component is. So why do we want to fly blindly on something that is so technical and important? We need to have GAO in this process and then give Congress just 10 days after the GAO does its work, after 50 days, to look at what GAO has come up with, and then we can act if we want to.

So I think it is a very compressed timeframe. But I understand the momentum for this. I hope we are not making a mistake. I hope we are not placing too much faith in an administration that I think has been entirely too lax in terms of matters of national security, our export laws, the security of our laboratories, and everything else. I hope we are not making that mistake. But I know it is going to happen now. It passed overwhelmingly in the House, and I expect it to tomorrow. I can count as well as the next person. But I am hopeful that within the next few days, as I say, we can interject into this process at least a little bit of extra deliberation by the GAO and those with the expertise to tell us what they think about a particular increase in the MTOP levels.

I yield the floor.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. BENNETT. Mr. President, I yield back all time for the proponents of the amendment.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. THOMPSON. Mr. President, I yield back all time of the opponents of the amendment.

Mr. WARNER. Mr. President, subject to the leadership, I think I can announce the time of the vote. The vote on this amendment will occur at 11:30 a.m. tomorrow.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WARNER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TORRICELLI. Mr. President, I rise today to withdraw my amendment to the fiscal year 2001 Defense authorization bill. As the matter between the U.S. Air Force and the New Jersey Forest Fire Service has been resolved, the need for legislative language to rectify this matter is no longer necessary.

At this time, I would like to show my appreciation to the Secretary of the Air Force and his staff for their professionalism and cooperation in helping bring about an expeditious and satisfactory resolution to this matter. I would like to thank the staff members of the Senate Armed Services Committee, in particular Mike McCord, for their assistance in seeing this matter through.

The reimbursement from the Air Force to the New Jersey Forest Service will help enable the men and women of this vital department to continue their important duties in protecting the forests and state parks of New Jersey from disaster.

### REDSTONE ARSENAL

Mr. SESSIONS. Mr. President, I rise for the purpose of engaging the chairman of the Subcommittee on Readiness and Management Support, Committee on Armed Services to discuss a matter of some great interest relating to an Army installation located in my State. As the chairman knows, the Redstone Arsenal is located in Alabama, near the city of Huntsville. Although Redstone is not an arsenal in the traditional sense, there are certain provisions of Title III, Subtitle D, Sections 331 and 332 of the bill that I understand will apply to Redstone Arsenal. Specifically, the provision of the bill which would codify the ARMS Act and its facility use contracts and in-kind consideration provisions, and the provision on Centers of Industrial and Technical Excellence that would allow the government owned, government operated industrial facilities to pursue partnerships and arrangements with private sector entities to more fully utilize the plant and equipment at these facilities. In my own state there is interest of at least one private sector entity currently doing business on Redstone Arsenal with others to follow:

By using the Facilities Use and In-Kind Consideration provisions of ARMS, the Logistics Support Facility has been able to establish a presence on Redstone Arsenal. Using these innovative approaches, the Logistical Support Facility has been able to utilize existing Army facilities that might otherwise have been deemed to be excess. This is certainly a win-win situation for both the company and the U.S. Army: a win for the LSF which gets facilities that are close to their customer—the U.S. Army, and a win for Redstone Arsenal, which receives consideration for the use of an otherwise empty facility which it might otherwise have to pay to maintain or demolish.

Am I correct in my belief that Section 332 will allow the Logistical Support Facility and other similarly situated operations to operate on Redstone Arsenal?

Mr. INHOFE. It is exactly the sort of arrangement which you have outlined that the language in Title III is intended to promote. It is the committee's hope that additional government facilities will pursue such initiatives in order to increase their efficiency. The ARMS act was intended to breathe new life into facilities for which the Army might otherwise have less use. It is a model program and we are trying to incorporate those aspects of the ARMS program which make sense in a government owned, government operated industrial facility. This is indeed a win/win situation for business, for the Department of Defense, and for the American taxpayer.

### TRANSFER OF LAND ON VIEQUES, PUERTO RICO

Ms. LANDRIEU. Mr. President, I appreciate the efforts by the Senator from Oklahoma to facilitate the resumption of critical live-fire training at the Naval training range on the island of Vieques. He has visited the island and has dedicated himself to trying to resolve this important issue.

I believe, given the differences between the provision in the Senate bill and those in the House bill, that this will be a matter of considerable discussion and debate in conference. I look forward to working with Senator INHOFE and other Members of the Senate and House to address these differences and achieve a resolution that maximizes the possibility of resuming live-fire training as soon as possible.

I am concerned that the Senate bill does not authorize the transfer of all the surplus land on the western side of the island, as requested by the President pursuant to his agreement with the Governor of Puerto Rico. I believe that only the full implementation of those directives will restore the Navy's credibility with the local population. Secretary Danzig has emphasized to us the importance of the conveyance of this land as a demonstration of good faith prior to the referendum on the Navy's continued use of Vieques. Therefore to avoid undermining the Navy's position on Vieques, the conference report should adopt the language in the House bill that would authorize this transfer.

Mr. INHOFE. Mr. President, I appreciate the comments of Senator LANDRIEU. I look forward to working with her and others on this important issue in conference. As you noted, as chairman of the Readiness and Management Support Subcommittee I have spent considerable time looking into this matter and I believe that this facility is essential to the readiness of the Navy and Marine Corps.

I understand the concern raised by some that a failure to transfer the western land as requested by the President would frustrate the long-term goal of rebuilding relations between the Navy and the people of Vieques and resuming live-fire training on the island. However, I recently visited Vieques and spoke with some of the local residents who were not as enthused by the proposed transfer of land as the Governors's office has led us to believe. Furthermore, they asked that if any land is transferred, that it be transferred directly to the people of Vieques rather than to the Commonwealth Government. However, I understand that this may not represent the views of all residents of the island and I will continue to look very seriously at this issue during the conference and will continue to speak with the residents of Vieques before I make a final decision.

I also want to ensure that whatever approach we take, we do not undermine the chances of the resumption of live-fire by providing a reverse incentive. I strongly support the Navy and Marine Corps' goal of resuming live-fire training in Vieques. As stated by the senior officers of the Department of Defense, this training is critical to our readiness. I will continue to speak with these officers on the issue, including the impact of not transferring the western land, as we proceed through conference. I am committed to resolving this matter in a way that maximizes our opportunity to provide our military personnel with the training they need to ensure they are not unnecessarily put at risk when they are deployed into harm's way.

Ms. LANDRIEU. I thank the Senator for his commitment on this matter and look forward to working with him in the weeks ahead.

### ACQUISITION PROGRAMS AT NSA

Mr. SHELBY. I note to the distinguished chairman of the Armed Services Committee an issue in the committee report accompanying the National Defense Authorization Act for Fiscal Year 2001, S. 2549. on page 126, the report deals with acquisition programs at the National Security Agency (NSA). I fear that the language of the report could have unintended consequences for the on-going efforts to modernize the National Security Agency. The report mandates that the NSA manage its modernization effort as though it were a traditional major defense acquisition program. If this mandate were applied to each of the individual technology efforts within the NSA, such a requirement could impede NSA's flexibility to modernize and upgrade its capabilities. I would ask the Chairman of the Armed Services Committee whether this was the Committee's intent?

Mr. WARNER. I thank the Chairman of the Intelligence Committee, Senator SHELBY. I believe we both agree that the National Security Agency should better address its acquisition issues. However, I note the concerns you raise and agree that the report should not be read to mandate treating each individual technology effort within NSA as a major acquisition program. As the chairman of the Intelligence Committee knows, the Department of Defense (DoD) has an extensive effort to develop various technology projects that could ultimately contribute to one or more major DoD acquisition programs. DoD does not manage these individual technology projects as major acquisition programs, despite the fact that they may contribute to successful fielding of a program being managed as a major acquisition program.

It was the committee's intent to ensure that each of the major modernization efforts that NSA must undertake will receive appropriate management attention. it was not the committee's intent that individual technology projects that are contributing to those broader efforts be managed as major acquisition programs on a project-by-project basis.

I look forward to working with you to ensure that NSA properly manages its acquisition programs.

Mr. SHELBY. I thank the Chairman.

Mr. WARNER. Mr. President, on behalf of my distinguished ranking member and myself, we submit to the Senate the following time agreement.

I ask unanimous consent that at 6:30 p.m. on Wednesday, when the Senate resumes the DOD authorization bill, Senator BYRD be recognized for up to 30 minutes for debate on his amendment, with a Roth statement to be inserted at that point following the debate, and following the disposition of the amendment and notwithstanding the managers' package of amendments, the following amendments be the only remaining first-degree amendments in order, that they be limited to 1 hour equally divided unless otherwise stated, and that with respect to the second-degree amendments, they be under no time restraints and limited to relevant second-degree amendments unless otherwise stated. Those amendments are as follows:

Feingold, re: D5 missile, 40 minutes equally divided; Durbin, re: NMD testing, 2 hours equally divided with no second-degree amendments; Harkin, secrecy; Kerry of Massachusetts, environmental fines.

I further ask unanimous consent that following the disposition of the pending Byrd amendment and the listed amendments, the bill be advanced to third reading, and the Senate proceed to the consideration of the House companion bill, H.R. 4205, all after the enacting clause be stricken, the text of the Senate bill be inserted, the House bill be advanced to third reading, and passage occur, all without any intervening action, and the Senate bill be then placed on the calendar.

I further ask unanimous consent that at the time of the stacked rollcall votes, there be up to 10 minutes equally divided provided for closing remarks with respect to only the Kerrey amendment.

I further ask unanimous consent that the Senate insist on its amendments, request a conference with the House, and the Chair be authorized to appoint conferees on the part of the Senate.

Finally, I ask the time limit with respect to the Harkin amendment only be vitiated prior to 12 noon on Wednesday, at or upon the request of the minority leader.

The PRESIDING OFFICER. Is there objection?

Mr. LEVIN. Mr. President, reserving the right to object, and I obviously won't because this is a very good unanimous consent agreement, I believe in reading the last two lines my good friend from Virginia left out the word "may" so that "it may be vitiated."

Mr. WARNER. Mr. President, my colleague is correct. I shall reread it.

Finally, I ask that the time limit with respect to the Harkin amendment only may be vitiated prior to 12 noon on Wednesday, upon the request of the minority leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEVIN. Mr. President, has that now been adopted?

Mr. WARNER. That has been accepted. This is a momentous occasion.

The PRESIDING OFFICER. Yes.

Mr. WARNER. I thank all who worked so assiduously to make this possible. As we said in World War II: Praise the Lord and pass the ammunition. We have this bill on its final track.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. I thank my friend from Virginia. There has been a lot of hard work, indeed, that has gone into this agreement. I do want to see if our understanding is correct on this. It was not explicit in the unanimous consent agreement. That is that following the disposition of the Byrd amendment tomorrow evening, and notwithstanding the managers' package of amendments, that the following amendments be—and then they are identified.

It is our expectation and intention that that proceed immediately tomorrow night, to consideration of those listed amendments.

Mr. WARNER. Mr. President, the Senator is correct in that interpretation, that we will hear from our distinguished former majority leader, member of the Armed Services Committee, Senator BYRD, for 30 minutes. A statement will then be placed in the RECORD on behalf of Senator ROTH, and we will proceed immediately to the amendments as ordered.

Mr. LEVIN. After disposition of the Byrd amendment.

Mr. WARNER. After disposition of the Byrd amendment.

Mr. LEVIN. And that will all occur tomorrow night?

Mr. WARNER. That is correct.

Mr. LEVIN. I thank the Presiding Officer and my good friend from Virginia.

## MORNING BUSINESS

Mr. WARNER. Mr. President, I now ask unanimous consent the Senate now proceed to a period of morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ACKNOWLEDGMENT OF SENATOR PETER FITZGERALD'S 100TH PRESIDING HOUR

Mr. LOTT. Mr. President, today I have the pleasure to announce that another freshman has achieved the 100-hour mark as presiding officer. Senator PETER FITZGERALD is the latest recipient of the Senate's Golden Gavel Award.

Since the 1960's, the Senate has recognized those members who preside over the Senate for 100 hours with the

Golden Gavel. This award continues to represent our appreciation for the time these dedicated Senators contribute to presiding over the U.S. Senate—a privileged and important duty.

On behalf of the Senate, I extend our sincere appreciation to Senator FITZGERALD for presiding during the 106th Congress.

## CONFIRMATION OF RUSSELL JOHN QUALLIOTINE, OF NEW YORK, TO BE UNITED STATES MARSHAL FOR THE SOUTHERN DISTRICT OF NEW YORK

Mr. MOYNIHAN. Mr. President, I rise to express great appreciation for the confirmation of Russell John Qualliotine to be United States Marshal for the Southern District of New York. Hailing from Nesconset, New York, he served more than a quarter century with the New York City Police Department, retiring this past January. As an Officer of the NYPD, he held the position of Detective First Grade in the elite Personal Security Section of the Intelligence Division. The NYPD has given him four outstanding achievement awards, three awards for excellent police work, and one for meritorious service. From 1969 to 1972, he also served in the United States Army and earned an Army Commendation Medal.

In his roles as police detective and soldier, Mr Qualliotine has displayed exemplary dedication, character, and professionalism. He is superbly qualified, and I am confident he will make an excellent United States Marshal.

## EMERGENCY SUPPLEMENTAL APPROPRIATIONS

Mr. McCAIN. Mr. President, I appreciate the opportunity to address the Senate once again on the subject of military construction projects added to an appropriations bill that were not requested by the Department of Defense. The bill that passed by voice vote prior to the July 4th recess contains more than $1.5 billion in unrequested military construction projects. More importantly, I would like to spend a few minutes discussing Congress's role in the budget process and its utter lack of fiscal discipline. There is $4.5 billion in pork-barrel spending in this bill, $3.3 billion of that total in the so-called "emergency supplemental."

Webster's, Mr. President, defines "emergency" as "a sudden, generally unexpected occurrence or set of circumstances demanding immediate action." What we have here is the antithesis of that concept. It is highly questionable whether $20 million for abstinence education should be included in a bill the purpose of which is to provide emergency funding that will not count against budget caps.

For months this body made a deliberate decision not to act quickly and deliberately with regard to legitimate spending issues involving military readiness and the crisis in Colombia. The decision was made not to treat these essential and time-sensitive activities as expeditiously as possible. Now, after many months and seemingly endless legislative maneuvering, we were presented with an $11 billion bill replete with earmarks that under no credible criteria should be categorized as "emergency"—and this is in addition to the over $1.5 billion added to the underlying military construction appropriations bill for strictly parochial reasons.

As everyone here is aware, I regularly review spending bills for items that were not requested by the Administration, constitute earmarks designed to benefit specific projects or localities, and did not go through a competitive, merit-based selection process. I submit lists of such items to the CONGRESSIONAL RECORD, generally prior to final passage of the spending bill in question. In the case of the Military Construction bill for fiscal year 2001, I submitted such a list, along with a statement critical of the process by which that bill was put together, particularly the over $700 million worth of military construction projects added to that bill that were not requested by the Department of Defense—an amount, I reiterate, that was doubled in conference with the other Body.

This is an institution that has proven itself incapable of passing legislation on an expedited basis that genuinely warrants the categorization of "emergency." Funding for ongoing military operations that strains readiness accounts is a case in point. The one thing, Mr. President, we can pass without hesitation and consideration is money for pork-barrel projects. Just prior to final passage back in May of the Military Construction appropriations bill, the Appropriations Committee pushed through $460 million for six new C–130J aircraft for the Coast Guard—the very aircraft that we throw money at with wanton abandon as though our very existence as an institution is dependent upon the continued acquisition of that aircraft.

That funding and those aircraft are in the bill that emerged from conference with the House. A consensus exists, apparently, that we must have six more C–130Js in addition to the ones added to the defense appropriations bill despite a surplus in the Department of Defense of C–130 airframes that should see us through to the next millennium and beyond. And this, Mr. President, despite the General Accounting Office's finding, based upon the Coast Guard's own study, that the service's existing fleet of HC–130s will not need to be replaced until 2012–2027. And this, Mr. President, despite an ongoing Coast Guard-directed study designed to determine precisely what types and numbers of aircraft and surface vessels it will require in the future. Message to parents saving up for little junior's college education: invest in the stock of the company that makes C–130s; the United States Congress will ensure your offspring never need student loans.

Compared to the $460 million for the C–130s, it hardly seems worth it to mention the $45 million added to this emergency spending measure for yet another Gulfstream jet, other than to point out that it is manufactured in the same state as the C–130s. The decision to include funding for this jet, intended for the Coast Guard commandant, an emergency spending bill lends further credence to the notion that our interest in the integrity of the budget process is nonexistent.

It was reassuring that a compromise was reached on the issue of helicopters for Colombia. It is extremely unfortunate, however, that an issue of life and death for Colombian soldiers being sent into combat to fight well-armed drug traffickers and the 15,000-strong guerrilla army that protects them was predicated upon parochial considerations. Valid operational reasons existed for the decision by the Department of Defense and the Colombian Government to request Blackhawk helicopters, and the Senate's decision to substitute those Blackhawks for Huey IIs was among the more morally questionable actions I have witnessed within the narrow realm of budgetary decision-making by Congress.

Specific to the Military Construction Appropriations Act for Fiscal Year 2001, it continues to strain credibility to peruse this legislation and believe that considerations other than pork were at play. How else to explain the millions of dollars added to this bill for National Guard Armories, which, in a typically Orwellian gesture, are now referred to as "Readiness Centers?" Whether the $6.4 million added for a new dining facility at Sheppard Air Force Base: the $12 million for a new fitness center at Langley Air Force Base; the $5.8 million for a joint personnel training center at Fairchild Air Force Base, Alaska; the $3.5 million added for an indoor rifle range and $1.8 million for a religious ministry facility at the Naval Reserve Station in Fort Worth, Texas; the $4 million added for the New Hampshire Air National Guard Pease International Trade Port; the $4 million for a Kentucky National Guard parking structure; and the $14 million added for New York National Guard facilities all constitute vital spending initiatives is highly questionable.

There are one-and-a-half billion dollars worth of projects added to this bill at member request. Not all of them, in particular family housing projects, warrant criticism or skepticism. There are important quality of life issues involved here. The public should be under no illusions, however, that over a billion dollars was added to this bill solely as a manifestation of Congress' unrestrained pursuit of pork.

As mentioned, far more disturbing than the pork added to the military construction bill is the damage done to the integrity of the budget process by the abuse of the concept of emergency spending. Permit me to quote from the opening sentence from the Washington Post of June 29 with regard to this bill: "Republicans are trying to grease the skids for passage of a large emergency spending bill for Colombia and Kosovo with $200 million of 'special projects' for members, and one of the biggest winners is a renegade Democrat being courted by the GOP."

That, Mr. President, summarizes the process pretty well. Military readiness and the situation in Colombia are not in and of themselves important enough to warrant support for this spending bill. It seems this Senate must have its pork. It must have its $25 million for a Customs Service training facility at Harpers Ferry, West Virginia, a site most certainly chosen for its bucolic charm and operational attributes rather than for parochial reasons. It must have its $225,000 for the Nebraska State Patrol Digital Distance Learning project. It must have over $3 million earmarked for anti-doping activities at the 2002 Olympics, in addition to the $8 million for Defense Department support of these essential national security activities on the ski slopes of Utah. It must have $300,000 for Indian tribes in North Dakota, South Dakota, Montana and Minnesota. The hardworking taxpayers of America deserve better.

Those of us who had the misfortune of witnessing one of the most disgraceful and blatant explosions of pork-barrel spending in the annals of modern American parliamentary history, the ISTEA bill of 1998, should be astounded to see the projects funded in this emergency spending bill:

$1.2 million for the Paso Del Norte International Bridge in Texas;

$9 million for the US 82 Mississippi River Bridge in Mississippi;

$2 million for the Union Village/Cambridge Junction bridges in Vermont;

$5 million for the Naheola Bridge in Alabama;

$3 million for the Hoover Dam Bypass in Arizona and Nevada;

$3 million for the Witt-Penn Bridge in New Jersey; and

$12 million for the Florida Memorial Bridge in Florida.

These, Mr. President, are but the tip of the iceberg—an iceberg that shall not stand in the way of the icebreaker added to this bill, albeit for more credible reasons than the vast majority of member add-ons.

As I stated earlier, tracking the process by which the bill came before us was a truly Byzantine experience. The addition of $600,000 for the Lewis and Clark Rural Water System in South Dakota serves as sort of a tribute to the unusual path down which this legislation has traveled. The most skilled legislative adventurers would be hard pressed to follow the trail this bill followed before arriving at its destination here on the floor of the Senate.

I cannot emphasize enough the significance of piling billions of dollars in pork and unrequested earmarks into a bill that was categorized for budgetary purposes as "emergency." Consider the distinction between emergency spending essential for the preservation of liberty and to deal with genuine emergencies that cannot wait for the usual annual appropriations process, and the manner in which Congress abuses that concept and undermines the integrity of the budgeting process. When I review an emergency spending measure and read earmarks like $2.2 million for the Anchorage, Alaska Senior Center; $500,000 for the Shedd Aquarium/Brookfield Zoo for science education programs for local school students; $1 million for the Center for Research on Aging at Rush-Presbyterian-St. Luke's Medical Center in Chicago; and $8 million for the City of Libby in Montana, plus another $3.5 million for the Saint John's Lutheran Hospital in Libby, I am more than a little perplexed about the propriety of our actions here.

Is the American public expected to believe that a spending bill essential for national security should include emergency funding for Dungeness fishing vessel crew members, U.S. fish processors in Alaska, and the Buy N Pack Seafoods processor in Hoonah, Alaska, research and education relating to the North Pacific marine ecosystem, and the lease, operation and upgrading of facilities at the Alaska SeaLife Center, and the $7 million for observer coverage for the Hawaiian long-line fishery and to study interaction with sea turtles in the North Pacific. Finally, and not to belabor the point, is the $1 million for the State of Alaska to develop a cooperative research plan to restore the crab fishery truly a national security imperative?

When the bill was on the floor of the Senate, my friend and colleague from Texas, Senator GRAMM, referred to the sadly typical smoke and mirrors budgeting gimmickrey pervasive in the legislation. I am always disturbed when such budgeting gimmicks designed to prevent Congress from complying with the revenue and spending levels agreed to in the Budget Resolution are employed. While I am grateful that a deal was struck by which they will be reversed in another bill, the use of such gimmicks is a betrayal of our responsibility to spend the taxpayers' dollars responsibly and enact laws and policies that reflect the best interests of all Americans. It is a betrayal of the public trust that is essential to a working democracy.

The bill, as currently written and signed into law, waives the budget caps to allow for more discretionary spending. It also waived the firewall in the budget resolution between defense and nondefense spending on outlays. The end result would be that Congress would have the freedom to move the $2.6 billion the Defense Appropriations Subcommittee did not spend on much-needed readiness into non-defense spending.

The recently-passed legislation further changes current law and shifts the payment date for SSI, the Supplemental Security Income program, from October back to September. What that would do is shift money into fiscal year 2000. In the process, it would allow $2.4 billion more be spent in fiscal year 2001 by spending that same amount of money in the previous year. The legislation also includes the gimmick of moving the pay date for veterans' compensation and pensions from fiscal year 2001 to fiscal year 2000. Both of these provisions are further examples of the irresponsible budget gimmickry that allows the Congress to spend more without any accountability. I am thankful that a commitment was made to reverse these decisions in subsequent legislation; I abhor the fact that they will almost certainly be used again in the future.

To conclude, the Military Construction and Emergency Supplemental Appropriations bill passed prior to recess, and without members of the Senate having a realistic opportunity to review that multibillion dollar commitment, is a travesty, a thorough slap in the face of all Americans concerned about fiscal responsibility, national security, the scourge of drugs on our streets, and the integrity of the representation they send to Congress. We should be ashamed of ourselves for passing this bill. Unfortunately, shame continues to elude us, and the country, and our democracy, is poorer for that flaw in our collective character.

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## VICTIMS OF GUN VIOLENCE

Mr. DURBIN. Mr. President, it has been more than a year since the Columbine tragedy, but still this Republican Congress refuses to act on sensible gun legislation.

Since Columbine, thousands of Americans have been killed by gunfire. Until we act, Democrats in the Senate will read some of the names of those who lost their lives to gun violence in the past year, and we will continue to do so every day that the Senate is in session.

In the name of those who died, we will continue this fight. Following are the names of some of the people who were killed by gunfire one year ago today.

July 11, 1999:

Thomas Erwin, 36, Oklahoma City, OK; Bernard Harrison, 17, Baltimore, MD; Anthony L. Holt, 28, Chicago, IL; Judy Holt, 47, Dallas, TX; Christopher F. James, 34, Oklahoma City, OK; Byron Sanders, 17, Baltimore, MD; Eugene Smith, 21, Charlotte, NC; Nakia Walker, 25, Washington, DC; Unidentified male, 23, Newark, NJ.

## FISCAL YEAR 2001 LABOR-HHS-EDUCATION APPROPRIATIONS AND THE MILITARY CONSTRUCTION APPROPRIATIONS CONFERENCE REPORT

Mr. VOINOVICH. Mr. President, on June 30, the Senate passed S. 2553, the Fiscal Year 2001 Labor-HHS-Education Appropriations bill, by a vote of 52-43. I voted against this measure because of my belief that it provides an unjustified increase in federal spending and employs a variety of gimmicks that are meant to hide the true size of its costs.

As my colleague from Texas, Senator GRAMM, recently pointed out, the fiscal year 2001 Labor-HHS bill increases discretionary spending by more than 20 percent when compared to last year's bill. As it is, this is incredible growth in discretionary spending; however, to truly emphasize the enormity of this increase, my colleagues should consider that this growth in spending is roughly 10 times the current rate of inflation.

The bill hides this massive increase in discretionary spending by using a variety of gimmicks. First, it proposes to offset the new spending by making cuts in crucial mandatory programs, such as the Social Services Block Grant (SSBG), the State Children's Health Insurance Program (S-CHIP) and Temporary Assistance for Needy Families (TANF). After a number of colleagues and I expressed our concern over using these programs as spending offsets, Appropriations Committee Chairman STEVENS pledged his support to vitiate these cuts when the Labor-HHS bill is considered in Conference. While I commend Chairman STEVENS for his commitment to restoring these funds, it is my belief that the Appropriations Committee never should have tapped into these programs in the first place. It is my hope that the Conferees will, as they remove these offsets, look to decrease the overall level of discretionary spending in the bill rather than search for other sources.

Second, the bill moves up by 3 days the first Supplemental Security Income (SSI) payment date of Fiscal Year 2001 so that it falls, instead, in Fiscal Year 2000. Although such a change sounds innocuous, the ramifications of this action are tremendous.

As my colleagues know, the start of the next fiscal year begins on October 1, 2000. By moving the first SSI payment date of the year a few days earlier, it will fall in the waning days of fiscal year 2000 and be paid for out of the fiscal year 2000 on-budget surplus. The end result of this gimmick is that not only does it increase spending in FY 2000 by $2.4 billion, which is, by the way, money I would rather see go to debt reduction. But it also frees up another $2.4 billion in Fiscal Year 2001 for Congress to spend.

Finally, despite the fact that the bill increases discretionary spending by a whopping 20 percent, it still fails to prioritize and target resources towards those programs that are the responsibility of the federal government, such as fully funding our commitment under the Individuals with Disabilities Education Act (IDEA). The high cost of educating disabled students continues to place a heavy burden on our local school districts. If the federal government met its obligation to fund IDEA at the level it promised in 1975, local communities would have resources left over to fund their own education priorities.

Instead, this appropriations bill, while increasing funding for IDEA by $1.31 billion over last year's bill and by $984 million above President Clinton's request, does not make enough progress on IDEA. Before the federal government increases spending on new programs, it should be fully funding its promise to supply up to 40 percent of the cost of educating disabled children.

Mr. President, what Congress has done in this Labor-HHS bill proves that we must face facts: Congress is addicted to spending. We will use any gimmick, any trick, any scheme we can think of to spend money. Often, it is for things that we don't need, things that are not a federal responsibility or things that we cannot afford.

Instead of using cuts in mandatory programs and accounting shifts to pay for massive increases in discretionary programs, we need to prioritize our spending and make the hard choices when necessary. We have used budgetary shenanigans far too often to obfuscate the size of spending increases, and it is long past time for this practice to end.

It is for these reasons, Mr. President, that I felt compelled to vote against the Labor-HHS Appropriations bill, and I do not believe that I am alone in my concerns regarding this legislation. It is my sincere hope that when the conferees meet to put together the final version of this legislation, they will consider and address the items that I have mentioned.

Mr. President, I also would like to take this opportunity to voice my concern over the conference report to H.R. 4425, the Military Construction Appropriations bill, which the Senate approved on June 30 by a voice vote. If it had been the subject of a roll call vote, I would have voted against final passage of this bill.

My concern with this legislation does not rest with the Military Construction portion of the conference report. Indeed, I voted for the bill when it originally came before the Senate in May. Rather, my concern lies with what was added to the bill since the time the Senate first passed it.

While in conference, the Military Construction Appropriations bill became the vehicle to which Fiscal Year 2000 emergency supplemental appropriations were attached. In times of true emergency, Mr. President, I believe that Congress has an obligation to ensure that supplemental funds are provided to cover unexpected expenses. That is why I have no objection to providing emergency funds for our operations in Kosovo and to those unfortunate Americans who have been the victims of natural disasters.

However, I do not believe that we should provide emergency funding for items that are not true emergencies in an effort to avoid budget rules. Unfortunately, that is precisely what H.R. 4425 does. This bill provides taxpayer dollars for such "emergencies" as the winter Olympic Games, a sea life center in Alaska and a new top-of-the-line Gulfstream jet aircraft for the Commandant of the U.S. Coast Guard.

In recent years, we have seen remarkable growth in the use of emergency designations as a way to bypass the spending caps so that Congress can avoid making tough choices. Fiscal year 2000 is certainly no exception. In fact, we will be setting a new record for "emergency" spending in this fiscal year with a final tally of more than $40 billion.

I should also add, Mr. President, that H.R. 4425 speeds up government paydays and uses other accounting shifts to move nearly $12 billion of fiscal year 2001 spending into fiscal year 2000. Just as with the Labor-HHS Appropriations Bill, the conference committee used this gimmick in order to free up an additional $12 billion for Congress to spend in Fiscal Year 2001.

Mr. President, rather than devising new, more ingenious ways to avoid fiscal discipline, we should be endeavoring to restore honesty and integrity to the congressional budget process. As I have stated on previous occasions, if any American was to cook his or her books the way the federal government does, that individual no doubt would be sent to jail very quickly. We cannot continue to apply a double standard. We must live within our means, delineate responsibility between the state and local governments and the federal government and pay for those items accordingly, and for Heaven's sake, if we have any on-budget surplus funds, use those funds to pay down the National Debt.

I will continue to monitor the progress of the remaining appropriations bills, and I encourage my colleagues to work with me to make sure that we spend federal tax dollars wisely.

Thank you, Mr. President. I yield the floor.

## VIOLENCE AGAINST WOMEN ACT OF 2000

Mr. ROCKEFELLER. Mr. President, in 1994 we passed the original Violence Against Women Act, creating programs that addressed the many forms of domestic violence all-too prevalent in the United States today. The bill helped communities create shelters, build partnerships among law enforcement agencies to respond to violence against women, and provide legal assistance to battered women. The bill also established a domestic violence hotline that receives hundreds of calls daily from people concerned about violence in their families. Now, we have the opportunity and responsibility to reauthorize this legislation to give women and children a way out of violent and unhealthy situations.

For groups that strive to combat domestic violence, the original Violence Against Women Act was a turning point in their battle. In my state, the West Virginia Coalition Against Domestic Violence stands as an outstanding example of the great work that groups devoted to the noble cause of stamping out domestic violence can do when Congress acts appropriately. With the added funding provided by the Violence Against Women Act, the Coalition was able to quadruple its staff, increase the budgets of its shelters to meet their day-to-day needs, and increase services to under-served parts of the population of West Virginia. Many of the women who escape from violent homes cannot afford legal services, but thanks to grants authorized under the Violence Against Women Act, thirteen civil legal assistance programs are now in place around West Virginia providing free representation for women.

The Coalition also computerized its entire network, enabling instant communication with offices in other parts of rural West Virginia. By creating a database that compiles information on offenders from all over the state, they were able to work with regional jails, sheriffs, and other law enforcement agencies to use this valuable resource. I am proud to say that several other states have used West Virginia's system as a model, helping to combat domestic violence within their borders.

Passing the Violence Against Women Act of 2000 not only sustains existing programs, but creates several new initiatives that extend help to different groups and communities. The bill establishes a new formula for calculating some of the grants, enabling small states like West Virginia to continue to expand their services. In addition, it augments current policies with protections for older and disabled women, and builds on legal assistance programs to further expand coverage.

Perhaps most importantly, the passage of this legislation conveys the important message that the federal government considers domestic violence to be a serious issue. Those of us in Congress share in this concern with the people we serve. We can take some pride that by acting to address these problems, we may have moved some State governments to improve their services to abused spouses and children, and to increase the penalties meted out to the abusers.

By paying attention to this enormously important issue, and by enhancing the current legislation, we are taking steps in the right direction. Although the measures in the original legislation have helped to alleviate the problem, we must continue to wage a persistent fight as long as anyone feels unsafe in their homes.

## FY 2000 SUPPLEMENTAL APPROPRIATIONS

Mr. HARKIN. Mr. President, on the Friday before the July 4 recess, the Senate passed the military construction appropriations bill, which included the supplemental spending package, by voice vote. Although there were a number of meritorious items in that bill, if there had been an up or down vote, I would have voted against it for a number of reasons.

I was extremely disappointed in the Conferees' decision to drop the $5 million in emergency methamphetamine cleanup funds from the supplemental package.

There was strong support for this provision from both Democrats and Republicans. And it was included in both the House and Senate supplemental packages.

So, it doesn't make sense why it was suddenly dropped—especially when we're talking about dangerous chemical sites that are left exposed in our local communities. Without this provision, the bill provides hundreds of millions to help a foreign country fight a drug war, but turns a blind eye to one of the biggest drug problems right in our own back yards. That is unacceptable.

Our failure to fund the cleanup of these labs is all the more disappointing because this bill is bloated with pork. There is $700 million here for the Coast Guard alone, including $45 million for a C-37A aircraft for the Coast Guard. The C-37 is a Gulfstream V executive jet. It's not even your average corporate jet, but one of the most expensive, top-of-the-line crafts

Why should the American taxpayers pay $45 million so the Coast Guard officers can fly in luxury, when the military has trouble keeping its planes aloft because they lack spare parts? There is a drug crisis in this country and an immediate need for funds for peacekeeping operations, but that's no reason to buy luxury jets in an emergency spending bill.

Mr. President, without the meth funding, states and local communities will have to bear the burden of cleaning up these highly toxic sites that are found every day in Iowa and throughout the Midwest, West and Southwest.

In recent years, the Drug Enforcement Agency has provided critical financial assistance to help clean up these dangerous sites, which can cost thousands of dollars each.

Unfortunately, in March, the DEA ran out of funds to provide methamphetamine lab cleanup assistance to state and local law enforcement. That's because last year, this funding was cut in half while the number of meth labs found and confiscated has been growing.

In late May, the Administration shifted $5 million in funds from other Department of Justice Accounts to pay for emergency meth lab cleanup. And I believe that will help reimburse these states for the costs they have incurred since the DEA ran out of money. My state of Iowa has already paid some $300,000 of its own pocket for cleanup since March.

However, we've got months to go before the new fiscal year—and the number of meth labs being found and confiscated are still on the rise. My $5 million provision in this emergency spending package would have provided enough money to pay for costly meth lab cleanup without forcing states to take money out of their other tight law enforcement budgets.

If we can find the money to fight drugs in Colombia, we should be able to find the money to fight drugs in our own backyard. We should not risk exposing these dangerous meth sites to our communities.

So I urge the Senate to support adding the $5 million in emergency meth cleanup funds to the FY 2001 Foreign Operations spending bill or another appropriations vehicle. It is unfair to force our state and local communities to shoulder this financial burden alone.

## NOMINATION OF MADELYN CREEDON

Ms. LANDRIEU. Mr. President, I wish to add my voice to that of my colleagues on behalf of Madelyn Creedon's nomination. She has been selected by the President to become the first Deputy Administrator for defense programs in the new National Nuclear Security Administration, NNSA, at the Department of Energy. I had the privilege of working closely with Madelyn while she served on the minority staff for the Strategic Forces Sub-Committee. I have great respect for her ability and judgment, and I'm confident she will do an excellent job for General Gordon and the country. In addition to being skillful and reliable, Madelyn's knowledge of DOE issues is absolutely unsurpassed. Besides her work on the Senate Armed Services Committee, she was the Associate Deputy Secretary of Energy for National Security Programs at DOE, General Counsel for the Defense Base Closure and Realignment Commission, majority Counsel for the Senate Armed Services Committee under the Chairmanship of Senator Sam Nunn, and finally, trial attorney and Acting Assistant General Counsel with the DOE. Her entire career has prepared her for this important assignment, and it should be no surprise that the President asked her to help lay the foundation for the success of the NNSA. As a member of the Senate, you rarely get the opportunity to vote on the nomination of someone you have observed as closely as I have observed Madelyn. Having done so, I lend her my unqualified support. Mr. President, I have but to note the vote of support by the members of the Armed Services Committee. The high esteem that I hold Madelyn is reflected throughout. This Chamber will be proud of its vote today, and we will be lucky to have Madelyn serve her country in this capacity. I congratulate Madelyn and her family. I will miss having her guidance and work ethic on the Strategic Subcommittee. However, our loss is truly the country's gain.

## THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Monday, July 10, 2000, the Federal debt stood at $5,662,949,608,628.38 (Five trillion, six hundred sixty-two billion, nine hundred forty-nine million, six hundred eight thousand, six hundred twenty-eight dollars and thirty-eight cents).

Five years ago, July 10, 1995, the Federal debt stood at $4,924,015,000,000 (Four trillion, nine hundred twenty-four billion, fifteen million).

Ten years ago, July 10, 1990, the Federal debt stood at $3,153,274,000,000 (Three trillion, one hundred fifty-three billion, two hundred seventy-four million).

Fifteen years ago, July 10, 1985, the Federal debt stood at $1,794,793,000,000 (One trillion, seven hundred ninety-four billion, seven hundred ninety-three million).

Twenty-five years ago, July 10, 1975, the Federal debt stood at $531,474,000,000 (Five hundred thirty-one billion, four hundred seventy-four million) which reflects a debt increase of more than $5 trillion—$5,131,475,608,628.38 (Five trillion, one hundred thirty-one billion, four hundred seventy-five million, six hundred eight thousand, six hundred twenty-eight dollars and thirty-eight cents) during the past 25 years.

## ADDITIONAL STATEMENTS

## RETIREMENT OF PETER J. LIACOURAS

• Mr. SANTORUM. Mr. President, I rise today to recognize a dear friend who retired after an outstanding tenure at one of our great public research universities. On June 30, 2000, Peter J. Liacouras stepped down as President of Temple University in Philadelphia, Pennsylvania after eighteen years of service in this capacity.

A Temple professor of Law for almost 40 years and a former Dean of Temple University's Beasley School of Law, Mr. Liacouras served as the University's chief executive since June of 1982. Under his leadership, Temple University achieved national and international prominence as a center for research, teaching, and public service.

With vision and confidence, he presided over a university with nearly 29,000 students; a world-class faculty; 16,000 full-time and part-time employees; a renowned Health Sciences Center, the Temple University Health System, Inc., with seven hospitals and two nursing homes; 210,000 proud graduates throughout the world; an annual budget of more than $1 billion; successful, long-established campuses in Rome, Italy, and Tokyo, Japan; and educational programs in Great Britain, France, Jamaica, Greece, Israel, Ghana, the People's Republic of China, and other nations.

Throughout his career at Temple, Mr. Liacouras worked vigorously and tirelessly in the pursuit of excellence. The bedrock of his administration was a commitment to improving undergraduate, graduate, and professional education within his institution, and he restructured Temple's schools and colleges to meet the needs of students and the world they enter after graduation.

He was an advocate of opening colleges and universities to persons from historically underrepresented groups—an effort which led to Temple becoming the first university to receive the U.S. Labor Department's coveted Exemplary Voluntary Effort (EVE) Award. As Dean of the Law School, this son of Greek immigrants earned national recognition for developing fair and sensible admissions policies for professional schools.

President Liacouras was also a leader in bringing change to his University and anticipating even greater change in the future. His "Report to the Board of Trustees on Strategic Initiatives" helped Temple reposition itself in a radically changing environment for higher education. With his direction, the University launched Virtual Temple, a for-profit subsidiary to market courses on the Internet.

He dramatically improved his university's town-gown relationship with its surrounding communities. While strengthening Temple's overseas educational programs, he led the way for the University and the Commonwealth of Pennsylvania to invest in the University's Main Campus, with such projects as the Temple University Children's Medical Center, The Liacouras Center, The Tuttleman Learning Center, and the Independence Blue Cross Student Recreation Center.

His strategic vision for the Main Campus helped revitalize North Central Philadelphia. As a result, community residents are seeing new housing and new retail and entertainment projects in their neighborhoods—and Temple is experiencing an unprecedented influx of talented students who want an education in a great city.

Mr. President, I doubt that few institutions could rival Temple University for its accomplishments and progress during the remarkable stewardship of President Liacouras. I would like to thank my friend for his extraordinary success in leading Temple University to new heights of greatness as one of America's important centers of higher education.•

## TRIBUTE TO NATALIE DAVIS SPINGARN

• Mr. LIEBERMAN. Mr. President, on June 6, 2000, we lost a very courageous, brilliant, and dedicated American, Natalie Davis Spingarn. A noted writer, public servant, and leading advocate for cancer patients, Natalie was also a good friend who I miss greatly. She suffered many health problems over the years, but she lived her life with purpose, grace, and humor. Natalie built on her own experience as a cancer patient to lead the cancer survivor movement and to work for improved care and services for cancer patients.

I met Natalie in 1963, when she was the press secretary for the late Senator Abraham Ribicoff and I was a summer intern. Natalie made a great impression on me then and, quite a few years later, Natalie served as a senior intern in my Senate office where she contributed her wealth of experience and knowledge to my efforts in the area of health policy. Natalie was a trusted adviser, who endeared herself to my staff and me with her wisdom, energy, compassion, and wit.

Mr. President, I would like to call the attention of my colleagues to a wonderful article about Natalie Spingarn that appeared on June 7 in The Washington Post. Natalie was a frequent contributor to the Health section of the Post, and I know she would be proud to see Bart Barnes' tribute reprinted in the CONGRESSIONAL RECORD.

The tribute follows:

### AUTHOR NATALIE DAVIS SPINGARN DIES

(By Bart Barnes)

Natalie Davis Spingarn, 78, an author and former federal official who for 26 years had written books and articles about her recurring bouts with cancer, died of pancreatic cancer June 6 at the Washington Home Hospice.

Mrs. Spingarn, who initially was diagnosed with metastatic breast cancer in 1974, was a leader in the cancer survivorship movement, a writer on health care policy and a patients' advocate with cancer patient support organizations.

Her writings included a 1988 "Cancer Patient's Bill of Rights," "Hanging in There: Living Well on Borrowed Time" and "The New Cancer Survivors: Living With Grace, Fighting With Spirit," which was published by John Hopkins University Press last year.

"The biopsy is positive. You have cancer," she wrote in "The New Cancer Survivors," commencing her account of the experience shared by an estimated 8.2 million Americans who have a history of cancer.

"Spingarn distills the diversity of the cancer survivor experience, finding the commonality among them," wrote Frances M. Cisco, a 12-year survivor of breast cancer and the president of the National Breast Cancer Coalition, in an April 18 review of Mrs. Spingarn's book published in The Washington Post. "With compassion, insight and occasional humor, Spingarn pulls the reader into the world of what she terms 'the new breed of cancer survivors.' These are not passion victims but confident individuals, ready to speak up to seek out what they need to lead quality lives."

Mrs. Spingarn, a former staff assistant to Abraham A. Ribicoff, both during is tenure as secretary of health, education and welfare and as a Democratic senator from Connecticut, was an officer of the War on Poverty in th late 1960's and early 1970's. She was also a freelance writer who had written articles for The Washington Post and other organizations.

She was active in Democratic Party politics and had been a D.C. delegate to two Democratic National Conventions. During the 19689 presidential campaign of Hubert H. Humphrey, she traveled with the vice president as a speech writer.

Mrs. Spingarn, a resident of Washington, was born in New York and graduated from Vassar College. She began her professional career as a reporter on the New York newspaper PM shortly after college, then came to Washington with her husband after World War II.

She joined Ribicoff as his executive assistant at HEW in 1961 and remained with him after his 1962 election to the Senate. In 1967, she returned to HEW as assistant director for communications and training at the center for community planning, which was established to coordinate urban efforts in the War on Poverty. She remained on that job through the early 1970s. Later, she was a public affairs assistant at the Department of Education and a D.C. General Hospital commissioner. She was a White House volunteer in the Clinton administration.

In the years after her breast cancer was diagnosed in 1974, Mrs. Spingarn wrote increasingly about issues related to cancer treatment and care. She reviewed several books on health care for the Health section of The Washington Post, and she wrote first-person accounts about her own treatment and care.

She had a family history replete with cancer. Her grandmother died of cancer. Both her sisters had breast cancer, and one died of pancreatic cancer. A son survived a bout with lymphoma.

In 1977 and 1979, Mrs. Spingarn experienced new diagnoses of cancer.

"In my work, I write usually about health policy matters. . . . In my life I am a patient, a role which takes time—too much time," she wrote in The Washington Post in 1980. "I am living still in my Washington hospital bed. . . . A nurse comes in to check on me. . . . 'What's the matter with you?' she wants to know . . . my disease seems to her my fault. She makes no move toward me, even to inquire if I need anything, and observes that I should have talked to the doctor about avoiding its spread . . ."

In 1981, she wrote about her search for a holistic means of dealing with cancer. "I had flirted with the idea that my emotions might affect my cancer pain during a period a few years ago when I suffered especially nagging backaches. I had discarded clumsy back brace, which made me sweat and my clothes balloon. Doctors and a pain clinic had only given me more pills . . . the latest had made my hands tremble."

In the ensuing years, Mrs. Spingarn would write of needs for long-term care and increased mental health services for cancer patients, rules and regulations that often appeared to be contradictory and cause unnecessary hardship, and waste, fraud and inefficiency that many patients routinely encounter.

She won an award at the John Muir Medical Film Festival for a film, "Patients and Doctors: Communication Is a Two-Way Street," and she served on the boards of the National Coalition for Cancer Survivorship and the International Alliance of Patient Organizations.

Survivors include her husband, Jerome Spingarn of Washington; two sons, Jonathan Spingarn of Atlanta and Jeremy Spingarn of Norwood, Mass.; a brother; a sister; and two grandchildren.

## THE SINDTS' 50TH WEDDING ANNIVERSARY

• Mr. ASHCROFT. Mr. President, families are the cornerstone of America. Individuals from strong families contribute to the society. It is both instructive and important to honor those who have taken the commitment of "till death us do part" seriously, demonstrating successfully the timeless principles of love, honor, and fidelity. These characteristics make our country strong.

For these important reasons, I rise today to honor Merrill and Barbara Sindt of Jefferson City, Missouri, who will celebrate their 50th wedding anniversary in August. My wife, Janet, and I look forward to the day we can celebrate a similar milestone. The Sindts' commitment to the principles and values of their marriage deserves to be saluted and recognized.•

## SOUTH CAROLINA PEACHES

• Mr. HOLLINGS. Mr. President, I rise to recognize South Carolina's peach farmers for their hard work and their delicious peaches.

Today, peaches from my home State have been delivered to offices throughout the Senate and the U.S. Capitol. Thanks to South Carolina's peach farmers, those of us here in Washington will be able to cool off from the summer heat with delicious peaches.

For a relatively small State, South Carolina is second in the Nation in peach production. In fact, this year farmers across my State planted more than 16,000 acres of peaches. As my colleagues can attest, these are some of the finest peaches produced anywhere in the United States.

As we savor the taste of these peaches, we should remember the work and labor that goes into producing such a delicious fruit. While Americans enjoy peaches for appetizers, entrees and desserts, most do not stop to consider where they come from. Farmers will be laboring all summer in the heat and humidity to bring us what we call the "perfect candy." What else curbs a sweet tooth, is delicious, nutritious and satisfying, but not fattening?

The truth is, Mr. President, our farmers as too often the forgotten workers in our country. Through their dedication and commitment, our nation is able to enjoy a wonderful selection of fresh fruit, vegetables and other foods. In fact, our agricultural system, at times, is the envy of the world.

Mr. President, as Senators and their staff feast on these delicious peaches, I hope they will remember the people in South Carolina who made this endeavor possible: The South Carolina Peach Council, David Winkles and the entire South Carolina Farm Bureau. They have all worked extremely hard to ensure that the U.S. Senate gets a taste of South Carolina.

I am sure everyone in our Nation's Capitol will be smiling as they enjoy these delicious South Carolina peaches.•

## RECOGNITION OF THE DESTINATION IN IMAGINATION TEAM FROM PIONEER MIDDLE SCHOOL

• Mr. GORTON. Mr. President, it is not often that over 8,000 kids from all over the world are brought together to celebrate their creativity and problem solving skills, but thanks to a program called Destination ImagiNation, it became a reality in May of this year when Destination ImagiNation held their Global Finals at Iowa State University. A five-student team from Pioneer Middle School in Wenatchee, Washington were able to participate in the D2K finals and were a great success when they finished fourth in the "Instant PUDDING Improv" category.

Destination ImagiNation is a nonprofit corporation that offers young people a chance to participate in a global, youth-centered, creative problem solving program. The Destination ImagiNation program has two components: "Instant Challenges" that teach students to take what life is handing them moment to moment and requires them to solve a challenge on the spot; "Team Challenges" use art, technology, performance, and real world relevance as they tackle one of the six challenges, that can take from several weeks to several months to develop.

The team from Pioneer Middle School included Carly Faulkner, Kari Opp, Whitney Faulkner, Jessica Pinkston and Aaron Galbraith. Utilizing their critical thinking and problem-solving skills, these amazing individuals were able to perform an improvisational story with only a half and hour to prepare. Not only were there time limits, but they were given predetermined props and a list of 12 people, places, and times that had to be incorporated into their performance.

Can you imagine having to correlate Ghandi, the Egyptian Pyramids, Tinkerbell, and someone winning a million dollars in the Lotto into a coherent and entertaining piece? Successfully, the 8th graders were able to accomplish just that. Surely, this takes a tremendous deal of teamwork and quick thinking!

Their coach, Shelly Skaar, who is a librarian for the East Wenatchee School District, has been with the team twice at the D2K competition. "The impact on the kids has built their teamwork, problem solving abilities, and even incorporates acting into how they compete," says Shelly.

Clearly, this is a confidence building tool that allows children to capitalize on their creativity and be proud of their ideas. I applaud the positive nature of Destination ImagiNation, and am glad that so many children across the nation and around the globe are taking part in such an original competition.•

## RECOGNITION OF "STEPMOTHER'S DAY"

• Mr. SANTORUM. Mr. President, I rise today to offer my support for the many stepparents that contribute to the lives of the children that they help raise. I was sent a letter on May 21, 2000 from Mrs. Joyce Capuzzi informing me that the Sunday after Mother's Day would now be Stepmother's Day.

Joyce's stepdaughter, Lizzie, came to this decision as she recognized the importance of the relationship she has with her stepmother. I commend both Joyce and Lizzie for embracing their new family members in this manner.

Many people are blessed with step-relationships similar to the Capuzzis. However, none have ever illustrated that with the idea of creating a holiday just for the recognition of this type of relationship. It is wonderful that Lizzie Capuzzi holds so much love for her stepmother, and it is my hope that they their relationship can be an example for other stepfamilies.•

## GORDON B. HINCKLEY'S 90TH BIRTHDAY

• Mr. ASHCROFT. Mr. President, I rise today to encourage my colleagues to join me in congratulating Mr. Gordon Hinckley, who celebrated his 90th birthday on June 23, 2000. Mr. Hinckley is a remarkable individual. He has witnessed and been involved in many of the events that have shaped our nation into the greatest the world has ever known. The longevity of his life has meant much more, however, to the many relatives and friends whose lives he has touched over the last 90 years.

Mr. Hinckley's celebration of 90 years of life is a testament to America. His achievements are significant and deserve to be recognized. I would like to join his many friends, relatives, and colleagues in wishing him health and happiness, including rich and fulfilling friendships, in the future. I salute him.•

## MESSAGE FROM THE HOUSE

At 2:16 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that pursuant to section 5(a) of the Abraham Lincoln Bicentennial Commission Act (36 U.S.C. 101 note) and the order of the House of Thursday, June 29, 2000, the Speaker on Friday, June 30, 2000 appointed the following member on the part of the House to the Abraham Lincoln Bicentennial Commission to fill the existing vacancy thereon: Ms. Lura Lynn Ryan of Illinois.

The message also announced that the House passed the following bill, without amendment:

S. 986. An act to direct the Secretary of the Interior to convey the Griffith Project to the Southern Nevada Water Authority.

The message further announced that the House agreed to the following concurrent resolution, without amendment:

S. Con. Res. 129. A concurrent resolution expressing the sense of Congress regarding the importance and value of education in United States history.

The message also announced that the House passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1787. An act to reauthorize the participation of the Bureau of Reclamation in the Deschutes Resources Conservancy, and for other purposes.

H.R. 4132. An act to reauthorize grants for water resources research and technology institutes established under the Water Resources Research Act of 1984.

H.R. 4286. An act to provide for the establishment of the Cahaba River National Wildlife Refuge in Bibb County, Alabama.

The message further announced that the House agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 322. A concurrent resolution expressing the sense of the Congress regarding Vietnamese Americans and others who seek to improve social and political conditions in Vietnam.

## MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 4132. An act to reauthorize grants for water resources research and technology institutes established under the Water Resources Research Act of 1984; to the Committee on Environment and Public Works.

H.R. 4286. An act to provide for the establishment of the Cahaba River National Wildlife Refuge in Bibb County, Alabama; to the Committee on Environment and Public Works.

The following concurrent resolution was read and referred as indicated:

H. Con. Res. 322. A concurrent resolution expressing the sense of the Congress regarding Vietnamese Americans and others who seek to improve social and political conditions in Vietnam; to the Committee on Foreign Relations.

## MEASURES PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 1787. An act to reauthorize the participation of the Bureau of Reclamation in the Deschutes Resources Conservancy, and for other purposes.

## ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, July 11, 2000, he had presented to the President of the United States the following enrolled bill:

S. 148. An act to require the Secretary of the Interior to establish a program to provide assistance in the conservation of neotropical migratory birds.

## EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-9619. A communication from the Inspector General of the National Science Foundation, transmitting, pursuant to law, a notice relative to the fiscal year 2000 audit of the NSF's financial statements; to the Committee on Health, Education, Labor, and Pensions.

EC-9620. A communication from the President of Haskell Indian Nations University, Bureau of Indian Affairs, Department of the Interior, transmitting, pursuant to law, the report of the final plan of the demonstration project for HINU; to the Committee on Indian Affairs.

EC-9621. A communication from the Director of the Office of Regulations Management, Department of Veteran Affairs, transmitting, pursuant to law, the report of a rule entitled "The Veterans Millennium Health Care and Benefits Act" (RIN2900-AK04) received on July 10, 2000; to the Committee on Veterans' Affairs.

EC-9622. A communication from the General Council, Office of Size Standards, Small Business Administration, transmitting, pursuant to law, the report of a rule entitled

"Small Business Size Standards: General Building Contractors, Heavy Construction, Except Building, Dredging and Surface Cleanup Activities, Special Trade Contractors, Garbage and Refuse Collection, Without Disposal, and Refuse Systems" (RIN3245–AE23) received on July 10, 2000; to the Committee on Small Business.

EC–9623. A communication from the Director of Operations and Finance, The American Battle Monuments Commission, transmitting, pursuant to law, the report under the Freedom of Information Act for fiscal year 1999; to the Committee on the Judiciary.

EC–9624. A communication from the Vice-Chairman of the Federal Election Commission, transmitting, pursuant to law, the report of a rule entitled "Election Cycle Reporting by Authorized Committees" received on July 7, 2000; to the Committee on Rules and Administration.

## PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–528. A concurrent resolution adopted by the Legislature of the State of New Hampshire relative to apple cider; to the Committee on Agriculture, Nutrition, and Forestry.

### House Concurrent Resolution 35

Whereas, New Hampshire has over 60 small family-run cider mills which will likely be forced to close if the United States Food and Drug Administration (USFDA) proceeds with new rules requiring pasteurization of apple cider offered for sale to the consuming public; and

Whereas, the costs of installing pasteurization equipment are prohibitive and are beyond the means of all but the very largest commercial apple cider makers; and

Whereas, alternative technologies using either ultraviolet rays or a strict process of washing and rinsing of the raw apples can accomplish the USFDA's goal of a 100,000-fold bacteria reduction: Now, therefore, be it

*Resolved by the House of Representatives, the Senate concurring:* That in order to preserve our tradition of making fine apple cider at local mills based at New Hampshire orchards, we urge the USFDA to defer its proposed rules requiring pasteurization for apple cider and instead consider adoption of processing standards which can achieve the same level of public protection at reasonable cost to our small cider makers; and

That copies of this resolution be sent by the house clerk to the President of the United States, the Speaker of the United States House of Representatives, the President of the United States Senate, the Administrator of the United States Food and Drug Administration, and each member of the New Hampshire congressional delegation.

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POM–529. A joint resolution adopted by the Legislature of the State of New Hampshire relative to local television access; to the Committee on Banking, Housing, and Urban Affairs.

### House Joint Resolution 26

Whereas, access to local broadcast television signals in certain rural areas is limited or unavailable and measures to facilitate the provision of local signals in unserved and underserved markets is required; and

Whereas, the United States Congress will again consider legislation establishing incentives including loan guarantees for multichannel video services to provide the access to local broadcast television signals in unserved and underserved rural areas: Now, therefore, be it

*Resolved by the Senate and House of Representatives in General Court convened:* That the New Hampshire Senate and House of Representatives support the improved access to local television for households in unserved and underserved rural areas; and

That the United States Congress is urged to enact legislation which establishes incentives including loan guarantees for multichannel video services to provide the access to local broadcast television signals in unserved and underserved rural areas; and

That copies of this resolution be sent by the house clerk to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, and each member of the New Hampshire congressional delegation.

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POM–530. A resolution adopted by the General Assembly of the State of New Jersey relative to domestic dog and cat fur; to the Committee on Commerce, Science, and Transportation.

### Assembly Resolution No. 54

Whereas, A recent investigation conducted by the Humane Society of the United States and others revealed that approximately two million domestic dogs and cats are killed annually worldwide for their fur as part of an extensive international trade in the pelts of these animals, and that the method of killing is often exceedingly cruel; and

Whereas, Domestic dog and cat fur products are sometimes marketed in the United States, as evidenced, for example, by recent news stories reporting the sale of fur-trimmed coats labeled as "Mongolia dog fur" in New Jersey; and

Whereas, Federal law does not prohibit the practices of importing, selling, or using domestic dog or cat fur in garments and only requires the labeling of the fur used when the product costs more than $150; and

Whereas, The importation and use of domestic dog and cat fur in garments or other products sold in the United States is shocking and does not comport at all with the generally accepted view of these animals as human companions: Now, therefore, be it

*Resolved by the General Assembly of the State of New Jersey:*

1. The Congress of the United States is respectfully memorialized to enact legislation as soon as possible prohibiting the importation into the United States, or sale, of domestic dog or cat fur or any product made in whole or in part therefrom. For the purposes of this resolution, "domestic dog or cat" means a dog (Canis familiaris) or cat (Felis catus or Felis domesticus) that is generally recognized in the United States as being a household pet and shall not include coyote, fox, lynx, bobcat, or any other wild canine or feline species.

2. Duly authenticated copies of this resolution, signed by the Speaker of the General Assembly and attested by the Clerk thereof, shall be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, the majority and minority leaders of the United States Senate and of the United States House of Representatives, every member of Congress elected from the State, the Secretary of the United States Department of Commerce, and the chairman and each commissioner of the Federal Trade Commission.

POM–531. A concurrent resolution adopted by the Legislature of the State of New Hampshire relative to taxes; to the Committee on the Judiciary.

### House Concurrent Resolution 27

Whereas, separation of powers is fundamental to the United States Constitution and the power of the federal government is strictly limited; and

Whereas, under the United States Constitution, the states are to determine pubic policy; and

Whereas, it is the duty of the judiciary to interpret the law, not to create law; and

Whereas, our present federal government has strayed from the intent of our founding fathers and the United States Constitution through inappropriate federal mandates; and

Whereas, these mandates by way of statute, rule, or judicial decision have forced state governments to serve as the mere administrative arm of the federal government; and

Whereas, federal district courts, with the acquiescence of the United States Supreme Court, continue to order states to levy or increase taxes to comply with federal mandates; and

Whereas, these court actions violate the United States Constitution and the legislative process; and

Whereas, the time has come for the people of this great nation and their duly elected representatives in state government to reaffirm, in no uncertain terms, that the authority to tax under the Constitution of the United States is retained by the people who, by their consent alone, do delegate such power to tax explicitly to those duly elected representatives in the legislative branch of government whom they choose, such representatives being directly responsible and accountable to those who have elected them; and

Whereas, several states have petitioned the United States Congress to propose an amendment to the Constitution of the United States of America; and

Whereas, the amendment was previously introduced in Congress; and

Whereas, the amendment seeks to prevent federal courts from levying or increasing taxes without representation of the people and against the peoples' wishes: Now, therefore, be it

*Resolved by the House of Representatives, the Senate concurring:* That the Congress of the United States prepare and submit to the several states an amendment to the Constitution of the United States to add a new article providing as follows: "Neither the Supreme Court nor any inferior court of the United States shall have the power to instruct or order a state or a political subdivision thereof; or an official of such a state or political subdivision, to levy or increase taxes"; and

That this application for an amendment to the Constitution is a continuing application in accordance with Article V of the Constitution of the United States; and

That the house clerk transmit copies of this resolution to the President and Vice President of the United States, the Speaker of the United States House of Representatives, and each member of the New Hampshire Congressional delegation.

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POM–532. A resolution adopted by the Council of the City of Cincinnati, Ohio relative to the Individuals with Disabilities Education Act; to the Committee on Health, Education, Labor, and Pensions.

POM–533. A joint resolution adopted by the Legislature of the State of Tennessee relative to proposed ergonomics standards; to the Committee on Health, Education, Labor, and Pensions.

SENATE JOINT RESOLUTION NO. 610

Whereas, Tennessee has enacted a comprehensive workers' compensation system with incentives to employers to maintain a safe workplace, to work with employees to prevent workplace injuries, and to compensate employees for injuries that occur; and

Whereas, Section 4(b)(4) of the Federal Occupational Safety and Health Act, 29 U.S.C. §653(b)(4), provides that "Nothing in this chapter shall be construed to supersede or in any manner affect any workmen's compensation law or to enlarge or diminish or affect in any other manner the common law or statutory rights, duties or liabilities of employers and employees under any law with respect to injuries, diseases, or death of employees arising out of, or in the course of, employment."; and

Whereas, The Occupational Safety and Health Administration ("OSHA"), notwithstanding this statutory restriction and the constitutional, traditional and historical role of the states in providing compensation for injuries in the workplace, has nevertheless published a proposed rule that, if adopted, would substantially displace the role of the states in compensating workers for musculoskeletal injuries in the workplace and would impose far-reaching requirements for implementation of ergonomics programs; and

Whereas, The proposed rule creates in effect a special class of workers' compensation benefits for ergonomic injuries, requiring payment of up to six months of wages at ninety percent (90%) of take-home pay and one hundred percent (100%) of benefits for absence from work; and

Whereas, The proposed rule would allow employees to bypass the system of medical treatment provided by Tennessee law for workers' compensation injuries and to seek diagnosis and treatment from any licensed health care provider paid by the employer; and

Whereas, The proposed rule would require employers to treat ergonomic cases as both workers' compensation cases and OSHA cases and to pay for medical treatment under both; and

Whereas, The proposed rule could force all manufacturers to alter workstations, redesign facilities or change tools and equipment, all triggered by the report of a single injury; and

Whereas, The proposed rule would require all American businesses to become full-time experts in ergonomics, a field for which there is little if any credible evidence and as to which there is an ongoing scientific debate; and

Whereas, The proposed rule would cause hardship on businesses and manufacturers with costs of compliance as high as eighteen billion dollars ($18,000,000,000) annually, without guaranteeing the prevention of a single injury; and

Whereas, The proposed rule may force businesses to make changes that would impair efficiency in distribution centers; and

Whereas, This proposed rule is premature until the science exists to understand the root cause of musculoskeletal disorders, OSHA should not rush to make rules that are likely to result in a loss of jobs without consensus in the scientific and medical communities as to what causes repetitive-stress injuries, and medical researchers must answer fundamental questions surrounding ergonomics before government regulators impose a one-size-fits-all solution: Now, therefore, be it

*Resolved by the Senate of the One Hundred First General Assembly of the State of Tennessee, the House of Representatives concurring,* That this General Assembly hereby memorializes the United States Congress to take all necessary measures to prevent the proposed ergonomics rule from taking effect; and be it further

*Resolved,* That an enrolled copy of this resolution be transmitted to the Speaker and the Clerk of the United States House of Representatives; the President and the Secretary of the United States Senate; and to each member of the Tennessee Congressional delegation.

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POM-534. A resolution adopted by the Legislature of Guam relative to the Earned Credit; to the Committee on Appropriations.

RESOLUTION NO. 316

Whereas, Guam's economy has been in a prolonged recession for several years as a result of the Asian economic crisis and a reduction of military spending on Guam, resulting in drastically reduced government revenues; and

Whereas, Guam's working poor have not received their deserved Earned Income Tax Credit benefit over the last two (2) years during an especially bad time for them to go without this money; and

Whereas, in the distant past Federal funds have been used to pay for these purposes; and

Whereas, because of Guam's tax structure, funds for the Earned Income Tax Credit would come out of Guam's local treasury, *not* Federal sources, unlike in the case of state governments, who do *not* have to pay for the Earned Income Tax Credit: Now therefore, be it

*Resolved,* That I Mina'Bente Singko Na Liheslaturan Guåhan does hereby, on behalf of the people of Guam, respectfully request assistance from the United States Congress to appropriate Thirty-five Million Dollars ($35,000,000) for the purpose of paying for the Earned Income Tax Credit already owed to Guam's working poor; and be it further

*Resolved,* That I Mina'Bente Singko Na Liheslaturan Guåhan does hereby, on behalf of the people of Guam, respectfully request assistance from the United States Congress to appropriate funds annually for the continuing funding of the Earned Income Tax Credit Program; and be it further

*Resolved,* That the Speaker certify, and the Legislative Secretary attests to, the adoption hereof and that copies of the same be thereafter transmitted to the Honorable William Jefferson Clinton, President of the United States of America; to the Honorable Albert Gore, Jr., President of the U.S. Senate; to the Honorable J. Dennis Hastert, Speaker of the U.S. House of Representatives; to the Honorable Frank H. Murkowski, U.S. Senate; to the Honorable Don Young, U.S. Senate; to the Honorable Robert A. Underwood, Member of Congress, U.S. House of Representatives; and to the Honorable Carl T.C. Gutierrez, I Magna'lahen Guåhan.

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POM-535. A joint resolution adopted by the Legislature of the State of New Hampshire relative to the Ricky Ray Hemophilia Relief Fund Act; to the Committee on Appropriations.

HOUSE JOINT RESOLUTION 20

Whereas, Congress passed the Ricky Ray Hemophilia Relief Fund Act of 1998; and

Whereas, the Ricky Ray Hemophilia Relief Fund Act was passed to provide for compassionate payments to individuals with blood-clotting disorders, such as hemophilia, who contracted the human immunodeficiency virus due to contaminated blood products; and

Whereas, in its review of the events surrounding the HIV infection of thousands of people with blood-clotting disorders, such as hemophilia, a 1995 study, entitled "HIV and Blood Supply", of the Institute of Medicine found a failure of leadership and an inadequate institutional decision-making process in the system responsible for ensuring blood safety, concluding that a failure of leadership led to less than effective donor screening, weak regulatory actions, and insufficient communication to patients about the risk of AIDS; and

Whereas, this legislation, named after a teen-age hemophiliac who died from AIDS, was enacted to provide financial relief to the families of hemophiliacs who were devastated by the federal government's policy failure in its handling of the AIDS epidemic; and

Whereas, now that the relief bill has been signed into law by the President, Congress has been reticent to fund it: Now, therefore, be it

*Resolved by the Senate and House of Representatives in General Court convened:* That the New Hampshire general court hereby urges Congress to fully fund the Ricky Ray Hemophilia Relief Fund, enacted into law under the Ricky Ray Hemophilia Relief Fund Act of 1998, in 1999 so that there is no delay between the authorization and timely appropriation of this relief; and

That copies of this resolution signed by the governor, the speaker of the house of representatives, and the president of the Senate be forwarded by the house clerk to the Speaker of the United States House of Representatives, the President of the United States Senate, the President of the United States and to each member of the New Hampshire congressional delegation.

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POM-536. A resolution adopted by the General Assembly of the State of New Jersey relative to the Sterling Forest, New York; to the Committee on Appropriations.

ASSEMBLY RESOLUTION NO. 106

Whereas, Sterling Forest, located in southern New York and northern New Jersey, is one of the last major undeveloped areas in the New York City metropolitan area; and

Whereas, Two important northern New Jersey drinking water sources, the Monksville Reservoir and the Wanaque Reservoir, are fed in part by streams with headwaters in Sterling Forest, and these reservoirs supply drinking water to more than two million people; and

Whereas, The State of New Jersey, particularly Passaic county, has already taken action to acquire the approximately 2,000 acres of Sterling Forest lying within New Jersey, but the major portion of the forest lies within New York; and

Whereas, In February 1998, the State of New York, with the assistance of the Palisades Interstate Park Commission, purchased 15,280 acres of land to create Sterling Forest State Park at a cost of $55 million, of which sum $10 million was contributed by the State of New Jersey, $17.5 million was contributed by the federal government, $11.5 million was contributed by various private organizations and individuals, and $16 million was contributed by the State of New York; and

Whereas, Notwithstanding that purchase, for various reasons significant acreage located in several critical areas of Sterling Forest was not acquired at that time; and

Whereas, In February 2000, Governor Pataki of New York announced the purchase of 868 acres and an agreement to purchase an additional 1,100 acres of critically important land as part of a major expansion of Sterling Forest State Park; and

Whereas, The proposed purchase of 1,100 acres will cost $8 million, of which sum the State of New York will contribute $4 million, Governor Whitman of New Jersey has announced that the State of New Jersey will contribute $1 million, and, with respect to the remainder, Governor Pataki has requested funding therefor from the federal government and will seek additional financial assistance from various private partners: Now, therefore, be it

*Resolved by the General Assembly of the State of New Jersey:*

1. The federal government is respectfully memorialized to provide additional funding to assist in the purchase and preservation of certain portions of Sterling Forest in the State of New York.

2. Duly authenticated copies of this resolution, signed by the Speaker of the General Assembly and attested by the Clerk thereof, shall be transmitted to the President of the United States, the Vice President of the United States, the Speaker of the United States House of Representatives, the Majority and Minority Leaders of the United States Senate and the United States House of Representatives, every Member of Congress elected from the State of New Jersey and from the State of New York, the Secretary of the United States Department of Agriculture, the Secretary of the United States Department of the Interior, the Governor of the State of New York, the Palisades Interstate Park Commission, and the New Jersey District Water Supply Commission.

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POM-537. A joint resolution adopted by the Legislature of the State of New Hampshire relative to the Balanced Budget Act of 1997; to the Committee on Finance.

HOUSE JOINT RESOLUTION 22

Whereas, the Medicare program has made medical services available to millions of senior and disabled citizens since its inception in 1965; and

Whereas, the success of the Medicare program relies on a fair and responsible partnership between the public and private sector to provide appropriate medical services for all eligible individuals; and

Whereas, the Balanced Budget Act of 1997 included the most comprehensive reforms to the Medicare program since its passage, resulting in a range of unintended consequences that are affecting the New Hampshire medical service delivery system accessed by our most frail and needy citizens and provided through hospitals, skilled nursing facilities, and home health agencies; and

Whereas, the Medicare revenue reductions projected by the Balanced Budget Act were intended only to slow the growth of Medicare expense, but have actually resulted in a reduction of Medicare expense that brings the 1999 expense below that of 1997 despite inflation factors of 3-5 percent during that time; and

Whereas, New Hampshire Medicare reimbursement to hospitals will be reduced by as much as an additional $200,000,000 over the next 4 years above the reductions already experienced; and

Whereas, New Hampshire home health agencies reimbursement has been reduced by $24,000,000 to date and will be reduced by an additional 15 percent of the present Medicare reimbursement by October 1, 2001; and

Whereas, further reductions will seriously damage both beneficiary access to care and the ability of providers to continue to provide needed levels of service; and

Whereas, the ameliorative measures prescribed by the Balanced Budget Refinement act of 1999 provide too little relief, restoring less than 10 percent of the reduction of Medicare revenue resulting from the Balanced Budget Act of 1997: Now, therefore, be it

*Resolved by the Senate and the House of Representatives in General Court convened:* That the President of the United States and Congress instruct the Health Care Financing Administration and its fiscal intermediaries that the legislative intent under the Balanced Budget Act of 1997 has been accomplished; and

That the President of the United States and Congress act to eliminate further Medicare revenue reductions of the Act and thereby protect beneficiaries' access to quality care when needed; and

That copies of this resolution, signed by the President of the Senate and the Speaker of the House of Representatives, be forwarded by the house clerk to the President of the United States, to the President of the United States Senate, to the Speaker of the United States House of Representatives, and to each member of the New Hampshire Congressional delegation.

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POM-538. A resolution adopted by the General Assembly of the State of New Jersey relative to the Internal Revenue Code; to the Committee on Finance.

ASSEMBLY RESOLUTION NO. 48

Whereas, The Internal Revenue Code currently provides that an individual's personal income tax filing status depends upon whether that individual is considered married or unmarried; and

Whereas, When a married couple elects the personal income tax filing status of married filing jointly, their incomes are aggregated which often places them in a higher income tax bracket and increases their tax liability; and

Whereas, There are nearly 21 million working married couples in the United States who, as a result of the current Internal Revenue Code, pay an average of $1,400 more in taxes than an unmarried couple of identical financial means; and

Whereas, For many Americans, especially for working couples with lower incomes, $1,400 represents a considerable amount of money that could be used for other necessities of life, such as child care, college tuition or retirement savings; and

Whereas, Many working married Americans view the payment of these higher taxes as a marriage penalty which serves as an incentive to dissolve their marriage; and

Whereas, Many unmarried working Americans view their marriage penalty as a disincentive to enter into the bonds of marriage, choosing instead to live together outside of marriage; and

Whereas, Government policy should strengthen families and encourage marriage rather than penalize those who choose to marry; and

Whereas, It is altogether fitting and proper that the Legislature memorialize the United States Congress to enact H.R. 2456, known as the Marriage Tax Elimination Act, which amends the Internal Revenue Code to provide that married couples may file a combined return under which each spouse is taxed using the rates applicable to unmarried individuals: Now, therefore, be it

*Resolved by the General Assembly of the State of New Jersey:*

1. The General Assembly respectfully memorializes the United States Congress to enact H.R. 2456, the Marriage Tax Elimination Act, which would amend the Internal Revenue Code to provide that married couples may file a combined return under which each spouse is taxed using the rates applicable to unmarried individuals. The Marriage Tax Elimination Act would eliminate the marriage penalty tax and bring greater parity between the tax burden imposed on similarly situated working married couples and that placed on couples living outside of marriage. Such an amendment to the Internal Revenue Code will serve to strengthen marriages and families, allow working married couples to retain more of their own resources, reduce their financial pressures, and enable them to provide for other important necessities of life, such as child care, college tuition and retirement savings.

2. Duly authenticated copies of this resolution, signed by the Speaker of the General Assembly and attested by the Clerk thereof, shall be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, and every member of the United States Congress elected from the State of New Jersey.

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POM-539. A resolution adopted by the House of the Legislature of the Commonwealth of Pennsylvania relative to health plan coverages; to the Committee on Finance.

HOUSE RESOLUTION NO. 380

Whereas, Pennsylvania ranks second only to Florida in the proportion of the total population of the State that is 65 years of age and older; and

Whereas, In 1997 the Medicare+Choice program was established to expand health plan options by permitting types of plans other than health maintenance organizations to participate in Medicare; and

Whereas, In response to excess payments made to participating health plans, the Balanced Budget Act of 1997 (Public Law 105-33, 111 Stat. 251) enacted payment revisions in the Medicare+Choice program to reduce future excess payments; and

Whereas, Participating health plans in the Commonwealth of Pennsylvania, such as Highmark Blue Cross, Blue Shield's Security Blue and Aetna/US Healthcare's plan, have either increased rates substantially or reduced benefits; and

Whereas, Some counties in the Commonwealth of Pennsylvania have been more severely affected by the problems of plan withdrawals, increases in premiums and decreases in benefit packages; and

Whereas, The Federal Health Care Financing Administration is authorized to review and approve Medicare prepaid health plan rates annually; therefore be it

*Resolved*, That the House of Representatives of the Commonwealth of Pennsylvania memorialize Congress to investigate health insurance premium increases for Medicare health maintenance organization coverage and other types of participating health plan coverage; and be it further

*Resolved*, That copies of this resolution be transmitted to the presiding officers of each house of Congress and to each member of Congress from Pennsylvania.

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POM-540. A resolution adopted by the Senate of the Legislature of the Commonwealth of Puerto Rico relative to China; to the Committee on Finance.

SENATE RESOLUTION NO. 3459

STATEMENT OF PURPOSES

The accession of China to the World Trade Organization ("WTO") would potentially add

$1.6 billion by 2005 to the annual tally of global U.S. exports of grains, oilseeds, oilseed products, and cotton. Much of the $1.6 billion represents direct sales to China in the listed commodities, which would enjoy significantly greater access to the immense Chinese market, and the referenced figure does not take into account other commodities, such as fruit and vegetables, animal products, and tree nuts, which would also enjoy increased access once these duty reductions are implemented.

To underscore the importance of the Chinese market to the United States economy, it is worth noting that U.S. agricultural exports to China over the past twenty (20) years have grown from negligible levels to $1.1 billion in fiscal year 1999. Estimates of additional exports under China's pending accession to the WTO are based on a preliminary analysis by the U.S. Department of Agriculture's Economic Research Service ("ERS"), which analysis is based on China's WTO commitments under the comprehensive bilateral trade agreement with the United States.

In its efforts to join the WTO, China has already made significant one-way market-opening accessions across virtually every economic sector, including agriculture, manufactured goods, services, technology, and telecommunications. Farmers, workers and industries from all over the fifty (50) states, as well as U.S. territories and possessions, will greatly benefit from increased access to China's market of over one (1) billion people.

In agriculture, tariffs on U.S. priority products, such as beef, dairy and citrus fruits, will drop from an average of 31% to 14% in January 2004. China will also expand access for bulk agricultural products such as wheat, corn, cotton, soybeans and others; allow for the first time private trade in said products; and eliminate export subsidies. In manufactures, Chinese industrial tariffs will fall from an average of 25% in 1997 to 9.4% in 2005. In information technology, tariffs on products such as computers, semiconductors, and all Internet-related equipment will fall to zero by 2005. In services, China will open markets for distribution, telecommunications, insurance, express delivery, banking, law, accounting, audiovisual, engineering, construction, environmental services, and other industries.

At present, China severely restricts trading rights, i.e., the right to import and export, as well as the ability to own and operate distribution networks, which are essential in order to move goods and compete effectively in any market. Under the proposed agreement, China will phase in such trading rights and distribution services over three (3) years, and also open up sectors related to distribution services, such as repair and maintenance, warehousing, trucking and air courier services. This will allow American businesses to export directly to China and to have their own distribution network in China, rather than being forced to set up factories in China to sell products through Chinese partners, as has been frequently the case until now.

At the same time, the proposed agreement offers China no increased access to American markets. The United States agrees only to maintain the market access policies that already apply to China, and have for over twenty (20) years, by making China's current Normal Trade Relations status permanent. WTO rules require that members accord each other such status on an unconditional basis.

If Congress does not grant China "Permanent Normal Trade Relations" status, our European, Asian, Canadian and Latin American competitors will reap the benefits of China's WTO accession, but China would not be required to accord these benefits to the United States.

In addition to purely economic considerations, China's accession to the WTO will promote reform, greater individual freedom, and strengthen the rule of law in China, which is why the commitments already made represent a remarkable victory for Chinese economic reformers. Furthermore, WTO accession will give the Chinese people greater access to information, and weaken the ability of hardliners in the Chinese government to isolate China's public from outside ideas and influences. In view of these facts, it is not surprising that many of China's and Hong Kong's activists for democracy and human rights—including Martin Lee, the leader of Hong Kong's Democratic Party, and Ren Wanding, a prominent dissident who has spent many years of his life in prison—see China's WTO accession as the most important step toward reform in the past two decades.

Finally, WTO accession will increase the chance that in the new century, China will be an integral part of the international system, abiding by accepted rules of international behavior, rather than remain outside the system, denying or ignoring such rules. From the U.S. perspective, PNTR advances the American people's larger interest to bring China into international agreements and institutions that can make it a more constructive player in the current world, with a significant stake in preserving peace and stability.

For all of the above considerations, the Senate of Puerto Rico joins in urging the President and the Congress of the United States to pass a Permanent Normal Trade Relations ("PNTR") agreement with China at the earliest possible moment, which will provide American farmers, workers and industries with substantially greater access to the Chinese market, to the ultimate benefit of the U.S. economy in general and the American people in particular.

*Be it resolved by the Senate of Puerto Rico:*

SECTION 1.—To urge the President and the Congress of the United States to approve a Permanent Normal Trade Relations ("PNTR") agreement with China at the earliest possible date in order to promote security and prosperity for American farmers, workers and industries by providing substantially greater access to the Chinese market.

SECTION 2.— This Resolution will be officially notified to the Honorable William Jefferson Clinton, President of the United States, to the Honorable Albert Gore, Jr., Vice-President of the United States, to the Honorable Trent Lott, United States Senate Majority Leader, and to the Honorable J. Dennis Hastert, Speaker of the United States House of Representatives, as well as selected Members of the United States Congress.

SECTION 3.—This Resolution will be publicized by making copies thereof available to the local, state and national media.

SECTION 4.—This Resolution will become effective immediately upon its approval by the Senate of Puerto Rico.

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POM-541. A concurrent resolution adopted by the Legislature of the State of Louisiana relative to Internal Revenue Code; to the Committee on Finance.

HOUSE CONCURRENT RESOLUTION NO. 16

Whereas, many employees of the state of Louisiana participate in one of the four public retirement systems sponsored by the state, and these employees contribute to the applicable system in order to provide benefits which are payable to their minor children upon the death of any such employee; and

Whereas, based on federal law, the federal Internal Revenue Service allows five thousand dollars of such death benefits payable from a state retirement system to the children of deceased state employees to be excluded from gross income for the purposes of taxation, but requires any amount of benefits above that sum to be taxed as "investment income" under Section 61(a) of the federal Internal Revenue Code, which is contrary to the source and nature of such death benefits; and

Whereas, in contrast to state employment, there are many more people who are employed in the "private sector", who participate in the federal social security system and who pay contributions to that system in order to provide benefits which are payable to their minor children upon the death of any such employee; and

Whereas, also in contrast to state employment, Section 86(a) of the federal Internal Revenue Code provides an exclusion from gross income in an amount equal to one-half of death benefits payable from the social security system to children of deceased private sector employees, with the remaining half being treated as ordinary income, and prior to the 1983 tax year all such benefits were excluded from taxable income; and

Whereas, it is patently unfair to require a limit of five thousand dollars for the exclusion from income of death benefits payable to the children of public sector employees and to treat all such benefits above that limit as investment income, while simultaneously allowing an exclusion of one-half of such benefits payable to children of private sector employees and treating all such benefits above that limit as ordinary income, but not as investment income: Therefore, be it

*Resolved*, That the Legislature of Louisiana does hereby memorialize the United States Congress to amend Section 86(a) of the United States Internal Revenue Code, regarding the children of deceased public sector employees who receive death benefits from a state-sponsored retirement system, to provide those children with an exclusion from gross income equal to one-half of such benefits and to treat all such benefits above that limit as ordinary income, but not as investment income, and thereby bring equality of treatment to children of deceased public and private sector employees; be it further

*Resolved*, That a copy of this Resolution be transmitted to the presiding officers of the Senate and the House of Representatives of the Congress of the United States of America and to each member of the Louisiana congressional delegation.

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POM-542 A resolution adopted by the City Council of Westfield, Massachusetts relative to Vieques, Puerto Rico; to the Committee on Armed Services.

POM-543 A petition from a Citizen of the State of Maryland relative to the Environmental Protection Agency; to the Committee on Environment and Public Works.

POM-544. A joint resolution adopted by the Legislature of the State of New Hampshire relative to the Clean Air Act; to the Committee on Environment and Public Works.

HOUSE JOINT RESOLUTION 21

Whereas, the federal Clean Air Act provisions for best available control technology (BACT), lowest achievable emission rate (LAER), and other similar requirements have been applied such that the availability of alternative technology with slightly superior emissions reduction than a base technology could require the use of the alternative technology by all new sources; and

Whereas, the federal Clean Air Act could require this even if the alternative technology provides only slightly more emissions reduction than the base technology, or the alternative is significantly less reliable, less tested, less used, or less available than the base technology, or if the alternative technology is significantly less cost-effective than the base technology; and

Whereas, these requirements have sometimes had the effect of delaying the implementation of more cost-effective, more proven technologies with only slightly less emissions reduction, so as to increase the total amount of pollution emitted; and

Whereas, legal actions regarding the application of these BACT provisions have delayed the construction of at least one low-polluting combined cycle natural gas electric generating facility in New England; and

Whereas, these undesirable side effects should not be allowed to impede desirable cost-effective emissions reductions that lead to air quality improvements; and

Whereas, when the United States Environmental Protection Agency issued its new ozone and particulate matter standards in July, 1997, its new standards were accompanied by a message from President Clinton urging that an upper bound be placed on the cost of implementing emission reductions to meet these standards: Now, therefore, be it

*Resolved by the Senate and House of Representatives in General Court convened:* That the United States Congress should amend the federal Clean Air Act requirements for best available control technology, lowest achievable emission rate, and other similar requirements, so that cost-effective emissions reductions can be promptly implemented without these undesirable side effects; and

That the federal Clean Air Act specifically be amended so that the availability of alternative technology with slightly superior emissions reduction than a base technology does not necessarily require the complete replacement of the base technology by the alternative technology, especially if the additional emissions reduction is small compared with the base technology; if the alternative technology is significantly less reliable, less tested, less used, or less available than the base technology; or if the alternative technology is significantly less cost-effective than the base technology; and

That copies of this resolution signed by the governor, the speaker of the house of representatives, and the president of the senate be forwarded by the house clerk to the Speaker of the United States House of Representatives, the President of the United States Senate, the President of the United States, the Administrator of the United States Environmental Protection Agency, and to each member of the New Hampshire congressional delegation.

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POM-545. A joint resolution adopted by the Legislature of the State of New Hampshire relative to gasoline; to the Committee on Environment and Public Works.

### HOUSE JOINT RESOLUTION 24

Whereas, the United States Environmental Protection Agency's National Blue Ribbon Panel on MTBE has recently examined oxygenates in gasoline in general, and methyl t-butyl ether (MTBE) in particular, and has concluded that the oxygenate requirement for gasoline of the federal Clean Air Act should be eliminated and that the use of MTBE in gasoline should be phased out; and

Whereas, state by state standards for gasoline composition would result in a complex and inefficient regulatory system for fuels, with negative financial effects on refiners and consumers: Now, therefore, be it

*Resolved by the Senate and House of Representatives in General Court convened:* That the United States Congress should promptly eliminate the oxygenate requirement for gasoline of the federal Clean Air Act; and

That the United States Environment Protection Agency should encourage the United States Congress to promptly eliminate the oxygenate requirement for gasoline of the federal Clean Air Act; and

That the United States Congress and the United States Environmental Protection Agency should work with the northeastern states and with gasoline refiners to promptly develop and approve a consistent, effective regional specification for gasoline containing significantly less or no MTBE additive; and

That copies of this resolution signed by the governor, the speaker of the house of representatives, and the president of the senate be forwarded by the house clerk to the Speaker of the United States House of Representatives, the President of the United States Senate, the President of the United States, the Administrator of the United States Environmental Protection Agency, and to each member of the New Hampshire congressional delegation.

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POM-546. A concurrent resolution adopted by the Legislature of the State of Louisiana relative to the Coastal Wetlands Planning, Protection, and Restoration Act Task Force; to the Committee on Environment and Public Works.

### HOUSE CONCURRENT RESOLUTION NO. 12

Whereas, the Coastal Wetlands Planning, Protection and Restoration Act (CWPPRA), known as the "Breaux Act" sponsored by Senator John Breaux, provides approximately $40 million per year in federal funding for the Louisiana wetlands protection and restoration projects approved by the CWPPRA Task Force; and

Whereas, Louisiana's barrier islands are the primary line of defense against waves from the Gulf of Mexico and protect our extensive estuarine system and the mainland marshes; and

Whereas, barrier islands help keep one of the nation's most productive fisheries vibrant, provide habitat to wildlife and furnish storm protection for homes, roads, waterways, and oil industry infrastructure; and

Whereas, these barrier islands provide valuable habitat for migratory birds, nesting shorebirds and waterfowl, and aquatic nursery habitats for fish and shellfish; and

Whereas, restoration is critical to sustaining the barrier islands and reducing mainland marsh loss; and

Whereas, the erosion and breaching of barrier islands reduces their effectiveness in preventing storm surges from reaching mainland marshes and results in increased wave damage to bay marshes; and

Whereas, Louisiana, which contains forty percent of the wetlands in the forty-eight contiguous states, is losing between twenty-five and thirty-five square miles of valuable marine habitat a year, mainly due to erosion, subsidence, and other forces; and

Whereas, the barrier islands are estimated to disappear by about 2018 if nothing is done; and

Whereas, coastal restoration projects are selected by the CWPPRA Task Force based upon the project's overall impact on coastal restoration; and

Whereas, the current selection process does not adequately appreciate the full repercussions of barrier island erosion and loss on the entire coastline; therefore be it

*Resolved,* That the Legislature of Louisiana memorializes the Congress of the United States and urges the CWPPRA Task Force to support modifying the selection process for projects under the Breaux Act to consider other benefits that barrier island restoration projects provide in addition to vegetated wetland benefits; be it further

*Resolved,* That a copy of the Resolution be transmitted to the secretary of the United States Senate and the clerk of the United States House of Representatives, to each member of the Louisiana congressional delegation, and to the chairman of the CWPPRA Task Force.

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POM-547. A resolution adopted by the House of the General Assembly of the State of Rhode Island relative to gasoline; to the Committee on Environment and Public Works.

### HOUSE RESOLUTION

Whereas, The 1990 amendments to the federal Clean Air Act (CAA) mandated the addition of oxygenates in reformulated gasoline (RFG) at a minimum of 2% of content by weight to reduce the concentration of various types of air contaminants, including ozone and carbon monoxide, in regions of the country exceeding National Ambient Air Quality Standards, and states that opted into the program; and

Whereas, Methyl tertiary-butyl ether (MtBE), the most commonly used gasoline oxygenate in the United States and Rhode Island, is being detected in surface and groundwater supplies throughout the United States due to leaking underground petroleum storage tanks, spills, and other accidental discharges; and

Whereas, Because MtBE is highly soluble in water, spills and leaks involving MtBE-laden gasoline are considerably more expensive and difficult to remediate than those involving conventional gasoline; and

Whereas, A "Blue Ribbon Panel" of the U.S. Environmental Protection Agency called for the elimination of the federal oxygenate requirement and for the reduction of the use of MtBE in gasoline because of public health concerns associated with MtBE in water supplies; and

Whereas, The prescriptive requirements in the 1990 Clean Air Act Amendments for oxygenate content restrict the State's ability to address groundwater contamination and air quality issues: Now therefore be it

*Resolved,* That the State of Rhode Island and Providence Plantations respectfully urges and requests that the United States Congress remove the requirement in the Clean Air Act for 2% of content by weight oxygenate in reformulated gasoline while maintaining the toxic emissions reductions benefits achieved to date by the RFG program so that additional alternate fuel mixtures may be available for use in Rhode Island; and be it further

*Resolved,* That the Secretary of State be and he hereby is authorized and directed to transmit a duly certified copy of this resolution to the Honorable William J. Clinton, President of the United States, the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States and to each member of the Rhode Island Congressional Delegation.

POM-548. A resolution by the Legislature of the State of New York relative to the Great Lakes; to the Committee on Environment and Public Works.

LEGISLATIVE RESOLUTION

Whereas, Water is a critical resource that is essential for all forms of life and for a broad range of economic and social activities; and

Whereas, The Great Lakes support 33 million people as well as a diversity of the plant and animal populations; and

Whereas, The Great Lakes contain roughly 20% of the world's freshwater and 95% of the freshwater of the United States; and

Whereas, The Great Lakes are predominantly non-renewable resources with approximately only 1% of their water renewed annually by precipitation, surface water runoff and inflow from groundwater sources; and

Whereas, The Great Lakes Basin is an integrated and fragile ecosystem with its surface and groundwater resources a part of a single hydrologic system, which should be dealt with as a whole in ways that take into account water quantity, water quality and ecosystem integrity; and

Whereas, Sound science must be the basis for water resource management policies and strategies; and

Whereas, Scientific information supports the conclusion that a relatively small volume of water permanently removed from sensitive habits may have grave ecological consequences; and

Whereas, Single and cumulative bulk removals of water from drainable basins such as interbasin transfers, reduce the resiliency of a system and its capacity to cope with future, unpredictable stresses, including potential introduction of non-native species and diseases to receiving waters; and

Whereas, There is uncertainty about the availability of Great Lakes water in the future in light of previous variations in climatic conditions, climate change, demands on water—cautions should be used in managing water to protect the resource for the future; and

Whereas, A report from The International Joint Commission, released March 15, 2000, recommends that Canadian and U.S. federal, provincial and state governments should not permit the removal of water from the Great Lakes Basin unless the proponent can demonstrate that the removal will not endanger the integrity of the Great Lakes Ecosystem; and

Whereas, Canada has already introduced legislation to amend the Boundary Waters Treaty Act to prohibit bulk water withdrawals from the Great Lakes: Now, therefore, be it

*Resolved*, That this Legislative Body pause in its deliberations to urge the New York State Congressional Delegation to effectuate an amendment to the Boundary Waters Treaty Act to prohibit bulk water withdrawals from the Great Lakes to preserve the integrity and environmental stability of the Great lakes; and be it further

*Resolved*, That copies of this Resolution, suitably engrossed, be transmitted to each member of the United States Congressional Delegation of the State of New York; to the Vice President of the United States in his capacity as President of the United States Senate; to the Speaker of the United States House of Representatives; to the Clerk of the United States House of Representatives; to the Secretary of the United States Senate; and to the Administrator of the United States Environmental Protection Agency.

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HELMS, from the Committee on Foreign Relations, without amendment:

S. 2844: An original bill to amend the Foreign Assistance Act of 1961 to authorize the provision of assistance to increase the availability of credit to microenterprises lacking full access to credit, to establish a Microfinance Loan Facility, and for other purposes (Rept. No. 106-335).

S. 2845: An original bill to authorize additional assistance to countries with large populations having HIV/AIDS, to authorize assistance for tuberculosis prevention, treatment, control, and elimination, and for other purposes (Rept. No. 106-336).

By Mr. THOMPSON, from the Committee on Governmental Affairs, without amendment:

S. 2712: A bill to amend chapter 35 of title 31, United States Code, to authorize the consolidation of certain financial and performance management reports required of Federal agencies, and for other purposes (Rept. No. 106-337).

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. HELMS:

S. 2844. An original bill to amend the Foreign Assistance Act of 1961 to authorize the provision of assistance to increase the availability of credit to microenterprises lacking full access to credit, to establish a Microfinance Loan Facility, and for other purposes; placed on the calendar.

By Mr. HELMS:

S. 2845. An original bill to authorize additional assistance to countries with large populations having HIV/AIDS, to authorize assistance for tuberculosis prevention, treatment, control, and elimination, and for other purposes; placed on the calendar.

By Mr. ROCKEFELLER:

S. 2846. A bill to extend the suspension of duty for certain chemicals; to the Committee on Finance.

By Mr. ABRAHAM:

S. 2847. A bill to modify the River and Harbor Act of 1886 to authorize Corps of Engineer authority over an extended portion of the Clinton River; to the Committee on Environment and Public Works.

By Mr. BINGAMAN:

S. 2848. A bill to provide for a land exchange to benefit the Pecos National Historical Park in New Mexico; to the Committee on Energy and Natural Resources.

By Mr. HARKIN:

S. 2849. A bill to create an independent office in the Department of Labor to advocate on behalf of pension participants, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. MOYNIHAN:

S.J. Res. 49. A joint resolution recognizing Commodore John Barry as the first flag officer of the United States Navy; to the Committee on Armed Services.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BINGAMAN:

S. 2848. A bill to provide for a land exchange to benefit the Pecos National Historical Park in New Mexico; to the Committee on Energy and Natural Resources.

### PECOS NATIONAL HISTORICAL PARK LAND EXCHANGE ACT OF 2000

Mr. BINGAMAN. Mr. President, today, I am introducing the "Pecos National Historical Park Land Exchange Act of 2000. This bill will facilitate a land exchange between the Federal government and a private landowner that will benefit the Pecos National Historical Park in my State of New Mexico.

Specifically, the bill will enable the Park Service to acquire a private inholding within the park's boundaries in exchange for the transfer of a nearby tract of national forest system land. The national forest parcel has been identified as available for exchange in the Santa Fe National Forest Land and Resource Management Plan and is surrounded by private lands on three sides.

Pecos National Historical Park posses exceptional historic and archaeological resources. Its strategic location between the Great Plains and the Rio Grande Valley has made it the focus of the region's 10,000 years of human history. The park preserves the ruins of the great Pecos pueblo, a major trade center and the ruins of two Spanish colonial missions dating from the 17th and 18th centuries.

The Glorieta Unit of the park protects key sites associated with the 1862 Civil War Battle of Glorieta Pass, a significant event that ended the Confederate attempt to expand the war into the west. This unit will directly benefit from the land exchange.

I ask unanimous consent that the full text of the bill I have introduced today be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Pecos National Historical Park Land Exchange Act of 2000."

**SEC. 2. DEFINITIONS.**

As used in this Act—

(1) the term "Secretaries" means the Secretary of the Interior and the Secretary of Agriculture; and

(2) the term "landowner" means Harold and Elizabeth Zuschlag, owners of land within the Pecos National Historical Park.

(3) the term "map" means a map entitled "Pecos National Historical Park Land Exchange" and dated June 27, 2000.

**SEC. 3. LAND EXCHANGE.**

(a) Upon the conveyance by the landowner to the Secretary of the Interior of the lands identified in subsection (b), the Secretary of Agriculture shall convey the following lands and interests to the landowner, subject to the provisions of this Act:

(1) approximately 160 acres of Federal lands and interests therein within the Santa

Fe National Forest in the State of New Mexico, as generally depicted on the map; and

(2) an easement for water pipelines to two existing well sites, located within the Pecos National Historical Park, as provided in this paragraph.

(A) The Secretary of the Interior shall determine the appropriate route of the easement through Pecos National Historical Park and such route shall be a condition of the easement. The Secretary of the Interior may add such additional terms and conditions to the easement as he deems appropriate.

(B) The easement shall be established, operated, and maintained in compliance with all Federal laws.

(b) The lands to be conveyed by the landowner to the Secretary of the Interior comprise approximately 154 acres within the Pecos National Historical Park as generally depicted on the map.

(c) The Secretary of Agriculture shall convey the lands and interests identified in subsection (a) only if the landowner conveys a deed of title to the United States, that is acceptable to and approved by the Secretary of the Interior.

(d) Terms and Conditions.—

(1) In general.—Except as otherwise provided in this Act, the exchange of lands and interests pursuant to this Act shall be in accordance with the provisions of section 206 of the Federal Land Policy and Management Act (43 U.S.C. 1716) and other applicable laws.

(2) Valuation and appraisals.—The values of the lands and interests to be exchanged pursuant to this Act shall be equal, as determined by appraisals using nationally recognized appraisal standards including the Uniform Appraisal Standards for Federal Land Acquisition. The landowner shall pay the cost of the appraisals.

(3) Completion of the exchange.—The exchange of lands and interests pursuant to this Act shall be completed not later than 90 days after the Secretary of the Interior approves the appraisals.

(4) Additional terms and conditions.—The Secretaries may require such additional terms and conditions in connection with the exchange of lands and interests pursuant to this Act as the Secretaries consider appropriate to protect the interests of the United States.

**SEC. 4. BOUNDARY ADJUSTMENT AND MAPS.**

(a) Upon acceptance of title by the Secretary of the Interior of the lands and interests conveyed to the United States pursuant to section 4 of this Act, the boundaries of the Pecos National Historical Park shall be adjusted to encompass such lands. The Secretary of the Interior shall administer such lands in accordance with the provisions of law generally applicable to units of the National Park System, including the Act entitled "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916 (16 U.S.C. 1, 2–4).

(b) The map shall be on file and available for public inspection in the appropriate offices of the Secretaries.

(c) Not later than 180 days after completion of the exchange described in section 3, the Secretaries shall transmit the map accurately depicting the lands and interests conveyed to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Resources of the United States House of Representatives.

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By Mr. HARKIN:

S. 2849. A bill to create an independent office in the Department of Labor to advocate on behalf of pension participants, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

### PENSION PARTICIPANTS ADVOCACY OFFICE LEGISLATION

Mr. HARKIN. Mr. President, I am pleased to introduce the "Pension Participant Advocacy Act." A similar measure is being introduced by Congressman Rob Andrews in the House.

It is no secret that the elderly population in America is growing at an unprecedented rate. In 1996, about one in every eight Americans was age 65 or older—that amounts to 33.9 million Americans. That number is expected to double by 2030.

Generally, people work for three main benefits, their salary or wages, their health care and their pensions. Of the three, most people tend to focus least on their pensions, at least till they near retirement. But, pensions are not only very important, they are highly variable in their generosity.

Ideally, retirement is a three-legged stool. One leg is Social Security. It is run by the federal government. Almost all employees and their employers are required to pay into Social Security. Appropriately, there is a great deal of legislative concern about Social Security, the only funds available to many retirees. Another leg is regular personal savings generally outside of Congress' purview. And, the third is pensions. Millions receive pension benefits and unfortunately millions of others do not.

In the United States, there is no mandatory requirement that an employer provide a pension plan. But, the federal and state governments offer very significant tax benefits to both companies and individuals to entice them to save in a dedicated way for retirement.

Ensuring a secure retirement for all Americans is more than just a goal. It's a fiscal necessity. We know from experience that a strong pension system drastically eases the demands on our social safety net. So, year after year, our government invests a large chunk of taxpayer money, revenues not collected, to promote pensions.

But while the Federal government has invested huge sums by forgiving and deferring taxes to entice investments in pensions, there has been limited review of how well the system is treating average workers and retirees. But, unfortunately, there are not comparably large and sophisticated groups who speak for average workers.

Another problem is the very structure of the federal pension bureaucracy. Nobody has the assigned job of generally looking out for the pension participant. Yes, the Pension Benefits Guaranty Corporation does provide benefits to participants when their plans go bankrupt. The Treasury and the IRS have the responsibility to make sure that the pension laws in the Tax Code are fairly followed. But that is not their focus. The Department of Labor has considerable pension responsibility. But, their first focus is on the proper management of pension plans' funds. And, the needs of the participants are sometimes in conflict with the financial health of pension plans. In recent years, the Congress has funded programs where pension participants, employees or retirees, can ask some basic questions. But, there is a lack of any systematic effort to uncover unfortunate or abusive practices. Let's look at two pension problems I have recently tried to resolve.

Mr. President, as I wrote to the Department of Labor and Treasury this past January, lump sum payments continue to deplete Americans' pension payments by up to 50% with very little disclosure. Employers give new retirees a sheet of paper with two numbers on it—a small, monthly amount and a large, lump sum payment. Imagine getting that piece of paper. Which one would you take? Despite our disclosure law, many employers will not tell you that the larger number actually equals half the value of the smaller number over time.

This has been going on for years, and who has spoken up for the participants? The Departments of Labor and Treasury took four months to respond to my letter. If that is the kind of response a Senate office gets, where can pension participants turn when their livelihood depends upon getting answers? Let me tell you the story of Paul Schroeder, a 44-year old engineer who has worked for Ispat Inland, Inc, an East Chicago steel company, for 19 years. When the company converted to a cash balance plan, Paul calculated that his benefits would level off for as long as 13 years. The company would be putting no money into his pension for over a decade.

Meanwhile, new workers at the company would get added pension benefits with each pay check. This is called the "wear away" system. It is the period in which the cash balance benefit catches up to the value of the old plan benefit. Apparently, this practice is legal because of one sentence that was quietly inserted into an unrelated Treasury regulation just before it was approved in 1991. The EEOC is just now undergoing a detailed study to see if these plans violate age discrimination laws. After almost a decade of older employees having their pension assets frozen indefinitely, I ask you: who advocated on their behalf?

I only learned about this issue from a group of IBM employees who spent months clamoring to get our attention here in Congress. Those employees told their story to anyone who would listen. But when pension proposals don't affect the well-connected, who speaks for the participants?

I have introduced legislation that has received 47 votes in the Senate to provide for payments and I will try to pass it again. But, we should not need to pass a new law. The existing laws against age discrimination should have clicked in. For years, nobody was looking.

The bottom line is that no government agency is really looking out for the interests of pensioners. There are a few private organizations that are desperately trying to protect pension rights. But they're underfunded, scattered around the country, and easily overpowered by the better funded, better organized groups.

That is why I am proposing legislation to create an office whose specific function is to advocate for the rights of pensioner participants, both when they are employees and when they are retired. Our nation's seniors depend on their pensions to keep them afloat in retirement, and Social Security was never meant to do it alone. As the elderly population grows, it is in our nation's economic interest to ensure that pension legislation focuses on the best interests of participants.

Mr. President, The Office of Pension Participant Advocacy created in this bill would:

Actively seek out information and suggestions on pension policies and on Federal agencies which affect pension participants.

Evaluate the efforts of Federal agencies, businesses and industry to assist pension participants.

Identify significant problems faced by employees and retirees,

Make annual recommendations documenting significant pension problems and recommending legislative and regulatory solutions.

And examine existing pension plans and determine the extent to which current law serves pensioners in those plans.

Mr. President, we have a strong economy. But we also have an obligation to save a place at the table for those who made it strong. Our nation's pensioners deserve a say in the policies that determine their livelihood. They deserve the right to have their interests represented.

In the last 25 years, the Employee Retirement Income Security Act, commonly known as ERISA has been extremely successful, but it has created a complex web of pension law that gives authority to multiple agencies with no central place people can turn to for help. Time and time again, the needs of pension participants are ignored, and the pensioners who don't have the time or the resources to navigate the web of pension authority are weeded out.

We need one central place where pension participants can turn to when problems arise. We need one place in government whose sole obligation is to look out for the general pension interests of employees and retirees concerning their pensions. We need an office that will be an advocate for pension participants. For that reason, I urge my colleagues to join me in supporting this critical legislation.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2849

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. OFFICE OF PENSION PARTICIPANT ADVOCACY.**

(a) IN GENERAL.—Title III of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 3001 et seq.) is amended by adding at the end the following:

**"Subtitle D—Office of Pension Participant Advocacy**

**"SEC. 3051. OFFICE OF PENSION PARTICIPANT ADVOCACY.**

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—There is established in the Department of Labor an office to be known as the 'Office of Pension Participant Advocacy'.

"(2) PENSION PARTICIPANT ADVOCATE.—The Office of Pension Participant Advocacy shall be under the supervision and direction of an official to be known as the 'Pension Participant Advocate' who shall—

"(A) have demonstrated experience in the area of pension participant assistance, and

"(B) be selected by the Secretary after consultation with pension participant advocacy organizations.

The Pension Participant Advocate shall report directly to the Secretary and shall be entitled to compensation at the same rate as the highest rate of basic pay established for the Senior Executive Service under section 5382 of title 5, United States Code.

"(b) FUNCTIONS OF OFFICE.—It shall be the function of the Office of Pension Participant Advocacy to—

"(1) evaluate the efforts of the Federal Government, business, and financial, professional, retiree, labor, women's, and other appropriate organizations in assisting and protecting pension plan participants, including—

"(A) serving as a focal point for, and actively seeking out, the receipt of information with respect to the policies and activities of the Federal Government, business, and such organizations which affect such participants,

"(B) identifying significant problems for pension plan participants and the capabilities of the Federal Government, business, and such organizations to address such problems, and

"(C) developing proposals for changes in such policies and activities to correct such problems, and communicating such changes to the appropriate officials,

"(2) promote the expansion of pension plan coverage and the receipt of promised benefits by increasing the awareness of the general public of the value of pension plans and by protecting the rights of pension plan participants, including—

"(A) enlisting the cooperation of the public and private sectors in disseminating information, and

"(B) forming private-public partnerships and other efforts to assist pension plan participants in receiving their benefits,

"(3) advocate for the full attainment of the rights of pension plan participants, including by making pension plan sponsors and fiduciaries aware of their responsibilities,

"(4) give priority to the special needs of low and moderate income participants, and

"(5) develop needed information with respect to pension plans, including information on the types of existing pension plans, levels of employer and employee contributions, vesting status, accumulated benefits, benefits received, and forms of benefits.

"(c) REPORTS.—

"(1) ANNUAL REPORT.—Not later than December 31 of each calendar year, the Pension Participant Advocate shall report to the Committees on Education and the Workforce and Ways and Means of the House of Representatives and the Committees on Health, Education, Labor, and Pensions and Finance of the Senate on its activities during the fiscal year ending in the calendar year. Such report shall—

"(A) identify significant problems the Advocate has identified,

"(B) include specific legislative and regulatory changes to address the problems, and

"(C) identify any actions taken to correct problems identified in any previous report.

The Advocate shall submit a copy of such report to the Secretary and any other appropriate official at the same time it is submitted to the committees of Congress.

"(2) SPECIFIC REPORTS.—The Pension Participant Advocate shall report to the Secretary or any other appropriate official any time the Advocate identifies a problem which may be corrected by the Secretary or such official.

"(3) REPORTS TO BE SUBMITTED DIRECTLY.—The report required under paragraph (1) shall be provided directly to the committees of Congress without any prior review or comment than the Secretary or any other Federal officer or employee.

"(d) SPECIFIC POWERS.—

"(1) RECEIPT OF INFORMATION.—Subject to such confidentiality requirements as may be appropriate, the Secretary and other Federal officials shall, upon request, provide such information (including plan documents) as may be necessary to enable the Pension Participant Advocate to carry out the Advocate's responsibilities under this section.

"(2) APPEARANCES.—The Pension Participant Advocate may represent the views and interests of pension plan participants before any Federal agency, including, upon request of a participant, in any proceeding involving the participant.

"(3) CONTRACTING AUTHORITY.—In carrying out responsibilities under subsection (b)(5), the Pension Participant Advocate may, in addition to any other authority provided by law—

"(A) contract with any person to acquire statistical information with respect to pension plan participants, and

"(B) conduct direct surveys of pension plan participants."

(b) CONFORMING AMENDMENT.—The table of contents for title III of such Act is amended by adding at the end the following:

"Subtitle C—Office of Pension Participant Advocacy

"3051. Office of Pension Participant Advocacy."

(c) EFFECTIVE DATE.—The amendment made by this section shall take effect on January 1, 2001.

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By Mr. MOYNIHAN:

S.J. Res. 49. A joint resolution recognizing Commodore John Barry as the first flag officer of the United States Navy; to the Committee on Armed Services.

### JOHN BARRY, FIRST FLAG OFFICER OF THE UNITED STATES NAVY

Mr. MOYNIHAN. Mr. President, today I rise to introduce a joint resolution, recognizing Commodore John Barry as the first flag officer of the United States Navy. Commodore Barry had been described as the "Father of the American Navy" by his contemporaries for his unfailing service to the United States Navy. The Commodore, born in Tacumshin Parish in County Wexford, Ireland and son to a poor Irish farmer, began his maritime career at an early age. He rose through the ranks and, at the outset of the American Revolution, was made responsible for outfitting the first Continental Navy ships. On March 14, 1776, the Marine Committee awarded Barry with a Captain's commission to the Continental Navy and his first warship, the brig *Lexington*. In his first conflict at sea with this ship, the Commodore brought the fledgling Navy its first victory at sea and captured the *Edward*, a British tender. Barry reported to the Congress, "This victory had a tremendous psychological effect in boosting American morale, as it was the first capture of a British warship by a regularly commissioned American cruiser."

While awaiting the completion of his second warship, the *Effingham*, Barry enlisted as a soldier in the Continental Army and served under General John Cadwalader, fighting in the Battles of Trenton and of Princeton. But it was not until his return to the Navy that the Commodore fought his most famed battle. Aboard the 36-gun frigate *Alliance*, Barry put up a brilliant defense against two British sloops, the *Atlanta* and the *Tresspassy*. In his crusade, he was badly wounded in his shoulder and lost a large volume of blood. His second-in-command reported that the ship was in a desperate condition and recommended that the ship surrender. But the Commodore refused. He said, "If this ship cannot be fought without me, I will be brought on deck!" Broken and bandaged, Commodore Barry continued forward with the battle. After almost four hours, the *Atlanta* and the *Tresspassy* surrendered.

The Commodore's final battle in the American Revolution was also the final sea battle of the Continental Navy. Aboard the *Alliance*, Barry escorted the *Duc De Sauzon*, a ship carrying Spanish silver, and warded off the Royal Navy's *Sybil*, protecting the vital cargo destined for the Continental Congress. Even after his retirement from battle, Barry's contributions to the Navy continued. In 1797, President Washington invited Barry to receive Commission Number One in the Navy. His new position placed him in charge of the new Navy and oversight of the construction and outfitting of its first frigates. The U.S.S. *United States* and the U.S.S. *Constitution* were both built under his command.

Commodore John Barry served as Commodore under Presidents Washington, Adams and Jefferson until he died in 1803.

Before he died, the Commodore wrote a Signal Book for the Navy, which provided a practical means of communication between ships. He also suggested creating the Department of the Navy, a separate Cabinet position from the Secretary of War. This vision was realized in 1798 with the creation of the United States Department of the Navy. Most importantly, Barry was responsible for training many Naval heros of the War of 1812.

It is with great honor and pride that I introduce this joint resolution, recognizing Commodore John Barry, a fellow Irishman and Naval Officer, as the first flag officer of the United States Navy.

Mr. President, I ask unanimous consent that the text of the resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 49

Whereas John Barry, American merchant marine captain and native of County Wexford, Ireland, volunteered his services to the Continental Navy and was assigned by the Continental Congress as Captain of the Lexington, taking command of that vessel on March 14, 1776, and soon afterward gave to American liberty its first victory at sea with the capture of the Royal Navy sloop Edward;

Whereas Captain John Barry was principally responsible for organizing the crossing of the Delaware River which led directly to General George Washington's victory at Trenton during Christmas 1776, a victory in which Captain Barry also served actively as a combatant;

Whereas Captain John Barry rejected British General Lord Howe's flattering offer to desert Washington and the patriot cause, stating: "Not the value and command of the whole British fleet can lure me from the cause of my country.";

Whereas Captain John Barry, while in command of the frigate Alliance, successfully transported French gold to America to finance the War for America Independence, and also won the last sea battle of that war by defeating the HMS Sybille on March 10, 1783;

Whereas when the First Congress, acting under the new Constitution, authorized the raising and construction of the United States Navy, it was to Captain John Barry that President George Washington turned to build and lead the new nation's infant Navy;

Whereas on February 22, 1797, President Washington personally conferred upon Captain John Barry, by and with the advice and consent of the Senate, the rank of Captain, with "Commission No. 1", United States Navy, dated June 4, 1794;

Whereas it was as Commodore of the Navy that John Barry built and first commanded the United States Navy and the squadron which included his flagship the USS United States and USS Constitution ("Old Ironsides");

Whereas John Barry served at the head of the United States Navy (the equivalent of the current position of Chief of Naval Operations), with the title of "Commodore" (in official correspondence) under Presidents Washington, Adams, and Jefferson;

Whereas Commodore John Barry is recognized, with General Stephen Moylan, in the Statue of Liberty museum as one of the six foreign-born great leaders of the War for Independence;

Whereas pursuant to resolutions of Congress, "Commodore John Barry Day" was proclaimed for September 13, 1982, by President Reagan and for September 13, 1991, and September 13, 1992, by President Bush; and

Whereas in recognition of the historic role and achievements of Commodore John Barry, and of the sentiments of Navy and Merchant Marine veterans, of Irish-Americans, and of the patriotic population generally that United States history be properly told and heroes of the United States be properly honored: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That Commodore John Barry is recognized (effective as of February 22, 1797), and is hereby honored as the first flag officer of the United States Navy.

## ADDITIONAL COSPONSORS

S. 1262

At the request of Mr. REED, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 1262, a bill to amend the Elementary and Secondary Education Act of 1965 to provide up-to-date school library medial resources and well-trained, professionally certified school library media specialists for elementary schools and secondary schools, and for other purposes.

S. 1941

At the request of Mr. DODD, the name of the Senator from West Virginia (Mr. ROCKEFELLER) was added as a cosponsor of S. 1941, a bill to amend the Federal Fire Prevention and Control Act of 1974 to authorize the Director of the Federal Emergency Management Agency to provide assistance to fire departments and fire prevention organizations for the purpose of protecting the public and firefighting personnel against fire and fire-related hazards.

S. 1987

At the request of Mr. DURBIN, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 1987, a bill to amend the Violence Against Women Act of 1994, the Family Violence Prevention and Services Act, the Older Americans Act of 1965, and the Public Health Service Act to ensure that older women are protected from institutional, community, and domestic violence and sexual assault and to improve outreach efforts and other services available to older women victimized by such violence, and for other purposes.

S. 2274

At the request of Mr. GRASSLEY, the names of the Senator from Tennessee (Mr. THOMPSON) and the Senator from Vermont (Mr. LEAHY) were added as cosponsors of S. 2274, a bill to amend title

XIX of the Social Security Act to provide families and disabled children with the opportunity to purchase coverage under the medicaid program for such children.

S. 2344

At the request of Mr. BROWNBACK, the name of the Senator from Illinois (Mr. FITZGERALD) was added as a cosponsor of S. 2344, a bill to amend the Internal Revenue Code of 1986 to treat payments under the Conservation Reserve Program as rentals from real estate.

S. 2365

At the request of Ms. COLLINS, the name of the Senator from North Dakota (Mr. CONRAD) was added as a cosponsor of S. 2365, a bill to amend title XVIII of the Social Security Act to eliminate the 15 percent reduction in payment rates under the prospective payment system for home health services.

S. 2386

At the request of Mrs. FEINSTEIN, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 2386, a bill to extend the Stamp Out Breast Cancer Act.

S. 2394

At the request of Mr. MOYNIHAN, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 2394, a bill to amend title XVIII of the Social Security Act to stabilize indirect graduate medical education payments.

S. 2399

At the request of Mr. DURBIN, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 2399, a bill to amend title XVIII of the Social Security Act to revise the coverage of immunosuppressive drugs under the medicare program.

S. 2406

At the request of Mr. ABRAHAM, the name of the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 2406, a bill to amend the Immigration and Nationality Act to provide permanent authority for entry into the United States of certain religious workers.

S. 2423

At the request of Mr. DURBIN, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 2423, a bill to provide Federal Perkins Loan cancellation for public defenders.

S. 2528

At the request of Ms. COLLINS, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 2528, a bill to provide funds for the purchase of automatic external defibrillators and the training of individuals in advanced cardiac life support.

S. 2584

At the request of Mr. ROBB, the name of the Senator from West Virginia (Mr. BYRD) was added as a cosponsor of S. 2584, a bill to provide for the allocation of interest accruing to the Abandoned Mine Reclamation Fund, and for other purposes.

S. 2589

At the request of Mr. JOHNSON, the name of the Senator from Kansas (Mr. BROWNBACK) was added as a cosponsor of S. 2589, a bill to amend the Federal Deposit Insurance Act to require periodic cost of living adjustments to the maximum amount of deposit insurance available under that Act, and for other purposes.

S. 2641

At the request of Mr. CLELAND, the name of the Senator from North Dakota (Mr. CONRAD) was added as a cosponsor of S. 2641, a bill to authorize the President to present a gold medal on behalf of Congress to former President Jimmy Carter and his wife Rosalynn Carter in recognition of their service to the Nation.

S. 2700

At the request of Mr. L. CHAFEE, the names of the Senator from Pennsylvania (Mr. SANTORUM) and the Senator from Illinois (Mr. DURBIN) were added as cosponsors of S. 2700, a bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to promote the cleanup and reuse of brownfields, to provide financial assistance for brownfields revitalization, to enhance State response programs, and for other purposes.

S. 2707

At the request of Mr. CRAPO, the name of the Senator from Utah (Mr. BENNETT) was added as a cosponsor of S. 2707, a bill to help ensure general aviation aircraft access to Federal land and the airspace over that land.

S. 2718

At the request of Mr. SMITH of New Hampshire, the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of S. 2718, a bill to amend the Internal Revenue Code of 1986 to provide incentives to introduce new technologies to reduce energy consumption in buildings.

S. 2733

At the request of Mr. SANTORUM, the name of the Senator from Louisiana (Mr. BREAUX) was added as a cosponsor of S. 2733, a bill to provide for the preservation of assisted housing for low income elderly persons, disabled persons, and other families.

S. 2739

At the request of Mr. LAUTENBERG, the names of the Senator from Missouri (Mr. ASHCROFT), the Senator from Colorado (Mr. ALLARD), the Senator from South Dakota (Mr. DASCHLE), and the Senator from Connecticut (Mr. LIEBERMAN) were added as cosponsors of S. 2739, a bill to amend title 39, United States Code, to provide for the issuance of a semipostal stamp in order to afford the public a convenient way to contribute to funding for the establishment of the World War II Memorial.

S. 2787

At the request of Mr. BIDEN, the name of the Senator from West Virginia (Mr. ROCKEFELLER) was added as a cosponsor of S. 2787, a bill to reauthorize the Federal programs to prevent violence against women, and for other purposes.

S. 2793

At the request of Mr. HOLLINGS, the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of S. 2793, a bill to amend the Communications Act of 1934 to strengthen the limitation on holding and transfer of broadcast licenses to foreign persons, and to apply a similar limitation to holding and transfer of other telecommunications media by or to foreign governments.

S. 2800

At the request of Mr. LAUTENBERG, the names of the Senator from Florida (Mr. GRAHAM) and the Senator from Utah (Mr. BENNETT) were added as cosponsors of S. 2800, a bill to require the Administrator of the Environmental Protection Agency to establish an integrated environmental reporting system.

S. CON. RES. 102

At the request of Mrs. FEINSTEIN, the names of the Senator from New York (Mr. MOYNIHAN) and the Senator from Massachusetts (Mr. KERRY) were added as cosponsors of S. Con. Res. 102, a concurrent resolution to commend the bravery and honor of the citizens of Remy, France, for their actions with respect to Lieutenant Houston Braly and to recognize the efforts of the 364th Fighter Group to raise funds to restore the stained glass windows of a church in Remy.

S. CON. RES. 105

At the request of Mr. ABRAHAM, the name of the Senator from New Hampshire (Mr. SMITH) was added as a cosponsor of S. Con. Res. 105, a concurrent resolution designating April 13, 2000, as a day of remembrance of the victims of the Katyn Forest massacre.

S. RES. 294

At the request of Mr. ABRAHAM, the name of the Senator from Nebraska (Mr. HAGEL) was added as a cosponsor of S. Res. 294, a resolution designating the month of October 2000 as "Children's Internet Safety Month."

AMENDMENT NO. 3185

At the request of Mr. KENNEDY, his name was added as a cosponsor of amendment No. 3185 proposed to S. 2549, an original bill to authorize appropriations for fiscal year 2001 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

At the request of Mr. BAUCUS, his name was added as a cosponsor of amendment No. 3185 proposed to S. 2549, supra.

At the request of Mr. BINGAMAN, his name was added as a cosponsor of amendment No. 3185 proposed to S. 2549, supra.

At the request of Mr. KERRY, his name was added as a cosponsor of amendment No. 3185 proposed to S. 2549, supra.

At the request of Mr. DASCHLE, his name was added as a cosponsor of amendment No. 3185 proposed to S. 2549, supra.

At the request of Mr. REID, his name was added as a cosponsor of amendment No. 3185 proposed to S. 2549, supra.

At the request of Mr. ROBB, his name was added as a cosponsor of amendment No. 3185 proposed to S. 2549, supra.

At the request of Mrs. BOXER, her name was added as a cosponsor of amendment No. 3185 proposed to S. 2549, supra.

At the request of Mrs. MURRAY, her name was added as a cosponsor of amendment No. 3185 proposed to S. 2549, supra.

At the request of Mr. CLELAND, his name was added as a cosponsor of amendment No. 3185 proposed to S. 2549, supra.

### AMENDMENT NO. 3759

At the request of Mr. FEINGOLD, the name of the Senator from Oregon (Mr. WYDEN) was added as a cosponsor of amendment No. 3759 intended to be proposed to S. 2549, an original bill to authorize appropriations for fiscal year 2001 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

### AMENDMENT NO. 3760

At the request of Mr. WARNER, his name was added as a cosponsor of amendment No. 3760 proposed to S. 2549, an original bill to authorize appropriations for fiscal year 2001 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

At the request of Mr. CONRAD, his name was added as a cosponsor of amendment No. 3760 proposed to S. 2549, supra.

## AMENDMENTS SUBMITTED

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## DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

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## DASCHLE AMENDMENT NO. 3778

(Ordered to lie on the table.)

Mr. DASCHLE (for himself and Mr. JOHNSON) submitted an amendment intended to be proposed by them to the bill (H.R. 4578) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2001, and for other purposes; as follows:

On page 138, line 1, insert "; and of which not to exceed $108,000 shall be for payment to the United Sioux Tribes of South Dakota Development Corporation for the purpose of providing employment assistance to Indian clients of the Corporation, including employment counseling, follow-up services, housing services, community services, day care services, and subsistence to help Indian clients become fully employed members of society" before the colon.

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## EDWARDS AMENDMENTS NOS. 3779–3880

(Ordered to lie on the table.)

Mr. EDWARDS submitted two amendments intended to be proposed by him to the bill, H.R. 4578, supra; as follows:

### AMENDMENT NO. 3779

On page 164, line 19, strike '$1,233,824,000' and insert '$1,229,824,000'.

On page 168, line 11, strike '$76,320,000' and insert '$80,320,000'.

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### AMENDMENT NO. 3780

On page 130, line 4 strike "$847,596,000" and insert "$849,396,000".

On page 130, line 17, before the colon insert: ", and of which $1,800,000 shall remain available until expended, to repair or replace stream monitoring equipment and associated facilities damaged by natural disasters: *Provided*, That the entire amount shall be available only to the extent that the President submits to Congress an official budget request for a specific dollar amount that includes designation of the entire amount of the request as an emergency requirement for the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.): *Provided further*, That the entire amount is designated by Congress as an emergency requirement under section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(A)).

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## GRAMS AMENDMENT NO. 3781

(Ordered to lie on the table.)

Mr. GRAMS submitted an amendment intended to be proposed by him to the bill, H.R. 4578, supra; as follows:

On page 126, line 16, strike "$207,079,000," and insert "$202,950,000, of which not more than $511,000 shall be used for the construction of a heritage center for the Grand Portage National Monument in Minnesota,".

On page 165, line 25, strike "$618,500,000," and inserting "$622,629,000, of which at least $6,947,000 shall be used for hazardous fuels reduction activities in the Superior and Chippewa National Forests in Minnesota and the Chequamegon National Forest in Wisconsin,".

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## DOMENICI (AND OTHERS) AMENDMENT NO. 3782

(Ordered to lie on the table.)

Mr. DOMENICI (for himself, Mr. KYL, and Mrs. FEINSTEIN) submitted an amendment intended to be proposed by them to the bill, H.R. 4578, supra; as follows:

At an appropriate place in the bill, insert the following new title:

### TITLE —HAZARDOUS FUELS REDUCTION

### DEPARTMENT OF THE INTERIOR

### BUREAU OF LAND MANAGEMENT

### WILDLAND FIRE MANAGEMENT

For an additional amount for "Wildland Fire Management" to remove hazardous material to alleviate immediate emergency threats to urban wildland interface areas as defined by the Secretary of the Interior, $120.3 million to remain available until expended: *Provided*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: *Provided further*, That the entire amount shall be available only to the extent an official budget request, that includes designation of the entire amount of the request as an emergency requirement as defined by such Act, is transmitted by the President to the Congress.

### DEPARTMENT OF AGRICULTURE

### FOREST SERVICE

### WILDLAND FIRE MANAGEMENT

For an additional amount for "Wildland Fire Management" to remove hazardous material to alleviate immediate emergency threats to urban wildland interface areas as defined by the Secretary of Agriculture, $120 million to remain available until expended: *Provided*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: *Provided further*, That the entire amount shall be available only to the extent an official budget request, that includes designation of the entire amount of the request as an emergency requirement as defined by such Act, is transmitted by the President to the Congress: *Provided further*, That:

(a) In expending the funds provided in any Act with respect to any fiscal year for hazardous fuels reduction, the Secretary of the Interior and the Secretary of Agriculture may hereafter conduct fuel reduction treatments on Federal lands using all contracting and hiring authorities available to the Secretaries. Notwithstanding Federal government procurement and contracting laws, the Secretaries may hereafter conduct fuel reduction treatments on Federal lands using grants and cooperative agreements. Notwithstanding Federal government procurement and contracting laws, in order to provide employment and training opportunities to people in rural communities, the Secretaries may hereafter, at their sole discretion, limit competition for any contracts, with respect to any fiscal year, including contracts for monitoring activities, to:

(1) local private, non-profit, or cooperative entities;

(2) Youth Conservation Corps crews or related partnerships with state, local, and non-profit youth groups;

(3) Small or micro-businesses; or

(4) other entities that will hire or train a significant percentage of local people to complete such contracts.

(b) Prior to September 30, 2000, the Secretary of Agriculture and the Secretary of the Interior shall jointly publish in the Federal Register a list of all urban wildland interface communities, as defined by the Secretaries, within the vicinity of Federal lands that are at risk from wildfire. This list shall include:

(1) an identification of communities around which hazardous fuel reduction treatments are ongoing; and

(2) an identification of communities around which the Secretaries are preparing to begin treatments in calendar year 2000.

(c) Prior to May 1, 2001, the Secretary of Agriculture and the Secretary of the Interior shall jointly publish in the Federal Register a list of all urban wildland interface communities, as defined by the Secretaries, within the vicinity of Federal lands and at risk from wildfire that are included in the list published pursuant to subsection (b) but that are not included in paragraphs (b)(1) and (b)(2), along with an identification of reasons, not limited to lack of available funds, why there are no treatments ongoing or being prepared for these communities.

(d) Within 30 days after enactment of this Act, the Secretary of Agriculture shall publish in the Federal Register the Forest Service's Cohesive Strategy for Protecting People and Sustaining Resources in Fire-Adapted Ecosystems, and an explanation of any differences between the Cohesive Strategy and other related ongoing policymaking activities including: proposed regulations revising the National Forest System transportation policy; proposed roadless area protection regulations; the Interior Columbia Basin Draft Supplemental Environmental Impact Statement; and the Sierra Nevada Framework/Sierra Nevada Forest Plan Draft Environmental Impact Statement. The Secretary shall also provide 30 days for public comment on the Cohesive Strategy and the accompanying explanation.

## DOMENICI AMENDMENTS NOS. 3783–3785

(Ordered to lie on the table.)

Mr. DOMENICI submitted three amendments intended to be proposed by him to the bill, H.R. 4578, supra; as follows:

### AMENDMENT NO. 3783

On page 163, after line 23, add the following:

**SECTION 1. EXPENDITURE OF FUNDS FOR INTERIOR POLICIES REGARDING MIDDLE RIO GRANDE CONSERVANCY DISTRICT.**

Effective for fiscal year 2000, and each subsequent fiscal year, notwithstanding any other provision of law, no funds made available by this Act or any other Act shall be used to require the Middle Rio Grande Conservancy District constructed irrigation works to provide bypass flows for the Rio Grande Silvery Minnow or the Southwestern Willow Flycatcher at San Acacia Diversion Dam to maintain flows to the headwaters of Elephant Butte Reservoir except as may be provided in an agreement entered into by all holders of water rights with points of diversion above the headwaters of Elephant Butte Reservoir and which agreement has been approved by the New Mexico State Engineer, or as may be required by a final non-appealable court order.

**SEC. 2. EXPENDITURE OF FUNDS FOR INTERIOR POLICIES REGARDING THE FORT SUMNER IRRIGATION DISTRICT.**

Effective for fiscal year 2000, and each subsequent fiscal year, notwithstanding any other provision of law, no funds made available by this Act or any other Act shall be used to require the Fort Sumner Irrigation District irrigation works to maintain flows for endangered species except as may be provided in an agreement entered into by all affected holders of water rights and which agreement has been approved by the New Mexico State Engineer, or as may be required by a final non-appealable court order.

### AMENDMENT NO. 3784

On page 165, after line 18, add the following:

For an additional amount to cover necessary expenses for implementation of the Valles Caldera Preservation Act, $990,000, to remain available until expended, which shall be available to the Secretary for the management of the Valles Caldera National Preserve: *Provided*, That any remaining balances be provided to the Valles Caldera Trust upon its assumption of the management of the Preserve: *Provided further*, That the amount available to the Office of the Solicitor within the Department of the Interior shall not exceed $39,206,000.

### AMENDMENT NO. 3785

On page 126, after line 22, add the following new paragraph:

For an additional amount for construction, improvements, repair or replacement of physical facilities, including final design, management, inspection, furnishing, and equipping of an expansion annex of the historic Palace of the Governors in Santa Fe, New Mexico, notwithstanding any other provision of law, $15,000,000, to remain available until expended, which is to be provided by the Secretary of the Interior to the New Mexico State Office of Cultural Affairs: *Provided*, That the entire amount provided in this paragraph shall be available only to the extent an official budget request for designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress; *Provided further*, That the entire amount provided in this paragraph is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.

## STEVENS AMENDMENTS NOS. 3786–3789

(Ordered to lie on the table.)

Mr. STEVENS submitted four amendments intended to be proposed by him to the bill, H.R. 4578, supra; as follows:

### AMENDMENT NO. 3786

On page 170, line 3 insert before the period the following: ", *Provided*, That $750,000 shall be transferred to the State of Alaska Department of Fish and Game as a direct payment for administrative and policy coordination".

### AMENDMENT NO. 3787

At the appropriate place, insert the following new section

"SEC. . (a) All proceeds of Oil and Gas Lease sale 991, held by the Bureau of Land Management on May 5, 1999, or subsequent lease sales in the National Petroleum Reserve—Alaska within the area subject to withdrawal for Kuukpik Corporation's selection under section 22(j)(2) of the Alaska Native Claims Settlement Act, Public Law 92-203 (85 Stat. 688), shall be held in an escrow account administered under the terms of section 1411 of the Alaska National Interest Lands Conservation Act, Public Law 96-487 (94 Stat. 2371), without regard to whether a withdrawal for selection has been made, and paid to Arctic Slope Regional Corporation and the State of Alaska in the amount of their entitlement under law when determined, together with interest at the rate provided in the aforementioned section 1411, for the date of receipt of the proceeds by the United States to the date of payment. There is authorized to be appropriated such sums as are necessary to carry out the purposes of this section.

(b) The section shall be effective as of May 5, 1999."

### AMENDMENT NO. 3788

On page 168, line 18 insert before the period the following: ": *Provided further*, That of the amounts appropriated and available, the Secretary of Agriculture shall transfer as a direct payment to the City of Craig at least $5,000,000 but not to exceed $10,000,000 in lieu of any claims or municipal entitlement to land within the outside boundaries of the Tongass National Forest pursuant to section 6(A) of Public Law 85-508, the Alaska Statehood Act, as amended; Provided further, That should the directive in the preceding proviso confluct with any provision of existing law the preceding proviso shall prevail and take precedence".

### AMENDMENT NO. 3789

At the appropriate place insert the following new section:

"SEC. . Notwithstanding any other provision of law, the Secretary of the Interior shall convey to Harvey R. Redmond of Girdwood Alaska, at no cost, all right, title, and interest of the United States in and to United States Survey No. 12192, Alaska consisting of 49.96 acres located in the vicinity of T. 9N., R., 3E., Seward Meridian, Alaska.".

## SESSIONS (AND OTHERS) AMENDMENT NO. 3790

(Ordered to lie on the table.)

Mr. SESSIONS (for himself, Mr. GRAHAM, Mr. ENZI, Mr. LUGAR, Mr. VOINOVICH, Mr. GRAMS, Mr. REID, and Mr. INHOFE) submitted an amendment intended to be proposed by them to the bill, H.R. 4578, supra; as follows:

On page 225, between lines 11 and 12, insert the following:

SEC. . None of the funds made available in this Act may be used to publish Class III gaming procedures under part 291 of title 25, Code of Federal Regulations

## BINGAMAN AMENDMENT NO. 3791

(Ordered to lie on the table.)

Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill, H.R. 4578, supra; as follows:

At the appropriate place, insert the following new section:

**SEC. . PROTECTING COMMUNITIES FROM RISK OF WILDLAND FIRE.**

In recognition of the recent fires that have occurred in New Mexico and other parts of the Interior West and in order to focus hazardous fuels reduction activities on the highest priority areas where critical issues of human safety and property loss are the most serious, the Forest Service shall expend fifty percent of the hazardous fuels operations funds provided in this Act only on projects within the urban/wildland interface or within municipal watersheds that are determined to be at high risk of catastrophic fire.

## SESSIONS AMENDMENTS NOS. 3792-3793

(Ordered to lie on the table.)

Mr. SESSIONS submitted two amendments intended to be proposed by him to the bill, H.R. 4578, supra; as follows:

### AMENDMENT NO. 3792

On page 125, line 11, strike "$1,443,795,000," and insert "$1,445,795,000, of which not less then $2,000,000 shall be available to carry out exhibitions at and acquire interior furnishings for the Rosa Parks Library and Museum, Alabama, and".

On page 201, line 11, strike "$104,604,000" and insert "$102,640,000".

### AMENDMENT NO. 3793

On page 122, line 9, before the period, insert the following: ", of which $3,000,000 shall be used for acquisition of land around the Bon Secour National Wildlife Refuge, Alabama, and of which not more than $4,500,000 shall be used for acquisition management".

## NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2001

## BYRD AMENDMENT NO. 3794

Mr. BYRD (for himself, Mr. WARNER, Mr. LEVIN, Mr. HOLLINGS, Mr. HELMS, Mr. BREAUX, Mr. HATCH, Mr. CAMPBELL, Mrs. LINCOLN, and Mr. WELLSTONE) proposed an amendment to amendment No. 3767 previously proposed by Mr. WARNER (for Mr. BYRD) to the bill (S. 2549) to authorize appropriations for fiscal year 2001 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; as follows:

Strike all after "Sec." and insert the following:

**1061. NATIONAL SECURITY IMPLICATIONS OF UNITED STATES-CHINA TRADE RELATIONSHIP.**

(a) IN GENERAL.—

(1) NAME OF COMMISSION.—Section 127(c)(1) of the Trade Deficit Review Commission Act (19 U.S.C. 2213 note) is amended by striking "Trade Deficit Review Commission" and inserting "United States-China Security Review Commission".

(2) QUALIFICATIONS OF MEMBERS.—Section 127(c)(3)(B)(i)(I) of such Act (19 U.S.C. 2213 note) is amended by inserting "national security matters and United States-China relations," after "expertise in".

(3) PERIOD OF APPOINTMENT.—Section 127(c)(3)(A) of such Act (19 U.S.C. 2213 note) is amended to read as follows:

"(A) IN GENERAL.—

"(i) APPOINTMENT BEGINNING WITH 107th CONGRESS.—Beginning with the 107th Congress and each new Congress thereafter, members shall be appointed not later than 30 days after the date on which Congress convenes. Members may be reappointed for additional terms of service.

"(ii) TRANSITION.—Members serving on the Commission shall continue to serve until such time as new members are appointed.".

(b) PURPOSE.—Section 127(k) of the Trade Deficit Review Commission Act (19 U.S.C. 2213 note) is amended to read as follows:

"(k) UNITED STATES-CHINA NATIONAL SECURITY IMPLICATIONS.—

"(1) IN GENERAL.—Upon submission of the report described in subsection (e), the Commission shall—

"(A) wind up the functions of the Trade Deficit Review Commission; and

"(B) monitor, investigate, and report to Congress on the national security implications of the bilateral trade and economic relationship between the United States and the People's Republic of China.

"(2) ANNUAL REPORT.—Not later than March 1, 2002, and annually thereafter, the Commission shall submit a report to Congress, in both unclassified and classified form, regarding the national security implications and impact of the bilateral trade and economic relationship between the United States and the People's Republic of China. The report shall include a full analysis, along with conclusions and recommendations for legislative and administrative actions, of the national security implications for the United States of the trade and current balances with the People's Republic of China in goods and services, financial transactions, and technology transfers. The Commission shall also take into account patterns of trade and transfers through third countries to the extent practicable.

"(3) CONTENTS OF REPORT.—The report described in paragraph (2) shall include, at a minimum, a full discussion of the following:

"(A) The portion of trade in goods and services with the United States that the People's Republic of China dedicates to military systems or systems of a dual nature that could be used for military purposes.

"(B) The acquisition by the Government of the People's Republic of China and entities controlled by the Government of advanced military technologies through United States trade and technology transfers.

"(C) Any transfers, other than those identified under subparagraph (B), to the military systems of the People's Republic of China made by United States firms and United States-based multinational corporations.

"(D) An analysis of the statements and writing of the People's Republic of China officials and officially-sanctioned writings that bear on the intentions of the Government of the People's Republic of China regarding the pursuit of military competition with, and leverage over, the United States and the Asian allies of the United States.

"(E) The military actions taken by the Government of the People's Republic of China during the preceding year that bear on the national security of the United States and the regional stability of the Asian allies of the United States.

"(F) The effects to the national security interests of the United States of the use by the People's Republic of China of financial transactions, capital flow, and currency manipulations.

"(G) Any action taken by the Government of the People's Republic of China in the context of the World Trade Organization that is adverse to the United States national security interests.

"(H) Patterns of trade and investment between the People's Republic of China and its major trading partners, other than the United States, that appear to be substantively different from trade and investment patterns with the United States and whether the differences constitute a security problem for the United States.

"(I) The extent to which the trade surplus of the People's Republic of China with the United States enhances the military budget of the People's Republic of China.

"(J) An overall assessment of the state of the security challenges presented by the People's Republic of China to the United States and whether the security challenges are increasing or decreasing from previous years.

"(4) RECOMMENDATIONS OF REPORT.—The report described in paragraph (2) shall include recommendations for action by Congress or the President, or both, including specific recommendations for the United States to invoke Article XXI (relating to security exceptions) of the General Agreement on Tariffs and Trade 1994 with respect to the People's Republic of China, as a result of any adverse impact on the national security interests of the United States.".

(c) CONFORMING AMENDMENTS.—

(1) HEARINGS.—Section 127(f)(1) of such Act (19 U.S.C. 2213 note) is amended to read as follows:

"(1) HEARINGS.—

"(A) IN GENERAL.—The Commission or, at its direction, any panel or member of the Commission, may for the purpose of carrying out the provisions of this Act, hold hearings, sit and act at times and places, take testimony, receive evidence, and administer oaths to the extent that the Commission or any panel or member considers advisable.

"(B) INFORMATION.—The Commission may secure directly from the Department of Defense, the Central Intelligence Agency, and any other Federal department or agency information that the Commission considers necessary to enable the Commission to carry out its responsibilities under this Act, except the provision of intelligence information to the Commission shall be made with due regard for the protection from unauthorized disclosure of classified information relating to sensitive intelligence sources and methods or other exceptionally sensitive matters, under procedures approved by the Director of Central Intelligence.

"(C) SECURITY.—The Office of Senate Security shall—

"(i) provide classified storage and meeting and hearing spaces, when necessary, for the Commission; and

"(ii) assist members and staff of the Commission in obtaining security clearances.

"(D) SECURITY CLEARANCES.—All members of the Commission and appropriate staff shall be sworn and hold appropriate security clearances.".

(2) CHAIRMAN.—

(A) Section 127(c)(6) of such Act (19 U.S.C. 2213 note) is amended by striking "Chairperson" and inserting "Chairman".

(B) Section 127(g) of such Act (19 U.S.C. 2213 note) is amended by striking "Chairperson" each place it appears and inserting "Chairman".

(3) CHAIRMAN AND VICE CHAIRMAN.—Section 127(c)(7) of such Act (19 U.S.C. 2213 note) is amended—

(A) by striking "CHAIRPERSON AND VICE CHAIRPERSON" in the heading and inserting "CHAIRMAN AND VICE CHAIRMAN";

(B) by striking "chairperson" and "vice chairperson" in the text and inserting "Chairman" and "Vice Chairman"; and

(C) by inserting "at the beginning of each new Congress" before the end period.

(d) APPROPRIATIONS.—Section 127(i) of such Act (19 U.S.C. 2213 note) is amended to read as follows:

"(i) AUTHORIZATION.—

"(1) IN GENERAL.—There are authorized to be appropriated to the Commission for fiscal year 2001, and each fiscal year thereafter, such sums as may be necessary to enable it to carry out its functions. Appropriations to the Commission are authorized to remain available until expended. Unobligated balances of appropriations made to the Trade Deficit Review Commission before the effective date of this subsection shall remain available to the Commission on and after such date.

"(2) FOREIGN TRAVEL FOR OFFICIAL PURPOSES.—Foreign travel for official purposes by members and staff of the Commission may be authorized by either the Chairman or the Vice Chairman.".

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on the first day of the 107th Congress.

## DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

## CRAIG (AND OTHERS) AMENDMENT NO. 3795

(Ordered to lie on the table.)

Mr. CRAIG (for himself, Mr. HUTCHINSON, Mr. CRAPO, Mr. THOMAS, Mr. ENZI, Mr. BENNETT, Mr. HATCH, Mr. NICKLES, and Mr. SMITH of Oregon) submitted an amendment intended to be proposed by him to the bill, H.R. 4578, supra; as follows:

At the appropriate place in the bill insert the following new section:

**SEC. . REVIEW COMMITTEE FOR FOREST SERVICE RULES.**

(a) (1) From the amount appropriated for "Forest Products," a sum of $1,000,000 shall be made available until expended to the Secretary of Agriculture for the purpose of reviewing certain proposed rules concerning the planning and management of National Forest System lands referred to in paragraph (2).

(2) The proposed rules subject to this section are the proposed road management and transportation system rule, and proposed special areas—roadless area conservation rule published at 64 Federal Register 54074 (October 5, 1999) and 65 Federal Register 11676 and 30276 (March 3 and May 10, 2000), respectively.

(b) With the funds allocated pursuant to subsection (a)(1):

(1) The Secretary shall appoint an advisory committee in accordance with the Federal Advisory Committee Act and subsection (d) of persons knowledgeable, and reflecting a diversity of viewpoints, concerning issues related to the planning and management of National Forest System lands. The appointments shall be made as soon as practicable after the date of enactment of this Act.

(2) The advisory committee shall—

(A) review and evaluate the proposed rules referred to in subsection (a)(2) and their prospective implementation, particularly as to their cumulative effects and the manner in which they relate to each other, are integrated, and will function together, including any inconsistencies or conflicts in their goals, purposes, application, or likely results and determined whether and in what way they may be improved; and

(B) submit a written report to the Secretary describing the results of the review and evaluation of the proposed rules required by, and any recommendations for improvement of such rules determined pursuant to, subparagraph (A), including any supplemental or minority views which any member or members of the advisory committee may wish to express.

(3) The Secretary shall make the report of the advisory committee required by paragraph (2)(B) available for public comment and submit the report to the Congress, together with a written response of the Secretary to the report and the public comment on the report.

(c) No funds appropriated by this Act or any other act of Congress may be expended for further development or promulgation of the proposed rules referred to in subsection (a)(2) prior to 60 days after the date of submission to the Congress of the report of the advisory committee and the response of the Secretary pursuant to subsection (b)(3).

(d) (1) The advisory committee appointed pursuant to subsection (b)(1) shall have no more than 15, nor less than 9, members who may not be officers or employees of the United States. The Chair of the advisory committee shall be selected from among and by its members.

(2) The members of the advisory committee, while attending conferences, hearing, or meetings of the advisory committee or while otherwise serving at the request of the Chair shall each be entitled to receive compensation at a rate not in excess of the maximum rate of pay for grade GS–18, as provided in the General Schedule under section 5332 of title 5, United States Code, including travel time, and while away from their homes or regular places of business shall each be reimbursed for travel expenses, including per diem in lieu of subsistence as authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

## NOTICES OF HEARINGS/MEETINGS

### COMMITTEE ON SMALL BUSINESS

Mr. BOND. Mr. President, I wish to announce that the Committee on Small Business will hold a hearing entitled "GAO's Performance and Accountability Review: Is the SBA on PAR?" The hearing will be held on Thursday, July 20, 2000, beginning at 9:30 a.m., in room 428A of the Russell Senate Office Building.

The hearing will be broadcast live over the Internet from our homepage address: http://www.senate.gov/sbc.

For further information, please contact David Bohley at 224–5175.

### COMMITTEE ON SMALL BUSINESS

Mr. BOND. Mr. President, I wish to announce that the Committee on Small Business will hold a meeting to mark up S. 1594, Community Development and Venture Capital Act of 1999, and other pending matters. The markup will be held on Wednesday, July 26, 2000, beginning at 9 a.m., in room 428A, Russell Senate Office Building.

For further information, please contact Paul Cooksey at 224–5175.

### SUBCOMMITTEE ON FORESTS AND PUBLIC LAND MANAGEMENT

Mr. CRAIG. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Forests and Public Land Management of the Committee on Energy and Natural Resources.

The hearing originally scheduled for Wednesday, July 12, 2000, at 2:30 p.m., has been postponed until Friday, July 21, 2000, at 9:30 a.m., in room SD–366 of the Dirksen Senate Office Building in Washington, D.C.

The purpose of this oversight hearing is to receive testimony on the Draft Environmental Impact Statement implementing the October 1999 announcement by President Clinton to review approximately 40 million acres of national forest lands for increased protection.

Those who wish to submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, D.C. 20510. For further information, please call Mark Rey at (202) 224–6170.

### SUBCOMMITTEE ON FORESTS AND PUBLIC LAND MANAGEMENT

Mr. CRAIG. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Forests and Public Land Management of the Committee on Energy and Natural Resources.

The hearing will take place on Thursday, July 20, 2000, at 2:00 p.m., in room SD–366 of the Dirksen Senate Office Building in Washington, D.C.

The purpose of this hearing is to receive testimony on S. 2754, a bill to provide for the exchange of certain land in the State of Utah; S. 2757, a bill to provide for the transfer or other disposition of certain lands at Melrose Air Force Range, New Mexico, and Yakima Training Center, Washington; and S. 2691, a bill to provide further protections for the watershed of the Little Sandy River as part of the Bull Run Watershed Management Unit, Oregon.

Those who wish to submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, D.C. 20510. For further information, please call Mike Menge at (202) 224–6170.

## AUTHORITY FOR COMMITTEES TO MEET

### COMMITTEE ON THE JUDICIARY

Mr. ROTH. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a hearing on Tuesday, July 11, 2000, at 10:00 a.m., in Hart 216.

The PRESIDING OFFICER. Without objection, it is so ordered.

### SUBCOMMITTEE ON HOUSING AND TRANSPORTATION

Mr. ROTH. Mr. President, I ask unanimous consent that the Subcommittee on Housing and Transportation of the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Tuesday, July 11, 2000, to conduct a hearing to examine the "Federal Transit Administration's approval of extension of the Amtrak Commuter Rail Contract."

The PRESIDING OFFICER. Without objection, it is so ordered.

### SUBCOMMITTEE ON WATER AND POWER

Mr. ROTH. Mr. President, I ask unanimous consent that the Subcommittee on Water and Power of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Tuesday, July 11 at 2:30 p.m. to conduct a hearing. The subcommittee will receive testimony on S. 2195, a bill to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the design, planning, and construction of the Truckee watershed reclamation project for the reclamation and reuse of water; S. 2350, a bill to direct the Secretary of the Interior to convey certain water rights to Duchesne City, Utah; and S. 2672, a bill to provide for the conveyance of various reclamation projects to local water authorities.

The PRESIDING OFFICER. Without objection, it is so ordered.

### SPECIAL COMMITTEE ON AGING

Mr. ROTH. Mr. President, I ask consent that the Special Committee on Aging be authorized to meet today, July 11, 2000 from 9:30 p.m.–12:00 p.m. in Dirksen 628 for the purpose of conducting a hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

## PRIVILEGES OF THE FLOOR

Mr. REID. Mr. President, I ask unanimous consent that John Sparrow, Jerry Pannullo, Lee Holtzman, and Matthew Vogele of the Finance Committee staff be granted the privilege of the floor for the remainder of the week.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that Erin Fullerton be granted the privilege of the floor during the debate today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEVIN. Mr. President, on behalf of Senator BIDEN, I ask unanimous consent the privilege of the floor be granted to a member of his staff, Ben Lowenthal, a Pearson Fellow currently at the Committee on Foreign Relations, during the pendency of the DOD bills.

The PRESIDING OFFICER. Without objection, it is so ordered.

## NOTICE—2000 JULY QUARTERLY REPORTS

The mailing and filing date of the July Quarterly Report required by the Federal Election Campaign Act, as amended, is Saturday, July 15, 2000. All Principal Campaign Committees supporting Senate candidates in the 2000 races must file their reports with the Senate Office of Public Records, 232 Hart Building, Washington, DC 20510–7116. You may wish to advise your campaign committee personnel of this requirement.

The Public Records office will be open from 12 noon until 4 p.m. on July 15, to receive these filings. For further information, please do not hesitate to contact the Office of Public Records on (202) 224–0322.

## NOTICE—2000 MID YEAR REPORT

The mailing and filing date of the 2000 Mid Year Report required by the Federal Election Campaign Act, as amended, is Monday, July 31, 2000. All Principal Campaign Committees supporting Senate candidates in an election year other than 2000 must file their reports with the Senate Office of Public Records, 232 Hart Building, Washington, DC 20510–7116. You may wish to advise your campaign committee personnel of this requirement.

The Public Records office will be open from 8 a.m. until 6 p.m. on the filing date for the purpose of receiving these filings. For further information, please do not hesitate to contact the Office of Public Records on (202) 224–0322.

## NOTICE—REGISTRATION OF MASS MAILINGS

The filing date for 2000 second quarter mass mailings is July 25, 2000. If your office did no mass mailings during this period, please submit a form that states "none."

Mass mailing registrations, or negative reports, should be submitted to the Senate Office of Public Records, 232 Hart Building, Washington, DC 20510–7116.

The Public Records office will be open from 8 a.m. to 6 p.m. on the filing date to accept these filings. For further information, please contact the Public Records Office at (202) 224–0322.

## ORDERS FOR WEDNESDAY, JULY 12, 2000

Mr. WARNER. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:30 a.m. on Wednesday, July 12. I further ask unanimous consent that on Wednesday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate then resume the 2 hours of closing remarks prior to the Senate proceeding to H.R. 8.

The PRESIDING OFFICER. Without objection, it is so ordered.

## PROGRAM

Mr. WARNER. For the information of all Senators, at approximately 11:30 a.m. the Senate will immediately begin a vote in relation to the Bennett amendment to the DOD authorization bill. Following the 11:30 a.m. vote, the Senate will proceed to the estate tax bill, and if an agreement cannot be reached, the Senate would then resume consideration of the Interior appropriations bill. A finite list of amendments may have been agreed to with respect to the Interior appropriations bill; therefore, votes could occur throughout the day and into the evening with respect to the Interior bill.

Also, the Senate may be asked to resume the Death Tax Elimination Act with amendments in order, if an agreement can be reached between the two leaders. It is hoped that the Senate can conclude the Interior bill and the DOD authorization bill by the close of business on Wednesday. The leadership has announced that the Senate will consider and complete the reconciliation bill during this week's session also.

## ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. WARNER. If there is no further business to come before the Senate, I now ask unanimous consent the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 8:38 p.m., adjourned until Wednesday, July 12, 2000, at 9:30 a.m.

# HOUSE OF REPRESENTATIVES—*Tuesday, July 11, 2000*

The House met at 9 a.m. and was called to order by the Speaker pro tempore (Mr. SHERWOOD).

## DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
*July 11, 2000.*

I hereby appoint the Honorable DON SHERWOOD to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
*Speaker of the House of Representatives.*

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate has passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 4577. An act making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2001, and for other purposes.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 4577) "An Act making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2001, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. SPECTER, Mr. COCHRAN, Mr. GORTON, Mr. GREGG, Mr. CRAIG, Mrs. HUTCHISON, Mr. STEVENS, Mr. KYL, Mr. DOMENICI, Mr. HARKIN, Mr. HOLLINGS, Mr. INOUYE, Mr. REID, Mr. KOHL, Mrs. MURRAY, Mrs. FEINSTEIN, and Mr. BYRD, to be the conferees on the part of the Senate.

The message also announced that the Senate has passed a bill of the following title in which the concurrence of the House is requested:

S. 311. An act to authorize the Disabled Veterans' LIFE Memorial Foundation to establish a memorial in the District of Columbia or its environs, and for other purposes.

## MORNING HOUR DEBATES

The SPEAKER pro tempore. Pursuant to the order of the House of January 19, 1999, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 25 minutes, and each Member, except the majority leader, the minority leader, or the minority whip, limited to not to exceed 5 minutes, but in no event shall the debate continue beyond 9:50 a.m.

The Chair recognizes the gentleman from Minnesota (Mr. GUTKNECHT) for 5 minutes.

## TRIBUTE TO HARRIET RESSLER

Mr. GUTKNECHT. Mr. Speaker, I rise today to pay tribute to a very special woman. A few weeks ago, Harriet Ressler celebrated her 60th year in business. Sixty years ago, she opened a women's clothing store in Blooming Prairie, Minnesota, named Harriet's Dres-Wel. That was back in 1940.

Mr. Speaker, I might just say that Harriet just celebrated her 86th birthday as well. She started back then with only one employee who came in to cover the lunch hour and got paid 50 cents a day. She now has 10 employees and the business has expanded to two buildings. Up until 2 weeks ago, she worked 6 days a week.

Mr. Speaker, in a world that some say is dominated by glass ceilings, Harriet Ressler is living proof that America is still the land of opportunity.

As Paul Harvey would say, "Harriet, lead on."

## CONGRESS SHOULD ADDRESS THE LIVABILITY OF AMERICAN COMMUNITIES

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from Oregon (Mr. BLUMENAUER) is recognized during morning hour debates for 5 minutes.

Mr. BLUMENAUER. Mr. Speaker, we have reached the time in our political calendar when both parties are looking towards their convention as a time to set a tone, to chart a course, and to identify the policies and priorities that a new administration might bring. Both parties are crafting their platforms in an effort to highlight the most appealing parts of their agendas and to attract voters.

At the same time, this Congress is moving towards its final few days, debating and voting on the legislation that will be our legacy. If we want to leave our mark on America's future, now is that time.

As one who came to Congress to help make our communities more livable, to make them places where families could be safe, healthy, and economically secure, I would urge my colleagues in both parties to take advantage of the opportunity we have to deal with these issues today, to get in step with the concerns and demands of millions of Americans who are concerned about the livebility of our communities.

Last week, The Washington Post carried a front-page article detailing the political importance of these issues of livability, sprawl, congestion and green space in California, our Nation's largest State.

After a decade of neglect, Californians are refocusing their attention and their tax dollars on green spaces, cleaner water, preservation of seacoast, mountains and the desert. This spring, State voters approved a $2.1 billion measure for better parks and conservation.

In Los Angeles, which has only one-tenth of an acre of green space per 1,000 residents, the smallest amount of any major American city, the State is planning on spending $80 million to create parks and recreational land along the Los Angeles River.

It will also give some of the money from the bond proceeds to private groups to purchase and preserve open space. For instance, in Los Angeles, the Santa Monica Mountains Conservancy will get $35 million to purchase remaining open land around the city.

State action, however, is just the tip of the iceberg. In the past 2 years, almost 20 cities have approved restrictions on sprawl. And although this kind of sentiment might be expected in the traditional more "activist" areas of the State, it is being manifested across California.

Last month's Field Poll showed 70 percent of voters feeling it was very important to elect officials with strong environmental commitment. The Public Policy Institute of California found a majority of voters preferred to spend their State surplus on green space rather than tax cuts.

Even more telling is that a majority of voters in Los Angeles, in the Bay Area, and even in the Central Valley told pollsters they would favor initiatives to slow development, even if it meant slowing economic growth.

Mr. Speaker, as an advocate for livable communities, I do not believe that it is necessary at all to trade economic growth for sensible development policies. Intelligently using our resources and coaxing more value from the investments we make can make such false choices unnecessary.

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

In California, and throughout the country, officials at the State, local, and Federal level are beginning to understand the strong sentiment in favor of liveability. This is a movement that the people have already started. As Joe Edmiston of the San Monica Mountains Conservancy said, "The public is far ahead of the politicians on this."

Mr. Speaker, this is not just true in California, but nationwide. At the Federal level, we in Congress have a unique opportunity to advance these issues. The Federal Government is the Nation's largest landowner, tenant, and employer. From the military to the Post Office, from our vast public landholdings to our transportation infrastructure and the environmental partnership, we have all the tools we need.

Our actions have tremendous impacts on how Americans live, work, and travel. By working to make the Federal Government a better partner with the State and local governments, with business, individual citizens and community groups, we can make our cities and suburbs across America more livable communities and our families safer, healthier and more economically secure.

## RECESS

The SPEAKER pro tempore. There being no further requests for morning hour debates, pursuant to clause 12, rule I, the House will stand in recess until 10 a.m. today.

Accordingly (at 9 o'clock and 8 minutes a.m.) the House stood in recess until 10 a.m.

□ 1000

## AFTER RECESS

The recess having expired, the House was called to order at 10 a.m.

## PRAYER

Rabbi Linda Motzkin, Temple Sinai, Saratoga Springs, New York, offered the following prayer:

In the Talmud, we are taught that every human being should be cognizant of three things, "know from whence you came, and where you are going, and before whom in the future you will be called to account."

Honorable Representatives, you who serve in this House know from whence you came, from every geographic region across this great Nation. And you know that the decisions you make in this Chamber will shape where we all are going, all the men, women and children whom you represent, the people of every faith, race and background who comprise the great tapestry of humanity that is the source of our country's strength.

And so we pray to the Eternal God: May these men and women who serve their country be mindful that, in the future, they will be called to account, not only before the citizens they represent, and not only in the eyes of history, but before You, the God of all. May they be granted in their deliberations on this day a measure of Your wisdom and Your compassion. Amen.

## THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

## PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Ohio (Mr. TRAFICANT) come forward and lead the House in the Pledge of Allegiance.

Mr. TRAFICANT led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

## RABBI LINDA MOTZKIN

(Mr. SWEENEY asked and was given permission to address the House for 1 minute.)

Mr. SWEENEY. Mr. Speaker, I have the distinct pleasure to welcome Rabbi Linda Motzkin of the temple Mount Sinai in Saratoga Springs, New York, as she offered today's opening prayer.

Rabbi Motzkin was ordained by the Hebrew Union College Judiciary Institute of Religion in 1986. She has a BA in Hebrew Language from the University of California at Berkeley and an MA in Hebrew Letters from HUC–JIR.

Prior to her arrival at Skidmore in 1986, she taught the Judaic Studies department at the University of Cincinnati.

She is also coauthor of two Hebrew language textbooks, the First Hebrew Primer and Prayerbook Hebrew: The Easy Way.

In addition to serving as Skidmore's Jewish chaplain, she is co-rabbi, together with her husband, Rabbi Jonathan Rubenstein, of Temple Sinai of Saratoga Springs, a Reform Jewish congregation.

Rabbi Motzkin has a close relationship with all three local Jewish congregations and works to foster connections between Skidmore students and the local Saratoga Springs community, as well as all of those who live in New York's 22nd Congressional District.

Mr. Speaker, I am extremely pleased to have her here and welcome her participation today.

## RELIGIOUS BIGOTRY IN FRANCE

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, the freedom to worship freely according to the dictates of one's conscience is one of the basic rights enshrined in the bill of rights and in similar documents around the world.

The European Convention on Human Rights is another document that guarantees freedom of religion, but the powerful socialist party in France has compiled a list of 173 denominations that it considers dangerous; they call them cults.

The socialist parliament is about to send legislation to President Chirac that would imprison any member of these denominations for up to 2 years for proselytizing or evangelism.

Who is on the list? Well, it includes the Jehovah's Witnesses, the Scientologists, but it also includes Baptists and other well-known evangelical denominations.

Mr. Speaker, the President and Vice President of the United States are both Southern Baptists. Were they to live in France and invite friends to church, they might be imprisoned for that under this proposed law.

The freedom of religion is threatened around the world, but not just in Third World countries.

Mr. Speaker, we must stand against bigotry of every kind, including religious bigotry.

## INTERNATIONAL ABDUCTION

(Mr. LAMPSON asked and was given permission to address the House for 1 minute.)

Mr. LAMPSON. Mr. Speaker, I rise today to continue delivering my 1-minute stories on the issue of international child adduction.

On October 22, 1994, after learning that she was going to lose custody of her children, Mrs. Isabel Felix Leon fled to Mexico with Margaret and William Leon Sandige.

At the time of the abduction, Margaret was 6 and William was 1. After the adduction, the children's father, William Sandige, was granted full custody; and warrants for the mother's arrest were issued. In November of 1995, the mother was arrested at a border crossing without the children and was released after revealing their location.

Under the Hague treaty, Mr. Sandige was awarded full custody of the children from the Mexican court system; however, the abductor appealed the decision to the Supreme Court and has blocked further progress on the case.

Mr. Speaker, Mr. Sandige's children are now 11 and 6 years old. They have spent 6 years apart from each other. It is time to end their separation and the separation of thousands of other parents and children who are being forced apart. It is time, Mr. Speaker, to bring our children home.

## SAY "I DO" TO ELIMINATING THE MARRIAGE PENALTY TAX

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, currently when a couple goes to the altar and says, "I do," they are saying I do to beginning a life together or starting a family and, unfortunately, to paying higher taxes.

How romantic, having a honeymoon at the IRS office. Mr. Speaker, earlier this year, the House passed the Marriage Penalty Tax Relief Act with overwhelming bipartisan support.

This week will again have the opportunity to demonstrate our commitment to marriage and the hope of the American family. It is simply unfair to penalize hard-working Americans like Brenda and Pete Williams in Nevada, with higher taxes only because they have made the wonderful decision to proclaim their love and get married.

Eliminating the marriage penalty tax will enable millions of middle-class families to save for their children's education, for a new home, and for their own retirement.

Mr. Speaker, it is time to help people like Brenda and Pete Williams and eliminate the marriage penalty tax and help these families come one step closer to realizing their American dream.

## AMERICA DOES NOT NEED TO USE FEDERAL DOLLARS FOR SUBLIMINAL HITS THROUGH MEDIA

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, Drug Czar McCaffrey has $1 billion to spend on media campaigns, but he settled for subliminal hits. First, the czar allowed TV networks to avoid the 50/50 match by incorporating antidrug messages in their programs. Now the czar wants to throw away more money this time in the movies. Unbelievable.

The borders are wide open. Heroin and cocaine are pouring across the border faster than Viagra at Niagara, and the drug czar wants subliminal hits in Hollywood.

Beam me up. America needs to stop drugs, cocaine and heroin, at our borders. And one thing America does not need is to start using Federal dollars to make subliminal hits on American citizens through the media. That is just what Communists do.

Mr. Speaker, I yield back all the drugs in Hollywood to boot.

## MARRIAGE PENALTY TAX

(Mr. SAM JOHNSON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SAM JOHNSON of Texas. Mr. Speaker, today Americans are faced with the largest tax burden since World War II. What many people do not realize is that the Federal Government is really taxing American values. One of those values is marriage.

If we get married, the Federal Government punishes us. We pay more in taxes just because we said I do. When we say "I do," it ought to be to your sweetheart, not to the IRS.

Our Federal Government should encourage, not discourage, marriage and families. Our sons and daughters who cannot afford to marry, never truly make a lifelong commitment to God and each other.

Republicans in the House have spent the past few years passing tax bills to eliminate the marriage penalty only to see a Clinton-Gore administration veto. Enough is enough.

We must repeal the tax on American values. Let us start by saying I do to repealing the marriage penalty tax.

## MARRIAGE TAX PENALTY RELIEF ACT

(Mr. BARTLETT of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTLETT of Maryland. Mr. Speaker, as we all know, it is the year 2000. But over the past few months, there has been some debate about when the new millennium actually begins. Some argue that the new millennium begins in 2000, while others argue that it does not technically begin until 2001.

But no matter what millennium we are living in, the marriage tax penalty makes no sense. How can the Government justify charging married couples an extra $1,400 in taxes just because they are married? The Marriage Penalty Tax Relief Act is a reasonable bill that will put some common sense back into our Tax Code.

Some people may continue to disagree about when the 21st century begins, but everyone can agree that working families should not pay extra taxes just because they are married. I hope my colleagues on the other side of the aisle will join us in delivering fairness to working families and voting yes on the Marriage Tax Penalty Relief Act.

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. KUYKENDALL). Pursuant to clause 8 of rule XX, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

Any record votes on postponed questions will be taken after debate has concluded on all motions to suspend the rules.

## MOBILE TELECOMMUNICATIONS SOURCING ACT

Mr. GEKAS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4391) to amend title 4 of the United States Code to establish nexus requirements for State and local taxation of mobile telecommunication services, as amended.

The Clerk read as follows:

H.R. 4391

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

*This Act may be cited as the "Mobile Telecommunications Sourcing Act".*

**SEC. 2. AMENDMENTS TO TITLE 4 OF THE UNITED STATES CODE.**

*(a) AMENDMENT RELATING TO THE STATES.—Chapter 4 of title 4 of the United States Code is amended by adding at the end the following:*

***"§ 116. Rules for determining State and local government treatment of charges related to mobile telecommunications services***

*"(a) APPLICATION OF THIS SECTION THROUGH SECTION 126.—This section through 126 of this title apply to any tax, charge, or fee levied by a taxing jurisdiction as a fixed charge for each customer or measured by gross amounts charged to customers for mobile telecommunications services, regardless of whether such tax, charge, or fee is imposed on the vendor or customer of the service and regardless of the terminology used to describe the tax, charge, or fee.*

*"(b) GENERAL EXCEPTIONS.—This section through 126 of this title do not apply to—*

*"(1) any tax, charge, or fee levied upon or measured by the net income, capital stock, net worth, or property value of the provider of mobile telecommunications service;*

*"(2) any tax, charge, or fee that is applied to an equitably apportioned amount that is not determined on a transactional basis;*

*"(3) any tax, charge, or fee that represents compensation for a mobile telecommunications service provider's use of public rights of way or other public property, provided that such tax, charge, or fee is not levied by the taxing jurisdiction as a fixed charge for each customer or measured by gross amounts charged to customers for mobile telecommunication services;*

*"(4) any generally applicable business and occupation tax that is imposed by a State, is applied to gross receipts or gross proceeds, is the legal liability of the home service provider, and that statutorily allows the home service provider to elect to use the sourcing method required in this section through 126 of this title;*

*"(5) any fee related to obligations under section 254 of the Communications Act of 1934; or*

*"(6) any tax, charge, or fee imposed by the Federal Communications Commission.*

*"(c) SPECIFIC EXCEPTIONS.—This section through 126 of this title —*

*"(1) do not apply to the determination of the taxing situs of prepaid telephone calling services;*

*"(2) do not affect the taxability of either the initial sale of mobile telecommunications services or subsequent resale of such services, whether as sales of such services alone or as a part of a bundled product, if the Internet Tax Freedom Act would preclude a taxing jurisdiction from subjecting the charges of the sale of such services to a tax, charge, or fee, but this section provides no evidence of the intent of*

*Congress with respect to the applicability of the Internet Tax Freedom Act to such charges; and*

*"(3) do not apply to the determination of the taxing situs of air-ground radiotelephone service as defined in section 22.99 of title 47 of the Code of Federal Regulations as in effect on June 1, 1999.*

***"§117. Sourcing rules***

*"(a) TREATMENT OF CHARGES FOR MOBILE TELECOMMUNICATIONS SERVICES.—Notwithstanding the law of any State or political subdivision of any State, mobile telecommunications services provided in a taxing jurisdiction to a customer, the charges for which are billed by or for the customer's home service provider, shall be deemed to be provided by the customer's home service provider.*

*"(b) JURISDICTION.—All charges for mobile telecommunications services that are deemed to be provided by the customer's home service provider under sections 116 through 126 of this title are authorized to be subjected to tax, charge, or fee by the taxing jurisdictions whose territorial limits encompass the customer's place of primary use, regardless of where the mobile telecommunication services originate, terminate, or pass through, and no other taxing jurisdiction may impose taxes, charges, or fees on charges for such mobile telecommunications services.*

***"§118. Limitations***

*"Sections 116 through 126 of this title do not—*

*"(1) provide authority to a taxing jurisdiction to impose a tax, charge, or fee that the laws of such jurisdiction do not authorize such jurisdiction to impose; or*

*"(2) modify, impair, supersede, or authorize the modification, impairment, or supersession of the law of any taxing jurisdiction pertaining to taxation except as expressly provided in sections 116 through 126 of this title.*

***"§119. Electronic databases for nationwide standard numeric jurisdictional codes***

*"(a) ELECTRONIC DATABASE.—*

*"(1) PROVISION OF DATABASE.—A State may provide an electronic database to a home service provider or, if a State does not provide such an electronic database to home service providers, then the designated database provider may provide an electronic database to a home service provider.*

*"(2) FORMAT.—(A) Such electronic database, whether provided by the State or the designated database provider, shall be provided in a format approved by the American National Standards Institute's Accredited Standards Committee X12, that, allowing for de minimis deviations, designates for each street address in the State, including to the extent practicable, any multiple postal street addresses applicable to one street location, the appropriate taxing jurisdictions, and the appropriate code for each taxing jurisdiction, for each level of taxing jurisdiction, identified by one nationwide standard numeric code.*

*"(B) Such electronic database shall also provide the appropriate code for each street address with respect to political subdivisions which are not taxing jurisdictions when reasonably needed to determine the proper taxing jurisdiction.*

*"(C) The nationwide standard numeric codes shall contain the same number of numeric digits with each digit or combination of digits referring to the same level of taxing jurisdiction throughout the United States using a format similar to FIPS 55–3 or other appropriate standard approved by the Federation of Tax Administrators and the Multistate Tax Commission, or their successors. Each address shall be provided in standard postal format.*

*"(b) NOTICE; UPDATES.—A State or designated database provider that provides or maintains an electronic database described in subsection (a) shall provide notice of the availability of the then current electronic database, and any subsequent revisions thereof, by publication in the manner normally employed for the publication of informational tax, charge, or fee notices to taxpayers in such State.*

*"(c) USER HELD HARMLESS.—A home service provider using the data contained in an electronic database described in subsection (a) shall be held harmless from any tax, charge, or fee liability that otherwise would be due solely as a result of any error or omission in such database provided by a State or designated database provider. The home service provider shall reflect changes made to such database during a calendar quarter not later than 30 days after the end of such calendar quarter for each State that issues notice of the availability of an electronic database reflecting such changes under subsection (b).*

***"§120. Procedure if no electronic database provided***

*"(a) SAFE HARBOR.—If neither a State nor designated database provider provides an electronic database under section 119, a home service provider shall be held harmless from any tax, charge, or fee liability in such State that otherwise would be due solely as a result of an assignment of a street address to an incorrect taxing jurisdiction if, subject to section 121, the home service provider employs an enhanced zip code to assign each street address to a specific taxing jurisdiction for each level of taxing jurisdiction and exercises due diligence at each level of taxing jurisdiction to ensure that each such street address is assigned to the correct taxing jurisdiction. If an enhanced zip code overlaps boundaries of taxing jurisdictions of the same level, the home service provider must designate one specific jurisdiction within such enhanced zip code for use in taxing the activity for such enhanced zip code for each level of taxing jurisdiction. Any enhanced zip code assignment changed in accordance with section 121 is deemed to be in compliance with this section. For purposes of this section, there is a rebuttable presumption that a home service provider has exercised due diligence if such home service provider demonstrates that it has—*

*"(1) expended reasonable resources to implement and maintain an appropriately detailed electronic database of street address assignments to taxing jurisdictions;*

*"(2) implemented and maintained reasonable internal controls to promptly correct misassignments of street addresses to taxing jurisdictions; and*

*"(3) used all reasonably obtainable and usable data pertaining to municipal annexations, incorporations, reorganizations and any other changes in jurisdictional boundaries that materially affect the accuracy of such database.*

*"(b) TERMINATION OF SAFE HARBOR.—Subsection (a) applies to a home service provider that is in compliance with the requirements of subsection (a), with respect to a State for which an electronic database is not provided under section 119 until the later of—*

*"(1) 18 months after the nationwide standard numeric code described in section 119(a) has been approved by the Federation of Tax Administrators and the Multistate Tax Commission; or*

*"(2) 6 months after such State or a designated database provider in such State provides such database as prescribed in section 119(a).*

***"§121. Correction of erroneous data for place of primary use***

*"(a) IN GENERAL.—A taxing jurisdiction, or a State on behalf of any taxing jurisdiction or taxing jurisdictions within such State, may—*

*"(1) determine that the address used for purposes of determining the taxing jurisdictions to which taxes, charges, or fees for mobile telecommunications services are remitted does not meet the definition of place of primary use in section 124(8) and give binding notice to the home service provider to change the place of primary use on a prospective basis from the date of notice of determination if—*

*"(A) if the taxing jurisdiction making such determination is not a State, such taxing jurisdiction obtains the consent of all affected taxing jurisdictions within the State before giving such notice of determination; and*

*"(B) before the taxing jurisdiction gives such notice of determination, the customer is given an opportunity to demonstrate in accordance with applicable State or local tax, charge, or fee administrative procedures that the address is the customer's place of primary use;*

*"(2) determine that the assignment of a taxing jurisdiction by a home service provider under section 120 does not reflect the correct taxing jurisdiction and give binding notice to the home service provider to change the assignment on a prospective basis from the date of notice of determination if—*

*"(A) if the taxing jurisdiction making such determination is not a State, such taxing jurisdiction obtains the consent of all affected taxing jurisdictions within the State before giving such notice of determination; and*

*"(B) the home service provider is given an opportunity to demonstrate in accordance with applicable State or local tax, charge, or fee administrative procedures that the assignment reflects the correct taxing jurisdiction.*

***"§ 122. Determination of place of primary use***

*"(a) PLACE OF PRIMARY USE.—A home service provider shall be responsible for obtaining and maintaining the customer's place of primary use (as defined in section 124). Subject to section 121, and if the home service provider's reliance on information provided by its customer is in good faith, a taxing jurisdiction shall—*

*"(1) allow a home service provider to rely on the applicable residential or business street address supplied by the home service provider's customer; and*

*"(2) not hold a home service provider liable for any additional taxes, charges, or fees based on a different determination of the place of primary use for taxes, charges or fees that are customarily passed on to the customer as a separate itemized charge.*

*"(b) ADDRESS UNDER EXISTING AGREEMENTS.—Except as provided in section 121, a taxing jurisdiction shall allow a home service provider to treat the address used by the home service provider for tax purposes for any customer under a service contract or agreement in effect 2 years after the date of enactment of the Mobile Telecommunications Sourcing Act as that customer's place of primary use for the remaining term of such service contract or agreement, excluding any extension or renewal of such service contract or agreement, for purposes of determining the taxing jurisdictions to which taxes, charges, or fees on charges for mobile telecommunications services are remitted.*

***"§123. Scope; special rules***

*"(a) ACT DOES NOT SUPERSEDE CUSTOMER'S LIABILITY TO TAXING JURISDICTION.—Nothing in sections 116 through 126 modifies, impairs, supersedes, or authorizes the modification, impairment, or supersession of, any law allowing a taxing jurisdiction to collect a tax, charge, or fee from a customer that has failed to provide its place of primary use.*

*"(b) ADDITIONAL TAXABLE CHARGES.—If a taxing jurisdiction does not otherwise subject charges for mobile telecommunications services to taxation and if these charges are aggregated with and not separately stated from charges that are subject to taxation, then the charges for nontaxable mobile telecommunications services may be subject to taxation unless the home*

*service provider can reasonably identify charges not subject to such tax, charge, or fee from its books and records that are kept in the regular course of business.*

*"(c) NONTAXABLE CHARGES.—If a taxing jurisdiction does not subject charges for mobile telecommunications services to taxation, a customer may not rely upon the nontaxability of charges for mobile telecommunications services unless the customer's home service provider separately states the charges for nontaxable mobile telecommunications services from taxable charges or the home service provider elects, after receiving a written request from the customer in the form required by the provider, to provide verifiable data based upon the home service provider's books and records that are kept in the regular course of business that reasonably identifies the nontaxable charges.*

***"§ 124. Definitions***

*"In sections 116 through 126 of this title:*

*"(1) CHARGES FOR MOBILE TELECOMMUNICATIONS SERVICES.—The term 'charges for mobile telecommunications services' means any charge for, or associated with, the provision of commercial mobile radio service, as defined in section 20.3 of title 47 of the Code of Federal Regulations as in effect on June 1, 1999, or any charge for, or associated with, a service provided as an adjunct to a commercial mobile radio service, that is billed to the customer by or for the customer's home service provider regardless of whether individual transmissions originate or terminate within the licensed service area of the home service provider.*

*"(2) CUSTOMER.—*

*"(A) IN GENERAL.—The term 'customer' means—*

*"(i) the person or entity that contracts with the home service provider for mobile telecommunications services; or*

*"(ii) if the end user of mobile telecommunications services is not the contracting party, the end user of the mobile telecommunications service, but this clause applies only for the purpose of determining the place of primary use.*

*"(B) The term 'customer' does not include—*

*"(i) a reseller of mobile telecommunications service; or*

*"(ii) a serving carrier under an arrangement to serve the customer outside the home service provider's licensed service area.*

*"(3) DESIGNATED DATABASE PROVIDER.—The term 'designated database provider' means a corporation, association, or other entity representing all the political subdivisions of a State that is—*

*"(A) responsible for providing an electronic database prescribed in section 119(a) if the State has not provided such electronic database; and*

*"(B) approved by municipal and county associations or leagues of the State whose responsibility it would otherwise be to provide such database prescribed by sections 116 through 126 of this title.*

*"(4) ENHANCED ZIP CODE.—The term 'enhanced zip code' means a United States postal zip code of 9 or more digits.*

*"(5) HOME SERVICE PROVIDER.—The term 'home service provider' means the facilities-based carrier or reseller with which the customer contracts for the provision of mobile telecommunications services.*

*"(6) LICENSED SERVICE AREA.—The term 'licensed service area' means the geographic area in which the home service provider is authorized by law or contract to provide commercial mobile radio service to the customer.*

*"(7) MOBILE TELECOMMUNICATIONS SERVICE.—The term 'mobile telecommunications service' means commercial mobile radio service, as defined in section 20.3 of title 47 of the Code of Federal Regulations as in effect on June 1, 1999.*

*"(8) PLACE OF PRIMARY USE.—The term 'place of primary use' means the street address representative of where the customer's use of the mobile telecommunications service primarily occurs, which must be—*

*"(A) the residential street address or the primary business street address of the customer; and*

*"(B) within the licensed service area of the home service provider.*

*"(9) PREPAID TELEPHONE CALLING SERVICES.—The term 'prepaid telephone calling service' means the right to purchase exclusively telecommunications services that must be paid for in advance, that enables the origination of calls using an access number, authorization code, or both, whether manually or electronically dialed, if the remaining amount of units of service that have been prepaid is known by the provider of the prepaid service on a continuous basis.*

*"(10) RESELLER.—The term 'reseller'—*

*"(A) means a provider who purchases telecommunications services from another telecommunications service provider and then resells, uses as a component part of, or integrates the purchased services into a mobile telecommunications service; and*

*"(B) does not include a serving carrier with which a home service provider arranges for the services to its customers outside the home service provider's licensed service area.*

*"(11) SERVING CARRIER.—The term 'serving carrier' means a facilities-based carrier providing mobile telecommunications service to a customer outside a home service provider's or reseller's licensed service area.*

*"(12) TAXING JURISDICTION.—The term 'taxing jurisdiction' means any of the several States, the District of Columbia, or any territory or possession of the United States, any municipality, city, county, township, parish, transportation district, or assessment jurisdiction, or any other political subdivision within the territorial limits of the United States with the authority to impose a tax, charge, or fee.*

***"§ 125. Nonseverability***

*"If a court of competent jurisdiction enters a final judgment on the merits that—*

*"(1) is based on Federal law;*

*"(2) is no longer subject to appeal; and*

*"(3) substantially limits or impairs the essential elements of sections 116 through 126 of this title;*

*then sections 116 through 126 of this title are invalid and have no legal effect as of the date of entry of such judgment.*

***"§ 126. No inference***

*"(a) INTERNET TAX FREEDOM ACT.—Nothing in sections 116 through this section of this title shall be construed as bearing on Congressional intent in enacting the Internet Tax Freedom Act or to modify or supersede the operation of such Act.*

*"(b) TELECOMMUNICATIONS ACT OF 1996.—Nothing in sections 116 through this section of this title shall limit or otherwise affect the implementation of the Telecommunications Act of 1996 or the amendments made by such Act.".*

*(b) TECHNICAL AMENDMENT.—The table of sections of chapter 4 of title 4, United States Code, is amended by adding the following after the item relating to section 115:*

*"116. Rules for determining State and local government treatment of charges related to mobile telecommunications services.*
*"117. Sourcing rules.*
*"118. Limitations.*
*"119. Electronic databases for nationwide standard numeric jurisdictional codes.*
*"120. Procedure if no electronic database provided.*
*"121. Correction of erroneous data for place of primary use.*
*"122. Determination of place of primary use.*
*"123. Scope; special rules.*
*"124. Definitions.*
*"125. Nonseverability.*
*"126. No inference.".*

***SEC. 3. EFFECTIVE DATE; APPLICATION OF AMENDMENT.***

*(a) EFFECTIVE DATE..—Except as provided in subsection (b), this Act and the amendment made by this Act shall take effect on the date of the enactment of this Act.*

*(b) APPLICATION OF ACT.—The amendment made by this Act shall apply only to customer bills issued after the 1st day of the 1st month beginning more than 2 years after the date of enactment of this Act.*

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania (Mr. GEKAS) and the gentleman from New York (Mr. NADLER) each will control 20 minutes.

The Chair recognizes the gentleman from Pennsylvania (Mr. GEKAS).

GENERAL LEAVE

Mr. GEKAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 4391, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GEKAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, everyone recognizes that over the 10 previous years prior to this exact moment, there has been an explosion of use of wireless communications, mobile communications devices.

□ 1015

These are seen in every hallway in Congress, in every shopping mall in the country, and every place where there are more than two people. One can sense that wireless communications has reached a new plateau. It is estimated that some 80 million such devices are in constant use every single day even as we proceed here on this bill.

The problem has been one of a complex problem that local taxing authorities have not known how to proceed in levying the tax that they would by law, by their own ordinances, et cetera, be able to cast on such a wireless service.

Where should it be? Where the wireless communications originate or where they fall into the receivers of the call itself, all the things in between that could account for the course that a wireless communication takes. So what to do?

What has happened here in this particular case, Mr. Speaker, is an example that we ought to be looking to more than just at a glance in many of the issues that come before us. We go to the source of the people that are involved in the very vexing problem about which we speak.

In this case, the wireless industry and the local taxing authorities got together and fashioned a way out of the jungle of taxation and complexity that they found themselves. So what they determined was that the place to be taxed would be where the receiver receives that particular call, and the taxing authority would be limited to that. That way, there would not be a proliferation of taxing authorities, nor of taxing acts on any part of the taxing community.

So we come to this moment ready to present a bill to the Congress that has been prepared for us by the goodwill of the wireless industry people and the taxing authorities who wanted to solve the situation without too much trouble.

Mr. Speaker, I reserve the balance of my time.

Mr. NADLER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this legislation. I will not burden the House with a duplicate description of the legislation. The gentleman from Pennsylvania (Mr. GEKAS), the distinguished chairman of the subcommittee, has given us a very accurate and adequate description of what this legislation does.

We are dealing today with a complex interstate taxation issue, and we are dealing with it the right way. Industry and State and local governments have worked together for the last 2 years to formulate an intelligent and fair way to manage the taxation of wireless telecommunications dealing with such complex issues as sourcing, nexus, and the place of a customer's primary use.

All this work analysis and cooperation will ensure the calls which may be made in one jurisdiction but which are received in or passed through several others are not confronted with a thicket of taxing jurisdictions. It will simplify the process of tax collection without imposing any new taxes, all of this to the benefit of consumers, of the industry, and of taxing jurisdictions.

I hope we can take a lesson from the way in which this complex taxation issue has been handled and perhaps apply it to the Internet tax issue which, so far, has not been handled in this way but has been overly politicized with a result that none of the critical issues in that area have been resolved and may not be resolved for some time to come.

It is regrettable that the Internet tax bill was marked up in committee and voted on the floor at the behest of the leadership before a hearing was held. I am almost embarrassed to note that we only held our first hearing on the subject after that floor vote. Shooting first and asking questions later is no way to help foster a stable economic environment for the new economy.

By very complete contrast, the development of this legislation has been a model of cooperation and bipartisanship. Majority and minority staff worked with the States, with local governments, and with industry to perfect the bill introduced by the gentleman from Illinois (Chairman HYDE), the gentleman from Pennsylvania (Chairman GEKAS), the gentleman from Michigan (Mr. CONYERS), and myself.

I support this legislation, and I commend all of those who came together to make it a product that will be a credit to this Congress. I hope that the cooperation, common sense, and consensus which has shaped this legislation will have a positive influence on the Internet tax issue as we deal with that in the future.

Regardless, this is a good and a worthy bill. It has the support of State and local government as well as of the industry. It has been introduced by the bipartisan leadership of the Committee on the Judiciary and of the subcommittee, and I urge my colleagues to support it.

Mr. Speaker, I reserve the balance of my time.

Mr. HYDE. Mr. Speaker, I am pleased to lend my support to this eminently sensible piece of legislation. Due to the mobile nature of cellular telecommunications, traditional methods of assessing and collecting sales and use tax on them do not work well. Because the tax on a cellular telephone call now varies depending on where the customer was located when it was initiated, each individual call must be tracked and matched up with a taxing jurisdiction. This makes it difficult for the cellular service provider to calculate the tax, and difficult for the state and local governments to monitor compliance. It also causes a customer's state and local tax assessment to change from month to month, depending on where the customer has traveled.

H.R. 4391 will provide customers with simpler billing for their wireless telephone calls, while preserving state and local authority to tax wireless services. It will reduce the chances that a wireless call might be taxed by more than one jurisdiction, and will simplify and reduce the costs of tax administration, both for the carrier and for the taxing authority. This should in turn lower the cost of wireless telecommunications services to the consumer.

I want to congratulate the wireless telecommunications industry and state and local governments for having found a mutually agreeable solution to this problem. I know that they have worked long and hard on this project over at least the last two years.

I also want to commend my colleague from Mississippi, CHIP PICKERING, for his leadership on this issue. Had it not been for his initiative in identifying this proposal as a worthy response to the growing complexities posed by taxing mobile telecommunications, we would not be here today. He has labored tirelessly—and successfully—to gain consensus on the bill and has worked closely with our committee to perfect the work which we have before us.

Mr. GEKAS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. NADLER. Mr. Speaker, I have no requests for time, so I yield back the balance of my time.

The SPEAKER pro tempore (Mr. KUYKENDALL). The question is on the motion offered by the gentleman from Pennsylvania (Mr. GEKAS) that the House suspend the rules and pass the bill, H.R. 4391, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read:

"A bill to amend title 4 of the United States Code to establish sourcing requirements for State and local taxation of mobile telecommunication services.".

A motion to reconsider was laid on the table.

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## ADJUSTMENT OF STATUS OF CERTAIN SYRIAN NATIONALS

Mr. GEKAS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4681) to provide for the adjustment of status of certain Syrian nationals, as amended.

The Clerk read as follows:

H.R. 4681

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. FINDINGS.**

The Congress finds as follows:

(1) President Bush and President Clinton successively conducted successful negotiations with the Government of Syria to bring about the release of members of the Syrian Jewish population and their immigration to the United States.

(2) In order to accommodate the Syrian Government, the United States was required to admit these aliens by first granting them temporary nonimmigrant visas and subsequently granting them asylum, rather than admitting them as refugees (as is ordinarily done when the United States grants refuge to members of a persecuted alien minority group).

(3) The asylee status of these aliens has resulted in a long and unnecessary delay in their adjustment to lawful permanent resident status that would not have been encountered had they been admitted as refugees.

(4) This delay has impaired these aliens' ability to work in their chosen professions, travel freely, and apply for naturalization.

(5) The Attorney General should act without further delay to grant lawful permanent resident status to these aliens in accordance with section 2.

**SEC. 2. ADJUSTMENT OF STATUS OF CERTAIN SYRIAN NATIONALS.**

(a) ADJUSTMENT OF STATUS.—Subject to subsection (c), the Attorney General shall adjust the status of an alien described in subsection (b) to that of an alien lawfully admitted for permanent residence, if the alien—

(1) applies for adjustment of status under this section not later than one year after the date of the enactment of this Act or applied for adjustment of status under the Immigration and Nationality Act before the date of the enactment of this Act;

(2) has been physically present in the United States for at least one year after being granted asylum;

(3) is not firmly resettled in any foreign country; and

(4) is admissible as an immigrant under the Immigration and Nationality Act at the

time of examination for adjustment of such alien.

(b) ALIENS ELIGIBLE FOR ADJUSTMENT OF STATUS.—The benefits provided by subsection (a) shall apply to any alien—

(1) who—

(A) is a Jewish national of Syria;

(B) arrived in the United States after December 31, 1991, after being permitted by the Syrian Government to depart from Syria; and

(C) is physically present in the United States at the time of filing the application described in subsection (a)(1); or

(2) who is the spouse, child, or unmarried son or daughter of an alien described in paragraph (1).

(c) NUMERICAL LIMITATION.—The total number of aliens whose status may be adjusted under this section may not exceed 2,000.

(d) RECORD OF PERMANENT RESIDENCE.—Upon approval of an application for adjustment of status under this section, the Attorney General shall establish a record of the alien's admission for lawful permanent residence as of the date one year before the date of the approval of the application.

(e) AVAILABILITY OF ADMINISTRATIVE REVIEW.—The Attorney General shall provide to applicants for adjustment of status under subsection (a) the same right to, and procedures for, administrative review as are provided to applicants for adjustment of status under section 209(b) of the Immigration and Nationality Act (8 U.S.C. 1159(b)).

(f) NO OFFSET IN NUMBER OF VISAS AVAILABLE.—Whenever an alien is granted the status of having been lawfully admitted for permanent residence pursuant to this section, the Secretary of State shall not be required to reduce the number of immigrant visas authorized to be issued under any provision of the Immigration and Nationality Act.

(g) APPLICATION OF IMMIGRATION AND NATIONALITY ACT PROVISIONS.—The definitions contained in the Immigration and Nationality Act shall apply in the administration of this section. The fact that an alien may be eligible to be granted the status of having been lawfully admitted for permanent residence under this section shall not preclude the alien from seeking such status under any other provision of law for which the alien may be eligible.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania (Mr. GEKAS) and the gentleman from New York (Mr. WEINER) each will control 20 minutes.

The Chair recognizes the gentleman from Pennsylvania (Mr. GEKAS).

GENERAL LEAVE

Mr. GEKAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 4681, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GEKAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in 1992, the Bush Administration successfuly negotiated with Syria to secure the release of persecuted Syrian Jews. To accommodate the Syrian Government, the U.S. was forced to admit the refugees on temporary visas and grant them asylum, rather than admitting them as refugees. This arrangement resulted in long delays in adjustment to lawful permanent resident status, which in turn has impaired their ability to work in their chosen professions, travel freely, and apply for naturalization.

H.R. 4681, which ends this delay, was introduced by the gentleman from New York, my friend and colleague RICK LAZIO.

Congressman LAZIO'S attention to the welfare of this once-persecuted community is admirable, and I urge my colleagues to support this bill.

Mr. Speaker, I yield to the gentleman from New York (Mr. LAZIO), and I ask unanimous consent that he be permitted to control the time for the balance of the debate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. LAZIO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to begin by thanking the gentleman from Pennsylvania (Mr. GEKAS), the chairman of the relevant subcommittee, for his leadership in allowing this bill to come to the floor, a bill that is of great importance in terms of both the sense of American justice and worldwide justice.

I also want to thank the gentleman from New York (Mr. WEINER) for his assistance in making sure that we got this bill to the floor.

Mr. Speaker, can one imagine a country where the Jewish community lives in an atmosphere of oppression and repression? Can one imagine a nation whose absolute ruler keeps his entire Jewish population in servitude and in slavery?

Mr. Speaker, I know we are here to discuss the question of Jews who have sought asylum in the United States from Syrian tyranny and terror, but I would like for a moment to mention a case from an earlier era, a case that applies timeless lessons that can be applied to the matter that we are discussing here today.

Yes, Mr. Speaker, the analogies between these two cases are instructive. The parallels are profound. The similarities are significant. Mr. Speaker, some 3,000 years ago, another Jewish community was held in bondage in a place called Egypt. Just as the Israelites were held hostage for years by Pharaoh, for years, the Syrian Jewish community served as a bargaining chip in a game of high stakes yet again. Pharaoh marshalled his army and marched and pursued, determined to enslave the Israelites again.

When the Syrian dictator Assad finally decided to let Syria's Jews leave for freedom, he imposed a condition on their departure, a condition that would continue to limit the lives of these Jews in their new home. Assad demanded that these Syrian Jews be allowed into the United States as asylum seekers rather than refugees. Assad made this demand for a reason. He was aware that the United States immigration law makes it far more difficult for those who are asylum status to become American citizens.

As a result, Mr. Speaker, the Jews who fled Syrian persecution to the United States exist in legal limbo today. Many of them have no green cards. Many of them cannot pursue their chosen professions because they live in an immigration no-man's land that is neither here nor there.

Mr. Speaker, just as the Pharaoh's spite and malice made him pursue the fleeing Israelites, Assad's animosity propelled the long arm of interference that prevents these Jewish asylum seekers from integrating into America's society.

Well, Mr. Speaker, we all know what happened to Pharaoh and his army. Now we have an opportunity to enact the legislative equivalent of the closing of the Red Sea. Let us wash away the last bonds of slavery imposed on these Syrian Jews by an unfair and unjust dictator. Let us allow the Syrian Jews who have sought refuge in America to taste fully fruits of freedom.

Mr. Speaker, the Talmud teaches us that whoever saves one life, he has saved the entire world. Mr. Speaker, we have saved these Syrian Jews from threats of violence, imprisonment, and torture. We saved these Jewish asylum seekers from the bitter servitude that was their lot in their native land. But, Mr. Speaker, the task is not complete. As long as these Jews are denied an equal chance for citizenship, they will not truly have been brought to freedom.

Mr. Speaker, we began this task, we brought these Jewish asylum seekers from a regime of oppression into the promised land of liberty. Let us finish the job and pass this bill. This bill will allow them to become the active participants in the American dream that all Americans wish for.

Mr. Speaker, I reserve the balance of my time.

Mr. WEINER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to thank the gentleman from New York (Mr. LAZIO) for his great work on this bill. I also want to particularly thank the gentleman from Texas (Mr. SMITH), the chairman of the Subcommittee on Immigration and Claims.

I had originally offered a form of this bill in committee during the debate on the H–1B reform legislation, and the gentleman from Texas (Mr. SMITH) was kind in offering to help us make this issue a reality in some other form. I am glad that we are here on the floor to finally act on this.

Mr. Speaker, passage of this bill today will finally begin to bring closure for a group of Syrian Americans who have been persecuted for over 50 years.

In 1944, after Syria gained its independence from France, several of the first acts taken by the fledgling government were designed to persecute Syria's small 2,500-year-old Jewish minority. Jewish immigration to Palestine was prohibited. The teaching of Hebrew was severely restricted. Boycotts were ordered against Jewish businesses. When the partition of Israel was declared in 1947, mobs in Aleppo attacked the Syrian Jewish community; over 200 homes were destroyed. Scores of Jews were slaughtered and synagogues were literally torched. Thousands of Jews illegally fled Syria to go to Israel.

In the years since 1947, the Jews' situation in Syria worsened. They were not permitted to emigrate. Jews who did temporarily leave the country were forced to post an onerous monetary deposit and literally to leave family members behind so as to assure their return. In the past, Syrian secret police engaged in 24-hour-a-day surveillance of the Jewish quarter in Damascus. They kept a file on every Jewish person, monitored all contacts between Jews and foreigners, and read the mail and tapped the phones of Syrian Jews.

Members of the Syrian Jewish community have been arrested on the mere suspicion of their intention to leave that country. They have been imprisoned without trial and tortured.

In 1992, the Bush administration made a diplomatic breakthrough in their negotiations with the late President Assad. Syrian leaders agreed to let Jews leave the country without the large deposit. Syria also allowed several complete Jewish families to leave the country. He still would not let Syrian Jews emigrate to Israel, but most of them went to the next best place, Brooklyn, New York, my district, and the district of the gentlemen from New York, Mr. NADLER and Mr. OWENS.

Brooklyn is now the home to over 25,000 Syrian Jews. The names of the Brooklyn neighborhoods that they came to were chanted in the shoals in Syria when this deal was announced.

Since the diplomatic breakthrough of almost 10 years ago, these Syrians have come to Brooklyn by the thousands and established themselves as model citizens. They are really part of the American dream.

But there is a problem that survives to this day and a problem that we seek to resolve with this legislation. Assad would not let these departures be labeled emigration in any way. He needed to save face. He forced the Jews to buy round trip plane tickets, and the INS agreed, our INS agreed as part of this deal to admit these Jews as tourists. They were then granted asylum. As asylee tourists, Syria's Jews received temporary non-immigrant visas. Usually, when the United States admits members of a persecuted alien minority, it admits them as refugees.

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This is the critical difference under U.S. immigration law. It is very difficult for asylees to become permanent residents, and without permanent resident status, Brooklyn's Jews from Syria have been unable to travel freely, to apply for full citizenship, and to work in their chosen professions.

If Syrian Jews had been admitted as refugees, as is often the case from other countries, as they certainly would be by any sense of the word, they would likely be full citizens today. Instead, thousands of them reside in a form of immigration limbo. They have escaped Assad's persecution, but most of them have been unable to become permanent U.S. residents.

This bill changes that. It directs the Attorney General to adjust the status of these Syrian Jews to that of lawful permanent residents. Passage of this bill will signal the House's intention to close this awful chapter in Jewish persecution history. And when the President signs H.R. 4681 into law, these thousands of Syrian families will finally be able to fully participate in American life, a privilege they should have had years and years ago.

One final note to my colleagues. The recent passage of President Assad in Syria has brought with it a good deal of revisionist history. While we are taught not to speak ill of the dead, we have to remember that with Assad's passing, we also have to close a chapter in what has been the improper way that these emigres have been treated.

I want to commend the sponsors of this legislation, and I urge all of my colleagues to vote in favor of this historic bill.

Mr. Speaker, I reserve the balance of my time.

Mr. LAZIO. Mr. Speaker, I yield myself such time as I may consume.

There are two other sponsors of the bill that I wanted to recognize for their hard work. One is the gentleman from New Jersey (Mr. FRANKS) and the other is a tireless advocate, the gentleman from New York (Mr. GILMAN).

I just wanted to emphasize with a personal story, Mr. Speaker, the cruelty and the injustice of the current status of Syrian Jews and talk about a person who has the potential to make a great difference in our society.

Joseph Durzieh. Joseph was a brilliant medical student at the University of Damascus, one of the handful of Jews allowed to pursue a higher education in Syria. And just for an aside, Mr. Speaker, I would note that it was not so long ago that Jews were not permitted to hold a government position or to work in a bank in Syria. There was that level of bias and discrimination.

Joseph came to America in 1992 and immediately proceeded to pass his United States medical equivalency exams with flying colors. He completed his internship in New York and now is working in a State University of New York fellowship program in Brooklyn.

Mr. Speaker, Dr. Durzieh is a well-respected physician. He is highly esteemed by his fellow doctors. He is highly valued by his employers. He is highly beloved by his patients. Yet because he has been unable to obtain a green card, he cannot obtain a license to practice medicine in America. When his fellowship expires next year, Dr. Durzieh will have no choice but to leave the medical field.

Mr. Speaker, if that were to happen, we will all be the poorer for it. We will all be the poorer if because of an emigration law technicality the people of New York are deprived of the services of a gifted physician. We will all be the poorer if because of the vindictiveness of a Syrian regime we do not allow Dr. Joseph Durzieh to use his talents as a healer.

Mr. Speaker, we have an opportunity here to see that justice is done, to ensure that the taste of freedom that all others enjoy are enjoyed by Syrian Jews. I urge the House to strongly, strongly support this measure.

Mr. Speaker, I reserve the balance of my time.

Mr. WEINER. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. NADLER).

Mr. NADLER. Mr. Speaker, I rise in support of this bill, and let me begin by expressing my appreciation to the leadership of the Committee on the Judiciary for rushing this bill to the floor, this simple and just bill.

This bill was introduced by the gentleman from New York (Mr. LAZIO), the gentleman from New York (Mr. WEINER), the gentleman from New Jersey (Mr. FRANKS), the gentleman from New York (Mr. GILMAN), the gentleman from New Jersey (Mr. PALLONE), and myself on June 15, less than a month ago, and here it is on the floor. Lightning speed, as legislation goes. As I said, I want to express my appreciation to the committee leadership for that.

Mr. Speaker, we are dealing here with the result of the tyrannical conduct of the Syrian government, which for generations held the Jewish population, the small Jewish population of Syria, hostage to its tyranny. Even today the Jews and the Kurds are the only minorities in Syria not allowed by law to participate in the political system, and the Jews are the only minority in Syria whose passports and identity cards must note their religious affiliation.

In 1992, as was said before, as a result of negotiations by the President, President Assad of Syria agreed to let those Syrian Jews emigrate to the United States so long as they pretended they were not emigrating. So instead of being classified as refugees, because we agreed, the United States Government, to play along with Assad to let him save face, they came here as tourists, on tourist visas, and were then granted political asylum. Because of that, they are not granted the same right as other refugees and the same ability to regularize their status and eventually become United States citizens.

The United States should not subordinate our justice system and our naturalization system to the tyranny of Syria. This simple bill asks a simple thing: Change the status of this small group of people, and the bill is capped at 3,000, change the status of this small group of people, in effect to refugees, as they really were and are, give them the same rights and stop kowtowing 8 years later to the whim of the Syrian dictator.

It is a just bill, it is a good bill, and it is a simple bill. It rights an injustice, and it will be of great benefit to a number of people, albeit a small number of people; but justice demands its passage. I urge all my colleagues to vote for the bill.

Again, I thank the leadership of the Committee on the Judiciary, the gentleman from Illinois (Mr. HYDE), the gentleman from Pennsylvania (Mr. GEKAS), and the gentleman from Michigan (Mr. CONYERS) for helping speed this bill to where it is today.

Mr. LAZIO. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. GEKAS), the distinguished subcommittee chairman.

Mr. GEKAS. Mr. Speaker, I thank the gentleman for yielding me this time, and I want to, by way of wrap-up, to pay tribute to the gentleman from New York (Mr. LAZIO) for the expedited procedure, to which the gentleman from New York (Mr. NADLER) alluded in his remarks, about how swiftly and accurately this bill was brought to the floor at this juncture.

Witness what the gentleman from New York was able to do. A bill that came out of committee came to the floor under the auspices of the Subcommittee on Immigration and Claims. The gentleman from Texas (Mr. SMITH), who was not able to be here today, and the committee was not able to act as such, so there was a recruitment of the chairman of the Subcommittee on Commercial and Administrative Law to appear on the floor and to then recruit the gentleman from the minority side to be able to come to the floor and to give a history of the situation that brought us to this juncture.

All of this was done in a short period of time. And with much eloquence the gentleman from New York (Mr. LAZIO), the gentleman from New York (Mr. NADLER), and the gentleman from New York (Mr. WEINER) explained the situation to us, and we are now well poised to proceed with enactment of this bill.

Mr. WEINER. Mr. Speaker, I yield myself such time as I may consume to commend the leadership, particularly that of the subcommittee chairman, the gentleman from Texas (Mr. SMITH). Lest we too dramatically rewrite the history of this bill, let us remember that this first came to the full Committee on the Judiciary, as my good friend from Pennsylvania just recognized, in the form of an amendment that was offered on the H–1B bill, where the gentleman from Texas (Mr. SMITH) was kind enough to object to its passage at that time but offered to see that it was handled expeditiously. And I too want to thank the gentleman from New York (Mr. LAZIO) for taking up the cause on the Republican side.

Let us not forget that these are real people in Brooklyn who are awaiting simple justice. I have to tell my colleagues that they are, in many ways, the classic American immigrant group, in that they came here freeing persecution. When they came here, they built synagogues on Ocean Parkway, they built yeshivas, they started businesses. Some of the clothing that we wear today was made by members of the Syrian Jewish community who have become such leaders in the apparel profession, among others. And they have, all that time, been tourists. Under the law, they have been tourists. They have been the longest present tourists in the history of the United States, arguably. They are the only tourist visas that the INS could tell me they have ever issued that had no end date.

What we are saying is, their days as tourists are over. They are no longer visiting the United States. We have always known them to be American citizens at heart, and now they are American citizens on paper as well.

I too am deeply gratified that we are reaching this point. We are hopeful that the other body will act quickly on this. I have received assurances that the President will sign this bill and, hopefully, the next cheers we will hear are not for the freedom of those persecuted Syrian Jews, but the citizenship of those formerly persecuted American Syrian Jews.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. LAZIO. Mr. Speaker, I yield myself such time as I may consume.

Let me finally thank the distinguished chairman of the Committee on the Judiciary, the gentleman from Illinois (Mr. HYDE), for allowing this bill to come to the floor with this expedited procedure and for lending a willing ear, frankly, to our efforts to see that justice is done. Thanks also to the subcommittee chairman, the gentleman from Texas (Mr. SMITH), for his outstanding assistance in this matter.

And let us not forget the fine staff of the Subcommittee on Immigration and Claims, and of the full committee, Jim Wilon in particular, for their excellent assistance. All these people have come together for a common reason, to make sure that we have an opportunity here in the House to express our desire to integrate Syrian Jews into American society and to achieve a measure of justice.

With that, Mr. Speaker, I would ask for the passage of this bill.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise in strong support of H.R. 4681, a bill to provide for the adjustment of status of certain Syrian nationals.

When Syria gained its independence from France in 1944, it engaged in acts of persecution against its small Jewish population. This involved such things as a prohibition against Jewish emigration to Palestine; a restriction on the teaching of Hebrew; and boycotts against Jewish businesses.

Jews who have left the country have been forced to post an onerous monetary deposit, and have had tq leave family members behind so as to assure their return. Also, the Syrian secret police have harassed them. This has included a 24-hour-a-day surveillance of the Jewish quarter in Damascus and other steps to monitor the behavior of the Jews.

When the partition of Israel was declared in 1947, mobs in Aleppo attacked the Syrian Jewish community destroying more than 200 homes, killing many Jews, and torching synagogues.

Relief finally came in the 1990's, when the Bush and later the Clinton Administration made arrangements for 25,000 Jews to come to the United States. These Syrian Jews settled in Brooklyn New York. Although this was a tremendous breakthrough, the Syrian government imposed an undesirable condition on permission to leave Syria. The Jews were required to enter the United States as nonimmigrant visitors and then to seek asylum instead of coming here as refugees.

The asylum applications were granted, but this did not lead to permanent resident status in the United States for many of them. Only a limited number of asylees can become permanent residents of the United States each year. Most of the Syrian Jews therefore have been unable to become permanent U.S. residents. This is completely unacceptable for people who have suffered the way the Syrian Jews have suffered and who have been given refuge in our country. They should be allowed to become lawful permanent residents of the United States.

H.R. 4681 would direct the Attorney General to adjust the status of these Syrian Jews to that of lawful permanent residents without regard to the numerical limitations that prevent this from happening under current law. This would make it possible for the Syrian Jews to finally make their stay in the United States a permanent one and to be able to participate fully in American life.

I am happy to support this legislation, Mr. Speaker, but I do have some reservations, not about what we are doing here, but what we are not doing. There are a group of immigrants who will still be locked out, and who still will not have relief. I am speaking of the "late amnesty" applicants and the immigrants who are asking for parity relief under the NACARA law of 1997.

In 1986, the Immigration Reform and Control Act authorized the legalization of undocumented immigrants who could prove that they had been living in the United States since January 1, 1982.

Unfortunately, the Immigration and Naturalization Service ("INS") promulgated a rule that denied legalization to the immigrants in this group who had briefly left the country. INS then refused to accept applications from people who had violated this rule. But by the time the INS had agreed to modify the rule, the 12-month application period had ended and hundreds of thousands of people who could have established eligibility for legalization had been turned away.

I have introduced a bill, H.R. 4172, the Legal Amnesty Restoration Act of 2000, that would change the date of registry to 1986, which would give amnesty to any immigrant who has entered the United States before 1986. This legislation has the full support of the Clinton Administration.

The purpose of the NACARA parity is to offer the same opportunity for permanent residence to Salvadorans, Guatemalans, Hondurans, and Haitians as was offered to Nicaraguans and Cubans in the Nicaraguan Adjustment and Central American Relief Act of 1997. If this amendment is adopted, eligible nationals of these countries would receive treatment equivalent to that granted to the Nicaraguans and Cubans under the Nicaraguan Adjustment and Central American Relief Act of 1997 (NACARA).

This action would allow certain nationals of Nicaragua and Cuba, and their qualified dependents, to have their immigtration status adjusted to lawful permanent residence. Eligibility for this relief requires, among other things, continuous physical presence in the United States since December 1, 1995.

I support H.R. 4681, but I also hope that we can bring relief to others who are so desperately deserving of it and in dire need as well.

Mr. GILMAN. Mr. Speaker, today we have the opportunity to provide relief for 2,000 Syrian Jews, who have been residing in the United States for almost a decade. I commend our colleague from New York, Mr. LAZIO, for his dedication to these displaced people in bringing H.R. 4681 to the floor, today.

In 1992, after years of negotiations between the United States and Syria, President George Bush and Secretary of State James Baker reached an agreement which allowed Syria's beleaguered Jewish population to seek asylum in the United States. However, as a condition of this accord, the Syrian Government demanded that the United States grant these Syrian Jews temporary non-immigrant visas that led to asylum status.

The Syrian government's demand forced the U.S. to deviate from its standard practice in which persecuted alien minorities are granted refugee status that can lead to naturalization.

As a result of this legal technicality, the Syrian Jews who sought refuge in the United States have encountered substantial difficulties in their quest for U.S. citizenship. The resulting delays have inhibited the ability of these Jews of Syrian origin to work in their chosen professions, travel freely and pursue the same quality life in the United States enjoyed by all Americans.

These individuals have become dedicated members of their communities. I am confident that granting lawful permanent resident status to the Syrian Jews will be a great benefit to both their community and our nation.

Accordingly, I urge all my colleagues in the House to Support H.R. 4681.

Mr. CROWLEY. Mr. Speaker, I would like to commend Representative LAZIO, Representative WEINER, and the rest of the co-sponsors for their leadership on this important issue. The Syrian Jewish community experienced many years of persecution at the hands of the Syrian government. For decades, the Syrian Jewish community lived in fear of the secret police. They were barred from buying property, they had travel restrictions placed on them, and they could not work in government or at banks. Now, the U.S. Congress has the ability to ease the suffering of this community.

In 1992, through the efforts of President Bush and the State Department, Hafez Al-Assad agreed to end harsh travel restrictions against the Jewish community of his country. However, he did not want them to come to America as refugees. Instead, this persecuted community came to the U.S. on tourist visas. Because they came on visas, they were effectively blocked from applying for permanent residency in the U.S.

Several professions, such as the medical field, require this status in order to work. Like so many who come to the U.S., these people only wanted the opportunity to contribute to society and work in their chosen professions. I am glad that the U.S. Congress is finally correcting this unfair situation and putting these brave people on the road to citizenship and allowing them to realize their full potential as so many refugees and immigrants have before them.

It is time that the Syrian Jews are granted full access the American dream. I urge all of my colleagues to support this bill.

Mr. PALLONE. Mr. Speaker, this bill is extremely important for a number of reasons. Jews in Syria were persecuted and discriminated against for decades. Because of discrimination and oppression, it was important for these Jews to leave Syria, and for the United States to help pursue this effort.

In general, people who are granted refugee visas to come to the U.S. from other nations are able to apply for permanent residence status after one year.

Unfortunately, although negotiations with the U.S. did eventually lead President Assad to allow Syrian Jews to leave Syria pursuant to an April 1992 Order, he only allowed them to come to the U.S. on tourist visas. Subsequently, these Jews were granted asylum. However, only 10,000 people that have been granted asylum may adjusts their status to permanent residents each year. In recent years, many more than 10,000 people have sought permanent residence status.

As a result, many Syrian Jews have been seeking permanent resident status for many years. Without this status, the Syrian Jewish asylees are unable to seek and change employment readily, obtain a medical license, or apply for U.S. citizenship through the naturalization process.

The legislation before us today would require the Attorney General to adjust the status of the Syrian Jews who emigrated to the United States pursuant to Assad's 1992 Order to that of permanent resident. This legislation is critical to ensure that these people can come to enjoy the full benefits of living in the United States—free from persecution and discrimination.

I urge all of my colleagues to support this important legislation.

Mr. LAZIO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. KUYKENDALL). The question is on the motion offered by the gentleman from Pennsylvania (Mr. GEKAS) that the House suspend the rules and pass the bill, H.R. 4681, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

## AIMEE'S LAW

Mr. GEKAS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 894) to encourage States to incarcerate individuals convicted of murder, rape, or child molestation, as amended.

The Clerk read as follows:

### H.R. 894

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE**

This Act may be cited as "Aimee's Law".

**SEC. 2. DEFINITIONS.**

In this Act:

(1) DANGEROUS SEXUAL OFFENSE.—The term "dangerous sexual offense" means sexual abuse or sexually explicit conduct committed by an individual who has attained the age of 18 years against an individual who has not attained the age of 14 years.

(2) MURDER.—The term "murder" has the meaning given the term under applicable State law.

(3) RAPE.—The term "rape" has the meaning given the term under applicable State law.

(4) SEXUAL ABUSE.—The term "sexual abuse" has the meaning given the term under applicable State law.

(5) SEXUALLY EXPLICIT CONDUCT.—The term "sexually explicit conduct" has the meaning given the term under applicable State law.

**SEC. 3. REIMBURSEMENT TO STATES FOR CRIMES COMMITTED BY CERTAIN RELEASED FELONS.**

(a) PENALTY.—

(1) SINGLE STATE.—In any case in which a State convicts an individual of murder, rape, or a dangerous sexual offense, who has a prior conviction for any 1 of those offenses in a State described in paragraph (3), the Attorney General shall transfer an amount equal to the costs of incarceration, prosecution, and apprehension of that individual, from Federal law enforcement assistance funds that have been allocated to but not distributed to the State that convicted the individual of the prior offense, to the State account that collects Federal law enforcement assistance funds of the State that convicted that individual of the subsequent offense.

(2) MULTIPLE STATES.—In any case in which a State convicts an individual of murder, rape, or a dangerous sexual offense, who has a prior conviction for any 1 or more of those offenses in more than 1 other State described in paragraph (3), the Attorney General shall transfer an amount equal to the costs of incarceration, prosecution, and apprehension

of that individual, from Federal law enforcement assistance funds that have been allocated to but not distributed to each State that convicted such individual of the prior offense, to the State account that collects Federal law enforcement assistance funds of the State that convicted that individual of the subsequent offense.

(3) STATE DESCRIBED.—A State is described in this paragraph if—

(A) the State has not adopted Federal truth-in-sentencing guidelines under section 20104 of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 13704);

(B) the average term of imprisonment imposed by the State on individuals convicted of the offense for which the individual described in paragraph (1) or (2), as applicable, was convicted by the State is less than 10 percent above the average term of imprisonment imposed for that offense in all States; or

(C) with respect to the individual described in paragraph (1) or (2), as applicable, the individual had served less than 85 percent of the term of imprisonment to which that individual was sentenced for the prior offense.

(b) STATE APPLICATIONS.—In order to receive an amount transferred under subsection (a), the chief executive of a State shall submit to the Attorney General an application, in such form and containing such information as the Attorney General may reasonably require, which shall include a certification that the State has convicted an individual of murder, rape, or a dangerous sexual offense, who has a prior conviction for 1 of those offenses in another State.

(c) SOURCE OF FUNDS.—Any amount transferred under subsection (a) shall be derived by reducing the amount of Federal law enforcement assistance funds received by the State that convicted such individual of the prior offense before the distribution of the funds to the State. The Attorney General, in consultation with the chief executive of the State that convicted such individual of the prior offense, shall establish a payment schedule.

(d) CONSTRUCTION.—Nothing in this subsection may be construed to diminish or otherwise affect any court ordered restitution.

(e) EXCEPTION.—This section does not apply if the individual convicted of murder, rape, or a dangerous sexual offense has been released from prison upon the reversal of a conviction for an offense described in subsection (a) and subsequently been convicted for an offense described in subsection (a).

**SEC. 4. COLLECTION OF RECIDIVISM DATA.**

(a) IN GENERAL.—Beginning with calendar year 2000, and each calendar year thereafter, the Attorney General shall collect and maintain information relating to, with respect to each State—

(1) the number of convictions during that calendar year for—

(A) any sex offense in the State in which, at the time of the offense, the victim had not attained the age of 14 years and the offender had attained the age of 18 years;

(B) rape; and

(C) murder; and

(2) the number of convictions described in paragraph (1) that constitute second or subsequent convictions of the defendant of an offense described in that paragraph.

(b) REPORT.—Not later than March 1, 2001, and on March 1 of each year thereafter, the Attorney General shall submit to Congress a report, which shall include—

(1) the information collected under subsection (a) with respect to each State during the preceding calendar year; and

(2) the percentage of cases in each State in which an individual convicted of an offense described in subsection (a)(1) was previously convicted of another such offense in another State during the preceding calendar year.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania (Mr. GEKAS) and the gentleman from Virginia (Mr. SCOTT) each will control 20 minutes.

The Chair recognizes the gentleman from Pennsylvania (Mr. GEKAS).

GENERAL LEAVE

Mr. GEKAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on H.R. 894, the bill now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

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Mr. GEKAS. Mr. Speaker, I yield the balance of my time to the gentleman from Arizona (Mr. SALMON), who has appeared to expedite this particular bill and ask unanimous consent that he be permitted to control that time.

The SPEAKER pro tempore (Mr. KUYKENDALL). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SALMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, every day of every week of every year, States release convicted murderers, rapists and child molesters back into our neighborhoods. Predictably, every day of every week of every year these criminals, America's most dangerous and perverted, revert to form and unleash new waves of terror.

Two years ago, I introduced Aimee's Law, otherwise known as the No Second Chances for Rapists, Murderers and Molesters Act, to end the revolving door of justice that floods our cities and neighborhoods with convicted murderers, rapists, and child molesters. Gail Willard, mother of Aimee for whom the bill is named, Marc Klaas, Mary Vincent, Fred Goldman, Mika Moulton, Childhelp USA, and the National Fraternal Order of Police representing thousands and thousands of police officers nationwide as well as several other of my colleagues have decided to draw a line in the sand and say to criminals, If you commit murder, rape or molestation, you're finished. You don't get a second chance to destroy the lives of the innocent. The victims of these crimes do not get a second chance. Why should their attackers?

I stress the narrow category of crimes that we are talking about here today: murder, rape and child molestation. We are not targeting jaywalkers, shoplifters, or even drug dealers. We are targeting the very worst of the worst.

Any opponent of this bill must answer the following: Should a pedophile have a second chance to live in your neighborhood? Or as so often is the case, a third and fourth chance? How about a rapist? Should they be given another chance to violate women? Do you believe that a murderer living next door to you would enhance the quality of your life or improve the safety of your community?

Aimee's Law has tremendous bipartisan support. It passed last year as an amendment to the juvenile crime bill with 412 votes in this House and 81 votes in the Senate. On the House floor, the gentleman from Florida (Mr. MCCOLLUM) referred to this bill in its current form as a terrific product, an extraordinary bill. Another supporter of Aimee's Law, the gentlewoman from Texas (Ms. JACKSON-LEE), said, "It's tragic that we face on a daily basis the attack of our children by child molesters and murderers and rapists who go about our Nation and repeat their crimes."

The gentlewoman from Texas is right. It is indeed tragic. Aimee Willard died at the hands of a convicted killer. This is a picture of Aimee. Arthur Bomar murdered her. He was released from prison after spending less than 12 years for killing a person over a parking lot spot. This guy was no model prisoner by any stretch of the imagination. While he was in prison, he also violated other prisoners and guards. If Bomar was simply kept in prison after his first murder, Aimee Willard would be alive today. What a needless waste.

Aimee Willard's death is not an isolated incident but part of a totally preventable crime epidemic, recidivist attacks by released convicted murderers, rapists and child molesters.

Politicians talk tough on crime, but here are statistics that you will not see in a campaign commercial. The average time served for rape is 5½ years; for child molestation, 4 years; and for murder, for murder, the worst crime that I can imagine, 8 years. As a direct result of this leniency, every year more than 14,000, let me say that again, every year more than 14,000 rapes, murders and molestations, crimes against children, are committed by previously convicted and released murderers and sex offenders; 14,000 crimes that by definition are 100 percent totally preventable.

The toll on children is devastating. Each year over 80 children are murdered, 1,300 are raped, and 7,500 are sexually assaulted by released murderers, rapists and child molesters. It is not as if murderers, rapists and molesters become Boy Scouts after their release from prison. The recidivism rates for these sex offenders are especially high. As the best experts who have studied this issue will tell you, Once a molester, always a molester. The Department of Justice found in 1997 that within just 3 years of release from prison, an estimated 52 percent of discharged rapists and 48 percent of other sexual offenders were rearrested for a new crime, often a sexual offense. Behind the statistics are grisly threats by sex offenders eligible for release. Here is a quote from one of them.

This molester warned: "I am doomed to eventually rape, then murder my poor little victims to keep them from telling on me. I might be walking the streets of your city, your community, your neighborhoods."

The amended version of H.R. 894 would provide additional funding to States that convict a murderer, rapist or child molester if that criminal had previously been convicted of one of those same crimes in another State. The cost of prosecuting and incarcerating the criminal would be deducted from the Federal crime assistance funds intended to go to the first State, in other words, the State that lets them go, that is irresponsible, loses some of their Federal crime assistance funds and it goes to the new offended State. Aimee's Law would finally hold States accountable for mistakes that shatter lives.

We have heard on this floor and in campaign stump speeches for many years that we need to get back to personal accountability, personal responsibility. How about a little bit of government accountability? How about a little bit of government responsibility?

A safe harbor has been added to the bill which would not require the funds to transfer if the criminal has served 85 percent of his original sentence and if the first State was a truth-in-sentencing State with a higher than average typical sentence for the crime.

Of course, States have the right to release these convicted murderers, rapists and child molesters into our cities and neighborhoods; and this bill does not force them to do otherwise. However, the question is, who should pay when one of these violent predators commits another rape or sex offense in a different State? Should Pennsylvania, which has already paid a huge human cost with the loss of Aimee Willard, have to pay for the prosecution and incarceration of another killer, Arthur Bomar? Or should Nevada, which knew that Arthur Bomar was a vicious killer but decided to release him anyway? They said he was safe. Obviously they thought he was safe, or they would not have released him on society. So who should pay for these carnage costs? The State who let the guy loose, the irresponsible State, or the State that is now a victim as well? I think the answer is obvious.

The law enforcement community in particular understands the importance of this legislation. The Nation's largest police union, the National Fraternal Order of Police, strongly backs this bill. Their president wrote in a letter, an endorsement letter to me yesterday, and I am quoting: "One of the most frustrating aspects of law enforcement is seeing the guilty go free and, once free, commit another heinous crime. Lives can be saved and tragedies can be averted if we have the will to keep these violent, terrible predators locked up. Aimee's Law addresses this issue smartly, without federalizing crimes and without infringing on State and local responsibilities of local law enforcement by providing accountability and responsibility to States who release their murderers, their rapists and child molesters to prey yet again on the innocent."

The revolving door of our criminal justice system can be more than frustrating to law enforcement officers. It can be fatal. A New Jersey police officer, Ippolito Lee Gonzalez, was killed by a released convicted killer, Robert Simon. Simon spent 12 years in a Pennsylvania prison for killing his girlfriend for refusing to engage in sexual relations with his motorcycle gang. The judge who sentenced Simon in Pennsylvania on his first murder conviction had written to the State parole board that Simon should never, never see the light of day in Pennsylvania or any other place in the free world. But he got out. Officer Gonzalez's brother testified at a congressional hearing on Aimee's Law that if this bill had been in effect previously, my brother would still be alive today.

Victims rights and child advocacy groups also strongly endorse this bill. Childhelp USA, Klaas Kids Foundation, Kids Safe, Mothers Outraged at Molesters, and the list goes on and on and on. Editorial boards across America have called for the passage of Aimee's Law. The Delaware County Times, for example, recently offered in an editorial, "Time for the House to enact Aimee's Law": "We see this consideration of Aimee's Law as a step in the right direction as it puts a victim's face on the problem of repeat offenders and the need to place responsibility on the shoulders of our State prisons."

A paper from my home State, the Arizona Republic, asserted that "Congress should pass Aimee's Law for the men, women and children whose lives are shattered, sometimes extinguished by violent criminals who should have never been released from prison. Aimee's Law creates a strong financial incentive for States to impose stiff sentences on violent offenders. And it deftly does it without imposing Federal regulations."

Another paper, the Richmond Times-Dispatch, used the following rationale to support Aimee's Law: "Giving a one-way bus ticket to a sex offender might improve the community he leaves but it is equivalent to the shipping of toxic waste to unsuspecting States. Aimee's Law would make States bear the cost of such a repugnant practice. It is good legislation that the House should pass and the President should sign into law."

Of course, no bill satisfies everyone. Some argue that Aimee's Law responds to a problem that does not really exist. Does not exist? Once again, I refer to the Justice Department's own statistics: 8 years for murder, 5½ for rape, 4 years for molestation of a child. And 13 percent of men convicted of rape serve absolutely no prison time at all. Thirteen percent of rapists do not even spend one day in prison.

I thank all of those who have worked tirelessly to pass Aimee's Law. Particularly, I thank the gentleman from Pennsylvania (Mr. WELDON) and the gentleman from Washington (Mr. SMITH) for their long-term commitment and bipartisan support on this project. I also appreciate the efforts of the gentleman from Texas (Mr. ARMEY), the majority leader; and the gentleman from Texas (Mr. DELAY), the majority whip for their assistance in advancing the legislation. I also owe the gentleman from Illinois (Mr. HYDE) a debt of gratitude for discharging the bill from the Committee on the Judiciary and the gentleman from Florida (Mr. MCCOLLUM) for convening two hearings on this bill.

Aimee's Law will finally bring some accountability to the States who choose to be irresponsible and release convicted murderers, rapists and child molesters back into society. Enactment of the bill will spare families from the needless tragedy experienced by Aimee Willard's family and thousands and thousands of countless other families across the Nation. Whose side do you come down on? The 40 or so law enforcement, child advocacy and victims rights groups that have endorsed Aimee's Law enthusiastically, or the convicted murderers, rapists and molesters and their apologists? Please do the right thing and vote for Aimee's Law.

Mr. ROYCE. Mr. Speaker, will the gentleman yield?

Mr. SALMON. I yield to the gentleman from California.

Mr. ROYCE. Mr. Speaker, I would just like to point out that when the author of the bill makes the statement that 13 percent of these rapists will serve no time at all, that is 13 percent of those caught and convicted. And there is only 10 percent in the United States of rapists that are actually even brought to trial. What is truly appalling and what this bill attempts to mitigate is the fact that there are 14,000 murders and rapes and sexual assaults that in a way occur needlessly in this society every year because those are repeat offenders who should in fact be behind bars. They have already committed that offense once. Now they are committing it again.

One in eight of the major crimes that we see in this category are second-time offenders that have come from a different State and frankly, had the law been applied correctly, they would not be out on the street. These are appalling figures that have been cited here by the gentleman from Arizona, when we consider that victims of rape do not get a second chance at security, victims of child molestation do not get a second chance at innocence, and victims of murder do not get a second chance of life.

By the same token, rapists, child molesters and murderers should not be given a second chance only to inflict their terror on other helpless victims. I believe this bill is a first step toward combating recidivism by making a State that releases a murderer or rapist from prison financially responsible for incarceration and for apprehension and prosecution if the felon commits another violent crime in a different State. The bill would also allow us really for the first time to tally precisely the number of crimes committed by previously convicted offenders who go in and out of that revolving door of the criminal justice system from State to State committing these types of crimes.

When I was in the California State senate, I authored an anti-stalking measure after four local women were killed in the span of 6 weeks. Each one of these women fearing for her life had sought police protection only to be told that there was nothing that law enforcement could do until she was physically attacked. One police officer told me that the hardest thing he ever had to do was to tell a victim that there was nothing he could do until the woman was attacked, only to find her subsequently murdered.

That is the reason that we are trying to reform these laws. By passing the No Second Chance for Murderers, Rapists or Child Molesters Act, we can prevent further tragedies.

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Aimee's Law is common sense law. We must stiffen sentencing and parole guidelines to ensure that murderers and rapists do not go free to commit these crimes again in a different State.

Mr. SALMON. Mr. Speaker, I reserve the balance of my time.

Mr. SCOTT. Mr. Speaker, I yield myself such time as I may consume.

I too have compassion for Aimee. Her tragedy reminds us that we need to do all we can to prevent situations like this from happening in the future. However, this bill does not do that, and that is why I rise in opposition to the bill.

The bill provides that if certain convicts are released from one State and then go to another State and commit certain crimes, that the first State will have to pay the second State's costs associated with that crime. But, if the State has adopted one of numerous truth-in-sentencing schemes, then they do not have to pay.

Well, Mr. Speaker, no one seriously thinks that the payments by the State would deter a murderer from committing an additional crime, and no one can honestly believe that the incentives in the bill will provoke a State into adopting a truth in sentencing scheme, because the costs associated with the crime are measured in the hundreds of thousands of dollars and worse, and some of these sentencing schemes, when Virginia adopted Truth in Sentencing, it cost billions, not hundreds of thousands, not millions; billions. So that no State is going to implement this program because of this bill.

Now, we were asked by the sponsor a question of whether a pedophile should have a second chance. The bill does not require a longer sentence; it provides one exception of the $100,000 payment if one has adopted the truth in sentencing scheme. Ironically, this 13 percent that do not serve any time at all, they did not get any time, they served 85 percent of nothing. So that would not be a violation of the situation.

The fact is, Mr. Speaker, that the truth in sentencing schemes have been studied. The Rand Corporation studied it last year, and they could find no evidence that truth in sentencing schemes did anything to reduce crime. Therefore, the bill is, and I quote, "onerous, impractical and unworkable. It is worse than an unfunded mandate. It is certain to generate a morass of bureaucracy; it is enormous and costly, with a probable public safety impact of zero."

Now, those are not my words; those are the words of the National Governors' Association, the National Conference of State Legislatures, the Council of State Governments, the Department of Justice and a noted criminologist. Yet, despite all of these very critical descriptions, the bill comes before us in an amended form on the suspension calendar without ever having been marked up in committee.

Now, I am aware, as everyone here, that no good politician should vote against a crime bill named after somebody. However, I think that before we vote on the bill, we ought to have the evaluations from those who have evaluated the bill and what they actually thought about it. Since those who have evaluated have such strong concerns about it, I suggest that the Members ask their State legislatures and ask their governors whether or not they believe that it will reduce crime or whether it will simply allow Members of Congress to take credit for passing a good sound bite and continue to avoid doing all of what the experts say will actually reduce crime, and that is investing in prevention and early intervention programs.

Mr. Speaker, at this point I will include for the RECORD portions of letters from the National Governors' Association, the National Conference of State Legislatures, the Council of State Governments, Frank Zimring, a law professor from the University of California at Berkeley, and from the Department of Justice, all of which are critical of the bill.

[Excerpt from letter dated August 30, 1999 to the Honorable Robert C. Scott, U.S. House of Representatives from the Council of State Governments:]

### AIMEE'S LAW

S. 254: "Aimee's Law": When an offender convicted of one of several violent offenses serves an insufficient amount of his sentence in prison and, following his release, commits a similar offense in another state, the first state must reimburse, out of its JAIBG monies, the second state for the cost of apprehending, prosecuting, and imprisoning the offender.

H.R. 1501: Similar provision.

*Recommendation: Strike this section.*

It appears that few, if any states, comply with the conditions set forth in "Aimee's Law." At least one of the sentencing requirements if far more stringent than any of the standards provided in the violent Crime Control and Law Enforcement Act of 1994. Accordingly, as a result of this provision, each of our jurisdictions is likely to lose part of its JAIBG funding. Furthermore, the provision is almost certain to generate a morass of bureaucracy to monitor compliance with the law and to account for subsequent adjustments to block grant amounts awarded to states.

In addition, although "Aimee's Law" seeks to punish states where adults are incarcerated for an insufficient length of time, it appears to penalize various programs, including those that serve juvenile offenders, by reducing a state's JAIBG allocation. Lastly, the premise of the bill (allowing one state to be reimbursed for another state's failure to meet truth-in-sentencing standards set by Congress) sets a precedent that has implications far beyond criminal justice.

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[Excerpt of testimony dated May 11, 2000 presented by Frank Zimring, professor of Law and Director, Earl Warren Legal Institute, University of California at Berkeley to the House Judiciary Committee Subcommittee on Crime:]

### STATEMENT OF FRANKLIN ZIMRING

Mr. ZIMRING. Thank you, Mr. Chairman. I am not here so that you folks can hear my views or my values. I think I have been solicited as a technical expert on the Federal criminal law. I will be submitting for inclusion into the record a brief article Gordon Hawkins and I wrote in the annals of the American Academy of Political and Social Signs on Federal Jurisdiction. What I would like to do with 5 minutes now is read only two paragraphs of my statement and a brief box score on the detailed policy analysis that has been submitted to the members of this committee; and then if there are questions about the specifics of that, we can come back to it.

The four bills that are before you are prime examples of the legislative frustration that is generated by limited Federal criminal jurisdiction because Federal criminal justice accounts for about 7 percent of all the prisoners in the United States; and a much smaller percentage of violent and sex crime prosecutions, probably less than 1 percent of nonbank robbery violence and sex;

and that means that House Members wish to denounce crime and also want to take steps to make our communities safer, but it turns out that symbolic gestures are an awful lot easier to find than measures with a strong preventive potential.

In my view, all four of the proposals that are before this committee have very strong sort of symbolic value. They make a stand against crime, but none of the group of proposals before the committee is a promising method of legislating public safety. Now, the four proposals you have use four completely different strategies to get around this frustration of limited Federal criminal justice impact. One tries to use the financial carrot. That is House bill 894. Another, 4045. Looks at Federal offenders only. Third, 4047 looks at only Federal offenders but will take account for prior State records as well. and 4147 is about one of the very few Federal criminal laws, the obscenity law, where there are really case volumes that overlap somewhat with some kinds of child victims.

My box score on House bill 894 is that its probable impact is going to be zero because the cost of the fine to a particular State is a very small fraction of the cost of mandatory life without possibility of parole sentences for the long laundry list of crimes which are prevented. The maximum fine is $100,000 to the victim plus the actual cost of confinement and case processing. That is about a $100,000 more than the case would have cost with an LWOP in the * * *

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[Excerpt from testimony dated May 11, 2000 presented by the Honorable Mike Lawlor, member of the Connecticut General Assembly and vice chair of the Law and Justice Committee of the Assembly on State-Federal Issues for the National Conference of State Legislatures to the House Judiciary Committee Subcommittee on Crime:]

Chair, House Judiciary Committee, Connecticut General Assembly, on behalf of the National Conference of the State Legislatures, House Judiciary Committee Subcommittee on Crime, May 11, 2000.

My name is Mike Lawlor and I serve as vice chair of the Law and Justice Committee of the Assembly on State—Federal Issues, a part of the National Conference of State Legislatures. I am here today representing NCSL. Aimee's Law attempts to solve a problem that no longer exists. If enacted, Aimee's Law would create a mechanism sure to be used in other policy areas, like gun control, public health, education and tobacco. Although well intentioned, Aimee's Law is worse than an unfunded mandate. Its retroactive application will pit one state against another and turn already limited federal law enforcement assistance funds into a superfund of sorts for clever state budget balancers. In general, the NCSL believes that Congress should not substitute national criminal laws for state and local judgment and we ask you to work in partnership with state and local governments to achieve truth in sentencing, especially for violent offenders.

### AIMEE'S LAW IS WORSE THAN AN UNFUNDED MANDATE

The proposed mechanism appears to be retroactive and will penalize states for parole and early release decisions made twenty or thirty years ago. Instead of relying on federal assistance based on my state's willingness to adopt state-of-the-art criminal justice policies, Connecticut will be forced to focus on identifying current defendants and prisoners who have been convicted previously of homicide rape or sexual abuse of children in other states. We will be forced to do so in order to offset the federal funds we will certainly lose as our former inmates are prosecuted or incarcerated in other states.

The fact is that no state required violent offenders to serve 85% of their sentences until the mid 1990's and no state in the nation currently requires a life sentence without possibility of release for all of the crimes listed in H.R. 894. Should this proposal become law, every state will be subject to the loss of most, if not all, federal law enforcement assistance. The states with the quickest and most thorough researchers will reap the windfall. If this proposal is enacted, Connecticut plans to identify every offender in or data base who has an out of state record for any of the listed crimes and pursue reimbursement for all of the listed expenses. I'm sure that every other state will do the same. In the end, we would lose our annual law enforcement grants to other states and we would hope to recoup at least that much from other states. I'm not sure what the point of this bureaucratic exercise would be.

### AIMEE'S LAW CAN BE USED IN OTHER PUBLIC POLICY AREAS

"NCSL strongly urges federal lawmakers to maintain a federalism that respect diversity without causing division and that fosters unity without enshrining uniformity." NCSL policy statement adopted July 1998.

Aimee's Law allows individual states to punish other states that have failed to adequately deal with an individual who creates a burden on the state. In this case, violent criminals released early in one state who victimize someone in a new state create a cause of action against the original state. The penalty is automatic assuming the statutory criteria are met and the funds are readily accessible. The simplicity is appealing and can be adapted to fit other policy areas.

For example, Congress could authorize states to make a similar claim against federal law enforcement funds when one of their citizens is injured or killed by a person who bought a handgun at a gun show in a state which does not require a background check for all gun sales, both public and private. Connecticut allows only licensed individuals to purchase handguns, whether in a store, gun show or living room, and all sales require a check with the state police.

Another use of such a mechanism would be for states to make a claim on another state's Medicaid reimbursement if a chronically ill person requires hospitalization in a new state and after receiving inadequate care in the old state. Perhaps states with relatively lax enforcement of teenage smoking rules should have to forfeit federals funds to other states that must care for seriously ill lifetime smokers. States with substandard schools could forfeit federal educational assistance grants to states providing remedial services to students whose families have moved from one state to another.

My state would benefit under all of these rules. However, each such rule would undermine the diversity and unity that have been the bedrock of our federal system.

### AIMEE'S LAW SOLVES A PROBLEM THAT NO LONGER EXISTS

This proposal punishes states for decisions made in the past. Early release of violent offenders was commonplace in every state ten or fifteen years ago. But, the impact of Aimee's law will be felt in the future. There is no law my state can enact which would protect us from the penalties suggested in this legislation.

Offenders sentenced for murder, rape, sexual abuse of children and other violent crimes under current state truth in sentencing rules will not be released for decades. Connecticut, for example, recently ranked 6th nationally in percentage of time served on a violent crime sentence. On average, Connecticut violent offenders served 68% of their sentences, ranking behind Vermont (87%), Missouri (86%), Arizona and Washington (74%) and Minnesota (69%). That ranking is based on 1997 data. In 1998, violent offenders in my state served on average 74.7% of their sentences.

Also in Connecticut, persons convicted of murder are not eligible for parole under any circumstances. As of October 1, 1994, good time credits are not available to any offender. Therefore, persons convicted of murder serve every day of the sentence imposed by the court.

Lengthy sentences and truth in sentencing have become the rule rather than the exception for the crimes of murder, rape and child molestation in almost every state. As a state legislator, I ask that you help us continue our efforts to insure that violent criminals receive and serve appropriate sentences rather than punishing us for our inability to handle the surging tide of criminal cases and prisoners which began in 1980 and continued unabated until very recently. Many states need assistance developing alternative forms of punishment for less serious, non violent prisoners to free up cell space for serious, repeat violent offenders. We are badly in need of more specialized treatment for mentally ill and drug dependent offenders which have overwhelmed our prisons and jails.

### AIMEE'S LAW IGNORES SEVERAL IMPORTANT FACTS

The "No Second Chances for Murderers, Rapists or Child Molesters Act of 1999" does not take into account the diversity of criminal statutes and the lack of uniformity in sentencing systems. It is almost impossible to develop a formula that appropriately acknowledges the unique aspects of criminal law and procedure in each of the fifty states. My state punishes sexual abuse of a fourteen year old just as severely as sexual abuse of a thirteen year old. Your proposal creates a distinction not recognized in our criminal records. Your definition of "sexually explicit conduct" would include conduct that would otherwise be a misdemeanor in Connecticut. Given the high financial stakes, many states would stretch those definitions to cover compensation for arrest and prosecution of many sexual offenders who typically receive sentences of probation or jail.

The proposal also risks diverting crime victim compensation money to violent offenders themselves. Many homicide victims are drug dealers with bad aim. A $100,000 entitlement for less-than-innocent victims is a bad idea. Connecticut and many states with crime victim compensation programs apply standards to claims for financial assistance to exclude "guilty" victims and federal mandates should respect those distinctions.

In recent years the Subcommittee on Crime has provided important leadership to state and local governments in the fight against violent crime. We in state legislatures throughout the nation hope to continue working with you in partnership to ensure that recent reductions in the level of violent crime can be sustained. We think Aimee's Law and proposals of this type undermine the long-standing tradition of respect for state and local responses to crime.

[Excerpt from letter dated May 10, 2000 to the Honorable Robert C. "Bobby" Scott, ranking minority member of the Subcommittee on Crime of the House Committee on the Judiciary from the Honorable Robert Raben, Assistant Attorney General, Office of Legislative Affairs, U.S. Department of Justice:]

### NO SECOND CHANCES FOR MURDERS, RAPISTS, OR CHILD MOLESTERS ACT OF 1999, OR AIMEE'S LAW (H.R. 894)

This bill "encourages" states to give lengthy sentences to individuals convicted of murder, rape, or child molestation (as defined by the bill). Specifically, it denies federal law enforcement assistance funds to the state that releases a murder, rape or child molestation felon who then commits the offense a second time, and gives the money to the state that must prosecute the felon again, to reimburse it for the costs of prosecution and incarceration. The bill also seeks to reimburse the victims of the offenses. In addition, the bill requires the Attorney General to collect recidivism data on felons convicted of murder, rape or any sex offense where the victim is under 14 and the offender is under 18.

While we believe that the bill is well-intended, the Department has numerous concerns about this bill, which we think will present significant enforcement challenges and will do little to achieve the laudable goal of protecting children.

### *Definitions*

H.R. 894 fails to define numerous critical terms in a manner that would allow clear, efficient enforcement of the law. For example:

The bill contains definitions such as "dangerous sexual offense," which include victim and offender age requirements (14 and 18, respectively) that do not correspond to legal terms included in most state statutes.

Also, H.R. 894 does not define who qualifies as a "victim." This is a critical omission, given that this legislation requires that one state pay another up to $100,000 to "each victim (or if the victim is deceased, the victim's estate)" in certain situations.

The costs of "prosecuting," "apprehending," and "incarcerating" offenders would be difficult to ascertain for purposes of reimbursement. Such costly will invariably vary from investigation to investigation.

The bill does not clearly identify from which "federal law enforcement funds" these transfers would come. If this term means the Byrne grant program, it would have the unintended consequence of withholding funds that are channeled to law enforcement for policy decisions that are implemented by the judicial branch and corrections agencies.

### *Availability of Data*

H.R. 894 has a requirement that the Department of Justice track and report on an offender's status as a repeat offender (See section 4(a)(2)). The bill does not make clear if the requirement is prospective or retrospective; nor does the language create a time limit between the prior and subsequent convictions. If this requirement were applied retrospectively, it would take many years to develop this historical archive of criminal history data for every offender convicted of the violent crimes enumerated in this section. The collection of this information would be an enormous and costly undertaking and would require the creation of a major national data center to collect and match records submitted by the states to records held by the states and complete cooperation of all the states in conducting background checks of persons convicted in other states of the relevant offenses.

### *Unintended Consequences and States' Rights*

Provisions of this legislation may help create a false sense of security about the ability of the justice system to identify and punish violent offenders. For example, some offenders plead to less serious offenses, and so may not be identified through whatever interstate communication system would support the implementation of these provisions, as a risk for other states. In addition, the provisions of this bill undermine the rights of state governments to determine sentencing policies appropriate to their fiscal, social and political climates.

### ALTERNATIVES

The Justice Department would be happy to work with the Committee to develop a more workable alternative.

Finally, the Committee should note that the Department currently is supporting, as key priorities, a number of initiatives to strengthen oversight of sex offenders:

The NIC has created an Advisory Group, comprised of justice system practitioners, to study and amend the Interstate Compact on Probation and Parole. This group proposed amendments to the compact, and has made uniform legislation available to all states for year 2000 legislative deliberation.

As Aimee's Law focuses primarily on interstate travel by felony sex offenders, we have now implemented the FBI's National Sex Offender Registry, which came online in July, 1999. This system, coupled with provisions in the Pam Lychner Act and the Interstate Compact, can provide the infrastructure to assist states in appropriately identifying and monitoring individuals that may be dangerous to the community.

The OJP, NIC and SJI have been supporting the Center for Sex Offender Management, which has developed a model of intensive supervision of serious sex offenders by coupling lifetime probation with offender-appropriate treatment and polygraph to monitor their behavior.

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[Excerpt from letter dated August 5, 1999 to the Honorable Henry J. Hyde, chairman House Committee on the Judiciary and the Honorable John Conyers, ranking minority member of the House Committee on the Judiciary from the Honorable Thomas R. Carper, governor of Delaware and chairman of the National Governors' Association; the Honorable Michael O. Levitt, governor of Utah and vice chairman of the National Governors' Association; the Honorable James B. Hunt, governor of North Carolina and chairman of the Human Resources Committee of the National Governors' Association; and the Honorable Mike Huckabee, governor of Arkansas and vice chairman of the Human Resources Committee of the National Governors' Association:]

### AIMEE'S LAW (TITLE XVI, SECTION 1610 OF S. 254, AND TITLE I, SECTION 103 OF H.R. 1501)

This provision would allow the U.S. Attorney General, in prescribed circumstances, to deduct Byrne funds from State A and pay those funds to State B, to reimburse State B for the criminal justice system costs of a defendant convicted of murder, rape, or a dangerous sexual offense who has a prior conviction for a similar offense in State A. State A's Byrne funds would be reduced in such cases if State A cannot meet one of three criteria: it has adopted truth-in-sentencing (TIS); the particular defendant served at least 85 percent of the imposed sentence; or the state's average term of imprisonment for the offense is at least 10 percent above the average for all the states.

This mandate is onerous, impractical and unworkable for several reasons. First, even though many states have adopted TIS, interpretations of the meaning and the percentage of time served vary among the states. Second, some states require offenders to serve 85 percent of their time, while other states may require offenders to serve 100 percent of their time. These variances will impact the calculation of the third criteria, which is that the "state's average term of imprisonment for the offense is not less than 10 percent above the average for all states." Third, sources at the U.S. Department of Justice say it would be difficult to obtain and measure the data or to maintain a consistent average for reasonable periods of time. Fourth, the "average" would be a constantly moving target, requiring recalculation every time a single state legislature enacts a change in the sentence for covered crimes. A change by one legislature would affect other states without warning. Moreover, a crime that would trigger a Byrne fund transfer could occur before the legislature of a state falling below 10 percent, through no fault of its own, has the opportunity to meet to consider changing its law to keep its sentence/s at or above the 10 percent mandate. Each state would have to constantly monitor the legislative actions of every other state in an effort to be sure that it stayed at or above the 10 percent criteria. Therefore, we strongly urge the conferees to delete this section from the final bill. Governors remain eager to work with Congress to develop reasonable, practical, workable ways to make sure serious violent offenders serve appropriate sentences.

### CORE REQUIREMENTS

Governors have always supported the underlying principles of the juvenile justice bill and believe states should be given maximum flexibility to implement the spirit and purposes of the act. We appreciate the fact that both bills give more flexibility on the core requirements. Furthermore, we appreciate that under both bills, states would receive 50 percent of their funds, then 12.5 percent for complying with each principle.

However, S. 254 adds a fifth core requirement, which is both unnecessary and upsets the funds distribution formula just mentioned. S. 254 mandates that juveniles who possess illegal firearms in schools be taken to court and detained for at least 24 hours if the court determines that they are a danger to themselves or others. If states do not enact such a law, they will lose 10 percent of their juvenile justice funds. The goal of this provision is good, but it should not be a mandate. We urge you to delete this mandate from the final bill.

Mr. SCOTT. Mr. Speaker, I reserve the balance of my time.

Mr. SALMON. Mr. Speaker, we have several people on this side that would like to speak; therefore, I ask unanimous consent for an additional 20 minutes debate on H.R. 894, as amended, 10 minutes to be controlled by myself and 10 minutes to be controlled by the gentleman from Virginia (Mr. SCOTT).

The SPEAKER pro tempore (Mr. KUYKENDALL). Is there objection to the request of the gentleman from Arizona?

Mr. SCOTT. Mr. Speaker, reserving the right to object, I hope the gentleman would proceed as quickly as possible. The Committee on the Judiciary is waiting for this bill to conclude so that we can complete a lot of work that we have been handling, so I would hope that the gentleman would proceed as quickly as possible.

Mr. Speaker, I withdraw my reservation of objection.

Mr. SALMON. Mr. Speaker, I thank the gentleman.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. SALMON. Mr. Speaker, I yield 4 minutes to the gentleman from Pennsylvania (Mr. WELDON) who represents Aimee Willard's family.

Mr. WELDON of Pennsylvania. Mr. Speaker, I rise in strong support of Aimee's Law.

Aimee Willard lived 2 miles from my home. Aimee Willard went to the same schools that my children attended. Aimee Willard played in the same parks that my kids played in. Aimee Willard's family, being in the same school district that I lived in, went through the same kind of experiences in life that my kids went through, that my neighbors' kids went through. She was an ordinary kid, but she was also very extraordinary. She was an outstanding lacrosse and soccer player, and went on to become one of the top stars at George Mason University. She was an outstanding student. She had many friends, many who knew her, and although I did not have the pleasure of knowing her personally, her friends would say frequently that when Aimee was around, everyone was happy.

Aimee Willard did nothing to offend anyone. She cared about animals, she cared about people, she loved life. Aimee Willard was struck down by an animal. There is no other word, Mr. Speaker, an animal. As she was driving home from an event with her friends on one of our major interstate highways, she was struck by a car behind her, causing her to pull over. She was abducted, she was raped, and she was brutally murdered. Her body was found the next day in a dumpster with two trash bags over her head and a stick between her legs. That was Aimee Willard's response to a life of wanting to help people.

Now, the man who has since been convicted and sentenced to death for killing her was an animal, he was an animal, because he had killed someone else in Nevada, because they parked in his place at his apartment complex. But he only served 11 years of that life sentence. But in prison, as the gentleman from Arizona (Mr. SALMON) said, he had a felony conviction for assaulting another prisoner and he also had a conviction for an assault on a woman who was visiting him in prison. But the Nevada prison officials just did not get it. So after 11 years, they put Arthur Bomar on the street. Arthur Bomar came to Pennsylvania and he snuffed out the life of this bright, energetic, future leader for America. She may have been a sports star, she may have become a teacher, she may have become a Member of Congress, but an animal struck her down.

Now, who should pay for that? The family cannot be compensated. Their daughter is gone, gone forever, snuffed out in the prime of her life, 22 years of age. Who should pay? Sure, Arthur Bomar is going to pay. Hopefully this time he is sentenced to life in prison and he will serve life in prison. But who else should pay? Pennsylvania spent hundreds of thousands of dollars to track down, try and convict Arthur Bomar, when it was Nevada who let him out after 11 years. This law says, Nevada will pay. If a State wants to let a convicted killer out on the street, a rapist on the street, a child molester on the street, then that State will pay the price, not the State that has to retry, recapture, and resentence the individual who did the brutalest of a brutal assault on a person like this.

One of my colleagues said there are those who are against it. Well, naturally those in the States do not want to bear any responsibility. Well, duh. What do we think they are going to say, that they are going to come out and support it? I mean, we all have brains. Every victim and witness association in this country supports Aimee's Law, and that is what matters. I do not care what the governor association says and I do not care what the conference of state legislatures said. I know what is right, and people like victims of Aimee Willard's family deserve to know, in her name, that it will never happen again or those States where the person first committed the crime will pay the bill.

Mr. Speaker, I urge my colleagues, as they did a short time ago by a vote of 412 to 15, to pass Aimee's Law.

Mr. SCOTT. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. GREEN).

Mr. GREEN of Texas. Mr. Speaker, I am a cosponsor of Aimee's Law legislation, and I rise in support of the bill, although I share the concern of the gentleman from Virginia (Mr. SCOTT) that the bill should have come through committee and we should have had the committee process work. We see that happen too often here on this floor, whether it be the week before the July recess with prescription drugs or managed care reform, or anything. I think we are subverting the will of this House when we do not use the committee structure the way it is supposed to be, not just to conduct hearings, but also to have the committee's vote on this legislation.

But be that as it may, I support this bill. The only crimes that are more heinous than murder and rape are those same crimes committed against children. I believe that individuals who commit violent or sexual crimes against children should spend the rest of their lives in prison. If, however, a State believes that such a criminal has been rehabilitated and decides to release this person back into society before the end of his prison term, then it should be held responsible if that person commits that crime again in someone else's neighborhood or someone else's State. Under Aimee's Laws, those States who are irresponsible and release violent criminals would pay to incarcerate these criminals in the other State.

This is a fair and just approach, and I urge my colleagues to support this legislation.

Again, as a former State legislator for 20 years, I know the opposition to this bill, but I also know that the States need to make that decision so they do not export their problems to other States.

Mr. SALMON. Mr. Speaker, I yield 2½ minutes to the gentleman from Wisconsin (Mr. GREEN).

Mr. GREEN of Wisconsin. Mr. Speaker, I thank the gentleman for yielding me this time.

This is an important day, not just for this bill, but I think also for the House as we decide which path we are going to take in response to some of the good news that we have seen recently in crime. We have seen some genuine good news. We have seen some reduction in violent crime. We have seen some reduction in property crime.

We have two ways to respond. We can respond as some would suggest by perhaps resting and shifting our attention away to other issues, or we can respond, as the gentleman from Arizona is responding, by redoubling our efforts and pushing on towards victory.

I know the polls and pundits are saying that people no longer care as much about crime issues, but, I say to my colleagues, we are here to lead. We are here to meet challenges. This bill is about pushing on to victory.

We know that the vast majority of crimes in this Nation are committed by a very small percentage of criminals, a small number of ruthless thugs and animals who commit their crimes over and over and over again. These numbers right here that the gentleman from Arizona presented for us, this is all we need. This is all we need as an argument in favor of this bill.

We heard the previous speaker talk about Aimee's Law and the terrible tragedy that Aimee's family has faced. What is even a greater tragedy is that it was not an isolated incident. There are tragedies just like Aimee's all over this Nation. There was one in my district just a matter of days ago. A young lady, age 19, out innocently jogging in the City of Kaukauna, Wisconsin, a small, quiet socially conservative community. As she went out jogging, she was attacked from behind and knifed to death by a thug, by an animal who had been previously convicted of a violent crime in New York, but he had been let out. He was let out, he came to Wisconsin, and he brutalized a family and a community. This must end, and with the passage of this bill, we will get there.

Mr. Speaker, I commend the gentleman. This is a wonderful tribute to his work here in the House of Representatives and to the family of Aimee Willard. Let us pass this bill.

Mr. SCOTT. Mr. Speaker, I reserve the balance of my time.

Mr. SALMON. Mr. Speaker, I yield 1 minute to the gentlewoman from North Carolina (Mrs. MYRICK).

Mrs. MYRICK. Mr. Speaker, I thank the gentleman from Arizona for bringing this bill forward and yielding me this time today.

I strongly support Aimee's Law. It just is something that makes common sense to provide incentives to States so that they will make sure that violent criminals serve at least 85 percent of their original sentence.

□ 1115

If criminals do get out early from prison and if they do go to another State to terrorize yet another community, then some of the funding from the first State should go and will be sent to the second State to cover the costs of locking up that criminal. It seems fair to me.

More than 14,000 murder, rapes, and sexual assaults are committed each year by previously-committed murderers and sex offenders. In my community, that is one of the biggest concerns and complaints of the police is that they are constantly seeing the revolving door of locking up the same people over and over. One of eight of these 14,000 murders, rapes, and sexual assaults are committed in a second State.

Each year 80 children are murdered, 1,300 are raped and 7,500 are sexually assaulted by these murderers, rapists, and child molesters. Mr. Speaker, we need to lock up these violent criminals who play the system. That is exactly what they do, they play the system because they know they can get away with it. They destroy our children's lives.

I urge my colleagues to support Aimee's Law.

Mr. SCOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, nobody seriously thinks a State will be provoked into adopting a multi-billion dollar sentencing scheme to avoid a couple of hundred thousand dollars in terms of punishment under this bill, particularly when that multi-billion dollar sentencing scheme, according to the Rand study last year, shows no evidence of reducing crime.

Mr. Speaker, I reserve the balance of my time.

Mr. SALMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I might respond to the gentleman's comments. He said no one seriously believes. I take umbrage with that. There are many people who believe that, 412 who voted in the House, 80-some in the Senate, the National Fraternal Order of Police, representing thousands and thousands of police officers across the country, and all the victims' rights groups that we mentioned. So obviously someone believes that.

Mr. Speaker, I yield 1½ minutes to the gentleman from California (Mr. CALVERT).

Mr. CALVERT. Mr. Speaker, I rise today to strongly support this important law enforcement legislation. I am proud to be an original cosponsor of the original Aimee's Law and legislation, and have voted on this provision in the juvenile justice bill earlier this year.

Those who prey on innocent children do not deserve repeated opportunities for freedom. This bill, also known as the No Second Chances for Murderers, Rapists, and Child Molesters Act of 1999, would encourage States to increase penalties for serious violent crimes by calling for murderers to receive the death penalty or be imprisoned for life without possibility of parole.

Those convicted of rape or dangerous sexual offenses involving a child under the age of 14 would be imprisoned for life without the possibility of parole. This legislation finally will assist local law enforcement officials by ensuring that the most dangerous criminals will not be released back to the streets to commit more deadly crimes.

Mr. Speaker, I firmly believe that we must take all necessary actions to help protect the innocent from predatory violent criminals. I believe that Aimee's Law significantly helps achieve this goal. I encourage all my colleagues to support this legislation, and thank my friend, the gentleman from Arizona (Mr. SALMON) for introducing this bill. I encourage its passage.

Mr. SALMON. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. GILMAN).

Mr. GILMAN. Mr. Speaker, today we have a chance to take a giant step in our fight against repeat offenders. I must commend my colleague, the gentleman from Arizona (Mr. SALMON) for bringing this important legislation to the floor at this time.

More than 14,000 murders, rapes, and sexual assaults are committed each year by previously-convicted murderers and sex offenders. About one in eight of these completely preventable crimes occurs in a second State. The average time served in State prison for rape is just 5½ years. For child molestation, it is about 4 years. For murder it is just 8 years.

It has become all too common in recent years that victims are violated by someone who has been previously convicted of a crime and then released. Many who commit murder, rape, and child exploitation cannot be rehabilitated. We owe it to our communities to put a stop to that pattern of violence. Aimee's Law will do just that. It will impede the ability of convicted felons to repeat their offenses at the cost of innocent human lives.

Too often we have heard personal stories of the terrible crimes that this legislation could help to eliminate. Ms. Jeremy Brown from my own congressional district in New York State was the only survivor of a man who raped and murdered a number of other women. Having been through this horrible ordeal and having persevered, she demonstrates tremendous courage, symbolic of the reason why we should be passing this legislation today.

To all the courageous people who hope that together we will be able to prevent future violence, our hearts, prayers, and support are with them now and always.

Mr. SCOTT. Mr. Speaker, I yield such time as he may consume to the gentleman from North Carolina (Mr. WATT).

Mr. WATT of North Carolina. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, it is always difficult to address issues of this kind in the context of legislation because there is a tendency to think that people who oppose a piece of legislation because of concerns about the public policy applications or the cost or the bureaucracy that is created as a result of passage of the legislation are unsympathetic to the victims of crime.

So I want to start by emphasizing that nobody can be unsympathetic to the victim of a rape or sexual abuse, especially one of the kind that has the violence and animus associated with it that was directed at Aimee. We need to go out of our way to express regret and support for families.

There are parts of this bill which are actually very good, and I want to applaud the sponsors of the bill for parts of the bill, although I think there are some other parts of the bill which cause substantial concern and which all of us ought to pay attention to and be concerned about whether we vote for or against this legislation.

Let me talk about two parts of the bill that I think are very valuable. One of those is the requirement in the bill that would provide for collection of data regarding recidivism. It requires the Attorney General to seek and obtain information for each calendar year, starting in 1999, about the number of convictions for murder, rape, or any sex offenses in the United States where the victim has attained the age of 14 years, and subsequent convictions.

This is the same kind of model that a number of us have tried to construct in racial profiling cases, for example: Let us try to collect data that better informs the legislative process so that we know whether there are repeat offenses and the extent to which there are repeat offenses taking place, and if there are repeat offenses taking place and that is a significantly higher problem in this area, then that will help inform what kind of legislative approach we ought to be using going forward.

That is a good thing in this bill. I want to applaud the Members who have supported this bill for bringing that part of the bill forward.

The bill also makes a kind of a half-hearted attempt at establishing a victim assistance fund by transferring up to $100,000 from one State to another of the first State's funds to help the victims of rape.

Many of us are supporters of victim assistance funds, although I would submit to the sponsors of this bill and to my colleagues in the House that doing it in this way and requiring the kind of paperwork and bureaucracy that would be associated with administering the transfer from one State to another State, and having the Attorney General of the United States monitor that kind of funding, is kind of a dumb way, really, to set up a victim assistance process.

If we are going to have a victim assistance process, let us go ahead and set up the victim assistance process and fund it, and say that that is what we are doing. But at least that part of the bill starts to move in the right direction.

But there are some parts of this bill that are just dumb and unworkable, and set up a bureaucracy at the Federal level that does not justify the existence. And ironically, my friends on the Republican side who are always railing against Federal bureaucracy, they are now the ones who are here saying, let us set up this bureaucracy.

It is those parts of the bill that require States, which have already gone through a conviction and a service of time, taking money from their Federal funds and transferring it over to another State, and keeping track of two or three States down the line and trying to figure out who has the responsibility and who should be paying for incarceration. That is just dumb.

If somebody ought to be put in jail for doing something, put them in jail for doing it, but do not set up some kind of complicated bureaucracy and come in here and beat on one's chest and say that this is something that makes a lot of sense. It does not make a lot of sense.

It is for that reason that we get the National Governors Association saying on August 5 of 1999 about this bill, and I quote, "This mandate is onerous, impractical, and unworkable." We get the National Conference of State Legislatures on May 11 of this year 2000 saying, "Aimee's Law is worse than an unfunded mandate."

I am quoting them. This is not the gentleman from North Carolina (Mr. WATT) or the gentleman from Virginia (Mr. SCOTT) saying this, this is the National Conference of State Legislatures, who know that this bureaucracy that we are creating is just dumb. All it does is create a mechanism on the floor of Congress for somebody to beat on their chest and say, we are trying to be tough on crime, and ignore the public policy rationale for what we are trying to do. There is no public policy that would support such a circuitous funding mechanism.

It is that reason that caused the Council of State Governments on August 30, 1999, to say, "The provision is almost certain to generate a morass of bureaucracy to monitor compliance with the law and to account for subsequent adjustments to block grant amounts awarded to States," because we have to have some bureaucracy that monitors the transfer of Federal funds from one State to another.

This just does not make any sense. It does not make any sense. I understand that people are outraged about what happened to Aimee, but our objective here as Members of Congress is not to let our outrage overtake our common sense and set up a bureaucracy that makes no sense; that does nothing, really, to address the real issues that we are sent here to address.

So it is for that reason that we have the National Governors Association, the National Conference of State Legislatures, the Council of State Governments all saying negative things about the bill. And we have the Department of Justice saying, "This bill will present significant enforcement challenges and will do little to achieve the laudable goal of protecting children."

There is a laudable goal that the supporters of this bill are trying to achieve. We are not arguing with that. What we are talking about is this stupid, dumb process that this bill puts in place. It is simpleminded, the process that we are putting in place to do this.

□ 1130

There is nothing wrong with the goal that my colleagues are trying to accomplish, and neither the gentleman from Virginia (Mr. SCOTT) nor have I said anything negative about the goal my colleagues are trying to accomplish, it is the process and the bureaucracy and the cost of implementing it that makes no sense.

Everybody at the State and the Federal level who would be involved in the process of implementing this bill have tried to point that out to my colleagues.

Finally, we have independent researchers from universities who have looked at the bill and studied it in detail saying, "the box score on House Bill 894 is that its probable impact is going to be zero."

And we are not talking about the goals of the bill. We are talking about the process that is being used. And in the final analysis, where we get to is we get to the bottom line is that some people have decided that it is in vogue to stand up and beat ourselves and pat ourselves on the back for being hard on crime without paying any attention to the way that this bill will be implemented and the impact that it will likely have.

For that, even though I applaud the laudable goals of the sponsors of this bill, I would just say to them, shame on them for using the misery of this family and these children and these young people who have been abused to make a political point.

Mr. SALMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, just a quick response to the gentleman from North Carolina (Mr. WATT). Apparently, he has called this dumb, stupid, shame on everybody who supported it, I guess the gentleman is talking to the 180 of your Democrat colleagues who voted for this last year as well. A clear majority, supermajority of your colleagues voted for it as well. I guess, the gentleman does not value their intelligence very much.

Mr. Speaker, I yield 1 minute to the gentleman from Virginia (Mr. DAVIS).

Mr. DAVIS of Virginia. Mr. Speaker, my friend, the gentleman from North Carolina (Mr. WATT), says this makes no sense. I think this is the ultimate common sense. In fact, if we went further and tried to tell these States what their sentencing procedures could be, we would be screaming bloody murder and the States would be really making an outcry.

Mr. Speaker, but this does hold somebody accountable for some of these prison systems that treat their prisoners like a Motel 6, they run them in and out of this. In the case of Aimee Willard, it was a life sentence and they let the guy out after 12 years and he comes back and murders again.

To hold those States financially accountable to me makes ultimate sense, and that is all we are doing. We are doing it with Federal funds, we are not doing it with State taxes. I commend my colleague, the gentleman from Arizona (Mr. SALMON) for bringing it to the attention of the House.

Once again, I am happy to support it. This was a great tragedy. If we can avert this, just one tragedy like this, I think it would be well worth it. I would just say to my friends more than 800 murders, 3,500 rapes, 9,600 sexual assaults annually from individuals who are let go early and released early. Somebody ought to be accountable; that is what this legislation does. I am proud to be a cosponsor.

Mr. SCOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, 30 States would not be affected one iota by the passage of this legislation. Murderers will not be deterred from committing another murder because one State might have to pay another State some money. The point is by all people who have actually researched it they have concluded that the net effect would be zero.

Mr. Speaker, I yield back the balance of my time.

Mr. SALMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I respect very much the gentleman from Virginia (Mr. SCOTT). I know that the gentleman believes just as strongly as I do in the importance of keeping violent offenders off the street. The gentleman cited some letters and communiques from some of the bureaucrats that would be affected by this legislation.

Mr. Speaker, you know something, I really do not care if we offend these bureaucrats. We saw the statistics, 14,000 rapes, murders, molestations every year and we saw the numbers. The small sentences that these people are being given. Of course, these bureaucrats who stand to possibly lose Federal funding because of their irresponsibility and their lack of care for keeping these criminals behind bars and protecting neighborhoods, they will be affected. They will be affected.

The States that are doing a poor job keeping violent rapists, murderers and molesters off the streets, they will be affected. And, of course, their bureaucrats do not like that. They do not want to have any kind of comeuppance. They do not want to be responsible. At the end of the day, though, we have a responsibility to protect our neighborhoods.

This will make a difference. I know that I have heard from the other side that they believe this is stupid, this is dumb. Frankly, I think that brings this debate into a new low level. The fact is, this will change lives, the Fraternal Order of Police, the 40-some victims rights groups across America, the 412 Members of the House that voted for it last year all believe this will make a difference.

If it makes a difference in one person's life, it was worth it.

Mr. DAVIS of Virginia. Mr. Speaker, I rise today in strong support, but with great sadness, for H.R. 894, also known as Aimee's Law. The conflicting emotions I feel for this bill are borne out of the tragedy that lead to it's introduction.

If I can take a moment now to relate to all the Members listening to this debate, the tragedy that beset Aimee Willard in June of 1996. At the age of 22, Aimee had already established herself as one of the most well-liked and successful students at George Mason University. Not only was Aimee a superb athlete, excelling at both Soccer and Lacrosse, but she had also distinguished herself in the academic arena. Therefore, there can be no doubt that Aimee was returning to her home in Brookhaven, Pennsylvania with nothing but the highest expectations for her future.

In June, 1996, Arthur Bomar made sure Aimee would never have the opportunity to enjoy the future she had worked so hard to prepare for. Bomar, who had been released in 1990 from a Nevada State Prison after serving only 12 years of a Life sentence for murder, spent late May and early June looking for another victim. This predator identified, stalked, kidnaped, raped, and finally murdered Aimee Willard; exacting on her his horrific blood-lust in a manner no human being should ever have to endure. It is my sincere belief that when he brutally attacked Aimee, Arthur Bomar divested himself of any shred of humanity he had left.

The real tragedy of what happened to Aimee in June of 1996, is that the terrible circumstances of her murder are by no means unique. When H.R. 894 passes the House today, we will be one step closer to preventing more than 800 murders, 3,500 rapes, and 9,600 sexual assaults annually. I would like to thank Representative SALMON and Senator SANTORUM for leading the congressional effort to enact the "No Second Chances" law. I would also like to personally recognize the efforts of president Alan Merten, and the entire George Mason University, faculty, staff and students, for their tireless efforts to see that no other community has to endure the pain and loss they have suffered.

With that, I urge all my colleagues to support the passage of Aimee's law.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today to speak on H.R., 894, "Aimee's Law." This bill addresses some of the worst crimes in our society. And it is incumbent upon us to deliberate the merits of this bill carefully and to ensure that we take into account the rights of all stakeholders in this process.

"Aimee's Law" is premised on the belief that anyone convicted of murder, rape, or a dangerous sexual offense should be sentenced to death or life imprisonment without the possibility of parole.

This law provides that whenever someone convicted of murder, rape, or a dangerous sexual offense is released from prison and commits another such offense in another state, the state from which the offender was released will be liable for the cost of apprehension, prosecution, incarceration, and the victim's damages (i.e., up to $100,000 for each victim).

The Attorney General is also directed to pay these costs and damages from the federal law enforcement assistance funds to the state of origin. The costs and damage provisions, which are paid out of federal law enforcement assistance funds, are designed to leverage states into passing tougher sentences regarding these crimes or risk losing federal funds.

I have concerns that this bill is premised on a "Sense of Congress" that anyone convicted of these crimes should be sentenced to death or life imprisonment without the possibility of parole.

Before taking such drastic actions, I believe that we need to better define the criminal offenses of which one may be convicted. I suggest that we work to narrow the definition of which crimes trigger punishment.

However, I realize, as do most Americans that prevention is the best strategy and if this type of law would provide the appropriate disincentive for potential murders or rapists, I must also recognize this benefit.

As expressed in the Subcommittee Crime hearings, this law, under the definition of Dangerous Sexual Offense in H.R. 894, does not require any age difference between victim and offender on which to base an assumption of predation.

Consequently, unlike other laws that make no such distinction, there is more potential for this bill to have an impact on the sexual abuse of American children.

As a parent, I sympathize with proponents of this bill that want adequate punishment against those convicted of sexual assault, rape or murder. I cannot however support the death penalty aspect of the bill without the simultaneous effort to improve the discriminatory and unjust implementation of the death penalty.

I agree that we must all work to prevent the killing of our youth and like other Members, I am growing weary of having to debate on bills named after murdered children. I do not enjoy hearing of another murdered child because of the failure of our laws to effectively punish repeat offenders.

As a mother, a member of Congress and founder of the Congressional Children's Caucus, I cannot in good faith support the maintenance of laws that create loopholes for sexual predators.

Every 19 seconds a girl or woman is raped, every 70 seconds a child is molested and every 70 seconds a child or adult is murdered.

Yet, despite these horrific statistics, the average time served in prison for rape is 5 years and the average time served in prison for molesting a child is less than 4 years.

We cannot tolerate the perpetuation of violent crimes against women and children any longer! This bill provides States the financial incentive to enact effective legislation that will keep repeat violent offenders behind bars. However, I am concerned that my State of Texas may not be eligible for such funds.

We cannot allow states to continue to act irresponsibly in the prosecution of sexual predators. We all need to work together to help spare families the needless tragedy of having to put to rest their children because the state failed to effectively prosecute a sexual predator.

I am horrified by the story of Aimee Willard, for which this law is named. I hope that no family will ever have to suffer through such a tragedy again, but unfortunately I know that this is not true. I support the enhanced sentencing to keep killers off the street, especially the life without parole provision.

I ask that my colleague put aside their politics and think about the children and families that have been affected because of a lack of adequate enforcement of the laws. Our children need protection now, let's work on this legislation to overcome the concerns expressed and pass the bill so it can be signed by the President.

Mr. SALMON. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. KUYKENDALL). The question is on the motion offered by the gentleman from Pennsylvania (Mr. GEKAS) that the House suspend the rules and pass the bill H.R. 894, as amended.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

## SENSE OF CONGRESS STRONGLY OBJECTING TO EFFORT TO EXPEL HOLY SEE FROM UNITED NATIONS

Mr. SMITH of New Jersey. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 253) expressing the sense of the Congress strongly objecting to any effort to expel the Holy See from the United Nations as a state participant by removing its status as a Permanent Observer.

The Clerk read as follows:

### H. CON. RES. 253

Whereas the Holy See is the governing authority of the sovereign state of Vatican City;

Whereas the Holy See has an internationally recognized legal personality that allows it to enter into treaties as the juridical equal of a state and to send and receive diplomatic representatives;

Whereas the diplomatic history of the Holy See began over 1,600 years ago, during the 4th century A.D., and the Holy See currently has formal diplomatic relations with 169 nations, including the United States, and maintains 179 permanent diplomatic missions abroad;

Whereas, although the Holy See was an active participant in a wide range of United Nations activities since 1946 and was eligible to become a member state of the United Nations, it chose instead to become a nonmember state with Permanent Observer status over 35 years ago, in 1964;

Whereas, unlike the governments of other geographically small countries such as Monaco, Nauru, San Marino, and Liechtenstein, the Holy See does not possess a vote in the General Assembly of the United Nations;

Whereas, according to a July 1998 assessment by the United States Department of State, "[t]he United States values the Holy See's significant contributions to international peace and human rights";

Whereas during the past year certain organizations that oppose the views of the Holy See regarding the sanctity of human life and the value of the family as the basic unit of society have initiated an organized effort to pressure the United Nations to remove the Permanent Observer status of the Holy See; and

Whereas the removal of the Holy See's Permanent Observer status would constitute an expulsion of the Holy See from the United Nations as a state participant: Now, therefore, be it

*Resolved by the House of Representatives (the Senate concurring)*, That the Congress—

(1) commends the Holy See for its strong commitment to fundamental human rights, including the protection of innocent human life both before and after birth, during its 36 years as a Permanent Observer at the United Nations;

(2) strongly objects to any effort to expel the Holy See from the United Nations as a state participant by removing its status as a nonmember state Permanent Observer;

(3) believes that any degradation of the status accorded to the Holy See at the United Nations would seriously damage the credibility of the United Nations by demonstrating that its rules of participation are manipulable for ideological reasons rather than being rooted in neutral principles and objective facts of sovereignty; and

(4) expresses the concern that any such degradation of the status accorded to the Holy See would seriously damage relations between the United Nations and member states that find in the Holy See a moral and ethical presence with which they can work effectively in pursuing humanitarian approaches to international problems.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Jersey (Mr. SMITH) and the gentleman from Pennsylvania (Mr. HOEFFEL) each will control 20 minutes.

The Chair recognizes the gentleman from New Jersey (Mr. SMITH).

### GENERAL LEAVE

Mr. SMITH of New Jersey. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H. Con. Res. 253.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. SMITH of New Jersey. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I hope that every Member of this body will join me in supporting House Concurrent Resolution 253, which I introduced last February along with 37 other cosponsors.

This resolution puts the Congress on record as being strongly against the current anti-Catholic effort to expel the Holy See from the United Nations by depriving it of the Permanent Observer status that it has held for 35 years. The proponents of this effort make no secret of the fact that what really irritates them about the Holy See is its consistent position regarding the sanctity of life and family.

Mr. Speaker, the Holy See is more than entitled to this status that it holds at the United Nations. It is the governing body of the sovereign State of Vatican City. It has an internationally-recognized legal personality that allows it to enter into treaties and to send and to receive diplomatic representatives.

Its diplomatic history stretches back more than 1600 years, a millennium and a half longer than most U.N. Member states have been in existence.

The Holy See currently has formal diplomatic relations with more than 169 nations, including the United States, and it maintains 179 permanent diplomatic missions abroad.

If anything, the Holy See deserves a more permanent role at the United Nations. As our own State Department concluded and I quote, "the United States values the Holy See's significant contributions to international peace and human rights." The Holy See has been an active participant in a wide range of U.N. activities since 1946.

Mr. Speaker, the removal of the Holy See's Permanent Observer status would constitute an absolutely unjustifiable expulsion of the Holy See from the United Nations as a State participant. Just like when there was an anti-Semitic effort some years back to expel Israel, if this anti-Catholicism succeeds, we will take all appropriate actions I am sure in this House, and we and the President and the Senate will to take a second look at our own participation in the United Nations.

Mr. Speaker, I hope every Member of this House will join me in supporting House Concurrent Resolution 253, which I introduced in February of this year along with Mr. HYDE, and which has 37 other bipartisan cosponsors. This resolution puts Congress on record as strongly against the current anti-Catholic effort to expel the Holy See from the United Nations by depriving it of the Permanent Observer status it has held for over 35 years.

The proponents of this effort make no secret of the fact that what really irritates them about the Holy See is its consistent positions concerning the sanction of the family, opposition to efforts to create an international right to abortion. Rather than answer the arguments raised by the Holy See in honest and open debate, these pro-abortion groups want to silence the voice of dissent in the United Nations. Mr. Speaker, this House must take a stand in favor of the free exchange of ideas, and we must also stand against the thinly veiled religious intolerance that lurks behind this effort.

Last year, a number of pro-abortion groups announced what they called the "See Change" campaign. This campaign is an attempt to pressure the U.N. into expelling the Holy See as a state participant. Frustrated by the success of the Holy See at cooperating with other delegations to defend the sanctity of life and the integrity of the family against radical proposals at U.N. international conferences, those organizations decided to try a new tack. They are now trying to subvert free discussion by a sovereign state on these topics in the future by depriving the Holy See of its rightful place at the table.

Mr. Speaker, the "See Change" proposal is an ideological power play, motivated by pro-abortion and anti-Catholic sentiment. "See Change" supporters have attempted to justify their claim that the Holy See does not deserve a seat at the United Nations by comparing the Holy See to EuroDisney and to the Soviet Politburo. I hope and expect that many Members from both sides of the aisle will want to join me in denouncing these offensive remarks—especially in light of the amount of time this House has spent examining far flimsier allegations of anti-Catholicism in the recent past.

In response these vicious insults against the Holy See, more than 1,000 nongovernmental organizations from 44 countries around the world have organized their own, much larger "Holy See Campaign," which opposes the "See Change" proposal and supports the longstanding Permanent Observer status of the Holy See at the U.N. This effort is not just Catholic. Protestant, Jewish, Muslim, and Mormon leaders—among others—have also raised their voices in support.

Even those who may disagree with the Holy See on life issues should support H. Con. Res. 253. This resolution is about maintaining the integrity of the United Nations and supporting international pluralism. If ideological preferences are allowed to trump neutral principles of sovereignty—as the See Change activists desire—it will have grave consequences for the U.N. and for the world.

Who might be next on the expulsion list? Israel, or some other nation, with whom someone may disagree.

The Holy See is more than entitled to the status it holds at the United Nations. It is the governing authority of the sovereign state of Vatican City. It has an internationally recognized legal personality that allows it to enter into treaties and to send and receive diplomatic representatives. Its diplomatic history stretches back more than 1,600 years—a millennium and a half longer than most U.N. member states have been in existence. The Holy See currently has formal diplomatic relations with 169 nations, including the United States, and it maintains 179 permanent diplomatic missions abroad.

If anything, the Holy See deserves a more prominent role in the U.N. As the State Department has explicitly stated: "The United States values the Holy See's significant contributions to international peace and human rights." The Holy See has been an active participant in a wide range of United Nations activities since 1946 and was eligible to become a full member state of the U.N. But it chose instead to become a nonmember state with Permanent Observer status in 1964. Because of this choice, unlike the governments of other geographically small countries such as Monaco, San Marino, and Liechtenstein, the Holy See does not possess a vote in the U.N. General Assembly.

The removal of the Holy See's Permanent Observer status would constitute an unjustifiable explusion of the Holy See from the United Nations as a state participant. It is the full legal equivalent of a state, and its expulsion would seriously damage the credibility of the United Nations by demonstrating that its rules of participation are manipulable for ideological reasons rather than being rooted in neutral principles and objective facts of sovereignty. It would also seriously damage relations between the United Nations and member states that find in the Holy See a moral and ethical presence with which they can work effectively in pursuing humanitarian approaches to international problems.

The United Nations operates largely by consensus. In the final analysis, the activists behind the "See Change" campaign would like to circumvent that process by silencing a voice they oppose. I urge my colleagues to join me in rejecting this shameful eruption of anti-Catholic bigotry, and submit the following communication for the RECORD.

NATIONAL CONFERENCE OF
CATHOLIC BISHOPS,
*Washington, DC, July 11, 2000.*

Hon. CHRISTOPHER H. SMITH
*House of Representatives, Rayburn House Office Building, Washington, DC.*

DEAR CONGRESSMAN SMITH: I write to express our gratitude for your support for maintaining the Holy See's status as a Permanent Observer at the United Nations, a status it has held since 1964.

The Holy See, a state with formal diplomatic relations with more countries than any other sovereign state, has long been an active and valuable non-voting participant in the work of the United Nations.

Since the United Nations was founded, the Holy See has offered strong moral support for this unique global institution, the ideals for which it stands, and may concrete ways in which it seeks to implement these ideals. The Holy See has not only been a responsible participant in the practical work of the United Nations, it has provided a critical moral voice that has helped ensure that the United Nations remains an effective means of protecting basic human rights, promoting authentic development for the world's poor, and encouraging peaceful resolution to violent conflicts around the world.

It is unfortunate that, despite the strong support the Holy See enjoys in the international community, its status at the United Nations has become a matter of ideological and partisan debate. I hope that the Congressional approval of the resolution you have introduced will reaffirm the strong support for the Holy See's role at the United Nations that it enjoys among the community of nations.

Sincerely yours,
Most Rev. JOSEPH A. FIORENZA,
*Bishop of Glaveston-Houston,*
*President, NCCB/USCC.*

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ARCHDIOCESE OF BALTIMORE,
*Baltimore, MD, July 11, 2000.*

Hon. CHRIS SMITH,
*Congress of the United States, Cannon Building, Washington, DC.*

DEAR CONGRESSMAN SMITH: I have just learned that Resolution 253 will be considered today by the House of Representatives. I write to urge the House Members to vote in support of the Resolution.

The initiative to expel the Holy See from the United Nations is one developed and supported by groups which have nothing to do with member nations of the U.N.

As I am sure you know, the Holy See currently enjoys diplomatic relationships with more than 175 nations. A Resolution by the United States Congress in support of the Holy See's status as Permanent Observer to the United Nations would be an expression of the esteem in which Congress holds the Holy See for its role in promoting world peace, human development and human rights.

With every best wish, I remain.

Sincerely yours,
Cardinal WILLIAM H. KEELER,
*Archbishop of Baltimore.*

Mr. Speaker, I reserve the balance of my time.

Mr. HOEFFEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today to commend the Holy See for its contributions to the world community in the areas of peace, human rights, refugees and the underprivileged. I stand in strong support of the right of the Holy See to conduct foreign policy, to send and receive official representatives and to participate in international organizations.

The Holy See is the governing authority of the sovereign State of Vatican City and the central governing authority of the Roman Catholic church.

As an internationally-recognized legal personality, the Holy See enters into treaties as an equal of a state and maintains its right to send and receive diplomatic representatives.

The Holy See currently has formal diplomatic relations with the 169 nations, including the United States and maintains 179 permanent diplomatic missions abroad.

The Holy See is active in international organizations, including the United Nations in New York, the Office of the United Nations in Geneva, the U.N. Food and Agriculture Organization in Rome, and the U.N. Educational, Scientific and Cultural Organization in Paris.

The Holy See has lent its significant moral influence to a number of important international issues, such as international debt relief, nuclear nonproliferation, human rights and ending world hunger.

The Holy See is party to a number of important international treaties and organizations and conventions, including the protocol relating to the Status of Refugees, the Convention against All Forms of Racial Discrimination, and the Convention on the Rights of the Child.

We commend the Holy See for its role in promoting international peace and stability and its efforts on behalf of refugees and the poor. I urge my colleagues to support H. Con. Res. 253.

Frankly, I wish this bill had been referred to the Committee on International Relations so that the committee could take its normal deliberative process over this legislation. We found out from the Republican leadership at 10 p.m. last night this bill would be voted today, but I do vote and do urge my colleagues to support H. Con. Res. 253.

Mr. Speaker, I reserve the balance of my time.

Mr. SMITH of New Jersey. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. GILMAN), the distinguished chairman of the full Committee on International Relations.

Mr. GILMAN. Mr. Speaker, I thank the gentleman from New Jersey (Mr. SMITH) for yielding me the time.

Mr. Speaker, I am pleased to rise in support of H. Con. Res. 253, a concurrent resolution which objects to efforts to expel the Holy See from the United Nations.

Mr. Speaker, I strongly object to any efforts to expel the Holy See from the United Nations as a state participant by removing the Holy See's Permanent Observer status in the United Nations for a number of reasons.

Simply stated, to expel the Holy See from the U.N. would seriously damage the credibility of the United Nations and would erode the principles that are embodied in that international body.

The Holy See is a governing authority of the State of Vatican City and has an internationally recognized legal personality which allows it to enter into treaties as the juridical equal of a State and to receive and send diplomatic representatives. Not only does the Holy See have every right to be represented in the U.N., but the absence of the Holy See in the U.N. would diminish that international body.

Our own State Department recognized the importance of the Holy See's contributions and has commended the Holy See's many significant contributions to international peace and human rights. I join in that praise and much deserved recognition.

The Holy See has been an active member of the U.N. since 1946 and chose to become a nonmember State with Permanent Observer status in 1964. Although the Holy See does not possess a vote in the General Assembly of the U.N., it has played an important diplomatic role and has been a source for the promotion of diplomacy over a conflict for decades.

However, I do object to the introduction of family planning language in this resolution. I regret its unnecessary inclusion in this resolution dilutes the widespread respect and support of its other worthy diplomatic and moral role of the Holy See. Nevertheless, because of the importance of the principles of human rights and diplomacy that have been championed by the Holy See over the many years, I support this resolution with the reservation that I voice concern of the inclusion of the unnecessary family planning language.

Accordingly, I urge our colleagues to vote for H. Con. Res. 253.

Ms. ROS-LEHTINEN. Mr. Speaker, I rise in support of H. Con. Res. 253.

It is outrageous that the United Nations would even consider expelling the Holy See from the United Nations as a state participant by removing its status as a Permanent Observer.

As the Resolution reflects and history has clearly shown, the Holy See has served as a vehicle for peace, cooperation, and mutual understanding among nations. Since 1946, the Holy See has demonstrated its commitment to the principles on which the United Nations was founded, maintaining its position as an honest broker and objective independent party by choosing to become a nonmember state with Permanent Observer status in 1964.

The Holy See has been sought out throughout the decades to facilitate discussions, to build a bridge, between conflicting parties—having these see each other as human beings rather than as political adversaries. What appeared to be insurmountable obstacles were overcome through the intercession of the Holy See and its dedication to the idea of a global family of nations.

The Holy See exemplifies the essence of the United Nations Charter and mission. To expel it from this international body would be to undermine the very foundation of the United Nations damaging this body's credibility and image of neutrality.

Such degradation of the Holy See would be considered an affront, not only to its status as a State, but would be interpreted as a veiled attack on the moral and ethical principles it represents.

I ask my colleagues to support this important resolution.

Mr. STARK. Mr. Speaker, today I rise in opposition to H. Con. Res. 253. This bill may very well be unconstitutional, is inappropriate, and is counter to the fundamentals I have supported since coming to Congress.

The writers of the Constitution understood the importance of the separation of church and state. While religion plays an important role in our society, "Congress shall make no law respecting the establishment of religion." This resolution recognizes the establishment of the government of a religious institution, the Roman Catholic Church, as a sovereign state. Thus this bill is unconstitutional and should not have even appeared on the floor of the House.

This bill is also grossly inappropriate. The Majority party has consistently refused to pay our dues to the United Nations and has even called for its dissolution, while at the same time trying to tell the UN how to operate. this bill opposes a movement not to remove the Vatican from the United Nations but merely to put the Catholic Church in the same position that all the other non-governmental organizations have in the UN. This movement, if successful, would simply remove voting privileges from the Vatican, a right not enjoyed by any other non-governmental UN member today.

And finally, this bill "commends the Holy See for its strong commitment to fundamental human rights, including the protection of innocent human life both before and after birth." (emphasis added) I cannot vote for a bill that contains such language as I believe that it is a fundamental human right that a woman have the right to decide what happens to her body. I have fought for many years to ensure a woman's right to choose and I will not vote for any bill that suggests that a woman choosing to have an abortion is a person who violates human rights.

For these reasons I urge my fellow members of Congress to vote against this inappropriate campaign check written to make the Republican Party seem even more anti-choice.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today to offer thoughts regarding House Concurrent Resolution 253, which objects to any effort to expel the Holy See from the United Nations. First and foremost, I believe that it is a serious matter that this body is taking the historic position of public debate of the status of any non-governmental organization or nation who may or may not be participants in the governing processes of the United Nations.

Because of our nation's status as the world's sole super power, we should be mindful that the policies and actions of the United States government are not viewed favorably by many people nor their governments who are also members of the United Nation's participant based on their stance on one issue, even if I might personally disagree with their position, would be a move in the wrong direction for this nation and the global community housed under the banner of the United Nations.

Personally, I see the participation of the Holy See in the United Nations to be an acknowledgement of past world history. Since the fourth century, the Holy See has participated in diplomatic missions. For over sixteen hundred years this body has been part of world history, and in 1929, the Vatican City State came into existence with the Lateran Treaty between the Holy See and Italy. The Holy See represents not just Vatican City, but the global membership of the first Christian Church.

In September 1997, the United States reaffirmed the view that our government sees the unique position held by the Holy See in global matters as being appropriate by appointing a former member of this body Corinne "Lindy" Claiborne Boggs to be the U.S. Ambassador to the Holy See.

Therefore, I would ask that my fellow members of this body remember that as we uphold the principles of democracy, one of the most important tenants of our system of government is that we do agree to disagree in a civil and organized manner. To try to silence decent through threat, or sensor, or expulsion is not the way to reach our goal of a broader more inclusive society. If our position is valid, then it will weather the test of time and we will be victorious in moving this nation and this world to broader understanding of freedom, democracy and liberty.

I encourage each of my colleagues to consider carefully their vote on this legislation.

Mr. HOEFFEL. Mr. Speaker, I yield back the balance of my time.

Mr. SMITH of New Jersey. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey (Mr. SMITH) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 253.

The question was taken.

Mr. SMITH of New Jersey. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

□ 1145

## INTERNATIONAL ACADEMIC OPPORTUNITY ACT OF 2000

Mr. GILMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4528) to establish an undergraduate grant program of the Department of State to assist students of limited financial means from the United States to pursue studies at foreign institutions of higher education, as amended.

The Clerk read as follows:

H.R. 4528

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SECTION 1. SHORT TITLE.

This Act may be cited as the "International Academic Opportunity Act of 2000".

### SEC. 2. STATEMENT OF PURPOSE.

It is the purpose of this Act to establish an undergraduate grant program for students of limited financial means from the United States to enable such students to study at institutions of higher education in foreign countries. Such foreign study is intended to broaden the outlook and better prepare such students of demonstrated financial need to assume significant roles in the increasingly global economy.

### SEC. 3. ESTABLISHMENT OF GRANT PROGRAM FOR FOREIGN STUDY BY AMERICAN COLLEGE STUDENTS OF LIMITED FINANCIAL MEANS.

(a) Establishment.—Subject to the availability of appropriations and under the authorities of the Mutual Educational and Cultural Exchange Act of 1961, the Secretary of State shall establish and carry out a program in each fiscal year to award grants of up to $5,000, to individuals who meet the requirements of subsection (b), toward the cost of 1 academic year of undergraduate study at an institution of higher education in a foreign country. Grants under this Act shall be known as the "Benjamin A. Gilman International Scholarships".

(b) Eligibility.—An individual referred to in subsection (a) is an individual who—

(1) is a student in good standing at an institution of higher education in the United States (as defined in section 101(a) of the Higher Education Act of 1965);

(2) has been accepted for an academic year of study at an institution of higher education outside the United States (as defined by section 102(b) of the Higher Education Act of 1965);

(3) is receiving any need-based student assistance under title IV of the Higher Education Act of 1965; and

(4) is a citizen or national of the United States.

(c) Application and Selection.—

(1) Grant application and selection shall be carried out through accredited institutions of higher education in the United States or combination of such institutions under such procedures as are established by the Secretary of State.

(2) In considering applications for grants under this section, priority consideration shall be given to applicants who are receiving Federal Pell Grants under title IV of the Higher Education Act of 1965.

### SEC. 4. REPORT TO CONGRESS.

The Secretary of State shall report annually to the Congress concerning the grant program established under this Act. Each such report shall include the following information for the preceding year:

(1) The number of participants.

(2) The institutions of higher education in the United States that participants attended.

(3) The institutions of higher education outside the United States participants attended during their year of study abroad.

(4) The areas of study of participants.

### SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $1,500,000 for each fiscal year to carry out this Act.

### SEC. 6. EFFECTIVE DATE.

This Act shall take effect October 1, 2000.

The SPEAKER pro tempore (Mr. Kuykendall). Pursuant to the rule, the gentleman from New York (Mr. Gilman) and the gentleman from Pennsylvania (Mr. Hoeffel) each will control 20 minutes.

The Chair recognizes the gentleman from New York (Mr. Gilman).

### GENERAL LEAVE

Mr. GILMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 4528, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GILMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I introduced H.R. 4528, the International Academic Opportunity Act of 2000, along with the gentleman from New York (Mr. Hinchey) because we want to encourage undergraduate college students to study abroad. We believe, as many others do in the academic, exchange and business sectors, that Americans need to be prepared to operate in an international environment and economy. This preparation should start at a young age. It is the reason we wanted to assist college level low-income students to study abroad.

One of the best ways to prepare young people for this global society is to allow them to experience life outside the United States. H.R. 4528 will do that by authorizing $1.5 million to be made available to the State Department for individual student grants of up to $5,000. These grants are targeted to assist lower-income students who otherwise would not be able to consider a study abroad program. These incentive grants are to be used to cover travel or other expenses related to studying overseas.

The intention of the bill is to work within the existing college campus study abroad programs. These grants would allow colleges and universities to reach out to our low-income students that may not have been able to consider such studies because of the additional travel and living expenses. It expands the pool of students who will benefit personally and later professionally from internationally oriented education.

Developed with the assistance of college administrators and exchange experts, it is hoped that a streamlined program will encourage more students to participate in an overseas educational program and be able to motivate them to learn and apply a foreign language. These experiences and skills will serve them well as they enter the workforce. Through these grants, we want to help prepare and motivate our young students to participate in the international arena.

I want to thank the gentleman from New York (Mr. Hinchey) for his cooperation in this measure.

Accordingly, I urge support for this measure.

Mr. Speaker, I reserve the balance of my time.

Mr. HOEFFEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 4528. For many American college students, Mr. Speaker, a year abroad can be a life-changing experience. They are exposed when they are abroad to different cultures, languages, educational and political systems and often emerge from their study abroad experience with a greater appreciation of the complex world in which we all live.

Unfortunately, many college students with few financial resources cannot afford a semester or a year abroad. These students miss a valuable educational opportunity, particularly if they are interested in a career in international relations or foreign affairs.

While it is possible for students to use their Pell Grants and other forms of financial assistance to pay for university costs overseas, the Gilman legislation will provide a critical source of funding to cover all of the costs associated with overseas study, including living and travel expenses.

I commend the gentleman from New York (Chairman Gilman) for introducing this bill. It is a very worthwhile and appropriate piece of legislation. I urge my colleagues to support H.R. 4528.

Mr. Speaker, I reserve the balance of my time.

Mr. GILMAN. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey (Mr. Smith).

Mr. SMITH of New Jersey. Mr. Speaker, I thank the gentleman from New York for yielding me this time.

Mr. Speaker, I want to congratulate the gentleman from New York (Mr. Gilman) and the gentleman from New York (Mr. Hinchey), the sponsors of this bill, for H.R. 4528, which creates a new scholarship program to assist low-income students' studies overseas.

As I think my colleagues know, it is now called the Benjamin A. Gilman International Scholarships. During mark-up in our subcommittee, through which it moved in a bipartisan manner, we were very happy to name it after the gentleman from New York (Mr. Gilman), the distinguished chairman of our committee.

This will help a number of low-income students who very often can get the money for the tuition but do not have the means to get to the country of destination. This will facilitate that. So I think it is an excellent bill, and I want to thank the gentleman from New York (Mr. Gilman) for his leadership.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. SMITH of New Jersey. I am happy to yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I want to thank the gentleman from New Jersey (Mr. SMITH), our distinguished chairman of the Subcommittee on International Operations and Human Rights, for having considered this measure at an early date and for favorably recommending it to the House for consideration.

Mr. HOEFFEL. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. HINCHEY), one of the original authors of this bill.

Mr. HINCHEY. Mr. Speaker, I want to, first of all, extend my appreciation for the leadership that the gentleman from New York (Mr. GILMAN), chairman of the Committee on International Relations, is showing with regard to the introduction of this measure. What the gentleman from New York (Mr. GILMAN) is doing here, I think, is extremely important; and the importance of it will resound for many years, decades and longer into the future.

I also want to express my appreciation to Roger Bowen, who is the president of the State University College at New Paltz for his interest in international studies and promoting study abroad.

The bill of the gentleman from New York (Mr. GILMAN) is an extremely important measure. Obviously, it is important for these students who will be the primary beneficiaries in that they will have the opportunity to travel and study in a foreign country and get all of the benefits that flow from such an experience, benefits of interacting with the culture that is different from their own, benefits from having the opportunity to become more familiar with the language which is different from their own, and also opportunities to expand their own personal knowledge and experience.

But the beneficiaries of this bill go far beyond the individuals who will be initially benefited. In fact, I think, Mr. Speaker, the initiative of the gentleman from New York (Mr. GILMAN) will benefit the country as a whole.

As we find more and more that we are put in the position of being the principal leader militarily and economically in so many places around the world, nevertheless, at the same time, we find that so many of our students, future leaders in this country, are unaware of foreign cultures and inadequately versed in foreign languages. That leaves us unable in many ways to take the kind of leadership role which we ought to and appropriately would be taking.

The legislation of the gentleman from New York (Mr. GILMAN) is going to fill that gap. More and more students who would not have the opportunity because of their financial situation to travel and study abroad will now be given the opportunity to do so. Their benefits will inure to themselves, to their families and to their future. But those benefits also will inure in a very profound and long lasting way to the benefits of our country and the other countries around the world with which we interact.

So I think that the gentleman from New York (Mr. GILMAN) is doing something here today that is very, very important; and I hope that all of us will fully recognize the significance of his initiative and that we will all support it very enthusiastically.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today in support of H.R. 4528, the International Academic Opportunity Act. A bill that I feel allows positive movement in the area of education for our country today.

This bill authorizes $1.5 million dollars be given to a program that would enable lower income students, the opportunity to travel and learn abroad. I feel this is an excellent initiative that will serve this country well with the reaped benefits that are produced as these students return back to their communities here in the United States with a moral global mind.

I have long since stated that the economic divide is a strain that must be done away with in this country, and clearly education is a way to achieve that goal. Especially, in the case of international education opportunities, where all socio-economic groups are allowed to participate. Ensuring all students the opportunity for success and growth under our nation's academic umbrella.

This is why I am in strong support of this program that will be known as the Benjamin A. Gilman International Scholarship Program. This will be an effort to help all students afford up to a year of study abroad by providing a grant of up to $5,000, for a year to those accepted into a foreign college or university, that is in partnership with their home institution. This grant will be given only to students who already receive need-based assistance and Pell Grants to complete their education.

I will conclude this speech of strong support with a quote I recently read from John F. Kennedy, "Let us think of education as the means of developing our greatest abilities, because in each of us there is a private hope and dream which, fulfilled, can be translated into benefit for everyone and greater strength for our nation."

These words of wisdom are a perfect guide for what we, as representatives of the people should strive to achieve. The benefit of our country lies in our youth. So I encourage my colleagues to support this important legislation.

Mr. HOEFFEL. Mr. Speaker, I yield back the balance of my time.

Mr. GILMAN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MCHUGH). The question is on the motion offered by the gentleman from New York (Mr. GILMAN) that the House suspend the rules and pass the bill, H.R. 4528, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

## EXPRESSING CONDEMNATION OF USE OF CHILDREN AS SOLDIERS AND EXPRESSING BELIEF THAT THE UNITED STATES SHOULD SUPPORT AND, WHERE POSSIBLE, LEAD EFFORTS TO END THIS ABUSE OF HUMAN RIGHTS

Mr. GILMAN. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 348) expressing condemnation of the use of children as soldiers and expressing the belief that the United States should support and, where possible, lead efforts to end this abuse of human rights, as amended.

The Clerk read as follows:

H. CON. RES. 348

Whereas in the year 2000 approximately 300,000 individuals under the age of 18 are participating in armed conflict in more than 30 countries worldwide;

Whereas many of these children are forcibly conscripted through kidnaping or coercion, while others join military units due to economic necessity, to avenge the loss of a family member, or for their own personal safety;

Whereas many military commanders frequently force child soldiers to commit gruesome acts of ritual killings or torture against their enemies, including against other children;

Whereas many military commanders separate children from their families in order to foster dependence on military units and leaders, leaving children vulnerable to manipulation, deep traumatization, and in need of psychological counseling and rehabilitation;

Whereas child soldiers are exposed to hazardous conditions and risk physical injuries, sexually transmitted diseases, malnutrition, deformed backs and shoulders from carrying overweight loads, and respiratory and skin infections;

Whereas many young female soldiers face the additional psychological and physical horrors of rape and sexual abuse, being enslaved for sexual purposes by militia commanders, and forced to endure severe social stigma should they return home;

Whereas children in northern Uganda continue to be kidnaped by the Lord's Resistance Army (LRA) which is supported and funded by the Government of Sudan and which has committed and continues to commit gross human rights violations in Uganda;

Whereas children in Sri Lanka have been forcibly recruited by the opposition Tamil Tigers movement and forced to kill or be killed in the armed conflict in that country;

Whereas an estimated 7,000 child soldiers have been involved in the conflict in Sierra Leone, some as young as age 10, with many being forced to commit extrajudicial executions, torture, rape, and amputations for the rebel Revolutionary United Front;

Whereas on January 21, 2000, in Geneva, a United Nations Working Group, including representatives from more than eighty governments including the United States, reached consensus on an optional protocol on the use of child soldiers;

Whereas this optional protocol will raise the international minimum age for conscription to age eighteen and will require governments to take all feasible measures to ensure that members of their armed forces under the age of eighteen do not participate directly in combat, prohibit the recruitment and use in armed conflict of persons under the age of eighteen by nongovernmental armed forces, encourage governments to raise the minimum legal age for voluntary recruits above the current standard of 15 and, commits governments to support the demobilization and rehabilitation of child soldiers, and when possible, to allocate resources to this purpose;

Whereas on October 29, 1998, United Nations Secretary General Kofi Annan set minimum age requirements for United Nations peacekeeping personnel that are made available by member nations of the United Nations;

Whereas the participating States of the Organization for Security and Cooperation in Europe, in the 1999 Charter for European Security signed in Istanbul, Turkey, committed themselves to "develop and implement measures to promote the rights and interests of children in armed conflict and postconflict situations, including refugees and internally displaced children" and to "look at ways of preventing forced or compulsory recruitment for use in armed conflict of persons under 18 years of age";

Whereas United Nations Under-Secretary General for Peace-keeping, Bernard Miyet, announced in the Fourth Committee of the General Assembly that contributing governments of member nations were asked not to send civilian police and military observers under the age of 25, and that troops in national contingents should preferably be at least 21 years of age but in no case should they be younger than 18 years of age;

Whereas on August 25, 1999, the United Nations Security Council unanimously passed Resolution 1261 (1999) condemning the use of children in armed conflicts;

Whereas in addressing the Security Council, the Special Representative of the Secretary General for Children and Armed Conflict, Olara Otunnu, urged the adoption of a global three-pronged approach to combat the use of children in armed conflict, first to raise the age limit for recruitment and participation in armed conflict from the present age of 15 to the age of 18, second, to increase international pressure on armed groups which currently abuse children, and third to address the political, social, and economic factors which create an environment where children are induced by appeal of ideology or by socio-economic collapse to become child soldiers;

Whereas the United States delegation to the United Nations working group relating to child soldiers, which included representatives from the Department of Defense, supported the Geneva agreement on the optional protocol;

Whereas on May 25, 2000, the United Nations General Assembly unanimously adopted the optional protocol on the use of child soldiers;

Whereas the optional protocol was opened for signature on June 5, 2000; and

Whereas President Clinton has publicly announced his support of the optional protocol and a speedy process of review and signature: Now, therefore, be it

*Resolved by the House of Representatives (the Senate concurring)*, That—

(1) the Congress joins the international community in—

(A) condemning the use of children as soldiers by governmental and nongovernmental armed forces worldwide;

(B) welcoming the optional protocol as a critical first step in ending the use of children as soldiers; and

(C) applauding the decision by the United States Government to support the protocol;

(2) it is the sense of the Congress that—

(A) President Clinton should be commended for signing the optional protocol and should consult closely with the Senate with the objective of building support for this protocol;

(B) the President and the Congress should work together to enact a law that establishes a fund for the rehabilitation and reintegration into society of child soldiers; and

(C) the Departments of State and Defense should undertake all possible efforts to persuade and encourage other governments to ratify and endorse the new optional protocol on the use of child soldiers.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. GILMAN) and the gentleman from Pennsylvania (Mr. HOEFFEL) each will control 20 minutes.

The Chair recognizes the gentleman from New York (Mr. GILMAN).

### GENERAL LEAVE

Mr. GILMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H. Con. Res. 348.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GILMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to express my full support of H. Con. Res. 348. This vitally important resolution that was introduced by the gentleman from Georgia (Mr. LEWIS) condemns the use of children as soldiers and expresses the belief that the United States should support efforts to end this practice where up to 300,000 children under the age of 18 are combatants in more than 30 countries around the world.

Mr. Speaker, I had the opportunity last week of joining the President at the U.N. as he signed the protocols with regard to this resolution. I commend the President for signing the U.N. optional protocol on the use of child soldiers, raising the international minimum age for conscription and participation in armed conflict to age 18 and commits the governments to the demobilization and rehabilitation of child soldiers.

This measure asks the President to consult closely with the Senate to build support for the adoption of this protocol and addresses a very serious human rights abuse occurring with alarming frequency in many nations of the world, including Sierra Leone.

Accordingly, I ask for its prompt adoption. I commend the gentleman from Georgia (Mr. LEWIS), who introduced the concurrent resolution, for his advocacy of this measure.

Mr. Speaker, I reserve the balance of my time.

Mr. HOEFFEL. Mr. Speaker, I rise in strong support of H. Con. Res. 348.

Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia (Mr. LEWIS), the prime author of this very worthwhile bill.

Mr. LEWIS of Georgia. Mr. Speaker, I want to thank the gentleman from Pennsylvania for yielding me this time and for all of his help in support of this effort.

I also, Mr. Speaker, would like to begin by thanking the gentleman from Illinois (Mr. PORTER) and the gentleman from California (Mr. LANTOS) for working with me on this bill. As cochair of the Human Rights Caucus, the gentleman from California (Mr. LANTOS) and the gentleman from Illinois (Mr. PORTER) have led the fight against the use of child soldiers.

I would like to thank the gentleman from Connecticut (Mr. GEJDENSON) and his staff, as well as the gentleman from New Jersey (Mr. SMITH) and the gentleman from New York (Chairman GILMAN), for working with me to bring this bill to the floor.

Mr. Speaker, I have a deep respect for the power of young people. Forty-three years ago, I was but a child myself when I first met Martin Luther King, Jr., and joined the nonviolent struggle for justice in America. So I know, Mr. Speaker, that young people can change the world. That is why the idea of using children as soldiers so disturbs me.

As the last remaining superpower, the United States is morally bound to use our strength to protect those who are weak and exposed. Yet, as we stand here, thousands by thousands of children in Colombia, in Sierra Leone, and countless other countries around the world have been forced to kill at one moment and used as cannon fodder the next. Children who should fill rows of school desks, instead fill columns of soldiers. The brutal use of children to fight adult wars must end. The time is now. Our job is simple, to lead the way.

In January, the United Nations reached an agreement to ban child soldiers.

☐ 1200

Last week the President signed this treaty. This resolution calls on the President and the Senate to work together and build support for this protocol. It urges the Congress and the President to establish a fund to help child soldiers reenter society. And most importantly, this resolution calls on the United States to use its moral authority to lead efforts across the globe to put a stop to this brutal practice.

Many of us, Mr. Speaker, have fought long and hard for freedom and justice in our own country, but our commitment to human rights, to peace, to nonviolence, to a sense of community, to justice, that commitment cannot stop at the water. It is our moral obligation, our mission, and our mandate to lead the struggle to protect children everywhere from the violence of war.

Again, Mr. Speaker, I want to thank all of my colleagues for joining in this help, joining in support of this effort to bring this bill to the floor today.

Mr. HOEFFEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to again commend the prime author of this very worthy resolution, the gentleman from Georgia (Mr. LEWIS), for his leadership and his hard work. I would like to acknowledge and commend the President for signing this protocol on July 5 of the year 2000 to end the use of children in war.

This resolution, which condemns the use of children, is worthy. It points out that in the world today approximately 300,000 children between the ages of 5 and 17 have been compelled and forced and abducted and coerced and brutalized into becoming combat soldiers, personal and sexual slaves, porters, or all of the above. This brutal abuse of children has got to stop. This U.N. protocol is a good beginning. Our support of this protocol is appropriate.

The work of the gentleman from Georgia (Mr. LEWIS) is admirable, and I am very pleased to support this resolution and call on all Members of the House to vote in favor of it.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I want to extend my strong support for H. Con. Res. 348, a resolution that will benefit the lives of many of our children around the world.

Last week, I joined President Clinton, U.S. Ambassador to the United Nations Richard Holbrooke, and Treasury Secretary Lawrence Summers for the signing of two landmark Protocols that address prostitution, the impact of pornography on children, and the global practice of child labor. This resolution applauds the decision by the U.S. government to support the Protocol that condemns the use of children as soldiers by government and nongovernment forces.

As we vote on this important resolution, I look forward to backing for the other Protocol regarding child prostitution and slavery.

It is estimated that this year some 300,000 children under the age of 18 are engaged in armed military conflicts in more than 30 countries. Sadly, far too many of these wonderful children are forcibly conscripted through kidnapping or coercion and others joined because of economic necessity, to avenge the loss of a family member or for their own personal safety.

Military commanders often separate children from their families in order to foster dependence on military units and leaders, leaving such children vulnerable to manipulation. That is clearly unacceptable. I believe it is very unfortunate that military forces actually force child soldiers to commit terrible acts of killing or torture against their enemies, including against other children.

Last August, the United Nations Security Council unanimously passed Resolution 1261, condemning the use of children in armed conflict. On May 25, the UN General Assembly unanimously adopted an Optional Protocol on the use of child soldiers. This is a sensible addition to the Convention on the Rights of the Child.

The Protocol extends much needed protection for children. My fellow Americans, this is one of the first international commitments made by this nation that protects our children. We can no longer deny that thousands of children are killed, brutalized, and sold into slavery. In Sierra Leone, half of the rebel forces are under 18 and some are as young as 4 or 5 years of age.

The Protocol addresses such action by raising the international minimum age for conscription and direct participation in armed conflict to age 18, it encourages governments to raise the minimum legal age for voluntary recruits above the current standard of 15 years of age, and it commits governments to support the demobilization and rehabilitation of child soldiers.

That is a very strong step forward. It speaks to an international sense of justice that should, indeed must be honored by governments around the world. We should commend President Clinton, U.S. Ambassador to the United Nations Richard Holbrooke, and U.S. Secretary Lawrence Summers for their leadership on this issue.

I urge my colleagues to support H. Con. Res. 348.

Mr. CROWLEY. Mr. Speaker, I speak today in strong support of H. Con. Res. 348, to express condemnation of the use of children as soldiers.

In dozens of countries around the world, children have become direct participants in war. Denied a childhood and often subjected to horrific violence, some 300,00 children are serving as soldiers in current armed conflicts from Uganda to Colombia, from Sierra Leone to Lebanon. Hundreds of thousands more have been recruited into armed forces and could be sent into combat at any moment. Although most child soldiers are teenagers, some are as young as 7 years old.

Physically vulnerable and easily intimidated, children typically make obedient soldiers. Many are abducted or recruited by force, and often compelled to follow orders under threat of death.

The United States should support, and, where possible, lead efforts to establish and enforce international standards designed to end the use of child soldiers.

On January 21, 2000 in Geneva, a United Nations working group of the Commission on Human Rights reached agreement on the UN protocol on child soldiers. I commend President Clinton for signing this protocol and want to express my hope that the Senate will ratify it as soon as possible.

The House International Relations Committee approved H. Con. Res. 348 unanimously. As a cosponsor, I urge colleagues to give their full support to this important resolution.

Mr. PORTER. Mr. Speaker, I rise today in support of H. Con. Res. 348, expressing the concern of Congress regarding the use of child soldiers around the world.

The Congressional Human Rights Caucus, which I co-chair, has held a number of briefings on the use of child soldiers around the world. Nothing can be more heartbreaking than listening to stories of childhoods cut short—children's descriptions of how they were abducted in the night, made to fight with rebel groups, forced to kill their parents or best friends and commit other unspeakable atrocities. These very children should be in school learning, playing and enjoying their youth not carrying guns and fighting for causes about which they know nothing.

Child soldiers are currently being used in more than thirty countries around the world, including Angola, Colombia, Liberia, Sierra Leone, Sri Lanka, Sudan and Uganda. They serve in both government armies and in armed opposition groups. Some are forcibly recruited, other join hoping to support themselves or their families, or simply because they see it is their best chance for survival. Children sustain far higher casualty rates than their adult counterparts and those who survive often suffer trauma, injury, abuse, or psychological scarring.

I would like to thank the gentleman from Georgia (Mr. LEWIS) for sponsoring this resolution and the gentleman from California (Mr. LANTOS) who has been a leader on this issue for many years. It is vital that the United States Congress speak out against these human rights abuses which occur around the world against our most precious citizens, the children. We must join with the international community in condemning the countries and non-government groups which use children as soldiers. Finally, it is important to recognize this Administration for its role in signing the United Nations international protocol last week which prohibits the use of children in armed conflict.

Mr. HOEFFEL. Mr. Speaker, I reserve the balance of my time.

Mr. GILMAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. HOEFFEL. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SIMPSON). The question is on the motion offered by the gentleman from New York (Mr. GILMAN) that the House suspend the rules and pass the bill, H.R. 348, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Debate has concluded on all motions to suspend the rules.

Pursuant to the provisions of clause 8, rule XX, the Chair will now put the question on each motion to suspend the rules on which further proceedings were postponed earlier today, and then on those motions postponed from Monday, July 10, in the order in which that motion was entertained.

Votes will be taken in the following order:

House Concurrent Resolution 253, by the yeas and nays;

H.R. 4442, de novo; and

House Resolution 415, de novo.

The Chair will reduce to 5 minutes the time for any electronic vote after the first such vote in this series.

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## SENSE OF CONGRESS STRONGLY OBJECTING TO EFFORT TO EXPEL HOLY SEE FROM UNITED NATIONS

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the concurrent resolution, H. Con. Res. 253.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey (Mr. SMITH) that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 253, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 416, nays 1, not voting 17, as follows:

[Roll No. 379]

YEAS—416

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Capps
Capuano
Cardin
Carson
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Filner
Fletcher
Foley
Ford
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
John
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Oxley
Packard
Pallone
Pascrell
Pastor
Paul
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaffer
Schakowsky
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Wynn
Young (FL)

NAYS—1

Stark

NOT VOTING—17

Becerra
Campbell
Chenoweth-Hage
Forbes
Hinojosa
Hoyer
Jefferson
Johnson (CT)
McCollum
McIntosh
McKinney
McNulty
Owens
Payne
Smith (WA)
Vento
Young (AK)

□ 1224

So (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

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## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SIMPSON). Pursuant to clause 8 of rule XX, the Chair will reduce to 5 minutes the minimum time for electronic voting on each additional motion to suspend the rules on which the Chair has postponed further proceedings.

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## NATIONAL WILDLIFE REFUGE SYSTEM CENTENNIAL ACT

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill, H.R. 4442, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Oregon (Mr. WALDEN) that the House suspend the rules and pass the bill, H.R. 4442, as amended.

The question was taken.

RECORDED VOTE

Mr. SCHAFFER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 403, noes 15, not voting 16, as follows:

[Roll No. 380]

AYES—403

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Capps
Capuano
Cardin
Carson
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeMint
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley

Doolittle
Doyle
Dreier
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Filner
Fletcher
Foley
Ford
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hulshof
Hunter
Hyde
Inslee
Isakson
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
Kuykendall
LaFalce
Lampson
Lantos
Largent
Larson
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Oxley
Packard
Pallone
Pascrell
Pastor
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Rush
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaffer
Schakowsky
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Strickland
Stupak
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thune
Thurman
Tiahrt
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Wynn
Young (FL)

NOES—15

Barr
Bonilla
Coble
Coburn
DeLay
Duncan
Herger
Johnson, Sam
LaHood
Paul
Pombo
Rohrabacher
Royce
Stump
Thornberry

NOT VOTING—16

Becerra
Campbell
Chenoweth-Hage
Forbes
Hinojosa
Hoyer
Hutchinson
McCollum
McIntosh
McKinney
McNulty
Owens
Payne
Smith (WA)
Vento
Young (AK)

□ 1232

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

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## SENSE OF THE HOUSE REGARDING ESTABLISHING A NATIONAL OCEAN DAY

The SPEAKER pro tempore (Mr. SIMPSON). The unfinished business is the question of suspending the rules and agreeing to the resolution, H. Res. 415, as amended.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Oregon (Mr. WALDEN) that the House suspend the rules and agree to the resolution, H. Res. 415, as amended.

The question was taken.

RECORDED VOTE

Mrs. MINK of Hawaii. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 387, noes 28, answered "present" 2, not voting 17, as follows:

[Roll No. 381]

AYES—387

Abercrombie
Aderholt
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barrett (NE)
Barrett (WI)
Bartlett
Bass
Bateman
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Capps
Capuano
Cardin
Carson
Castle
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Combest
Condit
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
DeFazio
DeGette
Delahunt
DeLauro
DeMint
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Filner
Fletcher
Foley
Ford
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hill (IN)
Hill (MT)
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hulshof
Hunter
Hyde
Inslee
Isakson
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kleczka
Klink
Kolbe
Kucinich
Kuykendall
LaFalce
Lampson
Lantos
Largent
Larson
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Oxley
Packard
Pallone
Pascrell
Pastor
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Scarborough
Schaffer
Schakowsky
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Snyder
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Strickland
Stupak
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thompson (CA)
Thompson (MS)
Thune
Thurman

Tiahrt
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Wynn
Young (FL)

NOES—28

Archer
Armey
Barr
Barton
Blunt
Cannon
Chabot
Coburn
Collins
Deal
DeLay
Herger
Hilleary
Johnson, Sam
Kingston
Knollenberg
LaHood
Moran (KS)
Norwood
Paul
Pease
Pombo
Radanovich
Sanford
Smith (MI)
Stump
Thomas
Thornberry

ANSWERED "PRESENT"—2

Ackerman
Frank (MA)

NOT VOTING—17

Becerra
Campbell
Chenoweth-Hage
Conyers
Forbes
Hoyer
Hutchinson
McCollum
McIntosh
McKinney
McNulty
Owens
Payne
Smith (WA)
Tauzin
Vento
Young (AK)

☐ 1242

Mr. MORAN of Kansas changed his vote from "aye" to "no."

So (two-thirds having voted in favor thereof) the rules were suspended and the resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## PERSONAL EXPLANATION

Mr. HOYER. Mr. Speaker, earlier today I attended a ceremony in Pennsylvania for the National Governor's Association. Maryland Governor Parris Glendening today became the Chairman of the National Governor's Association and because of my attendance, I was unable to vote on H. Con. Res. 253, H.R. 4442, and H. Res. 415. Had I been present, I would have voted "yes" on rollcall 379, 380, and 381.

☐ 1245

## GENERAL LEAVE

Mr. SKEEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 4461, and that I may include tabular and extraneous material.

The SPEAKER pro tempore (Mr. SIMPSON). Is there objection to the request of the gentleman from New Mexico?

There was no objection.

## AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

The SPEAKER pro tempore. Pursuant to House Resolution 538 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 4461.

☐ 1245

### IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 4461) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2001, and for other purposes, with Mr. NUSSLE in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Monday, July 10, 2000, pending was amendment No. 39 by the gentleman from Oregon (Mr. DEFAZIO).

Pursuant to the order of the House of that day, no further amendments to the bill shall be in order except pro forma amendments offered by the chairman and ranking member of the Committee on Appropriations or their designees for the purpose of debate and amendments printed in the CONGRESSIONAL RECORD numbered 9, 29, 32, 37, 48, 61, and 68, which may be offered only by the Member designated in the order of the House or a designee, or the Member who caused it to be printed or a designee, shall be considered read, shall be debatable for 10 minutes, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for a division of the question.

Eight and one-half minutes of debate remain on amendment No. 39 by the gentleman from Oregon (Mr. DEFAZIO). The gentleman from Oregon (Mr. DEFAZIO) has 2½ minutes remaining, and the gentleman from New Mexico (Mr. SKEEN) has 6 minutes remaining.

Mr. SKEEN. Mr. Chairman, I yield 1 minute to the gentleman from Washington (Mr. DICKS).

Mr. DICKS. Mr. Chairman, I would like to engage in a colloquy with the primary author of the amendment, the gentleman from Oregon (Mr. DEFAZIO).

I want to be clear, in light of my responsibilities on the Subcommittee on Interior Appropriations, that the recovery programs for threatened and endangered species conducted by the U.S. Fish and Wildlife Service will not be adversely affected.

It is my understanding that the gentleman does not intend to impede recovery programs directed by the U.S. Fish and Wildlife Service and sometimes performed in part by the Wildlife Services.

Mr. DEFAZIO. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Oregon.

Mr. DEFAZIO. Mr. Chairman, it is not my intent to impede recovery programs for threatened or endangered species administered by the Fish and Wildlife Service.

Mr. DICKS. Mr. Chairman, I thank the gentleman. I want to emphasize that when these rare killings of threatened or endangered species do occur, the U.S. Fish and Wildlife Service and the Wildlife Services should only use the most humane method of killing, such as shooting or foot snares with tranquilizer tabs.

Mr. DEFAZIO. Mr. Chairman, if the gentleman will again yield, I agree that the Fish and Wildlife Service and Wildlife Services should use the most humane methods in the conduct of their responsibilities under the Endangered Species Act.

Mr. DICKS. Mr. Chairman, I appreciate the gentleman from New Mexico yielding.

Mr. SKEEN. Mr. Chairman, I yield 2 minutes to the gentleman from Idaho (Mr. SIMPSON).

Mr. SIMPSON. Mr. Chairman, I thank the gentleman from New Mexico for yielding me this time.

Mr. Chairman, this may be the most ill-conceived amendment that we have considered during debate on this bill.

Some have called this nothing more than corporate welfare. Well, I will tell my colleagues that in Idaho, Wyoming and Montana, what the Federal Government has done, at a cost of $1 million apiece, is they have reintroduced wolves into the State of Idaho as "nonessential experimental populations." They are costing ranchers and farmers thousands and thousands of dollars. Not only are they costing ranchers and farmers money, they are decimating our elk and deer herds.

Ranchers would like to take care of this problem themselves. Unfortunately, there are substantial penalties and fines involved. It has been said that the Fish and Wildlife Service does not use other nonlethal means of trying to maintain control of these predators. The fact is that we capture them, we trap them, we have taken them to other parts of the State, as far away as 300 and 400 miles; and we find that within 2, 3, 4 days, a week, they are back in their original location, oftentimes.

In fact, last week I was in Idaho in the Saw Tooth Mountains, and I bought this book; and I would like to take just a moment to reintroduce my colleagues or introduce my colleagues to the Saw Tooth pack of wolves in the State of Idaho. Now, I have to admit, these are beautiful animals. In fact, if we look at this page here, this is their class picture in the nice, soft focus. This is Komoto, the alpha leader. He is regal, confident and benevolent. This here is Moto. He is of middle rank. He is bright, curious and energetic. He also initiates play. Unfortunately, let me show my colleagues what play looks like to Bambi. This is what play looks like to Bambi.

Now, I will tell my colleagues, they are causing great problems in the State of Idaho. But we knew as part of the deal of reintroduction of these wolves as a nonessential experimental population is that we would have to manage some of them. We would have to kill some of the wolves that got out of control. That was part of the deal. Unfortunately, we have had to do that. Anyone that thought we were going to reintroduce wolves into Idaho, Montana, Wyoming, Minnesota, or New York had better be prepared to deal with the problem wolves that occur. It is not just in the wilderness. We have mothers that are standing by school buses in Salmon, Idaho, because wolves are on the borders of the communities.

Mr. SKEEN. Mr. Chairman, I yield 1 minute to the gentleman from Virginia (Mr. GOODLATTE).

Mr. GOODLATTE. Mr. Chairman, I thank the gentleman for yielding me this time and for his support in opposition to this amendment. This is something that is vitally important to my congressional district where much of it is mountainous land where we have sheep herds; we have other livestock that are threatened by coyotes. It has become a very, very serious problem in the State of Virginia. This is not just a Western problem.

Unfortunately, Virginia only receives $35,000 for the entire State for predator control, and we are losing the battle to preserve a valuable resource in our State. For the first time in history, the Virginia sheep flock has dipped below 100,000 animals. Conversely, the coyote population is growing at a rate of between 20 percent and 50 percent, according to the Virginia Department of Game and Inland Fisheries. The limited amount of money received from the Wildlife Services Program only funds one trapper who has to monitor the traps in 17 counties. The USDA agrees that our area is desperately understaffed. It is impossible for one staff member to monitor 17 counties under the Wildlife Services Program.

Mr. Chairman, I urge my colleagues to oppose this amendment.

Mr. Chairman, this amendment prohibits USDA Wildlife Service (WS) professionals from attempting to prevent wildlife damage. This Wildlife Service program is directed by professional wildlife biologists and is vital to managing wildlife in order to protect human health and safety, prevent environmental damage and to protect agricultural and rural economic interests.

Many perceive this as a strictly Western issue. Not so. Virginia has one of the largest sheep populations in the Eastern United States and Wildlife Services helps protect this valuable resource, valued at $8.1 million. Unfortunately Virginia only receives $35,000 for predator control and we are losing the battle. For the first time in history, the Virginia sheep flock has dipped below 100,000 animals. Conversely, the coyote population is growing at a rate between 20% and 50% according to VA Department of Game and inland fisheries.

The limited amount of money received from the Wildlife Services Program only funds one trapper who has to monitor the traps in 17 counties. USDA agrees that our area is desperately understaffed. It is impossible for one staff member to monitor seventeen counties under the Wildlife Services Program. Because the trapper has responsibility over such a large area he was only able to trap 40 coyotes in Highland county last year. The coyote population is thought to be in the thousands.

I have asked the Department to reexamine their geographic allocation of resources within the Wildlife Services Program to see if more staff can be dedicated to our area but that would take existing resources from an existing program, destroying the investment already made in that area.

Supporters of this amendment will say that the program is bad for the environment. This is simply not true. Many Wildlife Services projects have benefited threatened and endangered species. Wildlife Services personnel work closely with officials from U.S. Fish and Wildlife or the appropriate state agency. Last year, Wildlife Services helped to protect 84 threatened or endangered species from predation. These projects were conducted across 26 states, Puerto Rico, the Virgin Islands and Guam.

What we need are additional resources for this vital program. We can't afford to cut this program. Cutting funds would only hurt those we are trying to help the most in this bill, citizens of rural America. Make no mistake, this amendment isn't about a budget or an economic issue, this is about animal rights. This amendment is about which animals are to be protected and which aren't. The sponsors of the amendment want to protect the noxious beasts that are driving family farms out of business. I want to protect the animals that farmers, ranchers and shepherds are counting on to provide for their own families well being.

Vote "no" on this amendment and "yes" for rural America.

Mr. SKEEN. Mr. Chairman, I reserve the balance of my time.

Mr. DEFAZIO. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Chairman, although we need to treat our farmers well, we need to treat our animals humanely, so I rise to support the DeFazio-Bass amendment as a humane effort to deal with our wildlife.

Mr. Chairman, the amendment which curtails the funding for what was formerly known as the Animal Damage Control program.

This amendment cuts $7 million in funding for the Department of Agriculture's inappropriately named "Wildlife Services" program. I say that it is inappropriately named, because the program does nothing to serve in the best interests of wildlife. It is, instead, a program whose purpose is to help farmers cope with natural predators who may prey on their livestock. While I believe that helping farmers is a laudable goal, the problem is that the way this program is administered, little help is provided and much damage caused.

Each year, this program indiscriminately kills 90,000 coyotes, foxes, bears and mountain lions. It is indiscriminate because there are few controls to ensure that the animals being slaughtered are tied to attacks on livestock. Oftentimes, young cubs are caught and killed, and on occasion, even a domesticated dog or cat will be mistakenly felled. This is simply not appropriate—and it should be stopped.

Wildlife Services is cruel because Wildlife Services still insists on using barbaric methods to handle these animals—including poisons, snares, leg-hold traps and even aerial hunting. Sometimes, these animals are simply clubbed to death. Harp Seals are not the only animals that need protection from this brutal practice. We can do better than this—humane animal control techniques exist in our modern world. We can relocate animals that have caused problems.

How is it that we can build an internationally-sponsored space station or clone animals, but yet we cannot find a way to treat our animals humanely? Do we need to spray poison in the face of animals that can contaminate other animals, or even humans, it comes in contact with afterwards? Must we kill not only the offending animal, but also every innocent scavenger that happens upon its corpse? In this scenario, must we curtail the hunting of our nation's beloved national bird, the Bald Eagle and instead subject him to this brutal and inhumane hunting method.

This program has been ineffective, and roundly criticized for decades. It was fully reviewed by advisory committees under the Kennedy, Johnson, Nixon and Carter Administrations—each of which suggested numerous reforms, but none have been adopted.

The General Accounting Office (GAO) similarly released a report in 1995 that found the program to be largely ineffective. Studies have shown the coyotes have adapted to our killing techniques much better than we have adapted towards more humane methods of predator control. Despite a 71% increase in funding for these programs between 1983 and 1993, coyotes have compensated for the culling of their species by simply having more pups. Surely, we have been out-foxed here!

In addition, unlike in the past the amendment will fund Wildlife Services at the level proposed in the President's budget for FY 2001 (about 28.7 million for operations). Simply cutting the excess $7 million subsidy provided in the Committee bill over and above what the Administration considers necessary to carry out Wildlife Service operations nationwide.

We are smarter than this. This House is smarter than this. As a result, I urge my colleagues to support this sensible and humane amendment being offered by Congressmen DEFAZIO and BASS.

Mr. DEFAZIO. Mr. Chairman, I yield myself the remaining time.

There is one issue and one issue only before the House: shall the taxpayers provide a special subsidy to Western ranchers. Approximately $7 million a year is spent on the wasteful, ineffective, indiscriminate killing of wildlife in the Western U.S. and, as we heard from my colleague from Oregon last night, it is not working. Maybe we should try something else.

After more than a half century, there are more coyotes, more dispersed. They do not understand coyotes' biology. Kill the alphas and the rest of them go disperse and breed. They kill nontarget species. Here is a golden eagle. Well, here are some predators right here. We can see these little guys have definitely been feasting on sheep. No, they have not been, but they were killed too.

This program should end. There is no effect on public safety, despite what we hear from others. Bird strikes at airports, rabbit are dangerous to humans, brown tree snakes, dusky geese, endangered species, all of those could continue to be controlled by a nearly $30 million-a-year budget for the animal damage control folks. Farmers and ranchers would be free to hire or themselves use any legal method of control for any threats to their flocks. Why send a Federal employee to take care of their private interests? I cannot call a Federal employee to take care of the possums, deer and raccoons who transgress on my property, probably from the nearby BLM. They will not come. But if I was a rancher, they would. Now, why is this exclusive subsidy made available?

Do not be cowed by the howls of protests from the privileged few who are enjoying this subsidy. Ignore the false sense of their red herring arguments and stop fleecing the taxpayers here today. Vote for this amendment.

Mr. SKEEN. Mr. Chairman, I yield the balance of my time to the gentleman from Minnesota (Mr. PETERSON) to close debate.

Mr. PETERSON of Minnesota. Mr. Chairman, I thank the gentleman for yielding me this time.

Today I rise as chairman of the Congressional Sportsmen's Caucus that strongly opposes this amendment. On behalf of myself and the other leaders of the caucus who try to speak for the sportsmen of this country, we hope that our colleagues will vote this amendment down.

As sportsmen we are concerned with reserving populations of wildlife for future generations, as well as preserving our right to hunt and fish. The hard reality is that this amendment would create unnecessary and increased wildlife losses.

Contrary to what my colleagues have been told, Wildlife Services reduces the overall amount of wildlife taken by selectively targeting only those animals that are causing damage. In Kansas where Wildlife Services does not conduct a program, the number of animals killed by others is dramatically higher, not less.

But more importantly, this amendment will not only target animals that are bothering ranchers, if part of the budget is eliminated that is being talked about, many areas will be left with no service on protection at all. They will simply eliminate the position because there will not be enough to do. This means that other Wildlife Services functions like airport safety and human protection will not be performed.

Also, areas like northern Minnesota will be left unprotected because species such as the timber wolf can only be effectively taken by professional trappers who know what they are doing. Here we have a species that was protected by the Federal Government, whose population has exploded to double what it was and double the original range, has moved out of the timber area into the farming country, and has caused us a huge amount of problems. If this amendment passes, there will be no way to help those farmers with these livestock losses. It is not feasible for them to control these animals themselves because they are very difficult to hunt or trap.

Maybe, if we release some of these wolves in Eugene, Oregon, or Minneapolis or Boston or San Francisco or New York City, we would have a different attitude on the part of some Members of this House. This is an irresponsible amendment that will do more harm than good. Please join the Congressional Sportsmen's Caucus in opposing this amendment.

Mr. SHAYS. Mr. Chairman, I rise in strong support of the DeFazio-Bass Amendment, which funds the Department of Agriculture Wildlife Services' program for fiscal year 2001 (FY 01) at the level requested by the President, and prohibits funds in the bill from being used for lethal predator control methods.

Put briefly, the Wildlife Services' methods of predator control are ineffective, wasteful and inhumane.

Despite increased spending and increased killing between 1983 and 1993, there was no decrease in the number of livestock lost to predators. Clearly, this is a program in need of serious re-evaluation.

Further, as a co-chair of the Congressional Friends of Animals Caucus, I would be remiss if I did not point out the killing methods currently employed by the Wildlife Services' program are excessively cruel and unselective—commonly capturing both wild and domestic non-target animals alike. These methods—including the use of indiscriminate aerial gunning, steel-jawed leghold traps, poisonous gas, gasoline, smoke and fire—are both inhumane and brutal.

The existence of alternative methods of predator control—including the use of guard dogs, sound and light devices, fencing, carcass removal and night penning—make these practices largely unnecessary. In those instances where lethal control practices are necessary, namely to protect threatened or endangered species, and to protect human health, the DeFazio-Bass amendment allows Wildlife Services to carry out lethal predator control.

Mr. Chairman, I urge my colleagues on both sides of the aisle to support this balanced, common sense amendment which is endorsed by taxpayer, environmental and humane organizations around the country.

Mr. SMITH of New Jersey. Mr. Chairman, I rise in strong support of the DeFazio-Bass amendment.

This amendment eliminates the proposed increase in funding for the United States Department of Agriculture's (USDA) Wildlife Services' predator control programs. Regrettably, the USDA has participated in some needless and particularly harsh predator control methods. The DeFazio-Bass Amendment highlights this problem and ensures that the USDA is not rewarded for a program that is wasteful, ineffective and unnecessarily cruel to animals.

This cost saving and compassionate amendment reduces funding for the Wildlife Services program to the Administration's budget request. This amendment will not cripple our Wildlife Services predator program nor will it impede USDA efforts to protect public health and safety. The DeFazio-Amendment simply reduces the program in a way that will allow the USDA to place its operations in alignment with public values.

Mr. Chairman, I believe Americans would be outraged to learn that their hard earned tax dollars are being used to set out Steel-Jaw Leghold Traps on our public lands. These devices are banned in 89 countries and a number of states, including my state of New Jersey, because they are a cruel and unusual form of animal punishment that cannot discriminate.

Probably the most egregious predator control practice is "Denning." Federal Wildlife Service employees, who practice "Denning" smoke coyote pups from their dens and then kill the pups by clubbing them with shovels when they emerge.

Mr. Chairman, American's tax dollars should not be subsidizing these activities. It is unthinkable that we are spending so much money to kill so many animals by such cruel means. While our Wildlife Services predator program has been effective in some areas, such as controlling bird populations around airports, its lethal predator control activities in western states are unacceptable. Reducing funding for the Lethal Predator program by $7 million will target its most wasteful and needless activities, allowing the USDA to concentrate on more effective compassionate measures.

Mr. Chairman, this amendment makes good fiscal sense and it is environmentally sound. Taxpayers should not subsidize the western livestock industry, and we should not subsidize killing animals in indiscriminate and cruel ways. I urge my colleagues to vote "Yes" on the DeFazio-Bass amendment.

The CHAIRMAN. All time for debate on this amendment has expired.

The question is on the amendment offered by the gentleman from Oregon (Mr. DEFAZIO).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. DEFAZIO. Mr. Chairman, I demand a recorded vote and, pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Pursuant to House Resolution 538, further proceedings on the amendment offered by the gentleman from Oregon (Mr. DEFAZIO) will be postponed.

The point of no quorum is considered withdrawn.

Mr. SKEEN. Mr. Chairman, I move to strike the last word.

Mr. MINGE. Mr. Chairman, will the gentleman yield?

Mr. SKEEN. I yield to the gentleman from Minnesota.

Mr. MINGE. Mr. Chairman, I rise to engage in a colloquy with the distinguished subcommittee chairman regarding the use of the farm planning and analysis system known as FINPACK.

USDA, through the Farm Service Agency, has determined that this planning and analysis system that has proven to be a useful tool for Minnesota producers is to be terminated as of September 30 this year, the year 2000.

I am seeking to develop report language that directs the Farm Service Agency to develop an effective interface between FINPACK and the Farm and Home Plan presently used by the Farm Service Agency. It is my understanding that the generic interface that is presently developed is not capable of long-term and effective transfer of information.

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It is necessary to take FINPACK data and reformat it into the Farm and Home Plan format.

The Farm Service Agency has indicated that they are seeking assistance from the University of Minnesota to accomplish this. The University of Minnesota has informed me that they are a long way today from accomplishing this task because currently there is not a contract in place between the university and the Farm Service Agency to develop this interface.

It is essential that Minnesota producers have an interface that effectively works at field level and is effective in the future, into the future, allowing producers to use the superior management tool that is FINPACK.

I would ask the subcommittee chairman to work with me in the conference committee or in the report language to allow for the time required to develop the interface that is necessary.

I would seek also to delay any implementation of the Farm and Home Plan until an effective and long-term interface is in place.

Is this something that the distinguished chairman would be in a position to assist us with?

Mr. SKEEN. Mr. Chairman, I thank the gentleman for his concern. I will work with him to assure that the FSA provides a smooth transition to a common computing environment for Minnesota FINPACK users. FSA has provided me with a copy of the contract they are entering into with the University of Minnesota to facilitate that endeavor.

In addition, I wish to provide for the RECORD a letter from Mr. Keith Kelly, administrator for the Farm Service Agency, that outlines the agency's plan for using and integrating agency software with their financial software, including FINPACK, and the proprietary software mentioned in the gentleman's statement.

USDA,
*Washington, DC, June 16, 2000.*

JOE SKEEN,
*Rayburn House Office Building, Washington, DC.*

DEAR MR. SKEEN: This is in reference to the continued usage of the FINPACK software by the Farm Service Agency (FSA) offices in Minnesota. FSA field offices have been required to use the Agency's automated system called the Farm and Home Plan (FHP) system for many years to produce FHP's for our farm borrowers and to perform various farm planning and analysis functions. With the exception of Minnesota, the FHP system has been used successfully by FSA field offices in all other States. FSA has continued to fund the yearly maintenance and allow Minnesota to use FINPACK until the Agency had developed an interface that would allow for all of the historical FINPACK data to be loaded into the official FHP database housed at each of the FSA field offices.

FSA has developed a generic interface that will provide the capability for data from the FINPACK system to be loaded into the official FHP database. As a result, the FSA field offices in Minnesota will be required to use the Agency's official PC–FHP system beginning in Fiscal Year 2001. The farm borrower community, banks, other lending institutes, and farm management educational organizations will be able to continue their use of FINPACK to perform farm/financial planning and analysis functions as they have done in the past. The only difference will be in the format and layout of the data file(s) sent to the Minnesota FSA field offices for loading into the official FHP database. Once the data file(s) is received by the Minnesota FSA field office staffs, the generic interface will be used to load the data into official FHP database.

This generic interface can also be used to load data into the official FHP database from other farm/financial software packages that are being used by our farm loan borrowers, thereby not limiting its use to FINPACK only, but opening the door for other farm/financial software vendors to interface with FSA's FHP system. Additionally, this generic interface can be used to load data into the official FHP database from farm/financial software packages being used by banks and other lending institutes and farm management educational organizations that support FSA's farm loan borrowers. In regard to the historical FINPACK data, FSA will be contracting with the University of Minnesota for the software development of a data conversion routine that will provide for the one-time data conversion of 5 years of financial and production information from the FINPACK system into FSA's personal computer-FHP (PC–FHP) system. The cost for the software development for the data conversion routine is $25,000. The estimated one-time benefit of implementing an automated solution for converting 5 years of financial and production information into the Agency's PC–FHP system is $300,383.

The Department of Agriculture (USDA) has invested millions of dollars in establishing a Common Computing Environment (CCE) in our field service centers. These service centers provide co-located offices for the three sister agencies: FSA, Rural Development (RD), and the Natural Resources and Conservation Service (NRCS). The establishment of the service centers provides for one-stop shopping for our customers. In order to provide this service for our customers, FSA, RD, and NRCS must have a common hardware and software platform in the field service center offices. Our CCE efforts have established the standard hardware and software platform in the field offices, and the FHP system is part of that standard. The information obtained from the FHP System is tied locally in each field office and is tied to other mission critical applications. The information is then fed to a central computer system enabling Senior Management to monitor the Agency's portfolio nationally using the same criteria.

In order for USDA's CCE efforts to continue successfully and improve customer service in the field service center offices, it is very important that the software platform on the new CCE equipment be uniform and controlled. Uniformity and control of our software applications help to ensure that all of our customers are being serviced in a like manner. This means that all of our field offices are using the same software applications, such as the FHP system, to service our customers and meet the Agency's business needs. To allow one State, such as Minnesota, to deviate from this common software platform, would impede the efforts of USDA to improve the Agency's computing environment and its ability to provide better service to our customers.

From the financial standpoint, the PC–FHP system was developed by FSA for approximately $250,000. When the cost of the development is divided among the 2,500 field offices, the development per copy is less than $100 per office. The PC–FHP software is currently loaded on more than 10,000 PC's. If the cost for development is divided by the number of PC's, the cost per PC is around $25. The annual maintenance/enhancement cost for the PC–FHP system is $120,000. When the cost for annual maintenance is divided by the number of PC's, the cost per PC is $12. In regard to Minnesota, FSA is currently paying $150 per site license for annual maintenance of the FINPACK software. The cost for a new site license for the FINPACK software is normally $600. However, the Center for Farm Financial Management at the University of Minnesota recently quoted FSA a price of $495 for a new FINPACK site license. Based on this information, if FSA were to buy FINPACK site licenses for our 2,500 field offices, the cost would be $1,237,500 with an annual maintenance cost of $375,000. If the cost for the FINPACK site licenses is divided by the number of PC's, the cost per PC is around $123.73. When the cost for annual maintenance of FINPACK is divided by the number of PC's, the cost per PC is $37.50. The software and maintenance costs of the PC–FHP are still lower than those of FINPACK, if not by a wide margin. However, there are other cost factors to consider. All of FSA's 2,500 field offices have been trained on the use of the PC–FHP system (this includes Minnesota).

As stated above, with the exception of Minnesota, the FHP system is being used successfully by FSA field offices in all other

States. If FSA were to implement FINPACK nation-wide, we would have to retrain the staff in all field offices (except Minnesota), on how to use the FINPACK software. The costs associated with this type of training effort would be in the million plus range. Also, please note that FINPACK is a commercial Off-the-Shelf (COTS) software package. There are several COTS software packages out on the Market that perform farm planning an analysis functions, like FINPACK. If FSA were to consider replacing the PC-FHP with a COTS software package, it would have to be done as a competitive procurement effort. Considering these facts and cost information, FSA sees no benefit in replacing the PC-FHP system nationwide with the FINPACK software.

With the development of the interface, data conversion software, and the cost information and justification presented in the above paragraphs, FSA remains firm in its decision to stop support of FINPACK in the Minnesota field offices and require them to use the Agency's official PC-FHP system. We request your assistance in this effort.

Sincerely,

KEITH KELLY,
*Acting Administrator.*

Mr. MINGE. I thank the gentleman very much.

I should add that we have received a letter from the distinguished chairman, and have had an opportunity to analyze that and feel that there is some additional information we could provide the gentleman and perhaps include in the RECORD about the ongoing difficulties we have in trying to complete this task.

I really look forward to the opportunity to work with the gentleman on this.

Mr. SKEEN. I thank the gentleman. I think we can make a good deal working together. I am ready to do that.

Mr. MINGE. Mr. Chairman, I thank the gentleman very much and include the aforementioned letter.

U.S. HOUSE OF REPRESENTATIVES,
*Washington, DC, July 10, 2000.*

Hon. JOE SKEEN,
*Rayburn House Office Building, Washington, DC.*

DEAR CHAIRMAN SKEEN: I have received your written opposition to the proposed amendment to allow the usage of FINPACK by Minnesota FSA offices. We have researched this issue, and wish to respond to those points as follows:

1. "FSA is only terminating the use of 44 pieces of FINPACK software in FSA offices in Minnesota in order to facilitate a common computing environment for all FSA offices beginning October 1, 2000."

Minnesota FSA field staff who work with farm loans (MN Association of Credit Supervisors, NACS) have unanimously asked for the ability to continue to use FINPACK. The National Association of Credit Supervisors, NACS (the employee organization for FSA employees previously part of FmHA) have passed a resolution supporting the continued use of FINPACK by MN FSA. Several hundred lenders, educators and borrowers in MN have contacted congressional offices asking that MN FSA be allowed to continue to use FINPACK.

This decision reaches far beyond 44 MN FSA offices. Following is the resolution agreed to by the NACS National Convention the week of June 19, 2000. Resolution 7. Concern: Procedure 1910-A [1910.4(b)(9)] indicates that projected production, income and expenses, and loan repayment plan, may be submitted on Form FmHA 431-2, "Farm and Home Plan", or other similar plans of operation acceptable to FSA. FSA has been using the Finpack or similar systems. For example the Finflo is a 12-month cash flow and takes into account the inventories. The Finan is a more accurate analysis of the Borrowers's previous year's actual records. Farm Management Instructors, many FSA borrowers, and numerous lenders use the Finpack and similar systems. Proposed Solution: Continue to allow the use of Finpack or similar automated systems.

As the "lender of last resort" and provider of "supervised credit" FSA has a mandate to help producers improve their management capacity and ultimately their financial viability. FINPACK is used by tens of thousands of producers, educators, and lenders outside of FSA to make management decisions. At the same time it is used for credit analysis and applications. It is dual purpose in that it helps producers and at the same time provides information for lenders.

On the other hand, FSA's Farm and Home Plan is used exclusively for credit applications. The FHP is simply a computerized method to fill out government forms that have remained essentially unchanged for more than 50 years. It has not undergone continual development to help producers manage the vastly different agriculture of the 21st century versus the 1950's when the forms were developed. Congress and FSA need to decide whether FSA loan programs will simply be used as means to distribute government loans to financially stressed producers or if these funds will be leveraged by linking them to educational programs that help producers succeed in business. FSA initiated Borrower Training programs several years ago for the very purpose of linking loans to management training. In many states FINPACK is used as the primary training material for Borrower Training. It makes no sense to use an inferior program that does not help producers when a superior program is already being used. The goal should be to provide farmers with the financial tools to succeed.

More than 1,000 Extension Educators use FINPACK to help producers with farm management training. Allowing and encouraging FSA to use FINPACK improves agency efficiency and enhances the benefits producers receive from USDA. In Minnesota, educators, lenders, and FSA share FINPACK data files to save producers time and money and improve the efficiency of each organization. FINPACK allows educators and lenders to share financial data via email or on disks. Removing FINPACK from MN FSA offices is a step backward when considered in the context of how USDA should be serving U.S. producers. Many people think FSA should be trying to replicate the cooperation in MN rather than dismantling it. FSA has stated repeatedly that they plan to develop some of the management components within the FHP that are currently in FINPACK, such as monthly cash flows and historical trend analysis. These developments will be costly and will require significant time before FSA can make them available to producers, but they are already available in FINPACK.

2. "FSA is providing generic interface capabilities for borrowers, financial institutions and others using FINPACK and other farm and financial management software packages with FSA program files."

According to the University of Minnesota, FSA has not developed a generic interface. FSA's Farm and Home Plan (FHP) software stores data in a Microsoft Access database. This means that any other software program can export data in Access format and it can be loaded into the Access database. However, FSA has not addressed how lenders, educators and producers can transfer producer ID's so that the FHP knows where to store the data.

The development of a functioning interface would be a valuable development, however, FSA has previously stated that software will be available shortly but struggled to deliver on schedule. Currently FSA has two versions of the Farm and Home Plan software. One that runs on PC's and one that runs on their mainframe System 36 machines. These two versions of the FHP are not interfaced and cannot transfer data. If FSA can't transfer data internally between their offices and systems how optimistic can lenders, educators and producers that currently supply FINPACK data directly to FSA in MN be that their data will still be accepted by FSA after FINPACK use is terminated in MN FSA offices?

3. "FSA has contracted with the University of Minnesota to convert 5 years of historical FINPACK data to the FSA software program used in the other 49 states."

A contract is not in place, nor has one been initiated. The U of MN has verbally agreed to develop an interface that will allow FSA staff to transfer data from FINPACK to FSA's Farm and Home Plan. FSA can store the five years of data, but cannot do any analysis on it (FINPACK can store data indefinitely enabling lenders, educators, mediators, and producers themselves to undertake useful trend analysis).

4. "A survey of surrounding states to Minnesota shows that less than 5 percent of the farm loan borrowers use FINPACK. And in some instances, almost no borrowers use FINPACK.

According to surveys of FINPACK users, between 30,000 and 60,000 producers use FINPACK annually throughout the country. Most of these producers use the software with the assistance of educators, consultants and lenders. Most producers use FINPACK because they understand the value of financial information to the management of their businesses, not because they are required to use it. One question that must be asked is how FSA determined that 5 percent of their borrowers use FINPACK. Were borrowers actually surveyed or did FSA simply ask field staff to estimate the number of borrowers they think use FINPACK?

5. "And finally, delinquency rates for Minnesota and the surrounding states shows that Minnesota has a farm loan delinquency rate of 19 percent, almost twice the rate of the surrounding states that don't use FINPACK."

This statement illustrates the misinformation that continues to be used in discussions regarding FINPACK. The FSA loan delinquency rate in the two high volume northwest Minnesota districts are 19.5 and 23.0 percent. Across the border in North Dakota it is 21.0 percent. This Red River Valley area has experienced severe flooding and crop disease problems for at least five consecutive years. The south central district of Minnesota has a delinquency rate of 4.5 percent. Across the border in Iowa the delinquency rate is 9.6 percent. Additionally, a study conducted in North Dakota in December 1996 showed that producers who use FINPACK on average showed $1,000 to $3,500 improvement in net farm income per year.

"While I am not suggesting use of FINPACK alone is a reason for the poor loan delinquencies, I am only suggesting that FSA should have an opportunity to administer the farm loan program in a like manner across the nation without parochial interference. For these reasons, I oppose the Gentleman's amendment and ask that his amendment be defeated."

FINPACK conforms to the Farm Financial Guidelines established by the Farm Financial Council, a task force initiated in the early 1990's by the American Banker's Association. FSA has made no attempt to conform the Farm and Home Plan to these guidelines. FINPACK meets the FSA requirements to provide a monthly cash flow for FSA's Interest Assistance Program. The Farm and Home Plan can't generate a monthly cash flow and therefore can't meet the federal regulations for applications for the Interest Assistance. FSA has attempted to develop a viable Farm and Home Plan software program for more than 15 years with marginal success. In the mid 1990's they spent millions on the aborted attempts to develop farm accounting software. FSA is a farm credit agency, not a software developer. If Congress were to announce that it is spending millions of dollars to write its own software instead of utilizing better, more comprehensive, market tested products, there would be outright public revolt. FSA should be held to the same standard.

In conclusion, FINPACK is an extremely valuable tool that has offered an opportunity to Minnesota producers to compete in an extremely difficult economic crisis. It has also provided an opportunity for Minnesota FSA offices to work with these producers in an efficient manner.

It would be extremely unfortunate to lose this tool.

Sincerely,

DAVID MINGE,
*Member of Congress.*
GIL GUTKNECHT,
*Member of Congress.*

Mr. SKEEN. Mr. Chairman, I move to strike the last word.

Mr. KINGSTON. Mr. Chairman, will the gentleman yield?

Mr. SKEEN. I yield to the gentleman from Georgia.

Mr. KINGSTON. I thank the gentleman for yielding.

Mr. Chairman, I would like to engage in a colloquy with the gentleman from New Jersey (Mr. PALLONE). Perhaps we can proceed that way.

Mr. SKEEN. I believe we can do that.

Mr. PALLONE. Mr. Chairman, will the gentleman yield?

Mr. SKEEN. I yield to the gentleman from New Jersey.

Mr. PALLONE. I thank the Chairman for yielding to me.

Mr. Chairman, I have an amendment, but I would like to enter into this colloquy in lieu of that at this time.

Each year over 660,000 people become ill and more than 300 die from a single contaminant in a single food. That is the bacterium Salmonella in eggs. More than 170 outbreaks of Salmonella illness from eggs have been documented in the past decade. Children, the elderly, and the immune-impaired are especially at risk.

In an effort to combat the threat to public safety posed by Salmonella eggs, the administration proposed an egg safety action plan last December. The Food and Drug Administration is currently in the process of developing regulations to implement this plan.

It is extremely important that Congress join the administration in an effort to implement a strong science-based system to locate eggs contaminated by Salmonella before they reach the consumer.

During the committee process for the agricultural appropriations bill, my colleague, the gentleman from Georgia (Mr. KINGSTON), successfully offered an amendment that was of great concern to a number of food safety, public health and consumer groups, as well as a host of Members in this body who regularly work on food safety issues.

Accordingly, I drafted an amendment to strike the Kingston language from the bill that I intended to offer today.

Specifically, I was concerned about three issues. The first was that the Kingston amendment would have sharply limited environmental testing for Salmonella. Producers need to test the chickens' environment, not just the eggs, to find out if the flock is contaminated with Salmonella.

My concern on this front is that the Kingston amendment would have limited environmental testing until 2 or 3 weeks before the end of the life of the flock. If Salmonella is found at that time, it is far too late to recall or pasteurize most of the eggs produced by the contaminated flock, and the public will have been put at risk. Testing should occur at a much earlier time in order to ensure that if Salmonella is found, it is found early enough to prevent the contaminated eggs from reaching consumers.

Secondly, I was concerned that the Kingston language would have severely restricted the FDA's authority to require the egg industry to identify contaminated eggs and pasteurize them. Pasteurization eliminates Salmonella but reduces the value of the egg because it can no longer be sold as a table egg.

As I understood it, the Kingston amendment would have prevented FDA from requiring pasteurization on the basis of environmental testing. If an environment tests positive for Salmonella, the eggs that come from that environment must be properly tested to determine if they are contaminated.

While it is true that a positive environment does not automatically mean eggs from that environment are contaminated, it is also true there is a great chance there will be contaminated eggs from that environment. Accordingly, we must have a system that takes the condition of the environment into consideration during the process of determining which eggs need to be diverted to pasteurization.

Lastly, Mr. Chairman, I was concerned that the Kingston amendment would have required the taxpayer to foot the bill for testing eggs for Salmonella, instead of the egg producers. Many in the Egg Industry Council contend that it is fair to have the government pick up the tab for the testing because the government pays for Salmonella testing of meat and poultry.

It is important to keep two points in mind, however. The first is that meet meat and poultry producers do not get a free ride. The government requires them to pay for E. Coli testing. The second is that although the government does pay for Salmonella testing in meat and poultry, it also owns the data and makes that data available to the public. So, in my view, it is very appropriate for egg producers to pay for the cost of Salmonella testing. It is also important to make sure that if the government pays for any testing, it owns the data from the testing.

Fortunately, over the last several weeks negotiations between those of us concerned about the Kingston amendment, including myself, the gentleman from Ohio (Mr. BROWN), the Center for Science in the Public Interest, the Food Animal Concerns Trust, and those supporting the Kingston amendment, including the United Egg Producers, continued.

It is my understanding that, as a result of those negotiations, the United Egg Producers have accepted a number of the recommendations the coalition of food safety, public health, and consumer groups were advocating be adopted to improve the Kingston amendment.

I would like to enter into a colloquy with the gentleman from Georgia and ask him to elaborate on the actions that United Egg Producers have taken in recent days.

Mr. KINGSTON. Mr. Chairman, if the gentleman from New Mexico will continue to yield, I thank the gentleman from New Jersey for his interest in working with us. I wanted to say also we will gladly do a colloquy with the gentleman on this.

First of all, it is important to keep the burden of the solution in proportion to the problem. According to the President's egg safety plan, only one in 20,000 eggs contain Salmonella enteritis, and the presence of this bacteria in a raw egg alone does not guarantee illness upon consumption.

Secondly, according to the Centers for Disease Control, the number of reported deaths from this type of Salmonella in eggs during 1999 was zero.

Third, if we cook the egg, the risk is zero.

As the gentleman can imagine, I disagree with some of his interpretations of our amendment. For example, the Kingston amendment does not prohibit environmental testing, nor does it require that such testing be limited to 2 or 3 weeks before the end of the life of the flock. The language is not that specific.

In addition, in responding to the gentleman's comments on SE testing, I simply note that the Federal government not only pays SE testing costs, it also pays the cost of mandatory inspections for meat, for poultry, and for processed eggs.

The CHAIRMAN. The time of the gentleman from New Mexico (Mr. SKEEN) has expired.

Mr. SKEEN. Mr. Chairman, I move to strike the last word.

Mr. KINGSTON. Mr. Chairman, will the gentleman yield?

Mr. SKEEN. I yield to the gentleman from Georgia.

Mr. KINGSTON. Mr. Chairman, I thank the gentleman for continuing to yield to me.

Mr. Chairman, the Federal government not only pays SE testing costs, it also pays the cost of mandatory inspection for meat, poultry, and for processed egg products. Moreover, in the frequently-cited Pennsylvania Egg Quality Assurance Program, the State government pays testing costs. Some have mentioned E coli testing, but that is not a problem in eggs.

In short, almost all the relevant precedents support public funding.

There are several other points on which I cannot agree with the gentleman's characterization of the amendment, but it will be more productive to describe the informal discussions to which he has also referred.

Egg producers continue to support the Kingston amendment. However, they also have been reassured during these informal discussions by statements from the FDA about the agency's current thinking on egg safety regulation. The egg producers feel that FDA's current intentions are considerably more reasonable than was implied in the egg safety action plan when it was released in December.

I am prepared to negotiate during the conference, and the egg producers are prepared to support, a compromise package. We cannot know the outcome of conference negotiations for certain because we cannot control the Senate. However, both the producers and I promise our best efforts towards a compromise.

Our position will be as follows: Producers would conduct an environmental test when flocks are 40 to 45 weeks of age. They would pay for this test. If additional environmental tests were required, that could only be on the basis of sound science, and then the costs would be publicly funded.

In addition, the FDA would need to consider the amount of testing required in current national and State quality assurance programs in establishing testing requirements.

Secondly, eggs will only be required to be diverted into processing based on positive egg tests, which would be required if an environmental test was positive. Producers would pay for the egg tests.

Although this would not be part of the statutory language, we expect that the egg labeling proposal from last July will be substantially modified to take into account comments received. In addition, we expect that the FDA will consider adding such important steps as vaccination into its protocols for quality assurance programs.

We have discussed other important issues such as trace-backs, the safety aspects of grading programs, and consistent enforcement of the rules, and expect that these can be dealt with also.

I believe this is an accurate and complete description of the concepts that we have discussed with the FDA, the gentleman from New Jersey (Mr. PALLONE) and the gentleman from Ohio (Mr. BROWN), consumer advocates, and others.

Mr. PALLONE. Mr. Chairman, will the gentleman yield?

Mr. SKEEN. I yield to the gentleman from New Jersey.

Mr. PALLONE. Mr. Chairman, in light of the developments and what the gentleman from Georgia (Mr. KINGSTON) said, I would ask the gentleman if he would be willing to work with myself, the gentleman from Ohio (Mr. BROWN) and the gentlewoman from Ohio (Ms. KAPTUR) to develop report language that we can all agree to that would detail how we all envision this amendment will be implemented.

If my colleague, the gentleman from Georgia (Mr. KINGSTON) will be working with us to accurately reflect the agreement we have reached, I will withdraw my amendment.

Mr. KINGSTON. Mr. Chairman, if the gentleman will continue to yield, I will work with the gentleman and want to make sure that everybody is on board. We will move towards that. There are obviously no guarantees, but I am confident that we can come up with a good solution for all parties.

Mr. PALLONE. I thank the gentleman and I thank the chairman.

Mr. SKEEN. Mr. Chairman, I move to strike the last word, and I yield to the gentleman from Oklahoma (Mr. WATKINS).

Mr. WATKINS. Mr. Chairman, I would say to the chairman, as he knows, due to this year's budget numbers, funding was not appropriated for two additional projects I had requested for the State of Oklahoma. I believe these projects are vital not only for Oklahoma but also for several States in the surrounding area.

The first request called for something that the gentleman is familiar with, the concern for research funding for shipping fever, a severe respiratory disease to cattle often contracted during the transportation to market.

Shipping fever is the major cause of clinical disease and death loss of stock and feed lot cattle in Oklahoma and the southwestern States, including New Mexico. Nationwide, this disease results in economic losses to producers of an estimated $1 billion.

The Shipping Fever Research Project is a multidisciplinary, multi-institutional, multistate project that complements ongoing research in several universities.

The second request, this was from last week when I went down to research a USDA project in my area, the second is funding of a USDA special grant for OSU to conduct research focusing on developing vegetable production systems for the market areas in the Dallas, Oklahoma City, Kansas City, and St. Louis regions.

Recent changes in Federal price support programs allow producers the flexibility to shift into more profitable vegetable production while retaining basic support.

This grant that enhances the potential for producers to shift into fresh market vegetable production is great. I think it would be helpful to the farmers in all the area.

Mr. Chairman, I know the Senate has agreed to fund the vegetable market project at last year's level, but I would ask for the chairman's efforts and work to increase the funds in the conference.

I hope that within the budget numbers the gentleman has to work with that he can find the funds for both of these very, very worthwhile programs and projects to help our farmers and reference. I commend the chairman for his efforts, and I respectfully ask the chairman's consideration and help concerning these requests in the upcoming conference.

Mr. SKEEN. I always appreciate the gentleman's earnest efforts on behalf of his constituents. Accordingly, and with the full knowledge of our funding constraints, I will attempt to address the gentleman's concerns in the conference.

Mr. WATKINS. I appreciate the chairman's help very, very much.

Mr. SKEEN. Mr. Chairman, I move to strike the last word, and I yield to the gentleman from California (Mr. OSE).

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Mr. OSE. Mr. Chairman, yesterday, on Monday, July 10, a farmer cooperative with many producer members in my district filed for bankruptcy protection. Hopefully, they will be able to overcome the financial challenges that lie ahead of them. But with the prices of farm commodities so low, they face an incredibly difficult financial obstacle course.

I want to personally thank the gentleman from New Mexico (Mr. SKEEN) for his work on this important bill. It will help many farmers and ranchers in my district and in the State of California. Many of the provisions allow our producers to market their products overseas and to successfully compete against heavily subsidized agricultural producers from the European Union.

In spite of all of these things that Congress is doing, such as passing this bill and passing the Agricultural Risk Protection Act to help the producers of America's food to stay on the farm, many of our farmers and some co-ops remain in financial trouble.

Our farmers and ranchers cannot stay on the farm unless they make a profit. Mr. Chairman, I know of the strong commitment of the gentleman from New Mexico (Mr. SKEEN) to our agricultural producers. They need to know that when times are bad, this Congress will do what is necessary with tools already at hand to assure that they can continue growing the commodities our Nation wants and needs.

Mr. Chairman, I am seeking the assistance of the gentleman from New Mexico (Mr. SKEEN) to convince the Secretary of Agriculture to use whatever appropriate means he has at his disposal to relieve this situation.

Mr. Chairman, I thank the gentleman from New Mexico (Mr. SKEEN) for his consideration in this matter. I look forward to working with the gentleman.

Mr. SKEEN. Mr. Chairman, I thank the gentleman from California (Mr. OSE) for working so hard on behalf of the agriculture in his district. The family farmer and ranchers face many difficult challenges, and it is my belief that the provisions in this bill will help them.

I am committed to working with the gentleman from California (Mr. OSE) to ensure that the producers in his district have the necessary support to overcome the financial challenges facing them.

Mr. OSE. Mr. Chairman, I thank the gentleman from New Mexico.

Mr. SKEEN. Mr. Chairman, I move to strike the last word, and I yield to the gentleman from New York (Mr. SWEENEY).

Mr. SWEENEY. Mr. Chairman, this is one of the most challenging periods of time in the last 10 years for apple growers. Low prices, labor issues and regulatory actions are posing significant barriers to success in this important sector for agriculture.

For example, Mr. Chairman, according to USDA, U.S. apple growers have suffered losses of $760 million over the last 3 years. Also, in the past several years, apple prices have been at the lowest levels in over a decade.

These extreme, unprecedented, economic losses are due to a variety of factors, including the loss of markets, unknown fair competition from below-market imports from China, and lastly, weather-related disasters which have reduced yields, as well as quality and prices.

The cumulative losses have resulted in dire financial conditions. Mr. Chairman, many financial institutions are no longer willing to provide new loans to apple growers who are now seen as high risks. As a result, many growers will be forced out of business without aid.

In the last 2 years, Mr. Chairman, Congress has provided $22 billion in emergency farm relief to address low commodity prices in natural disasters. An additional $7 billion has recently been advanced as part of the crop insurance reforms. Despite all of this, apple growers have received none of the assistance, even though they have suffered losses just as severely as any other ag sector.

This is why I am so pleased that $115 million has been provided in the ag appropriations bill to assist apple and potato growers and I thank the gentleman from New Mexico (Chairman SKEEN) for his good work and support in this effort.

While this funding is enormously helpful, Mr. Chairman, and long overdue, there are even greater challenges facing a significant group of farmers in my district and throughout New York State.

Just last month, massive hailstorms struck the Hudson Valley region of New York, bringing widespread and extensive crop damage to Columbia, Dutchess, Orange and Ulster Counties, some of which I viewed firsthand and it was truly devastating.

Mr. Chairman, allow me to quantify that damage. Apple production losses are estimated at over 2 million bushels on approximately 7,450 affected acres. As a result, growers intend to completely abandon over 2,100 acres of fruit this season, further resulting in losses such as $19.8 billion in lost production revenue, $13.1 million in lost farm worker wages.

Area growers are working closely with local and State farm service agency offices to document losses. In New York, Governor Pataki has requested disaster designations from the Secretary of Agriculture for these counties. We are currently awaiting those designations.

Let me point out, Mr. Chairman, there are problems with disaster programs at USDA. Although New York apple growers have suffered $41 million in weather-related losses prior to this year, they received only $1.8 million in Federal crop-loss disaster assistance from USDA.

Area farmers have experienced losses needing at a minimum three action items taken in order to rectify them. The first being a disaster designation as soon as possible to make affected growers eligible for short-term disaster relief aid. Secondly, implementation of reforms to crop insurance to ensure that fruit growers have cost-effective insurance coverage for catastrophic losses; and, finally, direct grant aid to offset the catastrophic losses based on actual crop loses.

I would like to ask the gentleman from New Mexico (Chairman SKEEN) for the opportunity to work with him and his subcommittee through conference in ensuring that USDA is devoting the appropriate resources to the growers in need in New York State.

Mr. SKEEN. Mr. Chairman, reclaiming my time, as is evident in the bill now, I will be pleased to work with the gentleman from New York (Mr. SWEENEY) as the bill advances. I thank the gentleman for bringing this to our attention, and it has been good working with the gentleman.

Mr. SWEENEY. Mr. Chairman, I thank the gentleman from New Mexico. At this point, these types of issues affect practically all regions and sectors of agriculture over the course of time. We are also at this time seeing significant rains negatively affect many sectors of agriculture in the Northeast.

As we have worked together on other issues affecting New York agriculture, I look forward to continuing to work with the gentleman on these issues affecting New York apple growers.

### AMENDMENT NO. 32 OFFERED BY MR. ALLEN

Mr. ALLEN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 32 offered by Mr. ALLEN:

Insert before the short title the following title:

### TITLE IX—ADDITIONAL GENERAL PROVISIONS

SEC. 901. None of the amounts made available in this Act for the Food and Drug Administration may be expended to approve any application for a new drug submitted by an entity that does not, before completion of the approval process, provide to the Secretary of Health and Human Services a written statement specifying the total cost of research and development with respect to such drug, by stage of drug development, including a separate statement specifying the portion paid with Federal funds and the portion paid with State funds.

The CHAIRMAN. Pursuant to the order of the House for Monday, July 10, 2000, the gentleman from Maine (Mr. ALLEN) will be recognized for 5 minutes, and the gentleman from New Mexico (Mr. SKEEN) will be recognized for 5 minutes.

Mr. SKEEN. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. The gentleman from New Mexico reserves a point of order.

The Chair recognizes the gentleman from Maine (Mr. ALLEN) for 5 minutes.

Mr. ALLEN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, during the debate on this legislation yesterday, there was a great deal of bipartisan concern about the high prices that our seniors pay for their prescription drugs.

In fact, we did pass the Crowley-Coburn amendment which would provide for those seniors who are healthy enough and able enough to go to another country to buy their prescription drugs relief for those few. But it is worth remembering that only 2 weeks ago the majority in this House passed by three votes a piece of legislation preferred by the pharmaceutical industry that would rely on private insurance companies for seniors to get prescription drug coverage.

At the same time, a Democratic alternative that would have provided a Medicare prescription drug benefit was not allowed even to have a vote in full debate. Today, I rise to offer an amendment that would give taxpayers full disclosure of their investment in the research and development of prescription drugs. In the debate over extending a prescription drug benefit to Medicare beneficiaries, the pharmaceutical industry has repeatedly raised concerns that efforts to make drugs affordable could impact their ability to conduct research and development of new drugs.

Mr. Chairman, we all support the industry's breakthroughs that have improved and extended the lives of people with serious illnesses and chronic disabilities, but the explosion in prescription drugs' prices, increased utilization, the widespread lack of prescription drug coverage has left millions of Americans unable to afford the drugs that their doctors tell them they have to take.

When Medicare was created 35 years ago, there was no provision for prescription drug insurance, because the pharmaceuticals played a smaller role in health care and that was not a significant cost. But today seniors, who represent 12 percent of the population, consume one-third of all prescription drugs.

The lack of adequate coverage, combined with a high price of prescription drugs means that seniors are left to make choices that no American should make. Do they pay the rent or take their high blood pressure medication? Do they buy groceries this week or fill their prescription for an osteoporosis drug?

Now, the pharmaceutical industry has been working to stop our efforts to provide a benefit under Medicare or a discount for seniors who need a discount, and it is also true they always make the point that they need these huge profits in order to conduct research and development, but after they spend in 1999, $24 billion in research and development, they still had $27.3 billion in profits. These dozen or more companies.

The April issue of Fortune magazine reports that once again, Fortune pharmaceuticals are the most profitable industry in the country by every measure; number one in return on revenues, number one in return on assets, number one in return on shareholder equity.

Now, the historical evidence suggests to us that continued R&D will increase despite what the industry says. In 1984, when the Waxman-Hatch Act was passed, the industry predicted that it would lead to cutbacks in R&D; but, in fact, the pharmaceutical companies more than doubled their investment in research and development from $4.1 billion to $8.4 billion over the 5 years following the enactment of that legislation.

Finally, I would note that what is going on here is that the pharmaceutical industry is developing new drugs in partnership with the public. Though we do not have exact figures, an estimate by the National Institutes of Health is that taxpayer-funded research, combined with private foundation-funded research, accounts for almost 50 percent of all the medical research in this country related to pharmaceuticals.

It is time for the industry to disclose just how much is spent by private industry and just how much is spent by the taxpayers essentially in the development of new drugs. We need real figures from the industry.

Our amendment is simple. We are simply asking for disclosure. We should not expend any money for the FDA to approve a new drug application unless the total cost of research and development of the drug is revealed.

Mr. Chairman, we are particularly interested in knowing how much taxpayers have contributed to the development of these new drugs.

The CHAIRMAN. Does the gentleman from New Mexico continue to reserve a point of order?

Mr. SKEEN. Mr. Chairman, I continue to reserve a point of order.

Mr. Chairman, I claim the 5 minutes in opposition, and I yield such time as he may consume to the gentleman from New Jersey (Mr. FRELINGHUYSEN).

Mr. FRELINGHUYSEN. Mr. Chairman, I thank the gentleman from New Mexico (Mr. SKEEN), the chairman, for yielding me the time, and I rise in opposition to this amendment.

Mr. Chairman, all of us here are supportive of providing better access to prescription drugs to those that need them. Just 2 weeks ago, we fought all day to provide greater coverage for older Americans.

We all agree that no person, particularly the older people, the elderly, should ever have to choose between food and medicine. But as we work to provide greater coverage and access, we do not want to undermine today's private scientific research and medical innovation that will continue to find tomorrow's cures, which I believe this amendment does.

Mr. Chairman, in our collective excitement to do more here, some today appear to be determined to do just that with a number of seemingly attractive amendments to this agricultural appropriations bill. They seek to do so by promoting poorly disguised price controls, by throwing out Food and Drug Administration protections for consumers, by suggesting that all imported drugs are safe, reliable and fresh, and we know they are not; by holding up Canada as a model of health care delivery and inexpensive medicines, which it is not; by requiring price disclosures that no other American industry has to comply with; and by demanding research and development information and denying their product approvals if not forthcoming and by ignoring the fact that about 25 cents on the R&D dollar actually results in an approved FDA product or new medicine.

And they seek to do so, Mr. Chairman, by suggesting that it is only the National Institutes of Health that does basic research and that the taxpayers are being ripped off by the pharmaceutical companies. While the rhetoric fits the times, the facts deserve some weight.

With specific regard to the Allen amendment, I believe we are better served by promoting research partnerships between government and the private sector that yield new medicines and cures, not by discouraging them. This amendment deserves to be soundly defeated.

The CHAIRMAN. The gentleman from Maine (Mr. ALLEN) has 15 seconds remaining and the gentleman from New Mexico (Mr. SKEEN) has 2¾ minutes remaining.

Mr. ALLEN. Mr. Chairman, I yield the balance of our time to the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Chairman, I thank the gentleman from Maine (Mr. ALLEN) for his good work on this. We need to know what is behind the $500 million claim from the drug industry. We need to know if marketing costs are factored in, if executive salaries are factored in, if administrative costs are factored in. If the drug company wants American consumers to buy into the premise that outrageous prices are essential for research and development, they need to show us the numbers.

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The CHAIRMAN. The gentleman from New Mexico has 2¾ minutes remaining.

Mr. SKEEN. Mr. Chairman, I continue to reserve the point of order.

The CHAIRMAN. Does the gentleman from New Mexico insist on his point of order?

Mr. SKEEN. Mr. Chairman, does the gentleman from Maine (Mr. ALLEN) withdraw his amendment?

Mr. ALLEN. Mr. Chairman, I understand the point of the point made by the gentleman from New Mexico (Mr. SKEEN), chairman of the committee, and consequently I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Maine?

There was no objection.

The CHAIRMAN. The amendment is withdrawn.

### AMENDMENT NO. 37 OFFERED BY MR. BROWN OF OHIO

Mr. BROWN of Ohio. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 37 offered by Mr. BROWN of Ohio:

Insert before the short title the following title:

### TITLE IX—ADDITIONAL GENERAL PROVISIONS

SEC. 901. None of the amounts made available in this Act for the Food and Drug Administration may be expended to approve any application for a new drug submitted by an entity that does not agree to publicly disclose, on a quarterly basis during the patent life of the drug, the average price charged by the manufacturer for the most common dosage of the drug (expressed as total revenues divided by total units sold) in each country that is a member of the Organisation for Economic Co-operation and Development.

Mr. SKEEN. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from New Mexico reserves a point of order.

Pursuant to the order of the House of Monday, July 10, 2000, the gentleman from Ohio (Mr. BROWN) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I am pleased to offer this amendment with the gentleman from Maine (Mr. ALLEN) and the gentleman from Vermont (Mr. SANDERS) and the gentleman from Arkansas (Mr. BERRY) and the gentleman from Illinois (Mr. JACKSON) and the gentleman from California (Mr. WAXMAN).

This amendment fulfills a simple objective. It helps consumers decide for themselves whether prescription drug prices are fair. As it stands now, consumers know what they pay to a pharmacy for a drug, but they do not know what the manufacturer charges for that drug, what the manufacturer charges other consumers for it, what the manufacturer charges other countries for it, what similar drugs cost. My colleagues get the idea.

This amendment would require manufacturers to disclose to American consumers the prices they charge here versus what they charge in other industrialized nations.

The pharmaceutical industries question the accuracy of studies comparing prescription drug prices in the U.S. to those in other industrialized countries. They have questioned the accuracy of studies comparing the price seniors pay to those paid by HMOs. Drug makers could put these disputes to rest simply by disclosing their prices.

Two weeks ago, I took a dozen seniors from Ohio to a Canadian pharmacy where they paid one-half, one-third, one-sixth of what it would have cost to purchase those same drugs in northeast Ohio.

When confronted about price differentials like this, the industry typically tried to deflect the blame by talking about Canada's universal health care system. They imply that the only way to achieve lower prices in this country is to adopt the Canadian health care system. They imply that Canada pays less for prescription drugs because Canadians have a government-run health care program, not because of lower prices.

The drug industry conveniently confuses two different issues. Seniors in my district bought prescription drugs in Canada and paid lower prices. They did not step into Canada and suddenly become eligible under that nation's universal health care system.

Canada negotiates reasonable drug prices. Its 13 provinces also provide universal health care coverage. That means Canadians receive assistance towards the purchase of prescription drugs.

American consumers, in spite of what people here say, in spite of the drug industry, American consumers are smart enough to know the difference.

Although the drug industry tends to focus on Canada based on what we can glean from retail pricing studies, Canada is not the only nation that pays lower prices for drugs. The United States pays the highest prices in the world for prescription drugs.

This amendment says to the drug industry, if those studies are wrong or misleading, just show us your prices. Prescription drug companies may argue that this is proprietary information or raise the issue of price collusion. Of course, they do provide this information to a private organization called IMS, and this company makes the information available to other companies for a price. So drug companies already know each other's prices, so price information is no secret unless one is a consumer.

Americans cannot afford to purchase prescription drugs, and they cannot afford not to.

Under our amendment, consumers would have the power to compare prices and quality and value to make smart purchases.

Mr. SKEEN. Mr. Chairman, I continue my reservation, and I rise to claim the time in opposition to the amendment.

The CHAIRMAN. The gentleman from New Mexico (Mr. SKEEN) is recognized for 5 minutes in opposition to the amendment.

Mr. SKEEN. Mr. Chairman, I yield 3 minutes to the gentleman from New Jersey (Mr. FRELINGHUYSEN).

Mr. FRELINGHUYSEN. Mr. Chairman, I thank the gentleman from New Mexico for yielding me this time.

Mr. Chairman, I rise in opposition to this amendment as well. First, I think Members need to think long and hard about whether or not we want the Federal Government in the business of keeping the books on private industry, any private industry. I believe that it is entirely inappropriate for the Federal Government to have such a role.

Second, looking at the specific language of this amendment, it would require every company seeking approval for every new medicine to, and I quote, "agree to a quarterly disclosure during the patent life of the drug of the average price charged by the manufacturer in each company that is a member of the OECD, which is the Organization for Economic Cooperation Development."

What does this exactly mean? Many of these OECD countries have price controls, and just about all of them do. Are we asking the sponsors, asking the companies to provide us with a list of other countries' price controls?

As we know, even in these countries, largely Europe and in the United States and Canada, and specifically in countries with price controls which we do not have, there is no single price for medicines. Whether here at home or abroad, prices vary everywhere. That happens to be the marketplace at work.

All of us here, as I said a few minutes ago, are supportive of providing better access to prescription drugs to those who need them. Price controls are not the answer. Canada certainly does not have all the answers. But as we work to provide greater coverage and access, we do not want to undermine today's American private scientific research and medical innovation that will continue to find tomorrow's cures for the ills of the world and within our own country.

This type of amendment will do just that. Like its predecessor, it needs to be soundly defeated.

Mr. BROWN of Ohio. Mr. Chairman, I yield 30 seconds to the gentleman from Maine (Mr. ALLEN).

Mr. ALLEN. Mr. Chairman, I thank the gentleman from Ohio for yielding me this time.

Mr. Chairman, this is a simple amendment, and it would require prescription drug companies to disclose the prices they charge here in the United States and in other countries.

We know from studies in my district and elsewhere that Mainers, for example, pay 72 percent more than Canadians and 102 percent more than Mexicans for the same drugs and the same quantities from the same manufacturers.

We have the most profitable industry in the country charging the highest prices in the world to people who can least afford it. In a free enterprise system, we ought to get some more information about what those prices are.

Mr. BROWN of Ohio. Mr. Chairman, I yield 1½ minutes to the gentleman from Vermont (Mr. SANDERS).

Mr. SANDERS. Mr. Chairman, I thank the gentleman from Ohio for yielding me this time.

Mr. Chairman, what we are talking about is one of the great health care crises facing this country, and that is that millions of Americans cannot afford the outrageously high cost of prescription drugs in this country.

They know that an absurd situation exists by which, when an American spends $1 for a prescription drug manufactured in the United States, a German spends 71 cents, somebody in Sweden spends 68 cents, the United Kingdom spends 65 cents, and in Italy 51 cents for the same exact drug.

So what this amendment says very simply is we want to know the price that the pharmaceutical industry is selling that product abroad for. We want to know, in fact, how come a Canadian pharmacist can buy Tamoxifen, a widely prescribed breast cancer drug, for one-tenth the price that an American pharmacist can buy that same product. Meanwhile we know that the pharmaceutical industry makes a profit in Canada, selling the product at one-tenth the price that our people have to pay for it.

All over this country today, elderly people and many other people are making terrible decisions about whether they can afford the prescription drugs they need to ease their pain and to keep them alive. The more knowledge that we have about the pricing situation in the pharmaceutical industry, the better we will be in being able to address this crisis.

The CHAIRMAN. Does the gentleman from New Mexico (Mr. SKEEN) insist on his point of order?

Mr. SKEEN. Mr. Chairman, does the gentleman from Ohio (Mr. BROWN) withdraw his amendment?

Mr. BROWN of Ohio. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The amendment is withdrawn.

### AMENDMENT NO. 48 OFFERED BY MR. SANFORD

Mr. SANFORD. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 48 offered by Mr. SANFORD: Insert before the short title the following:

### TITLE IX—ADDITIONAL GENERAL PROVISIONS

SEC. 901. None of the funds appropriated or otherwise made available by this Act to the Department of Agriculture may be used to pay the salaries and expenses of personnel who make payments to producers of wool and mohair under section 204(d) of the Agricultural Risk Protection Act of 2000.

The CHAIRMAN. Pursuant to the order of the House of Monday, July 10, 2000, the gentleman from South Carolina (Mr. SANFORD) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from South Carolina (Mr. SANFORD).

Mr. SANFORD. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would say just prefacing my remarks that I have the utmost respect for the gentleman from New Mexico (Chairman SKEEN) and the way he has consistently watched out for the interest of farmers and ranchers across the West. For that matter, I would say that I have got the utmost respect for the gentleman from Texas (Mr. STENHOLM) and how he watches out for the ranchers in his district, and the same of the gentleman from Texas (Mr. BONILLA), who is not here right now but I suspect who will be walking down toward the floor.

That having been said, I think what needs to be remembered is, in as good of a job as the gentleman from Texas (Mr. STENHOLM) will do in watching out for ranchers in his district, the larger question always needs to be is, that may be good and he is doing the right job of a Congressman in protecting folk in his district, but is it the best in terms of national policy?

When I look at wool and mohair subsidies over a long and fairly tortured past, I think the answer has to be no. In fact, if anything, I see this as more of a horror show, those horror shows where Freddie hops up out of the coffin with the chainsaw running; one thought he was dead, one thought he was in the coffin to stay, but he is back up and at it. That is how these wool and mohair subsidies have gone basically over 50 years.

Because what is interesting is to look back, it was in World War II that the United States military recognized that they needed wool and mohair as basically a strategic material in the building of uniforms to keep troops warm and dry.

So in 1954 Congress responded to that, and they passed the National Wool Act. Yet by the 1960s, the Pentagon had moved on to synthetic fibers. So here we are 46 years after the passage of the act, basically 50 years after the time that Congress moved, the Pentagon moved on to something else, still helping to subsidize an industry that was no longer strategic in nature. In fact, some of the years, as one goes forward in time, wool and mohair would get as much as $200 million indirect subsidy.

Now, in 1993, that all came to an end. It was interesting, AL GORE's report, this is Vice President GORE's National Performance Review, 1993, said that the top 1 percent of sheep raisers capture a core of the money, nearly $100,000 each. The national interest does not require this program. It provides an unnecessary subsidy for the wealthy.

It was stopped in 1993 to be phased out in 1995, and yet it is back. Freddie has climbed outside of that coffin, he has got the chainsaw running, and we are looking at basically $10 million or $11 million in subsidy back to wool and mohair.

The question that I think that needs to be asked is, is this in the best interest of the overall taxpayer? I think no, one, because of what was pointed out in GORE's review; two, what would be pointed out in programs like the fact that Sam Donaldson, not exactly a New Mexico sheep farmer, had gotten $97,000 in direct wool payments a couple years back, in fact back just prior to 1995 in the phase-out of law.

The more than important question, though, because that part has ended, is what we are talking about here are the acts of the market versus the acts of God. If the local pizzeria goes out of business or the local hardware store goes out of business or the local video store goes out of business as a result of acts of the market, we do not subsidize that pizzeria. Should we do any differently with this wool and mohair?

The third point that I would make would be we are talking about a program. If we do not keep this out, it will become more permanent in nature.

It is interesting to me, this is in the June 24, 2000, issue of National Journal, Jewel Richardson, the first vice president of the Texas Sheep and Goat Raisers Association, hopes to put in a permanent program, their own words according to National Journal.

So I think we have got something that, a, could become a permanent program and is not a temporary help in time of need; and, b, is something that costs the taxpayers a whole lot of money to the benefit of a very few congressional districts.

Mr. Chairman, how much time do I have remaining?

The CHAIRMAN. The gentleman from South Carolina (Mr. SANFORD) has 30 seconds remaining.

Mr. SANFORD. Mr. Chairman, I reserve the balance of my time.

Mr. SKEEN. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from New Mexico (Mr. SKEEN) for 5 minutes.

Mr. SKEEN. Mr. Chairman, I yield 2½ minutes to the gentleman from Texas (Mr. STENHOLM).

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Mr. STENHOLM. Mr. Chairman, I rise in opposition to the amendment. I understand where my friend is coming from, but he keeps talking about the Wool and Mohair Act. That is gone. The Congress took it away, voted it out, in 1994.

Now, the money in question in the supplemental is a little bit different question, because from 1995 to 1998, domestic mohair production has declined 60 percent in the United States from 12 million pounds down to 5. In the wool area, the lamb industry, the market depression has driven over 25,000 sheep producers out of business in the 1990s. Now, the gentleman might say this is fine. If this is the market doing this and making this happen, this is in the spirit of voting out the wool and mohair program. But that is not what the facts bear out.

When we look at the European Union this year, I say to the gentleman from South Carolina (Mr. SANFORD), the European Union will spend $2 billion subsidizing their wool producers. Subsidizing their wool producers. The answer of the gentleman from South Carolina is to take away the help that was put into the supplemental from our industry that is struggling to survive in the international marketplace.

What we are trying to do is get some support from the Congress, and there was some support given, in recognition that the wool and mohair industry is now in fact trying to pull themselves back up by their bootstraps and compete. And it seems to me that an amendment that strikes $11 million out of a $7.1 billion total appropriation for recognizing the depressed prices that are occurring in all of agriculture is a little bit mean spirited, and it is not certainly up to the character of my friend from South Carolina.

The gentleman's amendment, and I say to my colleagues, the Sanford amendment is misguided. It is based on some old historical facts that are no longer prevalent. The Sanford amendment sends a signal to domestic producers that their government does not stand behind them in the face of unfair trade.

I would also point out to my colleagues that the industry has won a section 201. The International Trade Commission has found in favor of the domestic industry; that they have been experiencing unfair trade practices by other countries and, therefore, were entitled to $100 million in compensation as a result of what the ITC has found.

It seems to me that this amendment should be defeated today. It is well-intentioned but very misguided. These two industries are doing everything they can to pull themselves up by their bootstraps to survive in this marketplace. They need a little assistance from the Congress to do it.

Mr. SKEEN. Mr. Chairman, I yield myself such time as I may consume.

The President just recently signed into law legislation that reauthorizes the issuance of wool and mohair payments. Rural America and American farmers are facing an economic crisis, and disaster assistance has been provided to almost every segment of agriculture in the last few years. I believe it is unfair to single out wool and mohair producers and to prohibit them from receiving financial assistance.

I urge my colleagues to defeat the gentleman's amendment as it is punitive and targets a small industry facing extraordinarily difficult times.

Mr. Chairman, I reserve the balance of my time.

Mr. SANDERS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would just put this on the scorecard of two wrongs do not make a right. EU absolutely does subsidize its wool and mohair producers. But when we look at New Zealand and Australia, we do not see that being the case. I think we should look more at the New Zealand and the Australian model than the EU example.

Secondly, we are talking about a small industry here, but nobody goes out to help and subsidize the local pizzeria when they go out of business, the local video store, or the local hardware store. And I think we should be moving toward free markets. Because if we really want to reinvigorate this society of ours, I think it rests on free markets and the competitive forces that should take place.

Mr. SKEEN. Mr. Chairman, I yield the balance of my time to the gentleman from Texas (Mr. BONILLA).

Mr. BONILLA. Mr. Chairman, I rise in strong opposition to the gentleman's amendment.

I am so grateful for the strong bipartisan support that we have had for this provision in this bill for some time now. The gentleman from New Mexico (Mr. SKEEN), the gentleman from Texas (Mr. COMBEST), and the gentleman from Texas (Mr. STENHOLM) should be thanked for recognizing the tremendous need out there for wool and mohair producers.

For anyone to try to draw a parallel between difficulties faced with small businesses in this country, like pizzerias and bakeries, for goodness sakes, is ridiculous. Foreign nations do not subsidize their own pizzerias, their hardware stores, and their auto parts stores. We are talking about foreign nations that unfairly subsidize their areas in agriculture. This is an area where wool and mohair producers have been subsidized to a great unfair advantage. As the gentleman from Texas (Mr. STENHOLM) pointed out, that gives competitors a tremendous advantage over a lot of our producers in this country who are suffering tremendously.

Falling commodity prices over the years and other factors, drought and so forth, have affected agriculture across the board in this country. This bill that makes up the whole of this aid covers peanut farmers and tobacco farmers. There are more AMTA payments in this bill. Why for goodness sake are we singling out one small portion of this bill in agriculture that has suffered equally as other areas in agriculture have other the last few years?

I cannot figure out why this amendment is singling out one small group of all of American agriculture to try to pick on them and leave them out in the cold. If my colleague could only see the hardships that many of them have faced throughout the last several years, I think he would change his mind.

Mr. Chairman, I rise in strong opposition to this amendment and urge my colleagues to oppose the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Carolina (Mr. SANFORD).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. SANFORD. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Pursuant to House Resolution 538, further proceedings on the amendment offered by the gentleman from South Carolina (Mr. SANFORD) will be postponed.

The point of no quorum is considered withdrawn.

### AMENDMENT NO. 68 OFFERED BY MR. BURTON OF INDIANA

Mr. BURTON of Indiana. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 68 offered by Mr. BURTON of Indiana:

Insert before the short title the following title:

### TITLE IX—ADDITIONAL GENERAL PROVISIONS

SEC. 901. None of the funds made available in this Act may be expended for a vaccine-related Federal advisory committee (Vaccines and Related Biological Products Advisory Committee) that grants a waiver on applicable conflicts of interest rules pursuant to the Federal Advisory Committee Act and sections 202 through 209 of title 18, United States Code, and regulations issued thereunder.

The CHAIRMAN. Pursuant to the order of the House of Monday, July 10, 2000, the gentleman from Indiana (Mr. BURTON) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Indiana (Mr. BURTON) for 5 minutes.

Mr. BURTON of Indiana. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the health of every American child is affected by decisions made at the Department of Health and Human Services about vaccines. Those decisions have to be made free of conflicts of interest, and right now that just is not the case.

Health and Human Services relies on two advisory committees to give scientific advice on vaccine policy. Unfortunately, those advisory committees are dominated by the pharmaceutical industry. HHS routinely gives doctors with serious conflicts of interest waivers to vote on vaccine policies.

My amendment stands for a simple proposition. We should be getting the best scientific advice possible and it should not be tainted by possible conflicts of interest. We are going to hear from the other side that if my amendment passes they will not be able to find anyone to serve on these committees. That is just not so.

The Committee on Government Reform has done an extensive investigation into these advisory committees. We took a close look at their votes to approve the rotavirus vaccine. That vote has had disastrous results. Children developed serious bowel obstructions. They needed emergency surgery. And one child died. The vaccine had to be pulled from the market 3 months after the official recommendation.

Did this problem come up out of the blue? No. There was evidence of this problem in the clinical trials. This and other problems were discussed during the advisory committee meetings. Several Members had concerns. One doctor had serious reservations and expressed them. Yet every doctor on the committee voted to recommend approval of the vaccine. Why? Well, three out of the five FDA advisory committee members had financial ties to the drug companies that were developing the rotavirus vaccine.

One of those doctors received $255,000 a year from the maker of the vaccine, Wyeth Lederle. Another worked at a university that received $75,000 from Lederle's parent company. Yet they got waivers so they could vote on the vaccine.

The CDC routinely grants waivers from conflict of interest to every member of the advisory committee. The chairman of the CDC's advisory committee owned 600 shares of stock in a drug company that is developing a competing rotavirus vaccine.

Now, I am not saying these doctors are corrupt or had any malicious intent. What I am saying is that when someone gets money from a company, especially large sums of money, it affects that individual's judgment. And I am not alone in my concern about conflicts of interest. Last year, the New England Journal of Medicine had a scandal on their hands. They found that 18 doctors who wrote articles about drugs for their Journal had financial ties to the companies that made the drugs.

The Journal was seriously concerned and wrote an editorial about it, and here is what they had to say. "What is at issue is not whether researchers can be bought in the sense of a quid pro quo, it is that close and remunerative collaboration with a company naturally creates goodwill on the part of researchers and the hope that the largess will continue. This attitude can subtly influence scientific judgment."

They were right. Conflicts of interest are a problem and we need to do something about it. My amendment would prohibit HHS from granting waivers to members of vaccine-related committees who have serious conflicts of interest. If the New England Journal of Medicine can do it, HHS can do it, and there should not be anything controversial about saying we want the best advice possible without conflicts of interest. Our children's health and well-being depend on fair and impartial judgment.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. Does the gentleman from New Mexico (Mr. SKEEN) rise in opposition?

Mr. SKEEN. I do, Mr. Chairman.

The CHAIRMAN. The gentleman from New Mexico (Mr. SKEEN) is recognized for 5 minutes.

Mr. SKEEN. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Mr. Chairman, I thank the gentleman for yielding me this time.

I think the Burton amendment is a well-meaning amendment that will do little to help ethics, but it will do irreparable harm to vaccine development. The amendment blows up a carefully balanced process proposed in 1989 by President Bush which allows narrow and necessary conflict of interest waivers to enhance the government's ability to support the development of crucial vaccines.

The amendment is opposed by the Office of Government Ethics itself, and that agency says, "The government would be depriving itself of much of the best and most relevant outside expertise in many areas. The amendment would prohibit waivers for financial interests that are so insubstantial, remote, or inconsequential that they are typically permitted even for regular full-time government employees." They go on to say, "Existing law strikes the correct balance between protecting the government from inappropriate conflicts of interest and recognizing the need for temporary experts who may have unavoidable conflicts in relevant fields of inquiry."

In short, even the agency that enforces government ethics says this is a bad idea. It may be well meaning, but it certainly, in the way it would be implemented, would wreck our vaccine development program.

Mr. SKEEN. Mr. Chairman, I reserve the balance of my time to close debate.

The CHAIRMAN. The gentleman from Indiana (Mr. BURTON) controls 1½ minutes.

Mr. BURTON of Indiana. Mr. Chairman, I yield 1 minute to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. Mr. Chairman, I understand the concerns of those who are saying, well, there are just no experts around who could then be able to safely review these vaccines. However, the conflict of interest issue cannot go away that easily.

I am concerned as to how we protect the integrity of scientific review and the integrity of the vaccine approval process if we do not make sure that there is an attempt to separate the interests of the vaccine makers from those who are doing the oversight.

This is a quandary, but I think that the amendment at least creates the opportunity to debate this issue, to bring it out in the open, and to ask Members of Congress to reflect as to the condition that we have here, which is that there are patent conflicts of interest here. And in that sense, I support this amendment.

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Mr. BURTON of Indiana. Mr. Chairman, I yield myself the balance of my time.

Let me just say that we have held numerous hearings on this issue. We have found through the hearings that many of the people on these advisory committees have financial ties to the pharmaceutical industry. They have financial ties directly to the companies that are producing the drugs that they are voting on, the vaccinations they are voting on. We have just expressed clearly that children who took the rotavirus vaccine after there had been reservations about it, one died, and several hundred got sick and had to go to the emergency room. There were conflicts of interest. That needs to be eliminated.

There are a lot of doctors and scientists we could get who did not have those conflicts of interest, those ties to the pharmaceutical industry, that could give an impartial judgment. That is what we need to do to protect the health of these children.

Mr. SKEEN. Mr. Chairman, I yield myself such time as I may consume.

I rise in opposition to the amendment. Let me explain what this extreme restriction on the Food and Drug Administration would do. The amendment would not allow funding for an advisory committee that grants conflict of interest waivers. The effect would be that the top experts in the field of vaccine research would not be able to advise the Federal Government about vaccines and biological products.

The conflict of interest waivers exist so that the top experts, the ones you would want to consult if your family member were ill, can advise government agencies. These top scientists are few in number and very specialized. Most of them have worked in research sponsored by industry at some point in their careers. Congress devised the waiver system so that such experts could serve the Government when the need for their services outweighed the potential of conflict of interest due to financial ties to industry.

Since the field of biological vaccine research is specialized and unique, the conflict of interest waivers are necessary. The granting of a waiver is not pro forma but a measured decision by an impartial party. In some cases, waivers are granted only for participation in the advisory group discussion, and the individual is not permitted to vote on the advisory committee recommendation.

I would also like to draw your attention to the term "advisory." Advisory committees make recommendations to FDA but do not vote on product approvals. Product approval decisions are made by federally employed scientists.

I would ask my colleagues not to cripple the vaccine advisory committee system by making it impossible to recruit the appropriate level of scientific expertise. Please vote "no" on this amendment.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. SKEEN. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Is the gentleman aware that these advisory committee members testified before our committee and very clearly had conflicts of interest and yet they still voted on this? If we grant waivers to those people, we are going to continue the process which endangers kids in this country.

Mr. WAXMAN. Mr. Chairman, will the gentleman yield?

Mr. SKEEN. I yield to the gentleman from California.

Mr. WAXMAN. I thank the gentleman for yielding. I want to point out the existing law was proposed by President Bush and was enacted with broad bipartisan support. We have got to have the people who have the knowledge and expertise to be on these advisory committees. If the Burton amendment is agreed to, those people will not be serving, and that will be a disservice to the children of this country that want to be sure, for parents, that the vaccines have been reviewed by those who can give us the best information. The conflicts of interest that the gentleman from Indiana referred to, and I sat through those hearings as well, were quite remote, had nothing to do with the vaccine approval. In some cases they involved people who because of their knowledge and expertise in this area had worked for pharmaceutical companies because they were the best experts in the country to advise on these vaccines.

I would hope that Members will oppose the Burton amendment and not disregard a law that is so important for the best experts in virology, biology, statistics, pediatrics, and other scientific disciplines to serve as volunteers in the public interest.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. SKEEN. I yield to the gentleman from Wisconsin.

Mr. OBEY. I thank the gentleman for yielding. I would simply emphasize again the Office of Government Ethics itself opposes this amendment, saying that the Government would be deprived of much of the best and most relevant outside expertise in many areas.

This amendment is well meaning, but its principal victim if it passes will be children who will get sick and die because of the lack of adequate vaccines.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana (Mr. BURTON).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. BURTON of Indiana. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Pursuant to House Resolution 538, further proceedings on the amendment offered by the gentleman from Indiana (Mr. BURTON) will be postponed.

The point of no quorum is considered withdrawn.

### AMENDMENT NO. 9 OFFERED BY MR. KUCINICH

Mr. KUCINICH. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 9 offered by Mr. KUCINICH: Page 96, after line 7, insert the following new title:

## TITLE IX—GENETICALLY ENGINEERED FOOD RIGHT TO KNOW ACT

### SEC. 901. SHORT TITLE.

(a) SHORT TITLE.—This title may be cited as the "Genetically Engineered Food Right to Know Act".

### SEC. 902. FINDINGS.

The Congress finds as follows:

(1) The process of genetically engineering foods results in the material change of such foods.

(2) The Congress has previously required that all foods bear labels that reveal material facts to consumers.

(3) Federal agencies have failed to uphold Congressional intent by allowing genetically engineered foods to be marketed, sold and otherwise used without labeling that reveals material facts to the public.

(4) Consumers wish to know whether the food they purchase and consume contains or is produced with a genetically engineered material for a variety of reasons, including the potential transfer of allergens into food and other health risks, concerns about potential environmental risks associated with the genetic engineering of crops, and religiously and ethically based dietary restrictions.

(5) Consumers have a right to know whether the food they purchase contains or was produced with genetically engineered material.

(6) Reasonably available technology permits the detection in food of genetically engineered material, generally acknowledged to be as low as 0.1 percent.

### SEC. 903. LABELING REGARDING GENETICALLY ENGINEERED MATERIAL; AMENDMENTS TO FEDERAL FOOD, DRUG, AND COSMETIC ACT.

(a) IN GENERAL.—Section 403 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 343) is amended by adding at the end the following paragraph:

"(t)(1) If it contains a genetically engineered material, or was produced with a genetically engineered material, unless it bears a label (or labeling, in the case of a raw agricultural commodity, other than the sale of such a commodity at retail) that provides notices in accordance with the following:

"(A) A notice as follows: 'GENETICALLY ENGINEERED'.

"(B) A notice as follows: 'UNITED STATES GOVERNMENT NOTICE: THIS PRODUCT CONTAINS A GENETICALLY ENGINEERED MATERIAL, OR WAS PRODUCED WITH A GENETICALLY ENGINEERED MATERIAL'.

"(C) The notice required in clause (A) immediately precedes the notice required in clause (B) and is not less than twice the size of the notice required in clause (B).

"(D) The notice required in clause (B) is of the same size as would apply if the notice provided nutrition information that is required in paragraph (q)(1).

"(E) The notices required in clauses (A) and (B) are clearly legible and conspicuous.

"(2) For purposes of subparagraph (1):

"(A) The term 'genetically engineered material' means material derived from any part of a genetically engineered organism, without regard to whether the altered molecular or cellular characteristics of the organism are detectable in the material.

"(B) The term 'genetically engineered organism' means—

"(i) an organism that has been altered at the molecular or cellular level by means that are not possible under natural conditions or processes (including but not limited to recombinant DNA and RNA techniques, cell fusion, microencapsulation, macro-encapsulation, gene deletion and doubling, introducing a foreign gene, and changing the positions of genes), other than a means consisting exclusively of breeding, conjugation, fermentation, hybridization, in vitro fertilization, or tissue culture, and

"(ii) an organism made through sexual or asexual reproduction (or both) involving an organism described in subclause (i), if possessing any of the altered molecular or cellular characteristics of the organism so described.

"(3) For purposes of subparagraph (1), a food shall be considered to have been produced with a genetically engineered material if—

"(A) the organism from which the food is derived has been injected or otherwise treated with a genetically engineered material (except that the use of manure as a fertilizer for raw agricultural commodities may not be construed to mean that such commodities are produced with a genetically engineered material);

"(B) the animal from which the food is derived has been fed genetically engineered material, or

"(C) the food contains an ingredient that is a food to which clause (A) or (B) applies.

"(4) This paragraph does not apply to food that—

"(A) is served in restaurants or other establishments in which food is served for immediate human consumption,

"(B) is processed and prepared primarily in a retail establishment, is ready for human consumption, which is of the type described in clause (A), and is offered for sale to consumers but not for immediate human consumption in such establishment and is not offered for sale outside such establishment, or

"(C) is a medical food as defined in section 5(b) of the Orphan Drug Act.".

(b) Civil Penalties.—Section 303 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 333) is amended by adding at the end the following subsection:

"(h)(1) With respect to a violation of section 301(a), 301(b), or 301(c) involving the misbranding of food within the meaning of section 403(t), any person engaging in such a violation shall be liable to the United States for a civil penalty in an amount not to exceed $100,000 for each such violation.

"(2) Paragraphs (3) through (5) of subsection (g) apply with respect to a civil penalty under paragraph (1) of this subsection to the same extent and in the same manner as such paragraphs (3) through (5) apply with respect to a civil penalty under paragraph (1) or (2) of subsection (g).".

(c) Guaranty.—

(1) In general.—Section 303(d) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 333(d)) is amended—

(A) by striking "(d)" and inserting "(d)(1)"; and

(B) by adding at the end the following paragraph:

"(2)(A) No person shall be subject to the penalties of subsection (a)(1) or (h) for a violation of section 301(a), 301(b), or 301(c) involving the misbranding of food within the meaning of section 403(t) if such person (referred to in this paragraph as the 'recipient') establishes a guaranty or undertaking signed by, and containing the name and address of, the person residing in the United States from whom the recipient received in good faith the food (including the receipt of seeds to grow raw agricultural commodities), to the effect that (within the meaning of section 403(t)) the food does not contain a genetically engineered material or was not produced with a genetically engineered material.

"(B) In the case of a recipient who with respect to a food establishes a guaranty or undertaking in accordance with subparagraph (A), the exclusion under such subparagraph from being subject to penalties applies to the recipient without regard to the use of the food by the recipient, including—

"(i) processing the food,

"(ii) using the food as an ingredient in a food product,

"(iii) repacking the food, or

"(iv) growing, raising, or otherwise producing the food.".

(2) False guaranty.—Section 301(h) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 331(h)) is amended by inserting "or 303(d)(2)" after "303(c)(2)".

(d) Unintended Contamination.—Section 303(d) of the Federal Food, Drug, and Cosmetic Act, as amended by subsection (c)(1) of this section, is amended by adding at the end the following paragraph:

"(3)(A) No person shall be subject to the penalties of subsection (a)(1) or (h) for a violation of section 301(a), 301(b), or 301(c) involving the misbranding of food within the meaning of section 403(t) if—

"(i) such person is an agricultural producer and the violation occurs because food that is grown, raised, or otherwise produced by such producer, which food does not contain a genetically engineered material and was not produced with a genetically engineered material, is contaminated with a food that contains a genetically engineered material or was produced with a genetically engineered material (including contamination by mingling the two), and

"(ii) such contamination is not intended by the agricultural producer.

"(B) Subparagraph (A) does not apply to an agricultural producer to the extent that the contamination occurs as a result of the negligence of the producer.".

**SEC. 904. LABELING REGARDING GENETICALLY ENGINEERED MATERIAL; AMENDMENTS TO FEDERAL MEAT INSPECTION ACT.**

(a) Requirements.—The Federal Meat Inspection Act is amended by inserting after section 7 (21 U.S.C. 607) the following section:

**"SEC. 7A. REQUIREMENTS FOR LABELING REGARDING GENETICALLY ENGINEERED MATERIAL.**

"(a) Definitions.—In this section:

"(1) The term 'meat food' means a carcass, part of a carcass, meat, or meat food product that is derived from cattle, sheep, swine, goats, horses, mules, or other equines and is capable of use as human food.

"(2) The term 'genetically engineered material' means material derived from any part of a genetically engineered organism, without regard to whether the altered molecular or cellular characteristics of the organism are detectable in the material (and without regard to whether the organism is capable of use as human food).

"(3) The term 'genetically engineered organism' means—

"(A) an organism that has been altered at the molecular or cellular level by means that are not possible under natural conditions or processes (including but not limited to recombinant DNA and RNA techniques, cell fusion, microencapsulation, macro-encapsulation, gene deletion and doubling, introducing a foreign gene, and changing the positions of genes), other than a means consisting exclusively of breeding, conjugation, fermentation, hybridization, in vitro fertilization, or tissue culture; and

"(B) an organism made through sexual or asexual reproduction (or both) involving an organism described in subparagraph (A), if possessing any of the altered molecular or cellular characteristics of the organism so described.

"(b) Labeling Requirement.—

"(1) Required labeling to avoid misbranding.—For purposes of sections 1(n) and 10, a meat food is misbranded if it—

"(A) contains a genetically engineered material or was produced with a genetically engineered material; and

"(B) does not bear a label (or include labeling, in the case of a meat food that is not packaged in a container) that provides, in a clearly legible and conspicuous manner, the notices described in subsection (c).

"(2) Rule of construction.—For purposes of paragraph (1)(A), a meat food shall be considered to have been produced with a genetically engineered material if—

"(A) the organism from which the food is derived has been injected or otherwise treated with a genetically engineered material;

"(B) the animal from which the food is derived has been fed genetically engineered material; or

"(C) the food contains an ingredient that is a food to which subparagraph (A) or (B) applies.

"(c) Specifics of Label Notices.—

"(1) Required notices.—The notices referred to in subsection (b)(1)(B) are the following:

"(A) A notice as follows: 'GENETICALLY ENGINEERED'.

"(B) A notice as follows: 'UNITED STATES GOVERNMENT NOTICE: THIS PRODUCT CONTAINS A GENETICALLY ENGINEERED MATERIAL, OR WAS PRODUCED WITH A GENETICALLY ENGINEERED MATERIAL'.

"(2) Location and size.—(A) The notice required in paragraph (1)(A) shall immediately precede the notice required in paragraph (1)(B) and shall be not less than twice the size of the notice required in paragraph (1)(B).

"(B) The notice required in paragraph (1)(B) shall be of the same size as would apply if the notice provided nutrition information that is required in section 403(q)(1) of the Federal Food, Drug, and Cosmetic Act.

"(d) Exceptions to Requirements.—Subsection (a) does not apply to any meat food that—

"(1) is served in restaurants or other establishments in which food is served for immediate human consumption; or

"(2) is processed and prepared primarily in a retail establishment, is ready for human consumption, is offered for sale to consumers but not for immediate human consumption in such establishment, and is not offered for sale outside such establishment.

"(e) Guaranty.—

"(1) In general.—A packer, processor, or other person shall not be considered to have violated the requirements of this section with respect to the labeling of meat food if the packer, processor, or other person (referred to in this subsection as the 'recipient') establishes a guaranty or undertaking signed by, and containing the name and address of, the person residing in the United States from whom the recipient received in good faith the meat food or the animal from which the meat food was derived, or received in good faith food intended to be fed to such animal, to the effect that the meat food, or such animal, or such food, respectively, does not contain genetically engineered material or was not produced with a genetically engineered material.

"(2) Scope of guaranty.—In the case of a recipient who establishes a guaranty or undertaking in accordance with paragraph (1), the exclusion under such paragraph from being subject to penalties applies to the recipient without regard to the use of the meat food by the recipient (or the use by the recipient of the animal from which the meat food was derived, or of food intended to be fed to such animal), including—

"(A) processing the meat food;

"(B) using the meat food as an ingredient in another food product;

"(C) packing or repacking the meat food; or

"(D) raising the animal from which the meat food was derived.

"(3) False guaranty.—It is a violation of this Act for a person to give a guaranty or undertaking in accordance with paragraph (1) that the person knows or has reason to know is false.

"(f) Civil Penalties.—

"(1) In general.—The Secretary may assess a civil penalty against a person that violates subsection (b) or (c)(3) in an amount not to exceed $100,000 for each such violation.

"(2) Notice and opportunity for hearing.—A civil penalty under paragraph (1) shall be assessed by the Secretary by an order made on the record after opportunity for a hearing provided in accordance with this subparagraph and section 554 of title 5, United States Code. Before issuing such an order, the Secretary shall give written notice to the person to be assessed a civil penalty under such order of the Secretary's proposal to issue such order and provide such person an opportunity for a hearing on the order. In the course of any investigation, the Secretary may issue subpoenas requiring the attendance and testimony of witnesses and the production of evidence that relates to the matter under investigation.

"(3) CONSIDERATIONS REGARDING AMOUNT OF PENALTY.—In determining the amount of a civil penalty under paragraph (1), the Secretary shall take into account the nature, circumstances, extent, and gravity of the violation or violations and, with respect to the violator, ability to pay, effect on ability to continue to do business, any history of prior such violations, the degree of culpability, and such other matters as justice may require.

"(4) CERTAIN AUTHORITIES.—The Secretary may compromise, modify, or remit, with or without conditions, any civil penalty under paragraph (1). The amount of such penalty, when finally determined, or the amount agreed upon in compromise, may be deducted from any sums owing by the United States to the person charged.

"(5) JUDICIAL REVIEW.—Any person who requested, in accordance with paragraph (2), a hearing respecting the assessment of a civil penalty under paragraph (1) and who is aggrieved by an order assessing a civil penalty may file a petition for judicial review of such order with the United States Court of Appeals for the District of Columbia Circuit or for any other circuit in which such person resides or transacts business. Such a petition may only be filed within the 60-day period beginning on the date the order making such assessment was issued.

"(6) FAILURE TO PAY.—If a person fails to pay an assessment of a civil penalty—

"(A) after the order making the assessment becomes final, and if such person does not file a petition for judicial review of the order in accordance with paragraph (5); or

"(B) after a court in an action brought under paragraph (4) has entered a final judgment in favor of the Secretary;

the Attorney General shall recover the amount assessed (plus interest at currently prevailing rates from the date of the expiration of the 60-day period referred to in paragraph (5) or the date of such final judgment, as the case may be) in an action brought in any appropriate district court of the United States. In such an action, the validity, amount, and appropriateness of such penalty shall not be subject to review.".

(b) INCLUSION OF LABELING REQUIREMENTS IN DEFINITION OF MISBRANDED.—Section 1(n) of the Federal Meat Inspection Act (21 U.S.C. 601(n)) is amended—

(1) by striking "or" at the end of paragraph (11);

(2) by striking the period at the end of paragraph (12) and inserting "; or"; and

(3) by adding at the end the following paragraph:

"(13) if it fails to bear a label or labeling as required by section 7A.".

**SEC. 905. LABELING REGARDING GENETICALLY ENGINEERED MATERIAL; AMENDMENTS TO POULTRY PRODUCTS INSPECTION ACT.**

The Poultry Products Inspection Act is amended by inserting after section 8 (21 U.S.C. 457) the following section:

**"SEC. 8A. REQUIREMENTS FOR LABELING REGARDING GENETICALLY ENGINEERED MATERIAL.**

"(a) DEFINITIONS.—In this section:

"(1) The term 'genetically engineered material' means material derived from any part of a genetically engineered organism, without regard to whether the altered molecular or cellular characteristics of the organism are detectable in the material (and without regard to whether the organism is capable of use as human food).

"(2) The term 'genetically engineered organism' means—

"(A) an organism that has been altered at the molecular or cellular level by means that are not possible under natural conditions or processes (including but not limited to recombinant DNA and RNA techniques, cell fusion, microencapsulation, macroencapsulation, gene deletion and doubling, introducing a foreign gene, and changing the positions of genes), other than a means consisting exclusively of breeding, conjugation, fermentation, hybridization, in vitro fertilization, or tissue culture; and

"(B) an organism made through sexual or asexual reproduction (or both) involving an organism described in subparagraph (A), if possessing any of the altered molecular or cellular characteristics of the organism so described.

"(b) LABELING REQUIREMENT.—

"(1) REQUIRED LABELING TO AVOID MISBRANDING.—For purposes of sections 4(h) and 9(a), a poultry product is misbranded if it—

"(A) contains a genetically engineered material or was produced with a genetically engineered material; and

"(B) does not bear a label (or include labeling, in the case of a poultry product that is not packaged in a container) that provides, in a clearly legible and conspicuous manner, the notices described in subsection (c).

"(2) RULE OF CONSTRUCTION.—For purposes of paragraph (1)(A), a poultry product shall be considered to have been produced with a genetically engineered material if—

"(A) the poultry from which the food is derived has been injected or otherwise treated with a genetically engineered material;

"(B) the poultry from which the food is derived has been fed genetically engineered material; or

"(C) the food contains an ingredient that is a food to which subparagraph (A) or (B) applies.

"(c) SPECIFICS OF LABEL NOTICES.—

"(1) REQUIRED NOTICES.—The notices referred to in subsection (b)(1)(B) are the following:

"(A) A notice as follows: 'GENETICALLY ENGINEERED'.

"(B) A notice as follows: 'UNITED STATES GOVERNMENT NOTICE: THIS PRODUCT CONTAINS A GENETICALLY ENGINEERED MATERIAL, OR WAS PRODUCED WITH A GENETICALLY ENGINEERED MATERIAL'.

"(2) LOCATION AND SIZE.—(A) The notice required in paragraph (1)(A) shall immediately precede the notice required in paragraph (1)(B) and shall be not less than twice the size of the notice required in paragraph (1)(B).

"(B) The notice required in paragraph (1)(B) shall be of the same size as would apply if the notice provided nutrition information that is required in section 403(q)(1) of the Federal Food, Drug, and Cosmetic Act.

"(d) EXCEPTIONS TO REQUIREMENTS.—Subsection (a) does not apply to any poultry product that—

"(1) is served in restaurants or other establishments in which food is served for immediate human consumption; or

"(2) is processed and prepared primarily in a retail establishment, is ready for human consumption, is offered for sale to consumers but not for immediate human consumption in such establishment, and is not offered for sale outside such establishment.

"(e) GUARANTY.—

"(1) IN GENERAL.—An official establishment or other person shall not be considered to have violated the requirements of this section with respect to the labeling of a poultry product if the official establishment or other person (referred to in this subsection as the 'recipient') establishes a guaranty or undertaking signed by, and containing the name and address of, the person residing in the United States from whom the recipient received in good faith the poultry product or the poultry from which the poultry product was derived, or received in good faith food intended to be fed to poultry, to the effect that the poultry product, poultry, or such food, respectively, does not contain genetically engineered material or was not produced with a genetically engineered material.

"(2) SCOPE OF GUARANTY.—In the case of a recipient who establishes a guaranty or undertaking in accordance with paragraph (1), the exclusion under such paragraph from being subject to penalties applies to the recipient without regard to the use of the poultry product by the recipient (or the use by the recipient of the poultry from which the poultry product was derived, or of food intended to be fed to such poultry), including—

"(A) processing the poultry;

"(B) using the poultry product as an ingredient in another food product;

"(C) packing or repacking the poultry product; or

"(D) raising the poultry from which the poultry product was derived.

"(3) FALSE GUARANTY.—It is a violation of this Act for a person to give a guaranty or undertaking in accordance with paragraph (1) that the person knows or has reason to know is false.

"(f) CIVIL PENALTIES.—

"(1) IN GENERAL.—The Secretary may assess a civil penalty against a person that violates subsection (b) or (c)(3) in an amount not to exceed $100,000 for each such violation.

"(2) NOTICE AND OPPORTUNITY FOR HEARING.—A civil penalty under paragraph (1) shall be assessed by the Secretary by an order made on the record after opportunity for a hearing provided in accordance with this subparagraph and section 554 of title 5, United States Code. Before issuing such an order, the Secretary shall give written notice to the person to be assessed a civil penalty under such order of the Secretary's proposal to issue such order and provide such person an opportunity for a hearing on the order. In the course of any investigation, the Secretary may issue subpoenas requiring the attendance and testimony of witnesses and the production of evidence that relates to the matter under investigation.

"(3) CONSIDERATIONS REGARDING AMOUNT OF PENALTY.—In determining the amount of a civil penalty under paragraph (1), the Secretary shall take into account the nature, circumstances, extent, and gravity of the violation or violations and, with respect to the violator, ability to pay, effect on ability to continue to do business, any history of prior such violations, the degree of culpability, and such other matters as justice may require.

"(4) Certain authorities.—The Secretary may compromise, modify, or remit, with or without conditions, any civil penalty under paragraph (1). The amount of such penalty, when finally determined, or the amount agreed upon in compromise, may be deducted from any sums owing by the United States to the person charged.

"(5) Judicial review.—Any person who requested, in accordance with paragraph (2), a hearing respecting the assessment of a civil penalty under paragraph (1) and who is aggrieved by an order assessing a civil penalty may file a petition for judicial review of such order with the United States Court of Appeals for the District of Columbia Circuit or for any other circuit in which such person resides or transacts business. Such a petition may only be filed within the 60-day period beginning on the date the order making such assessment was issued.

"(6) Failure to pay.—If a person fails to pay an assessment of a civil penalty—

"(A) after the order making the assessment becomes final, and if such person does not file a petition for judicial review of the order in accordance with paragraph (5); or

"(B) after a court in an action brought under paragraph (4) has entered a final judgment in favor of the Secretary;

the Attorney General shall recover the amount assessed (plus interest at currently prevailing rates from the date of the expiration of the 60-day period referred to in paragraph (5) or the date of such final judgment, as the case may be) in an action brought in any appropriate district court of the United States. In such an action, the validity, amount, and appropriateness of such penalty shall not be subject to review.".

(b) Inclusion of Labeling Requirements in Definition of Misbranded.—Section 4(h) of the Poultry Products Inspection Act (21 U.S.C. 453(h)) is amended—

(1) by striking "or" at the end of paragraph (11);

(2) by striking the period at the end of paragraph (12) and inserting "; or"; and

(3) by adding at the end the following paragraph:

"(13) if it fails to bear a label or labeling as required by section 8A.".

**SEC. 906. EFFECTIVE DATE.**

This title and the amendments made by this title take effect upon the expiration of the 180-day period beginning on the date of the enactment of this title.

Mr. SKEEN. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. The gentleman from New Mexico reserves a point of order.

Pursuant to the order of the House of Monday, July 10, 2000, the gentleman from Ohio (Mr. Kucinich) and the gentleman from New Mexico (Mr. Skeen) each will control 5 minutes.

The Chair recognizes the gentleman from Ohio (Mr. Kucinich).

Mr. KUCINICH. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, last year 100 million acres of genetically engineered crops were planted in the United States. Last year the American people consumed dozens of products made of genetically engineered materials without any knowledge or understanding of some of the issues which are sweeping this world concerning genetically engineered food. The countries of the European Union, Australia, New Zealand and Japan are now discussing labeling regimes which would give people the right to know what they are eating, which would give people the right to know if food they are eating is genetically engineered, because concerns have been expressed all over the world about the possible allergenicity of genetically engineered food, possible toxicity, transfer of antibiotic resistance, and unintended side effects that come with this technology.

When the Food and Drug Administration approved genetically engineered food, they said that such food was substantially equivalent to conventional foods. But the fact of the matter is that when you are using a gene gun to shoot a gene from a different species into a target to be genetically engineered, you are hardly relying on nature. You are relying on a process, the safety of which has not been proven and the safety of which should have been checked out 10 years before these products were introduced into our food supply.

We know some of the stories, what happened with the monarch butterfly in one study where pollen which migrated from genetically engineered corn went to the milkweed plants on which monarch butterflies fed and in this study of Cornell University half of the monarch butterflies in this population were killed.

Now, there are some serious questions raised about what happens when genetic material moves across a distance, settles on other crops and can create unintended side effects. People have a right to know if their food has been altered in any way. That is one of the reasons why and it is almost a fundamental thing that is so uniquely American because years ago this Congress fought successfully for bills which forced the FDA to have manufacturers disclose all the contents of the food that we eat.

Imagine if you had a problem with your diet where you had to be concerned about the fat content of your food, but you did not have fat content listed on a product that you consumed. Or if you had a problem with too much sugar, and you could not have any labeling of what the sugar content was. Americans know how important these issues are with their diet. Today, the issues have changed with technology. Genetically engineered food poses new risks that have not yet been adequately researched, and the FDA has a responsibility to tell this to the American people. The least we can do is to label genetically engineered food. The least we can do is to give people the right to know what is in the food they eat. The least we can do is follow the example that is set by all of the nations of the European Union in saying that genetically engineered foods have to be labeled.

Why are the people of the United States, who in polls that have been taken, have been demonstrated to favor labeling by close to 90 percent, being denied this chance to have their food labeled if it is genetically modified? Think about it. People have a right to know. That is what this bill is about, giving people the opportunity to know what is in the food they eat.

There is one product which has been talked about, a flavor saver tomato which takes a gene from a flounder and shoots it into a tomato to make the tomato more weather resistant. Now, in God's green acres, tomatoes and flounders do not mate. Nature has certain separations which makes it possible for species to grow without trying to have transspecies communication. What is happening is that genetic engineering is creating new possibilities which defy the laws of nature and God.

And so we need to take a stand and to say we ought to be testing this food, we ought to test it for toxicity, we ought to test it for allergenicity, we ought to test it for all kinds of safety problems, but before we get to that we certainly must label it.

That is why I brought this bill to the Congress. I am not going to ask for a vote on it today, but this issue is going to be brought back over and over until we have a labeling bill.

The CHAIRMAN. Does the gentleman from New Mexico insist on his point of order?

Mr. SKEEN. Mr. Chairman, I continue my reservation.

Mr. Chairman, I yield 2 minutes to the gentleman from Michigan (Mr. Smith).

Mr. SMITH of Michigan. Mr. Chairman, I rise in strong opposition to the amendment offered by the gentleman from Ohio which would mandate labeling of foods derived from biotechnology. The amendment which purports to strengthen consumer choice is not only out of order but actually limits consumer choice. I say that based on a couple of realities. One, that the labeling in Europe has resulted in stores taking these foods off the shelf and off the counter because of the potential fear that something must be wrong with these foods if they do label. It establishes an unnecessary warning, I think of little relevance to the public, about food products that three U.S. regulatory agencies, dozens of scientific societies, and literally thousands of researchers have found just as safe and maybe safer than essentially all the food we eat.

Except for a couple of fish products, everything in that grocery store has been genetically modified, genetically modified by crossbreeding, hybrid breeding. Sometimes that kind of breeding has resulted in greater danger to the public than a more sophisticated high-tech ability to separate out one or two genes, knowing the characteristics of those genes, and then transplanting those genes. Rather than the average agricultural plant that has up to 25,000 genes, when you crossbreed them, you do not know what genes are going to dominate, you do not know what kind of genes are going to be mutated. So the new technology in the minds of many scientists is much safer.

I think it is important that we do not inhibit the sale and production of these foods. We already have 1,000 products genetically modified, approved, that are on the market. We have three regulatory agencies overseeing it.

Mr. Chairman, I rise in strong opposition to the amendment offered by the gentleman from Ohio, which would mandate labeling of foods derived from biotechnology. The amendment, which purports to strengthen consumer choice, not only is out of order but in reality it limits consumer choice. It is an attack on food products produced with the new technology. It establishes an unnecessary warning of little relevance to the public about food products that three U.S. regulatory agencies, dozens of scientific societies, and literally thousands of researchers have found just as safe—and maybe safer—than essentially all foods we eat. Most everything in the grocery store has been produced using gene transfer by traditional crossbreeding methods. It is therefore crucial that we not reduce efforts in our regulatory agencies to assure that all foods are safe which is compromised when we pay special attention to a particular category of food.

On April 13, 2000, I issued a Chairman's report on plant genomics and agricultural biotechnology. This report was the culmination of three hearings I held on the issue as Chairman of the Subcommittee on Basic Research, at which some of the Nation's leading scientists testified. One of the issues I dealt with in some detail in the report was mandatory labeling.

What I found is that there is no scientific justification for labeling foods based on the method by which they are produced. Labeling of agricultural biotechnology products would confuse, not inform, consumers and send a misleading message on safety.

The Food and Drug Administration has more than 15 years of experience in evaluating the food-based products of biotechnology and more than 20 years of experience with medical products of biotechnology. FDA's decision not to require labeling is consistent both with the law and with its "Statement of Policy: Foods Derived from New Plant Varieties." More to the point, consumers have a lifetime of direct personal experience with foods genetically modified through hybridization and other means that are indistinguishable from those produced using biotechnology.

FDA bases labeling decisions on whether there are material differences between the new plant-based food and its traditional counterpart. These material differences include changes in the new plant that are significant enough that the common or usual name of the plant no longer applies, or if a safety or usage issue exists that warrants consumer notification.

Despite this sensible policy, biotechnology's critics continue to argue that foods created using recombinant DNA techniques should bear a label revealing that fact. This view is based on large part on the faulty supposition that the potential for unintended and undetected differences between these foods and those produced through conventional means is cause for a label based solely on the method of production of the plant.

The risks for potentially unintended effects of agricultural biotechnology on the safety of new plant-based foods are conceptually no different than the risks for those plants derived from conventional breeding. As described in FDA's Statement of Policy, "The agency is not aware of any information showing that foods derived by these new methods differ from other food in any meaningful or uniform way, or that, as a class, foods developed by the new techniques present any different or greater safety concern than foods developed by traditional plant breeding." This view was echoed by the research scientists who testified before the Subcommittee on the subject.

Indeed, there is a genuine fear that labeling biotech foods based on their method of production would be the equivalent of a "skull and crossbones"—that the very presence of a label would indicate to the average consumer that safety risks exist, when the scientific evidence shows that they do not. Labeling advocates who argue otherwise are being disingenuous. The United Kingdom's new mandatory labeling law, for example, was put forward ostensibly to enhance consumer choice. Instead, it has prompted British food producers and retailers to remove all recombinant DNA constituents from the products they sell to avoid labeling.

Mr. Chairman, mandatory labels indicating the method of genetic manipulation clearly would be extremely confusing, and of little relevance, to consumers. FDA's current policy on labeling is scientifically and legally sound and should be maintained. I urge my colleagues to oppose this amendment.

Mr. SKEEN. I continue to reserve my point of order, Mr. Chairman.

Mr. Chairman, I yield 1 minute to the gentlewoman from Ohio (Ms. KAPTUR).

Ms. KAPTUR. Mr. Chairman, I thank the gentleman for yielding me this time.

I wanted to commend the gentleman from Ohio (Mr. KUCINICH) for his leadership and moving the Congress to assure that consumers have quality foods and they do not have to worry about reactions, allergic reactions or dietary reactions to what are in foods. Even though at this point the gentleman has chosen to withdraw this amendment, his leadership has encouraged the subcommittee to include in the report directive language to get the U.S. Department of Agriculture to work more closely with the Food and Drug Administration to make sure that decisions are based on sound, verifiable science.

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We expect the Department to provide sufficient information to consumers about bioengineered foods, and we have included language explaining that we want the Food and Drug Administration and the U.S. Department of Agriculture to work across agency lines to provide a unified approach to this type of consumer safety and consumer information.

Mr. Chairman, I want to thank the gentleman for his active leadership on this issue.

Mr. KUCINICH. Mr. Chairman, I thank the gentlewoman and the gentleman; and we will be back with this another time.

Mr. Chairman, I ask unanimous consent to withdraw the amendment.

The CHAIRMAN. Without objection, the amendment offered by the gentleman from Ohio (Mr. KUCINICH) is withdrawn.

There was no objection.

Ms. WATERS. Mr. Chairman, I have several amendments at the desk. I would like to proceed at this time.

The CHAIRMAN. The gentlewoman's amendments are not in order under the order of the House.

Ms. KAPTUR. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I yield 5 minutes to the gentlewoman from California (Ms. WATERS), for whom I have the highest respect, who has been such a leader on civil rights matters, certainly those before the U.S. Department of Agriculture, to discuss the first of several amendments the gentlewoman wishes offer.

Ms. WATERS. Mr. Chairman, the first amendment is a $1 million set-aside from the Commodity Credit Corporation that would pay 20 percent monthly interest rates to those farmers whose claims are in arrears for more than 60 days.

Let me say what has prompted this. Many Members, from both sides of the aisle, have worked very, very hard to correct some of the injustices perpetrated by the Department of Agriculture years past. A lot of good work went into waiving the statute of limitations so that claims could be refiled and that we could have an administrative process by which to take care of those farmers who had been denied years past.

In addition to that, many Members from both sides of the aisle supported the class action lawsuit. The class action lawsuit was successful, and there was a consent decree, and there was a whole process put in place, with a monitor, with facilitators and with adjudicators to process these claims.

Well, many of the farmers who have filed claims in good faith are now waiting for months to try and get those claims adjudicated, and it is quite unfortunate that those people who have the responsibility for processing these claims either have not been able to get their act together so that they could process them in a timely manner, or they are just negligent in what they are supposed to be doing.

One of the things I discovered some time ago is when you are dealing with small business people, such as these small farmers, you can literally drive them out of business by not processing their claims where they have expectations to be reimbursed for the past discrimination that they have experienced, whether it is in the agricultural community or just in the small business community. If you then assess those who have the responsibility and force them to have to pay interest rates to facilitate these claims, we find we get things done a lot faster.

If in fact we have farmers out there who are filing claims and if those claims cannot be processed in 60 days, this amendment would simply say you have to pay them interest rates and get it done. This will move up the process. This will take care of the small family farmers, the small business persons, who are sitting there waiting month in and month out to have these claims adjudicated.

I would ask for support on this amendment.

Mr. Chairman, I yield back the balance of my time.

Ms. KAPTUR. May I inquire of the Chair how much time is remaining, Mr. Chairman?

The CHAIRMAN. The gentlewoman from Ohio has 2 minutes remaining.

Ms. KAPTUR. Mr. Chairman, I am pleased to yield 2 minutes to the gentlewoman from California (Ms. WATERS) to discuss her second amendment.

Ms. WATERS. Mr. Chairman, the second amendment is a $500,000 request from the Commodity Credit Corporation to procure additional contractors for the Judge Adjudication Mediation Service for the resolution of outstanding claims under the Pigford v. Glickman consent decree. I might add that there should be a correction in the way "Pigford" has been spelled in the amendment that we submitted.

Let me just say that this amendment is consistent with what we are trying to do to facilitate these claims. Again, you have these farmers who filed these claims in good faith, and we have supported them in good faith from both sides of the aisle with the class action lawsuit. The judge put together this process by which to get it done.

We have the appropriate amount of dollars by which to get it done. We have the process that has been signed off on. We have so-called monitors. We have the facilitators and the adjudicators, but it is not getting done. This would satisfy some the complaints that I am hearing, that there are not enough people involved in this contractor relationship that we have to get the job done.

So this $500,000 from the Commodity Credit Corporation would simply procure additional contractors, speed it up, get it done. The money is there in the system by which to do it. This would just supply $500,000 to get additional contractors to make sure it gets done.

If we take this action, and we take the action for assessing 20 percent monthly interest rates for those farmers who have not had their claims done, I think we will be able to move this process. Many of the farmers who are out there do not know what is going on. They do not understand the complications of the system. They do not understand all that has been done in the consent decree.

Mr. Chairman, I would ask for support so that we could move this process.

Ms. KAPTUR. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. The gentlewoman from Ohio is recognized for 5 minutes.

Ms. KAPTUR. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to say to the gentlewoman that in traveling the country and seeing that at least 70 percent of these civil rights cases are in the State of Mississippi, and in following a bit about how the cases are being adjudicated, I think the gentlewoman brings a very important set of issues to the floor today, and that is the difficulty with processing these cases, some of the bureaucratic, not just inertia, but, for example, when a case is settled, a claim is settled, then, for some reason, even after injury has been found, then that family's case is turned over to the FBI. Why? What is going on out there?

Mr. Chairman, I yield such time as she may consume to the gentlewoman from California (Ms. WATERS) on such a critical question that the Department should be moving on expeditiously, and there should be justice in this system and justice should be swift and sure.

Ms. WATERS. Mr. Chairman, I certainly appreciate all of the work the gentlewoman has put in, to not only waive the statute of limitations, that took tremendous work to get done, but the support that the gentlewoman has given with the class action lawsuit, the support that the gentlewoman has given to the Members of the Congressional Black Caucus and others who have been involved in all of this.

Additionally, along with the two ideas of trying to get interest when there has been a delay and trying to get more money to have more contractors, the last amendment that I had would be a transfer of funds from the position of Special Assistant to the Secretary for Civil Rights to a newly created position of Assistant Secretary of Civil Rights.

Now, this is very simple. What we have actually in the Department of Agriculture is a violation of the EEOC law, because what you have is you have a position, and in that position they not only are trying to supposedly do the work of the Civil Rights Division of the Department of Agriculture, they handle personnel for Agriculture and some other kinds of things that put them in direct conflict.

This idea would simply have a position of Assistant Secretary of Civil Rights that we would request so that we will have a way by which the complaints and the bottlenecks can be addressed at the highest levels so that we can get this behind us once and for all.

I do not know of anybody who is opposed to getting this done. As a matter of fact, these farmers are part of the great agricultural community of this Nation, who work hard, day in and day out, to supply the food stuffs that we need as citizens. These are the farmers that continue and persist in an attempt to do farming, no matter how difficult it is.

We have seen many of these farmers who have lost farms and come back and start all over again. Many of them have witnessed their ancestors, who have died trying to farm the land without money, without money to even buy the seed that they need to get planted. Many of them are sitting there now, not knowing if they are going to be foreclosed on. Many of them were born farmers, and they want to die farmers. They love what they do. They love the time and effort that many of their family members have put into farming, and I think we deserve to give them some support. I think they deserve to have these claims adjudicated. They deserve to have them processed in a timely manner.

As it has been said, they have been found to be eligible, their claims have been received, they have been investigated, and they are owed the money. Why are they being held up?

Well, one question has been raised, there are some folks who are maybe incompetent. Others are playing games. But I think it defies the direction of this House.

I would simply ask that we receive the kind of support that is necessary to process these claims and get it done.

Ms. KAPTUR. Mr. Chairman, again I want to thank the gentlewoman for her national leadership on this issue, and to say as we move towards conference, believe me, I will take these amendments into consideration and see if there is not some way that we can get additional momentum within the Department. There is absolutely no reason that a farmer against whom injury has been found should have to go bankrupt simply because the agency has not delivered the assistance in a timely manner and the award in a timely manner.

So I think the gentlewoman has some excellent suggestions here. I am sure the farmers who are listening and those who are facing this litigation are very grateful for her leadership.

I was listening to our former colleague, Congressman Kweisi Mufume, yesterday at the National Association for the Advancement of Colored Persons discuss the agricultural issue, and I do not know that I have ever heard that from the President of the NAACP before, but it is great to hear. It is a priority for them as well.

We look forward to working for the gentlewoman. I thank her for her leadership on behalf of civil rights for farmers, regardless of color or region. I would say to the gentlewoman from California (Ms. WATERS), we appreciate her great, great heart and her sense of justice.

Mr. SKEEN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the gentlewoman's amendments are directed at a serious problem at USDA that has taken far too long to fix. After 5 years of the subcommittee's reviews of the civil rights situation, both for USDA employees and users of the programs, I am convinced that the problem is one of management, not money. We have consistently increased the Departmental Administration budget over the past 5 years, and that is where the Office of Civil Rights is housed.

Two years ago, at the administration's request, we put language in our bill that increased the scope of the statute of limitations so that minority farmers could press their claims, and that cost $15 million. This year's supplemental legislation, again at the request of the Department of Agriculture, includes $26.2 million for additional personnel at Farm Service Agency offices and $13 million specifically for expenses related to implement the minority farmers' consent decree and the Pigford decision. In addition, we have supplied millions of dollars in outreach education and research programs for minority farmers.

Mr. Chairman, what is clear from several reports by the Inspector General and by the General Accounting Office, USDA's own civil rights action team and the farmers themselves, is that only a commitment at the most senior level of the Department will resolve whatever problems remain. I do not believe that any kind of legislation can create that commitment. It must originate with the Secretary himself.

Ms. KAPTUR. Mr. Chairman, I move to strike the last word, and I yield 5 minutes to the distinguished gentleman from the State of Georgia (Mr. BISHOP), regarding concern related to the draft that is before us.

Mr. BISHOP. Mr. Chairman, let me thank the gentlewoman for yielding me time for the purposes of a colloquy with the gentleman from Georgia (Mr. KINGSTON) regarding an amendment.

Before I address that, let me commend the gentlewoman from California for her effort on behalf of black farmers. I think that the colloquy that was held between the gentlewoman from California (Ms. WATERS), the gentlewoman from Ohio (Ms. KAPTUR), along with the gentleman from New Mexico (Mr. SKEEN), the subcommittee chair, is very appropriate, it is on target, and it is something we need to move forward on with dispatch.

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With that said, I would like to engage the gentleman from Georgia (Mr. KINGSTON) in a colloquy regarding the Committee on Appropriation's bill.

On March 21 of this year, I requested of the Committee on Appropriations' Subcommittee on Agriculture that two important projects be included in the agriculture appropriations bill for the year 2001. The requests under the USDA Agricultural Research Service included an ARS project to develop, evaluate, and transfer technology to improve the efficiency and quality of peanuts in Dawson, Georgia; and an ARS project on peanut quality research to develop technology and methodology for peanut quality management during production and postharvest processing, which is also in Dawson, Georgia.

The request was that the two projects be funded at the fiscal year 2000 levels, including reinstatement of funding for the 15 percent rescission. The total appropriation agreed to in subcommittee for the two projects and the rescission was $1.15 million.

During the markup of the full Committee on Appropriations for Agriculture, Rural Development, Food and Drug Administration and Related Agencies Appropriation Bill for 2001, it is my understanding that the gentleman offered an amendment which would strike the provision of $1.15 million for the two projects that I just referred to, and the rescission, and would insert in lieu of that, ARS funds totaling $1.15 million for several other projects, including $250,000 for category 1 nematology research, $350,000 for an agricultural water use management project, $300,000 for an increase in funds provided for the chicken genome mapping project, and $250,000 to increase funds provided for research on the Avian Leukosis-J virus and the Avian disease and oncology lab.

Could the gentleman clarify for me the circumstances under which the two Dawson peanut projects were dropped, I assume inadvertently, pursuant to our conversations from the final committee report; and, if the gentleman would engage in some discussion with me with regard to the added four additional projects, which are very worthy projects and which I support and I join with the gentleman in requesting that they be funded. But because I support funding for the two projects that were eliminated as well as the projects that were substituted in lieu thereof, I would like to ask the gentleman to work with us, since they are all important to Georgia producers; they are important to the Southeast in agriculture and to agriculture across the country, and particularly the quality research at the peanut lab in Dawson.

Would the gentleman be willing to work with us in conference to make sure that we are able to not only restore the two projects that were funded, but to ask the conference committee if they would also continue the four projects that the gentleman inserted in there, which we think are worthy and which were also proposed by us?

Mr. KINGSTON. Mr. Chairman, will the gentleman yield?

Mr. BISHOP. I yield to the gentleman from Georgia.

Mr. KINGSTON. Mr. Chairman, if I could respond, what we would like to do is continue working with the gentleman on these important projects because we know the gentleman's interest in them; and the gentleman is correct, there are a number of worthy projects here. The gentleman as an advocate of agriculture, the gentleman as an advocate of peanuts, the gentleman has worked hard for research, because it does not just have impact in Georgia; but it does nationally and not just for farmers who are in need of help right now, but for consumers who want to make sure that they have an abundant and safe food supply.

So we will continue working with the gentleman in the conference arena. It is also my understanding that the gentleman has secured some funding from another body which we will endeavor to match on the House side. I will be on the conference committee, and I will work with the gentleman on this.

Mr. BISHOP. Mr. Chairman, reclaiming my time, these two projects, as the gentleman is correct in saying, are included in the report language of the Senate Committee on Appropriations Report, report 106–288 at page 34.

We certainly appreciate the gentleman's pledge of cooperation, and we would appreciate that very much; and we think it will be in the best interests of not just Georgia peanut farmers but the southeastern farmers and peanut farmers all across the country and agriculture as a whole.

So I thank the gentleman very much, and I thank the gentlewoman for yielding.

Ms. KAPTUR. Mr. Chairman, I offer an amendment, Amendment No. 15.

The CHAIRMAN. Amendment No. 15 was not made in order under the order of the House of yesterday.

Ms. KAPTUR. Mr. Chairman, I move to strike the last word.

Mr. Chairman, we have an amendment that would essentially attempt to address the farm crisis affecting so many regions across this country by providing $80 million under emergency designation out of funds from the Commodity Credit Corporation for equity capital and grants to small and medium-sized producers for feasibility studies, business development strategies, restructuring small and medium-sized enterprises, and the processing and marketing of agricultural commodities organized through cooperatives.

Ever since the passage of the Freedom to Farm Act, billions and billions of dollars have been spent by the people of the United States in trying to prop up rural America in emergency payments to our producers. From the numbers that I have been able to obtain, that emergency assistance has amounted to over $24.5 billion, and that is with a "B." In order to qualify for those programs, one does not even have to have a crop in the ground.

A recent GAO study that came out indicated that, in fact, in 1999, almost a third of the $4.5 billion in payments went to farms that would not have received it had we been using a traditional production measurement system that had existed prior to Freedom to Farm. So what we have is a situation where we have people going bankrupt in rural America, we have an AMTA payment, or an Agricultural Market Transition Assistance payment, that really does not go to people who desperately need it in many, many cases; and we need to find other measures to help farmers weather and adjust in this economy.

The amendment that I am proposing would help farmers meet the market, and it is tough. Whether one is a sugar beet producer, whether one is a beef producer, whether one is in feed grains, it really does not matter what, unless one can economically restructure in this economy, find higher value-added products and bring those to market more directly with prices being what they are, one cannot afford to have a farm business that provides the majority of one's income.

We know that while farmers want to depend on the market, we have not provided the economic tools for them to do that, and there is not any farm family in this country that wants to exist on subsidy.

This amendment would actually spend far fewer dollars than current programs, and it would offer the opportunity of establishing co-op development ventures that would have permanence, would have a lasting impact in many places across this country.

If we think about it, the amendment that we have drafted establishes a cap. No particular enterprise could get more than $500,000, excuse me, I should say $10 million out of the $80 million; and we would be looking at ways of helping farmers group together in order to use their combined assets to meet the market. It is real dollars that can help them not just bounce along in this economy, but perhaps survive long term.

The amendment provides for grants that can be targeted toward feasibility studies and business development plans. We know many farmers do not know how to organize into a marketing co-op for milk, for sugar products, for honey products, whatever it might be. This would give them another mechanism.

I know I was shocked to meet with sugar beet growers from Michigan who were just up against it, and not able to make it in the economy; and they said, Congresswoman, if we could just figure out how to reorganize ourselves as a business unit, we really want to remain in business. What amazed me about that conversation, in spite of the devastation that they are facing and even bankruptcy in some cases, they were struggling to find the means to meet the market. I was so impressed with their optimism; and, therefore, I would hope that as we move toward conference, that this kind of cooperative development mechanism might be able to be embedded into the base bill.

Mr. Chairman, I yield any remaining time that I might have to the gentleman from Iowa (Mr. BOSWELL).

The CHAIRMAN. The time of the gentlewoman from Ohio (Ms. KAPTUR) has expired.

Ms. KAPTUR. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I yield the time to the gentleman from Iowa (Mr. BOSWELL), who has been such a leader in crafting this bill as well as the agriculture authorization bill and the crop insurance measure that was before us a few weeks ago, and we thank him for his leadership on behalf of rural America in every aspect.

Mr. BOSWELL. Mr. Chairman, I thank the gentlewoman from Ohio (Ms. KAPTUR) for yielding me the time.

To the gentleman from New Mexico (Mr. SKEEN), if I could just take a personal moment, a mutual friend of ours down there in New Mexico said it right, I say to the gentleman. He said, you are a good man. I have watched the gentleman from New Mexico (Mr. SKEEN) and the gentlewoman from Ohio (Ms. KAPTUR) for the last 4 years, and they have their hearts in what they are doing, and I appreciate it.

I would like to associate myself with the remarks that have been made by the gentlewoman from Ohio. I think that we do, in fact, have an emergency; and I understand that this amendment is not going to be dealt with today, because it would fall in that category. So I understand that. I know that the Chairman will carry forth in that rule and so on.

But I do think we have an emergency. We could make a case for it. The reason I say that is because in my area and the chairman's area and the gentlewoman from Ohio's area and all of those across rural America, we see the family farm, which is hard to define, but we see it going by the wayside. Bigger and bigger, much more corporate farming going on, and so on. So we do have an emergency, I believe. Here are some of the reasons I feel that way.

Mr. Chairman, we have a safe, plentiful, affordable food supply compared cost-wise to any other modern country in the world, as the percentage of disposable income is so much less. We are privileged to have that. I see that in danger of escaping from us. We should think of it. How many of us here, myself included, pick up the newspaper and we turn over to the stock market and we see what is going on. We are concerned and we ought to be, and we want to see whatever we have invested in to have some profitability; and if it does not, we are concerned. If it goes through a quarter and it is down, why, we want something done about it; and that is just the way it is. There is nothing wrong with profitability; it is good, the way it should be. But when the prices are down, the CEOs are under a lot of pressure, and we see things change.

When it comes to food and fiber, I think that is a different category. What we feed this Nation and around the world with is something different. Every one of us in this country, all of us, should be very much tuned into this because the amount of one's disposable income that one will pay for one's safe, plentiful food is going to change if we do not get a grip on this. It is just simply going to happen.

So this idea that the gentlewoman brings forth, I think, needs consideration. The only tool that I see out there right now that is effectively working, and I have been in part of that system for a long time; I chaired a board for a long time, I am an active member in my local district and I live on the farm, is to allow those communities to have those co-ops and to have the opportunity to purchase, and the advantage of their shareholders and also to market and to be part of the value added to the system, to be part of the value added; and we are not doing that now.

So I applaud the gentlewoman for her efforts to try to create some resources to do that. We have seen a little of that done in some isolated places, and it works. For the producer to have a part of the action for the value added, it just makes sense.

Ms. KAPTUR. Mr. Chairman, will the gentleman yield?

Mr. BOSWELL. I yield to the gentlewoman from Ohio.

Ms. KAPTUR. Mr. Chairman, coming from Iowa, I am sure that the gentleman has noted the greater and greater concentration in the agriculture industry, and it is much harder for producers to be company-equal partners in any kind of negotiation related to farm product and to actually bring that product to market. So I wanted to emphasize what the gentleman has been saying about how farms have had to get bigger and bigger and bigger, and even to try to meet market of today, it is almost impossible for many of these producers to do that.

So I was interested in the gentleman's co-op experience and why that is relevant as we try to finance.

□ 1445

Mr. BOSWELL. When they can co-operate together they still have the ownership of it, and it is going right back to that family farm. Whatever is gained there is a good thing for not only them but for the community, for the State, for the country.

I think we have to look for opportunities to enhance that. That is what the gentlewoman is trying to do. I would ask the chairman if he would help, and if we get a chance to do things for these people, that we pull together to do it. I have confidence that the gentleman will.

I am delighted that I can come here this afternoon and participate in this dialogue. We are doing the right thing. Everybody is interested to have safe, plentiful, and affordable food. We ought to do everything we can to be sure that happens. I say our chances are much better if we have it spread over the land, over a number of family farms, rather than in the collective hands of a few.

Mr. OBEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, as we draw to the conclusion of this bill, I just want to remind Members of the shortcomings which will still lead people like me to vote against it on final passage, even though I fully recognize that the gentleman from New Mexico (Mr. SKEEN) has done everything he could within the totally inadequate allocation provided to him to produce a bill that would be worthy of the House's support.

I would point out that in a letter from the Executive Office of the President it is made clear that "Given the severe underfunding of critical programs and highly objectionable language provisions in the bill, the President's senior advisers would recommend that he veto the bill if it were presented to him in its current form."

I think it is useful to underline what a few of those reasons are. First of all, with respect to food safety, this bill underfunds the budget request for USDA's Food Safety and Inspection Service, which inspects meat and poultry, by over $14 million.

This bill severely underfunds Department efforts to deal with market concentration and abusive practices within the industry. It falls some $53 million short of the budget request in dealing with problems such as citrus canker in Florida, the Asian longhorn beetle infestation that is killing hardwood trees in New York and Illinois, the plum pox outbreak in Pennsylvania, bovine TB in Michigan, Pierce's disease in California's grape industry, Mediterranean fruitflies, and similar problems.

Those may seem like small problems if one does not farm. If one farms, they are huge obstructions to making a living. This bill does not sufficiently respond to those problems.

In the area of conservation programs, it falls $70 million short of the budget request for conservation operations at the Natural Resources Conservation Service, and we are told that will require the elimination of about 260 staff who help farmers and ranchers design and implement measures to reduce soil erosion, protect water supplies, and the like.

It also is $180 million below the administration's request for rural development. It is short on P.L. 480, overseas food donation programs. The agricultural research and extension program would be $63 million below the request.

The bill contains the dangerous rider which restricts FDA and USDA actions to reduce Salmonella contamination in eggs.

Most importantly, in my view, there is a huge hole in this bill because it contains nothing to deal with the problem of collapsing prices on the farm, and whether we are talking about dairy, where I come from, or other commodities, the fact is that farmers are in dire straits because of the collapse of market prices.

The collapse of market prices in my view has been brought on by the ill-advised Freedom to Farm Act, which creates a very weird situation.

I know of no other field, no other economic field in this country in which, if we had an oversupply of product, we would not cut back on production in order to bring ourselves into some equilibrium between supply and demand. Only in agriculture do farmers face the practical reality that if they individually want to try to beat the problem, they have to increase rather than decrease production.

That produces a national farm policy which makes no sense. In the process it drives down the price paid to individual farms and farmers.

For all of those reasons, while I respect greatly the gentleman from New Mexico and I believe that he has done the best job he can given the allocation made available to him, that allocation is woefully inadequate. It does not meet the needs of the next 5 years in agriculture, and until it comes back from conference with what I would hope would be some rational compromises on some of these items, I personally will not be in a position to support the bill.

I regret that, but I think that this bill has a long way to go before it is going to receive a presidential signature.

### SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to House Resolution 538, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: amendment No. 39 offered by the gentleman from Oregon (Mr. DEFAZIO); amendment No. 48 offered by the gentleman from South Carolina (Mr. SANFORD); amendment No. 68 offered by the gentleman from Indiana (Mr. BURTON).

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

### AMENDMENT NO. 39 OFFERED BY MR. DEFAZIO

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Oregon (Mr. DEFAZIO) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The text of the amendment is as follows:

Amendment No. 39 offered by Mr. DEFAZIO: Insert before the short title the following:

### TITLE IX—ADDITIONAL GENERAL PROVISIONS

SEC. 901. Notwithstanding any other provision of this Act, not more than $28,684,000 of the funds made available in this Act may be used for Wildlife Services Program operations under the heading "Animal and Plant Health Inspection Service", and none of the funds appropriated or otherwise made available by this Act for Wildlife Services Program operations to carry out the first section of the Act of March 2, 1931 (7 U.S.C. 426), may be used to conduct campaigns for the destruction of wild animals for the purpose of protecting stock.

### RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 15-minute vote, followed by two 5-minute votes.

The vote was taken by electronic device, and there were—ayes 190, noes 228, not voting 16, as follows:

[Roll No. 382]

AYES—190

Ackerman
Allen
Andrews
Baird
Baldwin
Barcia
Barrett (WI)
Bass
Berkley
Berman
Biggert
Bilbray
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Brady (PA)
Brown (OH)
Capuano
Cardin
Carson
Castle
Chabot
Clay
Clement
Clyburn
Conyers
Costello
Cox
Coyne
Crane
Crowley
Cummings
Davis (IL)
Davis (VA)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dixon
Doggett
Doyle
Duncan
Engel
English
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Fossella
Frank (MA)
Franks (NJ)
Frelinghuysen
Gallegly
Gejdenson
Gephardt
Gilman
Gonzalez
Green (TX)
Green (WI)
Greenwood

Gutierrez
Hall (OH)
Hastings (FL)
Hefley
Hill (IN)
Hinchey
Hoeffel
Holt
Hooley
Horn
Houghton
Hoyer
Hulshof
Hyde
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kleczka
Kucinich
Kuykendall
LaFalce
Lantos
Larson
Lazio
Leach
Lee
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Luther
Maloney (CT)
Maloney (NY)
Markey
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McKinney
Meehan
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller, George
Moakley
Moore
Moran (VA)
Morella
Nadler
Napolitano
Neal
Northup
Obey
Olver
Pallone
Pascrell
Paul
Pease
Pelosi
Petri
Phelps
Porter
Price (NC)
Ramstad
Rangel
Rivers
Roemer
Rohrabacher
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Sabo
Sanders
Sanford
Sawyer
Schakowsky
Scott
Sensenbrenner
Serrano
Shays
Sherman
Smith (NJ)
Snyder
Spratt
Stark
Sununu
Tancredo
Tauscher
Tauzin
Taylor (MS)
Tierney
Toomey
Udall (CO)
Velazquez
Wamp
Waters
Waxman
Weiner
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Woolsey
Wu
Wynn

NOES—228

Abercrombie
Aderholt
Archer
Armey
Baca
Bachus
Baker
Baldacci
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Bentsen
Bereuter
Berry
Bilirakis
Bishop
Bliley
Blunt
Boehner
Bonilla
Bono
Boswell
Boucher
Boyd
Brady (TX)
Brown (FL)
Bryant
Burr
Burton
Buyer
Calvert
Camp
Canady
Cannon
Capps
Chambliss
Clayton
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Cramer
Cubin
Cunningham
Danner
Deal
DeLay
DeMint
Diaz-Balart
Dickey
Dicks
Dingell
Dooley
Doolittle
Dreier
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Everett
Ewing
Fletcher
Foley
Fowler
Frost
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Gutknecht
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hayworth
Herger
Hill (MT)
Hilleary
Hilliard
Hinojosa
Hobson
Hoekstra
Holden
Hostettler
Hunter
Hutchinson
Isakson
Istook
Jenkins
John
Johnson, Sam
Kanjorski
Kaptur
Kasich
Kingston
Klink
Knollenberg
Kolbe
LaHood
Lampson
Largent
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lowey
Lucas (KY)
Lucas (OK)
Manzullo
Martinez
Mascara
McCrery
McHugh
McInnis
McIntyre
McKeon
Meek (FL)
Miller (FL)
Miller, Gary
Minge
Mink
Moran (KS)
Murtha
Myrick
Nethercutt
Ney
Norwood
Nussle
Oberstar
Ortiz
Ose
Oxley
Packard
Pastor
Peterson (MN)
Peterson (PA)
Pickering
Pickett
Pitts
Pombo
Pomeroy
Portman
Pryce (OH)
Quinn
Radanovich
Rahall
Regula
Reyes
Reynolds
Riley
Rodriguez
Rogan
Rogers
Ros-Lehtinen
Ryun (KS)
Salmon
Sanchez
Sandlin
Saxton
Schaffer
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Smith (MI)
Smith (TX)
Souder
Spence
Stabenow
Stearns
Stenholm
Strickland
Stump
Stupak
Sweeney
Talent
Tanner
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Towns
Traficant
Turner
Udall (NM)
Upton
Visclosky
Vitter
Walden
Walsh
Watkins
Watt (NC)
Watts (OK)
Weldon (FL)
Wicker
Wilson
Wise
Wolf
Young (AK)
Young (FL)

NOT VOTING—16

Becerra
Callahan
Campbell
Chenoweth-Hage
Davis (FL)
Forbes
McCollum
McIntosh
McNulty
Mollohan
Owens
Payne
Scarborough
Slaughter
Smith (WA)
Vento

□ 1511

Messrs. HUNTER, VITTER, STUPAK, DeMINT, OBERSTAR, ROGAN, RYUN of Kansas, and Ms. SANCHEZ changed their vote from "aye" to "no."

Mr. TIERNEY, Mr. HEFLEY and Ms. CARSON changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

### ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. Pursuant to House Resolution 538, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device will be taken on each amendment on which the Chair has postponed further proceedings.

### AMENDMENT NO. 48 OFFERED BY MR. SANFORD

The CHAIRMAN. The pending business is the demand for a recorded vote on Amendment No. 48 offered by the gentleman from South Carolina (Mr. SANFORD) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

### RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 166, noes 255, not voting 13, as follows:

[Roll No. 383]

AYES—166

Ackerman
Andrews
Archer
Baker
Baldwin
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Bass
Bereuter
Berkley
Biggert
Bilbray
Bliley
Blumenauer
Boehner
Bono
Brown (OH)
Bryant
Camp
Capps
Capuano
Castle
Chabot
Clyburn
Coble
Coburn
Collins
Conyers
Cox
Crane
Crowley
Cunningham
Davis (FL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLay
DeMint
Deutsch
Doggett
Duncan
Dunn
Ehlers
Ehrlich
English
Eshoo
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Ganske
Gejdenson
Goodling
Goss
Graham
Green (WI)
Greenwood
Gutknecht
Hastings (FL)
Hayworth
Hefley.
Herger
Hilleary
Hoeffel
Hoekstra
Holt
Hostettler
Houghton
Hulshof
Hutchinson
Inslee
Istook
Johnson (CT)
Jones (NC)
Kasich
Kelly
Kildee
Kind (WI)
King (NY)
Knollenberg
Kolbe
LaFalce
LaTourette
Lewis (GA)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Maloney (CT)
Manzullo
Markey
McCrery
McDermott
McGovern
McKinney
Meehan
Menendez
Metcalf
Mica
Miller (FL)
Miller, Gary
Miller, George
Moakley
Moran (VA)
Morella
Myrick
Nadler
Neal
Northup
Olver
Oxley
Paul
Pease
Petri
Pitts
Porter
Portman
Pryce (OH)
Ramstad
Rivers
Roemer
Rogan
Rohrabacher
Roukema
Royce
Ryan (WI)
Salmon
Sanford
Saxton
Schaffer
Schakowsky
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Smith (NJ)
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Strickland
Sununu
Tancredo
Taylor (MS)
Terry
Tierney
Toomey
Upton
Velazquez
Wamp
Weiner
Weldon (FL)
Wexler
Wolf
Wu

NOES—255

Abercrombie
Aderholt
Allen
Armey
Baca
Bachus
Baird
Baldacci
Ballenger
Barton
Bateman
Bentsen
Berman
Berry
Bilirakis
Bishop
Blagojevich
Blunt
Boehlert
Bonilla
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Burr
Burton
Buyer
Callahan
Calvert
Canady
Cannon
Cardin
Carson
Chambliss
Clay
Clayton
Clement
Combest
Condit
Cook
Cooksey
Costello
Coyne
Cramer
Cubin
Cummings
Danner
Davis (IL)
DeLauro
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Dooley
Doolittle
Doyle
Dreier
Edwards
Emerson
Engel
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Filner
Fletcher
Foley
Ford
Frost
Gallegly
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Granger
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hill (IN)
Hill (MT)
Hilliard
Hinchey
Hinojosa
Hobson
Holden
Hooley
Horn
Hoyer
Hunter
Hyde
Isakson
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson, E. B.
Johnson, Sam
Jones (OH)
Kanjorski
Kaptur
Kennedy
Kilpatrick
Kingston
Kleczka

Klink
Kucinich
Kuykendall
LaHood
Lampson
Lantos
Largent
Larson
Latham
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (KY)
Lucas (KY)
Lucas (OK)
Maloney (NY)
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McHugh
McInnis
McIntyre
McKeon
Meek (FL)
Meeks (NY)
Millender-McDonald
Minge
Mink
Mollohan
Moore
Moran (KS)
Murtha
Napolitano
Nethercutt
Ney
Norwood
Nussle
Oberstar
Obey
Ortiz
Ose
Packard
Pallone
Pascrell
Pastor
Pelosi
Peterson (MN)
Peterson (PA)
Phelps
Pickering
Pickett
Pombo
Pomeroy
Price (NC)
Quinn
Radanovich
Rahall
Rangel
Regula
Reyes
Reynolds
Riley
Rodriguez
Rogers
Ros-Lehtinen
Rothman
Roybal-Allard
Rush
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Scott
Serrano
Sessions
Sherman
Sherwood
Shimkus
Shows
Simpson
Sisisky
Skeen
Skelton
Smith (MI)
Smith (TX)
Snyder
Stenholm
Stump
Stupak
Sweeney
Talent
Tanner
Tauscher
Tauzin
Taylor (NC)
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Visclosky
Vitter
Walden
Walsh
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (PA)
Weller
Weygand
Whitfield
Wicker
Wilson
Wise
Woolsey
Wynn
Young (AK)
Young (FL)

### NOT VOTING—13

Becerra
Campbell
Chenoweth-Hage
Forbes
McCollum
McIntosh
McNulty
Owens
Payne
Scarborough
Slaughter
Smith (WA)
Vento

☐ 1518

Mr. SIMPSON changed his vote from "aye" to "no".

So the amendment was rejected.

The result of the vote was announced as above recorded.

### AMENDMENT NO. 68 OFFERED BY MR. BURTON OF INDIANA

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Indiana (Mr. BURTON) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

### RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 168, noes 253, not voting 13, as follows:

[Roll No. 384]

### AYES—168

Aderholt
Archer
Armey
Bachus
Baker
Baldacci
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Biggert
Bilbray
Blunt
Bryant
Burr
Burton
Callahan
Camp
Cannon
Chabot
Coburn
Collins
Cook
Costello
Cox
Crane
Cubin
Davis (VA)
Deal
DeFazio
DeLay
DeMint
Diaz-Balart
Dickey
Doolittle
Duncan
Dunn
Ehlers
Emerson
English
Evans
Everett
Filner
Foley
Fowler
Ganske
Gekas
Gibbons
Goode
Goodlatte
Goodling
Goss
Graham
Green (WI)
Gutknecht
Hall (TX)
Hansen
Hayes
Hayworth
Hefley
Hill (MT)
Hilleary
Hoekstra
Holden
Horn
Hostettler
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones (NC)
Kasich
Kelly
Kleczka
Kucinich
Kuykendall
LaHood
Largent
Lazio
Leach
Linder
Lipinski
LoBiondo
Manzullo
McHugh
McInnis
McKinney
Metcalf
Mica
Miller (FL)
Miller, Gary
Miller, George
Mink
Moran (KS)
Myrick
Northup
Norwood
Nussle
Ose
Oxley
Paul
Pease
Peterson (MN)
Phelps
Pickering
Pitts
Pombo
Pryce (OH)
Quinn
Radanovich
Ramstad
Reynolds
Riley
Rogan
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanford
Saxton
Schaffer
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Stearns
Strickland
Stump
Sununu
Tancredo
Tauzin
Taylor (MS)
Terry
Thune
Tiahrt
Toomey
Traficant
Vitter
Walden
Wamp
Waters
Watts (OK)
Weldon (FL)
Weldon (PA)
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

### NOES—253

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldwin
Barcia
Barrett (WI)
Bass
Bentsen
Bereuter
Berkley
Berman
Berry
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Buyer
Calvert
Canady
Capps
Capuano
Cardin
Carson
Castle
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Combest
Condit
Conyers
Cooksey
Coyne
Cramer
Crowley
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Dreier
Edwards
Ehrlich
Engel
Eshoo
Etheridge
Ewing
Farr
Fattah
Fletcher
Ford
Fossella
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Gejdenson
Gephardt
Gilchrest
Gillmor
Gilman
Gonzalez
Gordon
Granger
Green (TX)
Greenwood
Gutierrez
Hall (OH)
Hastings (FL)
Hastings (WA)
Hill (IN)
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Holt
Hooley
Houghton
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Klink
Knollenberg
Kolbe
LaFalce
Lampson
Lantos
Larson
Latham
LaTourette
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCrery
McDermott
McGovern
McIntyre
McKeon
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Minge
Moakley
Mollohan
Moore
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Nethercutt
Ney
Oberstar
Obey
Olver
Ortiz
Packard
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (PA)
Petri
Pickett
Pomeroy
Porter
Portman
Price (NC)
Rahall
Rangel
Regula
Reyes
Rivers
Rodriguez
Roemer
Rogers
Rothman
Roukema
Roybal-Allard
Rush
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Scott
Serrano
Sherman
Shows
Sisisky
Skeen
Skelton
Snyder
Souder
Spence
Spratt
Stabenow
Stark
Stenholm
Stupak
Sweeney
Talent
Tanner
Tauscher
Taylor (NC)
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Visclosky
Walsh
Watkins
Watt (NC)
Waxman
Weiner
Weller
Wexler
Weygand
Whitfield
Wise
Woolsey
Wu
Wynn

### NOT VOTING—13

Becerra
Campbell
Chenoweth-Hage
Forbes
Herger
McCollum
McIntosh
McNulty
Owens
Scarborough
Slaughter
Smith (WA)
Vento

☐ 1526

Messrs. SAXTON, DELAY and ROYCE and Mrs. NORTHUP changed their vote from "no" to "aye".

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there further amendments to come before the Committee?

If not, the Clerk will read the final three lines of the bill.

The Clerk read as follows:

This Act may be cited as the "Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001".

Mr. GUTKNECHT. Mr. Chairman, I would like to associate myself with the comments expressed today by my colleague from Minnesota, Mr. MINGE, regarding the Farm Planning and Analysis System presented in use by the Minnesota Farm Service Agency. This software has served as an extremely valuable financial management tool for thousands of Minnesota farmers and saved thousands of man hours for our FSA employees in Minnesota. While I appreciate the Department of Agriculture's move toward a common computing environment, I strongly encourage the Committee to consider the superior capabilities of FINPACK and help ensure an appropriate resolution that allows our producers to continue using this popular tool.

Mr. PETRI. Mr. Chairman, I rise to make a few important comments about the inequities of continuing to exclude the U.S. mink industry from the U.S. Department of Agriculture's (USDA's) Market Access Program (MAP). This is an important issue for the mink industry and its many small ranchers and allied industries that reside in some 28 U.S. states where mink is produced.

Since 1996, U.S. mink has been unfairly excluded from the MAP program. This exclusion is primarily the result of political pressure brought to bear by animal rights groups. The exclusion has nothing whatsoever to do with the mink industry's eligibility for the program or the success of the mink industry's MAP program prior to 1996. Importantly, the mink industry's prior export promotion program was considered a model program by USDA. The industry's MAP activities, which were used to promote the superior quality of U.S. rancher-raised mink in Europe and Asia, successfully increased U.S. mink exports by 25% between 1992 and 1995. In the last year of participation, exports of U.S. mink skins exceeded $100 million.

Today, almost all sectors of American agriculture, except mink, participate in the MAP program. The mink industry is no different from the beef, pork, chicken and sheep industries in the United States, all of which receive substantial MAP funding. Moreover, most U.S. mink ranchers are small, second- and third-generation family-owned operations. The mink auction houses are cooperatives and small businesses, all eligible for the MAP program.

This is a U.S. industry that sells nearly 95% of its annual production abroad. All foreign producers, particularly those in Europe, are heavily subsidized. MAP money is needed for U.S. mink ranchers to effectively promote the superior quality of U.S. ranch-raised mink and compete successfully against this heavily subsidized foreign production. Thus, the exclusion only ensures that our foreign competitors dominate the global mink market.

I am deeply disappointed that it was not possible to restore MAP funding for mink through the 2001 Agriculture Appropriations bill. This inequity, however, can and should be corrected. Accordingly, I strongly urge Mr. COMBEST and other members of the Agriculture Committee to exert their best efforts to restore MAP funding in the next possible authorizing vehicle that comes before the Agriculture Committee.

Mr. BENTSEN. Mr. Chairman, I rise today in support of the Fiscal Year 2001 Agriculture Appropriations bill (H.R. 4461). This bill provides $75.4 billion for agriculture programs. While this is a significant amount of funding, it is $524 million or 1 percent less than this year's budget and it is $1.9 billion less than the amount requested by the Administration. Farmers and ranchers in Texas and throughout our Nation are facing financial hardships because of the low cost of commodities. This legislation will help many of these family farmers to keep their land and to provide supplemental payments for their farm products.

Eighty percent of this bill is dedicated to mandatory spending programs such as food stamps and the Women, Infants and Children (WIC) Program. I strongly support these programs and believe that many children and low-income families benefit from these programs. For many working families, these nutritional programs are vitally necessary to ensure that they have sufficient food to eat and each day.

I am particularly supportive of the human nutrition research programs though the Agriculture Research Service of the United States Department of Agriculture. I am disappointed that the House Appropriations Committee provided level funding for the six human nutrition centers nationwide, including the Children's Nutrition Research Center (CNRC) at Baylor College of Medicine in cooperation with Texas Children's Hospital, located in Houston, Texas. I am committed to working with the House Appropriations Committee to provide additional funding for the CNRC as this bill moves forward. The CNRC is dedicated to defining the nutrient needs of healthy children from conception through adolescence, and pregnancy and nursing women.

Since its inception in November 1978, the CNRC has focused on critical questions relating to women and nutrition. These include determining how the diet of a pregnant woman affects her health and the health of her child and how a mother's nutrition affects lactation and the nutrient contents of her milk. The center also has researched the relationship between nutrition and the physical and mental development of children. In addition, CNRC has conducted amazing research which has identified the genes contributing to nutrient intakes and determined the factors that regulate these genes. This research will lead to valuable discoveries in the field of genetics.

I would like to highlight two recent discoveries made at the CNRC that will help children live healthier, longer lives. The CNRC has helped to develop a software dietary assessment program that enables children to record what they eat. By recording their intake, children are able to interact with a multi-media game which encourages them to increase their fruit, juice, and vegetables among fourth grade children.

Another important study provided a reference data for energy (calorie) requirement for infants from birth to two years of age. These data will form the basis of new infant caloric intake recommendations currently under review by the Food and Nutrition Board of the National Academy of Science. With proper nutrition, children will live healthier lives and be receptive to learning.

I urge my colleagues to support this bill and all of its agricultural programs.

Mr. MCGOVERN. Mr. Chairman, I rise in support of the Hinchey-Walsh language included in H.R. 4461, the FY 2001 Department of Agriculture and Related Agencies Appropriations Bill. This emergency language is vital for the apple growers in central Massachusetts and throughout New England, and I thank both Mr. HINCHEY and Chairman WALSH for their leadership on this issue.

Mr. Chairman, the apple growers in my district were hurt by Hurricane Floyd and by adverse weather conditions in 1999. The weather caused what are usually sweet and delicious apples to become mealy and unsuitable for normal eating. Instead of selling their products to stores and markets for sale to the public, my growers were forced to sell these lower quality apples to juicers. The problem, financially, is that apples sold to make juice are sold at a price considerably lower than apples sold for consumption. As a result, these growers suffered significant financial loss and hardship from Hurricane Floyd.

This language is important because it will provide necessary emergency relief for these growers. The $15 million in quality loss is important for the growers in New England. It responds to what was a true emergency—a hurricane that caused the loss of what is normally a profitable crop. The $100 million for market loss is also vital for my growers. Together, this emergency funding will provide the needed relief for growers in New England who suffered through an extreme weather situation that could have caused many growers to go out of business.

Mr. Chairman, I received many calls from the apple growers in my district asking for help because of Hurricane Floyd. I want to thank all the apple growers in Worcester County who first brought this tragic issue to my attention. In particular, I want to thank Mo Tougus of the Tougus Family Farm in Northboro, Massachusetts; Sterling, Massachusetts apple growers Robert Smiley and Anthony Melone; Ed O'Neil of JP Sullivan and Company in Ayer, Massachusetts; and Ken Nicewicz from Bolton, Massachusetts. I am pleased to be able to tell them that, finally, help is on the way.

Mr. Chairman, this effort might have been lost if not for the diligent work of the U.S. Department of Agriculture. Secretary Dan Glickman and Undersecretary Gus Schumacher deserve credit for recognizing the need of these apple growers. As the former Massachusetts State Commissioner of Agriculture, Undersecretary Schumacher is a valuable resource and he deserves special recognition for his work on behalf of apple growers. Locally, Charlie Costa, Kip Graham and Paul Fischer of the Farm Service Agency in Massachusetts were essential in the efforts to educate people in Congress about the need of the apple growers in Massachusetts and across the country. Their work locally was significant and helpful. Without the support and technical assistance from these people, our apple growers may not have received the emergency relief they so desperately need.

Mr. CHAMBLISS. Mr. Chairman, I fully support H.R. 4461, because it provides funding for programs that will help assure the vitality of agriculture in Georgia. This bill allocates funding for essential programs, which allow further development and progress in food production. In addition, H.R. 4461 provides financial support for agricultural research that is crucial for finding solutions that will allow and promote more cost-effective production methods and higher quality results.

By allocating funding for research, this bill will help resolve problems inhibiting productivity and development. More specifically, research in pest and disease control, such as nematode and tomato spotted wilt disease research, will enhance strategies used to combat crop yield losses. Funding is also included for the development of more efficient agricultural water usage that is critical to locations in south Georgia where agricultural water usage comprises 50% of all water consumed. Furthermore, the bill includes funding for the National Center for Peanut Competitiveness for research directed toward guaranteeing competitiveness for U.S. peanuts in the world market. Funding for poultry disease research is also important to explore diseases that limit and inhibit poultry production.

Support for these research efforts, coupled with funding for promotional and marketing efforts, will help enable farmers to practice more efficient methods and minimize the devastating losses with which they have become all too familiar. I urge my colleagues to vote for this bill and support America's farmers.

Mr. MINGE. Mr. Chairman, for the past 23 years, Minnesota Farm Service Agency borrowers have had access to a farm planning and analysis system known as FINPACK. The software is a comprehensive system that is of great benefit to producers, their lenders, and to the Farm Service Agency that administers their loans. FINPACK, initially developed by the University of Minnesota in 1972, became a Farmers Home Administration (FmHA) initiated pilot project that began in six Minnesota FmHA offices in 1977. Due to its effectiveness, additional Minnesota FmHA offices began to use the system. Today FINPACK provides monthly cash flows, enterprise analyses, budgeting and balance sheets to nearly 10,000–15,000 producers in Minnesota.

By their nature, FSA borrowers are borrowers at risk. As the "lender of last resort" and provider of "supervised credit," FSA has a mandate to help producers improve their management capacity and ultimately their financial viability. Not only has FINPACK provided an efficient system to help Minnesota producers in their strategic planning, it has allowed a system of cooperation among educators, extension agents, consultants, farm advocates, and bankers. As producers develop their farm plan, they are able to provide the computer file that contains all of the information to those who assist them in their farm planning. Editing changes may be made immediately and without return visits.

However, as valuable as FINPACK is to producers and their advisors, it is equally valuable to Minnesota's FSA office employees. Minnesota FSA estimates that FINPACK saves them $40,000 to $180,000 annually in reduced contractor fees due to cooperation with educators and lenders. With FSA's current staff resource shortages, the interagency and public and private cooperative is invaluable to FSA county staff. The Minnesota FSA field staff has unanimously asked for the ability to continue to use FINPACK.

Unfortunately, the USDA recently announced that FSA must use the Farm and Home Plan (FHP) and will not allow Minnesota FSA offices to use FINPACK as part of USDA's attempt to comply with the "Common Computing Environment" mandated by Congress. This issue has received national attention. The National Association of Credit Supervisors, the FSA employee organization for credit specialists, has passed a resolution supporting continued use of FINPACK. While FINPACK is used by FSA only in Minnesota, it is used by Risk Management Education programs in more than 40 states.

The Farm and Home Plan (FHP) is used by FSA for credit applications. The FHP meets minimum requirements for credit applications, but does not provide the documentation required by FSA for Interest Assistance applications. FSA requires a monthly cash flow plan for Interest Assistance, but FHP does not have this capability. The FHP provides a simple cash analysis not an accrual analysis as required by FSA for Borrower Training. Furthermore, the FHP makes no attempt to comply with ABA Farm Financial Standards.

FSA has represented that they have developed a generic interface, allowing for usage of FINPACK by producers to be coordinated with FSA's use of FHP. Essentially, FSA's FHP software stores data in a Microsoft Access database. This means that any software program can export data in Access format and it can be loaded into the Access database. However FSA has not addressed how lenders, educators and producers can transfer producer ID's so that the FHP knows where to store the data. Technology appears to be a challenge for FSA. Currently FSA has two versions of FHP software—one that runs on PCs and one that runs on their mainframe System 36 machine. These two versions of the FHP are not interfaced and cannot transfer data. This problem illustrates FSA's inability to deal with this technology.

However, Farm Service Agency has refused to allow the continued use of FINPACK based on the Common Computing Environment mandated by Congress. While the need to streamline and have uniform systems is important, it is not logical to insist that a superior system be abandoned. FSA has determined that as of September 30, 2000 FINPACK is not to be used any longer in FSA offices in Minnesota.

Over the six months, it has been difficult and frustrating to deal with the USDA on this issue. While I am generally hesitant to introduce legislation to address this administrative decision, I urge the committee to work with the Minnesota delegation to develop a positive resolution that allows producers to continue to use this valuable financial tool.

□ 1530

The CHAIRMAN. If there are no further amendments, under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. LAHOOD) having assumed the chair, Mr. NUSSLE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4461) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2001, and for other purposes, pursuant to House Resolution 538, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

Pursuant to clause 10 of rule XX, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 339, nays 82, not voting 13, as follows:

[Roll No. 385]

YEAS—339

Abercrombie
Ackerman
Aderholt
Allen
Archer
Armey
Baca
Bachus
Baird
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Bass
Bateman
Bentsen
Bereuter
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (TX)
Brown (FL)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Capps
Cardin
Castle
Chabot
Chambliss
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Cramer
Crowley
Cubin
Cunningham
Danner
Davis (FL)
Davis (VA)
Deal
DeFazio
DeLauro
DeLay
DeMint
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Etheridge
Evans
Everett
Ewing
Farr
Fletcher
Foley
Ford
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Istook
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kildee
Kilpatrick
King (NY)
Kingston
Klink
Knollenberg
Kolbe
Kuykendall
LaFalce
LaHood
Lampson
Largent
Larson
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lowey
Lucas (KY)
Lucas (OK)
Manzullo
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCrery
McHugh
McIntyre
McKeon
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Millender-McDonald
Miller (FL)
Miller, Gary
Mink
Moakley
Mollohan
Moore
Moran (KS)
Morella
Murtha
Myrick
Nadler
Napolitano
Nethercutt
Ney
Northup
Nussle
Olver
Ortiz
Ose
Oxley
Packard
Pallone
Pascrell
Pastor
Pease

Peterson (PA)
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rodriguez
Roemer
Rogan
Rogers
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Ryan (WI)
Ryun (KS)
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Scarborough
Schaffer
Scott
Serrano
Sessions
Shadegg
Shaw
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Strickland
Stump
Stupak
Sweeney
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Toomey
Traficant
Turner
Udall (NM)
Upton
Visclosky
Vitter
Walden
Walsh
Wamp
Watkins
Watt (NC)
Watts (OK)
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)

NAYS—82

Andrews
Baldwin
Barrett (WI)
Barton
Berkley
Berman
Blumenauer
Brady (PA)
Brown (OH)
Capuano
Carson
Clay
Coburn
Conyers
Coyne
Crane
Cummings
Davis (IL)
DeGette
Delahunt
Deutsch
Doggett
Eshoo
Fattah
Filner
Frank (MA)
Gephardt
Gutierrez
Hefley
Inslee
Jackson (IL)
Kennedy
Kind (WI)
Kleczka
Kucinich
Lantos
Lee
Lewis (GA)
Lofgren
Luther
Maloney (CT)
Maloney (NY)
Markey
McDermott
McGovern
McInnis
McKinney
Meehan
Mica
Miller, George
Minge
Moran (VA)
Neal
Oberstar
Obey
Paul
Payne
Pelosi
Peterson (MN)
Petri
Rivers
Rohrabacher
Royce
Rush
Sabo
Salmon
Sanford
Schakowsky
Sensenbrenner
Shays
Stark
Sununu
Tancredo
Tauscher
Tierney
Towns
Udall (CO)
Velazquez
Waters
Waxman
Weygand
Wu

NOT VOTING—13

Becerra
Campbell
Chenoweth-Hage
Forbes
McCollum
McIntosh
McNulty
Norwood
Owens
Rahall
Slaughter
Smith (WA)
Vento

☐ 1545

Mr. KLECZKA changed his vote from "yea" to "nay."

Mr. ARCHER changed his vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. RAHALL. Mr. Speaker, I ask that my position in support of final passage of the vote that just occurred be expressed in the RECORD. I was unavoidably detained in my office meeting with the CEO of U.S. Airways and missed the vote.

## PERSONAL EXPLANATION

Ms. SLAUGHTER. Mr. Speaker, I was unable to be present for rollcall votes 382, 383, 384, and 385.

Had I been present, I would have voted "yes" or "aye" on rollcall votes 382, 383 and 385 and "no" or "nay" on rollcal vote 384.

## EXTENDING APPRECIATION TO CHAIRMAN OF SUBCOMMITTEE ON AGRICULTURE APPROPRIATIONS

(Ms. KAPTUR asked and was given permission to address the House for 1 minute)

Ms. KAPTUR. Mr. Speaker, I wish to use this moment with all of our colleagues to extend deepest appreciation to our fine chairman of the Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies, the gentleman from New Mexico (Mr. SKEEN), for his leadership and great victory on this bill. It has been a joy to work with him, and I know that under the rules of the House because of rotation, he may not be able to serve in this capacity in the next year, although I hope we can change those rules. But I want to say he has been a true gentleman, a real scholar, someone who understands farming and ranching from the get-go. He truly is an advocate for our farmers and ranchers and a real friend to every single Member of this House. It has been a joy to work with him on this bill in this first year of the new century.

Mr. SKEEN. If the gentlewoman will yield, I thank all my colleagues. I would like to say I am very humbled about this, but I do not let it show. I thank her for being the great lady that she is because she has been a real joy to work with and so for the rest of our committee. Just as with most of the people that sit in this Chamber day after day, I appreciate what wonderful people they are and what a wonderful job they are doing for the public that we represent. I thank them very much from the bottom of my heart.

Ms. KAPTUR. I am sure the gentleman would agree with me that the gentleman from Iowa (Mr. NUSSLE) did an excellent, very fair-handed job with dispatch in the chair throughout these deliberations which lasted many, many hours, 16, 17, 18, 19, 20 hours on this bill alone. To Hank Moore, Martin Delgado, John Ziolkowski, Joanne Orndorf; and our detailees, Anne DuBey and Maureen Holohan; and certainly Jim Richards from your staff and Roger Szemraj from my own and David Reich from the minority staff, I think they did an outstanding job on this very complicated bill.

Mr. SKEEN. They are the real movers and shakers. We just do not let them know it too often because they get a little bit large in the head. But they are wonderful folks. I thank all the staff folks who have done so much for all of us. They make us look good every day.

Ms. KAPTUR. In closing, Mr. Speaker, I just want to say that the judge of every Member in this House really is the character of that individual in the end. The gentleman from New Mexico truly is a gentleman of his word. There is not a Member of this House on either side of the aisle that cannot go up to him and get a fair hearing. In the end, that is the measure of ourselves as an institution. It is just a joy to work with him and to serve with him.

Mr. SKEEN. I thank the gentlewoman for those kind words. After listening to all the work that we have done, particularly on one of these programs, I am going to mail a coyote to everybody who is left because we do not need them at the ranch anymore.

Mrs. CLAYTON. Mr. Speaker, if the gentlewoman will yield, I just wanted to ditto what the gentlewoman from Ohio has said, thanking the gentleman who is a gentleman in the truest sense, not the political sense.

## PERSONAL EXPLANATION

Mrs. ROUKEMA. Mr. Speaker, I ask unanimous consent that the RECORD show that I intended to vote "yes" on rollcall 378, the Sanford amendment to H.R. 4461, that was taken yesterday, July 10. I was recorded as a "no," but my vote was intended to be approval.

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LAHOOD). Pursuant to clause 8 of rule XX, the Chair announces that he will postpone further proceedings today on the remaining motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

Any record votes on postponed questions will be taken tomorrow.

## ROSIE THE RIVETER/WORLD WAR II HOME FRONT NATIONAL HISTORICAL PARK ESTABLISHMENT ACT OF 2000

Mr. HANSEN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4063) to establish the Rosie the Riveter/World War II Home Front National Historical Park in the State of California, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4063

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

***SECTION 1. SHORT TITLE.***

*This Act may be cited as the "Rosie the Riveter/World War II Home Front National Historical Park Establishment Act of 2000".*

### SEC. 2. ROSIE THE RIVETER/WORLD WAR II HOME FRONT NATIONAL HISTORICAL PARK.

*(a) ESTABLISHMENT.—In order to preserve for the benefit and inspiration of the people of the United States as a national historical park certain sites, structures, and areas located in Richmond, California, that are associated with the industrial, governmental, and citizen efforts that led to victory in World War II, there is established the Rosie the Riveter/World War II Home Front National Historical Park (in this Act referred to as the "park").*

*(b) AREAS INCLUDED.—The boundaries of the park shall be those generally depicted on the map entitled "Proposed Boundary Map, Rosie the Riveter/World War II Home Front National Historical Park" numbered 963/80000 and dated May 2000. The map shall be on file and available for public inspection in the appropriate offices of the National Park Service.*

### SEC. 3. ADMINISTRATION OF THE NATIONAL HISTORICAL PARK.

*(a) IN GENERAL.—*

*(1) GENERAL ADMINISTRATION.—The Secretary of the Interior (in this Act referred to as the "Secretary") shall administer the park in accordance with this Act and the provisions of law generally applicable to units of the National Park System, including the Act entitled "An Act to establish a National Park Service, and for other purposes," approved August 35, 1916 (39 Stat. 535; 16 U.S.C. 1 through 4), and the Act of August 21, 1935 (49 Stat. 666; 16 U.S.C. 461–467).*

*(2) SPECIFIC AUTHORITIES.—The Secretary may interpret the story of Rosie the Riveter and the World War II home front, conduct and maintain oral histories that relate to the World War II home front theme, and provide technical assistance in the preservation of historic properties that support this story.*

*(b) COOPERATIVE AGREEMENTS.—*

*(1) GENERAL AGREEMENTS.—The Secretary may enter into cooperative agreements with the owners of the World War II Child Development Centers, the World War II worker housing, the Kaiser-Permanente Field Hospital, and Fire Station 67A, pursuant to which the Secretary may mark, interpret, improve, restore, and provide technical assistance with respect to the preservation and interpretation of such properties. Such agreements shall contain, but need not be limited to, provisions under which the Secretary shall have the right of access at reasonable times to public portions of the property for interpretive and other purposes, and that no changes or alterations shall be made in the property except by mutual agreement.*

*(2) LIMITED AGREEMENTS.—The Secretary may consult and enter into cooperative agreements with interested persons for interpretation and technical assistance with the preservation of—*

*(A) the Ford Assembly Building;*

*(B) the intact dry docks/basin docks and five historic structures at Richmond Shipyard #3;*

*(C) the Shimada Peace Memorial Park;*

*(D) Westshore Park;*

*(E) the Rosie the Riveter Memorial;*

*(F) Sheridan Observation Point Park;*

*(G) the Bay Trail/Esplanade;*

*(H) Vincent Park; and*

*(I) the vessel S.S. RED OAK VICTORY, and Whirley Cranes associated with shipbuilding in Richmond.*

*(c) EDUCATION CENTER.—The Secretary may establish a World War II Home Front Education Center in the Ford Assembly Building. Such center shall include a program that allows for distance learning and linkages to other representative sites across the country, for the purpose of educating the public as to the significance of the site and the World War II Home Front.*

*(d) USE OF FEDERAL FUNDS.—*

*(1) NON-FEDERAL MATCHING.—(A) As a condition of expending any funds appropriated to the Secretary for the purposes of the cooperative agreements under subsection (b)(2), the Secretary shall require that such expenditure must be matched by expenditure of an equal amount of funds, goods, services, or in-kind contributions provided by non-Federal sources.*

*(B) With the approval of the Secretary, any donation of property, services, or goods from a non-Federal source may be considered as a contribution of funds from a non-Federal source for purposes of this paragraph.*

*(2) COOPERATIVE AGREEMENT.—Any payment made by the Secretary pursuant to a cooperative agreement under this section shall be subject to an agreement that conversion, use, or disposal of the project so assisted for purposes contrary to the purposes of this Act, as determined by the Secretary, shall entitle the United States to reimbursement of the greater of—*

*(A) all funds paid by the Secretary to such project; or*

*(B) the proportion of the increased value of the project attributable to such payments, determined at the time of such conversion, use, or disposal.*

*(e) ACQUISITION.—*

*(1) FORD ASSEMBLY BUILDING.—The Secretary may acquire a leasehold interest in the Ford Assembly Building for the purposes of operating a World War II Home Front Education Center.*

*(2) OTHER FACILITIES.—The Secretary may acquire, from willing sellers, lands or interests in the World War II day care centers, the World War II worker housing, the Kaiser-Permanente Field Hospital, and Fire Station 67, through donation, purchase with donated or appropriated funds, transfer from any other Federal Agency, or exchange.*

*(3) ARTIFACTS.—The Secretary may acquire and provide for the curation of historic artifacts that relate to the park.*

*(f) DONATIONS.—The Secretary may accept and use donations of funds, property, and services to carry out this Act.*

*(g) GENERAL MANAGEMENT PLAN.—*

*(1) IN GENERAL.—Not later than 3 complete fiscal years after the date funds are made available, the Secretary shall prepare, in consultation with the city of Richmond, California, and transmit to the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a general management plan for the park in accordance with the provisions of section 12(b) of the Act of August 18, 1970 (16 U.S.C. 1a–7(b)), popularly known as the National Park System General Authorities Act, and other applicable law.*

*(2) PRESERVATION OF SETTING.—The general management plan shall include a plan to preserve the historic setting of the Rosie the Riveter/World War II Home Front National Historical Park, which shall be jointly developed and approved by the city of Richmond.*

*(3) ADDITIONAL SITES.—The general management plan shall include a determination of whether there are additional representative sites in Richmond that should be added to the park or sites in the rest of the United States that relate to the industrial, governmental, and citizen efforts during World War II that should be linked to and interpreted at the park. Such determination shall consider any information or findings developed in the National Park Service study of the World War II Home Front under section 4.*

### SEC. 4. WORLD WAR II HOME FRONT STUDY.

*The Secretary shall conduct a theme study of the World War II home front to determine whether other sites in the United States meet the criteria for potential inclusion in the National Park System in accordance with Section 8 of Public Law 91–383 (16 U.S.C. 1a–5).*

### SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

*(a) IN GENERAL.—*

*(1) ORAL HISTORIES, PRESERVATION, AND VISITOR SERVICES.—There are authorized to be appropriated such sums as may be necessary to conduct oral histories and to carry out the preservation, interpretation, education, and other essential visitor services provided for by this Act.*

*(2) ARTIFACTS.—There are authorized to be appropriated $1,000,000 for the acquisition and curation of historical artifacts related to the park.*

*(b) PROPERTY ACQUISITION.—There are authorized to be appropriated such sums as are necessary to acquire the properties listed in section 3(e)(2).*

*(c) LIMITATION ON USE OF FUNDS FOR S.S. RED OAK VICTORY.—None of the funds authorized to be appropriated by this section may be used for the operation, maintenance, or preservation of the vessel S.S. RED OAK VICTORY.*

The SPEAKER pro tempore (Mr. SIMPSON). Pursuant to the rule, the gentleman from Utah (Mr. HANSEN) and the gentleman from California (Mr. GEORGE MILLER) each will control 20 minutes.

The Chair recognizes the gentleman from Utah (Mr. HANSEN).

Mr. HANSEN. Mr. Speaker, I yield myself such time as I may consume. I rise in support of H.R. 4063, as amended, introduced by the gentleman from California (Mr. GEORGE MILLER), the ranking minority member from the Committee on Resources. The gentleman from California deserves a lot of credit for crafting this bill, which establishes the Rosie the Riveter-World War II Home Front National Historical Park in the State of California. The historical park would commemorate the industrial, governmental and citizen efforts that eventually led the United States to victory in World War II, and includes sites, structures, and areas that are associated with the home front efforts.

The historical park would be administered by the Secretary of the Interior as a unit of the National Park System. The bill also allows the Secretary to enter into cooperative agreements for the acquisition and curation of historic artifacts and materials related to the park along with providing for the preservation and interpretation of the park and sites selected by the Secretary as representative of the World War II home front. H.R. 4063 also stipulates that any Federal funds used in the cooperative agreements must be matched by an equal amount of funds from non-Federal sources.

I am pleased to be a cosponsor of this bill. This bill creates a park unit which interprets an important part of the history of World War II. I urge all my colleagues to support H.R. 4063, as amended.

Mr. Speaker, I reserve the balance of my time.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 4063, which is to create the Rosie the Riveter-World War II Home

Front National Historic Park. By passing this bill today and sending it over to hopefully expeditious consideration in the other body, we honor all of those who served in the war, in uniform and in coveralls, wearing helmets or bandanas, hoisting a machine gun or a welder's torch.

The Rosie the Riveter National Park would salute the role of the home front during World War II, particularly recognizing the significant changes in the lives of women and minorities that occurred during that era. I am very pleased by the wide support this legislation has received not only in our home community of Richmond, California, but from groups like Kaiser Permanente and the Veterans of Foreign Wars.

I want to thank the gentleman from Alaska (Mr. YOUNG) and the gentleman from Utah (Mr. HANSEN) for their solid support for this legislation, which will give this House an opportunity to go on record as honoring the millions of women who served in the home front during World War II. I want to thank the members of the Committee on Resources who voted unanimously to report this legislation to the House last month.

There has been a great deal of discussion about the significance of World War II this year which marks the 55th anniversary of the end of that horrific conflict. Just last month, the D-Day Museum was opened in New Orleans with a great deal of attention paid to the critical role in the successful invasion of the Higgins boat and those who manufactured it.

H.R. 4063 allows this Nation to honor permanently, through the creation of a national historic park, all of the millions of women and minorities in particular who were the forgotten soldiers of World War II, those who made enormous contributions to this Nation during World War II on the home front. Their migration to industrial centers like Richmond, California, and their ability to move into jobs formerly held only by white males who had moved into the Armed Forces changed the course of the war, the course of history, and the course of social and economic policies in this country forever. It should be noted that thousands of them gave their lives as part of the war effort.

I would like to note that in the report from the National Park Service, they note that between Pearl Harbor in 1941 and January of 1944, that 37,000 people lost their lives on the home front working to build the military mechanism that we used to defeat the Axis, that over 4 million people were temporarily disabled, and 210,000 people were permanently disabled. So in fact the war, the war that World War II was creating, was creating the casualties also on the home front for those who responded to the national need.

Rosie the Riveter has survived as the most remembered icon of the civilian workforce that helped win World War II and had a powerful resonance in the women's movement, the National Park Service tells us in their feasibility study. The National Park Service also found that the Rosie the Riveter-World War II Home Front National Historic Park is nationally significant and that Richmond offers an exceptional opportunity to interpret the many layers of World War II home front experience, including migration and resettlement for jobs, integration of the workforce, industrial and employee service innovations, and the remarkable effort by government, industry, communities and unions to enable America to win the war.

At the hearing we held on this bill, we heard from former Rosies and Wendy the Welders, through the moving testimony of Ludie Mitchell. We heard what it was like for minority women to journey from the South to the West Coast of the United States, to areas that they had never been, had never seen and had barely heard of, to take up a welder's torch, to climb into the belly of a ship under construction and do their job and at one point complete the construction of that ship within 4 days.

We also heard from Ruth Powers, who worked in the child care center which was necessitated by the construction schedule in the Kaiser shipyards for 24-hour child care. In fact, what we found in the discussions during the hearing was that today as we talk about the 24 and 7 economy, the fact that dot coms and the new technology cause people to work around the clock with the globalization of the economy, what in fact we find out that 24 and 7 existed long before that. It existed in the home front battle in World War II where we had 24-hour child care, 24-hour food service, 24-hour health care, movie shows ran 24-hour schedules and in many instances boarding houses ran 24-hour schedules because one shift would sleep while the other shift was working and then the others would come in so that there would be enough housing for all of the workers who migrated to the West Coast shipyards in Richmond, California.

What this legislation is really about is about a celebration of the American spirit. It is about a celebration of Americans' ability to sacrifice. It is about a celebration of Americans responding to the call of the country to the national need and responding to problems in other parts of the world, because that is what America did in the home front during World War II. America responded with every being in the country to contribute to that effort.

As white America, white male America went off to the war, quickly the Roosevelt administration found itself with the inability to conduct that war because America was not prepared for that war.

□ 1600

So some 10 million people went off to military service. That meant that somebody else was going to have to take the jobs in the shipyards and the tank manufacturing facilities and all of the war material plants across this country. That fell to Rosie the Riveter and to minority workers, who were not allowed at that time to join the battle front. They had to stay on the home front.

And respond they did. In my hometown of Richmond, California, a sleepy western town on the edge of San Francisco Bay, it went from 23,000 people to over 90,000 people in a matter of months, as Henry Kaiser responded to the call of President Roosevelt to create the infrastructure to build the ships.

In the 1930s, I think I am correct, America launched about 30 ships. In the 1940s, very few, until the war started. In this shipyard we built over 747 ships, and at one point in the historical report they tell us the Robert E. Perry liberty ship was constructed in Richmond Shipyard Number 2 in 4 days, 15 hours and 29 minutes and it was ready to go battle overseas. In 4 days, 15 hours, the shipyard workers constructed a liberty ship. That is one of the remarkable efforts that is celebrated by this legislation and would be celebrated by the Rosie the Riveter Park.

It is also celebrated as the integration of the workforce. For the first time, out of the South blacks and whites were forced to work together if in fact we were going to defeat our enemies in World War II. So in this case, not only was the workforce becoming more female, it was becoming integrated. Again, that changed the social dynamics, not only of our civilian structure, where people were living in the same housing, there was no time to segregate them, it was too expensive, people came together in integration in the workplace, in child care centers and health care facilities, and in housing, but eventually it also changed to the integration of the armed services in responding to this.

But it was not just the Rosie the Riveters and the welders responding and sacrificing and responding to the call of President Roosevelt and the needs of our nation. Other Americans were doing the same thing. Those of that generation will remember the efforts to ration gasoline, to ration all the critical materials, any metals, rubber, tires, bicycles, vacuum cleaners. All of these things had to last. They had to last longer than normal because we needed the materials for the Second World War.

Some people will remember the slogans: "Use it all up. Don't waste it.

Wear it out. Make it do or do without." Victory gardens cropped up all over the Nation, all part of the home front battle.

The effort of this legislation is to remember that and create a repository for so many of the artifacts that continue to exist, to create oral histories of the women and the men and the minorities that worked in the shipyards and the home front effort.

A couple of years ago, under the leadership of Councilwoman Donna Powers, we had a celebration in Richmond, California, where, to the best of our knowledge, we tried to invite many the women who worked in the shipyards during World War II to come back and to participate in the celebration, recognizing their contribution to the winning of World War II.

The fact is that over 100 women came from all across the country, with their daughters, with their granddaughters. In some cases granddaughters and daughters came because their mother or grandmother had passed on, but they wanted to come see where their mother or grandmother or great grandmother worked and to participate in that piece of history. Hopefully the creation of this Home Front Historic Park will allow other families to participate in that historic journey on behalf of their families and the contributions that these women made to winning the war effort.

Mr. Speaker, I would hope that the House would give its overwhelming support to this legislation so that we can follow up on the finding of value of this park by the National Park Service and we can pay proper tribute to all of those who participated in the battle for the home front.

Mr. Speaker, I rise in support of H.R. 4063 which would create the "Rosie the Riveter-World War II Home Front National Historic Park." By passing this bill today, and sending it over to hopefully expeditious consideration in the other body, we honor all those who served in the war, in uniform and in coveralls, wearing helmets or bandanas, hoisting a machine gun or a welder's torch.

The Rosie the Riveter National Historic Park would salute the role of the home front during World War II, and particularly recognize the significant changes in the lives of women and minorities that occurred during that ear. I am very pleased by the wide support this legislation has received not only in our home community of Richmond, California, but from groups like Kaiser Permanents and the Veterans of Foreign Wars.

I want to thank Chairman DON YOUNG of the Resources Committee, and Parks Subcommittee Chairman JIM HANSEN for their solid support for this legislation, and for expediting consideration of this bipartisan and noncontroversial legislation so that the House would have the opportunity to go on record as honoring the millions of women who served on the home front during World War II. And I also want to thank the members of the Resources Committee who voted unanimously to report this legislation to the House last month.

There has been a great deal of discussion about the significance of World War II this year, which marks the 55th anniversary of the end of that horrific conflict. And just last month, D-Day museum was opened in New Orleans, and a great deal of attention was paid to the critical role in the successful invasion of the Higgins boat and those who manufactured it.

H.R. 4063 allows the nation to honor permanently, through creation of a National Historic Park, all of the millions of women and minorities in particular who were the "forgotten soldiers" of World War II—those who made enormous contributions to this nation during World War II on the home front. Their migration to industrial centers like Richmond, and their ability to move into jobs formerly held only by white males who had moved into the armed forces, changed the course of the war, the course of history, and the course of social and economic policies in this country forever. And, it should be noted, thousands of them gave their lives as part of the war effort.

As the National Park Service Feasibility Study on the project concluded, "Rosie the Riveter has survived as the most remembered icon of the civilian work force that helped win World War II and has a powerful resonance in the women's movement."

This legislation has been carefully developed by local officials and organizations in the Richmond and East Bay Area in conjunction with the National Parks Service pursuant to legislation enacted by the last Congress. The bill is based on the Feasibility Study prepared pursuant to that legislation. I would note that Assistant Secretary Donald Barry has stated: "The study found that the area proposed as the Rosie the Riveter-World War II Home Front National Historic Park is nationally significant [and that] Richmond offers an exceptional opportunity to interpret the many layers of World War II Home Front experience, including migration and resettlement for jobs, integration of the workforce, industrial and employee service innovations, and the remarkable efforts by government, industry, communities and unions to enable America to win the war."

At the hearing we held on this bill, we heard from former Rosies and Wendy the Welders—through the moving testimony of Ludie Mitchell. We heard what it was like for minority women to journey to new areas of the country, to take up welders' torches and climb into the belly of ships under construction, building, in one case, a complete ship in just four days.

We also heard from Ruth Powers, who worked in the child care center that was necessitated by the round-the-clock schedule of the Kaiser Shipyards. In fact, child care and group health pioneered by Kaiser were among the most historic social developments to emerge from World War II, and at the RosieHistoric Site, we have original buildings from both.

We also have some of the remaining dry docks where the Liberty and Victory ships were constructed, and some of the unique architecture that was transformed into war production facilities or built to accommodate defense needs.

The full story of the Home Front's contributions and sacrifices during the war, and Richmond's particular contributions to that effort, are outlined in the Feasibility Study at this point.

Excerpts from Rosie the Riveter World War II Home Front Final Feasibility Study Report, National Park Service (June 2000):

> In the first year of America's entry to World War II, the U.S. Navy was losing ships faster than they could be built. In the 1930's America had launched only 23 ships. In 1940, it took 14 months to build a typical cargo ship. By 1945, it was being done in eight weeks.
>
> Four shipyards were built in rapid succession in Richmond beginning in early 1941 and completed by 1942. Employment at the Richmond Shipyards peaked at 90,000 and, along with the rest of the defense industry buildup, forced a national recruitment and migration of workers and integration of the work force that was unprecedented in its magnitude and impact.
>
> As America went to war, its people fought overseas on the battle fronts and pitched in on the home front; ten million people departed the civilian workplace for active military service. Industry, challenged to undertake a massive overnight buildup, aggressively began recruiting and training an effective workforce from the population left behind.
>
> "Rosie the Riveter" was a propaganda phrase coined to help recruit female civilian workers and came to symbolize a workface that was mobilized to fill the gap. "Wendy the Welder" was another less glamorized icon, who in real life was Janet Doyle, a welder in the Richmond Shipyards. After some initial resistance from employers, women replaced men in many traditionally male stateside jobs to support World War II Home Front production efforts as men enlisted in active military service. People of color encountered more lengthy resistance, but ultimately were brought in the Home Front workforce.
>
> The four Richmond Shipyards, built by industrialist Henry J. Kaiser's firm . . . employed 90,000 including tens of thousands of women of all ages and backgrounds. In Richmond, these women helped build 747 ships in record time for use by the United States Navy and Merchant Marine. Their labor marked an unprecedented entry into jobs never before performed by women and played a critical role in increasing American productivity to meet the demand for ships to overturn the German and Japanese strategy to defeat the U.S. Navy. These four shipyards constitute the largest World War II shipyard operation in the U.S. Richmond also had 55 other wartime support industries and one of the nation's largest wartime housing programs. The Ford Assembly Plant converted from automobile to tank production during the war, processing over 60,000 tanks plus a variety of other military vehicles.
>
> Nationwide six million women entered the World War II Home Front workforce. The employment opportunities for black women and other women of color were unprecedented. African Americans, Asians, Hispanics and Native Americans were eventually employed for the first time to work side by side with whites in specialized, high-paying jobs previously unavailable to them. Women and people of color earned more money than they ever had and mastered job skills that had been solely performed by white men up to that point.
>
> Many of the Home Front industries were set up at the nexus of railroad lines and harbors where materials could be assembled and

shipped overseas. Richmond was ideally situated as a West Coast rail terminus on San Francisco Bay and the Golden Gate opening to the Pacific Ocean.

During World War II, Richmond's population grew dramatically from 23,642 to over 100,000 attracting people from all over the country. By 1944, 27% of the Richmond Shipyards workforce of 90,000 were women, including over 41% of all welders and 24% of all craft employees. Another 10,000 workers, including commuters from other Bay Area cities and towns, worked in Richmond's 55 other war industries.

The jobs available at World War II Home Front industrial complexes attracted and actively recruited-workers from across the country resulting in massive, mostly permanent population relocations. Many, who relocated from poor, rural places and marginal jobs such as sharecropping, were determined to stay on after World War II. The cities where the World War II industries mobilized were confronted with overwhelming demands on housing, transportation, community services, shopping, and infrastructure. To enable the 24-hour production, the largest companies, such as Kaiser, and the public sector cooperated to provide round the clock child care, food service, health care, and employee services.

Despite their best efforts, many workers often had to settle for marginal housing, long lines for purchases and lengthy commutes, in addition to the other Home Front sacrifices.

Working conditions on the Home Front could be difficult and dangerous and took a very high toll. A January 21, 1944 New York times article cited: "Industrial casualties (women and men) between Pearl Harbor and January 1st of this year aggregated 37,500 killed, or 7,500 more than the military dead, 210,000 permanently disabled, and 4,500,000 temporarily disabled, or 60 times the number of military wounded and missing." While the ultimate United States casualty count on the Battle Front reached 295,000, the additional casualties on the Home Front represent the full price America paid to win the War.

For most Americans, the World War II Home Front experience also involved many day-to-day adjustments to support the War effort. These adaptations involved: collection and recycling of strategic materials such as metal, paper, waste fat, nylon, silk, and rubber. Twenty common commodities, including gasoline, sugar, coffee, shoes, butter, and meat, were carefully rationed. Tires, cars, bicycles, vacuum cleaners, waffle irons and flashlights had to last because they were no longer manufactured. People were asked to "Use it up/Wear it out/Make it do/or Do without." Victory gardens cropped up everywhere. Everyone bought war bonds. National parks were closed. Women replaced men in professional sports leagues, orchestras and many other tasks.

As World War II drew to a close, war-related industry jobs peaked in early 1945 and began to shut down as the last battles were fought. After the war, jobs for women and people of color diminished dramatically. Post-war jobs were largely reserved for returning servicemen.

Propaganda messages were re-phrased from telling women to come to work to advise them that their appropriate roles were not at home. While most assumed those who relocated to the Home Front industrial sites would return to where they came from, the majority of migrants were determined to stay.

The World War II Home Front in Richmond was representative of other industrial centers that emerged specifically to support America's war effort. Many of those who worked in Richmond's industries are part of the community today.

The effort to preserve these historic sites has been led by the City of Richmond, including Mayor Rosemary Corbin and Councilman Tom Butt, former Councilwoman Donna Powers, and local preservationists including Donna Graves. They have generated not only plans, but substantial financial resources to support the restoration and maintenance of the historic structures. The National Park Service will play a key role in developing the Site, including the maintenance of a visitors' center and services, but the major financial responsibilities will remain with the local community.

I do want to pay tribute to Regional Director John Reynolds and Ray Murray of the National Park Service who have played a key role in producing the Feasibility Study and in working closely with the local groups to finalize this project and develop the legislation before us today.

This legislation pays tribute to all those who participated, contributed and sacrificed on the home front during World War II. They fought that greatest war for all of us, and this legislation will ensure that future generations of Americans know what they did, and honor them for their sacrifices.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today in full support of the creation of a Rosie the Riveter-World War Two Home Front National Historic Park. This bill establishes the Rosie the Riveter World War Two Home Front National Historical Park in Richmond, California under the direction of the Interior Department and the National Park Service.

Created by Norman Rockwell in 1943, the character "Rosie" depicted a muscular woman eating a sandwich long before female body sculpting was acceptable. Rosie represented the home front contributions of women in the Allies effort to defeat the Axis Powers during World War Two. This innocent-looking woman in coveralls, cradling her rivet gun in her lap, goggles pushed up onto her forehead let it be known that mom was not home baking cookies while her sons and husbands were fighting for freedom. She did what she had to do and if that meant picking up a blow-torch, or hammer, or saw she did it because there were not enough men in her town, city, state, or nation to build the tanks, planes, and trucks required to defeat the Nazi war machine.

The proposed memorial will honor the more than 6 million women who entered the job force during the war, many of them taking up positions in what was considered by most of that time to be "man's work." These women made tremendous contributions to our nation's survival during a difficult time in American History, but after the war was over they quietly without request or fanfare returned to their homes to raise their families and nurture their communities through the healing process after a draining war. Their efforts were far ahead of the women's equal rights movement of the 1960s, but they were the daughters of those women who fought for women's voting rights in the United States. These daughters of social revolutionaries were revolutionaries in modern American society by letting it be known that women were and are capable of contributing a great deal to the preservation of our society.

It is long over due that these heroes of World War Two be recognized for their valuable contributions to our nation's war efforts. Therefore, I ask that all of my colleagues join in support of this national recognition of the contribution of women in the successful conclusion of World War Two.

Ms. PELOSI. Mr. Speaker, I rise in support of the legislation offered by my colleague from California, Mr. GEORGE MILLER, to establish a historical park in Richmond, California dedicated to Rosie the Riveter and the World War II home front. I would like to commend the ranking member of the House Resources Committee, Mr. MILLER, for bringing this important legislation to the floor today.

The Rosie the Riveter National Historical Park is a tribute to the thousands of women during the World War II era, who broke the mold and left the role of homemaker, to enter factories and shipyards to build aircraft and war ships for our troops overseas. Jobs, typically held by white males, were not being done by women and minorities; transforming the face of our Nation's workforce. Not only did these "Rosies" bring new recognition to the importance of women as part of the work force, they brought about changes in child care and women's health services.

The establishment of a Rosie the Riveter National Historical Park is a fitting tribute to the men and women of the World War II homefront, who labored around the clock building the ships, tanks, and aircraft that were so vital to the war effort. It is our duty to recognize the enormous contribution that these men and women made not only to the war effort but to the sweeping social and cultural changes that were ushered in by the war-time employment needs.

Mr. MILLER's legislation is supported by women's and veterans groups and by the local communities in and around Richmond, where shipbuilding during World War II was a major activity. I urge my colleagues to vote "yes" on H.R. 4063.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield back the balance of my time.

Mr. HANSEN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SIMPSON). The question is on the motion offered by the gentleman from Utah (Mr. HANSEN) that the House suspend the rules and pass the bill, H.R. 4063, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to establish the Rosie the Riveter/World War II Home Front National Historical Park in the State of California, and for other purposes."

A motion to reconsider was laid on the table.

## UTAH WEST DESERT LAND EXCHANGE ACT OF 2000

Mr. HANSEN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4579) to provide for the exchange of certain lands within the State of Utah, as amended.

The Clerk read as follows:

H.R. 4579

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Utah West Desert Land Exchange Act of 2000".

**SEC. 2. FINDINGS AND PURPOSE.**

(a) FINDINGS.—The Congress finds the following:

(1) The State of Utah owns approximately 95,095.19 acres of land, as well as approximately 11,187.60 acres of mineral interests, located in the West Desert region of Utah and contained wholly or partially within certain wilderness study areas created pursuant to section 603 of the Federal Lands Policy and Management Act of 1976, or proposed by the Bureau of Land Management for wilderness study area status pursuant to section 202 of that Act. These lands were granted by the Congress to the State of Utah pursuant to the Utah Enabling Act of 1894 (chapter 138; 23 Stat. 107), to be held in trust for the benefit of the State's public school system and other public institutions. The lands are largely scattered in checkerboard fashion amidst the Federal lands comprising the remainder of such existing and proposed wilderness study areas.

(2) Development of surface and mineral resources on State trust lands within existing or proposed wilderness study areas, or the sale of such lands into private ownership, could be incompatible with management of such lands for nonimpairment of their wilderness characteristics pursuant to section 603(c) of the Federal Land Policy and Management Act of 1976 or with future congressional designation of the lands as wilderness.

(3) The United States owns lands and interests in lands outside of existing and proposed wilderness study areas that can be transferred to the State of Utah in exchange for the West Desert wilderness inholdings without jeopardizing Federal management objectives or needs.

(4) The large presence of State trust land inholdings in existing and proposed wilderness study areas in the West Desert region makes land and resource management in these areas difficult, costly, and controversial for both the State of Utah and the United States.

(5) It is in the public interest to reach agreement on exchange of such inholdings, on terms fair to both the State of Utah and the United States. Such an agreement, subject to ratification by the Congress, would save much time and delay in meeting the legitimate expectations of the State school and institutional trusts, in simplifying management of Federal lands, and in avoiding the significant time and expense associated with administrative land exchanges.

(6) The State of Utah and the United States have reached an agreement under which the State would exchange certain State trust lands within specified wilderness study areas and areas identified as having wilderness characteristics in the West Desert region for various Federal lands and interests in lands outside of those areas but in the same region of Utah. The agreement also provides for the State to convey to the United States approximately 483 acres of land in Washington County, Utah, that has been designated as critical habitat for the Desert Tortoise, a threatened species, for inclusion in the Red Cliffs Desert Reserve.

(7) Because the inholdings to be acquired by the Federal Government include properties within some of the most spectacular wild areas in the western United States, and because a mission of the Utah School and Institutional Trust Lands Administration is to produce economic benefits for Utah's public schools and other beneficiary institutions, the exchange of lands called for in this agreement will resolve longstanding environmental conflicts with respect to the existing and proposed wilderness study areas, place important natural lands into public ownership, and further the interests of the State trust lands, the school children of Utah, and these conservation resources.

(8) Under this agreement taken as a whole, the State interests to be conveyed to the United States by the State of Utah, and the Federal interests to be conveyed to the State of Utah by the United States, will be approximately equal in value.

(b) PURPOSE.—The purpose of this Act is to enact into law and direct prompt implementation of this agreement, and thereby to further the public interest by consolidating State and Federal lands into manageable units while facilitating the protection of lands with significant scientific, cultural, and natural resources.

**SEC. 3. RATIFICATION OF THE AGREED EXCHANGE BETWEEN THE STATE OF UTAH AND THE DEPARTMENT OF THE INTERIOR.**

(a) AGREEMENT.—The State of Utah and the Department of the Interior have agreed to exchange certain Federal lands and mineral interests in the State of Utah for lands and mineral interests of approximately equal value managed by the Utah School and Institutional Trust Lands Administration wholly or partially within certain existing and proposed wilderness study areas in the West Desert region of Utah.

(b) RATIFICATION.—All terms, conditions, procedures, covenants, reservations, and other provisions set forth in the document entitled "Agreement for Exchange of Lands—West Desert State-Federal Land Consolidation", dated May 30, 2000 (in this Act referred to as "the Agreement"), are hereby incorporated in this Act, are ratified and confirmed, and set forth the obligations of the United States, the State of Utah, and the Utah School and Institutional Trust Lands Administration, as a matter of Federal law.

(c) CONDITION.—Before exchanging any lands under this Act, the Secretary of the Interior and the State of Utah shall each document in a statement of value how the determination of approximately equal value was made in accordance with section 206(h) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716(h)), provided that the provisions of paragraph (1)(A) of section 206(h) of such Act shall not apply. In addition, the Secretary and the State shall select an independent qualified appraiser who shall review the statements of value as prepared by the Secretary and the State of Utah and all documentation and determine if the lands are of approximately equal value. If there is a finding of a difference in value, then the Secretary and the State shall adjust the exchange to achieve approximately equal value.

**SEC. 4. CONVEYANCES.**

(a) CONVEYANCES.—All conveyances under sections 2 and 3 of the Agreement shall be completed within 70 days after the date on which the condition set forth in section 3(c) is met.

(b) MAPS AND LEGAL DESCRIPTIONS.—

(1) IN GENERAL.—The maps and legal descriptions referred to in the Agreement depict the lands subject to the conveyances under the Agreement.

(2) PUBLIC AVAILABILITY.—The maps and descriptions referred to in the Agreement shall be on file and available for public inspection in the offices of the Secretary of the Interior and the Utah State Director of the Bureau of Land Management.

(3) CONFLICT.—In case of any conflict between the maps and the legal descriptions in the Agreement, the legal descriptions shall control.

**SEC. 5. COSTS.**

The United States and the State of Utah shall each bear its own respective costs incurred in the implementation of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Utah (Mr. HANSEN) and the gentleman from California (Mr. GEORGE MILLER) each will control 20 minutes.

The Chair recognizes the gentleman from Utah (Mr. HANSEN).

Mr. HANSEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 4579 introduced by myself, would facilitate a major land exchange between the Secretary of the Interior and the State of Utah. Within the West Desert of Utah lies hundreds of thousands of acres of wilderness study areas. For decades now, the school trust has owned lands within these WSAs with no ability to generate revenues from these lands, which is their constitutional mandate.

Earlier in this Congress, the Secretary and the school trust began negotiating a land exchange to remove these lands from the WSAs to ensure that those lands would not be developed and to ensure that the school children of Utah could benefit from the lands they have owned since statehood.

This exchange trades approximately 106,000 acres of State land for approximately 106,000 acres of Federal land. This is an equal value exchange that benefits both the conservation of our lands and the school children of Utah. We bring to the floor today an amended version of the legislation which ensures that the values are equal and that the work of the State and the Department of Interior will be independently reviewed. I appreciate the minority working with us and the Department to craft an amendment that guarantees this as an equal value exchange.

I urge my colleagues to support H.R. 4579.

Mr. Speaker, I reserve the balance of my time.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this legislation, H.R. 4579, that would ratify an agreement reached May 30 between Interior Secretary Babbitt and Utah Governor Levitt to exchange Federal and State lands in the West Desert of Utah. Such legislation is necessary because the proposed exchange does not comply with the requirements of the Federal Land Policy Management Act and other applicable law.

The agreement between the Secretary and the Governor has only recently been finalized, and the hearing held by the Committee on Resources raised several questions. Fortunately, I think we have been able to address the questions that were raised with respect to appraisal of these lands and the process by which the BLM went through this and raised concerns about the general, if you will, BLM appraisal process with respect to land exchanges.

Clearly here the worry was that valuation methods were used that had no basis in law or policy and could not stand up to the appraisal standards. But I think the fact of the matter is that while that process was far from ideal, I think also we have a unique situation here in the sense that there is a benefit in this exchange, especially in the fact that we will have the opportunity to consolidate Federal land holdings in many wilderness study areas and other lands found to have significant wilderness qualities, and I think that is important.

So some of these lands in and of them themselves may not have great value, but in terms of management and the consolidation impact, I think that clearly this exchange is needed, and I believe the bill now contains provisions that will provide reasonable process for assessing the value of the proposed land exchange before it is implemented.

The language provides that the Secretary and the State of Utah will each prepare a statement of value for the lands to be exchanged. In addition, the two parties will select an independent qualified appraiser who will review those statements of values and all relevant documentation to determine if the lands are of approximately equal value. I think this in fact will make the bill acceptable.

I really want to thank the sponsor of this legislation, the gentleman from Utah (Mr. HANSEN), for all of the effort that he has put into this legislation to address these concerns. I think it is clearly a bill that the House should now support.

Mr. Speaker, I yield back the balance much my time.

Mr. HANSEN. Mr. Speaker, I thank the gentleman from California for his comments.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Utah (Mr. HANSEN) that the House suspend the rules and pass the bill, H.R. 4579, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

## VALLES CALDERA PRESERVATION ACT

Mr. HANSEN. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 1892) to authorize the acquisition of the Valles Caldera, to provide for an effective land and wildlife management program for this resource within the Department of Agriculture, and for other purposes.

The Clerk read as follows:

S. 1892

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### TITLE I—VALLES CALDERA NATIONAL PRESERVE AND TRUST

**SEC. 101. SHORT TITLE.**

This title may be cited as the "Valles Caldera Preservation Act".

**SEC. 102. FINDINGS AND PURPOSES.**

(a) FINDINGS.—Congress finds that—

(1) the Baca ranch comprises most of the Valles Caldera in central New Mexico, and constitutes a unique land mass, with significant scientific, cultural, historic, recreational, ecological, wildlife, fisheries, and productive values;

(2) the Valles Caldera is a large resurgent lava dome with potential geothermal activity;

(3) the land comprising the Baca ranch was originally granted to the heirs of Don Luis Maria Cabeza de Vaca in 1860;

(4) historical evidence, in the form of old logging camps and other artifacts, and the history of territorial New Mexico indicate the importance of this land over many generations for domesticated livestock production and timber supply;

(5) the careful husbandry of the Baca ranch by the current owners, including selective timbering, limited grazing and hunting, and the use of prescribed fire, have preserved a mix of healthy range and timber land with significant species diversity, thereby serving as a model for sustainable land development and use;

(6) the Baca ranch's natural beauty and abundant resources, and its proximity to large municipal populations, could provide numerous recreational opportunities for hiking, fishing, camping, cross-country skiing, and hunting;

(7) the Forest Service documented the scenic and natural values of the Baca ranch in its 1993 study entitled "Report on the Study of the Baca Location No. 1, Santa Fe National Forest, New Mexico", as directed by Public Law 101-556;

(8) the Baca ranch can be protected for current and future generations by continued operation as a working ranch under a unique management regime which would protect the land and resource values of the property and surrounding ecosystem while allowing and providing for the ranch to eventually become financially self-sustaining;

(9) the current owners have indicated that they wish to sell the Baca ranch, creating an opportunity for Federal acquisition and public access and enjoyment of these lands;

(10) certain features on the Baca ranch have historical and religious significance to Native Americans which can be preserved and protected through Federal acquisition of the property;

(11) the unique nature of the Valles Caldera and the potential uses of its resources with different resulting impacts warrants a management regime uniquely capable of developing an operational program for appropriate preservation and development of the land and resources of the Baca ranch in the interest of the public;

(12) an experimental management regime should be provided by the establishment of a Trust capable of using new methods of public land management that may prove to be cost-effective and environmentally sensitive; and

(13) the Secretary may promote more efficient management of the Valles Caldera and the watershed of the Santa Clara Creek through the assignment of purchase rights of such watershed to the Pueblo of Santa Clara.

(b) PURPOSES.—The purposes of this title are—

(1) to authorize Federal acquisition of the Baca ranch;

(2) to protect and preserve for future generations the scientific, scenic, historic, and natural values of the Baca ranch, including rivers and ecosystems and archaeological, geological, and cultural resources;

(3) to provide opportunities for public recreation;

(4) to establish a demonstration area for an experimental management regime adapted to this unique property which incorporates elements of public and private administration in order to promote long term financial sustainability consistent with the other purposes enumerated in this subsection; and

(5) to provide for sustained yield management of Baca ranch for timber production and domesticated livestock grazing insofar as is consistent with the other purposes stated herein.

**SEC. 103. DEFINITIONS.**

In this title:

(1) BACA RANCH.—The term "Baca ranch" means the lands and facilities described in this section 104(a).

(2) BOARD OF TRUSTEES.—The terms "Board of Trustees" and "Board" mean the Board of Trustees as describe in section 107.

(3) COMMITTEES OF CONGRESS.—The term "Committees of Congress" means the Committee on Energy and Natural Resources of the Senate and the Committee on Resources of the House of Representatives.

(4) FINANCIALLY SELF-SUSTAINING.—The term "financially self-sustaining" means management and operating expenditures equal to or less than proceeds derived from fees and other receipts for resource use and development and interest on invested funds. Management and operating expenditures shall include Trustee expenses, salaries and benefits of staff, administrative and operating expenses, improvements to and maintenance of lands and facilities of the Preserve, and other similar expenses. Funds appropriated to the Trust by Congress, either directly or through the Secretary, for the purposes of this title shall not be considered.

(5) MULTIPLE USE AND SUSTAINED YIELD.—The term "multiple use and sustained yield" has the combined meaning of the terms "multiple use" and "sustained yield of the several products and services", as defined under the Multiple-Use Sustained-Yield Act of 1960 (16 U.S.C. 531).

(6) PRESERVE.—The term "Preserve" means the Valles Caldera National Preserve established under section 105.

(7) SECRETARY.—Except where otherwise provided, the term "Secretary" means the Secretary of Agriculture.

(8) TRUST.—The term "Trust" means the Valles Caldera Trust established under section 106.

**SEC. 104. ACQUISITION OF LANDS.**

(a) ACQUISITION OF BACA RANCH.—

(1) IN GENERAL.—In compliance with the Act of June 15, 1926 (16 U.S.C. 471a), the Secretary is authorized to acquire all or part of the rights, title, and interests in and to approximately 94,761 acres of the Baca ranch, comprising the lands, facilities, and structures referred to as the Baca Location No. 1, and generally depicted on a plat entitled "Independent Resurvey of the Baca Location No. 1", made by L.A. Osterhoudt, W.V. Hall, and Charles W. Devendorf, U.S. Cadastral Engineers, June 30, 1920–August 24, 1921, under special instructions for Group No. 107 dated February 12, 1920, in New Mexico.

(2) SOURCE OF FUNDS.—The acquisition under paragraph (1) may be made by purchase through appropriated or donated funds, by exchange, by contribution, or by donation of land. Funds appropriated to the Secretary from the Land and Water Conservation Fund shall be available for this purpose.

(3) BASIS OF SALE.—The acquisition under paragraph (1) shall be based on an appraisal done in conformity with the Uniform Appraisal Standards for Federal Land Acquisitions and—

(A) in the case of purchase, such purchase shall be on a willing seller basis for no more than the fair market value of the land or interests therein acquired; and

(B) in the case of exchange, such exchange shall be for lands, or interests therein, of equal value, in conformity with the existing exchange authorities of the Secretary.

(4) DEED.—The conveyance of the offered lands to the United States under this subsection shall be by general warranty or other deed acceptable to the Secretary and in conformity with applicable title standards of the Attorney General.

(b) ADDITION OF LAND TO BANDELIER NATIONAL MONUMENT.—Upon acquisition of the Baca ranch under subsection (a), the Secretary of the Interior shall assume administrative jurisdiction over those lands within the boundaries of the Bandelier National Monument as modified under section 3 of Public Law 105–376 (112 Stat. 3389).

(c) PLAT AND MAPS.—

(1) PLAT AND MAPS PREVAIL.—In case of any conflict between a plat or a map and acreages, the plat or map shall prevail.

(2) MINOR CORRECTIONS.—The Secretary and the Secretary of the Interior may make minor corrections in the boundaries of the Upper Alamo watershed as depicted on the map referred to in section 3 of Public Law 105–376 (112 Stat. 3389).

(3) BOUNDARY MODIFICATION.—Upon the conveyance of any lands to any entity other than the Secretary, the boundary of the Preserve shall be modified to exclude such lands.

(4) FINAL MAPS.—Within 180 days of the date of acquisition of the Baca ranch under subsection (a), the Secretary and the Secretary of the Interior shall submit to the Committees of Congress a final map of the Preserve and a final map of Bandelier National Monument, respectively.

(5) PUBLIC AVAILABILITY.—The plat and maps referred to in the subsection shall be kept and made available for public inspection in the offices of the Chief, Forest Service, and Director, National Park Service, in Washington, D.C., and Supervisor, Santa Fe National Forest, and Superintendent, Bandelier National Monument, in the State of New Mexico.

(d) WATERSHED MANAGEMENT REPORT.—The Secretary, acting through the Forest Service, in cooperation with the Secretary of the Interior, acting through the National Park Service, shall—

(1) prepare a report of management alternatives which may—

(A) provide more coordinated land management within the area known as the upper watersheds of Alamo, Capulin, Medio, and Sanchez Canyons, including the areas known as the Dome Diversity Unit and the Dome Wilderness;

(B) allow for improved management of elk and other wildlife populations ranging between the Santa Fe National Forest and the Bandelier National Monument; and

(C) include proposed boundary adjustments between the Santa Fe National Forest and the Bandelier National Monument to facilitate the objectives under subparagraphs (A) and (B); and

(2) submit the report to the Committees of Congress within 120 days of the date of enactment of this title.

(e) OUTSTANDING MINERAL INTERESTS.—The acquisition of the Baca ranch by the Secretary shall be subject to all outstanding valid existing mineral interests. The Secretary is authorized and directed to negotiate with the owners of any fractional interest in the subsurface estate for the acquisition of such fractional interest on a willing seller basis for not to exceed its fair market value, as determined by appraisal done in conformity with the Uniform Appraisal Standards for Federal Land Acquisitions. Any such interests acquired within the boundaries of the Upper Alamo watershed, as referred to in subsection (b), shall be administered by the Secretary of the Interior as part of Bandelier National Monument.

(f) BOUNDARIES OF THE BACA RANCH.—For purposes of section 7 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601–9), the boundaries of the Baca ranch shall be treated as if they were National Forest boundaries existing as of January 1, 1965.

(g) PUEBLO OF SANTA CLARA.—

(1) IN GENERAL.—The Secretary may assign to the Pueblo of Santa Clara rights to acquire for fair market value portions of the Baca ranch. The portion that may be assigned shall be determined by mutual agreement between the Pueblo and the Secretary based on optimal management considerations for the Preserve including manageable land line locations, public access, and retention of scenic and natural values. All appraisals shall be done in conformity with the Uniform Appraisal Standards for Federal Land Acquisition.

(2) STATUS OF LAND ACQUIRED.—As of the date of acquisition, the fee title lands, and any mineral estate underlying such lands, acquired under this subsection by the Pueblo of Santa Clara are deemed transferred into trust in the name of the United States for the benefit of the Pueblo of Santa Clara and such lands and mineral estate are declared to be part of the existing Santa Clara Indian Reservation.

(3) MINERAL ESTATE.—Any mineral estate acquired by the United States pursuant to section 104(e) underlying fee title lands acquired by the Pueblo of Santa Clara shall not be developed without the consent of the Secretary of the Interior and the Pueblo of Santa Clara.

(4) SAVINGS.—Any reservations, easements, and covenants contained in an assignment agreement entered into under paragraph (1) shall not be affected by the acquisition of the Baca ranch by the United States, the assumption of management by the Valles Caldera Trust, or the lands acquired by the Pueblo being taken into trust.

**SEC. 105. THE VALLES CALDERA NATIONAL PRESERVE.**

(a) ESTABLISHMENT.—Upon the date of acquisition of the Baca ranch under section 104(a), there is hereby established the Valles Caldera National Preserve as a unit of the National Forest System which shall include all Federal lands and interests in land acquired under sections 104(a) and 104(e), except those lands and interests in land administered or held in trust by the Secretary of the Interior under sections 104(b) and 104(g), and shall be managed in accordance with the purposes and requirements of this title.

(b) PURPOSES.—The purposes for which the Preserve is established are to protect and preserve the scientific, scenic, geologic, watershed, fish, wildlife, historic, cultural, and recreational values of the Preserve, and to provide for multiple use and sustained yield of renewable resources within the Preserve, consistent with this title.

(c) MANAGEMENT AUTHORITY.—Except for the powers of the Secretary enumerated in this title, the Preserve shall be managed by the Valles Caldera Trust established by section 106.

(d) ELIGIBILITY FOR PAYMENT IN LIEU OF TAXES.—Lands acquired by the United States under section 104(a) shall constitute entitlement lands for purposes of the Payment in Lieu of Taxes Act (31 U.S.C. 6901–6904).

(e) WITHDRAWALS.—

(1) IN GENERAL.—Upon acquisition of all interests in minerals within the boundaries of the Baca ranch under section 104(e), subject to valid existing rights, the lands comprising the Preserve are thereby withdrawn from disposition under all laws pertaining to mineral leasing, including geothermal leasing.

(2) MATERIALS FOR ROADS AND FACILITIES.—Nothing in this title shall preclude the Secretary, prior to assumption of management of the Preserve by the Trust, and the Trust thereafter, from allowing the utilization of common varieties of mineral materials such as sand, stone, and gravel as necessary for construction and maintenance of roads and facilities within the Preserve.

(f) FISH AND GAME.—Nothing in this title shall be construed as affecting the responsibilities of the State of New Mexico with respect to fish and wildlife, including the regulation of hunting, fishing, and trapping within the Preserve, except that the Trust may, in consultation with the Secretary and the State of New Mexico, designate zones where and establish periods when no hunting, fishing, or trapping shall be permitted for reasons of public safety, administration, the protection of nongame species and their habitats, or public use and enjoyment.

(g) REDONDO PEAK.—

(1) IN GENERAL.—For the purposes of preserving the natural, cultural, religious, and historic resources on Redondo Peak upon acquisition of the Baca ranch under section 104(a), except as provided in paragraph (2), within the area of Redondo Peak above 10,000 feet in elevation—

(A) no roads, structures, or facilities shall be constructed; and

(B) no motorized access shall be allowed.

(2) EXCEPTIONS.—Nothing in this subsection shall preclude—

(A) the use and maintenance of roads and trails existing as of the date of enactment of this Act;

(B) the construction, use and maintenance of new trails, and the relocation of existing roads, if located to avoid Native American religious and cultural sites; and

(C) motorized access necessary to administer the area by the Trust (including measures required in emergencies involving the health or safety of persons within the area).

**SEC. 106. THE VALLES CALDERA TRUST.**

(a) ESTABLISHMENT.—There is hereby established a wholly owned government corporation known as the Valles Caldera Trust which is empowered to conduct business in the State of New Mexico and elsewhere in the United States in furtherance of its corporate purposes.

(b) CORPORATE PURPOSES.—The purposes of the Trust are—

(1) to provide management and administrative services for the Preserve;

(2) to establish and implement management policies which will best achieve the purposes and requirements of this title;

(3) to receive and collect funds from private and public sources and to make dispositions in support of the management and administration of the Preserve; and

(4) to cooperate with Federal, State, and local governmental units, and with Indian tribes and Pueblos, to further the purposes for which the Preserve was established.

(c) NECESSARY POWERS.—The Trust shall have all necessary and proper powers for the exercise of the authorities vested in it.

(d) STAFF.—

(1) IN GENERAL.—The Trust is authorized to appoint and fix the compensation and duties of an executive director and such other officers and employees as it deems necessary without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may pay them without regard to the provisions of chapter 51, and subchapter III of chapter 53, title 5, United States Code, relating to classification and General Schedule pay rates. No employee of the Trust shall be paid at a rate in excess of that payable to the Supervisor of the Santa Fe National Forest or the Superintendent of the Bandelier National Monument, whichever is greater.

(2) FEDERAL EMPLOYEES.—

(A) IN GENERAL.—Except as provided in this title, employees of the Trust shall be Federal employees as defined by title 5, United States Code, and shall be subject to all rights and obligations applicable thereto.

(B) USE OF FEDERAL EMPLOYEES.—At the request of the Trust, the employees of any Federal agency may be provided for implementation of this title. Such employees detailed to the Trust for more than 30 days shall be provided on a reimbursable basis.

(e) GOVERNMENT CORPORATION.—

(1) IN GENERAL.—The Trust shall be a Government Corporation subject to chapter 91 of title 31, United States Code (commonly referred to as the Government Corporation Control Act). Financial statements of the Trust shall be audited annually in accordance with section 9105 of title 31 of the United States Code.

(2) REPORTS.—Not later than January 15 of each year, the Trust shall submit to the Secretary and the Committees of Congress a comprehensive and detailed report of its operations, activities, and accomplishments for the prior year including information on the status of ecological, cultural, and financial resources being managed by the Trust, and benefits provided by the Preserve to local communities. The report shall also include a section that describes the Trust's goals for the current year.

(3) ANNUAL BUDGET.—

(A) IN GENERAL.—The Trust shall prepare an annual budget with the goal of achieving a financially self-sustaining operation within 15 full fiscal years after the date of acquisition of the Baca ranch under section 104(a).

(B) BUDGET REQUEST.—The Secretary shall provide necessary assistance (including detailees as necessary) to the Trust for the timely formulation and submission of the annual budget request for appropriations, as authorized under section 111(a), to support the administration, operation, and maintenance of the Preserve.

(f) TAXES.—The Trust and all properties administered by the Trust shall be exempt from all taxes and special assessments of every kind by the State of New Mexico, and its political subdivisions including the counties of Sandoval and Rio Arriba.

(g) DONATIONS.—The Trust may solicit and accept donations of funds, property, supplies, or services from individuals, foundations, corporations, and other private or public entities for the purposes of carrying out its duties. The Secretary, prior to assumption of management of the Preserve by the Trust, and the Trust thereafter, may accept donations from such entities notwithstanding that such donors may conduct business with the Department of Agriculture or any other department or agency of the United States.

(h) PROCEEDS.—

(1) IN GENERAL.—Notwithstanding sections 1341 and 3302 of title 31 of the United States Code, all monies received from donations under subsection (g) or from the management of the Preserve shall be retained and shall be available, without further appropriation, for the administration, preservation, restoration, operation and maintenance, improvement, repair, and related expenses incurred with respect to properties under its management jurisdiction.

(2) FUND.—There is hereby established in the Treasury of the United States a special interest bearing fund entitled "Valles Caldera Fund" which shall be available, without further appropriation for any purpose consistent with the purposes of this title. At the option of the Trust, or the Secretary in accordance with section 110, the Secretary of the Treasury shall invest excess monies of the Trust in such account, which shall bear interest at rates determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturity.

(i) RESTRICTIONS ON DISPOSITION OF RECEIPTS.—Any funds received by the Trust, or the Secretary in accordance with section 109(b), from the management of the Preserve shall not be subject to partial distribution to the State under—

(1) the Act of May 23, 1908, entitled "an Act making appropriations for the Department of Agriculture for the fiscal year ending June thirtieth, nineteen hundred and nine" (35 Stat. 260, chapter 192; 16 U.S.C. 500);

(2) section 13 of the Act of March 1, 1911 (36 Stat. 963, chapter 186; 16 U.S.C. 500); or

(3) any other law.

(j) SUITS.—The Trust may sue and be sued in its own name to the same extent as the Federal Government. For purposes of such suits, the residence of the Trust shall be the State of New Mexico. The Trust shall be represented by the Attorney General in any litigation arising out of the activities of the Trust, except that the Trust may retain private attorneys to provide advice and counsel.

(k) BYLAWS.—The Trust shall adopt necessary bylaws to govern its activities.

(l) INSURANCE AND BOND.—The Trust shall require that all holders of leases from, or parties in contract with, the Trust that are authorized to occupy, use, or develop properties under the management jurisdiction of the Trust, procure proper insurance against any loss in connection with such properties, or activities authorized in such lease or contract, as is reasonable and customary.

(m) NAME AND INSIGNIA.—The Trust shall have the sole and exclusive right to use the words "Valles Caldera Trust", and any seal, emblem, or other insignia adopted by the Board of Trustees. Without express written authority of the Trust, no person may use the words "Valles Caldera Trust" as the name under which that person shall do or purport to do business, for the purpose of trade, or by way of advertisement, or in any manner that may falsely suggest any connection with the Trust.

**SEC. 107. BOARD OF TRUSTEES.**

(a) IN GENERAL.—The Trust shall be governed by a 9-member Board of Trustees consisting of the following:

(1) VOTING TRUSTEES.—The voting Trustees shall be—

(A) the Supervisor of the Santa Fe National Forest, United States Forest Service;

(B) the Superintendent of the Bandelier National Monument, National Park Service; and

(C) 7 individuals, appointed by the President, in consultation with the congressional delegation from the State of New Mexico. The 7 individuals shall have specific expertise or represent an organization or government entity as follows—

(i) one trustee shall have expertise in aspects of domesticated livestock management, production, and marketing, including range management and livestock business management;

(ii) one trustee shall have expertise in the management of game and nongame wildlife and fish populations, including hunting, fishing, and other recreational activities;

(iii) one trustee shall have expertise in the sustainable management of forest lands for commodity and noncommodity purposes;

(iv) one trustee shall be active in a nonprofit conservation organization concerned with the activities of the Forest Service;

(v) one trustee shall have expertise in financial management, budget and program analysis, and small business operations;

(vi) one trustee shall have expertise in the cultural and natural history of the region; and

(vii) one trustee shall be active in State or local government in New Mexico, with expertise in the customs of the local area.

(2) QUALIFICATIONS.—Of the trustees appointed by the President—

(A) none shall be employees of the Federal Government; and

(B) at least five shall be residents of the State of New Mexico.

(b) INITIAL APPOINTMENTS.—The President shall make the initial appointments to the Board of Trustees within 90 days after acquisition of the Baca ranch under section 104(a).

(c) TERMS.—

(1) IN GENERAL.—Appointed trustees shall each serve a term of 4 years, except that of the trustees first appointed, 4 shall serve for a term of 4 years, and 3 shall serve for a term of 2 years.

(2) VACANCIES.—Any vacancy among the appointed trustees shall be filled in the same manner in which the original appointment was made, and any trustee appointed to fill a vacancy shall serve for the remainder of that term for which his or her predecessor was appointed.

(3) LIMITATIONS.—No appointed trustee may serve more than 8 years in consecutive terms.

(d) QUORUM.—A majority of trustees shall constitute a quorum of the Board for the conduct of business.

(e) ORGANIZATION AND COMPENSATION.—

(1) IN GENERAL.—The Board shall organize itself in such a manner as it deems most appropriate to effectively carry out the activities of the Trust.

(2) COMPENSATION OF TRUSTEES.—Trustees shall serve without pay, but may be reimbursed from the funds of the Trust for the actual and necessary travel and subsistence expenses incurred by them in the performance of their duties.

(3) CHAIR.—Trustees shall select a chair from the membership of the Board.

(f) LIABILITY OF TRUSTEES.—Appointed trustees shall not be considered Federal employees by virtue of their membership on the Board, except for purposes of the Federal Tort Claims Act, the Ethics in Government Act, and the provisions of chapter 11 of title 18, United States Code.

(g) MEETINGS.—

(1) LOCATION AND TIMING OF MEETINGS.—The Board shall meet in sessions open to the public at least three times per year in New Mexico. Upon a majority vote made in open session, and a public statement of the reasons therefore, the Board may close any other meetings to the public: *Provided*, That any final decision of the Board to adopt or amend the comprehensive management program under section 108(d) or to approve any activity related to the management of the land or resources of the Preserve shall be made in open public session.

(2) PUBLIC INFORMATION.—In addition to other requirements of applicable law, the Board shall establish procedures for providing appropriate public information and periodic opportunities for public comment regarding the management of the Preserve.

### SEC. 108. RESOURCE MANAGEMENT.

(a) ASSUMPTION OF MANAGEMENT.—The Trust shall assume all authority provided by this title to manage the Preserve upon a determination by the Secretary, which to the maximum extent practicable shall be made within 60 days after the appointment of the Board, that—

(1) the Board is duly appointed, and able to conduct business; and

(2) provision has been made for essential management services.

(b) MANAGEMENT RESPONSIBILITIES.—Upon assumption of management of the Preserve under subsection (a), the Trust shall manage the land and resources of the Preserve and the use thereof including, but not limited to such activities as—

(1) administration of the operations of the Preserve;

(2) preservation and development of the land and resources of the Preserve;

(3) interpretation of the Preserve and its history for the public;

(4) management of public use and occupancy of the Preserve; and

(5) maintenance, rehabilitation, repair, and improvement of property within the Preserve.

(c) AUTHORITIES.—

(1) IN GENERAL.—The Trust shall develop programs and activities at the Preserve, and shall have the authority to negotiate directly and enter into such agreements, leases, contracts and other arrangements with any person, firm, association, organization, corporation or governmental entity, including without limitation, entities of Federal, State, and local governments, and consultation with Indian tribes and pueblos, as are necessary and appropriate to carry out its authorized activities or fulfill the purposes of this title. Any such agreements may be entered into without regard to section 321 of the Act of June 30, 1932 (40 U.S.C. 303b).

(2) PROCEDURES.—The Trust shall establish procedures for entering into lease agreements and other agreements for the use and occupancy of facilities of the Preserve. The procedures shall ensure reasonable competition, and set guidelines for determining reasonable fees, terms, and conditions for such agreements.

(3) LIMITATIONS.—The Trust may not dispose of any real property in, or convey any water rights appurtenant to the Preserve. The Trust may not convey any easement, or enter into any contract, lease, or other agreement related to use and occupancy of property within the Preserve for a period greater than 10 years. Any such easement, contract, lease, or other agreement shall provide that, upon termination of the Trust, such easement, contract, lease or agreement is terminated.

(4) APPLICATION OF PROCUREMENT LAWS.—

(A) IN GENERAL.—Notwithstanding any other provision of law, Federal laws and regulations governing procurement by Federal agencies shall not apply to the Trust, with the exception of laws and regulations related to Federal Government contracts governing health and safety requirements, wage rates, and civil rights.

(B) PROCEDURES.—The Trust, in consultation with the Administrator of Federal Procurement Policy, Office of Management and Budget, shall establish and adopt procedures applicable to the Trust's procurement of goods and services, including the award of contracts on the basis of contractor qualifications, price, commercially reasonable buying practices, and reasonable competition.

(d) MANAGEMENT PROGRAM.—Within two years after assumption of management responsibilities for the Preserve, the Trust shall, in accordance with subsection (f), develop a comprehensive program for the management of lands, resources, and facilities within the Preserve to carry out the purposes under section 105(b). To the extent consistent with such purposes, such program shall provide for—

(1) operation of the Preserve as a working ranch, consistent with paragraphs (2) through (4);

(2) the protection and preservation of the scientific, scenic, geologic, watershed, fish, wildlife, historic, cultural and recreational values of the Preserve;

(3) multiple use and sustained yield of renewable resources within the Preserve;

(4) public use of and access to the Preserve for recreation;

(5) renewable resource utilization and management alternatives that, to the extent practicable—

(A) benefit local communities and small businesses;

(B) enhance coordination of management objectives with those on surrounding National Forest System land; and

(C) provide cost savings to the Trust through the exchange of services, including but not limited to labor and maintenance of facilities, for resources or services provided by the Trust; and

(6) optimizing the generation of income based on existing market conditions, to the extent that it does not unreasonably diminish the long-term scenic and natural values of the area, or the multiple use and sustained yield capability of the land.

(e) PUBLIC USE AND RECREATION.—

(1) IN GENERAL.—The Trust shall give thorough consideration to the provision of appropriate opportunities for public use and recreation that are consistent with the other purposes under section 105(b). The Trust is expressly authorized to construct and upgrade roads and bridges, and provide other facilities for activities including, but not limited to camping and picnicking, hiking, and cross country skiing. Roads, trails, bridges, and recreational facilities constructed within the Preserve shall meet public safety standards applicable to units of the National Forest System and the State of New Mexico.

(2) FEES.—Notwithstanding any other provision of law, the Trust is authorized to assess reasonable fees for admission to, and the use and occupancy of, the Preserve: *Provided*, That admission fees and any fees assessed for recreational activities shall be implemented only after public notice and a period of not less than 60 days for public comment.

(3) PUBLIC ACCESS.—Upon the acquisition of the Baca ranch under section 104(a), and after an interim planning period of no more than two years, the public shall have reasonable access to the Preserve for recreation purposes. The Secretary, prior to assumption of management of the Preserve by the Trust, and the Trust thereafter, may reasonably limit the number and types of recreational admissions to the Preserve, or any part thereof, based on the capability of the land, resources, and facilities. The use of reservation or lottery systems is expressly authorized to implement this paragraph.

(f) APPLICABLE LAWS.—

(1) IN GENERAL.—The Trust, and the Secretary in accordance with section 109(b), shall administer the Preserve in conformity with this title and all laws pertaining to the National Forest System, except the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended (16 U.S.C. 1600 et seq.).

(2) ENVIRONMENTAL LAWS.—The Trust shall be deemed a Federal agency for the purposes of compliance with Federal environmental laws.

(3) CRIMINAL LAWS.—All criminal laws relating to Federal property shall apply to the same extent as on adjacent units of the National Forest System.

(4) REPORTS ON APPLICABLE RULES AND REGULATIONS.—The Trust may submit to the Secretary and the Committees of Congress a compilation of applicable rules and regulations which in the view of the Trust are inappropriate, incompatible with this title, or unduly burdensome.

(5) CONSULTATION WITH TRIBES AND PUEBLOS.—The Trust is authorized and directed to cooperate and consult with Indian tribes and pueblos on management policies and practices for the Preserve which may affect them. The Trust is authorized to allow the use of lands within the Preserve for religious and cultural uses by Native Americans and, in so doing, may set aside places and times of exclusive use consistent with the American Indian Religious Freedom Act (42 U.S.C. 1996 (note)) and other applicable statutes.

(6) NO ADMINISTRATIVE APPEAL.—The administrative appeals regulations of the Secretary shall not apply to activities of the Trust and decisions of the Board.

(g) LAW ENFORCEMENT AND FIRE MANAGEMENT.—The Secretary shall provide law enforcement services under a cooperative agreement with the Trust to the extent generally authorized in other units of the National Forest System. The Trust shall be deemed a Federal agency for purposes of the law enforcement authorities of the Secretary (within the meaning of section 15008 of the National Forest System Drug Control Act of 1986 (16 U.S.C. 559g)). At the request of the Trust, the Secretary may provide fire presuppression, fire suppression, and rehabilitation services: *Provided*, That the Trust shall reimburse the Secretary for salaries and expenses of fire management personnel, commensurate with services provided.

### SEC. 109. AUTHORITIES OF THE SECRETARY.

(a) IN GENERAL.—Notwithstanding the assumption of management of the Preserve by the Trust, the Secretary is authorized to—

(1) issue any rights-of-way, as defined in the Federal Land Policy and Management Act of 1976, of over 10 years duration, in cooperation with the Trust, including, but not limited to, road and utility rights-of-way, and communication sites;

(2) issue orders under and enforce prohibitions generally applicable on other units of the National Forest System, in cooperation with the Trust;

(3) exercise the authorities of the Secretary under the Wild and Scenic Rivers Act (16 U.S.C. 1278, et seq.) and the Federal Power Act (16 U.S.C. 797, et seq.), in cooperation with the Trust;

(4) acquire the mineral rights referred to in section 104(e);

(5) provide law enforcement and fire management services under section 108(g);

(6) at the request of the Trust, exchange land or interests in land within the Preserve under laws generally applicable to other units of the National Forest System, or otherwise dispose of land or interests in land within the Preserve under Public Law 97–465 (16 U.S.C. 521c through 521i);

(7) in consultation with the Trust, refer civil and criminal cases pertaining to the Preserve to the Department of Justice for prosecution;

(8) retain title to and control over fossils and archaeological artifacts found within the Preserve;

(9) at the request of the Trust, construct and operate a visitors' center in or near the Preserve, subject to the availability of appropriated funds;

(10) conduct the assessment of the Trust's performance, and, if the Secretary determines it necessary, recommend to Congress the termination of the Trust, under section 110(b)(2); and

(11) conduct such other activities for which express authorization is provided to the Secretary by this title.

(b) INTERIM MANAGEMENT.—

(1) IN GENERAL.—The Secretary shall manage the Preserve in accordance with this title during the interim period from the date of acquisition of the Baca ranch under section 104(a) to the date of assumption of management of the Preserve by the Trust under section 108. The Secretary may enter into any agreement, lease, contract, or other arrangement on the same basis as the Trust under section 108(c)(1): *Provided*, That any agreement, lease, contract, or other arrangement entered into by the Secretary shall not exceed two years in duration unless expressly extended by the Trust upon its assumption of management of the Preserve.

(2) USE OF THE FUND.—All monies received by the Secretary from the management of the Preserve during the interim period under paragraph (1) shall be deposited into the "Valles Caldera Fund" established under section 106(h)(2), and such monies in the fund shall be available to the Secretary, without further appropriation, for the purpose of managing the Preserve in accordance with the responsibilities and authorities provided to the Trust under section 108.

(c) SECRETARIAL AUTHORITY.—The Secretary retains the authority to suspend any decision of the Board with respect to the management of the Preserve if he finds that the decision is clearly inconsistent with this title. Such authority shall only be exercised personally by the Secretary, and may not be delegated. Any exercise of this authority shall be in writing to the Board, and notification of the decision shall be given to the Committees of Congress. Any suspended decision shall be referred back to the Board for reconsideration.

(d) ACCESS.—The Secretary shall at all times have access to the Preserve for administrative purposes.

### SEC. 110. TERMINATION OF THE TRUST.

(a) IN GENERAL.—The Valles Caldera Trust shall terminate at the end of the twentieth full fiscal year following acquisition of the Baca ranch under section 104(a).

(b) RECOMMENDATIONS.—

(1) BOARD.—

(A) If after the fourteenth full fiscal years from the date of acquisition of the Baca ranch under section 104(a), the Board believes the Trust has met the goals and objectives of the comprehensive management program under section 108(d), but has not become financially self-sustaining, the Board may submit to the Committees of Congress, a recommendation for authorization of appropriations beyond that provided under this title.

(B) During the eighteenth full fiscal year from the date of acquisition of the Baca ranch under section 104(a), the Board shall submit to the Secretary its recommendation that the Trust be either extended or terminated including the reasons for such recommendation.

(2) SECRETARY.—Within 120 days after receipt of the recommendation of the Board under paragraph (1)(B), the Secretary shall submit to the Committees of Congress the Board's recommendation on extension or termination along with the recommendation of the Secretary with respect to the same and stating the reasons for such recommendation.

(c) EFFECT OF TERMINATION.—In the event of termination of the Trust, the Secretary shall assume all management and administrative functions over the Preserve, and it shall thereafter be managed as a part of the Santa Fe National Forest, subject to all laws applicable to the National Forest System.

(d) ASSETS.—In the event of termination of the Trust, all assets of the Trust shall be used to satisfy any outstanding liabilities, and any funds remaining shall be transferred to the Secretary for use, without further appropriation, for the management of the Preserve.

(e) VALLES CALDERA FUND.—In the event of termination, the Secretary shall assume the powers of the Trust over funds under section 106(h), and the Valles Caldera Fund shall not terminate. Any balances remaining in the fund shall be available to the Secretary, without further appropriation, for any purpose consistent with the purposes of this title.

### SEC. 111. LIMITATIONS ON FUNDING.

(a) AUTHORIZATION OF APPROPRIATIONS.—There is hereby authorized to be appropriated to the Secretary and the Trust such funds as are necessary for them to carry out the purposes of this title for each of the 15 full fiscal years after the date of acquisition of the Baca ranch under section 104(a).

(b) SCHEDULE OF APPROPRIATIONS.—Within two years after the first meeting of the Board, the Trust shall submit to Congress a plan which includes a schedule of annual decreasing appropriated funds that will achieve, at a minimum, the financially self-sustained operation of the Trust within 15 full fiscal years after the date of acquisition of the Baca ranch under section 104(a).

### SEC. 112. GENERAL ACCOUNTING OFFICE STUDY.

(a) INITIAL STUDY.—Three years after the assumption of management by the Trust, the General Accounting Office shall conduct an interim study of the activities of the Trust and shall report the results of the study to the Committees of Congress. The study shall include, but shall not be limited to, details of programs and activities operated by the Trust and whether it met its obligations under this title.

(b) SECOND STUDY.—Seven years after the assumption of management by the Trust, the General Accounting Office shall conduct a study of the activities of the Trust and shall report the results of the study to the Committees of Congress. The study shall provide an assessment of any failure to meet obligations that may be identified under subsection (a), and further evaluation on the ability of the Trust to meet its obligations under this title.

## TITLE II—FEDERAL LAND TRANSACTION FACILITATION

### SEC. 201. SHORT TITLE.

This title may be cited as the "Federal Land Transaction Facilitation Act".

### SEC. 202. FINDINGS.

Congress finds that—

(1) the Bureau of Land Management has authority under the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.) to sell land identified for disposal under its land use planning;

(2) the Bureau of Land Management has authority under that Act to exchange Federal land for non-Federal land if the exchange would be in the public interest;

(3) through land use planning under that Act, the Bureau of Land Management has identified certain tracts of public land for disposal;

(4) the Federal land management agencies of the Departments of the Interior and Agriculture have authority under existing law to acquire land consistent with the mission of each agency;

(5) the sale or exchange of land identified for disposal and the acquisition of certain non-Federal land from willing landowners would—

(A) allow for the reconfiguration of land ownership patterns to better facilitate resource management;

(B) contribute to administrative efficiency within Federal land management units; and

(C) allow for increased effectiveness of the allocation of fiscal and human resources within the Federal land management agencies;

(6) a more expeditious process for disposal and acquisition of land, established to facilitate a more effective configuration of land ownership patterns, would benefit the public interest;

(7) many private individuals own land within the boundaries of Federal land management units and desire to sell the land to the Federal Government;

(8) such land lies within national parks, national monuments, national wildlife refuges, national forests, and other areas designated for special management;

(9) Federal land management agencies are facing increased workloads from rapidly growing public demand for the use of public

land, making it difficult for Federal managers to address problems created by the existence of inholdings in many areas;

(10) in many cases, inholders and the Federal Government would mutually benefit from Federal acquisition of the land on a priority basis;

(11) proceeds generated from the disposal of public land may be properly dedicated to the acquisition of inholdings and other land that will improve the resource management ability of the Federal land management agencies and adjoining landowners;

(12) using proceeds generated from the disposal of public land to purchase inholdings and other such land from willing sellers would enhance the ability of the Federal land management agencies to—

(A) work cooperatively with private landowners and State and local governments; and

(B) promote consolidation of the ownership of public and private land in a manner that would allow for better overall resource management;

(13) in certain locations, the sale of public land that has been identified for disposal is the best way for the public to receive fair market value for the land; and

(14) to allow for the least disruption of existing land and resource management programs, the Bureau of Land Management may use non-Federal entities to prepare appraisal documents for agency review and approval consistent with applicable provisions of the Uniform Standards for Federal Land Acquisition.

**SEC. 203. DEFINITIONS.**

In this title:

(1) Exceptional resource.—The term "exceptional resource" means a resource of scientific, natural, historic, cultural, or recreational value that has been documented by a Federal, State, or local governmental authority, and for which there is a compelling need for conservation and protection under the jurisdiction of a Federal agency in order to maintain the resource for the benefit of the public.

(2) Federally designated area.—The term "federally designated area" means land in Alaska and the eleven contiguous Western States (as defined in section 103(o) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1702(o))) that on the date of enactment of this Act was within the boundary of—

(A) a national monument, area of critical environmental concern, national conservation area, national riparian conservation area, national recreation area, national scenic area, research natural area, national outstanding natural area, or a national natural landmark managed by the Bureau of Land Management;

(B) a unit of the National Park System;

(C) a unit of the National Wildlife Refuge System;

(D) an area of the National Forest System designated for special management by an Act of Congress; or

(E) an area within which the Secretary or the Secretary of Agriculture is otherwise authorized by law to acquire lands or interests therein that is designated as—

(i) wilderness under the Wilderness Act (16 U.S.C. 1131 et seq.);

(ii) a wilderness study area;

(iii) a component of the Wild and Scenic Rivers System under the Wild and Scenic Rivers Act (16 U.S.C. 1271 et seq.); or

(iv) a component of the National Trails System under the National Trails System Act (16 U.S.C. 1241 et seq.).

(3) Inholding.—The term "inholding" means any right, title, or interest, held by a non-Federal entity, in or to a tract of land that lies within the boundary of a federally designated area.

(4) Public land.—The term "public land" means public lands (as defined in section 103 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1702)).

(5) Secretary.—The term "Secretary" means the Secretary of the Interior.

**SEC. 204. IDENTIFICATION OF INHOLDINGS.**

(a) In General.—The Secretary and the Secretary of Agriculture shall establish a procedure to—

(1) identify, by State, inholdings for which the landowner has indicated a desire to sell the land or interest therein to the United States; and

(2) prioritize the acquisition of inholdings in accordance with section 206(c)(3).

(b) Public Notice.—As soon as practicable after the date of enactment of this title and periodically thereafter, the Secretary and the Secretary of Agriculture shall provide public notice of the procedures referred to in subsection (a), including any information necessary for the consideration of an inholding under section 206. Such notice shall include publication in the Federal Register and by such other means as the Secretary and the Secretary of Agriculture determine to be appropriate.

(c) Identification.—An inholding—

(1) shall be considered for identification under this section only if the Secretary or the Secretary of Agriculture receive notification of a desire to sell from the landowner in response to public notice given under subsection (b); and

(2) shall be deemed to have been established as of the later of—

(A) the earlier of—

(i) the date on which the land was withdrawn from the public domain; or

(ii) the date on which the land was established or designated for special management; or

(B) the date on which the inholding was acquired by the current owner.

(d) No Obligation To Convey or Acquire.—The identification of an inholding under this section creates no obligation on the part of a landowner to convey the inholding or any obligation on the part of the United States to acquire the inholding.

**SEC. 205. DISPOSAL OF PUBLIC LAND.**

(a) In General.—The Secretary shall establish a program, using funds made available under section 206, to complete appraisals and satisfy other legal requirements for the sale or exchange of public land identified for disposal under approved land use plans (as in effect on the date of enactment of this Act) under section 202 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712).

(b) Sale of Public Land.—

(1) In general.—The sale of public land so identified shall be conducted in accordance with sections 203 and 209 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1713, 1719).

(2) Exceptions to competitive bidding requirements.—The exceptions to competitive bidding requirements under section 203(f) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1713(f)) shall apply to this section in cases in which the Secretary determines it to be necessary.

(c) Report in Public Land Statistics.—The Secretary shall provide in the annual publication of Public Land Statistics, a report of activities under this section.

(d) Termination of Authority.—The authority provided under this section shall terminate 10 years after the date of enactment of this Act.

**SEC. 206. FEDERAL LAND DISPOSAL ACCOUNT.**

(a) Deposit of Proceeds.—Notwithstanding any other law (except a law that specifically provides for a proportion of the proceeds to be distributed to any trust funds of any States), the gross proceeds of the sale or exchange of public land under this Act shall be deposited in a separate account in the Treasury of the United States to be known as the "Federal Land Disposal Account".

(b) Availability.—Amounts in the Federal Land Disposal Account shall be available to the Secretary and the Secretary of Agriculture, without further Act of appropriation, to carry out this title.

(c) Use of the Federal Land Disposal Account.—

(1) In general.—Funds in the Federal Land Disposal Account shall be expended in accordance with this subsection.

(2) Fund allocation.—

(A) Purchase of land.—Except as authorized under subparagraph (C), funds shall be used to purchase lands or interests therein that are otherwise authorized by law to be acquired, and that are—

(i) inholdings; and

(ii) adjacent to federally designated areas and contain exceptional resources.

(B) Inholdings.—Not less than 80 percent of the funds allocated for the purchase of land within each State shall be used to acquire inholdings identified under section 204.

(C) Administrative and other expenses.—An amount not to exceed 20 percent of the funds deposited in the Federal Land Disposal Account may be used by the Secretary for administrative and other expenses necessary to carry out the land disposal program under section 205.

(D) Same state purchases.—Of the amounts not used under subparagraph (C), not less than 80 percent shall be expended within the State in which the funds were generated. Any remaining funds may be expended in any other State.

(3) Priority.—The Secretary and the Secretary of Agriculture shall develop a procedure for prioritizing the acquisition of inholdings and non-Federal lands with exceptional resources as provided in paragraph (2). Such procedure shall consider—

(A) the date the inholding was established (as provided in section 204(c));

(B) the extent to which acquisition of the land or interest therein will facilitate management efficiency; and

(C) such other criteria as the Secretary and the Secretary of Agriculture deem appropriate.

(4) Basis of sale.—Any land acquired under this section shall be—

(A) from a willing seller;

(B) contingent on the conveyance of title acceptable to the Secretary, or the Secretary of Agriculture in the case of an acquisition of National Forest System land, using title standards of the Attorney General;

(C) at a price not to exceed fair market value consistent with applicable provisions of the Uniform Appraisal Standards for Federal Land Acquisitions; and

(D) managed as part of the unit within which it is contained.

(d) Contaminated Sites and Sites Difficult and Uneconomic To Manage.—Funds in the Federal Land Disposal Account shall not be used to purchase land or an interest in land that, as determined by the Secretary or the Secretary of Agriculture—

(1) contains a hazardous substances or is otherwise contaminated; or

(2) because of the location or other characteristics of the land, would be difficult or uneconomic to manage as Federal land.

(e) LAND AND WATER CONSERVATION FUND ACT.—Funds made available under this section shall be supplemental to any funds appropriated under the Land and Water Conservation Fund Act (16 U.S.C. 4601-4 et seq.).

(f) TERMINATION.—On termination of activities under section 205—

(1) the Federal Land Disposal Account shall be terminated; and

(2) any remaining balance in the account shall become available for appropriation under section 3 of the Land and Water Conservation Fund Act (16 U.S.C. 4601-6).

**SEC. 207. SPECIAL PROVISIONS.**

(a) IN GENERAL.—Nothing in this title provides an exemption from any limitation on the acquisition of land or interest in land under any Federal Law in effect on the date of enactment of this Act.

(b) OTHER LAW.—This title shall not apply to land eligible for sale under—

(1) Public Law 96-568 (commonly known as the "Santini-Burton Act") (94 Stat. 3381); or

(2) the Southern Nevada Public Land Management Act of 1998 (112 Stat. 2343).

(c) EXCHANGES.—Nothing in this title precludes, preempts, or limits the authority to exchange land under authorities providing for the exchange of Federal lands, including but not limited to—

(1) the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.); or

(2) the Federal Land Exchange Facilitation Act of 1988 (102 Stat. 1086) or the amendments made by that Act.

(d) NO NEW RIGHT OR BENEFIT.—Nothing in this Act creates a right or benefit, substantive or procedural, enforceable at law or in equity by a party against the United States, its agencies, its officers, or any other person.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Utah (Mr. HANSEN) and the gentleman from New Mexico (Mr. UDALL) each will control 20 minutes.

The Chair recognizes the gentleman from Utah (Mr. HANSEN).

Mr. HANSEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, S. 1892, sponsored by Senator DOMENICI, authorizes the acquisition of the Valles Caldera or better known as the Baca Ranch. The full committee held a hearing on the House version of the bill, H.R. 3288, sponsored by the gentlewoman from New Mexico (Mrs. WILSON) and the gentleman from New Mexico (Mr. UDALL) on May 1 of this year.

The gentlewoman from New Mexico (Mrs. WILSON) deserves the credit for getting this bill to the floor today. I would like to publicly thank her for her tireless efforts in working on this bill. I do not know anyone that has ever worked harder on a bill than the gentlewoman from New Mexico (Mrs. WILSON) has on this one.

The Baca Ranch is approximately 95,000 acres of land located within the Santa Fe National Forest of New Mexico. This land emanates from a Spanish land grant in 1821, and this actual property was deeded by Congress in 1860 and has been used primarily as a ranch for more than 100 years.

S. 1892 mandates the acquisition of the Baca Ranch with funds that were appropriated last year. S. 1892 sets up a unique opportunity for the Federal Government to acquire this ranch, but does it through a trust agreement that will allow these lands to continue to be managed as they have been for decades.

The bill establishes the Valles Caldera National Preserve, which will be managed by a trust established within the legislation. The Preserve is designed to operate as a government corporation and is expected to be self-sustaining within 15 years. This type of trust arrangement was first implemented at the Presidio in San Francisco. The Baca Ranch is yet another great opportunity to take a piece of unique land and manage it in a way that maintains its historic uses and stresses self-sufficiency.

Title II of the bill authorizes the BLM to sell parcels of Federal land that are identified for disposal with the proceeds staying within the agency to acquire in holdings within Federal designated areas among all of the land management agencies. This provision will streamline Federal land sales and exchanges. This will be an important management tool for our Federal land managers to dispose of unneeded lands and acquire in holdings.

Once again, I would like to thank my colleagues for getting this bill to the floor of the House today. I urge my colleagues to support this important legislation that has the approval of the New Mexico delegation and of the President of the United States.

Mr. Speaker, I submit the following communication for the RECORD.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON COMMERCE,
*Washington, DC, July 11, 2000.*

Hon. DON YOUNG,
*Chairman, Committee on Resources, Washington, DC.*

DEAR DON: I am writing with regard to S. 1892, the Valles Caldera Preservation Act. As you know, Rule X of the Rules of the House of Representatives grants the Committee on Commerce jurisdiction over the generation and marketing of power. As you are aware, section 109(a)(3) of the bill clarifies that the Secretary of Agriculture may continue to exercise his authority to impose mandatory conditions on the issuance of certain hydropower licenses issued by the Federal Energy Regulatory Commission in "cooperation" with the Valles Caldera Trust.

Because of the importance of this legislation, and your commitment to include report language that clarifies that this paragraph does not alter the authority or responsibilities of the Secretary under the Federal Power Act, I will not exercise the Committee's right to a sequential referral. By agreeing to waive its consideration of the bill, however, the Committee on Commerce does not waive its jurisdiction over S. 1892. In addition, the Commerce Committee reserves its authority to seek conferees on any provisions of the bill that are within its jurisdiction during any House-Senate conference that may be convened on this legislation. I ask for your commitment to support any request by the Commerce Committee for conferees on S. 1892 or similar legislation.

I request that you include this letter and your response as part of the RECORD during consideration of the legislation on the House floor.

Thank you for your attention to these matters.

Sincerely,

TOM BLILEY,
*Chairman.*

Mr. HANSEN. Mr. Speaker, I reserve the balance of my time.

Mr. UDALL of New Mexico. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Valles Caldera Preservation Act will secure the Baca Ranch for the people of our Nation. The stunning 95,000 acre Baca Ranch sits in the heart of my congressional district. The vast landscape includes over 25 miles of streams, mountain peaks as high as 11,000 feet, and the Valles Caldera, a 15-mile-wide remnant of an ancient volcano. This unique geological feature is well-known around the world and has been seen by astronauts from space.

Other open lands that surround the Valles Caldera include the Santa Fe National Force, Bandelier National Monument and the Jemez National Recreation Area. The Baca Ranch is home to teaming amounts of wildlife, including New Mexico's largest wild elk herd, mule deer, mountain lions and rainbow and brown trout.

The land also has unique historic value as part of the land grant heritage of northern New Mexico. The Baca Ranch grew out of land granted to Don Luis Maria Cabeza de Vaca in 1841. Over the years, the vast resources of the Baca Ranch have benefited the people of New Mexico. Historically and in modern times, the forests have been harvested and cattle have grazed on the lush grasslands.

The potential public uses of the Baca Ranch land are remarkable. As wild as the land is, it is close to the communities of Santa Fe and Albuquerque, making it easily accessible to the public. Recreational opportunities including fishing, hunting, hiking, camping, and cross-country skiing abound on the Baca.

□ 1615

A key aspect of the Baca Ranch bill is that it will continue to be a working ranch. Following the Dunnigan family's example of responsible stewardship, I am both hopeful and confident that the ranch will be managed so it supports both traditional livestock activities and wildlife. Public ownership of the Baca means that traditional to Mexican families will have the same opportunities to join others that are able to enjoy the land.

One issue of concern to me has been the accessibility of the Baca Ranch to the general public for hunting and fishing. I raised this issue earlier in the

Committee on Resources. I did not offer an amendment because I wished to work with the administration and other Members in resolving this issue. In my discussions with the administration, I have now been assured that fairness and equity will apply to those wishing to use this beautiful ranch for recreational purposes, including hunting and fishing.

In a letter sent to me on May 25 of this year from George Frampton, acting chair of the Council on Environmental Quality, Mr. Frampton states, "While efforts at income generation may include the charging of fees for hunting and other activities on the property, the Preserve will be a public asset. As such, any fees for activities in which the public is likely to participate should be reasonable and affordable. Restrictions on hunting that may be necessary due to resource limitations should be accomplished through reservation or lottery systems and not through the charging of excessive or exorbitant fees."

Mr. Speaker, I include Mr. Frampton's letter for the RECORD.

EXECUTIVE OFFICE OF THE PRESIDENT, COUNCIL ON ENVIRONMENTAL QUALITY,
*Washington, DC, May 25, 2000.*

Representative TOM UDALL,
*United States House of Representatives, Washington, DC.*

DEAR REPRESENTATIVE UDALL: This is to confirm our telephone conversation regarding the Valles Caldera property in your District. Due in part to your hard work, the Forest Service is closer than it has ever been to acquiring this property and assuring its preservation for future generations, although it does not yet have the authority to finalize this acquisition. As you know, authorizing legislation is required before the transaction can take place. Such legislation, which the Administration supports, has passed the Senate and was considered by the House Resources Committee yesterday. This legislation provides for management of the property by a board of trustees, and establishes requirements and guidance for the Trust in this regard.

You have asked about the Administration's understanding of the intent of this legislation with respect to fees for hunting that may be permitted on the property. It is our understanding that the foremost responsibility of the Trust managers of this property should it come into federal ownership will be protection and conservation of its natural, scientific and historic resources. Other management goals, including income generation, are to be pursued only to the extent that they are consistent with resource protection.

While efforts at income generation may include the charging of fees for hunting and other activities on the property, the Preserve will be a public asset. As such, any fees for activities in which the public is likely to participate should be reasonable and affordable. Restrictions on hunting that may be necessary due to resource limitations should be accomplished through reservation or lottery systems, and not through the charging of excessive or exorbitant fees.

I trust this information on the Administration's understanding of the legislation as currently drafted is useful. I look forward to working with you to protect this unique and wonderful part of your congressional district for future generations of New Mexicans and all Americans.

Sincerely,
GEORGE T. FRAMPTON, Jr.,
*Acting Chair.*

Mr. UDALL of New Mexico. Mr. Speaker, these assurances made by Mr. Frampton and the administration make me much more comfortable with the objectives of this historic piece of legislation. This bill is before us as the result of a bipartisan, bicameral effort to acquire the Baca for the American public, providing the present and future generations an invaluable gift.

Mr. Speaker, I reserve the balance of my time.

Mr. HANSEN. Mr. Speaker, I yield such time as she may consume to the gentlewoman from New Mexico (Mrs. WILSON), the sponsor of this legislation.

Mrs. WILSON. Mr. Speaker, I rise today to support the passage of S. 1872 which will purchase the Baca Ranch for the people of New Mexico and the people of this country.

The Baca includes an area known as the Valles Caldera in northern New Mexico. It is bordered by the Santa Fe National Forest and also the Bandelier National Monument. It is almost 95,000 acres of beautiful land that has been in private hands and conserved in private hands since 1860. But its geological significance is something that really makes it a national unique treasure.

Mr. Speaker, 1.6 million years ago, there were volcanoes in the area, and one of the most well-preserved ones is the Valles Caldera. It is 15 miles in diameter, and one can still see the rim of the volcano. That volcano was 600 times more powerful than Mount Saint Helens and the ash from that volcano is spread across the United States and can be found in Kansas and Texas and Oklahoma. That collapsed volcano is now perfectly preserved. It was never disturbed, and it is a wonderful geological treasure that should be preserved so that it can be studied.

In addition, on the 90,000 acres of the Baca, which has been very well conserved by the Dunnigan family that has owned it for so long, there are 17 threatened or endangered species that also have been protected. The appropriation for the bill has already been passed, $101 million in the fiscal year 2000 Interior Appropriations, but that money was subject to passing this authorization bill, and we need to move forward with it.

In 1999, Senator DOMENICI, Senator BINGAMAN, and the President of the United States agreed on a unique management plan for Baca that will be unlike most public lands and Federal lands in this country. The State of New Mexico is already owned one-third by the Federal Government.

This management plan that is included in the bill and identical to the House bill that I was the sponsor of has a unique approach. It sets up a special trust for the management of the Baca. It will not be just regular Federal land. That special trust is a government corporation and will be run by a board of trustees that includes nine members, five of whom must be New Mexicans. The land must be managed for the benefit and enjoyment of the people of the United States, but also should try to be self-sustaining. The management of that piece of land will not be under some Washington bureaucracy, but under a board of trustees given unique powers, and I think it serves as a real model for the management in the future of our Federal lands.

Title II of the bill is also unique. One of the great barriers to buying beautiful pieces of land like the Baca is that there is no money in the pot, because Federal agencies have not sold off surplus lands, lands that the agencies themselves say are surplus to any requirement that the Federal Government may have for them. So the money is not there to buy things like the Baca or Tres Tistoles in my district that I was able to secure funds for in 1998, or even the inholdings in places like the Petroglyph National Monument, also in my district, where there are private landowners completely surrounded by a national monument by Federal lands.

So this bill says that these Federal agencies should come up with a plan to sell off surplus lands, to replenish the pot so that we can buy beautiful pieces of property with national significance like the Baca. The money that is used from selling off those surplus lands will be used by the BLM and others to buy pieces of land like the Baca. Eighty percent of the funds that are obtained by land sales have to be used in the State where the land is sold so that there is benefit to the people of the State where the land is sold. The money can only be purchased for inholdings and surrounding lands from willing sellers at a fair market value.

Mr. Speaker, I think that this is a unique approach to the management of public lands, and it preserves a piece of property in northern New Mexico which is unique in this country. It is a beautiful place and is worthy of preservation, and I am very pleased that we have been able to work together to get this bill to the floor of the House. I particularly want to thank the gentleman from Utah (Mr. HANSEN) for his help and leadership for coming to New Mexico and seeing this beautiful piece of property and for helping to bring this bill to the floor.

Mr. UDALL of New Mexico. Mr. Speaker, I reserve the balance of my time.

Mr. HANSEN. Mr. Speaker, I yield such time as he may consume to the gentleman from Tennessee (Mr. DUNCAN).

Mr. DUNCAN. Mr. Speaker, I thank the gentleman from Utah for yielding me this time.

I rise in opposition to this legislation to purchase the Baca Ranch in New Mexico. I know this bill is going to pass with an overwhelming majority and almost no opposition. In fact, I have not sent out "Dear Colleagues" or tried to stir up opposition in any way because the votes simply would not be there. I would say too that I believe that the gentlewoman from New Mexico (Mrs. WILSON) and the gentleman from New Mexico (Mr. UDALL) are simply doing what good Members from New Mexico should do.

However, I think this is a very bad deal for the taxpayers. In fact, this bill is strongly opposed by the Citizens Against Government Waste, the 600,000-member Citizens Against Government Waste. A portion of that letter says, "According to the Congressional Research Service, that price," the price the owners of the Baca Ranch paid for "when adjusted for inflation would be the equivalent of $11.7 million today. However, the legislation will force the taxpayers to pay nearly 10 times that amount, or 50 times the original purchase price, a whopping $101 million. This is a great deal if you are the seller of the property, but a horrible deal for taxpayers.

"This bill is not only extravagant, it is unnecessary."

Those are the words of the Council for the Citizens Against Government Waste.

As noted in their letter, the family that owns this ranch bought it in 1961 for $2.1 million. Under this bill, the Federal Government is going to pay $101 million for this property, almost 50 times the original purchase price. I would bet that almost everyone in this Nation would love to sell their property for 50 times what they paid for it. This is a colossal rip-off of the taxpayers and, as noted in the Citizens Against Government Waste letter, the Congressional Research Service ran the numbers on this. According to the CRS, there has been 452 percent inflation since 1961, and when we adjust this price for inflation, this property should be worth $11.7 million. We definitely should not be paying $101 million for property that was bought for $2.1 million and today, adjusted for inflation, should be worth $11.7 million.

Mr. Speaker, this is welfare for the rich. It is a windfall for the wealthy. I watched a tape about this property. It is beautiful. However, as I noted in committee when this bill came up, the most over-used word in our committee in the Committee on Resources and in the Congress is "pristine." We are constantly told that we have to buy this property or that property because it is beautiful or pristine. But if the Federal Government tried to buy every beautiful, pristine piece of property in this country, it would bankrupt our government and saddle our economy. Besides, as the gentlewoman from New Mexico just noted, the Federal Government already owns 37 percent of New Mexico, millions of acres. That should be more than enough. The Federal Government certainly does not need any more of New Mexico and has too much already.

Mr. Speaker, private property is one of the main foundations of our prosperity. It is one of the cornerstones of our freedom. Private property is one of the main things that has set us apart from socialist and Communist nations. Already, the Federal Government owns over 30 percent of the land in this Nation. State and local governments and quasi-governmental units own another 20 percent. Half of the land is in some type of public ownership. Yet what is alarming is the rapid rate at which government at all levels continues to take over more and more and more property.

Also, we keep putting more and more restrictions, limitations, rules, regulations and red tape on the land that does remain in private hands. If we keep doing away with private property, we are going to drive up the prices of homes and cause serious damage to our economy. We will hurt the poor and the working people and those of middle income the most.

We should not waste the taxpayers' money in this way. Mr. Speaker, $101 million for property bought for $2.1 million is more than 4,000 percent higher than what it should be or what we should have paid for it when adjusted for inflation. We should not take money from lower- and middle-income Americans to pay a rich family almost 50 times what they paid for their property.

Mr. Speaker, I will repeat again what the Citizens Against Government Waste said. Quote: "This is a great deal if you are the seller of the property, but a horrible deal for taxpayers. This bill is not only extravagant, it is unnecessary."

Mr. Speaker, at this time I will include for the RECORD the letter from Citizens Against Government Waste.

COUNCIL FOR CITIZENS
AGAINST GOVERNMENT WASTE,
*Washington, DC, June 2, 2000.*

Hon. JOHN DUNCAN,
*Rayburn House Office Building, Washington, DC.*

DEAR REPRESENTATIVE DUNCAN: On behalf of the 600,000 members of the Council for Citizens Against Government Waste (CCAGW), I would like to express my appreciation of your efforts to highlight the waste and abuse of taxpayer money in S. 1892, the Valles Caldera Preservation Act.

The Valles Caldera Preservation Act would authorize the purchase of the Baca Ranch in New Mexico. As you noted, the current owners purchased this property in 1961 for $2.1 million. According to the Congressional Research Service, that price, when adjusted for inflation, would be the equivalent of $11.7 million today. However, the legislation will force the taxpayers to pay nearly ten times that amount, or 50 times the original purchase price, a whopping $101 million dollars. This is a great deal if you are the seller of the property, but a horrible deal for taxpayers.

This bill is not only extravagant, it is unnecessary. The federal government currently owns more than 30 percent of all the land in the United States and cannot properly maintain those holdings. In 1998, the National Park Service estimated that it would cost $3.54 billion to repair maintenance problems at national parks, monuments and wilderness areas. Last year, the House Appropriations Committee estimated that there is a $15 billion backlog of maintenance.

CCAGW urges your House colleagues to support your efforts to stop this boondoggle. Any vote on the purchase of the Baca Ranch will be among those considered for CCAGW's 2000 Congressional Ratings.

Sincerely,

THOMAS SCHATZ,
*President.*

Mr. DUNCAN. As I said, Mr. Speaker, I believe this is a tremendous rip-off of the taxpayers of this Nation, and I would urge and I hope that at least a few people vote against this bill. I know, as I say, it will pass by an overwhelming margin, but I will be requesting a vote on this bill.

Mr. UDALL of New Mexico. Mr. Speaker, I reserve the balance of my time.

Mr. HANSEN. Mr. Speaker, I yield 2 minutes to the gentlewoman from New Mexico (Mrs. WILSON).

Mrs. WILSON. Mr. Speaker, I appreciate the comments of the gentleman on the cost of this ranch, and I understand his perspective; and I also appreciate his kind cooperation as we have gone through this process. I also understand the perspective of how much Federal land we do have in the State of New Mexico. There is really only one reason that I think this bill has such broad support and that is because of title II and the direction to sell off some of this surplus land and make sure there is money in the pot to buy things like the Baca.

I would like to, though, put one thing into the RECORD here on the value of this ranch. It was not just a number that came out of the air, and I think we need to be fair, that there was an appraisal of the ranch and that the Forest Service ordered a market study of that appraisal and found that the appraisal met the Federal standards and agreed to the price of that ranch.

☐ 1630

Now, there are appraisers who will come up with all kinds of different values of things based on different methodologies. This committee deals with those every day, different disagreements among qualified appraisers on the value of a piece of property.

I think back to what things cost in 1962. I was only 2 years old then, and I do not think a straight line inflation is probably the way we should judge the value of a piece of property. Appraisers do it in a slightly different way based on what the market conditions really are.

I think this is probably a good deal for the country as a whole and a fair price, and we should move forward with it.

Mr. UDALL of New Mexico. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. GEORGE MILLER), ranking member on the Committee on Resources.

Mr. GEORGE MILLER of California. Mr. Speaker, I thank the gentleman for yielding time to me, and I want to congratulate the gentleman from New Mexico (Mr. UDALL) and the gentlewoman from New Mexico (Mrs. WILSON) for this legislation.

I think we would make a terrible mistake if we thought about this in very narrow terms, if we thought about this simply as a matter of dollars. Obviously, we have an obligation to think about the dollars that we expend. This legislation is drafted with that in mind, and the requirements for self-sufficiency.

We did this when we acquired the Presidio and created the national park there after the Army left, in San Francisco. We did that because we recognized that this was one of the unique natural assets in our Nation.

Today we do the same thing with the Baca Ranch. It is not like we discovered this ranch yesterday. It is not like people just all of a sudden realized this was of value. People have recognized this as a value, a natural asset in this country, for many, many years. We now have the opportunity, through the cooperation of the family, to make this a part of our Federal land base, a land base that is envied around the world; a land base that, as many will find with the Baca Ranch, in many ways become economic generators to communities because tourists want to see these protected lands, whether it is the headwaters of the rivers or whether it is the great valleys of this ranch or the wildlife.

Fortunately, this Nation, this Congress, and Presidents of both parties have continued to acquire these lands. It is not to acquire them willy-nilly, it is to acquire them based upon a set of values and a set of assets that are unique, that are important to the history and the heritage of this country.

Clearly the Baca Ranch qualifies in every category, however we measure it. But if we thought about it in very narrow terms, we probably never would have done Yosemite, we never would have created the Tetons, Yellowstone, Arches, the Gateways, any of these great national parks and wilderness areas and Federal preserves in this country. This is to protect it for future generations.

That is what we have done best in this country. That is why other governments send people here to look at this and to see how they can manage lands and open them up for recreation, how we can have the public participate in the utilization of these lands, and at the same time protect them for future generations.

I would hope that this House would give overwhelming support for this legislation. This is truly one of the gifts we give this Nation to be enjoyed by future generations, to preserve and protect the uniqueness of this ranch which was fortunately held in one ownership for so many years, and cared for in the manner in which it was cared for.

The House ought to recognize that and support this legislation, and thank our two colleagues from New Mexico for getting this matter before the House of Representatives, and thank the gentleman from Utah (Mr. HANSEN) for his stewardship of this legislation through the Committee on Resources.

Mr. UDALL of New Mexico. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I just wanted to thank a few people that have been involved in this. Clearly, the gentlewoman from New Mexico (Mrs. WILSON) has shown leadership in getting this through the House.

The gentleman from Utah (Chairman HANSEN), I want to thank him for his stewardship and his ability to pull it together and move this thing along. People have been waiting a long time in New Mexico, and we owe a debt of gratitude to the gentleman for working very hard on this bill.

I know the gentleman worked very closely with the ranking member, the gentleman from California (Mr. GEORGE MILLER) to get this to the floor, and I want to thank the gentleman from California for his excellent leadership in negotiating this bill through the rocky shoals of the House.

I also want to thank the New Mexico delegation, Senator DOMENICI, Senator BINGAMAN, the gentleman from New Mexico (Mr. SKEEN), who earlier chaired that appropriations bill through and who has been a really fine Member from New Mexico. The entire delegation pulled together on this issue to try to see that it got done, and today we are getting very, very close.

Also, I would like to thank the Members of the Committee staff who have worked with me and the ranking member, the gentleman from California (Mr. GEORGE MILLER): Rick Healy, John Lawrence, David Watkins, and all the others who have worked with us.

I think this is a great example of bipartisanship. It is the House at its best, and I am very proud to be part of this effort.

Mr. Speaker, I yield back the balance of my time.

Mr. HANSEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I, too, would like to thank the gentleman from New Mexico (Mr. UDALL) and the gentlewoman from New Mexico (Mrs. WILSON) for the fine job they have done on this legislation.

I had the opportunity of going to the Baca Ranch a couple of years ago with the gentleman from Ohio (Mr. REGULA). It is one of the more beautiful places on Earth. It is one of the most outstanding places to see.

I would hope that many Americans could now take advantage of seeing this ground that has previously been closed for a number of years. It is a lot of money, I realize, but I really think this would be a great addition to the West.

Mr. Speaker, I urge support of this legislation, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SIMPSON). The question is on the motion offered by the gentleman from Utah (Mr. HANSEN) that the House suspend the rules and pass the Senate bill, S. 1892.

The question was taken.

Mr. DUNCAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

## GENERAL LEAVE

Mr. HANSEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and add extraneous matter on S. 1892.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Utah?

There was no objection.

## J.L. DAWKINS POST OFFICE BUILDING

Mr. McHUGH. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4658) to designate the facility of the United States Postal Service located at 301 Green Street in Fayetteville, North Carolina, as the "J.L. Dawkins Post Office Building."

The Clerk read as follows:

H.R. 4658

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. J.L. DAWKINS POST OFFICE BUILDING.**

(a) DESIGNATION.—The facility of the United States Postal Service located at 301 Green Street in Fayetteville, North Carolina, shall be known and designated as the "J.L. Dawkins Post Office Building".

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the facility referred to in subsection (a) shall be deemed to be a reference to the "J.L. Dawkins Post Office Building".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. MCHUGH) and the gentleman from Pennsylvania (Mr. FATTAH) each will control 20 minutes.

The Chair recognizes the gentleman from New York (Mr. MCHUGH).

Mr. MCHUGH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I think I can speak for all the Members of the Subcommittee on Postal Service and certainly the Members of the Committee on Government Reform when I say we have a great deal of pride in the bipartisan way in which we have brought up a very sizeable number of these kinds of proposals, enactments that seek to designate various postal facilities across the Nation in remembrance and commemoration of the deeds of individuals from the widest possible range of undertaking and service in our country.

Today certainly is no exception to that. We have before us four pieces of legislation. This first, of course, is H.R. 4658, which has been introduced by the gentleman from North Carolina (Mr. HAYES) back on June 14 of this year. I want to commend the gentleman from North Carolina (Mr. HAYES) for his efforts and initiative in working with the entire delegation from the great State of North Carolina in getting them to cosponsor this legislation in a unanimous effort.

As the Clerk has designated, this bill would name the facility of the United States Postal Service located at 301 Green Street in Fayetteville, North Carolina, as the J.L. Dawkins Post Office building.

The gentleman from North Carolina (Mr. HAYES), the primary sponsor of the bill, is with us today, and I know will wish to make some remarks in a more extensive nature as to the contributions of Mr. Dawkins, but I can tell Members from having the opportunity to review his resume and his background, as we routinely do on these initiatives, that he indeed fits the prescription that we have with respect to only honoring those individuals who have acted in very extraordinary ways to serve their communities.

Mr. Dawkins, as I said, is a fine example of that, beginning in his high school days, where he was an active football and basketball star, and ultimately found what later became a lifetime calling in politics when he was elected to his senior class as president.

He then went on to Wake Forest University, where he attended for 2 years, and then returned to his hometown of Fayetteville.

Mr. Dawkins' father was a State representative at that time. He passed away when his son was but 15 years old, but it is clear in looking at J.L. Dawkins' achievements that his father made an indelible impression upon him, because this fine gentleman entered public service and he set his sights on becoming mayor of his hometown in Fayetteville.

Indeed, he began by serving on the city council there for some 6 terms before being elected mayor in 1987. The test of any politician, of course, is the ability to return, not so much because of what it may mean politically, but rather because of the very clear signal it sends as to that individual's abilities and dedication in serving his or her constituents.

Mr. Dawkins' reelection six times as mayor I think speaks volumes as to his skills, as to his willingness to contribute. In fact, he never lost an election, even at a time when he was being treated for cancer and undergoing at that time very experimental and aggressive forms of chemotherapy for more than a year. His constituents knew that under even the most adverse of circumstances, Mr. Dawkins was the man that they wanted to continue representing them.

He was known for his friendly and gracious ways, and eventually earned the unofficial but I think important title as Fayetteville's "mayor for life." As I said, the gentleman from North Carolina (Mr. HAYES) has acted in a very fitting way to extend this tribute to Mayor Dawkins as a reminder to, we hope, his family, but certainly to the citizens of Fayetteville of the great contributions and sacrifices that he made.

This is a very worthy piece of legislation, and I would urge all of our colleagues to support it.

Mr. Speaker, I reserve the balance of my time.

Mr. FATTAH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. MCHUGH. Mr. Speaker, I am honored to yield such time as he may consume to the gentleman from North Carolina (Mr. HAYES), with my personal thanks and the thanks of the subcommittee for his efforts on this legislation.

Mr. HAYES. Mr. Speaker, I thank my colleague, the gentleman from North Carolina (Mr. MCINTYRE), who has been a tireless worker in his efforts to honor a remarkable man. A number of people, men and women alike, have been honored in the well of the people's House, but I think there is no one any more appropriately deserving recognition than the man about whom we speak today.

The man whom we honor today, J.L. Dawkins, was born on Thanksgiving Day in 1935 to Johnnie Lee and Lucille Dawkins of Vandemere. He graduated from Fayetteville High School in 1953. He was a star on the football and basketball teams, and the unanimous choice for senior class president.

Mayor Dawkins' devotion and commitment to service for all citizens of Fayetteville is demonstrated by his quarter century of humble and dedicated public service.

☐ 1645

His intense love for people and for his city motivated him to strive for quality development enhancement and beautification of his beloved community.

We had the joy and privilege of his public service for 25 years, 12 on the city council and mayor since 1987. He was elected to the city council in 1975 and never lost an election.

After serving six terms on the city council, Mr. Dawkins set his sights on an office that he always aspired to hold, the mayor. He won his first mayoral election in 1987 and was elected a record six times.

Mr. Dawkins was affectionately and appropriately dubbed Fayetteville's "mayor for life." The passion of J.L. Dawkins for his city is evident in his untiring efforts to make Fayetteville a better place for all.

The mayor was known for his warm, friendly and gracious manner. He was known as a devoted husband and father and as someone who deeply loved his hometown of Fayetteville.

I would also like to offer my sincere thanks and best wishes to J.L.'s partner and wife of 42 years, Mary Anne Dawkins, and their two children, Johnny Lee Dawkins and Dawn Dawkins.

The designation of a post office is just a small but one appropriate way to honor J.L. for his tireless efforts as a public servant. He brought honor to our form of government. He also is a man to whom we can look with respect and honor as a role model for the type of leadership that spoke volumes of him, his family, his city, his State, and his country.

There are many people who pass through this life, some come and go, but others leave footprints on the hearts of those around them. J.L. Dawkins left footprints on the hearts of his community, of his State, and all of those who had the privilege of knowing him.

Mr. Speaker, I recommend strong support for this resolution honoring mayor J.L. Dawkins.

Mr. FATTAH. Mr. Speaker, I yield as much time as he may consume to the gentleman from North Carolina (Mr. MCINTYRE) who serves on the Committee on Agriculture and the Committee on Armed Services and has been the person on our side of the aisle most responsible for this legislation.

Mr. MCINTYRE. Mr. Speaker, I want to thank the chairman, the gentleman from New York (Mr. MCHUGH), and the ranking member, the gentleman from Pennsylvania (Mr. FATTAH), for the help of their committee and for allowing us to bring this to the floor.

Mr. Speaker, I rise today in strong support of H.R. 4658, which is legislation to rename the U.S. post office building in Fayetteville, North Carolina as the J.L. Dawkins Post Office Building.

I would like to thank my colleague, the gentleman from North Carolina (Mr. HAYES), for all of the untiring efforts the gentleman has given and in helping us put this together to bring it to the floor today. I want to thank all the Members, both Republican and Democrat, from our delegation in North Carolina for their support in this manner as well.

Born in 1935, J.L. Dawkins moved to Fayetteville 2 years later and lived there until his untimely death last month. In 1957, J.L. entered public service winning the first of six terms on the city council. He was elected mayor in 1987. J.L. served seven consecutive terms and became affectionately known as "mayor for life" in the City of Fayetteville.

Mr. Speaker, Mayor Dawkins earned this distinction because his public service was exemplified by three attributes that I think we all would do well to follow, inspiration and imagination and innovation.

J.L.'s decision to serve first of all was inspired by his firm belief in doing his best to make life better for others. His was an inspiration that was contagious to those who served with him and those who benefitted from his tireless leadership.

Second, Mayor Dawkins' imagination propelled him to convey an attitude of home and optimism for a better Fayetteville. His was an imagination which led to growth and prosperity for this wonderful city.

Third, Mayor Dawkins' innovation to build a city for all the people will be his lasting legacy. His was an innovative attitude that those of us in public service should all aspire to emulate. Truly he was a man of inspiration, of imagination, and of innovation.

If we all will recall for a moment. During the writing of the U.S. Constitution, Benjamin Franklin looked at the back of the chair in which George Washington had been sitting and sought to determine if that half sun painted on the back of the chair was a rising or a setting sun. And, indeed, he stood up, of course, and in his famous remarks said that, sir, at long last he had arrived at the conclusion that it was indeed a rising sun for our Nation whose rays of influence now literally touch every corner of the world.

Mr. Speaker, much like Ben Franklin, Mayor Dawkins was full of optimism and always could see a rising sun on the City of Fayetteville and the nearby Fort Bragg and Pope Air Force Base that so many of us are proud of, and as a member of the Committee on Armed Services and as the gentleman from North Carolina (Mr. HAYES) is, we are proud to represent this area of Cumberland County.

Mr. Dawkins was always looking to expand the vision and the horizons for Fayetteville, and may God grant that all of us will be inspired by his inspiration and imagination and innovation that Mayor Dawkins brought to his job every day.

Mr. Speaker, I urge my colleagues to support H.R. 4658 and honor the life, the service and the legacy of this fine Christian gentleman, this distinguished public servant, a true giant of a man, a leader among leaders, J.L. Dawkins.

Mr. FATTAH. Mr. Speaker, I yield back the balance of my time.

Mr. MCHUGH. Mr. Speaker, I would like to say a final thanks to the gentleman from North Carolina (Mr. HAYES) and the gentleman from North Carolina (Mr. MCINTYRE) who we have heard from today and thank them for their cosponsorship.

Mr. Speaker, I would urge all of our colleagues to support this legislation.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SIMPSON). The question is on the motion offered by the gentleman from New York (Mr. MCHUGH) that the House suspend the rules and pass the bill, H.R. 4658.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The motion to reconsider was laid upon the table.

## GENERAL LEAVE

Mr. MCHUGH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 4658.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

## BARBARA F. VUCANOVICH POST OFFICE BUILDING

Mr. MCHUGH. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4169) to designate the facility of the United States Postal Service located at 2000 Vassar Street in Reno, Nevada, as the "Barbara F. Vucanovich Post Office Building."

The Clerk read as follows:

H.R. 4169

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. BARBARA F. VUCANOVICH POST OFFICE BUILDING.**

(a) DESIGNATION.—The facility of the United States Postal Service located at 2000 Vassar Street in Reno, Nevada, shall be known and designated as the "Barbara F. Vucanovich Post Office Building".

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the facility referred to in subsection (a) shall be deemed to be a reference to the "Barbara F. Vucanovich Post Office Building".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. MCHUGH) and the gentleman from Pennsylvania (Mr. FATTAH) each will control 20 minutes.

The Chair recognizes the gentleman from New York (Mr. MCHUGH).

Mr. MCHUGH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as we just heard in the bill previous to H.R. 4169, we had the opportunity to recognize the contributions of a gentleman who focused his very considerable talents and dedicated his many, many contributions to the great community of Fayetteville.

Mr. Speaker, on this piece of legislation, we have an opportunity to single out an individual who served in a somewhat broader arena, who also contributed and sacrificed. I want to thank the gentleman from the great State of Nevada (Mr. GIBBONS), my friend and colleague, for his sponsorship of this bill that seeks to honor the former Member of this House, Barbara Vucanovich by naming the facility located at 2000 Vassar Street in Reno, Nevada as the Barbara F. Vucanovich Post Office Building.

As with the previous initiative, the gentleman from Nevada (Mr. GIBBONS) has struck out and had each Member of the State delegation of Nevada become cosponsors of this, and by struck out, of course, I meant to seek out and to successfully achieve that objective.

Mrs. Vucanovich's achievements are well-known to many of us in this House. Those of us from New York have some perhaps additional reasons for pride, because, indeed, she grew up, spent many of her formative years in our great State capitol, in Albany, but clearly to many of us, her finest hours were upon this floor and in our committee rooms where she served from 1983 until 1997.

Mr. Speaker, her achievements, her dedication, particularly to Nevadans is well-known. She spent a great deal of effort trying to work on issues involving such issues as Federal wilderness, national park policy, public land use and nuclear waste disposal, to name just a few. Her retirement left this House somewhat poorer in that we no longer had her here as an everyday presence to help this great body in its deliberations. But clearly we can this afternoon, and I would hope we would, in fact, honor those contributions that she so selflessly extended through her service on the Committees of Interior and Insular Affairs, the Committee on House Administration and certainly amongst the more important efforts as chair of the Appropriations Subcommittee on Military Construction.

It is always a special moment when we can extend this kind of honor to a former colleague. I, again, want to thank the gentleman from Nevada (Mr. GIBBONS) for his efforts and certainly urge all of our colleagues to support this legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. FATTAH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 4169 and would join in the remarks made by the gentleman from New York (Mr. McHUGH). This is an appropriate honor for a former colleague.

Mr. Speaker, I reserve the balance of my time.

Mr. McHUGH. Mr. Speaker, I mentioned the gentleman who did so much good work on this legislation. We are pleased that the gentleman is able to be with us here at this moment, and I happily yield such time as he may consume to the gentleman from Nevada (Mr. GIBBONS).

Mr. GIBBONS. Mr. Speaker, first, I would like to thank my colleagues and friends, both the chairman of the Subcommittee on Postal Service, the gentleman from New York (Mr. McHUGH), and the ranking member, the gentleman from Pennsylvania (Mr. FATTAH) for their hard work on, and continued dedication in bringing this important bill to the floor of the House of Representatives today.

Mr. Speaker, on April 4, I introduced H.R. 4169 to designate the post office located at 2000 Vassar Street in Reno, Nevada as the Barbara G. Vucanovich Post Office Building.

As the current congressman, Mr. Speaker, representing the Second Congressional District of Nevada, I have the distinct honor and, may I say, great challenge of following Barbara Vucanovich in Congress.

Mrs. Vucanovich retired from Congress after serving 14 years as the representative of one of the most diverse and vast congressional districts in this country.

As Nevada's very first female representative in Congress, she focused on a variety of issues important to Nevadans, including Federal wilderness and national park policy, as we have heard earlier, public land use and nuclear waste policy issues that affected the State of Nevada.

In 1997, Mrs. Vucanovich retired as a senior Member of Congress, having served on the Committee on Interior and Insular Affairs, the Committee on House Administration and the chairman of the very powerful Appropriations Subcommittee on Military Construction.

The designation of the U.S. post office in Mrs. Vucanovich's hometown of Reno, Nevada would be a wonderful tribute to her tireless work and unfailing dedication to the citizens of the great State of Nevada.

Mr. Speaker, echoing the remarks of Nevada's Governor Kenny Guinn, "I can think of few individuals who have devoted their lives to the people of Nevada in the manner that Barbara Vucanovich has over her many years of public service. She has served her community as a volunteer, government worker, and elected official. She has always fought hard for the people she represented."

Mrs. Vucanovich's dedicated service to her Nation is well-known throughout the halls of Congress. Mrs. Vucanovich's long history in this body as represented by the many colleagues on both sides of the aisle who still today call Barbara their friend. Many of my colleagues here today served alongside of Barbara Vucanovich and still remember with great fondness her distinguished career and outstanding achievements here in this body.

Mr. Speaker, it has been my pleasure to lead this effort to recognize my predecessor, former Congresswoman Barbara Vucanovich, for her distinguished service in Congress and longstanding commitment to the citizens of the State of Nevada, as well as to our Nation as a whole.

I would like to encourage all of my colleagues to join with me today to honor former Congressman Vucanovich and pass H.R. 4169.

Mr. Speaker, I want to again thank the gentleman from New York (Mr. McHUGH), my colleague and friend, for yielding me the time.

□ 1700

Mr. McHUGH. Mr. Speaker, I am happy to yield such time as she may consume to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY of New York. Mr. Speaker, I rise in strong support of this bill to designate a post office in Reno, Nevada as the "Barbara F. Vucanovich Post Office Building".

Barbara was the very first woman elected to Congress from the great State of Nevada, and she blazed a trail for women during her seven terms of Congress. She once lived in the congressional district that I have the honor of representing when she attended Manhattan College of Sacred Heart in New York City from 1938 through 1939, long before many women were routinely attending college.

I have very fond memories of working with Barbara Vucanovich on many bills before this Congress. In fact, one of the first bills when I came to Congress was one that we worked on together which would provide for annual mammograms in Medicare. We circulated a letter together and got, I think, probably every Member of this body to sign onto it.

At that time, when a woman was 65, mammograms were covered only every other year, which put many women at risk. It is early detection that is now saving women's lives, and it was an honor to work with her.

She cared very deeply about this issue for many reasons, one of which she was herself a breast cancer survivor. She often spoke about her experiences and really was instrumental in supporting research for breast cancer.

The bill that we worked on later became part of the balanced budget amendment and is now law. So I always think about Barbara when I read about this bill and when I think about all the breakthroughs that we are having now in breast cancer research, because she truly was a great leader in many areas. But on the Women's Caucus, I would say she was the leader on breast cancer research. Really, every woman in this country owes a great deal of gratitude for her service, for her leadership, and for her example.

So I thank very deeply the gentleman from Nevada (Mr. GIBBONS) for introducing this bill, and I certainly urge a yes vote. It is long overdue.

Mr. FATTAH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I join in the remarks that have been made. I have not served with the gentlewoman from Nevada. I would add just that I think it is entirely appropriate that this legislation receive a unanimous support here in the House.

Mr. Speaker, I yield back the balance of my time.

Mr. McHUGH. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SIMPSON). The question is on the motion offered by the gentleman from New York (Mr. McHUGH) that the House suspend the rules and pass the bill, H.R. 4169.

The question was taken.

Mr. McHUGH. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8, rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

## GENERAL LEAVE

Mr. McHUGH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 4169.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

## HENRY W. McGEE POST OFFICE BUILDING

Mr. McHUGH. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3909) to designate the facility of the United States Postal Service located at 4601 South Cottage Grove Avenue in Chicago, Illinois, as the "Henry W. McGee Post Office Building."

The Clerk read as follows:

H.R. 3909

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. HENRY W. McGEE POST OFFICE BUILDING.**

(a) DESIGNATION.—The facility of the United States Postal Service located at 4601 South Cottage Grove Avenue in Chicago, Illinois, shall be known and designated as the "Henry W. McGee Post Office Building".

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the facility referred to in subsection (a) shall be deemed to be a reference to the "Henry W. McGee Post Office Building".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. McHUGH) and the gentleman from Pennsylvania (Mr. FATTAH) each will control 20 minutes.

The Chair recognizes the gentleman from New York (Mr. McHUGH).

GENERAL LEAVE

Mr. McHUGH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3909.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. McHUGH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would admit to some bias in the bill just passed and that, as a Member of this House, it brings a particular sense of pleasure to be able to bestow a naming honor upon a former colleague. However, as a citizen, and perhaps for the purposes of this initiative, more importantly as the chairman of the Subcommittee on Postal Service, I think it is particularly appropriate when we have, as we do on this particular bill, the opportunity to bestow an honor upon an individual who has dedicated, in this case, his life to service of the United States Postal Service itself.

The gentleman from Illinois (Mr. RUSH) introduced this legislation on March 14. As the Clerk has read, it does designate the Postal Service facility at 4601 South Cottage Grove Avenue in Chicago, Illinois, as the "Henry W. McGee Post Office Building."

Mr. McGee began his life in Texas, in Hillsboro, Texas, but moved to Chicago in 1966. He began working for the Postal Service when he was just 20 years old and retired in 1973 after 45 years, 4½ decades of selfless and dedicated service to that great organization.

Mr. McGee was Chicago's very first African-American postmaster in 1966, and he was also the first career postmaster in the great city of Chicago. He thereafter went on to accrue long lists of achievements and accrue long lists of sacrifices on behalf of his community, on behalf of his country.

In World War II, he was a member of the Illinois State Militia. He made every effort to better himself through continued education and was a founding board member of the Rochelle Lee Fund for Children's Literacy where he also attempted to help the education and the betterment of so many others.

Sadly, Mr. McGee died in March of this year at the wonderful age of 90, but behind him left the kind of life from which all of us can derive a great deal of inspiration and certainly can derive a great deal of lessons as well.

I want to commend the gentleman from Illinois (Mr. RUSH) for his initiative, and I urge all of our Members to join us in supporting this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. FATTAH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this legislation, H.R. 3909, and to further extend upon the remarks of the gentleman from New York (Chairman McHUGH). I want to thank him for his efforts to bring this legislation to the forefront. It is true that Mr. McGee is someone vastly deserving of this honor.

Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. RUSH) to speak on this matter, the prime sponsor of this bill.

Mr. RUSH. Mr. Speaker, I want to thank the gentleman from Pennsylvania (Mr. FATTAH) and the gentleman from New York (Mr. McHUGH) for their efforts in bringing this legislation to the floor today. I also owe a great deal of gratitude to the entire Illinois delegation for their cosponsorship of this worthy piece of legislation.

Mr. Speaker, I am honored to rise in support of H.R. 3909, a bill that I introduced in March, which designates the United States Post Office located at 4601 South Cottage Grove in my district, the first district of Illinois, as the "Henry W. McGee Post Office Building".

H.R. 3909 pays fitting tribute to Henry W. McGee, the first black postmaster of Chicago, who gave 44 years of outstanding service to the United States Postal Service.

Mr. McGee who died on March 18, just days after I introduced this bill, began his career in 1929 as a temporary substitute letter carrier. But Mr. McGee determined that his position would not just be temporary and that he would not remain a substitute employee.

When he retired from the United States Postal Service in 1973, Mr. McGee was the general manager of the eight metropolitan districts of Chicago. Under his leadership, Chicago obtained a reputation among the best managed Post Offices in the Nation.

With Mr. McGee at the helm, the Chicago Postal Service was able to improve its delivery and its delivery rates and its delivery effectiveness in meeting the needs of its consumers.

While working hard to achieve his career goals, Mr. McGee continued to pursue his education, earning his bachelor of science degree from the Illinois Institute of Technology in 1949. In 1961, Mr. McGee received a master's degree in public administration from the University of Chicago, while currently being promoted to personnel manager for the Chicago region of the Post Office department, which encompassed both the State of Illinois and also the State of Michigan. Five years later, Mr. McGee became the first black postmaster of Chicago appointed by President Lyndon Baines Johnson.

But the accomplishments of Mr. McGee do not end there. While working hard to promote his career and to gain an education, Mr. McGee found time to get involved in the community and take on issues greater than himself.

In 1939, Mr. McGee coordinated the arrangements for the annual convention of the National Alliance of Postal and Federal Employees. He had joined the group 2 years earlier, but he immediately began taking on a leadership role. In 1945, Mr. McGee became president of the Chicago branch of the National Alliance.

In 1946, he was selected to serve as president and acting executive director of the Chicago chapter of the NAACP. While there, he dedicated himself to the causes of ending segregation and fighting for equal justice.

In addition to the NAACP, he became one of the charter members of the Joint Negro Appeal, a self-help organization. As president, Mr. McGee served diligently for more than 17 years and raised many thousands of dollars to help neighborhood groups.

This legacy that Henry W. McGee leaves is both inspirational and impressive. I believe that this legislation is a fitting tribute to Henry W. McGee, and I urge my colleagues to support H.R. 3909.

Mr. McHUGH. Mr. Speaker, I have no further requests for time, and I continue to reserve the balance of my time.

Mr. FATTAH. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. DAVIS), another gentleman who is a member of the Illinois delegation and most importantly in reference to this legislation is a member of the Subcommittee on Postal Service, and serves with both the gentleman from New York (Mr. McHUGH) and myself and provides a great deal of leadership on the committee.

Mr. DAVIS of Illinois. Mr. Speaker, I certainly want to, first of all, commend the gentleman from Illinois (Mr. RUSH) for introducing this very important legislation. I would also like to express appreciation to the gentleman from New York (Chairman MCHUGH) and the gentleman from Pennsylvania (Mr. FATTAH), ranking member, for bringing this legislation to the floor.

I rise in support of H.R. 3909, which names the post office on South Cottage Grove after Henry McGee: I was fortunate to have worked for and with Henry McGee. As a matter of fact, one of the very first meaningful jobs that I ever had was a job working in the Chicago Post Office as a clerk. I can recall at that time that Mr. McGee was an esteemed executive; and one would hear his name being called on the intercom, practically all day in terms of somebody saying, Mr. McGee, please call your office, or Mr. McGee, you are wanted on floor 9, or Mr. McGee, you have a telephone call, or you have a message. Many of us were young people wondering who was this guy McGee. I mean, all day long one constantly heard his name.

Then as we got to meet him and got to know him, we were tremendously impressed because he reminded us so much that it is not always a matter of where one begins, but oftentimes it is a matter of where one ends.

So here comes Henry McGee beginning as a temporary letter carrier at the very bottom of the process and then working his way all the way to the point of becoming postmaster of one of the largest postal operations in America.

But then as my colleagues have already noted, not only did he excel in terms of his chosen profession, but Henry McGee found the time while operating the Chicago Postal Service to also be actively involved in other civic and community affairs.

□ 1715

In addition to those already having been mentioned, he was also appointed by Mayor Daley to serve as a member of the Chicago Board of Education. And during those years, serving as a member of the Chicago Board of Education was kind of like being in the military. A board member needed to get hazardous duty pay. And yet Henry McGee was able to do all of that.

He was also a great churchman and was seriously involved in his church and was consistently known as the guy who kept the records, who always made sure that the money was handled properly and was accounted for. Not only did he raise money, but he also accounted for money.

But then he lived to be 90 years old and to be actively engaged even up to that point. People often talk about a lack of role models, a lack of individuals in African-American communities especially or minority communities in general. I think that young people need not look any further than to look to the Henry McGees of the world, a man who started at the bottom but rose to the top of his profession and ended life as an outstanding and esteemed American.

Again, I certainly commend and thank my colleague, the gentleman from Illinois (Mr. RUSH) for taking the time to recognize this great American, and I certainly would urge that we all support this legislation.

Mr. FATTAH. Mr. Speaker, I yield myself such time as I may consume to thank once again my colleagues, the gentleman from Illinois (Mr. RUSH) in particular, and the gentleman from Illinois (Mr. DAVIS) for bringing the life and legacy of Mr. McGee forward to this House in this way.

I think that among the many, many pieces of legislation that we will pass in this session naming post office facilities, this one is more appropriate than most in the sense that this gentleman worked his entire life in the postal service making sure that the mail, notwithstanding the weather, was delivered and delivered accurately. He is a gentleman who has a great and varied background, including his work on the board of the children's literacy effort in Illinois, which is something that I appreciate and admire him for.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MCHUGH. Mr. Speaker, I yield myself such time as I may consume to thank the ranking member for his efforts through this continuing labor on behalf of the subcommittee. I understand he has to go off for other business while we complete the final bill, but, as always, he has been a leader and an engine of cooperation.

Mr. FATTAH. Mr. Speaker, will the gentleman yield?

Mr. MCHUGH. I yield to the gentleman from Pennsylvania.

Mr. FATTAH. I would just advise my colleague that my daughter is in my office, and I have been holding her up, so I am going to yield the remainder of the time for another member of the committee to manage the last remaining bill.

Mr. MCHUGH. Reclaiming my time, Mr. Speaker, I appreciate that. We always know, whether the gentleman is on the floor or somewhere else, that he is working on all our behalves, and I mean that with all sincerity.

Before I yield back, Mr. Speaker, I want to associate myself with virtually all the speakers on the other side of the aisle. I think they made very poignant, very appropriate comments about the appropriateness of this particular bill.

As I tried to indicate in my opening remarks, this is a special bill, amongst a series of special bills. This gentleman, through his efforts in the postal service and this gentleman through his efforts in his community, as the gentleman from Illinois (Mr. DAVIS) so aptly put it, can indeed serve as a source of inspiration, of leadership far beyond any minority community but across the wide horizon. He is the kind of individual and gentleman to which all peoples, young and old alike, can look to for real landmarks in how to guide and live their lives.

So this is a particularly fine bill, and I am proud to be here today with the gentleman from Illinois (Mr. RUSH) and others who have made it possible.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SIMPSON). The question is on the motion offered by the gentleman from New York (Mr. MCHUGH) that the House suspend the rules and pass the bill, H.R. 3909.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

## SAMUEL H. LACY, SR. POST OFFICE BUILDING

Mr. MCHUGH. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4447) to designate the facility of the United States Postal Service located at 919 West 34th Street in Baltimore, Maryland, as the "Samuel H. Lacy, Sr. Post Office Building."

The Clerk read as follows:

H.R. 4447

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SAMUEL H. LACY, SR. POST OFFICE BUILDING.**

(a) DESIGNATION.—The facility of the United States Postal Service located at 919 West 34th Street in Baltimore, Maryland, shall be known and designated as the "Samuel H. Lacy, Sr. Post Office Building".

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the facility referred to in subsection (a) shall be deemed to be a reference to the "Samuel H. Lacy, Sr. Post Office Building".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. MCHUGH) and the gentleman from Maryland (Mr. CUMMINGS) each will control 20 minutes.

The Chair recognizes the gentleman from New York (Mr. MCHUGH).

### GENERAL LEAVE

Mr. MCHUGH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 4447.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MCHUGH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this final bill, regardless of its sequence in the legislative calendar, is certainly equal to the high standards that have been set not just here today on the floor but I think historically through this Congress with respect to postal namings.

I want to thank the gentleman from Maryland (Mr. CUMMINGS) for working so hard to bring this very meritorious piece of legislation before us. As the Clerk said, it does seek to designate the United States Post Office facility located at 919 West 34th Street in Baltimore, Maryland, as the Samuel H. Lacy, Sr. Post Office. And as was true with the previous three initiatives, Mr. Speaker, each Member here too of the House delegation from the great State of Maryland has joined the gentleman from Maryland (Mr. CUMMINGS) in cosponsoring this bill.

All of us who come to this floor find ourselves laboring beneath a podium that is suspended above the House here that is the place put aside to seat the members of the various media. And, indeed, those of us who have the honor of serving this House and in government and politics sometimes find ourselves in an interesting love-hate relationship with many members of the media. But I think it is fair to say for all of us that, at the end of the day, despite our occasional disagreements, those of us in public office have a great deal of respect, a great deal of admiration for those who serve in that capacity of keeping the people of this country informed. Certainly our Constitution, our Founding Fathers and founding mothers, understood the importance of a free press and an active press, and one that was never afraid, never too shy to come forward and to report the facts and the truth as they saw it.

My understanding of Mr. Lacy is that he has dedicated his life to that kind of effort. And, in fact, he has accrued some 60 years in journalism, working in radio, television, and the print media. He was a renowned sportswriter and editor for the Baltimore Afro-American Newspaper, starting back in 1944. And, in fact, even to this day he still resides in the great city of Baltimore and still works in journalism, adding each and every hour of each and every day to that fine list of achievements.

So we have, I think, a very fitting finale to our four-bill calendar today, seeking to honor this gentleman who has served in the media, fulfilled that solemn commitment that is embodied in our Constitution of a free and unfettered press, in defense of the first amendment and freedom of speech. So I want to again thank the gentleman from Maryland (Mr. CUMMINGS) for his initiative, and certainly urge all our Members and colleagues to support this very worthy bill.

Mr. Speaker, I reserve the balance of my time.

Mr. CUMMINGS. Mr. Speaker, I yield myself such time as I may consume.

I would like to thank the chairman, the gentleman from New York (Mr. MCHUGH), and the ranking member, the gentleman from Pennsylvania (Mr. FATTAH), of the Subcommittee on Postal Service of the Committee on Government Reform for their support in bringing this bill to the floor today. I believe that persons who have made meaningful contributions to society should not only be recognized but memorialized.

The naming of a postal building in one's honor is truly a salute to the accomplishments and public service of an individual. H.R. 4447 designates the United States Postal Service building located at 919 West 34th Street, Baltimore, Maryland, as the Samuel H. Lacy, Sr. Post Office Building.

I am pleased to be able to speak today about my constituent, Mr. Lacy, a true trailblazer and hometown hero in Baltimore's African-American community, this country, and the world. Mr. Lacy has served since 1944 to the present in one of the greatest African-American institutions in the world, the Baltimore Afro-American Newspaper. The Afro, as it is called, is one of the oldest black-owned and operated weekly newspapers in the country.

During World War II, the Afro and other black press documented the heroism of our soldiers, sailors and airmen; valor that the majority press largely ignored. Then, during the Red Scares of the 1950s, newspapers like the Afro were forced to struggle against both financial pressure and attacks by the agents of the McCarthy era. The black press exposed the brutal face of Jim Crow and the fundamental unfairness of segregation. Before Selma and Birmingham, they helped to provide the social and intellectual foundations for protests in the movement toward civil rights.

In the words of "Soldiers Without Swords," Stanley Nelson's 1998 documentary for PBS, the black press "gave a voice to the voiceless." They gave us the news we needed to know when no one else would declare the truth about our lives. For families like my own, new to Baltimore from the fields of South Carolina, the Afro-American Newspaper offered us the vision of a powerful business owned and controlled by black men and women of intellect, education, and courage.

Samuel Lacy is a part of that legacy. He has been a renowned sportswriter and editor for the Baltimore Afro-American Newspaper since 1944. He has worked for 60 years, over half a century, in journalism, working with radio, television, and the print media. And as the gentleman from New York (Mr. MCHUGH) said, he is still working at 96.

As a sportswriter, he conducted interviews with many great sports figures. However, his unique position as an African-American writer provided for insightful behind-the-scenes stories about Jackie Robinson and other great black sportsmen, unfortunately, because they were often relegated to the same segregated accommodations. Lacy's earnest prose during these times played an important part in the effort to desegregate major league baseball. His contributions led to his induction into the writers' wing of the Baseball Hall of Fame in 1998.

He also served as a sports commentator for WBAL TV in Baltimore and a sports and managing editor for the Washington Tribune, even covering six Olympic games, including Los Angeles. To this day, at the age of 96, he continues to write a weekly column for the Afro.

Mohammed Ali, the greatest boxer of all times, once said that, and I quote, "Service to others is the rent you pay for your room here on earth." Samuel Lacy, as a man and as a member of the African-American press, has paid his rent over and over and over again. As such, I urge my colleagues to support this postal naming bill that salutes a person from my district who has spent his life giving service to others and giving life to life.

Just this weekend, I was with Mr. Lacy at a funeral of John Oliver, Sr., the editor of the Afro-American, who had served for over 47 years.

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When Mr. Lacy got up to speak, he talked about how Mr. Oliver had contributed so much to the lives of others. What he did not say and would have been appropriate at that moment to say was that he and Mr. Oliver and many others provided a newspaper so that young boys and girls of African-American descent could look up to them and know that they were going somewhere, that they presented an image, that they presented a business, a family-owned business, that they presented a legacy by which many of us could follow.

Again, I thank the gentleman from New York (Mr. MCHUGH) so much for bringing this bill to the floor. I want to thank the gentleman from Indiana (Mr. BURTON), who was very instrumental, and certainly the gentleman from California (Mr. WAXMAN), the ranking member, and the gentleman from Pennsylvania (Mr. FATTAH), the ranking member of the subcommittee. I know for a fact that Mr. Lacy is looking on, and I know that this act today will not only touch his life but will touch the lives of his family and his friends.

Mr. Speaker, I yield back the balance of my time.

Mr. MCHUGH. Mr. Speaker, I yield myself such time as I may consume.

Let me express my appreciation again to the gentleman from Maryland for his efforts on this bill but also for his very gracious comments and for his words of thanks; but with all due respect, I would suggest that it is all of us that owe the thanks to the gentleman from Maryland (Mr. CUMMINGS) for his efforts in bringing to us an individual who as he so eloquently stated has done so much and contributed so many times including this very moment. We look forward to many days ahead of additional sacrifice and additional achievement on behalf of this very worthy gentleman.

Mr. Speaker, I urge all of our colleagues to join us in supporting this bill.

Mr. FATTAH. Mr. Speaker, H.R. 4447, which designates a U.S. post office located at 919 West 34th Street in Baltimore, Maryland after "Samuel H. Lacy, Sr." was introduced by Congressman ELIJAH CUMMINGS on May 17, 2000.

Samuel H. Lacy, Sr., is a renowned sports writer and editor for the Baltimore Afro-American Newspaper, a position he has held since 1944. He has spent 60 years in journalism, working in radio, television, and print media.

At 96 years young, Mr. Lacy still authors a weekly column for the Baltimore Afro-American Newspaper. He has served as a Sports Commentator for WBAL–TV in Baltimore and a Sports and Managing editor for the Washington Tribune. Mr. Lacy has covered six Olympic Games, including the games in Los Angeles and is most proud of receiving the Frederick Douglass Award for excellence in journalism.

Mr. Speaker, I join my colleagues in expressing support for H.R. 4447, which would name a post office after a truly talented and dedicated man, Mr. Lacy. I urge swift passage of this bill.

Mr. MCHUGH. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SIMPSON). The question is on the motion offered by the gentleman from New York (Mr. MCHUGH) that the House suspend the rules and pass the bill, H.R. 4447.

The question was taken.

Mr. MCHUGH. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8, rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

## SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

## CONCERNS OF CHINESE AID FOR PAKISTANI BALLISTIC MISSILE PROGRAM STILL UNRESOLVED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, last month disturbing reports surfaced that China is aiding Pakistan's missile development program. In response to this very destabilizing situation, I wrote to President Clinton on July 5 urging that the administration immediately impose sanctions on China. I was encouraged to see that the administration dispatched a top arms control official to Beijing to address the growing concerns about China's proliferation activities. But the news out of the Chinese capital was not encouraging. John Holum, senior adviser to the Secretary of State on arms control, told the media that the United States has raised our concern that China has provided aid to Pakistan and other countries. According to an article in the Sunday, July 9 New York Times, Mr. Holum said, "We made progress, but the issue remains unresolved." In the polite parlance of diplomacy, that is a clear indication that this issue continues to be a serious concern.

Mr. Speaker, the Central Intelligence Agency and other U.S. intelligence agencies have reported that China has stepped up its provision of key components and technical expertise for the development of a new long-range missile that could carry nuclear weapons. This recent pattern of Chinese support for Pakistan's missile development program is a matter of concern for the United States and for the long-term stability of the entire Asian continent.

It is also a matter of particularly urgent concern for India. China and Pakistan both consider India to be their major strategic threat which is absurd, considering that India has been the victim of both Pakistani and Chinese aggression. But given that shared strategic outlook on the part of China and Pakistan, it is clear that these two nations have teamed up to surround India and create an alarming potential for instability in Asia.

While Pakistan remains subject to U.S. sanctions as a result of its nuclear explosions and last year's military coup, the administration has been trying to influence China with its policy of comprehensive engagement. Clearly, at least in the case of Pakistan, the policy is not working. Mr. Speaker, I believe it is time to get tough with Beijing.

To that end, I am drafting legislation similar to a bipartisan bill that has been introduced in the other body, the Senate, that would require the administration to monitor China's record on the spread of nuclear weapons and impose automatic sanctions on companies or states if there is credible evidence of exports of missile technology. The legislation is moving through the Senate and is part of the mix in the upcoming debate on extending permanent normal trade relations to China. I believe this connection is very appropriate to make. We cannot afford to completely separate our commercial and security interests.

In my letter to President Clinton urging that sanctions be imposed on China forthwith, I noted that sanctions had been imposed on China in 1991 and in 1993 for the provision of M–11 missiles with a range of 300 kilometers. In my letter to the President, I wrote: "A new era of cooperation between India and the United States has been ushered in, thanks in no small part to your recent trip to India that I was honored to be a part of. As we work to heighten our cooperation with India on such issues as security, nonproliferation and combating terrorism, it seems inconsistent not to hold China accountable for actions that directly threaten the security of India and which will inevitably spur a heightened arms race on the subcontinent."

I further stated in my letter, Mr. Speaker: "In an effort to forestall action by Congress, the administration has tried to tout China's reduction of weapons exports to the Middle East, North Korea and other areas of concern. But it appears from the administration's own information that the flow of nuclear technology and delivery systems for weapons of mass destruction to Pakistan continues unabated." The latest news from our American envoy in Beijing only further confirms that this is in fact the case.

I have long been concerned, as many of my colleagues in Congress have been, about transfers of technology by the People's Republic of China that contribute to the proliferation of weapons of mass destruction or missiles that could deliver them. For example, in 1996, many of us called for sanctions on China for the sale of ring magnets, which can be used to enrich uranium, to Pakistan. Since 1992, Beijing has taken some steps to mollify American concerns about proliferation, including promises to abide by the Missile Technology Control Regime, which it has not joined, and accession to the Nuclear Nonproliferation Treaty. But the Director of the CIA reports that the People's Republic remains a key supplier of technology inconsistent with nonproliferation goals.

In closing, Mr. Speaker, I want to stress again that the issue of favorable trade benefits to China cannot be delinked from our concerns about nuclear and missile proliferation. If the administration considers PNTR passage so important, it must demonstrate to Congress that it is serious about cracking down on China's violation of nonproliferation agreements. I hope the administration will give serious consideration to imposing sanctions on China. If not, there are those of us in Congress who are ready to mandate such sanctions through legislation.

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## CALLING FOR EXTRADITION OF ALLEGED KILLER OF DEEPA AGARWAL, SLAIN CENTRAL FLORIDA STUDENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. MILLER) is recognized for 5 minutes.

Mr. MILLER of Florida. Mr. Speaker, I am here today to speak on behalf of the family of Deepa Agarwal, a promising and bright young student at the University of Central Florida, who was brutally murdered in her apartment in Orlando, Florida. Her alleged killer, Kamlesh Agarwal, fled to his home in India where he remains today. Today is an important day to Deepa's family and friends because it marks the 1-year anniversary of her tragic death. But halfway across the globe in India, it is just one more day that her alleged killer remains free.

I am here to speak today because I am concerned about the failure of India to pursue and arrest this suspect, let alone extradite him. As a result of a murder in my own congressional district and the efforts made to extradite the suspect from Mexico, I learned a lot about the international loopholes that criminals can use to escape justice in America. In fact, according to recent statements by the Department of Justice, only one in four international fugitives is returned to the United States.

It is easy to point fingers at the actions of other nations when it comes to extradition. But I want the administration to take note of one important point. Deepa's family and friends held a vigil today in front of the White House and not in front of the Embassy of India. After more than 2 years of working on the issue of international extraditions and after talking to victims' families and local law enforcement, I have realized that there is a powerful and accurate perception that the administration is not doing enough to ensure that these suspects are returned. The American people are not content with being told that we have no influence over international law enforcement cooperation with countries like Mexico and India when we hand out millions of dollars in foreign aid and maintain a constant dialogue on a wide variety of other issues.

Cases like the Agarwal case should be a priority in U.S. foreign policy, and families should not feel like they need a Member of Congress to take the offensive on their behalf to get action on their case. I believe that there are employees within the State Department and Justice Department who are committed to seeing these suspects return to face justice. But until that decision is made at the very top of the food chain to make these extraditions a top priority, we will continue to tread water on this issue, and tragically we will continue to see vigils like occurred today.

I ask the administration to make the Agarwal case and extradition a priority in our dealings with India, and I wish the Agarwal family and Deepa's friends the best of luck in their fight for justice. I also ask my colleagues to join me in support of international extradition reform and the legislation I have introduced, which is H.R. 3212, the International Extradition Enforcement Act.

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## IN SUPPORT OF H.R. 1323, SILICONE BREAST IMPLANT RESEARCH AND INFORMATION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GREEN) is recognized for 5 minutes.

Mr. GREEN of Texas. Mr. Speaker, the reason this evening that I am asking for a 5-minute special order is to talk about some legislation that I have been working on and we have a great many cosponsors, H.R. 1323. As I begin to talk about it, Members need to understand when I first was brought to the problem's attention by some constituents of mine, I realized the first issue we need to deal with is what I call the candy effect, we need to get over the snicker factor and then really get on to dealing with the problems that some women in our country are having.

H.R. 1323 deals with breast implants, an issue that has been the subject of court cases. But my concern, Mr. Speaker, is that the Federal Food and Drug Administration, who is supposed to be America's watchdog, our protector, to make sure that we are not harmed by faulty drugs or medical devices. In fact, the FDA's own Web site calls itself the Nation's foremost consumer protection agency, and we pour millions and millions of Federal tax dollars into this agency every year. Unfortunately, when it comes to medical devices, the FDA is neither our watchdog nor our protector.

In May, I was disappointed to learn that the FDA approved saline breast implants for the general market. The FDA approved these breast implants despite data presented by the manufacturers showing that three out of four mastectomy patients who opt for saline breast implant reconstruction experience painful local complications.

The FDA approved breast implants despite the fact that the majority of implants rupture within the first 3 to 4 years. The FDA's own scientists concluded that the manufacturers have incorrectly carried out their statistical analyses and therefore determined that the complication rates were as high as 84 percent with mastectomy patients within the first 3 to 4 years. These complication rates continue to increase over time.

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But, now with the FDA approval, the two leading manufacturers are able to market their saline breast implants. In fact, one of the manufacturers even has a pending FDA criminal investigation regarding its breast implant production and testing hanging over its head, and it still received approval by the FDA.

My concern for women who opt for a saline breast implant stems from hundreds of women who have contacted me with their experience, and I have heard from my own constituents and women from across the country who have suffered from the long-term consequences of reconstruction and cosmetic surgery, including infections, deformity and rupture.

These women also have suffered from inaccurate mammogram readings due to implants concealing breast tissue which is critical in detecting a reoccurrence of cancer. Studies show that up to 35 percent of the breast tissue can be obscured by these implants.

In addition, these women are experiencing difficulties with health insurance coverage to pay for the high cost of repeated surgeries and examinations. The cost of faulty implants is paid for by all of us. Just consider the number of women who have had breast implants. The Institute of Medicine estimated by 1997, 1.5 to 1.8 million American women had breast implants, with nearly one-third of these women being breast cancer survivors.

The American Society of Plastic and Reconstructive Surgeons cites breast augmentation as the most popular procedure for women ages 19 to 34. In 1998, nearly 80,000 women in this age bracket received breast implants for purely cosmetic reasons. By 1999, an additional 130,000 women received saline breast implants.

In spite of these escalating numbers, very little is known about the long-term effects of the silicone of these breast implants on the body. Few patients understand that even when they opt for the saline breast implants, the envelope of the implant is made of the silicone.

Following the FDA's decision to approve saline breast implants, the agency did warn women of the potential risk. FDA officials called upon implant manufacturers and plastic surgeons to ensure that thorough patient information is provided to women before they undergo the surgery.

So, now with the FDA approval process behind us, the only course of action to safeguard future women is an informed consent document. Somehow, a piece of paper is supposed to make up for the manufacturer's insufficient mechanical testing, revision data and retrieval analysis. It is supposed to make up for inaccurate labeling and risk estimates. It is supposed to make up for the plastic surgeon's obligation to fully inform their patients of the potential complications and reoperations and the doctor's chosen surgical procedures.

There is so much we don't know, and yet the one government agency mandated to safeguard the public's food, drug and medical devices is willing to jeopardize women with a medical device that has alarmingly high failure rights.

In spite of the agency's call for post-market studies, the FDA approval of saline breast implants provides no incentive for the manufacturers to make data better or a safer medical device. I highly doubt the post-market studies will be conducted in a meaningful and timely manner, and I doubt that the FDA has the ability to properly oversee these studies anyway. One of the manufacturers is already predicting to its stockholders it will have FDA's approval of its silicone breast implants in a couple of years, and I believe the need for more research is especially compelling in light of the FDA's own study on the rupture of saline breast implants.

Mr. Speaker, I include for the RECORD two articles from The Washington Post and the Los Angeles Times.

On May 18 of this year, Dr. S. Lori Brown's research was presented. The study examined women through the use of MRIs in order to detect whether their implants had ruptured and concluded that 69 percent of the women had at least one ruptured breast implant.

The FDA concluded that rupture of silicone breast implants is the primary concern although "the relationship of free silicone to development or progression of disease is unknown."

My colleagues have joined me in trying to get some critically needed independent research into silicone breast implants. We have sponsored "The Silicone Breast Implant Research and Information Act," H.R. 1323, which calls upon the National Institutes of Health to conduct clinical research on women with silicone breast implants.

Our bill places a special emphasis upon mastectomy women, who are adversely affected at a much higher rate than women receiving implants for cosmetic reasons.

While that research is being conducted, the bill would also bolster the informed consent procedures and information given to women when they consider breast reconstructive surgery or breast augmentation.

I urge my colleagues to join me in sponsoring this bill, and ensuring the health and well-being of American women. Since the FDA won't do it's job, we'll have to.

Mr. Speaker, I include the following articles from the Washington Post and the Los Angeles Times for the RECORD.

[From the Washington Post, May 21, 2000]

### HOW SAFE IS SAFE?

The Food and Drug Administration ruled last week that saline-filled breast implants, the only kind still available, can remain on the market. They had been in regulatory limbo; a 1976 law allowed medical devices then available to continue to be sold pending further testing, only now completed. But for those who hoped the long-awaited FDA ruling would give a firm yes or no on safety, the agency's judgment is less than definitive.

Saline implants may be sold, the agency ruled, but women must be made aware of their many potential complications, including pain, infection, cosmetic problems and a 20 to 40 percent chance they will need replacing by another operation within three years. A serious effort needs to be mounted to warn women of these risks, the agency believes. Not exactly a ringing endorsement.

Why, then, approve at all? Critics accuse the FDA of diluting the meaning of its seal of approval. Many products legally on the market carry risks. Drugs commonly come with warnings of side effects. But the critics argue that the agency should take a harder line toward optional cosmetic products and procedures. And in fact, most optional devices with complication rates this high have been kept from the market.

The FDA says it is trying to draw difficult lines between protecting people and allowing them to weigh their own risks at a time when both demand for "lifestyle products" like cosmetic surgery and the variety available are skyrocketing. Should people be protected from liposuction and laser eye surgery? From cosmetic procedures with a remote risk of serious harm but a high risk of moderate harm?

The implant ruling reflects an FDA choice to become, at least for cosmetic surgery, less a goalie and more a disseminator of information. It's a defensible but risky approach that can only work if accompanied by close oversight, especially of the implant manufacturers and plastic surgeons who benefit financially from use of these products. For most consumers, the FDA's stamp of approval still speaks more loudly than any warnings it may tack on.

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[From the Los Angeles Times, June 15, 2000]

### WOMEN CAN'T COUNT ON THE FDA

(By Patricia Lieberman)

The Food and Drug Administration is known worldwide for having the most rigorous safety standards. Unfortunately, it lowered its standard last month when it approved saline-filled silicone breast implants. That decision will have an impact on the lives of as many as 150,000 women and teenage girls who get those implants each year. And if implant makers have their way, the FDA will approve even riskier silicone gel-filled implants next.

To win approval of their saline implants, two Santa Barbara-based corporations presented the FDA with results of their studies of women who get saline implants three to four years ago. They claimed their patients were satisfied. but reported serious problems such as broken implants, breast pain, infection, deformity and additional surgeries to fix those problems.

The manufacturers touted their implants safety, and they were backed up by plastic surgeons, who told the FDA about the wonderful successes in their practices. Like the children of Garrison Keillor's mythical Lake Wobegon, the surgeons all seemed to be "better than average," with complication rates that were much lower than the research found and patients more enthusiastic about the changes implants made.

Yet analysis by FDA scientists showed that the manufacturers and physicians had underestimated the true rates of complications. Using data gathered by the manufactures, the FDA calculated that for one manufacture, Mentor Corp., 43% of women who got implants for augmentation had at least one complication within three years. For mastectomy patients, it was even worse: Within three years, 73% of women who got implants had at least one complication, and 27% had their implants removed. The statistics were even more troubling for the implants made by McGhan Medical. For both brands, the FDA explained that the complication rates were still rising when the studies were completed, so the long-term health risks are unknown.

The FDA also heard heart-wrenching testimony from women with health problems due to saline breast implants. They heard from women who got sick but are too poor because of extensive medical bills to have the implants removed. They heard from women who were denied health insurance because they were considered highrisk due to their implants and subsequent complications. They heard from women whose symptoms did not improve until after their implants were removed. The FDA utterly ignored these devastating stories.

The FDA also heard a radiology expert testify that breast implants can interfere with mammography. Failure to detect cancer is twice as likely for women with implants. Of the 1.5 million to 2 million women with implants, it is likely that the breast cancer diagnosis of 20,000 to 40,000 if them could be delayed because their implants obscured a tumor. Such a delay can be deadly. When breast cancer is detected and treated in its earliest stages, 90% to 95% of those women are healthy 10 years later. Only 40% live 10 years if the cancer is more advanced.

Although the health risks clearly outweigh the cosmetic benefits for most women and teenage girls, the FDA approved saline implants anyway. The FDA will require that manufacturers provide detailed information about the risks to patients, but what does that mean? Will companies that misrepresented their data to the agency realistically portray the risks to their potential customers? It doesn't look likely.

Instead, the manufacturers are looking for more business. After the FDA announced its approval of saline implants, McGhan boasted that it would seek FDA approval for silicone-gel implants. The FDA's own research proves that this would be a tragic mistake. Scientists found that even among women who had not sought medical treatment for implant problems, almost 80% had at least one broken implant after 10 to 15 years. Even more worrisome, the silicone was migrating away from the implants in 21% of those women.

The FDA made no effort to publicize those results. Instead, it issues no warnings and still permits unapproved silicone-gel implants to be sold.

Consumers should have the peace of mind that the term "FDA approved" means that a product has been thoroughly tested and proved safe. Unfortunately, when it comes to breast implants, the FDA has placed the burden on women instead. Women will have to sift through the plastic surgeons' and manufacturers' glossy promotional brochures to seek the information they need because we can no longer rely on the FDA to look out for us.

## PROTECTING AMERICA'S NUCLEAR ENERGY SUPPLIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. STRICKLAND) is recognized for 5 minutes.

Mr. STRICKLAND. Mr. Speaker, I rise to speak about a subject that is of great importance to those who are Members of this House, but also to every citizen in this country.

Some 2 years ago, a decision was made to privatize the uranium enrichment industry in this country. The individual who oversaw that privatization, Mr. Nick Timbers, as a government employee was compensated around $350,000 per year. After privatization occurred, Mr. Timbers' salary went to approximately $2.48 million a year. I think it was a terrible conflict of interest to allow an individual who was in a position to enrich himself to be involved in the decisions which led this industry from being privatized.

The results of privatization have been very, very grave to this country. The American citizen needs to know that approximately 23 percent of all of the electricity generated in this country is generated through nuclear power, and, as a result of decisions being made by this privatized company, we are in danger of losing the capacity to enrich uranium and to create the fuel necessary to produce 23 percent of our Nation's electricity.

The Nuclear Regulatory Commission is charged with doing an analysis, and they must do an analysis to determine whether or not this private company can be depended upon to continue to produce a reliable domestic supply of nuclear fuel needed to meet our Nation's needs. It has come to my attention that the staff of the Nuclear Regulatory Commission has done their analysis and has taken that analysis to members of the commission, but they have been sent back to the drawing board, so-to-speak.

In the interim period, it has also come to my attention that the management of this new privatized corporation, and I have been told that specifically Mr. Timbers himself, is trying to interfere with the conclusions of the staff of the Nuclear Regulatory Commission. Put simply, this private company is now arguing that "domestic" does not include simply the material that is produced within the United States of America, but they are arguing that we should also include the material that is being imported from Russia as a part of the "domestic supply." They are also arguing that "reliable" does not mean the ability to produce 100 percent of our Nation's needs, but "reliable" could mean 60 percent or 50 percent or 40 percent of our Nation's needs.

Mr. Speaker, it is important that this Congress not allow this external influence to affect the conclusions reached by the staff of the Nuclear Regulatory Commission. It is important for us as a Congress and it is important for this administration to say very clearly that "domestic" means the material that is produced within the continental United States. We cannot depend upon Russia to meet our domestic needs.

We should also make it clear that when we talk about reliable, we mean 100 percent of our Nation's needs should be met, not 60 percent nor 40 percent.

These are esoteric matters, but they are important matters, because if this Congress does not take responsible action, and if this administration does not take responsible action, we could find ourselves in a relatively short period of time being dependent upon foreign sources, especially Russian sources, for the fuel that it takes to generate 23 percent of our Nation's electricity.

Mr. Speaker, we know what happens when we rely too heavily upon foreign sources for oil. Gasoline prices skyrocket. But this Congress now has an opportunity to prevent a calamity, to prevent a disaster from happening.

I am just beseeching my colleagues in this House to pay attention to this critical issue. Do not let this industry disintegrate. We must protect the enrichment industry in this country, we must protect the mining industry, we must protect the conversion industry in this country. If we do not, if we do not, in a few short years this country could find itself in an untenable situation where we must depend totally upon foreign sources for some 23 percent of our Nation's electricity. We cannot let that happen.

Mr. Speaker, I beg my colleagues, I beg my colleagues, to pay attention to this vital issue.

## GETTING ARMED FORCES PERSONNEL OFF OF FOOD STAMPS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

Mr. JONES of North Carolina. Mr. Speaker, I come back to the floor after several weeks of not being on the floor to talk about our men and women in uniform that are on food stamps.

This photograph is of a Marine that is getting ready to deploy for the Balkans. In his arms he has his daughter, Bridgett, and on his feet is a little 2-year-old girl named Megan.

Mr. Speaker, we have done a great deal to help our men and women in uniform in the 6 years I have been here in office as we have tried to increase their pay, to improve their quality of life, and we have made some great strides. But, Mr. Speaker, the problem is, we still have men and women in uniform that are on food stamps.

Mr. Speaker, I feel, as do most Members of this House, that anybody that is willing to die for this country when called upon to protect our freedoms, they should not be under any circumstances on food stamps.

I felt somewhat compelled after July 4th, being home, and, like most Members here, I went to several parades, and at a couple of these parades the Marine Band was there and the Honor Guard, and I saw those Marines in their dress blues, and it just reminded me, not just of Marines, but any man or woman in uniform, whether it be the Army, the Navy, the Marine Corps, the Air Force or the Coast Guard, that we would have those in uniform that are on food stamps.

Here we are this week, again we will be debating another foreign operations bill, yet we find millions of dollars to send overseas. I know there is a need to have foreign aid, I am not saying that we should not be, but I think we do have an obligation to protect those in uniform first, those that are on food stamps. Quite frankly, I am quoting Daniel Webster who said, "God grants liberty to those who love it and are willing and prepared to defend it."

Mr. Speaker, we are fortunate to have the men and women in uniform that we have in the Armed Services of America, but, yet, again, I came to the floor because we have a bill that I introduced a year ago, H.R. 1055, that would help our men and women in uniform. I have over 100 signatures, Mr. Speaker, and that is both Republican and Democrat, and I continue to encourage my leadership, as I hope that Democrats who have signed this bill are encouraging their leadership, to say that we will not leave this year in October without helping those on food stamps, to do the very best to make sure that we have no one in uniform on food stamps. That might be somewhat idealistic, but I think it is worthy of our efforts to do that, to make sure that they are not on food stamps.

I want to share with you, because I have military bases, Camp Lejeune in Jacksonville, Cherry Point Marine Air Station in Havelock, Seymour Johnson Air Force Base in Goldsboro, and also a Coast Guard base in Elizabeth City.

Recently the Jacksonville paper, which is the home of Camp Lejeune, they did a feature on men and women in uniform that are at the bottom of the ladder, so-to-speak, as it speaks to their income, and this article said that there are 145 Marine families in Camp Lejeune, which again is in Jacksonville, that receive a total of $25,000 a month in food stamps.

I ask this, Mr. Speaker, that if we have 145 that are identified that go to the social services for food stamps, how many do we have in that area that are not going because of pride or because of some other reason?

So, again, I am encouraging our leadership this year, Mr. Speaker, before we leave in October, to please, let us work together in a bipartisan way to make sure that when we leave, that no one is dependent on food stamps in the military.

Mr. Speaker, I would like to close with a poem that I think is very appropriate for all of us in the Congress, as well as anyone in this country that maybe has not served in the military, to remember that the freedoms that we enjoy are guaranteed by those in uniform.

The poem was written by Father Dennis O'Brien, United States Marine Corps.

"Who has given us freedom of the press?
It is the soldier, not the poet.
Who has given us freedom of speech?
It is the soldier, not the campus organizer.
Who has given us the freedom to demonstrate?
It is the soldier,
Who salutes the flag,
Who serves beneath the flag,
Whose coffin is draped by the flag,
Who allows the protester to burn the flag."

Mr. Speaker, I close with that, because, again, I want to remind the Members of the United States House of Representatives that we do have over 6,000 men and women in uniform which are on food stamps, and I would hope we would do everything possible to make sure when we leave again in October that we have very few in the military on food stamps.

□ 1800

## ORDER OF BUSINESS

The SPEAKER pro tempore (Mr. SIMPSON). Under a previous order of the House, the gentleman from Alabama (Mr. ADERHOLT) is recognized for 5 minutes.

Mr. UPTON. Mr. Speaker, I ask unanimous consent that the gentleman from Alabama (Mr. ADERHOLT) and the gentleman from Virginia (Mr. BATEMAN) switch places in the queue, as the gentleman from Virginia (Mr. BATEMAN) has an important dinner this evening, if we might do that.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

## TRIBUTE TO RONALD LASCH, FAITHFUL SERVANT TO THE U.S. HOUSE OF REPRESENTATIVES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia (Mr. BATEMAN) is recognized for 5 minutes.

Mr. BATEMAN. Mr. Speaker, I thank the gentleman for arranging the switching of the order. It is very gracious of him.

The CONGRESSIONAL RECORD of course will duly note whatever I say on the floor tonight, although perhaps few others will. But I feel compelled to come to the floor and share with my colleagues a deep sense of loss that I feel and that I think most every Member of this body will feel that our friend and our very faithful colleague or servant, Ronald Lasch, has chosen to enter retirement.

Ron was a great friend of all of us in this body, a great helpmate to all of us in this body. There are few that I have served with or worked with as a Member of the Congress who have been more effective in allowing me to do my job better than I would otherwise have been able to do it than Ron Lasch.

I remember Ron Lasch also as someone who was an ad hoc, but very, very effective and important, staff person or advisor to the members of the North Atlantic Parliamentary Group who represent this country in the meetings of the North Atlantic Assembly of NATO. His advice, his wisdom, his breadth of knowledge on the issues that we were debating and discussing was always something that we could look to and learn from. He was, indeed, a remarkable part of how this institution works and works better; and he will be very definitely and sincerely missed by so many of us.

Mr. Speaker, I yield to the gentleman from North Carolina (Mr. COBLE).

Mr. COBLE. Mr. Speaker, I thank the gentleman from Virginia (Mr. BATEMAN) for yielding to me. I came to the floor for another purpose. Not only did I not know that Ron Lasch was retiring, I did not know we were having this Special Order, and my friend from Michigan asked if I would like to insert my oars into these waters lauding Ron Lasch.

Mr. Speaker, some call him the floor manager, some call him the Great Poobah or the Great Mogul. Oftentimes, Mr. Speaker, I would go to Ron, I would come in here perhaps from a committee hearing and I would be running late and I would go to him and I would say Ron, what is this vote, my dear friend? And he would instinctively grab his wallet. When you are calling me "dear friend" you are up to no good. But I never saw him in any way become impatient with us, and that is the same, Mr. Speaker, for the staff generally.

Last month I was at an event in the intellectual property community in this town with ORRIN HATCH, Senator HATCH, the gentleman from the other body, from Utah. At that hearing I said to those people, oftentimes we take staff for granted. Mr. Speaker, we have talked about it before. Staff is very essential to the well being and to the efficient functioning of this body. Sometimes we think it does not function efficiently; but I think, on balance, it does, and Ron Lasch is the epitome of that role. I know he will be missed, as the gentleman from Virginia just said. He will be sorely missed here.

Mr. Speaker, I thank the gentleman from Michigan (Mr. UPTON) for inviting me to share these few thoughts.

Mr. BATEMAN. Mr. Speaker, reclaiming my time, we are all delighted to be here and wish for Ron the very best in his retirement, but we want him to know how very much we will miss him.

The SPEAKER pro tempore (Mr. TAYLOR of North Carolina). The gentleman's comments are well taken.

## EFFORTS TO COMBAT ANTIBIOTIC RESISTANCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. BROWN) is recognized for 5 minutes.

Mr. BROWN of Ohio. Mr. Speaker, yesterday the House, for the first time ever, tackled the public health threat from antibiotic-resistant bacteria in our food supply.

On Monday, during debate on the agriculture appropriations bill, the House passed my amendment to dedicate an additional $3 million to the work of the Food and Drug Administration on antibiotic resistance resulting from the use of antibiotics in livestock.

Scientists and public health officials have known for decades that using the same antibiotics for food animals as for people could cause problems. Sixteen years ago my esteemed colleagues, the gentleman from Michigan (Mr. DINGELL) and the gentleman from California (Mr. WAXMAN), introduced legislation to curtail the use of human antibiotics in animals. But this amendment, Mr. Speaker, marks the first time this House has taken legislative action to stop Boyd resistance from agricultural overuse of these precious drugs.

Mr. Speaker, we thought we were winning the war against infectious diseases. With the introduction of antibiotics in the 1940s, humans gained an overwhelming advantage in the fight against bacteria. But this war is far from won. Last month, the World Health Organization issued a ringing warning against antibiotic resistance. Around the world, microbes are mutating at an alarming rate into new strains that fail to respond to drugs.

The mapping of the human genome project has been lauded far and wide in the past several weeks. Indeed, mapping the genome is a triumph that will lead to many breakthroughs in health care. But in the meantime, we are slowly, and in some cases, rapidly losing our precious antibiotics and putting ourselves at risk for diseases that we thought we had licked: tuberculosis, typhoid, cholera, dysentery and on and on and on.

We need to develop new antibiotics, to be sure; but we cannot give up on the ones we have and the ones that have been effective for decades. By using antibiotics and antimicrobials more wisely and more sparingly, we can slow down antibiotic resistance.

We need to change the way drugs are given to people, because clearly, they are overprescribed in the developed world and often not fully taken in the underdeveloped world. But we also need to look at the way drugs are given to animals. According to the World Health Organization, 50 percent of all antibiotics are used in agriculture, both for animals and for plants. The U.S. livestock producers use drugs to treat sick herds and flocks, as they should. But they also feed a steady diet of antibiotics to help the livestock so they will gain weight more quickly and be ready for market sooner. Many of these drugs are the same ones used to treat infections in people.

Prolonged exposure to antibiotics in farm animals provides a breeding ground for resistant strains of E. Coli and salmonella and other bacteria harmful to humans. When transferred to people through the food we eat, they can cause dangerous infections.

A few weeks ago, an interagency task force issued a draft "Public Health Action Plan to Combat Antimicrobial Resistance." The plan provides a blueprint for specific coordinated Federal actions. A top priority action item in the draft plan highlights work already underway at the Food and Drug Administration Center for Veterinary Medicine. In late 1998, the FDA issued a Proposed Framework for evaluating and regulating new animal drugs in light of their contribution to antibiotic resistance in humans.

Mr. Speaker, my amendment, which is now incorporated in the agricultural appropriations bill, directs an additional $3 million toward the FDA Center for Veterinary Medicine and their work on antibiotic resistance related to animal drugs. Director Sundloff has stated the antibiotic resistance is the center's top priority. However, the "framework document" states the agency will look first at approvals for new animal drugs and then will look at drugs already in use in animals as time and resources permit. That is why the additional $3 million will give a significant boost to the ability of the Center for Veterinary Medicine to move forward on antibiotic resistance and to begin to look at those drugs already in use in animals.

More importantly, Mr. Speaker, this body finally this week took a proactive step to protect us from resistant bacteria in our food supply. If the Senate acts quickly and decisively, many lives will be saved, particularly among young children and particularly among our elderly parents, the people who are most vulnerable to food-borne illnesses.

## TRIBUTE TO MAXWELL EMMETT "PAT" BUTTRAM AND AUGUSTUS MCDANIEL "GUS" BUTTRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama (Mr. ADERHOLT) is recognized for 5 minutes.

Mr. ADERHOLT. Mr. Speaker, on June 19, 1915, a star and a humanitarian was born. Maxwell Emmett, better known as "Pat" Buttram of Addison, Alabama, in Winston County brought laughter and untold hours of sheer enjoyment to citizens across this great Nation. His film career spans 46 years from the early days as Gene Autry's sidekick to his parts as a voice in four of Disney's animated movies. Millions of television viewers will remember Pat for his role as the affable Mr. Haney in the television series "Green Acres" and "Petticoat Junction." Pat had a keen wit in the style of Will Rogers and was a much sought-after speaker.

Pat was brought up in a Methodist parsonage, son of a circuit-riding Methodist minister. He was the seventh child in a family of five boys and three girls. Pat never forgot the early lessons taught by this strong, God-fearing family. Concern for others was a staple in the Buttram household. As Pat's fame grew, he used his celebrity status to perform in benefits and shared his time and talents to help those less fortunate. He never forgot his roots or the place he called home. He donated not only money, but also his time to help build Camp Maxwell near his home in Alabama. This camp has played an important part in the lives of youth and the handicapped.

Pat died in Hollywood, California, on January 8, 1994, and was laid to rest in his family church at Maxwell Chapel in Winston County, Alabama.

While maybe not as well known, Pat's older brother, Gus Buttram, who lives in my hometown of Haleyville, was equally committed to serving others. Gus was born on June 21, 1913. While in high school, Gus suffered a paralysis that was brought on by tuberculosis. After surgery and rehabilitation, he graduated from Altoona High School in Etowah County, Alabama. Following graduation from Athens State in 1942 with a bachelor's degree in science and history, Gus married Rebecca, better known as Becky Buttram, Eppes of Goodwater, Alabama, on January 18, 1943. He followed his father into the ministry as a fourth generation Methodist minister. His first church appointment was at Remlap Methodist Church in Blount County, Alabama. Over the next 3 decades he would have many assignments in north Alabama.

Gus and Becky's desire to serve others is unquestioned. Turning down more lucrative career paths, Gus and Becky enriched the lives of those they serve. Retiring in 1978, Gus and Becky live at Pebble, near Haleyville, in Winston County, Alabama. They take great pride in their children, Mary Buttram Young, who is a dialysis nurse at Helen Keller Hospital in Sheffield, Alabama and Marvin McDaniel, better known as "Mac" Buttram, who is pastor of St. Andrews United Methodist Church in Cullman, Alabama, and is a fifth generation Methodist minister.

Mr. Speaker, it is my privilege today to recognize these two brothers, Gus and Pat Buttram, for their unselfish service to others.

## REVISIONS TO ALLOCATIONS FOR HOUSE COMMITTEE ON APPROPRIATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. KASICH) is recognized for 5 minutes.

Mr. KASICH. Mr. Speaker, pursuant to Sec. 314 of the Congressional Budget Act, I hereby submit for printing in the CONGRESSIONAL RECORD revisions to the allocations for the House Committee on Appropriations.

As passed by the House on June 29, 2000, H.R. 4425, the conference report accompanying the bill making fiscal year 2001 appropriations for Military Construction, Family Housing and Base Realignment and Closure for the Department of Defense, included emergency funding for fiscal years 2000 and 2001. Budget authority provided for emergencies totaled $11,163,000,000 for fiscal year 2000 and $28,000,000 for 2001. Outlays from those emergency appropriations are $2,078,000,000 for 2000 and $5,254,000,000 for 2001.

As reported to the House, H.R. 4811, the bill making fiscal year 2001 appropriations for foreign operations, export financing, and related programs, includes $160,000,000 in budget authority fiscal year 2000 emergencies. Outlays are $11,000,000 for fiscal year 2000 and $50,000,000 for 2001.

Accordingly, the fiscal year 2000 allocations to the House Committee on Appropriations are increased to $586,474,000,000 in budget authority and $614,029,000,000 in outlays. The fiscal year 2001 allocations to the House Committee on Appropriations are increased to $601,208,000,000 in budget authority and $631,039,000,000 in outlays. Budgetary aggregates become $1,483,073,000,000 in budget authority and $1,455,479,000,000 in outlays for fiscal year 2000, and $1,529,413,000,000 in budget authority and $1,500,260,000,000 in outlays for fiscal year 2001.

Questions may be directed to Dan Kowalski or Jim Bates at 67270.

## IN GOD WE TRUST: A FITTING MOTTO FOR AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado (Mr. SCHAFFER) is recognized for 5 minutes.

Mr. SCHAFFER. Mr. Speaker, I rise today to draw attention to a resolution that I introduced earlier, the number of which does not yet exist, I am told, but will soon; but the resolution deals with our national motto, In God We Trust. That motto, Mr. Speaker, we will find about 5 feet etched on the wall from the position where we stand. It is also etched in stone across the Chamber in the Senate, across the Capitol over where the Senate of the United States meets.

It was during the Civil War, in response to a public desire for recognition of the Almighty God in some form on our coins, President Abraham Lincoln signed a law on April 22, 1864, introducing the motto "In God We Trust" to our coinage. On July 30, 1956, President Eisenhower signed a law stating that the national motto of the United States is hereby declared to be "In God We Trust."

□ 1815

The Federal courts have repeatedly upheld the Constitutionality of the national motto and its uses, and "It is in the public interest to uphold, affirm and celebrate the national heritage and the traditions and values which have been the foundation and sustenance of our Nation, as well as elements vital to its future preservation."

The portion which I just read was adopted just a few days ago in the State of Colorado by the Colorado State Board of Education. The purpose of that resolution was to encourage the public display of the national motto "In God We Trust," and was introduced by the chairman of the State Board of Education, also the representative to the State Board from my congressional district, the Fourth District of Colorado.

It is on the basis of Colorado's action, which passed, by the way, nearly unanimously, on a 6 to 1 vote, that I come before the Chamber today and draw attention to the resolution that I have introduced.

The resolution I have introduced here in the United States Congress is one that further amplifies on the words of the State of Colorado and on Colorado's official position that the words "In God We Trust" are encouraged to be displayed in schools and other public buildings as the national motto.

This resolution expresses the sense of Congress that the national motto is one that is fit, fitting and appropriate to be displayed in public buildings across our great land. It is a reference to the Nation's highest religious heritage.

The national motto recognizes the religious beliefs and practices of the American people as an aspect of our national heritage and our history and culture. Nearly every criminal law on the books can be traced to some religious principle or inspiration.

The motto "In God We Trust" is deeply interwoven into the fabric of our civil polity. The motto recognizes the historical fact that our Nation was believed to have been founded "under God."

The content of the motto is said to be as old as the Republic itself, and has always been as integral a part of the First Amendment as the very words of that charter of religious liberty.

The display and teaching of the motto to public school children has a valid secular purpose, such secular purpose being to foster patriotism. That was reaffirmed, I might add, Mr. Speaker, by Gaylor v. United States in the Tenth Circuit Court back in 1996. It symbolizes the historical role of religion in our society, expresses confidence in the future, and also signifies hope and the instruction of humility.

There is a long tradition of government acknowledgment of religion in mottos, oaths, and anthems. The national motto serves the secular purpose of expressing confidence in the future, and encouraging the recognition of what is worthy of appreciation in society. The motto reflects the national sentiment that we are a religious people whose institutions presuppose a supreme being.

"All of the dispositions and habits which lead to the political prosperity, religion, and morality are indispensable supports." That was the statement of our first President, George Washington, during his farewell address.

"Whatever may be conceded to the influence of the refined education on minds of peculiar structure, reason and experience both forbid us to expect that national morality can prevail in exclusion of religious principle." That again was a statement that is a quote from President Washington's farewell address.

John Adams said, "It is religion and morality alone which can establish the principles upon which freedom can securely stand." President Washington, again in his farewell address, said, "With caution we must indulge the supposition that morality can be maintained without religion."

"The role of religion in public life is an important one which deserves the public's attention."

The signers of the Declaration of Independence appealed to the Supreme Judge of the World for the rectitude of their intentions, and avowed a firm reliance of the protection of divine Providence. That we will find in the Declaration of Independence.

The first Congress urged the President to declare a day of public thanksgiving and prayer, to be observed by acknowledging with grateful hearts the many single favors of Almighty God.

The first Congress reenacted the Northwest Ordinance, which states that "Religion, morality, and knowledge, being necessary to good government and happiness of mankind, schools and the means of education shall forever be encouraged."

And the Declaration of Independence demonstrates this Nation was founded on a transcendent value which flows from the belief in a supreme being.

The Founding Fathers believed devotedly that there was a God, and that the unalienable rights of man were rooted in him, as was clearly evident in their writings from the Mayflower Compact to the Constitution itself.

Religion has been closely identified with the history and the government of the United States. Our national life reflects a religious people who earnestly pray that the supreme lawgiver guide them in every measure which may be worthy of his blessings.

That we will find, Mr. Speaker, in quoting James Madison's Memorial and Remonstrance Against Religious Assessments.

Whereas these words "In God We Trust" are over the entrance of the Senate Chamber, and our national motto, as I mentioned before, is prominently engraved on the wall just here above us in the Chamber of the House of Representatives, and is reproduced on every coin minted by the United States, the Congress should encourage the display of the national motto of the United States of America in public buildings and throughout the Nation.

That is the basis of the resolution that has been introduced today. I urge Members to consider it favorably and to cosponsor the resolution, and to help defend it as it is considered by the House of Representatives.

### GENERAL LEAVE

Mr. UPTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks to pay tribute to our friend Ron Lasch, who surprised a good number of us with his retirement earlier this week.

The SPEAKER pro tempore (Mr. TAYLOR of North Carolina). Is there objection to the request of the gentleman from Michigan?

There was no objection.

### TRIBUTE TO RON LASCH ON HIS RETIREMENT FROM THE HOUSE OF REPRESENTATIVES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. UPTON) is recognized for 5 minutes.

Mr. UPTON. Mr. Speaker, I wish to rise tonight to pay tribute to a very good friend, Ron Lasch. I came as a staff Member to this body more years than I would like to think ago, and Ron was always a friend, whether I was a staffer, whether I was a Member of Congress, whether I worked at the White House or here on the Hill.

For many years and many decades, in fact, Ron Lasch watched virtually every debate, every vote on this floor more than probably any other American, in fact. His retirement, his surprise retirement this week did catch a lot of us surprised because Ron Lasch was a good friend. He was a confidante, a member of the staff that would sit in the back that really did know everything. Yet, he did not tell everything unless he was asked.

We would ask him about amendments. Today, as an example, I chaired a hearing on our nuclear labs and the security that has been lapsing at them out West, a hearing that literally took 8 or 9 hours today. Lo and behold, as we had a number of votes on the floor, a number of us came to find out what the order of the amendments were, what precisely they did.

Ron Lasch was always one that could tell us. He had sat here during the debate. He knew what was going on. His word was his bond. You could rely on Ron Lasch to get the right information. It was a little trouble today sitting in the back trying to figure out which amendments were coming up and precisely what they did. It took a little extra time.

We miss Ron. We miss him already, not 24 hours after he announced his retirement.

As we would sit with him in the back, he had great patience. We would sit with him sometimes for 20, 30 minutes talking about things going on on this House floor, and continually Members would be coming asking him, what is going on, what time are we going to get out, what amendments are coming up? And always he had the same patience with virtually every one of us.

As we tried to work our will on this House floor, on parliamentary procedures, how to instruct conferees, how to have a re-vote, he had invaluable advice, as he knew all the rules. He made sure that he could train us, as well.

He had a wealth of information. At the end of every session he and I always had a little special thing. He had a little crystal ball, and I hope that he leaves that in the cloakroom, as he would make his prediction as to when we would get out of session, maybe what time, what day. Usually we were all wrong and he was always right.

As I look at the folks that have gone before him, the great folks here, the Billy Pitts, former Speakers, J.J. Cullen, he ranks with all of them. He knew what was going on. We are going to miss him.

When Jim Ford left this place, I think it was Roll Call or the Hill asked him about his thoughts. They said, You know, Jim, for all the years that you have been here, you could write a book, and based on the book sales you could probably go to the Bahamas. And Jim Ford's response was, no, I could buy the Bahamas if I wrote that book.

Well, Ron Lasch could probably do more than that. He loved this place. He had great respect for the institution. We will miss him, and I know the staff, Peggy and Jim and Tim and Jay, Joelle, Martha, all of us here will miss his wisdom, his insight, his hard work, his loyalty, and just him.

I yield to my friend, the gentleman from Alaska (Mr. YOUNG).

Mr. YOUNG of Alaska. Mr. Speaker, I thank the gentleman for yielding to me. I can only echo what the gentleman has said about Ron. Ron Lasch was my friend. As the gentleman from Michigan (Mr. UPTON) has said, when I first arrived here 28 years ago, he was one of the first people who greeted me.

I learned to enjoy, and not only enjoy but respect, his wisdom when it came to votes. He was one who could always say, this is the right thing for you, if you would like to see your way to vote that way. More than that, when I went through some trials and tribulations physically, he was one that watched out, with Joelle and Peggy, watched out for me and my health when I would get a little bit excited, and that happened quite often. He always was a great adviser and a good friend, and told me when I should in fact back down and go away for a while and come back when I had cooled off, and do what is correct.

He is not really gone, he is just retired. He will still be around, I am confident, and give us a little bit of advice whenever we will ask for it. He will always be part of my career in this great House of ours, this House of the people.

It is rare when we have an individual who is hired to work for a large body such as ourselves that stays stable and maintains the decorum and maintains the wisdom that is necessary to go forth with the job and to advise those that are elected.

We hired him, as we hire the Chaplain and other Members of this House who have served for us, but he became more than just a hired person, he became part of us. As the gentleman from Michigan has said, he is a person we will miss. I am sure there will be some who will replace him some day, but not too soon.

Ron, again, may I say, has been a great asset to this House. More than that, he has been to me an asset for my career.

Ron, congratulations on your career. We will miss you, as the gentleman from Michigan has said, but in our hearts you will always be with us.

Mr. UPTON. Reclaiming my time, Mr. Speaker, I just want to note that there are a number of Members tonight that would have liked to have paid tribute. Because of the particular hour that it is, I just want to recognize them and recognize that their statements will appear. The gentleman from New Hampshire (Mr. BASS), the gentleman from Arizona (Mr. KOLBE), the gentleman from Tennessee (Mr. WAMP), and the gentleman from Michigan (Mr. EHLERS) all from the bottom of their hearts have nothing but good things to say about our friend, Ron Lasch.

We hope we see him, and we hope that he has some type of privilege so we see him in the weeks ahead, so we can pay our firmest respects for all of his hard work and great service to this country.

## ON THE RETIREMENT OF RON LASCH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. LATOURETTE) is recognized for 5 minutes.

Mr. LATOURETTE. Mr. Speaker, I have served now in the House for 6 years, and this is the first time I think I have appeared on the floor to give a special order. There are some Members who have a lot on their minds and give special orders all the time. About some, like myself, some people back in my district say I do not have much on my mind at all.

But I will tell the Members, tonight I do feel compelled to come to the floor and spend at least part of that 5 minutes talking about the same subject that was talked about by my colleagues, the gentleman from Michigan (Mr. UPTON) and the gentleman from Alaska (Mr. YOUNG), and that is the retirement of Ron Lasch.

I came back stunned from our Fourth of July recess today to find out that Ron had gone into retirement. The House of Representatives, Mr. Speaker, is a little less rich today than it was before we went on recess.

□ 1830

When we first come here, it does not take us long to figure out who knows what is going on and who does not know what is going on. There are a lot of people they will tell us what is going on, but we find out rather quickly they do not. Ron Lasch was somebody we could always count on, someone who had not only our interests, but the body's interest at heart when he gave us advice.

The C–SPAN cameras in this Chamber focus on the Members. And I think a lot of people that watch these proceedings know that we have as the oldest serving Members of the House, the dean of the House, the great gentleman from Michigan (Mr. DINGELL), but I found out something today about my friend Ron Lasch he had been here for 44 years if you totaled up his service back to the time of a page, and I think that that rivals the time of the gentleman from Michigan (Mr. DINGELL) in the House.

Mr. Speaker, just a quick anecdote, if I could. A couple of week ago, I had the honor of chairing the proceedings on the Interior Appropriations bill. It was raucous. It was partisan; it was a bitter debate as the parties waged war over funding for the arts and funding for Indian education and all of the things that go into the Department of the Interior and related agencies.

And I got myself into a little bit of trouble, Mr. Speaker, during the course of that debate when I closed down a quorum call a little earlier than I probably should have. Some of my friends on the Democratic side of the aisle did not take that very well. They were not taking the debate too well, and they were not taking some of the reverses that occurred during the revotes on some issues very well.

At the end of about 20 hours of presiding over that bill, one of the first people that came from the back of the Chamber up to the Speaker's rostrum to tell me it was okay and everything was going to be fine, and I would still get my paycheck and be able to serve the next day was Ron Lasch, and that is exactly the kind of fellow he is, and I am going to miss him.

His counsel is invaluable. His knowledge is unsurpassed by almost any that come to work here, but more than that, his interest in us as people was what I will remember of his service here, at least the time that his service coincided with mine.

He would always take time to ask how my kids were. He always asked me what the weather was like back in Ohio. He always asked me, when I used to tend the garden, if the corn was knee high by the 4th of July back in Ohio because he had a passion for gardening as well.

So I know that today he has submitted his retirement and the official word is that he is not going to come back. And I hope he has a wonderful and fruitful retirement, but more than that, Mr. Speaker, I actually hope that he reconsiders that decision and he comes back and serves.

And I see my friend from Tennessee (Mr. WAMP) in the well and I would be happy to yield the balance of my time to him for whatever remarks he would like to make.

Mr. WAMP. Mr. Speaker, I thank the gentleman from Ohio (Mr. LATOURETTE) very much for the time. And certainly I join my colleagues in grateful appreciation to Ron Lasch who is a dear friend of mine, and I hope we continue to be friends as long as we live and beyond because so oftentimes I think the American people understand those of us that are in public office and who we are, but they do not know who is behind the scenes making the process work.

Ron Lasch is a creature of this House, having spent most of his life on this floor fully understanding the operations of this House, as my gentleman friend said, always knowing what the schedule might be but much more importantly understanding the history and the civility and the importance of this institution and always sharing it with Members.

Ron Lasch was born on the 1st anniversary of Pearl Harbor, December the 7th, 1942, and spent almost his whole life serving the United States House of Representatives, serving the Members. He would offer his advice to us when we asked it, but he would never offer it without us asking him first, and he would offer not just advice that you might get from some people that had an axe to grind or an agenda but the honest perspective of what is best for the United States House of Representatives. And I would tell you he is a dear friend, and the information is invaluable.

And he served the Speaker of the House, through so many Speakers of the House on this floor so well. Ron is the kind of person who would not even want us to be here paying tribute to him. He is not the kind of person who announced his retirement and then waited some weeks so that there would be receptions and all the hoopla around his retirement. He served quietly and effectively, but I will tell you when the greatness of this House is written, it would be a shame if Ron Lasch's name were not permanently enshrined here in the United States House of Representatives, because he gave his life to this institution.

He cares as much about the House of Representatives as any man that I have ever known or probably any person that I ever will know and that, Ron Lasch, is why I love you so much and I appreciate your dedication and service to this great Nation. Civil government is worthwhile. Civil government is worth our time and our effort, and it was worth your life's investment, from the House of Representatives and a grateful Nation, thank you Ron Lasch for a career of public service to the greatest Nation in the history of the world.

Mr. WOLF. Mr. Speaker, I want to join my colleagues this evening in recognizing the outstanding career of Ron Lasch.

This institution has been enriched by Ron's presence and his depth of knowledge of the legislative process. He could really be called, "Mr. House," because he's the expert around here. And he really has earned and deserves another title: The Honorable Ron Lasch. He's a man of great honor and integrity. We've been enriched just by knowing Ron. He's been a stalwart and a steadying influence during some stormy times on the House floor.

Ron's leaving, for me personally, is overwhelming. I'm losing a great friend. He has always given me wise counsel. He's someone I could always count on to answer questions about the House schedule or floor procedure or some arcane legislative matter. In describing Ron, I'm reminded of that advertisement for one of the country's top brokerage firms: "When Ron Lasch speaks, everyone listens."

He's always been here and I can't imagine this place without him.

Ron, this is a sad day for this institution and for me personally. The pace of the legislative process and the peculiarities of the House floor can bring with them frustrating moments. You've made it a little more bearable around here, Ron.

I thank you for your untiring dedication to the House of Representatives, and I wish you godspeed as you leave and find a life outside Congress. We will miss you greatly.

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## HIGH PRICE OF PRESCRIPTION DRUGS PAID BY SENIOR CITIZENS

The SPEAKER pro tempore (Mr. TAYLOR of North Carolina). Under the Speaker's announced policy of January 6, 1999, the gentleman from Texas (Mr. TURNER) is recognized for 60 minutes as the designee of the minority leader.

Mr. TURNER. Mr. Speaker, I yield to the gentleman from Michigan (Mr. CAMP).

### RON LASCH

Mr. CAMP. Mr. Speaker, I want to thank the gentleman from Texas (Mr. TURNER) for yielding to me.

Mr. Speaker, I come to the floor to join my colleagues in recognizing the long service of Ron Lasch. He has been a very good friend to many of us in this House, and not just to new Members. I have been here a number of years and he has been friends and a good advisor to all of us. I think it is his judgment and friendship that most of us admire and respect.

As we rush to the floor to cast votes, he was somebody that you could always go to and count on for the judgment on what was happening on the floor and the real fine points of debate. But he was also a very good friend, and he was someone who you could seek advice from and certainly as a new Member that is important, but it is important every day of the year around here.

He was also somebody who really new how to keep the confidence but was not afraid to tell you when you needed some guidance or direction, and I think it was his plain-spokeness, his directness, his loyalty, his friendship, his high intellect. I think those are things that really drew all of us to him.

He will be sorely missed. I hope, in the next few days, we will all get a chance to talk to him personally and tell him how much we appreciate this service to this institution, to this House of Representatives, and I know that many Members on the other side of the aisle would come and seek his advice as well.

I know he will be missed greatly by all of us, and I just wanted to go on the record and state what a good friend Ron Lasch has been to me and to many Members of this House. He will be missed tremendously, and we wish him all the best in his retirement. And this will be opening a new chapter in his life, and I think that would be very exciting for him after 42 years of service to this House, it certainly is well deserved. I want to join my colleagues in wishing him all the very best.

Mr. TURNER. Mr. Speaker, I come to the floor tonight during this special order hour with my colleagues, the gentleman from Arkansas (Mr. BERRY), the gentleman from Texas (Mr. GREEN), the gentleman from New Jersey (Mr.

PALLONE) and other leading Democrats to talk about an issue that we have worked on for at least 2 years now, and that is the problem of the high price of prescription drugs being paid by our senior citizens.

Mr. Speaker, I want to talk a little bit as we begin tonight about what I believe to be the coming crisis in health care for our senior citizens.

Just last week, most of us were in our districts over the July 4th holiday, and we had the chance to talk to our constituents. I had numerous senior citizens coming up to me and talking about the letter they had received from their HMO, from their insurance company telling them that as of the 1st of January, their Medicare choice policy, their HMO Medicare plan was going to be discontinued by their insurance company.

In fact, in East Texas, we have almost 5,000 seniors who are receiving these notices from their insurance companies, companies like Aetna, NYL Care, Humana are sending out notices to these seniors saying you are canceled, no longer can you have our Medicare choice HMO coverage.

Most of these seniors signed up for this option under Medicare, because an HMO lured them to sign up with the promise of some prescription drug coverage under Medicare, and these seniors are going to be greatly disappointed and very upset come January 1 when they find out no longer do they have access to prescription drug coverage under their Medicare+Choice program.

A good example of this came in a letter I received just yesterday. One constituent whose wife's name is Roxanne was dropped from NYL Care. Here is what this constituent's letter said to me, he wrote, our rights are being violated by the insurance companies and the politicians who are on the side of the insurance companies. My wife, Roxanne, he wrote, will end up in a wheelchair and possibly not able to walk again if she's denied the drug she needs. How many more Roxannes are out there, he writes, how many more Roxannes will suffer so the insurance companies and the politicians can get rich?

Mr. Speaker, well, it is a hard lesson to learn. Unfortunately, our senior citizens are learning the lesson and that is you just cannot trust the insurance companies and the HMOs. Our senior citizens are out there struggling trying to pay the costs of prescription drugs. They know the insurance companies are not taking care of them, and they know that the insurance companies simply want to make money, and they are not interested in what happens to them.

That is why over 5,000 seniors in my district are getting notices as we speak. When an insurance company decides to pull out of an area, a lot of people get hurt, a lot of people will be left without coverage all across this country come January 1.

Some of us here in this House on the Democratic side of the aisle do care about our senior citizens, the gentleman from New Jersey (Mr. PALLONE), the gentleman from Texas (Mr. GREEN), the gentleman from Arkansas (Mr. BERRY) and others have been working for almost 2 years trying to do something about the high cost of prescription drugs.

The sad fact is we know what works, and it is not the insurance companies' HMO plans. Just 2 weeks ago on the floor of this House, the Republican leadership passed a plan purportedly to help senior citizens with their prescription drug costs. It was a plan that said to the big insurance companies, you all offer insurance plans, prescription drug plans to our senior citizens and we will subsidize the costs for those who are at 125 percent of the poverty level and below.

Mr. Speaker, well, for starters we all understand that the problem of high price of prescription drugs does not just fall on those who are below the poverty level, it really depends not only what your income is, it depends on how sick you are.

I have an aunt who is a medical income person. She just got a new prescription from her doctor for a heart ailment that is going to cost her $400 a month. She is very upset. She let me know about it. She wants to know when this Congress is going to act. I told her I hope it was soon.

The Republican plan that was passed by this House by the narrow margin of 3 votes was an empty promise to our senior citizens. The Republican leadership let the private insurance companies control the prescription drug programs when the private insurance companies themselves were before this Congress for weeks before that vote telling us that they will not offer any prescription-only drug plans.

What really happened on the floor of this House is the big pharmaceutical manufacturers carried the day. After all, they had been running ads for weeks under a front group called Citizens for a Better Medicare, advertising full page ads in the newspapers and ads on the television screens that said the answer to the problem of prescription drug coverage for our seniors is private insurance, private insurance, private insurance, and sure enough that is what the Republican leadership did, pass a plan saying that private insurance was going to solve the problem.

Mr. Speaker, well, we on the Democratic side of the aisle know that it is not going to solve the problem. In fact, even the insurance company knows that it is not going to solve the problem.

Listen to what the President of Blue Cross-Blue Shield had to say about the idea of prescription drug-only insurance policies for seniors. He testified it, referring to the prescription drug plan that was proposed by the Republican leadership, it provides false hope to America's seniors because it is neither workable nor affordable. That is what the insurance industry said about the plan that they are supposed to offer under the Republican bill.

The truth is, the Republican plan that was passed on this House floor by a margin of three votes is no plan at all. It might have made a nice press release over the July 4th holiday, but that is all it was, a press release. It is really interesting because my senior citizens in my district have already figured it out, and they were coming up to me over the July 4th holiday saying we know that bill that passed is never going to amount to anything for us.

The New York Times had an article in this weekend's paper about insurance companies rejecting the same proposal that we just passed that was passed a few months ago by the legislature in Nevada. The New York Times wrote about the insurance company spurning Nevada's invitation to provide coverage of prescription drug-only policies for their seniors.

□ 1845

When they advertised for bids by insurance companies under the legislation they passed, not one single insurance company was interested in the plan. The idea just does not work. It is just kind of like offering insurance for haircuts. It does not work because everybody needs one. Insurance companies understand that. It is not something that one insures.

Most all of our senior citizens need coverage for prescription drugs. That is why the insurance companies cannot offer one that is affordable. Frankly, it is an idea that simply will not work. Unfortunately, the Republican leadership in the House did not understand that.

So what does work? What does work is what the Democrats in this House proposed and were not even given the opportunity to present it on the floor and debate it, and that is to provide a prescription drug benefit under the Medicare program, a program that seniors have trusted since 1965 to help them cover the cost of their health care.

Our plan was affordable. It was voluntary. It was universal. It covered all people regardless of their income level. That is what our senior citizens deserve. I hope that when we celebrate the 35th anniversary of Medicare at the end of this month, we will be able to say that this Congress has acted responsibly and passed a real plan to help our senior citizens with their prescription drug costs.

It is time that we take that long-needed action. If Medicare were created today, there is no question we would have a prescription drug coverage. Back in 1965, only about 10 percent of our health care cost was taken up by purchase of prescription drugs. Today they tell us it is about 30 percent.

The truth is prescription drugs have done a lot of good things for us, but what good is the cure if one cannot afford the medicine? That is what my seniors are telling me, and they are right.

Citizens For Better Medicare advocated the plan that was passed. The big pharmaceuticals carried today. But our senior citizens today were big losers. I think it is time for us to stand up for our seniors and let the folks in this Congress who were on the side of the big pharmaceutical manufacturers understand that our senior citizens want better treatment than that.

After all, why should we give billions of dollars of taxpayers' money to insurance companies and big HMOs when they do not even want to offer those plans? Let us give the money back to our seniors in the form of lower drug prices, then we will have done something that helps those senior citizens.

I am very pleased tonight to be joined by the gentleman from Arkansas (Mr. BERRY). He serves along with the gentleman from Maine (Mr. ALLEN) and I on the Prescription Drug Task Force. We have worked for almost 2 years to try to bring some relief to senior citizens.

Mr. Speaker, I am pleased to yield to the gentleman from Arkansas (Mr. BERRY) and allow him to share his thoughts on this very important issue.

Mr. BERRY. Mr. Speaker, I thank the distinguished gentleman from east Texas (Mr. TURNER). It has been a pleasure to work with him all these years that we have worked on this issue. When we started, we did not think it would take this long, did we? But it has been amazing that it has been this difficult to get the right thing done.

I also appreciate the gentleman from New Jersey (Mr. PALLONE) and the gentleman from Texas (Mr. GREEN) for being here this evening and continuing to work on this issue.

As the gentleman from Texas (Mr. TURNER) spoke a few minutes ago so eloquently about this problem and about this scheme that the Republicans cooked up to try to make senior citizens think they cared, I was reminded of a story they tell in my part of the country about the fellow that raffled off a dead mule. The only people that got mad or the only person that got mad about that was the fellow that won it.

That is the way our senior citizens are going to be if we would be so unfortunate as to have this Republican scheme ever become law. They would be mad about it because they would find out that what they had was something worthless, a dead mule.

It is very disturbing to think that something like that could happen on the floor of this House. I do not think it will ever become law. But certainly we are going to do everything we can to prevent that from happening.

When Lyndon Johnson 35 years ago signed into law the Medicare bill, it was a great success. It has been a wonderful thing for our senior citizens. We had many senior citizens at that time that had no health care coverage. They just had to do without. When they got sick, they just got sick. They could not afford any health care. They did not get any. That is a shameful thing to allow to happen.

When President Johnson signed that bill into law, he made this comment, that we should never ignore those who suffer untended in a land bursting with abundance. I think that is a very powerful statement. I think he was sending a message to us today when he said that.

Prescription drugs are the basis of medical care for our senior citizens now. In the district that I am fortunate to represent, we have a large number of senior citizens that live only on Social Security. They do not have any retirement plans. They do not have any other income. Most of them have been able to provide for a decent place to live. They have a homestead.

They are able to make it just fine on their Social Security until they get sick and they have to start taking expensive prescription drugs, drugs that one can buy all over the rest of the world for a lot less money than what one can buy in the United States. This is a very disturbing thing that we have allowed the drug medicine makers in this country to take advantage of our senior citizens in such a way.

We have simply allowed these prescription drug makers to rob our senior citizens and throw them into abject poverty in many cases.

Our Founding Fathers, the last sentence of the Declaration of Independence, before they signed it, and many of those men thought they were signing their own death warrant, they said "in support of this declaration, we pledge our lives, our fortunes, and our sacred honor." I think that, too, is a powerful statement. It led to this great Nation.

But as we have worked on this issue and done everything we know to do to get a good vote, to get this issue to the floor and get a good clean vote on it and do the right thing, I have thought many times what these Founding Fathers would think about this great Nation that they founded and this great House of Representatives and this great Congress that they envisioned allowing this to continue to go on.

I have just got to believe that they would be ashamed of us. I have got to believe that if they were here tonight, they would keep us here day or night until we did something about this because it is an outrage that we continue to let the prescription medicine makers in this country rob the American people.

I think they would say, what is going on here? Why are you doing this? We talk about it on the floor as if it was a political issue. These are real people. They suffer real pain. It is not politics with the people that are affected, and we should realize that.

The prescription drug manufacturers in this country have hired some 300 lobbyists, that is over one lobbyist for every two Members of this House of Representatives, to do everything they can to not change their deal. They think they have got a great deal, and they want to keep it that way. The best information that we have is they will still make lots and lots of money. They will still be the most profitable businesses in this country.

But we have got to, as a Nation and as a Congress, allow our Americans to buy these medicines at the same prices that all the other countries get to buy them at. That is not fair to let everyone else get a much better deal than we do.

A few weeks ago, I was privileged to be on a mission to Cuba. As we visited with the representatives of the Cuban government about buying our food, about buying our agriculture products, and they were excited about that and they wanted to do that, and part of the discussion was food and medicine. We said, Well, you have expressed your desire to buy food. What about our medicine? They said, Oh, we do not want to buy your medicine. We can buy your medicine a lot cheaper than you can. We can buy it from Canada. We can buy it from Panama. We can buy it from Mexico. We can buy it from a lot of places a lot cheaper than you can.

Then they said something that made it really come home to me. They said, Why do you do that to your people? Why do you allow that to go on? Why do you allow these companies to rob your people? That is not right. They were absolutely right about that. I will never forget that moment when that was pointed out to us in a very powerful way.

We need a prescription drug medicine benefit for Medicare. We need to modernize Medicare and make it a great program that we know it can be and should be. To think that we are going to give the taxpayers' money to the insurance companies in the hopes that they would try to solve this problem when they have told us themselves we do not want any part of it, the gentleman from Texas (Mr. TURNER) mentioned this, it is like selling insurance for haircuts.

I have also heard it compared to selling insurance on the house one knows is going to burn down. Senior citizens are going to get sick. They are going to have to take medicines. That is the reason why this needs to be a Medicare benefit and not some insurance scheme that we have already found out over and over and over again it just does not work, as the gentleman has pointed out.

The HMO providers in Medicare are pulling out all over the country because it just simply does not work for them, and that is fine. But we have to recognize as a Nation if we are the great neighbors that we claim to be, we must take care of this problem, we must see that our seniors do not get robbed by the prescription makers in this country, and we have got to take care of this terrible situation that has been created.

Mr. TURNER. Mr. Speaker, I thank the gentleman from Arkansas (Mr. BERRY) for his telling comments, particularly about his visit to Cuba. Even the Cubans understand that our senior citizens are getting ripped off and everybody in the world gets a better deal on prescription drugs than we do. That is really telling. I compliment the gentleman on his remarks.

I also want to mention the gentleman from Arkansas has been a leader, not only in our Prescription Drug Task Force, but in his sponsorship of the legislation that would allow senior citizens of this country, and all of us, to be able to buy drugs in Mexico or Canada, and we can do that legally. Obviously that is where we would all buy them because they get them for less than half the price that we are having to pay for them.

Mr. Speaker, I yield to the gentleman from Texas (Mr. GREEN). The gentleman from Texas and I served, not only here together, but in the State senate before. He is a leader on the Committee on Commerce on this issue, and he has worked long and hard to try to bring some fairness to prescription drug prices and to provide some benefit for our senior citizens of this area of great need.

Mr. GREEN of Texas. Mr. Speaker, I want to thank the gentleman from Texas (Mr. TURNER), my good friend and former Texas State representative, and I served with the gentleman from Texas (Mr. TURNER), Texas State senator, former mayor, and now Member of Congress, for putting together this Special Order tonight.

This is not a national security issue where everybody is only going to have to listen to folks from our part of the country tonight. We have the gentlewoman from Connecticut (Ms. DELAURO) and also the gentleman from New Jersey (Mr. PALLONE), so they will not have to hear Texas and Arkansas accents all this evening on this important issue. But it is a national issue. I know people just like to hear us because we talk a little slower. But no matter how we talk, I think we are united on this one issue because we know that, from Texas, we call it buying a pig in a poke.

I think what the House passed the week before the 4th of July was a travesty. It was something that the seniors can see through, and we said that on the floor. That is why I think it only passed by three votes as the gentleman from Texas said.

I am glad we are using this time to continue to explain the fallacy of that bill that was passed, that our Republicans colleagues had succeeded in passing a prescription drug benefit that provides more political cover than it provides for prescription coverage for our Nation's seniors. The legislation was designed to benefit the companies who make the prescription drugs and not necessarily our seniors.

Just like the Patients' Bill of Rights and education funding, my colleagues on the other side of the aisle are using their same old strategy. They water down legislation. They pass a caption that sounds good, but it does not have any benefit to our folks. Ultimately, it will be a failure because all they want to do is get them past the November election.

Congress, our own budget office, concluded that more than half of our Medicare beneficiaries who do not have drug coverage today would not be covered by the Republican private insurance plan. I cannot stress that too much. It is an insurance plan.

Like the gentleman from Texas said, it is like buying insurance against haircuts. Everyone of us needs one, although I have to admit some of us do not need as many as we did a few years ago, but we still get them even though we do not need them as much.

What is more frustrating is we did not even get the chance to offer an alternative plan. Again, not only is their plan bad, but they were so afraid to defend it that they thought maybe an alternative plan, and again we have a Democratic plan I will talk about in a minute, but any alternative they did not even want to have a vote on.

□ 1900

So not only do they pass a bill that I think is hurting seniors, but they are even subverting our process here in the House. All of us ought to have an opportunity to give choices.

In fact, it is interesting, I believe in free enterprise, just like my colleagues on the other side of the aisle, but I believe in competition. On the prescription drug benefit they did not want to have competition on their bill because it could not hold water to the alternative plan we had. The Democratic proposal provided both a universal and voluntary benefit to seniors. It was a cost effective and reliable benefit.

Under the Democratic plan premiums would be lower for seniors and coverage would be higher. That is why they did not want that competition they are always talking about. Instead, the House of Representatives, by three votes, as the gentleman said, passed a flawed piece of legislation that will cost our seniors more each year and give them less. Some say the premiums could even double because it is a straight subsidy to the insurance industry who know that they cannot make money selling it, and it would be little benefit to our middle income seniors, seniors who just barely are above the poverty line and cannot afford the prescriptions that they have now.

It allows insurance companies to decide which drugs they would cover and how much they would charge. It would not be a guaranteed benefit and it would not be any standard benefit that our seniors could depend on. So our seniors would have to go back to their insurance company every time.

I have talked to lots of seniors over the last couple of years about this issue and they really want their prescriptions. They do not want an insurance policy. That is the frustration. I have met with seniors in my district, like the gentleman has in his district, and they have serious financial hardships due to the high cost of prescription drugs. They have been able to plan, as best they can, for their retirement, with Social Security as probably the biggest part of their income. They may have a little savings, a little pension, but they cannot afford $400 or $500 prescription medications. They have shown me their prescription drug bills at our town hall meetings, and I do not see how they survive.

These seniors have to choose between paying their bills, their utilities in the summer, and in Texas you cannot turn off the air conditioner or you will die of heat stroke. Just like those in the north, in the winter, would die of freezing. We do not want seniors to have to choose between turning off their air-conditioning or buying their prescriptions, or saying they will only take that blood pressure medicine every other day instead of every day, or even skimping on the food that they eat.

I know I will be meeting with these seniors again and again over the next few months, and it is frustrating because I will have to tell them, yes, they may have a benefit, but only if their insurance company decides they can have it. Again, it is going to depend on the insurance company. We should be putting benefits in the hands of senior citizens and not the pharmaceutical manufacturers. We should be providing a secure and stable and reliable benefit instead of creating a new bureaucratic nightmare.

The Republican plan created a new Federal bureaucracy. Not only insurance but it created a new Federal bureaucracy. Instead of using the current bureaucracy that we want to make more cost effective, we should be building up Medicare instead of tearing it down. Seniors deserve more than just a voucher. They need to have a real workable prescription drug benefit plan.

I hope this Congress ultimately will work across party lines and develop a bipartisan bill. We could not do it in the House. Maybe the U.S. Senate will take the leadership and provide a bill similar to the bill that we tried to offer. In the Senate they have more democratic rules than we do here in the House. That is with a little "d" not partisan "d." Hopefully, the Senate will allow an alternative plan and it will have a meaningful Medicare prescription drug benefit for all our seniors.

Again, I could stand here all night, but we have our colleagues from New Jersey and from Connecticut here. Again, I appreciate the gentleman's leadership on providing this special order tonight. We need to keep beating that drum, because, frankly, that bill would not have been on the floor 2 weeks ago if it had not been for us talking about it over the last 2 years. We need to keep that up, because not only do we need the bill on the floor but we need real legislation that will help our seniors. I thank the gentleman for this time tonight.

Mr. TURNER. Mr. Speaker, I thank the gentleman from Texas. I share the gentleman's sentiments. I really do hope that we can get a plan that is meaningful passed in this session of the Congress. There is no reason we cannot.

I think what we went through the week before last on this floor was disappointing to all of us, seeing that Republican plan pushed through without any option to even debate our plan of putting it as a benefit under Medicare. It was a disappointment I think to all of us.

I know there is not much time left. And if this Congress wants to avoid the label of a "do-nothing Congress," it needs to take some action on prescription drugs for our seniors. It is amazing. Before that bill passed on the floor of this House 2 weeks ago, the President said he was going to veto it. The time was to stop right there, get together, try to work together and work something out. People of this country are tired of this partisan approach to dealing with these issues. They want to see some real solutions and they expect us to get together and do that.

So I thank the gentleman for sharing his thoughts with us tonight.

The next speaker this evening is a gentleman who has probably been on this floor in the late evenings more than any other Member of this House, the gentleman from New Jersey (Mr. PALLONE). He believes passionately in the problems faced by our seniors, and he has been on this floor tirelessly working on their behalf.

It is a pleasure to yield to one of the leading spokesmen on behalf of our seniors on this issue, the gentleman from New Jersey (Mr. PALLONE).

Mr. PALLONE. I thank the gentleman from Texas. And contrary to what the gentleman from Texas (Mr. GREEN) said, I think he said we enjoyed listening to the two Congressmen from Texas and the gentleman from Arkansas, and that is true, but I think more importantly than the way the gentlemen spoke, it is what you were saying. Because substantively I think that the gentlemen are really speaking about what the truth is.

One of the concerns that I have during this whole debate that we went through a couple of weeks ago on Medicare and on the issue of prescription drugs is that the Republicans are trying to disguise what their intentions are with regard to a prescription drug plan. All they are really doing, as some of my colleagues have pointed out tonight, is trying to say to our senior citizens that they should go out and try to see if an insurance company will sell them a prescription drug-only plan. And if they will, fine; and if they will not, tough luck.

As the gentleman mentioned, so many of the insurance companies and their lobbyists have come into Congress before our congressional committees, before the Committee on Commerce that I serve on, and said that they are not going to sell those policies. The example the gentleman mentioned about the State of Nevada, which passed, I guess about 3 or 4 months ago, something very similar to the Republican proposal, is that the insurance companies simply will not sell these policies. That is why it is not working in Nevada and that is why it will never work here, even if the bill ultimately passes, which is not what I think the Republicans intend.

I wanted to state very simply from my perspective the reason why the Democrats tried to put forward a real Medicare drug benefit. Basically, what the Democrats were saying is that Medicare has worked. It was passed back in the 1960s by a Democratic Congress. Lyndon Johnson was the President then. And if we think of it from the point of view of the average senior, it makes sense. Right now they know that under part A of Medicare their hospitalization is covered. They know that if they voluntarily decide, which most people do, to opt for part B, which covers their doctors' care, that they pay a certain amount of premium per month and their doctors' bills are basically covered with some kind of a copayment.

Now, what the Democrats are saying is we want to establish another part of Medicare, part C or D or whatever we want to call it, that covers prescription drugs. And just like part B that covers the doctors' bills, if an individual pays so much a month, an honest premium, then that individual will have most or a significant part of their prescription drug benefit paid for through Medicare. We are simply building on the existing Medicare program that has worked for the last 30 to 35 years, and we want to expand it now to cover prescription drugs. That makes perfect sense.

Why go through all these hoops and bureaucratic niceties to say, okay, we will try to get the insurance companies to sell a drug-only policy, which they do not want to sell anyway, when we could simply expand Medicare to prescription drugs in the logical way we have included part B for doctors' bills now?

The Democrats are also saying that the Medicare benefit provides the guarantee that individuals will have and will be able to obtain any prescription drugs that are medically necessary. The key again is medically necessary. If the doctor says that an individual needs that prescription, that that particular drug is needed, then it would be covered under the Democrats Medicare plan.

The Republicans not only are telling seniors that their option is to go out and try to get somebody who will sell them an insurance policy, but they are also not saying what that insurance policy has to be, even if they could buy it, which they cannot. They are not telling seniors how much the premium would be, they are not telling the elderly or the disabled what kind of drugs the insurance company would cover. Basically, that is up to the insurance company to decide. Why, again, are we reinventing the wheel when we know we have an existing Medicare program that works and could be simply expanded to include prescription drugs?

The other thing I wanted to mention tonight, and I think is just as important, is that the Republican plan leaves American seniors open to continued price discrimination. The gentleman from Texas (Mr. TURNER) said that as well. There is nothing in the Republican bill to prevent the drug companies from charging whatever they want.

Now, what we said in our Medicare bill is by expanding Medicare to include prescription drugs, we will have the government basically choose a benefit provider in each region that will negotiate the best price. All these Medicare recipients, all these seniors, are now going to be in one program. I think there is something like 30 to 40 million Americans that would be eligible under this program. If these benefit providers are out there negotiating for a better price because they have all these seniors, they can get a significant discount. I do not know whether it will be 10 percent, 20 percent, or whatever it will be, but they will get a significant discount. So at least we are trying through our Democratic proposal to address the price discrimination issue. The Republicans are not even dealing with that.

I just wanted to mention two things, and I think the gentleman actually already mentioned it, about this article that was in The New York Times on Saturday regarding the Nevada experience. I do not think I have ever seen an article where they compare what was being done in the States as compared to what is being done in the Federal Government. We usually pride ourselves in the fact that the States sort of serve as the laboratories and do things, and if they work out well then we adopt them at the Federal level. We did that in the gentleman's State of Texas with the Patients' Bill of Rights. Basically, the Federal bill that the Democrats have been pushing is very similar to what the gentleman has in his State on HMO reform.

Here we have a situation in Nevada where they adopt a drug plan, and then what do the Republicans do in the House of Representatives? They copy the example, which is failing. Not the example that worked, like in Texas with the HMO reform, but the example in Nevada, which is failing; where they cannot get any insurance company to provide an insurance policy, and they adopt it here and say this is going to work.

I do not like to quote from newspaper articles, but I just cannot help lift a few things from this New York Times article because it is so much on point in basically explaining how the Nevada plan is exactly the same as what the Republicans have proposed here in the Congress. If I could just go through a couple of things here.

It says, "Nevada has adopted a prescription drug program for the elderly very similar to one approved last month by the Republicans in the House of Representatives, but it is off to a rocky start. Insurance companies have spurned Nevada's invitation to provide coverage. The risks and the costs are too high, they say, and the subsidies offered by the State are too low. Nevada's experience offers ominous lessons for Congress, especially Republicans, who want to subsidize insurance companies to entice them into providing drug benefits to elderly and disabled people on Medicare."

They go into how in March, as I mentioned and the gentleman previously mentioned, this was adopted. And I guess they have a task force, the way I understand it. There is a task force set up within the Nevada legislature that basically monitors the use of the money and decides whether or not, if an insurance company applies to sell these policies, that they would pass muster under the Nevada legislation. Apparently there was only one insurance company that was even interested, and they actually were disqualified under Nevada law.

The assemblywoman, and it does not say what party she is on, but who was the cochairman of this task force monitoring the use of the money says, and I quote, "I have my doubts that any insurance company will be able to offer meaningful drug benefits under this program. If an insurance company does bid on it, but the benefits are paltry, senior citizens will be up in arms."

And then it goes on to say how even in Nevada the insurance companies came to the State legislature, just like we had the lobbyists from the insurance companies here in Washington, came to the legislature and said they did not want to sell these policies, and they passed the bill anyway. We have the same thing here. We had, as mentioned again in the article, the Health Insurance Association of America, which is the trade association for the health insurance industry, they came before the Committee on Commerce and they told us that they did not want to sell the policies. And they have a quote in here from the Health Insurance Association of America saying they are not interested in selling drug-only insurance to the elderly.

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I do not know how more clear it could be when the insurance companies tell you they are not interested, they are not going to sell these policies.

I do not want to keep reading from this article, but it is amazing to me that so many times, and I was in the State legislature in New Jersey, how you pass something in the legislature and it works and then you come down here and you say, "That's a good idea, let's adopt it nationally." Why in the world would the Republicans use a bad proposal that nobody wants to use and come here and say this is what we should adopt as the national example?

The other thing I wanted to mention, because I did get into the issue of cost, is that the cost of prescription drugs continues to rise. There are so many examples over the last 6 months or the last 6 weeks about the increased costs. There was a survey that was done just before we left, I guess it was actually the week we were here voting on the prescription drug program, and this is again in the New York Times, it was a study released by Express Scripts of St. Louis on June 26. It said spending on prescription drugs increased a record 17.4 percent last year and elderly people experienced the largest cost increases. This was about the same time that we voted on it. It said that the statistics show why elderly people feel a pressing need for the coverage and why many Members of Congress are worried about the costs. Spending on prescription drugs averaged $387 a person last year, up 17.4 percent from the average the year before. But for seniors, the cost rose even more. In 1 year, a 17 percent increase.

Where are we going with this? We have to do something about it. We have to provide comprehensive coverage under Medicare and we have to address the price discrimination issue as well. The gentleman has been doing such a great job this evening and at other times in bringing this to the attention of our constituents.

Mr. TURNER. Mr. Speaker, I thank the gentleman from New Jersey (Mr. PALLONE). I really appreciate his remarks. I am glad he brought this New York Times article to our attention. I read it myself. Sometimes things are so unbelievable that you have to say them two or three times before it really sinks in. I am a pretty trusting person, but the truth is the Congress did exactly what the State legislature in Nevada did that had been proven through their experience was not going to work. And the same insurance company executives, the same insurance companies that testified before our committees and told our Congress that the Republican plan was not going to work told the Nevada folks that their plan was not going to work. They went ahead and did it, anyway, and then they advertised for bids, according to the article, and nobody wanted to apply. Nobody wanted to offer this prescription drug coverage by private insurance companies. It is just almost incomprehensible that the Congress of the United States would propose the same plan with the same insurance companies saying we are not going to offer it and it would pass this House. It did not pass with my vote or your vote or the vote of the gentlewoman from Connecticut (Ms. DELAURO), the gentleman from Texas (Mr. GREEN), or the gentleman from Arkansas (Mr. BERRY). Our Democratic side of the aisle was united in opposition. But the truth is some things are almost beyond belief.

I really was proud of our colleague the gentlewoman from Nevada (Ms. BERKLEY), who is a good Democrat representing Las Vegas when she stood up, and she was quoted in this same article, saying she did not understand why Congress would try to copy a troubled State program from her State, and I want to read her quote from this article because I was so proud of her standing up on behalf of our seniors, taking on the Governor of Nevada and she said this: Why in the world when it is not yet functioning for low-income seniors in Nevada would we try to replicate it for the millions of seniors who are desperately in need of affordable prescription medications? It took a lot of courage. I admire her for standing up for seniors in spite of the fact that her own Governor still says, well, he thinks somehow it is going work, even though there is no insurance company stepping forward to offer the plan.

Our next colleague to share with us is the gentlewoman from Connecticut (Ms. DELAURO). There is not a more passionate voice in this Congress on behalf of senior citizens than the gentlewoman from Connecticut. She is assistant to the leader. She works day after day tirelessly on this and many other issues of importance to the people of this country. It is a pleasure to yield to her on this very important issue.

Ms. DELAURO. I thank my colleague from Texas so much for his kind words and for organizing this effort, and along with my colleague from New Jersey of really being the leaders in this effort of trying to genuinely craft a piece of legislation that addresses what the crying need in the country is on some relief from the cost of prescription drugs. I would like to just say that that is what to me is what the contrast is. I know folks will say, well, you know, you are being partisan about this, but I think if you take a look and you listen to where my colleague the gentleman from Texas (Mr. TURNER) has been these last 18 months and the gentleman from Arkansas (Mr. BERRY) and the gentleman from Texas (Mr. GREEN) and the gentleman from New Jersey (Mr. PALLONE) and others, they have been a consistent voice for trying to bring some sense to this issue of the rising cost of prescription drugs and the fact that senior citizens are making decisions about whether they pay their rent or buy their food or buy their medication. That has not been in the last 2 weeks, not in the last month but over the life of this Congress. They have been out there day after day after day trying to do something about this. This is where I think the public gets this. I think the public really understands this. We found a matter of about a month ago that a report was written to our Republican colleagues by some folks in an organization called Public Opinion Strategies, and the report to our Republican colleagues was, "You guys better address the issue of prescription drugs because it's a serious issue, and you need to show the public that you care. It doesn't make any difference whether you really care but let them know that you care. And that you better talk about a plan even if you don't have a plan, because it's important."

We did not need someone from Public Opinion Strategies or anywhere else to tell us about the serious plight of people in this country and particularly seniors around the cost of prescription drugs. Nobody had to force that mantra on us if you stand the way you do with your constituents and your meeting with them and talking to them. I do office hours at Stop N Shops, large grocery stores, every week. If you are out there the way that you have been and you are listening to what people are talking to you about, you do not need someone from Public Opinion Strategies telling you to scramble around, put together something so that you can say that you care about an issue when there are folks like yourselves who have been on this floor day in and day out for the last 2 years, almost 2 years, talking about this issue.

If you took a look at the newspapers or the TV news a couple of weeks ago, you might have thought that this Congress actually did something to help seniors with the crushing cost of prescription drugs. There were our colleagues on the other side of the aisle running around, slapping each other on the back, holding press conferences and taking credit for helping seniors with prescription drug costs. But, sadly, that activity 2 weeks ago had more to do with the press conferences and the taking of credit rather than passing some real Medicare prescription drug benefit that people so desperately need. Quite frankly what happened here 2 weeks ago was a sham. That was because a Republican pollster and a handler told them that if they did not look like they were at least doing something, that they were going to pay a price in the fall elections. But the public is savvy and the public is smart.

What is interesting to me is that at the very time when our colleagues on the other side of the aisle designed a program that was going to be run through the private insurance companies or through the HMOs, and as you both have said so eloquently, people who came up here to testify from the industry said, "We don't want any part of this. This is doomed to failure. We don't want to take on the risk." At that very same time, though you would think that the private insurance companies and the HMOs would be trying to at least curry some favor with the public or to at least give an impression of their wanting to do what insurance companies have been in the business of trying to do, and that is to share risk, that is what insurance is about, they then announced the first part of July that, wow, we are going to pull the rug out from under seniors by jumping out of the Medicare Choice Plus, that HMOs were going to get out of the Medicare business.

In my State of Connecticut, 52,000 people are now going to scramble to figure out what they do about their insurance coverage. If you want to add insult to injury, we have got a group of folks here who say, whoa, let's entrust the prescription drug benefit through these entities that if their bottom line is less than the profit margin that they want to make, not that they are not making a profit, but it is less than what they want to make, they vamoose, they go away and say, "You're on your own." It really is mind-boggling that they would in the midst of this incredibly important conversation about trying to provide a benefit. It just says to me loud and clear that they are not interested. They are not interested in providing a benefit because they do not want to take on the risk, and they are not interested in providing health care coverage if it does not meet that profit level that they anticipate to make.

I met yesterday in two meetings with close to 350 seniors. I did that and brought in some folks to talk to them because the HMO coverage does not end until December 31, so that they have got some time. I wanted to try to reassure the seniors in my community not to panic because we are going to try to get some answers, try to get them some information where they can go back to the original Medicare, they can get a MediGap supplement and so forth, so that they should not feel that they had to jump before they had any understanding about what premiums were going to be, what benefits were going to be, et cetera.

One wonderful woman, she just darted up, and she said, "Congresswoman DELAURO, I know you're telling us not to panic, but we are in a panic. We are. We don't know what we're going to do. We don't know if we're going to get coverage. We don't know if our benefits are going to be cut. We bargained for this. What is going to happen to my prescription drugs?" I am standing there saying to this woman not to panic, but they have every reason to be concerned. I am still going to reiterate not to panic because we want to try to see what we can do, but people are very concerned, and that is compounded because they joined these programs, many of them, because it held out a prescription drug benefit.

One woman in another meeting got up and she said, "They wined and dined us. They met with us. They took us out for lobster dinners. They talked with us about this and then they pulled back. And this is just 3 years ago. They have now pulled back." Lots of those folks joined up because it was a prescription drug benefit because they are being choked to death by the cost of prescription drugs.

To just enforce what you have said and to associate myself with you, that on this floor we could see that they produced a plan on the other side of the aisle that put the fate of our seniors in the hands of these institutions who will not wait around to see whether or not something works and that provides a benefit to seniors. But again if the profit motive is not there, they are gone.

□ 1930

And they are gone in a heartbeat. That says something loud and clear to me about the values of those institutions, as well as the values of the people in this House who decided that that was the way in which we ought to deal with prescription drugs in our society today, because that is what this issue bears on, is the issue of values, what we believe are the priorities and what are the things that are important.

When you get to looking at budgets, they are living documents. They are living documents. It is about who we are as a country. And we have laid out a prescription drug plan as Democrats that I am proud of. I really am proud to stand behind this. It says, Let's go through a system that we know has made one incredible difference in the health care of seniors in this country. Ninety-nine percent today of our seniors are covered by Medicare, and it may have its warts and it may have some difficulties, but it has worked. It is tried, it is true, it is reliable, it is trustworthy, and seniors have come to count on it.

Let us work through something that has roots and that people do understand and trust and says it is defined for you, it is voluntary, it covers all of the seniors, everywhere in the country, and it will make a difference in driving that price down, and it will bring you some relief, so that while you are ill, you know you can get and pay for the medication that will help to make sure that you are healthy and that you are safe.

I am proud to be here with my colleagues tonight to talk about it, and I know we will every single night, talk about this issue which plays such an enormous role in the lives of families today.

Mr. TURNER. Mr. Speaker, I thank the gentlewoman from Connecticut (Ms. DELAURO) for sharing her thoughts on this issue. You talk about those seniors that you visited with over the July 4th recess, and I always come back to a lady that is my constituent down in Orange, Texas, that came into a little gathering that I had over 2 years ago at a local pharmacy there in Orange in Southeast Texas, when I went around for the very first time in my district to talk about the problem of the high price of prescription drugs and what I thought we should try to do about it in Congress.

She heard I was coming by a little newspaper article, and she showed up, a lovely lady, Mrs. Francis Staley, 84 years old, blind. She takes 12 prescriptions. They cost her about what her Social Security check is, $400-some a month, and she just came by to tell me that she appreciated that we were trying to help.

Now, there are a lot of Ms. Staleys out there, and there are going to be a lot more, as the gentlewoman from Connecticut (Ms. DELAURO) said, when these seniors start getting the notices that most of them are getting in my district and yours and that of the gentleman from New Jersey (Mr. PALLONE), saying that their Medicare+Choice plans are being cancelled by their insurance company.

As was said, most of the seniors that signed up for those plans did so because they wanted the prescription drug coverage that those insurance companies used to entice them to sign up in the first place.

We are truly headed for a crisis in health care in this country, specifically a crisis relating to prescription drugs, because you must know that the people that signed up for those Medicare+Choice plans were the very seniors who really needed the prescription drug coverage.

Now, our country is very prosperous. We live in better economic times than we have ever known. We have had record surpluses reported to this Congress, and, if we are the compassionate people that I hope we are, we can see our way clear to pass a meaningful, genuine prescription drug benefit under the Medicare program for our seniors. I truly believe we can.

## THE GREATEST PROBLEM FACING AMERICA—ILLITERACY AND FUNCTIONAL LITERACY

The SPEAKER pro tempore (Mr. TAYLOR of North Carolina). Under the Speaker's announced policy of January 6, 1999, the gentleman from Pennsylvania (Mr. GOODLING) is recognized for 60 minutes.

Mr. GOODLING. Mr. Speaker, I took this hour because I want to try to make sure that all the American people and all Members of Congress understand the greatest problem facing this Nation, and I repeat, the greatest problem facing this Nation. It is illiteracy and functional literacy. There are those in the chamber and out in the public who will say, Well, that is a local problem. There are others that will say, Well, that is a State problem. I want Members to understand it is neither a local problem nor a state problem, it is a national problem. Our survival as a great Nation will depend on whether we can attack the problem and whether we can solve the problem.

Let me just point out a few statistics from the National Adult Literacy Survey. This goes back to 1992, and therefore these figures are much higher even today. Forty to 44 million out of 190 million adults demonstrate the lowest basic literacy skills. Approximately 50 million adults have skills on the next higher level of proficiency. Forty-two percent of all adults who demonstrate the lowest basic literacy skills are living in poverty.

Does that not sound like a national problem? It surely does to me.

Adults in prison are far more likely than those in the general population to perform in the two lowest levels of literacy. Seventy percent of prisoners scored in the two lowest levels. This means they have some reading and writing skills. They are not adequately equipped to perform simple necessary tasks to survive in the 21st Century. Only 51 percent of prisoners have completed high school or its equivalent, compared to 76 percent of the general population.

I show the next chart simply to point out that many of those of us who serve in the Congress do not have the opportunity to serve large center city populations, and I show some of those large city populations: Los Angeles in 1997, 680,000 people; this city, Washington, D.C., 77,000; Miami, almost 346,000; Chicago, 477,000; New York, over 1 million; and on and on the list goes.

Now, even though we do not have the opportunity to represent some of these larger populations, we also realize that many in these larger populations are in those low levels of literacy, and so we should make every effort to understand the obstacles they face, such as unemployment, or the inability to be their child's first and most important teacher.

I want to repeat that: Inability to be their child's first and most important teacher. We found out a long time ago, unless some adult in that child's life can be that child's first and most important teacher, obviously you are not going to break the cycle of illiteracy. It will be too late by the time they get to first grade. Of course, their dependency on Federal assistance programs is well documented.

Now, the future of the great Nation depends on our ability to understand these problems facing illiterate adults, and then to find ways to correct the problems so they, too, can achieve the American dream.

During the Sixties, Congress enacted a variety of programs to alleviate these problems stemming from illiteracy. The legislation was very well intended. Unfortunately, it was badly designed and badly formulated.

For example, the emphasis of the program was on covering the largest number of children possible and making sure money got to the right place. There were no oversight provisions and little emphasis on program quality. As a result, as the Federal Government we spent a lot of Federal tax dollars with no measurable success in improving the literacy skills of those most in need during the first 10 years particularly of those programs.

Head Start is one example. It started out as a program where they tried to see how many children they could cover, and used most of the money for that purpose. Unfortunately, there were very few early childhood people to be hired. There were none at $10,000, so the program became a baby-sitting program. The program became a poverty jobs program. Even today, with all the quality features that we have added in the last two reauthorizations, the Head Start teacher's salary is about $19,000 compared to the average K through 12 teacher's salary of $35,000.

These programs were programs that were rightfully thought of in relationship to what are we going to do to save this Nation, because all great nations fall from within, and one of the ways for us to fall is to continue this large number and growing number of illiterate and functional literate.

Being illiterate and functionally literate is nothing new. The difference, however, is at one time you could get a job, you could support a family. That is gone forever in this high-tech society that we now live in. A functional literate is no longer someone that can read and comprehend at 6th grade level. A functional literate is someone who cannot read and function well at a 12th grade level. This will just continue to grow and grow.

Chapter I, the same story. It was certainly the right idea to try to make sure that you closed the achievement gap between the advantaged and the disadvantaged. Unfortunately, again, very little effort was made to design a program that could do that, and the auditors only looked to see whether the money got to the right place. They did not look to see whether there was quality in the program. So we did not close that achievement gap.

Yet it was a block grant. I repeat, particularly for my side of the aisle, it was about as pure as it could be, a block grant, as long as you used the money for the children for which you were to use that money. How you did it was entirely up to you, and, as a superintendent, of course, we never knew how much money we were getting until October or November, when all the plans should have been made long before school began.

In one of the recent reports, it said that in relationship to Title I, in the period covered by the study, children in high poverty schools began school academically behind their peers in low poverty schools and were unable to close this gap in achievement as they progressed through school. When assessed against high academic standards, most students failed to exhibit the skill and mastery in reading and mathematics expected for their respective grade levels. Students in high poverty schools were by far the least able to demonstrate the expected levels of academic proficiency.

We got the same results from the 1998 NAP test, again, pointing out that a large number of children in poverty schools, in low performing schools, with low expectations, were doing very, very poorly on the NAP reading test, scored below basic on all of these tests.

I realized as a superintendent that I was not using Title I money very well. No one was, because, as I said, half the time we got the money long after school began. No one said what it was we were to accomplish, so I did what most did, we decided somehow or other we are going to teach junior high school and senior high school children how to read. We did not know how to do that. Little or no research was there to help us, and no one equipped to do it.

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So we said, well, we will bring first grade teachers in, our best reading teachers in first grade. Of course, that was a disaster primarily because, first of all, they were not used to dealing with teenagers. They did not understand, first of all, that the one thing that these teenagers did not want to admit was the fact that they could not read. Secondly, they really did not see the necessity of this order to be able to read. So that did not work either.

I finally said to an early childhood staff member, an outstanding member on my staff, we know every parent that did not graduate from high school. We know every older brother and sister that did not graduate from high school. Is there not something we can do to prevent that from repeating itself with all of the rest of the members of the family and their children and their grandchildren? And she said, yes. We can make very, very sure that every child who comes to first grade is reading-ready. I said, good. How are we going to do that? Well, we will take our Title I money and we will work with 3 and 4 year olds, but we will also work with their parents because, as she said, it is very, very important that the parent can be the child's first and most important teacher.

It was amazing to not only watch what happened to these children, but to watch what happened to the parents, parents who would never come to a PTA meeting, who would have been embarrassed. When they got the necessary literary skills and when they understood what it is one can do to help a preschool child to become reading-ready, they not only became participants in school activities, PTA, et cetera, but they became leaders.

That is an experience that encouraged me to introduce the Even Start program which I introduced many, many years ago as a member of the minority. I was told at that particular time that as a member of the minority, you are not going to get any program, I will guarantee you. Then when I got the program, they said, now I will guarantee you you will never get any funding, but we got funding, because we convinced enough people that if we are going to break the cycle of illiteracy, we have to deal with the entire family. I do not know why it took us so long in this country to understand that, but it has taken us a long, long time.

Looking at the next chart, I have critics who say, well, the program has not worked very well. I want to point out, when we look at a study of intensive, high-quality Even Start programs and we do it in a scientific manner, we will discover the following: 62 percent of those seeking certification from the program got their GED, got their high school certification. Fifty percent of those not currently enrolled in an education or training program are now employed. Forty percent of the parents continue to seek employment and enroll in education and training programs. Forty-five percent of the families reduced or eliminated their reliance on public assistance. I would say that is a pretty effective program. How nice it would be to duplicate that over and over again all over this country.

Children are ready to enter kindergarten, as indicated by their teachers. Eighty percent of the Even Start youngsters rated as class average or above. Seventy-five percent of third grade children from Even Start continue to perform average or better in their classes as judged by their teachers, which is something we have never been able to accomplish before, because there never seemed to be a carryover with any of our preschool programs. Children perform well on formal assessments, 60 percent at average or better in reading, 80 percent in language, and 70 percent in mathematics.

Looking at the next chart, because it deals with what I just talked about, as to what the benefits are for the children, if we could just wait for the next chart, but first, this is what I just indicated is how we have helped the children in the Even Start program.

Now, looking at the next chart, what has it done for parents? We will discover that parents spend more time supporting the education of their children at home, including helping with homework, reading, and playing, helping that parent become the child's first and most important teacher.

So many of us in the Congress do not understand that that is not the typical family that we think is out there. They need this kind of help. Parents are more active in their children's schools after attending Even Start programs; parents become contributors to their communities through working in schools, neighborhood development organizations and neighborhood improvement projects. Additionally, 4 years after exiting the Even Start program, the average savings to the taxpayer each year in welfare costs is enough to pay the cost for one family for one year in the program. In essence, the program pays for itself.

Now, to make sure that we do not get trapped in the same trap we were caught in as far as Head Start was concerned where we did not go out early on and talk about quality and make sure that, as a matter of fact, there were quality programs helping children, and did not insist that in Head Start they deal with the parents, in order to make sure that that does not happen in Even Start, we have developed the Literacy Involves Families Together Act, the LIFT Act. As I said, we put the improvements in there to make sure that all of these programs that I talked about in these surveys, programs of excellence, will be the program all over the United States. We will not have weak programs.

But it was amazing when I read this weekend an article in my local newspaper and it was about Even Start. Now, one editor of one publication who is supposed to be totally concerned about families did not believe that the Federal Government should be involved in Even Start because that means getting involved in family lives. What a tragedy. If one is really a supporter of families, if that is one's aim, if that is what one's group does, then it seems to me the first thing one can do to help preserve that family is to make sure that one has a literate family, to make very, very sure that one has literate adults in that family, so again, that they could keep the family together, because they can get the jobs in order to move up the scale, so that they can provide for their families. But, most importantly, so that they can be the child's first and most important teacher.

If one is involved in one of these family groups, one has to get behind these kinds of programs. Because, first of all, why should these people not have the same opportunity to home school as anybody else? Is that not what we say oftentimes as a family group, how important that home schooling is? Why should these parents not have the same opportunity? They do not, until they get the literacy skills that they need in order to do that.

Unfortunately, what I worry about is that so many of us, our concept of a family, the traditional nuclear family of 2 loving parents and grandparents, is for 50 percent of the youngsters in this country, a pipe dream. That is all it is to them.

Now, I do not understand why that editor does not understand that, and I surely do not understand why her boss does not understand that, who is much older, because I learned 60 years ago that my idea of what a family was and is was not quite right in relationship to many other children in this country. Sixty years ago I left, after 8 years in a 2-room country elementary school, finished 8th grade and therefore I had to go on then to Center City for junior high school and then senior high school. When I arrived in Center City, and this was a small city, and that was 60 years ago, I discovered that there was not a loving mother and father for every one of these children that I am now attending school in Center City with. There is not a loving grandparent living next door. There is not a parent home who is literate enough to be the child's first and most important teacher. The reality is that many children today do not have such a family, and anybody who is out there promoting families and who constantly talk about the importance of the family, and that is what their organization is all about, certainly has to understand that.

Mr. Speaker, similar arguments were made when we tried to consolidate over 60 job training programs spread over every agency downtown. The left-hand did not know what the right-hand was doing, and people were not getting the proper job training for the programs and the jobs that were available in the 20th and now the 21st century. But we got the same argument again, that somehow or another, we are going to place these children in little cubby holes from the day they are born, and I suppose they believe that every child should be a 4-year college graduate. What would they do? We only need 25 percent of our population as 4-year college graduates to do the jobs that are available and will be available.

Now, this article also quoted in one of the local newspapers that Members of Congress were saying, well, there are mixed reviews about the success of Even Start. Of course, what they were talking about was there was a question in relationship to the evaluation of these programs, and I agree there was a question about the evaluation. That is why we had an evaluation done that met all of the requirements that we need if we want to have a legitimate evaluation. And we used the evaluations that the gentleman is talking about to improve the Even Start program and, as I indicated, our LIFT legislation does.

For example, one of the evaluations pointed out the need for intensive services in Even Start projects. The law was modified to require intensive services for participants. So again, the current Literacy Involves Family Together Act continues to make modifications to Even Start to improve the program quality and strengthen the evaluation. In each area, scores for participants at the end of 1996 were compared to those at the beginning of that year with Even Start participants showing significant improvement in each area.

Looking at chart 6, Members occasionally say, but we need to spend this money on other programs, and one of the things that I hear constantly is that we need to get to the 40 percent of excess costs when we fund special education. I am glad to have these converts in the Congress. For 17 years I stood here myself, and about the only help I got was from the gentleman from Michigan (Mr. KILDEE) from the other side of the aisle, and later on, from the gentleman from Maryland (Mr. HOYER), saying that one does not mandate IDEA, but we pass laws that would tell local districts that if they do not do what we say they must do in Special Ed, they are going to be in trouble because of civil rights laws, et cetera. So the districts, of course, said, well, if we are going to have to do it, then we might as well do it exactly as the Federal Government says so that we do get some support. Because, after all, the Congress, when they passed it, said, we will give you 40 percent of the excess costs to educate a special needs student. Sometimes, that is 10 times, 15 times, 20 times greater than when it costs to educate a nonspecial needs child. If we take the average cost over the United States several years ago to educate a K through 12 child, it is about $6,300. If we gave 40 percent, we are talking about every Special Ed child should get $2,500 from the Federal Government for that purpose. Well, that did not happen. It did not happen. The last couple of years, I am happy to say, we are now beginning to work toward that mandate.

This chart, for instance, will show, first of all, that this is what the President requested in 1997 in yellow, this is what the Congress did in 1997 in red, and on over, 1998, the same, yellow is the President, red is the Congress; 1999, and the year 2000.

□ 2000

So Members can see, we are finally working towards that. But I have told them every time I have spoken on the issue that unless we stop the overidentification, we can never get to 40 percent. There is not enough money in the world to get to 40 percent.

Where does overidentification come from, primarily? It comes from the fact that children are in special education, and many times the only special need they have is the fact that they were not reading ready when they came to school. So there they are, at the end of first grade and they cannot read. They are either socially promoted or failed, and it pretty much ends really their enthusiasm and interest in school. Even though they cannot drop out until much later, they really dropped out, as far as improving academically.

Well, do not then take the money from an Even Start program that is working and say that we are going to take it in order to fund special education. We are just complicating the problem. If we cannot stop the overidentification because of reading problems, then we can never get to 40 percent. There is not sufficient money to do that.

But it is much, were cheaper to make sure that children are reading ready. Again, I go back to the fact that that can only happen if some adult in their preschool life is able to be their first and most important teacher.

So we have dramatically increased, 19 percent in 1997, 17 percent in 1998, 13 percent in 1999, 16 percent in the year 2000, funding for Special Ed. The reason that is important is because the local school districts must take their money to fund the Special Ed programs, and they must take it away from all other students in order to do that.

Looking at the next chart, I would point out, as I said, if we cannot stop the overidentification and if we cannot stop the number of new children coming in each year, these increases that I just talked about in money evaporate because the increases in numbers into the program continue to go up.

So if we look at this chart, we will notice that in school year 1996, 1997, we had $5.796 million in Special Ed Part B of IDEA, but if we look on, it was almost $6 million in 1997–1998; again, higher as an estimate in 1998–1999, because we do not have the exact figures. This coming year we are looking at $6.262 million as an estimate.

So we have to stop increasing the numbers. One of the ways we stop increasing the numbers is to make sure that children are reading ready by the time they come to first grade. I again repeat that will be if some adult, their parent or some adult in their life, is functioning well as their first and most important teacher.

Looking at the next chart, because in this newspaper article, remember, also, how many families can we help with $150 million? We get the argument all the time with the Job Corps. I had to fight to preserve it over and over and over again, because they said, it is expensive. Yes, it is expensive, but Job Corps is the last chance these young people will have. From that point on it becomes really expensive, because we are the victims of their crimes. They are incarcerated, and it becomes very, very expensive.

But looking at this chart, when we talk about what can we do with $150 million, my answer is, a lot, a lot. We only had $14 million in 1989, but we were able to serve almost 6,000 families: 6,000 families that were going to break this cycle of illiteracy, 6,000 families that were going to be able to get off of welfare, 6,000 families that were going to be able to climb the ladder of success and get out of poverty.

In 1990, we got $24 million. That took us up to 16,000 families. In 1999, we got to 49 million, and we were up to 38,000 families. The last figure we have is 1996, and we are up to almost 91,000 families; 91,000 families, again, 91,000, many able to get their high school diploma, many went on to higher education, many went on to training programs so they could get a piece of the American dream. Many became that first and most important teacher in their child's life.

See, the beauty of the program is that that is not the only funding. The program encourages significant financial contributions from States, from local businesses, and from the private sector for a very small Federal investment.

This article also said that this Member wanted to make sure that we had an audited Department of Education. I do not know what this has to do with this, because we passed in the House of Representatives legislation and said we want that audit, and there is good reason to want that audit. I supported that. But it has nothing to do with Even Start.

And it says that the audit of several Department of Education programs must happen. As I said, I supported that. The article also said that the person wanted an audit of AmeriCorps.

Welcome to the crowd. When it came to the floor again, if Members will check the records, the one voice who spoke so loudly against it, not because it did not have merit but because it was totally misdirected as to how it should have unfolded, but when we think of the cost, it was promised as a program that was going to help young people get a college education; a pretty expensive way, because it is $29,000 or $30,000 per person. Only about one-third of them have taken advantage of college.

The major problem was that it set up a new bureaucracy, a new bureaucracy here and many new bureaucracies in every State to carry out the program. We had a college work study program already funded, already set up in operation, and all we had to do is say that a portion of that college work study grant had to be students participating in community service. Then we would have had all of the money to help more students, instead of paying bureaucracies in every State and in the Nation's capital to carry out the program.

But I did not get much support, so I am glad to hear that there are some converts along that line.

Let me just talk a little bit about this chart, because I want to point out just how different it is had we gone through work-study in relationship to bureaucracy and going through AmeriCorps.

Members can see, this is the Federal involvement, the State involvement, the grantee organizations, and then the individual on this side. That is, by going through this creating a new bureaucracy. We see all those arrows to give us an indication of what I am talking about.

Then we look on the other side and we see an existing work-study system already set up. We see how few arrows there are there, how few bureaucrats are involved in carrying out that program.

The point I am making, of course, is that all of this money that these people are collecting could have been gone to help children, young people, become college students and college graduates. Unfortunately, the money went into the bureaucracy.

Now, looking at chart 10, due to problems with illiteracy in the United States, we have had to go outside of the country to obtain the skilled work force required for many jobs. What a crying shame. We have had to go outside of this country to get the talent we need to carry out our high-tech employment opportunities and responsibilities. This will show Members what we have been doing as a Congress.

One of the reasons that I am so tempted to vote against it this year is because of my fear that we will not tackle the problem domestically. We will not do anything about preparing our own to do these $40,000, $50,000, $60,000 jobs. We will just rely on going outside this country to get that kind of talent.

Obviously, what is going to happen to our own people? Who is going to support them? The taxpayers that are fortunate enough to have the jobs, I suppose, to provide the tax dollars to do that.

This shows Members what we have been doing. In 1998 we went outside the country to get the people we needed. In 1993, in 1994, and we keep going up. The real tragedy is, the next time we have to vote we are going to vote to increase 200,000 each year for 3 years. That is 600,000 more people who we have to go outside of our country to bring in to do the high-tech jobs that are here.

That means our people who are at low levels cannot climb that ladder of success, cannot hope to get a piece of the American dream. They are not prepared to do that. I have said over and over again that if we keep relying on this H1(b) Visa business we, too, will fall from within. There is no way we can possibly survive as a great Nation unless we can provide the necessary manpower to do the high-tech jobs that are out there.

And high-tech jobs are going to become more high-tech. Wherever I speak, we used to say years ago, get that kid off the street and put him in the service. That will straighten him out. That is the last place I want to see them today. Those missiles will be coming back at us, rather than going where they are supposed to, because we have a high-tech military. Are we going to import people from other countries to provide the high-tech military that we need? We have to prepare them here in our own country.

We then also get into this business of comparing apples and oranges. We just love to say how poorly we are doing, and we do a broad brush. We compare ourselves with other countries. We not only compare students who are in high-achieving elementary and secondary schools, we compare all students.

We compare students where there is nothing expected of the student, no high expectation. We will compare that with a Japan, where 50 percent of 3-year-olds and 92 percent of 4-year-olds are in school, most of it paid by public sources, some by private sources. In Germany, 53 percent of 3-year-olds and 78 percent of 4-year-olds are in school, almost all of which is publicly financed. In the United Kingdom, 47 percent of 3-year-olds and 92 percent of 4-year-olds are in school, almost all of which is publicly financed.

Then as we watch as they progress, oftentimes, and I guess it is still true in Japan, what they are going to do in life was pretty well determined by the kindergarten they got in. This was true throughout the industrial world. Oftentimes when someone got to middle school, that decision was not made by the person, what they were going to do, it was made by what the test results were.

So we have to be careful when we compare apples with oranges when we say how poorly we do. Yes, 50 percent of our children unfortunately are in failing situations. Yes, it is a Federal issue. It is a national issue.

Our forefathers would be dumbfounded that there would be those in the Congress who would try to hide behind what they have written as our founding documents to say that there is no responsibility on the Federal level in relationship to functional literacy and illiteracy in this country, that it is strictly a State and local responsibility.

When I tried to improve Title I, I got the same story from our side of the aisle, Oh, we cannot demand excellence from those programs. Well, it is the taxpayer who is paying for the program. Should we not demand excellence for the money we are spending, the taxpayers' dollars?

□ 2015

Let me close by reading an editorial I recently saw in the Easton Express Times, which is a newspaper that is not in my district, but in the State of Pennsylvania, and I will just read a portion of it. "The Even Start learn-to-read program deserves increased Federal funding. Few things can narrow people's lives more than being unable to read. While other ways exist to get news and information about the world, illiteracy keeps its victims from reading danger warnings, understanding provisions of a contract, or discovering the joy that a good book, magazine or newspaper can provide. It can also limit a workers advancement or prevent employers from hiring workers," as I just pointed out how we are going outside this country to get all of those workers, "certainly a present-day problem with low unemployment.

"Thus, it is entirely appropriate for the Federal Government to continue to take the lead in sponsoring programs that will empower people by teaching them to read. One such program, Even Start, which has been in place for 6 years locally in Easton is under the funding microscope.

"Even Start teaches parents how to read so they can work with preschool children on reading, and also provides preschool care and education."

The project director says "the program's goal is to break the cycle of illiteracy and poverty by improving educational opportunities for poor families. Further, programs like Even Start serve as a sound investment to prevent the continuing cycle of poverty."

And then the editor says "who among us would argue against breaking the changes that link many people to a life of destitution? Who indeed."

I repeat, how can we say it is anything other than a national problem when it is probably the one major problem facing us that could bring this great Nation down from within.

Mr. Speaker, I would encourage all on my side of the aisle to understand that what we may think of as that ideal family and the help that they get from their parents may not be true for 50 percent of the youngsters in this country; they need our help. We need them for a great future.

## MANAGED CARE REFORM

The SPEAKER pro tempore (Mr. TAYLOR of North Carolina). Under the Speaker's announced policy of January 6, 1999, the gentleman from Iowa (Mr. GANSKE) is recognized for 60 minutes.

Mr. GANSKE. Mr. Speaker, I am going to speak tonight on managed care reform, HMO reform. About a week or so ago, the Senate had a short debate and voted on the Nickles amendment, which was the GOP Senate version of patient protection.

Now, that amendment was given to Members with very short notice during that debate. I have the full text here. As one can see, it is quite dense. It consists of 80-some pages of legislative language, and so it was not easy to read through this so-called patient protection bill to understand exactly what was in the bill.

Mr. Speaker, I advised several of my Republican Senate colleagues to be very careful about voting for that bill, unless they had had a chance to review the specific language, because, as Members of both sides of the aisle know, the devil is always in the details in terms of whether a bill is a good bill or bad bill.

Over the last several days, I have had the opportunity to start reading the Nickles bill from the Senate, and it sadly is deficient in several areas. I would liken this more as an HMO protection bill rather than a patient protection bill.

Mr. Speaker, I am going to go into some detail about why that is, but it is very important for colleagues on both this side of the Capitol, as well as the other side of the Capitol to understand what is in this bill, because we passed a strong patient protection bill here on the floor of the House of Representatives in October of last year, the Norwood-Dingell-Ganske Bipartisan Consensus Managed Care Reform bill, and it had significant bipartisan support, not just 1 or 2 Members of one party, but 68 Republicans supported that bill, despite intense opposition by the HMO industry. So we have something to compare the Senate bill to.

As my colleagues on both sides of the aisle know, there has been a conference going on between the bill that passed the House and the bill that passed the Senate. I would say that the conference is not over, neither the Republicans nor the Democrats in the conference have said that the conference is over, but nothing much is happening now.

I think it is useful to go into some of the details of the Senate bill. The Senate bill limits many of its patient protections to only those Americans in self-insured plans. In fact, more than 135 million Americans would not receive most of the patient protections identified in the GOP Senate bill, including access to routine OB/GYN care for women, and pediatric care for children, continuity of care for terminally-ill patients, patients receiving in-patient and institutional care, and pregnant patients in their second trimester of pregnancy.

It would not include specialty care or access to specialty care, health care professionals for 135 million Americans; 135 million Americans would not have access to a point-of-service option. We have dealt with gag clauses that HMOs have put out in Medicare legislation that passed both the House and the Senate several years ago that prohibits contractual clauses that HMOs would try to limit the amount of information that a doctor could tell a patient without getting an expressed okay from the HMO; that would not be covered for more than 135 million Americans in the Senate bill.

The GOP Senate bill for 135 million Americans would not cover emergency medical screening exams or stabilization treatment. There are many different things.

I want to talk for the longest part of this special order about the Senate GOP plan's biggest fault, and that has to do with the enforcement provision or the liability provision.

Mr. Speaker, I have here an analysis of the Nickles GOP Senate bill by Professor Sara Rosenbaum, who is a Harold and Jane Hirsch Professor, Health Law and Policy at George Washington University; Professor David Frankford, Professor of Law at Rutgers University; and Professor Rand Rosenblatt, Professor of Law at Rutgers University School of Law.

I am going to primarily read this analysis. I think it is very important to get this into the CONGRESSIONAL RECORD. This is their analysis. I know Professor Rosenbaum personally. I respect her opinion and legal expertise a lot. This is how it goes.

By classifying medical treatment injuries as claims denials and coverage decisions governed by the Employee Retirement Income Security Act, the Senate bill, this is the Senate GOP bill, insulates managed care companies from medical liability under State law.

Section 231 of the Senate bill, and I have that here, amends ERISA section 502 to create a new Federal cause of action relating to a denial of claim for benefits, quote unquote, in the context of prior authorization.

Now, this is all kind of technical language, but I will try to make this clear as we go through. The bill defines the term, quote, claim for benefits as a request for benefits, including requests for benefits that are subject to authorization of coverage or utilization review, or for payment, in whole or in part, for an item or a service under a group health plan or health insurance coverage offered by a health insurance issuer in connection with a group health plan, end quote.

Thus, the bill would classify prior authorization denials as claims for benefits that are in turn covered by the new Federal remedy. You have to remember that Federal remedies under ERISA section 502 preempt all State law remedies.

This classification in the Senate GOP bill would have profound effects, particularly in light of the recent Supreme Court decision Peagram versus Herdrich. As drafted, the Senate bill would preempt State medical liability law as applied to medical injuries caused by the wrongful or negligent withholding of necessary treatment by managed care companies.

The Senate GOP bill thus would reverse the trend in State law which has been to hold managed care companies accountable for the medical injuries they cause, just as would be the case for any other health provider.

In recent years, courts have considered the issue of managed care relating injuries, have applied medical liability theory and law to managed care companies in a manner similar to the approach taken in the case of hospitals. Thus, like hospitals, managed care companies can be both directly and vicariously liable for medical injuries attributable to their conduct.

In a managed care context, the most common type of situation in which medical liability arises tends to involve injuries caused by the wrongful or negligent withholding of necessary medical treatment; otherwise known as denials of requests for care.

Now, State legislatures have also begun to enact legislation to expressly permit medical liability actions against managed care companies. The best known of these laws is a medical liability legislation enacted in 1997 by the State of Texas and recently upheld in relevant part against an ERISA challenge by the United States Court of Appeals for the 5th Circuit.

My friends and colleagues from both side of the aisle, you should know that the Senate GOP bill would preclude Texas law. In the case Peagram versus Herdrich, the Supreme Court implicitly addressed this question of whether managed care State liability law should cover companies for the medical injuries they cause.

The court decided that liability issues do not belong in Federal courts and strongly indicated its view that in its current form ERISA does not preclude State law actions. It is that decision that the Senate bill would appear to overturn.

□ 2030

Mr. Speaker, continuing this legal analysis of the GOP Senate bill, in the Supreme Court case Pegram, the Supreme Court set up a new classification system for the types of decisions made by managed care organizations contracting with Employee Retirement Income Security Act plans, ERISA plans. The first type of decision, according to the court, was a peer eligibility decision. In the ERISA context, that constitutes an act of plan administration and thus represents an exercise of ERISA fiduciary responsibilities. Remedies for injuries caused by that type of determination would be addressed under the ERISA law which currently provides for no remedy other than for the plan to provide the benefit itself.

But then the Supreme Court dealt with a different type of situation. The second type of decision is, according to the Supreme Court, a mixed eligibility decision. While the court's classification system contains a number of ambiguities, it appears that, in the court's view, the second class of decision effectively occurs any time that a managed care company, acting through its physicians, exercises what is called medical judgment, regarding the appropriateness of treatment.

Such decisions as medical decisions rather than pure eligibility decisions are not part of the administration of an ERISA plan and thus not part of ERISA's remedial scheme because, according to the Supreme Court, in enacting ERISA, Congress did not intend to displace State medical liability laws.

The court thus strongly indicated that these claims are not preempted by ERISA and may be brought in State court. In the court's view, these mixed decisions represent "a great many, if not most" of the coverage decisions that HMOs make.

So what we have is a situation where the GOP Senate bill is actually, through legislative language, trying to change the Supreme Court's recent decision, which held that, where one has decisions related to medical judgment and not pure eligibility, for instance, a plan that says we are not going to cover liver transplants, that is pretty straightforward, if a patient needs a liver transplant, but the plan explicitly in the contract says we do not provide liver transplants, that is a coverage decision.

But let us say one has a patient like some of the patients I have taken care of prior to coming to Congress, I was a reconstructive surgeon, let us say one has a child born with a cleft lip and a cleft palate, and the plan then says, oh, that is a cosmetic procedure, that is a medical judgment, the Supreme Court in Pegram versus Herdrich is saying that, if that HMO's decision results in a neglect injury, they should be liable according to State law.

But the Senate GOP bill is trying to change that Supreme Court decision. The Senate bill would appear to reverse Pegram by effectively classifying all prior authorization determinations as Section 502 decisions without any regard as to whether they are, "pure" or "mixed".

As a result, State medical liability laws that arguably now reach mixed decisions apparently would be preempted by the Senate GOP bill, leaving individual physicians, hospitals, and other health providers as the sole defendants in a State court when the HMO has actually made the decision.

Under the complete preemption theory of Section 502, remedies against managed care companies would now be governed by the new Federal remedy, which would effectively shield the industry from accountability under State law.

See, it is not easy to read through this legislative language when one is given a bill 15 minutes before it appears on the floor. It is not easy to make these kinds of arguments to understand what the language is showing when a bill is kept in secret and then brought up as an amendment on the floor. So that is why we are going through this tonight in some detail.

The Federal "remedy" in the Senate bill would leave Americans basically with no remedy. If one looks closely at the Senate GOP bill, the new Federal remedy simply creates the illusion of relief while at the same time foreclosing other more meaningful approaches to holding managed care accountable.

Now, here are some specifics as outlined by Professors Rosenbaum and Frankford and Rosenblatt. This liability provision in the Senate GOP bill is unclear on the meaning of the term "denial" in the context of claims that are actionable under the new Federal remedy. Were the remedy to be interpreted by the courts to encompass only outright denials, many of the worst types of HMO treatment delays would go unaddressed.

Here is an example. A recent decision from New York, Aetna U.S. Health Care used a series of appalling tactics to delay making any decision regarding treatment for an individual with profound mental illness related problems over 7 months. When the New York State Department of Insurance finally ordered coverage, it was too late. The patient died 8 days before Aetna finally entered a favorable initial determination.

So my colleagues see, the Senate GOP bill says that a negligent action can only be brought to trial if there is actually a denial. But what happens frequently is that HMOs will string patients out, they will delay and delay and delay and delay. In this case, for instance, in New York, if the patient dies before making that denial, then, under the Senate GOP bill, HMO is not liable. That is a huge loophole.

By focusing only on denial itself and not covering delays, the Senate GOP bill effectively would incentivize the HMO industry to put patients through a delay after delay after delay as a strategy for avoiding any liability.

The Senate GOP bill also bars any actions that challenge the company's denial of treatment that it asserts to be "excluded", rather than not medically necessary.

I have come to the floor many times to talk about how HMOs will deny treatment on the basis of it not being medically necessary. That is the terminology that they will use. Then they will use their own definition of medical necessity and can do that under Federal law.

But the Senate Republican bill basically creates a loophole that would encourage companies to classify denials as exclusions rather than as denials of claims based on a lack of medical necessity.

The irony is that the external review provisions of the Senate bill seem to permit review of decisions involving analysis of medical facts, a broader standard of review than a strict medical necessity standard. But despite this, the remedy would bar any relief for an individual whose denial is couched in exclusion terms, rather than medical necessity terms.

Now, I will just have to tell my colleagues that any good HMO insurance lawyer is going to advise his HMO to draft all denial letters in a manner that conforms to that limitation on remedies, another big loophole for the HMOs in the Senate GOP bill.

Here is another one. In the Senate liability provision, in order to successfully prove a claim, the injured party would have to prove, not only a negligent denial, a denial that was made by incompetent staff or using incompetent standards or using insufficient evidence, but would have to prove that the denial was made in bad faith.

So let us say that this HMO makes this denial and one's son or one's daughter is injured because of that. Not only does one have to prove under the Senate GOP bill that it was a negligent decision, one also has to prove the motives. One is going to have to prove that it was bad faith. That is a virtually impossible standard to prove, and it is particularly egregious in light of the fact that plaintiffs cannot even bring such an action under the Senate bill unless they have gotten a reversal of the denial at the external review stage.

Even where they have proven that a company wrongfully withheld treatment, the injured party can recover nothing for their injures without taking the level of proof far beyond what is needed to win at the external review stage. Under the Senate GOP bill, virtually all injuries would go uncompensated.

Here is another problem with the enforcement provision in the Senate GOP bill. The injured party would be forced to show "substantial harm" defined in the law as loss of life, significant loss of limb or bodily function, significant disfigurement, or severe chronic pain. But that definition excludes some of the most insidious injuries, such as a degeneration in health or functional status or loss of the possibility of improvement that a patient could face as a result of delayed care, particularly a child with special health needs.

I almost wonder whether this provision was put into the Senate GOP bill specifically to address the case Bedrick versus Travelers Insurance Company. The managed care company cut off almost all physical and speech therapy for a toddler with cerebral palsy.

The Court of Appeals in one of the most searing decisions ever entered in a managed care reversal case found that the company had acted on the basis of no evidence. With what could only be described as outright prejudice against children with disabilities, the managed care companies medical director concluded that care for the baby never could be medically necessary because children with cerebral palsy have no chance of being normal.

The consequences of facing years without therapy were potentially profound for that child. Failure to develop mobility, the loss of a small amount of motion that a child might have had, a small amount of motion that could make a big difference in terms of a child's function, and the enormous cost both actual and emotional suffered by the parents. Arguably, none of those injuries fall into any of the categories in the Senate GOP so-called patient protection bill.

Here is another problem. The maximum award in the Senate GOP bill permitted is $350,000, and even that amount is subject to various types of reductions and offsets. That limitation on recovery can make securing adequate representation pretty difficult.

To compound that, in order to mount a case involving bad faith denial of treatment that we have talked about, that is an enormously expensive proposition. The limitations on recovery are in addition to the fact that the Senate bill gives Federal courts exclusive jurisdiction over cases brought under the new provision.

The costs and difficulties associated with litigating a personal injury claim requiring proof of bad faith would thus be exponentially increased, and it would make it virtually impossible for injured people to find attorneys to represent them. The deck is stacked in that Senate GOP bill against an injured patient.

□ 2045

I see my colleague from New Jersey. Would he like to enter into this?

Mr. ANDREWS. If the gentleman would yield, let me first begin by commending him for his tireless advocacy night after night, week after week, year after year on behalf of health care and patients in our country.

My friend from Iowa is a physician first and a Member of Congress second, and I say that as a compliment. He has carried his Hippocratic oath to the halls of this chamber and he has done so, Mr. Speaker, with great distinction, and I want to commend him as a Member of the opposite party, as a Democrat, commending my friend from Iowa, as a Republican, for his work on this issue.

I was listening to him tonight, Mr. Speaker, and I wanted to just supplement what he so very ably is saying in two ways, because I too have read the legal analysis that my friend from Iowa makes reference to. I am proud that it was produced by, in part by two scholars from my district, from the Rutgers University School of Law in Camden, New Jersey, Dean Rand Rosenblatt and Professor David Frankford were among two of the three authors who did such an outstanding job on that, and Sara also was fabulous and I do not want to omit her, from George Washington University.

Let me say, first of all, the remedy that is in the bill in the other body is a remedy in form only. It would not have the compensatory or deterrent effect that a real remedy has. And I believe, frankly, it is designed to be deficient in those ways. It would make people less than whole. A person who is denied the ability to see an oncologist and contracts a form of debilitating cancer would not be made whole by the bill in the other body. A person who is advised that he or she needs a test and does not get that test and suffers a fatal or debilitating injury will not be made whole by the bill in the other body. The damage limitations are arbitrary and capricious.

The second problem is the lack of a deterrent effect. The value of the real accountability that is in the bill that passed this House authored by our colleagues, the gentleman from Georgia (Mr. NORWOOD), by the gentleman from Michigan (Mr. DINGELL), and by the gentleman from Iowa (Mr. GANSKE), the value of that bill is not the lawsuits that would be brought under it, it is the lawsuits that would never have to be brought as a result of it because a managed care company making an arbitrary and unreasonable decision contrary to the best medical interest of the patient would be held strongly accountable. And when that managed care company weighs the balance that it has in front of it, it would more than likely choose the side of granting the care. It would choose the side of following the duly-given advice of the professionals who gave the advice in the first place. It would restore the primacy of the doctor-patient relationship to American medicine: And that is what this is about.

The third point that I would make is that we very often hear from the opponents of the Patient's Bill of Rights and from the supporters of the Senate ersatz version that our bill would lead to a flood of litigation; that it would put lawyers in the place that doctors ought to be. And there is a certain superficial appeal to that argument. I understand, Mr. Speaker, that Americans do not want the right to sue, they want the right to the treatment they have paid for and deserve. But without the right to sue, without the right to hold people accountable in a meaningful way, that care and treatment is going to continue to be arbitrarily and unreasonably withheld by the oligarchs of the managed care industry.

And people are not going to sit and wait for us to do something about it. Instead, they are already marching to the courthouse door in State and Federal Courthouses around this country. As a result, we are now witnessing what I would call a crazy patchwork quilt of legal decisions all designed to get around this unreasonable barrier that exists in the present law that says that under the normal law of tort, under the normal law of responsibility, managed care companies are immune from that responsibility. So we have theories about unauthorized practice of medicine, and we have theories about civil racketeering, and we have theories about unlawful conspiracy, and we have theories about denial of quality of care.

To those who fear a flood of litigation if the Norwood-Dingell-Ganske bill becomes law, I would say that that fear is misplaced; that if the Norwood-Dingell-Ganske bill does not become law, we can be assured that there will be a flood of litigation by dissatisfied Americans. And instead of that litigation being predictable, under a clearly established set of legal rules and principles written in the statute by us as the duly-elected representatives of the people, instead those rules will be written on an ad hoc, case-by-case basis by State and Federal judges around this country. So I would suggest that that is the flood of litigation that people should most fear.

So I want to thank my friend for yielding his time. I again salute him for his truly heroic and tireless work on this issue, and I assure him that the day is coming when his efforts will bear fruit and this bill will be signed into law.

Mr. GANSKE. Reclaiming my time, but I hope the gentleman will stay for a few minutes, because some of the things in that Senate GOP bill relating to the liability provisions are just amazing. Let me just relate a couple more for the gentleman.

There is a provision in that Senate GOP bill that says that any group health plan that offers its members the choice of either an insured benefit or an individual benefit payment to be used by the Member to buy an individual insurance policy could not be held liable.

What does that mean? That means that any employer could say to an employee that they have a group health plan that they can join, or they can be offered a payment to buy their our own health insurance. In that situation, the HMO and the employer could not be held liable, specifically by the language in the Senate GOP bill. There would be no liability.

Now, the problem with that is that, as most people know, as an individual it is very difficult to go out and purchase our own insurance. So that what we would have is, we would have every employer in the country that offers health insurance saying, well, here is an option for you. You can buy your own insurance. Of course, no one will do that because they will not find any individual insurance for their family. But in so doing, then they totally exclude those plans from any liability for a negligent decision that they would make.

Mr. ANDREWS. If the gentleman will yield, I want to explain the consequences for what he has just correctly stated for constituents in my State.

In my State of New Jersey, an individual buying family health insurance would pay in the neighborhood of $10,000 a year. But the price that would be offered through the group plan would be considerably less, probably $6,500 to $7,000 a year picked up by the employer. So let us say the employer gives the employee a $6,500 voucher toward the purchase of health insurance. The choice that my constituents would face under this Senate bill that my friend talks about would be to either have the right to hold the HMO accountable and pay $3,500 for that privilege, which the constituent clearly would not have, or not have the right to hold them accountable.

Now, that is like saying to someone that we are going to give everyone in America the right to buy a Mercedes Benz for $75,000. Nice right to have in theory, but if a person does not have the money to afford it, they cannot do it.

Mr. GANSKE. Here are a couple other provisions in the Senate GOP bill. Remember, this bill made its first appearance in the light of day about an hour before it was offered on the floor, and it was offered to the minority about 15 minutes before it was offered. So not much chance to review the language. And that bill has never had any hearings.

There are a couple of provisions in there that are very significant. One provision would basically preclude class actions under the new ERISA remedy in the Senate GOP bill no matter how widespread the misconduct of the defendant. For example, an HMO might engage in a practice of systematically denying every request for treatment in order to push individuals into external review and delay treatment.

They could just do that all the time. They could deny, deny, and push everybody into an external appeals thing. They could save a lot of money on the float that way. But under this provision that is in the Senate bill, even were the defendant pursuing such a strategy as a matter of design, the way they are setting up their plan, an individual could not seek any class action relief.

Here is another problem. We know from a case, Humana v. Forsythe, that the United States Supreme Court held RICO applicable to a managed care company that has systematically defrauded thousands of health plan members out of millions of dollars in benefits by systematically lying to members about the proportional cost of the treatment they were being required to bear.

This is how it worked. This HMO had gotten discounts from hospitals, but the hospitals would send the full price bill to the patient. The patient typically had an 80/20 policy, meaning that the health plan is supposed to cover 80 percent of the cost and the patient is supposed to cover 20 percent. So they would get the full price bill from the hospital and then Humana would tell them that they had to pay 20 percent of that full price bill, even though Humana was only paying a fraction of the 80 percent because of a discount. In other words, they were leaving their beneficiaries paying a much higher percentage of the bill so that they could pay even less than their discounted part.

Well, that was looked at, and the Supreme Court held that Humana was fraudulently lying to its beneficiaries and ordered a multimillion dollar settlement. That is a proper use of the RICO statute. Under the Senate GOP bill, that would be precluded. A patient could not do that.

Mr. ANDREWS. If the gentleman will yield briefly, under the facts as the gentleman just outlined them, let us say the patient had a $1,000 hospital bill, as legitimately presented, and the HMO only paid $800. Under the terms of the contract, the patient would be liable for one quarter of that $800: $200. But the way the bill was being presented to the patient, the patient would pay $250. Now, $50 is a lot of money to people, but it is not enough money to retain an attorney and file suit and pursue the claim.

Those kind of claims only get meaningfully pursued through class actions. If thousands of people are owed $50, the economic incentive exists for someone to file suit and pursue the claim. But if a patient cannot do that through a class action, person after person after person who is defrauded out of their $50 will never pursue a legal remedy. And that is another deficiency in the Senate bill.

Mr. GANSKE. Let me just finish in reading the conclusion from Professors Rosenbaum, Frankford, and Rosenblatt.

"The central purpose underlying the enactment of Federal patient protection legislation is to expand protections for the vast majority of insured Americans whose health benefits are derived from private nongovernmental employment and who, thus, come within the orbit of ERISA. Not only would the GOP Senate measure not accomplish this goal, but, worse, it appears to be little more than a vehicle for protecting managed care companies from various forms of legal liability under current law. Viewed in this light, congressional passage of the Senate GOP bill would be far worse than were Congress to enact no measure at all."

Now that is a sad commentary on a bill. But as I have been looking through the Nickles bill, I can come to almost every page and have questions about the legislative language.

I will just talk about this one.

□ 2100

One of the things that we should be able to reach a bipartisan consensus on is how do you do an external review and should the external reviewer be independent?

Let us say that an HMO denies care to your child. Your doctor says the kid needs the care. So you go through an appeals process within the HMO. The HMO still says, "No, we're not going to give that care. It doesn't meet our own definition of medical necessity." So you say, I want an independent review. And let us just say the Senate GOP bill had become law. Would that reviewer be independent under the Nickles independent review plan? Looking at the language, it is real interesting. The language says that the reviewer could consider the claim under review without deference to determinations made by the plan. Could consider but not be bound by the definition used by the plan of medically necessary.

Then the next clause is very important. Notwithstanding the independent reviewer would have to adhere to the definition used by the plan or issuer of medically necessary or experimental investigation if such definition is the same as, one, that which has been adopted pursuant to State statute or regulation or, two, that which is used for purposes under titles 18 or 19 of the Social Security Act.

So what does that mean? I looked at this for a while and I wondered, because in the bill that passed the House, we just say that that independent reviewer will be able to determine medical necessity looking at a number of factors and as long as that benefit was not explicitly excluded in the contract, then the reviewer would be able to determine medical necessity. But here they have added a couple of provisos. They say the medical reviewer has to go use the definition of the plan, what the plan says is medically necessary if that has been adopted pursuant to a State statute.

Well, I know exactly why that clause was put in there, because a year or so ago my home State of Iowa was doing some patient protection legislation, and I have some expertise in this so some of the State legislators came to me and asked me about some specific language that had been provided by the insurance industry. In that language very cleverly they had a provision that basically said medical necessity is what we define it to be, i.e., what the plan defines it to be. So if that happens to be what is in State law, then this independent reviewer cannot do anything except decide whether the plan has followed its own definition.

Mr. ANDREWS. There is another grave danger here. And, that is, that the HMOs will certainly take the position that even if there is not an explicit statutory definition of medical necessity in State law, that the State laws which permit them to incorporate their insurance companies carry with them the implicit right of the HMOs to fix by contract the definition of the terms of their contract. To sort of unpack that and put it in less legalese, they will take the position that State laws implicitly give them the right when they organize themselves to declare what definitions in their contracts mean, that it is a matter of contract. And I assure you that every HMO worth its salt will then put a boiler plate clause in their contract that says medical necessity means whatever we say that it means. So if your child's pediatrician thinks that it is medically necessary for your child to have an MRI but the reviewer for the HMO does not think so because the statistics show that very few 7-year-olds have a tumor problem, the HMO wins. That is a loophole that is very subtle but very disingenuous and very dangerous.

Mr. GANSKE. Reclaiming my time, here is another loophole in the Senate GOP bill. Who gets to select that external reviewer according to the Republican plan in the Senate? On page 47, the plan gets to select that, quote, independent reviewer. That certainly was not in the version that passed the House.

Here is another loophole. Does that independent reviewer, is that in the House bill a person who has expertise related to that problem? You betcha. What about in the Senate? Only if a specialist is, quote, reasonably available would you get, for instance, an orthopedist reviewing an orthopedic problem. These are just multiple things that you can go through nearly every page.

Mr. ANDREWS. The gentleman has just very eloquently described what in sports we call the home field advantage. Imagine if the home football team got to pick the referees for every game at its stadium without any consultation with the visitors or with the conference in which they play. The home team would win a lot of the games. If you were an external reviewer, external reviewer A has a track record of favoring the HMO three-quarters of the time and external reviewer B has a track record of favoring the HMOs one-quarter of the time, and the reviewers get paid according to the number of reviews that they do and the HMO gets to pick the reviewer, you can imagine which reviewer is going to get more work and what message is going to be sent out to the reviewers. That is a home field advantage if I have ever heard of one and it renders the Senate external review procedures to be farcical in my opinion.

Mr. GANSKE. Let me give the gentleman another example from the Senate GOP bill. The bill contains a prohibition on plans from requesting or requiring predictive genetic information. An exception, however, allows plans to request but not require such information for diagnosis, treatment or payment.

The problem is that the plan can request that information but does not have to tell the patient that they do not have to give them the information. See, that is the type of little legislative language tricks that you can put into a bill.

Here is another one. The Senate GOP bill allows plans to fulfill their disclosure obligations by providing prospective enrollees with, quote, summaries, or, quote, descriptions or, quote, statements of beneficiary rights rather than specifically enumerating those rights such as in the bill that passed the House.

These are, I think, minor provisions. They are not as important as the one related to enforceability, the one related to whether that independent reviewer is actually independent, whether that independent reviewer, where there is a difference of opinion on whether care should be provided or not, is competent or knowledgeable in that area. But there is still, in aggregate, important provisions for those individuals.

As you pointed out earlier, I believe firmly that the bill that passed the House, the Norwood-Dingell-Ganske bill because it is written to actually protect patients and provide them with due process will in the long run decrease legal activity rather than increase it. It will prevent the injury from happening which would then require a legal remedy because it sets up a bona fide real process for dispute resolution. Unfortunately, we are just not seeing that in the language as we have gone through the Senate GOP bill.

I am going to provide my colleagues in the next few days with a more detailed analysis of the Senate GOP bill. I think it needs to be examined in-depth. I am very hopeful that as this process continues over the next several months, we will have an opportunity to correct the deficiencies.

Mr. ANDREWS. If the gentleman will yield one more time, I want to conclude my remarks by saying that the gentleman is not a member of the conference committee that is negotiating the final version of this bill. I am privileged to be a member of that. I suspect that the gentleman is not a member of the conference committee because he holds, as do dozens of his Republican colleagues, the views that he has expressed tonight. This bill passed the House with 61 percent of the Members of the House voting for it, a broad bipartisan coalition. This is not a Republican or Democratic issue. I am hopeful as a conferee that we will return to the conference table, we will do so under the scrutiny of the public and the media, that we will discuss the issues that the gentleman has raised tonight, and that we will resolve our differences and give the President a bill that he can sign.

I have been on this conference since it initiated in March, and I said a few weeks ago that someone on the other side said the conference was sailing right along, and it was sailing right along smoothly and I said that they had used the wrong nautical analogy, that the conference was not sailing right along, that it reminded me more of the legislative equivalent of the Bermuda triangle, that good ideas go into the conference and are never heard from again. The gentleman has many good ideas. I commend him again for his good work and look forward to working with him to make this the law.

Mr. GANSKE. I thank the gentleman for joining me in this special order tonight. I look forward to working with him and other Members in a bipartisan fashion on both the House side and the Senate side to actually get signed into law a real patient protection piece of legislation.

## REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4810, MARRIAGE TAX PENALTY RELIEF RECONCILIATION ACT OF 2000

Mr. DIAZ-BALART (during the Special Order of Mr. GANSKE), from the Committee on Rules, submitted a privileged report (Rept. No. 106–726) on the resolution (H. Res. 545) providing for consideration of the bill (H.R. 4810) to provide for reconciliation pursuant to section 103(a)(1) of the concurrent resolution on the budget for fiscal year 2001, which was referred to the House Calendar and ordered to be printed.

## REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4811, FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 2001

Mr. DIAZ-BALART (during the Special Order of Mr. GANSKE) from the Committee on Rules, submitted a privileged report (Rept. No. 106–727) on the resolution (H. Res. 546) providing for consideration of the bill (H.R. 4811) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2001, and for other purposes, which was referred to the House Calendar and ordered to be printed.

## ILLEGAL NARCOTICS

The SPEAKER pro tempore (Mr. GREEN of Wisconsin). Under the Speaker's announced policy of January 6, 1999, the gentleman from Florida (Mr. MICA) is recognized for 60 minutes.

Mr. MICA. Mr. Speaker, I am pleased to come before the House tonight as it concludes its business to address the House on a subject I normally do on Tuesday nights and one that I take a personal interest in as chairman in the House of Representatives of the Subcommittee on Criminal Justice, Drug Policy and Human Resources. And specifically always on Tuesday evenings, I try to address my colleagues and the American people on the topic of illegal narcotics and our national drug policy and our efforts in our subcommittee to attempt to develop a coherent policy to deal with probably the greatest social problem and challenge I think our Nation has ever faced in its history, a problem that has devastated and I think we have gotten to the point where almost every family in America is somehow touched by illegal narcotics. Certainly the impact in crime, the social costs, the costs that this Congress incurs in funding antinarcotics efforts, criminal justice, the system that is fueled by those who are committing crimes and offenses against society under the influence of illegal narcotics, the whole gamut of problems that have arisen as a result of illegal narcotics is really astounding.

I often cite when I speak before the House the most recent statistics of deaths. Direct deaths from illegal narcotics in the most recent year provided to our subcommittee, 1998, amounted to 15,973 Americans died as the direct result of illegal narcotics. The drug czar, our national director of the Office of National Drug Control Policy, Barry McCaffrey, again today used the figure in a hearing before our subcommittee of 52,000 Americans dying in a year as a result of direct and indirect illegal narcotics.

□ 2115

So the toll is mounting. The statistics continue to be alarming and should concern every American because, most of all, we find that this problem is affecting not those people who you would traditionally think have been victimized by illegal narcotics, the inner-city, the metropolitan, the high density areas, but every single corner of our Nation is now victimized by the effects of illegal drugs.

In fact, I cite a recent article, and it this headline says "Drug use explodes in rural America." It shows that in fact in rural America that cocaine, that crack, that heroin and methamphetamines in all of the rural areas of the country are now experiencing an explosion.

One of the things that I try to do as chairman of the Subcommittee on Criminal Justice, Drug Policy and Human Resources is not only conduct hearings, such as we did today with the national Drug Czar on our national media campaign that we instituted several years ago, a $1 billion-plus program, $1 billion from Federal money over 5 years and an equally significant amount in contributions to the campaign required by the law that we established, but in addition to conducting the hearings and evaluations and oversight of our national drug policy and the programs that we have instituted, we attempt to conduct hearings throughout the United States.

Most of the hearings that have been conducted by our subcommittee are at the request of either my subcommittee members or Members of the House who are experiencing a similar problem. I can tell you without a doubt that in fact the entire Nation, from the Pacific coast to the East Coast, from the Mexican border to the Canadian border, is being devastated by illegal narcotics.

During the recent weeks we have conducted hearings and field hearings. One was in the heartland of America, in Sioux City, Iowa, at the confluence of three states, Nebraska, South Dakota and Iowa. This was a hearing at the request of the gentleman from Iowa (Mr. LATHAM). We heard absolutely startling testimony about the explosion of illegal narcotics, the explosion of methamphetamine, narcotics that have infiltrated that region of our Nation, and the devastation on the community, the cost in law enforcement, the cost in social services, the tremendous cost to that entire area that is being borne in destroyed lives.

So we have focused not only on hearings in Washington, but throughout the land, and we confirmed the headline which I cited here of the explosion of illegal narcotics and methamphetamine in particular in rural areas of our country.

It is also significant that we have presentations before our subcommittee that bring us up-to-date on what is happening, because we are a criminal justice, national drug policy oversight subcommittee. Some of the recent information we have had from the Center for Disease Control and other monitoring agencies indicate that over half the crime in this country is committed by individuals under the influence of illegal narcotics.

The National Institute of Justice drug testing program, found that more than 60 percent of the adult male arrestees across the Nation tested positive for drugs. In most cities, over half the young male arrestees are under the influence in fact of marijuana, and, importantly, the majority of the crimes that result from the effects of the drug do not result from the fact that the drugs are illegal.

According to a study by the National Center on Addiction and Substance Abuse, which is also referred to as CASA, at Columbia University, 80 percent of the men and women behind bars, about 1.4 million inmates in our country, are seriously involved with drug abuse, substance abuse, and sometimes that is illegal narcotics, sometimes it is alcohol. So, again, the problem of substance abuse is horrendous.

What is of particular concern to our subcommittee and the Congress is that the trends of illegal narcotics use, while we hear some figures being touted by some in the administration, we find that, unfortunately, under the Clinton Administration, from 1992 to 1998, in one area for example, in heroin we have had a 92 percent increase since 1992 in heroin use among our 8th graders, an incredible statistic that has recently come forward. That is in one of the most deadly drugs that one can have any young person be involved with.

In my area in Central Florida, in fact we are having an epidemic of heroin overdoses. Many of the overdoses are the result of a very high purity heroin. In the 1980s we had the purity of heroin at the level of single digits, sometimes 4 or 5 percent. Today we are finding on the streets of Orlando and the streets of New York, Los Angeles, and even small communities across the Nation, purity levels of 60 and 70 percent, deadly, highly toxic heroin, and we see a dramatic increase, 92 percent increase in use in heroin among 8th graders, an absolutely shocking statistic.

The other information that I wanted to relay about the problem tonight is some information our subcommittee received from the Center for Disease Control in Atlanta, and they came and briefed us before the recess. I have cited some of these statistics in the hearing that we held and previously on the floor, but the survey by the Center for Disease Control indicated that 14.7 percent of the students surveyed said that they were currently using marijuana in 1991. In 1999, that figure almost doubled to 26.7 percent.

Unfortunately marijuana happens to be a gateway drug, and we find that the statistics bear out that with a gateway drug, an entry drug like marijuana, the next step is cocaine, then methamphetamine, heroin and hard narcotics. We also find testimony that was presented to the subcommittee by Dr. Leshner, the head of the National Institute of Drug Abuse, NIDA, that in fact the most addictive drug in the United States today in fact is marijuana. Also it is not the marijuana of the sixties and seventies, or even the eighties. This is a marijuana with a much higher purity, with a much more toxic content, and a much more addictive result.

But the Center for Disease Control reported that lifetime marijuana increased from 31.3 percent in 1991 to 47.2 percent in 1999. What has happened in our Nation, because we have sent a mixed message to our youth, because we have not had the leadership provided by the White House with a consistent strong message against illegal narcotics, and in particular marijuana, we find that almost half the population of our young people today has used marijuana at some point, according to this survey. Again, like it or not, it is a gateway drug.

Those are some of the statistics that we wanted to update the Congress on today. Unfortunately, we find that even in our enforcement area, that young people are becoming more and more involved as a result of their use and abuse of illegal narcotics.

A recent article that was provided to me indicated that the end of last year, the United States Customs Service estimated that 400 teenagers had been arrested by the end of 1999 for smuggling drugs into the country, an increase of 30 percent over the previous year. In Texas, only 17 juveniles had been sent to prison in the past 2½ years, 98 received probation and 63 had their cases dropped or dismissed. Unfortunately, light punishment is a selling point for the drug cartels when they approach teenagers, according to the U.S. Customs Service, which is now finding younger and younger traffickers, and, unfortunately, the arrests are up in the under 18 age category. This report also said that there is a 58 percent increase nationwide in arrests of drug traffickers. This is now under the age of 18. Again, younger and younger people involved.

According to customs also, children as young as nine are used to traffic drugs across the southwest border. According to the article, most of the teen smugglers that are arrested and convicted are given probation, not jail time, which, unfortunately, does lead other youth to participate in the same type of activity, and we are seeing more and more of that across the country.

The number of heroin users in the United States, according to another recent survey, indicates that it has jumped from 1996, half a million Americans, to nearly 1 million, 980,000 Americans in 1999. So we have had, again, just about a doubling from 1996 to 1999 in heroin users in the United States.

The rate of first use by children age 12 to 17 increased from less than 1 in 1,000 in the 1980s to almost 3 in 1,000 in 1996. I think I just cited for the benefit of the House the incredible increase we have seen in 8th graders. First time heroin users are getting younger, from an average age of 26 years of age in 1991 to an average age, now, get this, of 17 years of age by 1997.

Also, according to the most recent statistics provided to our criminal justice and drug policy subcommittee, 8th graders in rural America are 83 percent more likely than 8th graders in urban centers to use crack cocaine, 50 percent more likely than 8th graders in urban centers to use cocaine, and 34 percent more likely than 8th graders in urban centers to smoke marijuana. Unfortunately, an incredibly high statistic is that they are 104 percent more likely than 8th graders in urban centers to use amphetamines, including methamphetamines. Again, startling statistics about what is happening across this country.

One of the things that was brought up at the hearing today and that we also have found in the pattern of illegal narcotics use is the impact, not only on the population in general and also of our youth, which is of great concern, but also the impact on minorities. No segment of our society is more impacted by illegal narcotics use than our minorities, particularly our African American and our Hispanic population. This is some of the latest information our subcommittee has received.

□ 2130

According to the 1998 National House of Polls Survey on Drug Abuse, drug use increased from 5.8 percent in 1993 at the beginning of the Clinton administration to 8.2 percent in 1998 among young African Americans, more severely impacted than the population at large. According to the same survey on drug abuse, drug use increased from 4.4 percent in 1993 among the Hispanic population, Hispanic youth in particular, to 6.1 percent. So 2 minority populations that are most vulnerable in our society, our African American and Hispanic youth population, have also become incredible victims of illegal narcotics and, in particular, we have seen, as I said, the explosion of heroin, methamphetamines, and now we are seeing a rampage of what are called designer drugs across the Nation.

Now, how did we get ourselves into this situation? I have brought this one particular chart out many times, and I will bring it out again tonight. We hear repeatedly, I hear repeatedly over and over that the war on drugs has been a failure. I submit again to the Congress and to the House tonight that if we look at the war on drugs under the Reagan and Bush administration, and this chart relates the long-term trend in lifetime prevalence of drug use; this is really the major monitor for drug use and abuse in this country, and it is not something that I made up; it was prepared by the University of Michigan, and this is something that they have been monitoring for some time. But this shows the pattern of success and this shows the prevalence of drug use going down in the Reagan administration starting in 1980 all the way down. Now, this is what the liberals will tell us is a failure, and that is the decrease in drug use. In fact, there was a 50 percent decrease in this period of drug use in this country. This is what they will try to tell us, the editorialists, the promoters of legalization, those who say that the war on drugs has been a failure.

So when we had a war on drugs, and that was with national leadership from the Office of the President through the entire administration, putting together an Andean strategy to stop drugs at their source. This is not rocket science; we know where the cocaine is produced. It is produced in Bolivia, it is produced in Peru, it is produced in Colombia. When we have a policy that stops the assistance going to a country who is willing to participate with the United States to stop the production of cocaine such as we have had with this administration for the past 5, 6 years in stopping and blocking aid to Colombia, we have a growth of cocaine and coca production in that area.

The Reagan administration and Bush administration developed specific programs, the Andean strategy, and the Andean strategy went in and went after drugs at their source, stopped the drugs at their source. We know where cocaine is from. Can we stop it? Well, yes, we can. When I came in with the Republican majority in 1995 and we took over, we went to those countries, Mr. Zeliff did, the former chairman who had this subcommittee responsibility, and the gentleman from Illinois (Mr. HASTERT) who is now the Speaker of the House, we went to Bolivia, we talked to President Banzer and to other leaders there. We went to Peru and we talked to President Fujimori. We gave them a tiny bit of assistance and they completed their mission and have been completing their mission to eradicate cocaine and coca production, some 50 to 60 percent reduction in 2 or 3 years at very little cost to the taxpayer in stopping the production.

One of the problems we have had is that the administration for year after year after year has blocked assistance to Colombia until the whole Colombian region exploded and it became a regional disaster, and we had to pass a $1 billion-plus aid package to bail the administration out from their failed policy. That policy will work. The policy also has assistance to neighboring countries so if we stop production there, it does not spill over into other areas. It worked in the 1980s, it will work now. There is no question about it. We can stop drugs at their source.

Now, the second most effective way to stop drugs is to stop them as they come from the source. This administration has done everything they can to destroy the war on drugs. Now, if one is going to run a war on drugs, against drugs, how would one run that? Would one stop the programs or cut back the programs where they produce drugs at their source? That would be a farce, but that is exactly what this administration did.

This administration cut Federal spending for international programs 50 percent during the Democrat-controlled Congress from 1992 to 1994. They cut it some 50 percent, from $660 million to $329 million. In fact, we are barely getting back to the level of funding for international programs and the spike that we did provide with the Colombian aid package will bring us up to where we should be in going after drugs most cost-effectively at the source.

Now, again, the second area and most effective way to stop illegal narcotics, and a Federal responsibility, our responsibility as Congress is to stop the illegal narcotics before they come to our borders. President Reagan set up the Andean strategy. We set up a drug certification. If we allow drugs to come from their country into the United States, we stop foreign aid, we stop financial assistance, we stop trade and other benefits that we give as a country to that country that is sending poison into the United States. I helped draft the certification law. This administration has made a farce of the certification law from the very beginning, misapplying it, not applying it properly as it was intended, as it was applied during the Reagan and Bush administration. This they will tell us is a failure. I mean this is a decrease in drug use by everyone in this country, and they will tell us that that was a failure. I say that, in fact, this was a success.

This is the failure. We only see right here where the Republican-controlled Congress took effect where we restarted the programs on stopping drugs at their source, where we began to restart the programs to interdict drugs before they reach our borders. Again, each of these programs were dramatically cut and slashed, and today, we are paying the consequences and struggling to get these programs developed back in this successful war on drugs, in effect.

Mr. Speaker, it was one error compounded by another error. First, the administration withheld information and data to these other countries, information that was used to shoot down drug traffickers as the drugs left the source country and headed towards the United States. They said, we cannot do that. We could possibly hurt the hair on the back of some drug trafficker. Oh, we cannot send aid to Colombia, we might hurt some leftist guerilla or some rightist guerilla. I do not think there was concern about the right wing as there was about hurting the hair on the left wing.

In any event, nothing got sent there. They blocked it time and time again, the assistance. It would almost be ludicrous, but unfortunately, I must go back, and I cannot help but to cite some of the mistakes by this administration that we are paying for today. It would be ludicrous to think that they would, in fact, act in such a fashion.

This headline is from the Washington Post, August 4, 1994: U.S. Refusal to Share Intelligence in Drug Fight Called Absurd. One of the Democrats from the other side is the one who called it absurd, what the administration had done. We had stopped sharing information, stopped the ability of our allies in this war on drugs to go after drug traffickers, the beginning of the disaster that we inherited. Hearings also documented what the administration was doing in closing down a real war on drugs. My colleague, the gentleman from California (Mr. HORN) we were elected together in 1993, and we served on the Committee on Government Operations and I attended the hearing, and the gentleman from California (Mr. HORN) asked on August 2, 1994, "As you recall, as of May 1, 1994, the Department of Defense decided unilaterally to stop sharing real-time intelligence regarding aerial trafficking of drugs with Colombia and Peru. Now, as I understand it, that decision, which has not been completely resolved, has thrown diplomatic relations with the host countries into chaos." August 2, 1994.

Mr. Speaker, that was a prediction of the beginning of the disaster of Colombia. We all saw it coming. We all knew that when we close down the source countries, when we stop interdicting drugs cost-effectively before they come into the United States and had our allies do it rather than us even do it, just by providing a little information to our friends.

Then, what did we need to go after the narcotics? There was almost zero heroin produced in Colombia in 1993, the beginning of this administration. Almost zero. But this Congress, Democrat-controlled Congress and White House managed to stop first information assistance, and then what do we need to stop the growth? We need something to go after the growth. That would be some helicopters. That would be helicopters that could fly at high altitudes, that would be helicopters that could go after drug traffickers and surveillance information.

Time and time again, hearing and hearing again, we begged this administration, and we even passed the financing of sending the assistance to Colombia. The President and others in this administration blocked that assistance. So we have seen an incredible explosion of cocaine production, of heroin production in Colombia.

This is a February of 1997 story, and it says, "Delay of Copters Hobbles Colombia in Stopping Drugs." Guess what? When we do not have the equipment to go after where they are producing or trafficking, and 70 to 80 percent of the drugs coming into the United States are now produced, heroin and cocaine in that country, in fact, we do not stop the drugs. That is what caused us to do an emergency funding of $1 billion-plus for Colombia.

In each of these areas, the new Republican majority has tried to act in a responsible fashion to restore the source country programs. We will find in the Colombian aid package, in fact, a good balance between alternative crop development, because we know the peasants there must have some source of income, and we can help them be productive; we can also help them turn away from production of the death and destruction of cocaine, coca and poppies and heroin that are now swamping the United States. We can easily put these programs together for very few dollars. Unfortunately, now it is taking more dollars than it would have if we had done the preventive steps that we asked for some years ago.

Unfortunately, the administration has made this an even more difficult task by bungling the negotiations in Panama, by not allowing us to keep our forward-drug surveillance operating locations in Panama. Even if we gave back the base, all we needed was an operations center which we had had up until May of last year. The administration not only lost the military use, but bungled the negotiations to keep our forward operating locations. Part of the $1 billion package that we passed is now to fund $100-some million to replace the forward operating locations that we lost through the failed negotiations with Panama. All of our drug-forward surveillance operations were out of Howard Air Force base and now we have to pay to put them in Ecuador, and now we have to pay to put them in Aruba, and now we have to pay to put them at great expense into El Salvador. Two of those negotiations are semi-complete, but it will be 2002 before we get back to the capability we had last May to detect flights coming in with illegal narcotics and shipments from the source zone.

□ 2145

General Wilhelm, our general in charge of the Southern Command of this whole effort in surveillance, and the military does not get engaged in arresting people or going after illegal narcotics traffickers. They are even banned from that. What they do is provide surveillance and intelligence information from the surveillance which is passed on either to the country or to enforcement people.

According to General Wilhelm in a report that was provided to me as chairman of the subcommittee by the Government Accounting Office, General Wilhelm said that the Southern Command now, and again, in charge of looking at drugs coming in, can only detect and monitor 15 percent of the key routes in the overall drug trafficking area about 15 percent of the time.

Again, what is reported to our subcommittee in charge of drug policy is that this will not be corrected until 2002. That is an absolute disaster created by ineptness in the administration and direct policy-thwarting efforts.

I have talked about this many times. Again, they term this with decreasing drug use among our population as a failure. This is a success going up here. This is the Clinton success pattern. We have higher drug use, so that is an effective war on drugs. We dismantle the war on drugs piece by piece by piece and this is what we get, a flood of illegal narcotics, difficult to stem.

I want to say that we have instituted as a Republican majority the most extensive education campaign in the history of this Nation funded with $1 billion over 5 years. Today we held our second oversight hearing on it.

I had a different plan than the administration. I thought that those who get the airwaves, which are a public trust, should donate more time. The administration wanted to pay for time out of the taxpayers' pockets. As a compromise, and the way this place always works is a compromise, we have half the time being donated as a requirement and $1 billion of taxpayer money going into the campaign.

But we must do something to educate the public. We must do something to educate particularly the young people. I must do something as chairman of the subcommittee to make sure that the money that we spend in this most extensive campaign is appropriate and that it is working.

That was the reason for the hearing I held last October at the end of the first year of the campaign and today that we conducted to see if that is successful. I am not here as a Republican or a majority member saying that we can only criticize the other side. We have to tell what we have done.

In fact, we have put in place the most extensive campaign in the history of our Nation. Now we have to make sure it works. Will it work? I do not know yet, but we are going to do everything we can. We have put back into place the funding for the international programs, and finally, the missing piece to the puzzle.

This is not a great puzzle. The drugs, 70 percent of the cocaine, 75 percent of the heroin coming into the United States is coming from Colombia. We have stopped it in 2 or 3 years under the Republican majority working with Peru and Bolivia, and we have some assistance in this package for them.

It is coming from here. A lot of it transits through Mexico. That is another problem I could spend a whole night on, again the United States and this administration making a farce out of certification, cooperation on the drug effort, giving Mexico benefits left and right, financing their indebtedness, helping them open their borders, giving them the best trade benefits, and then letting Mexico thumb their nose at the United States.

It made a farce of the laws that the Reagan and Bush administration enforced, and also made Colombia the center of drug production for the hemisphere. The latest reports we have in the media today is a double of cocaine is reaching our European allies. I have met with our European allies soliciting their help in this region. We warned them that the cocaine and next the heroin is coming because of the tremendous production.

In fact, the latest statistics revealed just in the last few days show that Europe is getting swamped with cocaine, and I guarantee them that the heroin will follow, because they pay even more in Europe than they do in the United States. We have this flood of supply coming in.

Since our base in Panama is closed down, we have no forward operating location, and it may be over 2 years before the administration even has a clue to get it back in order. This is the mess that we have inherited. It does have consequences.

I have shown these before, these quite revealing charts. I have not doctored these or produced them myself, they were produced by the Sentencing Commission to our subcommittee in recent testimony.

By 1992, almost no crack in 1992. We do not even see methamphetamine on the chart at the beginning of this. Again, this is a failure in the war on drugs.

In 1993, the beginning of the administration, we see the beginning, the very beginning of crack. In 1994, in 1995, it is exploding. In 1996, 1997, almost up the entire map, out of control. What has gone down in crack is being supplemented by methamphetamine, designer drugs, and also we do not have heroin on the chart, which has absolutely skyrocketed off the charts.

This, again, is the result of I think a policy that can only be termed a failure. It is incredible how many times I hear that, again, the war on drugs is a failure; that some of the things that we have done, the tough enforcement will not work, that we have to liberalize our drug laws.

Recently the New York Times, a New York Times editorial, called for doing away with the Rockefeller laws. The Rockefeller laws were instituted in the 1970s under Governor Rockefeller, tough laws, and they established tough sentencing guidelines.

We often hear that the people behind bars are there because they have, say, used a small amount of illegal substances, marijuana. Small-time users are locked up in jail. That is what this New York Times editorial says, that our criminal justice system is clogged, and particularly they cite New York.

In fact, on New York, we conducted a hearing in Washington on the subject of New York. We brought in an individual, Catherine Lapp, who is the New York State director of criminal justice. She testified before our subcommittee. We asked specific questions about how many people were behind bars, and were in fact New York prisons clogged with people who were small-time users.

Let me cite her testimony before our subcommittee tonight before the House. This is Catherine Lapp: "Over the last several years, there has been much debate in New York about the efficacy of our drug laws, oftentimes referred to as the Rockefeller drug laws, which were enacted in 1973 in response to the onslaught of drugs and drug-driven crime.

"Drug law reform advocates have argued that the drug laws have done little to remove drugs from our communities and only serve to imprison low level drug addicts in our State's prison system for lengthy periods of time.

"Advocates also argue that the law should be repealed in whole or in part and replaced with a system to provide treatment for all drug-addicted criminals. My response to this position is twofold. First, the facts do not bear out the position that there are thousands of low level drug-addicted offenders sentenced each year to State prison for lengthy periods of imprisonment on charges of possession of small amounts of drugs."

That is the first premise she makes here.

She says, "Secondly, New York State has developed a rather sophisticated and progressive system for providing drug treatment options and alternatives to incarceration opportunities for dealing with drug-addicted non-violent offenders. The success of that system, however, is premised on large part on the fact that the offenders are motivated to take advantage of the options in order to avoid mandatory prison terms."

Some of the statistics that she cited in her testimony to me, and this is nothing I have made up, the New York Times editorial will tell us they are draconian laws, and that 22,000 inmates are currently confined in their State prison; that inmates are nonviolent users and small-time sellers.

Again, she did the most extensive survey ever done in New York, and this is some of what sne found. First of all, she says, "We also took a random review of the case files for the first-time felony offenders sentenced to State prison in what I believe is a very persuasive way. This documented the various reasons why they were sent to prison.

"In simple terms, the offenders gave judges little choice, as the offenders consistently and routinely thumb their noses at the system, showing little remorse for their actions or interest in seeking treatment. Finally, those sentenced to the State prison received, on average," on average, and this is what they call "locked up forever for small-time use penalties," "On average, 13 months in prison, hardly the lengthy sentences which the drug law reform advocates suggest."

As for repeat drug offenders, our report also documented that only 30 percent of persons with prior felony arrest histories who were arrested for a drug felony actually received a sentenced State imprisonment, only 30 percent.

There are roughly 22,000 individuals, that is the only thing that matches with the New York Times editorial, currently serving time in New York State prison for drug offenses. Eighty-seven percent of them are actually serving time for selling drugs, not mere possession, and over 70 percent have more than one felony conviction on their records.

"Of the persons serving time for drug possession charges, 76 percent were actually arrested for sale or intent to sell and eventually pled down to possession."

Again, that is testimony that is absolutely in conflict with the New York Times' liberal editorial that would tell us that the State prisons in New York, because of the tough Rockefeller laws, are full of small-time users and offenders.

This article goes on or this testimony goes on to talk about some of the things that have also been done in New York. I would like to go ahead and cite them.

"I would like to submit that those who advocate a wholesale repeal of the New York State drug laws in favor of treatment for substance-abusing offenders actually miss the point and fail to appreciate or choose to ignore the realities of the system.

"Perhaps the most compelling argument in favor of maintaining tough drug laws as a way to motivate substance-abusing offenders is found in reports of the King's County Detab, a drug program our subcommittee has looked at that is very successful in King'S County, close to New York City.

"On average, over 30 percent of the defendants screened and deemed eligible for this program actually declined to participate in the 18-month residential treatment program, opting instead to go to State prison." This is despite the fact that if they were to successfully complete the program, the charges would be dropped and wiped off their record.

□ 2200

What would we do with this category of offenders in the absence of mandatory minimums? Return them to the communities?

In recent years, changes have been made to the New York State drug laws. Now, the next thing I will tell my colleagues is the drug laws in New York, because of the Rockefeller laws, are inflexible. Ms. Lapp testified, in recent years, changes have been made to the New York State drug laws to permit certain nonviolent offenders to be diverted from prison and to treatment programs or to be released from prison early following successful completion of treatment.

This is the bologna, the tripe put out by the New York Times, the liberal press. This is the fact, the testimony of Catherine Lapp, New York State Director of Criminal Justice before our subcommittee. This is the most extensive survey done on who is behind bars.

Again, it is unbelievable that the media would not print the facts on what is happening in New York or in other jurisdictions and would have us believe that tough sentencing mandatory minimum sentencing should be withdrawn.

We had testimony before our subcommittee from the Federal Sentencing Commission, and we have also asked the question of law enforcement officials in almost every one of our hearings and field hearings across the country and before us in Washington, should we reduce minimum mandatory? Without exception, the answer has been no.

Most people do not realize that we have instituted, in fact, a safety valve and flexibility in the Federal law that does give discretion, that does allow for alternative programs, and does give small time offenders an opportunity.

But, again, what is portrayed by the media is that one would have small-time users and abusers or even sellers behind prison bars, and it does not jibe at all with the facts that have been presented before our subcommittee.

Mr. Speaker, I want to again address some of the myths about policies, tough policies versus liberal policies. New York City has to be the best example of the successful implementation of a zero tolerance as far as drug enforcement, as far as tough enforcement.

When Rudy Guliani, the mayor, took office in the mid or early 1990s here, they are averaging 2,000 deaths in New York. That is down to the mid-600 range, a dramatic decrease.

We called Rudy Guliani in before our subcommittee, and we have also examined the record in that community with a zero tolerance program. The latest statistics reveal that crime is down some 57.6 percent for seven major crimes. Murder is down 58 percent, rape down 31 percent, robbery down 62 percent, felony assaults down 35 percent, burglary down almost 62 percent, grand larceny down 42 percent, and grand larceny auto down almost 69 percent.

Here again the liberals attack the zero tolerance policy. Either one has an activity where one has the liberals calling for more enforcement, or they are ganging up on the mayor in New York City because of tough enforcement. It is either not enough or too much.

But it is interesting. We went back to examine when the mayor was criticized during the fatal shooting that took place by a police officer that, in fact, the number of fatal shootings by police officers in 1999, 11, was the lowest for any year since 1973, the first year for which records are available, and far less than the number of 41 police shootings that took place in 1990.

Moreover, the number of rounds intentionally fired by police declined some 50 percent since 1993, and the number of intentional shooting incidents by police dropped by some 66.5 percent, while the number of police officers that Mr. Guliani actually put in place actually increased by 37.9 percent.

The statistics, again, people do not want to deal with the hard facts. The liberal media will tell us that this policy does not work. The policy does work. The murder and nonnegligent manslaughter down dramatically to the mid 600s. The seven major felony categories down dramatically under this tough enforcement policy.

Now, I want to know where the liberals were when David Dinkins' administration was in office. There were 62 percent more shootings by police officers per capita in the last year of David Dinkins' administrations, the last year, than under Mayor Guliani. Where was Mr. Sharpton? Where were the liberals when these incidents were taking place?

I will tell my colleagues where the liberals were. One of them was in Baltimore, and he was the mayor, Mayor Schmoke. He adopted a nonenforcement, let them do it, we will treat them, do not worry about it, let it all hang out, that is good. Fortunately, Baltimore got rid of the mayor. The mayor is gone. But the deaths in Baltimore during 1998, 1999, 1997 all ranged over 300.

This is a liberal policy. This is a nonenforcement policy. This is the opposite of zero tolerance. They have created a hell hole in one of our Nation's most beautiful and historic cities, Baltimore, where the population of addiction is somewhere between 50,000 and 60,000 individuals.

This is the statistic, this chart was given to us in 1996 where they only had 39,000 addicts in Baltimore. That is through the leadership of a liberal policy. They now have one in eight, according to a city council member, of the population of Baltimore through this liberal policy an addict. Can my colleagues imagine extending this throughout the entire Nation, one in eight in our population? The worst thing about this is they cannot even get 50 percent of those who are addicted to show up for a treatment program or to participate in a program. Imagine demands on the social services.

Fortunately, they have a new mayor. Fortunately, we held a hearing, our subcommittee, in Baltimore. We held a hearing at the beginning of the week. Fortunately, by the end of the week, the mayor who sat there and heard the testimony of the previous police chief fired him and put in a zero tolerance person. That is what we intend to support.

The subcommittee, in fact, met this morning before our hearing with Mr. General McCaffrey and the gentleman from Maryland (Mr. CUMMINGS) who represents this devastated area. We will bring these statistics down, and we can do it through a zero tolerance policy. Other cities have done it. Richmond, Virginia has done it. Others have had tough enforcement.

We will do our best to provide treatment. But one cannot just treat the wounded in a battle. Imagine fighting a war and not going after the enemy, not going after the source of the weapon of destruction coming after one. That is what they have been trying to do, and it has not worked. It will not work. It will not work.

So the liberal media that is out there telling us that we must legalize, that zero tolerance does not work, that the war on drugs is a failure, in fact they are the failure that we have because they repeat this message.

It is my hope again that we can continue to work in a bipartisan fashion. I have done my best to work with folks on putting the package together, the Colombian aid package. It was delayed for 5 years, and we got it done in 5 months. It is my hope that we can work on other programs and successfully combat this terrible plague upon our Nation.

## LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. FORBES (at the request of Mr. GEPHARDT) for July 10 and July 11 on account of family medical reasons.

Mr. HILL of Indiana (at the request of Mr. GEPHARDT) for July 10 on account of flight delays.

Ms. SLAUGHTER (at the request of Mr. GEPHARDT) for today after 2:00 p.m. through 1:00 p.m. July 12 on account of attending the Women's Progress Commemoration Commission meeting in Seneca Falls, New York.

## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. PALLONE) to revise and extend their remarks and include extraneous material:)

Mr. PALLONE, for 5 minutes, today.

Mr. GREEN of Texas, for 5 minutes, today.

Mr. STRICKLAND, for 5 minutes, today.

(The following Members (at the request of Mr. UPTON) to revise and extend their remarks and include extraneous material:)

Mr. MILLER of Florida, for 5 minutes, today.

Mr. METCALF, for 5 minutes, today.

Mr. JONES of North Carolina, for 5 minutes, today.

Mr. ADERHOLT, for 5 minutes, today.

Mr. BURTON of Indiana, for 5 minutes, today and July 12.

Mr. SCHAFFER, for 5 minutes, today.

Mr. HOEKSTRA, for 5 minutes, today.

Mr. BATEMAN, for 5 minutes, today.

Mr. UPTON, for 5 minutes, today.

Mr. KOLBE, for 5 minutes, today.

Mr. BASS, for 5 minutes, today.

Mrs. JOHNSON of Connecticut, for 5 minutes, today.

Mr. YOUNG of Alaska, for 5 minutes, today.

(The following Member (at the request of Mr. ADERHOLT) to revise and extend his remarks and include extraneous material:)

Mr. KASICH, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. LATOURETTE, for 5 minutes, today.

## ADJOURNMENT

Mr. MICA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 10 minutes p.m.), the House adjourned until tomorrow, Wednesday, July 12, 2000, at 10 a.m.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

8464. A letter from the Administrator, Department of Agriculture, transmitting the Department's final rule—Agricultural Disaster and Market Assistance (RIN: 0560-AG14) received June 2, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8465. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting the Department's final rule—Plum Pox [Docket No. 00-034-1] received June 1, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8466. A letter from the Secretary of Agriculture, transmitting a draft bill entitled, "U.S. Department of Agriculture Mediation and Arbitration for Agriculture Products in Foreign Commerce Act of 2000"; to the Committee on Agriculture.

8467. A letter from the Acting Director, Defense Procurement, Department of Defense, transmitting the Department's final rule—Defense Federal Acquisition Regulation Supplement; Waiver of Cost Accounting Standards [DFARS Case 2000-D012] received June 1, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

8468. A letter from the Acting Director, Defense Procurement, Department of Defense, transmitting the Department's final rule—Defense Federal Acquisition Regulation Supplement; NAFTA Procurement Threshold [DFARS Case 2000-D011] received June 1, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

8469. A letter from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Saranac Lake and Westport, New York) [MM Docket No. 99-83 RM-9500 RM-9722] received May 26, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8470. A letter from the Secretary of Health and Human Services, transmitting a draft bill entitled, "FDA Review Fee Act of 2000"; to the Committee on Commerce.

8471. A letter from the Director, Office of Personnel Management, transmitting a legislative proposal entitled, "Federal Employees Student Loan Repayment Benefit Amendments Act of 2000"; to the Committee on Government Reform.

8472. A letter from the General Counsel, Federal Energy Regulatory Commission, transmitting the Commission's final rule—Regulations under the Outer Continental Shelf Lands Act Governing ther Movement of Natural Gas on Facilities on the Outer Continental Shelf [Docket No. RM99-5-000; Order No. 639] received April 18, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8473. A letter from the Secretary of the Interior, transmitting a draft bill entitled, "Hardrock Mining Production Payments Act"; to the Committee on Resources.

8474. A letter from the Register of Copyrights and Assistant Secretary for Communications and Information, Department of Commerce and the Library of Congress, transmitting the Joint Study of Section 1201(g) of The Digital Millennium Copyright Act, pursuant to Public Law 105-304 section 1201(g)(5) 112 stat. 2868; to the Committee on the Judiciary.

8475. A letter from the Assistant Secretary of the Army, Civil Works, Department of Defense, transmitting a report on the Townsends Inlet to Cape May Inlet Feasibility Study; to the Committee on Transportation and Infrastructure.

8476. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—SAFETY ZONE: Parade of Tall Ships Newport 2000, Newport, RI [CGD01-99-198] (RIN: 2115-AA97) received June 2, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8477. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operating Regulations; China Basin, Mission Creek, San Francisco, CA [CGD11-00-003] (RIN: 2115-AE47) received June 2, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8478. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Passenger Facility Charges [Docket No. FAA-2000-7402; Amendment No. 158-2] (RIN: 2120-AH05) received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8479. A letter from the Director, Federal Emergency Management Agency, transmitting a draft legislation to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to authorize programs for predisaster mitigation, to apply section 404(b) open space requirements to any FEMA assisted acquisitions for open space purposes, to control the Federal costs of disaster assistance, and for other purposes; to the Committee on Transportation and Infrastructure.

8480. A letter from the Director, Office of Regulations Management, Department of Veterans Affairs, transmitting the Department's final rule—Children suffering from Spina Bifida who are Children of Vietnam Veterans (RIN: 2900-AJ25) received June 2, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

8481. A letter from the Assistant Secretary for Planning and Analysis, Department of Veterans Affairs, transmitting a draft bill, "To amend chapter 37 of title 38, United States Code, to extend the program for making direct housing loans to Native American Veterans, to repeal little-used loan authorities, to make technical amendments to the guaranteed housing loan program for veterans, and for other purposes"; to the Committee on Veterans' Affairs.

8482. A letter from the Assistant Secretary for Planning and Analysis, Department of Veterans Affairs, transmitting a draft bill, "To authorize major medical facility projects for the Department of Veterans Affairs for Fiscal Year 2001 and for other purposes"; to the Committee on Veterans' Affairs.

8483. A letter from the General Counsel, Department of the Treasury, transmitting a draft bill, "To amend the Customs user fee statute to extend for seven years the authorization for collection of such fees"; to the Committee on Ways and Means.

8484. A letter from the Acting General Counsel, Department of Defense, transmitting a draft bill entitled, "Social Security Military Wage Credits"; to the Committee on Ways and Means.

8485. A letter from the Assistant Secretary, Department of the Interior, transmitting a draft bill, "To authorize the Use and Distribution of the Western Shoshone Judgement Funds in Docket Nos. 326-K, 326-A-1, and 326-A-3"; jointly to the Committees on Resources and Ways and Means.

8486. A letter from the Assistant Secretary for Policy Management and Under Secretary for Natural Resources and Environment, Departments of the Interior and Agriculture, transmitting a draft bill, "To authorize the Secretary of the Interior and the Secretary of Agriculture to establish permanent recreational fee authority"; jointly to the Committees on Resources and Agriculture.

8487. A letter from the Assistant Secretary of the Army, Civil Works, Department of Defense, transmitting a draft bill entitled, "Water Resources Development Act of 2000"; jointly to the Committees on Transportation and Infrastructure and Resources.

8488. A letter from the Secretary of Transportation, transmitting a proposed bill, "To authorize appropriations out of the Highway Trust Fund for the motor vehicle safety programs of the National Highway Trafic Safety Administration for fiscal year 2001"; jointly to the Committees on Transportation and Infrastructure and Commerce.

8489. A letter from the Assistant Secretary for Planning and Analysis, Department of Veterans Affairs, transmitting a draft bill entitled, "Enhanced Veterans' Education Benefits Act of 2000"; jointly to the Committees on Veterans' Affairs and Armed Services.

8490. A letter from the Director, Executive Office of the President, transmitting the Annual Report to Congress on Combating Terrorism, pursuant to Public Law 105-85 section 1031(b) (111 Stat. 1880); jointly to the Committees on Armed Services, the Judiciary, and Transportation and Infrastructure.

8491. A letter from the Secretary of Energy and Secretary of the Interior, transmitting proposed legislation to: (1) transfer the majority of Naval Oil Shale Reserve No. 2 (NOSR-2) to the Ute Indian Tribe (subject to certain conditions for environmental protection), and (2) authorize the Department of Energy to take remedial action at the mill tailings site; jointly to the Committees on Armed Services, Resources, and Commerce.

8492. A letter from the Secretary of Health and Human Services, transmitting the draft bill entitled, "Child Support Enforcement Amendments of 2000"; jointly to the Committees on Ways and Means, Commerce, and the Judiciary.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SMITH of Texas: Committee on the Judiciary. H.R. 2961. A bill to amend the Immigration and Nationality Act to authorize a 3-

year pilot program under which the Attorney General may extend the period for voluntary departure in the case of certain nonimmigrant aliens who require medical treatment in the United States and were admitted under the Visa Waiver Pilot Program, and for other purposes (Rept. 106–721). Referred to the Committee of the Whole House on the State of the Union.

Mr. COBLE: Committee on the Judiciary. H.R. 4034. A bill to reauthorize the United States Patent and Trademark Office (Rept. 106–722). Referred to the Committee of Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 4063. A bill to establish the Rosie the Riveter-World War II Home Front National Historical Park in the State of California, and for other purposes; with amendments (Rept. 106–723). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. S. 1892. An act to authorize the acquisition of the Valles Caldera, to provide for an effective land and wildlife management program for the resource within the Department of Agriculture, and for other purposes (Rept. 106–724). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLILEY: Committee on Commerce. H.R. 3489. A bill to amend the Communications Act of 1934 to regulate intestate commerce in the use of mobile telephones and to strengthen and clarify prohibitions on electronic eaves-dropping, and for other purposes; with an amendment (Rept. 106–725 Pt. 1). Referred to the Committee of the Whole House on the State of the Union.

Mr. HYDE: Committee on Judiciary. H.R. 3489. A bill to amend the Communications Act of 1934 to regulate intestate commerce in the use of mobile telephones and to strengthen and clarify prohibitions on electronic eaves-dropping, and for other purposes; with an amendment (Rept. 106–725 Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Ms. PRYCE of Ohio: Committee on Rules. House Resolution 545. Resolution providing for consideration of the bill (H.R. 4810) to provide for reconciliation pursuant to section 103(a)(1) of the concurrent resolution on the budget for fiscal year 2001 (Rept. 106–726). Referred to the House Calendar.

Mr. DIAZ-BALART: Committee on Rules. House Resolution 546. Resolution providing for consideration of the bill (H.R. 4811) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2001, and for other purposes (Rept. 106–727). Referred to the House Calendar.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. ANDREWS (for himself, Mr. Clay, Mr. Romero-Barcelo, and Mrs. McCarthy of New York):

H.R. 4820. A bill to create an independent office in the Department of Labor to advocate on behalf of pension participants, and for other purposes; to the Committee on Education and the Workforce.

By Mrs. CAPPS (for herself, Mr. Norwood, Ms. Carson, Mr. Romero-Barcelo, Mr. Frost, Mr. Inslee, Mr. Payne, Mr. Towns, Mr. McNulty, Mr. Barrett of Wisconsin, Mr. McGovern, Mr. Markey, Mr. Upton, Mr. Baird, Ms. Danner, Ms. Kilpatrick, Mrs. Meek of Florida, Ms. Lee, Mr. Baldacci, Mr. Gilchrest, Mr. Wynn, Ms. Roybal-Allard, Ms. Millender-McDonald, Mr. Gonzalez, Ms. DeLauro, Mr. Hastings of Florida, Mrs. Maloney of New York, Mrs. Thurman, Mr. Davis of Illinois, Mrs. Clayton, Mr. Pastor, and Mr. Hoyer):

H.R. 4821. A bill to authorize the Secretary of Health and Human Services to make grants to the States with respect to dental health programs for children; to the Committee on Commerce.

By Mr. FATTAH:

H.R. 4822. A bill to amend the Housing and Community Development Act of 1974 and the Federal Home Loan Bank Act to increase capital available to communities for community and economic development projects, and for other purposes; to the Committee on Banking and Financial Services.

By Ms. SCHAKOWSKY:

H.R. 4823. A bill to amend title 5, United States Code, to prohibit executive agencies from using funds to hire independent entities to influence employees with respect to exercising their rights of collective bargaining; to the Committee on Government Reform.

By Mr. SHAYS:

H.R. 4824. A bill to amend the Harmonized Tariff Schedule of the United States to provide separate subheadings for hair clippers used for animals; to the Committee on Ways and Means.

By Mr. CAMPBELL:

H. Con. Res. 370. Concurrent resolution calling upon the Government of Turkey to withdraw its armed forces from the island of Cyprus and to negotiate for the reunification of the Republic of Cyprus; to the Committee on International Relations.

By Mr. GALLEGLY (for himself, Mr. Gonzalez, Mr. Ackerman, Mr. Ballenger, Mr. Menendez, Mr. Smith of New Jersey, Mr. Lantos, Mr. Rohrabacher, Mr. Payne, and Mr. Brown of Ohio):

H. Res. 544. A resolution congratulating the people of the United Mexican States on the success of their democratic elections held on July 2, 2000; to the Committee on International Relations.

By Mr. NEAL of Massachusetts (for himself, Mr. Gilman, Mr. Gejdenson, Mr. King, Mr. Crowley, Mr. Walsh, Mr. Menendez, Mr. Smith of New Jersey, Mr. Ackerman, and Mr. Lazio):

H. Res. 547. A resolution expressing the sense of the House of Representatives with respect to the peace process in Northern Ireland; to the Committee on International Relations.

By Mr. SCHAFFER (for himself, Mr. Hefley, and Mr. Tancredo):

H. Res. 548. A resolution expressing the sense of Congress regarding the national motto for the government of a religious people; to the Committee on the Judiciary.

## ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 40: Mr. Dooley of California.

H.R. 207: Ms. McKinney.

H.R. 407: Mr. Metcalf.

H.R. 531: Mr. Minge and Mr. Cramer.

H.R. 632: Mr. Borski.

H.R. 714: Ms. Millender-McDonald and Mr. Stupak.

H.R. 1102: Mr. Crowley and Mr. Fossella.

H.R. 1116: Mr. Shimkus, Mr. McHugh, and Mr. Skelton.

H.R. 1248: Mr. Walsh.

H.R. 1495: Mr. Thompson of Mississippi.

H.R. 1505: Mr. Stupak.

H.R. 1515: Mr. Towns.

H.R. 1816: Mr. Bonior.

H.R. 1926: Mr. Foley.

H.R. 1976: Mr. Gilchrest.

H.R. 2066: Mr. Boehlert.

H.R. 2166: Mrs. Mink of Hawaii, Mr. Diaz-Balart, Mr. McDermott, Mr. Romero-Barcelo, Mr. McGovern, and Mr. Ehlers.

H.R. 2321: Ms. McKinney and Mr. Blagojevich.

H.R. 2397: Mr. Pascrell.

H.R. 2457: Mr. Davis of Illinois, Mrs. Mink of Hawaii, and Mr. Sabo.

H.R. 2780: Mr. Lampson, Mr. Reyes, and Ms. Millender-McDonald.

H.R. 2870: Ms. McKinney.

H.R. 2883: Mr. Hostettler and Mr. Ryun of Kansas.

H.R. 2953: Mr. Luther, Mr. Phelps, Mr. Rahall, and Mr. Reynolds.

H.R. 3044: Ms. Brown of Florida.

H.R. 3168: Mr. Hilleary.

H.R. 3192: Mr. Upton, Mr. Davis of Illinois, Mr. McDermott, Mr. Rangel, Mr. Clement, and Ms. Millender-McDonald.

H.R. 3193: Mr. Payne, Mr. Costello, and Mr. Sisisky.

H.R. 3235: Mr. Canady of Florida.

H.R. 3241: Mr. Clyburn, Mr. DeMint, and Mr. Graham.

H.R. 3328: Mr. Kildee.

H.R. 3517: Mr. Hobson.

H.R. 3518: Mr. Deal of Georgia.

H.R. 3540: Mr. Baldacci.

H.R. 3561: Mr. Klink.

H.R. 3634: Mr. Deutsch.

H.R. 3825: Mr. Serrano.

H.R. 3850: Mr. Klink.

H.R. 3874: Mr. Lampson, Mr. Rodriguez, and Mr. DeFazio.

H.R. 3880: Mr. Fletcher.

H.R. 4025: Mr. Fletcher.

H.R. 4061: Mr. English, Mr. Moran of Virginia, Ms. Norton, and Mr. Romero-Barcelo.

H.R. 4082: Mr. Bartlett of Maryland, Mr. Spratt, and Mr. Scott.

H.R. 4133: Mr. Kucinich.

H.R. 4211: Mr. Tierney and Ms. Eddie Bernice Johnson of Texas.

H.R. 4215: Mr. Lucas of Oklahoma.

H.R. 4219: Ms. Brown of Florida, Mr. Cooksey, Mr. McKeon, Mr. Kind, Mrs. McCarthy of New York, Mr. Payne, Mr. Nadler, Mr. Mascara, and Mrs. Maloney of New York.

H.R. 4308: Mrs. Northup.

H.R. 4334: Mr. Frank of Massachusetts.

H.R. 4353: Mr. Moakley and Ms. Lofgren.

H.R. 4368: Ms. Carson.

H.R. 4390: Mr. Matsui, Mr. Thompson of Mississippi, and Mr. Nadler.

H.R. 4424: Mr. Strickland.

H.R. 4471: Mr. Brady of Pennsylvania, Mr. Fattah, Mr. Kanjorski, Mr. Sanders, Mr. Stark, Ms. Velázquez, and Mr. Watt of North Carolina.

H.R. 4539: Mr. Waxman, Mr. Crowley, and Mr. Nadler.

H.R. 4543: Mr. Tanner, Mr. Weller, Ms. Kaptur, Mr. Doolittle, and Mr. Shimkus.

H.R. 4548: Mr. Bonilla and Mr. Lewis of Kentucky.

H.R. 4582: Mr. Schaffer and Mr. English.

H.R. 4598: Mrs. Meek of Florida, Mr. Gordon, Mr. Portman, Mr. Baldacci, and Mr. Baldwin.

H.R. 4606: Mr. Gonzalez, Mr. Tierney, Ms. Lee, and Mr. Matsui.

H.R. 4651: Mr. Brown of Ohio.

H.R. 4652: Mr. Kucinich and Mr. Stupack.

H.R. 4737: Mr. Pitts.

H.R. 4746: Mr. Lucas of Oklahoma.

H.R. 4758: Mr. Boucher.

H.R. 4759: Mrs. Emerson and Mr. Baldacci.

H.R. 4793: Mr. Jones of North Carolina and Mr. McCrery.

H.R. 4807: Ms. Brown of Florida, Mrs. Capps, Mr. Strickland, Mr. Baldacci, Mr. Martinez, Mr. McHugh, Mr. Horn, Mr. Frost, Ms. Roybal-Allard, Mr. Thompson of California, Mr. Baird, Mr. Bentsen, and Mr. Evans.

H.J. Res. 100: Mr. Filner, Mr. Borski, Ms. Roybal-Allard, Mr. Sawyer, Mr. Clement, Mr. Ford, Mr. Cook, Mr. Frost, and Ms. Ros-Lehtinen.

H. Con. Res. 58: Mr. Gutknecht, Ms. Millender-McDonald, Mrs. Capps, Mr. Gordon, Mr. LoBiondo, and Ms. Danner.

H. Con. Res. 297: Mr. Thompson of Mississippi.

H. Con. Res. 305: Mr. Portman, Mr. Barr of Georgia, Mr. Sununu, Mr. McIntyre, Mr. Rahall, Mrs. Cubin, and Mr. Lucas of Kentucky.

H. Con. Res. 306: Mr. Meehan, Mr. Udall of New Mexico, Ms. McCarthy of Missouri, Mr. Ehlers, Ms. Sanchez, Mr. Rothman, Mr. Blagojevich, Mrs. Jones of Ohio, Mr. Hobson, Mr. Fletcher, Ms. Millender-McDonald, Mr. Ortiz, Mrs. Maloney of New York, Mr. Owens, Mr. Moakley, and Mr. Thompson of Mississippi.

H. Con. Res. 307: Mr. Porter, Mr. Salmon, and Mr. Reyes.

H. Con. Res. 321: Ms. Danner, Mr. Menendez, Mr. McKeon, Mr. Holt, Mr. Gonzalez, Mr. Etheridge, Mr. Brady of Pennsylvania, and Ms. McKinney.

H. Con. Res. 345: Mr. Burton of Indiana and Mr. Buyer.

H. Con. Res. 357: Mr. Foley and Mr. Rothman.

H. Con. Res. 363: Mr. Frost, Mr. English, and Mr. Sherman.

H. Con. Res. 367: Ms. Stabenow, Mr. Rogan, and Mr. Lipinski.

H. Res. 461: Mr. Upton, Ms. Pelosi, Mrs. Maloney of New York, and Mr. Wu.

## AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

### H.R. 4811

Offered By: Mr. Burton of Indiana

Amendment No. 3: In title I of the bill under the heading "EXPORT AND INVESTMENT ASSISTANCE–subsidy appropriation", after the first dollar amount insert "(decreased by $25,000,000)".

In title II of the bill under the heading "BILATERAL ECONOMIC ASSISTANCE–Funds Appropriated to the President–development assistance", after the first dollar amount insert "(decreased by $49,500,000)".

In title II of the bill under the heading "BILATERAL ECONOMIC ASSISTANCE–Funds Appropriated to the President–operating expenses of the agency for international development", after the first dollar amount insert "(decreased by $30,000,000)".

In title II of the bill under the heading "BILATERAL ECONOMIC ASSISTANCE–Department of State–international narcotics control and law enforcement", after the first dollar amount insert "(increased by $99,500,000)".

In title II of the bill under the heading "BILATERAL ECONOMIC ASSISTANCE–Department of State–international narcotics control and law enforcement", add at the end before the period the following: ": *Provided further*, That of the funds appropriated under this heading, the following amounts shall be made available for the purchase of the following equipment for the Colombian National Police (in addition to other amounts available for the Colombian National Police): $39,000,000 for the purchase of three DHC–5 Buffalo transport aircraft, including spare parts and maintenance services from Garrett Aviation Services; $15,000,000 to purchase and equip (including floor armoring, Star Saffire InSb FLIRs, and GAU–19A defensive weapons systems for both doors, external fuel tanks, and flare and chafe defensive anti-missile kits) one UH–60L Black Hawk utility helicopter; $25,000,000 for the purchase of .50 caliber ammunition linked 4 to 1 ("tracer type" ammunition) for use with the GAU–19A defensive weapons system; $3,500,000 for the purchase of Sig-Arms sidearms for the DANTI, DIJIN, COPES, and CIP counternarcotics units; $10,000,000 for the purchase of flare and chafe defensive anti-missile kits, floor armoring, Star Saffire InSb FLIRs, and GAU–19A defensive weapons systems for both doors for all new and existing UH–60L Black Hawk utility helicopters; $1,000,000 for the establishment of a spare parts supply line, including a replacement spare engine for the existing DC–3 aircraft, from Basler Turbo Conversions; $1,000,000 for the purchase five Cessna trainer aircraft for the fixed wing pilot academy of the Colombian National Police; $5,000,000 for the purchase of Schweizer SA2–37A/38 intelligence aircraft for counternarcotics operations".

### H.R. 4811

Offered By: Mr. Burton of Indiana

Amendment No. 4: In title I of the bill under the heading "EXPORT AND INVESTMENT ASSISTANCE–subsidy appropriation", after the first dollar amount insert "(decreased by $25,000,000)".

In title II of the bill under the heading "BILATERAL ECONOMIC ASSISTANCE–Funds Appropriated to the President–development assistance", after the first dollar amount insert "(decreased by $49,500,000)".

In title II of the bill under the heading "BILATERAL ECONOMIC ASSISTANCE–Funds Appropriated to the President–operating expenses of the agency for international development", after the first dollar amount insert "(decreased by $30,000,000)".

In title II of the bill under the heading "BILATERAL ECONOMIC ASSISTANCE–Department of State–international narcotics control and law enforcement", after the first dollar amount insert "(increased by $99,500,000)".

### H.R. 4811

Offered By: Mr. Burton of Indiana

Amendment No. 5: At the end of the bill (preceding the short title), insert the following:

## TITLE VII—ADDITIONAL GENERAL PROVISIONS

LIMITATION ON ASSISTANCE FOR THE GOVERNMENT OF INDIA

Sec. 701. None of the funds appropriated or otherwise made available in this Act in title II under the heading "BILATERAL ECONOMIC ASSISTANCE–Funds Appropriated to the President–development assistance" may be made available to the Government of India.

### H.R. 4811

Offered By: Mr. Burton of Indiana

Amendment No. 6: At the end of the bill (preceding the short title), insert the following:

## TITLE VII—ADDITIONAL GENERAL PROVISIONS

LIMITATION ON ASSISTANCE FOR THE GOVERNMENT OF INDIA

Sec. 701. Of the funds appropriated or otherwise made available in this Act in title II under the heading "BILATERAL ECONOMIC ASSISTANCE–Funds Appropriated to the President–development assistance", not more than $35,000,000 may be made available to the Government of India.

### H.R. 4811

Offered By: Mr. Burton of Indiana

Amendment No. 7: At the end of title V, add the following:

Sec. 590. The amounts otherwise provided by this Act are revised by increasing the amount made available in title II under the heading "BILATERAL ECONOMIC ASSISTANCE–Funds Appropriated to the President–agency for international development–child survival and disease programs fund", and by decreasing the amount made available under the heading "BILATERAL ECONOMIC ASSISTANCE–Other Bilateral Economic Assistance–economic support fund" for the Government of India, by $5,000,000.

### H.R. 4811

Offered By: Mr. Callahan

Amendment No. 8: Page 35, line 2, before the colon insert the following: ": *Provided further*, That notwithstanding the previous proviso, $250,000,000 of the funds appropriated under this heading and made available for Israel shall not be disbursed until the Secretary of Defense certifies to the appropriate committees of the Congress that the proposed transfer by Israel to China of equipment and technology associated with the "Phalcon" radar system does not pose a threat to the national security of the United States or has been canceled by the Government of Israel".

### H.R. 4811

Offered By: Mr. Cox

Amendment No. 9: At the end of the bill (preceding the short title), insert the following:

## TITLE VII—ADDITIONAL GENERAL PROVISIONS

PROHIBITION ON ASSUMPTION OF FINANCIAL RESPONSIBILITY FOR NUCLEAR POWER PLANT CONSTRUCTION AND NUCLEAR ACCIDENTS IN NORTH KOREA

Sec. 701. None of the funds made available in this Act may be used to implement or administer the assumption by the United States, or any of its agencies or instrumentalities, of financial responsibility for the construction of nuclear power plants, or the costs of nuclear accidents, in North Korea.

### H.R. 4811

Offered By: Mr. Filner

Amendment No. 10: In title IV of the bill under the heading "MULTILATERAL ECONOMIC ASSISTANCE–funds appropriated to the president–contribution to the international development association", add at the end before the period the following: ": *Provided further*, That of the funds appropriated under this heading, not less than $3,500,000 shall be made available for programs carried out by the Kurdish Human

Rights Watch for the Kurdistan region of Iraq".

H.R. 4811

OFFERED BY: MR. GREENWOOD

AMENDMENT NO. 11: Strike section 587 of the bill (page 124, strike line 4 and all that follows through line 15 on page 127).

H.R. 4811

OFFERED BY: MR. HOSTETTLER

AMENDMENT NO. 12: In title III of the bill under the heading "MILITARY ASSISTANCE–FUNDS APPROPRIATED TO THE PRESIDENT–FOREIGN MILITARY FINANCING PROGRAM", in the first proviso after the first dollar amount insert "(decreased by $250,000,000)".

H.R. 4811

OFFERED BY: MR. KUCINICH

AMENDMENT NO. 13: At the end of the bill (preceding the short title), insert the following:

### TITLE VII—ADDITIONAL GENERAL PROVISIONS

PROHIBITION ON FUNDS FOR KOSOVO PROTECTION CORPS

SEC. 701. None of the funds appropriated or otherwise made available in this Act may be made available for the Kosovo Protection Corps.

H.R. 4811

OFFERED BY: MS. LEE

AMENDMENT NO. 14: Page 39, after line 18, insert the following:

CONTRIBUTION TO THE WORLD BANK AIDS MARSHALL PLAN TRUST FUND

(INCLUDING TRANSFER OF FUNDS)

For payment to the World Bank AIDS Marshall Plan Trust Fund by the Secretary of Treasury, to become available only upon the enactment of authorizing legislation and the establishment of such fund within the International Bank for Reconstruction and Development, to be derived by transfer of $50,000,000 from the amount provided in this Act under each of the headings "International Narcotics Control and Law Enforcement" and "International Military Education and Training", and to remain available until expended, $100,000,000.

H.R. 4811

OFFERED BY: MRS. LOWEY

AMENDMENT NO. 15: Strike section 587 of the bill (page 124, strike line 4 and all that follows through line 15 on page 127).

H.R. 4811

OFFERED BY: MRS. LOWEY

AMENDMENT NO. 16: At the end of the bill (preceding the short title), insert the following:

### TITLE VII—ADDITIONAL GENERAL PROVISIONS

POPULATION PLANNING ACTIVITIES OR OTHER POPULATION ASSISTANCE

SEC. 701. None of the funds appropriated or otherwise made available by this Act may be used to implement section 587 of this Act.

H.R. 4811

OFFERED BY: MR. PAUL

AMENDMENT NO. 17: At the end of the bill (preceding the short title), insert the following:

### TITLE VII—ADDITIONAL GENERAL PROVISIONS

LIMITATION ON FUNDS FOR ABORTION, FAMILY PLANNING, OR POPULATION CONTROL EFFORTS

SEC. 701. (a) LIMITATION.—NONE OF THE FUNDS APPROPRIATED OR OTHERWISE MADE AVAILABLE BY THIS ACT MAY BE MADE AVAILABLE FOR—

(1) population control educational programs or population policy educational programs;

(2) family planning services, including, but not limited to—

(A) the manufacture and distribution of contraceptives;

(B) printing, publication, or distribution of family planning literature; and

(C) family planning counseling;

(3) abortion and abortion-related procedures; or

(4) efforts to change any nation's laws regarding abortion, family planning, or population control.

(b) ADDITIONAL LIMITATION.—None of the funds appropriated or otherwise made available by this Act may be made available to any organization which promotes or makes available—

(1) population control educational programs or population policy educational programs;

(2) family planning services, including, but not limited to—

(A) the manufacture and distribution of contraceptives;

(B) printing, publication, or distribution of family planning literature; and

(C) family planning counseling;

(3) abortion and abortion-related procedures; or

(4) efforts to change any nation's laws regarding abortion, family planning, or population control.

H.R. 4811

OFFERED BY: MR. ROEMER

AMENDMENT NO. 18: In title II of the bill under the heading "BILATERAL ECONOMIC ASSISTANCE–FUNDS APPROPRIATED TO THE PRESIDENT–DEVELOPMENT ASSISTANCE", after the first dollar amount insert "(increased by $15,000,000)".

In title II of the bill under the heading "BILATERAL ECONOMIC ASSISTANCE–FUNDS APPROPRIATED TO THE PRESIDENT–OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT", after the first dollar amount insert "(decreased by $2,100,000)".

In title IV of the bill under the heading "MULTILATERAL ECONOMIC ASSISTANCE–FUNDS APPROPRIATED TO THE PRESIDENT–CONTRIBUTION TO THE MULTILATERAL INVESTMENT GUARANTEE AGENCY", after the dollar amount insert "(decreased by $4,900,000)".

In title IV of the bill under the heading "MULTILATERAL ECONOMIC ASSISTANCE–FUNDS APPROPRIATED TO THE PRESIDENT–CONTRIBUTION TO THE INTER-AMERICAN INVESTMENT CORPORATION", after the dollar amount insert "(decreased by $8,000,000)".

H.R. 4811

OFFERED BY: MR. ROYCE

AMENDMENT NO. 19: Page 39, strike line 19 and all that follows through line 6 on page 40.

H.R. 4811

OFFERED BY: MR. SANDERS

AMENDMENT NO. 20: Page 8, line 10, after the dollar amount insert "(increased by $2,500,000)".

Page 33, line 6, after the first dollar amount insert "(decreased by $2,500,000)".

H.R. 4811

OFFERED BY: MR. SANDERS

AMENDMENT NO. 21: Page 8, line 22, after the dollar amount, insert the following: "(increased by $2,500,000)".

Page 33, line 6, after the first dollar amount, insert the following: "(decreased by $2,500,000)".

H.R. 4811

OFFERED BY: MR. TANCREDO

AMENDMENT NO. 22: At the end of the bill, insert after the last section (preceding the short title) the following new title:

### TITLE VII—LIMITATION PROVISIONS

SEC. . None of the funds appropriated in this Act may be be made available for the United Nations Man and the Biosphere Program or the United Nations World Heritage Fund.

H.R. 4811

OFFERED BY: MR. TRAFICANT

AMENDMENT NO. 23: At the end of the bill, insert after the last section (preceding the short title) the following new title:

### TITLE VII—ADDITIONAL GENERAL PROVISIONS

SEC. 701. None of the funds appropriated in this Act shall be made available to the Palestine Authority.

H.R. 4811

OFFERED BY: MR. TRAFICANT

AMENDMENT NO. 24: At the end of the bill, insert after the last section (preceding the short title) the following new title:

### TITLE VII—ADDITIONAL GENERAL PROVISIONS

SEC. 701. No funds in this bill may be used in contravention of the Act of March 3, 1933 (41 U.S.C. 10a et seq.; popularly known as the "Buy American Act").

H.R. 4811

OFFERED BY: MR. TRAFICANT

AMENDMENT NO. 25: At the end of the bill, insert after the last section (preceding the short title) the following new title:

### TITLE VII—ADDITIONAL GENERAL PROVISIONS

SEC. 701. None of the funds appropriated in this Act shall be made available to the Palestine Authority unless all contracts between the Palestine Authority and any entity incorporated in the United States completed prior to the date of the enactment of this Act have been completed to the satisfaction of the Palestine Authority and the United States entity.

H.R. 4811

OFFERED BY: MS. WATERS

AMENDMENT NO. 26: In title II of the bill under the heading "BILATERAL ECONOMIC ASSISTANCE–DEPARTMENT OF THE TREASURY–DEBT RESTRUCTURING", after the first dollar amount insert "(increased by $740,600,000)".

H.R. 4811

OFFERED BY: MS. WATERS

AMENDMENT NO. 27: Page 2, line 25, after the dollar amount insert "(decreased by $82,500,000)".

Page 3, line 25, after the dollar amount insert "(decreased by $7,000,000)".

Page 30, line 8, after the dollar amount insert "(increased by $155,600,000)".

Page 33, line 6, after the first dollar amount insert "(decreased by $5,250,000)".

Page 34, line 21, after the dollar amount insert "(decreased by $200,000,000)".

H.R. 4811

OFFERED BY: MS. WATERS

AMENDMENT NO. 28: Page 42, after line 23, insert the following new section:

WORLD BANK AIDS TRUST FUND

For the United States contribution by the Secretary of the Treasury to the trust fund established as a result of negotiations entered into pursuant to section 701,

$200,000,000, to remain available until expended.

Page 132, after line 12, insert the following new title:

## TITLE VII—WORLD BANK AIDS TRUST FUND

### NEGOTIATIONS FOR THE CREATION OF A WORLD BANK AIDS TRUST FUND

### TRUST FUND TO ASSIST IN HIV/AIDS PREVENTION, CARE AND TREATMENT, AND ERADICATION

SEC. 701. The Secretary of the Treasury shall seek to enter into negotiations with the International Bank for Reconstruction and Development or the International Development Association, and with the member nations of such institutions and with other interested parties for the creation of a trust fund which would be authorized to solicit and accept contributions from governments, the private sector, and nongovernmental entities of all kinds and use the contributions to address the HIV/AIDS epidemic in countries eligible to borrow from such institutions, as follows:

(1) PROGRAM OBJECTIVES.—The trust fund would provide only grants, including grants for technical assistance, to support measures to build local capacity in national and local government, civil society, and the private sector to lead and implement effective and affordable HIV/AIDS prevention, education, treatment and care services, and research and development activities, including affordable drugs. Among the activities the trust fund would provide grants for would be programs to promote best practices in prevention, including health education messages that emphasize risk avoidance; measures to ensure a safe blood supply; voluntary HIV/AIDS testing and counseling; measures to stop mother-to-child transmission of HIV/AIDS, including through diagnosis of pregnant women, access to cost-effective treatment and counseling and access to infant formula or other alternatives for infant feeding; and deterrence of gender-based violence and provision of post-exposure prophylaxis to victims of rape and sexual assault. In carrying out these objectives, the trust fund would coordinate its activities with governments, civil society, nongovernmental organizations, the Joint United Nations Program on HIV/AIDS (UNAIDS), the International Partnership Against AIDS in Africa, other international organizations, the private sector, and donor agencies working to combat the HIV/AIDS crisis.

(2) PRIORITY.—In providing such grants, the trust fund would give priority to countries that have the highest HIV/AIDS prevalence rate or are at risk of having a high HIV/AIDS prevalence rate, and that have or agree to carry out a national HIV/AIDS program which—

(A) has a government commitment at the highest level and multiple partnerships with civil society and the private sector;

(B) invests early in effective prevention efforts;

(C) requires cooperation and collaboration among many different groups and sectors, including those who are most affected by the epidemic, religious and community leaders, nongovernmental organizations, researchers and health professionals, and the private sector;

(D) is decentralized and uses participatory approaches to bring prevention care programs to national scale; and

(E) is characterized by community participation in government policymaking as well as design and implementation of the program, including implementation of such programs by people living with HIV/AIDS, nongovernmental organizations, civil society, and the private sector.

(3) GOVERNANCE.—

(A) IN GENERAL.—The trust fund would be administered as a trust fund of the International Bank for Reconstruction and Development. Subject to general policy guidance from the President of the United States and representatives of the other donors to the trust fund, the Trustee would be responsible for managing the day-to-day operations of the trust fund.

(B) SELECTION OF PROJECTS AND RECIPIENTS.—In consultation with the President and other donors to the trust fund, the Trustee would establish criteria, that have been agreed on by the donors, for the selection of projects to receive support from the trust fund, standards and criteria regarding qualifications of recipients of such support, as well as such rules and procedures as would be necessary for cost-effective management of the trust fund. The trust fund would not make grants for the purpose of project development associated with bilateral or multilateral development bank loans.

(C) TRANSPARENCY OF OPERATIONS.—The Trustee shall ensure full and prompt public disclosure of the proposed objectives, financial organization, and operations of the trust fund.

(D) ADVISORY BOARD.—

(i) APPOINTMENT.—The President of the United States and representatives of other participating donors to the trust fund would establish an Advisory Board, and appoint to the Advisory Board renowned and distinguished international leaders who have demonstrated integrity and knowledge of issues relating to development, health care (especially HIV/AIDS), and Africa.

(ii) DUTIES.—The Advisory Board would, in consultation with other international experts in related fields (including scientists, researchers, and doctors), advise and provide guidance for the trust fund on the development and implementation of the projects receiving support from the trust fund. Once the Advisory Board is established, the Secretary of the Treasury shall ensure that the Trustee provides the Advisory Board complete access to all information and documents of the trust fund necessary to the effective functioning of the Advisory Board.

### UNITED STATES FINANCIAL PARTICIPATION

### LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS

SEC. 702. In addition to any other funds authorized to be appropriated for multilateral or bilateral programs related to AIDS or economic development, there are authorized to be appropriated to the Secretary of the Treasury $200,000,000 for each of fiscal years 2001 through 2005 for payment to the trust fund established as a result of negotiations entered into pursuant to section 701.

### REPORTS

### REPORTS TO THE CONGRESS

SEC. 703. (a) ANNUAL REPORTS.—Not later than 1 year after the date of the enactment of this Act, and annually thereafter for the duration of the trust fund established pursuant to section 701, the Secretary of the Treasury shall submit to the appropriate committees of the Congress a written report on the trust fund, the goals of the trust fund, the programs, projects, and activities, including any vaccination approaches, supported by the trust fund, and the effectiveness of such programs, projects, and activities in reducing the worldwide spread of AIDS.

(b) APPROPRIATE COMMITTEES DEFINED.—In subsection (a), the term "appropriate committees" means the Committees on Appropriations, on International Relations, and on Banking and Financial Services of the House of Representatives and the Committees on Appropriations, on Foreign Relations, and on Banking, Housing, and Urban Affairs of the Senate.

### HIV/AIDS PREVENTION AND CARE

### STRENGTHENING LOCAL CAPACITY IN SUB-SAHARAN AFRICA TO IMPLEMENT HIV/AIDS PREVENTION AND CARE PROGRAMS

SEC. 704. Title XVI of the International Financial Institutions Act (22 U.S.C. 262p–262p-7) is amended by adding at the end the following:

**"SEC. 1625. STRENGTHENING LOCAL CAPACITY IN SUB-SAHARAN AFRICA TO IMPLEMENT HIV/AIDS PREVENTION AND CARE PROGRAMS.**

"The Secretary of the Treasury shall instruct the United States Executive Director at the International Bank for Reconstruction and Development to use the voice and vote of the United States to encourage the Bank to work with sub-Saharan African countries to modify projects financed by the Bank and develop new projects to build local capacity to manage and implement programs for the prevention of human immunodeficiency virus (HIV) and acquired immune deficiency syndrome (AIDS) and the care of persons with HIV/AIDS, including through health care delivery mechanisms which facilitate the distribution of affordable drugs for persons infected with HIV.".

# EXTENSIONS OF REMARKS

## THE TEXAS SHRIMP ASSOCIATION

### HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. ORTIZ. Mr. Speaker, I rise today to commend the Texas Shrimp Association on the occasion of its golden anniversary. On August 6, 1950, the Texas Shrimp Association was born out of necessity; its industry was on the verge of extinction.

The Federal Food and Drug Administration was prepared to utterly reform the industry; it was given the ultimatum "clean up or be cleaned up." While fear motivated the Association at its infancy, safety, customer satisfaction and superior businesses became the focus of the Texas Shrimp Association (TSA) as it grew with the 20th Century.

During the 50-year history of the TSA, it concentrated its energies on becoming leaders in U.S. fisheries. The growth has benefitted many more people than those associated with the shrimping industry; the industry overcame enormous challenges to contribute over $600 million annually to the Texas economy.

Life has never been easy for those who cast their nets for shrimp. Shrimping is hard, dangerous, dirty and many times lonely. The TSA has faced legal and regulatory changes that often prove to be difficult, although the waters of the Gulf of Mexico are more treacherous than the waters of Washington.

The TSA board conducts a host of efforts to ensure the continued vitality of the shrimp harvesting industry. These efforts include: monitoring legislative activity in Austin and Washington where regulations are written that govern the industry, monitoring the Gulf of Mexico Fishery Management Council and the National Marine Fisheries Service and other agencies with regulatory authority over the industry, and working with the International Trade Commission to protect the industry.

TSA also works closely with the Texas Parks and Wildlife Department on activities that enhance our state's fishery resources. It monitors and responds to permit applications that affect wetlands, bays and estuaries, water quality and other environmental concerns. TSA is a group of hard-working, dedicated people.

Through it all, it is primarily about education . . . the education of consumers, of lawmakers at the state and national levels, the press, environmental groups and the public at large. It is part of a market expansion and consumer education program in conjunction with the Texas A&M University system, through which it is developing strategies related to consumer preference for domestic shrimp, and promoting quality assurance programs.

Mr. Speaker, I ask the House of Representatives to join me in commending the men and women of the Texas Shrimp Association for the hard work it does on the 50th anniversary of its founding.

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## IN RECOGNITION OF THE BAYSIDE TIMES

### HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. ACKERMAN. Mr. Speaker, I rise today to pay tribute to the Bayside Times, a weekly community newspaper in Bayside, New York in the borough of Queens, which is hosting its 65th anniversary celebration on Thursday, July 13, 2000.

The Bayside Times was launched by the Alison family early in the last century. The first issue hit the newsstands on July 2, 1935 with the front page headline "Bayside's Own Newspaper Makes Its Appearance." That first edition included stories on local marriages and birthday celebrations, the Bayside American Legion and the Bayside Pet Show. The newspaper attracted many loyal readers and established a strong identity in the area. The "Bayside Times" was actually the first community newspaper that I had ever seen.

Then on July 10, 1989, Steve Blank, who had a vision of creating a daily newspaper that published once a week, purchased the Bayside Times from David Allison Jr., a second generation owner of the publication. Steve Blank brought years of experience in the newspaper business to the Bayside Times. After graduating with a journalism degree from Boston University, he held positions at weekly newspapers in the Massachusetts area, the Daily Record in his native New Jersey and the Post Standard in Syracuse, New York. He was also a court house correspondent and an award winning investigative reporter for the Kansas City Star. In addition, he obtained experience on the business side of the industry as a media buyer for Savermart, a major chain of consumer electronics stores.

Steve Blank used his impeccable credentials to transform the Bayside Times into a model for community journalism. Under his leadership, the quality of writing and reporting of local news events became second to none. Steve Blank also afforded local businesses and merchants, the opportunities to reach their customers in an efficient and cost-effective manner. He redesigned the periodical to give it a more contemporary look and reorganized it to make it easier for readers to find information. He also boosted the newspaper's circulation, computerized its operation and increased the editorial and business staff.

From 1991 to 1998, Mr. Blank expanded his operation to include newspapers throughout the Borough of Queens. Operating under Queens Publishing Corporation, Steve Blank presently publishes 13 newspapers in the Times/Ledger chain.

Yes, from Humble beginnings—including loading newspapers into the trunk of his car—to winning numerous local and state journalism awards, Steve Blank has built the Bayside Times into a newspaper heavyweight in the new millennium. Yet he continues to stay on the original mission that the Bayside Times set 65 years ago—to provide local news coverage in a fair, accurate and balanced manner. Whether through the breadth of its stories, the quality of its editorials, the informative advertisements, the Q-Guide or its web site—www.timesledger.com—the Bayside Times remains on the cutting edge of community journalism.

Mr. Speaker, I ask all my colleagues in the House of Representatives to join me now in congratulating Steve Blank and the entire staff of the Bayside Times and the Times/Ledger newspaper chain for a terrific 65 years of service to the Bayside community. I am confident that the Bayside Times will continue to enjoy success for many more years to come.

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## TRIBUTE TO MARCELLA R. BROWN

### HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. SERRANO. Mr. Speaker, I rise today to pay tribute to Mrs. Marcella R. Brown, an outstanding individual who has dedicated her life to public service and education. She was honored on July 8, 2000 by parents, family, friends, and professionals for her outstanding contributions to the community at the Washington Avenue Community Center in the Bronx.

Born in Charleston, South Carolina, Mrs. Brown moved to the South Bronx in 1959 with her late husband, Nathaniel, and their eight children. She is blessed with 19 grandchildren and three great grandchildren. In 1967, Mrs. Brown began as a community organizer at L.A.B.O.R. and was there for twenty years. In 1972, she earned a B.A. Degree in Urban Planning from Manhattan College and continued her pursuit of postgraduate studies and was awarded a certificate in Health & Human Services. She also graduated with honors from the first class at NYCPD Citizens' Policy Academy, an initiative designed to build positive community relations between residents and the police department

Mr. Speaker, Mrs. Brown, currently, works with the Ehrlick Residential Mental Health Housing Program assisting residents in need of supportive intensive services. She began as a Residential Counselor and for the past eleven years she has served as the Entitlement Intake Specialist. In addition, she served as

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

the District Leader in the 78th Assembly District for two terms. She was on the first community board of the Dr. Martin Luther King Jr.'s Health Center, where she served for twenty years and is the proud recipient of the Dr. Martin Luther King Jr. Life Time Achievement's award for dedicated service. Mrs. Brown was responsible for organizing the community to advance the completion of the NYCHA development at 1162–76 Washington Avenue in the Bronx. She also assisted in the screening of tenants for the first "Turnkey" NYCHA development in the South Bronx/Morrisania area.

Mrs. Brown belongs to many business, professional, religious and civic organizations and has received numerous honors and awards. Presently, she is serving her fifth term as Chairwoman of Community Planning Board III, she serves as President of the 1162–76 Washington Avenue Tenant Association and has been a resident since the development opened in 1974, she is former Chairwoman for the Interim Council of Presidents for the NYCHA Bronx South District, First Vice President at Lincoln Hospital Community Advisory Board, Worthy Matron at Tyber Chapter #6C Order of Eastern Stars, Member of the Bronx Urban League and the NAACP. She serves as the Chairwoman of Women's Day Program and President of Pastor's Aide-Auxillary at Mt. Carmel Baptist Church. Mrs. Brown's daily motto has been "I can do all things through Christ who strengthens me."

Mr. Speaker, I ask my colleagues to join me in recognizing Mrs. Marcella R. Brown for her outstanding achievements in community service.

## IN MEMORY OF U.S. REPRESENTATIVE WILLIAM J. RANDALL

### HON. KAREN McCARTHY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Ms. McCARTHY of Missouri. Mr. Speaker, I rise today to pay tribute to a former member who was laid to rest today. U.S. Representative William J. Randall died earlier this week in his home town of Independence, Missouri. He served in the United States House of Representatives from 1959 until 1977 representing Missouri's Fourth Congressional District. Through the years redistricting has changed the makeup of the districts in Missouri; his home address is now in the Fifth District which I currently represent. My Independence District Office is located in the U.S. Post Office which now bears his name. Known for his tireless constituent services, my office is inspired by him daily to serve our citizens to the best of our ability.

Congressman Randall had a distinguished career here in the Peoples' House. Elected to fill a vacancy in March of 1959, he served eight additional full terms. His service in the House included work on the House Government Operations Committee. As Chairman of the Government Activities and Transportation Subcommittee he exercised oversight over the Federal Aviation Administration. He is credited with playing a major role in the process of selecting and training air traffic controllers, resulting in improved service and performance in air safety. His tenure is also noteworthy in that he represented then retired President Truman.

As a member of the Armed Services Committee, he rose to the Chairmanship of the NATO Subcommittee. He was an expert in the understanding of the relationship with America and its European allies in the Cold War era.

In his final term in Congress Representative Randall accepted additional responsibility and was named Chairman of the Select Committee on Aging and was an effective advocate for the senior citizens.

Probably the highest tribute I am aware of for Congressman Randall comes from remarks on the occasion of his retirement by his colleague U.S. Representative J.J. Pickle of Texas. In his remarks about the work on the Armed Services Committee, Congressman Pickle said of Bill Randall: ". . . many of us can sleep better at night because Bill Randall was so diligent in his duties." Following his service in Congress, Representative Randall returned to his home town of Independence, Missouri, and resumed the practice of law.

Born in Independence, Jackson County, Missouri, July 16, 1909, he graduated from William Chrisman High School in 1927, Junior College of Kansas City, Missouri, in 1929, University of Missouri in 1931, and Kansas City School of Law in 1936. He served in the United States Army in World War II in the southwest Pacific and the Philippines. Elected as a judge of the Jackson County Court in 1946 he served in that capacity until elected to Congress in 1959. He was a valued mentor to me. His advise was wise and insightful. A man of the people, he continued attending community events and visiting with patrons at the Courthouse Exchange Restaurant on the Square in Independence, the city he loved and returned to. Everyone in the area knew Bill Randall and appreciated his service and down-to-earth style.

He is preceded in death by his wife Margaret and survived by his daughter, Mary Pat Wilson and his very dear friend and companion Helen Keen, to whom we offer our sincere condolences.

## HONORING THE LOCAL 103 OF THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS

### HON. WILLIAM D. DELAHUNT

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. DELAHUNT. Mr. Speaker, one of the great rewards of public service is the opportunity to work with some of the finest people in this great land. It is with pleasure and pride that I honor today the men and women of Local 103 of the International Brotherhood of Electrical Workers on the occasion of an historic milestone in its long and accomplished legacy.

At the turn of the last century, 12 courageous men gathered in Boston to charter an IBEW local. The national labor union had been formed a decade earlier in St. Louis to help safeguard health and safety for a trade in which half the workers died on the job. Since then, Local 103 has grown to represent over 5,000 men and women working in construction and telecommunications in 106 Massachusetts cities and towns, with over 200 contractors and 30 collective bargaining agreements.

In recent weeks, it was my privilege to participate in a commemoration of Local 103's one-hundredth anniversary. Over the last century, the IBEW has worked tirelessly to improve the quality of life for our community, and it has been a personal and professional inspiration to stand shoulder-to-shoulder with Local 103 on behalf of its extended family.

The able leadership of Local 103 has earned the respect and admiration of all of us who struggle for fundamental safeguards for working families. The breadth and stature of the leadership of Rich Gambino and his entire team would bring a proud smile to the faces of the 12 pioneers who assembled in 1900 with such vision. We take a moment to salute their memory—Leonard Kimball, Henry Thayer, John McLaughlan, Joseph Hurley, WC Woodward, James Reid, FC Stead, Joseph Matthews, Francis Wachler, Everett Calef, Theodore Gould and WW Harding. We honor their legacy by reaffirming their commitment to paving the way for fair, safe and rewarding work environment for all working men and women.

To commemorate their work and aspirations, following are my remarks to the sisters and brothers of Local 103 to celebrate the dawning of the next century for the IBEW:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
*May 6, 2000.*

DEAR FRIENDS: To greet the members of Local 103 is to see the face of the American middle class—the people whose mothers and fathers built this nation and the foundation for its future.

From the presidential campaign to the corner grocery, one word you hear a lot these days is "vision". To some, it's little more than a throw-away line. But the rank-and-file of 103 has endured a century of world wars and building booms, of depressions and picket lines, of nonunion competition and responsibilities as big as the Hancock Tower. And the members of 103 have not only endured, but have thrived in ways that literally light up this Commonwealth.

The work of Richie Gambino, the 5000 brothers and sisters of Local 103, and their predecessors over the last century, have laid a sound foundation for our community with genuine vision. Vision for economic opportunity and social justice; for traditional industry and for e-business; for global commerce and human rights.

This vision is an engine of skill, hope and compassion which challenges friends, neighbors and even your adversaries to aspire to the standards of excellence personified by those dozen men who gathered 100 years ago in downtown Boston to lay down a marker for fundamental fairness for working people. Every stride we have made along the way has been earned by the proud work and outstretched hand that defines the vision of this extended family.

We respect these humble beginnings by gathering today to reaffirm our commitment to collective bargaining and the equity it ensures—from wages to health care to retirement security.

Over the last 100 years, this nation has been transformed in dozens of historic ways.

But certain truths stand unchanged—and they are embodied in the principles for which we together stand, in Washington and here at home.

Please accept my very best for a joyous celebration.

Sincerely,

WILLIAM D. DELAHUNT.

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## IMPORTING DRUGS SAFELY

### HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. DINGELL. Mr. Speaker, last evening I voted against the prescription drug import amendments offered by my good friends and colleagues Representatives CROWLEY and COBURN. I want my colleagues to know that I wish to work with them to craft legislation that achieves the goals they seek, while ensuring that the prescription drugs that Americans consume are as safe as possible. I see no reason why the Commerce Committee cannot roll up its sleeves and mark up good legislation for presentation on the House floor shortly after the August recess.

Mr. Speaker, the Crowley and Coburn Amendments block a key provision of the Prescription Drug Marketing Act (PDMA). This law came into being after an investigation revealed serious irregularities with respect to imported drugs. As stated in the April 1987 report of the Commerce Committee, "[t]he purpose of the legislation is to protect American consumers from mislabeled, subpotent, adulterated, expired, or counterfeit pharmaceuticals. . ."

Recent investigations of Internet web sites indicate there is still cause for concern. In fact, the U.S. Customs Service recently reported a more than 400 percent increase in the amount of pharmaceuticals being shipped into this country via the U.S. mail, and that in many cases, the origin, purity, or history of the drugs being shipped is indeterminable. These are drugs with major health implications. A May 22 letter from Commissioner Kelly addressed to me and Representative KLINK noted the following: "[a]mong the most common types of pharmaceuticals seized by Customs are Diazepam; Tylenol with Codeine; Mathandienone; Alprozolam; Xanax; Valium; Codigesic; Lorazepam; Fenfleuramine; Thyroid tabs; Panzatazocine; Cetabon; Andriol; Premarin; and Rohypnol, a powerful sedative sometimes described as a 'date rape' drug." Commissioner Kelly said that "[i]n most of the mail seizures that Customs encounters, the brand name and manufacturer of the products are not identifiable because the original packaging has been removed and repacked into containers that bear no marks or identification." These are the same sorts of mislabeling and repackaging shenanigans that the Subcommittee first identified when it investigated this issue more than a decade ago, and led to the PDMA.

Equally alarming are the findings of a hearing held just last month by the Subcommittee on Oversight and Investigations on the potential dangers of counterfeit bulk drugs, and the global problems they pose. Chairman UPTON, in his opening statement, said: "[t]he international community is also increasingly concerned. Just last month, the World Health Organization and international pharmacists and international drug manufacturers publicized their concerns about counterfeit drugs. Some have estimated that 50 to 70 percent of the drugs in some developing countries are counterfeit." Why is it that we don't believe these drugs can find their way into countries where U.S. consumers may wish to purchase their medications? This is particularly troubling given the FDA's confirmation later in the hearing to Representative BURR that it has information that there were injuries to American citizens associated with counterfeit products.

Chairman BLILEY has also documented potential serious dangers with drugs from foreign sources. In a lengthy May 8, 2000, letter to FDA Commissioner Henney he suggests that not only have Americans possibly been injured or even killed from foreign-made pharmaceuticals, but that "[d]evelopments from this investigation require the Committee to intensify its examination and request that the FDA consider taking certain actions to protect the American public."

First and foremost, the PDMA is a public health and safety law. We should therefore tread carefully before changing it. I am greatly concerned that the amendments adopted by the House lack the care and craftsmanship needed to ensure both access to less expensive prescription drugs and assurance of safety for the consumer.

The investigation that led to the PDMA discovered a "diversion market" that prevented effective control over the true sources of merchandise in a significant number of cases. The integrity of the distribution system was insufficient to prevent the introduction and eventual retail sale of substandard, ineffective, or even counterfeit pharmaceuticals. As the Committee report stated, "pharmaceuticals which have been mislabeled, misbranded, improperly stored or shipped, have exceeded their expiration dates, or are bald counterfeits are injected into the national distribution system for ultimate sale to consumers."

The PDMA was "designed to restore the integrity and control over the pharmaceutical market necessary to eliminate actual and potential health and safety problems before serious consumer injury results." The Committee report specifically outlined the concerns PDMA was intended to address: "Reimported pharmaceuticals threaten the American public health in two ways. First, foreign counterfeits, falsely described as reimported U.S. produced drugs, have entered the distribution system. Second, proper storage and handling of legitimate pharmaceuticals cannot be guaranteed by U.S. law once the drugs have left the boundaries of the United States." The PDMA is not perfect. But I dare say that the PDMA has saved a lot of lives.

Now let us note why legislation to modify the PDMA in a responsible fashion is an idea whose time has come. Foreign drugs are often less expensive than domestically available products. Notwithstanding the range of safety risks they pose, many Americans seek them out because of outrageously high domestic prices that make drugs unaffordable for many Americans, particularly the elderly. I am open to a careful review and revision of PDMA for the purpose of creating a paradigm for drug importation that is safe for our consumers while facilitating access to the international market prices at which many commonly prescribed prescription drugs are available.

Mr. Speaker, I do want to acknowledge beneficial aspects of the amendments to which these comments are addressed. An overwhelming majority of my colleagues from both sides of the aisle are now on record for the proposition that the price Americans pay for prescription drugs is too high. Lack of access to medically necessary prescription drugs is a real problem faced by millions of Americans. Let us do better and give consumers access to lower priced prescription pharmaceuticals that are safe.

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## CAPTAIN ADAN GUERRERO

### HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. ORTIZ. Mr. Speaker, I rise to pay tribute to a special service officer, Captain Adan Guerrero, commander of the United States Coast Guard Marine Safety Office in Corpus Christi.

Captain Guerrero is the model service officer for the Coast Guard. In addition to being a great guy who deals squarely with whatever comes up and a tireless advocate for the United States Coast Guard and the men and women who serve in his command, he is also a hometown boy.

This Coastie from Corpus Christi began his service with the U.S. Coast Guard after graduating from the Coast Guard Academy in 1974. He served first as a deck officer on the USCGC *Morgenthau* from 1974 to 1976 when it was homeported in New York City. He served as engineer officer aboard the USCGC *Durable* homeported in Brownsville, Texas from 1983–1986.

Captain Guerrero started a career in marine safety at the Marine Inspection Office in New Orleans, where he served as a marine inspector, investigating officer and licensing examiner. He also served as the Coast Guard liaison officer at the United States Embassy in Mexico City before returning again to the Marine Safety Office Training Office. From 1990–98, he served as the executive officer responsible for marine safety and environmental protection on over 500 miles of the Ohio River.

Before returning to Corpus Christi, he was chief of the Vessel and Facility Operating Standards Division, Office of Operating and Environmental Standards, Coast Guard Headquarters in Washington, DC. He represented the United States when he headed the delegation on Ship/Port Interface Working Group of the International Maritime Organization in London.

He also served as director of the National Offshore Safety Advisory Committee and the Commercial Fishing Industry Vessel Advisory Committee. He has been awarded two Coast Guard Commendation Medals and three Coast Guard Achievement Medals with Operational Distinguishing Device.

I ask my colleagues to join me today in wishing Captain Guerrero well upon his retirement with his wife, Silvia DeLaRosa of Corpus

Christi, and their children, Nicolas and Benjamin.

## HONORING LIEUTENANT DENNIS SLOCUMB ON HIS RETIREMENT AFTER 32 YEARS OF SERVICE

### HON. LORETTA SANCHEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Ms. SANCHEZ. Mr. Speaker, today I would like to congratulate Lieutenant Dennis Slocumb on his retirement after 32 years of service with the Los Angeles County Sheriff's Department. Mr. Slocumb has devoted his career to protecting the lives of all Californian's, and in doing so, I would like to pay tribute to Dennis who has exemplified the notion of public service and civic duty.

Lieutenant Slocumb entered the Sheriff's Department in 1968, and during his 32 years of service he assisted the community as a patrolman, a press liaison and lieutenant detective. His most recent assignment was to serve as the president of the Los Angeles County Professional Peace Officers Association, representing over 6,000 law enforcement professionals.

Upon his retirement from the Sheriff's Department, Lieutenant Slocumb will be honored by his community and his colleagues to serve as executive vice president with the International Union of Police Associations in Alexandria, Virginia.

What makes these accomplishments even more remarkable is that Dennis is a devoted husband and father of one. Lieutenant Slocumb's role as a public servant to the people of his community and all Californian's will not go unnoticed. Dennis truly lived the life of a model police officer and he has earned the right to say that he's made a difference.

It is with this, that I would like to honor Mr. Slocumb and his efforts to make his community a better place to live. His dedication and know-how have distinguished him greatly. The citizens of California owe Dennis a lot of gratitude and I wish him well.

## TRIBUTE TO THE LATE TOMMIE J. ROBINSON

### HON. BENNIE G. THOMPSON

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. THOMPSON of Mississippi. Mr. Speaker, it gives me great pleasure to stand before you to commemorate the memory of the late Tommie J. Robinson. Robinson was one of Bolton, Mississippi's oldest residents.

Robinson, a homemaker, died of heart failure on June 23, 2000. She was 106 years old. To many, Robinson was the town historian. People from all around would come to her and say, "What was life like in Mississippi 50 years ago?"

A devoted wife and mother, Robinson worked very hard to make her community a better place for future generations. Formerly a member of Asbury United Methodist Church, Robinson later became a member of Mount Olive Missionary Baptist Church until her death.

Robinson was an advocate for education in the black community. She encouraged black youth to seek higher education, and promoted the importance of reading. Robinson was very well known for her acute spelling ability. Many of her neighbors and friends would rely on her keen spelling abilities and challenge her to test her knowledge. She always proved triumphant.

Mr. Speaker, Tommie J. Robinson has touched the lives of many people. She will be missed, and she will always be remembered by the people of Bolton as one who loved the state of Mississippi.

## INTRODUCTION OF THE PARTICIPANT ADVOCATE BILL

### HON. ROBERT E. ANDREWS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. ANDREWS. Mr. Speaker, today Senator HARKIN and I are pleased to introduce legislation to create an Office of Pension Participant Advocacy within the Department of Labor. This is an idea whose time is long overdue. Over the last several decades, and particularly since Congress enacted the Employee Retirement Income Security Act of 1974, our pension system has grown increasingly complicated and less "employee-friendly". Even in the best of circumstances, pension law is complex. But, when employees or retirees have questions or problems, understanding and maneuvering through our pension system can be a nightmare.

I, and many other members of Congress, have long believed that individuals need a single easy place that they can turn to when they have problems with our pension system. Currently, pension issues are handled by a variety of agencies, including the Department of Labor, Department of Treasury, Internal Revenue Service, Pension Benefit Guaranty Corporation, as well as several other agencies. Finding the right agency itself can be a challenge. In addition, these agencies often are not set up to help with individual problems and concerns. The IRS and Treasury Departments primarily focus on tax abuses, not individual inquiries. For many years, the Department of Labor had little or no staff to help individuals with specific problems. Even though the Department has worked hard in the past five years to develop a team of "benefit advisers", there is no clear statutory mandate for this program, nor clear directive that the Department should provide an easy and accessible entry point for individuals with pension problems. The American people need a simple place to go to address their pension concerns. There is no need or reason to seek out expensive lawyers when an individual has a particular pension problem which may involve a small amount of money dollar-wise, but mean the difference between a decent and an impoverished retirement to that person.

The Office of Pension Participant Advocacy would establish a clear Congressional mandate that the Department of Labor should be the entry point for individuals with their pension problems. We are not talking about creating a new bureaucracy, but streamlining and improving the existing system. Under our legislation, the Department of Labor would establish an Office of the Pension Participant Advocate that would be headed by a senior executive with demonstrated expertise in pension participant assistance. The Office would evaluate the efforts of existing entities to assist pension plan participants and promote the effectiveness of our pension system by increasing awareness of the importance of pensions and ensuring that the pension benefit rights of individuals are protected. The Pension Participant Advocate annually would report to the Administration and Congress on policy issues it has encountered and make recommendations for resolving them.

We hope this bill will receive widespread bipartisan support. Over the past several years, a bipartisan group of members and outside organizations has expressed concern about the shortcomings of our current pension assistance system. We hope this bill will provide a meaningful and cost effective solution to the system's current inadequacies and look forward to working with our colleagues towards its enactment.

## PERSONAL EXPLANATION

### HON. RUBÉN HINOJOSA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. HINOJOSA. Mr. Speaker, yesterday I hosted Labor Secretary Alexis Herman in my Congressional District who was meeting with local officials and community members. Our late return to Washington resulted in my missing the following votes on H.R. 4461, making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for the fiscal year ending September 30, 2001:

Roll No. 373, on agreeing to the Coburn amendment that sought to prohibit the use of any funding for drugs solely intended for the chemical inducement of abortion. Had I been present I would have voted no.

Roll No. 374, on agreeing to the Royce amendment that sought to reduce by one percent each amount that is not required to be appropriated or otherwise made available by a provision of law. Had I been present I would have voted no.

Roll No. 375, on agreeing to the Crowley amendment that prohibits the FDA from taking actions that restrict the purchase of prescription drugs in Canada and Mexico by United States citizens. Had I been present I would have voted aye.

Roll No. 376, on agreeing to the Royce amendment that sought to prohibit any funding to award any new allocations under the market access program or pay salaries of personnel to award such allocations. Had I been present I would have voted no.

Roll No. 377, on agreeing to the Coburn amendment that prohibits the FDA from taking any action to interfere with the import of drugs that have been approved for use within the United States and were manufactured in an FDA approved facility in the United States, Canada, or Mexico. Had I been present I would have voted aye.

Roll No. 378, on agreeing to the Sanford amendment that sought to prohibit any funding by the Department of Agriculture to carry out a pilot program under child nutrition programs to study the effects of providing free breakfasts to students without regard to family income. Had I been present I would have voted no.

## A TRIBUTE TO THE ALL-AMERICAN EAGLES PARTICIPANTS

**HON. WILLIAM O. LIPINSKI**

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. LIPINSKI. Mr. Speaker, today I congratulate the participants of my 2000 All-American Eagles program. When I was a Recreation Supervisor with the Chicago Park District in the late 1960's, I started the All-American Eagles competition. In 1983, 1 was elected to represent the people of the (current) Third Congressional District of Illinois, and brought the program to Southwest Chicago and its near suburbs. After thirty-one successful years, this program is still the cornerstone of my efforts to recognize and honor many of our district's exemplary seventh and eighth grade students.

This year's theme was World War I, and consisted of three components—an essay and public speaking contest, an artwork competition, and a history quiz. Students who participated in the essay contest submitted an essay from 250–500 words long about the most important person or event in World War I. The top 20 essayists were asked to present their work orally to a panel of judges consisting of local teachers and elected officials. The top three finishers for each event were given a plaque and/or a savings bond, and accumulated points for the overall competition. The overall winner received a $500 savings bond. The school that sent the most participants received a $250 savings bond.

It now gives me great pleasure to announce to my colleagues the winners of the 2000 All American Eagles competition. For the essay-speech contest, Imelda Vionontes from Kinzie delivered an excellent essay about the economic and social devastation during World War I, earning her a third place finish. Samuel Lin from Southwest Chicago Christian School earned a second place prize for his remarks about the Treaty of Versailles. Nicole Svajlenka from St. Alexander School delivered an outstanding essay about the pilots of the Lafayette Escadrille, earning a $100 savings bond and first place.

I was truly impressed with the artwork submitted for the competition this year. I have no doubt that today's youth will make great contributions to the tomorrow's culture. Winning the third place prize was Ashley Wrobel from St. George School. Joseph Waterlander and Samuel Lin from Southwest Chicago Christian School took second and first place respectively.

For the history quiz, I am reminded by the aphorism that states, "Anybody can make history—only a great man can write it." The following are the potentially "great" future historians that aced the history quiz. Demonstrating a clear interest in world history was Paul Wieckiewicz from Our Lady of the Mount School, earning a third place finish. In second place was Adam Jures from Lincoln Middle School. Finally, Samuel Lin from Southwest Chicago Christian School won his second competition and demonstrated a profound interest in the social sciences.

Furthermore, Samuel Lin made important strides towards the funding of his college education, winning the 2000 All American Eagle Award. I congratulate Samuel for his hard work and deep commitment to his continuing education. Today, I charge Samuel to use his ambition and academic talent in service to this great nation, as he is a credit to his family and community.

Again, I would like to thank all the participants in this year's competition, as well as St. George School for providing the most participants. Judging these contests can often be a difficult task. However, I had the pleasure of hearing great essays and seeing the talent of a new generation of Americans.

Mr. Speaker, I urge these young Americans to pursue their interests to the fullest extent of their abilities and to the betterment of this nation.

## TRIBUTE TO COLONEL FRANCIS G. MAHON

**HON. MICHAEL N. CASTLE**

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. CASTLE. Mr. Speaker, I rise today to congratulate Colonel Francis G. Mahon. Colonel Mahon was born in Northport, New York, the son of Mr. and Mrs. Paul G. Mahon. He was commissioned at the University of Delaware in 1979 when he graduated with a Bachelor of Science Degree in Accounting. In 1988, he completed a Master of Science Degree in Systems Technology. His Military education includes the Air Defense Artillery Basic Course, the Armor Officers Advanced Course, the Combined Arms Services Staff School, the United States Army Command and General Staff College, and the Army War College at Carlisle Barracks, Carlisle, PA.

Colonel Mahon has served in many key assignments, including Chaparral Platoon Leader and Battery Executive Officer of Battery C, 4th Battalion, 61st Air Defense Artillery, 4th Infantry Division (Mechanized), Fort Carson, CO; Battery Executive Officer of Battery D, 2nd Battalion, 61st Air Defense Artillery; Assistant S–3, 2nd Battalion, 61st Air Defense Artillery, and Battery Commander, Battery B, 2nd Battalion, 61st Air Defense Artillery, 2nd Infantry Division, Republic of Korea; Chief of Intelligence Branch, C31 Division, USAADASCH Directorate of Combat Developments, Fort Bliss, Texas; Battalion Operations Officer, 5th Battalion, 7th Air Defense Artillery, Bitburg Germany; Brigade Operations Officer, 94th Air Defense Artillery Brigade, Kaiserslautern, Germany; Commanding Officer, 3rd Battalion (PATRIOT), 43rd Air Defense Artillery; and Missile Defense Planner, Office of the Chairman of the Joint Chiefs of Staff, The Pentagon, Virginia.

Colonel Mahon will begin Command of the 11th Air Defense Artillery Brigade, Fort Bliss, Texas, on July 13, 2000.

His awards and decorations include the Meritorious Service Medal with three Oak Leaf Clusters, the Army Commendation Medal with three Oak Leaf Clusters, and the Army Superior Unit Award with one Oak Leaf Cluster.

Colonel Mahon is married to the former Elizabeth Cecelia McGowan, daughter of Todd and Elizabeth McGowan of Wilmington, Delaware. They have four children, Elizabeth Anne (12), Kathleen Margaret (8), Mary Frances (6) and Francis Todd (3).

Colonel Mahon has worked for more than 20 years in service to his community and nation. I ask my colleagues in the House of Representatives to join me in congratulating and thanking Colonel Mahon and his family for their dedicated service to the United States of America. We wish him much success as he begins his new command.

## CONFERENCE REPORT ON H.R. 4425, MILITARY CONSTRUCTION APPROPRIATIONS ACT, 2001

SPEECH OF

**HON. RICHARD BURR**

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, June 29, 2000*

Mr. BURR of North Carolina. Mr. Speaker, I rise to express my reluctant support for the Conference Report on H.R. 4425, the Fiscal Year 2001 Military Construction Appropriations Bill. While I wholeheartedly endorse the bill as originally reported by the House in May, which contained funding for important construction projects at North Carolina's military bases, I do have some concerns about the new spending added to the bill in Conference.

Much of what was added to this bill in Conference could have been addressed through the normal appropriations process. Among the most egregious examples of pork spending in this bill are: $45 million for a new jet for the Commandant of the Coast Guard; $25 million for a new community center in Ohio; $7 million to "study" sea turtles in the Pacific Ocean; and $25 million to build a new firearms training center for the Customs Service in West Virginia.

However, the bill also contains numerous provisions that address the true emergency needs of many in this country, and in North Carolina particularly. Thousands of people in my home state are still struggling to overcome the impact of last fall's hurricanes, and have been waiting for months for Congress to take action. The assistance provided in this conference report will be critical in helping my fellow North Carolinians return to at least a semblance of the lives they led before last September's devastating floods.

Despite my concerns about the use of this bill to provide money for projects that are obviously not true emergencies, I am grateful to the Appropriations Committee for providing the desperately needed hurricane-related assistance, and appreciate their hard work in bringing this legislation to the floor.

## HONORING SERGEANT ARTHUR J. REDDY

### HON. LORETTA SANCHEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Ms. SANCHEZ. Mr. Speaker, on this day, I would like to honor Sergeant Arthur J. Reddy on his retirement after 33 years of service as a police officer with the Los Angeles County Sheriff's Department. Mr. Reddy has contributed greatly to the well-being of our citizens.

Sergeant Reddy began working in the Sheriff's Department in 1967. His assignments have included custody, patrol, and narcotics. He served as a representative to federal, state, and local narcotic advisory councils and enforcement agencies. He also received the distinguished honor of working with the U.S. Department of Justice Task Force in which he served as an inter-agency liaison.

In 1979, he was he was elected to the Board of Directors of the L.A. County Professional Police Officer's Association. Mr. Reddy's leadership roles in numerous organizations culminated in 1995 when he was elected to serve as the Vice-President of the International Union of Police Associations and Legislative Liaison for three terms. Sergeant Reddy has not only fulfilled all the requirements of his job in an exemplary manner, but he has gone above and beyond the call of duty.

It is because of these accomplishments I am deeply honored in recognizing Sergeant Reddy today. He deserves our deepest gratitude and sincere wishes for a happy and peaceful retirement.

## LEHIGH VALLEY HERO JOHN FINNEGAN, JR.

### HON. PATRICK J. TOOMEY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. TOOMEY. Mr. Speaker, today I rise to pay tribute to one of my constituents, Mr. John Finnegan, Jr. Mr. Finnegan, who only moved to the Lehigh Valley four years ago, has displayed an extraordinary dedication to the people of his community. The Director of Consulting Services at Dun and Bradstreet, Mr. Finnegan serves as a member of the Board of Supervisors of Hanover Township, Northampton County. He has served as the chief fund-raiser for the township's bicentennial committee, and on its parks and recreation board. His hard work and diligence have made a tremendous difference in the life of his community.

In addition to his civic and corporate involvement, Mr. Finnegan's personal actions also serve as a model for others to follow. He has been a coach for Little League baseball and hockey leagues, serving as a role model and mentor to the youth of the Lehigh Valley. Coordinator for his neighborhood crime watch, Mr. Finnegan has become an invaluable resource to the constituents of my district in the short time he has lived there. I applaud Mr. Finnegan for his devotion to the Lehigh Valley community. John Finnegan is a Lehigh Valley Hero.

## SENSE OF CONGRESS REGARDING VIETNAMESE AMERICANS AND OTHERS WHO SEEK TO IMPROVE SOCIAL AND POLITICAL CONDITIONS IN VIETNAM

SPEECH OF

### HON. THOMAS M. DAVIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 10, 2000*

Mr. DAVIS of Virginia. Mr. Speaker, I rise to express my strong support for H. Con. Res. 322, a resolution which expresses the sense of Congress regarding the sacrifices of individuals who served in the Armed Forces of the former Republic of Vietnam.

I introduced this resolution several months ago to honor the brave Vietnamese men and women who fought alongside American forces during the Vietnam conflict, and yet were never given the proper recognition. It is my strong belief that the individuals who served in the Armed Forces of the Republic of Vietnam should be commended for their bravery and courage in the face of severe adversity and hardship.

This year marks the twenty-fifth anniversary of the Fall of Saigon to Communist forces. The Armed Forces of the Republic of Vietnam suffered enormous casualties during the Vietnam Conflict. From 1961 to 1975, over 750,000 Vietnamese men were wounded and over 250,000 Vietnamese men were killed in action. These brave men made the ultimate sacrifice: they died fighting for freedom and democracy in their homeland. Although their homeland was lost to Communist forces, their sacrifices must never be forgotten.

After the war, the government of the Socialist Republic of Vietnam forcibly rounded up intellectuals, political leaders, teachers, poets, artists, religious leaders, and former officers and enlisted personnel of the Armed Forces of the Republic of Vietnam and sent them to reeducation camps—a more appropriate term would be "Vietnamese Gulag." These camps evoke images akin to the Nazi death camps during World War II. The prisoners, deemed security risks by the Communist regime, were regularly beaten, starved, tortured, and forced to endure inhumane conditions. Unfortunately, many, if not most, did not survive.

As one former prisoner told the Seattle Times, "The Communist did not need reasons to kill. Prisoners were expendable, worked to death . . ." Or told through the eyes of another former prisoner, "They [the Communists] don't kill everyone all at once, but slowly, slowly."

I would like to mention some remarkable individuals who survived the Vietnamese Gulag and have personally shared their stories with me. These stories speak of courage, spirit, and the human will to live. These individuals now live in Northern Virginia. Mr. Nguyen Cao Quyen, Mr. Nguyen Van Thanh, Mr. Tran Nhat Kim, Mr. Dinh Anh Thai are all former prisoners of the Vietnamese Gulag. Their crime: they were officers of the Armed Forces of the Republic of Vietnam or worked for the South Vietnamese government.

Mr. Vu Hoi—an artist, Mr. Nguyen Chi Thien—a poet, and Professor Doan Viet Hoat, all were intellectuals who were imprisoned by the Communist government for expressing their beliefs about democracy. In total, these three men spent over 50 years in the Vietnamese Gulag.

Finally, I would like to mention Father Nguyen Huu Le and Father Tran Qui Thien who were also imprisoned for many years because they would not use their influence with their parishioners to propagandize Communist ideology. I am proud to represent these courageous individuals and others like them in Virginia's Eleventh District.

Although the current government of the Socialist Republic of Vietnam is a signatory to eight international covenants on human rights, it continues to treat members of the former Armed Forces of Vietnam and their families as second-class citizens. The government of Vietnam has established a two-tiered socioeconomic system, reminiscent of the apartheid regime used in South Africa and implemented by the Nazis to isolate Jews in the 1930's.

A good example is education, which is highly valued in Vietnamese culture and society. Yet relatives of the men who suffered in the Vietnamese Gulag cannot enroll in schools because of an official government-endorsed policy of exclusion. Likewise, many relatives of these former prisoners find it difficult to obtain employment for the same reason. The government of the Socialist Republic of Vietnam is adding insult to injury to these principled men who

The end of the Vietnam conflict produced an exodus of over 2 million Vietnamese who fled the country, many in rickety boats that were over-crowded and dangerous. They suffered treacherous seas, pirate attacks, dehydration, lack of food and medicine, and risked death rather than live under a Communist regime. Many of these refugees came to the United States where they have resettled, and are now proud Americans.

While the Vietnamese-American Community has been successful in rebuilding their lives here in the United States, they have not forgotten those who fought in the name of freedom. Traditionally, the former Republic of South Vietnam and presently in Vietnamese-American communities all across America, June 19th represents a day to commemorate and honor both fallen and living heros who have dedicated or are continuing to dedicate their lives to bringing international attention to freedom and the human rights situation in Vietnam. It is a day on which the community memorializes those who gave their lives and recognizes former prisoners of conscience for their commitment and sacrifice in the struggle for democracy and freedom.

This is why on Vietnam Human Rights Day, I introduced, H. Con. Res. 322, a resolution honoring the sacrifices of individuals who served in the Armed Forces of the former Republic of Vietnam. As an original sponsor of the Congressional Dialogue on Vietnam and the Adopt-A-Voice-of-Conscience program, it is not only my honor, but my privilege to have introduced this resolution on behalf of all Vietnamese-Americans and especially, the tens of thousands living in Northern Virginia. It is imperative that we never forget the sacrifices that the members of Armed Forces of the Republic of Vietnam made so that future generations may live in freedom.

I urge my colleagues to support this important resolution because it reaffirms Congress' commitment to Vietnamese-Americans and others whose work helps to keep the spirit of freedom alive for those still living in Vietnam.

It is my strongest hope that the citizens of Vietnam will one day be free: free to elect their own leaders and government, free to worship as they please, free to speak and print their own opinions without fear of persecution or harassment, and simply free to live their lives without government intrusion. This is the will of democracy and the Vietnamese people.

## IN HONOR OF JOHN BACO

### HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. KUCINICH. Mr. Speaker, I rise today in tribute to John Baco, pitcher for the baseball team at St. Ignatius High School in Ohio. John has been selected by the Cleveland Plain Dealer as a member of their All-Star baseball team for the Spring 2000 season.

John has demonstrated exceptional athletic ability and tremendous commitment to his sporting activities. As pitcher of the St. Ignatius Wildcats, this gritty senior right-hander is the model of composure. In compiling a 9–0 record with posted victories in the sectional finals, district finals, regional semifinals and state semifinals, John was a part of a St. Ignatius team that made history by advancing to the school's first state championship baseball game. In a complete-game, eight-inning effort against perennial power Cincinnati Moeller in the state semifinals, he stuck out 14, four shy of the big-school Final Four record. These impressive records mirror John's commitment to responsibility. His strong faith and belief in her abilities has enabled her to become one of the finest athletes in northern Ohio.

Recognition by the Cleveland Plain Dealer of John's accomplishments is an amazing honor because it acknowledges the hours of sacrifice and patience needed to cultivate stamina and perseverance, as well as excellence in teamwork and cooperation. More importantly, I am inspired by his motivation, poise, and good sportsmanship on and off the playing field. Knowing that he tried his best is more important than actually winning. Clearly, he is the quintessential model of grace under pressure. I am impressed by such optimism and devotion. He is truly remarkable. I know that John has much to offer. I look forward to offering more congratulations to this promising athlete in the future.

My fellow colleagues, John Baco is an outstanding and inspirational individual. Please join me in honoring his notable accomplishments and achievements in baseball.

## MEDICARE RX 2000 ACT

SPEECH OF

### HON. DAVE WELDON

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 28, 2000*

Mr. WELDON of Florida. Mr. Speaker, I rise in strong support of the Prescription Drug Package, H.R. 4680, The Medicare Rx 2000 Act. 2.7 million Floridians depend on Medicare for their health-care coverage. Currently, we are taking tremendous steps to provide American seniors with comprehensive prescription drug coverage, because no seniors should have to choose between life saving prescription drugs and food for their table. This program will be flexible and voluntary and will give every senior citizen a choice between at least two different plans.

Our plan recognizes that two-thirds of American senior citizens have their own prescription drug coverage from their retirement, or they have little need for prescription drugs throughout the course of the year. These are the lucky ones and we do not want to force them into a plan they do not want nor need. However, some seniors have a tremendous prescription drug burden. Estimates indicate that the average senior citizen will have an annual prescription drug cost of over $2,300 by the year 2003. Some would argue that this is because of inflated drug prices. That may be good rhetoric, but the truth is not that simple.

As a physician, I understand the importance of prescription drugs to seniors. I also understand the great amount of time and effort and expense that goes into manufacturing a drug. These miracle pills take years to craft, test, and finally pass Federal Drug Administration (FDA) muster. It's been said that it costs upwards of one-half billion dollars to get a drug from original conception to the shelf in your local pharmacy. True, prices are higher, but that is due to the increased research and development in our pharmaceutical labs that offer Americans vast improvements over drugs that are currently on the market. With nearly every drug there are side effects. Advances in new drugs offer Americans more precise drugs with fewer side effects and greater conveniences. These advanced drugs are, because of their complexities, more expensive to develop and produce.

According to studies on the impact of our plan, the costs of prescription drugs would quickly fall by 25%, by giving seniors the same collective bargaining powers as members of other prescription drug plans and by forcing pharmacies to compete for seniors' business. Under our plan, the federal government would assume 50% of a senior's drug cost up to $2,350. In addition to this coverage, the plan would guarantee catastrophic coverage so that no senior will ever have to pay over $6,000 a year for life saving prescription drugs.

Another facet of this bipartisan Medicare Rx plan is that it provides a 100% benefit to the poorest seniors. Under our plan, any senior whose annual income is 135% of the poverty level or below will have their full premiums, deductibles and co-payments assumed by the federal government.

Some have offered an alternative plan which would be run solely by the federal government. It is estimated that such an alternative plan would not force competition and would, instead, rely on government mandates and price controls. The Congressional Budget Office (CBO) has said that this alternative would only reduce prices by about one-half of the amount of the bipartisan plan. Additionally, government price controls would place the government in a greater position of determining which research companies conduct certain types of research, and I believe that would ultimately reduce the availability of new, more precise drugs.

I would add, that as a physician, I know how important it is that doctors work with their patients to find drugs that best serve the patients' needs and that are most affordable for the patients. For example, some of the more expensive drugs may be time-release drugs and only require that a patient take that drug once a day. On the other hand, there may be a considerably less expensive drug that a patient may have to take twice a day. It is important that doctors take the time to work with their patients to find the best drug treatment for their patient and consider that patient's physical and budgetary considerations. I have repeatedly done this in my practice.

In this nation we are very blessed. And the prescription drug plan that we are considering is indeed a demonstration of our bounty. It addresses this need in a manner that focuses the most effort to serving those with greatest need. It ensures that market forces, not government price controls and mandates—which have always lead to poor quality and inefficiency—are the mechanisms employed to help keep costs down. It ensures that those who currently have coverage are not forced to pay for something they do not need. And, it works in such a way that will lower drugs costs for all seniors.

Finally, to those who would argue that we should have a government run prescription drug plan, I would only point out one of the latest battles in Medicare. Since Medicare was established it has been required that a physician supervise a nurse anesthetist who may be administering the anesthesia to a senior. Over the past decade, the nurse anesthetists have put on a massive lobbying effort to urge Medicare to remove the physician supervision requirement and allow nurse anesthetists to work unsupervised. On June 27, a peer reviewed medical study was released showing that when administering anesthesia in the absence of an anesthesiologist (a physician), the loss of life was 2.7 per thousand greater than it would have been under the supervision of an anesthesiologist. The Administration, which sets the rules for Medicare, is in the process of removing this supervision requirement. Any argument that seniors are better off with a government mandated system is severely undercut by this recent action by Medicare and should give us all pause at such a prospect.

I say let's pass this bipartisan bill. Let us move forward with a plan that does meets seniors needs. It is too important to our seniors to allow politics to stop this legislation.

## COMMENDING UPLAND CHRISTIAN SCHOOL

### HON. GARY G. MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. GARY MILLER of California. Mr. Speaker, I rise to commend Upland Christian School, of Upland, California, on its recent accreditations.

For over two decades, Upland Christian School has based its classes on the premise that the Bible is the literal truth. In addition to teaching the typical courses, such as English, math, and history, Upland Christian School has taught that there are absolutes in the world. This combination of religion within academia has attracted a steady increase in enrollment, from a handful of students to its current enrollment of 650 students.

In addition to celebrating the graduation of its third senior class, Upland Christian School can now boast of its accreditation by the Association of Christian Schools International and the Western Association of Schools and Colleges. Neither accreditation is an easy feat; both require arduous curricula reviews and proof that the school is meeting stringent standards.

The teachers, students, parents, school board members and administrators of Upland Christian School deserve high accolades for this achievement.

I commend Upland Christian School for its commitment to high standards, quality teaching, and its adherence to God's law.

## PUBLIC SERVICE OF MAYOR TOM JELEPIS OF BAY VILLAGE, OH

### HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. KUCINICH. Mr. Speaker, I rise today to honor the public service of one of the best mayors from northeast Ohio's local communities. This year marks the last and final year of the term of Mayor Tom Jelepis of Bay Village, Ohio, a western suburb of Cleveland. Tom is choosing to pursue other challenges down the road, and this marks his final few months of public service as Bay Village's respected mayor.

The entire Bay Village community and the adjoining West Shore communities owe Tom a debt of gratitude. Thanks to Tom's remarkable ability to forge a consensus in resolving one of the most daunting threats to the Bay Village and West Shore quality of life, represented by the agreement reached in June, 1998 to halt the proposed tripling of train traffic following the acquisition of Conrail by CSX and Norfolk Southern railroads. When the announcement was made in August, 1997 that train traffic would likely be more than tripled through the quiet, densely populated communities along Cleveland's West Shore communities, Tom Jelepis was one of the first public officials to begin to forge a large bipartisan coalition to find a reasonable alternative, an alternative which would stop the train traffic increase and would preserve Bay Village's and the West Shore's attractive quality of life.

It was Tom's relentless perseverance, his ability to reach out to find common ground and consensus, and his enviable charm and wit that managed to bring people together to find a workable agreement that helped hundreds of thousands of local residents. Without Tom Jelepis' involvement, there would likely not have been a positive outcome, a result which halted the proposed tripling of train traffic and brought forward a plan beneficial to all parties and local communities. I had the pleasure to work side by side with Tom Jelepis throughout this challenging time, and I can say with confidence that he represents the very best in public service. His dedication, his sense of decency, and his sincerity is unmatched in public life.

There are very few people in public life—no, in all aspects of life—with Tom Jelepis' unique combination of charm, wit, perseverance, and grace. He is my friend, and I am proud that he is my friend. He is a natural, as a businessman, as a family man, as a community leader, and as a mayor. The entire Bay Village community owes him a genuine "thank you" for his many years of service.

I hold a deep and sincere respect for Tom Jelepis and I wish him the very best of luck in all his future endeavors.

## IN HONOR OF BENNIE HOLMES, JR.

### HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Ms. PELOSI. Mr. Speaker, it is with great respect and sadness that I rise to honor the life of Bennie Holmes Jr., who passed away recently at too young an age. Mr. Holmes' leadership in the civil rights movement and as an anti-poverty activist earned him the respect of our entire San Francisco community; his caring heart and kind ways earned him our affection. Bennie's presence in the community can never be replaced, but the work of his life will live on after him.

Bennie was born and reared in McComb, Mississippi, and it was there that he learned the values of hard work, community, and his deeply rooted sense of justice. In the late 1950's, he moved to California, and in 1961 be graduated from Monrovia High School in Los Angeles County. He later moved to San Francisco and continued his education at San Francisco State University, where he earned a degree in Political Science.

Mr. Holmes worked much of his life for racial equality. He helped to found the N.A.A.C.P. Junior Chapter at Pasadena College in 1961. In 1964 he organized a group from San Francisco which joined the 1964 march for civil rights that went from Selma to Montgomery, Alabama. He fought continually for the cause of civil rights with the Congress On Racial Equality, the Student Nonviolent Coordinating Committee, and the National Association for the Advancement of Colored People and with such individuals as Martin Luther King, Jr. and James Farmer.

Dedicated to fighting poverty and improving the lives of low-income residents, Bennie worked most of his professional life with the Economic Opportunity Council of San Francisco. For the past thirty-three years, Bennie was employed by this nonprofit group in several different capacities. He organized and raised money for numerous anti-poverty programs in San Francisco and worked to clothe, feed, and find employment for the neediest among us. Known and trusted by everyone, Bennie was regarded as the "eyes and ears" of the community because he was always looking out for those in need.

Mr. Holmes also organized workshops at which tenants learned their rights when dealing with landlords, worked with youth groups, and chaired the Direct Action Committee and Study Group through which he traveled extensively in Africa, Europe, and the United States.

Well-regarded for his tireless community service, Bennie was also admired for his delicious barbecue ribs. At social and political events, he could always be found behind the grill, serving the community in yet another way.

Bennie Holmes left us much too soon. He worked his entire life for civil rights, equal opportunity, and economic and social justice. He treated everyone with respect, and he was respected for doing so. His passing is a loss to all of our San Francisco community.

My thoughts and prayers are with his mother, Leola Wells Holmes, his children, and his entire family.

## IN HONOR OF THE 100TH BIRTHDAY OF OLIVE WHITMORE

### HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. KUCINICH. Mr. Speaker, I rise today to celebrate the 100th birthday of Ms. Olive Whitmore.

Ms. Whitmore, a native of Cleveland, is the oldest of 3 children. Her birthday, October 14, 2000, marks the 100th year of her active life. She lived in Cleveland for 76 years, which made her well known in her community. She holds the longest term as a member of the West Boulevard Christian Church, which she has belonged to since she was 3 years of age. Prior to her move to South Westerly in 1983, she was a charter member of the Order of Eastern Star and Electa. Her talented voice contributed to the choir under the direction of Charles Dawes of the "Cleveland Orchestra." The choir was well recognized for their performance during the first 4th of July celebration at the Cleveland Municiple Stadium. Her former community fondly remembers her also for the time she was employed helping customers in Halle's Department store between 1957 and 1970. After her retirement she continued her active lifestyle, and became a noted traveler, traveling to Nova Scotia and throughout the United States.

Olive Whitmore is a cherished treasure for her family, friends, and community. Her spark, friendly smile, kindness and caring for others has touched countless Clevelanders who have had the honor of knowing her. Olive is a young 100, demonstrating that one's positive attitude and perseverance throughout one's life can carry you a long, long way. Olive Whitmore is loved by many.

My fellow colleagues, please join me in honoring Ms. Olive Whitmore on this momentous occasion of her 100th birthday.

## "TRIAL" OF IRANIAN JEWS IS A CASE OF RELIGIOUS PERSECUTION

### HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. LANTOS. Mr. Speaker, I rise today to express outrage over the sentences handed down on July 1st in Iran against ten of thirteen Iranian Jews who were recently put on trial in that country. These people, who were charged with the crime of practicing their religion, were unfairly imprisoned for over a year while waiting for the Iranian government to conduct its trial. Now they have been found guilty in a sham legal proceeding.

The trial—if it can be called a trial—was political intimidation not a judicial proceeding. This is a court with no jury, and one which holds its trials behind closed doors with the "judge" serving as both prosecutor and judge. The defendants were not able to choose their own representation in court.

Furthermore, the thirteen individuals were not even indicted on the original charges that were brought against them. Originally the thirteen were arrested for teaching Hebrew and holding religious classes, and on these charges they were detained for over a year before being tried by the Iranian Revolutionary Court. It is significant that after detaining these innocent people on these trumped up charges for over a year, the Court was unable to provide any evidence other than the coerced confessions of the detainees.

Mr. Speaker, I also wish to call the attention of my colleagues in the Congress to the actions of President Clinton, Secretary Albright and other Administration officials, as well as other governments who successfully pressured the Iranian government to hand down jail terms instead of death sentences. Since the Islamic revolution in 1979, seventeen Jews have been executed, and if not for the forceful action of the White House, the Department of State, and other governments, that number would surely now be twenty-seven. While I want to express appreciation for these actions, I urge our Administration and other governments to maintain continued pressure to urge the Iranian government to overturn this decision of the Revolutionary Court and free these wrongly imprisoned victims.

## IN HONOR OF DAVE GRESKY

### HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. KUCINICH. Mr. Speaker, I rise today in tribute to Dave Gresky, co-captain of the baseball team at St. Ignatius High School in Ohio. Dave has been selected by the Cleveland Plain Dealer as a member of their All-Star baseball team for the Spring 2000 season. In addition to this considerable honor, Dave Gresky was chosen as the MVP of the All-Star team as well.

As a co-captain of the St. Ignatius Wildcats, Dave Gresky led the team to a 25-6 record, and to their first appearance in a state championship baseball game. Gresky batted .452 during the regular season as a senior right fielder, and he set single season records in three categories for St. Ignatius with 50 hits, 10 home runs, and 51 runs batted in. His notable contributions to the team earned him a baseball scholarship to Northwestern University. In addition, Gresky was selected by the Florida Marlins in the 22nd round of the amateur draft in June.

Dave Gresky's athletic accomplishments do not end on the baseball diamond, however. He also led the St. Ignatius Wildcats football team to a record eighth Division I state title when he scored the clinching touchdown in the championship game.

Recognition by the Cleveland Plain Dealer of Dave's accomplishments is an amazing honor because it acknowledges the hours of sacrifice and patience needed to cultivate stamina and perseverance, as well as excellence in teamwork and cooperation. More importantly, I am inspired by his motivation, poise, and good sportsmanship on and off the playing field. Clearly, he is the quintessential model of grace under pressure. He is truly remarkable. I know that Dave has much to offer. I look forward to offering more congratulations to this promising athlete in the future.

My fellow colleagues, please join me in honoring Dave Gresky, an impressive right fielder and dedicated young athlete, for his outstanding achievements in sports.

## MEMORIAL TRIBUTE OF THE HONORABLE JOE A. GONSALVES

### HON. GRACE F. NAPOLITANO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mrs. NAPOLITANO. Mr. Speaker, it is with deep sadness that I announce the passing of my very dear friend and colleague, the Honorable Joe A. Gonsalves, former Member of the California State Assembly representing the 66th Assembly District which includes several of the cities and communities in my 34th Congressional District. Mr. Gonsalves died Friday, July 7, 2000 at his Gold River, California home.

Joe A. Gonsalves was a true exemplification of the fulfillment of the American ideal and the California dream. The son of Joaquim and Elvira Gonsalves, Portuguese Immigrants from the island of Terceira in the Azores, Joe was born on October 13, 1919 in Holtville, California. From the humblest beginnings in the farming region of the Imperial Valley, the Gonsalves family moved first to Whittier, then settled in Artesia, where they began the first of several dairy farms. In time, each Gonsalves son would own and operate his own dairy farm and through dint of hard work and steady growth, would become the basis of the families prosperity. Joe attended local schools and graduated from Excelsior High School in Norwalk, California. The Gonsalves family were among the founders of Holy Family Catholic Parish and Our Lady of Fatima Catholic School in Artesia.

When the new City of Dairy Valley, later to become the City of Cerritos, was incorporated in 1958, Joe Gonsalves was elected to the first City Council and served two terms as Mayor. When a new legislative district was formed in Southeast Los Angeles County following the 1961 reapportionment, Joe A. Gonsalves won election to the California State Assembly in the 1962 General Election, becoming the first legislator ever elected from Portuguese descent. When all but a small handful of state legislators were part-timejoe Gonsalves sold his dairy interests and became a Full-Time Legislator and moved his family north to the state Capitol in Sacramento. There he began to build a remarkable record of achievement during California's golden era of growth and progress.

Serving with political titans including legendary Speaker Jesse M. Unruh and Governor Edmund G. "Pat" Brown, Joe Gonsalves authored landmark legislation including the law that created a more equitable configuration of the state's important dairy industry benefiting the independent farmers. His diligence, skill and personality were rewarded with his appointment as Chairman of the powerful Assembly Rules Committee, Joint Committee on Rules, and later the Revenue and Taxation Committee. His leadership on the State Allocation Board and the Assembly Education Committee produced substantial increases in funding for local school districts.

Following his distinguished service of twelve years in state office, Joe began the third chapter of his professional career by establishing his own company to provide professional legislative representation. He soon became one of the Capitol's most highly respected and influential lobbyists. Later, he was joined by his son Anthony D. Gonsalves in the firm that would be called Joe A. Gonsalves & Son. The Gonsalves lobbying firm represented a blue chip roster of interests including the Port of Long Beach, the Del Mar Thoroughbred Club, the Oak Tree Racing Association, the California Dairymen's Association, the Portuguese government, and over forty incorporated California cities. The firm expanded to include a third generation of Gonsalves advocates when Joe's grandson Jason Gonsalves joined the company.

Mr. Speaker, I am proud and honored by the wonderful friendship I enjoyed with this unique and outstanding gentleman. He was a wise and trusted advisor to me during my service as a City Councilwoman, Mayor and Member of the California Assembly. Joe

Gonsalves was a real friend to countless people from all walks of life. He was a true role model for everyone who aspires to the highest levels of honesty, decency, loyalty and integrity in a profession that has seen all too little of these qualities.

Above all Mr. Speaker, Joe A. Gonsalves never forgot from whence he came. He was a great man with a common touch. He will be sorely missed by all who knew him and cherished his friendship. Preceded in death by his first wife Virginia, Joe Gonsalves is survived by his wife Jerry Farris Gonsalves and by his nine sons and their spouses, Robert, James & Ruth, Joe & Mary, Jack & Debt, Frank & Theresa, Anthony & Evelyn, David & Josephine, Tim & Stephanie, John Kennedy & Julie Gonsalves. He is also survived by two step children Jerry Farris & his wife Shirley and Terry Farris, his sister Mabel Gonsalves, three brothers Jack, Bennie and Frank Gonsalves, 28 grandchildren and eight greatgrandchildren.

On behalf of my husband Frank, my family, my Chief of Staff Chuck Fuentes, (whose own father Bob Fuentes served as Joe's Administrative Assistant during most of his legislative career) and the citizens of the 34th Congressional District and the Southeast Los Angeles communities, I extend our heartfelt condolences to the entire Gonsalves family. Joe A. Gonsalves was a proud and patriotic American and a great Californian!

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## IN HONOR OF MICHELLE SIKES

## HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. KUCINICH. Mr. Speaker, I rise today in tribute to Michelle Sikes, a member of the track and field team at Lakewood High School in Ohio. Michelle has been selected by the Cleveland Plain Dealer to be a part of their All-Star Girls Track Team as the distance runner for the Spring 2000 season.

Michelle has demonstrated exceptional athletic ability and tremendous commitment to her sporting activities. This past Spring season, Michelle has become an integral part of Lakewood High School's track and field team. As a first time runner, she won the 3,200 meter race at the state meet with a time of 10 minutes, 45.11 seconds, making it the best time in the event in her area. In addition, she was the area's highest finisher in the 1,600 meters. Her time was 4 minutes, 53.95 seconds. These impressive times mirror Michelle's commitment to responsibility. Her strong faith and belief in her abilities has enabled her to become one of the finest athletes in northern Ohio.

Recognition by the Cleveland Plain Dealer of Michelle's accomplishments is an amazing honor because it acknowledges the hours of sacrifice and patience needed to cultivate stamina and perseverance, as well as excellence in teamwork and cooperation. More importantly, I am inspired by her motivation, poise, and good sportsmanship on and off the playing field. She is the quintessential model of grace under pressure. Yet, despite the hard work and competition, Michelle views everything as a new and exciting experience. Although Michelle is only a freshman in high school, I am impressed by such optimism and devotion. She is truly remarkable. I know that Michelle has much to offer. I look forward to offering more congratulations to this promising athlete in the future.

My fellow colleagues, Michelle Sikes is an outstanding and inspirational individual. Please join me in honoring her notable accomplishments and achievements in track and field.

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## IN HONOR OF MARC SYLVESTER

## HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. KUCINICH. Mr. Speaker, I rise today in tribute to Marc Sylvester, a member of the boys track and field team at St. Ignatius High School in Ohio. Marc has been selected by the Cleveland Plain Dealer as a part of their All-Star Boys Track team as the middle distance runner for the Spring 2000 season.

Marc has demonstrated exceptional athletic ability and tremendous commitment to his sporting activities. This past Spring season, Marc Sylvester has become an integral part of St. Ignatius High School's track and field team. He ran the 800 meters, leaving opponents far back, and ran anchor for the 4x800 and 4x400 relays. In the Division I Relays at Amherst Steele, he set the record for the fastest 800 meter race ever run by an Ohio high school athlete. His time was I minute, 49.50 seconds. Such accomplishments are outstanding, and I commend him for his devotion and commitment. Unfortunately, two days after regionals, Marc suffered a partially collapsed lung and was held out of the state meet. But Marc's sterling track career has not ended with this setback. While it was disappointing not running at the state meet, Marc is feeling much better and is now working towards winning the National Outdoor Championships in Raleigh, North Carolina. Marc's strong faith and belief in his abilities has enabled him to become one of the finest athletes in northern Ohio, and perhaps the nation.

Recognition by the Cleveland Plain Dealer of Marc's accomplishments is an amazing honor because it acknowledges the hours of sacrifice and patience needed to cultivate stamina and perseverance, as well as excellence in teamwork and cooperation. More importantly, I am inspired by his motivation, poise, and good sportsmanship on and off the playing field. Marc is the quintessential model of grace under pressure. I am impressed by such optimism and devotion. He is truly remarkable. I know that Marc has much to offer. I look forward to offering more congratulations to this promising athlete in the future.

My fellow colleagues, Marc Sylvester is an outstanding and inspirational individual. Please join me in honoring his notable accomplishments and achievements in track and field.

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## PERSONAL EXPLANATION

## HON. JIM DeMINT

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. DEMINT. Mr. Speaker, on July 10, 2000 I was unavoidably detained and was not present for six rollcall votes. Had I been present, I would have voted "aye" on rollcall votes No. 373, No. 374, No. 375, No. 376, No. 377, and No. 378.

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## AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

SPEECH OF

## HON. SHERWOOD L. BOEHLERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 10, 2000*

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4461) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2001, and for other purposes:

Mr. BOEHLERT. Mr. Chairman, I rise in support of this amendment which will strike damaging language and replace it with more sensible policy.

The language this amendment strikes would have crippled the nation's ability to discuss and advance reasonable measures that would protect the environment in the most economically efficient way.

The language would have blocked all government work on carbon emissions trading—all work, including discussion and analysis—even though corporations increasingly are embracing such trading and have entered into voluntary programs to engage in it. Carbon trading is the most economically efficient way to reduce greenhouse gas emissions; if we don't do the work to develop it now, we will be left with no tools other than command and control to limit carbon, if we choose to impose limits in the future.

Similarly, the Clean Development Mechanism that the bill language would have blocked is an economically beneficial way to attack greenhouse gas emissions in the developing world. The Mechanism will encourage the sale of American-made clean technologies in the developing world. Why on Earth would we want to discourage something that helps other nations implement their own climate change policies while creating business for our own companies and workers?

I am pleased that so many people in industry and the Congress, from all points of the political spectrum, recognized the folly of this language.

The language the amendment would substitute is far from ideal, but it is moderate language that has been signed into law in past years.

But as someone who encouraged this strike and replace amendment, let me make clear my interpretation of what the amendment language says. The amendment prohibits the proposing or issuance of rules related to Kyoto. It does not prohibit the development of policies; it does not prohibit the discussions of policies in the U.S. or abroad; and it does not prohibit activities designed to carry out the Rio agreement on carbon dioxide, which was signed by President Bush and ratified by the Senate.

In other words, the United States, under this language, can send representatives to international conference to discuss carbon trading or the Clean Development Mechanisms, can help other nations develop such policies, can undertake activities to figure out how such a policy would be implemented here. All that is being prohibited is the actual implementation of such policies; anything up to the point of proposal and issuance may continue.

This amendment would not have the broad support it is receiving if Members believed in the cramped interpretation put forward by some of its proponents. The amendment means what it says on its face; it should not be interpreted in fanciful ways by those who were unsuccessful in getting more restrictive language approved.

I hope future appropriation bills with this language will include the report language from the fiscal 1999 VA–HUD conference report, which provides the clearest, more accurate interpretation—which is that this amendment blocks activities that are solely related to implementing the Kyoto Protocol.

And so, with that in mind, I urge support for the amendment.

## PERSONAL EXPLANATION

### HON. CASS BALLENGER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. BALLENGER. Mr. Speaker, yesterday, I regret that I missed Rollcall votes 373, 374, 375 and 376 to the fiscal year 2001 Agriculture, Rural Development, Food and Drug Administration, and related agencies appropriations bill (H.R. 4461). My flight from Charlotte was delayed due to threatening weather.

## PERSONAL EXPLANATION

### HON. SUE WILKINS MYRICK

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mrs. MYRICK. Mr. Speaker, I was unavoidably detained during the following votes. If I had been present, I would have voted as follows:

Rollcall vote 373, on the Coburn amendment to H.R. 4461, I would have voted "yea."

Rollcall vote 374, on the Royce amendment to H.R. 4461, I would have voted "yea."

Rollcall vote 375, on the Crowley amendment to H.R. 4461, I would have voted "yea."

Rollcall vote 376, on the Royce amendment to H.R. 4461, I would have voted "yea."

Rollcall vote 377, on the Coburn amendment to H.R. 4461, I would have voted "yea."

Rollcall vote 378, on the Sanford amendment to H.R. 4461, I would have voted "yea."

## PERSONAL EXPLANATION

### HON. RICHARD BURR

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. BURR of North Carolina. Mr. Speaker, I regret that I was unavoidably detained last night and missed rollcall vote No. 373. Had I been present I would have voted "aye."

## THE AMERICAN DREAM CHALLENGE

### HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. FRANK of Massachusetts. Mr. Speaker, from time to time I have expressed here my great admiration for the American Dream Challenge, a very creative effort to help raise funds for young people to pay for college. This program was originated by Dr. Irving Fradkin of Fall River, Massachusetts, and he continues after many years of hard work to be a dedicated parent to this program. Long before it became fashionable, Dr. Fradkin understood the importance of trying to make sure that every young person had the financial means to pursue a college education, and he is justly and widely respected in the Greater Fall River community for this commitment. Dr. Fradkin understands that it is important to instill the desire for higher education early, and so his program begins with students in the fourth grade, and works at various points throughout their education in this regard.

Mr. Speaker, I submit two articles which testify to the power of Dr. Fradkin's ideas and of his work to be printed here, so that other communities may benefit from knowing of this example and, I hope, emulate it.

The first document is a letter from Susan Lanyon who teaches fourth grade at the Wiley School. The second is an excellent article from the Durfee Hilltop, by Renee Tessier. The Durfee Hilltop is the newspaper of Durfee High School, the public high school in Fall River.

AMERICAN DREAM CHALLENGE IS INSPIRING

(By Susan Lanyon, fourth-grade teacher, Wiley School, Fall River)

Twenty-seven years ago I had three reasons for entering the teaching profession: I loved learning and longed to share that joy, I had a deep love for children, and I wanted to make a difference in the lives of young people.

I still feel the same way today, but now there's a program that helps me to make that difference. It started in 1994 and it's called the American Dream Challenge.

Thanks to Dr. Irving Fradkin, I now have the pleasure of including this scholarship program in my fourth-grade agenda. I have learned that its benefits are immeasurable; it not only affects the scholarship winners, it also has an effect on every child, as together we take a special moment to share deep thoughts about the future benefits of a sound education.

I have become deeply aware that 9 and 10-year-olds do have high hopes and dreams that are worthy and sincere. This has become one of my many regards of teaching, the joy of listening to their ideas

The American Dream Challenge begins when I take a minute to share my thoughts with my students about how special my college education is to me. They catch my enthusiasm and the dreams begin!

Then Dr. Fradkin and the Rev. Robert Lawrence, another true friend of education, often make a visit, and speak further with them, telling these precious fourth-graders exactly how special they are.

They also convince them that they can become anything their hearts desire with only two things needed—the right attitude and a proper education.

Their eyes light up, and the seeds are planted!

Next, we return to our writing class and brainstorm as a team. Now we have to decide exactly what is meant by titles such as these: "Education—Key to My Future," or "How My Education can Help Me Become a Better American Citizen." "The ideas flow!

Let me share with you just a few of the thoughts that have developed:

"I can learn more about other cultures so I can learn to respect others better."

"I can discover cures for diseases that have taken away those that I love."

"I can learn more about how to resolve conflicts in a peaceful way."

"I can become a teacher so I can teach others to learn the importance of being educated."

As you can see, there are no losers in this essay contest. The writing alone of this essay produces thoughts never shared before.

The next step is the judging—a difficult task.

My principal and I choose and submit the three best essays and the three finalists anxiously await the results. In April, the winner is declared. The culmination is an awards ceremony in May, where at least 50 delighted students and their families arrive in their Sunday best, glowing in the aura of success.

These children will never be the same after this day! They have become special young ladies and gentlemen, filled with hope and promise.

I have now had six scholarship winners and I only wish you could see what this award has done for each of them.

I have seen shyness replaced by confidence, academic potential replaced by academic success, and apathy replaced by a desire to learn.

Of course there have also been the students that were already on the right path, who now have an incentive to remain there.

An added gift is the endless support given the recipients from their schools, families, friends and community leaders. There's nothing more beneficial to a child than knowing that people are proud of them. It is so true that it "takes a village" to properly raise a child.

A Wall of Fame now exists in my classroom. It lists the names of all my American Dream Challenge Scholarship winners. These students serve as role models to my present students, thus continuing the cycle of hopes and dreams for all.

Who would have believed that children so young could dream such dreams?

I can assure you that they do, and they need us to help make them come true.

[From the Durfee Hilltop, Apr. 2, 2000]

### FOURTH GRADERS WIN THE AMERICAN DREAM SCHOLARSHIP

(By Renee Tessier)

"Children are the future; teach them well and let them lead the way." A line from a popular song in the 80's, and also a good summary of the message sent by Dr. Irving Fradkin at the ceremony last Sunday held for the 7th annual American Dream Challenge awards.

Students in the fourth grade from the Fall River Public, Catholic, and Charter schools attended an awards ceremony on Sunday, April 2nd to receive a scholarship certificate and congratulations for a job well done. These students, who are only 9 and 10 years old, were challenged with the task of writing a one page essay on "Why I'm going to be a better American because of my education." Each class of fourth graders sent three or four essays chosen by their teacher to be entered into the contest. Then, one essay from each class was picked by a panel of judges. Each student received a $100 scholarship which will be issued after high school graduation and can only be redeemed for the purposes of a higher education. They can also expand their scholarship by entering the American Dream Challenge Essay Contest again in the 6th, 8th, and 10th grades. If all contests are won, a student can earn up to $1,000.

The kids also helped in recognizing their teachers for their help. Proclaimed as "Unsung Heroes," Dr. Fradkin and Senator Joan Menard congratulated teachers and principals for helping in the up bringing of such fine young people, and thanked them for their commitment to the students. Dr. Fradkin is quoted as saying, "Without teachers, we wouldn't have a successful country."

To further emphasize the importance of education, adult sponsors who made a difference in the Fall River area wrote essays of their own.

They wrote on the subject of their own lives and how education made them what they are today. Senator Menard, Mayor Lambert, and Reverend Lawrence were just a few of the participating sponsors.

Every student was set up with a sponsor and they traded essays.

The hope was that not only would the student learn from the adult, but that the adult would also learn from the student.

The students were also able to hear the point of view of Dr. Odete Amarelo, a cochair person for the contest, and Dr. Peter Gibbons of Harvard University.

Dr. Amarelo compared a child's negative point of view to a pair of "wrong prescription" glasses.

She explained that sometimes kids look at things in a negative way and don't see the whole picture. They need to learn to believe in themselves. "All you need is to find the right lenses."

Dr. Gibbons, who was inspired by Fall River to write a book about local heroes, explained the importance of having heroes and teachers.

Someone to look up to is something every child needs. "Everyone needs a coach, a teacher, a hero."

Leaving with knowledge that "they can do anything in this world" given to them by Senator Menard, the kids look like they are well on their way to bright futures.

Hopefully they will continue their education as far as they are allowed and were inspired by the people that worked so hard for their benefit.

The "Scholarship City" is the birthplace of a phenomenon: mentors and students coming together to improve education around the country.

The influence of these inspired people giving back to the community is just the start of a new wave of greatness that will in turn create a better future for us all.

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## PERSONAL EXPLANATION

### HON. CHARLES H. TAYLOR

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. TAYLOR of North Carolina. Mr. Speaker, due to flight delays, I was unavoidably detained in North Carolina yesterday and unable to cast a vote on rollcall votes 373 through 378. Had I been present, I would have voted "yea" on rollcall vote 373, "yea" on rollcall vote 374, "yea" on rollcall vote 375, "no" on rollcall vote 376, "yea" on rollcall vote 377, and "no" on rollcall vote 378.

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## THE PASSING OF A GREAT PUBLIC SERVANT: JAMES C. KIRIE

### HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. HYDE. Mr. Speaker, on June 19th of this year my dear friend James C. Kirie died. He was 89 years old and had lived a full and productive life of service to his community, his State and Nation.

The Chicago Sun-Times printed the following article about Jim's life:

[From the Chicago Sun-Times, June 20, 2000]

### JAMES KIRIE: FIRST HELD OFFICE AT 21

(By Curtis Lawrence)

For nearly 70 years, Leyden Township Democratic Committeeman James C. Kirie did what was seemingly the only thing he knew to do—commit his life to public service.

"If I had my life to do over again, and I was to weigh my life against being in politics or not being in politics, I think I would do exactly what I did," Mr. Kirie once told the late University of Illinois at Chicago Professor Milton Rakove.

Mr. Kirie died Monday morning at Evanston Hospital, two weeks after he was stricken by a heart attack. He was 89.

The son of Greek immigrants, Mr. Kirie dropped out of high school to work in his family's River Grove restaurant. During the Great Depression, he resumed his education and graduated from Leyden High School, then later enrolled at Elmhurst College.

Seeking a way to earn money for tuition, Mr. Kirie applied to run for village clerk in River Grove. He was nominated and elected in 1932.

"I was only 20 and had to wait until my 21st birthday to take office," he told Sun-Times columnist Steve Neal in 1991. "If I hadn't needed a job to pay for my college expenses, I doubt if I would have entered politics."

In addition to his position as the Democratic committeeman, he was the president of the 25th Avenue Building Corporation, and was investment officer of the Cook County Circuit Court clerk when he died.

During the 1930s, Mr. Kirie fought organized crime by closing down brothels and gambling establishments. After the Japanese attack on Pearl Harbor, Mr. Kirie was among the first elected officials to enlist in the Army. He took part in the Normandy invasion.

In the 1950s, after testifying before a U.S. Senate rackets committee, Mr. Kirie's home and the restaurant he owned were bombed. He later sponsored legislation for a state wiretapping law.

Mr. Kirie was slated for the Metropolitan Sanitary District, now the Metropolitan Water Reclamation District, in 1970. He served three six-year terms.

He was a major sponsor of the metro Chicago's Deep Tunnel project. In 1991, the water reclamation plant in Des Plaines was named in his honor.

Mr. Kirie is survived by two daughters, Barbara Kirie Stewart and Circuit Court Judge Dorothy Kirie Kinnaird, and two grandchildren, James Burke Kinnaird and Katherine Anne Kirie Kinnaird.

Mr. Speaker, Jim will be missed by his loving family and by his countless friends and admirers, among whom I am proud to count myself.

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## PERSONAL EXPLANATION

### HON. JAMES H. MALONEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. MALONEY of Connecticut. Mr. Speaker, I was detained during rollcall vote #373. Had I been present I would have voted "No" on roll call #373.

I was detained during rollcall vote #374. Had I been present I would have voted "No".

I was detained during rollcall vote #375. Had I been present I would have voted "Yes".

I was detained during rollcall vote #376. Had I been present I would have voted "No".

I was detained during rollcall vote #377. Had I been present I would have voted "Yes".

I was detained during rollcall vote #378. Had I been present I would have voted "No".

In each case, my vote would have been on the prevailing side.

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## PERSONAL EXPLANATION

### HON. CHARLES W. "CHIP" PICKERING

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. PICKERING. Mr. Speaker, I was unavoidably detained and missed the following Rollcall Votes.

(1) Rollcall Vote Number 320, H.R. 4690. Had I been present, I would have voted "no".

(2) Rollcall Vote Number 321, H.R. 4690. Had I been present, I would have voted "no".

## PERSONAL EXPLANATION

### HON. SAXBY CHAMBLISS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. CHAMBLISS. Mr. Speaker, on Monday, July 10, 2000, I was unavoidably detained due to inclement weather and therefore unable to be present and to cast votes. Had I been present, I would have voted "yea" on rollcall vote 373, "no" on rollcall vote 374, "yea" on rollcall 375, "no" on rollcall vote 376, "yea" on rollcall vote 377, and "no" on rollcall vote 378.

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## PERSONAL EXPLANATION

### HON. SUE WILKINS MYRICK

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mrs. MYRICK. Mr. Speaker, due to the weather, I was unavoidably detained during the following votes. If I had been present, I would have voted as follows:

Rollcall vote 373, on the Coburn amendment to H.R. 4461, I would have voted yea.

Rollcall vote 374, on the Royce amendment to H.R. 4461, I would have voted yea.

Rollcall vote 375, on the Crowley amendment to H.R. 4461, I would have voted yea.

Rollcall vote 376, on the Royce amendment to H.R. 4461, I would have voted yea.

Rollcall vote 377, on the Coburn amendment to H.R. 4461, I would have voted yea.

Rollcall vote 378, on the Sanford amendment to H.R. 4461, I would have voted yea.

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## MOBILE TELECOMMUNICATIONS SOURCING ACT

### HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Ms. ESHOO. Mr. Speaker, I rise in favor of H.R. 4391, the Mobile Telecommunications Sourcing Act. This legislation simplifies and modernizes a confusing web of contradictory tax codes involving wireless communications primarily by giving a common locus for taxation purposes.

It is the result of the outstanding work by state and local government representatives, in conjunction with members of the telecommunications industry. It will reform confusing tax laws involving the state and local taxation of wireless phone services. While I regret that the Commerce Committee did not have a more active role in this floor discussion, I am pleased that this legislation creates a uniform procedure for deciding where wireless services occur for purposes of taxation.

The representatives from state and local governments along with members of the telecommunications industry should be complimented for the work they have done in helping to develop this legislation. They were faced with many of the same issues that confronted the Advisory Commission on Electronic Commerce—numerous conflicting tax jurisdictions, strong industry interests, state and local revenue needs. Yet, after two years of extensive discussions and negotiations, these groups were able to come together and resolve the problem—whereas the ACEC failed to reach a similar consensus on Internet taxation.

Mr. Speaker, I hope the various groups who seek to solve the Internet tax issues will see that good legislation that solves complicated fiscal issues can be accomplished with hard work and good faith efforts. The legislation before us today shows that a solution is possible which is acceptable to both members of the industry and taxing authorities—and which benefits the consumer.

I urge a strong "yes" vote on this legislation and I hope it will serve as a model for addressing similar issues in the future.

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## DECLARE INDIA A TERRORIST STATE

### HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. TOWNS. Mr. Speaker, on June 28, the Washington Times published an excellent letter from our friend Dr. Gurmit Singh Aulakh, President of the Council of Khalistan, calling for strong action to end religious persecution in India.

The letter cited the recent incident in which a Hindu woman poured boiling oil on militant Hindu fundamentalists who were attacking her tenant, a Catholic priest. The Hindu nationalists who carried out this attack are allies of the ruling BJP. It also refers to several other incidents, including the recent savage beating of some Christian missionaries, one so severely that he might lose his arms and legs.

The letter also made reference to a letter send by 21 members of this House in which we asked the President to declare India a terrorist state because of its reign of terror against Christians which has been going in full force since Christmas 1998, as well as its oppression of Sikhs, Muslims, and other minorities. Unfortunately, Mr. Speaker, it is not safe to be a minority in India.

India should be declared a terrorist state, its aid should be stopped, and the Sikhs of Khalistan, the Muslims of Kashmir, the Christians of Nagaland, and the other minorities of the subcontinent should enjoy self-determination. It is the responsibility of the Congress to speak out in support of these things.

I submit Dr. Aulakh's letter to the Washington Times for the RECORD.

[From the Washington Times, June 28, 2000]

#### OPPRESSION OF CHRISTIANS CONTINUES IN INDIA

(By Gurmit Singh Aulakh)

We commend the Hindu woman who poured boiling oil on militant Hindu fundamentalists who were attacking her tenant, a Catholic priest ("Hindu woman protects Christian priest," World, June 25). This is an act of religious tolerance, which is very rare in India these days.

Last week, a bipartisan group of 21 members of the U.S. Congress wrote to President Clinton asking him to declare India a terrorist state because of its oppression of Christians and religious minorities. They took note of the pattern of violence against Christians that has been going on since Christmas 1998.

Last month, four Christian missionaries who were distributing Bibles and religious pamphlets were beaten severely by militant Hindu fundamentalists. The beating was so severe that one of the victims may lose his arms and legs. In April, Hindu fundamentalists affiliated with the Rashtriya Swayamsevak Sangh, a pro-fascist organization that is the parent organization of the ruling Bharatiya Janta Party (BJP), attacked a Christian group and burned biblical literature. In March, a Sikh family saved a group of nuns whose convent had come under attack from Hindu fundamentalists. On Easter, a group of nuns who were going to Easter services were run down by Hindu fundamentalists on motor scooters.

Churches have been burned, prayer halls and Christian schools have been destroyed, nuns have been raped, and priests have been murdered by the militant Hindu nationalists advocating "Hindutva," a Hindu culture, society and nation. Hindu fundamentalists chanting "Victory to hannuman," a Hindu god, burned missionary Graham Staines and his two sons, ages 8 and 10, to death while they slept in their Jeep. The Indian government, led by the Hindu nationalist BJP, has not taken action to punish the persons responsible for any of these atrocities.

Christians are the primary targets of the militant Hindu nationalists, but they are not the only ones who are suffering. In March, 35 Sikhs were murdered in the village of Chithi Singhpora in Kashmir. India promptly blamed Kashmiri "militants" and killed five Kashmiris, claiming that they were responsible. However, two independent investigations have established clearly that the Indian government's counterinsurgency forces carried out this massacre. India has since admitted that the five Kashmiris the government killed were innocent.

The Sikhs who were murdered in Chithi Singhpora join more than 250,000 Sikhs who have been murdered by the Indian government, according to "The Politics of Genocide," by Inderjit Singh Jaijee. In addition, the Indian government has killed more than 200,000 Christians in Nagaland, more than 70,000 Kashmiri Muslims and tens of thousands of Assamese, Manipuris, Tamils, Dalits (the dark-skinned "untouchables," the aboriginal people of South Asia) and others. Tens of thousands of Sikhs are rotting in Indian jails as political prisoners without charge or trial.

This is nothing less than a campaign of terror designed to wipe out minority peoples and nations from the Indian subcontinent and achieve hegemony in South Asia. The United States should declare India a terrorist state because of these ongoing atrocities. It also should cut off American aid and trade to India and openly declare its support for self-determination for the minority peoples and nations of South Asia through an internationally supervised plebiscite on the question of independence. If India wants to be seen as a democratic nation and a major world power, it will stop its reign of terror against its minorities and allow them to exercise their democratic rights. Until then, America must hold India's feet to the fire.

## PERSONAL EXPLANATION

## HON. KEN LUCAS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. LUCAS of Kentucky. Mr. Speaker, because of unexpected storms, my airplane was delayed and I was unable to make the first two rollcall votes on Monday, July 10.

Had I been present, I would have voted "aye" on rollcall vote number 373 and "nay" on rollcall vote number 374.

## PERSONAL EXPLANATION

## HON. JOHN S. TANNER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. TANNER. Mr. Speaker, last night my plane, Northwest Flight #858, was delayed in Memphis and I missed Rollcall votes 373–378. If I had been present, I would have voted as follows: Coburn—Roll Call Vote 373—No; Royce—Roll Call Vote 374—No; Crowley—Roll Call Vote 375—Yes; Royce—Roll Call Vote 376—No; Coburn—Roll Call Vote 377—Yes; and Sanford—Roll Call Vote 378—No.

## PERSONNAL EXPLANATION

## HON. BARBARA LEE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Ms. LEE. Mr. Speaker, on rollcall no. 373, Coburn amendment—no; 374, Royce amendment—no; 375, Crowley amendment—yes; 376, Chabot amendment—no; 377, Coburn amendment—yes; and 378, Sanford amendment—no.

## AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

SPEECH OF

## HON. LOUISE McINTOSH SLAUGHTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 10, 2000*

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4461) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2001, and for other purposes:

Ms. SLAUGHTER. Mr. Chairman, I rise in strong support of the Brown-Waxman-Slaughter amendment. My generation remembers all too clearly the scourge of infectious diseases. When we were children, surviving to adolescence could be a major challenge. Children ran a gauntlet of potentially fatal diseases against which doctors had few, if any, effective weapons—influenza, pneumonia, measles, and tuberculosis, to name just a few. For some of us, we relived those fears again with our children. I know that with my three daughters, I breathed a sigh of relief when each summer ended and they had again escaped contracting polio.

With the discovery of antibiotics, the world of health and medicine was transformed. Antibiotics were nothing short of a miracle. Just a few doses could banish these terrifying diseases from our and our children's lives, allowing the nation to become dramatically healthier in the space of scarcely a decade. Modern medicine had triumphed over disease, relegating these terrors to the medical history books.

Or so we thought. Today we know differently. Infectious disease microorganisms have evolved over millennia, and they can be ingenious in ensuring their own survival. The advent of antibiotics dealt them a setback, but only a temporary one. After only a few decades these microbes are showing us just how quickly they can adapt and render themselves impervious to some or all of the antibiotics in our health care arsenal.

As a former microbiologist, I am keenly aware of the critical challenge posed by antimicrobial resistance. In fact, I wrote my master's thesis on the misuse of penicillin. Many factors are currently contributing to antimicrobial resistance: overprescription of antibiotics, individuals' failure to take all their medication, lack of handwashing and proper hygiene, and the increased ability of people—and therefore microbes—to travel around the globe quickly. Just as this problem is multi-faceted, so must any solution be.

This amendment seeks to address one critical component of that problem: the use of antibiotics to boost livestock growth and production. Decades ago, farmers discovered that the use of antibiotics at very low levels caused animals to grow faster and bigger. The amount of antibiotics used were too low to have any value in killing off infections in the animals. Over time, the practice of feeding antibiotics to livestock at "subtherapeutic" levels has become a common tool in the agriculture industry.

Unfortunately, this practice appears to be having an insidious side effect. Preliminary studies indicate that the bacteria in livestock may be developing an immunity to certain antibiotics as they are consistently exposed to these drugs at low levels. As the old saying goes, that which does not kill them makes them stronger.

This amendment would shift a very modest amount of funds within the Food and Drug Administration budget to the FDA's Center for Veterinary Medicine. With this funding, the Center could move more quickly on its top priority, assessing and preventing the growth of antimicrobial resistance related to livestock husbandry practices.

We must take action if we expect antibiotics to continue being effective in treating human ailments. None of us want to return to a day when a bout of pneumonia could easily mean a death sentence for one's child or parent. I urge my colleagues to support the Brown-Waxman-Slaughter amendment.

## PERSONAL EXPLANATION

## HON. WILLIAM L. JENKINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. JENKINS. Mr. Speaker, as a result of inclement weather delaying my arrival to Washington, I was not present for rollcall votes 373, 374, and 375. Had I been present, I would have voted "aye" on No. 373, "no" on No. 374, and "aye" on No. 375.

## PERSONAL EXPLANATION

## HON. VITO FOSSELLA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. FOSSELLA. Mr. Speaker, I am not recorded on rollcall numbers 373, 375, 376, 377, and 378. I was unavoidably detained due to inclement weather, and therefore, was not present to vote. Had I been present, I would have voted "yes" on 373, "yes" on 375, "no" on 376, "yes" on 377, and "no" on 378.

## IMF LOANS TO RUSSIA: WHAT HAVE THEY REALLY SUPPORTED?

## HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. GILMAN. Mr. Speaker, I would like to bring to the attention of my colleagues an op-ed article published in the "Wall Street Journal Europe" on June 8th by Mr. Boris Fedorov, a former Finance Minister in the government of the Russian Federation.

This article, entitled "No More 'Help' for Russia, Please," paints a dismal picture of what has really been accomplished in Russia after the extension of more than $20 billion in low-cost loans to the Russian government by the International Monetary Fund. Average Russians have been disappointed and angered by what they see as the IMF's complicity in the vast corruption that has afflicted their country over the past decade. The Russian economy, propped up temporarily by a devaluation of the currency and the recent rise in oil prices, is marred by extensive poverty. Heathcare, education systems, highways deterioration.

What has happened to the $20 billion that the IMF has lent the Russian government over the past few years? Why has the Russian government failed, time and again, to meet its fiscal obligations to its own people, despite those IMF loans and the outright assistance provided to that government by the United States and other aid donors?

For one thing, the Russian government still insists on financing a "superpower-sized army and bureaucracy" that it cannot afford, as Mr. Fedorov states, and the rampant corruption in Russian government and industry is another important cause of the fiscal nightmare in that country. But Mr. Fedorov also points out the most important reason in the following words: “Indeed, the pattern since Mikhail Gorbachev's time is unmistakable: reform talk followed by loans to underwrite reforms, followed by a collapse of the reform plans, followed by debt restructuring, more talk of reforms, more loans and so on. When lack of reforms is remunerated with new loans and debt write-offs, when the worst abusers of the current system live nicely off the spoils of what is effectively thievery . . . one starts having doubts about the message we get from the democracies of the West.”

Mr. Speaker, I strongly recommend this important article to those of our colleagues who are seeking to better understand just what has gone wrong in our policy toward Russia over the past decade. I submit the full text of Fedorov article be inserted at this point in the RECORD:

[From the Wall Street Journal Europe, June 8, 2000]

### NO MORE "HELP" FOR RUSSIA, PLEASE

(By Boris Fedorov, former Finance Minister of Russia)

For the last 10 years, the debate about Western assistance to Russia has revolved, superficially, around the question "to give or not to give." Despite all evidence to the contrary, the answer is always "to give" because this is seen as helping Russia. Thus for a decade. Russia is regularly dispensed a drug which never cures but keeps the patient in a vegetative state. And the drug habit is growing.

Who are the quacks? The list of names is familiar. The Clinton Treasury, the G-7, Michel Camdessus' IMF. Just days ago in Moscow, President Clinton reiterated his support for new loans to Russia. And U.S. Vice President Al Gore claims that Russia is a foreign policy victory. Why? Apparently because the current Russian government has released the country's umpteenth economic plan, which is considered to be "good." Other people are naturally well-intended. Still others think that it is worth a billion per year to keep Russia quiet in military terms.

But the results are dismal. More Russians are anti-Western today than a decade ago. Russia is economically weaker than 10 years ago after all the IMF-sponsored reforms. We have more corruption and poverty than under communism, and too many citizens want to return to a time they see as having offered them a better life. The questions are, what have loans done for Russia and does the country really need new loans now?

The roughly $20 billion pumped into the Russian budget over the last decade have, in fact, had no positive effect whatsoever. This is not surprising, given the black-hole nature of the Russian budget. Money, being fungible, was misspent and ended up in the hands of a few well-connected people and in Western banks. Russian citizens definitely did not benefit from this "assistance," judging by the pitiful state of healthcare, education, public security, roads and nearly every other public sector sphere.

#### TRADE SURPLUS

A country rich in natural resources with a trade surplus of $4 to $5 billion a month (not counting capital flight of similar proportions) does not really need IMF money. I've heard some argue that the loans to Russia were to small to have made much of a difference in any case. The IMF, they claim, may have acted cravenly in seeking to cover its own exposed positions by throwing good money after bad, but the loans were at worst wasteful, not harmful. They are wrong.

This view misses the corrosive impact that an IMF imprimatur had on government officials, the formulation of their economic plan and on international credit markets, which figured the IMF would assume a lender-of-last-resort function—in other words, the moral hazard that was created. An economic system in which corporate assets are routinely stolen, investors ripped off and the creditors deceived has been built with the help of Mr. Clinton and the IMF. This is a system that no Western politician would dare to advocate for his own country. Why do you impose it on us by underwriting it with your taxpayers' money?

We hear often these days about the booming Russian economy, cited as evidence of the success of Western policies toward Russia. The Clinton administration and IMF speak glowingly about how a new, democratically elected president has adopted an economic program that is much more liberal than its predecessors, and thus deserves more support. The new Russian government, however, is operating under a false sense of security, which is very much encouraged by the favorable remarks of Mr. Clinton and other Western leaders.

On closer examination, however, the new optimism about the economy is no more firmly grounded than it has been in the past. Economic growth is still behind pre-reform levels, and in large measure is due to higher commodity prices rather than an increase of investment and value added in the economy. Higher tax revenues are also cited as a sign that wealth is expanding. But revenues are actually lower in dollar terms. The government also cites better budget discipline, but this too is illusory, since much of the drastically depreciated expenditure was not indexed. There are more U.S. dollars under the mattresses of our citizens than the overall ruble money supply of Russia.

Is the Russian economy really reformed? Is productivity higher and corruption lower? Are structural reforms in progress? Does anybody believe that a country with an annual federal budget of $25 billion (less than America spends on its prisons) can really maintain a superpower-size army and bureaucracy?

The false sense of achievement and the new prosperity comes largely from the effects of the 1998 ruble devaluation combined with a high oil price. It has very little to do with economic reform. And still Mr. Clinton is in a hurry to say that America will support IMF loans to Russia because the economic plan of the current government merits that support.

I am not saying that the Putin government's pronouncements on economic policy are bad. In fact, I am encouraged by much of what I hear. But I remember too well how past economic programs also featured liberal and enlightened reform plans that were later shelved in favor of the status quo.

#### SWEPT UNDER THE CARPET

Indeed, the pattern since Mikhail Gorbachev's time is unmistakable: reform talk followed by loans to underwrite reforms, followed by a collapse of the reform plans, followed by debt restructuring, more talk of reforms, more loans and so on. When lack of reforms is remunerated with new loans and debt write-offs, when the worst abusers of the current system live nicely off the spoils of what is effectively thievery—if not in legal terms since Russian law is inadequate—one starts having doubts about the message we get from the democracies of the West. Why reform anything in Russia if another IMF loan shipment is on the way and past scandals can be swept under the carpet?

I personally think that Mr. Putin should be given the benefit of the doubt. He cannot be blamed for past failures. Many of the ideas he has voiced have much in them. But only he can really change the course of events, and so far meaningful actions have been few. We do not know the full economic plan of the government. The jury is still out.

Rather than repeat the mistakes of the past, my recommendations for the West are simple. First, do not grant Russia concessions, but rather apply the rules as you would to any country. Western capital should flow to the private sector, not to the government. Only this will help to change the country, create jobs and increase efficiency. Second, money should be spent where it brings genuine return and where it will generate the kind of goód-will that makes reform and democracy self-sustaining.

I imagine what might have been if that $20 billion in IMF money been spent on providing full time education for 200,000 Russian students in the West. My guess is that we would be living in a different country today.

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## TRIBUTE TO THE HONORABLE JOSEPH H. RODRIGUEZ

## HON. ROBERT E. ANDREWS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. ANDREWS. Mr. Speaker, I submit the following proclamation for the RECORD.

### CONGRESSIONAL COMMENDATION

HON. ROBERT E. ANDREWS, U.S. HOUSE OF REPRESENTATIVES, FIRST DISTRICT, NEW JERSEY

Whereas, The Rutgers University School of Law-Camden, New Jersey and the First Congressional District of New Jersey commend and honor the Honorable Joseph H. Rodriguez for 15 years of distinguished service on the federal bench; and Whereas, United States District Court Judge Joseph H. Rodriguez embarked on his distinguished legal career immediately after graduating from Rutgers University School of Law where he was admitted to practice law and became a member of the bar of the State of New Jersey; and Whereas, in 1985, the President of the United States of America, President Ronald Reagan, nominated Judge Rodriguez to the federal bench in Camden, New Jersey where he has continued to establish a standard of excellence in the legal profession; and Whereas, over his distinguished legal career, Judge Rodriguez has received numerous awards recognizing him for his accomplishments which include his induction into the Rutgers University Hall of Distinguished Alumni in 1996; and Whereas, this Member of the 106th Congress recognizes Judge Rodriguez for his outstanding contributions to the legal profession where everyday of his legal career he has continued to render legal decisions fairly and upheld the law always in the interest of justice; and Whereas, Judge Rodriguez's exceptional achievements and constant efforts to create a positive difference throughout our communities serves as an inspiration for the legal profession and for the citizens of the United States of America.

Now therefore, Be it Known that the undersigned Member of the United States Congress, the Honorable Robert E. Andrews of the First Congressional District of New Jersey hereby commends and congratulates United States District Court Judge Joseph H. Rodriguez as he is recognized as the "Gentleman Judge" by Rutgers University School of Law for his outstanding accomplishments, and in honor of his legal achievements, hereby officially proclaims today, Wednesday, June 7, 2000 to be the Honorable Joseph H. Rodriguez Day throughout the First Congressional District of New Jersey.

## AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

SPEECH OF

### HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 10, 2000*

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4461) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2001, and for other purposes:

Mrs. ROUKEMA. Mr. Chairman, this amendment would have eliminated funding for a proposed pilot program for non-needs based school breakfast pilot program.

Mr. Speaker, I am a strong supporter of child nutrition programs for needy families. There is undeniable proof that kids who start the day with a good breakfast learn the best. My record shows that I have supported school breakfast and school lunch, not to mention WIC. We must make sure that all appropriate and necessary funds are given to these important programs to help the nutritional needs of needy children and families.

Part of being a fiscal conservative is setting priority for important programs. School breakfast programs for needy children must remain a high priority.

## CONGRATULATING MAJOR LEAGUE BASEBALL YEAR 2000 ALL-STAR GAME

### HON. CARLOS A. ROMERO-BARCELÓ

OF PUERTO RICO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. ROMERO-BARCELÓ. Mr. Speaker, I would like to take a moment to congratulate the participants in tonight's Major League Baseball All-Star game. Each summer, the fans of our nation's pastime look forward to this game, which brings together the brightest stars of the sport. True to the American spirit, the starting line-ups for the game are selected by the millions of fans who follow the sport and take the time to choose the most deserving players to start at each position.

I want to note with special pride that seven of the players participating in tonight's game are Puerto Ricans. These players are Roberto Alomar of the Cleveland Indians, Carlos Delgado of the Toronto Blue Jays, Edgar Martinez of the Seattle Mariners, Jorge Posada and Bernie Williams of the New York Yankees, Jose Vidro of the Montreal Expos, and Ivan Rodriguez of the Texas Rangers, who was the leading vote recipient in the All Star balloting. I know I speak for all the U.S. citizens of Puerto Rico in expressing our great pride in the accomplishments of these players. That our island of 3.8 million people could produce such a large proportion of the players on the All-Star teams shows how strongly Puerto Ricans have embraced our national pastime.

In the spirit of the All Star game, I would be remiss if I did not take a moment to mention Roberto Clemente, the greatest of all the Puerto Rican All-Stars. Mr. Clemente is one of 20 legendary baseball players being honored in a new series of commemorative postage stamps, which were officially dedicated last week in conjunction with All Star Week.

Mr. Clemente is known in baseball circles as the first Hispanic-American selected to the Hall of Fame. But he will be remembered as much for his great humanitarian spirit as he is for his considerable baseball skills. Many of us will never forget that tragic day 28 years ago when Mr. Clemente lost his life in a plane accident while he was participating in a mission to aid victims of a devastating earthquake in Nicaragua.

Mr. Clemente's legacy has influenced an entire generation of baseball players in Puerto Rico, just as future generations of players will be inspired by the All-Stars participating in tonight's game.

Congratulations to all the players in the 2000 All-Star Game.

## AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

SPEECH OF

### HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 10, 2000*

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4461) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2001, and for other purposes:

Mrs. MALONEY of New York. Mr. Chairman, I rise today against this amendment which will prohibit the FDA from testing, developing, or approving any drug that could cause an abortion.

I often come to the House floor to note that this would be the 147th vote on choice since the beginning of the 104th Congress. But this vote is about so much more than abortion. It is truly a chilling attack on biomedical research.

We are legislators, we are not scientists. Political mandates have no place in interfering with the FDA's sound and rigorous scientific drug approval process..

Approval of this amendment would be the beginning of a slippery slope where some Members of Congress hold the health of all Americans hostage. Allowing Congress to dictate which drugs the FDA can and cannot test could halt the process of testing drugs that have nothing to do with abortion.

The target of this amendment, mifepristone or RU–486, has potential uses for the treatment of breast cancer, endometriosis, and even glaucoma. In fact, this kind of drug—an antiprogestin—was originally being developed for its cancer treatment potential.

I tell you, if RU–486 was only a cancer treatment, this researcher would have won a Nobel prize, and I bet the drug would already have been approved. Instead, because of its pregnancy disruption use, the drug has been held hostage by the right wing.

If this amendment passes, it would prevent further testing of drugs such as mifepristone that have the potential to treat millions of Americans for other medical conditions.

Delaying this drug is not an option. Think of what this will do to women with fibroid tumors. Think of what this will do to seniors with glaucoma. Think of what this will do to people with brain tumors.

And even worse, there is a very dangerous precedent being set today. Even those who disagree about whether RU–486 should or should not be approved, should be highly concerned by the precedent being set by this outrageous amendment.

Congress established the Food and Drug Administration to be an independent agency to test and approve drugs and devices. We should allow them to do their work without interference from the Congress. Science, not abortion politics, should dictate the type of drugs the FDA tests.

I strongly urge a "no" vote on this amendment.

## AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

SPEECH OF

### HON. DAN MILLER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, June 29, 1999*

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4461) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2001, and for other purposes:

Mr. MILLER of Florida. Mr. Chairman, I was prepared to offer four amendments to this agriculture appropriations bill to highlight the absurdity of the US sugar program.

On Thursday, this Congress debated an amendment that would have limited the fleecing of taxpayers by the sugar program to $54 million. However, a point of order technically prevented a vote on that matter.

I did not proceed with the other three amendments in the interest of comity to move the legislative business of the House. However, I also did not offer because it became apparent that the defenders of the sugar program do not want to clear debate on the merits of the US sugar policy, they want to muddy the waters about what this sugar program is doing to consumers.

For example, as you look at the arguments of the defenders of the sugar program, they say that the price of sugar has gone down but the costs of soda has not. That is like saying the cost of sugar has gone down but the costs of cars have not. Sodas made in the United States do not use Sugar! Read, the label, they use high fructose corn sweeteners. They have not used sugar in the US for a while because the sugar prices are so high. They do use sugar in sodas in countries like Mexico. I am both deeply disappointed and slightly amused that the defenders of the sugar program continue to use "soda" in their arguments.

Another area of their attack is that this General Accounting Office study which revealed a consumer cost of $1.9 billion is flawed. They say the USDA even thinks their analysis is flawed. Well let's look at the real facts. The GAO said they were going to do this study. They solicited input from the USDA for help in developing a model. USDA refused. The GAO got independent economic experts to come up with a sound consensus model to gauge the costs. They asked USDA for comment about it, USDA refused. Instead, what USDA has done, is engage in 20/20 hindsight without helping the process. I am very frustrated by the blatant politics by the USDA and would hope they would be more helpful to future efforts. The GAO is a non-partisan fact finding agency. They carefully researched this program for months, they offered a chance to comment to interested parties including USDA and the sugar growers, they brought in outside academic experts and economists to review GAO's model. The fact remains that the GAO sent the economic model to USDA for review and USDA provided no substantive comments.

What my opponents would have everyone believe is that the carefully researched and inclusive report on sugar by the non-partisan, unbiased GAO is somehow flawed. But they would have you believe that the USDA, whose mismanagement of the program has already cost taxpayers $54 million this year and may costs up to $500 million by year's end, and the American Sugar Alliance whose members enjoy federal benefits of over $1 billion per year are the ones with the correct, unbiased opinion on the costs and impacts of the sugar program.

Furthermore, GAO has already responded to the criticisms they did receive in the appendix of this same report, and I would submit that portion of the report containing GAO's response for the record.

The negative environmental impacts of the federal sugar program are real, even though my colleagues on the other side of the debate choose to conveniently ignore this fact. Nowhere have these impacts been felt with such devastating effect as in my home state of Florida where federally subsidized sugar production has played a huge role in the destruction of the Everglades. I would like to submit for the record this letter from "The Everglades Trust" an environmental group concerned about the status and future of this American treasure. The Everglades Trust and other environmental groups recognize the sugar program's terrible environmental legacy and support efforts to reform the program.

Finally, I am amazed that the defenders of the sugar program fail to state why we can have a free market for corn, for cars, for toothpicks, for televisions, etc. but we can't have a free market for sugar. Their "sky is falling" logic only shows how desperate the big sugar growers are to preserve a program that costs consumers $1.9 billion a year, costs the taxpayers millions in direct spending, destroys the Everglades, sends US jobs overseas, and seriously undermines our free trade efforts.

I remain confident that this body will wake up and end the stupid sugar program, and submit the following into the RECORD.

THE EVERGLADES TRUST,
*Islamorada, FL, June 28, 2000.*

Hon. DAN MILLER,
*102 Cannon Building, Washington, DC.*

DEAR REPRESENTATIVE MILLER: When the FY 2001 Agriculture Appropriations legislation is considered by the House, we understand you will offer one or more amendments which involve the federal sugar program. We would strongly support an amendment to stop sugar purchases to boost market prices. By encouraging massive increases in sugar production in the Everglades Agricultural Area, the sugar program has caused immense damage to the Everglades. Boosting the already excessive market price for sugar will serve to make sugar's assault on the Everglades even worse. It is obvious, as the GAO has documented, that the sugar program forces consumers to pay far too much for sugar. To prop up sugar prices by huge purchases of sugar by the government is an outrageous use of Taxpayers' money and a continuation of the assault on America's Everglades.

Should you choose to offer an amendment to phase out or reform the existing sugar price support program, we would strongly endorse your effort. We believe the sugar program must be changed from the harmful price fixing scheme it is today. Congressman Miller, the sugar program has become a "welfare" program, and it is time to put a stop to it. We commend your courageous efforts to end a program which has cost the consumer and Taxpayers billions of wasted dollars and caused massive damage to the nation's Everglades.

Sincerely,

MARY BARLEY,
*President, The Everglades Trust.*

GAO COMMENTS

The following are GAO's comments on the American Sugar Alliance's (ASA) written response to our draft report dated May 5, 2000. Based on USDA and industry comments, we revised our model's final estimates to more fully account for certain transportation costs. As a result, cost and benefit estimates referenced in ASA's comments do not reflect those contained in the final report.

1. We disagree that the methodology used in our 1993 report on the sugar program was flawed. Nonetheless, we developed a more comprehensive economic model for our current analysis, and while we acknowledge that no economic model completely depicts reality, we are convinced that our current model is methodologically sound and that the estimates yielded by our model are reasonable. In developing the model, we took a number of actions to ensure that it was methodologically sound. First, we contracted with a well-known expert in modeling the international trade of agricultural commodities and with a prominent agricultural economist to work with us in developing the model. In December 1999, we sent our proposed model to four outside academicians specializing in agricultural economics and international trade economics and revised the model in response to their comments. We also sent our proposed model to USDA for review at that time. However, USDA did not provide any comments. Furthermore, we asked two of the agricultural economists to review our final model and results before we sent our draft report to USDA, ASA, and the U.S. Cane Sugar Refiners' Association for comment.

2. We disagree with ASA's assertion that our findings are based on comparisons with a meaningless world price. In estimating the costs and benefits of the sugar program, our model compared baseline domestic and world sugar prices with an estimate of the domestic and world prices that would have been observed if the sugar program had been eliminated, other things being equal. Regarding the extent to which cost reductions would be passed through to consumers in the absence of the sugar program, the report presents two estimates showing how the benefits might be distributed based on two different sets of pass-through assumptions. We did not predict the extent to which cost reductions would be passed through to final consumers. See comments 4 and 5.

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## COMMENDING STUDENTS OF THE WENONAH SCHOOL

### HON. ROBERT E. ANDREWS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. ANDREWS. Mr. Speaker, today I rise to praise 15 tremendous students in Mrs. Tracy Clemente's class at the Wenonah School. Mrs. Clemente's class has done a magnificent job of excelling in their school work. This is a splendid group of children and I wish the best of luck and continued success to Phillip Anzaldo, Ashley Archambo, Kevin Barnes, Daniel Barton, Nicholle, Cesarano, Ashley Cuthbert, Davied D'Alesandro, Christopher Goldhill, Chloe Grigri, Shane McHenry, Stephen McNally, Drew Peters, Edgar Seibert, Rachel Sole, and Matthew Thompson.

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## HONORING THE 1999 GOVERNOR'S EMPLOYEE RECOGNITION PROGRAM AWARD WINNERS

### HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. UNDERWOOD. Mr. Speaker, the governor of Guam, Carl T.C. Gutierrez, acknowledges the hard work of government of Guam employees. The governor's employee recognition program, better known as the Excel Program, is the highest and most competitive employee awards bestowed by the governor—

showcasing outstanding employees and programs within the government of Guam.

Local governmental agencies and departments participate in this program wherein awardees are chosen within each department's nominees for a number of occupational groups. These groups range from clerical to labor and trades to professional and technical positions. The various awards reflect individual and group performance, valor, sports, community service, cost savings, and integrity.

My sincerest congratulations go to the awardees. I urge them to keep up the good work. I am pleased to submit for the RECORD the names of this year's outstanding employees.

OUTSTANDING EMPLOYEES AND PROGRAMS IN 1999

GOVERNOR'S EMPLOYEE RECOGNITION PROGRAM

The Winners for Outstanding Performance in 1999

*A. Inspiration and Encouragement*

Small Dept/Agency—Cynthia R. Gogo, Administrative Assistant, Department of Military Affairs.

Medium Dept/Agency—Mary P. Weakley, Social Service Supervisor, Department of Mental Health & Substance Abuse.

Large Dept/Agency—Beatrice Aquino, Accounting Technician II, Guam Memorial Hospital Authority.

*B. Silent Ones*

Small Dept/Agency—David J. Rojas, Compliance Officer, Guam Economic Development Authority.

Medium Dept/Agency—Pedro Lipata, Clerk, Department of Labor.

Large Dept/Agency—Evelyn G. Sepulia, Special Diet Assistant, Guam Memorial Hospital Authority.

*C. Community Service*

Alejandro T. B. Lizama, Historic Preservation Specialist II, Department of Parks & Recreation.

*D. Female Athlete of the Year*

Catherine Taitague, Youth Service Worker I, Department of Youth Affairs.

*E. Male Athlete of the Year*

Clifford M. Raphael, Utility Worker, Guam Power Authority.

*F. Sports Team of the Year*

Guam Customs Baseball Team, Customs and Quarantine Agency.

*G. Lifesaving*

Patrick B. Tydingco, Airport Police Supervisor, Guam International Airport Authority.

*H. Integrity*

Zennia Pecina, Assistant Administrator of Nursing Services, Guam Memorial Hospital Authority.

*I. Cost Savings/Innovative Idea*

Small Dept/Agency—Joe Leon Guerrero, Special Projects Coordinator, Department of Military Affairs.

Medium Dept/Agency—Jumpstart Program, Department of Youth Affairs.

*J. Recognition of Former Outstanding Employees*

Jose L. Gumataotao, Program Coordinator III, Department of Youth Affairs.

*K. Project/Program of the Year*

Small Dept/Agency—Defense and State Memorandum of Agreement (DSMOA)/CERCLA Program, Guam Environmental Protection Agency.

Medium Dept/Agency—Contraband Enforcement Team, Customs and Quarantine Agency.

Large Dept/Agency—Guam Highway Patrol, Guam Police Department.

*L. Unit of the Year*

Small Dept/Agency—Accounting Division, Guam Economic Development Agency.

Medium Dept/Agency—Community Social Development Unit, Department of Youth Affairs.

Large Dept/Agency—Building Construction and Facility Maintenance Division, Department of Public Works.

*M. Department of the Year*

Small Dept/Agency—Bureau of Planning, Guam Environmental Protection Agency.

Medium Dept/Agency—Department of Youth Affairs.

Large Dept/Agency—Guam Police Department.

*N. Employee of the Year*

Typing and Secretarial—Doreen S. Fernandez, Word Processing Secretary II, University of Guam.

Keypunch and Computer Operations—Norbert J. Palomo, Computer Operations Specialist, Guam Power Authority.

Office Management and Miscellaneous Administrative—Louisa F. Marquez, Administrative Assistant, Department of Public Works.

Personnel Administration, Equal Employment and Public Information—Vivian D. Iglesias, Personnel Specialist I, Guam Power Authority.

Computer Programming and Analysis—Joycelyn Aguon, Computer Systems Analyst I, Guam Housing & Urban Renewal Authority.

Employment Service and Related—Greg S. Massey, Employment Development Worker II, Department of Labor.

Youth Service & Related—Jose Quinata, Youth Service Worker I, Department of Youth Affairs.

Public Safety—Joseph S. Carbullido, Police Officer III, Guam Police Department.

Security and Correction—Joseph A. Torres, Guard, Department of Public Works.

Technical and Professional Engineering—Bruce Meno, Engineering Aide II, Guam Housing and Urban Renewal Authority.

Planning—Charles H. Ada II, Planner I, Department of Military Affairs.

Wildlife, Biology, Agriculture Science and Related—Anna Maria Leon Guerrero, Biologist I, Guam Environmental Protection Agency.

Nursing and Dental Hygiene—Rizalina Fernandez, Staff Nurse I, Guam Memorial Hospital Authority.

General Domestic and Food Service—Fred Balecha, Cook I, Guam Memorial Hospital Authority.

Custodial—Luisa Bainco, Building Custodian, University of Guam.

Labor, Grounds and Maintenance—Norbert J. Iriarte, Auto Service Worker I, Department of Public Works.

Equipment Operation and Related—Wayne D. San Nicolas, Cargo Checker, Port Authority of Guam.

Mechanical and Metal Trades—John R. Manibusan, Heavy Equipment Operator Leader I, Guam Power Authority.

Building Trades—Paul T. Cruz, Stage/Maintenance Technician, Guam Council on the Arts and Humanities Agency.

Power System Electrical—Anthony P. Cruz, Electric Power System Dispatcher II, Guam Power Authority.

Electronics and Related Technical—Vicente A. Aguero, Computer Technician Leader, Guam Power Authority.

*O. Supervisor of the Year*

General Clerical—Karen E. Guerrero, Acting Clerk Supervisor, Guam Police Department.

Business Regulatory—Claire L. Cruz, Programs and Compliance Officer, Guam Economic Development Authority.

Community and Social Services—Grace R. Taitano, Social Worker III, Department of Youth Affairs.

Compliance Inspection/Enforcement—Rafaelle MJ Sgambelluri, Customs & Quarantine Officer Supervisor, Customs & Quarantine Agency.

Custodial—Jesse K. Lujan, Building Custodial Supervisor, University of Guam.

Mechanical and Metal Trades—Vincent M. Palomo, Transportation Supervisor, Department of Public Works.

Building Trades—Patrick J. Sablan, Building Maintenance Supervisor, Port Authority of Guam.

*P. Manager of the Year*

Small Dept/Agency—Leigh Leilani Lujan, Industry Development Manager, Guam Economic Development Agency.

Medium Dept/Agency—Linda C. San Nicolas, Program Coordinator IV, Department of Labor.

Large Dept/Agency—Catherine C. Guzman, Chief Clinical Dietician, Guam Memorial Hospital Authority.

*Q. Merit Cup Leader Award*

The best of the best among the outstanding Supervisors & Managers of the Year—Rafaelle Sgambelluri, Customs & Quarantine Officer Supervisor, Customs & Quarantine Agency.

*R. Merit Cup Employee Award*

The best of the best among the outstanding Employees of the Year—Bruce Meno, Engineering Aide II, Guam Housing & Urban Renewal Authority; Jose Quinata, Youth Service Worker I, Department of Youth Affairs.

## PERSONAL EXPLANATION

### HON. JOHNNY ISAKSON

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. ISAKSON. Mr. Speaker, on rollcall No. 373, I would have voted "no", on rollcall No. 374, I would have voted "no", on rollcall No. 375, I would have voted "yes", on rollcall No. 376, I would have voted "no", on rollcall No. 377, I would have voted "yes", and on rollcall No. 378, I would have voted "no".

## PERSONAL EXPLANATION

### HON. HERBERT H. BATEMAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. BATEMAN. Mr. Speaker, I inadvertently missed recorded vote No. 375 on the Crowley amendment to H.R. 4461. Had I not done so, I would have voted "yea."

## PERSONAL EXPLANATION

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## HON. GENE TAYLOR

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. TAYLOR of Mississippi. Mr. Speaker, on the evening of Monday, July 10th, I was unavoidably detained because of inclement weather in Atlanta which caused the cancellation of my connecting flight from Mississippi to Washington, DC. Due to this circumstance, I missed rollcall votes 373 through 378. If I had been able to vote, I would have voted: "yea" on rollcall No. 373, "yea" on rollcall No. 374, "yea" on rollcall No. 375, "yea" on rollcall No. 376, "yea" on rollcall No. 377, and "nay" on rollcall No. 378.

# SENATE—*Wednesday, July 12, 2000*

The Senate met at 9:30 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

## PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

O God our Father, we thank You for the blessings of life. Help us to see them, to count them, and to remember them so that our lives may flow in ceaseless praise. Give us eyes to see the invisible movement of Your Spirit in people and in events. Assure us that You are present, working out Your purposes because You have plans for us. Focus our attention on the amazing way You work through people—arranging details, solving complexities, and bringing good out of whatever difficulties we commit to You. Help us to be expectant for Your serendipities, Your unusual acts of love in usual circumstances. Now we look forward to a great day filled with Your grace! You are our Lord and Saviour. Amen.

## PLEDGE OF ALLEGIANCE

The Honorable WAYNE ALLARD, a Senator from the State of Colorado, led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

## RESERVATION OF LEADER TIME

The PRESIDING OFFICER (Mr. ALLARD). Under the previous order, the leadership time is reserved.

## SCHEDULE

Mr. COVERDELL. Mr. President, on behalf of the leader, today the Senate will complete the final 2 hours of debate on the motion to proceed to the Death Tax Elimination Act. By previous consent, at 11:30 a.m. the Senate will begin a vote in relation to the Bennett amendment to the DOD authorization bill. Following the 11:30 a.m. vote, the Senate will resume consideration of the death tax legislation. However, if no agreement can be reached regarding its consideration, the Senate may resume the Interior appropriations bill. A finite list of amendments has been agreed to with respect to this bill and, therefore, votes could occur throughout the day in an effort to complete action on this important spending bill.

As a reminder, an agreement was reached regarding the DOD authorization bill, and it is hoped that the Senate can conclude that bill by the close of business today or first thing tomorrow morning. The leadership has announced that the Senate will consider and complete the reconciliation bill during this week's session.

I thank my colleagues for their attention.

## DEATH TAX ELIMINATION ACT—MOTION TO PROCEED

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of the motion to proceed to H.R. 8, which the clerk will report.

The legislative clerk read as follows:

> A motion to proceed to the bill (H.R. 8) to amend the Internal Revenue Code of 1986 to phase out the estate and gift taxes over a 10-year period.

The PRESIDING OFFICER. Under the previous order, there will now be 2 hours of debate.

The Senator from Georgia.

Mr. COVERDELL. Mr. President, this tax has been discussed at length over the last several years. Several years ago, we reduced some of the impact of this tax, but not much. This tax is among the most often raised issues when I am among constituents.

A number of people have said during the course of the debate that the tax does not affect many Americans. Statistically, that is accurate, it does not. Therein lies something very important for us to consider about this tax, and there is good news in this.

The fact is that while there are a limited number of Americans affected by it, the vast number of Americans, a huge majority, think it should be eliminated. Why is that? Why would a tax that is rather isolated cause a vast majority of Americans to want to do away with it? It is because Americans are still fair about these things, and they do not think this is a fair tax. They do not like the concept of any family working its entire life, building a business, and then the Government, which did not do much to make the business successful—if it was not in the way—tapping in saying: Now that belongs to us, not you who produced it, but us. They do not like that.

I suspect a lot of Americans contemplate there will be a time when they will have grown their business, and they know it is going to take years to do it and hard sweat and worry and anxiety. Then the idea that because the founder or the developers of that business had reached the end of their lives and it no longer belonged to that family, it is inconsistent with the way Americans think. They do not think it is fair, and they do not like it hanging over their heads.

I have always taken that as a sign of great news that Americans still hold a fundamental American value that it belonged to those who worked and earned it and that the Government ought not impose an egregious and unfair tax. Even if it does not affect me, I do not think it should happen. We should take heart from that because therein lies our ability to ultimately make the tax system more fair across the board. No one has much faith in it. They are cynical about it. They are paying the highest taxes they have ever paid. There is a latent desire to fix the system, and it shows itself vividly in the death tax, or the estate tax.

Another thing which causes me to want to see its elimination is I do not think it is imposed fairly. An undue burden, as with many taxes, falls on the small business person, the small business family, the reasonable size family farm or ranch. A lot of people who are ensnared by this tax do not even know it has hit them because their assets are in property or equipment of which they really do not know the total value. They get pushed over the edge. Suddenly, this reaper comes through and falls on this small family business, small family farm, or ranch.

It is devastating because you have to pay the tax in 9 months—I think that is correct—and those kinds of businesses and those kinds of farms do not have a huge cash account at some financial institution. The value in that estate is in land and equipment and goodwill.

So when the Government says: It is worth $4 million, and you owe us over $2 million. What are the family's options? Very limited. There is no $2 million. So the business has to be sold or half the farm has to be sold or broken up, components of it sold, so they can raise enough cash to pay this insatiable appetite in Washington, DC, to get hold of everybody's assets, which means the people who are employed by that business or farm are typically looking for another job; they are in a job line somewhere.

It is disruptive. It is not useful for the economy. It costs jobs. There are millions and millions of dollars spent by larger businesses, mostly, to avoid this; and to some extent they can, which is again why I say it is pushing this down on what we would call the small business or farm. They are taking the principal hit here.

First, they cannot afford the consultants to figure out how to minimize it. Often they do not know they are going

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

to be impacted by it, and they do not have the cash to pay it. So the assets have to be turned over and sold. And if you have to do it in 9 months—I do not know how many people around here have ever gone through the process of selling even a home, but sometimes that "For Sale" sign stays out there a long time. You can take your "For Sale" sign down, but the Government does not allow you to delay this tax. You are going to pay it. So if you have to sell that farm or that business at a fire sale price, you have to sell it. Tough luck, says Uncle Sam.

I ran a small business for about 38 years. That is a long time. I do not remember anybody from Washington ever coming in to help me run it. In fact, more than once I almost got the idea they would just as soon we did not run it; we were fighting them off. Somewhere they got the idea they would own half those assets. I know I am joined by millions of Americans who do not agree with that.

Just to restate it, it does not affect a large number of Americans, but a huge number of Americans want it gone. They do not think it is fair. They think it is inappropriate, and it is. They think it is confiscatory, and it is. I think they hold to the American dream and figure one day that could impact them, and indeed it might.

Mr. KYL. Would the Senator yield for a brief comment, a question?

Mr. COVERDELL. Sure.

Mr. KYL. The point the Senator just made is validated by a Gallup Poll that just came out, conducted from June 22 to 25. It shows that 60 percent of adults favor this proposal that would eliminate all inheritance taxes, compared to 35 percent who oppose it—almost 2–1 support for elimination of the death tax.

Interestingly enough, to the point the Senator just made, only 17 percent of Americans say they would personally benefit from the tax elimination, while 43 percent say they would not benefit.

Mr. COVERDELL. Two-to-one.

Mr. KYL. Yet they support its repeal because they understand it is unfair.

To the point of the Senator from California yesterday, who said this all boils down to whose side are you on, no, it does not. What it boils down to is that the vast majority of the American people, understanding, even though it may not affect them, it is a totally unfair tax, agree with us that it should be repealed.

Mr. COVERDELL. I appreciate the Senator citing the poll. I have known from previous data of its overwhelming support. I think the point that 2–1 they favor eliminating it and 2–1 they think it probably will never affect them—as I said, I always take heart in this because it demonstrates the deep reserve of fairness among Americans about tax policy and about their Government.

This is not a fair tax, nor is it implemented fairly. It discriminates against those who do not have the resources to try to ameliorate it. So it just really builds up on the small farmer, small businessperson. They are paying an unfair burden here, on top of which, I would add, it creates turmoil in the workplace. It costs us jobs. It creates enormous anxiety and puts an undue and unnatural pressure on the financial decisions those who are impacted by it have to make.

You cannot manage the transaction of the sale of a business typically in 9 months; there are too many forces at work. It is very difficult to do. I have been through that, too. So you are creating a timetable that is unnatural and, therefore, you create another burden on the family in about as difficult a time as you can imagine. They have already suffered an enormous personal loss, and then here comes Uncle Sam: OK, 9 months, belly up.

So I appreciate the work of the Senator from Arizona and all those others who have come to speak in favor of the elimination of the tax. I know we are going to be successful. I do not know how long it is going to take. Because Americans do not want this tax. So whether it occurs in this current debate, which I hope it does, or one to follow, I know this is going to be changed.

I end with this. I do not go to a single meeting in my State where there are not several people who raise this question. My State is deeply agricultural, so we have thousands of small farmers. This is like a loaded gun pointed at their head. So they are waiting for us to do something about this because they know it is unfair. And it is creating an unnatural worry in a community, I might add, that is already under enormous stress. Agriculture is all across the country. This adds to that burden. It does so in a very dramatic way.

I thank the Senator for according me some time here this morning and wish him luck on the success of this legislation.

I yield the floor.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I heard the speech of my good friend from Georgia on the House bill. After very thorough consideration of this matter, I reach a different conclusion, I must say to my good friend from Georgia. Frankly, I urge my colleagues to oppose the House bill to repeal the estate tax. I do this for three reasons.

First, there is a significant chance that the debate will be conducted under the restrictions of cloture, which denies Senators a fair opportunity to propose amendments.

Second, the House bill reforms the estate tax the wrong way. There are all kinds of ways to reform the estate tax. The House bill is the wrong way.

Third, the House bill crowds out and pushes aside other more important priorities in which the vast majority of the American people are far more interested.

Before getting into those arguments in detail, I will provide some background about the estate tax. Nobody likes paying taxes, whether it is income taxes, sales taxes, payroll taxes, corporate taxes, or estate taxes. Of course, if one asks in a poll, would you like to have a certain tax repealed, the vast majority of Americans would say, yes, I don't like paying that tax, repeal it. Unfortunately, we all know we do have to pay some tax. After all, in a civilized society, there is some revenue that has to be raised to support society's governmental, organizational purpose and structure. The only question is, obviously, how much and what is the balance.

We should aim to have a tax system that raises the minimum amount of revenue that is necessary and does it in a fair and balanced way. For more than 80 years, there has been a consensus that the estate tax is a small but important part of a fair and balanced tax system. It has been a bipartisan consensus.

The Federal estate tax was first proposed by President Theodore Roosevelt. It was repeated by his successor, William Howard Taft. In fact, in his inaugural address in 1909, President Taft said that it may be necessary to raise additional revenue and that if so "new kinds of taxation must be adopted, and among these I recommend a graduated inheritance tax as correct in principle and as certain and easy of collection." That was President William Howard Taft.

A few years later, in 1916, Congress needed to raise additional revenue primarily to prepare for possible involvement in World War I. Congress had to make hard choices. Congress could either raise tariff rates or it could come up with an alternative. This is what the House Committee on Ways and Means said:

> It is probable that no country in the world derives as much revenue per capita from its people through the consumption tax as does the United States. It is therefore deemed proper that, in meeting the extraordinary expenditures for the Army and the Navy our revenue system should be more evenly and equitably balanced and a larger portion of our necessary revenues collected from the incomes and inheritances of those deriving the most benefit and protection from the government.

Congress enacted the estate tax in 1916. It has been amended several times. For example, in 1932, in response to revenue needs generated by the Great Depression, the rates were increased significantly. In 1981, under President Reagan, the rates were cut significantly, with the top rate falling from 70 percent to 55 percent. Today the Federal estate tax applies to estates with a value of more than

$675,000. That threshold amount is scheduled to rise to $1 million by the year 2006. There are special rules for farms and for family businesses.

All told, the tax applies to the estates of about 2 out of every 100 people who die each year. That is about 2 percent. It raises $28 billion a year. To put that in perspective, it is 3 percent of the amount that is raised by the Federal income tax. under the estate tax.

That brings me to the House bill we have before us today. The House bill works in two steps. First, over the first 9 years, the House bill gradually reduces estate taxes down to a top rate of about 40 percent. Then in the year 2010, a full 10 years after enactment, it completely repeals the estate tax. At the same time the House bill imposes a new requirement, something of which not many Senators are aware. People who inherit estates worth more than certain amounts must maintain what tax lawyers call the "carryover basis" of inherited assets. That is in the House bill.

All told, the 10-year cost of the House bill is $105 billion. But it is important to note that the House bill is constructed to disguise the real long-term costs. In the 10th year, when the estate tax is completely repealed, the cost is almost $50 billion a year, and the cost will rise each year after that. I have seen estimates up to $750 billion over the second 10 years.

That, in a nutshell, is the House bill.

As I said at the outset, I oppose the bill. I do so for several reasons. My first concern is with the process. Once again, the majority may invoke cloture as a first resort. This limits debate. It limits the ability for Senators to offer amendments. Most important of all, it denies the American people an opportunity to have their elected representatives conduct a full, unfettered public debate about a very important issue. I hope that we can avoid cloture and have an open debate.

I have another concern about the process. This is a serious issue, whether we repeal a Federal estate tax. We are considering a proposal that can be fairly described as radical—total repeal. That is pretty radical. The House bill would completely repeal a tax that has been an integral part of the Federal tax system since 1916; repeal it, lock, stock, and barrel, get rid of it totally, with no amendments and no hearing. That raises many serious questions.

One is the impact across income levels. I am not talking about class warfare. Believe me, that is one thing I don't like to get into; I don't believe in it. That is bashing the rich. Rather, I am talking about fully understanding the impact of this proposal on the overall fairness and balance of our tax system, a subject we have not addressed. It hasn't even been raised; we haven't had the opportunity.

Another question is about the new rules to maintain the carryover basis of certain inherited assets—very complicated, totally new, not debated, not even known by a majority of Senators. In some cases, this would require recordkeeping across several generations. Just think of that, requiring new recordkeeping across several generations. I remember back when Congress tried to do something similar in 1978. The new law was extraordinarily complex. It created a fierce public backlash, and we quickly repealed it.

We would do the same if this were ever enacted into law; I guarantee it. Do we want people to have to keep track of the price that their great-great-grandparents paid for property and investments? Under the House bill they will have to.

Another question is the impact on charitable giving. A great deal of charitable giving comes from bequests. People make these bequests primarily because they want to help communities. That is a good cause. But we all know in some cases there is a tax planning element because charitable contributions are deducted from the value of an estate. Do we know how repeal of the estate tax will affect charitable giving? Has that been discussed, debated? Many estate tax lawyers I talk to tell me: Max, if you repeal the Federal estate tax, it is going to have a substantial effect on charitable giving. There will be a substantial reduction in charitable giving, major, big time, if you repeal the Federal estate tax.

Another question is the impact on States. Currently—this is not well known; how could it be, there hasn't been a hearing; we had no opportunity for amendments—currently an estate receives a credit for inheritance and estate taxes that the estate pays to a State government. As a result, these State taxes generally don't increase the overall burden on an estate. Instead, they shift revenues from the Federal Government to the States. It is about a third.

The long and short of it is, about a third of all the Federal estate taxes that are collected go to States. We, therefore, collect the revenue that goes to the States. Under a total repeal, that is the end of that. Does anybody know that? Do the States know that? Do the Governors know that? I don't think they have focused on this because they don't know about it. How could they? There have been no hearings.

If the Federal estate tax umbrella is repealed, many States may face strong pressure to reduce or eliminate their own inheritance taxes and estate taxes—resulting in unintended consequences, unthought-out consequences, unknown consequences.

Still another question is how repeal of the estate tax will affect the concentration of wealth. As we all know, one reason the estate tax was enacted and later strengthened was to limit the accumulation of huge fortunes that can be passed on to create economic dynasties. Are we prepared to say that today this is no longer an issue?

Now I am not trying to be judgmental, Mr. President, believe me. I am just raising very important questions that have to be discussed, debated, and thought out. I am not suggesting I have all the answers. I am simply saying these are very serious questions that deserve more time and attention than we are giving them. After all, we are not referring the House bill to the Finance Committee for a hearing where the questions can be addressed. In fact, the Finance Committee hasn't held a hearing on estate taxes in this Congress. I will repeat that. The Finance Committee has not held a hearing on estate taxes in this Congress. Instead, we are rushing the House bill to the floor under cloture.

Why are we doing this? Why not hold hearings so that we can more fully understand the implications of the House bill? That is just my first concern in the process.

Now my second concern. While the House bill reforms the estate tax, it reforms it in the wrong way. There is a right way and a wrong way to do things. The House bill reforms the wrong way.

For a long time, I have supported reform of the estate tax. Most of us here do. I have worked on special rules for farms and ranches. A few years ago, I worked closely with Senator Dole on reforms for family-owned small businesses.

Despite these and some other improvements, the estate tax still hits some people too hard, especially those who own farms, ranches, and small businesses. We should fix that. We should fix it now. We need to help our farmers and our small businesses. The amendment that I and the majority of my side support will do that.

The House bill that we may adopt, would do very little for those estates, very little for those farmers, ranchers, and small business people—until 10 years later when, under their bill, it is fully repealed.

On the other hand, the alternative that Senators MOYNIHAN, CONRAD, and I propose would reform the estate tax in the right way. It would do two things that are simple but effective.

First, we dramatically increase the amount that is exempt from the estate tax. Currently, it is $675,000. We increase it to $1 million per spouse right away. And a few years later, we begin to increase it again until it reaches $2 million. For a couple, that would be $4 million.

Second, we increase the family-owned business exclusion to $4 million per spouse. For a couple, that is $8 million.

These simple changes have a huge effect. The first year, we would exempt over 40 percent of the estates that currently are subject to an estate tax. The fact is, it is much more relief for estates in this range than the House bill would provide.

As this chart shows, the Democratic alternative is on the left. This chart shows who is left paying taxes after the first year. On the left side, you can see the bar there, which represents the Republican bill, 50,000 Americans would continue to pay estate taxes in the first year, just like they would under current law. In the first year, as it shows on the right side, under the Democratic alternative, only 30,000 Americans would pay estate taxes. Guess what. That basically continues for 9 years—not totally, but basically.

So the Democratic alternative provides relief—significant relief—in the first 10 years. The Republicans' doesn't. There is some near the end. But there is a cliff effect after 10 years, with all of the consequences we have not even talked about.

These simple changes have a huge effect. The first year, we would exempt over 40 percent of the estates that are currently subject to an estate tax. Under the Republican alternative, none would be exempt over the first 10 years. Over the longer term, when the provisions take full effect, the Democratic proposal would exempt two-thirds of all estates, three-quarters of all small businesses, and 90 percent of all farms and ranches that would otherwise have to pay estate tax.

Remember, only 2 percent of the estates pay an estate tax. But we are saying in the Democratic alternative that three-quarters of those who currently pay—three-quarters of the small businesses, two-thirds of all estates, and 90 percent of all farmers and ranchers would be exempt.

This chart shows that, under current law, the Democratic alternative exempts three-quarters of all family-owned businesses. The Democratic alternative exempts 95 percent of farms. On the left, under current law—this is a huge bar. That means those folks are still paying. Under the Democratic alternative, very few pay. You can see that.

This other chart is showing the same thing with respect to all estate taxes. That is, over the first 10 years, fewer Americans will be paying estate taxes than under the House bill.

Next year, it is expected that about 2.5 million Americans will die. Roughly 50,000 will have estates that would pay an estate tax under current law. Under the House bill, every one of these estates will still pay an estate tax, but at slightly lower rates, with the greatest rate reductions going to the larger estates.

Again, the greatest rate reductions will go to the larger estates; whereas, under the Democratic alternative, the bulk—almost all of the relief—is immediate, and it goes to farms, ranches, and small businesses. The small business exclusion is raised to $8 million per couple eventually, and the unified credit is raised to $4 million eventually.

So under our substitute, fully 20,000 of those 50,000 estates won't pay an estate tax at all in the very first year. They will be exempt, period. The exemptions will be concentrated on the farms, ranches, and the small businesses that need relief. That is the right kind of reform, not the wrong kind, which I mentioned earlier.

My third concern is about priorities. At the end of the day, that is what this debate is really about. We provide complete relief to estates worth up to $4 million, and farms, ranches, and small businesses worth up to $8 million—complete relief.

The proponents of the House bill insist that we go much further, at an additional cost of about $40 billion over 10 years. In later years, the cost will be much higher, about $50 billion a year. They argue, in support of the House bill, that whatever the size of an estate, we should not impose a tax at the event of death rather than when an asset is sold, and we should not impose rates as high as 55 percent.

These are serious arguments. I don't dismiss them out of hand. Senator KYL, in particular, has presented an articulate case. But reasonable people can differ. When we get the facts out and determine what is really going out, different people can reach different conclusions. I think it comes down to priorities.

It seems to me that we in this Chamber could agree in an instant to provide relief to the vast majority of farms, ranches, and small businesses and, indeed, for the vast majority of estates that are now subject to the tax. We can do it for a cost of $60 billion over 10 years—less than in the House bill.

So the real question, then, is whether it makes sense for us to spend another $40 billion to provide relief for people who are, by any measure, very well off and can take care of themselves.

Again, it is a question of priorities. Despite the euphoria the new estimated budget surpluses seem to induce, we all know that, in truth, there is no free lunch. If we reduce tax revenue by another $40 million, we will have much less for other priorities, such as health care and prescription drugs, which are much more important to most Americans.

Providing middle-class working families relief from payroll taxes is one example; providing incentives for education and savings, and providing incentives for research and development, which will keep our economy on the cutting technological edge, those are other alternatives and higher priorities of the American people which will help make our economy stronger, and providing prescription drug coverage so that seniors don't have to choose between food and medicine. Many, as we well know, have to make that choice.

Oh, yes. Let's not forget that we are paying down the national debt. That is pretty important.

I hope cloture is not sought. I hope that at some point soon we have a real opportunity to discuss and resolve our differences.

After all, there are some positive signs. The President has signaled that he has an interest in compromise.

Enlightened business leaders are now suggesting there can be a compromise. In other words, if we want to write a law rather than create a political issue, we can achieve a compromise that makes meaningful reforms in estate tax and also address other pressing national needs. That would be good news. I hope it happens.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. Mr. President, I believe under the agreement that I am now allotted 15 minutes. I want to comment briefly.

My friend from Montana indicated a concern a number of times about limiting debate. I have to suggest that this debate could have been changed had there been an agreement on his side. The idea that there is not an opportunity to offer amendments in limited debate is not a very valid argument. That is because that side has not agreed.

I yield time to the Senator from Oklahoma.

Mr. INHOFE. Mr. President, I thank the Senator for yielding.

I agree with the statement of the very distinguished Senator from Montana. Reasonable people can disagree, and they can use the same statistics and come to different conclusions. We do that every day in this Chamber.

I wonder, after listening to the debate—whether it is Montana, Minnesota, or whatever the State being represented by the other side of the aisle—how Montana could be so different from Oklahoma.

Eleven months ago, I did a tour of very small areas in Oklahoma—Shattuck, Boise, and Gage—places you probably never heard of, with very small populations. These people are not wealthy. They are small family farmers and ranchers. In that part of Oklahoma, they normally have three sources of income. It is either small grain or cattle or oil. When all three are down, we have real devastation out there. We have a lot of family farms that are not even making enough money to break even.

I remember going out there and talking about the various agricultural programs. I talked about crop insurance. I talked about transition payments. But when the subject of estate taxes came up, they forgot about all of the other Government programs having to do with agriculture. They said: It would be the greatest thing in the world for us to be able to survive as a family institution and pass this on to the next generation.

These people live day to day. They are not wealthy people. They have to really save to buy halfway modern farm equipment. They say: The greatest single thing you could do for us would be to allow us to pass this on to the next generation.

I think that dwelling on the small percentage of total estates subject to the death tax isn't really an adequate reflection of the damage inflicted by the death tax, which is about 1.9 percent out of the approximately 2.3 million deaths each year, and 4.3 file a return; that is, 98,900. Not all of these are taxable. There is an effect in Oklahoma on small businesses and farms.

If you look at the "1995 White House Conference on Small Business Issue Handbook"—we had several people there as part of that group who made this handbook—more than 70 percent of all the family businesses do not survive through the second generation, and fully 87 percent do not make it to the third generation.

I ask the Senator from Wyoming about the source of some of these figures which we hear, such as the loss of $40 billion in tax revenues. I don't know where they come from. I certainly question them.

The current Federal death tax accounted for only $23 billion in 1998, or a meager 1.4 percent of $1.7 trillion in total Federal receipts, a level that has remained fairly stable over the years.

I suggest there are two factors that are not being considered. One is the cost of compliance and one is the economic impact.

There are some studies which illustrate that we could actually end up increasing tax revenues by altogether eliminating the death tax.

A December 1999 study by Congress' Joint Economic Committee said:

> The compliance costs associated with the estate tax are of the same general magnitude as the tax's revenue yield, or about $23 billion. . .The estate tax raises very little, if any, net revenue for the Federal Government.

In 1998, the Heritage Foundation came up with a similar conclusion. They said:

> The cost of compliance means that the $19 billion collected in the Federal death taxes last year actually cost taxpayers $25 billion.

It is actually a net loss, according to their study.

A recent report from the Institute for Policy Innovation says:

> Reducing estate taxes would generate sizable economic gains with little revenue loss. Over the next 10 years, doing away with the estate tax would produce $3.67 in output for every $1 of static revenue loss.

Finally, Alicia Munnell, a former member of President Clinton's own Council of Economic Advisors, in a 1988 economic review, estimates that the costs of complying with estate tax laws are roughly the same magnitude as the revenue raised.

This came right out of the White House.

The other factor I am very sensitive to—because before I came to this body or to the other body down the hall, I spent 30 years in the real world—I know what it is like and how tough it is out in the real world. I wish every Member of the Senate had that kind of 30-year experience. I can remember the years I spent working long hours hiring people and expanding the economic base.

There is one statistic that is hardly ever used around here. Every 1 percent increase in economic activity produces an additional $24 billion of new revenue.

If you look at the motivation of many of us—I am not the only one in this Chamber. I am not the only one certainly in Oklahoma or in this country who spent the majority of his life working, not for himself but for the kids. Would I have worked those hours and would I have taken the time to go out and generate the jobs and revenues for this country if I had known that I could not have passed them on to my children?

I say this: For probably the last 20 years of the 30-some years I worked in the real world, I worked for my four kids and now my grandkids.

If anyone in this Chamber who was opposed to the 1993 Clinton/Gore tax increase—which some have characterized as the largest single tax increase in the history of this country, and the increase in estate taxes at that time—if they were offended by that and felt we increased taxes too much, as even the President said he did, this is your opportunity to undo some of that damage.

Finally, I consider this to be a moral issue. I think any time you have the Government saying you must spend your savings on yourself and not give to your kids, it becomes a moral issue.

I yield the floor.

The PRESIDING OFFICER. The Senator in Wyoming.

Mr. BAUCUS. Mr. President, I understood that Senator SCHUMER was going to speak, according to the list that I have.

Mr. THOMAS. Mr. President, we had 15 minutes. The Senator from Oklahoma used part of it. I intend to use the remainder. We are a little behind on time.

Mr. BAUCUS. That put us behind.

Mr. THOMAS. I will use about 5 minutes.

Mr. BAUCUS. I thank the Senator.

Mr. THOMAS. Mr. President, this is an interesting debate. It has gone on now for a substantial amount of time. We talked about all of the details. Of course, that is a proper thing to do. There are all kinds of ideas in the Senate, which is the way it is supposed to be. That is what the Senate is about.

There are many, particularly on that side of the aisle, who want to spend more—that more spending is the better thing to do. There are others who believe there should be a limit on spending—a limit on what the Federal Government does. But that is a judgment we need to make. Some apparently think that it is better to penalize spending, to make it more difficult for people to amass money. Others believe we ought to encourage savings. That is what the system is about. It causes people to be able to work and save for themselves.

There are some who believe we ought to be in the business of redistributing income. Of course, we are dealing with that all of the time. Others believe we ought to encourage enterprise and entrepreneurship. These differences, philosophical and others, are as they should be. It is the role of the Senate to do that. It is also the obligation and role of the Senate to come to closure.

The idea that we drag these things along is exasperating. We have 35 days left in this session to finish many things, including the very important appropriations bills. As we move toward the end, of course, we have an administration that is interested, as always, in shutting down the Government and blaming the Congress so they get all the appropriation things they choose.

The House adopted this bill by a vote of 279–136, which is greater than a two-thirds majority. This estate repeal, this death tax repeal, over a 10-year period, does away with the death tax. It takes death out of the formula. It would not eliminate taxes. Those properties and values passed on to someone else will be a basis, and when and if those are disposed of, there will be a tax on them. It isn't a matter of not taxing them; it takes death out of the proposition.

Interestingly enough, despite all the concerns about revenue impacts, the tax raises only 1 to 2 percent of overall Federal revenues. That is relatively small. As a matter of fact, the Joint Economic Committee indicated a probable loss of income taxes because of businesses that have to be shut down as a result of estate taxes, thus causing a deficit.

This idea that we will eliminate taxes, that people don't pay taxes on the property, isn't true. They will be paid on the basis of whenever they are disposed of.

There are a number of things that need to be dealt with. One is that the death tax kills jobs. No question about that. Many small businesses and farms have to sell their properties. Jobs are eliminated. Those people who lose their jobs are taxed at 100 percent. I happen to be from the West where we are interested in keeping open space. Agriculture does that. Many agriculturists will have to sell their lands when they have to pay this estate tax. It will be developed. It ruins that idea.

Certainly double taxation is involved here, so there are some philosophical issues that we ought to take into account. Again, I will stay away from the details. We have had a great deal of talk about the details.

Instead of talking about the fact that we have lots of money, there are a million things for which we can spend it. We have had more difficulty holding down the size of the Federal Government, and that is more important when we have a surplus than when we have a deficit because there are a million things for which we can spend it. We ought to talk about what is the legitimate role of the Federal Government; what is the role of State and local governments.

Do we just involve ourselves in everything because there is money available? I don't think so. We have a constitutional government, a constitutional limitation. We ought to talk about that. We ought to talk about saving Social Security. We are doing that. We ought to talk about strengthening health care. We are doing that. We ought to pay down some of the debt. And then, frankly, we talk about taxes. Money ought to go back to the people who own it, who are paying in. Fairness ought to be a part of this whole equation. I hope it will be.

I yield the floor.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. I am here to talk about the estate tax and what we ought to do about it. I want to make a couple of points.

First, I give the person who named it the "death" tax a lot of credit. I don't think this issue would have the velocity it does if it were not called that. At certain times, words somehow convey things. Sometimes they are correct; sometimes they are incorrect. I believe if "junk" bonds had been called high-yield bonds, we would have a different economic history. As we have learned, junk bonds play a useful role in the economy. For a while, when they were called "junk," people changed their views. Words have a funny way of working. When we say death tax, people say that sounds horrible. It almost sounds like something from Star Wars.

Second, I am not one who says that this is a great thing and we must have it in place. In one particular area I think there is great resonance for eliminating this. That is, that any organic business—a farm, a small business, and frankly a large business—that would have to be broken up because of the extent of the tax should not be. A business is an ongoing organism. It employs sometimes 10 people and sometimes 10,000 people. To have to break that business up to pay any tax, to me, is counterproductive. That is why I have floated a proposal to my colleagues that eliminates this for any ongoing business that is passed down through the family and delays the payment of the tax until that business is broken up, either by the next generation or the generation after that. That makes sense to me.

If we were in a world of unlimited dollars, I would be for immediate repeal of the whole thing—not just the family part. But we are not. We have to make choices. That is what this is all about. If you had to make one argument about what the debate concerns, it concerns choice. What are our choices? It has been well documented by many of my colleagues that 98 percent of the American people right now do not pay the estate tax. It has been documented that the amount of income is going up and up and up. You have to be millionaire before you pay that tax. Soon you will have to be—whatever the word is—a "dual" millionaire, have at least $2 million before you pay the tax. Only 2 percent of Americans are affected. Of the 2 percent who pay, the very wealthiest, the billionaires, pay a huge proportion of that tax.

Do they resent it? I guess they do. I give them credit for having built up their businesses and earned all this money. They say they pay taxes all along; why should they pay it again. By that argument, no one should pay taxes any time. We pay a sales tax. We pay an income tax. We pay corporate taxes. We pay property taxes. They often hit the same people more than once. That is unfortunate.

Why do I say this is a choice issue? You have to compare. Since we don't have unlimited money, we have come to a consensus. We ought to buy down the debt and save Social Security which takes the majority of the now projected $4 trillion surplus. What do we do with the rest? I agree with my friend from Wyoming that tax cuts should play a part. We shouldn't have all spending proposals. I believe there ought to be a mix. Once we buy down the debt, we ought to have some tax reduction and some necessary spending proposals. Education and health care and transportation would be my priorities.

When we do tax cuts, who do you want to help? What best helps America? I am here to talk about a proposal that I think 95 percent of all Americans would prefer rather than what is being proposed here; that is, to make college tuition tax deductible, particularly for middle-income people.

College is a necessity in America these days. We know that. We know the old-time way of a job being handed down from great-grandfather to grandfather to father to son or great-grandmother to grandmother to mother to daughter is gone. We know that only people in America whose income level has actually gone up during this prosperity are those with the college education. So college is a necessity for families, for parents, for individuals. It is a necessity for the individual's well-being, but it is also a necessity for the well-being of America. Because as we move into an ideas economy, we surely will not stay the No. 1 country in the world if we do not have the best educated people. Praise God, so far we do. But that could flow away.

One of the main impediments to us staying No. 1 and continuing to have the best educated people in the world is the high cost of college tuition. If you are a family who is solidly in the middle class—let's say you make $50,000 or $60,000 or $70,000 a year—you get no help with those tuition bills. If you are poor, we give you a lot of help. We should. I love seeing ladders where poor people can walk their way up and establish themselves in America. If you are rich, you don't need it. You can afford that high college tuition. But if you are a middle-class person, if you are that hard-working majority of Americans right there in the middle—let's say the husband and wife work and let's say their total income is $65,000, $70,000; that is pretty good until the tuition bill hits; until they see they have to pay $10,000 or $15,000 or $20,000 or even $30,000 to send their child to the best possible school—you don't get any help at all.

We can. We can next week when we debate the estate tax. I ask my colleagues, where would it be better spent? To help the very wealthy in America not pay the estate tax—again, all things being equal why not—or is it better to help the middle class pay for their children's college? Why, when people struggle to save their $10, $20, $50 every week to pay for college, does Uncle Sam then take a cut when we know that this is good for America? When you send your child to college, you are not only helping that child and your family, you are helping America. You are helping us achieve the best educated labor force in the world. So why, when families struggle, and struggle they do, does Uncle Sam take a tax cut?

I make a good salary as a Senator. I have no complaints. God has been good to me and my family. But we have two daughters, beautiful daughters, the love of our lives, 15 and 11. We are up late at night figuring out how we are going to pay for their college education.

There are millions of American families whose children do not go to college because it is expensive, too expensive. There are millions more—I was in Niagara Falls this Monday, 2 days ago. I heard of a family, the Maskas, with seven children. They are trying to send each one to college. A few of them are in college at the same time. But do you know what they had to do? They had to tell one of their young children, even though he was doing very well in school and had good boards, that he had to go to a nearby junior college because they couldn't afford the college he deserved to get into.

So it is not only people who can't get into college; it is people who scale down the college they choose because they cannot afford the more expensive schools. Tuition has gone up more than any part of our budget. The cost of health care, from 1980 to 1995—which everyone talks about having a huge amount of increase—went up 175 percent; 250 percent is tuition.

The bottom line to all of us in this Chamber is simple. It is not whether we are for or against removing the estate tax in the abstract. It is a choice—choice—choice—choice: Do we take these hundreds of billions of dollars, which I believe I agree with my colleague from Wyoming should be sent back to the people—and send them to the very wealthiest people or do we give some back to the middle class to help educate their children and get them the best college education possible?

I daresay the vast majority of voters in every one of the 50 States believes it is better to vote for the proposal that I will make on the estate tax bill. I have done it jointly. I do not know if we will be offering it together, but the proposal was put together by myself, the Senator from Maine, Ms. SNOWE, the Senator from Indiana, Mr. BAYH, and the Senator from Oregon, Mr. SMITH. It is bipartisan. I urge my colleagues next week, when the estate tax bill comes to be debated, if it does, to decide the choice. Do we return the money to the wealthiest 2 percent, especially those who do not have ongoing farms or businesses—because we are going to deal with them—or do we send it to the millions of middle-class Americans who are up late at night, worried about whether they can afford to send their children to school, and who right now get virtually no help from Washington?

Mr. President, I yield my remaining time to the Senator from Nevada.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. So there is some order here, we wanted to go back and forth. It is now the Republicans' turn. It is my understanding Senator DOMENICI will speak. Following that, so colleagues on my side of the aisle will know, Senator HARKIN will have 15 minutes. Then the last speaker we will have is Senator LAUTENBERG and he will have whatever time we have remaining, probably about 13 minutes.

Mr. THOMAS. As I understand it, I agree: Senator DOMENICI, then Senator HARKIN, and then we have Senator HUTCHISON.

Mr. REID. Mr. President, I ask from the time of the Democrats, the minority, that Senator HARKIN be given 15 minutes and Senator LAUTENBERG be given the remaining time that we have. I ask that in the form of a unanimous consent request.

Mr. THOMAS. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THOMAS. I yield 15 minutes to the Senator from New Mexico.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I think almost everyone has heard the name Dr. Milton Friedman. I would like to start my brief remarks by quoting this very distinguished Nobel prize winning economist, who notes:

> The estate tax sends a bad message to savers, to wit: that it is OK to spend your money on wine, women and song, but don't try to save it for your kids. The moral absurdity of the tax is surpassed only by its economic irrationality.

You could stop there and say no more, and ask, do we really have a tax on the books of the United States that will lead Americans to waste their money rather than save it to leave to their children? And then to be add the economically irrational absurdity. One could just read that indictment and conclude that it is a good source of information, a Nobel winner in economics, a splendid proponent of entrepreneurial capitalism and what makes it work and what detracts from its working. Dr. Friedman's quote could be the sum and total of my speech. I could stop there.

But let me proceed on with a couple of facts. These are real. It does not raise very much money. It is a big trap for the unwary. It is viewed as the most confiscatory tax, with its rates reaching 55 percent, and if coupled with the generation-skipping tax, the practical effect of the tax is that it can grab as much as 85 cents on the dollar. I do not believe we in America ought to have any tax on the books that can take as much as 85 percent of any dollar, earned or owned, by any American. So that is the debate.

It hits a diversity of people. Two groups most adversely affected are small businesses and family farms, which are absolutely frightened of the concept that at a point in time when they most need their managing partner, when the business or farm needs its key person the most, that key person has died, by definition, and up to 55 percent straight on—without generation-skipping trusts protecting children—55 percent of the estate would go to the Government.

There are all kinds of excuses and explanations. It is payable over time. Yes, some would say: Thank you, Federal Government, as you take 55 percent of everything we saved and earned and built up; it is generous that you let us pay that 55 percent over time.

I do not know if that means anything. It probably means the Government got to the point where it was absolutely absurd trying to make them pay that 55 percent all at once because the horror stories were so rampant that Congress would say: What are we up to? After listening to that for a while, they made it payable on the installment plan.

Again, my own sense of what this does and what my constituents have told me is consistent with Dr. Milton Friedman: The Estate Tax penalizes savers. Someone who is getting old may have accumulated an estate perhaps made up of a nice house, a nice summer cabin, and may own two filling stations. Try that on as to whether they are a real rich person: A really nice house, a summer cabin, and two filling stations of the modern type today. They are going to pay a huge amount on the appraised value of that estate, and let's add to it that they saved and have $50,000 in the bank. All of these assets were acquired with money that had already been taxed as income under the Federal income tax.

It is a double tax; I do not think anybody would doubt that. Nobody would come to the floor and say it is not. Assets are purchased with after-tax dollars and then taxed again under the estate tax.

The approach in the bill before us is a very fair approach. There are some who think the bill allows rich people to avoid paying taxes. It does not. The change is a timing change. Death would not be the taxable event. Instead, a family business or farm or other asset inherited would be taxed when it is sold, but it is not a give-away, as some allege, because the basis for calculating the tax at the time of the sale would be the same as if the original owner had sold it. It would be taxed on a carryover basis.

That means, to make it very simple, if your entire assets are three warehouses when death occurs, the three warehouses have a value at the date of death, but they are not taxed then. When one or two or three of those warehouses are sold by the inheritor, they pay a capital gains tax using the original value, which might have been the value 10 or 15 years ago when the asset was first acquired.

If they make a very large amount of money when they sell it, that is taxed as capital gains. It is changing the taxable event from the date of death that triggers the tax to the date of an actual sale by one who inherits it. That is the event.

It seems to me when everybody has that understood—some of the people who are saying this is not a fair approach, and some Americans who have been listening might say, Is this really fair—they will come down on the side that this is a much fairer approach than taxing on the value on the date of death.

I compliment the chairman of the Finance Committee for his fine work. He is correct that this is one tax that should be abolished. This is a good and fair tax policy, and it moves us toward tax simplification, which, in and of itself, is commendable and something we are always trying to do with our Tax Code but succeed rarely. We talk much and succeed rarely.

### NEW MEXICO WATER RIGHTS

Mr. DOMENICI. Mr. President, I want to talk about some other things that should be abolished. Last week, the Solicitor of the Department of the Interior issued a two-paragraph memorandum that he calls a legal opinion. In that memo opinion, he attempts, in one fell swoop, to overrule New Mexico water law and the rights that are established under New Mexico water law which are called the rights of prior appropriation, the cornerstone of water rights, and the right to use water and how to allocate water when water is stored.

In that same opinion, as I view it, he has abolished our water law and nationalized the Middle Rio Grande Conservancy District, one of the largest irrigation districts—if anyone has flown over Albuquerque, that big green belt is the Rio Grande, and anything you can see in Albuquerque on that part of the river is part of the conservancy district. That conservancy district is not, as the Solicitor said, "an agent of the Federal Government." He is going to have plenty of time to prove that for he is going to be challenged in every court wherever we can, and perhaps even in the Congress, on whether that is an appropriate conclusion.

Let me tell you about the creation of this Middle Rio Grande Conservancy District and its mission.

First, it was created by the State of New Mexico by our State legislature in 1923. It was the Conservancy Act of New Mexico. It was not created by the Federal Government. It was created by New Mexico. It owes the Federal Government no money. It paid off its last rehab and construction loan in 1999.

Solicitors at the Department of Interior or any other lawyers just do not walk around nationalizing assets. In some countries, dictators do, but certainly it is not the way we do things in America.

The partial effect of this memo is to overturn New Mexico and western water law. In our State, water is a precious commodity. I wish we had more of it so it would not be so precious, but it is precious and we have too little of it.

In New Mexico, we have endangered species. We have more than one, but one lives in the lower reaches of the Middle Rio Grande River. We have a silvery minnow. And in the river right over the mountains is a blunt-nosed shiner. I wish we had fewer endangered species and more water—that would be very good—but such is not what has been dealt New Mexico.

We have a water rights system, and it essentially is a seniority system. This Solicitor ignores that basic premise. Adding insult to injury, the matter was already before our Federal courts, and on June 19, 2000, Interior Solicitor Leshy issued a brief opinion stating that the Bureau of Reclamation, the entity that manages some of the water, has title to the water in this Middle Rio Grande Conservancy District. How he will ever make that stand up I do not know, but I hope there are judges left who will get to the heart of this issue and determine that is not a policy nor is it fact.

In October of 1999, the Bureau of Reclamation biological assessment stated the bureau did not have a controlling property interest in this Middle Rio Grande conservancy facility.

On Thursday, the Albuquerque Bureau of Reclamation area manager sent a letter to the Middle Rio Grande Conservancy District that they operate as agent of the United States and should operate its "transferred works" allow 300 cfs of water to bypass San Acacia Dam on the lower river for the silvery minnow.

This places all the burden on these farmers and none on the rest of the users, which is inconsistent with New Mexico law again. This places all the burden on this one group.

The Middle Rio Grande Conservancy District's position is that providing water for the fish should not all be borne by their water users, i.e. the farmers. The burden should be shared. There are many big water rights holders including the city of Albuquerque. The Bureau of Reclamation countered that it has title to the Conservancy District's water so it can claim it, but that it does not have authority to take the Albuquerque city's water because it is other people's water.

New Mexico says that the Federal Government must comply with State law and get a permit to change irrigation water to water for fish habitat. It further admonished that the Federal Government has no authority to interfere with the state's interstate delivery obligations. I believe the federal government's strategy is to divide the parties, as well as to avoid a hearing on the merits of the biological need for wet water for the fish.

To conclude, if we are ever to have cooperation to preserve this endangered species, the silvery minnow, this is exactly the way not to do it. There was a burgeoning working together, cooperative group. I was part of it. Many environmental groups were part of it.

We were looking for a way to collectively and collaboratively create some habit activities, and then construct some habitats for this minnow, and to do it with the full assistance of the Federal Government. Along comes this Leshy opinion and out the window goes all that. Now it is full speed ahead with litigation on all sides, and people working in the Congress to see what we can do to be fair.

If I have not used all my time, I yield whatever I have to the distinguished floor manager, the Senator from Wyoming. I thank the Senate for the time given me this morning.

The PRESIDING OFFICER. The Senator from Iowa is recognized for up to 15 minutes.

### THE 10TH ANNIVERSARY OF THE AMERICANS WITH DISABILITIES ACT

Mr. HARKIN. Mr. President, it seems as if we can take all kinds of time on the Senate floor—hours, days—talking about how we are going to benefit the richest people in America, many of whom inherited their wealth. After all, that is what estates are; they are wealth that is passed on from one generation to another. I do not have anything against that, but it seems to me we spend an undue amount of time talking about how we are going to help the richest, most well-off people in our country, who, by and large, can pretty well take care of themselves.

So I am going to diverge a little bit because I want to talk about a group of individuals in this country who do not fall into that Fortune 500 or 400 or whatever it is—the Forbes 400—people who have the big estates. I want to talk about a group of people who have been discriminated against in our society for far too long and with whom we in Congress had made a pact 10 years ago and President George Bush signed into law the Americans with Disabilities Act to say that we, as a nation, are no longer going to tolerate discrimination against any individual in this country because of his or her disability.

July 26—a couple weeks from now—will mark the 10th anniversary of the signing of the Americans with Disabilities Act. As those of us who worked so hard for the ADA predicted, the act has taken its place among the great civil rights laws in our history. On July 26, 1990, we, as a country, committed ourselves to the principle that a disability in no way diminishes a person's right to participate in the cultural, economic, educational, political, and social mainstream.

By eliminating barriers everywhere—from education to health care, from streets to public transportation, from parks to shopping malls, and from courthouses to Congress—the ADA has opened up new worlds to people with disabilities. People with disabilities are participating more and more in their communities, living fuller lives as students, coworkers, taxpayers, consumers, voters, and neighbors.

As part of the anniversary celebration—the 10th anniversary of the signing of the Americans with Disabilities Act—I recently announced the "A Day in the Life of the ADA" campaign. I am asking people across the country to send stories about how their lives are different because of the Americans with Disabilities Act. We are going to be using these stories to celebrate our accomplishments and to learn more about what we still must do to give all Americans an equal opportunity to live out the American dream of independence. We already have received many wonderful stories that show how the ADA is changing the face of America. I look forward to receiving many more.

I ask the people to either send these stories by e-mail to adastories@harkin.senate.gov or send them to "A Day in the Life of the ADA," c/o Senator TOM HARKIN, 731 Hart Senate Office Building, Washington, DC, 20510.

We want to tell these great stories in the celebration that will take place on July 26. There will be ceremonies at the White House. We will take time here in the Congress to talk more about the Americans with Disabilities Act, what it is, what it was meant to do, and what it has accomplished.

The "A Day in the Life of the ADA" campaign will create a historical record of the profound impact the ADA has had on the daily life of people with disabilities. I will share with you a couple stories I have already received.

I spoke with a woman in Des Moines, IA, who told me that not only had the ADA helped her son, who has a disability, get a job working at a restaurant, but that because of the fact he has that job he has become a role model for other kids with disabilities, to show them that they, too, can get jobs and work.

I recently met and spoke with Theresa Uchytil from Urbandale, IA. Theresa is this year's Miss Iowa and hopefully will be next year's Miss America. She was born without a left hand. She told me that the ADA has given her and other people with disabilities confidence to pursue their own dreams.

I received a letter from a woman in Waukegan, IL, who is blind, who wrote:

> The ADA has allowed me to receive my bank statements in braille. This might seem like a small victory to some. Obviously such people have never been denied the ability to read something so personal as a bank statement.

I heard from a man in Greenbelt, MD, just outside Washington, DC, who is deaf. I will quote him. He said:

> When I turn on the TV in the morning, I can watch captions and public service announcements because of the ADA. When I go to work and make phone calls, I use the telecommunication relay services enacted by the ADA. In the afternoon I go to the doctor's office and am able to communicate with my doctor because the ADA has required the presence of a sign language interpreter. After the doctor's office, I decide to go shopping and am able to find a TTY (as required by the ADA) in the mall to call my family and let them know that I will be a bit late in arriving home. . . . In short, the ADA has had a major impact on almost every facet of my life.

I heard from a man in Berkeley, CA, who has cerebral palsy and uses a wheelchair. He said:

> The ADA has made me able to live independently. I can now get into most every restaurant, movie theater or public place. The ADA has put me on a level playing ground with the rest of society. I realize that if I had been born any other time before I was, I would not be able to lead the life I do. I am going back to school in the fall. I hope to educate people by either being a teacher or a lawyer. I do not think that this would have been possible without the ADA.

These are only a few of the many stories we are receiving. I encourage others to send in their stories, again, to create a historical record of the profound impact the ADA has had on the daily lives of people with disabilities, their families and friends, and every American. I encourage everyone to share their stories, their family stories, about how the ADA has improved their lives.

For example, I would like to have stories about how the ADA has eliminated segregation in education and health care and the workplace, how the ADA has increased the accessibility of schools and colleges and government and the workplace for people with disabilities. I would like to hear stories about how the ADA has made it possible for people with and without disabilities to enjoy the smaller things that many of us take for granted—going out to a birthday party dinner as a family, going to a movie with a friend, a loved one, or a family member, going to a museum with friends on a Sunday afternoon, or just plain going out to the grocery store to shop for groceries.

The ADA has improved people's lives. I need stories that show how the ADA has improved people's lives in any other way, maybe some I have not even thought about.

We will share these stories to show how the ADA has benefited people with disabilities and how it has benefited all of American society—by integrating and pulling people from all walks of life into every facet of our lives in America: in education, in the workplace, travel and transportation, and government services.

Again, during this time of debate on the estate tax bill, and what we are going to do to help some of the richest people in America, I want to take this time to let people know there are a lot of Americans out there who, because of what we did 10 years ago in passing the Americans with Disabilities Act, are leading fuller, richer, more independent lives.

We celebrate that this year on the 10th anniversary on July 26. I ask everyone to help build this record of the ADA successes, again, by sending their stories either by e-mail, at adastories@harkin.senate.gov, or "A Day in the Life of the ADA," c/o Senator TOM HARKIN, 731 Hart Senate Office Building, Washington, D.C. 20510.

By doing this, we will build a historical record. We will show how the ADA has indeed made us a better country, how the ADA has made it possible for people from all walks of life, regardless of their disability, to work, to travel, to enjoy their families and friends. This is what we ought to be talking about in the Senate. This is what America is about, not about helping the few at the top who already have too much but by helping those who have been discriminated against for so many years, shoved into nursing homes, into dark corners, discriminated against in every aspect of their lives, people with disabilities, and how we as a society came together 10 years ago, Republicans and Democrats, in a bipartisan fashion to say we are going to end this kind of discrimination once and for all.

That was one of the great bipartisan victories I have seen in my 24 years in the Congress. These are the kinds of things we ought to be debating and doing.

I take this time to encourage these stories to be sent in, so when July 26 rolls around and we celebrate the 10th anniversary of the Americans with Disabilities Act, we will have personal stories about how it has helped people from all over the country.

Mr. BOND. Mr. President, I rise today in strong support of the motion to proceed to H.R. 8, the Death Tax Elimination Act of 2000. While this legislation has long been one of my priorities as chairman of the Senate Committee on Small Business, it is of critical concern to a sector of the United States economy that employs more than 27.5 million people, generates over $3.6 million in sales, and has grown by 103 percent in the past four years. That sector is women-owned businesses.

As one of the fastest growing segments of the economy, women-owned small businesses are essential to America's future prosperity. In recognition of this growth and their contribution to our economic life, I led a bipartisan group of policy makers last month to convene the National Women's Small Business Summit, New Leaders for a New Century, in Kansas City, Missouri. With the support of Senators KERRY, FEINSTEIN, HUTCHISON, SNOWE, and LANDRIEU, we set out, through this summit, to listen to women-owned small-business owners. Our goal was to elicit their views, concerns, and policy recommendations on the obstacles that women entrepreneurs face every day as they strive to run successful businesses.

One issue that we heard loud and clear was that the "death tax" has to go. In fact, repeal of the estate tax was the number one tax priority identified by the summit participants. So it is particularly timely that the Senate is considering this crucial legislation that will eliminate a tax that discourages hard work and innovation rather than encouraging and rewarding it.

Mr. President, I believe we can now agree on both sides of the aisle that the estate tax is highly detrimental to small and family-owned businesses and farms in this country. Indeed, according to recent findings, the estates of self-employed Americans are four times more likely to be subject to the estate tax than Americans who work for someone else. In addition, because owners of small businesses do not know when they will owe the estate tax or, consequently, how much they will owe, the tax exacts excessively high compliance costs.

For example a June 1999 survey by the Center for the Study of Taxation found that eight of ten family-owned business reported taking steps, such as estate planning, to minimize the effect of this tax. Moreover, the Upstate New York survey revealed that the average spending on estate planning was almost $125,000 per business. Similarly, a survey by the National Association of Women Business owners found that the estate tax imposed almost $60,000 in estate-tax-related costs on women business owners.

These costs translate into thousands of dollars of valuable capital that women-owned businesses are pouring down the drain simply to ensure that the estate tax does not become the grim reaper for their businesses. And if anyone thinks that wasting these funds is not important, they should note carefully that access to capital was the second most pressing issue area identified at the National Women's Small Business Summit.

Mr. President, compliance costs pertaining to the death tax also directly affect the availability of jobs. In the Upstate New York survey, an estimated 14 jobs per business have been lost because of the cost of Federal estate-tax planning to those same businesses. A study by Douglas Holtz-Eakin found that the estate tax caused an annual 3 percent reduction in desired hiring by sole proprietors. A 1995 Gallup poll also found that three out of five businesses would add more jobs over the coming year if the estate tax were eliminated.

If nothing else, this legislation boils down to one simple issue—jobs! Small businesses are the top job creator in this country, and the death tax is sending those jobs to the grave. Existing businesses are not hiring as many workers because of estate-planning costs, and when the owner dies, this tax can cause the business to be liquidated just to pay the government. And when those doors close, they close hard and fast on the jobs that the business provided in our local communities. That is a reality we simply cannot ignore or allow to be concealed by erroneous claims that repealing the death tax is just a tax cut for "the rich."

Mr. President, the cost of the estate tax is high not only for small business owners, but for those seeking employment and for the overall economy. It is time that those costs are eliminated by repealing the estate tax once and for all. I urge my colleagues to support the motion to proceed and the underlying legislation for the continued success of America's women-owned businesses and the jobs they create.

Mr. SMITH of New Hampshire. Mr. President, the estate tax better known as the "death tax" is an onerous tax that should be eliminated. A recent poll revealed that 77 percent of the voters believe that the tax is unfair.

This tax is slowly destroying family businesses by slowing growth. And it's unfair that families who have worked their entire lives to build a successful family farm or business should be penalized.

Individuals who look forward to leaving something behind for their children should not be punished by confiscatory, anti-family taxes.

In fact, after years or even generations, children are often forced to sell the family farm or business just to pay the tax. This is both unfair and unconscionable.

However, not only is it the children who must suffer the loss of the family business, but the workers and their children who suffer when they lose their job because the business they've been working at is liquidated to pay the death tax.

But it doesn't stop there. The local community, particularly small towns suffers as well because their customers can no longer afford to buy their products after having lost their job.

The estate tax is outdated, it raises little money, and it imposes a large cost on the economy.

In 1999 the estate tax generated about $24 billion. However, it is estimated that administrative costs to enforce the tax are over $36 billion.

A recent analysis by the Heritage Foundation, found that the U.S. economy would average nearly $11 billion per year in additional output.

The National Association of Manufacturers states that 40 percent of its members had spent more than $100,000 on attorney and consultant fees related to death tax planning. In addition 3 out of 5 members pay at least $25,000 a year to prepare for the death tax.

A 1998 study by the Joint Economic Committee found that if the death tax was repealed, as many as 240,000 jobs would be created and Americans would have an additional $24.4 billion in disposable personal income.

A February 2000 study by the National Assoc. of Women found that the death tax has a negative impact on female entrepreneurs.

According to the study, business owners found that female entrepreneurs spent on average nearly $60,000 on death-tax planning.

Some have argued that it is the rich who benefit from eliminating this tax. Mr. President, the wealthy and powerful, including many in this body, who can afford high priced legal and financial advise to avoid the taxes.

Therefore, who's left holding the bag but the middle-class.

This tax is unfair and it is anti-family. We must repeal this tax now. Mr. President, I urge passage of this legislation.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. Mr. President, we have to conclude by 11:30. If Senator LAUTENBERG is prepared to take his time now, then we will pick up the remainder with the last speaker.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, may I ask what the parliamentary situation is regarding the time allocation?

The PRESIDING OFFICER. The Senator was allotted the remainder of the Democratic time, which is 15 minutes.

The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, we are going to take a couple of minutes to develop our opposition comments regarding the elimination of the inheritance tax. The repeal of it is an interesting prospect but not one that has much merit. My strong opposition to the ultimate repeal of the inheritance tax will be obvious with my comments.

This legislation would provide a huge windfall to a handful of very wealthy individuals at the direct expense of ordinary, hard-working Americans.

Without meaning to brag, I had a successful business operation before I came here. I was chairman and CEO of a very large company with over 16,000 employees, a company that I began with two other fellows from my home city of Paterson, NJ—a mill town with a great industrial past, at the time I was growing up there, but with a dismal current situation—the three of us, by dint of hard work. My parents and the parents of the two brothers with whom I was associated were all immigrants. My parents were brought as infants by my grandparents, and my colleagues' parents came at a later date and time in their lives. We were poor.

I just retraced these roots with a newspaper because I am in the process of ending my Senate career come January 2001. We were very successful. That company we started without anything today employs 33,000 people. It is one of America's leading examples of what happens when there is hard work and initiative and there is creativity in this great country of ours.

I am one of those people who will fit in the 2 percent who are going to be principally affected by the reduction and ultimate elimination of the inheritance tax. I have four children. I am a proud grandfather. I have seven grandchildren, the oldest of whom is 6.

When I am called upon to ascend to a different place, there is going to be an estate. My children have never said to me: Dad, you have to get rid of the inheritance tax, or, Dad, make sure we are well taken care of. They have had a decent life.

I stand here to say, yes, my estate is going to pay a lot of tax when I go, a lot of tax. It is OK; it is all right with me. It has to be all right with my children.

Talking about the three of us who ran the company ADP, we succeeded in this country not just because we were willing to work hard and we had some smarts and we did the right thing. We were made successful because of the resources available in this country. We were made successful because lots of people who struggled to make a living and support their families did the work they had to. We were made successful because this great land in which we live provided the opportunity.

We could be just as clever and just as hard working in lots of other places around the world, but we never could have accumulated the resources we had. Neither could Mr. Gates or the other people now almost legendary multibillionaires. They couldn't have done it without lots of little people, lots of people doing the scut work, doing the hard labor, or using their brains that were developed by investments through our society, through this Government, helping to develop schools that would cultivate the thinking and the creativity that went into making their contribution. A lot of them, as was true in my own company, got rewarded, but they were not in the $20 million estate group or even higher. They weren't in the number 374 with an average amount of assets of $52 million.

They are not in that group. The group isn't very large, but it is very powerful. This group is very powerful. When they speak, everybody here listens—just about. They hear from the leaders of these companies. They hear from the people who bought the boats, the private yachts, and the airplanes. Now there is almost a contest within our society—and I know some of these folks—about who can build the biggest yacht. They are up to over 300 feet now. That is the largest private yacht sailing the seas. It has a crew of almost 50 people. I don't know what is going to happen to that man's estate, but I don't think he deserves to have that estate protected without acknowledging the fact that he owes something back to this society. He has an obligation—his estate has an obligation to make sure something remains so there can be other entrepreneurs, business leaders, scientists, and physicians created, to make sure this country is able to carry on.

Part of what is in the basic ethic of this Nation of ours—and it goes back to its founding days—is hard work; do your share. I used to hear in my household from my grandmother that you had to "leave something over for those who need help." You could not just take it and walk away. What is going to happen to that work ethic?

Bill Gates is worth, they say, somewhere around $100 billion. I don't know him personally, but I hear he is a real good guy, very philanthropic. He gives away a lot of money to very noble causes. But if he chose to say, look, my estate will pay the 55-percent tax, that will leave, by my calculation, $40 billion or $60 billion to be divided among his children. I don't hold him out to be evil or the devil. I use the arithmetic description to try to make the point; it is to make the point that we ought to be very careful.

None of us like taxes. I don't like them. But I know they are necessary. If you want to belong to "Country Club America," you have to pay the dues—especially if you succeed, as only you can in this country of ours because of the resources that are here. Some of them are natural resources. We have a wonderful location and the ability to ship goods from our oceans. This is one incredible place. Boy, are you lucky to belong to "Country Club America." But I think it is necessary to pay your dues. I think it is necessary for me to pay dues. I think it is necessary for my estate to pay dues. My estate will be assessed at the high rate. It is not going to leave my kids poverty stricken, nor is it going to leave the 346 wealthiest people who will leave estates at $52 million poverty stricken.

I don't even think the heirs to estates of from $10 million to $20 million—there are 688 of them and they will pay $3.7 million in taxes—will be impoverished. We are looking at estates of from $5 million to $10 million. There are roughly 1,800 of them. Those estate taxes will be $1.9 million. That leaves $4 million to the beneficiaries. That doesn't sound like impoverishment.

Look at what the picture is. On this chart, we have the 374 largest estates. If the Republican tax plan goes through, they will save $11.8 million each. That is just 374 estates. And roughly 300,000 estates will pay zero estate tax.

Is that fair? That is the question. Is it fair that we take such good care of people who have a $50 million estate, on average? And some are substantially larger. Where is the conscience here? Roughly, 2 percent of the people in the country have estates that pay any tax at all. Out of the 2.3 million, only 2 percent have any inheritance tax at all. Most people don't leave estates that hit inheritance tax levels. They don't pay taxes. By the way, all through this successful person's lifetime—and some are successful because they pick the right father—those estates pay a very small portion of the inheritance tax revenues. But we want to reduce the portion that they do.

All of the rest of the people in America, the people who work hard and try to provide for their kids, the people who try to educate their children so they can go on and succeed in their own right, they don't pay any estate tax because before you must pay estate taxes, you have quite a hurdle to get over.

Also, for the benefit of those considering this, let's remember that if it is a husband and a wife in a family, that family can give $20,000 a year to each child. If they have three kids, they can give $60,000 to those kids. The wealthy people we are talking about can do that. They can give $60,000 to those children, and if it is a 20-year lifetime, you are talking about $1.2 million that you can give away absolutely tax free. You can do that to lots of people. They don't have to be your kids. They can be your friends, your neighbors, or distant relatives. You can give a lot of money away in a lifetime. Then you get a $1.3 million exemption before you start paying any tax at all. So we are looking at a tax that is not fair.

This Nation has its taxes structured on the basis of graduated incomes, and you pay higher taxes. We have had tax reductions. Now, capital gains is 20 percent. The maximum rate we have on income is 39 percent. I am always willing to look at ways to reduce that.

Frankly, I think maybe one of the things we ought to consider—and I haven't run the costs on it—is to say that for people over 65 we even start reducing that 20 percent. Maybe by the time somebody is 70, there would be no capital gains tax, and maybe that will stimulate their investments into the economy and charities—the amount of money given philanthropically—because there is a pebble in the shoe, and also a generosity of spirit. Some people say they would rather give it to a university, a hospital, or a library, than just leave it out there to be taxed. That is a good idea. I know very few people who have these big fortunes who don't do a lot philanthropically. I also know some people who are in the multibillions of dollars worth of estates who have said they are not going to leave anything to their kids, that they will have given them their head start in a lifetime.

I see that the Chair is poised to strike the gavel. I thank you for the time I have had. I hope we are mindful of the public reaction. Taking care of the rich is not an obligation in which we have to specialize.

Mr. THOMAS. Mr. President, on this side, I believe we have 17 minutes remaining.

The PRESIDING OFFICER (Mr. HUTCHINSON). There are 16 minutes 35 seconds remaining.

Mr. THOMAS. Mr. President, I yield the remaining time to both Senators from Texas.

The PRESIDING OFFICER. The Senator from Texas, Mrs. HUTCHISON, is recognized.

Mrs. HUTCHISON. Mr. President, I rise today to speak in favor of this bill. There is no question that what the Senator from New Jersey has just said has some resonance when you talk about paying dues to society. But this is not money that has never been taxed before. This is money that was taxed when it was earned. It is money that was taxed when it was invested. It has been taxed and taxed and taxed. Who could say that an average family who now pays 40 percent of their income in taxes is not giving back enough to society?

On top of all of the taxes they paid on this money, now we are saying we want to change the American dream, which has always been to come to our country—come to America where you have the freedom to work as hard as you want to work, do as well as you want to do, and give your kids a better chance than you have. That is what the American dream has always been. Those who are against this tax are saying: No, no. That is not the American dream anymore. What we are saying in America is come to America and you can be this successful, and as long as you don't go beyond this, it is OK.

We should not put boundaries on success in America. That built our country. Hard work of people who are judged on what they are and not on who their grandparents were is what has built this country.

The estate tax takes away part of the incentive for people who work so hard to give their kids a better chance than they had.

It hurts small business. Seventy percent of all family-owned businesses do not survive through the second generation, and 87 percent don't make it to the third generation. That affects the small business itself, but it affects a lot of people who have jobs in those small businesses. It is the little people who are getting hurt because they don't have jobs anymore.

I have read stories where the main employer in a small town had a family-owned business and could not make it because they had to sell the assets of the business in order to pay inheritance taxes.

Among a survey of black-owned enterprises, nearly one-third say their heirs will have to sell the businesses to pay the death tax, and more than 80 percent report they do not have sufficient assets to pay the death tax. In fact, the president and CEO of the National Black Chamber of Commerce has written a letter in support of this bill because he says the total net worth of African Americans is only 1.2 percent versus 14 percent of the population.

The CEO of the National Black Chamber of Commerce supports the bill before us today. He said African Americans have been stuck at 1.2 percent of the total net worth of this country since the end of the Civil War in 1865, and that getting rid of the death tax will start to create a new legacy and begin a cycle of wealth building for blacks in this country.

The U.S. Hispanic Chamber of Commerce supports the bill before us today. They write: When one family loses its business due to the unfair estate tax, which really is a death tax, the face of an entire community changes. Employers become ex-employers. The economy suffers and a thriving self-supporting group of individuals vanish.

This is a gut issue for small businesses in our country.

The reason is that the assets of a small business are not readily sellable. The assets of a farm and a ranch are oftentimes valued at much more than their actual productivity. So if they have to have a valuation that puts them in the category of needing to pay an estate tax, they have no choice; they have to sell the land in order to pay that tax.

It is not right. It is not perpetuating the American dream.

Let me talk about conservation and the effect of the death tax on conservation. This is an article published in the Dallas Morning News, written by David Langford of San Antonio, the executive vice president of the Texas Wildlife Association. He says it so much better than I ever could.

> Since 1851, my family has worked the land in the Texas Hill Country. Through the ups and downs of the past 148 years, we have run flour mills, farmed, ranched and offered hunting and fishing opportunities.
>
> Our land also serves as a habitat for many species of birds, including two endangered migratory songbirds—the golden-cheeked warbler and the black-capped vireo. As a result, my family and I consider ourselves stewards of precious natural resources.
>
> But as is the case for much of the wildlife habitat in this country, the estate tax threatens to tear it apart. The need to pay large estate tax bills often forces families to sell or develop environmentally sensitive land. The estate tax is the No. 1 destroyer of wildlife habitat in this country.
>
> Although we have managed to hold our land together, it hasn't been easy. Before my mother died in 1993, we did everything we could to protect our family's land. Like millions of other family businesses, we paid accountants, tax attorneys and estate planners to help manage our assets in ways to avoid the tax, but it still came to this.
>
> In order to pay the estate taxes and keep the land together when my mother died, we had to sell almost everything she owned, including her home. My wife and I had to sell nearly everything we owned, including our home, and move into a two-bedroom condominium. We also had to borrow money for 35 years from the Federal Land Bank.
>
> Because the value of the land has increased since 1993, if we were killed in a car accident tomorrow, my children would owe more inheritance taxes than the amount I originally had to borrow to pay mine. But that isn't the end of the story. Not only would they pay more taxes than me, but they still would inherit my 35-year note that they would have to continue to pay.
>
> Could my children then keep the land? The short answer is no. It probably would become a subdivision.

Mr. President, these are people whom I hear the other side keep calling "rich," needing to pay their debt to society. These are people who care so much about the land that has been in their families since 1851 that they now live in a two-bedroom condominium to keep that land together.

That is not the American way. That is not right in this country. It is not good for the environment. It is not good for conservation. It is not good for small businesses that create jobs. And it doesn't produce 1 percent of the revenue of this country.

It sends a powerful message that you can only succeed in America this much, and if you have this much, we will take part of what you have worked so hard to earn, what your parents and grandparents may have worked so hard to give you, and we are going to say, I'm sorry, you've done too much.

Mr. President, that is not the American dream. I agree with the U.S. Hispanic Chamber of Commerce; I agree with the U.S. Black Chamber of Commerce. They want the opportunity for their members to create a stability through the generations for their families. I stand with the people who want to keep their land together, to keep a tradition in their families. That is the American way. I hope we will send this bill to the President.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, this has been a great debate. I count myself privileged to have the opportunity to close it.

I am proud of my colleague from Texas. If Members were not moved by the story the Senator portrayed, of people being forced to sacrifice their homes to keep their family farm together, then they don't have a heart and they don't care about the values that at least I consider to be the underpinnings of America.

No issue better defines the difference between the two great political parties than this issue. I am prepared to have every election in American history determined on this issue and this issue alone. The issue is very simple. People work their whole lives, they pay taxes on every dollar they earn; they scrimp, they save, they sacrifice, and they build up a business or they build up a family farm, and, when they die, they pass that business or that farm on to their children. In fact, that is the reason many people work and sacrifice.

My mama didn't graduate from high school, but she had a dream I was going to college. She sacrificed her whole life to achieve that dream. We don't believe that, when people have worked a lifetime to build up a family farm, or family business, or family assets, that their children ought to have to sell off their parents' life's work to give the Government up to 55 cents out of every dollar of everything they have accumulated in their lives. We think it is fundamentally wrong. We think it is un-American. And we believe it ought to end.

When we cut through all the political rhetoric of everything our Democrat colleagues have said in this debate, their reasons for opposing repeal of the death tax come down to two arguments. The first argument is, force people to sell off that family business, force them to sell that family farm, force them to sell off the lifework of their parents because Government can spend the money better.

We reject that. We believe that is a clear indication that somehow the opponents of repeal don't understand what America is really about. Those of us who favor repeal of the death tax don't believe Government can spend that money better. And we don't think it is right to take it from the people who built those assets up.

The second argument our Democrat colleagues make in opposition to repealing the death tax is that repeal would help rich people. When we reduce this argument down, it is an argument that the Government ought to level families, that somehow if a person were born in a family that owned a family business or family farm, that is not fair—the fact that your parents sacrificed and worked and scrimped to build it, it is still not fair for you have it, and at least part of it ought to be taken away from you.

Let me explain why I reject this logic. First of all, the only thing I have ever been bequeathed or expect to be bequeathed was, when my grandmama's brother, my great uncle Bill, died, he left me a cardboard suitcase full of sports clippings. Had it been baseball cards, I would be a rich man today.

The family of our agriculture commissioner in Texas, a lady named Susan Combs, owned a ranch that had been in the family for four generations. When her father died, she was forced to sell off part of that ranch to pay death taxes. Now our Democrat colleagues would have us believe that is good because that levels society.

How did it help me? How did making Susan Combs sell off ranchland that her family had owned for four generations help me because my family didn't own a ranch or didn't own a business? I cannot see how I was helped, or how my children are helped. How does tearing down one family help build up another? How does destroying the life dream of one family build a life dream for another family? We do not believe it does. We think this is fundamentally wrong.

Granted, some rich people may benefit. But so will a lot more people who are not rich. I do not have any inherent objection to people being rich. If they didn't steal the money, if they worked hard for it, if they created jobs for people from families like I am from and they benefited from it, that is what America is about. I do not have a hate for rich people. I do not understand our Democrat colleagues who say they love capitalism but seem to hate capitalists, who claim to love progress but appear to harbor a distaste for the people who create it. We do not believe we can build up America by tearing down families. We believe we can build up America by giving people a chance to compete and use their God-given talents. But we don't want people to have to sell off their farm or sell off their business to give Government a new tax on money that has already been taxed. We do not think death ought to be a taxable event.

I congratulate those who have been involved in this debate. I think it is a good debate. I think it is a debate that defines what we stand for and what our Democrat colleagues stand for. We believe when you work a lifetime to build up a business or a family farm, it ought to be yours for keeps. If we are successful, we are going to kill the death tax—yes, you will still have to pay taxes on any gain if the business or farm is sold—but when you build up a family farm or build up a family business, it is yours for keeps. When you die, the people you built it for, your children, are going to get it. If you want to give it away, if you want to donate it to Texas A&M, that is God's work; or if you want to contribute it to trying to cure cancer, but you ought to get to decide how it is disposed of, not the Federal Government, not some bureaucrat at the IRS, and not some politician in Congress. That is what this debate is about. It is an important debate. I urge my colleagues, when we cast our votes on this bill, to vote to kill the death tax.

## UNANIMOUS CONSENT AGREEMENT—H.R. 8

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed to H.R. 8 at the conclusion of morning votes on Thursday and it be considered under the following agreement:

That there be up to 10 amendments for each leader, with one of the 10 amendments for the minority leader described as the "Democratic alternative";

That no more than 20 amendments be in order, they be first-degree amendments only and limited to 40 minutes equally divided in the usual form, with the exception of the Democratic alternative, which would be limited to 2 hours equally divided, and an additional 90 minutes for each leader to be used at their discretion.

I further ask unanimous consent that following disposition of the amendments, the bill be advanced to third reading and passage occur, all without any intervening action or debate.

I finally ask unanimous consent that either leader be able to make this agreement null and void at any time during the consideration of this bill.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. LOTT. Mr. President, this has been very delicately developed with a lot of careful consideration and very aggressive work with our colleagues on both sides of the aisle. I know Senator DASCHLE has Senators who have tax amendments they would like to offer.

I should emphasis that this is not the last effort to try to make our Tax Code fairer this year. We will have the reconciliation bill that will involve marriage penalty tax elimination, and obviously tax amendments would be offered in that area. We still have legislation that would eliminate the Spanish American telephone tax, which we probably can't get to until the first of September. But it is something we should eliminate. Obviously, there will be an opportunity for additional tax-related amendments to be offered to these two.

There may be a number of amendments on both sides that Senators would like to offer that maybe cannot be included in this type of agreement. But this is not the last train out of Dodge, thank goodness. We will have other opportunities to develop a fairer Tax Code, and Senators will have an opportunity on both sides to offer amendments.

I thank Senator DASCHLE for his effort. I did not want us to just get to a cloture vote which might or might not pass. But if it failed, we would get no result.

I think the death tax needs to be eliminated. It needs to be phased out. There may be some modifications in the bill as we go forward. But a result is what we should always seek for the American people—not just a show vote. This could get us to that point.

I yield the floor.

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. Mr. President, while the majority leader and I have profound differences of opinion with regard to the estate tax and what to do with estate tax policy, I have been very appreciative of his willingness to work with us to accommodate the opportunity for Senators to offer amendments, which is what this agreement will allow.

This is a fair agreement. This isn't everything that our caucus or our colleagues have indicated they would like. There are far more amendments than this agreement will allow. But I underscore a comment just made by the majority leader. This is not going to be the last word on tax policy in this session of Congress. There will be other opportunities. I will do my utmost to accommodate Senators who have amendments they want to offer, if they are not going to be offered as part of this agreement.

I thank all of my caucus for their willingness to accommodate this agreement and for the opportunity to work through a very difficult set of procedural circumstances. This is far better than the old way that we were likely to be subscribing to, which is a cloture vote denying amendments of any kind, and maybe even denying an ultimate result. This will allow an ultimate result.

I hope we can have a good debate. I hope we can deal with these issues in a way that will afford us a real opportunity to consider alternatives. I think this agreement allows that.

I appreciate very much the majority leader's willingness to work with us. I appreciate especially the indulgence and the cooperation of all members of the Democratic caucus.

I yield the floor.

## NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2001

### VOTE ON AMENDMENT NO. 3185

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of S. 2549, and proceed to vote in relation to the pending amendment, No. 3185.

The question is on agreeing to the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from North Carolina (Mr. HELMS) and the Senator from New Hampshire (Mr. GREGG) are necessarily absent.

Mr. REID. I announce that the Senator from Connecticut (Mr. DODD) is necessarily absent.

The PRESIDING OFFICER (Mr. BURNS). Are there any other Senators in the Chamber who desire to vote?

The result was announced, yeas 86, nays 11, as follows:

[Rollcall Vote No. 174 Leg.]

YEAS—86

Abraham
Akaka
Allard
Ashcroft
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bryan
Burns
Byrd
Campbell
Chafee, L.
Cleland
Cochran
Conrad
Coverdell
Craig
Crapo
Daschle
Domenici
Dorgan
Durbin
Edwards
Enzi
Feinstein
Fitzgerald
Frist
Gorton
Graham
Gramm
Grams
Grassley
Hagel
Harkin
Hatch
Hollings
Hutchinson
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
Mack
McCain
McConnell
Mikulski
Moynihan
Murkowski
Murray
Nickles
Reed
Reid
Robb
Roberts
Rockefeller
Roth
Santorum
Sarbanes
Schumer
Smith (OR)
Stevens
Thomas
Thurmond
Torricelli
Voinovich
Warner
Wellstone
Wyden

NAYS—11

Bunning
Collins
DeWine
Feingold
Kyl
Sessions
Shelby
Smith (NH)
Snowe
Specter
Thompson

NOT VOTING—3

Dodd
Gregg
Helms

The amendment (No. 3185) was agreed to.

Mr. GORTON. Mr. President, I move to reconsider the vote.

Mr. REID. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GORTON. Mr. President, in the presence of the assistant Democratic leader, I ask unanimous consent that, with the exception of the Byrd amendment on bilateral trade, which will be disposed of this evening, votes occur on the other amendments listed in that order beginning at 9:30 a.m. on Thursday, July 13, 2000.

I further ask unanimous consent that, upon final passage of H.R. 4205, the Senate amendment, be printed as passed.

I further ask unanimous consent that, following disposition of H.R. 4205 and the appointment of conferees the Senate proceed immediately to the consideration en bloc of S. 2550, S. 2551, and S. 2552, Calendar Order Nos. 544, 545, and 546; that all after the enacting clause of these bills be stricken and that the appropriate portion of S. 2549, as amended, be inserted in lieu thereof, as follows:

S. 2550: Insert Division A of S. 2549, as passed;

S. 2551: Insert Division B of S. 2549, as passed;

S. 2552: Insert Division C of S. 2549, as passed; that these bills be advanced to third reading and passed; that the motion to reconsider en bloc be laid upon the table; and that the above actions occur without intervening action or debate.

Finally, I ask unanimous consent with respect to S. 2549, S. 2550, S. 2551, and S. 2552, as just passed by the Senate, that if the Senate receives a message with respect to any of these bills from the House of Representatives, the Senate disagree with the House on its amendment or amendments to the Senate-passed bill and agree to or request a conference, as appropriate, with the House on the disagreeing votes of the two houses; that the Chair be authorized to appoint conferees; and that the foregoing occur without any intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Reserving the right to object, it is my further understanding that there are remaining four votes that are going to be needed, and they are on amendments by Senators FEINGOLD, DURBIN, HARKIN, and KERRY of Massachusetts.

Mr. GORTON. I believe the Senator is correct.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

## DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

The PRESIDING OFFICER. The Senate will resume consideration of the Interior appropriations bill, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 4578) making appropriations for the Department of Interior and related agencies for the fiscal year ending September 30, 2001, and for other purposes.

Pending:

Wellstone amendment No. 3772, to increase funding for emergency expenses resulting from wind storms.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, we are finally back on the appropriations bill for the Department of the Interior. We will be on it from now until 6:30 this evening, when I understand we go back to the Defense authorization bill.

We have made some very real progress in the last 24 hours in the sense that we have a finite list of amendments that can be brought up on this bill. The difficulty is that, as I count them, there are 112 of those amendments that are in order at this point. The distinguished Senator from West Virginia and I both hope and believe that many of them will not be brought up, but this is notification to Members that if they are interested in having their amendments discussed, if they want to get the views of the managers of the bill on those amendments, they should be prompt. We want to hear from everyone this afternoon because we want to finish the bill today or, more likely, tomorrow.

One amendment that is ready to go is the amendment proposed by the senior Senator from Minnesota, together with the junior Senator from Minnesota, that is technically, I believe, the business of the Senate at the present time.

I now see both Senators from Minnesota here, prepared to deal with that amendment.

The PRESIDING OFFICER. The Senator from Minnesota.

### AMENDMENT NO. 3772

Mr. WELLSTONE. Mr. President, the pending order of business is amendment No. 3772. I can be very brief.

First, I thank my colleague, Senator GRAMS, for joining me in this effort. We have two amendments, I believe. I say to my colleague from Minnesota, I also join him in his effort.

We are both focused on the same question: a storm that happens about once every thousand years, a massive blowdown in northern Minnesota. We are both committed to helping get to the Forest Service the necessary resources to deal with the massive blowdown. There is a lot of important work to be done. This storm has been a nightmare for our State. One very positive outcome of the storm is the way in which the people in Minnesota have come together.

I thank Senator GORTON and Senator BYRD for accepting this amendment. It would restore about $7.2 million needed in emergency funding. It is critically important, and I thank my colleagues for their support. People in northern Minnesota will appreciate their support as well.

I say to Senator GRAMS, I have to leave the floor soon, but I also support the amendment he is introducing. I have another engagement. I am proud to be a cosponsor on that amendment with my colleague.

It is my understanding this amendment will be approved. I wonder whether we could now voice vote it.

Mr. GORTON. Mr. President, I think we want to let the other Senator from Minnesota speak.

Mr. WELLSTONE. Mr. President, I am sorry.

Mr. GORTON. The managers are prepared to accept the amendment.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. GRAMS. Mr. President, I join with Senator WELLSTONE to speak about the urgent need for cleanup and fire threat reduction funding in northern Minnesota. I first want to thank Senator GORTON for his willingness to work with me on this crucial issue for our state.

As many of my colleagues know, I've been working with my colleagues in the Senate, including Senator WELLSTONE, Senator GORTON and Senator STEVENS, for months to ensure that this crucial funding would be available for the Superior and Chippewa National Forests. I've made my request repeatedly, in both letters and in conversations with the Appropriations Committee and the Senate Leadership. My colleagues on the Appropriations Committee gave me their assurance that the needs of Minnesota would be met.

I just returned from hearing over five hours of testimony in northern Minnesota on last year's storm and its dramatic aftermath. Regardless of political affiliation or the specific interests of those testifying, everyone agreed that the most crucial need in northern Minnesota was the reduction of the tremendous amount of downed timber scattered across the Superior National Forest and the Boundary Waters Canoe Area Wilderness. Right now, there are over 450,000 forested acres in northern Minnesota upon which lie millions of broken, dead or dying trees. Right now, those downed trees pose a fire threat that the Forest Service cannot model. If they're not first burned in a catastrophic fire, many of those trees will become ridden with disease, creating another threat for nearby forested areas that weren't impacted by the storm.

While much of the area most impacted by this storm lies within a federally designated wilderness area, the region is also known for its many homes and resorts and for the diversity of recreational activity it offers. Most importantly for those of us who represent the area is the protection of the lives and property of those who live in and visit this wonderful area of Minnesota. That's why I've insisted that there's an immediate need to reduce the threat of catastrophic fire and provide the Forest Service with the funding it needs to conduct cleanup and fire threat mitigation efforts.

I want to take a moment to address the process through which we arrived at this point. As I said earlier, I've been working with the Appropriations Committee for a number of months to secure this important funding. I first wrote to Senator STEVENS on March 15th seeking emergency funding in a supplemental appropriations bill for cleanup activities this year. I then wrote to Senator GORTON on April 12 asking that he include $9.249 million in emergency funding to address the pressing needs of the Superior and Chippewa National Forests. When the Agriculture Appropriations bill passed through the Appropriations Committee, I was pleased that my request had been approved and would soon be before the full Senate. And finally, when the Military Construction Conference Report was brought out of committee, we were successful in getting a $2 million down payment on the $9.249 million and a commitment that the remainder would soon follow in either the Interior bill or in the Agriculture bill. As I said earlier, the agreement reached today between Senators GORTON, BYRD, WELLSTONE and me fulfills the commitment I received almost two weeks ago.

There have, however, been some suggestions that the funding we're discussing today had been approved in the House of Representatives and then stripped out by the Senate. However, the House has never passed a single dime in emergency funding for northern Minnesota. I would also like to address claims that the Senate had somehow stripped this money out and ignored the needs of northern Minnesota. I've been in almost constant contact over the past few months with the Senate Leadership and with the Appropriations Committee. I have been assured repeatedly that this money will be available for Minnesota and that the pressing needs in this region of my State would be met no later than on the Agriculture Appropriations bill and hopefully on this bill. I'm grateful that now those needs will be met, consistent with the previous assurances I had received.

I would also like to mention that this is not the end, but the beginning of our efforts to ensure the safety and well-being of the people who live in or visit northeastern Minnesota. Reducing the threat of fire, protecting human life and property, and ensuring the continued economic viability of this region of our State should be our number one priority. I intend to see to it that those concerns are addressed by the Federal Government in the coming weeks, months, and years.

To that end, I intend to secure, through an amendment I have already filed, additional funding of $6.947 million for blow-down recovery and fire threat reduction efforts in northern Minnesota for fiscal year 2001.

As, again, Senator WELLSTONE mentioned, he is joining me on this amendment as well in support of this request. This money will provide the Forest Service in northern Minnesota with the funding they need in the coming fiscal year so that they can continue the cleanup efforts beyond October of this year. This is a massive cleanup effort that will cost millions of dollars and will continue for years past fiscal year 2001. I hope we can reach agreement with Senator GORTON and Senator BYRD to accept this important amendment as soon as possible.

Again, I thank Senator GORTON, Senator STEVENS, the staff of the Appropriations Committee, and Senator WELLSTONE for working with me for so many months to secure the funding needed to protect the lives and the property of the people of northern Minnesota.

I yield the floor.

Mr. WELLSTONE. Mr. President, I ask my colleague from Washington whether we can voice vote my amendment.

Mr. GORTON. I believe we are ready to take a voice vote on this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3772) was agreed to.

Mr. GORTON. Mr. President, I move to reconsider the vote.

Mr. REID. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WELLSTONE. Mr. President, I thank my colleague from Washington and my colleague from Minnesota for their help.

Mr. GORTON. We are working with the two Senators from Minnesota on a follow-on amendment. I hope we will be in a position to accept that relatively quickly.

Mr. President, two amendments were inadvertently left off the list for consideration. I ask unanimous consent that Senator THOMAS' amendment regarding a management study be included, and Senator LINCOLN's amendment on black liquor gasification be included under the agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GORTON. Mr. President, we started with 112 amendments. We have adopted 1 and added 2, so we are now at 113. With that, the floor is open. I believe the Senator from Michigan is here to speak on one of his amendments.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. ABRAHAM. Mr. President, I rise to talk with respect to one of the amendments on that list of 113, one that I had planned to offer, which would basically be an amendment that embodies a bill I introduced, S. 2808, the purpose of which was to temporarily suspend the Federal gasoline tax for 150 days, while holding harmless the highway trust fund and protecting the Social Security trust fund.

Obviously, this is not the type of legislation that would normally be brought on an appropriations bill. I have traveled throughout the State of Michigan in recent weeks where we are confronting gasoline prices that are so high that the motorists in our State and people in industries that depend on the purchase of gasoline and other fuels are up in arms at a level I don't believe I can ever remember.

Whether you are in the Abraham family, which owns a minivan and pays $50 to fill up the tank, or whether you are a family that has multiple minivans and fills up more than one tank a week, or whether you are a farmer who has many needs in the production of agricultural commodities for the use of motor vehicles and other machines that require oil and fuel, or whether you are in the automotive industry that depends on the purchase of SUVs, light trucks, and other American-made automobiles and motor vehicles, or whether it is the tourism industry that requires reasonably priced gasoline in order to make sure that summer vacation plans are carried out—and tourism is an economic sector that remains strong—regardless of your role in my State, you are very upset because today the price of gasoline in Michigan is almost 75 to 80 cents higher than it was a year ago. In fact, this Monday, a national survey of gasoline prices indicated that in the city of Detroit, in the metropolitan area, we have the highest gasoline prices in America.

Something needs to be done about this. We have heard Senator MURKOWSKI and others on the Energy Committee talk about a variety of long-term strategies, ranging from the development of domestic energy, to addressing alternative energy sources, to conservation. We have talked a little bit here about regulations that have increased the cost of fuel development. We have talked about it in the Senate and have heard about issues that range from whether or not the oil companies are in some sort of collusive effort and are gouging the consumers of America.

We have heard all of these things. But the bottom line is, taking action in any of those areas will not dramatically change the price of gasoline in the short run. We may, if we develop more domestic energy sources, be in a better position to control production and supply and, as a consequence, price. We may, if we address certain regulations, make it possible to change the price. But none of that is going to happen overnight.

In my State and across the Midwest, and really across the entire country, people want action sooner, not later. There is only one thing we can do as a Congress that will bring action sooner rather than later with respect to the price of gasoline, and that is to temporarily suspend the Federal tax on gasoline of 18.4 cents. Overnight, at every filling station in America and every gas station, the price of gasoline would theoretically come down by about 18 cents. Believe me, people will show up to buy that less expensive gasoline.

In Michigan, just a few days ago, a gas station, having heard my plea to suspend the Federal gas tax, reduced the price of gasoline for 2 hours at that station in the Detroit metropolitan area by 18.4 cents. There were lines of traffic a quarter mile virtually in every direction to get into that station because people who had been desperate to pay less for gasoline had the chance to do so—for 2 hours at least.

Our State's economy and the Nation's economy is being affected by these high fuel costs. Recently, I conducted a hearing in Warren, MI. We heard from people in the Michigan agricultural community who indicated to us that, according to their estimates—and, in fact, we heard from a family farmer himself who said they expect their net family farm income this year to be approximately 35 percent lower than it was projected to be. But we heard from people in the Michigan automotive community who indicated that already they were beginning to see indications of a shift from the purchase of new vehicles made in America to the purchase of imported vehicles.

I think many of us remember back when we had energy problems in the 1970s and we saw a shift away from American-manufactured vehicles to foreign imports, and what that did not just to the economy of Michigan or the auto industry but its rippling effect across the entire economy of this country.

We heard from others as well. We heard from consumers who came to that hearing and talked about the impact on their families and the sort of things they could no longer afford to do.

It is not only people who came to the hearing that I heard from. Last weekend, I was up in Traverse City, MI, to participate in the annual cherry festival. I was confronted by a group calling themselves the "Traverse City Gas Can Gang." When I was walking in the parade, they were imploring me, and virtually all other political figures present at that parade, to do something about the gasoline tax because basically they couldn't afford the price of gasoline.

I had a press conference in the city of Alpena, MI, and a lady senior citizen attending the press conference told me she had to walk to the press conference. She was interested in what I had to say about gas prices. She walked because she couldn't afford to pay for gas in order to drive. She was not a young constituent. She was an elderly senior citizen.

But I am not the only one confronting these kinds of constituents. These high prices across America are substantially more than they were a year ago. The metro Detroit area currently suffers under the highest gas prices in the country. Even though the price has come down from approximately $2 a gallon, it is still approximately $1.85 a gallon this week. These prices are 40 cents a gallon higher than they were in May of this year. That is a 27-percent increase in 2 months.

Of course, it is not in Michigan alone. Across the country people are confronting the same kind of significant increases. In June of 1999 gas prices in my State averaged just over $1.13 a gallon in Detroit, $1.17 a gallon throughout Michigan. One year later, gas prices were averaging $2.14 a gallon in Detroit, and just under $2.08 a gallon in the State of Michigan as a whole. That is almost a 90-percent rate of inflation for gas in the State.

As I pointed out, former Soviet Republics don't suffer inflation this aggravated. Even with the recent slight drop in gas prices, it is still 56 percent higher this year than it was 1 year ago.

There are a lot of possible explanations. There are a lot of factors that have come into play. This Congress and this Senate have a responsibility to deal with the long-term issues. But we also have a responsibility to provide relief in the short term, if we can. That is what can be accomplished if we were to temporarily suspend the Federal gas taxes. Eighteen cents a gallon would make a big difference to the people in my State.

This is not insignificant. It is more than a 10-percent reduction in the price of regular gasoline. For the typical one-car or one-minivan family, that would mean savings of $150 over the next 5 months. For those who are in the trucking industry, of course it would reduce their diesel prices by almost 25 cents a gallon. That would make a huge difference for them in terms of their bottom line as well.

My proposal is designed to simultaneously reduce the price at the pump and protect the road-funding dollars that many of our States, including certainly mine, are counting on from Washington. We would replenish any lost revenue to the highway trust fund at the same time we would suspend the gas tax.

As you know, we are confronting for this year as well as for the next year record high surpluses of non-Social Security dollars. Our proposed amendment would, in fact, use those non-Social Security surplus dollars to make sure that highway funding remains constant.

It is our projection and estimation that over the next 5 months the suspension of the gas tax would reduce the highway trust fund by approximately $6.5 billion. Our amendment would replenish those dollars from the general fund.

Indeed, the language of our amendment states specifically that nothing in this subsection may be construed as authorizing a reduction in the apportionments of the highway trust fund to the States as a result of the temporary reduction in rates of tax.

In short, the proposal embodied in my legislation and in the amendment I had planned to bring to the Interior bill would suspend the gas tax and make sure the highway funds continue to flow by using non-Social Security surplus dollars.

When we initially sought to bring this amendment on the Interior appropriations bill, it was unclear what the Senate schedule would be with respect to other appropriate legislation where we might bring this amendment. I am happy to hear this morning that a unanimous consent agreement was entered into which will allow us to take up tomorrow the estate tax—the death tax—legislation that has been discussed over the last day and a half, and that amendments such as this one would be in order at that time.

Indeed, I have already been in consultation with our leadership as to securing one of those amendment slots to bring this amendment in the context of the tax bill, which is clearly a more preferable vehicle for us to address these issues. It is my plan to return to the floor tomorrow when that tax bill is before us with one of the amendments to be offered on the Republican side.

Before I leave, I wish to make it very clear to my colleagues that this is a serious problem—not only in Michigan but across the country. If we continue to have to pay gas prices of the level we are paying today, even though they have come down slightly in the last couple of weeks, it is going to have a very serious impact on the economy of this country. It is going to hurt our agricultural sector, our tourism sector, our automotive sector, and it will have a rippling effect across America. That means it is not only a problem for somebody who owns a minivan or for somebody who drives a truck; it is going to ultimately be a problem for all of us.

I believe over time a lot of this will be alleviated as supply and production increases by Saudi Arabia and others begin to take effect. But I can't wait that long. My constituents can't wait that long. We need to do something sooner, not later.

I believe the one thing that makes sense to do, that we can afford to do, that will make a difference immediately, and that will provide the consumers in my State with an opportunity to be able to afford gasoline—or at least more easily afford gasoline—is for us to recognize that we are going to have a huge surplus this year, a projected surplus next year, and that a little bit of that surplus over the next 5 months can be used to protect the highway trust fund and give consumers a break. I believe in doing that.

We will do something that will be immensely supported by the people across America who have to fill up their tanks once or twice a week by average working families in this country for whom a rise of 63 percent or 90 percent in the price makes a big difference. I believe it is an action that we should take. The last time we voted on it, there were approximately 43 votes in favor of a gas tax suspension. But that was before these prices crested to the level of today. I believe the Senate should have one more vote on this. I look forward to this debate tomorrow.

At this time, I will withdraw from the list my amendment and allow the Senator from Washington to continue with other amendments on this bill. I thank him for his indulgence. I look forward to debating this issue tomorrow.

I yield the floor.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, I am grateful to the Senator from Michigan on two fronts: One, that we will not have to deal with the amendment on this bill—at least not on the subject of the bill itself—and substantively for bringing up a vitally important issue; and for his dedication, which I am certain was key to giving him the ability to bring this amendment to the floor of the Senate on a bill for which it is relevant and in a way that Members of the Senate will be able to vote on it. I wish him good fortune in that quest. His case was persuasively stated.

AMENDMENT NO. 3773

Mr. GORTON. Mr. President, I call up amendment No. 3773.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Washington (Mr. GORTON) proposes an amendment numbered 3773.

Mr. GORTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 167, line 15 of the bill, insert the number "0" between the numbers "1" and "5".

Mr. GORTON. Mr. President, this is a technical amendment. It is to correct an improper citation to public law referenced in the bill.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3773) was agreed to.

AMENDMENT NO. 3801

(Purpose: To approve the reprogramming of funds for computational services at the National Energy Technology Laboratory)

Mr. GORTON. Mr. President, on behalf of my colleague from West Virginia, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Washington (Mr. GORTON), for Mr. BYRD, proposes an amendment numbered 3801.

Mr. GORTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of Title III of the bill insert the following:

"SEC. . From funds previously appropriated under the heading "Department of Energy, Fossil Energy Research and Development," $4,000,000 is immediately available from unobligated balances for computational services at the National Energy Technology Laboratory."

Mr. GORTON. Mr. President, this confirms a reprogramming of an energy program in the State of West Virginia over which there have been some technical difficulties, and assures that money previously appropriated will be used for the purpose stated in the amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3801) was agreed to.

### AMENDMENT NO. 3802

(Purpose: To amend the amount provided for the State of Florida Restoration grants within National Park Service land acquisition)

Mr. GORTON. I send a further amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Washington [Mr. GORTON] proposes an amendment numbered 3802.

Mr. GORTON. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 127, line 11, strike "$10,000,000" and insert "$12,000,000".

Mr. GORTON. Mr. President, this corrects a figure in the bill to bring it into conformance with the committee report and the intention of the committee in passing a bill. In other words, it was simply a drafting error.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3802) was agreed to.

Mr. GORTON. I move to reconsider the vote on all three amendments.

Mr. REID. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GORTON. Mr. President, that is all I can deal with at the present time. I repeat—and I know my friend from Nevada is with me on this—we do have a very substantial number of additional amendments. It looks as if somewhere between 6 and 10 may require rollcalls. I particularly urge we start the debate on significant policy amendments to this bill. This is a request to Members who were eager to list amendments for debate to come to the floor and present those amendments.

Mr. REID. I say to my friend, this bill may not be around very long. This may be the only opportunity to offer these amendments because the two leaders have outlined a tremendously difficult legislative program in the next 2½ weeks. This may be the only time in the Sun for some of these amendments.

Mr. GORTON. We are going to the tax bill tomorrow with 20 amendments or so in order for it. Members desiring to deal with this Interior appropriations bill need to present themselves on the floor with those amendments as promptly as possible.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GORTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

### AMENDMENT NO. 3803

(Purpose: To provide funding for expenses resulting from windstorms, with an offset)

Mr. GORTON. Mr. President, I send an amendment to the desk for Mr. GRAMS and Mr. WELLSTONE, and I ask that it be immediately considered.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Washington [Mr. GORTON], for Senators GRAMS and WELLSTONE, proposes an amendment numbered 3803.

Mr. GORTON. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 126, line 16, strike "$207,079,000," and insert "$202,950,000, of which not more than $511,000 shall be used for the preconstruction, engineering, and design of a heritage center for the Grand Portage National Monument in Minnesota,".

On page 165, line 25, strike "$618,500,000," and inserting "$622,629,000, of which at least $6,947,000 shall be used for hazardous fuels reduction activities and expenses resulting from windstorm damage in the Superior National Forest in Minnesota, $3,000,000 of which shall not be available until September 30, 2001".

Mr. GORTON. Mr. President, this amendment was discussed a few moments ago by Senator GRAMS and approved by Senator WELLSTONE. It deals further with the emergency in Minnesota they discussed earlier. I was delighted at the wonderful cooperation between those two Senators. I agree with their description of the emergency. I ask the amendment be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3803) was agreed to.

Mr. GORTON. I move to reconsider the vote.

Mr. REID. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GORTON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, the chairman of the subcommittee and I are here on the floor. We are very eager to have Senators who want to call up amendments come to the floor and call up their amendments. I urge Senators: Make haste and come while the time is running and ripe. At some point we have to call up our amendments or go to third reading. It is a little early to go to third reading, but I would plead with Senators not to wait. This is an excellent opportunity. If I had an amendment to the bill, I would be eager to see a moment such as this when other Senators are not seeking recognition, and I would be eager to come to the floor, work out my amendment with the two managers, and be on my way back to the office and other things.

So I make that urgent plea because at some point, if Senators do not come to the floor with their amendments, I may move to go to third reading and get the yeas and nays on that. Of course, if that motion carries, there can be no more amendments. I am not saying I will do that yet, but there will come a time. That is a good fiddler's tune: There will come a time, there will come a time someday. This is your chance, now. Staffs of Senators who are working on amendments, this is your chance. Get your Senator here and let's get the amendments and get votes.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. THOMAS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GRAMS). Without objection, it is so ordered.

### AMENDMENT NO. 3804

(Purpose: To provide additional funds for Payment in Lieu of Taxes program)

Mr. THOMAS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Wyoming [Mr. THOMAS], for himself, Mr. HATCH, Mr. BURNS, and Mr. GRAMS, proposes an amendment numbered 3804.

Mr. THOMAS. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 112, line 20, strike "$693,133,000" and insert "$689,133,000 of which not to exceed $125,900,000 shall be for workforce and organizational support and $16,586,000 shall be for Land and Resource Information Systems".

On page 113, line 14, strike "$693,133,000" and insert "$689,133,000".

On page 115, line 19, strike "$145,000,000" and insert "$148,000,000".

Mr. THOMAS. Mr. President, this is an amendment that deals with a program called Payment In Lieu of Taxes. Last year there was an appropriation of approximately $135 million. This year we intended to increase that amount. We have a letter that came from 57 of our colleagues urging an increase. We have changed the amendment to where it would be an increase in funding over the proposal by $3 million, bringing it up to $148 million.

This is substantially below what the authorizations are. However, I do understand the difficulty of the funding. I appreciate the opportunity to work with the chairman and the ranking member.

Basically what this does, of course, is provide payments to the States for the public lands that are owned there, public lands that if they were privately owned would be taxed and would be an income source.

These counties, despite the fact there is no taxable income, continue to carry on their services—lease services, hospital services, other kinds of services. So really it is sort of a fairness issue when the Federal Government has substantial amounts of ownership.

In Wyoming, 50 percent of the State belongs to the Federal Government. We have counties that run as high as 96 percent being federally owned lands and many that are over half. So this is sort of a payment to them. The Nation, of course, benefits from this ownership, but the counties have to pay the ticket.

I will not go into great detail. But I urge this amendment be agreed to.

Mr. President, I ask unanimous consent that the letter that was sent to the chairman be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
*Washington, DC, March 17, 2000.*

Hon. SLADE GORTON, Chairman,
Hon. ROBERT C. BYRD, Ranking Member,
*Subcommittee on Interior, Senate Appropriations Committee, U.S. Senate, Washington, DC.*

DEAR SENATORS GORTON AND BYRD: We write to request your support for a multi year process that will lead us to full funding for the Payment in Lieu of Taxes (PILT) program on public lands across the country.

We believe the most favorable course of action would be to appropriate the full authorization level of PILT by FY 2010. The Bureau of Land Management has informed us that the authorized PILT funding level under PL. 103–397 in FY 2005 will be approximately $335 million based on current inflation rates. We realize there are many important needs to be addressed in the Interior Appropriations bill this year. However, a five-year $20 million per year increase would help more than 2000 counties and local governments meet the mandates imposed upon them by an ever increasing public land base. Additionally, it would allow the federal government to work toward fulfilling a commitment it made to counties in 1976 when Congress passed the original PILT act in a fiscally responsible manner.

You are keenly aware that counties, on behalf of the federal government, provide many critical infrastructure servides—including police, search and rescue, fire fighting, road maintenance, garbage collection and other services. Because of the amount of public lands in these counties, they do not have the ability to raise the necessary funds through traditional property taxes.

In the past public lands provided many economic benefits to local communities through multiple use activities such as grazing, mining, oil, gas and timber. The monies generated also stayed in public land counties. These resource activities face ongoing pressures and hardships, and are being replaced by people recreating in these areas. The effect is an increased demand for services often far in excess of resources that the tourism dollars bring to these rural communities.

It is common for federal land ownership in some counties to exceed 50 percent to more than 90 percent. With the trend toward additional acquisitions by the federal government of private taxable land, we believe it has become an absolute necessity that Congress meet its obligation and begin a process that will lead toward full funding of PILT within a reasonable period of time. Absent this, we fear counties will have no choice but to reduce or eliminate essential public services on public lands due to budgetary constraints.

Please know you have our full support as we move forward working with you on an incremental increase for PILT which allows for this critical program to eventually realize its full authorization level.

Best regards,

Craig Thomas; Mary L. Landrieu; Tim Johnson; Kent Conrad; Frank H. Murkowski; Richard Shelby; Conrad Burns; Mike DeWine; Ben Nighthorse Campbell; Byron L. Dorgan; Jon Kyl; Jesse Helms; Jim Bunning; Dick Lugar; Barbara Boxer; Michael B. Enzi; Rod Grams; Spencer Abraham; Larry E. Craig; Mike Crapo; Orrin Hatch; Wayne Allard; Dianne Feinstein; Gordon Smith; Chuck Hagel; Pete V. Domenici; Patrick Leahy; Judd Gregg; Olympia Snowe; Bob Smith; Strom Thurmond; Kay Bailey Hutchison; Tom Daschle; Ron Wyden; Jim Inhofe; Richard H. Bryan; Harry Reid; Patty Murray; Paul Wellstone; Trent Lott; Chuck Robb; John Edwards; Mitch McConnell; Jim Jeffords; Max Cleland; Jeff Bingaman; John Breaux; Rick Santorum; John Ashcroft; Dick Durbin; Max Baucus; Kit Bond; Tim Hutchinson; Bill Frist; Carl Levin; Paul D. Coverdell; Blanche L. Lincoln;

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, we have worked with the Senator from Wyoming on this subject, a subject in which he has been interested, I believe, ever since he came to the Senate, and one in which I am interested as well.

The bill does include an increase for this Payment In Lieu of Taxes. This money is very important to many counties—rural counties almost entirely—that have much or most of their property owned by the Federal Government.

I would like to be more generous than this. I think this is about as far as we can go. I appreciate the willingness of the Senator from Wyoming to come up with a reasonable increase. I am willing to accept it. I believe my colleague is as well.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I have no objection on this side.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3804) was agreed to.

Mr. GORTON. I move to reconsider the vote.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. Mr. President, I thank the chairman and Senator BYRD for accepting the amendment, and also Senators HATCH, GRAMS, and BURNS for cosponsoring this amendment. I think it is useful. I appreciate it very much.

Mr. STEVENS. Will the Senator yield?

Mr. DORGAN. I am happy to yield to the Senator.

### AMENDMENT NO. 3774, WITHDRAWN

Mr. STEVENS. I ask unanimous consent my amendment No. 3774 be withdrawn.

The PRESIDING OFFICER (Mr. THOMAS). The Senator has a right to recall his amendment.

Without objection, it is so ordered.

The amendment (No. 3774) was withdrawn.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I begin by complimenting Senator SLADE GORTON and Senator ROBERT BYRD, the chairman and the ranking member of the subcommittee that brings this legislation to the floor. The Interior appropriations bill is a very important piece of legislation, but it faces the classic problem of trying to meet unlimited needs with limited resources. Senator GORTON and Senator BYRD had a very difficult task, but they have done quite a remarkable job and have certainly earned my compliments and I hope the compliments of my colleagues for the job they have done.

I wish to speak for a few moments, however, about a very difficult problem that is encountered by a group of Americans who suffer some of the highest unemployment rates, some of the most difficult health problems, and the most difficult challenges of any Americans. I'm speaking of Native Americans.

We have in North Dakota four Indian reservations. I frequently visit these reservations and meet with the tribal chairs, men, women, and children who live there. The conditions in some cases on these reservations are very much like those of a Third World country. The unmet health care needs are devastating. The unemployment rates in some cases are as high as 50, 60, and 70 percent because these areas are so remote and there are simply no jobs. And the quality of education regrettably is not up to the standards it should be.

As I talk about these problems today, I want to point out that this bill, for the first time, makes some significant steps in the right direction. This is an important moment. This appropriations bill does make some important progress in dealing with the issues of Indian health care and Indian education.

Yet there is so much left to do. The people in America who live in Indian country have the highest rates of poverty in our country. Over 30 percent of Native Americans live in poverty. The unemployment rate on Indian reservations in North Dakota averages 55 percent. Compare that to the unemployment rate of around 4 percent in the United States as a whole.

To help address the problems that Native Americans face, President Clinton recommended a $1.2 billion increase, government-wide, for priority health care, education, economic development, and other infrastructure needs in Indian country. I am particularly pleased about the President's recommendations in some key areas, including the $300 million he proposed for BIA school replacement and repair. This is $167 million more than the current level, the largest ever single year investment in BIA school infrastructure. The President's budget also proposes a $200 million, or 10-percent, increase in the Indian health services budget.

The increased funding levels in the Senate bill, even though they represent significant progress under difficult circumstances, still fall significantly short of both the President's budget request and what we need to do. Unfortunately, the House-passed Interior bill is far, far worse. We are going to fall short once again of meeting the actual needs of Native Americans.

Let me talk for a moment about the health care needs in Indian country. A Native American living on the reservation is 12 times more likely to have diabetes than the average American—not double or triple or quadruple but 12 times more likely to have diabetes—and 3 times more likely to die from diabetes. An American Indian is five times more likely to die from tuberculosis, four times more likely to die from chronic liver disease, 3 times more likely to die in an accident, especially an automobile accident, and nearly twice as likely to commit suicide.

I recently visited the Indian Health Service hospital in Fort Yates, ND. I have here a picture of that hospital. It has been around for a long while. It doesn't have an emergency room. The folks who use that hospital don't have access to an operating room, and they therefore can't deliver babies because they don't have an operating room. The emergency room is in the midst of the waiting rooms, so when an emergency occurs, everyone in the waiting room has to clear out. It is not visible in this picture, but there is a little old trailer house where the dentist practices. The 1 dentist practicing in that trailer serves 5,000 people.

Now this dentist is no doubt providing the best service that he can given the circumstances he has to work in, but just imagine the kind of dental care that is provided by 1 dentist for 5,000 people. Do you think that dentist is constructing difficult bridges or other complicated treatments for teeth that are in trouble, or is he more likely pulling teeth? This is at Fort Yates, ND, on the Standing Rock Indian Reservation.

The current funding for the Indian Health Service is about 43 percent less per capita than health care spending for the U.S. population generally. The Indian Health Service spends about $1,400 per patient, compared to the national per capita amount per patient of $3,200.

Let me also talk for a moment about education on the reservations. Again, I appreciate the leadership of Senator GORTON and Senator BYRD in providing $276 million for BIA school replacement and repair in this coming fiscal year.

The Federal government has a trust responsibility to provide an education to Indian children. This is not a luxury or some discretionary choice. We have a trust responsibility to Indian children, just as we have a responsibility to provide for an education for the children of our military personnel residing on or near military bases. The Federal government runs the Department of Defense school system. We also have a trust responsibility to run the school system through the BIA. We have not done that very well. We are woefully short of the funds that are needed to keep these schools up to standard. Even with the funding increases in the Senate bill, there will continue to be a nearly $700 million backlog in repair and replacement of BIA schools.

The GAO says the schools that are serving these Indian children are among the poorest schools in the Nation. Yes, that is among all schools, even those in the inner-cities, where they also have a lot of problems. But the worst school facilities in the Nation are those on the Indian reservations.

This is a picture of a school on the Turtle Mountain Reservation. This happens to be the Ojibwa Indian School. This is a fundamentally unsafe school, as many health and safety investigations have found. One day, my fear is that something awful will happen at that school and people will say, How did that happen? It will happen because nobody paid attention to the warnings.

This is a picture of the fire escape. Notice, it is a wooden fire escape, which is rather unusual—a fire escape made of wood. This is clearly a fire code violation.

The children of the Ojibwa school are attending classes in trailers that have been constructed because the main school building is over 100 years old and has been condemned. So the kids are now put in the mobile units and are required to scurry back and forth, up and down these stairs, in the dead of winter in North Dakota, with temperatures at 30 below zero and with the wind blowing. The people who have inspected these facilities from time to time have found all kinds of problems with them. This wooden fire escape is simply one of many.

This is a picture of the plumbing at the school in Marty, SD, the Marty Indian School. Take a look at that plumbing. See if you want to take a drink of the water from those pipes. Or take a look at this rusted radiator. Not exactly the modern radiator needed to keep the students warm in the dead of a South Dakota winter.

Or, to return to another picture of the Ojibwa school, where the ground beneath the gymnasium is giving way. For safety purposes they have put up plywood, and that plywood is all that separates children from danger as the ground gives way under the corner of the gymnasium.

We have to do much better than this. We can and should do better than this. We have a responsibility to these kids. I have come to the floor many times and talked about these needs. I know I am repetitive, and I know people say that they have heard it all before. But frankly, a lot of these people don't have much of a voice in this appropriations process.

A little third grader, Rosie Two Bears, once asked me: Mr. Senator, are you going to build me a new school? I realize I can't build Rosie a new school even though she desperately needs one. She goes to a school that is terribly inadequate. Rosie goes to a school with sewer gas coming up through the floors of one classroom, which they had to evacuate once or twice a week. She goes to a school in which there are 150 students with 1 water fountain and 2 toilets, a school with no playground.

The fact is, we can do better than that. This bill makes some significant improvements in health and education. For that, I commend all the folks involved. On the Appropriations Committee, I tried to make even more improvements, and I'm glad I was able to do that marginally in the area of tribal college funding. However, I come to the floor to say we have to do better.

The superintendent of the Wahpeton Indian school, Joyce Burr, told me a while ago about a little girl attending that school. Many of these kids are sent to that school from around the country, and they come from troubled backgrounds, many without much of a family or home to go back to. Joyce told me the little girl came to her near Christmastime, when the school was going to close during the 2 week holiday at Christmas and the children would be sent back to their reservations, to their families. This little girl, a third or fourth grader, went to the superintendent and said: I would like to stay over at the school during the Christmas break. I know the school isn't going to be opened, but I promise if you let me stay here I won't eat very much. She had no place to go, so she was asking if she could stay at the school all alone over the Christmas break, promising, "If you let me do that I won't eat much." We must do much better for these children.

On the other end of the education spectrum, with respect to tribal colleges, I want to say we are starting to make some progress there, for which I am very grateful. The tribal colleges represent an extension of educational opportunity and a way out of poverty. I went to a tribal college graduation once and met the oldest graduate in the graduating class. She was 42 or 43 years old, with four children, whose husband had left her. She was cleaning the toilets and the hallways at the tribal college and decided she was going to try and improve her lot in life by attending the college.

The day I was there, she graduated. I can hardly describe the smile on her face that day. This woman decided, with grim determination: I am going to graduate from this college. I know I am cleaning the hallways and bathrooms, but I want to do more than that. Through grit and determination, the help of relatives and scholarships, and because the tribal college was right there, guess what—the day I showed up to give the graduation speech, this proud woman graduated from college. Good for her.

Or the instance of Loretta. Loretta had dropped out of school. She was an unwed teenaged mother. Now she is a doctor, a Ph.D., a real expert on education who eventually went on to teach at a tribal college for awhile. She did that by herself, but she did it because we put in place a system of tribal colleges that give people like Loretta the opportunity to go to school and get a college education. That is why tribal colleges are so important. Frankly, we contribute only about half as much per student at tribal colleges as we do to other colleges around the rest of the country. We need to do better than that. I am pleased to say this piece of legislation starts down that road.

Let me conclude where I began. I am here because I am pleased we are making progress. These are important, critical issues. We cannot ignore the circumstances that exist on Indian reservations. It is easy enough for some people to say that this is the way Indians want to live. That is not the case at all. These are Americans who are beset by poverty, lack of opportunity, lack of jobs, a bad health care system, and a crumbling education system that we must improve. I believe we are taking the first steps in this legislation to do that. For that, I commend my colleagues who brought this bill to the floor —Senator GORTON and Senator BYRD.

I say to them, I will be back again next year, as we continue our work in the Appropriations Committee, saying that we have done a lot, we have made some first important steps and thanks for that. But let's continue to try to address these education and health care needs on our reservations for Indian Americans. Let's try to do even more in the coming fiscal year.

I yield the floor.

The PRESIDING OFFICER (Mr. BUNNING). The Senator from Washington.

Mr. GORTON. Mr. President, the Senator is eloquent and persistent and has had great successes, and I am sure he will have great successes in the future. I thank him for his comments and his support.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I wonder if I can engage in a discussion with the distinguished chairman, Senator SLADE GORTON, on the bill before us.

By way of some opening remarks directed at the fine, excellent job he has done on this bill, I want to talk with him for a moment about what we have done for the U.S. Government-owned-and-maintained Indian schools in the United States in the Interior appropriations bill.

First, when we are finished supplying the numbers for the RECORD, which are obviously in the bill, it should not go unnoticed that this is the first time we have substantially—and I mean substantially—increased the money for the construction of Indian schools owned by the U.S. Government. Let's not be confused with public schools. These are schools that if the Federal Government does not pay for, I ask my chairman, nobody will pay for them, right; they belong to us?

Mr. GORTON. The Senator is entirely correct.

Mr. DOMENICI. And they are maintained by us. As the accounts will show, not only are we in a terrible state of disrepair, in terms of those schools that need management money, but we have a huge backlog of schools that should be built—that is, built anew—because the facilities that Indian children are occupying are truly intolerable.

Thus far, have I stated what the Senator from Washington has attempted to accomplish in this bill?

Mr. GORTON. The Senator from New Mexico is correct, but I really need to say more to respond to him in the affirmative. He has perhaps been the most eloquent, though he has been certainly strongly supported by the Senator from North Dakota on that side of the aisle, our friend, Senator INOUYE, from that side of the aisle, and the Senators from Arizona, in attempting at least to begin with the huge backlog in the absolute necessity of constructing new Indian schools that are 100 percent our responsibility and for renovating and repairing those that can constructively be renovated and repaired.

The Senator from New Mexico also knows how difficult this has been in past years because while the President of the United States has always asked us for big increases in the budget really for spending more money than we thought overall was appropriate to spend, he has always ignored these Indian school needs.

This year, in this budget, the President did dramatically reverse himself and did ask for a generous appropriation for new Indian school construction. That partnership, and the bipartisan partnership on the floor of the Senate, gave me the ability of drafting this bill to begin both appropriate new construction and a large number of repairs and rehabilitation.

I would be deficient in my own duty if I did not say that the first person who saw this need—not only saw this need but spoke eloquently to this need—was the Senator from New Mexico.

Mr. DOMENICI. Is it not true one other major function of activities that we must do in behalf of Indian people has to do with health care, wherein we have hospitals and medical facilities that are run by the U.S. Government for the Indian people? There, again, we have just been barely getting by in terms of keeping them open and properly maintained, and they are rather good medical facilities, I say to the American people. It is not like the public schools that we are ashamed of because they are in such disrepair.

Mr. GORTON. The Indian schools.

Mr. DOMENICI. The Indian schools, yes. They are in such a state of disrepair. Indian health is in pretty good health. In this bill, the President asked for substantially more money, and we were able to fund a substantial increase in Indian health money in the

Interior appropriations bill; is that correct?

Mr. GORTON. The Senator from New Mexico, in this instance, as in the earlier instance, is correct.

Mr. DOMENICI. Mr. President, for a period of about 4 years, I was joined with bipartisan letters that we sent to the President of the United States and to the Assistant Secretary of the Bureau of Indian Affairs saying: Will you please put in your budget a 5- or 6-year proposal to pay for the great backlog we have in Indian school construction which, I repeat, only we can make. It is not a question of somebody being generous or kind in building an Indian school. These are Indian schools we own, we operate, and we pay the teachers—we being the United States of America.

The President, after a visit—not the last visit he made to Indian country which was to New Mexico, but one just before that, which was his first visit to Indian country as a President—came back and talked about doing something to enhance economic development—that is, jobs—for Indian people.

I was very privileged to be at the White House and discuss the issue with him personally, after which time we joined with a bipartisan group of Senators and put together a package that strengthened our construction and maintenance of schools, that did somewhat more for Indian health and a few other things. The aftermath of that was the introduction of a bill, and the aftermath of that is the bill on the floor which increases funding in these very important areas.

In closing, the funding in this bill, which essentially resulted from that meeting in the White House to which I just eluded, and then joining a bipartisan group of Senators, really is not going to move us much in the direction of better jobs in Indian country for the Indian people. All of these things that I mentioned are a necessity.

Essentially, there is something basic that the Indian leaders and local communities and the National Government are going to have to do that will make the climate in Indian country better for private sector job growth. I do not levy any criticism at anyone individually, but it is quite obvious that tax credits alone will not do it, for we did that 4 years ago. The most extensive tax credits were passed to give Indian communities a chance to bring in private sector jobs. It is still on the books. It is a huge tax credit per Indian employee. We passed accelerated depreciation at the same time. If somebody builds a plant, they get to accelerate the depreciation much more rapidly than if they were next door in non-Indian country.

The problem is that the combination of all of that has not worked to create any large acceleration in the number of Indian people being employed in Indian country in permanent jobs.

I submit it will take a kind of a change in the attitude of Indian leaders. I think they are beginning to understand that. Businesses will not go even to an Indian reservation in America with tax credits and other benefits if, in fact, they are not satisfied with the business climate on the reservation; that is, if they can go 50 miles to a community off reservation and believe they have a lot more certainty of law, more certainty with reference to rules and regulations, they are not going to be coming to Indian country.

I have been urging that the Indian leaders, while they claim their sovereignty, understand that every government entity that claims sovereignty, from time to time, shows that sovereignty by giving up a little bit of it, by waiving a piece of it, or by entering into an agreement where they share responsibilities with another unit of government, frequently called intergovernmental agreements. These things are going to have to happen if we are going to bring jobs to Indian country.

There is much more to be said about it. There are many people who have tried, and I do not know just when it will work or when it will start working to any significant degree, but I am confident that this year we took a giant step in terms of the public responsibility. There are things moving around, either at the White House or out in Indian country, that are trying to move this whole attitude issue in a direction of business feeling more comfortable on Indian country.

I thank the chairman, again, for the bill with reference to the Indian people and I thank the committee that worked with him to bring it here.

Having said that, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CRAIG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

### AMENDMENT NO. 3795

(Purpose: To provide for a review committee for certain Forest Service rules)

Mr. CRAIG. Mr. President, I call up amendment No. 3795.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Idaho [Mr. CRAIG] for himself, Mr. HUTCHINSON, Mr. CRAPO, Mr. THOMAS, Mr. ENZI, Mr. BENNETT, Mr. HATCH, Mr. NICKLES, and Mr. SMITH of Oregon, proposes an amendment numbered 3795.

Mr. CRAIG. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill insert the following section:

**SEC. . REVIEW COMMITTEE FOR FOREST SERVICE RULES.**

(a)(1) From the amount appropriated for "Forest Products," a sum of $1,000,000 shall be made available until expended to the Secretary of Agriculture for the purpose of reviewing certain proposed rules concerning the planning and management of National Forest System lands referred to in paragraph (2).

(2) The proposed rules subject to this section are the proposed road management and transportation system rule, and proposed special areas—roadless area conservation rule published at 64 Federal Register 54074 (October 5, 1999) and 65 Federal Register 11676 and 30276 (March 3 and May 10, 2000), respectively.

(b) With the funds allocated pursuant to subsection (a)(1):

(1) The Secretary shall appoint an advisory committee in accordance with the Federal Advisory Committee Act and subsection (d) of persons knowledgeable, and reflecting a diversity of viewpoints, concerning issues related to the planning and management of National Forest System lands. The appointments shall be made as soon as practicable after the date of enactment of this Act.

(2) The advisory committee shall—

(A) review and evaluate the proposed rules referred to in subsection (a)(2) and their prospective implementation, particularly as to their cumulative effects and the manner in which they relate to each other, are integrated, and will function together, including any inconsistencies or conflicts in their goals, purposes, application, or likely results and determined whether and in what way they may be improved; and

(B) submit a written report to the Secretary describing the results of the review and evaluation of the proposed rules required by, and any recommendations for improvement of such rules determined pursuant to, subparagraph (A), including any supplemental or minority views which any member or members of the advisory committee may wish to express.

(3) The Secretary shall make the report of the advisory committee required by paragraph (2)(B) available for public comment and submit the report to the Congress, together with a written response of the Secretary to the report and the public comment on the report.

(c) No funds appropriated by this Act or any other act of Congress may be expended for further development or promulgation of the proposed rules referred to in subsection (a)(2) prior to 60 days after the date of submission to the Congress of the report of the advisory committee and the response of the Secretary pursuant to subsection (b)(3).

(d)(1) The advisory committee appointed pursuant to subsection (b)(1) shall have no more than 15, nor less than 9, members who may not be officers or employees of the United States. The Chair of the advisory committee shall be selected from among and by its members.

(2) The members of the advisory committee, while attending conferences, hearing, or meetings of the advisory committee or while otherwise serving at the request of the Chair shall each be entitled to receive compensation at a rate not in excess of the maximum rate of pay for grade GS–18, as provided in the General Schedule under section 5332 of title 5, United States Code, including travel time, and while away from their homes or regular places of business

shall each be reimbursed for travel expenses, including per diem in lieu of subsistence as authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

Mr. CRAIG. Mr. President, amendment No. 3795 to the Interior appropriations bill deals with the U.S. Forest Service's proposed roadless initiative. My amendment would earmark $1 million from the Forest Service's timber sales account and direct the Secretary of Agriculture to charter an advisory committee, under the provisions of the Federal Advisory Committee Act, to review the proposed rules and the accompanying draft environmental impact statement for the roadless area initiative. The advisory committee would be charged to provide the Secretary with advice on improving the proposed rule and the draft environmental impact statement.

My amendment would further prohibit the Secretary from spending any additional appropriations under this or any other act on the further development of the roadless area rule until the Secretary has received the report of the advisory committee.

Let me tell you why I am offering such an amendment. To date, the subcommittee that I chair, the Forests and Public Land Management Subcommittee, has held three oversight hearings on the roadless area initiative launched by our President last fall. I can tell the members of this committee unequivocally that this is the most slipshod rulemaking effort I have seen—the worst example—in over 20 years as a federally elected official.

Let me note an example we have found in an examination of the communiques with the White House. For example, this is a letter to Raymond Mosley, Director of the Federal Register. This comes from an officer within the U.S. Department of Agriculture.

She says:

> Would you please correct our mistakes. In our haste to get the notice to the Register as quickly as possible, we failed to notice that the document heading was missing.

There has been such a phenomenal rush to judgment on this effort to fulfill the President's political agenda with this issue that all of the people have made mistakes and have had to go to the Federal Register's office to amend them. It is not unlike what we saw Katie McGinty do just this week with TMDL rules, where this Senate, 2 weeks ago, spoke to the fact that this rule ought to be delayed. The President withheld his signature of the MILCON appropriations bill, allowing the EPA to accelerate.

I suspect when we begin to examine the rules that have come out of EPA, signed by Katie McGinty yesterday, we will find the same kind of mistakes were made only because of a quick political rush to judgment to try to either circumvent the acts of Congress or to deny the public the kind of input that is important and justifiable in these kinds of procedures.

Among the numerous procedural violations of the Federal statute, I think the most egregious is the willful violation of the Federal Advisory Committee Act, an act that this administration has had trouble complying with many times. I could cite examples where other courts have ruled after the fact of the rulemaking that, yes, this administration had been in violation of FACA. Our oversight record and the executive branch's documents obtained during the oversight process provided a clear record of these violations.

Between May and July last year, a small group of environmental activists met with the White House, the Department of Agriculture, and Forest Service officials to develop what eventually became the proposed rule about which we are talking. All of these meetings were held behind closed doors with no notification provided to the public. Advice and materials were solicited from the environmentalists by executive branch officials in the form of legal memoranda, technical documents, polling data, media relations material, and paid advertising in support of the proposal. Here is an example: George Frampton, head of CEQ, from Mike Francis at the Wilderness Society. Through all of these processes, what they are suggesting is that we submit to you the necessary materials from which you can move to deal with this issue.

I think it is fascinating we find Mike Francis saying: I attach a draft of the "letter to the chief" concept that Charles, Mike, and I have worked on as an idea to provide historical linkage to the President.

Ironically, the very letter that George Frampton then sends to the Secretary of Agriculture proposing this rulemaking was a parallel letter, almost identical, word for word. Mr. Frampton, before our committee, did make reference to the fact that, yes, they were very similar, if not alike. That letter came from the Wilderness Society itself.

In many cases, these materials were used by executive branch officials in charge of developing the proposed rule. For example, the polling data was used by lower level officials to brief their superiors. In another instance, there was direct consultation between the outside groups and the administration to coordinate paid and earned media efforts.

Let me repeat that. Government officials sat down with outside groups prior to the rulemaking process and determined that they would launch a paid media campaign. There was even dialog within these memoranda that we gathered that suggested dates and times and the kinds of media markets we are talking about. Of course, I have referenced the letter to the Secretary from George Frampton, which is a mirror image of the letter that was proposed by staff at the Wilderness Society.

In response to the questions before my subcommittee, administration officials conceded that the issue of compliance with the Federal Advisory Committee Act was never raised in their meetings or deliberations, and counsel was never consulted on the matter.

This group of environmental advisers was in every way but one an advisory committee to the Federal Government. The one exception was that the committee was never chartered under the provisions of the Federal Advisory Committee Act. Had they been chartered, the composition of the committee would have had to have been balanced or at least more balanced than it was, and their meetings would have had to have been published and open to the media and to the public. In other words, the process of sunshine and public participation would have had to have been involved in this very process.

Those are citing just a few of the differences and what I believe are substantial violations. Left to its own devices, the administration will not correct the legal violations. They have been cited and examples have been given, both in my committee and at a comparable committee in the House. Lawsuits have been filed. Yet they will not respond. They are simply charging ahead to a pre-November deadline so that all of this fits into the political context that they chose to bring it into by the very announcement of the President last October.

I think, therefore, it is up to Congress to correct these violations and the resulting inequities. We must, unfortunately, intervene if we want to see the rule of law followed and direct the Secretary to follow the law and charter an advisory committee legally under FACA. Then a broader range of interests will have the opportunity afforded to a selected few with connections to high-level administration officials as insiders and friends. The advice they will offer to improve the proposed rule will be offered in the sunlight of public disclosure and ultimately cause the reaction, as it should, of public opinion. It will not be offered in secret, and it will not be offered behind closed doors as it was. This would restore the rule of law and sunshine in Government.

The reason I offer this is the magnitude and the significance of the issue. Some who are from States that are not impacted by large public landownerships or some who oftentimes think that environmental votes are just easy and free to make because they have little or no consequence to their constituency ought to react to this by saying that the administration stepped beyond the rule of law, clearly outside of the intent of what Congress designed in the Federal Advisory Committee Act.

This is the magnitude, the significance of what I am talking about. This chart is significant only as a visual. These red areas represent approximately 42 million acres of existing Forest Service wilderness. Every acre of this 42 million was heard before a House and Senate committee. It was a give and take between the delegates of the State and other Senators and Representatives. It was debated on the floor of the House and the Senate, and it was ultimately passed, all 42 million acres of existing Federal Forest Service designated wilderness. In other words, the public process was full.

What the President announced in October and what has been going on behind closed doors—with now a few public hearings—is the yellow or nearly 60 million acres of public lands now up for redesignation by this President.

What does that represent? It represents the whole State of Massachusetts and the whole State of Rhode Island and the whole State of Connecticut and the whole State of New Jersey and the whole State of Delaware and the whole State of Pennsylvania and the whole State of Maryland and the whole State of West Virginia. Sixty million acres of land are being decided by this President and a few of his administrators with Congress not speaking a word. Never before in the history of this country has an action of this magnitude been taken without full public process and without action and participation on the part of the Congress itself.

What I am suggesting by my amendment is meager in relation to the impact of what is going on behind the doors of the White House and USDA and the Forest Service. I am asking for $1 million out of the forest road fund.

I am asking that the Secretary inform an advisory committee of independent people, and that they advise us on the fact that FACA was or was not violated. I think the significance here is, if the President had operated under the law, or we believed that he did, I may not be here on the floor; although, I probably would be because I am dedicated to a public process. I believe that what my colleagues did in the sixties—the Democratic Party—in causing all meetings to be open and public and registered, and being the primary authors of the act, I think that is the right thing to do because I think the public ought to be involved. That is why we are here today—to involve the public in something that represents all of these States, 60 million acres of the public's land and the ultimate future of how that land will be managed. That is what is important about this amendment.

Mr. DURBIN. Will the Senator yield for a question?

Mr. CRAIG. Yes, briefly.

Mr. DURBIN. The Senator has made reference to the fact this is going to be an open, public process by this advisory committee. In the Senator's amendment, there is no reference to any public meeting by this committee. On page 2, line B(3), there is a reference that this advisory committee report will be available for public comment. That is the first use of the word "public." There is no reference to the sunshine committee having any public hearings.

Mr. CRAIG. If I may answer, it is because this committee is formulated under FACA. Go to the Federal Advisory Committee Act and there before you will be all the terms by which this committee will be structured. So instead of listing page after page of documentation, I am simply saying that the Secretary will constitute a committee under FACA to make determinations as to whether the appropriate actions have been taken.

So the Senator is right; I didn't list all of those things. But you and I operate under the Federal Code. The Federal Code is there and that is why we have done that.

AMENDMENT NO. 3795, AS MODIFIED

Mr. DURBIN. Will the Senator yield for another question?

Mr. CRAIG. Just one more question, briefly.

Mr. DURBIN. I thank the Senator for that. It is almost like a debate on the floor. Will the Senator consider putting this language in: The advisory committee shall have public sessions, open for public review?

Mr. CRAIG. Most assuredly I will. I think the Senator knows exactly what I am saying. If he wants the guarantee that FACA will be used, I will be happy to restate it.

I ask unanimous consent that the words "full public meetings" appropriately be placed at the right stage of this. I will work to comply with that.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The amendment (No. 3795), as modified, is as follows:

At the appropriate place in the bill insert the following new section:

**SEC. . REVIEW COMMITTEE FOR FOREST SERVICE RULES.**

(a)(1) From the amount appropriated for "Forest Products," a sum of $1,000,000 shall be made available until expended to the Secretary of Agriculture for the purpose of reviewing certain proposed rules concerning the planning and management of National Forest System lands referred to in paragraph (2).

(2) The proposed rules subject to this section are the proposed road management and transportation system rule, and proposed special areas—roadless area conservation rule published at 64 Federal Register 54074 (October 5, 1999) and 65 Federal Register 11676 and 30276 (March 3 and May 10, 2000), respectively.

(b) With the funds allocated pursuant to subsection (a)(1):

(1) The Secretary shall appoint an advisory committee in accordance with the Federal Advisory Committee Act and subsection (d) of persons knowledgeable, and reflecting a diversity of viewpoints, concerning issues related to the planning and management of National Forest System lands. The appointments shall be made as soon as practicable after the date of enactment of this Act.

(2) The advisory committee shall, with full public participation and open public meetings in accordance with the Federal Advisory Committee Act—

(A) review and evaluate the proposed rules referred to in subsection (a)(2) and their prospective implementation, particularly as to their cumulative effects and the manner in which they relate to each other, are integrated, and will function together, including any inconsistencies or conflicts in their goals, purposes, application, or likely results and determined whether and in what way they may be improved; and

(B) submit a written report to the Secretary describing the results of the review and evaluation of the proposed rules required by, and any recommendations for improvement of such rules determined pursuant to, subparagraph (A), including any supplemental or minority views which any member or members of the advisory committee may wish to express.

(3) The Secretary shall make the report of the advisory committee required by paragraph (2)(B) available for public comment and submit the report to the Congress, together with a written response of the Secretary to the report and the public comment on the report.

(c) No funds appropriated by this Act or any other act of Congress may be expended for further development or promulgation of the proposed rules referred to in subsection (a)(2) prior to 60 days after the date of submission to the Congress of the report of the advisory committee and the response of the Secretary pursuant to subsection (b)(3).

(d)(1) The advisory committee appointed pursuant to subsection (b)(1) shall have no more than 15, nor less than 9, members who may not be officers or employees of the United States. The Chair of the advisory committee shall be selected from among and by its members.

(2) The members of the advisory committee, while attending conferences, hearing, or meetings of the advisory committee or while otherwise serving at the request of the Chair shall each be entitled to receive compensation at a rate not in excess of the maximum rate of pay for grade GS–18, as provided in the General Schedule under section 5332 of title 5, United States Code, including travel time, and while away from their homes or regular places of business shall each be reimbursed for travel expenses, including per diem in lieu of subsistence as authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, I say to my good friend, Senator CRAIG, that under our Constitution this body was enacted to have two Senators from every State. I hope every State is concerned with what happens in other States. I will be the first to admit that it is very easy not to pay attention to the speech the Senator just made because, obviously, there are whole States—many of them—that don't have this problem because they have no vast public ownership in the midst of their cities, out in their countrysides, or built right up against communities, be it the Bureau of Land Management or the Forest Service. So there is a tendency not to pay attention when a couple of States come to the floor and show some very dire problems that exist in the management of the public domain.

I have a few issues today that won't all be raised on this amendment I will offer. But before the Interior bill is finished, I will talk about some very serious problems out in the Southwest, which is more than one State. Over the last 3 or 4 weeks, New Mexico has had its share and then some. So I want to talk about, first, a substitute that I am going to offer, which the distinguished Senator CRAIG understands I will offer. I hope we can vote on both his suggested amendment and the one I am offering as a substitute.

But I think we have come to the conclusion—he and I and others—that if we can pass the substitute today and have it go to conference with the distinguished chairman and ranking member supporting it in the manner that it will receive support in the Senate—which I think is rather overwhelming—we will be satisfied that that is a good day's work and something that is very important for the forests of our country, which many Senators don't know about because they don't have any public forests. But they can take it from a group of us that the forests of the United States, whether they are run by the Forest Service or whether they are run by the Bureau of Land Management, are in terrible shape today.

Of course, there are people in the country who can talk about how they got that way. But I say to my good friend from Illinois, I know he doesn't have time, but it would be a pleasure to take him out to some areas surrounding Santa Fe, NM, or the areas that our good friend, Senator FEINSTEIN, will talk about in her State, or that Senator BINGAMAN has observed as he toured Los Alamos. The fire there and the fire on the other side of the State took almost 30,000 acres. It would kind of pale in comparison to that incendiary on the top of the hill that almost burnt down Los Alamos.

Let me tell you the reason we are offering this substitute. It is because there is an emergency existing in our forests that has to do with cleaning up the forest so that we can lower the threshold for fire. Anybody paying attention to the 48,000 acres that burned around Los Alamos would quickly come to the conclusion that the forest was almost like a storage of gasoline on the ground in barrels, and that when a fire started, it was just like gasoline burning because we never cleaned the forest. All over the place were knocked down trees with debris and trees that were so close together that if they started burning, it was just like the wind. The wind was blowing at 35 to 45 miles an hour in both of our fires. With the hazardous waste on the ground that we never clean up because either we don't have enough money, or there are certain people in the country who fight even cleanup, where you take the small logs in the forest and you take the kindling that has been accumulating and take it out of there and either control burn it or let it be used by those who can find usage for that kind of a resource.

So we have a substitute today that is called the Hazardous Fuel Reduction Act. We are asking the Senate to find that an emergency exists out there in our forests. I am very pleased to say that a number of Senators concur that there is an emergency and that we ought to put some money up in the state of emergency and get on with cleaning up these forests.

I thank my cosponsors today. We have done this without a lot of work because I have to do this rather quickly upon my return from New Mexico, seeing that the city of Santa Fe, NM, could possibly burn because the community is in direct contact with the forest. The watershed for the city of Santa Fe, which many people like to visit, is right up in the mountains and is filled with kindling and with hazardous waste waiting to burn. So what I have done is ask a few Senators to join me today. I will quickly summarize what we are doing.

The Senators who joined me are from both sides of the aisle. On the Democratic side, we have Senator FEINSTEIN and my colleague, Senator BINGAMAN. On the Republican side, in addition to myself, we have Senators KYL and CRAIG. I am sure Senator CRAIG would quickly indicate with me that if we wanted to circulate it, we would get many more Senators. The point is, we want to get this disposed of on this bill and not cause a great delay for the two distinguished managers.

Let me say up front that we don't change any environmental laws. We have worked at this, and we have had everybody work at it. We have not modified NEPA and we have not changed any other laws of that type in this measure. This measure will allow the Secretaries of Agriculture and Interior to use all current authorities for fuel reduction treatments. It will give new authority for using grants and cooperative agreements for fuel reduction.

It is at the sole discretion of the Secretaries. There is nothing mandatory about it, that they can provide jobs to local people in the local communities for fuel reduction activities.

In my State—which might be different from California—there is a very huge built-up desire on the part of people living in the rural communities of New Mexico to want to join in partnership through their .communities and put people to work helping to clean up the forests.

There is nothing in this substitute that says we are going to log the forests. Yet if there is an opponent who comes to the floor to argue against this by some who do not want it, they will say it is just another way to log the forests. If anybody says that, read the amendment. I don't choose to read it today, but it does not do that. In cleaning the forest, they will cut some small logs, but it will be pursuant to a plan which will show that the primary reason for all of this is to get rid of some of that hazardous fuel that has been piling up waiting to be burned.

In addition, the Secretaries will be able to include in some of this work nonprofits and cooperative groups, such as the YCC, or other partnerships and entities that will hire a high percentage of local folks. The Secretary has to publish a list.

The other things were options and discretionary. This one has to be published by September 30, identifying all urban wild land interfaces.

That is what we are worried about—not the whole forest, the interface, the communities at risk from wildfire, and, identify where fuel reduction treatment is going on, or will start by the end of the year. Then by May they will have to say why they have not and cannot treat the rest of these communities where the interface has occurred. For any reasons not limited to lack of funds, they will have to state why.

Finally, the Forest Service has to publish its cohesive fire strategy, which they have in draft form. They haven't published it. They will have to publish it and simply explain—not delay, but just explain—any differences in current rulemaking and how the new policy of closing roads could impact with firefighting. I know they don't want to do this.

The truth is that is the only way the public is going to find out how conflicts are occurring and whether they should be resolved or whether we should leave them lingering out there in a state of combat, ending up almost daily with lawsuits filed with one side trying to beat the other with some select group of environmentalists in nature most of the time filing these lawsuits.

I repeat that there is nothing that exempts environmental, labor, or civil rights laws. There is a lot of permissive language in here and very little that is mandatory.

But from what this Senator has seen of the forests after these two enormous fires, it is pretty obvious that the professionals will want to employ these techniques to get started where the interface of communities with forests have occurred to some major degree.

### AMENDMENT NO. 3806 TO AMENDMENT NO. 3795, AS MODIFIED

(Purpose: To protect communities from wild land fire danger)

Mr. DOMENICI. Mr. President, I send the amendment in the nature of a substitute to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Mexico (Mr. DOMENICI) proposes an amendment numbered 3806 to amendment No. 3795, as modified.

Mr. DOMENICI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In lieu of the matter proposed to be inserted, insert the following:

### TITLE —HAZARDOUS FUELS REDUCTION

### DEPARTMENT OF THE INTERIOR

### BUREAU OF LAND MANAGEMENT

### WILDLAND FIRE MANAGEMENT

For an additional amount for "Wildland Fire Management" to remove hazardous material to alleviate immediate emergency threats to urban wildland interface areas as defined by the Secretary of the Interior, $120.3 million to remain available until expended: *Provided*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: *Provided further*, That the entire amount shall be available only to the extent an official budget request, that includes designation of the entire amount of the request as an emergency requirement as defined by such Act, is transmitted by the President to the Congress.

### DEPARTMENT OF AGRICULTURE

### FOREST SERVICE

### WILDLAND FIRE MANAGEMENT

For an additional amount for "Wildland Fire Management" to remove hazardous material to alleviate immediate emergency threats to urban wildland interface areas as defined by the Secretary of Agriculture, $120 million to remain available until expended: *Provided*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: *Provided further*, that the entire amount shall be available only to the extent an official budget request, that includes designation of the entire amount of the request as an emergency requirement as defined by such Act, is transmitted by the President to the Congress: *Provided further*, That:

(a) In expending the funds provided in any Act with respect to any fiscal year for hazardous fuels reduction, the Secretary of the Interior and the Secretary of Agriculture may hereafter conduct fuel reduction treatments on Federal lands using all contracting and hiring authorities available to the Secretaries. Notwithstanding Federal government procurement and contracting laws, the Secretaries may hereafter conduct fuel reduction treatments on Federal lands using grants and cooperative agreements. Notwithstanding Federal government procurement and contracting laws, in order to provide employment and training opportunities to people in rural communities, the Secretaries may hereafter, at their sole discretion, limit competition for any contracts, with respect to any fiscal year, including contracts for monitoring activities, to:

(1) local private, non-profit, or cooperative entities;

(2) Youth Conservation Corps crews or related partnerships with state, local, and non-profit youth groups;

(3) small or micro-businesses; or

(4) other entities that will hire or train a significant percentage of local people to complete such contracts.

(b) Prior to September 30, 2000, the Secretary of Agriculture and the Secretary of the Interior shall jointly publish in the Federal Register a list of all urban wildland interface communities, as defined by the Secretaries, within the vicinity of Federal lands that are at risk from wildfire. This list shall include:

(1) an identification of communities around which hazardous fuel reduction treatments are ongoing; and

(2) an identification of communities around which the Secretaries are preparing to begin treatments in calendar year 2000.

(c) Prior to May 1, 2001, the Secretary of Agriculture and the Secretary of the Interior shall jointly publish in the Federal Register a list of all urban wildland interface communities, as defined by the Secretaries, within the vicinity of Federal lands and at risk from wildfire that are included in the list published pursuant to subsection (b) but that are not included in paragraphs (b)(1) and (b)(2), along with an identification of reasons, not limited to lack of available funds, why there are no treatments ongoing or being prepared for these communities.

(d) Within 30 days after enactment of this Act, the Secretary of Agriculture shall publish in the Federal Register the Forest Service's Cohesive Strategy for Protecting People and Sustaining Resources in Fire-Adapted Ecosystems, and an explanation of any differences between the Cohesive Strategy and other related ongoing policymaking activities including: proposed regulations revising the National Forest System transportation policy; proposed roadless area protection regulations; the Interior Columbia Basin Draft Supplemental Environmental Impact Statement; and the Sierra Nevada Framework/Sierra Nevada Forest Plan Draft Environmental Impact Statement. The Secretary shall also provide 30 days for public comment on the Cohesive Strategy and the accompanying explanation.

Mr. DOMENICI. Mr. President and fellow Senators, many of you for a week or more watched on the nightly news as the forests surrounding Los Alamos National Laboratory, America's most renowned scientific laboratory, in spite of some of the negatives that have come forth with reference to security—that laboratory which has supplied us with the very best by way of science expertise and nuclear weapons expertise, not the second best, but the best for the entire era when it was America versus the Soviet Union—we watched each night as that fire got closer and closer to that laboratory. In fact, it burned some buildings, albeit none were critical to the future of the laboratory.

We watched it move literally huge distances at night when the winds were blowing. We watched it go from an adjoining forest called Bandelier National Forest. We watched it grow from a tiny spot where park people had impropitiously started a fire to clear away a piece of land. They started with their torches, and there it went out of control—48,000 acres, 440 residences burned to the ground. When you go back and look, you see that these forests were in desperate need of being cleaned so that the kindling on the surface would be at a much, much lower temperature.

That brought forth from this Senator and others a very significant cry: Let's get on with doing some of this cleanup. Let's give them additional authority in this bill and some emergency money. Let's see if we cán get it done.

I thank the cosponsors. I thank the chairman for his attention and for his giving me confidence to offer this amendment because this is the appropriate vehicle. It is my hope that Senator SLADE GORTON will support this measure before we are finished.

The PRESIDING OFFICER. The Senator from California.

Mrs. FEINSTEIN. Mr. President, I rise to add my support to the amendment of the distinguished Senator from New Mexico. I think this amendment is both needed and timely. It would provide emergency funding to address what has become a very dangerous fuel buildup on millions of acres of national forests.

In April of this year, the General Accounting Office released a report entitled "Protecting People and Sustaining Resources in Fire Adapted Ecosystems, a Cohesive Strategy." The underpinning of this report is this comment:

> The most expensive and serious problem relating to the health of national forests in the interior west is the over-accumulation of vegetation.

The report goes on to say that throughout much of the interior west, dense vegetation and dead material is continuing to accumulate. Each year in the absence of treatment, more forests become high risk, choked with dense accumulations of small trees and dead wood. These accumulations of fuel and more damaging fires are more dangerous and more costly to control, especially during drought years.

As the GAO report points out, many experts attach a sense of urgency to the management of these ecosystems. Because of the high proportion of the total area classified as high risk—in this report it is what is called class 3—combined with the fact that without treatment more vegetation will grow into these high-risk conditions, it is apparent that time is running out for a strategy to successfully avert high cost/high loss consequences.

That is the backdrop for this amendment. The amendment would provide emergency funding to move ahead on this program. Because dead and dying and small-diameter trees and thick underbrush have accumulated in our national forests, the possibility of serious and highly destructive forest fires have dramatically increased. Without any action on our part, it is going to continue to increase in the future.

Senator DOMENICI, several of our colleagues, and I share the belief that we have a true emergency on our hands. The Forest Service has identified 24 million acres of land in the continental United States as being at the absolute highest level of catastrophic fire risk. Almost fully one-third of this—7.8 million acres—lies in California. That is more than any other State.

Last year in my State—and we counted it forest fire by forest fire—over 700,000 acres of forest burned down. Several people lost their lives and dozens of structures were burned. Seventy-thousand of these acres were prime California spotted owl habitat in the Lassen and Plumas Forests.

Last year, $365 million was spent nationally by the Federal Government putting out fires and rehabilitating the land. Of this, $144 million, or approximately one-half of the U.S. total, was spent in one State; that is, California. I think the money would be much better spent preventing fire rather than cleaning up after that fire.

The entire Sierra Nevada mountain range national forests continue to be classified as the highest fire risk. This includes the newly designated Sequoia Monument, over 361,000 acres. It includes the Plumas and Lassen Forests in and around Quincy, where forest fires in the past have destroyed homes and businesses and spotted owl habitat. It includes areas such as the Lake Tahoe Basin, where one-third of the forests are either dead or dying. And the probability of major fire conflagration remains and grows each year. Such a fire would permanently destroy the water quality of the lake.

Through the turn of the 20th century, the U.S. population was predominantly spread out and agrarian. Forest fires burned naturally at fairly predictable intervals, and they burned hot enough to restrict encroaching vegetation and prevent fuel from loading up on the ground but not hot enough to kill old growths. Forests in the United States survived in this fashion for literally thousands of years.

By the middle of the 20th century, however, an increasing population began to occupy new urban wild land zones on what had once been forests. Suddenly, forest fires had to be put out or suppressed in order to protect the surrounding communities. It seemed intuitive to simply continue fighting fires as they arose and leave the forests untouched. So nothing was done to groom the forests, to remove dead and dying trees, to reduce undergrowth, to prevent subsequent conflagrations.

What is called "fuel load" has grown to astronomic proportions in many of our national forests. Dead and dying trees, which were no longer consumed by fire, lingered while brush began to build up at ground level. Newer, different species of trees, no longer stifled by natural fire, began to crowd out some of the older growth trees. Forests became crowded and severely fire prone.

Anyone who wants to look at that should get a copy of this report. On page 23 of the report it points out how our forests have changed in species composition and forest structure. The first picture taken is the forest in 1909. We see old growth trees; we see them spaced; we see very little vegetation on the ground. That is because there had been these hot, fierce fires in the past.

Next is a 1948 photo of that same part of the forest. We see changes. We see changes in the species composition, the structure, as fire had been excluded for many years.

In a picture in 1990, the area is totally dense and we cannot see through it. At that time—and most of our forests are like this now—we had an overabundance of vegetation. This stresses the site and predisposes the area to infestation from pests, disease outbreaks, and, of course, catastrophic fire.

That is where we are today.

It is evident to me that the Forest Service's decade-old policy of fire suppression has failed. It is time to look anew at how we can better manage our forests.

In California, for example, fire-intolerant Douglas and white fir have grown underneath old growth ponderosa pine. What is the result? The newer firs, which are not resistant to fire, create potential fuel ladders that permit a fire to reach the top, or what is called the crown, of old growths for the first time. Old growth pine which previously was impervious to fire, since rarely did a fire ever reach all the way up to its crown—with this new fuel ladder, fire threats to old growth pine have become very real.

Drought periods have further stressed the forests, predisposing them to infestations of pests, disease, and of course severe wildfire. The bark beetle has gone through the Tahoe forests like a forest fire. One can see miles of forests standing dead after an infestation. The dead trees remain, year after year after year.

California forests provide homes for dozens of endangered and threatened species, including the marbled murrelet and the spotted owl. It is an understatement to say that today the risk of fire is the most serious threat to these species. I really believe that to be true. It may be the most immediate short-term environmental threat our western forests face. That is why this amendment and this funding is so important. It is imperative that the Forest Service use all available tools to clean up the forests and reduce fire risks.

The one-size-fits-all approach of the Forest Service, I believe, must be changed. Each forest is different. Topography is different, geography is different, climate is different, soils are different, vegetation is different, the kind and type of trees are different, in different places throughout the United States. What is proper stewardship for a California forest may not be proper stewardship in Pennsylvania or Alaska or Montana. We have to look at the area and look at the fire risk differently. A flexibility of management must be employed to fix the problem. Dead and dying trees should be removed. Overgrowth should be thinned. Mechanical treatment and controlled burns must each be used separately and carefully in conjunction with each other. If we don't do this, incidents of serious fire will only continue to increase.

As I said, it is only a matter of time before a cataclysmic fire strikes Lake Tahoe, with potential loss of life, habitat, and property. Already, run-off and problems associated with erosion have threatened Lake Tahoe's world-renowned crystal blue waters. The last time I was there, scientists told me that if we don't reverse the trend of eutrophication of the water, which removes its clear crystal blue look, in 10 years it will be too late and we might as well not bother. A serious fire could make this happen even sooner.

This amendment helps provide funding to remove dead and dying trees from Lake Tahoe National Forest where almost one-third of that forest today is dead or dying.

Last year, Senators REID, BOXER, BRYAN, and Congressman DOOLITTLE, Congressman GIBBONS, and I introduced the Lake Tahoe Restoration Act to authorize the necessary funding to deal with this problem. It is very timely that this bill will be marked up by the Senate Energy and Natural Resources Committee on Thursday and has already been marked up at the subcommittee level in the House.

The Domenici-Feinstein amendment could be used in that forest. It could almost be used in the Quincy area. In 1998, Congress overwhelmingly passed the Quincy Library Group Project.

This legislation authorized a 5-year demonstration project based on the forest management plan assembled by the Quincy Library Group, a coalition of local environmentalists, public officials, timber industry representatives, and just plain concerned citizens who came together in the Quincy Library so they could not yell at each other, to resolve longstanding conflicts over timber management of national forests in the area.

The project, which is only a pilot, is to see if there is not a better way to manage our forests by combining strategic fuel breaks with selected mechanical thinning and controlled burn. I have had some disagreements with the Forest Service in the past over Quincy, but I believe the project is back on track and I am determined to see, if I can, that funding is appropriated to complete the project to the letter of the law.

I want to quickly speak about one other thing. One of the possibly most cataclysmic fires could occur in the newly designated Sequoia National Monument. This is about 366,000 acres. Once the monument was declared, two timber mills closed down. I have been working with the community in that area to be able to put forward a removal of hazardous fuels. These trees are the largest trees in the world. Around these large trees have built up this dense underbrush, this fuel load that I have spoken about. If this is not removed, this underbrush creates the kind of fuel ladder that can effectively destroy the Sequoias.

The State of California additionally has prepared an adaptive management plan and had been working in the Sequoia area. What they showed was, as you clear certain limited areas around the giant Sequoias, that the giant Sequoias actually grew bigger and grew fatter and were much healthier for it. It is my hope that over the next few years we can reduce the fuel loading on 24 million acres that the Forest Service has identified as being at this level 3. Level 3 is the most significant fire threat. Then focus on the other 18 million acres at jeopardy.

Let me just recount. One-third of all of the national forests at catastrophic fire level in the United States are in the State of California. It is the entire Sierra Nevada range, it is the Sequoia, it is part of the Plumas and Lassen National Forests, and of course the Tahoe National Forest. There is, indeed, a lot to be done if we are not only to protect our endangered species but also protect the property and the people who live in these areas as well.

I think Senator DOMENICI's legislation is timely. It is well thought out. I think making this an emergency and moving in the class 3 areas and being able to remove this underbrush is a major step forward in prudent forestry management all throughout the West.

I thank the Senator. It was a delight to work with him. I yield the floor.

The PRESIDING OFFICER (Mr. CRAPO). The Senator from Idaho.

Mr. CRAIG. Mr. President, I will take a few moments to clarify where we are because I think some of our colleagues are slightly confused as to the amendment I offered dealing with the roadless area review and the FACA committee process, and the amendment our colleague from New Mexico has offered, and the Senator from California has just spoken to, dealing with fuel reduction in our forests.

There is no doubt, what I was attempting to do dealt specifically with the roadless area rule specific to whether there had been a violation of the Federal Advisory Committee Act. I was asking the Secretary to formulate an advisory committee to review that.

I had visited with Senator DOMENICI and several things came together that I think are important for us to deal with in the immediate. First of all, there have already been two lawsuits filed against this administration on the Federal Advisory Committee Act process as it relates to the roadless area review process. We believe a judge will make a decision on those two lawsuits, as to their validity and their ripeness, by mid-August. What is important here is for the courts to clarify whether FACA, as a law, is either real or dead letter.

Let me explain that. This administration has been accused and found in violation of FACA on several occasions. But the problem is, once the court has made that determination, the rule was already on the ground. So it is like they violated the law, but so what. The process is over with.

What the court will decide this time is, Is FACA a law that should intervene prior to a final rule and cause an administrative agency to change its course of direction or action prior to a final rule? That is what will happen in August.

I have decided it is important we do not get in front of that ruling by the courts. I think it is very important for this Congress to know whether the law it crafted, known as the Federal Advisory Committee Act, is a dead letter or if it is operative. Right now, based on findings, it is a Catch-22: Yes, they violated the law but so what; the rule is already in place.

That is not the intent of Congress. The intent of Congress is to cause a cause of action change in a rulemaking process if the Federal Advisory Committee Act has been violated.

Then enters the Los Alamos fire and Senator BINGAMAN and Senator DOMENICI trying to resolve that particular crisis of bad policy and bad decisionmaking coming together to not only create a catastrophic environmental situation but also ultimately to cost the taxpayers of this country $1 billion, or somewhere near that. That is the tip of an iceberg of a current forest health problem to which the Senator from California has spoken so clearly.

What the Senator from New Mexico and the Senator from California saw, witnessed, experienced, with hundreds of lives and hundreds of families and lives displaced——

Mr. DOMENICI. Thousands.

Mr. CRAIG. Is the nature of a catastrophic event that is in the nature of forest health.

We now have 22 million acres of our forested lands in crisis because of the fuel loading that has been talked about because of a management style of the last 50 years. Yet there seems to be no desire to deal with this on a constructive, environmentally positive basis that begins to remove that fuel.

The amendment of the Senator from New Mexico, of which I am now a cosponsor, which is a substitute offered to my amendment, goes at this problem in a very real and direct way. That is why I think it is so important that we move forward. I have been advised—and I agree—we should allow the courts to act on the Federal Advisory Committee Act. We will find out whether we have a real law or whether we have a false law; whether it works or it does not work. We will know that by mid-August. If they rule otherwise, we have either to come in and revise it or I think the Congress should act and intervene against the President in his rulemaking process, outside the public policymaking process of the Congress itself. But in the meantime, there is no question in my mind, with my activities, looking at the U.S. forest-managed lands—last week I was in Great Falls, MN. Last year, on July 4, they had a 472,000-acre blowdown. There are fuel loading problems in that State and every other State in the Nation that has public forested lands, that are phenomenal in their nature.

Let me explain. The Senator from New Mexico, Mr. DOMENICI, talked about literally having barrels of gasoline on the ground, in equivalent Btus of fire capability. It is believed that in these areas, 22 million acres, at least at the top of the stack, that fuel loading equivalency is nearly 10,000 gallons of gasoline per acre in equivalent Btu or firepower.

Yet our Forest Service and this administration choose not to do anything about it. If we are good stewards of the land, we will not allow the stand-altering, environmentally crazy policy of catastrophic fire of the kind in the forests of New Mexico and the kind that are burning across the West today to be the policy of the management of our forests.

I would be the first to tell you we ought to reenter fire as a management tool of the ecosystems of our forests, but fire ought not enter an acre of land that has 10,000 gallons of gasoline stored in the form of slash and dead and dying timber in equivalent Btu's. That we cannot tolerate, or it will truly destroy the land as we know it, the environment as we know it, the riparian areas as we know them, and certainly habitat for any wildlife, let alone any kind of constructive management that would provide the needed fiber for our public in home building, paper, and so many materials we have wisely used our forests for over the years.

I support Senator DOMENICI, Senator BINGAMAN, and Senator FEINSTEIN as a cosponsor of this substitute. It is critically important.

In closing, in the substitute there is an important analysis, and it is an analysis that deals with the roadless problem. If the amendment of the Senator from New Mexico becomes law, it will cause the Forest Service to develop a cohesive strategy for protecting people and sustaining resources in fire-adaptive ecosystems; in other words, a fire strategy to deal with these kinds of fuel loadings. It would then have to place that strategy against the other rulemaking processes that are underway.

One of those rulemaking processes is the roadless area review or the roadless area protection proposal, to see whether that proposal denies the Forest Service the ability to manage these lands to protect them from catastrophic fire. I find that an important test and a necessary analysis of where we are going and how we want to manage these lands.

It also causes them to look at the areas of concern of the Senator from California—the Sierra Nevada framework and the Sierra Nevada draft plan environmental impact statements. All of those deserve to be examined in light of the fire situation we have on these public lands at this moment. We cannot idly sit by and watch hundreds of thousands, if not millions, of acres a year burn in wildfires, destroying wildlife habitat, destroying fiber that could be constructively used and, most important, dramatically altering the ecosystems of those areas that embody these catastrophic fires.

I support the substitute. It is important we stay in focus on the Federal Advisory Committee Act. The courts will rule in August, and then Congress will be able to act according to that ruling if, in fact, the courts have decided the Federal Advisory Committee Act is a dead letter in public law.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, first, I commend my colleague, Senator DOMENICI, for this amendment and indicate I am very glad to be a cosponsor of it. It is an important amendment which is much needed in my State and throughout much of the country.

The problem has been well described by Senator DOMENICI, Senator FEINSTEIN, Senator CRAIG, and others. I do not need to elaborate on that to a great extent, except to say there are many communities in our State of New Mexico which genuinely feel threatened because of the fact that they are adjacent to our national forests and the forests have been allowed to build up underbrush in a way which makes them a fire hazard—communities such as Santa Fe and Los Alamos, which have been mentioned, Ruidoso, Cloudcroft, and Weed. I know my colleague was visiting with citizens in the small community of Weed, NM, about this very issue. There is no question the time has come when it needs to be addressed, and this amendment will allow us to do that on an emergency basis. It is, as I said before, much needed.

Let me give a little background. Even before this year's catastrophic fires, which have really been a wake-up call to all of us about the significance of this problem, particularly the fire at Los Alamos, the Cerro Grande fire, but the Scott Able fire in the southern part of New Mexico, the Cree fire in the southern part of New Mexico, and the Viveash fire in northern New Mexico—we have had a series of fires. Over, I believe, 65,000 acres in my State have burned so far this year. That does not begin to approach the number of acres perhaps in California, as cited by the Senator from California, but it is a great many acres for our State considering the amount of forests we have. Well over 400 homes have been destroyed in our State. So the problem is very real.

Last year, in the first session of this Congress, I was very pleased that, on a bipartisan basis, Senator DOMENICI and I cosponsored a bill, S. 1288, entitled the Community Forest Restoration Act which attempted a demonstration project in New Mexico to begin dealing with this problem of the urban wild land interface, to begin thinning of forest areas near these communities.

In putting this legislation together, we were able to get the cooperation not only of the communities themselves but of many of the groups which take a great interest in the health of our national forests, including several of the major environmental groups. I thought this was major progress. The bill passed the Senate unanimously. It went to the House of Representatives. It has been marked up in subcommittee. It will go to the full committee next week.

This legislation was very small. It was a demonstration project. It was aimed only at New Mexico communities, but it set a good precedent for the type of thing we are talking about, where the Forest Service and the other Federal land management agencies could make grants available to community groups to deal with this problem in a very real and responsible way.

I particularly appreciate the statement Senator DOMENICI made in his presentation that this amendment, to provide substantial additional funding to the land management agencies to deal with the problem, does not involve any change in environmental laws.

Also, this amendment does not involve any change in NEPA, the National Environmental Policy Act. This does not waive that law. This amendment is consistent with those laws. We are providing resources and directing that a substantial effort take place to deal with this problem around the communities that are adjacent to our national forests. It is very important that this happen.

I want to have printed in the RECORD three documents that are important as background. One is a letter that the New Mexico delegation sent to Mike Dombeck, the Chief of the Forest Service, on May 19 of this year, urging that the Forest Service come forward with a proposal for how they will begin to address this problem. The second document is a response by Chief Dombeck to me on the subject. And the third is a followup response to Senator DOMENICI from Chief Dombeck, also alluding to what the Forest Service thought they could do to address this very real problem.

I ask unanimous consent that these three letters be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

Mr. BINGAMAN. Mr. President, let me mention one other aspect of this which I think is significant, and that is the Forest Service has a program called a Cooperative Fire Protection Program which they try to use to educate people who own homes in or near the forests and also to work with people who have private homes in our forests, that are private property, so the benefits of some of this clearing, some of this thinning we are talking about can also be realized by the people who have those homes, and those homes can be better protected as a result.

One thing that became obvious to me as a result of the Los Alamos fire was that there had been a thinning that had taken place around the laboratory itself, around many of the structures of the Los Alamos National Laboratory; and because of that, because of that thinning activity, there was a dramatic reduction in the fire risk to those facilities. We had much less damage there than we wound up having in the town of Los Alamos, where, of course, no similar thinning or no similar fire risk reduction activities had occurred.

I think it is very important that we try to take what we have learned about how to reduce the risks of fire and apply that in a responsible way, and do so as soon as possible.

For that reason, I am very pleased to see this amendment being considered. Again, I compliment my colleague for proposing the amendment.

Mr. President, I yield the floor.

EXHIBIT 1

U.S. DEPARTMENT OF AGRICULTURE
FOREST SERVICE,
*Washington, DC, June 16, 2000.*

Hon. PETE DOMENICI,
*Hart Senate Office Building,*
*Washington, DC.*

DEAR SENATOR DOMENICI: With the Senate in final stages of completing the fiscal year 2000 emergency supplemental appropriation, I want to provide you with the information you requested on Forest Service capability to significantly reduce the risk of catastrophic fire in wildland-urban interface areas.

I know you agree that the tragic fires in New Mexico and those currently burning in Colorado, are focusing our attention on the critical need to reduce hazardous fuels throughout the national forests and particularly areas adjacent to urban interface areas. The emergency supplemental appropriation gives us an opportunity to immediately take action to avoid similar fire disasters in the future.

Enclosed is information identifying agency capability to respond in the immediate and near future based on estimates for completing environmental assessment work. This work can be accomplished within existing authorities. We have established projected implementation based on the date that all planning under the National Environmental Policy Act, Endangered Species Act and other statutes will be completed:

| Acres: | Implementation date |
|---|---|
| 59,722 | (1) |
| 189,098 | 12/31/2000 |
| 291,575 | 09/30/2001 |

[1] Currently ready.

I want to be sure that as the supplemental bill moves through the appropriations process, you have all the information you need to provide focus on the need to address this critical issue without letting the legislation get overburdened and consequently threatened by other agendas. My staff and I are ready to respond in order to assure you have all necessary information available.

MIKE DOMBECK, *Chief*.

WILDLAND URBAN INTERFACE HAZARDOUS FUEL TREATMENT PROJECTS

Listed below are the acres by Region grouped by the date all NEPA, ESA, review, and other planning actions will be completed and the projects will be completed and the projects will be ready for implementation. For the last two groups, planning is well underway and may be completed prior to the date listed. Includes all costs for implementation and monitoring.

| Region | Acres | Implementation cost |
|---|---|---|
| ALL PROJECT PLANNING COMPLETED—IMPLEMENTATION CAN BEGIN IMMEDIATELY | | |
| 1 | 14,483 | $2,425,000 |
| 2 | 5,000 | 1,400,000 |
| 3 | 16,085 | 3,981,000 |
| 5 | 8,700 | 2,267,000 |
| 6 | 3,350 | 844,000 |
| 8 | 7,600 | 2,830,000 |
| 9 | 4,504 | 1,404,000 |
| Total | 59,722 | 15,151,000 |
| 1 | 34,150 | 2,050,000 |
| 2 | 7,000 | 1,800,000 |
| 3 | 56,126 | 19,380,000 |
| 5 | 4,869 | 2,866,000 |
| 6 | 35,969 | 4,787,000 |
| 8 | 27,970 | 9,422,000 |
| 9 | 23,014 | 3,106,000 |
| Total | 189,098 | 43,411,000 |
| ALL PROJECT PLANNING WILL BE COMPLETED BY 9/30/2001 | | |
| 1 | 34,150 | 9,415,000 |
| 2 | 18,500 | 5,125,000 |
| 3 | 140,270 | 21,201,000 |
| 5 | 25,215 | 6,964,000 |
| 6 | 52,535 | 7,315,000 |
| 8 | 9,080 | 3,335,000 |
| 9 | 11,825 | 3,401,000 |
| Total | 291,575 | 56,756,000 |

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U.S. DEPARTMENT OF AGRICULTURE,
FOREST SERVICE,
*Washington, DC, May 23, 2000.*

Hon. JEFF BINGAMAN,
*U.S. Senate, Senate Hart Office Building, Washington, DC.*

DEAR SENATOR BINGAMAN: Thank you for your letter dated May 19, 2000. Like you, I am deeply concerned about the potential for unnaturally intense, catastrophic fires and their impact on communities in New Mexico and throughout the United States. The events of recent weeks make clear that we cannot stand by idly and allow the health of our forest and grassland ecosystems to deteriorate to the point that they cannot provide basic ecological services and pose a risk to the safety of our communities.

Unhealthy forest ecosystems evolved through decades of past management and fire suppression. Restoring their health and resiliency and protecting our communities from unnaturally severe wildland fires will take many years. That reality, however, is no excuse for inaction.

If emergency funds were made available, we would limit their use to the urban-wildland interface or within designated municipal watersheds that are determined to be at highest risk of unnaturally occurring catastrophic fire. Our activities would focus on the least controversial areas by concentrating on restoring fire-dependent ecosystems and reducing fire risks adjacent to wildland urban interface areas. We would define urban-wildland interface in one of the two following ways:

Where urban or suburban populations are directly adjacent to unpopulated areas characterized by wildland vegetation. (Urban and suburban areas are defined as places where population densities exceed 400 people per square mile of area.)

Where people and houses are scattered through areas characterized by wildland vegetation. These are areas where population density is from 40 to 400 people per square mile.

Treatment methods to minimize fire risk and restore land health in the interface areas would include: thinning, removal or over-accumulated vegetation and dead fuels, prescribed fire, and fuel breaks. All required project level planning, monitoring, consultation, and implementation would be included in our vegetation treatments. Our objective would be to leave forested areas in the interface in a range of stand densities that more fully represent healthy forest conditions.

Priority for treatment will be given to interface areas that historically experienced low intensity, high frequency fire and where current conditions favor uncharacteristically intense fires.

Projects may also be undertaken in other fire regimes where threats to populations or their water supplies are acute.

We would ensure that additional appropriations are spent in a manner that maximizes on-the-ground accomplishments and minimizes controversy, delay, and litigation. For example, projects would be implemented using service contracts that hire local people, volunteers and Youth Conservation Corps members, or by using Forest Service work crews, where appropriate. Where tree removal is necessary to reduce fire risks, these emergency appropriations would only be used to remove trees that are under 12 inches in diameter. Merchantable material that is generated as a byproduct of vegetative treatments could be sold under a separate contract to local industry or the public. We must also monitor our progress and report our results to Congress and the American people to demonstrate our accountability.

The type of program I describe will lead to demonstrable results and improvements in the near future. I must make clear, however, that a one-year emergency appropriation will not remedy what ails our forests and threatens our communities. We must fund and build a constituency for active forest restoration based on ecological principles. For example, we can partner with local communities to reduce fuel hazards, improve building codes, and suggest fire resistant landscaping to reduce fire risk. Such efforts can reduce insurance premiums, prevent wildland fires from destroying homes, reduce costs associated with fire suppression, and protect our treasured forests.

We expect to soon release a strategy to more broadly address wildland fire risks across National Forest System lands. We need a sustained level of funding to ensure that we can restore fire-dependent ecosystems and protect the lives and property of people in our communities. Restoring our forests not only makes our communities safer, it provides jobs—high paying, quality, family wage jobs.

Thank you for your continued interest in the health of our lands and the well-being of our communities.

Sincerely,

MIKE DOMBECK, *Chief*.

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WASHINGTON, DC,
*May 19, 2000.*

Dr. MICHAEL DOMBECK,
*Chief, Forest Service, U.S. Department of Agriculture, Washington, DC.*

DEAR MIKE: As you know, fires in New Mexico over the past week have burned more than 65,000 acres in New Mexico and destroyed well over 400 homes. While we commend Forest Service efforts to assist in protecting the lives of New Mexico's citizens, their property, and the public's resources, we are deeply concerned about the potential for future, unnaturally intense, catastrophic fires and their impact on communities in New Mexico and throughout the West.

The events of the past two weeks in New Mexico demonstrate that we cannot simply allow "nature to take its course." The risks to our communities, Native American resources, and public resources are too great. We must take action to protect our communities and the forest resources upon which they depend. Inaction is not an option.

In order to provide adequate, or potentially additional, funding to assist the Forest Service in proactively addressing the risk of catastrophic wildland fires that can threaten communities in the West, as well as the health of our lands and waters, we need your assistance. A good first step in providing us with the information we need is the release of the Forest Service report on the subject currently under review by OMB.

In addition, we would like you to address what actions the Forest Service can undertake to minimize catastrophic fire in the wildland-urban interface; identify appropriate size limitations for thinning of trees; and provide information about specific contractual arrangements that should be employed to most effectively address the risk of wildland fire in the urban-wildland interface.

Thank you for your continued interest in the safety of communities and the health of our lands and waters. We look forward to your prompt response.

Sincerely,

JEFF BINGAMAN.
PETE DOMENICI.
TOM UDALL.
HEATHER WILSON.
JOE SKEEN.

Several Senators addressed the Chair.

Mr. SESSIONS. Mr. President, I would like to call up amendment No. 3790.

Mr. GORTON. This one is not done yet.

Mr. DOMENICI. I believe we have not finished this amendment yet.

Mr. SESSIONS. Mr. President, I ask unanimous consent that I be allowed to call up my amendment and to then debate it at a later time.

The PRESIDING OFFICER. Is there objection?

Mr. GORTON. Mr. President, if the Senator would yield, I think there are just two more relatively brief speakers, and we can then finish this amendment.

Mr. SESSIONS. I would set this amendment aside, but I have to go. I could come back, I suppose.

Mr. GORTON. Then, if it is brief, why don't you go ahead, I suppose.

The PRESIDING OFFICER. Is there objection to the Senator's unanimous consent request?

The Chair hears none, and it is so ordered.

The Senator from Alabama may proceed to call up his amendment.

### AMENDMENT NO. 3790

(Purpose: To prohibit the use of funds for the publication of certain procedures relating to gaming procedures)

Mr. SESSIONS. Mr. President, I call up amendment No. 3790.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> The Senator from Alabama [Mr. SESSIONS], for himself and Mr. GRAHAM, Mr. ENZI, Mr. LUGAR, Mr. VOINOVICH, Mr. GRAMS, Mr. REID, Mr. INHOFE, and Mr. BAYH, proposes an amendment numbered 3790.

Mr. SESSIONS. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> On page 225, between lines 11 and 12, insert the following:
>
> SEC.   . None of the funds made available in this Act may be used to publish Class III gaming procedures under part 291 of title 25, Code of Federal Regulations.

Mr. SESSIONS. Mr. President, I ask unanimous consent that the debate on this amendment be set aside pending the time that Senator CAMPBELL and others would be here to debate.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment will be set aside until such time.

Mr. SESSIONS. I thank the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. Mr. President, for some time now the Senate has been debating, somewhat interchangeably, two issues; one involves protection for roadless areas and the other involves the important issue of fire prevention.

I would like to take just a minute or 2 to discuss each one of these so that it is clear where we are with respect to this debate.

The original amendment offered by the senior Senator from Idaho, Mr. CRAIG, my longtime colleague on the Forestry Subcommittee, would have, in effect, presented the Senate with a referendum on the President's roadless proposal, a major environmental initiative, certainly supported by millions of Americans. There have been more than 180 public meetings on this roadless initiative, and more than 500,000 comments. This is certainly the centerpiece of the President's environmental agenda.

So had we been presented here in the Senate with an up-or-down vote on this roadless proposal, despite my friendship with the Senator from Idaho, I would have had to oppose that original amendment strongly. To me, the President's proposal on roadless areas makes sense for one reason: Protecting additional unspoiled areas can produce gains for fish runs across this country, as well as improving habitat and watershed quality. These environmental gains outweigh the benefits of commercial development on these particular lands.

A lawsuit is pending in Federal court concerning the FACA issue as related to the roadless initiative. Certainly Congress should allow the judicial process to operate without interference.

Several of my colleagues have noted that oral arguments are going to be heard on August 7 in that lawsuit. There will be plenty of time for the Senate to act with respect to any issues involving the Federal Advisory Committee. But I say, as the ranking Democrat on the Forestry Subcommittee, I think it would be a great mistake for the Senate to, in effect, ashcan the President's roadless area proposal. Fortunately, the Senate is not going to be asked to vote up or down on that issue today.

I have, for some time, along with a number of other colleagues, pursued an effort to modernize our policy with respect to both road and roadless areas. There is much that we can do that protects both habitat and also resource-dependent communities. But to have had a referendum on the President's roadless area proposal today, with a lawsuit pending, and with millions of Americans in support of that proposal, would have been, in my view, a very serious mistake.

Now we are presented with a substitute proposal, initiated by the two Senators from New Mexico, involving fire prevention. At this point, we are talking about something very different than the original Craig proposal. We are talking about an effort to protect homes and businesses, and, by the way, habitat as well.

I want it understood for the record that this amendment is not going to affect the completion of the roadless area initiative. That is why I am pleased to be able to say that I intend to support this fire prevention initiative. Again, this new amendment does not affect the roadless area proposal.

With that, Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, I compliment my friend from Oregon because everything he said speaks for me.

I will be brief, but I think it is important that I put some comments into the RECORD because I have a sense that perhaps Senator CRAIG may be back with a similar amendment at another time, and I think it is important to lay the groundwork for why I would not support it at that time.

I do support what Senators DOMENICI and BINGAMAN have brought us. I compliment them for bringing this to us. I know they have been very careful not to do anything in this amendment that would, in fact, stop any environmental rules from going forward, in particular the roadless rule that we are in the midst of promulgating.

I will be supporting the Domenici-Bingaman amendment. I am pleased in the way it has been presented. It is, in fact, a substitute for the Craig amendment.

Let me ask my friend from New Mexico, does he want to have the floor?

Mr. DOMENICI. No, thank you, I say to the Senator.

Mrs. BOXER. All right.

Mr. President, I have such a good feeling about Interior appropriations bills. My friend, Senator BYRD, and Senator DOMENICI and Senator GORTON have worked hard on this Interior bill.

For California it is so important. It is wonderful. I just got a reminder note from Senator BYRD on the wonderful things in this bill, for which I thank my colleagues on both sides of the aisle. Funding for the historic Presidio, for Lake Tahoe, so many others, the Manzanar historical site. For those of you who may not remember, it was the site where Japanese-Americans were essentially interned. We are going to make a monument out of it.

So when I see an antienvironmental rider come on this beautiful bill, it is always distressing because, to me, the Interior appropriations bill, it seems to me, should be a positive statement of good things that we are doing for the environment.

So when I heard a rumor that Senator CRAIG would offer his amendment, I decided at that time I would try to talk the Senate out of adopting it. And this has become unnecessary.

So let me quickly say, I am pleased that what is before us does nothing to stop this roadless policy from going into effect.

As Senator WYDEN has stated, there have been countless meetings on it. The fact is, the roadless areas are the remaining gems of a forest system that has been degraded by centuries of logging and other types of heavy use. If we look at the big picture, we are really talking only about setting aside 2 percent of all our land in this country as roadless areas. What an important thing that is for us to do because it will in fact preserve our beautiful, priceless environment for future generations and preserve the fishing industry, stop erosion. It is a very important environmental initiative.

So there is no misunderstanding, we know there are many inroads into these roadless areas. In the next 5 years alone, we are going to see more than 1,000 miles of roads inventoried. We are moving into these pristine areas.

At some point, we have to say enough is enough in terms of destruction of our natural wilderness and our wonderful natural heritage. I think the U.S. Forest Service has taken a bold and positive step forward with its effort. I am very glad that nothing in this bill will stop them.

Let me cite a couple of poll numbers. A recent poll done by some pollsters from the other side of the aisle found that 76 percent of the public supports the protection of roadless areas, and in my home State, asking Republicans and Democrats that question, 76 percent of Californians support roadless policies.

We have editorials that I ask unanimous consent to have printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the San Francisco Chronicle, Oct. 15, 1999]

### Clinton Seeks Legacy of Forest Protection

In recent years, the Clinton administration has been pushing for a more balanced national forest policy, with a group of timber-oriented congressional leaders resisting every step of the way.

The administration's approach, under U.S. Forest Service Chief Mike Dombeck, was hardly radical. It was entirely consistent with the preservationist vision of President Theodore Roosevelt at the turn of the century when he greatly expanded the amount of national forest. It certainly jibes with the views of most Americans that conservation should get greater priority on public land.

President Clinton this week took a bold step toward cementing those values by protecting about 40 million acres of U.S. forest land from road building. The proposal would effectively halt logging and mining in those still-pristine areas. About 4 million of the acres are in California, including significant parts of the Sierra Nevada.

The timber industry, predictably, howled.

"These are not the king's lands, they are the serfs' lands, they are the people's lands," said Sen. Larry Craig, R-Idaho, arguing that Congress should decide forest policy. In a letter to Dombeck, he argued that the Clinton plan would limit forest access.

The Clinton plan will not curtail access to any of the 380,000 miles of logging roads in national forests—about eight times the length of the interstate highway system. These roads, typically dirt trails wide enough to accommodate a tractor-trailer, have often contributed to erosion, creek sedimentation and other environmental problems.

This modest but essential effort to curtail further intrusion into the nation's forests will not spell doom and gloom for the timber industry. Less than 5 percent of timber cut in the U.S. comes from national forests, and less than 5 percent of that volume comes from roadless areas.

It is important to note that the Clinton plan is not a done deal; it is the first step in a regulatory process that could take more than a year and most certainly will be influenced by public input.

Notably missing from the president's eloquent call to conservation was a commitment to include Alaska's Tongass National Forest, the nation's biggest and the heart of the world's largest remaining expanse of coastal temperate rain forest. Tongass has been a major battleground for lawsuits and legislation over logging in an area with healthy populations of grizzly bears, bald eagles and salmon.

These are the people's lands, natural treasures, and Americans who care about conservation must ensure their voices are heard in what promises to be a contentious process.

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[From The Sacramento Bee, Oct. 22, 1999]

### Fight Over Forests—Which Public Lands Should Remain Roadless?

President Clinton used the Shenandoah Valley as the vista for his recent announcement to seek permanent protections for up to 40 million acres of pristine, roadless national forests. A more appropriate backdrop would have been somewhere between a rock and a hard place. Seeking to manufacture a legacy of forest protection in his remaining months in office, Clinton faces an uphill struggle.

The president and Congress are supposed to work together to pass laws that protect forests as wilderness. This is how approximately 34 million acres of the 191 million acre national forest system are now officially protected with the wilderness designation. These 40 million acres that are the target of Clinton's new effort are not now legally designated as wilderness, yet function in nature as such. There are no roads on these lands—each of 5,000 acres or greater—and in many cases they are adjacent to a designated wilderness area.

The Republican-led Congress, beholden on this issue to an extractionist ideology, is simply incapable of working with the president on wilderness issues, with the sole notable exception of an emerging bipartisan effort in western Utah. A compromise that could serve multiple interests—additions to wilderness areas in return for additional certainty on other lands for timber harvests—is not possible in this political environment. As Republicans use riders attached onto appropriation bills to thwart forestry planning efforts, many environmental groups have taken up the call for no logging whatsoever on any public lands. The average American, meanwhile, uses more paper products than anybody else on Earth.

As Clinton wades into this ideological war, he has few options. Legally, the strategy with the best chance of permanency is to embody new protections for roadless areas within an environmental impact statement that offers a scientific basis for the action.

The strategy may prove to be a long shot. On forestry issues in the Sierra, for example, the administration has been unable since 1993 to finish an environmental impact statement that offers final guidelines on how to protect the California spotted owl. Courts, meanwhile, have stalled Clinton's logging strategy for national forests in the Pacific Northwest. Environmental groups successfully challenged the adequacy of the environmental impact statements, which did not include surveys for certain rare species such as mollusks.

Ironically, the very legal techniques used by roadless advocates to challenge logging plans will be handy weapons to attack Clinton's roadless plan—if the Forest Service manages to produce the environmental documentation before he leaves office. There's not much time left to count mollusks on 40 million acres of roadless America. In the forests, the biologists better start counting. And in Washington, leaders on both sides of the aisle should contemplate a bipartisan approach to forestry policy.

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[From the New York Times]

### Clinton's Legacy as Preservationist?

For someone who paid no attention to environmental issues during his first year in office, Bill Clinton may wind up with an impressive legacy as a preservationist. In addition to his earlier programs to restore the Everglades and to protect Yellowstone, the forests of the Pacific Northwest and the redwoods in California, the president recently set in motion a plan that would, in effect, create 40 million acres of new wilderness by blocking road building in much of the national forest.

In recent months, his secretary of the interior, Bruce Babbitt, has been exploring the possibility of additional action under the Antiquities Act of 1906, a little-known statute that allows presidents, by executive order, to protect public lands from development by designating them as national monuments. If used intelligently, the act offers Clinton a useful tool to set aside vulnerable public lands before he leaves office.

Because it allows a president to act on his own authority and without engaging Congress, the Antiquities Act is an attractive weapon to any president whose time is running out and who wishes to quickly enlarge his environmental record.

In 1978, President Jimmy Carter designated 15 monuments in Alaska, which in turn accelerated passage of a bill that added 47 million acres in Alaska to the national park system. Near the end of his first term, Clinton created the Grand Staircase-Escalante national monument on 1.7 million unprotected acres in Utah.

In the last 93 years, all but three presidents—Richard Nixon, Ronald Reagan and George Bush—have designated at least one national monument. There are now more than 100.

Congress has never revoked a designation, though it has the power to do so, and some monuments have become revered national parks, like the Grand Canyon. Yet Congress has never really liked the law because it so clearly gives the president the upper hand.

All it can do is rescind a designation, which is politically difficult. After Clinton's Grand Staircase-Escalante designation in 1996, a bill requiring congressional approval of any designation exceeding 5,000 acres passed the House, but died in the Senate.

Babbitt is considering a dozen sites. The largest is one million acres on the North Rim of the Grand Canyon. Others include the Missouri Breaks, along 140 miles of the Missouri River in Montana, and hundreds of thousands of acres in Arizona, Colorado, California and Oregon.

All the projects are worthy, but as a matter of caution he and the President need to winnow the list to sites most deserving of immediate protection. Western Republicans, complaining about a federal "land grab," are looking for any excuse to revive their attack on the act, which has survived in part because it has been used sparingly.

Overuse could also divert support from even broader open-space initiatives, including what is expected to be another serious push to seek $1 billion annually in permanent financing for the Land and Water Conservation Fund.

Within these limitations, there is no reason not to use the act, a statute with an honorable history that has produced illustrious results.

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[From the Ventura County Sunday Star, Nov. 7, 1999]

### PRESCRIPTION FOR FOREST HEALTH PROBABLY WOULD KILL THE PATIENT

(By Arthur D. Partridge)

The Clinton administration's recent proposal to protect roadless areas in our national forests is already under attack in Congress. One often-repeated objection is that roads are needed for logging, logging is necessary for a healthy forest, and our forests are suffering a health crisis. As prescriptions go, this one verges on quackery.

The term "forest health" is so poorly understood and defined nowadays that it's virtually useless. When first coined, in 1932, it referred solely to insects and tree diseases. Now people use it to encompass fire, storms, or virtually anything. But all of the data, both from the Forest Service and studies by many forestry researchers including me, indicate there's been no change in the real condition of our forests, other than through excess and ill-advised logging.

In terms of disease and insects, there has been no difference in true forest health for at least 50 years. In fact, a report from the U.S. Forest Service indicated that between 1952 and 1992 the amount of damage from disease, insects and all other major causes—including fire—was less than 1 percent of the standing commercial timber throughout the United States. And the numbers stayed at those levels the entire time, with no ups and downs. The same thing is true of both public and private lands.

* * * * *

Unfortunately, this basic reality often gets distorted in order to accomplish some kind of cutting plan. In the Pacific Northwest, for instance, we hear that in many regions the Douglas fir is threatened by bark beetles. But when we go to those areas and investigate, we find that a significant problem just doesn't exist. There are some beetles, all right, but the overall beetle population is in decline and the amount of damage is extremely low. Of course if you only look for trees with beetles, you'll find them. But in the whole forest the mortality rates hover around the historical rates of 1 to 2 percent. And this is true of root diseases and other pests, of different species of trees, and in different areas of the country.

Claiming harm to forest health is merely an excuse to log, but logging in the roadless areas is plain foolishness. The reason they weren't logged long ago is that early loggers knew there was little worthwhile timber in these areas.

* * * * *

Widespread clearcutting has also brought changes in the water cycles, creating rapid runoff and melting during the spring, leaving little available water during the summer, when it's needed most. Even the local weather has been affected: If you change the structure of the forest, you change wind patterns and rainfall as well.

In spite of this, I'm more optimistic than I was 15 years ago. Back then, nobody would listen to such concerns. All they could think about was the product and not the results of producing that product. Now even the industry is more sensitive to what it's doing, and it's changing some logging practices.

We need to continue to improve the way we maintain our forests. If we cut timber, we have to do it more gently than in the past. And we have to stop using wrong-headed excuses like "forest health" to log in the few and fragmented remaining roadless areas that America still treasures. If we destroy such areas through needless incursion, we will leave our descendants far poorer than justified by the small immediate profits, and they will wonder what sort of physicians made such poor judgments about health.

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[From the Central and East County Contra Costa Times, Oct. 26, 1999]

### FORESTS NEED PROTECTION

President Clinton has directed the U.S. Forest Service to produce an environmental impact statement and develop a proposal that potentially will protect more than 40 million roadless acres of its 155 national forests and 20 grasslands. Reactions from the two most vocal sides insist Clinton has erred, but he is moving in the right direction.

The timber industry is angry about losing future access to these woods. Where will its product come from? Hmm. Well, probably the same place it comes from now—and that's not primarily federal forests. Only 5 percent of the annual timber load comes from national land and only 5 percent of that comes from areas that could come under protection. Besides, the 380,000 miles of road already in forests—more miles than the interstate system—will still be usable.

That the plan provides for only 40 million acres and only inventoried, roadless areas 5,000 acres or larger upsets many environmentalists, as does not including Alaska's Tongass Forest. The heart of the world's largest remaining expanse of coastal temperate rainforest, Tongass is under siege, its supporters feel. Logging does take place in specified areas, and efforts to increase cut levels in Tongass are already in progress. Supporters feel an urgent need for more federal protection and were intensely worried when this proposal that excludes Tongass was chosen by Clinton.

The plan also deals almost strictly with road-building; it will prohibit it, which hampers development. Environmentalists would of course like the regulation to stop logging, mining, many kinds of recreation and other exploitation.

Clinton went with what was the weakest of his choices of plans, particularly making no rule to protect wildlife, to avoid needing congressional approval. His is an effort to have something happen instead of nothing. Part of the proposal also calls for a 60-day (only about 45 days to go now) public review and comment process, and all sides are hoping your voice will make a difference on what the final plan becomes. (Send comments to: U.S. Forest Service-CAET, Attn: Roadless Areas NOI, P.O. Box 221090, Salt Lake City, UT 84122.)

We encourage you to support this effort. Only about 18 percent of the 192 million acres of federal forests are now protected from development. Roadless areas are reference areas for research, bulwarks against invasive species, and as aquatic strongholds for fish as well as vital habitat and migration routes for wildlife species, especially those requiring large home ranges. Tongass by merit of its uniqueness should be included in any plan that will protect it.

We also would like to see forest lands remain untouched where they can so that they will still be around for centuries to come and our children won't have to explain to their grandchildren what forests were.

Mrs. BOXER. These editorials are in favor of roadless protections. The two Senators from New Mexico have offered us a great service because they have essentially, by their amendment, stopped us from a very controversial amendment that was antienvironment, that the administration would have been very opposed to, and may well have caused a veto of this bill. I thank them again.

I say to my friend from Idaho, Senator CRAIG, I hope he will not bring this back to us. I think it would drive a wedge into the heart of our environmental heritage. I hope that will not happen.

I yield the floor.

Mr. KYL. Mr. President, I rise in support of the amendment to add $240 million to the budgets of the Bureau of Land Management and the Forest Service for fuels reduction on our public lands.

In April 1999, the General Accounting Office reported to the Congress that 39 million acres on the national forests in the interior West are at high risk of catastrophic wildfire. The GAO also stated in that same report to Congress that the "most extensive and serious problem related to the health of national forests in the interior West is the over-accumulation of vegetation, which has caused an increasing number of large, intense, uncontrollable, and catastrophically destructive wildfires."

As we've seen this summer on the Rim of the Grand Canyon in my state of Arizona, on the Hanford Reach in Washington State, in the community of Los Alamos, New Mexico, and now in Colorado and other western states, it's time to pay the piper. If we don't spend the money now to treat the forests and other public lands, mechanically and through the use of fire, we will pay later—and we will pay a lot more.

The National Research Council and FEMA have recognized wildland fires in California in 1993 and Florida in 1998 as among the defining natural disasters of the 1990s. The 1991 Oakland, CA fire was ranked by insurance claims as one of the ten most costly all-time natural disasters. And in terms of damage, the magnitude of these catastrophic fires was compared with the Northridge earthquake, Hurricane Andrew and the flooding of the Mississippi and Red River.

As the findings of these organizations reveal, we are setting ourselves up for costly and deadly disaster unless we act now and send money to the Forest Service and the Bureau of Land Management for hazardous fuels reduction in the wildland/urban interface.

In response to the GAO report, the Forest Service is working on a Cohesive Strategy to restore and maintain fire-adapted ecosystems across the interior West. I've seen a draft of that report, and the price tag on the draft is about $12 billion over 15 years to treat 60 million acres on the National Forest. As I understand it, the Forest Service had hoped to release a final Strategy about a month ago, but this Administration's OMB has put a hold on the Strategy as too expensive.

I'm not willing to wait until Flagstaff or Tucson or any other community virtually surrounded by the National Forest burns. I support providing the Forest Service and the Bureau of Land Management with emergency funds, assuming that the Administration designates these funds as emergency funds as required by the Balanced Budget and Emergency Deficit Control Act of 1985.

Mr. President, I also want to draw my colleagues' attention to the comments of Stewart Udall that were published in the Arizona Republic on Thursday, July 6th. As my colleagues know, Stewart Udall, who now lives in the fire-threatened community of Santa Fe, New Mexico, served as Secretary of the Interior and represented Arizona in the House of Representatives. Mr. Udall notes with complete accuracy that we have altered the ecology of our forests and that it is only a matter of time before these man-made tinderboxes will ignite. Mr. Udall implores citizens to unite and demand restoration plans and aggressive, science-oriented, landscape-scale restoration action plans to prevent Los Alamos-style disasters.

Mr. Udall praises an organization of which I, too, am proud, the Ecological Restoration Institute, located at Northern Arizona University, and its leader, Dr. Wallace Covington. Mr. Udall opines, and I agree, that with appropriate support, the Ecological Restoration Institute can show other forested states how to use controlled burns and mechanical thinning to eliminate the threat of devastating fires.

Mr. President, I ask unanimous consent that these remarks of Mr. Udall be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Arizona Republic, July 6, 2000]

### LET'S BEGIN TO MANAGE OUR FORESTS

(By Stewart L. Udall)

SANTA FE.—As I survey the charred remains of the "Cerro Grande" fire that raged through Los Alamos, N.M., and its National Nuclear Laboratory, I am reminded that we have created an environment that invites a monster to rampage through our forests and threaten many communities.

In the Southwest, we have whetted its appetite by providing an overabundance of ponderosa pines and by mismanagement that has built a ladder of small, sickly trees that allows fires to leap into the crowns of old-growth yellow-bellies and into our mountain towns and homes. Meanwhile, we have wasted precious time looking for someone to blame and arguing over the definition of logging.

By altering the ecology of our ponderosa pine forest lands for a century, we have created unnatural conditions where fire can no longer play its natural role. Unhealthy forests abound in the West, and it is only a matter of time before these man-made tinderboxes are ignited and hapless "disaster areas" are proclaimed by presidents.

Before Western settlement began, fire strayed mostly on the ground, working its way through the grasses every few years as nature's steward, cleaning up the debris on the forest floor. Scientists at the Ecological Restoration Institute in Flagstaff have been telling us that the size and frequency of the recent fires have never before occurred in our ponderosa forests. They report, too, that the fires are growing larger, more damaging and more expensive and difficult to suppress.

Concerned citizens must unite and demand restoration plans and action that will reduce dangers and initiate campaigns to restore our forests and make them resilient and sustainable. Party lines and political agendas have no place in the upcoming battle. Republican Sen. Jon Kyl of Arizona and Interior Secretary Bruce Babbitt, a Democrat, have set an excellent example by locking arms and supporting projects to show what can be done to restore forest lands.

It will be incredibly short sighted if Arizona's affected cities do not, working in concert with the Forest Service, develop aggressive, science-oriented, landscape-scale restoration action plans and begin to implement them soon. Preventing Los Alamos-style disasters from decimating Arizona communities will test the grit and gumption of the Forest Service. And if emergency measures or funds are needed to get action started, it will also test the foresight and leadership of the state's congressional delegation.

Arizona's Ecological Restoration Institute is a national asset. It is led by Dr. Wallace Covington, a scientist who knows more about the ecology of ponderosa forests than any of his colleagues. With appropriate support, the institute can show other ponderosa states how to use controlled burns and thinning to eliminate the threat of devastating fires.

In a rich country, it is downright stupid to spend billions each year to put out destructive fires when modest resources can be invested to prevent such disasters. The bill presented to the federal government for fire suppression and reparations at Los Alamos is mounting daily toward $800 million. Experts are telling us this conflagration could have been prevented by forest-management measures costing $15 million to $20 million. When will we get smart?

Mr. ENZI. Mr. President, I rise in support of the amendment introduced by the Senator from Idaho, Senator LARRY CRAIG, to require the United States Forest Service to establish a Federal Advisory Committee Act committee to study and report on the proposed roadless area initiative and proposed transportation guidelines rule.

I have serious concerns regarding the process implemented by the United States Forest Service in developing these proposed rules. The House Energy and Natural Resources Subcommittee on Forests and Forest Health initiated a review on October 28, 1999, requesting documents from the Forest Service and the White House regarding development of the proposed roadless rule. While reviewing thousands of pages of documents provided by the Clinton administration, the committee found that the administration had held a number of meetings with, and used draft language, legal memoranda, and survey research data prepared by, a select group of representatives from national environmental organizations including: the Heritage Forest Campaign; the Wilderness Society; Natural Resources Defense Council; USPIRG, Earth Justice Legal Defense Fund, Audubon Society; and the Sierra Club.

In addition, the committee found no evidence of any effort to meet with or involve other groups or interested parties, and that the USFS' push to complete the proposed roadless initiative led to the use of poor data and errors in documentation, as is evidenced by letters from the National Forests and regional offices to the Washington Office expressing concern over the accuracy of the information being transmitted. For example, in one letter a USFS employee stated, "This is an estimate that I hope we are not held accountable for."

This reliance by a Federal agency upon a select group of individuals for the purpose of obtaining advice or recommendations is a de facto establishment of an advisory committee, an activity that must be conducted in accordance with the Federal Advisory Committee Act (FACA). FACA requires any agencies that establishes an advisory committee to file a formal charter, publish notice of all meetings in the Federal Register, ensure that all meeting are open to the public, keep minutes for each meeting, designate a Federal officer who must be present at each meeting, and must ensure that membership of the committee represents a cross section of groups interested in the subject—in this case the management and use of national forests.

This provision is also contained in the National Forest Management Act of 1976 (NFMA).

Unfortunately, the United States Forest Service's proposed roadless rule was developed without meeting any of the above FACA requirements. Instead, the Forest Service developed this rule in meetings with a small, insular group that represented only one, limited interest. Furthermore, the meetings were conducted behind closed doors and without any public notice.

Once again, the Clinton/Gore administration has demonstrated its unwillingness to include those most affected by federal land management decisions in developing land use policy. Instead of finding a way to include state and local governments, industry, recreationists and any other group interested in using and enjoying our national forests, this administration has chosen the politics of divisiveness and has excluded those who will ultimately have to live with the final decision from the development process. The only inevitable conclusion from this kind of politics will be first, exclusion from the process, and finally exclusion from the forests themselves.

I support this amendment, and encourage the Forest Service to take this opportunity rethink its current process and to reconsider its proposed actions at a more appropriate level. The decisions being made pursuant these rules would be more responsive to local communities and forest health concerns if they were conducted properly and not in violation of current law.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, as manager of this bill, I have been extraordinarily gratified by this debate on something I thought might be very controversial, but the Senator from New Mexico and his allies have given us a wonderful, totally bipartisan compromise on a significant issue, one I believe personally to be very constructive and very important. Rather than say anything more about it, I think we should take advantage of this opportunity and call for the question.

The PRESIDING OFFICER. Is there further debate on the secondary amendment?

Mr. DOMENICI. Mr. President, I thank everyone. There have been so many people working on this amendment. It has boiled down to a page and a half, but it is a very good amendment. It will permit the Forest Service and the BLM to do a lot of things they otherwise would not be able to do.

I am very thrilled today. I had originally nicknamed this bill "happy forests" because I thought maybe if we cleaned them up and took all this gasoline, using that figuratively, that is waiting around to burn them down—I thought they might just smile; they might just be happy forests. I want to say that is going to be the title of the bill. It has another fancy title. But when it passes today, let us just put in the RECORD, Senator DOMENICI is going to call this the happy forest bill.

I yield the floor.

The PRESIDING OFFICER. Is there further debate?

Hearing none, the question is on agreeing to amendment No. 3806.

The amendment (No. 3806) was agreed to.

Mr. GORTON. Mr. President, I move to reconsider the vote.

Mrs. BOXER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is now on agreeing to amendment No. 3795, as modified, as amended.

The amendment (No. 3795), as modified, as amended, was agreed to.

Mr. GORTON. Mr. President, I move to reconsider the vote.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

### AMENDMENT NO. 3807

(Purpose: To make emergency funds available to the United States Fish and Wildlife Service for salmon restoration and conservation efforts in the State of Maine)

Ms. COLLINS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Maine [Ms. COLLINS], for herself and Ms. SNOWE, proposes an amendment numbered 3807.

Ms. COLLINS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 121, between lines 18 and 19, insert the following:

For an additional amount for salmon restoration and conservation efforts in the State of Maine, $5,000,000, to remain available until expended, which amount shall be made available to the National Fish and Wildlife Foundation to carry out a competitively awarded grant program for State, local, or other organizations in Maine to fund on-the-ground projects to further Atlantic salmon conservation or restoration efforts in coordination with the State of Maine and the Maine Atlantic Salmon Conservation Plan, including projects to (1) assist in land acquisition and conservation easements to benefit Atlantic salmon; (2) develop irrigation and water use management measures to minimize any adverse effects on salmon habitat; and (3) develop and phase in enhanced aquaculture cages to minimize escape of Atlantic salmon: *Provided*, That, of the amounts appropriated under this paragraph, $2,000,000 shall be made available to the Atlantic Salmon Commission for salmon restoration and conservation activities, including installing and upgrading weirs and fish collection facilities, conducting risk assessments, fish marking, and salmon genetics studies and testing, and developing and phasing in enhanced aquaculture cages to minimize escape of Atlantic salmon, and $500,000 shall be made available to the National Academy of Sciences to conduct a study of Atlantic salmon: *Provided further*, That the amounts appropriated under this paragraph shall not be subject to section 10(b)(1) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3709(b)(1)): *Provided further*, That the National Fish and Wildlife Foundation shall give special consideration to proposals that include matching contributions (whether in currency, services, or property) made by private persons or organizations or by State or local government agencies, if such matching contributions are available: *Provided further*, That amounts made available under this paragraph shall be provided to the National Fish and Wildlife Foundation not later than 15 days after the date of enactment of this Act: *Provided further*, That the entire amount made available under this paragraph is designated by Congress as an emergency requirement under section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(A)).

Ms. COLLINS. Mr. President, let me begin by complimenting the Senator from Washington and the Senator from West Virginia for crafting an excellent bipartisan appropriations bill for these very important programs that matter so much to each of us in all our States. They have worked very well together and brought to the Senate for its consideration a bill that deserves support. I commend their efforts in that regard.

The amendment I am offering on behalf of myself and the senior Senator from Maine, Ms. SNOWE, concerns an issue of tremendous importance and urgency to the State of Maine. The issue involves the Federal Government's proposal to list the Atlantic salmon in the State of Maine under the Endangered Species Act. More specifically, the issue before us is whether the Federal Government will support the efforts of the State of Maine and other organizations to restore and conserve the Atlantic salmon in our State. Our amendment would appropriate $5 million in emergency funds for this very purpose.

I will give all of my colleagues an idea of just how critical it is for these funds to be invested in our State this year. This situation is truly an emergency. The U.S. Fish and Wildlife Service and the National Marine Fisheries Service have proposed to list certain Atlantic salmon in Maine as an endangered species. Under an agreement reached last month between the services and the two organizations that filed suit in Federal court seeking emergency listing of the salmon, the services have agreed to make a final decision on whether or not to list the Atlantic salmon as endangered by November 17 of this year.

I emphasize this point: The services have already given up their statutory and—what is usually a matter of course—routine ability to seek an extension of time in which to make a determination of whether or not to list the Atlantic salmon in our State under the ESA. In short, the time is now to demonstrate a Federal financial commitment to salmon in our State and that a listing under the Endangered Species Act is not necessary to conserve and restore Maine's magnificent Atlantic salmon.

The stakes are decidedly high and the services' rush to judgment unfortunate. A decision to list the Atlantic salmon under the ESA could threaten the livelihood of thousands of Mainers, particularly in the eastern part of the State of Maine. This is one of the most beautiful sections of our State; unfortunately, it is one of the most challenged economically.

At risk is a $68-million-a-year agriculture industry employing 1,500 Mainers, a $100-million-a-year blueberry industry supporting 8,000 jobs, a developing cranberry industry into which more than $500 million has been invested already, and a forest products industry that is the linchpin of Maine's economy. As Maine's independent Governor, Angus King, put it, a listing would be "a devastating economic blow to a region of the State least able to endure it."

The $5 million we are seeking would make a substantial contribution to salmon conservation and restoration efforts in our State. The funds would be made available to the National Fish and Wildlife Foundation, which has made a commitment to us to work very closely with the State of Maine to ensure that every single dollar is spent effectively. The funds would be used to assist in land acquisition and conservation easements to benefit Atlantic salmon, to develop irrigation and water use management measures, to minimize any adverse effects on salmon habitat, to develop and phase in enhanced agriculture cages to minimize the risk of escape, to install and upgrade weirs and fish collection facilities, and to conduct risk assessments, fish marking, and salmon genetics studies and testing.

The need for these emergency funds is right now. As noted, a listing decision is expected to be made early in the next fiscal year. The $5 million we are requesting needs to be appropriated prior to the Federal Government making its decision on whether or not to list the species, if it is to make a difference. We strongly believe that vigorous and effective salmon conservation and restoration efforts are needed in the State of Maine, but that listing the salmon as an endangered species is simply not the way to go. If these emergency funds are not appropriated this year, we will have missed an opportunity to convince the services that listing Atlantic salmon as endangered is not warranted. And we will have missed an opportunity of great importance to the people of Downeast Maine.

I thank the distinguished chairman and the ranking member of the subcommittee for their invaluable assistance on this critical matter. Senators GORTON, BYRD, and STEVENS have worked very hard to help us get to this point, and I have confidence that they will see this crucial amendment through to its enactment.

Mr. President, I understand that the amendment is acceptable to both managers of the bill, and I will urge its adoption following the remarks by the senior Senator from Maine.

Ms. SNOWE. Mr. President, today I am pleased to join Senator COLLINS in offering this amendment to the Interior Appropriations bill to make available $5 million in emergency supplemental funding for the restoration of Atlantic salmon. This is an issue that is critically important to the State of Maine. In 1997, the Fish and Wildlife Service and the National Marine Fisheries Service (the Services) enthusiastically endorsed the Maine Atlantic Salmon Conservation Plan as the best possible approach to restoring these fish to Maine rivers. Unfortunately, this five-year plan was essentially shut down less than halfway into its implementation when the Services re-initiated a proposed listing under the Endangered Species Act (ESA) on November 17, 1999.

This short-sighted action has placed in jeopardy an innovative and cooperative restoration strategy involving habitat restoration, water quality improvement, and widespread restocking programs statewide. The Services have yet to demonstrate what additional benefits will be afforded the salmon through such a designation despite my repeated requests for such information.

We in Maine have worked hard and made many sacrifices to restore our treasured Atlantic salmon. I continue to believe that a fully implemented Maine Plan remains the best means of restoring these fish and there is no benefit in cutting short such a promising effort.

Unfortunately, the Services have entered into an agreement with litigants that requires them to make their final listing determination by November 17, 2000. This action precludes the possibility of seeking a six month extension, as allowed under the ESA, to resolve any questions of scientific uncertainty. Many such questions have been raised. Questions range from whether or not these fish actually constitute a genetically distinct population segment as defined by the ESA to whether the Services' river specific hatchery stocking program has produced any benefits and is an appropriate restoration strategy. I have asked the National Academy of Sciences to thoroughly review the quality of the science that forms the basis of this proposed listing. This information will guide future restoration efforts in Maine. The funding under consideration today will make such a review possible.

Additionally, the Services have not undertaken a quantitative risk assessment to ascertain the relative importance of various factors which may influence salmon survival. Without such a risk assessment, we have no way of knowing if the Services are focusing on the right problems or potential problems and there is no clear way for the Services to evaluate what more needs to be done. In essence, the Services have no way of knowing if they are asking the impossible of the State. The State of Maine has been asking for such an assessment for over one year. Since the beginning, the Maine Plan has been incredibly dynamic and has evolved to address new problems or concerns. In fact, the State has addressed in some form every concern raised by the Services. This risk assessment will provide the necessary guidance to again strengthen salmon restoration efforts and target limited resources most effectively.

This risk assessment is but one example of the critical activities that need to take place prior to November 17th if the Services are to make an informed decision as to whether or not to list. The State of Maine is poised to take further action, such as upgrading weirs at the river mouths, conducing genetic analyses, and testing fish marking techniques, that might render a listing unnecessary. Unfortunately, despite the tripling of the State budget for salmon restoration, there is not sufficient funding available to complete these critical activities. If the State is able to complete these priority items prior to the November 17th deadline, we may be able to render a listing unnecessary. I would hope that the Services will adhere to the letter and spirit of the Endangered Species Act and fully consider the restoration activities paid for by these funds when making their final determination whether or not to list.

I would like to thank Senators GORTON, BYRD, and STEVENS for all of their assistance in making sure that this money is made available to Maine. I know that they share my concerns regarding the importance of the recovery of U.S. salmon populations, particularly Senators GORTON and STEVENS who have been working hard with people in their home states to restore populations of Pacific salmon. The funding we are seeking today was originally included in the Agriculture Appropriations bill. I am pleased that the managers acknowledge how time sensitive this issue is and are receptive to including it on this bill which is moving more rapidly. I can assure you that this money will make a tremendous difference in our efforts to restore Atlantic salmon in Maine. Thank you.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. GORTON. Mr. President, I have at least three reasons to urge adoption of the amendment of the Senator from Maine. The first, of course, is the eloquence that she has evidenced in presenting it and her persistence in pursuing this particular course of action.

Second is that this is directly analogous to the first amendment we adopted today by the two Senators from Minnesota. It is a decision, effectively, that we have already made that this money should be appropriated on an emergency basis. It is included in another bill that is slower to pass. Unfortunately, it was not included in the military construction bill, which did have a number of emergency expenditures in it.

The third comes even closer to home for this Senator because, as the Senator from Maine knows, Washington and Oregon, and for that matter, California, do have listed salmon species.

I may say to the Senator from Maine, we got an advance appropriation and it didn't prevent the listings from taking place, by any stretch of the imagination. But I think it did help my State and the other two States to prepare for what is going to be a long campaign toward their recovery. The hope that a listing may be prevented is a worthy goal on the part of the Senator from Maine. But even if it doesn't happen, this will have helped in connection with whatever the steps are thereafter. If the junior Senator from Maine would not mind, we can accept this amendment now and, of course, give other Senators an opportunity to speak. So she is ahead and she might as well win while she has a chance.

Ms. COLLINS. I thank the Senator.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, we in the minority share the feelings expressed by the distinguished manager of the bill. We, too, yield to the eloquence and the grace of the distinguished Senator from Maine.

Ms. COLLINS. Mr. President, I thank both my colleagues for their gracious comments and willingness to work with me on this very important issue. I urge adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3807) was agreed to.

Mr. GORTON. Mr. President, I move to reconsider the vote.

Mr. CRAIG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DURBIN. Mr. President, I will be offering an amendment at the close of my remarks. It involves a section of this bill which I believe was authored by Senator DOMENICI of New Mexico. I just spoke to him a minute ago to tell him I will be offering this amendment to strike his section. He said to proceed. He will come to the floor in a few moments, and I am sure he is following this debate in the meantime.

First, I thank Senator BYRD and Senator GORTON for their fine work on this Interior appropriations bill. I think I have expressed the feelings of many Members of the Senate that this is a spending bill that is near and dear to our hearts. It involves so many of our Nation's greatest treasures, and the stewardship which they showed on this bill will not only reflect their feelings, but will inure to the benefit of generations to come, if we do it right.

This bill is considerably different and, in my estimation, considerably better than the bill in previous years. In the past, there have been the so-called environmental riders that have been added on a variety of different issues. Most of them involved public lands and how they were to be used.

I come from the State of Illinois. We have some public land in Illinois. We have a national forest in Illinois. We have part of a National Park System—a very small part. I know that some of my colleagues from the Western States have a much different situation. Many of them represent States where the majority of the land is owned by the Federal Government. I am sure that is an awkward situation, at best. I can't quite imagine all of the ramifications of that policy, of owning that public land and managing it. But I am sure it affects their daily lives and the economy of their States.

Having said that, though, I think all of us, whether we live in one of those States with a large portion of publicly owned land or whether we live in some other part of the country, have a vested interest in this debate about the use of the public lands. The reason we have a vested interest is twofold. First, these lands are being managed now by this Presidential administration in a temporary way. Soon there will be another President. It could be President Gore; it could be President Bush. I am not certain what the outcome of the election will be. But the next administration will then be handed the responsibility of managing this public land.

Each successive administration, each President, and Congress, for that matter, have a voice in determining how that land is to be managed. And if they do the job right, in my estimation, they will hand off to the next generation succeeding an even better stewardship of this Federal land. I drew from my desk a quote from the CONGRESSIONAL RECORD. It is a quote from a former Republican President of the United States by the name of Theodore Roosevelt. For those familiar with the administration of President Theodore Roosevelt, you know he created the first national park and that he had a special interest in conserving and protecting our natural heritage and, particularly, in establishing public lands to protect them for future generations. This short quote summarizes his philosophy and, I might add, my own:

> We must ask ourselves if we are leaving for future generations an environment that is as good or better than what we found.

That is a very simple, straightforward statement. I keep it in my desk here because, quite honestly, when the Interior appropriations bill comes up, that question is being asked of us. Are we going to manage the public lands of America in a way that future generations will look back and say we did a good job and protected that legacy from previous generations? It has been handled and managed well under your stewardship.

I think that is the test. It is the test of this appropriations bill, and it is the test of every amendment to that appropriations bill. That is half of the test. The other half of the test goes beyond our obligation to explain to future generations, if we did a good job—it goes to the question as to whether or not we have met our responsibility to God's creation because on these public lands we find a great many species, a lot of different plant life, wild flowers, grasses, which are things that, frankly, depend on our good stewardship. If we don't treat those lands well, we not only stand to disappoint future generations, we stand to destroy our natural legacy.

So when we talk about environmental issues, a lot of people like to categorize those as some kind of bureaucratic gobbledygook jargon in Washington. I think it is much more than that. It gets down to those two fundamental questions. At the end of the day, when we are called to judgment for our public service, can we say to future generations that the public lands you entrusted us with are given to you in at least as good a shape as we received them, and maybe better, and that we protected God's creation in a reasonable and thoughtful way during our years of management? That is the underlying debate that we hear on the floor of the Senate when we discuss so-called environmental riders; that is, questions of environmental policy raised in the Interior appropriations bill.

Let me address the specific issue before us in the amendment I will offer. The Bureau of Land Management is part of the Department of the Interior. It is entrusted with administering millions of acres of our Nation's valuable and diverse public lands located primarily in 12 Western States, including the State of Alaska.

Currently, the BLM manages more Federal lands than any other public agency. BLM oversees some 40 percent of our Nation's Federal lands—roughly 264 million acres of surface land predominantly in the western part of the United States. But acreage alone doesn't tell the story.

Our Nation's public lands contain a wealth of natural, cultural, historical, economic, and archaeological resources that belong to everybody. They are, in fact, part of the Treasury of the United States—not in dollar terms, but when you want to measure the assets of this country, you would certainly step back and say: I want to include not only what we find in our Treasury but our Grand Canyon, Yellowstone, Yosemite, and all of the land owned by the people of this country. These are our assets that we have a responsibility to protect and manage.

The natural and ecological diversity of the BLM-managed public lands is perhaps the greatest of any Federal agency. BLM manages extensive grasslands and forests, islands, wild rivers, high mountains, arctic tundra, and desert landscapes. As a result of the diversity of habitat, many thousands of wildlife and fish occupy these lands. These fish and wildlife species represent a wealth of recreational, national, and economic opportunities for local communities and States in our Nation.

The single most extensive use of public land under the jurisdiction of the BLM is grazing in the lower 48. Of the roughly 179 million acres of public land managed by the Bureau of Land Management outside of Alaska, grazing is allowed on almost 164 million acres out of 179 million, and millions of these acres also contain valuable and sensitive fish, wildlife, archaeological, recreation, or wilderness values.

At the present time, the BLM authorizes through the issuance of grazing permits approximately 17,000 livestock operators to graze on these 164 million acres of public land. These permits and public land grazing that they allow are important to thousands of Western livestock operators. Many of these livestock operators and ranchers use these permits to help secure bank loans to provide important financial resources for their operations.

BLM typically issues grazing permits for a 10-year period on public lands. Many current grazing permits were issued in the late 1980s and are now expiring in large numbers over 2- or 3-year periods of time. These permits numbering in the thousands present the BLM with an unusually large and burdensome short-term renewable task.

We addressed this very issue in previous Interior appropriations bills. Can the Bureau of Land Management keep up with expiring permits or leases and reissue them in timely fashion so that someone who is using the land, the livestock operations, can continue their business, not lose money, and not face uncertainty when it comes to financing their operations?

The unusually large number of expiring grazing permits has created a dual dilemma for the Bureau and for its many public constituents. Western livestock operators who currently hold these expiring permits are worried that delays in the processing by the Bureau may cause them to lose their permits or otherwise threaten their ability to use the permits to secure bank loans for their operations.

Conservationists-environmentalists—meanwhile believe that the Bureau has a responsibility to perform responsibly for the governmental and environmental stewardship of these lands and analyze the grazing to make certain that if there is to be a renewal it is done in a reasonable and responsible way.

It is entirely understandable to me being from my State that ranchers are concerned about issues of security and predictability. So are my farmers. I understand this. Likewise, we require the BLM to wisely manage and protect our public lands for all Americans.

The on-the-ground permit level decisionmaking that should legally accompany the BLM's permit renewal process is fundamentally important to the ecologically sound and multiple-use management of our Nation's public lands.

The BLM must conduct what we call a NEPA, which is the National Environmental Policy Act, compliance and land use planning performance review before reauthorizing permits. In other words, before they give the permit back to the livestock operator to go back on public land to use it for grazing, they take a look at public land: How are we doing? Are we doing this in a responsible environmental way so ultimately the land is not so degraded or changed as to lessen its value or to endanger species and wildlife? That is a responsibility of BLM. It is an important one.

To meet the review requirements under NEPA and other existing Federal laws and regulations, the BLM uses a lot of different teams composed of agency professionals who look at wildlife, range, wild horse, bureau and cultural, and recreation wilderness activities. The BLM also solicits public comments and relevant information from a wide array of people interested in range management, including hunters, fishermen, and many others.

The simple fact is this: On most public land, grazing allotments and all of the important decisions that determine the condition of public rangeland resources are contained in the terms and conditions of the grazing permits and in the annual decision about the amount, timing, and location of livestock grazing. These decisions determine whether streams in the areas will flourish or be degraded and whether wildlife habitat will be maintained or destroyed. Public involvement in this process is essential for balanced public management. Without the application of NEPA and related laws, the American public has no real voice in public rangeland management.

Let me at this time give you an illustration. A picture is worth more than a thousand words. Any Senator is good for a thousand words at the drop of a hat. This picture will tell you an interesting story of a NEPA review of grazing on BLM land.

Let me drop some of these acronyms and abbreviations and try to speak English so those following the debate will understand.

The ecological picture here is one of the Santa Maria River in western Arizona, which has improved dramatically as a result of permit management changes under the environmental policies of the BLM.

It is important to note that the BLM continues to allow grazing in the areas you are looking at. However, they change some of the conditions of the grazing. As a result of environmental considerations, the grazing permits on the Santa Maria River in western Arizona now contain terms and conditions requiring livestock to be kept away from the rivers and streams during the spring and summer growing season.

The Santa Maria River in western Arizona is a rarity. It is a free-flowing river in the midst of a vast, hot, low-elevation desert.

The riparian corridor provides essential habitat for dozens of species of wildlife, including 15 species listed by Federal or State agencies as threatened, endangered, or some other special status. The riparian area of Santa Maria and its ability to support wildlife were severely degraded by many years of uncontrolled and unmanaged livestock grazing in the river corridor.

The vegetation was literally stripped away. Water was so polluted that streambanks were trampled and miles of riverbed areas and riparian areas were nearly as barren as the surrounding desert.

This is the picture of the overgrazed area around the Santa Maria River in Arizona. There is the "before" picture. Let me tell you a little bit about the "after" picture, which I will refer to in a second.

For decades, the BLM issued new grazing permits to ranchers along the Santa Maria River with no terms and conditions to protect the riparian areas.

Even though the BLM developed the land-use plan that required the river to be rested from livestock grazing, that requirement was not included in the permits. In the late 1980s, a portion of the Santa Maria River received an unplanned reprieve from grazing. The rancher who held the permit went bankrupt and had to sell all his cattle.

The result of 3 years of rest from grazing can be seen in the second photo. These are roughly the same areas. This one looks like a stripped desert; the second is much different. This is a stream bed from the Santa Maria River, showing the natural vegetation and grass that has grown back in the grazing area. The riparian vegetation has begun to return, the stream banks are rebuilding, and the water is cleaner than in other portions of the river.

In the early 1990s, the bankrupt rancher sold out to a new rancher who wanted to restock the river corridor with cattle and start the grazing again in this area. The BLM proposed to transfer the grazing permit to the new rancher with no NEPA analysis; that is, no environmental analysis and no public review. The transferred permit would have had the same terms and conditions and ultimately resulted in the same condition as seen in the before picture.

A number of individuals and organizations challenged the BLM decision to renew these permits without a NEPA review and public comment. As a result of the environmental assessment, the grazing permits on the Santa Maria contain terms and conditions requiring that livestock be kept out of the riparian area during the spring and summer growing seasons. There is now a chance for vegetation to recover and water quality and wildlife to be restored.

The reason this part of the debate is important is it relates directly to the amendment I will offer. If the amendment offered by the Senator from New Mexico remains in this bill, permit level management changes that I have just described will be much more difficult to obtain.

Let me speak for a minute about section 116 of this bill that I would strike. This is the so-called grazing right. Most Members of the Senate have received letters from virtually every major environmental group in Washington, asking them to join in supporting my amendment to strike section 116. Here is the reason. This is the third attempt in an Interior appropriations bill to allow grazing permits to bypass current environmental regulations. Section 116 allows renewal of grazing permits that expire in fiscal year 2001 under the same old terms and conditions in which the permits were first issued.

Last year, I offered substitute language to similar offerings by the Senator from New Mexico. My language would have addressed ranchers' needs for the Bureau to process grazing permits in a timely fashion and in a manner by which ranching operations and financial arrangements would not be needlessly disrupted.

My intent last year was to not only protect the environment but to protect the ranchers, as well, to give them certainty as to when the new permits would be issued, and to also say that, where necessary, the Bureau of Land Management could step in and make the environmental changes to protect an area, changes that could avoid this and result more in this type of situation, which I think most of us would agree is better stewardship of the land.

However, I am pleased to report that my efforts to hold the BLM and their feet to the fire successfully on their own resulted in change. My amendment didn't succeed. But they went on to work to solve the backlog of expiring permits.

The bottom line is this: There is no longer any need whatever for section 116 in this bill.

Let me show a chart in reference to the activity of the Bureau of Land Management. The BLM issued 3,872 fully processed grazing permits and leases in fiscal year 1999. In fiscal year 2000, the Bureau of Land Management is scheduled to issue 2,893 fully processed grazing permits and leases; 1,408 have been holdovers from the previous year, but they, too, will be renewed this year. In fiscal year 2001, the Bureau of Land Management will only be faced with 1,646 permits that have expired, and a small carryover of 484 from the previous year, for a total workload of 2,130 permits in the next fiscal year. This number is fully within the capability of the Bureau of Land Management.

We will hear from the other side, those supporting this environmental rider—that is opposed by virtually every environmental group in the Nation's Capital—that we have to put this rider in place to renew old permits without review because the ranchers and livestock operators cannot be certain that the BLM will meet its obligation to issue the new permits as the old ones expire.

The numbers tell a totally different story: 3,872 permits reviewed and approved by the BLM in 1999; this year, another 2,885; in the year for which we are appropriating, the numbers will be down around the 2,100 range. Clearly, the BLM has the capability to handle many more permit renewals than we envision in the next fiscal year. There is no need for this environmental rider to create exception and to tell the old permit holders they don't have to go through the process. The process is there. It is timely. It will give them the certainty they want about their future. All but 79 of the expiring 2001 permits will be completely processed in 2001.

The BLM has decided to carry over the permits because they concern areas near the Grand Staircase Escalante National Monument and in the Bookcliffs allotment. Because of the environmental sensitivity of these areas, the Bureau of Land Management will conduct an environmental impact statement instead of the regular environmental assessment.

The question arises, if the BLM will no longer have a backlog of permits, why is there such concern that section 116 be included in this bill? Although that question can be easily reversed, the concern is that section 116 will create incentives for livestock operators to delay renewal of their permits in hopes of avoiding environmental compliance by gaining an automatic renewal of their old permits under the old terms and conditions.

Section 116, as presented in this bill, undercuts meaningful opportunities for public involvement in a range management process. Is that important? Remember the picture from the Santa Maria situation; the BLM didn't come up with policies that resulted in the second photo. The lands lying in rest for 3 years, and public comments, led to changes in permits, which means that instead of desert, we are going to have a very beautiful area, an important area for habitat which is not environmentally damaging.

Section 116 undercuts that opportunity for public comment because it provides for an automatic renewal of the old permit without going through public comment or environmental review. They have to renew under section 116 the old permits under the same terms and conditions for an indefinite period. It effectively eliminates public input into the stewardship of public lands.

The Senators in support of 116 are saying to the people of this country who own these lands all across America: Get out of the way. We don't want you to be part of the process. We don't want you to sit back and determine whether the livestock operator who has been on this land for 10 years has done a good job from an environmental viewpoint.

Frankly, that is why we are here. Those in Congress and in the administration who have responsibility for the management of the land have to leave it to future generations in at least as good shape as we received it. If we cannot take an objective appraisal of how a rancher or livestock operator has managed the land, if we cannot decide that perhaps there needs to be a change because the way he is managing the lands is destroying it, then frankly we are running away from our responsibility.

Section 116 in this bill, which I strike, does exactly that. It takes the public out of the process. It takes the Government, looking at this from an environmental viewpoint, an ecological viewpoint, out of the process. It says it is an automatic renewal, no questions asked or answered. That is why this section 116 is opposed by a wide array of groups, including the Wilderness Society, the Sierra Club, the U.S. Public Interest Research Group. It is important to note that the League of Conservation Voters views this as a very important vote, as well.

Let me address specifically the situation involving the State of New Mexico. The BLM says that New Mexico, which is the home State of the Senator who has offered this, will process and issue all fiscal year 2001 expiring permits, as well as all carryover permits from fiscal year 2000. So if we hear the argument on the floor that this backlog is hurting the State of New Mexico, the home State of the Senator who offered section 116, the facts don't back it up.

By September 30 of this year, New Mexico is committed to fully processing and issuing all 379 carryover 1999 permits and leases and 179 of the year 2000 permits, for a total of 558. New Mexico plans to issue 192 fiscal year 2000 permits, using Public Law 106–113.

In fiscal year 2001, 221 permits and leases will expire in New Mexico. Like the BLM as a whole, in fiscal year 2001, New Mexico will process and issue all fiscal year 2000 carryover and fiscal year 2001 expiring permits, a total of 413.

This environmental rider, this section, was sold to us in years gone by as a necessity because of the backlog of cases on permits. The argument no longer holds. The BLM is fully capable of issuing new permits after the environmental consideration and public comment period, without hardship to the livestock operators and ranchers.

Let me address one other aspect of this which I think is very important. The reason why section 116 should be stricken from the bill gets to the heart of the question. Assume for a minute that you have a permit for your cattle to graze on public lands. Assume that the permit is about to expire and you are now in a position where you are having a review by the Bureau of Land Management. They come to a conclusion that the way you have used your permit over the last 10 years has been bad, you have damaged the land, you have damaged the water quality, you have destroyed habitat for wildlife, you may have threatened some species that live in that land. So they want to change, in the next permit process, the way that you, for example, graze your cattle. If you remember the example from the previous photograph, the Santa Maria River, they decided at certain times of the year cattle could not graze near the river, for many of the reasons I just explained.

If section 116 goes forward as proposed by the Senator from New Mexico, if there is a dispute between the Bureau of Land Management and the permit owner, all the permit owner needs to do is to appeal the decision by the BLM, and, frankly, he gets to live under the terms of his old permit with no restrictions on when the cattle can graze and no restrictions on activity that might be damaging to the environment. That is the net effect of section 116, that we allow any bad actors who are destroying the environment on our land, our public land, to continue under the old terms and conditions and not face changes that would be in place.

If section 116 were not part of this bill, the Bureau of Land Management could step in with a full force and effect order and say: Even while we are debating and appealing this question, you have to stop grazing your cattle near these streams and rivers in the summer and spring seasons when the area is the most vulnerable.

The bottom line is, those who support section 116 think environmental concerns should be removed, take second place to moving forward and renewing the old permits. That is the bottom line. That is what this debate is all about. Those who believe, as I do, that this land belongs to us and future generations, that this land is in fact the habitat for many species and wildlife that need to be protected, believe, I hope, section 116 should be stricken.

Aldo Leopold wrote a great book called "A Sand County Almanac." It is one of the classics, legends, when it comes to the West and the environment. This is what he said about the land:

> Having to squeeze the last drop of utility out of the land has the same desperate finality as having to chop up the furniture to keep warm.

I hope Members of the Senate, Democrats and Republicans, will step back and acknowledge the obvious. The BLM can meet its obligation. It can renew these permits. It can do it in an environmentally sound way. It can leave this land in as good shape as we received it and maybe better. It can leave a legacy to future generations, and even future ranchers, of which they can be proud. We do not need to carve out an exception here. We do not need to walk away from our environmental responsibility. We do not need to take the public out of the process of debating the future of public lands.

A few minutes ago one of my colleagues from Idaho came to the floor, very critical of the Clinton administration because he said they went through a process on roadless lands in the national forests and they were not public enough. The facts are otherwise. There was room for a lot of public comment. But now we are going to hear those who defend section 116 come forward and say: Take the public out of the process. Automatically renew the permits. Don't make the evaluation.

That is shortsighted. That does not meet the standard and test that Teddy Roosevelt and so many others before us established for this Nation. If we do this, we are not managing this land in the best interests of the taxpayers and the best interests of our children and in the best interests of God's creation.

### AMENDMENT NO. 3810

(Purpose: To strike the provision relating to renewal of grazing permits and leases)

Mr. DURBIN. Mr. President, I send the amendment to the desk and ask for its immediate consideration

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

> The Senator from Illinois [Mr. DURBIN] proposes an amendment numbered 3810.

Mr. DURBIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> Strike section 116.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BURNS. Mr. President, I listened with great interest to the comments of the Senator from Illinois on striking section 116. Let me preface my point by saying the language in the bill is the same language that was in last year's bill. There is a reason for it. Contrary to the argument being voiced by one side of the aisle, this is compromise language. It passed the House and the Senate last year. It was cleared by the Council on Environmental Quality and signed into law by the President.

As part of his speech, the Senator from Illinois showed us a picture of rangeland in poor quality. Well, I could take that same picture in Yellowstone Park. There is not one cow in Yellowstone Park, not one. There are a lot of buffalo, though. It is all managed by educated, competent land managers. The problem is, they have a hard time cutting back on the herd there. So let's not say that all the ranchers in the world are the rapers and the pillagers of the land, because we can see range in worse shape being managed by the National Park Service.

I go back on open range, range country, with the BLM and Government land back to the 1950s, and even a little before that. I can remember riding into Chicago with cattle for J.C. Penney at the old International Stock Show. So I know a little bit about these cattlemen. I know a little bit about grass. I know a little bit about rain. I know a little bit about sunshine.

If it had not been for the ranching community in our public lands States, there would also be no wildlife on that range because there is no water. For the most part, the land that was not claimed under the Homestead Act was land without water. Water was later developed on that land by the people who leased it from the government. To water their cattle they built reservoirs and wells. They also used pipelines. Anyplace livestock can graze, one will find wildlife.

There was an organization formed just after World War II. The country was coming out of a depression and also some devastating years of drought in the thirties. There are probably not a lot of folks standing around here who know much about that. I do not see that much gray hair around.

An organization was formed to improve the range. It was called the Society for Range Management, long before Government had established any kind of environmental rules, long before there was an establishment of the BLM and guidelines for the men and women who would judge the quality of the range. Government did not fund the Society for Range Management. It was strictly funded by those stockmen who ran livestock on public lands. The Taylor Grazing Act was then established, and that is what governs how we handle permits today.

I want to talk about the Society for Range Management. Every year—and I started this in Montana by the way—we have Montana Range Days. About 300 to 400 people show up for a 3-day camp. They sleep on the ground, and they sleep in the back of pickups. The people run from little shavers in the first grade to seasoned stockmen. During the 3 days, we identify the grass, the foliage, noxious weeds, the carrying capacity of a particular strip of range.

I started that when I went into the broadcast business in 1975 because rangeland is the basis for the economies in the eastern counties of Montana. And as a result, the grazing permits on public lands are vital for Montana.

The range today carries a lot more livestock, a lot more recreation, and more activity overall because of a group called the Society for Range Management. They have been responsible, and that is something we should recognize. Oh, sure, you can take a picture of an area after a drought and it won't be pretty. But as I said, I can show you that in Yellowstone Park where the buffalo took the grass into the ground. I can show you that in Jackson Hole. I can show you that around Devils Tower in the Black Hills, and the rangeland of North Dakota. I could probably show you some pastures in the State of Illinois that are privately owned and are overgrazed. There are always one or two bad examples that one can magnify and say the whole world is doing this to my or our land.

I have yet to see any government organization that has taken care of its land, or our land, as well as a private landowner who has made an economic and cultural investment in that land. It just does not happen.

Last year, we compromised with those opposing the language that we would solve the problem of renewing the permits. We told them that in accepting this compromise, the language before us today, we would have to come back each year until the Bureau of Land Management cleared up the current backlog of permits.

The State of Montana does not have as much BLM acreage as some other States. I do not think we have as much as our neighboring State to the south, Wyoming. They probably also have more people employed by the BLM because of the environmental laws that have been passed. Some of those BLM folks are very good land managers, but they are also hamstrung by some very narrow-minded people who think they know more about the rangeland than they do or the stockmen who run it.

In the meantime, there is a huge backlog of grazing permits that have gone unapproved, and that is the heart of Section 116. If they get the backlog cleared up, this language goes away. What is to fear? If the permit work is done and the permits have gone before the board, this language goes away. We are making sure everybody plays fair—just fair. That is all we are doing.

We are good to our word, and with the BLM's failure to process the backlog of permits, we have used the same compromise language we did last year to prevent kicking family ranchers off the land through no fault of their own. They get their work done. That is the bottom line. It cannot get any more definitive than that.

I do not want America to think that what I heard spoken before is an accurate assessment of our public lands because I will show you land managed by a stockman that lays next to what the Government manages, and there is a big contrast. It is huge. I will take the stockman's land 9 times out of 10 because I have seen it. I have seen the growth. I have seen the maturity and the things we put in place in range country to make it better, and we have done it with our own money. We did not do it with Government money. We did it with our own money to improve that range country.

I support my good friend from Illinois in the area of good environmental practices, but it is my belief that it is not just Government employees who understand good environmental practices. It is done all through farm and agricultural country, whether it be on public lands or private lands.

This change does nothing to impact the compromise language of a year ago.

I oppose striking section 116. I think it is necessary, understanding there are those who do not want anything, anybody, or any livestock on those lands whatsoever, and particularly people. I can put faces on the people who use these lands very conservatively and improve these lands.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I say to Senator DURBIN, I apologize for not being present on the floor when he gave what is always an eloquent speech, which he also did in this instance, with some very marvelous background information. Since that graphic is so alive, I suggest that the Senator should know when the vote starts he has to take it down.

In any event, the good Senator from Illinois said there is no good reason to continue to support the Domenici amendment from last year. Incidentally, on an up-or-down vote on the Durbin amendment last year—he will get up and say it is a different amendment, but essentially it is the same issue—58 Senators voted against Senator DURBIN in favor of the Domenici amendment and 37 voted against the Domenici amendment, and 5 did not vote. I am looking at those who did not vote on the Domenici amendment, and I think the numbers will get more lopsided, I say to the Senator from Illinois, because more of them will go my way than his way.

So we want everybody to understand that we still need what we needed last year. I will answer the rhetorical question, which was, there is no good reason for doing this again. I will say, there are 1,300 good reasons to do it this year, for there are 1,300 Americans—some in my State, some in the State of the Senator from Montana, some in the State of the Senator from Wyoming, but there are 1,300 permits that are still not done, and those are for the years 1999 and 2000. We have 2½ months left in 2000. But there are 1,300 permits backed up for processing that are not completed.

Let me make sure that in just a few minutes everybody understands what this means.

If you were to come around 5 years ago or 6 years ago and ask, what is the issue with the National Environmental Policy Act and the grazing permits—as I told my friend from Illinois last year, it did not exist because nobody thought that renewing a grazing lease qualified under the National Environmental Policy Act—get this—as a major Federal action.

But it has happened in this administration. They have concluded that these 10-year leases we give to ranchers, which are policed by the U.S. Government, are subject to NEPA. Be it the Forest Service rangers or the BLM rangers—they police these permits. They see that they are managed right. That is their job.

Incidentally, during that 10-year lease, if they violate it, they are penalized. If they do not take care of things, they get their allotment cut. It is not operating in a vacuum. It is operating all along with the rancher trying to make a living and the Government saying: Do it right.

Then here comes this administration and it says: Why don't we make both Forest Service permits and BLM permits go through a National Environmental Policy Act review for each and every one.

I can tell the Senator, they heard from me then, but all they heard from me were two things: One, it really isn't needed; and, two, if you are going to do it, you will never get it done on time.

I turned out to be right on both scores because, I say to the good Senator from Illinois, in my State, for each and every NEPA evaluation that preceded a lease renewal, about one from my entire State was changed significantly. That means across the board, 99 percent-plus of the time, the NEPA analysis found nothing needed to be dramatically changed.

As I said to the administration way back then, NEPA analyses aren't needed. And then secondly, I said: You will not get them done on time.

Lo and behold, 2 years into that process, we started getting letters from ranchers and property owners saying: Look what is happening. They are making us do a NEPA statement, but they have not done the work yet, for the Government does the NEPA statement. They have said: What is going to happen when our lease expires?

Nice question. The administration could say: We are not ready to give it to you because we have not done the environmental impact statement on each and every grazing lease, which almost everybody looking at the land says is unnecessary. But let us conclude that they had authority administratively to impose NEPA. Incidentally, they never got authority from Congress. Senator Scoop Jackson was the author of the NEPA law.

It would be very interesting if we could ask him from his place, wherever he is on high: Scoop, did you ever think that a grazing lease renewal was a major Federal action under your law? And I swear, if he is listening, he is turning over in his grave because "major Federal action" meant a major Federal action, not renewals of every single lease on the grazing lands of America, which are thousands.

Nonetheless, when I offered my amendment last year, all it said was: Look, Federal managers, because of your own fault, you did not get the NEPA work done. Here is all the money you need. How much money do you need? I remember in the Interior bill they asked for more funding. The distinguished chairman gave them that money, so they had no more complaints. They got every bit of the money they needed to do it.

They set about to complete each and every impact statement on leases that were expiring. The problem is, they have not gotten it done yet. All we said is, since you are the ones that are supposed to get it done, and you did not get it done, then you renew their lease. Give them the renewal, but write in this law and on that renewal that as soon as the NEPA work is finished—get this, my good friend, the Presiding Officer—as soon as the NEPA work is done, whatever your conclusions are, you have a right then to impose them on the permit.

I have every confidence in the world, since I believe only one lease in New Mexico had any major changes made because of NEPA, that this law that I am asking to continue again—because they are still behind—will do no damage to the public domain.

Let me make it very clear. There are some marvelous environmental groups in the United States. They have taken on some fantastic causes. Albeit they do not like my voting record, that is all right with me. I like some of the things they have done. I do not necessarily ask how they want me to vote before I vote. I saw too much of that when I was a young Senator.

I saw Senators come to the floor, knowing little or nothing about it, who said: How are the environmentalists positioned on this vote?

They would say: They are an aye. They would vote aye.

I just do not happen to be one of those Senators. I am kind of proud of that, to be honest. I do not think anybody should come to the floor and say, I better vote with them. I hope I am informed before I get here.

In spite of what I just said, and that some of the brightest Americans are leading these environmental groups, believe it or not, I say to my fellow Senators, they have made this little amendment a major American environmental test. Using my name, they have spread it far across the country: The Domenici amendment is calculated to destroy the public domain, to let ranchers ranch without having the Federal Government oversee their growing malignancy which is destroying ranchlands.

I say to my friends, it did not destroy any because they did not find anything wrong on most of them. There is a chance they will not get completed on time, and we just ought to stay where we were last year because there are too many Americans who are desperately afraid of the arbitrary action that can be imposed on the rancher by lawsuits. They are afraid of arbitrary actions of people who represent the Federal Government.

They kind of cry out to us, when we go meet with them, saying: Just don't do another thing to us, not giving us our lease renewal, when we had nothing to do with the reason for the denial.

I can't put it any more succinct. That is the way it is.

I urge every Senator to do something very simple, and just send a word back that the proof in the pudding is that the NEPA reviews are not saving the public domain. They are just costing a lot of money, taking a lot of time. At least we ought to say to the ranchers who manage well—which is the overwhelming number—we are not going to hold you hostage out there and do what the distinguished Senator from Illinois recommends, which is that it is no longer mandatory that you proceed in a manner that the Domenici amendment last year said. That law allowed the renewal and then, in due course, when the NEPA analysis is finished, act accordingly, with the Government losing no rights. He would say the Government may do that if they want to. Everybody should know, if you turn the amendment into a "you can do it if you want to, Federal Government," you know what is going to happen, at least for a while: The environmental pressure on the Department will be great enough that they won't do it for anybody. A "may" will turn into "thou shalt not."

I don't think that is fair. I have high regard for the Senator from Illinois. We were just talking before this debate, saying maybe one of these times we are going to be on the same side. I was thinking, if that happened, we might just overwhelm the Senate. We might get 99 votes.

In any event, I am sure hoping he doesn't get 99 votes tonight. I am hoping I get the same number I got last year, maybe even a few more who have thought about it a little bit. Those who understand that it is kind of ridiculous to claim this amendment that DOMENICI put in this bill is going to wreak havoc on the public domain.

I will go anywhere to debate this issue with anyone as to whether this justifies being a major environmental issue. If it does, we must not have very many environmental issues around. They must have paled from the horizon if one of the major environmental issues in America is this issue. This is an issue where the Government doesn't do its work and therefore can't give the rancher a 10-year permit renewal, which he might be completely entitled to. The agency just hold them in abeyance and says: When we get through with our work, we will give you a lease. In the meantime, maybe you will lose your financing.

A lot of Senators know about ranchers and financing. I wonder what the banks would do if their leases were not as certain as they have been because the BLM or the Forest Service can just say maybe we will be able to renew the permit.

I have spent a lot of time on the floor between the happy forest and perhaps the happy solution to this environmental issue. We will have a vote pretty soon.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. Mr. President, I won't take a long time. My friends have covered many of the details.

This issue is not about the pictures that were shown by the Senator from Illinois. It has nothing to do with overgrazing or not overgrazing. That is not the issue. I hate to see it be left that way because it really has nothing to do with that. It has to do with what happens until the BLM can get to that piece of land to make the study to decide what to do with the lease. It is pretty simple.

Here is what it says:

> The terms and conditions contained in the expiring permit or lease shall continue in effect under the new permit or lease until such time as the Secretary of Interior completes the processing of such permit or lease in accordance with all applicable laws and regulations, at which time such permit may be

> canceled, suspended or modified, in whole or in part, to meet the requirements of such applicable laws and regulations. Nothing in this section shall be deemed to alter the Secretary's statutory authority.

I am sorry to say that doesn't fit much with what the Senator from Illinois described when he discussed this bill. I do think we need to briefly talk about what does it do.

It allows the BLM to have more time to complete the necessary environmental reviews for renewing permits and leases. By providing BLM more time, they are less susceptible to litigation and therefore less costly to the taxpayer, and it is more likely that BLM will not rush to finish their job and do a complete job of their review when the time comes. The language provides a better method for stewardship of Federal lands by having the BLM and the rancher work hand in hand on it. It provides the means for the agency to utilize sound processes and procedures. That is what they claim they have not had time to do. This provides that.

It subjects the permittee or lessee to potential modifications by the BLM of the terms and conditions, once the reviews are completed. It doesn't give them carte blanche. BLM is still able to revoke a permittee's grazing privileges at any time. They can do that.

It provides more stability, consistency, and security to ranching families. That is very important to us. Fifty percent of Wyoming belongs to the Federal Government. Most of that is BLM land. It is multiple-use land; it was designed to be under the law. This is a renewable resource, and it is done that way. I know that doesn't mean much in Chicago, but it means an awful lot in Wyoming, out where the Federal lands are. We have to talk about that.

The language eases the end-of-the-year backlog, of course, for BLM.

What does the language not do? It does not lessen the responsibility of the rancher in abiding by the terms and conditions of the permit or lease. It does not limit BLM's authority to manage grazing on public lands. It does not exempt the permittee or the lessee from any environmental law. It does not grant a permit in perpetuity. It simply provides for 10 years, until it is changed by the BLM.

It does not allow BLM to delay or ignore compliance of any environmental law or regulation, since BLM is mandated in those time lines to do those things.

Why is this language necessary? Frankly, it is very disappointing that the Senator from Illinois is back the second year in a row to fight against western livestock ranchers. This issue—BLM not being able to complete the required environmental renewal process on expiring grazing permits—is not the permittee's fault. The backlog was created by the administration, by the BLM. For some reason or other, the Senator from Illinois prefers to penalize the ranchers rather than hold the agency accountable.

Striking this section in the bill is really detrimental to management of these lands. The Senate language, which I agree with, states:

> The inability on the part of the Federal Government to accomplish permit renewal procedural requirements should not prevent or interrupt ongoing grazing activities on public land.

When they get back to doing their job, it continues on. It is pretty simple. It has worked. It can work in the future. I think it is important we have the same language President Clinton signed into law last year.

As a matter of fact, after being contacted by the cattlemen, he said:

> . . . the final 2000 budget does provide BLM with $2.5 million that will enable the agency to effectively conduct detailed reviews before renewing livestock grazing permits and leases to ensure environmental compliance. I am confident this funding will help us protect both the public lands and the livelihood of hardworking ranchers.

That was from President Clinton's letter.

That is where we are. What we need to do is vote against this amendment and allow the system to continue to work as we proved it can work last year.

I yield the floor.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, in a few moments we may be voting on a motion to strike section 116 of this appropriations bill. That is the amendment offered by our colleague from Illinois. I hope Senators will join with us, as they did last year, in opposing this kind of striking of language.

The Senator from New Mexico has said it so clearly, as have the Senator from Montana and the Senator from Wyoming. They have caused all of us to understand where we are in the process of reexamining the grazing permits of western livestock grazers.

I don't think we have put it in the context we ought to for the Senator from Illinois. If we had, maybe he would be less inclined to come to the floor with this issue in hopes of gaining another environmental certificate this year from the Sierra Club for his charging, dynamic rhetoric on behalf of the environment.

Let me for a moment, if I may, deal with this in a hypothetical way. What if there had been a lawsuit in Rosemont, IL, that suggested the air traffic coming into O'Hare Airport was causing air congestion within that air shed and that air quality could not be arrived at there without changing the character of the management of the O'Hare Airport by reducing its flights by 50 percent?

Of course, the Senator from Illinois and I know—he lives in that region; I fly in and out of that region—if you do that, O'Hare Airport is out of business. Thousands and thousands of people would be laid off, if that were to become a Federal rule or a restriction against that activity. More importantly, this is a hypothetical case.

There is a lawsuit that the air traffic coming in and out of O'Hare has created a situation that disallowed that area from gaining its air quality standards. So EPA is in there examining it and establishing a rule to see whether O'Hare can continue to manage its air flights in and out in a way as to sustain its viability and meet the air quality standards. But the rule hasn't been made at a time that the judge has said: Either get it done or I will enforce a reduction in air traffic by 50 percent.

The Senator from Idaho likes that idea, so I come to the floor on the appropriations bill for the Department of Transportation and say: I want to strike an amendment the Senator from Illinois has in there. Let's extend this period of time and allow EPA to complete its rulemaking process so that we can keep O'Hare alive.

I think it is important that we put all of these kinds of things in context. Illinois is not a public grazing State. Idaho is, New Mexico is, Arizona is, Montana is, and so is Wyoming. What the Senator from New Mexico has said is that under today's environmental laws, and yesterday's environmental laws, these grazers will be allowed to graze during that period of time in which the permit process, through an examination by BLM or the Forest Service, is ongoing to reassess their permit and to adjust and change it in concert with current environmental law. I don't know why he would want to stop that. Obviously, he tried last year and the Council on Environmental Quality agreed with us, we defeated that amendment, and the environment is better today because of it.

I hope our colleagues will stand with the Senator from New Mexico, as they did last year, and say to the Senator from Illinois that we are not going to put ranchers out of business. We live with environmental law, we are sensitive to it, and we believe in it. We are not going to arbitrarily do as I suggested in my hypothetical case with O'Hare Airport, which is an area that is not of my interest, but it is an interest of the Senator from Illinois because it is in his State. I don't know much about it, but in my example I want to come in and arbitrarily change the name of the game. Of course, he would work to disallow that, and this Senator would respect the Senator from Illinois for saying that is not my business; that is the business of the Federal Aviation Administration and the State of Illinois, the city of Rosemont, and the Senator from Illinois—not the Senator from Idaho. I think that is the issue here.

In 1878, the diaries of a cavalry officer in charge of the cavalry in eastern Oregon, northern Nevada, and southern Idaho reflected the following:

> I believe the grazing lands of this region to be 50 to 60 percent depleted.

That was in 1878. Why? No BLM management. No Federal land management. No standards. Large grazing herds out of the Southwest swept through that country and their history, of course, has filled our history books with the nostalgia of the great trail drives. But there was a young man who was used to the land, and at that time he made an observation that the grazing in the region he used to ranch in and that these Senators are concerned about had already been depleted by over 50 percent—in 1878.

I can say to the Senator from Illinois, because of the standards established by the grazing industry, the environmental community, the Federal Government, U.S. Forest Service, and BLM, many of those lands are much better today than they have ever been. In fact, everyone who knows the western grazing lands and the riparian zones the Senator so eloquently spoke of know that they are hundreds of percent better than just a few decades ago. In fact, let us not forget that when the Secretary of the Interior, at the beginning of his tenure back a few years ago, wanted to go out and find some bad grazing examples that he could talk about to change his grazing land policy, his staff came back and said: Mr. Secretary, we can't find any. We can't find the kind of examples you want to bad mouth the grazing industry and management policies of the Forest Service and BLM because grazing has substantially improved and is continuing to improve.

That is what the Domenici provision, section 116, is all about—continuing that relationship of progressive improvement, environmentally, for the benefit of our country and for the benefit of the wildlife, but also for the benefit of the grazing industry.

Improved grazing and better grass in our country means fatter cattle. By the way, we sell them by the pound. I am not at all embarrassed for saying that. That is the way the industry works, in a balanced and necessary way. I thought it was important to bring this debate into context to the Senator from Illinois, who knows more about the subject I proposed hypothetically than I do. I suggest that I probably know a great deal more about public land grazing than he does. I and my family have used public lands for grazing for over 100 years. I have walked on them, I know the changes, and I have helped to get improved standards. We are doing it right on the public lands of the West today, and a great deal better than we used to do it. I think it is important that we recognize grass as an asset and a natural resource that can be used for a multitude of reasons. One of those reasons is to produce red meat protein for the American consumer. That is what the issue is about. I hope my colleagues will join with me in denying the Senator from Illinois his motion to strike.

I yield the floor.

The PRESIDING OFFICER (Mr. VOINOVICH). The Senator from Alabama is recognized.

Mr. SESSIONS. I want to speak on another subject, so I will yield to the Senator from Illinois.

Mr. DURBIN. I thank the Senator. Mr. President, if there is no other Senator wishing to speak the first time on this, I will speak briefly in conclusion. I have spoken to the chairman of the committee. It is my hope that I can ask for the yeas and nays and that we can schedule a final vote on the amendment, as well as on any other pending amendments at a later hour when all Senators reassemble. If that is acceptable, I will speak for a few moments in conclusion.

Mr. GORTON. Will the Senator yield?

Mr. DURBIN. Yes.

Mr. GORTON. Mr. President, the majority leader has indicated that he hopes we can continue debating this bill and finish it tonight, or at least get to a point tonight where it can be finished, perhaps, with a vote on final passage tomorrow. I think that is possible, and this will be part of it.

So I hope the Senator from Illinois will finish his remarks on it. We will ask for a rollcall, and then we will set voting on it aside until we find out how many other amendments there are. I believe the Senator from Nevada, Mr. BRYAN, wishes to come in with an amendment that would require a vote. The Senator from California, Mrs. BOXER, may have an amendment. Senator NICKLES may have one. I am not sure about the Senator from Alabama. But there are a fairly small number that will require votes. I strongly suggest that anyone who feels that his or her amendment cannot be accommodated as a part of a managers' amendment—and we have a very large one now that includes many of the proposals made—if anybody wants to have a vote or debate, they really need to be on the floor very promptly to do so because we would like to go ahead and finish. With that, I thank the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DURBIN. Mr. President, let me say in conclusion on this amendment that I have the highest respect for my friend from New Mexico. I often wonder why each year I decide to take on the chairman of the Budget Committee, and the powerful Appropriations Committee, with usually predictable results on the floor of the Senate. He has, much to my consternation, read last year's rollcall, which is another dagger to my heart on this same issue.

Notwithstanding that, I am going to soldier on here because, as the Senator from New Mexico does, there are times when you stand up and fight for something you believe in, even if you may not prevail. I still have the highest regard for him and all of my colleagues on the other side of the issue. I respect the fact that many of them have a much more personal knowledge of ranching and livestock operations than I do. When I think about Senator BURNS of Montana and all of his years as a rancher and auctioneer, he stared more cows in the eye than I will ever be able to.

I listened to my friends, Senator THOMAS, Senator CRAIG, and Senator DOMENICI. I can readily see that these are men in the Senate who represent areas with many more ranchers and many more livestock operators with much more personal knowledge on this subject, notwithstanding that I come to the floor not trying to preach to them about ranging practices but trying to ask them to at least respect the process of trying to protect our public lands.

The Senator from Idaho—I have heard this argument every year when I introduced this type of amendment—has basically said: Why are you sticking your nose into issues about the West? You live in the Midwest. When it comes to an issue such as O'Hare Airport, we would expect you to stand up and talk about it, being from Illinois. But goodness' sake, why are you talking about grazing in 13 Western States if you are from a Midwestern State?

I say to the Senator from Idaho that I think we all bear responsibility, no matter where we are from, for the stewardship of public lands. It isn't only Senators who represent Western States. It is all of us.

Frankly, if those lands are left to future generations, each one of us should take an interest in it, whether we live in Florida, or Illinois, or Maine. We all have a responsibility for those public lands—that Public Treasury, those resources that we count on so much.

I also say to my friend from Idaho that when we stand here and debate gun safety issues representing large cities where a lot of people are victims of gun violence, he stands up on the floor many times and tells us what he thinks gun policy should be in the city of Chicago. He thinks that is his opportunity and responsibility as a Senator from Idaho. So it works both ways.

I think he will concede the fact that, being elected to the Senate, we are not restricted in what we can speak to. We may be restricted in our success about what we speak to.

But let me also say that I want to get down to a couple of things that were not mentioned at the outset that should be mentioned. For those livestock operators who choose to graze on public lands, this is worthy of mention.

The grazing fees paid by those ranchers and livestock operators are a bargain. They are an absolute bargain. This Congress and a President decided that we will continue to give these ranchers and livestock operators access to land owned by the people of the United States so they can make a living grazing their cattle for fees that are, frankly, a fraction of what they would pay on private land.

The Federal grazing fee for 1999 was $1.35 per animal unit month grazed. By contrast, the average grazing lease rate for private land is currently more than $11—almost 9 or 10 times the amount these same livestock operators are paying to graze on the lands owned by the people of the United States. In 1996, the fees charged on State land by Western States ranged from $2.18 to $2.20. There was not a single State that leased its grazing land to local livestock operators at a fee as low as the Federal Government.

In addition to the subsidized fees, ranchers with Federal permits enjoy subsidized range improvements. As a result, livestock operators with Federal grazing permits actually have lower production costs and higher profits than livestock ranchers without Federal permits.

As we talk about hardship that we may be creating for livestock operators, let us at least concede at the outset that we are giving these permit holders a bargain to make a living. I have not stood here and criticized ranchers and livestock operators, nor would I. In my State of Illinois, we have livestock products and a lot of farmers. I respect the men and women involved in my State, as I do in any other State. Nor am I bringing this issue before the Senate to try to put any ranchers out of business.

There is one fundamental flaw in the argument on the other side. It is the suggestion that if you had a 10-year permit that expired, that the Bureau of Land Management would cut you off and not give you the right to continue to graze land while they are going through the reissuing of the permit process.

I don't know of a single case where that has happened. The BLM goes out of its way to continue the grazing rights of these livestock operators, even while they are debating the terms of the new permit.

The suggestion has been just the opposite—that they somehow want to get the ranchers off the land. The only time I have read about that is in a situation where they have a rancher or a livestock operator using Federal land in a way they think is harmful to the environment. I think that is reasonable because BLM has a responsibility to protect those public lands from environmental damage.

Let me also address one other thing. The Senator from Montana got up and said there are people managing Yosemite and Yellowstone. There is buffalo and wildlife there, and many of them can destroy land just like any other livestock. I bet that is true. I don't question that it is true. He also went on to say that he thought when it came to range management that we should basically leave it up to the livestock operators to decide what is good for the land. I think that was his conclusion. I think this is a fair summary of his conclusion. I guess in some instance that would be true.

In my home State of Illinois, there are farmers who are responsible environmentalists. They think twice before they apply chemicals. They think about the right thing to do to avoid the loss of good topsoil, and about siltation going into the streams that run into the water supplies of surrounding towns. My hat is off to them. I usually spend Earth Day with farmers because I respect a lot of them. They take this very seriously. I will tell you that conversely there are some I wouldn't put in that category. There are good and bad.

But let me tell you what the BLM has to say about the acreage that is being grazed by livestock now under their control. They estimate that only about a third of a total 160 million acres grazed by livestock are in good or excellent ecological condition—one-third. Worse yet, even a higher percentage—almost 70 percent of riparian areas, streams, and rivers and their associated fish and wildlife habitat—are in a damaged condition: A third in good condition; 70 percent near streams in bad condition. The General Accounting Office attributes the vast majority of these resource deficiencies to abusive and excessive grazing practices.

When I come before you and show this photo, they say this isn't the real world. But the statistics suggest that overwhelmingly this is the real world. This is a grazing situation where, unfortunately, someone put cattle on this land, and they grazed it down until it looked like a desert. For 3 years after bankruptcy, the land had a chance to recover in the Santa Maria River area of western Arizona. This is what we have to show for it.

What I am suggesting is that the statistics and the studies do not back up the statements on the floor which suggest that this land is being managed so well. There is a need for the BLM. There is a need for the environmentalists. There is a need for public comment.

That is what I think needs to be protected. That is what section 116 would deny us. Frankly, that is what this debate is all about.

It has been the suggestion of my friend from New Mexico—not a suggestion but his notation of the rules of the Senate—that when the time comes for a vote that I am required by the rules of the Senate to remove this photo from the floor. So my colleagues who have not been here for this debate cannot come in and see exhibit No. 1, in my case, for the passage of my amendment. I can understand it. I know why the Senator from New Mexico doesn't want my colleagues to look at this photo. This tells the story as to what section 116 is all about.

I made it a point—because I have such high respect for the chairman from New Mexico—to ask those who are well versed in the rules of the Senate. Once again, the chairman from New Mexico is right. I have to remove this photo under the Senate rules. I will probably appeal that to the Supreme Court at some later time. But, for today, I am going to, obviously, follow the rules of the Senate.

But it is of interest to me that the Senator from New Mexico doesn't want our colleagues to see this photograph. I hope they are watching it as we broadcast this debate on the Senate floor. It tells the story.

This is the bottom line. The BLM is going to process these applications. They are going to get them done on time. There is no need for this amendment. They are going to take a look. In the rare case where they find a livestock operator who is misusing Federal lands that he is getting for a bargain price—where he is misusing land, destroying the ecology, endangering species, and destroying riverbeds and riparian areas—they are going to make him sign a change. If the Senator from New Mexico prevails, they will lose the authority to do that. They will have to renew the permit under the old conditions.

That is my objection to it. That is why I think it should be stricken.

I sincerely hope we have a better outcome on the vote. If my colleagues have followed the debate and have had a chance to see this photo, which concerns my colleague so much, I am hoping they will support me in my motion to strike section 116.

I yield the floor.

Mr. DOMENICI. Mr. President, I ask unanimous consent the Senator be permitted to leave his picture up for the vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURBIN. May I respond to my colleague from New Mexico?

Mr. DOMENICI. The Senator has been responding for 20 minutes.

Mr. DURBIN. The Senator from New Mexico is a gentleman, a scholar, and will receive a reward, I am sure, from the civil liberties group for defending the first amendment.

Mr. DOMENICI. Senator, let me say the idea of putting posters around has proliferated. I don't think we ought to add more to the confusion of a vote by having them around. I had no intention to pass judgment on the validity of your exhibit, which I find very difficult to interpret and rather irrelevant, but besides that, I don't have anything to say about it.

Let me say, why strike a provision that the Federal Government's inaction cries out to be left in this bill, which was signed by the President last year? I might even tell my friend from Illinois, can you believe it, I talked to him personally on this issue because he wanted to understand what the hoopla was about. I will not paraphrase him, but he signed the bill with this provision in it. It does no one any harm, and nothing has happened to say it has hurt the environment in this past year. And this issue has nothing in the world to do with how much ranchers are paying.

If we ever get into a debate upon the issue of, are they getting a great deal from the Government, I will bring from my State name after name of ranchers who are just not even making a living on the Federal domain today. Whatever price he suggested, they just can't hardly make a living under the rules and regulations of the U.S. Government.

That has nothing whatever to do with this issue. The assertion is not correct that the BLM has to leave correctable degradation in place and issue a new permit while damage could continue on the property. Read the amendment. Whatever power the Bureau of Land Management has, it keeps. That means if they issue a permit and they had the authority to make a correction to its terms to fix a problem, they still have it. Nothing is missing.

This provision lets the rancher feel a little more comfortable. He is not as denuded and vulnerable by having no permit until they get ready to issue it to him after they finish processing, which in the past would have taken a couple of years, maybe 2½ years. Now BLM is getting closer to finishing processing of all the expiring permits. I am glad. The amendment is working.

I yield the floor.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, I believe the Senator from Illinois wanted a rollcall. I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. GORTON. I ask unanimous consent we lay this amendment aside and proceed to an amendment by the Senator from Oklahoma.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Oklahoma.

### AMENDMENT NO. 3812

(Purpose: To provide $7,372,000 to the Indian Health Service for diabetes treatment, prevention, and research, with an offset)

Mr. INHOFE. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oklahoma [Mr. INHOFE], for himself and Mr. NICKLES, proposes an amendment numbered 3812.

Mr. INHOFE. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, add the following:

SEC. . Notwithstanding any other provision of this Act—

(1) $7,372,000 shall be available to the Indian Health Service for diabetes treatment, prevention, and research; and

(2) the total amount made available under this Act under the heading "NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES" under the heading "NATIONAL ENDOWMENT FOR THE ARTS" under the heading "GRANTS AND ADMINISTRATION" shall be $97,628,000.

Mr. INHOFE. After going through that rather lengthy amendment of the Senator from Illinois, there should be a little relief that this amendment should not be controversial. This amendment takes the amount of money that was increased—increased—to the National Endowment for the Arts and transfers that to a fund for Indian diabetes. It is the Indian Health Service for Diabetes.

Probably the least understood illness in this country is that of diabetes among Indians. It is a chronic disease. It has no cure. There are two different types. Type II is what we are addressing, diabetes among adults. Among American Indians, 12.2 percent of those over age 19 have diabetes. This is the highest risk of any ethnic group.

One Pima tribe in Arizona has the highest rate of diabetes in the world, about 50 percent of the tribe between the ages of 30 and 64. In Oklahoma, a lot of people are not aware, during the 1990 census, preliminary figures show the largest percentage of Indian population and the largest number of Indians of any of the 50 States. We spent a lot of time talking to our Indian population and looking at the problems that are peculiar to that population.

Not long ago, I spent some time at an Indian hospital in Talihina, OK, operated by the Choctaws. Case studies include one young male patient I talked to, 20 years of age, who already has been partially blinded with diabetes. He is already suffering from renal failure. He has a 40-year-old father who has gone blind. They recently had to amputate his leg, and probably the other one will go next. In one family, the father and mother both have type II diabetes. The mother is going to start dialysis next month. The son, who is 20 years old, has eye and kidney damage. The daughter is 17 years old and suffered a stroke, requiring weekly medical care. She has a 3-year life expectancy. The average life expectancy of the American Indian patient with diabetes is only 45 to 50 years.

It is very peculiar to the Indian population. It is very clear to see our money is better spent there and we can actually try to do something through research, through medication, through programs, to get the Indian population where they can be treated, where they know how to deal with infections they don't know how to deal with now.

It is unacceptable that, nationwide, 12.2 percent of the Indian adult population has type II diabetes. There is no cure. It is not a lot of money but will go a long way toward saving lives, not just in Oklahoma but in the Indian population all over the country.

The PRESIDING OFFICER. The Senator from Washington State.

Mr. GORTON. Mr. President, with all respect, it seems to this Senator that this amendment is more about the National Endowment for the Arts than it is about the Indian Health Service.

To give a comparison, the amount of money for the Indian Health Service in this bill is more than $2.5 billion. The amount for the National Endowment for the Arts cultural institutions is $105 million. As a consequence, this amendment would add to the Indian Health Service something less than one-third of 1 percent of the budget of the Indian Health Service —something less than one-third of 1 percent. It would subtract from the National Endowment for the Arts some 7 percent of the amount of money appropriated to it.

Our bill provides a $143 million increase for the Indian Health Service for next year over the current year, more than the entire appropriation for the National Endowment for the Arts. I find it ironic it was less than an hour ago that this Senator was praised by the Senator from New Mexico, who is a vocal advocate for the Indian Health Service, for the generosity with which we were treating that service.

Of the amount we are talking about for the Indian Health Service, $56 million is specifically for improved clinical services, which obviously could include diabetes treatment and prevention efforts. But even more significant in connection with this amendment is the fact that the Balanced Budget Act of 1997 provides $30 million a year for 5 years specifically to accelerate diabetes efforts for Native Americans. This year is the fourth such year. So there is $30 million for the fourth consecutive year for the specific purpose of this amendment.

On the other hand, the National Endowment for the Arts has not had a single increase in its funding since 1992. In many respects, the $7 million increase for the National Endowment for the Arts is symbolic; $7 million is real, but in a sense it is symbolic—but it is an important symbol. It is far less than the President's budget has in it. In fact, one of the elements in the long letter from the Executive complaining about this bill is that we are not generous enough with the National Endowment for the Arts.

But when we had our great debates on that subject during the mid-1990s, one of the focal points of the debate was that the National Endowment for the Arts was not using its money correctly and was funding objectionable artistic efforts, objectionable groups, and organizations and individuals. In the intensity of the debate, I believe in 1995 and 1996, an extensive list of reforms was imposed on the National Endowment for the Arts with respect to the way in which it spent its money and made its grants.

Now far more of its money goes to grants to the States. More of its money is spread more broadly around the United States, particularly to relatively small communities rather than a concentration in New York and Washington, DC, and Los Angeles and San Francisco. In other words, the very reforms that were demanded by the Congress have been, I think, cheerfully and thoroughly carried out by the National Endowment for the Arts in a manner quite responsive to what Congress asked for. To continue to punish the Endowment for the sins of its predecessors, or the supposed sins of its predecessors, seems to me to be perverse. I do not believe it appropriate for literally the 10th straight year either to reduce or freeze the appropriation for the National Endowment for the Arts.

I would have to say I think it is doing good work. It is one of those fields in which relatively small grants provide sort of a Good Housekeeping Seal of Approval to a multitude of arts organizations around the country, and provides a tremendous help to them in securing private contributions for their efforts. Some say the money that we provide through the National Endowment for these organizations comes back tenfold, fiftyfold, a hundredfold in private and local contributions.

It does seem to me long past time that we recognize the changes in the National Endowment and reward them for a job well done, even though the reward contained in this bill is modest. I said 2 days ago when this debate began that last year we included such a modest increase. The House was adamant about freezing the appropriation for the Endowment and we ultimately receded to the House. I said then I don't intend that should happen this year. I think it is time for the House to recede to us. I think it is time to deal fairly with an important part of the culture of the United States, and I think this amendment is unnecessary for the purpose for which it is stated because we have far more money in the bill already for the purpose of this amendment than is included in the amendment itself.

I believe we should leave this modest increase and encourage the National Endowment for the Arts to continue the good work and to continue to follow the dictates of this Congress about the way in which it does that work, rather than to continue to punish it for perceived past sins which I am now convinced have long since been cured.

For that reason, Mr. President, I oppose the amendment.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. INHOFE. I thank the Senator from Washington for his comments. I do not agree, obviously. I do think, though, I find two reasons to disagree with his arguments: One, to use percentages, as to what percentage this represents that would be decreased from the NEA as opposed to increase for diabetes because of the seriousness of this; the second thing is why carry this into a discussion and a debate on the merits of the National Endowment for the Arts.

If we were to do that, I would be glad to join in that debate. In fact, I voted many times to defund the National Endowment for the Arts. However, that is not this amendment. Right now they have, from last year, $97 million, the NEA, and they are talking about not keeping it level but increasing it by $7.3 million. I am saying the $7.3 million is going to end up saving lives, particularly lives of Indians with diabetes, as opposed to rewarding and increasing the appropriation to the NEA.

I think we need to look at it in that light. As I said, it is just incredible for people to comprehend the seriousness of this affliction among the Indian population. Yes, I am prejudiced. Yes, the State of Oklahoma has the largest number of Indians of all 50 States, and there are a lot of States that do not have that concern. I can tell you right now, we are going to do everything we can.

What the Senator from Washington says is true. We have increased it by some $30 million and it is going to be increased again over the next 4 years. However, every incremental increase is going to have a very positive effect on the research and the treatment of the Indians with diabetes. So I am going to ask for the yeas and nays on this for a vote.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. INHOFE. I have no objection to setting it aside and voting when we vote on the rest of the amendments.

Mr. GORTON. Have the yeas and nays been ordered?

The PRESIDING OFFICER. They have.

Mr. GORTON. I ask unanimous consent the vote on the amendment be set aside. I had told Senator BRYAN we could go to him next. Does the Senator from Alabama——

Mr. SESSIONS. I had an amendment I did want to talk on tonight. I wanted to take 2 minutes on one other subject, to thank the distinguished floor leader of the bill. I could do one of those, if Senator BRYAN is ahead of me. I have been here longer than he has, I think.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. Mr. President, I thank the Senator from Washington for his understanding and support, accepting an amendment I offered involving the Rosa Parks Museum in Montgomery, AL. Last year, about this time, Senator ABRAHAM and I submitted a bill to give a Congressional Gold Medal to Rosa Parks. That bill was passed in the Senate and the House, and the President presented it to her last summer in the Rotunda of the Capitol in a most remarkable ceremony.

Rosa Parks, as most people know, was a native of Alabama, Tuskegee. She moved to Montgomery. She was a seamstress. She was riding on a bus one day, the bus was full and she was tired, and simply because of the color of her skin she was asked to go to the back of the bus and she refused and was arrested. That arrest commenced the Montgomery Alabama bus boycott over that rule, leading to a Federal court lawsuit that went to the Supreme Court, in which the Supreme Court held that kind of segregated public transportation was not legal and could not continue.

The leader of that boycott turned out to be a young minister at Dexter Avenue Baptist Church by the name of Martin Luther King, Jr. The Federal judge who originally heard the case was Frank M. Johnson, Jr., one of the great Federal judges in civil rights in American history, as far as I am concerned. Fred Gray was an attorney involved. Mr. Fred Gray, one of the first black attorneys in Montgomery, told the story in his book "Bus Ride To Justice." How little did they know that the events they started on that day in 1955 would commence a movement that has reverberated, not only in Montgomery, in Alabama, but throughout the United States and, in fact, throughout the world, to a claim for rights and freedom and equality—great ideals.

Troy State University in Montgomery, a 3,000-student university, is building a museum and library on the very spot of this arrest. These funds will help create in that building a museum to Rosa Parks with an interactive video friendly to visitors and children about the story of what happened on that day and the importance of it.

I thank the distinguished Senator from Washington for supporting us in this effort.

I see Senator BRYAN. Mr. President, I say to him, I had 15 minutes on an amendment I called up earlier. Would it be all right for me to go ahead? I have a time crisis.

Mr. BRYAN. I inquire of the Chair, there is a unanimous consent agreement that at 6:30 p.m. draconian things happen. I do not want to be precluded from offering my amendment.

Mr. GORTON. Will the Senator yield?

Mr. BRYAN. I will be happy to yield.

Mr. GORTON. The majority leader said 6:30 p.m. can come and go. If there is a prospect of finishing this bill tonight, the defense debate will be diverted. I think we can finish, I hope, by 8 o'clock this evening. The Senator is protected.

Mr. BRYAN. As long as I am protected, I will be happy to yield to my friend from Alabama, and I ask unanimous consent that I be next in line for the purposes of offering an amendment after our distinguished colleague from Alabama.

Mr. GORTON. I put that in the form of a unanimous consent request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BRYAN. I thank the distinguished floor manager.

Mr. DOMENICI. Mr. President, I ask the Senator to yield 30 seconds for an inquiry. I have an amendment that is pending with reference to a water situation in my State. I ask unanimous consent to follow Senator BRYAN whenever he has finished.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Alabama.

### AMENDMENT NO. 3790

Mr. SESSIONS. Mr. President, I offer amendment No. 3790 to the Interior appropriations bill. It will prevent the Secretary of the Interior from utilizing regulations that he has issued which would grant him the authority to approve class III casino gambling for Indian tribes in States throughout the United States in which class III gambling compacts between the State and a tribe have not been entered.

This amendment had been adopted in the past several years. An identical amendment was accepted last year by voice vote. The original cosponsors already this year are: Senators GRAHAM, REID, BAYH, GRAMS, ENZI, LUGAR, VOINOVICH, and INHOFE. Others are signing on.

Essentially, this amendment will prevent any 2001 funds allocated to the Department of the Interior from being spent on the publication of gaming procedures under the regulations found under part 291 of title 25 of the Code of Federal Regulations, which by now is probably 100,000 pages of regulations issued by the different Secretaries.

The intent of this funding restriction is to render these regulations inoperative next year only so the Department can take no action under the regulations until a case brought by the States of Alabama and Florida concerning the legality of these regulations is first resolved. In fact, Secretary Babbitt himself has expressed on numerous occasions his desire for the Alabama-Florida case to be decided first.

This amendment simply seeks to place the Secretary's public commitments in law to ensure that a Federal court has the opportunity to rule on the validity of these regulations prior to any departmental action next year. This is an important and timely amendment. I urge anyone who is concerned about local control and freedom and concerned about bureaucracy and the spread of gambling within this country to join me in support of this amendment. I want to take a moment to provide some background.

In April of 1999, Secretary Babbitt promulgated final regulations which empower him to resolve gambling controversies between federally recognized Indian tribes seeking to open a class III gambling operation—that is generally casinos—in a State which has not agreed with him to enter into a compact with the tribe or has not agreed to waive its 11th amendment right to exert sovereign immunity from suit.

As a result, tribes located within certain States, such as Alabama and Florida, would be able to use these regulations to obtain class III gambling facilities by negotiating directly with the Secretary of the Interior in Washington, DC, even if the people of the State itself remained opposed to the spread of such gambling or even if the types of gambling sought were illegal under State law.

In my opinion—and the Attorneys General Association of the United States has written us in opposition to this Babbitt rule and regulation and in support of this amendment—in my opinion, these regulations turn the statutory system created under IGRA, the Indian Gaming Regulatory Act, on its ear because they undercut a State's ability to negotiate with tribes and because it places the gambling decisions in the hands of an unelected bureaucrat who, as a matter of law, also happens to stand in a trust relationship with the Indian tribes, not an unbiased arbiter.

Not only do these regulations offend my notions of federalism, but they also promote an impermissible conflict of interest between the tribes who are asking for a class III gambling license and the Secretary of the Interior who enjoys a special relationship with them. He is not a neutral arbitrator and was never given this power to arbitrate these acts by the Congress. I do not believe these regulations are a valid extension of his regulatory power.

It is breathtaking to me, in fact, and it is another example we in Congress are seeing of unelected, appointed officials, through the power of the Code of Federal Regulations, implanting policies that may be strongly opposed by a majority of citizens. Indeed, none of these people is elected.

My concerns about these gambling regulations were shared by the attorneys general of Alabama and Florida who filed a suit in Federal district court in Florida to challenge the validity. This lawsuit is currently working its way through a Federal court, and its resolution will provide an important initial reading as to whether these regulations are, in fact, legal and constitutional. Allow me to share some of the legal questions raised in the suits.

The States point out that the regulations effectively and improperly amend the Indian Gaming and Regulatory Act because:

> . . . under IGRA, an Indian tribe is entitled to nothing other than an expectation that a State will negotiate in good faith. If an impasse is reached in good faith under the statute, the tribe has no alternative but to go back to the negotiating table and work out a deal. The rules significantly change this——

That is, the rules by Secretary Babbitt—

> by removing any necessity for a finding that a State has failed to negotiate in good faith.

Further, the lawsuit points out:

> The rules at issue here arrogate to the Secretary the power to decide factual and legal disputes between States and Indian tribes related to those rights. Pursuant to 25 U.S.C., section 2 and section 9, the Secretary of the Interior stands in a trust relationship to the Indian tribes of this Nation. The rules set up the Secretary, who is the tribes' trustee and therefore has an irreconcilable conflict of interest as the judge of these disputes—

Between a tribe and a State.

> Therefore the rules, on their face, deny the States their due process and are invalid.

I think the concerns raised by the States are legitimate, that these rules are, in fact, seriously flawed. But do not take my word for it alone. In fact, even Secretary Babbitt admits that the test of legality should be passed first.

On October 12, 1999, the Secretary contacted Senator GORTON—who is managing this bill, and doing an excellent job of it in every way—and wrote him:

> If (a) I determine that a Tribe is eligible for procedures under those regulations, (b) I approve procedures for that tribe, and (c) a State seeks judicial review of that decision, I will not publish the procedures in the Federal Register (a step that is required to make them effective) until a federal court has ruled on the lawfulness of my action.

Similarly, on June 14 of this year, the Secretary wrote Representative REGULA, the chairman of the House Subcommittee on Interior and Related Agencies, to further clarify his position on these regulations. He offered these thoughts:

> I feel it is very important for the court to clarify and settle the Secretary's authority in this area. I anticipate that the court ruling in the Florida case will be favorable of the Secretary's authority to promulgate the regulation.

I disagree. But he goes on:

> However the Department will defer from publishing the procedures in the Federal Register until a final judgment is issued in the Florida case, whether by the District Court or on appeal.

I have written the Secretary to ask him to write me a similar letter and have not yet heard from him.

All the amendment I am offering would do is to back up those public statements with the force of law, by ensuring that the Department could not spend funds to publish these procedures until a Federal appellate court had finally ruled on them. They would not seek to repeal the regulations, nor would they affect any existing compacts with States that wish to negotiate a compact with a tribe.

Personally, I would support an outright repeal of the regulations, but for now I am content to make the Secretary's own words binding because I believe that legal review of these regulations is needed and proper, and that he should not be allowed to take action until such time as a court has made a final ruling on the merits of these regulations, which are, indeed, breathtaking.

Make no mistake about it, it is an important issue in my State. As I speak, there are reports in the local papers that Alabama's lone federally recognized tribe—we have one tribe—is in the process of finalizing a deal with Harrods, which would result in the future construction of a casino on land operated within the small town of Wetumpka, AL, not far from Montgomery.

No Indians now live on this land. It is land they simply own. It is about 180 miles from the small tribe lands that exist there. Because Alabama has not entered into a compact with the tribe, to allow them to put a casino there, they have gone to the Secretary of the Interior and had him issue regulations that would give them the power to override the State of Alabama's decision not to have casinos anywhere in the State.

They have a power to compact. They have a power to say no on certain things. Alabama does have a dog track. The Indians would be entitled to a dog track. They have bingo and related activities at the Indian tribal lands further to the south in the State, but they are not being allowed, under the State's negotiating position, to have a casino, a position that I would support.

Allow me to quote a few of the public comments that were made concerning this effort. The office of the Governor of Alabama, Governor Siegelman, has stated:

> The governor is "adamantly opposed" to casino gambling in any form within the state and will take whatever steps are necessary to stop it.

That is a Democratic Governor.

Attorney General Pryor, a Republican, has stated that the Attorney General:

> . . . will take whatever action necessary to prevent illegal gambling by any Indian tribe in the State of Alabama [because Attorney General Pryor] believes Babbitt has no authority to allow gambling by Indians in states where such gambling is prohibited by law.

Representatives EVERETT and RILEY oppose any future casino development.

Mayor Jo Glenn of Wetumpka—I think everybody in the city council has written me about it—has expressed her strong opposition to the presence of a casino in her town and wrote me:

> Our infrastructure and police and fire departments could not cope with the burdens this type of activity would bring. The demand for greater social services that comes to areas around gambling facilities could not be adequately funded. Please once again convey to the Secretary our City's strong and adamant opposition to the establishment of an Indian Gambling facility here.

The Secretary does not have to live with the community whose nature is changed overnight by a major Harrods gambling facility. He does not live in that community. He is not elected. He is not answerable to anybody. Yet he thinks he has the power to tell them what they have to do and dramatically change the nature of that town and the lives of the people who live there. No, sir.

The Montgomery Advertiser wrote:

> Direct Federal negotiations with tribes without State involvement would be an unjustifiably heavy handed imposition of authority on Alabama. The decision whether to allow gambling here is too significant a decision economically, politically, socially to be made in the absence of extensive State involvement. A casino in Wetumpka—not to mention the others that would undoubtedly follow in other parts of the State—has implications far too great to allow the critical decisions to be reached in Washington. Alabama has to have a hand in this high stakes game.

Unelected and unaccountable, the Secretary of the Interior has issued regulations that would completely change the nature of beautiful Wetumpka, a bedroom community to Montgomery, AL, and a historic community in its own right, against its will. It is a shocking and amazing event, in my view.

Clearly, the unmistakable sentiments of the Alabama public can be heard through these diverse voices. Not only would the regulations allow the tribe to obtain permission to engage in activity that is currently illegal under Alabama law, but the actual placement of the casino itself would result in the destruction of an important archaeological site that is listed on both the National Register of Historic Places and the Alabama Historical Commission and the Alabama Preservation Alliance's list of historic "Places in Peril."

The site that is most frequently mentioned for development is known as Hickory Ground, and it is an important historical site that served as the capital of the National Council of the Creek Indians, and was visited by Andrew Jackson, and which contains graves and other important subsurface features.

The site is, in fact, revered by other Creek Indian groups within the State and the Nation, as represented by the comments of Chief Erma Lois Davenport of the Star Clan of Muscogee Creeks in Goshen in Pike County who stated:

> Developers' bulldozers should not be allowed to destroy the archaeological resources at the Creek site.

What is ironic about the choice of this site by the tribe is that the land was acquired by the tribe in 1980 in the name of historic preservation in an attempt to prevent the previous landowner from developing the site for commercial purposes.

In fact, the tribal owners of this site once wrote:

> The property will serve as a valuable resource for the cultural enrichment of the Creek people. The site can serve as a place where classes of Creek culture may be held. The Creek people in Oklahoma have pride in heritage, and ties to original homeland can only be enhanced. There is still an existing Hickory Ground tribal town in Oklahoma. They will be pleased to know their home in Alabama is being preserved.

As you can see, should the tribe receive the ability to conduct class III gambling and construct a casino, Alabama will run the very real risk of losing an important part of its cultural heritage, as will Creek peoples throughout the country.

It is for these reasons I am offering this amendment. We should not allow these gaming regulations to go into effect until we have had a final ruling of the court. We should not allow the Secretary of Interior to promulgate these regulations when he has an untenable conflict of interest. I think it is appropriate to put a 1-year moratorium on it.

I am glad to have broad bipartisan support from Senators GRAHAM, REID, BAYH, GRAMS, INHOFE, VOINOVICH, LUGAR, and ENZI.

I ask unanimous consent that Senator MACK be added as a cosponsor of the amendment.

The PRESIDING OFFICER (Mr. L. CHAFEE). Without objection, it is so ordered.

Mr. SESSIONS. This is an important matter, Mr. President. I care about it. I believe it is important from a governmental point of view. The Chair understands, as a former Governor, the importance of protecting the interest of the State to make decisions the people of the State care about and not have them undermined or overruled by unelected bureaucrats in Washington.

I ask unanimous consent to print in the RECORD a letter to me from the Attorney General of the State of Florida, Robert Butterworth, and a letter from the Attorney General of the State of Alabama detailing eloquently their objections to the Babbitt regulations.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

STATE OF FLORIDA,
OFFICE OF ATTORNEY GENERAL,
*July 12, 2000.*

Re Amendment to H.R. 4578

Hon. JEFF. SESSIONS,
*United States Senate, Washington, DC.*

DEAR SENATOR SESSIONS: This letter is presented in support of the rider that you will be sponsoring on the Interior Appropriations Bill preventing the Secretary of the Interior from issuing procedures which would allow class III gambling on Indian lands in the absence of a Tribal-State compact during the fiscal year ending September 31, 2001. Such a rider would be welcomed by the State of Florida and I strongly support your effort to so restrict the actions of the Secretary.

In April of 1999, the Secretary promulgated final rules allowing him to issue procedures which would license class III gambling on Indian lands in a State where there has been no Tribal-State compact negotiated as required by section 2710(d) of the Indian Gaming Regulatory Act. Florida and Alabama immediately challenged those regulations asserting that they are in excess of the authority delegated to the Secretary by Congress in IGRA and that they are inconsistent with IGRA's statutory scheme. In letters to various members of Congress, the Secretary stated that he would allow the litigation to conclude prior to finalizing any such procedures through publication in the Federal Register. During recent deliberations on a House measure similar to the one you propose, the Secretary indicated that he would forbear publication until after the completion of any appeals.

Such a promise by the Secretary is not legally binding on this Secretary or any successor. If the trial court rules in his favor and the States appeal, the State of Florida faces the prospect of the Secretary publishing final procedures for Florida Tribes thereby licensing full scale casino gambling on Indian lands in our state while the appeal is pending. Should the States prevail on appeal and the Secretary's actions are determined to be invalid by either the Court of Appeals or the Supreme Court, Florida will be faced with an intolerable situation. The Tribes will have invested in and opened full scale casinos which will then be deemed illegal under IGRA. In the past, the federal government has been either unable or unwilling to see that the requirements of the law—IGRA—be faithfully enforced. Both the Seminole and Miccosukee Tribes in Florida have for some time operated uncompacted class III gambling operations with no response from the responsible federal officials.

I believe that your proposal is in order. The proposal is consistent with the Secretary's position that the court should be given an opportunity to rule on the validity of his regulations prior to the implementation of any gambling purporting to be licensed under them. By preventing the Secretary from acting in the next fiscal year, the proposal protects all concerned from a miscarriage of justice and will inject the certainty necessary for proper relations among the parties to this dispute.

Thank you again for your continued attention to this very important matter and I remain at your service to help in any way I can.

Sincerely,
ROBERT A. BUTTERWORTH,
*Attorney General.*

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OFFICE OF THE ATTORNEY GENERAL,
STATE OF ALABAMA,
*July 11, 2000.*

Re Sessions-Graham Amendment to H.R. 4578

Senator JEFF SESSIONS,
*United States Senate,*
*Washington, DC.*

DEAR SENATOR SESSIONS: I write in support of the amendment that you and Senator Graham have proposed to H.R. 4578, the FY 2001 appropriations bill for the Department of the Interior, which would prohibit the Secretary of the Interior from using appropriated funds to publish Class III gaming procedures under part 291 of title 25, Code of Federal Regulations.

As you know, substantial questions have been raised regarding the Secretary's authority to promulgate Indian gaming regulations. At the Notice and Comment stage, the Attorneys General of several states, including Alabama, pointed out that the Secretary lacked statutory authority to promulgate procedures that would allow Indian tribes to obtain gaming compacts from Interior rather than by negotiation with the States. The Attorneys General also pointed out that the Secretary had an incurable conflict of interest that would preclude his acting as a mediator in disputes between the tribes and the States because he is a trustee for the tribes and owes them a fiduciary duty. After the Secretary overrode these objections and promulgated Indian gaming regulations, the States of Alabama and Florida filed suit in federal district court to challenge the Secretary's action. That lawsuit remains pending.

The proposed rider preserves the status quo and allows the federal courts to resolve the issues raised in the lawsuit filed by Alabama and Florida. More particularly, the rider precludes the Secretary from spending appropriated funds to take the last step necessary to allow a tribe to conduct Class III gaming over State objection. The Secretary should withhold this final step until the Alabama and Florida lawsuit has been resolved and all appeals are precluded.

The rider will not only preserve the status quo, it will preclude injury to the States and any tribe that may rely to its detriment on Secretarial action that has not been conclusively held to be statutorily authorized.

Very truly yours,
BILL PRYOR,
*Attorney General.*

The PRESIDING OFFICER. Does the Senator seek to make his amendment the pending amendment?

Mr. SESSIONS. I ask unanimous consent the amendment be made the pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SESSIONS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, I rise today as I have in prior years to oppose the amendment proposed by my colleague, Senator SESSIONS, related to Indian gaming.

I have had the privilege of serving on the Committee on Indian Affairs for 20 years now.

Over the course of that time, I have learned a little bit about the state of Indian country, and the pervasive poverty which is both the remnant and result of too many years of failed Federal policies

There was a time in our history when the native people of this land thrived.

They lived in a state of optimum health.

They took from the land and the water only those resources that were necessary to sustain their well-being.

They were the first stewards of the environment, and those who later came here, found this continent in pristine condition because of their wise stewardship.

Even after the advent of European contact, most tribal groups continued their subsistence way of life.

Their culture and religion sustained them.

They had sophisticated forms of government.

It was so sophisticated and so clearly efficient and effective over many centuries, that our Founding Fathers could find no other better form of government upon which to structure the government of our new Nation.

So they adopted the framework of the Iroquois Confederacy—a true democracy—and it is upon that foundation that we have built this great Nation.

Unfortunately, there came a time in our history when those in power decided that the native people were an obstacle, and obstruction to the new American way of life and later, to the westward expansion of the United States.

So our Nation embarked upon a course of terminating the Indians by exterminating them through war and the distribution of blankets infested with smallpox.

We very nearly succeeded in wiping them out.

Anthropologists and historians estimate that there were anywhere from 10 to 50 million indigenous people occupying this continent at the time of European contact.

By 1849, when the United States finally declared and end to the era known as the Indian Wars, we had managed to so effectively decimate the Indian population that there were a bare 250,000 native people remaining.

Having failed in that undertaking, we next proceeded to round up those who survived, forcibly marched them away from their traditional lands and across the country.

Not surprisingly, these forced marches—and there were many of these "trails of tears"—further reduced the Indian population because many died along the way.

Later, we found the most inhospitable areas of the country on which to relocate the native people, and expected them to scratch out a living there.

Of course, we made some promises along the way:

That in exchange for the cession by the tribes of millions of acres of land to the United States, we would provide them with education and health care and shelter.

We told them, often in solemn treaties, that these new lands would be theirs in perpetuity—that their traditional way of life would be protected from encroachment by non-Indians and that we would recognize their inherent right as sovereigns to retain all powers of government not relinquished.

Their rights to hunt and fish and gather food, to use the waters that were necessary to sustain life on a reservation and the natural resources, were also recognized as preserved in perpetuity to their use.

But over the years, these promises and others were broken by our National Government, and our vacillations in policies—of which there were many—left most reservation communities in economic ruin.

It might interest my colleagues in the Senate to know that the Government of the United States entered into 800 treaties with Indian nations, sovereign nations. Of the 800 treaties, 470 were filed. I presume they are still filed in some of our cabinets. Three hundred seventy were ratified. Of the 370 treaties ratified by this Senate, we found it necessary to violate provisions in every single one of them.

The cumulative effects of our treatment of the native people of this land have proven to be nearly fatal to them.

Poverty in Indian country is unequaled anywhere else in the United States.

The desperation and despair which inevitably accompanies the pervasive economic devastation that is found in Indian country accounts for the astronomically high rates of suicide and mortality from diseases.

Within this context, along comes an opportunity for some tribal governments to explore the economic potential of gaming.

It doesn't prove to be a panacea, but it begins to bring in revenues that tribal communities haven't had before.

And then the State of California enters the picture by bringing a legal action against the Cabazon Band of Mission Indians—a case that ultimately makes it to the Supreme Court.

Consistent with 150 years of Federal law and constitutional principles, the Supreme Court rules that the State of California cannot exercise its jurisdiction on Indian lands to regulate gaming activities.

This is in May 1987, and in the aftermath of the Court's ruling, attention turns to the Congress.

Mr. President, it was now in the 100th session of the Congress that I found myself serving as the primary sponsor of the Indian Gaming Regulatory Act of 1988.

There were many hearings and many drafts leading up to the formulation of the bill that was ultimately signed into law.

Intially, our inclination was to follow the well-established and time-honored model of Federal Indian law—which was to provide for an exclusive Federal presence in the regulation of gaming activities on Indian lands.

Such a framework would be consistent with constitutional principles, with the majority of our Federal statutes addressing Indian country, and would reflect the fact that as a general proposition—it is Federal law, along with tribal law, that governs most all of what may transpire in Indian country.

But representatives of several States came to the Congress—demanding a role in the regulation of Indian gaming—and ultimately, we acquiesced to those demands.

We selected a mechanism that has become customary in the dealings amongst sovereign governments.

This mechanism—a compact between a State government and a tribal government—would be recognized by the Federal Government as the agreement between the two sovereigns as to how the conduct of gaming on Indian lands would proceed.

This Federal recognition of the agreement would be accompanied when the Secretary of the Department of the Interior approved the tribal-State compact.

In an effort to assure that the parties would come to the table and negotiate a compact in good faith, and in order to provide for the possibility that the parties might not reach agreement, we also provided a means by which the parties could seek the involvement of a Federal district court, and if ordered by the court, could avail themselves of a mediation process.

That judicial remedy and the potential for a mediated solution when the parties find themselves at an impasse has subsequently been frustrated by a ruling of the Supreme Court upholding the 11th amendment immunity of the several States.

Thus, while there are some who have consistently maintained that sovereign immunity is an anachronism in contemporary times, in this area at least, the States still jealously guard their sovereign immunity to suit in the courts of another sovereign.

In so doing, the States have presented us with a clear conflict, which we have been trying to resolve for several years.

Although 24 of the 28 States that have Indian reservations within their boundaries have now entered into 159 tribal-State compacts with 148 tribal governments, there are a few States in which tribal-state compacts have not been reached.

And the conflict we are challenged with resolving is how to accommodate the desire of these States to be involved in the regulation of Indian gaming and their equally strong desire to avoid any process which might enable the parties to overcome an impasse in their negotiations.

The Secretary of the Interior is to be commended in his efforts to achieve what the Congress has been unable to accomplish in the past few years.

Following the Supreme Court's 11th amendment ruling, the Secretary took a reasonable course of action.

He published a notice of proposed rulemaking, inviting comments on his authority to promulgate regulations for an alternative process to the tribal-State compacting process established in the Indian Gaming Regulatory Act.

Thereafter, he followed the next appropriate steps under the Administrative Procedures Act, inviting the input of all interested parties in the promulgation of regulations.

When the Senate acted to prohibit him from proceeding in this time-honored fashion, he brought together representatives of the National Governors Association, the National Association of Attorneys General, and the tribal governments, to explore whether a consensus could be reached on these and other matters.

In the meantime, my colleagues propose an amendment that would prohibit the Secretary from proceeding with the regulatory process.

Once again, there have been no hearings on this proposal—no public consideration of this formulation—no input from the governments involved and directly affected by this proposal.

Last year, the Secretary of the Department of the Interior made clear his intention to recommend a veto of the Interior appropriations bill should this provision be adopted by the Senate and approved in House-Senate conference.

I suggest that it is unlikely that the Secretary's position has changed in any material respect—particularly in light of all that he has undertaken to accomplish, including frank discussion amongst the State and tribal governments.

As one who initiated a similar discussion process several years ago, I am more than a little familiar with the issues that require resolution.

However, in the intervening years, court rulings have clarified and put to rest many of the issues that were in contention in that earlier process.

I have continued to talk to Governors and attorneys general and tribal government leaders on a weekly, if not daily basis, and I believe, as the Secretary does, that the potential is there for the State and tribal governments to come to some mutually acceptable resolution of the matters that remain outstanding between them.

I believe the Secretary's process should be allowed to proceed.

I also believe that pre-empting that process through an amendment to this bill could well serve as the death knell for what is ultimately the only viable way to accomplish a final resolution.

The alternative is to proceed in this piecemeal fashion each year—an amendment each year to prohibit the Secretary from taking any action that would bridge the gap in the Indian Gaming Regulatory Act that was created by the Court's ruling and which will inevitably discourage the State and tribal governments from fashioning solutions.

This is not the way to do the business of the people.

There are those in this body who are opposed to gaming.

As many of my colleagues know, I count myself in their numbers. I am opposed to gaming.

Hawaii and Utah are the only two States in our Union that criminally prohibit all forms of gaming, and I support that prohibition in my State.

But I have walked many miles in Indian country, and I have seen the poverty, and the desperation and despair in the eyes of many Indian parents and their children.

I have looked into the eyes of the elders—eyes that express great sadness.

I have met young Indian people who are now dead because they saw no hope for the future.

And I have seen what gaming has enabled tribal governments to do, for the first time—to build hospitals and clinics, to repair and construct safe schools, to provide jobs or the adults and educational opportunities for the youth—and perhaps most importantly, to engender a real optimism that there can be and will be—the prospects for a brighter future.

It is for these reasons, and because of their rights as sovereigns to pursue activities that hold the potential for making their tribal economies become both viable and stable over the long term, that I support Indian gaming.

And it is for these reasons, that I must, again this year, strongly oppose the efforts of my colleagues to take from Indian country, what unfortunately has become the single ray of hope for the future that native people have had for a very long time.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. SESSIONS. Mr. President, I just have a minute and then I will yield to Senator CAMPBELL.

Mr. President, Alabama has one very small tribe of a few hundred people down at the south end of the State, near my home of Mobile. This land is around Montgomery, 150 miles further north, and there are no Indians living on it, where they want to build this casino.

The tribe is a group of the finest people I know. The chief tribal administrator, Eddie Tullis, is a long time friend of mine. I admire him. I admire what they have done. They have a bingo parlor that has been successful and is doing well. They have a motel and a restaurant that I eat at frequently. I love the people who are there. I care about them. Eddie Tullis recently said in the paper: JEFF is OK. He is just letting his morality get in the way of his good judgment.

I didn't know whether I should take that as a compliment, or what.

But my view is simply this: I don't think IGRA would have passed if the people in the Senate and the House thought that if a State said to the tribe: You can have horse racing, you can have dog racing, you can have bingo, as we have in Alabama, but we are not going to remove casino gambling from the State.

That is the question I have.

The Secretary of Interior is talking about stepping into this dispute and taking the position that he alone can decide what is done.

I care about the fine Indian people who are members of the Poarch Band in Atmore, AL. I have visited that area many times. I know quite a number of them personally. This isn't a personal thing. I think they understand it. It is matter of law. I was former Attorney General of the State of Alabama. I don't believe this is good policy.

We ought to pass this amendment.

I see Senator CAMPBELL, whom I respect highly. I know he wants to speak on the matter.

I yield to Senator CAMPBELL.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. CAMPBELL. Mr. President, I thank my friend.

Mr. President, certainly there are Members of this Chamber who are downright against gaming. I understand that. As Senator INOUYE mentioned, even his State has no gaming. But I do not believe that is what this debate is about. For me, very frankly, it is about whether we keep our word or we do not keep our word.

The Senator mentioned that literally for every treaty ever signed by the Federal Government, Indian tribes ended up losing by virtue of the Government breaking the treaty.

No one speaks more eloquently than Senator INOUYE about the destructive forces that have been heaped upon American Indians at the hands of the U.S. Government. I think he does it very eloquently because of his own background. He is a man of great bravery, who just received America's highest award. He is a Medal of Honor recipient. Yet he fought in a war during which his own people were interned in camps at the hands of the Federal Government. Certainly, Senator INOUYE is held in the highest esteem throughout Indian country, as he is in this body.

But I think many of our colleagues ought to study the old treaties, even though most of them were broken—not all—by the Federal Government. Indian people have a very special relationship with the Federal Government. It would do us well if we read some of the old promises we made and didn't keep.

The Senator talked a little about the problems we have on reservations. But I don't think it is really understood by people who spend most of their time, as we say, "outside the reservation." You ought to go to Pine Ridge, SD, where unemployment is 70 percent, usually. It is rarely less than 50 percent. It is sometimes higher than 70 percent—where every third young lady tries suicide before she is out of her teenage years; and young men, too. Too many of them succeed.

With fetal alcohol syndrome compared to the national average, 1 out of every 50,000 babies born in America suffers from fetal alcohol syndrome. For those who do not know what that is, that is a disease they get when they are inside of their mother because their mother drinks. It is about 1 out of 50,000 nationwide. But in Pine Ridge, SD, in some years it is 1 out of 4 babies. It is a disease that is totally preventable. Yet it is incurable once they have it. They get it from their mother drinking too much. They are institutionalized for life, at a huge cost in terms of human tragedy and the American taxpayer.

If you had those numbers in any town in America—whether it is the high school dropout rate, or the suicide rate, whether it is death by violent actions, whether it is fetal alcohol syndrome, or anything else—if you had anything near that in the outside culture, it would be considered devastating to that community. Believe me, people would be here on the floor clamoring for the Senate to do something about it.

There are very few things that work on Indian reservations that try to bring new money to the reservation.

In 1988, when Senator INOUYE was the leader on the Senate side on the Indian Gaming and Regulatory Act, and I was on the House side as one of the people involved originally in the writing of that bill, certainly then none of us knew that it would grow to such proportions. But clearly it has done some good. It is not all good. Obviously, there are stresses and pressures. When you increase any kind of economic activity in a local community, there are more people on the highways. There are more people in the schools and parks. We understand that.

If you look at the outside of it in terms of what it has done to help youngsters with scholarships, what it has done to help senior citizens who had no other income, and what it has done to provide money for tribes that have been able to invest that money into other enterprises, it is overwhelmingly positive.

I have to tell you that it seems that every year we have to fight this fight. Almost every year, somebody comes down here with a microphone who wants to take a hit at the little opportunities Indians have in Indian country because of gaming.

I point out, my gosh, that I live on the Southern Ute Reservation in Colorado 150 yards from a tribal casino. I see who works it. I see if there is any increase in crime—or other kinds of wild accusations we sometimes hear on the Senate floor. Believe me, they are mostly wrong.

First of all, the majority of people who work in the Indian reservations are not Indian. At least 50 percent in most of the casinos are not Indians. It has helped whole communities. They pay income taxes just as anybody else—Indian people and non-Indian. It has put revenue into the coffers of the Federal Government and State governments.

Under Federal law, in 1988, as you know, tribes were limited to the types of gaming allowed under the laws of the States in which they reside. Some States simply don't allow gaming at all. Therefore, those tribes in those States can't do it. We made sure that the tribes were factored in in 1988. In my own State, tribes are limited to just slot machines and low-stakes table games.

The State of our friend from New Mexico has a little higher limit. Other States have higher limits. But it is with the approval of the States under a contractual agreement between the States and the tribes.

In Utah, there is no gambling whatsoever. Therefore, the tribes cannot have any form of gaming.

The intent of the Federal Indian Gaming Act was that in States where gaming is limited or prohibited, tribes would be similarly limited or prohibited. It was an agreement made with the States. They were not locked out. They were completely included in the process and certainly in the dialog when we wrote this bill in the first place.

There are many tribes and States that sat down and worked out their agreements that are binding and effective.

We often hear about an isolated case where something is not working very well. But often we don't study all of the overwhelmingly positive effects.

There are some Governors whom we know who have refused to negotiate at all with the tribes in their States, leaving those tribes without the ability to legally conduct gaming activities. That wasn't assumed. We passed the IGRA Act in 1988. We didn't think there would be some Governors who simply wouldn't negotiate and would stonewall and not come to the table. But there have been some.

We should remember how we got here.

In the wake of the 1987 Cabazon decision by the Supreme Court which held that State gaming laws did not apply to Indian gaming conducted on Indian lands, States clamored for a role in the writing of IGRA and regulating of the gaming on Indian lands. They got it.

Congress responded in 1988 by enacting the Indian Gaming Regulatory Act which provided an unprecedented opportunity for States to participate in the conduct and regulation of Indian gaming conducted entirely on Indian lands.

Reverse that a little bit. Do you think Indian tribes are in the loop or are able to participate in the conduct of regulation of State activities that are off Indian lands? They don't have the voice that States do within tribal governments.

That act was a compromise and for the first time gave the State governments a role in what gaming would occur on Indian lands. While Congress intended State participation, we intended to participate but we never intended that the States' refusal to negotiate would serve as an effective veto by any State over a tribe's right to conduct such gaming.

Today's debate is about whether a Governor or State can limit the type of activity of certain groups simply by refusing to negotiate. That is unfair. I think it is un-American.

As my colleagues know, I happen to be from the West. Most westerners are strong States rights people. We continually harangue the Federal Government for eroding States rights. We are always down here over business development or use of public lands. If it is good enough for a tribe to have to negotiate, then it should also be good enough for the State to have to negotiate, as was implied in IGRA.

While I believe that each State's public policy should determine the scope of gaming in that State, I also believe the current state of the law gives States what is in reality a veto over tribes. That is unacceptable.

I should point out to my colleagues that in many cases non-Indian gaming is promoted and even operated by State governments, such as State lotteries. It is an element of competition that should not be lost on this body. No one wants to share the revenue if they think they can make it all. I understand that. That is American business. But I believe some States have refused to bargain simply in order to preserve that monopoly on gaming.

To begin to break the stalemate, the Interior Department proposed a process based on the IGRA statute. Senator INOUYE alluded to that. Though the process may need refinement, I don't believe the Secretary should be stopped from developing alternative approaches to this impasse.

I believe it is in the interests of all parties that the Federal courts be allowed to render final, binding decisions to clarify the authority of the Secretary. That has not been finished. That is ongoing now. Adoption of this amendment would certainly short circuit that process.

By the way, there has been a similar amendment already rejected by the House of Representatives. I think it will unduly interfere with the litigation that is now at hand and deny the parties the clarification they need.

Last year, Secretary Babbitt made a commitment to Chairman GORTON, to the Senate as a whole, to refrain from implementing any further regulations until the Federal courts, including the appellate level, rule on the merits of the legal issues involved. That litigation is now endangered by this amendment, which prohibits the Secretary from taking any action to implement those regulations, including the actions that will allow the matter to "ripen" and allow it to be pursued to a conclusion.

Coming from a Western State, I am as supportive as anyone in this body of States rights, but those who say this process "overrides the Governors" are wrong.

Under the proposal, if a State objects to a decision made by the Interior Secretary, that State can challenge the decision in Federal court.

For those who fear the Department is acting without oversight I point out that Congress has the authority to review any proposed regulations before they take effect.

As the proposal comes before the authorizing committees, any new regulations will get a careful review and if they are found wanting, they will not pass.

I urge my colleagues to vote against this amendment and allow the process to work.

Mr. President, I thank the Chair and yield the floor.

The PRESIDING OFFICER (Mr. BENNETT). The Senator from Washington.

### AMENDMENT NO. 3790

Mr. GORTON. Mr. President, I believe Senator SESSIONS is willing to withdraw the rollcall on this amendment. It will be accepted by voice vote.

Also, I have a unanimous consent request with respect to the votes that have already been ordered.

Mr. SESSIONS. Mr. President, that is correct. First, we are asking today in this amendment basically what the Secretary has agreed to. He has agreed, to the House but not to us, that he would hold off until after the appeal, and this 1-year delay would cover the circumstance in which we are likely to have a new Secretary come January—whether President Bush or GORE is elected. This may not be binding on the new one. It will guarantee the status quo until we get a court ruling.

In light of that and the discussions I have had, I vitiate my request for the yeas and nays and ask for a voice vote.

Mr. CAMPBELL. I have no objection to the voice vote. I will be on the losing side, but when we get to conference, I will have a lot more to say about it.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3790) was agreed to.

Mr. GORTON. I move to reconsider the vote.

Mr. NICKLES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GORTON. Mr. President, I ask unanimous consent, notwithstanding the DOD concept, that the votes occur in the following order, with no second-degree amendments in order prior to the votes, with 2 minutes prior to each vote for explanation in relation to the Durbin amendment on the subject of grazing and the Inhofe amendment on the subject of the National Endowment.

### CHANGE OF VOTE—NO. 169

Mr. REID. Reserving the right to object, on rollcall vote 169, I was recorded as voting yea and I voted nay. Therefore, I ask unanimous consent the official record be corrected. This will in no way affect the outcome of the vote.

The PRESIDING OFFICER. Is there objection?

Mr. REED. Reserving the right to object, on rollcall vote No. 169, I was recorded as voting nay and I voted yea. Therefore, I ask unanimous consent that the official record be corrected to accurately reflect my vote. This will in no way affect the outcome of the vote.

Mr. LEVIN. Reserving the right to object, do I understand that the unanimous consent request would bring the Senate back to the previous order, immediately after those two votes?

Mr. GORTON. The Senator is correct. Basically, we will have two rollcall votes now and then go to DOD. I understand the leaders were attempting to arrange to finish Interior on Monday.

The PRESIDING OFFICER. Is there objection to the request by the Senator from Washington?

Without objection, it is so ordered.

The PRESIDING OFFICER. Is there objection to the request of the Senators from Nevada and Rhode Island?

Without objection, their requests are so ordered.

### VOTE ON AMENDMENT NO. 3810

Mr. GORTON. Mr. President, I don't believe the Senator from Illinois is available.

Mr. REID. Why don't we waive our 2 minutes? We heard from the Senators previously.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment No. 3810. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 38, nays 62, as follows:

[Rollcall Vote No. 175 Leg.]

YEAS—38

Akaka
Bayh
Biden
Boxer
Bryan
Chafee, L.
Cleland
Collins
Durbin
Edwards
Feingold
Graham
Harkin
Hollings
Jeffords
Johnson
Kennedy
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Snowe
Torricelli
Wellstone
Wyden

NAYS—62

Abraham
Allard
Ashcroft
Baucus
Bennett
Bingaman
Bond
Breaux
Brownback
Bunning
Burns
Byrd
Campbell
Cochran
Conrad
Coverdell
Craig
Crapo
Daschle
DeWine
Dodd
Domenici
Dorgan
Enzi
Feinstein
Fitzgerald
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Inouye
Kerrey
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Specter
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

The amendment (No. 3810) was rejected.

Mr. GORTON. I move to reconsider the vote.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. BROWNBACK). Under the previous order, there are 2 minutes equally divided prior to a vote on the Inhofe amendment.

The Senator from Nevada.

Mr. REID. Mr. President, the two managers of the Defense authorization bill, after we complete this vote, in an effort for people to understand what is going on, would like to be able to tell Members who have amendments to offer to that legislation what the sequence would be. Under the order that is now in effect, Senator BYRD will be first.

I think it would be appropriate if Senator WARNER and Senator LEVIN could give us some indication how the next amendments would flow so we know what happens after this vote.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I thank the distinguished leader.

We are here to try to convenience the Senate tonight. After this next vote, under the order, we go to the defense authorization bill. There are only four amendments scheduled in addition to Mr. BYRD's amendment. That would make five.

Senator LEVIN and I will accommodate the Members who are going to be debating tonight. If we can get into some short meeting with them, in between these votes right now, perhaps at the end we can announce a UC request sequencing the four amendments. That is my intention.

Mr. LEVIN. If the Senator would yield, there is just one more vote now scheduled?

Mr. WARNER. That is correct.

Mr. LEVIN. Then we would go to Senator BYRD, who is in the UC, dispose of that amendment. Then the other four that are listed are not sequenced yet.

Mr. WARNER. That is correct.

Mr. LEVIN. We would attempt to sequence them. If we fail, as far as I am concerned, then it's whoever gets recognized first. But we are going to make a real effort to sequence those amendments and then vote on them in the morning.

Mr. WARNER. Yes. Mr. President, we will try to reduce the times so that we are not here for a lengthy period.

Mr. REID. The Senators involved are Senators FEINGOLD, DURBIN, HARKIN, and KERRY of Massachusetts.

Mr. LEVIN. But there are others involved in those amendments.

### AMENDMENT NO. 3812

The PRESIDING OFFICER. Under the previous order, there are 2 minutes equally divided prior to a vote on the Inhofe amendment.

Who yields time?

The Senator from Oklahoma.

Mr. INHOFE. Mr. President, this is a very simple, straightforward, easy-to-understand amendment. It merely takes $7.3 million and puts it into the Indian Health Services for diabetes. It does take that out of the National Endowment for the Arts, but all it does is take it out of the increase. Last year they had $97 million. They are increasing it this year to $105 million. All I am asking is to take that $7 million, instead of increasing the National Endowment for the Arts, and to put it into the Indian Health Services' diabetes program.

I am prejudiced because I come from the State that has in terms of percentages, the largest Indian population. However, I can tell you this, that of the national Indian population, 12.2 percent of them have diabetes because of the environment in which they live. It is an unhealthy environment. There are cases where they have all kinds of infections that set in where they are unable to keep from having amputations. So it is a very serious thing.

You will hear from the other side an argument that says we are hurting the

National Endowment for the Arts. I want Senators to remember, when you cast your vote, this does not take any money away from the allocation they had last year; it merely freezes that allocation in for the coming year. Even with the increase of $30 million that is currently in this program, that still is less than 10 percent of the amount of money that is spent for research on cancer and AIDS.

The PRESIDING OFFICER. The Senator's time has expired.

Who yields time?

The Senator from Washington.

Mr. GORTON. Mr. President, this bill includes a $143 million increase for the Indian Health Service, an amount much larger than the entire appropriations for the National Endowment for the Arts. Due to the work of Senator DOMENICI, there is a $30 million-a-year entitlement for the very subject of diabetes control for Indians that is already a part of the funding of Indian programs in the United States.

The National Endowment for the Arts, which has abided by all of the restrictions put on it over the last several years by this body, has not had an increase since 1992. This is a fair and modest increase for the National Endowment for the Arts. It ought to be rewarded for following the commands of Congress, itself. The money is not needed for the purposes of the amendment because that function is already very generously supported both in this bill and through an entitlement.

The PRESIDING OFFICER. The Senator's time has expired.

The question is on agreeing to amendment No. 3812. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 27, nays 73, as follows:

[Rollcall Vote No. 176 Leg.]

YEAS—27

Abraham
Allard
Ashcroft
Brownback
Bunning
Burns
Coverdell
Enzi
Fitzgerald
Gramm
Grams
Hagel
Helms
Hutchinson
Inhofe
Kyl
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Sessions
Shelby
Smith (NH)
Thomas
Thurmond

NAYS—73

Akaka
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Bryan
Byrd
Campbell
Chafee, L.
Cleland
Cochran
Collins
Conrad
Craig
Crapo
Daschle
DeWine
Dodd
Domenici
Dorgan
Durbin
Edwards
Feingold
Feinstein
Frist
Gorton
Graham
Grassley
Gregg
Harkin
Hatch
Hollings
Hutchison
Inouye
Jeffords
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Roth
Santorum
Sarbanes
Schumer
Smith (OR)
Snowe
Specter
Stevens
Thompson
Torricelli
Voinovich
Warner
Wellstone
Wyden

The amendment (No. 3812) was rejected.

Mr. GORTON. Mr. President, I move to reconsider the vote.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UNANIMOUS CONSENT AGREEMENT

Mr. GORTON. Mr. President, I ask unanimous consent that the only remaining first-degree amendments in order to the Interior bill other than the managers' package of amendments be the following and subject to relevant second-degree amendments:

Boxer on pesticides;
Bryan on timber sales;
Nickles on monuments language;
Torricelli on UPAR;
Torricelli on highlands;
Reed of Rhode Island on weatherization;
Bingaman on forest health;
Bingaman on Ramah Navajo;
Feingold on Park Service;
And Domenici on Rio Grande water.

I further ask unanimous consent that on Monday, July 17, the Senate resume the Interior bill at a time to be determined by the majority leader, after consultation with the minority leader, and the amendments listed above be offered and debated during Monday's session, other than the Feingold amendment which will be debated on Tuesday with 15 minutes under the control of Senator FEINGOLD and 15 minutes under the control of Senator BINGAMAN regarding the Navajo amendment; further, with consent granted, to lay aside each amendment where deemed necessary by the two leaders.

I also ask unanimous consent that all amendments and debate be concluded during Monday's session and the votes occur at 9:45 a.m. on Tuesday, with 2 minutes prior to each vote for explanation, with the bill being advanced to third reading and passage to occur after disposition of these amendments, all without any intervening action or debate. Further, I ask unanimous consent that additional relevant second degrees be in order if necessary to the first degree after disposition of any offered second-degree amendment on Tuesday.

Finally, I ask unanimous consent that the Senate insist on its amendment, request a conference with the House, and the Chair be authorized to appoint conferees on the part of the Senate, which will be the entire Interior Subcommittee.

Mr. REID. Reserving the right to object, Senator BOXER has instructed me to make sure she has an up-or-down vote on her amendment. It is one that is in order. She wants to make sure that if there is a second degree she has a right to reoffer her amendment. She is willing to take a voice vote. She wants to make sure there is a vote on her amendment, and I ask the Chair if that would be permissible under this consent agreement.

The PRESIDING OFFICER. That is correct.

Without objection, it is so ordered.

Mr. GORTON. Mr. President, in light of this agreement, there will be no further votes this evening. The next vote will occur in a stacked sequence beginning at 9:30 a.m. tomorrow. The Senate will begin the death tax repeal at 8:30 a.m. tomorrow, Thursday morning.

Mr. SMITH of Oregon. Mr. President, I want to comment briefly on the Senate's adoption of the Domenici substitute amendment to the Craig amendment regarding the President's Roadless Initiative. I was unable to be on the floor earlier today when the Craig amendment and Domenici substitute amendment were considered.

First, let me say that I was a cosponsor of the underlying Craig amendment and I continue to share his concern about blatant Federal Advisory Committee Act violations by this administration in the development of their Roadless Initiative. In any case, I don't believe "one-size-fits-all" proposals like the President's Roadless Initiative, hatched in the halls of bureaucracy in Washington, D.C., can be any substitute for sound land management policies developed in collaboration with people at the local level. Oregonians, if given a chance, have proven time and again that they can be better stewards of the land than federal bureaucrats.

I understand that Senator CRAIG agreed to the Domenici substitute in part because this matter of FACA violations will be considered by the courts this August. I trust that the Congress will have an opportunity to review this matter this session if the courts fail to do so, and I praise Senator CRAIG for his continued leadership on this important issue.

With that said, I wanted to add my voice to those who spoke earlier in favor of the Domenici substitute amendment that seeks to address the growing threat of catastrophic wildfire in areas of urban-wildland interface. A century of fire suppression followed by years of inactive forest management under this administration have left our National Forest system overstocked with underbrush and unnaturally dense tree stands that are now at risk of catastrophic wildfire. The GAO recently found that at least 39 million acres of the National Forest system are at high risk for catastrophic fire. According to the Forest Service, twenty-six million acres are at risk from insects and disease infestations as well. The built up fuel loads in these forests create abnormally hot wildfires that are extremely difficult to control. To prevent catastrophic fire and widespread insect infestation and disease outbreaks, these forests need to be treated. The underbrush needs to be removed. The forests must be thinned to allow the remaining trees to grow more rapidly and more naturally. This year's fires in New Mexico have given us a preview of what is to come throughout our National Forest system if we continue this administration's policy of passive forest management.

I believe the Domenici amendment will help this reluctant administration to face up to this growing threat to homes, wildlife, and watersheds. I commend Senator DOMENICI and the bipartisan group of Senators who worked very hard to craft this compromise.

Mr. DOMENICI. Mr. President, I am pleased to rise today in strong support of H.R. 4578, the Interior and related agencies appropriations bill for FY 2001.

As a member of the Interior Appropriations Subcommittee and the full Appropriations Committee, I appreciate the difficult task before the distinguished subcommittee chairman and ranking member to balance the diverse priorities funded in this bill—from our public lands, to major Indian programs and agencies, energy conservation and research, and the Smithsonian and federal arts agencies. They have done a masterful job meeting important program needs within existing spending caps.

The pending bill provides $15.6 billion in new budget authority and $10.1 billion in new outlays to fund Department of Interior and related agencies. When outlays from prior-year budget authority and other completed actions are taken into account the Senate bill totals $15.5 billion in BA and $15.6 billion in outlays for FY 2001. The Senate bill is at its Section 302(b) allocation for BA and $2 million under the Subcommittee's revised 302(b) allocation in outlays.

I would particularly like to thank Senator GORTON and Senator BYRD for their commitment to Indian programs in this year's Interior and Related Agencies appropriation bill. They have included increases of $144 million for Bureau of Indian Affairs construction, $110 million for the Indian Health service and $65 million for the operation of Indian programs.

I commend the subcommittee chairman and ranking member for bringing this important measure to the floor within the 302(b) allocation. I urge the adoption of the bill, and ask for unanimous consent that the Budget Committee scoring of the bill be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

H.R. 4578, INTERIOR APPROPRIATIONS, 2001, SPENDING COMPARISONS—SENATE-REPORTED BILL

[Fiscal year 2001, in millions of dollars]

| | General Purpose | Mandatory | Total |
|---|---|---|---|
| Senate-reported bill: | | | |
| Budget authority | 15,474 | 59 | 15,533 |
| Outlays | 15,509 | 70 | 15,579 |
| Senate 302(b) allocation: | | | |
| Budget authority | 15,474 | 59 | 15,533 |
| Outlays | 15,511 | 70 | 15,581 |
| 2000 level: | | | |
| Budget authority | 14,769 | 59 | 14,828 |
| Outlays | 14,833 | 83 | 14,916 |
| President's request: | | | |
| Budget authority | 16,286 | 59 | 16,345 |
| Outlays | 15,982 | 70 | 16,052 |
| House-passed bill: | | | |
| Budget authority | 14,723 | 59 | 14,782 |
| Outlays | 15,224 | 70 | 15,294 |
| SENATE-REPORTED BILL COMPARED TO | | | |
| Senate 302(b) allocation: | | | |
| Budget authority | | | |
| Outlays | −2 | | −2 |
| 2000 level: | | | |
| Budget authority | 705 | | 705 |
| Outlays | 676 | −13 | 663 |
| President's request: | | | |
| Budget authority | −812 | | −812 |
| Outlays | −473 | | −473 |
| House-passed bill: | | | |
| Budget authority | 751 | | 751 |
| Outlays | 285 | | 285 |

Note.—Details may not add to totals due to rounding. Totals adjusted for consistency with scorekeeping conventions.

## NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2001—Continued

The PRESIDING OFFICER. The clerk will report the Defense authorization bill.

The legislative clerk read as follows:

A bill (S. 2549) to authorize appropriations for fiscal year 2001 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

Mr. WARNER. Mr. President, I have in mind, and I think other Members do at this juncture, operating under the unanimous consent agreement reached last night. I amend that unanimous consent to the extent that the senior Senator from West Virginia very graciously is willing to withhold the presentation of his amendment until such time that the distinguished Senator from Massachusetts and the Senator from Alaska bring up their amendments, which is sequenced, and they indicate to this manager that it will not take more than 10 or 12 minutes. Therefore, I ask that.

I further request, following the disposition of the Byrd amendment, Mr. FEINGOLD be recognized; following the completion of his amendment, the Senator from Illinois, Mr. DURBIN, be recognized.

Mr. LEVIN. I understand the Senator from Wisconsin is willing to have 30 minutes equally divided instead of 40 minutes on his amendment. I ask that the unanimous consent agreement be so modified.

Mr. WARNER. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Alaska.

### AMENDMENT NO. 3815

(Purpose: To provide that the limitation on payment of fines and penalties for environmental compliance violations applies only to fines and penalties imposed by Federal agencies)

Mr. STEVENS. Mr. President, the Senator from Massachusetts had an amendment pending concerning section 342 of this bill. We have discussed this. That was an amendment that would change the existing text that came from an amendment I suggested. I will offer an amendment to strike the existing section 342 and insert language we agreed upon. I do believe the Senator from Massachusetts wants to be heard on this. I want a word after his comments.

Mr. KERRY. I suggest the Senator from Alaska go first, since he wants to frame the change, and I will be happy to respond.

Mr. STEVENS. The Senator is very gracious. I have become increasingly concerned about the fines that EPA has been assessing against military reservations or elements of the Department of Defense, and had requested this provision in the bill to curtail that activity. In fact, it would have originally applied to similar fines from State and local agencies also.

We have now agreed on a version of this section 342 that will limit the fines that can be assessed against military entities by the EPA to $1.5 million unless the amount in excess of that is approved by Congress. It will be a provision, if accepted, which will be in effect for 3 years. My feeling is that there are many things that go into the operation of the Department of Defense that are subject to review by EPA, and it is my opinion that they have been excessive in terms of applying fines against the military departments. I do believe it results in an alteration of the lands we have for particular installations and it reduces the amount of money available to operate those installations when they face these fines.

This amendment does not prohibit the fines. It only says they cannot assess any and have them paid to the EPA in excess of $1.5 million unless that fine is approved by an act of Congress.

I thank the Senator for working this out.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I thank my good friend from Alaska for his efforts to try to reach an accommodation. I listened carefully to the arguments of the Senator from Alaska who made it clear that he had a very strong belief that certain facilities in the State of Alaska had been treated in a way that he believed very deeply was inappropriate and resulted in fines that were excessive and, in his judgment, wrought with some bureaucratic issues that he had no recourse to resolve.

The initial section in the bill reported by the committee would regrettably have prohibited the EPA entirely from being able to enforce. A number of Members felt very strongly that was an overreaction in how we cure the problem that the Senator from Alaska was bringing to our attention without destroying the ability of the EPA to be able to enforce across the country.

So we reached an agreement where 98 percent of all those enforcement actions in the country which are under $1.5 million, the EPA will continue to be able to enforce as it currently does. It is appropriate for this 3-year period only to review what the impact may be of some larger level over that period of time.

To have proceeded down the road we were going to proceed, in my and other people's judgment, would have created a terrible double standard. Under current law, a DOD facility that violates the Resource Conservation and Recovery Act or the Safe Drinking Water Act or the Toxic Substances Control Act or the Clean Air Act is subject to the same kinds of penalties as a private facility. By waiving sovereign immunity and subjecting Federal facilities to fines, we created the financial hammer to be able to force a sometimes reluctant Government and a Government bureaucracy to comply.

Congress recognized this principle in 1992 when we passed the law. The bill was sponsored by majority leader Mitchell. He said at the time that a waiver of sovereign immunity would move us from the disorder of Federal noncompliance to a forum in which all entities were subject to the same law and to full enforcement action. I am pleased to say it passed the Senate by a vote of 94–3, and it passed the House by a vote of 403–3. It was signed into law by President Bush, who at the time said it would bring all Federal facilities into compliance with applicable Federal and State hazardous waste laws.

I think that very much is our purpose today—to protect our capacity to be able to secure that kind of enforcement. I thank the Senator from Alaska for his very reasonable approach to this. I think we have been able to resolve the most egregious situations about which he has expressed appropriate concern, but at the same time we have been able to preserve the principle of Federal compliance and the principle of all people being treated equally.

I thank the Chair and I thank the distinguished Senator from West Virginia for his courtesy in allowing us to deal with this issue.

Mr. STEVENS. Mr. President, I thank the Senator from West Virginia for his courtesy and the Senator from Massachusetts. I ask unanimous consent that the amendment I have at the desk be accepted in lieu of the amendment offered by the Senator from Massachusetts, Senator KERRY.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. I thank the Chair.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS] proposes an amendment numbered 3815.

Mr. STEVENS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Section 342 is amended by striking the provisions therein and inserting:

### SEC. 342. PAYMENT OF FINES AND PENALTIES FOR ENVIRONMENTAL COMPLIANCE VIOLATIONS.

(a) PAYMENT OF FINES AND PENALTIES.—(1) Chapter 160 of title 10, United States Code, is amended by adding at the end the following new section:

### "§ 2710. Environmental compliance: payment of fines and penalties for violations

"(a) IN GENERAL.—The Secretary of Defense or the Secretary of a military department may not pay a fine or penalty for an environmental compliance violation that is imposed by a Federal agency against the Department of Defense or such military department, as the case may be, unless the payment of the fine or penalty is specifically authorized by law, if the amount of the fine or penalty (including any supplemental environmental projects carried out as part of such penalty) is $1,500,000 or more.

"(b) DEFINITIONS.—In this section:

"(1)(A) Except as provided in subparagraph (B), the term 'environmental compliance', in the case of on-going operations, functions, or activities at a Department of Defense facility, means the activities necessary to ensure that such operations, functions, or activities meet requirements under applicable environmental law.

"(B) The term does not include operations, functions, or activities relating to environmental restoration under this chapter that are conducted using funds in an environmental restoration account under section 2703(a) of this title.

"(2) The term 'violation', in the case of environmental compliance, means an act or omission resulting in the failure to ensure the compliance.

"(c) EXPIRATION OF PROHIBITION.—This section does not apply to any part of a violation described in subsection (a) that occurs on or after the date that is three years after the date of the enactment of the National Defense Authorization Act for Fiscal Year 2001.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2710. Environmental compliance: payment of fines and penalties for violations.".

(b) APPLICABILITY.—(1) Section 2710 of title 10, United States Code (as added by subsection (a)), shall take effect on the date of the enactment of this Act.

(2) Subsection (a)(1) of that section, as so added, shall not apply with respect to any supplemental environmental projects referred to in that subsection that were agreed to before the date of the enactment of this Act.

Mr. STEVENS. Mr. President, regarding the Fort Wainwright central heat and powerplant, on March 5, 1999, the EPA Region 10 issued a notice of violation against the U.S. Army Alaska claiming they had violated the Clean Air Act with their central heat and powerplant.

After several meetings between regulators and Army officials, the EPA sent them a settlement offer proposing that the Army pay a $16 million penalty to resolve the alleged clean air violations.

In the offer, the EPA advised the Army that it would file a formal complaint if the Army failed to make a good-faith counteroffer within one month. The EPA also indicated that the size of fine sought will likely increase if a complaint was filed.

This $16 million penalty is the largest single fine ever sought from the Department of the Army or against any installation within the Department of Defense. It also exceeds the combined total of all other fines previously sought from the Army.

While U.S. Army Alaska had been aware for some time that the 50-year old central heat and powerplant required numerous upgrades, significant progress had been made toward bringing the plant into compliance.

The Army also had been working closely with the Alaska Department of Environmental Conservation—which had been delegated Clean Air Act enforcement authority from the EPA—regarding the timetable for compliance.

That same year, in fiscal year 1999, the Army sought and received authorization and appropriations from the Congress to build a $16 million baghouse to control emissions from the plant.

In addition, an additional $22 million had been budgeted for fiscal year 2000 for plant upgrades.

The Army and the Department of Defense were surprised by the basis for the proposed penalty.

In EPA's settlement letter, EPA stated that it was seeking to recover the "economic benefit" the Army received by not constructing the baghouse sooner.

Over $15.8 million of the proposed fine, roughly 98 percent, is directly tied to the "saved" cost that U.S. Army Alaska purportedly enjoyed.

This is also the first time the EPA proposed a fine whose economic benefit components dwarf the assessed penalty based on the seriousness of the alleged violations.

Regarding the EPA visit to Shemya Air Force Base, the Air Force had a 50-year problem of waste and drum accumulation at Shemya Island—complicated by the large quantity generator status at Shemya AFB. This status required processing of accumulated hazardous wastes from the island within 90 days of generation. To meet the 90-day requirement, airlift had to be used as the primary method of disposal of the accumulated hazardous wastes. Also, the airlift crews had to have special qualifications to handle and process hazardous wastes.

From 1989 through 1991, 13,781 gallons of hazardous waste were shipped off Shemya Island. Following the 1991 Gulf War, airlift outside of the Middle East was impossible to get.

Complicating matters, Elmendorf AFB in Alaska could not handle the amounts of hazardous waste being returned from remote Alaskan defense sites. Movement of hazardous waste from remote sites came to a standstill due to strained airlift requirements and limited hazardous waste storage and processing capabilities.

In January of 1993, the Air Force started airlifting and removing 100 waste drums every week vice 100 per month.

Two months later, in March, the EPA gave the Air Force a 10-day notice of inspection. During the inspection, the Air Force had 660 barrels on the Shemya airfield processed awaiting air transportation.

During the out-briefing with senior Air Force personnel, the inspectors commented that the Air Force was making good progress in reducing the backlog of waste drums.

A long period of time ensued between the inspection and the publicly announced result and proposed fine by EPA.

EPA assessed the Air Force a fine of $483,000—this was the largest environmental noncompliance fine levied against the Air Force at that point in time.

Mr. KERRY. Mr. President, tonight, Senator STEVENS offered an amendment to the National Defense Authorization Act for Fiscal Year 2001 to amend Section 342. The amendment reflects a compromise reached between Senator STEVENS, BAUCUS, LAUTENBERG and myself. I want to thank Senator STEVENS for working with us to address grave concerns we had with Section 342 of the bill.

Mr. President, I would like to make a few comments about Section 342 and discuss why I had such great concerns over the impact it would have had on environmental compliance. Section 342, as it was passed out of the Armed Services Committee, would have weakened a fundamental environmental principle that protects the environment and public health in communities across the nation. It is the principle that national environmental laws should apply to the federal government in the same manner as they apply to state and local governments and to private facilities, including companies, universities, hospitals, and nonprofit entities.

Section 342 would have created a double standard by subjecting corporations, state and local facilities to one legal standard and Department of Defense facilities to a second, weaker standard. More importantly, it had the great potential to undermine compliance with national environmental and public health protections at military facilities across the nation—putting the environment and citizens at risk.

Specifically, the provision amended existing law to require Congressional authorization before the DOD pays environmental and public health penalties assessed by state and federal authorities in excess of $1.5 million or based on "economic benefit" or "size-of-business" criteria. As a result, it provided DOD a congressional reprieve not provided to any other entity.

It created a double standard. Under current law, a DOD facility that violates the Resource Conservation and Recovery Act, the Safe Drinking Water Act, Toxic Substances Control Act, or the Clean Air Act is subject to the same kind of penalties as a private facility. By waiving sovereign immunity—and subjecting federal facilities to fines—we create the financial hammer that forces sometimes reluctant government bureaucracies to comply. And we apply the law equally to all.

Congress recognized this principle in 1992 with the enactment of the Federal Facilities Compliance Act, which waived sovereign immunity under the Resource Conservation and Recovery Act. The bill was sponsored by Majority Leader George Mitchell, who said in floor debate that, "A waiver of sovereign immunity moves us from the disorder of Federal noncompliance to a forum in which all entities are subject to the same law and to full enforcement action." He added that: "The principle [of waving sovereign immunity] is important because, without it, there is only voluntary compliance. History demonstrates that voluntary compliance does not work."

The Federal Facilities Compliance Act had 33 cosponsors in the Senate—myself included. It was a bipartisan effort that passed the Senate with a vote of 94–3 and the House by a vote of 403–3. It was signed into law by President George Bush, who said that, "The objective of the bill is to bring all Federal facilities into compliance with applicable Federal and State hazardous waste laws, to waive Federal Sovereign immunity under those laws, and to allow the imposition of fines and penalties." He added, "Four years ago I promised the American people that I would make the federal government live up to the same environmental standards that apply to private citizens. By signing this bill, we take another step toward fulfillment of that promise."

It was an important step for the states coping with federal agencies that were immune to enforcement and that refused to comply. The California Secretary of Environmental Protection, James M. Strock, said that in passing the Act, Congress took "an important step in restoring the link between environmental responsibility and remediation of environmental damage at federal facilities." He continued, "The Act provides an essential tool to states and localities which seek compliance with hazardous waste laws."

The National Association of Attorneys General applauded the passage of the Act. Their statement read that, "The [legislation] has been among the Association's highest priorities on Capitol Hill for the past five years. . . . [The] Attorneys General have repeatedly called upon Congress to clarify the waiver of federal sovereign immunity, which has thus far prevented the states from ensuring compliance at contaminated facilities through assessment of fines and penalties."

I feel that Section 342 would have rolled back the progress we've made with the Federal Facilities Compliance Act and other laws. It would have been a mistake. We should allow our law enforcement agencies to do their job. Section 342 of the DOD bill was opposed by the National Governors' Association, the National Association of Attorneys General, and the National Conference of State Legislatures. In a joint letter they write that, "States report that the federal government is the nation's largest polluter and military installations are a major contributor to that pollution. Section 342 is a step backward from the progress we have made in changing the attitude of military installations toward compliance with the nation's environmental laws. We urge you to support efforts to strike the provisions." This letter is signed by Governor Kenny Guinn of Nevada, Attorney General Christine Gregoire of Washington, and Senator Beverly Gard of Indiana.

Section 342 was also opposed by the Environmental Council of the States. It writes that, "The state environmental commissioners, along with governors, state legislators, attorneys general and other officials of state government have insisted that the federal government live by exactly the same standards and requirements that it imposes on all other parties, and we all oppose this provision in S. 2549. Exempting military installations from one of the basic tools of environmental enforcement is bad policy, and would seriously erode our capacity to ensure our citizens the protection of federal and state laws." The letter is signed by R. Lewis Shaw, Deputy Commissioner, South Carolina Department of Health and Environmental Control and President of the Council.

Mr. President, even Governor George W. Bush of Texas recognizes the important principle of treating federal facilities as we treat state and local governments and private facilities. On Governor Bush's website—georgebush.com

—the Governor has posted his environmental platform. The sixth plank in that platform reads as follows: "Direct active federal facilities to comply with the environmental protection laws and hold them accountable." It continues, "Governor Bush will expect the federal government to lead by example. He believes it is time to end the double standard that has federal government acting as enforcer of the nation's environmental laws, while at the same time causing pollution that violates those laws."

Mr. President, last year, a provision similar to Section 342 was incorporated into the FY 2000 DOD appropriations bill. The Congressional Budget Office evaluated that provision and concluded that, "Based on information from DOD and on conversations with representatives of state governments, CBO believes that requiring DOD to seek specific authorization from the Congress before paying each fine . . . will likely delay the payment of some fines. To the extent the Congress fails to authorize fines in the future, it is possible that the section would make it more difficult for states and local governments to negotiate for compliance with environmental laws." The letter is signed by Dan. L. Crippen, Director of the CBO.

Plain and simple, if we had passed Section 342 we would have rolled back environmental and public health protections for thousands of Americans who live near DOD facilities and for generations who will face the costs of cleanup. Our state attorneys—the people in the field enforcing our laws—our governors and our state environmental commissioners—and even the likely Republican nominee for President are telling us it is a mistake to do so.

Mr. President, the principle is not just rhetoric—it is supported by the record. In 1993, compliance by federal facilities with the Resources Conservation and Restoration Act was 55.4 percent. Almost half of all federal facilities operated out of compliance. Why? Because the law was unclear as to whether or not environmental fines could be assessed against federal facilities. But with the passage of the Federal Facilities Compliance Act in 1992—when DOD and other federal facilities faced fines and penalties for the first time—compliance started to climb. By 1998, compliance at federal facilities had reached 88.2 percent. And the opposite has also proven true. Federal compliance under the Clean Water Act, which does not have a clear waiver, has dropped at federal facilities. In 1993, more than 94 percent of federal facilities were in compliance, and by 1998 that number had dropped to just 61.5 percent. According to enforcement officials at EPA and state government, that decline coincided with court decisions that interpreted the Clean Water Act as having only a limited waiver of sovereign immunity. To reverse that trend, I understand that Senator COVERDELL has introduced legislation to waive sovereign immunity for federal facilities. That Republican-led initiative now has now been cosponsored by Senators BREAUX, CHAFEE, DEWINE, GRAMS, and VOINOVICH.

Some argued that last year's provision wouldn't impact enforcement because, like Section 342, Congress can authorize the fine. But the numbers don't bear out that prediction. Why? Because investigators and attorneys knew full well that DOD was about to get a "Get Out Of Jail Free Card" from Congress. Even the best legal work can be overturned if Congress simply decides not to act on an authorization. As a result, enforcement actions have dropped off. As with any law, without strong enforcement, compliance will fall.

The principle is simple, Mr. President. If you want people, companies, institutions, and the government to comply with the law you must be tough on crime—including environmental crime. The way to ensure that all facilities comply with the law is to make sure that pollution does not pay. If the threat of a large fine is on the horizon—if the laws have teeth—everyone will be far more inclined to comply.

Mr. President, I want to focus some on the issue of "economic benefit" and "size-of-business" criteria and what it means to limit the federal and state authority to impose a fine based on those criteria. There seems to be some confusion as to why a federal or state authority would seek a penalty based on economic benefits at a DOD facility. The Report language accompanying Section 342 notes that the DOD, in the Committee's view, has no economic competitors in regard to the Clean Air Act. Therefore, the principle of economic benefit or size-of-business should not apply. Mr. President, I believe that is an incorrect reading of the Clean Air Act and other relevant statutes.

Foremost, an economic benefit provision prevents a facility, whether it's private or federal, from benefitting financially from noncompliance. Federal and state authorities need the power to make noncompliance economically unviable. We cannot have a system that rewards people for breaking the law. The Report language accompanying Section 342 argues that economic benefit is tied to "competition" among businesses and intended to prevent economic advantage through noncompliance. That is a narrow, misreading of the Clean Air Act. For example, all across the country, electric utilities—including municipal facilities—operate without "competitors" as the report defines the term. Utilities are guaranteed a market in return for providing a set amount of power. This is changing with competition, but many did and some still do operate as sanctioned monopolies. But they are not exempt from fines and penalties in the Clean Air Act. Further, EPA and the states assess "economic benefit" fines against hospitals, universities, and local and state governments. For example, in a Clean Water Act challenge, the United States versus City of San Diego in 1991, a federal court found that the "plaintiffs' analysis of economic benefit is valid as to municipalities. While it is difficult to quantify precisely the savings realized by the City as a result of its intransigence, plaintiffs have demonstrated by a preponderance of the evidence that the city has saved in excess of $300 million over approximately the last thirty years by failing to invest in capital improvements." The case shows that economic benefits apply to nonbusiness entities—the City of San Diego and that economic benefit is based on "savings" from noncompliance.

Mr. President, "economic benefit" and "size-of-business" criteria are as applicable to DOD as they are to private companies, non-profits, states, and other federal agencies. We should not rollback protections and create a situation in which a manager within the DOD could rationalize noncompliance because it saves money—we must demand compliance from federal facilities.

Further, Mr. President, the use of these criteria to enforce the law has been endorsed by the states. The Attorneys Generals, the Governors and the Conference of Legislatures specifically addressed this issue in their letter opposing Section 342. They write that, "The economic benefit analysis, in particular, is important to states because it prevents DOD from considering a fine merely as a cost of doing business . . ." The Environmental Council of the States, which represents our state environmental commissioners, writes, "Section 342 would have severely restricted the ability of states to ensure that facilities do not realize financial gain through noncompliance. Typically, states include in their penalties an amount that offsets these financial benefits. In this way, they significantly reduce economic incentives to avoid environmental and public health requirements." A cursory review of state policy conducted by the Governors, Attorneys General and the State Commissioners at my request, found that most states use economic benefits, including Texas, Montana, South Carolina, Minnesota, Colorado, Indiana, Pennsylvania, North Carolina, Alaska, Connecticut, and California.

The Armed Services Committee Report with S. 2549 states that "[i]t is the committee's view that the application of the economic benefit or size of business penalty assessment criteria to the

DOD is inconsistent with the statutory language and the legislative history under the [Clean Air Act.]" Again, I disagree and suggest that is narrow and incorrect reading of the Act. I believe a plain reading of the Clean Air Act makes it clear that all fines and sanctions apply to DOD. Section 118(a) of the Act reads as follows: "Each department, agency, and instrumentality of executive, legislative, and judicial branches of the Federal Government . . . shall be subject to, and comply with, all Federal, State, interstate, and local requirements, administrative authority, and process and sanctions respecting the control and abatement of air pollution in the same manner, and to the same extent as any nongovernmental entity. The preceding sentence shall apply (A) to any requirement whether substantive or procedural (including any record keeping or reporting requirement, any requirement respecting permits and any other requirement whatsoever), (B) to any requirement to pay a fee or charge imposed by any State or local agency to defray the costs of its air pollution regulatory program, (C) to the exercise of any Federal, State, or local administrative authority, and (D) to any process and sanction, whether enforced in Federal, State, or local courts, or in any other manner." In addition, the managers report for the 1990 amendments regarding Section 118(a) reads that, "the new language is intended to refute the argument [DOD is not subject to fee requirements] and to affirm the obligation of federal agencies to comply with all requirements, including such fees or charges." I add that Section 118(b) of the Clean Air Act is titled "Exemptions" and it specifically delineates under what circumstances the DOD can be exempted from enforcement action—and it makes no reference to the size of a fine or the criteria set forth in the penalty section. The Clean Air Act is very clear on this point.

Mr. President, Section 342 reached beyond the Clean Air Act. It also applies to the Resources Conservation and Restoration Act, Toxic Substances Control Act and the Safe Drinking Water Act. I believe that a plain reading of RCRA and the Federal Facilities Compliance Act makes clear that DOD should be treated the same as private facilities. There is no ambiguity in the law or the legislative history. In the floor debate Senator Mitchell said, "A waiver of sovereign immunity moves us from the disorder of Federal noncompliance to a forum in which all entities are subject to the same law and to full enforcement action." At the bill signing Bush said, "The objective of the bill is to bring all Federal facilities into compliance with applicable Federal and State hazardous waste laws, to waive Federal Sovereign immunity under those laws, and to allow the imposition of fines and penalties." Section 102 of RCRA reads, "The Federal, State, interstate, and local substantive and procedural requirements referred to in this subsection include, but are not limited to, all administrative orders and all civil and administrative penalties and fines, regardless of whether such penalties or fines are punitive or coercive in nature or are imposed for isolated, intermittent, or continuing violations." In regard to EPA actions against DOD, the Act reads that, "The Administrator may commence an administrative enforcement action against any department, agency, or instrumentality of the executive, legislative, or judicial branch of the Federal Government pursuant to the enforcement authorities contained in this Act. The Administrator shall initiate an administrative enforcement action against such a department, agency, or instrumentality in the same manner and under the same circumstances as an action would be initiated against another person." Mr. President, I believe the law is clear. The Report language with S. 2549 offers us an inaccurate reading of the Clean Air Act and fails to address other environmental law statutes it impacts.

Some have suggested that Section 342 would have almost no impact on enforcement because few cases exceed $1.5 million. As a result, we will rarely—if ever—need a congressional authorization to impose a fine. That's simply wrong. Section 342 reads that congressional authorization is needed if the fine exceeds $1.5 million or if it is based on "economic benefit" or "size of business" criteria. In theory, Mr. President, all fines originating with the Environmental Protection Agency would have been caught by Section 342, regardless of their size. It is EPA's policy and that of many states that all fines should incorporate the economic benefit gained from noncompliance. It is difficult to know how many fines will need to pass through the new process created by Section 342 and how many will not be authorized or authorized at a lower amount. But, we do know that it could be a fine of any size, no matter how small.

Moreover, the threat of a large fine will be gone if Section 342 passed. This alone will deter compliance. The Congressional Budget Office specifically noted in its letter from last year that, "the States, local governments, and federal agencies often use the threat of theses fines as part of the negotiation with facilities to achieve compliance with environmental laws." The Attorneys General—the people in the field doing the work—write of Section 342 that, "The threat of a significant fine or penalty is one of the more effective ways state officials have for encouraging violators, including military installations, to take responsibility for the environmental consequences of their operations." Any prosecutor, whether they are involved in a criminal action, or civil environmental compliance, will tell you that the threat of long jail term or a large fine is critical to enforcing the law. Finally and most importantly, Mr. President, by giving the largest violators, those fined over $1.5 million, a chance for congressional reprieve, Section 342 created a perverse system where only the most egregious violators get a special legal loophole unavailable to less egregious violators. It is a bad precedent.

Mr. President, the compromise we have reached does not resolve all of my concerns, but it addresses many of them. Under the agreement reached tonight, offered by Senator STEVENS and passed, all fines of $1.5 million or more, assessed against DOD by a federal agency for environmental noncompliance, over the next three years, must be approved by Congress. State enforcement actions are not impacted by this agreement and our state Attorneys General can continue to enforce the law as they now do. The concepts of economic benefits and size of business remain in place in our environmental enforcement at the state and federal level. Only fines equal to or in excess of $1.5 million will require a congressional authorization and that result in only a small percentage of fines needing authorization. And it expires in three years. I do have some concerns with the agreement. By requiring a congressional authorization on fines of $1.5 million or more, we provide the most egregious violators a congressional reprieve and, therefore, it will limit our ability to deter noncompliance because the threat of a large fine will be reduced. However, I want to note and recognize the concerns Senator STEVENS has raised. Enforcement power, whether it sits with the EPA or the states, can be abused. The agreement expires in three years. In that time, Congress will have a close look at EPA's actions in assessing large fines.

Again, I want to thank Senators STEVENS, BAUCUS and LAUTENBERG.

Mr. LAUTENBERG. Mr. President, I rise in strong support of Senator KERRY's effort to make sure the Federal government plays by the same environmental rules that the private sector lives by. The Defense Department, in carrying out its military mission operates a vast, sprawling industrial complex with a potentially huge impact on the environment.

I think I'm only stating the obvious when I say it's absolutely crucial to make sure that the Defense Department and all federal agencies are held to the same environmental standards that apply to the private sector.

Under most current environmental laws, that's already the case. Federal facilities, including military installations, are subject to civil penalties for violating the Resource Conservation and Recovery Act, certain provisions of the Toxic Substances Control Act, the Safe Drinking Water Act, and the Clean Air Act. Congress specifically recognized the importance of these penalties when it passed the Federal Facility Compliance Act of 1992.

During the past several months I've received letters on this issue from environmental and state organizations, as well as the Statement of the Administration's strong opposition to this provision. I ask unanimous consent that copies of these letters be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

*June 6, 2000.*

DEAR SENATOR: On behalf of millions of our members nationwide, we urge you to support the Kerry amendment to strip an extremely damaging legislative provision included in the National Defense Authorization bill for fiscal year 2001 (sec. 342 of S. 2549). This provision would make a permanent change in the law that could delay and even block DOD from having to pay civil penalties for environmental violations occurring at DOD facilities. We strongly urge you to support this effort to remove it from the authorization bill this year.

Section 342 of the authorization bill would require specific congressional authorization for the payment of environmental fines and penalties that exceed $1.5 million, or those that are based on the application of economic benefit or size-of-business criteria. This provision also would block the use of funds to implement supplemental environmental projects that may be required as part of, or in lieu of, a proposed civil penalty. Section 342 would negate the current law that requires that the DOD pay fines and penalties assessed by state and federal regulatory agencies for violations of environmental laws just like every other federal agency or private party that violates the law. This provision has far-reaching ramifications and yet has not had the benefit of any public hearings to allow the Congress to examine the full impacts of the action.

This provision was added specifically in response to a large environmental fine proposed by the U.S. Environmental Protection Agency at Fort Wainwright, Alaska. At Fort Wainwright, the Army operates the largest coal burning power plant owned by the U.S. military. According to EPA documents, violations at this facility appear to be more extensive than any found to date in private coal-fired power plants. The Fort Wainwright facility clearly should pay state and federal penalties for at least 11 years of continual and serious violations of clean air standards (which may have even given rise to at least one criminal investigation by the Army). The Kerry amendment would also require a General Accounting Office report to Congress on the circumstances surrounding the Fort Wainwright facility.

Section 342 would undermine years of progress at federal, state and local levels towards improved environmental compliance by federal agencies. Congress has repeatedly declared that both state and federal environmental regulators should have the clear authority to enforce most environmental laws at federal facilities, including Defense Department installations. For example, in 1992 Congress enacted the Federal Facilities Compliance Act, clarifying regulatory agencies' authority to enforce laws governing the treatment, storage, disposal, and cleanup of hazardous wastes. In signing that law, President Bush noted that it represented a step towards fulfilling his promise to the American people that "the Federal Government live up to the same environmental standards that apply to private citizens." Implementation of Section 342 could severely undermine this trend towards better compliance and likely will result in increased violations.

This provision could create a perverse incentive for the military to incur large fines so that it can seek respite from Congress. Additionally, without the threat of economic benefit fines, DOD would have less incentive to comply with state and federal environmental laws and be more likely to divert resources that should be spent on environmental compliance to other military projects. Military facilities will be above the law—eroding public confidence in government. Dan L. Crippen, the Director of the Congressional Budget Office (CBO), found that since 1994 the DOD has paid over $14 million in fines—most of which have been paid to state and local governments. The CBO also found that this program "will likely delay payment of some fines" and could "make it more difficult for state and local governments to negotiate for compliance with environmental laws."

This provisions impairs a valuable tool that states have used to improve environmental protection and derails the current trend toward federal facility accountability. Creating a special exemption for DOD from penalties for environmental violations sends the message that this federal agency can ignore and discount the laws by which everyone else must abide. Because of the serious ramifications for federal accountability and protection of the environment and public health, we strongly urge you to oppose Section 342 of the FY 2001 National Defense Authorization bill and support the Kerry amendment to strike it.

Sincerely,

Robert Dewey, Vice President of Government Relations and External Affairs, Defenders of Wildlife; Courtney Cuff, Legislative Director, Friends of the Earth; Faith Weiss, Legislative Counsel, Natural Resources Defense Council; James K. Wyerman, Executive Director, 20/20 Vision; Aimee R. Houghton, Associate Director, Center for Public Environmental Oversight; Joan Mulhern, Legislative Counsel, Earthjustice Legal Defense Fund; Betsy Loyless, Political Director, League of Conservation Voters; Anna Aurilio, Staff Scientist, U.S. Public Interest Research Group; Cindy Shogan, Alaskan Wilderness League; Dan L. Astott, President, AMAC: The AuSable Manistee Action Council; Craig Williams, Director, Chemical Weapons Working Group, Berea, KY; Peter Hille, Chairman, Kentucky Environmental Foundation, Berea, KY; Theresa Freeman, Executive Director, Military Toxics Project; Elizabeth Crowe, Director, Non-Stockpile Chemical Weapons, Citizens Coalition, Berea, KY; Carol Jahnkow, Executive Director, Peace Resource Center of San Diego; Marylia Kelly, Executive Director, Tri-Valley CAREs (Communities Against a Radioactive Environment), Livermore, CA; Naomi Shultz, Steering Committee, Common Ground, Berea, KY; DelMar Callaway, Community Co-Chair, McClellan AFB RAB; Walter R. Stochel, Jr., Edison, NJ; Richard Hugus, Otis Conversion Project, Falmouth, MA; Peter Strauss, President, PM Strauss & Associates, San Francisco, CA.

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NATIONAL GOVERNORS' ASSOCIATION
NATIONAL ASSOCIATION OF ATTORNEYS GENERAL
NATIONAL CONFERENCE OF STATE LEGISLATURES

*May 18, 2000.*

Hon. TED STEVENS,
*U.S. Senate, Washington, DC.*
Hon. ROBERT C. BYRD,
*U.S. Senate, Washington, DC.*

DEAR MR. CHAIRMAN AND SENATOR BYRD: We, the undersigned, are writing in opposition to a proposal we understand might be offered for inclusion in the FY 2001 Defense Appropriations bill and which would require Congressional approval for payment of large environmental penalties issued against the Department of Defense. This proposal would be similar to the language in the FY 2001 defense authorization bill. Section 342 of Subtitle E. This provision would, if enacted, limit the waiver of sovereign immunity enacted by Congress in the 1992 Federal Facilities Compliance Act and the 1996 Safe Drinking Water Act Amendments, among other laws and continues an unfortunate policy created in last year's Appropriations law.

The language proposed would prohibit payment of large fines or penalties for violations of environmental laws at military installations from funds appropriated in the bill unless authorized by Congress. Such a proposal has the unfortunate effect of interjecting the legislature into what should be an independent system of law enforcement operated by the states and other environmental regulators. This approach to environmental regulation undermines the ability of states to use the threat of penalties as a means of forcing federal facilities to take responsibility for the environmental consequences of their operations.

The fact that this language applies only to large penalties is of little comfort. The federal government is the nation's largest polluter and military installations are a major contributor to that pollution. The threat of significant penalties can only be an effective deterrent to environmental violations where the penalty may be potentially proportional to the cost of compliance. A requirement for Congressional approval of penalties of a certain size unduly limits the ability of states to use this threat to effectively regulate the Department of Defense.

Congress recognized the importance of penalties in 1992 when it enacted the Federal Facilities Compliance Act clarifying the waiver of sovereign immunity in the Resource Conservation and Recovery Act. With the aid of the Federal Facilities Compliance Act and vigilance by states and other environmental regulators, we are finally making progress toward changing the attitude toward environmental compliance at federal facilities. We urge you to oppose any proposal that weakens the ability of states to continue to assess fines and penalties in whatever levels are determined by the states as necessary to ensure compliance.

Sincerely,

CHRISTINE GREGORIE,
*Attorney General of Washington, President, NAAG.*
KEN SALAZAR,
*Attorney General of Colorado, Co-Chair,*

*NAAG Environmental Committee.*
GOVERNOR KENNY C. GUINN,
*State of Nevada, NGA Chair, Committee on Natural Resources.*
SENATOR BEVERLY GARD,
*Indiana State Senate, Chair, NCSL Environment Committee.*

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EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,
*Washington, DC, June 6, 2000.*

STATEMENT OF ADMINISTRATION POLICY

S. 2549—NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2001

The Administration supports prompt congressional action on the national defense authorization bill for FY 2001 and appreciates the Armed Services Committee's support for many of the President's national defense priorities. S. 2549, however, raises serious budget, policy, and constitutional concerns as outlined below in the SAP and in the attachment.

ENVIRONMENTAL PROVISIONS

The Administration strongly opposes section 342, which would require DOD to obtain specific authorization to comply with environmental fines and penalties assessed against the Department. The Administration is opposed to any limitation on the ability of DOD to pay fines or penalties it is liable for under law. This provision could erode public confidence in the commitment of DOD to comply with environmental laws. The Administration also believes that all Federal agencies should be held fully accountable for environmental violations and should be held to the same standards as the private sector.

Mr. LAUTENBERG. Mr. President, these letters are opposed to authorization or appropriation language that limits the importance of penalties in deterring environmental violations.

In fact, the letter signed by twenty-one environmental groups states "Creating a special exemption for DoD from penalties for environmental violations sends the message that this federal agency can ignore and discount the laws by which everyone else must abide."

My final point is that every time the Senate Environmental and Public Works Committee has raised this topic in hearings, the Committee has leaned toward expanding the role of fines and penalties in enforcing environmental laws at federal facilities. They did that so federal, state, and local governments would have all the tools they need to make sure all federal facilities comply with health and environmental laws.

Finally, as the Administration pointed out, "all federal agencies should be held fully accountable for environmental violations and should be held to the same standards as the private sector."

That is precisely what the Kerry amendment would do and I urge my colleagues to support it.

Mr. STEVENS. I urge the adoption of the amendment.

THE PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 3815) was agreed to.

Mr. WARNER. Mr. President, I move to reconsider the vote.

Mr. KERRY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senator from West Virginia is recognized.

AMENDMENT NO. 3794

Mr. BYRD. Mr. President, the China trade measure which passed the House eliminates the annual congressional renewal of most-favored-nation treatment of China, and gives China permanent normal trade relations with the United States. This legislation has not yet been scheduled for action on the Senate floor, yet there is already a concerted effort to defeat any amendments by Senators which might deviate from the provisions of the bill as passed by the House. The fear is that a different Senate version would require a conference committee, and another House vote, both of which may make it more uncertain that the legislation will be enacted this session.

Given this situation, which is an obvious egregious deviation from the traditional role of the Senate in foreign affairs, those of us who believe that the House bill can be improved must find a way to pass separate legislation which still addresses matters of importance in the burgeoning U.S.-Chinese trade relationship. There is one particular area, in which I believe the House bill and the amendments passed to it, are silent, and cry out for some adequate treatment, and that is in the area of national security. The administration argued in getting enough votes for its China trade bill in the House, that it is in the national security interest of the United States to pass the bill. I do not believe that for one moment. That is quite an assertion given the brutal Communist dictatorship in China, which systematically violates the agreements it has signed with us, and which routinely pressures U.S. firms to hand over key technologies as the price for doing business in China. This is the same Chinese dictatorship which talks about financial war with the United States, and which periodically intimidates Taiwan with threats of invasion. This is the same Chinese dictatorship which hunts down dissenters, hunts down free expression, and religious organizations with a club.

Despite this assertion, there is no mechanism to thoroughly and regularly assess the national security impacts on, and implications of, the developing trading relationship with China. The huge trade and dollar surpluses that are amassed by the Chinese Government and the tensions between the United States and China on trade and national security issues, as well as on human and labor rights, need informed and periodic review. There are those who argue that our annual debate over renewal of most-favored-nation treatment of China did not amount to much because we never failed to renew MFN. However, annual MFN review was of great importance to the Chinese Government, since it certainly provided a regular open window to expose questionable Chinese trading, human rights, military, and other policies to a wide audience.

Such monitoring and regular reporting to Congress from a reliable source is particularly important in an era where massive and unbalanced trade flows are certain to continue, and where, because of China's membership in the WTO, U.S. bilateral leverage and congressional authority under the commerce clause have been severely reduced. I would contend that the U.S.-Chinese relationship is likely to be of enduring concern to this body. Surely, the national security implications of that relationship, the impacts of massive trade deficits which now approach some $70 billion a year, the voracious appetite of the Chinese Government for military technologies, and the pressures it brings on our Asian allies are important to us. The implications of systematic unfair trade practices by the Chinese Government, of dumping into our markets, of not enforcing and not complying with agreements they have signed with us, and of pressuring Western companies to hand over important technologies as a price for doing business in China and as a quid pro quo for being able to relocate and invest in China, should be of concern to the elected representatives of the American people.

The chief Chinese imports from the United States are primarily sophisticated manufactured products, like aircraft, telecommunications equipment, and semiconductors. Many of these technologies have multiple uses, both civilian and military. China's development effort is heavily dependent on Western companies as sources of capital and technology. There are some who contend that the large surpluses, as well as the capital, and many technologies are being funneled to a concerted effort to fuel a military buildup which the Chinese could not otherwise muster. There are those who contend that we are unwittingly giving the Chinese the tools to intimidate Taiwan, our democratic friend, and our other Asian allies, such as Thailand, South Korea, Japan, and the Philippines.

Chinese military officers have recently written about the need to practice financial war, cyber war, and other economic and technologically sophisticated means of affecting the security relationship with the United States. Given the technological prowess of the

United States in prosecuting the Gulf War and the Kosovo conflict, the Chinese have been reportedly alarmed regarding the obsolescence of their military machine and their military practices. The standing armies, upon which they have traditionally relied, cannot perform effectively against the new weaponry demonstrated by the United States in those conflicts. There are those in China who believe that their long-term interests lie in competition and possibly confrontation with the United States, and thus in order to compete they must rapidly acquire a range of technologies and expertise that is only available from Western firms. Are we unwittingly supplying those factions in China with the means to confront us? Certainly our own self-interest would dictate that we need to monitor these trends systematically and periodically and that is the purpose of the Byrd-Warner amendment.

I think that it is only prudent that we provide for an annual systematic review and a report to the Congress on the full range of national security implications engendered by the increased trade and investment relationship with China. The House has a commission in its China trade bill, an executive-legislative commission to monitor a staggering range of human rights and democracy-building reforms in China. It has a full plate of responsibilities. While this sort of monitoring is certainly important, no less important should be the existence of a congressional commission to focus on the national security relationship between our two nations. The President has argued that it is in our national security interest to further open and widen our trading relations with China. That proposition should be regularly tested by an independent commission, which has the narrow mandate of monitoring our growing bilateral relationship with an eye toward United States security concerns.

The Congress last year created a 12-person commission, equally divided between Republicans and Democrats, to examine our growing negative trade balance. The Trade Deficit Review Commission will likely finish its work in a few months, with a report to the Congress and the President, on the implications of our global deficits, recommending new practices, institutions and policies. It has already conducted hearings and studies on the Chinese relationship. Mr. WARNER and I suggest that this same commission is an appropriate tool, extended and refocused, to conduct an annual Chinese assessment and review. Such a refocused commission would serve as a good companion to the one proposed by the House bill on human rights and democratic reforms in China. Its existence and assessments would certainly help to repair the dangerous erosion of congressional involvement in, and leverage over, foreign commerce envisioned as essential to our national well being by the framers. It would help to replace congressional monitoring of China resulting from her accession to the World Trade Organization, in an area critical to the deeply rooted constitutional responsibilities of this body.

That is the purpose of the amendment which Senator WARNER and I and other Senators have offered. In summary, the commission would review the national security implications of our trade and investment relations with China, including the following elements:

One, the portion of trade in goods and services dedicated by the Chinese Government to military systems;

Two, an analysis of the statements and writings of Chinese officials bearing on the intentions of the Chinese Government regarding military competition with and leverage over the United States and its Asian allies;

Three, the military actions taken by the Chinese Government over the preceding years bearing on the national security of the United States and its Asian allies;

Four, the acquisition by the Chinese Government of advanced military technologies and systems through U.S. trade and Chinese procurement policies;

Five, the use of financial transactions, capital flows, and currency manipulations to affect the national security of the United States;

Six, actions taken by the Chinese Government in the context of the WTO which are adverse to U.S. national security interests;

Seven, an overall assessment of the state of any security challenges to the U.S. by the Chinese Government and whether the trend from previous years is increasing or declining; and finally, the commission would also provide recommendations for action, including any use of the national defense waiver provision that already exists in the GATT Treaty, and applies to the WTO. This article, article 21 of the GATT, has never been used by any nation state, but remains available to be triggered if the Congress finds some aspect of our growing relationship with China on the trade account which adversely affects our national security and needs to be stopped or somehow moderated.

In addition to these matters, there is also growing concern over the activities of China in transferring missile technologies to other nations, affecting the security of the United States and, also, our Asian allies. The proliferation of such technologies to Pakistan is the subject of ongoing discussions between the United States and the Government of China. Unfortunately, the Chinese have given no sign that they intend to halt their highly dangerous trade in missile technologies and components.

Many Senators have expressed their concern over this practice, including the distinguished Senator from Tennessee, Mr. THOMPSON, and the distinguished Senator from New Jersey, Mr. TORRICELLI. It is my intention, and my expectation, and it is the intention of my very close and dear colleague, Senator WARNER—it is our intention and expectation that the U.S.-China Security Review Commission will investigate, report and make recommendations on Chinese trade in missile components, which affects our long-term security and that of our Asian allies. In this amendment by Mr. WARNER and myself, both paragraphs (E), dealing with military actions taken by the Chinese Government, and (J), requiring an overall assessment of the state of the security challenges presented by China to the United States provide ample mandate to the commission to conduct such investigations on a regular basis.

I will be happy to yield the floor to my colleague, Mr. WARNER.

I cannot yield the floor to another Senator. I yield the floor.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I am, indeed, very honored to be a principal cosponsor with my friend and fellow member of the Armed Services Committee on this piece of legislation. This is a very important step. China should not perceive this as a threat. China should not perceive this in any other way than a positive step by the Congress to establish or keep in place this ongoing commission for the purpose of advising the Congress from time to time.

We do not have as individual Members—of course, our committees perform oversight, but we do not have an opportunity, on a daily or weekly basis, to monitor the various criteria as set forth in the Byrd-Warner legislation. This commission will, again, be established by the Congress with six Members appointed by the Senate and six Members appointed by the House in a bipartisan manner, and it will be the watchdog to inform us from time to time.

China in this millennium will compete with the United States, the world's only superpower, on a broad range of fronts—not just foreign affairs, not just national security, not just trade and economics, but in areas which we cannot even envision tonight, as this new millennium unfolds and this cyberspace in which we are all involved engulfs us day after day. The distinguished Senator from West Virginia pointed out some representations by certain individuals in China about their desire to get more involved in cyberspace for national security reasons. That is one of the important functions of this commission.

I am very pleased to join with him because China will be the competitor.

The Senate and the House—the Congress collectively—needs its own resource, and I underline that. I commend my distinguished colleague and friend from West Virginia.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. WARNER. Yes.

Mr. BYRD. Otherwise, the Congress is at the mercy of an administration—the administration—for information.

Mr. WARNER. That is correct.

Mr. BYRD. In this case, this commission will report to the Congress, so we do not have to depend upon information from the Executive; we have our own.

Mr. WARNER. Of course, Mr. President, from time to time, committees of this body—indeed, the Committee on Foreign Relations, the Committee on Armed Services, the Governmental Affairs Committee—take active roles, but they do not do it every single day as this commission will monitor, together with the chairman and members and the staff.

Mr. BYRD. Yes.

Mr. WARNER. I yield the floor.

Mr. ROTH. Mr. President, I rise today in opposition to the amendment offered by my distinguished colleague from West Virginia, Mr. BYRD. I do so because the commission created by this legislation is, in my view, flawed. That is why I tried to work with my good friend from West Virginia to address the concerns that I am raising. Unfortunately, we were unable to come to an agreement. For the following reasons, I must oppose this amendment and I urge my colleagues to do the same.

First, let me say that if my colleague's intent is to establish a commission to provide sound advice to Congress regarding our broader relationship with China and its effect on our national security, then there are ways to create a meaningful mechanism for doing just that. One, for example, would have been to build the Senator's concerns into the quadrennial defense review required under previous versions of the National Defense Authorization Act. By giving the responsibility to a standing body like the National Defense Panel that already conducts the quadrennial defense review, we would have saved the taxpayers' money, while getting the benefit of the unchallenged expertise of many of the foremost authorities on our national security and on military matters. And, we would have put the report in Congress' hands by next spring.

Instead, my colleague has adopted an approach I have not seen in my years in the Senate. He wants to take the commissioners, staff and clerical personnel of a commission constructed for very different purposes and employ it to look at our security relationship with China. That commission—the Trade Deficit Review Commission—is staffed with commissioners and staff appointed due to their expertise in economic policy. Frankly, this is simply the wrong group to undertake a serious review of the impact on our national security of our relationship with China. And, there is absolutely no benefit in terms of accelerating the progress toward a final report when compared to giving the responsibility to the National Defense Panel.

I must say that I do not understand my friend's interest in perpetuating the life of the Trade Deficit Review Commission for this task. The Trade Deficit Review Commission is already overdue in providing us its report on the trade deficit. My expectation when we created that commission was that we would have had its work product by now. Instead, my colleague recently supported a three-month extension so the Trade Deficit Review Commission could complete its now amply-delayed report. In my view, we should let the Trade Deficit Commission complete its existing work, rather than burdening it with new responsibilities, even if only administrative in nature, before it has completed its primary task.

Second, I am concerned that the way the issues as stated in my friend's bill could be read to imply that the United States already considers China an enemy and a threat to our national security. China clearly is an emerging force in the international arena. In many ways, China's emergence could be beneficial to the United States. There are, nonetheless, concerns, which I share, regarding the PRC's behavior on security-related matters. Those issues bear careful scrutiny.

Having said that, it should also be clear that the shape and direction of the relationship between our countries is evolving and remains to be shaped. What that suggests is the need for a thoughtful, comprehensive and, most importantly, balanced review of the security implications of our bilateral relationship with China. That is, in fact, what I suggested to my colleague we should do.

Third, I offered my friend my thoughts on the technical changes needed to make the commission's job clear. I worry, however, that, as it stands now, the commission's duties will be extremely difficult for any commissioner to decipher. For example, the proposed commission is supposed to examine the "portion of trade in goods and services that the People's Republic of China dedicates to military systems or systems of a dual nature that could be used for military purposes." The problem is no country dedicates its trade to military systems. That is simply not a meaningful concept. I am not even sure what a "system of a dual nature" is? It is, furthermore, literally impossible for a country to dedicate a portion of a trade surplus to its military budget because a trade surplus is not cash in hand, as the proposal implies.

Similarly, the proposal simply misunderstands the nature of the World Trade Organization and particularly Article XXI if it asks for recommendations as to how China's participation there would harm us or whether Article XXI should be more frequently invoked. What the WTO provides is a forum in which to negotiate the reduction of tariffs and other trade barriers. What do we have to fear from China lowering its trade barriers in national security terms? As to Article XXI, that provision is invoked when we do something to China in trade terms, not when China does something to us.

That leads me to my final point. What the statement of the proposed commission's duties makes clear, and what I object to most strongly to, is its premise. There are many issues that I could conceive of addressing in a serious, comprehensive and balanced review of our security relationship with China. Issues related to regional stability and weapons proliferation to name just two. But, what this amendment suggests is that our commercial engagement with China somehow threatens our national security interests—that in some way, the fact that we buy toys and appliances from the Chinese, and the fact that they buy agricultural products and heavy equipment from us endangers the American people. That is simply not the case.

Nor is there anything about China's upcoming accession to the World Trade Organization that makes such a review any more relevant. After all, China has committed to open its market to our goods and services to gain entry to the WTO. China's accession to the WTO does nothing to reduce our security. If anything, it reduces a point of friction in our relationship with China in a way that is only positive.

Under the circumstances, I cannot support the creation of a permanent commission with an uncertain mission that would not reach many of the fundamental issues that should be addressed in our relationship with China. I urge my colleagues to oppose the amendment as well.

Mr. BYRD. Mr. President, will the clerk read the other cosponsors of the amendment, in addition to Mr. WARNER and myself.

The PRESIDING OFFICER. The clerk will read the names.

The assistant legislative clerk read as follows:

Mr. BYRD, for himself, Mr. WARNER, Mr. LEVIN, Mr. HOLLINGS, Mr. HELMS, Mr. BREAUX, Mr. HATCH, Mr. CAMPBELL, Mrs. LINCOLN, and Mr. WELLSTONE.

Mr. BYRD. I thank the Chair, and I thank the clerk.

Mr. President, I ask for a vote on the amendment.

Mr. WARNER. Mr. President, with the concurrence of my distinguished senior colleagues, I urge adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 3794.

The amendment (No. 3794) was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 3767, as amended.

The amendment (No. 3767), as amended, was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WARNER. I thank the Chair.

Mr. BYRD. Do we not wish to proceed on the vote on the amendment in the first degree, as amended?

The PRESIDING OFFICER. We have agreed to the first and the second-degree amendments.

Mr. BYRD. I thank the Chair. I thank all Senators. And I thank my colleague, Mr. WARNER.

Mr. WARNER. I thank my colleague, the senior Senator from West Virginia.

Now, from the unanimous consent agreement, the distinguished Senator from Wisconsin is to be recognized.

### AMENDMENT NO. 3759

(Purpose: To terminate production under the D5 submarine-launched ballistic missile program)

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin is recognized.

Mr. FEINGOLD. Mr. President, I call up amendment No. 3759 and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Wisconsin [Mr. FEINGOLD], for himself, Mr. HARKIN, Mr. WELLSTONE, and Mr. WYDEN, proposes an amendment numbered 3759.

Mr. FEINGOLD. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 31, between lines 18 and 19, insert the following:

### SEC. 126. D5 SUBMARINE-LAUNCHED BALLISTIC MISSILE PROGRAM.

(a) Reduction of Amount for Program.—Notwithstanding any other provision of this Act, the total amount authorized to be appropriated by this Act is reduced by $462,733,000.

(b) Prohibition.—None of the remaining funds authorized to be appropriated by this Act after the reduction made by subsection (a) may be used for the procurement of D5 submarine-launched ballistic missiles or components for D5 missiles.

(c) Termination of Program.—The Secretary of Defense shall terminate production of D5 submarine ballistic missiles under the D5 submarine-launched ballistic missile program after fiscal year 2001.

(d) Payment of Termination Costs.—Funds available on or after the date of the enactment of this Act for obligation for the D5 submarine-launched ballistic missile program may be obligated for production under that program only for payment of the costs associated with the termination of production under this Act.

(e) Inapplicability to Missiles in Production.—Subsections (c) and (d) do not apply to missiles in production on the date of the enactment of this Act.

Mr. FEINGOLD. Mr. President, quite simply, this amendment will terminate the future production of the Navy's Trident II missile. I am pleased to be joined in this effort by the Senator from Iowa, Mr. HARKIN, the Senator from Minnesota, Mr. WELLSTONE, and the Senator from Oregon, Mr. WYDEN.

I have made it a priority to seek to eliminate unnecessary Government spending. To the occasional consternation of some in this Chamber and elsewhere, I have come to the floor time and time again to try to scale back or terminate costly Federal programs, many of which have outlived their usefulness.

In my view, the Trident II program is just the kind of cold war relic that we can and should eliminate.

The Trident II, also called the D–5, is the Navy's submarine-launched ballistic missile. It was designed specifically to be a first-strike strategic missile that would attack targets inside the Soviet Union from waters off the continental United States.

By halting further production of the Trident II missile, we would save American taxpayers more than $460 million in fiscal year 2001 alone, and according to the CBO, we would save $2.6 billion over the next 10 years, from 2001 to 2010.

The Navy now has in its arsenal 372 Trident II missiles, and has requested funding this year for an additional 12. The legislation currently before this body includes more than $430 million for those additional 12 missiles.

It also authorizes an additional $28.8 million for advanced procurement for still more Trident II missiles that the Navy hopes to purchase in future years.

Let me be clear. My amendment would halt production of additional Trident II missiles. It does not in any way prevent the Navy from operating or maintaining its current arsenal of 372 Trident II missiles.

I would like to take a moment to talk about the Trident II, its predecessor, the Trident I, and the reasons why I believe this Trident II program should be terminated.

The Trident II is deployed aboard the Navy's fleet of 18 Ohio-class submarines. Ten of these subs are equipped with Trident II missiles. The oldest eight subs in the fleet are equipped with the older Trident I, or C-4, missile.

The Navy is already moving toward downsizing its Trident fleet from 18 to 14 in order to comply with the provisions of the START II treaty. Some observers suggest simply retiring the four oldest Ohio-class submarines in order to achieve that goal. Others support converting those subs, which carry the older Trident I missle, to carry conventional missiles. The CBO estimates that this conversion alone would cost about $3.3 billion over 10 years.

That leaves four other submarines that are equipped with the older Trident I missiles. The Navy wants to backfit those four subs to carry newer Trident II missiles.

The Navy's current goal is to have 14 submarines with 24 Trident II missiles each, for a total of 336 missiles, with a number of additional missiles for testing purposes. The CBO estimates that a total of 425 missiles would be required to fully arm 14 submarines and have sufficient missiles also for testing. That would mean the purchase of at least 53 more missiles.

We already have 372 Trident II missiles—more than enough to fully arm the 10 existing Trident II submarines and to maintain an inventory for testing. So why do we need 12 more?

Why do we need to spend the taxpayers' money on advanced procurement to buy even more missiles in future years?

And why do we need to backfit the aging remains of the Trident I fleet at all? Ten fully-equipped Trident II submarines are more than capable of being an effective deterrent against the moth-balled Russian submarine fleet and against the ballistic missile aspirations of rogue states, including China and North Korea.

And the aging Trident I subs won't outlast the Trident I missiles they currently carry, let alone the additional Trident II missiles the Navy wants to build for them to the tune of about $40 million per missile.

The CBO has recommended terminating the further production of the Trident II missile, which would save $2.6 billion over the next 10 years, and retiring all eight of the Trident I submarines, which would save an additional $2.3 billion over the next 10 years, for a total savings of $4.9 billion.

I do recognize that there is still a potential threat from rogue states and from independent operators who seek to acquire ballistic missiles and other weapons of mass destruction. I also recognize that our submarine fleet and our arsenal of strategic nuclear weapons still have an important role to pay in warding off these threats. Their role, however, has diminished dramatically from what it was at the time of the cold war. Our missile procurement decisions should really reflect that change and it should reflect the realities of the post-cold-war world.

Our existing inventory of 372 Trident II missiles is far superior to any other country on the globe. And each of these missiles contains eight independently targetable nuclear warheads, for a total of 192 warheads per submarine. The 372 missiles currently in the Navy's inventory contain 2,976 warheads. Each warhead packs between 300 to 450 kilotons of explosive power.

For a comparison—which is really quite striking—the first atomic bomb that the United States dropped on Hiroshima generated 15 kilotons of force. Let's do the math for just one fully-equipped Trident II submarine.

Each warhead can generate up to 450 kilotons of force. Each missile has eight warheads, and each submarine has 24 missiles. That equals 86.4 megatons of force per submarine. That is the equivalent of 5,760 Hiroshimas. Let me say that again: the power of 5,760 Hiroshimas on just one submarine.

The Navy currently has 10 such submarines, and they want to backfit another four with these devastating weapons. It is hard to imagine why we need to procure more of these weapons when those we already have could destroy the Earth many times over.

And it is especially hard to comprehend why we need more Trident II missiles when we take into account the fact that the Trident II is only one of the several types of ballistic missiles the Department of Defense has in its arsenal.

The world is changing. Earlier this year, the Russian Duma ratified the START II treaty, a move that seemed highly unlikely just 1 year ago. And Russia has also ratified the Comprehensive Nuclear Test Ban Treaty, something that this body regrettably failed to do last fall.

I cannot understand the need for more Trident II missiles at a time when the Governments of the United States and Russia are in negotiations to implement START II and are also discussing a framework for START III. These agreements call for reductions in our nuclear arsenal, not increases. To spend scarce resources on building more missiles now is short sighted and could seriously undermine our efforts to negotiate further arms reductions with Russia.

The debate on the underlying legislation is one about priorities. We should stop spending taxpayer dollars on defense programs that have unfortunately survived the cold war and should instead concentrate on military readiness and better pay and benefits for our men and women in uniform.

So I urge my colleagues to support this sensible amendment, which has been endorsed by Taxpayers for Common Sense, the Center for Defense Information, the Peace Action Education Fund, the Union of Concerned Scientists, the Council for a Liveable World, Physicians for Social Responsibility, and the 20/20 Vision Education Fund.

Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. FEINGOLD. I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ALLARD. Mr. President, I rise in opposition to the Feingold amendment. I happen to believe we need a strong national defense. I think an important ingredient in having a strong national defense is that we have a defense system that is technologically advanced over any opposition we may face in the world; that we have a versatile defense system; and that we have some mobility so we can avoid duplication.

A key ingredient of a strong national defense is our submarine program, which includes the submarine-launched ballistic missile. An important part of a submarine-launched ballistic missile is the D–5.

The Feingold amendment would cut $462.7 million in funds to procure the Trident D–5 missiles and, in effect, would terminate the D–5 production program. For that reason, I strongly oppose this amendment.

The Department of Defense also happens to oppose this amendment. That was not an easy decision. There was a lot of consideration on what should be the proper level of defense and how submarine defenses should be a part of that. The Navy, after a considerable amount of thought, decided they needed to outfit a total of 14 Trident submarines with the D–5 missile. This will require a total inventory of 425 Trident missiles. With the fiscal year 2000 budget, the Navy will have 53 missiles left to procure to meet this inventory objective. We have gone through most of the program. We are not going to have much left, as far as funding missiles, after this fiscal year.

In 1994, there was a nuclear posture review. This review was done by the Department of Defense and it has been persistently evaluated. The conclusion is that the U.S. needs 14 Trident submarines at a minimum to be able to maintain a two-ocean SLBM force that is stabilizing, operationally effective, and which enhances deterrence.

The Department of Defense is planning on maintaining 14 Trident submarines for the foreseeable future regardless of arms control developments. Current plans are to maintain 14 boats under START II as well as under START III. Terminating the D–5 program, after fiscal year 2000, would mean the Navy would only have enough missiles to outfit 11 boats. Over time, as operational flight testing uses up an already inadequate missile inventory, you begin to reduce the number of submarines you would be able to maintain on operational status even further. We would decidedly have a lack of missiles to meet the goal for a two-ocean SLBM force.

The Feingold amendment cuts the entire fiscal year 2001 budget request for D–5 production. However, even if the Congress wanted to terminate the D–5 program following the fiscal year 2001 procurement, the Navy would still need to spend over $330 million in procurement funds to terminate the production program. Hence, the Feingold amendment would not only prematurely stop production, but it would also preclude orderly termination of the program.

Way back in January of this year, in a report to Congress, the Secretary of Defense stated that the impact of procuring less than 425 of the D–5 missiles would be very severe. Specifically, the Secretary of Defense indicated that such a decision would have adverse impacts on the effectiveness of the U.S. strategic deterrent, severely weaken reliability, accuracy, and safety assessments associated with the D–5 operational flight test program, and would undermine the strategic missile industrial and production base of the United States at a time when the D–5 missile is the only strategic missile still in production.

The Secretary's report also indicated that termination of the D–5 missile before the planned completion of 425 missiles would result in a unilateral reduction of deployed U.S. strategic warheads in both the START I and the START II regimes and is not consistent with U.S. START III plans.

The Navy also looked at retaining older C–4 missiles to fill in the lack of the D–5 missiles. It concluded that this would be even more costly and inefficient than simply completing the D–5 production run.

With only 53 missiles to procure, termination at this point will produce only marginal savings and will have a severe operational impact on our ability to maintain a stable deterrent force.

It is based on these factors that I strongly urge my colleagues to oppose the amendment by the Senator from Wisconsin.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I appreciate the opportunity to debate this with the Senator from Colorado. I will clear up a couple of factual points before I make a few general statements.

First, as I understand it, the question of termination costs will not be a problem that will be absorbed because of this amendment, because any unexpended funds can be used for purposes of the termination costs. I don't think that is a major objection.

Secondly, I believe the Senator suggested this would have some impact on missiles already in production. That is not the case. That is not the way our amendment is drafted. That is not what it will do.

The most important point is that the Senator from Colorado indicates that these missiles are a key ingredient in our national defense. Let's assume that is the case. The fact is, we already have 372 of these missiles. I believe the burden is on those asking for this additional funding to show that that is not enough.

Assuming it is a key ingredient, do we really need more than 372? Do we really need these additional 53 missiles? As I indicated earlier, we have 2,976 warheads based on our current 372 missiles, and that is the equivalent of 25,760 Hiroshimas per submarine. I think the burden is on those wanting to spend this additional money to show that we need a stronger deterrent than that.

The Senator from Colorado suggested adverse impacts on deterrence if we don't do these additional 12. After 25,760 Hiroshimas per submarine, we need additional deterrence? I didn't hear a single statement from the Senator from Colorado suggesting exactly what the real adverse impacts are of just not doing these additional missiles.

I suggest the money is desperately needed not only in general but, even within the defense budget, for the people who serve our country, their pay, their conditions, their housing, readiness, including that of the National Guard, for example. In my State, the people in the National Guard desperately need these resources, for example, for inventory, for training. They are very strapped. They are now taking a great deal of responsibility for our standing Army. To me, the priorities are wrong. We have more than adequate deterrence with these 372 missiles.

I suggest the case has not been made, as it must be, by those who want to make the expenditure for these additional missiles.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ALLARD. Mr. President, I will respond, if I may.

The amendment cuts funds which would require termination of the program, plain and simple. DOD has repeatedly reviewed that very question. Each time they have concluded we need 53 additional missiles.

Keep in mind, the goal originally was set up that we needed to maintain a submarine force in the Pacific Ocean as well as the Atlantic Ocean. It was determined that, at a minimum, we had to have 14 submarines, and we needed to have them adequately armed in order to provide the defenses we need.

The Trident submarine is the core of the U.S. strategic deterrent force, and the Trident force is the most survivable leg of our strategic triad.

I think it is important we go ahead and complete this program, recognizing that we are towards the end of manufacturing of the missiles.

I think it only makes sense that we complete it and maintain a strong defense. I believe a strong defense does serve as a deterrent, and it helps assure world peace. For that reason, I strongly oppose the amendment of the Senator from Wisconsin.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin has 3 minutes 25 seconds.

Mr. FEINGOLD. Mr. President, I don't know how much more I will debate this. I want to respond to the point about the study and analysis that the Senator from Colorado appears to rely on most exclusively. That analysis was done prior to the time the Russian Duma approved START II. This is an example. It is not looking at the present relationship we have and our goals with regard to Russia and the future negotiations, not only with regard to what is going on now, but with START III.

The whole point is that we have to look at current realities, look at what we have—372 missiles—and their capacity, and our goals as to what message we want to send to Russia as we negotiate what is hoped to be a reduction in the nuclear arsenals. I think it is simply not only an unwise expenditure, but also an attitude that does not reflect what we are trying to accomplish with regard to our negotiations with Russia.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ALLARD. Mr. President, I believe I need to respond again. We have had a report as late as January of this year, and it is that we should maintain 14 Trident submarines not only through START I and II, but also START III. So I think this is forward looking. I think it helps us assure our goals of a strong defense. It maintains a versatile force and keeps us technologically advanced, with the mobility we need. I think it is an essential aspect of our defense, and I think it would be foolhardy for us to cut the funds necessary to fully develop the 425 D–5 missiles for the Trident submarine.

I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I yield back the remainder of my time.

Mr. ALLARD. Mr. President, I yield back the remainder of our time on this side.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. WARNER. Mr. President, might I inquire? I was off the floor. Have the yeas and nays been ordered for tomorrow?

The PRESIDING OFFICER. Yes, that is correct.

Mr. WARNER. It is ready to be sequenced tomorrow for the purpose of voting?

The PRESIDING OFFICER. Yes.

Mr. WARNER. I thank the Senators. We are now ready to hear from our distinguished colleague from Illinois, if he is ready.

I will ask our colleague from Illinois two questions. One, on the assumption that Mr. LEVIN will soon return to the floor, I ask if we could interrupt for the purpose of clearing some en bloc amendments, which will enable the staff who otherwise would be here to return to their offices and use their time productively. We will ask for that at the appropriate time. Has the Senator indicated the amount of time he might seek for purposes of debate?

Mr. DURBIN. Mr. President, there are three Members on the floor who will be seeking recognition, and we anticipate a maximum of 60 minutes on this side. I don't know how much is needed on the other side.

Mr. WARNER. I thank the Senator. In looking this over, I am inclined to think that we can, in the course of the conference, gain some support. I hope it remains in a factual manner and that the legislative history you are about to make in terms of your remarks, together with your colleagues, support what is in this amendment.

Mr. DURBIN. Mr. President, I thank the chairman for his forbearance in scheduling this debate. I don't think any of us had hoped it would occur at 8:30 at night, but that is the situation we are in. This is a very important debate.

AMENDMENT NO. 3732

(Purpose: To provide for operationally realistic testing of National Missile Defense systems against countermeasures, and to establish an independent panel to review the testing)

Mr. DURBIN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Illinois [Mr. DURBIN], for himself, Mr. WELLSTONE, Mr. BINGAMAN, Mr. JOHNSON, Mr. KERRY, Mr. KENNEDY, Mr. HARKIN, and Mr. WYDEN, proposes an amendment numbered 3732.

Mr. DURBIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 53, after line 23, insert the following:

### SEC. 243. OPERATIONALLY-REALISTIC TESTING AGAINST COUNTERMEASURES FOR NATIONAL MISSILE DEFENSE.

(a) TESTING REQUIREMENTS.—The Secretary of Defense shall direct the Ballistic Missile Defense Organization—

(1) to include in the ground and flight testing of the National Missile Defense system that is conducted before the system becomes operational any countermeasures (including decoys) that—

(A) are likely, or at least realistically possible, to be used against the system; and

(B) are chosen for testing on the basis of what countermeasure capabilities a long-range missile could have and is likely to have, taking into consideration the technology that the country deploying the missile would have or could likely acquire; and

(2) to determine the extent to which the exoatmospheric kill vehicle and the National Missile Defense system can reliably discriminate between warheads and such countermeasures.

(b) FUTURE FUNDING REQUIREMENTS.—The Secretary, in consultation with the Director of the Ballistic Missile Defense Organization shall—

(1) determine what additional funding, if any, may be necessary for fulfilling the testing requirements set forth in subsection (a) in fiscal years after fiscal year 2001; and

(2) submit the determination to the congressional defense committees at the same time that the President submits the budget for fiscal year 2002 to Congress under section 1105(a) of title 31, United States Code.

(c) REPORT BY SECRETARY OF DEFENSE.—(1) The Secretary of Defense shall, except as provided in paragraph (4), submit to Congress an annual report on the Department's efforts to establish a program for operationally realistic testing of the National Missile Defense system against countermeasures. The report shall be in both classified and unclassified forms.

(2) The report shall include the Secretary's assessment of the following:

(A) The countermeasures available to foreign countries with ballistic missiles that the National Missile Defense system could encounter in a launch of such missiles against the United States.

(B) The ability of the National Missile Defense system to defeat such countermeasures, including the ability of the system to discriminate between countermeasures and reentry vehicles.

(C) The plans to demonstrate the capability of the National Missile Defense system to defeat such countermeasures and the adequacy of the ground and flight testing to demonstrate that capability.

(3) The report shall be submitted not later than January 15 of each year. The first report shall be submitted not later than January 15, 2001.

(4) No annual report is required under this section after the National Missile Defense system becomes operational.

(d) INDEPENDENT REVIEW PANEL.—(1) The Secretary of Defense shall reconvene the Panel on Reducing Risk in Ballistic Missile Defense Flight Test Programs.

(2) The Panel shall assess the following:

(A) The countermeasures available for use against the United States National Missile Defense system.

(B) The operational effectiveness of that system against those countermeasures.

(C) The adequacy of the National Missile Defense flight testing program to demonstrate the capability of the system to defeat the countermeasures.

(3) After conducting the assessment required under paragraph (2), the Panel shall evaluate—

(A) whether sufficient ground and flight testing of the system will have been conducted before the system becomes operational to support the making of a determination, with a justifiably high level of confidence, regarding the operational effectiveness of the system;

(B) whether adequate ground and flight testing of the system will have been conducted, before the system becomes operational, against the countermeasures that are likely, or at least realistically possible, to be used against the system and that other countries have or likely could acquire; and

(C) whether the exoatmospheric kill vehicle and the rest of the National Missile Defense system can reliably discriminate between warheads and such countermeasures.

(4) Not later than March 15, 2001, the Panel shall submit a report on its assessments and evaluations to the Secretary of Defense and to Congress. The report shall include any recommendations for improving the flight testing program for the National Missile Defense system or the operational capability of the system to defeat countermeasures that the Panel determines appropriate.

(e) COUNTERMEASURE DEFINED.—In this section, the term "countermeasure"—

(1) means any deliberate action taken by a country with long-range ballistic missiles to defeat or otherwise counter a United States National Missile Defense system; and

(2) includes, among other actions—

(A) use of a submunition released by a ballistic missile soon after the boost phase of the missile;

(B) use of anti-simulation, together with such decoys as Mylar balloons, to disguise the signature of the warhead; and

(C) use of a shroud cooled with liquid nitrogen to reduce the infrared signature of the warhead.

Mr. DURBIN. Mr. President, what we are going to discuss this evening is one of the most expensive, and perhaps one of the most important, elements in our Nation's national defense. We are going to discuss the national missile defense system.

The reason for its importance, I guess, could be summarized in several ways. First, it is an extraordinary expenditure of money. It is anticipated that if we are going to meet our first goal by 2005, we will spend up to $60 billion. That is an exceptional expenditure, even by Federal standards, even by the standards of the Department of Defense.

Second, those who support this system are telling us that our goal is to basically protect America from attack by rogue missiles, by those enemies of the United States who might launch a missile at us and threaten our cities and population. So the importance of the system we are talking about cannot be overstated.

Third, we know that if we go forward with this, we run the risk of complicating our negotiations with other countries in the world—particularly Russia and China—about the reduction in their nuclear arsenals. So this is high-stakes poker. We are talking about a decision, in terms of our national defense, which may be one of the most important in history.

I have a very straightforward amendment that will require that the national missile defense system test realistic countermeasures before becoming operational, and that an independent review panel—the Welch panel—assess the testing program in light of these countermeasure problems. The President is slated to decide soon whether to deploy a national missile defense system. This bill we are debating authorizes spending almost $5 billion in the next fiscal year for this program.

The Congressional Budget Office has estimated the contemplated national missile defense total cost at $60 billion, when all components are considered. Whether one thinks that deciding to deploy a national missile defense system at this moment is a good idea or not, I hope we can all agree that once that system becomes operational, it should work. If we are going to spend $60 billion, we ought to have a high level of confidence that it will in fact protect us from rogue states firing a missile. If the fate of America will truly hang in the balance, we owe this Nation and every family and every mother, father, and child our very best effort in building a credible, effective deterrence.

Such a high level of confidence is not possible until this system is tested against likely responses from emerging missile states, known as countermeasures or decoys. If the missile system cannot discriminate between warheads and decoys, it is, as a practical matter, useless because enemies will simply be able to overwhelm it with cheap decoys.

At this point, I will yield time to my colleagues who have gathered here to be part of this debate. At the end of their statements, I will reclaim my time and conclude.

Mr. WARNER. Mr. President, I ask at this time if I may clear some amendments and ask unanimous consent that the time consumed by the two managers not in any way be counted against the time for the Senator from Illinois.

The PRESIDING OFFICER. Without objection, it is so ordered.

### AMENDMENTS NOS. 3733, 3734, 3737, AND 3762, AS MODIFIED, EN BLOC

Mr. WARNER. Mr. President, Senator LEVIN and I have several amendments cleared by myself and the ranking member, some of which have been modified. I call up amendments Nos. 3733, 3737, 3734, and I send to the desk a modified version of amendment No. 3762. I ask unanimous consent that these amendments be considered en bloc, that the Senate agree to the amendments, and that the motions to reconsider be laid on the table.

Finally, I ask unanimous consent that statements relating to individual amendments be printed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments (Nos. 3733, 3734, 3737, and 3762, as modified) were agreed to, as follows:

### AMENDMENT NO. 3733

(Purpose: To authorize grants for the maintenance, repair, and renovation of school facilities that serve dependents of members of the Armed Forces and Department of Defense employees)

On page 123, between lines 12 and 13, insert the following:

**SEC. 377. ASSISTANCE FOR MAINTENANCE, REPAIR, AND RENOVATION OF SCHOOL FACILITIES THAT SERVE DEPENDENTS OF MEMBERS OF THE ARMED FORCES AND DEPARTMENT OF DEFENSE CIVILIAN EMPLOYEES.**

(a) GRANTS AUTHORIZED.—Chapter 111 of title 10, United States Code, is amended—

(1) by redesignating section 2199 as section 2199a; and

(2) by inserting after section 2198 the following new section:

**"§2199. Quality of life education facilities grants**

"(a) REPAIR AND RENOVATION ASSISTANCE.—(1) The Secretary of Defense may make a grant to an eligible local educational agency to assist the agency to repair and renovate—

"(A) an impacted school facility that is used by significant numbers of military dependent students; or

"(B) a school facility that was a former Department of Defense domestic dependent elementary or secondary school.

"(2) Authorized repair and renovation projects may include repairs and improvements to an impacted school facility (including the grounds of the facility) designed to ensure compliance with the requirements of the Americans with Disabilities Act or local health and safety ordinances, to meet classroom size requirements, or to accommodate school population increases.

"(3) The total amount of assistance provided under this subsection to an eligible local educational agency may not exceed $5,000,000 during any period of two fiscal years.

"(b) MAINTENANCE ASSISTANCE.—(1) The Secretary of Defense may make a grant to an eligible local educational agency whose boundaries are the same as a military installation to assist the agency to maintain an impacted school facility, including the grounds of such a facility.

"(2) The total amount of assistance provided under this subsection to an eligible local educational agency may not exceed $250,000 during any fiscal year.

"(c) DETERMINATION OF ELIGIBLE LOCAL EDUCATIONAL AGENCIES.—(1) A local educational agency is an eligible local educational agency under this section only if the Secretary of Defense determines that the local educational agency has—

"(A) one or more federally impacted school facilities and satisfies at least one of the additional eligibility requirements specified in paragraph (2); or

"(B) a school facility that was a former Department of Defense domestic dependent elementary or secondary school, but assistance provided under this subparagraph may only be used to repair and renovate that facility.

"(2) The additional eligibility requirements referred to in paragraph (1) are the following:

"(A) The local educational agency is eligible to receive assistance under subsection (f) of section 8003 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703) and at least 10 percent of the students who were in average daily attendance in the schools of such agency during the preceding school year were students described under paragraph (1)(A) or (1)(B) of section 8003(a) of the Elementary and Secondary Education Act of 1965.

"(B) At least 35 percent of the students who were in average daily attendance in the schools of the local educational agency during the preceding school year were students described under paragraph (1)(A) or (1)(B) of section 8003(a) of the Elementary and Secondary Education Act of 1965.

"(C) The State education system and the local educational agency are one and the same.

"(d) NOTIFICATION OF ELIGIBILITY.—Not later than June 30 of each fiscal year, the Secretary of Defense shall notify each local educational agency identified under subsection (c) that the local educational agency is eligible during that fiscal year to apply for a grant under subsection (a), subsection (b), or both subsections.

"(e) RELATION TO IMPACT AID CONSTRUCTION ASSISTANCE.—A local education agency that receives a grant under subsection (a) to repair and renovate a school facility may not also receive a payment for school construction under section 8007 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7707) for the same fiscal year.

"(f) GRANT CONSIDERATIONS.—In determining which eligible local educational agencies will receive a grant under this section for a fiscal year, the Secretary of Defense shall take into consideration the following conditions and needs at impacted school facilities of eligible local educational agencies:

"(1) The repair or renovation of facilities is needed to meet State mandated class size requirements, including student-teacher ratios and instructional space size requirements.

"(2) There is a increase in the number of military dependent students in facilities of the agency due to increases in unit strength as part of military readiness.

"(3) There are unhoused students on a military installation due to other strength adjustments at military installations.

"(4) The repair or renovation of facilities is needed to address any of the following conditions:

"(A) The condition of the facility poses a threat to the safety and well-being of students.

"(B) The requirements of the Americans with Disabilities Act.

"(C) The cost associated with asbestos removal, energy conservation, or technology upgrades.

"(D) Overcrowding conditions as evidenced by the use of trailers and portable buildings and the potential for future overcrowding because of increased enrollment.

"(5) The repair or renovation of facilities is needed to meet any other Federal or State mandate.

"(6) The number of military dependent students as a percentage of the total student population in the particular school facility.

"(7) The age of facility to be repaired or renovated.

"(g) DEFINITIONS.—In this section:

"(1) LOCAL EDUCATIONAL AGENCY.—The term 'local educational agency' has the meaning given that term in section 8013(9) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7713(9)).

"(2) IMPACTED SCHOOL FACILITY.—The term 'impacted school facility' means a facility of a local educational agency—

"(A) that is used to provide elementary or secondary education at or near a military installation; and

"(B) at which the average annual enrollment of military dependent students is a high percentage of the total student enrollment at the facility, as determined by the Secretary of Defense.

"(3) MILITARY DEPENDENT STUDENTS.—The term 'military dependent students' means students who are dependents of members of the armed forces or Department of Defense civilian employees.

"(4) MILITARY INSTALLATION.—The term 'military installation' has the meaning given that term in section 2687(e) of this title.".

(b) AMENDMENTS TO CHAPTER HEADING AND TABLES OF CONTENTS.—(1) The heading of chapter 111 of title 10, United States Code, is amended to read as follows:

**"CHAPTER 111—SUPPORT OF EDUCATION".**

(2) The table of sections at the beginning of such chapter is amended by striking the item relating to section 2199 and inserting the following new items:

"2199. Quality of life education facilities grants.
"2199a. Definitions.".

(3) The tables of chapters at the beginning of subtitle A, and at the beginning of part III of subtitle A, of such title are amended by striking the item relating to chapter 111 and inserting the following:

**"111. Support of Education ................ 2191".**

(c) FUNDING FOR FISCAL YEAR 2001.—Amounts appropriated in the Department of Defense Appropriations Act, 2001, under the heading "QUALITY OF LIFE ENHANCEMENTS, DEFENSE" may be used by the Secretary of Defense to make grants under section 2199 of title 10, United States Code, as added by subsection (a).

### AMENDMENT NO. 3734

(Purpose: To postpone implementation of the Defense Joint Accounting System (DJAS) pending an analysis of the system)

On page 123, between lines 12 and 13, insert the following:

**SEC. 377. POSTPONEMENT OF IMPLEMENTATION OF DEFENSE JOINT ACCOUNTING SYSTEM (DJAS) PENDING ANALYSIS OF THE SYSTEM.**

(a) POSTPONEMENT.—The Secretary of Defense may not grant a Milestone III decision for the Defense Joint Accounting System (DJAS) until the Secretary—

(1) conducts, with the participation of the Inspector General of the Department of Defense and the inspectors general of the military departments, an analysis of alternatives to the system to determine whether the system warrants deployment; and

(2) if the Secretary determines that the system warrants deployment, submits to the congressional defense committees a report certifying that the system meets Milestone I and Milestone II requirements and applicable requirements of the Clinger-Cohen Act of 1996 (divisions D and E of Public Law 104–106).

(b) DEADLINE FOR REPORT.—The report referred to in subsection (a)(2) shall be submitted, if at all, not later than March 30, 2001.

### AMENDMENT NO. 3737

(Purpose: To repeal the prohibition on use of Department of Defense funds for the procurement of a nuclear-capable shipyard crane from a foreign source)

On page 32, after line 24, add the following:

**SEC. 142. REPEAL OF PROHIBITION ON USE OF DEPARTMENT OF DEFENSE FUNDS FOR PROCUREMENT OF NUCLEAR-CAPABLE SHIPYARD CRANE FROM A FOREIGN SOURCE.**

Section 8093 of the Department of Defense Appropriations Act, 2000 (Public Law 106–79; 113 Stat. 1253) is amended by striking subsection (d), relating to a prohibition on the use of Department of Defense funds to procure a nuclear-capable shipyard crane from a foreign source.

AMENDMENT NO. 3762, AS MODIFIED

(Purpose: To provide for the humane administration of Department of Defense secrecy oaths and policies, consistent with national security needs, where workers and communities at nuclear weapons facilities may have had their health compromised by exposure to radioactive and other hazardous substances)

On page 415; between lines 2 and 3, insert the following:

**SEC. 1061. SECRECY POLICIES AND WORKER HEALTH.**

(a) Review of Secrecy Policies.—The Secretary of Defense in consultation with the Secretary of Energy shall review classification and security policies and; within appropriate national security constraints, ensure that such policies do not prevent or discourage employees at former nuclear weapons facilities who may have been exposed to radioactive or other hazardous substances associated with nuclear weapons from discussing such exposures with appropriate health care providers and with other appropriate officials. The policies reviewed should include the policy to neither confirm nor deny the presence of nuclear weapons as it is applied to former U.S. nuclear weapons facilities that no longer contain nuclear weapons or materials.

(c) Notification of Affected Employees.—(1) The Secretary of Defense in consultation with the Secretary of Energy shall seek to identify individuals who are or were employed at Department of Defense sites that no longer store, assemble, disassemble, or maintain nuclear weapons.

(2) Upon determination that such employees may have been exposed to radioactive or hazardous substances associated with nuclear weapons at such sites, such employees shall be notified of any such exposures to radiation, or hazardous substances associated with nuclear weapons.

(3) Such notification shall include an explanation of how such employees can discuss any such exposures with health care providers who do not possess security clearances without violating security or classification procedures or, if necessary, provide guidance to facilitate the ability of such individuals to contact health care providers with appropriate security clearances or discuss such exposures with other officials who are determined by the Secretary of Defense to be appropriate.

(d) The Secretary of Defense in consultation with the Secretary of Energy shall, no later than May 1, 2001, submit a report to the Congressional Defense Committees setting forth:

(1) the results of the review in paragraph (a) including any changes made or recommendations for legislation; and

(2) the status of the notification in paragraph (b) and an anticipated date on which such notification will be completed.

AMENDMENT NO. 3733

Mrs. HUTCHISON. Mr. President, I am deeply concerned about the condition of the classrooms within our military dependent schools. A number of our classrooms contain asbestos, roofs leak, classes are overcrowded, three or four teachers have to share the same desk, science labs are 30 plus years old and potentially unsafe, and some schools are not in compliance with the American with Disabilities Act.

I am ashamed that military families who live on base are forced to send their kids to school facilities in these conditions. I was even more disturbed when I found out the many other school districts that teach large numbers of military dependents have similar infrastructure problems.

Amazingly most kids have done well despite this environment but I worry about the impact the deteriorating school facilities has on declining military retention and recruitment. The condition of these schools is clearly a quality of life issue for military families.

Mr. President, I offer an amendment today to help alleviate these problems and ensure a safe and comfortable learning environment for more than 80,000 children of members of our armed forces.

My amendment establishes a grant program within the Department of Defense to assist school districts with repair and renovation costs for facilities used to educate large numbers of military kids. The program would enable qualified school districts to apply for grants up to $5 million every two years to help meet health and safety, class size, ADA, asbestos removal, and technology requirements.

The program would also assist school districts faced with significant enrollment increases due to increases in on-base housing or mission changes. Lastly, school districts could seek assistance for repair and renovation costs of Department of Defense owned schools being transferred to a local school district.

For example, at Robins Air Force Base in Georgia a DOD owned elementary school is being transferred to the local school district but $4 million in repairs is needed to bring the school up to the local district's safety and fire standards.

Why is Department of Defense assistance needed? Most of the school districts serving large numbers of military children have limited bonding ability or no tax base to raise the necessary capital funding.

For example, seven public schools districts that serve military dependents are located solely on the military installation and in turn have no tax base or bonding authority. The seven schools rely on impact aid and state funding and almost all repair or renovation expenditures come at the expense of instructional funding.

The Department of Education is authorized to provide construction funding for impacted schools but only $10 million is provided for hundreds of impacted schools nationwide. An additional $5 million is available for school facilities owned by the Department of Education but the needs of those schools far exceed the available funding.

The Department of Education has essentially abdicated its responsibility to ensure a safe and comfortable learning environment at federally impacted schools. We often hear of the need for more federal dollars for school construction but who deserves this more than the children whose parents serve in our armed forces.

Schools that teach large numbers of military dependents receive supplemental impact aid assistance through the Department of Defense, $30 million in FY 2000 benefitting about 130 schools. However, the funding is not sufficient to meet major repair and renovation costs.

A comprehensive program is needed to address this serious quality of life issue. And, without Department of Defense assistance tens of thousands of military children will continue to learn in inadequate and unsafe facilities.

This amendment would benefit the 30 most heavily impacted school districts that teach military children.

Mr. President, I urge my colleagues to support this important quality of life issue that will benefit more than 80,000 military children.

AMENDMENT NO. 3762, AS MODIFIED

Mr. HARKIN. Mr. President, I have an amendment to correct an absurdity in our application of important secrecy policies. This issue would be a laughable example of bureaucratic intransigence except that it is harming workers who may have gotten sick from working on our nuclear weapons.

I'm sure that by now all my colleagues are aware that many of our citizens were exposed to radioactive and other hazardous materials at nuclear weapons production plants in the United States. While working to protect our national security, workers at places like Paducah, Kentucky, Portsmouth, Ohio, and Oak Ridge, Tennessee were subjected to severe hazards, sometimes without their knowledge or consent. We recently passed an amendment to provide compensation to some of those who became seriously ill because of their dangerous work at nuclear weapons plants.

The dangers at these plants thrived in the darkness of government secrecy. Public oversight was especially weak at a factory for assembling and disassembling nuclear weapons at the Iowa Army Ammunition Plant in Middletown, Iowa. I first found out about the nuclear weapons work there from a constituent letter from a former worker, Robert Anderson. He was concerned that his non-Hodgkins lymphoma was caused by exposures at the plant. But when I asked the Department of Energy about the plant, at first they denied that any nuclear weapons work took place there. The constituent's story was only confirmed when my staff saw a promotional video from the contractor at the site that mentioned the nuclear weapons work.

The nuclear weapons production plants were run not by the Defense Department but by the Atomic Energy Commission, which has since been made part of the Department of Energy. The Department of Energy has since acknowledged what happened, and is now actively trying to help the current and former workers in Iowa and elsewhere by reviewing records, helping them get medical testing and care, and seeking compensation. I was pleased this past January to host Energy Secretary Richardson at a meeting with former workers and community members near the plant. The Department specifically acknowledges that the Iowa Army Ammunition Plant assembled and disassembled nuclear weapons from 1947–1975. And their work has helped uncover potential health concerns at the plant, such as explosions around depleted uranium that created clouds of radioactive dust, and workers' exposure to high explosives that literally turned their skin yellow.

But at the Iowa nuclear weapons plant the Defense Department was inseparably intertwined with the AEC. The AEC operations were located on the site of an Army ammunition plant. The workers at both sides of the plant actually worked for the same contractor, workers often switched between the plant parts, and workers on both sides of the plant were even exposed to many of the same hazardous materials, including beryllium and depleted uranium. Thus former workers at the plant do not always clearly distinguish the Army from the AEC.

And while the Department of Energy is investigating what happened and seeking solutions, the Army is stuck, still mired in a nonsensical policy. It is the policy of the Department of Defense to "neither confirm nor deny" the presence of nuclear weapons at any place at any time. They could not admit that nuclear weapons were assembled in Iowa without admitting that there were nuclear weapons in Iowa. So they write vaguely about "AEC activities," but don't say what those activities were.

There have been no nuclear weapons at the Iowa site since 1975, but it's well known that weapons were there before that. The DOE says the weapons were there. A promotional video of the Army contractor at the site even says the weapons were there. But the Army can't say it. This makes the Army look ridiculous.

But worse, it sends the wrong signal to the former workers. These workers swore oaths never to reveal what they did at the plant. And many of them are still reluctant to talk. They are worried that their cancers or other health problems were caused by their work at the plant. But they feel that they can't even tell their doctors or site cleanup crews about the materials they worked with or the tasks they did. They don't want to violate the oaths of secrecy they took. One worker at the Iowa plant said recently, "There's still stuff buried out there that we don't know where it is. And we know people who do know, but they will not say anything yet because they are still afraid of repercussions." Instead of helping those workers speak out, the Army is forced to share their silence.

And Mr. President, to make the position even more indefensible for my workers in Iowa, the Pentagon is not even consistently applying the "neither confirm nor deny," or "NCND," policy. A document recently released by the Pentagon stated that the U.S. had nuclear weapons in Alaska, Cuba, Guam, Hawaii, the Johnston Islands, Midway, Puerto Rico, the United Kingdom, and West Germany. After the document was released, a Department spokesman said on television that the U.S. never had nuclear weapons in Iceland. Why can the Pentagon talk about nuclear weapons in Iceland but not in Iowa?

Mr. President, for the health of our workers, it's time for the Pentagon to come clean. No one is more concerned with keeping real nuclear secrets than I am. But the Pentagon must not hide behind inconsistent policies when workers' lives may be at risk.

This amendment is narrowly targeted to require the Defense Department and Energy Department to review their classification and secrecy policies and change them if they prevent or discourage workers at nuclear weapons facilities from discussing possible exposures with their health care providers. The amendment specifically recognizes that this must be done within national security constraints. It also directs the Departments to contact people who may have been exposed to radioactive or hazardous substances at former nuclear weapons facilities, including the Iowa plant. The Department is to notify them of any exposures and of how they can discuss the exposures with their health care providers and other appropriate officials without violating secrecy oaths or policies.

I hope all my colleagues will support this common-sense change for government consistency and worker health.

### AMENDMENTS NOS. 3816 AND 3817

Mr. WARNER. Mr. President, I send two amendments to the desk which have been cleared by myself and the ranking member. Therefore, I ask unanimous consent that the Senate consider these amendments en bloc, they be agreed to, and the motions to reconsider laid upon the table. Finally, I ask that any statements relating to any of the individual amendments be printed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments (Nos. 3816 and 3817) were agreed to, as follows:

### AMENDMENT NO. 3816

(Purpose: To streamline the requirements for procurement notice when access to notice is provided electronically through the single Governmentwide point of access designated in the Federal Acquisition Regulation)

On page 303, between lines 6 and 7, insert the following:

**SEC. 814. PROCUREMENT NOTICE THROUGH ELECTRONIC ACCESS TO CONTRACTING OPPORTUNITIES.**

(a) PUBLICATION BY ELECTRONIC ACCESSIBILITY.—Subsection (a) of section 18 of the Office of Federal Procurement Policy Act (41 U.S.C. 416) is amended—

(1) in paragraph (1)(A), by striking "furnish for publication by the Secretary of Commerce" and inserting "publish";

(2) by striking paragraph (2) and inserting the following:

"(2)(A) A notice of solicitation required to be published under paragraph (1) may be published by means of—

"(i) electronic accessibility that meets the requirements of paragraph (7); or

"(ii) publication in the Commerce Business Daily.

"(B) The Secretary of Commerce shall promptly publish in the Commerce Business Daily each notice or announcement received under this subsection for publication by that means."; and

(3) by adding at the end the following:

"(7) A publication of a notice of solicitation by means of electronic accessibility meets the requirements of this paragraph for electronic accessibility if the notice is electronically accessible in a form that allows convenient and universal user access through the single Government-wide point of entry designated in the Federal Acquisition Regulation.".

(b) WAITING PERIOD FOR ISSUANCE OF SOLICITATION.—Paragraph (3) of such subsection is amended—

(1) in the matter preceding subparagraph (A), by striking "furnish a notice to the Secretary of Commerce" and inserting "publish a notice of solicitation"; and

(2) in subparagraph (A), by striking "by the Secretary of Commerce".

(c) CONFORMING AMENDMENTS FOR SMALL BUSINESS ACT.—Subsection (e) of section 8 of the Small Business Act (15 U.S.C. 637) is amended—

(1) in paragraph (1)(A), by striking "furnish for publication by the Secretary of Commerce" and inserting "publish";

(2) by striking paragraph (2) and inserting the following:

"(2)(A) A notice of solicitation required to be published under paragraph (1) may be published by means of—

"(i) electronic accessibility that meets the requirements of section 18(a)(7) of the Office of Federal Procurement Policy Act (41 U.S.C. 416(a)(7)); or

"(ii) publication in the Commerce Business Daily.

"(B) The Secretary of Commerce shall promptly publish in the Commerce Business

Daily each notice or announcement received under this subsection for publication by that means.''; and

(3) in paragraph (3)—

(A) in the matter preceding subparagraph (A), by striking ''furnish a notice to the Secretary of Commerce'' and inserting ''publish a notice of solicitation''; and

(B) in subparagraph (A), by striking ''by the Secretary of Commerce''.

(d) PERIODIC REPORTS ON IMPLEMENTATION OF ELECTRONIC COMMERCE IN FEDERAL PROCUREMENT.—Section 30(e) of the Office of Federal Procurement Policy Act (41 U.S.C. 426(e)) is amended—

(1) in the first sentence, by striking ''Not later than March 1, 1998, and every year afterward through 2003'' and inserting ''Not later than March 1 of each even-numbered year through 2004''; and

(2) in paragraph (4)—

(A) by striking ''Beginning with the report submitted on March 1, 1999,''; and

(B) by striking ''calendar year'' and inserting ''two fiscal years''.

(e) EFFECTIVE DATE AND APPLICABILITY.—This section and the amendments made by this section shall take effect on October 1, 2000. The amendments made by subsections (a), (b) and (c) shall apply with respect to solicitations issued on or after that date.

AMENDMENT NO. 3817

(Purpose: To authorize a land conveyance, Mukilteo Tank Farm, Everett, Washington)

On page 543, strike line 20 and insert the following:

**Part III—Air Force Conveyances**

**SEC. 2861. LAND CONVEYANCE, MUKILTEO TANK FARM, EVERETT, WASHINGTON.**

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Air Force may convey, without consideration, to the Port of Everett, Washington (in this section referred to as the ''Port''), all right, title, and interest of the United States in and to a parcel of real property, including any improvements thereon, consisting of approximately 22 acres and known as the Mukilteo Tank Farm for the purposes of permitting the Port to use the parcel for the development and operation of a port facility and for other public purposes.

(b) PERSONAL PROPERTY.—The Secretary of the Air Force may include as part of the conveyance authorized by subsection (a) any personal property at the Mukilteo Tank Farm that is excess to the needs of the Air Force if the Secretary of Transportation determines that such personal property is appropriate for the development or operation of the Mukilteo Tank Farm as a port facility.

(c) INTERIM LEASE.—(1) Until such time as the real property described in subsection (a) is conveyed by deed, the Secretary of the Air Force may lease all or part of the real property to the Port if the Secretary determines that the real property is suitable for lease and the lease of the property under this subsection will not interfere with any environmental remediation activities or schedules under applicable law or agreements.

(2) The determination under paragraph (1) whether the lease of the real property will interfere with environmental remediation activities or schedules referred to in that paragraph shall be based upon an environmental baseline survey conducted in accordance with applicable Air Force regulations and policy.

(3) Except as provided by paragraph (4), as consideration for the lease under this subsection, the Port shall pay the Secretary an amount equal to the fair market of the lease, as determined by the Secretary.

(4) The amount of consideration paid by the Port for the lease under this subsection may be an amount, as determined by the Secretary, less than the fair market value of the lease if the Secretary determines that—

(A) the public interest will be served by an amount of consideration for the lease that is less than the fair market value of the lease; and

(B) payment of an amount equal to the fair market value of the lease is unobtainable.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary of the Air Force and the Port.

(e) ADDITIONAL TERMS.—The Secretary of the Air Force, in consultation with the Secretary of Transportation, may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary of the Air Force considers appropriate to protect the interests of the United States.

**Part IV—Defense Agencies Conveyances**

Mr. WARNER. Mr. President, I yield the floor.

Mr. DURBIN. Mr. President, for the time allotted in debate in support of the amendment, I would like to yield 10 minutes to the Senator from Minnesota, Senator WELLSTONE.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Thank you, Mr. President. I am very proud to have worked with Senator DURBIN to be a cosponsor and have Senator KERRY here on the floor as well.

I think this important amendment requiring more realistic testing of the national missile system is an extremely important step for us to take. First of all, it requires more realistic testing. Second, it calls for the reconvening of the Welch commission to independently evaluate the testing program. Third, it requires a report to the Congress on the adequacy of the program.

This is the fourth time since the late fifties that we have talked about a missile defense program. Each time there is a tremendous amount of enthusiasm. Then scientists and independent observers do a careful analysis. After that, the enthusiasm wanes. I do not believe this time will be any different.

I am sure every Senator read on Sunday morning that this past Saturday's test was an utter failure. What you may not know is that an earlier test was unsuccessful as well. But regardless of the actual successes and failures of the tests, the fact is, the current testing program does not test the feasibility of the system in the real world. Current testing determines whether or not the system works against cooperative targets on a test range. This methodology is insufficient to determine the technological feasibility of the system against likely threats. At present, even if the tests had been hailed as total successes, they would have proved nothing more than the system is unproven against real threats. At present, we know that this system might work if the other side is not making it hard to detect its weapons. This hardly seems a reason to move forward to deployment.

Some might argue that this amendment demands too much. Some might argue that today's testing program is a first step in a long process towards full deployment. But demanding an adequate testing program, which is what this amendment calls for, certainly does not put the bar too far. It sets it where any reasonable person or scientist would put it. We must stick to development and work within the confines of a realistic test before even considering moving to deployment.

The aim of the national missile defense is to defend the United States from limited attacks by intercontinental-range ballistic missiles armed with nuclear, chemical, or biological weapons. However, biological or chemical weapons can be divided into many small warheads called submunitions. These submunitions could overwhelm the planned defense, and more importantly, because some munitions allow for more effective dispersal of biological and chemical agents, an attacker would have a strong incentive to use them even in the absence of missile defenses. When it comes to biological warfare and these biological and chemical agents, the greater likelihood is that they will be carried by suitcase into this country. I pray that doesn't happen.

Current testing does not take countermeasures into account. An attack could overwhelm the system by using something as simple as ballooned decoys, for example, by deploying nuclear weapons inside balloons and releasing numerous empty balloons along with them. Or an attacker could cover its nuclear warheads with cooled shrouds which would prevent the interceptor from detecting it. We are talking about testing which takes into account these countermeasures. That is what we would have to deal with.

Current testing does not take these countermeasures into account. The Pentagon assessment will consider only whether the first phase of the system would be effective against a threat with no credible countermeasures. It will not consider whether the full system would be effective against a threat with realistic countermeasures. Any decision on whether or not the United States should deploy a national missile defense should take into account how effective that system is likely to be in the real world, not just whether or not it works against cooperative targets on a test range.

Unfortunately, the technological feasibility of the proposed national defense system, which will be determined in the Pentagon's upcoming deployment readiness review, will be assessed precisely on the basis of such test results. Even worse, it will be based upon only a few tests.

The administration requested that the Pentagon provide an estimate of whether a national missile defense can be deployed in 5 year's time. General Kadish, the head of the Pentagon's ballistic missile defense program, has described the 2005 timetable as "high risk." He has made it clear that the timetable is much faster than military planners would like. The recommendation of the Pentagon's own Office of the Operational and Test Evaluation Program stated clearly that the deployment readiness review "is a strongly 'schedule driven' approach" rather than one based upon results.

Is it too much to ask that we be certain that this system works before we move ahead with deployment?

That is what this amendment is about.

If the proposed national missile defense system is to have any possibility of enhancing U.S. security, it must work, and it must work well. At present, the evidence isn't there to prove that it does, and the tests underway to establish that proof are simplified and unrealistic. We must demand that any deployment decision on national missile defense be postponed until the system has been tested successfully against real-world realistic threats.

Last year, I voted against a resolution urging the administration to make a decision to deploy a national missile defense system. I believed then, as I do now, that a decision to deploy before a decision is made there needs to be a careful evaluation of the effectiveness of the system.

I also believe that we need to look at this in the context of overall U.S. security needs. The goal should be to increase U.S. security—not to undermine it. Deploying a system now, I fear, does the opposite. It threatens to disrupt the current arms control regimen and undermine the credibility of our commitment to nonproliferation.

Deployment of a national missile defense system would be a violation of the ABM Treaty. Are we prepared to discard this arms control regimen? I worry—and I think every Senator, Democrat and Republican alike, worries—about proliferation of these weapons of mass destruction. If this regimen of arms control breaks down with Russia—and, perhaps even more importantly, breaks down with China, then there is India, then there is Pakistan, then there is South Korea, then there is Japan—I fear the direction in which we are moving.

Colleagues, for 40 years the United States of America has led international efforts to reduce and contain the danger from nuclear weapons. We must not now renounce the responsibilities of that leadership with a hasty and short-sighted decision that will have lasting consequences. We must answer a number of questions before we proceed:

Does it make sense to unilaterally deploy a system now if the result might be to put the American people at even greater risk?

Should we take the time to work with allies and others to find a mutually acceptable nonthreatening way of proceeding?

Have the threats to which we are responding been exaggerated and more driven by politics than accurate threat assessments and hard science?

Is the technology there to deploy a system that would actually work in the real world?

This amendment speaks directly to that last question.

I urge my colleagues to demand to know more about the complexities of a national missile defense system prior to deploying that system. I don't think that is an unreasonable request.

The failure of Saturday's test is only a fraction of the real story. Even a successful test would prove nothing given the current testing conditions.

I urge my colleagues to support this amendment requiring a more realistic testing of the national missile defense system, reconvening the Welch panel to independently evaluate a testing program, and requiring a report to the Congress on the adequacy of the program.

We should not commit ourselves blindly to a program that can cost billions of dollars and could very well decrease our overall security rather than to enhance it. Our future and our children's children's future could depend on the decision we make on this amendment. Let's do the right thing. I hope we can have a strong vote on this amendment.

Mr. WARNER. Mr. President, I ask my colleague a question and the time allocated to the Senator from Virginia be charged for the portion of the colloquy I use.

The Senator makes a fairly strong statement indirectly at our former colleague, Senator Cohen, now Secretary of Defense, that he would proceed blindly on this program which is so vital to the security of the United States, assuming, as you say, under the full criteria that the President addressed goes forward—that he would go blindly. Is that a purposeful choice of words directed at this distinguished former colleague who, in my judgment, having been on the Armed Services Committee 22 years and having served 18 or 19 of those years with him, I cannot imagine undertaking the responsibility to oversee a program of this importance and proceeding, as the Senator said, "blindly."

Mr. WELLSTONE. Mr. President, I say to my colleague I can't imagine the Secretary of Defense doing that, either. My plea was to Senators. I said we must not proceed blindly and I urge all Members to understand the complexity of this testing and to at least call for a thorough evaluation to make sure that this system will really work. My comments were not directed to Secretary Cohen.

I also say to my colleague, I don't believe the Secretary of Defense has made a final recommendation to the President.

Mr. WARNER. I certainly agree.

Mr. WELLSTONE. In light of the failure of this past week, I don't know what the Secretary's decision will be.

I think all Members are just making the reasonable request that before we go forward with deployment, let's have the kind of operational testing that will prove that this system will work in the real world against credible threats, and let's have an independent evaluation by the Welch commission and have at least a report to the Congress.

That is what I am referring to, I say to my colleague from Virginia. I am glad he asked the question. In no way would I direct these comments toward the Secretary of Defense.

Mr. WARNER. I have to say with all due respect to our three colleagues, opponents on this amendment, indirectly this amendment is suggesting that the Department is not proceeding in a prudent way towards their responsibilities on this program. I have to state that.

I do not find any specific fault with some of the requests made but momentarily when I take the floor in my own right, I will have documentation to show that the Welch panel is doing the very things for which the Senator asked. I will point to the fact that the Secretary of Defense has said in previous testimony what he is doing on this program. In fact, I say to the Presiding Officer, being a member of the Armed Services Committee and indeed the chairman of the strategic subcommittee, I asked the Secretary of Defense to come up at his earliest opportunity and report to the Committee on Armed Services. He has agreed to do so shortly after his return from his trip currently in Asia. I thought he addressed the test program, which did, regrettably, end in a failure, I thought in a very courageous and forthright way he addressed that failure to the American public and, indeed, the world.

Mr. WELLSTONE. I probably need not respond. I appreciate my colleague's comments.

One final comment in response to his comments. One of the things I have liked best about preparing for this amendment for me as a Senator has been the way I imagined Senate work to be. I tried to immerse myself on this issue and get the best security briefings from the Pentagon, get other briefings from other people in the Pentagon, and talked to a whole range of experts. The Welch Commission report is a very interesting report.

This amendment certainly says we need to make absolutely sure that we are involved in the kind of testing that will show this system will work before we move forward. That is true. That is certainly the premise of this amendment. I think this is a reasonable premise. Senators ought to raise these kinds of questions. That is why we are here. That is why I think this amendment is important.

Mr. WARNER. The Welch panel was before the Armed Services Committee just last week and testified.

Mr. KERRY. Will the Senator yield?

Mr. WARNER. Yes.

Mr. KERRY. It is my understanding, and I ask the Senator from Virginia, that the testing that has been laid out in the protocols that I have seen contemplates testing almost exclusively from off the coast of California and Kwajalein Island, which by their own admission, the military has said are less than ideal in representing the multiple different sources from which a legitimate attack could come.

There is nothing in any protocol that I have seen to date suggesting that the testing that will take place meets the kind of testing that the Senator from Illinois is looking for.

Mr. WARNER. Mr. President, I will look into that. I recognize the military had indicated that this perhaps doesn't give them the diversity of tests they desire.

Certainly, I am interested in the comment that this Nation is faced with a multiple of sources, and that confirms my concern about the overall threat posed to this Nation by the rogue or accidental firing of a missile. That is why we need this national missile defense program.

Mr. KERRY. If the Senator will yield further for a question, when we talk about multiple sources, it is possible for a so-called rogue state—and the term itself is one that is perhaps questionable today, but the so-called rogue state could take a rusty tanker, fit it out with the capacity to shoot, drive it out of a harbor to almost any location in an ocean in the world, and decide to shoot from there. Is that accurate?

Mr. WARNER. The Senator is correct.

Mr. KERRY. If we are strictly testing between one location, one direction, and our radar system is specifically positioned to anticipate an attack from a certain location, if that were to be the case, we would face a completely different situation, would we not?

Mr. WARNER. The Senator is correct. There is a diversity of scenarios we have to protect this Nation against. This test program was designed in large measure to prioritize those sources from whence an attack might emanate.

Mr. KERRY. Finally, I ask the Senator, the entire program is currently driven by a date essentially arrived at by the national intelligence estimate, that suggested that 2005 is the first date there might be a possibility of a missile being fired; is that correct?

Mr. WARNER. That is correct, as a result of the national intelligence estimate.

Mr. LEVIN. If the Senator will yield.

Mr. KERRY. We are on the time of the Senator from Virginia or I wouldn't be doing this.

Mr. WARNER. Let's make it clear. I think in my request I said the time that I consumed would be chargeable to my side.

Mr. KERRY. I thought it was the entire colloquy.

The PRESIDING OFFICER (Mr. ALLARD). That was the exchange with the Senator from Minnesota. The Senator has been yielding for questions on his time.

Mr. WARNER. Let's make it clear for purposes of future colloquies. The time consumed by Mr. LEVIN and myself will be charged to our side, and the time for response will be charged to the other side.

Mr. KERRY. With that understanding, I am afraid I have to refrain from this colloquy.

Mr. LEVIN. I say to my good friend from Massachusetts, I happen to agree with his thoughts on this subject. We are very close in terms of our views. However, there is a complete misunderstanding about the year 2005. That is not the year when the intelligence estimates say North Korea will be able to pose a threat to us.

Mr. KERRY. Correct; they can do it today.

Mr. LEVIN. They can do it today. But 2005 is the year which the Secretary of Defense thought at the time he was making an assessment some time ago would be the earliest time that we would be able to field the national missile defense.

So everybody—in the media, on this floor and just about everywhere—has now taken the common wisdom that the 2005 date is when the national intelligence estimate says the threat will arrive.

That is not what the national intelligence estimate is. The threat is any time when a three-stage Taepo Dong II could deliver a several-hundred-kilogram payload anywhere in the United States. And that day is when they next test it.

With the general point my good friend from Massachusetts is making, I happen to agree with what he is saying. I certainly support the good Senator from Illinois on his amendment, but I think we ought to try to change the wisdom which has evolved around that date or the assumption or the press coverage of that date.

Everybody uses that date for the wrong reason. Whether it is possible to reverse it, correct it, I don't know. But I think it would help the debate a great deal if we were able to look at that date for what it is, which is the first date that the Secretary of Defense thought, at the time he made the assessment some months ago, that a national missile defense could possibly be deployed.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. I ask for a clarification now of the time that has been allocated to each side and how much is remaining. I have requests from several of my colleagues, and I want to give them all a chance.

The PRESIDING OFFICER. The Senator from Virginia has 51 minutes, 41 seconds. The Senator from Illinois has 44 minutes, 43 seconds.

Mr. DURBIN. I yield 10 minutes to the Senator from Massachusetts, Mr. KERRY.

Mr. KERRY. Mr. President, I thank the distinguished Senator from Illinois for his leadership, and I thank also the Senator from Minnesota for his common sense, leadership, and eloquence on it.

This is really a matter of—I guess the best word to summarize it—common sense. My prayer is that we in the Senate are not going to become prisoners of politics on an issue that is as critical to the national security interests of our country—indeed, of the world. This is the most important arms decision we will make in years. I am not going to get into the comparisons of when the last one was, but certainly in the last 10 or 15 years. I think what the Senator from Illinois is asking for ought to fit into the political philosophy of every single member of the Republican Party. I would have hoped the Senator, the distinguished chairman of the Armed Services Committee, would say we should accept this amendment. How is it that we could be talking about deploying a weapons system?

Mr. WARNER. What did the Senator say?

Mr. KERRY. I said to the distinguished chairman of the committee, I don't understand why he would not want to accept this, because, as a matter of common sense, every Member of the Senate ought to be interested in knowing that if we are going to spend $10 billion, $20 billion, $40 billion, $60 billion, $100 billion to create a weapons system, a defensive or offensive system, we ought to know that it works. We ought to know it can accomplish its goal.

Some of the best scientists in the United States of America are not politicians. They do not come at this as Republicans and Democrats, conservatives and liberals. They are scientists. They win Nobel Prizes for their science. They go to MIT, Stanford, New York University, all over this country.

Mr. WARNER. Will the Senator yield for a moment?

Mr. KERRY. We have a limited time.

Mr. WARNER. You asked me a question.

Mr. KERRY. If we can do it on the Senator's time?

Mr. WARNER. Of course. You asked if I would accept it, as chairman of the committee, one of the managers. The answer is yes. I think our distinguished colleague from Illinois knows that. We have said to him three times: We accept the amendment. Am I not correct? Let the RECORD indicate he is nodding assent to the question. The Senator from Michigan has urged him we would accept it.

So rally on, dear colleague. We will listen to you. I don't mean to deflate your argument as to why we would not do it, because we have offered to do it.

Mr. KERRY. This is the most welcome acceptance of the power of my argument I have ever had on the floor of the Senate. I thank the distinguished chairman. But I am confident what the Senator from Illinois wanted to do—and I share this belief—was to have the Senate talk about this. I think we ought to talk about this. So I do not think taking 1 hour to discuss something which hopefully will pass overwhelmingly, or that we then accept, is inappropriate. I think we need to think about this.

Mr. WARNER. No one is suggesting that.

Mr. KERRY. We face a situation where we are talking about putting together a system that the best scientists in the world tell us could literally be rendered absolutely inoperative, if it is simply deployed; all you have to do is put the system out there, and you have the ability to create decoys with fairly unsophisticated technology. In fact, General Welch himself has said in his report, and he said it before the Armed Services Committee the other day, that they anticipate the C-1 deployment, which is the deployment currently contemplated, with countermeasures by year 2005, is a deployment in which they anticipate current technology, current state-of-the-art technology, has the ability to deploy countermeasures.

They say you could have bomblets. After the stage separates in outer space and it is in that midstage, you could have bomblets, up to 100 of them, released from 1 single warhead. Strictly speaking, that is not a countermeasure because it is not directed at the entire system. But it is a countermeasure in that it voids the effectiveness of the system or the capacity of the system to work effectively.

I ask my colleagues to look around the wall of this Chamber. I counted earlier, in the great amount of time we had to wait for this debate, 88 lights up there on the outer section. That is fewer than 100 of these bomblets. I ask you to just look at those. We are supposed to talk about a system that would be effective enough to destroy bombs coming at us from outer space, at a spacing far greater than any of those lights, at tens of hundreds of miles an hour, with the capacity to distinguish and break through every single one of them to prevent a chemical weapon or biological weapon, that could be completely lethal to the entire city of New York, Los Angeles, to a whole State, from hitting this country.

Does anybody here really believe we are going to be able to go down that kind of sophisticated, discriminative capacity? Some say maybe we might get there in 10 years, 20 years, 30 years; that we might have that ability if everything worked correctly. Maybe we can develop that kind of system ultimately. But at what cost? Then the question is, What is the next tier of countermeasure that defeats whatever it is we did to defeat their countermeasure?

People sit here and say: Don't worry about that, Senator; we are just going to have a technological superiority.

All you have to do is go back to the cold war, 50 years of point-counterpoint; step-counterstep. We do the atom bomb; they do the atom bomb. We do the hydrogen bomb; they do the hydrogen bomb. We put them on long-range aircraft; they put them on long-range aircraft. We MIRV; they MIRV. They do Sputnik; we do Sputnik.

Out of all of the measures through the entire cold war, the United States of America was the first to do them almost every single time. I think the record is all but once and maybe twice. Every single time we did it, it may have taken them 5 years, it may have taken them 7 years, but they did it. And finally we decided that we were safer by passing the ABM Treaty and beginning to move in the opposite direction, first with SALT and then with START.

Now all we are asking in this amendment is let's be certain, before we spend these billions of dollars. I happen to support this. I want to be very clear about this. I support the notion of developing a limited, capable, mutually deployed system for national defense that could, indeed, strike down a potential rogue missile or accidental firing. No leader of the United States could responsibly suggest we are going to write off an entire city or State, or half our country. Of course we have an obligation to go down that road, but we have an equal obligation to do it in a way that does not wind up upsetting the entire balance of the arms race, or our current process of diminishing arms, that does not tell all our allies the United States is going to break out, at some point, of their regime at our own will; that we have not established a sufficient level of scrutiny, of transparency, of mutuality, that brings people along with us so they understand where we are going.

I say to my friend, I am all for continuing as rapidly as we can the technological development, the research, the capacity to do this, but don't we want to do it in a way that guarantees we have a system that can do what it sets out to do without inviting a set of unintended consequences that actually wind up making the world not as safe as we were when we began the process? That is all we are asking.

I can envision a world where the Russians and the Chinese and others decide we are all safer if we have a capacity to prevent a terrorist from firing some kind of missile from anywhere, but we are only safer if other countries move along with us and perceive that they are sharing in that safety and that, somehow, it is not a new measure directed by the United States against their current level of perceived security or threat level.

All of this is an ongoing process of perceptions: How they perceive us; how we perceive them. It is important to be sensitive to those perceptions.

I believe what the amendment of the Senator from Illinois will do will actually build on General Welch's recommendations. It will explicitly set out what the BMDO should do. It will require ground and flight testing that will make the system safer and better. It will ultimately guarantee us that we will get the kind of system we want.

General Welch says he intends for the independent review team to address these countermeasure issues. It seems to me what the Senator from Illinois is doing is guaranteeing that the Congress is going on record, just as we did in saying we think we ought to pursue this, just as we did in suggesting that there are certain threshold levels that we ought to respond to with respect to our intelligence.

My final comment is, picking up where the Senator from Michigan closed, the 2005 deadline is exactly what the Senator from Michigan defined it as. It is, in effect, an out-of-the-sky, artificially arrived at deadline. Yet it has been driving this debate and driving the Congress' actions. We have time to pursue this thoughtfully and efficiently. That is what this amendment sets out to do. I congratulate the Senator from Illinois.

The PRESIDING OFFICER. The Senator's time has expired. The Senator from Virginia.

Mr. WARNER. Mr. President, if I may address my colleague on my time and his reply can be charged to his time, I wish to associate myself with the response of my distinguished colleague from Michigan with regard to 2005. He is absolutely correct. The threat exists today. The warhead content is a different subject for a different time, but it is a part of this equation in calculation of time.

I am pleased the Senator from Massachusetts said on the floor tonight that he supports going forward with the concept of what we call the Cochran bill which was signed by the President of the United States. That is my understanding of what he said. He did vote for it. But he said collectively, we, and he opened his arms. The record also shows that the other two colleagues on this amendment did not vote for the Cochran bill and were two of the three who voted against it. The "we" I think we want to make a little clearer.

Here is my problem with this amendment, and I find myself in somewhat of an awkward position. I am defending Bill Cohen, my good friend, the Secretary of Defense of the administration with which my colleagues pride themselves with a long-time association. Fine.

Here is what it says on page 4 of the amendment:

> Independent Review Panel.— (1) The Secretary of Defense shall reconvene the Panel on Reducing Risk in Ballistic Missile Defense Flight Test Program.

There it is, "shall reconvene."

Here is the panel to which he was speaking which reported to the Nation on June 13 of this year, and on page 3, General Welch and his colleagues said the following:

> The IRT believes that design discrimination capabilities are adequate to meet the defined C-1 threat. However, more advanced decoy suites are likely to escalate the discrimination challenge. The mid-course phase BMD concept used in the current NMD program has important architectural advantages. At the same time, that concept requires critical attention to potential countermeasure challenges.

Precisely what my colleague from Massachusetts is saying. Let me finish:

> There is extensive potential in the system design to grow discrimination capabilities. The program to more fully understand needs and to exploit and expand this growth potential to meet future threats needs to be well defined, clearly assigned, and funded now.

The concluding sentence:

> A panel of the IRT is continuing work in this area.

When you direct the Secretary of Defense to do something the panel is already doing, I say to my good friends and colleagues, what is this about? That is why we will not accept the amendment. It has some constructive parts to it, but you are directing the Secretary of Defense to do something he is already doing. That is my concern.

Mr. KERRY. If I can answer the distinguished Senator, and I know the Senator from Illinois will talk about it more, the truth is, if you read the Senator's amendment in full, the Senator is very precise about those kinds of tests that he thinks the Congress ought to guarantee take place.

The Secretary of Defense is a friend of mine, too. I went to meet with him 3 weeks ago on this very subject to spend some time talking it through with him, but I find nothing inappropriate, nor do I think he would as a former Member of this Chamber, in this Chamber expressing its will in requiring a certain set of tests with respect to a system.

This is not the first time we will have required the Secretary of Defense to do something. In point of fact, when we pass the DOD authorization bill, we have literally hundreds of directives for the Secretary of Defense with respect to housing, treatment of deployments, recruitments—there are countless numbers of ways we direct him to do things. It is entirely appropriate we direct him——

Mr. WARNER. Mr. President, I agree, but the amendment says clearly you shall do something he is already doing.

Mr. KERRY. I say to my friend from Virginia, I read that report very carefully. There is nothing in it that guarantees to me—there is terminology about further investigation, further evaluation, but that could be on paper; that could be a computer model; that could be in any number of ways that they decide satisfy a fairly strong compulsion, shall we say, within the institution to build.

What we want to guarantee is that compulsion is appropriately measured against a clear empirical standard that we are establishing. I find absolutely nothing inconsistent in that.

Moreover, with respect to the date that is compelling us—I know the chairman of the committee will agree with me on this —the fact is that significant changes have been made in the intelligence estimating process which has also made many people nervous about how people want to push this process a little bit.

The Senator from Michigan talked about the possibility of a missile being fired by North Korea. Until, I think, a year ago or 2 years ago—I will finish very quickly. I am not going to go on long. I want to make this point because it is important.

We used to measure in an intelligence estimate more than mere possibility. We measure intention, and it was only in response to the 1995 Rumsfeld process that suddenly we changed the way we evaluate this. We now no longer contemplate intention; we merely look at possibility. I say to my friend, it may be a possibility that North Korea has one missile that they could fire, but they would have to be beyond insane to do it because they would not last on the face of this planet more than 30 minutes because of our response.

So do they have an intention to do it, particularly when you measure it against the Perry mission, when you measure it against Kim Dae-jung's recent visit and the entire rapprochement that is currently taking place? Are we to believe this is a legitimate threat we should be responding to with such speed that will not guarantee the kind of testing the Senator from Illinois is asking for?

That is our point. I think this is one where there are suspicions sufficient to raise questions about the guarantees that the testing will be there that we need.

Mr. WARNER. Mr. President, I thank my colleague.

It is important we do have colloquies on this issue. You have hit on a very important point, and that is "contentious." Throughout our long history, through the cold war with the former Soviet Union—indeed, today with Russia—there was always the underlying predicate that the Soviet Union—and now Russia—would handle decisionmaking as it relates to strategic intercontinental ballistic missiles in a responsible way.

Up until recently, we knew very little about North Korea, we knew very little about the intentions of the deceased leader, and now the new leader. Some ground has been broken. I happen to be on the cautious side.

So let us watch, not just for a month, not just for 2 months, but for over a period of time. It may well be that we can get a different perspective and understanding about the new leadership. But as yet, we cannot, and we have to rely on much in the past.

Mr. KERRY. I thank the Senator from Illinois for his indulgence because he has allowed us to go ahead longer than he gave me. I thank him.

Mr. WARNER. Yes.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, what is the status of the time allocation for both sides?

The PRESIDING OFFICER. The Senator from Illinois has 32 minutes 42 seconds; and the Senator from Virginia has 42 minutes 48 seconds.

Mr. DURBIN. I thank the Chair.

Mr. President, I yield myself no more than 3 minutes to make one point.

Let me say, first to the chairman of the committee, who has been kind enough to stay here this evening for this important debate, that I think the level of exchange and dialog here this evening is an indication of the knowledge on the subject of the Members who have stayed and the level of their interest. I hope it adds to the national debate.

I also say to the chairman of the committee, I believe all of us in this Chamber share mutual respect for our current Secretary of Defense. I think he is doing an excellent job. Nothing that any of us have said or will say should bring into question our admiration and respect for his ability and his service to our country.

I also tell my colleagues, I had the good fortune, in preparing for the debate, to go through a classified briefing and also to meet with Director Philip Coyle, who is in charge of Operational

Test and Evaluation at the Department of Defense under the leadership of Secretary Cohen.

I asked him to put in common terms, that I can take back to a town meeting in Illinois, what we are talking about when we use the words "technologically feasible."

He said: Well, consider it this way. Is it technologically feasible to hit a hole in one in golf? Yes. Is it technologically feasible to hit a hole in one if the hole you are shooting at is moving? Yes, but it is getting a little more difficult. Is it technologically feasible to hit a hole in one if the hole you are shooting at is moving, as is the flag in that hole, and five or six other flags are moving as well, and you are not sure which one is actually the hole you are shooting at? Yes, I suppose that is technologically feasible, but now it is getting to be very difficult.

But it raises the very question of this debate about countermeasures.

I would like to quote and make part of this RECORD a letter that was sent to me on July 11 by Philip Coyle, director of the Office of Operational Test and Evaluation, in which he said:

> This letter is to support your effort to reinforce the need for realistic testing of the National Missile Defense (NMD) system. It is still very early in the developmental testing of NMD. As we move forward, test realism will need to grow with system capability, and it will become more and more important to achieve realistic operational conditions in NMD system tests. This will include realistic countermeasures and engagement conditions.
>
> The very nature of missile defense means that it will not be possible to demonstrate all possible engagements in open air flight intercept tests. Accordingly, it will be necessary to develop realistic ground test simulations including realistic hardware-in-the-loop and scene generation facilities. I especially appreciate your commitment to both ground based and open air flight tests.
>
> If I can provide additional information, please don't hesitate to call me.

I say to the chairman of the committee, it is true that we are giving a directive to the Department of Defense and it is also true that the gentleman in charge of the testing under this program has said to us he believes it is an honest effort to make certain the system works.

Mr. WARNER. Could the distinguished Senator provide us with a copy of that letter?

Mr. DURBIN. I would be happy to.

Mr. WARNER. Perhaps it would be important to put it in the RECORD.

Mr. DURBIN. Mr. President, I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF THE SECRETARY OF DEFENSE,
*Washington, DC, July 11, 2000.*

Hon. RICHARD J. DURBIN,
*U.S. Senate,*
*Washington, DC.*

DEAR SENATOR DURBIN: This letter is to support your effort to reinforce the need for realistic testing of the National Missile Defense (NMD) system. It is still very early in the developmental testing of NMD. As we move forward, test realism will need to grow with system capability, and it will become more and more important to achieve realistic operational conditions in NMD system tests. This will include realistic countermeasures and engagement conditions.

The very nature of missile defense means that it will not be possible to demonstrate all possible engagements in open air flight intercept tests. Accordingly, it will be necessary to develop realistic ground test simulations, including realistic hardware-in-the-loop and scene generation facilities. I especially appreciate your commitment to both ground based and open air flight tests.

If I can provide additional information, please don't hesitate to call me.

Sincerely,

PHILIP E. COYLE,
*Director.*

Mr. DURBIN. Mr. President, I yield 6 minutes to the Democratic leader on our Armed Services Committee, Senator LEVIN of Michigan.

Mr. LEVIN. Mr. President, first, I commend the Senator from Illinois for this amendment. It is a very important amendment. It really shows congressional interest in an area which is going to require a great deal of attention. That is the statement of General Welch himself, which my good friend from Virginia just read.

I want to reread one of the lines in the Welch report, which is that: "more advanced decoy suites are likely to escalate the discrimination challenge. The mid-course phase BMD concept used in the current national missile defense program has important architectural advantages. At the same time, that concept requires critical attention to potential countermeasure challenges."

The countermeasures issue requires critical attention.

What the Senator from Illinois is saying is that the Congress should pay some attention to this, not just the executive branch. I have no doubt, and my good friend from Virginia has no doubt, Secretary Cohen will pay attention to this. We do not know if the next Secretary of Defense will be as interested in this issue—we hope he will be—as this Secretary.

But the fact that the executive branch is doing something has never prevented the Congress from putting something into law. We have had Presidents who have had Executive orders that we agree with, that we repeat in law. Why would we hesitate to simply express our own view, show congressional interest, and reinforce something which hopefully the Defense Department will continue to do? So it is not unusual for us to direct something. I think we ought to adopt this amendment overwhelmingly.

This is a very complicated system. The Senator from Virginia pointed out that a few of our colleagues voted against the Cochran bill. Almost all of us voted in favor of it. One part of the Cochran bill said it should be our national policy—it is our national policy—to deploy a system when "technologically feasible" or words to that effect.

But there is another provision in the Cochran bill which was added by amendment, by the Senator from Louisiana, Ms. LANDRIEU, which I cosponsored, which said that it is also the policy of the United States to seek to continue to reduce, by negotiations, the number of nuclear weapons in this world. That is also the policy of the United States.

We have two policies—a policy to deploy a limited missile defense and a policy to reduce the number of nuclear weapons. What happens when those two policies clash is unresolved in the Cochran bill.

We must continue on both those courses. If there is a conflict between deploying a limited defense, after it is technologically proven—assuming it is—and reducing the number of nuclear weapons through continuing negotiations, if there is a conflict—as there apparently is at the moment, since Russia says she will not reduce further nuclear weapons if we are going to unilaterally deploy a national missile defense—if and when there is such a conflict, that conflict will have to be resolved under the circumstances at that time.

So I think the Senator from Massachusetts was very proper in using the term "we" because many of us supported the Missile Defense Act because of the presence of a number of policies, both to deploy a system when technologically feasible, subject to appropriation, as well as to reduce, through negotiations, the number of nuclear weapons in this world.

This amendment is a commonsense, fly-before-you-buy amendment. It is consistent with the Senate's traditions. And it is something we have almost always required.

The few times we have deviated from the fly-before-you-buy approach, we have paid heavily for it, at least in a number of those instances. We should test against countermeasures. We are testing against countermeasures. This amendment simply says that it wants the Welch panel to be reauthorized, to continue in existence, to report to the Congress on defenses against countermeasures.

Finally, I will reread the one line which I think is so important from the Welch panel: The national missile defense program requires critical attention to potential countermeasures challenges.

That says it all to me. The current system does not address future countermeasure threats. It only addresses the so-called C–1 threat, as the Senator from Massachusetts pointed out. There are going to be in the future much more sophisticated countermeasures which this system has to be able to address or else it won't make sense to deploy. That is what we would be going on record as saying we believe is important. We would be doing what the Welch panel says is important: paying critical attention to potential countermeasures challenges, saying that the Congress cares about this issue, that it makes sense to us that as part of any decision of operational effectiveness, that there be testing against reasonably likely countermeasures that could be faced by a national missile defense.

I am glad my good friend from Virginia believes this is kind of a commonsense amendment, that it reinforces what the Secretary is already doing. I think it is very appropriate for Congress to do exactly that, to show our support when we do support something that is done by the executive branch and to state our opinion on the subject, and to put it in law so the next Secretary of Defense realizes it is in law and that there is congressional interest in the subject.

The PRESIDING OFFICER. The Senator's 6 minutes have expired.

The Senator from Virginia.

Mr. WARNER. Mr. President, I have no better friend than my distinguished colleague from Michigan. What troubles me is he used the term "reauthorize." Congress never authorized the Welch panel. It was convened by the Secretary of Defense.

Mr. LEVIN. I said the Secretary, not Congress.

Mr. WARNER. My friend used the term this amendment "reauthorizes." I say to my good friend, Congress had nothing to do with it. This is a panel of the Secretary of Defense. The amendment language says "to reconvene." It is not necessary to reconvene something which is ongoing. I want accuracy in this debate.

Mr. LEVIN. If my friend will yield, if I said Congress reauthorized instead of urging the Secretary to reconvene and to keep reconvened, I stand corrected and am happy to stand corrected.

I think the intent was clear, however, of what the Senator from Michigan said.

Mr. DURBIN. If the Senator from Virginia is not seeking time, I will continue allocating.

Mr. WARNER. The Senator may go ahead.

Mr. DURBIN. Mr. President, I yield 10 minutes to the Senator from Rhode Island, Mr. REED.

Mr. REED. Mr. President, I rise in support of the Durbin amendment. I commend him for raising this very important issue this evening.

This debate has already illustrated the knowledge of the participants and also the commitment of both sides in this debate to try to reach a very important and principled decision with respect to national missile defense. The obvious fact is that this is the most expensive military program we have contemplated, perhaps, in the history of this country, and there is a great deal riding on it.

It is not only financial, it is also strategic in terms of our increased security in the world and in terms of the reaction of our allies, reaction of potential adversaries, all of which makes this debate critical.

At the heart of this debate—one of the reasons the Senator from Illinois is contributing mightily to the debate—is the issue of countermeasures. The importance of countermeasures should be obvious to all of us. My colleague from Massachusetts talked about this. In the history of conflict, for every development, there is an attempt to circumvent or to neutralize that development. So it should be no wonder, as we contemplate deploying a national missile defense, our adversaries are at this time thinking of ways they could, in fact, defeat such a national missile defense.

There are two general ways to do that. One is to build more launchers with more warheads so you essentially overwhelm whatever missile defense we have in place. Or—this is probably the most likely response—you develop countermeasures on your missiles to confuse our defense and allow your missiles to penetrate despite our national missile defense.

At the heart of what we should be doing in contemplating the deployment and funding of this system is ensuring that in the testing we pay particular attention to the issue of countermeasures, because that is the most likely response of an adversary to defeat the system we are proposing. That is common sense in many respects. Anyone with a cursory knowledge of history would immediately arrive at that conclusion.

This is not a merely theoretical discussion. Sophisticated countermeasures already exist. They are the penetrating aids which are on most of the Russian missiles. There is the possibility, of course, that these penetrating aids will either be copied by rogue nations or, in fact, be traded or exchanged to these rogue nations.

I found very interesting a report by the intelligence community which was unclassified and issued last September. In their words:

> We assess that countries developing ballistic missiles would also develop various responses to U.S. theater and national defenses. Russia and China each have developed numerous countermeasures and probably are willing to sell the requisite technologies.
>
> Many countries, such as North Korea, Iran and Iraq, probably would rely initially on readily available technology—including separating RVs, spin-stabilized RVs, RV reorientation, radar absorbing material, booster fragmentation, low-power jammers, chaff, and simple balloon decoys—to develop penetration aids and countermeasures.
>
> These countries could develop countermeasures based on these technologies by the time they flight test their missiles.

Frankly, what we are testing against today is a very small fraction of these possible countermeasures penetrating aids. We have selected a very discrete set of the most primitive countermeasures, and we have used that as our benchmark to determine whether or not the proposed national missile defense system will work well enough to fund development and ultimate deployment, when, in fact, our own intelligence community is telling us today there are numerous sophisticated penetrating aids that are readily available.

They are also telling us that as we build up this national missile defense, our potential adversaries, while they build their missiles, are not just waiting around. They are also developing their countermeasures. So countermeasures takes on a very important role in our deliberations.

Senator DURBIN has identified this critical issue and has focused the attention of the Senate on how we will respond to this particular issue. His response is not only principled but is entirely logical.

What he is saying is, let's ensure that in the testing process, we don't test the just rudimentary countermeasures, we test for robust countermeasures. If we can defeat those countermeasures, then we have a system that not only we can deploy, but that system will be much more stable, much more effective over time; in effect, increasing the longevity of the system. When we are going to spend upwards of $60 billion—I think that was one figure quoted; frankly, I believe whatever figure we have now, it will be much more when we finish paying the price—if we are spending that much money, we don't want to buy something that has a half-life of 1 year, 2 years, 3 years or 4 years. We want something that will justify the expense and defend the country against likely threats for many years.

Senator DURBIN used the analogy of golf. The other analogy that is very popular to try to bring into popular parlance what is going on here is essentially what we are trying to do is hit a bullet with another bullet, small objects flying through space at relatively large speeds. Think about how difficult that is right now.

We have made progress in terms of supercomputers, in terms of large-scale computer capacity. So the problem of identifying a speeding bullet and then calculating instantaneously through billions of calculations its trajectory and then sending that message to another bullet is a daunting physical problem, but we have made progress.

However, the countermeasures takes that daunting task and infinitely increases its complexity because to our system and our kinetic kill vehicle that is hurling through space, it won't be only one target; it could be multiple targets. To differentiate those targets, identify the real targets, and strike it in a matter of seconds is an incredibly complex technological task.

So I believe, once again, that the Senator has identified something that is critical to our responsibilities—not the responsibility of the Secretary of Defense, not the President's responsibility, but our responsibility as the Senate of the United States to supervise, to carefully review, and, ultimately, through appropriations and authorization, to give the final say about this system. That is our responsibility, and we would be rejecting that responsibility if we didn't look hard and insist that the executive look hard at this whole issue of countermeasures.

The other issue that has been discussed tonight is, why should we tell the Department of Defense to do something such as this when they are already doing it? Well, the simple answer is: We do it all the time.

Here are a few examples recently: Last December, the F-22, a very sophisticated fighter aircraft, was supposed to start its low-rate initial production; but this decision was delayed because there was dissatisfaction with its progress, with whether or not it was living up to its capabilities. We mandated tests because we were unsatisfied with the deployment schedule and its ability to be brought to the forces in the field. That was done much further along the line than the place we are in developing the national missile defense. In many respects, we are doing the same thing with the Joint Strike Fighter this year.

So it is not unusual to tell the Department of Defense, or to look over the Secretary's shoulder and say, even though you might be doing it, we want to make sure you are doing it, we want to make sure that they are looking specifically at the countermeasures. We want to know more specifically, when he talks about the capacity of this system to grow, will it grow up to all the countermeasures listed by the Intelligence Committee? Will it go from C–1 to C–2? We are not sure whether it will reach that ultimate test of countermeasures. This is a valuable role we must play.

There is another aspect to this whole debate, which I think should be noted. It is a very difficult thing and, in some respects, an intellectual challenge. For years and years, decades and decades, we have relied upon deterrence policy——

The PRESIDING OFFICER. The 10 minutes of the Senator have expired.

Mr. DURBIN. I yield an additional 1 minute to the Senator.

Mr. REED. I will wrap up quickly.

We have relied upon deterrence policy. At the heart of deterrence policy is the notion that the other side is rational, and they will calculate the damage you can do them just as you can calculate the damage that is done by them.

What has changed now? I would say that intellectually why we are even having this debate is we have abandoned this concept of rationality. We don't think North Korea is rational. Again, that is an assumption that we have to look at closely as we look at some of these other things. In some respects, if they are totally irrational, then maybe there is a little hope of deterring them from doing anything, even with the national missile defense. But that is the difference. That is why my colleague from Massachusetts said we used to think about intentions, and now we don't. We made an intellectual decision we weren't going to look at that because we concluded they were irrational. I suggest that as we pursue this debate, we should look seriously at whether or not that assumption is valid.

I thank the Senator from Illinois. I yield back my time.

Mr. DURBIN. Mr. President, I thank the Senator from Rhode Island. How much time is remaining on our side?

The PRESIDING OFFICER. Eleven and a half minutes remain.

Mr. DURBIN. Unless the Senator from Virginia wants to seek time, I will conclude at this point, as briefly as possible.

Mr. WARNER. I welcome that. We have had a good debate. Having said that, let's wrap it up and pay our respects to the Presiding Officer and the staff who have all indulged us for this period of time.

Mr. DURBIN. Mr. President, why do we test? We test so we can justify the taxpayers of America the expenditure of their hard-earned money in the defense of our country, to make certain that the expenditure is made in a way that we can stand and be proud of it.

Secondly, we test to make sure that whatever we are building in the defense of this country will work. That is all this amendment is about. It is to make certain if the national missile defense is to go forward and to provide assurance to American families not only now but for years to come, it is because we have a missile defense system that will work.

We have heard from a variety of different experts that the question of countermeasures is a critically important question. In the language of this amendment, we are asking the Secretary of Defense to come forward and give us guidance as to what the state of countermeasures might be in the world and to judge whether or not our missile defense system can deal with those countermeasures and whether we are testing to make certain that that happens. That is the bottom line.

The response from the Senator from Virginia, and virtually every Senator who has spoken, is the understanding that what we are asking for in this amendment is reasonably calculated to ensure that any missile defense system, in fact, gives us a real sense of security and not a false sense of security.

This amendment is not intended to derail the national missile defense system. It is intended to make certain that the system, if America comes to rely on it for national defense, actually works.

In years gone by, when we hurried along the testing process, we have had some sorry results. The B–1 bomber went into production in the late 1970s and wasn't fully integrated into flying units for 24 years. There were major problems with avionics, the engines, and the defensive stealth configuration that costs literally hundreds of millions of dollars. Adequate testing did not take place before money was spent on a system that was not capable of meeting the need of our national defense. Let us not allow that to happen when it comes to something as critical as our national missile defense system.

I thank the Senator from Virginia for his patience this evening. I hope he believes, as I do, that this valuable debate will not only help the Senate but the country on this very important issue in a much more complete fashion. I thank the Senator.

Mr. WARNER. I thank my colleague. I daresay the final conference report in the Armed Services bill will draw on this amendment for certain portions of the law that we will write.

Mr. WELLSTONE. Mr. President, I also thank the chairman for making this a very important substantive debate. I thank the ranking minority member.

Mr. WARNER. I wonder if my colleagues might consider reviewing their position on the COCHRAN bill, while there may be other opportunities to express affirmation.

Mr. DURBIN. I thank the Senator from Virginia. We will.

Mr. WARNER. Mr. President, I believe the regular order would provide that we have concluded the matters in the unanimous consent agreement as it relates to this bill. We can wrap up for the night on this bill. I will yield to my colleague.

Mr. DURBIN. Mr. President, if I might, I don't believe I asked for the yeas and nays on the amendment. I do so now.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. COCHRAN. Mr. President, I believe the proposed amendment on testing of our National Missile defense system is overly broad, unnecessary, and counterproductive.

The amendment asks that we direct the Defense Department to conduct testing of our National Missile Defense system against—and I quote—"any countermeasures (including decoys) that . . . are likely, or at least realistically possible, to be used against the system." And it defines a countermeasure as "any deliberate action taken by a country with long-range ballistic missiles to defeat or otherwise counter a United States National Missile Defense system." With language as broad as this, there is virtually no bound to what we would be directing the Ballistic Missile Defense Organization, as a matter of law, to go off and test against. I don't believe it is useful to legislate such broad and open-ended requirements.

Nor is it necessary. There is already a process in place to ensure that the National Missile Defense system—like every other weapon system we have—is properly tested against the likely threats if faces, including potential countermeasures. Our acquisition system has a methodical process by which requirements for any new weapon system are studied and approved, and National Missile Defense is no different. Moreover, there is an independent operational test and evaluation organization in the Defense Department as a second layer of oversight to make sure new systems are adequately tested. With those processes in place, there is no need for a third layer of requirements, levied in an overly broad statute, to deal with some vague technical notions that someone somewhere has imagined.

There are possible countermeasures to every weapon and those are considered as a matter of course in the design and testing of every system. We don't have legislation directing realistic operational testing against any possible countermeasures for the F–22, for example, and I see no reason to single out this particular weapon system for such treatment.

Most of the recent talk about countermeasures to the NMD system has been generated by wild accusations from some college professors who have long opposed missile defenses of any sort. They would have us believe that countermeasures can become reality for even technologically unsophisticated nations simply because they can be imagined. But in the real world, in which ideas have to be translated to design, and design to hardware, and the hardware tested, the reality is far different.

Those who are building our missile defense system understand this and that is why they have built in to that system the capability to deal with countermeasures as they evolve. The pending amendment would direct a reconvening of the Welsh Commission to examine this issue, but the fact is that General Welsh and his team have already looked at this issue. This is what he told the Senate just a couple weeks ago:

> There is very significant potential designed into the C–1 [initial NMD] system to grow to beyond the capability to deal with those countermeasures. The problem with estimates as to what people can give was that—the Chinese will share it, the Russians will share it—it's one thing to share technology, it's something else to incorporate it into your system. And, so unless they share an all-out system ready to launch, there is still a very significant technical challenge to integrating somebody else's countermeasure technology into your offensive weapons system.

Those who believe it will be easy for rogue states to incorporate countermeasures into their long-range ballistic missiles should consider what happened last Friday night in the test of the National Missile Defense system. A Minuteman target missile was launched from Vandenberg Air force Base carrying a dummy warhead and a balloon decoy. No nation except perhaps Russia has more experience than the United States with technically sophisticated countermeasures, and those who say such measures will be easy for rogue states to deploy derided this balloon decoy as laughably simple. Well, the decoy didn't deploy properly. As Undersecretary of Defense Jacques Gansler noted following the test, "Others have said how easy it is to put up decoys, by the way. This is the proof that one decoy we were trying to put up didn't go up."

Mr. President, countermeasures will eventually challenge the National Missile Defense system, just as they have challenged every other weapons system that has ever been deployed. But they aren't anywhere near as easy to perfect as opponents of missile defense would have us believe, and we already have adequate measures in place to ensure the National Missile Defense system is adequately designed and tested to account for potential countermeasures. This legislation is vague, overly broad, and unnecessary. I urge Senators to vote against it.

Mr. BINGAMAN. Mr. President, I rise to support the amendment being offered by my colleague, Senator DURBIN, calling for effective testing of the National Missile Defense (NMD) program now under development by the Department of Defense.

When the President signed H.R. 4, the National Missile Defense Act of 1999, into law a year ago, he made the statement that "any NMD system we deploy must be operationally effective, cost-effective, and enhance our security." The key word in the President's statement, Mr. President, is "effective." In other words, before we decide to move ahead with the NMD program, among other important considerations, we must be confident that the system will be an "effective" one.

Last year, when we debated this matter in the Senate, I spoke with my colleague, Senator COCHRAN, who agreed with me that we shouldn't buy the system until we know that it will work. It's common sense, of course, to hold back on a decision to purchase something until we know that it will work as advertised. We know that as private consumers. The same is true for the government as a consumer.

Indeed, that is the policy of the Department of Defense (DoD) with respect to its purchase of ALL major weapon systems. DoD's policy instruction governing acquisition of all major weapon systems, DoD Directive 5000.1, contains a number of provisions intended to ensure that the customer, DoD as well as the nation as a whole, will get what we pay for.

The bottom line for the Department of Defense regarding "effectiveness" is whether a weapon system is tested successfully in realistic operating situations. The DoD instruction states that "before purchasing a weapon system from the production line, the Director of Operational Test and Evaluation must report to the Secretary of Defense that the system is operationally effective and suitable for use in combat." That should be true for missile interceptors as well as for conventional guns, tanks, and airplanes.

Mr. President, the Congress has on many occasions expressed its commitment to the taxpayer that the billions spent on weapons will provide the nation with the real military capability we may need. The provision of DoD Instruction 5000.1 that I have cited is one such example. Another was legislation enacted during the 1980's requiring warranties on all major weapon systems and their components.

We also, know, Mr. President, that when we fail to require that a system meet operational standards, we pay a heavy price. In the early 1980's, the Congress appropriated over $20 billion dollars to purchase 100 B–1B bombers. The problem was that we had never tested them. The B–1B looked like the B–1A, but in fact was a far different weapon. It needed to be tested. We didn't do it and went ahead with the purchase. Mr. President, we now know the unfortunate history of that purchase. It wasn't until recently that the DoD used the B–1B in combat, and even then under very special operational circumstances. In the intervening decade and a half, the Air Force chose other ways to get the job done. I'm convinced that, in part, it was because the Air Force knew that the B–1B would not have been capable of getting the job done. There are other expensive examples I could use to illustrate the price we've paid for inadequate testing. Design flaws in the C–5 and F–18 have ended up costing the taxpayer a bundle. I'm sure you've recently read the news reports about flaws in the protective suits for our troops to use in a chemical or biological warfare environment. They weren't adequately tested either.

The amendment Senator DURBIN is sponsoring today seeks simply to affirm Congressional commitment to the taxpayer, to the men and women in uniform who must operate our weapons, and to the nation that must depend on it for our defense. I am pleased to cosponsor this amendment that would require that the NMD system be tested against possible countermeasures that are likely, or at least realistically possible, to be used to accompany attacking warheads that potential enemies could launch against us. The amendment calls for the Ballistic Missile Defense Organization (BMDO) to plan ground and flight tests to address those threats, to seek funds to support what's needed to meet them, and to report annually on the status and progress of the NMD program regarding countermeasures. In short, Mr. President, the amendment proposes concrete actions to ensure that we know the exact nature of the threat, that we plan appropriate technical responses, and that we test adequately to make sure that those responses work.

We are all aware of the recent outcome of the latest NMD flight test, IFT-5. In that test, a developmental test, the kill vehicle failed to separate from its booster to engage the incoming target warhead. Mr. President, this was a test designed and conducted under very controlled, hardly realistic, conditions. It was a test in which all the pieces of the complex NMD system were given special capabilities to carry out their job in a controlled, experimental environment.

I think we can all agree that it's appropriate to walk before we run. In "walking" through this test, IFT-5, we have discovered once again how difficult it is to "hit a bullet with a bullet" even though we think we know how each piece of the system will function. I'd like to emphasize, Mr. President, that this was not an operational test under realistic conditions that DoD requires for every other major weapon system before it decides to go ahead and buy it. This was a controlled, laboratory test in which one of the pieces we thought we know most about failed.

I believe that although the NMD test program to date indicates that we are developing some amazing capabilities, we are a very long way from being confident that the NMD system as a whole will work. Indeed, in order for an NMD test to be truly realistic, there are a whole host of variables that must differ significantly from the conditions that were present during the IFT-5 test. In order to be more realistic, for example, future tests should reorient the basic geographic direction of the test from West to East rather than East to West. The flight test envelope would have to be greatly enlarged. Various types of countermeasures, the subject of the amendment, should be used. Actual military personnel who would operate the system should be at the controls. Information from the warning system should reflect likely warning times. We are a very long way from realistic testing the NMD system in those regards and a number of others. This amendment addresses only one of those variables, albeit a very important one. Adopting this amendment will provide us with critical information about the feasibility of the NMD system to get the job done. Committing ourselves to procuring and deploying the NMD system until we know the answers to questions regarding key operational capabilities would be premature and ill-advised.

There are other critical factors that will play important and necessary roles in determining whether the President will commit the nation to deploying NMD. Surely the nature of the threat must be assessed and reassessed to make sure that this program is warranted. Surely the possible responses of our allies and potential adversaries will play an important part in the President's calculation. At the end of the day, the President will have determined whether the nation is more or less secure as a result of deciding to deploy the NMD system.

In the meantime, as responsible stewards for public expenditures, it behooves us to take all measures necessary to ensure that the billions we are spending for NMD are giving the taxpayer real dividends. This amendment is an important means to make that happen. I urge all of my colleagues to support realistic testing before committing the nation to procurement and deployment of NMD. Thank you, Mr. President. I yield the floor.

Mr. JEFFORDS. Mr. President, this discussion of a national missile defense system comes at a timely moment. As we struggle to complete action on our thirteen appropriations bills that fund the Federal Government, we are confronted with many unmet needs and the desire to reduce the amount the Federal Government takes from the American taxpayers' hard earned income. The budget agreement locks in spending limits and requires a balanced budget, thereby preventing us from increasing spending on missile defense without cutting other programs. The debate over how much to spend in research on a national missile defense (NMD) system and whether it is time to make a decision on deployment strongly effects both the government's ability to meet the needs of Americans and the likelihood that we will be able to return money to the taxpayers of this country. The costs of such a system and the choices it would force us to make must be carefully weighed against the benefit of an NMD system, the chances that it would work, and the effect that deployment would have on the arms control agenda of the United States.

The decision on how much to spend on an NMD research program cannot be made without considering these questions. We must ask how much we can afford to spend on defense. I argue that national security also has a social component: affordable health care for all Americans, better job opportunities, a strong education system and economic security for America's seniors are all facets of a strong America. Without these things, military technology cannot protect America from the real threats against us.

I have long supported a reasonable program of research and testing of anti-ballistic missile technologies, while opposing efforts to throw huge increases at the program. I hope that thoughtful research will lead to some technological breakthroughs on ways to counter ballistic missiles. Their proliferation, especially in the hands of irresponsible leaders such as North Korea's Kim Jong Il, requires that we actively investigate possible defenses. We cannot ignore the emergence of new nuclear threats to the United States.

A premature decision to deploy an inadequately tested national missile defense system would also be a risk to national security. We cannot afford to spend huge amounts of money on a system we are not certain would work, or on a system that might provoke the very reaction from rogue states that we are ultimately trying to prevent. I am a strong believer in strengthening international non-proliferation regimes such as the Non-Proliferation Treaty and the Comprehensive Test Ban Treaty, which I am very disappointed the Senate has failed to ratify. Successful non-proliferation efforts are worth every penny! The Anti-Ballistic Missile Treaty has also served us well for many years, and we must be careful to not throw out a valuable asset in our rush to jump on the newest technology.

I am pleased to be a cosponsor of Senator DURBIN's amendment to add some important requirements to any national missile defense testing regime. This amendment would require realistic testing of an NMD system against the countermeasures that might be deployed against it. Senator DURBIN's amendment would help ensure that if we move to consider deployment of an NMD system, we would have a realistic assessment of that system's expected performance. Any evaluation of the effectiveness of an NMD system must consider not only the capabilities of the system itself, but its ability to survive what we expect might be thrown up to defeat it. Without this information, it would be hard to judge the true utility of such a system, and easy to overestimate its performance.

This past Friday's failed test of a space intercept brings into sharper focus the issue of claims and performance of an NMD system. Without realistic tests proving the expectations of researchers, we can never be sure that laboratory results can be duplicated in practice. It might be tempting to rush to deploy a system that appeared to provide significant protection for the American people. Passage of this amendment would help ensure that any system have a reasonable chance of working before it is considered for deployment.

I continue to believe that our greatest vulnerability to nuclear attack is not from a nuclear bomb delivered by an intercontinental ballistic missile, but rather from a nuclear devise slipped into the country in some much less visible way, like hidden in some cargo coming into a major U.S. seaport. Committing many billions of dollars to deploy the proposed defense systems would do nothing to protect us against this very real threat. At this time, it would be much more productive to invest these funds in stopping the spread of nuclear technologies and in using other means to counter terrorist organizations and other rogue elements.

Personally, I believe that the politics of missile defense have gotten way out ahead of the science of missile defense. This amendment would help restore the proper order of these concepts. I urge my colleagues to support the Durbin amendment.

Mrs. BOXER. Mr. President, the Durbin amendment to the fiscal year 2001 Defense authorization bill is a common sense proposal that will ensure that a National Missile Defense system is properly tested before it becomes operational.

President Clinton is expected to make a decision in the next few months on whether or not to begin the deployment of a National Missile Defense system. He has said that the decision will be based on four criteria: the readiness of the technology, the impact on arms control and our relations with Russia, the cost of the system, and the threat. Based on these criteria, I do not believe that a decision to deploy should be made at this time.

This amendment deals with just one of these criteria, the readiness of the technology. It says that the National Missile Defense system should be tested against realistic decoys and other counter-measures before it becomes operational. Initial operating capability is now scheduled for 2005.

Let me be clear, this amendment would not prevent a deployment decision this year, nor would it delay the deployment of the system.

Mr. President, this is no different from school. if you cannot pass the exams, you cannot graduate. In this case, if NMD cannot pass a test against realistic counter-measures, it will not be made operational. There will be no social promotion of missile defense. The strategic implications of this system are too great. We do not want to make a system operational that we are not sure will work against an incoming warhead.

Now the opponents of this legislation might say: Senator Boxer, this amendment is unnecessary. The U.S. would never make a missile defense system operational that wouldn't work.

Well, in 1969 the U.S. made a decision to deploy the Safeguard missile defense system to defend U.S. missile against incoming Soviet missiles. This system would have used Spartan missiles armed with small nuclear warheads to intercept incoming ICBMs.

On October 1, 1975, after spending $6 billion (over $20 billion in today's dollars), the first ABM site became operational at Nekoma, North Dakota. Five months later the project was terminated.

Why was the project terminated? Because it didn't work. There were at least two major problems with the Safeguard system. First, its radars were vulnerable to destruction by Soviet missiles. Destruction of these radar systems would blind the defensive system. Second it was found that when the nuclear warheads on defending Spartan missiles were detonated, these explosions themselves would also blind the radar systems. You do not have to be a rocket scientist to know that it is important for the system to work before it is made operational.

So why is the Senator from Illinois concerned about countermeasures? A September 1999 National Intelligence Estimate warned that emerging missile states would use counter-measures.

Let me quote from the unclassified version of the report:

> Many countries, such as North Korea, Iran, and Iraq would rely initially on readily available technology—including separating warheads, spin-stabilized warheads, warhead reorientation, radar absorbing material, booster fragmentation, low power jammers, chaff, and simple balloon decoys.

It goes on to say that "Russia and China each have developed numerous counter-measures and probably are willing to sell the requisite technology."

Many of our best scientists have said that the planned NMD system would be defeated by counter-measures. An April 2000 report released jointly by the Union of Concerned Scientists and MIT Security Studies Program found that "the current testing program is not capable of assessing the system's effectiveness against a realistic attack."

So Mr. President, this is an important amendment. It would ensure that our NMD system is tested against realistic counter-measures and require detailed reports from the Secretary of Defense and the Independent Review Panel which is headed by retired Air Force General Larry Welch.

I congratulate my friend, Senator DURBIN, for offering this important amendment and I urge the Senate to adopt it.

Mr. HATCH. Mr. President, I want to extend my personal gratitude to the Armed Services Committee Chairman and the Ranking Member, as well as to the Chairman and Ranking Member of the Subcommittee on Readiness for their consideration of my recommended language at Sec. 361 of this bill. This provision requires the Secretary of Defense to report on the consequences of high OPTEMPO on military aviation and ground equipment. Let me explain why I applaud this provision. My particular interest is somewhat more focused on aviation assets.

Quite simply, we need to know the adverse effects that the worldwide contingency operations engaged in by our military high-performance aircraft are having on the integrity of the aircraft's frame, engines and other components.

I raise this issue, Mr. President, because my state proudly hosts the Ogden Air Logistics Center at Hill Air Force Base, Utah. Just recently, a team of depot technicians at Hill discovered that the mechanical assembly designed to brake or halt the rise and fall of the stabilizer on the Air Force KC-135 tanker had been prematurely wearing out because of a surge of KC-135 flight activity, much of it related to the frantic deployment schedules that these aircrews are tied to.

The shortage of replacement parts for the stabilizer braking system forced the Air Force to come up with a methodology to refurbish the old part. There had never been a refurbishment of the braking assembly before this time.

This is an important fact because the engineering design missed a critical step in the refurbishment process designed to heat out hydrogen that risked getting into microscopic fissures in the brake ratchet. This would have eventually embrittled the system, causing the stabilizer to fail. It would have meant with near certainty that we would have lost aircraft in midair flight as well as some aircrew lives.

The Secretary of the Air Force, Whitten Peters, has commended the depot technicians for their astute recommendations to the Air Force Materiel Command to ground the KC-135 fleet: this was done, and I am convinced that lives were saved.

But I am no less convinced that we need better visibility over the rapidly aging aircraft airframes and other parts are suffering from the near-frenetic flying schedules and deployments that they and their crews are committed to. Put more directly: we cannot and must not push these brave aircrews into harm's way in aircraft that are even remotely vulnerable to critical component failures.

Mr. President, my concern extends to all tactical and strategic, as well as support and service support aviation assets used in these contingency and peacekeeping operations by the Navy, Marine Corps, and the Air Force. The provision asks for a study of the effects of these deployments on all such assets. Wisely, the Committee has added Army aviation since its predominately rotary wing—or helicopter—operations warrant inclusion in the scope of this assessment.

If one looks at the Air Force commitments, which have carried the bulk of many of the contingency operations, the statistics are as staggering as they are telling: 18,400 sorties over Iraq; 73 percent of the air assets patrolling the Northern watch no-fly zone which produced 75 percent of the total number of sorties in that region. In the Southern Watch no-fly zone, the Air Force also provided 35 percent of the total air assets and produced 68 percent of the sorties. But I don't want to ignore the Navy with its carrier-based aircraft that undergo take-off and, especially, landing procedures that create unimaginably harsh stresses on aircraft. Many members of this body have witnessed carrier operations and know precisely what I am talking about. Some of our colleagues, like my good friends John McCain and Tom Harkin, are even former Navy carrier pilots.

The Secretary of Defense has tried to deal with this issue. And we have tried to help him in the past year. Secretary Bill Cohen cited in his report to Congress this February that aging systems, spot spare parts shortages, and high OPTEMPO [high operating tempo] are placing increased pressure on materiel readiness." The Secretary has testified to his "particular concern" for "negative readiness trends in mission capable rates for aircraft." Last year, Congress provided DOD with $1.8 billion in Kosovo emergency supplemental funding to meet the most urgent demands.

Yet, our equipment is aging. The average age of Air Force aircraft is now 20 years old. Our state of art air-to-ground mission aircraft, the F-16, has a technology base older than most of its pilots, some of whom are flying F-16 aircraft that have been in service longer than they have been alive! The problems of corrosion, fatigue and even parts obsolescence are rampant. I spend much time at Hill Air Force Base in my state of Utah. There are certain critical components that are still tied to vacuum tube technology. Imagine that! How many of us still listen to vacuum tube radios; some of our younger staff members may not even know what they are! Some of our top-of-the-line tactical fighter aircraft use gyroscopes—which are absolutely critical to positional accuracy—that are several generations old. It bothers me greatly to hear people complain about "gold-plated" military aircraft. I would invite any of them to join me in a tour of the Ogden, Utah, depot. When they see the condition of components from our best tactical fighters being serviced, I suspect they would better understand the real meaning of courage.

But let me conclude with a word about the most important resource in this equation: people. We have reduced our forces by 30 percent and increased deployments by nearly 400 percent. The effect is exactly what you would expect. Recently, the Marine Corps' Commandant and the Army Chief of Staff announced that deployments of their aviation and ground equipment are now 16 times the rate during the Cold War. Unprecedented pilot losses, reaching a 33 percent level in the Navy, 15 percent in the Air Force and 21 percent in the Marine Corps. But the most critical losses are found among the highly specialized aircraft service technicians. Specialists in electronic components, air traffic control, armaments and munitions, and other technical specialties, at all levels of service, short-term, mid-term and long-term, are leaving in unprecedented numbers. Even the Air Force's valiant Expeditionary Air Force concept, which organizes a highly mobile slice of the Air Force into 10 task forces, called "Air Expeditionary Forces," faces technical enlisted skill shortages which still burden the fewer and fewer technicians who remain on active duty, according to a General Accounting Office study on military personnel released in early March 2000.

Mr. President, I want to thank my colleagues for listening to this long presentation regarding my concerns for the state of our military aircraft and the people who fly and service them. I know that most will join with me and the committee in calling for a full review of the consequences of the unprecedented peacetime demands being made on our people and their equipment.

### NATIONAL GUARD CHALLENGE PROGRAM

Mr. BYRD. Mr. President, I am seriously concerned about Section 910 of S. 2549, the National Defense Authorization Act for Fiscal Year 2001.

Section 910 would effect the transfer of responsibility for the National Guard Youth ChalleNGe program from the Chief of the National Guard Bureau to the Secretary of Defense and would amend the limitation on federal funding for the National Guard Challenge program to limit only Department of Defense funding. This language removes the National Guard Bureau from the "chain of command" and from its statutory role as the channel of communication between the federal government and the states (10 U.S.C. Sec. 10501).

Youth ChalleNGe exists in 25 states and is a federal/state partnership program. While there is partial federal funding (which is capped by law at $62.5 million per year), the ChalleNGe staff members are state employees who meet state teacher and counselor certification requirements. All legally binding cooperative agreements currently in place are between the Governors and the Chief, National Guard Bureau.

ChalleNGe is a highly successful program that takes at-risk youths and gives them the opportunity to turn their lives around and become productive members of their communities. Since the program was established, with my assistance in 1991, more than 4,500 young Americans have graduated. Of this number, more than 66% have earned their GED or high school diploma; more than 12% entered the military, and more than 16% enrolled in college.

ChalleNGe is a program in demand by the states. If it were not for the cap on spending, more states would have a ChalleNGe program. Transferring authority from the National Guard to the Office of the Assistant Secretary of Defense for Reserve Affairs could only have a negative impact and upset a program that is operating extremely well under the auspices of the National Guard Bureau. It would add another layer of bureaucracy and require the State National Guard programs to relate through an altogether new "chain of command" for the Youth ChalleNGe program, while maintaining the existing "chain of command" for all other National Guard activities.

On June 16th of this year, I participated in the graduation ceremony of the cadets of the Mountaineer ChalleNGe program at Camp Dawson, West Virginia. In all my years of delivering commencement speeches and high school diplomas, I can say without reservation that this was the most impressive group of students that I have ever encountered. The graduates sat at full attention throughout the event, with obvious pride in their hard-earned achievements and serious commitment to a future on the right path. Such transformation can not be achieved by mere bootcamp exercises alone. It takes a tough-love approach with caring and compassionate instructors who want to see the lives of these troubled youth turned around forever. The National Guard offers these young people the very virtues—leadership, followership, community service, job skills, health and nutrition, and physical education—that are in keeping with the Guard's tradition of adding value to America and it certainly showed in West Virginia.

Let us not punish this fine organization which is doing an exceptional job in helping youth in-need.

Mr. WARNER. It is my understanding that the committee report language may not fully and adequately explain the intent of the Committee. The Committee's intent is to reaffirm the role of the Secretary of Defense to establish policy for and oversee the operation of DOD programs. I intend to see that the conference report language adequately expresses the view that the National Guard is to continue to administer the Youth ChalleNGe program under the oversight and direction of the Secretary of Defense.

Mr. LEVIN. I think the Chairman has a workable solution. It is not the intent of the Committee that the National Guard should lose its ability to administer this highly successful program. Rather, the intent is that there be adequate policy direction and oversight of the Youth ChalleNGe program by the Secretary of Defense.

Mr. BYRD. I had intended to offer an amendment to clarify this issue. However, I believe that the comments of the distinguished Chairman and Ranking Minority Member of the Armed Services Committee have helped clear up this matter. I hope the conference report will further clarify the matter.

### CONVEYANCE AUTHORITY FOR UTILITY SYSTEMS

Mr. GORTON. Mr. President, I am very concerned about a provision contained in H.R. 4205, the National Defense Authorization Act for Fiscal Year 2001, regarding the conveyance authority for utility systems at U.S. military installations. The House proposes to change existing law in a manner that jeopardizes the ability of a municipal utility in Washington, Tacoma Power, to participate in the competitive selection process and acquire Fort Lewis' electric utility system. Fort Lewis is Washington's major Army base. I oppose changes to DOD's current conveyance authority, when that change impedes competition.

The Department of Defense is privatizing utility systems at military bases throughout the county. Military bases are considered Federal enclaves, and therefore are subject to Federal, rather than State, law. The language contained in H.R. 4205 dramatically weakens existing Federal law by subjecting military bases to State laws, regulations, rulings and orders in the competitive bid process of their utility systems. This would have a negative impact on DOD utility privatization efforts in my state of Washington. The reason for this is that utility service territories in Washington are established by service area agreements—contracts—rather than by State decree. Eliminating the Federal law that applies on military bases would create a host of legal questions, the effect of which is to foster litigation and undercut the DOD privatization process in Washington.

Because I am not a member of the Senate Armed Services Committee, and would therefore not be privy to Conference Committee negotiations, I respectfully request your assistance in assuring that whatever utility language is included in the FY01 Defense Authorization bill properly takes into account the unique circumstances of Washington.

Mr. WARNER. I share the Senator's concerns regarding the impact the House language might have on competition, and will work with you to ensure that Washington state's issues are addressed during the conference. Any suggestions you may have on this matter would be most welcome.

Mr. GORTON. I thank the Senator in advance for your commitment to this effort. I look forward the working with you in the coming weeks to see that this issue is resolved in a favorable manner.

Mr. KENNEDY. Mr. President, this past year, the men and women of the Armed Forces proved, once again, the value of a strong and ready military. Since the end of the Cold War, our Armed Forces have been busier, and have conducted a greater variety of missions around the world, than at any other time during our nation's history, short of war.

Our forces ended Serb aggression in Kosovo, brought peace to East Timor, and aided earthquake victims in Turkey. At this moment, American service men and women are monitoring the demilitarized zone in Korea, enforcing the no-fly zones over Iraq, patrolling the Arabian Gulf for oil smugglers, and assisting in the battle against drugs in Central and South America. These activities are in addition to the daily operations they conduct at home and with our allies overseas to maintain the readiness of our forces.

Our National Guard and Reserve members continue as equal partners in carrying out our national security and national military strategies. Last May, in the span of only one week, C–5 transport aircraft from the 439th Airlift Wing at Westover Air Reserve Base in Massachusetts carried helicopters and equipment to Trinidad-Tobago to aid in the war against drugs, flew the Navy's new mini-submarine to Hawaii, an unprecedented accomplishment and a tribute to their ingenuity and resourcefulness, airlifted Marines to Greece, carried supplies to Europe, and continued their very important training at home.

Last week, over a hundred citizen-soldiers from Bravo Company of the 368th Engineer Combat Battalion left their homes in Attleboro, Massachusetts for duty in Kosovo.

These are just a few examples of what Guard and Reserve members from every state, do for us each day around the world.

We ask the men and women of our Armed Forces to prepare for and respond to every contingency, from supporting humanitarian relief efforts, peacekeeping, and enforcing United Nations sanctions, to fighting a full-scale Major Theater War. A quarter million of our service members are deployed around the world to deter aggression, keep the peace, promote democracy, and foster goodwill and cooperation with our allies, and even with our potential adversaries.

All of our men and women in uniform put our nation's interests above their own. When called upon, they risk their lives for our freedom. As a nation, we often take this sacrifice for granted, until we are reminded of it again by tragic events such as the April training accident in Arizona, where 19 Marines lost their lives in the line of duty. These Marines paid the ultimate sacrifice for their country, and it was fitting for the Senate to honor them with a resolution. I commend my colleague Senator SNOWE for her leadership on that resolution.

More recently, this week, two Arizona Army Guardsmen lost their lives when their Apache helicopter crashed in a night training exercise. Two Navy pilots were killed in a training accident in Maryland. The cost of training in the name of peace and security is high.

One of Congress' most important duties is to make sure that our Armed Forces are able to meet the many challenges of an increasingly unstable international environment. Both the Director of Central Intelligence and the Director of the Defense Intelligence Agency testified before the Senate Armed Services Committee that, more than at any other time in the nation's history, we are at risk of "substantial surprise" by adversaries. Their views are supported by the worldwide expansion of information technology, the proliferation of dual-use technology, and the fact that the expertise to develop weapons of mass destruction is available and for hire on the open market.

The growing resentment by potential adversaries of our status as the last superpower makes us susceptible to hostile acts ranging from computer attacks to chemical or biological terrorism. Our military must be equipped to deter this aggression and, if necessary, counter it. The FY 2001 National Defense Authorization Bill takes a positive step toward doing so.

The many activities which our forces have undertaken and maintained in the past decade, in spite of reduced resources, has taken a toll on our people, their equipment, and readiness. This bill continues the increases in defense spending needed to reverse this trend that the President and Congress began last year. At $310 billion, this bill represents real growth, and a necessary investment in the future of the nation's security. At the heart of our armed forces are the soldiers, sailors, airmen and marines who took the oath of office to support and defend the Constitution against all of our enemies, foreign and domestic. Clearly, without them, we could not preserve our freedom. Attracting young men and women to serve, and retaining them in an all-volunteer force, is more challenging than ever. Last year, Congress authorized the largest pay raise in nearly two decades, reformed the pay table, and restored the 50% retirement benefit. This year, we continue these efforts to support our service members and their families, by granting a 3.7 percent pay raise, which is one-half percent above inflation. We also provide for the gradual reduction to zero—over five years—of out-of-pocket housing expenses for service members living off base, and we provide better military health care for family members. The bill also directs the implementation of the Thrift Savings Plan that Congress authorized last year. The welfare of the men and women of our armed forces is rightly at the center of this year's Defense Authorization Bill.

The bill also takes a bold and necessary step to honoring the promise of lifetime health care for military retirees. The Armed Services Committee heeded the needs of our military retirees, and addressed their number one priority—the cost of prescription drugs. The Defense Authorization Bill expands the Base Realignment and Closure pharmacy benefit—already available to 450,000 retirees—to the entire 1.4 million Medicare-eligible military retiree community. This benefit lets all men and women in uniform know that we care about their service, and that a career in the military is honorable and worth pursuing. It also lets all military retirees know that Congress is listening, cares, and is willing to act on their behalf.

The bill also continues and expands health care demonstration programs to evaluate how we can best address the health care needs of these retirees. We must complete the evaluation of these programs and move to answer their needs. I am hopeful that soon, we will be able to do more.

The bill also enhances efforts to prepare for and respond to other threats. It authorizes five additional Civil Support Teams to a total of 32 by the end of FY 2001. The teams will be specially trained and equipped to respond to the suspected use of weapons of mass destruction on American soil. While we hope they will never be needed, we must be prepared for any emergency.

The bill adds $74 million for programs to protect against chemical and biological agents, and it funds the research and development for a second generation, single-shot anthrax vaccine. The men and women of our Armed Forces need this support now.

Each service has taken steps to protect the environment, but too little has been done to detect and deal with the effects of unexploded ordnance. On the Massachusetts Military Reservation, unexploded ordnance may be contaminating the soil and groundwater in the area. This situation is unacceptable. If it is not addressed now, it could cause irreparable harm to the environment and the people who live there.

Unexploded ordnance is a problem in every active and formerly-used live-fire training facility. The bill includes $10 million to develop and test new technologies to detect unexploded ordnance and analyze and map the presence of their contaminants, so that they can be more easily cleaned up. For too many years, this issue has been ignored. The time has come for the Department of Defense to take on the task of removing UXO. This step is essential to ensure the continued operation of training ranges, which are vital to the continued readiness of our forces and the safe reuse of facilities that have been closed.

Last May, the country felt the effect of a simple computer virus that disabled e-mail systems throughout the world, and cost industry billions of dollars. The "Love Bug" virus also reportedly infected classified e-mail systems within the Department of Defense. Last year, more than 22,000 cyber-attacks took place on DOD computer systems—a 300 percent increase over the previous year. The cyber threat to national security will become more complex and more disruptive in the future. Our armed forces must be better prepared to deal with this threat and to protect these information systems. The bill adds $77 million to address this serious and growing threat.

In the Seapower Subcommittee, under the leadership of our distinguished chair, Senator SNOWE, we heard testimony and continued concern about the Navy's force structure, the shipbuilding rate, and the overall readiness of the fleet. I support the Secretary of the Navy's decision to increase R&D spending for the new land-attack destroyer, DD–21, but I am concerned about the delay in the program, the effect of this delay on fire support requirements of the Marine Corps, and its effect on our shipbuilding industrial base.

The bill includes $550 million for DD-21 research and development. It also asks the Navy to report to Congress on the feasibility of starting DD–21 construction in FY 2004, as originally scheduled, for delivery by 2009, and the effects of the current delay on the destroyer shipbuilding industrial base.

To ease the strain on the shipbuilding industrial base, the bill authorizes the extension of the DDG–51 multi-year procurement, approved by Congress in 1997, to include procurements through fiscal year 2005. This increase will bring greater near-term health to our destroyer shipyards. It could raise the Navy's overall shipbuilding rate to an acceptable level of 9 ships for each of those years, and it could save almost $600 million for these ships by avoiding the additional unit cost of building them at a smaller rate. This increase benefits the Navy, the shipyards, and the shipyard workers, and it is fiscally responsible.

I am particularly concerned about one section of the bill that closes the School of the Americas and then reopens it as the Defense Institute for Hemispheric Security Cooperation.

Despite the additional human rights curriculum, I am concerned that well-known abuses by the School's graduates have caused irreparable harm to its credibility. The School accounts for less than 10 percent of the joint education and training programs conducted by the U.S. military for Latin American forces, but it has graduated some of the most notorious human rights abusers in our hemisphere.

A report of the UN Truth Commission on the School implicated former trainees, including death squad organizer Robert D'Abuisson, in atrocities committed in El Salvador. During the investigation of the 1989 murder of six Jesuit priests in El Salvador, it turned out that 19 of the 26 people implicated in this case were graduates of the School. Other graduates include Leopoldo Galtieri, the former head of the Argentine junta, Manuel Noriega, the former dictator of Panama, and Augusto Pinochet, the former dictator of Chile. In September 1996, after years of accusations that the School teaches soldiers how to torture and commit other human rights violations, the Department of Defense acknowledged that instructors at the School had taught such techniques.

I welcome the Army's recognition that human rights and civil-military relations must be a top priority in our programs with Latin America. The provision in this bill, will close the School and immediately reopen it with a new name at the same location, with the same students and with much of the same curriculum. But this step will not solve the problems that have plagued this institution.

I commend my colleague, Representative MOAKLEY, for his leadership on this issue and his proposal to create a Task Force to assess the type of education and training appropriate for the Department of Defense to provide to military personnel of Latin American nations. These issues demand our attention, and we must address them more effectively.

In summary, I commend my colleagues on the Armed Services Committee for their leadership in dealing with the many challenges facing our nation on national defense. This bill keeps the faith with the 2.2 million men and women who make up our active duty, guard, and reserve forces. It is vital to our nation's security, and I urge the Senate to approve it.

Mr. WARNER. Mr. President, I ask unanimous consent that a previous unanimous consent agreement regarding the "boilerplate language" for completing the Defense authorization be modified with the changes that I now send to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

The unanimous consent agreement, as modified, is as follows:

> I ask unanimous consent that, with the exception of the Byrd amendment on bilateral trade which will be disposed of this evening, that votes occur on the other amendments listed in that Order beginning at 9:30 A.M. on Thursday, July 13, 2000.
>
> I further ask unanimous consent that, upon final passage of H.R. 4205, the Senate amendment, be printed as passed.
>
> I further ask unanimous consent that, following disposition of H.R. 4205 and the appointment of conferees the Senate proceed immediately to the consideration en bloc of S. 2550, S. 2551, and S. 2552 (Calendar Order Numbers, 544, 545, and 546); that all after the enacting clause of these bills be stricken and that the appropriate portion of S. 2549, as amended, be inserted in lieu thereof, as follows:
>
> S. 2550: Insert Division A of S. 2549, as amended;
>
> S. 2551: Insert Division B of S. 2549, as amended;
>
> S. 2552: Insert Division C of S. 2549, as amended; that these bills be advanced to third reading and passed; that the motion to reconsider en bloc be laid upon the table; and that the above actions occur without intervening action or debate.
>
> Finally, I ask unanimous consent with respect to S. 2550, S. 2551, and S. 2552, that if the Senate receives a message with respect to any of these bills from the House of Representatives, the Senate disagree with the House on its amendment or amendments to the Senate-passed bill and agree to or request a conference, as appropriate, with the House on the disagreeing votes of the two houses; that the Chair be authorized to appoint conferees; and that the foregoing occur without any intervening action or debate.

## MORNING BUSINESS

Mr. WARNER. Mr. President, if there is nothing further on the authorization bill, I ask unanimous consent that the Senate proceed to a period for morning business, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

## VICTIMS OF GUN VIOLENCE

Mr. DASCHLE. Mr. President, it has been more than a year since the Columbine tragedy, but still this Republican Congress refuses to act on sensible gun legislation.

Since Columbine, thousands of Americans have been killed by gunfire. Until we act, Democrats in the Senate will read some of the names of those who lost their lives to gun violence in the past year, and we will continue to do so every day that the Senate is in session.

In the name of those who died, we will continue this fight. Following are the names of some of the people who were killed by gunfire one year ago today.

July 12, 1999:

Craig Briskey, 15, Atlanta, GA; Deleane Briskey, 33, Atlanta, GA; Torsha Briskey, 16, Atlanta, GA; Darius Cox, 31, Baltimore, MD; Willie Dampier, 31, Lansing, MI; Albert Fain, 25, Cincinnati, OH; Victor Gonzalez, 20, Holyoke, MA; Larry W. Gray, 52, Memphis, TN; Arvell Henderson, 28, St. Louis, MO; Essie Hugley, 37, Atlanta, GA; Wardell L. Jackson, 19, Chicago, IL; William Kuhn, 25, Pittsburgh, PA; Antoine Lucas, 9, Atlanta, GA; David Antonio Lucas, 13, Atlanta, GA; Edgar McDaniel, 34, Atlanta, GA; Sims Miller, 32, St. Louis, MO; Erica Reyes, 20, Holyoke, MA; Darryl Solomon, 28, Detroit, MI; James Sweeden, 48, Dallas, TX; Anthony White, Detroit, MI; Darrell Lewis White, 28, Memphis, TN; Unidentified male, 15, Chicago, IL.

Deleane Brisky from Atlanta was one of six people I mentioned who was shot and killed one year ago today. On that day, her ex-boyfriend burst into her home, killed her, her sister and four of her six children. The gunman then shot and wounded her 11-year-old son Santonio, who was hiding in a closet, before turning the gun on himself.

The time has come to enact sensible gun legislation. These people, who lost their lives in tragic acts of gun violence, are a reminder of why we need to take action now.

## INTEGRATED GASIFICATION COMBINED CYCLE (IGCC) SYSTEM

Mr. SPECTER. Mr. President, Air Products & Chemicals, Inc. of Allentown, Pennsylvania and an industrial team are developing a unique oxygen-producing technology based on high-temperature, ion transport membranes (ITM). The technology, known as ITM Oxygen, would be combined with an integrated gasification combined cycle (IGCC) system to produce oxygen and electric power for the iron/steel; glass, pulp and paper; and chemicals and refining industries. The ITM Oxygen project is a cornerstone project in the Department of Energy's (DOE) Vision 21 program and has the potential to significantly reduce the cost of so-called "tonnage oxygen" plants for IGCC systems.

Working in partnership with DOE's National Energy Technology Laboratory, the first of three phases of this $24.8 million, 50 percent cost-shared research program will be completed in September 2001. Research and development conducted as part of phase 1 of the ITM Oxygen program has addressed the high-risk materials, fabrication and engineering issues needed to develop the ITM Oxygen technology to the proof-of-concept point. In phase 2, a full-scale ITM Oxygen module will be tested and will be followed by further scale-up to test the production and integration of multiple full-scale ITM modules. In the final phase, a pre-commercial demonstration unit will be designed, constructed, integrated with a gas turbine and tested at a suitable field site. At the end of phase 3, it is expected that sufficient aspects of the technology will have been demonstrated to enable industrial commercialization.

I thank the Senator from Washington for adding $3.2 million to Department of Energy's IGCC. I also understand that the House of Representatives added $3.2 million to the FY01 budget request for IGCC without designating any one project to receive the increased funding. As part of its FY01 budget, DOE requested $2.2 million as part of its $32 million IGCC budget to complete phase 1 of ITM Oxygen.

Now I would urge the Department of Energy and the National Energy Technology Laboratory to provide $2 million of the $3.2 million as an increase to the FY01 budget request for IGCC to allow the programs second phase to begin in FY01. This additional funding would allow the ITM Oxygen team to have a smooth transition to the program's second phase and to level over future years the DOE cost share needed to maintain the program's schedule. This additional funding would also allow the ITM Oxygen team to make an early commitment to accelerate construction of the test facility and the full-scale ITM Oxygen module. Accelerating this program makes sound business sense. Now I am confident that DOE and the National Energy laboratory will have the funding to do this. I urge them to work with the ITM Oxygen team and make it happen.

## JUDICIAL NOMINATIONS IN THE 106TH CONGRESS

Mr. LEAHY. Mr. President, I am concerned at the continuing lack of any real, strong effort to confirm Federal judges this year compared to the situation in the last year of President Bush's term in office with a Democratic controlled Senate. We confirmed 66 judges—actually confirmed judges and had hearings right through September. Now we have very, very few hearings.

While I am glad to see the Judiciary Committee moving forward with a few of the many qualified judicial nominees to fill the scores of vacancies that continue to plague our Federal courts, I am disappointed that there were no nominees to the Court of Appeals included at this hearing. I have said since the beginning of this year that the American people should measure our progress by our treatment of the many qualified nominees, including outstanding women and minorities, to the Court of Appeals around the country. The committee and the Senate are falling well short of the mark.

With 21 vacancies on the Federal appellate courts across the country, and nearly half of the total judicial emergency vacancies in the Federal courts system in our appellate courts, our courts of appeals are being denied the resources that they need. Their ability to administer justice for the American people is being hurt. There continue to be multiple vacancies on the Fourth, Fifth, Sixth, Ninth, Tenth and District of Columbia Circuits. The vacancy rate for our courts of appeals is more than 11 percent nationwide—and that does not begin to take into account the additional judgeships requested by the Judicial Conference to handle their increased workloads. If we added the 11 additional appellate judges being requested, the vacancy rate would be 16 percent. Still, not a single qualified candidate for one of these vacancies on our Federal appellate courts is being heard today.

At our first executive business meeting of the year, I noted the opportunity we had to make bipartisan strides toward easing the vacancy crisis in our nation's Federal courts. I believed that a confirmation total of 65 by the end of the year was achievable if we made the effort, exhibited the commitment, and did the work that was needed to be done. I urged that we proceed promptly with confirmations of a number of outstanding nominations to the court of appeals, including qualified minority and women candidates. Unfortunately, that is not what has happened.

Just as there was no appellate court nominee included in the April confirmation hearing, there is no appellate court nominee included today. Indeed, this committee has not reported a nomination to a court of appeals vacancy since April 12, and it has reported only two all year. The committee has yet to report the nomination of Allen Snyder to the District of Columbia Circuit, although his hearing was 8 weeks ago; the nomination of Bonnie Campbell to the Eighth Circuit, although her hearing was 6 weeks ago; or the nomination of Judge Johnnie Rawlinson, although her hearing was 4 weeks ago. Left waiting for a hearing are a number of outstanding nominees, including Judge Helene White for a judicial emergency vacancy in the Sixth Circuit; Judge James Wynn, Jr., for a judicial emergency vacancy in the Fourth Circuit; Kathleen McCree Lewis, another outstanding nominee to the multiple vacancies on the Sixth Circuit; Enrique Moreno, for a judicial emergency vacancy in the Fifth Circuit; Elena Kagan, to one of the multiple vacancies on the District of Columbia Circuit; and Roger L. Gregory, an outstanding nominee to another judicial emergency vacancy in the Fourth Circuit.

I deeply regret that the Senate adjourned last November and left the Fifth Circuit to deal with the crisis in the Federal administration of justice in Texas, Louisiana and Mississippi without the resources that it desperately needs. It is a situation that I wished we had confronted by expediting consideration of nominations to that court last year. I still hope that the Senate will consider them this year to help that circuit.

I continue to urge the Senate to meet its responsibilities to all nominees, including women and minorities. That all of these highly qualified nominees are being needlessly delayed is most regrettable. The Senate should join with the President to confirm these well-qualified, diverse and fair-minded nominees to fulfill the needs of the Federal courts around the country.

During the committee's business meeting on June 27, Chairman HATCH noted that the Senate has confirmed seven nominees to the courts of appeals this year—as if we had done our job and need do no more. What he failed to note is that all seven were holdovers who had been nominated in prior years. Five of the seven were reported to the Senate for action before this year, and two had to be reported twice before the Senate would vote on them. The Senate took more than 49 months to confirm Judge Richard Paez, who was nominated back in January 1996, and more than 26 months to confirm Marsha Berzon, who was nominated in January 1998. Tim Dyk, who was nominated in April 1998, was confirmed after more than two years. This is hardly a record of prompt action of which anyone can be proud.

Chairman HATCH then compared this year's total against totals from other presidential election years. The only year to which this can be favorably compared was 1996 when the Republican majority in the Senate refused to confirm even a single appellate court judge to the Federal bench. Again, that is hardly a comparison in which to take pride. Let us compare to the year 1992, in which a Democratic majority in the Senate confirmed 11 Court of Appeals nominees during a Republican President's last year in office among the 66 judicial confirmations for the year. That year, the committee held three hearings in July, two in August, and a final hearing for judicial nominees in September. The seven judicial nominees included in the September 24 hearing were all confirmed before adjournment that year—including a court of appeals nominee. We have a long way to go before we can think about resting on any laurels.

Having begun so slowly in the first half of this year, we have much more to do before the Senate takes its final action on judicial nominees this year. We should be considering 20 to 30 more judges this year, including at least another half dozen for the court of appeals. We cannot afford to follow the "Thurmond Rule" and stop acting on these nominees now in anticipation of the presidential election in November. We must use all the time until adjournment to remedy the vacancies that have been perpetuated on the courts to the detriment of the American people and the administration of justice. That should be a top priority for the Senate for the rest of this year. In the last three months in session in 1992, between July 12 and October 8, 1992, the Senate confirmed 32 judicial nominations. I will work with Chairman HATCH to match that record.

One of our most important constitutional responsibilities as United States Senators is to advise and consent on the scores of judicial nominations sent to us to fill the vacancies on the federal courts around the country. I look forward to our next confirmation hearing and to the inclusion of qualified candidates for some of the many vacancies on our Federal Court of Appeals.

## DRUNK DRIVING PER SE STANDARD

Mr. DEWINE. Mr. President, now that we have passed the Transportation Appropriations bill and it heads to the conference committee, I strongly urge my colleagues to support in conference a provision in the bill that would encourage states to adopt a .08 Blood-Alcohol Concentration (BAC) level as the per se standard for drunk driving.

This issue is not new to the Senate. In 1998, as the Senate considered the Transportation Equity Act for the 21st Century, or TEA 21, 62 Senators agreed to an almost identical provision—an amendment that Senator LAUTENBERG and I offered to make .08 the law of the land. Sixty-two Senators, Mr. President, agreed that we needed this law because it would save lives.

We made it clear during the debate in 1998 that .08, by itself, would not solve the problem of drunk driving. However, .08, along with a number of other steps taken over the years to combat drunk driving, would save between 500 and 600 lives annually. Let me repeat that, Mr. President—if we add .08 to all the other things we are doing to combat drunk driving—we would save between 500 and 600 more lives every year.

On March 4, 1998—when the Senate voted 62 to 32 in favor of a .08 law—the United States Senate spoke loud and clear. This body said that .08 should be the uniform standard on all highways in this country. The United States Senate said that we believe .08 will save lives. The United States Senate said that it makes sense to have uniform laws, so that when a family drives from one state to another, the same standards—the same tough laws—will apply.

But sadly, Mr. President, despite the overwhelming vote in the Senate—despite the United States Senate's very strong belief that .08 laws will save lives—this provision was dropped in conference. The conferees replaced it with an enhanced incentive grant program that has proven to be ineffective. Since this grant program has been in place, only one state—Texas—has taken advantage of the incentives and put a .08 law into effect.

So, here we are again—back at square one, making the same arguments we made two years ago—the same arguments that compelled 62 United States Senators to vote in favor of .08 legislation. Let's not make the same mistake this time, Mr. President. The Senate kept the .08 provision in the Transportation Appropriations bill we passed last week—this time, we need to do the right thing and keep the provision in the conference report and make it law once and for all.

The case for a .08 law in every state is as compelling today as it was two years ago when we voted on this. The fact is that a person with a .08 Blood-Alcohol Concentration level is seriously impaired. When a person reaches .08, his/her vision, balance, reaction time, hearing, judgement, and self-control are severely impaired. Moreover, critical driving tasks, such as concentrated attention, speed control, braking, steering, gear-changing and lane-tracking, are negatively impacted at .08.

But, beyond these facts, there are other scientifically sound reasons to enact a national .08 standard. First, the risk of being in a crash increases gradually with each blood-alcohol level, but then rises rapidly after a driver reaches or exceeds .08 compared to drivers with no alcohol in their systems. The National Highway Traffic Safety Administration (NHTSA) reports that in single vehicle crashes, the relative fatality risk for drivers with BAC's between .05 and .09 is over eleven times greater than for drivers with BAC's of zero.

Second, .08 BAC laws have proven results in reducing crashes and fatalities. Back in 1998, when Senator LAUTENBERG and I, argued in support of a national .08 law, we cited a study that compared states with .08 BAC laws and neighboring states with .10 BAC laws. That study found that .08 laws reduced the overall incidence of alcohol fatalities by 16% and also reduced fatalities at higher BAC levels. During our debate two years ago, the accuracy of this report was called into question by opponents of our amendment. Since then, a number of different studies have verified the findings of the original Boston University study. I will talk about these new studies shortly.

Third and finally, according to NHTSA, crash statistics show that even heavy drinkers, who account for a large percentage of drunk driving arrests, are less likely to drink and drive because of the general deterrent effect of .08.

Right now, Mr. President, we have a patchwork pattern of state drunk driving laws. Forty-eight states have a per se BAC law in effect. Thirty-one of these states have a .10 per se standard. Seventeen have enacted a .08 level. With all due respect, Mr. President, this doesn't make sense. The opponents of the .08 level cannot convince me that simply crossing a state border will make a drunk sober. For instance, just crossing the Wilson Bridge from Virginia into Maryland would not make a drunk driver sober.

This states' rights debate reminds me of what Ronald Reagan said when he signed the minimum drinking age bill: "The problem is bigger than the individual states . . . . It's a grave national problem, and it touches all our lives. With the problem so clear-cut and the proven solution at hand, we have no misgiving about this judicious use of federal power."

The Administration has set a very laudable goal of reducing alcohol-related motor vehicle fatalities to no more than 11,000 by the year 2005. Mr. President, this goal is going to be very difficult to achieve. But, I believe that recent history provides a road map for how to achieve this goal. Beginning in the late 1970's, a national movement began to change our country's attitudes toward drinking and driving. This movement has helped spur state legislatures to enact stronger drunk driving laws; it led to tougher enforcement; and it caused people to think twice before drinking and driving. In fact, it was this national movement that helped me get a tough DUI law passed in my home state of Ohio back in 1982. In short, these efforts have helped reverse attitudes in this country about drinking and driving—it is now no longer "cool" to drink and drive.

The reduction in alcohol-related fatalities since that time is not attributable to one single thing. Rather, it was the result of a whole series of actions taken by state and federal government and the tireless efforts of many organizations, such as Mothers Against Drunk Driving, Students Against Drunk Driving, Advocates for Highway and Auto Safety, and many others.

Despite all of our past efforts, alcohol involvement is still the single greatest factor in motor vehicle deaths and injuries. We must continue to take small, but effective and proven steps forward in the battle against drunk driving. Passage of a national .08 blood alcohol standard is one of these small, effective steps.

Mr. President, how do we know that .08 is an effective measure in combating drunk driving? Earlier I cited a Boston University study which showed that, if all 50 states set .08 as a standard, between 500 and 600 lives would be saved annually. A number of my colleagues questioned that study during the Senate debate back in 1998. But, we don't need to rely on that one single study.

Since we last debated .08, at least three studies have been published on this issue. The most comprehensive of these, conducted by the Pacific Institute for Research and Evaluation, concluded the following: "With regard to .08 BAC laws, the results suggested that these laws were associated with 8% reductions in the involvement of both high BAC and lower BAC drivers in fatal crashes. Combining the results for the high and low BAC drivers, it is estimated that 275 lives were saved by .08 BAC laws in 1997. If all 50 states (rather than 15 states) had such laws in place in 1997, an additional 590 lives could have been saved." Let me repeat that. "If all 50 states . . . had such laws in place in 1997, an additional 590 lives could have been saved."

A second study, Mr. President, conducted by NHTSA, looked at eleven states with "sufficient experience with .08 BAC laws to conduct a meaningful analysis." This study found that ". . . the rate of alcohol involvement in fatal crashes declined in eight of the states studied after the effective date of a .08 BAC law. Further, .08 BAC laws were associated with significant reductions in alcohol-related fatalities, alone or in conjunction with administrative license revocation laws, in seven of eleven states. In five of these seven states, implementation of the .08 BAC law, itself, was followed by significantly lower rates of alcohol involvement among fatalities."

Finally, the third most recent study, conducted by the Highway Safety Research Center at the University of North Carolina, evaluated the effects of North Carolina's .08 BAC law. Opponents of this amendment use this study as supposed proof that .08 does not work. But, here is what the study concluded: "It appears that lowering the BAC limit to .08% in North Carolina did not have any clear effect on alcohol-related crashes. The existing downward trend in alcohol-involvement among all crashes and among more serious crashes continued . . ." In other words, .08 when enacted by a state that is progressive and aggressive in its efforts to deal with drinking drivers helps to continue existing downward trends in alcohol involvement in fatal crashes.

Mr. President, some skeptics still might not be convinced of the positive effects of a national .08 BAC standard. The General Accounting Office (GAO) conducted a critical review of these studies. GAO concluded that there are "strong indications that .08 BAC laws, in combination with other drunk driving laws (particularly license revocation laws), sustained public education and information efforts, and vigorous and consistent enforcement can save lives." The U.S. Department of Transportation (DOT), in its response to the GAO report, concluded that "significant reductions have been found in most states;" that "consistent evidence exists that .08 BAC laws, at a minimum, add to the effectiveness of laws and activities already in place;" and that "a persuasive body of evidence is now available to support the Department's position on .08 BAC laws." The GAO responded to DOT, stating: "Overall, we believe that DOT's assessment of the effectiveness of .08 BAC laws is fairly consistent with our own."

The fact is that since we last debated this issue, all of these published studies have reached the same conclusion: .08 laws will save lives. I urge my colleagues not to be fooled by the opponents' rhetoric during conference negotiations and keep the provision in tact. The opponents attempt to demean .08 laws by saying they will not "solve the problem of drunk driving." These opponents—in the way they use the word "solve"—are correct: .08 is not a silver bullet. By itself, it will not end drunk driving. However, it is exactly what proponents have always said it was—another proven effective step that we can take to reduce drunk driving injuries and fatalities. Make no mistake—.08 BAC laws will save lives.

I want to conclude by thanking my friend from New Jersey, Senator LAUTENBERG, for his continued dedication to this issue. His hard work and perseverance have helped bring us to the point today where the Senate once again has passed legislation to strongly encourage states to enact this life-saving measure. I would also like to thank Senator RICHARD SHELBY, the Chairman of the Subcommittee, for his support of the .08 measure as the Transportation Appropriations bill was being crafting; and Senator JOHN WARNER for his continued dedication to reducing drunk driving.

Mr. President, .08 is definitely a legislative effort worth fighting for, and I hope we will succeed this time in retaining the provision in the conference report. I thank the Chair and yield the floor.

## PROJECT EXILE: THE SAFE STREETS AND NEIGHBORHOODS ACT

Mr. DEWINE. Mr. President, there has been a lot of talk recently in this country about gun control. It is no secret that gun control measures are very controversial and are subject to a great deal of debate—as they should be. But, we have to remember that in the heat of this debate, we must not lose sight of the real issue at hand—and that's gun violence. There is nothing controversial about protecting our children, our families, our communities by keeping guns out of the wrong hands—keeping guns out of the hands of criminals and violent offenders—not law-abiding citizens, Mr. President, but criminals.

These criminals with guns are killing our children. They're killing our young adults. They're killing our friends and our neighbors. I am here on the floor today because I am very troubled by this, Mr. President, and I am troubled by the current Administration's handling of crimes committed with guns. Let me explain.

Right now, current law makes it a federal crime for a convicted felon to ever possess a firearm. So, once a person is convicted of a felony, that person can never again own a gun. It is against federal law to use a gun to commit any crime, regardless of if that crime is otherwise a state crime. And, under federal law, the sentences for these kinds of crimes are mandatory—no second chance, no parole.

In the late 1980's, President Bush made enforcement of these gun laws a priority. His Justice Department told local sheriffs, chiefs of police, and prosecutors that if they caught a felon with a gun—or if they caught someone committing a crime in which a gun was used—the federal government would take the case, and put that criminal behind bars for at least five years—no exceptions. During the last 18 months of the Bush Administration, more than 2,000 criminals with guns were put behind bars.

Consistent, effective enforcement ended once the current Administration took office. Between 1992 and 1998, for example, the number of gun cases filed for prosecution dropped from 7,048 to about 3,807—that's a 46 percent decrease. As a result, the number of federal criminal convictions for firearms offenses has fallen dramatically.

For six years, the Justice Department refused to prosecute those criminals who use a gun to commit state crimes—even though the use of a gun to commit those crimes could be charged as a federal crime. The only cases they would prosecute were those in which a federal crime was already being committed and a gun was used in the commission of that crime.

Even worse, to this very day, some federal gun laws are almost never enforced by this Administration. While Brady law background checks have stopped nearly 300,000 prohibited purchasers of firearms from buying guns, less than .1 percent have actually been prosecuted.

I have repeatedly questioned Attorney General Reno and her deputies about the decline in prosecutions, and their standard response is that the Department of Justice is focusing on so-called "high-level" offenders, instead of "low-level" offenders, who commit one crime with a gun. They say that they want to prosecute the few sharks at the top rather than the numerous guppies at the bottom of the criminal enterprise. With all due respect, that's nonsense.

Attorney General Reno recently said that she would aggressively prosecute armed criminals, but only if they commit a violent crime. Again, that type of law enforcement policy just doesn't make sense. Current law prohibits violent felons from possessing guns, and so we should aggressively prosecute these cases to take guns away from violent criminals—before they use those guns to injure and kill people. It's that simple.

Mr. President, we have often heard that six percent of the criminals commit 70 percent of the crimes—six percent of the criminals commit 70 percent of the crimes. Well, if you have a violent criminal who illegally possesses a gun, I can bet you that he is part of that six percent! He's one of the bad guys—and we should put him away before he has a chance to use that gun again.

Mr. President, we need to take all of these armed criminals off the streets. That is how we can reduce crime and save lives. Why wait for armed criminals to commit more and more heinous crimes before we prosecute them to the full extent of the law? Why wait, when we can do something before another Ohioan—or any American—becomes a victim of gun violence?

We shouldn't wait, Mr. President. That's why the House of Representatives recently passed legislation that would increase gun prosecutions. And that's why, along with a number of my colleagues, including Senators ABRAHAM, SANTORUM, WARNER, SESSIONS, HELMS, ASHCROFT, and HUTCHINSON from Arkansas, we have introduced the companion to the House-passed bill—a bill that offers the kind of practical solution we need to thwart gun crimes.

Our bill—called "Project Exile: The Safe Streets and Neighbors Act of 2000"—would provide $100 million in grants over five years to those states that agree to enact their own mandatory minimum five-year jail sentences for armed criminals who use or possess an illegal gun. As an alternative, a state can also qualify for the grants by turning armed criminals over for federal prosecution under existing firearms laws. Therefore, a state has the option of prosecuting armed felons in state or federal courts. Qualifying states can use their grants for any variety of purposes that would strengthen their criminal or juvenile justice systems' ability to deal with violent criminals.

This approach works, Mr. President. In Virginia, for example, the state instituted a program in 1997, also called "Project Exile." Their program is based on one simple principle: Any criminal caught with a gun will serve a minimum mandatory sentence of five years in prison. Period. End of story. As a result, gun-toting criminals are being prosecuted six times faster, and serving sentences up to four times longer than they otherwise would under state law. Moreover, the homicide rate in Richmond already has dropped 40 percent!

Every state should have the opportunity to implement Project Exile in their high-crime communities. The bill that we have introduced will make this proven, commonsense approach to reducing gun violence available to every state. It will take guns out of the hands of violent criminals. It will make our neighborhoods safer. It will save lives.

I urge my colleagues on both sides of the aisle to support and pass this legislation. It's time to protect our children, our families, and our country from armed and dangerous criminals. It's time to get guns out of the wrong hands. It's time we take back our neighborhoods and our communities from the criminals and take action to stop gun-toting criminals.

## THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Tuesday, July 11, 2000, the Federal debt stood at $5,665,065,032,353.04 (Five trillion, six hundred sixty-five billion, sixty-five million, thirty-two thousand, three hundred fifty-three dollars and four cents).

Five years ago, July 11, 1995, the Federal debt stood at $4,925,464,000,000 (Four trillion, nine hundred twenty-five billion, four hundred sixty-four million).

Ten years ago, July 11, 1990, the Federal debt stood at $3,149,532,000,000 (Three trillion, one hundred forty-nine billion, five hundred thirty-two million).

Fifteen years ago, July 11, 1985, the Federal debt stood at $1,793,175,000,000 (One trillion, seven hundred ninety-three billion, one hundred seventy-five million).

Twenty-five years ago, July 11, 1975, the Federal debt stood at $531,808,000,000 (Five hundred thirty-one billion, eight hundred eight million) which reflects a debt increase of more than $5 trillion—$5,133,257,032,353.04 (Five trillion, one hundred thirty-three billion, two hundred fifty-seven million, thirty-two thousand, three hundred fifty-three dollars and four cents) during the past 25 years.

## ADDITIONAL STATEMENTS

### 200TH ANNIVERSARY OF THE TOWN OF JACKSON, NEW HAMPSHIRE

• Mr. GREGG. Mr. President, I ask my Senate colleagues to join me in commemorating the Town of Jackson, New Hampshire on the occasion of its Bicentennial and in appreciation of the contributions its citizens have made to our nation. Jackson is the only New Hampshire town celebrating its Bicentennial in the Year 2000.

Founded by settlers as New Madbury circa 1775 and incorporated on December 4, 1800, Jackson proudly traces its roots deep into the history of our state and nation. Originally named Adams, in honor of then President John Adams, Jackson selected its current name on July 4, 1829 to honor President Andrew Jackson. It is here, settled gently into the awe inspiring beauty of New Hampshire's Presidential Mountain Range, at the foot of Mount Washington, where Jackson, a quiet farming community with an abundance of open space and spectacular scenic views, evolved into a popular American resort destination for artists and summer vacationers.

The centuries have been bridged by generations of old and new Jackson families. Today, visitors come year round, joining local residents, to enjoy its pastoral vistas, timeless ridge lines, wild and scenic rivers, covered bridge, water falls, white steepled church, mountains, rolling farmland and outdoor recreation amidst the magnificence and splendor of New Hampshire's world famous White Mountain National Forest.

On the occasion of its 200th Birthday in the Year 2000 please join me to proudly salute and celebrate Jackson, New Hampshire, a classic American community with a unique character, spirit and old world charm which has enriched the State of New Hampshire and our Nation.•

## MESSAGES FROM THE HOUSE

At 11:22 a.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 894: An act to encourage States to incarcerate individuals convicted of murder, rape, or child molestation.

H.R. 3909: An act to designate the facility of the United States Postal Service located at 4691 South Cottage Grove Avenue in Chicago, Illinois, as the "Henry W. McGee Post Office Building."

H.R. 4063: An act to establish the Rosie the Riveter-World War II Home Front National Historical Park in the State of California, and for other purposes.

H.R. 4391: An act to amend title 4 of the United States Code to establish sourcing requirements for State and local taxation of mobile telecommunications services.

H.R. 4442: An act to establish a commission to promote awareness of the National Wildlife Refuge System among the American public as the System celebrates its centennial anniversary in 2003, and for other purposes.

H.R. 4461: An act making appropriations for Agriculture, Rural Development, Food and Drug Administration and Related Agencies programs for the fiscal year ending September 30, 2001, and for other purposes.

H.R. 4528: An act to establish an undergraduate grant program of the Department of State to assist students of limited financial means from the United States to pursue studies at foreign institutions of higher education.

H.R. 4579: An act to provide for the exchange of certain lands within the State of Utah.

H.R. 4658: An act to designate the facility of the United States Postal Service located at 301 Green Street in Fayetteville, North Carolina, as the "J.L. Dawkins Post Office Building."

H.R. 4681: An act to provide for the adjustment of status of certain Syrian nationals.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 253: Concurrent resolution expressing the sense of the Congress strongly objecting to any effort to expel the Holy See from the United Nations as a state participant by removing its status as a Permanent Observer.

H. Con. Res. 348: Concurrent resolution expressing condemnation of the use of children as soldiers and expressing the belief that the United States should support and, where possible, lead efforts to end this abuse of human rights.

At 4:50 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 4810. An act to provide for reconciliation pursuant to section 103(a)(1) of the concurrent resolution on the budget for fiscal year 2001.

At 9:40 p.m., a message from the House of Representatives, delivered by one of its reading clerks, announced that the House disagreed to the amendment of the Senate to the bill (H.R. 4576) making appropriations for the Department of Defense for the fiscal year ending September 30, 2001, and for other purposes, and agree to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints Mr. LEWIS of California, Mr. YOUNG of Florida, Mr. SKEEN, Mr. HOBSON, Mr. BONILLA, Mr. NETHERCUTT, Mr. ISTOOK, Mr. CUNNINGHAM, Mr. DICKEY, Mr. FRELINGHUYSEN, Mr. MURTHA, Mr. DICKS, Mr. SABO, Mr. DIXON, Mr. VISCLOSKY, Mr. MORAN of Virginia, and Mr. OBEY, as the managers of the conference on the part of the House.

The message also announced that the House has passed the following bill, without amendment:

S. 1892. An act to authorize the acquisition of the Valles Caldera, to provide for an effective land and wildlife management program for this resource within the Department of Agriculture, and for other purposes.

## MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 3909. An act to designate the facility of the United States Postal Service located at 4601 South Cottage Grove Avenue in Chicago, Illinois, as the "Henry W. McGee Post Office Building"; to the Committee on Governmental Affairs.

H.R. 4063. An act to establish the Rosie the Riveter-World War II Home Front National Historical Park in the State of California, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 4442. An act to establish a commission to promote awareness of the National Wildlife Refuge System among the American public as the System celebrates its centennial anniversary in 2003, and for other purposes; to the Committee on Environment and Public Works.

H.R. 4528. An act to establish an undergraduate grant program of the Department of State to assist students of limited financial means from the United States to pursue studies at foreign institutions of higher education; to the Committee on Health, Education, Labor, and Pensions.

H.R. 4579. An act to provide for the exchange of certain lands within the State of Utah; to the Committee on Energy and Natural Resources.

H.R. 4658. An act to designate the facility of the United States Postal Service located at 301 Green Street in Fayetteville, North Carolina, as the "J.L. Dawkins Post Office Building"; to the Committee on Governmental Affairs.

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 348. Concurrent resolution expressing condemnation of the use of children as soldiers and expressing the belief that the United States should support and, where possible, lead efforts to end this abuse of human rights; to the Committee on Foreign Relations.

## MEASURES PLACED ON THE CALENDAR

The following bills were read the first and second times by unanimous consent, and placed on the calendar:

H.R. 4461. An act making appropriations for Agriculture, Rural Development, Food and Drug Administration and Related Agencies programs for the fiscal year ending September 30, 2001, and for other purposes.

H.R. 4810. An act to provide for reconciliation pursuant to section 103(a)(1) of the concurrent resolution on the budget for fiscal year 2001.

The following concurrent resolution was read, and placed on the calendar:

H. Con. Res. 253. Concurrent resolution expressing the sense of the Congress strongly objecting to any effort to expel the Holy See from the United Nations as a state participant by removing its status as a Permanent Observer.

## MEASURE READ THE FIRST TIME

The following bill was read the first time:

H.R. 894. An act to encourage States to incarcerate individuals convicted of murder, rape, or child molestation.

## EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-9625. A communication from the Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report entitled "National Water Quality Inventory for 1998"; to the Committee on Environment and Public Works.

EC-9626. A communication from the Director of the Office of Congressional Affairs, Nuclear Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled "Elimination of the Requirement for Noncombustible Fire Barrier Penetration Seal Materials and Other Minor Changes" (RIN 3150-AG22) received on June 21, 2000; to the Committee on Environment and Public Works.

EC-9627. A communication from the Director of the Office of Congressional Affairs, Nuclear Material Safety and Safeguards, Nuclear Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled "List of Approved Spent Fuel Storage Casks: VSC-24 Revision" received on June 23, 2000; to the Committee on Environment and Public Works.

EC-9628. A communication from the Director of the Office of Congressional Affairs, Nuclear Material Safety and Safeguards, Nuclear Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled "List of Approved Spent Fuel Storage Casks: Standardized NUHOMS-24P and NUHOMS-52B Revision" received on June 23, 2000; to the Committee on Environment and Public Works.

EC-9629. A communication from the Assistant Secretary of the Army (Civil Works), transmitting, pursuant to law, the report concerning the ready reserve status of the Hopper Dredge Wheeler; to the Committee on Environment and Public Works.

EC-9630. A communication from the Assistant Secretary of the Army (Civil Works), transmitting, pursuant to law, the report entitled "Navigation Improvements Final Interim Feasibility and Environmental Assessment"; to the Committee on Environment and Public Works.

EC-9631. A communication from the Assistant Secretary of the Army (Civil Works), transmitting, pursuant to law, the report concerning a project for ecosystem and wetland restoration at the Hamilton Army Airfield; to the Committee on Environment and Public Works.

EC-9632. A communication from the Assistant Secretary of the Army (Civil Works), transmitting, pursuant to law, the report concerning a hurricane and storm damage reduction and ecosystem restoration project for Townsends Inlet to Cape May Inlet, New Jersey; to the Committee on Environment and Public Works.

EC-9633. A communication from the Assistant Secretary of the Army (Civil Works), transmitting, pursuant to law, the report concerning a project for hurricane and storm damage reduction for the communities of Bethany Beach and South Bethany, Sussex County, Delaware; to the Committee on Environment and Public Works.

EC-9634. A communication from the Assistant Secretary of Defense (Health Affairs), transmitting the report on portability of Tricare Prime Benefits; to the Committee on Armed Services.

EC-9635. A communication from the Director of Defense Procurement, (OUSD (AT&L) DP (DAR)), Department of Defense, transmitting, pursuant to law, the report of a rule entitled "Reporting Requirements Update" (DFARS Case 2000-D001) received on June 21, 2000; to the Committee on Armed Services.

EC-9636. A communication from the Director of Defense Procurement, (OUSD (AT&L) DP (DAR)), Department of Defense, transmitting, pursuant to law, the report of a rule entitled "Uncompensated Overtime Source Selection Factor" (DFARS Case 2000-D013) received on June 21, 2000; to the Committee on Armed Services.

EC-9637. A communication from the Director of Defense Procurement, (OUSD (AT&L) DP (DAR)), Department of Defense, transmitting, pursuant to law, the report of a rule entitled "Production Surveillance and Reporting" (DFARS Case 99-D026) received on June 21, 2000; to the Committee on Armed Services.

EC-9638. A communication from the Under Secretary of the Navy, Department of Defense, transmitting a report relative to the Navy Marine Corps Intranet services; to the Committee on Armed Services.

EC-9639. A communication from the Secretary of Defense, transmitting, pursuant to law, the report of the Reserve Forces Policy Board for fiscal year 1999; to the Committee on Armed Services.

EC-9640. A communication from the Assistant Secretary of Defense (Health Affairs), transmitting, pursuant to law, a report relative to the Military Health System; to the Committee on Armed Services.

EC-9641. A communication from the Assistant General counsel for Regulatory Law, Office of Environment, Safety and Health, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "DOE Standard; Nuclear Explosive Safety Study Process" (DOE-STD-3015-97) received on June 29, 2000; to the Committee on Armed Services.

EC-9642. A communication from the Secretary of Defense, transmitting, pursuant to law, the report relative to the demilitarization and disposal of conventional munitions, rockets, and explosives; to the Committee on Armed Services.

EC-9643. A communication from the Director of the Regulations Policy and Management Staff, Food and Drug Administration, transmitting, pursuant to law, the report of a rule entitled "Sunscreen Drug Products for Over-the-Counter Human Use; Final Monograph; Extension of Effective Date; Reopening of Administrative Record" (RIN 78N-0038) received on June 21, 2000; to the Committee on Health, Education, Labor, and Pensions.

EC-9644. A communication from the Director of the Regulations Policy and Management Staff, Food and Drug Administration, transmitting, pursuant to law, the report of a rule entitled "Prescription Drug Marketing Act of 1987; Prescription Drug Amendments of 1992; Policies, Requirements, and Administrative Procedures; Delay of Effective Date; Reopening of Administrative Record" (RIN 0905-AC81) received on June 21, 2000; to the Committee on Health, Education, Labor, and Pensions.

EC-9645. A communication from the Director of the Regulations Policy and Management Staff, Food and Drug Administration, transmitting, pursuant to law, the report of a rule entitled "Indirect Food Additives: Adhesives and Components of Coatings; Technical Amendment" (RIN 92F-0043) received on June 21, 2000; to the Committee on Health, Education, Labor, and Pensions.

EC-9646. A communication from the Director of the Regulations Policy and Management Staff, Food and Drug Administration, transmitting, pursuant to law, the report of a rule entitled "General Hospital and Personal use Devices; Classification of the Subcutaneous, Implanted, Intravascular Infusion Port and Catheter and the Percutaneous, Implanted, Long-term Intravascular Catheter"

(RIN 99N-2099) received on June 21, 2000; to the Committee on Health, Education, Labor, and Pensions.

EC-9647. A communication from the Assistant General Counsel for Regulations, Office of Student Financial Assistance, Department of Education, transmitting, pursuant to law, the report of a rule entitled "Student Assistance General Provisions, Federal Family Educational Loan Program, William D. Ford Federal Direct Loan Program, and State Student Incentive Grant Program" received on June 21, 2000; to the Committee on Health, Education, Labor, and Pensions.

EC-9648. A communication from the Office of Elementary and Secondary Education, Department of Education, transmitting, pursuant to law, the report of a rule entitled "Native Hawaiian Curriculum Development, Teacher Training and Recruitment Training" received on June 21, 2000; to the Committee on Health, Education, Labor, and Pensions.

EC-9649. A communication from the Chairman of the Railroad Retirement Board, transmitting, pursuant to law, the report on the Railroad Unemployment Insurance System for the calendar year 2000; to the Committee on Health, Education, Labor, and Pensions.

EC-9650. A communication from the Chairman of the Railroad Retirement Board, transmitting, pursuant to law the report entitled "Twenty-First Actuarial Valuation of the Assets and Liabilities Under the Railroad Retirement Acts as of December 31, 1998"; to the Committee on Health, Education, Labor, and Pensions.

EC-9651. A communication from the Director of the Regulations Policy and Management Staff, Food and Drug Administration, transmitting, pursuant to law, the report of a rule entitled "Ophthalmic Drug Products for Over-the-Counter Human Use; Amendment to Final Monograph" (RIN 0910-AA01) received on June 29, 2000; to the Committee on Health, Education, Labor, and Pensions.

EC-9652. A communication from the Director of the Regulations Policy and Management Staff, Food and Drug Administration, transmitting, pursuant to law, the report of a rule entitled "Over-the-Counter Human Drugs; Labeling Requirements; Partial Extension of Compliance Dates" (RIN 0910-AA79) received on June 29, 2000; to the Committee on Health, Education, Labor, and Pensions.

EC-9653. A communication from the Director of the Regulations Policy and Management Staff, Food and Drug Administration, transmitting, pursuant to law, the report of a rule entitled "Indirect Food Additives: Adjuvants, Production Aids, and Sanitizers: Technical Amendment" (RIN 99F-1421) received on June 29, 2000; to the Committee on Health, Education, Labor, and Pensions.

EC-9654. A communication from the Director of the Regulations Policy and Management Staff, Food and Drug Administration, transmitting, pursuant to law, the report of a rule entitled "Medical Devices; Anesthesiology Devices; Classification of Devices to Relieve Upper Airway Obstruction" (RIN 00P-1117) received on June 29, 2000; to the Committee on Health, Education, Labor, and Pensions.

EC-9655. A communication from the Administrator of the Office of Workforce Security, Employment and Training Administration, Department of Labor, transmitting, pursuant to law, the report of a rule entitled "Unemployment Insurance Program Letters 34-97 and 25-00" received on June 29, 2000; to the Committee on Health, Education, Labor, and Pensions.

EC-9656. A communication from the Secretary of Health and Human Services, transmitting a draft of proposed legislation entitled "Assets for Independence Act Amendments of 2000"; to the Committee on Health, Education, Labor, and Pensions.

EC-9657. A communication from the Assistant General Counsel for Regulatory Services, Office of Management, Department of Education, transmitting, pursuant to law, the report of a rule entitled "Final Regulations—Family Educational Rights and Privacy" received on July 5, 2000; to the Committee on Health, Education, Labor, and Pensions.

EC-9658. A communication from the Director of the Regulations Policy and Management Staff, Food and Drug Administration, transmitting, pursuant to law, the report of a rule entitled "Indirect Food Additives: Paper and Paperboard Components" (RIN 94F-0185 and 95F-0111) received on July 10, 2000; to the Committee on Health, Education, Labor, and Pensions.

EC-9659. A communication from the Program Manager, Bureau of Alcohol, Tobacco and Firearms, Department of Treasury, transmitting, pursuant to law, the report of a rule entitled "Implementation of the Model Regulations for the Control of the International Movement of Firearms, Their Parts and Components, and Ammunition" (RIN 1512-AC02) received on June 20, 2000; to the Committee on Finance.

EC-9660. A communication from the Chief of the Regulations Branch, U.S. Customs Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Guidelines for the Imposition and Mitigation of Penalties for Violation of 19 U.S.C. 1592" (RIN 1515-AC08) received on June 20, 2000; to the Committee on Finance.

EC-9661. A communication from the President of the United States, transmitting, pursuant to law, a notification relative to the International Trade Commission; to the Committee on Finance.

EC-9662. A communication from Chief of the Regulations Unit, Internal Revenue Service, Department of Treasury, transmitting, pursuant to law, the report of a rule entitled "Modification of Rev. Proc. 99-18 (Sections 1001 and 1275)" (Revenue Procedure 2000-29) received on June 23, 2000; to the Committee on Finance.

EC-9663. A communication from Chief of the Regulations Unit, Internal Revenue Service, Department of Treasury, transmitting, pursuant to law, the report of a rule entitled "Weighted Average Interest Rate Update" (Notice 2000-31) received on June 26, 2000; to the Committee on Finance.

EC-9664. A communication from Chief of the Regulations Unit, Internal Revenue Service, Department of Treasury, transmitting, pursuant to law, the report of a rule entitled "Notice 2000-35: Effect of Reorganization of the Office of Chief Counsel on Letter Ruling and Technical Advice Programs" (OGI-111483-00) received on June 26, 2000; to the Committee on Finance.

EC-9665. A communication from Chief of the Regulations Unit, Internal Revenue Service, Department of Treasury, transmitting, pursuant to law, the report of a rule entitled "Rev. Proc. 2000-30 Bank Premiums" (Rev. Rul 2000-30) received on June 26, 2000; to the Committee on Finance.

EC-9666. A communication from the Social Security Administration Regulations Officer, transmitting, pursuant to law, the report of a rule entitled "Denial of Supplemental Security Income (SSI) Benefits for Fugitive Felons and Probation and Parole Violators" (RIN 0960-AE77) received on June 27, 2000; to the Committee on Finance.

EC-9667. A communication from Chief of the Regulations Unit, Internal Revenue Service, Department of Treasury, transmitting, pursuant to law, the report of a rule entitled "April-June 2000 Bond Factor Amounts" (Revenue Ruling 2000-31) received on June 27, 2000; to the Committee on Finance.

EC-9668. A communication from Chief of the Regulations Unit, Internal Revenue Service, Department of Treasury, transmitting, pursuant to law, the report of a rule entitled "Rev. Rul. 2000-34 BLS-LIFO Department Store Indexes—May 2000" (Rev. Rul 2000-34) received on June 29, 2000; to the Committee on Finance.

EC-9669. A communication from Chief of the Regulations Unit, Internal Revenue Service, Department of Treasury, transmitting, pursuant to law, the report of a rule entitled "Guidance Regarding Claims for Certain Income Tax Convention Benefits" (RIN 1545-AV10(TD8889)) received on June 30, 2000; to the Committee on Finance.

EC-9670. A communication from the President of the United States, transmitting, pursuant to law, a report concerning emigration laws and policies of Armenia, Azerbaijan, Georgia, Kazakhstan, Moldova, The Russian Federation, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan; to the Committee on Finance.

EC-9671. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "TD: Definition of Grantor" (RIN 1545-AX25 TD8890) received on July 5, 2000; to the Committee on Finance.

EC-9672. A communication from the Chief of the Regulations Branch, Customs Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Country of Origin Marking Rules for Textiles and Textile Products Advanced in Value, Improved in Condition, Or Assembled Abroad" (T.D. 00-44) received on July 6, 2000; to the Committee on Finance.

EC-9673. A communication from the President of the United States, transmitting, pursuant to law, a proclamation to amend the Generalized System of Preferences concerning Belarus; to the Committee on Finance.

EC-9674. A communication from the Regulations Officer of the Social Security Administration, transmitting, pursuant to law, the report of a rule entitled "Determining Disability and Blindness; Substantial Gainful Activity Guides; Final Rules" (RIN 0960-AB73; 55A-147F) received on July 10, 2000.

EC-9675. A communication from the Regulations Officer of the Social Security Administration, transmitting, pursuant to law, the report of a rule entitled "Administrative Procedure for Imposing Penalties for False or Misleading Statements" (RIN 0960-AF20) received on July 10, 2000.

EC-9676. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Targeted Jobs Tax Credit Settlement Announcement" (Announcement 2000-58) received on July 10, 2000; to the Committee on Finance.

EC-9677. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "IRA income calculation" (Notice 2000-39) received on July 10, 2000; to the Committee on Finance.

EC-9678. A communication from the Acting Chair of the Federal Subsistence Board, Fish and Wildlife Service, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled "Subsistence Management Regulations for Public Lands in Alaska, Subpart C and D -2000-2001 Subsistence Taking of Fish and Wildlife Regulations" (RIN 1018-AF74) received on June 21, 2000; to the Committee on Energy and Natural Resources.

EC-9679. A communication from the Assistant General Counsel for Regulatory Law, Office of Environment Safety and Health, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Supplementary Guidance and Design Experience for the Fusion Safety Standards DOE-STD-6002-96 and DOE-STD-6003-96" (DOE-HDBK-6004-99) received on June 21, 2000; to the Committee on Energy and Natural Resources.

EC-9680. A communication from the Assistant General Counsel for Regulatory Law, Office of Environment Safety and Health, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Writer's Guide for Technical Procedures" (DOE-STD-1029-92, Change Notice No. 1) received on June 21, 2000; to the Committee on Energy and Natural Resources.

EC-9681. A communication from the Assistant General Counsel for Regulatory Law, Office of Environment Safety and Health, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "DOE Handbook; Radiological Worker Training" (DOE-HDBK-1130-98) received on June 21, 2000; to the Committee on Energy and Natural Resources.

## PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-549. A petition from a Member of the U.S. House of Representatives relative to the Environmental Protection Agency and the proposed cleanup plan for the Stauffer Superfund site in Tarpon Springs, Florida; to the Committee on Environment and Public Works.

POM-550. A petition from the U.S. Senators from the State of New York relative to the Environmental Protection Agency and ocean disposal criteria; to the Committee on Environment and Public Works.

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THOMPSON, from the Committee on Governmental Affairs, without amendment:

S. 2386: A bill to extend the Stamp Out Breast Cancer Act (Rept. No. 106-338).

By Mr. McCAIN, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute:

S. 1911: A bill to conserve Atlantic highly migratory species of fish, and for other purposes (Rept. No. 106-339).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment:

S. 1998: A bill to establish the Yuma Crossing National Heritage Area (Rept. No. 106-340).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with amendments:

S. 2247: A bill to establish the Wheeling National Heritage Area in the State of West Virginia, and for other purposes (Rept. No. 106-341).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute and an amendment to the title:

H.R. 940: A bill to establish the Lackawanna Heritage Valley American Heritage Area (Rept. No. 106-342).

By Mr. HATCH, from the Committee on the Judiciary, without amendment:

S. 2787: A bill to reauthorize the Federal programs to prevent violence against women, and for other purposes.

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. ROBB:

S. 2850. A bill to reduce illegal drug-related crimes in our Nation's communities by providing additional Federal funds to develop and implement community policing and prosecutorial initiatives that address problems associated with the production, manufacture, distribution, importation, and use of illegal drugs; to the Committee on the Judiciary.

By Mr. CLELAND (for himself and Mr. JEFFORDS):

S. 2851. A bill to require certain information from the President before certain deployments of the Armed Forces, and for other purposes; to the Committee on Foreign Relations.

By Mr. SCHUMER (for himself and Mr. TORRICELLI):

S. 2852. A bill to provide for the adjustment of status of certain Syrian nationals; to the Committee on the Judiciary.

By Mr. GRASSLEY:

S. 2853. A bill to amend the Internal Revenue Code of 1986 to allow distributions to be made from certain pension plans before the participant is severed from employment; to the Committee on Finance.

By Mr. ALLARD:

S. 2854. A bill to suspend temporarily the duty on Fructooligosaccharides (FOS); to the Committee on Finance.

By Mr. TORRICELLI:

S. 2855. A bill to amend the Public Health Service Act to provide for the establishment of a national program of autism registries; to the Committee on Health, Education, Labor, and Pensions.

By Mr. HELMS:

S. 2856. A bill to provide for the establishment of a new international television service under the Broadcasting Board of Governors to replace Worldnet and BOA-TV to ensure that international television broadcasts of the United States Government effectively represent the United States and its policies; to the Committee on Foreign Relations.

By Mr. LEAHY (for himself, Mr. TORRICELLI, and Mr. KOHL):

S. 2857. A bill to amend title 11, United States Code, to exclude personally identifiable information from the assets of a debtor in bankruptcy; to the Committee on the Judiciary.

## SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. ABRAHAM (for himself and Mrs. LINCOLN):

S. Con. Res. 130. Concurrent resolution establishing a special task force to recommend an appropriate recognition for the slave laborers who worked on the construction of the United States Capitol; to the Committee on Rules and Administration.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ROBB:

S. 2850. A bill to reduce illegal drug-related crimes in our Nation's communities by providing additional Federal funds to develop and implement community policing and prosecutorial initiatives that address problems associated with the production, manufacture, distribution, importation, and use of illegal drugs; to the Committee on the Judiciary.

### THE COMMUNITY ORIENTED POLICING SERVICES AGAINST DRUGS ACT

Mr. ROBB. Mr. President, I have visited the Carver Neighborhood of Richmond in my state. This neighborhood is a low-income community that thanks to collaborative efforts among the community, city, and federal government, has seen a tremendous decrease in crime, helping to spur a major community revitalization.

We've seen this trend more and more in cities and communities across America. Much has been accomplished in our efforts to revitalize our communities—but more needs to be done. We should build on our past successes and focus our resources on keeping our children safe and our neighborhoods free of fear. We should take what we know works and apply it in our fight against illegal drugs.

It is in this spirit, Mr. President, that I rise to introduce the Community Oriented Policing Services Against Drugs Act. As part of our continuing battle against the proliferation of drugs in our nation's communities, my bill seeks to provide $500 million over five years in federal funds from the COPS Program to state and local law enforcement authorities across the country to eliminate or reduce drug crime in America. We know the COPS Program works, and I'm proud to have expanded it to provide our schools with more than 2,600 police officers to combat school violence.

Specifically, this new program will provide federal funds to hire 1,950 more police officers to enhance existing community policing initiatives throughout approximately 65 cities across the country. Newly hired police officers will be charged with developing and implementing community policing initiatives to combat the production, manufacture, distribution, importation, or use of illegal drugs in our communities.

There are dozens of cities across the country, such as Richmond, Norfolk, and Williamsburg in my state, that are committed to providing a safe environment for citizens to live, work and raise a family but need additional resources to help eliminate drug trafficking and drug-related crime, including violent crime. This legislation will build upon the successful COPS Program and focus an aspect of its community policing initiatives against the scourge of illegal drugs in our neighborhoods.

Mr. President, I ask unanimous consent that this legislation be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2850

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SECTION 1. SHORT TITLE.

This Act may be cited as the "Community Oriented Policing Services Against Drugs Act".

### SEC. 2. COMMUNITY ORIENTED POLICING SERVICES AGAINST DRUGS.

Part Q of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796dd et seq.) is amended by adding at the end the following:

### "SEC. 1710. COMMUNITY ORIENTED POLICING SERVICES AGAINST DRUGS.

"(a) Eligible Community Defined.—In this section, the term "eligible community" means communities identified by the Attorney General under subsection (c).

"(b) Award of Grants.—The Attorney General may award grants in accordance with this part—

"(1) to local law enforcement agencies located in eligible communities, which shall be used for programs, projects, and activities—

"(A) to hire additional community policing officers and civilian personnel to aggressively investigate drug-related crimes; and

"(B) to pay overtime to existing law enforcement officers, to the extent such overtime is devoted to community policing efforts with respect to drug-related crimes; and

"(2) to State and local prosecutors' offices located in eligible communities and to prosecution programs in eligible communities that augment community policing programs, which shall be used to assist in the aggressive prosecution of drug-related crimes.

"(c) Identification of Eligible Communities.—

"(1) In general.—The Attorney General shall identify eligible communities for purposes of subsection (a)(4), based on—

"(A) the extent to which the community is a center of illegal drug production, manufacturing, importation, distribution, or use;

"(B) the extent to which State and local law enforcement and prosecutorial authorities have committed resources to the illegal drug problem in the community, thereby indicating a need for additional Federal resources to combat issues related to the prevalence of illegal drugs;

"(C) the extent to which illegal drug-related activities in the community have an adverse impact on other communities in the Nation; and

"(D) the extent to which additional Federal resources would assist, eliminate, or reduce illegal drug-related activities in the community.

"(2) Use of certain data.—In carrying out paragraph (1), the Attorney General shall utilize information from national data sources (including the Uniform Crime Reports of the Federal Bureau of Investigation and the Arrestee Drug Abuse Monitoring (ADAM) program of the National Institute of Justice), including data relating to—

"(A) the number of arrests for drug possession or drug sale in the community;

"(B) the number of arrests for drug-related crime in the community; and

"(C) the number of arrestees testing positive for illegal drug use in the community.

"(d) Small Community Preference.—In awarding grants under this section, the Attorney General may set aside 20 percent of award grants to applicants located in eligible communities with a population of less than 35,000.

"(e) Funding.—Notwithstanding any other provision of this title, of the amount made available to carry out this part, a total of $500,000,000 shall be used to carry out this section for fiscal years 2001 through 2005.".

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By Mr. GRASSLEY:

S. 2853. A bill to amend the Internal Revenue Code of 1986 to allow distributions to be made from certain pension plans before the participant is severed from employment; to the Committee on Finance.

### PHASED RETIREMENT PROGRAMS FACILITATED

• Mr. GRASSLEY. Mr. President, today I am introducing a bill to amend the Internal Revenue Code. My bill will facilitate phased retirement programs. In April I held a hearing in the Special Committee on Aging. The subject of the hearing was employment of older workers. Several experts told us what could be done to encourage older individuals to remain in the labor market. In today's tight labor markets, older workers are in great demand. Employers have numerous strategies to attract and retain them—one of those is phased retirement.

At our hearing, several witnesses testified that statutory changes to permit phased retirement programs would be helpful. One of those witnesses was Ms. September Dau from the Iowa Lakes Rural Electric Cooperative in Estherville, Iowa. Ms. Dau noted that the average age of the workforce at her Rural Electric Cooperative is high. Skilled workers are hard to come by and Iowa Lakes has implemented a phased retirement program in order to retain older workers. But they would like the comfort of knowing that their program is sanctioned.

Phased retirement allows a worker to wind down his or her career, by working part-time and retiring part-time. It helps many people maintain their income level rather than quitting work all at once. Financially, it can allow an individual to postpone the time when he or she has to draw down retirement savings. A study performed by Watson Wyatt Worldwide concluded that 16 percent of larger companies already offer phased retirement in some form and another 28 percent show a moderate to high level of interest in offering it in the next two years. But plan sponsors have worries about running afoul of the "in-service distribution" rules. Tax rules bar employees from receiving pension distributions before they reach a pension's normal retirement age, which is usually pegged to Social Security. That rule makes it difficult for those who wish to retire gradually and use reduced pension payments to augment reduced pay. It also helps circumvent the "do-it-yourself" phased retirement that some workers are forced into where they retire one day from their long-term employer and go to work the next day for someone else. This bill is designed to overcome those problems. At the same time, this provision is completely voluntary and so will not burden plan sponsors.

As I said, we heard from witnesses who supported phased retirement programs. I mentioned September Dau from the Iowa Lakes Rural Electric Cooperative. But another one was our friend and colleague, Congressman Earl Pomeroy of North Dakota. Congressman Pomeroy told the Committee that phased retirement programs should be allowed as a way of increasing the attractiveness of defined benefit pension plans. Phased retirement programs could also make defined benefit plans more adaptable to the human resource needs of plan sponsors. This is important to Congressman Pomeroy because he is introducing a phased retirement bill that is identical to mine.

Defined benefit plans provide a stream of payments to retirees. They can go a long way to supplementing Social Security. But defined benefit plans are on the decline, especially among small businesses, whose employees are the least likely group to be covered by any form of retirement plan. We know that life expectancy is increasing. We also know that Americans are not saving enough to maintain their standard of living in retirement. By making defined benefit plans more attractive to employers and workers—such as by facilitating phased retirement—we are helping to improve the lives of everyday American people.

I hope that this bill is one step in that direction.

I ask unanimous consent that a copy of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2853

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SECTION 1. CERTAIN PENSION DISTRIBUTIONS ALLOWED BEFORE SEVERANCE FROM EMPLOYMENT.

(a) In General.—Section 401(a) of the Internal Revenue Code of 1986 (relating to qualified pension, profit-sharing, and stock bonus plans) is amended by inserting after paragraph (34) the following new paragraph:

"(35) DISTRIBUTION PRIOR TO SEVERANCE FROM EMPLOYMENT.—A trust forming part of a defined benefit plan (or a defined contribution plan which is subject to the funding standards of section 412) shall not constitute a qualified trust under this section if the plan provides a distribution to a participant who has not been severed from employment and the distribution is made before the earliest of the following with respect to the participant:

"(A) Normal retirement age (as defined in section 411(a)(8)).

"(B) Attainment of age 59½.

"(C) The date the participant completes 30 years of service."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to years beginning after December 31, 2000.●

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By Mr. LEAHY (for himself, Mr. TORRICELLI, and Mr. KOHL):

S. 2857. A bill to amend title 11, United States Code, to exclude personally identifiable information from the assets of a debtor in bankruptcy; to the Committee on the Judiciary.

### PRIVACY POLICY ENFORCEMENT IN BANKRUPTCY ACT

Mr. LEAHY. Mr. President, today I am introducing legislation, with my friend from New Jersey, Senator TORRICELLI, to protect the personal privacy of consumers whose information is held by firms filing for bankruptcy protection.

The Privacy Policy Enforcement in Bankruptcy Act would prohibit the sale of personally identifiable information held by a failed business if the sale or disclosure of the personal information would violate the privacy policy of the debtor in effect when the personal information was collected. Personally identifiable information, under our legislation, includes name, address, e-mail address, telephone number, Social Security number, credit card number, date of birth and any other identifier that permits the physical or online contacting of a specific individual.

This legislation is needed because the customer databases of failed Internet firms now can be sold during bankruptcy, even in violation of the firm's stated privacy policy. That is wrong.

Toysmart.com, for example, an online toy store, recently filed for bankruptcy and its databases and customer lists were put up for sale as part of the liquidation of the firm's assets. This personal customer information was put on the auction block even though Toysmart.com promised otherwise on its web page.

Toysmart.com's web site states that "personal information voluntarily submitted by visitors to our site, such as name, address, billing information and shopping preferences, is never shared with a third party." Toysmart.com's privacy statement continues: "When you register with toysmart.com, you can rest assured that your information will never be shared with a third party."

But on June 8, 2000, one day before filing for bankruptcy, Toysmart.com advertised in the Wall Street Journal to sell its customer lists and databases. That was a clear violation of Toysmart.com's web site privacy policy. The Federal Trade Commission has filed suit against Toysmart.com for this violation and I commend the FTC for its action.

Yesterday, the Walt Disney Company, the parent company of Toysmart.com, announced that it would try to purchase Toysmart.com's customer information from the bankruptcy court. I applaud Disney for taking this step. There is no guarantee, however, that Disney will be the top bidder for this information and other corporate parents may not be as responsible if one of their subsidiaries fails. Indeed, two other failed web businesses, Boo.com and Craftshop.com, have reportedly sought buyers for its personal customer data.

That is why this Congress should pass the Privacy Policy Enforcement in Bankruptcy Act this year. Consumers deserve this privacy protection.

Mr. President, it is wrong to use our nation's bankruptcy laws as an excuse to violate a customer's personal privacy. Customers have a right to expect an online firm to adhere to its privacy policies whether it is making a profit or has filed for bankruptcy.

I commend Senator TORRICELLI for joining with me to introduce the Privacy Policy Enforcement in Bankruptcy Act. Our legislation will close this loophole in the Bankruptcy Code and ensure that online and offline firms keep their promises to protect the personal privacy of their customers.

I urge my colleagues to support this basic privacy protection legislation.

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## ADDITIONAL COSPONSORS

### S. 682

At the request of Mr. HELMS, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 682, a bill to implement the Hague Convention on Protection of Children and Co-operation in Respect of Intercounty Adoption, and for other purposes.

### S. 954

At the request of Mr. SMITH of New Hampshire, the name of the Senator from Idaho (Mr. CRAPO) was added as a cosponsor of S. 954, a bill to amend title 18, United States Code, to protect citizens' rights under the Second Amendment to obtain firearms for legal use, and for other purposes.

### S. 1333

At the request of Mr. WYDEN, the name of the Senator from Virginia (Mr. WARNER) was added as a cosponsor of S. 1333, a bill to expand homeownership in the United States.

### S. 1473

At the request of Mr. ROBB, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 1473, a bill to amend section 2007 of the Social Security Act to provide grant funding for additional Empowerment Zones, Enterprise Communities, and Strategic Planning Communities, and for other purposes.

### S. 1732

At the request of Mr. BREAUX, the names of the Senator from Minnesota (Mr. GRAMS) and the Senator from Oregon (Mr. WYDEN) were added as cosponsors of S. 1732, a bill to amend the Internal Revenue Code of 1986 to prohibit certain allocations of S corporation stock held by an employee stock ownership plan.

### S. 1755

At the request of Mr. BROWNBACK, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. 1755, a bill to amend the Communications Act of 1934 to regulate interstate commerce in the use of mobile telephones.

### S. 1806

At the request of Mr. BINGAMAN, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 1806, a bill to authorize the payment of a gratuity to certain members of the Armed Forces who served at Bataan and Corregidor during World War II, or the surviving spouses of such members, and for other purposes.

### S. 1991

At the request of Mr. THOMPSON, the name of the Senator from Florida (Mr. GRAHAM) was added as a cosponsor of S. 1991, a bill to amend the Federal Election Campaign Act of 1971 to enhance criminal penalties for election law violations, to clarify current provisions of law regarding donations from foreign nationals, and for other purposes.

### S. 2018

At the request of Mrs. HUTCHISON, the name of the Senator from Oklahoma (Mr. INHOFE) was added as a cosponsor of S. 2018, a bill to amend title XVIII of the Social Security Act to revise the update factor used in making payments to PPS hospitals under the medicare program.

### S. 2217

At the request of Mr. CAMPBELL, the names of the Senator from Michigan (Mr. ABRAHAM), the Senator from Delaware (Mr. BIDEN), the Senator from Rhode Island (Mr. L. CHAFEE), the Senator from Maine (Ms. COLLINS), the Senator from Idaho (Mr. CRAPO), the Senator from New Mexico (Mr. DOMENICI), the Senator from Wyoming (Mr. ENZI), the Senator from Tennessee (Mr. FRIST), the Senator from Texas (Mr. GRAMM), the Senator from Nebraska (Mr. HAGEL), the Senator from South Dakota (Mr. JOHNSON), the Senator from Massachusetts (Mr. KERRY), the Senator from Connecticut (Mr.

LIEBERMAN), the Senator from Oklahoma (Mr. NICKLES), the Senator from Kansas (Mr. ROBERTS), the Senator from Alabama (Mr. SHELBY), the Senator from Colorado (Mr. ALLARD), the Senator from Kansas (Mr. BROWNBACK), the Senator from Georgia (Mr. CLELAND), the Senator from North Dakota (Mr. CONRAD), the Senator from South Dakota (Mr. DASCHLE), the Senator from North Dakota (Mr. DORGAN), the Senator from Wisconsin (Mr. FEINGOLD), the Senator from Washington (Mr. GORTON), the Senator from Minnesota (Mr. GRAMS), the Senator from Arkansas (Mr. HUTCHINSON), the Senator from Nebraska (Mr. KERREY), the Senator from New Jersey (Mr. LAUTENBERG), the Senator from Florida (Mr. MACK), the Senator from Nevada (Mr. REID), the Senator from Alabama (Mr. SESSIONS), the Senator from Virginia (Mr. WARNER), the Senator from Arizona (Mr. MCCAIN), the Senator from Idaho (Mr. CRAIG), and the Senator from New York (Mr. MOYNIHAN) were added as cosponsors of S. 2217, a bill to require the Secretary of the Treasury to mint coins in commemoration of the National Museum of the American Indian of the Smithsonian Institution, and for other purposes.

S. 2274

At the request of Mr. GRASSLEY, the names of the Senator from Illinois (Mr. DURBIN) and the Senator from North Dakota (Mr. CONRAD) were added as cosponsors of S. 2274, a bill to amend title XIX of the Social Security Act to provide families and disabled children with the opportunity to purchase coverage under the medicaid program for such children.

S. 2293

At the request of Mr. SANTORUM, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 2293, a bill to amend the Federal Deposit Insurance Act and the Federal Home Loan Bank Act to provide for the payment of Financing Corporation interest obligations from balances in the deposit insurance funds in excess of an established ratio and, after such obligations are satisfied, to provide for rebates to insured depository institutions of such excess reserves.

S. 2394

At the request of Mr. MOYNIHAN, the name of the Senator from Virginia (Mr. ROBB) was added as a cosponsor of S. 2394, a bill to amend title XVIII of the Social Security Act to stabilize indirect graduate medical education payments.

S. 2408

At the request of Mr. BINGAMAN, the names of the Senator from North Dakota (Mr. DORGAN), the Senator from Illinois (Mr. DURBIN), the Senator from Washington (Mrs. MURRAY), the Senator from New Jersey (Mr. TORRICELLI), the Senator from North Dakota (Mr. CONRAD), the Senator from Rhode Island (Mr. REED), the Senator from West Virginia (Mr. ROCKEFELLER), the Senator from New York (Mr. SCHUMER), the Senator from Oregon (Mr. WYDEN), the Senator from Maryland (Ms. MIKULSKI), and the Senator from North Carolina (Mr. EDWARDS) were added as cosponsors of S. 2408, a bill to authorize the President to award a gold medal on behalf of the Congress to the Navajo Code Talkers in recognition of their contributions to the Nation.

S. 2505

At the request of Mr. JEFFORDS, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 2505, a bill to amend title XVIII of the Social Security Act to provide increased assess to health care for medical beneficiaries through telemedicine.

S. 2608

At the request of Mr. GRASSLEY, the name of the Senator from Alaska (Mr. MURKOWSKI) was added as a cosponsor of S. 2608, a bill to amend the Internal Revenue Code of 1986 to provide for the treatment of certain expenses of rural letter carriers.

S. 2615

At the request of Mr. KENNEDY, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 2615, a bill to establish a program to promote child literacy by making books available through early learning and other child care programs, and for other purposes.

S. 2643

At the request of Mr. STEVENS, the names of the Senator from Missouri (Mr. BOND), the Senator from New Mexico (Mr. DOMENICI), the Senator from California (Mrs. FEINSTEIN), the Senator from Illinois (Mr. DURBIN), the Senator from Washington (Mr. GORTON), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Texas (Mrs. HUTCHISON), the Senator from Oklahoma (Mr. INHOFE), the Senator from New Jersey (Mr. LAUTENBERG), the Senator from Connecticut (Mr. LIEBERMAN), and the Senator from Pennsylvania (Mr. SPECTER) were added as cosponsors of S. 2643, a bill to amend the Foreign Assistance Act of 1961 to provide increased foreign assistance for tuberculosis prevention, treatment, and control.

S. 2644

At the request of Mr. GORTON, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 2644, a bill to amend title XVIII of the Social Security Act to expand medicare coverage of certain self-injected biologicals.

S. 2700

At the request of Mr. L. CHAFEE, the names of the Senator from Michigan (Mr. ABRAHAM), the Senator from Colorado (Mr. CAMPBELL), the Senator from Indiana (Mr. LUGAR), the Senator from Rhode Island (Mr. REED), and the Senator from South Dakota (Mr. JOHNSON) were added as cosponsors of S. 2700, a bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to promote the cleanup and reuse of brownfields, to provide financial assistance for brownfields revitalization, to enhance State response programs, and for other purposes.

S. 2707

At the request of Mr. CRAPO, the names of the Senator from Alaska (Mr. MURKOWSKI) and the Senator from Alaska (Mr. STEVENS) were added as cosponsors of S. 2707, a bill to help ensure general aviation aircraft access to Federal land and the airspace over that land.

S. 2725

At the request of Mr. SMITH of New Hampshire, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 2725, a bill to provide for a system of sanctuaries for chimpanzees that have been designated as being no longer needed in research conducted or supported by the Public Health Service, and for other purposes.

S. 2726

At the request of Mr. HELMS, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. 2726, a bill to protect United States military personnel and other elected and appointed officials of the United States Government against criminal prosecution by an international criminal court to which the United States is not a party.

S. 2735

At the request of Mr. KOHL, the name of the Senator from West Virginia (Mr. BYRD) was added as a cosponsor of S. 2735, a bill to promote access to health care services in rural areas.

S. 2787

At the request of Mr. BIDEN, the names of the Senator from Arkansas (Mrs. LINCOLN) and the Senator from Oregon (Mr. WYDEN) were added as cosponsors of S. 2787, a bill to reauthorize the Federal programs to prevent violence against women, and for other purposes.

S. 2823

At the request of Mr. GRAHAM, the name of the Senator from Minnesota (Mr. GRAMS) was added as a cosponsor of S. 2823, a bill to amend the Andean Trade Preference Act to grant certain benefits with respect to textile and apparel, and for other purposes.

S. 2828

At the request of Mr. GRASSLEY, the name of the Senator from Montana (Mr. BURNS) was added as a cosponsor of S. 2828, a bill to amend title XVIII of the Social Security Act to require that the Secretary of Health and Human Services wage adjust the actual, rather than the estimated, proportion of a hospital's costs that are attributable to wages and wage-related costs.

S. 2841

At the request of Mr. ROBB, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 2841, a bill to ensure that the business of the Federal Government is conducted in the public interest and in a manner that provides for public accountability, efficient delivery of services, reasonable cost savings, and prevention of unwarranted Government expenses, and for other purposes.

S. CON. RES. 123

At the request of Mr. LAUTENBERG, the name of the Senator from Oregon (Mr. SMITH) was added as a cosponsor of S. Con. Res. 123, a concurrent resolution expressing the sense of the Congress regarding manipulation of the mass and intimidation of the independent press in the Russian Federation, expressing support for freedom of speech and the independent media in the Russian Federation, and calling on the President of the United States to express his strong concern for freedom of speech and the independent media in the Russian Federation.

S.J. RES. 48

At the request of Mr. SANTORUM, his name was added as a cosponsor of S.J. Res. 48, a joint resolution calling upon the President to issue a proclamation recognizing the 25th anniversary of the Helsinki Final Act.

S. RES. 294

At the request of Mr. ABRAHAM, the names of the Senator from Minnesota (Mr. GRAMS), the Senator from Alaska (Mr. STEVENS), and the Senator from Kansas (Mr. BROWNBACK) were added as cosponsors of S. Res. 294, a resolution designating the month of October 2000 as "Children's Internet Safety Month".

S. RES. 304

At the request of Mr. BIDEN, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. Res. 304, a resolution expressing the sense of the Senate regarding the development of educational programs on veterans' contributions to the country and the designation of the week that includes Veterans Day as "National Veterans Awareness Week" for the presentation of such educational programs.

AMENDMENT NO. 3185

At the request of Mr. BENNETT, the names of the Senator from Michigan (Mr. ABRAHAM) and the Senator from Minnesota (Mr. GRAMS) were added as cosponsors of amendment No. 3185 proposed to S. 2549, an original bill to authorize appropriations for fiscal year 2001 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

At the request of Mr. THOMPSON, his name was withdrawn as a cosponsor of amendment No. 3185 proposed to S. 2549, supra.

AMENDMENT NO. 3732

At the request of Mr. DURBIN, the names of the Senator from Vermont (Mr. JEFFORDS), the Senator from California (Mrs. BOXER), and the Senator from Rhode Island (Mr. REED) were added as cosponsors of Amendment No. 3732 proposed to S. 2549, an original bill to authorize appropriations for fiscal year 2001 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

AMENDMENT NO. 3753

At the request of Mr. DODD, the name of the Senator from West Virginia (Mr. ROCKEFELLER) was added as a cosponsor of amendment No. 3753 proposed to S. 2549, an original bill to authorize appropriations for fiscal year 2001 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

AMENDMENT NO. 3790

At the request of Mr. BRYAN, his name was added as a cosponsor of amendment No. 3790 proposed to H.R. 4578, a bill making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2001, and for other purposes.

At the request of Mr. SESSIONS, the name of the Senator from Florida (Mr. MACK) was added as a cosponsor of amendment No. 3790 proposed to H.R. 4578, supra.

At the request of Mr. BAYH, his name was added as a cosponsor of amendment No. 3790 proposed to H.R. 4578, supra.

AMENDMENT NO. 3795

At the request of Mr. CRAIG, the names of the Senator from Colorado (Mr. ALLARD) and the Senator from Colorado (Mr. CAMPBELL) were added as cosponsors of amendment No. 3795 proposed to H.R. 4578, a bill making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2001, and for other purposes.

## CONCURRENT RESOLUTION 130—ESTABLISHING A SPECIAL TASK FORCE TO RECOMMEND AN APPROPRIATE RECOGNITION FOR THE SLAVE LABORERS WHO WORKED ON THE CONSTRUCTION OF THE UNITED STATES CAPITOL

Mr. ABRAHAM (for himself and Mrs. LINCOLN) submitted the following concurrent resolution; which was referred to the Committee on Rules and Administration:

S. CON. RES. 130

Whereas the United States Capitol stands as a symbol of democracy, equality, and freedom to the entire world;

Whereas the year 2000 marks the 200th anniversary of the opening of this historic structure for the first session of Congress to be held in the new Capital City;

Whereas slavery was not prohibited throughout the United States until the ratification of the 13th amendment to the Constitution in 1865;

Whereas previous to that date, African American slave labor was both legal and common in the District of Columbia and the adjoining States of Maryland and Virginia;

Whereas public records attest to the fact that African American slave labor was used in the construction of the United States Capitol;

Whereas public records further attest to the fact that the five-dollar-per-month payment for that African American slave labor was made directly to slave owners and not to the laborer; and

Whereas African Americans made significant contributions and fought bravely for freedom during the American Revolutionary War: Now, therefore, be it

*Resolved by the Senate (the House of Representatives concurring)*, That—

(1) the Speaker of the House of Representatives and the President pro tempore of the Senate shall establish a special task force to study the history and contributions of these slave laborers in the construction of the United States Capitol; and

(2) such special task force shall recommend to the Speaker of the House of Representatives and the President pro tempore of the Senate an appropriate recognition for these slave laborers which could be displayed in a prominent location in the United States Capitol.

## AMENDMENTS SUBMITTED

## NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2001

### HATCH AMENDMENT NO. 3796

(Ordered to lie on the table.)

Mr. HATCH submitted an amendment intended to be proposed by him to the bill (S. 2549) to authorize appropriations for fiscal year 2001 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; as follows:

At the end of title X, add the following:

**SEC. . EFFECTS OF WORLDWIDE CONTINGENCY OPERATIONS ON READINESS OF CERTAIN MILITARY AIRCRAFT.**

(a) REQUIREMENT FOR REPORT.—The Secretary of Defense shall submit to Congress, not later than 180 days after the date of the enactment of this Act, a report on the effects of worldwide contingency operations of the Navy, Marine Corps, and Air Force on the readiness of aircraft of those Armed Forces. The report shall contain the Secretary's assessment of the effects of those operations on the capability of the Department of Defense to maintain a high level of equipment readiness and to manage a high operating tempo for the aircraft.

(b) EFFECTS CONSIDERED.—The assessment contained in the report shall address the following effects:

(1) The effects of the contingency operations carried out during fiscal years 1995 through 2000 on the aircraft of each of the Navy, Marine Corps, and Air Force in each category of aircraft, as follows:

(A) Combat tactical aircraft.

(B) Strategic aircraft.

(C) Combat support aircraft.

(D) Combat service support aircraft.

(2) The types of adverse effects on the aircraft of each of the Navy, Marine Corps, and Air Force in each category of aircraft specified in paragraph (1) resulting from contingency operations, as follows:

(A) Patrolling in no-fly zones—

(i) over Iraq in Operation Northern Watch;

(ii) over Iraq in Operation Southern Watch; and

(iii) over the Balkans in Operation Allied Force.

(B) Air operations in the NATO air war against Serbia in Operation Sky Anvil, Operation Noble Anvil, and Operation Allied Force.

(C) Air operations in Operation Shining Hope in Kosovo.

(D) All other activities within the general context of worldwide contingency operations.

(3) Any other effects that the Secretary considers appropriate in carrying out subsection (a).

## DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

### THOMAS (AND OTHERS) AMENDMENT NO. 3797

(Ordered to lie on the table.)

Mr. THOMAS (for himself, Mr. HATCH, and Mr. BURNS) submitted an amendment intended to be proposed by them to the bill (H.R. 4578) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2001, and for other purposes; as follows:

On page 115, line 19, strike the number "145,000,000" and insert in lieu thereof the number "155,000,000";

On page 112, line 20, strike the number "693,133,000" and insert in lieu therof "685,133,000"; and

On page 113, line 14, strike the number "693,133,000" and insert in lieu thereof "685,133,000"; and

On page 130, line 4, strike the number "847,596,000" and insert in lieu thereof "841,596,000.

### REED AMENDMENTS NOS. 3798–3799

(Ordered to lie on the table.)

Mr. REED submitted two amendments intended to be proposed by him to the bill H.R. 4578, supra; as follows:

#### AMENDMENT NO. 3798

On page 182, beginning on line 9, strike "$761,937,000" and all that follows through "$138,000,000" on line 17 and insert "$769,937,000, to remain available until expended, of which $2,000,000 shall be derived by transfer from unobligated balances in the Biomass Energy Development account and $8,000,000 shall be derived by transfer of a proportionate amount from each other account for which this Act makes funds available for travel, supplies, and printing expenses: *Provided*, That $172,000,000 shall be for use in energy conservation programs as defined in section 3008(3) of Public Law 99–509 (15 U.S.C. 4507): *Provided further*, That notwithstanding section 3003(d)(2) of Public Law 99–509, such sums shall be allocated to the eligible programs as follows: $146,000,000".

#### AMENDMENT NO. 3799

On page 200, line 24, strike "$105,000,000" and insert "$108,000,000".

On page 225, between lines 11 and 12, insert the following:

SEC. 3 . (a) The total discretionary amount made available by this Act is reduced by $3.000,000: *Provided*, That the reduction pursuant to this subsection shall be made by reducing by a uniform percentage the amount made available for travel, supplies, and printing expenses to the agencies funded by this Act.

(b) Not later than 30 days after the date of enactment of this Act, the Director of the Office of Management and Budget shall submit to the Committees on Appropriations of the House of Representatives and the Senate a listing, by account, of the amounts of the reductions made pursuant to subsection (a).

### THOMAS (AND OTHERS) AMENDMENT NO. 3800

(Ordered to lie on the table.)

Mr. THOMAS (for himself, Mr. CRAIG, Mr. GRAMS, Mr. CRAPO, and Mr. ENZI) submitted an amendment intended to be proposed by them to the bill, H.R. 4578, supra; as follows:

On page 125, line 25 strike "$58,209,000" through page 126, line 2 and insert in lieu thereof "$57,809,000, of which $2,000,000 shall be available to carry out the Urban Park and Recreation Recovery Act of 1978 (16 U.S.C. 2501 et seq.).

**"SEC. . MANAGEMENT STUDY OF CONFLICTING USES.**

"(a) SNOW MACHINE STUDY.—Of funds made available to the Secretary of the Interior for the operation of National Recreation and Preservation Programs of the National Park Service $400,000 shall be available to conduct a study to determine how the National Park Service can:

"(1) minimize the potential impact of snow machines and properly manage competing recreation activities in the National Park System, and

"(2) properly manage competing recreational activities in units of the National Park System.

"(b) LIMITATION ON FUNDS PENDING STUDY COMPLETION.—No funds appropriated under this Act may be expended to prohibit, ban or reduce the number of snow machines from units of the National Park System that allowed the use of snow machines during any one of the last three winter seasons until the study referred to in subsection (a) is completed and submitted to the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate.".

### BYRD AMENDMENT No. 3801

Mr. GORTON (for Mr. BYRD) proposed an amendment to the bill, H.R. 4578, supra; and follows:

At the end of Title III of the bill insert the following

"SEC. . From funds previously appropriated under the heading 'Department of Energy, Fossil Energy Research and Development,' $4,000,000 is immediately available from unobligated balances for computational services at the National Energy Technology Laboratory."

### GORTON AMENDMENT NO. 3802

Mr. GORTON proposed an amendment to the bill, H.R. 4578; supra; as follows:

On page 127, line 11, strike $10,000,000 and insert "$12,000,000".

### GRAMS (AND WELLSTONE) AMEMDMENT NO. 3803

Mr. GORTON (for Mr. GRAMS (for himself and Mr. WELLSTONE)) proposed an amendment to the bill, H.R. 4578, supra; as follows:

On page 126, line 16, strike "$207,079,000," and insert "$202,950,000, of which not more than $511,000 shall be used for the preconstruction, engineering, and design of a heritage center for the Grand Portage National Monument in Minnesota,".

On page 165, line 25, strike "$618,500,000," and inserting "$622,629,000, of which at least $6,947,000 shall be used for hazardous fuels reduction activities and expenses resulting from windstorm damage in the Superior National Forest in Minnesota, $3,000,000 of which shall not be available until September 30, 2001.

### THOMAS (AND OTHERS) AMENDMENT NO. 3804

Mr. THOMAS (for himself, Mr. HATCH, Mr. BURNS, Mr. GRAMS, and Mr. DEWINE) proposed an amendment to the bill, H.R. 4578, supra; as follows:

On page 112, line 20, strike "$693,133,000" and insert "$689,133,000 of which not to exceed $125,900,000 shall be for workforce and organizational support and $16,586,000 shall be for Land and Resource Information Systems".

On page 113, line 14, strike "$693,133,000" and insert "$689,133,000".

On page 115, line 19, strike "$145,000,000" and insert "$148,000,000".

## NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2001

### STEVENS (AND WARNER) AMENDMENT NO. 3805

(Ordered to lie on the table.)

Mr. STEVENS (for himself and Mr. WARNER) submitted an amendment intended to be proposed by them to amendment No. 3758 previously submitted by Mr. KERRY to the bill, S. 2549, supra; as follows:

In lieu of the matter proposed to be inserted, insert the following:

**SEC. 342. PAYMENT OF FINES AND PENALTIES FOR ENVIRONMENTAL COMPLIANCE VIOLATIONS.**

(a) PAYMENT OF FINES AND PENALTIES.—(1) Chapter 160 of title 10, United States Code, is amended by adding at the end the following new section:

**"§2710. Environmental compliance: payment of fines and penalties for violations**

"(a) IN GENERAL.—The Secretary of Defense or the Secretary of a military department may not pay a fine or penalty for an environmental compliance violation that is imposed by a Federal agency against the Department of Defense or such military department, as the case may be, unless the payment of the fine or penalty is specifically authorized by law, if—

"(1) the amount of the fine or penalty (including any supplemental environmental projects carried out as part of such penalty) is $1,500,000 or more; or

"(2) the fine or penalty is based on the application of economic benefit criteria or size-of-business criteria.

"(b) DEFINITIONS.—In this section:

"(1)(A) Except as provided in subparagraph (B), the term 'environmental compliance', in the case of on-going operations, functions, or activities at a Department of Defense facility, means the activities necessary to ensure that such operations, functions, or activities meet requirements under applicable environmental law.

"(B) The term does not include operations, functions, or activities relating to environmental restoration under this chapter that are conducted using funds in an environmental restoration account under section 2703(a) of this title.

"(2) The term 'economic benefit criteria', in the case of the imposition of a fine or penalty for an environmental compliance violation, means criteria which determine the existence of the violation, or the amount of the fine or penalty, based on the assumption that a competitive advantage was gained by a failure to invest money necessary to achieve the environmental compliance concerned.

"(3) The term 'size-of-business criteria', in the case of the imposition of a fine or penalty for an environmental compliance violation, means criteria which determine the existence of the violation, or the amount of the fine or penalty, based on an assessment of an entity's net worth and on assumptions regarding the entity's ability to pay the fine or penalty.

"(4) The term 'violation', in the case of environmental compliance, means an act or omission resulting in the failure to ensure the compliance.

"(c) EXPIRATION OF PROHIBITION.—This section does not apply to any part of a violation described in subsection (a) that occurs on or after the date that is five years after the date of the enactment of the National Defense Authorization Act for Fiscal Year 2001.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2710. Environmental compliance: payment of fines and penalties for violations.".

(b) APPLICABILITY.—(1) Section 2710 of title 10, United States Code (as added by subsection (a)), shall take effect on the date of the enactment of this Act.

(2) Subsection (a)(1) of that section, as so added, shall not apply with respect to any supplemental environmental projects referred to in that subsection that were agreed to before the date of the enactment of this Act.

## DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

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## DOMENICI (AND OTHERS) AMENDMENT NO. 3806

Mr. DOMENICI (for himself, Mrs. FEINSTEIN, Mr. KYL, Mr. CRAIG, Mr. BINGAMAN, and Mr. BAUCUS) proposed an amendment to amendment No. 3795 previously proposed by Mr. CRAIG to the bill, H.R. 4578, supra; as follows:

In lieu of the matter proposed to be inserted, insert the following:

### TITLE —HAZARDOUS FUELS REDUCTION

### DEPARTMENT OF THE INTERIOR

### BUREAU OF LAND MANAGEMENT

### WILDLAND FIRE MANAGEMENT

For an additional amendment for "Wildland Fire Management" to remove hazardous material to alleviate immediate emergency threats to urban wildland interface areas as defined by the Secretary of the Interior, $120.3 million to remain available until expended: *Provided*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: *Provided further*, That the entire amount shall be available only to the extent an official budget request, that includes designation of the entire amount of the request as an emergency requirement as defined by such Act, is transmitted by the President to the Congress.

### DEPARTMENT OF AGRICULTURE

### FOREST SERVICE

### WILDLAND FIRE MANAGEMENT

For an additional amount for "Wildland Fire Management" to remove hazardous material to alleviate immediate emergency threats to urban wildland interface areas as defined by the Secretary of Agriculture, $120 million to remain available until expended: *Provided*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: *Provided further*, That the entire amount shall be available only to the extent an official budget request, that includes designation of the entire amount of the request as an emergency requirement as defined by such Act, is transmitted by the President to the Congress: *Provided further*, That:

(a) In expending the funds provided in any Act with respect to any fiscal year for hazardous fuels reduction, the Secretary of the Interior and the Secretary of Agriculture may hereafter conduct fuel reduction treatments on Federal lands using all contracting and hiring authorities available to the Secretaries. Notwithstanding Federal government procurement and contracting laws, the Secretaries may hereafter conduct fuel reduction treatments on Federal lands using grants and cooperative agreements. Notwithstanding Federal government procurement and contracting laws, in order to provide employment and training opportunities to people in rural communities, the Secretaries may hereafter, at their sole discretion, limit competition for any contracts, with respect to any fiscal year, including contracts for monitoring activities, to:

(1) local private, non-profit, or cooperative entities;

(2) Youth Conservation Corps crews or related partnerships with state, local, and non-profit youth groups;

(3) Small or micro-businesses; or

(4) other entities that will hire or train a significant percentage of local people to complete such contracts.

(b) Prior to September 30, 2000, the Secretary of Agriculture and the Secretary of the Interior shall jointly publish in the Federal Register a list of all urban wildland interface communities, as defined by the Secretaries, within the vicinity of Federal lands that are at risk from wildfire. This list shall include:

(1) an identification of communities around which hazardous fuel reduction treatments are ongoing; and

(2) an identification of communities around which the Secretaries are preparing to begin treatments in calendar year 2000.

(c) Prior to May 1, 2001, the Secretary of Agriculture and the Secretary of the Interior shall jointly publish in the Federal Register a list of all urban wildland interface communities, as defined by the Secretaries, within the vicinity of Federal lands and at risk from wildfire that are included in the list published pursuant to subsection (b) but that are not included in paragraphs (b)(1) and (b)(2), along with an identification of reasons, not limited to lack of available funds, why there are no treatments ongoing or being prepared for these communities.

(d) Within 30 days after enactment of this Act, the Secretary of Agriculture shall publish in the Federal Register the Forest Service's Cohesive Strategy for Protecting People and Sustaining Resources in Fire-Adapted Ecosystems, and an explanation of any differences between the Cohesive Strategy and other related ongoing policymaking activities including: proposed regulations revising the National Forest System transportation policy; proposed roadless area protection regulations; the Interior Columbia Basin Draft Supplement Environmental Impact Statement; and the Sierra Nevada Framework/Sierra Nevada Forest Plan Draft Environmental Impact Statement. The Secretary shall also provide 30 days for public comment on the Cohesive Strategy and the accompanying explanation.

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## COLLINS (AND SNOWE) AMENDMENT NO. 3807

Ms. COLLINS (for herself and Ms. SNOWE) proposed an amendment to the bill H.R. 4578, supra; as follows:

On page 121, between lines 18 and 19, insert the following:

For an additional amount for salmon restoration and conservation efforts in the State of Maine, $5,000,000, to remain available until expended, which amount shall be made available to the National Fish and Wildlife Foundation to carry out a competitively awarded grant program for State, local, or other organizations in Maine to fund on-the-ground projects to further Atlantic salmon conservation or restoration efforts in coordination with the State of Maine and the Maine Atlantic Salmon Conservation Plan, including projects to (1) assist in land acquisition and conservation easements to benefit Atlantic salmon; (2) develop irrigation and water use management measures to minimize any adverse effects on salmon habitat; and (3) develop and phase in enhanced aquaculture cages to minimize escape of Atlantic salmon: *Provided*, That, of the amounts appropriated under this paragraph, $2,000,000 shall be made available to the Atlantic Salmon Commission for salmon restoration and conservation activities, including installing and upgrading weirs and fish collection facilities, conducting risk assessments, fish marking, and salmon genetics studies and testing, and developing and phasing in enhanced aquaculture cages to minimize escape of Atlantic salmon, and $500,000 shall be made available to the National Academy of Sciences to conduct a study of Atlantic salmon: *Provided further*, That the amounts appropriated under this paragraph shall not be subject to section 10(b)(1) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3709(b)(1)): *Provided further*, That the National Fish and Wildlife Foundation shall give special consideration to proposals that include matching contributions (whether in currency, services, or property) made by private persons or organizations or by State or local government agencies, if such matching contributions are available: *Provided further*, That amounts made available under this paragraph shall be provided to the National Fish and Wildlife Foundation not later than 15 days after the date of enactment of this Act: *Provided further*, That the entire amount made available under this paragraph is designated by Congress as an emergency requirement under section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(A)).

### FEINGOLD AMENDMENT NO. 3808

(Ordered to lie on the table.)

Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill, H.R. 4578, supra; as follows:

On page 188, at the end of line 13, insert the following (and renumber accordingly): "*Provided further*, That funds available to the Indian Health Service for contract health services be used to fund all tribes at a minimum of 60% of level of need."

### FEINGOLD (AND KOHL) AMENDMENT NO. 3809

(Ordered to lie on the table.)

Mr. FEINGOLD (for himself and Mr. KOHL) submitted an amendment intended to be proposed by them to the bill, H.R. 4578, supra; as follows:

On page 126, lines 16 and 17, strike "$207,079,000, to remain available until expended:" and insert "$209,819,000, to remain available until expended, of which $2,540,000 shall be available for repair of erosion at Outer Island Lighthouse, and $200,000 shall be available for the conduct of a wilderness suitability study, at Apostle Islands National Lakeshore, Wisconsin, which amounts shall be derived by transfer of a proportionate amount of funds for administrative expenses from each other account for which this bill makes funds available for administrative expenses:".

### DURBIN AMENDMENT NO. 3810

Mr. DURBIN proposed an amendment to the bill, H.R. 4578, supra; as follows:

Strike section 116.

### LIEBERMAN (AND DODD) AMENDMENT NO. 3811

(Ordered to lie on the table.)

Mr. LIEBERMAN (for himself and Mr. DODD) submitted an amendment intended to be proposed by them to the bill, H.R. 4578, supra; as follows:

On page 183, strike line 15 and insert "$165,000,000, to remain available until expended, of which $8,000,000 shall be derived by transfer of unobligated balances of funds previously appropriated under the heading "NAVAL PETROLEUM AND OIL SHALE RESERVES", and of which $8,000,000 shall be available for maintenance of a Northeast Home Heating Oil Reserve.".

On page 225, between lines 11 and 12, insert the following:

**SEC. 3. STRATEGIC PETROLEUM RESERVE PLAN.**

(a) IN GENERAL.—For purposes of Amendment No. 6 to the Strategic Petroleum Reserve Plan transmitted by the Secretary of Energy on July 10, 2000, under section 154 of the Energy Policy and Conservation Act (42 U.S.C. 6234), the Secretary may draw down product from the Regional Distillate Reserve only on a finding by the President that there is a severe energy supply interruption.

(b) SEVERE ENERGY SUPPLY INTERRUPTION.—

(1) IN GENERAL.—For the purposes of subsection (a), a severe energy supply interruption shall be deemed to exist if the President determines that—

(A) a severe increase in the price of middle distillate oil has resulted from an energy supply interruption; or

(B)(i) a circumstance other than that described in subparagraph (A) exists that constitutes a regional supply shortage of significant scope or duration; and

(ii) action taken under this section would assist directly and significantly in reducing the adverse impact of the supply shortage.

(2) SEVERE INCREASE IN THE PRICE OF MIDDLE DISTILLATE OIL.—For the purposes of paragraph (1)(A), a severe increase in the price of middle distillate oil" shall be deemed to have occurred if—

(A) the price differential between crude oil and residential No. 2 heating oil in the Northeast, as determined by the Energy Information Administration, increases by—

(i) more than 15 percent over a 2-week period;

(ii) more than 25 percent over a 4-week period; or

(iii) more than 60 percent over its 5-year seasonally adjusted rolling average; and

(B) the price differential continues to increase during the most recent week for which price information is available.

### INHOFE (AND NICKLES) AMENDMENT NO. 3812

Mr. INHOFE (for himself and Mr. NICKLES) proposed an amendment to the bill, H.R. 4578, supra; as follows:

At the appropriate place, add the following:

SEC.    . Notwithstanding any other provision of this Act—

(1) $7,372,000 shall be available to the Indian Health Service for diabetes treatment, prevention, and research; and

(2) the total amount made available under this Act under the heading "NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES" under the heading "NATIONAL ENDOWMENT FOR THE ARTS" under the heading "GRANTS AND ADMINISTRATION" shall be $97,628,000.

### ASHCROFT AMENDMENT NO. 3813

Mr. ASHCROFT proposed an amendment to the bill, H.R. 4578, supra; as follows:

On page 164, line 23, strike "6a(i):" and insert "6a(i), of which not less than $500,000 shall be available for use for law enforcement purposes in the national forest that, during fiscal year 2000, had both the greatest number of methamphetamine dumps per acre and the greatest number of methamphetamine laboratory law enforcement actions per acre:".

### REID AMENDMENT NO. 3814

(Ordered to lie on the table.)

Mr. REID submitted an amendment intended to be proposed by him to the bill, H.R. 4578, supra; as follows:

On page 112, at the end of line 20, add "of which no amount shall be available for the Undaunted Stewardship program, of which $1,000,000 shall be available for management of the upper Missouri River with a focus on the increased visitation associated with the Lewis and Clark Bicentennial celebration, of which $1,000,000 shall be available for acquisition from willing sellers of conservation easements in the area of the Lewis and Clark Trail,".

## NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2001

### STEVENS (AND WARNER) AMENDMENT NO. 3815

Mr. STEVENS (for himself and Mr. WARNER) proposed an amendment to the bill, S. 2549, supra; as follows:

Section 342 is amended by striking the provisions therein and inserting:

**SEC. 342. PAYMENT OF FINES AND PENALTIES FOR ENVIRONMENTAL COMPLIANCE VIOLATIONS.**

(a) PAYMENT OF FINES AND PENALTIES.—(1) Chapter 160 of title 10, United States Code, is amended by adding at the end the following new section:

**"§ 2710. Environmental compliance: payment of fines and penalties for violations**

"(a) IN GENERAL.—The Secretary of Defense or the Secretary of a military department may not pay a fine or penalty for an environmental compliance violation that is imposed by a Federal agency against the Department of Defense or such military department, as the case may be, unless the payment of the fine or penalty is specifically authorized by law, if the amount of the fine or penalty (including any supplemental environmental projects carried out as part of such penalty) is $1,500,000 or more.

"(b) DEFINITIONS.—In this section:

"(1)(A) Except as provided in subparagraph (B), the term 'environmental compliance', in the case of on-going operations, functions, or activities at a Department of Defense facility, means the activities necessary to ensure that such operations, functions, or activities meet requirements under applicable environmental law.

"(B) The term does not include operations, functions, or activities relating to environmental restoration under this chapter that are conducted using funds in an environmental restoration account under section 2703(a) of this title.

"(2) The term 'violation', in the case of environmental compliance, means an act or omission resulting in the failure to ensure the compliance.

"(c) EXPIRATION OF PROHIBITION.—This section does not apply to any part of a violation described in subsection (a) that occurs on or after the date that is three years after the date of the enactment of the National Defense Authorization Act for Fiscal Year 2001.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2710. Environmental compliance: payment of fines and penalties for violations.".

(b) APPLICABILITY.—(1) Section 2710 of title 10, United States Code (as added by subsection (a)), shall take effect on the date of the enactment of this Act.

(2) Subsection (a)(1) of that section, as so added, shall not apply with respect to any supplemental environmental projects referred to in that subsection that were agreed to before the date of the enactment of this Act.

### LEVIN (AND OTHERS) AMENDMENT NO. 3816

Mr. LEVIN (for himself, Mr. WARNER, and Mr. THOMPSON) proposed an amendment to the bill, S. 2549, supra; as follows:

On page 303, between lines 6 and 7, insert the following:

**SEC. 814. PROCUREMENT NOTICE THROUGH ELECTRONIC ACCESS TO CONTRACTING OPPORTUNITIES.**

(a) PUBLICATION BY ELECTRONIC ACCESSIBILITY.—Subsection (a) of section 18 of the Office of Federal Procurement Policy Act (41 U.S.C. 416) is amended—

(1) in paragraph (1)(A), by striking "furnish for publication by the Secretary of Commerce" and inserting "publish";

(2) by striking paragraph (2) and inserting the following:

"(2)(A) A notice of solicitation required to be published under paragraph (1) may be published by means of—

"(i) electronic accessibility that meets the requirements of paragraph (7); or

"(ii) publication in the Commerce Business Daily.

"(B) The Secretary of Commerce shall promptly publish in the Commerce Business Daily each notice or announcement received under this subsection for publication by that means."; and

(3) by adding at the end the following:

"(7) A publication of a notice of solicitation by means of electronic accessibility meets the requirements of this paragraph for electronic accessibility if the notice is electronically accessible in a form that allows convenient and universal user access through the single Government-wide point of entry designated in the Federal Acquisition Regulation.".

(b) WAITING PERIOD FOR ISSUANCE OF SOLICITATION.—Paragraph (3) of such subsection is amended—

(1) in the matter preceding subparagraph (A), by striking "furnish a notice to the Secretary of Commerce" and inserting "publish a notice of solicitation"; and

(2) in subparagraph (A), by striking "by the Secretary of Commerce".

(c) CONFORMING AMENDMENTS FOR SMALL BUSINESS ACT.—Subsection (e) of section 8 of the Small Business Act (15 U.S.C. 637) is amended—

(1) in paragraph (1)(A), by striking "furnish for publication by the Secretary of Commerce" and inserting "publish";

(2) by striking paragraph (2) and inserting the following:

"(2)(A) A notice of solicitation required to be published under paragraph (1) may be published by means of—

"(i) electronic accessibility that meets the requirements of section 18(a)(7) of the Office of Federal Procurement Policy Act (41 U.S.C. 416(a)(7)); or

"(ii) publication in the Commerce Business Daily.

"(B) The Secretary of Commerce shall promptly publish in the Commerce Business Daily each notice or announcement received under this subsection for publication by that means."; and

(3) in paragraph (3)—

(A) in the matter preceding subparagraph (A), by striking "furnish a notice to the Secretary of Commerce" and inserting "publish a notice of solicitation"; and

(B) in subparagraph (A), by striking "by the Secretary of Commerce".

(d) PERIODIC REPORTS ON IMPLEMENTATION OF ELECTRONIC COMMERCE IN FEDERAL PROCUREMENT.—Section 30(e) of the Office of Federal Procurement Policy Act (41 U.S.C. 426(e)) is amended—

(1) in the first sentence, by striking "Not later than March 1, 1998, and every year afterward through 2003" and inserting "Not later than March 1 of each even-numbered year through 2004"; and

(2) in paragraph (4)—

(A) by striking "Beginning with the report submitted on March 1, 1999,"; and

(B) by striking "calendar year" and inserting "two fiscal years".

(e) EFFECTIVE DATE AND APPLICABILITY.—This section and the amendments made by this section shall take effect on October 1, 2000. The amendments made by subsections (a), (b) and (c) shall apply with respect to solicitations issued on or after that date.

### LEVIN (AND OTHERS) AMENDMENT NO. 3817

Mr. LEVIN (for himself, and Mrs. MURRAY) proposed an amendment to the bill, S. 2549, supra; as follows:

On page 543, strike line 20 and insert the following:

**Part III—Air Force Conveyances**

**SEC. 2861. LAND CONVEYANCE, MUKILTEO TANK FARM, EVERETT, WASHINGTON.**

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Air Force may convey, without consideration, to the Port of Everett, Washington (in this section referred to as the "Port"), all right, title, and interest of the United States in and to a parcel of real property, including any improvements thereon, consisting of approximately 22 acres and known as the Mukilteo Tank Farm for the purposes of permitting the Port to use the parcel for the development and operation of a port facility and for other public purposes.

(b) PERSONAL PROPERTY.—The Secretary of the Air Force may include as part of the conveyance authorized by subsection (a) any personal property at the Mukilteo Tank Farm that is excess to the needs of the Air Force if the Secretary of Transportation determines that such personal property is appropriate for the development or operation of the Mukilteo Tank Farm as a port facility.

(c) INTERIM LEASE.—(1) Until such time as the real property described in subsection (a) is conveyed by deed, the Secretary of the Air Force may lease all or part of the real property to the Port if the Secretary determines that the real property is suitable for lease and the lease of the property under this subsection will not interfere with any environmental remediation activities or schedules under applicable law or agreements.

(2) The determination under paragraph (1) whether the lease of the real property will interfere with environmental remediation activities or schedules referred to in that paragraph shall be based upon an environmental baseline survey conducted in accordance with applicable Air Force regulations and policy.

(3) Except as provided by paragraph (4), as consideration for the lease under this subsection, the Port shall pay the Secretary an amount equal to the fair market of the lease, as determined by the Secretary.

(4) The amount of consideration paid by the Port for the lease under this subsection may be an amount, as determined by the Secretary, less than the fair market value of the lease if the Secretary determines that—

(A) the public interest will be served by an amount of consideration for the lease that is less than the fair market value of the lease; and

(B) payment of an amount equal to the fair market value of the lease is unobtainable.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary of the Air Force and the Port.

(e) ADDITIONAL TERMS.—The Secretary of the Air Force, in consultation with the Secretary of Transportation, may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary of the Air Force considers appropriate to protect the interests of the United States.

**Part IV—Defense Agencies Conveyances**

## NATIONAL FRAGILE X AWARENESS WEEK

### EDWARDS (AND HAGEL) AMENDMENTS NOS. 3818–3820

Mr. WARNER (for Mr. EDWARDS (for himself and Mr. HAGEL)) proposed three amendments to the resolution (S. Res. 268) designating July 17 through July 23 as "National Fragile X Awareness Week"; as follows:

AMENDMENT NO. 3818

On page 2 strike line 1 and all that follows to page 3 line 2, and insert: "*Resolved*, That the Senate designates July 22, 2000 as 'National Fragile X Awareness Day.'"

AMENDMENT NO. 3819

Strike the preamble and insert:

"Whereas Fragile X is the most common inherited cause of mental retardation, affecting people of every race, income level, and nationality;

"Whereas 1 in every 260 women is a carrier of the Fragile X defect;

"Whereas 1 in every 4,000 children is born with the Fragile X defect, and typically requires a lifetime of special care at a cost of over $2,000,000;

"Whereas Fragile X remains frequently undetected due to its recent discovery and the lack of awareness about the disease, even within the medical community;

"Whereas the genetic defect causing Fragile X has been discovered, and is easily identified by testing;

"Whereas inquiry into Fragile X is a powerful research model for neuropsychiatric disorders, such as autism, schizophrenia, pervasive developmental disorders, and other forms of X-linked mental retardation;

"Whereas individuals with Fragile X can provide a homogeneous research population for advancing the understanding of neuropsychiatric disorders;

"Whereas with concerted research efforts, a cure for Fragile X may be developed;

"Whereas Fragile X research, both basic and applied, has been vastly underfunded despite the prevalence of the disorder, the potential for the development of a cure, the established benefits of available treatments and intervention, and the significance that Fragile X research has for related disorders; and

"Whereas the Senate as an institution and Members of Congress as individuals are in unique positions to help raise public awareness about the need for increased funding for research and early diagnosis and treatment for the disorder known as Fragile X: Now, therefore, be it".

AMENDMENT NO. 3820

Amend the title as to read: "Designating July 22, 2000 as 'National Fragile X Awareness Day'."

## AUTHORITY FOR COMMITTEES TO MEET

### COMMITTEE ON ARMED SERVICES

Mr. THOMAS. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, July 12, 2000 at 9:30 a.m., in open session to continue to receive testimony in review of the Department of Defense Anthrax Vaccine Immunization Program.

The PRESIDING OFFICER. Without objection, it is so ordered.

### COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. THOMAS. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Wednesday, July 12, 2000 at 9:30 a.m. on the nominations of Francisco Sanchez, to be Assistant Secretary for Aviation and International Affairs of the Department of Transportation; and Ms. Katherine Anderson, Mr. Frank Cruz, Mr. Kenneth Tomlinson, and Dr. Ernest Wilson, to be members of the board of the Corporation of Public Broadcasting.

The PRESIDING OFFICER. Without objection, it is so ordered.

### COMMITTEE ON FINANCE

Mr. THOMAS. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on Wednesday, July 12, 2000, to hear testimony on Disclosure of Political Activity of 527 and Other Organizations: Overview of Legislative Proposals.

The PRESIDING OFFICER. Without objection, it is so ordered.

### COMMITTEE ON FOREIGN RELATIONS

Mr. THOMAS. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, July 12, 2000 at 10:30 am and 2:00 pm to hold two hearings.

The PRESIDING OFFICER. Without objection, it is so ordered.

### COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. THOMAS. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet for a hearing on National Science Foundation: Exploring the Endless Frontier during the session of the Senate on Wednesday, July 12, 2000, at 10:00 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

### COMMITTEE ON INDIAN AFFAIRS

Mr. THOMAS. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet on Wednesday, July 12, 2000 at 2:30 p.m. in room 485 of the Russell Senate Building to conduct An Oversight Hearing on the reports of the Bureau of Indian Affairs and the General Accounting Office on Risk Management and Tort Liability.

The PRESIDING OFFICER. Without objection, it is so ordered.

### COMMITTEE ON THE JUDICIARY

Mr. THOMAS. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a hearing on Wednesday, July 12, 2000, at 2:00 p.m., in Dirksen 226.

The PRESIDING OFFICER. Without objection, it is so ordered.

### SUBCOMMITTEE ON FORESTS AND PUBLIC LANDS

Mr. THOMAS. Mr. President, I ask unanimous consent that the Subcommittee on Forests and Public Lands of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Wednesday, July 12, at 2:30 p.m. to conduct an oversight hearing. The subcommittee will receive testimony on the Draft Environmental Impact Statement implementing the October 1999 announcement by President Clinton to review approximately 40 million acres of national forest lands for increased protection.

The PRESIDING OFFICER. Without objection, it is so ordered.

### SUBCOMMITTEE ON TECHNOLOGY, TERRORISM AND GOVERNMENT INFORMATION

Mr. THOMAS. Mr. President, I ask unanimous consent that the Committee on the Judiciary Subcommittee on Technology, Terrorism and Government Information be authorized to meet to conduct a hearing on Wednesday, July 12, 2000 at 10:00 a.m., in SD226.

The PRESIDING OFFICER. Without objection, it is so ordered.

## PRIVILEGES OF THE FLOOR

Mr. THOMAS. I ask unanimous consent that Chris Tyler, an intern in my office, be permitted privileges of the floor for the remainder of today's session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Mr. President, I ask unanimous consent that Cary Cascino, an intern on my staff, be granted the privilege of the floor during the remainder of the debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRAIG. Mr. President, I ask unanimous consent that a staff intern, Bill Ebee, be granted the privilege of the floor for the purpose of this debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

## MEASURE READ THE FIRST TIME—H.R. 894

Mr. WARNER. Mr. President, I understand that H.R. 894 is at the desk. I ask for its first reading.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 894) to encourage States to incarcerate individuals convicted of murder, rape, or child molestation.

Mr. WARNER. Mr. President, I ask for its second reading, and object to my own request.

The PRESIDING OFFICER. The bill will receive its second reading on the next legislative day.

## NATIONAL FRAGILE X AWARENESS DAY

Mr. WARNER. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from consideration of S. Res. 268, and the Senate then proceed to its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 268) designating July 17, through July 23 as National Fragile X Awareness Week.

There being no objection, the Senate proceeded to consider the resolution.

Mr. WARNER. Mr. President, Senator EDWARDS and Senator HAGEL have amendments at the desk. I ask unanimous consent that they be considered in the appropriate order, the amendments be agreed to, the motion to reconsider the resolution be laid upon the table, the title amendment be agreed to, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments (Nos. 3818, 3819, and 3820) were agreed to, as follows:

AMENDMENT NO. 3818

On page 2, strike lines 1 and all that follows to page 3, line 2, and insert: "*Resolved*, That the Senate designates July 22, 2000 as 'National Fragile X Awareness Day.'"

AMENDMENT NO. 3819

Strike the preamble and insert:

"Whereas Fragile X is the most common inherited cause of mental retardation, affecting people of every race, income level, and nationality;

"Whereas 1 in every 260 women is a carrier of the Fragile X defect;

"Whereas 1 in every 4,000 children is born with the Fragile X defect, and typically requires a lifetime of special care at a cost of over $2,000,000;"

"Whereas Fragile X remains frequently undetected due to its recent discovery and the lack of awareness about the disease, even within the medical community;

"Whereas the genetic defect causing Fragile X has been discovered, and is easily identified by testing;

"Whereas inquiry into Fragile X is a powerful research model for neuropsychiatric disorders, such as autism, schizophrenia, pervasive development disorders, and other forms of X-linked mental retardation;

"Whereas individuals with Fragile X can provide a homogeneous research population for advancing the understanding of neuropsychiatric disorders;

"Whereas with concerted research efforts, a cure for Fragile X may be developed;

"Whereas Fragile X research, both basic and applied, has been vastly underfunded despite the prevalence of the disorder, the potential for the development of a cure, the established benefits of available treatments and intervention, and the significance that Fragile X research has for related disorders; and

"Whereas the Senate as an institution and Members of Congress as individuals are in unique positions to help raise public awareness about the need for increased funding for research and early diagnosis and treatment for the disorder known as Fragile X: Now, therefore, be it".

AMENDMENT NO. 3820

Amend the title so as to read: "Designating July 22, 2000, as 'National Fragile X Awareness Day'."

The resolution (S. Res. 268), as amended, was agreed to.

## ORDERS FOR THURSDAY, JULY 13, 2000

Mr. WARNER. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 8:30 a.m. on Thursday, July 13.

I further ask unanimous consent that on Thursday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate then resume H.R. 8, the Death Tax Elimination Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

## PROGRAM

Mr. WARNER. Mr. President, for the information of all Senators, at 8:30 a.m. the Senate will resume debate of that legislation. By previous consent at 9:30 a.m., the Senate will proceed to the final three votes on the Defense authorization bill. Following the votes, the Senate will return to consideration of the death tax bill with amendments expected to be offered and voted on throughout the day.

As a reminder, Senators should be prepared to complete action on the death tax legislation and the reconciliation bill prior to this week's adjournment.

As previously indicated by the leader, a late session on Friday and a Saturday session may be necessary.

## ADJOURNMENT UNTIL 8:30 A.M. TOMORROW

Mr. WARNER. Mr. President, if there is no further business to come before the Senate, I now ask that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 9:53 p.m., adjourned until Thursday, July 13, 2000, at 8:30 a.m.

# HOUSE OF REPRESENTATIVES—*Wednesday, July 12, 2000*

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. GUTKNECHT).

## DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
*July 12, 2000*

I hereby appoint the Honorable GIL GUTKNECHT to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
*Speaker of the House of Representatives.*

## PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

All powerful God, may we prove ourselves responsible for the task You set before us this day as Your servants.

We accomplish Your holy will when, as we persevere in doing good, we put to silence the idle chatter of the foolish.

May great works of justice rise from us to drown out all negativity and discontent.

Let us live as free people never using our freedom as a pretext for evil.

Rather, as servants of God, may we honor all people, love the communities we serve and fear—only You, now and forever. Amen.

## THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. LAMPSON. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER pro tempore. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. LAMPSON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question are postponed.

The point of no quorum is considered withdrawn.

## PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Nebraska (Mr. TERRY) come forward and lead the House in the Pledge of Allegiance.

Mr. TERRY led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

## REA REDIFER

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, today I would like to congratulate a constituent of mine, Mr. Rea Redifer, an artist of the Brandywine tradition, on a lifetime of artistic accomplishment.

Mr. Redifer, who comes from Chester County, Pennsylvania, is a watercolorist, but he is also a writer and filmmaker who has focused his work around the life of Abraham Lincoln and the Civil War. He has won literary awards and even an Oscar nomination for his work.

His portraits of Lincoln are favorites of mine. A print of one hangs in my office. His paintings capture not only the likeness of Lincoln, but also the soul of the man. In Mr. Redifer's images we can see both the sadness and moral fortitude of the President.

I am glad to have arranged an exhibit of Mr. Redifer's work to be displayed in the Capitol for the next couple of weeks in the Rotunda of the Cannon House Office Building. I encourage all of my colleagues, congressional staff, and tourists to take a few moments to stop by and enjoy Mr. Redifer's fine artistic accomplishments.

Again, I congratulate Mr. Redifer on his wonderful artworks, and thank him for sharing them with us here at the Capitol.

## INTERNATIONAL ABDUCTION

(Mr. LAMPSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAMPSON. Mr. Speaker, on June 29 and July 6 two articles appeared in the Washington Post about Joseph Cooke and his fight to regain custody of his two children.

Both articles, in error, stated that Joseph Cooke, whose children have been held in German foster care for over 8 years, was recently allowed a 2-hour visit. Unfortunately, Joseph did not get to see his children. However, his mother, Patricia, did get to see her grandchildren, but did so at a drastically limited time.

For 8 years this family struggled silently, attempting to bring about justice on their own. In February, Joseph joined me at an event where for the first time he spoke publicly about the abduction and wrongful retention of his children. It was a difficult day, but one that led to the outpouring of support and attention from the media and the American public that this issue deserves.

The retaliation by the German Youth Authority and the Weh family, and their attempts to control the behavior of wronged American parents, is exactly why we need to continue pressing for action on this issue. We cannot let American parents be bullied into keeping their mouths shut. The German Youth Authority should be ashamed of itself for using access to one's children as a means to avoid bad press.

## THE MEANING OF THE TERM "A DO-NOTHING CONGRESS"

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, I have been wrestling with the phrase of "a do-nothing Congress." If by "doing nothing" the Democrats mean that we are protecting the social security trust fund from being raided to pay for other big government programs, then they are right.

Or if they mean we have stopped racking up the national debt and borrowing money from our children, yes, I guess they are right there, too.

If they call us "the do-nothing" Congress because we have worked to lower taxes on married couples and our Nation's seniors, then I guess they are right there.

But if the Democrats' best argument for saying that we do not do anything is that we have worked to restrain Federal spending, to protect the retirement security for seniors, stop increasing taxes on hard-working Americans, then I am willing to take that as a compliment from my friends on the other side.

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

## UNCLE SAM GIVES MONEY AND TECHNOLOGY WHICH CHINA USES TO THREATEN AMERICA

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, let us see if this makes sense: Uncle Sam gives billions to Russia, Russia uses our money to build missiles and warships, Russia then sells those missiles and warships to China, China then aims those Russian-made missiles, built with American cash, back at Uncle Sam.

Now, if that is not enough to ignite our plutonium, Uncle Sam is about to give more billions to Russia. I ask, is Uncle Sam a masochist or what, here?

The truth is, the policy "Trust but Verify" has turned into "Pay and Pray." Beam me up. I yield back China's buying and spying and Russia's crying and lying.

## AMERICA MUST PERSEVERE IN DEVELOPING A MISSILE DEFENSE SYSTEM

(Mr. WICKER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WICKER. Mr. Speaker, perseverance is a good thing, especially when it comes to national security. When our children fall off their bikes, we teach them to try again. When the Wright Brothers moved to Kittyhawk with a dream of flying, it took them 3 years of effort before their first flight. When President Kennedy set the goal of putting a man on the moon, it took us 8 years before Neil Armstrong took one giant leap for mankind.

We must now have the same perseverance toward developing a missile defense system. We have had three tests, the most recent of which was a disappointment, but the need to defend ourselves has not disappeared. Iran and North Korea are not going to stop developing nuclear weapons, and we should not stop developing a defense for a missile attack.

With determination and American ingenuity, we can develop a national missile defense system. I urge the President not to tie the hands of future administrations. We must persevere because the safety of Americans is at stake.

## POLITICS OVER POLICY IN THE PRESIDENT'S OIL RESERVE STRATEGY?

(Mr. TERRY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TERRY. Mr. Speaker, this administration has now proposed stockpiling 2 million barrels of heating oil for the Northeast. He justifies using our Strategic Petroleum Reserve, which is our Nation's national security emergency oil reserve, because of a "national emergency facing the Northeast."

Mr. Speaker, I believe the national emergency seems to be that a certain senatorial candidate cannot get above 43 percent in the polls.

There is no arguing that the oil reserves are low, but at the same time, the price of natural gas has doubled across this Nation, which is the primary heating source in my State of Nebraska. The President has never visited Nebraska, but let me assure this administration that it is also cold in Nebraska.

Mr. Speaker, the American people can decide if this is another example of politics over policy.

## THE MARRIAGE TAX PENALTY, AN INJUSTICE IN OUR TAX CODE

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, I am here today to talk about an injustice that exists in our current Tax Code. Mr. Speaker, I am referring to the marriage penalty tax. This insensitive provision actually increases taxes by up to $1,400 on working Americans like Ron and Judy Kingman out in rural Nevada, taxes on them simply because they chose to get married. How unfair can it be?

Mr. Speaker, over 25 million American couples are currently subjected to this tax. We can do better and we will do better. These couples should be able to use that tax overpayment toward a downpayment on a home, child care expenses, or investment for their own retirement. This money does not belong to the IRS, it belongs to our families and they deserve to get it back.

This week we have the opportunity to ease the marriage tax burden for married couples in this country. I urge my colleagues across the aisle to join in our Republican efforts to end the marriage tax penalty.

Let us do the right thing. Let us reform this tax. Let us eliminate the marriage tax penalty.

## URGING MEMBERS' SUPPORT FOR LEGISLATION TO IMPROVE SCIENCE AND MATH EDUCATION IN AMERICA

(Mr. EHLERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EHLERS. Mr. Speaker, America is a wonderful country. I am very proud of the U.S.A. We are the best country in so many different ways. And I believe we should be the best in everything. We have the resources, the knowledge, and the energy to achieve it.

Today I want to mention one thing in which we are not the best. In fact, we are letting our kids down. The majority of jobs available today in our economy are jobs in science, math, engineering, technology, and, of course, computers. Yet, our science and math education in this country is among the worst of the developed countries, as demonstrated by test after test. Ninety-three percent of Americans are aware of this and say that they want better math and science education.

I happen to be a nuclear physicist. I have also worked in elementary school science education. Because of this, and because of my concern about education in this country, I have sponsored three bills which will improve math and science education in this country. I urge my colleagues to join me by cosponsoring these bipartisan bills; I guarantee they will help to improve math and science education in this country, and should make us the international leader in this category, just as we are in so many others.

I urge Members' support of these bills. Join with me and Governor George Bush in advocating improvement of math and science education in this country.

□ 1015

## MARRIAGE TAX PENALTY

(Mr. STEARNS asked and was given permission to address the House for 1 minute.)

Mr. STEARNS. Mr. Speaker, I rise today to ask a simple question: What has the support of the Republican party and the support of 80 percent of the American people? The answer is very simple, the repeal of the marriage tax penalty.

This ridiculous tax provision forces 25 million couples to pay an average of $1,400 each in extra taxes every year just because they are married for a working family. This $1,400 would be used to buy a home computer or used for 3 months of childcare, but instead of using this money for their family, these couples are forced to give it to the government.

Our Nation was founded in part because our Founding Fathers grew tired of unfair and ridiculous taxes. Well, I can think of no more unfair or ridiculous tax than the marriage tax penalty. This penalty must be repealed.

Surely everyone can agree that married couples should not be subject to extra taxes just because they are married. Married Americans deserve to be treated fairly. Let us repel the marriage tax penalty today.

## MARRIAGE PENALTY

(Mr. SAM JOHNSON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SAM JOHNSON of Texas. Mr. Speaker, today the House is going to vote to end the marriage penalty. Right now married couples pay more in taxes than two single people living together; that is just not right.

Washington must stop penalizing the cornerstone of the American family. We should encourage marriage, not penalize it. We must restore families and the American dream.

Last year, President Clinton labeled the marriage penalty relief risky and even vetoed it. This year Democrats are encouraging him to veto it again. In my district alone, this bill will help end the marriage penalty for over 150,000 Americans. The President and his Democrat friends should stop playing election-year politics.

I say to the President, why do you not help us put American families first? Let us do it now.

## STEPS TO PROTECT AND PRESERVE SOCIAL SECURITY

(Mr. KINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KINGSTON. Mr. Speaker, in Savannah, we are blessed. My wife's grandmother, 97-year-old Betty Carswell is still alive and in good health. She is on Social Security and she needs it.

When I was a boy, growing up down the street my good friend Ross Fox's dad died, and when he died, leaving Mrs. Fox with two young boys to take care of, Social Security was there to protect them. Yet today Social Security is in trouble.

By the year 2030, it will be out of money. There are six positive steps we can take, however, to protect and preserve Social Security. Number one is to have some principles, to say that the benefits for current retirees and near retirees will not be increased; number two, to lock away the Social Security surplus so that the money will not be spent on roads and bridges but used only for Social Security; number three, taxes for Social Security should not be increased; number four, the government should not invest Social Security funds in the stock market; number five, modernization of Social Security should not change the disability and survivors' components for friends like Ross Fox, who lose their loved one, their parents; number six, a portion of the Social Security account should be personalized so that younger people on a voluntary basis would have the option of putting theirs in an interest-bearing account which earns more money than Social Security.

Mr. Speaker, we can do this. We can have a good voluntary program to set up to protect and preserve Social Security. Our seniors need this and our future generations.

## HOPE AND PRAY FOR PEACE IN THE MIDDLE EAST

(Mr. CARDIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CARDIN. Mr. Speaker, I want to express appreciation to President Clinton for bringing together the prime minister of Israel, Mr. Barak, and Mr. Arafat at Camp David. I know that we all hope and pray for peace in the Middle East. Mr. Barak has shown tremendous courage in putting peace first, in trying to find a way in which we can find true and lasting peace in the Middle East.

Mr. Speaker, I hope that Mr. Arafat and Mr. Barak will understand the historical significance of this meeting and will take advantage of this opportunity so that at least we can look forward to the future of peace in the Middle East.

## OUTRAGEOUSLY HIGH DRUG PRICES

(Mr. GUTKNECHT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUTKNECHT. Mr. Speaker, I rise today to talk about an issue that every senior citizen knows about and, frankly, if we have had town hall meetings, we know about it as well, and that is outrageously high drug prices. My 82-year-old father, for example, takes a drug called Coumadin. It is a blood thinner. In the United States, the average price for that drug is $30.25, but the Europeans for the same drug made in the same plant under the same FDA approval pay only $2.85.

Mr. Speaker, in the information age, we can no longer keep this secret. Americans are paying double, triple and sometimes quadruple the prices that people around the rest of the world are paying for the same drugs, and it would be easy for us to say shame on the pharmaceutical companies. But the truth of the matter is this administration has had 8 years and what have they done about this? Well, they have sent thousands of threatening letters to senior citizens when they tried to import legal drugs into the United States.

Shame on the FDA. Shame on our Justice Department and shame on us. It is time for this Congress to take action to make certain that American senior citizens have access to world market prices for prescription drugs that they need. No senior should have to choose between getting the food they need and the drugs that they need as well.

## STRIKE THE GAG RULE

(Mrs. MALONEY of New York asked and was given permission to address the House for 1 minute.)

Mrs. MALONEY of New York. Mr. Speaker, the gag rule has created a policy that increases the number of abortions and it also threatens the lives of many young women.

Last year, this body added in law an international family planning gag rule for other countries that is unconstitutional in America. What happened? Thousands of young women were denied the information they needed to plan or postpone their pregnancies, so thousands of 13-year-old girls, 14-year-old girls and 15-year-old girls got unsafe and often fatal abortions.

These abortions could have been prevented. No U.S. funds are used for abortions. International family planning saves women's lives so we should all support on both sides of the aisle an effort to strike the gag rule.

## PERSONAL LOCKBOX BILL

(Mr. SANFORD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SANFORD. Mr. Speaker, I just wanted to bring to everybody's attention the fact that today I am introducing a bill called the personal lockbox bill. I think it is built on common sense, because one of the things I have consistently heard from folks back home is the very simple idea that the first part of saving Social Security is making sure that Social Security taxes stay with Social Security. That is what this bill does because it takes the Social Security surplus, whatever that happens to be, and simply rebates it back to the people paying Social Security taxes, not to go out and fix up the car or buy a refrigerator with it but instead to go into their own personal Social Security savings account that would be held by a fiduciary like the local bank.

Mr. Speaker, the individual could not get their hands on the money until they turn 65, but they would get a monthly statement and for the first time, because of the private property rights that come with an account like that, for the first time have a firewall created between political forces in D.C. and their Social Security surplus.

## DEFENSE OF NATIONAL MISSILE DEFENSE

(Mr. BARTLETT of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTLETT of Maryland. Mr. Speaker, I rise today in support of our National Missile Defense System. Last Saturday, the Ballistic Missile Defense

Organization conducted a flight test over the Pacific. Unfortunately, a missile anomaly occurred which had nothing to do with the concept being tested. The booster simply did not separate from the kill vehicle and, therefore, the kill vehicle was not freed so that it could function.

Opponents of a National Missile Defense System thus have no basis for saying we should abandon our efforts. This was only the third of 19 planned tests. Successes and failures are to be expected as we perfect any defense system. This was not a concept failure.

Mr. Speaker, developing a missile defense system is one of the most civilized things we can do. When deployed, and God forbid, we need to use it, it only protects. It protects the people we love and does not destroy our enemy. This is the ultimate in defense.

Mr. Speaker, the so-called rogue nations are developing their capabilities to attack our people. As outlined by the Constitution, we, in Congress, have the obligation to provide for the defense of this country. We must go forward. We should not yield to political pressures. We must develop the National Missile Defense System.

## U.S. ATTACKED BY KOFI ANNAN AT NOTRE DAME COMMENCEMENT

(Mr. DUNCAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DUNCAN. Mr. Speaker, in this year's commencement speech at Notre Dame, Kofi Annan, the head of the United Nations, bitterly attacked the United States.

He said the U.S. was one of the "least generous" Nations in helping the world's poor. Actually, the exact opposite is true. No nation on the face of this Earth has even come close to the U.S. in what it has given to poor people around the world.

Mr. Annan called the U.S. "shameful." Actually, U.S. taxpayers pay one-fourth of all U.N. costs and most of the costs of the so-called U.N. peacekeeping missions.

Mr. Speaker, most of our tax money for the U.N. is wasted to pay high salaries to U.N. bureaucrats who pay no Federal income taxes.

Interestingly, Mr. Annan has refused to release a copy of his financial disclosure as required by law or a copy of his own personal charitable giving for the past 5 years as requested by the Freedom Alliance.

Mr. Speaker, Mr. Annan is the one who should be ashamed, not U.S. taxpayers.

## SKYROCKETING GASOLINE PRICES

(Mr. SCHAFFER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHAFFER. Mr. Speaker, it is a great time of year to vacation in beautiful Colorado, but gas prices are still high. Energy Secretary Bill Richardson is on record saying that the Clinton-Gore administration was "caught napping" on the issue of skyrocketing gasoline prices.

Because of the administration's failed energy policies and inattention, Americans are being forced to pay outrageous prices at the gas pump, some cases $2.35 a gallon.

We all know how dangerous it can be when a driver falls asleep at the wheel, and now we can see how dangerous it is when an entire administration falls asleep at the wheel.

While this administration was napping, domestic oil production decreased to 17 percent, and this increased dependence on foreign oil has helped put us to this current predicament.

Perhaps, Congress should start a caffeine IV for Secretary Richardson and the other Rip Van Winkles over at the White House who are responsible for this policy diaster.

Mr. Speaker, I call upon the Clinton-Gore administration to wake up. The slumber party is over. Americans are tired of getting gored at the pump.

## ACCUSATIONS OF A "DO NOTHING CONGRESS"

(Mr. WATTS of Oklahoma asked and was given permission to address the House for 1 minute.)

Mr. WATTS of Oklahoma. Mr. Speaker, many of our friends in the Democrat party have been spending a lot of time lately accusing this of being a do nothing Congress, and I guess coming from a Democrat that is a tremendous compliment.

Do you know what it means when they accuse us of doing nothing? It means we are not raising taxes, that means we are not spending enough of the surplus. We have not raided the Social Security surplus. We are not making government regulations burdensome enough.

Mr. Speaker, I say to my friends I consider the definition of "doing nothing" as a badge of honor. And do you know why? Because my Democrat friends and the Vice President have a funny definition of accomplishments.

They do not consider it an accomplishment to end the unfair penalty on married couples. They do not consider it an accomplishment to end the earnings limit for working seniors. They do not consider it an accomplishment to say that the Federal Government or the IRS should not take half your farm when you die, half of your business when you die.

They do not consider it an accomplishment to make prescription drugs available and affordable to our senior citizens in the country. This is what we have done over the last several months. Democrats may not consider these things to be accomplishments, but millions of Americans who work every day, get up, they pay their taxes.

## DEATH TAX

(Ms. PRYCE of Ohio asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. PRYCE of Ohio. Mr. Speaker, the House passed a repeal of the death tax last month. We will continue to work to see that this unfair tax is repealed.

The American dream is about the opportunity of every citizen to build a better future for themselves and their children through hard work and personal initiative. It means building your own business, pouring your own sweat into a small farm to turn a profit, saving each day so you can leave something to your family.

Yet it is these Americans who are working so hard, playing the rules and paying taxes who, upon their death, become the victims of a tax that discounts their dedication, punishes their entrepreneurship, and denies their dying wishes.

Mr. Speaker, as a result of this death tax, only one-third of all small businesses and family farms are passed on after the first generation. This is not right. Where is the logic?

Why does the government have to grab someone's life savings out of their hands once they die? It is time we eliminate the death tax and reinvest in America, so the dreams and values of these folks can be carried on to future generations. We need to make sure that death tax gets buried.

## THE JOURNAL

The SPEAKER pro tempore (Mr. PEASE). Pursuant to clause 8, rule XX, the pending business is the question of the Speaker's approval of the Journal of the last day's proceedings.

The question is on the Speaker's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Ms. DEGETTE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 354, nays 50, answered "present" 1, not voting 29, as follows:

[Roll No. 386]

YEAS—354

Abercrombie
Allen
Andrews
Armey
Baca
Bachus

Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Boswell
Boucher
Boyd
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Capps
Cardin
Castle
Chabot
Chambliss
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Cox
Coyne
Cramer
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeGette
Delahunt
DeLauro
DeLay
DeMint
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fletcher
Foley
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Gutknecht
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hayworth
Herger
Hill (IN)
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Kolbe
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
Latham
LaTourette
Lazio
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Olver
Ortiz
Ose
Packard
Pallone
Pascrell
Pastor
Payne
Pease
Pelosi
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Scott
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Spence
Spratt
Stabenow
Stearns
Stenholm
Stump
Sununu
Sweeney
Talent
Tanner
Tauscher
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Thurman
Tiahrt
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weygand
Wicker
Wilson
Wolf
Woolsey
Young (FL)

NAYS—50

Aderholt
Baird
Bilbray
Bonior
Borski
Brady (PA)
Capuano
Clay
Crane
DeFazio
Deutsch
English
Fattah
Filner
Ford
Gutierrez
Hall (OH)
Hastings (FL)
Hefley
Hill (MT)
Hilleary
Hilliard
Holt
Hulshof
Kucinich
LoBiondo
McDermott
Moore
Oberstar
Peterson (MN)
Pickett
Pombo
Pomeroy
Ramstad
Rogan
Sabo
Schaffer
Schakowsky
Stark
Strickland
Stupak
Taylor (MS)
Thompson (CA)
Thompson (MS)
Velázquez
Visclosky
Waters
Weller
Wexler
Wu

ANSWERED "PRESENT"—1

Tancredo

NOT VOTING—29

Ackerman
Archer
Baker
Barton
Bateman
Campbell
Carson
Chenoweth-Hage
Costello
Forbes
Frost
Johnson, Sam
Knollenberg
Leach
McNulty
Obey
Owens
Oxley
Paul
Sessions
Sisisky
Slaughter
Smith (WA)
Souder
Vento
Whitfield
Wise
Wynn
Young (AK)

□ 1052

Mr. HILLIARD changed his vote from "yea" to "nay."

So the Journal was approved.

The result of the vote was announced as above recorded.

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## ISRAEL CANCELS SALE OF AWAC SYSTEM TO CHINA

(Mr. CALLAHAN asked and was given permission to address the House for 1 minute.)

Mr. CALLAHAN. Mr. Speaker, there has been quite a bit of interest in the last couple of months about the Israeli sale of an AWAC system to China. It was going to be a major discussion on the floor of the House today. I know many Members were concerned about that issue.

I wanted to tell them that I just received a call from the ambassador telling me that Mr. Barak has canceled the AWAC sale to China.

## PROVIDING FOR CONSIDERATION OF H.R. 4810, MARRIAGE TAX PENALTY RELIEF RECONCILIATION ACT OF 2000

Ms. PRYCE of Ohio. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 545 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 545

*Resolved*, That upon the adoption of this resolution it shall be in order without intervention of any point of order to consider in the House the bill (H.R. 4810) to provide for reconciliation pursuant to section 103(a)(1) of the concurrent resolution on the budget for fiscal year 2001. The bill shall be considered as read for amendment. The previous question shall be considered as ordered on the bill and any amendment thereto to final passage without intervening motion except: (1) one hour of debate equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means; (2) the amendment printed in the report of the Committee on Rules accompanying this resolution, if offered by Representative Rangel or his designee, which shall be in order without intervention of any point of order, shall be considered as read, and shall be separately debatable for one hour equally divided and controlled by the proponent and an opponent; and (3) one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. PEASE). The gentlewoman from Ohio (Ms. PRYCE) is recognized for 1 hour.

Ms. PRYCE of Ohio. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the distinguished gentleman from Massachusetts (Mr. MOAKLEY), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 545 is a modified closed rule providing for the consideration of H.R. 4810, the Marriage Tax Penalty Relief Reconciliation Act of 2000. For those Members who think they are experiencing deja vu, let me clear up any confusion. It is true that the House has already voted to provide relief from the marriage tax penalty. In fact, on February 10 of this very year, the House passed legislation that is identical to H.R. 4810 by a bipartisan vote of 268–158. Prior to that, the House twice passed marriage tax relief as part of a larger tax bill which the President unfortunately vetoed. So this is actually the fourth time that the 106th Congress will debate and vote to provide tax fairness to married couples.

It probably baffles the American people that it takes this much effort to correct such a blatant inequity in the tax code, but rest assured the Republican majority is determined to keep at it and give the President another chance to sign this bill into law. Today, we will consider the Marriage Tax Penalty Relief Act under a reconciliation process which we hope will speed this legislation's path to the President's desk.

Under the rule, the House will proceed with 1 hour of general debate on the bill which will be equally divided between the chairman and ranking minority member of the Committee on Ways and Means. Even though the House has already thoroughly debated this issue and passed this legislation, the Committee on Rules decided to give the minority an opportunity to offer a substitute amendment which will be debated for 1 hour. The substitute amendment which is printed in the Committee on Rules report may be offered by the gentleman from New York (Mr. RANGEL) or his designee. All points of order against consideration of the bill and the amendment are waived. Not only will the minority have the opportunity to offer a substitute but they also will have the option of offering a motion to recommit, with or without instructions. So I think we can all agree that this rule is quite fair in its generosity to the minority.

Mr. Speaker, 'tis the season for holy matrimony and as wedding bells chime across the Nation this summer, many couples will celebrate their unions without suspecting that the Government has in store for them a tax on their marriage. If these newlyweds listen to the family-friendly rhetoric in Washington, they might think the Government is toasting to them as they create their new families. But instead of sending sentiments of congratulations and best wishes, the only thing the Government plans to deliver is a bigger tax bill. So let us hope these couples do not run out and cash the wedding checks that they receive from Grandpa Joe and Cousin Jane because they still have to pay Uncle Sam.

That is right, Mr. Speaker. The Federal Government sees marriage as an opportunity to increase taxes. Newlyweds may see their taxes rise by hundreds or even thousands of dollars based solely on the fact that they have walked down the aisle and said, "I do." It is hard to understand why the decision to make a solemn commitment to another individual through the institution of marriage has anything to do with the rate at which one is taxed, but we should know by now that the Government has no qualms about taking every opportunity to make a grab for more of our hard-earned money. In fact, each year 42 million working Americans pay higher taxes simply because they are married. This policy is unfair and discriminatory, not to mention the fact that it undermines one of the most fundamental institutions of our society. And it makes little sense to add to the tax burden of newlyweds, especially when marriage is often a precursor to added financial responsibilities such as owning a home or having children.

□ 1100

I think we all know that despite all of our glowing talk about a robust economy, many families find that it is hard to make ends meet. Both spouses must work. Under the current Tax Code, working couples are pushed into a higher tax bracket because the income of the second wage earner, often the wife, is tacked a much higher rate.

Because of the marriage penalty, 21 million families pay an average of $1,400 more in taxes than they would if they were single or just living together. What kind of message does that send?

The Marriage Tax Penalty Relief Act will bring fairness to the Tax Code by doubling the standard deduction for married couples, expanding the 15 percent bracket so more of a couple's income is taxed at a lower rate, and increasing the amount that low-income couples can earn and still be eligible for the earned income tax credit. This fix will mean lower taxes for 25 million American couples, and that is 59,000 couples in my district alone.

But my Democrat colleagues will claim that we are doing too much, though I am not sure there is such a thing as too much fairness, Mr. Speaker. Still, they will want to differentiate between married couples and penalize some couples for their vows, but not others.

Under the Democrat's plan, the Government does not have to give these families as much money back, so the Government can keep and spend more. They may claim that this is a more responsible approach; but, Mr. Speaker, I would remind my colleagues that the Government is experiencing a budget surplus. We have already taken the Social Security and Medicare trust funds off the table and made a commitment to paying down the debt, and we still have money left over. If we cannot afford to fix this glaring inequity in our Tax Code today, then when would my Democrat friends suggest that we do it, and how is it responsible to let this penalty on marriage continue when the Government is swimming in surplus cash?

I do not claim to understand the logic, but this rule will give the Democrats the opportunity to make their case and offer their substitute.

So, Mr. Speaker, this is a fair rule that will give the Marriage Tax Penalty Relief Act the momentum it needs to move through the Senate and to the President's desk, so that he has another opportunity to do the right thing and give working families this needed break. There is absolutely no reason to continue this unfair policy, no more excuses.

It is time to either defend the marriage tax or eliminate it. I urge my colleagues to support this rule and the Marriage Tax Penalty Relief Reconciliation Act.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I thank my dear friend, the gentlewoman from Ohio (Ms. PRYCE), for yielding me the customary half hour. I yield myself such time as I may consume.

Mr. Speaker, we all agree the marriage tax is unfair. It punishes people for getting married just when they are thinking of starting a family, and it really needs to be abolished. The question is how to abolish it.

There is a Democratic bill; there is a Republican bill. The central difference between the two bills is who is benefited.

The Republican bill will benefit the richest 25 percent of Americans, including a lot of people who do not even pay the marriage penalty in the first place. The Democratic bill benefits working families who really need it, working families with children who are trying to save for a home, who are trying to put their children through school, who are trying to make ends meet. They should not have to pay additional taxes just because they are married; and unless they are very rich, the Republican bill just does not work for them.

The reason the Republican bill will not work, Mr. Speaker, is because it increases the standard deduction without adjusting the alternative minimum tax. That means that millions of families would see no net reduction under the marriage penalty whatsoever under the Republican bill.

In yesterday's Washington Post, in the editorial, Mr. Speaker, it said, "The cost of the bill is high: The bulk of the benefit would go to people already quite well off, and there are better uses for the money, to shore up Medicare, for example."

By the year 2008, the year that the Republican bill finally goes into effect, 47 percent of American families with two children would get no relief whatsoever. The tax will have a new name, but it will cost a lot. Mr. Speaker, that is not what the American families need.

Millions of low- and moderate-income families, especially those with children, need help; and the Republican bill just does not do it.

The Democratic bill will, Mr. Speaker. The Democratic bill will focus its efforts on low- and moderate-income taxpayers by increasing the standard deduction for married couples until it is twice the size of the single people's deduction. It will also reduce the marriage penalty in the Earned Income Tax Credit and change the alternative minimum tax so that all of the promised tax cuts actually do take effect. It will mean real help to working families who need it.

Mr. Speaker, in yesterday's editorial in the Washington Post, the title was "A Phony Issue." It says "Congressional Republicans scheduled a vote this week on a sizable tax cut, mainly for the better off, which they misleadingly describe as relief from the marriage penalty. The President has rightly indicated that he will veto this bill as it is likely to be presented to him. That suits the sponsors perfectly, and that vote is mainly intended as a frame for the national," well, that is something else. But I think the Washington Post says it much better than anyone else.

Mr. Speaker, I oppose the Republican bill.

Mr. Speaker, I reserve the balance of my time.

Ms. PRYCE of Ohio. Mr. Speaker, I am pleased to yield such time as he may consume to the distinguished gentleman from California (Mr. DREIER), the chairman of the Committee on Rules.

Mr. DREIER. Mr. Speaker, I thank the distinguished gentlewoman from Columbus for yielding me time.

Mr. Speaker, let me say that my friend from south Boston, the distinguished ranking minority member of the Committee on Rules, and we are going to do our darnedest to see that he stays right in that spot, just as my friend, the gentleman from New York (Mr. RANGEL), will remain in his very important key spot as ranking minority member of the Committee on Ways and Means as we move into the 107th Congress.

Mr. RANGEL. Mr. Speaker, reserving the right to object, and I will not object.

Mr. DREIER. To object? I am happy to yield, if the gentleman wants to debate the issue.

But the fact is my friend from south Boston has talked about the Democratic bill, and I am proud to talk about the bipartisan bill, because what we have done here on this marriage penalty issue is we have put together a very strong bipartisan package, and there is recognition on both sides of the aisle that this issue needs to be addressed.

Republicans and Democrats alike voted strongly for this bill when we brought it up in February, and I suspect that later today when we cast the vote on this, we once again will see strong bipartisanship. So I am happy to have the leadership on the other side talk about their Democratic bills, and we on the Republican side are proud to embrace bipartisanship, because we know that that in fact is the best way to get things done for the American people.

Even in an election year, even in a election year there are some very basic principles that the American people share, and fairness happens to be one of them. That is what this is all about, is trying to bring about a modicum of equity; and we are doing it specifically to address the concern of those who are most impacted.

If you look at the cost for women, minorities, they are penalized greatly because of this marriage tax; and if you look at the cost, it is about $1,400 on average for those who are in that middle- and lower-income area.

So it seems to me that we have got a strong effort that has been put together here by the gentleman from Illinois (Mr. WELLER) and others on the Committee on Ways and Means who have been championing this issue for a long period of time.

It is all about equity and fairness. And guess what, Mr. Speaker? That is exactly what this rule is about too. The rule is a very fair one. It is a very equitable one. It allows my very good friend from New York (Mr. RANGEL) to offer his substitute motion. As was the case in the beginning when we took the majority in 1994, we are going to guarantee the motion to recommit.

So my Democratic colleagues will have two bites at the apple, and we will have one bite for the bipartisan package that we are moving forward here. It seems to me it is extraordinarily fair. We have turned ourselves inside out to accommodate the minority, and I know some of my Republican colleagues may not be too ecstatic about that, but we have done that; and I believe that in this instance, it is the right thing to do.

At the end of the day, Democrats and Republicans alike will join in support of the measure, so I hope the Democrats and Republicans alike will overwhelmingly support this rule.

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, first of all, I do not disagree with the chairman. This is a fair rule; it is just not a fair bill. We get two bites at the apple, but they get five bites at the money.

Mr. Speaker, I yield 7 minutes to my dear friend, the gentleman from New York (Mr. RANGEL), the ranking member of the Committee on Ways and Means.

Mr. RANGEL. Mr. Speaker, I do not want to spoil the reputation of the chairman of the Committee on Rules by complimenting him on this floor too often, but it is strange and unusual that we would get a fair and equitable rule like this, and I would just like to rise to the occasion to compliment him.

Mr. DREIER. Mr. Speaker, will the gentleman yield?

Mr. RANGEL. I yield to the gentleman from California.

Mr. DREIER. Mr. Speaker, this is the second time we have given this identical rule. It is not out of character at all. We gave you this rule in February, so you know we are just continuing a long pattern of providing you with a great opportunity.

.I thank my friend for yielding.

Mr. RANGEL. Mr. Speaker, reclaiming my time, I would like to strike that from the RECORD. This is the second time you have been fair.

Mr. Speaker, this gives us an opportunity to take a problem that we recognize as a serious problem of equity, and that is if two people filing separately can get a better tax break than someone that is married, then it is not the fair thing to do.

Why have we not taken care of this a long time ago? Why did we not follow former Congresswoman Barbara Kennelly from Connecticut as she led the fight to do it? One of the reasons was that it is difficult to be equitable when you do not have the funds to do it.

To talk about 3 or 4 years ago patching up something that the Tax Code was really unfair about and paying $100 billion in lost revenue was something unheard of. But now that the Clinton-Gore team's economic policy has clicked in and we find every day an increase in the revenue that we expect, it makes a lot of sense that we can come together, Republicans and Democrats, and see what we can do to repair an inequity in the law.

That is the problem. We do not come together, we do not discuss anything, and the Republican majority is so bent on making political statements that they are not concerned at all with what the President signs. All they are concerned with is that they are able to pass the bill in the House.

They learned a lot from their mistakes in the past, and that is putting together these tremendous irresponsible tax cuts of some $800 billion without even thinking about our Social Security system; paying down the national debt; repairing Medicare; and one of the things we are so concerned about, and that is allowing our older people who have access to health care but do not have access to the money to pay for the prescription drugs that are so important for their health.

All we are saying is why can we not deal with the Government's budget the way we do our own? We just cannot take the irresponsible, close-to-$1 trillion tax cut, and cut it up and say we are going to deliver it in small pieces. No. What we should do is to find out have we taken care of Social Security, are we working together to deal with the Medicare problem, do we have some kind of a bill that we can assure the people of the United States that, when we leave here, there would be an affordable drug program? Are we paying down the national debt? Then are we doing the things that we are sent here to Congress to do?

Already we have passed close to $500 billion in tax cuts. All at one time? Oh, no. The public relations divisions of the Republican Party have taken care of that. It does not come out of the tax writing committee; it comes out of the Speaker's office, out of the Committee on Rules. But if you want to talk about the Patients' Bill of Rights, they talk about tax cuts; you want to talk about minimum wage, they talk about tax cuts; you want to talk reforming pensions, they talk about tax cuts.

□ 1115

So here we are with the marriage penalty, both of us wanting to bring equity, but they enlarged the tax bracket for the 15 percent bracket, which causes us to lose another $100 billion in revenues and, worse than that, after 10 years, there is an explosion of the revenues that we lose. Should we give a tax cut? Yes, but not in these pieces that we come here with. We should have a comprehensive program that would do all of the things that we wanted to do. Why is it that every time our Republican colleagues steal a good idea from us, every time we agree with our colleagues that we should be working together, they have to pile on it an irresponsible tax cut to such an extent that it promises a veto.

So here we are again. We have a substitute, by any standard, that is fair. No one can challenge that what we do is take care of the inequity as it relates to the penalty.

In addition to that, we make certain that we make adjustments in the alternative minimum tax so that no one loses a benefit that is in the lower income, unlike the Republican bill. We make certain with the tax credits, the refundable tax credits, that the lower income people get a better break with that. So we do not concentrate, as our Republican colleagues do, on those that God has already blessed and they are still trying to give them additional fiscal blessings through the tax system.

Let us try to work together, not as Republican leaderships with Democrat minorities, but as representatives that truly represent the interests of the people of this country. When we do this, we will see that the President will join in and we will not have just House-passed bills, but we will have bills that will be accepted by the Senate and signed into law by the President of the United States.

The President has said, if you want to deal with this subject, put the drug issue as relates to affordable prescription drugs on your calendar, deal with it in a real way, the way we are going to do it, and we can do business.

Ms. PRYCE of Ohio. Mr. Speaker, I yield myself such time as I may consume.

I appreciate the gentleman's instruction about what we should be doing as a Congress, but I am not sure where he has been, because he says we have not addressed Social Security. Well, have we? Of course we have. We have a lockbox. We have locked away the Social Security Trust Fund for the first time. Have we addressed Medicare? Yes, we have done the same thing. We have locked away those funds for the first time. Have we addressed prescription drugs for our seniors? Yes, we did. We voted on it just about a week ago.

So, Mr. Speaker now, once again, we will give the President his chance to sign the Marriage Penalty Tax Relief Act.

Mr. Speaker, I yield 6 minutes to the gentleman from Illinois (Mr. WELLER) who has worked so hard on this legislation.

Mr. WELLER. Mr. Speaker, I am so proud of the accomplishments of this Congress. We balanced the budget, the first time in 28 years; we are now balancing it for the 4th year in a row. We stopped the raid on Social Security just this past week. Sometimes I think my friends on the other side of the aisle have amnesia, because we have already passed prescription drugs, provided prescription drugs for our seniors, we are paying off the national debt with a plan we have adopted by the year 2013, already paying down the debt by $350 billion; and we are also working to make our Tax Code more fair, particularly more fair for working and middle class families.

We have often asked in this House, many of us, a pretty basic, fundamental question. That is, is it right, is it fair that under our Tax Code, married working couples pay higher taxes because they are married? Do we think it is right that 25 million married working couples, on average, pay $1,400 more in higher taxes just because they are married, compared to identical couples with identical incomes who live together outside of marriage. That is wrong.

We are fortunate that in February this House passed legislation with overwhelming bipartisan support, legislation that was initiated by myself and the gentleman from Indiana (Mr. MCINTOSH) and the gentlewoman from Missouri (Ms. DANNER), a Democrat, a bipartisan bill that had 233 cosponsors. It passed this House in February with the support not only of every House Republican, but 48 Democrats broke ranks with their leadership and voted to eliminate the marriage tax penalty for 25 million married working couples.

Unfortunately, in the Senate, the Democratic leadership has used every parliamentary procedure possible to block this legislation. We are now forced to move through the reconciliation process so that the majority can rule in the Senate.

The bottom line is, we want to eliminate the marriage tax penalty. It is wrong, it is unfair.

Let me introduce Shad and Michelle Hallihan. This is a photo of them when we introduced the bill a year-and-a-half ago to wipe out the marriage tax penalty. Shad and Michelle are two Joliet township high school teachers, they suffer the marriage tax penalty because they are both in the workforce and, of course, the marriage tax penalty of $1,400 that they suffer is a lot of money in Joliet, Illinois, the south suburbs of Chicago. Mr. Speaker, $1,400 for Michelle and Shad Hallihan, that is a year's tuition at our local community college, Joliet Junior College, which is our Nation's oldest. It is also 3 months of day care for a child.

That is why I think it is important to introduce a new photo of Shad and Michelle Hallihan. Since they were married at the time that we introduced the legislation, they have since had a baby, and if Al Gore and my friends on the other side of the aisle had their way, the child will probably be grown and out of college by the time we eliminate the marriage tax penalty.

Shad and Michelle have a little boy by the name of Ben. Little Ben has brought a lot of joy to their life, but because of the marriage tax penalty, there is $1,400 that goes out of the pocketbooks of Shad and Michelle and comes to Washington, money that they can use to take care of little Ben and $1,400. That is about 3,000 diapers. That is a lot of diapers for little Ben. Over 18 years, that $1,400 a year, if they just set that full amount in a college fund, that is over $25,000 that Shad and Michelle can invest in little Ben and little Ben's future for college. So the marriage tax penalty is real money for real people.

Shad and Michelle, the way they suffer the marriage tax penalty is the marriage tax penalty occurs when you have a husband and wife who are both in the workforce, they combine their income when they are married, file jointly, and when they combine their income, that means they are pushed into a higher tax bracket. If Shad and Michelle had chosen to stay single and just live together, they each, because of their income, would file in the 15 percent tax bracket. But they chose to participate in the most basic institution in our society which is marriage, and Shad and Michelle, because they are married, now pay in the 28 percent tax bracket. They suffer the marriage tax penalty.

We believe it is wrong. We want to help Michelle and Shad Hallihan as well as little Ben to make sure he has a future and they have the resources for this.

Mr. Speaker, under our bipartisan proposal, we do several things. We help those who do not itemize their taxes by doubling the standard deduction for joint filers at twice that of singles, and that helps about 9 million couples of those who suffer the marriage tax penalty. Those are the nonitemizers. Well, the rest, subtracting 9 from 25, that leaves 18 million couples who itemize their taxes who suffer the marriage tax penalty and they are people who are average folks, middle class, but they probably own a house. So if you own a home, you probably itemize your taxes, and the only way you can receive marriage tax relief is if we provide marriage tax relief as part of our proposal.

We do that by widening the most basic bracket, the 15 percent bracket so you can earn twice as much in the 15 percent bracket if you are a joint filer as a single person, and that is how we help Michelle and Shad Hallihan as well as little Ben prepare for his future by widening the 15 percent bracket.

I would also point out in our legislation that we provide marriage tax relief for those who participate in the earned income tax credit, ensuring that they also participate and receive marriage tax relief. We also protect those who use the child tax credit for the alternative minimum tax. So we help both itemizers as well as non-itemizers, poor working families, and protect those from the AMT.

Mr. Speaker, I believe we need to eliminate the marriage tax penalty. I want to thank my friends on the other side of the aisle, particularly the 48 who joined with us, and I invite more Democrats to join with us in our effort to eliminate the marriage tax penalty.

I would point out that under the Democratic proposal, Michelle and Shad Hallihan would not receive any relief. If one itemizes their taxes, they would receive no relief under the Democratic proposal. If one is a homeowner and middle class and itemize your taxes, you receive no marriage tax relief under the Democratic proposal. Democrats say they do not want to help special interests, so I guess they say if you are middle class and you own a home and you itemize your taxes, you are stuck and you are still going to suffer the marriage tax penalty.

Mr. Speaker, we have a bipartisan proposal that helps those who itemize, primarily homeowners; we help those who do not itemize, we help those on earned income tax credit, and we help those who may suffer the alternative minimum tax. It is a good bipartisan proposal. I urge adoption of this rule, and I invite strong bipartisan support of our effort to eliminate the marriage tax penalty.

### ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. PEASE). Members are reminded that they are not to characterize actions in the other body.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. RANGEL), the ranking member of the Committee on Ways and Means.

Mr. RANGEL. Mr. Speaker, I would just like to engage the gentlewoman from Ohio. When I make the remark on behalf of the minority that we would like to see Social Security and Medicare taken care of and the gentlewoman asked the rhetorical question, where have I been. We in the minority, we on the Democratic side do not really believe it is taken care of when the gentlewoman says that the Republican plan is to do something next year. I mean the Republicans have been in the majority now for half a dozen years, and they have not come close to sharing with us where we are going to go to pull the Tax Code up by the roots, to reform Social Security and privatize it, to reform the Medicare system.

So what I am saying is that our Republican colleagues are pretty good on supporting the ideas we come up with, but in terms of the record, if what they are saying is that they have taken care of Social Security, the rest of the country does not know it.

Ms. PRYCE of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Once again, I do appreciate the instruction from my friend in the minority, but in the 6 short years that the Republicans have been in charge of this place, we have done more to shore up Social Security and Medicare and provide relief for seniors than in the 40 years preceding when the Democrats controlled the Congress.

Mr. Speaker, I yield 4 minutes to the gentleman from Ohio (Mr. TRAFICANT), our distinguished colleague.

Mr. TRAFICANT. Mr. Speaker, I support the rule and I support the bill.

America is supposed to be family oriented, family friendly. Who is kidding whom here today? America's tax policy penalizes achievement and penalizes marriage. America's tax policy promotes dependency and promotes promiscuity. America's tax policy actually subsidizes illegitimacy.

In addition to killing jobs, IRS commissioner after commissioner made the statement, and many Members have quoted it, the Tax Code is used as a behavior modification economic program, and I agree; behavior modification through and by a Tax Code of devious and manipulative machinations that should have no place in our country. If the founders wanted a Tax Code to modify behavior, they would have hired Sigmund Freud to write this thing.

Now, as far as what has been done in the last 6 years, there have been some significant reforms. The Republicans have included significant tax reforms, wage attachments have gone from 3.1 million in 1997 to 540,000 in 1999. Property liens have gone from 680,000 under the old plan to 160,000 under the new reformed plan. And listen to this, America: property seizures before the IRS reform bill passed here in this Congress through the leadership of the gentleman from Texas (Mr. ARCHER), the chairman of the Committee on Ways and Means, property seizures in 1997 were 10,037; 10,037 Americans lost their homes, their farms. In 1999, after the reform, 161.

Now, how could we make the claim that nothing is happening? I think it is out of hand. The Tax Code is out of control. In fact, I think the IRS is so screwed up, they could not find their posterior from some hole in the ground.

Finally, we should throw the income Tax Code out and, yes, tear it up by its roots, with a simple final retail sales tax, with the proper exemptions to save, and those people on the bottom end of the ladder and those seniors.

□ 1130

Let me close by saying this, and why I support this bill. Congress should promote marriage. Congress should reward marriage. Congress should promote family. Congress should reward family. A Congress that overtaxes married couples does not reward nor promote family nor marriages.

I yield back the fact that we have in fact placed in the Tax Code mechanisms that seem to reward all that is wrong and penalize all that is right. I think the American people see it, the American people know it.

I am very comfortable voting for the rule. I will vote for this bill.

Mr. MOAKLEY. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I think, yes, the Washington Post editorial said it all titled "A Phony Issue." Again I will quote: "Congressional Republicans have scheduled votes this week on a sizeable tax cut mainly for the better off, which they misleadingly describe as relief from a marriage penalty. The President has rightly indicated that he will veto the bill as it is likely to be presented to him."

As I said before, Mr. Speaker, by the year 2008, the year that the Republican bill fully goes into effect, 47 percent of American families with two children would get no relief whatsoever. The tax will have a new name, but many of the people it is intended to help it will not help.

This is not a bill that really helps all the people and does not change the tax brackets for the very rich so they get an added bonus under the so-called marriage penalty tax. I urge Members to vote for the rule and vote for the Rangel substitute.

Ms. PRYCE of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in closing, I would like to urge my colleagues to support this rule, the customary rule provided for tax legislation. The House has already passed virtually identical legislation to eliminate this marriage tax penalty. All we are doing today is using the reconciliation process to speed this legislation to the President's desk so we can give him a second chance to sign it.

Mr. Speaker, our society values marriage as a fundamental institution that strengthens our moral fiber. Marriage teaches us about love, family, commitment, and honor. How can we promote these ideals if we continue to allow the government to impose an unfair, discriminatory, and immoral tax penalty on individuals solely because they are married?

Today we have another chance to send a strong message, which is the right message, to hard-working families by voting to end the marriage tax penalty.

Mr. Speaker, the gentleman from Illinois (Mr. WELLER) who has been a champion of this legislation comes to the floor constantly with his charts of Shad and Michelle, and anybody who follows this legislation probably has come to know them as household names.

When he started, Shad and Michelle were just getting married. Now Shad and Michelle have a son. Let us get this signed into law before Shad and Michelle are grandparents. I urge a yes vote on the rule and on the bill.

Ms. PRYCE of Ohio. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. PEASE). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MOAKLEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The Chair announces that he will reduce to 5 minutes votes by electronic device, if ordered, on two motions to suspend the rules on which further proceedings de novo were postponed yesterday which will immediately follow the vote on House Resolution 545.

The vote was taken by electronic device, and there were—yeas 407, nays 16, not voting 11, as follows:

[Roll No. 387]

YEAS—407

Abercrombie
Aderholt
Allen
Andrews
Archer
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Capps
Capuano
Cardin
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fletcher
Foley
Ford
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Olver
Ortiz
Ose
Oxley
Packard
Pascrell
Pastor
Paul
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaffer
Schakowsky
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tierney
Toomey
Towns
Traficant
Turner
Udall (NM)
Upton
Velázquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Wu
Young (AK)
Young (FL)

NAYS—16

Conyers
Doggett
Filner
Frank (MA)
Gutierrez
Hilliard
Hinchey
Jackson (IL)
Kucinich
Miller, George
Oberstar
Obey
Pallone
Sabo
Udall (CO)
Woolsey

NOT VOTING—11

Ackerman
Campbell
Carson
Chenoweth-Hage
Forbes
McNulty
Owens
Slaughter
Smith (WA)
Vento
Wynn

□ 1155

Ms. WOOLSEY changed her vote from "yea" to "nay."

Messrs. PAUL, REYES and DAVIS of Florida changed their vote from "nay to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. PEASE). Pursuant to clause 8 of rule XX, the Chair will now put the question on two of the motions to suspend the rules on which further proceedings were postponed on Tuesday, July 11, 2000 in the order in which that motion was entertained.

Votes will be taken in the following order:

S. 1892, de novo;

H.R. 4169, de novo.

H.R. 4447 will be voted on later today.

The Chair will reduce to 5 minutes the time for any electronic vote in this series.

## VALLES CALDERA PRESERVATION ACT

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the Senate bill, S. 1892.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Utah (Mr. HANSEN) that the House suspend the rules and pass the Senate bill, S. 1892.

The question was taken.

### RECORDED VOTE

Mr. DUNCAN. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 377, noes 45, not voting 12, as follows:

[Roll No. 388]

AYES—377

Abercrombie
Aderholt
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Capps
Capuano
Cardin
Castle
Chambliss
Clay
Clayton
Clement
Clyburn
Collins
Combest
Condit
Conyers
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Ewing
Farr
Fattah
Filner
Fletcher
Foley
Ford
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Gejdenson
Gekas
Gephardt
Gilchrest
Gillmor
Gilman
Gonzalez
Goodling
Gordon
Goss
Granger
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hayworth
Hefley
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hoyer
Hulshof
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Larson
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Oxley
Packard
Pallone
Pascrell
Pastor
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Rush
Ryan (WI)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Scarborough
Schakowsky
Scott
Serrano
Sessions
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson (CA)
Thompson (MS)
Thune
Thurman
Tiahrt
Tierney
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Walden
Walsh
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Young (AK)
Young (FL)

NOES—45

Archer
Bartlett
Brady (TX)
Chabot
Coble
Coburn
Cook
DeMint
Doolittle
Dreier
Duncan
Everett
Ganske
Gibbons
Goode
Goodlatte
Graham
Hastings (WA)
Hayes
Herger
Hostettler
Hunter
Jenkins
Johnson, Sam
Jones (NC)
Kasich
Kingston
Largent
Lewis (KY)
Manzullo
Paul
Pombo
Royce
Ryun (KS)
Salmon
Sanford
Schaffer
Sensenbrenner
Shadegg
Terry
Thornberry
Toomey
Vitter
Wamp
Whitfield

NOT VOTING—12

Ackerman
Campbell
Carson
Chenoweth-Hage
Forbes
Houghton
McNulty
Owens
Slaughter
Smith (WA)
Vento
Wynn

□ 1206

Messrs. WAMP, GRAHAM and LEWIS of Kentucky changed their vote from "aye" to "no".

Messrs. STEARNS, HILLEARY and TANCREDO changed their vote from "no" to "aye".

So (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

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## BARBARA F. VUCANOVICH POST OFFICE BUILDING

The SPEAKER pro tempore (Mr. PEASE). The unfinished business is the question of suspending the rules and passing the bill, H.R. 4169.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. McHUGH) that the House suspend the rules and pass the bill, H.R. 4169.

The question was taken.

### RECORDED VOTE

Mr. HILL of Indiana. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 418, noes 1, not voting 15, as follows:

[Roll No. 389]

AYES—418

Abercrombie
Aderholt
Allen
Andrews
Archer
Armey
Baca
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Capps
Capuano
Cardin
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Everett
Ewing
Farr
Fattah
Filner
Fletcher
Foley
Ford
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E.B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder

Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Oxley
Packard
Pallone
Pascrell
Pastor
Paul
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Scarborough
Schaffer
Schakowsky
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Young (AK)
Young (FL)

NOES—1

Sanford

NOT VOTING—15

Ackerman
Bachus
Campbell
Carson
Chenoweth-Hage
Doyle
Evans
Forbes
McNulty
Metcalf
Owens
Slaughter
Smith (WA)
Vento
Wynn

□ 1213

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## PERSONAL EXPLANATION

Mr. OWENS. Mr. Speaker, earlier today, I was unavoidably absent on a matter of critical importance and missed the following votes:

On approval of the journal, I would have voted "yea."

On H.Res. 545, providing for consideration of H.R. 4810, the Marriage Penalty Reconciliation Act, introduced by the gentlelady from Ohio, Ms. PRYCE, I would have voted "yea."

On the bill, S. 1892, the Federal Land Transaction Facilitation Act, introduced by the gentleman from the other body from New Mexico, Mr. DOMENICI, I would have voted "yea."

On the bill, H.R. 4169, Naming the U.S. Post Office in Reno, Nevada as the Barbara F. Vucanovich Post Office, introduced by the gentleman from Nevada, Mr. GIBBONS, I would have voted "yea."

## PERSONAL EXPLANATION

Ms. SLAUGHTER. Mr. Speaker, I was unable to be present for rollcall votes 386, 387, 388, and 389. Had I been present, I would have voted "yea" on rollcall votes 386, 387, 388, and 389.

## MARRIAGE TAX PENALTY RELIEF RECONCILIATION ACT OF 2000

Mr. ARCHER. Mr. Speaker, pursuant to House Resolution 545, I call up the bill (H.R. 4810) to provide for reconciliation pursuant to section 103(a)(1) of the concurrent resolution on the budget for fiscal year 2001, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 545, the bill is considered read for amendment.

The text of H.R. 4810 is as follows:

H.R. 4810

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE, ETC.**

(a) SHORT TITLE.—This Act may be cited as the "Marriage Tax Penalty Relief Reconciliation Act of 2000".

(b) SECTION 15 NOT TO APPLY.—No amendment made by this Act shall be treated as a change in a rate of tax for purposes of section 15 of the Internal Revenue Code of 1986.

**SEC. 2. ELIMINATION OF MARRIAGE PENALTY IN STANDARD DEDUCTION.**

(a) IN GENERAL.—Paragraph (2) of section 63(c) of the Internal Revenue Code of 1986 (relating to standard deduction) is amended—

(1) by striking "$5,000" in subparagraph (A) and inserting "200 percent of the dollar amount in effect under subparagraph (C) for the taxable year",

(2) by adding "or" at the end of subparagraph (B),

(3) by striking "in the case of" and all that follows in subparagraph (C) and inserting "in any other case.", and

(4) by striking subparagraph (D).

(b) TECHNICAL AMENDMENTS.—

(1) Subparagraph (B) of section 1(f)(6) of such Code is amended by striking "(other than with" and all that follows through "shall be applied" and inserting "(other than with respect to sections 63(c)(4) and 151(d)(4)(A)) shall be applied".

(2) Paragraph (4) of section 63(c) of such Code is amended by adding at the end the following flush sentence:

"The preceding sentence shall not apply to the amount referred to in paragraph (2)(A).".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

**SEC. 3. PHASEOUT OF MARRIAGE PENALTY IN 15-PERCENT BRACKET; REPEAL OF REDUCTION OF REFUNDABLE TAX CREDITS.**

(a) IN GENERAL.—Subsection (f) of section 1 of the Internal Revenue Code of 1986 (relating to adjustments in tax tables so that inflation will not result in tax increases) is amended by adding at the end the following new paragraph:

"(8) PHASEOUT OF MARRIAGE PENALTY IN 15-PERCENT BRACKET.—

"(A) IN GENERAL.—With respect to taxable years beginning after December 31, 2002, in prescribing the tables under paragraph (1)—

"(i) the maximum taxable income in the lowest rate bracket in the table contained in subsection (a) (and the minimum taxable income in the next higher taxable income bracket in such table) shall be the applicable percentage of the maximum taxable income in the lowest rate bracket in the table contained in subsection (c) (after any other adjustment under this subsection), and

"(ii) the comparable taxable income amounts in the table contained in subsection (d) shall be ½ of the amounts determined under clause (i).

"(B) APPLICABLE PERCENTAGE.—For purposes of subparagraph (A), the applicable percentage shall be determined in accordance with the following table:

| "For taxable years beginning in calendar year— | The applicable percentage is— |
|---|---|
| 2003 | 170.3 |
| 2004 | 173.8 |
| 2005 | 183.5 |
| 2006 | 184.3 |
| 2007 | 187.9 |
| 2008 and thereafter | 200.0. |

"(C) ROUNDING.—If any amount determined under subparagraph (A)(i) is not a multiple of $50, such amount shall be rounded to the next lowest multiple of $50.".

(b) REPEAL OF REDUCTION OF REFUNDABLE TAX CREDITS.—

(1) Subsection (d) of section 24 of such Code is amended by striking paragraph (2) and redesignating paragraph (3) as paragraph (2).

(2) Section 32 of such Code is amended by striking subsection (h).

(c) TECHNICAL AMENDMENTS.—

(1) Subparagraph (A) of section 1(f)(2) of such Code is amended by inserting "except as provided in paragraph (8)," before "by increasing".

(2) The heading for subsection (f) of section 1 of such Code is amended by inserting "PHASEOUT OF MARRIAGE PENALTY IN 15-PERCENT BRACKET;" before "ADJUSTMENTS".

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided by paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 2002.

(2) REPEAL OF REDUCTION OF REFUNDABLE TAX CREDITS.—The amendments made by subsection (b) shall apply to taxable years beginning after December 31, 2001.

**SEC. 4. MARRIAGE PENALTY RELIEF FOR EARNED INCOME CREDIT.**

(a) IN GENERAL.—Paragraph (2) of section 32(b) of the Internal Revenue Code of 1986 (relating to percentages and amounts) is amended—

(1) by striking "AMOUNTS.—The earned" and inserting "AMOUNTS.—

"(A) IN GENERAL.—Subject to subparagraph (B), the earned", and

(2) by adding at the end the following new subparagraph:

"(B) JOINT RETURNS.—In the case of a joint return, the phaseout amount determined under subparagraph (A) shall be increased by $2,000.".

(b) INFLATION ADJUSTMENT.—Paragraph (1)(B) of section 32(j) of such Code (relating to inflation adjustments) is amended to read as follows:

"(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined—

"(i) in the case of amounts in subsections (b)(2)(A) and (i)(1), by substituting 'calendar year 1995' for 'calendar year 1992' in subparagraph (B) thereof, and

"(ii) in the case of the $2,000 amount in subsection (b)(2)(B), by substituting 'calendar year 2000' for 'calendar year 1992' in subparagraph (B) of such section 1.".

(c) ROUNDING.—Section 32(j)(2)(A) of such Code (relating to rounding) is amended by striking "subsection (b)(2)" and inserting "subsection (b)(2)(A) (after being increased under subparagraph (B) thereof)".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

The SPEAKER pro tempore. After 1 hour of debate on the bill, it shall be in order to consider an amendment printed in House Report 106–726 if offered by the gentleman from New York (Mr. RANGEL) or his designee, which shall be considered read and shall be debatable for 1 hour equally divided and controlled by the proponent and an opponent.

The gentleman from Texas (Mr. ARCHER) and the gentleman from New York (Mr. RANGEL) each will control 30 minutes of debate on the bill.

□ 1215

The Chair recognizes the gentleman from Texas (Mr. ARCHER).

### GENERAL LEAVE

Mr. ARCHER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on H.R. 4810.

The SPEAKER pro tempore (Mr. PEASE). Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. ARCHER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, here we are again. We are here again moving this Congress to do the right thing for married couples by eliminating the marriage tax penalty in the Tax Code.

This bill is identical to H.R. 6 that passed this House in February. Why are we here again? Because the blocking techniques of the Vice President, as President of the Senate and the minority leader in the other body, have prevented our bill from even being able to come up for a vote on the floor. And then they have the audacity to say we are a "do-nothing" Congress. They are forcing us to come back again and pass this bill under reconciliation, which procedurally cannot be blocked from coming up on the floor of the Senate by their delaying tactics.

I was somewhat surprised to see recent campaign ads touting Vice President GORE's support for fixing the marriage tax penalty in the year 2000, because it sure does not match the Clinton-Gore White House 8-year "do nothing" record of stonewalled opposition to fixing this unfair tax. Since 1993, the Clinton-Gore White House has sent 25 million married couples an expensive gift from the IRS: A bill for $1,400 a year. That is not exactly the traditional Happy Anniversary card.

So here we are, at it again, trying to fix this once and for all. And this is a bipartisan bill, with 48 Democrats in the House voting with us in February on a bill that is the most complete and fairest way to get this job done. But despite this bipartisan support, I have a feeling we will still hear excuses from Democrats today as to why we cannot do it.

For whatever reason, they may say we should not help stay-at-home moms and dads. And, yes, this bill does that. But their plan actually denies relief to these important parents. In fact, the Democrat plan leaves millions of married couples at the altar, and that is wrong. Raising a child is the single most important job in the world, and we are right to provide families with relief who have only one wage earner.

Democrats will also complain that this is too much tax relief. Of course, they say that about almost every tax bill that we bring up. But again they are wrong. Fairness demands it because it is wrong to take money from the pockets of wage-earning Americans just because they are married. The money should not be coming to Washington in the first place.

Then they might say, oh, we should wait; the timing is just not right to fix the marriage tax penalty. And they are wrong again. We should fix the marriage tax penalty right now. Married couples should not have to wait 1 day longer to be treated fairly by the Tax Code.

So, Mr. Speaker, this all comes down to a matter of principle. The fact that married couples pay more in taxes just because they are married is simply immoral, it is unfair, it is unjust, and today, once again, we are moving to overcome the blocking tactics of the Democrats in the other body and to fix the marriage tax penalty and return a small sense of decency to the Tax Code.

Mr. Speaker, I reserve the balance of my time.

### ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Members are reminded that they are not to characterize actions in the other body.

The Chair recognizes the gentleman from New York (Mr. RANGEL).

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

I wish we did not characterize the actions of the President of the United States. I thought that the distinguished chairman of the Committee on Ways and Means was about to discuss tax policy with us, but he was not discussing principle, he was discussing politics. He was talking about the budgetary policies of the President and Vice President GORE.

I think we should be reminded that the only reason that we can even deal with reforming and providing equity for some of these tax provisions is that because of the Clinton-Gore budget policies we are now able to think in terms of surpluses instead of just deficits.

I would like to remind my colleague, too, that not one Republican ever voted for the Clinton-Gore 1993 budget. And when the vote was tied in the Senate, it took the Vice President to split that tie.

Now, when it comes to whether we are doing this thing in an irresponsible way, I used to think that that is what the Republicans were trying to do. When they had this $792 billion tax cut, they did not talk about paying down the national debt, they did not talk about our responsibility to Social Security, they did not talk about Medicare or affordable prescription drugs for our aged, and I, at that time, thought it would be irresponsible for them to move forward and just get enough political votes to pass a bill. I have changed my mind. It really is not irresponsible. It may be political.

But I have discovered that my Republican friends do not ask for these irresponsible cuts until first they find out that the President is going to veto it, and only then do they come out with not tax law but they come out with political statements. Whether we are talking about the minimum wage bill, the Patients' Bill of Rights, affordable prescription drugs, or whether we are talking about pension benefits, we can rest assured that when we Democrats try to work with them to remove the inequity to make the tax system more simple so that people can find it easier to file, they will find some way to entice the President to veto the bill.

Do they come back and ask to override the veto? Never, never, never, never. All they want to say in Philadelphia is that they passed the bill and the President vetoed it. I hope that the American people realize that the Congress, as any business or any family, before we just deal with revenue losers, we ought to take a look at the total package and the total responsibility.

I am so pleased that the President is willing to give my Republican friends a second chance by reconsidering getting a decent, affordable press description drug bill, and then he would consider reviewing once again the bill that they have sponsored in terms of removing the marriage penalty.

Mr. Speaker, I reserve the balance of my time.

The SPEAKER pro tempore. Without objection, the gentleman from Illinois

(Mr. WELLER) will manage the time of the gentleman from Texas (Mr. ARCHER).

There was no objection.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Illinois (Mr. WELLER).

Mr. WELLER. Mr. Speaker, I yield myself such time as I may consume, and I would say to the previous speaker that if he votes against this legislation, he will deny about 30,000 married couples in the 15th district in New York relief from the marriage tax penalty, and that is just not fair. We believe it is time to eliminate the marriage tax penalty once and for all.

Mr. Speaker, I am so proud of the accomplishments of this Congress. I am proud that we are now in the process of balancing the budget for the 4th year in a row. We locked away 100 percent of Social Security and stopped the raid on Social Security. We are on track to pay off the national debt by 2013, having already paid down the national debt by $350 billion. Just this past week we passed and sent to the Senate legislation providing prescription drug coverage available for all seniors under Medicare.

I am proud of those accomplishments. And of course part of our agenda is not only to accomplish those accomplishments, but also to bring fairness to the Tax Code. We have often asked in the House Chambers, many of us, is it right, is it fair that under our Tax Code 25 million married working couples, on average, pay almost $1,400 more in higher taxes just because they are married. Now, is that right, is that fair, that if a couple chooses to participate in the most basic institution in our society, marriage, that they are going to pay higher taxes if they work?

Unfortunately, under our Tax Code, that is true. If a husband and wife are both in the workforce, both the man and the woman are in the workforce, a two-income household, under our Tax Code they will file jointly and, because of that, they will pay a marriage tax penalty. That is just wrong. We have made this a priority, to eliminate the marriage tax penalty suffered by 25 million married working couples.

I was proud a year and a half ago, when we introduced a bipartisan bill, legislation sponsored by myself and the gentleman from Indiana (Mr. MCINTOSH) and the gentlewoman from Missouri (Ms. DANNER), Republicans and Democrats, that 233 Members joined as cosponsors of our legislation to eliminate the marriage tax penalty. And I was so proud in February when this House passed our legislation with a bipartisan vote, which included every House Republican as well as 48 Democrats who broke rank with their leadership and supported our efforts to wipe out the marriage tax penalty for 25 million married working couples.

In the well, Mr. Speaker, I have a photo of three constituents from Joliet, Illinois, Shad and Michelle Hallihan. When we first introduced our bill almost a year and a half ago to eliminate the marriage tax penalty, Shad and Michelle were newlyweds. Because of delays put forth by the other party, using every parliamentary procedure to block passage in the Senate of our efforts to eliminate the marriage tax penalty, time has gone on, and now Michelle and Shad have a baby by the name of Ben.

For Michelle and Shad Hallihan, two public school teachers from Joliet, Illinois, the marriage tax penalty is real money. Michelle and Shad, their combined income is in the low $60,000 range, about $62,000. If they filed as single, chose not to marry, lived together and filed as single people, they would each pay in the 15 percent tax bracket. But because they chose to get married, Michelle and Shad Hallihan pay a marriage tax penalty.

Of course, when we think about Joliet, Illinois, $1,400 is a year's tuition at our local community college, Joliet Junior College; it is 3 months day care at a day care center for little Ben; and it is also a washer and dryer for their home. It is real money for real people.

I would point out that Ben, who is growing very rapidly, by the time he is 18, if we eliminate the marriage tax penalty for Michelle and Shad Hallihan, $1,400 over 18 years is over $25,000 that they can invest in a college fund for Ben for his future. It is real money for real people, and that is why we need to eliminate the marriage tax penalty.

I am proud our bipartisan proposal, which is essentially identical to what we passed out of the House earlier this year in February. And of course now we are working to protect ourselves from a filibuster in the Senate, which is why we have to vote on it again today.

We do several things. We help those who itemize and those who do not itemize. We help those who are poor working folks who utilize the earned-income tax credit. And we also protect parents from the AMT's impact on the child tax credit. We double the standard deduction for those who do not itemize to twice that of singles. That helps those who do not itemize their taxes.

And for those who do itemize, I would point out that it is likely they, of course, own a home, so that they have a mortgage and property taxes that they use to deduct, as well as to give money to their church or synagogue or institutions of faith and charity. So they itemize their taxes. And the only way to provide marriage tax relief for those who itemize is to widen the 15 percent bracket. So that those who are in the 15 percent bracket as joint filers can earn twice as much as single filers in the 15 percent bracket.

We provide marriage tax relief for those on earned-income tax credit, and again I would point out that we protect those who benefit from the child tax credit, the $500 per child tax credit from AMT.

The bottom line is we want to eliminate the marriage tax penalty. It is an issue of fairness for 25 million working couples, 50 million Americans; people like Michelle and Shad Hallihan, parents of little Ben.

Now, my friends on the other side of the aisle have realized they needed to respond and they are now offering an alternative, but I would point out that those who are middle class and homeowners are stuck with the marriage tax penalty. Under their proposal, middle class homeowners who itemize receive no marriage tax relief. They are left out because they think those individuals are rich, because they own a home. That is just wrong. We believe that suffering the marriage tax penalty is wrong no matter who the individual is. If couples are suffering the marriage tax penalty, it should be eliminated. That is the bottom line.

Mr. Speaker, let us eliminate the marriage tax penalty. Let us eliminate the marriage tax penalty in a way that benefits every one of those 25 million couples who suffer the marriage tax penalty. We have bipartisan legislation.

Mr. Speaker, I reserve the balance of my time.

□ 1230

Mr. RANGEL. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. LEVIN), the senior member of the Committee on Ways and Means.

Mr. LEVIN. Mr. Speaker, I favor a marriage penalty tax relief bill. That is why I say to my colleague on the Committee on Ways and Means, I am for the Democratic substitute, and I can face the thousands of voters in my district, whose numbers the Republicans like to cite for each of us in the House. We know our districts, and I know this bill that I am supporting; the Democratic substitute is the answer.

They are desperately, on the Republican side, trying to escape the "do nothing" label. It sticks and it sticks, and it will continue to be adhesive as long as they simply send bills that will be vetoed. They will never escape that label.

Why will this bill of theirs be vetoed if it were to pass? First of all, half of the relief in their bill goes to those who do not pay a marriage penalty. So they attach the marriage penalty label, though more than half of the money does not apply to that situation.

Secondly, many families with kids will not get the full relief that the bill promises because of the way they have shaped it.

Thirdly, the lion's share, and this is important, of the money goes to the top quarter of the tax filers.

Fourthly, look at the out-year projections. Assuming the AMT is eventually applied, and the chairman of the committee has promised that, the 20-year cost of their bill is $700 billion. $700 billion. That plays lightly with the future of my grandchildren and with the need to address Medicare and Social Security.

So if this bill is not what it says it is, if it is tilted against low- and middle-income families, if it shortchanges millions of families with children, and if it could break the bank, why this bill?

The answer is contained in the chairman's original speech. Pure politics. Philadelphia is what is on their mind.

The chairman of the Ways and Means Committee said, here we go again; and I say, there they go again passing a bill that will be vetoed by the President of the United States.

We can do better. The Democratic substitute does better, and that is why so many of us are going to vote for it and against the Republican bill.

Mr. WELLER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would say to the previous speaker, if he votes against this legislation wiping out the marriage tax penalty, he will vote to deny 120,000 married taxpayers in the 12th District of Michigan relief from the marriage tax penalty. That is just not fair. We need to work together to eliminate the marriage tax penalty as it affects everyone once and for all.

Mr. Speaker, I yield 3 minutes to the gentleman from Arizona (Mr. HAYWORTH) a distinguished member of the Committee on Ways and Means.

Mr. HAYWORTH. Mr. Speaker, I thank my colleague from Illinois for yielding me the time.

Mr. Speaker, today this House can take another important step toward tax fairness for the American people.

When couples stand at the altar to marry and each says "I do," not contained in their vows is any acknowledge of an additional payment in taxes. And yet that is what we have, my colleagues, for average Americans, for working Americans, a penalty in our Tax Code, roughly $1,500 a year.

Rather than talk about politics or political conventions or gamesmanship, Mr. Speaker, to the American people this is not a game. These are people who work hard, who play by the rules, who every week sit around their kitchen table trying to make ends meet; and they need to be able to keep $1,500 of their own money.

Now, it is true my friends on the left, in a half-hearted way, offer a substitute. But again it points out, I guess, a legitimate difference, Mr. Speaker. My friends on the left honestly believe that the highest and best use of the money of the taxpayers of America is in the coffers of Washington, D.C., spent by Washington bureaucrats.

And that is fine. They are certainly entitled to that point of view. And to the extent that they now join us in talking about debt relief and paying down the national debt, they now join us in talking about prescription drug benefits, they now join us in wanting to strengthen and save Social Security, we appreciate that.

What we say, Mr. Speaker, is not for partisan purposes. In fact, we hold out the hand of bipartisanship with bipartisan sponsorship of this legislation. We invite our colleagues to join with us for real marriage penalty relief for America's working couples.

And, Mr. Speaker, we do something more. We invite the President of the United States to join us. Because here is a chance to do something good for every working couple in America, to strike this blow for tax fairness.

No, far from being irresponsible, this is one of the most responsible things we can do in a bipartisan fashion to reaffirm our belief in the institution of marriage, to reaffirm that we value the contribution of working families, to reaffirm that the money belongs to the people, not to the Washington bureaucrats.

Join with us, my colleagues. Mr. Speaker, let us again pass this marriage tax penalty relief. The American people deserve a divorce from high taxes. They deserve to have a chance to hold on to more of their own money.

Mr. RANGEL. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts (Mr. NEAL), a distinguished member of the Committee on Ways and Means.

Mr. NEAL of Massachusetts. Mr. Speaker, I thank the gentleman from New York (Mr. RANGEL) for yielding me the time.

Mr. Speaker, just before I launch into my formal remarks here, when I was listening to the Republican leadership talk about tax equity and talking about the metamorphosis of their tax proposals over the last 6 or 7 years, has there been a greater hoax perpetrated on this House than their argument that they were going to simplify the Tax Code, they were going to pull it out by its roots, they were going to fundamentally restructure the Tax Code of America? Well, under their sponsorship and stewardship, thanks to them, it is more complicated than ever.

Yesterday, the Washington Post ran an editorial about the marriage tax penalty. It was accurate in its analysis, but no one is going to pay much attention because we have moved beyond worrying about tax policy. The marriage penalty and the marriage bonus, the singles penalty and the singles bonus, all derived not from some nefarious scheme embedded in our Tax Code but from the fact that we have a progressive tax system.

If two individuals, one working and one not, get married, their total tax payment under the current system goes down. They have a marriage bonus. They had a singles penalty.

If two individuals get married, both working and both making about the same amount of money, they have a marriage penalty. They had a singles bonus. It stems from the progressive nature of our tax system.

Putting that aside, we made a clear decision to get rid of the marriage penalty. That decision should be advanced on a broad bipartisan basis. However, that is not the choice here. The choice is to send the President a bill he will surely veto.

The President has said he would sign a Republican version of the marriage tax cut if they would accept his version of a prescription drug benefit for senior citizens. The Republican leadership said, no thanks, because it does not fit the Philadelphia political agenda.

But what is most annoying is the fact that the Republicans are using the alternative minimum tax to deny millions of Americans any relief under their bill. The promise of their bill is to cut taxes by about $250 billion, but that will result in an increase in the alternative minimum tax of $65 billion. That is why this bill is said to cost $180 billion.

Make no mistake, it is deliberate. The interaction between the regular tax system and the alternative minimum tax is well known. Taxpayers in a State like Massachusetts claiming State and local tax deductions will most certainly be denied the promised relief that we have been told under the Republican version of this bill because personal exemptions and State and local tax deductions are not deductible against the minimum tax.

The Democratic substitute makes sure that everyone who is promised relief in the bill actually gets it. Our proposal is far superior, and the President will sign it.

Mr. WELLER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I say to the previous speaker, elimination of the marriage tax penalty is not only an issue of tax fairness, it is an issue of tax simplification, and that if he chooses to vote against this legislation, he will vote to deny 122,000 married taxpayers in the 2nd District of Massachusetts relief from the marriage tax penalty. That is not fair.

I invite him to join the 48 Members of the Democratic party on the other side of the aisle who voted with Republicans to eliminate the marriage tax penalty once and for all.

Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. SAM JOHNSON) a very distinguished and senior member of the Committee on Ways and Means.

Mr. SAM JOHNSON of Texas. Mr. Speaker, marriage is a cherished institution in America; and we ought to promote it, not discourage it. So we intend to do just that today.

Right now married couples pay more in taxes than two singles living together. That is just wrong. Washington needs to stop penalizing the cornerstone of our society, the American family.

This year my wife and I will celebrate 50 years of marriage. My wedding day was one of the happiest in my life. And back then, I have to tell my colleagues, I was not worried about having to hold the wedding reception at the IRS office.

Today, in my district alone, 150,000 Texans are penalized for just being married. By repealing the marriage penalty, we are going to restore the American family tradition and the American dream.

Republicans in the House have spent the past few years passing tax bills to eliminate the marriage penalty, but every time the Clinton-Gore administration vetoed them all.

Enough is enough. It is time to repeal the taxes on American values. Let us start by saying "I do" to repealing the tax on marriage.

Mr. Speaker, the time has come to sign this legislation and, for once, put American families first.

Mr. RANGEL. Mr. Speaker, I yield 3 minutes to the gentleman from Washington (Mr. MCDERMOTT), a distinguished member of the Committee on Ways and Means.

Mr. MCDERMOTT. Mr. Speaker, my colleague, the gentleman from Massachusetts (Mr. NEAL), referenced an editorial in the Washington Post, and I include for the RECORD the editorial from July 11 entitled: "A Phony Issue."

[From the Washington Post, July 11, 2000]

A PHONY ISSUE

Congressional Republicans have scheduled votes this week on a sizable tax cut mainly for the better off, which they misleadingly describe as relief from a "marriage penalty." The president has rightly indicated that he will veto the bill as it is likely to be presented to him. That suits the sponsors perfectly, in that the vote is mainly intended as a frame for the national nominating conventions that will be held during next month's congressional recess.

The Republicans seek to score political points as the tax-cut party. But on this one, the merits are on the president's side, and our sense is that the politics may be as well. The marriage penalty is a phony issue; the cost of the bill is high; the bulk of the benefit would go to people already quite well off, and there are better uses for the money—to shore up Medicare, for example. The president can be expected to make good use of all those points; he has set his own stage for that in advance.

The tax code does not penalize married couples. To the contrary, as a matter of long-standing policy it is tilted in their favor. A married couple at a given income level owes less income tax than a single taxpayer at the same level. The so-called penalty arises when two single people, each with income, marry. Their combined income is likely to move them into a higher tax bracket. That's what the fight is about; the issue is not the treatment of marriage but the progressive nature of the income tax. The marriage issue is a veil. If the sponsors succeed, you can bet their next target will be the "singles penalty" that they themselves will have helped to accentuate by lowering the taxes of married couples relative to single payers. The widow's penalty, they'll call it.

The proposed cuts are not even confined to people paying a "penalty" as the sponsors define it. About half of married couples—those in which one spouse earns the bulk of the income—receive a marriage "bonus" in that their taxes are less than if both were single. But they too would benefit; the sponsors hardly want to be accused of slighting the "traditional" family in which the mom stays home. About half the savings in the bill would go to such families.

The cost of the legislation would be a quarter-trillion dollars over 10 years. The president has said he would trade the Republicans. This bill for his Medicare prescription drug benefit, which carries a similar price tag. It's the wrong trade; a drug benefit does not redeem the defects of this bill. The politicians, including the president, say there's plenty of money for both, but the budget surpluses to which they point are projections only, and in some ways highly artificial. Among much else, they assume that future politicians will exercise precisely the kind of discipline that these are prepared to abandon. An easing of fiscal discipline would likely also cause the Federal Reserve to tighten monetary discipline; this is a vote for higher interest rates at one remove.

The marriage penalty is little more than a slogan, a bumper sticker masquerading as serious tax policy. The vote this week is a political stunt that would mainly solve a nonproblem while weakening the government's ability to fulfill its long-term obligations. The right vote is emphatically no.

Mr. Speaker, this editorial lays it out very clearly. And that is why we are here. We are all here about politics. This is not about any kind of policy.

The editorial says that they know that they are going to send this bill to the President, he is going to veto it, and that "that suits the sponsors perfectly, in that the vote is mainly intended as a frame for the national nominating conventions that will be held during next month's congressional recess."

Now, this bill was written for me. I came to Congress, I was divorced, and I married somebody who has a job. This bill gives me a great tax benefit because our combined income is up around $100,000 because that is as high as it goes. If they have a combined income of $60,000, that is their wife makes 30 and they make 30, they will get $218.

But my wife and I, because we make considerably more than that, we are all the way up to the maximum, we will get a benefit of $1,150. Oh, and we do not have any kids. That is important. If they have kids, they are going to lose this on the AMT.

The Treasury says that by 2008, half the people in this country who are getting the benefit will lose it because if they have kids they lose it under the AMT.

□ 1245

Now, the reason I am going to vote against this bill, which would be in my particular financial interest, in my pocket, is this: I have a mother. I have a mother who is one of the 9 million widows in this country who lives on $8,000 a year. She is not getting anything from this. And this majority has consistently refused to deal with Social Security, which my mother lives on. That is her only income. They have refused to do anything about shoring up Medicare, which is the only health care system she has. And they will not give her a financial benefit for her prescription drugs.

Now, the President has made a deal, I think a bad deal, but it is not a bad deal for my mother. He says, we will take the Republican plan if you will give my mother a real pharmaceutical benefit. The Republicans say, "Nope, we ain't doing that." We are going to give your mother a little voucher and send her out there and let her look around for some insurance company like all the HMOs that have been pulling out of the State of Washington, and we are going to say, find one that will stand still long enough to give you a pharmaceutical benefit.

That is not a real benefit. I want my mother to have the benefit the President has promised. So I am going to vote for the Democratic alternative and hope the Republicans come to their senses.

Mr. WELLER. Mr. Speaker, I yield myself such time as I may consume.

I would remind my good friend and colleague from Washington State that it was a Republican Congress that for the first time locked away 100 percent of Social Security and Medicare, stopping the raid. It was a Democrat Congress that raided the Social Security trust fund for 30 years.

I would also say to the previous speaker that if he votes against this effort to eliminate the marriage tax penalty, he will vote to deny 106,000 married taxpayers in the seventh district of Washington relief from the marriage tax penalty. That is not fair. I invite him to join the 48 Democrats earlier this year who broke with him and voted with the Republicans to eliminate the marriage tax penalty.

Mr. Speaker, I yield 3 minutes to the gentleman from Indiana (Mr. MCINTOSH), one of the leaders, a proven leader in the effort to eliminate the marriage tax penalty, one of the chief sponsors of the Weller-McIntosh-Danner Marriage Tax Elimination Act.

Mr. MCINTOSH. Mr. Speaker, let me take a moment to commend the gentleman from Illinois for his tremendous leadership on this. His ceaseless efforts, particularly to shepherd it through the committee now twice, has been enormously important in making sure that this bill will come to the floor and that families will get their marriage penalty tax relief.

When I ran for Congress, I pledged to Hoosiers in my district that I would fight for more freedom, to cut their taxes and to strengthen their families as the centerpiece of our community. When I discovered that the Tax Code discriminates against marriage, I knew that by eliminating the marriage penalty, Congress could both cut taxes and strengthen the family. I made eliminating the marriage penalty my highest priority ever since.

It is unbelievable to most Americans that our Tax Code punishes them because they are married and they choose to work. Two constituents of mine, Sharon Mallory and Darryl Pierce, both work in a factory in Indiana. They wanted to get married, but they learned from their H&R Block representative that they would give up a $900 tax refund and be penalized $1,800 if they decided to get married.

Sharon Mallory wrote me a letter and said, "Darryl and I would very much like to be married, and I must say it broke our hearts when we found out we can't afford it." Mr. Speaker, that letter broke my heart. I vowed to never stop fighting until this anti-family marriage penalty tax was eliminated. I have fought on the front lines for Darryl and Sharon and for 600,000 Hoosier families, 1.2 million Hoosiers, who will save over a billion dollars as a result of this marriage penalty relief and for 25 million Americans all over this country who want us to do the right thing.

The alternative bill, Mr. Speaker, does not help stay-at-home moms. It does not help stay-at-home dads. It does not help homeowners who do not qualify for the alternative. It does not help Darryl and Sharon Mallory. With record surpluses, this is the best chance we have to provide real tax relief and to help families at the same time. Let us put partisanship aside.

One of the things that I have noticed is that nobody stands up and says that it is a good idea to punish marriage and let us have a marriage penalty tax, but there are a lot of excuses for not doing it. Let me ask my colleagues on the other side to put aside partisanship and join us in getting this done. President Clinton has already indicated he could sign this bill. Of course he has got his conditions, but he said he could sign it. Vice President Gore is already campaigning on marriage penalty relief. So do not be left holding the bag here on the House floor. Join us in a bipartisan effort to do what is right for the American family and then we can be proud that we have helped to eliminate the marriage penalty for many Americans and reduce it for all families in this country.

Mr. RANGEL. Mr. Speaker, I yield 3 minutes to the gentleman from Maryland (Mr. CARDIN), a distinguished member of the Committee on Ways and Means.

Mr. CARDIN. Mr. Speaker, let me thank the gentleman from New York (Mr. RANGEL) for yielding me this time.

Mr. Speaker, the approximately 100,000 people who live in the Third Congressional District of Maryland that are affected by this bill are going to be somewhat perplexed by the debate that is taking place. About half of this 100,000 are currently paying a marriage penalty for being married. That is wrong. And they have their Congressman here today speaking up and saying that we should do something to help that approximately 50,000 that are paying a marriage penalty for being married. These are couples that have approximately the same income that are paying a penalty under our tax code for being married.

The other half are receiving a bonus today. These are individuals that are actually paying less taxes by being married than they would if they were filing single returns. These are couples in which one spouse has a much higher income than the other spouse. If they were living together without the benefit of marriage, they would actually be paying more taxes. They have a marriage bonus. They are not calling me. They are not writing me asking me to provide more relief because they are married. They are already getting the bonus.

The problem with the Republican bill is that it spends $182 billion and one-half of that is going to the people that are already receiving a marriage bonus. This is not the first tax bill that we are considering in this body. We have already been considering estate tax repeal that spends $69 billion over 10 years and then explodes in cost. And the list goes on and on and on.

The problem is we cannot afford to continue to spend money to deal with a problem that spends much more than we need to to deal with the issue. We have seniors who need prescription medicine coverage under Medicare. We have schools that we need to reduce class size and modernize. There are other priorities that we need to deal with.

This Congressman is interested in helping the people who pay a marriage penalty that live in my district. We can do that for one-half the cost of this bill. It is in the interest of all of my taxpayers, those that are paying a penalty, those that are receiving a bonus, that we do it right. The Democratic substitute is better targeted.

We should be working together, Democrats and Republicans, to figure out how we can target the relief to those that are paying the penalty and, therefore, we can do other priorities in addition to just this one. That is what we should be doing. But unfortunately this is more about a political message than it is about helping the 50,000 plus people in the Third Congressional District of Maryland that are truly paying a marriage penalty and deserve some relief by this body and unfortunately will not get it because of our inability to work together on a bill that could be signed by the President.

Mr. WELLER. Mr. Speaker, I yield myself such time as I may consume. I note my friend's comments about one-half of the relief going to those who do not suffer the marriage tax penalty. If they analyzed their own bill, what they do with the standard deduction provides a similar proportion of those who do not suffer the marriage tax penalty some relief.

I would also say to the previous speaker that if he votes against this legislation to eliminate the marriage tax penalty, he votes to deny 132,000 married taxpayers in the third district of Maryland relief from the marriage tax penalty. That is just not fair. I want to invite my friend from Maryland to join the 48 other Democrats who have broken with their leadership and are supporting efforts to eliminate the marriage tax penalty once and for all.

Mr. Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. CAMP), a senior and respected member of the Committee on Ways and Means.

Mr. CAMP. Mr. Speaker, I thank the gentleman from Illinois for yielding me this time and for his leadership on this issue.

I represent the middle part of Michigan. In my district alone, there are 106,000 people paying more taxes simply because they are married. The Vice President is trying to criticize the Congress as a "do nothing for the people" Congress. Yet he probably will not mention that this is the second time we have had to pass this bill because the President and some congressional Democrats think we are doing too much for 28 million American couples.

Earlier this year, the President said he supported marriage penalty relief, but here we are today, 6 months later, again passing marriage penalty relief. Yet he continues to threaten American families with a veto. The President does not mention that his own proposal and the Democrat substitute, I might add, does not do one bit for a working couple who saved enough last year to buy a home. Why? Because those people itemize. They fill out a different tax form. To not help those people is simply not fair.

I for one am proud that we are able to take this step forward and fix this glaring inequity. Let us strengthen families. I urge a "yes" vote on H.R. 4810.

Mr. RANGEL. Mr. Speaker, I yield 3½ minutes to the gentleman from Texas (Mr. DOGGETT), a distinguished member of the Committee on Ways and Means.

Mr. DOGGETT. Mr. Speaker, of course, our tax laws should not discriminate against marriage. And if ending such discrimination, if ending the marriage penalty were the true purpose of this initiative, it would have already been law and married couples would have benefited from it for a number of years, at least 3. Indeed, last year we Democrats again came to this House, and we offered more marriage tax penalty relief than our Republican colleagues. They were much more concerned with loading up their trillion-dollar tax cut with special interest provisions like the chicken manure tax subsidy and so forth that was really the mainstay of their effort last year rather than helping married couples.

Again this year, we offered to work with them in a bipartisan fashion to create true marriage tax penalty relief. They have rejected that. They have done so, I must say, with some rather unusual arguments in favor of their proposal. This indicates, I suppose, what sheltered lives some Republicans live. Why, they have told us that the Tax Code is encouraging people to live out of wedlock; that it is encouraging illegitimacy. I hate to expose them to a rude awakening about premarital relations in this country, but I just have a feeling that the fine print of the Tax Code is not the first thing that young people look to before they decide on their living arrangements or their relations with the opposite sex. I think if they continue arguing that, they will only demonstrate that they are even more out of touch with what is happening in this country than they do by their usual endeavors here most every day.

Leave it to the House Republicans to take something we all agree with, that there should be no discrimination in our tax code, and turn it from a workable, bipartisan plan into a total political ploy. You will remember the first time they came out here, they just happened to package it up in a loving way on Valentine's Day to present to the American people. That is the kind of political grandstanding with little action behind it that has characterized this entire Congress.

I think that the only illegitimacy associated with this bill is its mislabeling. It is not marriage tax penalty relief. Over half of the dollar benefit in this bill goes to people who do not incur a marriage tax penalty, people who gain tax advantages because they are married and filing a joint tax return. I have been extremely fortunate to be married to the same woman who has put up with me for over 31 years, my parents together over 55 years. I value the institution of marriage. But there are many folks that have not been as lucky. Some of them are widows or widowers. Some of them are victims of domestic violence. Some of them are single mothers that are trying to do as good a job as we tried to do for our family to rear their children. Why should our tax laws discriminate against those individuals? That is exactly what this bill does. Not every family has the good fortune to be married. Some choose to remain single for a variety of reasons. My feeling is that our tax code ought not to discriminate for or against someone depending on their marital status.

This bill could also be called the Single Mothers Tax Penalty Act, or the Widow and Widowers Tax Penalty Act. The gentleman from Illinois seems to have so many statistics on those individuals that are going to benefit from this act, I wonder if he has statistics on how many will be discriminated against by a bill that accords over half of its benefits to people that do not suffer any marriage tax penalty. Unfortunately, instead of crafting bipartisan legislation, we have another political ploy that would produce more bad public policy.

□ 1300

Mr. WELLER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would say to my friend from Texas, the previous speaker, if he votes against this legislation, this bipartisan legislation to eliminate the marriage tax penalty, he will vote to deny 116,000 married taxpayers in the 10th District of Texas relief from the marriage tax penalty. By voting for the Democrat substitute, one votes to discriminate against those who itemize, particularly middle-class, married couples who own a home.

I also want to extend an invitation to my friend from Texas to join the 48 Democrats who broke with their leadership this spring and vote in a bipartisan way to eliminate the marriage tax penalty.

Mr. Speaker, I yield 3 minutes to my friend, the gentleman from Tennessee (Mr. WAMP).

Mr. WAMP. Mr. Speaker, I thank the gentleman for yielding me time, and I thank him for just outstanding leadership, and all of the cosponsors of this legislation.

Mr. Speaker, in the 35 counties in east Tennessee, 200,000 people are adversely affected by the marriage tax penalty. More than 110,000 couples pay approximately $1,400 per year more in taxes simply because they are married. That is not right, and the fundamental issue here is whether or not we are going to reduce the tax burden on the middle-class folks in this country.

When I was born in 1957, if you add up the Federal, State, and local tax burden on my parents when I was born, it was not collectively, combined, more than 10 percent of every dollar that they made. Today, it is almost 50 percent.

In my lifetime the level of taxation in this country has gone from less than a dime of a dollar to almost half of every dollar you make. At what point are we going to roll this back? The fundamental issue is, it is time in a budget surplus to roll some of the taxes back from the middle-class taxpayers in this country.

If we do not do it now, with these record surpluses, my question is, when are we going to? If we do not sign the bill into law now, when will it happen? Because I would suggest if we do not do it now, it is not going to happen, and it is important that we continue to persist.

I am grateful that some people do not make everything out to be partisan. This is not about Republicans and Democrats, this is just about regular folks saying some taxes, death taxes and the marriage tax penalty, are unfair, they should be eliminated, never should have been there to begin with. And if you are not going to wipe those taxes out at a time of unprecedented surpluses and a good economy, when are you going to do it? It is not going to happen.

I believe in tax relief. I do not mind saying so. I also believe in tax fairness, in tax equity. There are 65 provisions in the Tax Code that penalize people just because they are married. Well, that is nonsensical. Our Tax Code is out of hand, to begin with. It is way too big and complex, it needs to be dramatically overhauled, and that will come, I hope, soon, but not between now and November.

This is today. This is now. We can pass this conference report, after all the debate that has taken place; we can send it down the street with some bipartisan support, and the President can sign it into law. I call on him to do that.

I call on all of our colleagues to come together and get some taxes, just one step at a time, off the back of middle-class America. Some people play class war with taxes. This is just regular people. These are the regular people you run into at the Food Lion in east Tennessee. Cut their taxes. Eliminate the marriage tax penalty.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to join with the speaker that was in the well and hope that the leadership of the House could come together with some type of package to present to the President that could be signed into law that would include a decent affordable drug package. There is an opportunity to do this.

I also agree with the gentleman that the present Tax Code is in the shape that most tax writers, as well as other Members of Congress, should be ashamed of.

The majority has been there for over half a dozen years. They talk a lot about pulling it up by the roots; but obviously, like with Social Security and Medicare, they have not been able to get enough discipline on their side to do anything about it. But that does not mean that something as important as a tax cut should be handled in the manner in which they are handling it.

I think that we should try to do it in a bipartisan way, not to do it in a piecemeal way, to agree to the cuts we are going to have, and to allow the other bills that we are talking about, whether they are the minimum wage bill, whether they are the Patients' Bill of Rights bill, whether it is pension bills, not just try to stack up on each and every decent piece of legislation a tax cut.

I think there is plenty of room for us to work together on, so that at the end of the day we can say in a bipartisan way that we have come to a meeting of the mind. There will be enough for us to debate at the polls come November, but certainly on these important tax issues, we should have to agree that whether it is the Republican majority today, or the Democratic majority next year, we cannot get anything done unless we work together in a bipartisan way. Neither one of us will enjoy the substantial margins that would allow us just to work our will. We are going to have to work in a bipartisan way if we are going to get any progress now or next year, so why not begin to think about working together this year.

Mr. Speaker, I reserve the balance of my time.

Mr. WELLER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, of course, I want to once again remind my good friend from New York, the ranking member of the Committee on Ways and Means, that this legislation, when it passed the House earlier this year, it received bipartisan support. Forty-eight Democrat Members of the House joined every House Republican to vote yes to eliminate the marriage tax penalty for 25 million married working couples.

I would also point out to the previous speaker that if you vote against our effort to eliminate the marriage tax penalty in a bipartisan way, you will vote to deny 60,000 married taxpayers in the 15th District of New York relief from the marriage tax penalty. That is just not fair.

Again, I want too extend an invitation to my friend from New York to join us in a bipartisan effort, join those 48 House Democrats who voted with Republicans, to eliminate the marriage tax penalty.

Mr. Speaker, I yield 3 minutes to my good friend, the gentleman from Florida (Mr. FOLEY), a distinguished Member of the Committee on Ways and Means.

Mr. FOLEY. Mr. Speaker, I offer my congratulations to the gentleman from Illinois (Mr. WELLER) for his phenomenal leadership on this very important issue.

We have heard a lot of debate today about saving Social Security and Medicare and prescription drug coverage; and it is interesting if you think for a moment, the President and Vice President have been in office for 8 years, and now in the last 3 months or 5 months of their term in office, they come up with all these plans to rescue Medicare, Social Security, add prescription drug coverage. Those are important issues, and the Republicans take them seriously. We on the Committee on Ways and Means have been working on these very, very important issues.

Regrettably, when you talk bipartisan legislation, or at least when they claim it from the other side of the aisle, it is only bipartisan if it is their idea and their way. But the remarkable thing about this process on this floor is that after all of the baying at the moon about what a lousy idea this marriage tax penalty elimination is, we will be joined by numerous Democrats who recognize that the marriage penalty is in fact a penalty on marriage. Like estate tax relief, when we talked about it, we were derided for hour on hour on hour, and ultimately we had 95 brave soldiers join us in passing this very important piece of legislation.

Taxing two hard-working Americans who are married is a shame. It is abomination. Now, they use those words in their press conferences, but I do not hear them uttering them on the floor today.

Now, I just ask Americans who are watching today, hearing this debate and wondering what it is all about, there is a lot of rancor from one side and a lot of boasting on our side about the great importance of this bill; and I think at the end of the day, we win the debate. But more importantly, stay tuned, because the President will join us and support us and probably sell out his side of the aisle in order to make a deal on his legacy. And the Vice President, against tax cuts at the beginning of the year, now embraces $500 million of tax cuts.

So I just suggest to everybody, wait around for a little while and sooner or the later the parade follows leadership on issues important to the American taxpayer.

Now, the gentleman from Illinois (Mr. WELLER) is not bankrupting the system with this bill. We will have money for prescription drug coverage. We will have money for Social Security reform. In fact, we lockbox Social Security and protect it for now and into the future, instead of, as they were for 40 years, borrowing out of the money and using it to pay their bills, or actually not even paying their bills, putting us in deeper debt and deeper deficit. We are in a financial quagmire because of their leadership. Now we have been in charge for 6 years, and finally advancing bills that are helping the American family.

I urge my colleagues to vote against this bill and go to church this Sunday and explain your actions to your fellow parishioners, why you voted to continue to tax the sanctity of marriage. I am single, so I am not going to have a big argument from what I will save in my tax bill.

But to those of you who feel compelled, go to church next Sunday and stand up in the choir and praise the Lord first, and secondly say but I voted against you who are married, because I think you should have an added burden. Not only are you trying to raise children, pay the mortgage, buy a new washer and dryer, but the Government thinks because you are married, we should take a few more bucks out of your pocket and then spend it in Washington, because you know Washington knows best.

Save marriage, end the penalty, let Americans prosper.

### ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. PEASE). Members are reminded that their remarks are to be directed to the Chair and not to other persons who may be viewing the proceedings of the House.

Mr. RANGEL. Mr. Speaker, I yield 2½ minutes to the gentleman from Mississippi (Mr. TAYLOR).

Mr. TAYLOR of Mississippi. Mr. Speaker, I am not as much troubled by what I hear today, as by what I do not hear. What I do not hear is any of the participants reminding the American people that because of actions that Congress has taken during our lifetimes, our Nation is $5 trillion deeper in debt than the day that any of us were born; that we are the beneficiaries of those expenditures; that our Nation won the Cold War; that it built the interstate highway system; that it built the intercostal canal system; that it did a lot of good things for all us. And now it is time, when we have the opportunity because of some small surpluses to pay the bills, we seem intent on doing those things not to pay them.

In a search to give some Americans a break, we are going to see to it that all Americans continue to have $1 billion a day of their tax money squandered on paying interest on that debt; $1 billion a day.

I hear my colleagues talking about this enormous surplus, as if somehow this building is awash in cash. Well, if it exists, why are you delaying the pay of the people who serve our Nation in crummy places like Bosnia and Korea, people who are at sea right now, under the sea, on the sea on aircraft carriers for 6 months at a time, why are you delaying their pay from September 29 of this year to October 1, making them go an extra weekend when they cannot buy baby formula or diapers?

Do you know why? Because you are trying to disguise the true nature of the debt. You took that $2.5 billion pay period and you shifted it to the next fiscal year so it would look like the surplus is bigger than it really is.

Mr. Speaker, why are we not as intent on paying down the debt that was incurred in our lifetime as we are in trying to score political advantage against each other come November 2?

The Nation that the gentleman from New York (Mr. RANGEL) fought for, the Nation that the gentleman from Texas (Mr. ARCHER) fought for and so many Members of this body fought for is worth saving. If we do not pay our bills while we have this brief opportunity, the first time in 30 years that we actually have a surplus, then we never will.

Mr. RANGEL. Mr. Speaker, I yield back the balance of my time.

Mr. WELLER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to say to my good friend from Mississippi, who I share many of his concerns on behalf of our friends, I would point out many of our military men and women suffer the marriage tax penalty, and invite him to join with us in a bipartisan efforts to eliminate the marriage tax penalty.

Mr. Speaker, to close, I yield the balance of my time to my good friend, the gentleman from Georgia (Mr. COLLINS), a leading and respected member of the Committee on Ways and Means.

Mr. COLLINS. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, like 144,000 other taxpayers in the 3rd District of Georgia, I wear a wedding band.

□ 1315

It is a symbol of my marriage. But, due to the Tax Code, it is an excuse to raise more revenue, and that is not right.

Under today's Tax Code, 25 billion married couples pay higher taxes as a result of saying, I do. Today's bill will change that. It will allow both wives and husbands to each take a full standard deduction, and it will broaden the lower tax bracket so that lower- and middle-income couples will not be punished or pushed into a higher tax bracket when their incomes are combined.

The Marriage Penalty Tax Relief Act of 2000 will provide American families relief from the excessive taxation which has been caused by our government's excessive spending. Now that a balanced budget and reforms that the Federal Government has done in the past few years, we have a positive cash flow. It is time to reduce the tax burden on working Americans. Ending the unfair marriage penalty is an important step in that direction.

Mr. Speaker, my hope is that we will not stop there. American families are also paying far too much for gasoline, which is a necessity for most households. My hope is that we will look at repealing some of the Federal excise taxes which contribute to the high cost of gasoline.

But today, Mr. Speaker, we are considering relief from the marriage penalty. I had hoped that we would have made the tax relief in this bill effective for the tax year 2000 instead of the year 2001 so families could get immediate relief. Hopefully, in the conference we will be able to accomplish the change in the effective date for the taxable year 2000.

Mr. Speaker, despite the delay in implementation, this is a good bill that will correct an injustice in the Tax Code. I urge the House to pass this legislation. I urge the President to sign this bill into law, and I call on Members of the House and Senate to resist the temptation to use tax relief for married couples as a pawn in some political game.

Mr. BLUMENAUER. Mr. Speaker, I came to Congress to help make our communities more livable—to make families safe, healthy and economically secure. Clearly, affording needed tax relief to America's working families is part of that effort. This bill, however, skews priorities: Rather than focusing on the working people who need help the most, the bill offers the most relief to those who already have lobbyists working for them.

First of all, we ought to be making things easier for families, not more difficult. One big problem for them is that a growing number are being forced into the Alternative Minimum Tax, which was originally intended to ensure that very wealthy people paid at least some income tax. Just last week, I was confronted back home with a farmer who has 10 children that he works hard to support. Taking the tax credits for his children triggers the AMT for him, and no one would confuse him with Bill Gates.

This bill not only fails to solve the problem, it actually makes things worse. In every year, a larger percentage of families are shut out from the full benefits of the bill, exceeding 50 percent by 2010.

It's not that hard to fix this. The Democratic alternative, which I support, would offer $89.1 billion in marriage penalty relief. It would fix the AMT problem, making sure that families actually get the tax relief they've been promised. It would direct an additional $10 billion to low- and moderate-income families. Even better, it would cost less than half of what the Republican bill does.

With that additional revenue, we could address other pressing priorities. More than 11 million American children have no health insurance. Many of their grandparents pay staggering sums for the prescription drugs that prolong and improve their lives. We have children with special educational needs that Congress has promised to fund—but Congress can't find the money for them. Sadly, in my own state, one in five children suffers from hunger sometime during the year. I believe these issues deserve our attention just as much as adjusting the tax schedule.

For that reason, I will vote for the alternative that offers the most direct and targeted tax advantages for American families. Unfortunately, the majority has rejected the opportunity for commonsense reform in favor of political theater. The bill the House will pass today will rightly be vetoed by the President. It is going nowhere—and it shouldn't go anywhere. At $182 billion, the cost of admission to this political sideshow is just too high.

Mr. BUYER. Mr. Speaker, once again this House has before it legislation to eliminate the penalty on marriage that is found in the income tax code.

Quite simply, marriage should not be taxed.

As the financial pressures of families result in both spouses entering the labor force, an increasing number have become subject to the marriage penalty. A major reason why so many joint filers face this added burden is that the very first dollar earned by the lower-earning spouse is taxed at the marginal rate of the higher-earning spouse, not necessarily at the lower 15% rate faced by single filers. This problem was exacerbated in 1993, when the Clinton tax measure increased the number of tax brackets from three to five.

The Congressional Budget Office has estimated that over 20 million married couples pay higher taxes than they would if they were single. This "tax" on marriage averages nearly $1,400 per couple. This $1,400 could be used by families to save for college or retirement, make car payments, or pay for tutoring.

Middle income families are hit the hardest by this penalty and they need this legislation for tax relief. I urge the House to pass this legislation.

Mr. POMEROY. Mr. Speaker, I rise in opposition to H.R. 4811 and in strong support of the Rangel substitute. Unlike the underlying bill, the Rangel substitute alleviates the marriage penalty while preserving the necessary resources to enact other tax cuts for working families, to pay down the debt, and to protect Social Security and Medicare.

About half of all married couples pay more in income taxes because they are married than they would if they were single. The other half pay either the same or less. The Rangel substitute provides $90 billion in targeted relief to couples who pay the marriage penalty. The Republican bill, by contrast, funnels more than half the $182 billion in tax benefits to couples who receive a marriage bonus and ⅔ of the tax benefit to households earning more than $75,000 annually.

With finite resources available, the Republican bill must be viewed in term of its opportunity costs. The more than $100 billion in this legislation that is unrelated to marriage penalty relief could be used to enact significant tax cuts for working families. Rather than increasing tax bonuses for higher income people, Congress should help families cope with their core pocketbook issues such as reducing the cost of college, increasing the affordability of health insurance, and encouraging savings for retirement. In my view, these areas, along with marriage penalty relief, should be the tax cut priorities.

The current budget projections will accommodate significant tax cuts along with an aggressive plan to pay down the debt and to strengthen Social Security and Medicare. Paying down the debt and in turn reducing interest rates is perhaps the most significant tax cut Congress could offer. Lower interest rates would cut mortgage payments on a $100,000 house by $2,000 annually. Likewise, the cost of farm operating loans, car loans, and student loans would all be reduced.

Finally, before allocating surplus for tax cuts, Congress should set aside sufficient resources to shore up the long-term future of Social Security and Medicare. The current surplus projections afford us a rare opportunity to strengthen these programs for the Baby Boom generation and beyond. We must also reserve adequate resources to enact a guaranteed drug benefit as part of the Medicare program so that seniors will not be forced to choose between their prescriptions and their food and shelter.

In sum, there are a host of priorities that deserve our support, including marriage penalty relief. It is critical, however, that this relief be targeted so that we may enact other tax cuts for working families, pay down the debt, and protect Social Security and Medicare.

Mr. UDALL of Colorado. Mr. Speaker, when we considered a basically identical bill in February, I voted for it, although I was very reluctant to do so.

I was reluctant because that was not the best time for this bill, and that was not the best bill for the job.

It wasn't the right time because we had not yet adopted a budget resolution and so a tax bill—or a spending bill, for that matter—should not have been considered then. Now, of course, we have a budget resolution in place. So, today at least the time is right.

But this still is not the best bill for the job because in some areas it does too little, and in others it does too much.

It does too little because it does not adjust the Alternative Minimum Tax. That means it leaves many middle-income families unprotected from having most of the promised benefits of the bill taken away. The Democratic substitute would have adjusted the Alternative Minimum Tax, which is one of the reasons I voted for that better bill.

The Republican leadership's bill does too much in another area. Because it is not carefully targeted, it does not just apply to people who pay a penalty because they are married. Instead, a large part of the total benefits under the bill would go to married people whose taxes already are lower than they would be if they were single. In other words, if this bill were to become law as it now stands a primary result would not be to lessen marriage "penalties" but to increase marriage "bonuses."

And, by going beyond what's needed to end marriage "penalties" the bill—if it were to become law—would go too far in reducing the surplus funds that will be needed to bolster Social Security and Medicare.

Those were and remain the reasons for my reluctance to vote for this bill. They are strong reasons then and they are strong reasons today.

In fact, if voting for the bill today would mean that it would be law tomorrow, I would vote against it. But that isn't the case, fortunately. The Senate still has a chance to improve this bill. So, I will reluctantly vote for the bill because I favor eliminating the marriage penalty.

I am prepared to give the Republican leadership one last chance to correct the bill's deficiencies rather than simply to insist on sending it to the President for the promised veto. I hope that the Republican leadership will allow the bill to be improved to the point that it merits becoming law—meaning that it will deserve the President's signature.

But if they miss that opportunity, and insist on sending to the President a bill that falls short of being appropriate for signature into law, I will vote to sustain a veto.

Mr. STARK. Mr. Speaker, I rise today in opposition of H.R. 4810, the Marriage Tax Penalty Relief Reconciliation Act of 2000. This is yet another bill in a series of legislation brought to the floor to help America's wealthy. Yes, we have entered an era of budget surpluses, but the surpluses must not be squandered on those who don't need it—the wealthiest U.S. income-earners. I support targeted marriage tax relief such as the Democrats have provided in our substitute amendment today. I also support increasing the earned income tax credit for the working poor who really do need the tax break. The Democrats have provided for this in the substitute bill as well. And the Democratic substitute makes sure that nobody will be denied the relief because of the AMT. The Republican bill does not.

The Republicans have brought the estate tax, marriage penalty tax, medical savings accounts, and the telephone excise tax to the floor for consideration, and next week they plan to bring pension reform to the floor as well. Not a single one of these provisions will provide relief for middle and lower income working families. This Congress has already spent $471 billion on tax cuts for the wealthy and plans to spend another $54 billion on increasing pensions for the wealthy next week. This Congress can be charged with recklessly spending half a trillion dollars on the wealthiest Americans and there may be more to come. This is an irresponsible use of the hard-earned tax funds lower and middle-income earners contribute to their federal government.

### I. MARRIAGE PENALTY TAX

This bill should target tax relief for those who need it most. Unfortunately, the GOP proposal actually helps wealthy Americans, not simply those facing a tax penalty due to marriage by implementing a tax bracket change favorable to those in the top brackets. There are nearly as many families that receive "marriage bonus" as receive marriage penalties in the U.S. As much as half of the $182 billion in tax relief in the GOP bill will go to families who receive the bonus and are not hurt by the marriage penalty. This bill's costliest provision, expanding the 15% tax bracket, only benefits taxpayers in the top quarter of the income distribution. This accounts for 65% of the plan's total cost, or nearly $100 billion. This bill's title implies that it helps those who are faced with a marriage penalty when it truthfully benefits the wealthy.

### II. ESTATE TAX

The estate tax repeal—and the numerous other tax measures passed by the House—should be scrutinized with a measure of fairness. It hardly seems fair to come to the floor of the House week after week to provide hand over fist full of tax break dollars to the wealthiest U.S. taxpayers, when we haven't even addressed Medicare's solvency. The estate tax bill is the most egregious of all of the tax bills that have come before the House for a vote. It spends the most amount of money—$105 billion—on not just the wealthy, but the very wealthy. Ninety percent of the tax cut benefits will to go to those in the top 1% income group—those earning $319,000 per year and with estates over $20 million. Clearly this is a tax break for the rich.

### III. PENSION REFORM

The Ways and Means Committee is scheduled to markup the pension reform bill tomorrow and it's expected to be on the floor sometime next week. While many of my colleagues would like to believe that this package of reforms will help to increase pension coverage for working Americans it will do exactly the opposite. Trickle down economics didn't work for Reagan and it won't work for pensions. This bill will directly help those executives who earn $200,000 per year. This bill will purely benefit the rich when not one provision is included to help increase pension coverage for low and middle-income workers.

### IV. MEDICAL SAVINGS ACCOUNTS

The Republicans want to appear as though they are helping the average American worker so they decided to include medical savings accounts (MSAs) in the Patients Bill of Rights. The greatest savings from MSAs will help workers who have little or no health care expenditures. It allows people with low health costs to avoid taxes through essentially a new form of an IRA. And the Republicans go even further by allowing people to withdraw money from their MSA without any tax penalty if they maintain the deductible of $1,000 for individuals and $2,000 for families. This isn't a health proposal at all—it's just more money for the rich.

### V. TELEPHONE EXCISE TAX

While this isn't a bill to directly help wealthy Americans, its primary purpose is to help wealthy corporations. This is just another fiscally irresponsible way for the Republicans to reduce federal revenues for the vital programs that the working families of this country rely on. The leadership of the 106th Congress doesn't care if it squanders another $20 billion in tax revenues by repealing the telephone excise tax. The GOP doesn't care if we have enough money to save Social Security and Medicare for future generations or to give our seniors a Medicare prescription drug benefit.

The Democratic substitute bill targets those workers who need it most. The Democratic substitute addresses the marriage penalty by giving married couples a standard deduction twice that of single people. In addition, low-income married couples face a marriage penalty in the earned income tax credit. The Democratic substitute would reduce those penalties by increasing the income level at which the credit begins to phase out by $2,000 in 2001 and by $2,500 in 2002 and thereafter. It would also repeal the current reduction in the EITC and refundable child credit by the amount of the minimum tax. The Democratic substitute is the responsible way to address the marriage penalty tax without pandering to the wealthiest 2% of U.S. earners. I urge my colleagues to support the Democratic substitute and oppose H.R. 4810.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today to state my opposition to this bill being adopted in its current form. We should offer relief from the tax burdens, which may be imposed by our nation's current marriage tax policy only to those who are in need of help.

As founder and co-chair of the Congressional Children's Caucus, I do share many of the leadership's concerns regarding the promotion of stable and secure marriages in our society. After all, the foundation of any civilization is the strength of its families. Therefore, I believe that we should seriously consider passing legislation that will provide true relief for those pending marriages which are threatened by our nation's current marriage tax policy.

For this reason I have joined my fellow Democratic colleagues in voicing opposition to H.R. 4810, the Marriage Penalty Tax elimination Reconciliation Act as it is written because it does less than what it is being purported to do. For example, it will not provide marriage penalty tax relief for the poor of our society who face many hurdles to finding stable footings upon which to build lives for their children and families. In addifion to this concern, H.R. 4810 provides a tax break mostly to the very wealthy. This fact alone taints the image that many in this body would like to project to Americans, that our actions have the altruistic intent of only helping those young people in our communities who are just starting out in life and who would like to marry.

I would suggest to those Americans who eagerly await our actions in this matter pay close attention to what this body is actually attempting to do. Our efforts today should not be based on tax cut slight-of-hand and short-sided actions on the issue of marriage.

All of us present understand that the institution of marriage is very important. I personally believe that it is sacred, and for this reason we should be very careful about what we do as a legislative body, in an area that is after all a personal decision. We should be very sure that any legislative changes made to any benefit for our citizens has the effect of supporting the institution of marriage in real and meaningful ways.

I would ask my colleagues to remember the struggle shared by them and their spouses when they first married. For this reason, I am very supportive of Congressman's RANGEL's substitute amendment to this bill. I applaud Congressman RANGEL's attempts to reach some middle ground on this issue with the majority, and thank him for bringing before this body an opportunity to have a rational discussion regarding the marriage tax policy of our nation. As the bill is currently written, the tax penalty to the federal government should this bill become law would be $182 billion in lost government revenue.

Like the bill, the Rangel substitute would reduce the marriage tax penalty by increasing the basic standard deduction for a married couple filing a joint income tax-return to twice the basic standard deduction for an unmarried individual, and adjusts the Alternative Minimum Tax in an attempt to ensure that the benefits of the standard deduction change would not be nullified. However, an added benefit of the Rangel substitute is that it will also reduce the marriage tax penalty by modifying the tax code in order to make more married couples eligible for the Earned Income Tax Credit beginning in 2001. Additionally, the Rangel substitute will increase the income level at which the credit begins to phase out by providing $2,000 in 2001 and $2,500 in 2002 and subsequent years. I would add that unlike the bill, the substitute does not provide for an increase in the upper limit of the 15% tax bracket. I would hope that this body not endorse a tax cut for the wealthy under the guise relief tax relief for newly married young couples.

This body did not do all that it could have done to promote the stability of marriage among our nation's senior population with the passage, of what was called, the senior's prescription drug benefit bill that was passed prior to the July 4, break that legislation merely gave insurance companies more money. If the marriages of our elderly poor are shattered due to the high cost of health care and in particular the financial stress created by the unfair cost of prescription drugs then the security of their marriages as well as their lives together are threatened. We should take the opportunity presented to us through the consideration of the Rangel substitute to make amends for some of the lack of attention given to real life problems through the adopting of a marriage penalty relief bill that will provide real tax relief to real people.

Mr. KIND. Mr. Speaker, I rise today in opposition to H.R. 4810, the Marriage Tax Penalty Relief Reconciliation Act of 2000. This bill is the exact marriage penalty relief bill that was passed in February. So I must ask why are we wasting valuable time debating legislation that has already been considered and which the president threatened to veto last February? It is time that we provide tax relief for those couples that are truly penalized and then use the remaining time in this session to do what the American public is asking for; providing prescription drug coverage, paying down the national debt and strengthening Social Security and Medicare.

While I support tax relief for those couples who are penalized, I do not, support H.R. 4810 which would provide tax relief half of which will to go those couples who benefit from a marriage bonus rather than a marriage penalty under the current tax code. Further, this bill would cost $182.3 billion over the next ten years and would give the lion's share of its tax cuts to higher-income families. The average tax cut for families with incomes less than $50,000 would be about $149 per year, while families with incomes over $75,000 would get an average tax cut of nearly $1,000 per year. That is why I oppose H.R. 4810 and support the substitute offered by Representative Rangel, which is fairer and more fiscally responsible.

The substitute would do a better job of fixing the marriage penalty, and cost less than half as much as H.R. 4810. It would assure that the Alternative Minimum tax (AMT) does not deny the tax relief the bill promises. The AMT ensures that everyone pays at least a minimum tax. Under H.R. 4810, many married couples with children will not get the advertised tax relief because they fall under a complex set of AMT rules. When this bill was drafted behind closed doors, it ignored the effect of the AMT. As a result, by 2008, nearly half of the American families with two children would be under the minimum tax and receive nothing or less than what H.R. 4810 promised.

Like the bill, the substitute would reduce the marriage tax penalty by increasing the basic standard deduction for a married couple filing a joint income tax return to twice the basic standard deduction for an unmarried individual. The substitute also would reduce the marriage tax penalty by modifying the tax code in order to make more married couples eligible for the Earned Income Tax Credit (EITC) beginning in 2001. It would increase the income level at which the credit begins to phase out by $2,000 in 2001 and by $2,500 in 2002 and thereafter.

Mr. Speaker, I urge my colleagues to do what is right for the American people and oppose H.R. 4810 and support the substitute that provides genuine relief for our citizens who are truly penalized.

Mr. PASTOR. Mr. Speaker, with great regret, I rise today in opposition to H.R. 4810. The regret is not only because I must oppose this bill, but because my friends on the other side of aisle are unwilling to enact true and meaningful reform that benefits all American citizens. Instead, we are being presented with proposed legislation that will assist couples making more than $75,000 a year at the expense of strengthening future financing of Social Security and Medicare and modernizing Medicare by including affordable prescription drug coverage.

On the surface, this bill appears to be a blessing for all married couples but there will be millions of unhappy tax payers next April 15th when they learn that they will not benefit from the promises being made today.

Who will benefit? Two-thirds of the actual benefits in this package will go to the 30% of married couples making more than $75,000 a year. Review of the bill by financial analysts indicate that the average tax cut for couples receiving more than $75,000 would be $994 a year, compared to a tax cut of only $149 for couples making less than $75,000 a year.

Perhaps the most egregious flaw in this bill is that makes no modifcation to the Alternative Minimum Tax which places a floor on the total amount of deductions which couples may file for each year. By not adjusting that figure, many middle-class families with children will not receive a dime from the sham "benefits" contained in this bill. I believe that it is those very families with children who most deserve a marriage tax benefit.

H.R. 4810 proposes to remove $50.7 billion over five years and $182.3 billion over ten years from the federal budget. We are already scrounging for funds in an effort to pay down the national debt and shore up the Social Security and Medicare funds. Where will this put us in ten years when today's middle-aged married couples are ready to retire?

Mr. BEREUTER. Mr. Speaker, this Member rises today to express his support for H.R. 4810, the Marriage Penalty Tax Elimination Reconciliation Act. This bill will have a positive effect, in particular, on middle and lower income married couples.

At the outset, this Member would like to thank the distinguished Chairman of the House Ways and Means Committee from Texas [Mr. ARCHER], for introducing this legislation.

It is important to note that H.R. 4810 has the same provisions as H.R. 6, which passed on the floor of the House on February 10, 2000, by a vote of 268–158, with this Member's support. However, the Senate has been unable to reach the 60 vote threshold on a cloture vote to close debate on marriage penalty legislation. As a result, the House is now considering the marriage tax penalty as the first reconciliation bill, a status which will allow debate and amendments to be limited in the Senate.

While there are many reasons to support H.R. 4810, this Member will enumerate two specific reasons. First, H.R. 4810 takes a significant step toward eliminating the current marriage penalty in the Internal Revenue Code. Second, H.R. 4810 follows the principle that the Federal income tax code should be marriage-neutral.

1. First, this legislation, H.R. 4810, will help eliminate the marriage penalty in the Internal Revenue Code in the following significant ways:

### STANDARD DEDUCTION

It will increase the standard deduction for married couples who file jointly to double the standard deduction for singles beginning in 2001. For example, in 2000, the standard deduction equals $4,400 for single taxpayers but $7,350 for married couples who file jointly. If this legislation was effective in 2000, the standard deduction for married couples who file jointly would be $8,800 which would be double the standard deduction for single taxpayers.

### THE 15 PERCENT TAX BRACKET

It will increase the amount of married couples' income (who file jointly) subject to the lowest 15 percent marginal tax rate to twice that of single taxpayers beginning in 2003, phased in over six years. Under the current tax law, the 15 percent bracket covers taxpayers with income up to $26,250 for singles and $43,850 for married couples who file jointly. If this legislation was effective in 2000, married couples would pay the 15 percent tax rate on their first $52,500 of taxable income, which would be double the aforementioned current income amount for singles.

2. Second, H.R. 4810 will help the Internal Revenue Code become more marriage-neutral. Currently, many married couples who file jointly pay more Federal income tax than they would as two unmarried singles. The Internal Revenue Code should not be a consideration when individuals discuss their future marital status.

Therefore, for these reasons, and many others, this Member urges his colleagues to support the Marriage Penalty Tax Elimination Reconciliation Act.

The SPEAKER pro tempore (Mr. PEASE). The time for general debate on the bill has expired.

### AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. RANGEL

Mr. RANGEL. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the Nature of a Substitute offered by Mr. RANGEL:

Strike all after the enacting clause and insert the following:

### SECTION 1. SHORT TITLE.

This Act may be cited as the "Marriage Tax Penalty Relief Reconciliation Act of 2000".

### SEC. 2. ELIMINATION OF MARRIAGE PENALTY IN STANDARD DEDUCTION.

(a) IN GENERAL.—Paragraph (2) of section 63(c) of the Internal Revenue Code of 1986 (relating to standard deduction) is amended—

(1) by striking "$5,000" in subparagraph (A) and inserting "twice the dollar amount in effect under subparagraph (C) for the taxable year",

(2) by adding "or" at the end of subparagraph (B),

(3) by striking "in the case of" and all that follows in subparagraph (C) and inserting "in any other case.", and

(4) by striking subparagraph (D).

(b) INCREASE ALLOWED AS DEDUCTION IN DETERMINING MINIMUM TAX.—Subparagraph (E) of section 56(b)(1) of such Code is amended by adding at the end the following new sentence: "The preceding sentence shall not apply to so much of the standard deduction under subparagraph (A) of section 63(c)(2) as exceeds the amount which be such deduction but for the amendment made by section 2(a) of the Marriage Tax Penalty Relief Reconciliation Act of 2000.

(c) TECHNICAL AMENDMENTS.—

(1) Subparagraph (B) of section 1(f)(6) of such Code is amended by striking "(other than with" and all that follows through "shall be applied" and inserting "(other than with respect to sections 63(c)(4) and 151(d)(4)(A)) shall be applied".

(2) Paragraph (4) of section 63(c) of such Code is amended by adding at the end the following flush sentence:

"The preceding sentence shall not apply to the amount referred to in paragraph (2)(A).".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

### SEC. 3. MARRIAGE PENALTY RELIEF FOR EARNED INCOME CREDIT.

(a) IN GENERAL.—Subsection (a) of section 32 of the Internal Revenue Code of 1986 (relating to credit for earned income) is amended by adding at the end the following new paragraph:

"(3) REDUCTION OF MARRIAGE PENALTY.—

"(A) IN GENERAL.—In the case of a joint return, the phaseout amount under this section shall be such amount (determined without regard to this paragraph) increased by $2,500 ($2,000 in the case of taxable years beginning during 2001).

"(B) INFLATION ADJUSTMENT.—In the case of any taxable year beginning in a calendar year after 2002, the $2,500 amount contained in subparagraph (A) shall be increased by an amount equal to the product of—

"(i) such dollar amount, and

"(ii) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2001' for 'calendar year 1992' in subparagraph (B) thereof.

If any increase determined under the preceding sentence is not a multiple of $50, such increase shall be rounded to the next lowest multiple of $50."

(b) REPEAL OF REDUCTION OF REFUNDABLE TAX CREDITS.—

(1) Subsection (d) of section 24 of such Code is amended by striking paragraph (2) and redesignating paragraph (3) as paragraph (2).

(2) Section 32 of such Code is amended by striking subsection (h).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

The SPEAKER pro tempore. Pursuant to House Resolution 545, the gentleman from New York (Mr. RANGEL) and a Member opposed each will control 30 minutes.

The Chair recognizes the gentleman from New York (Mr. RANGEL).

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

As I have pointed out earlier, there comes a time that we should be talking about legislation that does not just pass the House, but is signed into law. What we have done is to recognize that there is an inequity that exists when certain couples pay more taxes than they would pay if they were not married, and that is why we double the standard deduction to take care of this inequity.

We too would like to give more dramatic tax cuts, but not just to give $200 billion out at a time, but to take a look and to see that the tax cuts are targeted, that they are fair and that they are equitable, but at the same time that we have fulfilled our responsibility to the Social Security, the Medicare system, and that we pay down some part of our Federal debt. This is so important when we think of the trillions of dollars that we are still in debt and the billions of dollars that we pay every year in interest.

Mr. Speaker, it would just seem to me that if we could come together and compromise, to make certain we take care of the problem without trying to make political statements, that the House of Representatives will be in better shape not as Republicans, not Democrats, but as lawmakers that are able to say that in the House, the people govern.

Mr. Speaker, I reserve the balance of my time.

The SPEAKER pro tempore. Does the gentleman from Illinois (Mr. WELLER) claim the time in opposition?

Mr. WELLER. Yes, Mr. Speaker.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Illinois (Mr. WELLER).

Mr. WELLER. Mr. Speaker, I yield myself such time as I may consume.

I would like to briefly respond to my good friend from New York, and I respect his efforts to offer a proposal addressing the marriage tax penalty, and I would point out that even though he means well, his proposal falls short.

Unfortunately, under the Democratic alternative, there is a very large group who suffer from the marriage tax penalty who are left out, essentially discriminated against under the Democratic alternative, and they are those who itemize their taxes. I would point out that those who primarily itemize their taxes are middle-class families, middle-class married couples who itemize their taxes because they give money to charity, their church or their synagogue, their temple, institutions of faith and charity, or they own a home. So if we think about it, we think about our constituents back home, married couples who, of course, suffer the marriage tax penalty and whether or not they own a home and, of course, I have thousands of married couples who suffer the marriage tax penalty and own a home. Under the Democrat proposal, they would be left out. They would still have to tough out suffering the marriage tax penalty.

Let us remember, what is the average marriage tax penalty? The average marriage tax penalty is $1,400. Here in Washington, $1,400 is a drop in the bucket; it is nothing to those who want to spend money here in Washington. But for families back home in Illinois and the Southside of Chicago and the south suburbs where I have the privilege of representing, it is real money. Fourteen hundred dollars is a year's tuition at our community college, it is 3 months of day care at our local child care center, it is a washer and a dryer. Frankly, for someone who just had a baby such as Michelle and Shad Hallihan, two public schoolteachers from Joliet, if they are able to set that full marriage tax penalty every year, that is $25,000 that they could set aside for their little child, Ben.

The bottom line is, if we want to help those who suffer the marriage tax penalty, we should help those who itemize taxes, such as those who give to charity, those who give to their church or their synagogue, as well as those who own a home.

So clearly, I rise in opposition to the Democrat alternative. The bipartisan effort which was supported by every House Republican, as well as 48 Democrats who broke ranks with their leadership, and again, I want to extend an invitation to those who did not support us this spring to join with us in an even greater bipartisan effort to eliminate the marriage tax penalty.

Mr. Speaker, I reserve the balance of my time.

Mr. RANGEL. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Speaker, I rise in support of the Democratic substitute and in opposition to the base bill we have before us concerning tax relief.

I think what stuns me the most is how time and time again, the majority party proves its preference for clinging to a political sound bite that they hope will translate into Election Day results rather than actually seizing golden opportunities to accomplish something good for the American people.

How much more clear could it be that the vast majority of this body, as well as the Senate and the President, are eager to bring about genuine marriage tax relief for the average American family? We could come to the floor this afternoon and in very short order develop the compromise that would bring meaningful support and tax equity to millions of Americans. Sadly, we choose instead to continue a charade.

The other thing that amazes me is the level of inconsistency reflected from one message of the day to the next. On one day, this House loves to congratulate itself on its commitment to debt reduction. The next day it is tax relief for small businesses. Another day, we swear our support for Social Security and Medicare, while doing nothing about Social Security and Medicare. Then, we promise a huge tax cut not only for middle- and low-income married couples, but we also sneak in wider tax brackets to benefit on this folks.

Now, I think most of these things are worthy, and, in fact, should be among our highest priorities. But it is just not possible to have 10 different number one priorities.

The blue dogs looked at the whole picture and realistically balanced each concern with the other, rather than pandering to the "cause du jour." We do not live in the political fairy land which believes in a Budgetary Godmother who can wave her magic wand and grant all of our expensive wishes.

Mr. Speaker, I am proud of the Democratic substitute on the floor today. It would accomplish what the name implies: genuine tax relief for couples who have been penalized by virtue of marriage. It corrects the flaw in the Republican bill, the AMT problem which would deny relief to nearly half of middle-income American families with two children by the time the bill would be fully phased in. It also endorses the idea that lower-income, married couples deserve relief by adjusting their earned income tax credit. Just as importantly, the Democratic substitute ensures that we will have resources for other priorities, such as debt reduction, strengthening Social Security and Medicare, estate tax relief, prescription drug coverage, and providing relief to our rural hospitals. The Democratic alternative and motion to recommit will guarantee that estate tax relief does not come at the expense of raiding the Medicare trust fund or taking away resources needed for Medicare prescription drug coverage.

Mr. Speaker, we have the opportunity to actually accomplish good today. Will we choose that path, or will we continue to choose rhetoric over solutions? Vote for the Democratic substitute and strongly oppose the base bill.

Mr. WELLER. Mr. Speaker, I yield myself such time as I may consume.

I would say to my good friend from Texas that if he chooses to vote against our effort to eliminate the marriage tax penalty, he will vote to deny 114,000 married taxpayers in the 17th district of Texas, many of whom are ranchers and farmers, relief from the marriage tax penalty, and that is just not fair. I would extend an invitation to my good friend from Texas.

Mr. STENHOLM. Mr. Speaker, will the gentleman yield?

Mr. WELLER. Not this time, Mr. Speaker.

Mr. STENHOLM. Mr. Speaker, if the gentleman from Illinois (Mr. WELLER) is going to use my name and my district, I would ask the gentleman to yield.

Mr. WELLER. Mr. Speaker, I extend an invitation to the gentleman from Texas to join us in a bipartisan effort and to join the 48 Democrats who already voted for this legislation.

Mr. RANGEL. Mr. Speaker, I ask unanimous consent that I be allowed to yield 30 seconds to the gentleman from Texas (Mr. STENHOLM).

The SPEAKER pro tempore. The time is controlled by the gentleman from Illinois (Mr. WELLER). The Chair will be glad to extend an opportunity shortly.

Mr. WELLER. Mr. Speaker, I yield 3 minutes to the gentleman from Montana (Mr. HILL), my good friend, and a leader in the effort to eliminate the marriage tax penalty.

Mr. HILL of Montana. Mr. Speaker, I thank the gentleman for yielding me this time.

I am sure if my colleagues or the public is listening in on this debate, they are kind of confused, because Republicans and Democrats are both coming to the floor and they are saying they want to provide marriage tax relief and both are saying that it is unfair.

Folks, what we need to understand is that the Democratic leadership plan could best be labeled "Marriage Penalty Tax Relief Light." The reason for that is that the Democrat leadership plan wants to create new discriminations in the code. They want to, for example, discriminate against stay-at-home moms or stay-at-home dads, or they want to discriminate against the people who own a home, but might have a mortgage against it, but provide tax relief for those people who own a home, but who would not have a mortgage against it.

Basically, what the Democrats are saying is that we will support your plan, if you will shift the marriage penalty from some families and impose it on other families.

Now, this bill is not just about tax relief, it is also about tax fairness. The Republican plan says, let us do this. Let us treat all families basically the same, if they have the same level of income.

Mr. Speaker, this Republican tax package started out as part of our budget. We said that we wanted to balance the budget and pay down the national debt. That was opposed by the Democrat leadership. We said we wanted to set aside 100 percent of Social Security in a lockbox. That was opposed by the Democrat leadership. We passed a prescription drug plan, $40 billion for seniors, also opposed by the Democratic leadership, and now we have a tax plan, a tax relief plan for all American families, and that is opposed by the democratic leadership as well.

Mr. Speaker, 90,000 families in my district, and the gentleman from Illinois (Mr. WELLER) does not have to tell me how many, because I know, are going to get an average of $1,400 in tax relief from this bill, and they need it. I urge us to support the Republican plan, I urge us to oppose the Democrat substitute for tax relief light.

Mr. RANGEL. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. STENHOLM) to give him an opportunity at least to respond to the accusations made by the gentleman from Illinois (Mr. WELLER).

Mr. STENHOLM. Mr. Speaker, in response to the gentleman from Illinois (Mr. WELLER), my good friend, it may be true, and I assume the gentleman's numbers are correct, but I also have 116,000 Social Security recipients in my district. In all due respect, the Republican tax bill and the entire other tax package will jeopardize the future of Social Security and Medicare. And just as the gentleman in his own district, he has 92,000 senior citizens that he is willing to put at risk for this continued charade that we have today.

With all due respect, we have to have a balanced package, and we cannot do all of those things which the gentleman from Illinois and others contend we can do. We must map some priority choices, and I resent the fact that the gentleman from Illinois would imply that what I am voting for today does not eliminate the marriage tax penalty in the 17th district because it does, and the gentleman from Illinois (Mr. WELLER) knows it.

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Mr. RANGEL. Mr. Speaker, I yield 4 minutes to the gentleman from Michigan (Mr. BONIOR), the distinguished minority whip.

Mr. BONIOR. Mr. Speaker, I thank my friend, the gentleman from New York (Mr. RANGEL), for yielding time to me. I do not think I will need 4 minutes, but I appreciate the courtesy.

Mr. Speaker, I have 61,000 good reasons to reform the marriage penalty. That happens to be the number, 61,000, of couples in my district being stuck with the marriage penalty today. What they will tell us is that taxing marriage is not just unfair, it is irrational, so why on Earth would any couple be forced to pay a penalty for getting married?

But if we listen closely to what they are saying to us, they are saying something besides, do not tax my marriage. They are saying, yes, we want a tax cut, but once we get it we do not want to have to spend it paying for our parents' prescription medicine.

They are right. That is why we have offered an alternative. We are cutting the marriage penalty for the middle-class couples, I think a better alternative than what the Republicans have offered, because it is fair, it is more equitable, it deals with the concerns of working men and women in this country, working couples.

But we are saying, let us just not stop there. Let us invest in providing an affordable prescription drug benefit through Medicare. If we do this right, and the offer has been made by the President, if we do this right, we can provide tax relief for married couples and affordable medicine that older Americans deserve. Even more, we can do it without busting the budget. We can do it within the confines of fiscal responsibility.

Mr. Speaker, let us make sure that the tax relief that we provide goes to the couples who have earned it, not to the big drug companies who want it.

I urge my colleagues to vote for the substitute and vote against passage of this bill. When we get into conference, as we will, as we get into a final discussion of this issue as well as other tax issues, as well as the prescription medicine, prescription drug bill, we will be able to facilitate the needs of both of those very important constituencies that we represent, and we will be able to do it within the confines of a balanced budget, reducing our national debt, getting the debt gone so we can have some fiscal solvency in our national life, as well as making sure that Medicare and social security are solvent at the same time, and providing tax relief for the people who need it in this country.

Mr. WELLER. Mr. Speaker, I yield myself such time as I may consume. I would remind my good friend, the minority whip, that the balanced budget we are working on this year not only locks away 100 percent for social security, but it pays off the national debt before 2013, the same year the President has set as a goal, and also sets aside $40 billion for prescription drug coverage under Medicare, legislation we passed just a few short weeks ago.

I would also note to my good friend, the gentleman from Michigan, that if he chooses to vote against our bipartisan efforts to eliminate the marriage tax penalty, he will vote to deny 122,000 married taxpayers in the Tenth District in Michigan relief from the marriage penalty.

That is just not fair. Let us work together. I would extend an invitation to join with the 48 Democrats who broke with their leadership and voted in a bipartisan way to eliminate the marriage tax penalty.

Mr. Speaker, I yield 3 minutes to my good friend, the gentleman from Florida (Mr. WELDON), a family advocate and leader in the effort to eliminate the marriage penalty.

Mr. WELDON of Florida. Mr. Speaker, I thank the gentleman for yielding time to me, and I commend him for solid work on this issue.

Mr. Speaker, I rise in very strong support for the Republican bill and in opposition to the Democratic substitute. Mr. Speaker, I believe it is immoral to have a Tax Code that discourages people from getting married. It is immoral to have a Tax Code that encourages people to live out of wedlock.

I saw it firsthand in my medical practice where I had couples coming in to see me as patients who were living outside the bonds of marriage, and when I would ask them why, the reason I heard most often was because their taxes would go up.

It particularly disturbed me to see it in senior citizens, who knew that they were setting a bad example for their children and their grandchildren, and they would most often cite to me that their taxes would go up $1,000 to $1,400 if they were to get married. Our tax relief package provides that necessary relief so we would not have a Tax Code encouraging people to live outside of wedlock.

The Democratic substitute will provide about $210 worth of marriage tax penalty relief to those same couples, and it does not get the job done, in my opinion. We will not relieve this immoral feature of our Tax Code with their substitute, so that is why I am encouraging people to vote against it.

I would like to address head-on two of the big complaints that we are hearing today, one of which is that when we expand the 15 percent tax bracket for married couples filing jointly so that they do not suffer a marriage penalty, we provide tax relief to some married couples where the mother stays home and takes care of the kids.

I say, what is wrong with that? Is that not a middle-class tax cut? Did President Clinton not campaign in 1992 on welfare reform, balancing the budget, and a middle-class tax cut? What is wrong with providing those same families with a stay-at-home mom or stay-at-home dad some relief from their taxes?

Do not all the psychologists tell us that one of the best things to make sure kids do well in school and we have a lower incidence of juvenile delinquency is to have parents that are more involved? Should we not be encouraging parents to take more time to stay at home and be with their kids?

Another thing that I want to address head-on, and we heard this from one of the previous speakers, is that, oh, we are better off using this money for something else.

I heard that argument in 1997 when we passed the $500 per child tax credit and the capital gains relief. We passed those, and all the naysayers said, well, the money will be gone. We will not see that money anymore. We could better use it to spend on this or that.

What happened? Well, revenue into the Treasury went up. Indeed, those same arguments went on in 1980 when Ronald Reagan lowered taxes. The same arguments went on in 1960 when Jack Kennedy lowered taxes. Every time we lower taxes, revenue into the Treasury goes up, it does not go down. It is not a zero sum game.

The parents who get that money are going to spend that money. They are going to create jobs, stimulate the economy. We pass this tax package and it will be the best way for us to make sure that Medicare is solvent and that we can have a prescription drug plan, because revenue into the Treasury will go up, it will not go down. It is not a zero sum game.

Mr. RANGEL. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. BECERRA), a distinguished member of the Committee on Ways and Means.

Mr. BECERRA. Mr. Speaker, I thank the gentleman from New York for yielding me the time.

Mr. Speaker, here we go again. We passed a bill that would cost us, once fully phased in, $50 billion a year to provide relief to 2 percent of taxpayers when we cut the estate tax. The 2 percent of the taxpayers happen to represent the 2 percent wealthiest taxpayers in America, and 98 percent of all American families would not participate in any of that tax cut. That will cost about $50 billion once it is fully phased in.

This bill, which purports to provide relief for married couples, would cost about $30 billion per year as well once it is fully phased in. When we start adding it up, we start to realize that if we do do all of these things, we will not have money to do some other things.

Like what? Well, we are fighting on this floor these days to try to figure out a way to provide seniors with a way to pay for not an estate tax, when we have a massive estate and we are trying to avoid taxes on it, but trying to help them pay for basic coverage for drugs that they need, prescription drugs that they need, just to continue a healthy lifestyle as seniors.

We cannot get there. We have not done that yet. Yet, we will not have the money to pay for the cost of helping seniors afford prescription drugs so they do not have to make the decision between their prescription drugs or their rent or their prescription drugs or their food because we are going to spend it on giving a tax cut in the estate tax repeal bill that will benefit only the 2 percent richest families in America.

We are now talking about doing a marriage tax penalty relief that will benefit in many cases families that are not even being penalized. About half of the benefits of this bill go to families that are not even being penalized, so-called penalized, under the marriage penalty because they are families where there are two income earners, and one of the income earners happens to be very high earning and the other very low earning, but because this is a bill that gives an across-the-board cut to anyone who is married, even those who are benefiting from the Tax Code, and that includes that working family where there is one very high-earning spouse and the other a low-earning spouse, we are still going to give them a benefit, when in fact what we are trying to do is make sure there is no so-called penalty for any couple that decides to get married as compared to two people who stay single to live together.

How unfortunate that what we are planning to do is to provide tax cuts and not help seniors, unfortunate that we are looking to do tax cuts that benefit mostly wealthy folks and not help seniors, trying to do this and not protect young people who are trying to go on to school and perhaps make it on to college; do these tax cuts that help mostly wealthy individuals, and not help shore up our Armed Forces, where we have Armed Forces personnel, some of our men and women in uniform, who are on food stamp programs because we cannot give them enough money.

Why do we not start to do the right things first, get rid of those things that we need to do first, work on passing legislation that deals with the important parts of getting our seniors their benefits, getting our men and women in the Armed Forces the monies they need in their salaries, and then we go on to do the tax cuts that will benefit all people, not just the wealthy?

Mr. WELLER. Mr. Speaker, I yield myself such time as I may consume.

I would say to my good friend, the gentleman from California, that if he chooses to vote against our bipartisan effort to eliminate the marriage tax penalty, he will vote to deny 88,000 married taxpayers in the 30th District in California relief from the marriage tax penalty. That is just not fair.

Let us work together. I invite my friend from California to join the 48 Democrats who broke with their leadership and supported our bipartisan efforts to eliminate the marriage tax penalty.

Mr. Speaker, I am happy to yield 3½ minutes to my good friend, the gentlewoman from Wyoming (Mrs. CUBIN), who has been a real leader on behalf of families.

Mrs. CUBIN. Mr. Speaker, this is a good day. This is a good day for Americans because we are moving one day closer to eliminating the marriage tax penalty. It is a good day for working women.

I am a working woman. Many working women have a large portion of their salaries eaten up by this unfair tax that is placed upon them only because they are married.

Garth Brooks is one of my favorite entertainers of all time. The reason I started liking him was because he sings a song called "Shameless." I cannot help but think of Garth Brooks when I am sitting here listening to this debate today, because it seem to me that the speakers on the other side are shameless.

One on the other side said, "We should not be passing this tax cut because we should be reducing the debt." The others are not quite so shameless because they say, "We should not be passing this tax cut. We know better how to spend your money, so let us spend the money. We will spend it on other programs."

The truth is, if there is money in Washington, it will be spent. So our choice is not whether or not we pay down the debt or cut taxes. After the President vetoed the $792 billion tax package last year that we passed, within 48 hours every single penny of that was spent.

So let us get honest, it is not between paying the debt and tax cuts, it is between giving people's money back to them, and it is their money, they know how to spend it best, or our arrogance, saying we know how to spend their money for them better than they do.

Over the past several weeks I have had the pleasure of attending weddings in my hometown of Casper, Wyoming. In both cases, as in the case with almost every young married couple these days, both the bride and the groom were starting bright futures in our Nation's work force. It is very satisfying to me to know that, along with my colleagues in the 106th Congress, I would have the opportunity to ensure that these young, ambitious, and hard-working couples would not have to shoulder an additional tax burden just because they took the marriage vows.

Unfortunately, I cannot say the same for the 45,000 married couples in my home State of Wyoming, or the 25 million married couples across the United States that are currently subjected to that tax every year.

Marriage is a sacred institution, it is not a taxable institution. Today we will have the opportunity to vote on a measure that will level the playing field for hard-working husbands and wives.

This legislation also includes specific provisions to assist our Nation's lowest income families. Washington should not be in the business of penalizing families but in providing them with more freedom, more choice, and more opportunity. I urge my colleagues to vote against the substitute and for the bill.

Mr. RANGEL. Mr. Speaker I yield 30 seconds to the gentleman from Mississippi (Mr. TAYLOR).

Mr. TAYLOR of Mississippi. Mr. Speaker, since I believe the previous speaker made at least one reference towards me, I would like to point out that the Constitution of the United States says that no money shall be drawn from the Treasury except by an appropriation by Congress. The Presidents cannot spend money that we do not allow them to.

If this Congress truly believes in reducing the debt, then we can put a line in the budget saying $x$ number of dollars will go towards reducing the American debt. That is what I am for. I hope Members will join me.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this whole concept about if we do not give the money back to the taxpayers that it is going to be spent by the Congress, I do not know what is in the water on the other side of the aisle, but the Republicans happen to be in charge of the Congress. It is almost like a serial killer saying, stop me before I kill again.

If they cannot control themselves in terms of this spending, then let the whole world know it before November, but do not say, we are going to waste the taxpayers' money. It will not be "we," it may be "thee."

□ 1345

Mr. Speaker, I yield 1½ minutes to the gentlewoman from California (Ms. SANCHEZ).

Ms. SANCHEZ. Mr. Speaker, I want to thank the gentleman from New York (Mr. RANGEL), my colleague and the ranking member of the committee for yielding me time that he has given to me.

Mr. Speaker, I have a record in support of reducing the tax burden for American families, one that I am very proud of here in this Congress. Today, I rise in support of Mr. RANGEL's Marriage Tax Penalty Relief Proposal.

The Rangel proposal provides greater marriage penalty tax relief and yet it maintains our budget discipline. For example, the proposal doubles the standard deduction for couples. It expands the Earned Income Tax Credit so vital to people who live in the area I represent.

It mitigates the harmful effects of the alternative minimum tax so that families with children will actually receive these benefits.

Under the Rangel proposal, a family with two children will receive almost $300 a year in tax relief.

Mr. Speaker, I have worked in the financial markets and my colleagues on Wall Street tell me that the Republican bill will devour one-fourth of the projected on-budget surplus, monies that we really need to direct at Social Security, prescription drug coverage, Medicare, and, most importantly, to pay down the debt.

Marriage penalty relief needs to be addressed, but not with the Republicans bill, not this large, skewed to the wealthy bill.

Mr. Speaker, I urge my colleagues to support the proposal of the gentleman from New York (Mr. RANGEL).

Mr. WELLER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to remind my good friend, the gentlewoman from California (Ms. SANCHEZ) that while she claims that the Democrat proposal provides more marriage tax relief than the bipartisan proposal, I would point out according to the Joint Committee on Taxation that the bipartisan proposal provides $51 billion of marriage tax relief over 5 years, while the Democrat provides only $38 billion; 38 is less than 51. It is simple math.

Mr. Speaker, I would also ask the previous speaker, the gentlewoman from California (Ms. SANCHEZ) to note that if she chooses to vote against our effort to eliminate the marriage tax penalty, she will vote to deny 101,000 married taxpayers in the 46th District of California relief from the marriage tax penalty. That is just not fair. I want to extend that invitation for her to join the 48 House Democrats who broke ranks with their leadership in order to join in a bipartisan effort to wipe out the marriage tax penalty.

Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. GILMAN), the chairman of the Committee on International Relations.

Mr. GILMAN. Mr. Speaker, I thank the gentleman from Illinois (Mr. WELLER) for yielding me the time.

Mr. Speaker, I am pleased to rise today in strong support of H.R. 4810, the Marriage Tax Penalty Elimination Reconciliation Act.

This legislation increases the standard deduction for married couples to twice that of single filers. Moreover, it expands the 15 percent tax bracket to twice that for single taxpayers, phasing the increase in over a 6-year period. In all, the bill provides over a 10-year period more than $182 billion in tax relief.

Mr. Speaker, this measure also provides an increase to the earned income tax credit, EITC, for working poor families, by raising by $2,000 the amount of income a couple filing jointly may earn before the EITC benefits begin to phase out.

Currently, the Tax Code punishes married couples where both partners work by driving them into a higher tax bracket. Moreover, by prohibiting married couples from filing combined returns whereby each spouse is taxed using the same rate applicable to an unmarried individual, this Tax Code penalizes marriage and encourages couples to live together without any formal legal commitment to each other.

The CBO further found that most severely affected by the penalty were those couples with near equal salaries and those receiving the earned income tax credit.

This portion of the current Tax Code simply does not make sense. It discourages marriages. It is unfair to female taxpayers and disproportionately affects the working and middle-class populations who are struggling to make ends meet. For these reasons, this marriage tax needs to be repealed and, accordingly, I urge our colleagues to support this timely, appropriate legislation.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Republicans consistently use this word bipartisan, bipartisan, bipartisan. To be bipartisan, it would mean that they have some type of an agreement with the Democrats, and certainly that would include the President of the United States.

Mr. Speaker, to say that we have some Democrats and not enough to override a veto hardly seems to be a truly bipartisan effort.

It reminds me of the story that someone who asks what was the recipe of this very delicious horse and rabbit stew, and they said it was equal part rabbit and equal part horse; that is, you put in one horse and you put in one rabbit, and that is not exactly equal. Neither is having a handful of Democrats something that my colleagues can call bipartisan.

If my colleagues want to be bipartisan, let us sit down with the leadership of your side and our side and the President of the United States and get something that is not a political statement but something that we can go home so proud that we have something signed into law that brings relief and not something that makes people in Philadelphia feel good.

Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Texas (Mr. BENTSEN).

Mr. BENTSEN. Mr. Speaker, we are not legislating today, we are choreographing for the upcoming Republican National Convention in Philadelphia. If we were legislating today, we would be doing as my colleague, the gentleman from New York (Mr. RANGEL) just said, we would be sitting down in a bipartisan fashion and trying to figure out a way in which we could fix H.R. 4810, the bill before us today, that could get a true bipartisan vote for it, and would address some of the flaws in the underlying bill.

For instance, the underlying bill does nothing about the alternative minimum tax, and the gentleman knows very well that there are many American families who actually do suffer a marriage tax penalty but also have children, two or more children, I have two children, I assume I would be subject to this at some point, that they would hit the AMT, and they would not get any benefit, if any at all, of what is proposed in H.R. 4810, but the bill does not take care of it.

The Democratic substitute does, perhaps that is something my colleagues might want to pick up in their bill.

Second of all, the underlying bill goes far beyond the efforts to address the marriage tax penalty, because we know from studies, nonpartisan studies, that about 48 percent of Americans suffer from a marriage tax penalty, about 42 percent get a marriage bonus, and the underlying bill does not just try to address the marriage tax penalty, it gives an additional bonus to those who are already getting a bonus under the Tax Code.

Mr. Speaker, why is that under the manacle of the marriage tax penalty; that should be addressed, but the other side does not want to do it, instead they come up and say, oh, we want to take care of them too. That is not addressing what the underlying bill is; Democrats, in our bill, try to fix that.

Finally, the President has put a pretty good offer on the table. He said if we want to have a marriage tax penalty bill, he would be willing to work with us on that, but let us have a prescription drug plan under Medicare for senior citizens.

Mr. Speaker, I just spent a week back in my district having senior citizen town hall meetings. I heard time and time again about the rising costs of pharmaceuticals, the rising demand for prescription drugs among senior citizens and the fact that they cannot pay for it. And the Republicans have fought tooth and nail against bringing a bill. When they finally did bring a bill to the floor, it was a bill that would subsidize insurance companies to do something they did not want to do, quite frankly, under your standard, in fact, exceeding your standard of, quote, unquote, bipartisanship, there was bipartisan opposition to the Republican bill that they put on the floor.

The President has laid an offer on the table. Mr. ROTH, the gentleman from Delaware, in the other body, has put a bill on the floor that is like the President's bill and the Democratic bill to try and address this, but the Republican leadership in the House does not want to have anything to do with it because they do not want to legislate.

They want to go to Philadelphia, have a convention, say, look what the Democrats will not let us do, even though we are in the majority. If you give us a President and give us complete control of the Congress, look at what we will do.

We have already seen what my colleagues cannot do and what my colleagues do not want to do, and that is what this debate is about today.

Mr. WELLER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would remind my good friend, the gentleman from Texas (Mr. BENTSEN) that not only does our balanced budget this year provide $40 billion for prescription drugs and that we passed it 2 weeks ago, but also point out when he talks about a portion of the relief here going to those who do not suffer the marriage tax penalty, the Democratic alternative, one half of the relief it provides goes to those who do not suffer the marriage tax penalty, so same goes.

Mr. Speaker, I would also point out to my good friend, the gentleman from Texas (Mr. BENTSEN) that if he chooses to vote against this bipartisan effort to eliminate the marriage tax penalty, he will vote to deny 122,000 married taxpayers in the 25th district of Texas relief from the marriage tax penalty, and that is just not fair.

I want to extend an invitation to my good friend from Texas (Mr. BENTSEN) to join the 48 Democrats who broke with their leadership and supported our bipartisan effort to eliminate the marriage tax penalty earlier this year.

Mr. Speaker, I yield 3 minutes to the gentleman from Kentucky (Mr. LEWIS), a good friend and distinguished member of the Committee on Ways and Means.

Mr. LEWIS of Kentucky. Mr. Speaker, where did we get the marriage penalty tax? Where have we had the tax burden placed on our shoulders in this country, where the average family pays 40 percent of their income in local, State and Federal taxes, a big chunk that of the Federal taxes, where did we get all of these taxes?

When I came here to Congress in 1994, the Democrats had control of the Congress. In 1995, Republicans won the majority. And since 1995, we have not passed one tax increase, not one. We have cut taxes, but we have not passed a tax increase.

Where did we get all of these taxes that are burdening and pressing down on the American people today? One of the worst taxes is the marriage penalty tax. Where did we get them?

Mr. Speaker, the Democrats controlled, our friends on the left, controlled this House for 40 years. And also when I got here, we had a debt of $5½ trillion, and the spending was going up. The deficits were $200 billion.

I think they have never seen a tax that they did not like. I do not think they had ever seen an opportunity to spend more money that they did not like. They love taxes. They love big spending, and every time we try to do any tax cuts in this House, it is always a battle. It is always a fight. They never want to cut taxes. Why? Because, friends, there is not enough money in this world, I think, for them to spend.

There is not enough projects for them to think up to spend the taxpayers' money. Mr. Speaker, it is time to start cutting taxes.

I remember also in 1995 when we wanted to balance a budget, they fought us every inch of the way. I remember in 1995, when we wanted to cut taxes, they fought us every inch of the way, fought us all the way up until finally in 1997, the President finally signed into law a Balanced Budget Act that cut taxes. Actually, we balanced the budget. You know what? We have been paying down debt. We paid down $140 billion since 1997 in paying down the debt.

Mr. Speaker, they said it could not be done. They said we could not balance the budget. They said we could not cut taxes, but it has been done. We have walled off Social Security. Medicare was going to go bankrupt in 2 years, in 2 years, from 1995. We reformed Medicare. Finally, in 1997, the President signed it into law, and Medicare now is safe for 25 years, 25 years into the future.

□ 1400

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, well I hope the gentleman from Kentucky (Mr. LEWIS), when he is doing all that research about the Republican majority, would just check the records and find out that they have so tried to protect the vested special interests that they have added 1,543 pages to the Internal Revenue Code. That is not exactly pulling it up by the roots.

Mr. Speaker, I yield 2 minutes to the gentlewoman from Florida (Ms. BROWN).

Ms. BROWN of Florida. Mr. Speaker, the action of the Republican leadership reminds me of a quote from Marie Antoinette, "Let them eat cake."

The American people are crying out to us to improve health care, education, housing, and Medicare; but this Republican Leadership keeps giving them what I call reverse Robin Hood, robbing from the working people and the poor people to give tax breaks to their friends.

As we debate the Marriage Penalty Act today, programs that serve millions of Americans are being ignored. The Older Americans Act, which provide meals, transportation, and service to our most vulnerable seniors, have yet to be reauthorized. The Ryan White Care Act, which provides counseling and medical treatments to those poorest children suffering with AIDS, has yet to be reauthorized. The Patients' Bill of Rights, which would finally give the American public some control over their health care, died in conference.

Tonight, thousands of American war heroes will go to bed on the streets, millions of American children will go to bed hungry, and millions of Americans will go to bed wondering how much longer their bodies can fight against AIDS, cancer, diabetes, lupus, and hundreds of other curable diseases.

As I speak, delegates to the International AIDS Conference are deciding how to deal with the 4.2 million South Africans infected with HIV while this Congress sticks its head in the sand. Unfortunately for those people, today on this House floor we are once again debating a tax bill that helps only a few and ignore the real problems we are facing as a Nation.

I can only hope that my colleagues do not suffer the same fate as Marie Antoinette. Maybe I hope they do.

Support fair marriage tax relief. Vote yes on the substitute, and let us get back to working for the people that sent us here to do it.

Mr. WELLER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would say to the gentlewoman from Florida (Ms. BROWN) that, if she chooses to vote against our bipartisan effort to eliminate the marriage tax penalty, that she would be voting against 6 million senior citizens who benefit from the legislation to eliminate the marriage tax penalty. But specifically, she would be voting to deny 89,000 married taxpayers in the 3rd District of Florida relief from the marriage tax penalty. That is just not fair. I invite her to join with us in a bipartisan effort, rather, to join with the 48 House Democrats who broke with their leadership and voted in an effort, in a bipartisan way, to eliminate the marriage tax penalty.

Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. FOSSELLA).

Mr. FOSSELLA. Mr. Speaker, I thank the gentleman from Illinois for yielding me this time. I commend the gentleman from Illinois (Mr. WELLER) for his efforts in championing this issue in this Congress and really fighting on behalf of the American taxpayer. The gentleman should be commended for his efforts.

Mr. Speaker, I rise to reject the substitute very simply because it is bad for the people I represent. Very often, there are those here who underestimate the people of this great country. They underestimate that the people of this country work hard, that they are out there toiling in the fields or working back home where I am proud to represent in Staten Island and Brooklyn every day, 5, 6, 7 days a week. When they send that check to Uncle Sam, it is okay to send a little bit back.

So for those who underestimate the American people, it is understandable how they are here justifying keeping more money here in Washington.

I and others who will vote for this legislation have a very simple principle, I think, in mind; and that is the people that we represent work too hard to be taken for granted, that when we have the opportunity to do so, like give them some of their money back, we should take advantage of it.

So when I go back home this weekend and I see the cop who is married to the fireman or the cop married to the teacher or the nurse married to the small business owner, and they ask me, How did it go this week?, I can say, Do you know what, we voted for legislation that will give you almost $1,000 or $1,500 more in your family's pocketbook. That means that you, you the people of this country will have the freedom to choose what to do with their money.

Folks right now are contemplating going on vacation. Some are saying, what if we had a few more bucks, we can go away for a week or 2 weeks this summer. Some of them cannot do it. Maybe with this money they can. They are going to send off their child to kindergarten this September or to college. They are contemplating, where are we going to get the money from for Johnny or Lisa's education. Well, with this money, they can do it. Or they are contemplating buying some new clothes for their kids. Right now they cannot do it. With this money, they can.

There are those who are doing work on their house. They say, we would really like to put an extension on the back or put a deck on the backyard or perhaps get a swimming pool. Right now, they cannot do it. With this, they can.

So I feel very confident in knowing that the American people who have worked so hard to achieve this surplus, that too many in Washington are taking credit for, those individuals, the people that I represent, I can go back home, the constituents of the gentleman from Illinois (Mr. WELLER), he can go back home, and say, Do you know what folks, you have earned this.

Let us vote for true marriage tax penalty relief.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it could be that the gentleman from New York (Mr. FOSSELLA) is reading an entirely different bill than the Republicans have been really pushing, because any editorial people who understand the bill have called it a fraud.

Certainly this is not a question of giving the taxpayers back their money. We have a responsibility to pay down the Federal debt. When one does that, that is giving back money. To protect the Social Security system, that is a responsibility we have. God knows, if one goes to the town hall meetings and sees the people that work so hard to make this country as great as it is, and they cannot even afford to get prescription drugs, that is our responsibility.

So just because one wants to help the rich, one cannot hide behind it and say it is their money. America has an interest in making certain that all of our citizens are protected, and not just the wealthy few.

Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. SHERMAN).

Mr. SHERMAN. Mr. Speaker, since I came to Congress, I have been fighting to eliminate the marriage penalty. But we need to do it in a way that eliminates the marriage penalty's impact on the AMT. We need to do it in a way that provides the earned income tax credit for low-income married couples.

We need real marriage penalty relief. In fact, the Democratic substitute does more for those who deserve and need real marriage penalty relief than does the more expensive Republican plan. It is more generous, the Democratic substitute is, to those who pay a marriage penalty, and somewhat less generous to those who are getting a marriage bonus, actually paying less taxes because they are a married couple.

I want to reduce taxes on married couples now. The Democratic substitute has one tremendous advantage over the Republican bill. It will be signed into law. It is real legislation. In contrast, the Republican bill is a good press release for some. They know it will never be signed into law. It will never save a single married couple a single penny.

What we need to do is pass the Democratic substitute now. Then we can come back in September. By then, hopefully, that estate tax repeal bill will have been killed; and we will know at that point that we can afford to provide an additional increment of tax cuts to married couples while at the same time protecting Social Security and Medicare, paying down the debt, and providing a real prescription drug benefit for our seniors.

I hope the gentleman from Illinois (Mr. WELLER) would join me in voting for the motion to recommit to protect the 92,571 seniors in his district that urgently need real pharmaceutical coverage. These seniors deserve his help. Join with us, not in providing those seniors with some phony plan that invites them to pay an arm and a leg for a phony Medigap policy. Join with us in providing the seniors of the gentleman's district and mine with real pharmaceutical drug efforts.

Mr. WELLER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I remind the gentleman from California (Mr. SHERMAN) that 6 million senior citizens will benefit from our bipartisan efforts to eliminate the marriage tax penalty. I also note that, if he chooses to vote against our bipartisan efforts to eliminate marriage tax penalty, that he will deny 123,000 married taxpayers, including seniors in the 24th district of California relief from the marriage tax penalty. That is just not fair.

I invite the gentleman from California to join with us, join the 48 House Democrats who broke from their leadership and voted in a bipartisan effort to eliminate the marriage tax penalty.

Mr. Speaker, I am happy to yield 2 minutes to the gentleman from Nebraska (Mr. TERRY).

Mr. TERRY. Mr. Speaker, I rise today in support of the base bill, H.R. 4810, and in opposition to the substitute that discriminates against many married folks, homeowners, and charities alike, and offer my congratulations to the gentleman from Illinois (Mr. WELLER) for fighting this great fight.

In fact, this is one of the reasons why I ran for this office, because I really feel strongly that this Tax Code is unfair. It is voluminous. We cannot understand it. It needs to be reformed. It needs to be reduced to something that is simple and fair.

Let us talk about fairness, because that is what this base bill does. Now, let us remember what the marriage penalty does. It taxes working families. It taxes when both parents have to work to support their families. That is fundamentally unfair that married people have to pay more in taxes than if they were single.

So what do we do? This bill treats all married folks equally. That is part of what fairness in tax codes are, not discriminating against some in favor of others, but treating them all fairly. That is what this legislation does in creating the standard deduction, doubling it for married folks, and increasing the gap in the 15 percent.

We are helping the people in most need, like good friends of mine that I grew up with, both work in not-good-paying jobs. They certainly are not the wealthy folks that we hear demagogued on the other side of the aisle, but just hard-working folks that work hard to have a good house in a decent neighborhood, supply a house and a roof for their children. Yet they will pay as much as $1,400 more in taxes. Working class pay about $1,100 more in taxes.

Now, that is money that they can use to spend quality time with their children, to take vacations that they do not take now because both are working so hard. I encourage my colleagues to vote in favor of this fair bill.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. GREEN).

Mr. GREEN of Texas. Mr. Speaker, life is about choices and priorities. Like a lot of Democrats, and I am not one of those 48 and I am proud of it, that supported the Republican plan, I do support eliminating the marriage tax penalty. But there is a reasonable way to do it. That is one choice we can make. That is a priority. It is not the only priority we have on this floor.

Sometimes I think the majority forgets that these days are not days in an end. We have to look at the whole picture. But one cannot have it both ways. One cannot increase the defense spending like they want to do, provide veterans benefits that we all want to do, to provide health care, do what we need to do about education, providing smaller class sizes and actually buildings that are safe, provide prescription drugs for our seniors and not a fake plan that just gives them an insurance policy, and really safeguard Medicare for the next generation. One cannot do all that and still promise the world in tax cuts.

One cannot do it without going back to the deficit spending that they all say they are against. One could go back to that spending that says we are going to spend $200 billion more a year than what we are doing, than what we are taking in.

That is what is wrong with the Republican plan for marriage tax penalty. We need to eliminate it. We need to eliminate it on a reasonable basis. But we need to make sure we continue our priorities as not just tax cuts, tax cuts, tax cuts.

Now that we have a budget in balance and actually a surplus, we need to make sure we take care of what the American people want us to do. Those same people that the gentleman from New York (Mr. FOSSELLA) said a while ago have a few bucks in their pocket, they want to take maybe an extra vacation. I will tell my colleagues what they would rather have is prescription drugs for their parent than maybe have that money in their pocket, because those are the choices we are making on this floor today.

We need to make sure that we provide education for those children that the gentleman from New York (Mr. FOSSELLA) wants to take care of, veterans health care, prescription drugs for seniors. Maybe they ought to listen to their Senator from Delaware who wants to make it part of Medicare. Medicare providers need assistance, Mr. Speaker. Life is about choices and priorities, and hopefully we will make the right one today.

□ 1415

Mr. WELLER. Mr. Speaker, I yield myself such time as I may consume to say to my good friend from Texas that if he chooses to vote against this bipartisan effort to eliminate the marriage tax penalty, he will be voting to deny 92,000 married taxpayers in the 29th District of Texas relief from the marriage tax penalty, and that is just not fair.

And I want to extend an invitation to my good friend to join us and join those 48 House Democrats who broke with their leadership to vote in a bipartisan way to give marriage tax relief

Mr. Speaker, I yield 2 minutes to the gentleman from South Dakota (Mr. THUNE).

Mr. THUNE. Mr. Speaker, I thank the gentleman for yielding me this time and for his great leadership on this issue.

I have been listening to the debate here over the last several minutes and it occurred to me we are hearing a lot of argument from the other side as to how we cannot do this because we have to pay down debt and we have to protect Social Security and Medicare and we have to keep the budget balanced, and I thought to myself, I was not here in the last 40 years but when the other side controlled this Congress, there was not any of those things that were accomplished.

We are now paying down debt, we have balanced the budget, we have walled off Social Security, and we intend to do it for Medicare. Those are all things that are happening as a result of the leadership of the Republican Congress.

I might also add that the marriage penalty when you listen to people talk on this side about the rich, all those rich people out there, I do not know who they are talking about. I grew up in a small town in South Dakota of 650 people. I do not have any rich friends out there. We have a lot of people who are farmers or schoolteachers or small business people, and they need help paying for their kids' college education, paying the mortgage, all those expenses that are associated with their daily living. These people are not rich.

I want to give an example of that. I had a guy come into my office. He was making $46,000 a year and his wife was making $21,000 a year. They had two kids and were in their mid-30s. This year they paid $1,950 more in taxes because they were married. That is flat wrong. One thing the people in South Dakota know, in those small towns and rural areas, those people who are not rich that I grew up with, they know what is unfair. This thing is unfair.

We are talking today about eliminating unfairness in the Tax Code and restoring some level of common sense so that people are treated equally under the Tax Code, so that those people who work hard in this country, those working families, are not penalized because they are married. We believe in fairness in South Dakota, and we believe in the institution of marriage in South Dakota.

The Democrat plan is not fair and it penalizes homeowners by allowing people who are itemizing not to benefit from this. We need to pass this legislation on behalf of the 75,000 couples in South Dakota who would benefit from it, and I urge the House to pass this and send it on.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. PALLONE).

Mr. PALLONE. Mr. Speaker, I just came from the Department of Health and Human Services building, where the Secretary was celebrating the 35th anniversary of Medicare, and it was a great moment to talk about when Medicare was signed. But one of the things that Secretary Shalala said, and most dramatically, was how we had to revise Medicare, make sure it was solvent, make sure it was there for our seniors and make sure there was a prescription drug benefit.

The problem with the Republican proposal is it is not necessarily such a bad idea, but it costs too much and it is a needless waste of the surplus that could be used for other things, most importantly to expand Medicare, to make sure that Social Security is available, to make sure we have a prescription drug plan.

What the Democrats are saying with the substitute is we are in favor of a marriage tax penalty change, we want to make sure people are not penalized, but let us do it in a targeted fiscally sound way. Let us make sure whatever the surplus is, we do not spend a trillion dollars on different kinds of tax relief that is mainly going to the wealthy, and break it down in little parts like we are doing with this bill today, but rather make sure what we do first is to make sure that Social Security and Medicare are available and that Medicare is updated to include prescription drugs.

Now, what I am afraid is happening here today is that if we do not pass this substitute, and if we do not pass the motion to recommit that says that we are going to have a Medicare prescription drug benefit, then what will happen is that nothing is ever going to pass. The President already said he will not sign this Republican bill, that it spends too much money.

Well, the bottom line is if we want to get anything done here and we want to have this be a "do something" Congress rather than a "do-nothing" Congress, then why not go along with what the President has proposed. Basically what the President is saying, and what the motion to recommit says, is we will take even the proposal of the marriage tax penalty the Republicans put forth, even though it spends too much money, but we will even go along with it as long as we can have the prescription drug benefit under Medicare.

If the Republicans really want to get something done and not have this be a "do-nothing" Congress, they should go along with the substitute, go along with the motion to recommit, and then we will accomplish something.

Mr. WELLER. Mr. Speaker, I yield myself such time as I may consume to say to my good friend from New Jersey that if he chooses to vote against our bipartisan effort to wipe out the marriage tax penalty, that he will be voting to deny 128,000 married taxpayers in the Sixth District of New Jersey relief from the marriage tax penalty, and that is just not fair.

And I want to invite my good friend to join those 48 House Democrats who broke with their leadership and vote in a bipartisan way to eliminate the marriage tax penalty.

Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. ROYCE).

Mr. ROYCE. Mr. Speaker, I thank the gentleman for yielding me this time, and I rise in support of the base bill.

As one of my constituents said in a town meeting last month, "Marriage is penalty enough, we don't need the government penalizing marriage with this special marriage penalty tax." And yet the Internal Revenue Service pushes many couples, simply for being married, into a higher tax bracket, and generally this is targeted on the income of the second wage earner, typically the wife, at a much higher rate than if she were taxed only as an individual.

I want to give my colleagues an example. A young woman was in my office on Friday. In terms of her own tax return, it means several thousand dollars of additional taxes if she makes the decision to get married. Now, if we go with the substitute motion, then we discriminate against those who itemize. She owns a house. As a result of the payments, those are deductible, so she itemizes. Those who make a payment toward their church or synagogue as a contribution, those are tax deductible. So we would be discriminating against those individuals.

Let us treat everyone fairly. That is what the Marriage Tax Elimination Act does. It provides relief from the marriage tax penalty, a penalty that is keeping many parents from doing all they want for their children, a penalty that, frankly, is keeping many young couples from getting married because they would be pushed into that higher bracket.

Many times both parents have to work full time, when one of them may prefer to work part time and spend more time with the children. This bill will help. As I say, the average penalty, right now, is $1,400 a year more in taxes than if they were single. Over a decade, as she pointed out to me, this young fiance, that money could go toward a family car, a college education, a downpayment on a home.

Mr. RANGEL. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. DAVIS).

Mr. DAVIS of Illinois. Mr. Speaker, I rise in favor of the Rangel substitute, which will assist more than 60,000 married families in my district.

Mr. Speaker, I believe there should be relief from the marriage tax penalty, but the way it's being done in this bill is wrong. Working Americans should not have to pay extra just because they want to get married. The 25 million American couples who are affected by this unfair tax should be able to use the money saved to purchase a new home, or for child care. Right now, if this bill were to pass, American married families would still be taxed at the same rate they were taxed before. The Rangel substitute fixes the flaws in this bill and enables America's married families to truly see their taxes reduced.

In my district alone this substitute will help well over 60,000 married families. It is my hope we will get past all of the politics and come together to provide a bill that truly provides fairness and equity to our American families.

I want to extend an invitation to my Republican friends on the other side of the aisle to join with us and make it a bipartisan effort to eliminate the marriage tax penalty in a fair and sensible way. Vote for the Rangel substitute and let us eliminate the marriage tax penalty.

Mr. RANGEL. Mr. Speaker, I yield the balance of my time to the gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Speaker, my last Republican colleague said that marriage in itself is a penalty. I am married 22 years now, and it is not a penalty.

My colleagues, the Democrats have a real plan to eliminate the unfair marriage tax penalty within a budget that continues to pay down our debt, that protects Social Security and Medicare, and allows for a prescription drug benefit that is so important to seniors today who are being choked by the cost of prescription drugs today.

Our plan eliminates the marriage penalty, and it rewards work by strengthening the earned income tax credit. It fixes the marriage penalty, it keeps us on a course of fiscal discipline, that course that has brought us the most successful and the most dynamic economy in history. It is a responsible tax proposal and tax relief that the American public supports.

I support marriage penalty tax relief for the families of Connecticut. That is what our plan does and it does not risk our fiscal discipline. It provides $76.4 billion in marriage tax penalty relief and an additional $12.7 billion for working families who need the help that is provided by the earned income tax. It is a plan that ends the penalty on marriage, it rewards work, and it allows our economic boom to continue.

The Republican plan is too big. It is skewed toward the wealthiest Americans. As part of the $800 billion Republican tax cut, it threatens Social Security and Medicare, it does not allow us to continue to pay down the debt that has brought interest rates down in this country, and it does not allow us to offer a prescription drug benefit through Medicare, which is the way in which it should go. It is not fair. It provides nearly two-thirds of its benefits to the wealthiest Americans and only about 41 cents a day in tax relief to families making less than $50,000 a year.

It is not tax fairness. Support the Democratic alternative.

Mr. WELLER. Mr. Speaker, how much time remains in debate?

The SPEAKER pro tempore (Mr. PEASE). The gentleman from Illinois (Mr. WELLER) has 30 seconds remaining.

Mr. WELLER. The gentleman from New York (Mr. RANGEL) has used his entire allotment?

The SPEAKER pro tempore. He has.

Mr. WELLER. Mr. Speaker, I yield myself the balance of my time, and I would inform the previous speaker that if she chooses to vote against our bipartisan effort to eliminate the marriage tax penalty, she will be voting to deny 110,000 married taxpayers in the third district of Connecticut relief from the marriage tax penalty.

I want to extend to my friend from Connecticut an invitation to join with us and to join with those 48 House Democrats who broke with their leadership to vote in a bipartisan way to eliminate the marriage tax penalty.

The SPEAKER pro tempore. Pursuant to House Resolution 545, the previous question is ordered on the bill and on the amendment offered by the gentleman from New York (Mr. RANGEL).

The question is on the amendment in the nature of a substitute offered by the gentleman from New York (Mr. RANGEL).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

### RECORDED VOTE

Mr. RANGEL. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 198, noes 228, not voting 8, as follows:

[Roll No. 390]

AYES—198

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barrett (WI)
Becerra
Bentsen
Berkley
Berman
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gejdenson
Gephardt
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Hastings (FL)
Hill (IN)
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Hooley
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Larson
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (VA)
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Phelps
Pickett
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Scott
Serrano
Sherman
Shows
Sisisky
Skelton
Slaughter
Snyder
Spratt
Stabenow
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Watt (NC)
Waxman
Weiner
Wexler
Weygand
Wise
Woolsey
Wu
Wynn

NOES—228

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Berry
Biggert
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Castle
Chabot
Chambliss
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Crane
Cubin
Cunningham
Danner
Davis (VA)
Deal
DeLay
DeMint
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ewing
Fletcher
Foley
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Green (WI)
Greenwood
Gutknecht
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (MT)
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones (NC)
Kasich
Kelly
King (NY)
Kingston
Knollenberg
Kolbe
Kuykendall
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
Martinez
McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Morella
Murtha
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Ose
Oxley
Packard
Paul
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Regula
Reynolds
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanford
Saxton
Scarborough
Schaffer
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Stearns
Stump
Sununu
Sweeney
Talent
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Toomey
Traficant
Upton
Visclosky
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOT VOTING—8

Campbell
Carson
Chenoweth-Hage
Forbes
McNulty
Smith (WA)
Vento
Waters

☐ 1450

Mr. BARRETT of Nebraska and Mr. CANNON changed their vote from "aye" to "no."

Mr. BOSWELL, Ms. KAPTUR, Mr. KANJORSKI and Mr. MOLLOHAN changed their vote from "no" to "aye."

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. PEASE). The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

### MOTION TO RECOMMIT OFFERED BY MR. RANGEL

Mr. RANGEL. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. RANGEL. Yes, Mr. Speaker, I am.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. RANGEL moves to recommit the bill (H.R. 4810) to the Committee on Ways and Means with instructions to report the same back to the House forthwith with the following amendment:

At the end of the bill insert the following new section:

**SEC. 5. TAX REDUCTIONS CONTINGENT ON MEDICARE PRESCRIPTION DRUG BENEFIT AND NO ON-BUDGET DEFICIT.**

Subsection (f) of section 1 of the Internal Revenue Code of 1986 (as amended by section 3 of this Act) is amended by adding at the end the following new paragraph:

"(9) LIMITATION ON TAX REDUCTIONS.—

"(A) IN GENERAL.—The benefits of paragraph (8) (and the benefits of sections 2 and 4 of the Marriage Tax Penalty Relief Reconciliation Act of 2000) shall be allowed for taxable years beginning in any calendar year only if the Secretary of the Treasury certifies (before the close of such calendar year) that each of the conditions specified in subparagraph (B) are met with respect to such calendar year.

"(B) CONDITIONS.—For purposes of subparagraph (A), the conditions specified in this subparagraph for any calendar year are the following:

"(i) NO ON-BUDGET DEFICIT.—Allowing the tax benefits referred to in subparagraph (A) to be effective for taxable years beginning in the calendar year, when added to the cost of the coverage described in clause (ii), would not create or increase an on-budget deficit (determined by excluding the receipts and disbursements of part A of the medicare program) for the fiscal year beginning in such calendar year.

"(ii) PRESCRIPTION DRUG COVERAGE.—Coverage for outpatient prescription drugs is provided for Medicare beneficiaries under the Medicare Program on a voluntary basis at all times during the calendar year with—

"(I) the premium for such coverage being not more than $25 per month (adjusted for cost increases after 2003) with low-income assistance for Medicare beneficiaries having incomes below 135 percent of the Federal poverty level and phasing out for such beneficiaries having incomes between 135 percent and 150 percent of the Federal poverty level,

"(II) no deductible required before such coverage is provided,

"(III) the amount of the benefit being at least 50 percent of prescription drug expenses not in excess of the coverage limit (as defined in subparagraph (C)),

"(IV) a $4,000 limitation (adjusted for cost increases after 2003) on out-of-pocket prescription drug expenses of electing Medicare beneficiaries, and

"(V) all Medicare beneficiaries entitled to receive the discounts (otherwise available to large prescription drug purchasers) on their purchases of prescription drugs.

"(C) COVERAGE LIMIT.—The coverage limit is $2,000 for calendar years 2003 and 2004, $3,000 for calendar years 2005 and 2006, $4,000 for calendar years 2007 and 2008, and $5,000 for calendar year 2009 and thereafter (with adjustments for cost increases).

"(D) TRANSITION RULE.—For calendar years 2001 and 2002, the conditions specified in subparagraph (B)(ii) shall be treated as met if the Secretary of the Treasury certifies that coverage described in such subparagraph will be available as of January 1, 2003."

Mr. RANGEL (during the reading). Mr. Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. RANGEL) is recognized for 5 minutes in support of his motion.

Mr. RANGEL. Mr. Speaker, there has been a lot of talk today about bipartisanship. We do have unanimity on trying to remove an inequity that exists in the Tax Code. And we are fortunate that because the economy has been kinder to us that we can do something about it.

Bipartisanship to me means that the majority has to work with the minority and work with the President of the United States and not legislate and pass laws that they know that are going to be vetoed, but, rather, see how we can come together as Democrats and Republicans and do what is not best for our respective conventions but what is good for the people of the United States of America.

Mr. Speaker, to explain this more fully, I yield to the gentleman from Missouri (Mr. GEPHARDT), the distinguished minority leader, to close out the motion to recommit with a suggestion that would allow us to make law and not politics.

Mr. GEPHARDT. Mr. Speaker, it seems to me that today's debate on this bill is a chance for us to begin to talk about a compromise that will achieve a lot of the ends that our friends have on the other side of the aisle and a lot of the ends and goals that people on our side of the aisle have.

Our discomfort with their version of the bill is not about the fact that they are trying to deal with the marriage penalty. I think the vast majority of Members believe that we need to do something to fix this problem of the marriage penalty. We think there is a way to do this that costs a good deal less than the bill that they are presenting today. We say that with all respect and humility. We think there is a way to work our way to a common conclusion that will really attack this problem of the marriage penalty and cost about half, maybe a little less than half of what their bill costs.

We think that is important because at the end of this year, we are likely to be talking about a number of tax measures, some of which we have already voted on, others which we will vote on in the next weeks. The President sent to us, when he did his reestimate of the budget, this pie chart. This pie chart sets out $500 billion of the surplus in a reserve to frankly be decided by the next Congress and Congresses after that. We think that makes sense. But this budget also puts money into Medicare solvency and debt reduction, money into a Medicare prescription drug benefit plan, a lot like the one we presented 2 weeks ago, and $263 billion for targeted tax cuts.

If we do as much as they are asking to do today for the marriage penalty alone, it means other good tax cut ideas that there is a lot of support for will fall by the wayside. So we believe it is important that we try to work together to come to a series of ideas for tax cuts that we all can support that will fit within this budgetary $263 billion. Now, we further think their bill today is not giving the relief on the marriage penalty that we really need and that we hope that we can offer to people.

Finally, the President said 2 weeks ago that he understands the requirement and the desire on the part of Republicans to do something about the marriage penalty. He said he is more than happy to sit down and try to work out a marriage penalty reduction that he would sign this year. I think the same holds true of other tax cut ideas that have been presented. But in return for that, he wants to also be able to sit down to be able to get a Medicare prescription drug benefit plan that we all can agree with as part of settling these important issues.

Let me finally say that if you are suffering from the marriage penalty, you want relief now, this year, not next year. You do not want just a veto of a bill that results in nothing. If you are on Medicare prescription drugs, and you are having trouble paying for your prescriptions, you want relief now, this year, not next year.

My mother is 92 years old. She is doing great by the grace of God, but every time I go home, she says, What are you all doing on that Medicare prescription drug plan? I may not be alive next year.

I want to be able to tell her, We're going to get something done this year.

Let us work together. Vote for this motion to recommit. Let us work together to get this done for the American people.

□ 1500

The SPEAKER pro tempore (Mr. PEASE). Does the gentleman from Illinois (Mr. WELLER) claim the time in opposition to the motion to recommit?

Mr. WELLER. Mr. Speaker, I rise in opposition.

The SPEAKER pro tempore. The gentleman is recognized for 5 minutes.

Mr. WELLER. Mr. Speaker, with all due respect to my good friend, the ranking member of the Committee on Ways and Means, as well as the minority leader, I want to just say this, and that is today we are here to eliminate the marriage tax penalty. That is our goal today.

My friends on the other side of the aisle, they have offered reasons to vote against eliminating the marriage tax penalty, and let me give one pretty basic good reason to vote against the motion to recommit.

The motion to recommit, as designed by my friends on the Democratic side of the aisle, is designed to enact zero marriage penalty relief. The Joint Tax Committee, which is a bipartisan committee, has scored this as providing zero marriage tax relief.

With all due respect, I would point out that just 2 weeks ago this House enacted a good plan, a $40 billion plan, to provide prescription drug coverage for every senior who wants to have that coverage. That is a great accomplishment. My hope is we could do it in a bipartisan way. So my recommendation, of course, and I rise in opposition, is to vote to reject the motion to recommit.

Let us talk about the real issue that is before us today, and that issue is a basic goal of this Congress, and that is to bring about tax fairness. I represent a very diverse district, city, suburbs and country on the south side of Chicago and the south suburbs.

As I talk with my constituents, they often talk about their taxes. They complain not only are their taxes too high, but they are unfair and they are too complicated. They often ask a pretty basic question, and that is, is it right, is it fair, that under our Tax Code, that a married working couple, husband and wife, a two-income household, pay higher taxes just because they are married?

Mr. Speaker, they often ask the question, is it right, is it fair, that under our Tax Code 25 million married working couples pay on average $1,400 more in higher taxes? Often I have come to this well, and I have talked about who benefits from our effort to eliminate the marriage tax penalty.

The district I represent, 60,000 seniors, as well as working families, will benefit. I also want to introduce Shad and Michelle Hallihan. Many of you have seen Shad and Michelle Hallihan in their wedding photo. Well, that was about the time we introduced the legislation, and because of the delay in enacting this into law, Shad and Michelle Hallihan have since had a baby, and little Ben is now their pride and joy.

I would point out that for Shad and Michelle Hallihan, $1,400 is real money.

In Joliet, Illinois, for two public school teachers by the name of Shad and Michelle Hallihan, $1,400 is a year's tuition at a community college, 3 months of day care, it is a washer and a dryer, and, frankly, if we enact this into law over the next 17 years, they will be able to set aside almost $25,000 if they put that marriage tax penalty into little Ben's college fund. It is real money for real people.

I would point out that the Democratic motion to recommit denies marriage tax relief for good people like Shad and Michelle Hallihan. But our bipartisan proposal, identical to the proposal that received overwhelming bipartisan support earlier this year, will help working married couples like Michelle and Shad.

We help those who do not itemize by doubling the standard deduction to twice that for joint filers for single filers. We help those who itemize, people who own homes and give money to church and charity, by widening the 15 percent tax bracket. We help the working poor by providing marriage tax relief for those who participate in the earned income tax credit, and we also protect those who need the child tax credit from the alternative minimum tax.

The bottom line is we help every one of the 25 million married working couples who suffer the marriage tax penalty. And what is it all about? Today it is all about fairness, fairness for these 25 million married working couplings.

I want to extend an invitation to my friend on the other side of the aisle. February, when we passed this legislation, 48 House Democrats joined with every Member of the House to pass this legislation with overwhelming bipartisan support. I want to extend that invitation again today, to vote no on this motion to recommit, which provides zero marriage tax relief, and to vote yes on a bipartisan proposal that will.

We all know the President has changed his mind before. My hope is the President will join with us in a bipartisan proposal to eliminate the marriage tax penalty by signing this legislation into law when he receives it within the next 2 weeks.

Mr. Speaker, I ask Members, please vote no on the motion to recommit, please vote aye on our efforts, our bipartisan efforts, to eliminate the marriage tax penalty once and for all.

Mr. STARK. Mr. Speaker, I rise in support of the motion to recommit the bill.

I oppose the Republican so-called Marriage Penalty Relief Act because it fails to appropriately address the problem for which it is named. Instead of addressing the needs of families who pay an actual tax penalty for being married, this bill provides broad tax relief to a host of families who are actually already enjoying a marriage bonus. It makes no sense to squander $182 billion of our limited federal resources throwing money away in this manner. There are far more important federal priorities.

It is because of these other priorities that I rise in support of the Democratic motion to recommit. Under our motion to recommit, we would begrudgingly accept the Republican Marriage Penalty legislation, but the tax reductions would be prohibited from going into effect until a real Medicare prescription drug benefit was enacted.

Seniors are in vital need of a Medicare prescription drug benefit and the Republican sham bill passed here in the House of Representatives last month is no solution. Seniors aren't looking for the opportunity to be overcharged and under-provided for in another private insurance plan as would happen under the Republican bill.

Seniors want a drug benefit that is treated just like all of the rest of their benefits—as part of the Medicare program. They want a benefit that cannot be taken away, that will not vary if you live in a rural or urban area, that will not change if you live on the West Coast or in the mid-Atlantic states. It must offer a guaranteed benefit package and have an affordable premium and cost-sharing structure.

In order to achieve the standard of a real drug benefit, the Medicare bill must include: A voluntary outpatient prescription drug benefit; a premium of not more that $25 (adjusted for cost increases), with low-income assistance; no deductible for those benefits; the benefit must cover 50% of the cost up to $2,000 growing to $5,000 over time; a $4,000 out-of-pocket spending limit after which all costs would be covered by the government, and all Medicare beneficiaries would receive volume discounts.

Because providing seniors with a Medicare prescription drug benefit is such a vital national priority and because the Republican-led Congress clearly has no interest in passing a bill that meets the standards described above, we are willing to go along with this bloated marriage penalty tax bill.

Unfortunatley, I know that our motion to recommit will fail. Republicans would much rather continue pouring money into the pockets of their wealthy benefactors than address the real needs of America's seniors and their families.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. RANGEL. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 9 of rule XX, the chair will reduce to 5 minutes the minimum time for any electronic vote on the question of passage.

The Chair announces that he will reduce to 5 minutes a vote by electronic device, if ordered, on one motion to suspend the rules on which further proceedings de novo were postponed yesterday, which will immediately follow the vote on passage of H.R. 4810.

The vote was taken by electronic device, and there were—ayes 197, noes 230, not voting 7, as follows:

[Roll No. 391]

AYES—197

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barrett (WI)
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gejdenson
Gephardt
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Hastings (FL)
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Larson
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (VA)
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Phelps
Pickett
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Scott
Serrano
Sherman
Shows
Sisisky
Skelton
Slaughter
Snyder
Spratt
Stabenow
Stark
Strickland
Stupak
Tanner
Tauscher
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Waters
Watt (NC)
Waxman
Weiner
Wexler
Weygand
Wise
Woolsey
Wu
Wynn

NOES—230

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Biggert
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Castle
Chabot
Chambliss
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Crane
Cubin
Cunningham
Davis (VA)
Deal
DeLay
DeMint
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers

Ehrlich
Emerson
English
Everett
Ewing
Fletcher
Foley
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Green (WI)
Greenwood
Gutknecht
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones (NC)
Kasich
Kelly
King (NY)
Kingston
Knollenberg
Kolbe
Kuykendall
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
Martinez
McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Morella
Murtha
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Ose
Oxley
Packard
Paul
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Regula
Reynolds
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanford
Saxton
Scarborough
Schaffer
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Stearns
Stenholm
Stump
Sununu
Sweeney
Talent
Tancredo
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Toomey
Traficant
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

### NOT VOTING—7

Campbell
Carson
Chenoweth-Hage
Forbes
McNulty
Smith (WA)
Vento

☐ 1524

Mr. TANCREDO changed his vote from "aye" to "no."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. PEASE). The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

### RECORDED VOTE

Mr. WELLER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 269, noes 159, not voting 7, as follows:

[Roll No. 392]

### AYES—269

Aderholt
Archer
Armey
Bachus
Baird
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Berkley
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Boswell
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Capps
Castle
Chabot
Chambliss
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Cramer
Crane
Cubin
Cunningham
Danner
Davis (VA)
Deal
DeLay
DeMint
Diaz-Balart
Dickey
Doolittle
Doyle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Etheridge
Everett
Ewing
Fletcher
Foley
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (WI)
Greenwood
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (MT)
Hilleary
Hobson
Hoekstra
Holt
Hooley
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jenkins
John
Johnson (CT)
Johnson, Sam
Jones (NC)
Kasich
Kelly
King (NY)
Kingston
Knollenberg
Kolbe
Kuykendall
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (KY)
Lucas (OK)
Maloney (CT)
Manzullo
Martinez
Mascara
McCarthy (NY)
McCollum
McCrery
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
Metcalf
Mica
Miller (FL)
Miller, Gary
Mink
Moore
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Ose
Oxley
Packard
Pascrell
Paul
Pease
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Regula
Reynolds
Riley
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sandlin
Sanford
Saxton
Scarborough
Schaffer
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Spratt
Stabenow
Stearns
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Tauscher
Tauzin
Taylor (NC)
Terry
Thomas
Thompson (MS)
Thornberry
Thune
Tiahrt
Toomey
Traficant
Udall (CO)
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wise
Wolf
Wu
Young (AK)
Young (FL)

### NOES—159

Abercrombie
Ackerman
Allen
Andrews
Baca
Baldacci
Baldwin
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Blumenauer
Bonior
Borski
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capuano
Cardin
Clay
Clayton
Conyers
Coyne
Crowley
Cummings
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gejdenson
Gephardt
Gonzalez
Green (TX)
Gutierrez
Hall (OH)
Hastings (FL)
Hill (IN)
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Larson
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (NY)
Markey
Matsui
McCarthy (MO)
McDermott
McGovern
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Minge
Moakley
Mollohan
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sawyer
Schakowsky
Scott
Serrano
Sherman
Slaughter
Snyder
Stark
Stenholm
Strickland
Tanner
Taylor (MS)
Thompson (CA)
Thurman
Tierney
Towns
Turner
Udall (NM)
Velázquez
Visclosky
Waters
Watt (NC)
Waxman
Weiner
Wexler
Weygand
Woolsey
Wynn

### NOT VOTING—7

Campbell
Carson
Chenoweth-Hage
Forbes
McNulty
Smith (WA)
Vento

☐ 1532

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## SAMUEL H. LACY, SR. POST OFFICE BUILDING

The SPEAKER pro tempore. The unfinished business is the question de novo of suspending the rules and passing the bill, H.R. 4447.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. McHUGH) that the House suspend the rules and pass the bill, H.R. 4447.

The question was taken.

### RECORDED VOTE

Mr. WELLER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 412, noes 0, not voting 22, as follows:

[Roll No. 393]

AYES—412

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Calvert
Camp
Canady
Cannon
Capps
Capuano
Cardin
Castle
Chabot
Chambliss
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Doolittle
Doyle
Dreier
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Filner
Fletcher
Foley
Ford
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Packard
Pallone
Pascrell
Pastor
Paul
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaffer
Schakowsky
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—22

Armey
Callahan
Campbell
Carson
Chenoweth-Hage
Clay
Cook
Crowley
Dooley
Duncan
Ewing
Forbes
Green (WI)
Hansen
Horn
Lewis (CA)
McNulty
Oxley
Rangel
Smith (WA)
Terry
Vento

☐ 1540

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. HORN. Mr. Speaker, on rollcall No. 393, I was unavoidably absent on the work of my Subcommittee on Government Management and thus could not name the Baltimore Post Office in the honor of Samuel H. Lacy, Senior. Had I been present, I would have voted "aye."

## COMMUNICATION FROM CHAIRMAN OF THE COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Committee on Transportation and Infrastructure; which was read and, without objection, referred to the Committee on Appropriations and ordered to be printed:

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE, HOUSE OF REPRESENTATIVES,
*Washington, DC, June 22, 2000.*

Hon. J. DENNIS HASTERT,
*Speaker of the House,*
*Washington, DC.*

DEAR MR. SPEAKER: Enclosed are copies of resolutions adopted on June 21, 2000 by the Committee on Transportation and Infrastructure. Copies of the resolutions are being transmitted to the Department of the Army.

With kind regards, I am

Sincerely,

BUD SHUSTER,
*Chairman.*

Enclosures.

DOCKET 2635: ILLINOIS RIVER AT BEARDSTOWN, ILLINOIS

*Resolved by the Committee on Transportation and Infrastructure of the United States House of Representatives*, That the Secretary of the Army is requested to review the report of the Chief of Engineers on the Sid Simpson Flood Control Project, published as House Document 332, 81st Congress, 1st Session, and other pertinent reports to determine whether any modifications of the recommendations contained therein are advisable to address flood damage reduction, navigation, recreation, and related water resource needs on the Illinois River at Beardstown, Illinois.

DOCKET 2637: DUCK CREEK, OHIO

*Resolved by the Committee on Transportation and Infrastructure of the United States House of Representatives*, That the Secretary of the Army is requested to review the report of the Chief of Engineers on the Comprehensive Flood Control Plan for Ohio and Lower Mississippi Rivers published as House Document 1, 75th Congress, 1st Session, and other pertinent reports to determine whether any modifications to the recommendations contained therein are advisable to address flood damage reduction, environmental restoration and protection, and for other purposes in the Duck Creek watershed in Guernsey, Monroe, Noble, and Washington Counties, Ohio.

DOCKET 2638: DENVER COUNTY REACH, COLORADO

*Resolved by the Committee on Transportation and Infrastructure of the United States House of Representatives*, That the Secretary of the Army is requested to review the report of the Chief of Engineers on the South Platte River and Tributaries, Colorado, Wyoming, and Nebraska, published as House Document 669, 80th Congress, and other pertinent reports, in coordination with the City and County of Denver, and other interested Federal, State and local agencies, to determine whether any modifications of the recommendations contained therein are advisable at this time, with particular reference to the desirability of developing a comprehensive watershed plan for the utilization and conservation of water and related land resources along the Denver County reach of the South Platte River, Denver, Colorado, in the interest of flood control, regional water supply and waste management, water quality improvements, recreation, fish and wildlife restoration and preservation, wise use of floodplain lands, and other associated environmental enhancements and protections.

DOCKET 2639: ARAPAHOE COUNTY, COLORADO

*Resolved by the Committee on Transportation and Infrastructure of the United States House of Representatives*, That the Secretary of the

Army is requested to review the report of the Chief of Engineers on the South Platte River and Tributaries, Colorado, Wyoming, and Nebraska, published as House Document 669, 80th Congress, and other pertinent reports, in coordination with the County of Arapahoe, and other interested Federal, State and local agencies, to determine whether any modifications of the recommendations contained therein are advisable at this time, with particular reference to the desirability of developing a comprehensive watershed plan for the utilization and conservation of water and related land resources of the South Platte River Basin within the County of Arapahoe, Colorado, in the interest of flood control, regional water supply and waste management, water quality improvements, recreation, fish and wildlife restoration and preservation, wise use of floodplain lands, and other associated environmental enhancements and protections.

### DOCKET 2640: ADAMS COUNTY, COLORADO

*Resolved by the Committee on Transportation and Infrastructure of the United States House of Representatives*, That the Secretary of the Army is requested to review the report of the Chief of Engineers on the South Platte River and Tributaries, Colorado, Wyoming, and Nebraska, published as House Document 669, 80th Congress, and other pertinent reports, in coordination with the County of Adams, and other interested Federal, State and local agencies, to determine whether any modifications of the recommendations contained therein are advisable at this time, with particular reference to the desirability of developing a comprehensive watershed plan for the utilization and conservation of water and related land resources of the South Platte River Basin within the County of Adams, Colorado, in the interest of flood control, regional water supply and waste management, water quality improvements, recreation, fish and wildlife restoration and preservation, wise use of floodplain lands, and other associated environmental enhancements and protections.

### DOCKET 2641: VILLAGE OF FREEPORT, NEW YORK

*Resolved by the Committee on Transportation and Infrastructure of the United States House of Representatives*, That the Secretary of the Army is requested to review the report of the Chief of Engineers on Jones Inlet, New York, published as House Document 409, 77th Congress, 1st Session, and other pertinent reports to determine whether any modifications of the recommendations contained therein are advisable at the present time, in the interest of water resources development, including navigation, flood control, environmental restoration and protection, and other allied purposes for Freeport Creek, New York.

### DOCKET 2642: ST. LOUIS RIVERFRONT, MISSOURI AND ILLINOIS

*Resolved by the Committee on Transportation and Infrastructure of the United States House of Representatives*, That the Secretary of the Army is requested to review the report of the Chief of Engineers on the Mississippi River, between Coon Rapids Dam and the mouth of the Ohio River, published as House Document 669, 76th Congress, 3rd Session, and other pertinent reports to determine if improvements along the Mississippi River and its tributaries in St. Louis City, St. Louis County, and Jefferson County, Missouri, and Madison County, St. Clair County, and Monroe County, Illinois, are advisable at the present time, in the interest of public access, navigation, harbor safety, off-channel fleeting, intermodal facilities, water quality, environmental restoration and protection, and related purposes.

### DOCKET 2643: EASTCHESTER BAY, NEW YORK

*Resolved by the Committee on Transportation and Infrastructure of the United States House of Representatives*, That the Secretary of the Army is requested to review the report of the Chief of Engineers on the Eastchester Creek (Hutchinson River), New York, published as House Document 749, 80th Congress, 2nd Session, and other pertinent reports to determine whether modifications of the recommendations contained therein are advisable at the present time in the interest of storm damage reduction, flood control, environmental restoration and protection, and other related purposes at Eastchester Bay for Edgewater Park and surrounding communities.

### DOCKET 2644: PECKMAN RIVER AND TRIBUTARIES, NEW JERSEY

*Resolved by the Committee on Transportation and Infrastructure of the United States House of Representatives*, That the Secretary of the Army is requested to review the report of the Chief of Engineers on the Passaic River Mainstem project, New Jersey and New York, published as House Document 163, 101st Congress, 1st Session, and other pertinent reports to determine whether modifications of the recommendations contained therein are advisable at the present time, in the interest of water resources development, including flood control, environmental restoration and protection, stream bank restoration, and other applied purposes for the Peckman River and tributaries, New Jersey.

### DOCKET 2645: WHITE RIVER, WASHINGTON

*Resolved by the Committee on Transportation and Infrastructure of the United States House of Representatives*, That the Secretary of the Army is requested to review the report of the Chief of Engineers on the Upper Puyallup River, Washington, dated 1936, as referenced in the Flood Control Act of 1936 (P.L. 74–738), the Puget Sound and adjacent Waters Study, authorized by Section 209 of the Rivers and Harbors Act of 1962 (P.L. 87-874) and other pertinent reports to determine whether modifications to the recommendations contained therein are advisable, with references toward providing improvements in the interest of water resource and watershed issues affecting Lake Tapps and the White River Watershed downstream of Mud Mountain Dam, Washington.

### DOCKET 2646: ST. JOHNS COUNTY, FLORIDA

*Resolved by the Committee on Transportation and Infrastructure of the United States House of Representatives*, That in accordance with Section 110 of the River and Harbor Act of 1962, the Secretary of the Army, acting through the Chief of Engineers, is requested to survey the shores of St. Johns County, Florida, with particular reference to the advisability of providing beach erosion control works in the area north of St. Augustine Inlet, the shoreline in the vicinity of Matanzas Inlet, and adjacent shorelines, as may be necessary in the interest of hurricane protection, storm damage reduction, beach erosion control, and other related purposes.

### DOCKET 2647: MEDICINE LODGE AND SALT FORK RIVER BASINS, KANSAS

*Resolved by the Committee on Transportation and Infrastructure of the United States House of Representatives*, That the Secretary of the Army is requested to review the report of the Chief of Engineers on the Medicine Lodge and Salt Fork River Basins, published as House Document 758, 79th Congress, 2nd Session, and other pertinent reports to determine the feasibility of measures for improvements in the interest of flood control, water supply, recreation and allied purposes in vicinity of Kiowa, Kansas.

There was no objection.

## PROVIDING FOR CONSIDERATION OF H.R. 4811, FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 2001

Mr. DIAZ-BALART. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 546 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

### H. RES. 546

*Resolved*, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 4811) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2001, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. After general debate the bill shall be considered for amendment under the five-minute rule. When the reading for amendment reaches section 587, that section shall be considered as read. Points of order against provisions in the bill for failure to comply with clause 2 of rule XXI are waived except as follows: beginning with “: *Provided*” on page 11, line 23, through page 12, line 8; page 80, lines 18 through 24; page 121, line 1, through page 122, line 12. Where points of order are waived against part of a paragraph, points of order against a provision in another part of such paragraph may be made only against such provision and not against the entire paragraph. Before consideration of any other amendment to section 587, it shall be in order to consider, and to dispose of, an amendment to strike that section. During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 8 of rule XVIII. Amendments so printed shall be considered as read. The Chairman of the Committee of the Whole may: (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment; and (2) reduce to five minutes the minimum time for electronic voting on any postponed question that follows another electronic vote without intervening business, provided that the minimum time for electronic voting on the first in any series of questions shall be 15 minutes. During consideration of the bill, points of order against amendments for failure to comply with clause 2(e) of rule XXI are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

□ 1545

The SPEAKER pro tempore (Mr. BARRETT of Nebraska). The gentleman from Florida (Mr. DIAZ-BALART) is recognized for 1 hour.

Mr. DIAZ-BALART. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Ohio (Mr. HALL), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 546 is an open rule providing for the consideration of H.R. 4811, the Foreign Operations Appropriations Bill for fiscal year 2001.

The rule provides for 1 hour of general debate equally divided between the chairman and ranking minority member of the Committee on Appropriations.

The rule also waives points of order against provisions in the bill for failing to comply with clause 2 of rule XXI, prohibiting unauthorized appropriations and legislating in a general appropriations bill or prohibiting reappropriations in a general appropriations bill, except as specified by the rule.

The rule leaves exposed to points of order, two legislative provisions and one earmark restriction, areas under the jurisdiction of the Committee on International Relations.

The rule also waives points of order against amendments to the bill for failure to comply with clause 2(e) of rule XXI, prohibiting nonemergency designated amendments to be offered to an appropriations bill containing an emergency designation.

The rule also grants the chairman of the Committee of the Whole the authority to postpone votes and reduce voting time to 5 minutes provided that the first vote in a series is not less than 15 minutes.

Mr. Speaker, in addition, the rule provides that Members who have preprinted their amendments in the RECORD prior to their consideration will be given priority in recognition to offer their amendments, if otherwise consistent with House rules.

Finally, the rule provides one motion to recommit with or without instructions.

Mr. Speaker, this rule provides a fair approach for the consideration of the foreign aid appropriations bill.

One controversial area, which always lends itself to important debate on the floor involves family planning funds and their potential use for performing or promoting abortion, and the so-called Mexico City policy which prohibits U.S. assistance to foreign organizations that perform abortions, or engage in lobbying activities to change such laws.

While I am personally strongly pro-life, under the regular rules of the House, a Member will have the opportunity to strike the section in the bill related to the Mexico City policy and the full House will have an opportunity to debate and vote on this issue.

Although several Members requested waivers for legislative amendments, the Committee on Rules chose to report a standard, open rule without granting waivers to any amendments. So no particular area is given special consideration.

Mr. Speaker, I support this rule and also the underlying legislation. A lot of work has gone into it.

I am pleased to see that this is the 11th appropriations bill to come before the House, and that this bill is within the committee's budget allocation.

I think the pace of the work for the House this Congress has been truly remarkable. I think that the Speaker needs to be commended and congratulated especially for this, as well as all of those who have worked so hard in bringing forth the appropriations bills.

I want to thank the gentleman from Alabama (Chairman CALLAHAN) and the gentlewoman from California (Ms. PELOSI) for their hard work on this important bill. I urge adoption of both the rule and the underlying bill.

Mr. Speaker, I reserve the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to thank the gentleman from Florida (Mr. DIAZ-BALART) for yielding me the time.

Mr. Speaker, this is an open rule, which will allow for consideration of H.R. 4811, which is a bill that makes appropriations for foreign operations, as my colleague, the gentleman from Florida (Mr. DIAZ-BALART) has explained. This rule provides for 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations.

The rule will permit all Members on both sides of the aisle to offer amendments that are germane and that conform to the rules for appropriations bills.

Within the severe funding restraints placed on the Committee on Appropriations, the subcommittee made a number of positive choices for which I thank the gentleman from Alabama (Chairman CALLAHAN) and the gentlewoman from California (Ms. PELOSI).

The bill increases the child survival and disease programs fund to a level about $119 million more than last year's funding. This bill includes $110 million for UNICEF, the same as last year's level.

These programs continue to demonstrate a commitment to the most vulnerable of the world's population, the children. Their health and well-being represents the hope for the future of the world.

The committee report directs the agency for international development to consider initiating a school feeding program in Sierra Leone to boost nutrition and school attendance in this war-ravaged country. I recently returned with my colleague, the gentleman from Virginia (Mr. WOLF), from visiting Sierra Leone and we can assure my colleagues that this program is much needed.

The bill also contains funding for the global alliance for vaccines and immunizations. The lack of immunizations results in the death of about 8,000 children every day, and the funding in this bill will help close the gap between children who are immunized and those who are not.

Though there are some highlights in the bill, I am deeply troubled by the overall low funding levels. The bill cuts the President's requests by 12 percent. In fact, the overall funding is even lower than last year.

Mr. Speaker, cutting off foreign assistance in a time of enormous budget surpluses is irresponsible. It is unconscionable. Never before has the United States had so much wealth available to help the poorest of the world's poor. It is irresponsible to do so little when we have so much.

We can eliminate tuberculosis in the world and polio and cholera and so many things that we can do. We can save so many lives with a few dollars.

Most people in this country when we ask them how much money do they think we spend out of our total budget for foreign aid, most will say somewhere between 17 percent and 25 percent, when, in fact, all we are talking about today of foreign aid is less than 1 percent. And of the humanitarian part, it is less than one-half of 1 percent.

Our basic principles tell us that when we reap of financial windfall, we save some, we invest some, and we donate some to charity. Is that not what we teach our children?

As a Nation, we are going in the wrong direction. It is our obligation to help the needy, both in our own country and overseas. This is what a great Nation does.

I am especially disappointed over the low funding for debt relief. A number of developing nations are struggling to overcome crushing debts that they can never repay, and now is the time to reduce these debts. But instead, the bill slashes the President's request for debt-reduction programs by $180 million, more than two-thirds cut.

The cut comes on top of the failure by Congress to provide any of the President's request for $210 million in fiscal year 2000 supplemental appropriations.

Mr. Speaker, by turning our backs on the debtor nations, we are condemning them to carry impossible financial burdens. I am ashamed.

A number of amendments were proposed that would increase the funding levels for the most important foreign assistance programs, and these amendments required a waiver of the House rules; however, the Committee on Rules chose not to make any in order.

So that while this is an open rule, the amendments needed the most to improve the bill cannot be offered. There are so many things that my colleagues can say about this bill that it does not do.

As I said earlier, there are some good highlights, some good spending in it from the standpoint of child survival, but when it comes to debt relief and when it comes to development assistance, which has been cut by 50 percent since 1985, I remember when we had a budget that was around $19 billion, now the budget is below $12 billion. Egypt and Israel take half of it, and the rest goes to the poor.

We could do so much better. We could end hunger, feed people, save lives, end so many diseases that we have in the world today. Yet, we become a Congress that is parsimonious and it is just not right.

We need to do better, and if there is ever a Congress that could lead, ever a Congress that could be known for something that would be generous to our own country and overseas, it would be to lead in this area, to save lives.

So for all of these reasons and because the rule is restrictive, was very restrictive and I thought there were very good amendments that could have been offered and were not protected by the Committee on Rules, I believe this rule should be opposed, it ought to go down.

We ought to start over again. We can do better than this. We have a chance to save so many lives, and we are making a big mistake with this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. DIAZ-BALART. Mr. Speaker, we do not have any other speakers on our side of the aisle. We look forward to getting to the debate on the underlying legislation. It is a good bill. We have $13.340 billion in this bill for foreign aid, a lot of important programs we want to get to work on.

Mr. Speaker, I reserve the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I yield 4 minutes to the gentleman from New Jersey (Mr. PALLONE).

Mr. PALLONE. Mr. Speaker, many of my colleagues on the Democratic side of the aisle will address their concerns about the bill before us today, citing the cuts in funding to some of the poorest countries and to international financial institutions, and adoption of this so-called Mexico City language.

Mr. Speaker, I share many of these concerns and would urge my colleagues to oppose the rule. Mr. Speaker, I wanted to use my time to focus on some of the more positive aspects of this legislation with regard to Armenia.

These provisions are the result of the hard work of Members on both sides of the aisle, including both the distinguished chairman, the gentleman from Alabama (Mr. CALLAHAN) and the ranking Democrat, the gentlewoman from California (Ms. PELOSI), as well as the gentleman from Michigan (Mr. KNOLLENBERG), I see out there, and others.

Under the bill, the Republic of Armenia would receive 12.5 percent of the total account for the Independent States of the former Soviet Union, which translates into $92.5 million. While the dollar amount would represent a reduction from the $102.4 million in fiscal year 2000, the amount in the current bill actually represents a slight increase in the percentage of the IS act.

Given the fact that budgets are tight this year and the total level of assistance to the IS has been decreased, I appreciate the fact that the appropriators have recognized the need to continue our commitment to Armenia.

Mr. Speaker, Armenia is a nation that has continued on the path of democracy and free market economic reforms, despite daunting challenges both external and internal. Armenia continues to suffer the effects of blockades imposed by its neighbor to the west, Turkey, and to its neighbor to the east, Azerbaijan.

In addition, the tragic shooting last October from the Armenian parliament, claiming the life of both the prime minister and the speaker of the parliament, could have undermined Armenian democracy. But President Kocharian, who was our guest here on Capitol Hill just 2 weeks ago, took resolute and effective action to prevent the situation from unraveling, thereby keeping Armenian democracy on track.

Mr. Speaker, I also want to applaud the members of the subcommittee for maintaining section 907 of the Freedom Support Act, which restricts assistance to the government of Azerbaijan until that country lifts its blockades of Armenia and Nagorno Karabagh.

I also want to salute the subcommittee for providing funding for confidence-building measures to resolve the Nagorno Karabagh conflict, and also for language which urges the Secretary of State to move forthwith to appoint a high-level, long-term special negotiator to facilitate direct negotiations and any other contacts that will bring peace to the people of the Caucasus.

Finally, Mr. Speaker, I wanted to mention that as we get into the debate on the amendments to this bill, it is expected that our colleague, the gentleman from Indiana (Mr. BURTON), will offer one or more amendments to single out India for a punitive cut in development assistance. Similar attempts to stigmatize India have been defeated by increasingly lopsided bipartisan margins in recent years.

These amendments have been opposed by the chairman and the ranking members of the subcommittee, as well as the Committee on International Relations.

The arguments against the Burton amendment are stronger this year than they have ever been. In March, President Clinton completed the first visit to India by an American president in more than 20 years. India is the world's largest democracy with over a billion people.

Mr. Speaker, it is a country that has made tremendous progress in free-market economic reforms over the past decade. Cutting development aid to India will only serve to hamper America's efforts to reduce poverty, eradicate disease and promote broad-based economic growth in the world's second most populous nation.

□ 1600

Mr. Speaker, I urge my colleagues to continue Congress' long-standing bipartisan tradition of defeating ill-advised efforts to punish India through the Foreign Operations bill. I do not think this is the appropriate vehicle, and it is ill advised more than ever this year.

Mr. DIAZ-BALART. Mr. Speaker, I yield 7 minutes to the very distinguished gentleman from Michigan (Mr. KNOLLENBERG).

Mr. KNOLLENBERG. Mr. Speaker, I thank the gentleman from Florida for yielding me this time.

Mr. Speaker, I appreciate very much the opportunity to speak in support of the rule and of course this bill, H.R. 4811, the fiscal year 2001 appropriations bill for Foreign Operations, Export Financing and Related Programs.

I would like to begin by thanking the gentleman from Alabama (Chairman CALLAHAN), who I think, because of his leadership and determination in steering this bill through the legislative process, we have something that may draw some disdain from some, but I think it is a wholesome bill. It is a good bill.

This rule is obviously one calculated to bring about some debate that, in the end, will bring us a product that I think will be proper. It is never easy for a chairman to do that. I believe that the gentleman from Alabama (Chairman CALLAHAN), with his fairness and his leadership, and frankly an astonishing amount of patience, which he has done each year during this appropriations process, is something that we should make note of.

I also would like to thank the gentlewoman from California (Ms. PELOSI), the ranking member, who has provided leadership on many important issues and promoted, I think, her views with a great deal of energy and enthusiasm.

Of course, I would be lacking if I did not support and thank the staff for the great work that they have done, all of them. I note Mr. Shank and Mr. Flickner are two that have been extraordinarily helpful, and all of them have been very much involved in this process to bring about a bill that is drafted, I think, for success.

Mr. Speaker, this is a responsible bill that effectively allocates the foreign assistance that we have available while providing crucial support for our country's national security.

In the region of the former Soviet Union, this bill helps to strengthen our relationship with our friend and ally, Armenia. The U.S. relationship with Armenia is vital to our effort in promoting democratization, economic development, peace and stability in the independent states and particularly the Southern Caucasus.

This bill contains much-needed funding for Armenia as well as important language directing the administration without further delay to release the remainder of the $20 million provided in 1998 for the victims of the Nagorno-Karabagh conflict.

I believe we have produced a productive, positive approach that will facilitate peace in the Caucasus by emphasizing confidence-building measures which have been discussed among the parties at NATO and OSCE summits.

This bill also contains critical assistance to Lebanon. I successfully sponsored an amendment during full committee consideration with support on both sides to increase aid to Lebanon from $15 million to $18 million.

The withdrawal of Israeli forces, armed forces from South Lebanon, creates a great and immediate need for the U.S. and the international community to assist the people of that region. This additional funding will provide an important start by allowing USAID to expand its program in Southern Lebanon. However, I am hopeful that the U.S. will be able to provide a significant aid package to Lebanon in the near future to help rebuild its school, repair and rebuild its infrastructure, and further our goal of establishing a comprehensive lasting peace throughout the region. I look forward to working with the subcommittee on this effort.

This bill also provides important protections for our national security. Once again, conditions have been included on aid to North Korea through the Korean Energy Development Organization. Since 1994, when the United States and North Korea established KEDO and the Agreed Framework, the United States has upheld its commitments to North Korea.

I might add that North Korea is the biggest recipient of foreign aid from the U.S. in Eastern Asia and Southern Asia. However, hundreds of thousands of North Koreans have died from starvation while Pyongyang continues to divert our aid to their military.

North Korea has repeatedly antagonized its neighbors and threatened to launch ballistic missiles capable of hitting America. The conditions of KEDO contained in this bill are necessary to ensure North Korea is living up to its end of the bargain and uphold the national security of the United States.

I am also pleased there is language in this bill to prohibit the administration from implementing the Kyoto Protocol on climate change without first sending it to the Senate for advice and consent as required by the U.S. Constitution.

Both USAID and the State Department have attempted to pursue programs and activities solely contained in the Kyoto Protocol. I have documented these efforts in subcommittee hearing. I have also discussed this matter on numerous occasions with USAID administrator Brady Anderson.

Section 577 of this bill provides an appropriate balance by prohibiting the administration from engaging in activities specifically related to the provisions of the Kyoto Protocol, such as carbon emissions trading, while at the same time protecting the long-standing programs and activities within USAID which have been previously and specifically authorized by Congress.

Mr. Speaker, I urge all Members of the House to support this rule for what I think is a very responsible bill. The subject of foreign aid often sparks heated debate on this floor, but I hope all Members will unite behind this fair bill and what I believe to be a good rule to maintain U.S. leadership and strengthen our influence across the globe.

I ask for Members on both sides of the aisle to support the rule and the bill.

Mr. HALL of Ohio. Mr. Speaker, I yield 4 minutes to the gentleman from Indiana (Mr. VISCLOSKY).

Mr. VISCLOSKY. Mr. Speaker, I appreciate the gentleman from Ohio (Mr. HALL) yielding me this time.

Mr. Speaker, I want to reference language that is contained in this bill that is identical to language included in the Agriculture appropriations bill that was offered as amendment No. 58 by the gentleman from Michigan (Mr. KNOLLENBERG), who just spoke relative to the Kyoto Protocol.

I would like to follow up my remarks made during the floor debate on the Agriculture appropriations bill. I was supportive of the amendment offered by the gentleman from Michigan (Mr. KNOLLENBERG) and as agreed to by myself and other Members.

I also agree with the gentleman's characterization of the language as identical to the provision offered on Energy and Water and as contained in this bill today. Essentially, it is also the same language as contained in the VA-HUD and CJS appropriations bills.

However, I would adamantly disagree with one of the gentleman's characterizations of the provision, both in his statement relative to the Agriculture bill as well as to his statement just made now relative to his use of the word "specifically." They do not reflect our agreement with the statutory language that is now contained in the Agriculture bill and in this bill.

I would note for the RECORD that the word "specifically" is not used in terms of authorization in the bill language in this legislation. The assertion of the gentleman from Michigan (Mr. KNOLLENBERG) that activities must be specifically authorized from my perspective is not correct. There are many activities that the administration engages in that fall within generally authorized activities.

He has stated that he has no intention of disrupting these constitutional authorities or the ability of the administration to negotiate the climate change treaty or to engage developing countries in a manner consistent with Senate Resolution 98, for instance; and yet his characterization in the RECORD that activities must be specifically authorized is not reflective of the statutory language that was agreed upon and adopted by this House.

Additionally, the gentleman from Michigan has stated in the past that the United Nations Framework Convention, which was ratified by the United States Senate in 1992, requires specific implementing legislation for programs or initiatives. That is also, from my perspective, not correct. A ratified treaty carries the weight of law. The U.S. has many obligations and commitments that it agreed to under this ratified treaty and that are authorized without "specific implementing legislation" beyond the treaty. No one, I believe, can reinterpret the law or a treaty by making statements for the RECORD.

Finally, there are many programs and activities that are funded by the Congress and carried out by the administration that are not "specifically authorized" by Congress. I am very concerned about the use on the floor.

The gentleman's use of the word "specifically authorized" in his floor remarks, for example, could include voluntary nonregulatory programs or initiatives to reduce greenhouse gases, programs that also reduce energy bills, improve the Nation's energy security, and reduce local air pollutants.

I do want to make it clear that, again, I agree with the language contained in this bill, in the Agriculture bill, the Energy and Water bill, as well as CJS and VA-HUD.

I would note that the word "specifically" is not included in any of the report language and is not included in any of the bill language, and I would not want there to be confusion about the use of this word.

Mr. DIAZ-BALART. Mr. Speaker, I reserve the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I yield 5 minutes to the gentlewoman from California (Ms. PELOSI). She is the ranking minority member on the Subcommittee on Foreign Operations, Export Financing and Related Programs. She is a great advocate for people hurting in our country and around the world.

Ms. PELOSI. Mr. Speaker, I thank the gentleman for yielding me this time, and I thank him for his very impressive leadership on issues of concern to people in need throughout the world.

Mr. Speaker, today we are going to consider a bill that is very, very important because it will define how Congress sees our leadership role in the world.

Unfortunately, we will not have the fullest of debates on the bill because of this rule that we have before us. So I, with great reluctance and great respect for the gentleman from Florida (Mr. DIAZ-BALART), who is presenting the rule, rise in opposition to it. I do so for the following reasons:

The bill that we will consider later today, if this rule passes, is seriously deficient in the resources to match the responsibilities of our great Nation. In the past, I have tried to be cooperative, and if it was a close call, come down on the side of moving the process along. But this bill is a hollow shell. The only remedy we would have had is if the Committee on Rules would have allowed some amendments to be in order which would have helped correct some of the deficiencies in the bill.

The Committee on Rules did not allow any of the amendments to be in order. These amendments would have addressed the serious concern that many Members in this House have about international debt relief. Several of us had amendments to redress the lack in the bill.

One that I had proposed would have called for an increased funding of $390 million to bring the total in the bill up to the President's request for the supplemental and for the next fiscal year of approximately $470 million.

My request was for the Committee on Rules to allow us to have this amendment come to the floor under emergency designation. There is already precedent in the bill that will be considered later.

The distinguished gentleman from Alabama (Mr. CALLAHAN), the chairman of our committee, placed in the bill funding for storm relief in Mozambique and Southern Africa; and that money, we are very grateful that that money is in there. It was really put in under the leadership of the gentlewoman from Michigan (Ms. KILPATRICK). That money survived the process. We are grateful for that. It did also establish a precedent which is emergency designation within this particular appropriations bill.

Indeed, the debt relief is an emergency. We have a situation where several of the highly impoverished countries are suffering under oppressive burdens of debt. Some of them pay more on their debt each year than they do for education or for health care for their people.

Many of these debts have been incurred by previous regimes and now these countries have to bear that burden and are unable to lift themselves up and enjoy for their people some of the benefits of the more democratic systems that they have entered into.

So the bill contains only $82 million of the $472 million in pending requests for debt relief, and we have no opportunity to address that under emergency designation. The bill contains only $2 million of $244 million that we wanted for AIDS, global AIDS issues. At the same time as the whole world of those interested in HIV/AIDS is converging, on Durban, South Africa, in conference on how to deal with this pandemic that is afflicting the world and especially Africa and Asia at the same time we are deprived of having an amendment to acknowledge that emergency with a $40 million emergency designation. The rule does not allow that. I must oppose that rule.

□ 1615

And then there is the oppressive language on international family planning. The President had requested $541 million. The bill puts in $285 million with the stipulation that if the oppressive language is in there and the waivers are used, that is reduced by over $12 million, down to $372 as opposed to $541 that the President has requested. So the number is too low, the language is a gag rule, and we were not allowed to have an amendment.

The Greenwood-Lowey amendment was not made in order so that this House could work its will. It was not a question of changing policy, it was a question of having this opportunity within this House of Representatives to have a clean vote on that. In the past, our chairman has provided that the bill would come to the floor clean of any language relating to Mexico City and the House would then work its will. This year is different. It contains the oppressive language with no remedy allowed in the rule.

And so I must oppose this rule, urge my colleagues to do so, and also to oppose the bill that may follow.

Mr. HALL of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland (Mr. WYNN).

Mr. WYNN. Mr. Speaker, I thank the gentleman for yielding me this time. I rise in strong opposition to the rule and the underlying bill on foreign operations.

I say this notwithstanding what I recognize to be a great deal of hard work on the part of the chairman and the ranking member, and notwithstanding what I think are very good provisions regarding aid to Armenia. But the sad fact is that this bill is another case in which our rhetoric far exceeds our actions. We talk a great deal about helping poor countries, but when we look specifically at the issue of debt relief, we find that we have provided a level of funding that is woefully inadequate.

This bill contains only $82 million of the $472 million requested for multilateral debt relief assistance. I mention that because this debt relief is not the United States going it alone, this debt relief is in the context of working with the G–7 countries, the major developed countries in the world, who have made a commitment to provide debt relief jointly to sub-Saharan Africa and other developing countries.

Why is this problem so bad? For example, consider Tanzania. The government spends four times as much money on debt payments as it does on health and education combined. In Uganda, Zambia, Nicaragua, and Honduras, the government spending on debt service is greater than government spending on health and education combined. These countries cannot develop under this crushing burden of debt.

I would also mention that debt relief is not conducted in a vacuum. It is tied to democratization. It is tied to economic reforms. These reforms have been occurring, but these countries still need debt relief.

Probably most crucial today, however, in today's debate, is this simple fact. Twenty-two million have died in sub-Saharan Africa of AIDS. The crisis in sub-Saharan Africa is pandemic. We have a situation in which those countries cannot provide the health care that they need to, the education about AIDS that they need to because they are providing debt service, debt service which basically provides money going from the poorest countries back to the wealthiest countries.

We have an opportunity to exert leadership, to say to the world that, working in concert with other developed countries, we are going to provide debt relief, to put some action behind our rhetoric, to provide relief for AIDS, and to provide general debt relief so poorer countries can develop and progress.

Mr. Speaker, I urge rejection of the rule and the underlying bill.

Mr. HALL of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. HASTINGS).

Mr. HASTINGS of Florida. Mr. Speaker, I thank the gentleman for yielding me this time. Firstly, let us have it clearly understood that foreign assistance is an aid to America, it is not a hindrance.

When we came to Congress, those of us in 1992, we spent $18 billion in America on foreign assistance. Now we propose in this measure less than $12 billion. Overall, the bill cuts programs which benefit Africa and Latin America by 15 percent. The bill also cuts nonproliferation, anti-terrorism, demining, and related programs by 32 percent from the administration's request, and it cuts 27 percent from funding for Eastern Europe and the Baltic states.

Mr. Speaker, I just returned from a CODEL to Bucharest, Romania, led by the gentleman from New Jersey (Mr. SMITH) and Senator GEORGE VOINOVICH, along with the gentleman from Maryland (Mr. HOYER) and the gentlewoman from New York (Ms. SLAUGHTER) and several others of us. There we met with more than 350 parliamentarians representing 54 countries. And let me tell my colleagues that the whole week we were there we were touting the leading role that the United States plays in the world. Frankly, I hope none of our colleagues from those parliamentary bodies are watching the procedures in this House today, because I am embarrassed.

Setting aside the procedural problems with this rule, the fact that several amendments that would make this bill stronger have been disallowed, the underlying bill itself is weak to the point of impotency. We tout ourselves as being one of the most charitable nations in this world, and yet this bill appropriates less than 20 percent of the President's request for debt relief. This level of funding will deny relief to some countries, such as Mozambique and Bolivia, who have already met the conditions necessary to obtain debt relief. In addition, this low level of funding would seriously jeopardize the highly indebted poor country initiative because it may lead other bilateral donors to reduce their contributions.

Defeat this rule and defeat this bill.

Mr. HALL of Ohio. Mr. Speaker, I yield 2 minutes to the gentlewoman from New York (Mrs. LOWEY).

Mrs. LOWEY. Mr. Speaker, I rise in strong opposition to this unfair rule. The foreign operations appropriations bill is one of the most important pieces of legislation we will consider this year.

It is up to this Congress to provide the resources that are adequate to maintain the United States' leadership in the international community. That is why I am deeply disappointed that this rule denies a voice to some key constituencies in this Congress and denies the House the opportunity to respond to some of the most urgent global needs.

For instance, this rule denies Congress the opportunity to debate our amendment to eliminate the anti-democratic Mexico City language that is already included in the bill. The very same amendment passed the House last year during the debate over foreign operations. I am outraged that we are prohibited from even letting the House express its will on this issue and have a free and fair debate.

This rule also denies Congress the opportunity to respond adequately to the global AIDS crisis. Our ranking member, the gentlewoman from California (Ms. Pelosi), sought to offer an amendment increasing funding for the AIDS crisis and giving these funds an emergency designation. Our administration has made it clear that the AIDS crisis is a national security emergency, and former Treasury Secretary Robert Rubin called it the biggest impediment to economic development in Africa.

How can we, as the international health community gathers in Durban, South Africa to discuss this pandemic, turn our backs on this crisis? Debt relief has been severely underfunded, and the committee denied the gentlewoman from California (Ms. WATERS) and others the opportunity to designate this important funding as an emergency.

As developing nations are crushed under the burden of mounting debt, unable to devote the necessary resources to the health and education of their people, we continue to deny this funding. Without this relief, my colleagues, we are dooming countries that have tried hard to break the cycle of poverty to repeat this cycle indefinitely.

Extreme poverty worldwide is an emergency. We should have been able to designate it as such, and I urge my colleagues to join me in opposing the rule.

Mr. HALL of Ohio. Mr. Speaker, I yield 2 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Speaker, first of all, let me thank the gentleman from Ohio (Mr. HALL), a member of the Committee on Rules, and to express to him the value of his contributions to end world hunger and his leadership on this issue.

Let me also comment on the chairman and the ranking member of this subcommittee, realizing that in many instances they have worked together on issues, and I particularly thank the members of the subcommittee the gentlewoman from California (Ms. PELOSI), the gentlewoman from Michigan (Ms. KILPATRICK), and others on that committee that have worked so hard on the issue of HIV/AIDS internationally.

I rise to indicate that I wish in addition to having an open rule, that points of order on certain very vital issues could have been waived. It is clear that if this Nation wants to continue living in peace, then we must encourage world peace and world economic order. With regard to foreign aid, foreign assistance, this appropriations bill is an investment in our peace. And until we go home to our districts and explain what foreign aid is all about, we will continue with this mismatched debate on the floor of the House providing for legislation that does not do its job.

One in five South Africans are HIV positive and are dying. The reason they are dying is because there is no access to the prescription drugs at a cost that they can deal with that we have the privilege of having in this Nation. A population that is dying cannot build its Nation, cannot raise its children, and cannot provide economically for itself. Simple as that. When a Nation crumbles under its own weight, its own burden of debt, its own health problems, it impacts the very citizens in our respective locations where we come from. The comfort of being able to go to a doctor, to be educated, even though we have our own problems, is hurt by the fact that the world is hurting.

To not provide the dollars that are needed for debt relief adds additionally to the burden of the United States of America and its citizens. A simple investment of the amount of monies that are necessary to provide this debt relief would be an investment for our safety and our security.

I would hope that when we debate this bill that we will find it in our hearts, Mr. Speaker, to pass amendments that will remedy the problems in this bill and truly invest in world peace and world order.

Mr. HALL of Ohio. Mr. Speaker, I yield myself such time as I may consume to just say that this bill is very inadequate, and I want really the people that listen in and watch the Congress in action, because so many people are under the misunderstanding that we spend so much of our total budget on foreign aid, to understand that the fact is that is not true.

If we put everything together, including aid to Israel and Egypt, of our total budget it is less than 1 percent that goes for foreign aid. Most people across the country think that we spend somewhere between 17 and 25 percent of our total budget on foreign aid. We have done polls on it. A lot of our elected officials run against foreign aid and they tell people we spend too much money, but the fact is it is less than 1 percent.

In our own country the bottom 2½ to 3 percent of our people live in great poverty, whether it is in the cities or in Appalachia or in other parts. As a matter of fact, they rank as low as any people of the poorest of the poor in the Third World countries. The first thing this Congress ought to do is take care of that problem.

Now, this bill does not have anything to do with that, but if Congress was going to be known for anything, and I would love to see this someday, I would love to be part of a Congress that someday said we are going to take care of our poor. They are going to be fed and they are going to have shelter and they are going to have clean water. And then we could take some of this tremendous surplus that we have and forget about giving these multibillion dollar giveaways on tax cuts to so many people and start helping some people live, to eat, to be immunized, to pay for debt, to have development assistance so they can help themselves.

For every dollar we invest overseas, we get $2.37 back. This is not a bad deal for us. Economically it is a good deal, if we want to consider it just on economic terms.

☐ 1630

But this budget is inadequate. We can do better. Hopefully some day, and I do not know if I will be around, I would like to be part of a Congress that ends hunger, that ends disease. We can end tuberculosis, we can end cholera and we can end polio and so many of the diseases in the world. We have the ability.

So, with that, I apologize to my colleagues for going on and on and on. They have heard me give this speech many times, but it needs to be said over and over again.

Mr. DIAZ-BALART. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman from Ohio (Mr. HALL), for whom I have great respect, and also all the Members who have spoken this afternoon on this issue.

I know that there is always more money that could be spent. There are always more things that could be done by Government. But I am not ashamed of what the American people, through their Congress, do in foreign aid.

We are spending $13.340 billion. That is $13,340 billion in this bill for assistance for peoples in other countries, for the poor and the needy in other countries. I think that is something that the American people have to be very proud of and that is something in the tradition of generosity of the American people. And so, I support this legislation. I thank all of those who have worked so hard on it, especially the gentleman from Alabama (Chairman CALLAHAN).

Mr. Speaker, I urge at this point support also for this rule, which will bring to the floor the legislation for consideration of debate in an open rule permitting any amendment that is germane and pursuant to the House rules.

So I support this rule. I urge my colleagues to vote for it.

Mr. VISCLOSKY. Mr. Speaker, there is language contained in this bill that is identical to language included in the Agriculture Appropriations bill as amendment #58 by Mr. KNOLLENBERG relating to the Kyoto Protocol.

I would like to follow up my remarks on the floor, during deliberations on the Agricultural Appropriations bill. I was supportive of the amendment offered by Mr. KNOLLENBERG, and as agreed to by myself and other members. I agree fully with Mr. KNOLLENBERG's characterization of the language as identical to the provision adopted on Energy and Water, and contained in the Foreign Operations bill, and essentially the same as on VA/HUD and CJS.

However, I would disagree with one of Mr. KNOLLENBERG's characterizations of the provision, both in his remarks made on the floor, and as submitted for the RECORD. They do not reflect our agreement or the statutory language which is now contained in the Agricultural Appropriations bill and the other bills mentioned.

Mr. KNOLLENBERG's assertion that activities must be specifically authorized is incorrect. There are many activities that the administration engages in that fall within generally authorized activities. Mr. KNOLLENBERG has stated that he has no intention of disrupting these constitutional authorities, or the ability of the administration to negotiate the climate change treaty or to engage developing countries in a manner consistent with Senate Resolution 98, for instance. And yet, his characterization in the RECORD that activities must be specifically authorized is not reflected in the statutory provision that was agreed upon and adopted.

Additionally, he stated that the United Nations Framework Convention, which was ratified by the United States after consent by the Senate in 1992, requires specific implementing legislation for programs or initiatives. That is also incorrect. A ratified treaty carries the weight of law, and the United States has many obligations and commitments that it agreed to under this ratified treaty, and that are authorized without "specific implementing legislation" beyond the treaty. No one can reinterpret the law by making statements on the floor.

Finally, there are many programs and activities that are funded by the Congress, and carried out by the administration, that are not "specifically authorized" by Congress. For example: Mr. KNOLLENBERG's characterization made on the floor using the word "specifically"—which is not contained in this bill, the Agriculture, Energy and Water, or VA-HUD bills, implies that some regulatory and nonregulatory programs that have bipartisan support and that save money for businesses and consumers, help the environment, and improve public health would have to be rolled back.

Mr. KNOLLENBERG's use of the word "specifically" authorized in this floor remarks would include voluntary, non-regulatory programs or initiatives to reduce greenhouse gases—programs that also reduce energy bills, improve the nation's energy security, and reduce local air pollutants. Let me be clear. The language in this bill and those mentioned before very deliberately does not include the word "specifically" and I wanted to ensure for the record that the gentleman's floor characterization does not represent our agreement on this issue and it is not the congressional intent in this bill.

The language included in this bill does not do anything to interfere with valuable research, existing programs, or ongoing initiatives designed to carry out the United States' voluntary commitments under the 1992 Climate Change Convention."

Mr. DIAZ-BALART. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. BARRETT of Nebraska). Without objection, the previous question is ordered on the resolution.

There was no objection.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. HALL of Ohio. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 225, nays 199, not voting 10, as follows:

[Roll No. 394]

YEAS—225

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Biggert
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Castle
Chabot
Chambliss
Coble
Coburn
Collins
Combest
Cook
Cox
Crane
Cubin
Cunningham
Davis (VA)
Deal
DeLay
DeMint
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ewing
Fletcher
Foley
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Green (WI)
Greenwood
Gutknecht
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (MT)
Hilleary
Hobson
Hoeffel
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones (NC)
Kasich
Kelly
King (NY)
Kingston
Knollenberg
Kolbe
Kuykendall
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
Martinez
McCollum
McCrery
McHugh
McInnis
McIntosh
McIntyre
McKeon
Metcalf
Mica
Miller (FL)
Miller, Gary
Moore
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Ose
Oxley
Packard
Paul
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich

Ramstad
Regula
Reynolds
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanford
Saxton
Scarborough
Schaffer
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Stearns
Stump
Sununu
Sweeney
Talent
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Toomey
Traficant
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NAYS—199

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Barrett (WI)
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gejdenson
Gephardt
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Hastings (FL)
Hill (IN)
Hilliard
Hinchey
Hinojosa
Holden
Holt
Hooley
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E.B.
Jones (OH)
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Larson
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Minge
Mink
Moakley
Mollohan
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Phelps
Pickett
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Scott
Serrano
Sherman
Shows
Sisisky
Skelton
Slaughter
Snyder
Spratt
Stabenow
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Waters
Watt (NC)
Waxman
Weiner
Wexler
Weygand
Wise
Woolsey
Wu
Wynn

NOT VOTING—10

Campbell
Carson
Chenoweth-Hage
Clay
Cooksey
Forbes
Matsui
McNulty
Smith (WA)
Vento

□ 1652

Mrs. THURMAN, Mr. MALONEY of Connecticut and Mr. CRAMER changed their vote from "yea" to "nay."

Mr. EHLERS changed his vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. CALLAHAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 4811, and that I may include tabular and extraneous material.

The SPEAKER pro tempore (Mr. BARRETT of Nebraska). Is there objection to the request of the gentleman from Alabama?

There was no objection.

## FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 2001

The SPEAKER pro tempore. Pursuant to House Resolution 546 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4811.

□ 1655

### IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4811) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2001, and for other purposes, with Mr. THORNBERRY in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Alabama (Mr. CALLAHAN) and the gentlewoman from California (Ms. PELOSI) each will control 30 minutes.

The Chair recognizes the gentleman from Alabama (Mr. CALLAHAN).

Mr. CALLAHAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am pleased to bring to the floor today H.R. 4811, the fiscal year 2001 Appropriations Act for Foreign Operations, Export Financing and Related Programs. I urge all Members to support this bill.

The Committee on Appropriations has recommended a bill with total discretionary spending of $13.281 billion. This compares to an enacted level, excluding emergency spending and including scoring adjustments, of $13.432 billion. The President requested $15.132 billion for the programs funded through this bill. In short, the bill responsibly reduces foreign aid spending by $151 million below fiscal year 2000 and by $1.8 billion below the President's fiscal year 2001 budget request.

Mr. Chairman, there are those including the ranking member the gentlewoman from California (Ms. PELOSI) who are disappointed in some of the funding levels for specific programs and activities covered by this bill. I sympathize with them, but we have a 302(b) allocation that limits us to the spending in this bill, and I have no choice but to live within that level. While it is true that the pending bill significantly cuts foreign aid spending below what the President has requested, I disagree with the rhetoric that we may hear today about the bad things that this bill does. Let me be clear: this bill preserves U.S. national interests and maintains American commitments abroad.

The bill increases funding above last year's level for a number of critical initiatives which support U.S. national interests and which help to achieve America's humanitarian goals. These include increasing the child survival account by $119 million to a total of $834 million. Mr. Chairman, we receive more requests, more letters of support about the child survival than any other single issue in this bill.

I know my colleagues will be pleased to hear that we have made such a significant increase once again in this crucial child survival account.

We are increasing HIV/AIDS funding by $27 million, up to $202 million; nonproliferation and antiterrorism programs by $25 million, up to $241 million; increasing the fund for Ireland by $5.4 million, up to $25 million; increasing the Peace Corps by $13 million, up to $258 million; and increasing refugee programs by $20 million, up to $657 million.

□ 1700

In addition, the pending bill fully funds the President's request for economic and military assistance for Israel, Egypt and Jordan; and this includes an increase of $60 million in military assistance for Israel. Indeed, 39 percent of the funds in this bill, or over $5.2 billion, will be available and be provided to the Middle East.

Let me just comment once again about the controversy that has been discussed in the last several months about the Phalcon sale by Israel to China. As of this morning, as I announced earlier on the floor, the Israeli government contacted me by telephone and told me Mr. Barak had requested that I be informed and that the Congress be informed that the Phalcon sale to China has been stopped. I think that is a tremendous step in the right direction, and I applaud the decision of the prime minister in making this decision.

I know many Members of the House have expressed to me and shared in my concern and yet were concerned about the possibility of a lengthy debate. So since that has been consummated and our objective has been fulfilled, there will be no need to discuss that reduction in the early disbursal account for Israel.

Further, this bill continues to support American involvement in Africa and Latin America. H.R. 4811 ensures at least $1.55 billion for sub-Saharan Africa for development of humanitarian programs next year. In addition, thanks to the efforts of the gentlewoman from Michigan (Ms. KILPATRICK), a member of our subcommittee, we have included funds urgently needed for Mozambique, Madagascar, and southern Africa; and the committee directs that development funding for Latin America be no less than the fiscal year 2000 amount.

Finally, Mr. Chairman, the pending bill benefits American business by increasing funding for the Export-Import Bank and provides central funding for OPIC, the Overseas Private Investment Corporation, and for the U.S. Trade and Development Agency. In addition, the bill, thanks to the efforts of one of our colleagues from Ohio, retains longstanding Buy America requirements and protection for American jobs.

I urge Members today to read the editorial in the Washington Post entitled "An Unobserved War." It states that "not much notice is paid in the West these days to the war in Chechnya."

Unfortunately, the Post is largely correct. While we hear many of our colleagues from the other side complain about various aspects of this bill, I doubt that you will hear any of them complain about the Clinton-Gore administration's deafening silence about Chechnya. According to recent press reports, Russian military actions in that area are even more brutal than what we had previously thought, including the rape, torture and murder of innocent civilians.

The committee is not silent on this issue, however. No funds may be made available to the government of Russia if that government continues to violate the Treaty on Conventional Armed Forces in Europe due to the deployment of its military forces in Chechnya. This sends two messages: one, that Russia should live up to its treaty commitments with the West; and, two, that it should end its military campaign in Chechnya.

Mr. Chairman, the balance of the bill is good. Without question, there is room for improvement, and I expect some modifications will be made during the process; but I encourage Members to support its passage today.

Mr. Chairman, I include the following chart for the RECORD, which details the funding provided in this bill, as well as a copy of the Washington Post editorial of July 12, 2000.

## FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS BILL, 2001
## (H.R. 4811)
## (Amounts in thousands)

| | FY 2000 Enacted | FY 2001 Request | Bill | Bill vs. Enacted | Bill vs. Request |
|---|---|---|---|---|---|
| TITLE I - EXPORT AND INVESTMENT ASSISTANCE | | | | | |
| EXPORT-IMPORT BANK OF THE UNITED STATES | | | | | |
| Subsidy appropriation | 759,000 | 963,000 | 825,000 | +66,000 | -138,000 |
| (Direct loan authorization) | (1,350,000) | (960,000) | (960,000) | (-390,000) | |
| (Guaranteed loan authorization) | (10,400,000) | (15,040,000) | (15,040,000) | (+4,640,000) | |
| Administrative expenses | 55,000 | 63,000 | 62,000 | +7,000 | -1,000 |
| Negative subsidy | -15,000 | -15,000 | -15,000 | | |
| Total, Export-Import Bank of the United States | 799,000 | 1,011,000 | 872,000 | +73,000 | -139,000 |
| OVERSEAS PRIVATE INVESTMENT CORPORATION | | | | | |
| Noncredit account: | | | | | |
| Administrative expenses | 35,000 | 39,000 | 37,000 | +2,000 | -2,000 |
| Insurance fees and other offsetting collections | -303,000 | -283,000 | -283,000 | +20,000 | |
| Subsidy appropriation | 24,000 | 24,000 | 24,000 | | |
| (Direct loan authorization) | (130,000) | (127,000) | (127,000) | (-3,000) | |
| (Guaranteed loan authorization) | (1,000,000) | (1,000,000) | (1,000,000) | | |
| Total, Overseas Private Investment Corporation | -244,000 | -220,000 | -222,000 | +22,000 | -2,000 |
| TRADE AND DEVELOPMENT AGENCY | | | | | |
| Trade and development agency | 44,000 | 54,000 | 46,000 | +2,000 | -8,000 |
| Total, title I, Export and investment assistance | 599,000 | 845,000 | 696,000 | +97,000 | -149,000 |
| (Loan authorizations) | (12,880,000) | (17,127,000) | (17,127,000) | (+4,247,000) | |
| TITLE II - BILATERAL ECONOMIC ASSISTANCE | | | | | |
| FUNDS APPROPRIATED TO THE PRESIDENT | | | | | |
| Agency for International Development | | | | | |
| Child survival and disease programs fund | 715,000 | 659,250 | 834,000 | +119,000 | +174,750 |
| UNICEF | (110,000) | | (110,000) | | (+110,000) |
| Development assistance | 1,228,000 | 948,822 | 1,258,000 | +30,000 | +309,178 |
| Development Fund for Africa | | 532,928 | | | -532,928 |
| International disaster assistance | 202,880 | 220,000 | 165,000 | -37,880 | -55,000 |
| Transition Initiatives | | | 40,000 | +40,000 | +40,000 |
| Micro & Small Enterprise Development program account: | | | | | |
| Subsidy appropriation | 1,500 | | 1,500 | | +1,500 |
| (Guaranteed loan authorization) | (30,000) | | (30,000) | | (+30,000) |
| Administrative expenses | 500 | | 500 | | +500 |
| Urban and environmental credit program account: | | | | | |
| Subsidy appropriation | 1,500 | | | -1,500 | |
| (Guaranteed loan authorization) | (14,000) | | | (-14,000) | |
| Administrative expenses | 5,000 | | | -5,000 | |
| Development credit programs account: | | | | | |
| Subsidy appropriation | | | 1,500 | +1,500 | +1,500 |
| (By transfer) | (3,000) | (15,000) | (2,000) | (-1,000) | (-13,000) |
| (Guaranteed loan authorization) | (40,000) | (213,000) | (49,700) | (+9,700) | (-163,300) |
| Administrative expenses | | 8,000 | 6,495 | +6,495 | -1,505 |
| Subtotal, development assistance | 2,154,380 | 2,369,000 | 2,306,995 | +152,615 | -62,005 |
| Payment to the Foreign Service Retirement and Disability Fund | 43,837 | 44,489 | 44,489 | +652 | |
| Operating expenses of the Agency for International Development | 520,000 | 520,000 | 509,000 | -11,000 | -11,000 |
| Operating expenses of the Agency for International Development Office of Inspector General | 25,000 | 27,000 | 27,000 | +2,000 | |
| Total, Agency for International Development | 2,743,217 | 2,960,489 | 2,887,484 | +144,267 | -73,005 |
| Other Bilateral Economic Assistance | | | | | |
| Economic support fund: | | | | | |
| Camp David countries | 1,695,000 | 1,535,000 | 1,535,000 | -160,000 | |
| Other | 650,500 | 778,000 | 673,900 | +23,400 | -104,100 |
| Subtotal, Economic support fund | 2,345,500 | 2,313,000 | 2,208,900 | -136,600 | -104,100 |
| Emergency funding | 450,000 | | | -450,000 | |
| International Fund for Ireland | 19,600 | | 25,000 | +5,400 | +25,000 |
| Assistance for Eastern Europe and the Baltic States | 535,000 | 610,000 | 535,000 | | -75,000 |
| Assistance for the Independent States of the former Soviet Union | 839,000 | 830,000 | 740,000 | -99,000 | -90,000 |
| Total, Other Bilateral Economic Assistance | 4,189,100 | 3,753,000 | 3,508,900 | -680,200 | -244,100 |
| INDEPENDENT AGENCIES | | | | | |
| Inter-American Foundation | | | | | |
| Appropriation | | 20,000 | | | -20,000 |
| (By transfer) | (5,000) | | (10,000) | (+5,000) | (+10,000) |
| Total | (5,000) | (20,000) | (10,000) | (+5,000) | (-10,000) |
| African Development Foundation | | | | | |
| Appropriation | | 16,000 | | | -16,000 |
| (By transfer) | (14,400) | | (16,000) | (+1,600) | (+16,000) |
| Total | (14,400) | (16,000) | (16,000) | (+1,600) | |
| Peace Corps | | | | | |
| Appropriation | 245,000 | 275,000 | 258,000 | +13,000 | -17,000 |

### FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS BILL, 2001
### (H.R. 4811)—Continued
### (Amounts in thousands)

| | FY 2000 Enacted | FY 2001 Request | Bill | Bill vs. Enacted | Bill vs. Request |
|---|---|---|---|---|---|
| Department of State | | | | | |
| International narcotics control and law enforcement | 305,000 | 312,000 | 305,000 | .......... | -7,000 |
| Assistance to Plan Colombia | .......... | 256,000 | .......... | .......... | -256,000 |
| Migration and refugee assistance | 625,000 | 658,212 | 645,000 | +20,000 | -13,212 |
| United States Emergency Refugee and Migration Assistance Fund | 12,500 | 20,000 | 12,500 | .......... | -7,500 |
| Nonproliferation, anti-terrorism, demining and related programs | 216,600 | 346,740 | 241,600 | +25,000 | -105,140 |
| Total, Department of State | 1,159,100 | 1,592,952 | 1,204,100 | +45,000 | -388,852 |
| Department of the Treasury | | | | | |
| International affairs technical assistance | 1,500 | 7,000 | 2,000 | +500 | -5,000 |
| Debt restructuring | 123,000 | 262,000 | 82,400 | -40,600 | -179,600 |
| United States community adjustment and investment program | 10,000 | 10,000 | .......... | -10,000 | -10,000 |
| Subtotal, Department of the Treasury | 134,500 | 279,000 | 84,400 | -50,100 | -194,600 |
| Total, title II, Bilateral economic assistance | 8,470,917 | 8,896,441 | 7,942,884 | -528,033 | -953,557 |
| Appropriations | (8,020,917) | (8,896,441) | (7,942,884) | (-78,033) | (-953,557) |
| Emergency funding | (450,000) | .......... | .......... | (-450,000) | .......... |
| (By transfer) | (22,400) | (15,000) | (28,000) | (+5,600) | (+13,000) |
| (Loan authorizations) | (84,000) | (213,000) | (79,700) | (-4,300) | (-133,300) |
| TITLE III - MILITARY ASSISTANCE | | | | | |
| FUNDS APPROPRIATED TO THE PRESIDENT | | | | | |
| International Military Education and Training | 50,000 | 55,000 | 52,500 | +2,500 | -2,500 |
| Foreign Military Financing Program: | | | | | |
| Grants: | | | | | |
| Camp David countries | 3,220,000 | 3,280,000 | 3,280,000 | +60,000 | .......... |
| Other | 200,000 | 258,200 | 230,000 | +30,000 | -28,200 |
| Subtotal, grants | 3,420,000 | 3,538,200 | 3,510,000 | +90,000 | -28,200 |
| (Limitation on administrative expenses) | (30,495) | (33,000) | (30,495) | .......... | (-2,505) |
| Total, Foreign Military Financing | 3,420,000 | 3,538,200 | 3,510,000 | +90,000 | -28,200 |
| Emergency Funding | 1,375,000 | .......... | .......... | -1,375,000 | .......... |
| Special Defense Acquisition Fund: Offsetting collections | -6,000 | .......... | .......... | +6,000 | .......... |
| Peacekeeping operations | 153,000 | 134,000 | 117,900 | -35,100 | -16,100 |
| Total, title III, Military assistance | 4,992,000 | 3,727,200 | 3,680,400 | -1,311,600 | -46,800 |
| (Limitation on administrative expenses) | (30,495) | (33,000) | (30,495) | .......... | (-2,505) |
| TITLE IV - MULTILATERAL ECONOMIC ASSISTANCE | | | | | |
| FUNDS APPROPRIATED TO THE PRESIDENT | | | | | |
| International Financial Institutions | | | | | |
| World Bank Group | | | | | |
| Contribution to the International Bank for Reconstruction and Development: Global Environment Facility | 35,800 | 175,567 | 35,800 | .......... | -139,767 |
| Contribution to the International Development Association | 775,000 | 835,570 | 576,600 | -198,400 | -258,970 |
| Contribution to Multilateral Investment Guarantee Agency | 4,000 | 16,000 | 4,900 | +900 | -11,100 |
| (Limitation on callable capital subscriptions) | (20,000) | (80,000) | (24,500) | (+4,500) | (-55,500) |
| Total, World Bank Group | 814,800 | 1,027,137 | 617,300 | -197,500 | -409,837 |
| Contribution to the Inter-American Development Bank: | | | | | |
| Paid-in capital | 25,611 | .......... | .......... | -25,611 | .......... |
| (Limitation on callable capital subscriptions) | (1,503,719) | .......... | .......... | (-1,503,719) | .......... |
| Contribution to the Inter-American Investment Corporation | 16,000 | 34,000 | 8,000 | -8,000 | -26,000 |
| Contribution to the Enterprise for the Americas Multilateral Investment Fund | .......... | 25,900 | 10,000 | +10,000 | -15,900 |
| Total, contribution to the Inter-American Development Bank | 41,611 | 59,900 | 18,000 | -23,611 | -41,900 |
| Contribution to the Asian Development Bank: | | | | | |
| Paid-in capital | 13,728 | .......... | .......... | -13,728 | .......... |
| (Limitation on callable capital subscriptions) | (672,745) | .......... | .......... | (-672,745) | .......... |
| Contribution to the Asian Development Fund | 77,000 | 125,000 | 72,000 | -5,000 | -53,000 |
| Total, contribution to the Asian Development Bank | 90,728 | 125,000 | 72,000 | -18,728 | -53,000 |
| Contribution to the African Development Bank: | | | | | |
| Paid-in capital | 4,100 | 6,100 | 3,100 | -1,000 | -3,000 |
| (Limitation on callable capital subscriptions) | (64,000) | (95,983) | (49,574) | (-14,426) | (-46,409) |
| Contribution to the African Development Fund | 128,000 | 100,000 | 72,000 | -56,000 | -28,000 |
| Total | 132,100 | 106,100 | 75,100 | -57,000 | -31,000 |
| Contribution to the European Bank for Reconstruction and Development: | | | | | |
| Paid-in capital | 35,779 | 35,779 | 35,779 | .......... | .......... |
| (Limitation on callable capital subscriptions) | (123,238) | (123,238) | (123,238) | .......... | .......... |

## FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS BILL, 2001
## (H.R. 4811)—Continued
## (Amounts in thousands)

| | FY 2000 Enacted | FY 2001 Request | Bill | Bill vs. Enacted | Bill vs. Request |
|---|---|---|---|---|---|
| Contribution to the International Fund for Agricultural Development | | | 5,000 | +5,000 | +5,000 |
| Total, International Financial Institutions | 1,115,018 | 1,353,916 | 823,179 | -291,839 | -530,737 |
| (Limitation on callable capital subscript) | (2,383,702) | (299,221) | (197,312) | (-2,186,390) | (-101,909) |
| International Organizations and Programs | | | | | |
| Appropriation | 183,000 | 354,000 | 183,000 | | -171,000 |
| (By transfer) | (2,500) | (2,500) | | (-2,500) | (-2,500) |
| Total, title IV, Multilateral economic assistance | 1,298,018 | 1,707,916 | 1,006,179 | -291,839 | -701,737 |
| (By transfer) | (2,500) | (2,500) | | (-2,500) | (-2,500) |
| (Limitation on callable capital subscript) | (2,383,702) | (299,221) | (197,312) | (-2,186,390) | (-101,909) |
| TITLE VI - SOUTHERN AFRICA REHABILITATION AND RECONSTRUCTION | | | | | |
| FUNDS APPROPRIATED TO THE PRESIDENT | | | | | |
| Agency for International Development | | | | | |
| Economic support fund (FY 2000, emergency appropriations) | | 183,000 | | | -183,000 |
| International disaster assistance: | | | | | |
| FY 2000 emergency appropriations | | 10,000 | | | -10,000 |
| FY 2000 Contingent emergency appropriations | | | 160,000 | +160,000 | +160,000 |
| Operating expenses of the Agency fo International Development (FY 2000, emergency appropriations) | | 7,000 | | | -7,000 |
| Total, title VI, FY 2000 emergency appropriation | | 200,000 | 160,000 | +160,000 | -40,000 |
| Grand total | 15,359,935 | 15,376,557 | 13,485,463 | -1,874,472 | -1,891,094 |
| Appropriations | (13,534,935) | (15,176,557) | (13,325,463) | (-209,472) | (-1,851,094) |
| Emergency appropriations | (1,825,000) | | | (-1,825,000) | |
| FY 2000 emergency appropriations | | (200,000) | (160,000) | (+160,000) | (-40,000) |
| (By transfer) | (24,900) | (17,500) | (28,000) | (+3,100) | (+10,500) |
| (Limitation on administrative expenses) | (30,495) | (33,000) | (30,495) | | (-2,505) |
| (Limitation on callable capital subscript) | (2,383,702) | (299,221) | (197,312) | (-2,186,390) | (-101,909) |
| (Loan authorizations) | (12,964,000) | (17,340,000) | (17,206,700) | (+4,242,700) | (-133,300) |
| CONGRESSIONAL BUDGET RECAP | | | | | |
| Total mandatory and discretionary | 13,775,935 | 15,176,557 | 13,325,463 | -450,472 | -1,851,094 |
| Mandatory | 43,837 | 44,489 | 44,489 | +652 | |
| Discretionary | 13,732,098 | 15,132,068 | 13,280,974 | -451,124 | -1,851,094 |

[From the Washington Post, July 12, 2000]

AN UNOBSERVED WAR

Not much notice is paid in the West these days to the war in Chechnya. This is not, as you might think, because the war is over, although Russian officials have declared victory on any number of occasions. It is rather because the facts of the war are inconvenient. Inconvenient for Russia's leaders, who have done everything possible to keep reporters and aid workers from observing the misery there, and inconvenient for U.S. and European leaders, who want to cozy up to Russian President Vladimir Putin.

It's not that the war is a secret. The foreign minister of Chechnya's elected government, who was in Washington a few weeks ago, spoke—to those who would listen; the Clinton administration had little time for him—of the terrible hardship experienced by hundreds of thousands of Chechens rendered homeless by Russian bombs and artillery. Many are trapped in the southern mountains, he said, where most of the fighting now takes place. Chechen and Russian civilians also are often the victims of retaliatory bombings attributed to Chechen fighters. On Sunday, Post correspondents Sharon LaFraniere and Daniel Williams reported on a Russian command post in the Chechen town of Urus-Martan that has become a torture chamber. Many civilians have been raped, brutalized and killed there, according to reliable eyewitness testimony. "They beat us because we are Chechens," a beating victim told the Post.

That reflects the kind of ethnic hatred President Clinton denounced so eloquently, and fought against with such tenacity, in Kosovo. He's had less to say about Russia's assault on the Chechen people. But Mr. Clinton's reticence looks statesmanlike next to the fawning friendship German Chancellor Gerhard Schroeder has bestowed on Mr. Putin. This week European Union foreign ministers released $55 million in aid to Russia that they had frozen last December to protest the war. What's changed since then? The Chechen capital of Grozny is still in ruins, the bombing continues, the Russians have yet to credibly investigate or punish a single case of torture. But the war is no longer on television.

In 10 days Mr. Clinton and other leaders of top industrialized countries will meet with Mr. Putin in Japan at the annual G–8 summit. If the leaders express forceful and public disapproval of Russia's abuses, Mr. Putin might believe there is some cost to continuing human rights violations. If they smile and shake hands as if all is well, they will highlight their own hypocrisy while betraying the hapless Chechens and the few Russian human rights activists campaigning in their behalf.

Mr. Chairman, I reserve the balance of my time.

Ms. PELOSI. Mr. Chairman, I yield myself 4½ minutes.

Mr. Chairman, I reluctantly rise in opposition to this legislation before us today. I first want to commend our distinguished chairman, the gentleman from Alabama (Mr. CALLAHAN), on the manner in which the bill was put together. Unfortunately, because it is seriously deficient in the funding level, and I believe that has resulted in some skewered priorities in the bill, I cannot support it and cannot urge a vote of yes on it.

Mr. Chairman, I just want to say for the purpose of starting this debate on this bill, which everyone knows is a statement of the importance we place on our leadership role in the world, this bill of $13.3 billion is well below the President's request of $15.1 billion. The President's request was less than 1 percent of the entire budget. The entire budget is $1.8 trillion. If we had a pie chart here, this amount in this bill would be just a line, a sliver, a hair, a thread, whatever is smaller, of our national budget. It is just less than 1 percent. Yet the Republican majority could not see fit to meet the President's request, so I must oppose the bill. I will say why.

The bill, I think to make judgment about it we should consider what is the vision of the bill, what is the knowledge it is based on, what is the plan it proposes, how does it respond to the spirit of the American people. I think it fails in every respect.

I am led by President Kennedy's words. Anyone who knows American history knows that in his inaugural address President Kennedy said to the citizens of America, "Ask not what your country can do for you, but what you can do for your country." Everyone knows that. But everyone does not know that the very next line in that speech, which I heard as a student here in Washington, D.C., in the very next line President Kennedy said to the citizens of the world, "Ask not what America can do for you, but what we can do working together for the freedom of mankind."

That, I think, should be the vision and the spirit of this legislation, that what we put forward should give some of the benefits of democratization, some economic benefits to these emerging democracies. But this bill does not enable that to happen.

As far as knowledge is concerned, we are blessed in this House of Representatives by the diversity of our membership. Members of our Congressional Black Caucus and of our Hispanic Caucus and the Asian Pacific American Caucus know and understand the cultures and politics of many of the countries that we would hope to cooperate with in this bill. They have been a tremendous intellectual resource to us, and yet we have not listened to them or heeded their call for increased funding, for example, for international debt relief, or increased funding for global AIDS, or other initiatives that we can take to help these countries. It is about cooperation. It is not necessarily about just assistance.

So we have ignored the vision, we have ignored the knowledge, and what is the plan? We have a plan. We have a definite plan. As far as debt relief, for example, is concerned, Jubilee 2000 is an international ecumenical religious and lay community initiative to relieve international debt. Others will talk about the fact that many countries are paying more on their debt payments than they are on education and health services in their countries. This is a travesty. We should be doing something about it, at the same time as we are not alleviating poverty and we are exacerbating the AIDS crisis.

In addition to the vision, the knowledge, the plan that we are ignoring, we are also ignoring the spirit of the American people, a compassionate people who want to alleviate poverty, stop the starvation of children throughout the world, recognize our interdependence in terms of health issues, infectious diseases and environmental degradation internationally.

So we are ignoring the heart, the head, and the knowledge of this great congress with its diversity, and I think that this is the last time we will ever see a bill that looks like this, because we must assert the influence of our diversity on this legislation.

Mr. Chairman, I urge a "no" vote on this legislation.

Mr. Chairman, I reserve the balance of my time.

Mr. CALLAHAN. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Illinois (Mr. PORTER), a member of our subcommittee.

Mr. PORTER. Mr. Chairman, I want to thank the gentleman from Alabama for his excellent work in developing this bill. He has written an outstanding bill with extremely scarce resources provided to him, and he and his staff have worked very hard to meet the numerous concerns of many Members, including this Member. Since the gentleman from Alabama took over the helm of the Subcommittee on Foreign Operations, he and his staff have shown great patience in addressing so many of my concerns and those of other subcommittee members, and all of us truly appreciate this. It has been a great pleasure and an honor to serve as a member of his subcommittee and under his outstanding leadership.

In particular, I am pleased with language in this bill and report supporting the furtherance of the peace process among Armenia, Nagorno-Karabagh, and Azerbaijan. The region has been in a fragile state since the tragic event at the Armenian Parliament last October, but it appears that talks have resumed among the parties; and I hold out hope for a peace agreement.

As indicated in the committee's report, I feel that a special negotiator is of critical importance in making progress on the peace process. It is vital that the State Department provide for a long-term special negotiator to follow through on this process. As Presidents Kocharian and Aliyev hopefully resume face-to-face discussions, I hope that the United States will do everything possible to facilitate a lasting peace in this region.

I am grateful, too, for the committee's recommendation concerning Tibet. Tibet remains a desperately poor region, with the majority of its economic development targeted at the ethnic Chinese residing in the region. It is critically important that programs which support the Tibetans and their culture continue to be funded.

I also support the committee's recommendation of $15 million for Cyprus. I am encouraged that Mr. Denktas and President Clerides are engaged in talks in New York this month. It is critical that as Turkey's EU candidacy is considered, the reunification of this island nation must be addressed, and the U.S. should continue to work to facilitate peace.

I am also pleased with the committee's continued insistence on limiting Guatemala and Indonesia to expanded-IMET. After the violence which raged in East Timor last fall, the high number of refugees that remain in West Timor and the volatile situation on the island as well as the violence which continues in various regions of Indonesia, it is critical that the United States does not restart military-to-military relations with Indonesia at this time.

I am also pleased as well with the committee's attention and support of environmental and women's issues within the development assistance account.

Finally, I strongly support the committee's funding aid for Israel. It is a critical time in the peace negotiations with respect to Israel and the Middle East, and I believe that it is imperative that the United States continue to support the peace process and provide the environment in which final agreements can be reached.

However, having said all of this, and these items I support very strongly, I am very concerned about the overall funding level. The United States continues to enjoy the strongest economy ever, and yet the money we spend on foreign assistance continues to shrink.

Today our country has arrived at the point of being the strongest, most economically productive nation on Earth, and yet we are shunning strong support and leadership in promoting and supporting our values in other parts of the world. This bill is vastly underfunded. How much more we could do to promote and protect democracy, human rights, the rule of law and free markets with a strong commitment of resources in this area?

Again, however, on the whole, I support the bill and the excellent work of my colleague, the gentleman from Alabama (Chairman CALLAHAN). He was presented with a very difficult task, and has succeeded in rising to the challenge.

Ms. PELOSI. Mr. Chairman, I am pleased to yield 4 minutes to the gentlewoman from Michigan (Ms. KILPATRICK), a very valued member of the Subcommittee on Foreign Operations, Export Financing and Related Programs.

Ms. KILPATRICK. Mr. Chairman, I thank our ranking member for yielding me this time.

Mr. Chairman, I rise reluctantly to oppose the foreign operations bill. I just want to speak just a moment on it. In 1992, this bill was $18 billion, at a time when our country was suffering major deficits. We were funding this bill at $18 billion and doing a better part as a leader in the world with countries around the world.

The President requested $15 billion for this 2001 appropriation, and I am sad to say that the bill before us is only $13.6 billion. We are the leaders of the world. We have a surplus that we never thought we would see, over $1 trillion over the next decade.

□ 1715

Surely, the leaders of the world, the United States of America, can share, and we want to share our tax dollars with those countries around the world because, as we say all the time, this is a global economy. We can be around the world in two or three clicks. God has blessed our country, and certainly we are in a position today to do better than the low funding that this foreign operations bill brings to us today.

Mr. Chairman, HIV/AIDS. Today in Durbin, South Africa and for the last 5 days, people from around the world have been discussing, how do we attack the pandemic. What must we do to make life available for Africa, for India, and for the former Newly Independent States who are seeing a burst of the illness and disease devastate their families, their countries, and their very being. This bill does not do its part for being the leader in the world. The President recommended $240 plus million. This bill has much less than that, and it is a travesty. We can do more.

We know now from our own country's experience with HIV and AIDS that prevention and education are the key to keeping the disease in control. We can do better and we ought to do better. Treatment for HIV, we know from our own experience with the disease in our country, that we can treat it, that one can live longer with it. So education, prevention and treatment are available to us. Why, then, is not the richest country in the world doing its part to make sure that we take care of the USA, of course, but also do our part around the world.

Mr. Chairman, I want to thank the gentleman from Alabama (Mr. CALLAHAN), the chairman of the subcommittee, for his hard work. I want to thank him for sticking with it and making certain of the commitment that he and the gentleman from Florida (Mr. YOUNG), the chairman of the full committee, made to fund Mozambique and that it does include $160 million, and I appreciate the gentleman's leadership for sticking with it when sometimes others did not want to stick with it. Mozambique has shown that they are head and shoulders above many other poor countries in the world and that they are doing their part, and I thank the gentleman very much for the appropriation that he has in this bill for Mozambique.

I also want to thank the gentleman for the Phalcon sale, for seeing that it is eliminated. Prime Minister Barak, who is visiting our country today and trying to work out a peace agreement, and we all support peace in the Middle East, has withdrawn that sale, and I think the gentleman's tenacity as well as all of the Members of the Congress have made it possible that that sale has now been rejected and is off the table in our own self-interests and the interests around the world.

Debt relief. There is no reason why we cannot do better with debt relief. Mr. Chairman, $82 million at a time when we have unparalleled surpluses, we can do better. This is the year of Jubilee. The Bible says that we ought to forgive debt. It has happened over and over again in other times in our existence, in the existence of human beings in this world, and today we can do that as well.

IDA, International Development Assistance, a very important program that we have where we assist other countries in the world. But this bill cuts IDA over $100 million from last year's appropriation. Over 30 percent of IDA has been cut. We are the leaders of the world. We have been blessed to be born in this country.

I know that the gentleman from Alabama (Mr. CALLAHAN) and the gentlewoman from California (Ms. PELOSI) have done their best. We can do better. I urge a no vote on this bill.

Mr. CALLAHAN. Mr. Chairman, I yield myself such time as I may consume.

I would just like to share with my colleagues the procedure that we go through to arrive at this day, and that is, number one, we have a budget resolution and the budget resolution says we must protect Social Security, Medicaid and Medicare. We must do certain things, but in order to do that, we cannot outspend a certain level.

So they give to the Committee on Appropriations to our distinguished chairman, the gentleman from Florida (Mr. YOUNG) a designated amount of maximum expenditures that we can appropriate. So the chairman of the Committee on Appropriations then sits down and tries to divide the money in such a fashion that it will be fair to all areas of government, to the housing needs of the people of this country, to the medical needs of the people of this country, to the Defense Department in order that we can have a viable national defense.

When he allocated the money to us, $13.2 billion, that is as much as we can spend. All of the rhetoric we hear today, Mr. Chairman, would indicate that we are not doing a responsible job in the division of the money that has been allocated to us. But Mr. Chairman, I think we have done a very responsible job. Each and every request that we got, not only from our Republican colleagues, but from my colleagues on the other side of the aisle, each and every request was considered, and a great majority of those requests were granted. We have directed the administration to do exactly what they wanted.

So now they come and say, well, it is not enough money for HIPC, for debt forgiveness for the impoverished nations. Maybe they are right. Maybe it is an insufficient amount of money. But just because President Clinton sends us a message to send $15 billion, it is not quite that simple, Mr. Chairman.

Mr. Chairman, I want to tell my colleagues that we have worked with both sides of the aisle, with the gentlewoman from California, with all of the members of the subcommittee, to try to bring to this floor a responsible bill that lives within the allocated funds that have been given to us. I regret that there are not more funds. Maybe they are right. Maybe less than 1 percent of the total budget is an inadequate amount. But we made the decision months ago that we were not going to interfere with Social Security, that we were not going to interfere with the solvency of Medicare, that we were not going to interfere with Medicaid, that we were going to do certain things; and now we have to live with what we decided in March. That is where we are today.

Mr. Chairman, I reserve the balance of my time.

Ms. PELOSI. Mr. Chairman, I am very pleased to yield 4 minutes to the very distinguished gentleman from Chicago (Mr. JACKSON), a member of the subcommittee.

Mr. JACKSON of Illinois. Mr. Chairman, I rise to commend the gentleman from Alabama (Mr. CALLAHAN) and the gentlewoman from California (Ms. PELOSI) and other members of the Subcommittee on Foreign Operations on the work that they have done on this bill. I want to especially thank the chairman and ranking member for working with me in subcommittee to improve some sections of the bill with respect to Africa and those countries that are not as fortunate as the United States. However, if the U.S. is to maintain its position as a global leader, we ought to act like one and assist those countries that are most in need.

We should create opportunities and spread stability throughout the world by combating infectious disease and poverty and working for conflict resolution, enhancing democratization and fostering the conditions for economic growth; that is in our national interests.

However, this year's budget for this bill for which the chairman just spoke is below the President's request and below the fiscal year 2000 enacted level. Moreover, I am deeply disappointed and disturbed that this subcommittee did not get more money to help demonstrate its leadership abroad, especially in some of the accounts that fund Africa and Latin America.

In this bill, Africa would receive about $97 million less than last year and $267 million less than the President's request. In percentage terms, funds for Africa are cut by 14.6 percent, while the overall cut to this bill is 10 percent below the President's request. Africa does receive funds from other accounts like the Economic Support Fund, the Foreign Military Financing, the International Monetary and Education and Training, and Debt Relief. However, inclusion of those figures would show a greater reduction from the request as cuts have been made in all of those accounts.

While the overall request has been reduced by 10 percent, the amounts requested to address the problems of debt relief in Africa and Latin America, the spread of HIV/AIDS in Asia and Africa, poverty alleviation and access to family planning have been cut disproportionately.

Consider this: the bill contains only $82 million of the $472 million in pending requests for debt relief and a moratorium for countries who receive debt relief from obtaining new loans. It will not even provide enough resources to enable two countries, Bolivia and Mozambique, who have all met necessary conditions to obtain debt relief. On Monday, the Wall Street Journal said, "One year after President Clinton and other world leaders vowed to write off $50 billion in debt owed by deserving poor nations, that effort is in danger of collapsing, largely because Congress, this subcommittee, has not paid the share of the U.S. tab." That is quite disgraceful.

The bill contains only $202 million of the $244 million requested to combat HIV/AIDS. The staggering impact of this disease on health and development of affected nations has made it imperative that the U.S. provide more resources to combat the pandemic. In fact, so serious is the AIDS crisis in Africa that the U.S. has declared it a national security threat.

The bill before us reduces funding for lending to poor countries by drastically cutting funding for the International Development Association, the African Development Bank and Fund, and the Asian Development Fund by 32 percent below the requested levels.

Overall cuts to all programs in the bill which benefit Africa and Latin America are 15 percent.

The $541 million requested for family planning programs has been cut to $385 million, which is 29 percent below requested levels. The bill also contains objectionable language on the Mexico City policy, which seeks to impose undemocratic restrictions on foreign organizations.

Recently, Congress passed, and the President signed, a bill signaling a new relationship with Africa. To make this relationship a reality, we need to put our money where our mouth is. Additional funding needs to be made and provided for the African Development Fund and the African Development Bank and the Development Fund, for Africa needs to be made into a separate development assistance account.

Many nations on the continent of Africa are making unprecedented progress towards democratic rule and open markets, and with the Development Fund for Africa included as a separate account, funding would be assured to remain focused on the long-term problems and development priorities of our African partners.

Although there have been many concerns in the past about management of the African Development Bank, I know that strides have been made. I feel it is unwise to completely underfund the bank at this time when they are working diligently to address the management problems. I am encouraged that the African Development Fund received an allocation, however.

Mr. Chairman, in turning our attention to some of the more important regions of the world, we should not turn our back on others.

Mr. CALLAHAN. Mr. Chairman, I yield myself such time as I may consume.

I do not have before me the percentage of increase that we have provided for the continent of Africa during my tenure as chairman of this committee, but I would remind the gentleman from Illinois that this year, we appropriate more than $1.5 billion for sub-Saharan Africa. I think that under the circumstances of the limited allocation we have, and in response, a great deal, to the request that the gentleman from Illinois has made, that we have provided to sub-Saharan Africa a sufficient amount. I wish we had more, but we do not have more.

Mr. Chairman, I yield 4 minutes to the gentlewoman from New York (Mrs. LOWEY).

Mrs. LOWEY. Mr. Chairman, with great respect for our chair and our ranking member, who both wish they had more for this bill, frankly, I rise in disbelief that we are here, once again, debating a foreign aid bill that is woefully underfunded. Whatever the reason, this bill, like just about every other House version of the foreign operations bills since 1995, is the epitome of myopic neglect. With a few notable exceptions, the bill underfunds almost every aspect of United States foreign aid. It is $1.5 billion less than the

President's request; it undercuts our contribution to IDA, the arm of the World Bank that makes loans to the poorest of poor nations; it practically ignores the AIDS crisis in Africa that is plunging that continent further into economic and social despair every day; and it adds insult to injury by undercutting the President's debt relief initiative. And, once again, it violates fundamental principles of democracy by imposing a malicious gag rule on foreign NGOs participating in a bilateral family planning program.

Mr. Chairman, I think it is important that we discuss for a moment why a strong United States foreign aid program is so critical, because it is very clear to me there is a misunderstanding in this Chamber on that point. The single most important argument for a stronger investment in foreign AID in this time of great prosperity and burgeoning budget surpluses is that we have a responsibility to help those who have been left behind.

In the Jewish faith, we call it "tikkun olam," which means, repairing the world. What it means is that we recognize that if we were suffering under the scourge of a 20, 25 percent HIV infection rate or experiencing such a high level of infant mortality that we all knew someone who lost a child or could not send our daughters to primary school because only the boys were allowed to go to school, and even they could only go for a few years, that we would expect, and rightfully so, that other more fortunate nations around the world would help alleviate some of this suffering, and we, in turn, are bound by that same obligation.

□ 1730

I was brought up believing that the right thing to do is to repair the world, to help those who need it. Sadly, this bill takes that principle and throws it out the window.

But there is another reason why such a low level of foreign assistance is terribly misguided, a more selfish reason. That is because in the long run we in the United States will reap the benefits from the stability sown by our aid.

Countries that are now top candidates for foreign assistance can use our aid to strengthen their democracy, stabilize their economies, and improve the health and well-being of their citizens. When these goals are met and these countries become strong and independent, they will graduate from being recipients of our aid to being our strategic allies and trading partners. So it makes sense for us, it makes sense for them.

In the last year of World War II, Franklin Delano Roosevelt gave his fourth inaugural address to the Nation. As the war raged and some people suggested that we ought not to be involved in the affairs of other nations, FDR made a profound case for the importance of the United States' engagement around the world. I think his words are particularly relevant today.

He said: "We have learned that we cannot live alone at peace, that our own well-being is dependent on the well-being of other nations far away. We have learned that we must live as men and not as ostriches, not as dogs in the manger. We have learned to be citizens of the world, members of the human community."

FDR's words from 55 years ago ring even truer today. We cannot turn our backs on the people of the world. It is in our interests to promote economic stability and democracy.

Reluctantly, I will vote for this bill today because I do not believe that the Republican leadership in the House will produce a better bill. I do believe that this bill will look a lot different, a lot better, when it comes back to this floor after conference.

I am telling the Republican leadership today that I refuse to play their game. I want to move the bill off the floor to the conference, of which I will be a member as soon as possible. As the most powerful Nation in the world, we have the capacity and the responsibility to improve the lives of those less fortunate. We cannot turn away from that obligation.

Ms. PELOSI. Mr. Chairman, I am pleased to yield 2 minutes to the gentleman from Massachusetts (Mr. FRANK), a member of the Subcommittee on Domestic and International Monetary Policy of the Committee on Banking and Financial Services, who is very knowledgeable about the world debt issue and a great leader on that issue.

Mr. FRANK of Massachusetts. Mr. Chairman, I am enormously proud as a Jew at this moment of the government of Israel and Ehud Barak. We are seeing on the part of the government of Israel an enormous outreach unlike what any victor in a war has ever done towards those it was forced to fight.

I am therefore pleased that this bill funds at the requested level money for those who are trying to make peace in the Middle East.

Precisely for that reason, I am very sad that I must morally vote against the bill. I am confident that in the end a bill will pass which will fund fully the needs of those in the Middle East, including Israel and this enormously courageous leadership of Ehud Barak.

But I do not see how we can be asked to vote for a bill which at this point condemns countless hundreds of thousands of innocent children to death by starvation and disease which is avoidable.

We debate often in this Chamber about measures, the outcomes of which we cannot be sure. We debate about things which can be uncertain, things which are complex. Sometimes things are simple and important. Millions of children and other vulnerable people in Africa and Latin America and in Asia, in the poorest countries in the world, literally the poorest countries in the world, go without food, go without sanitation, go without basic medical costs, partly because of policies for which we are responsible, because in the exigencies of the Cold War we lent money to thugs and crooks, unconcerned about how they spent it.

Now the poorest people in the world, poor children and poor elderly and sick people, are being made to pay that back. The price of their paying it back is absolute, unremitting, degrading poverty leading to death.

In this Nation, the wealthiest Nation in the history of the world, we are creating wealth at a pace unparalleled in the history of the world. A relatively small amount of money in terms of this budget, several hundred million dollars, could alleviate untold sufferings.

For this House, with the money we spend in so many other places, for us to deny to the poorest people in the world the debt relief which the administration has asked for and which has been worked out is the cruelest single act of public policy I can recall in 20 years.

I implore the House not to ratify this most callous refusal to alleviate untold sufferings, which we could do.

Mr. CALLAHAN. Mr. Chairman, I yield myself such time as I may consume.

I might just briefly respond, Mr. Chairman, and remind the gentleman from Massachusetts that during my tenure as chairman of this committee we have created the child survival account, which this year contains more than $800 million to do precisely what the gentleman from Massachusetts wants.

We have no problem with the destination that the gentleman seeks. It is like standing in this room and saying we want to get to that corner. The gentleman thinks maybe we ought to go to the left, which is the gentleman's party's view. I think that maybe we should go to the right.

But we are trying to do precisely the same thing, and that is what the child survival account does, it provides for starving children, it provides for the sick, it provides educational opportunities in these poor countries. It does it directly, primarily through private volunteer organizations, not going through some dictator or corrupt president. It does it precisely the right way.

Mr. FRANK of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Chairman, I would simply say to the gentleman that debt relief is an important part of that because otherwise the money goes in one pot and out the other.

For all of the volunteer organizations which the gentleman cites and which I am glad he is working with, for all of them, their highest priority is the debt relief, which is unfunded in this bill.

Mr. CALLAHAN. Mr. Chairman, if they understood that the only way we could get the money under the allocation would be to take it away from the monies we are giving to them, they would change their minds.

Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. NADLER).

Mr. NADLER. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I agree that there are many deficiencies with this bill, particularly the ones that have been cited by some of my Democratic colleagues: the lack of adequate funding for debt relief, the lack of adequate funding for AIDS, the 32 percent below requested funding for development in Asia and Africa, family planning cut 29 percent below requested levels.

We are acting as if we have to enact an austerity budget, and perhaps that was dictated by the budget resolution, in a time of huge and unprecedented surpluses.

These considerations would ordinarily lead me to say we ought to vote against the bill. But this bill comes at a particular time right now. This bill comes at a time when there are very sensitive negotiations which may determine whether there is major warfare in the Middle East or whether a peace agreement finally ends the 100 Years War.

The aid for Israel and Egypt is locked into this bill. I very much fear that if this House today were to vote against this bill, it would send the wrong signal to the Palestinian negotiators, a signal of wavering support for Israel which might make the Palestinian negotiators even more rigid and less willing to make the necessary compromises to reach a peaceful settlement than they have thus far shown themselves to be.

The Israelis have shown themselves willing to make very far-reaching compromises. So far the Palestinians have been rigid. They have to make compromise positions if there is going to be an agreement and not an explosion.

For that reason, I do not want to send the wrong signal to them that could be misunderstood as wavering support for Israel. Therefore, I will vote for this bill today, but I want to make it very clear that if the deficiencies in funding for the Asian and African family planning and other accounts are not fixed as this bill goes through the conference, I may very well vote against the conference report when it comes back here. If the President should decide that he has to veto this bill, I will certainly vote to sustain the veto.

But today, with the Camp David negotiations going on, today is the wrong time to send a signal that could be misinterpreted and that could deleteriously affect the chances for peace in the Middle East. Today I urge my colleagues to vote for this bill, for the moment.

Ms. PELOSI. Mr. Chairman, I am pleased to yield 2 minutes to the gentleman from Wisconsin (Mr. OBEY), the very distinguished ranking member of the full committee.

Mr. OBEY. Mr. Chairman, I see things quite differently than the gentleman who just spoke. What I find amazing about this bill is that just the increase in the budget for the Department of Defense over the last 18 months, just the increase, is larger than the entire foreign aid assistance bill which we are debating today.

Foreign aid as a percentage of our national budget is less than 1 percent. This bill fully meets our responsibilities to our national interests in the Middle East. We understand that. The problem is that we are not a third-rate power who only has to worry about one part of the world. We have obligations to our interests in Africa, in Asia, in Latin America, as well as the Middle East.

While this bill is a full policy for the Middle East, it shreds our ability to defend our interests in Latin America, in Africa, and to a lesser extent, in Asia. For that reason, it would be a horrendous mistake for us to vote for this bill until we have met our responsibilities to ourselves in each of the regions of the world.

It would also be a mistake to vote for this bill until we provide a recognition of reality through debt relief. Debt relief is no great gift that we are going to be giving to the Third World, these are debts that are totally uncollectible. They were incurred by governments that were national disgraces and international jokes.

We gave debt relief to the tune of billions of dollars to the new regime in Poland because we understood that was the only way for that economy to revive, for that society to revive after the communists had run that country into the ditch.

The same is true many times over for many of these African and Latin American countries. We will never have markets for our own products in Africa, in Latin America, until we create the same economic conditions that we created in Eastern Europe through debt relief that was provided there.

This country has also provided very large debt forgiveness for Israel, it has provided very large debt relief for Egypt. Now we are being asked to treat the poorest countries in the world, the same countries who have no capacity to pay back that debt, the same way. If we do not act, we will assure even greater numbers of deaths through the pandemic problem of AIDS that we now face on the continent of Africa.

We need to get real. Eventually we will, and when we do, this bill will be worth supporting. Until then, because of the limitations imposed on the committee, it does not contain the resources necessary for us to defend either our interests or our moral obligations around this planet.

Mr. CALLAHAN. Mr. Chairman, I yield 1½ minutes to the gentleman from New York (Mr. CROWLEY).

Mr. CROWLEY. Mr. Chairman, I rise today in support of the fiscal year 2001 foreign operations appropriations bill. I would like to associate myself with the remarks made by the gentlewoman from New York (Mrs. LOWEY).

Although I understand and share the concerns of many of my Democratic colleagues, such as the level of debt relief or lack thereof, the global gag rule, the lack of funding for HIV-AIDS, and the funding shortfall in general, despite all that, I feel that it is important to keep this legislation moving forward and address these concerns in a House-Senate conference.

There are a number of important initiatives in this legislation which I requested and that are critical to U.S. security. This legislation includes a $5.4 million increase for the International Fund for Ireland, and a recommendation that Project Children receive $250,000 to help support their good works.

I would also like to thank the committee for including $10 million for microbicide research.

Finally, I would like to thank the committee for working with me to include language urging Arab states to establish full diplomatic relations with Israel.

I would like to extend my gratitude to the chairman, the gentleman from Alabama (Mr. CALLAHAN), the ranking member, the gentlewoman from California (Ms. PELOSI), and my good friend, the gentlewoman from New York (Mrs. LOWEY), for assisting me in including these initiatives.

While I support this legislation, I would ask that the chairman address the concerns raised by my colleagues and myself when this legislation goes to conference. We will all be watching to see that additional funding is added. I thank the gentleman.

Mr. Chairman, I rise today in support of the FY 2001 Foreign Operations Appropriations bill.

Although I understand and share the concerns of many of my Democratic colleagues, I feel that it is important to keep this legislation moving forward and address these concerns in a House-Senate Conference.

I, too, am concerned about the low level of funding for debt relief for the heavily indebted poor countries, the low level of funding for international infectious diseases, especially HIV/AIDS, and I am especially concerned about the low overall funding level of this legislation, which is about twelve percent less than the President's request.

Like many of my colleagues, I am also unhappy that the so called compromise language from last year's Omnibus legislation placing a "gag rule" on international healthcare providers was included in this legislation. This language represents an unnecessary rider, which the Republican leadership stated should not be included in appropriations bills. I will speak more on this issue when it is debated later.

However, there are a number of important initiatives in this legislation, which I requested, and that are critical to US security.

I would like to thank Chairman CALLAHAN, Ranking Member NANCY PELOSI, and Representative LOWEY for assisting me in including these important initiatives.

This legislation includes a $5.4 million increase for the International Fund for Ireland (IFI). The IFI was established as an independent, international organization 1986 and receives contributions from the United States, the European Union, Canada, Australia and New Zealand. The objectives of the Fund are to promote economic and social advance and to encourage contact, dialogue and reconciliation between Unionists and Nationalists in the North of Ireland and the border counties of the Republic of Ireland.

This funding is of critical importance at this juncture in the Northern Ireland Peace Process.

Additionally, the Committee has included a recommendation that Project Children receive $250,000 to help support their work. Project Children brings Irish children from a range of ages to spend six weeks in the U.S. Sometimes a Protestant child joins a Catholic child in the same home with remarkably positive results. In addition, the program brings college students to the United States through its "Young Leaders" program and places them in internship positions in local organizations. A number of U.S. Representatives have taken Project Children Young Leader interns into their offices and homes.

With these additional funds, the true benefits of a lasting peace in the North of Ireland, economic prosperity and equal opportunity, will receive a much-needed boost.

I would also like to thank the Committee for including $10 million for microbicide research and instructing USAID to work in consultation with the National Institutes of Health to ensure microbicide research and development takes into consideration the special circumstances of drug delivery in developing nations.

As many of you know, microbicides are user-controlled products that kill or inactivate the bacteria and viruses that cause STD's and HIV/AIDS and would fill a gap in the range of prevention tools because they are woman-controlled and could protect against various STD's, not just HIV. Microbicide products, it is hoped, will provide women in developing countries with a cheap, effective alternative to prevent the spread of STD's. Issues such as a lack of refrigeration, cultural and educational barriers, and a lack of access to medical facilities need to be considered carefully if microbicides are used effectively in developing nations. This funding will help ensure the special needs of developing nations are met with respect to microbicide research.

I would also like to thank the Committee for working with me to include language updating the Arab League Boycott language, urging Arab states to establish full diplomatic relations with Israel. Israel has existed for more than 50 years and has earned the right to be treated as a full member of the international community.

Once again, I would like to extend my gratitude to Chairman CALLAHAN, Ranking Member PELOSI and to my good friend Congresswoman LOWEY for their assistance, as well as the rest of the Committee.

While I will support this legislation, I ask that you address the concerns raised by my colleagues and myself when this legislation goes to Conference.

Ms. PELOSI. Mr. Chairman, I am pleased to yield 2 minutes to the gentlewoman from New York (Mrs. MALONEY), the co-chair of the Congressional Women's Caucus.

□ 1745

Mrs. MALONEY of New York. Mr. Chairman, I thank the gentlewoman from California (Ms. PELOSI) for yielding me the time and for her leadership on this bill and on some of the issues before this Congress.

This bill vastly underfunds the AIDS prevention program and debt relief for the world's poorest countries and undermines our commitment to international family planning.

The President pledged a multiyear U.S. commitment for debt relief, which this bill guts. It also drastically underfunds international family planning 30 percent below the President's request. Every day we in government face problems for which there is no solution, like global warming, the AIDS crisis, Parkinson's disease, but family planning presents a different challenge, we know what to do.

Mr. Chairman, we know what the answer is, all we need is the funds and the political will to get the job done. Increasing international family planning to the President's request by 30 percent more would allow 11.7 million more couples to have access to family planning. It would also mean 2.2 million fewer abortions, and it would save the lives of more than 15,000 women and 92,000 infants.

Earlier this year, many of us introduced a bill called Saving Women's Lives Through International Family Planning, we had over 122 cosponsors. We asked this Congress to go "Back to the Future," back to 1995 funding levels for family planning and meet the budget requests of the President. We asked for this money without restrictions.

Gag rules are enough to make us gag in our own country. The gag rule would be unconstitutional around the world. It is unconscionable.

This budget before us is far short of going back to the future. This bill also exports one of the worst policies, the gag rule language that is unconstitutional in our own country.

Mr. Chairman, I urge my colleagues to join in a bipartisan effort to strike this terrible antidemocratic, antiwoman, antifairness language, the gag rule out of the bill, it hurts some of the poorest women and countries in the world.

Mr. CALLAHAN. Mr. Chairman, I reserve the balance of my time.

Ms. PELOSI. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Indiana (Mr. ROEMER).

Mr. ROEMER. Mr. Chairman, I thank my good friend from California (Ms. PELOSI) for yielding me the time.

Mr. Chairman, I will be offering a bipartisan amendment on behalf of the gentleman from New York, (Mr. HOUGHTON), the gentlewoman from Maryland (Mrs. MORELLA), the gentleman from Ohio (Mr. HALL), the gentleman from Florida (Mr. HASTINGS), the gentleman from Minnesota (Mr. LUTHER) and the gentleman from Maryland (Mr. GILCHREST), to plus up by $15 million the microenterprise loans for the poor. This will be offset with $15 million in cuts.

We will probably hear some screams and some squeals from the bureaucrats or from big business, but I think we have a moral obligation to hear the cries of the poor of those in poverty, of those in Third World nations where the microenterprise loan for the poor of $16 or $60 can lift people out of poverty.

I hope my colleagues will vote for this for three reasons: One, these programs work. Secondly, they go to people in poverty, mostly women. Thirdly, they go to start small businesses.

Mr. Chairman, I hope we can pass this to get this $15 million up to the approved authorization level.

Ms. PELOSI. Mr. Chairman, I yield 2 minutes to the gentleman from Connecticut (Mr. GEJDENSON), the very distinguished ranking member of the Committee on International Relations.

Mr. GEJDENSON. Mr. Chairman, I thank the gentlewoman from California (Ms. PELOSI) for yielding the time to me and ask my colleagues to look back at the oath of office they took when they were sworn in here.

Mr. Chairman, it speaks of all the enemies, foreign and domestic. It says we need to fully discharge our duties. And in the Constitution, it talks about our defense and general welfare.

I would submit to the body that if we pass this bill, we are doing neither; that our responsibilities here not simply out of the goodness of our heart and concern for the poorest people on this planet is not being met by this legislation, but what is in the best interests of the security of the United States is not being met. Whether it is the fight for AIDS and the opportunistic illness that has come to this country for people infected with AIDS in Africa and elsewhere, that come back in and not only takes the lives of Americans, but also increases the costs of the cure; TB that could once be cured for $2,000 per case is now $20,000 or $200,000 in some cases.

Together we need to reject this bill so that we fully discharge our responsibilities so this great Nation can do the job that it must do for all the people in this world that look to us for leadership and for the American citizenry who depend on our responsibilities here to do a job that protects them, that furthers America's interests in every continent, not simply in one region of the world.

We need to do what is right. I know the chairman of the committee, the gentleman from Alabama (Mr. CALLAHAN) understands that. The only way to get to that point is to join the gentlewoman from California (Ms. PELOSI) and reject this proposal and force this institution to address the responsibilities fully as our oath demands.

Ms. PELOSI. Mr. Chairman, I yield 1 minute to the distinguished gentlewoman from California (Ms. MILLENDER-McDONALD) who has been a leader in the fight against global AIDS.

Ms. MILLENDER-McDONALD. Mr. Chairman, I would like to thank the ranking member, the gentlewoman from California (Ms. PELOSI), for her leadership and commend her for the continued effort and tenacity in trying to make sure that we have a fairness on this floor in terms of our services to foreign countries.

Mr. Chairman, leadership is the operative word here today, and because of that, I will say to this body, if we are leaders, then please lead. Be leaders and be responsible for those things that we were sent here to do. It is unconscionable to me to see the most powerful country in this world reneging on children and women.

Some of the poorest countries in this world are suffering and here we are opposing the administration budget for $244 million for HIV and AIDS. It is a pandemic in Africa; we know that. You knew that. We know the 50 million people who have been infected with HIV and AIDS.

Why is it that my colleagues are minimizing the efforts that have been brought about with people throughout Africa in trying to combat this very critical infectious disease? I urge my colleagues to oppose this legislation. It is unconscionable. It is immoral. It is inconceivable.

Ms. PELOSI. Mr. Chairman, I yield 1 minute to the distinguished gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON).

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, let me express my appreciation for the hard work of the chairman, the gentleman from Alabama (Mr. CALLAHAN) and the ranking member, the gentlewoman from California (Ms. PELOSI), I am displeased with what has come.

Mr. Chairman, I fully respect what the gentleman from Alabama (Mr. CALLAHAN) has done in portions of this bill. I fully understand why it is important to support the Middle East and the peace deliberations. But we cannot afford to come here day after day and ignore the poorest people of the world, while we have a pandemic going on in Africa and Asia with AIDS. If we think that is going to stay in Africa, we are in for rude awakenings.

The life expectancy is moving to year 30. Can my colleagues imagine any country, any nation that has a life expectancy of 30, and we are willing to walk away and simply say we just do not have the money when we know that we do?

We can save Social Security. We can do the right thing about Medicare prescription drugs and still send some aid, the appropriate aid as frugal as is requested by the President, and we have ignored that. Let us vote against this and do it right.

Ms. PELOSI. Mr. Chairman, I yield 1 minute to the distinguished gentleman from New York (Mr. MEEKS).

Mr. MEEKS of New York. Mr. Chairman, there is a saying in the church that I go to "to whom much is given, much is required." This is supposed to be the greatest Nation, the most affluent Nation on the face of the planet Earth, in the history of the planet Earth. Yet, why is it when it comes to us delivering to those who need the most, we find excuses not to do it.

When I heard the distinguished chair, the gentleman from Alabama (Mr. CALLAHAN) talking in his opening statements, I heard excuses of why we could not help those who need help. People in this House have traveled to Africa, and when they go to Africa they say, oh, what a shame, how bad it is, oh, this is pitiful. Yet when it comes time when we can do something about it, and foreign operations is that time, we find excuses not to do anything about it.

It is time that we stop making excuses, put our money where our mouths are and do the right thing and give the money where it is needed and that is in the continent of Africa.

Ms. PELOSI. Mr. Chairman, I yield 1 minute to the gentlewoman from California (Ms. SANCHEZ).

Ms. SANCHEZ. Mr. Chairman, I want to begin by thanking our chairman, the gentleman from Alabama (Mr. CALLAHAN) and also our ranking member, the gentlewoman from California (Ms. PELOSI) for crafting this bill. They have had a difficult task.

Mr. Chairman, I am very concerned with the overall deep cuts to the bill and the disproportionately hurt African and Latin American countries, and I hope that when we send this bill to conference, we can fix some of that.

I would like to thank the gentlewoman from California (Ms. PELOSI) for implementing legislation I introduced last year about Professor Doan Viet Hoat. A journalist and university professor, Mr. Hoat spent nearly a third of his life in a Vietnamese prison for his efforts to bring freedom of the press and democracy to his native land.

It is a rare individual who is willing to sacrifice their own personal freedom for the sake of their fellow man, and when we find such a person, it is important for us in Congress to acknowledge and recognize their achievement and the purpose of their struggle.

Ms. PELOSI. Mr. Chairman, I yield 2 minutes to the distinguished gentlewoman from California (Ms. WATERS), the ranking member on the Subcommittee on Domestic and International Monetary Policy and a champion on international debt relief.

Ms. WATERS. Mr. Chairman, I would like to thank the gentlewoman from California (Ms. PELOSI) for the terrific work that she has done as the ranking member. She has taken on a tremendous responsibility and helped to organize us all. The foreign operations appropriations bill is scandalously underfunded.

The entire region of sub-Saharan Africa has been ignored and abandoned by the Republican leadership in this bill. The African Development Bank's funding was cut by almost 25 percent below its current funding level and 50 percent below the administration's request.

The African Development Fund was cut 28 percent below its current level and $56 million below the administration's request. As the ranking member of the Subcommittee on Domestic and International Monetary Policy of the House Banking Committee, I know how important these programs are.

Development assistance programs that benefit Africa have also been underfunded. International disaster system was cut from $203 million to $165 million, barely a few months after floods ravaged Southern Africa. I am especially outraged by the lack of funding for debt relief.

The bill contains only $82.4 million for debt relief with only $69.4 million of which can be used to forgive the debt of the world's poorest countries. While HIV/AIDS epidemic continues to ravish sub-Saharan Africa; while the impoverished nation of Mozambique attempts to rebuild itself after it was nearly destroyed by devastating floods; while Nigeria scuttles to overcome the impact of years of dictatorship; while Tanzania, Zambia, Niger, Nicaragua, Honduras and Uganda continue to spend more of their budgets on debt service payments than they do on health and education combined, the Republican leadership is turning a deaf ear.

□ 1800

Shame on the failed Republican leadership.

It is hard for me to imagine how Members of Congress who claimed to be faithful, God-fearing leaders of families and communities can reject the most impoverished and vulnerable people in the world.

I urge my colleagues to oppose this shameful bill, send it down the drain. Do not vote for it. It is outrageous.

Ms. PELOSI. Mr. Chairman, I am pleased to yield 1 minute to the distinguished gentleman from New Jersey (Mr. PAYNE), who is a senior member on the Committee on International Relations to close.

Mr. PAYNE. Mr. Chairman, I rise in opposition to H.R. 4811, the Foreign Operations Appropriations bill for fiscal year 2000. This bill will significantly hamper our ability to compete in the international community. Unfortunately, this budget provides inadequate resources for discretionary investments.

I am very concerned about the Africa accounts which cuts the African Development Fund, the Development Fund for Africa, the Africa Development Bank, and the Peacekeeping Initiatives.

The bill underfunds the office of transition initiatives in Nigeria. It cuts economic support funds by $2.3 billion, international debt reduction by $180 million, African Development Bank by $3 million, HIV/AIDS under Child Survival by $42 million, and Peacekeeping to Sierra Leone, Congo and Eritrea-Ethiopia by $16 million.

Presently there is a meeting going on in Durban, South Africa, hosted by President Mbeki, where one out of four individuals in certain countries may die from AIDS. This bill reduces the global alliance for vaccines and immunizations by 25 percent. It is wrong. It is shameful. We should reject this bill.

Mr. CALLAHAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me start off by telling the Chair what a magnificent job he has done for the last several years in presiding over this Committee of the Whole. He is a complement to the system, and certainly his understanding of the rules and procedure and his manner helps make a very difficult job a little bit easier.

Under the rules of our side, this will be my last year as chairman of this committee. This is the sixth time I have come before this body and asked for their support in a bill that I have drafted. It is sort of sad in a way that I leave it. On the other hand, I am optimistically looking forward to the hope that the chairman of our full committee will award me a cardinalship of another committee, one that probably will not be as difficult as this one has been.

But during this process, Mr. Chairman, Charlie Flickner, John Shank, Chris Walker, Nancy Tippins, Lori Maes, and Julie Schechter on my side of the aisle have been invaluable.

Before I became chairman, I was a member of this subcommittee. But I will assure my colleagues that I knew very little because, back then, the gentleman from Wisconsin (Mr. OBEY) was the ranking Democrat and chairman of this subcommittee, and the gentleman from Louisiana (Mr. Livingston) was the ranking Republican, and I was the back bencher who was not allowed hardly to say anything. But on the other hand, I did not want to say anything.

So I had not done my homework, and suddenly one morning I woke up as chairman of this very important committee. So the educational process that these great individual staffers have given to me is invaluable, and I am extremely indebted to them.

Not only to those staff people on my side of the aisle, but on the other side of the aisle, Mark Murray and John Stivers as well as the gentlewoman from California (Ms. PELOSI) have been extremely courteous to me during this entire process.

We have had great differences. We are having great differences tonight. But nevertheless, there has always been the true friendship that now exists between me and the staff members on both the Republican side and the Democratic side as well as my subcommittee members and the gentlewoman from California (Ms. PELOSI), my ranking member of the subcommittee.

It has been an interesting trip, and I think that we ought to go ahead and expedite this trip. Maybe during all of these opportunities we have to praise each other, we might even agree to some unanimous consent to limit debate since I think I have written the perfect bill. If we could just limit debate, all the Members could go home.

Ms. PELOSI. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentlewoman from California.

Ms. PELOSI. Mr. Chairman, I thank the distinguished chairman for yielding to me.

I want to speak for my colleagues in commending the gentleman from Alabama (Mr. CALLAHAN) for his leadership as chair of this subcommittee. While we may not have always agreed on the particular priorities, he has always been a gentleman and has always welcomed our input into the process.

I know that, at the end of this bill, and as we come back with the conference report, if we do, there will be more time for us to praise him and wish him well, as the ranking member of some other committee perhaps. That was a joke, Mr. Chairman.

In any event, in addition to all of the very fine staff that was acknowledged, who are acknowledged by the chairman, I want to add Beth Tritter, Charles Dujon, Kim Rudolph, Alan Dillingham, and Will Painter for their fine service to this process as well and associate myself with the remarks that the gentleman from Alabama (Chairman CALLAHAN) made about the other staff members and how dependent we are in a very bipartisan way on their service.

But I think I have the best chairman on the Committee on Appropriations, and he and the big chairman have always dealt fairly with us. We are going to miss the gentleman from Alabama (Chairman CALLAHAN), Mr. Chairman.

Mr. CALLAHAN. Mr. Chairman, I thank the gentlewoman from California.

Ms. PELOSI. Mr. Chairman, I know we will see the gentleman from Alabama somewhere else along the way, so I wanted to commend him in that spirit.

Mr. CALLAHAN. Mr. Chairman, reclaiming my time, I suppose the appropriate thing to say is I am going to miss the gentlewoman from California (Ms. PELOSI), too; but I do not know that I really am going to miss her in this capacity. But I do appreciate what she has given to me in the form of friendship, in the form of intelligence, the great contributions she has made.

I am sort of like the country singer David Allan Coe. Once he said he had thought he had written the perfect song. The gentlewoman from California says there will be an opportunity for us to praise each other sometime later on in the process, but I, like David Allan Coe, think that I have written the perfect bill. I think there is a good possibility that the Senate may just accept my bill, Mr. Chairman, and there might not be a conference; and, therefore, we will not have these opportunities.

But, nevertheless, to our colleagues who are listening, as we go into the rest of this bill, I would encourage my colleagues to look at what we have done, and that is, the fact that we have drafted the best bill that we possibly could draft under the circumstances of the allocations that forced this to this point.

I know there are some people who differ from me. The gentlewoman from California (Ms. SANCHEZ) a few minutes ago was talking about a lack of attention to Latin America. Surely she jests because, under my chairmanship, we have quadrupled assistance to Latin America. Just in the last 3 years, we have given them nearly $3 billion.

I had to fight this administration tooth and nail, with the support from the gentlewoman from California (Mrs. PELOSI) to get them to recognize that another country exists in this hemisphere other than Haiti. We even put restrictions in our bills saying one can spend all the money one wants in Haiti, but one has to spend 10 times that amount in other countries in Latin America.

So we have been the biggest supporters of Latin America trying to pound into the head of this administration the importance of our neighbors to the south. I think they have finally come around, and they are finally beginning to recognize that assistance to Latin America and South America is just as important as it is to the Middle East and to Africa.

So we have done a great deal of good, I think, towards convincing this administration that other countries exist in this hemisphere that need assistance such as Bolivia, Honduras, Nicaragua, all of the Latin American countries.

I am proud that we have brought to this floor a bill which reflects the best that can be arranged for the allocation we have. I would encourage my colleagues to support the bill.

Mr. McGOVERN. Mr. Chairman, I would like to commend the Committee for maintaining strong conditions on U.S. military aid for Indonesia based on the situation in East Timor. I would particularly like to recognize and thank the Ranking Member on the Subcommittee on Foreign Operations. Mrs. PELOSI, for her leadership and actions in support of the people of East Timor.

I also applaud Chairman CALLAHAN and Ranking Member PELOSI for increasing to $25 million the amount of Economic Support Funds (ESF) targeted for the rebuilding of East Timor. I also hope that the United States will continue its policy of consulting directly with the communities and people of East Timor on reconstruction projects and employing, to the maximum extent possible, East Timor on reconstruction projects and employing, to the maximum extent possible, East Timorese in these projects.

Like so many of the colleagues, however, I remain deeply concerned about the situation in East Timor. More than 100,000 refugees from East Timor who were forcibly removed from their country in December 1999 remain trapped in squalid camps in the neighboring Indonesian province of West Timor. They suffer daily intimidation, harassment and acts of violence from the Indonesian-supported militias that control the camps. International humanitarian organizations, such as the International Committee of the Red Cross and the U.N. High Commissioner on Refugees (UNHCR), have been forced to abandon their work in many of these camps because of acts of violence perpetrated by against their workers.

Also disturbing are the continuing cross-border attacks being carried out by the Indonesian-supported militias. Based and freely operating in the Indonesian province of West Timor, militias launch attacks against East Timor and against the United Nations peacekeeping forces in East Timor. These attacks must stop. The militias must be disarmed. And West Timor must cease being a safe haven for these paramilitary forces.

The Government of Indonesia has pledged to improve conditions in the camps and, for any refugee who wishes to return, to guarantee their safe return. It has pledged to remove the militias from the camps and stop the cross-border attacks. To date, these pledges are just empty words. They have not translated into concrete actions on the ground in West Timor. Until these refugees are safely returned to their homeland, the U.S. must maintain restrictions on U.S. military aid and the Administration must maintain its suspension on all military-to-military relations. The Government of Indonesia and its Armed Forces, in particular, must understand the safe return of these refugees is among our highest priorities.

I am deeply disturbed to hear that the Administration wishes to resume military-to-military relations with the Armed Forces of Indonesia (TNI). While conditions are worsening for the East Timorese refugees in West Timor, the Administration wants to include TNI officers and troops in training exercises, military seminars, college courses, and to provide spare parts and other technical assistance for Indonesian military equipment. I can only urge the Administration, in the strongest possible terms, to refrain from taking such actions unless it wishes to see the restrictions in this bill expanded to prohibit by law such military relations.

My distinguished colleague, Congressman CHRISTOPHER SMITH of New Jersey, and I have introduced a bill, H.R. 4357, the East Timor Repatriation and Security Act, which, among other things, would prohibit by law the military relations voluntarily suspended by the Administration in September 1999. Our bill currently has over 50 bipartisan cosponsors. We introduced our bill because we were increasingly concerned about the deteriorating situation of the refugees in West Timor; the continuing militia attacks along the West Timor and East Timor border; and the lack of consultation with, participation by and employment of East Timorese in reconstruction projects. I am fully prepared to continue to press for greater action on these issues as the foreign operations appropriations bill moves toward conference.

Mr. Chairman, it is very important that the bilateral and multilateral aid going to East Timor reach the people on the ground more quickly. I have heard nothing but good things about USAID projects in East Timor. We consult with the East Timorese people. Our reconstruction projects employ local workers, thus contributing to the rehabilitation of the local economy and the restoration of work and dignity to the East Timorese. But a great deal of the assistance is not showing up in the building of new homes and businesses, in the restoration of water systems, in electricity hookups and schools being reopened. Where is it going? I don't know, Mr. Chairman, but it certainly is not reaching the communities and people of East Timor.

I hope the State Department and our representatives at the multilateral development banks and at the United Nations will press our allies to fulfill their commitments to provide assistance for East Timor. I hope our representatives and aid workers will press our allies and the NGOs involved in rebuilding East Timor to accelerate reconstruction projects and to make sure aid reaches those who need it most, rather than resting in the pockets of consultants and high-salaried international officials.

I was in East Timor shortly before the historic referendum on independence, which means I was also there shortly before the horrific outbreak of violence that devastated the country. The international community and we in the United States promised the people of East Timor that we would support them in their quest for freedom and independence should they choose it at the ballot box. So far, we have only let them down. Many of them have died because we did not keep our word. For all East Timorese, their lives have changed for the worse with the physical destruction of their homes, businesses and communities and the separation of families.

We must do better in the future. This bill maintains the promise by this Congress to hold accountable those who destroyed East Timor and who forcibly removed the majority of the population from their homes. We in Congress must also hold the Administration accountable and ensure that the suspension on military-to-military relations is sustained. And we must remain committed to the rebuilding of East Timor and the ongoing process to bring full independence to this tiny but courageous country.

Mr. DINGELL. Mr. Chairman, I rise in opposition to the bill before us. I am particularly disappointed that it allocates only a paltry amount of money to aid and assist Lebanon at a time when significant events have transpired in that country in recent months.

In May, Israel withdrew the last of its troops from south Lebanon. Prime Minister Barak made a wise decision to withdraw from the country his troops had occupied since 1977; it will do much to improve the prospects of negotiating future peace accords in the Middle East. The Administration has rewarded Israel for its withdrawal, stating that $50 million of Israel's aid package for the coming year will go to assist Israel as it redeploys its forces along the Lebanese border. I do not oppose this proposal. I would note, however, that Israel's total aid and assistance package provided by the bill before us is $2.9 billion. Including Wye funds allocated through the supplemental appropriation, Israel will receive $4.1 billion this year.

Mr. Chairman, Lebanon is in dire need of assistance. The bill before us provides only $18 million to Lebanon, which is an improvement over last year's figure, but is woefully insufficient considering the changes that have taken place in Lebanon. This spring alone, an estimated $85 million in damage was inflicted on Lebanese infrastructure as a result of Israeli attacks. Lebanon has endured a prolonged civil war, foreign occupation, and an influx of refugees. The Lebanese government must have the ability to rebuild infrastructure damage earlier this year, reestablish order and the rule of law by civilian authorities in south Lebanon, and prevent further bloodshed from occurring along the Lebanese-Israeli border. I believe a six-year, $300 million aid package would be appropriate.

Mr. Chairman, Metro Detroit is the home of nearly 220,000 Arab Americans, many of Lebanese descent. Many have come to the United States since 1975, seeking to escape the mayhem that so long gripped Lebanon. And though these recent Lebanese immigrants have become an integral part of Southeast Michigan, they maintain a passionate love of their homeland. They are hopeful that Lebanon will continue its efforts, begun at the close of the civil war in 1990, to rebuild and reclaim its place as a regional leader in finance and commerce.

Disputes between the Lebanese government and Israel, and numerous militias in south Lebanon and Israel, are still unresolved. However, without stability in Lebanon, peace is impossible, and without peace or stability it is likely that renewed violence along the Lebanese-Israel border will occur.

Peace comes at a price, yet building a lasting, comprehensive peace in the Middle East is a key foreign policy goal of our country. American assistance to Lebanon at this time would be a wise investment and work toward fulfilling this goal. Clearly, Lebanon, a long-troubled country, must be stable if a lasting peace is ever to take root across the Middle East.

Mr. OLVER. Mr. Chairman, I would like to clarify for the record that the bill language on Kyoto, in Section 577 of this bill, which was crafted in a bipartisan manner by my colleagues, myself, and Mr. KNOLLENBERG, is in fact identical to the provision adopted on appropriations bills for Energy and Water and Agriculture, and essentially the same as the provision on the VA/HUD and CJS bills.

However, I would like to clarify for the record that some additional characterizations of the provision, both in remarks made on the floor during deliberation of the Agriculture appropriations bill, and as submitted to the record on that bill, are not correct. They are in direct conflict with the bipartisan agreement that was crafted, and more importantly, with the statutory language which is now in the Agricultural Appropriations bill and the other bills I have listed, including the bill, Foreign Operations.

The assertion that activities allowed under the language must be specifically authorized in incorrect. In fact, that is not what the language says. The language says that activities otherwise authorized by law are not subjected to any of the restrictions that may be imposed by the Kyoto proviso. There are many activities that the Administration engages in that fall within generally authorized activities—activities that are supported and funded by Congress in a bipartisan fashion.

These types of activities include negotiations, both formal and informal, for instance—and many energy-saving programs that benefit consumers and the economy. Some Members on the other side of the aisle stated they have no intention of disrupting these programs, or the ability of the Administration to negotiate the climate change treaty or to engage developing countries in a manner consistent with Senate Resolution 98, for instance. And yet, characterizations in the record that activities must be specifically authorized in NOT reflected in the statutory provision that was agreed upon and adopted. It is simply not correct.

There are many programs and activities that are funded by the Congress, and carried out by the Administration, that are not "specifically authorized" by Congress, but are authorized under general provisions. Moreover, the U.S. continues to implement its obligations under the U.N. Framework Convention on Climate Change, which was ratified by the U.S. with the consent of the Senate. That is why the language that is included in the bills that I have listed—in Agricultural Appropriations, in CJS, VA-HUD, Energy and Water, and now, Foreign Operations—does not say that only activities specifically authorized by law are allowed. If such language were included, it would bring a halt too many bipartisan supported programs and initiatives that this Congress, and many others before it, have supported and funded.

I want to make clear, the language does not preclude the regulatory and non-regulatory programs that have bipartisan support and that save money for businesses and consumers, help the environment, and improve public health. It does not prohibit the many voluntary, non-regulatory programs and initiatives to reduce greenhouse gases—programs that also reduce energy bills, improve the nation's energy security, and reduce local air pollutants.

Mr. MEEKS of New York. Mr. Chairman, the United States Government has consistently placed African foreign policy on the back-burner. As a result, economic stagnation, human rights atrocities, and social and political unrest have been perpetuating throughout the continent. Zimbabwe is the perfect opportunity for U.S. intervention to have a positive impact in Africa, and ensure the sustenance of a fair and free democratic process.

President Robert Mugabe has seized 804 farms for immediate distribution and resettlement. Violence has erupted throughout the nation. Not only has he rejected rulings from the independent judiciary, but he has enforced severe restrictions on the opposition's ability to campaign for parliamentary seats. Mugabe is using force to secure support and manipulate the outcome of the legislative elections this June.

The United States must play a proactive role in Zimbabwe to ensure that legitimate elections occur.

South African President, Thabo Mbeki, is securing money from countries like Norway and Saudi Arabia to purchase farms from willing sellers for redistribution. Perhaps, we should also look into a similar policy action that may enable adequate distribution and compensation of land. The European Union, Commonwealth of Nation, Southern African Development Community, and International Republican Institute are all sending observers to evaluate the legitimacy of the election on June 25th. We must do our best to monitor this entire process, and ascertain a comprehensive report on the events that are and will transpire in Zimbabwe.

In addition, I believe that we should still continue to provide money to Zimbabwe for HIV/AIDS programs to strengthen democracy, and to raise living standards despite the corruption that is occurring.

Mr. PORTMAN. Mr. Chairman, I rise in support of H.R. 4611, the Foreign Operations, Export Financing and Related Programs Appropriations Act for FY 2001. I'd like to thank Chairman CALLAHAN and Ranking Member PELOSI for once again including $13 million in funding for the Tropical Forest Conservation Act of 1998.

The Tropical Forest Conservation Act expands President Bush's Enterprise for the Americas Initiative—EAI—and provides a creative market-oriented approach to protect the world's most threatened tropical forests on a sustained basis. It is a cost-effective way to respond to the global crisis in tropical forests, and the groups that have the most experience preserving tropical forests—including the Nature Conservancy, World Wildlife Fund, Conservation International and others—agree. The Administration is strongly in support of this effort as well. It is an excellent example of the kind of bipartisan approach we should have on environmental issues.

Tropical forests harbor up to 90% of the Earth's terrestrial biodiversity. They act as "carbon sinks," absorbing massive quantities of carbon dioxide from the atmosphere, thereby reducing greenhouse gases. They regulate rainfall on which agriculture and coastal resources depend, which is of great importance to regional and global climates. And they are the breeding grounds for new drugs that can cure diseases.

Sadly, since 1950, half of the world's tropical forests have been lost. Between 1980 and 1990, 30 million acres of tropical forests—an area larger than the State of Pennsylvania—were lost every year.

The Tropical Forest Conservation Act gives the President authority to reduce or cancel U.S. A.I.D. and/or P.L. 480 debt owed by an eligible country to the United States in exchange for the creation of a fund in the local currency that preserves, maintains, and restores tropical forests.

Currently, three countries—Bangladesh, Belize and Peru—have been declared eligible by our government to participate in the Tropical Forest Conservation Act. In March, the President announced that the U.S. and Bangladesh are discussing a Tropical Forest Conservation Act agreement to reduce up to $6 million of that country's outstanding debt in exchange for its commitment to invest funds in tropical forest conservation programs. This would make Bangladesh the first country to benefit from funding under the Act, and we are hopeful that a final agreement will be reached in the very near future.

Bangladesh's tropical forests cover more than three million acres, including an area that is home to 400 endangered Bengal tigers, the world's largest single population. The area also contains one of the largest mangrove forests in the world, and it has wetlands of internationally-recognized importance. Bangladesh is home to more than 5,000 species of plants, compared to 18,000 in the United States, which is 67 times its size. Clearly, a debt-for-forests arrangement with Bangladesh could play an important role in preserving endangered species and protecting biodiversity, as well as helping that struggling nation's economy.

Seven other nations also have expressed interest in participating in the program. These countries are Ecuador, El Salvador, Thailand, Indonesia, Paraguay, Costa Rica and the Philippines.

I commend Chairman CALLAHAN, Ranking Member PELOSI and the members of the Subcommittee for providing the necessary funds to begin to implement this legislation that preserves and protects important tropical forests worldwide in a fiscally responsible fashion.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the bill shall be considered for amendment under the 5-minute rule. When the reading for amendment reaches section 587, that section shall be considered read. Before consideration of any other amendment to that section, it shall be in order to consider, and to dispose of, an amendment to strike that section.

During consideration of the bill for amendment, the Chair may accord priority in recognition to a Member offering an amendment that he has printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered read.

The Chairman of the Committee of the Whole may postpone a request for a recorded vote on any amendment and may reduce to a minimum of 5 minutes the time for voting on any postponed question that immediately follows another vote, provided the time for voting on the first question shall be a minimum of 15 minutes.

The Clerk will read.

The Clerk read as follows:

H.R. 4811

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2001, and for other purposes, namely:

## TITLE I—EXPORT AND INVESTMENT ASSISTANCE

### EXPORT-IMPORT BANK OF THE UNITED STATES

The Export-Import Bank of the United States is authorized to make such expenditures within the limits of funds and borrowing authority available to such corporation, and in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 104 of the Government Corporation Control Act, as may be necessary in carrying out the program for the current fiscal year for such corporation: *Provided*, That none of the funds available during the current fiscal year may be used to make expenditures, contracts, or commitments for the export of nuclear equipment, fuel, or technology to any country other than a nuclear-weapon state as defined in Article IX of the Treaty on the Non-Proliferation of Nuclear Weapons eligible to receive economic or military assistance under this Act that has detonated a nuclear explosive after the date of the enactment of this Act.

### SUBSIDY APPROPRIATION

For the cost of direct loans, loan guarantees, insurance, and tied-aid grants as authorized by section 10 of the Export-Import Bank Act of 1945, as amended, $825,000,000 to remain available until September 30, 2004: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That such sums shall remain available until September 30, 2019 for the disbursement of direct loans, loan guarantees, insurance and tied-aid grants obligated in fiscal years 2001, 2002, 2003, and 2004: *Provided further*, That none of the funds appropriated by this Act or any prior Act appropriating funds for foreign operations, export financing, or related programs for tied-aid credits or grants may be used for any other purpose except through the regular notification procedures of the Committees on Appropriations: *Provided further*, That funds appropriated by this paragraph are made available notwithstanding section 2(b)(2) of the Export Import Bank Act of 1945, in connection with the purchase or lease of any product by any East European country, any Baltic State or any agency or national thereof.

### AMENDMENT OFFERED BY MS. PELOSI

Ms. PELOSI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. PELOSI:

Page 2, line 25, after the dollar amount insert "(decreased by $1,000)".

Page 30, line 8, after the dollar amount insert "(increased by $179,600,000).

Page 30, line 9, strike ": *Provided*" and insert the following ", of which $179,600,000 is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: *Provided*, That the $179,600,000 designated by this paragraph shall be available only to the extent an official budget request that includes designation of this amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: *Provided further*".

Page 132, after line 12, insert the following:

## TITLE VII—ADDITIONAL AMOUNTS FOR DEBT RESTRUCTURING

The following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2000, and for other purposes, namely:

### DEPARTMENT OF THE TREASURY

### DEBT RESTRUCTURING

For an additional amount for "Debt Restructuring", $210,000,000 for a contribution to the "Heavily Indebted Poor Countries Trust Fund" of the International Bank for Reconstruction and Development (HIPC Trust Fund): *Provided*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: *Provided further*, That the entire amount shall be available only to the extent an official budget request, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress. For payment to the Heavily Indebted Poor Countries Trust Fund of the International Bank for Reconstruction and Development, there is authorized to be appropriated to the President $210,000,000 for fiscal year 2000.

Ms. PELOSI (during the reading). Mr. Chairman, I ask unanimous consent that my amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from California?

There was no objection.

Mr. CALLAHAN. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman reserves a point of order on the amendment.

Mr. CALLAHAN. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 3 hours and that the time be equally divided.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

Ms. PELOSI. Mr. Chairman, reserving the right to object, I did not even really hear what the gentleman from Alabama said.

Mr. CALLAHAN. Mr. Chairman, if the gentlewoman will yield, I ask for unanimous consent that there be a time limitation on this amendment and all amendments thereto to close in 3 hours.

Ms. PELOSI. On this amendment?

Mr. CALLAHAN. Mr. Chairman, it would yield 1½ hours to the gentlewoman's side, or that the time be equally divided.

Ms. PELOSI. Mr. Chairman, I just wanted to make sure I understood the content of the proposal of the gentleman from Alabama. Is it my understanding that the gentleman is asking unanimous consent that all time reserved for this particular amendment only is 3 hours?

Mr. Chairman, under my reservation, I yield to the gentleman from Alabama (Mr. CALLAHAN).

Mr. CALLAHAN. No, it says and all amendments thereto, Mr. Chairman.

Ms. PELOSI. Thereto to this particular amendment, having nothing to do with any other amendments that are related to this subject, Mr. Chairman?

Mr. CALLAHAN. That is correct.

Ms. PELOSI. That is correct. Okay.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

Mr. HASTINGS of Florida. Mr. Chairman, reserving the right to object, and posing a question to the gentleman from Alabama, I am not clear. Is the gentleman from Alabama (Mr. CALLAHAN) saying that it will be 3 hours total for everything or just the Pelosi amendment?

Mr. Chairman, under my reservation, I yield to the gentleman from Alabama (Mr. CALLAHAN).

Mr. CALLAHAN. Mr. Chairman, it is just the Pelosi amendment, 3 hours equally divided between the two sides.

Mr. HASTINGS of Florida. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The CHAIRMAN. The gentlewoman from California (Ms. PELOSI) and a Member opposed each will control 90 minutes.

The Chair recognizes the gentlewoman from California (Ms. PELOSI).

Ms. PELOSI. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I thank the distinguished chairman of the subcommittee and the distinguished chairman of the full committee for their courtesy as we go forward with this very important amendment.

Mr. Chairman, my amendment adds $210 million requested by the administration for debt relief for fiscal year 2000 supplemental request and $179.6 million for fiscal year 2001. The amendment, therefore, fully funds the pending request for debt relief before both fiscal year 2000 and fiscal year 2001. This is approximately a $390 million amendment.

Approval of this amendment has now become even more compelling in light of the fact that the bill only contains $82 million of the $472 million requested for debt relief. We have been working on the debt question in a very positive way with the chairman in his original mark where $221 million had been provided and where contributions to the HIPC Trust Fund had been authorized.

We now find ourselves with only $82 million, which is not enough to remove debt relief for Bolivia, which has been imminent and awaiting a sufficient United States contribution. In addition, Honduras, which was devastated by a severe hurricane not long ago, will be unable to consummate their debt relief without additional funds. We have talked already about Mozambique and its readiness for debt relief.

□ 1815

I regret that we have to use the emergency designation for this amendment, but I would point out that the bill already contains $160 million in emergency designation for the floods in southern Africa as an emergency supplemental funding. In addition, the supplemental just passed contains over $11 billion in emergency spending for everything from soup to nuts.

It comes down to a matter of priorities. I know that we will be hearing from our colleagues about the urgency, the specifics of the need for this debt relief. This is part of an outside mobilization that is ecumenical in nature, it is worldwide in scope, and it is very, very essential for us to heed.

As I said earlier, we are blessed in this caucus with a very diverse membership. This House of Representatives must hear what our membership is saying. We are blessed with the intellectual resources, the personal experiences, the direct knowledge of the cultures, the economies and the possibilities of countries south of the equator. The world does not stop at the equator, and sometimes I think this body acts as if it does. We must address these important economic needs in Africa and in Latin America and we can do so by the very important way of supporting these funds for debt relief.

I will have more to say on this subject, Mr. Chairman, but I know that many members of the caucus wish to speak to this issue.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. Does the gentleman from Alabama (Mr. CALLAHAN) seek to control time in opposition?

Mr. CALLAHAN. Yes.

The CHAIRMAN. The gentleman from Alabama (Mr. CALLAHAN) continues to reserve a point of order against the amendment, and the Chair will assume that that point of order will continue to be reserved through the entire length of debate which has been agreed to by unanimous consent.

Mr. CALLAHAN. That is correct, Mr. Chairman.

The CHAIRMAN. The gentleman from Alabama (Mr. CALLAHAN) is recognized for 90 minutes.

Mr. CALLAHAN. Mr. Chairman, I yield myself such time as I may consume.

I think we all agree, Mr. Chairman, that the World Bank and the regional development banks have made a lot of bad loans that cannot be repaid. There are many decent and honorable people, including the leaders of our churches, who are asking Congress to support forgiveness of these poor countries' mountain of debt, and I commend them and I want to work with them.

In fact, it is largely fiction that these loans are being repaid right now. That debt burden is one of the main causes of poverty and of HIV/AIDS in many, many poor countries is just not true. It is not the only one. It is a fact that these countries are forced to take out new loans in order to pay back their old loans. There is a vicious cycle of ever-increasing unsustainable debt.

The debt left behind by bad loans is mortgaging the future of these poor countries and it should be forgiven by those who made the bad loans. That is why this committee decided some years ago to make almost all of our own foreign aid in the form of grants and not loans. Worst of all, the challenge of dealing with this cycle of bad debt exhausts the time and energy of the capable men and women who lead some of these countries.

Unbelievably, the British Government is suggesting that HIPC apply to the countries ruled by tyrants and dictators, such as Sudan, Burma, and the Congo. I know that this House does not support helping such leaders. We all agree that continuing this vicious cycle of unsustainable debt makes no sense. That is my mission, and I invite others to join me in halting the accumulation of new debt as fast as old debt is paid off under this Heavily Indebted Poor Country scheme.

Although this bill greatly improves the accountability of the HIPC scheme, almost everyone who has looked into the administration's original proposal finds fault with it. It does not help poor people obtain more health and educational services. Indeed, it could be detrimental towards benefits already being provided. In most cases, the original HIPC scheme does not even improve cash flow, a myth that has been put into the minds of a lot of good leaders of charitable organizations in our country and throughout the world.

The existing HIPC scheme merely bales out certain multilateral banks and keeps their bond ratings high. This plan is not increasing cash flow to countries; it is going to bail out banks. That is where the money that is being requested is going, to give to banks who have made bad loans.

In this country, if a bank makes a bad loan, there is a mechanism and a tax advantage encouraging it to write off the bad loan. In fact, the FDIC requires that they write off these bad loans. But in the international community, these multilateral banks that have decided that there is a scheme here whereby they can get people's sympathy by talking about the needs of the poor, what they are saying is, pay off these loans to our bank so we can once again be solvent. Thus, we will not have to write off these loans.

This is a message that has not gotten through to the religious leaders that have been convinced. It has not gotten to those members who hear from their pulpits of the church every Sunday that we ought to be more compassionate, I think they ought to take a close look at what really is being proposed and who is going to benefit.

I received a call just a few months ago from some singer named Bono, B-O-N-O. I do not know him, never heard one of his songs, but he was very knowledgeable and very compassionate and very wanting of us to do something for HIPC. I explained to him the GAO report that was requested by many of my colleagues on the Banking Committee which substantiates my argument that this is not going to help poor people get better health and education, that that is a myth, Mr. Chairman. It is not going to help poor people, in many instances, because it simply is bailing out some of these multinational banks. It is not even bailing out our bilateral aid. We have already forgiven those loans. This money is going to these multilateral banks, these development banks, because they have made bad loans.

Now let me tell my colleagues of another myth about this scheme that has been placed upon the American people and the people worldwide who have noble causes, Mr. Chairman. They want to do what is right. They want to help the sick. They want to help needy people. No one denies that if that is what this could accomplish, that is what we would do.

First of all, let me just give a scenario, Mr. Chairman. The scenario is that these countries have borrowed money. They have borrowed money that the banks loaned to them, not

American banks, we are talking about foreign banks have loaned these countries money and now they cannot pay it back. So they are selling this myth, this scheme, to the American people and to people throughout the world.

And, incidentally, I forgot to tell my colleagues that Mr. Bono now agrees with me that the Banks and IMF ought to be more responsible in this endeavor. And we will get to this endeavor in just a few minutes.

But in any event, these countries are not paying interest on this debt from their own resources. They are not paying much principal on this debt, so it is not going to create any substantial cash flow. That is a myth. The principle of the scheme that has led people down this primrose path in expectation of providing human service to poor people is a myth. They are not denied human services because they are paying interest. Poor people are not paying interest, they are not paying debt. To the extent there nations are not paying anything on the principal, there is going to be no cash flow available to these countries to provide services to their people.

It is going to be a cleansing of their books. So the leaders of these poor nations are going to wake up one morning, because of the generosity of the American and European people, if indeed we continue with this program, and their nations are going to be cleansed of debt. They are going to rush to the same banks that have put them in this position today and borrow some more money.

And what are they going to do with it? They are going to do like they did in the country of Uganda, where America and Europe and worked out a debt reduction for the country of Uganda. The next week the president of that country bought a Gulf Stream airplane, a jet, for his own personal use that cost somewhere in the vicinity, with all of the things that go with a jet, of $50 million. So we got them out of debt one day, we cleansed the slate, and the next day they go right back into debt because a president buys a $50 million Gulf Stream jet.

At least he had the brilliance to buy it from an American firm, and I am happy about that, but the point I am trying to make is, if we do not put some contingencies to this, then that is what is going to happen in all of these countries and, as a result, no monies are going to be available to help the very people that noble people we are trying to help. There is going to be nothing much available to help them.

So, Mr. Chairman, we will talk later on about this HIPC scheme, but I would like to invite my colleagues to get a copy of the GAO report. The GAO report entitled "Debt Relief Initiative for Poor Countries Faces Challenges," was requested by the Committee on Banking and Financial Services. Let me tell my colleagues that the gentleman from Iowa (Mr. LEACH) and the gentleman from New York (Mr. LAFALCE), the chairman and ranking member of the Committee on Banking and Financial Services, along with the gentleman from Alabama (Mr. BACHUS) and the gentlewoman from California (Ms. WATERS), the chairman and ranking member on the Subcommittee on Domestic and International Monetary Policy, sent to the GAO and they said, listen, give us a report on the debt relief initiative for poor countries who face challenges. And much to their surprise, the report comes back that says much of what I am telling my colleagues; that we ought to take a better and longer look at the process we are going through because we are not going to accomplish any of the goals, or very few at the least, of the goals.

No one in this House, no one in this country will deny the opportunity being given to assist poor people or to assist starving people or to assist sick people or uneducated people. This, in my opinion, is not the right way to go. We have still provided money in this bill to begin the process, but to limit the process by saying that they cannot go right back into debt the next day.

I have discussed this with Secretary Summers, the Secretary of the Treasury of the United States. And in the beginning they said, oh, no, no, no way. Secretary Rubin told me there is no way we could have any moratorium on additional debt. But when Mr. Summers came on board and he looked at what I was saying, and other people started thinking about the responsibility of this program, now Secretary Summers agrees with me that there possibly should be some restraints on the ability of a nation to go right back in certain kinds debt the day after their debts are forgiven.

Let us not fool ourselves. None of us would do this in our personal businesses, in our family lives, or in any other scenario that exists in the world. Nowhere should we allow these irresponsible and sometimes corrupt leaders the ability to borrow new monies simply because the United States of America and other countries are generous in their concern that people need to be helped.

No one is contesting the need to be helped. I am not saying that we should not. I think we ought to take our limited amount of money and add to the Child Survival Fund, because we know child survival monies go directly to needy people. But under our allocation process we may even be forced to take money away from direct child survival to give it to some bank president who has made a bad decision and free up the books of a nation that is going to go right back into debt the next day and create the same position and posture that we are in today.

□ 1830

Mr. Chairman, I reserve the balance of my time.

Ms. PELOSI. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, it was my intention at this time to yield to my colleagues, but I cannot resist. I must respond to the remarks of the gentleman. With all the respect that I have for him and knowing how important this issue is to so many Members of this Congress and to so many people in the religious community out there, I have to say, very regretfully, that his comments do a disservice to this debate.

This is not a scheme. This is a plan. This is a plan that was very harshly scrutinized and developed by the G–7 in their debt proposal. That proposal is in jeopardy now. Why is it in jeopardy? Because the U.S. has not paid its share of the tab 1 year after the promise.

Who is involved in this plan at the grassroots level? Well, let us start with the Vatican, His Holiness the Pope. Let us reach out then to an ecumenical movement, including Archbishop Desmond Tutu, who has spoken and traveled throughout the world promoting this plan.

Desmond Tutu of South Africa stated: "The new moral crusade follows the Biblical principle of Jubilee. In the Bible it says, all belong to God. All debts are forgiven in the Jubilee year. Debtors make a new beginning."

What this is about, Mr. Chairman, is an attempt on the part of people who minister to the needs of poor people throughout the world to alleviate poverty, promote democratic freedoms, and build markets for our products. In the interest of meeting the needs and lifting people up, there has to be some way to pull away the crushing mantle of this debt.

As our distinguished ranking Member said earlier, the gentleman from Wisconsin (Mr. OBEY), it is nothing less than we did for countries in Europe, including Poland, following the Soviet collapse, nothing less than that.

When we talk about this, we have to speak about it in a spirit of a strict plan. The IMF is not known for its programs that are soft on countries that want to receive loans. There is a very tough set of standards that these countries must live up to before they can have their debts forgiven, and much of it includes instituting budget austerity and programs that meet the needs of their people.

Our distinguished chairman makes a good point when he asks why should we forgive loans on the one hand and make loans on the other. Well, simply because many of these loans were incurred by previous regimes. The world is changing. We all know that. And these early stages of democracy in these countries require that they be lifted not only from the oppression of the dictatorships but the oppression of the loans that were taken out by those dictators. So now we want to forgive the loans.

The gentleman is simply not correct when he says these people are not paying any of their debts. The bilateral debts in many cases have a moratorium on repayment by some of these countries. But the debts to the multilateral banks still must be paid. So that is the rub. Many of these countries are paying more for their debt service than they are for education and health in their own countries.

So while we may all agree that loan forgiveness has to be done responsibly, we have no quarrel with that. Of course it must be done responsibly. And those of us who fight for this funding insist on that responsibility. We are not here to talk about irresponsibility.

While we may all agree on that and we would hope that the countries that receive this debt relief all act responsibly as well. An egregious example that the chairman may wish to point out, should not eliminate debt relief for all the other countries.

Many of those countries have put the reforms in place. They are ready for the debt relief. They are ready to go forward with their economic growth that this debt forgiveness will engender for them. But the U.S. are holding it up.

So while I respect the difference of opinion as to whether the amount of money is enough or not, I point out that $82 million is 20 percent of the President's request. It does not even begin to meet the needs for FY 2000 and 2001.

So if we want to talk about priorities and you say that that money is enough and we say it is not, that is one thing; but to denigrate this proposal which has been negotiated at the highest level, mobilized for, advocated for at the grassroots level throughout the world, and which is urgently needed, is in my view, painfully and sadly a disservice to the debate.

There is a need out there. It is urgent. It is great. We can speak to the specifics of it, and that will happen in this debate. But I would hope that the tenor of our remarks would not be condescending to the leadership of these countries who are trying their best to get on their feet and help their people and that it would not be dismissive of the efforts of the religious communities, starting with His Holiness the Pope and across the board.

I might just name some of the organizations that were with us this morning at a press conference: The Council of Churches, the Catholic Relief Services, the U.S. Catholic Conference, and then many environmental groups, as well, and then Oxfam, Bread for the World, Jubilee 2000, which is the organizing group for this mobilization.

So I hope that the debate will be respectful because it is with respect for every person on this Earth that we are going forward with this, with the need for people to have their needs met and to have children have some prospect of a future, and that can begin by lifting the burden of this debt.

Mr. Chairman, I reserve the balance of my time.

Mr. CALLAHAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would encourage my colleagues during this 3 hours of debate on this issue, and I think we should debate it and that is why I have not insisted on my point of order at this time but I still reserve that point, to take a look at what the GAO reported in response to the very question that is being raised tonight. The very people who asked for the GAO report thought it would be positive, it came back negative; and now they are saying ignore the report, ignore the responsibility we have to the taxpayers of this country, do it irresponsibly.

In this bill we provide $69 million to start the process, but we restrict some of that assistance to the extent that they must not borrow new money for a certain period of time, 9 months in some instances, 30 months in other instances.

So we are not putting a veto on the HIPC program. We are providing $69 million for the program, and in the process we will be able to work out a reasonable process where we can achieve the same goal that these people want.

The gentlewoman from California (Ms. PELOSI) mentioned that the Pope has come out in favor of this. Well, I would like to tell the gentlewoman from California (Ms. PELOSI) that the Pope is also against abortion. Does she agree with the Pope on abortion? If so, then we will not have the population debates that no doubt will take place later on in the bill.

I know what the Pope has said. I think all ministers throughout the world agree with the destination that all of us are trying to seek. We all want to get to the same point. But this is not a responsible mechanism at this time because it permits them to go right back into debt and to squander money and to put their country in the same financial condition that they are in today.

The GAO investigators confirmed that the only way there would be significant new resources for health and education in poor countries would be if these countries borrowed the money through new loans from the multilateral banks.

I mean, how more clear could it be with the GAO report that the very proponents of this issue are advocating, how clear could it be?

So what we have done in this bill is to say that we are not going to cut direct child survival assistance, direct assistance to HIV/AIDS in Africa, we are not going to cut from our allocation. Instead, we are going to give $69 million this year; and during the next 6 or 7 months, we can come up with a more responsible plan that denies these countries the opportunity to go right back into debt as they did in the country that I mentioned a few minutes ago and buy $50 million jets so they can travel throughout the world, or to even push some of this money into Swiss banks.

So I am saying let us do it, but let us do it responsibly; and let us make absolutely certain that what we do goes to the intended people that we want to help. I do not know how more reasonable someone could be.

The money is provided, the $69 million, to pay our fair share for the next 6 or 7 months. And when they come up with a responsible plan that will achieve intended purpose of this process, then we will give them some additional money. But to bail out some of these multilateral banks should not be our mission, and that is exactly what we are doing under the proposal that is before us.

Mr. Chairman, I reserve the balance of my time.

Ms. PELOSI. Mr. Chairman, I am pleased to yield 5½ minutes to the gentlewoman from California (Ms. WATERS), the ranking member on the Subcommittee on Domestic and International Monetary Policy of the Committee on Banking and Financial Services and an expert on international debt relief.

Ms. WATERS. Mr. Chairman, I am again grateful to the gentlewoman from California (Ms. PELOSI) for the leadership that she is providing on the whole issue of Africa but particularly on this whole business of debt relief.

I am sorry that the chairman of the committee is leaving the room. I wish that he would stay, given some of the comments that he has made.

First of all, let me take up the issue that the chairman seems to be alluding to: these irresponsible people in Africa, they do not know how to handle their money; we give them money and they go out and they buy jets.

Well, I think we should reject that kind of condescending description of the problems of Africa. We do not hear him talking about Poland. We do not hear him raising questions about who else flies jets. We do not hear anything about Africa. We know what that is all about. We are accustomed to that kind of condescending accusations coming to people of color. I do not like it. I wish it would stop. And I do not appreciate the fact that this is all that can be talked about when we talk about what we do or what we do not do for Africa.

The fact of the matter is this country met in the big G–8 summit and gave leadership to the idea that we should do something about forgiving debt. All of the churches, organized religions of the world, came together to talk about Jubilee 2000 and put together a magnificent program that included the churches and organized religion and included all the nongovernmental organizations and they moved forward. And this country made a commitment and we led. And we have worked very hard for debt relief; we have worked very hard for debt forgiveness. And we should forgive the debts of the most vulnerable and the poorest countries of the world.

First of all, they cannot afford to pay it back. Some of them are starving their children, not being able to pay for education and health needs trying to pay back this debt. And the interest keeps piling up and piling up on this debt. They will never get it paid, even those countries that have gone under structural adjustment and have done well. We have allowed them to take from their economy dollars that they should be using for health and education and comply with structural adjustment, and we still have not gone back to help them in any appreciable way.

But we find that the chairman does not talk about the increases that they did, foreign military financing program, $60 million per year for the next 10 years. If they are so concerned about how they spend the money and doing it in a responsible way and making sure that they set priorities, how do they have money to increase the foreign military financing program by $60 million a year and try to do it for 10 years?

□ 1845

I think this is outrageous. I think we need to deal with it like it is. This is Africa. Somehow it is less deserving. Somehow the people of Africa and poor people of the world in Central and South America and in other places are not worthy of debt relief or support. They are worthy only of condescending remarks that they cannot handle their money, that they only use their money to buy things they do not need.

We did not talk like that when we talked about what we were going to do when the Soviet Union broke up. We do not talk about Russia that way. We do not talk about Poland that way. And we darn sure do not talk about Israel that way. There is nothing worse than a bully. There is nothing worse than somebody who picks on the least of these and the most vulnerable of these.

Mr. JACKSON of Illinois. Mr. Chairman, will the gentlewoman yield?

Ms. WATERS. I yield to the gentleman from Illinois.

Mr. JACKSON of Illinois. I thank the gentlewoman for yielding.

Mr. Chairman, we began this debate by saying that this was a bad bill, but now the bad bill has become not only a terrible bill but terrible disposition expressed by the majority about Africa and its ability to handle the resources associated with providing for what the President of the United States has indicated a threat to the national security of the United States.

What this bill fundamentally says in light of the gentleman's disposition is that lives in the Middle East somehow are just a little bit different or a little bit more precious than lives in Africa. There are 5,000 Africans who are dying every day associated with the AIDS disease and the AIDS crisis. The export earning potential that we passed, the by-product of the Africa Growth and Opportunity Act, the debt service is designed to save health care and reprioritize issues like education and health care on sub-Saharan Africa's continent. That is what is so critical indeed in this bill.

A number of my colleagues have come to the floor of the Congress today and said, yes, AIDS is a problem; yes, all of these other problems exist in the world, but what we have to recognize is that a significant portion of this bill confronts very critical negotiations that are occurring at Camp David. Well, I sure hope someone at Camp David is talking about AIDS in Africa because Time magazine, Newsweek magazine, The Wall Street Journal, The Washington Times, everyone has said that the number one plague confronting the world is AIDS on the continent of Africa and for this Congress to play a blind eye and to ignore that fact is a disgrace. We ought to do something about it in this bill, Mr. Chairman.

Mr. CALLAHAN. Mr. Chairman, I yield myself such time as I may consume.

To briefly respond to the remarks by the gentlewoman from California and gentleman from Illinois, I respect their passion and their concern for the people of Africa. But not once during my statement did I mention the continent of Africa. I did by chance mention Uganda because of the ridiculous situation that took place when the president bought the jet. I might remind the gentlewoman that even the President of the United States, Bill Clinton, has now decided that I am right and they have cut off further debt forgiveness to Uganda until such time as they can get this situation straightened out.

My remarks were meant to be to the world. It applies to Central America. It applies to South America. It applies to Africa. It applies to every country where we are proposing to provide debt forgiveness. So I meant no disrespect to any race or disrespect to any continent. I am not condescending. I am telling you the facts. The facts are that we are giving $69 million of taxpayers' money towards this program to begin the process whereby in the process, and this is less than the Senate incidentally, that in this process they can come forward with a more responsible plan that can protect the integrity of the financial situation of these particular countries. The fact that some of these countries are in Africa, I did not mention that. You brought that up. I sort of resent you saying that I am condescending and implying that this is racist because it is not. This is responsible legislation.

I am proposing that we do what you want to do, that is, provide for the needy people, whether they be in Latin America, South America, Africa, Israel, Russia, wherever they are, that we do it; but we do it responsibly. I do not think that is being condescending. I think it is being responsible, because we have the same exact destination in mind. We want to help needy people. We want to help the sick. We want to eliminate HIV/AIDS. We want to do all of this. We want these countries to be financially stable. But to just give them a blank check and say, well, this debt is forgiven, and, incidentally, this money is not going to these countries. This money is to go to these banks. It is not going to the countries. It goes to the banks, so the banks' books can be cleared. So we have no difference as to our destination or goal or aims or wants. We have identical destinations.

Ms. WATERS. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I will yield to the gentlewoman from California if she will stop saying that I am condescending.

Ms. WATERS. No, I will not stop saying it yet, but I do appreciate your yielding. I would like to ask a question if I may.

Is there $90 million in fiscal year 2001 for the foreign military financing program with $60 million of that an increase going to Israel and $60 million over the next 10 years in an increase while you are being prudent in your budgeting?

Mr. CALLAHAN. That is correct. But that was the request of the President of the United States. I would like to remind the gentlewoman with respect to the assistance to Israel whereby we did increase the foreign military financing by $60 million, we cut $120 million from the economic support. I would like to remind the gentlewoman that that was the third rail of politics before I became chairman. No one dared walk on this floor and say, "Let's cut assistance to Israel." But I went to Israel and at 2 o'clock in the morning met with then Prime Minister Netanyahu and he admitted that the economy there was now such because of the benevolency and the assistance of the United States, the economy was such that they could begin responsible reduction of economic support to Israel, and that process has been now for the last 4 years, and I have cut their economic assistance by nearly $120 million a year, so nearly $500 million.

And so the argument that the financial assistance for military financing is moot, because the bottom line is I have cut Israel $60 million a year net for the last 4 years because the Israeli government agreed to that. So I do not think it is irresponsible nor a good comparison.

Ms. WATERS. Sir, you made cuts in all of Africa's budget. Where did you then increase Africa's budget where the cuts have been made in both the development fund and the other fund for Africa? You cut them, but there is no place where you increased the funds to Africa. Where did you do likewise for Africa?

Mr. CALLAHAN. I have proposed $69.4 million in HIPC funds which is an increase. That is an increase in itself.

Ms. WATERS. Sir, the President asked for $400 million.

Mr. CALLAHAN. I do not care what the President asked for.

Ms. WATERS. You told me what the President asked for in military financial assistance.

Mr. CALLAHAN. Just because the President of the United States——

The CHAIRMAN. The gentleman from Alabama will suspend.

The Chair would kindly request that all Members follow regular procedure in yielding to one another or in requesting time from those who are controlling the time. The gentleman from Alabama controls the time.

Mr. CALLAHAN. Mr. Chairman, the true scenario is this. The President of the United States has committed to participate in this debt forgiveness program of worldwide contributions, and we intend to fulfill responsibly some of the requests of the President. But just because the President calls up or writes me a note and sends a note over here and says, Sonny, give me 4 or $500 million does not make it an obligation of the United States of America. I think that you as a Congressperson and that I as a Congressperson have a responsibility to ask the President, Are you sure this is the right way to go? That is what I am doing. I think the President is making a big mistake, not in the amount of money that he requested, not for the programs that he is requesting that be enhanced, but because of the mechanism to get to the end result of the entire proposal of HIPC is where the mistake is.

So I am saying, wait a minute. And you all know I am not the smartest man in the world. I am not the dumbest man in the world, either. And I have some background and experience in finance, not multibillions of dollars like some of our colleagues here in the House, but I have some experience. And anywhere in life, even in your family, if I overspent my Visa card, for example, and I went to my kids and I say, Kids, help me out, your daddy has done an irresponsible thing, the credit card company is telling me, "Well, if they don't do this, they're going to take away my house and they're going to sue me," do you think even my kid would say, "Dad, I'm going to help you, we're going to pay off your debt, but you're going to tear up that credit card."

That is exactly what I am saying. I am saying we should not give these countries the ability to go right back into debt the next day. I am telling you that this is a mistake, but at the same time I am admitting that maybe I am wrong. For in the interim, here is $70 million towards our contribution, and we can go ahead and start with these programs. Just as we have already forgiven most of our bilateral debt, now we can help to bail out some of these banks because maybe I am wrong. So I am providing $69.4 million in this bill as a down payment to keep the program going in the hopes that the GAO report is wrong. Maybe I am wrong. But the GAO backs up what I am saying, and I think I am right at this time.

Mr. Chairman, I reserve the balance of my time.

Ms. PELOSI. Mr. Chairman, I yield myself such time as I may consume.

I am very, very dismayed by the comments that have been made by my distinguished chairman in this regard, because we can have a legitimate difference of opinion on an issue, but the course that this debate is taking is not worthy of this institution. We have a very serious policy decision to make. We have Members of this House who have worked very hard on this issue, and who know a great deal about the loan forgiveness program.

The gentleman is correct. We do not want to promote irresponsibility. That has never been an issue. The fact, though, is that if you are lifting oppressive debt, much of it incurred by previous regimes, why should a country not be able to borrow from the poorest of the poor window of the World Bank that administers to the poorest of the poor, the IDA window, assistance for basic human needs? For basic human needs? Why should they not be able to start investing in their economies?

It is very simplistic to say, oh, I tore up my credit card, or my son tore up my credit card. That is not an analogy that is even in any way close to this. This is about countries wanting to assume responsibility. This is about countries saying yes to the reforms that they must comply with when they are applying for loan forgiveness. This is a very strict standard that is applied to qualify for these loans as HIPC, highly indebted poor countries.

So if we want to say that this is not an important enough priority to our country, then let us say that, but do not mischaracterize what is being proposed here and what is being supported across the board by religious communities throughout the world and which the administration supports. The Secretary of the Treasury does not support the chairman's position. Of course we all support responsibility; and that is what we are advocating, too.

Mr. Chairman, I hope that we can have the tenor of the remarks return to a place that is more respectful of the hard work that has gone into this. I say that with great respect for the chairman and with great sadness, quite frankly.

Mr. Chairman, I am pleased to yield 2 minutes to the gentlewoman from New York (Mrs. LOWEY), a member of the subcommittee.

Mrs. LOWEY. I thank the gentlewoman for yielding me this time.

Mr. Chairman, one of the guiding principles of United States foreign policy is that whenever possible we use our assistance to enable developing countries to stand on their own two feet. That is precisely what this amendment would do and why I support it.

Many countries in the developing world have been unable to spend the necessary resources on health care and on education for their citizens because they have been saddled by debilitating debt. New regimes elected with high hopes for economic opportunity and democratic ideals will remain unable to achieve their noble objectives because of debt incurred by previous, often corrupt regimes.

Debt relief, as some contend, is not about giving a free ride to developing nations. That is not what we are talking about. It is about helping countries in sub-Saharan Africa build the health care infrastructure necessary to fight the AIDS epidemic.

□ 1900

It is about giving countries the chance to educate children, giving them hope for a better future. It is about giving nascent democratic regimes the chance to build constituencies, perpetuating the ideals of democracy abroad.

The cost of this amendment, Mr. Chairman, is a small price to pay for the myriad of benefits it will bring. It is disgraceful, in my judgment, that this small amount of money that this bill provides for debt relief will stall the global HIPC initiative and may deny relief to some of the world's most committed economic reformers. These countries have worked hard at developing concrete poverty-reduction targets, sound economic management practices. It would be shameful for us to turn our back on this important initiative.

I urge my colleagues to support this amendment.

Mr. CALLAHAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to ask Members if they have the opportunity to get a copy, I keep talking about this GAO report which was requested by the gentlewoman from California (Ms. WATERS) and others to substantiate their claim of the merits of this program; and once again, I do not deny that the intentions of those interested in this are anything other than noble, and I share the exact same goals with them.

But in the results in brief of the GAO report, where they requested that the GAO report look into what we were doing, the results in brief say that the GAO's analysis shows that the decline in debt service for the seven countries, they selected seven countries in order to do their study, that these countries will only free up resources for additional poverty reduction if in the years prior to their qualifying for debt relief they are allowed to continue to borrow at the same level.

That is precisely what I am saying is the fallacy of this overall proposal. They go on to say that this occurs because the countries previously borrowed for several reasons, including debt payments; and they will need to continue borrowing after receiving debt relief in order to meet their remaining debt payments and to increase spending for poverty reduction.

These countries, are not paying any interest, they are borrowing more money to pay the interest. They are incurring more principal in order to pay the annual interest; and what they are doing is continuing to build up this debt.

So what this report is saying is that the only way they are going to free up cash is if indeed they have more borrowed money which they cannot pay back.

The route that we ought to be taking as an international community, and I am Catholic and I disagree with the Pope, because I don't think the Pope has had the opportunity to read such reports as this GAO report, nor do I think the Pope has had the opportunity to reflect on this. He is a very busy person. I do not think he has had the opportunity to reflect on the total program as to whether or not this mission will really benefit the very people he wants to help.

If the Pope wants to help, if the gentlewoman from California wants to help, if this Congress wants to help, I have no opposition to that. But if we are going to do it, let us do it right.

I started telling you about this credit card that I have overextended, so I go to my children and I say, Listen, Daddy is in trouble. Will you pay off my credit card? I promise you I won't do it again. My kids would say, Daddy, we are going to cut your credit card up.

That is the responsible thing to do, and that is what we ought to be telling leaders of these nations, whether they be in Central America, South America, Africa, Russia, wherever they are, that we are going to pay off your debts. You are not going to get any of the money because you have got to flow it straight through to a multinational bank. But we are going to allow you to flow this money through to a multinational bank to bail them out of their financial crisis, but you are not going to be able to go to that same bank tomorrow and borrow more money.

Now, maybe I am wrong, but that is the way I feel, and you are entitled to feel the way you feel. I think I am right, and it is not uncommon for these two sides to differ on a direction we might take on any given issue.

Mr. FRANK of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Chairman, I must say, I differ with the gentleman in his interpretation of the GAO report; but if he is right, I am not that much of a theologian, but I notice that he corrected the Pope with the GAO. Are we hearing today the doctrine of GAO infallibility being promulgated on the floor of the House?

Mr. CALLAHAN. Mr. Chairman, reclaiming my time, conceivably so, and I am not questioning the intelligence of the Pope. I am just telling you the gentlewoman from California (Ms. PELOSI) tells me we should support this because the Pope supports it, and my response to the gentlewoman from California (Ms. PELOSI) is the Pope does not support abortion, and that if she is going to pay attention to everything the Pope says, she ought to be on my side on the abortion issue. That was just the point I was making.

But the Pope, as I say, is a very busy person. But I think if I had the opportunity and the privilege of appearing before the Pope for 15 minutes, as I have had the opportunity to appear before other people and convince them, that I could convince the Pope that I am right. The Pope would be issuing a proclamation tomorrow that would be read at the pulpit of every Catholic church in the world saying, Wait a minute. One of our colleagues, Catholic colleagues, has discovered a flaw in this proposal, and we ought to correct it and go forward.

That is what I do with the $69 million that I have included in this bill. Let us go forward, but let us do it cautiously.

Ms. PELOSI. Mr. Chairman, would the gentleman yield, since he referenced my name in his remarks?

Mr. CALLAHAN. I would be happy to yield to the gentlewoman from California.

Ms. PELOSI. Mr. Chairman, when the gentleman says that I heed the Pope when he is talking about debt relief, but not when he is talking about a woman's right to choose, or words to that effect, my comments to the gentleman were he was mocking this as a scheme; and I said this is not a scheme, this is a plan that has been thought out and proposed by the G–7. Just to get to the Pope for a moment——

Mr. CALLAHAN. Mr. Chairman, let me reclaim my time and tell the gentlewoman an explanation of the word "scheme." The scheme is not intended to reflect on the mission. I am saying a scheme has been presented to great charitable people of this world that does not do what they have represented to them in their proposal. Therefore, I think it is a scheme that has been concocted to convince people in this country, charitable people with good intentions, I think they have been misled; and, if that is the case, I think that should be called a scheme.

Ms. PELOSI. If the gentleman will further yield, the chairman knows I have the highest regard for him, and it is with a heavy heart, as Lyndon Johnson used to say, that I say to the gentleman that he is absolutely wrong.

I want to just get back to the Pope for a moment. The gentleman's powers of persuasion are considerable, but I doubt that he could persuade the Pope, the head of the church, whose mission is to alleviate poverty and respect the dignity and worth of every person on the face of this Earth, that we should not have international debt relief because of some egregious example that the gentleman might think up.

The GAO, if one reads the report, admits, we have never said that if you forgive the debt, that there will not be future lending. The debt is from a previous regime, or mistakes made before; and now we are talking about a fresh start.

But to get back to the Pope for a moment, because I want to make this point, I have never mocked, never, ever mocked, in fact I have respected the views of people who have a different view, some of them are in my own family, about a woman's right to choose and the rest. So really it offends me, and I say that regretfully, that the gentleman would say well, if you do not listen to the Pope about choice, why do you listen to the Pope about this?

Well, I respect the Pope's view on all of these things. But when the gentleman was characterizing this as a scheme, and now the gentleman is defining a scheme differently than he emphasized it earlier, it was with disdain; and that is the part that I find regrettable, because this is a very important debate.

This is a debate about whether our country will live up to its responsibilities that our President committed to at the G–7 one year ago. He is going to leave for Japan, for Okinawa, in another week, following the Camp David meetings; and he is going to have to go there and say I cannot fulfill the responsibility, the obligations that we incurred last year, because, maybe because somebody bought an airplane someplace, I do not know; but any excuse will do if you do not want to do something.

So to say that $69 million is a start, and we all want to get to the same place, is like saying let us all go to the Moon; here are your roller skates. That means I cannot get there.

So let us help these people get there. If we all do share the goal of alleviating poverty, if we all do share the goal of eradicating AIDS, as the gentleman referenced in his remarks, we have to put the resources where our compassion is. Compassion is great, but it is no substitute for a positive plan to go forward and the resources to match that proposal.

So we have an important decision to make here, respectful of each other's positions, and it is: Is it that a statement of the values of this country is that we will help these countries get on their feet? Standards have been set by the IMF. If it is a given that once the oppressive old debt is removed that countries not be able to incur further debt, I cannot even understand how you could put a moratorium on basic human needs, loans from the IDA window, the poorest of the poor window of the World Bank, and say that that is okay, we will teach them some discipline and they will not be able to incur any debts. Economic development is essential to the success of these countries, and they need the hard window loans as well.

So we are not talking about carelessness or irresponsibility; we are talking about sensible planning.

Mr. CALLAHAN. Mr. Chairman, reclaiming my time, the gentlewoman has ample time. I thought she was going to question something I had said.

Let me just tell the gentlewoman, number one, we are not talking about debt that our country has given to these foreign countries. We have already forgiven that debt. We have fulfilled our shared responsibility of that HIPC agreement through our bilateral debt forgiveness. I am not talking about debt that these countries owe to the United States of America. I am talking about debts that they owe to the multilateral banks.

I am saying at the same time, SONNY, maybe you are wrong. That was my fear, that I would be making a mistake; and just in case I am wrong, which I really do not think at this time I am, nor have I heard any argument to the contrary. Just in case I am wrong, Mr. President, here is a down payment; here is $69 million to get you into the spring or fall, whereby we can look at a potentially more responsible mechanism for achieving the same goals that we all want to achieve.

I do not see anything unreasonable about that, but I know that you all do; and I know that you all have the right to disagree, and I respectfully disagree with you.

I will disagree with the Pope if indeed he says this is an irresponsible thing, but the Pope is too intelligent a person to deny that I am not right on this issue, Mr. Chairman.

Mr. Chairman, I reserve the balance of my time.

Ms. PELOSI. Mr. Chairman, I am pleased to yield 5 minutes to the gentleman from Wisconsin (Mr. OBEY), the distinguished ranking member of the full committee.

Mr. OBEY. Mr. Chairman, I thank the gentlewoman for yielding me time.

I would like to talk about what the history of debt relief has been. When I was chairman of the Subcommittee on Foreign Operations and the Iron Curtain fell, all of a sudden we had a tremendous opportunity. All kinds of countries in Eastern Europe, where people looked like us, they had the same colored skin, they had lots of people in this country lobbying for their cause because they were the same nationality my wife happens to be Polish, for instance, and we recognized that the previous Communist government had stayed in power only by incurring huge amounts of debts that were totally irresponsible. When they left power we had a choice of whether or not we were going to create the economic conditions that would allow a democratic government to flourish or not. So we forgave debt.

As a result, you were able to get new investments, new economic growth in countries like Poland, and today they are reasonably healthy democracies, given what their history has been the last 50 years.

□ 1915

We also had debt relief provided for Egypt. That was done unilaterally with no consultation whatsoever with the United States Congress by one of the previous Republican administrations. And that was done because we needed the support of Egypt in the Middle East power game, and so not many questions were asked. But now we get to the hard cases. Now we get to the regions of the world that do not look like so many of us. We get to Africa, we get to Latin America, and the political pressures for us to do what is right and just are not quite as heavy as the political pressures were when we were dealing with countries that looked just like most of us.

So now we are told that because some idiot from one of those countries made a dumb purchase, that somehow, that example ought to be used as an excuse to avoid our responsibilities in dealing with this problem in Latin America and Africa.

Now, the problem is very simple. A lot of these countries ran up debt when they were working for us and for the CIA and for our intelligence operations; they were conduits through which we were able to learn a lot about our political enemies around the world. So the Congress was asked to close its eyes while those governments did lots of dumb things. They abused human rights; they ran up huge debts. Now, we have new governments, and we are being asked to provide the same opportunity for new investment and new economic growth in those countries that we provided in countries that look just like most of us. It has been harder here. We are told that, well, this is just international debt that we are forgiving here and so we ought to put more stringent conditions on it.

Mr. Chairman, I would suggest that there are some countries that ought not to be lent an additional dime, and there are other countries who will be in a state of social and economic collapse if they do not receive new lending. We have some countries that are spending so much paying off the debts incurred by their former governments, that they do not have any money left to spend on education and health for their own children.

So we are here, not out of any bleeding heart knee-jerk reaction. We are here because we have two responsibilities. One is to our own national security, because we cannot exist forever, no matter how strong we are, in a world where there are large segments that are essentially poverty-ridden and open to all kinds of potential political mischief; and secondly, we are asked to respond to our moral responsibilities to help people who never had a say in incurring these debts in the first place. The ironic thing about it is that they are not collectible. They are lousy debts and all we are doing is clear the books so that we will give these new governments the same opportunity to start afresh that we gave other governments who look like most of us.

Mr. Chairman, I would suggest that we ought to get on with the job, we will sooner or later; and if this bill did what it ought to do, we would be able to vote for it.

Mr. CALLAHAN. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. BILBRAY).

Mr. BILBRAY. Mr. Chairman, I am not a member of this committee; I do not know all of the great international nuances that are being discussed here. But I did come to the floor to speak, because it seems like the debate has gotten to a point to where there may be fingers pointed and charges being made back and forth, but I would just like to remind my colleagues that this debate about what other countries and their citizens may want or need, what the Pope may want or need, we do not sit here as a governing body to represent their opinions. We are here to represent the people of the United States. This is the people's House of the United States.

I am a practicing Catholic, although I happen to be a pro-choice Catholic, but the Pope does not direct me how I am going to stand on a policy statement of how the people of the United States' money should be spent. It is not a foreign government's money, and it is not the Pope's money. It is the American people's money, and it is not our money.

I just want us to understand that when we talk about forgiveness of debt, we should think about how many Americans are out there right now who say, this sounds pretty good. I would sure love to see Congress cut me the same deal that they are talking about cutting other people all over the world. Mr. Chairman, American taxpayers may be watching tonight saying, it really is true.

I am just saying I hope that we understand as we are talking about all of these bigger issues that there are people out there that are struggling to pay their taxes, struggling to be able to play by the rules, struggling to pay for their debts, and then seeing the House of Representatives, the people's House talking and saying, we need to talk about forgiveness of certain debts, talking about it as if it is our personal funds that we are willing to have a charitable contribution out of.

I bet, my colleagues, there are a lot of Americans out there who would say, great, Members of Congress, take it out of your pocket and put it in there, but you are taking it out of our pockets as taxpayers and giving it to another country, and giving it and giving it. It is a small, small, minute percentage of what we allocate out of this House, but do we not realize how much it just really rubs the taxpayers wrong when they hear the discussion of even the term forgiveness. I think that maybe we ought to talk about would we not be more productive in making people independent.

I just want to go back to this whole discussion of the Pope. He does not pay the taxes and we do not represent him. I follow him as a religious leader of my church, but the Constitution mandates to me and every Member of this body that we represent the people in our district, not even one of the great religious leaders that lives in Rome.

I would just say, we may disagree on this issue, on the technicalities of this issue, but I think the dialogue has gotten to where it is either/or: I am going to impugn your opinion for my opinion. I just think that people that are watching today and Members of Congress are watching, and remember, we are forcing this money, let me remind my colleagues, we are forcing this money from American citizens and resident aliens, forcing them under the threat of imprisonment to give us money, and we are sending this money all over the world.

Mr. Chairman, we have an obligation to make sure that every cent is responsible and is being responsible in its application and is being held accountable. I think the chairman has pointed out that that cannot be said with all of these funds, and we have the obligation to make it so.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. BILBRAY. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, would the gentleman explain to me how we help taxpayers when we refuse to write off debts that are uncollectible that will never be repaid and which simply get in the way of creating markets for products that are made by Americans so that they can have better jobs and earn more money?

Mr. BILBRAY. Mr. Chairman, reclaiming my time, I would say the same argument would be made by many taxpayers, Mr. Ranking Member; but the fact is that they are overburdened again and again and feel like they are over-taxed. The concept of saying they have to choose between child care and helping their family or sending their kids to school or being able to give what they want to their children, or the fact that they need, by force of law, to contribute to the Federal Government money that we then send overseas. I think that this is an issue that we just have to understand the dialog about.

Mr. CALLAHAN. Mr. Chairman, I reserve the balance of my time.

Ms. PELOSI. Mr. Chairman, I am pleased to yield 2½ minutes to the gentleman from Maryland (Mr. WYNN).

Mr. WYNN. Mr. Chairman, I thank the gentlewoman for yielding me this time and also for her outstanding leadership on this issue.

Let me begin by saying that I am very proud that Americans and specifically American taxpayers are not selfish, that they cannot bear the spectacle of 22 million people infected with AIDS in Africa; they cannot turn their backs on those people, and that they are not selfishly thinking only of their own concerns.

With respect to this amendment, I am here to support it. Here are the facts: the President asked for $475 million, this committee only gave $82 million, and that is a travesty.

Now, we hear a lot about corruption, but I am sure the chairman is not trying to say that the people who are dying in Africa ought to be sacrificed because of a corrupt leader. What we need to know about the facts of this issue is this: in Tanzania, for example, the government spends four times as much money on debt payments as it spends on health and education combined. What we need to know in this debate is that Uganda, Zambia, Nicaragua, and Honduras spends more on debt service than they spend on health and education combined. So this debate is not about corruption and it is not about wasteful spending.

Now, here is an issue that really strikes me as interesting. The gentleman talks about how we need to be concerned about how the money is spent; we need to have conditions. We can apply conditions. The problem is, the committee did not just apply conditions, the committee cut the money substantially. It cut 80 percent of the funds that were going to be used for debt forgiveness.

This is a project in which the United States and other developed countries are stepping forward and saying, there is a major epidemic, pandemic in Africa, sub-Saharan Africa, as well as in other countries, and we want to forgive debt as a group, this is true burden-sharing, to enable these countries to move forward, to spend money on health and education rather than on bad debts. This is a case where we really need to lead.

Thankfully, the American people are not selfish. I think they will agree with us that we ought to adopt the gentlewoman's amendment; we ought to put the money into debt forgiveness; we ought to give these countries a chance, and we ought to respond to the crisis that exists in Africa.

Ms. PELOSI. Mr. Chairman, I am pleased to yield 2 minutes to the gentlewoman from Michigan (Ms. KILPATRICK), a member of the subcommittee.

Ms. KILPATRICK. Mr. Chairman, I thank our ranking member for allowing the time for me to participate in the debate.

I do not want us to lose sight on the importance of our country and who we are in the world. This is the greatest country in the world in many respects. We are enjoying a surplus in a time when many in our country are living better than they have ever lived. At the same time, many do not live as well.

This foreign operations budget, as has been said over and over today, is less than 1 percent of our total budget. When we talk about debt forgiveness, we do it all the time, with our own American citizens, and we should. The S&L bailout, as we remember. We forgave a lot of those debts and many of those people involved in that scandal are living very well today. I am not opposed to it; I want us to take our responsibility as citizens seriously, to look at the world and see the ones who need forgiveness at this time.

The G–8 countries of which we are the leaders to look to America to see what we do for the least of these in that G–8 environment. We have a responsibility and an opportunity to give and forgive debt for some of the poorest countries, who have no idea and cannot pay that debt, were not responsible for it. This country gave that debt to many of those leaders who are long gone. Why, then, do we today hold those same children in those very poor countries responsible? We do have standards. The IMF has standards. Bolivia, Mozambique have met those standards. But the appropriation is now not there to help those countries and other poor countries come into the 21st century.

□ 1930

Mr. Chairman, Members of the House of Representatives, debt forgiveness in this year of jubilee, taught and mentioned in the Bible, is upon us. Let us rise to the occasion, do what is right, and forgive those poor countries at a time when God has blessed us to forgive.

Ms. PELOSI. Mr. Chairman, I am pleased to yield 5 minutes to the distinguished gentleman from Michigan (Mr. LEVIN).

Mr. LEVIN. Mr. Chairman, I must confess, I am deeply distressed by the tone of this debate, at least in parts of it.

Let me just cite one fact. For the 41 Nations that have been identified as the most heavily-indebted poor countries, external long-term debt rose rapidly from less than $7 billion in 1970 to $169 billion today.

There has been some reference that the amendment would pay off multinational banks, as if these are multinational corporations, kind of using that rhetorical device. We are talking about debt owed to multilateral institutions and governments, not in this instance to private for-profit institutions.

It has also been said that cash flow is not affected. That is just patently wrong. Unless debt is eliminated, these countries cannot obtain further cash flow. With elimination of debt, they will.

Mr. Chairman, this is no scheme. This is a proposal, an edifice built by sovereign nations, by the G–8, who have decided that it is in their self-interest to act on this debt.

Then it is said, well, let us give the money to the child survival fund, instead. As a former assistant administrator of the Foreign Aid Agency, I am all for monies for child survival, but let no one think that that is an alternative to governments pulling their own weight. Indeed, the Republican administrations have insisted that aid has to be shifted to help countries pull their own weight.

I want to read the last part of the GAO report. I hope the gentlewoman from California will give me another minute if I need it, but I do not think I need it quite yet. I want to straighten out the references to the GAO report.

I just saw it now. But we do not have to read it from cover to cover to know that the statements here using the GAO report are a distortion, purely and simply. Here is the key paragraph, and I have dealt with a lot of GAO reports, including when I was in a previous administration:

> The uncertainties over whether the initiative provides a lasting exit from debt problems, the tension between quick debt relief and preparing poverty reduction strategies and the difficulties in financing the initiative should not be seen, however, as a reason to abandon efforts to provide debt relief to eligible countries.
>
> Heavily-indebted poor countries continue to carry unsustainable debt burdens that are unlikely to be lessened without debt relief. But participants and observers may need to have a more realistic expectation of what the initiative may ultimately achieve.

To use this report as an argument to thwart the effort of the administration to live up to its essential commitments as part of a G8 program I think is inexcusable.

I want to close with this. What is in our national interest? Africa and other countries face a tragedy, a human tragedy that could affect all of us, including our security and surely our sense of morality. For us to sit here and insufficiently fund debt relief is inexcusable in terms of American national security and American ethics. We must do better. Adopt this amendment.

Mr. CALLAHAN. Mr. Chairman, I continue to reserve a point of order on the amendment.

Ms. PELOSI. Mr. Chairman, I am pleased to yield 7 minutes to the gentleman from Massachusetts (Mr. FRANK), former chair of the Subcommittee on Domestic and International Monetary Policy of the Committee on Banking and Financial Services, and an expert on international debt forgiveness.

Mr. FRANK of Massachusetts. Mr. Chairman, I thank the gentlewoman for yielding time to me and for doing such a great job.

The gentleman from Michigan made it very clear that when the chairman of the subcommittee quoted the GAO report, he got it exactly backwards. I guess to just stick with the theological tone that has occasionally intruded here, we now know that the devil may quote Scripture and the chairman of the Subcommittee on Foreign Operations, Export Financing and Related Programs may quote the GAO report, but neither one of them can be trusted on the interpretation.

The GAO says that debt relief is not enough. It does not say, do not give them debt relief, it says debt relief is not enough to do poverty reduction. So the notion that because debt relief is not enough to accomplish the ideal, we should therefore do less, makes sense only to the chairman of the subcommittee.

I also want to talk about the Pope. Obviously, we all have agreements and disagreements with the Pope, although respect for him, as the gentlewoman from California said.

But the Pope is not speaking here ex cathedra. This is not primarily a theological exposition. The Pope heads the most extensive anti-poverty organization in the world. Priests and nuns and church workers are the most sustained group of anti-poverty workers all over the world. The Pope's recommendations in this public policy come to us better grounded, I must say, than the off-the-cuff observations of the chairman of the subcommittee. The Pope is reporting based on information he gets from people who are the on-the-ground poverty workers.

Here is the issue. This analogy to a credit card is, as the gentleman from California said, to use a technical parliamentary term, silly. We are talking not about an individual with a credit card, we are talking about, in many cases, regimes that borrowed and in many cases were overthrown with our help because they were corrupt and brutal.

New governments are in power. The question is whether the people who are now living in those countries should be bled, should be denied basic food and medicine, to pay off old debts.

The gentleman has said, Well, it is to bail out the multinational banks. No, the multinational banks, and let us make this point, when the bill came to us last year from the administration it did have provisions so some of the funds could have, after debt relief, continued to fund some of the activities of the multinational financial institutions. We stopped that. The bill that passed says the funds generated, whether from gold sales or from appropriations, go only for debt relief and nothing else.

Now, to say to these countries, by the way, we will give you debt relief but you cannot then ever borrow for anything else, is a very cruel approach. What about a country that has instituted democracy, that has instituted some reforms and gets the debt relief, and then wants to deal in a responsible way with its economic development? No entity finances all economic developments on a cash basis. People do not buy homes that way, businesses do not grow that way, and countries require some investments.

Investment means, give us some money now and we will pay you back later, maybe through equity, maybe through debt.

I have to say, and I am glad the gentleman from Alabama is back here now, because I want to express my disagreement with one of his constant premises, he keeps telling us that we agree on the goal. I must tell the gentleman that I see no evidence of that. I see no evidence that the gentleman from Alabama has been strongly moved to try to alleviate poverty.

Indeed, we heard the gentleman from California previously say the taxpayers do not want us using their money this way. I am very proud to be able to say that I believe that the people I represent, the people in my congressional district, on the whole want me to vote to use this relatively small amount of money to stop children from starving to death and to prevent disease from ravaging innocent people. I really believe that. If they do not, they can find another representative.

I do not believe that the people I represent do not want me to do that. The gentleman from Alabama said before, well, he set up this children's survival fund. The problem there is that money is not leaking but rushing out of these countries, on the one hand.

It does not do much to put money in on one end if it just goes out in the other. We need both. They are not alternatives.

The gentleman said the problem is the allocation. But the gentleman voted for the budget that set up the allocation. The allocation is an artificial fact which everybody knows is not going to hold up anyway.

The fact is this: Virtually every organization in the world, religious and nonreligious, Catholic, Protestant, secular, has come together to lobby the American government for this. This is not some construct of the Clinton administration or the Blair administration or the Jospin administration, this is a response by governments to the overwhelming demand of nongovernmental organizations, religious and nonreligious, based on their experience.

They say, look, the very least you can do is to go to the poorest countries in the world and do not make them continue to pay out the money. There is no blank check here. There is a requirement that the countries follow some basic responsible positions.

They will not do it perfectly. If the rule was that money does not go to anybody who did not spend it perfectly, we would have no CIA, we would have no HUD, we would have no Pentagon.

But here is the issue. Overwhelmingly, not just the Pope but the people the Pope supervises and all the Protestant churches and all of the non-governmental organizations and environmental organizations and poverty organizations that deal with international human concerns came to the governments and said, do this, and our government has been willing to do this.

There is an obstruction. The obstruction is the budget that has been brought forward which does not fund it in anything like the adequate amounts. The GAO report in fact, read correctly and fairly and in context, says do this, but this in and of itself is not enough.

Mr. CALLAHAN. Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. OSE).

Mr. OSE. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise today in opposition to the amendment, and I have had more than ample opportunity to sit in committee meetings and share time with my good friend, the gentleman from Massachusetts, who is extremely far-reaching in his thoughts and what have you.

However, I must rise to respectfully disagree with some of his conclusions.

I just want to share some of the deliberations that took place in the subcommittee as it relates to debt relief for the highly-indebted poor countries.

Just for the edification of the Members who are in this body who were not in attendance at that committee meeting, what we are considering here is a proposal in effect to forgive debt that has been accumulated by a number of heavily-indebted poor countries over the past years, the purpose of which would be to allow them to thereafter raise their standard of living, either by investing in infrastructure or in hospitals or schools or medical assistance, and care for their people, the people who live in those countries.

Keep in mind, this debate in the Committee on Banking and Financial Services took place this year, this being 2000. I just want to remind everyone that in the seventies and eighties when these loans were originally extended to these now highly-indebted poor countries, the loans and the grants and what have you were extended on the basis of providing these countries with the resources to raise their standard of living, to build roads and infrastructure and hospitals and schools.

So we find ourselves in the unique position today of in effect having in the seventies and eighties provided loans to raise the standard of living of these countries by virtue of investing in their infrastructure. Now we are going to forgive these loans so that these countries can raise the standard of living by virtue of investment in their infrastructure.

Let me just examine a little bit how we discussed this system would work within the Committee on Banking and Financial Services.

As Members know, or as many know, we have various organizations around the world that are involved in investment in highly-indebted poor countries. We have the International Bank of Reconstruction and Development, we have the World Bank, we have the IMF, we have various other things. Each of these institutions on their ledger sheets carry gold as an asset.

The manner in which we talked in the Committee on Banking and Financial Services about financing these loans to the highly-indebted poor countries, I just want Members to follow this, was we were going to take the gold that is on these balance sheets and unilaterally revalue it, and then we were going to take the difference between the book value of the gold on these balance sheets and the revalued value and basically collect interest on that difference and use it to relieve this debt.

□ 1945

Mr. Chairman, I cannot think of a more hobgoblin system by which we would conduct our financial affairs than to take what in effect is a rose that we hold at a value of $5 and say it is now worth $350 and take the difference of the $345 and use it to finance this debt forgiveness. I mean if I did that in private business, I can tell my colleagues I would be on Bill Gates' level. I would welcome that opportunity. However, I cannot get away with that.

I do not see why it is that the Federal Government, that this Federal Government would enter into that kind of a financial exercise, the purpose of which would be to forgive loans for the purpose of raising a standard of living.

Mr. Chairman, keep in mind, that the original purpose of the loans was to assist these highly indebted poor countries with raising their standard of living, so having given the loan, having time passed, now we are going to forgive the loan for the purpose of allowing these highly indebted poor countries to raise their standard of living.

The debate in the Committee on Banking and Financial Services revolved around what constitutes a highly indebted poor country, and I would just like to share with the other members of this committee that the standard that was used was, if I recall correctly, the accumulated debt of the country as a percentage of its gross domestic product. It had no connection whatsoever to the amount of trade or commerce that a highly indebted poor country who would be extended this debt relief might engage in with the United States.

There was no connection between commerce with the United States and the relief of debt to these highly indebted poor countries. We discussed at length amongst some of us whether or not we should change that standard by which we extended debt relief to account for the needs of our friends like Mexico or some of the trading partners with whom we have substantial economic commerce and with whom we have very, very specific United States interest with which to protect.

I would submit to my colleagues, in wrapping up, that extending or providing debt relief on loans that were originally granted for the purpose of raising standards of living, but now to provide debt relief for the purpose of allowing those debtors to raise their standard of living is at best circuitous and at worst challenges even the most brilliant of our scientists in terms of the logic they are in.

Ms. PELOSI. Mr. Chairman, I yield 30 seconds to the distinguished gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK of Massachusetts. Mr. Chairman, I just wanted to point out that the gold revaluation in which we got a lesson from the gentleman from

California (Mr. OSE) is completely and entirely irrelevant to this bill. We did authorize gold revaluation last year with regard to the IMF debt.

This is a bill which appropriates money for the development banks, so the gold revaluation issue, whether we like it or not, is not involved in this bill. This is a bill that appropriates dollars to deal with the development banks, not with the IMF which had the gold revaluation, but it is still more relevant than the reading of the GAO report of the chairman, the gentleman from Alabama (Mr. CALLAHAN).

Mr. CALLAHAN. Mr. Chairman, I yield 7 minutes to the gentleman from Ohio (Mr. KASICH).

Mr. KASICH. Mr. Chairman, let me say that last year, the House, the Senate and the administration engaged in what I would call and has been termed a historic act of grace, and it was designed to relieve the debt of the poorest nations of the world.

My interests came about actually on an airplane flight from the middle of America, from Iowa, back home to Westerville, and I read the New York Times and there was a picture of a B2 bomber, and the question was "what's the limits of America's power?"

When I read this article, I was really struck by the notion that while the United States has incredible military power, unprecedented military power and obviously now unprecedented economic power, many nations in the world were beginning to fear us, resent us. And as I thought about it, I thought if we have all of this power, and we do, it does not make any sense to not share some of the bounty that we have with those that have little.

I must tell my colleagues, I am not particularly interested in all the calculations that have been presented tonight, because I have been in Angola, and I have seen people hauled with half bodies through little villages as a result of a civil war. This is not designed to provide aid to people who are in the middle of a civil war, but it is designed to provide some help and some hope to people who have absolutely nothing.

The fact is that this resentment towards the United States has been growing. Last year, we had a historic act of grace that frankly was bipartisan in nature, and that, to some degree, disturbs me about the debate tonight.

The chairman of the subcommittee, the gentleman from Alabama (Mr. CALLAHAN), was, in fact, at the end of the day instrumental in being able to provide up to $200 million in debt forgiveness and to permit the IMF to use some gold reserves in an additional effort to relieve the debt payments of the poorest of the poor. Is all of this going to be right? No.

I will tell my colleagues this, this Congress just this year appropriated $100 million for local firefighters and EMS squads, and the last time I checked my Republican philosophy, that did not fall into the category.

When we look at the amount of money that we waste on both sides of the aisle for projects, the simple fact of the matter is, the United States must do something to help alleviate poverty in this world. We cannot turn our back on people who have nothing.

Is it all going to work out right with the accountants? The answer is probably not. Foreign aid never does, because we are giving it to people who sometimes are the wrong people. But there is an effort in this bill and in this procedure to make sure that the money that we give to the poorest of the poor is going to be accounted for.

My feeling is that this bill is underfunded in this area. Some of us say lift the allocation. I am not interested in lifting the allocation. I am interested in priorities, and I think this ought to be a major priority. I think the gentleman from Alabama (Mr. CALLAHAN) should be complimented for what he did last year and let me say also that last year the people that engaged in the historic act of grace were people like the gentleman from Illinois (Speaker HASTERT); the gentleman from Texas (Majority Leader ARMEY); my colleague, the gentleman from Massachusetts (Mr. FRANK); over in the Senate, Senator CHRISTOPHER DODD, Senator CONNIE MACK, Senator PAUL COVERDELL, a long list of Republicans and Democrats, who believe that it is essential that we use debt forgiveness as a way to provide some hope to the poorest of the poor.

A little bit of the concern that I have tonight, because I am going to be very involved again this year. I am going to be very involved in trying to make sure we do more to help the poorest of the poor, and I believe we will have support, strong support, at the end of the day from the gentleman from Alabama (Mr. CALLAHAN). Discussions were entered into yesterday with the administration.

Mr. Chairman, I know that the gentleman from Texas (Mr. ARMEY) is very interested. And I tell my colleagues on both sides of the aisle that we are going to need to fix the IMF. There may be some institutional changes that affects a body that all too many times has imposed the wrong economic principles on poor nations. And there is going to be a push for this kind of reform in the IMF.

The fact is that I think at the end of the day we will have a package, and it will be a package that will call for increased accountability for the money that goes to the poorest of the poor. There will be increased reform on the International Monetary Fund that has imposed many times the wrong economic prescriptions on poor nations, but I would suggest in this body that we not make this issue a partisan issue.

I can also say to the groups that have been so involved in this, we have to work with the Members. It is a foreign aid bill. It is not always the most popular bill at home. But at the end of the day, I believe that we can on a bipartisan, congressional and administration agreement reach out again to provide another historic act of grace that will give hope to people who today all too often have no help.

Let us try to work together and let us try to recognize that this solution must be bipartisan, will be bipartisan, and let us keep, as one effective politician in this country has said, let us keep hope alive.

Ms. PELOSI. Mr. Chairman, I yield 3 minutes to the gentlewoman from Florida (Mrs. MEEK), a member of the Committee on Appropriations.

Mrs. MEEK of Florida. Mr. Chairman, I want to thank my colleague, the gentlewoman from California (Ms. PELOSI). I come here tonight to strongly support the Pelosi amendment. It is troubling to see that we are using the General Accounting Office report as a litmus test for what we should do here in this Congress. To me, we have run out of procedural things to do and things that have common sense.

There are so many ironies that I have heard here tonight. We have given aid to people in civil wars. We have propped up dictators around the world. So tonight to come before this body and say because of someone buying an airplane that means that we are going to withhold the kind of relief which they need, it is disingenuous to do that. We know that is true. We have a moral obligation to work and help the continent of Africa.

Debt relief is desperately needed by the world's poorest countries. We talk a good game here in terms of poverty. But are we going to do something about the countries who need it most? These countries have had to make drastic cuts in essential human services, such as health and education. Do we want the AIDS epidemic, which is now becoming a pandemic to reach this country? It will.

Those of us who know history know about the black death. We are not immune to any of these health problems. If my colleagues do not think we are, read the history of the World Health Organization. We are dealing with a very serious virus here. We must do something to relieve this.

Debt relief is nothing new to this country, many of it was accumulated during the Cold War. As long as there was Communism, I did not hear too much fight against it. We gave debt relief.

We know that these countries are supported now because we are giving it to them in a very small way, very little money. So these corrupt dictators, which we propped up over all the years, they are not there any more, these countries are trying to straighten up and live within our guidelines.

The debt of the Congo was accumulated during the oppressive rule of Mobutu. Nicaragua's debt was accumulated during the dictatorship of the Somoza family and the subsequent civil war. It is unjust and immoral to expect the impoverished people of these countries to pay back these debts.

Mr. Chairman, all of us have heard of Jubilee 2000, those of my colleagues who profess Christianity and other kinds of religions, this is the year for us to come together and do some work for the poorest of the poor.

It is the right thing to do. The supporters of Jubilee 2000 now include a broad expanse of Catholic, Protestant and Jewish religions. It is time for us to come together.

I rise to support the Pelosi amendment to increase funding for debt relief for the world's most impoverished countries.

As many of my colleagues know, debt relief is desperately needed by the world's poorest countries. In Zambia, Niger, Nicaragua, Honduras and Uganda, government spending on debt service payments is greater than government spending on health and education combined. Tanzania spends four times as much money on debt payments as it does on health and education combined. The governments of these countries have been forced to make drastic cuts in essential human services such as health and education in order to make payments on their debts. These debt payments constitute a transfer of wealth from the world's poorest countries to the world's most wealthy countries.

Debt relief for the world's poorest countries is supported by a worldwide movement known as Jubilee 2000. This movement was begun by Christians who believe that the year 2000, the two thousandth anniversary of the coming of Christ, is a Jubilee Year. According to the Bible, the Lord instructed the people of Ancient Israel to celebrate a Jubilee—or a Year of the Lord—every 50 years. During a Jubilee Year, slaves were set free, and land was a redistributed.

Activists know that forgiving the debts of the world's most impoverished countries in the Year 2000 is the right thing to do. Supporters of Jubilee 2000 now include a diverse group of Catholic, Protestant and Jewish religious groups, development specialists, labor unions, environmental groups and other non-governmental organizations.

Many of the debts owed by poor countries were accumulated during the Cold War, and many are the result of loans to corrupt dictators who are no longer in power. The debt of the Congo was accumulated during the oppressive rule of Mobutu. Nicaragua's debt was accumulated during the dictatorship of the Somoza family and the subsequent civil war. It is unjust and immoral to expect the impoverished people of these countries to pay back these debts. Supporters of Jubilee 2000 also know that debt relief is a moral imperative.

The Administration requested a mere $225 million for debt relief for the world's poorest countries in fiscal year 2001. Unfortunately, the Foreign Operations Appropriations bill includes only $69.4 million in debt relief funds for these countries. The Pelosi amendment would increase debt relief appropriations to fully fund this modest request. I urge my colleagues to support this amendment.

Mr. CALLAHAN. Mr. Chairman, I yield 3 minutes to the gentleman from Iowa (Mr. LEACH).

Mr. LEACH. Mr. Chairman, let me thank my distinguished friend, the gentleman from Alabama (Mr. CALLAHAN) for yielding me the time, and let me also identify with his dilemma.

I think on behalf of the Congress, we all ought to recognize the difficulty the gentleman from Alabama (Chairman CALLAHAN) has with dealing with a slight budget and enormous obligations. This is a difficult job. This budget as it is presented to the Congress recognizes a need for debt relief. It also recognizes that we are going to have to respond more forthcomingly with the AIDS challenge.

On the other hand, I think most of us recognize that these principles of concern are inadequately attended to because of the budgetary constraints we have, and I personally believe this Congress before we adjourn is going to have to do much, much more.

Debt relief is rooted, as the prior speaker, the gentlewoman from Florida (Mrs. MEEK) mentioned in the religious concept, the word jubilee, which derives from Leviticus, which implies a re-ordering of relationships, and one of the great questions in this jubilee 50-year reassessment, is whether it is worthy of being reassessed in this debt relief context?

If my colleagues look at the poorest of the poor countries in the world, many today have more obligations in terms of debt service than they can apply to education or health care.

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In this circumstance, I think that the religious precept of Jubilee does compelling come into play, and it is no accident that religious leaders from the Pope to Billy Graham to Pat Robertson have endorsed debt relief in this Congress.

As far as health care is concerned, this world is confronted with the greatest health crisis in human history. Within a year or 2, more deaths will have occurred because of the AIDS virus than because of the bubonic plague of the 1300s. We have an obligation to respond and respond compassionately.

In terms of both debt relief and the AIDS crisis, committees of the Congress have responded in certain ways. We have authorizing legislation that has passed. Now it is the obligation of Congress to move forthcomingly to appropriate funds and, frankly, to give consideration to appropriating beyond the levels that have already been authorized.

But I would say at this point in time that, what this debate is all about, is making it clear to all sides that there is not just bipartisan, but American concern for the plight of people in the less developed world and an understanding that that plight cannot be isolated; it can come here to roost very quickly.

This happens to be the most compassionate set of initiatives in the history of the United States' Congress for the developing world. Debt relief and support for AIDS eradication and prevention is something we in this Congress simply have to address as the appropriations process continues.

Here, it must be stressed, Mr. Chairman, that debt relief and AIDS prevention are intertwined. Intertwined because there is belated but growing recognition that a stronger commitment is needed to combat the HIV/AIDS pandemic, but that many poor countries—particularly in hard-hit Sub-Saharan Africa—owe several times more in debt payments than what their governments are spending on basic health and education.

I recognize the extraordinary budgetary constraints that Chairman CALLAHAN confronted in trying to fashion an adequate response to both issues and remain hopeful that substantial additional funding for debt relief and for the House-approved World Bank AIDS Trust Fund can be secured as the appropriations process moves forward.

Last year debt relief received strong, bipartisan support in Congress, and important strides were made toward achieving debt relief for the world's poorest countries. As Members recall, last November Congress appropriated $123 million to begin canceling the debts that reforming poor countries owe the United States, and agreed that the International Monetary Fund (IMF) can use $2.3 billion of its own resources to finance its contribution to debt relief. In this regard, the Banking Committee fully authorized U.S. participation in international debt relief efforts during the first session of the 106th Congress (H.R. 1095, Rept. 106–483). The core of that debt relief bill was included in last year's consolidated appropriations package.

The Committee's authorizing language specified a number of conditions that countries must meet in order to receive debt relief. Countries must perform satisfactorily under an economic reform program, promote civil society participation, implement anti-corruption measures and transparent policymaking, adopt strategies for poverty reduction, and strengthen private sector growth, trade, and investment. Consistent with current law, the program excludes from eligibility countries that systematically violate human rights, support terrorism, or have excessive military spending.

However, Congress still needs to approve U.S. contributions to help defray the costs of regional development banks, such as the Inter-American Development Bank, to allow them to do their part in the international debt relief effort. Crucially, every dollar of the U.S. contribution will leverage $20 in multilateral debt relief. In addition, Congress also needs to authorize the IMF to fully mobilize the interest earnings on the off-market gold sales that occurred last year, solely to finance debt relief.

It is self-evident that debt relief alone cannot solve the problems of hunger and poverty. But when debt relief is coupled with credible economic and social reforms, it can help be a catalyst for economic growth. Sound debt relief programs can help free up resources for poverty reduction, basic human needs, HIV/AIDS prevention and treatment, child survival and environmental protection. By helping to put countries on the path toward sustainable development, debt relief can also benefit the U.S. economy through expanded trade and investment ties.

More broadly, securing full funding for debt relief remains a key legislative priority for a broad spectrum religious leader—from the Pope to Pat Robertson and the Reverend Billy Graham—who have endorsed the call for debt relief.

On the AIDS front, the release of the latest UNAIDS report just last month underscores the horrific impact HIV/AIDS is having around the globe, particularly in hard-hit sub-Saharan Africa. The stunning statistics on the rapid advance of this disease, despite what medically-advanced countries know to be effective preventive measures, represents a profound indictment of the international community and the leaders of nations most severely impacted. Experts predict that HIV/AIDS will soon become the worst epidemic of infectious disease in recorded history, eclipsing both the bubonic plague of the 1300's which killed an estimated 20 million and the influenza epidemic of 1918–19 which killed 18 million.

Already, according to the latest UNAIDS data, the death toll from HIV/AIDS stands at 18.8 million, including a heartbreaking 3.8 million children under the age of 15. Around the world, another 34.3 million are living with this disease. Of that total, 24.5 million live in sub-Saharan Africa, a disproportionate 70 percent of the world's victims in a region with just 10 percent of the world's population. Infection rates in some countries are nothing short of shocking: a 35.8 percent infection rate among adults in Botswana and a rate in South Africa of 19.9%. And the disease has left in its wake 13.2 million orphans, the vast majority of them in Africa.

What is also alarming is that even international health experts have been wrong about the pace at which this disease would spread. In 1991, the WHO estimated that 9 million would be infected and 5 million dead from AIDS in Africa by 1999. Eight years later, we find that the casualty rates are nearly triple that estimate.

In parts of Africa where the epicenter currently resides, as well as South Asia and the Caribbean where the disease is fast moving, AIDS and the precipitating HIV virus have jumped well beyond the population groups considered most at risk in America. Millions of women now have the HIV virus and it is being transferred in the womb to the unborn. Indeed, by virtually any measure, the global HIV/AIDS epidemic may be fairly described as a plague of Biblical proportions.

Experts also warn that the HIV/AIDS epidemic is no longer singularly a health issue; it has become a major issue for economic development. Assessments by World Bank officials call HIV/AIDS "the foremost and fastest-growing threat to development" in Africa.

Yet, as bleak as the global picture is, we know that there are effective HIV/AIDS prevention and education strategies. They are being successfully implemented in many Western developed countries as well as in such countries as Uganda and Senegal in Africa, and in Thailand in Asia. Those prevention and education strategies must be replicated many times over in a vastly greater number of countries.

Clearly the United States has a strong national interest in combating the HIV/AIDS crisis abroad as well as at home. Infectious diseases, like HIV/AIDS, know no borders. The number of Americans travelling overseas—often to countries with high risks of infectious diseases—has doubled in the last ten years, with more than 57 million travelling abroad in 1998. Millions of Americans and their families also struggle with HIV/AIDS and there are few among us who have not directly or indirectly experienced the loss of friends or family to this disease.

While it remains the paramount responsibility of national and community leads in each country to exercise strong leadership and commitment in dealing with the HIV/AIDS crisis, the United States, other governments, and non-governmental organizations—including private business, religious and humanitarian organizations—must be partners in providing critical resources and medical knowledge.

At present, international donors—including the United States—provide an estimated $350 million a year to address the HIV/AIDS problem in Africa. Yet, experts tell us that over eight times that amount—or roughly $3 billion—is actually needed to do the job. This extraordinary need for resources—and the reality of the budget constraints which limit our bilateral assistance efforts—underscore the urgent need for a change in U.S. strategy to emphasize a much stronger multilateral, "burden-sharing" approach to this crisis. It is my hope that as the appropriations process unfolds, additional resources for HIV/AIDS can be found to fund the innovation approach outlined in the World Bank AIDS Marshall Plan Trust Fund, as passed by the House, This proposal offers the U.S. the opportunity to catalyze a much stronger global response to the AIDS epidemic. Implicit in approaches involving Bretton Woods institutions is the possibility of attracting additional contributions from other donors including, as uniquely authorized in H.R. 3519, the private sector. For a modest $100 million contribution from the U.S., it is my hope that we can leverage enough contributions from other donors—governmental and private—to reach a total of $1 billion a year for the trust fund.

In conclusion, let me stress that America has a particular obligation to do everything within its power to prevent and, ultimately, eradicate HIV/ADIS, particularly among its most vulnerable victims—children. Mortality may be a part of the human condition, but all of us have an obligation to put an end to conditions that precipitate premature death, particularly at young ages. Clearly, no nation is better positioned than the United States, with its wealth and research capacity, to lead the world in this cause. For the U.S. to fail to lead at this critical juncture in history would be moral dereliction. Out of a sense of self-preservation for mankind itself, if not simply humanitarian concern for those currently affected, this disease must be eradicated, whatever the cost. Before the 106th Congress adjourns, it is my hope that we will have the resolve and courage to meet this challenge.

Ms. PELOSI. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I appreciate the remarks of the distinguished gentleman from Iowa (Mr. LEACH), chairman of the Committee on Banking and Financial Services. I commend him for his service on this issue and many others of concern to people of our country and throughout the world. I commend the gentleman from Ohio (Mr. KASICH), chairman of the Committee on the Budget, for his favorably disposed presentation toward the thrust of my amendment.

I want to just state that this must be a bipartisan effort in the House of Representatives, and that is what we will all be working toward. Hopefully, at the end of the day, our position will prevail in a bipartisan way that we will fully fund the President's request for fiscal year 2000 and 2001 to meet our obligations to the G–7 and to the poorest people in the world.

Mr. Chairman, I yield 7 minutes to the gentleman from Massachusetts (Mr. OLVER), who is a member of the Committee on Appropriations, and has long been active in these issues of justice throughout the world.

Mr. OLVER. Mr. Chairman, I thank the gentlewoman from California for yielding me this time.

Mr. Chairman, this has been, at times, an ugly debate; but then we should not expect anything else. This is an ugly bill.

There are multiple reasons to oppose this legislation, and I do oppose it. But the utter callousness of the cuts in what is really a very modest debt relief funding that has been asked by the administration, by the President of the United States, is reason enough to oppose the legislation.

The President asked for $472 million for debt relief program for this year, and that was cut by 82 percent to a total of $82 million. That is even more than a one-third cut from what was made available last year in the area of debt relief.

Now, Mr. Chairman, it may be folly to try to find what is common ground in a situation like this, but I do think that we can probably all agree that there are some, maybe many developing nations that have experienced declining economic conditions while accumulating higher levels of debt which are largely owed to the international lending institutions, the multilateral public lending agencies, the IMF, the World Bank, also to foreign governments, and the U.S. Government. I think we all would agree that that has happened.

Since 1989, the G–7 countries, at that time Canada, Japan, the U.S., Italy, Britain, Germany, and France, that seven, in recognizing that this mounting debt burden for some borrowers had undermined economic growth and even their capacity to finance absolutely basic social and even health programs started setting policies and extending a series of debt relief arrangements.

The most recent of those arrangements is the HPIC arrangement this last year. Now, the 41 nations in the HPIC arrangement, which are the nations of the heavily indebted poor countries, those 41 nations include four from Latin America, four from Asia, and 33 from Africa. Ninety percent of American debt among those 41 nations is in that group of 33 from Africa.

It is interesting that, of all that debt, which the gentleman from Michigan (Mr. LEVIN), one of the previous speakers, had pointed out, that the total debt in those nations had increased to $169 billion. Only $6 billion of that is debt to the United States, debt to this government.

We are a Nation which has 25 percent of the wealth of this world, of this whole planet, and 25 percent of the whole economic base of this whole planet; and something like under 4 percent of the debt to these poorest of the poor nations is owed to the United States.

These nations in Africa are the nations in sub-Saharan Africa who are suffering the worst of the AIDS epidemic, the worst of HIV/AIDS. There are nations there where one-third of all the adults are suffering from HIV/AIDS. There are nations there where as many as half of all the 15-year-old kids can expect to die of AIDS.

There are nations where, as the gentleman from Maryland (Mr. WYNN) earlier pointed out, more money is expended on the debt relief, their payment of debt in some of those nations than they pay for all of health and all of education, all of their social programs. I have heard, though I cannot confirm this by any particular report, that in cases, it is as much as four times as much as going to attempt to pay for that debt that has been built up.

Yet, in this instance, the 82 percent cut in the program that the President asked for, cuts from the President's request, the reduction in the President's request from $472 million to $82 million, deliberately attacks the very program, the HPIC program which had been worked out by the G–8 nations as a way of dealing with the debts in these very poorest of countries.

Now, I just want to remind my colleagues that, and this has been alluded to by others as well, in the calendar years 1990 through 1992, there were a series of initiatives of debt reduction totalling more than $10 billion; actually it is slightly more than $12 billion. They included a debt forgiveness for Poland of $2.5 billion. They included a debt forgiveness for military aid loans to Egypt of $7 billion, a debt forgiveness of some $700 million that went to African and Latin American nations, and debt forgiveness that went to a series of African and Latin American nations and Bangladesh and Asia totalling more than $2 billion, all of them authorized and approved by this Congress under President George Bush, the former President George Bush; all of them approved at that time totalling $12 billion.

Here we are, we are now taking the callous position that we should cut the effort by the G–8 nations in the HPIC countries, the poorest of the poor, cut the President's proposal from $472 million to $82 million. It is virtually unconscionable, and it is for that reason that I support the gentlewoman's amendment that is before us today.

Mr. CALLAHAN. Mr. Chairman, I reserve the balance of my time.

Ms. PELOSI. Mr. Chairman, I am pleased to yield 2 minutes to the very distinguished gentleman from Illinois (Mr. DAVIS).

Mr. DAVIS of Illinois. Mr. Chairman, I join with my colleagues in support of the Pelosi amendment, and I do so because I have been told that to those to whom much is given, much is desired and expected in return. In reality, we are given much in this country; and we are simply being asked to share some of what we have with some of the most needy people in all of the world.

When we talk about the paltry sum that we are talking about providing now for debt relief for Africa and the Latin American countries, it reminds me of a system of share cropping, where individuals get just enough, where no matter how hard they work, no matter what it is that they do, they can never get out of debt, and they just keep working. When they do that, they lose hope. They lose the feeling that tomorrow is going to be brighter than yesterday.

So I would hope that we would recognize that the greatest gift that we can give to ourselves is the gift of hope to those who are hopeless and those who are helpless. I would urge passage of the Pelosi amendment.

Mr. CALLAHAN. Mr. Chairman, I do not think I have any more speakers. I reserve the balance of my time and right to close.

Ms. PELOSI. Mr. Chairman, how much time is remaining on each side?

The CHAIRMAN. The gentlewoman from California (Ms. PELOSI) has 37½ minutes remaining. The gentleman from Alabama (Mr. CALLAHAN) has 32½ minutes remaining.

Ms. PELOSI. Mr. Chairman, I am very pleased to yield 2 minutes to the gentlewoman from North Carolina (Mrs. CLAYTON).

Mrs. CLAYTON. Mr. Chairman, I thank the gentlewoman for yielding me this time, and I stand in strong support of her amendment and say the issue that we are talking about is very, very important. In fact, this bill is very important. But somehow it is very difficult for us to understand that foreign affairs and foreign relations, the monies we spend in aid really enable us as a country to be far more secure.

The issue we are talking about tonight, about debt relief, is a tool we have used to further our relationship with a number of countries historically. We do this as a way of enabling the country to be responsive. We do that as a way of enabling us to have better relationships. We did that with the Soviet Union. We have done that with other countries. We do that historically.

But here we are with a unique opportunity in a unique time, the year of the Jubilee 2000, all of the religious groups, and I would say to the distinguished gentleman from Alabama (Mr. CALLAHAN), chairman of the subcommittee, not only did the poor support this, but the Protestant religions support this, the nonprofit groups support this because it is the right thing to do. It is right to, indeed, share what one has with others.

But the year of Jubilee is a time, 50-year time that says that we reexamine the debt we have as a part of our sharing our wealth with the world. I think that, as we consider this, we have to consider when we relieve the debt, we are enabling those countries to be responsible in self-development of their country, by investing in their education, investing in their health; or otherwise we are taking the monies that we know they cannot afford to pay, indeed, paying a debt oftentimes that has gone in by another regime that was completely irresponsible.

So I strongly support this amendment. It is the right thing to do. Our country owes it to ourselves to make sure we share our wealth, and it is in our security to do it.

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Ms. PELOSI. Mr. Chairman, I yield 2½ minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the gentlewoman from California (Ms. PELOSI), the ranking member, for yielding me this time.

As I listened to the debate this afternoon and evening I do say to the chairman, the gentleman from Alabama (Mr. CALLAHAN), that we have had an opportunity to work together, and I am reminded of the support he gave me in increasing the African Development Fund when I first came to Congress some one million dollars. So I know that he is a fair person and wants to do the right thing. But I think in his debating and discussion this evening that he is misdirected in his angst or his disappointment.

This is not the time to utilize the expending of a nation's funds, as he spoke of Uganda and President and Mrs. Museveni, who are people that I know and have worked with. Uganda is one of the shining stars in the fight against HIV/AIDS, and expends a large amount of its budget, which can be documented, to fight, treat and prevent AIDS in Uganda. I know the ambassador, Ambassador Ssempala, who is a strong leader on these issues. And I believe that was the wrong example for it begins to say that we dictate to countries what their needs are.

I support the gentlewoman's amendment of adding some $390 million to the paltry $82 million, which is really more than a shame. It does not in any way suggest that America is who America should be, and that is a world leader and an investor in helping people lift themselves up. I am reminded of the phrase "Do not give them a fish but teach them to fish." That is what debt relief is all about. It is to ensure that countries who faithfully secure funds from their own population are able to use those dollars not for long-standing debt relief but for food and housing and for health care. That is what this investment means.

How can the chairman, in good conscience, when the administration asks for $472 million, put in the budget $82 million? That is punitive, that is a shame, and that is not befitting of this body.

I would simply say when people are dying in droves in Africa of HIV/AIDS, this is not a time to make an accusation about an airplane. This is a time to stand up and support this amendment and to relieve them of the burden that is unfair so that they can invest in world peace and world calm and we can live together as brothers and sisters.

Ms. PELOSI. Mr. Chairman, I yield 1 minute to the gentleman from Florida (Mr. HASTINGS), a member of the Committee on International Relations.

Mr. HASTINGS of Florida. Mr. Chairman, I thank the gentlewoman for yielding me this time, and I rise in support of her very important amendment.

Before we discuss the particulars of the amendment, I think we need to look at what the base bill does. The base bill makes deep cuts in funds available for loans to the world's neediest countries. That has been said rather repeatedly here.

The 32 percent cut in funding for the International Development Association would severely impact the financing of investments in health, clean water supplies, education and other infrastructure needed to reduce poverty. Additional cuts are made in funding for the African Development Bank, the African Development Fund, the Asian Development Fund, and the Inter-American Investment Corporation.

The reality is that what we are doing here is crushing nations that have been pretty much crushed to the ground. By allowing the debt to continue to run and interest to rise on it, we ultimately affect all such particulars that we would not want to as a fair-minded nation.

Mr. Chairman, I urge support for the gentlewoman's amendment.

Ms. PELOSI. Mr. Chairman, I yield 7 minutes to the gentleman from Alabama (Mr. BACHUS), the chairman of the Subcommittee on Domestic and International Monetary Policy of the Committee on Banking and Financial Services.

Mr. BACHUS. Mr. Chairman, I thank the gentlewoman for yielding me this time.

Mr. Chairman, what are we talking about tonight? I want to quote from Charles Dickens. "It was the best of times, it was the worst of times; it was the season of light, it was the season of darkness; it was the spring of hope, it was the winter of despair. We had everything before us, we had nothing before us."

In 1859, it was the Tale of Two Cities, today, sadly, it is the tale of two worlds, one very rich, one very poor. That is what we are talking about. We are talking about two worlds, and we are talking about what our world will do to help the other world.

What is the cost of our world helping the other world? Doing what is right, whatever the material cost, should always be the imperative. Nevertheless, let us attempt to count the cost, the cost of acting and the cost of not acting. When we do, I cannot in good faith fail to embrace this unique opportunity to help so many at such a small cost to ourselves.

What is the cost of debt relief? At this time, Mr. Chairman, I would like to introduce into the record what that cost would be for each citizen this year, and it is $1.20. I would like to submit that for the record: $1.20.

It is a nominal amount, it is a minimal amount, but it is not an insignificant amount or an inconsequential amount when we realize what it can do for that other world. It is the cost of an ice cream cone. It is the cost of a gallon of gas. In fact, a half gallon of gas. It is the cost of a Sunday paper.

Against this minuscule sacrifice for our world, what is the cost of not acting? Today, in dozens of poor countries all over the world, little boys and girls are born into poverty, disease and hunger. We in America are fond of saying, "I had a bad day." We should realize that even on our worst days we are blessed with so much more; more food, more shelter, more clothes, more security, more than our poor brothers and sisters are on their best days.

We truly cannot comprehend what their day is like. However, I am going to attempt to do so with one quote from Sister Rebecca Trujillo of the Sisters of Notre Dame in Nicaragua. Here is what she writes about the plight of the poor.

"Often in my life," she says, "when I talk about the needs of the poor with whom I work, people say, how do they survive? How do they survive? Since being in Nicaragua, I have taken to answer in a matter of fact way, 'Often they do not.'" That is what we are here tonight to decide, whether they survive or whether they do not.

Let me illustrate, in closing, the cost of not acting as it applies to 15 baby girls and baby boys born today into the poorest of countries. Of those 15, without debt relief, three will die before his or her fifth birthday. Of the remaining 12, four will suffer the scourge of malnutrition, with permanent consequences to their physical and mental development. Of the remaining eight, they are in no way fortunate. Their chances of graduating from high school, of drinking clean water, of suffering disease and deprivation, of being orphaned are great, sometimes as much as 50-50. Their burdens are day-to-day, they are painful, they are heavy.

We in America have been blessed with a period of almost unparalleled economic prosperity. Never in our history has one country had so much progress, wealth and luxury. Now, with the start of a new millennium, we can do so much for a billion of the poorest citizens of the world. I believe they are our brothers and sisters. At such a small cost to each of us, what a shame if history should look back on us today and say that we passed up so great an opportunity.

The responsibility is ours and ours alone. Our moral imperative is not qualified by the rest of the world failing to do what is right. We cannot use other countries' inaction as an excuse for our inaction. The decision is ours.

In conclusion, Mr. Chairman, I would say the decision is three things: First, it is a decision that will follow us. For the people living in these poor countries, their suffering is temporal. It will end with their lives. For us, the decision will follow us. We will not only live with this in this life, but we will live with it in the next.

Second, the decision will define us. It will define us as either a loving people, a people filled with grace and compassion, or it will define us as a people focused on the monetary, the temporal.

And third, and I think this is most important, this is not a decision that the poor countries of the world will make, it is our decision. We have the responsibility, we have the obligation, and we have the direction as to what is the right thing to do. For this decision, whether we are a follower of the Islam religion, whether we are a Muslim, whether we are Christian, or whether we are Jewish, all those religions give us a moral imperative in such a case, and that imperative is to act.

To me, there is really only one decision.

Ms. PELOSI. Mr. Chairman, I yield myself such time as I may consume in thanksgiving for the beautiful testimony of our previous speaker, the gentleman from Alabama (Mr. BACHUS), and thank him for that statement and for his incredible leadership on this issue of international debt forgiveness.

Mr. Chairman, I yield 2½ minutes to the gentleman from Illinois (Mr. JACKSON), a member of the subcommittee and an active champion for debt relief.

Mr. JACKSON of Illinois. Mr. Chairman, a few months ago this Congress was filled with ambassadors who proclaimed that they wanted trade not aid. Why is that? Because, I believe, Mr. Chairman, that the economic elite of every country are really the primary beneficiaries of the global economy.

But it is not trade that is ravaging the people of sub-Saharan Africa and South America, HIV and AIDS are. More than 60 percent of the export earning potential of these countries associated with trade is being used for debt service. It is not being used for health care or for education. My colleague from Massachusetts made that very clear.

□ 2030

Mr. Chairman, I want to make it clear what we believe the problem to be, because we heard a number of our colleagues from the other side come to the floor and talk about responsible governments in sub-Saharan Africa. We spent billions here in America educating people in English and in Spanish about HIV and AIDS.

There are 1,500 languages in sub-Saharan Africa, and they cannot possibly educate their people about the devastating disease and maintain these debt payments. We spend billions to educate 280 million people in America. There are 750 million sub-Saharan Africans, and they cannot educate themselves and make these payments.

There are 5,000 sub-Saharan Africans who are dying a day in the villages, in the cities. The disease to many of them is not HIV or AIDS, it is surrounded by myth and superstition. Why? Because there are hundreds of religions in sub-Saharan Africa. And so every time, Mr. Chairman, that my colleagues argue that at some point in time in the near future we will address debt relief and we will condition that debt relief upon no future loans, we are actually making it more and more difficult for sub-Saharan Africans to educate their own people about the nature of the problem.

That is why some of us have called for unconditional debt forgiveness. But even if the Congress of the United States, Mr. Chairman, does not support unconditional debt forgiveness, the conditions should be placed upon that debt forgiveness on the use of those resources for the education, the health care, and the housing of their people.

Mr. LEACH. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan (Mr. EHLERS).

The CHAIRMAN. Without objection, the gentleman from Iowa (Mr. LEACH) may control the time at this point controlled by the gentleman from Alabama (Mr. CALLAHAN), and the gentleman yields 5 minutes to the gentleman from Michigan (Mr. EHLERS).

There was no objection.

Mr. EHLERS. Mr. Chairman, I will be brief. I do not expect to use the entire amount of time. But I simply want to, first of all, associate myself with the remarks of the gentleman from Alabama (Mr. BACHUS), who gave a very moving and stirring speech a few moments ago and pointed out that what we are talking about is providing an appropriate amount of relief for a cost of only a little over a dollar per citizen in the United States, something which I believe almost all of us can afford quite readily. In fact, I would be willing to pay quite a bit more than that in order to cover the payment for those who cannot do so.

I would just also comment, I am aware that this issue is likely to be ruled out of order and, therefore, not to be voted on today. I would also add that I am a cosponsor of the authorizing bill which will deal with this issue. I believe it is very important that we address it.

There are many issues to be raised regarding this as to how to handle it appropriately, how to ensure that the relief that is given will be used in a meaningful way to aid the people for whom it is intended and a whole host of other issues. But the key point is simply that we are dealing with nations that are struggling for breath, that are dealing with huge amounts not just of poverty but of illness, that are almost immobilized by AIDS and other diseases; and it is incumbent upon us, as the wealthiest Nation in the world, to share some of our abundance with them.

I would also note, Mr. Chairman, that of the developed nations which are sharing their abundance with the poorer nations, the United States still, to the best of my knowledge, contributes the least per capita of any of the developed nations. This is not a record of which I am proud, and I hope we can improve that.

The key, however, is to make certain that the aid we provide does in fact alleviate the situation, does help those in need, and does improve the situation in those nations which need help.

Ms. PELOSI. Mr. Chairman, I am very pleased to yield 3 minutes to the gentleman from Michigan (Mr. BONIOR), the distinguished Democratic Whip of the House.

Mr. BONIOR. Mr. Chairman, I thank the distinguished gentlewoman from California (Ms. PELOSI) for her leadership on this issue. I would like to also congratulate the gentlewoman from California (Ms. WATERS) for her leadership on this issue.

There are so many people who have been active on this and who have shown leadership. I thank the gentleman from Michigan (Mr. EHLERS), my colleague, for his comments and, as he pointed out, a beautiful statement by our friend, the gentleman from Alabama (Mr. BACHUS).

Mr. Chairman, I have seldom been prouder of the House of Representatives than I am tonight listening to this debate. It is an extraordinary outpouring of concern and love and care for people who need our love and our concern and certainly our care in a very critical time.

St. Augustine once said that charity is no substitute for justice withheld. And I think today we face the question of justice. Clearly it is before us.

It has been estimated that the nations of sub-Saharan Africa now owe foreign creditors an average of almost $400 for every man, woman, and child. That is more than most Africans earn in a year. And that is why these nations now spend more to repay debt than they do on primary education or on health care.

In Tanzania, a nation where 40 percent of the population dies before the age of 35, the government today is forced to spend nine times more on debt repayment than it spends on health care. Debt relief is not about charity. It is about justice. And in this case, Mr. Chairman, it is about human survival. It is about helping to save millions of children from hunger and disease and helping prevent whole nations from falling even deeper into an abyss of poverty and neglect.

It has been said that justice is so subtle a thing that to interpret it, one has only the need of a heart. It is up to us today to look into our heart, and it is up to us to remember that the true measure of America's strength is not only our wealth, it is our compassion. I urge support of the Pelosi and Waters effort to provide lasting debt relief to save human lives and to effect justice.

I would daresay, Mr. Chairman, no matter what the outcome of this is today or this evening, that I sense from this Chamber that there is a majority of Members in this body who want to do something and do something substantial on this issue. And I hope we address this issue. I think we will address this issue before we adjourn for the year.

Ms. PELOSI. Mr. Chairman, I am pleased to yield 2 minutes to the gentlewoman from Florida (Ms. BROWN).

Ms. BROWN of Florida. Mr. Chairman, the international AIDS conference is happening right now in South Africa with countries around the world coming together to address the issue of AIDS.

I ask my colleagues, what is the position of the United States on this issue? We are ready to fight off the boogeyman with a $60 billion defense system. But the real boogeyman is AIDS, and we are standing by while it wipes out millions of people in Africa. And, folks, we are not excluded.

AIDS in Africa is a direct threat to our country, especially in today's interconnected world. It is no coincidence that recent reports show that just as AIDS cases in Africa are on the rise, AIDS in the United States is on the increase again. In fact, experts are predicting that 40,000 new infections will occur this year.

The boogeyman is here, folks; and we are going to be in serious trouble if we do not stop him. Debt relief is something that is desperately needed by the world's poorest countries. There are countries that have been forced to make major cuts in health and educational spending in order to pay their debt. I do not understand how we can debate $20 million for debt relief, and yet in the weeks to come my colleagues will come to this floor to support $60 billion on a cartoon defense plan.

Even though our heads may be in the sand, the boogeyman is already here. It is wiping out communities in this country, too.

Debt relief is something that is desperately needed by the world's poorest countries. These are countries that have been forced to make drastic cuts in health and education spending in order to make payments on their debts. I don't understand how we can debate $200 million for debt relief, and yet in the weeks to come my colleagues will be on this floor supporting $60 billion on a cartoon defense plan.

Even though our heads seem to be in the sand, the boogeyman is already here. It's wiping out communities in this country too. The only way we can stop him is through stopping the AIDS virus, and one of the best ways to do that is through debt relief. I rise in opposition to this bill because it fails to address some of the most critical issues in the world—debt relief and the international AIDS crisis that is wiping out the continent of Africa.

In Zambia, Niger, Nicaragua, Honduras and Uganda, government spending on debt service payments is greater than government spending on health and education combined! 4.2 million South Africans are currently infected with HIV. If these countries were granted debt relief, they would be better equipped to pay for health services for AIDS, which is ravaging the continent.

Almost half of all 15 year olds in the African countries worst affected by AIDS will eventually die. AIDS has wiped out households, destroyed families emotionally and economically, severely damaged entire economies, and in some countries, has killed so many teachers that it is beginning to affect basic education. Life expectancy in southern Africa is expected to drop to 30.

This disease has created 8 million "AIDS orphans," who face increased risk of malnutrition and will have very little opportunity to get an education.

Was debt relief really ever given serious consideration in this Congress? No. Even though it was stated on the floor during this same debate in 1998 that "AIDS had the potential for undermining all development efforts to date," many here in Washington still believe that assisting Africa is not in the interests of the United States. We do not live in a vacuum. AIDS in Africa is a direct threat to our country, especially in today's interconnected world.

I urge my colleagues to support the Pelosi amendment and treat the situation in Africa for what it is, a crisis.

Ms. PELOSI. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to thank the many Members on both sides of the aisle who are participating in this evening's debate. I am especially pleased that the last four or five speakers on the Republican side give us hope that we will be able to reach a bipartisan resolution to the question that is before us this evening.

I was, of course, inspired by the statement of the gentleman from Alabama (Mr. BACHUS), encouraged by the statement of the gentleman from Michigan (Mr. EHLERS), always taught by the statement of the gentleman from Iowa (Mr. LEACH), the chairman of the Committee on Banking and Financial Services, and so pleased to have expressions of support from the gentleman from Ohio (Mr. KASICH), the chair of the Committee on the Budget.

So I am hopeful that when we go down this path the funding will be sufficient and the policy will match the need that we have for debt relief.

Mr. Chairman, our distinguished colleague, the gentleman from Alabama (Mr. BACHUS), the chairman of the Subcommittee on Domestic and International Monetary Policy of the Committee on Banking and Financial Services, in his beautiful remarks of support of international debt relief commented that something like $1.20 for every American would cover what we are trying to do here tonight and spoke very poignantly about that being the cost of an ice cream or Sunday paper. I could not help but think of some other statistics.

The World Bank estimates that sub-Saharan African countries owe foreign creditors an average of almost $400 for every man, woman and child, more than most Africans make in a year. More than $400 for every person is owed. This can be resolved by $1.20 for every American, a small price to pay to unleash an enormous amount of money relatively speaking to the economies of those countries that would solve the problem of $400. One dollar solves the problem of $400 for every person in sub-Saharan Africa.

Some of my colleagues have referenced the statistics. The writer George Bernard Shaw once wrote that the true sign of an intelligent person was that he or she was swayed and persuaded by statistics. I do not know if that is true, but the statistics here are staggering and I think very compelling and bear repeating if they have already been stated.

In Mozambique, one of every four children dies before the age of five due to infectious disease. Yet the government spends four times more on debt servicing than on health care.

In Tanzania, where 40 percent of the population dies before the age of 35, the government spends nine times more on foreign debt payments than on health care, according to Oxfam. We have heard these statistics, and they go on and on.

But I am really quite taken by the spirit of how this debate evolved this evening. And in that spirit, I wanted to quote from Bernard Cardinal Law, the Archbishop of Boston, and chairman of the International Policy Committee of the United States Catholic Conference.

He says, "I am particularly disturbed by the woefully inadequate allocation for poor country debt relief. Last year's legislation supporting the new, more generous debt relief program agreed that the Cologne summit gave promise of a Jubilee Year 2000 that would bring hope to millions of impoverished children, women, and men around the world."

□ 2045

I hope that we will take the hope that Cardinal Bernard Law references here and make it tangible in terms of the appropriation that we need at the end of the day.

I just want to say, though, in the larger context of assistance to other countries, what we do for other countries is largely what is in our national interest to do. It is a part of a vision of who we think we are as a country, and we think we are great, and we are great. And as other Members have indicated tonight, it would be a sign of our greatness for us to recognize the responsibilities that we have internationally.

It is about the knowledge that we have and, as I have said before, the diversity that we have in this body empowers us but gives us also the responsibility to do something about the issues that are before us. Our members of the Congressional Black Caucus, of the Hispanic Caucus, of the Asian-Pacific American Caucus know the cultures, the economies, the opportunities and the needs and the urgency in the countries of their knowledge. We should build a plan on that knowledge, and we have. The President has agreed to it, he has to return next week to the G7 meeting to answer for it. Unfortunately, we will not have the opportunity to give him the funding he needs to go there. But hopefully he can take a message that all signs are hopeful that Congress will meet the President's request of $472 million for international debt relief to meet the fiscal year 2000 obligation and the fiscal year 2001, both of which I hope will be contained in this bill.

It is not about doing anybody a favor. It is about the recognition that this is in our national interest. It is about the idea that infectious disease knows no boundary. I would hope that a spirit of compassion would be enough to compel us to do this, but it has a pragmatic aspect of it, and, that is, as I said, infectious disease knows no boundary. And we know that as we see AIDS raging through Africa, Asia and spreading to the rest of the world, even the increase in the United States when we are so enlightened about the subject. And it is again about the spirit of who we are as a country. I think the American people expect and the American people deserve that we do our best to represent us not only as a great country but as a good country.

As I have been talking, Mr. Chairman, I was hoping that some of our colleagues who had requested time would return to the floor. May I ask of the Chair, are we going to have a motion to rise, Mr. Chairman?

The CHAIRMAN. The Chair has not heard such a motion. The Chair will entertain such a motion when offered.

Ms. PELOSI. I had been told that there might be an intervention into our debate.

Mr. CALLAHAN. We are waiting for the gentlewoman to consume her time and once she does there very possibly could be a temporary motion to rise.

Ms. PELOSI. I appreciate the gentleman saying that, but that was my point exactly. If there is going to be a motion to rise, I would reserve my time and use it for other colleagues.

Mr. CALLAHAN. Before we do that, we would like for you to either finish your discussion on this issue or I will ask for my point of order.

Ms. PELOSI. I see. The gentleman is clear.

Mr. Chairman, in that case I may have another speaker available.

Mr. CALLAHAN. We have no more speakers.

Ms. PELOSI. Mr. Chairman, I yield 1 minute to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the gentlewoman for yielding me this time. I want to thank her for her eloquence and commitment, and I certainly want to thank the gentleman from Alabama (Mr. BACHUS) raising the question as to whether we have a moral imperative to act, and that we do.

Might I put into the RECORD, Mr. Chairman, the very points that the gentleman from Alabama (Mr. BACHUS) was making, and I simply want to say to the gentlewoman, you realize that Honduras had a terrible, terrible hurricane in 1998. Right now a Honduran makes $838 a year, and similar to the $1.20, that is a television set, and they owe some $3 billion in debt. If we were to help the Honduran government, this is what they could do. They could improve basic health services for at least 100,000 people, and they could hire 1,000 new teachers among other projects.

To the gentlewoman, I simply believe this goes to my point of not giving a fish but teaching people to fish. How can they pay $3.3 billion in debt and how can other nations around the world fighting off AIDS be able to do so with the enormous debt?

Ms. PELOSI. Mr. Chairman, I yield myself such time as I may consume.

Since the gentlewoman ended on the word AIDS, I just wanted to pick up on that for a moment and say that if you compound AIDS with poverty, you have a very, very deadly formula. These subjects are very definitely related. In the course of the evening we will have an amendment on AIDS, but we will not have as much time to debate that issue. But this issue of the debt forgiveness is not unrelated to the spread of AIDS in these countries which have inadequate access to quality health care and to education and, therefore, prevention.

I also wanted to make the point that it is in our national interest because disease knows no boundary, nor does environmental degradation. So I am very pleased that the American Lands Alliance, the Friends of the Earth, the Natural Resources Defense Council, the Sierra Club, the International Rivers Network, Environmental Defense, Rain Forests International, and World Wildlife Fund have all written in support of our amendment, indicating that when poor countries place their environment in jeopardy, they will frequently have to liquidate their natural resources as a quick way to service their debt. We do not want that to happen. That is why it is very important for us for personal, environmental, health, economic, cultural, political, for every reason to do the right thing by supporting the President's request on debt forgiveness.

Mr. Chairman, I am pleased to yield such time as he may consume to the distinguished gentleman from New Jersey (Mr. MENENDEZ), the vice chair of the Democratic Caucus.

Mr. MENENDEZ. Mr. Chairman, I thank the gentlewoman for yielding me this time. I am glad to be on the floor to strongly support her amendment. This is a question not only of moral imperative but of national importance. The question is not a question of charity towards other countries. The question is what is in the national interest of the United States in the context of debt relief.

This bill contains only $69 million of the $472 million of the administration's request for debt relief, and that amount of aid will not even provide enough resources to enable two countries, Bolivia and Mozambique, for example, who have met all the necessary conditions to obtain debt relief, to actually get it. The bill already shortchanges our friends and neighbors in Africa and Latin America and elsewhere and most significantly in that part which is the most significant program that offers highly indebted peoples the greatest hope for digging themselves out of the pits of poverty.

Mr. Chairman, I have heard many of my colleagues here speak over the course of the last several years about illegal immigration. When people flee their countries, they flee because of civil wars or they flee because of poverty. We spent in Latin America, for example, in the decade of the 1980s well over a billion dollars to promote democracy. And once we believed that we achieved that, we abandoned those countries, and overwhelmingly in the hemisphere where 40 percent of the people live below the poverty level, what do we do? We have basically said that we no longer have a commitment to you. Yet when people cross that border, they are crossing because they are fleeing poverty or because they are fleeing oppression in their own countries.

When people, in fact, are ill, that knows no borders. The diseases that have now begun to spring up here within the hemisphere know no borders. We are not immune as a country in that regard. When we talk about biodiversity issues and we are concerned about the quality of air here and we are concerned about the diminution of the rain forests throughout Central America, the Caribbean and into the rest of Latin America and we say, "Don't cut down your rain forests," but by the same token we give them no relief so that in fact they will not face a mountain of debt in which they will seek to do whatever they need to do in order to meet their national needs.

So this is not about them. This is about us. The gentlewoman's amendment is not a question of charity. It is not even in the context of the spirit of the religious orders of this country about the golden jubilee. It is about the national interest of the United States, whether you talk about in the context of immigration, whether you talk about in the context of disease, whether you talk about in the context of the environment, and how much more are we willing to spend for the meager amount that the debt relief would provide in terms of a beneficial consequence to those countries, how much more are we willing to spend when those countries turn, as we are seeing serious questions within the hemisphere, turn away from democracy and open markets and turn into a renewal of totalitarian governments? Then we will spend billions of dollars to defend democracy. But when we could spend just millions to preserve and promote democracy, we will not. It is not only shortsighted, it does not meet the moral imperative that we clearly have, it does not meet the national interest that we have.

I urge my colleagues to join in support of the gentlewoman's amendment. It is an amendment that pursues the national interest of the United States, and I would venture to say within this hemisphere even the national security of the United States.

And, lastly, our friends have spoken eloquently here about the pandemic that we see in the question of AIDS. That also knows no borders. It knows no color. It knows no gender. And in fact we have a serious consequence if we do not respond. We cannot silently sit by with our eyes closed believing that this major international health consequence will not ultimately come upon the shores of the United States and that there will be no consequence to us. Those who believe that despite all of their claims of internationalism in terms of trade are myopic when they are unwilling to give the type of debt relief as simple and as meager as it might be here but which is significant to these countries.

I urge the support of the gentlewoman's amendment, in our interest, in average Americans' interest, in the national interest of the United States and ultimately so that we can meet the moral imperative and be the beacon of light to the rest of the world that we should be.

Ms. PELOSI. Mr. Chairman, I am pleased to yield 4 minutes to the gentleman from Virginia (Mr. MORAN), a member of the Committee on Appropriations.

The CHAIRMAN. The gentlewoman from California has 1½ minutes remaining.

Ms. PELOSI. Then I will have to yield the gentleman from Virginia 1½ minutes to close for our side.

Mr. MORAN of Virginia. I thank the distinguished gentlewoman for her attempted generosity. I will do what I can.

Ms. PELOSI. Perhaps the gentleman from Alabama (Mr. CALLAHAN) would like to yield some time to the gentleman from Virginia.

Mr. MORAN of Virginia. Mr. Chairman, after he hears what I have to say probably not, because I support the Pelosi amendment very strongly and I do not support this bill. It is the wrong bill from a diplomatic standpoint, from an economic standpoint and perhaps most importantly from a moral standpoint. In many ways it is like walking down the street seeing a starving kid with his hand out in front of a store front, putting your hand on a couple of bucks and then decide, no, and walking in the store and buying yourself a cigar instead.

Why are we doing this? Why are we so dramatically cutting debt relief, family planning, the assistance that starving people in Asia and particularly in Africa need, the health care, the educational assistance? We are doing it to give ourselves a trillion dollar tax cut. That is the only reason we got such stringent allocations to our appropriations subcommittees, so we can afford a trillion dollar tax cut.

We are the wealthiest nation in the history of the world. In fact, one-earner families making $40,000 are paying 5 percent on average in Federal income taxes. Two-earner families making $70,000 on average pay 10 percent. We have never been better off. We have never had more capacity to do what is right for the rest of the world. And so here when we are confronted with the opportunity to do what is right, to change the lives of millions of people, one-quarter of the population in many of these African countries are dying of AIDS. Think of the suffering. We can relieve that suffering. Instead we decide to give ourselves a trillion dollar tax cut. It is wrong and it is immoral.

STATUS AND MOST RECENT DEVELOPMENTS

On June 27, the House Appropriations Committee ordered reported its version of the FY2001 Foreign Operations Appropriations (H.R. 4811), providing $13.3 billion, about $200 million less than the FY2000 Act (after adjusting for Wye River aid package), and $1.8 billion, or 12%, below the President's $15.1 billion FY2001 request.

The House bill increases the President's request for child survival and infectious disease programs ($815 million) and international fund for Ireland ($25 million). Like the Senate measure, the House bill reduces the President's proposed budget in many areas: aid to the former Soviet Union ($740 million; −$90 million), debt reduction ($82.4 million; −$180 million), the World Bank's International Development Association ($576.6 million; −$260 million), and the Global Environment Facility ($35.8 million; −$140 million). The House measure further continues current abortion restrictions applied to USAID population aid.

H.R. 4811 dramatically cuts funding for the poorest countries in the world, disproportionately hurting African and Latin American countries. The bill contains only $82 million of the $472 million (requested for multilateral debt relief assistance—in complete disregard of the commitment made by the G–7 countries more than 2 years ago to provide urgent debt relief. Overall cuts to programs that assist Africa and Latin America total 15%. The bill cuts funding for international financial institutions that provide loans to poor countries by one-third.

Cuts of this magnitude will make it impossible to halt the spread of infectious disease, alleviate poverty, and provide access to family planning. The countries of sub-Saharan Africa are forced to spend more each year repaying debt than they are able to spend on primary education and health care. According to the World Bank, sub-Saharan African governments owe foreign creditors an average of almost $400 for every man, woman, and child—more than most Africans make in a year.

H.R. 4811 cuts funding to fight AIDS by nearly 20%, providing only $202 million of the $244 million requested. In many countries, up to one-fourth of the adult population is infected with this horrible disease and funds are desperately needed to combat its spread. In addition, H.R. 4811 cuts funds requested for family planning 29% below the amount requested. The bill codifies the "Mexico City" restrictions on international funds for family planning and extends those restrictions to all forms of lobbying.

The President's senior advisors are recommending that he veto the bill.

DEBT RELIEF AND H. RES. 546

A group of Democratic House members urged colleagues today to vote down the rule (H. Res. 546) governing floor debate on a fiscal 2001 foreign operations appropriations bill because it would not permit amendments to boost funding for debt relief to the world's poorest nations.

The rule would not protect an amendment by Representative PELOSI, to provide an extra $390 million on top of the bill's $82 million allocation to match the amount President Clinton requested for debt relief over fiscal years 2000 and 2001.

Treasury Secretary Summers and AFL–CIO President John Sweeney joined lawmakers at a press conference criticizing GOP leaders for not supporting Clinton's request. "It is imperative for our country morally, economically and diplomatically to provide this debt relief," Summers said.

The CHAIRMAN. The time of the gentlewoman from California (Ms. PELOSI) has expired.

Mrs. ROUKEMA. Mr. Chairman, I rise today to express my concerns over the level of funding for international financial institutions. Specifically, I want to talk about this nation's debt relief efforts. Unfortunately, this bill reduces debt relief efforts by $40 million from last year. I fully understand the budgetary environment that Chairman CALLAHAN is working under and it is my hope that when this bill becomes its final product, that we increase the amount we appropriate to debt relief.

I would also acknowledge the thoughtful and inciteful statement of our colleague from Alabama, Representative BACHUS.

Last year with bipartisan support, Congress made important steps in addressing the problem of debt relief for poor countries. Congress appropriated $123 million to begin canceling the debts that reforming poor countries owe the United States, and agreed that the International Monetary Fund (IMF) can use $2.3 billion of its own resources to finance its contribution to debt relief.

The Banking Committee, the committee of jurisdiction, authorized U.S. participation in international debt relief efforts when it passed H.R. 1095. Many important elements of H.R. 1095 were included in last year's Omnibus appropriations package.

These elements included that:

Poor countries must engage in an economic reform program,

Poor countries must promote civil society participation,

Poor countries must implement anti-corruption measures,

Poor countries must create programs for poverty reduction, and

Poor countries must strengthen private sector growth, trade, and investment.

Our bill excluded poor countries that violated human rights, supported terrorism, or spend too much of their resources on their military.

Much of the effort to provide for debt relief came from the work of so many people of different faiths during Jubilee 2000. Jubilee 2000 drew its inspiration from the Book of Leviticus in Hebrew Scriptures. In the Jubilee year, social inequities are rectified, slaves are freed, and debts are forgiven. I know that it is the Committee's position that it supports the efforts of Jubilee 2000. That is not in question here.

The question is how best to proceed. I want to work with the Chairman on this important issue and work to find more funding for debt relief.

I know that debt relief alone cannot solve the problems of the world's poorest countries. But it is an important start and a start that we must make.

I look forward to working with the distinguished chairman on this issue. I also want to thank Chairman CALLAHAN for his service on this subcommittee. It has not always been an easy job. But his knowledge, graciousness, and willingness to reach across the aisle to do what is right is a hallmark of his service. I look forward to continue to work with him in his next capacity.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, AIDS—such an ugly disease to think about. This ugly disease which emerged from the shadows 2 decades ago, has devastated whole regions, knocked decades off national development, widened the gulf between rich and poor nations and pushed already-stigmatized groups closer to the margins of society.

Well, shouldn't we do more to extinguish such an ugly disease at home and abroad? The time to act is now. AIDS is one of the most critical development issues confronting our world.

A decade ago, HIV/AIDS was regarded primarily as a serious health crisis. During that time, estimates in 1991 predicted that in sub-Saharan Africa, by the end of the decade, 9 million people would be infected and 5 million would die. Well, that was a threefold underestimation. Today, it is clear that AIDS is a development crisis, and in some parts of the world is rapidly becoming a security crisis too.

The cumulative effect of millions of AIDS deaths is causing havoc in households, communities and economies in countries where HIV started spreading 2 decades ago. Altogether, 95% of the global epidemic is concentrated in the developing world, which has inadequate resources for halting the HIV spread and alleviating its devastating consequences. It is a fact that AIDS is unique in its devastating impact on the social, economic and demographic underpinnings of development.

The time to act is now. Support our colleague's amendment to include an additional $42 million, per the President's request, to the $202 million provided for the USAID global HIV/AIDS program.

□ 2100

Mr. CALLAHAN. Mr. Chairman, does the gentlewoman withdraw her amendment?

Ms. PELOSI. Does the gentleman insist on his point of order?

Mr. CALLAHAN. I am going to, if the gentlewoman does not withdraw it.

Ms. PELOSI. Mr. Chairman, I yield to the gentleman for his course of action.

### POINT OF ORDER

Mr. CALLAHAN. Mr. Chairman, I make a point of order against the amendment because it proposes to change existing law and constitutes legislation in an appropriations bill and therefore violates clause 2 of rule XXI. The rule states in pertinent part:

"An amendment to a general appropriation bill shall not be in order if changing existing law."

I ask for a ruling from the Chair.

The CHAIRMAN. Does the gentlewoman from California (Ms. PELOSI) desire to be heard on the point of order?

Ms. PELOSI. Only to make two points, Mr. Chairman: A, this is an emergency; and, B, there is precedent in the legislation with the funding for flooding in Mozambique and southern Africa.

So it would be consistent with what is in the bill already for the majority to withdraw the point of order and give the body a chance to work its will on the legislation.

The CHAIRMAN. The Chair is prepared to rule. With the emergency designations in the amendment, the amendment constitutes legislation in violation of clause 2(c) of rule XXI, and therefore the point of order is sustained.

Mr. CALLAHAN. Mr. Chairman, I move to strike the last word.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. Mr. Chairman, I would like to announce to the membership that the gentleman from Alabama (Mr. CALLAHAN) will make a motion to rise. The Committee will not be rising for the evening, it will be for the purpose of appointing conferees on the defense appropriations bill. Then we will go back into the committee and go back to the consideration of the foreign operations bill.

The intent is to work as late as we can this evening. The gentleman from Wisconsin (Mr. OBEY) and I have been working diligently to come to an agreement that we will be able to get the House adjourned at least no later than 5 o'clock tomorrow, having completed the foreign operations bill.

So we will tend to this business, then come back to the foreign operations bill, get through as much of it as we can this evening, and try to finish it tomorrow before 5 o'clock so Members can make their plans for the weekend.

Mr. CALLAHAN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. BLUNT) having assumed the chair, Mr. THORNBERRY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4811) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2001, and for other purposes, had come to no resolution thereon.

## APPOINTMENT OF CONFEREES ON H.R. 4576, DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2001

Mr. YOUNG of Florida. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4576) making appropriations for the Department of Defense for the fiscal year ending September 30, 2001, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida? The Chair hears none and, without objection, appoints the following conferees: Messrs. LEWIS of California, YOUNG of Florida, SKEEN, HOBSON, BONILLA, NETHERCUTT, ISTOOK, CUNNINGHAM, DICKEY, FRELINGHUYSEN, MURTHA, DICKS, SABO, DIXON, VISCLOSKY, MORAN of Virginia and OBEY.

There was no objection.

### MOTION TO CLOSE CONFERENCE COMMITTEE MEETINGS ON H.R. 4576, DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2001

Mr. YOUNG of Florida. Mr. Speaker, I offer a motion.

The CHAIRMAN. The Clerk will report the motion.

The Clerk read as follows:

Mr. YOUNG of Florida moves that pursuant to clause 12 of rule XXII, the committee meetings on the bill, H.R. 4576, be closed to the public at such time as classified national security information is under consideration, provided, however, that any sitting Member of Congress shall have the right to attend any closed or open meeting.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida (Mr. YOUNG).

Pursuant to clause 12 of rule XXII, this vote must be taken by the yeas and nays.

The vote was taken by electronic device, and there were—yeas 407, nays 7, not voting 20, as follows:

[Roll No. 395]

YEAS—407

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Armey
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Boswell

Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Capps
Capuano
Cardin
Castle
Chabot
Chambliss
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Filner
Fletcher
Foley
Ford
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson (IL)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Kanjorski
Kaptur
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Northup
Norwood
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Oxley
Packard
Pallone
Pascrell
Pastor
Paul
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaffer
Schakowsky
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—7

Blumenauer
DeFazio
Jackson-Lee (TX)
Kucinich
Stark
Waters
Watt (NC)

NOT VOTING—20

Archer
Baca
Borski
Campbell
Carson
Chenoweth-Hage
Clay
Diaz-Balart
Forbes
Gekas
Hunter
Jones (OH)
Kasich
Matsui
McNulty
Ney
Nussle
Simpson
Smith (WA)
Vento

☐ 2124

Mr. KUCINICH and Ms. JACKSON-LEE of Texas changed their vote from "yea" to "nay."

Mr. SHOWS and Mr. ACKERMAN changed their vote from "nay" to "yea."

So the motion was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 4632

Mr. SOUDER. Mr. Speaker, my name was mistakenly added as an original cosponsor of H.R. 4632. I ask unanimous consent to withdraw my name as an original cosponsor of this bill.

The SPEAKER pro tempore (Mr. BLUNT). Is there objection to the request of the gentleman from Indiana?

There was no objection.

## FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 2001

The SPEAKER pro tempore. Pursuant to House Resolution 546 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 4811.

☐ 2125

### IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 4811) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2001, and for other purposes, with Mr. THORNBERRY in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose earlier today, the amendment by the gentlewoman from California (Ms. PELOSI) had been disposed of, and the bill was open for amendment from page 2, line 22 to page 3, line 17.

Are there further amendments to this portion of the bill?

### AMENDMENT NO. 4 OFFERED BY MR. BURTON OF INDIANA

Mr. BURTON of Indiana. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 4 offered by Mr. BURTON of Indiana:

OFFERED BY: MR. BURTON OF INDIANA

In title I of the bill under the heading "EXPORT AND INVESTMENT ASSISTANCE–SUBSIDY APPROPRIATION", after the first dollar amount insert "(decreased by $25,000,000)".

In title II of the bill under the heading "BILATERAL ECONOMIC ASSISTANCE–FUNDS APPROPRIATED TO THE PRESIDENT–DEVELOPMENT ASSISTANCE", after the first dollar amount insert "(decreased by $49,500,000)".

In title II of the bill under the heading "BILATERAL ECONOMIC ASSISTANCE–FUNDS APPROPRIATED TO THE PRESIDENT–OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT", after the first dollar amount insert "(decreased by $30,000,000)".

In title II of the bill under the heading "BILATERAL ECONOMIC ASSISTANCE–DEPARTMENT OF STATE–INTERNATIONAL NARCOTICS CONTROL AND LAW ENFORCEMENT", after the first dollar amount insert "(increased by $99,500,000)".

☐ 2130

Mr. BURTON of Indiana. Mr. Chairman, I yield to the gentleman from New York (Mr. GILMAN), chairman of the Committee on International Relations.

Mr. GILMAN. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, I am pleased to join the gentleman from Indiana (Chairman BURTON) in offering this $99.5 million counternarcotics aid amendment for Colombia.

The gentleman from Indiana (Chairman BURTON) and I have long worked together to aid the nation of Colombia, source of most of the world's cocaine and more than 70 percent of the heroin sold or seized on our Nation's streets.

Mr. Chairman, the Colombian National Police, the CNP, has long led the fight against drugs and has been doing its work effectively, although with the limited tools that they have had.

We reluctantly went along with the recently-passed Colombian emergency supplemental because that is what the Colombian government and the Clinton administration wanted; specifically, more aid to the Colombian military to fight drugs.

In the end, however, everyone knows that it is going to be the CNP that is going to have to eradicate the coca leaf and move gasoline from the helicopters and spray planes along with the herbicide to the distant and hard-to-reach fronts in places like southern Colombia, to eliminate the thousands of hectares of coca once the army takes control of those areas.

Drug fighting is a police function, not a military one, both in our Nation and in Colombia. Today the CNP lacks any real capacity to move the massive amounts of fuel that they and the army counternarcotics battalions may need. In fact, they have but only one workable supply plane, an old 1950 DC–3.

Last year's foreign ops appropriation bill in the committee incorporated report language at our request directing the State Department to buy a more modern supply plane for the CNP, a Buffalo, which is a small version of the C–130 suitable for the jungles and remote runways in Colombia.

Predictably, the State Department ignored congressional advice and failed to act. In a recent operation near the Venezuelan border they have had to make so many fuel runs with small aircraft and their one DC–3 that they alerted the drug traffickers and narco guerillas of their plans, thereby losing their element of surprise.

Unless we in the Congress rectify this supply line situation, we are going to have dozens of good helicopters for which Congress has provided the sorely needed funds sitting idly on the ground in Colombia. We are going to have to have some of the world's most expensive flower pots growing weeds under them in Colombia unless we act appropriately.

Mr. Chairman, the CNP are the best anti-narcotics police in the Americas. Yesterday they seized three tons of cocaine headed for Mexico and ultimately toward our Nation. The CNP needs this modest aid proposed by the gentleman from Indiana (Chairman BURTON), and we should be giving it to them, both for the CNP and the future for our youngsters in America.

This effort to fight drugs at the source is in our Nation's interest. I urge a yes vote for its adoption.

Mr. BURTON of Indiana. Mr. Chairman, this amendment is simple in nature. It moves money from three accounts bloated with bureaucracy and into an account which helps fight the scourge of drugs which are devastating our society.

As the gentleman from New York (Chairman GILMAN) just said, our allies, the Colombian National Police, just yesterday seized three metric tons of cocaine destined for the United States through Mexico. This is just the latest testament that the Congress has provided aid to the right people in Colombia.

With the six Black Hawk Helicopters the Congress provided to the CNP last year, the CNP has eradicated more opium, which is used to make heroin, than it did in 1998, and nearly as much as it did last year, and they have only had the Black Hawk Helicopters for 4 months.

Yet in the Colombia supplemental aid package, the Clinton administration chose to virtually ignore our CNP allies and start a duplicative Colombian army unit, providing only $100 million to the CNP while spending nearly $1 billion on an army unit.

Throughout the process, the gentleman from New York (Chairman GILMAN) and I have tried to explain why there needed to be a more equitable distribution of aid between the two. Yet, despite our long involvement with Colombia, not to mention our role as authorizers, we were ignored.

To this end, I include for the RECORD a letter and a request which the gentleman from New York (Chairman GILMAN) and I wrote to have the needs of the CNP addressed in the supplemental. I wanted to offer another amendment which would have directed funding to the CNP, but that amendment would have been subject to a point of order that I am sure my good friend, the gentleman from Alabama (Mr. CALLAHAN), would have raised.

I hope that after I withdraw this amendment, the gentleman from Alabama (Chairman CALLAHAN) will consider a more equitable distribution of funds in the conference with the Senate.

The letter referred to is as follows:

CONGRESS OF THE UNITED STATES,
*Washington, DC, April 7, 2000.*

Hon. J. DENNIS HASTERT,
*Speaker, U.S. House of Representatives,*
*Washington, DC.*

DEAR MR. SPEAKER: We were pleased to support your Colombian aid proposal last week, and we will continue to provide any assistance necessary to see that the package is enacted into law. To that end, senior committee staff members from both our committees have just returned from a bipartisan staff delegation to Colombia. They met with many Colombian officials, including our friend General Serrano, and were able to gather information about the current situation there, and about the Clinton Administration's Colombian aid proposal. Their analysis can help improve the efficiency of our aid package.

### BLACK HAWKS

On a bright note, the Colombian National Police (CNP) have finally received all six Black Hawk utility helicopters that Congress provided for them under your leadership, and the last three are scheduled to begin missions next week. The earlier problems with the floor armoring have been resolved, and the weapons systems seem to be operational. The only concern remains that FARC terrorists likely have surface-to-air missiles, and these Black Hawks are not equipped with inexpensive flares and chaff, which provide the best protection against such attacks by diverting the missile away from the helicopter. Finally, the CNP appears to be able to absorb the two additional Black Hawks we provided to them in the supplemental appropriations package passed by the House. They are grateful!

The Black Hawks have already paid for themselves. On a recent mission FARC terrorists ambushed a squad of CNP officers just 30 miles from Bogota in La Pena. A single Black Hawk was able to land and extract 21 fully armed CNP officers, lifting them to safety. It is comforting to know that the Congress' efforts helped save the lives of these good men.

### AMMUNITION

The .50 caliber ammunition supply appears to still be a problem. As you may remember, the State Department bought 2 million rounds of .50 caliber ammunition for the GAU–19 defensive weapons systems that were manufactured during the Eisenhower Administration, in 1952 (see photo). Even worse, the State Department purchased 5 million additional rounds of this aged and useless ammunition (spending a total of approximately $10 million). The 50 year-old ammunition was suitable for the weapons of the Eisenhower era, but according to the manufacturer, it cannot be safely used in the defensive rapid-fire weapons systems that we purchased for the CNP to protect our nearly $100 million U.S. taxpayer-financed helicopter investment.

The State Department insists it can operate the weapons at a reduced rate of fire. However the manufacturer has explicitly warned the State Department not to use this aged ammunition because of serious risk of endangering the operator and/or weapon. The manufacturer says only ammunition manufactured after 1983 is safe to use in this weapon. Clearly, this situation must be addressed immediately, before someone is injured or killed and/or an expensive weapon is damaged or destroyed. The easy answer is to buy new ammunition, instead of trying to do this on the cheap.

### SUPPORT CAPACITY/SUPPLY LINE

The most disturbing revelation from the trip was the discovery that there had been little consideration given to how the push into southern Colombia would be supported. The only certainty is that increased levels of fuel and herbicide will have to be flown in due to the remote locations of the forward operating bases, where often even contracted commercial planes refuse to land or there is no commercial source to purchase gasoline. Possibly even more critical than defending the helicopters themselves is the ability to support and maintain a supply line to keep the helicopters flying. Otherwise many if not all, of the helicopters provided in this package will constantly be waiting for their next tank of gas or spare part.

Shockingly, the State Department plans to use the CNP's 2 aging DC–3's (their third is being cannibalized to keep the other two in the air) as the backbone of the support effort. These planes from the FDR/Truman era are 60 years old (see photo), do not have a reliable spare parts supply line, and have some sort of mechanical trouble on nearly every mission. Almost every flight is flown with the potential of engine failure on take-offs and landings due to a recurring malfunction in the electronics system—which has been ongoing for the last two years.

As you may remember, General Serrano requested a Buffalo transport plane over a year ago (in his 1999 $51 million priority list). Congress placed report language directing the State Department to purchase the Buffalo supply plane in this year's House Foreign Operations Appropriations Report. However the State Department chose to ignore the report language, saying it was non-binding.

In order to sustain the operations tempo necessary to be the primary supplier of fuel and herbicide for the push into southern Colombia, the CNP needs to update and increase its number of supply planes. The Buffalo appears to be the best platform for the project.

One specific example of the need for increased supply plane capacity is a recent CNP operation that required 18 staging flights by inadequate fixed-wing aircraft, like the DC–3, to supply in advance a supposedly "secret" mission in Vichada to destroy a clandestine cocaine lab. The 18 staging flights (10 for fuel alone) cost the CNP the critical element of surprise. Unfortunately, FARC terrorists had already taken their cocaine and all incriminating evidence, and abandoned the lab well before the CNP was able to execute its mission. If the CNP had the Buffalo supply plane Congress directed the State Department to purchase, the 18 trips could have been decreased to one or two.

### CRITICAL NEEDS

Mr. Speaker, we have been pleased to help gain the support needed to pass the supplemental appropriations bill, however there are a few things which have been over-looked in the construction of this package. General Serrano, when asked by committee staff if he needed anything further to support both the CNP Black Hawks and the Colombian Army's push into southern Colombia, favored the following modest list of items that he felt were critical to the CNP's ability to successfully execute the supply mission for Plan Colombia. It is our hope that the House would push for the following items in conference, if and when it occurs.

$52 million—to purchase 4 Buffalo transport/supply aircraft ($13 million each).

$3.5 million—to update the CNP sidearms with Sig-Arms for the DANTI, DIJIN, COPEZ, and CIP, the key units involved in the day-to-day struggle against narco-traffickers and their FARC terrorist allies.

$200,000—to purchase anti-missile defense kits for the 6 CNP Black Hawks to help protect them from surface-to-air missiles.

$10 million—to purchase new .50 caliber ammunition for CNP GAU–19 weapons systems.

$1.5 million—to purchase one additional two-seat T–65 Turbo Thrush spraying aircraft for CNP training purposes.

Thank you for your time and consideration.

Sincerely,

DAN BURTON,
*Chairman, Government Reform Committee.*
BENJAMIN A. GILMAN,
*Chairman, International Relations Committee.*

Enclosures.

P.S. Just yesterday a newly modified Huey II was shot down by the FARC, who look 8 CNP officers hostage, including those wounded in the crash. This only further proves the point that we need to get the CNP the best equipment possible, including FLIR and capable defensive weapons systems, as this shows anything less is dangerous, penny wise and pound foolish.

Mr. Chairman, I ask unanimous consent to withdraw the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The CHAIRMAN. The amendment is withdrawn.

### AMENDMENT NO. 27 OFFERED BY MS. WATERS

Ms. WATERS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 27 offered by Ms. WATERS:

Page 2, line 25, after the dollar amount insert "(decreased by $82,500,000)".

Page 3, line 25, after the dollar amount insert "(decreased by $7,000,000)".

Page 30, line 8, after the dollar amount insert "(increased by $155,600,000)".

Page 33, line 6, after the first dollar amount insert "(decreased by $5,250,000)".

Page 34, line 21, after the dollar amount insert "(decreased by $200,000,000)".

Ms. WATERS. Mr. Chairman, my amendment would increase debt relief appropriations by $155.6 million to fully fund the administration's request for $225 million for debt relief for the world's poorest countries.

Mr. Chairman, we have heard an awful lot this evening about debt relief. I would like to again thank my colleague, the gentlewoman from California (Ms. PELOSI) for the wonderful leadership that she has given in this debate.

I suppose there are many who would be wondering why are we going to hear more about it. We are going to hear more about it because this issue is not going to die easily. It is not going to die easily because we have reneged on our commitment as leaders in this world, and at the G–8 conference we made a commitment. We made a commitment to debt relief that has not been honored. We made a commitment to debt relief for the world's poorest countries, the world's poorest countries that are being impoverished by their debts.

In Tanzania, Zambia, Niger, Nicaragua, Honduras and Uganda, government spending on debt service payments is greater than government spending on health and education combined. These debt payments constitute a transfer of wealth from the world's poorest countries to the world's richest countries.

Debt relief is supported by a worldwide movement known as Jubilee 2000. This movement was begun by Christians who believe that the year 2000, the two-thousandth anniversary of the coming of Christ, is a jubilee year.

According to the Bible, the Lord instructed the people of ancient Israel to celebrate a jubilee, a year of the Lord, every 50 years. During a jubilee year, debts are forgiven.

Supporters of Jubilee 2000 now include a diverse group of Catholic, Protestant, and Jewish religious groups, developmental specialists, labor unions, environmental groups, and other nongovernmental organizations.

These activists know that forgiving the debts of the world's most impoverished countries is simply the right and Christian thing to do. Supporters of Jubilee 2000 also know that debt relief is a moral imperative. Most of the debts owed by poor countries were accumulated during the Cold War, and many are the result of loans to corrupt dictators who are no longer in power.

The debt of the Congo was accumulated during the oppressive rule of Mobutu. Nicaragua's debt was accumulated under the dictatorship of the Samosa family and the subsequent civil war. It is unjust and immoral to expect the impoverished people of these countries to pay back these debts.

From June 18 to June 20, 1999, representatives of the United States and other creditor countries met at the G–8 summit in Cologne, Germany, and they knew the Jubilee 2000 movement was watching. These creditor governments agreed to provide faster and deeper debt relief to heavily-indebted poor countries, and required these countries to target the savings from debt relief to HIV-AIDS prevention, health care, education, child survival, and poverty reduction programs.

On September 24, 1999, Gordon Brown, the chairman of the IMF's Monetary and Financial Committee, and the chancellor of the United Kingdom made the following statement about the Cologne debt initiative:

"If we are successful, it will be a matter of not years or months but weeks before the first country will benefit from debt relief."

Tragically, the promises of Cologne have not been fulfilled. The entire Cologne debt initiative is now in jeopardy because the United States Congress has failed to fund its contribution to the program. Last year, the administration proposed a multiyear package totalling $920 million in appropriations for debt relief. For fiscal year 2001, the administration requested only $225 million.

This relatively small investment could leverage millions more from other creditor governments and international financial institutions. However, without American leadership, debt relief will never become a reality.

Pope John II said, and I quote, "We have to ask . . . why progress in resolving the debt problem is still so slow. Why so many hesitations? Why the difficulty in providing the funds needed even for the already-agreed initiatives? It is the poor who pay the cost of indecision and delay."

Let us declare an end to the indecision and delay.

Mr. GILMAN. Mr. Chairman, I rise in reluctant opposition to the amendment being offered by the gentlewoman from California (Ms. WATERS).

While I support the thrust of her amendment in increasing funding available to the Heavily-Indebted Poor Country Trust Fund, I am troubled that it calls for a large reduction in our foreign military funding programs.

The proposed $200 million reduction in this account could end up hurting some of the very countries we are trying to help in the important HIPC initiative. For example, there is a proposal for $18 million in FMF funding for African regional stability, an effort which would be undercut and perhaps even zeroed out by the adoption of the gentlewoman's amendment.

Israel currently receives close to $2 billion in FMF funding. Do we want to cut that program, possibly putting that program for Israel in jeopardy at the same time that the President is playing host to the leader of both the Palestinian Authority and Israel in an effort to achieve a comprehensive peace in the Middle East?

☐ 2145

Mr. Chairman, I am certain that many of our colleagues would agree that the answers should be a resounding no. The cuts being proposed in this amendment by the gentlewoman from California (Ms. WATERS) would also impact the International Military Education Training account thereby cutting possible funding for many of the same HIPC beneficiaries.

Do we truly want to cut off support for military education training for countries such as Sierra Leone and Nigeria and South Africa at the same time that regional conflicts are threatening to engulf most of West Africa.

Mr. Chairman, I do not believe that that is a wise course of action. This amendment would also cut the administrative budget of the Export-Import Bank thereby putting in jeopardy the small business programs of that agency and its ability to produce quick turnaround for business applicants.

Accordingly, Mr. Chairman, I must reluctantly ask for the defeat of the Waters amendment. The gentleman from Alabama (Chairman CALLAHAN) has put together a well-balanced bill, and I cannot support this effort to upset that balance.

Mr. KENNEDY of Rhode Island. Mr. Chairman, I rise in support of the amendment by the gentlewoman from California (Ms. WATERS) on this debt relief issue. I think at this period of time in terms of our global economy when this House has voted so many times before to extend free trade around the world that it is about time that we also think about what the consequences of our global economy is on those who are most impoverished in this world.

Mr. Chairman, the criticism of the amendment of the gentlewoman from California (Ms. WATERS) is that she takes money from military training and assistance and the hope that the former speaker, the gentleman from New York (Mr. GILMAN) was trying to convey in his remarks about the Waters amendment was the fact that by drawing away from these funds that we were, in essence, compromising our national security, because we would be taking away funds that would otherwise be going to the training and equipping of the military in these various countries.

The very fact of the matter is, Mr. Chairman, I cannot think of any issue more fundamental to our national security as a Nation, moreover than whatever we do with our national defense budget, which we just closed hearings on for the benefit of our conference committee, more so than any of this equipping and training of our military, is the fact that we are about to see a mass epidemic. In fact, we already have an epidemic. We have a pandemic.

We are going to see literally half the population of major countries in Africa die within the next year. We are going to see literally the life expectancy, the average life expectancy of people living in South Africa going down to below 30 years of age. My colleagues if we do not think this is a national security issue, if we think that the Waters amendment somehow compromises national security because we are taking away from the military to support debt relief, then I am sorry, the fact of the matter is, between the short funding of AIDS in this bill, in addition to the fact that we are not even providing these countries with the ability to dig themself out of debt, those are two national security issues.

Mr. Chairman, I do not know how this House could be so narrow-minded in its perspective that they can honestly think that we can pass a national security bill and think that we have the national security of our country protected and yet, on the other hand, cut the kinds of funds necessary to provide debt relief to the poorest countries of the world and not think that we are not going to be in there in the next weeks or months or years in a military capacity trying to bring stability from a situation that has gone awry because we have not provided the stability there economically or healthwise.

Mr. Chairman, I think it is pound foolish, pennywise for us to be talking about national security and what we are going to do to preserve our national security when we are underfunding our debt relief obligations. This is what goes around comes around. There is no one who can convince me that it is not going to save us money tonight to put money into debt relief, it is going to save us money in our military accounts tomorrow, no one who can convince me of that.

Mr. Chairman, anybody who sees that we are in 182-plus different countries today with our military trying to provide stability in every other place in the world, because there is an eternal conflagration because of this economic instability, to think that we are somehow saving money by borrowing from Peter to pay Paul, by borrowing out of the debt relief monies that the World Bank has said that we need to provide these countries, is just incredible.

The fact of the matter is, this $82 million in debt relief is a fraction of what is truly needed. So that is a national security issue.

The other national security issue is the fact that we have an AIDS epidemic that is literally destroying the continent of Africa, and it is threatening to destabilize lots of countries there. I might add, the two are intertwined, not only should we be providing debt relief but we should be providing the necessary AIDS money so that we also bolster these countries that are now suffering internally from two epidemics, one economic and another health.

Mr. ROHRABACHER. Mr. Chairman, I move to strike the last word, and I rise tonight in opposition to the proposed amendment by my good friend, the gentlewoman from California (Ms. WATERS) but with some explanation. Also I rise to answer some of the questions that my colleague, the gentleman from Rhode Island (Mr. KENNEDY), just challenged us to answer.

Debt relief in and of itself is a very positive humane and honest goal and should be considered by this body, especially debt relief in Third World countries that are developing and struggling to build new societies. Yes, if debt relief was the only issue at hand and it was done correctly, then my colleagues would have my support.

Mr. Chairman, I, in fact, am very supportive of the idea that the Pope has suggested with the Jubilee 2000 concept reaching out to developing countries and Third World countries and alleviating that burden from them, taking it off their shoulders, this debt burden. However, for this to be successful, and to answer the challenge of my good friend, the gentleman from Rhode Island (Mr. KENNEDY), for this to be successful, we have to have more than transferring money from this pot to that pot.

We have to have more than just saying we are going to give these underdeveloped countries debt relief and expecting that is going to do them any good; it will not do them any good. It will do them no good at all if they are still being run by the same gangsters, the same corrupt dictators, the same hooligans and monsters that have been repressing the people in the Third World over the last two decades.

Mr. Chairman, one of my biggest gripes about the financial institutions, the World Bank and many of the financial institutions that are funded through this body is the fact that we do give money to corrupt administrations overseas. For example, the people of Indonesia right now are burdened with billions of dollars of debt.

The fact is, in Indonesia, they are struggling to create a democracy. By the way, let me add, our training of the Indonesian military has been one of the greatest forces for building a democracy in Indonesia. Let us admit that some of this military training, for example, in Indonesia permitted an evolution towards democracy and, perhaps, people like in Indonesia do deserve to have some of that debt relief taken off of their shoulders, unless there is a requirement saying that these countries be headed towards democracy or there be a certain amount of reform, we are just pouring money right down a rat hole.

Mr. Chairman, all the things that have been said here today about the horrors that are going on in a developing world will get no better if we simply transfer money to regimes that are controlled by dictators. This shift that is being proposed by this amendment is, as I say, being done with the best of motives. It cannot be done in this manner.

It has to be done as part of a reform and a comprehensive authorization project in which we will look at how monies are dispersed throughout the Third World, not simply throwing money from one pot to another, which will result in corrupt dictators getting their hands on the money and all the problems that we talk about being exacerbated rather than being solved.

Mr. KENNEDY of Rhode Island. Mr. Chairman, will the gentleman yield?

Mr. ROHRABACHER. I yield to the gentleman from Rhode Island.

Mr. KENNEDY of Rhode Island. Mr. Chairman, the gentleman from California (Mr. ROHRABACHER) often advocates that we reduce the commitment of America in its overseas obligations. The fact of the matter is the gentleman cannot reduce America's commitments militarily unless we are prepared to help those countries make it, and they cannot make it if you are squeezing every last penny out of them. In addition to that, we do not support them addressing their health epidemics.

Mr. ROHRABACHER. Reclaiming my time, Mr. Chairman, none of that makes any sense at all unless we have a government in that country that is willing to seek out those goals and try to implement them. Simply by changing money from this pot to their pot is not going to make those things better.

Again, I am in favor of debt relief for these Third World countries, but let us not give money to countries that are not democratizing, not going through reform. Talk about pouring good money after bad, talk about pouring money down a rat hole, that is the way to waste more money.

The money the gentleman is talking about will go straight in Swiss banks, unless we require a certain amount of reform and democratization to go forward with this.

Mr. Chairman, in terms of military training, again, I would agree we need to put restrictions on our military training as well. The Waters amendment which I would like to address at this point, the lady from California (Ms. WATERS) has the right idea, we should not be spending money just like we should not be spending money without democratic reform.

Mr. OBEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we have spent a long time discussing this issue and I hope that we will soon be able to move on. But before we do, I would simply like to make one observation about the comments of the last speaker, the gentleman from California (Mr. ROHRABACHER), we had some talk in the House tonight about the position of the Pope and the Catholic Church and various other churches. To me, what we ought to be asking ourselves is what we really believe our individual duties are both to our own citizens and to citizens of the world who do not reside next door.

□ 2200

Mr. Chairman, let me say that this debt relief that we are talking about tonight is not meant to aid a single illegitimate government. It is meant primarily to help the victims of previous illegitimate governments who have brought economic havoc on to countries and who in the process have ruined those countries' abilities to provide a decent future.

If they cannot provide a decent future for their citizens, they become very dangerous neighbors to us, not just politically and economically, but from the simple standpoint of public health. All one has to do is to look at the AIDS epidemic to understand that.

Before we get too arrogant about the other parts of the world, I think we ought to remember one simple thing. We are not in this Chamber tonight because we have any special value. We were not born Americans because we were of special worth. We were lucky enough to be born in this country simply because God was good enough to put our soul in a body that was born in this part of the planet rather than some other.

Given the fact that we have won the luck of the draw, we owe it to our fellow creatures around the world to provide an element of justice for a people who had probably not had one whit of it from all of their own lives from their own governments.

So we can sit here and chuckle and make snide remarks and use an example of one foolish leader or even a handful of them as an excuse to avoid our moral responsibilities; but in the end, all we are being asked to do is to write off the books debt that will never be repaid anyway.

We have the concept of individual bankruptcy in every civilized country in the world. We have also had the concept of collective national bankruptcy for a number of countries throughout history. We have provided debt relief to many East European countries and Middle Eastern countries. This time we are being asked, at very little, at minuscule costs to our Treasury in comparison to some of the things we have had on this floor, we are being asked to take the one action that might enable some of these countries to edge their way just a bit out of misery. That is what these amendments are meant to development.

We are not permitted under the rules of the House to have a real debate on this or to prepare a real amendment. But before this bill is finished, that is exactly what we ought to do.

Mr. BACHUS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to applaud this body because tonight we are talking about some issues that we ought to all address. We ought to address the issue, are we committed to the principles of liberty and justice? Do we stand against slavery? Do we stand against involuntary servitude? If we are against these things, if we are for justice, if we are for liberty, does our commitment stop at the shoreline, or does it extend beyond our country?

In dealing with other countries, should we extend those principles to them? Or should we be against involuntary servitude only in our country, but it is fine for us to impose it on the rest of the world? That is a question we should ask.

The gentleman from California (Mr. ROHRABACHER) said these countries are ruled by monsters, by hooligans. He had it half right. They were. It is those monsters and those hooligans that we loaned this money to. It actually was not money we loaned them. We financed the defense industry and allowed them to sell these monsters and these hooligans weapons. These monsters and these hooligans bombed their people. They napalmed their people as their people fought for democracy like we did 2 centuries ago.

At the end of the Revolutionary War, what if Britain had required us to pay them the cost of the war? What would we have said to Britain? These people that we are not imposing this debt on and requiring them to repay, they are the very people that were beaten down by the dictators and the monsters with arms and weapons that we sold them as "foreign aid." It is immoral to require them to repay this money.

Let me close by saying this: debt relief is not an end in itself; it is a means to an end. It is not a total solution to poverty, to hunger, to disease; but it is the first step. It is a necessary step. It is where the journey should begin to free these countries of the burden of debt, the chains of poverty, the shackles of despair, to enable them to minister to the economic and social needs of their people, of their children. It is the first step in raising the standard of living of those living in these impoverished nations, those in most need, those most vulnerable, the most helpless.

Without debt relief, these nations and their citizens are overwhelmed by debt, far exceeding their ability to pay. These nations do not have the ability to pay, to repay the debt and, at the same time, to offer necessary social and economic support to their people.

Here is the choice. We can continue to require the debt to be paid, and as long as we require the debt to be paid, children will not be fed. Require the debt to be paid and children will not be clothed. Continue to require the debt to be paid, and children will not go to school.

It is our decision. Let us make the decision. Let us not withhold from these poor children clothes on their backs, food in their stomachs, the right to attend school. The decision is ours.

Mr. LEWIS of Georgia. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will not take 5 minutes, but I rise to support the amendment offered by the gentlewoman from California (Ms. WATERS). The world community is crying out for help. The people of the world all over this little planet that we call spaceship Earth are not crying out for bombs, for missiles, for more guns. They are crying out for food, for shelter, for medical assistance, for economic assistance. They are crying out tonight for debt relief.

This is the year of Jubilee. This is the year to help, to help our brothers and sisters in need. We have a moral obligation to help. We shall respond to the Macedonian call of old. There are people in need. They are hurting. They are suffering.

In Africa, a modern day Holocaust is in the making. Five thousand people will die every single day. We cannot stand solemnly by. If we fail to act and we fail to stand up and help, in the end, we are not worthy of a great people or great nation. The spirit of history will not be kind to us.

So, Mr. Chairman, we have a moral obligation, a mandate to do what we can to bring relief to our sisters and to our brothers in other lands. We do not live on this little island, on this little piece of real estate alone.

Just maybe, just maybe our foremothers and our forefathers all came to this great country in different ships. But we all are in the same boat now. If we want to live in a world at peace with itself, we must reach out and help those in need. It is Africa. It is a Third World today. We do not know who it will be tomorrow.

Mr. CALLAHAN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, we had a 3-hour debate on this issue. The gentlewoman from California (Ms. WATERS), the sponsor of this amendment, made very eloquent statements, and her compassion was evident; and I support, I think, her cause.

But we have differences on whether or not there ought to be some restrictions on future borrowing, and that is to be expected. There will always be differences. But the difference between that debate and this debate is that, under the amendment of the gentlewoman from California (Ms. PELOSI), she was declaring an emergency and thus getting new money to provide for HPIC assistance.

Under the proposal of the gentlewoman of California (Ms. WATERS), as advocated by the gentleman from Alabama (Mr. BACHUS) just a few minutes ago, she is advocating that they take the money away, or a great portion of it, from the FMF fund, the military financing fund that goes to Israel and to Egypt and to even Africa, $15 million for countries south of Egypt.

So the question here that we have on the gentlewoman's amendment is do we want to take the money away from Israel and Egypt? Maybe there is some logic to that. Do we want to take it away from Africa?

But I am just surprised that the gentleman from Alabama (Mr. BACHUS) is standing up and telling us that he supports the gentlewoman from California, yet he is such a strong advocate of assistance to Israel, that he would be supporting an amendment that takes money away from Israel. I just am surprised at that.

Mr. BACHUS. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentleman from Alabama. Does he know where this money comes from?

Mr. BACHUS. Yes, Mr. Chairman. Let me say this to the gentleman, the bill that reached this floor should have had this money in it.

Mr. CALLAHAN. Mr. Chairman, I reclaim my time.

Mr. BACHUS. It is not we that had chosen one or the other.

Mr. CALLAHAN. Mr. Chairman, I am not yielding to the gentleman for that type of conversation.

The CHAIRMAN. Both gentlemen will suspend. The time is controlled by the gentleman from Alabama (Mr. CALLAHAN).

Mr. BACHUS. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. No, I will not yield.

Mr. Chairman, I will yield to the gentlewoman from California (Ms. WATERS) because it is her amendment. I am rising simply to say that, if we are going to do it, we ought to do it at a time when there is an opportunity to either increase the budget allocations or have it declared an emergency.

I had a conversation with the gentlewoman earlier before this discussion. I think there is going to be an opportunity before we leave this session, as a result of the debates taking place at Camp David, to discuss emergency supplemental appropriations; and that would be the appropriate time, I think, for her to bring this message to the House.

Ms. WATERS. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I am happy to yield to the gentlewoman from California.

Ms. WATERS. Mr. Chairman, let me just say that, certainly, if the amendment of the gentlewoman from California (Ms. PELOSI) for an emergency appropriation had been honored, and maybe that is the appropriate way or the better way to do it, I would not have come with this amendment that would have to find offsets in other places. But given that it was not, I have come with this amendment.

However, we have had a conversation where the gentleman from Alabama (Mr. CALLAHAN) has indicated a sincere desire to work with us and to find money in light of the fact there will be some continuing negotiations about money as the whole peace agreement is being discussed.

But what I would like to say is this, I would not like to have my amendment cast as an amendment that is for or against Israel.

□ 2215

I do not think that gets us anywhere in doing that.

And I want to say something to my colleague about the gentleman from Alabama (Mr. BACHUS). The gentleman from Alabama (Mr. BACHUS) and I serve on the Committee on Banking and Financial Services, and we disagree on a lot of things and over the years we have disagreed. I believe that debt relief was our finest moment. I think it was a superb moment for the gentleman from Alabama (Mr. BACHUS) and the leadership that he provided in the most honest and sincere way. And I want to tell my colleague that it softened my real concerns about what and who I thought the gentleman from Alabama (Mr. BACHUS) was.

This has been a learning experience for all of us, and so he is not opposed to Israel and I do not want it cast that way.

Mr. CALLAHAN. Mr. Chairman, reclaiming my time, I would tell the gentlewoman that of a total $3.5 billion in the bill for FMF, such a huge percentage, right or wrong, goes to Egypt and Israel that the only way we could get the money would be to take it from those funds. So maybe it all could come from Egypt. That might be the best way to do it. Maybe it all could come from Israel. Maybe there would be no need. Maybe they could use the balance of the $200 million and not give financing to anyone else in the world.

Ms. PELOSI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have spoken at length on support for international debt relief earlier and was not going to seek time now, but I do want to set the record straight. My distinguished chairman represents that support for the legislation of the gentlewoman from California (Ms. WATERS), and implied in that that the gentleman from Alabama (Mr. BACHUS) in his support of that amendment, is taking money from Israel or the Middle East peace, and that is not so. The offset in the Waters bill is $200 million. The non-Middle East foreign military financing money in the bill is $230 million.

So it is possible to take this $200 million from FMF without touching the Middle East peace money, and it is really, I am sad to say, disingenuous to say that if we support this bill the money is coming out of the Middle East. It is coming out of the FMF account which has $230 million beyond the Middle East peace money and $200 of that is what the gentlewoman from California (Ms. WATERS) is drawing upon.

Mr. BACHUS. Mr. Chairman, will the gentlewoman yield?

Ms. PELOSI. I yield to the gentleman from Alabama.

Mr. BACHUS. Well, I would like to approach it in a different way, and I think a consensus has been built on the floor of this House from everyone.

I have heard no one stand up and say that this is something that should not be done. I have heard the gentleman from California, and the gentleman from California obviously has not read the legislation because he says that it will go to monsters in countries who abuse human rights. In the legislation it restricts money for those countries. So I would simply say to you, when you speak on this legislation, have some understanding of it. Do not claim that we need things in the legislation which are already there and have been since the beginning of this legislation.

But despite that, let me simply say this. A consensus is building here tonight, and whether it is on the floor of this House tonight or it is 2 weeks from tonight, if everyone has spoken the truth on the floor of this House tonight, with some exception, some are not supporting debt relief, some do not believe that it is a good idea, and I applaud their honesty, I applaud their honesty to say $1.20 is too much to spend to save 40,000 people a day. If my colleagues believe that, say it and we will have a vote. But sometime before we go home this year, we should fund this, if we believe that we should do something about 40,000 people a day, that we could save a number of those people. No one that has looked at this issue believes that it will not help. There is no one that has looked at this issue that has said it is not the first step.

If we are not concerned enough for children, half the children in these countries who never go to school, not attend one day in school; if we are not concerned that children in these countries are not vaccinated, a 50 cent shot, and as a result they are dying every day; if $1.20 a year is too much, then vote against debt relief. But I would say that the majority of this body recognizes that it is not only in their interest, it is in our interest, it is in our best interest.

If my colleagues have looked at this, if they have looked at this issue, far more than anything else they are convinced that this is in our national interest. We have diseases that were thought to be extinct that are now spreading across the globe because of conditions in these countries. They are reaching our shores. They are killing our people. We cannot turn our backs on these conditions without them spilling over our shores. We spend $400 billion and $500 billion making the world safe through arms, yet we turn our back on $1 billion for food, for security and peace.

Why can we not do as Eisenhower did with the Marshall Plan? Why can we not give peace a chance? Do we have to change the world only through shipping arms around the world? And if we do it and it is necessary, is it necessary to the tune of $400 billion, yet we cannot find a billion for this? Those are questions we will all have to answer.

Mr. JONES of North Carolina. Mr. Chairman, I move to strike the requisite number of words.

Mr. ROHRABACHER. Mr. Chairman, will the gentleman yield?

Mr. JONES of North Carolina. I yield to the gentleman from California.

Mr. ROHRABACHER. Mr. Chairman, whereas my name has been used several times and I was not paid the courtesy of being yielded to by the gentleman from Wisconsin (Mr. OBEY); yet, when I was on the floor I was very happy to yield for a question, even when I had not used another Member's name, I think we should reexamine the courtesies that we are trying to pay to each other to maintain a debate on a very important issue. And I am very pleased and thank the gentleman from North Carolina very much for yielding to me.

There have been some very, very heartfelt points made here tonight. And this, of course, is an issue that tugs at our heart strings. But if we do not use our heads, none of the things that were just talked about that were so important, immunizations, schooling for children, food for people who are starving, not one of those goals will be achieved. Because although the gentleman may think that I do not know about this bill, the gentleman may not know about this bill if he claims that there is a demand in this bill for democracy, for freedom of the press, for opposition parties, for everything that ensures that the countries that receive this type of debt relief will use the money honestly that they get and the resources that they have available; that they will use them honestly or for immunization or for these benevolent purposes.

No, the only thing in the bill that even touches on that says the money is not going to go to countries that have egregious human rights violations. All right, that is a step in the first direction, but that does not even go 10 percent of the way.

All the speeches we have heard tonight that have tugged at our heart strings, yes, the benevolent souls, and the gentlewoman from California (Ms. WATERS), who has a wonderful motive in proposing this today, I will say that this does not achieve any of the ends that we heard about on the floor today because it ignores the central requirement that will achieve those ends, and that is that the countries that we are giving debt relief to have to be under the control of democratically elected governments, governments that have opposition parties, and freedom of the press, or all the resources that the gentlewoman is talking about that will be used for immunization will not go to those noble purposes. They will go, instead, to Swiss bank accounts, they will instead go to arms to repress their own people.

Because, yes, believe it or not there are gangsters in this world that control countries. Believe it or not there are monsters that are murdering people throughout this world. And the last thing we should do is give debt relief to regimes that are controlled by those kind of people. If my colleague wants the votes of people like myself, please add this into the bill.

I am on the Committee on International Relations. The gentleman from New York (Mr. GILMAN) and I, and the rest of the members of the committee, can work out an authorization bill that accomplishes the ends that we are talking about. Just like the gentlewoman from Georgia (Ms. MCKINNEY), who 3 years ago challenged us as to why we were sending so many weapons to all these countries in the developing world. And I said to her that I would support her, let us not send any weapons to dictatorships, and we came up with a code of conduct.

I challenge those of my colleagues who are speaking with their hearts tonight to work with us on this side of the aisle to put together legislation that will prevent money from going to these vicious dictatorships, prevent these loans to these vicious dictatorships, so that when they have democratic peoples on the ascendancy, they will not be burdened with these burdens like the people of Indonesia. We can do that.

I, in fact, have tried to propose that to Export-Import Bank loans and to other World Bank financial dealings. But, no, we have not gotten any support from this side of the aisle or that side of the aisle for something like that. Let us help the decent people of the world who are struggling to have the inoculations of their children, to teach their children. Let us make sure that the money is going to those regimes that have a chance.

What good would it have been to the people of Eastern Europe, for example, had we provided debt relief, which we did by the way to those countries, when they were still Communist dictatorships? That makes no sense at all. So let us make sure that we include the one element in the gentlewoman's proposal that will make it work rather than make it achieve just the opposite, and that is to put those type of requirements that we are dealing with countries that have democratic institutions in place.

Mr. BACHUS. Mr. Chairman, will the gentleman yield?

Mr. JONES of North Carolina. I yield to the gentleman from Alabama.

Mr. BACHUS. Mr. Chairman, let me quickly make two points. Twenty-two nations under this legislation are eligible for debt relief. Not one of them is a dictatorship. Let me repeat that. Twenty-two nations are eligible for relief under this legislation. Not a one of them is a dictatorship.

Number two. Yes, we loaned much of this money, most of this money, to dictatorships. We never should have done it. We have loaned it to these monsters, and they did take it and they put it in Swiss bank accounts and that is where it went.

Mr. PAYNE. Mr. Chairman, I move to strike the requisite number of words.

I also think that it is an abomination that out of the $472 million requested that $82 million has been approved. I heard earlier the chairman of the subcommittee talk about a person that bought a plane in Uganda. He said that it was really a horrible thing that was done. Well, let me just say a few things about Uganda.

First of all, the President of Uganda reduced the military budget by 75 percent, and he put the money into working with the people. The President of Uganda has had the first country in Africa where the AIDS pandemic has been leveled off and is in the possibility of being decreased. The President of Uganda has started elementary education for girls in that country. The President of Uganda had to pay back money to Asians expelled on December 4 of 1972 by Idi Amin, and those people have been able to come back to Uganda and the World Bank said that President Museveni had to restore their property and pay them back the land, which he did. President Museveni reduced the civil service by 50 percent in his country.

President Museveni of Uganda, the one that the gentleman from Alabama (Mr. CALLAHAN) castigated earlier, went to Sudan on the border and fought the Lord's Resistance movement, who are people who were dealing with the terrorism in Sudan that went ahead to blow up U.S. embassies in Kenya and Tanzania.

□ 2230

President Museveni has reduced crime in his area. President Museveni is looked at as a leader in the country. And I am not defending buying a plane. But we have ECOWAS, which is a West African group of countries, we have the OAU, we have SADAK in the south, we have other kinds of North African countries, we have people that have to get around.

They do not have commercial airlines like we have here. And so the worst thing that I have heard is that a president who has done magnificent things in his country bought a plane. Now, perhaps he should have bought maybe one of our used planes perhaps. But right now we have the former president of Botswana stuck in Istanbul trying to get to an OAU meeting because a meeting in Algiers was canceled.

I think that we take an issue where Russia, hundreds of millions of dollars have gone down into the Mediterranean where Russian people are very wealthy at this time. We have heard the reports of Bosnia, hundreds of millions of dollars. We have seen what is happening in Kosovo. But no one talks about that. I think it is racist to pick out one simple issue and put it in an appropriations bill because someone decided that they had to get a plane to move around the continent and, therefore, debt relief should not go on.

It is absolutely absurd. We take one simple issue and make that a magna issue. If people knew what was going on in some of these countries where debt relief takes 50 percent of the budget, where they have reduced the whole question of the military, where they have gone and fought AIDS, where they support the United States by fighting terrorism in Sudan, then we turn around and have people say, well, somebody bought a plane; and, therefore, our debt relief is being wasted. I think it is obscene; it does not make any sense.

When we look at what is going on in the Cold War, we gave Mobutu money, we said go and deal with South Africa with P.T. Bolton and the white regime in South Africa because they were against communism. We went to UNITA in Angola and said, here is all the money you need to fight against the Communists. We do not care how much you steal. And we supported them. We took President Doe who killed the first family in Liberia and sent him all the money in the world for 10 years because he was against Communism.

I was against Communism, too. But all those debts that we have is because the blood was shed in Africa for the Cold War. Nowhere else was there blood shed other than a country or two in South America. It was all on the continent of Africa where Communism was going to have its line in the sand.

What we did was we should not have supported Mobutu. That is why they need money to do away with the debt in the Congo. We should not have supported the people in UNITA that we said give them all the guns they want, we do not care what they do to their people, we know they are stealing the money, but you know what, they do like a Communist. Well, I do not like Communism either, but now we are going to sit back and pontificate about how we have this money that was owed. It was a disgrace that we gave the money in the first place.

It is absolutely wrong to sit back and talk about we are not putting the money in the right place. It is wrong. This money should be restored. I think it is absolutely unconscionable to think that with AIDS and all the other problems going on that we could sit around talking about we do not have a need for debt relief.

Mrs. JONES of Ohio. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am a new member of the Committee on Banking and Financial Services; and over this past session, I have had an opportunity to hear us debate the issue of debt relief.

More recently in Banking, we have had a discussion of a bill called Prohibiting Predatory Lending, where lenders have preyed upon low-income mostly inner-city minority senior women and caused them to put themselves deeper in debt than they were before the lending was had.

Tonight we have the opportunity to step up to get rid of the predatory lenders, to not be predatory lenders any more for the African nations. We have the right and the opportunity to make it right, to let these nations step away from these predatory loans and allow them the opportunity to begin anew, to provide relief so that African growth and opportunity can be had, so that African people can have jobs, so that African people can be relieved of unnecessary debt.

We want and we should as a country be prepared to step up to the plate because we all want to get into Africa and do business. We know how rich Africa is, what opportunities there are for growth not only for that country but for our country as well. So why not give them the opportunity to be relieved of debt?

And do not think that we can run through Africa and do business and not get AIDS. AIDS is a serious issue. It is an economic security issue that will affect us all. So it is time now for us to in fact do the right thing and give debt relief.

And, see, I am not talking about heartstrings. The gentleman from California kept talking about my heartstrings are tugged, I feel sorry for the African people. It is not about heart. It is about money. We need money to relieve the African countries of the debt. Let us stop talking about heart. Let us stop talking about morality. Get them from under the debt.

Mr. Chairman, I yield to the gentleman from New York (Mr. MEEKS).

Mr. MEEKS of New York. Mr. Chairman, I thank the gentlewoman for yielding.

Let me say I rise in support of the amendment by the gentlewoman from California. Let me say that the camera of history is now rolling on us and the camera of history will judge us and we will be judged by how we treat the least among us. We will be judged by how we treat the least among us.

This is a question about motivation. For sure, as my colleague, the gentleman from New Jersey (Mr. PAYNE), indicated, we had motivation to find some money when the Cold War existed. Where is the motivation to find money for humanitarian interests? Five thousand people are dying a day. Where is the motivation to find money?

Now, sometimes we forget our own history right here in this country. I hear my colleagues talking about all the things that are going wrong in Africa. Do we have to remember the history of this country, the wild wild West and all the crazy things that were going on here? Do we have to remember that many of the individuals who now are the upper echelon in this country, their families were crooks and did illegal activities? It was an evolving thing.

Many of the countries that we want to help, as my colleague from New Jersey so poignantly said, we, in order to fight against Communism, we financed it, we did not care what they did, and we gave them money; and now we have this debt.

We live in the greatest fiscal times of our lives; yet we are going to turn our back on people who have blood like we do, on people who have needs like we do. How can we turn our backs in this time and in this day and in this age?

We must never forget who we are and where we came from. This was not just given to us here in America. As I indicated earlier, those to whom much is given, much is required. Much is required of us now. We must not turn our backs on the least of us. We must support, we must pass this amendment by the gentlewoman from California.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from California (Ms. WATERS).

The question was taken; and the Chairman announced that the noes appeared to have it.

Ms. WATERS. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 546, further proceedings on the amendment offered by the gentlewoman from California (Ms. WATERS) will be postponed.

Mr. CALLAHAN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. LATOURETTE) having assumed the chair, Mr. THORNBERRY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4811) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2001, and for other purposes, had come to no resolution thereon.

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## LIMITATION ON AMENDMENTS DURING FURTHER CONSIDERATION OF H.R. 4811, FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 2001

Mr. CALLAHAN. Mr. Speaker, I ask unanimous consent that during further consideration of H.R. 4811 in the Committee of the Whole pursuant to House Resolution 546, no further amendment to the bill shall be in order except:

(1) pro forma amendments offered by the chairman or ranking minority member of the Committee on Appropriations or their designees for the purpose of debate;

(2) the following additional amendments, which shall be debatable for 60 minutes:

One of either the amendment printed in the CONGRESSIONAL RECORD and numbered 11 or the amendment numbered 15; and the gentlewoman from California (Ms. LEE), regarding Child Survival and Disease Program Fund;

(3) the following additional amendments, which shall be debatable for 30 minutes:

The amendment printed in the CONGRESSIONAL RECORD and numbered 28; and the gentleman from New Jersey (Mr. PAYNE) regarding Development Assistance;

(4) the following additional amendments, which shall be debatable for 20 minutes:

One of either the amendment printed in the CONGRESSIONAL RECORD and numbered 5 or the amendment numbered 6; the gentlewoman from Texas (Ms. JACKSON-LEE) regarding conscription under the age of 18; and the amendment printed in the CONGRESSIONAL RECORD and numbered 18;

(5) the following additional amendments, which shall be debatable for 10 minutes:

The gentleman from Nebraska (Mr. BEREUTER) regarding North Korea; the gentleman from Louisiana (Mr. BAKER) regarding Panama; the gentleman from Michigan (Mr. SMITH) regarding biotechnology research; the gentleman from Ohio (Mr. BROWN) regarding Child Survival and Disease Program Fund; the gentleman from Ohio (Mr. BROWN) regarding the Tariff Act; the gentlewoman from Texas (Ms. JACKSON-LEE) regarding peacekeeping operations; the gentlewoman from Texas (Ms. JACKSON-LEE) regarding Economic Support Fund; the gentleman from New Jersey (Mr. PAYNE) regarding Congo; the gentleman from New Jersey (Mr. PAYNE) regarding sanctions against Angola; the gentleman from New Jersey (Mr. PAYNE) regarding peacekeeping operations; the gentleman from New Jersey (Mr. PAYNE) regarding Sudan; the gentleman from New Jersey (Mr. PAYNE) regarding restrictions on assistance to governments destabilizing Angola; the gentleman from California (Mr. MENENDEZ) regarding Peru; the gentleman from California (Mr. FILNER) regarding Economic Support Fund; the gentleman from Michigan (Mr. CONYERS) regarding section 558; the gentleman from Massachusetts (Mr. CAPUANO) regarding Armenia Azerbaijan peace and democracy initiative; the gentleman from Massachusetts (Mr. CAPUANO) regarding termination of unilateral agricultural or medical sanctions; the gentleman from New York (Mr. NADLER) regarding honor crimes; the gentleman from Illinois (Mr. JACKSON) regarding the African Development Bank; the gentleman from Iowa (Mr. LATHAM) regarding international financial institution loans; the gentlewoman from Ohio (Ms. KAPTUR) regarding the Ukraine; the gentleman from California (Mr. SHERMAN) regarding Child Survival; and the amendments printed in the CONGRESSIONAL RECORD and numbered 7, 9, 13, 16, 17, 19, 20, 23, 24, 25 and 26.

Each additional amendment may be offered only by the Member designated in this request, or a designee, or the Member who caused it to be printed, or a designee, and shall be considered as read. Each additional amendment shall be debatable for the time specified equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for a division of the question in the House or in the Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

Mr. YOUNG of Florida. Mr. Speaker, reserving the right to object, I make the following announcement: that it is our intention if this unanimous consent request is agreed to that the Committee will reconvene and will continue working on this bill until 1 o'clock in the morning. However, any votes will be rolled until tomorrow. We would convene at 9 o'clock tomorrow morning and, hopefully, be able to finish this bill by 4 or 5 o'clock in the afternoon and be able to adjourn for the weekend.

So I just use the time to make that announcement.

Mr. Speaker, I withdraw my reservation of objection.

Ms. PELOSI. Mr. Speaker, reserving the right to object, I want to thank the gentleman from Florida (Mr. HASTINGS) and the gentleman from South Carolina (Mr. CLYBURN), the chair of the Black Caucus, for their leadership in putting all this together.

□ 2245

I want to say to my distinguished chairman, at last we have found something to agree on this evening. So I support his unanimous consent request. I just want to make note that I am not certain in paragraph 3 whether the CONGRESSIONAL RECORD amendment is 27 or 28. Do we know what that is?

Mr. HASTINGS of Florida. Mr. Speaker, will the gentlewoman yield?

Ms. PELOSI. I yield to the gentleman from Florida.

Mr. HASTINGS of Florida. It would be No. 28 in the printed unanimous consent request. We completed No. 27.

Ms. PELOSI. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. LATOURETTE). Is there objection to the request of the gentleman from Alabama?

Mr. HASTINGS of Florida. Mr. Speaker, reserving the right to object, and I will not object, but I do ask the gentleman for clarification so that the Members will understand. By continuing on until 1 o'clock in the morning, the amendments as printed will come up in that particular order. Is that our understanding?

Mr. CALLAHAN. The gentleman is correct.

Mr. HASTINGS of Florida. Mr. Speaker, I then withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The SPEAKER pro tempore. The Chair would state that it is the Chair's understanding that the amendments will be considered in the order in which they appear in the bill.

## FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 2001

The SPEAKER pro tempore. Pursuant to House Resolution 546 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 4811.

□ 2245

### IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 4811) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2001, and for other purposes, with Mr. THORNBERRY in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose earlier today, a request for a recorded vote on the amendment by the gentlewoman from California (Ms. WATERS) had been postponed and the bill was open for amendment from page 2, line 22, to page 3, line 17.

Pursuant to the order of the House of today, no further amendment to the bill shall be in order except pro forma amendments offered by the chairman and ranking member of the Committee on Appropriations or their designees for the purpose of debate and the following additional amendments, which may be offered only by the Member designated in the order of the House or a designee, or the Member who caused it to be printed or a designee, shall be considered read, shall be debatable for the time specified, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for a division of the question:

(1) The following additional amendments, which shall be debatable for 60 minutes:

One of either the amendment printed in the CONGRESSIONAL RECORD and numbered 11 or the amendment numbered 15; and amendment by Ms. LEE, regarding child survival and disease program fund.

(2) The following additional amendments, which shall be debatable for 30 minutes:

The amendment printed in the CONGRESSIONAL RECORD and numbered 28; and the amendment by Mr. PAYNE, regarding development assistance.

(3) The following additional amendments, which shall be debatable for 20 minutes:

One, one of either the amendment printed in the CONGRESSIONAL RECORD and numbered 5 or the amendment numbered 6; two, Ms. JACKSON-LEE of Texas, regarding conscription under the age of 18; and, three, the amendment printed in the CONGRESSIONAL RECORD and numbered 18.

(4) The following additional amendments, which shall be debatable for 10 minutes:

The amendment by Mr. BEREUTER regarding North Korea; Mr. BAKER regarding Panama; Mr. SMITH of Michigan regarding biotechnology research; Mr. BROWN of Ohio regarding child survival and disease program fund; Mr. BROWN of Ohio regarding the Tariff Act; Ms. JACKSON-LEE of Texas regarding peacekeeping operations; Ms. JACKSON-LEE of Texas regarding Economic Support Fund; Mr. Payne regarding Congo; Mr. PAYNE regarding sanctions against Angola; Mr. PAYNE regarding peacekeeping operations; Mr. PAYNE regarding Sudan; Mr. PAYNE regarding restrictions on assistance to governments destabilizing Angola; Mr. MENENDEZ regarding Peru; Mr. FILNER regarding Economic Support Fund; Mr. CONYERS regarding section 558; Mr. CAPUANO regarding Armenia-Azerbaijan peace and democracy initiative; Mr. CAPUANO regarding termination of unilateral agricultural or medical sanctions; Mr. NADLER regarding honor crimes; Mr. JACKSON of Illinois regarding the African Development Bank; Mr. LATHAM regarding international financial institution loans; Ms. KAPTUR regarding the Ukraine; Mr. SHERMAN regarding child survival; and the amendments printed in the CONGRESSIONAL RECORD and numbered 7, 9, 13, 16, 17, 19, 20, 23, 24, 25, and 26.

Are there further amendments to this portion of the bill?

If not, the Clerk will read.

The Clerk read as follows:

### ADMINISTRATIVE EXPENSES

For administrative expenses to carry out the direct and guaranteed loan and insurance programs (to be computed on an accrual basis), including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, and not to exceed $30,000 for official reception and representation expenses for members of the Board of Directors, $62,000,000: *Provided*, That necessary expenses (including special services performed on a contract or fee basis, but not including other personal services) in connection with the collection of moneys owed the Export-Import Bank, repossession or sale of pledged collateral or other assets acquired by the Export-Import Bank in satisfaction of moneys owed the Export-Import Bank, or the investigation or appraisal of any property, or the evaluation of the legal or technical aspects of any transaction for which an application for a loan, guarantee or insurance commitment has been made, shall be considered nonadministrative expenses for the purposes of this heading: *Provided further*, That, notwithstanding subsection (b) of section 117 of the Export Enhancement Act of 1992, subsection (a) thereof shall remain in effect until October 1, 2001.

### OVERSEAS PRIVATE INVESTMENT CORPORATION

### NONCREDIT ACCOUNT

The Overseas Private Investment Corporation is authorized to make, without regard to fiscal year limitations, as provided by 31 U.S.C. 9104, such expenditures and commitments within the limits of funds available to it and in accordance with law as may be necessary: *Provided*, That the amount available for administrative expenses to carry out the credit and insurance programs (including an amount for official reception and representation expenses which shall not exceed $35,000) shall not exceed $37,000,000: *Provided further*, That project-specific transaction costs, including direct and indirect costs incurred in claims settlements, and other direct costs associated with services provided to specific investors or potential investors pursuant to section 234 of the Foreign Assistance Act of 1961, shall not be considered administrative expenses for the purposes of this heading.

### PROGRAM ACCOUNT

For the cost of direct and guaranteed loans, $24,000,000, as authorized by section 234 of the Foreign Assistance Act of 1961 to be derived by transfer from the Overseas Private Investment Corporation noncredit account: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That such sums shall be available for direct loan obligations and loan guaranty commitments incurred or made during fiscal years 2001 and 2002: *Provided further*, That such sums shall remain available through fiscal year 2010 for the disbursement of direct and guaranteed loans obligated in fiscal years 2001 and 2002: *Provided further*, That in addition, such sums as may be necessary for administrative expenses to carry out the credit program may be derived from amounts available for administrative expenses to carry out the credit and insurance programs in the Overseas Private Investment Corporation Noncredit Account and merged with said account: *Provided further*, That funds made available under this heading or in prior appropriations Acts that are available for the cost of financing under section 234 of the Foreign Assistance Act of 1961, shall be available for purposes of section 234(g) of such Act, to remain available until expended.

### FUNDS APPROPRIATED TO THE PRESIDENT

### TRADE AND DEVELOPMENT AGENCY

For necessary expenses to carry out the provisions of section 661 of the Foreign Assistance Act of 1961, $46,000,000, to remain available until September 30, 2002.

## TITLE II—BILATERAL ECONOMIC ASSISTANCE

### FUNDS APPROPRIATED TO THE PRESIDENT

For expenses necessary to enable the President to carry out the provisions of the Foreign Assistance Act of 1961, and for other purposes, to remain available until September 30, 2001, unless otherwise specified herein, as follows:

### AGENCY FOR INTERNATIONAL DEVELOPMENT

### CHILD SURVIVAL AND DISEASE PROGRAMS FUND

For necessary expenses to carry out the provisions of chapters 1 and 10 of part I of the Foreign Assistance Act of 1961, for child survival, basic education, assistance to combat tropical and other infectious diseases, and related activities, in addition to funds otherwise available for such purposes, $834,000,000, to remain available until expended: *Provided*, That this amount shall be made available for such activities as: (1) immunization programs; (2) oral rehydration programs; (3) health and nutrition programs, and related education programs, which address the needs of mothers and children; (4) water and sanitation programs; (5) assistance for displaced and orphaned children; (6) programs for the prevention, treatment, and control of, and research on, tuberculosis, HIV-AIDS, polio, malaria and other infectious diseases; and (7) basic education programs for children: *Provided further*, That none of the funds appropriated under this heading may be made available for nonproject assistance, except that funds may be made available for such assistance for ongoing health programs: *Provided further*, of the funds appropriated under this heading, not to exceed $125,000, in addition to funds otherwise available for such purposes, may be used to monitor and provide oversight of child survival, maternal health, and infectious disease programs: *Provided further*, That the following amounts should be allocated as follows: $290,000,000 for child survival and maternal health; $30,000,000 for vulnerable children; $202,000,000 for HIV-AIDS; $99,000,000 for other infectious diseases; $103,000,000 for children's basic education; and $110,000,000 for UNICEF: *Provided further*, That of the funds appropriated under this heading, up to $37,500,000 may be made available for a United States contribution to the Global Fund for Children's Vaccines.

### AMENDMENT OFFERED BY MS. LEE

Ms. LEE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Ms. LEE:

Page 6, line 25, after the dollar amount insert (“increased by $42,000,000).

Page 7, line 21, after the first dollar amount insert “(increased by $42,000,000)”.

Page 34, line 21, after the dollar amount insert “(decreased by $42,000,000)”.

The CHAIRMAN. Pursuant to the order of the House of today, the gentlewoman from California (Ms. LEE) and a Member opposed each will control 30 minutes.

Mr. CALLAHAN. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. The gentleman from Alabama reserves a point of order.

The Chair recognizes the gentlewoman from California (Ms. LEE) for 30 minutes on her amendment.

Ms. LEE. Mr. Chairman, I yield myself such time as I may consume.

This amendment adds $40 million to the child survival and disease fund to the amounts allocated in that account for HIV-AIDS and really derives that funding from the FMF account.

Mr. Chairman, I had the privilege to be part of the official United States delegation at the 13th International Conference on AIDS in Durban, South Africa. I returned yesterday with an even more sense of urgency regarding the HIV-AIDS pandemic throughout the world and especially in sub-Saharan Africa. There are over 10,000 people in Durban, South Africa breaking the silence on HIV-AIDS about the devastation of the AIDS pandemic this week. Our United States delegation is led by our very able Surgeon General, Dr. Satcher, and Sandy Thurman, Director of the Office of National AIDS Policy.

Can you imagine that in several countries now, life expectancy has been reduced from 70 years of age to 30 years of age because of this killer disease? This means also that many 13-year-old girls and boys will not live beyond 30 years of age because they will die from AIDS. This also means that years of development and progress have been really wiped from the face of the earth.

Also, can you imagine now that there are over 12 million orphans in Africa? These children's fate lay unknown because their parents have died. And by the year 2010, there will be 40 million orphans in Africa. This is the number of children in America's public schools. Also, believe it or not, it is mind-boggling to know this, but in Durban, we talked about this and documented this and discussed this, that in many countries 20 to 38 percent of the country's populations have HIV-AIDS.

This further cripples Africa because it does move to threaten economic stability which is a security threat as well, not only in terms of African security but in terms of our own national security. Can you imagine that this is really only the beginning? It is only the tip of the iceberg. India has nearly 7 million people infected with HIV-AIDS. This epidemic is spreading and it is spreading very rapidly.

The conference in Durban, which is continuing this week, is really helping us break the silence with regard to the devastation of this pandemic. We must listen to what is coming out of that conference. We all have a sense of urgency about this, but many of us do not know what to do. But we do know that there is a state of emergency in sub-Saharan Africa.

So the administration requested $244 million, minimal request, for HIV-AIDS this year, and we only have $202 million in this budget request. All this amendment does is add $42 million to bring to the level of the administration's request the AIDS funding to address this pandemic. This is not nearly enough. The United Nations has estimated that we need approximately $3 billion a year just to begin with the crisis in sub-Saharan Africa. So, Mr. Chairman, adding $42 million to this account is a mere pittance.

I ask for your consideration. I ask for your real commitment to ensure that the United States of America goes on record tonight and passes this amendment to do the right thing and to send a message to the Durban conference and to those who are working so desperately to save lives in Africa that we are stepping up to our moral obligation, and we do want to restore this mere $42 million to our account.

Mr. Chairman, I yield 1 minute to the gentlewoman from Florida (Mrs. MEEK).

Mrs. MEEK of Florida. Mr. Chairman, I thank my dear colleague who has spearheaded this strong effort for yielding this time.

As we are becoming a more global community, we must become more concerned about what is going on with our national borders as well as the people we know are now suffering from AIDS throughout this world. It just does not take very much unless you understand man's inhumanity to man to think that in a country as rich as ours we have not placed the amount of money on the prevention and treatment of AIDS as we should. Now it is reaching catastrophic dimensions and we must realize that it is now an epidemic that is an impediment to our national security.

A study by the National Security Council prepared in January projected that a quarter of South Africa's population is likely to die of AIDS. I have only 1 minute, 60 seconds' worth of distance run to say to you that to place money in an AIDS prevention and treatment program in Africa will be money well spent. If not, we are on a disastrous course. It is time now to place money where we can help man and his humanity.

Mr. Chairman, I thank the gentlewoman for calling this special order to highlight the global HIV–AIDS epidemic.

As our world becomes more of a global community, we must become more concerned about what's going on beyond our national borders. As the Washington Post aptly described, the global spread of AIDS is reaching catastrophic dimensions and is now seen as a threat to our own national security.

A study by the National Security Council prepared in January projected that a quarter of southern Africa's population is likely to die of AIDS and that the number of people dying of the disease will rise for a decade before there is much prospect of improvement. Further, based on current trends, that disastrous course could be repeated, perhaps exceeded, in south Asia and the former Soviet Union.

50 million people—1% of the world's population—have become infected with HIV.

Sub-Saharan Africa has been by-far more severely affected by AIDs, than any other part of the world. Africans make up 10% of the worlds population, but nearly 70% of the worldwide total HIV–AIDS cases.

In many African countries 35% of all adults are infected with HIV–AIDS, and it is estimated that half of today's teenage population in parts of Africa will die of AIDS.

In Africa, as in the case throughout the world, young girls are most infected.

In a study of eleven African countries, the rate of infection in teenage girls was more than five times higher than in boys of the same age. Each day more than 15,000 people become infected. 1,600 of them are children, infected during or shortly after birth.

Infection rates in the Caribbean are also high.

There is an epidemic in Asia with more than 6 million people infected, and the potential for millions more.

Fortunately, we now have the opportunity for a much more effective response to the HIV epidemic.

We now know how to prevent the spread of HIV and provide care for those infected. The tools are complex and imperfect. But we know that when used correctly, these tools can help slow the epidemic, relieve suffering and enable millions of people to have additional years of quality life.

Yet, with opportunity comes responsibility and challenge. There are no more excuses. The millions who are infected and the hundreds of millions who are at risk will not forgive us if we do not take advantage of the opportunities for action that exist today.

No one constituency can act alone to change the face of this epidemic, and America must step up to play a leadership role in reducing the global spread of HIV–AIDS. Wherever there is inequity, conflict or lack of mutual respect, the virus feeds on our divisiveness.

It is distressing what is happening in the world with this pandemic, particularly when we have found interventions that work—interventions that can reduce HIV incidence by up to 80%.

Yet, we have not seen any systematic action to reduce the global spread of HIV–AIDS because all too often we have been shortsighted and refused to take action outside of our borders to help ease the suffering and loss of life which is taking place with respect to this pandemic in Africa and throughout the world.

This isolationists' mentality must stop. If America is to remain a global leader we ought to act like one and take the lead on helping to reduce the global spread of HIV–AIDS.

On this issue, we can't claim the high horse, and then take the low road.

More than ever, we need to unite with the nations of the world and exert our leadership in responding to the destruction to society that has been wrought by HIV.

Here at home, and throughout the world, the consequences of HIV–AIDS are clear, HIV affects more people than it infects. It makes families poor as they try to meet the costs of health care and funerals: they become poorer as they cope with the loss of income following the death of a breadwinner.

Miami-Dade County, Florida has the third highest incidence of HIV–AIDS cases in the United States. With 24,000 reported AIDS cases, Miami-Dade County has more cases than all but four states. A disproportionate number of these cases tend to be comprised of racial or ethnic minorities.

With strong prevention initiatives, we have helped slow the rate of new HIV infections in the U.S. And, we have made widely available new medications and treatment to those who are infected.

As a world leader, we have a responsibility to help other nations reduce infections and treat those who are ill, and to act locally and globally toward a cure for this dreaded disease.

The CHAIRMAN. Does the gentleman from Alabama (Mr. CALLAHAN) seek to claim the time in opposition?

Mr. CALLAHAN. Mr. Chairman, I claim the time and I reserve the balance of my time.

Ms. LEE. Mr. Chairman, I yield 1 minute to the gentleman from Illinois (Mr. DAVIS).

Mr. DAVIS of Illinois. Mr. Chairman, I want to thank the gentlewoman for yielding me this time. We have heard the information. We understand the ravages of this tremendous disease running rampant throughout the continent. And so we know what action is needed. We know that we need resources. We know that we need to add additional money so that there can be health education information, so that there can be medicine and supplies, and so that individuals who are greatly in need of assistance can receive it. I simply want to commend the gentlewoman for this amendment, pledge undying, unstinting support for it, and urge all Members of this House to vote in favor of the Lee amendment.

□ 2300

Ms. LEE. Mr. Chairman, I yield 1 minute to the gentlewoman from New York (Mrs. LOWEY).

Mrs. LOWEY. Mr. Chairman, I rise in strong support of this amendment which would make a critical investment in combatting HIV-AIDS around the world. When one looks at the numbers, it is astonishing. More than 16.3 million people across the globe have died of AIDS. More than 33.6 million are currently living with the disease. Over the course of the year, approximately 5.6 million more people will become infected with AIDS.

This is a pandemic of immense proportions, and if we hold back on investing and finding solutions to the world's AIDS crisis now, there will be consequences, both domestically and internationally later on.

The AIDS crisis has disproportionately affected the developing world. Sub-Saharan Africa has been particularly hard hit. Already 13.7 million Africans have died of HIV-AIDS, leaving behind social and economic devastation that will affect the nature and pace of African development for years to come.

AIDS is hurting Africa. It is crippling Africa's viability as a destination for business. I urge my colleagues to support this amendment.

Ms. LEE. Mr. Chairman, I yield 1 minute to the gentlewoman from California (Ms. MILLENDER-MCDONALD).

Ms. MILLENDER-MCDONALD. Mr. Chairman, today I rise in strong support of the amendment of my colleague and friend, the gentlewoman from California (Ms. LEE), and I urge everyone to support this amendment, because it is really a moral issue that we are talking about tonight.

The devastation caused by this pandemic has been most severe in sub-Saharan Africa where over 23 million people are infected with HIV, and nearly 14 million Africans have already died from AIDS. This is indeed, my friends, a moral issue, and we have an obligation and a responsibility to heed the warning here.

The funding, $42 million, is not a cure-all for HIV-AIDS, but it is an urgent and necessary step in the right direction. This AIDS epidemic has also drastically decreased life expectancy in Africa, and I urge everyone within the sound of my voice to know that our children are being left as orphans because of the death of their parents.

I urge Members to support the Lee amendment.

Ms. LEE. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON).

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, let me thank the gentlewoman for presenting this amendment.

Mr. Chairman, I hope we are listening. I really do hope that we are not going to close our eyes and turn our ears off and ignore this problem. Let us try to listen to this one more time. A total of 5.4 million people globally became newly infected with HIV in 1999. A total of 34.3 million people globally are living with HIV-AIDS.

We cannot sit here and allow this to happen without some kind of intervention. There have been a total of 18.8 million global AIDS-related deaths since the beginning of this epidemic. A total of 13.2 million children globally have become orphaned since the AIDS epidemic. There are 34.3 million adults and children living with AIDS in the world.

We have to act now. This is an emergency. Experience shows that the right approach, applied quickly enough with courage and resolve, can and does result in lower HIV infection rates and less suffering for those affected by this epidemic. An ever-growing AIDS epidemic is not inevitable; yet unless action against this epidemic is scaled up drastically, the damage is going to be done.

We have got to act now. We have got to eradicate this ugly disease. The time is now. It is urgent. Support my colleague's amendment.

Ms. LEE. Mr. Chairman, I yield 1½ minutes to the gentleman from California (Mr. WAXMAN).

Mr. WAXMAN. Mr. Chairman, I support this amendment. As the only major power in the world and one that takes its moral responsibilities seriously, this is a small step, but one we must take. I also supported the Waters debt-relief amendment for the very same reason.

I found it offensive that the manager of this bill would suggest that the gentleman from Alabama (Mr. BACHUS), or anyone else, was anti-Israel for supporting debt relief. I think that was factually incorrect, and this deficient foreign aid bill makes me think now it was designed in a way to try to drive wedges between people and divide us; and that should have no place on issues as serious as AIDS and debt relief.

Mr. Chairman, I am going to vote for the Waters amendment, and I am going to vote for the Lee amendment; and I am very seriously thinking that this bill ought to be defeated.

Ms. LEE. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. MEEKS).

Mr. MEEKS of New York. Mr. Chairman, I wonder, where is this compassion we often hear talked about? Compassion. You know, where I come from, they have this saying; they say that talk is cheap. Put your money where your mouth is.

When we talk about HIV-AIDS, we can talk about it and talk about how bad it is and talk about how awful it is, but you know what? That talk means nothing.

We need to put our money where our mouth is. Until we do that, we are doing nothing but whistling Dixie. It is time for us to reverse that, to understand that this world is much smaller than it was just 10 years ago. If you do not believe it, let us not put our money where our mouths are. You think the epidemic is over there; but you know what, there is a boomerang, and what goes around will come around.

Mr. CALLAHAN. Mr. Chairman, I continue to reserve my point of order.

Ms. LEE. Mr. Chairman, I yield 1½ minutes to the gentlewoman from North Carolina (Mrs. CLAYTON).

Mrs. CLAYTON. Mr. Chairman, the Lee amendment deserves our enthusiastic support. This amendment provides $42 million for our effort against AIDS abroad. We can be thankful, Mr. Chairman, that many people in America today are living longer and more comfortable lives with AIDS. Not so in Africa. We can be grateful that the life expectancy of a person in the United States afflicted by AIDS has increased significantly since this Nation began paying attention to this disease some 20 years ago. Not so in Africa.

AIDS has lowered the life expectancy in some places in Africa almost 20 years in just the last 10 years. In America, the number of new AIDS cases in recent years has declined, or at least has leveled off. Not so in Africa. In Africa, in some places, up to 35 percent of all adults are inflicted by the HIV-AIDS. The survival rate of women and children affected by AIDS in the United States is steadily increasing. Not so in Africa.

In some parts of Africa, half of all the pregnant women are infected, and 15 percent of the children have been left as orphans due to AIDS. Drug therapy in response to AIDS is almost $20,000 annually. There is no money to pay. In fact, they commit less than $10.

Every day, in Africa, more than 5,000 people die from AIDS—18 million lives have been lost to AIDS in Africa, in recent years.

AIDS in Africa, Mr. Chairman, has been declared to be a threat to this Nation's national security. AIDS in Africa undermines efforts to extend democracy. AIDS in Africa contributes to political instability and encourages civil wars. AIDS in Africa puts American citizens at risk who may be there for business, military, diplomatic or other purposes. AIDS in Africa is a menace to America.

In recent years, the introduction of newer and more effective therapies, on the whole, has led to dramatic reductions in mortality and morbidity and an increase in the number of people living with HIV-AIDS. This progress has been due, in large part, to the fact that funding in the United States for research, prevention, care and treatment has multiplied, from a few hundred thousand dollars twenty years ago to $6 billion in the fiscal year.

In Africa, funding programs for the prevention and research for AIDS and HIV have fallen far short. The Lee amendment, in a very modest way, seeks to bring some balance to that imbalance.

Mr. Chairman, unfortunately, there is no vaccine or medication that will cure AIDS. Yet, as the Washington Post indicated today, there is hope due to a new tests. And, we know that through intervention, we can, and we have, caused effective prevention of the spread of AIDS.

By preventing the spread of AIDS, we have reduced the demand for care services. And, consequently, we have reduce the costs associated with AIDS.

We are making progress in America. Not so in Africa. Support the Lee amendment. The women, the children, the people of Africa are worthy of our support.

□ 2310

Ms. LEE. Mr. Chairman, I yield 2 minutes to the gentlewoman from Los Angeles, California (Ms. WATERS).

Ms. WATERS. Mr. Chairman, I rise in support of this amendment. I am amazed that we have spent so much time on the Africa Trade bill talking about how we want to be involved with trade in Africa. In South Africa, we have spent years getting rid of apartheid. We have worked hard to make sure that we give democracy a chance in Africa.

But what good is all of this if, in fact, we do not recognize that HIV-AIDS is devastating Africa? I just spoke with the gentleman from New Jersey (Mr. PAYNE) who just returned from Botswana; a beautiful infrastructure is that country. However, they are about to be wiped out because of the way that AIDS is ravaging that small country.

The same thing is true in South Africa. What good does it do to have done all of that work to talk about getting rid of an apartheid government, to have a new opportunity here for housing and for health and for all of those things that we have fought for for so many years, when we have AIDS run amok.

This country cannot, cannot in good faith talk about wanting to have a relationship with Africa and South Africa, which it has embraced and all of these other nations, and ignore the fact that AIDS is ravishing this continent.

Mr. Chairman, I would ask everyone to support this amendment. This is a very mild amendment. As a matter of fact, the amount of dollars that are being asked for is insignificant, almost. So I cannot understand why anyone would be opposed to supporting this amendment. I believe there is $42 million in this amendment. We are spending more money than that on giveaways, practically, in the budget, throughout the budget of the United States.

So I would ask my colleagues, please, please allow us to leave this floor this evening with some renewed faith in our ability to have just a little bit of a conscience as it relates to the continent.

Ms. LEE. Mr. Chairman, I yield 2 minutes to the gentlewoman from northern California (Ms. Pelosi).

Ms. PELOSI. Mr. Chairman, I thank the gentlewoman for yielding me this time and for her extraordinary leadership on this global AIDS issue.

Mr. Chairman, as my colleagues know, this past week the world's leading experts on HIV-AIDS gathered in Durbin, South Africa for the 13th International HIV-AIDS Conference. The participants shared their knowledge and attempted to find solutions to the challenges of prevention, affordable treatment, and eventually a cure for HIV-AIDS. We must do our part in this country to respond to what has truly become a global crisis.

Mr. Chairman, when those experts met in Durbin, South Africa, the gentlewoman from California (Ms. Lee) was there, and she is here tonight, less than 36 hours since her arrival in this country; she is here tonight leading the way. The world is finally waking up to the scope and seriousness of the HIV-AIDS problem, as more resources are devoted to expanding the infrastructure to fight the disease. It would be a serious blow if the United States did not live up to its commitments at this time. Again, the gentlewoman from California (Ms. Lee) is here to lead the way in that regard.

Mr. Chairman, in addition to commending my colleague, I want to introduce into the Record a USAID report project which projects a dramatic increase in AIDS orphans. Over the next 10 years, there will be more than 30 million orphans because their parents will die of AIDS. This represents a dramatic increase.

How many more parents have to die? How many more children have to become orphaned? Many of those children, HIV-infected themselves. How many more children will have to die before we wake up to an appropriate, appropriate response to AIDS?

This increase that the gentlewoman is proposing brings what is in the bill up to the President's request of $244 million. Frankly, it is the least we can do. It is certainly not enough, but it is a good start for us. USAID will use these additional funds for education, prevention and interventions to reduce mother-to-child transmissions. Funding will be used to aid countries to establish their own HIV interventions.

I commend the gentlewoman for her leadership and I urge my colleagues to support her amendment.

### USAID Report Projects Dramatic Increase in AIDS Orphans

Durban, South Africa.—The U.S. Agency for International Development (USAID) today released the executive summary of Children on the Brink 2000, a study of AIDS orphans across the globe. The study finds that by 2010, at least 44 million children will have lost one or both parents to all causes in the 34 countries most severely affected by the AIDS pandemic.

Of these 44 million orphans, 68 percent of their parents will die of AIDS. This represents a dramatic increase from 1990, when AIDS accounted for 16.4 percent of parental deaths. Orphans are distributed among world areas in the same patterns as HIV-prevalence, so that countries with the highest infection levels usually have the highest orphan rates.

The orphan crisis is most acute in sub-Saharan Africa. In at least eight countries in this region, between 20 and 35 percent of children under 15 have lost one or both parents. By 2010, 11 countries will reach this rate.

Children on the Brink 2000 finds that with few exceptions the number of children being orphaned will accelerate through at least 2010. In many countries, the proportion of orphaned children will remain exceptionally high until 2020 or 2030.

One country studied was Zambia. Children on the Brink 2000 finds that in Zambia, currently 27.4 percent, or 1.2 million children, who are under age 15, are orphans. Chronic malnutrition is widespread. Orphan caregivers are predominantly poor women. Children in these households are significantly more disadvantaged than children in two-parent families, largely because women have less access to property and employment. Female-headed households are larger and poorer than male-headed households in all regions.

The executive summary of Children on the Brink 2000 was released at a USAID press conference at the XIII International AIDS Conference in Durban, South Africa.

Since 1986, USAID has dedicated over $1.4 billion dollars for the prevention and mitigation of this epidemic in the developing world. USAID's HIV-AIDS budget of $200 million for 2000 is four times as great as the next-largest donor's budget. USAID is working in 46 of the hardest hit countries around the world. Nearly 70 percent of USAID's HIV-AIDS program assistance goes to small non-governmental organizations that have direct connections to the poorest of the poor and those most vulnerable to infection.

Children on the Brink 2000 updates USAID's 1997 report on orphans, and provides estimates of the number of orphans in 34 developing nations, as well as offering strategies to support children affected by HIV-AIDS worldwide. The original report included the first international orphan estimates published since 1990 and contributed to a growing sense of urgency about the impact of HIV-AIDS, particularly in sub-Saharan Africa. The complete Children on the Brink 2000 will be released this fall.

Children on the Brink 2000 presents new orphan estimates for the 23 countries studied in the 1997 report, as well as 11 additional developing countries. The report also provides a summary of new statistics on the HIV-AIDS pandemic; new programming recommendations for children, families, communities, and governments; and an updated overview of actions taken by international organizations to assist families and children affected by HIV-AIDS.

The executive summary of Children on the Brink 2000 is available at www.usaid.gov.

The U.S. Agency for International Development is the U.S. government agency that provides development and humanitarian assistance worldwide.

Ms. LEE. Mr. Chairman, I yield 1 minute to the gentleman from North Carolina (Mr. Watt).

Mr. WATT of North Carolina. Mr. Chairman, I thank the gentlewoman from California for yielding me this time and for bringing this important issue to the floor of the House.

We have made a substantial amount of progress in our country in dealing with AIDS and HIV. Unfortunately, that same kind of progress has not been evident in Africa where 10 percent of the world's population resides, but nearly 70 percent of the worldwide total infected AIDS cases exist.

A number of countries in Africa are beginning to make progress such as Senegal and Uganda, and we need to do what we can in this country to assist in meeting this crisis, not only here in our country, but worldwide. I cannot think of any other issue that is more important to address than the HIV-AIDS crisis in the world. Therefore, I rise in support of the gentlewoman's amendment.

Ms. LEE. Mr. Chairman, I yield 2 minutes to the gentlewoman from Texas (Ms. Jackson-Lee).

Ms. JACKSON-LEE of Texas. Mr. Chairman, let me thank the gentlewoman from California for her leadership. Mr. Chairman, $42 million. Juxtapose that against the $82 million, only 16 percent of what the administration asked for, to relieve the burden of debt on these countries so that they could at least deal with this travesty of AIDS.

The gentlewoman from California (Ms. Lee) just came back from South Africa and she has been on this mission for a long time, and I have joined her, along with many other Members. We were in Africa just about a year ago. Tell me if my colleagues have ever experienced going into a hut, that is right, and seeing a 4-year-old being the only person able to care for dying relatives. Cleaning up the excrements, providing the medicine, helping them to the rest room, if you will. Dying babies being held in one's arms. Families burying six members of their family at a time. Have my colleagues ever lived through a pandemic or a dying Nation or continent? That is what we are talking about.

For us to be on this floor tonight in the most prosperous times, when the gentleman from Alabama indicated that we merely would be missing a Sunday newspaper if we did not provide debt relief or, in this instance, maybe a candy bar if we put $42 million against a nation of 200 million plus people in the United States of America. How can we reject the opportunity to provide funds to eliminate 4-year-olds taking care of dying relatives. It is an outrage that we even have to diminish the request to this amount.

Mr. Chairman, I would only say to my colleagues, when they begin to talk about a tragedy of this size, they are beginning to talk about a continent that not withstands this attack, but falls to this attack. We cannot do any less than to support the amendment of the gentlewoman from California and stand up against this terrible tragedy.

Mr. Chairman, I rise in support of the amendment by my democratic colleague Representative BARBARA LEE from California in an amendment to H.R. 4811, the Foreign Appropriations bill before this body. This amendment if adopted would make an additional $100 million available to the World Bank AIDS Marshall Plan Trust Fund.

HIV–AIDS has been declared the world's deadliest disease by the World Health Organization. HIV–AIDS has become a plague on the Continent of Africa of biblical proportions by claiming over 18 million lives in recent decades. This crisis is having a direct impact on the future viability of many sub-Saharan African communities. For this reason, I am joining Congresswoman LEE of California in support of additional funding for the World Bank's effort to fight the spread of the deadly HIV–AIDS epidemic in Africa.

This amendment would fund the World Bank AIDS Marshall Plan Trust Fund at $100 million. This will allow the trust fund to distribute additional resources through directed grants so that an effect response can be mounted against the HIV–AIDS tragedy, which is being played out in too many African nations.

According to the UNAIDS Update report released last week on HIV–AIDS infected rates in many countries up to 35 percent of all adults are infected with the disease. The report also estimates that half of today's teenage population in parts of Africa will perish from HIV–AIDS. The most vulnerable group being affected by HIV–AIDS is the women of Africa; their infection rate is far greater than males. About 55 percent of all adults living with HIV are women, and this rate is expected to continue to rise in countries where poverty, poor health systems, and limited resources for prevention and care are present. What fuels the spread of this disease or any disease is ignorance, misinformation, cultural practices, passivity on the part of leaders, neglect on the part of those nations with resources that if engaged would make a difference in the fight to win out over the disease.

I would like to commend Congresswoman LEE for her efforts to offer a clear perspective on the HIV–AIDS epidemic in Africa. She recently returned from Durban, South Africa, after participating in AIDS 2000, which was the 13th International AIDS conference.

Now, more than ever, the leadership of the United States is needed in order to avert a tragedy on the Continent of Africa. Therefore, I implore my fellow colleagues of the House to seriously reconsider the level of funding that has been appropriated for this critical area. It is critical that we join efforts to support the comprehensive, bipartisan World Bank AIDS Marshall Plan Trust Fund to address this crisis.

Many people have asked why this is important to the United States. I reiterate that aside from the humanitarian perspective, the CIA has issued a report that declares HIV–AIDS a threat to our national security. HIV–AIDS undermines democracy and progress in many African nations and the developing world. Left to its own course HIV–AIDS will lead to political instability and may result in civil wars, which may affect the global balance of power as well as economic viability of many African nations. In many of these instances, our military service personnel may be pressed into to service in order to defend American interest in any attempt to bring stability to those nation's that decline into civil strife because of the ravages of HIV–AIDS. HIV–AIDS like any plague cannot be contained in any specific geographical area it will roll across borders of the rich and poor nations alike. Unfortunately, when this dreaded disease came to our shores many felt that it was a calamity for gay people, drug users but AIDS knows no boundaries. With globalization, we also must be conscious of the potential for AIDS and other infectious diseases to be carried across borders.

Now is the time for this body to act to remove the threat of AIDS from our global community. Therefore, I encourage my colleagues to support this amendment.

Ms. LEE. Mr. Chairman, I yield 2 minutes to the gentlewoman from Florida (Ms. BROWN).

Ms. BROWN of Florida. Mr. Chairman, first of all, let me thank the gentlewoman from California (Ms. LEE) for going to the International AIDS Conference representing the United States.

At this crucial time in this country, the world is looking at what we are doing here in the United States, and they are wondering, what is our position on AIDS and HIV. I would like to have a colloquy for a moment with the gentlewoman from California (Ms. WATERS). I know that other countries are providing treatment, they are providing drugs. Why are we, the most powerful country in the world, who stand on the Bible and believe and talk all the time about to whom God has given much, much is expected, and we have some obligation as leaders in the world, where are we on this crucial issue of AIDS and HIV?

☐ 2320

Ms. WATERS. Mr. Chairman, will the gentlewoman yield?

Ms. BROWN of Florida. I yield to the gentlewoman from California.

Ms. WATERS. Mr. Chairman, I thank the gentlewoman from Florida (Ms. BROWN) for yielding to me.

As we look at what the gentlewoman from California (Ms. LEE) is doing and the tremendous work she is putting into this international AIDS crisis, tonight there is a category called Child Survival and Disease Program Fund in the budget for $202 million, and she is adding to that fund so perhaps just one or two more babies will have medicine, one or two more children may be able to survive HIV or full-blown AIDS, even.

Let me just say that what we are doing is minuscule. It is not nearly enough. We need to do more. That is why we have to take up all of this time on the floor to beat everybody across the head on this issue, and not let this epidemic continue in the way that it is doing. We have to keep pushing this issue, keep pushing the envelope, because we have not even begun to do what we should be doing.

Ms. BROWN of Florida. Mr. Chairman, I include for the RECORD the information fact sheet about AIDS in Africa.

### AIDS IN AFRICA—FACT SHEET

Today there are 34 million people living with HIV and AIDS.

Sub-Saharan Africa has been far more severely affected by AIDS than any other part of the world.

Africans make up about 10% of the world's population but nearly 70% of the worldwide total of infected people.

An estimated 18 million Africans have lost their lives to AIDS.

2.8 million people died of AIDS in 1999, 85% of them in Africa.

The overall rate of infection among adults in sub-Saharan Africa is about 8.6% compared with a 1.1% infection rate worldwide.

20% of people in South Africa are infected with HIV and the rate has reached 35.8% in Botswana.

5.4 million new AIDS infections in 1999, 4 million of them in Africa.

An estimated 600,000 African infants become infected with HIV each year through mother to child transmission.

An estimated 8 million African children have lost their mother or both parents to AIDS.

It is estimated that within the next decade more than 40 million children will be orphaned in developing countries.

Some have estimated that approximately half of all today's 15-year-olds in the worst affected sub-Saharan countries will die of AIDS.

Community awareness has had some success, particularly in Senegal and Uganda where the rate of infection has been cut in half.

Aside from Africa, India has more infected people than any other nation, more than 3.5 million.

A 1999 South African study found that the total costs of employee benefits in that country will increase from 7 percent of salaries in 1995 to 19 percent by 2005 due to AIDS.

Ms. LEE. Mr. Chairman, I yield 1 minute to the gentleman from Florida (Mr. HASTINGS).

Mr. HASTINGS of Florida. Mr. Chairman, I thank the gentlewoman from California for yielding time to me.

I would also like to thank the gentlewoman from California (Ms. PELOSI) for the extraordinary leadership she has provided in this measure, as well as my colleagues in the Republican party who have come forward and demonstrated how they feel with reference to this issue.

Of course, people like the gentlewoman from California (Ms. WATERS) and countless others have been here for us, as well as all of the women of this House, providing the kind of leadership that we need in an effort to speak out about these matters.

Please know this, that what we are failing to do is to assist a continent of people who, in the final analysis, are finding their life expectancy, according to reports in today's New York Times, reduced to 30 years of age.

Ron Dellums, who the gentlewoman from California (Ms. LEE) replaced in Congress, spoke often to this House with passion regarding this issue, and now finds himself involved in this issue, trying to avoid, ultimately, the death in the next 5 years of 35 million people.

Research and development is needed to rid this scourge in Africa and America. Please support this measure.

Ms. LEE. Mr. Chairman, I yield 1 minute to my colleague, the gentleman from California (Mr. SHERMAN).

Mr. SHERMAN. Mr. Chairman, as so many speakers before me have said, it is a shame that we are not providing more. Thirty-four million people in Africa with HIV, and even if we pass this amendment, that is less than $10 per infected person, less than $10 per person who will probably lose their lives.

After we consider this amendment, I will call up an amendment that will add another $10 million to this program, and shame on me that that amendment is not larger.

We should be doing a lot more. This is a national security problem for not only Africa but for the entire world. This is a continent with 34 million infected people, most of whom do not know that they are infected, that figure comes only from estimation, so they could end up infecting others.

This is not just a problem in Africa, this is a likely disease that will mutate and spread to various places around the world. We should do more.

Ms. LEE. Mr. Chairman, I yield 1 minute to the gentleman from Vermont (Mr. SANDERS).

Mr. SANDERS. Mr. Chairman, I thank the gentlewoman for yielding time to me.

Mr. Chairman, the horror that we are dealing with is so unspeakable that it is literally very difficult to imagine the extent of what is going on, but let us try for a moment.

In at least eight countries in sub-Saharan Africa, between 20 and 35 percent of children under 15 have lost one or both parents. Let us stop and think what that would mean to our hometowns or our State. One-third of the children under 15 have already lost one or both parents.

I think after all is said and done, what we are learning tonight is that we live in one world, and whether we like it or not, we cannot ignore the horrendous suffering that is going on in Africa. Our souls will be tarnished if we do not respond, and ultimately, mark my words, it will become a national issue, as well.

We live in one world. We have got to respond. We should support this amendment, and do a lot more than that.

Ms. LEE. Mr. Chairman, I yield 1½ minutes to the gentleman from New Jersey (Mr. PAYNE).

Mr. PAYNE. Mr. Chairman, let me rise in strong support of this amendment, and commend the gentlewoman from California (Ms. LEE) and those who have worked with her, the gentlewoman from California (Ms. WATERS), the gentlewoman from the Virgin Islands (Ms. CHRISTENSEN).

Let me also admire the work of the gentlewoman from California (Ms. PELOSI), who has for many years been there fighting for the right causes.

Mr. Chairman, about 8 years ago I started to discuss the problem of HIV-AIDS with President Museveni. At that time he was totally opposed to any kind of prevention programs, especially the use of preventative things. We talked about that. He finally decided that he would move to having prevention and education. Now in Uganda we have seen it level off. If we put in the correct amount of funds, we will be able to put a moratorium and start to win the battle.

A week ago on Wednesday I was in Gaborone in Botswana. I met with President Festus Mohae. His whole discussion at our meeting a week ago was simply about the HIV-AIDS virus. He said that his life expectancy in his country was 71. Two years from now the life expectancy in Botswana will be at 39, they have lost that much. In about 5 years from now, there will be a minus population growth in the country of Botswana.

We can no longer sit by and watch the world die. Let us pass this amendment.

Ms. LEE. Mr. Chairman, I yield 1 minute to my colleague, the gentlewoman from Ohio (Mrs. JONES).

Mrs. JONES of Ohio. Mr. Chairman, to my colleagues, in this country today we have a societal condition of grandparents raising grandchildren. Imagine the situation that exists in Africa, where we have grandparents raising as many as 35 grandchildren.

The condition of AIDS in Africa is a security risk. It is an economic issue. It is a workforce issue. It is a global issue. We as a country must step up to the plate and take care of the children of Africa. They, too, are our own children.

That epidemic, that disease, can spread worldwide. Next year we will be talking about AIDS in every other country, because we travel so frequently together.

Let us resolve this issue. Let us take care of the children. Let us take care of our families, as well, and support this amendment.

□ 2330

Ms. LEE. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts (Mr. OLVER).

Mr. OLVER. Mr. Chairman, I thank the gentlewoman from California (Ms. LEE) for yielding time to me.

Mr. Chairman, I would just like to point out that we in the United States have nearly a million people suffering with HIV-AIDS at the moment. We spend something over $10 billion every single year on this issue, and that averages out to well over $10,000 per person in what we do here in this country in relation to AIDS. In Africa, the amendment that is being offered by the gentlewoman from California (Ms. LEE), the amendment by itself would involve $2 per person of the roughly 25 million people now suffering from HIV-AIDS, 20 percent in a country like South Africa, as high as 35 percent of the population in Botswana.

It is a very small, a very small pittance for us to contribute to dealing with the AIDS pandemic around this world. We should adopt the amendment by the gentlewoman from California (Ms. LEE).

Ms. LEE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to first thank the gentlewoman from California (Ms. PELOSI) for her extraordinary leadership on this issue and also for her support consistently and constantly on helping us really raise the level of awareness on the HIV-AIDS crisis here in the United States Congress, and also to the gentlewoman from California (Ms. WATERS), to the gentlewoman from the Virgin Islands (Ms. CHRISTENSEN), to all of the Members who spoke here tonight.

I want to pay a special recognition and tribute to my former boss and predecessor Congressman Ron Dellums who often has been the lone voice in the wilderness speaking about this pandemic in Africa.

Finally, I believe we are breaking the silence here in the United States Congress. I want to thank all of my colleagues for engaging in the debate tonight. I believe many of you read the incredible series of articles that was in The Washington Post last week. These articles demonstrated and documented the fact that we knew as early in the 1990s that the potential for this pandemic in Africa was going to be so great, we chose to put our heads in the sand on this issue.

Mr. Chairman, it is chilling to think that we have not done much of anything in the last 10 years, so tonight we are just asking for a mere $42 million, that is it. We heard the arguments for that. I implore and plead with the other side to please join us in a bipartisan effort and restore $42 million to the budget.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. Does the gentleman from Alabama (Mr. CALLAHAN) wish to be heard on his point of order?

Mr. CALLAHAN. Mr. Chairman, I withdraw the point of order.

The CHAIRMAN. The point of order is withdrawn.

Mr. CALLAHAN. Mr. Chairman, I yield myself such time as I may consume and simply want to say that I think that the committee has been most understanding. In response to many requests that I received from many of those that spoke tonight, we have increased this year's assistance to HIV-AIDS problems from $175 million to $212 million, an 18 percent increase.

Mr. Chairman, I just do not want my colleagues to think that I have ignored their plights and their pleas when they came to me hearing the message. In addition to that, I spent last week in Africa talking to some of the political leaders there, and I recognize fully especially in Africa the tremendous problem with HIV-AIDS. And if, indeed, we reach a stage in this process of the conference committee, as I have told the gentlewoman from California (Ms. WATERS) with respect to the HIPC problem, if we reach a stage where additional allocations are given to us, certainly we would request this, but to take it out of the FMF program we think is not proper.

Mr. Chairman, I do not want to go through that debate again, but I might remind my colleagues that now we are, if we adopt the Waters amendment and we adopt the gentlewoman's amendment, then we will be into the Middle East portion of the FMF, but I hope that we do not do that. I hope that it is better resolved to your satisfaction at some other point in the process. Mr. Chairman, I ask for a no vote.

Mr. CALLAHAN. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from California (Ms. LEE).

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. CALLAHAN. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 546, further proceedings on the amendment offered by the gentlewoman from California (Ms. LEE) will be postponed.

Are there further amendments to this section of the bill?

### AMENDMENT OFFERED BY MR. BROWN OF OHIO

Mr. BROWN of Ohio. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. BROWN of Ohio:

In title II of the bill under the heading "BILATERAL ECONOMIC ASSISTANCE–FUNDS APPROPRIATED TO THE PRESIDENT–AGENCY FOR INTERNATIONAL DEVELOPMENT CHILD SURVIVAL AND DISEASE PROGRAM FUND", after the first dollar amount insert "(increased by $40,000,000)" and in the fifth proviso after the fourth dollar amount (relating to other infectious diseases) insert "(increased by $40,000,000)".

In title IV of the bill under the heading "MULTILATERAL ECONOMIC ASSISTANCE–FUNDS APPROPRIATED TO THE PRESIDENT–CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND", after the dollar amount insert "(decreased by $40,000,000)".

The CHAIRMAN. Pursuant to the order of the House of earlier today, the gentleman from Ohio (Mr. BROWN) will be recognized for 5 minutes and a Member opposed will be recognized for 5 minutes.

Mr. CALLAHAN. Mr. Chairman, I reserve a point of order on the amendment of the gentleman from Ohio (Mr. BROWN).

The CHAIRMAN. The gentleman from Alabama (Mr. CALLAHAN) reserves a point of order.

The gentleman from Ohio (Mr. BROWN) is recognized for 5 minutes on his amendment.

Mr. BROWN of Ohio. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, the threat of tuberculosis is spreading rapidly through the developing world. TB is the greatest infectious killer of adults worldwide. It is the biggest killer of young women. It kills 2 million people per year. Over more than 1,000 people in India die everyday. TB hit an all time high in 1999 with 8 million new cases, 95 percent in developing countries.

Mr. Chairman, I would first like to thank the gentleman from Alabama (Mr. CALLAHAN) and the gentlewoman from California (Ms. PELOSI) for their good work in increasing the appropriations to tuberculosis in the last 3 years up to $60 million.

Our amendment asks for an additional $40 million added to the other infectious diseases component of the Child Survival and Diseases Program. This increase is meant specifically for TB control efforts. This level of spending for health is much lower than any other multilateral development bank despite the fact that the majority of deaths globally from TB and childhood infectious diseases occur in Asia, that is why we are taking dollars from the Asia Development Bank, which does not meet its mission to save the poor, in order to fund a program that will absolutely save millions of lives and preserve communities in the best interests of Asia, in the best interests of Africa, and in the best interests of Latin America, and only in the best interests of the United States where TB is becoming a more and more serious problem.

Gro Bruntland, the director general of the World Health Organization has said that tuberculosis is not a medical issue, it is a political issue. Getting Americans engaged in an international medical issue like tuberculosis, even when addressing that issue serves our best interests as a Nation is an uphill battle.

Mr. Chairman, we have an opportunity to save millions of lives now and prevent millions of needless deaths in the future. We are asking for $40 million from the Asia Development Bank, a bank that has not done well at serving the poor, and we can clearly save thousands and thousands of lives by upping our contribution to the world TB effort, according to the requests of the World Health Organization of $100 million.

Mr. Chairman, I reserve the balance of my time.

Mr. CALLAHAN. Mr. Chairman, I do not seek time at this point, but I rise in opposition to the amendment and reserve the balance of my time.

Mr. BROWN of Ohio. Mr. Chairman, I yield 1 minute to the gentlewoman from Maryland (Mrs. MORELLA), who was the cosponsor and the cowriter of this amendment last year when the chairman helped us increase tuberculosis spending $5 million more.

Mrs. MORELLA. Mr. Chairman, I thank the gentleman from Ohio (Mr. BROWN) for yielding me the time and thank the gentleman for his leadership on this very important issue.

Mr. Chairman, I also want to extend my thanks to the gentleman from Alabama (Mr. CALLAHAN), the chairman of the committee, the gentlewoman from California (Ms. PELOSI) for the work they have done in raising the amount for tuberculosis. This is really very important.

Mr. Chairman, TB kills more women than any single cause of maternal mortality, and it is the biggest killer of people with AIDS which was just recently discussed. It accounts for 40 percent or more of all AIDS deaths in Africa and in Asia. I could go on and on with what is happening in the developing world in terms of attacking its victims in their most productive years, medical costs rising, families that are dissipated, children that are put to work, lack of educational opportunities.

According to the WHO, recent studies in India found that 100,000 women are rejected by their family because of TB every year.

□ 2340

Because there is no way to stop TB at national borders, the only way to eliminate it here in the United States is to control it worldwide, especially in nations with the greatest burden. It is not a matter of doing just what is right; it is a matter of doing what is smart. A single case of drug-resistant TB can cost hundreds of thousands of dollars to treat in the United States. Let us ratchet the amount up.

Mr. Chairman, I rise today in support of this amendment to increase funding for global TB control because, although we have a cheap, effective treatment for TB, the tragic fact is TB will kill more people this year than any year in history—someone every 15 seconds.

TB is the biggest infectious killer of young women in the world. In fact, TB kills more women than any single cause of maternal mortality. TB is the biggest killer of people with AIDS—accounting for 40 percent or more of all AIDS deaths in Africa and Asia.

In the developing world, tuberculosis also destroys girls' and women's futures. TB tends to attack its victims in their most productive years, often killing or sickening the primary breadwinner of a family. In order to pay for medical costs and generate income, families frequently take their young girls out of school and put them to work. TB means the loss of educational opportunity for girls. It means dire poverty for families.

In some parts of the world there is a great stigma attached to contracting TB. This leads to increased isolation, abandonment and divorce of women. According to WHO, recent studies on India found that 100,000 women are rejected by their families because of TB every year. In Nepal, there are numerous stories of young widows with no income and no prospects for another marriage turning to prostitution in order to support their families. Currently an estimated one third of the world's population including some 10–15 million people in the United States are infected with the TB bacteria. Because there is no way to stop TB at national borders, the only way to eliminate TB here in the U.S. is to control it worldwide, especially in nations with the greatest TB burden.

The real tragedy is that effective TB treatment—with drugs costing as little as $10 for a full 6 month course—is only reaching 20 percent of those ill with TB.

It is crucial that we act aggressively now to expand access to this cost-effective treatment and thereby control the spread of TB worldwide. There is only a small window of opportunity available to us to do so. If we fail to act now, resistant strains of TB will continue to develop which will be incredibly costly and possibly even impossible to treat.

I want to acknowledge and thank the Foreign Operations Subcommittee, especially Chairman CALLAHAN and Ranking Member PELOSI, for their efforts this year and over the past several years to give TB greater priority. I stand here today because I believe we need to ratchet up that effort even more, to go even further. $100 million is needed to help jumpstart effective control programs globally.

This is not just a matter of doing what is right, it is a matter of doing what is smart—a single case of drug resistant TB can cost hundreds of thousands of dollars to treat in the U.S. We must invest now in preventing and treating TB worldwide or we will pay the price later in lives and dollars if we fail to do so.

I urge support of this amendment.

Mr. BROWN of Ohio. Mr. Chairman, I yield 2 minutes to the gentlewoman from New Mexico (Mrs. WILSON), who is the co-author of this amendment; and I thank her for the good work that she has done.

Mrs. WILSON. Mr. Chairman, I wanted to thank the gentleman from Ohio (Mr. BROWN) for his leadership on this public health issue and also the chairman of the committee for increasing the investment in TB in this bill over the last 4 years from really nothing to $60 million.

Tuberculosis is back with a vengeance, and it is back with drug-resistant strains that are affecting parts of the world where it was thought to be under control.

In March of this year, there was an outbreak of resistant tuberculosis in Toronto, Canada; in Germany; in Denmark; in Mexico; in Italy; in Puerto Rico. Drug-resistant TB is on the rise, and we are not immune to it here in the United States.

I am one of those who believes it is better to play offense than defense when it comes to public health issues, if one has got a good offense to play. We have a very limited window of opportunity to attack TB with a proven public health strategy abroad where resistant TB is growing.

The reason the resistant TB is growing is because of inconsistent and inadequate treatment. But a treatment does exist. It is called DOTSC. That means Directly Observed Treatment Short Course. If we invest in it now, we can treat TB when it first shows up so that those resistant strains do not have an opportunity to grow. We will not be faced with a huge and very expensive epidemic worldwide and in the United States.

It costs between $11 and $20 to treat a case of TB that is not resistant. It costs about $250,000 to treat drug-resistant TB. In the early 1990s, there was an outbreak in New York City that cost $1 billion to suppress it, and half of the people affected with it died.

Let us do the right thing from a public health point of view. Let us invest in this while the window of opportunity was there and reduce the cost over the long term.

The CHAIRMAN. Does the gentleman from Alabama (Mr. CALLAHAN) insist on his point of order?

Mr. CALLAHAN. No, I do not insist on the point of order, but I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Alabama withdraws the point of order.

The Chair recognizes the gentleman from Alabama (Mr. CALLAHAN) for 5 minutes.

Mr. CALLAHAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am almost surprised at the fact that the gentleman brought this amendment to the House. In response to his request and to the request of many of my colleagues, we have increased this fund from $12 million to $55 million, a fourfold increase in response to the recognition of the problem.

While I know that they have serious concerns about tuberculosis; we all do. The very fact that we have quadrupled the aid in just 2 years is amazing to me that they still insist upon bringing an amendment to reconstruct our bill.

We have constructed this bill to the best of our ability, providing as much as we can afford to provide to every need that has been presented to this committee. So I would respectfully request that the gentleman withdraw his amendment; and if he does that, I will agree to work in conference to conceivably get it increased if we receive a higher allocation. I offered him that, and yet he seems to reject that offer. So if he wants me to remove that offer, I will be happy to do it. But I would respectfully request that he withdraw his amendment.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I am happy to yield briefly to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Chairman, before withdrawing the amendment, if I could, I would like to ask, and I will do that and appreciate the good words and the good work already that the gentleman from Alabama (Mr. CALLAHAN) has done in the last 3 years. I would like to ask the gentleman from Alabama (Chairman Callahan) if he would yield 30 seconds to the gentleman from Texas (Mr. GREEN), who was in his office and hurried over and would like to say a few words on this issue if he could get some time from the gentleman from Alabama (Mr. CALLAHAN). I unfortunately used my time, but I will withdraw the amendment after that if that is possible.

Mr. CALLAHAN. Mr. Chairman, I yield 30 seconds to the gentleman from Texas (Mr. GREEN).

Mr. GREEN of Texas. Mr. Chairman, I join my colleagues, and I appreciate the work of the Subcommittee on Foreign Operations, Export Financing and Related Programs. This is money well spent, because if we do not deal with tuberculosis nationwide, literally in Texas, we are seeing it cross our border. So I thank the subcommittee for their work.

Mr. Chairman, I rise in strong support of this amendment, which I am pleased to have cosponsored along with SHERROD BROWN and Representatives HEATHER WILSON and CONNIE MORELLA.

Seven years ago, the World Health Organization declared Tuberculosis to be a global emergency.

TB is an emergency in Africa—in Asia—in Latin America—in the Caribbean. TB could soon be an emergency in the United States.

No area has been more harmed by the epidemic than Asia. In the past ten years there have been over 35 million cases in South and South-East Asia.

In East Asia and the Pacific there have been over 21 million cases.

In India, over 1.8 million new cases are diagnosed each year. In China, 1.4 million. In Bangladesh, half a million.

While the majority of Tuberculosis cases are found overseas, this is disease that could be passed on to you . . . or to anyone in your family.

TB is highly contagious and spreads just like the common cold—through hand-shaking, coughing, or contact.

With the increase in international travel we are seeing more and more cases of TB right here in North America—and those cases will continue to increase unless we act now.

Our amendment increases funding for TB control by $40 million. Much, much more is needed but to comply with budget rules we are only proposing a $40 million boost.

Our amendment is offset by reducing funding to the Asian Development Bank by an equal amount.

The Asian Development Bank has not been effective. Its lending for health has averaged just 1.5% of total lending annually from 1978–1998.

This level of lending for health is much lower than any other multilateral development bank despite the fact that the majority of deaths globally from TB and many childhood infectious diseases occur in Asia.

While the amount of its lending for the health sector has increased since 1978, the proportion of total lending devoted to health has stayed the same at about 1.5%.

This low number cannot be accounted for simply because the Bank does not make low-interest loans to India or China while, for instance, the World Bank has.

Even excluding China and India, World Bank lending for health in Asia and the Pacific in 1996 was 7.3% of lending, more than 4 times the Asian Development Bank's lending.

The $40 million we are taking away from the Asian Development Bank is better spent combating the adverse economic impacts of TB.

TB has had a devastating social and economic impact on Asia and other regions.

Because patients lose an average of 3 to 4 working months a year, they lose 20 to 30 percent of the family's income.

Seventy five percent of TB infections and deaths are people between the ages of 15 and 54—most of them workers.

In India, the annual cost to that nation's economy is $3 billion. About 70% of households went into debt because of health care bills related to TB.

This is not surprising when you consider that, in India, the cost to patients for treatment is about $125 U.S. dollars, more than half the annual income of a daily wage laborer.

By using this $40 million to combat TB we will keep hundreds of thousands of folks working and that has a direct impact on Asia's economy—an impact that cannot be matched by the Asian Development Bank.

We need to battle TB abroad because it is appearing on our borders.

That's a sound investment—and one we should all support.

Mr. BROWN of Ohio. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

Ms. PELOSI. Mr. Chairman, reserving the right to object, and I do not intend to object, but I do want to commend the gentleman from Alabama (Mr. CALLAHAN) for his tireless leadership on this issue. The challenge of tuberculosis is a great one throughout the world, not unrelated to AIDS. Many people with HIV die of tuberculosis.

But I do want to commend the chairman because he has responded at least two times that I am aware of to the appeal for increases last year and in the committee accepted my amendment for the increase to the point that we are now.

The gentleman is a man of his word. If he says that he is going to help in conference, then the gentleman from Ohio (Mr. BROWN) has already graciously agreed to withdraw.

So I look forward to working with the gentleman from Alabama on that. I commend the gentleman for his leadership and acknowledge the strong bipartisan support and commend all of the cosponsors on this legislation. It is very important to all of us.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Without objection, the amendment offered by the gentleman from Ohio (Mr. BROWN) is withdrawn.

There was no objection.

AMENDMENT OFFERED BY MR. SHERMAN

Mr. SHERMAN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. SHERMAN:

Page 6, line 25, after the dollar amount insert "(increased by $10,000,000)".

Page 7, line 21, after the dollar amount for HIV-AIDS insert "(increased by $10,000,000)".

Page 38, line 23, after the dollar amount insert "(decreased by $10,000,000)".

The CHAIRMAN. Pursuant to the order of the House of earlier today, the gentleman from California (Mr. SHERMAN) and a Member opposed each will be recognized for 5 minutes.

The Chair recognizes the gentleman from California (Mr. SHERMAN).

Mr. SHERMAN. Mr. Chairman, I yield myself 2½ minutes.

Mr. Chairman, I am presenting this amendment on behalf of myself and the gentleman from New Jersey (Mr. SMITH). This entire bill is woefully underfunded. We should be adding several billions to this bill, perhaps many billions to this bill. But within the scope of the bill as presented, all we can do is move money from one part of the bill to another. That is an important task, because there are parts of this bill that are more in need of funding than others.

As explained by the speeches for the last hour, the most important part of this bill is the funding for AIDS. With some 34 million people in Africa, with over 10 million people in South Asia and Southeast Asia stricken with HIV, we need to do more, not just the $202 million provided in the bill, not just the $242 million which will be available if the Pelosi-Lee amendment is passed, but we need to do all we can.

This amendment will increase the amount for AIDS by an additional $10 million. That is still not even $10 for every infected person in the continent of Africa, let alone less than $5 for each infected person on the face of the earth.

The question is not why is it important to provide more funds to combat AIDS, but where do we get those funds? This bill, this amendment takes those funds from the allocation from the World Bank and more particularly from IDA. Now, IDA is a good program of the World Bank, but it is not as important as dealing with AIDS. Just as important, those of us who are concerned with promoting foreign aid in this country have to make sure that the foreign aid we appropriate is consistent with American values.

Last month, the World Bank loaned $231 million to Iran, while ignoring the fact that Iran would jail 10 Jewish citizens just because of their religion, hence a desire, a need to transfer $10 million. Not only that, but I talked to the President of the World Bank today who was unable to assure me that the funds appropriated in this bill would not be lent to Sudan, Afghanistan. The funds provided to IDA in this bill can be lent to any corrupt government anywhere in the world. That is why it is better to spend the money through American agencies fighting AIDS.

The CHAIRMAN. Does the gentleman from Alabama (Mr. CALLAHAN) claim the time in opposition to the amendment?

Mr. CALLAHAN. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Alabama (Mr. CALLAHAN).

Mr. CALLAHAN. Mr. Chairman, I think it is rather ironic, here we have the HIV program in need, and IDA is also in need. I know that the gentlewoman from California (Ms. PELOSI), the ranking member on our subcommittee, has been such a strong proponent of IDA. I am just wondering if she is going to object to this.

□ 2350

In any event, I think with the same argument I have used on every amendment, there is nothing wrong with the destination the gentleman is seeking. I just think this attempt to restructure and to reallocate the monies that we have been working on for 6 months to try to fairly distribute under the limitation of the allocation given to us, in my opinion, is wrong. It could cause an avalanche of problems, and then we start going back and we start taking money from one program which is doing a great deal of good, to give it to another program to do a great deal of good.

So while I know that the gentleman's intentions are noble and I respect that, I know that the needs of the HIV-AIDS problem is great, at the same time, at this point, I would urge my colleagues to object to the amendment, or vote "no" on the amendment, because of the restructuring argument that I presented earlier.

Mr. Chairman, I reserve the balance of my time.

Mr. SHERMAN. Mr. Chairman, I yield myself such time as I may consume to point out that the World Bank does do some good, but it also does substantial harm when it loans American money to Iran at this time and when it is possible that it would loan American money to Sudan or Afghanistan at this time.

Mr. Chairman, I yield 1½ minutes to the gentleman from New Jersey (Mr. SMITH).

Mr. SMITH of New Jersey. Mr. Chairman, I think it needs to be pointed out that the gentleman from Alabama (Mr. CALLAHAN) has put $834 million into the Child Survival and Disease program, and it is a significant increase, but the explosion of AIDS certainly makes it an issue that requires more attention.

We know that there is very little being done in the area of shelters, of helping those people who have the disease to get a longer and a higher quality of life. Much of the focus has been on prevention, and surely much of the focus should be on prevention. But for those who have it, those who have the "slims," as they call it in Africa, need to be helped through their terrible ordeal, and there is much more that we could be doing to help in that way.

I commend my friend for offering the amendment. I am glad to be one of the cosponsors, but, again, I do think it should be underscored there is $834 million in here for child survival and diseases. This is a tweak, but it is an important tweak.

Mr. SHERMAN. Mr. Chairman, how much time do I have remaining?

The CHAIRMAN. The gentleman from California (Mr. SHERMAN) has 1½ minutes remaining.

Mr. SHERMAN. Mr. Chairman, I yield the balance of my time to the gentleman from Florida (Mr. HASTINGS).

Mr. HASTINGS of Florida. Mr. Chairman, I thank the gentleman for yielding me this time, and perhaps I can respond quickly to the distinguished subcommittee chairman, the gentleman from Alabama (Mr. CALLAHAN).

I am a proponent of the International Development Fund, IDA, and I am also a supporter of the measure that is being offered by the gentleman from California (Mr. SHERMAN). Ultimately, what it boils down to is that we have budgetary constraints that we have created in a time of prosperity. And in all fairness, if we had sufficient motivation, I believe that we would come up with the necessary funds.

Thus, we are going to not only have in this appropriation measure, but in countless numbers of other amendments and other appropriations yet to be done and ones that have passed, offsets that are required that pit one program against another. No one can argue that I am not for IDA, and no one can argue that I am not against the spread of AIDS not only in Africa but throughout the world.

Let me give some more statistics. HIV-AIDS infects more than 10 million children worldwide. Africa is most affected by the disease, with 70 percent of the world's 34 million HIV infected people. In Botswana, for example, a third of all girls and 16 percent of all boys are infected with HIV. In South Africa, 25 percent of all girls and 11 percent of all boys are infected. Furthermore, they do not educate our children on how to protect themselves.

We should support this measure and we should be prepared to support others with offsets.

The CHAIRMAN. Time of the gentleman from California (Mr. SHERMAN) has expired. The gentleman from Alabama (Mr. CALLAHAN) has 3½ minutes remaining.

Mr. CALLAHAN. Has all time expired on the other side?

The CHAIRMAN. That is correct.

Mr. CALLAHAN. Mr. Chairman, I yield myself such time as I may consume to rise once again in opposition to the amendment.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. SHERMAN).

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to this section of the bill?

If not, the Clerk will read.

The Clerk read as follows:

### DEVELOPMENT ASSISTANCE

For necessary expenses to carry out the provisions of sections 103 through 106, and chapter 10 of part I of the Foreign Assistance Act of 1961, title V of the International Security and Development Cooperation Act of 1980 (Public Law 96–533) and the provisions of section 401 of the Foreign Assistance Act of 1969, $1,258,000,000, to remain available until September 30, 2002: *Provided*, That of the amount appropriated under this heading, up to $10,000,000 may be made available for and apportioned directly to the Inter-American Foundation: *Provided further*, That of the amount appropriated under this heading, up to $16,000,000 may be made available for the African Development Foundation and shall be apportioned directly to that agency: *Provided further*, That none of the funds made available in this Act nor any unobligated balances from prior appropriations may be made available to any organization or program which, as determined by the President of the United States, supports or participates in the management of a program of coercive abortion or involuntary sterilization: *Provided further*, That none of the funds made available under this heading may be used to pay for the performance of abortion as a method of family planning or to motivate or coerce any person to practice abortions; and that in order to reduce reliance on abortion in developing nations, funds shall be available only to voluntary family planning projects which offer, either directly or through referral to, or information about access to, a broad range of family planning methods and services, and that any such voluntary family planning project shall meet the following requirements: (1) service providers or referral agents in the project shall not implement or be subject to quotas, or other numerical targets, of total number of births, number of family planning acceptors, or acceptors of a particular method of family planning (this provision shall not be construed to include the use of quantitative estimates or indicators for budgeting and planning purposes); (2) the project shall not include payment of incentives, bribes, gratuities, or financial reward to: (A) an individual in exchange for becoming a family planning acceptor; or (B) program personnel for achieving a numerical target or quota of total number of births, number of family planning acceptors, or acceptors of a particular method of family planning; (3) the project shall not deny any right or benefit, including the right of access to participate in any program of general welfare or the right of access to health care, as a consequence of any individual's decision not to accept family planning services; (4) the project shall provide family planning acceptors comprehensible information on the health benefits and risks of the method chosen, including those conditions that might render the use of the method inadvisable and those adverse side effects known to be consequent to the use of the method; and (5) the project shall ensure that experimental contraceptive drugs and devices and medical procedures are provided only in the context of a scientific study in which participants are advised of potential risks and benefits; and, not less than 60 days after the date on which the Administrator of the United States Agency for International Development determines that there has been a violation of the requirements contained in paragraph (1), (2), (3), or (5) of this proviso, or a pattern or practice of violations of the requirements contained in paragraph (4) of this proviso, the Administrator shall submit to the Committee on International Relations and the Committee on Appropriations of the House of Representatives and to the Committee on Foreign Relations and the Committee on Appropriations of the Senate, a report containing a description of such violation and the corrective action taken by the Agency: *Provided further*, That in awarding grants for natural family planning under section 104 of the Foreign Assistance Act of 1961 no applicant shall be discriminated against because of such applicant's religious or conscientious commitment to offer only natural family planning; and, additionally, all such applicants shall comply with the requirements of the previous proviso: *Provided further*, That for purposes of this or any other Act authorizing or appropriating funds for foreign operations, export financing, and related programs, the term "motivate", as it relates to family planning assistance, shall not be construed to prohibit the provision, consistent with local law, of information or counseling about all pregnancy options: *Provided further*, That nothing in this paragraph shall be construed to alter any existing statutory prohibitions against abortion under section 104 of the Foreign Assistance Act of 1961: *Provided further*, That none of the funds appropriated under this heading may be made available for any activity which is in contravention to the Convention on International Trade in Endangered Species of Flora and Fauna (CITES): *Provided further*, That of the funds appropriated under this heading that are made available for assistance programs for displaced and orphaned children and victims of war, not to exceed $25,000, in addition to funds otherwise available for such purposes, may be used to monitor and provide oversight of such programs:

*Provided further*, That, of the funds appropriated by this Act for the Microenterprise Initiative (including any local currencies made available for the purposes of the Initiative), not less than one-half should be made available for programs providing loans in the following amounts (in 1995 United States dollars) to very poor people, particularly women, or for institutional support of organizations primarily engaged in making such loans: $1,000 or less in the Europe and Eurasia region (including North Africa), $400 or less in the Latin America region, and $300 or less in the rest of the world.

### POINT OF ORDER

Mr. GILMAN. Mr. Chairman, I make a point of order against the language appearing in the bill beginning with "Provided" on page 11, line 23, through page 12, line 8, on the grounds that it violates clause 2 of rule XXI.

The CHAIRMAN. Does any Member wish to be heard on the point of order?

If not, the Chair is prepared to rule.

The Chair finds that the provision includes language imparting direction. The provision therefore constitutes legislation, in violation of clause 2 of rule XXI.

The point of order is sustained and that provision is stricken from the bill.

### AMENDMENT NO. 18 OFFERED BY MR. ROEMER

Mr. ROEMER. Mr. Chairman, I offer amendment No. 18.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 18 offered by Mr. ROEMER:

In title II of the bill under the heading "BILATERAL ECONOMIC ASSISTANCE—FUNDS APPROPRIATED TO THE PRESIDENT—DEVELOPMENT ASSISTANCE", after the first dollar amount insert "(increased by $15,000,000)".

In title II of the bill under the heading "BILATERAL ECONOMIC ASSISTANCE—FUNDS APPROPRIATED TO THE PRESIDENT—OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT", after the first dollar amount insert "(decreased by $2,100,000)".

In title IV of the bill under the heading "MULTILATERAL ECONOMIC ASSISTANCE—FUNDS APPROPRIATED TO THE PRESIDENT—CONTRIBUTION TO THE MULTILATERAL INVESTMENT GUARANTEE AGENCY", after the dollar amount insert "(decreased by $4,900,000)".

In title IV of the bill under the heading "MULTILATERAL ECONOMIC ASSISTANCE—FUNDS APPROPRIATED TO THE PRESIDENT—CONTRIBUTION TO THE INTER-AMERICAN INVESTMENT CORPORATION", after the dollar amount insert "(decreased by $8,000,000)".

The CHAIRMAN. Pursuant to the order of earlier today, the gentleman from Indiana (Mr. ROEMER) will be recognized for 10 minutes, and a Member opposed will be recognized for 10 minutes.

The Chair recognizes the gentleman from Indiana (Mr. ROEMER).

Mr. ROEMER. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, first of all, I want to say that this is a bipartisan amendment. I have the strong support of the gentleman from New York (Mr. HOUGHTON), the gentlewoman from Maryland (Mrs. MORELLA), the gentleman from Florida (Mr. HASTINGS), the gentleman from Minnesota (Mr. LUTHER), who has been so helpful, the gentleman from New Jersey (Mr. SMITH), and the gentleman from Ohio (Mr. HALL).

This amendment is simple. It increases by $15 million the microenterprise loans for the poor, the poorest people in the world, to get loans that are repaid. And because of the budget rules, we take $15 million that is offset from three different accounts to plus up the microenterprise loans for the poor account.

Now, we have wide bipartisan support for this. And when we are talking about $15 million, Mr. Chairman, I want to talk about how simple this amendment is and talk about $1. One dollar is what the Secretary of the United Nations says that 20 percent of our population in the world lives on per day. Not that they eat on; that they live on. One dollar or less per day.

Now, microenterprise loans for the poor loan $25, $50, $100 at a time to people in poverty in Bangladesh, in India, in Africa, mostly women, to start small businesses. Let me give my colleagues an example of why this program is so important and why we need to fund it with another $15 million.

Sarah Doe, formerly of Liberia, fled to the Ivory Coast. She lost her husband in the war and she has 10 children. She gets a loan for $16 from microenterprise loans for the poor and starts a small business selling donuts. Now, that does not sound like a lot to us, because so many people in the world live on less than a dollar a day, but to her she is now running a successful small business. She has been able to send four of her children to school and establish savings accounts. Sixteen dollars is the original loan helping to save her children, starting a small business.

□ 2400

This is some of the best money we can spend when we decide to do it efficiently in foreign aid, money that is loaned that is repaid at 95 to 99 percent repayment. We need to do this, Mr. Chairman. It is right. It is efficient. It is bipartisan. And it is an investment in getting people out of poverty, helping them help their children, and eventually making them part of this world economy.

Mr. Chairman, I reserve the balance of my time.

Mr. CALLAHAN. Mr. Chairman, I yield myself such time as I may consume, and I rise in opposition to the amendment.

Mr. Chairman, I tell the gentleman that we support the microenterprise fund. That is not the issue. The gentleman and I have discussed earlier and I have pledged to help him if indeed we get an additional allocation to meet his goal. But I do not know if the gentleman heard what the gentleman from New York (Mr. GILMAN) requested of the Chair just prior to the gentleman from Indiana (Mr. ROEMER) rising; and that is, he, through a point of order, removed the section he is trying to put the money in. So all he is doing, instead of giving it to the microenterprise program, is giving it to the big pot of assistance that will be available.

Now, if the gentleman will take my request and withdraw his amendment, I will be happy to work in conference to try to get additional monies for the microenterprise program. That is not a problem. But if the gentleman prefers to try it this way, then I will just remove my commitment.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentleman from Indiana.

Mr. ROEMER. Mr. Chairman, I appreciate, first of all, the offer and pledge of the gentleman. Secondly, I deeply appreciate his commitment to microenterprise loans for the poor. I know he is genuine. I know he is a fighter for programs that are efficient and work. I know he wants to do something to help bring the poorest of the poor into the world community and the world economy.

Before I agree with the gentleman to withdraw the amendment and then get the $15 million, I want to remind him, which he already knows, that this $15 million would merely take us up to the authorized level of what the House has approved. So I appreciate his fight, his vigor, his support, his pledge.

Before I ask unanimous consent to withdraw the amendment, I have four or five cosponsors of the amendment that are still here past midnight that would like to speak on it and that would take probably another 8 or 9 minutes.

Mr. CALLAHAN. Mr. Chairman, reclaiming my time, I am sorry, we do not have another 8 or 9 amendments.

Mr. ROEMER. Mr. Chairman, if the gentleman will continue to yield, no, I said 8 or 9 minutes.

Mr. CALLAHAN. Mr. Chairman, we do not have another 8 or 9 minutes in order to do that.

Mr. ROEMER. I have more time, Mr. Chairman.

Mr. CALLAHAN. Mr. Chairman, I thought the gentleman had yielded back his time.

Mr. ROEMER. Mr. Chairman, I reserved the balance of my time.

Mr. CALLAHAN. Mr. Chairman, I yield such time as she may consume to the gentlewoman from California (Ms. PELOSI).

Ms. PELOSI. Mr. Chairman, I thank the distinguished chairman for yielding me the time and for his commitment to do more in conference on this microenterprise issue.

I want to commend the gentleman from Indiana (Mr. ROEMER) for his leadership and for his constant attention to this very important issue.

As my colleagues know, Mr. Chairman, we have traveled many places in the developing world. The gentlewoman from New York (Mrs. LOWEY), a member of the committee, and I have visited many microlending sites, microenterprise activities.

It is hard for us in the United States to understand how a little bit of money can go such a very long way and make such a very, very big difference. I could go into it chapter and verse over the map, but I would be abusing the good nature of my distinguished chairman so I will not do that, except to say that this is a program that has a tremendous base of support in our country at the grassroots level. It is effective. It works. And I commend the gentleman for pushing it even further because I know that it will reap tremendous benefits.

Mr. CALLAHAN. Mr. Chairman, I reserve the balance of my time.

Mr. ROEMER. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. HOUGHTON), a cosponsor of the amendment who has worked so hard on this.

Mr. HOUGHTON. Mr. Chairman, I want to thank the gentleman from Indiana (Mr. ROEMER) for his leadership here. I also want to thank the gentleman from Alabama (Mr. CALLAHAN).

Clearly the work is going to be done in conference, and that is the important thing. The fact that the gentleman is going to support this, is willing to work, that is good enough for me.

Mr. ROEMER. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota (Mr. LUTHER), who has been very helpful and his staff has been extremely helpful.

Mr. LUTHER. Mr. Chairman, I certainly want to thank the gentleman from Indiana (Mr. ROEMER) for his outstanding leadership as well as the other cosponsors and also the gentlewoman from California (Ms. PELOSI), who has been a terrific supporter of this whole concept of microcredit.

I will be very brief, Mr. Chairman. I merely want to say that currently more than one billion people, one-fifth of the world's population, live in extreme poverty. And that is what we are talking about here this evening. As long as poverty continues to plague the world, there will not be a lasting peace, there will not be the kind of stability that we all want, not to mention the pain and suffering in the lives of so many people and families.

What is great about the microcredit program is that it is not a handout. It is in fact start-up loans that will be repaid by the people. It is basically using precious foreign aid dollars in the best possible way that we can spend them.

Now, what this amendment would do and why I think it makes so much sense is it would bring the level of this particular category up to the authorized level, as already pointed out, that has been passed by this Congress. And I would submit that there is no more cost-effective way for us to provide for the self-sufficiency of the people of the world and to spread democracy around the world than to do this very thing that is being proposed here, all at the same time while we are improving the lives of our fellow inhabitants of the world. I think that that is something that we can be very, very proud of as we work on this this evening.

So, Mr. Chairman, let me just conclude by saying that, in a time of budget constraint like the one that we are in, we have to prioritize. I believe we need to give priority to this particular activity. I thank the other Members. I appreciate the help that has been expressed on the floor.

Mr. ROEMER. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Maryland (Mrs. MORELLA), who has been an early and strong supporter.

Mrs. MORELLA. Mr. Chairman, I thank the gentleman for yielding me the time.

Mr. Chairman, I also want to thank the chairman of the subcommittee, the gentleman from Alabama (Mr. CALLAHAN), particularly for his promise, and he has always fulfilled it, in terms of expanding that $15 million as he can for microenterprise. I want to thank the other cosponsors of this amendment.

Mr. Chairman, directly aiding the poorest of the poor, especially women in the developing world, has a positive effect not only on family incomes but on child nutrition, health, and education. As women in particular reinvest income in their families, the poor in the developing world, particularly women, turn to self-employment in order to generate a substantial portion of their livelihood.

In Africa over 80 percent of employment is generated in this informal sector of the self-employed poor. These poor entrepreneurs are often trapped in poverty because they cannot obtain credit at a reasonable rate to build their asset base or expand their otherwise viable self-employment activities.

We know from experience that microcredit financing helps, that the poor are able to expand their incomes and their businesses dramatically when they can access loans at reasonable interest rates. Through the development of self-sustaining microfinance programs, poor people themselves can lead the fight against hunger and poverty. It also develops confidence, dignity and self-sufficiency.

So, again, I thank the chairman in advance for putting this money into microenterprise.

Mr. ROEMER. Mr. Chairman, I yield 1 minute to the gentleman from Florida (Mr. HASTINGS), who has been a tireless supporter of these microenterprise loans, a friend from the Committee on Intelligence, as well.

Mr. HASTINGS of Florida. Mr. Chairman, I thank my distinguished colleague from Indiana for yielding me the time.

I particularly rise on this measure for asking the House to support it. The Committee on Appropriations, each day that there is an appropriation measure, submits a report in explanation. The chairman of this subcommittee, my good friend, the gentleman from Alabama (Mr. CALLAHAN), previously said that he had written the perfect bill.

Certainly on economic growth and microenterprise, I wish to join in suggesting that he is absolutely correct about that part. Let the House hear what he said:

"Microenterprise has proven its effectiveness in promoting economic growth in many of the poorest countries and allowing poor people, especially women, to lift themselves out of poverty and to create and expand microbusinesses which raise living standards.

□ 0010

The committee recognizes that microenterprise cannot lift an entire Nation out of poverty. Broad policy reforms and responsible stewardship of resources at the national level are essential. But microenterprise programs can complement sound macroeconomic policies.

I say to the gentleman from Alabama, he did write something perfect.

Mr. ROEMER. Mr. Chairman, I yield 1 minute to the gentlewoman from New York (Mrs. LOWEY), who is not only concerned about this issue of poverty, but also a strong supporter of education.

Mrs. LOWEY. Mr. Chairman, I want to thank the gentleman for his hard work on this issue. He has really been a leader. I want to thank the ranking member; I want to thank the chairman, and I particularly want to thank the chairman, because we appreciate his commitment to work in conference to raise these numbers on this issue, and I know that the chairman will succeed, and we will all succeed as a result of his important work.

For those of us who have been watching this process for a long time, the success is really extraordinary. To see a woman open a small restaurant or buy some chickens and sell their eggs or make bread to sell to her neighbors, the small amount of income and the small amount of savings that this loan makes possible will pay for a school uniform for a daughter who may not otherwise have gone to school in many parts of the world; it will pay for doctor visits for her family, nourishing food to keep everyone healthy and active. Most important of all, it makes her stand tall and be a person and help support her family.

So I thank the chairman again for his commitment.

Mr. ROEMER. Mr. Chairman, I yield 45 seconds to the gentleman from New Jersey (Mr. PAYNE), a friend on the Committee on Education and the Workforce.

Mr. PAYNE. Mr. Chairman, let me just commend the gentleman from Indiana (Mr. ROEMER), and the number of cosponsors of this amendment.

Microeconomics is very important. First of all, it puts women in charge because many of these loans go to women. Secondly, when we looked at the accounts, interestingly enough, the payment return rate is exceedingly high, between 90 and 95 percent of these microeconomic loans. It means a lot of empowerment, not only because it brings in extra revenue, but it gives women a position in many instances of working for women's rights and independence and self-reliance.

So I think that the money that we are talking about will go a long, long way. It will also show as an example by what happens to the women.

Mr. Chairman, I support this amendment, and I urge its adoption.

Mr. ROEMER. Mr. Chairman, with the 15 seconds I have remaining, I want to thank the gentlewoman from California (Ms. PELOSI) for all of her hard work and dedication to these issues. I look forward to working with her in conference.

Mr. Chairman, I thank the gentleman from Alabama (Mr. CALLAHAN), who is truly a gentleman, and we look forward to working with him to get this $15 million in conference.

Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

Mr. CALLAHAN. Mr. Chairman, reserving the right to objection, I just want to briefly respond to the gentleman from Florida (Mr. HASTINGS), when he read a portion of my bill and he agreed that that section that he read was just like that song that I mentioned earlier in the evening that I have written the perfect country song, the same as David Allen Coe did when he wrote that song about "You don't have to call me darlin', darlin'. You don't even have to call me by my name."

Well, I will tell the gentleman from Florida, he can call me by my name as long as he stands up and says those kind things about this perfect bill I think I have written.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The CHAIRMAN. The amendment offered by the gentleman from Indiana (Mr. ROEMER) is withdrawn.

### AMENDMENT OFFERED BY MR. SMITH OF MICHIGAN

Mr. SMITH of Michigan. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. SMITH of Michigan:

Page 12, line 8, before the period insert the following: ": *Provided further*, That of the amount appropriated under this heading, $30,000,000 shall be made available for plant biotechnology research and development".

The CHAIRMAN. The gentleman from Michigan (Mr. SMITH) is recognized for 5 minutes on his amendment and a Member opposed will be recognized for 5 minutes.

Mr. CALLAHAN. Mr. Chairman, I reserve a point of order.

Mr. SMITH of Michigan. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise today to offer an amendment that I think is tremendously exciting in terms of the potential to help developing nations of the world in two areas: food production and health.

This amendment sets aside $30 million for plant biotechnology research and development. Its language reflects language put in the Senate bill by Senator BOND of Missouri. It is technology aimed at solving the health and humanitarian and environmental challenges, particularly in the developing world. Indeed, the fruits of this research promise to address some of the most serious challenges faced there: hunger, malnutrition, drought, pestilence, and disease. Can we imagine if we develop a kind of plant that can now grow in those arid soils where food cannot be grown at the present time.

Since we first cultivated about 10,000 years ago, mankind has searched for ways to improve them. Traditional selection and cross-breeding has been very useful in improving crop plants, but this is a time-consuming process that commonly produces unwanted traits that must be eliminated. We now have over 1,000 biotech products on the market.

With the development of biotechnology, plant breeders are now able to develop new varieties of plants in a level of precision and range unheard of just 2 decades ago. The potential benefits to mankind are limited only by the resourcefulness of our scientists. Just today, it was announced that genes are the major cause of cancer, breast cancer and colon cancer.

U.S. farmers, of course, have been quick to adopt the plants modified by biotechnology, and it is also spreading around the world. But as great as the potential of biotechnology here in the United States is, it holds even greater promise to solve many intractable problems facing farmers and hungry people, consumers in the developing world. Improved crop plants promise to mitigate common agricultural problems in much of the developing world through weather, pest and drought resistance, improved nutrition, and higher yields.

On April 13, as chairman of the Subcommittee on Basic Research, I issued a report on the benefits of safety and oversight of regulation, Seeds of Opportunity, a large section of which is devoted to a discussion of the potential benefits of this technology in improving nutrition, health, and feeding a growing worldwide population.

A white paper issued just yesterday, a white paper was issued by the National Academy of Sciences, joined by the Royal Society of London, the Brazilian, Chinese, Indian, Mexican, and Third World Academies of Science put the situation plainly, and I quote: "Today there are some 800 million people who do not have access to sufficient food to meet their needs. Malnutrition plays a significant role in half of the nearly 12 million deaths each year of children under 5 in developing countries."

Still quoting, "In addition to lack of food, deficiencies in micro-nutrients, especially vitamin A, iodine and iron, are widespread."

They conclude that agricultural biotechnology research and development should be aggressively pursued, and I quote again, "to increase the production of main food staples, improve the efficiency of production, reduce the environmental impact of agriculture, and provide access to food for people and farmers around the world."

Mr. Chairman, let me just conclude. I am excited about this. I think agricultural biotechnology and gene technology offer tremendous opportunities, only limited by the creativity and funding for research dollars.

□ 0020

It can play a major role in helping developing countries become self-sufficient in food production.

One example of its promise is the development of a new strain of rice. It is called golden rice. It contains both beta carotene and iron, and work is underway to get this new variety to the field.

The merging of medical and agricultural biotechnology has opened up new ways to develop plant varieties with characteristics to enhance health.

It was announced today that this kind of gene research has huge potential in the developing world. Researchers are now working on developing plants that will develop medicines and edible vaccines through common foods that could be used to immunize the kids around the world. This is significantly important.

### POINT OF ORDER

The CHAIRMAN. Does the gentleman from Alabama (Mr. CALLAHAN) insist on his point of order?

Mr. CALLAHAN. Mr. Chairman, I make a point of order against the amendment because it proposes to change existing law and constitutes legislation in an appropriation bill, and therefore violates clause 2 of rule XXI.

The rule states in pertinent part, "An amendment to a general appropriation bill shall not be in order if changing existing law."

Mr. SMITH of Michigan. I am excited about this, Mr. Chairman. I would ask the chairman if he would consider looking at the Senate language in this amendment and consider the potential and the appropriateness of moving ahead in this area of doing something in the area of biotechnology.

Mr. CALLAHAN. Mr. Chairman, as the gentleman is aware, the language is already in the Senate version of our bill, so we will have to address it. We will certainly take the gentleman's views into consideration.

If the gentleman would like to withdraw his amendment, then I will withdraw my point of order.

Mr. SMITH of Michigan. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The amendment offered by the gentleman from Michigan (Mr. SMITH) is withdrawn.

### AMENDMENT NO. 20 OFFERED BY MR. SANDERS

Mr. SANDERS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 20 offered by Mr. SANDERS: Page 8, line 10, after the dollar amount insert "(increased by $2,500,000)".

Page 33, line 6, after the first dollar amount insert "(decreased by $2,500,000)".

The CHAIRMAN. Under the previous order of the House, the gentleman from Vermont (Mr. SANDERS) will be recognized for 5 minutes and a Member opposed will be recognized for 5 minutes.

The Chair recognizes the gentleman from Vermont (Mr. SANDERS).

Mr. SANDERS. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, this amendment is cosponsored by the gentleman from New Jersey (Mr. SMITH), the gentlewoman from New York (Ms. Slaughter), and the gentlewoman from New York (Mrs. MALONEY).

What this amendment does is increase U.S. AID's development assistance account by $2.5 million to provide assistance to indigenous and locally-based nongovernmental organizations for the protection and reintegration of women and children who are victims of international trafficking.

The committee's bill provides, unfortunately, no funds, zero fund, to assist the millions of people, primarily women and children, who are trafficked across international borders each year and forced into prostitution, sweatshop labor, and domestic servitude.

The fastest-growing international trafficking business is the trade of women, trailing only behind trafficking in drugs and arms.

According to the U.S. State Department, between 1 and 2 million women and girls seeking a better life abroad unexpectedly find themselves in brothels, the sweatshop labor industry, or exploitative domestic servitude. This tragedy continues to grow as economic globalization expands, increasing the movement of people across borders.

In a world of rich nations and poor nations, these exploitative and inhumane practices feed on the poverty and despair of poor women, children, and families in the developing world, particularly in Southeast Asia and the former Soviet Union.

Earlier this year, the House passed legislation sponsored by my colleague and cosponsor of this amendment, the gentleman from New Jersey (Mr. SMITH) highlighting the problem of trafficking in persons and authorizing funds to assist victims. These initiatives have bipartisan support in the House and Senate and the support of the administration, which requested $10 million in assistance for trafficking victims.

Unfortunately, this legislation does not provide any funds to deal with this tragedy. The $2.5 million for this vitally important assistance comes from the international military education and training IMET account by reducing the amount in the bill for this program by $2.5 million which level-funds IMET.

I should add that IMET has seen a 100 percent increase in the last 5 years. In other words, Mr. Chairman, we are level-funding a program that has increased by 100 percent in 5 years in order to provide a small amount of funding to an area which is in dire need of these funds.

The CHAIRMAN. Does the gentleman from Alabama (Mr. CALLAHAN) seek to control time in opposition?

Mr. CALLAHAN. Yes, Mr. Chairman.

The CHAIRMAN. The gentleman from Alabama is recognized for 5 minutes.

Mr. CALLAHAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in opposition to the amendment, but not with the intent of the amendment. I agree, first of all, with the intent of the amendment, but in our bill already we provide significant resources to help prevent trafficking in women and children.

In recent years we have supported AID programs designed to end trafficking. In Asia, for example, funds are already contained in this bill. We will continue to support the following programs with anti-trafficking components: One, AID's South Asia Regional Initiative; two, AID's Regional Women's Initiative; three, AID's South Asian Democracy Program. AID is undertaking similar programs in Africa and Latin America to fight trafficking of women.

I assure the gentleman that the Committee on Appropriations will continue to support these anti-trafficking programs. I had hoped that we would be able to resolve this issue with a colloquy, since we have already increased development assistance by $30 million over the fiscal year 2000 appropriation.

There are sufficient funds, I believe, to address the concerns the gentleman has raised. I see really no reason for the amendment, because I think we are taking care of the gentleman's concerns anyway. I would like him not to try to reconstruct the bill to make a point, which is exactly what he would be doing, when we have already agreed.

I would also, even though I will not be chairman next year, I would have appreciated this year if the gentleman had contacted me a little earlier, like probably 300 Members of the House did, and we tried to facilitate everyone who contacted us earlier with their concerns. I am sure we could have had sufficient language in here to do what the gentleman is doing by reconstructing our bill.

Mr. Chairman, I would appreciate the gentleman withdrawing his amendment if he possibly could consider that, and we will be happy to work to further complement the language and instructions we already have in the bill where a sufficient amount of money is already designated.

Ms. PELOSI. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentlewoman from California.

Ms. PELOSI. Mr. Chairman, it is my understanding that the amendment being offered by the gentleman from Vermont (Mr. SANDERS) specifically addresses a program which funds local indigenous nongovernmental organizations to engage in this protection for women.

Can the chairman tell me specifically, and please forgive me for not knowing this, if what U.S. AID is doing has that component to its initiative to stop trafficking of women?

Mr. CALLAHAN. Mr. Chairman, in the amendment that the gentleman offered, or as we have, I do not see that.

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentleman from Vermont.

Mr. SANDERS. The gentlewoman from California (Ms. PELOSI) is correct in interpreting the intent of the amendment, Mr. Chairman.

Mr. CALLAHAN. I will be happy to work with the gentleman, but I do not think we ought to restructure the bill for any reason. I have opposed it all night long and I oppose it now.

I find it strange that we are debating an issue that we have already expressed our total support of in the bill, and provided sufficient amounts of monies.

Let me just once again say that we are talking about amendment No. 20. Are we talking about amendment No. 20?

Mr. SANDERS. Yes, Mr. Chairman.

Mr. CALLAHAN. There is no indication in the language I have here that it does what the gentleman says it does.

Mr. SANDERS. It increases U.S. AID's development assistance account by $2.5 million to provide assistance to indigenous and locally-based NGOs.

Mr. CALLAHAN. It does not say that. The amendment I have just simply says it increases it by $2.5 million and decreases an account by $2.5 million. It is not specific in the amendment that I have here.

Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey (Mr. SMITH).

□ 0030

Mr. SMITH of New Jersey. Mr. Chairman, I thank my friend, the gentleman from Alabama (Mr. CALLAHAN) for yielding to me, and just let me say I am very much supportive of this language and the intent. The $2.5 million is really a small amount of money, and it does highlight an often neglected part of this whole trafficking problem and tragedy that we face, and that is, that the locally based indigenous organizations like Miramad in Russia or LaStrada in the Ukraine do not get much funding if they get funding at all, and they are in the front line when women are either trafficked out of the country and they are intercepted in some way, often through some good law enforcement, or when they are returned after being abused.

In order to break the cycle, these NGOs are right there providing treatment, providing psychological counseling and rescuing women.

The CHAIRMAN. The time of the gentleman from Alabama (Mr. CALLAHAN) has now expired.

Mr. CALLAHAN. Mr. Chairman, I move to strike the last word and ask the Clerk to read the amendment, because the amendment as I understand it, it says on page 8, line 10, after the dollar amount, insert increase by $2.5 million. Then it says on line 6, after the first dollar insert decrease by $2.5 million. Technically, the money that we transfer could be used by anything. It could be used for population. It could be used for anything.

The amendment does not specifically say what the gentleman is expressing, and I would ask the Clerk to read the amendment.

The CHAIRMAN. Without objection, the Clerk will report the amendment.

There was no objection.

The Clerk read as follows:

Amendment No. 20 offered by Mr. SANDERS:

Page 8, line 10, after the dollar amount insert "(increased by $2,500,000)".

Page 33, line 6, after the first dollar amount insert "(decreased by $2,500,000)".

Mr. CALLAHAN. Reclaiming my time, Mr. Chairman, I would say to the gentleman from Vermont (Mr. SANDERS) I think that the amendment says what I am telling the gentleman. It does not transfer the money to the program of trafficking that the gentleman is concerned about.

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, the gentleman is technically correct, what it does do is take $2.5 million from IMET and transfer it and increases funds for USAID's development assistance account. Clearly the intent of everything that I am speaking about is to use that $2.5 million to go to NGOs to combat the trafficking crisis which exists, but the gentleman is technically correct.

Is the gentleman supportive of what we are trying to do?

Mr. CALLAHAN. Reclaiming my time, yes, I am, and that is why I was trying to express, I will be happy to work with the gentleman to try to get the money. I would not like to reconstruct my bill at this time in order to give an additional $2.5 million to the agency, but I will be happy to work with the gentleman to try to get that, if the gentleman reads the language we already have it in the report or in the bill.

It is a very lengthy report, which says almost what the gentleman is saying, whereby we are instructing them to do that. So I would think that there would be no need for this. But to answer the gentleman's question, yes, I will be happy to work with the gentleman to try to facilitate your goal.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Chairman, I concur with the gentleman from Alabama (Chairman CALLAHAN) and ask the gentleman from Vermont (Mr. SANDERS) to withdraw the amendment and work with the Committee on Appropriations. We certainly feel that the gentleman's goal is meritorious, and we will try to resolve this matter and come to some agreement on its merits. So I would urge the gentleman if he would consider withdrawing the amendment at this time.

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, the issue here is I know that we all agree on the crisis and we all want to do something about it. My concern is that at least $2.5 million go to indigenous NGOs.

Mr. Chairman, is the gentleman saying that he is prepared to try to find money to do that?

Mr. CALLAHAN. Reclaiming my time, I will be happy to attempt to ensure to the gentleman that that language will be put in during the process, but it shall not be taken out of the IMET training money that he has suggested.

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentleman from Vermont, unless the gentleman from Vermont (Mr. SANDERS) wants to respond to mine or the gentlewoman from California (Ms. PELOSI) can use the 2 minutes, I will be happy to yield.

Mr. SANDERS. Mr. Chairman, if what I am hearing the gentleman from Alabama (Mr. CALLAHAN) say is that he is prepared to put $2.5 million from a source that he will determine into indigenous NGOs to combat trafficking.

Mr. CALLAHAN. Reclaiming my time, that is correct that we will do it. We will readjust the figures of the existing appropriation levels to spell out what the gentleman is seeking to do. Whether or not we get additional allocations or not, we can still do it, but I do not agree that we should take it out of the IMET training program.

Mr. SANDERS. If the gentleman will continue to yield, at the end of the day there will be $2.5 million going to local NGOs to combat that?

Mr. CALLAHAN. That would be my serious attempt if I can get the Senate to agree.

The CHAIRMAN. The gentleman from Vermont has 2¾ minutes remaining.

Mr. SANDERS. Mr. Chairman, I yield to the gentlewoman from California (Ms. PELOSI).

Ms. PELOSI. Mr. Chairman, I say to the gentleman from Vermont, no, I will just get time.

The CHAIRMAN. The gentleman from Vermont should use the balance of his time.

Ms. PELOSI. Mr. Chairman, I want to exercise the same privilege as the distinguished chairman did as is spelled out in the unanimous consent request.

The CHAIRMAN. The gentlewoman is correct; although, the Chair would tell the gentlewoman that if she would like to at this point, the Chair will permit her, although it is really inappropriate to do so while an amendment is pending.

The Chair was attempting to facilitate a conversation, and the Chair will not make that mistake again.

Ms. PELOSI. Mr. Chairman, I thought it was in keeping with the unanimous consent request, but I will tell you what, Mr. Chairman, heeding what the gentleman is saying there, I will not use the full 5 minutes.

Mr. Chairman, I just want a clarification because I do not know what options are available to us. Certainly if this bill goes to conference, and one never knows around here, if the bill goes to conference, I would certainly and I know the gentlewoman from New York (Mrs. LOWEY), the gentlewoman from Michigan (Ms. KILPATRICK) and others Members of the subcommittee would have this as a very high priority, and I know the gentlewoman from New York (Mrs. LOWEY) can get her own time to speak on this, but I just wanted to know what options were available. Can we be specific in conference? Are we talking about very specific report language?

I think this conversation is very important on the floor to talk about the legislative intent, because this is a very important issue, and I really do not have enough time, even if I use my full 5 minutes to tell you how much it means to women.

Mr. CALLAHAN. Mr. Chairman, will the gentlewoman yield?

Ms. PELOSI. I yield to the gentleman from Alabama.

Mr. CALLAHAN. Mr. Chairman, it is my intention to assure the gentleman from Vermont (Mr. SANDERS) that I am going to make every effort I can to ensure that the money is spelled out in the bill. I think the intent is clearly spelled out sufficiently for them to spend the money anyway, but if the gentleman is concerned that it is not, well then we will insert the figure $2.5 million or whatever the number is.

Ms. PELOSI. Reclaiming my time, I look forward to supporting the gentleman in that effort.

Mr. Chairman, I yield to the gentlewoman from New York (Mrs. LOWEY).

Mrs. LOWEY. Mr. Chairman, just briefly the hour is late, I want to thank again my ranking member, the gentlewoman from California (Ms. PELOSI), my colleague, the gentleman from Vermont (Mr. SANDERS) and our chairman, the gentleman from Alabama (Mr. CALLAHAN) for the commitment to put money into this effort.

Having recently returned from India, visiting a school where we spoke with the young girls who had been trafficked, the tragedy of this throughout the world is so immense and I know the gentleman from Alabama is aware of it and I appreciate the gentleman's commitment to invest the money in this effort, and I thank the gentleman.

Mr. CALLAHAN. If the gentlewoman would further yield, I do not know how many times I can say yes, maybe if I talked a little slower.

Mr. SANDERS. I am hearing a yes, Y-E-S; is that correct?

Mr. Chairman, I yield 1 minute to the gentleman from New Jersey (Mr. SMITH).

Mr. SMITH of New Jersey. Mr. Chairman, I will be very brief since I think we have come to the conclusion, but just to remind the body and I think it is important that this House on May 9th did pass the comprehensive legislation that would impose very, very tough new criminal penalties, up to life in imprisonment on those who traffic people into the United States or any part of that process and also to prevent automatic deportation, a protection for the women so that they can be helped while they are here. Eventually many of these women will get back to their country or at least some of them, I will not say many, and they will need protection when they get back, and that is what I think the gentleman's amendment and my amendment seeks to do.

We had authorized in that legislation $10 million for victims, and this is a modest down payment on that authorization. So I thank the gentleman from Alabama (Chairman CALLAHAN) and I think his word is his bond and I think we are off to a good start here.

Mr. SANDERS. Mr. Chairman, I yield myself such time as I may consume.

I would just conclude by thanking the gentleman from Alabama (Mr. CALLAHAN) and the gentleman from New Jersey (Mr. SMITH) and the gentlewoman from California (Ms. PELOSI) and the gentlewoman from New York (Mrs. LOWEY) and everybody else.

Mr. CALLAHAN. Mr. Chairman, will the gentleman yield?

Mr. SANDERS. I yield to the gentleman from Alabama.

Mr. CALLAHAN. Mr. Chairman, I thought the purpose of this discussion was to withdraw the amendment.

Mr. SANDERS. Mr. Chairman, reclaiming my time, if that is the purpose of it, then I will withdraw the amendment.

Mr. Chairman, I ask unanimous consent to withdraw the amendment. As long as the gentleman says yes, I will withdraw the amendment.

□ 0040

The CHAIRMAN. Without objection, the amendment offered by the gentleman from Vermont (Mr. SANDERS) is withdrawn.

There was no objection.

The CHAIRMAN. Are there further amendments to this section of the bill?

AMENDMENT OFFERED BY MR. PAYNE

Mr. PAYNE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. PAYNE:

Page 12, line 8, insert before the period the following: ": *Provided further*, That of the amount appropriated under this heading, not less than $720,000,000 shall be made available to carry out chapter 10 of part I of the Foreign Assistance Act of 1961".

The CHAIRMAN. Under the previous order of the House, the gentleman from New Jersey and a Member opposed each will control 15 minutes.

Mr. CALLAHAN. Mr. Chairman, I reserve a point of order on the gentleman's amendment.

The CHAIRMAN. The gentleman from Alabama reserves a point of order on the amendment.

The Chair recognizes the gentleman from New Jersey (Mr. PAYNE).

Mr. PAYNE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise to request that the important Development Assistance Fund, which is a fund that much of the appropriations for development assistance around the world is a very important instrument for development in Africa.

The House has taken a step backwards by eliminating the earmark for the Development Fund for Africa which was in legislation up until 1994. But we are not asking for the earmark to be replaced since it was removed. But we are asking that $220 million be added into the Development Assistance Fund, which would fall under the Development Assistance Fund for Africa, the DFA, although we are not asking for the earmark.

Now, what I am saying is simply that, during the 1990s, 1993 and 1994, when the development from the DFA was designated, we actually appropriated $850 million in 1994, $804 million in 1993. So we had a continued increase in the Development Fund for Africa.

The 1998 level was $700 million. In 1999, it was approximately $700 million. This year, it has dropped to approximately $500 million. So we are asking that $220 million be allocated within the Development Assistance to be earmarked for Africa.

It seems, as we have been talking about all of the problems in Africa, we have been talking about the AIDS pandemic, we have been talking about the need for loan forgiveness, it seems like it is a move in the wrong direction to reduce the Development Fund for Africa, the monies that are designated, although not earmarked, because these funds go to assist in famine prevention. They go in to helping dialogue in countries to ward off ethnic strife. They go into many very, very important issues that help to make stable countries in Africa.

I might mention that, during the last decade, about 85 to 90 percent of the nations in Africa have gone under democratization. We have had elections in practically every country. Many people have the misconception that there are dictators still in Africa, but that was in the past. We have had elections in Mozambique and in South Africa. We have had elections in Namibia and Kenya. We have had elections in Senegal. We can go on and on and on. So there is no longer these dictators who speak with the one voice.

I have talked earlier about the fact that we did have that problem in the past during the Cold War where we created Mobutu, when we went and destabilized Patrice Lumumba and took him out of office with our United States intelligence operation, and put in Mobutu, who of course supported the South African apartheid government of

P.W. Botha. He supported Ian Smith in Rhodesia who had the same sort of government. He supported the Southwest Africa, which did the same thing.

This was a Mobutu that we put in because of the fact that it was during the Cold War. We can go on and on in Africa. But there have been elections in most countries. We are looking for elections in the former Zaire, the Democrat Republic of Congo in the future. We have seen elections in most other countries.

So it seems to me that, in order to alleviate poverty, which is of course one of the great problems in Africa, in order to look at the amount of funds that go into Africa, the population of Africa is about 700 million people, we are talking about 500 million, less than a dollar a person in Africa where we have seen other places around the world with much smaller populations getting billions of dollars.

So it seems to me that, in order for us to look at Africa, 16 of the 18 of the poorest countries in the world are there. While we are reducing the amount of funds available, as I have indicated, it is going against what we should been doing in this new millennium. It is really not supporting new presidents who have been elected and are going through structural adjustments like in Mozambique where they have had a growth in their GDP of about 10 percent annually.

As a matter of fact, these countries, different from what people believe, that in the SADC countries, which are 14 countries in South Africa, each of these countries has had an increase in their GDP from 4 to 12 percent. Even the country of Botswana has had a balanced budget and has put more money in at the end of the day than it has spent.

So my appeal is that we increase the Development Fund for Africa to put it to the levels that it was 5, 6 and 7 years ago rather than to remove and have the money used for other parts of the world.

So, Mr. Chairman, I urge that this amendment be accepted.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. Does the gentleman from Alabama (Mr. CALLAHAN) wish to make his point of order?

Mr. CALLAHAN. Not at this point, Mr. Chairman. I reserve the point of order.

The CHAIRMAN. Does the gentleman from Alabama (Mr. CALLAHAN) claim the time in opposition to the amendment?

Mr. CALLAHAN. Mr. Chairman, I claim the time in opposition, and I reserve the balance of my time.

Mr. PAYNE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as I have indicated, the Development Fund for Africa, which is the prime fund, USAID, elections, funds for democracy, building, funds for IRI, International Republican Institute, NDI, the National Democratic Institute, organizations which promote the various types of democratic building programs in the world, in Africa, are the main part of the main ingredients of why this development fund is so important. It goes to stability.

We have gone in and said democracy is what we should be doing. Most of the countries have actually said we want to try democracy. There has been elections also in Tanzania and elections in Uganda and elections in Kenya. All of them improved over their previous elections. So they are striving to a more perfect election process.

At this time, for us to reduce the amount of funds that are available in the DFA I think is a step backwards.

Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. MEEKS).

□ 0050

Mr. MEEKS of New York. Mr. Chairman, in this day and age, when we look at the global economy and we look at how this Nation has developed and other nations, and yet we look at the continent of Africa and see how underdeveloped they are; and also in this day and age, when we realize how much smaller the world has become, I think it becomes that much more urgent that we increase the Development Fund for Africa by the $220 million that is requested by the Payne amendment.

Once upon a time there was a line item initiative for the Africa development fund. That no longer exists. And when we look at how the cost of things are ever escalating, this request is actually very little. We talk about democracy and helping to democratize various countries in the continent of Africa. That is what this money is for, helping people have a form of government where they can grow and develop as we did.

We should be able to have others benefit from our history and understand the mistakes that we made in the past so that they will not have to go through some of the same growing pains that we did. In fact, in this great country, with the prosperity that we now have, I think it is just the very little that we could do, this $220 million. That is not a lot of money when I think about some of the individual wealth of some people in this country. Some CEOs in this country have $220 million to use at their disposal. We are talking about $220 million for an entire continent of people. That is just pennies. Pennies. Yet what good, what human good it will do for the people of the continent of Africa.

USAID is the money that is entitled here. Democratic initiatives. A lot of the things that I hear sometimes sound like excuses not to do something. When we were talking earlier in regards to debt relief, there was the excuse that was constantly being made that we cannot do it because this was wrong with this country or this was wrong with that country. And many of the things they talked about that was wrong with them, well, that is what we fix in this bill.

So it is about us being serious about making a difference. It is about our wanting to reach out a helping hand in a world that is ever shrinking. I do believe we are our brothers' keepers. We are our brothers' keepers. And I think if we want peace and prosperity, that by doing this we will not have to worry about spending $60 billion for a bubble sometime in the future because we are afraid of suffering some kind of attack. I think we need to begin to do the kinds of things that will make us accepted by others and others accepted by us because we are working collectively together for humanitarian concerns and reasons.

I think that we can do this. I think that it is a reasonable thing, and I support the gentleman's amendment.

Mr. PAYNE. Mr. Chairman, I yield myself such time as I may consume, and wish to close by indicating that we feel that we have seen recent success with elections in Senegal; we have seen elections in Nigeria; we have seen current elections in Mozambique. We have seen successes.

As I indicated, we had $800 million in 1993, and 1994 $850 million, and now we have reduced the allocations of DFA down to $500 million. It is really a step backwards. It is unconscionable. It really does not keep up with what is going on. It is unbelievable to try to understand why this is.

Mr. Chairman, I yield such time as she may consume to the gentlewoman from California (Ms. PELOSI).

Ms. PELOSI. Mr. Chairman, I thank the gentleman for yielding me this time, and I want to thank him for his great leadership when it comes to the continent of Africa. He is a tremendous resource to this Congress on this subject. He knows of what he speaks. And he is correct, we do not do enough in the African Development Fund. We must do more, and I am pleased to support his amendment.

We need more money in the bill, though, in order to do this so that we do not damage other initiatives that we want for Africa as well. So in that spirit I am pleased to support the amendment and commend the gentleman for his leadership.

Mr. PAYNE. Mr. Chairman, I yield myself the balance of my time and simply say that I would hope that that last statement from the gentlewoman from California, in a time when we have escalating profits, when we have people who are making billions and millions of dollars, the number of millionaires they do not even keep any more, I hope her statement would indicate for my colleagues that it is the wrong time for us to turn our backs when we take 100 million here and 200 million there. We can afford it. We can do better. God has blessed this Nation, we should not turn our back on him.

Mr. CALLAHAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I still reserve my point of order, and will insist on it in just a moment, but just in response to the gentleman, every year the President requests a separate fund for the development of Africa and every year this committee combines Africa into the development assistance and child survival accounts.

It is not that we are neglecting Africa. Indeed, if we total up overall everything that we have included this year, we recommend $1.6 billion for Africa. So this is not any omission of recognition of the needs of Africa. We do it. We do not, nor did my predecessor on this subcommittee, the gentleman from Wisconsin (Mr. OBEY), earmark funds for countries or regions. We do not have a special regional account for Latin America or for Asia either.

I think that we have made it fairly clear to the administration that it is our intent that a minimum amount of $1.6 billion be spent.

### POINT OF ORDER

Mr. CALLAHAN. Mr. Chairman, I would like to make a point of order that this is an unauthorized earmark. I make that point of order against the amendment, and I ask for a ruling of the Chair.

The CHAIRMAN. Does the gentleman from New Jersey (Mr. PAYNE) wish to be heard on the point of order?

Mr. PAYNE. Mr. Chairman, I understand what the gentleman has said, although it appears I was not asking for a line item.

I am just simply indicating that we are not asking to specifically earmark by line item, but in the allocation of the funds that were in the development assistance fund it was always understood that we would have a floor of $700 million to $800 million. It is my understanding that, with the way the funds are being allocated now, the floor has dropped.

So I have not asked for a specific line item for DFA. I am simply asking that in the development fund, that funds for Africa that will be allocated and that we attempt to stay at least where we were in the past. That is all I am requesting.

The CHAIRMAN. The Chair is prepared to rule. The amendment proposes to earmark certain funds in the bill. Under clause 2(a) of rule XXI, such an earmarking must be specifically authorized by law. The burden of establishing the authorization in law rests with the proponent of the amendment.

Finding that this burden has not been carried, the Chair must sustain the point of order.

Are there further amendments to this section of the bill?

□ 0100

### AMENDMENT OFFERED BY MR. PAYNE

Mr. PAYNE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. PAYNE:

Page 12, line 8, insert before the period the following: ": *Provided further*, That of the amounts appropriated under this heading, $500,000 shall be made available for a grant to the Office of the Facilitator of the National Dialogue for the peace process in the Democratic Republic of the Congo".

Strike section 567 of the bill (page 109, strike line 7 and all that follows through line 11).

The CHAIRMAN. Does the gentleman from New Jersey (Mr. PAYNE) seek unanimous consent for that portion of the amendment which seeks to move ahead and strike section 567 of the bill?

Mr. PAYNE. Yes, Mr. Chairman.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

Mr. CALLAHAN. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. The gentleman may reserve a point of order. Is there objection to that portion of the amendment that reaches ahead to the point where the Clerk has not yet read?

There was no objection.

The CHAIRMAN. The gentleman from Alabama (Mr. CALLAHAN) reserves a point of order on the amendment.

Mr. PAYNE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the amendment that I have offered is an amendment that would provide assistance to the people of southern Sudan. At this time we have seen in Sudan a government from Khartoum that is a pariah government, the government of al-Bahsir and Mr. Tarrabi, a government that had wreaked havoc on the people to the south. And the group of the South Sudanese Liberation Movement have been struggling for years attempting to protect the people in the south.

The people in the south are taken into slavery and they are sold. It is unconscionable what is going on there. We have seen old Russian planes used to bomb stable communities in the south. And so we are asking that the administration give authority to provide non-lethal and non-food assistance to the National Democratic Alliance, which is a group of organizations in the south of Sudan in order to provide protection to the civilians who are targeted by government soldiers and by their militias, their allies, the persons who are doing aerial bombing and forcing displacement of people and taking people into slavery.

We are finally starting to see a groundswell in the country of people talking about the fact that we can no longer look the other way at what is happening in Sudan. It is disgraceful. It is something that we can no longer tolerate. We have to give assistance to folks in that particular area so that they can at least move forward in attempting to provide protection to the people.

As I have indicated, we are talking about non-lethal, non-food but ways that the folks in that area can be assisted by the National Democratic Alliance.

Mr. CALLAHAN. Mr. Chairman, point of inquiry.

The gentleman, as I understand it, read one amendment, and he is talking about another amendment.

Mr. PAYNE. Yes, Mr. Chairman, the gentleman is absolutely right. The gentleman is correct.

We will ask the Chairman if we could, then, move to the one that is in this section. Mr. Chairman, if we could ask the Clerk to read the amendment.

The CHAIRMAN. Without objection, the Clerk will report the amendment which is pending.

There was no objection.

The Clerk read as follows:

Amendment Offered by Mr. PAYNE:

Page 12, line 8, insert before the period the following: ": *Provided further*, That of the amounts appropriated under this heading, $500,000 shall be made available for a grant to the Office of the Facilitator of the National Dialogue for the peace process in the Democratic Republic of the Congo".

Strike section 567 of the bill (page 109, strike line 7 and all that follows through line 11).

The CHAIRMAN. The gentleman from Alabama (Mr. CALLAHAN) continues to reserve a point of order.

Mr. PAYNE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this also is an amendment dealing with the problems on the Continent. This is asking for $500,000 to be allocated to the assistance for the national dialogue, which is the Lusaka Accords. The Lusaka Accords are the accords that will end the strife in the Congo.

As my colleagues know, in the Democratic Republic of Congo, under the leadership of President Kabila, there has been an armed conflict bringing in five foreign countries to the soil of the Congo: President Mugabi in Zimbabwe, President Sam Nujoma from Namibia. We have the country of Rwanda, the country of Uganda, Mr. Museveni, Mr. Mugambi from Rwanda and from Angola, Mr. De Santos, are all in a conflict in the Congo.

What this request is that the former president of the country of Botswana, who has been designated by the OAU, the Organization of African Unity, to have a dialogue with the people of the Congo to come up with a mechanism for elections so that the people there could have elections and that it would facilitate the removal of foreign troops from the Congo, the troops from Rwanda and Uganda, Namibia, Zimbabwe and Angola.

And so this $500,000 is very key because it will give the funds that they need to do the dialogue with the Lasaca Accords.

### POINT OF ORDER

Mr. CALLAHAN. Mr. Chairman, I insist on my point of order. This is an unauthorized earmark.

The CHAIRMAN. Does the gentleman wish to be heard on the point of order?

Mr. PAYNE. Yes, Mr. Chairman.

Although the importance of this matter in this dialogue I believe sort of ought to be considered, the fact that we are making the request I assume would be considered an earmark. I think that the importance of it is so great I would hope that there would be some opportunity within the committee for some discussion on this matter. Because with six countries at war and we are talking $500,000 that could possibly have the withdraw of these countries because of the dialogue within the country I think would, hopefully, be able to work it in some way in some language so that it does not violate the question of being an earmark.

The CHAIRMAN. Does any other Member wish to speak on the point of order?

Ms. WATERS. Mr. Chairman, I rise to speak on the point of order.

Mr. Chairman, this will not take long. I think it has been said that this was an unauthorized expenditure. And I am not sure exactly what is meant by that except to say that the request that has been made by the gentleman is formally before this House without it having to be designated as authorized as such.

This is extremely important that he is given the opportunity to have this considered simply because he has spoken and others have spoken about what is going on on the Continent, the need to have more democracy, the need not to have dictatorships, the need to make sure that the dollars that we are trying to get in debt relief is spent in a wise fashion.

Well, this would help that process. We have countries that have so much potential, but they need to be assisted in their efforts to maintain the peace.

□ 0110

We have Angola that has been involved for many years and we have done nothing to assist them. We have supported Zabimbi who is up in the bush rather than giving support to someone who is trying to carry out democracy in Angola. We have new leadership in the Congo with no assistance to Kabila about how to resolve the differences between the Hutus and the Tutsis.

So I would ask that this be made in order and that the gentleman be allowed to offer this amendment.

Mr. CALLAHAN. Mr. Chairman, I might say once again, I support what the gentleman wants to do. His amendment earmarks funds within the development assistance account.

Earlier this year, USAID asked me to agree to provide $1 million to support the problem in the Congo. I agreed to support this program, which is also supported by the Catholic Church. So USAID has already indicated and pledged $1 million towards this anyway. What the gentleman's amendment would do is earmark $50 million.

The CHAIRMAN. The Chair is prepared to rule on the point of order.

The amendment proposes to earmark certain funds in the bill.

Under clause 2(a) of Rule XXI, such an earmarking must be specifically authorized by law. The burden of establishing the authorization in law rests with the proponent of the amendment. No provision of law has been cited.

Finding that this burden has not been carried, the Chair must sustain the point of order against the amendment.

Are there further amendments to this section of the bill?

If not, the Clerk will read.

The Clerk read as follows:

### LEBANON

Of the funds appropriated under the headings "Development Assistance" and "Economic Support Fund", not less than $18,000,000 should be made available for Lebanon to be used, among other programs, for scholarships and direct support of the American educational institutions in Lebanon.

### PRIVATE AND VOLUNTARY ORGANIZATIONS

None of the funds appropriated or otherwise made available by this Act for development assistance may be made available to any United States private and voluntary organization, except any cooperative development organization, which obtains less than 20 percent of its total annual funding for international activities from sources other than the United States Government: *Provided*, That the Administrator of the Agency for International Development, after notification to the Committees on Appropriations, may, on a case-by-case basis, waive the restriction contained in this paragraph, after taking into account the effectiveness of the overseas development activities of the organization, its level of volunteer support, its financial viability and stability, and the degree of its dependence for its financial support on the agency.

Funds appropriated or otherwise made available under title II of this Act should be made available to private and voluntary organizations at a level which is at least equivalent to the level provided in fiscal year 1995.

### INTERNATIONAL DISASTER ASSISTANCE

For necessary expenses for international disaster relief, rehabilitation, and reconstruction assistance pursuant to section 491 of the Foreign Assistance Act of 1961, as amended, $165,000,000, to remain available until expended.

### AMENDMENT OFFERED BY MS. JACKSON-LEE OF TEXAS

Ms. JACKSON-LEE of Texas. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Ms. JACKSON-LEE of Texas:

In title II of the bill under the heading "BILATERAL ECONOMIC ASSISTANCE–FUNDS APPROPRIATED TO THE PRESIDENT–INTERNATIONAL DISASTER ASSISTANCE", after the first dollar amount insert "(decreased by $10,000,000)".

In title III of the bill under the heading "MILITARY ASSISTANCE–FUNDS APPROPRIATED TO THE PRESIDENT–PEACEKEEPING OPERATIONS", after the first dollar amount insert "(increased by $10,000,000)".

The CHAIRMAN. Under the previous order of the House, the gentlewoman from Texas (Ms. JACKSON-LEE) will be recognized for 5 minutes and a Member opposed will be recognized for 5 minutes.

Mr. CALLAHAN. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. The gentleman from Alabama (Mr. CALLAHAN) reserves a point of order against the amendment.

The Chair recognizes the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, my first order of business is to thank the ranking member, the gentlewoman from California (Ms. PELOSI) and the gentleman from Alabama (Mr. CALLAHAN) for their generosity and kindness in recognizing how vital these issues are to so many of us.

Just about a couple of weeks ago on the Commerce, State, Justice Appropriations bill, I tried there to reconcile, if you will, what I thought was a terrible direction in limiting the President's opportunity to join in peacekeeping efforts and to fund peacekeeping efforts around the world by way of the restriction on the funding requiring congressional intervention.

This amendment would restore monies that have been taken from the peacekeeping efforts. The bill appropriates $118 million for voluntary contributions for international peacekeeping operations, including those in the Sinai and Cyprus, $16 million, 12 percent less than the request; and $35 million, 12 percent less than the current level.

What my amendment does is add $10 million to this very vital effort.

Mr. Chairman, let me speak to this whole idea of peacekeeping. As we stand here in the early morning hours of July 13, 2000, all of us are prayerful and grateful that there are peace negotiations going on regarding the Middle East. Well, then, I would say, Mr. Chairman, that our responsibilities on peace, as I have indicated on coming to the floor of the House, is a burden that America accepts as one of the most powerful or the most powerful democratic Nation in the world; in fact, the most powerful Nation in the world.

As we look to the continent of Africa with such promise, having passed the African Growth and Opportunity Act, fighting for survival for those who are infected with HIV-AIDS, we cannot avoid looking at the need for peace. In fact, we find in the passage of the legislation, and the foreign policy has specifically limited the funding for peacekeeping missions in Ethiopia, Eritrea, Sierra Leone, the Democratic Republic of the Congo, Angola and the Western Saharan region.

Mr. Chairman, this is a tragedy. Just coming back from the United Nations last week, and we joined with several Members of this body, along with a number of ambassadors, many of them from the continent of Africa, where we joined together that we would stop the abuse and use of children in war, stop using children in prostitution and pornography. That was a great step of collaboration, but yet, America cannot join its allies in fighting for peace. In Sierra Leone as a very prime example, Mr. Chairman, let me cite for my colleagues, "the line of youth swelled with other abductees as the rebels took the boys, told the boys their hands would be cut off and sent back to the democratic president of Sierra Leone."

Another story, Mr. Chairman, talking about the Jordanian soldiers who arrived in Sierra Leone fresh in this beleaguered peacekeeping effort, and I realize that we have not had good things to say about those peacekeeping efforts, but yet that president is trying. As he paid homage to 19 people killed during the recent demonstration, he was still trying to encourage the 10,000 people who, without fear, gathered to rally around to support him that we can have peace in Sierra Leone.

The only way we are going to have peace is if we have the kind of resources in America to be able to give our fair share to the United Nations peacekeeping efforts. We did it in Kosovo, and many people came on this floor and laughed about Kosovo. They believed we could not have peace there, and yes, it is a shaky peace. But with the United Nations and our air war effort, we have a stabilized peace in Kosovo and in the Bosnian area.

Can we do less on the continent of Africa? Can we do less for the Congo? Can we do less for Angola? Can we do less in Eritrea and Ethiopia? The chairman knows that he worked with me just a few years ago to challenge Ethiopia to improve its human rights situation, and yet, here we are today causing the effort to be diminished by not providing them with peacekeeping funds.

Mr. Chairman, I rise today to offer an amendment to H.R. 4811, the Foreign Appropriations bill. We must re-establish our nation's unwavering commitment to the world's International Peacekeeping efforts, which are designed to bring peace and order in times of strife and chaos.

This amendment that would increase funding an amount of $10 million for peacekeeping activities in H.R. 4811, the Foreign Operations appropriation measure.

The bill appropriates $118 million for voluntary contributions for international peacekeeping operations, including those in the Sinai and Cyprus, $16 million (12%) less than requested and $35 million (12%) less than the current level.

As the world's sole super power we must not concede that any part of it is outside of our interest as a nation. What happens in other countries does affect our nation. If only one lesson can be gained by our nation's experience during World War II, it is that ignoring an international problem does not make it go away.

Prior to the Congressional recess for the Fourth of July Break this body made an attempt to negate our nations full range of options in implementing foreign policy by specifically limiting the provision of funding for peacekeeping missions in Ethiopia, Eritrea, Sierra Leone, The Democratic Republic of the Congo, Angola, and the Western Saharan region.

Should that kind of thinking become standard foreign policy for our nation the foes of the United States can just wait until we declare some territory off limits and then relocate their operation to that location and then they could freely use that territory to project their terror to our shoes at will.

It has been said often enough by those who are more versed in national security than most of this body because of their positions on National Security related committees that the one thing no nation should do is say what they will not do. It is better to keep opponents guessing about what we will or will not do regarding the protection of our people and national interest abroad.

Specifically, the amendment increases the President-Peacekeeping Operations funding amount currently in this bill by $10 million. This represents critical funding for United Nations peacekeepers that we must take seriously.

As we all know, a serious issue facing the United Nations, the United States, and Congress concerning United Nations peacekeeping is the extent to which the United Nations has the capacity to restore or keep the peace in the changing world environment. We need a reliable source of funding and other resources for peacekeeping and improved efficiencies of operation.

We need peacekeeping funds in order to promote our own best interest globally. These are not peripheral concerns for countries trying to establish the rule of law. The instability and fragile peace in countries like Bosnia, Ethiopia, Eritrea, the Sudan, and Haiti cannot be ignored. United Nations peacekeeping operations carry out vital functions. They are historically known for their impartiality, integrity, and courageousness.

We need to support democratic institutions in a consistent and meaningful manner. Proposals for strengthening U.N. peacekeeping and other aspects of U.N. peace and security capacities have been adopted in the United Nations, by the Clinton Administration, and by the Congress. Moreover, most authorities have agreed that if the United Nations is to be responsive to post-Cold War challenges, both U.N. members and the appropriate U.N. organs will have to continue to improve U.N. structures and procedures in the peace and security area.

Peacekeeping forces are also critical to ensure that ports remain easily assessable for relief operations, that peaceful operations of civil authority is allowed to re-establish rule by law, and provide order and stability during times of crisis. Some say that there may not be a famine in the Horn of Africa. But we really do not know. We do know that the situation of food insecurity is so bad that conditions are approaching the desperate situation that occurred in 1984, when the people of that nation did experience a famine.

Mr. Chairman, I urge my colleagues to support this amendment so that we can restore peace and security in Africa. These problems are intertwined and the peacekeeping missions in Africa deserve our strong support.

Mr. Chairman, I yield to the gentleman from New Jersey (Mr. PAYNE), the distinguished ranking member of the Subcommittee on International Relations on Africa.

Mr. PAYNE. Mr. Chairman, I commend the gentlewoman from Texas for this amendment.

Peacekeeping is where it is. We have seen that by delaying the number of peacekeepers that go into a country because of the lack of funds, we find that they go in unprepared. I think in Sierra Leone we saw that happen. We cannot send people in that are not prepared.

Mr. Chairman, I support the gentlewoman's amendment.

### POINT OF ORDER

Mr. CALLAHAN. Mr. Chairman, I make a point of order against the amendment because it would increase the level of outlays in the bill in violation of clause 2(f) of Rule XXI. This rule states that "it shall be in order to consider en bloc amendments proposing only to transfer appropriations among objects in the bill without increasing the levels of budget authority or outlays in the bill. The amendment would increase the level of outlays in the bill."

It increases the outlays by $4 million.

The CHAIRMAN. Does the gentlewoman from Texas wish to be heard briefly on the point of order?

Ms. JACKSON-LEE of Texas. Mr. Chairman, I certainly do. I appreciate the procedural reference that has been made by the distinguished chairperson of this committee. But as was indicated in earlier discussions, might I say that the context of this appropriations bill deals with our foreign policy.

My understanding is that my amendment is germane to the point that it deals with increasing funding levels for peacekeeping that is denoted in this appropriations bill. I am understanding of the reference that the chairman is making, but I believe that because it deals with what this appropriations bill deals with, which is foreign policy and peacekeeping, that I am germane and within the context of such.

Mr. Chairman, I would care to, if I am able to yield to the chairman, who I understand is coming back to the floor, but let me just say this, that we are suffering in our standing as a world power, being able to carry the kind of leverage to encourage others to promote peace.

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We cannot do it if we diminish the funding and if we hold these various amendments nongermane or out of order when we are suffering all over this world. I would ask that the amendment be considered as in order.

The CHAIRMAN. Does the gentleman from New Jersey (Mr. PAYNE) seek to be heard briefly on the point of order?

Mr. PAYNE of New Jersey. I do, Mr. Chairman.

The CHAIRMAN. The gentleman from New Jersey is recognized.

Mr. PAYNE. Mr. Chairman, let me just say that when we say this is nongermane, it makes it appear as though the question of peacekeeping has never been raised. We have been talking about peacekeeping. We even had $2.7 billion removed from the bill about peacekeeping, so we are simply saying that it seems to me that the ruling of the Chair that this is not germane when peacekeeping has actually been part of the appropriations process, it is to a large degree what we have been talking about.

We have been talking about it for Ethiopia and Eritrea, for the Democratic Republic of the Congo. We are talking about peacekeepers possibly in Angola. We are talking about peacekeepers now, after the diplomats have made the Lome accord that says this is the outline for peace in the region, when we had the Lusaka accord that says, this is what the diplomats have done for the Congo, now we need to bring the peacekeepers in to preserve the peace; the Lome accords for the peace in Sierra Leone.

So for them to be called nongermane when this has been the center of much of the discussion here, especially in Africa for the past 3 or 4 weeks, I just would urge that the Speaker reconsider the narrow interpretation, the strict construction that he has done in the interpretation, and look at it not in the specificity but in the fundamental of the general position of peacekeeping, which has been something that has been germane.

The CHAIRMAN. The Chair is prepared to rule.

To be considered pursuant to clause 2(f) of rule XXI, an amendment must not propose to increase the level of budget authority or outlays in the bill. Because the amendment offered by the gentlewoman from Texas (Ms. JACKSON-LEE) proposes a net increase in the level of outlays in the bill, it may not avail itself of clause 2(f) to address portions of the bill not yet read.

Therefore, the point of order made by the gentleman from Alabama is sustained against the amendment.

Mr. CALLAHAN. Mr. Chairman, I move that the Committee do now rise.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. CALLAHAN) having assumed the chair, Mr. THORNBERRY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4811) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2001, and for other purposes, had come to no resolution thereon.

## HOUR OF MEETING ON TODAY

Mr. THORNBERRY. Mr. Speaker, I ask unanimous consent that when the House adjourns this legislative day, it adjourn to meet at 9 a.m. today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

## ORDER OF PROCEEDINGS

(Ms. PELOSI asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. PELOSI. Mr. Speaker, a point of inquiry. Mr. Speaker, when will the votes be taken tomorrow that had been rolled? Since we only have a few, is it possible we can begin with debate to give Members more time to get in here tomorrow morning, since we went so late tonight?

The SPEAKER pro tempore. The Chair is unable to answer that at this time, but would yield to the gentleman from Texas (Mr. THORNBERRY), who possibly could shed some light.

Mr. THORNBERRY. Mr. Speaker, my understanding is that votes will be rolled in the morning until there are sufficient number of votes to make sense to bring Members over to cast a series of votes on amendments.

Ms. PELOSI. Although we have to be here obviously at 9 o'clock to begin the debate, as far as the other Members are concerned, it is not likely that our first vote will occur at 9 o'clock, but after we have a few more votes.

Mr. THORNBERRY. The gentlewoman is correct.

Ms. PELOSI. I would encourage that. I think that, again, since we have been here so late tonight, it would be great if Members could not have to be here at 9. They have other appointments, et cetera, in the morning, some funerals and things like that.

So while we debate, if they could have that time, it would be great. I thank the chairman.

## LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Ms. CARSON (at the request of Mr. GEPHARDT) for today and the balance of the week on account of official business.

Mr. FORBES (at the request of Mr. GEPHARDT) for today on account of personal reasons.

Mrs. CHENOWETH-HAGE (at the request of Mr. ARMEY) for July 10 through July 12 on account of illness.

## ADJOURNMENT

Mr. THORNBERRY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 25 minutes a.m.), under its previous order, the House adjourned until today, Wednesday, July 13, 2000, at 9 a.m.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

8493. A letter from the Chairman of the Board, National Credit Union Administration, transmitting the Office's report on comparability of pay and benefits, pursuant to 12 U.S.C. 18336; to the Committee on Banking and Financial Services.

8494. A letter from the Chairperson, National Council on Disability, transmitting a report entitled, "Federal Policy Barriers to Assistive Technology," as required by the Assistive Technology Act of 1998; to the Committee on Education and the Workforce.

8495. A letter from the Assistant General Counsel for Regulatory Law, Office of Procurement and Assistance Management, Department of Energy, transmitting the Department's final rule—Greening the Government Requirements in Contracting—received June 2, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8496. A letter from the Assistant General Counsel for Regulatory Law, Office of Procurement and Assistance Management, Department of Energy, transmitting the Department's final rule—DOE Authorized Subcontract for Use by DOE Management and Operating (M&O) Contractors with New Independent States' Scientific Institutes through the Science and Technology Center in the Ukraine—received June 2, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8497. A letter from the Assistant General Counsel for Regulatory Law, Office of Procurement and Assistance Management, Department of Energy, transmitting the Department's final rule—DOE Administrative Class Deviation, 952.247-70, Foreign Travel, and 970.5204-52, Foreign Travel—received June 2, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8498. A letter from the Assistant General Counsel for Regulatory Law, Office of Security and Emergency Operations, Department of Energy, transmitting the Department's final rule—Standardization of Firearms—received June 2, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8499. A letter from the Assistant General Counsel for Regulatory Law, Office of Security and Emergency Operations, Department of Energy, transmitting the Department's final rule—Chapter 9, Public Key Cryptography and Key Management—received June 2, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8500. A letter from the Director, Office of Congressional Affairs, Office of the Chief Financial Officer, Nuclear Regulatory Commission, transmitting the Commission's "Major" rule—Revision of Fee Schedules; 100% Fee Recovery, FY 2000 (RIN: 3150–AG50) received June 9, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8501. A letter from the Director, Office of Congressional Affairs, Office of Nuclear Reactor Regulation, Nuclear Regulatory Commission, transmitting the Commission's "Major" rule—Revision of Part 50, Appendix K, "ECCS Evaluation Models" (RIN: 3150–AG26) received June 2, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8502. A letter from the Chairman, Federal Housing Finance Board, transmitting the 1999 management reports of the 12 Federal Home Loan Banks and the Financing Corporation, pursuant to 31 U.S.C. 9106; to the Committee on Government Reform.

8503. A letter from the Auditor, Office of the District of Columbia, transmitting a report entitled, "Auditor's Review of Unauthorized Disbursements From ANC 8B's Checking Account"; to the Committee on Government Reform.

8504. A letter from the Auditor, Office of the District of Columbia, transmitting the report entitled, "Review of the Financial and Administrative Activities of the Taxicab Assessment Fund for Fiscal Years 1997, 1998, and 1999"; to the Committee on Government Reform.

8505. A letter from the Auditor, Office of the District of Columbia, transmitting a report entitled, "Status of the Washington Convention Center Authority's Implementation of D.C. Auditor Recommendations"; to the Committee on Government Reform.

8506. A letter from the Auditor, Office of the District of Columbia, transmitting a report entitled, "Review of Quantum Meruit Payments Made By District of Columbia Government Agencies"; to the Committee on Government Reform.

8507. A letter from the Inspector General, Railroad Retirement Board, transmitting the semiannual report on activities of the Office of Inspector General for the period October 1, 1999, through March 31, 2000, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

8508. A letter from the Director, Financial Services, Library of Congress, transmitting activities of the United States Capitol Preservation Commission Fund for the six-month period which ended on March 31, 2000, pursuant to 40 U.S.C. 188a—3; to the Committee on House Administration.

8509. A letter from the Public Printer, Government Printing Office, transmitting the Annual Report for Fiscal Year 1999; to the Committee on House Administration.

8510. A letter from the Director, Fish and Wildlife Service, Department of the Interior, transmitting the Department's final rule—Endangered and Threatened Wildlife and Plants; Final Rule To Remove the Umpqua River Cutthroat Trout From the List of Endangered Wildlife (RIN: 1018–AF45) received June 2, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8511. A letter from the Assistant Secretary, Bureau of Indian Affairs, Department of the Interior, transmitting the Department's "Major" rule— Distribution of Fiscal Year 2000 Indian Reservation Roads Funds (RIN: 1076–AD99) received June 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8512. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—SAFETY ZONE: OpSail Miami 2000, Port of Miami [COTP MIAMI 00–015] (RIN: 2115–AA97) received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8513. A letter from the Acting Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety Zone; Transit of S/V Amerigo Vespucci, Chesapeake Bay, Baltimore, MD [CGD 05–00–004] (RIN: 2115–AA97) received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8514. A letter from the Acting Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—SAFETY ZONE: Maine Yankee Steam Generator and Pressurizer Removal Wiscasset, ME [CGD1–00–129] (RIN: 2115–AA97) received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8515. A letter from the Acting Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety Zone; Outer Continental Shelf Platforms in the Gulf of Mexico (RIN: 2115–AF93) received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8516. A letter from the Acting Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Termination of Regulated Navigation Area: Monongahela River, Mile 81.0 to 83.0 [CGD08–00–010] (RIN: 2115–AE84) received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8517. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—IFR Altitudes; Miscellaneous Amendments [Docket No. 30029; Amdt. No. 422] received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8518. A letter from the General Counsel, Small Business Administration, transmitting the Administration's "Major" rule—Small Business Size Standards; General Building Contractors, Heavy Construction, Except Building, Dredging and Surface Cleanup Activities, Special Trade Contractors, Garbage and Refuse Collection, Without Disposal, and Refuse Systems—received July 6, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Small Business.

8519. A letter from the Assistant Secretary, Employment and Training Administration, Department of Labor, transmitting the Department's "Major" rule—Birth and Adoption Unemployment Compensation (RIN: 1205–AB21) received June 13, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

*[Omitted from the Record of July 11, 2000]*

Mr. LEACH: Committee on Banking and Financial Services. H.R. 3886. A bill to combat international money laundering, and for other purposes; with an amendment (Rept. 106–728). Referred to the Committee of the Whole House on the State of the Union.

*[Submitted July 12, 2000]*

Mr. SPENCE: Committee on Armed Services. H.R. 3906. A bill to ensure that the Department of Energy has appropriate mechanisms to independently assess the effectiveness of its policy and site performance in the areas of safeguards and security and cyber security; with amendments (Rept. 106–696 Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Florida: Committee on Appropriations. Report on the Revised Suballocation of Budget Allocations for Fiscal Year 2001 (Rept. 106–729). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Armed Services. House Resolution 534. Resolution expressing the sense of the House of Representatives that the recent nuclear weapons security failures at Los Alamos National Laboratory demonstrate that security policy and security procedures within the National Nuclear Security Administration remain inadequate, that the individuals responsible for such policy and procedures must be held accountable for their performance, and that immediate action must be taken to correct security deficiencies (Rept. 106–730). Referred to the House Calendar.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. SESSIONS (for himself, Mr. Waxman, Mr. Upton, Mr. Barrett of Wisconsin, Ms. Pryce of Ohio, Mr. Strickland, Mr. Hayworth, Mr. Brown of Ohio, Mr. Dreier, Mr. Lazio, Mr. Dingell, Mr. Doggett, Mr. Ramstad, Mr. Nussle, Mr. Nethercutt, Mr. Gilchrest, and Mr. Tauzin):

H.R. 4825. A bill to amend title XIX of the Social Security Act to provide families of disabled children with the opportunity to purchase coverage under the Medicaid Program for such children, and for other purposes; to the Committee on Commerce.

By Mr. HYDE:

H.R. 4826. A bill to amend title 18, United States Code, with respect to lobbying with appropriated funds; to the Committee on the Judiciary.

By Mr. HORN (for himself, Mr. McCollum, Mr. Barcia, Ms. Berkley, Mr. Cook, Mr. Clement, Mr. Green of Texas, Mr. Gary Miller of California, Mrs. Myrick, Mr. Ramstad, Mr. Smith of Washington, and Mr. Visclosky):

H.R. 4827. A bill to amend title 18, United States Code, to prevent the entry by false pretenses to any real property, vessel, or aircraft of the United States or secure area of any airport, to prevent the misuse of genuine and counterfeit police badges by those seeking to commit a crime, and for other purposes; to the Committee on the Judiciary.

By Mr. WALDEN of Oregon (for himself and Mr. Blumenauer):

H.R. 4828. A bill to designate wilderness areas and a cooperative management and protection area in the vicinity of Steens Mountain in Harney County, Oregon, and for other purposes; to the Committee on Resources, and in addition to the Committee on Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GILMAN (for himself and Mr. Markey):

H.R. 4829. A bill to provide for the application of certain measures to the People's Republic of China in response to the illegal sale, transfer, or misuse of certain controlled goods, services, or technology, and for other purposes; to the Committee on International Relations, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GUTIERREZ:

H.R. 4830. A bill to redesignate the facility of the United States Postal Service located at 1859 South Ashland Avenue in Chicago, Illinois, as the "Cesar Chavez Post Office"; to the Committee on Government Reform.

By Mr. GUTIERREZ:

H.R. 4831. A bill to redesignate the facility of the United States Postal Service located at 2339 North California Street in Chicago, Illinois, as the "Roberto Clemente Post Office"; to the Committee on Government Reform.

By Mr. McCOLLUM:

H.R. 4832. A bill to amend title 10, United States Code, to revise the eligibility criteria for the Department of Defense special compensation benefit for certain severely disabled military retirees; to the Committee on Armed Services.

By Mr. McCOLLUM:

H.R. 4833. A bill to amend title 38, United States Code, to revise the definition of the term "Vietnam era" to provide eligibility for certain veterans benefits that are based on service during the Vietnam era, without regard to whether such service was in the Republic of Vietnam; to the Committee on Veterans' Affairs.

By Mr. McINTOSH:

H.R. 4834. A bill to amend the Internal Revenue Code of 1986 to suspend all motor fuel taxes until January 1, 2001; to the Committee on Ways and Means.

By Mr. MORAN of Virginia:

H.R. 4835. A bill to authorize the exchange of land between the Secretary of the Interior and the Director of Central Intelligence at the George Washington Memorial Parkway in McLean, Virginia, and for other purposes; to the Committee on Intelligence (Permanent Select), and in addition to the Committee on Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. PALLONE:

H.R. 4836. A bill to provide for the application of certain measures to the People's Republic of China in response to the illegal sale, transfer, or misuse of certain controlled goods, services, or technology, and for other purposes; to the Committee on International Relations, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. POMEROY:

H.R. 4837. A bill to amend the Internal Revenue Code of 1986 to allow distributions to be made from certain pension plans before the participant is separated from employment; to the Committee on Ways and Means.

By Ms. ROS-LEHTINEN:

H.R. 4838. A bill to amend the Immigration and Nationality Act to provide a waiver of the oath of renunciation and allegiance for naturalization of aliens having certain disabilities; to the Committee on the Judiciary.

By Mr. SANFORD (for himself, Mr. Barr of Georgia, Mr. Barton of Texas, Mr. Burton of Indiana, Mr. Bryant, Mr. Campbell, Mrs. Chenoweth-Hage, Mr. Coburn, Mr. Cox, Mr. DeMint, Mr. Doolittle, Mr. Duncan, Mr. Ganske, Mr. Graham, Mr. Herger, Mr. Hoekstra, Mr. Hunter, Mr. Hyde, Mr. Jones of North Carolina, Mr. Kingston, Mr. Largent, Mr. McInnis, Mr. McIntosh, Mr. Metcalf, Mrs. Myrick, Mr. Paul, Mr. Pickering, Mr. Pitts, Mr. Riley, Mr. Salmon, Mr. Sessions, Mr. Scarborough, Mr. Schaffer, Mr. Shadegg, Mr. Shays, Mr. Smith of New Jersey, Mr. Spence, Mr. Sununu, Mr. Terry, and Mr. Toomey):

H.R. 4839. A bill to amend title II of the Social Security Act and the Internal Revenue Code of 1986 to provide prospectively for personalized retirement security through personal retirement accounts to allow for more control by individuals over their Social Security retirement income; to the Committee on Ways and Means.

By Mr. SAXTON:

H.R. 4840. A bill to reauthorize the Atlantic Coastal Fisheries Cooperative Management Act; to the Committee on Resources.

By Mr. THUNE (for himself, Mrs. Emerson, Mr. Moran of Kansas, Mr. Nussle, Mr. Pomeroy, and Mrs. Clayton):

H.R. 4841. A bill to amend the Balanced Budget Act of 1997 to provide increased access to health care for Medicare beneficiaries through telehealth services; to the Committee on Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. YOUNG of Alaska:

H.R. 4842. A bill to provide for Federal recognition of the King Salmon Traditional Village and the Shoonaq' Tribe of Kodiak; to the Committee on Resources.

By Mr. GALLEGLY (for himself and Mr. Taylor of Mississippi):

H. Res. 549. A resolution recognizing the historical significance of the 10th anniversary of the initial activation of National Guard and Reserve personnel for Operation Desert Shield and Operation Desert Storm and expressing support for ensuring the readiness of the National Guard and Reserve; to the Committee on Armed Services.

## MEMORIALS

Under clause 3 of rule XII, memorials were presented and referred as follows:

402. The SPEAKER presented a memorial of the Legislature of the State of Hawaii, relative to Senate Resolution No. 45 memorializing that the President and Congress to recognize an official political relationship between the United States Government and the Native Hawaiian People; to the Committee on Resources.

## ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 141: Ms. McKinney, Ms. Danner, Ms. Kaptur, and Mr. Weiner.

H.R. 207: Mr. Collins.

H.R. 303: Mr. Moran of Virginia, Mr. Regula, Mr. Tiahrt, Mr. Duncan, Ms. Millender-McDonald, and Mr. McDermott.

H.R. 363: Mr. Wise.

H.R. 407: Mr. Bachus.

H.R. 488: Mr. Cardin.

H.R. 802: Mr. Bentsen.

H.R. 827: Mr. Rangel and Mrs. Jones of Ohio.

H.R. 860: Mr. Jones of North Carolina.

H.R. 890: Ms. DeLauro.

H.R. 941: Ms. Woolsey.

H.R. 997: Mr. Schaffer.

H.R. 1055: Mr. Coble.

H.R. 1068: Mr. Cox.

H.R. 1102: Mr. Isakson and Mr. Bachus.

H.R. 1216: Mr. Clay.

H.R. 1290: Mr. Hunter.

H.R. 1422: Mr. Hall of Texas and Mr. Bentsen.

H.R. 1574 Mr. Hutchinson.

H.R. 1890: Ms. Velázquez and Mr. Olver.

H.R. 1899: Mr. Bentsen.

H.R. 1960: Mr. Engel.

H.R. 2200: Ms. Berkley.

H.R. 2335: Mr. Sanford.

H.R. 2451: Mr. Simpson.

H.R. 2457: Mr. Payne and Ms. Lofgren.

H.R. 2562: Mr. McCollum, and Mr. Franks of New Jersey.

H.R. 2588: Mr. Whitfield.

H.R. 2631: Mr. Paul.

H.R. 2660: Mr. Baldacci.

H.R. 2686: Mr. Stark.

H.R. 2710: Mr. Wynn and Mr. Lipinski.

H.R. 2736: Mr. Moore.

H.R. 2790: Mr. Meehan.

H.R. 2870: Mr. Matsui, Mr. Kuykendall, and Mr. McHugh.

H.R. 2888: Ms. Hooley of Oregon.

H.R. 3083: Mr. Sandline, Mr. Baldacci, Mr. Gilman, Mr. Jefferson, Mr. Kennedy of Rhode Island, Mr. Matsui, Mr. Neal of Massachusetts, Ms. Waters, Mr. Etheridge, Ms. Roybal-Allard, Mr. Meehan, and Mr. Pallone.

H.R. 3091: Mr. Stark, Mr. Romero-Barcelo, Mr. Berman, and Mr. Meehan.

H.R. 3102: Mr. Phelps.

H.R. 3142: Mr. Quinn and Ms. DeLauro.

H.R. 3193: Mr. Saxton.

H.R. 3235: Mr. Borski and Mr. Serrano.

H.R. 3328: Mrs. Maloney of New York.

H.R. 3514: Mr. Franks of New Jersey.

H.R. 3672: Mrs. McCarthy of New York.

H.R. 3676: Mr. Watts of Oklahoma.

H.R. 3688: Mr. Campbell.

H.R. 3698: Mr. Moore, Mr. Bishop, Mr. Diaz-Balart, Mr. Minge, and Mr. Sisisky.

H.R. 3710: Mr. Diaz-Balart and Mr. Sisisky.

H.R. 3816: Mr. Hall of Texas.

H.R. 3842: Mr. Forbes, Mr. Gilchrest, Mr. Stenholm, Ms. McKinney, Mr. Owens, Mr. Collins, Mr. Filner, Mr. Pallone, Mrs. Bono, Mr. DeFazio, Mr. Menendez, Mr. Hulshof, and Mr. Sweeney.

H.R. 3861: Ms. Eddie Bernice Johnson of Texas.

H.R. 3896: Mr. Forbes.

H.R. 3915: Mr. Hilleary, Mr. Whitfield, Mr. Weldon of Florida, and Mr. Moran of Virginia.

H.R. 3996: Mrs. EMERSON, Mr. RILEY, Mr. GUTKNECHT, Mr. MORAN of Kansas, and Mr. THOMPSON of Mississippi.

H.R. 4046: Ms. MCKINNEY.

H.R. 4050: Mr. TAUZIN.

H.R. 4066: Mr. PRICE of North Carolina and Ms. MCCARTHY of Missouri.

H.R. 4124: Mr. HALL of Texas.

H.R. 4139: Mr. INSLEE.

H.R. 4165: Mr. MARKEY and Mr. RUSH.

H.R. 4211: Mr. GUTIERREZ.

H.R. 4259: Mr. RANGEL.

H.R. 4274: Mrs. KELLY.

H.R. 4277: Mr. FOLEY, Mr. FRANKS of New Jersey, and Mr. BORSKI.

H.R. 4282: Mr. PASTOR and Mr. BONILLA.

H.R. 4292: Mr. GARY MILLER of California.

H.R. 4328: Mr. SESSIONS, Mr. GOODE, Mr. HILLEARY, and Mr. DEFAZIO.

H.R. 4340: Mr. MORAN of Kansas.

H.R. 4349: Mr. ORTIZ, Mr. RODRIGUEZ, Mr. MENENDEZ, Mr. HINOJOSA, Mrs. NAPOLITANO, Mr. GUTIERREZ, Mr. REYES, Mr. GONZALEZ, and Mr. PASTOR.

H.R. 4393: Ms. PELOSI and Mr. DOOLEY of California.

H.R. 4410: Mr. HORN.

H.R. 4441: Mr. STRICKLAND.

H.R. 4480: Mr. UDALL of Colorado.

H.R. 4495: Ms. SLAUGHTER, Ms. MCKINNEY, and Mr. KING.

H.R. 4497: Mrs. EMERSON, Mr. RILEY, Mr. GUTKNECHT, Mr. MORAN of Kansas, Mr. THOMPSON of Mississippi, and Mr. LUCAS of Oklahoma.

H.R. 4498: Mr. COOKSEY.

H.R. 4538: Mr. NADLER and Mr. UDALL of New Mexico.

H.R. 4543: Mr. CRANE and Mr. GILMOR.

H.R. 4546: Mr. WELDON of Florida.

H.R. 4593: Mr. STUPAK.

H.R. 4644: Ms. LEE, Mr. CAPUANO, and Mr. DOYLE.

H.R. 4653: Mr. MCCOLLUM.

H.R. 4659: Mr. LIPINSKI.

H.R. 4677: Mr. PETERSON of Minnesota.

H.R. 4706: Mr. ENGLISH and Mr. Visclosky.

H.R. 4710: Mr. MCINTYRE and Mr. GRAHAM.

H.R. 4727: Ms. DANNER, Mr. MOAKLEY, Mr. SANDERS, Mr. THOMPSON of California, Mr. ROMERO-BARCELO, Ms. LOFGREN, Mr. FROST, Mr. OBERSTAR, Mr. COOK, Ms. NORTON, Mr. BOUCHER, Mr. HILLIARD, and Ms. KILPATRICK.

H.R. 4740: Mr. ROMERO-BARCELO, and Mr. BOUCHER.

H.R. 4744: Mr. LEWIS of Kentucky.

H.R. 4745: Mr. PORTER, Mr. ROEMER, and Mr. ROMERO-BARCELO.

H.R. 4750: Mr. KING, Mr. ENGEL, Mr. PASCRELL, Mr. FORBES, Mr. TOWNS, Mr. SERRANO, Mr. HOLT, Ms. BERKLEY, Mr. KLINK, Mr. RANGEL, Mr. WEINER, Mr. ACKERMAN, Ms. VELÁZQUEZ, Mr. OWENS, Mr. CROWLEY, Mr. ROTHMAN, Mr. CLAY, Ms. PELOSI, Mr. ANDREWS, Mr. NEAL of Massachusetts, Mr. HOEFFEL, Mr. STUPAK, Mr. BALDACCI, Mr. HOLDEN, Mr. WEYGAND, Mr. WEXLER, Ms. DELAURO, Mr. BORSKI, Mr. HINCHEY, Mr. NADLER, Mr. MALONEY of Connecticut, and Mr. MEEHAN.

H.R. 4759: Mr. BUYER.

H.R. 4760: Mr. JENKINS, Mr. SANDERS, Mr. ROHRABACHER, Mr. KILDEE, Mr. FROST, and Mr. GUTIERREZ.

H.R. 4770: Mr. BERMAN.

H.R. 4793: Mr. BONILLA.

H.R. 4807: Mr. UPTON, Mr. DIXON, Mr. JEFFERSON, Mr. RANGEL, Mrs. NAPOLITANO, Ms. BERKLEY, Mr. WYNN, Mr. RODRIGUEZ, Mr. BACA, Ms. SANCHEZ, and Ms. MCCARTHY of Missouri.

H.R. 4817: Mr. SERRANO, Mr. MEEKS of New York, and Mrs. KELLY.

H.R. 4820: Mr. SCOTT.

H. Con. Res. 58: Ms. STABENOW, Mr. SKELTON, Mr. LARGENT, Ms. BALDWIN, Mrs. JONES of Ohio, and Mr. NEAL of Massachusetts.

H. Con. Res. 249: Mr. SHERMAN.

H. Con. Res. 308: Mr. MCHUGH, Mr. FARR of California, Mr. WOLF, Ms. MCKINNEY, Mr. BRADY of Pennsylvania, Mr. DAVIS of Illinois, Mr. TANCREDO, Mr. LIPINSKI, and Ms. STABENOW.

H. Con. Res. 340: Mrs. CAPPS, Ms. SANCHEZ, Mr. GARY MILLER of California, and Ms. JACKSON-LEE of Texas.

H. Con. Res. 356: Ms. DEGETTE and Ms. BERKLEY.

H. Con. Res. 364: Mr. DELAY, Mr. HOYER, Mr. BLUNT, Mr. WATTS of Oklahoma, Mr. DAVIS of Virginia, Mr. MASCARA, Mr. GREENWOOD, Mr. SHUSTER, Mr. MURTHA, Mr. TOOMEY, Mr. GEKAS, Mr. WELDON of Pennsylvania, Mr. FATTAH, Mr. DOYLE, Mr. HOLDEN, Mr. BRADY of Pennsylvania, Mr. PITTS, Mr. WALDEN of Oregon, Mr. KNOLLENBERG, Mr. GUTKNECHT, Mr. DOOLITTLE, Mr. EWING, Mr. REYNOLDS, Mr. MORAN of Kansas, Mr. SUNUNU, Mr. WATKINS, Mr. WELDON of Florida, Mr. MCINTOSH, Mrs. MCCARTHY of New York, Mr. DEMINT, Mrs. BIGGERT, Mr. COOKSEY, Mr. DICKEY, Mr. RILEY, Mr. TAUZIN, Mr. SWEENEY, Mr. BRADY of Texas, Mr. HULSHOF, Mr. ISAKSON, Mr. HAYWORTH, Mr. JONES of North Carolina, Mr. DUNCAN, Mr. DELAHUNT, Mr. CUNNINGHAM, Mr. RYUN of Kansas, Mr. WICKER, Ms. GRANGER, Mrs. NORTHUP, Ms. DUNN, Ms. ROS-LEHTINEN, Mr. SCHAFFER, Mr. GRAHAM, Mr. LATHAM, Mrs. BONO, Mr. HUNTER, Mr. SAXTON, Mr. SIMPSON, Mr. MCKEON, Mr. TIAHRT, Mr. BARTLETT of Maryland, Mr. LAZIO, Mr. SKEEN, Mrs. WILSON, Mr. SCARBOROUGH, Mr. LARGENT, Mr. GOODLATTE, Mr. BARRETT of Nebraska, Mr. CANNON, Mr. COX, and Mr. BILBRAY.

H. Con. Res. 368: Mr. FRANK of Massachusetts, Mr. FALEOMAVAEGA, Mr. PAYNE, and Mr. DAVIS of Illinois.

H. Res. 109: Mr. HOLT.

H. Res. 347: Mrs. MEEK of Florida.

H. Res. 398: Mr. WELDON of Pennsylvania, Mr. CUNNINGHAM, Mr. LATOURETTE, Mr. COOK, Mr. RUSH, Mrs. MCCARTHY of New York, Mr. ROEMER, Mr. ALLEN, Mrs. BONO, and Mr. POMBO.

H. Res. 430: Mr. BENTSEN.

H. Res. 458: Ms. DANNER, Ms. ROS-LEHTINEN, and Mr. WHITFIELD.

H. Res. 517: Mr. SKELTON, Mr. PAYNE, and Mr. FROST.

H. Res. 531: Mr. DEUTSCH.

## DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were deleted from public bills and resolutions as follows:

H.R. 4632: Mr. SOUDER.

## AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

### H.R. 4811

OFFERED BY: MR. BAKER

AMENDMENT NO. 29: At the end of the bill (preceding the short title), add the following:

### TITLE VII—ADDITIONAL GENERAL PROVISIONS

SEC. 701. None of the funds appropriated or otherwise made available in title II of this Act under the heading "DEVELOPMENT ASSISTANCE" or under the heading "ECONOMIC SUPPORT FUND" may be made available for the Government of the Republic of Panama unless the United States Government and the Government of the Republic of Panama have entered into good-faith negotiations for the conclusion of an agreement which provides for use by units of the United States Armed Forces of an appropriate military installation in the Republic of Panama for counternarcotics activities and the defense of the Panama Canal.

### H.R. 4811

OFFERED BY: MR. BEREUTER

AMENDMENT NO. 30: At the end of the bill (preceding the short title), add the following:

### TITLE VII—ADDITIONAL GENERAL PROVISIONS

PROHIBITION ON ASSUMPTION BY UNITED STATES GOVERNMENT OF LIABILITY FOR NUCLEAR ACCIDENTS IN NORTH KOREA

SEC. 701. (a) PROHIBITION.—None of the funds appropriated or otherwise made available by this Act may be used to enter into any international agreement, contract, or other arrangement, the purpose or effect of which is to impose liability on the United States Government, or otherwise require financial indemnity by the United States Government, for nuclear accidents that may occur at nuclear reactors in the Democratic People's Republic of Korea.

(b) EXCEPTION.—Subsection (a) shall not apply to any treaty subject to approval by the Senate pursuant to article II, section 2, clause 2 of the Constitution of the United States.

### H.R. 4811

OFFERED BY: MR. BROWN OF OHIO

AMENDMENT NO. 31: In title II of the bill under the heading "BILATERAL ECONOMIC ASSISTANCE—FUNDS APPROPRIATED TO THE PRESIDENT—AGENCY FOR INTERNATIONAL DEVELOPMENT CHILD SURVIVAL AND DISEASE PROGRAM FUND", after the first dollar amount insert "(increased by $40,000,000)" and in the fifth proviso after the fourth dollar amount (relating to other infectious diseases) insert "(increased by $40,000,000)".

In title IV of the bill under the heading "MULTILATERAL ECONOMIC ASSISTANCE–FUNDS APPROPRIATED TO THE PRESIDENT–CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND", after the dollar amount insert "(decreased by $40,000,000)".

### H.R. 4811

OFFERED BY: MR. BROWN OF OHIO

AMENDMENT NO. 32: At the end of the bill, insert after the last section (preceding the short title) the following new title:

### TITLE VII—LIMITATION PROVISIONS

SEC.    . No funds in this bill may be used in contravention of section 307 of the Tariff Act of 1930 (19 U.S.C. 1307).

### H.R. 4811

OFFERED BY: MR. CAPUANO

AMENDMENT NO. 33: Page 22, line 25, before the period insert the following: ": *Provided further*, That of the funds appropriated under this heading, $5,000,000 shall be made available to promote peace between Armenia and Azerbaijan and to promote democracy within those two countries through the establishment of an International Fund for the Armenia-Azerbaijan Peace and Democracy Initiative".

### H.R. 4811

OFFERED BY: MR. CAPUANO

AMENDMENT NO. 34:

Page 132, after line 12, insert the following:

## TITLE VII—ADDITIONAL GENERAL PROVISIONS

REPORTS RELATING TO TERMINATION OF UNILATERAL AGRICULTURAL OR MEDICAL SANCTIONS

Sec. 701. (a) Reports.—Not later than 1 year after the date on which the President terminates a unilateral agricultural sanction or unilateral medical sanction, the President shall prepare and transmit to Congress a report that contains a description of any occurrence of food or medicine that has been prevented from reaching intended populations by the foreign country or foreign entity involved, any occurrence of stockpiling of food or medicine by the country or entity involved, and any effort by the country or entity involved to foster distribution of food and medicine to the population.

(b) Definitions.—In this section:

(1) Agricultural commodity.—The term "agricultural commodity" has the meaning given the term in section 102 of the Agricultural Trade Act of 1978 (7 U.S.C. 5602).

(2) Agricultural program.—The term "agricultural program" means—

(A) any program administered under the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1691 et seq.);

(B) any program administered under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431);

(C) any program administered under the Agricultural Trade Act of 1978 (7 U.S.C. 5601 et seq.);

(D) the dairy export incentive program administered under section 153 of the Food Security Act of 1985 (15 U.S.C. 713a-14);

(E) any commercial export sale of agricultural commodities; or

(F) any export financing (including credits or credit guarantees) provided by the United States Government for agricultural commodities.

(3) Medical device.—The term "medical device" has the meaning given the term "device" in section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321).

(4) Medicine.—The term "medicine" has the meaning given the term "drug" in section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321).

(5) Unilateral agricultural sanction.—The term "unilateral agricultural sanction" means any prohibition, restriction, or condition on carrying out an agricultural program with respect to a foreign country or foreign entity that is imposed by the United States for reasons of foreign policy or national security, except in a case in which the United States imposes the measure pursuant to—

(A) a multilateral regime and the other member countries of that regime have agreed to impose substantially equivalent measures; or

(B) a mandatory decision of the United Nations Security Council.

(6) Unilateral medical sanction.—The term "unilateral medical sanction" means any prohibition, restriction, or condition on exports of, or the provision of assistance consisting of, medicine or a medical device with respect to a foreign country or foreign entity that is imposed by the United States for reasons of foreign policy or national security, except in a case in which the United States imposes the measure pursuant to—

(A) a multilateral regime and the other member countries of that regime have agreed to impose substantially equivalent measures; or

(B) a mandatory decision of the United Nations Security Council.

### H.R. 4811

Offered By: Mr. Coburn

Amendment No. 35: Page 16, line 9, after the dollar amount, insert the following: "(reduced by $15,000,000)".

Page 19, line 6, after the dollar amount, insert the following: "(increased by $15,000,000)".

### H.R. 4811

Offered By: Mr. Coburn

Amendment No. 36: Page 16, line 9, after the dollar amount, insert the following: "(reduced by $9,000,000)".

Page 30, line 8, after the dollar amount, insert the following: "(increased by $9,000,000)".

### H.R. 4811

Offered By: Mr. Coburn

Amendment No. 37: Page 19, line 22, insert before the period the following: ", except that such limitation shall not apply to reconstruction of the electrical power and water systems in Kosovo".

### H.R. 4811

Offered By: Mr. Conyers

Amendment No. 38: Strike section 558 of the bill (page 94, strike line 10 and all that follows through line 3 on page 95).

### H.R. 4811

Offered By: Mr. Filner

Amendment No. 39: In title II of the bill under the heading "OTHER BILATERAL ECONOMIC ASSISTNACE ECONOMIC ASSISTANCE-ECONOMIC SUPPORT FUND", add at the end before the period the following: ": *Provided further*, That of the funds appropriated under this heading, not less than $3,500,000 shall be made available for programs carried out by the Kurdish Human Rights Watch for the Kurdistan region of Iraq".

### H.R. 4811

Offered By: Mr. Hastings of Florida

Amendment No. 40: Page 6, line 25, after the dollar amount insert "(increased by $39,000,000)".

Page 26, line 5, after the dollar amount insert "(decreased by $39,000,000)".

### H.R. 4811

Offered By: Mr. Hastings of Florida

Amendment No. 41: Page 13, line 14, after the dollar amount insert "(increased by $10,000,000)".

Page 26, line 5, after the dollar amount insert "(decreased by $10,000,000)".

### H.R. 4811

Offered By: Mr. Hastings of Florida

Amendment No. 42: Page 26, line 5, after the dollar amount insert "(decreased by $3,000,000)".

Page 41, line 3, after the dollar amount insert "(increased by $3,000,000)".

### H.R. 4811

Offered By: Mr. Jackson of Illinois

Amendment No. 43: Under the heading "CONTRIBUTION TO THE AFRICAN DEVELOPMENT BANK," on page 41, line 3, strike "$3,100,000" and insert "$6,100,000."

On page 41, line 11, strike "$49,574,000" and insert "$95,983.000."

### H.R. 4811

Offered By: Ms. Jackson-Lee of Texas

Amendment No. 44: In title II of the bill under the heading "BILATERAL ECONOMIC ASSISTANCE-OTHER BILATERAL ECONOMIC ASSISTANCE-ECONOMIC SUPPORT FUND", after the first dollar amount insert "(increased by $15,000,000)".

In title II of the bill under the heading "BILATERAL ECONOMIC ASSISTANCE—OTHER BILATERAL ECONOMIC ASSISTANCE-ASSISTANCE FOR THE INDEPENDENT STATES OF THE FORMER SOVIET UNION", after the first dollar amount insert "(decreased by $15,000,000)".

### H.R. 4811

Offered By: Ms. Jackson-Lee of Texas

Amendment No. 45: In title II of the bill under the heading "BILATERAL ECONOMIC ASSISTANCE—FUNDS APPROPRIATED TO THE PRESIDENT—INTERNATIONAL DISASTER ASSISTANCE", after the first dollar amount insert "(decreased by $10,000,000)".

In title III of the bill under the heading "MILITARY ASSISTANCE—FUNDS APPROPRIATED TO THE PRESIDENT—PEACEKEEPING OPERATIONS", after the first dollar amount insert "(increased by $10,000,000)".

### H.R. 4811

Offered By: Ms. Jackson-Lee of Texas

Amendment No. 46: Page 132, after line 12, insert the following:

## TITLE VII—ADDITIONAL GENERAL PROVISIONS

LIMITATION ON FUNDS FOR COUNTRIES THAT USE CHILDREN AS SOLDIERS

Sec. 701. None of the funds appropriated or otherwise made available by this Act may be made available to the government of a country that—

(1) conscripts children under the age of 18 into the military forces of the country; or

(2) provides for the direct participation of children under the age of 18 in armed conflict.

### H.R. 4811

Offered By: Ms. Jackson-Lee of Texas

Amendment No. 47: Strike section 587 (page 124, strike line 4 and all that follows through line 15 on page 127).

### H.R. 4811

Offered By: Ms. Kaptur

Amendment No. 48: Page 132, after line 12, insert the following:

## TITLE VII—ADDITIONAL GENERAL PROVISIONS

LIMITATION ON ASSISTANCE TO THE GOVERNMENT OF UKRAINE

Sec. 701. The amount otherwise provided by this Act for assistance to the Government of Ukraine under the heading "ASSISTANCE FOR THE INDEPENDENT STATES OF THE FORMER SOVIET UNION", is hereby reduced by an amount equal to the amount of any claim outstanding on the date of the enactment of this Act by the United States Government, a United States business enterprise, or a United States private and voluntary organization against the Government of Ukraine or any Ukrainian business enterprise.

### H.R. 4811

Offered By: Mr. Latham

Amendment No. 49: Page 132, after line 12, insert the following new title:

## TITLE VII—OPPOSITION TO INTERNATIONAL FINANCIAL INSTITUTION LOANS THAT WOULD HURT UNITED STATES AGRICULTURE

OPPOSITION TO INTERNATIONAL FINANCIAL INSTITUTION LOANS THAT WOULD REDUCE THE COMPETITIVENESS OF UNITED STATES AGRICULTURE

Sec. 701. The Secretary of the Treasury shall instruct the United States Executive Director at each international financial institution (as defined in section 1701(c)(2) of the International Financial Institutions Act) to use the voice, vote, and influence of the United States to oppose any proposed loan by the institution that would reduce the competitiveness of United States agriculture.

H.R. 4811

Offered By: Mr. Menendez

Amendment No. 50: At the end of the bill, insert after the last section (preceding the short title) the following new title:

## TITLE VII—ADDITIONAL GENERAL PROVISIONS

**SEC. 701. PERU.**

(a) Sense of Congress.—It is the sense of Congress that—

(1) the Organization of American States (OAS) Electoral Observer Mission, led by Eduardo Stein, deserves the recognition and gratitude of the United States for having performed an extarodinary service in promoting representative democracy in the Americas by working to ensure free and fair elections in Peru and exposing efforts of the Government of Peru to manipulate the national elections in April and May of 2000 to benefit the president in power;

(2) the Government of Peru failed to establish the conditions for free and fair elections—both for the April 9, 2000, election as well as the May 28 run-off--by not taking effective steps to correct the 'insufficiencies, irregularities, inconsistencies, and inequities' documented by the OAS Electoral Observation Mission;

(3) the United States Government should support the work of the OAS high-level mission, and that such mission should base its specific recommendations on the views of civil society in Peru regarding commitments by their government to respect human rights, the rule of law, the independence and constitutional role of the judiciary and national congress, and freedom of expression and journalism; and

(4) in accordance with Public Law 106–186, the United States must review and modify as appropriate its political, economic, and military relations with Peru and work with other democracies in this hemisphere and elsewhere toward a restoration of democracy in Peru.

(b) Report.—

(1) Not later than 30 days after the date of the enactment of this Act, the Secretary of State shall submit to the appropriate committees of Congress a report evaluating United States political, economic, and military relations with Peru, in accordance with Public Law 106–186.

(2) Such report should review, but not be limited to, the following:

(A) The effectiveness of providing United States assistance to Peru only through independent non-governmental organizations or international organizations.

(B) Scrutiny of all United States anti-narcotics assistance to Peru and the effectiveness of providing such assistance through legitimate civilian agencies and the appropriateness of providing this assistance to any military or intelligence units that are known to have violated human rights, suppressed freedom of expression or undermined free and fair elections.

(C) The need to increase support to Peru through independent non-governmental organizations and international organizations to promote the rule of law, separation of powers, political pluralism, and respect for human rights, and to evaluate termination of support for entities that have cooperated with the undemocratic maneuvers of the executive branch.

(D) The effectiveness of United States policy of supporting loans or other assistance for Peru through international financial institutions (such as the World Bank and Inter-American Development Bank), and an evaluation of terminating support to entities of the Government of Peru that have willfully violated human rights, suppressed freedom of expression, or undermined free and fair elections.

(E) The extent to which Peru benefits from the Andean Trade Preferences Act and the ramifications of conditioning participation in that program on respect for the rule of law and representative democracy.

(c) Determination.—Not later than 90 days after the date of the enactment of this Act, the President shall determine and report to the appropriate committees of Congress whether the Government of Peru has made substantial progress in improving its respect for human rights, the rule of law (including fair trials of civilians), the independence and constitutional role of the judiciary and national congress, and freedom of expression and independent journalism.

(d) Prohibition.—Subject to subsections (e) and (f), if the President determines and reports pursuant to subsection (c) that the Government of Peru has not made substantial progress, no funds appropriated by this Act may be made available for assistance for the Government of Peru, and the Secretary of the Treasury shall instruct the United States executive directors to the international financial institutions to use the voice and vote of the United States to oppose loans to the Government of Peru.

(e) Exception.—The prohibition in subsection (d) shall not apply to loans to support basic human needs, humanitarian assistance, democracy assistance, anti-narcotics assistance, assistance to support binational peace activities involving Peru and Ecuador, assistance provided by the Overseas Private Investment Corporation, or assistance provided by the Trade and Development Agency.

(f) Waiver.—The President may waive subsection (d) for periods not to exceed 90 days if the President certifies to the appropriate committees of Congress that doing so is important to the national security interests of the United States and will promote the respect for human rights and the rule of law in Peru.

(g) Definition.—For the purposes of this section:

(1) The term "appropriate committees of Congress" means the Committee on Appropriations and the Committee on Foreign Relations of the Senate and the Committee on Appropriations and Committee on International Relations of the House of Representatives.

(2) The term "humanitarian assistance" includes, but is not limited to, assistance to support health and basic education.

H.R. 4811

Offered By: Mr. Nadler

Amendment No. 51: Page 130, after line 16, insert the following new section:

SENSE OF THE CONGRESS REGARDING SO-CALLED "HONOR CRIMES"

Sec. 592. (a) Findings.—The Congress finds the following:

(1) Thousands of women around the world are killed and maimed each year in the name of family "honor".

(2) The United Nations Commission on Human Rights, 56th Session, January 2000, working with the Special Rapporteurs on violence against women and extrajudicial, summary, or arbitrary executions, received reports of so-called "honor killings" from numerous countries, including Bangladesh, Jordan, India, and Pakistan, and noted that such killings take many forms, such as flogging, forced suicide, stoning, beheading, acid throwing, and burning.

(3) According to the Department of State's Country Reports on Human Rights Practices for 1999, "crimes of honor" in Bangladesh include acid-throwing and whipping of women accused of moral indiscretion.

(4) Authorities in Bangladesh estimate there will be up to 200 "honor killings" in that country this year.

(5) Thousands of Pakistani women and girls are stabbed, burned, or maimed every year by husbands, fathers, and brothers who accuse them of dishonoring their family by being unfaithful, seeking a divorce, or refusing an arranged marriage.

(6) Jordan, which had 20 reported "honor killings" in 1998, still has laws reducing the penalty for, or exempting perpetrators of "honor crimes", and the Jordanian Parliament has twice failed to repeal these laws.

(7) His Majesty King Abdullah of Jordan should be commended for the recent formation of Jordan's Royal Commission on Human Rights, chaired by Her Majesty Queen Rania, which will primarily address obstacles that prevent women and children from exercising their basic human rights, including the persistence of "honor crimes".

(8) Although India has made efforts to address the issue of "honor crimes", more than 5,000 "dowry deaths" occur every year in India, according to the United Nations Children's Fund (UNICEF), which reported in 1997 that a dozen women die each day in "kitchen fires" designed to be passed off as accidents because the woman's husband's family is dissatisfied over the size of the woman's dowry.

(9) Women accused of adultery in countries such as Afghanistan, the United Arab Emirates, Pakistan, and a host of other countries are subject to a maximum penalty of death by stoning.

(10) Even though "honor killings" may be outlawed, law enforcement and judicial systems often fail to properly investigate, arrest, and prosecute offenders and laws frequently permit reduction in sentences or exemptions from prosecution for those who "kill in the name of honor" typically resulting in a token punishment, impunity, and continued violence against women.

(11) The right to exist is the most fundamental of all rights and must be guaranteed to every individual without discrimination, and the perpetuation of "honor killings" and dowry deaths is a deliberate violation of women's human rights that should be universally condemned.

(b) Sense of the Congress Regarding So-Called "Honor Crimes".—It is the sense of the Congress that—

(1) the United States, through the United States Agency for International Development, should—

(A) work with foreign law enforcement and judicial agencies to enact legal system reforms to more effectively address the investigation and prosecution of so-called "honor crimes", and

(B) make resources available to local organizations to provide refuge and rehabilitation for women who are victims of "honor crimes" and the children of such women;

(2) the Department of State, when preparing yearly Country Reports on Human Rights Practices, should include—

(A) information relating to the incidence of "honor violence" in foreign countries;

(B) the steps taken by foreign governments to address the problem of "honor violence"; and

(C) all relevant actions taken by the United States, whether through diplomacy or foreign assistance programs, to reduce the incidence of "honor violence" and to increase investigations and prosecutions of such crimes;

(3) the United States should communicate to the United Nations its concern over the high rate of honor-related violence toward women worldwide and request that the appropriate United Nations bodies, in consultation with relevant nongovernmental organizations, propose actions to be taken to encourage these countries to demonstrate strong efforts to end such violence; and

(4) the President and the Secretary of State should communicate directly with leaders of countries where "honor killings", dowry deaths, and related practices are endemic, in order to convey the Nation's most serious concerns over these gross violations of human rights and urge these leaders to investigate and prosecute all such acts as murder, with the appropriate penalties.

H.R. 4811

Offered By: Mr. Payne

Amendment No. 52: Page 8, line 15, after the dollar amount insert "(increased by $28,000,000)".

H.R. 4811

Offered By: Mr. Payne

Amendment No. 53: Page 12, line 8, insert before the period the following: ": *Provided further*, That of the amount appropriated under this heading, not less than $500,000,000 shall be made available to carry out chapter 10 of part I of the Foreign Assistance Act of 1961".

H.R. 4811

Offered By: Mr. Payne

Amendment No. 54: Page 12, line 8, insert before the period the following: ": *Provided further*, That of the amounts appropriated under this heading, $500,000 shall be made available for a grant to the Office of the Facilitator of the National Dialogue for the peace process in the Democratic Republic of the Congo".

Strike section 567 of the bill (page 109, strike line 7 and all that follows through line 11).

H.R. 4811

Offered By: Mr. Payne

Amendment No. 55: Page 26, line 5, after "$305,000,000," insert "(decreased by $16,000,000)".

Page 38, line 6, after "$117,900,000" insert "(increased by $16,000,000)".

H.R. 4811

Offered By: Mr. Payne

Amendment No. 56: Page 119, line 24, after "SIERRA LEONE" insert "OR ANGOLA".

Page 120, line 6, after "(RUF)" insert ", or to National Union for the Total Independence of Angolo (UNITA)".

Page 120, line 8, before the period insert "or the democratically elected government of Angola, as the case may be".

Page 120, line 15, before the period insert "or in Angola".

H.R. 4811

Offered By: Mr. Payne

Amendment No. 57: Page 132, after line 12, insert the following:

## TITLE VII—ADDITIONAL GENERAL PROVISIONS

### ASSISTANCE FOR NATIONAL DEMOCRATIC ALLIANCE OF SUDAN

Sec. 701. (a) In General.—Of the funds appropriated under the heading "TITLE II—BILATERAL ECONOMIC ASSISTANCE–Other Bilateral Economic Assistance–economic support fund" for non-sub-Saharan African countries, not more than $15,000,000 shall be used, notwithstanding any other provision of law, to provide assistance to the National Democratic Alliance of Sudan to strengthen its ability to protect civilians from attacks, slave raids, and aerial bombardment by the Sudanese government forces and its militia allies.

(b) Definition.—In this section, the term "assistance" includes non-lethal, non-food aid such as blankets, medicine, fuel, mobile clinics, water drilling equipment, communications equipment to notify civilians of aerial bombardment, non-military vehicles, tents, and shoes.

H.R. 4811

Offered By: Ms. Pelosi

Amendment No. 58: Page 2, line 25, after the dollar amount insert "(decreased by $1,000)".

Page 30, line 8, after the dollar amount insert "(increased by $179,600,000).

Page 30, line 9, strike ": *Provided*" and insert the following ", of which $179,600,000 is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: *Provided*, That the $179,600,000 designated by this paragraph shall be available only to the extent an official budget request that includes designation of this amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: *Provided further*".

Page 132, after line 12, insert the following:

## TITLE VII—ADDITIONAL AMOUNTS FOR DEBT RESTRUCTURING

The following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2000, and for other purposes, namely:

### Department of the Treasury

### DEBT RESTRUCTURING

For an additional amount for "Debt Restructuring", $210,000,000 for a contribution to the "Heavily Indebted Poor Countries Trust Fund" of the International Bank for Reconstruction and Development (HIPC Trust Fund): *Provided*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: *Provided further*, That the entire amount shall be available only to the extent an official budget request, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress. For payment to the Heavily Indebted Poor Countries Trust Fund of the International Bank for Reconstruction and Development, there is authorized to be appropriated to the President $210,000,000 for fiscal year 2000.

H.R. 4811

Offered By: Ms. Pelosi

Amendment No. 59: Page 6, line 25, after the dollar amount insert "(increased by $42,000,000).

Page 7, line 21, after the first dollar amount insert "(increased by $42,000,000)".

Page 34, line 21, after the dollar amount insert "(decreased by $42,000,000)".

H.R. 4811

Offered By: Mr. Smith of Michigan

Amendment No. 60: Page 12, line 8, before the period insert the following: ": *Provided further*, That of the amount appropriated under this heading, $30,000,000 shall be made available for plant biotechnology research and development".

# EXTENSIONS OF REMARKS

## SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, July 13, 2000 may be found in the Daily Digest of today's RECORD.

## MEETINGS SCHEDULED

### JULY 17

1:30 p.m.
Aging
To hold hearings to examine end-of-life issues, focusing on improving care, easing pain, and helping families.
SD–628

### JULY 18

9:30 a.m.
Energy and Natural Resources
Business meeting to consider pending calendar business.
SD–366

Health, Education, Labor, and Pensions
To hold hearings on increases in prescrition drug costs.
SD–430

10:30 a.m.
Foreign Relations
To hold hearings to examine national security impliations of granting Permanent Normal Trade Relations statuts to communist China.
SD–419

2:30 p.m.
Agriculture, Nutrition, and Forestry
Production and Price Competitiveness Subcommittee
To hold hearings to examine the future of United States agricultural export program.
SR–328A

### JULY 19

9:30 a.m.
Energy and Natural Resources
Business meeting to consider pending calendar business.
SD–366

Health, Education, Labor, and Pensions
Business meeting to consider pending calendar business.
SD–430

Environment and Public Works
Fisheries, Wildlife, and Drinking Water Subcommittee
To hold oversight hearings on the Fish and Wildlife Services's administration of the Federal Aid Program.
SD–406

10 a.m.
Governmental Affairs
To hold hearings on certain legislative proposals and issues relevant to the operations of Inspectors General, including S. 870, to amend the Inspector General Act of 1978 (5 U.S.C. App.) to increase the efficiency and accountability of Offices of Inspecter General within Federal departments, and an Administrative proposal to grant statutory law enforcement authority to 23 Inspectors General.
SD–342

2:30 p.m.
Energy and Natural Resources
Water and Power Subcommittee
To hold oversight hearings on the status of the Biological Opinions of the National Marine Fisheries Service and the U.S. Fish and Wildlife Service on the operations of the Federal hydropower system of the Columbia River.
SD–366

Indian Affairs
To hold oversight hearings on activities of the National Indian Gaming Commission.
SR–485

Foreign Relations
To hold hearings to examine giving permanent normal trade relations status to Communist China, focusing on human rights, labor, trade and economic implications.
SD–419

### JULY 20

9 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings to examine implications of high energy prices on Unites States agriculture.
SR–328A

9:30 a.m.
Energy and Natural Resources
To hold oversight hearings on the United States General Accounting Office's investigation of the Cerro Grande Fire in the State of New Mexico, and from Federal agencies on the Cerro Grande Fire and their fire policies in general.
SD–366

Small Business
To hold hearings to examine the General Accounting Office's performance and accountability review.
SR–428A

10 a.m.
Indian Affairs
To hold hearings on S. 2688, to amend the Native American Languages Act to provide for the support of Native American Language Survival Schools.
SR–485

Foreign Relations
Near Eastern and South Asian Affairs Subcommittee
To hold hearings on issues relating to the governement of Afghanistan, focusing on the conduct of the Taliban (Militia tha rules Afghanistan).
SD–419

Banking, Housing, and Urban Affairs
To hold oversight hearings on the conduct of monetary policy by the Federal Reserve.
SH–216

2 p.m.
Energy and Natural Resources
Forests and Public Land Management Subcommittee
To hold hearings on S. 2754, to provide for the exchange of certain land in the State of Utah; S. 2757, to provide for the transfer or other disposition of certain lands at Melrose Air Force Range, New Mexico, and Yakima Training Center, Washington; and S. 2691, to provide further protections for the watershed of the Little Sandy River as part of the Bull Run Watershed Management Unit, Oregon.
SD–366

### JULY 21

9:30 a.m.
Energy and Natural Resources
Forests and Public Land Management Subcommittee
To hold oversight hearings on the Draft Environmental Impact Statement implementing the October 1999 announcement by the President to review approximately 40 million acres of national forest for increased protection.
SD–366

### JULY 25

9:30 a.m.
Armed Services
To hold hearings to examine the National Missile Defense Program.
SH–216

10 a.m.
Indian Affairs
To hold oversight hearings on the Native American Graves Protection and Repatriation Act.
SR–485

### JULY 26

9 a.m.
Small Business
Business meeting to markup S. 1594, to amend the Small Business Act and Small Business Investment Act of 1958.
SR–428A

Agriculture, Nutrition, and Forestry
To hold hearings to review the federal sugar program.
SR–328A

10 a.m.
Governmental Affairs
To hold hearings on S. 1801, to provide for the identification, collection, and

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

review for declassification of records and materials that are of extraordinary public interest to the people of the United States.

SD-342

2:30 p.m.

Energy and Natural Resources

Forests and Public Land Management Subcommittee

To hold oversight hearings on potential timber sale contract liability incurred by the government as a result of timber sale contract cancellations.

SD-366

Indian Affairs

To hold hearings on S. 2526, to amend the Indian Health Care Improvement Act to revise and extend such Act.

SR-485

JULY 27

9 a.m.

Agriculture, Nutrition, and Forestry

To hold hearings to review proposals to establish an international school lunch program.

SR-328A

SEPTEMBER 26

9:30 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs on the Legislative recommendation of the American Legion.

345 Cannon Building

# HOUSE OF REPRESENTATIVES—*Thursday, July 13, 2000*

The House met at 9 a.m. and was called to order by the Speaker pro tempore (Mr. PEASE).

## DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
*July 13, 2000.*

I hereby appoint the Honorable EDWARD A. PEASE to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
*Speaker of the House of Representatives.*

## PRAYER

The Reverend Father Peter M. Colapietro, Holy Cross Church, New York, New York, offered the following prayer:

Blessed are You, Lord God, Creator of all that was. Through You we live and move and have our being. All that we are and all that we will ever be as a Nation comes from Your goodness.

You have given this body the task of serving this Nation through justice and good law.

Let the light of Your divine wisdom direct the deliberations of all those gathered here and may that same light shine forth in all the proceedings and laws framed for our rule and government.

May they all seek to preserve peace, promote world and national happiness and continue to bring us the blessings of liberty and equality.

We ask for this through Your Holy Name. Amen.

## THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

## PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from California (Mr. FILNER) come forward and lead the House in the Pledge of Allegiance.

Mr. FILNER led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

## FATHER PETER COLAPIETRO

(Mr. SWEENEY asked and was given permission to address the House for 1 minute.)

Mr. SWEENEY. Mr. Speaker, it is indeed a pleasure to welcome Father Peter Colapietro, Pastor of the Holy Cross Church located in New York City's Hell's Kitchen.

Mr. Speaker, Father Peter has participated in a number of capacities, including having been with Holy Cross Church for the past 8 years.

Father Peter Colapietro is a very accomplished man, and I would like to just highlight a few of those accomplishments for Members of the House.

In 1992, he was appointed as member of the Mayor Citizens' Committee for Midtown. He has served in several capacities as chaplain in New York City departments and continues to serve a wide variety of our citizens, including serving as chaplain these days in the Department of Sanitation.

In addition, Father Colapietro was the president of the Washingtonville Neighborhood Association, chairman and cofounder of the Washingtonville Housing Partners, Incorporated, and a board member of both the Narcotics Guidance Council and Larchmont Mamaroneck Student Aid Fund.

Father Peter is a friend, a fellow New Yorker, a priest of the street, a priest of the people and comfortable in any situation, as we can tell today. It has been a pleasure to have him here, and I welcome his participation today.

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain other 1-minute requests at the conclusion of business today.

## GENERAL LEAVE

Mr. CALLAHAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and that I may include tabular and extraneous material on H.R. 4811.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

## FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 2001

The SPEAKER pro tempore. Pursuant to House Resolution 546 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 4811.

☐ 0905

### IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 4811) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2001, and for other purposes, with Mr. THORNBERRY in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on the legislative day of Wednesday, July 12, 2000, the amendment by the gentlewoman from Texas (Ms. JACKSON-LEE) had been disposed of, and the bill was open for amendment from page 13, line 10, through page 13, line 15.

Are there further amendments to this portion of the bill?

If not, the Clerk will read.

The Clerk read as follows:

### TRANSITION INITIATIVES

For necessary expenses for international disaster rehabilitation and reconstruction assistance pursuant to section 491 of the Foreign Assistance Act of 1961, $40,000,000, to remain available until expended, to support transition to democracy and to long-term development of countries in crisis: *Provided*, That such support may include assistance to develop, strengthen, or preserve democratic institutions and processes, revitalize basic infrastructure, and foster the peaceful resolution of conflict: *Provided further*, That the United States Agency for International Development shall submit a report to the Committees on Appropriations at least 5 days prior to beginning a program of assistance.

### MICRO AND SMALL ENTERPRISE DEVELOPMENT PROGRAM ACCOUNT

For the cost of direct loans and loan guarantees, $1,500,000, as authorized by section 108 of the Foreign Assistance Act of 1961: *Provided*, That such costs shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That guarantees of loans made under this heading in support of microenterprise activities may guarantee up to 70 percent of the principal amount of any such loans notwithstanding section 108 of the Foreign Assistance Act of 1961. In addition, for administrative expenses to carry out programs under this heading, $500,000, all of which may be transferred to and merged with the appropriation for Operating Expenses of the Agency for International Development: *Provided further*, That funds made available under this heading shall remain available until September 30, 2002.

### DEVELOPMENT CREDIT PROGRAM ACCOUNT

### (INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans and loan guarantees, $1,500,000, as authorized by section 635 of the Foreign Assistance Act of 1961: *Provided*, That such funds shall be made available only for urban and environmental programs: *Provided further*, That for the cost of direct loans and loan guarantees, up to $2,000,000 of funds appropriated by this Act under the heading "Development Assistance", may be transferred to and merged with funds appropriated under this heading to be made available for the purposes of part I of the Foreign Assistance Act of 1961: *Provided further*, That such costs shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That the provisions of section 107A(d) (relating to general provisions applicable to the Development Credit Authority) of the Foreign Assistance Act of 1961, as contained in section 306 of H.R. 1486 as reported by the House Committee on International Relations on May 9, 1997, shall be applicable to direct loans and loan guarantees provided under this heading. In addition, for administrative expenses to carry out credit programs administered by the Agency for International Development, $6,495,000, all of which may be transferred to and merged with the appropriation for Operating Expenses of the Agency for International Development: *Provided further*, That funds appropriated under this heading shall remain available until September 30, 2002.

### PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

For payment to the "Foreign Service Retirement and Disability Fund", as authorized by the Foreign Service Act of 1980, $44,489,000.

### OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT

For necessary expenses to carry out the provisions of section 667, $509,000,000: *Provided*, That, none of the funds appropriated under this heading may be made available to finance the construction (including architect and engineering services), purchase, or long term lease of offices for use by the Agency for International Development, unless the Administrator has identified such proposed construction (including architect and engineering services), purchase, or long term lease of offices in a report submitted to the Committees on Appropriations at least 15 days prior to the obligation of these funds for such purposes: *Provided further*, That the previous proviso shall not apply where the total cost of construction (including architect and engineering services), purchase, or long term lease of offices does not exceed $1,000,000.

### OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT OFFICE OF INSPECTOR GENERAL

For necessary expenses to carry out the provisions of section 667, $27,000,000, to remain available until September 30, 2002, which sum shall be available for the Office of the Inspector General of the Agency for International Development.

### OTHER BILATERAL ECONOMIC ASSISTANCE

### ECONOMIC SUPPORT FUND

For necessary expenses to carry out the provisions of chapter 4 of part II, $2,208,900,000, to remain available until September 30, 2002: *Provided*, That of the funds appropriated under this heading, not to exceed $840,000,000 shall be available only for Israel, which sum shall be available on a grant basis as a cash transfer and shall be disbursed within 30 days of the enactment of this Act or by October 31, 2000, whichever is later: *Provided further*, That not to exceed $695,000,000 shall be available only for Egypt, which sum shall be provided on a grant basis, and of which sum cash transfer assistance shall be provided with the understanding that Egypt will undertake significant economic reforms which are additional to those which were undertaken in previous fiscal years: *Provided further*, That in exercising the authority to provide cash transfer assistance for Israel, the President shall ensure that the level of such assistance does not cause an adverse impact on the total level of nonmilitary exports from the United States to such country and that Israel enters into a side letter agreement at least equivalent to the fiscal year 1999 agreement: *Provided further*, That of the funds appropriated under this heading not less than $12,000,000 should be made available for assistance for Mongolia: *Provided further*, That none of the funds appropriated under this heading shall be obligated for regional or global programs, except as provided through the regular notification procedures of the Committees on Appropriations.

### AMENDMENT NO. 39 OFFERED BY MR. FILNER

Mr. FILNER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 39 offered by Mr. FILNER:

In title II of the bill under the heading "OTHER BILATERAL ECONOMIC ASSISTANCE—ECONOMIC SUPPORT FUND", add at the end before the period the following: ": *Provided further*, That of the funds appropriated under this heading, not less than $3,500,000 shall be made available for programs carried out by the Kurdish Human Rights Watch for the Kurdistan region of Iraq".

The CHAIRMAN. Pursuant to the order of the House of Wednesday, July 12, 2000, the gentleman from California (Mr. FILNER) and a Member opposed each will control 5 minutes.

Mr. CALLAHAN. Mr. Chairman, I reserve a point of order on the gentleman's amendment.

The CHAIRMAN. The gentleman reserves a point of order.

The gentleman from California (Mr. FILNER) is recognized for 5 minutes on his amendment.

Mr. FILNER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, my amendment earmarks crucial funding in this bill for the Kurdish Human Rights Watch, a nonpolitical, nonprofit Kurdish-American service organization. For a decade and a half, this group has been working in Northern Iraq providing critical assistance to victims of torture and ethnic cleansing, rebuilding villages, teaching grassroots democracy building, monitoring human rights, and providing training on civil society.

Here is what the Kurdish Human Rights Watch does everyday. First, through community-based programs, it supports the urgent needs of Anfal victims, the internally displaced refugees and other victims of ethnic cleansing, torture and human rights abuses in Northern Iraq. A special emphasis is placed on helping women cope with grief of family loss and income. Outreach workers help each family conduct an assessment of their family's health and prevention plans. Counseling is provided alongside concentrated extensive case management for problems such as generating income, family reunification, and other survival issues.

Secondly, they assist in the rehabilitation and reconstruction of the destroyed infrastructure by years and years of war. The villagers most affected were women, children, and the elderly. With this aid, new wells will be drilled and pipes for drinking water supplied to the villages. The organization's engineers will help in the reconstruction of roads and houses.

Lastly, the Kurdish Human Rights Watch provides training focusing on coalition building and the importance of human rights, including civil society skills taught in workshops and community building experiences.

Mr. Chairman, this amendment will provide critical funding for an organization that enables individuals, families, and communities to develop healthy lives and to become economically self-sufficient.

With these funds, Kurdish Human Rights Watch will develop the building blocks for a free Iraq, a free Kurdish people and a nation where human rights and freedom are respected and guaranteed to all.

Mr. Chairman, in conclusion, I just want to switch microphones so I can be closer to the gentleman from Alabama (Chairman CALLAHAN). I ask the gentleman from Alabama (Chairman CALLAHAN), I beg the gentleman, I entreat the gentleman not to insist on his point of order. This is a technicality by our rules.

There are lots of precedents for this kind of earmark and amendment in the appropriations bills. I would hope that the suffering, the killing of a people in a very shaky part of the world would be aided by this Congress at this moment, and I ask the gentleman not to insist on his point of order.

Mr. Chairman, I reserve the balance of my time.

### POINT OF ORDER

Mr. CALLAHAN. Mr. Chairman, I make a point of order against the amendment, because it provides an appropriation for an unauthorized earmark and, therefore, violates clause 2 of rule XXI.

The CHAIRMAN. Does the gentleman from California (Mr. FILNER) wish to be heard on the point of order?

Mr. FILNER. Mr. Chairman, just briefly, again, the gentleman from Alabama (Chairman CALLAHAN) is insisting on a technical rule of the House. The gentleman knows and we all know that these rules are waived in dozens and dozens, if not hundreds of occasions throughout our appropriations bills. We are trying to help a suffering people here. I would just hope the gentleman would not insist on the point of order.

The CHAIRMAN. Does the gentlewoman from California (Ms. PELOSI) wish to be heard on the point of order?

Ms. PELOSI. Yes, I do, Mr. Chairman.

Mr. Chairman, I say to the distinguished chairman, the gentleman from Alabama (Mr. CALLAHAN), I understand the technicality of the point of order. I just wondered if the gentleman from Alabama (Mr. CALLAHAN) had any objection substantively or if it was just on the point of order.

Mr. CALLAHAN. Mr. Chairman, will the gentlewoman yield?

Ms. PELOSI. I yield to the gentleman from Alabama.

Mr. CALLAHAN. Mr. Chairman, I say to the gentlewoman from California (Ms. PELOSI), do I have any objection? Do I have any opposition to the substance did the gentlewoman say? No, I do not think so. I think that we cannot respond to everyone's request to violate the rules of the House. There have been ample opportunity for him to appear before our committee and for the committee to make these decisions.

### ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. The Chair would advise Members that it is inappropriate to yield when addressing the Chair on a point of order.

Does the gentlewoman from California (Ms. PELOSI) wish to be heard further on the point of order?

Ms. PELOSI. Mr. Chairman, I think the gentleman from Alabama (Mr. CALLAHAN) has spoken to that point of order.

The CHAIRMAN. The Chair is prepared to rule. The amendment proposes to earmark and require expenditure of not less than a certain level of funds in the bill. Under clause 2 of rule XXI, such an earmarking and establishment of a spending floor must be specifically authorized by law. The Chair has not been apprised of an authorization in law to support the proposed appropriation; accordingly, the point of order is sustained.

Are there further amendments to this portion of the bill?

If not, the Clerk will read.

The Clerk read as follows:

### INTERNATIONAL FUND FOR IRELAND

For necessary expenses to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961, $25,000,000, which shall be available for the United States contribution to the International Fund for Ireland and shall be made available in accordance with the provisions of the Anglo-Irish Agreement Support Act of 1986 (Public Law 99–415): *Provided*, That such amount shall be expended at the minimum rate necessary to make timely payment for projects and activities: *Provided further*, That funds made available under this heading shall remain available until September 30, 2002.

### ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC STATES

(a) For necessary expenses to carry out the provisions of the Foreign Assistance Act of 1961 and the Support for East European Democracy (SEED) Act of 1989, $535,000,000, to remain available until September 30, 2002, which shall be available, notwithstanding any other provision of law, for assistance and for related programs for Eastern Europe and the Baltic States: *Provided*, That of the funds appropriated under this heading not less than $5,000,000 should be made available for assistance for the Baltic States: *Provided further*, That funds made available for assistance for Kosovo from funds appropriated under this heading and under the headings "Economic Support Fund" and "International Narcotics Control and Law Enforcement" shall not exceed 15 percent of the total resources pledged by all donors for calendar year 2001 for assistance for Kosovo as of January 1, 2001, and shall not exceed $150,000,000: *Provided further*, That none of the funds made available under this Act for assistance for Kosovo shall be made available for large scale physical infrastructure reconstruction.

(b) Funds appropriated under this heading or in prior appropriations Acts that are or have been made available for an Enterprise Fund may be deposited by such Fund in interest-bearing accounts prior to the Fund's disbursement of such funds for program purposes. The Fund may retain for such program purposes any interest earned on such deposits without returning such interest to the Treasury of the United States and without further appropriation by the Congress. Funds made available for Enterprise Funds shall be expended at the minimum rate necessary to make timely payment for projects and activities.

(c) Funds appropriated under this heading shall be considered to be economic assistance under the Foreign Assistance Act of 1961 for purposes of making available the administrative authorities contained in that Act for the use of economic assistance.

(d) None of the funds appropriated under this heading may be made available for new housing construction or repair or reconstruction of existing housing in Bosnia and Herzegovina unless directly related to the efforts of United States troops to promote peace in said country.

(e) With regard to funds appropriated under this heading for the economic revitalization program in Bosnia and Herzegovina, and local currencies generated by such funds (including the conversion of funds appropriated under this heading into currency used by Bosnia and Herzegovina as local currency and local currency returned or repaid under such program) the Administrator of the Agency for International Development shall provide written approval for grants and loans prior to the obligation and expenditure of funds for such purposes, and prior to the use of funds that have been returned or repaid to any lending facility or grantee.

(f) The provisions of section 532 of this Act shall apply to funds made available under subsection (e) and to funds appropriated under this heading: *Provided*, That notwithstanding this subsection and subsection (e), and notwithstanding section 532 of this Act, local currencies generated by, or converted from, funds appropriated by this Act and by previous appropriations Acts and made available for the economic revitalization program in Bosnia may be used in Eastern Europe and the Baltic States to carry out the provisions of the Foreign Assistance Act of 1961 and the Support for East European Democracy (SEED) Act of 1989: *Provided further*, That the use of such local currencies shall be subject to the regular notification procedures of the Committees on Appropriations.

(g) The President is authorized to withhold funds appropriated under this heading made available for economic revitalization programs in Bosnia and Herzegovina, if he determines and certifies to the Committees on Appropriations that the Federation of Bosnia and Herzegovina has not complied with article III of annex 1–A of the General Framework Agreement for Peace in Bosnia and Herzegovina concerning the withdrawal of foreign forces, and that intelligence cooperation on training, investigations, and related activities between Iranian officials and Bosnian officials has not been terminated.

### ASSISTANCE FOR THE INDEPENDENT STATES OF THE FORMER SOVIET UNION

(a) For necessary expenses to carry out the provisions of chapters 11 and 12 of part I of the Foreign Assistance Act of 1961 and the FREEDOM Support Act, for assistance for the Independent States of the former Soviet Union and for related programs, $740,000,000, to remain available until September 30, 2002: *Provided*, That the provisions of such chapters shall apply to funds appropriated by this paragraph: *Provided further*, That such sums as may be necessary may be transferred to the Export-Import Bank of the United States for the cost of any financing under the Export-Import Bank Act of 1945 for activities for the Independent States: *Provided further*, That of the funds made available for the Southern Caucasus region, 15 percent should be used for confidence-building measures and other activities in furtherance of the peaceful resolution of the regional conflicts, especially those in the vicinity of Abkhazia and Nagorno-Karabagh.

(b) Of the funds appropriated under this heading, not less than 12.5 percent should be made available for assistance for Georgia.

(c) Of the funds appropriated under this heading, not less than 12.5 percent should be made available for assistance for Armenia.

(d) Section 907 of the FREEDOM Support Act shall not apply to—

(1) activities to support democracy or assistance under title V of the FREEDOM Support Act and section 1424 of Public Law 104–201;

(2) any assistance provided by the Trade and Development Agency under section 661 of the Foreign Assistance Act of 1961 (22 U.S.C. 2421);

(3) any activity carried out by a member of the United States and Foreign Commercial Service while acting within his or her official capacity;

(4) any insurance, reinsurance, guarantee, or other assistance provided by the Overseas Private Investment Corporation under title IV of chapter 2 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2191 et seq.);

(5) any financing provided under the Export-Import Bank Act of 1945; or

(6) humanitarian assistance.

(e) Not more than 25 percent of the funds appropriated under this heading may be made available for assistance for any country in the region. Activities authorized under title V (nonproliferation and disarmament programs and activities) of the FREEDOM Support Act shall not be counted against the 25 percent limitation.

(f)(1) Of the funds appropriated under this heading that are allocated for assistance for the Government of the Russian Federation, 50 percent shall be withheld from obligation until the President determines and certifies in writing to the Committees on Appropriations that the Government of the Russian Federation has terminated implementation of arrangements to provide Iran with technical expertise, training, technology, or equipment necessary to develop a nuclear reactor, related nuclear research facilities or programs, or ballistic missile capability.

(2) Paragraph (1) shall not apply to—

(A) assistance to combat infectious diseases and child survival activities; and

(B) activities authorized under title V (Nonproliferation and Disarmament Programs and Activities) of the FREEDOM Support Act.

(g) None of the funds appropriated under this heading may be made available for assistance for the Government of the Russian Federation until the Secretary of State certifies to the Committees on Appropriations that the Russian Federation is in compliance with article V of the Treaty on Conventional Armed Forces in Europe regarding forces deployed in the flank zone in and around Chechnya.

(h) Of the funds appropriated under this heading, not less than $45,000,000 should be made available, in addition to funds otherwise available for such purposes, for assistance for child survival, environmental health, and to combat infectious diseases, and for related activities.

### INDEPENDENT AGENCY

### PEACE CORPS

For necessary expenses to carry out the provisions of the Peace Corps Act (75 Stat. 612), $258,000,000, including the purchase of not to exceed five passenger motor vehicles for administrative purposes for use outside of the United States: *Provided*, That none of the funds appropriated under this heading shall be used to pay for abortions: *Provided further*, That funds appropriated under this heading shall remain available until September 30, 2002.

### DEPARTMENT OF STATE

### INTERNATIONAL NARCOTICS CONTROL AND LAW ENFORCEMENT

For necessary expenses to carry out section 481 of the Foreign Assistance Act of 1961, $305,000,000, to remain available until expended: *Provided*, That any funds made available under this heading for anti-crime programs and activities shall be made available subject to the regular notification procedures of the Committees on Appropriations: *Provided further*, That during fiscal year 2001, the Department of State may also use the authority of section 608 of the Foreign Assistance Act of 1961, without regard to its restrictions, to receive excess property from an agency of the United States Government for the purpose of providing it to a foreign country under chapter 8 of part I of that Act subject to the regular notification procedures of the Committees on Appropriations.

### MIGRATION AND REFUGEE ASSISTANCE

For expenses, not otherwise provided for, necessary to enable the Secretary of State to provide, as authorized by law, contributions to the International Committee of the Red Cross, assistance to refugees, including contributions to the International Organization for Migration and the United Nations High Commissioner for Refugees, and other activities to meet refugee and migration needs; salaries and expenses of personnel and dependents as authorized by the Foreign Service Act of 1980; allowances as authorized by sections 5921 through 5925 of title 5, United States Code; purchase and hire of passenger motor vehicles; and services as authorized by section 3109 of title 5, United States Code, $645,000,000, to remain available until expended: *Provided*, That not more than $14,852,000 shall be available for administrative expenses.

### UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

For necessary expenses to carry out the provisions of section 2(c) of the Migration and Refugee Assistance Act of 1962, as amended (22 U.S.C. 260(c)), $12,500,000, to remain available until expended: *Provided*, That the funds made available under this heading are appropriated notwithstanding the provisions contained in section 2(c)(2) of the Act which would limit the amount of funds which could be appropriated for this purpose.

### NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND RELATED PROGRAMS

For necessary expenses for nonproliferation, anti-terrorism and related programs and activities, $241,600,000, to carry out the provisions of chapter 8 of part II of the Foreign Assistance Act of 1961 for anti-terrorism assistance, section 504 of the FREEDOM Support Act for the Nonproliferation and Disarmament Fund, section 23 of the Arms Export Control Act or the Foreign Assistance Act of 1961 for demining activities, the clearance of unexploded ordnance, and related activities, notwithstanding any other provision of law, including activities implemented through nongovernmental and international organizations, section 301 of the Foreign Assistance Act of 1961 for a voluntary contribution to the International Atomic Energy Agency (IAEA) and a voluntary contribution to the Korean Peninsula Energy Development Organization (KEDO), and for a United States contribution to the Comprehensive Nuclear Test Ban Treaty Preparatory Commission: *Provided*, That the Secretary of State shall inform the Committees on Appropriations at least 20 days prior to the obligation of funds for the Comprehensive Nuclear Test Ban Treaty Preparatory Commission: *Provided further*, That of this amount not to exceed $15,000,000, to remain available until expended, may be made available for the Nonproliferation and Disarmament Fund, notwithstanding any other provision of law, to promote bilateral and multilateral activities relating to nonproliferation and disarmament: *Provided further*, That such funds may also be used for such countries other than the Independent States of the former Soviet Union and international organizations when it is in the national security interest of the United States to do so: *Provided further*, That such funds shall be subject to the regular notification procedures of the Committees on Appropriations: *Provided further*, That funds appropriated under this heading may be made available for the International Atomic Energy Agency only if the Secretary of State determines (and so reports to the Congress) that Israel is not being denied its right to participate in the activities of that Agency.

### DEPARTMENT OF THE TREASURY

### INTERNATIONAL AFFAIRS TECHNICAL ASSISTANCE

For necessary expenses to carry out the provisions of section 129 of the Foreign Assistance Act of 1961 (relating to international affairs technical assistance activities), $2,000,000, to remain available until expended, which shall be available nowithstanding any other provision of law.

### DEBT RESTRUCTURING

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of modifying loans and loan guarantees, as the President may determine, for which funds have been appropriated or otherwise made available for programs within the International Affairs Budget Function 150, including the cost of selling, reducing, or canceling amounts owed to the United States as a result of concessional loans made to eligible countries, pursuant to parts IV and V of the Foreign Assistance Act of 1961, and of modifying concessional credit agreements with least developed countries, as authorized under section 411 of the Agricultural Trade Development and Assistance Act of 1954, as amended, and concessional loans, guarantees and credit agreements, as authorized under section 572 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1989 (Public Law 100-461), $82,400,000, to remain available until expended: *Provided*, That of this amount, not less than $13,000,000 shall be made available to carry out the provisions of part V of the Foreign Assistance Act of 1961: *Provided further*, That funds appropriated or otherwise made available under this heading in this Act or under prior appropriations acts for foreign operations, export financing, and related programs may be used by the Secretary of the Treasury to pay to the Heavily Indebted Poor Country (HIPC) Trust Fund administered by the International Bank for Reconstruction and Development amounts for the benefit of countries that are eligible for debt reduction pursuant to title V of H.R. 3425 as enacted into law by section 1000(a)(5) of Public Law 106-113: *Provided further*, That amounts paid to the HIPC Trust Fund may be used only to fund debt reduction under the enhanced HIPC initiative by—

(1) the Inter-American Development Bank;

(2) the African Development Bank; and

(3) the Central American Bank for Economic Integration:

*Provided further*, That funds may not be paid to the HIPC Trust Fund for the benefit of any country that is credibly reported to be engaged in a consistent pattern of gross violations of internationally recognized human rights or in military or civil conflict that undermines its ability to develop and implement measures to alleviate poverty and to devote adequate human and financial resources to that end: *Provided further*, That 15 days prior to any agreement by the United States to make payments to the HIPC Trust Fund for the benefit of any country other than Bolivia and Mozambique, the Secretary of the Treasury shall submit a reprogramming request under the regular notification procedures of the Committees on Appropriations: *Provided further*, That prior to the payment of any amount to the HIPC Trust Fund to fund debt reduction by an international financial institution, the Secretary of the Treasury shall provide to the Committees on Appropriations, Banking and Financial Services, and International Relations of the House of Representatives, and the Committees on Appropriations, Banking, Housing and Urban Affairs, and Foreign Relations of the Senate—

(1) a written commitment by the institution that it will make no new market-rate loans to the HIPC member country beneficiary for a period of 30 months and no new concessional loans to the HIPC member country for a period of 9 months; and

(2) full documentation of any commitment by the HIPC member country to redirect its domestic budgetary resources from international debt repayments to private or public programs to alleviate poverty and promote economic growth that are additional to

those previously available for such purposes prior to participation in the enhanced HIPC Initiative:

*Provided further*, That any limitation of subsection (e) of section 411 of the Agricultural Trade Development and Assistance Act of 1954 shall not apply to funds appropriated under this heading: *Provided further*, That the authority provided by section 572 of Public Law 100-461 may be exercised only with respect to countries that are eligible to borrow from the International Development Association, but not from the International Bank for Reconstruction and Development, commonly referred to as "IDA-only" countries.

## TITLE III—MILITARY ASSISTANCE

### FUNDS APPROPRIATED TO THE PRESIDENT

### INTERNATIONAL MILITARY EDUCATION AND TRAINING

For necessary expenses to carry out the provisions of section 541 of the Foreign Assistance Act of 1961, $52,500,000, of which up to $1,000,000 may remain available until expended: *Provided*, That the civilian personnel for whom military education and training may be provided under this heading may include civilians who are not members of a government whose participation would contribute to improved civil-military relations, civilian control of the military, or respect for human rights: *Provided further*, That funds appropriated under this heading for grant financed military education and training for Indonesia and Guatemala may only be available for expanded international military education and training and funds made available for Indonesia may only be provided through the regular notification procedures of the Committees on Appropriations: *Provided further*, That none of the funds appropriated under this heading may be made available to support grant financed military education and training at the School of the Americas unless the Secretary of Defense certifies that the instruction and training provided by the School of the Americas is fully consistent with training and doctrine, particularly with respect to the observance of human rights, provided by the Department of Defense to United States military students at Department of Defense institutions whose primary purpose is to train United States military personnel: *Provided further*, That the Secretary of Defense shall submit to the Committees on Appropriations, no later than January 15, 2001, a report detailing the training activities of the School of the Americas and a general assessment regarding the performance of its graduates during 1998 and 1999: *Provided further*, That none of the funds appropriated under this heading may be made available to support grant financed military education and training at the School of the Americas unless the Secretary of State, without delegation, certifies that the instruction and training provided by the School of the Americas is consistent with United States foreign policy objectives and helps support the observance of human rights in Latin America.

### FOREIGN MILITARY FINANCING PROGRAM

For expenses necessary for grants to enable the President to carry out the provisions of section 23 of the Arms Export Control Act, $3,510,000,000: *Provided*, That of the funds appropriated under this heading, not to exceed $1,980,000,000 shall be available for grants only for Israel, and not to exceed $1,300,000,000 shall be made available for grants only for Egypt: *Provided further*, That the funds appropriated by this paragraph for Israel shall be disbursed within 30 days of the enactment of this Act or by October 31, 2000, whichever is later: *Provided further*, That it is the sense of Congress that it is very disturbed by reports that Israel is preparing to provide China with an airborne radar system that could threaten both the forces of democratic Taiwan and the United States in the region surrounding the Taiwan Strait. The Congress urges Israel to terminate the existing contract to sell an airborne radar system to the People's Republic of China: *Provided further*, That to the extent that the Government of Israel requests that funds be used for such purposes, grants made available for Israel by this paragraph shall, as agreed by Israel and the United States, be available for advanced weapons systems, of which not less than $520,000,000 should be available for the procurement in Israel of defense articles and defense services, including research and development: *Provided further*, That Foreign Military Financing Program funds estimated to be outlayed for Egypt during fiscal year 2001 shall be disbursed within 30 days of enactment of this Act or by October 31, 2000, whichever is later: *Provided further*, That funds appropriated by this paragraph shall be nonrepayable notwithstanding any requirement in section 23 of the Arms Export Control Act: *Provided further*, That funds made available under this paragraph shall be obligated upon apportionment in accordance with paragraph (5)(C) of title 31, United States Code, section 1501(a).

None of the funds made available under this heading shall be available to finance the procurement of defense articles, defense services, or design and construction services that are not sold by the United States Government under the Arms Export Control Act unless the foreign country proposing to make such procurements has first signed an agreement with the United States Government specifying the conditions under which such procurements may be financed with such funds: *Provided*, That all country and funding level increases in allocations shall be submitted through the regular notification procedures of section 515 of this Act: *Provided further*, That none of the funds appropriated under this heading shall be available for assistance for Sudan and Liberia: *Provided further*, That funds made available under this heading may be used, notwithstanding any other provision of law, for demining, the clearance of unexploded ordnance, and related activities, and may include activities implemented through nongovernmental and international organizations: *Provided further*, That none of the funds appropriated under this heading shall be available for assistance for Guatemala: *Provided further*, That only those countries for which assistance was justified for the "Foreign Military Sales Financing Program" in the fiscal year 1989 congressional presentation for security assistance programs may utilize funds made available under this heading for procurement of defense articles, defense services or design and construction services that are not sold by the United States Government under the Arms Export Control Act: *Provided further*, That funds appropriated under this heading shall be expended at the minimum rate necessary to make timely payment for defense articles and services: *Provided further*, That not more than $30,495,000 of the funds appropriated under this heading may be obligated for necessary expenses, including the purchase of passenger motor vehicles for replacement only for use outside of the United States, for the general costs of administering military assistance and sales: *Provided further*, That not more than $340,000,000 of funds realized pursuant to section 21(e)(1)(A) of the Arms Export Control Act may be obligated for expenses incurred by the Department of Defense during fiscal year 2001 pursuant to section 43(b) of the Arms Export Control Act, except that this limitation may be exceeded only through the regular notification procedures of the Committees on Appropriations: *Provided further*, That none of the funds made available under this heading shall be available for any non-NATO country participating in the Partnership for Peace Program except through the regular notification procedures of the Committees on Appropriations.

### PEACEKEEPING OPERATIONS

For necessary expenses to carry out the provisions of section 551 of the Foreign Assistance Act of 1961, $117,900,000: *Provided*, That none of the funds appropriated under this heading shall be obligated or expended except as provided through the regular notification procedures of the Committees on Appropriations.

## TITLE IV—MULTILATERAL ECONOMIC ASSISTANCE

### FUNDS APPROPRIATED TO THE PRESIDENT

### INTERNATIONAL FINANCIAL INSTITUTIONS

### GLOBAL ENVIRONMENT FACILITY

For the United States contribution for the Global Environment Facility, $35,800,000, to the International Bank for Reconstruction and Development as trustee for the Global Environment Facility, by the Secretary of the Treasury, to remain available until expended.

### CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION

For payment to the International Development Association by the Secretary of the Treasury, $576,600,000, to remain available until expended: *Provided:* That the Secretary of the Treasury shall: (1) seek to ensure to the maximum extent possible that for countries eligible for debt reduction under the enhanced Heavily Indebted Poor Country (HIPC) Initiative that have reached the completion point, the terms of new assistance by the International Development Association shall be on grant terms; and (2) submit a report to the Speaker of the House of Representatives, the President of the Senate, and the Committees on Appropriations no later than June 30, 2001, on the progress achieved in achieving the objective in paragraph (1): *Provided further*, That $10,000,000 shall be withheld from obligation until Congress is in receipt of said report: *Provided further*, That in negotiating United States participation in the next replenishment of the International Development Association, the Secretary of the Treasury shall accord high priority to providing the International Development Association with the policy flexibility to provide new grant assistance to countries eligible for debt reduction under the enhanced HIPC Initiative.

### CONTRIBUTION TO THE MULTILATERAL INVESTMENT GUARANTEE AGENCY

For payment to the Multilateral Investment Guarantee Agency by the Secretary of the Treasury, $4,900,000, for the United States paid-in share of the increase in capital stock, to remain available until expended.

□ 0915

### AMENDMENT NO. 19 OFFERED BY MR. ROYCE

Mr. ROYCE. Mr. Chairman, I offer an amendment, and I ask unanimous consent to reach ahead in order to consider this amendment en bloc.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 19 offered by Mr. ROYCE:

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Page 39, strike line 19 and all that follows through line 6 on page 40.

The CHAIRMAN. Is there objection to the request of the gentleman from California to consider the amendment at this point?

Mr. CALLAHAN. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. ROYCE. Well, let me proceed, Mr. Chairman. This amendment goes to the issue——

The CHAIRMAN. The gentleman will suspend. Does the gentleman from California (Mr. ROYCE) have another amendment to offer to this section of the bill?

Mr. ROYCE. I have the amendment printed in the RECORD.

The CHAIRMAN. An objection was heard to the consideration of this amendment because of the provision that reaches ahead to another portion of the bill.

If the gentleman does not have another amendment to this section of the bill, the Clerk will continue to read.

### PARLIAMENTARY INQUIRY

Mr. JACKSON of Illinois. Parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman from Illinois will state his parliamentary inquiry.

Mr. JACKSON of Illinois. Mr. Chairman, it is my understanding that the amendment of the gentleman from California, which is designated to strike $4.9 million from the Multilateral Investment Guarantee Agency is obviously critical to the next amendment because it stands fundamentally as the offset of the next amendment that I am offering to be considered.

So I am hoping that we are able to determine the status of the Royce amendment because it does have implications for subsequent amendments.

The CHAIRMAN. The amendment that the gentleman from California (Mr. ROYCE) sought to offer required unanimous consent to be offered because it amended more than one paragraph of the bill. An objection was heard to consideration of that amendment, therefore, the amendment en bloc by the gentleman from California (Mr. ROYCE) is not in order in its preprinted form.

Mr. JACKSON of Illinois. Mr. Chairman, my understanding under the unanimous consent request last night is that the gentleman from California (Mr. ROYCE) was entitled, under the agreement, to speak on his amendment for 10 minutes and that this was the appropriate location for that amendment and the discussion this morning.

The CHAIRMAN. The Chair would reply to the gentleman from Illinois that the time agreements agreed to under the order of the House apply only if the amendment is otherwise in order. There were no waivers of other provisions that may apply that prevent an amendment from being in order, and such is the case here with the amendment offered by the gentleman from California (Mr. ROYCE).

Ms. PELOSI. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to urge the distinguished gentleman from Alabama (Chairman CALLAHAN) to reconsider his point of order. I know that the amendment of the gentleman from Illinois (Mr. JACKSON) is in the unanimous consent request of last night as is the amendment of the gentleman from California (Mr. ROYCE).

I think that it is not in violation of the spirit of the unanimous consent request as I see it, and if it is in the view of the gentleman from Alabama (Chairman CALLAHAN), I would hope that he would reconsider because we worked very late into the night, as he knows. We are trying to accommodate Members' schedules so that we can leave here today in a timely fashion. I would hope not to cast any doubt on the credibility of the unanimous consent request when the gentleman from California (Mr. ROYCE) and the gentleman from Illinois (Mr. JACKSON) are clearly listed among those amendments that would be in order.

So I, as the ranking member on the committee, would hope that the gentleman from Alabama (Chairman CALLAHAN) would remove his objection to the unanimous consent request that is being posed here.

Perhaps the gentleman from California (Mr. ROYCE) could repeat his request to give the gentleman from Alabama (Chairman CALLAHAN) another chance to have a clearer view of what it is.

Mr. Chairman, I yield to the gentleman from California (Mr. ROYCE).

Mr. ROYCE. Mr. Chairman, I thank the gentlewoman from California for yielding to me. I appreciate her efforts here.

Again, my request was to reach ahead in order to present my amendment en bloc.

Ms. PELOSI. Mr. Chairman, reclaiming my time, as the gentleman from Alabama (Mr. CALLAHAN) understands, the amendment of the gentleman from Illinois (Mr. JACKSON) is offset from MIGA, which is contingent upon the amendment of the gentleman from California (Mr. ROYCE) being heard.

Mr. CALLAHAN. Mr. Chairman, will the gentlewoman yield?

Ms. PELOSI. I am pleased to yield to the gentleman from Alabama.

Mr. CALLAHAN. Mr. Chairman, as the gentlewoman from California knows, we have worked until 2 o'clock this morning, but we have been working for 6 months on this bill. The gentleman from California (Mr. ROYCE), as other Members of Congress, has had ample opportunity to contact us and discuss his needs. We do not think we have heard from him.

If we start giving unanimous consent requests every Johnny-come-lately amendment that violates the rules we have adopted, we will be here forever. So I am trying to expedite the proceedings here in the House.

I still object.

Ms. PELOSI. Mr. Chairman, reclaiming my time, is it the understanding of the gentleman from Alabama that the amendment is printed in the RECORD and is in the unanimous consent, but, just for point of clarification, would the gentleman from Illinois (Mr. JACKSON) be able to propose his amendment regarding the African Development Bank with the offset from MIGA?

Mr. CALLAHAN. Mr. Chairman, will the gentlewoman yield?

Ms. PELOSI. I yield to the gentleman from Alabama.

Mr. CALLAHAN. No, Mr. Chairman, he would not, because his amendment is really an amendment to the amendment of the gentleman from California (Mr. ROYCE). The gentleman from California (Mr. ROYCE) is taking about $5 million out of the bill. The gentleman from Illinois (Mr. JACKSON) is putting it back in. So, no, his amendment, I do not think, would be appropriate because there was no removal of the money he seeks to get.

Ms. PELOSI. But nonetheless, Mr. Chairman, when we have had offsets, they have been self-contained in one amendment; that is to say, if the gentleman from Illinois (Mr. JACKSON) wanted to increase the funding at the African Development Bank as he does, and he has an offset at MIGA.

Mr. CALLAHAN. Mr. Chairman, if the gentlewoman will further yield, I think he has already tried. But, yes, I think the gentleman from Illinois (Mr. JACKSON), if his amendment is in order, then we will debate his amendment. But, no, amendments that are not made in order and require unanimous consent today I do not think, out of deference to our colleagues who we promised we would expeditiously get through this thing out of deference to the gentlewoman and those of us who stayed here last night and worked until 2 o'clock to try to accomplish this, if we start having unanimous consent requests, it is going to delay the process until Saturday. So I am going to object.

The CHAIRMAN. If there are no further amendments to this section of the bill, the Clerk will continue to read.

The Clerk will read.

The Clerk read as follows:

### LIMITATION ON CALLABLE CAPITAL

The United States Governor of the Multilateral Investment Guarantee Agency may subscribe without fiscal year limitation for the callable capital portion of the United

States share of such capital stock in an amount not to exceed $24,500,000.

### CONTRIBUTION TO THE INTER-AMERICAN INVESTMENT CORPORATION

For payment to the Inter-American Investment Corporation, by the Secretary of the Treasury, $8,000,000, for the United States share of the increase in subscriptions to capital stock, to remain available until expended.

### CONTRIBUTION TO THE ENTERPRISE FOR THE AMERICAS MULTILATERAL INVESTMENT FUND

For payment to the Enterprise for the Americas Multilateral Investment Fund by the Secretary of the Treasury, for the United States contribution to the fund, $10,000,000, to remain available until expended.

### CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND

For the United States contribution by the Secretary of the Treasury to the increase in resources of the Asian Development Fund, as authorized by the Asian Development Bank Act, as amended, $72,000,000, to remain available until expended.

### CONTRIBUTION TO THE AFRICAN DEVELOPMENT BANK

For payment to the African Development Bank by the Secretary of the Treasury, $3,100,000, for the United States paid-in share of the increase in capital stock, to remain available until expended.

### AMENDMENT NO. 43 OFFERED BY MR. JACKSON OF ILLINOIS

Mr. JACKSON of Illinois. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 43 offered by Mr. JACKSON of Illinois:

Under the heading "CONTRIBUTION TO THE AFRICAN DEVELOPMENT BANK," on page 41, line 3, strike "$3,100,000" and insert "$6,100,000".

On page 41, line 11, strike "$49,574,000" and insert "$95,983,000".

Mr. CALLAHAN. Mr. Chairman, I reserve a point of order on the amendment of the gentleman from Illinois.

The CHAIRMAN. The gentleman from Alabama (Mr. CALLAHAN) reserves a point of order on the amendment.

Pursuant to the order of the House of Wednesday, July 12, 2000, the gentleman from Illinois (Mr. JACKSON) and a Member opposed each will control 5 minutes on the amendment.

The Chair recognizes the gentleman from Illinois (Mr. JACKSON).

Mr. JACKSON of Illinois. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, my amendment is very simple. My amendment increases funding for the African Development Bank by $3 million to a total of $6.1 million, the original request by the administration and the amount approved by the Senate.

I am not completely sure about the reasons that the House continues to short fund the African Development Bank, but let me tell my colleagues why I think the House should support my amendment.

Five years ago, the African Development Bank was in serious trouble. Management was in disarray, and they had exhibited poor financials. What a difference 5 years has made, however. Since then, the United States has led top-to-bottom reform with new management, a total rewrite of the Charter, scrubbed balance sheets and restructuring of capital and voting shares. Steady and determined United States engagement in the institution, including erasing our arrears, has gained us the leading voice in the leading African Development Institution.

In recent years, the primary United States objective with the African Development Bank has been to support and promote fundamental management and operational reforms. Specific reforms achieved include a complete reorganization with significant staff cuts, including the replacement of 70 percent of its managers. Senior officials, including board members, are now subject to term limits, and the private sector development unit has been upgraded. Independent units for Risk Management, Financial Control, Procurement, and Environment were created and staffed while major progress has been made and achieved in reforming the bank's procurement system.

The proportion of total arrears to outstanding loans has been significantly reduced through a stronger arrears clearance policy, and a disbursement of new bank resources to the African Development Bank is tied to reform implementation. On top of all of this, an information disclosure policy that was developed in partnership with the NGOs is now in place. What a change in just 5 years.

To ensure local interest as well as our own national interest, new protective procedures are in place. There is now increased nonregional ownership of the bank to 40 percent, with new voting rules requiring a 70 percent supermajority on major issues. These changes guarantee that key actions can be blocked and no substantive decision can be taken without substantial nonregional support.

Financial rating. These changes have resonated throughout the financing and bond rating community. All recent evaluations of the AfDB by private rating agencies, Moody's, Standard & Poors, Fitch/IBCA, acknowledge that the institution has been through an in-depth reform following the management shuffle implemented by President Kabbaj in 1995. President Kabbaj has implemented major reforms affecting nearly all areas of the bank: credit policy, asset-liability management, development of lending activities.

As a result of these reforms, the credit rating agencies have raised the AfDB's rating for its highly rated nonregional shareholders.

To quote the Fitch/IBCA rating agency, "These reforms help restore the confidence of the shareholders, notably in non-African countries which . . . now attach increasing importance to the Bank's capacity to remain economically viable."

Another quote states, "Moody's rates the long-term debt of African Development Bank AAA . . . At these levels, the AfDB is rated at the top of Moody's rating scale. . . ."

The United States has a major stake in the successful development in Africa and is now engaged more intensively than ever. The African Development Bank, through hard loan operations and concessional financing, is uniquely positioned to help advance our interests and economic development in the region. United States investment in the Bank produces significant leverage: historically for every one United States dollar paid in capital, the bank has loaned about $120. What an amazing return.

Steady and determined United States engagement in this institution, Mr. Chairman, including erasing our arrears, has gained us the leading voice in leading the African development institution. In light of solid progress on this wide-ranging reform agenda, the United States has agreed to participate in the 8-year, $41 million, 5th General Capital Increase for the Bank authorized by Congress in fiscal year 2000.

We have seen that active United States engagement has produced sweeping reforms in Bank operations to strengthen its balance sheet, internal governance, and effectiveness. At a time when an effective United States role in Africa has never been more important, our support of the African Development Bank is a modest, but essential, investment in our future. We need to deliver upon our commitments.

Mr. CALLAHAN. Mr. Chairman, continuing to reserve my point of order, I just would remind the gentleman from Illinois (Mr. JACKSON) that, at his request, if he will recall, there was zero in the bill for the African Development Bank, and out of deference to the gentleman from Illinois, because he is a distinguished member of our subcommittee, I think we have been most generous. As I have expressed to the gentleman from Illinois, the bill now includes the $3.1 million, which made a significant step toward protecting the African Development Bank. But that is as much as we can do.

□ 0930

In any event, we have already spent all of the money that has been allocated. There is no more money available. So the gentleman's amendment would be out of order.

### POINT OF ORDER

Mr. CALLAHAN. Mr. Chairman, I make a point of order against the amendment because it is in violation of section 302(f) of the Congressional Budget Act of 1974. The Committee on

Appropriations filed a suballocation of budget totals for fiscal year 2001 on July 12, 2000, House Report 106-729. This amendment would provide new budget authority in excess of the subcommittee allocation made under section 302(b) and is not permitted under section 302(b) of the act.

The CHAIRMAN. Does the gentleman from Illinois (Mr. JACKSON) wish to be heard on the point of order?

Mr. JACKSON of Illinois. I would, Mr. Chairman.

I had hoped, Mr. Chairman, that the gentleman would not object to the gentleman from California's unanimous consent request, because that unanimous consent request would have provided the necessary offset for my amendment that would have made my amendment in compliance with the gentleman's stated prior reasons for his objections.

Because the gentleman has objected, I have no choice but to concede the point of order.

The CHAIRMAN. The gentleman concedes the point of order.

The amendment offered by the gentleman from Illinois (Mr. JACKSON) would increase the level of new discretionary budget authority in the bill, in breach of the applicable allocation of such authority, as estimated by the Committee on the Budget pursuant to section 312 of the Budget Act and, as such, the amendment violates section 302(f) of the Budget Act.

The point of order is sustained and the amendment is not in order.

Are there further amendments to this portion of the bill?

If not, the Clerk will read.

The Clerk read as follows:

### LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the African Development Bank may subscribe without fiscal year limitation for the callable capital portion of the United States share of such capital stock in an amount not to exceed $49,574,000.

### CONTRIBUTION TO THE AFRICAN DEVELOPMENT FUND

For the United States contribution by the Secretary of the Treasury to the increase in resources of the African Development Fund, $72,000,000, to remain available until expended.

### CONTRIBUTION TO THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

For payment to the European Bank for Reconstruction and Development by the Secretary of the Treasury, $35,778,717, for the United States share of the paid-in portion of the increase in capital stock, to remain available until expended.

### LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the European Bank for Reconstruction and Development may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed $123,237,803.

### CONTRIBUTION TO THE INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

For the United States contribution by the Secretary of the Treasury to increase the resources of the International Fund for Agricultural Development, $5,000,000, to remain available until expended.

### INTERNATIONAL ORGANIZATIONS AND PROGRAMS

For necessary expenses to carry out the provisions of section 301 of the Foreign Assistance Act of 1961, and of section 2 of the United Nations Environment Program Participation Act of 1973, $183,000,000: *Provided*, That none of the funds appropriated under this heading shall be made available for the United Nations Fund for Science and Technology: *Provided further*, That not less than $5,000,000 should be made available to the World Food Program: *Provided further*, That none of the funds appropriated under this heading may be made available to the Korean Peninsula Energy Development Organization (KEDO) or the International Atomic Energy Agency (IAEA).

## TITLE V—GENERAL PROVISIONS

### OBLIGATIONS DURING LAST MONTH OF AVAILABILITY

SEC. 501. Except for the appropriations entitled "International Disaster Assistance", and "United States Emergency Refugee and Migration Assistance Fund", not more than 15 percent of any appropriation item made available by this Act shall be obligated during the last month of availability.

### PROHIBITION OF BILATERAL FUNDING FOR INTERNATIONAL FINANCIAL INSTITUTIONS

SEC. 502. Notwithstanding section 614 of the Foreign Assistance Act of 1961, none of the funds contained in title II of this Act may be used to carry out the provisions of section 209(d) of the Foreign Assistance Act of 1961: *Provided*, That none of the funds appropriated by title II of this Act may be transferred by the Agency for International Development directly to an international financial institution (as defined in section 533 of this Act) for the purpose of repaying a foreign country's loan obligations to such institution.

### LIMITATION ON RESIDENCE EXPENSES

SEC. 503. Of the funds appropriated or made available pursuant to this Act, not to exceed $126,500 shall be for official residence expenses of the Agency for International Development during the current fiscal year: *Provided*, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars.

### LIMITATION ON EXPENSES

SEC. 504. Of the funds appropriated or made available pursuant to this Act, not to exceed $5,000 shall be for entertainment expenses of the Agency for International Development during the current fiscal year.

### LIMITATION ON REPRESENTATIONAL ALLOWANCES

SEC. 505. Of the funds appropriated or made available pursuant to this Act, not to exceed $95,000 shall be available for representation allowances for the Agency for International Development during the current fiscal year: *Provided*, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars: *Provided further*, That of the funds made available by this Act for general costs of administering military assistance and sales under the heading "Foreign Military Financing Program", not to exceed $2,000 shall be available for entertainment expenses and not to exceed $50,000 shall be available for representation allowances: *Provided further*, That of the funds made available by this Act under the heading "International Military Education and Training", not to exceed $50,000 shall be available for entertainment allowances: *Provided further*, That of the funds made available by this Act for the Inter-American Foundation, not to exceed $2,000 shall be available for entertainment and representation allowances: *Provided further*, That of the funds made available by this Act for the Peace Corps, not to exceed a total of $4,000 shall be available for entertainment expenses: *Provided further*, That of the funds made available by this Act under the heading "Trade and Development Agency", not to exceed $2,000 shall be available for representation and entertainment allowances.

### PROHIBITION ON FINANCING NUCLEAR GOODS

SEC. 506. None of the funds appropriated or made available (other than funds for "Nonproliferation, Anti-terrorism, Demining and Related Programs") pursuant to this Act, for carrying out the Foreign Assistance Act of 1961, may be used, except for purposes of nuclear safety, to finance the export of nuclear equipment, fuel, or technology.

### PROHIBITION AGAINST DIRECT FUNDING FOR CERTAIN COUNTRIES

SEC. 507. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance or reparations to Cuba, Iraq, Libya, North Korea, Iran, Sudan, or Syria: *Provided*, That for purposes of this section, the prohibition on obligations or expenditures shall include direct loans, credits, insurance and guarantees of the Export-Import Bank or its agents.

### MILITARY COUPS

SEC. 508. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance to any country whose duly elected head of government is deposed by decree or military coup: *Provided*, That assistance may be resumed to such country if the President determines and reports to the Committees on Appropriations that subsequent to the termination of assistance a democratically elected government has taken office.

### TRANSFERS BETWEEN ACCOUNTS

SEC. 509. None of the funds made available by this Act may be obligated under an appropriation account to which they were not appropriated, except for transfers specifically provided for in this Act, unless the President, prior to the exercise of any authority contained in the Foreign Assistance Act of 1961 to transfer funds, consults with and provides a written policy justification to the Committees on Appropriations of the House of Representatives and the Senate.

### DEOBLIGATION/REOBLIGATION AUTHORITY

SEC. 510. Obligated balances of funds appropriated to carry out section 23 of the Arms Export Control Act as of the end of the fiscal year immediately preceding the current fiscal year are, if deobligated, hereby continued available during the current fiscal year for the same purpose under any authority applicable to such appropriations under this Act: *Provided*, That the authority of this subsection may not be used in fiscal year 2001.

### AVAILABILITY OF FUNDS

SEC. 511. No part of any appropriation contained in this Act shall remain available for obligation after the expiration of the current fiscal year unless expressly so provided in this Act: *Provided*, That funds appropriated for the purposes of chapters 1, 8, 11, and 12 of part I, section 667, and chapter 4 of part II of the Foreign Assistance Act of 1961, as amended, and funds provided under the heading "Assistance for Eastern Europe and the Baltic States", shall remain available until expended if such funds are initially obligated before the expiration of their respective periods of availability contained in this Act: *Provided further*, That, notwithstanding any other provision of this Act, any funds made available for the purposes of chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961 which are allocated or obligated for cash disbursements in order to address balance of payments or economic policy reform objectives, shall remain available until expended: *Provided further*, That, effective upon enactment into law of this Act, the final proviso under the heading "Foreign Military Financing Program" contained in title VI of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2000 (as enacted into law by section 1000(a)(2) of Public Law 106–113) shall be null and void: *Provided further*, That the report required by section 653(a) of the Foreign Assistance Act of 1961 shall designate for each country, to the extent known at the time of submission of such report, those funds allocated for cash disbursement for balance of payment and economic policy reform purposes.

### LIMITATION ON ASSISTANCE TO COUNTRIES IN DEFAULT

SEC. 512. No part of any appropriation contained in this Act shall be used to furnish assistance to any country which is in default during a period in excess of one calendar year in payment to the United States of principal or interest on any loan made to the government of such country by the United States pursuant to a program for which funds are appropriated under this Act: *Provided*, That this section and section 620(q) of the Foreign Assistance Act of 1961 shall not apply to funds made available for any narcotics-related assistance for Colombia, Bolivia, and Peru authorized by the Foreign Assistance Act of 1961 or the Arms Export Control Act.

### COMMERCE AND TRADE

SEC. 513. (a) None of the funds appropriated or made available pursuant to this Act for direct assistance and none of the funds otherwise made available pursuant to this Act to the Export-Import Bank and the Overseas Private Investment Corporation shall be obligated or expended to finance any loan, any assistance or any other financial commitments for establishing or expanding production of any commodity for export by any country other than the United States, if the commodity is likely to be in surplus on world markets at the time the resulting productive capacity is expected to become operative and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity: *Provided*, That such prohibition shall not apply to the Export-Import Bank if in the judgment of its Board of Directors the benefits to industry and employment in the United States are likely to outweigh the injury to United States producers of the same, similar, or competing commodity, and the Chairman of the Board so notifies the Committees on Appropriations.

(b) None of the funds appropriated by this or any other Act to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 shall be available for any testing or breeding feasibility study, variety improvement or introduction, consultancy, publication, conference, or training in connection with the growth or production in a foreign country of an agricultural commodity for export which would compete with a similar commodity grown or produced in the United States: *Provided*, That this subsection shall not prohibit—

(1) activities designed to increase food security in developing countries where such activities will not have a significant impact in the export of agricultural commodities of the United States; or

(2) research activities intended primarily to benefit American producers.

### SURPLUS COMMODITIES

SEC. 514. The Secretary of the Treasury shall instruct the United States Executive Directors of the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Inter-American Development Bank, the International Monetary Fund, the Asian Development Bank, the Inter-American Investment Corporation, the North American Development Bank, the European Bank for Reconstruction and Development, the African Development Bank, and the African Development Fund to use the voice and vote of the United States to oppose any assistance by these institutions, using funds appropriated or made available pursuant to this Act, for the production or extraction of any commodity or mineral for export, if it is in surplus on world markets and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity.

### NOTIFICATION REQUIREMENTS

SEC. 515. (a) For the purposes of providing the executive branch with the necessary administrative flexibility, none of the funds made available under this Act for "Child Survival and Disease Programs Fund", "Development Assistance", "International Organizations and Programs", "Trade and Development Agency", "International Narcotics Control and Law Enforcement", "Assistance for Eastern Europe and the Baltic States", "Assistance for the Independent States of the Former Soviet Union", "Economic Support Fund", "Peacekeeping Operations", "Operating Expenses of the Agency for International Development", "Operating Expenses of the Agency for International Development Office of Inspector General", "Nonproliferation, Anti-terrorism, Demining and Related Programs", "Foreign Military Financing Program", "International Military Education and Training", "Peace Corps", and "Migration and Refugee Assistance", shall be available for obligation for activities, programs, projects, type of materiel assistance, countries, or other operations not justified or in excess of the amount justified to the Appropriations Committees for obligation under any of these specific headings unless the Appropriations Committees of both Houses of Congress are previously notified 15 days in advance: *Provided*, That the President shall not enter into any commitment of funds appropriated for the purposes of section 23 of the Arms Export Control Act for the provision of major defense equipment, other than conventional ammunition, or other major defense items defined to be aircraft, ships, missiles, or combat vehicles, not previously justified to Congress or 20 percent in excess of the quantities justified to Congress unless the Committees on Appropriations are notified 15 days in advance of such commitment: *Provided further*, That this section shall not apply to any reprogramming for an activity, program, or project under chapter 1 of part I of the Foreign Assistance Act of 1961 of less than 10 percent of the amount previously justified to the Congress for obligation for such activity, program, or project for the current fiscal year: *Provided further*, That the requirements of this section or any similar provision of this Act or any other Act, including any prior Act requiring notification in accordance with the regular notification procedures of the Committees on Appropriations, may be waived if failure to do so would pose a substantial risk to human health or welfare: *Provided further*, That in case of any such waiver, notification to the Congress, or the appropriate congressional committees, shall be provided as early as practicable, but in no event later than 3 days after taking the action to which such notification requirement was applicable, in the context of the circumstances necessitating such waiver: *Provided further*, That any notification provided pursuant to such a waiver shall contain an explanation of the emergency circumstances.

(b) Drawdowns made pursuant to section 506(a)(2) of the Foreign Assistance Act of 1961 shall be subject to the regular notification procedures of the Committees on Appropriations.

### LIMITATION ON AVAILABILITY OF FUNDS FOR INTERNATIONAL ORGANIZATIONS AND PROGRAMS

SEC. 516. Subject to the regular notification procedures of the Committees on Appropriations, funds appropriated under this Act or any previously enacted Act making appropriations for foreign operations, export financing, and related programs, which are returned or not made available for organizations and programs because of the implementation of section 307(a) of the Foreign Assistance Act of 1961, shall remain available for obligation until September 30, 2002.

### INDEPENDENT STATES OF THE FORMER SOVIET UNION

SEC. 517. (a) None of the funds appropriated under the heading "Assistance for the Independent States of the Former Soviet Union" shall be made available for assistance for a government of an Independent State of the former Soviet Union—

(1) unless that government is making progress in implementing comprehensive economic reforms based on market principles, private ownership, respect for commercial contracts, and equitable treatment of foreign private investment; and

(2) if that government applies or transfers United States assistance to any entity for the purpose of expropriating or seizing ownership or control of assets, investments, or ventures.

Assistance may be furnished without regard to this subsection if the President determines that to do so is in the national interest.

(b) None of the funds appropriated under the heading "Assistance for the Independent States of the Former Soviet Union" shall be made available for any state to enhance its military capability: *Provided*, That this restriction does not apply to demilitarization, demining or nonproliferation programs.

(c) Funds appropriated under the heading "Assistance for the Independent States of the Former Soviet Union" for the Russian Federation and Ukraine shall be subject to the regular notification procedures of the Committees on Appropriations.

(d) Funds made available in this Act for assistance for the Independent States of the former Soviet Union shall be subject to the provisions of section 117 (relating to environment and natural resources) of the Foreign Assistance Act of 1961.

(e) Funds appropriated in this or prior appropriations Acts that are or have been made available for an Enterprise Fund in the Independent States of the Former Soviet Union may be deposited by such Fund in interest-bearing accounts prior to the disbursement of such funds by the Fund for program purposes. The Fund may retain for such program purposes any interest earned on such deposits without returning such interest to the Treasury of the United States and without further appropriation by the Congress. Funds made available for Enterprise Funds shall be expended at the minimum rate necessary to make timely payment for projects and activities.

(f) In issuing new task orders, entering into contracts, or making grants, with funds appropriated in this Act or prior appropriations Acts under the headings "Assistance for the New Independent States of the Former Soviet Union" and "Assistance for the Independent States of the Former Soviet Union", for projects or activities that have as one of their primary purposes the fostering of private sector development, the Coordinator for United States Assistance to the New Independent States and the implementing agency shall encourage the participation of and give significant weight to contractors and grantees who propose investing a significant amount of their own resources (including volunteer services and in-kind contributions) in such projects and activities.

### PROHIBITION ON FUNDING FOR ABORTIONS AND INVOLUNTARY STERILIZATION

SEC. 518. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilizations. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for any biomedical research which relates in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be obligated or expended for any country or organization if the President certifies that the use of these funds by any such country or organization would violate any of the above provisions related to abortions and involuntary sterilizations: *Provided*, That none of the funds made available under this Act may be used to lobby for or against abortion.

### EXPORT FINANCING TRANSFER AUTHORITIES

SEC. 519. Not to exceed 5 percent of any appropriation other than for administrative expenses made available for fiscal year 2001, for programs under title I of this Act may be transferred between such appropriations for use for any of the purposes, programs, and activities for which the funds in such receiving account may be used, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 25 percent by any such transfer: *Provided*, That the exercise of such authority shall be subject to the regular notification procedures of the Committees on Appropriations.

### SPECIAL NOTIFICATION REQUIREMENTS

SEC. 520. None of the funds appropriated by this Act shall be obligated or expended for Colombia, Haiti, Liberia, Serbia, Sudan, Ethiopia, Eritrea, Zimbabwe, or the Democratic Republic of Congo except as provided through the regular notification procedures of the Committees on Appropriations.

### DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

SEC. 521. For the purpose of this Act, "program, project, and activity" shall be defined at the appropriations Act account level and shall include all appropriations and authorizations Acts earmarks, ceilings, and limitations with the exception that for the following accounts: Economic Support Fund and Foreign Military Financing Program, "program, project, and activity" shall also be considered to include country, regional, and central program level funding within each such account; for the development assistance accounts of the Agency for International Development "program, project, and activity" shall also be considered to include central program level funding, either as: (1) justified to the Congress; or (2) allocated by the executive branch in accordance with a report, to be provided to the Committees on Appropriations within 30 days of the enactment of this Act, as required by section 653(a) of the Foreign Assistance Act of 1961.

### CHILD SURVIVAL AND DISEASE PREVENTION ACTIVITIES

SEC. 522. Up to $10,500,000 of the funds made available by this Act for assistance under the heading "Child Survival and Disease Programs Fund", may be used to reimburse United States Government agencies, agencies of State governments, institutions of higher learning, and private and voluntary organizations for the full cost of individuals (including for the personal services of such individuals) detailed or assigned to, or contracted by, as the case may be, the Agency for International Development for the purpose of carrying out child survival, basic education, and infectious disease activities: *Provided*, That up to $1,500,000 of the funds made available by this Act for assistance under the heading "Development Assistance" may be used to reimburse such agencies, institutions, and organizations for such costs of such individuals carrying out other development assistance activities: *Provided further*, That funds appropriated by this Act that are made available for child survival activities or disease programs including activities relating to research on, and the prevention, treatment and control of, Acquired Immune Deficiency Syndrome may be made available notwithstanding any provision of law that restricts assistance to foreign countries: *Provided further*, That funds appropriated under title II of this Act may be made available pursuant to section 301 of the Foreign Assistance Act of 1961 if a primary purpose of the assistance is for child survival and related programs.

### PROHIBITION AGAINST INDIRECT FUNDING TO CERTAIN COUNTRIES

SEC. 523. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated to finance indirectly any assistance or reparations to Cuba, Iraq, Libya, Iran, Syria, North Korea, or the People's Republic of China, unless the President of the United States certifies that the withholding of these funds is contrary to the national interest of the United States.

### NOTIFICATION ON EXCESS DEFENSE EQUIPMENT

SEC. 524. Prior to proyiding excess Department of Defense articles in accordance with section 516(a) of the Foreign Assistance Act of 1961, the Department of Defense shall notify the Committees on Appropriations to the same extent and under the same conditions as are other committees pursuant to subsection (f) of that section: *Provided*, That before issuing a letter of offer to sell excess defense articles under the Arms Export Control Act, the Department of Defense shall notify the Committees on Appropriations in accordance with the regular notification procedures of such Committees: *Provided further*, That such Committees shall also be informed of the original acquisition cost of such defense articles.

### AUTHORIZATION REQUIREMENT

SEC. 525. Funds appropriated by this Act may be obligated and expended notwithstanding section 10 of Public Law 91-672 and section 15 of the State Department Basic Authorities Act of 1956.

### DEMOCRACY IN CHINA

SEC. 526. Notwithstanding any other provision of law that restricts assistance to foreign countries, funds appropriated by this Act for "Economic Support Fund" may be made available to provide general support and grants for nongovernmental organizations located outside the People's Republic of China that have as their primary purpose fostering democracy in that country, and for activities of nongovernmental organizations located outside the People's Republic of China to foster democracy in that country: *Provided*, That none of the funds made available for activities to foster democracy in the People's Republic of China may be made available for assistance to the government of that country, except that funds appropriated by this Act under the heading "Economic Support Fund" that are made available for the National Endowment for Democracy or its grantees may be made available for activities to foster democracy in that country notwithstanding this proviso and any other provision of law: *Provided further*, That funds appropriated by this or any prior Acts making appropriations for foreign operations, export financing, and related programs, that are provided to the National Endowment for Democracy shall be provided in a manner that is consistent with the last sentence of section 503(a) of the National Endowment for Democracy Act and Comptroller General Decisions No. B-203681 of June 6, 1985, and No. B-248111 of September 9, 1992, and the National Endowment for Democracy shall be deemed "the awarding agency" for purposes of implementing Office of Management and Budget Circular A-122 as dated June 1, 1998, or any successor circular: *Provided further*, That funds made available pursuant to the authority of this section shall be subject to the regular notification procedures of the Committees on Appropriations: *Provided further*, That notwithstanding any other provision of law, of the funds appropriated by this Act to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961, not to exceed $1,000,000 may be made available to nongovernmental organizations located outside the People's Republic of China to support activities which preserve cultural traditions and promote sustainable development and environmental conservation in Tibetan communities in that country: *Provided further*, That the final proviso in section 526 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2000 (as enacted into law by section 1000(a)(2) of Public Law 106-113) is amended by striking "Robert F. Kennedy Memorial Center for Human Rights" and inserting "Jamestown Foundation".

### PROHIBITION ON BILATERAL ASSISTANCE TO TERRORIST COUNTRIES

SEC. 527. (a) Funds appropriated for bilateral assistance under any heading of this Act and funds appropriated under any such heading in a provision of law enacted prior to the enactment of this Act, shall not be made available to any country which the President determines—

(1) grants sanctuary from prosecution to any individual or group which has committed an act of international terrorism; or

(2) otherwise supports international terrorism.

(b) The President may waive the application of subsection (a) to a country if the President determines that national security or humanitarian reasons justify such waiver. The President shall publish each waiver in the Federal Register and, at least 15 days before the waiver takes effect, shall notify the Committees on Appropriations of the waiver (including the justification for the waiver) in accordance with the regular notification procedures of the Committees on Appropriations.

### REPORT ON IMPLEMENTATION OF SUPPLEMENTAL APPROPRIATIONS

SEC. 528. (a) Beginning not later than January 1, 2001, the Secretary of State shall provide quarterly reports to the Committees on Appropriations providing information on the use of funds appropriated in title VI of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2000 (as enacted into law by section 1000(a)(2) of Public Law 106-113). Each report shall include the following—

(1) the current and projected status of obligations and expenditures by appropriations account, by country, and by program, project, and activity;

(2) the contractors and subcontractors engaged in activities funded from appropriations contained in title VI; and

(3) the procedures and processes under which decisions have been or will be made on which programs, projects, and activities are funded through appropriations contained in title VI.

(b) For each report required by this section, a classified annex may be submitted if deemed necessary and appropriate.

(c) The last quarterly report required by this section shall be provided to the Committees on Appropriations by January 1, 2002.

### COMPETITIVE INSURANCE

SEC. 529. All Agency for International Development contracts and solicitations, and subcontracts entered into under such contracts, shall include a clause requiring that United States insurance companies have a fair opportunity to bid for insurance when such insurance is necessary or appropriate.

### STINGERS IN THE PERSIAN GULF REGION

SEC. 530. (a) PROHIBITION.—Except as provided in subsection (b), the United States may not sell or otherwise make available any Stingers to any country bordering the Persian Gulf under the Arms Export Control Act or chapter 2 of part II of the Foreign Assistance Act of 1961.

(b) ADDITIONAL TRANSFERS AUTHORIZED.—In addition to the defense articles otherwise authorized to be transferred by section 581 of the Foreign Operations, Export Financing, and Related Program Appropriation Act, 1990, the United States may sell or otherwise make available Stingers to any country bordering the Persian Gulf under the Arms Export Control Act or chapter 2 of part II of the Foreign Assistance Act of 1961, in order to replace, on a one-for-one basis, Stingers previously furnished to such country, provided that the Stingers to be replaced are nearing the scheduled expiration of their shelf-life.

### DEBT-FOR-DEVELOPMENT

SEC. 531. In order to enhance the continued participation of nongovernmental organizations in economic assistance activities under the Foreign Assistance Act of 1961, including endowments, debt-for-development and debt-for-nature exchanges, a nongovernmental organization which is a grantee or contractor of the Agency for International Development may place in interest bearing accounts funds made available under this Act or prior Acts or local currencies which accrue to that organization as a result of economic assistance provided under title II of this Act and any interest earned on such investment shall be used for the purpose for which the assistance was provided to that organization.

### SEPARATE ACCOUNTS

SEC. 532. (a) SEPARATE ACCOUNTS FOR LOCAL CURRENCIES.—(1) If assistance is furnished to the government of a foreign country under chapters 1 and 10 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961 under agreements which result in the generation of local currencies of that country, the Administrator of the Agency for International Development shall—

(A) require that local currencies be deposited in a separate account established by that government;

(B) enter into an agreement with that government which sets forth—

(i) the amount of the local currencies to be generated; and

(ii) the terms and conditions under which the currencies so deposited may be utilized, consistent with this section; and

(C) establish by agreement with that government the responsibilities of the Agency for International Development and that government to monitor and account for deposits into and disbursements from the separate account.

(2) USES OF LOCAL CURRENCIES.—As may be agreed upon with the foreign government, local currencies deposited in a separate account pursuant to subsection (a), or an equivalent amount of local currencies, shall be used only—

(A) to carry out chapters 1 or 10 of part I or chapter 4 of part II (as the case may be), for such purposes as—

(i) project and sector assistance activities; or

(ii) debt and deficit financing; or

(B) for the administrative requirements of the United States Government.

(3) PROGRAMMING ACCOUNTABILITY.—The Agency for International Development shall take all necessary steps to ensure that the equivalent of the local currencies disbursed pursuant to subsection (a)(2)(A) from the separate account established pursuant to subsection (a)(1) are used for the purposes agreed upon pursuant to subsection (a)(2).

(4) TERMINATION OF ASSISTANCE PROGRAMS.—Upon termination of assistance to a country under chapters 1 or 10 of part I or chapter 4 of part II (as the case may be), any unencumbered balances of funds which remain in a separate account established pursuant to subsection (a) shall be disposed of fqr such purposes as may be agreed to by the government of that country and the United States Government.

(5) REPORTING REQUIREMENT.—The Administrator of the Agency for International Development shall report on an annual basis as part of the justification documents submitted to the Committees on Appropriations on the use of local currencies for the administrative requirements of the United States Government as authorized in subsection (a)(2)(B), and such report shall include the amount of local currency (and United States dollar equivalent) used and/or to be used for such purpose in each applicable country.

(b) SEPARATE ACCOUNTS FOR CASH TRANSFERS.—(1) If assistance is made available to the government of a foreign country, under chapters 1 or 10 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961, as cash transfer assistance or as nonproject sector assistance, that country shall be required to maintain such funds in a separate account and not commingle them with any other funds.

(2) APPLICABILITY OF OTHER PROVISIONS OF LAW.—Such funds may be obligated and expended notwithstanding provisions of law which are inconsistent with the nature of this assistance including provisions which are referenced in the Joint Explanatory Statement of the Committee of Conference accompanying House Joint Resolution 648 (House Report No. 98-1159).

(3) NOTIFICATION.—At least 15 days prior to obligating any such cash transfer or nonproject sector assistance, the President shall submit a notification through the regular notification procedures of the Committees on Appropriations, which shall include a detailed description of how the funds proposed to be made available will be used, with a discussion of the United States interests that will be served by the assistance (including, as appropriate, a description of the economic policy reforms that will be promoted by such assistance).

(4) EXEMPTION.—Nonproject sector assistance funds may be exempt from the requirements of subsection (b)(1) only through the notification procedures of the Committees on Appropriations.

### COMPENSATION FOR UNITED STATES EXECUTIVE DIRECTORS TO INTERNATIONAL FINANCIAL INSTITUTIONS

SEC. 533. (a) No funds appropriated by this Act may be made as payment to any international financial institution while the United States Executive Director to such institution is compensated by the institution at a rate which, together with whatever compensation such Director receives from the United States, is in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while any alternate United States Director to such institution is compensated by the institution at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

(b) For purposes of this section, "international financial institutions" are: the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the Asian Development Fund, the African Development Bank, the African Development Fund, the International Monetary Fund, the North American Development Bank, and the European Bank for Reconstruction and Development.

### COMPLIANCE WITH UNITED NATIONS SANCTIONS AGAINST IRAQ

SEC. 534. None of the funds appropriated or otherwise made available pursuant to this

Act to carry out the Foreign Assistance Act of 1961 (including title IV of chapter 2 of part I, relating to the Overseas Private Investment Corporation) or the Arms Export Control Act may be used to provide assistance to any country that is not in compliance with the United Nations Security Council sanctions against Iraq unless the President determines and so certifies to the Congress that—

(1) such assistance is in the national interest of the United States;

(2) such assistance will directly benefit the needy people in that country; or

(3) the assistance to be provided will be humanitarian assistance for foreign nationals who have fled Iraq and Kuwait.

### AMENDMENT OFFERED BY MR. PAYNE

Mr. PAYNE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. PAYNE:

Page 70, line 14, after "IRAQ" insert "AND ANGOLA".

Page 70, line 22, after "Iraq" insert "and Angola".

Page 71, line 5, strike "Iraq and Kuwait" and insert "Iraq, Kuwait, or Angola, as the case may be".

The CHAIRMAN. Pursuant to the order of the House of Wednesday, July 12, 2000, the gentleman from New Jersey (Mr. PAYNE) and a Member opposed each will control 5 minutes.

Mr. CALLAHAN. Mr. Chairman, I reserve a point of order on the gentleman's amendment.

The CHAIRMAN. The gentleman reserves a point of order on the amendment.

The gentleman from New Jersey (Mr. PAYNE) is recognized for 5 minutes on his amendment.

Mr. PAYNE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, my amendment, which would be included in section 534, would add to the list of countries, "any country doing business with UNITA in Angola."

As my colleagues may know, UNITA is an organization that was formed and supported during the Cold War, and it is an organization that is supported and run by Jonas Savimbi, who during the end of the Cold War agreements were made with President dos Santos from the government and UNITA that an election should be held. An election was held and Mr. dos Santos was the victor of the election.

There was supposed to then be a turning in of weapons from UNITA. They were then supposed to take political seats in the government of Angola, but they have refused to stop the war. They have killed peacekeepers from the United Nations; shot down two planes, which ended up in the loss of life; and also Jonas Savimbi is dealing in illegal diamond sales, similar to the RUF in Sierra Leone.

We must stop the sale of illegal diamonds, whether it is the brutal RUF in Sierra Leone, who broke the Lome Peace Accords, and we feel that now those persons, Foday Sankoh and the rest who broke the accords should stand trial, or in Angola, where UNITA continues to wreak havoc on that country. They have become involved in the conflict in the Congo which has six other countries involved. They are continuing to refuse to go along with continued United Nations sanctions.

So we believe that the same countries that are in this bill, and that this amendment deals with, should be prohibited from having any funds for the governments of any country that supports UNITA. As I have indicated, there has been an appeal to Jonas Savimbi to lay down the arms, to give his arms up and to allow the people of Angola a peace for the first time in many, many years, where a civil war went on until 1974 when the Portuguese troops withdrew from Angola and the country then became independent. But since that time, the UNITA forces were supported by the United States Government, like the government of Zaire with Mr. Mobutu, another brutal dictator. And once again these are the legacies of the Cold War.

I think that we have a responsibility, since we had so much to do with the creation of these despots and these dictators and these brutal leaders, to help undo what we have done. What was done was felt was in the best interest of democracy and our foreign needs, but now that that Cold War is over, I think we have an adequate responsibility to attempt to undo. So I would hope that this amendment would be accepted. As I have indicated, it is simply asking that UNITA, the corporation, be added to the list of these other pariah countries of Iraq and others that are included in this section, and that it would prohibit any funds for the government of any country that supports UNITA.

Mr. Chairman, I reserve the balance of my time.

Mr. CALLAHAN. Mr. Chairman, I yield myself such time as I may consume; and I would suggest, Mr. Chairman, that the gentleman from New Jersey talk with the chairman of the authorizing committee, who is here, to strike a section of the bill that is authorization on an appropriations bill that is inappropriate.

If the gentleman would wish to continue, I will be happy to withhold my point of order to allow him to finish his statement.

Mr. PAYNE. Mr. Chairman, I yield myself the balance of my time and would just conclude by once again reiterating that we should prohibit funds to any country that supports UNITA. They are working against the best interests of the people of that country. They said that they would turn in their weapons, they said that they would stop the illicit selling of diamonds, which they have not, and they have continued to wreak havoc.

Mr. Chairman, there are more land mines in Angola than any other country in the world. There are more amputees per person than in any country in the world. Farmers cannot farm, children cannot play, vehicles cannot ride because of the continued business of UNITA. Illegal diamonds are continuing to be sold.

So I think it is a very humane point, and I would ask the gentleman to reconsider his opposition.

### POINT OF ORDER

Mr. CALLAHAN. Mr. Chairman, I make a point of order against the amendment because it proposes to change existing law and constitutes legislation on an appropriation bill and therefore violates clause 2 of rule XXI.

The rule states in pertinent part: "An amendment to a general appropriation bill shall not be made in order if changing existing law" applies.

I ask for the ruling of the Chair.

The CHAIRMAN. Does the gentleman from New Jersey (Mr. PAYNE) wish to be heard on the point of order?

Mr. PAYNE. Yes, Mr. Chairman.

Mr. Chairman, I would ask that the gentleman reconsider his point of order. I believe that this is in keeping with what we have in this section of the legislation. But in addition to that, I think it is only the right thing to do.

As we have indicated, people controlled by UNITA's area are selling diamonds, creating havoc; and I think that if the gentleman would reconsider, this should be inserted. It is not actually legislating; it is simply stating the sense of what is right should be included and was overlooked.

The CHAIRMAN. The Chair is prepared to rule.

Section 534 constitutes a legislative provision permitted to remain in the bill by waiver in House Resolution 546.

A germane amendment merely perfecting section 534 may be in order. The instant amendment, however, by proposing to cover an additional nation in the legislative prescription in section 534, would insert additional legislation. The amendment is not merely perfecting. As such, it constitutes further legislation in violation of clause 2(c) of rule XXI, and the point of order is sustained.

If there are no further amendments to this section, the Clerk will continue to read.

The Clerk read as follows:

### AUTHORITIES FOR THE PEACE CORPS, INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT, INTER-AMERICAN FOUNDATION AND AFRICAN DEVELOPMENT FOUNDATION

SEC. 535. (a) Unless expressly provided to the contrary, provisions of this or any other Act, including provisions contained in prior Acts authorizing or making appropriations for foreign operations, export financing, and related programs, shall not be construed to prohibit activities authorized by or conducted under the Peace Corps Act, the Inter-American Foundation Act or the African Development Foundation Act. The agency shall promptly report to the Committees on Appropriations whenever it is conducting activities or is proposing to conduct activities in a country for which assistance is prohibited.

(b) Unless expressly provided to the contrary, limitations on the availability of funds for "International Organizations and Programs" in this or any other Act, including prior appropriations Acts, shall not be construed to be applicable to the International Fund for Agricultural Development.

IMPACT ON JOBS IN THE UNITED STATES

SEC. 536. None of the funds appropriated by this Act may be obligated or expended to provide—

(a) any financial incentive to a business enterprise currently located in the United States for the purpose of inducing such an enterprise to relocate outside the United States if such incentive or inducement is likely to reduce the number of employees of such business enterprise in the United States because United States production is being replaced by such enterprise outside the United States;

(b) assistance for the purpose of establishing or developing in a foreign country any export processing zone or designated area in which the tax, tariff, labor, environment, and safety laws of that country do not apply, in part or in whole, to activities carried out within that zone or area, unless the President determines and certifies that such assistance is not likely to cause a loss of jobs within the United States; or

(c) assistance for any project or activity that contributes to the violation of internationally recognized workers rights, as defined in section 502(a)(4) of the Trade Act of 1974, of workers in the recipient country, including any designated zone or area in that country: *Provided*, That in recognition that the application of this subsection should be commensurate with the level of development of the recipient country and sector, the provisions of this subsection shall not preclude assistance for the informal sector in such country, micro and small-scale enterprise, and smallholder agriculture.

FUNDING PROHIBITION FOR SERBIA

SEC. 537. None of the funds appropriated by this Act may be made available for assistance for the Republic of Serbia: *Provided*, That this restriction shall not apply to assistance for Kosovo or Montenegro, or to assistance to promote democratization: *Provided further*, That section 620(t) of the Foreign Assistance Act of 1961, as amended, shall not apply to Kosovo or Montenegro.

SPECIAL AUTHORITIES

SEC. 538. (a) Funds appropriated in titles I and II of this Act that are made available for Afghanistan, Lebanon, Montenegro, and for victims of war, displaced children, and displaced Burmese, may be made available notwithstanding any other provision of law: *Provided*, That any such funds that are made available for Cambodia shall be subject to the provisions of section 531(e) of the Foreign Assistance Act of 1961 and section 906 of the International Security and Development Cooperation Act of 1985.

(b) Funds appropriated by this Act to carry out the provisions of sections 103 through 106, and chapter 4 of part II, of the Foreign Assistance Act of 1961 may be used, notwithstanding any other provision of law, for the purpose of supporting tropical forestry and biodiversity conservation activities and, subject to the regular notification procedures of the Committees on Appropriations, energy programs aimed at reducing greenhouse gas emissions: *Provided*, That such assistance shall be subject to sections 116, 502B, and 620A of the Foreign Assistance Act of 1961.

(c) The Agency for International Development may employ personal services contractors, notwithstanding any other provision of law, for the purpose of administering programs for the West Bank and Gaza.

(d)(1) WAIVER.—The President may waive the provisions of section 1003 of Public Law 100-204 if the President determines and certifies in writing to the Speaker of the House of Representatives and the President pro tempore of the Senate that it is important to the national security interests of the United States.

(2) PERIOD OF APPLICATION OF WAIVER.—Any waiver pursuant to paragraph (1) shall be effective for no more than a period of 6 months at a time and shall not apply beyond 12 months after the enactment of this Act.

POLICY ON TERMINATING THE ARAB LEAGUE BOYCOTT OF ISRAEL AND NORMALIZING RELATIONS WITH ISRAEL

SEC. 539. It is the sense of the Congress that—

(1) the Arab League countries should immediately and publicly renounce the primary boycott of Israel and the secondary and tertiary boycott of American firms that have commercial ties with Israel and should normalize their relations with Israel;

(2) the decision by the Arab League in 1997 to reinstate the boycott against Israel was deeply troubling and disappointing;

(3) the fact that only three Arab countries maintain full diplomatic relations with Israel is also of deep concern;

(4) the Arab League should immediately rescind its decision on the boycott and its members should develop normal relations with their neighbor Israel; and

(5) the President should—

(A) take more concrete steps to encourage vigorously Arab League countries to renounce publicly the primary boycotts of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel and to normalize their relations with Israel;

(B) take into consideration the participation of any recipient country in the primary boycott of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel when determining whether to sell weapons to said country;

(C) report to Congress annually on the specific steps being taken by the United States and the progress achieved to bring about a public renunciation of the Arab primary boycott of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel and to expand the process of normalizing ties between Arab League countries and Israel; and

(D) encourage the allies and trading partners of the United States to enact laws prohibiting businesses from complying with the boycott and penalizing businesses that do comply.

ADMINISTRATION OF JUSTICE ACTIVITIES

SEC. 540. Of the funds appropriated or otherwise made available by this Act for "Economic Support Fund", assistance may be provided to strengthen the administration of justice in countries in Latin America and the Caribbean and in other regions consistent with the provisions of section 534(b) of the Foreign Assistance Act of 1961, except that programs to enhance protection of participants in judicial cases may be conducted notwithstanding section 660 of that Act. Funds made available pursuant to this section may be made available notwithstanding section 534(c) and the second and third sentences of section 534(e) of the Foreign Assistance Act of 1961.

ELIGIBILITY FOR ASSISTANCE

SEC. 541. (a) ASSISTANCE THROUGH NONGOVERNMENTAL ORGANIZATIONS.—Restrictions contained in this or any other Act with respect to assistance for a country shall not be construed to restrict assistance in support of programs of nongovernmental organizations from funds appropriated by this Act to carry out the provisions of chapters 1, 10, 11, and 12 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961, and from funds appropriated under the heading "Assistance for Eastern Europe and the Baltic States": *Provided*, That the President shall take into consideration, in any case in which a restriction on assistance would be applicable but for this subsection, whether assistance in support of programs of nongovernmental organizations is in the national interest of the United States: *Provided further*, That before using the authority of this subsection to furnish assistance in support of programs of nongovernmental organizations, the President shall notify the Committees on Appropriations under the regular notification procedures of those committees, including a description of the program to be assisted, the assistance to be provided, and the reasons for furnishing such assistance: *Provided further*, That nothing in this subsection shall be construed to alter any existing statutory prohibitions against abortion or involuntary sterilizations contained in this or any other Act.

(b) PUBLIC LAW 480.—During fiscal year 2001, restrictions contained in this or any other Act with respect to assistance for a country shall not be construed to restrict assistance under the Agricultural Trade Development and Assistance Act of 1954: *Provided*, That none of the funds appropriated to carry out title I of such Act and made available pursuant to this subsection may be obligated or expended except as provided through the regular notification procedures of the Committees on Appropriations.

(c) EXCEPTION.—This section shall not apply—

(1) with respect to section 620A of the Foreign Assistance Act of 1961 or any comparable provision of law prohibiting assistance to countries that support international terrorism; or

(2) with respect to section 116 of the Foreign Assistance Act of 1961 or any comparable provision of law prohibiting assistance to countries that violate internationally recognized human rights.

EARMARKS

SEC. 542. (a) Funds appropriated by this Act which are earmarked may be reprogrammed for other programs within the same account notwithstanding the earmark if compliance with the earmark is made impossible by operation of any provision of this or any other Act or, with respect to a country with which the United States has an agreement providing the United States with base rights or base access in that country, if the President determines that the recipient for which funds are earmarked has significantly reduced its military or economic cooperation with the United States since the enactment of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991; however, before exercising the authority of this subsection with regard to a base rights or base access country which has significantly reduced its military or economic cooperation with the United States, the President shall consult with, and shall provide a written policy justification to the Committees on Appropriations: *Provided*, That any such reprogramming shall be subject to the regular notification procedures of the Committees on Appropriations: *Provided further*, That assistance that is reprogrammed pursuant to this subsection shall be made available under the same terms and conditions as originally provided.

(b) In addition to the authority contained in subsection (a), the original period of availability of funds appropriated by this Act and administered by the Agency for International Development that are earmarked for particular programs or activities by this or any other Act shall be extended for an additional fiscal year if the Administrator of such agency determines and reports promptly to the Committees on Appropriations that the termination of assistance to a country or a significant change in circumstances makes it unlikely that such earmarked funds can be obligated during the original period of availability: *Provided*, That such earmarked funds that are continued available for an additional fiscal year shall be obligated only for the purpose of such earmark.

### CEILINGS AND EARMARKS

SEC. 543. Ceilings and earmarks contained in this Act shall not be applicable to funds or authorities appropriated or otherwise made available by any subsequent Act unless such Act specifically so directs. Earmarks or minimum funding requirements contained in any other Act shall not be applicable to funds appropriated by this Act.

□ 0945

### POINT OF ORDER

Mr. GILMAN. Mr. Chairman, I have a point of order.

The CHAIRMAN. The gentleman may state his point of order.

Mr. GILMAN. Mr. Chairman, I make a point of order against the language appearing in the bill beginning with "earmarks" on page 80, line 22, through the end of page 80, line 24 on the ground that it violates clause 2 of Rule XXI.

The rule I have referenced prohibits provisions changing existing law on general appropriations bills.

This language clearly is legislative and would override existing and future legislation of our Committee on International Relations and other committees that have legislative authority over funds appropriated in this Act.

Mr. CALLAHAN. Mr. Chairman, in the essence of time, I am willing to concede the point of order.

Mr. GILMAN. Mr. Chairman, I thank the gentleman for his comments.

The CHAIRMAN. The Chair is prepared to rule.

The Chair finds that the provision removes earmarks and limitations contained in existing law. Similarly, the provision addresses earmarks and limitations in subsequent acts. As such, the provision constitutes legislation in violation of clause 2 of rule XXI. The point of order is sustained and the provision is stricken from the bill.

Mr. GILMAN. Mr. Chairman, may I proceed for an additional minute?

The CHAIRMAN. Without objection, the gentleman from New York (Mr. GILMAN) is permitted to extend his remarks after the ruling on the point of order.

Mr. GILMAN. Although I am on my feet to object to a particular provision——

The CHAIRMAN. If the gentleman will suspend, the Chair has ruled on the point of order.

Mr. GILMAN. I am not discussing the point of order, Mr. Chairman, just a comment to make about our distinguished chairman.

The CHAIRMAN. The order of the House does not provide for any Member other than the chairman and the ranking member or their designees to strike the requisite number of words for purposes of debate.

Mr. GILMAN. Mr. Chairman, those authorities include the authority to set minimum funding levels and earmarks in ways that do not constitute appropriations.

Moreover, the House may have decided, or may decide in the future, to permit a variety of legislative actions in other Acts in particular, appropriate, cases and such actions should not be overridden by this sort of proviso. I would hasten to add that in most if not all cases our inclinations on earmarks and minimum funding levels have been worked out amicably with the Committee on Appropriations.

The fact that this provision, which is a law intended to apply during the year of its enactment only, is repeated from a previous year does not relieve it from being characterized as legislation, and I would refer to the authority cited in Section 1052 of the House Rules Manual, that is, Hinds' Precedents, Volume IV, Section 3822.

Accordingly, Mr. Chairman, I must respectfully insist on my point of order.

The CHAIRMAN. Are there further amendments to this section of the bill? If not, the Clerk will read.

The Clerk read as follows:

### PROHIBITION ON PUBLICITY OR PROPAGANDA

SEC. 544. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes within the United States not authorized before the date of the enactment of this Act by the Congress: *Provided*, That not to exceed $750,000 may be made available to carry out the provisions of section 316 of Public Law 96–533.

### PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS

SEC. 545. (a) To the maximum extent possible, assistance provided under this Act should make full use of American resources, including commodities, products, and services.

(b) It is the sense of the Congress that, to the greatest extent practicable, all agriculture commodities, equipment and products purchased with funds made available in this Act should be American-made.

(c) In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (b) by the Congress.

(d) The Secretary of the Treasury shall report to Congress annually on the efforts of the heads of each Federal agency and the United States directors of international financial institutions (as referenced in section 514) in complying with this sense of the Congress.

### PROHIBITION OF PAYMENTS TO UNITED NATIONS MEMBERS

SEC. 546. None of the funds appropriated or made available pursuant to this Act for carrying out the Foreign Assistance Act of 1961, may be used to pay in whole or in part any assessments, arrearages, or dues of any member of the United Nations or, from funds appropriated by this Act to carry out chapter 1 of part I of the Foreign Assistance Act of 1961, the costs for participation of another country's delegation at international conferences held under the auspices of multilateral or international organizations.

### CONSULTING SERVICES

SEC. 547. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order pursuant to existing law.

### PRIVATE VOLUNTARY ORGANIZATIONS—DOCUMENTATION

SEC. 548. None of the funds appropriated or made available pursuant to this Act shall be available to a private voluntary organization which fails to provide upon timely request any document, file, or record necessary to the auditing requirements of the Agency for International Development.

### PROHIBITION ON ASSISTANCE TO FOREIGN GOVERNMENTS THAT EXPORT LETHAL MILITARY EQUIPMENT TO COUNTRIES SUPPORTING INTERNATIONAL TERRORISM

SEC. 549. (a) None of the funds appropriated or otherwise made available by this Act may be available to any foreign government which provides lethal military equipment to a country the government of which the Secretary of State has determined is a terrorist government for purposes of section 40(d) of the Arms Export Control Act. The prohibition under this section with respect to a foreign government shall terminate 12 months after that government ceases to provide such military equipment. This section applies with respect to lethal military equipment provided under a contract entered into after October 1, 1997.

(b) Assistance restricted by subsection (a) or any other similar provision of law, may be furnished if the President determines that furnishing such assistance is important to the national interests of the United States.

(c) Whenever the waiver of subsection (b) is exercised, the President shall submit to the appropriate congressional committees a report with respect to the furnishing of such assistance. Any such report shall include a detailed explanation of the assistance to be provided, including the estimated dollar amount of such assistance, and an explanation of how the assistance furthers United States national interests.

### WITHHOLDING OF ASSISTANCE FOR PARKING FINES OWED BY FOREIGN COUNTRIES

SEC. 550. (a) IN GENERAL.—Of the funds made available for a foreign country under part I of the Foreign Assistance Act of 1961, an amount equivalent to 110 percent of the total unpaid fully adjudicated parking fines and penalties owed to the District of Columbia by such country as of the date of the enactment of this Act shall be withheld from obligation for such country until the Secretary of State certifies and reports in writing to the appropriate congressional committees that such fines and penalties are fully paid to the government of the District of Columbia.

(b) DEFINITION.—For purposes of this section, the term "appropriate congressional committees" means the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Committee on International Relations and the Committee on Appropriations of the House of Representatives.

### LIMITATION ON ASSISTANCE FOR THE PLO FOR THE WEST BANK AND GAZA

SEC. 551. None of the funds appropriated by this Act may be obligated for assistance for the Palestine Liberation Organization for the West Bank and Gaza unless the President has exercised the authority under section 604(a) of the Middle East Peace Facilitation Act of 1995 (title VI of Public Law 104-107) or any other legislation to suspend or make inapplicable section 307 of the Foreign Assistance Act of 1961 and that suspension is still in effect: *Provided*, That if the President fails to make the certification under section 604(b)(2) of the Middle East Peace Facilitation Act of 1995 or to suspend the prohibition under other legislation, funds appropriated by this Act may not be obligated for assistance for the Palestine Liberation Organization for the West Bank and Gaza.

### WAR CRIMES TRIBUNALS DRAWDOWN

SEC. 552. If the President determines that doing so will contribute to a just resolution of charges regarding genocide or other violations of international humanitarian law, the President may direct a drawdown pursuant to section 552(c) of the Foreign Assistance Act of 1961, as amended, of up to $30,000,000 of commodities and services for the United Nations War Crimes Tribunal established with regard to the former Yugoslavia by the United Nations Security Council or such other tribunals or commissions as the Council may establish to deal with such violations, without regard to the ceiling limitation contained in paragraph (2) thereof: *Provided*, That the determination required under this section shall be in lieu of any determinations otherwise required under section 552(c): *Provided further*, That 60 days after the date of the enactment of this Act, and every 180 days thereafter, the Secretary of State shall submit a report to the Committees on Appropriations describing the steps the United States Government is taking to collect information regarding allegations of genocide or other violations of international law in the former Yugoslavia and to furnish that information to the United Nations War Crimes Tribunal for the former Yugoslavia: *Provided further*, That the drawdown made under this section for any tribunal shall not be construed as an endorsement or precedent for the establishment of any standing or permanent international criminal tribunal or court: *Provided further*, That funds made available for tribunals other than Yugoslavia or Rwanda shall be made available subject to the regular notification procedures of the Committees on Appropriations.

### LANDMINES

SEC. 553. Notwithstanding any other provision of law, demining equipment available to the Agency for International Development and the Department of State and used in support of the clearance of landmines and unexploded ordnance for humanitarian purposes may be disposed of on a grant basis in foreign countries, subject to such terms and conditions as the President may prescribe.

### RESTRICTIONS CONCERNING THE PALESTINIAN AUTHORITY

SEC. 554. None of the funds appropriated by this Act may be obligated or expended to create in any part of Jerusalem a new office of any department or agency of the United States Government for the purpose of conducting official United States Government business with the Palestinian Authority over Gaza and Jericho or any successor Palestinian governing entity provided for in the Israel-PLO Declaration of Principles: *Provided*, That this restriction shall not apply to the acquisition of additional space for the existing Consulate General in Jerusalem: *Provided further*, That meetings between officers and employees of the United States and officials of the Palestinian Authority, or any successor Palestinian governing entity provided for in the Israel-PLO Declaration of Principles, for the purpose of conducting official United States Government business with such authority should continue to take place in locations other than Jerusalem. As has been true in the past, officers and employees of the United States Government may continue to meet in Jerusalem on other subjects with Palestinians (including those who now occupy positions in the Palestinian Authority), have social contacts, and have incidental discussions.

### PROHIBITION OF PAYMENT OF CERTAIN EXPENSES

SEC. 555. None of the funds appropriated or otherwise made available by this Act under the headings "International Military Education and Training" or "Foreign Military Financing Program" for Informational Program activities or under the headings "Child Survival and Disease Programs Fund", "Development Assistance", and "Economic Support Fund" may be obligated or expended to pay for—

(1) alcoholic beverages; or

(2) entertainment expenses for activities that are substantially of a recreational character, including entrance fees at sporting events and amusement parks.

### SPECIAL DEBT RELIEF FOR THE POOREST

SEC. 556. (a) AUTHORITY TO REDUCE DEBT.—The President may reduce amounts owed to the United States (or any agency of the United States) by an eligible country as a result of—

(1) guarantees issued under sections 221 and 222 of the Foreign Assistance Act of 1961;

(2) credits extended or guarantees issued under the Arms Export Control Act; or

(3) any obligation or portion of such obligation, to pay for purchases of United States agricultural commodities guaranteed by the Commodity Credit Corporation under export credit guarantee programs authorized pursuant to section 5(f) of the Commodity Credit Corporation Charter Act of June 29, 1948, as amended, section 4(b) of the Food for Peace Act of 1966, as amended (Public Law 89-808), or section 202 of the Agricultural Trade Act of 1978, as amended (Public Law 95-501).

(b) LIMITATIONS.—

(1) The authority provided by subsection (a) may be exercised only to implement multilateral official debt relief and referendum agreements, commonly referred to as "Paris Club Agreed Minutes".

(2) The authority provided by subsection (a) may be exercised only in such amounts or to such extent as is provided in advance by appropriations Acts.

(3) The authority provided by subsection (a) may be exercised only with respect to countries with heavy debt burdens that are eligible to borrow from the International Development Association, but not from the International Bank for Reconstruction and Development, commonly referred to as "IDA-only" countries.

(c) CONDITIONS.—The authority provided by subsection (a) may be exercised only with respect to a country whose government—

(1) does not have an excessive level of military expenditures;

(2) has not repeatedly provided support for acts of international terrorism;

(3) is not failing to cooperate on international narcotics control matters;

(4) (including its military or other security forces) does not engage in a consistent pattern of gross violations of internationally recognized human rights; and

(5) is not ineligible for assistance because of the application of section 527 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995.

(d) AVAILABILITY OF FUNDS.—The authority provided by subsection (a) may be used only with regard to funds appropriated by this Act under the heading "Debt Restructuring".

(e) CERTAIN PROHIBITIONS INAPPLICABLE.—A reduction of debt pursuant to subsection (a) shall not be considered assistance for purposes of any provision of law limiting assistance to a country. The authority provided by subsection (a) may be exercised notwithstanding section 620(r) of the Foreign Assistance Act of 1961 or section 321 of the International Development and Food Assistance Act of 1975.

### AUTHORITY TO ENGAGE IN DEBT BUYBACKS OR SALES

SEC. 557. (a) LOANS ELIGIBLE FOR SALE, REDUCTION, OR CANCELLATION.—

(1) AUTHORITY TO SELL, REDUCE, OR CANCEL CERTAIN LOANS.—Notwithstanding any other provision of law, the President may, in accordance with this section, sell to any eligible purchaser any concessional loan or portion thereof made before January 1, 1995, pursuant to the Foreign Assistance Act of 1961, to the government of any eligible country as defined in section 702(6) of that Act or on receipt of payment from an eligible purchaser, reduce or cancel such loan or portion thereof, only for the purpose of facilitating—

(A) debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps; or

(B) a debt buyback by an eligible country of its own qualified debt, only if the eligible country uses an additional amount of the local currency of the eligible country, equal to not less than 40 percent of the price paid for such debt by such eligible country, or the difference between the price paid for such debt and the face value of such debt, to support activities that link conservation and sustainable use of natural resources with local community development, and child survival and other child development, in a manner consistent with sections 707 through 710 of the Foreign Assistance Act of 1961, if the sale, reduction, or cancellation would not contravene any term or condition of any prior agreement relating to such loan.

(2) TERMS AND CONDITIONS.—Notwithstanding any other provision of law, the President shall, in accordance with this section, establish the terms and conditions under which loans may be sold, reduced, or canceled pursuant to this section.

(3) ADMINISTRATION.—The Facility, as defined in section 702(8) of the Foreign Assistance Act of 1961, shall notify the administrator of the agency primarily responsible

for administering part I of the Foreign Assistance Act of 1961 of purchasers that the President has determined to be eligible, and shall direct such agency to carry out the sale, reduction, or cancellation of a loan pursuant to this section. Such agency shall make an adjustment in its accounts to reflect the sale, reduction, or cancellation.

(4) LIMITATION.—The authorities of this subsection shall be available only to the extent that appropriations for the cost of the modification, as defined in section 502 of the Congressional Budget Act of 1974, are made in advance.

(b) DEPOSIT OF PROCEEDS.—The proceeds from the sale, reduction, or cancellation of any loan sold, reduced, or canceled pursuant to this section shall be deposited in the United States Government account or accounts established for the repayment of such loan.

(c) ELIGIBLE PURCHASERS.—A loan may be sold pursuant to subsection (a)(1)(A) only to a purchaser who presents plans satisfactory to the President for using the loan for the purpose of engaging in debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps.

(d) DEBTOR CONSULTATIONS.—Before the sale to any eligible purchaser, or any reduction or cancellation pursuant to this section, of any loan made to an eligible country, the President should consult with the country concerning the amount of loans to be sold, reduced, or canceled and their uses for debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps.

(e) AVAILABILITY OF FUNDS.—The authority provided by subsection (a) may be used only with regard to funds appropriated by this Act under the heading "Debt Restructuring".

ASSISTANCE FOR HAITI

SEC. 558. (a) None of the funds appropriated by this or any previous appropriations Act for foreign operations, export financing and related programs shall be made available for assistance for the Government of Haiti until—

(1) the Secretary of State reports to the Committees on Appropriations that Haiti has held free and fair elections to seat a new parliament; and

(2) the Director of the Office of National Drug Control Policy reports to the Committees on Appropriations that the Government of Haiti is fully cooperating with United States efforts to interdict illicit drug traffic through Haiti to the United States.

(b) Not more than 11 percent of the funds appropriated by this Act to carry out the provisions of sections 103 through 106 and chapter 4 of part II of the Foreign Assistance Act of 1961, that are made available for Latin America and the Caribbean region may be made available, through bilateral and Latin America and the Caribbean regional programs, to provide assistance for any country in such region.

AMENDMENT NO. 38 OFFERED BY MR. CONYERS

Mr. CONYERS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 38 offered by Mr. CONYERS: Strike section 558 of the bill (page 94, strike line 10 and all that follows through line 3 on page 95).

The CHAIRMAN. Pursuant to the order of the House of Wednesday, July 12, 2000, the gentleman from Michigan (Mr. CONYERS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Michigan (Mr. CONYERS).

Mr. CONYERS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am delighted to be here to see so many Haiti experts on the floor including, my good friend the gentleman from New Jersey (Mr. PAYNE) and the gentleman from New York (Chairman GILMAN), both of whom I have traveled there with many times.

I propose that we strike the language because it creates a double standard against Haiti and it, further, is premature.

What the language does that I am objecting to is ask that the Committee on Appropriations get a report from the Secretary of State to say that Haiti has held free and fair elections to seat a new parliament and, secondly, that the Office of National Drug Policy should determine that the Government of Haiti is fully cooperating with the United States to interdict drug traffic through Haiti.

Now, let us take the second one first. Nobody in the Caribbean cooperates with the U.S. drug interdiction policy interfering with transshipments of drugs that go on throughout the Caribbean more than Haiti. It gives our Government total full operating license. And, in addition, I have heard our Coast Guard say that they have total cooperation.

Further, the Haitian Government has no navy, so they are anxious to have the continued support of the U.S.

Now, with the idea of holding up appropriations until the Secretary of State declares free elections, just a couple of things we need to understand. This is a double standard that does not apply to anybody else. And we have had far more seriously defective elections than Haiti.

Haiti had a great election. We admitted it. I was an international observer. It was reported in the paper. Record turn out. Record registration. Nonviolence at the election. There was only one problem. There was a disagreement about the counting methodology after the election.

Now, how does that qualify for considering fraud? There was an honest disagreement of the counting process which our own State Department, the White House says can be resolved and is in the process of being resolved.

So lighten up. Let us give Haiti a chance. There is absolutely no reason for us to do that.

Now, the other reason is that we are sending in Federal observers for U.S. elections 200 years after this country. They have to come into Flint, Michigan, and many places throughout the country to protect the voters and their right to vote and to make sure that there is no fraud. So we do not want to apply the standards of the U.S. to our country.

Furthermore, Peru had elections that closed out international observers. Those of us who went as international observers were able to see with our own eyes the fairness and the appropriateness of the election.

So let us let the Haitian Government, the election commission of Haiti, do its job before we start issuing these extremely punitive activities.

Now, remember what we did for Peru was prospective. After they had a not-so-good election, we said in the future they have got to do this and that. So please, to the chairman of this committee and the subcommittee chairman, let us give them a break.

Our Government is in the process of negotiating as we speak. A U.S. delegation is on the way to Haiti, I think they left last night, to work it out with the Government; and here we are calling the shots as if we know what is going to go down.

Let us give Haiti, the newest developing democratic nation in the western hemisphere, a small chance by striking this amendment.

Mr. CALLAHAN. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. GILMAN) chairman of the Committee on International Relations.

Mr. GILMAN. Mr. Chairman, I thank the gentleman for yielding me the time.

Mr. Chairman, while I fully concur with the concerns voiced by the gentleman from Michigan (Mr. CONYERS) and we want to do all we can to assist those in need in Haiti and promote democracy in that country, regrettably there are serious concerns about democratic institutions in Haiti today and our Nation needs to uphold those principles.

For these reasons, I will oppose the amendment. But our committee will continue to monitor events, as we have with the gentleman from Michigan (Mr. CONYERS) in the past, of what is going on in Haiti to see what we can do to strengthen democratic institutions in that country.

Democracy is an important and paramount interest to all of us, and we would like to see Haiti move in the right direction. But I urge our colleagues to oppose the amendment.

Mr. CALLAHAN. Mr. Chairman, I yield 10 seconds to the gentleman from Michigan (Mr. CONYERS).

Mr. CONYERS. Mr. Chairman, I thank the gentleman for yielding me the time.

Mr. Chairman, all I am suggesting, we are in agreement we want to move Haiti forward, but we should not be acting punitively before the election results are resolved. That is all I am saying is let us wait.

Mr. CALLAHAN. Mr. Chairman, I yield 15 seconds to the gentlewoman from California (Ms. PELOSI).

Ms. PELOSI. Mr. Chairman, I thank the distinguished chairman for his courtesy.

Mr. Chairman, I support what the gentleman from Michigan (Mr. CONYERS) is setting out to do. I want to follow up on what the distinguished chairman of the Committee on International Relations said, these are principles we want to uphold. And surely we do. But it seems unfair for us to single out Haiti.

If they want to write this to apply to every country, that is one thing, but it really seems kind of unfair to single out Haiti in this report. So holding the principles, we should apply them consistently.

Mr. CALLAHAN. Mr. Chairman, I yield 2 minutes to the gentleman from Florida (Mr. GOSS).

Mr. GOSS. Mr. Chairman, I thank the distinguished gentleman for yielding me the time.

Mr. Chairman, I obviously heard this debate and ran over here. I very much am opposed to the amendment. There is no pretense democracy anymore in Haiti. It is not a democratic country.

I have recently had the opportunity to talk to Mr. Manus, who was the head of the election committee there. He was chased out of the country under threat of death under assassination by mob violence, a most brutal and terrifying prospect. And certainly he has come to our country seeking asylum as a result.

There is no judicial department that is working there. There is no real legislative branch. We are stuck with a situation in Haiti where we have committed billions of dollars and made the situation worse because we have backed the wrong people.

It is a tragic situation. To make it worse by adding more American taxpayers' dollars to the situation to promote a non-democratic form of government in a friendly neighboring country to me is an unconscionable act, and I surely hope we are not going to do that.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. GOSS. I yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, the gentleman from Florida (Mr. GOSS) and I have been to Haiti together. We know there is no military in Haiti. At our insistence, they have only a national police force and no navy. We have met with the President of Haiti. The government is working as well as they can. The election will bring the parliament back to action.

Mr. GOSS. Mr. Chairman, reclaiming my time, the election has been, by all observation, a total sham. The OAS has come back and said this is not even a pretense of democracy. There is no transparency.

The final blow for me, and I have been giving them the benefit of the doubt for a long time, as the gentleman knows, hoping against hope that things will get better, but when I spoke with Mr. Manus, that was the end of it. It is over.

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Mr. CALLAHAN. Mr. Chairman, I yield myself such time as I may consume.

We only have two conditions on aid to the government of Haiti. Those two conditions happen to be free elections which the gentleman from Florida (Mr. GOSS) just spoke about and cooperation with our fight against illegal drug trafficking. I am certain that the gentleman also supports these goals. The bill has no restrictions against aid to NGOs working in Haiti. It has zero restrictions on humanitarian aid. And with these two contingencies, I am certain if the gentleman from Michigan had time to analyze the language of the bill that he too would be supporting the bill as written.

I urge my colleagues to vote "no" on the amendment.

Mr. GILMAN. Mr. Chairman, I want to set forth my reasons for my opposition to the amendment offered by my friend the gentleman from Michigan, Mr. CONYERS.

First, I recognize and applaud the tireless efforts of the gentleman from Michigan in trying to help Haiti. I share his commitment to helping the people of Haiti overcome that impoverished nation's legacy of violence and dictatorship.

Haitians need to be able to compete in the global economy. We should assist Haiti by fostering private sector jobs, helping Haitians educate their children and gain access to clean water and decent healthcare, among other issues. I will be pleased to work with the gentleman from Michigan and other Members to support continued assistance that directly reaches the people of Haiti.

The Conyers Amendment would strike language that is straighforward and appropriate. This language permits U.S. assistance to flow to the government of Haiti only if the Secretary of State reports to the Committees on Appropriations that Haiti has held free and fair elections to seat a new parliament. The language in this bill will not prevent U.S. assistance from being directed to the people of Haiti directly or through non-governmental intermediaries.

On May 21, 2000, a broad majority of Haitians courageously and deliberately voted on a peaceful election day that contrasted sharply with a campaign that witnessed some 15 people—many of them opposition candidates and officals—murdered. Regrettably, that extraordinary popular expression of support for democracy was soon sullied by acts of manipulation and official intimidation by the Haitian National Police.

Sadly, it is now patently clear that the government of Haiti deliberately undermined the holding of free and fair elections. In fact, the president of Haiti's provisional electoral council, Mr. Leon Manus, was forced to flee Haiti in fear of his life.

After enduring efforts by the government of Haiti to undermine the Provisional Electoral Council's work, Mr. Manus refused to certify false results giving a super-majority of Senate seats to President Rene Preval's Fanmi Lavalas party. Mr. Manus stated: "At the top governmental level unequivocal messages were transmitted to me on the consequences that would follow if I refused to publish the false final results."

The international community, led by Organization of American States election observers in Haiti, patiently and diplomatically pointed out to the government of Haiti that it had made a "mistake" in calculating votes in declaring winners for senate races. The government of Haiti ignored these diplomatic entreaties and scheduled run-off elections for July 9th.

A delegation from the Caribbean Community (CARICOM) visited Haiti just last week and made a reasonable proposal to President Preval that would have permitted him to save face and postpone the run-off election. Again, President Preval and his government rejected the good offices of the international community and pressed on with the run off election this past Sunday.

The Organization of American States election observers refused to monitor the run-off. Orlando Marville, the leader of the OAS electoral mission, explained: "We do not think they should allow the process to go forward as if nothing had happened. Fundamentally, if they say they are not going to change it, we cannot accept it as valid. This changes the whole nature of the elections. We are at the position where to observe the elections would send the wrong signal, which we do not want to do."

The Caribbean Community's envoy sent to investigate the elections, Sir John Compton, said Monday that the trade bloc "should not be tainted by recognizing Sunday's vote."

The White House has said: "We are deeply troubled that Haiti proceeded with run-off elections on Sunday despite the well-founded concerns of the Caribbean Community, the Organization of the American States and the United Nations,"

U.N. Secretary-General Kofi Annan expressed his "regret" Monday that Haitian authorities held the run-off vote "without having resolved the outstanding issues related to the first round."

The language regarding Haiti in this bill is appropriate. We should not reward this government that has actively worked to derail and manipulate these elections.

Moreover, the language in this bill also conditions aid to the government of Haiti on the Director of the Office of National Drug Control Policy reporting that the government of Haiti is fully cooperating with United States efforts to interdict illicit drug traffic through Haiti.

We have a serious law enforcement problem in Haiti involving a massive flow of illegal drugs from Colombia to the United States. The government of Haiti is not only moving to seize absolute power, it is also becoming a consolidated narco-state. Current U.S. law prohibits counter-narcotics assistance being provided through individuals, including government officials, who conspire to violate U.S. drug laws.

Striking this language in the Foreign Operations appropriations bill would be the wrong thing to do. We must, instead, support this language and conduct a serious re-evaluation of our Haiti policy.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. CONYERS).

The amendment was rejected.

The CHAIRMAN. Are there further amendments to this section of the bill?

If not, the Clerk will read.

The Clerk read as follows:

### REQUIREMENT FOR DISCLOSURE OF FOREIGN AID IN REPORT OF SECRETARY OF STATE

SEC. 559. (a) FOREIGN AID REPORTING REQUIREMENT.—In addition to the voting practices of a foreign country, the report required to be submitted to Congress under section 406(a) of the Foreign Relations Authorization Act, fiscal years 1990 and 1991 (22 U.S.C. 2414a), shall include a side-by-side comparison of individual countries' overall support for the United States at the United Nations and the amount of United States assistance provided to such country in fiscal year 2000.

(b) UNITED STATES ASSISTANCE.—For purposes of this section, the term "United States assistance" has the meaning given the term in section 481(e)(4) of the Foreign Assistance Act of 1961 (22 U.S.C. 2291(e)(4)).

### RESTRICTIONS ON VOLUNTARY CONTRIBUTIONS TO UNITED NATIONS AGENCIES

SEC. 560. (a) PROHIBITION ON VOLUNTARY CONTRIBUTIONS FOR THE UNITED NATIONS.—None of the funds appropriated by this Act may be made available to pay any voluntary contribution of the United States to the United Nations (including the United Nations Development Program) if the United Nations implements or imposes any taxation on any United States persons.

(b) CERTIFICATION REQUIRED FOR DISBURSEMENT OF FUNDS.—None of the funds appropriated by this Act may be made available to pay any voluntary contribution of the United States to the United Nations (including the United Nations Development Program) unless the President certifies to the Congress 15 days in advance of such payment that the United Nations is not engaged in any effort to implement or impose any taxation on United States persons in order to raise revenue for the United Nations or any of its specialized agencies.

(c) DEFINITIONS.—As used in this section the term "United States person" refers to—

(1) a natural person who is a citizen or national of the United States; or

(2) a corporation, partnership, or other legal entity organized under the United States or any State, territory, possession, or district of the United States.

### HAITI

SEC. 561. The Government of Haiti shall be eligible to purchase defense articles and services under the Arms Export Control Act (22 U.S.C. 2751 et seq.), for the Coast Guard: *Provided*, That the authority provided by this section shall be subject to the regular notification procedures of the Committees on Appropriations.

### LIMITATION ON ASSISTANCE TO THE PALESTINIAN AUTHORITY

SEC. 562. (a) PROHIBITION OF FUNDS.—None of the funds appropriated by this Act to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961 may be obligated or expended with respect to providing funds to the Palestinian Authority.

(b) WAIVER.—The prohibition included in subsection (a) shall not apply if the President certifies in writing to the Speaker of the House of Representatives and the President pro tempore of the Senate that waiving such prohibition is important to the national security interests of the United States.

(c) PERIOD OF APPLICATION OF WAIVER.—Any waiver pursuant to subsection (b) shall be effective for no more than a period of 6 months at a time and shall not apply beyond 12 months after the enactment of this Act.

### LIMITATION ON ASSISTANCE TO SECURITY FORCES

SEC. 563. None of the funds made available by this Act may be provided to any unit of the security forces of a foreign country if the Secretary of State has credible evidence that such unit has committed gross violations of human rights, unless the Secretary determines and reports to the Committees on Appropriations that the government of such country is taking effective measures to bring the responsible members of the security forces unit to justice: *Provided*, That nothing in this section shall be construed to withhold funds made available by this Act from any unit of the security forces of a foreign country not credibly alleged to be involved in gross violations of human rights: *Provided further*, That in the event that funds are withheld from any unit pursuant to this section, the Secretary of State shall promptly inform the foreign government of the basis for such action and shall, to the maximum extent practicable, assist the foreign government in taking effective measures to bring the responsible members of the security forces to justice.

### RESTRICTIONS ON ASSISTANCE TO COUNTRIES PROVIDING SANCTUARY TO INDICTED WAR CRIMINALS

SEC. 564. (a) BILATERAL ASSISTANCE.—None of the funds made available by this or any prior Act making appropriations for foreign operations, export financing and related programs, may be provided for any country, entity or municipality described in subsection (e).

(b) MULTILATERAL ASSISTANCE.—

(1) PROHIBITION.—The Secretary of the Treasury shall instruct the United States executive directors of the international financial institutions to work in opposition to, and vote against, any extension by such institutions of any financial or technical assistance or grants of any kind to any country or entity described in subsection (e).

(2) NOTIFICATION.—Not less than 15 days before any vote in an international financial institution regarding the extension of financial or technical assistance or grants to any country or entity described in subsection (e), the Secretary of the Treasury, in consultation with the Secretary of State, shall provide to the Committee on Appropriations and the Committee on Foreign Relations of the Senate and the Committee on Appropriations and the Committee on Banking and Financial Services of the House of Representatives a written justification for the proposed assistance, including an explanation of the United States position regarding any such vote, as well as a description of the location of the proposed assistance by municipality, its purpose, and its intended beneficiaries.

(3) DEFINITION.—The term "international financial institution" includes the International Monetary Fund, the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Multilateral Investment Guaranty Agency, and the European Bank for Reconstruction and Development.

(c) EXCEPTIONS.—

(1) IN GENERAL.—Subject to paragraph (2), subsections (a) and (b) shall not apply to the provision of—

(A) humanitarian assistance;

(B) democratization assistance;

(C) assistance for cross border physical infrastructure projects involving activities in both a sanctioned country, entity, or municipality and a nonsanctioned contiguous country, entity, or municipality, if the project is primarily located in and primarily benefits the nonsanctioned country, entity, or municipality and if the portion of the project located in the sanctioned country, entity, or municipality is necessary only to complete the project;

(D) small-scale assistance projects or activities requested by United States Armed Forces that promote good relations between such forces and the officials and citizens of the areas in the United States SFOR sector of Bosnia;

(E) implementation of the Brcko Arbitral Decision;

(F) lending by the international financial institutions to a country or entity to support common monetary and fiscal policies at the national level as contemplated by the Dayton Agreement;

(G) direct lending to a non-sanctioned entity, or lending passed on by the national government to a non-sanctioned entity; or

(H) assistance to the International Police Task Force for the training of a civilian police force.

(2) NOTIFICATION.—Every 60 days the Secretary of State, in consultation with the Administrator of the Agency for International Development, shall publish in the Federal Register and/or in a comparable publicly accessible document or Internet site, a listing and justification of any assistance that is obligated within that period of time for any country, entity, or municipality described in subsection (e), including a description of the purpose of the assistance, project and its location, by municipality.

(d) FURTHER LIMITATIONS.—Notwithstanding subsection (c)—

(1) no assistance may be made available by this Act, or any prior Act making appropriations for foreign operations, export financing and related programs, in any country, entity, or municipality described in subsection (e), for a program, project, or activity in which a publicly indicted war criminal is known to have any financial or material interest; and

(2) no assistance (other than emergency foods or medical assistance or demining assistance) may be made available by this Act, or any prior Act making appropriations for foreign operations, export financing and related programs for any program, project, or activity in a community within any country, entity or municipality described in subsection (e) if competent authorities within that community are not complying with the provisions of article IX and annex 4, article II, paragraph 8 of the Dayton Agreement relating to war crimes and the Tribunal.

(e) SANCTIONED COUNTRY, ENTITY, OR MUNICIPALITY.—A sanctioned country, entity, or municipality described in this section is one whose competent authorities have failed, as determined by the Secretary of State, to take necessary and significant steps to apprehend and transfer to the Tribunal all persons who have been publicly indicted by the Tribunal.

(f) SPECIAL RULE.—Subject to subsection (d), subsections (a) and (b) shall not apply to the provision of assistance to an entity that is not a sanctioned entity, notwithstanding that such entity may be within a sanctioned country, if the Secretary of State determines and so reports to the appropriate congressional committees that providing assistance to that entity would promote peace and internationally recognized human rights by encouraging that entity to cooperate fully with the Tribunal.

(g) Current Record of War Criminals and Sanctioned Countries, Entities, and Municipalities.—

(1) In general.—The Secretary of State shall establish and maintain a current record of the location, including the municipality, if known, of publicly indicted war criminals and a current record of sanctioned countries, entities, and municipalities.

(2) Information of the DCI and the Secretary of Defense.—The Director of Central Intelligence and the Secretary of Defense should collect and provide to the Secretary of State information concerning the location, including the municipality, of publicly indicted war criminals.

(3) Information of the Tribunal.—The Secretary of State shall request that the Tribunal and other international organizations and governments provide the Secretary of State information concerning the location, including the municipality, of publicly indicted war criminals and concerning country, entity and municipality authorities known to have obstructed the work of the Tribunal.

(4) Report.—Beginning 30 days after the date of the enactment of this Act, and not later than September 1 each year thereafter, the Secretary of State shall submit a report in classified and unclassified form to the appropriate congressional committees on the location, including the municipality, if known, of publicly indicted war criminals, on country, entity and municipality authorities known to have obstructed the work of the Tribunal, and on sanctioned countries, entities, and municipalities.

(5) Information to congress.—Upon the request of the chairman or ranking minority member of any of the appropriate congressional committees, the Secretary of State shall make available to that committee the information recorded under paragraph (1) in a report submitted to the committee in classified and unclassified form.

(h) Waiver.—

(1) In general.—The Secretary of State may waive the application of subsection (a) or subsection (b) with respect to specified bilateral programs or international financial institution projects or programs in a sanctioned country, entity, or municipality upon providing a written determination to the Committee on Appropriations and the Committee on Foreign Relations of the Senate and the Committee on Appropriations and the Committee on International Relations of the House of Representatives that such assistance directly supports the implementation of the Dayton Agreement and its Annexes, which include the obligation to apprehend and transfer indicted war criminals to the Tribunal.

(2) Report.—Not later than 15 days after the date of any written determination under paragraph (1) the Secretary of State shall submit a report to the Committee on Appropriations and the Committee on Foreign Relations of the Senate and the Committee on Appropriations and the Committee on International Relations of the House of Representatives regarding the status of efforts to secure the voluntary surrender or apprehension and transfer of persons indicted by the Tribunal, in accordance with the Dayton Agreement, and outlining obstacles to achieving this goal.

(3) Assistance programs and projects affected.—Any waiver made pursuant to this subsection shall be effective only with respect to a specified bilateral program or multilateral assistance project or program identified in the determination of the Secretary of State to Congress.

(i) Termination of Sanctions.—The sanctions imposed pursuant to subsections (a) and (b) with respect to a country or entity shall cease to apply only if the Secretary of State determines and certifies to Congress that the authorities of that country, entity, or municipality have apprehended and transferred to the Tribunal all persons who have been publicly indicted by the Tribunal.

(j) Definitions.—As used in this section—

(1) Country.—The term "country" means Bosnia-Herzegovina, Croatia, and Serbia.

(2) Entity.—The term "entity" refers to the Federation of Bosnia and Herzegovina, Kosovo, Montenegro, and the Republika Srpska.

(3) Dayton agreement.—The term "Dayton Agreement" means the General Framework Agreement for Peace in Bosnia and Herzegovina, together with annexes relating thereto, done at Dayton, November 10 through 16, 1995.

(4) Tribunal.—The term "Tribunal" means the International Criminal Tribunal for the Former Yugoslavia.

(k) Role of Human Rights Organizations and Government Agencies.—In carrying out this section, the Secretary of State, the Administrator of the Agency for International Development, and the executive directors of the international financial institutions shall consult with representatives of human rights organizations and all government agencies with relevant information to help prevent publicly indicted war criminals from benefiting from any financial or technical assistance or grants provided to any country or entity described in subsection (e).

### TO PROHIBIT FOREIGN ASSISTANCE TO THE GOVERNMENT OF THE RUSSIAN FEDERATION SHOULD IT ENACT LAWS WHICH WOULD DISCRIMINATE AGAINST MINORITY RELIGIOUS FAITHS IN THE RUSSIAN FEDERATION

Sec. 565. None of the funds appropriated under this Act may be made available for the Government of the Russian Federation, after 180 days from the date of the enactment of this Act, unless the President determines and certifies in writing to the Committees on Appropriations and the Committee on Foreign Relations of the Senate that the Government of the Russian Federation has implemented no statute, executive order, regulation or similar government action that would discriminate, or would have as its principal effect discrimination, against religious groups or religious communities in the Russian Federation in violation of accepted international agreements on human rights and religious freedoms to which the Russian Federation is a party.

### GREENHOUSE GAS EMISSIONS

Sec. 566. (a) Funds made available in this Act to support programs or activities the primary purpose of which is promoting or assisting country participation in the Kyoto Protocol to the Framework Convention on Climate Change (FCCC) shall only be made available subject to the regular notification procedures of the Committees on Appropriations.

(b) The President shall provide a detailed account of all Federal agency obligations and expenditures for climate change programs and activities, domestic and international obligations for such activities in fiscal year 2001, and any plan for programs thereafter related to the implementation or the furtherance of protocols pursuant to, or related to negotiations to amend the FCCC in conjunction with the President's submission of the Budget of the United States Government for Fiscal Year 2002: *Provided*, That such report shall include an accounting of expenditures by agency with each agency identifying climate change activities and associated costs by line item as presented in the President's Budget Appendix: *Provided further*, That such report shall identify with regard to the Agency for International Development, obligations and expenditures by country or central program and activity.

### AID TO THE GOVERNMENT OF THE DEMOCRATIC REPUBLIC OF CONGO

Sec. 567. None of the funds appropriated or otherwise made available by this Act may be provided to the Central Government of the Democratic Republic of Congo.

### ASSISTANCE FOR THE MIDDLE EAST

Sec. 568. Of the funds appropriated in titles II and III of this Act under the headings "Economic Support Fund", "Foreign Military Financing Program", "International Military Education and Training", "Peacekeeping Operations", for refugees resettling in Israel under the heading "Migration and Refugee Assistance", and for assistance for Israel to carry out provisions of chapter 8 of part II of the Foreign Assistance Act of 1961 under the heading "Nonproliferation, Anti-Terrorism, Demining and Related Programs", not more than a total of $5,221,150,000 may be made available for Israel, Egypt, Jordan, Lebanon, the West Bank and Gaza, the Israel-Lebanon Monitoring Group, the Multinational Force and Observers, the Middle East Regional Democracy Fund, Middle East Regional Cooperation, and Middle East Multilateral Working Groups: *Provided*, That any funds that were appropriated under such headings in prior fiscal years and that were at the time of the enactment of this Act obligated or allocated for other recipients may not during fiscal year 2001 be made available for activities that, if funded under this Act, would be required to count against this ceiling: *Provided further*, That funds may be made available notwithstanding the requirements of this section if the President determines and certifies to the Committees on Appropriations that it is important to the national security interest of the United States to do so and any such additional funds shall only be provided through the regular notification procedures of the Committees on Appropriations.

### ENTERPRISE FUND RESTRICTIONS

Sec. 569. Prior to the distribution of any assets resulting from any liquidation, dissolution, or winding up of an Enterprise Fund, in whole or in part, the President shall submit to the Committees on Appropriations, in accordance with the regular notification procedures of the Committees on Appropriations, a plan for the distribution of the assets of the Enterprise Fund.

### CAMBODIA

Sec. 570. (a) The Secretary of the Treasury should instruct the United States executive directors of the international financial institutions to use the voice and vote of the United States to oppose loans to the Central Government of Cambodia, except loans to support basic human needs.

(b) None of the funds appropriated by this Act may be made available for assistance for the Central Government of Cambodia.

### FOREIGN MILITARY TRAINING REPORT

SEC. 571. (a) The Secretary of Defense and the Secretary of State shall jointly provide to the Congress by March 1, 2001, a report on all military training provided to foreign military personnel (excluding sales, and excluding training provided to the military personnel of countries belonging to the North Atlantic Treaty Organization) under programs administered by the Department of Defense and the Department of State during fiscal years 2000 and 2001, including those proposed for fiscal year 2001. This report shall include, for each such military training activity, the foreign policy justification and purpose for the training activity, the cost of the training activity, the number of foreign students trained and their units of operation, and the location of the training. In addition, this report shall also include, with respect to United States personnel, the operational benefits to United States forces derived from each such training activity and the United States military units involved in each such training activity. This report may include a classified annex if deemed necessary and appropriate.

(b) For purposes of this section a report to Congress shall be deemed to mean a report to the Appropriations and Foreign Relations Committees of the Senate and the Appropriations and International Relations Committees of the House of Representatives.

### KOREAN PENINSULA ENERGY DEVELOPMENT ORGANIZATION

SEC. 572. (a) Of the funds made available under the heading "Nonproliferation, Antiterrorism, Demining and Related Programs", not to exceed $35,000,000 may be made available for the Korean Peninsula Energy Development Organization (hereafter referred to in this section as "KEDO"), notwithstanding any other provision of law, only for the administrative expenses and heavy fuel oil costs associated with the Agreed Framework.

(b) Such funds may be made available for KEDO only if, 30 days prior to such obligation of funds, the President certifies and so reports to Congress that—

(1) the parties to the Agreed Framework have taken and continue to take demonstrable steps to implement the Joint Declaration on Denuclearization of the Korean Peninsula in which the Government of North Korea has committed not to test, manufacture, produce, receive, possess, store, deploy, or use nuclear weapons, and not to possess nuclear reprocessing or uranium enrichment facilities;

(2) the parties to the Agreed Framework have taken and continue to take demonstrable steps to pursue the North-South dialogue;

(3) North Korea is complying with all provisions of the Agreed Framework;

(4) North Korea has not significantly diverted assistance provided by the United States for purposes for which it was not intended;

(5) there is no credible evidence that North Korea is seeking to develop or acquire the capability to enrich uranium, or any additional capability to reprocess spent nuclear fuel;

(6) North Korea is complying with its commitments regarding access to suspect underground construction at Kumchang-ni;

(7) there is no credible evidence that North Korea is engaged in a nuclear weapons program, including efforts to acquire, develop, test, produce, or deploy such weapons; and

(8) the United States is continuing to make significant progress on eliminating the North Korean ballistic missile threat, including further missile tests and its ballistic missile exports.

(c) The President may waive the certification requirements of subsection (b) if the President determines that it is vital to the national security interests of the United States and provides written policy justifications to the appropriate congressional committees. No funds may be obligated for KEDO until 30 days after submission to Congress of such waiver.

(d) The Secretary of State shall, at the time of the annual presentation for appropriations, submit a report providing a full and detailed accounting of the fiscal year 2002 request for the United States contribution to KEDO, the expected operating budget of KEDO, proposed annual costs associated with heavy fuel oil purchases, including unpaid debt, and the amount of funds pledged by other donor nations and organizations to support KEDO activities on a per country basis, and other related activities.

### AFRICAN DEVELOPMENT FOUNDATION

SEC. 573. Funds made available to grantees of the African Development Foundation may be invested pending expenditure for project purposes when authorized by the President of the Foundation: *Provided*, That interest earned shall be used only for the purposes for which the grant was made: *Provided further*, That this authority applies to interest earned both prior to and following the enactment of this provision: *Provided further*, That notwithstanding section 505(a)(2) of the African Development Foundation Act, in exceptional circumstances the board of directors of the Foundation may waive the $250,000 limitation contained in that section with respect to a project: *Provided further*, That the Foundation shall provide a report to the Committees on Appropriations in advance of exercising such waiver authority.

### PROHIBITION ON ASSISTANCE TO THE PALESTINIAN BROADCASTING CORPORATION

SEC. 574. None of the funds appropriated or otherwise made available by this Act may be used to provide equipment, technical support, consulting services, or any other form of assistance to the Palestinian Broadcasting Corporation.

### IRAQ OPPOSITION

SEC. 575. Notwithstanding any other provision of law, of the funds appropriated under the heading "Economic Support Fund", not to exceed $10,000,000 may be made available to support efforts to bring about political transition in Iraq, of which not to exceed $8,000,000 may be made available only to Iraqi opposition groups designated under the Iraq Liberation Act (Public Law 105–338) for political, economic, humanitarian, and other activities of such groups, and not to exceed $2,000,000 may be made available for groups and activities seeking the prosecution of Saddam Hussein and other Iraqi government officials for war crimes: *Provided*, That none of these funds may be made available for administrative expenses of the Department of State.

### AGENCY FOR INTERNATIONAL DEVELOPMENT BUDGET JUSTIFICATION

SEC. 576. The Agency for International Development shall submit to the Committees on Appropriations a detailed budget justification that is consistent with the requirements of section 515, for each fiscal year. The Agency shall submit to the Committees on Appropriations a proposed budget justification format no later than October 31, 2001, or 30 days after the enactment of this Act, whichever occurs later. The proposed format shall include how the Agency's budget justification will address: (1) estimated levels of obligations for the current fiscal year and actual levels for the two previous fiscal years; (2) the President's request for new budget authority and estimated carryover obligational authority for the budget year; (3) the disaggregation of budget data and staff levels by program and activity for each bureau, field mission, and central office; and (4) the need for a user-friendly, transparent budget narrative.

### KYOTO PROTOCOL

SEC. 577. None of the funds appropriated by this Act shall be used to propose or issue rules, regulations, decrees, or orders for the purpose of implementation, or in preparation for implementation, of the Kyoto Protocol, which was adopted on December 11, 1997, in Kyoto, Japan, at the Third Conference of the Parties to the United States Framework Convention on Climate Change, which has not been submitted to the Senate for advice and consent to ratification pursuant to article II, section 2, clause 2, of the United States Constitution, and which has not entered into force pursuant to article 25 of the Protocol. The limitation established in this section shall not apply to any activity otherwise authorized by law.

### WEST BANK AND GAZA PROGRAM

SEC. 578. For fiscal year 2001, 30 days prior to the initial obligation of funds for the bilateral West Bank and Gaza Program, the Secretary of State shall certify to the appropriate committees of Congress that procedures have been established to assure the Comptroller General of the United States will have access to appropriate United States financial information in order to review the uses of United States assistance for the Program funded under the heading "Economic Support Fund" for the West Bank and Gaza.

### INDONESIA

SEC. 579. Funds appropriated by this Act under the heading "Foreign Military Financing Program" may be made available for Indonesia if the President determines and submits a report to the appropriate congressional committees that the Indonesian government and the Indonesian armed forces are—

(1) taking effective measures to bring to justice members of the armed forces and militia groups against whom there is credible evidence of human rights violations;

(2) taking effective measures to bring to justice members of the armed forces against whom there is credible evidence of aiding or abetting militia groups;

(3) allowing displaced persons and refugees to return home to East Timor, including providing safe passage for refugees returning from West Timor;

(4) not impeding the activities of the United Nations Transitional Authority in East Timor (UNTAET);

(5) demonstrating a commitment to preventing incursions into East Timor by members of militia groups in West Timor; and

(6) demonstrating a commitment to accountability by cooperating with investigations and prosecutions of members of the Indonesian armed forces and militia groups responsible for human rights violations in Indonesia and East Timor.

### MAN AND THE BIOSPHERE

SEC. 580. None of the funds appropriated or otherwise made available by this Act may be provided for the United Nations Man and the Biosphere Program or the United Nations World Heritage Fund.

### CONSULTATIONS ON ARMS SALES TO TAIWAN

SEC. 581. Consistent with the intent of Congress expressed in the enactment of section 3(b) of the Taiwan Relations Act, the Secretary of State shall consult with the appropriate committees and leadership of Congress to devise a mechanism to provide for congressional input prior to making any determination on the nature or quantity of defense articles and services to be made available to Taiwan.

### RESTRICTION ON UNITED STATES ASSISTANCE FOR CERTAIN RECONSTRUCTION EFFORTS IN CENTRAL EUROPE

SEC. 582. Funds appropriated or otherwise made available by this Act for United States assistance for Eastern Europe and the Baltic States should to the maximum extent practicable be used for the procurement of articles and services of United States origin.

### RESTRICTIONS ON ASSISTANCE TO GOVERNMENTS DESTABILIZING SIERRA LEONE

SEC. 583. (a) None of the funds appropriated by this Act may be made available for assistance for the government of any country that the Secretary of State determines there is credible evidence that such government has provided lethal or non-lethal military support or equipment, directly or through intermediaries, within the previous six months to the Sierra Leone Revolutionary United Front (RUF), or any other group intent on destabilizing the democratically elected government of the Republic of Sierra Leone.

(b) None of the funds appropriated by this Act may be made available for assistance for the government of any country that the Secretary of State determines there is credible evidence that such government has aided or abetted, within the previous six months, in the illicit distribution, transportation, or sale of diamonds mined in Sierra Leone.

(c) Whenever the prohibition on assistance required under subsection (a) or (b) is exercised, the Secretary of State shall notify the Committees on Appropriations in a timely manner.

### AMENDMENT NO. 56 OFFERED BY MR. PAYNE

Mr. PAYNE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 56 offered by Mr. PAYNE:

Page 119, line 24, after "SIERRA LEONE" insert "OR ANGOLA".

Page 120, line 6, after "(RUF)" insert ", or to National Union for the Total Independence of Angola (UNITA)".

Page 120, line 8, before the period insert "or the democratically elected government of Angola, as the case may be".

Page 120, line 15, before the period insert "or in Angola".

The CHAIRMAN. Pursuant to the order of the House of Wednesday, July 12, 2000, the gentleman from New Jersey (Mr. PAYNE) and a Member opposed each will control 5 minutes.

Mr. CALLAHAN. Mr. Chairman, I reserve a point of order on the gentleman's amendment.

The CHAIRMAN. The gentleman reserves a point of order on the amendment.

The Chair recognizes the gentleman from New Jersey (Mr. PAYNE).

Mr. PAYNE. Mr. Chairman, I yield myself such time as I may consume. I have an amendment on what I think is probably one of the most horrendous situations that has occurred for the past 40 years in a country that was the first African country to receive its independence back in 1956 from Britain. It is the country of Sudan. The country of Sudan has seen an estimated 2 million people die from famine and war-related issues. In 1998 alone, 100,000 people died because the National Islamic Front government denied United Nations humanitarian food to be delivered to the needy people in the south of Sudan.

More people have died in Sudan than in Bosnia, Kosovo, Somalia, and Congo combined. We have seen food being deprived from people. We have seen the fact that the Antonovs, which are old Soviet planes, fly over communities. I was there several times where we actually would watch the chickens because the chickens would hear the planes from long distances and the children would then run when the chickens started to move around and then the older people would know that the planes are coming, the bombs are coming, you try to get out of it. It is one of the most horrendous situations. Two million people.

All we are asking is that there be nonlethal equipment, that the people be allowed to have food, that they could protect themselves from the aerial bombings, that they could have some semblance of order. The fact is that this would go to the National Democratic Alliance which is made up of the people in the south who are in the process of trying to move along.

At this time we have a technical difference. I understand that we are on the other section. So we would ask that the Clerk would once again read the title.

### POINT OF ORDER

Mr. CALLAHAN. Point of order, Mr. Chairman.

The CHAIRMAN. The gentleman from Alabama will state his point.

Mr. CALLAHAN. One amendment was read. The gentleman was talking about the contents of another amendment. I think what he is doing now is trying to swap amendments, or I think he first has to through unanimous consent take this amendment that has been read from the table. But I will leave that decision to the Chair, naturally.

The CHAIRMAN. Does the gentleman from New Jersey ask unanimous consent for the Clerk to report the amendment that was designated earlier?

Mr. PAYNE. Yes.

The CHAIRMAN. Without objection, the Clerk will read the amendment which has been designated and which is pending.

Mr. CALLAHAN. Mr. Chairman, reserving the right to object, I will assume that the debate that took place on the previous amendment would suffice for the gentleman's argument on this amendment.

Mr. Chairman, with that understanding, I withdraw my reservation of objection.

The CHAIRMAN. Without objection, the Clerk will report the amendment which is currently pending.

There was no objection.

The Clerk read as follows:

Amendment No. 56 offered by Mr. PAYNE:

Page 119, line 24, after "SIERRA LEONE" insert "OR ANGOLA".

Page 120, line 6, after "(RUF)" insert ", or to National Union for the Total Independence of Angola (UNITA)".

Page 120, line 8, before the period insert "or the democratically elected government of Angola, as the case may be".

Page 120, line 15, before the period insert "or in Angola".

Mr. PAYNE. Mr. Chairman, the reason for the confusion was that last night we requested that this particular amendment be withdrawn and that the previous resolution asking for UNITA to have any country doing business with them withdrawn. So this amendment we would ask to be withdrawn. That is why the confusion came about. With that, Mr. Chairman, I would ask that that amendment be withdrawn.

The CHAIRMAN. Is there objection to withdrawing the amendment offered by the gentleman from New Jersey (Mr. PAYNE)?

Without objection, the amendment is withdrawn.

There was no objection.

The CHAIRMAN. Are there other amendments made in order to this section of the bill?

Mr. CALLAHAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I yield to the gentleman from North Dakota (Mr. POMEROY).

Mr. POMEROY. I thank the gentleman for yielding. I want to thank the chairman for all he has done to support basic education programs for children and for his work to improve the lives of families in developing countries, a topic of concern we both share.

My interest in international basic education stems from my conviction which I know the gentleman shares that education is the key to development. Providing basic education in developing nations advances hope for children, advances hope for families, advances hope for communities, and advances hope for the countries we are trying to help.

It also produces clear results. A baby who is born to a mother with just 4 years of education is twice as likely to survive as a baby with an utterly uneducated mother. Every additional year of schooling beyond grade four that a child receives leads to a 10 to 20 percent increase in wages. At a national level, increases in literacy of 20 to 30 percent have led to increases in a country's gross domestic product of 8 to 16 percent.

While we have made progress, there is a long way to go. There are 113 million children who will never go to school. Two-thirds of these are little girls. Another 150 million on top of 113 million who do not go at all will drop out before they get to the fifth grade. The vast majority of these dropouts are little girls. To address this problem, I believe we need to continue and expand our financial commitment to international basic education. Over the last several years, funding for basic education for children has been set at a cap of $98 million. Now, this year, thanks to the gentleman's leadership, the committee lifted the cap on the funding and increased funding by $5 million to $103 million from the child survival account. The gentleman recommended an additional $15 million be provided from the economic support fund.

Mr. Chairman, I would like this debate to reflect the gentleman from Alabama's thoughts on the record about the commitment to children's education.

Mr. CALLAHAN. Reclaiming my time, I thank the gentleman for his remarks. I look forward to working with him to support basic education for children. Naturally, I am supportive of that and I know the gentleman as well is supportive.

Mr. POMEROY. If the gentleman will yield further, I hope that as we continue the appropriations process the conferees would consider even increasing additional funds for basic education. Increasing the amount would bring us closer to our historic levels of funding for basic education. In the 1980s, now more than 10 years ago, U.S. support for education reached as much as $180 million. Five years ago, funding for basic education for children was $142 million. We are still well short of that, even with this important increase the gentleman has advanced.

I believe that funding will have to be increased further to meet the commitment that our country has made at the World Education Forum in Dakar, Senegal, to get every child in school by the year 2015. Today with more than 113 million out of school, another 150 million dropping out before grade five, it shows that we have to step up this commitment to meet this important goal. Following the Dakar meeting of world leaders, it is particularly important that this Congress show that it is part of the program, part of this international commitment. I look forward to working with the gentleman to make sure this happens.

The CHAIRMAN. Are there further amendments to this section of the bill?

If not, the Clerk will read.

The Clerk read as follows:

### VOLUNTARY SEPARATION INCENTIVES

SEC. 584. Section 579(c)(2)(D) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2000, as enacted by section 1000(a)(2) of the Consolidated Appropriations Act, 2000 (Public Law 106–113), is amended by striking "December 31, 2000" and inserting in lieu thereof "December 31, 2001".

### WORKING CAPITAL FUND

SEC. 585. Section 635 of the Foreign Assistance Act of 1961 (22 U.S.C. 2395) is amended by adding a new subsection (l) as follows:

"(l)(1) There is hereby established a working capital fund for the United States Agency for International Development which shall be available without fiscal year limitation for the expenses of personal and nonpersonal services, equipment and supplies for: (A) International Cooperative Administrative Support Services; and (B) rebates from the use of United States Government credit cards.

"(2) The capital of the fund shall consist of the fair and reasonable value of such supplies, equipment, and other assets pertaining to the functions of the fund as the Administrator determines, rebates from the use of United States Government credit cards, and any appropriations made available for the purpose of providing capital, less related liabilities.

"(3) The fund shall be reimbursed or credited with advance payments for services, equipment or supplies provided from the fund from applicable appropriations and funds of the agency, other Federal agencies and other sources authorized by section 607 of this Act at rates that will recover total expenses of operation, including accrual of annual leave and depreciation. Receipts from the disposal of, or payments for the loss or damage to, property held in the fund, rebates, reimbursements, refunds, and other credits applicable to the operation of the fund may be deposited in the fund.

"(4) The agency shall transfer to the Treasury as miscellaneous receipts as of the close of the fiscal year such amounts which the Administrator determines to be in excess of the needs of the fund.

"(5) The fund may be charged with the current value of supplies and equipment returned to the working capital of the fund by a post, activity or agency and the proceeds shall be credited to current applicable appropriations.".

### POINT OF ORDER

Mr. GILMAN. Mr. Chairman, I make a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. GILMAN. Mr. Chairman, I make a point of order against the language appearing in the bill beginning with page 121, line 1, through page 122, line 12, on the ground that it violates clause 2 of rule XXI.

The rule I have referenced prohibits changes to law on general appropriations bills. This language amends the Foreign Assistance Act to authorize the establishment of a working capital fund for the Agency for International Development.

Mr. CALLAHAN. Mr. Chairman, we will be happy to concede the point of order.

Mr. GILMAN. I thank the gentleman for his concession. If I might continue with my statement.

The CHAIRMAN. The Chair will briefly hear the gentleman on his point of order, although the point of order has been conceded and the Chair is prepared to rule.

Mr. GILMAN. Mr. Chairman, may I revise and extend my remarks?

The CHAIRMAN. After the point of order, the gentleman may revise and extend his remarks.

Ms. PELOSI. Mr. Chairman, I wish to be heard on the point of order.

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Ms. PELOSI. Mr. Chairman, on the point of order, and recognizing the request of the distinguished chairman of the committee, I have some concerns about this motion.

As the gentleman knows, no funds would be appropriated to establish the Working Capital Fund, but the creation of the fund would result in overall savings to the Federal Government. In several overseas locations other agencies have requested USAID to provide various types of administrative support to other agencies, because USAID can provide the support at the lowest cost to the Federal Government. So I hope that the gentleman is aware that this language in the bill is a savings for the Federal Government.

Without a Working Capital Fund, USAID has difficulty becoming a service provider, because we cannot separately account for funds received from other agencies and cannot carry the funds from one year to the next. The fund would also enable an agency to use rebates from prompt payment. This would be an incentive for greater use of credit cards and again save money.

Mr. GILMAN. Mr. Chairman, will the gentlewoman yield?

Ms. PELOSI. I yield to the gentleman from New York.

The CHAIRMAN. The gentlewoman may not yield when discussing a point of order.

The Chair is prepared to rule. The Chair finds the provision directly amends existing law. Such provision constitutes legislation in violation of clause 2 of rule XXI. The point of order is sustained, and the provision of the bill is stricken.

Without objection, the gentleman from New York (Mr. GILMAN) may extend his remarks at this point in the record.

There was no objection.

Mr. GILMAN. Mr. Chairman, the Rule I have referenced prohibits changes to law on general appropriations bills. This language amends the Foreign Assistance Act to authorize the establishment of a working capital fund for the Agency for International Development.

The Administration, which evidently wants this provision, should have approached the Committee with legislative jurisdiction, the Committee on International Relations. Instead, the Administration engaged another Committee that lacks jurisdiction to amend the Foreign Assistance Act.

This is an unfortunate attitude and practice that we have seen from time to time in this and other Administrations and I regret that we have to consume the time of the Appropriations Committee on this sort of matter in this way.

The Administration has not submitted a draft bill to our Committee, nor have they engaged our International Relations Committee in any meaningful way.

I do understand that the Committee on Foreign Relations in the other body has reviewed similar legislation on a working capital fund for the Agency for International Development and our Committee on International Relations would be happy to work with the other body and the Administration from here on out and see if this provision is meritorious.

Accordingly, Mr. Chairman, I must respectfully insist on my point of order.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

### CONTRIBUTIONS TO UNITED NATIONS POPULATION FUND

Sec. 586. (1) Limitations on Amount of Contribution.—Of the amounts made available under "International Organizations and Programs", not more than $25,000,000 for fiscal year 2001 shall be available for the United Nations Population Fund (hereafter in this subsection referred to as the "UNFPA").

(2) Prohibition on Use of Funds in China.—None of the funds made available under "International Organizations and Programs" may be made available for the UNFPA for a country program in the People's Republic of China.

(3) Conditions on Availability of Funds.—Amounts made available under "International Organizations and Programs" for fiscal year 2001 for the UNFPA may not be made available to UNFPA unless—

(A) the UNFPA maintains amounts made available to the UNFPA under this section in an account separate from other accounts of the UNFPA;

(B) the UNFPA does not commingle amounts made available to the UNFPA under this section with other sums; and

(C) the UNFPA does not fund abortions.

(4) Report to the Congress and Withholding of Funds.—

(A) Not later than February 15, 2001, the Secretary of State shall submit a report to the appropriate congressional committees indicating the amount of funds that the United Nations Population Fund is budgeting for the year in which the report is submitted for a country program in the People's Republic of China.

(B) If a report under subparagraph (A) indicates that the United Nations Population Fund plans to spend funds for a country program in the People's Republic of China in the year covered by the report, then the amount of such funds that the UNFPA plans to spend in the People's Republic of China shall be deducted from the funds made available to the UNFPA after March 1 for obligation for the remainder of the fiscal year in which the report is submitted.

### AUTHORIZATION FOR POPULATION PLANNING

Sec. 587. (a) Authorization.—Not to exceed $385,000,000 of the funds appropriated in title II of this Act may be available for population planning activities or other population assistance.

(b) Restriction on Assistance to Foreign Organizations That Perform or Actively Promote Abortions.—

(1) Performance of abortions.—(A) Notwithstanding section 614 of the Foreign Assistance Act of 1961, or any other provision of law, no funds appropriated by title II of this Act for population planning activities or other population assistance may be made available for any foreign private, nongovernmental, or multilateral organization until the organization certifies that it will not, during the period for which the funds are made available, perform abortions in any foreign country, except where the life of the mother would be endangered if the pregnancy were carried to term or in cases of forcible rape or incest.

(B) Subparagraph (A) may not be construed to apply to the treatment of injuries or illnesses caused by legal or illegal abortions or to assistance provided directly to the government of a country.

(2) Lobbying activities.—(A) Notwithstanding section 614 of the Foreign Assistance Act of 1961, or any other provision of law, no funds appropriated by title II of this Act for population planning activities or other population assistance may be made available for any foreign private, nongovernmental, or multilateral organization until the organization certifies that it will not, during the period for which the funds are made available, violate the laws of any foreign country concerning the circumstances under which abortion is permitted, regulated, or prohibited, or engage in activities or efforts to alter the laws or governmental policies of any foreign country concerning the circumstances under which abortion is permitted, regulated, or prohibited.

(B) Subparagraph (A) shall not apply to activities in opposition to coercive abortion or involuntary sterilization.

(3) Application to foreign organizations.—The prohibitions and certifications of this subsection apply to funds made available to a foreign organization either directly or as a subcontractor or subgrantee.

(c) Waiver Authority.—

(1) Authority.—The President may waive the restrictions contained in subsection (b) that require certifications from foreign private, nongovernmental, or multilateral organizations.

(2) Reduction of assistance.—In the event the President exercises the authority contained in paragraph (1) to waive either or both subsections (b)(1) and (b)(2), then—

(A) assistance authorized by subsection (a) and allocated for population planning activities or other population assistance shall be reduced by a total of $12,500,000, and that amount shall be transferred from funds appropriated by this Act under the heading "Development Assistance" and consolidated and merged with funds appropriated by this Act under the heading "Child Survival and Disease Programs Fund"; and

(B) notwithstanding any other provision of law, such transferred funds that would have been made available for population planning activities or other population assistance shall be made available for infant and child health programs that have a direct, measurable, and high impact on reducing the incidence of illness and death among children.

(3) Limitation.—The authority provided in paragraph (1) may be exercised to allow the provision of not more than $15,000,000, in the aggregate, to all foreign private, nongovernmental, or multilateral organizations with respect to which such authority is exercised.

(4) Additional requirements.—Upon exercising the authority provided in paragraph (1), the President shall report in writing to the Committee on Appropriations and the Committee on Foreign Relations of the Senate and the Committee on Appropriations and the Committee on International Relations of the House of Representatives.

### AMENDMENT NO. 11 OFFERED BY MR. GREENWOOD

Mr. GREENWOOD. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 11 offered by Mr. Greenwood:

Strike section 587 of the bill (page 124, strike line 4 and all that follows through line 15 on page 127).

The CHAIRMAN. Pursuant to the order of House of Wednesday, July 12, 2000, the gentleman from Pennsylvania (Mr. Greenwood) and a Member opposed each will control 30 minutes.

The Chair recognizes the gentleman from Pennsylvania (Mr. Greenwood).

Mr. GREENWOOD. Mr. Chairman, I ask unanimous consent to share one-half the time allotted to my amendment with the gentlewoman from New York (Mrs. Lowey).

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. The gentlewoman from New York will control 15 minutes, and may yield time to other Members.

Mr. SMITH of New Jersey. Mr. Chairman, I would like to claim the 30 minutes in opposition.

The CHAIRMAN. The gentleman from New Jersey will control 30 minutes in opposition to the amendment.

The Chair recognizes the gentleman from Pennsylvania (Mr. Greenwood).

Mr. GREENWOOD. Mr. Chairman, I yield 1½ minutes to the gentleman from California (Mr. Campbell).

Mr. CAMPBELL. Mr. Chairman, I rise in strong support of the Greenwood-Lowey amendment, for the following reasons. Family planning reduces abortion, it is just that simple. People who go to receive advice on family planning oftentimes go first because they believe that they may be pregnant, and if you say that you may not offer abortion services, you are cutting a substantial amount out of the value of family planning because of the opportunity that people seek to get that advice.

Secondly, this particular provision in the bill prohibits even advocating for a change in the law. Indeed, the way it is written it even prohibits advocating a change in the law to outlaw abortion. Anybody who lobbies their own government in order to affect abortion no longer qualifies for assistance under the bill.

Third and last, this provision is an absolute prohibition on family planning, and it has a waiver, and this year the waiver was acceptable to me because the President would exercise that waiver. But particularly for pro-choice Republicans, of whom I am one and my colleague from Pennsylvania is another, we do not know who will be

President next year, and if our candidate for President is the President next year, which is my desire, I have no assurance that he will exercise the waiver.

So let me repeat that to pro-choice Republicans: We have no guarantee that this waiver, which we were willing to accept last year as a compromise, will in fact be exercised should it be the Republican candidate for President elected. Accordingly, the law would stand, and the law is no money for family planning, because the groups in question cannot make the certification. We are voting today on Greenwood to restore family planning. It is that important, that simple, and that clear.

Mrs. LOWEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in strong support of this amendment which would strike the global gag rule from this bill. This anti-democratic policy forces NGOs in the developing world to sacrifice their right to free speech in order to participate in our family planning programs. While restricting foreign NGOs in this way may only offend our democratic sensibilities, if we tried to do this at home, it would be absolutely unconstitutional.

Section 587 of this bill severely damages our international family planning programs. The demand for these programs is much larger than our limited funds can meet, and section 587 imposes an arbitrary cap on family planning which is $156 million below the President's request.

Very simply, our family planning programs save lives. 600,000 women die each year of pregnancy-related causes that are often preventible. More than 150 million married women in the developing world want contraceptives, but have no access it them. Increasing access to family planning will save the lives of women and children and it will reduce the incidence of abortion worldwide. Striking this section will reduce the number of abortions performed each day. If you support this objective, you should support this amendment.

We need to consider the global gag rule within the overall context of U.S. foreign policy. What values do we want to export along with our foreign assistance? The gag rule says to our NGO partners abroad that we do not need to care about their rights, that freedom of speech, the very foundation of the American democracy, matters here, but it does not matter abroad, that our commitment to free speech and freedom of association, fixtures of our Constitution, end at our own borders. Is this the kind of message that we want to send?

Make no mistake, the United States is being watched. Each day Members on both sides of the aisle condemn violations of human rights abroad. Each day we debate whether the United States should associate at all with foreign regimes who refuse to embrace Democratic ideals. Our neighbors around the world look to us as the definitive authority on democracy.

The words of the director of a family planning organization that receives our funding sums up the severe damage that we do to our own credibility by incorporating an anti-democratic policy such as the gag rule into our foreign assistance program:

> We believe this requirement is profoundly anti-democratic and does a disservice to the legacy of the United States of America's fight for democracy. Democracy is nourished and strengthened by open debate and freedom of expression. Shackling the discussion of ideas impoverishes such public debate, and, in doing so, weakens democracy. We are now in the difficult position of having to choose between needed funding for an historic project on the one hand and essential democratic participation on the other. Either way, there is a cost to women's reproductive health and to democracy.

Mr. Chairman, if the oppression of ideas with which some do not agree and the use of economic power to crush dissent are ideals one thinks the United States should export, then vote against this amendment. But if believes, as I do, that the strength of our country lies in our unwavering commitment to democracy at home and abroad, then join us in voting yes to strike the global gag rule.

Mr. Chairman, I reserve the balance of my time.

Mr. SMITH of New Jersey. Mr. Chairman, I yield 3 minutes to the gentleman from Indiana (Mr. SOUDER).

Mr. GREENWOOD. Mr. Chairman, I yield 30 seconds to the gentleman from Indiana.

The CHAIRMAN. The gentleman from Indiana is recognized for 3½ minutes.

Mr. SOUDER. Mr. Chairman, this is clearly going to be an abortion debate. Others can try to turn it into recycling the old phrase about the gag rule, but this fundamentally an abortion debate, and whether those of us who strongly believe that abortion is taking the life of innocent children should have to pay, and in this question it is not for abortions in our country, but abortions overseas, whether we are going to export this doctrine of death.

I have worked hard in this Congress to fight against child abuse, to fight against domestic violence, to work for creative ways to stop violence in our schools. But it is hard to take a message to our young people that it is wrong to kill other young people, it is wrong to beat children, but if the child is in the womb, you can burn their skin off, you can cut them off, you can take the baby as they are coming out and hit them with a blunt object. Now, that is another form of violence.

Mr. GREENWOOD. Mr. Chairman, will the gentleman yield?

Mr. SOUDER. I yield to the gentleman from Pennsylvania.

Mr. GREENWOOD. Mr. Chairman, is the gentleman aware that since 1973 it has been against the law to use one dime of these funds for abortions overseas, that the Helms amendment of 1973 prohibits the expenditure of any of these funds for abortion?

Mr. SOUDER. Mr. Chairman, reclaiming my time, I am aware that we have directly banned abortion funding, but the question and what we have tried to address and what this language tries to address is fungible funding.

The argument of many of us is that in an organization that on the one hand does abortions, and on the other hand does family planning, which I as an individual do not oppose and believe many of these countries do in fact need family planning, that does not take life once life has begun, that these funds, even though they are claimed to be privately raised, are in fact fungible.

Mr. GREENWOOD. Mr. Chairman, if the gentleman will continue to yield, that is fine. Let us keep the debate honest and talk about fungibility. Let us not use language that implies that these funds can be directly used for abortion.

Mr. SOUDER. Mr. Chairman, I do believe and what my point is is that these funds can be used directly for abortion, because the money is commingled, and while there is a bookkeeping process, the fact is that the actual dollars that are used on abortion are fungible and can be used to commit these heinous acts, and that while we may have differences about the bookkeeping, the fact is that this argument is often used when we get into voucher debates by the other side, that to give aid to a private school is promoting religion because those dollars then are fungible and can be used back and forth.

You cannot have it both ways. You cannot argue that the Republicans use fungible money when we advocate vouchers, but it is not fungible when we deal with the abortion argument.

The second question on the gag rule, this is not a question of freedom of speech. This is a question of whether taxpayers' dollars can be used to fund certain types of speech, particularly in countries where they may oppose even family planning in addition to abortion.

For example, in one of the more celebrated cases in the Philippines, where they had laws on what type of population methods could be allowed, we used American taxpayer dollars to try to change laws that at least half of the Americans in a deeply split general public do not favor. Why in the world would it be exporting our beliefs of freedom and democracy to use American taxpayer dollars to undermine democracy in other countries where they have concluded, like in Ireland or the Philippines or whatever the case may be, that certain laws on abortion and population control are wrong?

Mr. GREENWOOD. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. GILMAN), the distinguished chairman of the Committee on International Relations.

Mr. GILMAN. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, I rise in strong support of the amendment offered by our colleague the gentleman from Pennsylvania (Mr. GREENWOOD) concerning the gag rule and other restrictions on family planning in this bill. Not only do family planning programs help millions by allowing poor women to space the birth of their children, it also saves lives and it is key to sound and sustainable development.

The most distressing aspect of the family planning language in this bill concerns the limits on free speech on organizations that provide much needed technical assistance to the poorest of the poor throughout the developing world. It is my conviction that freedom of speech is a fundamental American value that should be respected, not only in our own Nation, but overseas as well. Freedom of speech is an essential ingredient for democracy to thrive and it is critical to the success of sustainable development efforts promoted by our own Nation.

□ 1030

It is a principle that we wish to advocate throughout the developing world as an embodiment of the genius of the American Democratic experience.

Accordingly, limiting eligibility for U.S. development and humanitarian assistance by requiring foreign nongovernmental organizations to forgo their right to use their own funds to address, within legal and democratic processes, any issue affecting the citizens of their own country is abhorrent to the principles of American democracy and of those rights and privileges bestowed upon our people by our Constitution.

Accordingly, Mr. Chairman, I urge our colleagues to support the Greenwood amendment that incorporates the principles of American democracy and ensures that foreign nongovernmental organizations and multilateral organizations shall not be subject to requirements relating to the use of non-U.S. Government funds for advocacy and lobbying activities, other than those that apply to U.S. nongovernmental organizations receiving assistance under the Act.

I urge my colleagues to vote yes on the Greenwood amendment.

Mr. SMITH of New Jersey. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, on Tuesday this House voted 416 to 1 to defend the Vatican from a vicious campaign of anti-Catholic bigotry by major pro-abortion organizations.

The list of groups who seek the Vatican's ouster from the U.N., which includes the International Planned Parenthood Federation based in London, Planned Parenthood Federation of America, and Pathfinder, to name a few, reads like a Who's Who list of groups lavishly subsidized by U.S. taxpayers.

Many of these groups, Mr. Chairman, aggressively promote abortion on demand in foreign countries. Members will recall that about 100 countries around the world protect the lives of their unborn children from the violence of abortion. If only the family planners would stick with family planning alone, we would not be here arguing this issue today.

I think we should make no mistake about it, this debate is about fat subsidies to the abortion industry. This debate is about how Congress dispenses grant money. This is grant money, I say to my colleagues. There is no entitlement spending involved here. This is grant money. This is discretionary funds.

We have an obligation and a duty, I would respectfully submit, to put conditions on it if we feel that it is warranted, and many of us, hopefully the majority of us, will feel that it is indeed warranted.

Mr. Chairman, abortion is violence against children. Earlier one of my colleagues talked about human rights. The most fundamental of all human rights is the right to life, to be free from violence. Chemically poisoning a child with a lethal injection or dismembering an unborn child by ripping his or her arms off the body, which is commonplace in abortion, is anything but benign and compassionate. It is violence against children. It is a gross violation of human rights. That is what this is about today.

Members will recall, Mr. Chairman, that the Mexico City policy is named after a U.N. Population Conference held in Mexico City in 1984. It was there that President Reagan announced that he would no longer contribute to organizations that perform or promote abortions. In its most effective and purest form, in place during the Reagan and Bush years, we generously supported family planning but withheld funds from organizations that promote or perform abortions.

The language in this bill is not the full Mexico City policy. I wish it were. The language in this bill is a compromise, and it is current law. From the pro-life perspective, this legislation is far from perfect. Although it begins by incorporating the pro-life Mexico City policy that was in force for 9 years under Presidents Reagan and Bush, it then gives the President the right to waive these conditions for some recipients. If the President chooses to exercise the waiver, up to $15 million in U.S. population assistance can go to foreign organizations that perform or promote abortions overseas.

The good news is that the remaining $370 million of our population assistance must either go to sovereign countries or NGOs that practice genuine family planning and not abortion.

Mr. Chairman, American taxpayers do not want their money going to groups that advertise themselves as family planners but in fact are performers and promoters of abortion around the world. Let us not forget, just a month ago there was a Los Angeles Times poll. It found that among all the women in the United States, when asked the question about abortion, 61 percent, of all women said that abortion was murder.

We hope through this legislation to put a very modest but necessary wall of separation between abortion and family planning, and restrict most U.S. funding of the abortion industry overseas.

Another part of the compromise, Mr. Chairman, transfers $12.5 million to high-impact child survival programs if the President authorizes money for the abortion groups. This provision will have a direct impact on saving children's lives. It will be spent on immunizations for polio and diphtheria, oral rehydration therapy for children at risk of death from diarrhea, and other easily preventable and treatable diseases that currently kill hundreds of thousands of children annually in developing countries.

In other words, this is a moderate, reasonable compromise in which each side gets something but each side also has to give something up.

Frankly, some of us on the pro-life side had seriously considered offering the original Reagan-Bush Mexico City policy. I certainly wanted to do it. I've done so each year since the mid-eighties. But the fact that this is current law—a sustainable compromise—we felt on balance was the best way to proceed. Again, this is a compromise.

This moderate amendment, Mr. Chairman, is already in the bill offered by the gentleman from Alabama (Chairman CALLAHAN). So everyone understands the process, the effect of the Greenwood amendment would be to allow unlimited funding of international abortionists and the abortion lobbyists.

Indeed, the amendment would not only strike the pro-life restrictions, it would eliminate the $385 million cap on U.S. spending for population assistance. This means that the administration could use any amount it wanted from the $1.3 billion development assistance account for taxpayer subsidies to the international abortion industry.

Mr. Chairman, advocates of international abortion rights have once again dredged up the tired old argument that the Mexico City policy is a gag rule that violates free speech. But even if U.S. constitutional provisions applied to foreign organizations doing business on foreign soil, and the U.S. Supreme Court has said that they do not, the fact of the matter is free speech would not give these organizations a right to Federal dollars.

Organizations that represent the United States in foreign countries are analogous to our ambassadors. They are our people on the ground. They are surrogates for U.S. foreign policy. Their advocacy in these countries on issues closely related to the U.S. programs they administer, as well as to their other activities, such as the actual performance of abortions, is highly relevant to whether they can effectively administer these programs.

The United States, I would submit, has no obligation to administer these programs through agents who fundamentally disagree with this goal. For the same reason that we would not hire casino lobbyists to run international anti-gambling campaigns, or a distillery to run an anti-alcohol campaign, it makes no sense to hire abortionists or abortion lobbyists to run programs that they claim are aimed at reducing abortions.

Mr. Chairman, let me just conclude by saying supporters of the Greenwood amendment argue that our family planning grantees should be allowed to perform and promote abortion so long as their abortion-related activities are carried out with "their own money" rather than U.S. grant money.

Mr. Chairman, this is a bookkeeping trick. It ignores the fact that money is indeed fungible, and that when we subsidize an organization we inevitably enrich and empower all of its activities, as well as enhancing the domestic and international prestige of the organization by giving an official U.S. seal of approval.

Let me be clear on the important point: The Mexico City policy does not weaken international family planning programs. On the contrary, it strengthens them by ensuring that U.S. funds are directed to those groups that provide family planning but do not perform or promote abortion.

I urge a strong "no" on the Greenwood amendment.

Mr. Chairman, I reserve the balance of my time.

Mrs. LOWEY. Mr. Chairman, I am pleased to yield 2 minutes to the gentlewoman from California (Ms. PELOSI), the distinguished ranking member of this committee and a fighter for human rights and freedom around the world.

Ms. PELOSI. Mr. Chairman, I thank the gentlewoman for yielding time to me, and for her great leadership on this important issue.

Mr. Chairman, I rise in strong support of the Greenwood-Lowey amendment. I call upon our colleagues to vote for the motion to strike the restrictions in the bill because they erect barriers to the promotion of civil society abroad, the enhancement of women's participation in the political process, and the credibility of the U.S. in the international arena.

International family planning enables women and families throughout the world to make key choices affecting the quality of their lives and their future. Each year 600,000 women die of pregnancy-related causes, more than one woman every minute every day. So I support the move to strike those restrictions.

Mr. Chairman, I want to use the rest of my time to say what is not stricken in the bill, because I think it is very important for Members to know that what is still in the bill, which is law, states "Provided further that none of the funds made available under this heading may be used to pay for the performance of abortion as a method of family planning, or to motivate or coerce any person to practice abortion, and that in order to reduce reliance on abortion in developing nations, funds shall be available only to voluntary family planning projects which offer, either directly or through referral to or information about, access to a broad range of family planning methods and services, and that any such voluntary family planning shall meet the following requirements:"

It goes on to reiterate that no Federal dollars may ever be used for the performance of abortion abroad. These prohibitions are still contained in the bill. The motion to strike is strictly about the gag rule which, as I mentioned, erects barriers to women's full participation in the political process and the promotion of civil society abroad.

I offer that language because we have had questions about how far this strike was. It certainly does not strike the basic law. I urge our colleagues to support this very important amendment.

Mr. GREENWOOD. Mr. Chairman, I yield 3 minutes to the gentlewoman from Connecticut (Mrs. JOHNSON).

Mrs. JOHNSON of Connecticut. Mr. Chairman, I thank my colleague for yielding time to me.

Mr. Chairman, I want to make simply three points. First of all, under no circumstances can American dollars be used to fund abortions abroad, period. No matter what anyone implies on this floor, that is the law of the United States of America and it cannot happen.

However, I am stunned that representatives in this democracy would stand up on the floor and advocate that our policy be to force citizens of another country to break their own laws. That is simply unheard of and unconscionable.

If in another country abortion is legal and referral to people who can do abortions is legal, then we should not force native citizens of that country not to be allowed to say to a woman who comes in where they can go to get an abortion if it is a legal medical procedure in their country and they have a right to it.

Why would we in a free society want to force, as a consequence of American aid, citizens in other countries to abrogate their own laws? Have we no respect?

When I think of the worry on the floor of this House over the sovereignty issue when we get into trade matters, will the World Trade Organization impose its views on our laws, and the answer to that is no, we do not allow that, we do not allow international agreements to impose themselves in a way that contradicts our domestic law, yet that is exactly what this provision in this bill would do in terms of following U.S. money with a requirement for citizens in other countries to literally abrogate their law.

Let me tell Members why we really have to strike this provision. If a woman comes in and she is already pregnant and she wants a termination, and I am the health person, do Members really want me to say, "I cannot say that word, so you will have to leave and go someplace else to talk to other people?" No. We want to be able to say to that woman, look, maybe she does not have to have an abortion. Maybe she could carry this pregnancy because we can help her after that not to get pregnant again.

Because that is what we are trying to do: We are trying to teach family planning services. We are trying to give women the power to control their reproductive capabilities responsibly.

If she then says, "No, I absolutely have to for a lot of reasons: I have 10 children, we cannot afford it," whatever it is, "and if I cannot get it here, I will go to the back alley," do Members not think it is better for us to say, well, she can legally get a safe, clean abortion, and then come back and we will help her? Through the power of knowledge in a free society, we will help her prevent this and she will never again get in this position where she faces an unwanted pregnancy.

Contraceptives are the right answer to abortion. I urge a "yes" vote on the motion to strike.

Mr. SMITH of New Jersey. Mr. Chairman, I yield myself 40 seconds to respond briefly.

The plain text and the implementation by the Clinton administration and by the Reagan-Bush administrations proves that the Mexico City Policy has nothing whatsoever to do with counseling for abortions. That is not on the table, it is not being considered. As much as I would rather it be the case, it is not part of this amendment.

Secondly, the Mexico City Policy does provide for abortions for rape, incest, or life of the mother with their own funds.

Finally, the Policy reflects our intent that every effort to treat a woman suffering from an incomplete abortion be done and is fully authorized by this amendment.

Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Pennsylvania (Mr. PITTS).

□ 1045

Mr. PITTS. Mr. Chairman, I rise to urge my colleagues to vote no on the proposed amendment, the Greenwood motion to strike.

The compromise language already in the bill is the result of long negotiations between this Congress and the President last year. At that time those of us in the House who believe in the sanctity of life felt strongly that no taxpayer money should be used to fund groups that perform or promote abortion or lobby for abortion laws overseas.

The President, needless to say, does not agree with our position; and so we did what we are supposed to do in the legislative process, we compromised. We did not get everything we wanted, and neither did the President.

Mr. Chairman, these negotiations took a long time and a lot of effort to produce the best possible result for all concerned. More to the point, the President signed it. To remove the compromise language would undo all of that hard work. Why reopen a controversy that has already been settled?

I would like to remind my colleagues that under the Reagan-Bush administration, international family planning funds were abortion free, and they got their yearly grants as long as they were abortion free. Most family planning organizations agreed to those conditions. Only two disagreed, one which is responsible for 200,000 abortions a year in the United States refused funds in order to continue their proabortion activities.

The second day after President Clinton was first inaugurated, he issued executive orders. One of the first executive orders he issued was the Mexico City reversal of the pro-life policies, and so the organizations through most of the Clinton administration have received their yearly subsidy with the ability to promote and perform.

Mr. Chairman, I would like to point out that removing this language is really a radical departure of the well being of the American people. The effect of this amendment would be to allow virtually unlimited funding to the international abortion industry and the abortion lobbyists. It would remove the cap of $385 million, which is the grant money they receive every year, and even the President says that abortions should be rare. A vote for this amendment is a vote to spend.

They could potentially spend up to $1.3 billion to promote abortion worldwide to lobby other governments against the abortion laws. This is not something the House should be voting for. More than half the nations of the world have laws restricting abortions.

Why should we use taxpayer money from the United States to fund international family planning and lobbyists? Who are we to be sending lobbyists into foreign lands to change policies of other governments that even the American people would not want? Being a superpower does not give us that sort of authority.

The Mexico City policy also recognizes that money is fungible: in one pocket, out the other. The U.S. taxpayers do not want their money going to organizations which do this.

Let us vote against this amendment and urge my colleagues to support the present language.

Mrs. LOWEY. Mr. Chairman, I am very pleased to yield 2 minutes to the gentlewoman from New York (Mrs. MALONEY), a leader on international family planning.

Mrs. MALONEY of New York. Mr. Chairman, I want to thank the gentlewoman from New York (Mrs. LOWEY), the gentleman from Pennsylvania (Mr. GREENWOOD), the gentlewoman from California (Ms. WOOLSEY), the gentlewoman from California (Ms. PELOSI), and many others for their leadership on this issue.

First and foremost, family planning helps prevent abortion. No U.S. dollars are used for abortions around the world. This amendment is about saving women's lives. It is about women dying to the tune of over 600,000 a year.

Mr. Chairman, while we are debating this motion to strike, over 65 women will die around the world from pregnancy-related causes. This safe delivery kit costs $1.25; yet it can mean the difference between life and death. Its contents are simple, a plastic sheet, a bar of soap, some gauze, a razor; yet in rural areas and emergency situations, this saves women's lives.

The language we are striking restricts the use of a foreign NGOs own funds. In America, this language is unconstitutional. Around the world, it is unconscionable.

The gag rule is enough to make us gag. It cripples foreign NGOs ability to practice democracy in their own countries. The United States has always been very proud of exporting what is best about our country, our ideals, democracy; but this bill exports one of the worst, if not the worst of our country, our own internal politics.

We cannot afford to stifle the international debate on family planning by tying the hands of NGOs with this antiwoman gag rule. It forces NGOs to choose between their own democratic rights, to organize and to determine what is best in their own countries and desperately needed resources of U.S. family-planning dollars.

.This is not a choice we should be forcing on the women of the world, and many of the poorest countries that are often struggling democracies. I urge a yes vote on this important motion to strike.

First and foremost, this is not about abortion.

It's about women dying, to the tune of 600,000 a year.

And its about saving women lives. No U.S. federal funds have been are used or around the world for abortions.

During the time we are debating this amendment, 65 women will die from pregnancy related complications.

This kit, a safe delivery kit, is used around the world where women lack access to adequate health care facilities. It's contents are simple—a sterile sheet of plastic, on which the baby is delivered, a bar of soap, a sterile surgical blade, two rolls of umbilical tape, and cotton gauze bandages.

There few items are enough, to enable women in rural or emergency situations to deliver their babies in safe and sterile conditions.

These kits cost just $1.25, but their value is priceless. In some cases, these simple tools mean the difference between life and death.

The language in this bill says that a nongovernmental organization that receives US AID family planning funds cannot use it own funds to provide legal abortion services or to lobby for or against abortions. This language restricts the use of a foreign NGO's own funds.

In America, this language is unconstitutional.

Around the world, it's unconscionable.

The Gag Rule is enough to make you gag.

It cripples foreign NGO's ability to practice democracy in their own countries.

It cripples NGO's in countries like El Salvador, where abortion is illegal even if a woman will die as a result of the pregnancy.

The Gag Rule bars NGO's from even writing a letter to legislators supporting changes in laws to save women's lives.

Many opponents of international family planning like to refer to China's one child policy as a reason not to support programs in China.

But with the Gag Rule, not only will women and families not get the contraception and resources they need to plan their families, but NGO's will be silenced from lobbying their own government to change abortion laws.

International family planning is about the rights of women and men to decide freely the size of their families whether it be in India, Ecuador or China.

The United States has always been dedicated to exporting the very best of our country, from our ideas of freedom and democracy to products that help make life better.

Unfortunately, this bill exports one of the worst, if not the worst, of our country—our internal politics.

There is a terrible irony in all this. In the name of preventing abortion, this policy actually works to increases abortions.

Last year alone, with the Gag Rule in place, thousands of young women lacking information to prevent or postpone pregnancy underwent dangerous and often fatal abortions.

However, with US family planning funds at the President request, 2.2 million abortions can be prevented.

We can't afford to stifle the international debate on family planning by tying the hands of NGO's with an anti-women Gag Rule.

It forces NGO's to choose between their democratic rights to organize and determine what is best in their own countries and desperately needed resources of US family planning dollars.

This is not a choice we should be forcing on the poorest of nations who are often the ones with struggling democracies. Let's support this women of the world and provide the resources for them to make informed decisions, instead of exporting unconstitutional policies.

I urge my colleagues to vote "yes" and strike the onerous, anti-democratic Gag Rule.

Mr. GREENWOOD. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, rigid ideological dogmatic rhetoric always turns logic on its head and always brutalizes the truth.

Let me describe reality outside of the realm of such dogmatic rhetoric. In March of this year, I traveled to India and to Bangladesh, and in those countries, I visited family planning clinics; and let me tell my colleagues what I saw.

We went to India, New Delhi, to one of the most terrifyingly brutal areas of poverty I have ever witnessed, down dirty roads filled with dung, poor children with their hands out, starvation, disease, flies everywhere, into a little brick clinic. In that clinic I saw impoverished Indian women on their knees getting a lecture about how to use family planning services.

Sometimes women in this neighborhood come to this clinic in search of an abortion. Why do they do that? They are not pregnant because of irresponsible sexual conduct. They are pregnant by their husbands, and they are there sometimes desperate for an abortion because they have already more children than they can feed, and they tire of watching their children starve to death.

Abortion is not their first choice; it is their last choice. In my vision, when those women, as the gentlewoman from Connecticut (Ms. JOHNSON) said, come in such desperate straits to that clinic, I want American dollars, small amounts of American dollars to be used there to say to that woman, you have had several abortions, there is a better way. We have family planning services available to you, so you need not again become pregnant when you cannot feed the children at your breast as it is, and your body suffers from hemorrhaging because you have had too many pregnancies too closely spaced together.

The impact of the language that we are trying to strike is to make this situation worse, because the President will exercise the waive, and $12.5 million that could have been spent for family planning to prevent the 1,600 women from dying every hour, to prevent the millions of children from starving around the world, to prevent the millions of abortions that happen for lack of these services. Some of that money will be cut, and women in places like India and Bangladesh and around the world will not get these services, and some of them will die. Many of them will have abortions, and many of them will give birth to children who will starve to death. That is the result of what is happening on the floor today.

It is unconscionable, and it happens every time Members of Congress try to impose their own personal religious beliefs on the women of the world. It is wrong, and it is un-American; and it should not stand.

Mr. Chairman, I reserve the balance of my time.

Mr. SMITH of New Jersey. Mr. Chairman, I yield 2 minutes to the gentlewoman from North Carolina (Mrs. MYRICK).

Mrs. MYRICK. Mr. Chairman, I rise in opposition to this amendment that would allow up to $1.3 billion to subsidize international abortion clinics, and it would also undermine foreign countries' laws on abortion.

Congress has repeatedly banned the use of funds, taxpayer dollars to pay for abortions within our own borders, except when the life of the mother is endangered or in cases of rape and incest.

Money is fungible. Any organization that is involved in international family planning efforts and performs abortions and lobbies to increase legal access to abortion on demand should not receive taxpayer dollars.

To these organizations, abortion is a form of birth control. Mr. Chairman, abortion is not a method of birth control. Once a baby is conceived, instead of asking taxpayers to fund an abortion, we should focus our efforts on making sure that the child survives.

At the Beijing +5 conference held last month, the international community made a clear statement that abortion on demand is not a universal goal. The United States should not be funding efforts to change the abortion laws in other countries.

Mr. Chairman, I urge my colleagues to vote against this amendment.

Mrs. LOWEY. Mr. Chairman, I yield 1 minute to the gentlewoman from New York (Ms. SLAUGHTER), a distinguished leader on women's health.

Ms. SLAUGHTER. Mr. Chairman, I have been appalled time and time again by the audacity of antichoice legislators to restrict women's reproductive options in the United States and worldwide. This annual right of, quote, "we will show the women who is boss," end quote, legislation has allowed millions of women to die in the Third World.

Mr. Chairman, we stand here every year; and we say 600,000 women die every year, and nobody bats an eyelash. Do not tell me that a poll of people in the United States would approve of that. If the question asked on that poll is would you like the international family planning law of the United States to allow 600,000 women to die, we would get a far different answer.

The problem is that the harshest lesson that people learn about us is that we will allow them to die. Nothing else that we do in foreign aid, nothing else purposefully allows women to die.

The truth of the matter is we will never hear a word here about the woman herself, because mothers do not matter. The children that she leaves motherless at home, they do not matter. The fact that there are unsanitary conditions in which they live do not matter. What matters is the policy and beliefs of some Members of this House, and I urge my colleagues to vote yes on the motion to strike.

Mr. SMITH of New Jersey. Mr. Chairman, I reserve the balance of my time.

Mr. GREENWOOD. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. CROWLEY).

Mr. CROWLEY. Mr. Chairman, I rise in strong support of the Lowey-Greenwood motion to strike section 587, relating to the global gag rule and limiting vital U.S. assistance for voluntary international family planning.

I am a firm believer in voluntary international family planning. Let me make this clear. International family planning prevents abortions. I do not think anyone can dispute that.

The global gag rule is dangerous because it prevents U.S. funds from reaching critical health care providers in developing nations and dictates how these NGOs can spend funds from other donors besides the U.S. government. We have every right to decide policy for U.S. funds, but not for other nations and private donors. In fact, no U.S. dollars can be used to perform abortions overseas.

Mr. Chairman, I support this prohibition. It is up to the governments and citizens in these nations to decide their own policies. In Malawi, in sub-Saharan Africa, which I recently visited, I witnessed how villagers from miles around used one central health care facility for all of their needs. These people have no options.

If the U.S. fails to fund them, they cannot use the hospital down the road. This is literally one-stop health care shopping with no alternatives. If it is not funded, women will have no access to contraception or any other health care and neither will their families.

Mr. Chairman, I am also opposed to the global gag rule because it is patently undemocratic. If such restrictions were placed on NGOs here, they would be a clear violation of the first amendment.

How can we claim to export democracy when we export limitations on free speech? Mr. Chairman, this is no compromise. This is legislation placed into an appropriations measure, despite the Republican leadership's claim that they would accept no controversial riders.

Mr. Chairman, I think the number of Members on the floor today clearly demonstrates the controversy surrounding this issue. And to call it a compromise when it took holding vital U.N. funding hostage, placing U.S. national security at risk to get the administration to let it in is disingenuous, misleading and downright preposterous.

Mr. Chairman, I urge my colleagues to support the Lowey-Greenwood amendment.

□ 1100

Mr. SMITH of New Jersey. Mr. Chairman, I yield 3¾ minutes to the gentleman from Florida (Mr. WELDON).

Mr. WELDON of Florida. Mr. Chairman, I thank the gentleman from New Jersey for yielding me this time.

Mr. Chairman, I rise in strong opposition to this amendment and any amendment that would strike the agreed-upon language in section 587 of the Foreign Operations appropriations bill.

Last fall, for the first time during his term, the President signed legislation to restrict the use of United States taxpayer dollars to groups that perform or promote abortions overseas. This version of the so-called "Mexico City policy" allowed no more than $15 million of United States population assistance funds to go to foreign organizations that promote or perform abortions overseas.

This amendment proposed today would strip that language that the President signed into law last year and allow almost unlimited United States taxpayer subsidies of the international abortion industry.

Now, I know my colleagues on the other side are fond of saying that no United States dollar goes to that purpose, but as we all know, that is an accounting maneuver. This is just another attempt by the pro-abortion side, I believe, to promote their agenda and to create, furthermore, gridlock over this contentious issue of funding for international abortion-related organizations.

The language that this amendment seeks to strike was agreed upon by both sides last year to resolve a stalemate. Unfortunately, the pro-abortiion side is unwilling to accept anything other than a total victory for the international abortion industry.

What my colleagues will not acknowledge is that section 587 does not weaken international family planning programs. Rather, it strengthens them by ensuring that United States funds are directed to those groups that provide family planning but not to those who perform abortions or promote abortion as a form of birth control.

Furthermore, it would restrict funding to those organizations that seek to overturn the pro-life laws of more than 100 countries overseas, clearly something that the vast majority of United States taxpayers do not want to see their taxpayer funds being used for.

Abortion is not birth control, and the taxpayers should not be forced to pay for it.

This is a bad amendment, and I encourage my colleagues to vote against it and any other amendment that threatens the language now included in the Foreign Operations appropriations bill.

It has been said that some of the people on this side of this argument are motivated primarily by religious arguments. As a physician who has personally witnessed an abortion, I do not know how anybody could support abortion after actually seeing one with their eyes. I do not think this is a religious debate. It is certainly a moral debate. It is certainly a debate about what is the appropriate use of United States taxpayer dollars when one considers that millions of Americans feel very strongly that abortion is murder, that this is a very, very reasonable policy for us to have in the bill, and that it is very inappropriate for it to be overturned.

Mrs. LOWEY. Mr. Chairman, striking this language would be a victory for women and children and democracy around the world.

Mr. Chairman, I am pleased to yield 1 minute to the gentlewoman from California (Ms. LEE), a fighter for democracy.

Ms. LEE. Mr. Chairman, first, let me just thank the gentlewoman from New York for yielding me this time and for her strong leadership on behalf of the families throughout the world.

Mr. Chairman, I rise in strong support of this amendment today to strike the global gag rule which denies United States family planning assistance to any overseas organization that uses its own non-United States funds to provide abortion services or reproductive choice advocacy.

Approximately 600,000 women die each year from preventable complications related to pregnancy and childbirth. Complications are the leading cause of death and disability among women between the ages of 15 to 49 in developing countries.

Now, most of these women are poor, and many have infectious diseases such as HIV or AIDS and are struggling just to survive day by day.

Now, this amendment does not require United States foreign aid funds to be used for abortions. Women throughout the world should have fundamental access to health care and family planning services and health education.

Support for this amendment means saving lives, promoting women's and children's health. To do less is fundamentally undemocratic and morally wrong.

The CHAIRMAN. The Chair would inform Members that the gentleman from New Jersey (Mr. SMITH) has 10¼ minutes remaining. The gentleman from Pennsylvania (Mr. GREENWOOD) has 2½ minutes remaining. The gentlewoman from New York (Mrs. LOWEY) has 5 minutes remaining. The gentleman from Pennsylvania (Mr. GREENWOOD) has the right to close debate.

Mr. SMITH of New Jersey. Mr. Chairman, I yield 3 minutes to the gentleman from South Carolina (Mr. DEMINT).

Mr. DEMINT. Mr. Chairman, I rise in opposition to this amendment, which would undermine the values in human rights in other countries.

Our current law is designed to prevent taxpayer funds from being used to undermine the values of foreign families by subsidizing organizations which work to undermine pro-life laws that are already in place. This proposed amendment would change this good law.

As legislators, we have the tremendous responsibility of being in charge of other people's money. The dollars we spend do not belong to us. They are the result of hard work of people throughout this land. How we spend these dollars is a decision which is entrusted to us with the effects reaching all around the globe.

Mr. Chairman, Americans value human life, and how we spend our dollars reflects these values. We work to end violence and bring peace throughout the world and promote women's health. Yet, without the foreign family value protections that are in our current law, we would be asking the United States taxpayer to subsidize organizations from the international abortion industry.

Organizations who actively lobby to overturn laws that protect the unborn in other countries do not deserve the subsidies of the United States taxpayers. We support life and health, not death and destruction.

Laws which recognize the sanctity of human life and restrict abortions are currently in place in approximately 100 countries throughout the world.

If this amendment passes, laws that protect unborn children in countries like the Philippines, Nepal, Ghana could be in jeopardy because organizations which promote abortion abroad and lobby to change pro-life laws will be receiving funding from United States taxpayers.

Mr. Chairman, abortion is already a hotly debated topic at home. There is certainly no agreement here. But with no agreement here at home, how can we use taxpayer dollars to try to change laws about abortion in other lands. This makes no sense.

This is not about poor people doing family planning. This is about giving taxpayer dollars to men and women in suits and skirts who are lobbying to change laws that reflect the values of other countries.

I urge my colleagues to oppose this amendment and support our current law, which honors the values of foreign families and their governments.

Mrs. LOWEY. Mr. Chairman, I am pleased to yield 1 minute to the gentlewoman from California (Ms. WOOLSEY), who has been a fighter for women's rights around the world.

Ms. WOOLSEY. I rise, Mr. Chairman, in strong support of the motion to strike this gag rule from this bill, because congressional support for reproductive health services in developing countries becomes more important every day.

Voluntary family planning services increase child survival, promote safe motherhood, and give women around the globe the help they need to control their lives. Without international family planning, women in developing nations face more unwanted pregnancies, more poverty, and more despair.

Mr. Chairman, it is ironic that the same people who deny women the choice of an abortion also seek to eliminate support for family planning programs. These are the programs that reduce the need for abortion. These same people would not allow organizations that participate in family planning programs to use their very own funds to provide information and services to women around the globe.

Give women around the world the help they need and vote for the Greenwood-Lowey amendment.

Mr. SMITH of New Jersey. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Kansas (Mr. RYUN).

Mr. RYUN of Kansas. Mr. Chairman, I rise in opposition to the anti-Mexico City policy amendment and in support of the rights of United States citizens to refuse to subsidize the taking of lives of millions of unborn children throughout the world.

This amendment has nothing to do with the intended purposes of the international family planning. It has everything to do with promoting United States taxpayer-funded abortions.

Mr. Chairman, last November, President Clinton accepted a compromised version of the Reagan-Bush Mexico City policy, which followed the precedent that taxpayers' funds should not be used to pay for abortion services.

The compromise capped population assistance at $385 million and allowed $15 million to be used for abortion services or given to agencies that conducted abortion services. This year's Foreign Operations appropriations bill contains the same language that was agreed to last year. More importantly, it reinforces our overseas population assistance efforts to the original intent, to teach individuals the concept of responsible family planning so we could reduce the number of abortions by reducing the number of unplanned pregnancies.

This compromise is not perfect. It does not honor our long-standing tradition of not forcing United States taxpayers to subsidize abortion services for others when they have a moral or religious objection to it. It did, however, move us back in that direction. Now some Members want to undo the compromise that took 7 years of an administration to achieve.

Some of us would like to see all funding for foreign abortion services zeroed out. I am strongly pro-life and believe that every life deserves protection. I do not believe the taxpayers should ever be forced to pay for abortion services. But I am now here today to offer such an amendment because we believe we should honor the spirit of the compromise we reached last year.

Mr. Chairman, not only would this amendment strike the compromise of population assistance, but it would strike the transfer of $12.5 million to further child survivor programs should the administration choose to fund abortion services.

I urge a no vote on this amendment.

Mrs. LOWEY. Mr. Chairman, I am very pleased to yield 1 minute to the distinguished gentlewoman from Texas (Ms. JACKSON-LEE), a member of the Committee on the Judiciary, who understands that respecting our constitution here and abroad is an important obligation of Americans.

Ms. JACKSON-LEE of Texas. Mr. Chairman, let me urge an enthusiastic vote for the Greenwood-Lowey amendment. Let me agree with the distinguished gentleman from California who has indicated that we do not know what will happen after this Presidential election if the present candidate for the Republican nomination is elected as it relates to pro-choice at all, the opportunity to choose.

But the most important issue we have here today is that the language that this amendment seeks to strike would prohibit family planning, I remind my colleagues what I have said, family planning for poor women around the world, simply the opportunity to be educated about their own body.

I, too, joined the President in going to Bangladesh and India and Pakistan. What an enormous experience to see a family planning clinic that was not destructive or devastating, but was uplifting and educating women and men and families, and it was uniting families, and it was getting men to respect women and women to respect men and to work as mothers and fathers to provide the best for children that they have.

How can we here in the United States Congress deny that very real opportunity that each and every one of us have? We have a right to choose here. Allow those who are neighbors who are fighting for democracy to do the very same thing.

Mr. GREENWOOD. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. CAMPBELL).

Mr. CAMPBELL. Mr. Chairman, I intend to put a question to the gentleman from New Jersey (Mr. SMITH) if I might have his attention. There is not a dime in this bill that will go for an abortion. But we have heard from the other side that money is fungible and so that the money that otherwise might be freed up could be seen for abortion.

The United States allocates more or close to $1 billion every year in economic aid to Israel. Abortion is legal in Israel, and, in some cases, the government of Israel will fund poor women abortions.

How can the gentleman from New Jersey (Mr. SMITH) support money for economic aid to Israel if he really believes the fungibility argument?

Mr. Chairman, I yield to the gentleman from New Jersey (Mr. SMITH).

□ 1115

Mr. SMITH of New Jersey. Mr. Chairman, let me just say there is at least, hopefully, only one government per country, whereas there is a myriad of NGOs—a large number of NGOs, NGOs that are trying to lobby governments to topple pro-life laws. That is what we are talking about.

Way back in 1984 we accepted a compromise to fund countries, again, because there is only one government per country.

But when we talk about a nongovernmental organization, if this nongovernmental organization does not take the money, another will step up to the plate and procure the grant.

Mr. CAMPBELL. Mr. Chairman, reclaiming my time, I would ask the gentleman if it is fungible in the case of Israel?

Mr. SMITH of New Jersey. If the gentleman will continue to yield, I do not think so.

Mr. SMITH of New Jersey. Mr. Chairman, I yield 2 minutes to the gentleman from Alabama (Mr. ADERHOLT).

Mr. ADERHOLT. Mr. Chairman, today, of course, we are considering H.R. 4811, the fiscal year 2001 foreign operations appropriations bill, and I rise in strong opposition to the amendment at hand.

This bill includes language carried over from last year's bill, as has already been discussed. This language was a carefully crafted compromise which limits the amount of funding that can be distributed to foreign organizations that perform or promote abortions overseas. This amount was capped at $15 million. Of course, that is $15 million more than we would like to have seen; however, the agreement prevented hundreds of millions of dollars more from going into the abortion industry.

The compromise also transfers $12.5 million to child survival programs if the President approves any U.S. subsidies for foreign abortion providers or promoters. This transfer would have the direct tangible effect of saving the lives of children around the world through immunization and oral rehydration therapy. These measures would prevent or treat diseases that currently take the lives of hundreds of thousands of innocent children every year.

The proposed amendment would strike this language and allow up to $1.3 billion in U.S. funds to flow freely to the international abortion industry. This is of great concern to me personally, and I believe that it should not be allowed. Economic development and health care are how to help families in other countries, not the funding of groups that have performed abortions in the name of birth control.

I sincerely request my colleagues to join with me today in opposing this amendment and reaffirming the Mexico City policy compromise that we agreed to and passed into law last year. The language currently in the bill will save the lives of countless children around the world, both born and unborn.

Mrs. LOWEY. Mr. Chairman, I yield 1 minute to the gentlewoman from Illinois (Ms. SCHAKOWSKY), one of my colleagues who was also on that trip to India and saw the abject conditions that these men, women, and families are living in.

Ms. SCHAKOWSKY. Mr. Chairman, as a new Member, I have to admit that I really did not understand until I got here how dramatically what we do here affects, for better or for worse, in the most intimate ways, the lives of men and women and children every single day in all parts of the globe.

We are the only superpower in this world, and our capacity right now to do good in the face of starvation and disease and poverty is so great that it makes me weep with frustration that we are doing so little. But I am truly overwhelmed by the audacity that we would use our great power to require the clinics like we saw, the gentleman from Pennsylvania (Mr. GREENWOOD) and the gentlewoman from New York (Mrs. LOWEY) and the gentlewoman from Texas (Ms. JACKSON-LEE), to certify that they will not, with their own non-U.S. dollars, conduct any activity related to abortions so that they can control their own families and take care of the children that they have.

It is on behalf of those men and women and children that I urge support for the motion to strike.

Mrs. LOWEY. Mr. Chairman, I yield 1 minute to the gentlewoman from the District of Columbia (Ms. NORTON), a woman who has been fighting for equal opportunity, democracy in the United States and around the world, and who understands the importance of striking this antidemocratic amendment.

Ms. NORTON. Mr. Chairman, I thank the gentlewoman for yielding me this time.

I ask Members to stand back for a moment from the gag rule. Seldom have so many violations of cardinal American principles, which enjoy overwhelming support and respect in our own country, been embodied in one law.

Look at what is at stake here: free speech, female and family sexual autonomy, baseline protection of pregnant women and the most vulnerable children, reduction of abortions around the world. It is impossible to believe that any American would force on foreigners what no Member could or would do in our own country.

The direct effect between suppression of speech and its effects is not always apparent. We must not allow this cut-off-your-nose-to-spite-your-face gag rule to reap what it will sow in maternal and infant deaths, high-risk and unintentional pregnancies, escalated and unnecessary rates of abortion.

Support American principles, vote for the Greenwood-Lowey amendment.

Mrs. LOWEY. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. NADLER), a distinguished Member of the Committee on the Judiciary who truly understands that we cannot do unto others what we would not do unto our own NGOs at home.

Mr. NADLER. Mr. Chairman, this bill would place an international gag rule on organizations that use their own non-U.S. supplied funds to provide abortion services, or even to refer people or to mention abortion services.

The American people support family planning and realize that it is necessary, successful, and addresses a critical need. Nearly 600,000 women a year die of causes related to pregnancy and childbirth, and more than 150 million married women in the developing world want contraceptives but have no access to them. International family planning efforts have been remarkably successful and have saved women's lives, improved women's health, and reduced poverty.

It is shocking that proponents of the so-called Mexico industry restrictions claim that these family planning programs increase the number of abortions when, in fact, it is clear that these efforts have prevented more than 500 million unintended pregnancies. The Mexico City restrictions are pernicious, unnecessary, and harmful. They would severely limit family planning efforts and result in more unwanted pregnancies, more fatalities among women, and more abortions. They are a clear restriction on free speech which we would never tolerate in this country. Why should America export restrictions on free speech?

.Mr. Chairman, this bill would place an international gag rule on organizations that use their own non-U.S. funds to provide abortion services. This policy is clearly unacceptable, and is not supported by the President or by the American people. Last year, in a repugnant effort that held UN dues payments hostage to family planning restrictions, we were forced into an unworkable compromise. We cannot allow this to happen again. We must remain strong and oppose the global gag rule that threatens women's lives.

The American people support family planning and realize that it is necessary, successful, and addresses a critical need. According to the World Health Organization, nearly 600,000 women die each year of causes related to pregnancy and childbirth, and more than 150 million married women in the developing world want contraceptives, but have no access to them.

International family planning efforts have been remarkably successful and have saved women's lives improved women's health, and helped reduce poverty. I am shocked that proponents of these so-called "Mexico City" restrictions claim that our family planning programs, increase the number of abortions, when, in fact, studies show that these efforts have prevented more than 500 million unintended pregnancies.

There is no need to impose this type of gag rule on organizations that use their own money to further their objectives and to make women's lives safer. The "Mexico City" restrictions are pernicious, unnecessary, and harmful. They severely limit family planning efforts and result in more unwanted pregnancies, more fatalities among women, and more abortions. They are a clear restriction on free speech. What an American export. I urge my colleagues to support this amendment. Thank you.

I urge my colleagues to support this amendment.

Mr. SMITH of New Jersey. Mr. Chairman, may I inquire if the only remaining speaker will be the gentleman from Pennsylvania (Mr. GREENWOOD) after myself.

The CHAIRMAN. All the time of the gentlewoman from New York (Mrs. LOWEY) has expired.

Mr. SMITH of New Jersey. Mr. Chairman, I yield myself the balance of our time.

Mr. Chairman, a moment ago we heard the golden rule espoused, "do unto others as you would have them do unto you." Well, let me just suggest that what we are trying to do with our foreign policy is to have a consistent ethic of life, of protecting mothers and babies and not sacrificing the children. To treat "others" with respect, dignity and compassion. And that includes unborn babies. You can't cherry pick the gold rule.

Earlier the word brutalizing was used by my friend from Pennsylvania. It is the baby, I would respectfully submit, who is brutalized in an abortion. Again, we are trying to promote a consistent ethic that affirms both mother and child.

I take a back seat to no one, as a Member of this body for the last 20 years, in promoting maternal health care both domestically and abroad. As a member of the Committee on International Relations, I have offered amendments to boost spending to help women be healthier in the developing world.

Earlier, the gentlewoman from New York (Mrs. MALONEY) talked about the Mexico City Policy as being antiwoman. Nothing could be further from the truth. This policy is pro-life, pro-mother, and pro-child, and absolutely not antiwoman. Such a charge is absolutely ludicrous. If Mrs. MALONEY's charge was accurate, then the majority of the women in America are antiwoman. The LA Times poll that I mentioned earlier, found that 61 percent of all the women in America believe abortion to be murder, 61 percent of the women in America are not antiwoman. It just does not follow logic, and I think hurling such statements at us, it degrades the level and caliber of our debate.

Mr. Chairman, advocates of this pro-abortion amendment keep telling us over and over again that we should subsidize foreign abortionists and abortion lobbyists so long as they do not use U.S. dollars for the actual abortions and the actual lobbying. But this ignores the real effect of subsidizing the international abortion industry. These groups are the partners and the representatives of the U.S. Government in the countries where they operate.

Do my colleagues think the average poor person in Peru or Nigeria has any idea what the financial records look like from these organizations? All they know is that these groups are representing the United States and they are performing and promoting abortions. They have no way of knowing which dollars are paying for which activities. They do not ask for an accounting exercise. So they get the strong message that the U.S. family planning program is about exporting abortion on demand, pushing abortion on poor people around the world.

Mr. Chairman, this is not just a hypothetical possibility. These are the facts on the ground in country after country throughout the developing world. The largest U.S. population grantees are also the most prominent and vigorous advocates of abortion on demand. What a profound tragedy. The Greenwood amendment would make this situation even worse by removing any limits at all on U.S. subsidies for the international abortion industry. I urge a "no" vote.

Mr. CALLAHAN. Mr. Chairman, will the gentleman yield?

Mr. SMITH of New Jersey. I yield to the gentleman from Alabama.

Mr. CALLAHAN. Mr. Chairman, just to echo the arguments eloquently made by the gentleman from New Jersey.

I want to encourage my colleagues to vote against this amendment and remind them that this is the very same legislation currently in the bill that passed last year and was signed into law by the President, and, of course, ratified by the Senate.

So all Members have to do is look at their voting record last year to see how they voted. The House overwhelmingly voted for this last year, and I would encourage all of our colleagues to vote against the Greenwood amendment which strikes last year's language.

Mr. GREENWOOD. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I once heard an old African American woman, much wiser I think on this issue than anyone who has spoken in this Chamber today. She lived through the time when abortion was illegal in the United States. And she said that when a woman knows in her heart that it is right to have a child, she will risk her life to have that child; and when she knows in her heart that it is wrong for her to have that child, she will risk her life not to have that child.

Women have sought abortions legally and illegally all over this world for as long as we can remember. They do so under the most desperate circumstances. In Bolivia, not too long ago, it was not only illegal to have an abortion, it was illegal to seek family planning services. And when they did a survey of their hospitals in Bolivia, they found that 50 percent of the beds were occupied by women suffering from botched illegal abortions.

That is what this language does. The language that we move to strike promotes abortion in the name of limiting abortion. That is the twisted logic. It sacrifices the lives of young women, and it sacrifices the lives of little children on the altar of blind rigid dogma. It is the logic that says we must burn to purify. That logic has been wrong throughout history every time it has been applied. Millions have suffered from that blind brutal logic.

That is the moral low ground. We stand on the moral high ground. I urge the Members of the Congress to use their hearts and their minds and put aside the politics of this issue for the moment; put aside the pragmatism of moving this bill, and adopt the Greenwood amendment.

The CHAIRMAN. All time for debate on this amendment has expired. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. GREENWOOD).

Ms. PELOSI. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. The gentlewoman is not permitted under the order of the House to strike the last word while an amendment is pending. The gentlewoman may ask unanimous consent that both sides have additional time.

Ms. PELOSI. I ask unanimous consent, then, Mr. Chairman, to extend the time.

The CHAIRMAN. For what period?

Ms. PELOSI. For 5 minutes on my side, but pleased to yield 5 minutes to the other side as well.

The CHAIRMAN. Is there objection to the request of the gentlewoman from California?

Mr. CALLAHAN. There is objection, Mr. Chairman.

The CHAIRMAN. Objection is heard.

Ms. PELOSI. Mr. Chairman, I would just like to request reconsideration by the distinguished chairman of the motion to request 5 more minutes.

☐ 1130

Mr. CALLAHAN. Mr. Chairman, if the gentlewoman would yield, as she knows, we have established these boundaries on these amendments.

The CHAIRMAN. If the gentlewoman from California (Ms. PELOSI) would renew her request, the gentleman may reserve the right to object for a brief colloquy.

Ms. PELOSI. Mr. Chairman, I rise to strike the last word.

The CHAIRMAN. The gentlewoman may not strike the last word.

Ms. PELOSI. Mr. Chairman, I ask unanimous consent to address the House for 5 minutes. What can I do, Mr. Chairman?

The CHAIRMAN. The gentlewoman renews her unanimous consent request to add 5 additional minutes to both sides, the gentleman from Alabama (Mr. CALLAHAN) reserves the right to object and is recognized under his reservation.

Mr. CALLAHAN. Mr. Chairman, I reserve the right to object.

Ms. PELOSI. Mr. Chairman, I rise to request the extension of the time so that I can yield time to the distinguished Democratic leader for the 5 minutes so he can speak to the issues that we have been speaking to this morning, and I respectfully request the cooperation of the chairman in that regard.

Mr. CALLAHAN. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentlewoman from California (Ms. PELOSI)?

There was no objection.

The CHAIRMAN. Five additional minutes will be added to each side of the debate. The gentlewoman from New York (Mrs. LOWEY) will control 5 additional minutes, and the gentleman from New Jersey (Mr. SMITH) will control 5 additional minutes.

Mrs. LOWEY. Mr. Chairman, I am very pleased to yield 5 minutes to the gentleman from Missouri (Mr. GEPHARDT) the distinguished leader.

Mr. GEPHARDT. Mr. Chairman, I thank the gentlewoman from California (Ms. PELOSI) and the gentlewoman from New York (Mrs. LOWEY) and I thank the chairman for allowing this additional debate to go on.

Mr. Chairman, I rise in strong support of the Lowey-Greenwood amendment. The inadequate funding and restrictions on our international family planning assistance in this bill should be rejected. And that is only one of the many glaring flaws in this bill that I hope we can correct this afternoon.

As we heard so eloquently last night, the funding in this bill for debt relief is clearly inexcusable. With the funding provided in this bill, governments in developing nations will continue to stagger under huge loads of debt. Millions of people in Africa, South America, Central America will be deprived of much needed education, health care and development. These governments will have to repay loans before addressing the fundamental need of their people.

Another outrageous shortcoming in this bill is the cut in funding requested to fight the global HIV/AIDS pandemic.

People in America, our constituents, are just in many cases beginning to learn of the tragedy of AIDS in Africa and around the world. This is a crisis that has affected us and people around the world for many years now. But in African nations it reaches alarming proportions.

I led a delegation that some of my colleagues accompanied me on in December to Nigeria and Zimbabwe and South Africa. It is one thing to intellectualize and theorize about this problem. It is quite another thing to confront dying humanity by the thousands and thousands.

Twenty-two million people in Africa are infected with HIV/AIDS. Many, many more thousands are infected each week, each month.

This issue, in my opinion, is the moral imperative of our time. How much longer will we go on and say it does not matter, it does not concern me that 22 million people are probably going to die?

I can theorize about it. But when I confront it head on, as we did in a village in Zimbabwe where everyone we met was infected with HIV/AIDS, it is a different matter.

There has never in the history of the world been a threat to life like this. If an Army were raging through Africa killing millions of people, we would be mounting armies to go to Africa to save lives. We say we are concerned with life.

This is the issue of life in our world today. I beg the Members to vote for these amendments, to move our world in the right direction to provide the assistance and the aid that people are crying out for.

Finally, I will say we met the head doctor of the largest hospital in Johannesburg. He is a pediatrician. He said that half the children that are born in the hospital right now are infected with HIV/AIDS and will die within the next year; and we cannot even provide, he said, the medication that we know we can provide that costs about $8 to make sure that the children of HIV-infected AIDS patients will be free of AIDS. And it is 70 percent effective. Eight dollars. Eight dollars to make sure that a child who will be born will not die.

This is the moral issue of our time. I pray that this House and all of our great Representatives will stand and deliver on the moral issue, the most important moral issue we will ever face. Vote for these amendments.

Mr. SMITH of New Jersey. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I will try to be brief and just say that the eloquence of the minority leader and his comments are something that many of us agree with. But he was speaking to the issue of AIDS not the pending pro-abortion amendment.

HIV/AIDS certainly is a devastating scourge on the planet. To date it has claimed the lives of millions of victims and we must find a cure. When Mr. GEPHARDT talked about the $8 for medicine it's worth pointing out that I raised the issue myself at the Committee on International Relations over a year ago. Thankfully, some of the drug companies have offered to provide certain AIDS drugs at cost to foreign governments and NGOs in an effort to mitigate the transference of AIDS to newborns. Since then I have requested our Agency for International Development to make money available to purchase those kinds of drugs to ensure HIV-free babies.

Mr. GEPHARDT really spoke to amendments that will follow this, although he did make a passive reference to the pending legislation.

Mr. Chairman, let me just also say that this vote is not about family planning, it is about abortion promotion and the performance of abortion. Our hope is to continue the wall of separation between the taking of human life by abortion and the prevention of human life. And that policy, which was in effect for 9 years during the Reagan-Bush years worked extremely well. During those years—and now—the United States was and continues to be the largest donor to family planning programs in the world. As a matter of fact, no one even comes close.

The current policy is both pro-family planning and pro-life.

Because many of us believe that the most elemental of all human rights is the right to life, that babies should not be subjected to the violence of abortion, to dismemberment, to chemical poisoning and other methods of battering. The ugly face of abortion, the cruelty of the methods is often masked and sanitized by the advocates of abortion. They do not want to talk about what is done to the baby to procure "fetal demise." It is too ugly. I believe, however, that we need to face the brutal truth of what abortion does to a baby. And the wounds it inflicts on the mother. It is violence against children.

I urge a no vote, a no vote on the pending amendment by the gentleman from Pennsylvania (Mr. GREENWOOD).

Mr. Chairman, I yield such time as he may consume to the gentleman from Alabama (Mr. CALLAHAN), the distinguished chairman of the Subcommittee on Foreign Operations, Export Financing and Related Programs.

Mr. CALLAHAN. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, with respect to the minority leader and the gentlewoman from California's (Ms. PELOSI) request for additional time, I will tell my colleague that I removed my objections because I know the minority leader is busy, especially in his new role running for vice president, and I want to accommodate him every way we can. But I would encourage the gentlewoman to restrain if she possibly can from asking for unanimous consent requests, because Members have schedules and I would appreciate very much her not asking for unanimous consent requests for extended time.

Ms. PELOSI. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentlewoman from California.

Ms. PELOSI. Mr. Chairman, it was my understanding from a previous ruling of the parliamentarian that that was in order, or else I would have informed my colleague in advance of the request. But I did not think it was an extraordinary request. But I hear what he is saying, and I appreciate that. I will do my best.

Mr. CALLAHAN. Mr. Chairman, reclaiming my time, I thank the gentlewoman for her comments.

Mr. Chairman, I encourage Members to vote no on all three amendments coming up and remind them that last year I think it was a near unanimous vote for the bill which included this exact same language and which the President signed into law. So I would urge a no vote on all three amendments.

Mr. PORTER. Mr. Chairman, I rise in strong support of this amendment. I oppose Section 587 of this bill for two reasons. The first is that this language belongs in an authorizing bill and not an appropriations bill. This is a very complex and controversial issue. The attention that this issue requires can only be properly addressed by the International Relations Committee. The second reason I oppose this language is because I believe that it is bad policy.

Our foreign assistance dollars are used to help people in developing countries. One of the greatest challenges facing these countries is quality of health care. Family planning services are the fundamental services that are directly needed by women and children. Further, these services provide the basis from which to address infectious diseases, especially HIV/AIDS. Without family planning services, you cannot effectively address the overall health needs of people in the developing world. It is as simple as that.

The restrictions in Section 587 further inhibit an already over-challenged program. USAID has not even begun to meet the increasing demand for family planning services. Bureaucracy coupled with historically low funding effectively cripple this program. Safeguards have been in place and enforced for over two decades to be sure that U.S. law is followed by international organizations. If we want to improve the health care provided with U.S. funds to people in developing countries, we must begin to facilitate the delivery of these services instead of making it more difficult.

I thank my colleague from Pennsylvania for offering this amendment and encourage our colleagues support it.

Mr. McGOVERN. Mr. Chairman, I rise in support of the Greenwood-Lowey amendment to strike Section 587 from H.R. 4811.

Section 587, known as the "global gag rule" or the Mexico City language, is not just anti-family planning, it is anti-democracy and anti-free speech. Section 587 denies U.S. family planning assistance to any organization operating overseas that uses its own non-U.S. funds to provide abortion services or engage in advocacy related to abortion.

Voluntary family planning prevents maternal and child deaths, unintended pregnancies, unsafe abortions, and HIV–AIDS and other sexually transmitted diseases. Time and again, studies have shown that access to international family planning programs is one of the most effective means of reducing abortions. Additionally, in many communities, the local family planning provider is the only source of primary health care for the entire family.

These important programs should not be burdened by restrictions that would be illegal if imposed in the United States. More than illegal, they would be unconstitutional. Why would we want to undermine the right of foreign NGOs to freedom of speech and the right to participate in their countries' democratic processes? That's what Section 587 demands.

Why would we want to erect barriers to the development of democracy in these countries, the promotion of civil society, and the enhancement of women's participation in the political and economic mainstream? That's what Section 587 demands.

And why would we want to undermine the international credibility of the United States' commitment to promote women's health and women's participation in democracy abroad? That's what Section 587 demands.

Section 587 is an extremist position. I urge my colleagues to strike it from this bill. Support the Greenwood-Lowey amendment.

Mr. SHAYS. Mr. Chairman, I rise in strong support of the Greenwood Amendment, which will strike Section 587 of this foreign aid spending bill.

Today, we have a chance to help developing nations around the world by correcting an egregious error in U.S. foreign policy: the global gag rule.

The gag rule is a shameful policy that punishes developing nations for doing precisely what we consistently encourage them to do: strengthen their democratic institutions by promoting and protecting freedom of speech.

The gag rule forbids U.S. foreign assistance from going to organizations that use their own, non-U.S. funds to lobby their government on reproductive issues.

The promotion of free speech is a principal goal of U.S. foreign policy and essential to the development of democratic forms of government. The United States—which prides itself on its protection of basic human rights, like freedom of speech—should not restrict these rights in other nations.

I hear all the time—and wholeheartedly agree—that opening up trade with China will lead to greater freedoms to speak in that country, which in turn will promote democracy.

But when it comes to family planning, we suddenly want to stifle voices within developing nations. We want to limit their right to speak out. We force them to relinquish their right to free speech in order to participate in U.S.-supported family planning programs. We force on these NGOs restrictions that would be unconstitutional were they imposed on U.S. organizations.

Mr. Chairman, intentional family planning programs worldwide save the lives of mothers and children, profoundly benefit women's social and economic situations, and dramatically reduce the incidence of abortion.

The global gag rule on international family planning stifles the ability of these programs to operate, placing the lives of mothers and their children at stake.

These misguided restrictions were included as part of the FY 2000 Consolidated Appropriations bill and they are again included in Section 587 of the bill we are considering today.

If we do not remove this provision, we will defund organizations that help reduce the number of abortions worldwide. These organizations provide voluntary, preventative family planning services. They help prevent a number of serious global problems, including: mother and infant mortality, unemployment, illiteracy and Third World debt.

According to the U.S. Agency for International Development, every day approximately 1,600 women die of complications stemming from pregnancy and childbirth. That is about 600,000 women dying each year from pregnancy-related causes. And complications from pregnancy and childbirth are the leading cause of death and disability for women in developing countries aged 15 to 49.

Studies show family planning and reproductive health services can help prevent one in four of those needless deaths. And, in addition to preventing maternal deaths, family planning can reduce the millions of long-term illnesses and disabilities that result each year from pregnancy-related complications.

Family planning also helps women space births, which is critical to improving the health of their children. Just by increasing the time between births or the age of first motherhood, family planning can reduce infant and child mortality by up to 25 percent.

Mr. Chairman, we need to repeal the global gag rule. Let's pass this amendment, and let's put an end to this annual debate.

Mrs. LOWEY. Mr. Chairman, I rise in support of this amendment, which would strike the global gag rule from this bill.

This anti-democratic policy forces NGOs in the developing world to sacrifice their right to free speech in order to participate in our family planning programs. And while restricting foreign NGOs in this way may only offend our democratic sensibilities, if we tried to do this at home it would be absolutely unconstitutional.

Section 587 of the bill, severally damages our international family planning programs. The demand for these programs is much larger than our limited funds can meet, and Section 587 imposes an arbitrary cap on family planning, which is $156 million below the President's request. Very simply, our family planning programs save lives. Six hundred thousand women die each year of pregnancy-related causes that are often preventable. More than 150 million married women in the developing world want contraceptives, but have no access to them. Increasing access to family planning will save the lives of women and children, and it will reduce the incidence of abortion worldwide. Striking this section will reduce the number of abortions performed each day—if you support this objective, you should support this amendment.

We need to consider the global gag rule within the overall context of U.S. foreign policy. What values do we want to export along with our foreign assistance?

The gag rule says to our NGO partners abroad that we don't care about their rights. That freedom of speech, the very foundation of American democracy, matters here, but it doesn't matter abroad. That our commitment to free speech and freedom of association, fixtures of our Constitution, end at our own borders. Is this the kind of message we want to send?

Make no mistake: the United States is being watched. Each day, members of this Congress on both sides of the aisle condemn violations of human rights abroad. Each day we debate whether the United States should associate at all with foreign regimes who refuse to embrace democratic ideals. Our neighbors around the world look to us as the definitive authority on democracy.

I think the words of the director of a family planning organization that receives our funding sums up the severe damage we do to our own credibility by incorporating an anti-democratic policy such as the gag rule into our foreign assistance program.

"We believe this requirement is profoundly anti-democratic and does a disservice to the legacy of the United States' fight for democracy," the director wrote. "Democracy is nourished and strengthened by open debate and freedom of expression; shackling the discussion of ideas impoverishes such public debate and, in doing so, weakens democracy . . . We are now in the difficult position of having to choose between needed funding for a historic project on the one hand, and essential democratic participation on the other. Either way, there is a cost to women's reproductive health and to democracy."

If the suppression of ideas with which some don't agree, and the use of economic power to crush dissent—are ideals you think the United States should export, then vote against this amendment. But if you believe, as I do, that the strength of our country lies in our unwavering commitment to democracy at home and abroad, then join me in voting "yes" to strike the global gag rule.

Ms. DeLAURO. Mr. Chairman, I rise to join my colleagues in this motion to strike the

Global Gag Rule language that is contrary to the principles of democracy that we claim to advocate and that simply sweeps the women around the world under the political table.

The family planning programs our country funds are doing critical work to provide reproductive health care for millions of women around the globe to help prevent unwanted pregnancies, and yes, help prevent abortions. These family planning programs are many times the only health care these women and their families have. They are also spreading the first seeds of democracy in countries that are struggling to care for their own people.

But what this bill says to these international family planning groups is that in order to be a part of our system you must forfeit your right to determine what you will do with your own private funds. You must not talk about certain things. You must not perform certain health care services. You must report to us what you do with your own money.

Mr. Chairman, this sounds to me shockingly similar to the undemocratic behavior we criticize in other countries. If we were to impose these mandates on U.S. groups they would be struck down as unconstitutional. Yet when it comes to abortion, some members of this House seem to think anything goes. Tell them they can't even talk about it. It is unconscionable. It is not our money we are now controlling. We do not fund abortions—we haven't for decades. We have now begun to restrict what groups do with their own money.

Who will suffer with we penalize the funding for these groups that provide certain health care services? Women and children. Some of the most impoverished women and children in the world.

This goes to our basis values. As a country that is prosperous, that has the means to provide health care so that fewer women will die, funding family planning is a statement that these women matter. That every child in this world matters.

I urge my colleagues not to go along with the undemocratic restriction on international family planning organizations. This vote comes down declaring your support for women's health, preventing abortion, and truly standing up for democratic values. Support this motion to strike.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Pennsylvania (Mr. GREENWOOD).

The question was taken; and the Chairman announced that the noes appeared to have it.

### RECORDED VOTE

Mr. GREENWOOD. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The CHAIRMAN. Pursuant to House Resolution 546, proceedings will resume immediately after this vote on those amendments on which further proceedings were postponed in the following order: Amendment No. 27 offered by the gentlewoman from California (Ms. WATERS) and the amendment offered by the gentlewoman from California (Ms. LEE).

The Chair will reduce to a minimum of 5 minutes the time for any electronic vote on these two amendments.

The vote was taken by electronic device, and there were—ayes 206, noes 221, not voting 8, as follows:

[Roll No. 396]

### AYES—206

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barrett (WI)
Bass
Becerra
Bentsen
Berkley
Berman
Biggert
Bilbray
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Campbell
Capps
Capuano
Cardin
Carson
Castle
Clayton
Clement
Clyburn
Condit
Conyers
Coyne
Cramer
Crowley
Davis (FL)
Davis (IL)
Davis (VA)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Edwards
Ehrlich
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Foley
Ford
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gejdenson
Gephardt
Gibbons
Gilchrest
Gilman
Gonzalez
Gordon
Green (TX)
Greenwood
Gutierrez
Hastings (FL)
Hill (IN)
Hilliard
Hinchey
Hinojosa
Hoeffel
Holt
Hooley
Horn
Houghton
Hoyer
Inslee
Isakson
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson, E. B.
Jones (OH)
Kaptur
Kelly
Kennedy
Kilpatrick
Kind (WI)
Kleczka
Kolbe
Kuykendall
Lampson
Lantos
Larson
Lazio
Leach
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Minge
Mink
Moakley
Moore
Moran (VA)
Morella
Nadler
Napolitano
Neal
Obey
Olver
Ose
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pickett
Pomeroy
Porter
Price (NC)
Pryce (OH)
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Rothman
Roukema
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Scott
Serrano
Shays
Sherman
Sisisky
Slaughter
Snyder
Spratt
Stabenow
Stark
Strickland
Sweeney
Tanner
Tauscher
Thomas
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Walden
Waters
Watt (NC)
Waxman
Weiner
Wexler
Wise
Woolsey
Wu
Wynn

### NOES—221

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Bereuter
Berry
Bilirakis
Bliley
Blunt
Boehner
Bonilla
Bono
Borski
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Chabot
Chambliss
Coble
Coburn
Collins
Combest
Cook
Cooksey
Costello
Cox
Crane
Cubin
Cunningham
Danner
Deal
DeLay
DeMint
Diaz-Balart
Dickey
Doolittle
Doyle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Everett
Ewing
Fletcher
Fossella
Gallegly
Ganske
Gekas
Gillmor
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Green (WI)
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (MT)
Hilleary
Hobson
Hoekstra
Holden
Hostettler
Hulshof
Hunter
Hutchinson
Hyde
Istook
Jenkins
John
Johnson, Sam
Jones (NC)
Kanjorski
Kasich
Kildee
King (NY)
Kingston
Klink
Knollenberg
Kucinich
LaFalce
LaHood
Largent
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
Martinez
Mascara
McCollum
McCrery
McHugh
McInnis
McIntyre
McKeon
Metcalf
Mica
Miller (FL)
Miller, Gary
Mollohan
Moran (KS)
Murtha
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Ortiz
Oxley
Packard
Paul
Pease
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Pombo
Portman
Quinn
Radanovich
Rahall
Regula
Reynolds
Riley
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanford
Saxton
Scarborough
Schaffer
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shows
Shuster
Simpson
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Stearns
Stenholm
Stump
Stupak
Sununu
Talent
Tancredo
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thornberry
Thune
Tiahrt
Toomey
Traficant
Upton
Vitter
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Weygand
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

### NOT VOTING—8

Chenoweth-Hage
Clay
Cummings
Forbes
McIntosh
McNulty
Smith (WA)
Vento

□ 1203

Mr. BARTLETT of Maryland changed his vote from "aye" to "no."

Mr. GREEN of Texas changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

### ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. Pursuant to House Resolution 546, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device will be taken on each amendment on which the Chair has postponed further proceedings.

### AMENDMENT NO. 27 OFFERED BY MS. WATERS

The CHAIRMAN. The unfinished business is the demand for a recorded vote on the amendment offered by the gentlewoman from California (Ms. WATERS) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The text of the amendment is as follows:

Amendment No. 27 offered by Ms. WATERS:

Page 2, line 25, after the dollar amount insert "(decreased by $82,500,000)".

Page 3, line 25, after the dollar amount insert "(decreased by $7,000,000)".

Page 30, line 8, after the dollar amount insert "(increased by $155,600,000)".

Page 33, line 6, after the first dollar amount insert "(decreased by $5,250,000)".

Page 34, line 21, after the dollar amount insert "(decreased by $200,000,000)".

### RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 216, noes 211, not voting 8, as follows:

[Roll No. 397]

### AYES—216

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Baca
Bachus
Baird
Baldacci
Baldwin
Barcia
Barrett (WI)
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boucher
Brady (PA)
Brown (FL)
Brown (OH)
Campbell
Capps
Capuano
Cardin
Carson
Castle
Clayton
Clement
Clyburn
Conyers
Costello
Coyne
Crowley
Cubin
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Ehlers
Engel
English
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Ganske
Gejdenson
Gephardt
Gilchrest
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hastings (FL)
Hilliard
Hinchey
Hinojosa
Hoeffel
Holt
Hooley
Horn
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
LaFalce
Lampson
Lantos
Larson
Latham
LaTourette
Leach
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Luther
Maloney (NY)
Markey
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Phelps
Pomeroy
Porter
Price (NC)
Rahall
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schaffer
Schakowsky
Scott
Sensenbrenner
Serrano
Shays
Sherman
Sisisky
Skelton
Slaughter
Smith (NJ)
Snyder
Spratt
Stabenow
Stark
Stenholm
Strickland
Stupak
Sununu
Tanner
Tauscher
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Waters
Watt (NC)
Waxman
Weiner
Wexler
Weygand
Wise
Wolf
Woolsey
Wu
Wynn

### NOES—211

Archer
Armey
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Biggert
Bilbray
Bilirakis
Bliley
Blunt
Boehner
Bonilla
Bono
Boyd
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Chabot
Chambliss
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Cox
Cramer
Crane
Cunningham
Danner
Davis (VA)
Deal
DeLay
DeMint
Diaz-Balart
Dickey
Dicks
Doolittle
Dreier
Duncan
Dunn
Ehrlich
Emerson
Everett
Ewing
Fletcher
Foley
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Gallegly
Gekas
Gibbons
Gillmor
Gilman
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Green (WI)
Greenwood
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hobson
Hoekstra
Holden
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones (NC)
King (NY)
Kingston
Knollenberg
Kolbe
Kucinich
Kuykendall
LaHood
Largent
Lazio
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Maloney (CT)
Manzullo
Martinez
McCollum
McCrery
McHugh
McInnis
McIntyre
McKeon
Metcalf
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Myrick
Nethercutt
Ney
Northup
Norwood
Ose
Oxley
Packard
Paul
Pease
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Portman
Pryce (OH)
Quinn
Radanovich
Regula
Reynolds
Riley
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanford
Saxton
Scarborough
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shows
Shuster
Simpson
Skeen
Smith (MI)
Smith (TX)
Souder
Spence
Stearns
Stump
Sweeney
Talent
Tancredo
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Toomey
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Young (AK)
Young (FL)

### NOT VOTING—8

Chenoweth-Hage
Clay
Cummings
Forbes
McIntosh
McNulty
Smith (WA)
Vento

□ 1217

Messrs. LARGENT, COBURN and FLETCHER changed their vote from "aye" to "no."

Messrs. BOSWELL, WU, OBEY, LATHAM and LEVIN changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

### AMENDMENT OFFERED BY MS. LEE)

The CHAIRMAN. The unfinished business is the demand for a recorded vote on the amendment offered by the gentlewoman from California (Ms. LEE) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Ms. LEE:

Page 6, line 25, after the dollar amount insert "(increased by $42,000,000)".

Page 7, line 21, after the first dollar amount insert "(increased by $42,000,000)".

Page 34, line 21, after the dollar amount insert "(decreased by $42,000,000)".

### RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 267, noes 156, not voting 11, as follows:

[Roll No. 398]

### AYES—267

Abercrombie
Ackerman
Allen
Andrews
Baca
Bachus
Baird
Baldacci
Baldwin
Barcia
Barrett (WI)
Becerra
Bentsen
Berkley
Berman
Berry
Bilbray
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Bono
Borski
Boucher
Brady (PA)
Brown (FL)
Brown (OH)
Bryant
Camp
Campbell
Canady
Capps
Capuano
Cardin
Carson
Castle
Chabot
Clayton
Clement
Clyburn
Coburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Davis (FL)
Davis (IL)
Davis (VA)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Fletcher
Foley
Ford
Fossella
Frank (MA)
Frost
Gallegly
Ganske
Gejdenson
Gephardt
Gilchrest
Gonzalez
Goodling
Gordon
Green (TX)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hastings (FL)
Hayes
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Houghton
Hoyer
Hulshof
Hyde
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
Kingston
Kleczka
Klink
Kolbe
Kucinich
Kuykendall
LaFalce
Lampson
Lantos
Largent
Larson
Leach
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara

Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHugh
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pease
Pelosi
Peterson (MN)
Petri
Phelps
Pickering
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Rahall
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rohrabacher
Ros-Lehtinen
Rothman
Roybal-Allard
Royce
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schaffer
Schakowsky
Scott
Sensenbrenner
Shays
Sherman
Sherwood
Shows
Sisisky
Skelton
Slaughter
Smith (NJ)
Snyder
Spratt
Stabenow
Stark
Stenholm
Strickland
Stupak
Sununu
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thune
Thurman
Tierney
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Visclosky
Wamp
Waters
Watt (NC)
Waxman
Weiner
Wexler
Weygand
Whitfield
Wise
Woolsey
Wu
Wynn

### NOES—156

Aderholt
Archer
Armey
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Biggert
Bilirakis
Bliley
Blunt
Boehner
Bonilla
Boswell
Boyd
Brady (TX)
Burr
Burton
Buyer
Callahan
Calvert
Cannon
Coble
Collins
Combest
Cook
Cooksey
Cox
Crane
Cubin
Cunningham
Danner
Deal
DeLay
DeMint
Diaz-Balart
Dickey
Doolittle
English
Everett
Ewing
Fowler
Franks (NJ)
Frelinghuysen
Gekas
Gibbons
Gillmor
Gilman
Goode
Goodlatte
Goss
Graham
Granger
Green (WI)
Hansen
Hastings (WA)
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hostettler
Hunter
Hutchinson
Isakson
Istook
Johnson, Sam
Jones (NC)
King (NY)
Knollenberg
LaHood
Latham
LaTourette
Lazio
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
Martinez
McCollum
McCrery
McInnis
McIntyre
McKeon
Metcalf
Miller (FL)
Miller, Gary
Ney
Northup
Norwood
Ose
Oxley
Packard
Peterson (PA)
Pickett
Pitts
Pombo
Quinn
Radanovich
Regula
Reynolds
Riley
Rogan
Rogers
Roukema
Ryan (WI)
Ryun (KS)
Salmon
Sanford
Saxton
Scarborough
Sessions
Shadegg
Shaw
Shimkus
Shuster
Simpson
Skeen
Smith (MI)
Smith (TX)
Souder
Spence
Stearns
Stump
Sweeney
Talent
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Toomey
Vitter
Walden
Walsh
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

### NOT VOTING—11

Chambliss
Chenoweth-Hage
Clay
Cummings
Forbes
McIntosh
McNulty
Serrano
Smith (WA)
Velázquez
Vento

☐ 1225

Messrs. ROHRABACHER, FOSSELLA, HULSHOF and GALLEGLY changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

### PERSONAL EXPLANATION

Mr. CUMMINGS. Mr. Chairman, I was unavoidably detained by official business and was not present to vote on three amendments:

Rollcall vote No. 396, on the Greenwood-Lowey amendment to H.R. 4811, had I been present I would have voted "yea."

Rollcall vote No. 397, on the Waters amendment to H.R. 4811, had I been present I would have voted "yea."

Rollcall vote No. 398, on the Lee amendment to H.R. 4811, had I been present I would have voted "yea."

The CHAIRMAN. Are there other amendments to this title of the bill?

If there are no further amendments to this title, the Clerk will read.

The Clerk read as follows:

### AMERICAN CHURCHWOMEN IN EL SALVADOR

SEC. 588. (a) Information relevant to the December 2, 1980, murders of four American churchwomen in El Salvador shall be made public to the fullest extent possible.

(b) The Secretary of State and the Department of State are to be commended for fully releasing information regarding the murders.

(c) The President shall order all Federal agencies and departments that possess relevant information to make every effort to declassify and release to the victims' families relevant information as expeditiously as possible.

(d) In making determinations concerning the declassification and release of relevant information, the Federal agencies and departments shall presume in favor of releasing, rather than of withholding, such information.

### HIPC TRUST FUND CONDITIONS

SEC. 589. Beginning in fiscal year 2002, funds shall be appropriated to the Heavily Indebted Poor Countries Initiative only when the President of the World Bank and the Managing Director of the International Monetary Fund submit a certification to the Secretary of the Treasury that the Institutions they head will not include user fees or service charges through "community financing", "cost sharing", "cost recovery", or any other mechanism for primary education or primary healthcare, including prevention and treatment efforts for AIDS, malaria, tuberculosis, and infant, child, and maternal well-being in their Poverty Reduction Strategy Papers or any other HIPC-related debt relief or economic reform program or plan or any other International Monetary Fund or World Bank loan or reform program.

SEC. 590. None of the funds made available in this Act may be used to pay for the performance of abortion or to lobby for or against abortion.

### PROCUREMENT AND FINANCIAL MANAGEMENT REFORM

SEC. 591. (a) Of the funds made available under the heading "International Financial Institutions" in this or any prior Act making appropriations for foreign operations, export financing, or related programs, 10 percent of the United States portion or payment to any international financial institution shall be withheld by the Secretary of the Treasury, until the Secretary certifies that—

(1) the institution is implementing procedures for conducting semiannual audits by qualified independent auditors for all new lending;

(2) the institution has taken steps to establish an independent fraud and corruption investigative organization or office;

(3) the institution has implemented a program to assess a recipient country's procurement and financial management capabilities, including an analysis of the risks of corruption prior to initiating new lending; and

(4) the institution is taking steps to fund and implement independent third-party procurement monitoring and other similar measures designed to improve transparency, anticorruption programs, procurement, and financial management controls in recipient countries.

(b) REPORT.—The Secretary of the Treasury shall report on March 1, 2001, to the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate on progress made to fulfill the objectives identified in subsection (a).

(c) DEFINITION.—The term "international financial institution" means the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Inter-American Development Bank, the Inter-American Investment Corporation, the Enterprise for the Americas Multilateral Investment Fund, the Asian Development Bank, the Asian Development Fund, the African Development Bank, the African Development Fund, the European Bank for Reconstruction and Development, and the International Monetary Fund.

Mrs. LOWEY. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. Is the gentlewoman from New York (Mrs. LOWEY) the designee of the gentlewoman from California (Ms. PELOSI)?

Mrs. LOWEY. Yes, Mr. Chairman.

The CHAIRMAN. The gentlewoman from New York (Mrs. LOWEY) is recognized for 5 minutes.

Mr. DELAHUNT. Mr. Chairman, will the gentlewoman yield?

Mrs. LOWEY. I yield to the gentleman from Massachusetts.

Mr. DELAHUNT. Mr. Chairman, I thank the gentlewoman for yielding.

I rise to engage in a colloquy with the gentlewoman from New York (Mrs. LOWEY) as the designee of the gentlewoman from California (Ms. PELOSI).

I want to commend the members of the Committee on Appropriations and, in particular, the gentlewoman from California (Ms. PELOSI) and the gentlewoman from New York (Mrs. LOWEY) for recognizing the important role that women play in Southeast Europe in the former Soviet Union. I would also like to note several innovative steps that the Europe and Eurasia Bureau of AID has taken to ensure that gender issues are considered in our programming. By gender issues, we mean identifying and analyzing the problems and possibilities that may affect men and women differently and using that information to carry out programs which address the needs and opportunities of both women and men.

For example, at a policy level, gender issues are integrated throughout the new E&E strategic framework, the policy document which will shape AIDS work in the region for the next several years. This is a first step for a USAID regional bureau.

The language includes the following: gender is being integrated into the Europe and Eurasia programs to ensure that the United States is promoting equal access and opportunities, equal rights and equal protection in its assistance programs.

At a program level, preliminary work on this new approach of considering the problems of both men and women has already produced promising results. In central Asia, a recent AID study examined health costs by gender and found that men and women used health facilities differently for general care and that the costs are significantly different. Men go to hospitals and women go to local clinics, since hospitals are much more expensive than clinics.

□ 1230

The study recommended that clinics create outreach programs specific to men. This will result in considerable savings in health funding.

In the Ukraine, creating more women entrepreneurs was an important way to combat the problem of high unemployment rates for women. But absent specific attention to women, business programs often tended to focus principally on men.

Consequently, in 1999, AID asked business development implementers to analyze the best methods for reaching women as well as men. The best methods for reaching women based on this analysis resulted in many more women entering the market economy. In one business training center, woman clients increased 23 percent between 1999 and 2000.

Mrs. LOWEY. Mr. Chairman, I want to thank the gentleman for his comments. I have become very familiar with programs like Star Network, which is organized and run by a group called World Learning that is training women throughout the Balkans to become leaders in their communities, in their societies, and they enter the political arena as a result of this training.

All the points the gentleman has mentioned really illustrate how very critical these programs are. I want to thank the gentleman for his comments.

Mr. DELAHUNT. Mr. Chairman, if the gentlewoman will yield further, I thank her for her comments, and again I want to acknowledge her leadership and that of the gentlewoman from California (Ms. PELOSI) in making this a reality.

AMENDMENT NO. 51 OFFERED BY MR. NADLER

Mr. NADLER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 51 offered by Mr. NADLER: Page 130, after line 16, insert the following new section:

SENSE OF THE CONGRESS REGARDING SO-CALLED "HONOR CRIMES"

SEC. 592. (a) FINDINGS.—The Congress finds the following:

(1) Thousands of women around the world are killed and maimed each year in the name of family "honor".

(2) The United Nations Commission on Human Rights, 56th Session, January 2000, working with the Special Rapporteurs on violence against women and extrajudicial, summary, or arbitrary executions, received reports of so-called "honor killings" from numerous countries, including Bangladesh, Jordan, India, and Pakistan, and noted that such killings take many forms, such as flogging, forced suicide, stoning, beheading, acid throwing, and burning.

(3) According to the Department of State's Country Reports on Human Rights Practices for 1999, "crimes of honor" in Bangladesh include acid-throwing and whipping of women accused of moral indiscretion.

(4) Authorities in Bangladesh estimate there will be up to 200 "honor killings" in that country this year.

(5) Thousands of Pakistani women and girls are stabbed, burned, or maimed every year by husbands, fathers, and brothers who accuse them of dishonoring their family by being unfaithful, seeking a divorce, or refusing an arranged marriage.

(6) Jordan, which had 20 reported "honor killings" in 1998, still has laws reducing the penalty for, or exempting perpetrators of "honor crimes", and the Jordanian Parliament has twice failed to repeal these laws.

(7) His Majesty King Abdullah of Jordan should be commended for the recent formation of Jordan's Royal Commission on Human Rights, chaired by Her Majesty Queen Rania, which will primarily address obstacles that prevent women and children from exercising their basic human rights, including the persistence of "honor crimes".

(8) Although India has made efforts to address the issue of "honor crimes", more than 5,000 "dowry deaths" occur every year in India, according to the United Nations Children's Fund (UNICEF), which reported in 1997 that a dozen women die each day in "kitchen fires" designed to be passed off as accidents because the woman's husband's family is dissatisfied over the size of the woman's dowry.

(9) Women accused of adultery in countries such as Afghanistan, the United Arab Emirates, Pakistan, and a host of other countries are subject to a maximum penalty of death by stoning.

(10) Even though "honor killings" may be outlawed, law enforcement and judicial systems often fail to properly investigate, arrest, and prosecute offenders and laws frequently permit reduction in sentences or exemptions from prosecution for those who "kill in the name of honor" typically resulting in a token punishment, impunity, and continued violence against women.

(11) The right to exist is the most fundamental of all rights and must be guaranteed to every individual without discrimination, and the perpetuation of "honor killings" and dowry deaths is a deliberate violation of women's human rights that should be universally condemned.

(b) SENSE OF THE CONGRESS REGARDING SO-CALLED "HONOR CRIMES".—It is the sense of the Congress that—

(1) the United States, through the United States Agency for International Development, should—

(A) work with foreign law enforcement and judicial agencies to enact legal system reforms to more effectively address the investigation and prosecution of so-called "honor crimes", and

(B) make resources available to local organizations to provide refuge and rehabilitation for women who are victims of "honor crimes" and the children of such women;

(2) the Department of State, when preparing yearly Country Reports on Human Rights Practices, should include—

(A) information relating to the incidence of "honor violence" in foreign countries;

(B) the steps taken by foreign governments to address the problem of "honor violence"; and

(C) all relevant actions taken by the United States, whether through diplomacy or foreign assistance programs, to reduce the incidence of "honor violence" and to increase investigations and prosecutions of such crimes;

(3) the United States should communicate to the United Nations its concern over the high rate of honor-related violence toward women worldwide and request that the appropriate United Nations bodies, in consultation with relevant nongovernmental organizations, propose actions to be taken to encourage these countries to demonstrate strong efforts to end such violence; and

(4) the President and the Secretary of State should communicate directly with leaders of countries where "honor killings", dowry deaths, and related practices are endemic, in order to convey the Nation's most serious concerns over these gross violations of human rights and urge these leaders to investigate and prosecute all such acts as murder, with the appropriate penalties.

The CHAIRMAN. Pursuant to the order of the House of Wednesday, July 12, 2000, the gentleman from New York (Mr. NADLER) and the gentleman from Alabama (Mr. CALLAHAN) each will control 5 minutes.

Mr. CALLAHAN. Mr. Chairman, I reserve a point of order on the gentleman's amendment.

The CHAIRMAN. The gentleman from Alabama (Mr. CALLAHAN) reserves a point of order on the amendment of the gentleman from New York.

The Chair recognizes the gentleman from New York (Mr. NADLER).

Mr. NADLER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am rising to offer this amendment on behalf of myself and the gentlewoman from New York (Mrs. LOWEY), the gentleman from California (Mr. ROHRABACHER), and the gentleman from California (Mr. CAMPBELL). I thank them for cosponsoring this amendment with me.

This amendment addresses a unique and gruesome form of violence against woman known as honor crimes, in which a woman is maimed or murdered by a relative, usual male, under the perception that the family's honor has been offended.

What is most shocking is that these women are attacked by their own family Members: brothers, fathers, even sons. Most of us are taught to protect and care for members of our family, not to brutalize them.

While preserving one's family honor is obviously no excuse for attacking any person, it is even more shocking that many of these honor crimes are not the result of a so-called dishonorable act, but of a mere belief or perception that such an act may have occurred.

In countries like Bangladesh, for example, women are attacked with acid and whipped if they are merely suspected of a moral indiscretion. In an 11-month period in Pakistan, there were over 675 reported honor killings. Women in Afghanistan suspected of adultery are threatened with death by stoning, as are women in Pakistan and the United Arab Emirates.

While I could continue with gruesome details and statistics on the subject, I think the point is made. There is nothing honorable about whipping one's wife because one suspects her of adultery. There is nothing honorable about throwing acid on a daughter because she marries without permission. This is simply a horrid remnant of ancient cultures which places no value on the lives of women, and that must be addressed.

Unfortunately, as much as I wish it would, this amendment will not end this ghastly form of violence against women. However, it is an opportunity for the Congress of the United States to go on record and state clearly and resoundingly that these crimes should stop, and it is an opportunity to call for the U.S. Government to use its considerable resources to reduce the incidence of these crimes.

It is my hope as well that this amendment will call national attention to this horrible form of violence against women, and begin to get the ball rolling on a multinational effort to end this practice. An individual honor crime is not just an attack on one woman, it is an attack on the entire gender, and a violation of the most basic of human rights, the right to exist as a person and the right to personal autonomy.

Mr. CALLAHAN. Mr. Chairman, I continue to reserve my point of order on the amendment.

The CHAIRMAN. The point of order is reserved.

Mr. NADLER. Mr. Chairman, I yield 2 minutes to the honorable gentlewoman from New York (Mrs. LOWEY).

Mrs. LOWEY. Mr. Chairman, I want to thank my good friend, the gentleman from New York (Mr. NADLER), for his leadership on this issue.

Mr. Chairman, I rise in support of the amendment. Thousands of women are maimed or killed each year in nations across the developing world because they have committed what their relatives or neighbors perceive as a crime of honor.

I have met with some of these women who have had acid thrown in their faces, who clearly are maimed, because in someone's eyes they did wrong. Whether their supposed offense is adultery, the desire for a divorce, refusing an arranged marriage, or having the nerve to fetch a lower-than-expected dowry, the punishment is always swift, severe, and outrageous.

Throughout the world women face flogging, forced suicides, stoning, beheading, burning, and other violent punishments for their actions. Rarely does anyone from the community offer to help. Even local government officials turn a blind eye to this terrible practice.

This amendment highlights how very important it is to do more to stop honor killings around the world. Shining a flashlight on this practice, putting the full moral weight of the United States behind a campaign to end it, is critical if we are going to ensure the fundamental human rights of women. We simply must do more to stop these cowardly attacks.

I urge Members to vote yes. For those in doubt, I just wish they could see the faces of these women who have been tortured, who have been maimed, who have had acid thrown in their faces, just because they committed a crime that the community thought was not right, but we understand that they have the right to live their lives in peace and in dignity.

Mr. NADLER. Mr. Chairman, I yield such time as she may consume to the gentlewoman from California (Ms. MILLENDER-MCDONALD).

Ms. MILLENDER-MCDONALD. Mr. Chairman, I rise in support of this amendment that condemns honor crimes against women.

Mr. Chairman, I rise to speak in support of this amendment that condemns so-called "honor crimes." In countries around the world, women are beaten and killed by male members of their families after being accused of being unfaithful or acting in ways that embarrass the family.

According to Amnesty International the brutal practice of "honor killings" in Pakistan results in several hundred women being killed each year for suspected affairs, for seeking divorce, and for being raped.

In Jordan in the 1990s, an average of 20 women were killed every year.

In India in 1998, 286 women were victims of "honor killings" in Punjab alone. In the first quarter of 1999, 132 "honor killings" were documented in Sindh.

Domestic laws do not protect women who fall victim to this crime. For example, under Article 340 of Jordan's Penal Code, men are exempt from punishment who kill female relatives found or suspected of committing adultery and reduces sentences against those who kill unmarried female relatives who have affairs.

I support the amendment's call to increase investment of U.S. foreign assistance programs designed to investigate and document "honor killings." I would also like to see our assistance support initiatives that conduct public education campaigns about women's equality, with an emphasis on educating law enforcement officers and judges and that provide rehabilitative services to threatened and abused women.

Mr. Chairman, as we continue to expand and deepen our influence around the globe, protection of women and girls from this kind of barbaric behavior must be at the top of our agenda.

Mr. NADLER. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I will not belabor the point, but I think it is a simple enough thing to ask that this House go on record urging the United States government, the Executive Branch, to use its resources to stop these killings, to stop this remnant of a former barbarous age.

I hope that despite whatever technicalities there may be, that this in effect precatory amendment can be adopted.

Mr. Chairman, I yield back the balance of my time.

### POINT OF ORDER

The CHAIRMAN. Does the gentleman from Alabama (Mr. CALLAHAN) insist on his point of order?

Mr. CALLAHAN. I make a point of order against the amendment because it proposes to change existing law and constitutes legislation in an appropriation bill, and therefore violates clause 2 of rule XXI.

The rule states in pertinent part: "An amendment to a general appropriation bill shall not be in order if changing existing law. . . ."

I ask for a ruling of the Chair.

The CHAIRMAN. Does the gentleman from New York (Mr. NADLER) wish to address the point of order?

Mr. NADLER. Mr. Chairman, I understand the reasoning behind the gentleman's point of order. I agree with him that we must be very wary about legislating on appropriations bills, which we do too often in this House.

However, I believe two things: one, that this is a situation that begs our immediate attention. This amendment is in the form of a nonbinding resolution calling on the United States government to begin to address this issue with world leaders and the United Nations. I would hope we could make this statement here today.

Two, I would also point out that I do not really believe this changes existing law. This simply urges the Executive Branch to do certain things. It is not binding. It does not change the law. The law is a binding rule, that is what the dictionary defines the law as.

Therefore, it does not meet that definition. It does not change the law.

I would submit it is not, therefore, legislating on an appropriation bill.

The CHAIRMAN. The Chair is prepared to rule.

The amendment offered by the gentleman from New York (Mr. NADLER) proposes to express a legislative sentiment of the Congress. As such, the amendment constitutes legislation on a general appropriation bill, in violation of clause 2, rule XXI.

The point of order is sustained and the amendment is not in order.

Are there further amendments to this section of the bill?

If not, the Clerk will read.

The Clerk read as follows:

### TITLE VI—MOZAMBIQUE, MADAGASCAR, AND SOUTHERN AFRICA REHABILITATION AND RECONSTRUCTION

The following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2000, and for other purposes, namely:

### BILATERAL ECONOMIC ASSISTANCE

### FUNDS APPROPRIATED TO THE PRESIDENT

### AGENCY FOR INTERNATIONAL DEVELOPMENT

### INTERNATIONAL DISASTER ASSISTANCE

For an additional amount for "International Disaster Assistance", $160,000,000, for rehabilitation and reconstruction assistance for Mozambique, Madagascar, and southern Africa, to remain available until expended: *Provided*, That none of the funds appropriated under this heading may be made available for nonproject assistance: *Provided further*, That prior to any obligation of funds appropriated under this heading, the Administrator of the Agency for International Development shall provide the Committees on Appropriations with a detailed report containing the amount of the proposed obligation and a description of the programs and projects, on a country-by-country basis, to be funded with such amount: *Provided further*, That up to $12,000,000 of the funds appropriated under this heading may be charged to finance obligations for which appropriations available under chapter 1 and 10 of part I of the Foreign Assistance Act of 1961 were initially charged for assistance for rehabilitation and reconstruction for Mozambique, Madagascar, and southern Africa: *Provided further*, That of the funds appropriated under this heading, up to $5,000,000 may be used for administrative expenses, including auditing costs, of the Agency for International Development associated with the assistance furnished under this heading: *Provided further*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: *Provided further*, That the entire amount provided shall be available only to the extent an official budget request that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

### AMENDMENT NO. 46 OFFERED BY MS. JACKSON-LEE OF TEXAS

Ms. JACKSON-LEE of Texas. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 46 offered by Ms. JACKSON-LEE of Texas:

Page 132, after line 12, insert the following:

### TITLE VII—ADDITIONAL GENERAL PROVISIONS

### LIMITATION ON FUNDS FOR COUNTRIES THAT USE CHILDREN AS SOLDIERS

SEC. 701. None of the funds appropriated or otherwise made available by this Act may be made available to the government of a country that—

(1) conscripts children under the age of 18 into the military forces of the country; or

(2) provides for the direct participation of children under the age of 18 in armed conflict.

The CHAIRMAN. Pursuant to the order of the House of Wednesday, July 12, 2000, the gentlewoman from Texas (Ms. JACKSON-LEE) and a Member opposed to the amendment each will control 10 minutes.

Does the gentleman from Alabama (Mr. CALLAHAN) rise in opposition to the amendment?

Mr. CALLAHAN. Mr. Chairman, I rise in opposition to the amendment, and I reserve a point of order on the gentlewoman's amendment.

The CHAIRMAN. The point of order is reserved.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield myself such time as I may consume.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I think anyone of good conscience would have rather not come to the floor of the House to debate an issue such as this, the conscripting of our children, the world's children, to fight bloody and disastrous and devastating battles around the world.

This is an issue of worldwide need. It is an issue for Vietnam. It is an issue for South and Central America. It is an issue for the continent of Africa.

I understand, Mr. Chairman, that the distinguished gentleman, the chairman of this committee, has reserved a point of order. I had asked that on this particular instance we waive the point of order because of the enormous devastation.

I also realize that the funding or the drafting of the language of this particular amendment is particularly direct and strong and harsh, for it reads that it would eliminate all funding for those who conscript children.

Let me give the basis of this, as well as to say that my commitment to this is so strong that I am hoping that my colleagues on the Committee on Appropriations and the conference committee and those representing this particular subcommittee will work with me as we move this bill toward conference, ultimately at some point to be able to design disincentives that might also do similarly the same job: to discourage, to stop, to cease, to end the taking of our babies and putting them into war.

Just last week I joined the President of the United States, a number of ambassadors, and Members of the United States Congress at the United Nations in signing an international protocol against the use of children in war, in prostitution, and pornography.

Why is that necessary? Might I lend to the RECORD one story or a number of stories. One boy tried to escape from the rebels but he was caught. "His hands were tied and then they made us," the other new captives, "kill him with a stick. I felt sick. I knew this boy from before. We were from the same village. I refused to kill him, and they told me they would shoot me. They pointed a gun at me, so I had to do it. The boy was asking me, 'Why are you doing this?' I said, 'I have no choice.' After we killed him, they made us smear his blood on our arms."

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They said we had to do this so we would not fear death, and so we would not try to escape. I still dream about the boy from my village who I killed. I see him in my dreams, and he is talking to me and saying I killed him for nothing. And I am crying. Susan was age 16. She was abducted into the army, by the Lord's Resistance Army. This is what our children are going through in their respective horror and the evilness of taking children whose lives should be full of joy and happiness.

All we are doing is condemning them to a life of misery, if they are not killed themselves in battle. Their minds are so warped with the viciousness of what has happened. They are destroyed forever.

It is estimated this year that some 300,000 children under the age of 18 are engaged in armed military conflicts in more than 30 countries. Sadly, far too many of these wonderful children are forcibly conscripted through kidnapping or coercion, and the others join because of economic necessity to avenge the loss of a family member or for their own personal safety.

There are so many stories of children being abused in this way, and I do want to acknowledge the leadership of the Members of the Subcommittee of Foreign Operations, Export Financing and Related Programs of the Committee on Appropriations, the chairman, the gentleman from Alabama (Mr. CALLAHAN), the ranking member, the gentlewoman from California (Ms. PELOSI), the other Members of the committee, now the gentlewoman from New York (Mrs. LOWEY) who is controlling the time, realizing that these are issues that have been vigorously discussed.

Mr. Chairman, I do believe we must do something about it. The protocol that was signed last week extends much needed protection for children. I cannot imagine that parents here in America would not have their hearts broken and their hearts extended to those victimized children who are being forced into a vicious war. I believe it is time for us now to do the strongest of rejection of those who do so, which would be to address them where it hurts, and that is in the pocketbook.

Mr. Chairman, I understand that we have done many things on the floor that I have supported, debt relief, HIV protection; but how can we stand as our children are conscripted involuntarily or for the basis of economic necessity?

Mr. Chairman, I rise to extend my strong support for this amendment that, if approved, could enormously enhance the lives of our children being cruelly used as soldiers around the world

In short, this amendment would prohibit funding in the bill for nations that conscript children under the age of 18 or use child soldiers in armed conflict.

This is a small step that should be taken that this nation has now see as a priority. It is important to place this within the bill since, as a nation, we are now on record as prohibiting the inhuman practice of using children as soldiers.

Last week, I joined President Clinton, U.S. Ambassador to the United Nations Richard Holbrooke, and Treasury Secretary Lawrence Summers for the signing of two landmark Protocols that address prostitution, the impact of pornography on children, and the global practice of child labor. This resolution applauds the decision by the U.S. government to support the Protocol that condemns the use of children as soldiers by government and nongovernment forces.

This week, this body passed H. Con. Res. 348, a resolution that condemns the use of children as soldiers. And there is a good reason why we did that. It is important to note, however, this amendment only seeks to stop governments, not all nongovernmental forces or rebels, who find ways to bring children into armed conflict. That limitation cannot be imposed on the nongovernmental forces at this time.

It is estimated that this year some 300,000 children under the age of 18 are engaged in armed military conflicts in more than 30 countries. Sadly, far too many of these wonderful children are forcibly conscripted through kidnapping or coercion and others joined because of economic necessity, to avenge the loss of a family member or for their own personal safety. There are so many stories of children being abused in this way.

Military commanders often separate children from their families in order to foster dependence on military units and leaders, leaving such children vulnerable to manipulation. That is clearly unacceptable. I believe it is very unfortunate that military forces actually force child soldiers to commit terrible acts of killings or torture against their enemies, including against other children.

Last August, the United Nations Security Council unanimously passed Resolution 1261, condemning the use of children in armed conflict. On May 25, the UN General Assembly unanimously adopted an Optional Protocol on the use of child soldiers. This is a sensible addition to the Convention on the Rights of the Child.

As my colleagues are well aware, The Protocol extends much needed protection for children. My fellow Americans, this is one of the first international commitments made by this nation that protects our children. We can no longer deny that thousands of children are killed, brutalized, and sold into slavery. In Sierra Leone, half of the rebel forces are under 18 and some are even as young as 4 or 5 years of age.

The Protocol addresses such action by raising the international minimum age for conscription and direct participation in armed conflict to age 18, it encourages governments to raise the minimum legal age for voluntary recruits above the current standard of 15 years of age, and it commits governments to support the demobilization and rehabilitation of child soldiers.

That is a very strong step forward. It speaks to an international sense of justice that should, indeed must be honored by governments around the world. We should commend President Clinton, U.S. Ambassador to the United Nations Richard Holbrooke, and U.S. Secretary Lawrence Summers for their leadership on this issue.

My amendment will simply make clear that nations will not receive assistance if they use children as soldiers. it is entirely consistent with our international obligations and will effectuate such intent in a clear and straightforward manner.

I urge my colleagues to support this amendment.

[From the Human Rights Watch]

### STOP THE USE OF CHILD SOLDIERS!

#### THE VOICES OF CHILD SOLDIERS

1. "One boy tried to escape [from the rebels], but he was caught . . . His hands were tied, and then they made us, the other new captives, kill him with a stick. I felt sick. I knew this boy from before. We were from the same village. I refused to kill him and they told me they would shoot me. They pointed a gun at me, so I had to do it. The boy was asking me, "Why are you doing this?" I said I had no choice. After we killed him, they made us smear his blood on our arms . . . they said we had to do this so we would not fear death and so we would not try to escape . . . I still dream about the boy from my village who I killed. I see him in my dreams, and he is talking to me and saying I killed him for nothing, and I am crying."—Susan, 16 abducted by the Lord's Resistance Army in Uganda.

2. "The army was a nightmare. We suffered greatly from the cruel treatment we received. We were constantly beaten, mostly for no reason at all, just to keep us in a state of terror. I still have a scar on my lip and sharp pains in my stomach from being brutally kicked by the older soldiers. The food was scarce, and they made us walk with heavy loads, much too heavy for our small and malnourished bodies. They forced me to learn how to fight the enemy, in a war that I didn't understand why was being fought."—Emilio, recruited by the Guatemalan army at age 14.

3. "They gave me pills that made me crazy. When the craziness got in my head, I beat people on their heads and hurt them until they bled. When the craziness got out of my head I felt guilty. If I remembered the person I went to them and apologized. If they did not accept my apology. I felt bad."—a 13-year old former child soldier from Liberia.

4. "I was in the front lines the whole time I was with the [opposition force]. I used to be assigned to plant mines in areas the enemy passed through. They used us for reconnaissance and other things like that because if you're a child the enemy doesn't notice you much; nor do the villagers."—former child soldier from Burma/Myanmar.

5. "They beat all the people there, old and young, they killed them all, nearly 10 people . . . like dogs they killed them . . . I didn't kill anyone, but I saw them killing . . . the children who were with them killed too . . . with weapons . . . they made us drink the blood of people, we took blood from the dead into a bowl and they made us drink . . . then when they killed the people they made us eat their liver, their heart, which they took out and sliced and fried . . . And they made us little one eat."—Peruvian woman, recruited by the Shining Path at age 11.

#### REFERENCES

1. Human Rights Watch interview, Gulu, Uganda, May 1997.

2. Testimony given at a Congressional briefing on child soldiers, sponsored by Human Rights Watch, Washington, DC, December 3, 1997.

3. Human Rights Watch interview, Liberia, April 1994.

4. Rachel Brett and Margaret McCallin, "Children: The Invisible Soldiers", (Radda Barnen, 1996), p. 127.

5. Center for Defense Information, "The Invisible Soldiers: Child Combatants," The Defense Monitor, July 1997.

Mr. Chairman, I reserve the balance of my time.

Mr. CALLAHAN. Mr. Chairman, we have no speakers other than a closing statement by me, and I continue to reserve my point of order.

The CHAIRMAN pro tempore (Mr. GUTKNECHT). The gentleman reserves his point of order.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey (Mr. PAYNE), the distinguished ranking member of the Subcommittee on Africa.

Mr. PAYNE. Mr. Chairman, let me thank the gentlewoman from Texas (Ms. JACKSON-LEE) for offering this very important amendment.

Mr. Chairman, we have seen the exploitation of children. We have seen the exploitation in labor. We have seen the exploitation in sexual abuse, and we have seen the exploitation of children as relates to conflicts. In Sierra Leone, children as young as 10 and 12 are given weapons by the dreaded RUF, a group of brutal rebels who have armed children, and other conflicts throughout Africa and Latin America.

Mr. Chairman, we have seen children on the front lines, the Lord's Resistance Movement, as it was mentioned, up in northern Uganda, uses children as the frontline fighters, so when the government troops attempt to get the Lord's Resistance Movement, a rebel group, the children are put in front and the children then are in harm's way, with the military of Uganda reluctant to fire on the children.

Mr. Chairman, this is really a tactic that is used by these terrible despots and clan leaders, and so I think that this makes a lot of sense. We should not have people under the age of 18 in combat. We believe that the exploitation is unbelievable, that in this modern day that we can no longer accept what is going on in the world. I believe that we should support this. I think that it is a right thing to do.

I would hope that the point of order would be waived at this point in time, because I believe that this amendment by the gentlewoman from Texas (Ms. JACKSON-LEE) which would prohibit funding in the bill for Nations that conscript children under the age of 18 or use children soldiers in armed conflict should pass.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield 1 minute to the distinguished gentlewoman from New York (Mrs. LOWEY), a Member of the Committee on Appropriations and a fighter for world justice.

Mrs. LOWEY. Mr. Chairman, I want to thank the gentlewoman from Texas (Ms. JACKSON-LEE) for offering this amendment.

Mr. Chairman, we have spent a lot of time on this floor in the last day talking about how at a time of prosperity we should be reaching out to families, to children around the world, helping them get educated, providing health care, providing the very basics of life. And then when we hear the horrors of these children who, in addition to lacking education and health care, are being recruited into the armed services to fight a war that they do not know anything about, the words of one child named Alil ringing in my ear, the army was a nightmare; we suffered greatly from our cruel treatment we received. We were constantly beaten mostly for no reason at all, just to keep us in a state of terror. They forced me to learn how to fight the enemy in a war that I did not understand why it was being fought.

Sadly there are stories like this in several nations all around the world, and I support the Jackson-Lee amendment, and I thank the gentlewoman for her leadership on this issue.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield 1 minute to the gentlewoman from California (Ms. WATERS), who has been fighting throughout this debate that we may be inclusive and protective of our world neighbors and certainly protective of our children who are forced into fighting vicious wars.

Ms. WATERS. Mr. Chairman, I would like to congratulate the gentlewoman from Texas (Ms. JACKSON-LEE) for her leadership, not only in this country on behalf of children, but her leadership internationally on behalf of children. This is typical of the kind of work that the gentlewoman has been doing.

Mr. Chairman, it is estimated that this year some 300,000 children under the age of 18 are engaged in armed conflict in more than 30 countries. Children are forcibly conscripted through kidnapping or coercion and others join because of economic necessity to avenge a loss of a family member or for their own personal safety. This may be shocking, as this gentlewoman has said, but it is real.

In this country, we have gone a long way toward protecting children. We protect children in the workplace. We protect children and make sure if they do not have a family, that they get foster care. We have rules about how they can or cannot be punished. We do everything that we can to support them from free lunch programs, to free breakfast programs. Certainly we can stand up for children who are being used in wars who are getting killed and maimed unnecessarily. Vote aye on this amendment.

The CHAIRMAN pro tempore. Does the gentleman from Alabama (Mr. CALLAHAN) insist upon his point of order?

Mr. CALLAHAN. Mr. Chairman, first I rise in opposition to the amendment, then I am going to insist on my point of order.

Mr. Chairman, I yield myself such time as I may consume to make a point here.

Mr. Chairman, it is difficult being chairman of this committee and having to stand up here and indicate that I do not support the underlying causes that the gentlewoman's amendment addresses. Who in the House would be opposed to this?

The point is, we have a procedure in this body whereby the Committee on International Relations is the authorizing committee of all of these areas of jurisdiction. And I would just like to send a message to the chairman of the committee, if he wants me to accept all of the authorization on this bill, well, then I will do it. If he expects me to stand up and object and give indication that I do not support the underlying causes, he will be disappointed.

I am still going to object, but to send a message to the Committee on International Relations, if they want these things, fine; if they do not, they better get over here and start objecting on their own.

### POINT OF ORDER

Mr. CALLAHAN. Mr. Chairman, I make a point of order against the amendment because it proposes to change existing law and legislation in an appropriations bill and, therefore, violates clause 2(c) of rule XXI.

The rule states in pertinent part:

"An amendment to a general appropriation bill shall not be made in order if it changes existing law."

I ask for a ruling of the Chair.

The CHAIRMAN pro tempore. Does the gentlewoman from Texas wish to be heard on the point of order?

Ms. JACKSON-LEE of Texas. Yes, Mr. Chairman. I rise to speak to the point of order, and I appreciate several points that the chairman of the subcommittee, the gentleman from Alabama (Mr. CALLAHAN), has said. I will offer to work with the chairman as we move toward conference on this issue.

Let me speak to the point of order as I discuss the opportunity, I hope, to be able to work with the gentleman, and that is that we are dealing with an appropriations bill that deals with foreign policy, and foreign policy that covers a variety of issues. In fact, there is a child-support provision in here that we obviously attempted to work with.

Mr. Chairman, I believe that this amendment is within the confines of the appropriations bills. It talks about the international policy on the question of children. It is noted that we have many children that have been killed and brutalized and sold into slavery. In Sierra Leone alone, half of the rebel forces are under 18; some of them are 4-years-old and 5-years-old.

Mr. Chairman, I cannot imagine in the report language and in the legislation that we do not have within the context of the section that I have offered, where I have deleted and had this in compliance with the CBO, it is budget neutral, that this particular amendment, which is simply a limitation that indicates that no monies can be used if your country flagrantly and boldly uses babies to go into war that we would not have that.

Mr. Chairman, I look forward to working with the gentleman from New York (Mr. GILMAN), the chairman of the Committee on International Relations and the gentleman from Alabama (Mr. CALLAHAN) and the gentlewoman from California (Ms. PELOSI) that we can work through conference if the point of order is upheld, Mr. Chairman, to ensure that babies are not dying, not only because of disease and brutality but because they are forced to be warriors in war and killing others in a brutal and horrific fashion.

I think that is the worst act that we as adults can do to our children, and I would ask that the point of order not be upheld and that we be able to move forward on this. I thank the gentleman from Alabama (Mr. CALLAHAN) for his sincere effort, and I hope that we will be able to work together, maybe if the gentleman would stand. I know that the gentleman's heart is there. We worked together.

Mr. CALLAHAN. Mr. Chairman, I rise to speak on my point of order and explain the rationale behind my decision to do this. The previous speaker, the gentleman from New York (Mr. NADLER), had a good underlying cause, but there are 15 or 20 underlying good causes coming up.

I sort of resent the fact that I am standing here as an appropriator taking the brunt of a position saying that I oppose what the gentlewoman wants me to do. I do not oppose. We have a strategy. We have a rule. We have rules of the House which prohibit this type of activity. And I am trying to protect the integrity of the process.

I applaud the gentlewoman for her efforts. I applaud her mission. I support the content of her amendment, but it is violative of the rules; and I am here to protect the integrity of the process and, therefore, insist upon my point of order.

The CHAIRMAN pro tempore. The Chair has sought advice from the Parliamentarian and is prepared to rule.

Does the gentlewoman have further advice for the Chair? Please state the advice.

Ms. JACKSON-LEE of Texas. Yes, I have advice.

Mr. Chairman, I appreciate the comments of the chairman of the committee and refer the chairman to the underlying bill and its purpose and only say that I also look forward to working on this as it moves towards conference with the authorizing committee and to provide disincentives for this terrible act.

The CHAIRMAN pro tempore. The gentleman from Alabama (Mr. CALLAHAN) makes a point of order that the amendment offered by the gentlewoman from Texas (Ms. JACKSON-LEE) proposes to change existing law in violation of clause 2(c) of rule XXI.

As recorded in Deschler's Precedents, volume 8, chapter 26, section 52, even though a limitation or exception therefrom might refrain from explicitly assigning new duties to officers of the government, if it implicitly requires them to make investigations, compile evidence, or make judgments and determinations not otherwise required of them by law, then it assumes the character of legislation and is subject to a point of order under clause 2(c) of rule XXI.

The proponent of the limitation assumes the burden of establishing that any duties imposed by the provision either are merely ministerial or otherwise required by law.

The proponent in this case has failed to meet the burden. Accordingly, the point of order is sustained, and the amendment is not in order.

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Are there further amendments to the bill?

AMENDMENT NO. 13 OFFERED BY MR. KUCINICH

Mr. KUCINICH. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 13 offered by Mr. KUCINICH:

At the end of the bill (preceding the short title), insert the following:

TITLE VII—ADDITIONAL GENERAL PROVISIONS

PROHIBITION ON FUNDS FOR KOSOVO PROTECTION CORPS

SEC. 701. None of the funds appropriated or otherwise made available in this Act may be made available for the Kosovo Protection Corps.

Mr. BEREUTER. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The gentleman from Nebraska (Mr. BEREUTER) reserves a point of order.

Pursuant to the order of the House of Wednesday, July 12, 2000, the gentleman from Ohio (Mr. KUCINICH) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, my amendment is a simple amendment. It would prohibit any funds in this bill from going to the Kosovo Protection Corps, an organization that has always been and continues to be a rogue force in Kosovo.

In September 1999, the Kosovo Liberation Army, KLA, was transformed into a 5,000 member demilitarized civilian organization known as the Kosovo Protection Corps, KPC. According to U.N. regulations on the establishment of the KPC, and this is a quote, "the Kosovo Corps shall not have any role in law enforcement or the maintenance of law and order."

However, according to an unreleased internal United Nations report, the Kosovo Protection Corps has been using violence, extortion, murder, and torture. Because this report has not been made public, lawmakers in the United States who actually set the United States budget for this mission in Kosovo must rely on the media to provide such crucial information.

According to press accounts, the report states that the KPC has been involved in "criminal activities, killings, torture, illegal policing, abuse of authority, intimidation, breaches of political neutrality and hate speech."

The Washington Post reported that the U.N. report states that several members of the KPC "allegedly tortured or killed local citizens and illegally detained others, illegally attempted to conduct law enforcement activities, illegally forced local businesses to pay taxes, and threatened U.N. police who attempted to intervene and stop wrongdoing."

An article in the British Guardian newspaper indicates that in Dragash, two members of the KPC and three others were arrested by U.N. police in connection with the killing of an ethnic Gorani. It goes on to say the U.N. report cited "three charges of ill-treatment and torture: in Pec, a man was beaten senseless in the KPC's headquarters, suffering head injuries and severe bruising from a rifle butt. . . . In Prizren, a man from the Torbesh minority . . . was kidnapped and beaten up by a KPC member and three other men. And in Prizren KFOR suspended alleged torturers from the KPC."

A GAO report on security in the Balkans indicates that the Kosovo Protection Corps may be adding to unrest and regional instability in the region. It states that KFOR and the U.N. have detained members from the KPC "for carrying unauthorized weapons and engaging in violence and intimidation against ethnic minorities."

So the goals of the U.N., as stated in U.N. Resolution 1244 are actually being impeded by the KPC. These goals include: deterring renewed hostilities, demilitarizing armed groups, ensuring public safety and order, and protecting and promoting human rights.

The U.N. itself cited the KPC for threatening U.N. personnel in efforts to intervene in wrongdoing. So, not only is the KPC responsible for human rights violations, but the KPC is making it harder for the U.N. to accomplish peace in Kosovo.

An Amnesty International report issued in February concluded that after 6 months of peacekeeping efforts in the region, "human rights abuses and crimes continue to be committed at an alarming rate, particularly against members of minority communities."

According to the Human Rights Watch World Report 2000, "Ethnic Albanian refugees returned to a devastated Kosovo almost immediately after the withdrawal of Serbian and Yugoslav forces, and soon began a series of revenge attacks against the region's minority populations. A wave of arson and looting of Serb and Roma homes quickly deteriorated into harassment and beating of individuals. Most serious was a spate of abductions and murders of Serbs."

Finally, International Crisis Group, an internationally renowned conflict prevention and conflict resolution group based in Washington, D.C. and Brussels, recently issued a report on the KPC. It states that "Even the UNMIK's own officials and some KFOR officers admit (though never in public) that the KPC is, and will probably remain, a military-style organization."

These are credible reports from many credible sources that reveal that the KPC is causing unrest and instability as it continues to engage in violent and brutal practices. These human rights abuses of extortion, murder, kidnapping, torture, and intimidation must not continue.

So why should American tax dollars support an organization which is actually worsening the situation of ethnic hatred and violence in war-torn Kosovo? There has been enough violence in the Balkans. Why sustain this volatile atmosphere by continuing to allow the KPC to run rampant in Kosovo?

Most of Europe already knows this. That is why almost all NATO countries do not fund the KPC.

Mr. Chairman, I ask unanimous consent for 1 additional minute.

The CHAIRMAN. The gentleman from Ohio cannot request unanimous consent to extend his own time. It is permissible to ask unanimous consent that both the proponent and an opponent are given an equal amount of time.

Mr. KUCINICH. Mr. Chairman, I ask unanimous consent that both myself and the opponent be given 1 extra minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The gentleman from Ohio (Mr. KUCINICH) may proceed for 1 additional minute.

Mr. KUCINICH. Mr. Chairman, as I indicated, most of Europe already knows about the KPC. According to a May 10, 2000 United Nations Status Report, the United States has pledged about $5 million and Germany has pledged about $1.5 million. So the United States foots the majority of the bill for an organization which has failed to benefit society in Kosovo.

I am asking for a yes vote on this amendment.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from Ohio (Mr. KUCINICH) has 30 seconds remaining.

Does the gentleman from Nebraska (Mr. BEREUTER) insist upon his point of order?

Mr. BEREUTER. Mr. Chairman, I withdraw my reservation of a point of order.

The CHAIRMAN. The gentleman from Nebraska withdraws his point of order.

Mr. GILMAN. Mr. Chairman, I rise to claim the time in opposition to the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. GILMAN) for 6 minutes in opposition to the amendment.

Mr. GILMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the proposed amendment to this bill of the gentleman from Ohio (Mr. KUCINICH) would terminate funding for the Kosovo Protection Corps, the KPC. I am strongly opposed to that amendment because it would have the opposite intended effect of the author's stated goals and, in fact, contribute to greater instability and to increased human rights abuses in Kosovo, thereby complicating the mission of our and other NATO peacekeeping troops.

Strongly supported by the United States, the KPC was formed by the U.N. Administration in Kosovo, the UNMIK. Under this crucial program, the Kosovo Liberation Army was demilitarized and its former members encouraged to become part of an emergency assistance and community service.

Reports of individual members of the KPC, or individuals posing as KPC members, committing human rights abuses are disturbing and must be continued to be fully investigated and monitored. Any KPC member found to have been associated with such activities will be immediately dismissed and subject to criminal prosecution.

I do agree with KFOR and U.N. officials that there must be a zero tolerance policy towards offenses committed by those few members of the KPC or any other individuals in Kosovo who commit criminal offenses or abuse their position in the KPC. That is why we support the approach of focusing the relatively small amount of United States assistance to Kosovo on judicial and police assistance in order to increase stability in this region that has been torn apart by a decade long conflict.

Denying United States funding for the KPC would not resolve the problems that the gentleman from Ohio (Mr. KUCINICH) believes exists in Kosovo and would more than likely increase those difficulties. It would have us throw the baby out with the bath water by undercutting a good program because a few bad individuals may have been involved. We do not stop paying for our police when we find a bad cop in that force.

Cutting off our assistance to the KPC would jeopardize the accomplishments of disarming former combatants and moving Kosovo along the path of peace and reconciliation and would undermine our ability to influence the development of the KPC. It would increase the risk to our troops currently positioned in Kosovo and would threaten to extend the time they need to be deployed there, something we do not want to see happen.

Accordingly, I urge our colleagues to reject this amendment.

Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. ENGEL).

Mr. ENGEL. Mr. Chairman, I thank the gentleman from New York (Chairman GILMAN) for yielding to me, and I certainly strongly support his statement.

Mr. Chairman, I believe it is imperative that we oppose this amendment. I believe that this amendment really would wreak havoc in the region. The State Department, the administration, all people who have dealt with this situation in Kosovo oppose this.

The Kosovo Protection Corps plays a critical role in Kosovo in many ways. After the Kosovo Liberation Army formerly gave up its weapons, the KPC was created as an organization which absorbed former KLA members into a demilitarized structure. The State Department has described the KPC as the most important element of a broad program to provide employment for KLA veterans.

The KPC also carries out critical civilian works projects. NATO Secretary-General Lord Robertson has praised the KPC for its work throughout Kosovo, which has included repairing roads, bridges, and other reconstruction projects.

Let me read his quote. He says, "I will continue to support the KPC, to demand from the international community the resources that will allow it to do this valuable civil job to support General Ceku in the role he has of being an influential spokesman for peace and reconciliation." This is the NATO Secretary-General Lord Robertson.

The Kucinich amendment is based on a supposed unreleased internal United Nations report of February 29, 2000, which allegedly makes a variety of accusations against the KPC. When my staff requested a copy of this report, none was available because it was never released. We believe that it is difficult to respond anyway to this report, not only because Members cannot review it for themselves, but because the first KPC members were inaugurated only 1 month before the report was supposedly written.

On April 22 of this year, 114 KPC officers and personnel joined 230 local workers and youth groups in cleaning up disease-infested garbage mounds throughout Pristina, the capital. In another instance, the KPC intervened on February 4 when French and NATO peacekeepers were not able to disperse an angry crowd. According to Reuters, "The situation finally calmed down with the arrival of the KPC."

Let me read one other quote, and this is a quote from General Klaus Reinhardt, commander of Allied Forces in Kosovo, KFOR. He says, "It is my firm belief that the formation of the KPC is an essential step to restoring normalcy to this region."

So this is an irresponsible amendment. It should be resoundingly defeated.

The CHAIRMAN. The gentleman from New York (Mr. GILMAN) has 15 seconds remaining.

Mr. OLVER. Mr. Chairman, I request that the gentleman from New York (Mr. GILMAN) ask unanimous consent so that I could have a whole minute, which would be 45 seconds on each side.

Mr. GILMAN. Mr. Chairman, I ask unanimous consent that each side be given an additional 45 seconds.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. CALLAHAN. Mr. Chairman, I object.

Mr. GILMAN. Mr. Chairman, I yield the balance of our time to the gentleman from Massachusetts (Mr. OLVER).

Mr. OLVER. Mr. Chairman, I thank the gentleman from New York very much for yielding me this time.

Mr. Chairman, I would just say there are no white hats in this operation, and there are neither on the Albanian side nor on the Serb side when one considers what happens in Kosovska Mitrovica. It is not easy to turn organizations which have grown up in war into democratic organization in the pursuit of multiethnic community. But if Kosovo is ever to be a multiethnic and a multireligious community, then we are going to have to work with these organizations.

I very much oppose that we adopt the amendment.

□ 1315

Mr. KUCINICH. Mr. Chairman, I yield myself the balance of my time.

The unreleased internal United Nations report on the Kosovo Protection Corps using violence, extortion, murder, and torture has been widely reported. I am asking all of my colleagues today to take a stand for the protection of human rights of all citizens in Kosovo. Vote "yes" on this amendment.

The KPC has become a brutal paramilitary organization, a fact that has been confirmed by the U.N. itself, the GAO, and many nongovernmental organizations. According to this internal U.N. report, the KPC has prevented the U.N. from establishing peace and maintaining order in Kosovo. The United States cannot continue to fund such activities.

Mrs. KELLY. Mr. Chairman, I rise in strong opposition to the Kucinich Amendment, which would seriously undermine our efforts to promote stability and reconstruction in Kosova.

This amendment seeks to cut off all funding for the Kosova Protection Corps, a civilian organization formed in September of last year to employ demobilized members of Kosova Liberation Army on needed efforts such as disaster response, search and rescue, humanitarian assistance to isolated areas, de-mining and rebuilding the country's infrastructure. The KPC, which operates under the authority of the UN, offers employments to these veterans to engage in constructive activities in support of the country and its people.

I understand and share the gentleman's concerns over allegations of acts of violence committed by purported members of this organization. These incidents should be investigated fully and those found guilty should be prosecuted to the fullest extent of the law. But to completely cut off funding to an organization that, in the words of the KFOR commander, General Klaus Reinhardt, is "an essential step to restoring normalcy to this region", would undercut and negate everything that this country and our European allies have done to restore peace and stability to Kosova.

The fact is, Mr. Chairman, the vast majority of former KLA members who joined the KPC were not professional soldiers—they were farmers, laborers or mechanics, individuals with skills that are desperately needed as Kosova re-builds. Yes, they took up arms in the face of naked aggression from Serb paramilitary and security forces. Faced with similar situations, I doubt many in this Chamber wouldn't do the same to protect their homes, their families and loved ones. The war is now over, and it is essential that we support programs such as this which, in a very real sense, beat swords into plowshares by transitioning these veterans to the cause of community service and nation building.

That cause would be undercut, Mr. Chairman, if we allow this amendment to prevail. Let's not destroy a worthwhile program and jeopardize the cause of peace because of the misdeeds of a few. I urge my colleagues to oppose the Kucinich Amendment.

Mr. NADLER. Mr. Chairman, I rise today to oppose the Kucinich Amendment to cut funding for the Kosovo Protection Corps (KPC). The KPC has served as an important force for peace and stability in an unstable region. After the Kosovo Liberation Army (KLA) demilitarized, the KPC was formed in an effort to employ former KLA members in a capacity which could be beneficial to the region. Since it's inception, the KPC has done important work in Kosovo, cleaning disease infested garbage dumps in Pristina, repairing roads and bridges and helping to rebuild over 1,000 homes.

While individual members of the KPC have been accused of carrying illegal weapons, and while I do believe these individuals should be dealt with, the KPC as a whole has played an important role in the quest for peace in Kosovo. On February 4th, in Mitrovica, KPC members intervened along with French and Italian NATO peacekeepers to disperse an angry crowd. The leadership of the KPC has repeatedly spoken out for tolerance and reconciliation amongst the different ethnic groups within the region.

Mr. Chairman, I believe it would be a grave mistake to deny funding to this important organization at this most tumultuous time in Kosovo's history. I urge my colleagues to vote against the Kucinich amendment.

Mr. BONIOR. Mr. Chairman, it was a bleak picture early last year in the Balkans.

Slobodan Milosevic had begun a new campaign of terror against ethnic Albanians in Kosovo.

Men of all ages were tortured and killed.

Women were raped.

Yet another ethnic population was being "ethnically cleansed."

Refugees poured over the borders to Albania and Macedonia.

When I visited the refugees last May, they relayed experiences that few of us could even imagine are possible in the world today.

One Kosovar boy saw his father's eyes torn out. He told us, "you can't imagine what they have done."

A woman from the Prizren region said that Serb paramilitary forces entered her house, looking for her husband—a teacher in a local school. The forces took all of the family's jewelry and money. She escaped, but her husband and mother were burned alive inside the house. The woman said, "this happened to many people."

These are brutal episodes, but too many of us have become numb to them because in Milosevic's Yugoslavia last decade, we learned of violence like this nearly every day.

But I know that for many of us, and for many of our parents and grandparents, these stories bring back chilling memories of Europe during the Nazi reign of terror.

Last spring, we could have struck our head deep into the sand, and said that Kosovo was merely a European problem, but we didn't.

Together with NATO, we mounted a swift and successful campaign to put an end to this awful bloodshed and mayhem.

Although Kosovo has a long way to go after a generation of ethnic tension, years of neglect and months of war, things are getting better day after day.

Democracy, the rule of law and prosperity do not take root overnight. They must be nurtured. But with care, they will grow.

That's why we must reject this amendment.

It will do nothing more than uproot the careful work we have done so far in the Balkans.

The people of Kosovo are dedicated to democracy, and I know they draw their strength from the commitment we in the United States have made to them.

The army fighting for independence in Kosovo last year voluntarily disarmed.

According to the State Department, this demilitarization was the quickest in modern history.

And the new force—known as the Kosovo Protection Corps—which this amendment seeks to disband, has helped to rebuild homes, fight fires, repair the infrastructure and clean polluted rivers.

Yes, there have been incidents where individuals have engaged in abuses. And these must be dealt with severely.

In any country where chaos has ruled and war has ravaged civic institutions, there is bound to be confusion. Tensions which are ages old will not be diffused overnight.

We should not underestimate the problems.

But the answer is not to walk away from the problems.

The answer is to continue to work for peace.

And that's exactly what we should do in Kosovo.

Vote against this amendment.

Mr. CROWLEY. Mr. Chairman, I speak today in strong opposition to the Kucinich amendment which seeks to prohibit funds in the FY 2001 Foreign Operations Appropriations bill from being used to fund the Kosova Protection Corps (KPC).

KPC plays a vital role in Kosova, filling the void that was left when the Kosova Liberation Army (KLA) surrendered its weapons.

The KPC was formed by the UN Administration in Kosova (UNMIK) as a civilian organization responsible for disaster response, search and rescue, humanitarian assistance, demining, and infrastructure rebuilding. Security in Kosova is not provided by the KPC, but a separately trained civilian police and international police force serving under the direction of UNMIK. The KPC functions under the political authority of UNMIK and the day-to-day operational direction of KFOR.

The KPC carries out important civilian work projects, such as building and repairing roads and bridges. In another instance, the KPC intervened on February 4 when French and

Italian NATO peacekeepers were not able to disperse an angry crowd and succeeded in restoring order to the situation.

The KPC has the support of the people in Kosova, the U.S. State Department and the United Nations.

Despite the allegations made in support of the Kucinich amendment, UN officials have investigated the allegations leveled against members of the KPC and found no evidence to support them.

International military and civilian leaders in the region have expressed their support and gratitude for the efforts of the KPC.

NATO Secretary-General, Lord Robertson, has praised the Kosova Protection Corps for its work throughout Kosova, which has included repairing roads, bridges, and other reconstruction and relief projects.

I urge my colleagues to oppose the Kucinich amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. KUCINICH).

The amendment was rejected.

AMENDMENT OFFERED BY MR. BEREUTER

Mr. BEREUTER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. BEREUTER:

At the end of the bill (preceding the short title), add the following:

### TITLE VII—ADDITIONAL GENERAL PROVISIONS

PROHIBITION ON ASSUMPTION BY UNITED STATES GOVERNMENT OF LIABILITY FOR NUCLEAR ACCIDENTS IN NORTH KOREA

SEC. 701. (a) PROHIBITION.—None of the funds appropriated or otherwise made available by this Act may be used to enter into any agreement, contract, or other arrangement which imposes liability on the United States Government, or otherwise require financial indemnity by the United States Government, for nuclear accidents that may occur at nuclear reactors in the Democratic People's Republic of Korea.

(b) EXCEPTION.—Subsection (a) shall not apply to any treaty subject to approval by the Senate pursuant to article II, section 2, clause 2 of the Constitution of the United States.

The CHAIRMAN. Pursuant to the order of the House of Wednesday, July 12, 2000, the gentleman from Nebraska (Mr. BEREUTER) and a Member opposed each will control 5 minutes.

Mr. GEJDENSON. Mr. Chairman, I rise to claim the time in opposition.

The CHAIRMAN. The gentleman from Connecticut (Mr. GEJDENSON) will control the time in opposition.

The Chair recognizes the gentleman from Nebraska (Mr. BEREUTER).

Mr. BEREUTER. Mr. Chairman, I yield myself such time as I may consume.

This Member rises out of concern that because of reported executive action that is currently being contemplated by the President, the American taxpayer may soon be required to assume billions of dollars of liability for potential North Korean nuclear accidents.

Under the Korean Energy Development Organization program, KEDO, the United States Government committed to the construction of two light-water nuclear reactors in North Korea with major financing from Japan and South Korea. These reactors are designed to diffuse the nuclear development program of the Democrat People's Republic of Korea, the DPRK, that it had operated and, presumably, used to divert weapons grade nuclear material. The new reactors are to be owned and operated by North Korea.

Because North Korea is not known for its nuclear safety, some of the essential American construction firms have, quite understandably, refused to participate in the KEDO effort without insurance. Private insurance companies, sensing a lousy risk, want nothing to do with the KEDO program. As a result, the KEDO program could collapse under its own weight.

In an effort to keep the KEDO program moving forward, some in the executive branch have proposed that the United States provide insurance guaranties for the KEDO program. Mr. Chairman, this is an enormous legal liability that is being contemplated by Executive Order. While the United States continues to participate in the construction of two light-water nuclear reactors in the DPRK is not the issue, we have been participating in the KEDO program since 1995; and funds are included in this bill to continue that support. The question is whether the United States will assume financial liability for the project if accidents occur.

Mr. Chairman, make no mistake, this is potentially a staggering liability. It requires faith in the North Korea engineers, who may or may not have been trained and over whom we have little or no control. It requires faith that North Korea will devote the energy and resources to maintain those reactors. It requires that conflict does not break out on the Korean peninsula. And if North Korea's safety procedures prove inadequate and a Chernobyl-type disaster occurs, it could require tens of billions of U.S. taxpayer dollars. If there is a nuclear accident, there is no quicker way to eliminate the current budgetary surplus that many Members of this body have worked so hard to achieve.

Mr. Chairman, this Member would remind his colleagues that on May 18 of this year, in an amendment to the defense authorization bill, this body considered and voted overwhelmingly to limit the ability to provide such insurance guaranty. But the executive branch is ignoring or seeking to ignore that overwhelming vote. The amendment before this body today sends a very strong message that extending financial guaranties to rogue nations is a serious matter.

If Members of this body are concerned about nuclear proliferation, if my colleagues are concerned about fiscal responsibility, or even if Members are suspicious that North Korea may not be absolutely and irrevocably committed to cooperation on nuclear nonproliferation with the West, they must vote for this amendment.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Chairman, I thank the gentleman for yielding, and rise in support of the Bereuter amendment and commend its sponsor.

This bill provides funding that the Clinton administration has requested to continue carrying out its policy of giving U.S. foreign assistance to North Korea pursuant to the agreed framework of 1994. The Bereuter amendment imposes a sensible condition on the funds that this bill appropriates for North Korea.

This amendment prohibits any money appropriated under this act from being used to assume any liability for the cost of nuclear accidents in North Korea. Incredibly, the administration reportedly is considering making U.S. taxpayers libel in the event that the North Koreans mismanage their nuclear reactors that the administration wants to build there and could trigger a catastrophic nuclear accident. This, obviously, would be folly; and the gentleman from Nebraska is doing all of us a favor by trying to stop the administration from doing this.

The distinguished Chair of our House Republican Policy Committee, the gentleman from California (Mr. COX), has been very active in protecting the interests of the American taxpayer with regard to the possibility that current U.S. policy may create a Chernobyl-style disaster in North Korea. I am pleased to support the amendment offered by the gentleman from California (Mr. COX) and the gentleman from Massachusetts (Mr. MARKEY) on the defense authorization bill that addresses these concerns, and I am pleased to support the Bereuter amendment to the bill as well.

This is a very timely and important amendment, and I urge our colleagues to support the amendment.

Mr. BEREUTER. Reclaiming my time, Mr. Chairman, I would say that, indeed, the gentleman from California (Mr. COX) has been extremely active. He does have an amendment filed, and I will give him the opportunity to close in a minute.

Mr. Chairman, I reserve the balance of my time.

Mr. GEJDENSON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, if I have ever seen a bad deal, it is this amendment. It is bad from a number of perspectives. It was not that long ago that we were in the well here wringing our hands about the dangers of a North Korean missile coming over and hitting part of the United States, and there was no limit to the funding we would spend to stop this threat from North Korea: $60 billion for an untested Star Wars program. Rush the program through. We have spent a third of a billion dollars in the last 9 months.

We all saw the last success of that program when the booster apparently did not get to the target where it was predetermined to hit the mark. So we have spent a third of a billion dollars in the last 9 months. There are people here who want to spend $60 billion before they find out whether the system works or not to protect us from North Korean missiles. But let us make sure we do not even give the administration an opportunity to work out an agreement that stops the North Korean missile program.

A better title for this bill would be "an amendment to prevent an agreement." Because before we know what the administration wants to do, whether they are going to get a consortium of nations to simply buy an insurance program, whether the Japanese and the others in the region are going to pay the whole tab and we might have to facilitate some of the technical elements of it, Congress is going to rush down here, and we are going to tell President Clinton and his negotiators not to come to an agreement.

We are going to spend $60 billion on Star Wars whether it works or not. That is a good expenditure, just like the third of a billion we have had for the failed tests. Let us just slow down a bit here. What the administration has achieved is for the first time in 50 years we are having a dialogue with the North Koreans. Now, this is not an easy job. This is about one of the most paranoid societies in the world. Orwell's view of the world could not figure this place out if he had the blueprint in advance.

But, Mr. Chairman, we have got them to stop their nuclear program. We have got them to stop their missile program. There is a lot more we have got to do. We have our allies working together with us in a coordinated program. We always complain about burden-sharing. Here others want to take the lead in the burden, and we have got an amendment on the floor to stop us from participating before we know what that portion of participation is.

I understand the desire not to have anything in North Korea that could give us a liability. But when Congress is ready to pass on a $60 billion Star Wars program before the technology works, when we have spent a third of a billion dollars in the last 9 months, we should not come here and say we cannot spend a penny to implement, negotiate and come to an agreement that might shut down any future missile or nuclear programs that the North Koreans might undertake is bad policy.

Let us give the administration a chance. This is the toughest country in the world to negotiate with, and we have begun to make progress.

Mr. CALLAHAN. Mr. Chairman, will the gentleman yield?

Mr. GEJDENSON. I yield to the gentleman from Alabama.

Mr. CALLAHAN. Mr. Chairman, I thank the gentleman for yielding, and I just want to say that regardless of whether we are doing the right thing in the amendment or not, I think the whole indemnification process is wrong for us to get involved in.

What we are saying is that General Electric, which is the only American company I know of that is even involved in providing some of the resources for the new facility, will not go in there without indemnification. So what we are saying, in effect, is that we are not going to allow the United States to indemnify General Electric from any class action suit that might take place even in North Korean courts.

American business people are already being subjected to this serious problem in South Vietnam now. So I have questions about the indemnification.

Mr. GEJDENSON. Reclaiming my time, Mr. Chairman, I understand the gentleman's questions, but the questions exist outside of any liability.

We have not yet given the administration opportunity to see what portion the Japanese are willing to take, and they are very interested in this. So to handcuff the administration before we have even a blueprint of what the final negotiations will present us for American responsibility, while we are ready to spend $60 billion on Star Wars, is irresponsible.

Mr. Chairman, I reserve the balance of my time.

Mr. BEREUTER. Mr. Chairman, I yield the balance of my time to the gentleman from California (Mr. COX), but I might just say to the gentleman from Connecticut that this has nothing to do with missiles.

Mr. COX. Mr. Chairman, I want to thank the gentleman for offering his amendment. It is similar to language that this House recently approved when I offered my amendment on the defense authorization bill. The House voted 334 to 85 to authorize this prohibition on the Clinton administration guaranteeing against the cost of nuclear accidents in Stalinist North Korea.

This amendment is imminently sensible, and it must be adopted.

Mr. GEJDENSON. Mr. Chairman, I yield myself the balance of my time, and I say that we should give negotiations a chance.

If we can spend $60 billion on Star Wars, a third of a billion in the last 9 months, we ought to at least give an administration a chance to try to work this out which has shut down the North Korean missile program, which has shut down their nuclear program, and has made more progress on the North Korean peninsula in the last several years than all the 50 years before that.

The CHAIRMAN. All time for debate has expired.

The question is on the amendment offered by the gentleman from Nebraska (Mr. BEREUTER).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. BEREUTER. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 546, further proceedings on the amendment offered by the gentleman from Nebraska (Mr. BEREUTER) will be postponed.

### AMENDMENT NO. 57 OFFERED BY MR. PAYNE

Mr. PAYNE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 57 offered by Mr. PAYNE:

Page 132, after line 12, insert the following:

### TITLE VII—ADDITIONAL GENERAL PROVISIONS

### ASSISTANCE FOR NATIONAL DEMOCRATIC ALLIANCE OF SUDAN

SEC. 701. (a) IN GENERAL.—Of the funds appropriated under the heading "TITLE II—BILATERAL ECONOMIC ASSISTANCE–OTHER BILATERAL ECONOMIC ASSISTANCE–ECONOMIC SUPPORT FUND" for non-sub-Saharan African countries, not more than $15,000,000 shall be used, notwithstanding any other provision of law, to provide assistance to the National Democratic Alliance of Sudan to strengthen its ability to protect civilians from attacks, slave raids, and aerial bombardment by the Sudanese government forces and its militia allies.

(b) DEFINITION.—In this section, the term "assistance" includes non-lethal, non-food aid such as blankets, medicine, fuel, mobile clinics, water drilling equipment, communications equipment to notify civilians of aerial bombardment, tents, and shoes.

Mr. GILMAN. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. The gentleman from New York (Mr. GILMAN) reserves a point of order.

Pursuant to the order of the House of Wednesday, July 12, 2000, the gentleman from New Jersey (Mr. PAYNE) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from New Jersey (Mr. PAYNE).

Mr. PAYNE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me say that the amendment that I have offered is an amendment that would allow assistance to the National Democratic Alliance, which is a group of people in the south of Sudan. It will provide them with nonlethal equipment, not counting food aid; but it would give assistance to the people in the south to support their fight against the National

Islamic front, which is the government of the north, which has given the people in the south a very, very horrible time over the past 30 years.

□ 1330

In Sudan, close to 2 million people have died in war-related causes. Many have died from famine. Many have died from war-related killings.

Secondly, in Sudan, slavery is condoned by the al-Bahsir government; and we feel that this is one of the most tragic situations in the world. More people have died in Sudan than in Somalia, Rwanda, Kosovo all put together.

We think that this support would help to protect the defenseless citizens to provide them with nonlethal assistance such as medicine, vehicles, field hospitals, communication equipment, radio transmitters so that they can have a way to counter the National Islamic Front's propaganda.

The need is even more important now since the Government is using newly found oil revenues to buy arms to destroy the opposition. We cannot allow the extremists to win. We must help create a level playing field if there is going to be meaningful negotiations and a just settlement to the conflict. We must do more to bring about peace in Sudan.

We feel that there should be an end to this conflict, and we would like to see the IGAD process led by President Moi of Kenya, who has been working with the government of Khartoum and with the SPLA and with the National Democratic Alliance to try to come up with a solution to end this most horrific situation that is occurring in Sudan.

We have seen pictures of slaves that have been purchased from the slave owners. We have seen the beatings of people who have been held in bondage where they are raped or where their Achilles' tendons are cut so that they cannot escape, where they are treated even worse than the animals in the compound where they have to work in indentured servitude.

And so, we are saying that the world has too long sat by and has done too little and that we must step up an aggressive movement to assist these people.

As I indicated before, an estimated 2 million people have died. They have died of famine. They have died of war-related incidents. There are old Soviet planes that the government in Khartoum uses against the villages in the south, planes called the Antinovs. These planes bring bombs down to the area. And as the plane goes over and as they approach a village, the chickens are the first to hear the planes coming and the children who watch the chickens then start to run. Then the older people know that the planes are coming and it is time to move out.

The last bombing, they destroyed a primitive hospital in one of the towns. They have bombed a school that the administrators there have attempted to conduct educational facilities going on. And so this is really something that is the only humane thing to do. We must say that enough is enough. I ask that this amendment be adopted.

The CHAIRMAN. Does the gentleman from New York (Mr. GILMAN) wish to make his point of order?

Mr. GILMAN. Mr. Chairman, I reserve the point of order, and I claim time in opposition to the amendment.

Mr. GILMAN. Mr. Chairman, I want to commend the long-time interest of the gentleman from New Jersey (Mr. PAYNE) in the humanitarian disaster in the Sudan. I am not necessarily against the language, but this is simply the wrong measure. This is an appropriations bill.

I will be pleased to work with the gentleman, who has been an outstanding advocate on behalf of democracy in Sudan, on these issues in our committee and would be pleased to work with him to make certain that we get the appropriate vehicle for doing what he is seeking, his meritorious goals.

### POINT OF ORDER

Mr. GILMAN. Mr. Chairman, I raise a point of order against the amendment on the ground that it violates clause 2 of rule XXI in that it constitutes legislation on an appropriations bill.

The CHAIRMAN. Does the gentleman from New Jersey (Mr. PAYNE) wish to be heard briefly on the point of order?

Mr. PAYNE. Yes, Mr. Chairman, I do.

Mr. Chairman, I thank the gentleman from New York (Mr. GILMAN), who I have had the privilege to work with, for his comments. I think his leadership on the Committee on International Relations has been exemplary.

I have had the privilege also to work closely with the chairman, the gentleman from California (Mr. ROYCE); and I feel very strongly that we have to finally move. It is the only right thing to do.

The pariah government of Sudan, those persons who bombed our embassies in Kenya and Tanzania, came out of the Sudan. They are bombing their own people. Two million people have died.

But, Mr. Chairman, I would accept the suggestion of the gentleman from New York (Mr. GILMAN) that we could work together. And I hope that the chairman of the Committee on Appropriations would also agree to work along with us. We do realize that this may be perceived as trying to legislate through appropriations, but I do appreciate his willingness to work with us.

I commend the gentleman for the relationship that we have and also commend the chairman of the Committee on Appropriations, who has seemingly started to appreciate some of these issues. And, hopefully, we can work together.

The CHAIRMAN. The Chair is prepared to rule.

The Chair finds that the amendment offered by the gentleman from New Jersey (Mr. PAYNE) explicitly supersedes other law. The amendment, therefore, constitutes legislation in violation of clause 2 of rule XXI. The point of order is sustained.

Mr. CALLAHAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I yield to the gentleman from Oklahoma (Mr. COBURN).

Mr. COBURN. Mr. Chairman, I thank the chairman for yielding.

Mr. Chairman, if possible, I would like to enter into a colloquy with the chairman to discuss an area that I think in our foreign policy that we overlooked, and that is the funding for the former Yugoslav Republic of Macedonia.

This is a country that of all the countries in the Balkans has achieved what none of the others have. And, in fact, what we have is a multiethnic society that has democracy, a functioning parliament that we, through our foreign policy, have not kept our agreements with, and specifically, the agreement that we signed that, if we were there longer than 5 days, we would renegotiate our agreements for the utilization of that society during the war in Kosovo.

The toll on Macedonia has been tremendous. They had an influx of 350,000 refugees in a country of 2 million people. That would be like us taking 45 million people in.

The agreements that were made are not being kept with the Macedonian people. In this time of instability in the Balkans and the need for stabilization, it is, I believe, imperative that, number one, we go back and reemphasize our effort for support for that democracy; and, number two, we keep the agreement that the administration made.

I would like to enter into the RECORD the statements by Ambassador Holbrooke, the fact that the administration had asked for more money for Macedonia; and, in fact, their request was not for an increase in money for Macedonia and to make that a part of the RECORD.

The second area that I think that we need to talk about is the infrastructure damage that has been done by both the KFOR force and the European force to their roads and highways which is handicapping their ability to rebuild their democracy and their economics.

My question would be to the gentleman that if he would he take another look at this prior to going to conference to see if in fact we cannot live up to our obligations that were promised, number one, and number two, invest in a country that has chosen peace instead of conflict and is demonstrating that a multiethnic parliament and democracy can work in that area.

Mr. CALLAHAN. Mr. Chairman, reclaiming my time, we will be happy to give consideration to that. I think the gentleman is fully aware of the fact that we have a limited amount of allocation to us.

The time will come when the gentleman will have the opportunity to vote on whether or not we are going to have an increased allocation. And if indeed that increased allocation comes, which I am sure the gentleman will then not object if we are going to fulfill his request, I certainly will consider that.

I appreciate the knowledge of the gentleman of that area of the world and especially Macedonia and would pledge to work with him.

Mr. Chairman, I yield to the gentleman from Indiana (Mr. SOUDER).

Mr. SOUDER. Mr. Chairman, I wanted to reinforce some of the points that my friend, the gentleman from Oklahoma (Mr. COBURN), made but add that it was not just the road damage. They will have 580 to $600 million estimated in trade damage and other costs. They have 50 to 60,000 refugees still there.

Macedonia was in a terrible situation. Because, unlike the other Orthodox neighbors, they sided with the United States and they let us use their roads and let us use their facilities and have paid a terrible price in trade. And having the refugees there and having our armed forces go through, they have tried to sustain their balanced government, but it is under direct challenge.

Because it has been a destabilizing force, now their borders are at risk. It was never a completely clear border between the different countries there, anyway. I know that my colleagues are under tremendous financial pressure. Anybody watching these debates understands that. We all have the sneaking suspicion that there will be more money later. I hope my colleagues will strongly consider adding additional funds to a country that stood with us.

Many of us did not favor that intervention. But when we went in, we needed to have the protection for American soldiers and the base with which to put them through. This country cooperated with us and paid a terrible price, and we need to do what we can to help them.

Mr. CALLAHAN. Mr. Chairman, reclaiming my time, I would also give the same message to the gentleman from Indiana (Mr. SOUDER) that when the time comes for an increased allocation whereby we can facilitate these things, we would appreciate very much the support of the gentleman.

AMENDMENT NO. 17 OFFERED BY MR. PAUL

Mr. PAUL. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 17 offered by Mr. PAUL:

At the end of the bill (preceding the short title), insert the following:

### TITLE VII—ADDITIONAL GENERAL PROVISIONS

LIMITATION ON FUNDS FOR ABORTION, FAMILY PLANNING, OR POPULATION CONTROL EFFORTS

SEC. 701. (a) LIMITATION.—None of the funds appropriated or otherwise made available by this Act may be made available for—

(1) population control educational programs or population policy educational programs;

(2) family planning services, including, but not limited to—

(A) the manufacture and distribution of contraceptives;

(B) printing, publication, or distribution of family planning literature; and

(C) family planning counseling;

(3) abortion and abortion-related procedures; or

(4) efforts to change any nation's laws regarding abortion, family planning, or population control.

(b) ADDITIONAL LIMITATION.—None of the funds appropriated or otherwise made available by this Act may be made available to any organization which promotes or makes available—

(1) population control educational programs or population policy educational programs;

(2) family planning services, including, but not limited to—

(A) the manufacture and distribution of contraceptives;

(B) printing, publication, or distribution of family planning literature; and

(C) family planning counseling;

(3) abortion and abortion-related procedures; or

(4) efforts to change any nation's laws regarding abortion, family planning, or population control.

The CHAIRMAN. Pursuant to the order of the House of Wednesday, July 12, 2000, the gentleman from Texas (Mr. PAUL) and a Member opposed each will control 5 minutes.

Mr. GILMAN. Mr. Chairman, I reserve a point of order.

Mr. PAUL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, my amendment strikes all the funding for international population control, birth control, abortion, and family planning. This is not an authorized constitutional expenditure. It should not be spent in this manner.

More importantly, in a practical way, it addresses the problem of fungibility. Because so often we appropriate funds, whether it is funding for family planning with restrictions against abortion or whether we give economic aid or whether we give military aid. All funds are fungible.

So, in a very serious way, we subsidize and support abortion to any country that participates once we send them funds. This amendment addresses that by striking all these funds which are allocated for population control.

Population control and birth control in many of these nations is a serious personal affront to many of their social mores in these countries. Also, it is an affront to the American taxpayer because it requires that American taxpayers be forced through their taxing system to subsidize something they consider an egregious procedure. That is abortion. These funds go to paying for IUDs, Depo-Provera, Norplant, spermicides, condoms.

Just recently a study came out that showed that the spermicidal, the nonoxynol-9, is something that is paid for with these funds. Unfortunately, this spermicidal enhances the spread of AIDS. Talk about unintended consequences. Here we are, the other side, who likes this kind of spending, they do it with good intentions; and at the same time, it literally backfires and spreads AIDS inadvertently.

□ 1345

For this reason, I offer this amendment to strike all these funds because there is no other way to stop the use of these funds once the funds get there, no matter what the restrictions are.

The Mexico City language is something I support and I vote for, and the attempt is very sincere to try to stop the abuse of the way these funds are used. But quite frankly the Mexico City language does not do a whole lot. If the President wants to suspend that language, he can and he takes a penalty of $12 million, a 3 percent reduction in the amount of money that becomes available for these programs. It goes from $385 million down to $373 million and the President can do what he wants. So there is really no prohibition. We as American taxpayers do support these programs. You say, Oh, no, they don't. We put prohibitions. They're not allowed to use it for abortion.

That is not true. I mean, the language is true; but it does not accomplish that. What it accomplishes is that these funds go in for buying birth control pills and condoms, and the money that would have been spent on birth control pills and condoms go and is used to do the abortion. I believe in the fungibility argument in its entirety, not just in the family planning. As soon as you give funds in any way whatsoever to a country such as China that endorses abortion, I mean, we are participants, we are morally bound to say that we are a participant in those acts. Even though we say, I hope you don't do it and you shouldn't do it and we're not authorizing you to do it, we have to remember that funds are fungible and that they can be used in this manner.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. Does the gentlewoman from New York seek to control the time in opposition?

Mrs. LOWEY. I do, Mr. Chairman.

The CHAIRMAN. The gentlewoman from New York (Mrs. LOWEY) is recognized for 5 minutes.

The gentleman from New York (Mr. GILMAN) continues to reserve his point of order.

Mrs. LOWEY. Mr. Chairman, I yield myself such time as I may consume.

I rise in strong opposition to the Paul amendment which would eliminate all of our international family planning and population programs. The House rightly rejected this amendment last year by a vote of 145-272. I respectfully submit that we do so again with an even larger margin.

Our family planning and population programs work hand in hand towards one very worthy goal, advancing the health and well-being of children and families. Simply put, if you seek healthy children, you must have healthy mothers. There is a strong relationship between educating women on safe motherhood, voluntary family planning and child survival. Planning pregnancies is one of the most powerful and effective child survival tools in existence. Postponing early high-risk pregnancies, giving women's bodies a chance to recover from a previous pregnancy, and helping women to avoid unintended pregnancies and unsafe abortion can prevent at least one in four maternal deaths.

We hear again and again that women die from having children too young, having children too closely spaced together, and by having more children than their bodies can bear. Getting that message out across to women is an integral part of our population and family planning work because healthier mothers will be better able to care for their children.

Children born to mothers who wait 2 years between births have a much stronger chance of survival than those born to moms whose births fall less than 2 years apart. Giving women this information can save children's lives, can save women's lives. We have to do all we can to encourage and reinforce the messages of voluntary family planning, safe motherhood, child survival. This amendment would absolutely destroy our efforts to help both mother and child. It would destroy the efforts of the barber in this small village in India to be taught while he is cutting the hair of these men how to work with the men and women in teaching them, educating them. That is what family planning is about in the poorest parts of our world.

I strongly urge my colleagues to vote against this amendment.

Mr. Chairman, I yield the balance of my time to the gentlewoman from California (Ms. PELOSI).

Ms. PELOSI. Mr. Chairman, I also rise in opposition to the Paul amendment and associate myself with the remarks of the distinguished gentlewoman from New York (Mrs. LOWEY), who has been a leader on this international family planning issue as has the gentlewoman from New York (Mrs. MALONEY) and so many others in the House of Representatives. But as a member of our subcommittee, the gentlewoman from New York (Mrs. LOWEY) has led the way.

This is a hard amendment for me to understand. Maybe we need a lesson in the birds and the bees in this Chamber. We really have to be thinking seriously about what the message is that will come out of this Congress if we vote to eliminate all funding for international family planning. The gentlewoman from New York explained obviously how necessary this is. We all want to reduce the number of abortions that take place. I myself personally consider abortion a failure, a failure of education, of prevention, of opportunity for women to be in control of their lives and control the timing and size of their families. But that is so fundamental.

If you want to reduce the number of abortions, as we all do, does it not make sense, Mr. Chairman, that we would, therefore, try to prevent conception and give people an informed way in which to do that.

So I understand and respect everyone's view on this subject. I understand it more easily in terms of the gag rule, which I do not support, but I understand that. But as a woman, the idea that we would even consider on the floor of this House the notion that we should cut off funding for international family planning is incomprehensible to me for the following reasons:

One, it would not reduce the number of abortions, family planning. Two, we have the opportunity from the standpoint of population and the environment, we have a responsibility to be responsible. I think that I am going to have to yield back to the gentlewoman, but I do so bewildered by the maker of this motion.

The CHAIRMAN. The time of the gentlewoman from New York (Mrs. LOWEY) has expired. The gentleman from Texas (Mr. PAUL) has 1 minute remaining.

Mr. PAUL. Mr. Chairman, I yield myself such time as I may consume.

Let me see if I can explain as an obstetrician the fundamentals of the birds and the bees, about the fundamentals of law. Under the Constitution we are not permitted to do these things.

I agree with much of what has been said. I believe in birth control, and I believe it should be voluntary. But this is not voluntary on the part of the American taxpayer. They are the ones who suffer the consequence of the involuntary compulsion of the tax collector coming and compelling the American taxpayer to fund things that they find immoral and wrong. That is the lack of voluntary approach that you have.

Yes, there are a lot of good intentions. I think that is very good. But there are a lot of complications that come from these procedures. As I mentioned before, this nonoxynol, it is a spermicidal, and it increases the spread of AIDS. Good intentions, unintended consequences. The American taxpayers are subsidizing this.

What we are saying is that there is a better approach. There is a voluntary approach through donations, through our churches. But not through the compulsion of the IRS telling the American taxpayers that they are compelled to pay for an egregious act that they find personally abhorrent.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Does the gentleman from New York wish to make his point of order?

### POINT OF ORDER

Mr. GILMAN. Mr. Chairman, I raise a point of order against the amendment on the grounds that it violates clause 2 of rule XXI in that it constitutes legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman from Texas wish to be heard briefly on the point of order?

Mr. PAUL. Yes. This is an amendment that I have brought up on several occasions. As the gentlewoman just mentioned, we have voted on it. She cited the votes that we have had on previous occasions. We have done this before. The one question that they have is whether or not these funds can be used for lobbying. Of course the Mexico City language, the funds are permitted to be used for lobbying and prevention of lobbying for the change in the promotion and the propagandizing for abortion and birth control.

I would say this conforms with the Constitution, it conforms with this bill, it conforms with what we have done for the past several years, and it is strictly, narrowly defined as a prohibition of funds to be used to perform population control.

The CHAIRMAN. The Chair is prepared to rule.

The gentleman from New York makes a point of order that the amendment offered by the gentleman from Texas proposes to change existing law, in violation of clause 2(c) of rule XXI.

As recorded in Deschler's Precedents, volume 8, chapter 26, section 52, even though a limitation or exception therefrom might refrain from explicitly assigning new duties to officers of the government, if it implicitly requires them to make investigations, compile evidence, or make judgements and determinations not otherwise required of them by law, then it assumes the character of legislation and is subject to a point of order under clause 2(c) of rule XXI. Specifically, subsections (a)(4) and (b)(4) of the proposed section in the amendment offered by the gentleman from Texas require new determinations not required under existing law.

Therefore, the point of order against the amendment is sustained.

### AMENDMENT NO. 23 OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 23 offered by Mr. TRAFICANT:

At the end of the bill, insert after the last section (preceding the short title) the following new title:

### TITLE VII—ADDITIONAL GENERAL PROVISIONS

SEC. 701. None of the funds appropriated in this Act shall be made available to the Palestine Authority.

The CHAIRMAN. Pursuant to the order of the House of Wednesday, July 12, 2000, the gentleman from Ohio (Mr. TRAFICANT) and a Member opposed each will control 5 minutes.

Mr. OBEY. Mr. Chairman, I would claim the time in opposition to the amendment.

The CHAIRMAN. The gentleman claims the time in opposition. The gentleman from Ohio (Mr. TRAFICANT) is recognized for 5 minutes on his amendment.

Mr. TRAFICANT. Mr. Chairman, I yield myself such time as I may consume.

In 1994, the United States signed an agreement with Palestinian authorities to encourage American investment with the Palestinian Authority, and this would allow the use of OPIC funds.

In 1995, Vice President AL GORE asked a company in my district to be, in fact, the first investor in Gaza. The Bucheit Company got OPIC insurance and made a multi-million dollar investment in Gaza, the first, encouraged by Vice President AL GORE.

The company entered into contracts with the Palestinian Authority and hired and trained workers in Gaza. There were irrevocable written instructions to block wire transfers and dollars.

In January of 1996, the American company got a $1.1 million loan from OPIC to expand the business in Gaza. They wired the funds from D.C. to Gaza. The money was stolen, never put into accounts. The State Department said, "It is a private commercial matter. Take it to court." They took it to court in Cleveland. They won. They were awarded triple damages. But now it is being appealed. So last year we got language in the bill saying, Let's work this out.

In October of 1999, OPIC wrote two letters asking the Palestinian Authority questions concerning the situation. I want the chairman and the gentleman from Wisconsin (Mr. OBEY) to hear this. The Palestinian Authority admitted wrongdoing. They admitted to making fraudulent checks to a fictitious company that were cashed in 1996 and 1997. Then they seized the equipment of the company and still hold it. Under the 1994 agreement, any disputes have to either be amicably settled or taken care of through arbitration or legal means and they said, We're not going to do anything about it.

When the company got the OPIC loans, they had to put liens on their property. So when everything was defaulted on, the company paid the loans out of their own pocket. The Palestinian Authority still has their equipment. They have told us to go to hell.

My amendment comes right to the point to prohibit any funding for the Palestinian Authority.

Mr. Chairman, I reserve the balance of my time and ask how much time I have remaining.

The CHAIRMAN. The gentleman from Ohio has 2½ minutes remaining.

Mr. OBEY. Mr. Chairman, I have only one speaker and I understand it is my right to close.

The CHAIRMAN. The gentleman is correct. The gentleman from Wisconsin has the right to close.

Mr. TRAFICANT. Mr. Chairman, I yield myself such time as I may consume.

Here is where we are. We had another amendment that would be listed as out of order because it would prohibit any funds going to the Palestinian Authority until they resolve not only this case but several other American companies that have been ripped off.

If we are going to leverage American dollars, make investments with private companies, then have those companies go overseas and be ripped off, then who do we represent?

Mr. Chairman, I yield to the gentleman from Alabama (Mr. CALLAHAN), the distinguished chairman.

Mr. CALLAHAN. Mr. Chairman, I thank the gentleman for yielding, but to tell the gentleman that we should protect American companies as you are doing for your constituents in Ohio.

As the gentleman knows, I have addressed this matter with the director of OPIC and told him that if indeed moneys were expropriated by the Palestinian Authority, well, then they should discontinue the delay in making a decision.

But the gentleman is right. As he well knows, the Palestinian Authority is going to be here in just a few months because they are out meeting at Camp David now, making concessions, saying that we are going to give them all of these billions of dollars if they will sign this peace agreement. I would just like to echo what the gentleman is saying.

□ 1400

If we indeed are going to start giving money to the PLO, then they are going to have to abide by standards of cooperation with the rest of the world.

Mr. TRAFICANT. Mr. Chairman, reclaiming my time, is the chairman supporting my amendment?

Mr. CALLAHAN. The chairman is supporting the gentleman's cause, and, if indeed there was not an objection, I probably would vote for the amendment.

Mr. TRAFICANT. I did not bring the one that is subject to a point of order.

Mr. CALLAHAN. I understand that.

Mr. TRAFICANT. I am asking for the gentleman's vote. That is the only protection this Congress has.

Mr. CALLAHAN. I just told the gentleman that if the amendment were to come to the floor, I probably would vote for it.

Mr. TRAFICANT. I expect that it will.

Mr. Chairman, let me close by saying this: Rip them off. Go ahead. Rip off American companies and let monarchs and dictators say "Go to hell. Go to court." Not in my district. I want an "aye" vote on my amendment.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

The gentleman from Wisconsin (Mr. OBEY) is recognized for 5 minutes in opposition to the amendment.

Mr. OBEY. Mr. Chairman, I yield myself such time as I may consume. I ask the Chair to let me know when I have consumed two minutes.

Mr. Chairman, if we can eliminate the bloviating, let me simply say that I oppose this amendment for two reasons: Number one, it is my understanding, we do not have the facts in this case. We do not have the facts in this case, and we should not take an action which could interfere drastically in the peace talks now going on at Camp David on the basis of a 5-minute explanation from one Member of Congress who has an ax to grind on the subject. The gentleman may be right; he may be wrong. All I know is that my understanding is that at this very moment the company to which the gentleman refers may be under investigation by the U.S. Government itself for the way it does business.

Secondly, for us to eliminate all funding for the Palestinian Authority would be incredibly against the interests of the United States Government. The last time I talked to Prime Minister Rabin before he was assassinated, he said to me, "For God's sake, do not let anyone interfere with the ability of the United States Government to deal with the Palestinian Authority, because if you cannot deal with them, then the only party left on the Arab side you can deal with in the Middle East is Hamas, and they are terrorists, and then there will be no hope at all for an agreement for peace in the Middle East."

Mr. Rabin gave his life looking for that peace, so did Mr. Sadat, and I do not think that that should be disregarded because one Member of Congress has come to believe that one company, which may be under investigation by our own Government, that their interests ought to take precedence over the United States' national interests.

Mr. Chairman, how much time have I consumed?

The CHAIRMAN. The gentleman has 3 minutes remaining.

Mr. OBEY. Mr. Chairman, I yield such time as he may consume to the gentleman from Connecticut (Mr. GEJDENSON).

### PARLIAMENTARY INQUIRY

Mr. TRAFICANT. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. TRAFICANT. Mr. Chairman, the gentleman said he had but one speaker remaining, or I could have reserved my time.

Mr. OBEY. Since I said that, the distinguished minority whip has asked to speak, and so has the gentleman from Connecticut.

Mr. TRAFICANT. Then the gentleman should have notified me.

Mr. OBEY. I cannot see ahead of time.

Mr. TRAFICANT. The gentleman has also made allegations of an investigation of a company.

Mr. OBEY. Mr. Chairman, this is my time.

The CHAIRMAN. All Members will suspend.

Mr. TRAFICANT. Mr. Chairman, further parliamentary inquiry. Being that the gentleman said he had only one speaker, and I closed, is it in order to at least let me have a minute to respond to these types of statements, or shall we keep to the fact that the gentleman claimed he had but one and forced me to utilize my time?

The CHAIRMAN. The Chair would ask all Members to suspend.

Under the rules and precedents of the House, the gentleman from Wisconsin defending the committee position has the right to close debate. Other statements which may be made in the course of the debate cannot be enforced, of course, by the Chair.

The gentleman from Wisconsin has 3 minutes remaining.

Mr. OBEY. Mr. Chairman, I yield such time as he may consume to the gentleman from Connecticut, because I have another Member who also has informed me he wishes to comment on the amendment.

Mr. GEJDENSON. Mr. Chairman, the gentleman from Ohio has one company with a problem in the Palestinian entity. I have a list here that we just in moments put together of 42 countries where American businesses have disputes. If we are going to end our foreign policy every time there is a corporate dispute, we ought to just pack up and go home.

We have had five wars in the last 50 years in this part of the world. We have had women and children killed, including Americans, in terrorist activities and accidental bombings and attacks. We are at Camp David today trying to end this conflict that has gone on for a century. I admire the gentleman for caring about his constituent, but our responsibility here for this unique opportunity for peace cannot be squandered for one economic debate.

Reject the amendment. Support the effort at Camp David.

Mr. OBEY. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan (Mr. BONIOR), the distinguished minority whip.

Mr. BONIOR. Mr. Chairman, I want to also associate myself with the distinguished gentleman from Wisconsin (Mr. OBEY) and the gentleman from Connecticut (Mr. GEJDENSON).

I rise in strong support of the Middle East process and in strong opposition to the Traficant amendment. Right now, as the gentleman from Connecticut has said, the leaders of Israel and the Palestinian Authority are meeting in Camp David seeking to forge an agreement to end a generation of conflict. That leaves us with a very clear choice today: Do we support that process, or do we seek to disrupt or possibly derail a just and lasting peace in the Middle East?

Now is not the time to be cutting or conditioning aid to the Palestinian Authority, or to Israel. It is in our own interest to support this peace process and to help build the foundations of peace and progress for the Middle East.

I strongly urge my colleagues to resoundingly defeat this amendment.

Mr. OBEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me simply say to the gentleman from Ohio, after the peace talks are over we will have plenty of time to assess the conduct of both the Palestinian Authority and the conduct of the company in question, and if at that time it is clear that the U.S. Government is satisfied with the business practices of that company, and if the U.S. Government concludes that it is in the interests of the U.S. taxpayer to proceed, then I will be happy to entertain such a proposal. But until that point, I believe that it would be irresponsible of us to proceed with this amendment at this time. So I would urge a no vote on the amendment.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. TRAFICANT).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. TRAFICANT. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Pursuant to House Resolution 546, further proceedings on the amendment offered by the gentleman from Ohio (Mr. TRAFICANT) will be postponed.

The point of no quorum is considered withdrawn.

### AMENDMENT NO. 6 OFFERED BY MR. BURTON OF INDIANA

Mr. BURTON of Indiana. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 6 offered by Mr. BURTON of Indiana:

At the end of the bill (preceding the short title), insert the following:

## TITLE VII—ADDITIONAL GENERAL PROVISIONS

### LIMITATION ON ASSISTANCE FOR THE GOVERNMENT OF INDIA

SEC. 701. Of the funds appropriated or otherwise made available in this Act in title II under the heading "BILATERAL ECONOMIC ASSISTANCE-FUNDS APPROPRIATED TO THE PRESIDENT-DEVELOPMENT ASSISTANCE", not more than $35,000,000 may be made available to the Government of India.

The CHAIRMAN. Pursuant to the order of the House of Wednesday, July 12, 2000, the gentleman from Indiana (Mr. BURTON) and a Member opposed each will control 10 minutes.

For what purpose does the gentleman from Alabama rise?

Mr. CALLAHAN. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Alabama will control the time in opposition.

The Chair recognizes the gentleman from Indiana (Mr. BURTON.)

Mr. BURTON of Indiana. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, for the past probably 10 or 12 years, maybe even longer, I have been coming to the floor talking about the atrocities that have been taking place at the hands of the Indian government in places like Kashmir, Punjab, Nagaland, and other places in India, and today this amendment is merely to update my colleagues and anybody else who is paying attention as to where we stand on this issue.

When only a few hundred people were killed in Haiti, we sent 20,000 troops into Haiti at taxpayer expense, and the problems there have not been resolved. In the Sudan, over 2 million people have been killed, and the United States has not really done too much.

In Kashmir, there are half a million Indian troops that have been there for years and years and years imposing marshal law, gang raping women, taking men out of their homes in the middle of the night never to be seen again, except maybe turning up in the streams around Kashmir with their hands and feet bound, having been tortured and drowned.

Amnesty International concludes the policies of the Indian government in Kashmir to be an official policy of sanctioning extrajudicial killings. Another half million troops are in Punjab, right next to Kashmir.

If U.S. action and attention was justified in places like Kosovo and Bosnia around the world, then we at least ought to be paying attention to what is going on in the area of human rights violations in places like Kashmir and Punjab and Nagaland and other places in India.

India does not allow Amnesty International or other human rights groups to go into these areas. Even Cuba, the last communist bastion in our hemisphere, allows Amnesty International in. India has killed over 200,000 Christians in Nagaland since 1947, 250,000 Sikhs in Punjab have been killed since 1984, more than 60,000 Muslims in Kashmir have been killed since 1988, and thousands of Dalits, or what they call the untouchables, the blacks in India, have been killed. We do not know how many of them.

According to our own State Department, India paid over 41,000, 41,000, cash bounties to the police for killing innocent Sikhs from 1991 to 1993. They actually paid bounties to kill some of those people.

In Punjab, Sikhs are picked up in the middle of the night, only to be found floating dead in the canals with their hands and feet bound. As I mentioned before, the same thing happened in Kashmir. Some Sikhs are only so fortunate, and others are just never found.

Recently, India's Central Bureau of Investigation, the CBI, told the Supreme Court that it had confirmed 2,000 cases of unidentified bodies that were cremated by the military. Their families did not know what happened to them. They were all piled up and cremated.

It does not get any better in Kashmir. Women, because of their Muslim beliefs, are taken out of their homes in the middle of the night and gang raped, while their husbands are forced to stay inside.

The State Department says on page 3 of its report released this year, "The National Human Rights Commission does not have the power to investigate the military's actions in that area."

They went on to say, "The Indian government rejected the Commission's recommendations to bring the army and paramilitary forces under closer scrutiny by allowing the Commission to investigate complaints of their excesses." So the military has so much power, the Human Rights Commission in India cannot even look into these things.

Human Rights Watch, an international organization, says, "Despite government claims that normalcy has returned to Kashmir, Indian troops in the State continue to carry out summary executions, disappearances, rape and torture." That is from this year's Human Rights Report, the 1999 Human Rights Report, issued last July.

"Methods of torture include severe beatings with truncheons, rolling a heavy log on the legs, hanging the detainee upside down, and using electric shocks on various parts of their body." Just imagine what it would be like if you had to go through that.

"Security forces are making Dalit women," the untouchables, "eat human defecation, parading them naked, and gang raping them."

Amnesty International says, "Torture, including rape and ill-treatment, continued to be endemic throughout the country." That is in their annual report.

"Disappearances continue to be reported during the year, predominantly in Jammu and Kashmir." Amnesty International again, the recent report.

"Hundreds of extrajudicial executions were reported in many States." Again, in the same report.

In July of 1998, police picked up Kashmira Singh. Police said they were investigating a theft. They then tortured him for 15 days. They rolled logs over his legs until he could not walk. They submerged him in a tub of water and slashed his thighs with razor blades and stuffed hot peppers into the wounds.

Muslim persecution. March 1996, Mr. Jalil Andrabi, chairman of the Kashmir Commission of Jurists and a human rights advocate, was abducted and slain 2 weeks before he was to travel to Geneva to testify before the U.N. Human Rights Commission.

□ 1415

Christian persecution. Since Christmas day of 1998, there has been a wave of attacks against Christians all over the country. Churches have been burned, Christian schools and prayer halls have been attacked, nuns have been raped and priests have been killed. Our State Department agrees, there has been a sharp increase in attacks against Christians and Christian organizations. This past weekend, just this past weekend, two churches were bombed in India. Last month, a women's prayer meeting was bombed by militant Hindus. Last month, four Christian missionaries who were distributing Bibles were beaten, one so severely that he may lose both his arms and his legs.

Right now, we are talking about giving India more money. We are talking about today in this appropriation bill giving them more money and yet India has increased their military budget this year by 28 percent. They are spending hundreds of millions of dollars on conventional and nuclear weapons, and we are subsidizing, indirectly, that proliferation of weaponry. This year, the President has requested $46.6 million for developmental assistance to India through AID. That is an increase of almost $18 million from last year's request. I cannot recall the President asking for this large of a request for India ever.

I understand that the Glenn amendment, which passed the U.S. Senate, is currently imposing sanctions on India for some of these violations. So why should we be increasing aid to a country that we are currently sanctioning for human rights abuses and other travesties? It makes absolutely no sense to me.

We are talking about 25 percent cut with this amendment. I think it is justifiable, it sends a strong message, one that will be heard around the world, but especially in India.

Mr. Chairman, I reserve the balance of my time.

Mr. CALLAHAN. Mr. Chairman, I yield myself such time as I may consume.

I would like to thank the gentleman from Indiana for agreeing to withdraw his amendment, which I understand he is going to do momentarily.

The objective, or my objective in handling this bill is to wind up with a final document that does not have offensive language in there to my views or the views I think of the majority Members of Congress. The very fact that the gentleman has agreed to withdraw it gives me my victory, and I can see no sense in standing here all day long and delaying the possibility of whether or not Members are going to be able to get out of here in a timely fashion to catch their arranged flights to go home for the weekend. So I have accomplished my mission, and that is that the offensive language to me, with respect to India, is going to be withdrawn and the amendment is going to be withdrawn.

But out of deference to those who want to speak in response to the gentleman's remarks, I am going to yield 7 of my 10 minutes to the gentlewoman from California (Ms. PELOSI), with the forewarning, Mr. Chairman, that she is not going to come forward with a unanimous consent request to extend this debate and preclude the possibility of Members getting out of here in a timely fashion this afternoon.

Mr. Chairman, I yield 7 minutes to the gentlewoman from California (Ms. PELOSI), and I ask unanimous consent that she be permitted to control that time.

The CHAIRMAN. Without objection, the gentlewoman from California (Ms. PELOSI) controls 7 minutes which she may yield to others.

There was no objection.

Ms. PELOSI. Mr. Chairman, I rise in opposition to the Burton amendment. I yield 2½ minutes to the gentleman from New York (Mr. ACKERMAN).

Mr. ACKERMAN. Mr. Chairman, I am in opposition to the amendment offered by the gentleman from Indiana. I only regret that we do not have as much time to put the light of truth to so many of the things that he said, because we have not been given equal time in this debate.

That being said, the House has rejected the gentleman's amendment on repeated occasions, and I do hope and expect it will do so again today. I think it should be clear to all by now that punishing India by cutting our assistance is not a policy that this U.S. Congress will adopt.

The Burton amendment is the wrong amendment at the wrong time. In the wake of the President's successful visit to India, the U.S. and India have a new opportunity to build a broad-based relationship. Instead of applauding India for establishing a joint working group with the U.S. to fight against terrorism, the amendment would punish India by cutting crucial assistance.

The gentleman makes a great many allegations about human rights abuses in India, but conveniently ignores the fact that the people of India are the major victims of terrorism perpetrated by groups supported and trained in Pakistan and associated with Osama bin-Ladin. In fact, after the Kargil incursion and the hijacking of an Indian Airlines plane to Afghanistan, the Pakistani-backed terrorists have stepped up their attacks on innocent civilians and security forces in Kashmir.

To characterize India's struggle against terrorism as a violation of human rights is not only unjust, but also provides aid and comfort to the terrorists who have claimed thousands of innocent victims in India. That there are things that go wrong in any civilized society, including India, are true, and some of the things the gentleman points out are true, but these are not done by the government of India.

Mr. Chairman, churches are bombed and burned here. People are killed every day here. Women are raped every day of the year here. These things are terrible, but it does not mean that our government is responsible. The best way for us to help India continue to improve its human rights record is to engage in positive and constructive dialogue, one great democracy to another, not with punitive sanctions and cuts.

The momentum that we have gained in relations by the President's visit needs to be strengthened and sustained. For Congress to act now to stigmatize India for alleged human rights abuses would send the wrong signal to the 1 billion democratic people in India. I urge all of our colleagues to reject this amendment.

Ms. PELOSI. Mr. Chairman, I yield such time as she may consume to the gentlewoman from New York (Mrs. LOWEY).

Mrs. LOWEY. Mr. Chairman, I rise in strong opposition to the amendment of the gentleman from Indiana (Mr. BURTON). This is the time that we should be working together on environmental, education, and health issues.

Ms. PELOSI. Mr. Chairman, I yield such time as she may consume to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY of New York. Mr. Chairman, I rise, as I have many times, in opposition to the Burton amendment, and for our continued support for the world's largest democracy.

Mr. Chairman, I rise today to express my strong opposition to this ill-conceived amendment.

This legislation has many problems, but one of the bright spots is a continued commitment to our Indian allies.

Unfortunately, this amendment will unfairly cut the critically-needed economic assistance funding for India included in this legislation.

As an important ally and a nation committed to strong democratic government, India has worked hard to ensure that the human rights of all its citizens are protected.

The Indian government has aggressively responded to assaults against religious minorities and has repeatedly expressed its commitment to ensuring tolerance. Recently, in response to attacks on Christians, Prime Minister Vajpayee reiterated his nation's desire to be inclusive of all faiths and to ensure equal justice under law for all Indians. We should support these efforts.

India is also one of our key trading partners and the Indian government has worked hard to create a friendly environment for U.S. firms.

As a result, U.S. investment in India has skyrocketed in the last ten years. Direct U.S. investment in India has increased from $500 million in 1991 to more than $15 billion today.

Indin has demonstrated a commitment to continue this growth and I strongly believe that we must support their efforts.

As a key ally and a fellow democracy, India deserves our support.

However, Congressman BURTON's amendment, rather than rewarding India, seeks to punish the people of India by withholding crucial humanitarian assistance.

India is a strong and vibrant democracy. It is the world's largest democracy. And, the U.S. is India's largest trading partner and largest investor.

The momentum gained in U.S.-India relations in recent years needs to be sustained and strengthened.

A vote for the Burton amendment would send the wrong signal to the people of India from the U.S. Congress at this very critical time.

I urge a "no" vote on the Burton amendment and yield back the balance of my time.

Ms. PELOSI. Mr. Chairman, I yield 1½ minutes to the gentleman from New Jersey (Mr. PALLONE).

Mr. PALLONE. Mr. Chairman, the arguments against the punitive anti-India amendment are stronger this year than they have ever been. In March, President Clinton completed the first visit to India by an American President in more than 20 years. The President's trip accompanied by a bipartisan congressional delegation produced a range of agreements on trade and investments, security partnerships and cooperation on energy and the environment. In September, India's democratically elected prime minister will be visiting the U.S. to further build upon this progress, especially in the area of economic relations.

India is the world's largest democracy. It is a country that has made tremendous progress in free market economic reforms over the past decade. But more to the point, since the gentleman from Indiana has been critical of India's human rights records, India's Human Rights Commission has been praised by our State Department and many international agencies for its independence and effectiveness. Indeed, India has become a model for the rest of Asia and the rest of the developing world in terms of democratization, economic reform and human rights.

Finally, Mr. Chairman, cutting aid to India only serves to hamper America's efforts to reduce poverty, eradicate disease and promote broad-based economic growth in the world's second most populous Nation. This amendment never made any sense, and it certainly makes less sense now.

Ms. PELOSI. Mr. Chairman, I yield 1 minute to the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Chairman, it is in America's national interests to support and sustain India's development. The Commerce Department identifies India as one of the 10 Big Emerging Markets. With a growing high-tech industry, combined with the support and confidence of American investment, India has positioned itself to be one of the great success stories of the 21st century.

India has made tremendous progress in addressing human rights issues. The State Department has praised India for its substantial progress in the area of human rights. It is a strong, vibrant democracy that features an independent judiciary, diverse political parties and a free press, which vigorously assists in the investigation of human rights abuses.

This amendment threatens the relationship between the United States and the Republic of India. We should not be punishing countries like India, an example of freedom and democracy in Asia, while rewarding authoritarian governments like China which supports forced labor, which opposes freedom of the press, which opposes freedom of religion.

Mr. Chairman, the Burton amendment is a step in the wrong direction for American foreign policy. We should oppose it.

Ms. PELOSI. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Chairman, because I believe that we want peace in India and Pakistan, and my visit with the President in those countries, I ask that we oppose this amendment so that peace can be had in those nations.

Ms. PELOSI. Mr. Chairman, I yield 1 minute to the gentleman from Washington (Mr. McDERMOTT).

Mr. McDERMOTT. Mr. Chairman, it never ceases to amaze me that we come out here on this Burton amendment again. It is going to lose. But I implore my colleagues to look seriously and objectively at India. The proponents of this amendment say that India suppresses and violently intimidates its religious minorities. To use a Hindi word, that is bakwaas; that is absolute nonsense. The Indians know they have a problem, but they are the most secular country in the world. They appointed a Supreme Court inquiry, only the second time in their history, to look at the death of an American missionary. They also have a separate Human Rights Commission that operates in this country.

In contrast, consider our own treatment of Arab Americans in this country. When they are portrayed as terrorists, we turn a blind eye. India recognizes their problem and deals with them. I believe that India has problems, but it is a nation that is dealing with them. Rather than debate these kinds of amendments, we ought to find ways to work cooperatively with India to support their development.

Vote against the amendment.

Mr. Chairman, here we are discussing the Burton amendment yet again. It never passes, and as far as I can tell, is brought up just to be inflammatory.

I implore my colleagues to look at the nation of India objectively. Since Independence, India has been a thriving democracy where suffrage is universal and voting rates are higher than the United States.

Unlike most former colonial nations, India has never suffered under a military dictator. The United States Military has more influence and participation in our government than the Indian Military has in theirs. India is a stable democracy, arguably the strongest and most stable in all of Asia.

Proponents of this amendment say that India suppresses and violently intimidates its religious minorities. That is bakwaas—pure nonsense. India is one of the most secular states in the world. India recognizes and guarantees religious freedoms and has the commitment to the rule of law to enforce those guarantees.

There have been isolated incidents—anomalies really—that have made the worldwide news, however, India has publicly, officially, and resoundingly responded. India appointed a Supreme Court inquiry, for only the second time in this country's history, to investigate an instance of a Christian missionary's death. Also, India has a separate Human Rights Commission that is active and highly independent.

What is our response in this country when American-Muslims are depicted vilely as terrorists? We blindly turn away. India admits these problems and addresses them in the courts as well as and in the open and totally free press.

India has its problems, but it is a nation dealing with those problems. Rather than debate amendments that divide the US and India, we ought to work with India help come to grips with their problems and be a partner in the development of technology, trade and culture. The US and India have much in common and the potential to be great partners, we must not cut India off.

Ms. PELOSI. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. GILMAN), the distinguished chairman of the Committee on International Relations.

Mr. GILMAN. Mr. Chairman, I rise in opposition to the Burton amendment.

Mr. Chairman, I rise in opposition to my good friend from Indiana's amendment. While I commend my colleague's sincere concern about human rights and his tireless work on behalf of the oppressed, I have to disagree with him about his assessment regarding India. India has a fiercely democratic system that protects and promotes religious freedom and an independent judicial system.

We must not forget that the tensions between the people of India and Pakistan are to a very large degree fueled by communist China. Beijing's mischief making in Burma, Pakistan, Sri Lanka and occupied Tibet, nations that surround India, is a dangerous attempt to keep democratic India off balance. China has sold over $2 billion in arms to the drug dealing Burmese junta. It has given or sold nuclear and conventional weapons to Pakistan. China occupies Tibet on India's northern border and Beijing is Sri Lanka's major supplier of arms.

India faces a difficult challenge in fighting extremists. The same vicious terrorists who attack innocent Indians are also responsible for the deaths of many innocent Americans. And our requests to the Pakistani government to pressure their Taliban clients to turn over the Saudi terrorist Osama bin Ladin to American law officers has fallen on deaf ears.

I regrettably, oppose my good friend's amendment. We need to work closer with democratic India to promote our similar concerns throughout the region. However, this is a wrong amendment targeted at the wrong country.

Accordingly, I urge my colleagues to vote against the resolution.

Ms. PELOSI. Mr. Chairman, I yield 1¼ minutes to the gentleman from Connecticut (Mr. GEJDENSON), the distinguished ranking member of the Committee on International Relations.

Mr. GEJDENSON. Mr. Chairman, I thank the gentlewoman from California for her excellent work on this and so many other issues.

We have had an interesting year. President Clinton has led a delegation to India and we have begun to undo the damage of the Cold War where these two great democracies, the United States and India, did not have the best of relations. The Burton amendment is inappropriate almost any time; it is particularly inappropriate at this moment. We need to build a closer relationship with this largest free country in the world.

It is easy for us to run our democracy with the great wealth we have. India runs a democracy in excess of 1 billion people with some of the poorest people on this planet. We ought to be working to make a closer relationship between India and the United States, these two great leading democracies, and not drive a wedge between them. I urge rejection of this amendment and the concept that somehow India should be a whipping boy. India should be admired for its great successes in building a democracy in one of the largest and one of the poorest countries with some incredible economic development.

I want to commend the gentlewoman from California for her work in these last several days and all of her work here.

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Mr. BURTON of Indiana. Mr. Chairman, I am happy to yield 2 minutes to my good friend, the gentleman from California (Mr. ROHRABACHER).

Mr. ROHRABACHER. Mr. Chairman, I rise in strong support of the proposition of the gentleman from Indiana (Mr. BURTON) that we not provide a 50 percent increase in aid to India. The fact is, we should be asking ourselves why, in a country that has a vibrant and growing economy, a country that is now moving forward on its own, is the United States continuing to give more and more foreign aid to a country like India.

Beyond that question, yes, let us concede that India is a democracy. We are proud that India has made some progress and stands in that region as a democratically-elected government. In Pakistan, I am afraid they have gone in the opposite direction.

But that does not mean that we should have a reflexive, a reflexive response to give India money, or just ignore the transgressions that the Indian government commits upon its own people. We should be encouraging this democracy to live up to the principles of human rights and freedom that they are violating, and not just try to cover it up.

The fact is that it is clear that there are severe violations of the rights of Christians, of Sikhs, of Muslims, that have been blessed by the Indian government, if not at the highest level, at the local level.

We must also recognize the continuing violence and terrorism on the subcontinent. Most of it flows from one fact, and that fact is that India has refused to allow a democratic election in Kashmir in order to solve a problem that a long time ago happened in 1948.

The United Nations has mandated that they have an election and permit the people of Kashmir and Jammu to control their own destiny. Then this terrorism that we have heard about would disappear. What we have now instead is terrorism on the part of government itself, trying to terrorize the people of Kashmir and other dissidents in India into submission.

Terrorism is nothing more than an attack on unarmed people. We see that in Kashmir, unarmed people are being attacked by soldiers who are trying to push them into submission because they know in a free election the Kashmiris would vote not to be part of India.

Let us not give India aid anymore. If we do, let us mandate democratic change and human rights.

Mr. CALLAHAN. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. ROYCE).

Mr. ROYCE. Mr. Chairman, I thank the chairman for yielding time to me.

Mr. Chairman, I think in this debate we also need to think of India in strategic terms, not taking the action that the gentleman has proposed, which I think would be harmful to the relationship with India.

In strengthening our ties with India, we have the great advantage of common values of democracy and rule of law. With that, we can push for the further reforms we want to see in India. But I think we should all remember that it is going to take engagement to push for those reforms.

I think a decade of reforms by several governments has moved India from socialism and spurred economic growth. There is a new generation of Indians who have taken advantage of this liberalization of their economic climate, and frankly, I think that we see reforms coming to the fore in India. I think these reforms on the human rights front and in terms of trade can frankly succeed there because they have the rule of law as an underpinning.

I think there is an effective bridge with the Indo-American community. I think for those reasons this would be counterproductive. I think that increasing U.S.-India cooperation is about maintaining a regional security balance. I would urge withdrawal of the amendment.

Mr. CALLAHAN. Mr. Chairman, I yield myself such time as I may consume.

Once again, the object of this piece of legislation is to get a document that does not have language that is either offensive to my philosophy or even to the will of the House.

The gentleman from Indiana in the essence of time has agreed to withdraw his amendment. That is the purpose. The language will not be in there.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, I will end by saying that a few years ago, this amendment did pass. Since then the other side, the Indian lobby, has been very effective. I congratulate them on their effectiveness.

The problem still exists, though. I hope one day we will not even have to talk about it because they will have solved that problem.

Mrs. CLAYTON. Mr. Chairman. Once again Mr. BURTON seeks to treat our friends in India in an unfair and unjust manner. The House should reject this ageless exercise by our colleague. This, like all the others over the years, is an ill-advised amendment.

This Burton Amendment, which would prohibit development assistance to India, is a step in the wrong direction.

The Government of India has consistently been moving at a rapid pace to strengthen its ties with the United States and the World. The economic and diplomatic relationship between the United States, the world's oldest democracy, and India, the world's largest democracy, can only be hurt by successful passage of this Burton amendment. We can not and must not ignore the important progress and mutual benefit we have achieved in recent years.

The Government of India has been on a constant pace of change, for the last decade. Recent elections have featured world record voter turnout, essentially free of violence.

Mr. BURTON, as usual, claims that human rights violations are taking place in India. That claim is not supported by the facts. As Members of Congress, we must be very careful not to view the Government of India as being callous to these alleged human rights violations.

India has made great strides in their battle to bring its various and diverse interests together. Indeed, recent reports by the U.S. State Department declare that India continues to make notable and important progress with its human rights problems. It would be false and misdirected to say that India is not our friend.

U.S. business in India has grown at an astonishing rate of more than 50% a year over the past ten years, with the United States becoming India's largest trading partner and largest investor.

India has more than a half century of democratic self rule, and we must not break the ties that we have so diligently strived to assemble. We must strengthen those ties. That is why we must defeat this latest Burton amendment

We must also note that Indian Americans have become an important and active part of the fabric of this Nation. Organized around the country, they too use their influence to press for continued improvement in their native land.

Reject this latest Burton Amendment! There is much too much at stake!

Mr. HOLT. Mr. Chairman, I rise in strong opposition to the amendment offered by the gentleman from Indiana, Mr. BURTON. This debate seems to be an unfortunate rite of summer here in the House. Every year we debate a Foreign Operation Appropriations bill and every year the gentleman from Indiana tries to cut funding for India, one of our most important allies. As in previous years, this attack should be rejected.

The amendment in question would eliminate programs aimed at improving India's development. As my colleagues know, U.S. aid to India is primarily used for food, family planning programs, child survival programs and infrastructure development. We should be doing all that we can to support India's government in stimulating economic development and opportunity for the Indian people, not standing in the way of these productive efforts.

Unfortunately, U.S. policy-makers have long neglected this important region, one that is home to one-fifth of the world population. That's why I applaud the efforts of President Clinton who visited India earlier this year and who has invited the Indian Prime Minister to the United States later this year.

There has been good news about India's economic performance in recent years; fiscal reforms, market opening and the privatization of state-owned companies has led to reduced inflation and tariffs as well as a reduced budget deficit. The economy's current 6 percent rate of expansion puts it among the fastest-growing in the world, as the Economist reported earlier last month. India's economic growth underlies its enhanced significance politically as a power that will play a decisive role for many years to come.

The U.S. is India's largest trading partner and largest investor. India continues to reduce and eliminate barriers to trade, and U.S. investment has grown from $500 million per year in 1991 to over $15 billion in 1999.

Passage of the Burton amendment, however, would be a blow to the flourishing bilateral partnership between the United States and India and a setback to Indian political and human rights reform.

As in previous years, the Burton amendment is wrong. It was rejected in a bipartisan manner. I urge all of my colleagues to again defeat this amendment.

Mr. BURTON of Indiana. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The CHAIRMAN. The amendment offered by the gentleman from Indiana is withdrawn.

### AMENDMENT NO. 32 OFFERED BY MR. BROWN OF OHIO

Mr. BROWN of Ohio. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 32 offered by Mr. BROWN of Ohio:

At the end of the bill, insert after the last section (preceding the short title) the following new title:

### TITLE VII—LIMITATION PROVISIONS

SEC. . No funds in this bill may be used in contravention of section 307 of the Tariff Act of 1930 (19 U.S.C. 1307).

The CHAIRMAN. Pursuant to the order of the House of Wednesday, July 12, the gentleman from Ohio (Mr. BROWN) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, this amendment prohibits funds in the foreign operations appropriations bill from being used in violation of existing laws against the importation of goods made by forced labor; specifically, the Tariff Act of

1930. It is not a new law, but since this act was passed the U.S. Government has turned a blind eye to the repeated violations of the import of goods made by forced labor overseas.

Forced labor violates the rights of workers and undermines pro-democratic forces by providing financial resources and international support to the totalitarian dictators under whom they languish. The labor system, for instance, in the People's Republic of China, known as Lao Gai or reform through labor, imprisons 8 million Chinese in slave camps and mental institutions.

The Lao Gai prison systems continues Mao Zedong's politics of despotism. In these work camps prisoners are subjected to beatings, to torture, and to near starvation.

The United States imports $70 billion of goods from China, often goods made in these Lao Gai prisons.

Mr. CALLAHAN. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Alabama.

Mr. CALLAHAN. Mr. Chairman, in the essence of time and with respect to those schedules that have been prearranged, I will be happy to accept the gentleman's amendment if we can discontinue debate on the subject.

Mr. BROWN of Ohio. I accept that, Mr. Chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. BROWN).

The amendment was agreed to.

Mr. CALLAHAN. Mr. Chairman, I move to strike the last word.

Ms. KAPTUR. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentlewoman from Ohio.

Ms. KAPTUR. I thank the gentleman for yielding to me, Mr. Chairman.

Mr. Chairman, I rise to enter into a colloquy with the distinguished chairman of the Subcommittee on Foreign Operations, Export Financing and Related Programs of the Committee on Appropriations.

I would say to the gentleman from Alabama (Mr. CALLAHAN), I have serious concerns about the operation of our Nation's assistance programs with respect to Ukraine and Russia.

The gentleman and his subcommittee have been most helpful, but I believe there are some remaining items that need attention, particularly in the arena of agriculture, where U.S. policy towards Russia and Ukraine have lacked primacy, have generally supported the old order rather than reform, and have been unrealistic in meeting the basic needs of villagers and small holders who are raising the majority of food in both nations.

First, most people know that agriculture depends upon seasons. There is a time to plant, a time to nourish, and a time to harvest. No one of us can change this natural cycle.

However, it is my experience that the Agency for International Development has not been sufficiently sensitive to these natural deadlines when considering applications for program assistance in agriculture. Approvals are delayed past planting dates. Termination dates are set earlier than harvest dates. It is as if the project is being set up to fail because these natural deadlines are being ignored.

Can the chairman assure me that as we move towards conference on this bill, that we can work to be sure that AID focuses more attention on agricultural reform in Ukraine and Russia, that it improves the speed of its application review process, and that the duration of these projects comports with the seasonal deadline?

Mr. CALLAHAN. Reclaiming my time, Mr. Chairman, I understand the gentlewoman's concern and will be pleased to work with her to be sure that AID makes the improvement in its contracting process that she has suggested.

Ms. KAPTUR. I thank the chairman.

Secondly, anyone who knows Ukraine knows that its economic future will be highly dependent upon a reformed agricultural sector. To fail to recognize this fact in any development program is to ignore this country's natural strength.

While I know that the gentleman is not in a position to commit to a specific amount, I know that recent aid for agricultural development has been declining globally, both in terms of dollars and as a relative portion of the AID package.

Can the chairman give me any assurances that we can work to increase the proportion of assistance to agricultural reform efforts in any aid package that is provided?

Mr. CALLAHAN. Reclaiming my time, Mr. Chairman, again, I understand the gentlewoman's concern. Our committee report supports her approach.

Ms. KAPTUR. I again thank the chairman.

Finally, Mr. Chairman, with respect to the Russian food aid, the Agency for International Development has not placed a high enough priority on agricultural and food systems development there.

Would the chairman agree with me that any food aid provided to Russia should be leveraged for greater impact, that any resources generated by this aid should be directed toward substantial economic growth and a reformed agricultural sector, and that agricultural projects should focus on the private sector, especially small-scale producers, small hold farmers, and women in order to maximize impact in fostering reform and allowing aid to reach the greatest number of people?

Mr. CALLAHAN. I agree with the gentlewoman, we should always use our assistance programs in the most effective manner possible.

Ms. KAPTUR. I thank the gentleman for his understanding, his assistance, his cooperation, his leadership, and his dispatch.

Mr. BAKER. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentleman from Louisiana.

Mr. BAKER. Mr. Chairman, I thank the gentleman for yielding. As he knows, I have an amendment pending relative to the Panama Canal.

Given the gentleman's concerns with regard to the impact of the amendment and the timeliness of its consideration, there are approximately 30 Members who have expressed interest in the issues raised by this amendment in that with the abandonment of the United States' military presence in that theater, many of us are concerned about the threat of drugs coming through Panama into our Nation, as well as the inability of us to appropriately respond in the case of international defense needs.

For that reason, I was hoping to condition an appropriation in this act, to predicate it upon the good faith negotiations between the Government of Panama and the Government of the United States to allow the reinitiation of military presence, either at Howard Air Force Base or whatever appropriate location may be determined.

In light of the chairman's concerns about the consequences of this amendment, I will not offer the amendment, but wish to seek the chairman's agreement and assistance as this bill moves forward to seek whatever manner or remedy may be available to us to initiate discussions for the reestablishment of some military presence within the country.

I thank the chairman for his courtesies in yielding to me.

Mr. CALLAHAN. Reclaiming my time, Mr. Chairman, I thank the gentleman, and we will be happy to work with the gentleman to achieve his goals, because we share them.

### VACATING REQUEST FOR RECORDED VOTE ON AMENDMENT NO. 23 OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. Mr. Chairman, with regard to my heretofore discussed amendment No. 23, I ask unanimous consent that the request for a recorded vote be vacated.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The amendment is not agreed to.

Mr. CALLAHAN. I move to strike the last word, Mr. Chairman.

Mr. TRAFICANT. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentleman from Ohio.

Mr. TRAFICANT. Mr. Chairman, I would ask for a brief colloquy with the chairman relative to that issue, and ask the chairman, if he would, to see what would be possible to offer some remedy within reasonable means that might meet the effects of Congress.

Mr. CALLAHAN. Mr. Chairman, I certainly will work with the gentleman from Ohio to try to find some legislative solution to the problems that exist with the Palestinian Authority and the gentleman's company from Ohio, because I happen to believe that the gentleman's company from Ohio has a substantial claim that should be paid by the Palestinian Authority, if indeed there is a way to do it.

Mr. TRAFICANT. If the gentleman will yield further, I do not want in any way the form of that discussion to have any overtones on the importance of what is happening in the talks between Israel and the Palestinian Authority. I will defer to the good judgment of the chairman.

I thank the chairman for his consideration.

AMENDMENT NO. 24 OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 24 offered by Mr. TRAFICANT:

At the end of the bill, insert after the last section (preceding the short title) the following new title:

### TITLE VII—ADDITIONAL GENERAL PROVISIONS

SEC. 701. No funds in this bill may be used in contravention of the Act of March 3, 1933 (41 U.S.C. 10a et seq.; popularly known as the "Buy American Act").

The CHAIRMAN. Pursuant to the order of the House of Wednesday, July 12, 2000, the gentleman from Ohio (Mr. TRAFICANT) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Ohio (Mr. TRAFICANT).

Mr. TRAFICANT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the amendment simply prohibits money in the bill that would be used to fund any action that would contravene the Buy American Act.

Mr. CALLAHAN. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from Alabama.

□ 1445

Mr. CALLAHAN. Mr. Chairman, I thank the gentleman from Ohio (Mr. TRAFICANT) for yielding. We accept his amendment.

Mr. TRAFICANT. Mr. Chairman, I yield as much time as she may consume to the gentlewoman from California (Ms. PELOSI), the ranking member of the committee.

Ms. PELOSI. Mr. Chairman, we accept the amendment and support the amendment.

Mr. TRAFICANT. Mr. Chairman, I urge an aye vote; and, Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. TRAFICANT).

The amendment was agreed to.

AMENDMENT NO. 48 OFFERED BY MS. KAPTUR

Ms. KAPTUR. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 48 offered by Ms. KAPTUR:

H.R. 4811

OFFERED BY: MS. KAPTUR

Page 132, after line 12, insert the following:

### TITLE VII—ADDITIONAL GENERAL PROVISIONS

LIMITATION ON ASSISTANCE TO THE GOVERNMENTS OF UKRAINE

SEC. 701. The amount otherwise provided by this Act for assistance to the Government of Ukraine under the heading "ASSISTANCE FOR THE INDEPENDENT STATES OF THE FORMER SOVIET UNION", is hereby reduced by an amount equal to the amount of any claim outstanding on the date of the enactment of this Act by the United States Government, a United States business enterprise, or a United States private and voluntary organization against the Government of Ukraine or any Ukrainian business enterprise.

The CHAIRMAN. Pursuant to the order of the House of Wednesday, July 12, 2000, the gentlewoman from Ohio (Ms. KAPTUR) and a Member opposed each will control 5 minutes.

Mr. GILMAN. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. The gentleman from New York (Mr. GILMAN) reserves a point of order.

The gentlewoman from Ohio (Ms. KAPTUR) is recognized for 5 minutes on her amendment.

Ms. KAPTUR. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this amendment basically is a limitation amendment, limiting assistance to Ukraine reducing it by an amount equal to the amount of any claim outstanding on the date of enactment of this act, whether that to be a U.S. business enterprise, a U.S. private and voluntary organization against the government of Ukraine, or any Ukrainian business enterprise.

It is my intention, as I discuss this, to draw attention to the lack of resolution on claims by Land O'Lakes and Pioneer and other such claims.

Mr. CALLAHAN. Mr. Chairman, will the gentlewoman yield?

Ms. KAPTUR. I yield to the gentleman from Alabama.

Mr. CALLAHAN. Mr. Chairman, I was of the impression that the gentlewoman from Ohio (Ms. KAPTUR) and I, in the essence of time, I sought recognition to strike the last word to give her the ability to, I thought, express her views on this subject, which as the gentlewoman full well knows, is going to be ruled out of order, and in the essence of time I would ask the gentlewoman to keep her comments brief so we can get out of Dodge.

Ms. KAPTUR. Mr. Chairman, reclaiming my time, I do intend to keep them brief, but we entered into a colloquy and I appreciate the gentleman's forbearance on that, but this was in the form of an amendment.

I wanted to use the opportunity to speak about the lack of repayment by Ukraine of various debts that are owed to companies in our country and also to speak about U.S. policy toward Russia and Ukraine, particularly as it relates to a sector critical to long-term stability in those nations, agriculture and sustainable food production.

Mr. Chairman, sadly and incredibly, U.S. policy toward Russia and Ukraine have ignored agriculture and those nations governments are not inclined to pursue a path toward reform without prodding. U.S. policies have not only failed to elevate agriculture's importance as a key economic and social transformation mechanism; but our actions have generally supported the old order, rather than the new, and have been seriously deficient in meeting the basic needs of villagers and small holders who are raising the majority of food in both nations.

It is my intent to be very brief; however, I want to state for the record that students of history will attest, the economic and social systems of the former Soviet state were premised on the production of collective farms and the distribution of their earnings to social welfare concerns within those countries, everything from schools to hospitals. Thus, agriculture was more than a sidebar activity in the former Soviet Union. It was the spine of the economy.

When the Soviet system collapsed, the West made a very serious, and I might add continuing mistake, in its efforts to help those nations reform and transform. It has largely ignored agriculture. How myopic. Any serious effort to transform the economies of those nations must be rooted in the countryside.

Mr. Chairman, not only have the fundamentals of agricultural reform been largely absent from U.S. policy initiatives toward Russia and Ukraine, some of the steps we have taken have been absolutely wrong-headed. In Russia, for example, the direct food aid provided through AID and USAID has largely supported the very parastatal entities that still control production.

A year ago, when the U.S. Government, without a vote of this Congress, sent over $1 billion of food aid to Russia, there was no agreement that the proceeds of the sale of those commodities would be used for reform in the rural countryside. In fact, the proceeds are being deposited in the Russian pension fund, an account over which we have no control, no voice, no oversight.

Similarly in Ukraine, millions of dollars have been directed to what one can politely call the establishment, but not to people desperately trying to eke out a living. Take the issue of U.S. tractor sales to Ukraine. The sales were conducted through the government of Ukraine. Those tractors, which each cost $100,000 more than they would have cost in the free enterprise system, could only be afforded by the old collectives, not the humble entrepreneurs and women villagers in babushkas struggling to restore Ukraine as the breadbasket of that region.

Whether the West likes to admit it or not, the vast majority of food being produced in those countries is now occurring on the small holder plots, largely tilled by older women. Nothing from our billions of dollars have ever reached these deserving people.

Somebody somewhere better pay attention to what is happening in Russian and Ukraine. The West's media is captivated by the goings on in Moscow and Kiev and the political intrigue surrounding who the next prime minister or president will be.

I will tell my colleagues, put on your mud boots and walk into the countryside where the pain gets deeper. Who is paying attention to the fact that 70 percent to 80 percent of the diet of ordinary citizens in Russia and Ukraine is bread and potatoes?

It is my intention, Mr. Chairman, to withdraw this amendment.

Mr. Chairman, I want to put my statement in the RECORD. I am going to submit everything that has gone wrong in terms of aide assistance to Russia and Ukraine since independence was granted there.

I want to use this opportunity to speak about U.S. policy toward Russia and Ukraine, particularly as relates to a sector critical to long term stability in those nations—agriculture and sustainable food production. Sadly, incredibly, U.S. policy toward Russia and Ukraine have ignored agriculture. And, those nations' governments are not inclined to pursue a reform path without prodding.

U.S. policies have not only failed to elevate agriculture's importance as a key to economic and social transformation. But our actions have generally supported the old order rather than the new, and have been seriously deficient in meeting the basic needs of villagers and small holders who are raising the majority of food in both nations.

As students of history will attest, the economic and social systems of the former Soviet state were premised on the production of collective farms and the distribution of their earnings to social welfare concerns within the state—everything from schools to hospitals. Thus, agriculture was more than a sidebar issue in the former Soviet Union. It was spine of the economy. When the Soviet system collapsed, the west made a very serious—and I might add continuing—mistake in its efforts to help those nations reform and transform. It has largely ignored agriculture. How myopic. Any serious effort to transform the economies of these nations must be rooted in the countryside.

Not only have the fundamentals of agricultural reform been largely absent from U.S. policy initiatives toward Russia and Ukraine, some of the steps we have taken have been absolutely wrong headed. In Russia, for example, the direct food aid provided through AID and USDA has largely supported the very parastatal entities that still control production. A year ago, when the U.S. government, without a vote of the Congress, sent over $1 billion in food aid to Russia, there was no agreement that the proceeds of the sale of those commodities would be used for reform in the rural countryside. In fact, the proceeds are being deposited in the Russian Pension fund—an account over which we have no control, no voice, no oversight.

Similarly, in Ukraine, millions of dollars have been directed to what one can politely call the establishment, but not to people desperately trying to eke out a living. Take the issue of U.S. tractor sales to Ukraine. The sales were conducted through the government of Ukraine. Those tractors, which each cost $100,000 more than they would have cost in a free enterprise system, could only be afforded by the old collectives, not the humble entrepreneurs and women villagers in babushkas struggling to restore Ukraine as the breadbasket of that region.

Whether the West likes to admit it or not, the vast majority of food being produced in those countries is now occurring on the small holder plots, largely tilled by older women. Nothing from our billions of dollars have even reached these deserving people.

Somebody somewhere better pay attention to what is happening in Russia and Ukraine. The West's media is captivated by the goings on in Moscow and Kiev, and the political intrigue surrounding who the next prime minister or president might be. But I will tell you, put on your mud boots, and walk into the countryside where the pain gets deeper. Who's paying attention to the fact that 70 to 80 percent of the diet of ordinary citizens of Russia and Ukraine is bread and potatoes. Caloric intake is going down. If the price of bread rises, political unrest is not far behind.

Time and again, the people of those nations go waiting and wanting, while assistance from the West misses the mark—

In Russia, the Russian Rural Credit Fund that could help real Russian farmers develop private operations goes waiting and wanting for cash, while U.S. assistance flows into government coffers;

In Ukraine, in 1995, the U.S. government gave $3.6 million in commodities through Land O'Lakes to help Ukraine. The proceeds were to be used to help Ukrainian agriculture. But it didn't happen. For all these years, the U.S. government has tried to settle this matter, the latest offer being $1 million for settlement. Promises of payment were made last fall. Then last December, I personally asked newly reelected President Kuchma to intervene in this matter. Last winter, when I traveled to Ukraine, I left a similar request with the Prime Minister's office. Promises were made again when I held a meeting this year between USDA Secretary Dan Glickman and the Ukrainian Ambassador. But these promises have not resulted in performance. Instead, we have seen letter after letter, phone call after phone call, argument after argument about whether or not the right documents have been exchange or the correct contact number has been referenced.

Meanwhile, in Ukraine, the grandmas in babushkas who till the fields, and literally feed that nation, don't even have good shovels or seed. They get no real help either from the West or from the government of Ukraine. What kind of wrong headedness is this? Frankly, we'd be better off to send them seed packets and small rototillers with enough fuel to make it through the planting season. It would be more practical and hit a home run where it matters.

Our own Agency of International Development ignores the fact that agriculture depends upon seasons. There is a time to plant, a time to nourish, and a time to harvest. No one of us can change this natural timetable. So why would USAID ignore these natural deadlines when Americans attempting to make a difference in agriculture in the field face approval delays past planting dates? Or contract termination dates set earlier than harvest dates? It appears as if even the meager projects addressing rural reform are purposefully set to fail because natural deadlines are ignored.

Let me focus on the amendment relating to Ukraine. It basically is a limitation amendment—limiting assistance to Ukraine, reducing it by an amount equal to the amount of any claim outstanding on the date of the enactment of this Act—whether that be a U.S. business enterprise, a U.S. private and voluntary organization against the government of Ukraine or any Ukrainian business enterprise.

It is offered as a way of getting the attention of the government of Ukraine to the serious outstanding issues that block full cooperation between us, not just in agriculture but as partners in a market economy.

It is my intention to withdraw this amendment this year, in hopes that final resolution can be reached on such matters as Land O'Lakes and Pioneer Seed. But, I reserve my rights to attach this amendment to subsequent legislation.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. Does the gentleman from New York (Mr. GILMAN) seek to control the time in opposition?

Mr. GILMAN. Yes, I do, Mr. Chairman.

The CHAIRMAN. Does the gentleman continue to reserve his point of order?

Mr. GILMAN. Mr. Chairman, is it the intention of the gentlewoman from Ohio to withdraw her amendment?

Ms. KAPTUR. Mr. Chairman, will the gentleman yield?

Mr. GILMAN. I yield to the gentlewoman from Ohio.

Ms. KAPTUR. It is my intention, Mr. Chairman, to withdraw this amendment this year, in hopes that final resolution can be reached on such matters as Land O'Lakes and Pioneer Seed; but I reserve my rights to attach this amendment to subsequent legislation, including perhaps legislation emanating from the gentleman's commitment at the appropriate point.

Mr. GILMAN. Mr. Chairman, I yield such time as he may consume to the gentleman from Nebreska (Mr. BEREUTER).

Mr. BEREUTER. Mr. Chairman, I want to thank the gentlewoman from Ohio (Ms. KAPTUR) for bringing up this subject. I think what has happened in the latter decade of the 20th century, with respect to our assistance programs, internationally and American, to the former Soviet Union, certainly including Russia and the Ukraine, has really been a tremendous blow.

It has, I think, been counterproductive for causing them to move to a market-oriented economy. It has been counterproductive for democracy. In fact, it has contributed further to the corruption that has pervaded so many of the former Republics of the Soviet Union, including, unfortunately, Ukraine.

We have, as the gentleman knows, and I am sure the gentlewoman is involved directly, so many positive contexts with the people of Ukraine, but to see so much of our resources diverted. Recently, it was suggested by a reputable source, an independent source in this country, that as much as $1 billion to $1.5 billion in assistance, international, including American, is diverted each month to private bank accounts, at least exported from that country at a time when those countries really need to have capital, their own and to attract foreign capital.

We have this huge outflow through Cyprus and other points, and it is a robbery of the assets and the potential and the future for the Ukrainian people and for the Russian people and for some of the smaller republics of the former Soviet Union.

I think we really have to be more insistent; we need to be more careful in having auditing of exactly where these international funds have gone. It seems to me in the past we have had too many decisions made on supporting various leaders of the former Soviet Union, certainly in the case of Yeltsin, when, in fact, we should have been building institutions from the bottom up, and working with those governors and local officials where, in fact, we have something approaching honest government and accounting for the resources presented to them by the international community.

Mr. Chairman, the IMF resources have been misused. In fact, the leadership direction to the IMF has come unfortunately from this country and from this administration. So I regret greatly that we have lost this opportunity in so many of the taxpayers' funds and funds from the world's community have been diverted to improper means.

The gentlewoman raises questions about those Caterpillar tractors. I have heard the same story how they ended up in garages of the local officials there in a very corrupt process. American companies many times are left holding the bills, as well as our taxpayers. So I appreciate the gentlewoman bringing this up.

We need to have reform. We need to be more insistent to make sure that the funds we do provide are properly spent and accounted for; and I thank the gentleman from New York for yielding me the time.

Mr. GILMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I thank the gentleman from Nebraska (Mr. BEREUTER) for the remarks. First of all, I want to commend the gentlewoman from Ohio (Ms. KAPTUR) for chairing the Ukrainian caucus, for keeping the Ukrainian problem before us in the Congress. I happen to have a large Ukrainian American constituency in my own area. I am very much concerned about the future of Ukraine and its democratic reforms. A great deal has to be done, and we thank the gentlewoman for her making certain that the Congress addresses these issues.

Ms. KAPTUR. Mr. Chairman, will the gentleman yield?

Mr. GILMAN. I yield to the gentlewoman from Ohio.

Ms. KAPTUR. Mr. Chairman, I want to thank the gentleman from New York (Mr. GILMAN) for taking time out of his busy schedule to be here on such a critical issue.

I wanted to thank the gentleman from Alabama (Mr. CALLAHAN), the chairman of the Subcommittee on Foreign Operations, Export Financing and Related Programs, for allowing us just this moment. If so many billions of dollars were not involved, I would not press to spend a few extra moments here this afternoon.

I wanted to thank the ranking member, the gentlewoman from California (Ms. PELOSI), for allowing us this time.

We have had absolutely no other opportunity to bring this to international attention than this moment. We think it is the right time, and we look forward to working with the authorizing and appropriations committees in the future to keep our assistance on a short lease and to recover assets that are due to our company and our people and to move our aid in the direction of reform in both of those very strategic nations.

Mr. GILMAN. Mr. Chairman, does the gentlewoman withdraw her amendment?

Ms. KAPTUR. Yes, Mr. Chairman, I do.

Ms. PELOSI. Mr. Chairman, will the gentleman yield?

Mr. GILMAN. I yield to the gentlewoman from California.

Ms. PELOSI. Mr. Chairman, I thank the distinguished gentleman from Alabama (Mr. CALLAHAN), and I want to commend the gentlewoman from Ohio (Ms. KAPTUR) for her leadership.

We have had this issue for our committee over and over again, and I know that we are all behind the gentlewoman on this and thank her for her leadership.

Ms. KAPTUR. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

The CHAIRMAN. The amendment is withdrawn.

Mr. CALLAHAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, finally, we have arrived at the end of the bill, and in just a few seconds we are going to rise. I understand that there was a ceremony in the Rotunda and that has now ended and Members are now free to come back to the Chamber and we can now rise.

Mr. Chairman, I just want to tell the Members of the House that we have now a good bill, I know, in the minds of many. Especially in the minority it is even a better bill, because they made their points about HIPC. I, too, made my points, because within the bill, I had put in some of the provisions. I talk about the restrictions on new loans to these countries.

I think all and all we have a good bill at this point, and I hope that we will get bipartisan support to send this message on over to the Senate where we can get on with this process of the passage of the year 2001 appropriation bill for foreign operations.

Mr. Chairman, I would once again like to thank the gentlewoman from California (Ms. PELOSI) for her many courtesies; and I think, however, our balance sheet is a little slanted on my side, because I extended her more courtesies than she extended to me. Nevertheless, that is to be expected and not in the chauvinistic world. But in the Southern world, this is traditional, that Southern men especially are extremely courteous to our other staff colleagues.

I am happy to have had this opportunity during the last 6 years to work with the gentlewoman from California (Ms. PELOSI), with the gentleman from Wisconsin (Mr. OBEY), to the members of our subcommittee.

I am happy that we have a bill now that I feel that can be supported in a bipartisan way. Even though I thought it was perfect before, I am optimistic that now the Senate will agree with me with the modifications that have been made that it is now a perfect bill, and there will be no reason for a conference; but, nevertheless, we will have to see about what happens there.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Chairman, I thank the gentleman for yielding to me, and I want to take this opportunity to commend the gentleman from Alabama (Mr. CALLAHAN), the distinguished chairman of our Subcommittee on Foreign Operations, Export Financing and Related Programs, and while on occasion we may not have always agreed, we certainly have recognized his outstanding leadership in bringing the foreign operations bill to the floor.

This may be the last occasion in which he does it as chairman of the Foreign Ops Committee, and we have valued his hard work throughout the years. We want to thank his staff who have been doing such outstanding work and also the ranking minority Members, the gentlewoman from California (Ms. PELOSI), the gentleman from Wisconsin (Mr. OBEY), for their outstanding work in foreign operations.

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Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. CALLAHAN. I am happy to yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I very much appreciate the gentleman from Alabama for yielding to me.

Mr. Chairman, I must say, while I had not intended to comment at all, it is difficult to let the time pass by without expressing my deep appreciation for the work that the gentleman from Alabama (Mr. CALLAHAN) has done with this subcommittee over the years. We had, to say the least, some rough times during this particular appropriations year. The leadership that the gentleman has shown has had a huge impact in our relations around the world, and I appreciate his being patient with me as I try to provide input. I would like to express my appreciation as well to the gentlewoman from California (Ms. PELOSI) for her work and leadership on this very tough area.

Mr. Chairman, there is little doubt that very few of our constituents across the country are very excited about spending their taxpayer dollars on a thing called foreign assistance. The gentleman from Alabama has been able to provide a backdrop that involves questions, for example, that relate to the child welfare or development fund that have cast a different kind of shadow.

Indeed, the public is responding very positively to the positive role that we can play in strengthening democracy around the world as well as helping especially poor people and poor children around the world.

For the leadership and work that the gentleman from Alabama has done, I want him to know I very much appreciate his effort.

Mr. CALLAHAN. Mr. Chairman, reclaiming my time, I thank the gentleman from California (Mr. LEWIS).

Mr. Chairman, I might just convey to the audience that might be watching this that this is not an obituary. I am not going to die, and I am not going to go away. I am going to be back again next year because I have no opposition; and, as a result, I am going to be the chairman of another committee. I think whatever committee I get, it is going to be a committee whereby I will have some chips to pass around this House, and maybe it will not be as difficult as this has been.

Ms. PELOSI. Mr. Chairman, I move to strike the last word.

Mr. Chairman, as this is the close of this bill, I rise to commend once again the gentleman from Alabama (Mr. CALLAHAN) for his distinguished leadership of our subcommittee.

As my colleagues can tell, we do not always agree. In fact, a good deal of the time we do not agree. But we always have good communication because that is really what is important for us to develop a bill.

Now, it is interesting to me that the gentleman from Alabama said at the start of this that he had developed a perfect bill. He saw no room for improvement, and it was a perfect bill. Now today, this afternoon, he is saying now we have a perfect bill, a more perfect bill. So we are getting there. Now we are going to get the most perfect bill as we go along in the process.

I say that, despite the tremendous regard that I have for the gentleman, and he knows that, I still am in opposition to the bill and would encourage a no vote on the part of my colleagues.

While we have made some progress in two very important areas, part of the funding that we need for debt relief and some additional funding for global aid, and those were significant, we certainly did not go the full distance on the debt relief, and there are many other deficiencies in funding in the bill.

So, as we take a step down this path, I want to urge my colleagues to support the President, to sustain a veto by voting no on the bill.

But back to the gentleman from Alabama (Mr. CALLAHAN). Perhaps the gentleman from Alabama will be a chairman, perhaps he will be a ranking member, that is a whole new world that is open to him, and he will know then what it is like. Again, hopefully he will receive the same treatment as ranking member that I have received from him.

Mr. CALLAHAN. Mr. Chairman, will the gentlewoman yield?

Ms. PELOSI. I am pleased to yield to the gentleman from Alabama.

Mr. CALLAHAN. Mr. Chairman, no doubt the gentlewoman will be the House Whip, so then there will be no question that neither one of us will be here in any position of authority.

Ms. PELOSI. Mr. Chairman, reclaiming my time, I appreciate the gentleman's optimism in that regard.

But I do want to say that our staffs, and we have acknowledged and recognized them at the beginning of the bill, have worked in a bipartisan fashion.

I would not be taking this time except for my great esteem that I have for the gentleman from Alabama. People should know what a gentleman he is, how open he is to our views, even though he does not always accept them, and that he sincerely represents the point of view that he brings to the table without guile. So we share that sincerity.

We come from completely different districts, mine are more globally oriented, although, from all I can see, in Mobile and looking South, I think the gentleman is going to have a hard time sustaining the idea that we should have a small international relations budget.

As my colleagues know, this is about humanitarian assistance. It is about export finance, and it is about our national security. So those are all very important initiatives and worthy of support.

But in any case, again, back to the gentleman from Alabama, he is great. He has done a great job over the last 6 years. It has been a pleasure to work with him. I think our staffs have worked very well together. Perhaps I will have more to say if we ever bring a conference report to the floor.

I want to also say a word about the distinguished gentleman from Florida (Chairman YOUNG) and the gentleman from Wisconsin (Mr. OBEY), our ranking member. I think our committee is very excellently served by them and particularly on this subcommittee where they both have so much experience.

With that again, I commend the gentleman from Alabama (Chairman CALLAHAN) and urge a no vote on his bill.

Mr. OBEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, often on this floor, good people can have strong disagreements about substance, and we certainly do in this bill today. Let me stipulate that I think the gentleman from Alabama (Mr. CALLAHAN), the subcommittee chair, is a very good person, as is the gentlewoman from California (Ms. PELOSI), the ranking minority member. We have very strongly differing views of how adequately this bill meets our responsibilities.

I think the distinguished gentleman from Alabama has done a terrific job as subcommittee chairman the last 6 years given the fact his hands have been tied most of the time by budget resolutions. I do hope that he gets the best possible ranking minority slot on whatever subcommittee he wishes in the next Congress.

But having said that, let me explain my concerns about this bill. Despite the increase in funding for debt relief, this bill still falls over $200 million, almost $250 million short of the administration request for debt relief. When one includes the supplemental, the International Development Organization is almost $300 million short of the administration request.

We still have substantial shortages in the African Development Fund, the Asian Development Fund, the African Development Bank, which is only about half funded at half the level the administration is requesting. There are a number of other shortfalls as well.

I think we need to understand that, despite everything that this bill does so far, it still does not lay a glove on the major problem which confronts the international community in terms of public health. In 1999 alone, 480,000 children under 15 died from AIDS. Approximately 430,000 of those deaths occurred in sub-Saharan Africa. Around the world, as was noted on this floor several times last night, 1,700 children under 15 years old are, in effect, newly infected with HIV every single day. There will be some 44 million children in the 34 most affected countries who will be orphaned by that disease within the next 10 to 15 years.

I think the world has no idea the human carnage that is in store. When I look at this bill, even with the adoption of the two amendments that were adopted on the floor, this still falls far short of what is required for a Presidential signature. The administration is still opposed to the bill, and I certainly do not intend to vote for the bill, and I would urge Members to oppose it as well.

I would also ask that, when we vote on this bill, that we remember that we have obligations to our constituents, to our taxpayers, and to the fellow human beings with whom we share this planet.

In my view, this bill does not meet our obligation on all three fronts. America does not understand how much it is vulnerable to a health epidemic because of the shortfall of funds that we are providing in crucial international and domestic health funds. I hope that we do not find out over the next 20 years just how vulnerable we are. But I believe that the Labor-Health appropriations bill, which we passed earlier, and this bill both fall very far short of defending our taxpayers and our citizens from that problem.

I think this bill generally, especially with respect to the International Development Association, is needlessly unresponsive to the needs of the poorest countries in the world. For that reason, I would urge a no vote on this bill and, at the proper time, will have a motion to recommit with instructions.

Mr. YOUNG of Florida. Mr. Chairman, I move to strike the last last word.

Mr. Chairman, I want to compliment the gentleman from Alabama (Mr. CALLAHAN), as has so many other of my colleagues, for the tremendous job that he has done shepherding this bill through the process, getting us through the subcommittee and the full committee, and getting to first base here in the House. We will move on, then, to the other body. We will round second, then we will round third, and we will come home with a bill that is probably not as perfect as the gentleman from Alabama (Mr. CALLAHAN) said that it was, but it is a bill that has to be passed.

I also want to compliment the gentleman from Wisconsin (Mr. OBEY) and the gentlewoman from California (Ms. PELOSI) for the role that they have played, and I thank all of the Members who took part in this great debate all day yesterday and most of today.

We have talked about a lot of issues. Some of them even were about appropriations, believe it or not. Most of them were authorizing issues. But, nevertheless, this was a good vehicle. We had good debate. For the most part, the Members were very respectful of each other and that is great.

The gentleman from Alabama (Mr. CALLAHAN) will play a major role in the balance of this Congress and in the next Congress and as many Congresses as he chooses to be here, because he is an obvious leader, and he is recognized as such. His ability to move this bill, which is one of the most difficult bills to pass, is proof positive of what I have said.

I want to compliment all of our colleagues in the House, Mr. Chairman, because this, believe it or not, is the 11th appropriations bill. This is only July. This is the 11th appropriations bill that will go through the House not including the supplemental, which we have already passed and conferenced earlier. So I am proud of this House of Representatives.

The differences are obvious. That is why there is 435 of us to express these differences. But this House has done a good job in meeting its constitutional responsibility to move appropriations bills.

With that, Mr. Chairman, again, I want to compliment the gentleman from Alabama (Chairman CALLAHAN) for an outstanding job, and I guarantee him that he is going to be chairman of something very, very important. In response to the gentleman from Wisconsin (Mr. OBEY), we are hoping that he continues to be the ranking minority member for a long time, emphasis on "minority."

Mr. Chairman, I ask the Members to oppose the motion of the gentleman from Wisconsin (Mr. OBEY) to recommit this bill and to get to final passage and send the bill on to the other body.

### AMENDMENT OFFERED BY MR. BEREUTER

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Nebraska (Mr. BEREUTER) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

### RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 298, noes 125, not voting 11, as follows:

[Roll No. 399]

AYES—298

Abercrombie
Aderholt
Andrews
Archer
Armey
Bachus
Baird
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Berkley
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Boswell
Boyd
Brady (TX)
Bryant
Burr
Burton
Buyer
Calvert
Camp
Campbell
Canady
Cannon
Capps
Castle
Chabot
Chambliss
Clement
Coble
Coburn
Collins
Combest
Cook
Cooksey
Costello
Cox
Crane
Cubin
Cunningham
Danner
Davis (FL)
Davis (VA)
Deal
DeFazio
DeLay
DeMint
Diaz-Balart
Dickey
Doggett
Doolittle
Doyle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Evans
Everett
Ewing
Fletcher
Foley
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Gutknecht
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (MT)
Hilleary
Hinchey
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Istook
Jenkins
John
Johnson (CT)
Johnson, Sam
Jones (NC)
Kasich
Kelly
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
Kuykendall
LaHood
Lampson
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (KY)
Lucas (OK)
Luther
Manzullo
Martinez
Mascara
McCarthy (MO)
McCollum
McCrery
McHugh
McInnis
McIntyre
McKeon
McKinney
Meehan
Menendez
Metcalf
Mica
Miller (FL)
Miller, Gary
Minge
Moore
Moran (KS)
Myrick
Nadler
Nethercutt
Ney
Northup
Norwood
Nussle
Ortiz
Ose
Oxley
Packard
Pascrell
Paul
Pease
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Regula
Reyes
Reynolds
Riley
Rivers
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Royce
Ryan (WI)
Ryun (KS)

Salmon
Sanders
Sanford
Saxton
Scarborough
Schaffer
Schakowsky
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thornberry
Thune
Tiahrt
Tierney
Toomey
Traficant
Turner
Udall (NM)
Upton
Velázquez
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Weygand
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (AK)

NOES—125

Ackerman
Allen
Baca
Baker
Baldacci
Baldwin
Becerra
Berman
Blumenauer
Bonior
Borski
Brady (PA)
Brown (FL)
Brown (OH)
Callahan
Capuano
Cardin
Carson
Clayton
Clyburn
Condit
Conyers
Coyne
Cramer
Crowley
Cummings
Davis (IL)
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Dooley
Edwards
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gejdenson
Gephardt
Gonzalez
Gutierrez
Hall (OH)
Hastings (FL)
Hill (IN)
Hilliard
Hinojosa
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
LaFalce
Lantos
Larson
Lee
Lewis (CA)
Lewis (GA)
Lofgren
Lowey
Maloney (CT)
Maloney (NY)
Matsui
McCarthy (NY)
McDermott
McGovern
Meek (FL)
Meeks (NY)
Millender-McDonald
Miller, George
Mink
Moakley
Moran (VA)
Morella
Murtha
Napolitano
Neal
Oberstar
Obey
Olver
Owens
Pallone
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Rodriguez
Roemer
Roybal-Allard
Rush
Sabo
Sanchez
Sandlin
Sawyer
Snyder
Tauscher
Thompson (MS)
Thurman
Towns
Udall (CO)
Visclosky
Waters
Watt (NC)
Waxman
Weiner
Wexler
Young (FL)

NOT VOTING—11

Boucher
Chenoweth-Hage
Clay
Forbes
Markey
McIntosh
McNulty
Mollohan
Smith (WA)
Vento
Wise

□ 1535

Ms. DEGETTE, Ms. KAPTUR, and Messrs. PALLONE, TOWNS, LEWIS of California, and JEFFERSON changed their vote from "aye" to "no."

Messrs. PHELPS, THOMPSON of California, SKEEN, Ms. MCCARTHY of Missouri, Ms. SLAUGHTER, and Messrs. KUCINICH, BERRY, MORAN of Virginia, NADLER, HINCHEY and MEEHAN changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read the last lines of the bill.

The Clerk read as follows:

This Act may be cited as the "Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2001".

Mr. UDALL of Colorado. Mr. Chairman, I cannot support this bill. This bill is more than 10 percent below the President's request overall, and it severely underfunds programs that are critical to our national security and continuing global leadership.

The bill does include some very necessary funding. The $2.82 billion in aid to Israel included in this year's bill is even more important today, as it demonstrates our enduring support for Israeli and Palestinian efforts to seek an end to their bitter conflict—efforts that are even now under way at Camp David. I strongly support the peace process, and my lack of support for this bill does not reflect anything to the contrary. I believe that U.S. aid to Israel is critically important to push this process forward and to ensure that Israel remains strong in the face of regional military threats. But as much as I value the prospect of peace, I cannot support a bill that falls short of our commitments in so many crucial areas.

I heard one of my colleagues say on the floor yesterday that he didn't understand why the debate focused so much on the needs of people all around the world, and not about the needs of people in this country. After all, he said, we were elected by citizens of this country to represent them—not to represent the citizens of Mozambique or India or Kosovo.

First of all, to those who think—as many Americans do—that we spend too much on foreign aid, bear this in mind: Foreign assistance makes up only .6 percent of all federal expenditures in the fiscal 2001 budget. That is only .11 percent of the total U.S. economy, a level tied for the lowest percentage on record.

It's true that the funds in this bill are intended to help those in need around the world. I think this is good. In fact, public opinion shows that there has been no decline in support for international engagement in the wake of the Cold War. Just the opposite—the public strongly supports foreign aid, supports a stronger United Nations, and supports contributing our fair share to peacekeeping missions. I say we have an unprecedented opportunity—and indeed, a responsibility, as the richest country in the world—to provide global leadership through the spread of democracy and the promise of economic growth.

But foreign assistance isn't just about helping our global neighbors—it is also about guaranteeing our own security. Development assistance helps level the playing field by reducing economic instability, poverty, and disease—all of which contributes to a healthier and safer planet. In our increasingly interconnected world, we cannot afford to pretend that adverse events in other countries and regions have no bearing on the United States. They do. Devoting adequate resources to foreign assistance is a proactive investment that will pay off in preventing more expensive crises in the future.

I say to my colleagues who question the importance of foreign aid, this bill doesn't reflect the best of what America can and should offer to the rest of the world, and in fact, doesn't even reflect some priorities Congress has already set.

Last year Congress authorized and fully funded bilateral debt cancellation, and authorized the IMF to revalue part of its gold reserves to write off its debts. Last year Congress also pledged to work toward a new process for debt relief and lending at the World Bank and IMF that includes greater transparency, participation, and poverty reduction. This year we were supposed to finish the job by canceling more bilateral debt and funding a contribution to help write off additional multilateral debt—which is necessary to leverage contributions from other countries. Fulfilling our commitment to last year's debt relief agreement would provide incentive to poor indebted countries to take the steps necessary to qualify for debt relief programs. Instead, today we were going to vote on a bill that provided just $82 million for debt relief for some of the poorest countries in the world—only 16 percent of the total amount the President requested for debt relief.

I recognize the bill has been improved slightly.

The House did approve an amendment to boost funds for debt relief that will help to keep us on track with our commitment to easing the plight of so many nations. I am hopeful that these funds will remain intact as the bill moves forward. This is good, but we should have done more.

In addition, there was some improvement regarding funding for AIDS. Before it was amended today, the bill would have cut the request for funding to fight the global AIDS pandemic by almost 20 percent. This would have been a devastating cut at a time when the spread of HIV/AIDS poses a serious threat to nations around the world, especially those in Sub-Saharan Africa. By 2010, at least 44 million children will have lost one or both parents in the 34 countries most severely affected by HIV/AIDS. Coming less than a week after the global AIDS conference in South Africa, this shortcoming in the bill appeared all the most glaring.

The passage today of an amendment to boost funding for HIV/AIDS programs is good news, and I am hopeful that these funds will remain intact as the bill moves forward. But again, we should have done more.

For example, the bill cuts by 30 percent the request for funding for international family planning programs, and contains the "global gag rule," despite valiant efforts to strike the language on the part of my colleagues Ms. LOWEY and Mr. GREENWOOD and many others. The "gag rule" provision prohibits private organizations in foreign countries to which we provide aid from participating in the political process of their own country using their own funds. This policy restricts the free speech of international non-governmental organizations. Furthermore, it undermines our own foreign policy objective of democracy promotion by placing restrictions on these organizations that would be unconstitutional in the United States. International family planning programs save the lives of women and children worldwide, reduce the incidence of abortion, and raise the social and economic well-being of women all over the globe.

The "global gag rule" is simply wrong, and—I believe—it is an embarrassment to us as a country.

I am also concerned about the bill's 40 percent cut in the Administration's request for contributions to multilateral development banks, which would result in substantial reductions in lending for health, clean water supplies, education programs, and infrastructure needed to reduce poverty in the world's poorest countries. Specifically, the bill cuts funding by 32 percent for the International Development Association, a main source of resources to battle AIDS, and additional cuts are made in funding for the African Development Bank, the African Development Fund, and the Asian Development Fund.

Further, the bill doesn't provide sufficient funds to battle the global threat of tuberculosis, a disease that is endangering the health and lives of people all over the globe as deadly strains of multiple-drug resistant TB emerge. Tuberculosis kills two million people each year and is the greatest killer of people with HIV/AIDS worldwide, accounting for 40 percent of AIDS death in Asian and Africa. Especially as the HIV pandemic is exacerbating the rise of TB, I believe that the $55 million provided in this bill for international TB control is insufficient.

Finally, I had hoped to vote to support an amendment for an additional $15 million for the microcredit program, which provides small loans to the very poor for the start-up or expansion of small business ventures. These loans have helped to promote economic growth in some of the most poverty-stricken regions in the world. Unfortunately, this amendment was withdrawn, and I remain concerned that this bill doesn't provide sufficient funds of this important program.

In sum, Mr. Chairman, I am disappointed in the overall levels and in the priorities reflected in this legislation. We can and should do better, and because we haven't, I cannot support this bill.

Mr. WAXMAN. Mr. Chairman, I oppose the Fiscal Year 2001 Foreign Operations Appropriations Bill. I deeply believe that foreign assistance is a cornerstone of American foreign policy and diplomacy and I have serious concerns that passing a bill this underfunded would be determental to America's strategic interests around the world.

At $2 billion below the President's request, this bill is irresponsible. The dramatic cuts to debt relief, HIV/AIDS funding, and the restrictions on international family planning programs, would imperil millions of women and children. The cuts to microcredit lending, International Development Assistance, and the U.S. Agency for International Development, would bleed dry projects that are a proven success for uplifting the poorest families in the world. The consequences of abandoning these programs are severe. Diseases know no borders. Overpopulation is a burden on the infrastructure of the entire world. Ignoring these issues is a threat to our own health and environment, and our national security.

At the outset, all the funding requested to support the Middle East Peace Process was included in this bill. Aid for Israel and the Middle East has always been my highest foreign aid priority, but the fact that these funds had to be compromised for critical increases to provide funding for debt relief and HIV/AIDS demonstrates how cash strapped this bill truly is. I am confident that all of the Foreign Military Financing for Middle East countries will be restored in conference, but we must also focus on increasing our commitment to the stability of other regions as well.

Assistance for the politically fragile states in the Former Soviet Republics, the Central Asian Republics, and the Balkans is drastically below the Administration's request. The bill slashes the Expanded Threat Reduction Initiative, which works to prevent the transfer of Russian nuclear technology to rogue states, for the second year in a row. Furthermore, the attack on debt relief translates into an assault on the Latin American and African countries that are struggling to implement drastic economic and democratic reforms.

There are some who believe that we can vote for this bill now and threaten to vote against it later if it does not improve. I believe we cannot settle for anything less than a better bill. This is only the beginning of the process and we should not have to settle for less before we go to conference with the Senate. The Republican leadership has crafted an untenable bill and I hope that my no vote on this point will strengthen the Administration's hand so it can get adequate funding for these important priorities, in addition to full funding for Israel and our Middle East priorities.

Ms. BALDWIN. Mr. Chairman, I rise in opposition to H.R. 4811, the Fiscal Year 2001 Foreign Operations Appropriations Act.

There are many good things in this bill. For example, the aid to Israel included in the bill is an important step in maintaining Israel's security in a particularly unstable part of the world. It is paramount that we continue to stand by Israel, especially as historic peace talks between the Israelis and the Palestinians are simultaneously taking place just a few miles from this Capitol at Camp David.

Unfortunately, aid in the bill does not go far enough for other countries desperately in need, especially in the continents of Africa and Latin America. The bill contains only $82 million of the $472 million requested for debt relief. It will not even provide enough resources to enable two countries, Bolivia and Mozambique, who have met all necessary conditions to obtain debt relief, to procure it. If we are to have a stable world, we must help those countries that need it most. To do otherwise only invites conflict.

Of particular concern to me is the lack of adequate funding to fight the AIDS epidemic that is currently devastating the continent of Africa, as well as other regions of the world. The bill only allocates $202 million of the $244 requested by the President to fight this horrible disease. We have turned out back on Africa for too long, and AIDS will not wait for us to find our consciences.

Finally, the bill includes a modified version of the anti-choice "Mexico City" policy, which prohibits funding of any private foreign nongovernmental and multilateral organizations that perform abortions or lobby to change abortion laws in foreign counties.

For these reasons, and the fact that the bill is simply too underfunded, I oppose this bill.

Mr. GREEN of Wisconsin. Mr. Chairman, today I reluctantly voted against H.R. 4811, the Fiscal Year 2001 Foreign Operations, Export Financing, and Related Programs Appropriations Act.

I did so for a very specific reason: this proposal contains some direct aid to the government of Colombia. In February of last year, a member of my district's Menominee Indian Nation was brutally murdered in that country. This woman, Ingrid Washinawatok, was in Colombia as part of a peaceful educational effort when she was kidnapped and killed by the Marxist terrorists of the Revolutionary Armed Forces of Colombia (FARC).

Since Ms. Washinawatok's murder, Colombian President Andres Pastrana has said he is unwilling to extradite those responsible for her death to the United States to be tried under U.S. anti-terrorism laws. This refusal flies in the face of the cooperative relations our nations have enjoyed in the past and directly contradicts legislation I authored on the subject—legislation that passed the House last year by a unanimous vote. That measure called on the Colombian government to extradite Ms. Washinawatok's killers to the United States for trial as soon as possible.

I would also note that some months ago, I specifically asked U.S. Drug Czar Barry McCaffrey for help in this matter during a congressional hearing. He has not responded to the specific questions I posed to him.

In my opinion, if Colombia wishes to continue receiving significant U.S. aid, it must be willing to cooperate with us on key matters such as this. I hope that my vote against a foreign aid bill that otherwise has much in it to support will be seen as a modest message to Colombia. It is my further hope that withholding aid to the Colombians will push their government to reconsider the folly of their decision not to extradite the murdering terrorists who killed Ingrid Washinawatok.

I offer this statement today because this bill does contain several positive provisions that certainly deserve support. These positive measures include funding to help bring permanent peace and stability to the Middle East. In particular, this proposal would send needed aid to support those nations, like Israel, who share our democratic values and with whom we have forged loyal strategic friendship. This is funding I would have been pleased to support—unfortunately, the mitigating circumstances with regard to Colombia precluded me from doing so. While I could not vote to pass this bill in its current form, I hope my reasons and intentions are now more clear.

Mr. BENTSEN. Mr. Chairman, I rise in reluctant support of this bill. While I will support this legislation, I am concerned that this bill shortchanges the United States' foreign policy initiatives. This bill makes large cuts in funding for programs which most directly affect the poorest countries in the world—cuts which disproportionately affect African and Latin American countries. Further, the bill drastically cuts funding for international financial institutions that provide developmental loans to poor countries. This legislation also cuts funding designated for international HIV/AIDS prevention and treatment and codifies the "Mexico City" restrictions on international family planning funding.

I am pleased, however, that the House approved two amendments to address some of the funding problems and helps to make this bill better. I strongly supported the amendment offered by my colleague, Ms. Waters, to increase funding for the HIPC Trust Fund at a level equal to the President's request. It is a critical victory that the Waters amendment was approved, because passage of the debt relief provisions in the underlying bill represent an unacceptable amount.

As approved by the House Appropriations Committee, H.R. 4811 provides $82 million, or only 16 percent of the President's request for debt relief for some of the poorest countries of the world. As a member of the House Banking Committee, I am disappointed that the Leadership did not make more of a commitment to debt relief, especially in light of the accomplishments of my colleague and Chairman of the Banking Committee, JIM LEACH. Last year, with his strong leadership, the Banking Committee approved H.R. 1095, legislation which took an important step in relieving some of the debt loads carried by the world's most economically distressed nations. While some of the most important provisions of H.R. 1095 were realized last year, the FY2001 Administration request is desperately needed to expand the debt relief effort. If the Waters amendment had not been approved, the low level of funding including in this bill would have jeopardized the HIPC initiative because it may have led other bilateral donors to reduce their contributions. I am pleased with the passage of the Waters amendment, and I look forward to working with my colleagues on both sides of the aisle to ensure that meaningful debt relief can be achieved by the world's most impoverished nations.

I also strongly supported passage of the Lee amendment to increase funds for international efforts to address the global HIV/AIDS crisis. The recent 13th International AIDS Conference in South Africa highlighted the fact that the epidemic in the rest of the world is threatening to bring down entire nations. In many of the countries throughout the world it has crippled the entire infrastructures; education, economic, and national security. It is critical that we invest our resources in an effort to turn back the tide. Regrettably, the Foreign Operations funding bill would have cut the President's request for funding the fight against the global AIDS crisis by almost 20 percent. This cut would have been devastating, especially so at a time when HIV/AIDS poses a serious threat to the stability of lesser developed nations around the world particularly in Africa. In sub-Saharan Africa, the percentage of adults who have been infected with HIV is 20 percent or higher. With today's passage of the Lee amendment, I am hopeful that funds to fight the global AIDS pandemic can begin to make a difference and save thousands of lives throughout the world.

While I have strong reservations about the underlying bill, I am pleased with $2.9 billion in U.S. aid provided to Israel. U.S. aid to Israel is one of America's most cost-effective foreign policy investments. The economic and military aid that America provides Israel serves the interests of both countries by promoting peace, security, and trade. Aid to Israel is an essential and efficient means of strengthening the Middle East's only democracy. Israel stands out as the only steadfast ally that supports U.S. foreign policy and military actions and votes with the U.S. and the U.N. more than any other country. Aid to Israel supports American diplomatic efforts in promoting a peaceful resolution of the Arab-Israeli conflict. The continuity of U.S. aid sends a powerful signal to potential adversaries that a negotiated settlement with Israel is the only option since the U.S. commitment to Israel is unwavering.

For my state of Texas, exports to Israel are particularly important. Israel has become a world leader in high-technology, agriculture, medicine and education. Realizing the great potential for trade and cooperation with Israel in these and many other fields, several states, including Texas, have established joint exchange programs with Israel. Since 1984, when Texas became the first state to set up and promote bilateral trade and technological cooperation, more than 20 states have followed suit. These agreements have resulted in the opening up of trade offices in Israel, creating new jobs and opportunities for the people of Texas and Israel.

Virtually all U.S. aid to Israel—economic and military—helps Israel meet its security needs. As other countries in the region enlarge and modernize their arsenals, this assistance gives Israel the means to obtain expensive, advanced American weaponry that it needs to defend itself. U.S. aid reduces the risk of war in the Middle East by sustaining Israel's qualitative military advantage over the combined military forces of its adversaries who have an overwhelming numerical advantage. By keeping Israel's army second to none in the region, this direct aid deters aggressors from attacking Israel without an American military presence, which Israel has never sought.

The U.S. aid package contained in the FY2001 Foreign Operations Appropriations bill is especially critical to Israel this year. As Israeli Prime Minister Ehud Barak prepares to meet with President Clinton and Palestinian Authority Chairman Yasser Arafat at Camp David this week to discuss final status issues, U.S. support for Israel and her security needs becomes more critical than ever.

As the Camp David peace summit is ongoing, I think it is appropriate to applaud the courage of the Israeli Prime Minister Ehud Barak, who has withstood a very difficult term in office. In recent weeks, three of his coalition members have broken away or resigned because of his efforts to seek a lasting peace agreement. Even at this time of internal political tension in Israel, it is clear that Prime Minister Barak traveled to Camp David with a profound sense of responsibility. He understands that he has a mandate from the voters, the citizens of Israel to do all that he can to establish peace, not for just for those who would benefit now, but for the children and for those not yet born. I am hopeful that Mr. Barak and PLO Chairman Arafat can find a way to address the critical issues with a respect for all sides that can result in a true, lasting peace for the Middle East.

Mr. Chairman, I understand that foreign assistance, which represents less than 1 percent of the entire federal budget, is often politically unpopular. However, at a time when the United States, having won both the cold war and the economic war, reigns supreme as the sole economic and military superpower and the leader of the free world, it has become incumbent upon us to take a leadership role in pursuing peace and prosperity for the less fortunate in the world. Further, I believe it is in our own best interest to lead the other free and democratic nations of the world in combating poverty and disease—which ravages many parts of the less developed world—and poses a significant future threat to stability. With that in mind, I hope—as the appropriations process moves forward—that the defects in the underlying bill can be corrected.

Mr. STUPAK. Mr. Chairman, on July 13, 2000, the Foreign Operations Appropriations bill, H.R. 4811, came to the House floor for a vote. I reluctantly vote for this bill for the sole reason of moving the foreign affairs platform forward.

I believe H.R. 4811 is a bad bill for various reasons. It appropriates a total of $13.3 billion for fiscal year 2001—$1.9 billion or 12% below the Administration's request and $451 million less than the fiscal year 2000 funding level. This bill makes large cuts in funding for programs which most directly affect the poorest countries in the world—cuts that disproportionately affect African and Latin American countries—and contains only $82 million of the $472 million request for multilateral debt relief assistance. Further, the bill drastically cuts international financial institution funding that provides interest-free loans to poor countries. H.R. 4811 cuts $42 million from international HIV/AIDS prevention and treatment, a cut I find deplorable.

Although this bill is badly flawed in many ways, I believe the best way to address those problems is to move it forward and express my concerns directly to the conferees. If the bill is reported out of conference with my concerns left unaddressed, I will support the President's veto.

Mr. SMITH of New Jersey. Mr. Chairman, as Chairman of both the Helsinki Commission and the House International Relations Subcommittee on Foreign Operations and Human Rights, I am particularly supportive of many portions of this Foreign Operations bill for Fiscal Year 2001. The section on "Assistance to Eastern Europe and the Baltic States" is one of the items in which I have a strong interest. This assistance has made a difference in many countries.

Given the fact that the bill leaves FY 2001 assistance at FY 2000 levels, I want to state that, in southeastern Europe, our priority list should begin with a focus on the need for democratic change to Serbia. The people of Serbia deserve it; right now they are facing a major crackdown by the Milosevic regime on their basic rights and freedoms. Democratic change in Serbia is in the U.S. interest. Building democracy and prosperity throughout the region, including in Kosovo and Bosnia, would then be easier, making our assistance there more effective. Until Milosevic is stopped, we face the possibility of more conflict in the region, and the need for additional millions of dollars for humanitarian aid, reconstruction and possibly military intervention in both a peacemaking and a peacekeeping capacity.

In addition to helping initiate a long-needed democratic transition in Serbia, this assistance could bring support for Montenegro, Macedonia, and Croatia, now that the relatively new governments of these republics have learned the value of embracing multi-ethnic cooperation and tolerance, along with cooperation with the international community. Mr. Chairman, we should prioritize assistance to those who seek to make the right decisions.

I am pleased, Mr. Chairman, that the Committee report language states its support for the funding levels requested by the President for Montenegro, as well as the allocation of $350,000 for an OSCE effort to facilitate contacts with democratic forces in Serbia and Montenegro. In the near future, the International Relations Committee should mark-up similar provisions as part of H.R. 1064, the Serbia and Montenegro Democracy Act of 2000, which I introduced in early March of last year. I thank the Committee for this report language.

The CHAIRMAN. If there are no further amendments, under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. PEASE) having assumed the chair, Mr. THORNBERRY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4811) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2001, and for other purposes, pursuant to House Resolution 546, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

### MOTION TO RECOMMIT OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. OBEY. I certainly am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. OBEY moves to recommit the bill H.R. 4811 to the Committee on Appropriations with instructions to report the same back to the House forthwith with an amendment to reduce the Asian Development Fund and increase the African Development Fund as follows:
>
> On page 40, line 23 after the dollar amount insert: "decreased by $5,000,000)", and
>
> On page 41, line 5 after the dollar amount insert: "(increased by $5,000,000)".

Mr. OBEY (during the reading). Mr. Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. OBEY. Mr. Speaker, I want to make clear that I do not intend to ask for a rollcall vote again in order to save time, but I do want Members to understand what we are doing.

Mr. Speaker, shortly I will be asking Members to vote against final passage of this bill because, with all of the amendments that were adopted today, this bill still falls $224 million short of what is needed on the debt relief front. It falls some $270 million short of funding the administration's request on the International Development Association, or IDA. It funds only one-half the Asian Development Fund and only one-half the African Development Bank.

The Peace Corps is $17 million short of the administration's request. The Global Environmental Facility, which has a request for $176 million, is funded only at $36 million. The InterAmerican Fund, which was requested at a $20 million level, is funded in fact at only $10 million. There are a variety of other problems, as well. And so, I urge Members to vote no until we can fix these problems in conference.

What this motion to recommit will do is to try to add to the points made in the debate last night on Africa. The fact is there will be over 40 million children who will be made orphans over the next few years in Africa because of AIDS.

Taking that into account, this recommittal motion would simply cut $5 million from the Asian Development Fund and increase the African Development Fund by $5 million correspondingly.

Mr. Speaker, I yield back the balance of my time.

Mr. CALLAHAN. Mr. Speaker, I rise in opposition to the motion to recommit.

Mr. Speaker, let me ask my colleagues to vote against the recommittal motion. We have had two long days of debate. There has been some victories on the Republican side and some victories on the minority side. I think, though, that we have a good vehicle that we can address even some of the concerns that the gentleman from Wisconsin (Mr. OBEY) mentioned, some of the deficiencies that are here and admittedly are here, but it is the best that we could do under the deck of cards that have been used to deal us this hand. This is the best we can do.

I think the distributions that we have made are fair and equitable. I pledge to those of us that are concerned about such things as the Peace Corps, and my colleagues know my strong support for them, that if additional allocations are made during this process, we are going to address the very concerns that the gentleman from Wisconsin (Mr. OBEY) is concerned about.

But his motion to recommit transfers from the Asian Development Fund $5 million and sends it to the African Development Fund, and I think that we should not do that at this time.

I urge a no vote on the recommittal and a favorable vote on final passage of the bill.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The motion was rejected.

The SPEAKER pro tempore. The question is on passage of the bill.

Under clause 10 of rule XX, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 239, nays 185, not voting 11, as follows:

[Roll No. 400]

YEAS—239

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barcia
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Berkley
Berman
Biggert
Bilbray
Bilirakis
Blagojevich
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Boyd
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Castle
Chabot
Chambliss
Coble
Collins
Cooksey
Cox
Cramer
Crane
Crowley
Cubin
Davis (FL)
Davis (VA)
Deal
DeLay
DeMint
Deutsch
Diaz-Balart
Dickey
Doyle
Dreier
Dunn
Ehlers
Ehrlich
Emerson
Engel
English
Everett
Ewing
Fletcher
Foley
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Greenwood
Gutknecht
Hastert
Hastings (WA)
Hayworth
Hill (MT)
Hilleary
Hobson
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Istook
John
Johnson (CT)
Johnson, Sam
Kaptur
Kasich
Kelly
King (NY)
Kingston
Klink
Knollenberg
Kolbe
Kuykendall
LaFalce
LaHood
Lampson
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Linder
LoBiondo
Lowey
Lucas (KY)
Maloney (CT)
Maloney (NY)
Manzullo
Martinez
Mascara
McCarthy (NY)
McCollum
McCrery
McHugh
McIntyre
McKeon
Metcalf
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Morella
Myrick
Nadler
Nethercutt
Ney
Northup
Norwood
Nussle
Ose
Owens
Oxley
Packard
Pascrell
Pease
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Regula
Reynolds
Riley
Rogan
Rogers
Ros-Lehtinen
Roukema
Ryan (WI)
Ryun (KS)
Salmon

Saxton
Scarborough
Schakowsky
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Stabenow
Stupak
Sununu
Sweeney
Talent
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Toomey
Towns
Traficant
Turner
Upton
Vitter
Walden
Walsh
Wamp
Watts (OK)
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wolf
Wu
Young (AK)
Young (FL)

NAYS—185

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barr
Barrett (WI)
Becerra
Berry
Bishop
Blumenauer
Bonior
Borski
Boswell
Brady (PA)
Brown (FL)
Brown (OH)
Campbell
Capps
Capuano
Cardin
Carson
Clayton
Clement
Clyburn
Coburn
Combest
Condit
Conyers
Cook
Costello
Coyne
Cummings
Cunningham
Danner
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Duncan
Edwards
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Gejdenson
Gephardt
Gonzalez
Goode
Goodlatte
Green (WI)
Gutierrez
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hayes
Hefley
Herger
Hill (IN)
Hilliard
Hinchey
Hinojosa
Hoeffel
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kennedy
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
Lantos
Larson
Lee
Levin
Lewis (GA)
Lewis (KY)
Lipinski
Lofgren
Lucas (OK)
Luther
Matsui
McCarthy (MO)
McDermott
McGovern
McInnis
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Minge
Mink
Moakley
Moore
Moran (VA)
Murtha
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Pallone
Pastor
Paul
Payne
Pelosi
Peterson (MN)
Phelps
Pombo
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rohrabacher
Rothman
Roybal-Allard
Royce
Rush
Sabo
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Schaffer
Scott
Sensenbrenner
Serrano
Skelton
Slaughter
Snyder
Spratt
Stark
Stearns
Stenholm
Strickland
Stump
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Waters
Watkins
Watt (NC)
Waxman
Woolsey
Wynn

NOT VOTING—11

Boucher
Chenoweth-Hage
Clay
Forbes
Markey
McIntosh
McNulty
Mollohan
Smith (WA)
Vento
Wise

☐ 1559

Mr. SALMON changed his vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## PERSONAL EXPLANATION

Mrs. CHENOWETH-HAGE. Mr. Speaker, I missed several votes today due to an illness. Had I been present I would have voted "nay" on rollcall vote 396 (Mr. GREENWOOD's amendment to H.R. 4811); "nay" on rollcall vote 397 (Ms. WATERS' amendment to H.R. 4811); "nay" on rollcall 398 (Ms. LEE's amendment to H.R. 4811); "yea" on rollcall vote 399 (Mr. BEREUTER's amendment to H.R. 4811); and "nay" on rollcall vote 400 (on Passage of H.R. 4811).

## LEGISLATIVE PROGRAM

(Mr. BONIOR asked and was given permission to address the House for 1 minute.)

Mr. BONIOR. Mr. Speaker, I take this time to inquire from the distinguished majority leader the schedule for the week and next week.

I yield to the gentleman from Texas (Mr. ARMEY).

Mr. ARMEY. I thank the gentleman from Michigan for yielding.

Mr. Speaker, I am pleased to announce that the House has completed its legislative business for the week.

The House will next meet on Monday, July 17, at 12:30 p.m. for morning hour and 2 p.m. for legislative business. We will consider a number of measures under suspension of the rules, a list of which will be distributed to Members' offices tomorrow. On Monday, no recorded votes are expected before 7 o'clock p.m.

On Tuesday, July 18, and the balance of the week, the House will consider the following measures, subject to rules: H.J. Res. 103, disapproving the extension of annual normal trade relations with respect to China; the Comprehensive Retirement Security and Pension Reform Act; and the Treasury, Postal Service and General Government Appropriations Act for fiscal year 2001.

Mr. Speaker, we also expect to consider conference reports next week, including DOD appropriations and the Marriage Tax Penalty Relief Act, should they become available.

Mr. Speaker, I want to thank the gentleman for yielding me this time.

Mr. BONIOR. I thank my colleague. A couple of questions, if I may. Do we expect late nights next week?

Mr. ARMEY. If the gentleman will yield, I should say it pleases me to tell the gentleman I do not expect late nights next week. I think we have been through a very difficult time. We have one appropriations bill that will be on the floor under the 5-minute rule, and, of course, it is very difficult to project how those bills will go, but I think with continued cooperation between the Members at large and the bill managers, we should be able to contain that to a well-managed proposition, and frankly, I have to say in all optimism, I do not expect that we are going to those tortured late nights next week.

Mr. BONIOR. Does the gentleman expect us to be in on Friday next?

Mr. ARMEY. At this time I think I have to reserve an expectation that we will be. We do have two or three very important bills we would like to complete next week. There will be questions of timing as we look for conference reports to return or perhaps the parliamentary processes as it relates to the Marriage Penalty Relief Act. So we will just have to reserve Friday of next week. Should that change as the week develops, I will announce it as soon as possible to the Members.

Mr. BONIOR. May I ask the distinguished gentleman from Texas what day he expects the pension IRA bill to come to the floor of the House?

Mr. ARMEY. I thank the gentleman for asking that. I would expect probably on Wednesday.

Mr. BONIOR. I thank my colleague. Finally, on the China MFN debate, the annual hour of debate, I suspect that is what we will have, is there a day that the gentleman has designated for that particular exercise?

Mr. ARMEY. I appreciate the gentleman asking. I would think that on any day next week. I think with a bill that is that easily managed, we would just try on appropriate notice to move it when it best fits the rest of the scheduling requirements.

Mr. BONIOR. I thank my colleague for his courtesies and for offering us a summation of what we can expect next week. I wish him a good weekend.

Mr. ARMEY. If the gentleman would continue to yield, I have just decided we will move that China trade bill on Tuesday.

Mr. BONIOR. The China bill on Tuesday. I thank the gentleman.

## ADJOURNMENT TO MONDAY, JULY 17, 2000

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 12:30 p.m. on Monday next for morning hour debates.

The SPEAKER pro tempore (Mr. PEASE). Is there objection to the request of the gentleman from Texas?

There was no objection.

## DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain requests for one minute addresses.

## EDUCATION ACCOMPLISHMENTS

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, Mark Twain once said, "Everybody talks about the weather, but nobody does anything about it." Well, in a similar sense, the Clinton-Gore administration often pledges to support education, but does nothing to back up their rhetoric.

In contrast, the House Republicans have made education improvements one of our top priorities, and we are seeing results. We passed bipartisan measures to give local school districts more flexibility with education dollars, providing parents and teachers a voice in where their children's education funds are spent.

Our Teacher Empowerment Act helps teachers enhance their training and addresses teacher shortages by increasing recruitment and retention. Every student deserves to have qualified teachers.

Republicans have also led the charge for full Federal funding for the Individuals With Disabilities Education Act, giving disabled students access to the best possible education.

Our children deserve quality education, and Republicans are making it happen.

## SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

## REFORM OF THE FLOOD INSURANCE PROGRAM NEEDED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. BLUMENAUER) is recognized for 5 minutes.

Mr. BLUMENAUER. Mr. Speaker, we are engaged in a race with Mother Nature that we will most assuredly lose. In the past on the floor of this Chamber I have discussed reform of the flood insurance program, which as presently constituted encourages people to live, in fact, subsidizes people to live in places where God has repeatedly shown that He does not want them. Currently this is a critical issue, because we are concentrating our population in areas that are near the coastline. In California alone, 80 percent of the population lives within 30 miles of the Pacific Ocean.

We have had studies, the most recent one the Heinz Report, which has shown in several of the areas that they have studied in the coastal area development has increased 60 percent in the last 20 years in high hazard areas. The report concluded for our Federal Emergency Management Agency that in the next 60 years, we will probably lose 25 percent of the structures that are located within 500 feet of the coastline. In the next 10 years alone there are 10,000 structures that are directly at risk.

Yet at the same time we are involved with a massive program attempting to reconstruct our beaches, without a sense of cost, and, in many cases with a 50-year maintenance operation, we are at work dumping the equivalent of over 3,000 truckloads of sand per day in this race with nature.

There are many States that are fortifying the coastline, virtually walling them off, keeping people away from the beaches, and, ironically, this costly effort at engineering is actually accelerating the erosion process. We are in fact making it worse by our efforts.

We are giving a false sense of security so more people live in harm's way, which increases the amount of Federal money at risk. The fortification halts the natural process of regenerating the beaches, and the construction of what are called groins and jetties in the fortification actually deflects that power further along the coast and increases the scourging action, undercutting and sweeping the beaches away. In many cases, we are doing this time and time and time again.

Since 1950, in Virginia Beach, Virginia, there have been 46 efforts at restoring that beach. It is time to stop making it worse with development and with remedial actions that are not carefully thought through.

I strongly suggest that this Congress take three important steps:

First, to revise the funding formulas, so that we are not subsidizing people living in harm's way and putting the Federal taxpayer at risk.

It is time to revise the flood insurance program. The legislation that the gentleman from Nebraska (Mr. BEREUTER) and I have introduced, the Two Floods and You Are Out of the Taxpayer Pocket, would be an important step in that fashion.

Finally, and perhaps most important, it is time for us to stop having development occur in these inappropriate coastal locations.

If we take simple, common sense steps, we can end up making our communities more livable, saving the taxpayer money and avoiding more serious problems in the future.

## REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1660 AND H.R. 1760

Ms. STABENOW. Mr. Speaker, I ask unanimous consent that my name be withdrawn as a cosponsor from H.R. 1660 and H.R. 1760.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Michigan?

There was no objection.

## ORDER OF BUSINESS

Mr. SOUDER. Mr. Speaker, I ask unanimous consent to claim my special order time at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

## AID FOR MACEDONIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. SOUDER) is recognized for 5 minutes.

Mr. SOUDER. Mr. Speaker, the first thing I would like to do tonight is to make a few additional comments regarding the colloquy held earlier today between the gentleman from Alabama (Chairman CALLAHAN), the gentleman from Oklahoma (Mr. COBURN) and myself concerning additional aid to Macedonia. We appreciate the consideration of the chairman for additional funding for Macedonia if additional funds become available for the foreign operations appropriations.

I will include for the RECORD additional articles concerning the problems Macedonia is facing.

I want to thank Virginia Surso of the Macedonian Tribune in my home town of Fort Wayne, Indiana, for providing many of these materials that point out the sacrifices that Macedonia made to help us in the war in the Balkans, even though it was very decisive in that part of the world, and particularly with the majority of their population being orthodox and trying to keep a coalition government together, losing 400 to 600 million dollars because of their sacrifices. The least we could do would be to help those who sacrificed to help us.

### MARRIAGE AND THE FAMILY

The second thing I would like to address this afternoon is an initiative, some innovative proposals on marriage and family, from Governor Frank Keating of Oklahoma. The TANF funds, the Temporary Assistance for Needy Family funds that have gone to Oklahoma, are being used to strengthen families and reduce the divorce rate. My friend Jerry Regier, Oklahoma Cabinet Secretary for Health and Human

Services, worked with Governor Keating to develop this innovative plan.

Oklahoma, as of this spring when they implemented that plan, had the second highest divorce rate in the country. Governor Keating and his wife have carried the messages of the consequences of divorce, especially when children are involved, to towns throughout Oklahoma.

□ 1615

They have involved seven sectors of Oklahoma life: business, church, education, service providers, government, legal and media. Three of the four things we in the House put in welfare reform regarding TANF that had to do with marriage and family. What is unusual about this Oklahoma program, because every State is bragging about how they have reduced welfare rolls, how they have gotten people back to work and the things they have done with the family, is that it is a comprehensive program to marriage and family issues. I want to read this, and then I will insert the full remarks into the RECORD.

"Community Covenants, (religious leaders join other sector leaders in community-based solutions to reduce the divorce rate.)

"Scholar-in-residence: Oklahoma State University (national marriage expert);

"Ongoing activities to keep marriage/divorce on the public agenda;

"Statewide training/service delivery system (working with the Nation's experts to develop this system/curriculum that will provide research-based skills training);

"Marriage Resource Center (information, mentorship, et cetera);

"Research/Evaluation (in consultation with Oklahoma State University and the Nation's best marital research experts);

"Improvement of our data system (to understand more about our divorce rate and where to focus our resources);

"Second Annual Governor and First Lady's Conference on Marriage;

"Fatherhood Projects (integration of fatherhood project into the marriage initiative);

"Mother Mentoring/Children First (integration of motherhood projects into the marriage initiative);

"Support of other coalitions/services (pilot demonstration projects that will strengthen couple relationships/marriage and high-risk, vulnerable populations);

"Media (tools for influencing and changing the culture; putting issues on the public agenda);

"Charitable Choice liaison to head the State's efforts to partner with charitable and faith-based organizations to providing and delivering social services;

"Youth Education/Prevention Programs (changing the attitudes of young people who are yet to personally confront the issues of marriage/divorce)."

Mr. Speaker, this is a comprehensive way to try to tackle what people say is something that cannot be done. Constantly here, when we hear about social problems, oh, well, problems of moral issues like teen pregnancy and divorce cannot really be dealt with by the Government. Now, here is a whole series of things that they are implementing through the course of this year in Oklahoma to try to tackle what is fundamentally one of the major problems we have in the United States when we look at teen runaways, teen suicide, child abuse. We see family breakdown at the core of this. We need innovative leaders who are willing to take some risks to experiment. Not all of these programs will work. Some of them will take longer to get started, but to look at comprehensive ways to address this.

In conclusion, what I want to point out is that compassionate conservatism is not just talk. We have governors like Frank Keating and Governor George W. Bush, who have actually implemented innovative ideas. Former Mayor Goldsmith of Indianapolis led the way at the city level. Here in the House, Members like the gentleman from Missouri (Mr. TALENT) and the gentleman from Oklahoma (Mr. WATTS) and the gentleman from Ohio (Mr. KASICH) and the gentleman from Pennsylvania (Mr. PITTS) and others; and in the Senate, Senator BROWNBACK, Senator SANTORUM, Senator ABRAHAM. We have innovative leaders throughout this country who have been, will be, and currently are working to try to implement creative ways from a conservative perspective to address these difficult social problems.

### GOVERNOR FRANK KEATING CHALLENGES NATION TO TACKLE DIVORCE RATE

#### OKLAHOMA COMMITS $10 MILLION TO ADDRESS THE PROBLEM

WASHINGTON, DC.—Governor Frank Keating is increasing Oklahoma's stakes in the battle to reduce its divorce rate by making a significant financial commitment to address the problem. Jerry Regier, Oklahoma Cabinet Secretary for Health and Human Services, was in Washington, DC today to announce that Governor Keating is now the first governor in the country to set aside $10 million dollars in TANF (Temporary Assistance For Needy Families) funds to be used to strengthen marriages and reduce the divorce rates.

Oklahoma has led the nation in this arena since last year when Governor Keating announced that his state was committed to doing something to reverse the fact that Oklahoma has the 2nd highest divorce rate in the country. In both his Inaugural address and his State of the State address, Keating laid out the goal of reducing the state's divorce rate by 1/3 by 2010.

Through this past year, the Governor and First Lady Cathy Keating have carried the message of the consequences of divorce, especially when children are involved, to towns throughout Oklahoma. They have developed the Oklahoma Marriage Initiative into something unique, taking a bold step forward with each new idea. They have involved leaders from seven sectors of Oklahoma life: business, church, education, service providers, government, legal, and the media.

"When we launched this initiative, frankly some people asked Cathy and me what business the government has getting involved in marriage," says Governor Frank Keating. "But when you look at the consequences of divorce, the better question is 'What business do we have not getting involved?' "

"Divorce has staggering negative effects, both economically and socially. We cannot continue to ignore its impact. While we have turned our state's focus and attention to reducing divorce, we must now add our resources and greater action," says Keating.

TANF funds are block grant funds provided to each state and marriage is a key component of three of the four goals for that funding:

(1) "To provide assistance to needy families so that the children may be cared for in their homes or in the homes of relatives."

(2) "To end dependence of needy parents on government benefits by promoting job preparation, work and marriage . . ."

(3) "To prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidence of these pregnancies."

(4) "To encourage the formation and maintenance of two-parent families."

On Monday of this week, Governor Keating sent a letter to the Department of Human Services board of directors officially asking them to set aside the TANF funds. Regier and DHS Director Howard Hendrick have been meeting for months, at Keating's direction, to finalize the budget allocation and an agreement was reached late last week. Regier heads the Oklahoma Marriage Initiative for Governor and Mrs. Keating and is charged with the task of developing and implementing an effective strategy to reduce the divorce rate.

"It's with great privilege that I announce today that Oklahoma is the first state to set aside a significant amount of money for reducing its divorce rate and strengthening marriages. While other states have similar TANF resources to invest in meeting this important goal, under the leadership of Governor Keating, Oklahoma is the first to take this important step by committing $10 million to achieve these goals," says Regier.

Even before this funding commitment, Oklahoma has already begun making important changes. During 1999, the Department of Human Services began calculating the incomes of both individuals in a cohabiting (unmarried) couple when determining assistance eligibility. No longer is there a financial incentive for couples to live together outside of marriage.

Over the coming months, Oklahoma will continue to finalize its action plan. The major components will include:

Community Covenants (religious leaders join other sector leaders in community-based solutions to reduce the divorce rate)

Scholar-in-Residence: Oklahoma State University (national marriage expert)

On-going activities to keep marriage/divorce on the public agenda

Statewide training/service delivery system (working with the nation's experts to develop this system/curriculum that will provide research-based skills training)

Marriage Resource Center (information, mentorship, etc.)

Research/Evaluation (in consultation with OSU and the nation's best marital research experts)

Improvement of our data system (to understand more about our divorce rate and where to focus our resources)

Second Annual Governor and First Lady's Conference on Marriage

Fatherhood Projects (integration of fatherhood projects into the marriage initiative)

Mother Mentoring/Children First (integration of motherhood projects into the marriage initiative

Support of other coalitions/services (pilot demonstration projects that will strengthen couple relationships/marriage in high-risk, vulnerable populations.)

Media (tools for influencing and changing the culture . . . putting issues on the public agenda)

Charitable Choice liaison to lead the state's efforts to partner with charitable and faith-based organizations in providing and delivering social services

Youth Education/Prevention Programs (changing the attitudes of young people who are yet to personally confront the issues of marriage/divorce)

While in Washington, DC, Regier called on other leaders to join in this important goal to reduce the divorce rate in their own state.

"Setting a measurable goal is the first step in achieving your objective, and those of us in Oklahoma who are seeing the good impact of our work challenge other states to join us by setting measurable goals for reducing the divorce rate by a set amount in a time certain," says Regier. "It's difficult to reach an undefined goal."

"Just as we set an Oklahoma goal of reducing the divorce rate by ⅓, we have now also set aside a specific amount of money to achieve the objective. While the final amount of allocated resources may be more or less in the final analysis, Governor Keating, the Department of Human Services Board, and I all agreed that we must begin to move forward with a significant commitment of resources. We will not let a lack of funding deter us from meeting this goal that will positively impact Oklahomans in all walks of life," Regier concluded.

Regier was in Washington to represent Governor Keating at a press conference for The Empowerment Network (TEN). Keating is the national co-chairman of this group which today released a bold bi-partisan platform designed to translate election-year rhetoric about American renewal into measurable gains for America's communities and families.

Regier was joined at the press event by Keating's national co-chair, Senator Dan Coats (R–IN), who presented, Empowerment Blueprint 2001: Strategies for Family and Community Renewal, a "step-by-step agenda for leaders at the national, state, and local levels, and the private sector.

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STATE OF OKLAHOMA,
OFFICE OF THE GOVERNOR,
*Oklahoma City, OK.*

DEAR DHS COMMISSION MEMBERS: This letter comes as a request for you to take a bold step towards meeting one of the goals I've set for Oklahoma—to reduce the divorce rate by ⅓ by 2010. I'm asking you to make a commitment to spend up to $10 million this next year from TANF funds for strategies that will strengthen Oklahoma marriages, resulting in a reduction in divorce. In discussions between Secretary Regier and Director Hendrick, it would appear that this level of funding is an appropriate beginning for this important effort.

Because of the Oklahoma Marriage Initiative, people in all sectors of our society are taking notice of the consequences of divorce, especially for families with children, and are clamoring for action. While this is a very new subject for policy makers, and there are a limited number of program demonstrations to build on, the overriding need makes it necessary to proceed with our best efforts.

As we continue to build our strategy for reducing the divorce rate, we must pay attention to what we can do to address couple unions in low-income populations. We must also look for strategies to strengthen two-parent families and marriages for non-needy persons in these communities. Certainly the federal government understood that when it drafted the TANF guidelines, with three of the four goals related to strengthening marriage/reducing divorce and reducing out-of-wedlock births. These four goals are:

(1) "to provide assistance to needy families so that the children may be cared for in their homes or in the homes of relatives."

(2) "to end dependence of needy parents on government benefits by promoting job preparation, work and marriage . . ."

(3) "to prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidence of these pregnancies"

(4) "to encourage the formation and maintenance of two-parent families."

As Commission Members, I don't need to tell you how vital it is that we devote resources to support this important goal. While some in the country are asking why the government would become involved in the issue of marriage and divorce, we know clearly the reasons because of our on-going initiative:

Many of society's ills can be traced to the rapidly declining status of marriages in this country.

Couples marrying for the first time today have at least a 50% chance of divorce.

The conflict that precedes and surrounds divorce causes great mental, physical and economic damage to parents and children alike.

The "triple threat" of martial conflict, divorce, and out-of-wedlock births has led to a generation of U.S. children at great risk for poverty, alienation, and antisocial behavior.

The decline in marriage cuts across nations, class religion and races, however it is most marked among the poor. Low-income individuals are at higher risk of out-of-wedlock childbearing, of cohabitation, are less likely to marry, and when they do marry are more likely to separate and divorce than middle or high-income couples. The proportion of children who live with only one parent has more than doubled nationally since 1970, from 12% to 28% in 1998.

This development is causing growing concern among policy makers and the public. The costs of single parenthood are most serious for children and for society as a whole. Almost half (49%) of children in female-headed households were poor in 1998. Single-parent households are five times more likely to be poor than two parent households. Studies document that children raised in single-parent homes are at greater risk of poverty, and other negative outcomes such as school drop out, juvenile delinquency, teen pregnancy and themselves become divorced. Nationally, over half of the parents receiving welfare are not married to their child's other parent, nearly 20% are divorced or separated, 11% are married (DHHS, 1999).

Several major theories have been put forward to account for the nationwide decline in marriage. Certainly part of that decline can be attributed to the expansion of welfare programs that occurred in the late 1960s and 1970s. Since these programs were targeted on single-parent families, it is often argued that the government was stepping in to take the place of others, undermining their responsibility to provide for their families and creating financial incentives to break up or discourage marriage on the theory that "you get more of what you subsidize." I applaud you for the changes you have made in DHS policy to change this trend in Oklahoma.

Now, I'm asking you to take the next step. . . . to build the capacity of our systems to strengthen marriages and reduce divorces. . . . and to provide new martial direct services to all of our Citizens statewide. Over the coming months we will be working with you to develop details of our action plan, including some of the components summarized on the attachment, and indeed DHS Director Hendrick will be vitally involved in finalizing these plans with Secretary Regier.

There are many highlights of the plan that you will hear about over the coming months, but both Cathy and I are convinced of the value of skills training for couples. Over this past year we have heard from several martial experts that relational qualities and patterns of interaction assume a much greater importance in contemporary marriages than in former times. Most of the traditional economic, legal, social and cultural constraints that used to keep marriages together have fallen away. In addition couples now have higher expectations for marital happiness—having all one's needs met by one's marital partner—and are readier to dissolve the union if they are not satisfied. The result is that there is much more pressure on couples ability to communicate well, negotiate and resolve conflict, accept each other's differences, and stay committed to working on their relationship. We must find ways to help Oklahomans strengthen these skills if they are to continue marriages in today's culture.

Over a year ago I addressed all Oklahomans in my Inaugural address and in my State of the State address to reduce the social ills that hold us back as a people and as an economy. I then asked Jerry Regier, my Cabinet Secretary for Health and Human Services, to take the lead on building this initiative on my behalf, and we've made great progress over this past year in raising public awareness about the consequences of divorce. During this upcoming year, I've told Jerry to call on the very best experts in this country to finalize and implement a strategy that will result in stronger marriages. He is available to work with you and Director Hendrick to make sure that we achieve our shared goal of reducing the divorce rate in Oklahoma, as well as the goal of TANF monies to promote and strengthen marriage.

Thank you for your continued commitment to the citizens of Oklahoma and I urge you to act now to obligate these critical funds towards achieving our goals.

Sincerely,
Governor FRANK KEATING.

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OKLAHOMA MARRIAGE INITIATIVE

Summary of the goals of our plan:

Community Covenants (religious leaders join other sector leaders in community-based solutions to reduce the divorce rate).

Scholar-in-Residence: Oklahoma State University (national marriage expert).

On-going activities to keep marriage/divorce on the public agenda.

Statewide training/service delivery system (working with the nation's experts to develop this system/curriculum that will provide research-based skills training).

Marriage Resource Center (information, mentorship, etc.).

Research/Evaluation (in consultation with OSU and the nation's best martial research experts).

Improvement of our data system (to understand more about our divorce rate and where to focus our resources).

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Support of other coalitions/services (pilot demonstration projects that will strengthen couple relationships/marriage in high-risk, vulnerable populations.).

Media (tools for influencing and changing the culture . . . putting issues on the public agenda).

Charitable Choice liaison to lead the state's efforts to partner with charitable and faith-based organizations in providing and delivering social services.

Youth Education/Prevention Programs (changing the attitudes of young people who are yet to personally confront the issues of marriage/divorce).

## INTRODUCTION OF THE NATIONAL RECORDING PRESERVATION ACT OF 2000

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. HOYER) is recognized for 5 minutes.

Mr. HOYER. Mr. Speaker, since the development of audio-recording technology in the 19th Century, composers, musicians, and others have created thousands of sound recordings that have amused, entertained, and enriched us individually and as a Nation. Sadly, as the 21st Century dawns, many of America's most precious sound recordings, recorded on perishable media, may soon be lost unless we act to preserve them for the use and enjoyment of future generations.

Today I am delighted to join the gentleman from California (Mr. THOMAS), chairman of the Committee on House Administration, in his introduction of legislation similar to the bipartisan bill that I introduced last year to help preserve this irreplaceable aspect of our cultural heritage. I hope all Members will support this effort.

In 1988, Congress wisely enacted the National Film Preservation Act, which established a program in the Library of Congress to support the work of actors, archivists and the motion-picture industry to preserve America's disappearing film heritage. The revised bill introduced today, the National Recording Preservation Act of 2000, follows the trail blazed by the Library's successful film program.

The measure would create a National Recording Registry at the Library to identify, maintain and preserve sound recordings of cultural, aesthetic, or historic significance. Each year the Librarian of Congress would select recordings for placement on the Registry, upon nominations made by the public, industry or archive representatives; recordings will be eligible for selection ten years after their creation.

A National Recording Preservation Board will assist the Librarian in implementing a comprehensive recording preservation program, working with artists, archivists, educators and historians, copyright owners, recording-industry representatives, and others. A National Recording Preservation Foundation, chartered by the bill, will encourage, accept and administer private contributions to promote preservation of recordings, and public accessibility to the Nation's recording heritage, held at the Library and at other archives throughout the United States.

The bill authorizes appropriations of up to $250,000 per year for seven years to fund the Library's preservation program, and amounts over the same period to match the non-federal funds raised by the Foundation for preservation purposes.

Mr. Speaker, by enacting this modest bill and working with the private sector to leverage the available resources, the Congress can spark creation of a comprehensive, sensible and effective program to preserve our Nation's sound-recording heritage for our children and grandchildren. I urge its quick enactment.

## REFLECTING ON FOREIGN POLICY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I am glad the gentlewoman from California is still on the floor, because I wanted to add my appreciation for her leadership in shepherding the debate on the Foreign Operations Appropriations bill, knowing the gentlewoman's commitment to social justice issues. She clearly evidenced leadership on some of these very vital issues of hunger and HIV/AIDS and debt relief. Likewise, I do appreciate the gentleman from Alabama (Mr. CALLAHAN) being willing to oversee some of the more contentious issues that we dealt with in dealing with foreign policy.

I thought it was appropriate after these last 48 hours to sort of conceptualize and summarize some of the human rights and justice issues that many times Americans do not focus on because it is or belongs to the other guys. It is foreign policy. It is those people overseas who are taking large chunks of our monies. But I want to remind this body that, in fact, the appropriations for foreign operations and foreign policy is but a sliver of the large budget of the United States of America.

But in that investment which, as I heard one of my colleagues from Alabama talk about what it would mean to an American if we invested in helping developing nations and very, very poor nations remove the heavy laden debt that they have on them, so much debt that all of their GNP is utilized not to pay the debt, but to pay the interest on the debt, almost as if all of one's income was utilized to pay for one credit card debt, and I would imagine there are some saying, that is the case; but by the fact that their GNP dollars are used for interest on the debt that they owe to all of these world institutions, they cannot provide for health care or housing or education or basic research for some of these devastating diseases.

So that is why there was such a feel of contentiousness around such issues as whether or not we should invest more in providing debt relief for countries like Guatemala and Honduras where the individual citizen gets $868 a month, probably less than what we would spend on a color television. In fact, our investment in debt relief may generate only $1.28 per American, as evidenced by one of our colleagues from Alabama, maybe a Sunday newspaper, or maybe, as he said, an ice cream cone.

If we look at the world as getting smaller and smaller, I believe that we would find the need and the importance of investing and ensuring that there is peace, rather than war, that despots are not able to take over these countries again. All of the young lives that we lost in Vietnam because we were so concerned about the domino theory and communism, and now that there is some peace in the Vietnams, it is important that we maintain peace by investment, by having the opportunity for the citizens of these nations to live a quality of life not equal to the United States, but certainly a decent quality of life.

So I supported the infusion of dollars into debt relief, because I believe Americans, once educated, would understand it is investment for our own safety and security.

It is important to listen to the crisis of those in Sierra Leone, a country very far away, who are crying out for democracy; yet they are suffering, because in Sierra Leone, as in other countries, they are conscripting children to fight the wars of men. Four- and 5-year-olds are now at war because the rebels are not allowing democracy and peace to survive. That is why I offered amendments that would put more dollars into peacekeeping and brought an amendment to the floor to stop the most heinous act of drawing children into war. It happened in Vietnam; those who remember the stories of young children who were racked with bombs that attacked our soldiers or who were carrying weapons. That is what is going on in many of the developing nations. The children that refuse to go into war, their limbs are hacked off, or they are being stolen as slaves and forced to kill. One such story was told of a child, Susan, who was forced to kill someone and to watch them die when she refused to go.

So we as a country dealing with foreign policy must ensure that that does not happen. As I close, Mr. Speaker, I believe issues such as the death penalty also require our attention for justice. With that, I hope this country will rise to its higher calling.

## PRIVATIZATION OF THE URANIUM ENRICHMENT INDUSTRY: HOW IT AFFECTS AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. STRICKLAND) is recognized for 5 minutes.

Mr. STRICKLAND. Mr. Speaker, I have addressed this House several times in the last week and a half regarding a matter that is of great importance to this entire Nation, and that is the uranium enrichment industry which was privatized, an industry which was privatized 2 years ago.

Just recently, this privatized company made the announcement that one of the two enrichment facilities in this country would be closed, thus displacing nearly 2000 workers from jobs, and, I believe, endangering the economic and the energy security of this Nation.

I come to the House floor today because I want to share with Members of this House and with the country a letter which was sent to the CEO of this privatized company by the chairman of my committee, the Committee on Commerce. This letter was sent by the gentleman from Virginia (Mr. BLILEY). I would just like to read one paragraph from the letter, because I think it is relevant to what has happened with this industry.

Mr. BLILEY writes to Mr. Timbers: "According to a Wall Street Journal editorial dated Thursday, June 28, you indicated that USEC's," the private company, that its "recent decision to close the Department of Energy's Portsmouth Gaseous Diffusion plant was made in response to congressional intent in privatization language. Specifically, you state that USEC's decision to close the Portsmouth plant was the reason Congress privatized the company."

Then Mr. BLILEY says to Mr. Timbers: "I can assure you that this is not the case. A single operating gaseous diffusion plant with no credible plan for a succeeding enrichment technology is not what Congress intended for the privatized company."

Mr. Speaker, the reason this is so relevant is the fact that approximately 23 percent of all of the electric generated in our country is generated through nuclear power. Mr. Timbers, through his actions and this private company's decision to close one of our two plants, I believe, puts in grave danger this Nation's economic and energy security.

In the letter to Mr. Timbers, the gentleman from Virginia (Mr. BLILEY) asks several questions, and I would like to share one of those questions and requests for information. He says to Mr. Timbers: "In the event of an interruption of the deliveries of material from Russia over the next 5 years, how does USEC plan to meet its committed demands for SWU?" That is, the nuclear fuel. And then he says: "Please answer this question separately for each of the following scenarios: What happens if there is a 3-month delay in Russian deliveries, a 6-month delay in Russian deliveries, a 1-year delay in Russian deliveries, a 2-year delay in Russian deliveries, and a delay in Russian deliveries sustained beyond a 2-year period? For each of these scenarios, please assume that the delays begin after USEC has deactivated the Portsmouth plant."

Mr. Speaker, the Nuclear Regulatory Commission will be issuing a report soon, and they must verify that USEC can continue to be depended upon to provide a reliable supply of domestic fuel to meet the Nation's energy needs. It is imperative that we define domestic as the material which is produced within the United States of America, and reliable must be defined as providing for 100 percent of our Nation's need for nuclear fuel.

If USEC cannot do this, then they can no longer be licensed to operate these gaseous diffusion plants, and that is all the more reason why this Congress should reconsider the privatization of this industry.

Next week I will introduce legislation that will enable us to do what we need to do, and that is to assume the Government's ownership of this industry once again and, therefore, protect our country from having to depend upon foreign sources for nuclear fuel for some 23 percent of our Nation's electric needs.

☐ 1630

Mr. Speaker, I include for the RECORD a letter from the gentleman from Virginia (Mr. BLILEY) to Mr. William Timbers:

The letter referred to is as follows:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON COMMERCE,
*Washington, DC, July 11, 2000.*

Mr. WILLIAM H. TIMBERS,
*President and CEO, USEC, Inc.,*
*Bethesda, MD.*

DEAR MR. TIMBERS: As you know, the Committee is continuing its review of USEC privatization and its impact on national security and the domestic uranium industry. I am writing to you with respect to recent, troubling statements you have made on this subject, and to obtain additional documents and information related to USEC privatization.

According to a Wall Street Journal editorial dated Thursday, June 28, 2000, you indicated that USEC's recent decision to close the Department of Energy's (DOE) Portsmouth Gaseous Diffusion Plant (Portsmouth plant) was made in response to Congressional intent in privatization legislation. Specifically, you state that USEC's decision to close the Portsmouth plant was "the reason Congress privatized the company." I can assure you that this is not the case. A single operating gaseous diffusion plant with no credible plan for a succeeding enrichment technology is not what Congress intended for the privatized company.

In a recent letter to Energy Secretary Bill Richardson dated June 20, 2000, you also stated that USEC has "successfully implemented the HEU agreement," and that "recent Congressional hearings have confirmed [the HEU agreement] has succeeded at the expense of USEC." I should remind you that USEC freely negotiated and bound itself to the terms of the current 5-year implementing contract, and in 1998 made public disclosures in support of an Initial Public Offering (IPO) of stock, which included a complete analysis of what impact the HEU agreement could have on a privatized company. Given the USEC Board of Directors' fiduciary responsibilities to its shareholders, I must believe that USEC's decisions last November to continue as Executive Agent—after threats of resignation—was supported by a thorough assessment and conclusions that the HEU agreement is important for USEC's survival.

I also am perplexed by the extreme about-face you and your company have demonstrated on several issues in the months since privatization. For instance, in less than 12 months after privatization, the AVLIS technology went from USEC's low-cost solution for future uranium enrichment production, to a useless technology that will not see commercialization. Furthermore, I find it hard to believe that "global business realities" that "no one could have foreseen at the time of privatization" are the cause of USEC's precipitous decline over the past 22 months, as you indicated in your letter to Secretary Richardson. I am now more convinced that USEC's flagging business performance and the threat it presents to domestic energy security is directly related to questionable representations made by USEC to its Board in support of your bid for an IPO, as well as questionable business decisions made by the company since privatization.

Accordingly, in order to obtain a better understanding of these issues, I am requesting that, pursuant to Rules X and XI of the U.S. House of Representatives, you provide the Committee with the following documents and information by July 25, 2000:

1. Please identify the total amount of SWU USEC expects to sell over the next five years. Of this amount, please identify the total amount of SWU USEC expects to sell to domestic nuclear power companies.
2. Please identify the total amount of SWU USEC will efficiently produce at the Paducah Gaseous Diffusion Plant (Paducah plant) per year, for over the next five years.
3. Please identify the total amount of SWU USEC currently has in inventory.
4. Please indicate when USEC expects to obtain a license amendment from the Nuclear Regulatory Commission to increase its uranium enrichment capacity at the Paducah plant.
5. Please discuss the earliest date USEC can reasonably construct and begin to operate a new uranium enrichment plant, and at what capacity this new plant would produce SWU.
6. In the event of an interruption in HEU deliveries from Russia over the next five years, how does USEC plan to meet its committed demand for SWU? Please answer this question separately for each of the following scenarios: a three-month delay in Russian deliveries, a six-month delay in Russian deliveries, a one-year delay in Russian deliveries, a two-year delay in Russian deliveries, and a delay in Russian deliveries sustained beyond a two-year period. For each of these scenarios, please assume that the delays begin after USEC has deactivated the Portsmouth plant.
7. If the United States Government decides to terminate USEC as Executive Agent to

the HEU agreement, in part or in full, please describe how this would affect USEC and whether the company could meet its committed demand for SWU.

8. Please provide all records relating to communications between USEC or its board (or any of their directors, officers, employees, agents or contractors) and any outside individual or entity, whether governmental or private, regarding the decision whether to proceed with privatization or the choice among competing privatization options. For purposes of this request, you may limit your production to those records created on or after January 1, 1997. Please refer to the attachment for definitions of the terms "records" and "relating."

Thank you for your cooperation with this request. If you have any questions, please contact me directly, or have a member of your staff contact Dwight Cotes of the Committee staff at (202) 226-2424.

Sincerely,

TOM BLILEY,
*Chairman.*

## THE HIGH COST OF PRESCRIPTION DRUGS IN AMERICA

The SPEAKER pro tempore (Mr. PEASE). Under a previous order of the House, the gentlewoman from Michigan (Ms. STABENOW) is recognized for 5 minutes.

Ms. STABENOW. Mr. Speaker, I rise today, as I have on numerous occasions, to speak out about the high cost of prescription drugs for families all across America, and particularly for older Americans who are regularly using the largest number of medications on a daily basis.

I have for over a year now been leading an effort in Michigan when speaking with seniors, getting letters from them, have set up a hotline for people to call and share their concerns and stories about the high cost of their medication.

As a result of that effort over the past year, I have come to this floor sharing stories and reading letters from my constituents urging that we pass a comprehensive Medicare benefit for prescription drugs, one that is voluntary, one that is within Medicare, and will help our seniors pay for the costs of their medications.

Once again, today I rise to read a letter. I would like to read a letter that says, "Dear Debbie, I don't call this fair for an elder citizen on fixed income to pay $2,100 a year to just stay alive. I need my heart patches every day to make my ticker keep going, my inhaler so I can breath, and pain medication to help me with the daily pain of my bones. Thank you for listening to me. Sincerely, Beatrice J. Homan."

Mrs. Homan has also reported to me that she often does not buy her medications because she cannot afford them.

I have now twice taken busloads of seniors from Michigan across the bridge to Canada to demonstrate the dramatic differences in costs between our country and Canada. I would like to share with the Members, because we just took a trip a week ago, how we could make a dramatic difference for Beatrice Homan and the seniors of Michigan if we were to first allow prescriptions to be purchased by our pharmacists at a lower price in Canada, if in fact that is available, and secondly, if we were to lower the costs of prescription drugs in our country and provide a Medicare benefit for our seniors so that they can have real health care coverage.

We have Medicare that has been set up since 1965, but it does not cover the way health care is provided today. Under Medicare, we could go in the hospital and have an operation. We could get the prescriptions in the hospital. But most seniors and most of us are going to outpatient clinics, getting home health care, needing our prescriptions on an outpatient basis. That is what Medicare does not cover. It is outdated. It needs to be fixed. With the greatest economy we have had in over a generation, we can do it if we have the political will to make it happen.

I have had the opportunity to take our seniors from Michigan to Canada, and let me give an example of the differences in the costs.

Barbara Morgan normally pays $273 a month for her medications, and just crossing the bridge, 5 minutes across the bridge, we lower the cost from $273 to $31.83, a savings of 88 percent.

Lonnie Stone normally spends $800. We were able to get his same medications, FDA-approved, American-made, in Canada for $268, a savings of 67 percent.

Dorothy Price normally pays $477. We were able to cut her costs by 66 percent, to $163.20.

Ilene Carr normally pays $1,071.30. We were able to cut that by 50 percent, cut in half a $1,000 prescription drug bill.

We can do better than this. We are fortunate in our country to have wonderful public facilities in which research is done that our drug companies use to then produce products for the market. We are fortunate that we encourage that through taxpayers' funded tax credits to help with that research. We help to fund that, and yet in this country we are paying more than any other country in the world. Every other country is sold these same drugs, American-made, helped to be subsidized by the American taxpayers for less.

We can do better, Mr. Speaker, and I would strongly urge my colleagues to make prescription drug coverage under Medicare a priority.

## THE NEED FOR NATIONAL LEADERSHIP IN PUBLIC EDUCATION

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from North Carolina (Mr. ETHERIDGE) is recognized for 60 minutes as the designee of the minority leader.

Mr. ETHERIDGE. Mr. Speaker, I rise today to speak about one of the most critical issues facing our Nation. That is the education of our children. Hopefully as this afternoon goes on I will be joined by some of my Democratic colleagues to discuss this issue and the need for national leadership in this whole area of public education.

We spend an awful lot of time in this body arguing back and forth about appropriations and budgets. We have just finished today doing that, and on and on. But what gets lost too often in all the sound and the fury of the legislative debate is the central meaning of the choices that we make and the people that it impacts so directly.

My colleague, the gentlewoman from Michigan, was just talking about prescription drugs, real live people. Education is about real live young people.

The budget and spending choices that we make help us define what our priorities are. They express our values. A whole lot more than what we argue about those values being, our actions speak for what our values really are.

Mr. Speaker, my colleagues and I in the Democratic Caucus have been working now for several years trying to give greater priority to education in the budget process.

Let me explain to all of my colleagues, the budget process is where the action takes place. We can talk about authorizing committees and they are the people who write the policies, et cetera, et cetera. Before I came to Congress I served as a legislator in North Carolina. I chaired the Committee on Appropriations for 4 years. Let me remind my colleagues, words are cheap, actions cost money.

I have often said to folks, there is a big slip between the lip and the hip. It is easy to talk about it, it is tough to put actions to words when it really comes to making it happen.

I go into an awful lot of schools. Before I came to Congress I served 8 years as State superintendent of my State schools. Children are pretty smart people, a lot smarter than some of us give them credit for. They know the difference between phonies and real folks who really mean what they say and say what they mean.

When they ride by a brand new $22 and $23 million prison to go to a rundown school building, one that the wind blows through in the wintertime, with no air conditioning, they do not have the books that they need nor the technology they ought to have, they can figure out right quick what is important in their community.

My colleagues and I have been working hard to make sure that we can focus in on these issues, because we do value education, because we know that lifetime learning or lifelong learning is the key to the American dream, not only for the middle class, but to allow people to move up into the middle class.

Education is the one thing in our society that allows people the opportunity to move up. I say it is great. It is the thing that levels the playing field. No matter what your ethnic or economic background, with a good education, you have a chance.

Certainly in today's global economy, America's international competitiveness is absolutely dependent on our people's ability to perform knowledge-based jobs. These are the kinds of jobs that produce the best jobs, the best goods. We provide the best goods and services in the world, there is no question about that. But if we are going to remain a world leader, we have to make sure our education lives up to those same standards.

In the new economy of this Information Age, what people can earn absolutely depends on what they learn and what they can continue to learn in their lifelong learning processes.

We have been trying to get Congress to give higher priority to strengthen our neighborhood schools, our neighborhood public schools, and demonstrate how much we value public education for our children. But, unfortunately, I must say that the House Republican leadership has pushed through Congress a number of very large tax bills.

Let me tell the Members what the challenge of that is. I am in favor of targeted tax cuts. I think we ought to have them, but we ought to decide what our priorities are and put a balance on it, because if we do those first there will be no money for education for our children when the time comes.

It is not right to leave our children behind and deny them the kind of educational investment that they need to make sure we have a world class education. We cannot do it without an investment. The last time I checked, computers cost money, new schools cost money, quality education and paying teachers and keeping good people in the classroom costs money.

No business in their right mind would put their businesses in some of the buildings we ask our children to go to school in today. Yet, we say we want quality education. We all want it. We ought to have the courage to make sure our elected leaders live up to the commitment, and not let them get away with just talking about it. I strongly oppose these kinds of misguided priorities.

I am pleased this evening to have joining with me my colleague, the gentlewoman from California (Ms. MILLENDER-MCDONALD), who is certainly a leader in education, who has worked hard in a number of areas. She is making sure that education is available to all children in the public sector, making that a priority.

I am pleased to yield to my friend, the gentlewoman from California (Ms. MILLENDER-MCDONALD), for her comments.

Ms. MILLENDER-MCDONALD. Mr. Speaker, it is great to be here tonight. My dear friend, the gentleman from North Carolina (Mr. ETHERIDGE), has been an excellent leader in education, not only in this Congress but throughout the Nation for many years, and we value his advice and his leadership on the issues that are so important to parents and to this Nation, given the need for educational opportunities.

Mr. Speaker, tonight I stand here to discuss the importance of technology in education. We have talked about the digital divide and how the gap has widened between those who have and those who have not, and especially among urban areas as well as rural areas of our children who have not had the opportunities to advance in this highly technological environment.

We have a great deal at stake when it comes to the technological literacy of this Nation's teachers and students. A strong work force and a strong economy depend upon the quality of our schools, the preparedness of our teachers, and the ability of our students to compete in an increasingly technical world.

The ability to use computer technology has become indispensable to educational, career, social, and cultural advancement. In the new millenium, technological literacy has not become only a basic requirement but a life skill as well.

It is then imperative that students are equipped with technology skills at an early stage in life by teachers who are skillfully trained to integrate technology in their curriculum and classroom learning environment.

According to the National Center for Education Statistics, Internet access in public schools has increased from 35 percent to 95 percent, and classroom connections have increased from 3 percent to 63 percent from 1994 to 1999.

While these increases indicate positive responses to the need for technology in the classroom, we must be cognizant of how efficiently and effectively this technology is being used.

According to the President's 1997 Committee of Advisors on Science and Technology, a ratio of four to five students per computer represents a reasonable level for the effective use of computers within schools.

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In my district, however, Mr. Speaker, the ratios are much higher. In the city of Compton, the ratio is 18 students per computer. In the city of Lynwood, the ratio is nine students per computer. In Long Beach, the ratio is eight students per computer.

Considering the socioeconomic demographics of my district, these numbers are just not acceptable. The children in my district and insular districts across the country are falling behind, and something must be done to stop it. Equipping our schools with technology is the first step in fulfilling the challenge to promote technological literacy in our schools.

Another real challenge lies in feeling the vast training gap and in providing trained teachers who can incorporate computer technology in all aspects of the learning experience.

A study by the National Center for Education statistics found that only one teacher in five felt very prepared to integrate technology in the subject they taught. This fact is not surprising when, according to a study by the Milken Exchange on Education Technology, teachers on average receive less than 13 hours of technology training per year, and 40 percent of all teachers have never received any technology training. That is really a travesty.

In addition to that, teachers receive far less technology curriculum integration training than basic computer skills training. Forty-two percent of teachers have had 6 or more hours of basic skills training within the past year, compared with just 29 percent of teachers who had an equal amount of curriculum integration training.

Yet, research shows that training on integrating technology into education programs has a greater impact on teachers than basic technology skills training. Clearly, the key to successfully integrating technology into the classroom will not be in installing more hardware or software, or wiring schools to the Internet, the key will be training teachers to be integrators.

Now is the time for action. The U.S. Department of Commerce estimates that, by the end of the year 2000, some 60 percent of jobs will require proficiencies in the use of a broad range of information technologies. By the year 2005, the Bureau of Labor Statistics estimates that there will be growth of 70 percent of technology-related jobs.

This issue, however, is not focused solely on preparing students to assume the jobs of the future. More important is the need to prepare students for America's life and culture, both of which will be influenced heavily by technology.

In order to produce a citizenry ready to accept upcoming technological challenges, we must be willing to make a significant investment in education. By preparing teachers and students, we are paving the way to a brighter, more prosperous future.

I thank the gentleman from North Carolina (Mr. ETHERIDGE) so very much. I think he recognizes as much as I do how digital divide and technological training is so important to students as well as teachers in planing for the future.

Mr. ETHERIDGE. Mr. Speaker, I thank the gentlewoman from California (Ms. MILLENDER-MCDONALD) for that point. She certainly has been a leader in this whole area of technology, in the digital divide, but she may want to comment on this further, because I think it is critical for our colleagues to understand.

It is not just to say, as the gentlewoman said, we provided the resources, because the E-Rate has been helpful working with the administration getting that out there so we get the rate down. So many times, people forget, and I think our colleagues here forget, even though we put in roughly 7 percent of all the funds at the Federal level for education, we can be a real catalyst by providing leadership and training and staff development and all of those things.

But when we talk about technology and hardware, it reminds me of someone who would buy a car and then do not let one drive it. Because we have so few pieces of equipment in some cases in some of our schools, those who do not have the resources, depending on where they may be in the country. That is wrong. It is absolutely wrong. It is like buying an automobile and say, well, we are going to park it here, and one gets to drive it every week or so.

But that is what we do with technology. We do not even let the teachers use it. Then until we have training on the staff, we are doing a better job. We have got a long ways to go. The gentlewoman may want to comment on that as it relates to this whole issue of the digital divide because that is really what we are talking about.

Mr. Speaker, I yield to the gentlewoman from California (Ms. MILLENDER-MCDONALD).

Ms. MILLENDER-McDONALD. Mr. Speaker, this is very true. As we have looked into the digital divide, we do find that, not only is that divide among the students in the classroom, but among the teachers as well.

We find that a lot of the computers that are given to students in the inner city area are really all outdated computers that cannot really be used for training, nor has the teacher had training on computers as well.

I have a program in the Watts area where we are now asking for old computers to come into that area where we will train young folks to prepare, do maintenance on old computers. Then once they have done that, we train them on that computer and then send that computer home to the parents for the kid to learn on.

This is a whole new innovative concept in helping parents as well as students to understand the realization and the importance of technology. We also find that teachers are very fearful because the curriculum and the liberal arts colleges are not putting technology in the curriculum for training or the teacher training program.

So the gentleman is correct. It is important that, as we look at the digital divide, we look at that division within the teacher training programs as well as the students who are, for whatever reason, have been given old outdated computers that really do not do anything in terms of teaching them.

Mr. ETHERIDGE. Mr. Speaker, we have, and I am sure it is in several other States, certainly in North Carolina, where we have a group that actually are taking computers, corporate folks are providing for them. Once they will take all of the insides out of the computer, they are putting new components and booting them up.

The students, then, they are really becoming technicians for computers. Those computers then go to the classroom. In a lot of the cases, this came as a result of things we were already doing, but we escalated it during the flood of eastern North Carolina because we lost an awful lot of equipment in a lot of our schools. That is starting to take place now in a lot of places in our country.

What is happening to these young people, they may go into the university or they may go into the private sector, because they now are technically capable of making substantial salaries working on computers. That may be what the gentlewoman is talking about when she is talking about her digital divide.

Ms. MILLENDER-McDONALD. Mr. Speaker, that is exactly what I am talking about. When the gentleman from North Carolina spoke about the E-Rate and the wiring and how that is important; but the most important thing is to get adequate computers into the classroom. The ratio should be as such where students will get the type of computer training that is necessary to ensure that the training that they have will be commensurate with their going out getting a job once they have completed their secondary education or even post secondary education.

I will say, as well as serving on the National Commission on Teaching on America's Future, as we look at the whole integration of technology and to the teacher training program, we find that a lot of the professional development that teachers are taking now are suggesting, or those who are giving that, suggesting that that professional development training require a certain amount of computer literacy.

I am very thankful that the gentleman from North Carolina sought to bring us to the floor today to talk about education. We cannot talk enough about education and about the opportunities that are out there for the children of the future and teachers of the future if we, indeed, have the propensity to put the computers in the right spot.

So I see others who have joined the gentleman from North Carolina on the floor. I will move out if the others move in.

Mr. ETHERIDGE. Mr. Speaker, I yield to the gentlewoman from North Carolina (Mrs. CLAYTON).

Mrs. CLAYTON. Mr. Speaker, I thank the gentleman from North Carolina very much for arranging this special order on education which is dear to all of our hearts but certainly is one that he has provided leadership, and I want to acknowledge that leadership and that commitment and that love for it.

But I wanted to engage the gentlewoman from California (Ms. MILLENDER-MCDONALD), before she left, on her concern in raising appropriately the whole training of our students and providing the technology within our schools and put it in the context of something we are going to be doing very shortly in this Congress.

We are going to be voting on the H1-B visas, which is critical for the high-tech companies in making sure they have the staff capacity, not only to do the work they are currently doing, but also to be on the cutting edge in doing the technical research and responding to new opportunities. They have made a compelling case that, indeed, they do need them. I am convinced that they, indeed, need those high-tech individuals.

But what is troubling about the fact, and I believe they are correct, what is troubling about that is that our education system here in America has not produced a sufficient supply that they can feel they can rely upon unless they forever increase.

That is not to curtail bringing in intelligent, gifted individuals who may not be resident. I think that is what makes our country great, that we have that diversity. But to allow that to continue without putting intervention, we miss an opportunity.

So our rhetoric will be able to be tested. We have a window of opportunity, I think next week, if not next week, very soon. Given this need and our response, what do we say to the high-techs? Not necessarily in penalizing them, that is not what we want to do. But we want them to engage in fostering the education systems that are in our high schools, in our colleges. If necessary, what are they doing from China? What are they doing in India? What are they doing in Asia that automatically produces in that system a superior engineer? It is not that we are not producing engineers. It is not that we are producing programers but not apparently the ones that meet those criteria.

So there has to be a forcing of that relationship first to make sure we have a pool and understanding at the elementary and secondary work.

Then the additional one is that I think we need to really, in addition to increasing the penalty or the fee they pay, I think they have monies, they are not short of money, what we are short of is their relationship and their involvement in our communities.

So we ought to forge a relationship that says, you have this need here, you are making this request, well, there are American citizens that also need those jobs, and we are just asking you if you would please, sir, please, madam, work with our citizens in rural areas and inner cities and our students so we can give you the product you need.

That requires, not a commitment in theory and theme, but a numerical commitment by year, 2 years, 3 years we can make ourselves.

Mr. ETHERIDGE. Mr. Speaker, that is an important point as we deal with it. I think we need to keep in mind and remind our colleagues that it really is called, not just H1-B visa, working at the top, but it is called for a need for investment at every level.

For instance, on the 100,000 teachers we are talking about that Congress has been engaged in, and we are still fighting the battle to get this year to reduce class sizes for children in the kindergarten and third grade level. That is where we create and get young people interested in the sciences and the mathematics, to create those scientists 8, 10 years from now. The only way we are going to do it is engage them early.

Since the gentlewoman from North Carolina raised that issue, let me just share with her some examples, because many times people, some of our colleagues on the other side want to jump on partisan politics and talk about how bad the public schools and what they are not doing.

Let me just share with my colleagues the student mathematic achievement is improving. That takes a while. It takes an overall commitment and sustained investment over time. Between 1982 and 1996, student improvements have improved their achievement on mathematics by the National Assessment of Education Progress. But the problem we have is, even though the improvement is there, we still need to have more.

If we reduce those class sizes at the early grades where we can really excite a young person in mathematics, and they can see where it leads to, the ones who really we are losing are those in the point the gentlewoman made on the digital divide earlier, they are in those schools that do not have the resources to get them engaged. If no one engages those young people early, it is amazing. My colleagues have been in the classroom as I have, all of you have, it is amazing what one sees in the eyes of those students. Once one sees it in their eyes, one sees exciting things happen.

□ 1700

And down the road, all of a sudden the youngster decides I want to be an engineer, and maybe there has never been an engineer in their family. But that is how we turn it around. We are probably always going to bring in some of the best from around the world; but we should not, I agree with the gentlewoman, we should not leave the gap open for all the people.

Ms. MILLENDER-McDONALD. Mr. Speaker, I agree with both overtures of what both my colleagues have just said. I think mainly we must see in this H-1B bill some provision by which outreach can be done in our urban and rural communities to begin to train our young folks in the area of math and science.

Secondarily, I think there has to be an outreach program to the HBCUs of students who are already in math and science. We do have young folks who are coming out of these schools ready to go into the jobs that they are talking about; but if we have not gone to those campuses, and we do not know that they are there, then we tend to think there is not a prepared group of folks out there waiting for the jobs.

When I was director of Gender Equity for Los Angeles Unified, we had to make sure that we went around this Nation and look in every nook and cranny to try and get those who have been prepared for those particular subject areas and disciplines that we were looking for. I think we have no other recourse but to make sure that this bill has some provision of having the high-tech companies utilize those fees for outreach and for training of those who are in that digital divide and in that gap.

Mrs. CLAYTON. Actually, some of them are. And what we want to do is to increase that.

Ms. MILLENDER-McDONALD. To expand, yes.

Mrs. CLAYTON. To expand that. And even those that are, we do not have a numerical number of expectancy of their growing their own and their hiring.

So if we increase the amount of money, which I think they will willing cooperate in, because I have not found a high-tech company that says that money will be a problem, I think where the challenge is, and I am not sure it is a challenge we cannot overcome, I think where there may be some resistance to committing themselves to is a numerical number. On the other hand, that is what H-1 visas are all about, increasing the numbers. I am just saying that as we increase those numbers, we should increase the number of a goal that we are willing to commit to; that we will educate, and we will train and we will hire from rural America and from urban cities. The same numerical goal that these companies are requesting the government come and double. That is all I am saying.

It obviously should be something that is workable and that they are willing to do, because it is an investment in America. It is an investment in our communities. It is an economic stimulus that a young person in Wilson County or in Edgecombe County or in the gentlewoman's Compton community knows that there is a company that is interested in me. And, guess what, they are going to do real well because they want to make sure that they fulfill that requirement.

We will not have to look for that person. We will not have to get a recruiter to recruit that person from abroad. They are committed early on. This is not something that is brand new. We have done this before. We have done this in science. Remember when we wanted to send explorers in space? We had a National Science Foundation. We gave scholarships. In high schools we had these academies. I am saying we can put that same kind of energy, saying that Americans' ingenuity and our talent needs to be reinvigorated and give people that incentive.

I just think this is an opportunity to open that door. And I think things in education that we can help in as a government are the technology centers. It is critical. Adding new technology, reducing the class size, making sure kids know more early on in science and math. And we are doing better in science and math.

Years and years ago, I tell people a hundred years ago, I used to head a program at the University of North Carolina for health professionals. At that time the issue was how do we get more rural kids and minorities to go into the health profession; how do we get doctors and nurses. Well, we could not wait until they came out of college. We had to get them in high school. So what we did in high school was to stimulate their teachers and others, and then some of the college students would come early in their career, not at the senior year, but early in their career, and give them advanced courses in math and prepare them for the MCATs and get them with the expectation that they can excel. We just put them on an accelerated path.

So I think the education system, in marrying it with the opportunities, is why education becomes important.

Ms. MILLENDER-McDONALD. If I can just ask the gentlewoman from North Carolina to yield for just a second, and then I know the gentleman from Maryland (Mr. CUMMINGS) is here, and he has been absolutely a divine young man to sit here and wait for us as we talk about this, and he wants to get into the fray; but the one thing I am concerned about as well with this H-1B bill is that it is inconceivable as to whether they are professionals who are coming over or persons, as the gentlewoman has just mentioned, straight out of high school.

Mr. Speaker, I stand before you today to discuss the importance of technology in education. We have a great deal at stake when it comes to the technological literacy of this nation's teachers and students. A strong work force and a strong economy depends on the quality of our schools, the preparedness of our teachers and the ability of our students to compete in an increasingly technical world. The ability to use computer technology has become indispensable to educational, career, social and cultural advancement. In the new millennium, technological literacy has not become only a basic job requirement, but a life skill as well. It is imperative that students are equipped with technology skills at an early stage in life by teachers who are skillfully trained to incorporate technology in their curriculum and classroom learning environments.

According to the National Center for Education Statistics, Internet access in public schools has increased from 35% to 95% and classroom connections have increased from 3% to 63% from 1994 to 1999. While these increases indicate positive responses to the need for technology in the classroom, we must be cognizant of how efficiently and effectively this technology is being used. According to the President's 1997 Committee of Advisors on Science and Technology, a ratio of 4 to 5 students per computer represents a reasonable level for the effective use of computers within schools. In my Congressional District, the ratios are much higher. In the city of Compton, the ratio is 18 students per computer. In the city of Lynwood the ratio is 9 students per computer and in Long Beach the ratio is 8 students per computer. Considering the socioeconomic demographics of my district, these numbers are just not acceptable. The children in my district and in similar districts across the country are falling behind and something must be done to stop it.

Equipping our schools with technology is the first step in fulfilling the challenge to promote technological literacy in our schools. Another real challenge lies in filling the vast training gap, and in providing trained teachers who can incorporate computer technology in all aspects of the learning experience. A study by the National Center for Education Statistics found that only one teach in five felt very prepared to integrate technology in the subject they taught. This fact is not surprising when, according to a study by the Milken Exchange on Education Technology, teachers on average receive less than 13 hours of technology training year per, and 40 percent of all teachers have never received any technology training. In addition, teachers receive far less technology curriculum integration training than basic computer skills training. 42 percent of teachers had six or more hours of basic skills training within the past year, compared with just 29 percent of teachers who had an equal amount of curriculum integration training. And yet, research shows that training on integrating technology into education programs has a greater impact on teachers than basic technology skills training. Clearly, the key to successfully integrating technology into the classroom will not be in installing more hardware or software, or wiring schools to the Internet. The key will be in training teachers to be the integrators.

Now is the time for action. The U.S. Department of Commerce estimates that by the end of the year 2000, some 60 percent of jobs will require proficiencies in the use of a broad range of information technologies. By the year 2005, the Bureau of Labor Statistics estimates there will be growth of 70 percent in technology related jobs. This issue, however, is not focused solely on preparing students to assume the jobs of the future. More important is the need to prepare students for American life and culture, both of which will be influenced heavily by technology. In order to produce a citizenry ready to accept upcoming technological challenges, we must be willing to make a significant investment in education. By preparing teachers and students we are paving the way to a brighter more prosperous future.

Mrs. CLAYTON. Well, I get the understanding, and let me correct myself, my understanding is actually there is a requirement they must be professionals. I think there is a standard. So I did not mean to suggest that. I think they are either engineers and meet a certain requirement and may have worked a year. I am not sure, but I think there is even a dollar amount for which they cannot go below.

I am just saying that as we approach this, why do we not look at the education system and say how can we use this need in the community as a way to stimulate our high schools and colleges and our private sector to have a more rigorous curriculum and a commitment to hire so the next time around we will be ready to meet this criteria and use the same experience we have had before.

Again, I want to commend the gentleman.

Mr. ETHERIDGE. Mr. Speaker, I thank the gentlewoman, and I see now that my friend from Maryland is here, and I appreciate his being here this evening and I would yield to him.

Mr. CUMMINGS. I want to thank the gentleman for his leadership in this area, and I certainly want to thank my two colleagues with us this evening.

As I was listening to the discussion, I could not help but think about a program in my district where Morgan State University works with an elementary school. They have about 40 students that work with elementary school students, mainly concentrating on the areas of science and math. So these young children are exposed to these Morgan State University college students, and they become interested after school in science and math; and they are doing extremely well.

I really believe that we have to teach the children's strengths. I always think about the story of Steven Spielberg when he was a little boy. Apparently his mother did not have very much money, but she got him a camera because he had told her he was interested in a camera. So he got a little simple camera, and he began to take pictures and make little slides and then movies, and the next thing you know, look where he is. But she saw where his strength was and she went there.

As I was listening to the things that the gentlewoman was saying, she is so right, because just a few weeks ago I was sitting in a meeting with hospitals from Maryland, and they were sitting there talking about how they needed to go outside the country to get nurses. Yet I have young people who are in my district who, if they were exposed at an early age and given some encouragement and nourishment and taken into the hospitals or whatever, might very well be the nurses that they are looking for. Yet they are going beyond the borders of our community trying to find nurses.

So we are fortunate, and I pointed out to them, that we have another project, Johns Hopkins Hospital, which has been ranked number one in the country, has a program with a high school, Dunbar High School, where they actually bring in young high school students into the hospital working with doctors, learning about various professions in the medical field. That program has been going on for 20 years, and a lot of those students are now going into the medical profession. Why? Because they were exposed to something. Why else? Because they had an opportunity.

So the President said today at the National Association for the Advancement of Colored People, many of us have the intellect, but not all of us get the opportunities. So I do appreciate what the gentlewoman has said as well as the gentleman from North Carolina.

Mr. DREIER. Mr. Speaker, will the gentleman yield?

Mr. ETHERIDGE. I yield to the gentleman from California.

Mr. DREIER. Mr. Speaker, I want to thank the gentleman from North Carolina and congratulate him on the special order he is leading now, and to wish all my colleagues a great weekend as they proceed with their return to their districts.

Mr. ETHERIDGE. I thank the gentleman.

I also thank the gentleman from Maryland, Mr. Speaker, and if he will yield for just a moment more. As we are talking about this whole thing of education and mathematics and opportunity for young people and giving them a challenge and a vision, I would just tell the gentleman that the students in my home State of North Carolina, where we have paid a lot of attention, as have a lot of others to this whole issue of mathematics over the last several years in education, as I was talking earlier on regarding the NAPE scores, which really measures mathematics, their national average scores have gone up three times the national average over the last several years on the NAPE scores, because we have paid a lot of attention to it. We have measured it. Some of the greatest gains have come from our minority students, which is crucial, because we have absolutely no child that we can waste in the 21st century. All of our students are so needed as we get there.

And we have other good news as well that I will share with the gentleman and then yield back to him. Student science achievement is improving, and that is important. SAT scores have increased dramatically, not only in my State but we have seen them go up across the country. A lot of people have battered public education and beaten down our teachers and others. They fail to hear these good things that are happening. And I want to pay attention to the good things that are happening for a lot of children who come from some tough backgrounds and tough opportunities who are already achieving. ACT scores are up. Students are taking more AP exams.

I would share with the gentleman what an AP exam is. When people say what does that acronym mean, it really means an advanced placement course for a student who is in high school. Let us say the school only offers a second year of algebra and the student wants to take physics or something else. They can actually take an advanced placement through a mailing and then they can take that test. It is a college level course at high school, and some students can take several courses, saving a lot of money when they get to the university. And we are seeing that improved tremendously.

Another point I would make before I yield is that we are all concerned that our schools be totally safe, every one of them. And we want that, and we should. But the truth is violence is down in our public schools dramatically; and public school teachers, by all the statistics out, are really better educated than they have ever been. And, on average, they are better educated than many of them who are in some of the private schools we have in this country. More students out of our public schools are going to the universities.

What folks forget is that we have more children in public schools today than we have ever had in the history of this country. Now, the challenge we face is if we have more people, guess what that is going to mean? Our resources are strained because classes are more cramped, we need more teachers, we need all the things to support them, and if we are going to have smaller class sizes, we have to run faster just to keep up. And that is the point the gentleman was making, as we start trying to encourage young people to get into the professions that they may not have thought about.

One of the points the gentleman made as we were talking earlier, and the gentleman is absolutely right, is that the challenge we face today is recruiting people to teach our young people. How do we recruit the quality people we need to get there? There was a time in this country when we had a fairly adequate supply of teachers. Unfortunately, it was a time when the opportunities for women were not what they are today, because they either went into nursing, clerical jobs, or into teaching, and we were blessed by that.

But once we opened the doors to all professions, and we should have, not only for women but all others, that then made the job of retaining and attracting the people we need in education and in nursing, as the gentleman mentioned earlier, more difficult. This means that we have to pay more attention to making sure that those professions not only are attractive but the conditions they work under are also attractive.

And number three, we must pay them an adequate wage. We can no longer say that they cannot move from point A to point B. They are going to move. My son teaches school. It costs him just as much to buy a loaf of bread in the local store as it does the president of a local bank that may make four or five times as much. Now, obviously, people go into education or nursing or into professions or rescue squads or fire departments to make a difference, and we are talking about education.

□ 1715

The truth is we have to start valuing and honoring those teachers and say to them, you do a good job, we appreciate what you are doing, instead of beating up on them all the time.

I yield to the gentleman from Maryland.

Mr. CUMMINGS. I thank the gentleman for yielding. I was just thinking about what you were saying. It is important that we do pay our teachers wages that are reasonable and that they can live off of. There was just an article in the paper in Baltimore that stated that as we move towards September, the September opening of school, we have a teacher shortage and we are doing everything in our power to find teachers. But one of the things that is for sure, we have got to pay them. We have got to pay them well.

I want to go back to something you said about conditions of teaching. I was talking to some friends of mine who teach in private school. The interesting thing to note is that these folks were actually making a little less than they would make in public school. I said to them, why did you make that change? They said, because of the conditions. They were able to teach smaller classes. Their hearts are into making sure that every child succeeds, that no child is left behind, and they felt that the conditions, if it got to 34 or 35 kids in a class that trying to teach it was very, very difficult, not that they did not want to do a good job but it was very hard to be effective.

I agree with you. One of the things that I was thinking about, too, as you were talking is that in Baltimore, one of our first high schools to get blue ribbon status was a school that I graduated from in high school that just got this national blue ribbon status, Baltimore City College High School. One of the things you were talking about a little earlier was the advanced courses, college courses. What that goes to is high standards, high standards and high expectations. I did not want to let that go by.

Mr. ETHERIDGE. For all children.

Mr. CUMMINGS. For all children. I think what happens so often is that if you have low expectations, then children do not even know the standard to even reach for the high expectations. But one of the things that I have noticed, you and I had a discussion not long ago about when we go into our schools and what makes a good school, what do you see in a school, what do you experience in a school when you are visiting that tells you without anybody showing you any scores that it is a great school? One of the things that we talked about was that you had a strong principal. You had excitement. You could just see it on all the walls, the bulletin boards, that things were happening. But there was also an air of high expectations. I think that that is one of the things that we have got to get back to, that high expectation. When you talk about the schools that you have just talked about doing better, that sends a message to other schools and it says, if they can do it 20 miles down the road, we can do it, too. When Baltimore City College High School in Baltimore became one of the few predominantly African American schools in the country to become a national blue ribbon school, not only did it mean a lot to the students at that school but it meant a lot to the entire community. There were other students who were at other schools similar to Baltimore City College High School saying, we can do it, too.

We have got to get back to that, to that positive role model stuff. A lot of times we hear about negative role models. I think years ago you had a lot of positive role models. There are a lot of positive role models today, in students, in schools, in neighbors. I think the things that we are talking about today are the good things about our schools. You are right. We hear so much negative, negative, negative but there are so many wonderful things happening since the last time you and I discussed this, because we have seen some smaller class sizes, we have seen our children in like the first, second and third grade, we have seen their scores going up in Baltimore, too, substantially.

Mr. ETHERIDGE. That is absolutely right. That is why it is imperative that this Congress not go back on the commitment they made and to keep putting that money in there. All of us use the language of the new economy. It is true, it is propelling our business cycles, everything is revolving around it but we have got to provide national leadership in this vital area of education, so that everyone can be a part of this new economy. We cannot leave people behind. If we do not make sure that every child gets a good education, that we set high standards, we have high expectations, they will not be a part of it. If you deny in my opinion a child an education, a quality education, you have denied the whole family of that because once they get married, you have created a whole second class citizenship for those children. Across this country, the American people are calling out for greater investment in public education. They do not care whether it comes from Washington or their State capital or the local. They want the investment in education. When we invest that money, there is something else they are asking for and they are going to demand, and I think the Republican leadership has missed this because they want to talk about vouchers and take the money out of the public schools and that is wrong. We do not need to do that. We need to leave it in the public sector because it would drain the resources away and deny some children the opportunities they need. My colleagues, you and others who have participated in this this evening, I think we do have a better idea. We want to invest in a national commitment of education excellence, where schools are accountable to the taxpayers for raising those standards that you have just talked about and that every child has an opportunity to learn at a much higher level than ever before. I say that because improving education in this country is about creating a classroom environment where children can learn and teachers can teach. We need to foster greater connection between students, teachers and parents. When I say parents, I am talking about the community. Our schools can do better. They will do better. But they need our help to do better. They need our constructive help. They do not need our constant criticism, berating and pushing them down. A child knows when you are being positive and you are helping. You can be critical in a positive way. A child knows. So do their parents. They know if you really want to help. They also know if you are being condescending and you are ignoring them. We have a responsibility in my opinion, the highest body elected in this country, to provide that kind of leadership. We need to work together to get it done.

I think one of the best ways we can improve education is, number one, certainly what dollars we put out to reduce class sizes will not do it all. We know that. We are not that dumb. But we know it sends a powerful signal that we care. And about school facilities. We cannot build all the schools that need to be built. I put a bill in, the gentleman from New York (Mr. RANGEL), and Congresswoman JOHNSON have come together on a bill to provide billions of dollars. That will not do it all, but it sends a powerful signal that we care. When we started in this country making sure that every person, and you remember this, would have a telephone, we were not here, but Congress said, by gosh, the person at the end of the line is going to have a telephone, we are going to have a policy that makes it happen. We were not involved in telecommunications until then. We were not involved in electricity until we decided that the person at the end of the line in the most rural part in the mountains is going to have electric power and it changed America. We can do it today. In an age when education is at a premium that it has never been at before in this country, we are beyond the time when we can educate 25 or 30 or 40 percent. We have to educate 100 percent. Every child has to be a part of it.

Mr. CUMMINGS. Someone once said that children are the living messages we send to a future we will never see. Children are the living messages we send to a future we will never see. As I listened, I could not help but think about the other day when I was jogging in a park near my home. As I was jogging, I literally ran past my eighth grade civics teacher. She waved. I did not realize it was her. Then I thought about it, I thought, she looks so familiar. I turned around and I said, Ms. Wilder, thank you for all that you have done for me. Thank you for all that you have done for me. Because I realized that here was someone who impacted my life back in the eighth grade, a son of two parents who never got past the first grade, but I knew that that teacher had impacted my life tremendously and taught me civics, some of which I use in this Chamber today, some 40 years later.

And so all I am saying to you is that I agree with you, and there is something else that I just want to add, a footnote to what you just said. The American people want our children to be all that they were meant to be. I think one of the saddest things is for someone to have the potential and not be given the opportunity to be all that they can be. What does that deprive this wonderful society of? Of doctors, of heart surgeons. We have a gentleman in Baltimore, Dr. Benjamin Carson at Johns Hopkins Hospital who was almost a dropout from school. Now he is one of the most renowned neurosurgeons in the world. All I am saying to you, when we think about what we are trying to do here and talking about our schools and lifting up our children, I just believe in my heart that every child when they are born, there are certain things that are in that child that an education brings out. When we do the things that we are doing, that is, give them fertile ground in which to grow, then they can become all that they can be. But if we do not give them those opportunities, the things you just talked about, giving them classes that are small enough so that they can learn, giving them teachers that are skilled, giving them computers so that they can learn the best technology, giving them the tools to allow them to grow, then they are not only deprived for a few years, they are deprived for a lifetime.

Mr. ETHERIDGE. The gentleman is absolutely correct. I remember something a friend of mine said when I started down this road to public life when I was really earning my living in the private sector where I was for 18 years. I was chairman of the board of county commissioners, he was on the board, we were here in Washington many years ago at a Chamber of Commerce meeting, incidentally, and he made a statement I have never forgotten, because we were involved in building schools and doing some things. He said, "Don't ever forget, you are making decisions for people who have not yet been born." We forget that too many times. Here in this building, the United States Capitol, the most powerful Nation in the world, we cannot say we cannot take care of our children. We cannot say we cannot have a better education system because we can afford it and we can require excellence. We need to provide support for our teachers as they do their difficult, and it is a difficult job, but it is a critically important job, maybe one of the most important jobs we ever ask anyone to do outside of what families do for our children. We have had enough teacher bashing by people in this House, some of them on the other side of the aisle. Rather than talk about block grants to people, let us send the money down. I hear block grants as if that is the answer, make them compete for it. I was a superintendent for 8 years. You cannot plan a program on a block grant because you have got to compete for it every year. You only have a program when you have got money coming in and you know you are going to have it to hire quality teachers. People are not going to take jobs if they do not think they are going to have it next year. They will go somewhere else.

The final point that I would make, and it triggered a thought with me when I heard you talking about opportunities for all of us. I wonder how many of us who now currently have one of the greatest privileges any person can have, to serve in the United States House of Representatives, would be here had we not had an opportunity for good public education when we were growing up. I would not be here.

Mr. CUMMINGS. I know I would not either.

Mr. ETHERIDGE. I think a lot of my colleagues would not be here. I think we have to recognize that someone made a sacrifice for us. They paid taxes at my local school when school was really a nice building there, one of the nicest buildings in my community. I am grateful for that. If I ever complain about it, I hope someone will remind me, because I have a great debt to them. But I also have a debt to all the young people who are not my children because we only have three and they have been blessed to go through the public schools but I owe a debt to all the rest of the children. Because someday as one of my friends who was very successful, he will never have to worry about his Social Security because he is well off, but he made a statement serving on a task force that I had appointed my first year as superintendent to improve education. He said, I want every child to get a good education. I do not care where they come from. I do not care what their ethnic background is. I just want them to make a lot of money so I can draw Social Security.

He said that for a lot of folks who were not there because he did not need the Social Security. But he was making a statement of values, a statement of values. We should never forget. We have an obligation to a lot of folks who made a lot of decisions for us before we were here and we do not need to pull up that net or that rope behind us for all those children who are out there.

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We need to make sure they have a quality facility with the things they need, the things the teachers need to help. We need to make sure in this Congress we stand up and provide the leadership. We do not need to lay down and play dead for special interests.

Mr. CUMMINGS. Because if we lay down and play dead, our children die, and it is as simple as that. You are right, we cannot afford to lay down and play dead, because we have so many people who are depending on us. When you asked that question, when you made that statement, rather, you wondered how many of us would be here if we did not have the teachers that were involved in our lives and the education. I can tell you, I know I would not be here.

Someone once said that every successful child, if you look at the history of any successful child, you will realize that there was at least one cheerleader for that child standing on the sidelines rooting them on. And, guess what? In many instances they were teachers standing on that sideline, but not only standing on the sideline, but getting on the field and holding hands and nurturing and encouraging and running with them and telling them what they could do.

So that is what it is all about. I am so glad that the gentleman did take this time to dedicate to it. There are so many subjects we could have been talking about, but here we are talking about the field of education.

One quick other thing. When we talk about exposing our children to opportunities and exposing them to the kinds of things that they need, just a few weeks ago in our district, in the 7th Congressional District of Maryland, which is basically Baltimore City, what we did was we got a few computers, five computers, I think it was, from EPA, and we presented them to an elementary school.

I am going to tell you, the kids, you would have thought we had given them $1 million. But in talking to the principal of the school, she said you know what our biggest problem is? She said our biggest problem is that the children do not want to go home. They stay in the computer room.

She said something else that really touched me. She said, you know, we used to have an attendance problems with our little boys. She says now our attendance situation is something like 99 percent for our boys. Why? Because, again, they are teaching to their strengths. They are teaching to their strengths, and that makes a difference.

It is not only that you expose children to various opportunities, but you also need to know what direction are they going in. Some of them may want to be an artist, some may want to be a doctor, some may want to be a lawyer. But it is those teachers, I am telling you, that see it early on, and they can make a lot of judgment calls early on and begin to guide those children in the right direction.

Mr. ETHERIDGE. I thank my friend from Maryland. I thank him for joining in this special order this evening.

In closing, I would say that our communities need help in not only building quality public schools that have good discipline and foster positive learning environments for our children, they need resources for teachers to make sure we have reduced class sizes and the tools in it.

The final point I would make, having served last year on the Speaker's Bipartisan Working Group on Youth Violence, we came out of that talking about some of the things we could do to help make a difference. One of the reports that came out of that was character education. We put in a bipartisan bill on that now, to talk about those things we can do, schools can do, parents can do, communities could do, to make a difference in our school.

I think nothing is more important in our Nation for the public wealth than for the training of youth in wisdom and virtue. Only a virtuous people are capable of freedom. That is not unique. That was said by Ben Franklin. It is still true today, as much as it was over 200 years ago. That is important.

Finally, Mr. Speaker, I want to thank my colleagues for joining me this evening, and would like to call on this Congress to truly make education its highest priority this year, as we turn the corner on the 21st Century.

## REPORT ON RESOLUTION WAIVING A REQUIREMENT OF CLAUSE 6(a) OF RULE XIII WITH RESPECT TO THE SAME DAY CONSIDERATION OF CERTAIN RESOLUTIONS REPORTED BY THE COMMITTEE ON RULES

Mr. DREIER (during the special order of Mr. ETHERIDGE), from the Committee on Rules, submitted a privileged report (Rept. No. 106–732) on the resolution (H. Res. 550) waiving a requirement of clause 6(a) of rule XIII with respect to consideration of certain resolutions reported from the Committee on Rules, which was referred to the House Calendar and ordered to be printed.

## THE DEVASTATION OF CANCER

The SPEAKER pro tempore (Mr. SIMPSON). Under the Speaker's announced policy of January 6, 1999, the gentleman from Texas (Mr. BARTON) is recognized for 60 minutes as the designee of the majority leader.

Mr. BARTON of Texas. Mr. Speaker, before giving my special order on cancer, I yield to the distinguished gentleman from Arizona (Mr. KOLBE) to speak about a good friend of mine and his and this entire body.

### TRIBUTE TO RON LASCH

Mr. KOLBE. Mr. Speaker, I thank the gentleman from Texas for yielding. I will be brief, but I especially thank him for yielding, because I know this evening he is going to be talking about something very important and very personal to him.

I did want to take just a moment or two to pay tribute to, as the gentleman from Texas said, a good friend of ours, a loyal employee of this House of Representatives, somebody who served this House extraordinarily well for so many years, Ron Lasch.

It was just a little over 41 years ago that Ron Lasch came to the House of Representatives as a young page. I know, because I was also here at that time as a page. I was a page over in the U.S. Senate at that time when Ron came under Mr. Whitnall's sponsorship to the House of Representatives.

Along with Don Anderson, who, of course, went on to become the Clerk of the House of Representatives, we all graduated in 1960 from the page school. Most of us went on with our lives and did other things, went away to college and began families, went into the service, but Ron Lasch, along with Don Anderson, stayed here in the House of Representatives. I mention that because he has given an extraordinarily large part of his life and his service to the House of Representatives.

For the last 16 years I have served in the House and have had an opportunity to know Ron in a different capacity, in a professional way as well in the personal way that I knew Ron Lasch. His service here I think has been absolutely extraordinary.

His leaving the House of Representatives is something in keeping, I guess, with Ron's personality, in that he left without telling any of his friends that he was going to do this. He insisted that he was determined there would be no farewells for him, at least while he was around. I guess he cannot stop us once he is gone from here.

That is why I think many of us have taken an opportunity in the last couple of days to rise, realizing that Ron Lasch is not in the back of the Chamber like in his usual position there. We miss him, so we have taken this opportunity to rise and to reflect on just how much he means to this House of Representatives.

This institution gets criticized, and I think perhaps sometimes quite justifiably, but very often the unsung heroes of this place are the staff that make it work. Some of them get on television right behind the gentleman from Texas, and they are seen every day. Others of them are in the back of the Chamber or off the Chamber. But, together, collectively, they are what makes this place work. They are what makes this place run smoothly. They are the glue which often holds it together. They are very often the institutional history of this body.

Ron Lasch, with 41 years of service in the House of Representatives, knew the precedents of the House. He knew about the ways in which this House ran. He also knew the personalities of the House of Representatives.

I think that he epitomized what is so good about this institution. He reflected the very best of this institution. Ron could be sarcastic, he could sometimes even be caustic, but he was always honest. He told Members in a way that was extraordinarily honest about what he thought, about what was going on, and his views about things.

I think that was extraordinarily important, because we got an unvarnished view of what was happening around this place from Ron Lasch. He is the person we relied on when we came to the floor to help us understand what the votes were about, what the procedures were about, about what the time frame of what we were going to be doing would be, how we could proceed when we had a question about how should we handle a parliamentary issue. He was the one who helped us understand that. He is the one who helped us get the rules right. He is the one who, when the Republicans came into the majority 6 years ago, I think made it possible for us to make that transition so much more smoothly than we might otherwise have made.

So I just want to say to my friend Ron Lasch that we are going to miss him tremendously. We thank him for the service that he has given to this country, and, most particularly, to the House of Representatives.

But I also want to thank him very personally for the friendship and what it has meant to work with him and to know him for these last 41 years. He is not gone from among us. He will continue to be that friend of mine. But I will certainly miss him in the professional capacity that he has served. I know that many of my colleagues would join in this sentiment. We wish him well. We hope to see him back on the floor of the House of Representatives from time to time.

I thank my good friend the gentleman from Texas for yielding this time to me this afternoon.

Mr. BARTON of Texas. Mr. Speaker, I want to join in the accolades for Ron. There is a phrase that a lot of us use called "institutional memory." Ron Lasch is the institutional memory, at least on the Republican side, of the procedures here in the House.

I think it is well-known that I am a Congressman who lives in Texas and visits Washington, and I try to find the first plane out of town after the last vote. I used to check with TRENT LOTT when he was the minority whip and then Newt Gingrich, and now that we are in the majority I will check with Tom Delay or Dick Armey. But when I want to really know, I will go to Ron Lasch, and he always knows when we can leave.

So, in typical fashion, he has gone on leave to take his vacation. He is not officially gone yet, but we are not expecting to see him on the floor very often anymore. So I join in accolading Mr. Lasch as a friend of mine. I do not know him as well personally as the gentleman from Arizona (Mr. KOLBE), but he is certainly a good man.

### THE DEVASTATION OF CANCER

Mr. Speaker, I rise this evening to talk about a terrible word, a terrible six letter word, it is one of the most frightening words in the English language, and that word is cancer, C-A-N-C-E-R.

If you have ever been in a doctor's office and had that word spoken in a personal way, or been with a loved one when that word has been spoken about their physical condition, it sends chills literally into your heart.

Cancer kills hundreds of thousands of Americans each year, and millions worldwide. In this Congress we spend billions of dollars researching cures for cancer. In this Congress in and the last Congress we passed close to a dozen bills to try to address what can be done to seek redress for the disease. It is a disease that knows no socioeconomic boundary; it knows no geographical boundary. It is literally a six letter word that chills us to the very core of our souls.

Most of us, fortunately, tend to look at cancer more academically or in a statistical sense, and we do not have to address it in a human sense. But there are times when we do. Now is one of those times.

I want to humanize cancer on a very personal basis this evening. The gentleman from Arizona (Mr. KOLBE), who was just here, informed me that his brother John Kolbe died of liver cancer last year. We have in this body the gentlewoman from Ohio (Ms. PRYCE) who lost a daughter to cancer within the last year.

We are not used to congressmen and congresswomen and senators and public officials really being looked at as real people. Most of the time the general public looks at us as some sort of a political icon or something, but we are real people and we have real families, and, for some of us, we have medical problems that border on the tragic.

I have a brother, Jon Barton. Jon is 43 years old. He is a District Judge in Fort Worth, Texas. He is married. He has two beautiful sons, Jake and Jace. Jace is about to have a birthday, July 22, a beautiful wife, Jennifer, an outstanding career in the community.

About a year-and-a-half ago Jon Barton was diagnosed as having a cancer behind his nose, the ethmoid sinus cavity. The particular kind of cancer he was diagnosed with is a very rare form of cancer called a squamous cell carcinoma.

At that time he was given little chance to live more than 6 months to a year. Obviously, he was very concerned, his family was very concerned. We were able to get him in touch with some of the leading medical experts in the United States, and, thanks to the good work of the gentleman from California (Mr. LEWIS), who is a subcommittee chairman of one of the Committee on Appropriations subcommittees, he had been able to get money invested in a special kind of proton beam accelerator at Loma Linda out in California. They had had some success in treating cancers that were inoperable.

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Jon's cancer behind his nose, between the optic nerve and the olfactory nerve, the decision was made that it would be very difficult to surgically remove it, so they agreed to try to treat him with this proton beam radiation. Again, I cannot say enough about the gentleman from California (Mr. LEWIS) and the work he has done to provide the funding for that facility. It bears his name, the Jerry Lewis Treatment Facility. My brother went out there; and in May of last year, Jon was given a clean bill of health, that the squamous cell cancer in his ethmoid sinus was gone. We literally thought that it was a medical miracle and religious miracle that he was cancer-free.

He went back to Texas and regrew his hair, regained weight, was living a normal life, and in January of this year, January of 2000, he got to feeling a little bit under the weather and he went in to see the doctor and they took a blood sample and his liver function was off the chart.

So they did a medical biopsy of the liver and found out that he had dozens, if not hundreds, of liver cancer tumors in his liver. They performed a round of tests, and first it was indeterminate whether this was a new cancer or a metastasized version of the cancer that had been in his sinus. Finally, the doctors decided that it was a metastasized squamous cell moderated carcinoma from the ethmoid sinus, and they gave him 3 to 6 months to live in February of this year. We had gone through this the year before; and so again, Jon was in shock and his mother and his wife and myself as one of his brothers, his brother J., his sister Jan, his friends.

So Jon decided to try to seek both spiritual assistance and medical assistance. He has gone through a number of treatment options. He has been treated with at least four different kinds of chemotherapy and was in an experimental protocol that we thought might help him; but last week, his liver bilirubin level, which is a measure of the efficiency of the liver, and for you and I, a normal bilirubin count would be one, my brother's is over 20. Life cannot be sustained at that level.

So I take the floor this evening to ask my colleagues if they are aware of a treatment somewhere in their district, somewhere that there is a researcher doing research on metastasized cancers that migrate to the liver, call me and I will get in touch with my brother's doctors.

In Texas, there is a famous Texan named William Barrett Travis who was commandant of the Alamo, and he was surrounded by 6,000 to 8,000 troops under Mexican General Santa Anna. Things looked hopeless and Colonel Travis sent out a letter that is famous all over the great State of Texas that says, "To all freedom-loving people of the world, please send aid with all dispatch."

So I am here this evening on behalf of my brother, Jon, to ask all freedom-loving people of the world if you know of something that might yet help him, I would certainly appreciate hearing from you to see if we may yet be able to help him.

I see my good friend, the gentlewoman from North Carolina (Mrs. MYRICK), who is a cancer survivor, on the floor. Before I talk a little bit more about my brother, I would be happy to yield to her if she wishes to speak.

I yield to the gentlewoman from North Carolina to give us some words of wisdom.

Mrs. MYRICK. Mr. Speaker, first I want to say I am extremely disturbed to hear about the gentleman's brother. These are things that none of us hope we will have to face. I assume the gentleman has checked with the National Cancer Institute as to their recommendations.

Mr. BARTON of Texas. I have, Mr. Speaker.

Mrs. MYRICK. Maybe somebody does know of something that can help him, because there is a lot happening in this field.

It is really scary, because one in four of us in this country today is getting cancer. If it were anything else, it would be an epidemic. Think about it: one in four Americans today gets cancer. It is very scary, and it is at a point where I believe we in Congress need to give it a high priority. We are doing well with treatment options and finding treatment options, but we really have not done as much as I think we should when it comes to prevention and causes. Why are one in four of us coming down with this dreaded disease?

I just recently finished treatment successfully, I am thankful to say, for breast cancer. And my cancer was known. I was feeling perfectly fine, had my normal mammograms every year. Started having a pain in my right breast and I went to the doctor here, he sent me out to Bethesda. They did another mammogram, showed nothing. I went to literally five different doctors who could feel nothing. Everybody said, nothing there, it is all okay. But I knew something was wrong, so I finally got a doctor in my hometown of Charlotte to do an ultrasound. Big as life, there the tumor showed up.

Immediately, they did a biopsy; and it was cancerous, and I immediately had surgery as soon as the biopsy healed. As I say, I went through chemotherapy. As the gentleman knows from his brother, you do not wish it on anyone. I also did radiation and now I am finished with all of that. So I am very blessed. But the scary part to me is the number of women, because I went public with my story to see if it could help other women, the number of women who have said to me that they do not either get mammograms or they are afraid to find out what they might find out if they go do it. We wonder in America today why, with all of the so-called knowledge we have. There are a lot of people who are out there who are fearful, I mean really fearful, to even talk about cancer.

So I hope that by some of the things we are able to do here in Congress and by some of us who have been through this, being willing to share our stories, that we will take some of the fear out of this whole subject of what can happen to us and give people hope.

The other thing that is so important, I say to the gentleman, and I know that the gentleman will also relay it to his brother, is a positive attitude, because having a positive attitude and being determined to beat this is one of the best things that one can do personally. I know friends of mine who have been through this who have maintained a positive attitude that I am going to beat it are fine, and the ones that have just given in to it are having trouble after trouble after trouble and it does not go away, so there has to be something to do as well, and the spiritual aspect as well too.

Mr. BARTON of Texas. Mr. Speaker, my brother's attitude is such that he peps us up. It is amazing to me that here he is, because it is the liver cancer, he is very jaundiced and has difficulty moving now, and yet when we talk to him on the telephone or see him in person, he is the most upbeat person in the room. It just amazes me the faith that he has and the attitude that he can be trying to cheer others up. I will call him, and I will be mad about something we have done in the Congress or we have not done in the Congress; and he will kid with me about, am I going to come back the next day and rectify that. I mean, it is just amazing.

So the gentlewoman is exactly right, that attitude is important.

Mrs. MYRICK. Well, and faith. The Lord has been very good to me and the Lord has been good to a lot of people, and a lot of people are healed when the doctors tell them they cannot be healed. Has anybody considered a liver transplant?

Mr. BARTON of Texas. Mr. Speaker, I have offered half of my liver. I am a little bit older than my brother, but I do not smoke and drink, so I am healthy, other than a lot of air miles back and forth to Texas. The problem with that is that his liver is so far gone and it has metastasized. They did not want to do a transplant or let me donate even half my liver because the theory is that they would have to lower his immune system to take a new liver and in doing that, the cancer may be other places and it would explode.

Now, there is some tremendous research being done. Stem cells and bone marrow have shown that they can migrate to the liver and transform into new liver cells; and, of course, the liver will regenerate itself.

Mrs. MYRICK. Mr. Speaker, they are doing that with the heart also.

Mr. BARTON of Texas. Yes. I am absolutely confident within 5 to 10 years it will be possible to take my brother's own bone marrow cells and probably grow him a new liver and put his own new liver into his liver; but that may be 5 or 6 years down the road, or 10 years, and right now he is counting weeks if we are not able to help get him an option.

But we looked at transplants. We looked at Johns Hopkins, we looked at M.D. Anderson in Houston, we looked at Baylor Medical in Dallas, we looked

at University of Pittsburgh. I mean, he has checked that option as late as last week, and it just does not appear that that is in the cards. But that would certainly be an option if it were not a metastasized cancer, if it were what is called a hepatoma, which is an original cancer in the liver. I think that would have been a very viable option 3 or 4 months ago.

Mrs. MYRICK. Mr. Speaker, I know that people in this country will join myself and I know a lot of others in sending up prayers for your brother. Like I said, miracles do happen.

Mr. BARTON of Texas. That is true. That is true. My brother has told me one miracle. He had to undergo chemotherapy last year for his sinus carcinoma and he said he wanted it as strong as he could take it. So they literally took him to the verge of death with his first round of chemotherapy, and he told me and his wife and our other family members that an angel came and sat on the edge of his bed in the hospital and was talking to him and telling him that things would be fine and that he did not have to worry about his wife or his children. It just gave Jon a sense of peace that the Lord was with him and had sent an angel down. Of course, at that time, he came back.

So I know that there is an angel that has been assigned to him. Of course, we are hoping that the angel does not have to come again real soon, that we want the angel to keep an eye on my little brother, Jon, but not take him from us yet.

Mrs. MYRICK. Mr. Speaker, that is a real blessing.

Mr. BARTON of Texas. Yes.

I would like to just humanize Jon a little bit, tell a few stories about his background. I have already mentioned that he is 43 years old, married, has two lovely children, two sons. But Jon is not perfect.

I remember the first week he got his driver's license and he was 16 in Waco, Texas, and my parents had one good car and one kind of second car, and so Jon got to drive the second car. It was a Ford Fairlane. The first week he got his driver's license he was driving down 25th street in Waco, and at that time there was a movie theater called the 25th Street Theater; and the young lady who was in the ticket box, the box office, was a friend of his from high school, and Jon drove by, and trying to do some fancy maneuver with the car and wave at her, he hit three cars and totaled two of them and drove a car up into the front entrance of the local newspaper.

I happened to be a senior in college at the time and was home with some of my old high school football buddies; and when he called home, he did not ask for my father, he asked for me. He said, JOE, you are going to have to come down and help me out a little bit. So my buddies and I, we got in the car and they all knew him as "Little Joe," because when we were in high school, Jon was not more than 4½ feet tall, so he had grown up by the time I got to college.

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We went down to see him and he was standing outside, looking at the car and not too knowing what to do.

After we got through laughing about it, we said, Well, Jon, you are going to have to call Dad. There is no way to get around it. So he did, and of course my father came down and he was not too happy about it. He did not laugh a bit.

One of my memories of my little brother in high school was standing there looking so forlorn, with the girl he was trying to impress in the box office at the movie theater laughing, and all of my friends laughing, and my father just absolutely chewing his tail out for having this happen: the first time he had his driver's license, or in fact the first time he had his driver's license and drove by himself, totalling two cars and sending another car into the front office of the local newspaper, which obviously the next day ran a very uncomplimentary story about Larry Barton's youngest son.

I can also remember in 1984 when I decided to run for Congress, now today we read routinely about million dollar campaigns and all these high-priced consultants and TV ads, but in the Sixth District of Texas in 1984 in the Republican primary there was not any of that. It was an absolutely family-oriented grass roots campaign.

By then Jon was an attorney who was living down in Corpus Christi, Texas. I convinced him to come to Ennis and help run my campaign. So he went from a beachfront apartment in Corpus Christi, Texas, down on the Gulf Coast, where there were sea breezes and just a really nice lifestyle, to sleeping on a cot in the kitchen of my home. My mother-in-law and father-in-law slept on a pallet out in the garage. My campaign driver slept on the couch. My sister slept in one room, a bedroom, with my oldest daughter, Alison. Jan and I slept in what was called the master bedroom, which meant it had an extra foot of space, with Kristin, our youngest daughter, in the crib.

Jon would routinely be woken up in the morning by my 2-year-old Kristin looking into his eyes tickling him. We offered him a great salary I think of $600 a month, but what that really meant was when he had a car note come due or a college loan payment come due my sister Jan, who was a campaign Treasurer, would say, you bring me the bill and I will pay the bill. And he did an outstanding job in that campaign.

I got into a runoff, and in the runoff I lost the runoff by I want to say 9 votes out of about 10,000 votes cast. To seek a recount you had to file a legal document in every county court, and there were 14 counties. So my brother, who was the only attorney on the payroll of the campaign, had to file those documents. He prepared the legal briefs. Within 3 days he went to all 14 county courthouses in the Sixth District of Texas and filed the legal paperwork to request a hand count recount of every ballot that had been counted, had been cast in the primary runoff.

In that runoff he coordinated some pro bono attorneys who represented me at each recount, and we went from losing the election by 9 votes to winning the election by 10 votes. To this day, I think if it had not been for my little brother, that might not have happened.

I can also remember when he came to see me about 4 years ago. By now he was married and had two children and was practicing law in Fort Worth, Texas. He said, JOE, I have decided that I wanted to run for office. I said, "Jon, have you not seen enough of me and what I have done to convince you that there are better ways to make a living than trying to get elected?"

And he said, "Yes, I have, but I do not want to run for Congress, I want to run for district judge." The county he was living in is the fourth largest county in Texas, so that meant that he had to run countywide in a county that has 1 million people.

I said, "Jon, how much money do you have to run for office?" He said, "I don't have any money." I said, "Okay, what kind of an organization do you have?" He said, "I don't have any organization." I said, "Okay. Have you done something notable in the county in a public way that your name is on the lips of all the voters?" He said, "I have not done that."

I said, "Well, why do you think you can win a district judgeship in Tarrant County, Texas? He said, "Well, if you can run for Congress and win, I know I can run for district judge and win."

I did not have an answer to that, so I said, Okay. So when he announced for district judge, he announced in a seat for a position for a courtship that he did not think he would have any opposition in. I felt pretty confident that he would win an uncontested election, but that did not work out. One of the biggest law firms in Fort Worth decide that they had an attorney that they wanted to run for that same position, so an excellent attorney in Fort Worth who had an excellent reputation, was well known in the legal community, had impeccable credentials, decided to run against Jon.

Of course, when that was announced we were not real happy about that. But to make a long story short, just like in my campaign in 1984 for Congress where my mother and my father and my brother and my sister and my grandmother, my aunt and uncle, all the Barton family and the Bice family and the Winslow family were out campaigning. Those same family Members trekked up to Tarrant County, Texas, and we got on the telephones and we stood in front of the polling places and we handed out cards and we did all the grass roots things, and again, Jon was outspent, but when the dust had cleared, he won county-wide. He got the largest number of votes for any county-wide office on the ballot, and he almost got more votes than I did. That kind of upset me a little bit.

But he has gone on to do an outstanding job. In fact, he has done such an outstanding job that this year he is up for reelection and he has no opponent. When I go to Tarrant County, which is about half of my congressional district, more and more now I am introduced as Judge Barton's brother, which is a real tribute to him.

I really rise this evening to again appeal to all my colleagues and to anybody who may be watching in the country, if anyone knows of something that could help a metastasized cancer of the liver, please get in touch with my office so we can refer that to my brother's doctors.

Jon is one of the many cancer statistics. Liver cancer kills 14,000 people in the United States each year. It is a very, very difficult disease to arrest once it has progressed. In my brother's case, it is serious, but there is still some small hope.

Just like the gentlewoman from North Carolina (Mrs. MYRICK), there are many miracles that have occurred in cancer. The Barton family is hoping for one more.

Mr. Speaker, I again want to commend the Speaker for allowing me to do this special order, I want to thank my colleagues for listening, and simply hope that we may yet find one miracle for Jon Barton in Fort Worth, Texas.

## FAIR ELECTIONS IN MEXICO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. DREIER) is recognized for 5 minutes.

Mr. DREIER. Mr. Speaker, I have taken this 5-minute special order this evening to talk about an event which has been likened to the crumbling of the Berlin Wall that took place a week ago this past Sunday.

I had the privilege of serving with a team from the International Republican Institute, co-leading, along with former Secretary of State James Baker and the mayor of San Diego, California, Susan Golding, a delegation of 44 people, very qualified, former ambassadors and other leaders in this country, observing the election that took place in Mexico on Sunday, July 2.

It was an extraordinary experience. I will say that because there were many people who assumed that after 71 years of one-party control by the Institutional Revolutionary Party that the election would once again see the PRI Party, the Institutional Revolutionary Party, prevail and win.

It is no secret that there have been problems with past elections in Mexico. In fact, corruption has been reported very, very widely in past elections. But I am happy to say, having observed what are known as Casias, election voting spots in urban areas in Mexico City, as well as moving into the rural areas, that this was an extraordinarily fair election.

In fact, an organization that was established earlier in the last decade known as the Federal Electoral Institute, the IFE, was a structure which did play a big role in ensuring the fairness of the election.

This also is a great testimonial to a couple of things. One of the individuals is the present president of Mexico, President Ernesto Zedillo, with whom Secretary Baker and Mayor Golding and I met on Saturday morning, the day before the election. In that meeting I conveyed to him what I will share with our colleagues here, and that is the fact that when he was elected president in 1995, having observed the tremendous economic reforms which had taken place in Mexico, he said that his goal was to ensure self-determination and free and fair elections for the people of Mexico.

That is exactly what happened on July 2. I want to extend my very hearty congratulations, as I already have, to president-elect Vicente Fox, who is a representative of the National Action Party, the PAN party, which for years has argued for economic policies which we hold near and dear, and which I am happy to say were embraced in large part by the Institutional Revolutionary Party.

The embrace of those economic policies by the National Action Party played a big role in bringing about free and fair elections. Let me explain that, Mr. Speaker. Back in 1988 when President Carlos Salinas was elected, he made a decision that he was going to pursue broad economic liberalization in Mexico.

What did that consist of? It consisted of privatization, decentralization, closing down State-run enterprises. He took the very bold step in Mexico City of closing down the largest oil refinery because of environmental concerns that existed there.

We saw the economic reforms put into place in the latter part of the 1980s and the early part of the 1990s, and one of the greatest examples of those economic reforms came when we here in this Congress and the Bush and Clinton administrations put together the North American Free Trade Agreement.

Now, we know that the North American Free Trade Agreement is a much maligned entity, a structure which people criticize often. But I happen to believe that the NAFTA has been a resounding success, and the most recent example of its success was what took place on July 2.

Why? Because as I and many of my colleagues have argued time and time again, whether it is in Mexico or the People's Republic of China, or South Korea or Taiwan or Argentina or Chile, the interdependence of economic and political freedom is key. We saw in the early part of the 1990s major economic reforms take place in Mexico, and we saw on July 2, a week ago this past Sunday, the ultimate in political reform.

I have to say that during those years of economic reform we also saw political reform take place in that for the first time we saw the election of opposition party candidates in local elections, mayors. Fifteen of the 16 largest cities in Mexico have opposition party mayors. We have also seen it in gubernatorial elections.

Mr. Speaker, I believe that we have a tremendous, tremendous opportunity to encourage this transition. We have to be very vigilant. We need to strengthen the already strong relationship that exists with Mexico.

I would like to congratulate all of the nearly 800 people who were on the International Observer team, the International Republican Institute, which again put together a very, very strong operation, and the people of Mexico. They were so enthused about the prospect of being able to vote and have their votes count.

I will never forget the 18-year-old girl whom I saw in a little tiny town called Metapec, above Atlisco. She said her family for years had worked on behalf of the PAN party, and finally, as we stood over the counting at this little casia and saw 210 votes cast for Mr. Fox and 106 votes for the PRI candidate, Mr. Labastida, we saw by a two to one margin the election of a new party and a new president.

So I wish the people of Mexico extraordinarily well, and I wish the leadership that we have here in the United States God speed in our attempt to do everything that we can to help in this very important transition as we face the many serious challenges that exist on the border and in the relationship between our two important countries.

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## ILLEGAL NARCOTICS AND OUR NATIONAL DRUG POLICY

The SPEAKER pro tempore (Mr. SIMPSON). Under the Speaker's announced policy of January 6, 1999, the gentleman from Florida (Mr. MICA) is recognized for 60 minutes.

Mr. MICA. Mr. Speaker, usually on Tuesday I come as chairman of the

Subcommittee on Criminal Justice, Drug Policy and Human Resources to talk about the subject of illegal narcotics and our national drug policy.

Tonight is Thursday night. Most of the Members are heading back to their districts; but I have an opportunity to continue sort of, as Paul Harvey says, tell the rest of the story that I left off on on Tuesday, this past Tuesday night and also to kind of update the Congress, my colleagues, and the American people on some of the threats that we face as a Nation from illegal narcotics.

Tonight, I have a little bit different focus, but I am going to try to highlight some of the failures of this presidency and this administration. I have done that before. I do not mean to be critical other than deal with the facts of the situation and deal with the legacy of this administration as it relates to illegal narcotics and the problem with our society.

In just a few minutes, Americans across the country will turn on their nightly news and see, I am sure, clips, Mr. Speaker, of today's talk by the President before the NAACP in Baltimore. Tonight, the American people will hear his speech. I have got a copy of his speech. What is incredible about his speech is what is left out.

Once again, the President, who has only talked about a war on drugs, and I think I have the exact figures, eight times mentioned the war on drugs in 7 years, according to the Nexus research that we conducted on the number of times the President had talked about a war on drugs.

But if one takes the President's speech from today before the NAACP, he does not talk about the war on drugs. The President paints a rosy picture and, again, a copy of the speech that was given to me says "Today we are releasing an annual report on the status of our children. According to the study, the teen birth rate for 15- to 17-year-olds has dropped to the lowest. The birth rate for African-American adolescents has also dropped."

The President talks about everything but one of the most impacting problems that has faced our minority community. What the President is not going to tell the NAACP or recite to the American people are the statistics that have been given to our Subcommittee on Criminal Justice, Drug Policy and Human Resources.

The President will not tell us that according to the national household survey on drug abuse, drug use increased some 41 percent from the beginning of his administration in 1993 to 1998 among young African Americans, an astounding increase.

According to that household survey on drugs, also, another minority population that has been dramatically impacted is the Hispanic minority population with young Hispanics experiencing an increase from 1993 to 1998 of 38 percent. These are facts that should startle every minority parent in this country and were left out of the President's address today in Baltimore.

It is incredible that the NAACP would meet in Baltimore and that the President would speak to them in Baltimore, because I always use Baltimore as the prime example of a failed policy relating to illegal narcotics. That failed policy is the direct result of the mayor that was elected there.

I took from a 1996 book by Dan Baum, Smoke and Mirrors, that he is very critical on the war on drugs, and he is very laudatory towards those that promote legalization. In 1998, Kurt Schmoke was the candidate and was elected despite his liberalization policy. This is from that book written in 1996. It says, "Kurt Schmoke, however, dodged the bullet." In other words, he got elected. "Written off politically in 1988 for suggesting the legalization of drugs, Mayor Schmoke approached his first election campaign in 1991 with trepidation. But every time one of his opponents, either in the primary or general election, tried to blast him as the legalizer, the shot went wild, and it never became an issue having won office in 1987 with 51 percent of the vote," and he calls him this, "Legalizer Schmoke won reelection with 58 percent." This is touting electing a mayor who has a liberalization policy, a nonenforcement policy of illegal narcotics.

The President met in Baltimore today and spoke before the NAACP. These are not my words, a Republican majority Member of the Congress. This is a report from Time Magazine, and I will read it verbatim, from September 6, 1999. The legacy of the mayor that adopted this policy favorable towards narcotics. Let me read.

"Maryland's largest city seems to have more razor wire and abandoned buildings than Kosovo. Meanwhile, the prevalence of open air drug dealing has made no loitering signs as common as stop signs. Baltimore, which has a population of 630,000 has sunk under the depressing triple crown of urban degradation. Middle-income residents are fleeing at a rate of 1,000 a month. The murder rate has been more than three times as high as New York City's, and 1 in 10 citizens is a drug addict."

"Government officials dispute the last claim." I am reading from this article in Time. "It is more like one in eight, says veteran City Councilwoman Rikki Spector. And we have probably lost count."

This is the legacy of a failed policy. The President did not talk about that in Baltimore today. What is sad is that nearly two-thirds of the population of Baltimore is minority and African American, the victims of what has taken place.

.Let me also read a little bit about what this article says. I do not want to again give my opinion at this point, but let me state what was in the Time Magazine. "How did Baltimore get here? Smokestack economy that was the lifeblood of the city for decades has died and drained its money and its soul. In 1940, half of Baltimore's population lived and more importantly worked in Baltimore. Today only 15 percent live there." My colleagues just heard the statistics of the flight.

"Meanwhile, increasing incompetent political factions have elbowed each other for State handouts. The reign of current Mayor Kurt Schmoke, an Ivy League educated African American, was supposed to restore the power of the mayor's job and the health of the city. And Schmoke has spent his 12 years ineffectively lording over an increasing mess."

This is where the President and the NAACP met today. This is what the policy, again a liberalized policy, of legalization, nonenforcement, has led to. Repeatedly, deaths, over 300. When one stops and thinks of this, this is Baltimore, a population, and we see the population went from nearly a million to 675,000.

What is absolutely incredible is the number of addicts, and this is 1996. The addicts were 39,000, a part again of this policy. They have gone from 39,000. If we take the figures one in every eight, according to the City Councilperson, we are looking at somewhere in the neighborhood of 80,000 heroin and drug addicts in Baltimore.

The President of the United States, when he spoke in Baltimore, did not tell us about the legacy of this community. What is interesting is the policy of Mayor Schmoke is the policy that the Clinton administration has attempted to adopt on a national scale. That is why we see a prevalence of illegal narcotics coming into the country. Non or lack of enforcement. Do not stop the drugs at their source. Do not go after the dealers.

My colleagues think that possibly I am making some partisan statement. This is the record of the Clinton administration on individual defendants prosecuted in Federal courts. Drug prosecutions, 1992 to 1996, they went from 29,000 to 26,000. Instead of tougher enforcement, the President and the Attorney General and the Department of Justice under their leadership went to fewer prosecutions. So we have hounded the administration since 1996 to increase prosecutions, and they are starting to edge up.

Now, my colleagues possibly could not believe this, but they have managed to also divert the intent of Congress, and they have managed to bring sentencing down. So first they tried this nonprosecution. Now they are trying to blame us by not being tough on sentencing. So first they were making a joke out of prosecution for these offenses; now the sentences are down. Convictions also are a concern, the convictions. We also see the same trend down.

Now, my colleagues might say, well, the tough zero tolerance policy does not work. There could be nothing further than the truth. The President cited figures today in Baltimore before the NAACP. But he did not tell us that those figures are impacted by jurisdictions with tough prosecutions.

The murder rate in New York City was averaging 2,000 murders in New York a year when Rudy Guliani took office and instituted a zero tolerance policy in that city. He got tough on narcotics arrests. This chart so dramatically shows that, as one increased the arrests for narcotics, one decreased the crimes. The murder rate dropped 58 percent in New York City.

Again, this is Baltimore. Baltimore, the deaths continue over 300. In New York City, we had in the mid-600 range number of murders in the last 2 years down from 2,000, a 58 percent decrease.

This is the liberal policy again that the President did not talk about, but the policy of tolerance, a policy of not going after criminals who are dealing in death and destruction. We see what they have done, not by my words, but by the words of the media to a great and historic city.

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This is interesting also. We conducted a hearing in Baltimore about a month ago, after Mayor Schmoke, thank God, left office and a new mayor, Mayor O'Malley, was elected. We went into the community and the Subcommittee on Criminal Justice, Drug Policy and Human Resources conducted a hearing there; I believe it was on a Monday. The mayor came and testified, and I thanked him for that. He heard the police chief testify that he was going to make a lame effort at going after open-air drug markets. There was also testimony at that hearing that the police chief and others in the administration had made a decision not to participate with the high intensity drug traffic effort in cooperation with the Feds and other agencies.

Thank goodness when the Mayor heard this, he dismissed that police chief, and he has appointed a new chief who has adopted a zero tolerance in that city. That is the bright spot. But, again, the President did not talk today about the death and destruction. These deaths and this destruction, the 312 in 1997, 312 in 1998, and 308 in 1999, they all have faces on them. These are wonderful human beings that God created and this only shows the tragedy of death.

Imagine what it is like to have a population of a city like Baltimore with one in eight, according to the city council person, not me, or even one in 10 if we want to use that statistic, are drug addicted. A young person drug addicted, a father or a mother, a wage earner. Imagine the toll. Imagine transposing this policy on the United States of America. Fortunately, it is limited to a jurisdiction like Baltimore.

Others jurisdictions, like Rudy Giuliani in New York and others who have adopted a zero tolerance policy are in fact making great progress. And the progress that the President spoke about today is due to some of those efforts. In fact, it is so dramatic, these statistics for New York and some of the other zero tolerance and tough enforcement policies are so dramatic, the effect of them, that they are affecting our national statistics.

The Baltimore Police Department estimates that 95 percent of the street gangs in Baltimore are dealing in drug trafficking, specifically heroin and cocaine. Former Mayor Schmoke's nonenforcement policy led to, in 1996, Baltimore's leading the Nation in drug-related emergency emissions, which grew to 785 per 100,000 population. Of 20 cities analyzed by NIDA, which is our National Institute of Drug Administration, the city of Baltimore ranked second in heroin emergency admissions, and Baltimore accounted for 63 percent of all of Maryland's drug overdoses.

This is again the legacy that the President of the United States did not want to talk about, but the NAACP heard other statistics today, even touting the progress that we have made, and much of it under, again, zero tolerance efforts around the country. Even with decreasing crime since 1960, total crimes have increased by more than 300 percent. Since 1960, violent crimes have increased by more than 550 percent. Ninety-nine percent of Americans will be the victims of a theft at least once in their lives.

What is interesting, when we talk to the law enforcement people, whether they are in Baltimore, Orlando, or in New York, they tell us that 70 or 80 percent of the crimes committed are drug related; people who are stealing and maiming and killing because they are on illegal narcotics or trying to gain resources to obtain illegal drugs. The violent crime rate in the United States is worse than any other industrialized country, and we can again trace it back to drug abuse.

Never in the President's speech today did he talk about the effect of illegal narcotics before the NAACP and the minority population of our country, which, unfortunately, is the most victimized, victimized in death, victimized in social destruction, victimized in every way imaginable, in the criminal justice system unfairly victimized.

And we will hear people say, well, we just need to treat folks and we need to spend more money on treatment, and I will talk about that in just a few minutes; but treating only the wounded in battle is never the answer if you are in battle and really waging an aggressive fight.

Teenagers are more than twice as likely to be the victims of violent crimes as all adults combined. And fewer than 10 percent of all criminals commit about two-thirds of the crime.

Again, I show the statistics of this administration and their record for prosecution as it dropped. And then we got them to go after prosecution from 1996 on, when we took the majority and put pressure on them. Now they are dropping sentencing, the amount of time that these hardened criminals are facing behind bars. I submit, my colleagues, that the wrong Americans are behind bars. It is the parents and the citizens of Baltimore. It is the wonderful citizens of Washington, D.C.

Our Nation's capital is another example of a horrible situation ignored for 40 years under the control of the other party, where I would come to Washington week after week, and every week read of death and destruction, and almost all of it drug related. Fortunately, this Republican administration in the Congress brought some balance to the District of Columbia. We literally had to seize the District and put a control board in charge of the District.

But when we inherited the District of Columbia, stop and think of what this majority inherited. It is just like what they did to the country as a whole. This District of Columbia was running three-quarters of a billion dollars a year in deficit, and we have just about balanced that. Of course, we did have to put in a board of control and, unfortunately, had to deny some temporary constraints on home rule. But we inherited a horrible situation. Again, the President of the United States did not talk about what 40 years of Democrat administration did to the people of Baltimore or Washington, D.C., our Nation's capital.

I always save some of these articles about again what took place, and I do not want to divert too much from the narcotics issue, but I cannot resist mentioning for the benefit of my colleagues the policy that really almost destroyed our Nation's capital and national treasure. Here are a few of these articles. The trauma care center, when we took over the Congress in D.C., in grave danger. It was basically nonfunctional. The housing authority was bankrupt when the Republican majority took over. The job training program in 1 year spent $20 million and did not train one person in our Nation's capital. This is what the new majority inherited.

I will never forget the articles in the paper about the morgue and the air conditioning having broken down and bodies were stacked up because the District, under the Democrat control, had allowed the District to operate in an unmanageable fashion. What happened was they could not even pay to have the indigents buried in the city, and they were stacked like cord wood in the morgue, and the morgue had no air-conditioning.

The City's water system was failing. We had to give it over. Basically 40 years of administration and misadministration led to this. And the stories go on and on. They are unbelievable; and I know people, unless I brought the actual articles, people would think I would be making them up.

The foster care system wears out employees. This is a lady who said as she was quitting because this is worse than Guam, she worked in Guam, what they did in the District of Columbia. Again, primarily a majority of African Americans. But the President did not talk about this in his chat before the NAACP, what they did. But he did take credit for, I think, some of the changes that we have made. And how sad for the neediest of the needy.

Even in public housing an article from the Washington Post. Let me read it. It says the Department of Public and Assisted Housing, which has had 10 directors in the last decade, suggested that it was rife with corruption, mismanagement and waste. And this is, again, what we inherited but what the President did not talk about in Baltimore today. And affecting who? The minority population. And the weakest link in the minority population, those without housing; those subjected to social services. And the list, again, goes on and on.

I think in the last 4 years, as good stewards, the new majority has turned some of that around. But the President would not talk about that, just took credit for statistics and used them to his advantage.

Unfortunately, the legacy of this administration goes beyond Baltimore; it goes beyond Washington, our Nation's capital. Again, I have said this before, it is not rocket science. We know where these drugs are coming from. We have done everything; I have done everything I can do since I came to Congress, since I was involved in the effort back in the Reagan administration, back in the early 1980s when I helped to develop the drug certification law and worked on some of the Andean strategies and other things to stop drugs cost effectively at the source. But we have watched this administration dismantle those cost effective programs.

Again, we know exactly where the illegal drugs are coming from. Right now we know that 70 to 80 percent of the cocaine and heroin is coming out of Colombia. Now, how in heaven's name could we get that percentage of cocaine coming out of Colombia? And I want to say it was not easy. This is not a guessing game, either. The DEA has what is called the DEA Signature program.

The DEA provided our subcommittee with these pie charts. This is the most recent, 1998. This shows us exactly where heroin is coming from. This shows us that heroin is coming, 65 percent of it, from South America; 17 percent from Mexico. Actually, up some 20 percent in 1 year from Mexico. They know this because when they seize the heroin, it is tested; and it is almost a DNA process where they can tell almost from what fields it came from. This is all Colombian. The red here is all Colombian.

In 1992–1993 there was almost zero heroin coming from Colombia. But this administration, through an incredible series of direct policies and failures, has managed to make Colombia the center of 70 to 80 percent of cocaine coming into the United States, and another 65 to 70 percent, depending on which year, and we do not have 1999, of heroin coming into the United States. We know that.

There was almost no cocaine, coca, produced in Colombia in 1992 at the beginning of this administration, but they have managed to make it a producer. Now, how could they make it a producer? This chart shows, and again these are statistics provided even by the administration, but they show Federal drug spending on the international, that would be stopping drugs at their source, this shows in the end of the Bush administration, and then we had a Democrat-controlled White House and Senate, that they immediately gutted the international programs. That meant that the source country programs were cut dramatically.

We see here the international programs since the Republicans took control in 1996, and it takes about an extra year because the budget we do is in advance, but we can see that we are getting back to the 1991-1992 levels right now in 1999-2000.

□ 1845

But they gutted the programs. When the Republicans took control, that is as far as source is concerned, and then the next thing that is cost effective in getting drugs, once they get to the streets, it is a que pasa activity for our law enforcement. It is very tough. But it is tough and it is costly and you have to have incredible expenditures for police force.

So the second most cost effective thing is to stop drugs as they are coming from where they are being produced, cocaine and heroin, for example, and here we look at interdiction. Interdiction. And there is no real extra cost for the military. There may be some extra flight hours and things of that sort but you already have the hardware, you have the planes, you have the military engaged and you have the military conducting exercises. The military does not do any enforcement, they just provide surveillance information and then the information is given to the country where the drugs are produced.

This administration did not think that was a good idea, so they stopped information sharing, they stopped information sharing, they stopped resources getting to Colombia. Those actions have very direct results. I remember in hearings in 1993, 1994 and before the House of Representatives, saying to not stop the information sharing to the countries. In fact, many of the countries involved would shoot down the drug traffickers and go after them. But again this administration said, "We can't do that." Heaven forbid we should go after a drug trafficker or provide any information. In fact they even got an attorney who had been in the Department of Justice and transferred I believe over to DOD to give that opinion and the entire Congress had to act to overturn that opinion that we could not share information.

They are at the same game again. U.S. Officials Cite Trend in Colombia. Lack of Air Support Hindering Drug War. The same thing is happening again and this is in fact confirmed by the administration's ambassador from Peru. The administration's ambassador from Peru chided the administration and I received the report, it says Drug Control, DOD Contributes to Reducing the Illegal Drug Supply. Their assets have declined. I requested this report independently conducted by GAO provided to me the end of last year, the beginning of this year. GAO found that according to the U.S. ambassador appointed by this administration, warned in an October letter to the Department of State that the reduction in air support could have a serious impact on the price of coca. The President did not tell you today that he is directly responsible for the policy that cut interdiction, that cut source countries and that cut off Colombia from receiving assistance and turned Colombia into a disaster, into an international basket case. This is exactly what happened.

Having been involved when the new majority took over the House and the other body, we began 4 years ago trying to put Humpty Dumpty back together again, the strategy that worked so well in the 1980s and they will tell you the drug war is a failure and I will disprove that in just a moment. But we went down. Mr. HASTERT, the former chair with responsibility of this subcommittee for drug policy, went down with Mr. Zeliff who was also involved, and I was on the subcommittee as a junior member. We talked to the officials in Peru and Bolivia. We got their cooperation and we gave them a tiny bit of financial assistance from the Congress. Look what happened to Andean cocaine production, down 60 percent in Peru, 55 percent in Bolivia. Look what happened with the administration's policy towards Colombia. Stop helicopters, stop information sharing, stop resources, stop any assistance. Dramatic increase. I told you about heroin. This is cocaine. There was no heroin produced at the beginning of this administration. You can see almost no cocaine. This is a policy of failure and destruction.

I can trace the cocaine on the streets of Washington, D.C. and New York back to Colombia. I can trace the heroin back to Colombia. And I can trace it back to this policy, this policy, and even when the Congress, even when we as a new majority funded assistance to increase again interdiction of drugs, which is our national responsibility. I mean, we are not police men and women and we do not provide that service. That is done mostly by local and State. We do have some Federal agencies. But we cannot do that. What we can do is stop the illegal narcotics before they come into our borders. In fact, this report provided to me also says the number of flight hours dedicated to detecting and monitoring illicit drug shipments declined from approximately 46,000 to 15,000. It declined 68 percent from 1992 to 1999. So even when we were ramping up, attempting to ramp up to get funds to go after the drug dealers, this report also shows that the administration diverted assets.

We had AWACS that actually gave information on the growth in traffickers, AWACS planes. The Vice President when he spoke to the NAACP did not tell you that he diverted those planes to Kosovo. I am sorry, actually he was personally, I understand, responsible for diverting the planes to Alaska to look at oil spills while the children of Baltimore are dying by the dozens, while the children in our Nation's capital were getting slaughtered. And the diversion of assets went on and on. Money that we had asked to go down to Colombia and South America, tens of millions ended up in Haiti in failed nation-building attempts which now have turned into an even bigger disaster with one corrupt government succeeding another, and now Haiti, the latest reports we have, is a major transit area for illegal narcotics. Most of the administration's efforts in nation-building went into building the legislative and judicial and enforcement structure and it has turned, with the millions and millions of taxpayer dollars, billions, into the biggest transit zone.

The situation only gets worse. This is something the President did not talk about today in his report. He did not tell you that he diverted two AWACs airborne control systems aircraft that were on the counternarcotics mission that were stopping the death and destruction, 15,973, remember that, our latest figures on deaths as a direct result of illegal narcotics, drugs in this country in 1998. But he committed two of the AWACS to reassign them in January of 1999 to support the Iraq no-fly zone. Then in April 1999 for the Kosovo crisis. If you wonder why our cities, our communities, our young people are being deluged with illegal narcotics, you can just look at the administration's record.

This report also shows in addition to air flights down dramatically, some 68 percent, that also maritime efforts, U.S. maritime efforts to go after suspected maritime illegal drug shipments declined 62 percent under this administration. So if you wonder why our children are getting drugs cheaper, more available, addicted to them and dying in unprecedented numbers across the land, it is no wonder.

Again, it is not just Baltimore or it is not just the Nation's capital that is affected by this. Here is a report just a few days ago by ABC News, July 10. It says less than 2 percent of young people age 12 to 17 have ever tried heroin. Incidentally, I think it is a 92 percent increase during this administration in use of heroin among that youth class, another legacy of this administration. This report says, but the drug now is cheaper, more accessible and more potent. How did it get more available? When you close down a war on drugs and you only concentrate on treating the wounded, you can see where that incredible supply is coming into the country. It says it is more accessible and more potent and is fast surpassing cocaine as the drug of choice in many communities. It says Portland and Seattle, heroin has reached unprecedented levels in some cities like Portland, Oregon and Seattle where the number of fatal overdoses has continued to climb year after year in the last decade. This is a startling figure.

In 1999, Portland experienced the highest number of heroin-related deaths, overdose deaths, 114. I come from Central Florida. We have exceeded our past year which was a disaster of heroin-induced deaths. The cocaine legacy strikes every family. Everyone in the whole country I know was grieving with Dr. J, actually his son, Dr. J is a resident of my district and we watched as the family looked for his son and his son unfortunately had been victimized by cocaine and in today's paper we have a report that test finds cocaine in the teen's body. We do not know if that is a direct result yet of his tragic death but we know the horror that that family experienced. We know the grief that that family experienced. We know the torment that that young man went through and how a national hero, a legend and his family have been so affected and our heart goes out to them. But unfortunately every family in America today is affected by illegal narcotics. We see the statistics over and over.

This administration adopted a policy to keep helicopters, to keep surveillance information, to keep any kind of assistance going to Colombia until just last year. And suddenly they woke up and found, and I think it is reported they also did a survey and found people were absolutely appalled at what was going on, but last year the drug czar declared this an emergency. This Republican Congress acted immediately. The White House and the President did not submit a Colombia aid package until the 7th of February, 2000. He waited and waited and dillied and dallied. On March 30, this House of Representatives passed a supplemental and just a few days ago both the House and Senate acted and passed a supplemental containing the aid to put the rest of this picture back together. It will work. We know it works. It has worked. It has other elements in it other than interdiction and source country, a good package. Instead of talking about this today or taking that bill and signing it before the NAACP and saying, "I'm going to stop the killing of your children," the President as far as I know today has not signed the bill. It is awaiting his signature and it is my hope that that will be signed if it has not been signed, again to correct the situation. It is unfortunate we have to spend over $1 billion now to deal with the disaster that has been created.

□ 1900

Let me talk about the emphasis of this administration. You hear it on the floor repeatedly. During the Colombia debate, they just said we have to have treatment on demand. We have many people who need treatment.

I support treatment. I would vote for any amount of treatment for anyone addicted to narcotics. But when you get to the point of addiction, it is very difficult to save anyone. This is not like cigarettes, it is not like alcohol. When you are addicted to some of these hard drugs, you completely become victimized by it, and we do not have any cure. Sixty or 70 percent of those who go into public treatment programs are failures, and repeated failures, over and over again.

You hear that we have been putting money in the war on drugs or the war on drugs is a failure, fighting drugs, and they should be legalized. This is in fact the record. We have more than doubled the amount from 1992, when this administration changed the policy, closed down the source country, stopping drugs at their source, the interdiction, we have more than doubled the amount going in. I have records of treatment and research, drug prevention, all of the different categories, demand reduction. Almost all of them doubled. So while they were cutting the source programs and the interdiction and other programs, they in fact, and we were, even the Republicans since 1995 have increased treatment some 26 percent. So it is a fallacy to say that we have not put money in treatment.

The problem we have, and I chair the subcommittee, is we do not know what will work. We have programs. The programs actually that are most successful are the non-government. They run 50, 60 percent success rates. Most of them are faith-based, and we are trying to see if we can support them in some way, given the restrictions that we have, mixing public money with religious funds.

So it is a fallacy to say we are not putting money in treatment. Again, I know this makes the other side of the aisle cringe, and this is not a chart that the President brought to Baltimore to show the NAACP, this is not the chart that those will tell you that the war on drugs is a failure.

Now, this is a failure, that you have a decline in drug use during the Reagan and Bush administration? This is the chart that shows the long-term trend and lifetime prevalence of cocaine use. We have it for drug use. Let us get this overall. That is just cocaine. This is overall. They will tell you again this is a failure, that it was declining here. That is a failure. If you have fewer young people using drugs, that is a failure. Get that now, it is a failure. But this is a success, the Clinton Administration policy.

I wish I had an overlay to show where they closed down the source country, they closed down the interdiction, they cut the Coast Guard, they cut the military involvement, they cut the Drug Czar's staffing in this period.

This is the direct result, an increase. It is almost ironic that you see this little bleep here, and that is where we took control and started our efforts. There is some slight leveling off, but that is, unfortunately, not totally successful, because, again, one of the major conduits of illegal narcotics, hard narcotics, heroin, high purity cocaine, is Colombia, which has now become the major producer.

This is also the heroin record under the Clinton and Bush and Reagan administrations.

The statistics during that administration are quite interesting. Based on national household survey data, illicit drug use, and that is the same survey that I cited with current statistics and it is nice to compare, to use comparative studies, the same studies over comparative times, based on national household survey data, elicit drug use declined 50 percent from 1985 to 1992.

Now, that is a failure, you see? This is a failure, because it declined. You had a President who, under President Reagan, he had a tough Andean strategy, a source zone strategy, an interdiction strategy. You had a President, President Bush, the reason they went after Noriega is because he was involved in drugs and illegal profits from drugs and he sent our troops in.

The opposite is the case with the retreat of the Clinton Administration, and you see the direct results. Again, if we could do an overlay, we would show as they cut these programs out, in 1992 you see again a trend, an increase in drug use, and this is for all. This is lifetime, annual and 30 day measurements.

Again you see a leveling off, where we began our efforts, where we passed an extensive drug education and prevention program, one of the most extensive in history. We differed with the administration. We thought that broadcasters should increase and donate their time. The administration wanted to spend taxpayer money. We felt it was so important that we did reach a compromise, so we have a $1 billion program over 5 years matched by $1 billion in donations. But, again, if you did an overlay, you would see as this administration instituted its policy of failure. You in fact see an increase in drug use among our youth.

One of the other things that is disturbing is the entire effort of the United States to curtail illegal narcotics. We know that heroin and cocaine and even methamphetamine and even the heroin that is produced in Mexico now is in increasing volume.

We had in Panama up until May of last year the headquarters for our forward operating location. Unfortunately, the administration bungled the negotiations. Of course, we were sort of destined to lose Panama and the $10 billion in facilities, and we have lost two ports to some Chinese interests through illegal tenders.

Put all that aside, but we still should have been able to negotiate the lease or use of these in anti-narcotics efforts, and the State Department failed miserably. Now we are scurrying around at great cost, and I think in the supplemental package it is over $120 million to put in new installations in Ecuador, in Aruba and Curacao, those two agreements have finally been signed, 10 year agreements, but we are going to have to spend that money upgrading bases and airfields to do our surveillance operation.

In the meantime, we have exposed ourselves to incredible volume. You will see it in the streets, the schools, with our young people, of these illegal drugs. What is interesting, and we predicted it, and I have a recent article here that shows even Europe is now becoming victimized by cocaine which is coming in. They are producing so much, there is an oversupply. The price is so low in the United States and it is so available that this week's paper, one of these articles, shows that now it is coming into Europe in incredible volume.

So we have basically closed down our surveillance operation. Taxpayer money is going to have to be spent to put that back in place. It will be 2002, according to the latest reports that we have.

What concerns me, and Republicans make mistakes just like Democrats, and I guess I cannot refer to the member of the other body who is proposing this, but they are now trying to penalize, and it is someone of my own party, Peru. Peru has President Fujimoro, and you heard his record of success, cutting 63 percent of the cocaine production. Instead of rewarding him, we are going to penalize him because, again, some of those are not happy with the election. He is in his, I believe, third term.

But he has done a remarkable job, and because his opponent wanted to call off the election, imagine, okay, Bush is ahead, we are going to call off the election, or GORE is ahead, we are going to call off the election. This candidate could not even decide on a date certain when an election should be held.

But we have Members of Congress who now want to penalize Peru, who has done a great job, and I am sad to hear that. We should be assisting them and applauding them for cutting off the supply of deadly narcotics coming into the United States, instead of cutting assistance to them.

Mr. Speaker, as we wrap up tonight, I tried to talk about some of the things that the President of the United States did not talk about before the NAACP in Baltimore. It is really sad what has not been said.

It is sad that a great and historic city like Baltimore has fallen victim, to where one in eight of its population, some 80,000, are drug and heroine addicts. It is sad that in the last 10 years, hundreds and thousands of African American young people were slaughtered on the streets of this city, our Nation's Capital, when they let this community really be neglected.

It is sad, too, that sometimes my side of the aisle offers tough love, and it is not as warm and fuzzy and cozy as cuddling and go-have-another-enjoyable-do-it-yourself-time, no consequences.

We do not say that. We say you have to be responsible. The government has to be responsible. We cannot let the Nation's Capital fall into disrepair, nor can we let the Nation's finances fall into disrepair. Some of that has been tough love. It is a lot easier to vote for things here, and it is a lot easier to say we are going to be lax and we are going to let everybody do their thing.

But we have to be responsible. The President of the United States, unfortunately, I think has left a legacy that is going to haunt us for many years.

I can tell you, I have never faced a greater challenge than working with my colleagues, the gentleman from New York (Mr. GILMAN), the gentleman from Indiana (Mr. BURTON), the Speaker of the House, others in the other body, in trying to put this coherent national drug policy back together. So much damage has been done that it will take years and years to get us back to where we were, even in 1991.

I told you the record of success, which they call failure, 50 percent reduction. We have 90 percent and 100 percent increases in some drug use, illegal narcotics abuse, and use in some substances in a short time in this administration.

But I look forward to working with my colleagues. It is a tough battle. It is not a partisan battle. Republicans make mistakes, Democrats make mistakes, but we must learn by the mistakes of this administration and never let them happen, and seize back our community, seize back our children, and not let another family or child or parent or loved one in this country be victimized by illegal narcotics.

Mr. Speaker, I wish to thank the staff and you for being tolerant for my second one hour presentation this week, but I feel very deeply about this, and I am committed to do whatever I can as one Member of Congress to help us do a better job.

## LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. FORBES (at the request of Mr. GEPHARDT) for today on account of personal reasons.

Mr. MARKEY (at the request of Mr. GEPHARDT) for today on account of a death in the family.

Mrs. CHENOWETH-HAGE (at the request of Mr. ARMEY) for today on account of illness.

## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Ms. JACKSON-LEE of Texas) to revise and extend their remarks and include extraneous material:)

Mr. BLUMENAUER, for 5 minutes, today.

Mr. STRICKLAND, for 5 minutes, today.

Mr. HOYER, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

Ms. STABENOW, for 5 minutes, today.

(The following Members (at the request of Mr. SOUDER) to revise and extend their remarks and include extraneous material:)

Mrs. JONSON of Connecticut, for 5 minutes, today.

Mr. CAMP, for 5 minutes, today.

Mr. KOLBE, for 5 minutes, today.

Mr. METCALF, for 5 minutes, today.

Mr. WICKER, for 5 minutes, today.

Mr. HORN, for 5 minutes, today.

Mr. HOEKSTRA, for 5 minutes, today.

Mr. BOEHLERT, for 5 minutes, today.

Mr. SHAYS, for 5 minutes, today.

Mr. SOUDER, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. DREIER, for 5 minutes, today.

## SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 986. An act to direct the Secretary of the Interior to convey the Griffith Project to the Southern Nevada Water Authority.

S. 1892. An act to authorize the acquisition of the Valles Caldera, to provide for an effective land and wildlife management program for this resource within the Department of Agriculture, and for other purposes.

## ADJOURNMENT

Mr. MICA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 15 minutes p.m.), under its previous order, the House adjourned until Monday, July 16, 2000, at 12:30 p.m. for morning hour debates.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

8520. A letter from the Associate Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting the Department's final rule—Kiwifruit Grown in California; Temporary Suspension of Inspection and Pack Requirements [Docket No. FV00–920–1 FR] received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8521. A letter from the Congressional Review Coordinator, Department of Agriculture, transmitting the Department's final rule—Pork and Pork Products from Mexico Transiting the United States [Docket No. 98–095–3]—received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8522. A letter from the Congressional Review Coordinator, Animal and Plant Inspection Service, Department of Agriculture, transmitting the Department's final rule—Mexican Fruit Fly Regulations; Removal of Regulated Area [Docket No. 99–075–4] received June 9, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8523. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting the Department's final rule—Importation of Grapefruit, Lemons, and Oranges From Argentina [Docket No. 97–110–5] (RIN 0579–AA92) received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8524. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Azinphos-Methyl, Revocation and Lowering of Certain Tolerances; Tolerance Actions [OPP–301003; FRL–6557–9] (RIN: 2070–AB78) received June 16, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8525. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Trichoderma Harzianum Rifai Strain T–39; Exemption from the Requirement of a Tolerance [OPP–300924; FRL–6383–7] (RIN: 2070–AB78) received June 16, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8526. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Clodinafop-propargyl; Pesticide Tolerance [OPP–301009; FRL–6590–7] (RIN: 2070–AB78) received June 16, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8527. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Cloquintocet-mexyl; Pesticide Tolerance [OPP–301010; FRL–6592–4] (RIN: 2070–AB78) received June 16, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8528. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Dicamba, Pesticide Tolerances; Technical Amendment [OPP–300767A; FRL–6558–5] (RIN: 2070–Ab78) received May 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8529. A letter from the Chairman and Chief Executive Officer, Farm Credit Administration, transmitting the Administration's final rule—Standards of Conduct (RIN: 3052–AB95) received June 21, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8530. A letter from the Deputy Assistant Secretary of the Army, Installations and Housing, Department of Defense, transmitting a report on a gift proffer of a qualified guarantee as required by Title 10, United States Code, Section 4357; to the Committee on Armed Services.

8531. A letter from the Senior Attorney, Federal Register Certifying Officer, Department of Treasury, transmitting the Department's final rule—Regulations Governing FedSelect Checks (RIN: 1510–AA44) received April 24, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

8532. A letter from the General Counsel, National Credit Union Administration, transmitting the Administration's final rule—Truth in Savings—received June 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

8533. A letter from the General Counsel, National Credit Union Adminstration, transmitting the Agency's final rule—Organization and Operations of Federal Credit Unions—received June 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

8534. A letter from the Administrator, Food and Nutrition Service, Department of Agriculture, transmitting the Department's final rule—National School Lunch Program and School Breakfast Program: Identification of Blended Beef, Pork, Poultry or Seafood Products (RIN: 0584–AC92) received June 13, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

8535. A letter from the Office of Elementry and Secondary Education, Department of Education, transmitting the Department's final rule—Native Hawaiian Curriculum Development, Teacher Training and Recruitment Program—received June 22, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

8536. A letter from the Assistant General Counsel for Regulatory Law, Office of Independent Oversight, Department of Energy, transmitting the Department's final rule—Security and Emergency Management Independent Oversight and Performance Assurance Program—received June 2, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8537. A letter from the Deputy Executive Secretary, Department of Health and Human Services, transmitting the Department's final rule—Block Grant Programs (RIN: 0991-AA97) received April 18, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8538. A letter from the Director, Regulations Policy and Management Staff, FDA, Department of Health and Human Services, transmitting the Department's final rule—Food Additives Permitted in Feed and Drinking Water of Animals; Selenium Yeast [Docket No. 98F-0196] received June 9, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8539. A letter from the Director, Regulations Policy and Management Staff, FDA, Department of Health and Human Services, transmitting the Department's final rule—Sunscreen Drug Products for Over-the-Counter Human Use; Final Monograph; Extension of Effective Date; Reopening of Administrative Record [Docket No. 78N-0038] (RIN: 0910-AA01) received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8540. A letter from the Director, Regulations Policy and Management Staff, FDA, Department of Health and Human Services, transmitting the Department's final rule—Indirect Food Additives; Adhesives and Components of Coatings; Technical Amendment [Docket No. 92F-0443] received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8541. A letter from the Director, Regulations Policy and Management Staff, FDA, Department of Health and Human Services, transmitting the Department's final rule—General Hospital and Personal Use Devices; Classification of Liquid Chemical Sterilants/High Level Disinfectants and General Purpose Disinfectants [Docket No. 98N-0786]—received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8542. A letter from the Director, Regulations Policy and Management Staff, FDA, Department of Health and Human Services, transmitting the Department's final rule—General Hospital and Personal Use Devices; Classification of the Subcutaneous, Implanted, Intravascular Infusion Port and Catheter and the Percutaneous, Implanted, Long-term Intravascular Catheter [Docket No. 99N-2099] received June 19, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8543. A letter from the Deputy Assistant Administrator, Office of Diversion Control, Department of Justice, transmitting the Department's final rule—Placement of Gamma-Butyrolactone in List I of the Controlled Substances Act [DEA Number 199F] (RIN: 1117-AA52) received May 22, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8544. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; State of Missouri [MO 103-1103; FRL-6701-3] received May 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8545. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; State of Missouri [Region 7 Tracking No. MO 101-1101; FRL-6701-4] received May 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8546. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; State of Missouri [Region 7 Tracking No. Mo 102-11-2; FRL-6701-5] received May 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8547. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans: State of Missouri [MO 096-1096b; FRL-6701-6]—received May 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8548. A letter from the Administrator, Environmental Protection Agency, transmitting the report entitled, "Deposition of Air Pollutants to the Great Waters: Third Report to Congress"; to the Committee on Commerce.

8549. A letter from the Director, Office of Regulatory Management, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; Ohio [OH135-1a, FRL-6600-8] received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8550. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plan for Utah: Transportation Control Measures [UT-001-0029; FRL-6711-9] received June 9, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8551. A letter from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Drummond and Victor, Montana) [MM Docket No. 99-134, RM-9543, RM-9572] received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8552. A letter from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments FM Broadcast Stations. (Anniston and Ashland, Alabama, and College Park, Covington, Milledgeville, and Social Circle, Georgia) [MM Docket No. 98-112, RM-9027, RM-9268, RM-9384] received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8553. A letter from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Cheyenne, Wyoming and Gering, Nebraska) [MM Docket No. 97-106, RM-9044, RM-9741] received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8554. A letter from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Bayfield, Colorado and Teec Nos Pos, Arizona) [MM Docket No. 99-103, RM-9506, RM-9829] received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8555. A letter from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Seymour, Texas) [MM Docket No. 99-340, RM-9778] received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8556. A letter from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Reexamination of the Comparative Standards for Noncommercial Educational Applicants [MM Docket No. 95-31] received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8557. A letter from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Monahans and Gardendale, Texas) [MM Docket No. 99-3-2, RM-9727] received June 9, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8558. A letter from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Madisonville, Texas) [MM Docket No. 99-936 RM-9644) received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8559. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting Notification of justification of defense articles, services, and military education and training furnished under section 506 of the Foreign Assistance Act of 1961 to Sierra Leone, pursuant to 22 U.S.C. 2318(b)(2); to the Committee on International Relations.

8560. A letter from the Executive Director, Committee For Purchase From People Who Are Blind Or Severely Disabled, transmitting the Committee's final rule—Procurement List: Additions and Deletions—received June 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

8561. A letter from the Administrator, General Services Administration, transmitting two reports to Congress on agency compliance with mandatory use of the Government charge card provisions of the Travel and Transportation Reform Act of 1998; to the Committee on Government Reform.

8562. A letter from the Administrator, General Services Administration, transmitting the Fiscal Year 2001 Performance Plan for the General Services Administration; to the Committee on Government Reform.

8563. A letter from the Acting Assistant Administrator for Fisheries, NMFS, Department of Commerce, transmitting the Department's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Stellar Sea Lion Protection Measures for the Pollock Fisheries Off Alaska [Docket No. 000119015-0015-

01; I.D. 010500A] (RIN: 0648–AM32) received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8564. A letter from the Acting Assistant Administrator for Fisheries, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Caribbean, Gulf of Mexico, and South Atlantic; Essential Fish Habitat for Species in the South Atlantic; Amendment 4 to the Fishery Management Plan for Coral, Coral Reefs, and Live/Hard Bottom Habitats of the South Atlantic Region (Coral FMP) [Docket No. 990621165–0151–02; I.D. 022599A] (RIN: 0648–AL43) received June 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8565. A letter from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Rebuilding Overfished Fisheries [I.D. 022500C] (RIN: 0648–AM29) received June 21, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8566. A letter from the Acting Assistant Administrator for Fisheries, Sustainable Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries off West Coast States and in the Western Pacific Coast Groundfish Fishery; Temporary Closure for the Shore-based Whiting Sector [Docket No. 99122347–9347–01; I.D. 060600C] received June 21, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8567. A letter from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries off West Coast States and in the Western Pacific; Pacific Coast Groundfish Fishery; Whiting Closure for the Mothership Sector [Docket No. 99122347–9347–01; I.D. 060500A] received June 21, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8568. A letter from the Deputy Assistant Administrator for Fisheries, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Emergency Interim Rules to Implement the American Fisheries Act; Extension of Expiration Dates [Docket No. 991228352–0182–03; I.D. 121099C, 011100D] (RIN: 0648–AM83) received June 27, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8569. A letter from the Assistant Secretary, Civil Works, Department of the Army, transmitting a report entitled, "Bethany Beach and South Beach Interim Feasibility Study"; to the Committee on Transportation and Infrastructure.

8570. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Eurocopter France Model SE.3160, SA.316B, SA.316C, SA.319B, SA330F, SA330G, SA330J, SA341G and SA342J Helicopters [Docket No. 99–SW–04–AD; Amendment 39–11729; AD 2000–10–05] (RIN 2120–AA64) received June 2, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8571. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Industrie Model A300, A300–600, and A310 Series Airplanes [Docket No. 99–NM–251–AD; Amendment 39–11742; AD 2000–10–18] (RIN: 2120–AA64) received June 2, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8572. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A320 Series Airplanes [Docket No. 98–NM–99–AD; Amendment 39–11739; AD 2000–10–15] (RIN: 2120–AA64) received June 2, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8573. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A319, A320, and A321 Series Airplanes [Docket No. 99–NM–28–AD; Amendment 39–11740; AD 2000–10–16] (RIN: 2120–AA64) received June 2, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8574. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Israel Aircraft Industries, Ltd., Model 1125 Westwind Astra and Astra SPX Series Airplanes [Docket No. 99–NM–360–AD; Amendment 39–11743; AD 2000–10–19] (RIN: 2120–AA64) received June 2, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8575. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 747 Series Airplanes Equipped With Pratt & Whitney JT9D–70 Series Engines [Docket No. 99–NM–65–AD; Amendment 39–11741; AD 2000–10–17] (RIN: 2120–AA64) received June 2, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8576. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 737 Series Airplanes [Docket No. 2000–NM–111–AD; Amendment 39–11745; AD 2000–10–21] (RIN: 2120–AA64) received June 2, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8577. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; The New Piper Aircraft, Inc., Models PA–46–310P and PA–46–350P Airplanes [Docket No. 98–CE–112–AD; Amendment 39–11747; AD 99–15–04 R1] (RIN: 2120–AA64) received June 2, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8578. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 747–100, -200, -300, 747SR, and 747SP Series Airplanes [Docket No. 97–NM–88–AD; Amendment 39–11748; AD 2000–10–23] (RIN: 2120–AA64) received June 2, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8579. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Revision of Class E airspace, Englewood, CO [Airspace Docket No. 00–ANM–01] (RIN: 2120–AA66) received June 2, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8580. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Revision of Class E Airspace; Fort Stockton, TX [Airspace Docket No. 2000–ASW–09] (RIN: 2120–AA66) received June 2, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8581. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Realignment and Establishment of VOR Federal Airways; KY and TN [Airspace Docket No. 97–ASO–18] (RIN: 2120–AA66) received June 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8582. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule—Revision of Class E Airspace; Waco, TX [Airspace Docket No. 2000–ASW–08] (RIN: 2120–AA66) received June 2, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8583. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Change Using Agency for Restricted Area R–260 2, Colorado Springs, CO [Airspace Docket No. 00–ANM–06] (RIN: 2120–AA66) received June 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8584. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule—Revision of Class D Airspace, Alexandria England AFB, LA; Revocation of Class D Airspace, Alexandria Esler Regional Airport, LA; and Revision of Class E Airspace, Alexandria, LA [Airspace Docket No. 2000–ASW–10] (RIN: 2120–AA66) received June 2, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8585. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 30071; Amdt. No. 1995] received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8586. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Establishment of Class D Airspace; Salisbury, MD [Airspace Docket No. 99–AEA–07] (RIN: 2120–AA66) received June 2, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8587. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 30072; Amdt. No. 1996] received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8588. A letter from the FHWA, Regulations Officer, FHA, Department of Transportation, transmitting the Department's final rule—Federal Motor Carrier Safety Regulations: General: Commercial Motor Vehicle Marking [Docket No. FMCSA–98–3847 (Formerly Docket No. FHWA–98–3947)] (RIN: 2126–AA14 (Formerly 2125–AD49)) received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8589. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety Zone: Fireworks Display, Naval Station Newport, Newport, RI [CGD01–99–197] (RIN: 2115–AA97) received June 2, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8590. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety zone: Fireworks Display, East River, Wards Island [CGD01-00-133] (RIN: 2115-AA97) received June 2, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8591. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Fees for FAA Services for Certain Flights [Docket No. FAA-00-7018; Amendment No. 187-11] (RIN: 2120-AG-17) received June 9, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8592. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Willits, CA [Airspace Docket No. 00-AWP-1] (RIN: 2120-AA66) received June 9, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8593. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 30057; Amdt. No. 1993] (RIN: 2120-AA65) received June 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8594. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Commander Aircraft Company Model 114TC Airplanes [Docket No. 99-CE-81-AD; Amendment 39-11752; AD 2000-11-04] (RIN: 2120-AA64) received June 9, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8595. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 30042; Amdt. No. 1991] (RIN: 2120-AA65) received June 9, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8596. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Prohibition of Smoking on Scheduled Passenger Flights [Docket No. FAA-2000-7467; Amendment Nos. 121-277, 129-29 and 135-76] (RIN: 2120-AH04) received June 9, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8597. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous [Docket No. 30058; Amdt. No. 1994] received June 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8598. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Type Certification Procedures for Changed Products [Docket No. 28903; Amdt. No. 11-45, 21-77, 25-99] (RIN: 2120-AF68) received June 9, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8599. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace; Yukon-Kuskokwim Delta, Alaska [Airspace Docket No. 99-AAL-24] received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8600. A letter from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Orange City, IA; Correction [Airspace Docket No. 00-ACE-9] received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8601. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Ocean Dumping: Designation of Site [FRL-6702-1]—received May 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8602. A letter from the Deputy General Counsel, Office of SDB Certification and Eligibility, Small Business Administration, transmitting the Administration's final rule—8(a) Business Development/Small Disadvantaged Business Status Determinations—received June 13, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Small Business.

8603. A letter from the Deputy General Counsel, Office of Size Standards, Small Business Administration, transmitting the Administration's final rule—Small Business Size Regulations; Size Standards and the North American Industry Classification System—received June 13, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Small Business.

8604. A letter from the Deputy General Counsel, Office of Size Standards, Small Business Administration, transmitting the Administration's final rule—Small Business Size Standards; Help Supply Services—received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Small Business.

8605. A letter from the Administrator, Office of Workforce Security, Employment and Training Administration, Department of Labor, transmitting the Department's final rule—Unemployment Insurance Program Letters 34-97 and 25-00—received June 27, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8606. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Extension of Remedial Amendment Period [Rev. Proc. 2000-27] received June 9, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8607. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Use of Actuarial Tables in Valuing Annuities, Interests for Life or Terms of Years, and Remainder or Reversionary Interests [TD 8886] (RIN: 1545-AX07) received June 9, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8608. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Real Estate Mortgage Investment Conduits; Reporting Requirements and Other Administrative Matters [TD 8888] (RIN: 1545-AU96) received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8609. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Effect of Reorganization of the Office of Chief Counsel on Letter Ruling and Technical Advice Programs [Notice 2000-35] received June 27, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8610. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Bank Procedures [Rev. Rul. 2000-30] received June 27, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8611. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Weighted Average Interest Rate Update [Notice 2000-31] received June 27, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8612. A letter from the Comptroller General, Federal Deposit Insurance Corporation, transmitting the Financial Audit: Federal Deposit Insurance Corporation's 1999 and 1998 Financial Statements, pursuant to 12 U.S.C. 1827; jointly to the Committees on Banking and Financial Services and Government Reform.

8613. A letter from the Lieutenant General, USA Director, Defense Security Cooperation Agency, transmitting a report authorizing the transfer of up to $100M in defense articles and services to the Government of Bosnia-Herzegovina, pursuant to Public Law 104—107, section 540(c) (110 Stat. 736); jointly to the Committees on International Relations and Appropriations.

8614. A letter from the Assistant Attorney General, Department of Justice, transmitting a draft bill that would authorize the Federal Trade Commission to ban the inappropriate sale or purchase of social security numbers; jointly to the Committees on Commerce, Ways and Means, and the Judiciary.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SHUSTER: Committee on Transportation and Infrastructure. H.R. 4210. A bill to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to provide for improved Federal efforts to prepare for and respond to terrorist attacks, and for other purposes; with an amendment (Rept. 106-731). Referred to the Committee of the Whole House on the State of the Union.

Ms. PRYCE of Ohio: Committee on Rules. House Resolution 550. Resolution waiving a requirement of clause 6(a) of rule XIII with respect to consideration of certain resolutions reported from the Committee on Rules (Rept. 106-732). Referred to the House Calendar.

Mr. HYDE: Committee on the Judiciary. H.R. 3485. A bill to modify the enforcement of certain anti-terrorism judgments, and for other purposes; with an amendment (Rept. 106-733). Referred to the Committee of the Whole House on the State of the Union.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions of the following titles were introduced and severally referred, as follows:

By Mr. ARCHER (for himself, Mr. PORTMAN, and Mr. CARDIN):

H.R. 4843. A bill to amend the Internal Revenue Code of 1986 to provide for retirement security and pension reform; to the Committee on Ways and Means.

By Mr. SHUSTER (for himself, Mr. Oberstar, Mr. Archer, Mr. Rangel, Mr. Petri, Mr. Rahall, Mr. Shaw, and Mr. Matsui):

H.R. 4844. A bill to modernize the financing of the railroad retirement system and to provide enhanced benefits to employees and beneficiaries; to the Committee on Transportation and Infrastructure, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HYDE (for himself, Mr. Canady of Florida, Mr. Hutchinson, Mr. Gilman, Mr. Wolf, Mr. Hansen, Mr. Chabot, Mr. Metcalf, Mr. Shays, and Mr. Castle):

H.R. 4845. A bill to amend title 18, United States Code, with respect to the prohibition against political fundraising activities in Federal buildings; to the Committee on the Judiciary.

By Mr. THOMAS (for himself, Mr. Hoyer, Mr. Boehner, Mr. Ehlers, Mr. Ewing, Mr. Fattah, Mr. Davis of Florida, Mr. Bryant, Mr. Jenkins, Mr. Wamp, Mr. Tanner, Mr. Serrano, Mr. Ney, Mr. Bonior, and Ms. McCarthy of Missouri):

H.R. 4846. A bill to establish the National Recording Registry in the Library of Congress to maintain and preserve recordings that are culturally, historically, or aesthetically significant, and for other purposes; to the Committee on House Administration, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. DOOLEY of California (for himself, Mr. Doolittle, and Mr. Radanovich):

H.R. 4847. A bill to direct the Secretary of the Interior to refund certain amounts received by the United States pursuant to the Reclamation Reform Act of 1982; to the Committee on Resources.

By Mr. FORBES (for himself, Mrs. Emerson, Mr. Conyers, Mrs. Lowey, Mr. Davis of Illinois, Mr. Payne, Mr. Smith of Washington, Mr. Etheridge, Mr. Frost, Ms. McKinney, Mrs. Jones of Ohio, Mrs. Maloney of New York, Mr. Maloney of Connecticut, Mr. Baldacci, Mrs. Thurman, Mr. Nadler, Mr. Moran of Virginia, Ms. Kilpatrick, Mrs. Meek of Florida, Ms. Carson, Mrs. Tauscher, Mr. Evans, Ms. Pelosi, Mr. Stark, Mr. Udall of Colorado, Mrs. Napolitano, Mr. Reyes, Mr. Hoeffel, Mrs. Morella, Mr. Hilliard, Ms. DeGette, Ms. Baldwin, Mr. Engel, Mr. Hinchey, Mr. Towns, Mr. Rothman, Ms. Lee, Ms. Schakowsky, Mr. Farr of California, Ms. Woolsey, Ms. Brown of Florida, Ms. Slaughter, Ms. Hooley of Oregon, Ms. Millender-McDonald, Ms. Jackson-Lee of Texas, Mr. Berman, Ms. Roybal-Allard, and Ms. McCarthy of Missouri):

H.R. 4848. A bill to establish the Violence Against Women Office within the Department of Justice; to the Committee on the Judiciary.

By Mr. FRANKS of New Jersey (for himself, Mr. Frelinghuysen, Mr. Pascrell, Mr. Metcalf, Ms. Dunn, Mr. Inslee, Mr. Dicks, Mr. McDermott, Mr. Baird, and Mr. Smith of Washington):

H.R. 4849. A bill to provide for enhanced safety, public awareness, and environmental protection in pipeline transportation, and for other purposes; to the Committee on Transportation and Infrastructure, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. STUMP (for himself, Mr. Evans, Mr. Quinn, and Mr. Filner):

H.R. 4850. A bill to provide a cost-of-living adjustment in rates of compensation paid to veterans with service-connected disabilities, to enhance programs providing compensation and life insurance benefits for veterans, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. HILL of Montana:

H.R. 4851. A bill to amend the Internal Revenue Code of 1986 to make a technical correction to the definition of hard cider for purposes of the excise tax on alcohol; to the Committee on Ways and Means.

By Mr. HYDE:

H.R. 4852. A bill to protect the budget of the Federal courts; to the Committee on the Judiciary, and in addition to the Committees on the Budget, and Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. JONES of Ohio (for herself, Mr. Brown of Ohio, Mr. Traficant, Mr. Ney, Mr. Boehner, Mr. Chabot, Mr. Gillmor, Mr. Hall of Ohio, Mr. Hobson, Ms. Kaptur, Mr. Kasich, Mr. Kucinich, Mr. LaTourette, Mr. Oxley, Mr. Portman, Ms. Pryce of Ohio, Mr. Regula, Mr. Sawyer, and Mr. Strickland):

H.R. 4853. A bill to redesignate the facility of the United States Postal Service located at 1568 South Glen Road in South Euclid, Ohio, as the "Arnold C. D'Amico Station"; to the Committee on Government Reform.

By Mr. MARTINEZ (for himself, Mr. Abercrombie, Mr. Gutierrez, Mrs. Napolitano, Mr. Payne, and Mrs. Mink of Hawaii):

H.R. 4854. A bill to amend the National Labor Relations Act to protect the rights of emergency medical technicians employed by acute care hospitals; to the Committee on Education and the Workforce.

By Mr. PAUL:

H.R. 4855. A bill to restore to taxpayers awareness of the true cost of government by eliminating the withholding of income taxes by employers and requiring individuals to pay income taxes in monthly installments, and for other purposes; to the Committee on Ways and Means.

By Mr. RANGEL:

H.R. 4856. A bill to normalize trade relations with Cuba, and for other purposes; to the Committee on Ways and Means.

By Mr. SHAW (for himself, Mr. Kleczka, Mr. Foley, Mr. Matsui, Mr. Sam Jonson of Texas, Mr. Weller, and Mr. Hayworth):

H.R. 4857. A bill to amend the Social Security Act to enhance privacy protections for individuals, to prevent fraudulent misuse of the Social Security account number, and to provide additional safeguards for Social Security and Supplemental Security Income beneficiaries with representative payees, and for other purposes; to the Committee on Ways and Means, and in addition to the Committees on the Judiciary, Banking and Financial Services, and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. STUPAK (for himself, Mr. Conyers, Mr. George Miller of California, Ms. Stabenow, Mr. Frost, Mr. Faleomavaega, Mr. Kennedy of Rhode Island, Mr. Abercrombie, Ms. Kilpatrick, Mr. Rangel, Mr. Kildee, Mr. Baca, Mr. Peterson of Minnesota, Mr. McDermott, Mr. Martinez, Ms. Lee, Mr. Kind, Mr. Barcia, Mr. Filner, Ms. Carson, Ms. Pelosi, Mr. Diaz-Balart, Ms. Jackson-Lee of Texas, Mr. Pallone, Mr. Udall of Colorado, and Mr. Udall of New Mexico):

H.R. 4858. A bill to provide that the first $5,000 received from the income of an Indian tribe by any member of the tribe who has attained 50 years of age shall be disregarded in determining the eligibility of the member or the member's household for benefits, and the amount or kind of any benefits of the member or household, under various means-tested public assistance programs; to the Committee on Resources, and in addition to the Committees on Agriculture, Banking and Financial Services, Commerce, Education and the Workforce, Veterans' Affairs, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. TAYLOR of North Carolina (for himself, Mr. Ballenger, Mr. Coble, Mr. Graham, Mr. Burr of North Carolina, Mr. Jones of North Carolina, Mr. Doolittle, and Mr. Radanovich):

H.R. 4859. A bill to reduce emissions from Tennessee Valley Authority electric powerplants, and for other purposes; to the Committee on Commerce.

By Mr. GILMAN (for himself, Mr. Markey, Mr. Knollenberg, and Mr. Pallone):

H.R. 4860. A bill to provide for reports to Congress about proliferation by North Korea of weapons of mass destruction and missiles to deliver such weapons, and for other purposes; to the Committee on International Relations.

By Mr. LAZIO (for himself and Mr. Boehlert):

H.R. 4861. A bill to address the acid rain and greenhouse gas impacts of electric utility restructuring and to encourage the development of renewable energy resources, and for other purposes; to the Committee on Commerce.

By Mr. CANADY of Florida (for himself, Mr. Nadler, and Mr. Edwards):

H.R. 4862. A bill to protect religious liberty, and for other purposes; to the Committee on the Judiciary.

By Mr. PAUL:

H.J. Res. 104. A joint resolution to disapprove a rule issued by the Environmental Protection Agency relating to proposed revisions to the national pollutant discharge elimination system program and Federal antidegradation policy and the proposed revisions to the water quality planning and management regulations concerning total maximum daily load; to the Committee on Transportation and Infrastructure.

By Mr. RAMSTAD:

H. Con. Res. 371. Concurrent resolution supporting the goals and ideas of National Alcohol and Drug Recovery Month; to the Committee on Government Reform.

By Mr. SHOWS (for himself, Mr. COBURN, Mr. MCINTYRE, Mr. LARGENT, Mr. STENHOLM, Mr. RYUN of Kansas, Mr. ADERHOLT, Mr. DEMINT, Mr. HOSTETTLER, Mr. TAYLOR of Mississippi, Mr. PITTS, Mr. SOUDER, and Mr. LIPINSKI):

H. Res. 551. A resolution supporting the national motto of the United States; to the Committee on the Judiciary.

By Mr. WU (for himself, Mr. WALDEN of Oregon, Ms. HOOLEY of Oregon, Mr. DEFAZIO, Mr. BLUMENAUER, and Mr. BAIRD):

H. Res. 552. A resolution urging the House to support mentoring programs such as Saturday Academy at the Oregon Graduate Institute of Science and Technology; to the Committee on Education and the Workforce.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 3 of rule XII,

Ms. HOOLEY of Oregon introduced a bill (H.R. 4863) for the relief of Julian Mart, Paul Mart, Veronica Mart, and Adelina Mart; which was referred to the Committee on the Judiciary.

## ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 49: Mr. WEINER.

H.R. 372: Mr. STUPAK.

H.R. 488: Mrs. MORELLA.

H.R. 531: Mr. DOOLITTLE.

H.R. 534: Mr. BURR of North Carolina, Mr. ISTOOK, Mrs. TAUSCHER, Mr. TOOMEY, and Mr. DELAHUNT.

H.R. 583: Mr. MATSUI.

H.R. 935: Mr. CHABOT.

H.R. 960: Mr. UDALL of Colorado and Mrs. NAPOLITANO.

H.R. 1071: Mr. HALL of Texas.

H.R. 1163: Mr. LEVIN.

H.R. 1172: Mr. DAVIS of Virginia, Mr. FRANKS of New Jersey, and Mr. CAMPBELL.

H.R. 1217: Mrs. TAUSCHER.

H.R. 1303: Mr. SHIMKUS and Mr. UDALL of Colorado.

H.R. 1322: Mr. BASS, and Mr. BENTSEN.

H.R. 1387: Mr. ROEMER.

H.R. 1716: Mr. SNYDER.

H.R. 1824: Mr. PETERSON of Minnesota.

H.R. 1865: Ms. LEE and Mr. PRICE of North Carolina.

H.R. 1994: Mr. MORAN of Kansas.

H.R. 2101: Mr. GONZALEZ.

H.R. 2119: Ms. CARSON and Mr. WAXMAN.

H.R. 2121: Mr. HORN, Mr. WHITFIELD, and Mr. TOOMEY.

H.R. 2344: Mr. UPTON, Mrs. TAUSCHER, Mr. UDALL of New Mexico, and Mr. NADLER.

H.R. 2457: Mr. ETHERIDGE, Mr. RAHALL, Ms. KILPATRICK, Ms. STABENOW, Mr. WU, and Mr. KUCINICH.

H.R. 2514: Mrs. CHRISTENSEN.

H.R. 2573: Ms. HOOLEY of Oregon and Mr. DEUTSCH.

H.R. 2597: Mr. HOSTETTLER.

H.R. 2639: Mr. WHITFIELD.

H.R. 2710: Mr. STUPAK.

H.R. 2814: Mrs. MALONEY of New York.

H.R. 2883: Mr. FRANKS of New Jersey.

H.R. 2892: Ms. LOFGREN, Mr. MATSUI, Mr. ISAKSON, and Mr. DEAL of Geogia.

H.R. 2911: Mr. WHITFIELD and Mr. CLEMENT.

H.R. 3032: Mr. DEFAZIO.

H.R. 3082: Mr. PASTOR.

H.R. 3083: Ms. BALDWIN, Mr. DAVIS, of Illinois, Mr. ACKERMAN, Mrs. NAPOLITANO, Mr. RODRIGUEZ, Ms. VELÁZQUEZ, Mr. MCDERMOTT, Mr. HILLIARD, and Ms. DEGETTE.

H.R. 3161: Ms. WOOLSEY and Mr. ETHERIDGE.

H.R. 3193: Mr. HOYER and Mr. BERMAN.

H.R. 3249: Mr. MANZULLO.

H.R. 3275: Ms. RIVERS.

H.R. 3301: Mrs. CLAYTON.

H.R. 3308: Mr. CLYBURN and Mr. QUINN.

H.R. 3315: Ms. BERKLEY.

H.R. 3584: Mr. ETHERIDGE, Mr. PASTOR, and Mr. SHERMAN.

H.R. 3628: Ms. MCKINNEY and Ms. CARSON.

H.R. 3661: Mr. HASTINGS of Washington.

H.R. 3700: Mr. WATKINS, Mr. ANDREWS, Mr. WELDON of Pennsylvania, Ms. RIVERS, Mrs. KELLY, Mr. BATEMAN, Ms. SLAUGHTER, and Mr. MCINTYRE.

H.R. 3712: Mr. SPRATT.

H.R. 3826: Mr. WEINER and Mr. MEEKS of New York.

H.R. 3840: Mr. DOYLE and Mr. EVANS.

H.R. 3872: Mr. BONILLA.

H.R. 3891: Ms. DELAURO.

H.R. 3901: Mrs. CLAYTON.

H.R. 3983: Mr. TURNER.

H.R. 4066: Mr. LIPINSKI and Mr. WAXMAN.

H.R. 4094: Mr. LOBIONDO, Mr. KING, and Mr. MOLLOHAN.

H.R. 4149: Mr. DEUTSCH.

H.R. 4191: Mr. GREEN of Wisconsin and Ms. KAPTUR.

H.R. 4215: Mr. CALLAHAN and Mr. JONES of North Carolina.

H.R. 4239: Mr. HOLT.

H.R. 4250: Mr. WATT of North Carolina and Mr. BRADY of Pennsylvania.

H.R. 4258: Ms. MCKINNEY and Mr. BOEHLERT.

H.R. 4270: Mr. NETHERCUTT.

H.R. 4277: Mrs. THURMAN, Mr. LOBIONDO, and Mr. BILBRAY.

H.R. 4311: Mr. DEFAZIO, Mr. ENGLISH, Mr. FORD, and Mr. COOK.

H.R. 4320: Ms. RIVERS.

H.R. 4366: Mr. BAIRD, Mr. CLEMENT, and Mr. ENGLISH.

H.R. 4434: Mr. MOAKLEY, Mr. GILMAN, and Mr. LIPINSKI.

H.R. 4441: Mr. MOLLOHAN.

H.R. 4467: Ms. DEGETTE.

H.R. 4481: Mr. PRICE of North Carolina, Mr. MCINTOSH, Ms. KILPATRICK, Mr. WATT of North Carolina, Ms. DELAURO, Mr. MALONEY of Connecticut, and Mr. SHAYS.

H.R. 4483: Ms. HOOLEY of Oregon, Ms. PELOSI, Mr. NADLER, and Ms. CARSON.

H.R. 4535: Mr. TOWNS.

H.R. 4543: Mr. REGULA and Mr. COMBEST.

H.R. 4548: Mr. STENHOLM and Mr. LOBIONDO.

H.R. 4570: Mr. BERMAN, Mr. GONZALEZ, Mr. KUCINICH, Mr. NADLER, Mr. TOWNS, AND MR. WYNN.

H.R. 4592: Mr. BLUMENAUER and Ms. HOOLEY of Oregon.

H.R. 4596: Ms. KAPTUR, Mr. BRADY of Pennsylvania, Ms. JACKSON-LEE of Texas, Mrs. MALONEY of New York, and Mr. FALEOMAVAEGA.

H.R. 4598: Mr. MCNULTY, Mr. HAYWORTH, Ms. DUNN, and Mr. OXLEY.

H.R. 4602: Mr. FROST, Mr. MURTHA, Mr. EHRLICH, and Mr. MORAN of Virginia.

H.R. 4652: Mr. GILMAN.

H.R. 4675: Mr. STUPAK.

H.R. 4713: Mr. DELAY.

H.R. 4715: Mr. LEWIS of Kentucky, Mr. RAMSTAD, Mr. HAYWORTH, Mr. LEVIN, and Mr. WELLER.

H.R. 4728: Mr. MCINNIS.

H.R. 4738: Mr. HAYWORTH.

H.R. 4739: Ms. MCKINNEY.

H.R. 4740: Mrs. MINK of Hawaii and Mr. STUPAK.

H.R. 4742: Mr. LAFALCE.

H.R. 4750: Mr. LATOURETTE.

H.R. 4765: Mr. EVERETT and Mr. REYES.

H.R. 4794: Mr. FATTAH, Mr. LATOURETTE, Mr. FROST, and Mr. MEEHAN.

H.R. 4807: Mr. BOUCHER, Mr. GONZALEZ, Mr. ACKERMAN, Mr. HOBSON, Mr. WHITFIELD, Mr. FOSSELLA, Ms. MILLENDER-MCDONALD, Ms. PRYCE of Ohio, Mr. LARSON, Ms. BALDWIN, Ms. DEGETTE, Mrs. KELLY, Ms. KILPATRICK, Mr. TIAHRT, and Ms. RIVERS.

H.R. 4814: Ms. HOOLEY of Oregon.

H.R. 4817: Mr. TOWNS.

H.R. 4825: Mr. HERGER, Mr. PICKERING, Mr. DICKS, and Mr. KENNEDY of Rhode Island.

H.R. 4827: Mr. INSLEE.

H. Con. Res. 58: Mr. MCHUGH, Mrs. BIGGERT, Mr. BURTON of Indiana, Mr. EVANS, Mrs. KELLY, and Ms. ROYBAL-ALLARD.

H. Con. Res. 297: Mr. SHERMAN.

H. Con. Res. 327: Mrs. EMERSON.

H. Con. Res. 364: Mr. CHAMBLISS, Mr. HANSEN, Mrs. CUBIN, Mr. PAUL, Mr. GOODE, Mr. LUCAS of Oklahoma, Mr. BURTON of Indiana, Mr. GIBBONS, Mr. DICKS, Mr. THORNBERRY, Mr. HAYES, Mr. HOEKSTRA, Mr. KANJORSKI, Mr. SESSIONS, Mr. KLINK, Mr. ENGLISH, Mr. FOSSELLA, Mr. PRICE of North Carolina, Mr. SHADEGG, Mr. MORAN of Virginia, Mr. HERGER, Mrs. EMERSON, Mr. COOK, Mr. BOEHNER, Mr. SCOTT, Mr. MICA, Mr. UDALL of New Mexico, Mr. PETERSON of Minnesota, Mr. POMBO, Mr. HILLEARY, Mr. KIND, Mr. RADANOVICH, Mr. DIAZ-BALART, Mr. SMITH of Michigan, Mr. SHERWOOD, Mr. NEY, Mr. TRAFICANT, Mr. BILIRAKIS, and Mr. QUINN.

H. Con. Res. 367: Mr. GUTIERREZ and Mr. LEVIN.

H. Res. 544: Ms. ROYBAL-ALLARD, Mr. BONILLA, Mr. BARTON of Texas, Mr. GILLMOR, Mr. SHERMAN, and Mr. ORTIZ.

H. Res. 548: Mr. SHOWS, Mr. HOSTETTLER, Mr. PITTS, and Mr. RYUN of Kansas.

H. Res. 549: Mr. STUMP, Mr. HUNTER, Mr. ORTIZ, Mr. HALL of Texas, Mr. TURNER, Ms. SANCHEZ, Mr. ABERCROMBIE, Mr. BARTLETT of Maryland, Mr. REYES, Ms. BALDWIN, Mr. SANDERS, Mr. ROHRABACHER, Mr. BRADY of Texas, and Mr. BURTON of Indiana.

## DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1660: Ms. STABENOW.

H.R. 1760: Ms. STABENOW.

## DISCHARGE PETITIONS—ADDITIONS OR DELETIONS

The following Members added their names to the following discharge petitions:

Petition 11 by Ms. SLAUGHTER on House Resolution 520: HAROLD E. FORD, Jr.

# SENATE—*Thursday, July 13, 2000*

The Senate met at 8:30 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

## PRAYER

The guest Chaplain, Rev. Monsignor Peter J. Vaghi, St. Patrick's Catholic Church, Washington, DC, offered the following prayer:

Almighty God and Father, we call upon You this day in this year of Jubilee, in this year marking a new millennium of Your unique presence in our midst. Help us to recognize You in this Chamber—in the words that are spoken here and in every action which takes place here. Draw us close to You that we might know You all the more and come to love You as no other. Because of You, after all, "we live and move and have our being".—Acts 17:28.

This is a Chamber of law in a Nation under God. There is no greater law than the law of love which You continue to inscribe on our hearts. That law alone gives us peace. It is Your law. Lifting our hearts and voices to You, we pray on this July day that ancient Hebrew psalm: "O Lord, great peace have they who love your law".—Psalms 119:165.

We pray for that peace today. We pray for the wisdom to know and fashion concretely on Earth the law which You write on our hearts. Fill us each and every day, O Lord, with Your peace and love, a love which makes us ever more sensitive and vigilant to You. For You are alive in each and every person we are called to serve.

Finally, Almighty Father, we seek this day Your encouragement in all our humble efforts carried out in Your lifegiving name. It is You we serve, You we love, and You who remain our peace forever. Amen.

## PLEDGE OF ALLEGIANCE

The Honorable RICK SANTORUM, a Senator from the State of Pennsylvania, led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

The PRESIDING OFFICER (Mr. SANTORUM). The Senator from New York.

## GUEST CHAPLAIN, REV. MONSIGNOR VAGHI

Mr. MOYNIHAN. Mr. President, as those who were present will recognize, Monsignor Peter Vaghi is a member of the Senate family. He served here some years ago as the assistant to our esteemed and beloved brother, PETE DOMENICI. He is now the pastor of old St. Patrick's, or St. Patrick's Church on 10th Street, in the city, which is the oldest denominational church in the Federal city. It was founded in 1794 to provide for the religious needs, in the main, of Irish construction workers building the White House and the Capitol. Then came the Italians who were recruited for Jefferson's Marine Band, which was the principal source of culture and enthusiasm in the city in those days.

When the British arrived with their horrendous purposes—corresponding exactly, I have to say, as a New Yorker, to the New York forces, which rode across Lake Ontario and burned the city of York, then their capital, what we now know as Toronto—in the manner of the military of those days, they responded.

There were a sufficient number of British troops in town for a period that they, too, went to St. Patrick's. It has been a long relationship with the Nation's Government, as well as the parish—in no sense to make an issue of the matter, but simply to record a certain amount of patience. Monsignor Vaghi is, of course, a Roman Catholic. The Roman Catholic ministers are descendents of the one Roman Catholic Chaplain we have ever had in the Senate, Rev. Charles C. Pise, who served a year, as was the practice, from 1831 to 1832.

There descended on the Nation a spell of religious fanaticism—if you like that term, if you accept that term—which we associate with the "know-nothings." When they were asked what they were doing about these matters, they would respond, "I know nothing." And for a period of about 40 years—up to and including the Presidency, one regrets to say, of Ulysses S. Grant—the anti-Catholic forces in this country were quite alarmed and, if not ubiquitous, to be found in most places.

We have a curious debt to those people, which is the Washington Monument, as designed by Mills. It was to be the great obelisk, but it also was to be surrounded at the base with prancing stallions, such that we would never see the pristine statement that we now have. It was built with voluntary contributions by the Washington Monument Association. You can see them if you walk up; there are bas-reliefs inside saying who contributed.

In 1854, Pope Pius IX contributed a block of marble from the Temple of Concord in Rome, and a group of alert citizens learned that the installation of this block of marble was to be the signal for the Catholic uprising, and they broke into the stoneyard and dumped the block of marble somewhere in the Potomac. There was a measure of scandal, and the stump just stayed there indefinitely—until 1880. The Congress got nervous about the matter as the Centennial was coming, and the Corps of Engineers was dispatched to finish the job, which they did.

You can see a change in the color about a quarter of the way up. But also we were spared the prancing stallions, so there is some good that comes of all these things.

It is just such an honor to have the Monsignor with us. I speak as one of his parishioners. His family, Mr. and Mrs. Vaghi, are in the gallery today, as is Father Murphy and another parishioner. We welcome them. Although we are formally not supposed to acknowledge that anybody is up there, I think no one will mind on this occasion.

It is very fortunate for us to have him today. We thank him. We will spare him the debate that now commences with my dear friend, Senator ROTH, one long day of the death tax.

With that I thank him, I thank the Chair, and I yield the floor.

## DEATH TAX ELIMINATION ACT

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, what is the pending business?

The PRESIDING OFFICER. The clerk will report H.R. 8.

The legislative clerk read as follows:

> A bill (H.R. 8) to amend the Internal Revenue Code of 1986 to phase out the estate and gift taxes over a 10-year period.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. As I conferred with the Chairman of the Finance Committee, the first amendment that the two leaders wish to be offered today is the Democratic alternative, which the senior Senator, the ranking member of the Finance Committee, will offer as soon as he completes his business with the guest Chaplain.

I indicate to all Senators listening, this matter has 2 hours evenly divided. Of course, we note at 9:30 we are in a break for 3 votes. So there is no need that we necessarily have to have the full 2 hours of debate on each side. Our leader has directed me—I am trying to think of a gracious way of saying this. I am going to be the one who distributes the time on the bill, and inasmuch as we have only 20 minutes after time is evenly divided, on each of the 20 amendments we have today, we have to watch everything and make sure we follow the time guidelines. The leaders are not sure when votes will occur, other than the 9:30 votes.

At this time I yield to the Senator from Delaware.

## RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDING OFFICER. The Senator from Delaware.

## SCHEDULE

Mr. ROTH. Mr. President, I have a statement to make on behalf of the leader. I recall what my colleague said about today. I hope we can move as expeditiously as possible. It is not necessary that on each of these amendments we take the full time. Obviously, there should be full debate, but I hope, since we have 20 amendments, we can move, as I say, with dispatch.

Today the Senate will begin debate on the Death Tax Elimination Act. By previous consent, the Senate will proceed to the final votes on the Department of Defense authorization bill at approximately 9:30 a.m. Following the disposition of the DOD authorization bill, the Senate will resume the death tax legislation with amendments to be offered and voted on throughout the day.

As previously announced, the Senate will complete action on the death tax bill and the reconciliation legislation prior to adjournment this week. Therefore, Senators should be prepared for a late Friday session and a Saturday session if necessary.

I thank my colleagues for their attention and yield the floor.

## RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order, leadership time is reserved.

## DEATH TAX ELIMINATION ACT—Continued

Mr. REID. Mr. President, I yield the Senator from New York whatever time he may consume of the 2 hours.

The PRESIDING OFFICER. The Senator from New York.

### AMENDMENT NO. 3821

Mr. MOYNIHAN. Mr. President, I rise for the purpose of offering an amendment in the nature of a substitute. I send the amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New York [Mr. MOYNIHAN] proposes an amendment numbered 3821.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To amend the Internal Revenue Code of 1986 to increase the unified credit exemption and the qualified family-owned business interest deduction, and for other purposes)

Strike all after the first word and insert:

### 1. SHORT TITLE.

(a) SHORT TITLE.—This Act may be cited as the "Estate Tax Relief Act of 2000".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

### SEC. 2. INCREASE IN AMOUNT OF UNIFIED CREDIT AGAINST ESTATE AND GIFT TAXES.

(a) IN GENERAL.—The table contained in section 2010(c) (relating to applicable credit amount) is amended to read as follows:

| "In the case of estates of decedents dying, and gifts made during: | The applicable amount is: |
|---|---|
| 2001, 2002, 2003, 2004, and 2005 | $1,000,000 |
| 2006 and 2007 | $1,125,000 |
| 2008 | $1,500,000 |
| 2009 or thereafter | $2,000,000." |

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to the estates of decedents dying, and gifts made, after December 31, 2000.

### SEC. 3. INCREASE IN QUALIFIED FAMILY-OWNED BUSINESS INTEREST DEDUCTION AMOUNT.

(a) IN GENERAL.—Paragraph (2) of section 2057(a) (relating to family-owned business interests) is amended to read as follows:

"(2) MAXIMUM DEDUCTION.—

"(A) IN GENERAL.—The deduction allowed by this section shall not exceed the sum of—

"(i) the applicable deduction amount, plus

"(ii) in the case of a decedent described in subparagraph (C), the applicable unused spousal deduction amount.

"(B) APPLICABLE DEDUCTION AMOUNT.—For purposes of this subparagraph (A)(i), the applicable deduction amount is determined in accordance with the following table:

| "In the case of estates of decedents dying during: | The applicable deduction amount is: |
|---|---|
| 2001, 2002, 2003, 2004, and 2005 | $1,375,000 |
| 2006 and 2007 | $1,625,000 |
| 2008 | $2,375,000 |
| 2009 or thereafter | $3,375,000. |

"(C) APPLICABLE UNUSED SPOUSAL DEDUCTION AMOUNT.—With respect to a decedent whose immediately predeceased spouse died after December 31, 2000, and the estate of such immediately predeceased spouse met the requirements of subsection (b)(1), the applicable unused spousal deduction amount for such decedent is equal to the excess of—

"(i) the applicable deduction amount allowable under this section to the estate of such immediately predeceased spouse, over

"(ii) the sum of—

"'(I) the applicable deduction amount allowed under this section to the estate of such immediately predeceased spouse, plus

"(II) the amount of any increase in such estate's unified credit under paragraph (3)(B) which was allowed to such estate."

(b) CONFORMING AMENDMENTS.—Section 2057(a)(3)(B) is amended—

(1) by striking "$675,000" both places it appears and inserting "the applicable deduction amount", and

(2) by striking "$675,000" in the heading and inserting "APPLICABLE DEDUCTION AMOUNT".

(c) EFFECTIVE DATE.—The amendment made by this section shall apply to the estates of decedents dying, and gifts made, after December 31, 2000.

### SEC. 4. SENSE OF SENATE REGARDING SAVINGS.

It is the sense of the Senate that the reduced cost to the Federal Treasury resulting from the amendments made by this Act as compared to the cost to the Federal Treasury of H.R. 8 as received by the Senate from the House of Representatives on June 12, 2000, should be used exclusively to reduce the Federal debt held by the public.

Amend the title so as to read: "An Act to amend the Internal Revenue Code of 1986 to increase the unified credit exemption and the qualified family-owned business interest deduction, and for other purposes."

Mr. MOYNIHAN. Mr. President, a little background. In 1906, President Theodore Roosevelt sent a proposal to Congress to impose an estate tax. He justified the measure as follows. He said:

> A heavy progressive tax upon a very large fortune is in no way a tax upon thrift or industry as a like tax would be on a small fortune. No advantage comes either to the country as a whole or to the individuals inheriting the money by permitting the transmission in their entirety of the enormous fortunes which would be affected by such a tax; and as an incident to its function of revenue raising, such a tax would help preserve a measurable equality of opportunity for the people of the generations growing to manhood.

That is why we have an estate tax today. Congress had imposed such taxes in the 1800s, generally to fund wars, and indeed we had an income tax during the Civil War. When the need for such revenues eased, why these taxes, including the estate tax, were put aside. Theodore Roosevelt championed the enactment, on a number of times, of the measure that is in the code today. Over the years, the number of taxable estates, estate returns as a percentage of total deaths, has fluctuated, but not very much, from under 1 percent in 1935—which is the very depths of the depression of that decade—to a high of almost 8 percent in 1977, when we changed the tax to bring it back down. And the number of taxable estates today ranges between 1 percent and 2 percent, a level not that different from that of the depths of the depression.

If we make no changes to the tax rules in 2006, the percentage of taxable estates is projected to be lower than today because we raised the limit. The Joint Tax Committee projects that 1.82 percent of estates will be subject to tax. We are still within that very low historic level, that was run up after World War II, and which we brought back down in 1977. It is not a principal source of Federal revenue. I think it generated $24 billion in 1998, which was 1.4 percent of Federal revenues. Absent change, it might rise to $42 billion in 2008—not even a doubling in 10 years.

The bill before the Senate, H.R. 8, the Death Tax Elimination Act, would repeal the tax in the year 2010. It moves about during the next 10 years, but then it stops altogether, at which point we deal with a revenue loss of $50 billion a year. Mr. President, $50 billion, even in this momentary glow of surpluses, is a large amount of money. That is half a trillion dollars in a decade. It is much more than we should ever give away before we see whether the surplus we are projecting will actually occur, and indeed for the social reasons that Theodore Roosevelt spoke about at the beginning of the century.

The Federal Government is not the only government that would be impacted by the legislation that has been sent us from the House. The estate tax provides revenue for our State governments as well. Under our Federal estate tax laws, States may enact an estate tax without increasing taxes on decedents' estates or their heirs. This is because the Internal Revenue Code provides a dollar-for-dollar reduction in Federal estate tax liability for each dollar collected by the State, up to certain limits. Almost every State has enacted such legislation, and States collect about one-quarter of all estate taxes. The Treasury Department reports that in 1997, the States collected $4.3 billion in estate taxes while the Federal Government collected $16.6 billion.

Repeal of the estate tax would eliminate this source of revenue for State governments. They have not been consulted in the matter, but I cannot imagine they would be enthusiastic.

Finally, we on the Senate Democratic side are concerned about the adverse effect the repeal could have on charitable contributions. We cannot be sure of it, but the Joint Tax Committee estimates that estates are expected to contribute $330 billion to charities over the next 10 years, a third of a trillion dollars.

The question of how much of these contributions would continue or what portion would disappear if we abolish this tax altogether cannot be stated with any confidence, but it is the large estates that contributed the bulk of the $330 billion; $190 billion comes from estates with values over $10 million. We know this as we look around us at the great foundations, some of which date from earlier in the century but others of which reflect the accumulation of wealth in new economic activities in our age, and the estate tax surely has an influence. It should not be the principal concern for us, but it is a fact of our society.

Accordingly, we propose a modification of the existing program whilst retaining the essential legislative measure. We can describe it in two numbers: $2 million and $4 million. Under our amendment, no estate with assets under $2 million would be subject to estate tax. No estate with a family-owned business or farm valued at less than $4 million would be subject to estate tax.

There are very few farms that could be described with even a measure of exaggeration as a family farm worth more than $4 million. New York State is a farming State. It always has been. Ray Christensen, the Special Assistant with the Department of Agriculture and Markets, estimates that our farms sell in the range of about $257,000. I cannot imagine those in Pennsylvania, just over our border, would be very different. They are nowhere near $4 million. I cannot imagine there is such a place, save a nominal farm kept for recreational purposes on the eastern end of Long Island or in the Hudson Valley.

Our proposal would increase the general exemption, which is applicable to all estates, to $1 million immediately—it is $675,000 today—and to $2 million by the year 2009. This would eliminate two-thirds of the approximately 50,000 estates currently subject to tax. In addition, our proposal would increase the exemption for family farms and family-owned businesses from $1.3 million to $2 million immediately and to $4 million by 2009. Our increase would eliminate the estate tax on virtually all family farms and 75 percent of the family-owned businesses.

The measure is costly but not extravagantly so. It costs $65 billion over 10 years, compared to $105 billion under the House proposal, which we have before us. This bill, as I said earlier this week—and I repeat to my esteemed friend, our chairman—should have been referred to the Finance Committee. It was not. The Senate will learn to its cost one day that the Finance Committee has jurisdiction over these matters because we have some competence in them, and not for nothing, for example, did we bring about the 1977 measures—I was then a member of the committee—to lower the estate tax which had commenced to reach almost 8 percent of estates, which is much higher than the historic average. We are back down to where we have been through the century.

I suggest, once again, that we ought to stay with a tax that has served us well. Nearly 100 years ago, Theodore Roosevelt urged adoption of a tax that would "be aimed merely at the inheritance or transmission in their entirety of those fortunes swollen beyond all healthy limits."

To conclude, I will ask permission to have printed in the Record the lead story in the New York Times business section, Business Day: "Despite benefits, Democrats' Estate Tax Plan Gets Little Notice." It goes on, in a manner one is not accustomed to read in business sections, that:

> Small-business owners and farmers whose Washington lobbyists are ardent backers of a Republican-backed plan to repeal the estate tax seem largely unaware that—

The Democratic proposal—

> would exempt nearly all of them from the tax starting next year.

As against the measure we have from the House.

I will read one paragraph and then conclude:

> Two prominent experts on estate taxes said yesterday that the Democrats were offering a much better deal to small-business owners and farmers, because the relief under their bill would be immediate and the estate tax would be eliminated for nearly all of them.

That is a matter we might keep in mind. I ask unanimous consent that this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the New York Times, July 13, 2000]

### Despite Benefits, Democrats' Estate Tax Plan Gets Little Notice

(By David Cay Johnson)

Small-business owners and farmers whose Washington lobbyists are ardent backers of a Republican-backed plan to repeal the estate tax seem largely unaware what President Clinton—who has vowed to veto the Republican proposal—has said he would sign legislation that would exempt nearly all of them from the tax starting next year.

Business owners and farmers would be allowed to leave $2 million—$4 million for a couple—to their heirs without paying estate taxes under the plan favored by the President and the Democratic leadership in Congress. The Republican proposal, which passed the House last month with some Democrats' support and is being debated in the Senate this week, would be phased in slowly, with the tax eliminated in 2009.

Supporters of the Republican plan say the tax is so complicated that eliminating it is the only effective reform; they argue that the nation's growing wealth means more estates will steadily fall under the tax if it remains law on the Democratic proposal's terms.

Still, had the Democratic plan been law in 1997, the last year for which estate tax return data is available from the Internal Revenue Service, the estates of fewer than 1,300 owners of closely held businesses and 300 farmers would have owed the tax.

According to the data, 95 percent of the roughly 6,000 farmers who paid estate tax that year would have been exempted under terms of the Democrats' plan, as would 88 percent of the roughly 10,000 small-business owners who paid the tax.

Had the estate tax been repealed in 1997, as the Republicans now propose, more than half of the tax savings would have gone to the slightly more than 400 individuals who died that year leaving individual estates worth more than $20 million each.

Two prominent experts on estate taxes said yesterday that the Democrats were offering a much better deal to small-business owners and farmers, because the relief under their bill would be immediate and the estate tax would be eliminated for nearly all of them.

"The fact is that the Democrats are making the better offer—and I'm a Republican saying that," said Sanford J. Schlesinger of the law firm of Kaye, Scholer, Fierman, Hays & Handler in New York. With routine estate planning, he said, the $4 million exemption could effectively be raised to as much as $10 million in wealth that could be passed untaxed to heirs. Only 1,221 of the 2.3 million people who died in 1997 left a taxable estate of $10 million or more, I.R.S. data shows.

Neil Harl, an Iowa State University economist who is a leading estate tax adviser to Midwest farmers, said that only a handful of working family farms had a net worth of $4 million. "Above that, with a very few exceptions, you are talking about the Ted Turners who own huge ranches and are not working farmers," he said.

Mr. Harl said he was surprised that farmers were not calling lawmakers to demand that they take the president up on his promise to sign the Democratic bill.

One reason for that may be that in leading the call for repeal of the tax, two organizations representing merchants and farmers—the National Federation of Independent Business and the American Farm Bureau Federation—have done little to tell members about the Democratic plan. Interviews this week with half a dozen people whom the two organizations offered as spokesmen on the estate tax showed that only one of them had any awareness of the Democratic proposal.

Officials of the business federation and the farm bureau said that in the event full repeal failed, they might push for approval of the Democratic plan. But both groups say outright repeal makes more sense.

"My concern is not over the Bill Gateses of the world," said Jim Hirni, a Senate lobbyist for the business federation. "But we have to eliminate this tax, because it is too complicated to comply with the rules. Instead of further complicating the system, the best way is to eliminate the tax, period."

A farm bureau spokesman, Christopher Noun, said that the Democrats' plan appeared to grant benefits that would erode over time. "Farmers are not cash wealthy, they are asset wealthy," he said. "And those assets are only going to continue to gain value over the years. So while some farmers may not be taxed now under the other plan—10 or 15 years out they will."

Whether the proposal to repeal the tax dies in the Senate or is passed and then vetoed by the President, it will become a powerful tool for both parties in the fall elections. The Republicans will be able to paint themselves as tax cutters who would carry out their plans if they could just win the White House and more seats in Congress. The Democrats could try to paint the Republicans as the party that abandoned Main Street merchants and family farmers to serve the interests of billionaires.

A vote in the Senate could come as early as this evening.

At the grass roots, however, those who would benefit from any reduction in the scope of the estate tax take a much more pragmatic view of the matter.

"The whole reason I took up this cause is I do not want to see another small family business get into the situation we are in," said Mark Sincavage, a land developer in the Pocono Mountains of Pennsylvania whose family expects to sell some raw land soon to pay a $600,000 estate tax bill to the federal and state governments.

The independent business federation cited Mr. Sincavage's situation as an especially good example of problems the estate tax causes its members who are asset rich but short on cash. Facing similar circumstances is John H. Kearney, a Ford and Lincoln dealer in Ravena, N.Y., who said he "got slammed pretty hard" when his father died last year. Most of his father's $1.6 million estate was in land and the car dealership, said Mr. Kearney, who added that he dipped into savings intended for his children's education to pay the estate tax bill.

Neither Mr. Sincavage nor Mr. Kearney said he was aware of the Democrats' plan to roll back the tax.

But Mr. Kearney said his interest was in reasonable tax relief so that merchants and farmers could continue to nurture their businesses, not in helping billionaires.

"No part of me has any sympathy for people with more than $5 million," he said. "Would I feel terrible if all they did was raise the exemption to $4 million or $5 million? I would say from my selfish standpoint that we have covered the small family farm and small business and thus we achieved what we wanted to achieve.

"But I would still be asking: Is it really a moral tax to begin with? And that's a point you can argue a hundred different ways."

Carl Loop, 72, who owns a whole-sale decorative-plant nursery in Jacksonville, Fla., said he favored repeal, partly because estate tax planning was fraught with uncertainty.

"The complexity of it keeps a lot of people from doing estate planning because they don't understand it," Mr. Loop said. "And they don't like the fact that they have to give up ownership of property while they are alive."

Professor Harl, the Iowa State University estate tax expert, said that he had heard many horror stories about people having to sell farms to pay estate taxes. But in 35 years of conducting estate tax seminars for farmers, he added, "I have pushed and pushed and hunted and probed and I have not been able to find a single cause where estate taxes caused the sale of a family farm; it's a myth."

Mr. MOYNIHAN. Mr. President, I see that my esteemed chairman has risen. Accordingly, I yield the floor.

The PRESIDING OFFICER (Mr. CRAPO). The Senator from Delaware.

Mr. ROTH. Mr. President, the Senate Democrats have proposed an amendment as an alternative proposal to H.R. 8 known as the Death Tax Elimination Act of 2000.

In their alternative, my colleagues across the aisle continue to rely upon the concept of a "unified credit" against the death tax. Their $1 million unified credit does not equal H.R. 8's $1 million exemption. The math behind the Democratic alternative forces the families of the deceased to continue to pay the very high tax rate of 41 percent for even one dollar over their $1 million unified credit.

Now compare that to the reasonable 18 percent tax rate for the first dollar over our proposed $1 million exemption. H.R. 8's use of an exemption versus the Democratic alternative's use of a credit literally cuts the remaining tax rate in half or modest estates. In short, the Democratic alternative still has a "cliff effect." If the total fair market value, based on the Internal Revenue's opinion as to the estate's highest and best use, happens to exceed the Democratic credit, then the family is immediately exposed to death tax rates 41 to 60 percent.

The Democratic alternative fails to take advantage of the lower estate tax rates currently provided in the tax code. Their increase in the unified credit to $1 million forces American families to still pay death taxes ranging from 41 to 60 percent.

While H.R. 8's use of the exemption would allow American families the benefit of the lower tax rates beginning at 18 percent until such time as all of the death taxes are eliminated.

I think through all of the debates, most if not all of my colleagues in the Senate would agree that the influences of a strong economy have created $1 million estates in American families who have never had to face these types of overwhelming tax burdens. Dozens of American cities continue to report that the average sales price for a single family home has climbed to more than $250,000. Their average homes are worth a quarter of a million dollars, by the time you add life insurance for husband and wife, 401(k)s and IRAs to the fair market value of their homes many American families could be facing the previously unknown burden of death tax.

Even though the Democratic alternative goes on to eventually increase the unified credit to $2 million by the year 2009, American families' life insurance, 401(k)s, IRAs, and other lifetime savings are exposed to death taxes beginning at 49 to 60 percent for every dollar above the credit.

In vast contrast, those same families would be shielded from all death taxes after 2009, under our proposed Death Tax Elimination Act, H.R. 8.

Additionally, the Democratic alternative attempts to target its proposed relief to family farms and small businesses by raising the family farm and small business deduction from $1.3 million per decedent to $2 million per decedent in the year 2001. Beginning in 2006 through 2009 the deduction would then be increased through a series of steps to $4 million per decedent.

First of all, I am concerned that under the Democratic alternative, only those estates with over 50 percent of the estate in small businesses would qualify for relief. Upon the detailed review of the 50 percent requirement it becomes obvious that their alternative has several complicated adjustments, which includes all gifts made to the spouse within 10 years of death. This fact alone makes this approach very limited.

In addition to the 50 percent requirement, the Democratic alternative requires that for ten years beyond the date of death, small business families shall have an additional estate tax imposed if the family must dispose of any portion of the family owned business interest for such reasons as bankruptcy or foreclosure. The additional tax is a portion of what would have been owed without the small business exemption and the accrued interest from the date of death.

Second, I am also concerned about the complexity of this approach. The Democratic alternative would require the use of business appraisals and also the preparing and filing of extensive paperwork for up to 10 years beyond death.

After a couple of years of this targeted modest relief having been in effect, I have heard about how it is working. Based on what family farmers and small business folks are telling me in Delaware, I have some misgivings about whether this approach is taking care of most or all of the cases.

Since this complex provision was originally passed in the Taxpayer Relief Act of 1997, 902 estates have elected the current $1.3 million deduction available under the code. Our experience in the area of estate tax provisions leads us to believe that if the Internal Revenue Service challenges as many of the estate valuations as they do under similar provision then only about one-third of the estates that could elect under this provision would benefit under the Democratic alternative.

There are other significant differences between H.R. 8 and the Democratic alternative. H.R. 8 has painstakingly attempted to address multiple concerns in the rules under the generation skipping transfer tax provisions, in a sincere effort to make those rules less burdensome and less complex. Those technical rules, if violated by accident or otherwise generate an additional tax for violating the restriction against generation skipping transfers, by levying 55 percent tax over and above the 41 to 60 percent death tax already due and owing on the total value of the estate. The Democratic alternative does not address the much needed technical changes to general skipping transfer taxes.

Additionally, H.R. 8 has expanded the geographical limitations to qualified conservation easements. This is in recognition of the opportunity to further ease existing pressures to develop or sell environmentally significant land when families must raise funds to pay death taxes.

The Democratic alternative has not even considered this important issue nor has it attempted to advance the preservation of such land.

Now the Democratic leadership has repeatedly complained as to the expense associated with the Death Tax Elimination Act of 2000. But their own alternative is expecting a revenue loss of $64 billion over 10 years, roughly 60 percent of the revenue loss of H.R. 8. This is a $64 billion revenue loss that does not even protect those American families with simple homes, savings, insurance, qualified plans, and investments that do not include a farm or a business.

H.R. 8 repeals the whole estate and gift tax regime in 2010. But, because there are billions of dollars of assets previously untaxed, if the heirs sell any portion of the estate, capital gains taxes are then due and owing. Taxes are then paid at the right time, when the heirs convert the asset to cash. The tax is not collected on an arbitrary and traumatic event such as death. Nor is tax collected on an arbitrary valuation based on paper equity that has never been realized.

Moderately sized estates would be safeguarded from this capital gains tax exposure. The step up in basis is retained for all estates in an amount of up to $1.3 million per estate. In addition, transfers to a surviving spouse would receive an additional step up in the amount of $3 million. So a family could cumulatively receive a step up in basis of $5.6 million at the death of both husband and wife. This effectively protects moderately sized estates from both death tax and capital gain tax exposure.

The House passed the bill on a bipartisan basis with 65 Democrats voting in favor of repeal of the estate and gift taxes. Now is the Senate's opportunity to pass this bill on a bipartisan basis and send it to the President. It is my understanding this will be the only chance this year that we will have to pass this bill and repeal estate and gift taxes. If we fail, the bill dies. If we come together and vote in favor of the House bill—estate tax repeal that the Congress passed last year—it will go directly to the President for his signature.

This should not be a partisan issue.

Unfortunately, the White House has indicated its opposition to repeal of estate and gift taxes and has promised to veto this bill. With roughly $2 trillion of estimated non-Social Security surpluses over the next 10 years, I believe the approximately $105 billion cost of repealing estate and gift taxes to be well within reason—it is only about 5 percent of the projected non-Social Security surplus.

Taxpayers are taxed on their earnings during their lives at least once. Our Nation has been built on the notion that anyone who works hard has the opportunity to succeed and create wealth. The estate and gift taxes are a disincentive to succeed and should be eliminated. It is the right thing to do.

It has been said that there are only two certainties: death and taxes. The two are bad enough, but leave it to the Federal Government to find a way to make them worse by adding them together. This is probably the worst example of adding insult to injury ever devised. Yet Washington perpetuates over and over again on hard working families who have already paid taxes every day they have worked.

The Democratic alternative fails to address the needs of the American people. Therefore I urge my colleagues to support the majority leader and vote for H.R. 8.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I yield to Senator BAUCUS whatever time he may consume.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I will start by complimenting the two leaders. Yesterday at this time, we were facing a likely cloture petition which would have severely limited debate on different amendments. We finally reached agreement on a certain number of amendments. It is good we have crossed that bridge and are now on the bill.

Some of the amendments that are going to be offered today may be adopted—some may not—but at least they will all improve the bill. We will have an open debate on them, and that allows the American people to have a better opportunity to determine what makes sense and what does not. Again, I congratulate the leaders.

The House bill still raises many serious questions that deserve careful consideration. I will name a few.

One is the impact of the House bill across various income levels, something that has really not been discussed. How does it affect one income level versus another income level versus the highest income levels in America?

Another is the new rules that maintain the carryover basis of certain inherited assets. What is all that about? It is kind of technical. The fact is, under the House bill—remember, the House bill doesn't repeal the estate tax until 10 years after enactment—there is not much relief in the first 10 years. But after 10 years, after the estate tax is repealed, many assets will no longer have a stepped up basis but instead have a carryover basis.

What does someone who inherits an asset and wants to then dispose of that asset have to do? He or she cannot just figure out how much tax is owed by using the ordinary market value when it was inherited, which presumably is quite a bit higher than when it was bought. Rather, he or she has to use the carryover basis from when the asset was first acquired with whatever adjustments were made in the meantime. This is usually much lower. And it is awfully technical.

The net effect is twofold: One is that people who receive an inheritance, under the House bill, are going to suddenly face a much higher capital gains tax if and when they want to dispose of it than they would under current law. Under current law, again, it is called a stepped-up basis. The net effect is a much lower capital gains tax when the asset might otherwise be sold.

All you folks who think, boy, this House bill is going to repeal the estate tax, beware. It does not really repeal the estate tax. What it does is say that 10 years later, when you get that asset, if you want to do anything with it, if you want to sell it, want to realize the value of it, you will pay a whopping capital gains tax, much higher than you would otherwise pay under current law.

The second problem with that is the complexity of the paperwork. Let's assume the House bill passes. After 10 years —you are a person who receives inheritance from an estate. If you have to go back and figure out what the basis of all the assets are, some assets may have been acquired by the decedent 5 years earlier, 10 years earlier, maybe 20 years earlier, maybe 30 years earlier. The basis may have to be carried over for generations. If you have to stop and find the paperwork, find the data which determines what the cost was of that asset from who knows how many years ago, that is a huge change from current law. It will cause undue complexity.

A lot of people in this body correctly complain about the complexity of the Tax Code. That is a valid complaint. If the House bill passes, the additional complexity that this body will impose on taxpayers is going to be beyond imagination. When this Congress did the same thing about 24 years ago, in 1976, guess what happened. Our own constituents raised a huge outcry. What did we do in the Congress? We agreed with our folks.

We ended up repealing carryover basis before it even took effect. I don't think many people have focused on it, but that same provision is in the House bill right now, the bill we have before us.

Then there is the effect of the House bill on charitable giving, when the estate tax is totally repealed on down the road after 10 years. I have talked to a lot of estate tax attorneys—reasonable people, good, solid estate tax attorneys. They say: Max, if you pass a total repeal, I guarantee you there will be a huge drop in charitable contributions in America—huge. It stands to reason.

Think of some taxpayers who have been in the news a lot, some Americans who have huge estates. We see in the news that they are giving a lot to charity. I am sure a lot of those folks are giving to charity out of the goodness of their hearts, for good, solid altruistic reasons. I am also confident that a lot of people with wealth give to charity because under current law, it benefits them; those charitable contributions are deductible. They would far rather give to a charity than to Uncle Sam. They would rather give to their children first, but they would rather give to a charity than Uncle Sam.

I think you are going to see a huge drop in charitable contributions if this House-passed bill the majority party is pushing is enacted into law. At the very least, we never had hearings on this. We really don't know what effect it will have on charitable contributions. We really don't know what real effect repeal of the stepped-up basis and moving over to the carryover basis can have either. We can surmise. I don't hear the majority talking about those issues much, which leads me to the conclusion that there is probably more of a problem with these issues than they want people to believe. What our best guess of the effect? We could determine it best if we had hearings, but there have been no hearings on Federal estate taxes in this Congress—none in the Senate.

I won't belabor the point. I think it is just basic things we should be thinking about before we rush to passage of the House-passed bill. Let's move on to the substance. Remember, under current law, the estate tax applies to estates worth more than $675,000. That is the law. That amount is scheduled to rise to $1 million in the year 2006. In addition, we have special rules that increase the exemption for family-held businesses to $1.3 million. That is current law.

To put this in perspective, next year it is expected that about 2.5 million Americans will die. Of those 2.5 million, roughly 50,000 will have estates that will pay an estate tax under current law. That is 2 percent. I will repeat that because it is worth remembering. Of the number of people who will die this year, about 2 percent of those people will have estates subject to estate tax. So 98 percent of Americans who die will not have estates that are subject to the estate tax. That is current law.

With this basic picture in mind, today's debate presents two separate alternatives, two ways to reform the estate tax. There is the House-passed bill and there is the Democratic alternative.

Let's look at the House bill. What does it do? It works in two steps. Over the first 9 years, it gradually reduces estate tax rates down to a top rate of about 40 percent. How does it do it? Really, it doesn't reduce taxes very quickly during that 9 years because the first year the only things that are actually repealed are the top rate, which is 55 percent, and the surtax. During that time other modest cuts are made. Then the next year, the 53 percent rate is repealed, and then on down. Then in the final year, you get total repeal. The bill waits a full 10 years after enactment before it completely repeals the estate tax. That is when the real effect of the House bill is felt. It is not in the first 10 years but after total repeal, after 10 years.

At the same time, the House bill imposes a new requirement. When full repeal goes into effect, people who inherit estates worth more than certain amounts must maintain what tax lawyers call the "carryover basis" of inherited assets. I discussed that a few minutes ago. That, in a nutshell, is the House bill.

The Democratic alternative takes a different approach. It does two things—very simple but effective. First, we dramatically increase the amount that is exempt from estate tax. Currently, as I mentioned, it is $675,000. We increase the per person exemption to $1 million per spouse right away. A few years later, we begin to increase it again, until it reaches $2 million. For a couple, that is a $4 million exemption right across the board.

Second, we increase the family-owned business exclusion to $4 million per spouse. For a couple, it is $8 million.

Those are the two alternatives.

When you compare them, it should be pretty clear the Democratic alternative has two important virtues. First, the Democratic alternative provides dramatic relief, while the Republican bill does not. And it provides dramatic relief where it is needed the most—small businesses, family-held farms and ranches.

In the first year, we would exempt over 40 percent of the estates that are currently subject to an estate tax. Not the House bill, the majority proposed bill; it actually would affect very few people in the first year and it wouldn't exempt anyone from the tax. The Democratic alternative would exempt 40 percent. In fact, ours contains much more relief for estates in this range than the House bill would begin to provide.

Over the longer term, when the provisions take full effect, the Democratic alternative exempts more than two-thirds of all estates. Remember, of all the people who die in America, only 2 percent are subject to estate tax in the first place. The Democratic alternative exempts two-thirds of all those; that is, two-thirds of the 2 percent. It would also exempt three-quarters of all small businesses that might otherwise be paying tax, and 95 percent of all farms and ranches that would have to pay the estate tax under current law.

In contrast, the House-passed bill doesn't go nearly that far. It provides very little relief to these estates for the first 10 years. Granted, eventually it provides total relief, but that is 10 years from now, not in the interim. In 2010 the Republican bill repeals the tax completely, including estates worth not only $2 million or $3 million, or family businesses up to $8 million, but it also repeals the estate tax for huge estates—$100 million estates, $1 billion estates, $5 billion estates. It totally repeals any tax whatsoever on estates of that size.

Yesterday, I spoke in opposition to the House bill, and Senators THOMAS and INHOFE expressed a little surprise. They said when they talk to ordinary folks in their home States, they hear a lot about the estate tax, and people want reform. They wondered whether I was hearing the same in my State of Montana. I sure am, all the time—in coffee shops, in grocery stores, lots of people talk to me. They think it hits too hard on farms, ranches, and small businesses. That is precisely the point. The House bill responds to these with an abstraction—repeal, 10 years from now.

The Democratic alternative says, no, we are not going to wait 10 years; we are going to do it now. We respond with honest-to-goodness relief. I am sure there is somebody in Montana with an estate worth more than $8 million who will still have to pay some estate tax under the Democratic alternative. But there sure aren't many of them.

Remember, the vast majority of the estates are either not affected by the tax now or, if they are, would be completely exempt under the Democratic alternative. One other virtue of the Democratic alternative is it costs much less than the House bill, $40 billion less over 10 years. After that, the savings are even greater.

As a result, the Democratic alternative allows us not only to reform the estate tax in a way that helps where it is needed the most, but it also allows us to address other priorities that, frankly, are more important than total repeal of the estate tax, particularly for huge estates.

For example, what about the national debt? The Democratic alternative leaves an additional $40 billion available to pay down the national debt. Or we could use the savings to provide tax cuts to meet other important needs; help average families save for retirement or their kids' college education, or help people meet long-term medical care costs; protect Social Security and Medicare.

Believe me, these are good things that we hear about at home all the time. I believe that more people are more concerned about these matters than they are about total repeal of the estate tax, particularly for large estates.

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## NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2001—Resumed

The PRESIDING OFFICER. Under the previous order, the time has arrived to proceed to the next order of business.

The Senator from Delaware.

Mr. ROTH. Mr. President, I ask unanimous consent that the next votes in the series be limited to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. The first vote will be 15 minutes and thereafter 10 minutes. We agree.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2549) to authorize appropriations for fiscal year 2001 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

Pending:

Feingold pending amendment No. 3759, to terminate production under the D5 submarine-launched ballistic missile program.

Durbin Amendment No. 3732, to provide for operationally realistic testing of National Missile Defense systems against countermeasures; and to establish an independent panel to review the testing.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, it is my understanding that under the order we will now proceed to two votes. I recommend to the Senate that we proceed to the Feingold vote first.

The PRESIDING OFFICER. The Senator is correct.

Mr. WARNER. Second, to the vote on the amendment of the distinguished Senator from Illinois.

At this time, I believe we have 2 minutes for those in opposition. But in deference to the proponents, we are willing to hear from the proponents first.

They are not going to use it.

Then I yield 2 minutes to the distinguished chairman of the Subcommittee on Strategic Forces.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ALLARD. Mr. President, the Feingold amendment would undermine the U.S. sea-based deterrent force by killing the Trident D-5 missile program. Such a decision would cut the Navy's requirement short by 53 missiles resulting in the deployment of three fewer submarines that DOD currently believes are required.

I move to table the amendment.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion. The clerk will call the roll.

Mr. BYRD. Mr. President, will the Chair kindly tap the gavel a little bit to clear the well?

The PRESIDING OFFICER. Senators will clear the well. The Senate will be in order. The clerk will not proceed until Senators clear the well.

Mr. BYRD. Mr. President, I thank the Chair.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Maryland (Ms. MIKULSKI) is necessarily absent.

The result was announced—yeas 81, nays 18, as follows:

[Rollcall Vote No. 177 Leg.]

YEAS—81

Abraham
Akaka
Allard
Ashcroft
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Breaux
Brownback
Bryan
Bunning
Burns
Byrd
Campbell
Chafee, L.
Cleland
Cochran
Collins
Conrad
Coverdell
Craig
Crapo
Daschle
DeWine
Dodd
Domenici
Edwards
Enzi
Feinstein
Fitzgerald
Frist
Gorton
Graham
Gramm
Grams
Gregg
Hagel
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Inouye
Kennedy
Kerry
Kyl
Landrieu
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Moynihan
Murkowski
Nickles
Reed
Robb
Roberts
Roth
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Torricelli
Voinovich
Warner

NAYS—18

Boxer
Dorgan
Durbin
Feingold
Grassley
Harkin
Jeffords
Johnson
Kerrey
Kohl
Lautenberg
Leahy
Lincoln
Murray
Reid
Rockefeller
Wellstone
Wyden

NOT VOTING—1

Mikulski

The motion was agreed to.

Mr. WARNER. Mr. President, I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

### AMENDMENT NO. 3732

Mr. WARNER. Mr. President, under the previous order, we will now proceed to the amendment by the Senator from Illinois. At such time as he concludes his portion of the 2 minutes, I yield my time to the senior Senator from Mississippi, Mr. COCHRAN.

The PRESIDING OFFICER (Mr. BUNNING). The Senator from Illinois. The time is 2 minutes, equally divided.

The Senator from Illinois is recognized.

Mr. DURBIN. Mr. President, can I have order in the Chamber?

The PRESIDING OFFICER. The Senate will come to order.

Mr. DURBIN. Mr. President, this amendment which we offer is one that was debated last night on the floor of the Senate. It is very straightforward. If we are to go forward with a national missile defense system, we should have honest, realistic testing, including testing for countermeasures so we can say to the American people: Your money is being well spent; so we can say to them: If this is a source of security and defense for America, it is one that will work and function.

Some have looked at my amendment and said it must be critical of the system because DURBIN has questioned the system in the past. I presented, during the course of the debate last night, a letter from the Director of Testing and Evaluation in the Department of Defense, Mr. Philip Coyle, in which he writes to me and says:

> This letter is to support your effort to reinforce the need for realistic testing of the National Missile Defense System.

It is very clear to the Pentagon, as it is to those who listened to the debate last night, that this is not a friendly amendment nor an amendment that sets out to end the national missile defense system. This is an amendment which asks for the facts and asks for the reality. I hope Senators will support it.

Mr. DASCHLE. Mr. President, I come to the floor this morning to voice my support for perhaps the most important amendment—on one of the most important bills—the Senate will consider this year.

National missile defense is one of the most critical defense issue facing this nation.

It is probably one of the more politically charged issues as well.

Despite political sensitivity and, frankly, political risk, Senator DURBIN has looked carefully at the facts, and at the arguments on all sides of this issue. His amendment reflects a balanced measured approach that I believe should be endorsed by both supporters and opponents of a missile defense system.

The Senate should adopt the Durbin amendment for two reasons: What it doesn't say. And what it does say.

What the amendment doesn't say is whether a missile defense system is a good idea, or a bad idea.

Frankly, I believe we do not have enough information yet to make that call. The Durbin amendment actually presumes a NMD system will be deployed. But it does not address the issue of whether it should be deployed.

What the Durbin amendment does say, it says well. Simply put, this amendment says that before we commit $60 billion—or more—to deploy a national missile defense system, we must be confident the system will work. Nothing more, nothing less. Americans have a right to know that their tax dollars aren't being wasted on a system that cannot work. And we have a responsibility to provide them with that assurance.

The Durbin amendment says that before a national missile defense system can be declared operational, the system must be tested against measures our enemies can be expected to take to defeat it, and the Secretary of Defense must prepare a report for Congress on the ability of the NMD system to defeat these countermeasures.

The amendment also reconvenes the Welch panel, an independent review panel chaired by General Welch, to assess countermeasure issues and deliver a report on findings to both the Defense Department and the Congress.

Why are such assurances needed?

Deployment of a national missile defense system would signal a dramatic change in the deterrent strategy this Nation has followed successfully for over 40 years. Moving to new strategy dependent on defenses is not without risks.

Missle defense deployment requires enormous public commitment—not unlike our effort to put a man on the Moon.

While success can never be guaranteed, American people have a right to know that success is possible—before we commit $60 billion, or more, to it.

The President must have confidence the system will work. Also, critically important, our adversaries must know a national defense system will work.

A deterrent is not effective if enemies can be confident it may not, or will not, work. If tests demonstrate for the world that the United States has a strong missile defense system, our adversaries are much less likely to want to test our defenses.

Another reason assurances are needed: Increasing number of studies that raise questions about whether current missile defense testing program can provide future leaders with adequate level of confidence.

Philip Coyle III, the Pentagon's Director of Operational Testing and Evaluation, issued a report to Congress earlier this year. The report concluded the pre-deployment tests will not be conducted "in a realistic enough manner to support acquisition decisions."

A recent report by MIT found that relatively simple countermeasures could defeat the planned NMD system—and that current testing is not capable of evaluating the operational effectiveness of the system against likely countermeasures. This is a critical deficiency.

Technical experts warn that any emerging "missile state" that is capable of deploying a long-range ballistic missile is also capable of building countermeasures that could defeat a NMD system.

The intelligence community released a report last year on "Foreign Missile Development and the Ballistic Missile Threat to the United States through 2015." The report warned that emerging "missile states" could develop countermeasures such as decoy balloons by the time they flight test their first long-range missiles.

They could also acquire countermeasure technologies from Russia and China—both of whom possess such technologies, and both of whom strongly oppose a U.S. NMD system.

Reasons to oppose amendment? I can think of only one reason to oppose this amendment: Belief that we should deploy an NMD system at any cost. Regardless of whether the system can work. Regardless of the cost to American taxpayers. Regardless of the effects deployment could have on our relationships with our allies. Regardless of how it might escalate an international nuclear arms race. Regardless of everything.

I understand that there are some who feel this way. Frankly, I cannot understand this sort of thinking. They wouldn't buy a car before test-driving it. Why in the world would they buy a $60 billion defense system before knowing that it can work?

A missile defense system that undermines our Nation politically, economically, and strategically—without strengthening our defense—is no defense at all.

The American people have a right to know that—if we deploy a national missile defense system—it will work. The Durban amendment will take a big step toward providing them with that assurance. We should adopt it.

Mr. MOYNIHAN. Mr. President, 50 Nobel laureates signed an open letter to President Clinton on July 6, 2000, urging him to reject a proposed $60 billion missile defense system. I ask that the letter may be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JULY 6, 2000.

PRESIDENT WILLIAM JEFFERSON CLINTON,
*The White House, Washington, DC.*

DEAR MR. PRESIDENT: We urge you not to make the decision to deploy an anti-ballistic missile system during the remaining months of your administration. The system would offer little protection and would do grave harm to this nation's core security interests.

We and other independent scientists have long argued that anti-ballistic missile systems, particularly those attempting to intercept reentry vehicles in space, will inevitably lose in an arms race of improvements to offensive missiles.

North Korea has taken dramatic steps toward reconciliation with South Korea. Other dangerous states will arise. But what would such a state gain by attacking the United States except its own destruction?

While the benefits of the proposed anti-ballistic missile system are dubious, the dangers created by a decision to deploy are clear. It would be difficult to persuade Russia or China that the United States is wasting tens of billions of dollars on an ineffective missile system against small states that are unlikely to launch a missile attack on the U.S. The Russians and Chinese must therefore conclude that the presently planned system is a stage in developing a bigger system directed against them. They may respond by restarting an arms race in ballistic missiles and having missiles in a dangerous "launch-on-warning" mode.

Even if the next planned test of the proposed anti-ballistic missile system works as planned, any movement toward deployment would be premature, wasteful and dangerous.

Respectfully,

Sidney Altman, Yale University, 1989 Nobel Prize in chemistry.

Philip W. Anderson, Princeton University, 1977 Nobel Prize in physics.

Kenneth J. Arrow, Stanford University, 1972 Nobel Prize in economics.

Julia Axelrod, NIH, 1970 Nobel Prize in medicine.

Baruj Benacerraf, Dana Farber Cancer Inst., 1980 Nobel Prize in medicine.

Hans A. Bethe, Cornell University, 1967 Nobel Prize in physics.

J. Michael Bishop, University of Calif., San Francisco, 1989 Nobel Prize in medicine.

Nicolaas Bloembergen, Harvard University, 1981 Nobel Prize in physics.

Paul D. Boyer, UCLA, 1997 Nobel Prize in chemistry.

Steven Chu, Stanford University, 1997 Nobel Prize in physics.

Stanley Cohen, Vanderbilt University, 1986 Nobel Prize in medicine.

Leon N. Cooper, Brown University, 1972 Nobel Prize in physics.

E. J. Corey, Harvard University, 1990 Nobel Prize in chemistry.

James W. Cronin, University of Chicago, 1980 Nobel Prize in physics.

Renato Dulbecco, The Salk Institute, 1975 Nobel Prize in medicine.

Edmond H. Fischer, Univ. of Washington, 1992 Nobel Prize in medicine.

Val L. Fitch, Princeton University, 1980 Nobel Prize in physics.

Robert F. Furchgott, Suny Health Science Ctr., 1998 Nobel Prize in medicine.

Murray Gell-Mann, Santa Fe Institute, 1969 Nobel Prize in physics.

Ivar Giaever, Rensselaer Polytechnic Institute, 1973 Nobel Prize in physics.

Walter Gilbert, Biological Laboratories, Cambridge, Mass., 1980 Nobel Prize in chemistry.

Sheldon L. Glashow, Boston University 1999 Nobel Prize in physics.

Roger C. L. Guillemin, The Salk Institute, 1977 Nobel Prize in medicine.

Herbert A. Hauptman, The Medical Foundation of Buffalo, 1985 Nobel Prize in chemistry.

Dudley R. Herschbach, Harvard University, 1986 Nobel Prize in chemistry.

Roald Hoffman, Cornell University, 1981 Nobel Prize in chemistry.

David H. Hubel, Harvard University, 1981 Nobel Prize in medicine.

Jerome Karle, Naval Research Laboratory, 1985 Nobel Prize in chemistry.

Arthur Kornberg, Stanford University, 1959 Nobel Prize in medicine.

Edwin G. Krebs, University of Washington, 1992 Nobel Prize in medicine.

Leon M. Lederman, Illinois Institute of Technology, 1988 Nobel Prize in physics.

Edward B. Lewis, Caltech, 1995 Nobel Prize in medicine.

Rudolph A. Marcus, Caltech, 1992 Nobel Prize in chemistry.

Franco Modigliani, MIT, Sloan School, 1985 Nobel Prize in economics.

Mario Molina, MIT, 1995 Nobel Prize in chemistry.

Marshall Nirenberg, NIH, 1968 Nobel Prize in medicine.

Douglas D. Osheroff, Stanford University, 1996 Nobel Prize in physics.

Arno A. Penzias, Bell Labs, 1978 Nobel Prize in physics.

Martin L. Perl, Stanford University, 1995 Nobel Prize in physics.

Norman F. Ramsey, Harvard University, 1989 Nobel Prize in physics.

Burton Richter, Stanford University, 1976 Nobel Prize in physics.

Richard J. Roberts, New England Biolabs, 1993 Nobel Prize in medicine.

Herbert A. Simon, Carnegie-Mellon Univ., 1978 Nobel Prize in economics.

Richard R. Smalley, Rice University, 1996 Nobel Prize in chemistry.

Jack Steinberger, CERN, 1988 Nobel Prize in physics.

James Tobin, Yale University, 1981 Nobel Prize in economics.

Daniel C. Tsui, Princeton University, 1998 Nobel Prize in physics.

Steven Weinberg, University of Texas, Austin, 1979 Nobel Prize in physics.

Robert W. Wilson, Harvard-Smithsonian, Ctr. for Astrophysics, 1978 Nobel Prize in physics.

Chen Ning Yang, Suny, Stony Brook, 1957 Nobel Prize in physics.

Owen Chamberlain*, University of California, Berkeley, 1959 Nobel Prize in physics.

Johann Diesenhofer*, University of Texas Southwestern Medical Center, 1988 Nobel Prize in chemistry.

Willis E. Lamb, Jr.*, Stanford University, 1955 Nobel Prize in physics.

*These laureates signed the letter within hours after the letter was delivered to the White House.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, the Durbin amendment is unnecessary. It purports to direct the manner and details of a missile testing program that the Secretary of Defense is committed to conduct already.

This amendment is an unprecedented effort by the Senate to micromanage a weapons system testing program. In no other program has the Senate tried to legislate in this way to dictate to DOD how a classified national security testing program should be conducted.

The directions to DOD in this amendment are vague. They would inevitably lead to confusion and unnecessary delays in the development of this complex, but very important, capability to defend our Nation against a serious threat. I urge the Senate to reject this amendment.

I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is on agreeing to the motion. The clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 52, nays 48, as follows:

[Rollcall Vote No. 178 Leg.]

YEAS—52

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Chafee, L.
Cochran
Coverdell
Craig
Crapo
DeWine
Domenici
Enzi
Fitzgerald
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Specter
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

NAYS—48

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Bryan
Byrd
Cleland
Collins
Conrad
Daschle
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Jeffords
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Snowe
Torricelli
Wellstone
Wyden

The motion was agreed to.

Mr. COCHRAN. I move to reconsider the vote.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. S. 2549 is now considered read a third time.

The Senate will now proceed to H.R. 4205. The text of S. 2549 is substituted therefore, and the bill is considered read a third time.

AMENDMENT NO. 3753

Mr. ROCKEFELLER. Mr. President, I am pleased that the Senate has taken an important step toward protecting the lives and property of all Americans with the passage of the Firefighter Investment and Response Enhancement Act. I am proud today to join with Senators DODD and DEWINE as a cosponsor of this legislation. I wish to thank Senator DODD and Senator DEWINE for the leadership and effort they have shown on behalf of the men and women serving as firefighters across the nation. I would also like to commend the many other Senators who already have signed on as cosponsors of this important legislation.

The Firefighter Investment and Response Enhancement Act seeks to address the enormous amount of fiscal need faced by our nation's fire departments, both paid and volunteer, and does so with an eye to the human costs incurred by both firefighters and the general public these brave men and women protect every day. Every year, more than 4,000 people are killed and 24,000 are injured by fire in the United States. Sadly, about 660 of those killed each year are children. One hundred of the individuals who lose their lives to fire each year are firefighters, the very men and women who are fighting to protect others. Many of these deaths and injuries could be avoided by simply using the technology and equipment that while currently available, is often so expensive that fire departments are unable to purchase it. Similarly, many of the deaths and injuries could be avoided with increased efforts at fire prevention and training. Fire departments in many of our towns and cities spend the bulk of their entire budgets on administrative costs and compliance with existing safety regulations, and can simply not afford the available safety equipment and training. As a consequence, far too many volunteer firefighters and EMTs are forced to pay for their own training because their departments simply do not have enough money to have them trained.

West Virginia fire departments share in this enormous need for additional funding. There are about 16,000 firefighters in West Virginia serving in 437 fire departments. Virtually every one of those departments are underfunded. West Virginians were forced to cope with almost $73 million of property damage due to fires in 1999. More importantly, 45 civilians were killed and two firefighters were killed in the line of duty. Much of the loss of life and property, and many of these injuries could have been avoided if fire departments had the funds to deal with emergencies as effectively as possible and to establish prevention programs.

Over the past few months, my state has grieved the tragic loss of two firefighters whose deaths may well have been prevented if their departments had access to grants available under S. 1941. Angelo "Wayne" Shrader, a firefighter with the East River Volunteer Fire Department, in Princeton, WV, who also worked as a Communicator with the Mercer County "911" service, died as a result of injuries incurred fighting a fire as part of an understaffed local fire department. Similarly, Fire Lieutenant Robbie Brannon, of the City of Bluefield Fire Department, died as the result of injuries, including a heart attack, he suffered fighting a residential fire with a crew short two firefighters because of budget constraints. I humbly join with colleagues on both sides of the aisle today in honor of the bravery and sacrifice of Wayne Shrader and Robbie Brannon, and the many firefighters in West Virginia and across the nation who continue to protect us each day.

Like fire departments all across the country, West Virginia fire departments do receive support from State and local governments. Unfortunately, it is simply not enough. Indeed, fire departments in West Virginia are just like those in every other state, with equipment and personnel needs requiring substantial additional funding. Equipment such as thermal imaging cameras would be a tremendous aid to firefighters and could result in lives being saved, but such equipment is very expensive. Similarly, new and technologically advanced fire engines would be an enormous help to fire departments and the towns and cities they serve. Unfortunately, with current funding levels, most fire departments cannot upgrade their equipment and many must raise funds themselves just to fuel the antiquated vehicles many must still keep in service.

However, the greatest need fire departments in West Virginia have is the need for increased training. Additional training would be an invaluable resource to fire departments across the state. There simply is not enough money available. Three years ago, the projected five-year need for the fire departments in Raleigh County, West Virginia, alone was $14 million. While the Firefighter Investment and Response Enhancement Act would not cover that entire need, it would be a tremendous aid to fire departments as they attempt to meet their various needs.

For many years, fire departments and firefighters across the nation have simply dealt with funding shortfalls, and yet have managed to protect our communities despite the limited resources available to them. However, we cannot expect these miracles to be performed any longer. Bake sales and bingo can only pay for so much. It is vital that the federal government become involved. The men and women serving as firefighters play an important role in the quality of life in our communities, and it is high time Congress recognizes their contribution. It is our responsibility to provide adequate funding sources to keep firefighters from facing dangers that could be mitigated or eliminated though better training, the availability of state-of-the-art equipment, and the implementation of fire prevention programs.

The Firefighter Investment and Response Enhancement Act provides a portion of this much-needed relief. The legislation authorizes $1 billion to be distributed by FEMA to fire departments across the nation on a competitive basis. No more than ten percent of this money is to be used for administrative costs. This assures that the money is really getting to the fire departments that so desperately need help. Further, at least ten percent of the funds are to be used to establish vital fire prevention programs to stop fires before they start. The remaining appropriations will be available on a competitive basis to address a wide variety of needs faced by fire departments across the nation. This allows money to be used for the most desperate needs of individual departments.

It is past time that we provide some relief to our nation's brave firefighters who have managed to get by on far too little for far too long. Once again, I commend the Senate for taking this action on behalf of our nation's firefighters. I also wish to thank Senator DODD and Senator DEWINE for sponsoring this legislation to supply a portion of that much-needed aid. Little that we do may be as immediately important as the help we should act quickly to provide our fire departments. By helping our nation's fire departments, we are truly helping everyone.

Mr. LEVIN. Mr. President, I rise as an original co-sponsor of the Domenici Nuclear Cities amendment and to note that this important amendment was unanimously agreed to by the Senate.

The Russian nuclear weapons complex is a vast collection of highly secret closed cities. This complex is far larger and has significantly more capability to produce nuclear weapons than the U.S. nuclear weapons complex. Just over two years ago, the Department of Energy was presented with a unique opportunity to help Russia significantly reduce this complex, including the opportunity to close 2 of the three Russian nuclear weapons assembly facilities.

The DOE through its nuclear cities initiative has been working closely with its Russian counterpart, the Russian Ministry of Atomic Energy, known as MinAtom, to reduce the size of the Russian nuclear complex by 50 percent. DOE started this effort just over two years ago, and while it took a while to get off the ground, the Nuclear Cities Program has begun to demonstrate real progress.

This amendment would direct the Secretary of Energy to expand and accelerate the activities under the Nuclear Cities Program and further assist Russia in downsizing its nuclear weapons complex. To help with this effort the amendment will provide an additional $12.5 million over the current $17 million authorized in the bill. Compared to the overall defense budget this is a small amount but an amount that can help reduce the Russian nuclear weapons complex.

This amendment directs the U.S. DOE and MinAtom, to enter into an agreement to establish a plan, with milestones, to consolidate the Russian nuclear weapons complex. In addition, MinAtom must agree, in writing, to close some of its nuclear weapons facilities, before the additional $12.5 million can be spent.

We have a unique opportunity to further U.S. national security interests by closing some of the Russian nuclear weapons facilities. While the full burden to downsize the Russian complex remains a Russian obligation we can and should help. It is important to improve and further our relationship with Russian at all levels. The Nuclear Cities program provides many benefits to the U.S. and to Russia. The U.S. should grab this opportunity. In the future, Mr. President, I would like to see the program expanded further; this amendment is a good first step.

Mr. MCCAIN. Mr. President, I rise today in support of S. 2549, the National Defense Authorization Act for FY 2001. Included in the bill that passed today are several amendments that will significantly improve the lives of active duty members, reservists, military retirees, veterans, and their families.

These amendments greatly improved the version of the bill that came out of the Armed Services Committee. I had voted against reporting the bill out of the Committee because it did not include important measures for military personnel and neglected the issue of defense reform.

The critical amendments that were included in the legislation that passed today will: remove servicemembers from food stamps; increase pay for mid-grade Petty Officers and Non-Commissioned Officers; assist disabled veterans in claims processing; restore retirement pay for disabled military retirees; provide survivor benefit plan enhancements; authorize a low-cost life insurance plan for spouses and their children; enhance benefits and retirement pay for Reservists and National Guardsmen; authorize back-pay for certain WWII Navy and Marine Corps Prisoners of War; and provide for significant acquisition reform by eliminating domestic source restrictions on the procurement of shipyard cranes.

One of the areas of greatest concern among military retirees and their families is the "broken promise" of lifetime medical care, especially for those over-age 65. While the Committee had included some key health care provisions, it failed to meet the most important requirement, the restoration of this broken promise.

With severe recruitment and retention problems still looming, we must better compensate our mid-grade enlisted servicemembers who are critical to leading the junior enlisted force. We have significantly underpaid enlisted servicemembers since the beginning of the All-Volunteer Force. The value of the mid-grade NCO pay, compared to that of the most junior enlisted, has dropped 50 percent since the All-Volunteer Force was enacted by Congress in 1973. This pay provision for the mid-grade enlisted ranks, up to $700 per year, plus the food stamp pay provision of an additional $180 per month for junior enlisted servicemembers, provides a significant increase in pay for enlisted servicemembers.

The National Guard and Reserves have become a larger percentage of the Total Force and are essential partners in a wide range of military operations. Due to the higher deployment rates of the active duty forces, the Reserve Components are being called upon more frequently and for longer periods of time than ever before. We must stop treating them like a "second-class" force.

I would like to emphasize the importance of enacting meaningful improvements for our servicemembers, their families and their survivors. They risk their lives to protect our freedom and preserve democracy. We should compensate them adequately, improve the benefits to their families and survivors, and enhance the quality of life for the Reserves and National Guard in a similar manner as the active forces.

Each year the number of disabled veterans appealing their health care cases continues to increase. It is Congress' duty to ensure that the disability claims process is less complex, less burdensome, and more efficient. Likewise, we should restore retirement pay for disabled military retirees.

I would also like to point out that this year's defense authorization bill contained over $1.9 Billion in pork—unrequested add-ons to the defense budget that robs our military of vital funding on priority issues. While this year's total is less than previous years' it is still $1.9 Billion too much. We need to, and can do better. I ask that the detailed list of Pork on this bill be included in the CONGRESSIONAL RECORD following my remarks.

In conclusion, I would like to emphasize the importance of enacting meaningful improvements for active duty and Reserve members. They risked their lives to defend our shores and preserve democracy and we can not thank them enough for their service. But we can pay them more, improve the benefits for their families, and support the Reserve Components in a similar manner as the active forces.

We must ensure that the critical amendments that I have outlined survive the Conference process and are enacted into law. Our servicemembers past, present, and future need these improvements, and the bill that we passed today is just one step on the road to reform.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

*Defense Authorization Act (S. 2549) for FY 2001 add-ons, increases and earmarks*

| | *Dollars (in millions)* |
|---|---|
| TITLE I, PROCUREMENT | |
| Army Procurement (none) | |
| Navy Procurement: | |
| Airborne Low Frequency Sonar (ALFS) | 6 |
| Allegany Ballistics Lab GOCO | 7.7 |
| LHD–8 Advanced Procurement | 46 |
| Adv Procurement DDG 51 | 79 |
| MSC Thermal Imaging Equipment | 4 |
| Integrated Condition Assessment System (ICAS) | 5 |
| Side-Scan Sonar | 5 |
| Joint Engineering Data Management & Info Control (JEDMICS) | 4 |
| AN/SPQ-9B Gun Fire Control Radar | 4 |
| NULKA Anti-Ship Missile Decoy | 4.3 |
| Marine Corps Procurement: | |
| Improved Night/Day Fire Control Observation Device (INOD) | 2.7 |
| Air Force Procurement: | |
| C–17 Cockpit System Simulation | 14.9 |
| C–17 A/C Maintenance System Trainer (AMST) | 11.5 |
| Combat Training Ranges | 20 |
| TITLE II, R, D, T, AND E | |
| Army R, D, T & E: | |
| Composite Materials | 6 |
| Advanced missile composite component | 5 |
| Ballistics Technology | 3.5 |
| Portable Hybrid Electric Power Research | 1.5 |
| Thermoelectric Power Generation for Military Applications | 1 |
| Operational Support | 4 |
| Equipment Readiness | 8 |
| Fuel Cell Auxiliary Power Units | 4 |
| Enabling Technologies for Future Combat Vehicle | 46.3 |
| Big Crow | 7 |
| Simulation Centers Upgrades | 4.5 |
| Family of Systems Simulators | 3 |
| Army Space Control | 5 |
| Acoustic Technology | 4 |
| Radar Power Technology | 4 |
| Scramjet Acoustic Combustion Enhance | 2 |
| Aero-Acoustic Instrumentation | 4 |
| Supercluster Distributed Memory | 2 |
| SMDC Battlelab | 5 |
| Anti-malaria Research | 2 |
| SIRFC/ATIRCM | 38.5 |
| Threat Virtual Mine Simulator | 2.5 |
| Threat Information Operations Attack Simulator | 2.1 |
| Cost Reduction Effort MLRS/HIMARS | 16 |
| Design and Manufacturing Program | 2 |
| Center for Communications and Networking | 5 |
| Navy R, D, T & E: | |
| Free Election Laser | 5 |
| Biodegradable Polymers | 1.25 |
| Bioenvironmental Hazards Research | 3 |
| Nontraditional Warfare Initiatives | 2 |
| Hyperspectral Research | 3 |
| Cognitive Research | 3 |
| Nanoscale Sensor Research | 3 |
| Ceramic and Carbon Based Composites | 2 |
| Littoral Area Acoustic Demo | 3 |
| Computational Engineering Design | 2 |
| Supply Chain Best Practices | 2 |
| Virtual Tested for Reconfigurable Ship | 2 |
| Modular Composite Hull | 4 |
| Composite Helo Hangar Door | 5 |
| Advanced Waterjet-21 | 4 |
| Laser Welding and Cutting | 2.8 |
| Ocean Modeling for Mine and Expeditionary Warfare | 3 |
| USMC ATT Initiative | 15 |
| Minesweeper Integrated Combat Weapons Systems | 5 |
| Electric Motor Brush Technology | 2 |
| Advanced Composite Sail Technology | 2.5 |
| Shipboard Simulation for Marine Corps Operations | 20 |
| Common Command and Decision Functions | 10 |
| Advanced Amphibious Assault Vehicles | 27.5 |
| High Mobility Artillery Rocket System | 17.3 |
| Extended Range Guided Munition | 10 |
| Nonlethal Research and Technology Development | 8 |
| NAVCIITI | 4 |
| Parametric Airborne Dipping Sonar | 10 |
| Advanced Threat Infrared Countermeasures | 8 |
| Power Node Control Center | 3 |
| Advanced Food Service Technology | 2 |
| SPY-3 and Volume Search Radar | 8 |
| Multi-purpose Processor | 15 |
| Antenna Technology Improvements | 5 |
| Submarine Common Architecture | 5 |
| Advanced Tactical Software Integration | 4 |
| CVN–77, CVN(X), and Nimitz Class Smart Product Model | 10 |
| NULKA Dual Band Spatially Distributed Infrared Signature | 2.1 |
| Single Integrated Human Resources Strategy | 3 |

*Defense Authorization Act (S. 2549) for FY 2001 add-ons, increases and earmarks—Continued*

| | *Dollars (in millions)* |
|---|---|
| Marine Corps Research University | 3 |
| Reentry System Application Program | 2 |
| Joint Tactical Combat Training System | 5 |
| SAR Reconnaissance System Demonstrator | 9 |
| Interoperability Process Software Tools | 2 |
| SPAWAR SATCOM Systems Integration Initiative | 2 |
| Distributed Engineering Plant | 5 |
| Air Force R, D, T & E: | |
| Resin Systems for Engine Applications | 2 |
| Laser Processing Tools | 4 |
| Thermal Protection Systems | 1.5 |
| Aeronautical Research | 6 |
| Variable Displacement Vane Pump | 3 |
| PBO Membrane Fuel Cell | 5 |
| Aluminum Aerostructures | 3 |
| Space Survivability | 5.6 |
| HAARP | 7 |
| Integrated Demonstration & Applications Laboratory (IDAL) | 6 |
| Fiber Optic Control Technology | 2 |
| Miniature Satellite Threat Reporting System (MSTRS) | 5 |
| Upper Stage Flight Experiment | 5 |
| Scorpius | 5 |
| Space Maneuver Vehicle | 15 |
| Solar Orbital Transfer Vehicle (SOTV) | 5 |
| Micro-Satellite Technology (XSS-10) | 12 |
| Composite Payload Fairings and Shrouds | 2 |
| SBL Integrated Flight Experiment (IFX) | 30 |
| Airborne Laser Program | 92.4 |
| RSLP GPS Range Safety | 19.2 |
| SATCOM Connectivity | 5 |
| BOL Integration | 7.6 |
| Hyperspectral Technology | 2 |
| Extended Range Cruise Missile | 86.1 |
| Global Air Traffic Management | 7.2 |
| Lighthouse Cyber-Security | 5 |
| B-2 Connectivity | 3 |
| U-2 Syers | 6 |
| Improved Radar for Global Hawk | 6 |
| Global Hawk Air Surveillance Demonstration | 12 |
| Defense Wide R, D, T & E: | |
| Personnel Research Institute | 4 |
| Infrasound Detection Basic Research | 1.5 |
| Program Increase | 15 |
| Chemical Agent Detection-Optical Computing | 2 |
| Thin Film Technology | 3 |
| Wide Band Gap | 2 |
| Bio-defense Research | 2.1 |
| Hybrid Sensor Suite | 8 |
| High Definition Systems | 7 |
| Three-Dimensional Structure Research | 3 |
| Chem-Bio Detectors | 5 |
| Blast Mitigation Testing | 3 |
| Facial Recognition Access Control Technology | 2 |
| Magdalena Ridge Observatory | 9 |
| Wide Band Gap | 10 |
| Excalibur | 3 |
| Atmospheric Interceptor Technology | 15 |
| Chem-Bio Individual Sampler | 2.7 |
| Consequence Management Information System | 6.4 |
| Chem-Bio Advanced Materials Research | 3.5 |
| Small Unit Bio Detector | 8.5 |
| Complex System Design | 5 |
| Competitive Sustainment Initiative | 8 |
| WMD Simulation Capability | 5 |
| HAARP | 5 |
| Integrated Data Environment (IDE) | 2 |
| Advanced Optical Data and Sensor Fusion | 3 |
| Advanced Research Center | 6.5 |
| KE-ASAT | 20 |
| WMD Response System | 1.6 |
| Information Operations Technology Center Alliance | 5 |
| Trust Rubix | 1.8 |
| Cyber Attack Sensing and Warning | 20 |
| Virtual Worlds Initiative | 2 |
| Smart Maps | 2 |
| NIMA Viewer | 5 |
| JCOATS-IO | 5 |
| Information Assurance Testbed | 5 |
| Advanced Lightweight Grenade Launcher | 5.6 |
| Operational Test & Evaluation, Defense, R, D, T & E: | |
| Central T & E Investment Development (CTEIP) Program Increase | 20 |
| Reality Fire-Fighting Training | 1.5 |
| TITLE III, OPERATIONS & MAINTENANCE | |
| Army O&M: | |
| Range Upgrade | 50 |
| Battlefield Mobility Enhancement System | 10 |
| Clara Barton Center for Domestic Preparedness | 1.5 |
| Navy O&M: | |
| Navy Call Center—Cutler, Maine | 3 |
| Operational Meteorology and Oceanography | 7 |
| Nulka Training | 4.3 |
| Range Upgrades | 25 |
| MTAPP | 2 |
| Information Technology Center—New Orleans, LA | 5 |
| Nansemond Ordnance Depot Site—Suffolk, VA | 0.9 |
| USMC O&M (none) | |
| USAF O&M (none) | |
| O&M Defense Wide: | |
| JCS Mobility Enhancements | 50 |
| Defense Acquisition University | 2 |
| DLA MOCAS Enhancements | 1.2 |
| Joint Spectrum Center Data Base Upgrade | 25 |
| Legacy Project, Nautical Historical Project—Lake Champlain, NY | 6.1 |
| Information Security Scholarship Program | 20 |
| Command Information Superiority Architecture | 2 |
| Information Protection Research Institute | 10 |
| Impact Aid | 20 |
| MISCELLANEOUS | |
| Defense Health Program | 98 |
| Kaho'olawe Island Conveyance | 25 |
| Alkali Silica Reactivity Study | 5 |
| Sec. 373. Reimbursement by Civil Air Carriers for Johnston Atoll Support | |
| Sec. 1041. Inst. for Defense Computer Sec. & Info. Protection | 10 |
| Sec. 2831. Land Conveyance, Price Support Center, Granite City, IL | |
| Sec. 2832. Land Conveyance, Hay Army Res. Center, Pittsburgh, PA | |
| Sec. 2833. Land Conveyance, Steele Army Res. Center, Pittsburgh, PA | |
| Sec. 2834. Land Conveyance, Fort Lawton, WA | |
| Sec. 2835. Land Conveyance, Vancouver Barracks, WA | |
| Sec. 2851. Land Conveyance, MCAS Miramar, CA | |
| Sec. 2852. Land Conveyance, Defense Fuel Supply Point, Casco Bay, ME | |
| Sec. 2853. Land Conveyance, Former NTC Bainbridge, Cecil County, MD | |
| Sec. 2854. Land Conveyance, Naval Computer & Telecomm. Station, Cutler, ME | |
| Sec. 2871. Land Conveyance, Army & Air Force Exchange, Farmers Branch, TX | |
| AMENDMENTS | |
| Amdt. 3219. To modify authority to carry out a fiscal year 1990 military construction project at Portsmouth Naval Hospital, VA | 8.5 |
| Amdt. 3235. To authorize a land conveyance, Ft. Riley, KS | |
| Amdt. 3242. To modify authority for use of certain Navy property by the Oxnard Harbor District, Port Hueneme, CA | |
| Amdt. 3383. To provide with an offset, $5 million for R, D, T, & E Defense-wide for strategic environment Research & Development Program for technologies for detection & transport of pollutants from live-fire activities | 5 |
| Amdt. 3385. To set aside for weatherproofing facilities at Keesler Air Force Base, MS, $2.8 million of amount authorized to be appropriated for USAF operation & maintenance | 2.8 |
| Amdt. 3389. To treat as veterans individuals who served in the Alaska Territorial Guard during W.W.II | |
| Amdt. 3400. To authorize a land conveyance, former National Ground Intelligence Center, Charlottesville, VA | |
| Amdt. 3401. To authorize a land conveyance, Army Reserve Center, Winona, MN | |
| Amdt. 3404. To authorize acceptance and use of gifts from Air Force Museum Foundation for the construction of a third building for the Museum at Wright-Patterson USAF Base, OH | |
| Amdt. 3407. To permit the lease of the Naval Computer Telecomm. Center, Cutler, ME, pending its conveyance | |
| Amdt. 3408. To modify the authorized conveyance of certain land at Ellsworth Air Force Base, SD | |
| Amdt. 3415. To provide for the development of a USMC Heritage Center at Marine Corps Base, Quantico, VA | |
| Amdt. 3423. To authorize SecNav to convey to the city of Jacksonville N.C., certain land for the purpose of permitting the development of a bike/green way trail | |
| Amdt. 3424. To authorize, with an offset, $1.45 million for a contribution by the Air National Guard, the construction of a new airport tower at Cheyenne Airport, WY | |
| Amdt. 3460. P-3/H-1/SH-60R Gun Modifications | 30 |
| Amdt. 3462. CIWS MODS | 30 |
| Amdt. 3465. Land Conveyance, Los Angeles AFB | |
| Amdt. 3466. Procurement of AV-8B aircraft | 92 |
| Amdt. 3467. Information Technology Center, LA | 5 |

*Defense Authorization Act (S. 2549) for FY 2001 add-ons, increases and earmarks—Continued*

| | *Dollars (in millions)* |
|---|---|
| Amdt. 3468. USMC Trucks, tilting brackets and mobile electronic warfare support system | 10 |
| Amdt. 3477. Joint Technology Information Center Initiative | 20 |
| Amdt. 3481. Tethered Aerostat Radar System Sites | 33 |
| Amdt. 3482. Special Warfare Boat Integrated Bridge Systems | 7 |
| Amdt. 3483. R, D, T & E for Explosive Demilitarization Technolqgy | 5 |
| Amdt. 3488. Procurement of AGM-65 Maverick missiles | 2.1 |
| Amdt. 3489. Procurement of Rapid Intravenous Infusion Pumps | 6 |
| Amdt. 3490. Training Range Upgrades, Fort Knox, KY | 4 |
| Amdt. 3490. (cont.) Overhaul of MK-45 5 inch guns | 12 |
| Amdt. 3770. National Labs Partnership Improvements | 10 |
| Amdt. 3801. National Energy Technology Lab, Fossil Energy R&D | 4 |
| Amdt. 3802. Florida Restoration Grant | 2 |
| Amdt. 3812. Indian Health Care for Diabetes | 7.372 |
| Amdt. 3807. Salmon restoration and conservation in Maine | 5 |
| Amdt. 3795. Forest System Land Review Committee | 1 |
| Total: | 1,981,522,000 |

Mr. DOMENICI. Mr. President, I rise today to offer strong support of the National Defense Authorization Act for Fiscal Year 2001. This legislation contains many positive things for the state of New Mexico and the United States—both in the programs funded and the changes made to enhance research and development efforts. Chairman WARNER should take pride in his committee's efforts to appropriately allocate defense funding.

For the second year in a row the committee was able to recommend a real increase in defense spending by adding $4.5 billion above the President's fiscal year 2001 request. The recommendation of $309.8 billion is not only consistent with the budget resolution it also allows for a 4.4-percent increase in real growth for defense from last year's appropriated level of funding.

The committee authorized $63.28 billion in procurement funding, a $3.0 billion increase over the President's budget. Operations and maintenance was funded at $109.2 billion with $1.5 billion added to the primary readiness accounts. Research, development, test and evaluation was budgeted at $39.31 billion, a $1.45 billion increase over the President's budget. These impressive funding levels mark the beginning of a challenging march toward a stronger, better, national defense.

Quality of life receives needed attention. I applaud the 3.7-percent pay raise for military personnel, the comprehensive retail and national mail order pharmacy benefit, the extension of the TRICARE Prime benefit to families of service members assigned to remote locations and the elimination of copayment for services received under TRICARE Prime.

Military construction is increased by $430 million. I am delighted that projects critical to the productivity and well being of the service members and their families residing in New Mexico have been included in this bill. These are not glamorous projects, they are projects that will replace critical crumbling infrastructure, such as the replacement of the Bonito pipeline between La Luz and Holloman Air Force Base.

Five additional Weapons of Mass Destruction Civil Support Teams were included at a cost of $25 million. This will provide us with a total of 32 Civil Support Teams by the end of fiscal year 2001. These teams are comprised of full-time National Guard personnel trained and equipped to deploy and assess suspected nuclear, biological, chemical, or radiological events in support of local first responders. One such team is currently being trained and fielded in New Mexico, ensuring that my constituents have better protection against such attacks.

Over $1.0 billion, an increase of $363 million over fiscal year 2000 funding, is authorized for Defense and Energy nonproliferation and threat reduction programs. These programs continue to make great strides in the critical process of securing weapons of mass destruction and retaining scientific expertise in the former Soviet Union. To further ensure that these threat reduction programs achieve their goals, the committee has also included several initiatives to obtain greater commitment and necessary access from Russia. I also will offer an amendment to increase funding and expedite our efforts in restructuring the Russian nuclear weapons complex.

Finally, $446.3 million is provided for the defense science and technology program—a 9 percent increase over the President's budget. This funding will focus on the revolutionary technologies to meet challenging emerging threats.

Several projects critical to New Mexico's contributions to our national defense are supported by this legislation. The Armed Services Committee approved an authorization of $60 million for the Warfighter Information Network program. Laguna Industries plays a key role in manufacturing and assembling these mobile command and control units needed by active and Guard units across the nation.

The committee also authorized $94.2 million to fully restore the Airborne Laser, ABL, program funding. The Air Force's ABL program is the only missile defense system currently contemplated that would strike and kill missiles in their boost phase.

The Tactical Higher Energy Laser, THEL, was authorized at $15 million for FY 2001. THEL represents one of the first weapons systems being tested that utilizes high energy lasers for the purposes of missile defense. The THEL program has been funded through a cost-share arrangement between Israel and the United States, with TRW having also made substantial investments in the program.

I strongly believe that lasers will transform both our offensive and defensive military means in the years to come. We should fully support these programs and address shortfalls in the science and technology funding in these technologies to ensure more rapid development and fielding of high energy laser weapons.

The committee also authorized $49 million in additional funding for activities of the Air Force Research Laboratories at Kirtland Air Force Base, including $5 million for the Scorpius Low-Cost Launch program, $15 million for Military Space Plane, and $5 million for the Solar Orbit Transfer Vehicle Space Experiment.

The Big Crow Program Office was authorized at $7 million by the Senate Armed Services Committee. Big Crow represents a unique electronic warfare test and evaluation capability used by all of the services to ensure their weapons can perform as needed in realistic warfighting scenarios.

An authorization of an additional $3 million will ensure continuation of the important blast mitigation research at New Mexico's Institute of Mining and Technology. New Mexico Tech houses our Nation's experts in terrorist explosives and is developing innovative ways to protect against this threat.

While I appreciate the committee's attention to these and other important programs, I believe that more must be done to ensure the directed energy science and technology is better coordinated and sufficiently funded. These technologies can assist in our defense efforts against some of the most prevalent threats confronting us. I will also be offering an amendment to this legislation that I believe will go a long way in achieving these goals.

In 1998 I spoke before this body and stated the need to start the new millennium by stopping the ebbing tide and ending the lengthy decline in defense spending. This year I am grateful to see the chairman and his committee have made the crucial step of maintaining, and improving on, the FY 2000 increase in defense spending. We must not flag in our efforts to support a strong national defense. The committee has recognized, as do most of us concerned about our national defense, that combat readiness of our Armed Forces must not be at risk. Our soldiers, and our country, deserve a national defense budget that is in keeping with international uncertainty and growing threats. Our soldiers and U.S. citizens are counting on us.

The PRESIDING OFFICER. The question is on the passage of H.R. 4205, as amended.

The Senator from Virginia.

Mr. WARNER. Mr. President, I ask unanimous consent that the Senator from Virginia and the Senator from Michigan be able to proceed for not to exceed 5 minutes equally divided.

The PRESIDING OFFICER. The Chair hears, no objection, it is so ordered.

Mr. WARNER. Mr. President, since 1961, the Senate has passed an authorization bill for our military. We are about to pass another. I first thank the leadership of the Senate, and my distinguished ranking member, Mr. LEVIN, for hanging in as we had to move this bill under some difficult circumstances in the last 30 days.

I wish to pay a special respect to all members of the Senate Armed Services Committee. We conduct our affairs as best we can in the spirit of what is in the best interest of our Nation. The bill reflects those decisions.

I wish to thank our respective staffs, both majority and minority.

I yield to my distinguished colleague who has been with me some 22 years in the Senate on this committee. We have worked together as a team in the best interests of our country.

Mr. LEVIN. Mr. President, first, I thank our chairman for his extraordinary leadership. Since Congress, in 1959, said that we were required to pass an annual authorization bill for the Defense Department, we have never failed. We have succeeded again this year, despite some real odds. We passed a record number of amendments. We did it because of the work of all the members of the Armed Services Committee, our staffs, and our leadership on both sides.

If I can just single out one person, I want to single out, in the leadership, if I may, Senator REID, for just sort of being here constantly to help us move the process forward.

Senator LOTT, Senator DASCHLE, all the leadership, our subcommittee chairmen, ranking members, our staffs really deserve credit for this. It is an extraordinary accomplishment, and it is a real feather in our chairman's cap.

Mr. WARNER. I thank my distinguished colleague.

Mr. THURMOND. Mr. President, I congratulate the chairman and ranking member for the fine job they have done.

Mr. WARNER. Mr. President, I wish to associate myself with the remarks on Mr. REID. He was very helpful to get some time agreements and other matters resolved.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The bill having been read the third time, the question is, Shall the bill, as amended, pass? The clerk will call the roll.

The assistant legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 97, nays 3, as follows:

[Rollcall Vote No. 179 Leg.]

YEAS—97

Abraham
Akaka
Allard
Ashcroft
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Breaux
Brownback
Bryan
Bunning
Burns
Byrd
Campbell
Chafee, L.
Cleland
Cochran
Collins
Conrad
Coverdell
Craig
Crapo
Daschle
DeWine
Dodd
Domenici
Dorgan
Durbin
Edwards
Enzi
Feinstein
Fitzgerald
Frist
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Hagel
Harkin
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kennedy
Kerrey
Kerry
Kohl
Kyl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
Mack
McCain
McConnell
Mikulski
Moynihan
Murkowski
Murray
Nickles
Reed
Reid
Robb
Roberts
Rockefeller
Roth
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Torricelli
Voinovich
Warner
Wyden

NAYS—3

Boxer
Feingold
Wellstone

The bill (H.R. 4205), as amended, was passed.

(The bill was not available for printing. It will appear in a future edition of the RECORD.)

Mr. WARNER. Mr. President, I move to reconsider the vote.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. S. 2549 is returned to the calendar.

Mr. WARNER. Mr. President, I thank my colleagues for their work on this bill and for their overwhelming support. It sends the strongest of signals, first and foremost, to the men and women in the Armed Forces. This bill provides increased benefits, which they have so richly deserved and long been denied. This bill also initially starts the first balanced program to provide for more health care for the retirees who gave so much, together with their families, over the years. This bill sends a strong message throughout the world that America is committed to remain strong and lead in the cause of freedom and human rights.

I yield the floor.

Mr. REID. Mr. President, I want to talk about Senator CARL LEVIN, the ranking member for the Democrats on the very important defense committee of this Congress.

The Democrats could not be more proud of any Senator than we are of CARL LEVIN. We are so comfortable with him at the helm of this important aspect of what takes place in this country; that is, the preparedness of our military. He has a great working relationship with Senator WARNER. This bill was an extremely difficult bill. It simply could not have been completed without the expertise, the concern, and the respect Senator LEVIN has with his colleagues. I want to make sure the RECORD reflects that.

The PRESIDING OFFICER. I move that the Senate insist on its amendment, request a conference with the House, and the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer (Mr. BUNNING) appointed Mr. WARNER, Mr. THURMOND, Mr. MCCAIN, Mr. SMITH of New Hampshire, Mr. INHOFE, Mr. SANTORUM, Ms. SNOWE, Mr. ROBERTS, Mr. ALLARD, Mr. HUTCHINSON, Mr. SESSIONS, Mr. LEVIN, Mr. KENNEDY, Mr. BINGAMAN, Mr. BYRD, Mr. ROBB, Mr. LIEBERMAN, Mr. CLELAND, Ms. LANDRIEU, and Mr. REED conferees on the part of the Senate.

The PRESIDING OFFICER. S. 2550, S. 2551, and S. 2552 are now considered en bloc. Division A of S. 2549 is substituted for S. 2550; division B for S. 2551, and division C for S. 2552. The bills are considered read the third time and passed, and the motion to reconsider is laid upon the table.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. STEVENS. Mr. President, I ask unanimous consent that Senator BYRD and I might address the Senate for not to exceed 5 minutes each to discuss the status of appropriations.

The PRESIDING OFFICER. Without objection, it is so ordered.

## THE STATUS OF APPROPRIATIONS

Mr. STEVENS. Mr. President, today, we believe the President will sign the first of the 13 appropriations bills we must pass, the military construction bill. I can report to the Senate that we are in conference now on Defense, and we expect to report that bill this evening from conference, or no later than Monday. That could be easily taken up next week sometime.

The legislative appropriations bill is waiting for third reading now. It is held up by one amendment, and we are trying to work out an arrangement where we might be able to have that voted on. We are waiting for the House to appoint conferees on the foreign operations bill; the Labor, Health and Human Services Committee; and the Transportation Committee. Those are all the subject of negotiations with the various Departments and the President's advisers, to see if we might find a way to accommodate the desires of the administration regarding those matters.

The Interior bill is still on the floor and has a great many amendments. I believe, however, that can be finished easily next week. We have reported to the floor the Agriculture bill, which is a very important bill for us to consider, I believe, before we have the August recess. We have scheduled meetings now with the Appropriations Committee here in the Senate on Tuesday, July 18, for the Commerce-State-Justice bill and the energy and water bill. We believe those bills will be reported to the floor on that day, Tuesday, and could be scheduled sometime before the August recess. We believe we will be able to make the same statement regarding the Treasury and general government bill sometime next week. Hopefully, we will be able to get to that by at least Thursday.

What we are saying is that these bills can be acted upon if the Senate decides and commits to getting these bills to conference and, if possible, to the President, before the August recess. I have been speaking out now about the PNTR. I am a firm supporter of the goal there. Maybe there are some amendments that should be considered. But I believe we should get these bills done so that when we come back in September, we can take them from conference and pass them.

I call to the attention of the Senate the fact that we will finish our work for September on September 28. September 29 is a holiday, and September 30 comes on the weekend. We have a very short time when we come back to deal with appropriations bills and get them all to the President before the end of the fiscal year. It is my hope that, in the last year of this Presidency, we will avoid the kind of conflicts we have had in the past and try to work together with the President to finish up this term in the spirit of comity, particularly on appropriations bills. That is possible if we can get them up in August. It is not going to be possible if we have to wait until September and try to jam them all in for 2½ weeks in September.

I am taking the floor now with great respect for our leader and for our minority leader. I hope they will help us find the time on the floor between now and the August recess to consider these bills and ask for the commitment of the Senators to help us work to get this job done.

I think there is a way that we can wind up this period of 8 years of the Clinton administration without the rancor that we have had in the past, but it can only be done if we make up our minds now that we are going to work—and work some long nights, in fact—to get these bills considered and properly reported. I believe we are making progress.

It is my hope that at least the Defense bill and the Labor-Health and Human Services bill will be sent to the President for signature prior to the August recess.

I am happy to yield to my good friend from West Virginia. Our committee works on a totally bipartisan basis. I have not done anything without consulting my good friend from West Virginia, the former chairman. I want the Senate to know he has given me good advice all along.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, this is my 42nd year on the Appropriations Committee. I think I have served longer than any Member, past or present. The Appropriations Committee was first created in 1867. I don't have any doubt that I have served with the greatest chairmen who have served on that committee since its inception in 1867. That was 133 years ago. I have served with Senators such as Carl Hayden of Arizona, Dick Russell, John Stennis, John McClellan, Allen Ellender, and Senator Hatfield. These were great chairmen. They had long service in the Senate. I served with all of them. But I have never served with a better chairman on the Appropriations Committee than the current chairman, TED STEVENS. I think he is a better chairman than I was. I don't say that idly. He works at the job all the time. He works hard. I support him in this request to the leaders.

I don't happen to be a great fan of the treaty with China. I will have more to say about that later. But I am a great fan of getting these appropriations bills down to the President on time. When I was chairman, we were able to get all the appropriations bills passed before the beginning of the new fiscal year.

I join my chairman in pleading with the leadership—and the leadership has been most cooperative on both sides—to help get these bills moved and into conference and down to the President.

The chairman, Mr. STEVENS, hit the nail right on the head when he said we don't need to have another wrangle with the President over appropriations bills right at the end of the session. That plays into the President's hands. I think all Senators are aware of the fact that I believe the legislative branch is the predominant branch, and was meant to be the predominant branch among the three equal and coordinate branches. I think it has the upper hand, if Members of the Congress will but will stand up for the Senate and its constitutional powers.

I think it is important that we finish these bills because, when we wait until the end of the session, and we are left with an omnibus bill, the President wins every time. You may think you can beat the President in that deal. You can't do it. The President wins because he then has the upper hand. He has your back to the wall. Senators and House Members want to get out of here and go home..They have schedules to fill back in their districts and in their States. It plays into his hands if appropriation bills only reach him at the last minute. I don't like to play into any President's hands.

I think most Members are very aware that we need to work with the President. But it is highly important we get these bills passed. Let the PNTR wait. Why be in such a hurry on that treaty? Why be in such a hurry? It would be better if we were to take a little more time and examine that treaty more carefully and consider what the ramifications of its approval may be.

Last night we were able to get legislation adopted to create a national security commission. It will be a congressional commission. We will not have to depend upon the administration to tell us what impact that trade with China may have on our national security. We will have our own commission. It will be appointed by the joint leadership of both Houses. That commission will report to the Congress.

I have a somewhat jaundiced eye when it comes to moving in such a big hurry to take up the China treaty. As far as I am concerned, it ought to go over until next year. Let's take another look at it. That is just one Senator's opinion.

I plead with the leader—I say to this also to my own leader—to help us get these appropriations bills passed, to get them to conference, and then downtown. We can talk and wrangle and debate about the China treaty afterwards.

I thank my chairman.

Mr. LOTT. Mr. President, if the Senator from Alaska will yield briefly, first of all, I listened carefully to the comments of the two distinguished Senators who are the ranking member and the chairman of the Appropriations Committee. The service of these two Members surpasses all the rest of us, with the possible exception of the President pro tempore, Senator THURMOND. But beyond that, the wisdom and the sage advice they give all of us is greatly appreciated.

I certainly believe and will continue to believe that we should give the highest possible priority to these appropriations bills. We have an agreement now that will lead us to the conclusion of the Interior appropriations bill, I believe next Monday. I believe the votes could possibly be on Tuesday morning. I hope before we go out for the August recess that we do at least four more or all five of the remaining bills. I know clearly we could do four of the remaining bills: Agriculture, Energy and Water, Treasury-Postal Service, and Commerce-State-Justice. There may be some difficulty with HUD-VA that would cause it to go over until September.

But I appreciate their comments and their good advice. I will certainly weigh that very carefully. I appreciate the fact that they are willing to take to the floor and ask for this help in getting their work done. In fact, it is our work. It is the people's business.

I appreciate their comments.

I commend and thank the chairman of the Armed Services Committee, and also the ranking member, Senator LEVIN, for the work they did on the Department of Defense authorization bill. We got it finished. Hallelujah. The Senate has produced the final vote on one of the most important bills we will do all year, the Department of Defense authorization bill. There is a lot of important language in there. It is not only about the ships, the planes, and housing; It is also about health care. It is a big, important bill. Without the patience and the tenacity of the chairman, the Senator from Virginia, and the help he received from the Senator from Michigan, we wouldn't have it done.

I commend them; and, again, the senior leadership of the two Senators on the Appropriations Committee who spoke is admirable. I appreciate it very much. As a leader, you have to rely on the senior leaders, and the managers, the chairmen. In this case, I did, and they did it.

I thank Senator STEVENS for his comments and for yielding me this time.

The PRESIDING OFFICER. The Senator from Alaska has the floor.

Mr. WARNER. Mr. President, if I could have 1 minute to thank the distinguished leader.

I wish to acknowledge my deep appreciation to our distinguished majority leader, and, indeed, to Senator DASCHLE, Senator Harry REID, Senator NICKLES, and all. Yes, chairmen work hard and this posed some problems, but never once did I have any feeling that leadership was not determined on behalf of the whole Senate and this country to see that this bill was passed. There was never a flicker of doubt in my mind from the date we started some 3½ weeks ago. I thank this body for the leadership that we have to get these difficult tasks performed.

I yield the floor.

Mr. STEVENS. Mr. President, I yield to the Senator from Montana.

Mr. BAUCUS. Mr. President, I ask the majority leader, I heard him speak about the desire to get the appropriations bills passed, which I am in favor of, but did I hear the majority leader say not only is it his intention to bring up appropriations bills this month, but did I hear him include PNTR?

I think in the same spirit of compromise which we just passed the Defense authorization bill, as it has been referred to, we can work to get PNTR up this month and passed, along with the appropriations bills—as many as we can.

I say to the majority leader, I will do my part in helping with the estate tax reform bill to try to limit the amount of time on that bill and also work on other appropriations bills. I think it is necessary that PNTR also be included in the list of measures that we will bring up and pass this month.

Mr. STEVENS. Mr. President, I have the floor and I am happy to have that conversation somewhere else, but I understand what the Senator is saying.

Mr. President, I want to finish my comments. I think we have almost used our 10 minutes. I thank my good friend for his comments. I could never claim to be the chairman that Senator BYRD was, but in any event, I do hope the Members are listening to what we are saying. We have had over 100 amendments on the last two appropriations bills. If that continues, we will be on appropriations bills until the day we go off on recess for the conventions. There will be no time for PNTR. Let's get the bills up. I urge the Members to be considerate of what we are doing. If we can finish them, then we take up PNTR. I think we can't keep breaking up the concept of these bills. The synergy of getting a bill working and getting it to pass in the appropriations process is necessary to get these done by the time we go off on August recess.

I have every confidence we will get to the PNTR. The Senator from West Virginia is right; despite my support of PNTR, it is not our constitutional duty to finish it by the end of the fiscal year. The appropriations bills are. That is our point. We want to do our job on time. We urge the Senate to work with us to get that done.

I think our time has expired.

The PRESIDING OFFICER. The time has expired.

The Senator from Montana.

Mr. BAUCUS. Mr. President, I ask consent to speak for 2 minutes so I can ask the majority leader a question.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAUCUS. Essentially, I am trying to move this ball along. It is a pretty large bill and includes lots of different items. Not only is it PNTR but appropriations bills.

I wonder if I could ask the majority leader if PNTR is included in the list of "must-pass" measures for July? We are all working together, particularly with the good meeting we had last evening in the majority leader's office with Senator THOMPSON and others, working out provisions of the Thompson amendment. There is a good chance we can move things along.

I ask the Senator his views on the subject.

Mr. LOTT. Mr. President, I certainly want to move this along. I want to have a vote on the Moynihan substitute on the death tax, and then have a vote on our alternative. That would be the best way to proceed. We would have two votes and Senators could cast their votes accordingly, and we would move on.

Instead, we have an agreement that will take all day and into the night. Instead of taking 2 or 3 hours, it will wind up taking probably 10 or 12 hours. I hope on the marriage penalty tax we could vote on the alternative. Senator MOYNIHAN has a reasonable alternative. We could vote on that, vote on our alternative, and be through with the marriage penalty tax and move on to the appropriations bills.

We do have a matter we are working through on both sides to try to deal with the question of nonproliferation of nuclear weapons, the language suggested by Senator THOMPSON. We are trying to find a way to get an agreement on the language and a way to consider that.

We must do the people's business. We have to do these appropriations bills. We have to do at least four appropriations bills beyond the Interior appropriations bill. When we get that done, I don't see any problem then in moving to China PNTR. I can't make days out of whole cloth, and I can't make commitments until we get our work done. But we are all working on that, I think, in good faith.

Senator REID worked assiduously on these appropriations bills. Energy and water we may be able to do in a day or two. Agriculture, I will be surprised if we don't have 80 or 100 amendments pop up. That bill could take a week. It is very important to our country. We all want the Agriculture appropriations bill completed. Commerce, State, and Justice—no matter what Members might think about Commerce or State or Justice, we need to get that bill done very badly. That bill quite often is like fly paper, it draws a lot of amendments. If we made a commitment, if we made up our minds on both sides of the aisle we will complete Interior and do three more appropriations or four more appropriations bills next week, we could do it. But it would take an extraordinary amount of heavy lifting to get that done.

I will work with Senator STEVENS and Senator BYRD. It is rare for these two Senators to take the floor and say what they have said today. I have to weigh that carefully.

Mr. BAUCUS. Thirty seconds. I very much appreciate the situation we are in, with very few days left and lots of business to conduct. As far as I am concerned, I will do my part. I know others on this side will try to help maintain that schedule. For example, on the estate tax bill, I think there are a couple of amendments on your side that will be accepted by voice vote or agreed to by voice vote to help move this along. In that spirit, I remind the leader it is critical that PNTR come up and be disposed of this month.

I thank the leader for his hard work.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, if I could bring everyone back to reality, the problem of the day—not next week or the week after—is that we have about 12½ hours of debate time, excluding voting, and the leader indicated he wants to do that today. So that means about 2:30 or 3 o'clock this morning unless something is done carrying this matter over or shortening the time.

I think it is great to talk about the future. That is important. But my concern is what we have here today and it is a tremendous burden. As I indicated, I think we have over 12 hours of debate time in the unanimous consent request alone.

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## DEATH TAX ELIMINATION ACT OF 2000—Continued

Mr. ROTH. What is the pending business?

The PRESIDING OFFICER. The Moynihan amendment.

Mr. ROTH. How much time do I have?

The PRESIDING OFFICER. The Senator from Delaware has 45 minutes and the Senator from New York has 30 minutes.

Mr. REID. Does the Senator from Delaware wish to use some of his time now?

Mr. ROTH. Yes, I do.

I yield 15 minutes to the distinguished Senator from Arkansas.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 15 minutes.

Mr. HUTCHINSON. I rise in opposition to the Democratic alternative and in strong support of H.R. 8. I listened with interest to the debate taking place earlier this morning on this bill. I have the utmost respect and admiration for Senator MOYNIHAN. However, I wrote down one phrase he used. He said: We should stay with a tax that has served us well.

I think that is the fundamental difference between the parties and those who differ on this issue. I don't believe the death tax has served our country well. I don't believe it has served the American dream well. I don't believe it serves the American people well.

The death tax basically says to the American people: Be successful but don't be too successful. The death tax says: Work hard but don't work too hard and make too much. The death tax says: Save your money but don't save too much. The death tax puts a ceiling on what the American dream can be. I think that is fundamentally wrong, and therein is the basic difference between the two philosophies, the two parties, the two approaches on the death tax.

There are those who say you can make too much and at that point the Government is going to step in and we are going to take what we think you have excessively made and earned and saved and invested, and we are going to redistribute that; we know better how to use that estate than your heirs, your family, your loved ones.

We believe that is wrong. The whole approach behind the death tax is fundamentally wrong and un-American. The amendments that are being offered, including the Democratic alternative basically say, let's tweak it a little bit; let's finesse the death tax a little bit; let's expand the exemption a little bit, let's tinker with it.

But that is not enough. This is a tax that is past its time—if it was ever justified, and it was not. It should be removed, eliminated, and that is why this alternative is insufficient.

It is no accident that the American Farm Bureau endorses H.R. 8. American farmers already have enough challenges growing crops, bringing them to market, making a living. Yet still our farmers see their land whittled away generation by generation, and not just by floods or storms or infestation but by the Federal Government and its tax policies. Death taxes can destroy family-owned farms and ranches when, after taxes, farmers do not have enough to keep their land, their buildings, or their equipment.

I want you to listen to the words of H. Jay Platt of the Arizona Farm Bureau Federation as he testified before the House Small Business Committee. This is what he said:

> My grandfather started our ranch around the turn of the century with a couple of cows on a few acres of grazing land. For 100 years my family has worked hard to build our operation into a modern ranch that is the core of the financial base for three families. We paid taxes on everything we've earned and we don't understand why we have to pay again when we die. We can't comprehend why the government wants to penalize us for being successful by taking our ranch at death. We believe that our family, our community and the environment will all be better off if our ranch continues.

That is a powerful statement. That is farmers. But small businesses are in a similar trap. According to the NFIB, more than 70 percent of family businesses do not survive to even the second generation, and more than 87 percent of these small family-owned businesses never make it to the third generation. One in three small business families today have to sell their businesses outright or liquidate business assets just to pay the death tax.

The American dream can become an American nightmare because of the death tax. Democrats talk about the estate tax bill we are considering, the elimination bill, as being a tax break for the richest people in America. Let me tell you about some of the people who are really affected by the death tax.

One of my own staffer's husband and his siblings just experienced the deaths of both parents. Their mother died only 2 weeks ago. In addition to the intense emotion and grieving this family is currently going through, they are now faced with selling family farmland and other assets in order to pay estate inheritance taxes in an attempt to save the family home and the family business.

This is farmland that their parents and they have tilled and planted, farmland which paid for all four of the children's college education. Their small lumber and hardware store is located in a town of 1,400 people and has been in existence nearly 50 years. Not only will they have to pay estate taxes totaling almost half of the estate; they will have to pay capital gains taxes on the assets they sell in order to pay for the death tax. Talk about adding insult to injury. That surely does.

This is not about the wealthiest Americans. This is about a family who has put countless hours into rebuilding their family lumber business which burned to the ground a decade ago. This is about all 1,400 people who live in that small town, who are served by that family business, as well as the employees whose livelihoods depend upon that business. This is about handing down a legacy to their children who want to maintain the business which has served this rural community for five decades.

The Federal estate tax, the death tax, punishes families for the deaths of their loved ones. The Federal estate tax takes its toll irrespective of the fact that any sale of inherited assets is subject to capital gains taxes. It is clear and, to me, it is simple: This is double taxation. It runs contrary to this country's work ethic and to family values.

I have a stack of letters that have come in in the last month from people in the State of Arkansas who are not wealthy Americans but who see the deadly impact of the death tax. Let me share with you one letter from Haskell Dickinson:

> DEAR SENATOR HUTCHINSON: My father has grown gray worrying about his estate. He and his family members have paid exorbitant life insurance fees. He has been under intense pressure from large corporations who, he knows will consolidate his company and destroy local business relationships. He has been disillusioned that having to sell will mean a valuable Arkansas asset will be owned by an out-of-state firm. Arkansas stands to lose a lot from such a sale because of lost "local" business relations and community support and leadership.
>
> The estate tax is a cruel, grinding tax on people like my dad, and his family, and it's terrible for communities to lose good businesses and relationships to bigger, "out of town," corporations.

Or this letter from Jack Kinnaman of Kinco, Incorporated.

> DEAR SENATOR HUTCHINSON: Since I've been in business, my company and I have paid in income tax ranging from 25–75%. I have worked hard all my life and worked those 60-

> 100 hr. weeks building a company. I am 66 yrs. old and still work 50–60 hrs. a week. When I die, in all probability, the family will not be able to afford to keep the business going because of the Death Tax (opponents call it estate tax). Some relief was given because so many family farms were being lost. Small businesses like mine should not be lost because of a "wealth distribution mandate". We should have some feeling of comfort and pride that we can leave a successful business to our children.
>
> I urge you to support the Death Tax Repeal Proposal approved by the House.

Mr. Kinnaman, I agree with you. I agree with you.

Richard Posner put it this way:

> Since the accumulation of a substantial estate is one of the motivations that drive people to work hard, a death tax on saving is indirectly a tax on work.

It is a fundamental difference. Do you think you ought to tax the products and the fruits of somebody's labor or do you believe you should not? It is a basic difference of philosophy. You can tweak it. You can finesse it. You can expand the exemption. But you are still saying, if you make too much, we are going to penalize you because we are going to tax you at 55 percent. We are going to take half of everything you earned, worked a lifetime to make. That is wrong. You can make all the rationalization and justifications, we should not penalize success in America. We should not say: you worked too hard; you did too well; you succeeded too much. That ought to be exactly the kind of thing we reward in this country.

These hard-working—not wealthy but hard-working—and successful Americans are right when they say this tax should be repealed. It takes from Americans an incentive to save, a will to work. The National Federation of Independent Business, the American Farm Bureau, the Black Chamber of Commerce, the Hispanic Chamber of Commerce, the National Indian Business Association, the Pan-American Chamber of Commerce, and on and on, all support H.R. 8, and so should my colleagues on the other side of the aisle.

The death tax has been repealed in 20 States since 1980, including that of Senator KENNEDY of Massachusetts, Oregon, Vermont. The nation of Canada repealed it, Israel repealed it, Australia abolished it, and so should we. It is past time. It is time to make friends of logic and taxation by repealing the death tax. Let's clear the way for parents to bequeath to their children, not bequeath to the Federal Government.

I yield the floor.

The PRESIDING OFFICER (Mr. ALLARD). The Senator from Nevada.

Mr. REID. The minority yields 15 minutes to the Senator from North Dakota, Mr. CONRAD.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, perhaps it is useful to this debate and discussion to put in perspective what we are talking about in budget terms, and then to go to the specifics of the proposals that are before us. I think it is useful, first, to review where we are in terms of the projected surplus over the next 10 years because those numbers have just changed. We are now told we will have a total surplus, a projection of a surplus, of $4.2 trillion over that 10-year period.

I think it is also important to remember that two-thirds of that money is from Social Security and Medicare; $2.3 trillion represents surpluses from Social Security, $400 billion represents surpluses from Medicare.

Between those two, over $2.7 trillion of the $4.2 trillion projected surplus is from Social Security and Medicare. That leaves us over the next 10 years $1.470 trillion of non-Social Security, non-Medicare surplus. This is money that I argue is available for tax relief, is available for additional debt paydown, and is available for high priority domestic needs such as education, prescription drug coverage, additional expenditures on defense, and other high priorities that we might have in this country. I also argue that Agriculture ought to be given additional resources to confront the Europeans, our major competitors, who are outspending us dramatically as they attempt to buy markets that were once ours. That is the money we have available over the next 10 years.

The other day in the Washington Post, Secretary Summers, the Secretary of the Treasury, warned us that the proposal that has come out of the House, which is before us now as the Republican proposal, explodes in cost in the second 10 years.

I just reviewed our budget circumstance in the next 10 years according to the latest estimates. In the second 10 years, the Republican tax proposal on estate tax explodes in cost. It goes from $105 billion to $750 billion. Here is the Secretary of the Treasury alerting us that the tax cut will cost too much. He points out that the estate tax repeal measure passed by the House and now before the Senate would cost about $750 billion in the second 10 years, more than 7 times its cost in the first 10 years. He points out:

> If it were to be enacted, it might be the most backloaded piece of tax legislation ever.

That is the Secretary of the Treasury.

The respected columnist, David Broder, wrote in the Washington Post the day before the Summers' column, Sunday, July 9, a recommendation to the President that he veto the Republican estate tax proposal. He points out that 98 percent of the inheritors in 1998 paid nothing in estate tax—nothing. The $28 billion in inheritance taxes came from 2 percent of very large estates.

He goes on to point out that under a 1997 law, a couple with a farm or business worth up to $2.6 million can give it to their heirs tax free. The Democrats raise that to $4 million for a couple, which means that only 1 of every 100 estates would face any inheritance tax. In fact, our proposal is to raise it to $4 million for a couple, and $8 million for those who own small businesses or farms. We are talking about a fraction of 1 percent that would have any liability under the plan we are offering.

These charts tell the story. The Republican plan explodes in cost in the second 10 years. It goes from $105 billion over that period in the first 10 years to $750 billion in the second 10 years.

There is also something very interesting about the estate tax proposal of our Republican colleagues. They talk a lot about eliminating estate taxes, but really what they do in the first 10 years is not eliminate the estate tax at all. In the first 10 years, they reduce the rates at the top end so the people they are helping are the people who are the very wealthiest in the country. Those are the people to whom they are providing the first relief.

It is, frankly, very odd. I have to ask my Republican colleagues why they would choose to provide estate tax relief in this way. Why don't they begin by helping the small business owners and the farmers and the couples who just qualify for paying estate tax? Why not?

Mr. KYL. Will the Senator yield?

Mr. CONRAD. If I can continue.

Mr. KYL. For a question.

Mr. CONRAD. I will be happy to yield for that purpose after I have gone a little further. I then will be happy to engage my colleague. Why do they have an estate tax plan that gives the first relief to the very wealthiest among us? Why not provide the first help to those who really need it: small business owners, the farmers who we think ought to be exempted from the estate tax because the estate tax structure, as it is, is out of date.

That is not what the Republican plan does. The blue line on this chart shows current law. The red line shows the GOP estate tax proposal. They reduce the rate starting at the top rate first. They reduce that and then create this incredible cliff effect when it goes into full effect supposedly 10 years from now. Frankly, because of the exploding cost, I doubt their plan would ever go into full effect. We would have the worst of all worlds. We would have the top rates reduced, nobody relieved from estate tax liability for the first 10 years, and then I believe because of the exploding costs, this cliff effect would never occur, and we would have the worst of all worlds. We would have lost the ability to plan, to manage estates; we would have lost the opportunity to take people off the rolls who really ought to be off the rolls, and we would have, as I say, the worst of all worlds.

If we look at the underlying facts, 98 percent of estates currently are exempt; 98 percent of estates pay no estate tax because of current law which provides substantial credits to exempt the vast majority of estates. Only 2 percent have some requirement to pay under current law. The Democratic proposal in the first year relieves 42 percent of those 2 percent of any liability. That is the Democratic plan. The Republican plan relieves 0 percent of estates from taxation in the first year. Let's go back and review what I have said.

Under current law, 98 percent of estates are exempt. Only 2 percent pay any estate tax. Under the Democratic plan, of those 2 percent who have some estate tax liability, in the first year we take 42 percent of them off the rolls completely, entirely. The Republicans take none of them off the rolls—none.

At the end of the 10-year period, the Democratic plan takes 67 percent of those 2 percent of estates that have a liability now off the rolls. We take two-thirds of them off the rolls entirely. The Republicans, by the year 2009, takes none of them off the rolls of liability.

There is an enormous difference between these plans, and the Democratic plan is far superior in the next 10 years to the Republican plan—far superior for couples, far superior for small business, far superior for farmers.

In this morning's New York Times on the front page of the business section, it says:

> Two prominent experts on estate taxes said yesterday that the Democrats were offering a much better deal to small-business owners and farmers, because the relief under their bill would be immediate and the estate tax would be eliminated on nearly all of them. "The fact is that the Democrats are making the better offer—and I'm a Republican saying that," said Sanford J. Schlesinger of the law firm of Kaye, Scholer, Fierman, Hays & Handler in New York. With routine estate planning, he said, the $4 million exemption could effectively be raised to as much as $10 million in wealth that could be passed untaxed to heirs. Only 1,221 of the 2.3 million people who died in 1997 left a taxable estate of $10 million or more, I.R.S. data shows.
>
> Neil Harl, an Iowa State University economist who is a leading estate tax adviser to Midwest farmers, said that only a handful of working family farms had a net worth of $4 million.

Of course, we would permit $8 million by a couple to be passed untaxed to heirs.

> Above that—

Above the $4 million he is referencing—

> with very few exceptions, you are talking about the Ted Turners who own huge ranches and are not working farmers," he said.
>
> Mr. Harl said he was surprised that farmers were not calling lawmakers to demand that they take the president up on his promise to sign the Democratic bill.

The Democratic plan, even according to Republican tax analysts, is far superior to the Republican plan in providing relief to taxpayers.

It is also true our proposal costs less—$64 billion over the next 10 years, instead of the $105 billion of the Republican plan. That means we could use that other money for other priorities.

We could use it for an additional paydown of the debt. That happens to be my favorite priority. I would like to have an even more rapid paydown of the debt because of the enormous benefits that flow from that policy.

But there are other things we could do. We could provide tax incentives for health care with the additional money. We could provide for college tuition deductibility, which would help millions of American families who are sending their kids to college. We could have retirement savings proposals. Those cost in the range of $30 to $40 billion. We could have a long-term care tax credit. That costs $32 billion.

As I say, we could have additional debt reduction of $40 billion under the Democratic plan, in addition to dramatic estate tax relief that would immediately remove people from the rolls of having to pay estate tax. We could have a paydown on a prescription drug benefit.

This is a question of priorities. Our priority has been to give real relief, immediate relief, to those estates that ought not be taxed, in our judgment, to give real relief to thousands of families who would pay no estate tax under our plan and have that relief immediate, starting this coming year, allowing 40 percent of the small number of estates that are currently taxable—only 2 percent of the estates are currently taxable, and we take 40 percent of them off the first year. They owe nothing. The Republican plan takes none of them off the rolls. It gives their relief at the top end, top down, rather than bottom up. That is the fundamental difference between our plan and their plan.

We have, as I say, in the New York Times this morning prominent tax experts saying the Democratic plan is better for small business owners. It is better for farmers. There is really no question about it.

In the first 10 years, people are much better off under the plan we have offered. I go back to the point I made earlier. Under the Republican plan, you get to the second 10 years and the cost explodes, right at the time the baby boomers start to retire, and put additional pressure on the budget of the United States.

I believe the Republican plan will never go into effect. They will find some other way to circle back and impose a tax on those assets because the cost of their plan explodes in the second 10 years to $750 billion right at the time the baby boomers start to retire.

I tell you, this is the time to have estate tax relief that is real, not to wait 10 years but to start now, taking people who should not be there off the rolls, giving relief to small business owners and farmers. That is what the Democratic plan does.

Mr. President, I would be happy to yield to the Senator from Arizona who had an answer to a question. I yield on his time.

The PRESIDING OFFICER. The time of the Senator from North Dakota has expired.

Who seeks recognition?

Mr. ROTH. Mr. President, I ask the Senator from Arizona, how much time does the Senator wish to have?

Mr. KYL. If I could have 15 minutes, I think that would do it.

Mr. ROTH. I yield the Senator 15 minutes.

Mr. KYL. I thank Senator ROTH for yielding me the time.

I appreciate the Senator from North Dakota at least attempting to yield for an answer to his question. Here is, I think, the simplest explanation. I will give two. If the Democratic plan is better for small businesses and farms, then why is it that every small business organization and every farm organization support the Republican plan?

I am responding to the Senator's question. We have politicians on both sides of aisle saying: Our plan is better. No, our plan is better.

Why is it that all of the organizations that we are concerned about—the farmers and the small business folks—all support the Republican plan?

Let me read into the RECORD a few of these organizations. The American Farm Bureau supports the Republican plan. There are a whole number of organizations such as the Soybean Association, the Sheep Association, and others. Let me list a few of them: the National Association of Wheat Growers, the National Association of State Departments of Agriculture, the National Cattleman's Beef Association, the National Corn Growers Association, the National Cotton Council of America, the National Milk Producers Federation, and with regard to small business, the umbrella organization, the National Federation of Independent Business.

And back to the farm groups: the Pork Producers Council, the Small Business Legislative Council, the United Fresh Fruits and Vegetables Association.

I could go on and on reading from this list. This is a three-paged, single-spaced list of small business organizations and farm organizations, and every one of them support the Republican plan, not the Democratic alternative.

So I think that is the answer to the question: Which one of these plans is better for small businesses and farms? It is the Republican plan. Why is that?

There is actually a fairly simple answer, and then an answer that takes a little more explanation.

Mr. BAUCUS. Will the Senator yield for a question?

Mr. KYL. Not right now. Let me finish my point.

The reason why the Democratic alternative is not supported by any of these organizations is because no one can qualify for the benefit it purports to grant. It does not matter whether you raise the exemption from $600,000 to $1 million or $2 million if people can't qualify for it. The fact is, it is very difficult, if not impossible, for most small businesses and farms to qualify.

I will cite some experts who make that point, but, first of all, the statistics: Only 3 to 5 percent of affected estates qualify under these sections. In today's Wall Street Journal, there is a reference to this fact. The lead editorial "Death Tax Revolt," reads:

> But Senate Democrats also offer to expand a small-business and farm exception that is a tax-lawyer's dream. The loophole, known as IRS Code section 2057, is so complicated and onerous that few estates qualify. That's why even House Democrats offered the cleaner alternative of a 20 percent cut in estate-tax rates.

It then goes on to note that Senate Democrats have offered this instead.

Let me quote from a couple of memos from tax experts that make this point:

> The requirements to qualify for the new exclusion provided by 2057—

Which is the section we are talking about here—

> are virtually identical to the requirements to qualify fcr special use valuation for farms under section 2032A. . . . The 2032A nexus is very important since most estate tax analysts agree that section 2032A is a flawed section of the Code that is virtually unworkable.

Let me just go on here:

> The frustration of farmers with 2032A and its enforcement has resulted in virtually no farm families structuring their estates to take advantage of this so-called relief in the Code. . . . Quite simply, these provisions, while well-intentioned, are flawed and represent "broken" sections of the Code. Tinkering with the Code—

I will just interject: As the Democratic alternative purports to do—

> and trying to engineer and mandate the circumstances for running a business or farm 10 years into the future is a gross violation of a family's right for self-determination for the business or farm and against the spirit of allowing an individual's hard-earned, after-tax life's work to be shared and enjoyed by his/her loved ones.

Here is what one of the experts in estate tax has noted:

> The current Qualified Family-Owned Business Interest is 4 pages of statute as Code Section 2057. Its predecessor 2033A was condemned by the Real Property and Probate Section of the American Bar Association which urged its repeal.

Why? Because it is malpractice waiting to happen. All of the lawyers getting together can't figure out how to make this code work for small businesses and farms. They can't qualify.

Reading on:

> The reason for this condemnation by this respected organization and others was extreme complexity and limited application, plus little practical help in preserving family farms and businesses from forced sale or liquidation to pay the 55 percent estate tax.
>
> Although 2057 is only 4 pages of law, it incorporates by reference 14 sections from 2032A—valuation of certain farms, etc., real property.

Section 2032A, which is itself 11 pages, "was considered the most dangerous section of the estate tax law because of the risk of malpractice claims against estate planning lawyers and accountants. Currently, there are 149 tax cases which have been decided and reported involving 2032A issues." The IRS has challenged the validity of the estate planning under this section and has won approximately 67 percent of the cases.

So what kind of great relief do we have in the Democratic package? Relief which is based upon attempting to qualify under a section that only 3 to 5 percent of the eligible estates can qualify under, where lawyers are frequently committing malpractice if they try to gain this qualification, and where the IRS is succeeding in over two-thirds of the challenges which they are making to attempts to qualify under this section.

The point is, you can make this exemption as high as you want to, but it is unworkable. That is the fatal flaw in the Democratic plan. As the Wall Street Journal editorial noted, House Democrats who sought to have an alternative recognized this and went at it in a different way—not our colleagues in the Senate.

There are additional memoranda from tax experts who make this very same point.

I will move on to another point. My colleague, Senator CONRAD, quoted the Larry Summers article which is grossly in error. The Secretary of the Treasury forgot two important points when he estimated the cost of the Republican plan.

First, remember that the Republican plan is not just a repeal of the estate tax. It is essentially a substitution of the capital gains tax for the estate tax. That is an important point. When somebody such as Secretary Summers or Senator CONRAD says, here is how much the repeal of the estate tax is going to cost, and then doesn't take into account the revenue that is brought in by the application of the capital gains tax, they are presenting a distorted picture.

The first point is that while the capital gains tax rate is lower at 20 percent, lower than the estate tax rate, it will nevertheless produce revenue when the property of the heirs is sold, at least it is their decision as to when to sell their property. It does not have to be sold at the time of death of the decedent in order to pay the tax. They can wait and hold it forever if they want to maintain the small business or keep on the family farm. If they would like to sell those assets sometime, they do so knowing that there is going to be a capital gains tax. Granted, at a rate lower than the estate tax, but it is still a tax they are going to have to pay.

The second thing Secretary Summers did not take into account—and it has not been taken into account by our friends on the other side—is the step up in basis. Under the existing law, the basis is stepped up at the time of death. So let's take one of these billionaires they are fond of talking about. If the widow of a billionaire sells all of the estate the day after the death of the decedent, there is no gain. As a result, the step up in basis results in a payment of zero capital gains tax, none whatsoever. They have to pay the estate tax but zero capital gains tax. By removing this step up in basis, we take death out of the equation. If and when the assets are ever sold, they are sold knowing that the capital gains tax applies and that it is calculated on the basis of the original cost to the owner of the property.

So the decedent bought the property 10 years before at $10 a share, and it is up to $100 a share now. The basis is the $10. The gain is calculated based upon that. Then you pay the capital gains tax. That is why all of these wild estimates of how much this is going to cost are off the mark. They don't take into account the fact that we substitute the capital gains tax and that we repeal the step up in basis.

There is another point I will make. Given the fact that we are talking about a budget surplus of trillions of dollars over a 10-year period, obviously any "cost to the Treasury" is irrelevant. It is, A, a drop in the bucket and, B, not needed because we are running a huge surplus. Why are they so worried about this loss in revenue to the Federal Government? By definition we are running a surplus, and we don't need the revenue.

One of the comments the Senator from North Dakota made was that our proposal costs less. Yes, it costs less because it provides less benefit. If it is so good for the family farms and small businesses that they seem to care so much about, why would they then want to stress the fact that their plan costs less, when in fact that means it provides fewer benefits.

The bottom line is, the Republican alternative, which is supported by the agricultural and small business groups, is the better plan for them. It is a better plan because it doesn't rely upon a fatally flawed provision of the Tax Code to make it work. It repeals the estate tax, but it provides an important substitute. That substitute is that the estates would be subject to a capital gains tax to the extent that the property of those estates is ever sold.

We believe that is a very fair way to approach this issue. It takes death out of the equation. It removes that horrible Hobson's choice that a family must make at the worst possible time for them to have to deal with it, at a time when the head of the family has died; he is the person perhaps most responsible for making this farm or small business a success. They are then faced with the difficult choice of having to figure out how to pay the estate tax and, in many cases, having to sell this business in order to do so.

One more important point. There is a recent Gallup poll that points out that 60 percent of American people favor outright repeal. Only 35 percent oppose that. Yet 43 percent of the people who favor repeal say they know they would never benefit from the repeal. That demonstrates to me that they understand this is a very unfair tax. Only 17 percent believe they will benefit by a repeal of the tax. That may be a fairly representative number. But it is an unfair tax.

Another one of the reasons why it is so unfair is because a great deal of the expense associated with this is not the payment of the tax, but it is the payment of all of these lawyers and accountants and estate planners and the purchase of insurance and other products which are designed to avoid the payment of the tax. The very wealthy, these billionaires the other side likes to talk about, can well afford all of the lawyers. They end up shielding the bulk of their income as a result of the estate planning they do. It is the smaller estates that end up having to pay the tax because they haven't been able to afford these expensive products to try to avoid the tax.

Besides simply being jobmakers for lawyers, which I don't think we are in the business of being, this is a very expensive proposition. It is interesting that the bulk of the people who pay the taxes are the smaller estates.

I ask unanimous consent to print in the Record a brief explanation from an article by Bruce Bartlett of why the larger estates pay only 20 percent of the total taxes.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Times, June 19, 2000]

### The Real Rap on Death and Taxes

(By Bruce Bartlett)

On June 9, the U.S. House of Representatives voted to abolish the estate and gift tax in the year 2010. Predictably, liberals denounced the action in the strongest possible terms. Bill Clinton called it "costly, irresponsible and regressive." The New York Times said, "Seldom have so many voted for a gargantuan tax cut for so few." Robert McIntyre of the far-left Citizens for Tax Justice told CBS News that supporters of repeal have done nothing but lie about their plan, which he views as nothing but a giveaway to the ultra-wealthy.

The truth is that the burden of the estate tax falls primarily on modest estates, not those of the Bill Gates and Warren Buffetts of the world. The latest data from the Internal Revenue Service tell the story. In 1997, more than 50 percent of all estate and gift taxes were collected from estates under $5 million. Only 20 percent came from the very wealthy, those with estates of more than $20 million.

Furthermore, the effective tax rate (net tax as a share of gross estate) is significantly higher for estates between $5 million and $20 million than on those of more than $20 million. An estate between $2.5 million and $5 million actually pays a higher rate than that paid by estates of more than $20 million—15 percent for the former and 11.8 percent for the latter.

How can this be the case when estate tax rates are steeply progressive, taxing estates of more than $3 million at a 55 percent rate? The answer is that estate planning can eliminate the tax if someone wants to spend sufficient time and money setting up trusts and organizing one's affairs for that purpose. Those with great wealth are far more likely to engage in estate planning than a farmer, small businessman or someone with a modest stock portfolio. Hence, the heaviest burden of the estate tax falls not on the very wealthy, but the slightly well-to-do.

The government gets more than two-thirds of all estate tax revenue from estates under $10 million. The idea that taxing the stuffing out of such estates does anything to equalize the distribution of wealth in America is ludicrous. All it does is prevent those with modest assets from becoming wealthy. Academic research has shown that estate taxes squeeze vital liquidity out of small businesses, often forcing them to sell out to large competitors. Thus the estate tax makes it more difficult for small firms to grow and become large.

Of course, the same people who support high estate taxes also support aggressive use of the antitrust laws to break up big businesses like Microsoft because they lack competition. Yet the estate tax destroys many potential competitors in their cribs, before they are strong enough to challenge entrenched corporate elites.

One could, perhaps, make a case for a heavy estate tax if there were evidence a large share of the nation's wealthiest families got that way through inheritances. But this, in fact, is not the case in America and never has been. A 1961 study by the Brookings Institution found that only 6 percent of the wealthy acquired most of their assets through inheritance. Sixty-two percent reported no inheritances whatsoever.

A 1995 study by the Rand Corp. got similar results. It found that among the top 5 percent of households, ranked by wealth, inheritances accounted for just 8 percent of assets. A 1998 study by U.S. Trust Corp. found that among the wealthiest 1 percent of Americans, inheritances were a significant source of wealth for just 10 percent of them.

The truth is that most of the wealthy in America—even the billionaires—made it themselves. They weren't born with silver spoons in their mouths, living off the industry of their parents or grandparents. Most of the very wealthy got that way because they started businesses and took enormous risks that paid off. According to the latest Forbes 400 list of American's wealthiest people, 251 were self-made.

And among the modestly wealthy, with fortunes in the low seven digits, many got that way simply because they saved and invested for retirement the way all financial advisers say people should. The T. Rowe Price website, for example, advises that people need $20 in saving for every $1 they will need in retirement over and above Social Security. This means that to have $50,000 per year in retirement income a couple will need $1 million in assets.

It simply defies logic to tell people they need to save for retirement and then punish them for doing so by threatening to confiscate their estates after death. And it is absurd to tell such people they are the unworthy rich, who merely won life's lottery, when every penny they have came from their own hard work and investment. Yet that is what those fighting estate tax repeal are doing.

If it were only the very wealthy supporting estate tax repeal, there is no way estate tax repeal would have garnered 279 votes, including 65 Democrats. It is precisely because the estate tax is more of a tax on the middle class than the left believes it to be that the repeal effort has gotten so far. It is not Bill Gates and Warren Buffett out there pushing for repeal, but ordinary Americans who just don't want the Internal Revenue Service to be their estate's primary beneficiary.

Mr. KYL. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 1 minute.

Mr. KYL. A good opportunity to summarize:

I support what Senator Roth said earlier this morning. The Democratic alternative is no alternative at all because it relies upon a definition in the code that virtually no one can meet.

Only 3 to 5 percent of the estates qualify. That is why the Democratic alternative is no alternative at all. Is this only me speaking? No. All of the farm and small business organizations agree. They support the Republican alternative, not the Democratic alternative. I think the best test of which one of these plans best meets their needs is to ask the people who are most affected. They answer resoundingly that it is the Republican plan that best meets our needs; it is the Republican plan that we support.

For that reason, when it comes to choosing between the alternative—you have to make a choice here—the Republican alternative, which passed the House of Representatives with strong bipartisan support, is the one that should be supported and the Democratic should be rejected.

Mr. REID. I yield 5 minutes to the Senator from North Dakota.

Mr. MOYNIHAN. Will the Senator defer to me for just 3 minutes?

Mr. DORGAN. Yes.

Mr. MOYNIHAN. Mr. President, it is with some potential embarrassment that I stand here and say I may be the only person in the Senate who lives on a farm and has done so for 36 years. It is a dairy farm, with cows in the pasture and in the barn. The neighbors are all dairy farmers—not all, but most.

Meaning no disrespect, if anyone presumes to think that the American Farm Bureau speaks for the farmers of

Delaware County, they have not been in Delaware County. An insurance firm looks after a very small number of very well-to-do people. In New York State, according to Ray Christensen, who was the Delaware County Republican supervisor before he became assistant commissioner of the Department of Agriculture and Markets, the average sale price of a farm is about $257,000.

Here—quite unexpected, but very welcome—in this morning's New York Times, the lead article of the business section talks about the Democratic estate tax plan. It cites Neil Harl, an Iowa State University economist who is a leading estate tax adviser to Midwestern farmers. He says that only a handful of working family farms have a net worth of $4 million.

> Above that, with very few exceptions, you are talking about the Ted Turners who own huge ranches and are not working farmers.

Mr. Harl said he was surprised that farmers were not calling lawmakers to demand that they take the President up on his promise—which the President has promised—to sign the Democratic bill. The article concludes:

> Professor Harl, the Iowa State University estate tax expert, said that he had heard many horror stories about people having to sell farms to pay estate taxes. But in 35 years of conducting estate tax seminars for farmers, he added, "I have pushed and pushed and hunted and probed and have not been able to find a single case where estate taxes caused the sale of a family farm; it is a myth."

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota is recognized for 5 minutes.

Mr. DORGAN. Mr. President, I sat here in wonder at the description just offered by a couple of Senators about this proposal to repeal the estate tax. It is a proposal that is dressed with language saying that this is to help family farmers and small businesses. Yet when you remove the disguise, what you have are people pulling uphill a bag of goodies for the largest estates and the wealthiest people in this country. Clarence Darrow, at the end of his life and long career in law, once said, "I have long suffered from being misunderstood." Then he said, "I may have suffered more had I been understood." This proposal by the Republicans is going to suffer by being understood in this debate and by the American people. Let's understand what it is. First of all, we all agree that we ought to essentially repeal the estate tax for small businesses and family farms. We all agree on that. In fact, as the Senator from New York said, the New York Times article today says:

> Two prominent experts in estate taxes said yesterday that the Democrats were offering a much better deal to small business owners and farmers, because the relief under their bill would be immediate and the estate tax would be eliminated for nearly all of them.
>
> "The fact is that the Democrats are making the better offer"—and I am a Republican saying that—"said Sanford Schlesinger of the law firm of Kaye, Scholer, Fierman, Hays, and Handler of New York."

What the Democrats offer is a much better deal. It repeals the estate tax for all family farms and small businesses. Put that offer on the table. We repeal it more quickly. What is left is that the Republicans have decided they insist on repealing the estate tax for the wealthiest families in this country—$300 billion to $400 billion for additional tax relief for the wealthiest estates here in America. That is what they insist upon.

What else could we do with this? They insist that money be used to give tax relief to the wealthiest in this country. Well, we could probably reduce the Federal debt. Would that be better than giving tax relief to somebody who dies and leaves a $1 billion estate? The heirs will only get $700 million or $800 million, and there will be money paid on an estate tax on the estate. Perhaps that money could be used to reduce the Federal debt. Would that be a gift to America's children? I think so.

Perhaps it can go to the prescription drug benefit in the Medicare program. How about using the money for that? Would that be more important than easing the tax burdens on the largest estates in the country? I believe so.

A series of things that would be a better use of those funds ought to be debated today. A USA Today editorial says:

> But behind the caterwauling about the death tax, the truth is quite different. Most people will never be affected by inheritance taxes: 98 percent of all estates aren't big enough to be liable. Even among the elite 2 percent, very few are farmers and small business folks. But there are better ways to spend $50 million a year than handing it to the heirs of the wealthiest people in the country. Take your pick: Middle class tax cut, improved health benefits for seniors, or paying down the national debt, for starters.

Those are the choices. The Republican side of the aisle says, no, let's not just repeal the estate tax on small business and family farms, let's repeal it on the wealthiest estates in America and claim that what we are trying to do is protect farmers and small business people.

Well, I don't think they appreciate being used that way. Farmers and small business people don't appreciate being used by someone who wants to take the $300 billion or $400 billion in tax relief that will accrue to the wealthiest American families and be told that somehow this is really for farmers and small businesses.

The New York Times article today says something else:

> There is one reason that the American Farm Bureau Federation and the NFIB, National Federation of Independent Business, are not supporting the Democratic plan. Despite the fact that it is better for family farmers and small business, one reason may be that leading the call for the repeal of the tax, the two organizations representing merchants and farmers have done little to tell their members about the Democratic plan. Interviews this week with a half dozen people whom the two organizations offered as spokespeople on the estate tax showed that only one of them had any awareness or understanding of the Democratic plan.

Here you have two organizations—the American Farm Bureau Federation and the NFIB—running around Washington saying they represent farmers and family businesses, and they are supporting the wrong program. They are supporting a repeal proposal that is less advantageous for family farmers and small businesses. And they tell their folks back home that they are doing their business. Nonsense. You have two competing plans. Both of them would repeal the estate tax for family farms and small businesses. But the Republican plan says we must go further and we must give $300 billion to $400 billion in additional tax cuts in the next 10 years and make sure those tax cuts go to the wealthiest estates in America.

We say that is not the right set of priorities for this country. I have heard this out-of-breath discussion. The folks who talk about disguising public policy and debate around here are absolutely correct. You can't disguise what you are doing here in terms of a large tax cut for the wealthiest American estates by saying this goes to family farmers and small business. It doesn't.

The proposal we offer is the one that will exempt family farms and small business.

The proposal they offer is the one that will give hundreds of billions of dollars to the largest estates in America—$250 billion in tax benefits to the 400 wealthiest families in America.

Is that the priority? It is for them. It is not for us.

There are other needs and interests: prescription drugs for Medicare; as I have mentioned, paying down the Federal debt; tax relief for middle-income families. There are so many things that are so important that we could do in public policy here today. Instead, we are debating a plan that says, let us at this time and in this place provide the largest tax cut in history to the wealthiest estates in America.

That doesn't make sense, no matter how you debate it.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I yield myself 10 minutes from leader time.

Mr. President, I wish to make a few comments concerning the proposal, but also on the issue. I, for one, am disappointed that we had to file cloture on a motion to proceed to take up this bill. That took a long time. I am disappointed to see that now we may have a list of 10 amendments on each side, most of which have very little, if anything, to do with the underlying issue of estate tax repeal or reduction.

In other words, it is unfortunate, but a lot of people want to play politics, or they want to have a lot of different amendments that have nothing to do with this issue.

The American people want tax relief. They want to eliminate one of the most unfair taxes in America. Some people ask: Why are you doing this? Doesn't it only apply to 2 percent of the American people? The tax applies to a lot more than 2 percent of the American people. A lot of people aren't aware of the fact that they may well have to pay the tax. It is a very punitive tax.

Again, I have heard my Democrat colleagues say they are willing to increase the exemptions so we can increase the number of people who pay zero and, therefore, make the problem go away. The tax doesn't go away.

We are dealing with this tax on death. The Federal Government is saying, if you die and you happen to have an estate right now above the exemption amount, the Federal Government is going to come in and take at least 37 percent of what you have left if you have a taxable estate. If you have a taxable estate of $1 million, the Government wants 39 percent; if it is $3 million, 55 percent. That is pretty high. If you have a taxable estate of between $10 million and $17 million, the rate is 60 percent.

What is fair about that, whether it is 1 percent or 10 percent of the American people paying it? What is fair about the Government taking 60 percent of somebody's business or their property, for which they worked their entire life. For the Government to come in and say, "We want over half of it"? Absolutely nothing is right about that. Where is the justice in society, even if it is only one person? Shouldn't we have a Tax Code that is fair for all? Is it fair to say 1 percent or 2 percent or 5 percent, we are going to take half of your property? Is that justified?

I thought Government was supposed to protect our property not confiscate it. An individual should not be subject to extra burden because they have been successful. Maybe you start a small business and it grows, and you have no interest in taking the money out of the business. You want it to grow. You want your kids to take over or maybe your grandkids to take it over.

There are millions of businesses in America today where the second or third generations want to grow, build, and expand. They are not trying to sell it so they can hand their kids a lot of wealth. They want their kids to have a business where they can continue to grow it, employ more people, and provide a product and a service. Then Uncle Sam comes in and says: Sorry you are too successful. We want 50 percent or 60 percent of what you have.

That is currently the law. If we adopt the Democrats' substitute, it will stay that way.

Last year, only 902 out of 47,000 estates, as pointed out by Chairman ROTH, qualified as small businesses or as family farms. A whole lot of farms and a whole lot of businesses that think they would qualify for the exemption will find out that the IRS has written these regulations pretty tight, and they don't qualify. All of a sudden, their business is hit with a very high tax. Let's say a restaurant business is bigger than $5 million. Say you have a couple of restaurants in Denver or maybe in Delaware and you build a nice restaurant worth a couple million dollars. You work hard every night. Maybe you have two restaurants, and the net value of the estate is $6 million. Uncle Sam is going to come in and say, under the Democrats' proposal, maybe we will give you a $2 million exemption, but for $4 million of it, you are going to be taxed.

Do you start the tax rate at 18 percent? No. Under the Democrats' proposal, you start at the taxable rate of 37 percent. By the third million dollars, you are at 55 percent. The tax that you are going to owe is $1.5 million. The restaurant doesn't have it. How do you pay? You have to sell it. Instead of somebody being able to keep that restaurant and pass it on to the third generation, you have to sell it because you do not have the $1.5 million you owe in taxes. It may be worth $3 million, but you do not have $1.5 million in cash. Now you have to sell it, and the Government is responsible for destroying a business. Maybe someone else will pick it up; maybe not. Maybe the person who picks it up doesn't have the same interest in the employees or the same real interest in the business. Who knows?

My point is that Government shouldn't be confiscating property because somebody dies.

The proposal that passed with overwhelming bipartisanship in the House, by a two-thirds majority, two to one, said eliminates the death tax. Let's make it taxable when the property is sold. When someone dies, his or her children should be able to inherit the restaurant. If their kids want to keep operating the restaurant, they should not be taxed. The tax should be incurred when the restaurant is sold. It should be taxed at a capital gains rate of 20 percent instead of 55 or 60 percent.

That makes more sense. When they sell it, guess what? They have the cash. They can pay the tax. The tax rate is reasonable. It makes sense. It is 20 percent, not 55.

So the idea that we are going to exempt this greater percentage of the estate doesn't eliminate the unfairness of the tax. It doesn't even do what President Clinton said that he may be willing to do. The President, spoke to the Governors on July 10, just a couple of days ago, and said: "We provided some estate tax relief in 1997. I really didn't think it was enough. I think there should be more."

I was involved in the conference in 1997. I will tell you that Secretary Rubin totally opposed this measure in estate tax relief throughout the entire process. Assistant Secretary Summers was also completely opposed to it. For the President to say he really wanted to do more is factually incorrect, or maybe his Treasury Secretary was not representing his interests. Maybe his Assistant Secretary of Treasury, Larry Summers, who at that time in 1997 said, "In terms of substantive arguments, the evidence is about as bad as it gets. When it comes to the estate tax, there is no case other than selfishness."

That was Larry Summers position in 1997. That was when we were negotiating the tax bill in 1997, on which the President now says he wanted to do more. I find that to be very interesting.

The President also said to the Governors—"I mean, you could argue the rates are too high because they are higher than the maximum income rates now, and that is something that didn't used to be the case."

That is right. The maximum estate tax rates that I just mentioned go up to 55 percent and 60 percent for the biggest estates, because we phased out the gradual phasing in of the rates. For a taxable estate between $10 million and $17 million, the rate is 55 percent; above $17 million, it is 60 percent.

The maximum personal income tax rate is 39.6 percent—actually it is higher than that because the President eliminates other deductions and exemptions and has no limit on Medicare tax—he is implying he would be willing to reduce the maximum estate tax from 55 to 39.6. That is a step in the right direction, because rates are the problem.

The Democratic proposal does not effect the rates. It only increases exemption. If we have an estate beyond that exemption—and there are millions of farms and ranches and businesses above it; they are $2 million, $4 million, $6 million—they are hit with the rate. Because of the unified credit, you are taxed at 37 percent.

What we did in the Republican proposal that passed the House, was change the unified credit to an exemption. Once a person is above the exemption amount, they begin paying estate taxes at 18 percent, not 37 percent. The bipartisan proposal that passed the House, that we will vote on, that Chairman ROTH has been pushing, gives tax relief for people who pay estate taxes; they start paying at 18 percent instead of 37 percent. We changed the credit to an exemption and that benefits the lower value of estates that are taxable.

This rhetoric that we are exempting the big estates is hogwash. Big estates pay capital gains when those properties are sold. They will pay when that property is sold—not when someone dies. That rate will be 20 percent. That makes sense. The tax is paid when the property is sold, not when someone dies.

Too many people are faced with the very unfortunate circumstance which I faced when my dad died. I was young. My father passed away, and we had a manufacturing company. The book value of that manufacturing company was zero. The Government claimed it was worth a lot. We fought the IRS for 7 years over the value of the company. We ended up writing a big check and settling with the IRS. The Government wanted a big chunk of the Nickles Machine Corporation. They said it was worth much more than we did. How do we know what the value is unless we sell it? The Government was trying to force us to sell the company.

I am afraid this is happening today in millions of cases all across the country. People are aware that this may happen, so they start planning: What shall I do? Maybe I will start giving stock to my kids. Maybe the kids want to be in the business, maybe they don't want to be in the business. There are schemes. People who have big estates create foundations. They do all kinds of things to avoid the tax.

There are millions of Americans who don't know the tax is coming. If they do, they are worried about it, or they contain their plans, or they don't grow their businesses. That is yet another negative consequence of the death tax. They say: Why should I grow this business? I will pass away, and the Government will get over half. Why should we "grow it" if the Government is going to take half of it?

As a result many new jobs are not created. Many economic transactions do not take place because of the Government's heavy hand coming in. That is in addition to the fact that they taxed the property when it was originally received or as it earned income year by year.

This is one of the most unfair taxes on the books—maybe the most unfair tax we have on the books today. It needs to be repealed. An exemption will not cure the problem. It may garner support from some groups, but it is not adequate. Anybody who reads the definition of "farm" and "business" will realize they do not qualify for the exemption.

The Democrat substitute is not feasible and it should not pass. I urge my colleagues to vote against the Democrat substitute and vote in favor of the Roth amendment.

I hope we will be voting on both before too long and I hope those are the only two votes we have on this bill. I understand we may be voting on twenty amendments regarding taxes in general. I think we should be considering amendments relevant to estate taxes only. These extraneous amendments do not help the process, they just slow it down.

I yield the floor.

The PRESIDING OFFICER (Mr. FITZGERALD). The Senator from Nevada.

Mr. REID. I yield 5 minutes to the Senator from Massachusetts.

Mr. KENNEDY. I yield myself 4 minutes.

Mr. President, with all due respect to the Senator from Oklahoma, I think the two Senators from North Dakota spelled out very clearly and convincingly the differences between the position taken by the Republican majority, and the alternative proposed by Democrats. The Democratic proposal basically and fairly addresses legitimate concerns in the estate tax by essentially removing the estate tax from small farms and businesses. That presentation has been made effectively by the Democrats. I don't think anything that has been said in the recent moments undermines the credibility of the Democratic position. I think the Democratic alternative proposal reflects the views of the overwhelming majority of the Democrats on this issue.

I am somewhat amazed as we come into the final days of this period of the Congress that we are talking about how we are going to reduce the taxes for the wealthiest 2,400 Americans. These people pay half of all current estate taxes. In the outer years, the second decade after a repeal, the 400 wealthiest families in this country would save $250 billion in taxes under the Republican plan. That explains why some of our colleagues on the other side insist that we spend the Senate's limited time addressing only the concerns of the wealthy.

The fact is, we have 10 million Americans today who would benefit from an increase in the minimum wage. We know the minimum wage has fallen substantially behind in its purchasing power. Why isn't the Senate of the United States debating what we will do for the 10 million hard-working Americans, working 40 hours a week, 52 weeks of the year, in some of the most challenging jobs in our society? What is it about the priorities of the Republicans trying to protect the interests of the very wealthiest individuals in our society, rather than trying to deal with the hard-working Americans who are at lower levels of the economic ladder—in this case, hard-working Americans making minimum wage? Many of these workers are women, including women who have children; and a significant number are men and women of color. This is a family issue. It is a children's issue. It is basically a fairness issue.

No, the Republicans with this issue want to reduce taxes on the wealthiest individuals, $250 billion additional for the 400 wealthiest families in this country. Should that surprise Members? No. I look back to the debate from the mid-1990s. Perhaps some Members remember the famous tax loophole called the Benedict Arnold tax loophole that permits Americans to accumulate billions and billions of dollars in this great land. And then what does a citizen do? He basically renounces his citizenship and takes those billions of dollars out of the country, tax free. It is the Benedict Arnold tax loophole.

I went over the various votes we had to end this deplorable practice. We voted at least seven times on that. Every time we had a sense-of-the-Senate resolution that was non-binding, our Republican friends voted with us to eliminate this Billionaire tax loophole, but when had substantive votes to actually do something about it, they voted against us.

Just about a month ago, in May the Wall Street Journal reported that the loopholes enabling the super-rich to renounce their citizenship and avoid tax remain. The loopholes in the expatriate tax law are so big that you could fly a jumbo jet through them. The basic Benedict Arnold loophole remains alive and well—costing the Treasury billions and billions of dollars.

President Clinton has joined Democrats in repeatedly proposing to end all of the loopholes. His February 2000 budget includes repeal. But we see no action from the Republicans. We only see them wanting to add more escape hatches for the super-rich.

Why is it that the Republicans are so prepared to protect the financial interests of the wealthiest individuals? We ought to be taking these resources and investing them in our schools. We need significant investments in education so that our children can attend modern schools, schools that are worthwhile for their attendance, schools with small class sizes, and schools with trained teachers. Many Republicans talk about these needs, but when it comes to action, they want to focus on adding to the riches of the rich. The nation deserves much better than this estate tax repeal plan.

We ought to be debating here this afternoon the interest in a prescription drug program that will look after 40 million Americans, instead of 2,400.

It is very clear what the priorities are. The other side, the Republicans, are looking after the financial interests of the wealthiest individuals in this country, and many of us believe that we, at this time, ought to be debating what we are going to do to protect the hard-working Americans who are making the minimum wage, those senior citizens who need a prescription drug coverage, or the children of this country who need new, modern schools. That is what the issue ought to be.

The PRESIDING OFFICER. Who yields time?

Mr. MOYNIHAN. Mr. President, I congratulate the Senator from Massachusetts on his remarks. They were precise. They were telling. It is a baffling matter. Forty million Americans need a minimum wage increase and we are here on the floor talking about 2,400, who wish to avoid all the estate taxes which Theodore Roosevelt began in this Nation. At the end of the century in which he started it, we want to get rid of it. It is baffling.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. MOYNIHAN. Mr. President, the Senator from Montana would like to speak for, I believe, 5 minutes.

Mr. REID. Mr. President, the Senator from Montana is yielded—there is 1 minute left on the bill, and 4 minutes from the 90 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAUCUS. Mr. President, a lot has been said about this issue on both sides, the bill offered by the majority and the Democratic alternative, how best to deal with estate taxes. As often is the case, there is a lot of rhetoric flying around here, a lot of claims, a lot of words. It is, I am sure, difficult for the American public who may be listening to this debate to try to ascertain the facts. Most people would like to know which bill does make more sense, after hearing all the debate and all the rhetoric. I would like to do what I can to give some honest facts and let the people decide for themselves.

One is the statement made by the Senator from Arizona, Mr. KYL, that the Treasury Department, in estimating the cost of their bill, did not look at the capital gains effect. That is just not true. The fact is the Treasury Department did look at the capital gains effect in the second 10 years of the bill. That figure, $750 billion in cost, is an accurate figure. That is a fact.

Second, the point was made—and by other Senators—that the small business exemption in the Democratic bill is too complicated; farmers, ranchers, and small businesses just cannot qualify. The fact is, No. 1, there has to be some provision in the code which indicates who does and who does not qualify for an exemption. There has to be some set of guidelines. There are guidelines which were modified in 1997 on a bipartisan basis by both Republicans and Democrats. That is in the law today.

I might say, too, we, in our bill, by raising the small business exemption for small businesses and family farms—and also, I might add, unified credit—do give great relief to farmers and ranchers, not only in the first year but the second year and all the years that are contained in this bill; whereas, in the House-passed bill, even though they might complain about the provision of the law which gives exemption, there is nothing advocated by the majority side which deals with anything that would help farmers and ranchers in the family-held exemption.

Basically, the fact is, if you are a farmer or rancher or if you are a small business person and you are trying to decide which of these two bills is going to help you the most, it is clear; it is black and white. The Democratic alternative is going to help farmers and ranchers, small business people—family-held businesses—dramatically more in the first year, the second year, the third year, the fourth year, and forever; whereas, in the House-passed bill, there is virtually no help to farmers and ranchers and business people until the 10th year, when it is automatically repealed.

I might also add, the cost is a matter of concern. Here we are in Congress, trying to give estimates as to what the budget surplus will be in the next 10 years, the next 20 years. That is a hard thing to do, but we do our best. Ironically, because we did not want the measures to be backloaded too much the second 5 years, we have now asked for 10-year estimates instead of 5-year estimates. The net effect of that is it blows up the surpluses so they look so large.

The difficulty is those are only projections. That is all they are; they are just projections. At the same time, we are here today talking about law. We are discussing what a new law should be and how much taxes should be reduced. On the one hand, it is projections; on the other hand, it is the cold reality of law.

I do not know if this is going to happen; nobody knows, but it could well be that 5 years from now, 10 years from now, the economy might not be doing so well; the projections might be off. I do not know if it is wise—I am only talking about wisdom here—to pass a tax reduction bill which does not take effect, in a sense, for another 10 years, which is so dramatic in its reduction of taxes at a time when we really do not know what the economic picture of the country will be.

Mr. MOYNIHAN. Will the Senator yield for a question?

Mr. BAUCUS. I would love to yield, yes.

Mr. MOYNIHAN. Does he not recall that in 1980 the Office of Management and Budget projected a large surplus for the Federal budget in the coming 5 years?

Mr. BAUCUS. I recall it very well.

Mr. MOYNIHAN. Just as we were plunging into the deepest deficits?

Mr. BAUCUS. It is vivid in my mind.

The PRESIDING OFFICER. The 4 minutes of the Senator have expired.

Mr. BAUCUS. I think I had 1 minute more.

The PRESIDING OFFICER. The additional minute has also expired.

Mr. REID. The Senator is yielded another 2 minutes.

Mr. BAUCUS. I thank my friend from Nevada.

I will sum up because these are the facts. We have a choice: It is the House-passed bill or the Democratic alternative. The House-passed bill gives no relief, no estate is exempted under the House-passed bill, none, for 10 years—none. On the Democratic alternative, the vast majority of farmers and ranchers and small business people—family held—are exempt from paying estate taxes. That is a fact.

Fact No. 2: The Democratic alternative is less expensive. Why? Because it does not totally repeal the estate tax, the effect being for the very wealthy taxpayers. That is a fact.

Do we want to repeal the estate tax for the most wealthy taxpayers? I submit, because we are dealing with budget estimates, we do not know what the outyears are going to be. Because the House bill does not take effect for 10 years anyway, it makes sense to pass measures which do not repeal for the most wealthy, but, rather, save some of that for debt reduction, for education tax credits, or for other matters that, really, more American people really care more about than total tax relief for the most wealthy. That is really the question here.

I think most Americans, when they look at the facts of the bill and ask themselves which of those two choices makes the more sense, would think discretion is the better part of valor here. We cannot have everything. There is moderation in everything. The most moderate, balanced way is to say: OK, let's address the problem we are most concerned with—small businesses, farmers, and ranchers—because that is what is most important; but let's not do everything because we live in a society where we have to work things out on a fair, balanced basis and take things a step at a time.

Most Americans are very balanced, have common sense and lots of wisdom. That is the way we should go.

Mr. MOYNIHAN. Well said.

The PRESIDING OFFICER. The time of the Senators has expired.

Mr. ROTH. Mr. President, I yield myself such time as I may use.

Too often in our debates on the Senate floor, we lose touch with what really is at issue. What we do here, the decisions we make, affect real people. For that reason I want to take a moment and read a letter I recently received.

> DEAR SENATOR ROTH: I am a 14 year old boy, living in New York, and though my knowledge of the law is very minuscule, I know one thing, the Estate Tax is wrong. I have considered myself a Democrat for all of my life, volunteering for Bill Bradley for President and my local Congresswoman from New York's 14th District, Carolyn Maloney, but on this issue I must side with the opposition.
>
> I shall explain to you why I am so opposed. My Grandfather on my mother's side bought

> his house in 1945 in Winnetka, Illinois for $10,000. He was a doctor. Back then, Winnetka was a "dry" town, alcohol was prohibited. Today, Winnetka is one of the rich suburbs of Chicago and my Grandmother, 86 years old, lives alone in the same home without my Grandfather who passed away in 1982. The house today, not a thing changed since 1945, is worth around $2 to 3 million. It pains me to say this, but my Grandmother could pass any day and her house, her belongings, everything my Grandfather worked for 50 years as Doctor, helping others, could be gone. She is not rich, in fact, she has nothing except for her house and her furniture.
>
> I hope that you understand my staunch opposition to the Estate Tax and I hope that you will vote to repeal the Estate Tax. Thank you for reading this, could you please respond to my inquiry:
>
> Thank you.
>
> ALEXANDER LEVENTHAL.

I hope young Mr. Leventhal, and his grandmother, do not mind that I read his letter before the Senate. I hope that they will accept a verbal response to his letter, and I hope that this Senate will vote to give them the response they and millions others deserve: repeal of the death tax.

This family, separated by hundreds of miles and generations, should not have to worry about the fate of their grandfather's house. No family, no farmer, and no small business person should have to worry about this sort of thing. It is bad enough that they have to lose sleep over the worry, but the loss, as young Mr. Leventhal so accurately points out, can be so much greater. It is a house, it is a farm, it is a business, it is savings, that a family has worked for throughout a lifetime. One lifetime comes to an end, and suddenly the entire family's memories of the past and dreams for the future can come to an end as well.

As we all know, no one individual creates a farm or a business by themselves. The whole family sacrifices to it. They sacrifice by having a parent, or both parents, away when they could have been home. They contribute by seeing money that could have been taken out of the farm or business and spent, instead reinvested into growing the farm or business for the family, and, of course, the family contributes their work. Family members do not punch a time card when they work on their family's farm or in their family's business. Their work is part of being a member of the family. They do not see all they worked for just in earnings—they see much of it in a growing family enterprise.

Yet when one member of that family dies, they see a tax bill for income they never received. For income they never wanted—at least not as much as they wanted to grow their family's farm or business. But because the tax bill is so big and their earnings went back into the family's enterprise, they have to sell the family's farm or small business. Not because they need the money, or even because they want the money, but because the Federal Government in Washington does, and the Federal Government demands they sell it in order to pay those who never worked a day on their farm or a minute in their business or, as in the case of Alexander Leventhal, never lived a day in his grandfather's house in Winnetka.

Where is the justice in this? I am sure Mr. Leventhal would like to hear it.

I have heard some say that taxing at death is the only way some income will ever be taxed. Of course, this is not true. It will be taxed when it is realized—when a farm, a business, a house is sold—when it actually exists for a family. These are not people who dodge taxes, as the apologists for a confiscatory death tax try to make them. It is nothing less than a desperate attempt to defend the indefensible.

These are people who never saw the income because it never existed for them. It was in their farms and businesses. They should not be taxed on some make-believe basis at a time to be decided by the Government. When they sell their farms and businesses, they will pay tax on it. Until the family decides to, when it is right for the family, what place is it for the Government to come in and tell them that they have to sell what often is the very purpose for which that family worked and wants to continue to work?

I see no justice in that. I cannot believe anyone on this Senate floor could see any justice in that. But most important, no one outside this Chamber—certainly not Alexander Leventhal, his grandmother or any one of millions upon millions of hardworking Americans—see any justice in that.

It is time to repeal the death tax. It has always been unfair. Today, in a time of growing surpluses, it is no longer even necessary. I hope my colleagues will take to heart not my admonition, but that of my letter writer: "I hope that you understand my staunch opposition to the Estate Tax and I hope that you will vote to repeal the Estate Tax."

Alexander, I will and I hope my colleagues will as well.

I believe time has run out. Mr. President, I yield back the remainder of my time.

Mr. MOYNIHAN. Mr. President, I believe our time has expired.

The PRESIDING OFFICER. The Senator is correct.

Mr. REID. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second.

The question is on agreeing to amendment No. 3821. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Connecticut (Mr. DODD) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 46, nays 53, as follows:

[Rollcall Vote No. 180 Leg.]

YEAS—46

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Bryan
Byrd
Chafee, L.
Cleland
Conrad
Daschle
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Jeffords
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Specter
Torricelli
Wyden

NAYS—53

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Cochran
Collins
Coverdell
Craig
Crapo
DeWine
Domenici
Enzi
Fitzgerald
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner
Wellstone

NOT VOTING—1

Dodd

The amendment (No. 3821) was rejected.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote.

Mr. REID. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MOYNIHAN. Mr. President, I believe it is the majority's opportunity to offer an amendment.

The PRESIDING OFFICER. The Senator from Utah is recognized.

### AMENDMENT NO. 3823

Mr. HATCH. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Utah [Mr. HATCH] proposes an amendment numbered 3823.

Mr. HATCH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To amend the Internal Revenue Code of 1986 to provide a permanent extension of the credit for increasing research activities)

At the end, add the following:

### TITLE VI—PERMANENT EXTENSION OF RESEARCH CREDIT

#### SEC. 601. PERMANENT EXTENSION OF RESEARCH CREDIT.

(a) In General.—Section 41 (relating to credit for increasing research activities) is amended by striking subsection (h).

(b) Conforming Amendment.—Paragraph (1) of section 45C(b) is amended by striking subparagraph (D).

Mr. HATCH. Mr. President, this amendment is a simple one. It would permanently extend the research and experimentation tax credit—a tax provision that has been instrumental in helping to keep our economic growth robust over the past decade.

Let me explain why this amendment is necessary.

Last July, this body voted to extend the research credit permanently. Unfortunately, the House version of last year's tax bill included only a five-year extension of the credit. The five-year extension prevailed in conference. Of course, last summer's tax bill was vetoed by the President.

Fortunately, however, last November, Congress passed and the President signed the Ticket to Work and Work Incentives Improvement Act, which included the five-year extension of the research credit. Therefore, the credit has been extended to June 30, 2004.

And, in 2004, corporate America will have to go through this rigmarole again. This tax credit has been on and off, extended and expired, a legislative certainty or a legislative football almost more times than anyone can count.

Anyone in this body who has been in business for more than 10 minutes knows that planning and budgeting—unlike what we do here in Congress—is a multiyear process. And, anyone who has been involved in research knows that the scientific enterprise does not fit neatly into calendar or fiscal year.

Our treatment of the R&E tax credit—that is, allowing it to run to the brink of expiration and reviving it at the 11th hour—is a disservice to our research entities and, yes, our whole country.

It is time to get serious about our commitment to a tax credit that is widely believed by economists and business leaders to be one of the most effective provisions in creating economic growth and keeping this country on the leading edge of high technology in the world.

This amendment gives us an opportunity to reaffirm our commitment.

A large number of the Members of this body, on both sides of the aisle, are on record in support of a permanent research credit. Indeed, S. 680, the research credit permanence bill that my colleague from Montana, Senator Baucus, and I introduced last year, enjoys the support of 26 Democrats and 20 Republicans. In addition, a permanent research credit was included in Democratic alternative to last summer's tax bill, which was supported by 39 Democrats. Moreover, both Governor Bush and Vice President Gore support a permanent research credit.

But, while practically everyone says they support a permanent research credit, it has become too easy for Congress to fall into its two-decade-long practice of merely extending the credit for a year or two, or even five years, and then not worrying about it until it is time to extend it again.

These short-term extensions have occurred ten times since 1981, Mr. President. Ten short-term extensions for a tax credit that most members of this body strongly support. I am not sure if we realize how the lack of permanence of the credit damages the effectiveness of the research credit.

Research and development projects typically take a number of years and may even last longer than a decade. As our business leaders plan these projects, they need to know whether or not they can count on this tax credit.

The current uncertainty surrounding the credit has induced businesses to allocate significantly less to research than they otherwise would if they knew the tax credit would be available. This uncertainty undermines the entire purpose of the credit. For the government and the American people to maximize the return on their investment in U.S. based research and development, this credit must be made permanent. And now is the time to do so.

During the ten times in the past 19 years that Congress has extended the research credit for a short time, the ostensible reason has been a lack of revenue. The excuse we give to constituents is that we didn't have the money to extend the bill permanently. Ironically, it costs at least as much in terms of lost revenue, in the long run, to enact short-term extensions as it does to extend it permanently.

With the latest projections of the on-budget surplus, for one year, for five years, and for ten years, this excuse is gone. There is simply no valid reason that the research credit should not be extended on a permanent basis.

Moreover, now is the time to extend the provision permanently. By making the research credit permanent now, we will send a strong signal to the business community that a new era of stronger support for research has dawned.

The timing could not be better because, as I mentioned, many research projects, especially those in pharmaceuticals and biotechnology, must be planned and budgeted for months and even years in advance. The more uncertain the long-term future of the research credit is, the smaller the potential of the credit to stimulate increased research. Simply knowing of the reliability of a permanent research credit will give a boost to the amount of research performed, even before the current credit expires in 2004.

My home state of Utah is a good example of how state economies benefit from the research tax credit. Utah is home to a large number of firms who invest a high percentage of their revenue on research and development.

For example, between Salt Lake City and Provo lies one of the world's biggest stretches of software and computer engineering firms. This area, which was named "Software Valley" by Business Week, is a significant example of one of a growing number of thriving high tech commercial regions outside California's Silicon Valley. Newsweek magazine included Utah among the top ten information technology centers in the world. The Utah Information Technologies Association estimates that Utah's IT industry consists of 2,427 enterprises, employing 42,328 with revenue of over $7 billion.

In addition, Utah is home to about 700 biotechnology and biomedical firms that employ nearly 9,000 workers. Research and development are the reasons these companies exist. Not only do these companies need to continue conducting a high quality level of research, but this research feeds other industries and, ultimately, consumers. Just ask the patients who have benefited from new drugs or therapies.

In all, there are more than 80,000 employees working in Utah's thousands of technology based companies. Many other states have experienced similar growth in high technology businesses. Research and development is the lifeblood of these firms and hundreds of thousands like them throughout the nation.

Findings from a study conducted by Coopers & Lybrand show that workers in every state will benefit from higher wages if the research credit is made permanent. Payroll increases as a result of gains in productivity stemming from the credit have been estimated to exceed $60 billion over the next 12 years. Furthermore, greater productivity from additional research and development will increase overall economic growth in every state in the Union.

Research and development is essential for long-term economic growth. Innovations in science and technology have fueled the massive economic expansion we have witnessed over the course of the 20th century. These advancements have improved the standard of living for nearly every American. Simply put, the research tax credit is an investment in economic growth, new jobs, and important new products and processes.

In conclusion, if we decide not to make the research credit permanent, we are not limiting the potential growth of our economy? How can we expect the American economy to hold the lead in the global economic race if we allow other countries, which provide huge government direct subsidies, to offer faster tracks than we do?

Making the credit permanent will keep American business ahead of the pack. It will speed economic growth. Innovations resulting from American research and development will continue to improve the standard of living for every person in the U.S. and also worldwide.

Simply put, the costs of not making the research credit permanent are far greater than the costs of making it permanent. As we enter the new millennium, we cannot afford to let the American economy slow down. Now is the time to send a strong message to the world that America intends to retain its position as the world's foremost innovator.

I urge my colleagues to support this amendment.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I would simply like to say that there is not a word in the remarks of my close friend from Utah with which I would disagree. I have now served 24 years on the Finance Committee, and the last 20 years has been a continued frustration in our disinclination and refusal to make the research and development credit permanent.

It is elemental that research projects go beyond 2, 4, or 20 years. It is elemental and in the interest of society that these projects should take place. We allow the credit to be taken but only in 2-year intervals, as it were, such that there will obviously be some decisions made that it is too risky and maybe they won't do it next time. We always renew it, but at a cost. There is an efficiency cost which is clear.

I, for one, will happily vote in support of the Senator's proposal.

Mr. HATCH. Mr. President, I thank my colleague, who together with Senator ABRAHAM and Senator ROBB, is a cosponsor of this amendment.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. BAUCUS. Mr. President, I thank my very good friend from Utah for offering this amendment. It is high time that we make the R&D tax credit permanent. It is almost impossible to come up with a reason why it is not permanent. It is like a yo-yo—on for a year and off. Then they have to make it retroactive. It is nuts.

Business abhors uncertainty. If we can make this permanent, that is one uncertainty that can be dispensed with.

Obviously, the United States is going to remain the powerful economic engine in research and development, and the tax credit should be made permanent. It is a key part of that.

I thank my good friend. I am proud to be a cosponsor of his amendment. I hope it passes. Unfortunately, it is on a bill that the President says he will veto. I hope some time between now and then we can find a vehicle and some way to pass this measure.

Mr. HATCH. I am prepared to yield back the balance of our time.

Mr. ROTH. I congratulate the Senator from Utah for raising this very important piece of legislation. As Senator MOYNIHAN said, the two of us have been working continually to try to make this permanent. It is long overdue. I am grateful for initiative on the Senator's part.

Mr. REID. The Senator from Massachusetts desires 3 minutes.

Mr. KENNEDY. Mr. President, I join in commending my friend from Utah on this proposal. We are moving into the life science century with absolutely extraordinary breakthroughs in so many areas.

We want to see a continuation of the R&D from the private sector, with an element of the public sector, as well. I think this Congress has wisely doubled the NIH budget, for example, and also seen an expanded research in other areas of the agencies that we have witnessed in recent times. That has not always been the case in recent times where we have a combination of the opportunity for creativity and expansion in terms of our economy in many fields, particularly the areas of health, are virtually unlimited.

This will make an enormous difference. I congratulate the Senator from Utah. Seeing my friend and colleague, the ranking minority member, I am mindful of the fact during the height of the Japanese recession, when they were hard pressed in terms of their economic future, what did the Japanese Government do? They tripled the R&D budget. We have seen similar examples in Europe. As a result of these incentives in trying to bring more research and development, we have seen the restoration of important economies of the world.

We have a strong economy and we want to keep it this way. Having this permanent will be a very important contribution in ensuring that. I congratulate the Senator. I ask unanimous consent to be a cosponsor of the amendment.

The PRESIDING OFFICER (Mr. HATCH). Without objection, it is so ordered.

Mr. ROTH. I yield 10 minutes to the Senator from Illinois.

Mr. FITZGERALD. Mr. President, I ask consent to use my 10 minutes to speak on the underlying bill, the estate tax measure.

I think there are a couple of issues that need greater attention in this debate over the Federal estate tax. We have an underlying bill sponsored by Senator KYL that will gradually abolish the tax over the next 10 years. The Democrats offered a substitute that was just defeated. The Democrat substitute purported to raise an exemption that is now available in the code for family businesses and for family farms.

There are two points I want to make. One goes to the issue of exactly how much revenue would be lost by abolishing the Federal death tax, or the inheritance tax as it is sometimes called. Last year, the Federal Government took in $24.8 billion in death taxes. If we were to abolish that amount, if we were to abolish that estate tax altogether, we would lose that $24.8 billion. What this debate has been ignoring is that right now when an estate is taxed, the assets passed to the next generation are given, for capital gains purposes, what tax lawyers call "a stepped-up basis." That means any assets your heirs take after the estate tax has been assessed, if they were to sell those assets, they would pay zero in capital gains taxes. When the Federal Government takes in $24.8 billion in estate taxes, it is actually giving up a whole lot in Federal capital gains taxes.

Senator KYL's proposal abolishes the Federal inheritance tax, or the estate tax, over 10 years, but after the estate tax is gone, heirs who take assets inherited from a previous generation will still have to pay capital gains taxes. They will no longer get that so-called stepped-up basis for capital gains purposes. In other words, if you have a grandfather or a father or mother who bought a farm in 1960 for $100,000 and that farm is passed along to the next generation and the heirs take that farm and after their parents have died they decide to sell that farm, they will have to pay capital gains taxes on the difference between the sale price and the original purchase price of their parents. If in the year 2000 they sell that farm that cost $100,000 in 1960 for $1 million, they pay $180,000 in capital gains taxes—20 percent of their capital gain of $900,000.

If they inherited that farm today and, say, their parents' estate had paid the estate tax, without Senator KYL's bill, if they sold that farm for $1 million, they would pay zero in capital gains taxes. Senator KYL's bill is switching from an estate tax rate to a capital gains tax rate. There isn't all this loss of revenue that the other side is talking about.

Somebody on the other side of the aisle brought up the example of the Forbes 400 list and said this would be a $250 billion windfall for them. That ignores that once Senator KYL's bill passes, heirs of the Forbes 400 would all have to pay gigantic capital gains taxes.

I think actually when all is said and done, considering the jobs we will save, the family farms that will be allowed to stay in the families once we have abolished the death tax, family farmers are six times as likely as ordinary Americans to incur the Federal estate tax. That is because they have the classic ill-liquid estate. They may have huge assets in the value of that farmland. They worked all their lives, sweating and paying taxes on every year's income, and buying that farm with aftertax dollars. It may have taken their entire career in farming to finally pay off the mortgage on their farm and then when they die, the Federal Government is going to take 55 percent of that farm, taking away the fruits of their life labor. They cannot hand it down to the next generation; or the next generation, if they want to keep it, has to incur a huge amount of debt to pay off those Federal estate taxes.

What Senator KYL's bill does is change it so what activates the tax is no longer death. What will activate the tax is when somebody decides to sell a capital asset, such as a family farm or a family business. Then they will pay capital gains taxes. As in ordinary circumstances, when you sell a capital asset, you pay capital gains taxes. Selling would activate the tax. Death would no longer be a taxable event. Wouldn't that be better for everyone if that was the case?

Now, the Democrats made very much of their counterproposal to expand the exemption available under 2057 of the Tax Code. There is a larger exemption for family farms and small businesses that is already in the Tax Code. The Democrats' proposal was to expand that to $4 million for a husband and $4 million for a wife so that potentially a couple could hand down an $8 million farm or $8 million family business. That sounds like a great idea. The only problem is, you have to look at section 2057. When you look at 2057, you realize it is 6 pages long. To be a qualifying family farm or a qualifying small business under section 2057, you have to go through 13 pages worth of hoops. There are innumerable cross-references to other sections in the code, some 64 cross-references just to section 2032A. That is why, as Senator KYL pointed out, only 3 percent to 4 percent of family farms and small businesses in this country can actually qualify for this section 2057 exemption. It is very hard to qualify for it.

In fact, recently, the tax section of the American Bar Association urged Congress to repeal section 2057 because it leaves too great a potential for lawyer malpractice. It is a very complicated provision of the code. It really only offers false hope. It is a mirage. The counterproposal on the other side of the aisle was really a sham. It offered no relief, no safe harbor. No small business, no family farm could have staked much hope on their counterproposal.

Finally, I think it is important that we adopt Senator KYL's measure because it would get rid of the Federal death tax. If you identify cancer in somebody's body, you don't go in and only take out part of it. You have to get it all so it does not grow back again. If we do not get it all, if we do not get this cancer in our Tax Code, there is always the possibility that a future Congress or administration will come back and try to grow it again. In fact, it was only a few years ago that President Clinton was talking about lowering the estate tax threshold so families who had over $200,000 would start incurring the estate tax.

I compliment my colleague, Senator KYL, and others who have worked so hard on this provision. For the State of Illinois, which is a major agricultural producer, the third largest ag State in the country, with some of the highest yielding land in the country, we have thousands of family farms and businesses that revolve around farms—all of rural Illinois outside the Chicago area. Nothing has contributed more to the sale of family farms than the estate tax. When the estate tax went in, back in 1916, keep in mind, we were just developing an income tax in this country. We were just developing a corporate system of taxation in this country. It was all different. The exemption in 1916, to keep pace with inflation, would have to be a $9 million exemption today.

I think it is high time Congress act on this matter. We are simply switching, trading estate tax rates for less onerous capital gains tax rates, and giving the American people, the small businesses and the family farmers, the options to keep their family farms and their businesses within their families for another generation, to continue employing people and keeping our economy productive.

Mr. KENNEDY. Mr. President, I support this amendment to permanently extend the R&D tax credit. I presented a similar amendment last year, and I commend Senator HATCH's leadership on this important issue.

Many have called this the century of life sciences. We are witnessing extraordinary breakthroughs which are both transforming our quality of life and fueling our economy. The R&D tax credit is a proven effective means to generate increased research and development in the life sciences, and it is a key ingredient in the continued success and growth of the nation's economy.

Much of America's technological leadership today and in the past has been stimulated by federal support for private investment in R&D. The Congress has wisely decided to double the NIH budget. We need to continue to strengthen these investments as a top national priority.

A main virtue of the credit is that it encourages investments in the kind of research that ensures long-term competitiveness. Often, private sector research focuses on closer horizons, and the credit is important in encouraging a longer-term focus as well.

Research and development now generate about 5,000 new jobs a year, and significant amounts in taxes for the federal treasury. Federal Reserve Chairman Greenspan has cited increased productivity as the source of our current record breaking economy. It accounts for 70% of our economic growth.

This record-breaking economy provides an unprecedented opportunity for increased creativity and expansion. Particularly in the health field, our ability to increase our R&D investment will make an enormous difference in our fight against disease and in our efforts to improve the quality of life for so many.

Making the R&D tax credit permanent is essential for encouraging continued investment by private industry. Without a permanent credit, industry lacks the certainty needed to make decisions about continuing investments.

A permanent R&D credit will do more to encourage investment in the long-term research projects needed to keep our companies—and our nation—at the cutting edge of competition in the world economy. In the last session of Congress we were able to extend the credit temporarily again. I am hopeful that this year, with bipartisan support, we can make the credit permanent.

The credit has been extended 10 times since 1981. But this on-again off-again pattern makes the credit less reliable, and diminishes the important incentives that the credit can provide.

I am mindful that at the height of the Japanese recession, Japan has managed to triple its R&D budget. European countries are increasing their budgets as well.

Congress should do all it can to give R&D the top priority it deserves. Stable and substantial federal funding is essential for fundamental scientific research. We must also support private investment in fundamental research across a wide spectrum of disciplines. In failing to do so, we run the risk of slowing the nation's economic engines.

I am proud of the leadership of Massachusetts on these issues. According to a study by the Massachusetts Technology Collaborative, the state received $3.45 billion in federal research and development funds in 1997, amounting to 37% of total research and development spending in the state and received the sixth-largest share of federal R&D funding in the nation.

A large number of Massachusetts firms have joined in a letter emphasizing the importance of the R&D credit and I ask unanimous consent that the letter may be printed in the record at the conclusion of my remarks.

The Joint Economic Committee, in two sets of Congressional hearings this year and last year, focused on the important role of science and technology in our society and our economy. Witness after witness testified about the importance of making this credit permanent.

I look forward to continuing work with all of my colleagues to see that

R&D receives the top priority it deserves. The current partnership between the government, the academic world, and the private sector is affected, and it deserves to be strengthened.

I congratulate my colleague on this important amendment, I urge my colleagues on both sides of the aisle to support it. Our economic future deserves no less.

Mr. President, I ask unanimous consent that this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

R&D CREDIT COALITION,
*Washington, DC, October 18, 1999.*

Hon. WILLIAM JEFFERSON CLINTON,
*The President of the United States, The White House, Washington, DC.*

DEAR MR. PRESIDENT: While legislators continue the national debate on tax relief, one of the few issues upon which legislators across the political spectrum agree is the importance of a long-term seamless extension of the research and experimentation tax credit (the "R&D credit"). The Senate version of the tax bill, and the Democratic alternatives in the House and the Senate all would have made the R&D tax credit permanent, while the House bill and the House/Senate Conference Report provided for a seamless five year extension of the R&D credit. In testimony before the Joint Economic Committee in June, Federal Reserve Chairman Alan Greenspan stated that if Congress were going to have a research tax credit, it shouldn't be intermittent because companies "can't operate in an efficient manner with government policies incapable of being understood or projected."

the R&D Credit Coalition, representing 87 professional and trade associations and more than 1,000 U.S. companies, applauds this unanimity of purpose and urges you to approve legislation seamlessly extending the R&D credit and increasing the alternative incremental research credit rates by a modest one percentage point, before the end of the first session of the 106th Congress. Expiration of the R&D tax credit on June 30th has caused uncertainty for domestic businesses for purposes of short and long-term planning as well as preparation of financial statements and other reports to shareholders. For these reasons, we believe the seamless extension of the R&D tax credit is critical.

The R&D credit has benefited from broad, bipartisan and bicameral support (including nine legislative extensions) since its inception in 1981. The credit provides U.S. companies with a proven incentive to increase their investment in U.S.-based research and development creating thousands of high wage, high skilled jobs for U.S. workers. A January 1998 study of the economic benefits of the R&D credit by the independent accounting firm of Coopers and Lybrand, LLP (now PricewaterhouseCoopers), shows the credit's significant positive stimulus to U.S. investment, innovation, wage growth, consumption, and exports, all contributing to a stronger domestic economy and a higher standard of living for all Americans. The failure to enact a seamless extension of the R&D credit prior to Congressional adjournment will continue to disrupt R&D planning, and the resulting uncertainty in the business community can only reduce the economic benefits all U.S. businesses and workers receive as a result of the credit.

We thank you for your support of the R&D tax credit, and respectfully request you to make every possible effort to permanently extend the R&D tax credit, and increase the alternative incremental research credit rates, as soon as possible.

Sincerely,

(Signed by 146 Massachusetts companies.)

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I say to the distinguished manager of this legislation, the Senator from Delaware, what we, the minority, would like to do. Everybody over here thinks the amendment of the Senator from Utah is well taken for a lot of different reasons. This legislation was developed in 1981 to spur the economy. It certainly has done that. It has expanded for 5 years. Since then, Congress has extended the tax credit every year or so, leaving terrible uncertainty in the community. This is important. It is good legislation. It is too bad it is not made permanent.

But I do say we will be willing to take this amendment and move on to the amendment of the Senator from New York. If a vote is required on that, we could vote around 2 o'clock. It is my understanding, though, the majority wants a vote on this amendment.

The uncertainty of whether or not this tax will be extended disrupts the marketplace and decreases the amount of revenue spent on research and development. Some companies with long-term research budgets have been forced to delay studies. The research and development credit benefits the entire community, the entire economy. Gains in productivity are not limited to sectors where investments in R&D take place. The gains which spill over are to all sectors of the economy—to agriculture, to mining, basic manufacturing, and high-tech services. Technological innovations improve productivity in industries that make innovations and in industries that make use of these innovations.

This credit would pay for itself and pay for itself very quickly. A permanent research and development credit would be an excellent investment for the Government to make because it would raise taxable incomes enough to more than pay for itself. In the long run, the $1.75 of additional revenue on a present value basis would be generated for each $1 the Government spends on the credit, creating a win-win situation for both taxpayers and the Government.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. FITZGERALD). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, we would be willing to yield back our time on this amendment. As I understand it, the Senator from Delaware and the Senator from Utah would. Following that, I ask unanimous consent the vote on this amendment offered by the distinguished Senator from Utah occur at 1:45. During the next 15 minutes, the Senator from New York and the Senator from Delaware, who are offering the next amendment, I ask that they speak for the next 15 minutes, and after the vote they would be able to continue the discussion of their amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New York.

Mr. SCHUMER. Mr. President, I assume I have 20 minutes. What I would like to do is yield 10 of those minutes to the Senator from Delaware, my copartner in this, and we will each divide up our 10 minutes as other people come to speak.

Mr. REID. If I could say to the distinguished Senator, I will control the time. You have 20 minutes and you want 10; the Senator from Delaware wants 10?

Mr. SCHUMER. And then we will yield to some others who wish to speak.

Mr. REID. I yield 10 minutes upon the reporting of the amendment to the Senator from New York.

### AMENDMENT NO. 3822

(Purpose: To amend the Internal Revenue Code of 1986 to increase the unified credit exemption and the qualified family-owned business interest deduction, to make higher education more affordable, to provide incentives for advanced teacher certification, and for other purposes)

Mr. SCHUMER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New York [Mr. SCHUMER], for himself, Mr. BIDEN, Mr. BAYH, Ms. LANDRIEU, Mr. DURBIN, Mr. BINGAMAN, and Mr. KOHL, proposes an amendment numbered 3822.

Mr. SCHUMER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. SCHUMER. Mr. President, I will then take 5 minutes. I would like to take 5 minutes of my time and save the rest for yielding to others.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCHUMER. Mr. President, this amendment, the Schumer-Biden amendment, cosponsored by Senators BAYH and LANDRIEU, boils down to a simple question.

The simple question is this: Would you rather give tax relief to those whose incomes is above $8 million as they pass down their estates or would you like to give tax relief to people who make $40,000, $50,000, $60,000, $70,000 a year and are struggling to send their children to college? That is the amendment. It is plain and simple. It will determine which side people are on.

This estate tax debate is not in a vacuum. There are very simple choices, and this choice is a simple one.

Tuition costs, as this chart shows, have gone up more than any other cost—more than health care and certainly more than double the Consumer Price Index. Average families who are very poor get help, as they should, to send their kids to college. Families who are wealthy do not need it. But the middle class struggles. They know that a college education these days is a necessity, but they also know that it is harder and harder to afford.

The Schumer-Biden amendment is simple. It says if a family is struggling to send their child to college, the Federal Government ought not take its cut on top of that struggle. The amendment is simple. It says it is more important for America to educate its young people in the best institution available than it is to give tax relief to people who are multimillionaires as they pass on their estates.

The Schumer-Biden amendment is simple. It says every time a young man or a young woman does not go to college because they cannot afford it or goes to a college that is not up to their intellectual capabilities simply because they do not have the money to afford tuition, not only does that child lose, not only does that family lose, but America loses as well.

This is a crucial amendment. It is about middle-class tax relief. It is about targeted tax cuts for the middle class in what is perhaps their greatest struggle: affording tuition.

I make a good salary as a Senator. My wife works as well. We have two beautiful daughters, the rocks of our life, age 15 and 11. We are up late at night trying to figure out how we are going to afford our daughters' college education. Imagine those millions of middle-class Americans who are in a worse predicament. If you make, say, $60,000 because husband and wife work, and you have $20,000 or $25,000 in tuition bills, you are, in effect, poor because after you pay your taxes and your mortgage and all the other expenses, you just cannot afford that college tuition.

This amendment is simple. It says which side you are on because we do not have unlimited money. Are you on the side of those multimillionaires who make over $8 million a year as they pass their estates down, or are you on the side of middle-class Americans who are doing what we tell them to do, struggling to send their children to college?

From one end of my State to the other, the public is asking us to do something to help them. We know that tax relief should be targeted to the big financial nuts that middle-class people face because they are the ones who struggle the most. The Schumer-Biden amendment does just that. I urge my colleagues on both sides of the aisle to support it, and I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Mr. President, as I understand it, the Senator from New York has yielded me 10 minutes. I will not use the 10 minutes because there will be others who wish to speak. I yield myself 5 minutes.

Mr. President, the headlines in today's papers say that we are here today discussing estate tax relief, an issue that affects a little less than 2 percent of Americans.

The issue before us is much bigger than that. We are debating the fundamental principles that should guide us in the new era of budget surpluses.

We cannot, we must not, lose sight of that larger picture. If we focus on the narrow picture of a tax cut here, a spending program there, we run the risk of wasting all the hard work and sacrifice that has brought us to the best economic and budget era in our history.

The real task before us today is to set the priorities for this era. This debate over the estate tax is just one part of that debate, but it is an important part.

Let's be clear about this—the amendment I am offering right now, with my friends from New York and Indiana and Louisiana, would repeal the estate tax for all families with estates up to $4 million, and for all family farms and businesses up to $8 million. And, it would leave room for a tuition tax credit to help middle class Americans pay for the rising cost of a college education.

Our proposal, the Democratic alternative proposal that Senator MOYNIHAN introduced earlier today, would eliminate those taxes sooner than the Republican plan, and would remove virtually all of the cases from the estate tax roles that have been employed as examples by the majority in this debate.

The majority would rather send their plan to the certain fate of a Presidential veto than cut the taxes of the family farmers and family businesses they claim to care about.

They would rather have an issue than a tax cut. Their proposal would cut the top tax rates for the richest of the rich first, and delay for 10 years the tax relief for family farms and businesses.

By the time any tax relief gets to those farmers and small businessmen, the Republican plan will cost at least $50 billion a year—half a trillion over 10 years—effectively squeezing out any hope for deficit reduction, strengthening Social Security, other tax cuts, or any other priorities we will face.

The plan I am offering with my colleagues today offers relief for family farms and businesses up front—and leaves room for other priorities.

The priority I want to stress is the need to help with the spiraling cost of college tuition.

Mr. President, I am glad to join the Senator from New York in offering this amendment to make higher education more affordable for America's families.

As a college degree becomes increasingly vital in today's global economy, the costs associated with obtaining this degree continue to skyrocket. At the same time, the annual income of the average American family is not keeping pace with these soaring costs. Since 1980, college costs have been rising at an average of 2 to 3 times the Consumer Price Index.

Now, in the most prosperous time in our history, it is simply unacceptable that the key to our children's future success has become a crippling burden for middle-class families.

According to the U.S. Department of Education National Center for Education Statistics, the average annual costs associated with attending a public 4-year college during the 1998–1999 school year, including tuition, fees, room, and board were $8,018. For a private 4-year school these costs rose to an astonishing $19,970.

And these are only the average costs, Mr. President. The price tag for just one year at the nation's most prestigious universities is fast approaching the $35,000 range.

In 1996, and again in 1997, I introduced the "GET AHEAD" Act, Growing the Economy for Tomorrow: Assuring Higher Education is Affordable and Dependable. My main goal in introducing this legislation was to help the average American family afford to send their children to college.

Although this legislation never came before the full Senate for a vote, I was extremely pleased that a number of the provisions of the GET AHEAD Act—including the student loan interest deduction and the establishment of education savings accounts—were included as part of the 1997 tax bill.

Additionally, two other provisions of that bill—the Hope Scholarship and the Lifetime Learning Credit—were based upon the core proposal of my GET AHEAD Act—a $10,000 tuition deduction.

I have been advocating tuition deduction since I first announced my candidacy for the Senate 28 years ago. Earlier this year, I was pleased that the President made a proposal in his State of the Union Address which would finally fully enact this proposal.

The amendment Senators SCHUMER, BAYH, LANDRIEU, and I are offering today will provide America's middle class families with a tax deduction of up to $12,000 for the costs of college tuition and fees.

Middle-class families who struggle to send their kids to college should get some tax relief. We should not be giving tax cuts to those who need them least.

The proposal Senator SCHUMER and I are offering is a tax cut that makes sense. It is a tax cut that benefits the middle class, and it is a tax cut that is an investment in America's future.

Mr. President, the dream of every American is to provide for their child a better life than they themselves had. A key component in attaining that dream is ensuring that their children have the education necessary to successfully compete in the expanding global economy.

It is my hope that the proposal we are offering today will help many American families move a step closer in achieving this dream and be able to better afford to send their children to college.

I am proud to join Senator SCHUMER. He and I, together and separately, have been pushing for this relief for middle-class taxpayers to send their kids to college for a long time. I apologize to my colleague, BILL ROTH, for whom I have great respect. He has heard me on this hobby horse about tuition tax credit longer than he cares. I am not suggesting he does not share the same concern, but I apologize. He has heard me make this speech since 1973 when I was a freshman Senator.

As one of the folks in Delaware said to me: BIDEN, when are you going to get off that hobby horse? I am not going to get off the hobby horse because, as the Senator from New York indicated, as a matter of public policy, we should be making it easier, not harder, for children to go to college. We should not make these false distinctions between you are able, maybe, to get to a community college or to a junior college or maybe your State college, but you are not going to be able to get to a private institution.

If a child has the intellectual capacity, interest, and drive and they are able to go to Harvard or the University of Chicago or one of the great institutions in America where we all know you get a little leg up—I had one son graduate from Syracuse Law School and did just as well as the son who graduated from Yale Law School, but the marks of the kid who went to Yale Law School were no different than the one who went to Syracuse Law School. He got his ticket punched, a ticket to ride. We all know it makes a difference to what school you have access.

We have essentially priced middle-class kids out of the finer institutions. They may not learn any more coming out of those institutions, but they get a heck of a lot more opportunities, which I can say as a graduate of my State university, of which I am proud.

Since 1980, college costs have been rising on average two to three times the Consumer Price Index. Now in the most prosperous time in our history, people still have trouble. Let me give my colleagues a little idea.

According to the U.S. Department of Education, National Center for Education Statistics, the average annual costs with attending a public 4-year college during the 1998-1999 school year, including tuition, fees, room, and board were $8,018. For a private university, that average cost was $19,000. If you decide to send your child or your child decides they wish to go to a private university—I had one go to Georgetown, one go to Penn, and one go to Tulane. That is a total of over $100,000 a year in tuition, which is the reason I have the dubious distinction of being rated as one of the poorest men in the U.S. Congress. I am not poor. I live in a beautiful home in a beautiful neighborhood. I do not think I am poor, but I have $125,000 in debts for college tuition.

The good news is, as the Senator said, I was able to borrow it because I had a nice enough house to borrow against on a second mortgage. What happens to the average American who has a good income, they have a decent income—the wife is making $30,000 or $40,000, and the husband is making $30,000 or $40,000. That is 70,000, 80,000, 90,000 bucks a year. After taxes, what do they have? Maybe somewhere between $40,000 and $50,000. After they write that first semester tuition check for 15 grand, like I am about to do for Tulane University, they are in pretty deep trouble. Every middle-class American knows that. What I am a little concerned about is we are paying very little attention to this. This is about priorities.

I had a different bill than my friend from New York. Mine was $10,000 up to $120,000. His is $12,000. His has some better features than mine, but we joined forces to make the case. My dad always said to me: Champ, I tell you what, if everything is equally important to you, nothing is important to you, unless you have priorities.

This is about priorities. If the Senator from New York and I had our way and we could make this country as great as it is now without any taxes, we, like everybody else here, would vote against any tax for anything. I am all for no taxes, but what are our choices? Our choices are we cannot cut all taxes. So the question comes: What are we going to do in cutting taxes? Are we going to spend $134 billion over the next 10 years to deal with the "death tax" and $750 billion over the next 10 after that, or are we going to spend $40 billion over 10 years, as the Senator from New York——

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. BIDEN. I yield myself 30 more seconds. Are we going to spend $40 billion to provide for the opportunity for this to truly be an egalitarian system, a meritocracy?

When we graduated from school in the early 1960s and late 1960s, and when our parents did in the 1930s, you needed a high school education to make it, and a college education was nice. Now you need a college education just to make it.

So I think people should be able to deduct at least this $12,000 and get a tax credit. This is a matter of priorities. The priorities should be to take care of the middle class first.

I reserve the remainder of the time.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. Mr. President, I yield 2 minutes to one of the cosponsors of the amendment and the author of the provision on teacher certification, the Senator from Louisiana.

Ms. LANDRIEU. Mr. President, I am very pleased to join my colleagues, the Senator from Delaware and the Senator from New York, in cosponsoring this amendment. The part I particularly want to speak about for the 2 minutes that I have is the teacher tax credit.

We have spent much time talking this year about the ways we could improve education in this Nation. We have talked about the important components of improving education, which is a State and local partnership with the Federal Government. But we all agree, even across party lines, that one of the key components of improving education in the Nation is to provide quality teacher training, incentives for teachers to be the very best they can be.

Many studies have shown that the single most important factor in a child learning, in terms of at school in the classroom—families have a great input into that, obviously, but the single most important factor in a child learning at school in the classroom is the quality of the teacher.

This amendment will provide a tax credit for teachers who get a national certification, as we work with our Governors and with our mayors and with our local school boards to help bring excellence in education across this Nation.

So I am pleased to have authored the part of this amendment which would provide this tax credit because if we are going to give tax relief to America, and if we are going to give back a share of the surplus in this way, let's give a tax credit that will help not only teachers but education and our children.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Mr. President, I suggest that the Senator from New York control the time from here on out and distribute it among those who wish to speak.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. I thank the Senator from Delaware.

Mr. President, I now yield 2 minutes to the distinguished Senator from Indiana, a cosponsor of this amendment, who has worked long and hard on seeing that college tuition be made deductible.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. BAYH. I thank Senator SCHUMER.

Mr. President, I express my profound appreciation to the Senator from New York, Mr. SCHUMER, for his leadership on this critical issue. It is important to the families and the children of this country that we adopt this important amendment to make college tuition more affordable for all families across my State and the other States that constitute our great country.

A college education today is no longer a luxury, it is a necessity. Helping to make college tuition more affordable, by providing for the deduction of the first $10,000 of college tuition, will help ease the burdens on many middle-class families across Indiana and elsewhere in our country. It will open up the doors of economic opportunity to the middle class and help to make our Nation a more decent, just, and honorable place as well.

As we move to adopt this important amendment today, we will not only do what is right for our economy but we will also do what is right for our families and for our children. This is an example of cutting taxes in ways that help middle-class families deal with the challenges they face in their daily lives. It is an important issue, one that surely we can accomplish within the context of also moving to ease the burdens of estate taxes upon businessmen, farmers, and others across our State.

I say to my colleague from New York, I again thank him for his leadership. This is a critically important issue. It is one whose time has come. I say to Senator SCHUMER, I cannot think of anything that would be more popular across the State of Indiana than acting today to help make the costs of college more affordable for middle-class families, for students and children across our State, by passing this important amendment. It has been my honor and privilege to work with the Senator on this important issue.

I thank the Chair.

### VOTE ON AMENDMENT NO. 3823

The PRESIDING OFFICER. Under the previous order, the hour of 1:45 p.m. having arrived, the Senate will proceed to vote on the Hatch amendment.

Mr. ROTH. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to Hatch amendment No. 3823. The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Connecticut (Mr. DODD) is necessarily absent.

The PRESIDING OFFICER (Mr. VOINOVICH). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 98, nays 1, as follows:

[Rollcall Vote No. 181 Leg.]

YEAS—98

Abraham
Akaka
Allard
Ashcroft
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bryan
Bunning
Burns
Byrd
Campbell
Chafee, L.
Cleland
Cochran
Collins
Conrad
Coverdell
Craig
Crapo
Daschle
DeWine
Domenici
Dorgan
Durbin
Edwards
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Hagel
Harkin
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kennedy
Kerrey
Kerry
Kohl
Kyl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
Mack
McCain
McConnell
Mikulski
Moynihan
Murkowski
Murray
Nickles
Reed
Reid
Robb
Roberts
Rockefeller
Roth
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Torricelli
Warner
Wellstone
Wyden

NAYS—1

Voinovich

NOT VOTING—1

Dodd

The amendment (No. 3823) was agreed to.

### AMENDMENT NO. 3822

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. SCHUMER. Mr. President, how much time do I have?

The PRESIDING OFFICER. Five minutes.

Mr. SCHUMER. I yield two minutes to the Senator from Illinois.

Mr. DURBIN. Mr. President, this amendment by Senator SCHUMER, and others, is a test as to whether this Senate is in touch with the reality of life for American families. The Schumer amendment will allow families across America, worried about paying their kids' college education expenses, a tax deduction of $12,000 a year. It will say to those paying off students loans that we will give you a tax credit of up to $1,500 a year on the interest on your student loan, and if you are a teacher who wants to go for extra training to be certified, we will give you a $5,000 tax credit so you can be the very best in the classroom. Families across America understand the Schumer amendment.

What they don't understand is the alternative on the Republican side, which says we don't need it, that our highest priority is helping the wealthiest people in America be absolved from paying any kind of estate tax.

When we start forming a line to come in the Senate for help, the Republicans put the wealthiest people in America first. The Schumer amendment puts American families first.

Watch for this vote.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, the amendment before us has a fundamental deficiency. It is built on the Democratic alternative to the House tax repeal bill. In other words, this amendment strikes the House death tax repeal and replaces it with the Democratic alternative which was just rejected by a rollcall vote a few minutes ago.

Let me reemphasize once again that the Democratic alternative fails to correct the fatal flaws of the family-owned business deduction. According to well-known members of the American Bar Association, those fatal flaws make it virtually impossible to qualify for the tax deduction.

What I am saying is that those of you who voted against the Democratic alternative should vote against this amendment because this amendment, once again, seeks to substitute the Democratic alternative.

The amendment also contains some interesting ideas on education. But they should be looked at in the context of our other education incentives. One proposal, for instance, is that we allow a tax deduction for higher education costs. If a taxpayer takes that deduction, then he or she will not be allowed to take the lifetime learning credit at the same time. Families are already confused and troubled by the complexity of these educational incentives. So adding a new one with a different tax would further confuse the situation.

Again, we are anxious to move on to a vote. I emphasize to those on my side that this amendment would substitute the Democratic alternative for the repeal of death taxes in substitution of the House repeal.

I urge everyone to vote against this amendment.

I yield my time, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. Mr. President, I will sum up. I believe I still have 3 minutes left.

The PRESIDING OFFICER. The Senator is correct.

Mr. SCHUMER. Thank you, Mr. President.

I beg to differ with my friend from Delaware.

This amendment is a simple one. He said the flaw in this amendment is that the estate tax relief doesn't go up high enough.

This amendment is an amendment of choice: Very simply, do you prefer to give the very few wealthy in our society even more tax relief or with those same dollars do you want to help middle-class families pay for the ever-increasing costs of tuition? It is that simple. Does someone making $40,000 or $50,000 a year, who is struggling to send their son and daughter to college, deserve relief first or does someone who has an estate over $8 million deserve relief first? It is that simple.

We are in an idea society. We are in a place where a college education is a key to the future. Yet millions and millions of American families cannot afford to send their children to college or they have to send their child to a college that is not up to that child's intellectual ability because the cost is so expensive. The Schumer-Biden amendment says that is the group that needs relief more than those whose estates are over $8 million.

The choice is stark and clear. Which side are you on? We don't have unlimited money. Do you support middle-class families sending their kids to college or do you support the wealthy in tax relief?

I yield the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Florida (Mr. MACK) is necessarily absent.

Mr. REID. I announce that the Senator from Connecticut (Mr. DODD) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 46, nays 52, as follows:

[Rollcall Vote No. 182 Leg.]

YEAS—46

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Bryan
Byrd
Chafee, L.
Cleland
Conrad
Daschle
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Specter
Torricelli
Wellstone
Wyden

NAYS—52

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Cochran
Collins
Coverdell
Craig
Crapo
DeWine
Domenici
Enzi
Fitzgerald
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Jeffords
Kyl
Lott
Lugar
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

NOT VOTING—2

Dodd
Mack

The amendment (No. 322) was rejected.

Mr. REID. Mr. President, I move to reconsider the vote.

Mr. ABRAHAM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. REID. Can the Chair inform the Senate how long that last vote took?

The PRESIDING OFFICER. The vote required 29 minutes.

Mr. REID. Mr. President, we need to do better than that. We have, as I see it, about 18 more votes today, and if each one requires 30 minutes, that is 9 hours right there. I hope we can shorten the time of the votes in the future.

The PRESIDING OFFICER. The Senator from Michigan.

### AMENDMENT NO. 3827

(Purpose: To amend the Internal Revenue Code of 1986 to temporarily reduce the Federal fuels tax to zero)

Mr. ABRAHAM. Mr. President, I send an amendment to the desk on behalf of myself, Senators FITZGERALD, HUTCHISON, and GRAMS.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> The Senator from Michigan [Mr. ABRAHAM], for himself, Mr. FITZGERALD, Mrs. HUTCHISON, and Mr. GRAMS, proposes an amendment numbered 3827.

Mr. ABRAHAM. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

The PRESIDING OFFICER. The Senator from Michigan.

Mr. ABRAHAM. Mr. President, this amendment, which I described briefly yesterday, embodies the principles of our legislation, S. 2808, which has been introduced by the Senators I mentioned and myself, to temporarily suspend the Federal gasoline tax for 150 days, while holding harmless the highway trust fund and protecting the Social Security trust fund.

America is facing a crisis, and we have to take action now. Yesterday I spoke before the Senate about how, during my travels over the Fourth of July recess, I was struck that people in my State had one thing on their minds, and that was the price of gasoline. It was the most important issue on virtually everybody's mind. It was the second most important issue, and it was the third most important issue.

As I talked with the citizens in my State, I asked them to join me in making sure this issue to suspend the Federal gasoline tax received more attention in the Congress. I am proud of how they have already responded.

Over the last 10 days, we have had a web site through which people could sign a petition online urging Congress to suspend the gas tax. Literally over 100,000 people have logged on to the site and thousands have already joined this petition drive.

On behalf of these thousands of Michigan citizens—and I know there are millions more across the country who are feeling the pinch at the pump—I am here today to fight for relief on behalf of our consumers, our minivan parents, our farmers, and others for a bill that would suspend the Federal gasoline tax for 150 days.

Yesterday I told this body how citizens throughout Michigan were demanding quick relief from these high gas prices. People from all walks of life have talked with me about this:

Farmers who, according to our Farm Bureau, are likely to see their net family farm income decrease by 35 percent;

A minivan mom with seven kids who now has to give up her minivan because it costs her $70 to fill up the tank;

Every day men and women who banged on gas cans during a parade in Traverse City, MI, demanding immediate relief from high gas prices;

A Southfield, MI, Amoco dealer who lowered prices by 18 cents a gallon for 2 hours in support of this proposal and found himself surrounded by a quarter mile of cars in every direction waiting to buy his cheaper gas.

This crisis is very real. If we do not take action now to provide some relief for the economy, we will face some very serious economic consequences soon because so many of the important sectors of our economy are being hurt by these high prices.

According to Lundberg Survey, a nationwide survey of gas prices, the city of Detroit suffers under the highest gas prices in the country. These prices are 40 cents a gallon higher than they were at the end of May. That is a 27-percent increase in only 2 months; 63 percent higher than in June of last year. These are unconscionably high gas prices.

Yesterday I discussed several factors that contributed to the rising costs of gasoline in the past months: OPEC's decision to lower production levels; lack of a sustainable and long-term energy policy to lower our dependency on foreign oil; regulations which have required the development of reformulated fuels; and a variety of other things, such as pipeline breakdowns.

Solving those problems will take a lot of time. The solutions to these issues will not bring down the price overnight or in the short term. People across Michigan want to see gas prices lowered. They want them lowered sooner, not later, and that is what this amendment will do. It is the one thing we can do in the Congress to bring down the price of gasoline and to bring it down immediately. So it is my hope that we will support this amendment today.

Let me quickly cover some of its key ingredients, and then I know there are others who want to speak to this issue.

First, as I said, it will provide suspension of the Federal gas tax for 150 days. We estimate this will provide real relief for motorists and consumers, averaging over $150 of savings for a typical one-car or one-minivan family.

Let me make one thing very clear about what this legislation also will do. It will not threaten the highway trust fund. Yesterday we revised this language again to strengthen even further the elements that will hold the highway trust fund and the road-building money distributed to the States absolutely harmless. I urge my colleagues to examine the legislation to satisfy themselves that that will happen.

First, every penny of the gas tax revenue that would have come into the highway trust fund from the collection of gas taxes will be made up with deposits of non-Social Security surplus funds. This will allow us to ensure that the building projects, the road repair projects, in the States will continue unabated and unharmed by this suspension.

To make sure everyone understands that this is an ironclad guarantee that the States will not lose one penny of highway funds, we have strengthened the hold harmless provisions even more from that which I detailed yesterday by adding additional language which I will enter into the RECORD at the end of my comments.

In short, this accomplishes two things. It keeps the highway trust fund intact by supplementing any lost revenue with surplus dollars, and it simultaneously gives the average working men and women, the consumers of this country, who are paying too much for gasoline today, a 5-month break in paying the Federal gas tax. That will be 18 cents a gallon in every service station in America. It will make a difference for our consumers. It will make a difference for our farmers. It will make a difference for people in the tourism industry. It will be, I think, a timely action on our part.

Back in April of this year, gas prices were 40 to 50 cents a gallon less than they are now. At that time, when we last considered this legislation, we could not pass a proposal that would have lowered the gas taxes. But things have changed. We have seen that that was not a short-lived crisis. We have also seen that OPEC has not responded in a fashion to bring prices more into line with what the American public deserves. For those reasons, I hope our colleagues who voted differently the last go-around will reconsider their vote and join us on this vote today.

Let me close by saying that this legislation is a serious attempt to provide relief to the millions of Americans forced to dig deeper into the family budget for gas to take their kids to school or to get to work at any automobile plant in Michigan—in Flint or Sterling Heights. Michigan consumers are rightfully outraged by the high price of gasoline. They need relief and they need it now.

If any of my colleagues have any ideas how the highway trust fund hold harmless provisions can be improved and strengthened, I would be more than happy to entertain them and, if necessary, modify this amendment. But the time has come for us to take action and to take it now. In my judgment, this is the only way we can do something that will have an immediate impact on the lives of the working citizens of this country. I hope we will join together to adopt the amendment.

Mr. President, I yield the floor and reserve the remainder of our time. We have several other speakers who are prepared to address the issue.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. FITZGERALD. Mr. President, I join the efforts of my colleague from Michigan, Senator ABRAHAM. I am a cosponsor of this amendment which would temporarily roll back or suspend the 18.3-cent-per-gallon Federal gas tax.

When I was back home during the Fourth of July recess and was marching in all those parades, I had the exact same experience that Senator ABRAHAM had. I was hearing from my constituents about the high price of gasoline.

After returning to the Nation's Capitol, where we talk about so many other issues, from foreign policy to domestic concerns, we have heard very little discussion about what Washington can do to bring down the price of gasoline at the pumps. That is the issue on the minds of most American citizens.

In the Midwest, in particular—in my State of Illinois, Senator ABRAHAM's State of Michigan, other Midwestern States such as Ohio—the price has been much higher than the national average. Fortunately, in the last few weeks, in Illinois, it has begun to come down. But part of the reason it has begun to come down in the State of Illinois is because the Illinois Legislature took action.

At the end of last month, the Illinois Legislature went into a special session and rolled back their approximately 10-cent-per-gallon, or 5-percent, sales tax on gasoline. They suspended it until the end of the year. That immediately brought a price reduction of 10 cents per gallon at the pump.

But prices are still too high in Illinois. The average price in the city of Chicago is around $1.80 per gallon. That is, thankfully, down from the $2.13 a gallon that it was a few weeks back.

But if Senators take the time to go back and look at their legislative correspondence to see what kind of mail they are receiving on this issue from their constituents from around their States, and talk to their constituents, they will see the amount and the type of suffering that people are enduring.

When we introduced this amendment earlier as a freestanding bill, I read several letters from constituents in Illinois that explained the problems they are confronting now with the high cost of gasoline.

We have letters from small business owners. I remember one business owner in particular from McHenry County, IL, who had 10 to 20 employees, depending on the time of the year. His small business was very dependent on transportation, and he was going broke with this high cost of gasoline.

I had a community college student from Shelbyville, down in southern Illinois, write to me and say he was regretting the fact he had turned down offers from several of our State's 4-year universities because he thought that tuition was too high. Instead, he had decided to go to a community college. He thought he would save money and do 2 years at the community college.

But now, because he had a long commute to his community college, it was making that community college unaffordable; he wished he had instead decided to go to one of the 4-year universities. He thinks it might have been cheaper for him.

I read a letter from a family outside the Peoria area where the wife commuted 100 miles a day, round trip, to work, and the husband 55 miles. They estimated they had to drive the kids another 15 miles a day to their soccer games, their baseball games, their band events, and other school extracurricular activities. They were suffering greatly as a result of the high cost of gasoline.

We have talked much in this Senate this past year about the high price of prescription drugs. We are trying to do something about that. I had a senior citizen write me and say: Because of the high cost of gasoline, I now can't afford to drive to the pharmacy to buy the prescription drugs I already can't afford.

There is a lot of real suffering going on out there. We can sit around and wait and do nothing. I do believe eventually those prices will come down. They may not go back down to where they were a year and a half or 2 years ago, but they will come down because production is getting ramped up domestically.

I visited an oil well in southern Illinois last week—in fact, several oil wells. All of a sudden some of these small stripper wells in southern Illinois, many of which were dormant 2 years ago when the price for a barrel of oil was between $8 and $10 a barrel; and they could not make money so many of those wells shut down—in fact, there are 32,000 oil wells in Illinois and 9,000 of them were shut down 2 years ago. And now, of those 9,000 wells, 7,000 have come back into production.

That suggests to me, with that kind of activity, eventually that supply is going to be felt across the country, and it will lower prices at the pump. But it is going to take some time. In fact, it is going to take months.

We do need to have a long-term policy to ensure an adequate national supply of oil and of gasoline. In the meantime, we need to provide some temporary relief. Senator ABRAHAM and I and others, Senator HUTCHISON of Texas, have crafted this bill to provide temporary relief for the people who need it most: the small business owners who are going broke, the people who have long commutes to work, the senior citizens who cannot afford to drive to the pharmacy, the community college students who cannot afford the commute to their community college.

There may be some arguments against this bill. I know there are some on the other side of the aisle who get up and vote against any tax relief. On the current measure, on the death tax, many have argued that we should not be giving that relief to higher income individuals, people with large estates. At least there is a colorable claim; that argument has some merit to it. I think it is rebuttable. But that same argument cannot be made with respect to the Federal gas tax. Of all the taxes in our enormous Tax Code, this tax is one of the most regressive and one of the most onerous for low- and middle-income people. They can least afford the high cost of gasoline.

There are not a lot of other things the Federal Government can do to bring down the price of gasoline at the pump. In fact, the only direct instrument we have to affect prices at the pump is to lower or reduce that Federal gas tax. There are no other instruments. We don't have price controls in this country. We had them for a while in the 1970s. That created shortages and rationing, and Ronald Reagan ended the oil crisis by eliminating those price controls. We have a free market system.

What happened is, the price of a barrel of oil got down to $8 to $10 a barrel. Production was cut back. Ultimately, we are now suffering from lack of an oil supply. It will come back in this country, but we need to provide relief for people. The argument cannot be made that this most benefits high-income individuals.

I strongly emphasize that Senator ABRAHAM has written this bill so that there is not one cent of revenue lost to the highway trust fund. That is a very important point. We should not hear objections that this is going to hurt road funding in this country. It will have no effect on it. The amount will be charged to the general fund.

I thank my colleague from Michigan, Mr. ABRAHAM, and I yield the floor so other of my colleagues may address this matter.

Mr. ABRAHAM. Mr. President, the cosponsors of this amendment and I are not alone in our support for the suspension of the gas tax. A number of taxpayer groups also believe suspending the tax is good policy, and have endorsed such a suspension. Among these groups are the National Federation of Independent Business, the National Taxpayers Union, Americans for Tax Reform, and Citizens Against Government Waste.

Let me read from the NFIB letter that states:

> For a small company that consumes 50,000 gallons of diesel fuel in a month, the increase in prices in the past year will cost that company an additional $40,000 per month.

By suspending the gas tax for 150 days, we could save that small business over $60,000! I ask unanimous consent to print in the RECORD the letters of support from each of these organizations to highlight the board based support for this suspension.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

AMERICANS FOR TAX REFORM,
*Washington, DC, July 13, 2000.*

Hon. SPENCER ABRAHAM,
*U.S. Senate,*
*Washington, DC.*

DEAR SENATOR ABRAHAM: Americans for Tax Reform would like to thank you for your efforts to suspend the Federal fuels tax. At a time of rising gas prices and increasing concern at all levels of government, your approach represents a reasoned common sense solution.

Unlike the Clinton-Gore investigations into anti-trust violations by gas companies and other big government efforts, your approach guarantees that all Americans will see lower prices at the gas pumps.

We can certainly investigate all these other concerns, but working families across the country need lower gas prices today. Suspending federal gas taxes is the quickest and surest way to bring down rising gasoline prices. At Americans for Tax Reform we commend your common sense approach to this very serious problem and look forward to working with you to reduce Al Gore's tax burden on working Americans.

Onward,

GROVER G. NORQUIST.

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NFIB,
*Washington, DC, July 12, 2000.*

Hon. SPENCER ABRAHAM,
*U.S. Senate, Washington, DC.*

DEAR SENATOR ABRAHAM: On behalf of the 600,000 members of the National Federation of Independent Business (NFIB), I want to express our support for the Abraham gas tax suspension amendment to H.R. 8, the Death Tax Elimination Act. The Abraham proposal would temporarily repeal the 18.3-cent federal fuels tax, providing small business owners quick, short-term relief from soaring fuel prices.

Gas prices have been soaring. According to the U.S. Department of Energy, gas prices, which have increased by as much as 50 percent in the past year, are likely to continue to remain high in many areas of the country.

These high fuel prices are hitting many Americans, especially small businesses, extremely hard. For a small company that consumes 50,000 gallons of diesel fuel in a month, the increase in prices in the past year will cost that company an additional $40,000 per month. If fuel prices remain high, these costs could eventually be passed on to consumers in the form of higher prices for many goods and services. A 18.3-cent reduction in the cost of fuel would save the company thousands per month.

Your proposal goes a long way towards providing America's small business owners valuable relief from rising fuel costs. We applaud your proactive efforts to reduce this tax burden on small business while at the same time providing a hold harmless provision for the Highway Trust Fund. This will guarantee that full funding will continue to flow to states and local communities for planned infrastructure projects.

Sincerely,

DAN DANNER,
*Sr. Vice President.*

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COUNCIL FOR CITIZENS
AGAINST GOVERNMENT WASTE,
*Washington, DC, July 12, 2000.*

UNITED STATES SENATE,
*Washington, DC.*

DEAR SENATOR: On behalf of the 600,000 members of the Council for Citizens Against Government (CCAGW), I urge you to support Abraham-Fitzgerald federal gas tax suspension amendment to H.R. 8, the Death Tax Elimination Act. The amendment will suspend the gas tax for 150 days.

Americans today are struggling with the dramatically high price of fuel. These prices are a result of several factors, many of which have been created by Washington. The federal government imposes 18.4 cents in tax for every gallon of gas and 24.4 cents for every gallon of diesel fuel. In addition to acting as a drag on our entire economy and raising the cost of everything that is shipped by truck, it is especially burdensome on the poor, who pay a larger percentage of their income for fuel.

Several other shortsighted policies have contributed to the current high price of fuel throughout the country. Burdensome regulations on the production and distribution of oil products have driven gas, diesel, home heating oil, and other prices to artificially high levels. These policies have made America more dependent on foreign oil and more vulnerable to price-fixing by the international oil cartel. Imports of foreign petroleum climbed to a record high of $7.87 billion in January, more than double the level of January, 1999.

One solution to this crisis is to increase domestic production. Since 1992, 36 refineries have closed and there have been no new refineries built since 1976. Despite a 14 percent increase in consumption, U.S. oil production is down 17 percent since 1992. The oil is there, but the policies of our own government have forced us to rely on foreign nations.

Regarding U.S. planning to deal with the high cost of oil, Energy Secretary Bill Richardson stated, "It is obvious that the federal government was not prepared. We were caught napping. We got complacent." Vice President Gore has advocated even higher taxes on fossil fuels.

Please provide temporary relief from the administration's misguided policies. We urge you to take immediate action to reduce this burden on American families and businesses by supporting the Abraham-Fitzgerald gas tax suspension amendment. This vote will be among those considered for CCAGW's 2000 Congressional Ratings.

Sincerely,

THOMAS SCHATZ,
*President.*

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NATIONAL TAXPAYERS UNION,
*Alexandria, VA, July 13, 2000.*
*Cesar Condra Senator Abraham.*

DEAR SENATOR: On behalf of the 300,000-member National Taxpayers Union, America's largest and oldest taxpayer organization, we urge you to support Senator Abraham's amendment to H.R. 8, the Death Tax Elimination Act, that would repeal the 18.4 cent federal fuels tax for 150 days. This vote will be heavily weighted in our annual Rating of Congress.

As you know, the recent rise in fuel prices has concerned many, from citizens who commute every day to truck drivers and small business people whose livelihoods depend upon stable transportation costs. Although some say that OPEC policies are solely to blame for this problem, an equally if not more responsible culprit has actually been tax hikes. Pre-tax fuel prices often fluctuate up or down during a given period, but historically, post-tax prices have been moving steadily upward for at least two decades.

Consider:

From 1990 through 1999, the pre-tax pump price of gasoline barely changed—from 88 cents per gallon in 1990 to 86 cents as of last November. Over that same period, state and federal gasoline taxes rose by more than half, from 27 cents per gallon to 43 cents.

The 1993 Omnibus Budget Reconciliation Act created a new 4.3-cent-per-gallon fuel surtax for "deficit reduction." This tax has continued, despite the fact that the federal budget is now in surplus.

The Congressional Budget Office estimates that the FY 2000 "on-budget" surplus (not counting the so-called "Social Security surplus") will total $23 billion. With $34.3 billion in fuel taxes allocated to the Highway Trust Fund this year, suspending the 18.4-cent tax won't imperil any current programs and won't consume any funds set aside for Social Security reform.

A recent study by the Tax Foundation showed that excise taxes are five times more burdensome for lower-income households than they are for wealthy households. Cutting fuel taxes will allow you to deliver on your longstanding promise to enact policies that particularly help beleaguered low- and middle-income Americans.

While we believe the repeal should be permanent, the Abraham amendment is a badly needed step in the right direction. In doing so, you can also demonstrate to the entire world that our leaders need not rely on the whims of a distant pricing cartel to protect their citizens from economic harm.

Sincerely

ERIC V. SCHLECHT,
*Director, Congressional Relations.*

The PRESIDING OFFICER (Mr. SMITH of Oregon). Who yields time?

Mr. CRAIG. May I inquire how much time remains on this side of the issue?

The PRESIDING OFFICER. Four minutes 20 seconds.

Mr. CRAIG. This side will retain its time.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I yield 7 minutes to the distinguished Senator from West Virginia, Mr. BYRD.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. I thank the distinguished Senator from Montana.

Mr. President, I rise in strong opposition to the amendment offered by my colleague, Senator ABRAHAM. This amendment would repeal the entire 18.4-cent Federal excise tax on gasoline for a five-month period. In my view, this amendment represents bad transportation policy, bad energy policy, and bad tax policy. The amendment would play political games with the American driving public by eliminating the Federal gasoline tax and reinstating it five months later, after the people have gone to the polls in November. The amendment would violate the trust that we restored to the Highway Trust Fund when we enacted the Transportation Equity Act for the 21st Century. It would, over the long run, put at risk billions of dollars of necessary investment in our Nation's highway infrastructure, while providing absolutely no guarantee that the consumer will see even one penny of this tax reduction at the gas pump.

This will be the third time in four months that the Senate will vote on repealing some, or all, of the Federal excise tax on gasoline. Back on April 6th, the Senate adopted my amendment expressing the Sense of the Senate that the Federal excise tax on gasoline should not be repealed on either a permanent or temporary basis. That amendment was adopted by a broad bipartisan vote of 65–35. That amendment stated explicitly that ". . . any effort to reduce the federal gasoline tax or de-link the relationship between highway user fees and highway spending poses a great danger to the integrity of the Highway Trust Fund and the ability of the states to invest adequately in our transportation infrastructure." Just five days later, the Senate voted against the Motion to Invoke Cloture on S. 2285, again on a bipartisan basis, by a vote of 43–56. That bill would have repealed 4.3 cents of the 18.4-cent gasoline excise tax.

The Senate did the right thing back in April, when it rejected these dangerous proposals to take 4.3 cents of gas tax revenue out of the Highway Trust Fund. This amendment by Senator ABRAHAM, however, is far more dangerous. Indeed, it is four times more dangerous than those proposals because this amendment would repeal the entire 18.4-cent gasoline tax for a five-month period and would deprive the Highway Trust Fund of more than $10 billion.

I have heard it said that this amendment would in no way endanger the level of spending for our nation's highways. Indeed, some very odd language is included in this amendment. It is basically the same language that was included in S. 2285, which the Senate rejected back in April. That language sought to mandate that spending from the Highway Trust Fund be maintained at the level authorized in TEA–21, even though the revenue is not there to support those funding levels. This is a very neat sleight of hand indeed. But, does anyone truly believe that this is a workable approach over the long term? The chairman of the Surface Transportation Subcommittee, Senator VOINOVICH, clearly does not, I don't believe. My colleague, Senator WARNER, who chaired the Surface Transportation Subcommittee during the debate on TEA–21, certainly does not. Together, Senator WARNER, Senator GRAMM, Senator BAUCUS, and I fought tirelessly for many months to restore the "trust" to the Highway Trust Fund. So, I implore all Members on both sides of the aisle to reject this plan that will compromise that trust.

Mr. President, I believe this amendment is not just reckless transportation policy, it is reckless energy policy as well. These short-term, feel-good tax cuts cannot substitute for a comprehensive energy policy that decreases our dependence on foreign oil. The American people are not naive. They will see right through any proposal to eliminate a tax temporarily until after Election Day, the effect of which they may not even see, only to be followed by reimposition of the 18.4-cent gas tax a few months hence.

Even the "triple A"— the association that represents no one but the people who pay the gas tax at the pump—opposes this amendment.

I ask unanimous consent that a letter from Susan Pikrallidas, vice president for public affairs of the American Automobile Association, in opposition to the Abraham amendment be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AAA,
*Washington, DC, July 12, 2000.*
Hon. ROBERT C. BYRD,
*U.S. Senate, Hart Senate Office Building, Washington, DC.*

DEAR SENATOR BYRD: When the Senate considers H.R. 8, the Death Tax Elimination Act, an amendment will be offered by Senator Abraham to repeal for 150 days the 18.4

cents federal gasoline tax. AAA encourages you to *oppose* this amendment.

While attractive at first glance, this course of action will do little to address the root cause of our gasoline price problem today, which is a complex combination of many factors. AAA recognizes that many motorists are suffering because of high gas prices. However, any benefits to motorists from reducing the gas tax are offset by the substantial risk that general fund revenues will not cover all losses to the Highway Trust Fund.

Reducing the federal gasoline tax will do nothing to increase fuel supply.That is where Congress and the Administration should focus their attention. To focus legislative efforts on the federal gas tax, rather than the real problem—supply—is a shortsighted, expedient response to the problem.

Despite assurances that revenues lost to the Highway Trust Fund will be replaced with revenues from the budget surplus, suspending the federal gasoline tax fundamentally alters the basic principal governing surface transportation funding. The federal excise tax is a user fee. Motorists are paying for road and bridge repairs and safety programs through the fees paid at the pump.

The Senate has already gone on record in opposition to repealing the federal gas tax. AAA encourages the Senate to do so again by voting no on the Abraham amendment.

Thank you for your consideration of AAA's views.

SUSAN G. PIKRALLIDAS,
*Vice President, Public Affairs.*

Mr. BYRD. In closing, the Senate has already rejected this policy twice this year. I ask Members to join in driving a stake right through the heart of this ill-conceived, politically motivated vampire of an amendment that would suck the lifeblood out of the highway trust fund.

I yield the floor.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. BAUCUS. Mr. President, I thank my good friend, Senator BYRD, for getting to the heart of the matter and explaining how devastating this amendment would be.

I yield to my good friend from Ohio for 2 minutes.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. VOINOVICH. Mr. President, I also thank the Senator from West Virginia. He has done a good job of explaining why this amendment is not well taken and not good public policy. As Governor of the State of Ohio, I worked to increase our share of highway funding from 79 cents to 87 cents in ISTEA to 90.5 cents in TEA-21. As Chairman of the National Governors' Association, I helped negotiate TEA-21, which provides some substantial support for highway construction and maintenance in this country. It gave us a predictable, reliable source of revenue to get the job done. That's why this proposal really doesn't make sense: it jeopardizes that funding.

If this Senate rejected the proposal earlier this year to reduce the gas tax by 4.3 cents, certainly we should reject any proposal that would reduce it by 18.4 cents.

One point I would like to make is that the real problem we have in this country is that we do not, as Senator BYRD pointed out, have an energy policy. That is the problem. Reducing this gas tax by 18.4 cents really is not going to do anything to correct that problem in the long-term, and it would take the attention of the Senate away from the real issue here, which is, this country does not have an energy policy.

I want to point out one other thing. Under this amendment, we would reduce the gas tax and make it up by using the general revenue fund, the surplus. If I am not mistaken, some of my colleagues would like to use that surplus for proposed tax reductions and some would like to increase spending on various programs. It has been the tradition in this country that people who use the highways pay for them through the gas tax and not with the general fund of the United States of America. It seems to me that those of my colleagues who propose to use the on-budget surplus for health care or for other things, including tax relief, would be offended by that. I think this amendment is bad public policy and I hope it will be defeated overwhelmingly. I thank the Chair.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. BAUCUS. Mr. President, I yield 5 minutes to Senator LAUTENBERG. I urge him to be brief.

Mr. LAUTENBERG. I thank my friend from Montana. Five minutes, or fewer, will be OK. If we talk about it long enough right now, we won't have any time left to talk.

Mr. President, I hope the American public is looking at this because this is kind of "inside baseball." This is what helps people get from place to place, get to work on time, get to the hospital on time, get to church on time. We are terribly short of funds altogether for highway repair and development. Everybody knows that. We have about a $30 billion highway bill. This 5-month hiatus will take $10 billion away. The worst part of it is that the benefits are not going to go to the public because all of us need to remember that the taxes are remitted by the oil companies—by the companies that, in many cases, are gouging the public this very day. So they can hold on to that and that will make the year-end profit statement look even better. Stock prices will be higher.

The public will not get what they thought they were getting. They are going to get stuck; that is what will happen. They will be stuck in traffic because we won't be able to continue the highway work. Once you stop it, it is very hard to get it started again. Is that what we are going to say to the public? People in this country who want to go someplace may see a nice yellow barrier saying "work halted" on the highway, or an interchange, or at access to factories, their jobs, or other places where the community gathers, including schools, clinics—you name it. Sorry, the work has stopped. We have run out of money. We are certainly not going to take it from the General Treasury, since we are all so fully committed to paying down the debt and keeping this country out of debt. If we are going to give targeted tax cuts, then we ought to talk about those specifically. But to suggest that we want to give the oil companies, the oil producers, an 18-cent-a-gallon tax cut, I think, is really unfair to the public at large. They ought to see through the fog and the smog being created by this.

It is not going to happen, Mr. and Mrs. America. You may feel that you are getting a bargain now, and the distinguished Senator from Michigan—who is my friend—talked about people who responded to a price cut at a gas station. But sometimes you put away money for a later day to pay off a mortgage, or to try to accumulate money for a college education for your child, or to assure there is enough there to pay doctor bills that may fall your way. It may feel good at this moment, but when that highway is all backed up, and smog envelopes the place, and the air quality turns sour, then people will be saying: Now what happens? We didn't get what we paid that money for.

I know this amendment is offered with all good intentions, but if the public is listening, hear what is being said. You get an 18 cent cut in the gas tax so you can give it to the gasoline company. That is hardly the way we want to see things done. America has to pull together and we have to stand against those on the outside of our borders who are drilling oil, and just enough to keep the prices up. When they dial 911, they want America there immediately. That is why we sent over 400,000 of our best to the Persian Gulf. That is why we did it. So we need help there. I hope they hear the alarm go off here. That will get prices down. I thank the Chair. I thank my friend from Montana for giving me this time.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. BAUCUS. Mr. President, how much time remains on both sides?

The PRESIDING OFFICER. The Senator from Montana has 6 minutes 2 seconds. The Senator from Michigan has 4 minutes 20 seconds.

Mr. BAUCUS. I thank the Chair. Mr. President, for all the reasons indicated, I very strongly oppose this amendment. I point out that the opposition to this amendment is very strongly bipartisan. Senator VOINOVICH from Ohio spoke against the amendment and, in a few minutes, Senator WARNER from Virginia, one of the key Senators in writing the TEA-21 program, will strongly oppose this amendment. There is very strong bipartisan opposition.

The second point I want to make is that this is really, in some sense, kind of a disingenuous amendment. It would make Tammany Hall blush. This is an amendment that would lower taxes just before an election, to the effect that it would increase taxes right after election. I tell you, is that what the American public likes us to do? Lower taxes before an election and pop up automatically and increase it after election? Merry Christmas, a new tax. This goes back into effect in 150 days. Thank you, but I don't think that is something we want to do.

In addition, I have heard it said that there is an ironclad guarantee that nothing comes out of the highway trust fund and the dollars will go for highways. Not true. If Congress meets today, tomorrow, or next week, Congress can always change this provision if it is adopted. There is no guarantee that dollars won't go to the States—none whatsoever, to be clear.

Number 3, I find it ironic that here we are on an estate tax bill trying to help farmers and ranchers, and if this 18-cent Federal gasoline tax actually is passed on—I doubt it will be because the oil industry will take advantage—but if it is, what will be the effect? It will hurt farmers and ranchers. Why? It is going to make gasohol comparatively uncompetitive.

Corn producers, wheat producers, and those who need current law to give them a competitive break to produce gasohol and ethanol from corn and from wheat will be severely disadvantaged if this amendment were to have the effect it purports to have. I don't think it is going to have that effect anyway. If it does, that means there is no help to our motorists. Rather, it all goes into the pockets of the oil companies or the jobbers and marketers. There are tons of reasons why this is a bad idea. I haven't the time to go into all of them. But I wanted to give a flavor of some of the problems that this causes. I hope Senators realize what the consequences would be.

I yield whatever time I have remaining to my good friend from Virginia, Senator WARNER.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I thank my colleague.

Mr. President, may I inquire of the time remaining?

The PRESIDING OFFICER. Three minutes fifty seconds.

Mr. WARNER. Mr. President, it is like the Four Horsemen of the great Notre Dame team—Mr. BYRD, Mr. BAUCUS, Mr. VOINOVICH, and Mr. WARNER—that time and time again comes out on this issue. But it requires the strength of the famous Four Horsemen on the football team because this tax is one that probably—I hesitate to say this, but I am going to say it anyway—is more acceptable to the public than any that I know of because they see this tax translated into things they desperately need by way of road improvements, by way of other improvements, and safety improvements.

How many times do they drive up and down the highways in my State and we see the projects going on. It delays the traffic and they are irritated. But when they go by, they say: When that is fixed it will be better.

These are those dollars that go directly from the gas pump to the project to employment in their States.

Mr. President, I ask unanimous consent to have printed in the RECORD following my remarks a letter from the National League of Cities, National Association of Counties, Council of State Governments, and the International City/County Management Association dated July 12 of this year. It is addressed to our distinguished leaders, Mr. LOTT and Mr. DASCHLE.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit I.)

Mr. WARNER. Mr. President, it says in part the following:

> On behalf of the Nation's elected State and local government officials, we would like to express our strong opposition to this legislation or any other proposals before Congress to repeal or suspend any portion of the Federal gasoline tax.

Further down in the letter:

> It is our understanding that the amendment being proposed . . . would suspend the 18.4 cents Federal gasoline tax for 150 days. As a result of this loss of revenue, States and localities could face significant reductions in spending for transportation planning, highway and bridge repairs, public transit, bike and pedestrian facilities, clean air programs, and most importantly highway safety. Also, without a predictable flow of Federal highway, transit, and aviation funding, States and localities may face more difficulty in long-term transportation planning which will cause projects to be more costly and result in safety concerns.

We learned through the many years that I have been associated with this issue on the Environment and Public Works Committee that planning goes forward years in advance. Contracts are let based on a source of these funds guaranteed by Congress and Federal law. These contractors are not going to risk their working capital. Employers are not going to risk trying to hire additional people if there remains this constant uncertainty around this tax.

I hope the Senate stands with the Four Horsemen, and that we will be able to protect, once again, the interests of the people with the tax which probably is the least objectionable of all taxes.

I yield the floor.

EXHIBIT I

National League of Cities, National Association of Counties, Council of State Governments, International City/County Management Association

*July 12, 2000.*

Hon. TRENT LOTT,
*Majority Leader, U.S. Senate,*
*Washington, DC.*
Hon. TOM DASCHLE,
*Minority Leader, U.S. Senate,*
*Washington, DC.*

DEAR SENATORS LOTT AND DASCHLE: It is our understanding that the Senate may consider an amendment this week which would temporarily suspend the 18.4 cents federal excise tax on gasoline. On behalf of the nation's elected state and local government officials, we would like to express our strong opposition to this legislation or any other proposals before Congress to repeal or suspend any portion of the federal gasoline tax.

We believe such proposals would jeopardize funding for critical transportation improvements. We also oppose the proposal to hold the highway trust fund harmless by paying for the loss of gasoline tax revenue with projected non-social security budget surplus monies from the general fund of the U.S. Treasury. This type of shift could endanger funding for vital state and local priorities such as education, public safety, and healthcare.

We recognize that the rise in gasoline prices is a very important issue facing the nation, but temporarily repealing the 18.4 cents federal gasoline tax will not provide long-term solutions to the problem. It will, however, detrimentally affect our ability to continue vitally needed transportation improvements which will directly benefit our shared constituents.

It is our understanding that the amendment being proposed by Senator Abraham would suspend the 18.4 cents federal gasoline tax for 150 days. As a result of this loss of revenue, states and localities could face significant reductions in spending for transportation planning, highway and bridge repairs, public transit, bike and pedestrian facilities, clean air programs, and most importantly highway safety. Also, without a predictable flow of federal highway, transit, and aviation funding, states and localities may face more difficulty in long-term transportation planning which will cause projects to be more costly and result in safety concerns.

In 1998, we supported the funding guarantees created in the landmark Transportation Equity Act for the 21st Century (TEA 21). TEA 21 not only established a record level of investment in surface transportation, it also established a direct link between the collection of transportation user fees and transportation spending. Any reduction in the current federal gas tax will put this carefully crafted, bipartisan agreement at risk.

Thank your for your consideration in this matter. If you have any questions concerning our views on this issue, please feel free to contact us.

Sincerely,

DONALD J. BORUT,
*Executive Director, National League of Cities.*
LARRY E. NAAKE,
*Executive Director, National Association of Counties.*
DANIEL M. SPRAGUE,
*Executive Director, Council of State Governments.*
WILLIAM H. HANSEL, Jr.,
*Executive Director, International City/County Management Association.*

Mr. MOYNIHAN. Mr. President, if the distinguished Senator from Virginia will yield for a question, I am sure he knows as he invokes the image of the Four Horsemen that at this very moment the Congressional Gold Medal has been bestowed on Rev. Theodore Hesburgh, the president of the Notre Dame football team, which embodies the spirit of the Four Horsemen.

Mr. WARNER. Mr. President, let's fetch him to the floor if possible. Perhaps he can join us and bless this body.

Mr. REID. Mr. President, on the time under my control, I have a question that I would like to ask Senator BAUCUS, the ranking member of the Environment and Public Works Committee.

The one thing that we haven't discussed at length regarding this amendment is that it would cause unemployment in the country.

Mr. BAUCUS. Mr. President, the rule of thumb is that for every $10 billion in highway funds 42,000 jobs are created. Those are good paying jobs. These are not service industry jobs. Those are highway jobs.

The effect of this amendment would be to cut the funding of the highway trust fund by $13 billion over 150 days—roughly 5 months. That is going to mean upwards of at least 50,000 American jobs cut—not there.

Mr. REID. Mr. President, Montana is a very large State. It is a huge State. It is bigger than Nevada. But in addition to Montana being a very large State, we have States such as Nevada which are growing very rapidly. For example, we have one project which is the largest highway project in the history of the State of Nevada costing $100 million. That money came from this fund.

Is that not true?

Mr. BAUCUS. That is exactly right.

Mr. REID. Had we not been able to complete what we refer to as the "spaghetti bowl," the highway would be locked down for not only the people who permanently live there, but it is on the freeway carrying people all over this country. I-15 is one of the major freeways in this country.

What the Senator is telling me, if I understand it, is if this amendment passes, construction projects such as the one I just referred to in the State of Nevada and the renovations and repairs which go on all of the time on those large segments of highway in the State of Montana would basically be shut down.

Mr. BAUCUS. Not only in Montana, but all across the country because this will cost $13 billion. I know the proponents like to claim that the $13 billion would be spent because we take it from other programs. But I point out that $13 billion translates per 150 days into about $30 billion a year.

I ask my good friends rhetorically: Where are we going to cut $30 billion for other programs? I don't think that is going to happen.

Second, even though, if this amendment were to pass—I pray that it does not, but if it were to pass—Congress would probably go into a big scramble. I know my good friend on the Appropriations Committee, Senator BYRD, and Senator STEVENS would say: Where in the world are we going to find $30 billion in one year? It just isn't there.

Mr. REID. Mr. President, I yield up to 5 minutes to the Senator from New York, the ranking member on the Finance Committee, the manager of this bill.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I would first like to respond to the minority leader and my friend from Montana.

I once served as chairman of the Committee on Environment and Public Works. I managed major transportation legislation.

I can say to you that absent this revenue from the gasoline tax, which we imposed under President Eisenhower in 1956, and which built the Interstate Highway System and transformed American society, the transportation programs will just stop. There is no other revenue for it. It is a dedicated revenue. They are planned on. This would be the first time they have been interrupted. A whole industry would be interrupted, not to mention the urban and State planning that goes on; not to mention measures such as the Woodrow Wilson Bridge, which is hugely important to Virginia and to the District of Columbia.

Another point on the matter of the price of gasoline: Over the past two decades the price of a gallon of gasoline, adjusted for inflation, has fallen by exactly a third—from $1.49 in 1981 to, in those dollars, $1 in June of this year.

We are not paying more for gasoline. We are paying less for it.

There can be an argument made that the price is too low, but not that we should lower it further and deprive ourselves of the essentials of the transportation infrastructure and construction in this Nation.

Our faithful friend, Dr. Podoff, brought along, as he feels he should, Marshall's Principles of Economics.

In Marshall's "Principles of Economics," the great text at the end of the 19th century, Marshall taught Keynes, who has taught the world, made it very clear, that in situations of shortage such as we are temporarily facing—he was talking about fish, meat; he was not talking about gasoline—the price to the consumer will not be reduced. This is a proposition that drives from theory and is confirmed now by a century of observation in the aftermath of Marshall's principles.

Consumers will get nothing, transportation departments will get nothing, and the public will get a serious disruption in its basic transportation infrastructure, which is not simply highways, but all the other related modes of transit. This is what we have at issue here. I cannot imagine we will do other than continue a program we have had in place since 1956, a third of a century, with extraordinary results. To stop it now would be, in my view, irresponsible.

Based on what Marshall taught us, repealing the gasoline tax, even temporarily, represents a futile attempt to repeal the laws of supply and demand. This is a somewhat curious activity for my colleagues on the other side of the aisle who often express a strong commitment for market economies both at home and abroad.

Let me add a few other facts about the market for gasoline and other fuel products—facts that are obvious even to those with no formal training in economics.

The increase in the price of a gallon of gas from an average of $1.15 in June 1999 to a peak of $1.71 in June 2000—a 56 cent increase—has nothing to do with a 4.3 cent per gallon tax increase, enacted in 1993, or the total federal tax on a gallon of gas of 18.3 cents, neither of which have increased over the past 12 months.

The price of a gallon of gas peaked at about $1.71 in mid-June and has already declined by about 8 cents. The change in the prices has nothing to do with tax policy and is mostly related to OPEC's production decisions.

In September, 1993, the month before the 4.3 cent tax increase went into effect, the price of a gallon of gasoline was $1.15. Three months later, after the tax increase, the price was $1.14.

In 1996, the cost of gasoline increased rapidly from $1.19 in January to $1.39 in May—following roughly the same pattern that we are now observing. The Senate debated repeal of the 4.3 cent tax, but fortunately took no action as two attempts at cloture failed. By January, 1998 the price of a gallon of gasoline was back to $1.19—and in real terms had actually declined a few pennies.

And, as I noted earlier, over almost two decades, the price of a gallon of gasoline in constant (inflation adjusted) dollars has fallen by about a third, from $1.49 in 1981 to about $1.00 in June of this year. The reduction in gasoline prices occurred even as the economy expanded almost continuously—92 months in the 1980s and a record setting 112 months in the current expansion, which shows no signs of ending. Over the past two decades the economy, in real terms, has almost doubled, while the unemployment rate has been cut by half.

True, over the past two decades the price of fuel products has fluctuated, often somewhat unpredictably. For example, in 1986 the price of a gallon of gasoline decreased by 36 cents from the beginning to the end of the year. The next year the price increased by 11 cents. While economists often cannot predict, or even explain, energy price volatility, they can tell us the effect, in the short-run, of reducing fuel taxes. The price to the consumer will not be reduced. This is something we know; or it can be said as much as things like this are knowable. For a century, it has been the clearest understanding of the economics profession that under short-run supply conditions, a change, such as a reduction in an excise tax, does not affect the price paid by the consumer.

During a similar debate on gas tax repeal in May of 1996, I also referred to the theories of Marshall and attempted to summarize his wisdom. Here is what I said then:

Marshall took the example—to illustrate short-term supply, a fascinating thing—he took the example of fish. He said, what happens if there is a sudden change in the situation? Weather makes fish more or less available—a nice point—or if there is an increased demand for fish caused by the scarcity of meat during the year or two following a cattle plague. Mad cow disease in the late 19th century. A scarcity of fish caused by uncertainties of the weather . . . . These things come. Would outside intervention change the price of fish to the consumer in that circumstance, when there was a fixed supply? The answer from Alfred Marshall is emphatically "no." Students of economics my age will remember this book. It is a very heavy book, but it is still around and it works. What it propounded is very clear.

And now let me state the conclusion as simply as possible. Market values are determined by the relationship between supply and demand.

This is something businessmen know. In 1996, Mr. Mike Bowlin, Chairman of ARCO, had this to say about the matter when he appeared on ABC's "Nightline":

> My concern is that there are other market forces that clearly will overwhelm the relatively small decrease in the price of gasoline, and that alarms me, that people's expectations will be that the minute the tax is removed, they want to see gasoline prices go down . . . and that won't happen.

At about the same time—May 1996—I noted, on the Floor of the Senate, the comments of Dr. Philip Verleger, a well-known energy economist. The author of several books on the subject, including Adjusting to Volatile Energy Prices, Dr. Verleger was, at that time, quoted in The Washington Post:

> The Republican-sponsored solution to the current fuels problem . . . is nothing more and nothing less than a refiner's benefit bill. . . . It will transfer upwards of $3 billion from the U.S. Treasury to the pockets of refiners and gasoline marketers.

In March of this year, when the Senate was considering a change in gas tax policy, I wrote the following to Dr. Verleger:

> I assume that since the economics of a gas tax reduction has not changed—something we have known since at least Alfred Marshall—neither have your views.

He replied the very same day:

> In my view, the US petroleum industry is operating at or close to capacity. Thus refiners will be unable to boost gasoline production if the tax [repeal] becomes law. Further, inventories of gasoline are currently very low due to the destabilizing actions taken by OPEC. This means that the supply of gasoline has been essentially determined—totally inelastic in technical terms—through the summer. Under these circumstances, consumers are not likely to see any benefit from suspension or repeal of the gasoline tax.

Dr. Krugman said much the same thing in a March 15, 2000, New York Times op-ed. For Professor Krugman there simply is no getting around the fact that we face a supply problem:

> Now suppose that we were to cut gasoline taxes. If the price of gas at the pump were to fall, motorists would buy more gas. But there isn't any more gas, so the price at the pump, inclusive of the lowered tax, would quickly be bid right back up to the pre-tax-cut level. And that means that any cut in taxes would show up not in a lower price at the pump, but in a higher price paid to distributors [emphasis added]. In other words, the benefits of the tax cut would flow not to consumers but to other parties, mainly the domestic oil refining industry. (As the textbooks will tell you, reducing the tax on an inelastically supplied good benefits the sellers, not the buyers.)

It is worth repeating Krugman's conclusion—"benefits of the tax cut would flow not to the consumers but to other parties, mainly the domestic oil refining industry."

We here in Congress know this too, and I suspect that is why the legislation we have before us contains a "Sense of the Congress" section that "consumers immediately receive the benefit of the reduction in taxes." We surely want the consumer to realize some savings, but doubt that they will. The question for this body is whether we should approve legislation that contains what amounts to a concession of failure within its very text. Discouraging.

Finally, I would point out to my colleagues that the Transportation Equity Act for the 21st Century was signed into law less than two years ago. TEA-21 as it is known, is a six-year Federal surface transportation bill that consumed nearly two years of committee action and Floor debate. In the end, the bill passed 88–5 based on the agreement that Federal motor fuel excise taxes would be collected at least through Fiscal Year 2003—the last year of TEA-21's authorization. During the debate on TEA-21, the Senate was afforded the opportunity to repeal 4.3 cents per gallon of the Federal motor fuel excise taxes. By an 80–18 vote, we rejected repeal and instead opted to invest that revenue in our Nation's transportation infrastructure.

Just this past April, the Senate went on record again to reject any type of suspension of the motor fuel excise tax by a 56–43 vote on the Majority Leader's bill S. 2285, which would have called for a fuel tax holiday of the 4.3 cents for a six month period.

According to figures from the Federal Department of Transportation, if the entire 18.3 cents gas tax were to be suspended for six months, the Federal-aid Highway program could lose an estimated $9.6 billion in fuel tax revenues.

Mr. President, suspending the Federal taxes on motor fuels will do little or nothing to lower fuel costs. But it will cause considerable disruption to our Federal transportation program, even with a "hold harmless" provision. We ought not set precedents of this kind. They will come back to haunt us another day.

I would caution my colleagues to exercise caution when they propose to undo agreements made by such overwhelming majorities.

Mr. President, suspending portions of the Federal excise taxes on motor fuels will do little or nothing to lower fuel costs. To my mind, that is reason enough to reject this measure.

OPEC's decision last year to restrict supply was the primary reason fuel costs increased. OPEC's future production decisions will be the primary reason gas prices go up or down in the future.

Mr. ABRAHAM. In light of the time situation, I ask unanimous consent to be granted 10 minutes of our leader's time to continue this debate.

Mr. McCAIN. I object.

The PRESIDING OFFICER. The objection is heard.

Mr. ABRAHAM. I yield the remaining time to the Senator from Texas.

Mrs. HUTCHISON. Mr. President, how much time remains for Senator ABRAHAM?

The PRESIDING OFFICER. Four minutes 15 seconds.

Mrs. HUTCHISON. I ask to be notified at 2 minutes because Senator CRAIG from Idaho also desires to speak.

Mr. President, if the highway trust fund were going to be affected at all, I could not be a sponsor of this amendment. But the highway trust fund is specifically held harmless.

We passed a budget resolution in this Senate that said we would give $150 billion in tax relief for this Nation over the next 5 years. We are talking about roughly $12 billion of that money that we have already allocated for tax relief for hard-working Americans. That is what will keep the highway trust fund totally whole.

The highway trust fund will not lose one penny. There will be no safety crisis. There will be no stoppage of money going into the flow for the highway trust fund. In fact, this is a tax relief measure because we have had a crisis that was not expected. We have had a crisis with families going on vacation, consumers, people who have to drive to work every day. What about the independent trucker who is now paying $150 to $200 a tank more than they have ever paid before because the price of gas is so high?

We must give this temporary relief, as we take longer term measures to try to take our dependence on foreign oil down to a level that is acceptable. Until we do that, we need to give this immediate relief. We have it in the budget to do it. We will not touch the highway trust fund.

The leaders in this effort—Senator ABRAHAM, Senator FITZGERALD, Senator GRAMS—come from States that are particularly hard hit. They are States where truckers are saying they can't meet their contract requirements. They may even lose their trucks.

Mr. President, I urge support for the Abraham amendment.

Mr. ABRAHAM. Mr. President, I seek unanimous consent to be granted 5 minutes of leader time to summarize our amendment.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Reserving the right to object, we need a ruling from the Chair. I am certainly not going to object, but I want to make sure we understand this.

Under the bill, there is 90 minutes given to each leader. Senator DASCHLE has delegated that time for me to control. When we talk about the "leader's time," that is the time about which we speak; is that right?

The PRESIDING OFFICER. The Chair understands in this context that term refers to the 90 minutes granted to each leader.

Mr. REID. The leader's time would be in addition to that; is that right? Each day that we come before the body, there is an agreement that the leader's time is reserved for some future time.

Mr. ABRAHAM. Perhaps I could clarify.

Mr. REID. Let's let the Chair rule.

The PRESIDING OFFICER. Each leader does have 10 minutes under the standing order every day, and that time is referred to also as leader's time.

Mr. REID. The question I ask the Chair: Do we therefore have 90 minutes, plus 10 minutes, or is it just 90 minutes today?

The PRESIDING OFFICER. Ninety minutes plus 10.

Mr. REID. I make sure that the time my friend from Michigan wishes to use is off the 90 minutes, not the 10 minutes.

Mr. ABRAHAM. That is what I sought to clarify a moment ago. I recognize that the two separate timeframes can be confused, and I will modify my unanimous consent request to request 5 additional minutes off the 90 minutes accorded to the leader on my side for debate on this legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ABRAHAM. Mr. President, I appreciate the debate we have had today. The bottom line remains the same: People in America are paying too much for gasoline. Congress must do something about it. I have heard an array of objections raised by people as to why this can't be done.

Given the actions this Congress regularly takes on appropriations legislation, on budget legislation, on tax legislation, moving gigantic packages in short periods of time when we do our omnibus spending bills, the notion that this legislation somehow doesn't accomplish the mission of protecting the highway fund from diminution is, to me, an inaccurate statement.

The road projects will continue. The legislation ensures that the money will be there. We are aware that we have on-budget surpluses, not touching Social Security, adequate to meet the cost of suspending the gas tax. I believe those claims just simply are off the mark.

This will be a stake through the heart, if this is defeated, of the consumers of America who are paying way too much right now in gasoline prices. They deserve a break. Consumers in my State, for whom I come to the Senate floor and fight every day, deserve that break.

We are paying the highest gas prices in America. Whether consumers drive a minivan back and forth to children's activities, or drive a car to their job, regardless of their needs, in Michigan and across America, I find it hard to believe there is anyplace in America today where Members of this body are not hearing from constituents that the price of gasoline is too high.

We selected 5 months as the duration of this action for a simple reason. That is what we have been told by the spokesperson at the Department of Energy and in this administration is the approximate duration of time it will take for the various efforts they are engaged in to try to bring down the price of gasoline.

I am happy to modify this amendment to a shorter timeframe if we have assurances from anybody that would, in fact, be an adequate period of time for the supply issues to be addressed. That is not what we have heard. We heard it will take longer. We cannot wait longer in Michigan. We want relief now. The one thing we can do as a body is to suspend the Federal gas tax for 150 days.

I believe this is a clear-cut choice. We are here to try to help the men and women, the hard-working families of this country. This is something we can do in a concrete way to help them. It can be done in a fashion that does not undermine the road projects going on.

I believe this price, as a result of the suspension of the gas tax, will translate into prices at the pump. We saw it in our State the other day. As soon as the station brought down prices 18 cents, everybody went to that station for gas. In any station, any oil company that does not bring down its prices in accordance with the passage of this legislation will lose business to the stations that do. That is the way of supply and demand. That is the way price will work. It will create the competitive market in which the people who abide by the terms of this legislation quickly benefit because they will be the ones with the customers.

It will help the farmers in my State who are right now screaming because of high gasoline prices. It will help the tourism industry in my State which is deeply concerned that the price of gasoline is so high. It will help the automotive industry which is worried that we will once again see a recession caused by a shift from American-made products to foreign imports.

For those reasons, I urge my colleagues to support this legislation. I assure them, look at it yourself; you will see the language is explicit. The highway trust fund moneys will not be diminished if we do this but consumers will gain the benefit with which we sought to protect them in the suspension of this gas tax.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. REID. Mr. President, for the closing debate on the minority side, I yield 2 minutes to the Senator from Montana.

Mr. BAUCUS. Mr. President, to summarize, obviously motorists do not like paying higher gasoline prices. As has been pointed out, it is a product, essentially, of supply and demand—in this case, short supply. That is what has happened.

I must also point out the price of gasoline is starting to come down significantly. According to figures as of July 10, the national average price of gasoline has fallen 3 cents since last week, 8 cents since the recent high on July 12. That is not a lot, but it is better. In the Midwest, prices have fallen by 28 cents since their high on June 19, settling just below the national average, I might add. And for areas in the Midwest using reformulated gasoline, prices have fallen more than 34 cents since their high on June 19, settling just 4 cents above the national average. So prices are already coming down.

No. 2, in real terms we are paying less, one-third less than we were in 1981. That is not an unimportant point. That is very important.

In addition, this is an off-again, on-again tax. This is a yo-yo tax. On again, off again, that is no way for the Congress to conduct fiscal policy. It just is not. Pretty soon, if we do this, we will have off-again, on-again taxes on everything under the Sun. What in the world is going on here? The American people want stability. They don't like the charades, the sleights of hand. Here is a tax that is going to go off just before an election, go right back on right after the election. Come on, give me a break. Is that what we want to do here?

I might add, this is expensive. The Senator says it is not going to come out of the highway trust fund. Let's put it this way: There is going to be at least $13 billion lost to revenue, and the Appropriations Committee has the authority to set the ceilings that are spent under the highway program. So it could lower those ceilings. It could come out of the highway trust fund, in effect. When we are out here trying to balance the budgets and figure out how to keep spending underneath the caps, there is a very good chance these dollars will come out of the highway trust fund and not go to the States. It is going to happen.

Finally, this is a program that has the trust of the American people. When they go to the pump and pay that 18.4 cents, they know it goes to the highway trust fund and they know the dollars come back to their States for highway construction, bridges, urban programs, and so forth.

Let's keep a little sanity around here and resoundingly reject this amendment.

Mr. ABRAHAM. Mr. President, I ask unanimous consent that a letter dated July 13, 2000, from Andrew Quinlan of CapitolWatch to Senator LOTT be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CAPITOLWATCH,
*Washington, DC, July 13, 2000.*

Hon. TRENT LOTT,
*Majority Leader, U.S. Senate,*
*Washington, DC.*

DEAR MAJORITY LEADER LOTT: On behalf of CapitolWatch and its 250,000 citizen lobbyists, I urge you to support an amendment sponsored by Senator Spencer Abraham (R–MI) to H.R. 8—the Death Tax Elimination Act. Sen. Abraham's amendment would suspend the 18.4 cents federal fuels tax for 150 days. With people in our nation's heartland paying over $2 a gallon coupled with a record budget surplus, the need has never been greater to suspend such a burdensome tax nor has the means to pay for it been more readily available.

Those who defend the federal gas tax do so on the basis that these taxes go to the Highway Trust Fund and presumably to the safety of our nation's highways. However, Abraham's amendment specifically addresses this concern by stating that it would replenish the Highway Trust Fund with some of the non-Social Security Surplus. The cost of this amendment would be $6.5 million, or only a little over 12 percent of the current budget surplus minus the Social Security and Medicare Trust Funds.

With record surpluses, a gas tax suspension would be an excellent way to immediately give part of that surplus back to overtaxed Americans. Sen. Abraham's amendment will accomplish two important goals of CapitolWatch. It would return a tax dividend back to hard-working Americans who created our historic economic growth and would keep Washington from spending the surplus on additional pork barrel projects instead of tax relief or debt reduction.

CapitolWatch's 250,000 supporters urge every member of the Senate to support Abraham's gas tax amendment and suspend the gas tax. If you would like more information, please contact CapitolWatch at (202) 544–2600 or visit our Web page at www.CapitolWatch.org.

Sincerely,

ANDREW F. QUINLAN,
*Executive Director.*

Mrs. FEINSTEIN. Mr. President, I am as upset by the gasoline price spikes as anyone else. I believe they are still very high in California, though prices have come down in my State from the highs they reached in March.

Having said that, I feel obliged to oppose this amendment despite understanding the sentiment behind it. The problem with the amendment is that there is no way to guarantee that a reduction in the federal gasoline tax will be passed on to consumers.

At least that's what the chief executive officers of the three major California refiners told me. Collectively, they produce 70 percent of California's gasoline. Earlier in the year, I called them. None could guarantee that a decrease in the gasoline tax would cause the same drop at the pump. They cited the fundamental problem with supply, and also pointed out that they have no control over other entities in the supply chain.

Price is a function of supply and demand, not taxes and right now, world oil markets are extremely tight, so prices are high. The way to relieve the pressure on the market is to boost supply and reduce demand.

With regard to supply, 14 nations sell oil to the U.S. under a cartel known as the Organization of Petroleum Exporting Countries, OPEC. Like any monopoly, OPEC controls the price of oil by limiting supply. Decreased production in non-OPEC countries like Venezuela, Mexico, and Norway has also contributed to the squeeze.

Since OPEC is not bound by U.S. law, there are only a few things the U.S. can do to encourage the cartel to increase supply. The preferred alternative is diplomacy.

It takes several weeks for production increases to be felt at the pump in lower prices, and California has unique problems affecting its supply. No other State requires the kind of reformulated gasoline that California does. So the gasoline has to be refined in California, and California refiners have had problems—including two fires—operating their plants at full capacity. They are at full capacity now.

As I said a moment ago, this amendment does not solve the problem of high gasoline prices. Under California law, if the federal gasoline tax drops by 9 cents per gallon or more, then the State tax automatically rises to off-set the federal decrease. The law is designed to protect the Highway Trust Fund. I have spoken with members of the California Legislature about this. They do not seem inclined to change the law.

What are our options?

The fact is, we have limited control over supply. Too much of the world's oil is produced elsewhere. The one thing we can control is demand.

The best way to reduce demand is to require that sports utility vehicles, SUVs, and light duty trucks get the same fuel efficiency that passenger vehicles do. If SUVs and light duty trucks had the same fuel efficiency standards as passenger cars, the U.S. would use one million fewer barrels of oil each day.

This is roughly equal to the U.S. shortfall before OPEC increased production.

The Department of Transportation is responsible for setting fuel efficiency requirements under the Corporate Average Fuel Economy, CAFE, program. About two-thirds of all petroleum used goes to transportation, so boosting fuel efficiency is an important way to wean ourselves off OPEC oil and reduce the price motorists pay for gasoline. Consider, too, the significant environmental and health benefits of higher fuel efficiency.

But CAFE standards have not increased since the mid-1980s. And the situation is made worse by a loophole in the CAFE regulations. SUVs and light duty trucks—which are as much passenger vehicles as station wagons and sedans—are only required to average 20.7 miles per gallon per fleet versus 27.5 miles per gallon for automobiles.

Since half of all new vehicles sold in this country are fuel-thirsty SUVs and light duty trucks, this stranglehold on energy efficiency has produced an American fleet with the worst fuel efficiency since 1980. We are going backwards!

According to the non-partisan American Council for an Energy Efficient Economy, the U.S. saves 3 million barrels of oil a day because of CAFE standards. Close the SUV loophole, as I said a moment ago, and save another million barrels each day.

Overall, SUV and light duty truck owners spend an extra $25 billion a year at the pump because of the "SUV loophole." Making SUVs and light duty trucks get better gas mileage would save their owners some $640 at the pump each year when the price of gasoline averages $2 per gallon.

The bottom line is that eliminating some or all of the federal gasoline tax will not lower prices at the pump. The best way to do that is to reduce our demand. The best way to reduce demand is to increase the gas mileage requirements for SUVs and light duty trucks.

Mr. KOHL. Mr. President, I want to take a moment to discuss my opposition to this legislation repealing the federal gas tax of 18.4 cents.

The rising gas prices of this past spring and summer have been a great concern to many of us across the country, and nowhere has the burden been greater than in my State of Wisconsin where gas prices at some locations peaked over $2.00 per gallon. Families and businesses have been hard hit by this unexpected strain on their budgets. Everyday activities of work and recreation and summer travel plans have been altered. Fortunately, prices have begun to decline, and we are hopeful that that trend will only continue in the approaching months. This decline is in no small part the result of the bipartisan efforts of our Congressional delegation to provide relief to our constituents. With many forces at play, we worked strenuously to get to the root of the rising gas price problem.

First, we requested an EPA waiver from the reformulated gas requirements, which many considered to be a minor, yet still contributing, factor to the price increases. We also took the oil companies to task for gouging the consumer at the pump, while enjoying huge increases in profits. We called for a Federal Trade Commission investigation into the causes of spiking prices in Wisconsin and the Upper Midwest and now await the preliminary report. Lastly, we have attacked the main cause of the problem—the coordinated underproduction of oil on the part of OPEC, the organization of oil-producing nations. Fortunately, under pressure from Congress and the Administration, the OPEC nations have agreed to increase their oil output. All these efforts taken together have yielded positive results, with prices dropping by 30 to 40 cents, and certainly we will continue to be vigilant to ensure this trend continues.

Clearly I am very sympathetic to the amendment sponsor's stated goals of providing relief at the pump. But I am convinced that repealing the gas tax is the wrong way to achieve this important goal. Repealing the tax will drastically reduce the funds available for critically needed highway safety and maintenance programs, jeopardizing highway safety and putting other local services at risk by creating budget shortfalls. Moreover, repealing the tax does not guarantee that prices will go down for consumers. In fact, there is a strong likelihood that repealing the gas tax would only deliver more profits to the oil companies without delivering any relief to the consumer.

With the TEA-21 highway bill, we worked hard to guarantee that gas tax revenues would go to states for infrastructure improvements and to make the distribution of those monies fair for Wisconsin. We went from a 92 percent to 99 percent return on the dollar for Wisconsin, and those funds are desperately needed for road, bridge and transit improvements. It would be disastrous to lose transportation money just as Wisconsin, with our short construction season, is poised to start a number of road improvement and expansion projects.

Mr. BOND. Mr. President, I commend my good friend from Michigan on his attempt to address the issue of high gas prices. However, I must oppose his amendment.

The problem with the high gas prices we are experiencing is not the result of the gas taxes, but with the fact that the Clinton/Gore Administration has pursued a long-term consistent energy policy discouraging domestic production of oil, coal, nuclear, gas, hydropower, etc. The result of this cartel policy has been to put us over a barrel—an OPEC barrel of oil with resulting high gas prices.

My colleagues offering this amendment have stated that this amendment would hold the trust fund harmless. Once again, I applaud their desire to help the consumers, but violating the "trust" in the highway trust fund is not holding the trust fund harmless.

We cannot risk the tremendous gains we made to ensure that the gas tax was a dedicated tax for a dedicated purpose. This is a true user fee. This is a user fee that works. I urge my colleagues to oppose the Abraham amendment.

The PRESIDING OFFICER. The time of the Senator has expired.

The Democrat whip.

Mr. REID. Mr. President, I raise the point of order that the pending amendment violates section 311(a)(2)(B) of the Congressional Budget Act of 1974.

The PRESIDING OFFICER. If the Senator will withhold, the Senator from Michigan still has time remaining.

Mr. REID. He yielded back his time previously.

Mr. ABRAHAM. I yielded the floor, but I will yield back the remainder of my time.

Mr. REID. I apologize.

Mr. ABRAHAM. May I respond, then, to his motion—or his point of order?

Mr. REID. It is not in order.

Mr. ABRAHAM. Mr. President, I move to waive section 311 of the Budget Act with respect to this amendment. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Connecticut (Mr. DODD) is necessarily absent.

The PRESIDING OFFICER (Mr. GORTON). Are there any other Senators in the Chamber who desire to vote?

The yeas and nays resulted—yeas 40, nays 59, as follows:

[Rollcall Vote No. 183 Leg.]

YEAS—40

Abraham
Allard
Ashcroft
Bennett
Brownback
Bunning
Campbell
Coverdell
Craig
Crapo
Fitzgerald
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hatch
Helms
Hutchison
Inhofe
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thompson
Thurmond

NAYS—59

Akaka
Baucus
Bayh
Biden
Bingaman
Bond
Boxer
Breaux
Bryan
Burns
Byrd
Chafee, L.
Cleland
Cochran
Collins
Conrad
Daschle
DeWine
Domenici
Dorgan
Durbin
Edwards
Enzi
Feingold
Feinstein
Graham
Hagel
Harkin
Hollings
Hutchinson
Inouye
Jeffords
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Roberts
Rockefeller
Sarbanes
Schumer
Thomas
Torricelli
Voinovich
Warner
Wellstone
Wyden

NOT VOTING—1

Dodd

The PRESIDING OFFICER. On this vote, the yeas are 40, the nays are 59.

Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected. The point of order is sustained and the amendment falls.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote and move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DODD. Mr. President, I was necessarily absent while attending to a family member's medical condition during Senate action on roll call votes 180 through 183.

Had I been present for the votes, I would have voted as follows: On roll call vote number 180, Senator MOYNIHAN's Amendment No. 3821, to amend the Internal Revenue Code of 1986 to increase the unified credit exemption and the qualified family-owned business interest deduction, and for other purposes, I would have voted "aye." On roll call vote number 181, Senator HATCH's Amendment No. 3823, to amend the Internal Revenue Code of 1986, to provide a permanent extension of the credit for increasing research activities, I would have voted "aye." On roll call vote number 182, Senator SCHUMER's Amendment. No. 3822, to amend the Internal Revenue Code of 1986 to increase the unified credit exemption and the qualified family-owned business interest deduction, to make higher education more affordable, to provide incentives for advanced teacher certification, and for other purposes, I would have voted “aye.” On roll call vote number 183, the motion to waive the budget act with respect to Senator ABRAHAM's amendment 3827, to amend the Internal Revenue Code of 1986 to temporarily reduce the Federal fuel tax to zero, I would have voted “no.”

The PRESIDING OFFICER. The Senator from New Mexico.

### AMENDMENT NO. 3828

Mr. BINGAMAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> The Senator from New Mexico [Mr. BINGAMAN], for himself, Mr. KENNEDY, Mrs. MURRAY, Mr. DODD, Mr. KERRY, Mr. SCHUMER, and Mr. DORGAN, proposes an amendment numbered 3828.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To amend the Internal Revenue Code of 1986 to increase the unified credit exemption and the qualified family-owned business interest deduction and expand education initiatives, and for other purposes)

Strike all after the first word and insert:

### 1. SHORT TITLE.

(a) SHORT TITLE.—This Act may be cited as the “Estate Tax Relief Act of 2000”.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

### SEC. 2. INCREASE IN AMOUNT OF UNIFIED CREDIT AGAINST ESTATE AND GIFT TAXES.

(a) IN GENERAL.—The table contained in section 2010(c) (relating to applicable credit amount) is amended to read as follows:

| **“In the case of estates of decedents dying, and gifts made, during:** | **The applicable exclusion amount is:** |
|---|---|
| 2001, 2002, 2003, 2004, and 2005 | $1,000,000 |
| 2006 and 2007 | $1,125,000 |
| 2008 | $1,500,000 |
| 2009 or thereafter | $2,000,000.” |

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to the estates of decedents dying, and gifts made, after December 31, 2000.

### SEC. 3. INCREASE IN QUALIFIED FAMILY-OWNED BUSINESS INTEREST DEDUCTION AMOUNT.

(a) IN GENERAL.—Paragraph (2) of section 2057(a) (relating to family-owned business interests) is amended to read as follows:

“(2) MAXIMUM DEDUCTION.—

“(A) IN GENERAL.—The deduction allowed by this section shall not exceed the sum of—

“(i) the applicable deduction amount, plus

“(ii) in the case of a decedent described in subparagraph (C), the applicable unused spousal deduction amount.

“(B) APPLICABLE DEDUCTION AMOUNT.—For purposes of this subparagraph (A)(i), the applicable deduction amount is determined in accordance with the following table:

| **“In the case of estates of decedents dying during:** | **The applicable deduction amount is:** |
|---|---|
| 2001, 2002, 2003, 2004, and 2005 | $1,375,000 |
| 2006 and 2007 | $1,625,000 |
| 2008 | $2,375,000 |
| 2009 or thereafter | $3,375,000. |

“(C) APPLICABLE UNUSED SPOUSAL DEDUCTION AMOUNT.—With respect to a decedent whose immediately predeceased spouse died after December 31, 2000, and the estate of such immediately predeceased spouse met the requirements of subsection (b)(1), the applicable unused spousal deduction amount for such decedent is equal to the excess of—

“(i) the applicable deduction amount allowable under this section to the estate of such immediately predeceased spouse, over

“(ii) the sum of—

“(I) the applicable deduction amount allowed under this section to the estate of such immediately predeceased spouse, plus

“(II) the amount of any increase in such estate's unified credit under paragraph (3)(B) which was allowed to such estate.”

(b) CONFORMING AMENDMENTS.—Section 2057(a)(3)(B) is amended—

(1) by striking “$675,000” both places it appears and inserting “the applicable deduction amount”, and

(2) by striking “$675,000” in the heading and inserting “APPLICABLE DEDUCTION AMOUNT”.

(c) EFFECTIVE DATE.—The amendment made by this section shall apply to the estates of decedents dying, and gifts made, after December 31, 2000.

### SEC. 4. APPROPRIATIONS.

There are appropriated, out of any money in the Treasury not otherwise appropriated, the following amounts:

(1) $1,750,000,000 to carry out class size reduction activities in the same manner as such activities are carried out under section 310 of the Department of Education Appropriations Act, 2000.

(2) $2,200,000,000 to carry out title II of the Elementary and Secondary Education Act of 1965 and title II of the Higher Education Act of 1965.

(3) $250,000,000 to carry out sections 1116 and 1117 of the Elementary and Secondary Education Act of 1965.

(4) $1,000,000,000 to carry out part I of title X of the Elementary and Secondary Education Act of 1965.

(5) $325,000,000 to carry out chapter 2 of subpart 2 of part A of title IV of the Higher Education Act of 1965.

(6) $1,000,000,000 to carry out part B of the Individuals with Disabilities Education Act.

(7) $3,000,000,000 to enable the Secretary of Education to carry out a College Completion Grant Program.

(8) $150,000,000 to carry out part D of title I of the Elementary and Secondary Education Act of 1965.

(9) $1,300,000,000 to carry out title XII of the Elementary and Secondary Education Act of 1965.

Mr. BINGAMAN. Mr. President, this is an amendment I offer on behalf of myself, Senators KENNEDY, MURRAY, DODD, KERRY, SCHUMER, and DORGAN.

It will do a fairly simple thing. It will provide for the relief from estate tax that is proposed as the Democratic alternative on which we voted earlier today so that there will be a substantial reduction in the amount of estate tax over a period of time. It would, however, take some of the additional revenue that would not be going to estate tax relief under the Republican plan and would dedicate that instead to education.

This is an important issue. This is an amendment, as were several others we voted on already, that relates to our priorities and what we would like to do with revenue over the next several years, how much of it should be returned, to which group of taxpayers, how much should be spent on needs we have here in the country.

Those of us who are proposing this amendment believe it should be a higher priority for us to improve our schools and the future of all of the children in this country—rich and poor, black and white, metropolitan and rural—than it is to assist inordinately a relatively small group of people beyond the $8 million that is provided for as an exemption from the estate tax under the Democratic plan.

The amendment makes a commitment to invest some of the savings from the elimination of the Republican estate tax proposal into our public schools. The amendment would guarantee that parents and communities have the support they need to provide every child with a good public education, to send every qualified student to college.

I was reading the paper yesterday. I noticed that the first day of the Republican National Convention has the theme of “leave no child behind.” That is a worthy theme. I commend them for adopting it. I believe this amendment could be characterized as the “leave no child behind” amendment. Instead of dedicating huge resources toward providing very wealthy individuals with a tax break—I think it has been discussed several times and is agreed to by all, the Republican plan does provide over $100 billion of tax relief over the next 10 years, $750 billion over the following 10 years—instead of providing that much in the way of tax relief for the very wealthiest in our society, the amendment ensures that small businesses and family farms receive a significant tax break. It also provides funds for programs that have been proven to improve student achievement in public schools, to assist students seeking postsecondary education.

Let me clear up one misconception I have uncovered in my home State of New Mexico. I spoke to one of my good friends there this last week. He said: I don't see why you object to repeal of the estate tax. It does not involve a significant amount of Federal revenue. It is mainly an irritant to people to have an estate tax or to pay an estate tax.

What we have been talking about with the Republican proposal is $100 billion over the next 10 years, $750 billion over the following 10 years. We are spending in this current fiscal year $14.4 billion total on elementary and secondary education in this country. That is Federal money. We are talking about tax cuts in the Republican plan which are substantially greater than the amount the Federal Government is spending on education each year. It is an important item. In my view, it is very much a statement about our priorities.

One of the critical elements in this amendment is school construction. We would fund a program to increase safety and decrease overcrowding in our schools. We would provide $1.3 billion in grants and loans for urgent repair of 5,000 public elementary and secondary schools in very high-need areas. These programs would provide over $200 million to my home State of New Mexico where current estimates for school repair and modernization approach $2 billion.

Accountability: We would support tough accountability for results by setting aside $250 million for title I accountability grants. That is something we have been trying to do at several points in this session of Congress. We still have not succeeded. That would be accomplished if we adopted this amendment.

Dropout prevention: The amendment provides crucial support for programs designed to prevent students from dropping out of school. This is a vital issue in my State, particularly for the Hispanic community. Many of our Hispanic young people do not complete high school. The percentage of people who do complete high school is appallingly low. We need to deal with that. It is a crisis situation.

Teacher quality: Senator KENNEDY has led the way on trying to improve teacher quality in this session of the Congress. This amendment would provide $2.2 billion for teacher quality programs so we can ensure that every child is taught by a qualified instructor.

Class size: We would continue progress in achieving smaller classes by providing $1.75 billion to fulfill our commitment to hire 1 million teachers to reduce class size in the early grades.

Afterschool programs: Again, we would try to expand those by adding $1 billion to that funding.

Meeting our commitments to special education: Again, we would try to add a billion dollars in this amendment for the IDEA funding, which I know many Members of this body, both Democrats and Republicans, support.

Affordable college opportunities: Higher education makes a huge difference in earnings and general mobility, even more in subsequent generations of a family. This amendment provides $3 billion for college opportunity tax credits. It would increase funding for the GEAR UP program by $325 million.

I know some critics say this amendment is not related to the underlying tax reduction. I point out that exactly the opposite is true. The real issue for us is, what are our national priorities? Are we going to reduce the revenue coming into the Government by enormous amounts here in order to assist those who are wealthiest in our society, at the expense of adequately funding these education programs that I believe are desperately needed?

The truth of the matter is that Americans want better educational outcomes for their children, not more tax cuts for the wealthy. I challenge anyone to pose the option before us to the voters: Should Congress exercise its leadership by providing $50 billion in tax cuts to the wealthiest 2 percent of the population each year? Or should Congress, instead, exercise its leadership by using some of that revenue to improve the educational outcomes in our public schools? I believe the American public is clear in their answer on that.

I urge my colleagues to support this amendment.

I will yield the remainder of my time to the Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President I yield myself 5 minutes.

Earlier today, we had an excellent presentation made by the two Senators from North Dakota about the Democratic alternative. In those presentations, they pointed out that the arguments made on the other side about the importance of changing the estate tax so it addressed the needs of family farms and small businesses would be addressed in the Democratic alternative.

The basic Republican position is to hold those small family farmers hostage until they get what is the "big apple," which will provide some $700 billion to the wealthiest individuals in this country; 2,400 taxpayers will get $300 billion in tax relief. The Forbes 400 families will get, effectively, $250 billion.

As the Senator from New Mexico has pointed out, this is an issue of our priorities. What his amendment says is that we can address the particular needs of the family farms and small businesses, and rather than use all the other kinds of revenues, out of the difference between the $64 billion and the $104 billion of the Republicans, we can take $11 billion of that this year and use those scarce funds in order to try to meet the educational needs of the children of this country. That is what this is about.

As was pointed out by the Senator from New Mexico, this is really a choice about priorities. Are we interested in providing tax breaks for the wealthiest individuals in our society, or are we interested in investing in the children of our country? We will have an opportunity to address that in just a few moments.

What we have seen in the past decade is an explosion in the number of children who are attending grades K through 12—going from 46.4 million in 1990 all the way up to 53.4 million in the year 2000. At the same time, we have seen a rather dramatic reduction in Federal support for elementary and secondary education from the 1980s; in 1980, 11.9 percent out of every dollar spent came from the Federal Government, and this was down to 7.7 percent in fiscal year 1999. We have also seen this lowering in higher education. We addressed this issue in the Schumer amendment earlier—unsuccessfully. But we had a debate on it. This measure addresses this differential in elementary and secondary education.

It is fair enough to ask whether the substance of this amendment will make very much of a difference to the children in this country. Once again, we have the most recent reports and the most recent studies that have been done by the Congressional Research Service that point out, as of the very end of June of this year, their evaluation of what has happened with smaller class sizes in California.

California's class size reduction shows that reducing class size improves student achievement. A study of the first 3 years of class size reduction in California shows that smaller classes have boosted student achievement in communities across the State for the second year in a row. It says the evaluation shows that though students in the most disadvantaged schools were more likely to be in larger classes and have less qualified teachers, students in smaller classes still outperform their peers in larger classes, even with less-qualified teachers. These students could be performing even better if all the children in those schools have fully qualified teachers and smaller class sizes.

That is exactly what this amendment does. I don't know how often we have to bring in the latest evidence. Here is the latest evidence, which shows students will perform better with smaller class sizes and better trained teachers. This amendment also provides afterschool programs with tutorial, tough accountability standards, dropout prevention programs, a billion dollars for special needs in IDEA, and a modest program to try to address the $112 billion necessary for school construction—you make a difference when you invest in the children of this country. We are here to say that we believe one of the priorities of American families ought to be in using this money to invest in the children and not to provide a windfall tax break for 2,400 of the wealthiest individuals in this country. That is what this vote is about.

I reserve the remainder of my time.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. LOTT. Mr. President, I will submit a unanimous consent request, and I make the request that the time already used on this amendment would not count against the time we are fixing to ask for in this unanimous consent.

I ask unanimous consent that the time between now and 6:30 p.m. be equally divided in the usual form between the two leaders and the following amendments be debated for up to 20 minutes, equally divided, in the following order:

BINGAMAN, on education; ROTH, on phone tax; GRAHAM, on Medicare; GRASSLEY, on farmers; BAUCUS and KERREY, regarding the KidSave matter; GRAMS, on Social Security.

I further ask unanimous consent that at 6:30 the Senate proceed to a series of votes in relation to the above-listed amendments in the order offered, with 2 minutes of debate equally divided for each amendment prior to each vote.

Mr. REID. May we add that after the first vote, each vote be 10 minutes?

Mr. LOTT. Yes.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. LOTT. I thank my colleagues for their cooperation. This is the only way we are going to be able to get through this list. This is a good way to do it. In light of the agreement, the next votes will be in a stacked sequence at 6:30. We will try another stacked sequence of six at that time. If we can proceed on this basis, we can get this work completed at a reasonable time tonight.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. GRAMM. Mr. President, I yield myself 10 minutes, and I will yield 10 minutes to the distinguished Senator from Arkansas.

The PRESIDING OFFICER. The Senator's time is limited to a total of 10 minutes under the agreement just reached.

Mr. GRAMM. I can live with that. The world won't come to an end if I don't speak for 10 minutes. As I understand it, the agreement on the time would not include this amendment.

The PRESIDING OFFICER. The time already used.

Mr. GRAMM. Then I will take 5 minutes, and I will yield 5 minutes to my colleague.

Mr. President, I could not help but hear Senator KENNEDY talking about the need for education. I would like to remind my colleagues that we and a Republican Congress spent more on education last year than the President asked for.

Our colleague from New Mexico talks about priorities. Bill Clinton, in his budget, calls for over a trillion dollars of new spending over the next 10 years. Not one Democrat raises any concern about spending the surplus. We propose $100 billion to eliminate the death tax, one-tenth the amount Bill Clinton wants to spend on new programs, and they are up in arms, outraged.

Now, this is about priorities. What are we trying to do? We are trying to eliminate a situation where, every day, working Americans build up farms and build up businesses with sweat equity. They save and sacrifice, and they work long hours. They pay taxes on every dollar they earn. And then, when they die, the Government comes in and forces their children to sell the business or sell the family farm, and we think it is wrong. We think it is un-American, we think it is immoral, and we are going to eliminate it.

When you get down to the bottom line, there are two reasons our Democrat colleagues disagree. Number one, our Democrat colleagues exactly within the context of this amendment say: Look. Force people to sell the family farm when papa dies. Force people to sell their business because by them giving that money to the Government, the Government can spend it better. We don't agree. We think families can spend it better—not the Government.

The second argument is an argument we often hear from the Democrat side: We are talking about rich people. These are rich people.

I don't understand our Democrat colleagues. They profess to love capitalism but they hate capitalists. Many of them are rich but they hate rich people.

Let me try to boil this down to its basic point because I only have a couple of minutes. The only thing I was ever bequeathed in my life and ever will be was when my great-uncle Bill, my grandma's brother, left me a cardboard suitcase full of yellow sports clippings. If it had been baseball cards, I would be a rich man today.

Our agriculture commissioner in Texas owns a ranch that her family worked for four generations. When her dad died, she had to sell a third of that ranch to pay a death tax.

How does that help me? How did forcing her to sell off her family's ranch that had been in her family for four generations help me or help my family? How does tearing down one family build up another? We don't think it does.

That is what this issue comes down to. We believe when people work, build up a business, or build up a farm, or build up assets, and they pay taxes on it, that it ought then to belong to them and to their children, whether they are rich or whether they are not rich.

I think it is important to note that our colleagues, when they use all of those little examples, leave out one important thing. Over the next 10 years, the revenues collected on this tax are going to quadruple. Why? Because of all of those teacher retirement programs. Many college professors are going to retire with $1 million in their investment accounts. I thank God for it. If they die before they can spend it, under current law, their children are going to end up having to give part of that retirement program to the Government. I think it is absolutely wrong and outrageous.

We are down to making a choice. They say don't eliminate the death tax—just raise the cap a little. Why do we need to eliminate it? When you have a cancer, you don't cut out half of it. You cut out the whole thing.

Have we forgotten that when Bill Clinton was writing the 1993 tax bill he floated trial balloons about lowering the deduction from $600,000 to $200,000?

Does anyone doubt, if we don't repeal the death tax and if we ever have a Democrat President and a Democrat Congress again, that the first thing they are going to do is lower the deduction back down to the point where ordinary working families, farmers, ranchers, and small business people will pay this tax? I don't doubt it. I want to cut it out by the roots.

That is what this vote is about.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. HUTCHINSON. Mr. President, I request the Chair to notify me when I have 1 minute remaining of my 5 minutes.

This Bingaman amendment is a diversion from an important debate on the elimination of the death tax. If you can't change people's minds, sometimes you want to change the subject. That is what the Democrats seek to do by this list of amendments.

We had an education debate. We spent 8 days on the Elementary and Secondary Education Act. I am ready to return to that. I think we should. The majority leader has offered the opportunity to return to the ESEA debate just as we did on DOD authorization. Let's do it next week. But let's limit it to germane amendments.

The reason we are not on the Elementary and Secondary Education Act is because the Democrat side offered amendment after amendment that had nothing to do with education. I suggest if you want an education debate, let's do it on ESEA. Let's not do it on the elimination of the death tax.

The death tax is growing increasingly unpopular with the American people. It is for obvious reasons. They realize it is fundamentally wrong. They know double taxation when they see it. They know if they paid income tax, if they paid capital gains tax, and if they paid sales tax, that it is absolutely, fundamentally, inherently wrong to make death another taxable event.

That is what we are wanting to do with this legislation, eliminate it—not refine it, not tinker with it, not raise the cap but eliminate the death tax once and for all because it is wrong.

The American people are increasingly opposed to the death tax because they realize that it penalizes success; that the American way is to reward success. The death tax penalizes hard work. It penalizes savings, and it penalizes investment.

Senator BINGAMAN, the distinguished Senator from New Mexico, who I have the greatest respect for, says: Let's not eliminate it; let's just tinker with it, and take the savings—the so-called savings—and put it into education.

We have increased spending on education.

But it would seem to me the logic is rather ironic; by putting it on the elimination of the death tax and saying we want children to be better educated because we want them to use that better education so they can be successful, but don't be too successful because, if you are, we are going to punish you when you die for the success you have achieved.

The Bingaman amendment says to young Americans that it is OK to dream but don't dream too big because when you die we will punish you.

The turn of the century was a period appropriately dubbed "the age of innocence." Millions of immigrants came to this country. They came so fast that we couldn't build ships enough to bring them into this country. They came with a dream. Some stayed in New York, others went to Detroit, Pittsburgh, and other industrial cities. But they came with one goal in mind: to succeed with no limits, no caps, no punishing economic thresholds, and, most importantly, no charade.

That is why they came here. They knew that life was too short and their families too precious to continue living under oppressive governments.

I ask my colleagues: Do you think we are fostering the same dream that existed 100 years ago by keeping the status quo?

My esteemed colleague from New York, Senator MOYNIHAN, said this morning that it is a tax that has served us well. That is the basis of this debate. If you believe that the death tax has served this country well, then you certainly don't want to eliminate it. If you believe, as I believe, as Senator GRAMM believes, and as I believe most Americans believe, that it is fundamentally un-American, then you want to eliminate it.

Senator GRAMM is absolutely right. It is a cancer. It is the cancer that you don't just trim back. It is a cancer that must be removed from the body politic and from our public policy.

The PRESIDING OFFICER. The Senator has 1 minute.

Mr. BROWNBACK. Mr. President, I would like to reserve that last minute, if I might.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, I yield myself 3 minutes and then the remainder of the time to the Senator from Massachusetts.

Let me respond to a couple of statements that were made.

First of all, this amendment was referred to as a diversion because it tries to bring into this debate the discussion about education and what we ought to be investing in education. Hopefully, we can persuade the Senate to take some of the revenue that the Republican estate tax repeal proposal contemplates eliminating and put it into education.

I do not see it as a diversion at all. I would love to have us back on the Elementary and Secondary Education Act. We had that act before us. We offered some amendments. Those amendments were Democrat amendments. One was for class size reduction. We talked about teacher quality. We had an amendment on that. It was pending, in fact, at the time the bill was taken down by the majority leader.

I hope very much that next week we can go back to ESEA and have more debate on that. But regardless of whether we are able to do that, I think it is important that we consider and adopt this amendment as a statement about what we think the priorities of this Nation are.

I do not shy from discussing the estate tax repeal proposal that is before us. In my State, frankly, the Democratic alternative, in my view, is a very enlightened and generous proposal which would substantially reduce the estate tax.

It would reduce to fewer than 100 estate tax returns that would be filed in my State each year. That is the estimate I have received. It is something I think I can be proud to cosponsor and support.

I do not see why we have to go the full route the Republicans are proposing, as the Senator from Massachusetts said, and eliminate this tax entirely for those 2,400 wealthiest Americans. I do not think we are visiting any hardship upon them by maintaining in place some estate tax.

Let me get back to the subject of my amendment, which is education. People of this country support more investment in teacher quality, more investment in reducing the class sizes, more investment in eliminating or reducing the number of students who drop out of our schools before they graduate, more investment in accountability of our schools so we can be sure the schools are performing to standard, and more investment in school construction. There are enormous needs in all these areas. This is an opportunity to address those enormous needs.

I urge my colleagues to support this amendment. I think it would be a major statement of our priorities. We would not, in fact, leave one child behind if we do this.

I yield the remainder of my time to the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, as I understand, I have 8 minutes; is that correct?

The PRESIDING OFFICER. The Senator has 3 minutes 30 seconds.

Mr. KENNEDY. Mr. President, I yield myself 2½ minutes.

As the Joint Tax Committee pointed out, as printed in the New York Times today, according to the data, 95 percent of the roughly 6,000 farmers who paid estate taxes that year would have been exempted under the terms of the Democratic plan, as would 88 percent of the roughly 10,000 small business owners who paid the tax. That responds to my good friends from Texas and Arkansas.

I understand they want to protect any tax loophole that is in there. We have a billionaire tax loophole that has permitted billionaires to leave the country, renounce their citizenship, and pay no tax at all. They have defended that in the past. The fact is, the wealthiest individuals are still going to get $150 billion in tax breaks.

All we are saying is that it is more valuable to invest in the education of the children of this country than to give the 400 richest families in this country $250 billion. That is what this amendment does. The 400 richest families, according to Forbes magazine, get $250 billion; 2,400 families get $300 billion. We are saying, $150 billion for them.

We need to get to what is essential to our national interest, and that is children. It is a matter of priorities. They want to protect the billionaires' tax loophole; they want to protect the 400 wealthiest families in this country. We want to be debating the minimum wage this afternoon. We want to debate education and education funding.

This chart shows where the Republican Party has been in the last 7 years on education. I ask unanimous consent to have it printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REPUBLICAN HISTORY OF CUTTING EDUCATION FUNDING IN APPROPRIATIONS BILLS

Fiscal year 1995 rescission (House bill): −$1.7 billion (below enacted FY 1995)
Fiscal year 1996 (House bill): −$3.9 billion (below FY 1995)
Fiscal year 1997 (Senate bill): −$3.1 billion (below President's request)
Fiscal year 1998 (House and Senate bill): −$200 million (below President's request)
Fiscal year 1999 (House bill): −$2 billion (below President's request)
Fiscal year 2000 (House bill): −$2.8 billion (below President's request)
Fiscal year 2001 (House bill): −$2.9 billion (below President's request)

Mr. KENNEDY. It shows they have effectively cut education every single year in either the House appropriations committee or in the Senate. The only one who has saved the education budget is President Clinton. Do you hear that? President Clinton. Respond to these facts.

We ought to be debating the elementary and secondary education bill this afternoon. That is what Senator BINGAMAN wants to do. That is what I want to do. But, no; Republicans want to debate a $250 billion cut for 400 of the wealthiest families. That is what we are spending time doing.

These are the wrong priorities for America. If we want to get back to the right priorities that are in the BINGAMAN amendment, Senators will vote with him when the time comes.

The PRESIDING OFFICER. There are 30 seconds remaining.

The Senator from Arkansas.

Mr. HUTCHINSON. It seems ironic to me when we had the education bill on the floor of the Senate for 8 days, the amendments offered by the other side of the aisle were on health care and campaign finance reform. They had nothing to do with education.

Now we have elimination of the estate tax bill on the floor of the Senate and they want to talk about education. The majority leader has done everything in his power to give an opportunity for legitimate education debate and to pass reauthorizing of ESEA. This is a diversion, and all the protests will not change that fact.

The death tax has been repealed in 20 States since 1980. I say to Senator KENNEDY, I believe the Senate ought to do what his home State of Massachusetts did; we ought to abolish it. We ought to eliminate it as Oregon, as Vermont, as Canada, as Israel, as Australia. We should abolish it—not tinker with it, not play with it, not raise the cap. We need to eliminate it.

Senator KENNEDY called it the millionaire tax loophole. That is why the Black Chamber of Commerce has endorsed this bill, the Hispanic Chamber of Commerce, the National Indian Association, and the Pan American Chamber of Commerce have endorsed it. We need to abolish the death tax.

Mr. BINGAMAN. Mr. President, this amendment is focused on education. It is an effort to put our priorities straight, to get our priorities in line with the priorities of the American people, to get back to talking about how do we improve the lot of the average American, instead of talking about the lot of the 400 wealthiest families in the country.

I believe this will put funds where they are needed the most, where the American people want to see them spent. I urge my colleagues to support this amendment.

The PRESIDING OFFICER. All time on the amendment has expired.

Mr. HUTCHINSON. The pending amendment offered by the Senator from New Mexico, Mr. BINGAMAN, will increase the spending by $11 billion. This additional spending would cause the underlying bill to exceed the finance committee section 302(b) allocation. Therefore, I raise a point of order pursuant to section 302(f) of the Budget Act.

Mr. BINGAMAN. Pursuant to section 904 of the Budget Act, I move to waive the applicable sections of the act for consideration of the pending amendment.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

### AMENDMENT NO. 3829

The PRESIDING OFFICER. Under the previous order, the Senator from Delaware is recognized to offer an amendment.

Mr. ROTH. Mr. President, I send an amendment to the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Delaware [Mr. ROTH], for himself, Mr. BREAUX, Mr. NICKLES, Mr. ROBB, Mr. MURKOWSKI, and Ms. COLLINS, proposes an amendment numbered 3829.

Mr. ROTH. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To amend the Internal Revenue Code of 1986 to repeal the excise tax on telephone and other communication services)

At the end, add the following:

## TITLE VI—REPEAL OF EXCISE TAX ON TELEPHONE AND OTHER COMMUNICATIONS SERVICES

### SEC. 601. REPEAL OF EXCISE TAX ON TELEPHONE AND OTHER COMMUNICATIONS SERVICES.

(a) IN GENERAL.—Chapter 33 (relating to facilities and services) is amended by striking subchapter B.

(b) CONFORMING AMENDMENTS.—

(1) Section 4293 is amended by striking "chapter 32 (other than the taxes imposed by sections 4064 and 4121) and subchapter B of chapter 33," and inserting "and chapter 32 (other than the taxes imposed by sections 4064 and 4121),".

(2)(A) Paragraph (1) of section 6302(e) is amended by striking "section 4251 or".

(B) Paragraph (2) of section 6302(e) is amended by striking "imposed by—" and all that follows through "with respect to" and inserting "imposed by section 4261 or 4271 with respect to".

(C) The subsection heading for section 6302(e) is amended by striking "COMMUNICATIONS SERVICES AND".

(3) Section 6415 is amended by striking "4251, 4261, or 4271" each place it appears and inserting "4261 or 4271".

(4) Paragraph (2) of section 7871(a) is amended by inserting "or" at the end of subparagraph (B), by striking subparagraph (C), and by redesignating subparagraph (D) as subparagraph (C).

(5) The table of subchapters for chapter 33 is amended by striking the item relating to subchapter B.

(c) STUDY REGARDING CONTINUING ECONOMIC BENEFIT OF REPEAL.—

(1) STUDY.—The Comptroller General of the United States, after consultation with the Chairman of the Federal Communications Commission, shall study and identify—

(A) the extent to which the benefits of the repeal of the excise tax on telephone and other communication services under subsection (a) are passed through to individual and business consumers, and

(B) any actions taken by communication service providers or others that diminish such benefits, including increases in any regulated or unregulated communication service provider charges or increases in other Federal or State fees or taxes related to such service occurring since the date of such repeal.

(2) REPORT.—By not later than September 1, 2001, the Comptroller General of the United States shall submit a report regarding the study described in paragraph (1) to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid pursuant to bills first rendered after August 31, 2000.

The PRESIDING OFFICER. The Senator is reminded there are now 20 minutes equally, divided, 10 minutes on a side.

Mr. ROTH. Mr. President, the amendment I offer today would repeal the telephone excise tax. My amendment is the same as the bill that was recently approved by the Finance Committee on a bipartisan basis.

The phone tax repeal bill that Senator BREAUX and I introduced earlier this year now has 43 cosponsors—members on both sides of the aisle. The House of Representatives has already voted to repeal the tax by a vote of 420 to 2.

Mr. President, all of us who support repeal have recognized that the telephone excise tax is outdated, unfair, and complex for both consumers to understand and for the collectors to administer. It cannot be justified on any tax policy grounds.

The federal government has had the American consumer on "hold" for too long when it comes to this tax. The telephone excise tax has been around for over 102 years. In fact, it was first imposed in 1898—just 22 years after the telephone itself was invented.

This tax on talking—as it is known—currently stands at 3 percent. Today, about 94 percent of all American families have telephone service. That means that virtually every family in the United States must tack an additional 3 percent on their monthly phone bill. The Federal tax applies to local phone service; it applies to long distance service; and it even applies in some cases to the extra amounts paid for State and local taxes. It is estimated that this tax costs the American public more than $5 billion per year.

The telephone excise tax is a classic story of a tax that has been severed from its original justifications, but lives on solely to collect money.

This tax is a pure money grab by the Federal Government—it does not pass any of the traditional criteria used for evaluating tax policy. First, this phone tax is outmoded. Once upon a time, it could have been argued that telephone service was a luxury item and that only the rich would be affected. As we all know, there is nothing further from the truth today.

Second, the Federal phone tax is unfair. Because this tax is a flat 3 percent, it applies disproportionately to low and middle income people. For example, studies show that an American family making less than $50,000 per year spends at least 2 percent of its income on telephone service. These families also pay almost 60 percent of the total communications excise tax in the U.S. Families with incomes of under $20,000 earn less than 9 percent of the total income in the U.S.; yet they shoulder almost one-quarter of the total communications tax burden. A family earning less than $10,000 per year spends over 9 percent of its income on telephone service. Imposing a tax on those families for a service that is a necessity in a modern society is simply not fair.

Third, the Federal phone tax is complex. Once upon a time, phone service was simple—there was one company who provided it. It was an easy tax to administer. Now, however, phone service is intertwined with data services and Internet access, and it brings about a whole new set of complexities. For instance, a common way to provide high speed Internet access is through a digital subscriber line. This DSL line allows a user to have simultaneous access to the Internet and to telephone communications. How should it be taxed? Should the tax be apportioned? Should the whole line be tax free? And what will we do when cable, wireless, and satellite companies provide voice and data communications over the same system? The burdensome complexity of today will only become more difficult tomorrow.

As these questions are answered, we run the risk of distorting the market by favoring certain technologies. There are already numerous exceptions and carve-outs to the phone tax. For instance, private communications services are exempt from the tax. That allows large, sophisticated companies to establish communications networks and avoid paying any Federal phone tax. It goes without saying that American families do not have that same option.

With new technology, we also may exacerbate the inequities of the tax and contribute to the digital divide. For example, consider two families that decide it's time to connect their homes to the Internet. The first family installs another phone line for regular Internet access. The second family decides to buy a more expensive, dedicated high speed line for Internet access. The first family definitely gets hit with the phone tax, while the second family may end up paying no tax at all on their connection. I can't see any policy rationale for that result.

It is time to end the Federal phone tax. For too long while America has been listening to a dial tone, Washington has been hearing a dollar tone. This tax is outmoded. It has been here since Alexander Graham Bell himself was alive. It is unfair. We are today taxing a poor family with a tax that was originally meant for a luxury item. It is complex. Only a communications engineer can today understand the myriad taxes levied on a common phone bill and only the Federal Government has the wherewithal to keep track of who and what will be taxed. It is time we hung up the phone tax once and for all.

Ninety-three million households and 23 million business service companies are waiting for us to act. I urge my colleagues to join me in supporting its repeal.

I yield the floor.

The PRESIDING OFFICER. Who yields time? The Senator from Nevada.

Mr. REID. Mr. President, the Senator from Florida just arrived on the floor. He wishes to speak on this bill. When he is ready, I will yield him the time.

Mr. ROTH. Mr. President, I ask unanimous consent that Senator BAUCUS of Montana be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH. I make a point of order a quorum is not present.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRAHAM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. L. CHAFEE). Without objection, it is so ordered.

AMENDMENT NO. 3824

Mr. GRAHAM. Mr. President, I understand we are now debating the amendment as offered by Senator ROTH relative to repeal of the telephone tax. In the absence of anyone wishing to speak further on that issue, I want to offer the next amendment which relates to prescription medication.

I rise today for myself and Senators KENNEDY, ROBB, BRYAN, LINCOLN, ROCKEFELLER, DASCHLE, WELLSTONE, JOHN KERRY, and DORGAN to offer an amendment which will couple the estate tax, as presented by Senator DASCHLE, with an amendment to the budget resolution which dedicates an additional $40 billion of the new surplus dollars towards a Medicare prescription drug benefit.

To put this in context, in the budget resolution, $40 billion with conditions was inserted for purposes of a Medicare prescription drug benefit. I believe that no one will argue with the description of that $40 billion as being an arbitrary number; that is, it was not a number which was derived by some analysis of what was going to be required to fund an effective prescription medication benefit for the first 5 years of its availability.

I am here with a sense of disappointment. I am disappointed because I do not think the issue of the prominence that is being given to the estate tax repeal should be what we are debating on July 13 of the year 2000. I do not believe the issue of estate tax repeal, whatever absolute value one places upon it, is among the highest priorities of the American people and deserves the kind of time and attention it is receiving today.

I am also disappointed that this discussion of the estate tax has, frankly, become a charade. What is happening is that, on each side of the aisle, we are hurling a grenade at the other side on the issue we think is the most popular or politically difficult to vote upon, such as the issue of repealing the telephone tax. We ought to be discussing what is a first priority to Americans, and I happen to believe that in that first tier is the issue of modernization of the Medicare program which just yesterday celebrated its 35th birthday. Unlike a human being who, after 35 years of life, would have largely grown and matured into adulthood, the Medicare program at 35 years of life is still very much as it was on the day it was born in 1965.

One of the areas in which it is still as it was when it was born in 1965 is the absence of a prescription medication benefit. Virtually every program today which finances the health care of Americans, from the Medicaid program, which is available to indigent Americans, to private health care financing programs, includes a prescription medication benefit. Medicare stands out as the exception to that rule.

What is especially ironic to that exception is that some significant things have happened in the 35 years we have had the Medicare program. One of those things is that the characteristics of the American Medicare-eligible population have changed. When Social Security was established in the 1930s, the average American would only live a few years, generally 7 years or fewer, after they had reached the age of 65. Today the average American male will live 15 years after he reaches the age of 65, and the average American female will live to be 85. Those numbers will dramatically increase during the 21st century as new medical breakthroughs extend the age of life.

The significance of that aging process on the Medicare program is that it makes services through Medicare which were irrelevant or unnecessary when the program commenced now a center part of American health care, programs such as prevention of illness, those things we now know how to do to intervene and to avoid a condition degenerating into a fatality.

It also fails to adequately cover chronic condition management, which is a very typical circumstance for persons who live into their eighties or nineties. Both of those, prevention and chronic condition management, almost always involve prescription medication as an important part of the treatment regime, and yet our Medicare program fails to provide a prescription medication benefit.

I believe if we are going to have a prescription medication benefit—and it is critical that we do so—that we also be realistic. Part of that realism is a recognition that this is not going to be an inexpensive additional benefit if it is to be meaningful.

As an example, the typical private sector health care plan today is spending between 15 and 20 percent of its total outlays on prescription drugs. For those programs that focus on persons over the age of 65, the percentage for prescription drugs is in excess of 25 percent of all expenditures. Yet with the structure of the program that was adopted in the budget resolution—that is, $40 billion for the first 5 years of the program—this would result in a prescription medication benefit that would represent less than 10 percent of the cost of what we are spending on prescription medication.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. GRAHAM. Therefore, I urge we adopt this amendment which will allow us to have a more reasonable allocation of what has become a gush of new surplus funds to provide a prescription medication benefit that will be affordable, adequate, humane, and medically appropriate for America's older citizens.

Mr. President, I now send the amendment to the desk.

The PRESIDING OFFICER. If the Senator will withhold, the Senator from Delaware still has time remaining on his amendment.

Mr. REID. Mr. President, the Senator from Delaware told me he was not going to use the time. In the meantime, the Senator from Montana has shown up. There is about a minute prior to the amendment being offered. The Senator from Montana is going to speak.

### AMENDMENT NO. 3829

Mr. BURNS. Mr. President, I rise today to express my support for this amendment to repeal federal excise taxes on telephone services.

This tax was first introduced as a "temporary" luxury tax in 1898 to fund the Spanish-American War. However, over 100 years later this tax remains in effect. The definition of temporary should not span an entire century.

This tax is imposed on telephone and other services at a rate of 3 percent. Furthermore, these taxes are not applied to a specific purpose that enhances telephone service in our nation—rather these taxes are directed to the general revenue account. In other words, there is no reason we should not repeal this tax. Not doing so means only one thing—Montanans end up paying one more tax to encourage Government spending.

As I said a moment ago, this tax was enacted to fund the Spanish-American War. Considering that war was ended a mere six months after it began, I feel it's time to repeal this tax. Instead, Montana consumers continue to pay this tax on all their telephone services—local, long distance, and wireless.

It is time to eliminate this excise tax. At the time of enactment, this tax was considered a luxury tax on the few who owned telephones in 1898—this tax has now become an unnecessary burden on virtually every American taxpayer. Repealing this excise tax on communications services will save consumers over $5 billion annually.

Furthermore, this tax is regressive in nature. It disproportionately hurts the poor, particularly those households on either fixed or limited incomes. Even the U.S. Treasury Department has concluded in a 1987 study that the tax "causes economic distortions and inequities among households" and "there is no policy rationale for retaining the communications excise tax."

Rural customers in States like Montana are also disproportionately impacted. This tax is even more of a burden on rural customers due to the fact that they are forced to make more long distance calling comparative to urban customers.

This tax also impacts Internet service. The leading reason why households with incomes under $25,000 do not have home Internet access is cost. If consumers are very price sensitive, the government should not create disincentives to accessing the Internet. Eliminating this burdensome tax can help to narrow the digital divide.

This is a tax on talking—a tax on communicating—a tax on our Nation's economy. I encourage my colleagues to join me in support of this amendment to repeal this unnecessary and burdensome general revenue tax.

I yield the floor and reserve the remainder of our time.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. REID. Mr. President, we still have time. We have to yield back all our time—it is only a few seconds—and then the Senator can send his amendment to the desk.

Mr. ROTH. I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Florida.

### AMENDMENT NO. 3824

Mr. GRAHAM. Mr. President, I send the amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Florida [Mr. GRAHAM] proposes an amendment numbered 3824.

Mr. GRAHAM. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide additional budget resources for a medicare prescription drug benefit program)

Strike all after the first word and insert:

### 1. SHORT TITLE.

(a) SHORT TITLE.—This Act may be cited as the "Estate Tax Relief Act of 2000".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

## TITLE I—ESTATE TAX RELIEF

### SEC. 101. INCREASE IN AMOUNT OF UNIFIED CREDIT AGAINST ESTATE AND GIFT TAXES.

(a) IN GENERAL.—The table contained in section 2010(c) (relating to applicable credit amount) is amended to read as follows:

| "In the case of estates of decedents dying, and gifts made, during: | The applicable exclusion amount is: |
|---|---|
| 2001, 2002, 2003, 2004, and 2005 | $1,000,000 |
| 2006 and 2007 | $1,125,000 |
| 2008 | $1,500,000 |
| 2009 or thereafter | $2,000,000." |

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to the estates of decedents dying, and gifts made, after December 31, 2000.

### SEC. 102. INCREASE IN QUALIFIED FAMILY-OWNED BUSINESS INTEREST DEDUCTION AMOUNT.

(a) IN GENERAL.—Paragraph (2) of section 2057(a) (relating to family-owned business interests) is amended to read as follows:

"(2) MAXIMUM DEDUCTION.—

"(A) IN GENERAL.—The deduction allowed by this section shall not exceed the sum of—

"(i) the applicable deduction amount, plus

"(ii) in the case of a decedent described in subparagraph (C), the applicable unused spousal deduction amount.

"(B) APPLICABLE DEDUCTION AMOUNT.—For purposes of this subparagraph (A)(i), the applicable deduction amount is determined in accordance with the following table:

| "In the case of estates of decedents dying during: | The applicable deduction amount is: |
|---|---|
| 2001, 2002, 2003, 2004, and 2005 | $1,375,000 |
| 2006 and 2007 | $1,625,000 |
| 2008 | $2,375,000 |
| 2009 or thereafter | $3,375,000. |

"(C) APPLICABLE UNUSED SPOUSAL DEDUCTION AMOUNT.—With respect to a decedent whose immediately predeceased spouse died after December 31, 2000, and the estate of such immediately predeceased spouse met the requirements of subsection (b)(1), the applicable unused spousal deduction amount for such decedent is equal to the excess of—

"(i) the applicable deduction amount allowable under this section to the estate of such immediately predeceased spouse, over

"(ii) the sum of—

"(I) the applicable deduction amount allowed under this section to the estate of such immediately predeceased spouse, plus

"(II) the amount of any increase in such estate's unified credit under paragraph (3)(B) which was allowed to such estate."

(b) Conforming Amendments.—Section 2057(a)(3)(B) is amended—

(1) by striking "$675,000" both places it appears and inserting "the applicable deduction amount", and

(2) by striking "$675,000" in the heading and inserting "APPLICABLE DEDUCTION AMOUNT".

(c) Effective Date.—The amendment made by this section shall apply to the estates of decedents dying, and gifts made, after December 31, 2000.

## TITLE II—ADDTIONAL BUDGET RESOURCES FOR A MEDICARE PRESCRIPTION DRUG BENEFIT PROGRAM

### SEC. 201. ADDTIONAL BUDGET RESOURCES FOR A MEDICARE PRESCRIPTION DRUG BENEFIT PROGRAM.

(a) Findings.—The Senate makes the following findings:

(1) Beneficiaries under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) are the only group of insured Americans without prescription drug coverage.

(2) At any point in time, approximately 13,000,000 medicare beneficiaries are without prescription drug coverage.

(3) Over the course of a year, nearly 20,000,000 medicare beneficiaries are without prescription drug coverage for all or part of the year.

(4) The options available to medicare beneficiaries for obtaining prescription drug coverage are declining since—

(A) the number of employers providing employer-sponsored retiree coverage is declining at a dramatic rate;

(B) Medicare+Choice plans that might otherwise provide prescription drug coverage are pulling out of counties throughout the Nation; and

(C) medicare supplemental policies (medigap policies) that offer prescription drug coverage are so prohibitively expensive that only 8 percent of medicare beneficiaries have the means to purchase such policies.

(5) An elderly individual without prescription drug coverage living on $12,525 a year (150 percent of the Federal poverty line), who has diabetes, hypertension, and high cholesterol, pays more than 18.3 percent of their total income on the prescription drugs most commonly prescribed to treat their medical conditions.

(6) Medicare beneficiaries should never have to make the choice between having a roof over their head, having food in their mouth, or having necessary prescription drugs.

(7) Congress must provide medicare beneficiaries with a meaningful medicare prescription drug benefit that—

(A) is universal and affordable;

(B) guarantees stable coverage for medicare beneficiaries receiving benefits through the original fee-for-service program or through enrollment in a Medicare+Choice plan; and

(C) provides real low-income and stop-loss protections.

(8) Meaningful prescription drug coverage includes stop-loss protection above $4,000 of out-of-pocket expenses for prescription drugs.

(9) In March 2000, the Congressional Budget Office estimated the on-budget surplus for the 5-year period of fiscal year 2001 through fiscal year 2005 to be $148,000,000,000, assuming that discretionary spending was allowed to increase with inflation.

(10) Relying on the March 2000 estimate of the Congressional Budget Office, on April 12, 2000, Congress passed the concurrent resolution on the budget for fiscal year 2001 which allocated $40,000,000,000 of the estimated on-budget surplus for the 5-year period described in paragraph (9) to provide a prescription drug benefit for medicare beneficiaries.

(11) Forty billion dollars over 5 years cannot ensure access to a meaningful medicare prescription drug benefit that—

(A) is universal and affordable;

(B) guarantees stable coverage for medicare beneficiaries receiving benefits through the original fee-for-service program or through enrollment in a Medicare+Choice plan; and

(C) provides real low-income and stop-loss protections.

(12) Congress should not be bound to an arbitrarily low and inadequate allocation for providing a medicare prescription drug benefit when the estimated on-budget surplus for the 5-year period described in paragraph (9) has increased dramatically since March 2000.

(13) The Office of Management and Budget recently has revised its estimates for the on-budget surplus for the 5-year period described in paragraph (9) and now estimates that the on-budget surplus will be $360,000,000,000 for such period.

(14) The Congressional Budget Office will issue its revised budget estimates in the next few days and those estimates are widely expected to reflect a significant increase in the on-budget surplus for the 5-year period described in paragraph (9) as compared to the on-budget surplus that was estimated for such period in March 2000.

(b) 2001 Budget Resolution Amendment.—Section 213(b) of H. Con. Res. 290 (106th Congress) is amended to read as follows:

"(b) Adjustments.—The chairman of the Committee on the Budget of the House or Senate, as applicable—

"(1) shall revise committee allocations and other appropriate budgetary levels and limits to accommodate legislation described in section 215(a) which improves access to prescription drugs for Medicare beneficiaries in an additional amount of $40,000,000,000 or the difference between the on-budget surpluses in the reports referred to in subsection (a), whichever is less; and

"(2) may, after the adjustment in paragraph (1), make the following adjustments in an amount not to exceed the difference between the on-budget surpluses in the reports referred to in subsection (a) minus the adjustment made pursuant to paragraph (1):

"(A) Reduce the on-budget revenue aggregate by that amount for such fiscal year.

"(B) Adjust the instruction in section 103 or 104 to—

"(i) increase the reduction in revenues by that amount for fiscal year 2001;

"(ii) increase the reduction in revenues by the sum of the amounts for the period of fiscal years 2001 through 2005; and

"(iii) in the House only, increase the amount of debt reduction by that amount for fiscal year 2001.

"(C) Adjust such other levels in this resolution, as appropriate and the Senate pay-as-you-go scorecard.".

Mr. GRAHAM. Mr. President, what we are about is to authorize that $40 billion of the new surplus which has come into the Federal Government and is projected to come over the next 5 years to be dedicated to the prescription medication benefit. This would allow for a total of $80 billion to be committed to this program.

The result of that will be to bring the scale of the prescription medication benefit, as a totality of the Medicare program, somewhat into line with what other health care programs are spending on prescription medications today.

The reality is that prescription medications have been the fastest growing sector of American health care, increasing at a rate of 15 to 20 percent a year. The fact is, with the new breakthroughs in prescription medication, there is likely to be further escalation of prescription medication costs.

We have incorporated in the bill that has been introduced, and which would be supported by this allocation of additional funds, that annual increase in the expected rate of prescription medication costs. It is our hope that through some of the procedures in this legislation—such as the encouragement for the use of generic drugs, the use of an intermediary called a pharmacy benefits manager, and multiple managers so that there will be competition between the pharmaceutical company and the Medicare beneficiary who is using those drugs—there will be efforts to restrain the enormous explosion in cost of prescription medication.

But I would have to honestly say to my colleagues that there is every indication the prescription medication will continue to be a rapidly growing source of medical expenditures.

I take this occasion to commend Senator Roth, the chairman of the Finance Committee, for the legislation which he has, this week, outlined to the committee and to the American people. I think it is a very constructive contribution toward the goal of arriving at a prescription medication benefit that will serve the almost 40 million Americans who depend upon Medicare for their health care financing.

I suggest that if we had a more realistic allocation for the purpose of prescription medication, the proposal that Senator Roth made would be even more advantageous to Medicare beneficiaries. Thus, I hope this amendment will be adopted and will give us the basis for a continuing dialog and discussion, leading to a prescription medication benefit that will serve America's needs.

One of the things that Senator Roth has done in his proposal, which I think is especially significant, is to recognize that prescription drugs are a central part of a modern health care system.

Some other proposals, particularly those emanating from the other Chamber, have treated prescription drugs as if they were the red-headed third cousin at the family picnic —something that is still outside the main circle of appropriate health care.

The fact is, in modern medicine, prescription drugs are a centerpiece, particularly as we make what I think is the most significant reform in the 35-year history of Medicare, and that is to move it from a program which was exclusively acute care—one that would provide extensive and very effective medical services if you had a dramatic incidence, such as a disease or an accident, but had almost no orientation towards trying to keep you healthy through effective prevention measures —to me it is that movement from essentially a sickness plan to a wellness plan that is the most fundamental reform which Medicare must make now in its 35th year. And key to being able to do that is the inclusion of prescription medication.

Is this $40 billion that we are discussing an unrealistic number? Well, let me just give you these numbers. When we started this budget year, the assumption was that we would be dealing with a non-Social Security surplus, over the next 5 years, of $95 billion. We allocated $40 billion of that $95 billion to prescription drugs, or roughly 42 percent of the total non-Social Security surplus, for 5 years, was committed to this single purpose of financing a prescription drug benefit.

It is now estimated that when the next non-Social Security surplus, for 5 years, is calculated, it will be more in the range of $350 to $400 billion. We have had approximately a quadrupling of the non-Social Security surplus as a result of the strong economy from which we all so benefit.

Is it not appropriate, out of that additional $300 billion, to take another $40 billion and use it so that we can finance a prescription medication benefit at approximately the same level that private sector health care plans are financing prescription medication in terms of a percentage of total health care expenditures?

We are expending, this year, about $280 billion on Medicare. This benefit will add about $25 billion a year—half of which is the Federal component, half of which is the beneficiary's monthly payment. So we now will have a program with slightly over $300 billion. If we stay with that $25 billion number, we will have less than 10 percent of the total Medicare program to be in prescription drugs, while private health insurance for persons over 65 are spending 25 percent or more.

By adding this additional $40 billion, we will double that percentage to approximately 18 to 19 percent of total Medicare expenditures, which I think is the range that is going to be required in order to finance a reasonable, affordable, medically appropriate prescription medication benefit for America's older citizens.

Mr. President, I offer this amendment and urge its adoption.

The PRESIDING OFFICER. Who yields time in opposition?

Mr. ROTH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBB. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBB. Mr. President, I will speak for a minute—the time remaining allocated to the Senator from Florida—in support of his amendment.

The resources that were allocated to the Budget Committee were simply insufficient to deal with the problem of providing adequate prescription drug coverage under Medicare. This particular amendment will make it possible to provide adequate, affordable, available prescription drug coverage to our seniors. We cannot do it under the constraints of the current amendment.

The chairman of the Finance Committee has offered a good faith effort to try to resolve that problem but is constrained by taking away from Part A and Part B, causing beneficiaries to have to make a choice. They should not have to make that choice. They should not have to make the choice between food and medicine.

This will give us an opportunity to solve a problem that is long overdue. With the robust condition of the economy, we finally have an opportunity to do it. I urge my colleagues to vote in support of the amendment offered by the Senator from Florida.

I yield the floor.

The PRESIDING OFFICER. The Senator from Delaware has 7 minutes 3 seconds remaining.

Mr. ROTH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BURNS. Mr. President, I urge my colleagues on both sides of the aisle to support this amendment that would provide tax relief for farmers, ranchers, and other small business owners.

This amendment contains several provisions that are very popular among the Nation's farming and small business communities. Among those provisions is a bill I introduced in January along with over 40 of my Senate colleagues on both sides of the aisle. This bill, S. 2005, the Installment Tax Correction Act of 2000, would allow small businesses to pay the capital gains on the sale of their business over the term of the sale rather than in one lump sum at the time of the sale.

Without this provision, the sales of small businesses will be disrupted or scrapped altogether. Many sales of small businesses use the installment sales method. This amendment will allow small business owners the opportunity to defer over the period of payments the capital gains tax on the sale of their business. We're not talking about major corporations—rather, we are talking about small businesses that support a community.

This amendment will ensure that action is taken on this issue this year and also ensure that the present or future sales of small businesses are not adversely affected by this legislation.

This amendment also contains several other tax relief measures for our Nation's farmers and ranchers. The amendment will not only create savings for farmers but also encourage savings for farmers to be used for future.

The agricultural community is in a crisis. These are the men and women that produce our Nation's food products. It is important that we do all we can to help relieve these families of the burdens based on the unique fluctuations in agriculture. While a farmer may have a banner year, his next may be devastated by hail, disease or price.

Mr. President, I can tell you that prices for agricultural products have hit rock bottom and there is no sign of improvement.

I encourage my colleagues to support the small business owner by supporting this amendment.

Mr. ROTH. I yield the remainder of my time to the Senator from New Mexico.

Mr. DOMENICI. Mr. President, I am going to make a point of order very shortly. I think the Parliamentarian will agree that it will be granted unless a motion is made. They are going to have to have 60 votes to waive it. It is good on the part of the Senate to have such rules.

To give a little history, in the Budget Committee we were talking about $20 billion for Medicare over the next 5 years. My recollection is that the distinguished Senator from New Jersey, Mr. LAUTENBERG, offered an amendment and they took it all the way to $35 billion. A little while later in the process, with Senator WYDEN helping, a bipartisan approach was taken in the committee and we said $40 billion—$20 billion if you don't get any reform and $40 billion if you get some reform—in the first 5 years.

Everybody should know that the President asked for $31 billion. The budget resolution provides $20 billion plus $20 billion, which is $40 billion. And then, everybody should know that the President's proposal doesn't take effect for 3 years, until 2003. All of a sudden, when the year is about over, we have somebody proposing not to spend the $35 billion that Senator LAUTENBERG wanted, not the $40 billion that the bipartisan Senators did in a budget resolution, which everybody thought was a very wonderful idea—in fact, Senator SNOWE and Senator WYDEN led that in the committee, as I recall; is that correct, I ask Senator NICKLES?

Mr. NICKLES. Yes.

Mr. DOMENICI. It was their proposal. Now they say forget about all that; they want $80 billion. We want to rewrite a budget resolution in July of the year, instead of months ago when we were writing budget resolutions. All of a sudden, they want $80 billion set aside for Medicare and prescription drugs.

If ever a point of order was not only correct under the law, but, substantively speaking, right, so that we don't spend the whole Medicare fund and end up with more burdens on the fund than we can pay for, and have some prescription drug program that starts 3 years from now, it is now.

I feel very comfortable in saying to the Senate that you ought to stick with the Budget Act and the budget process. In the end, the seniors will be glad you did because their children will be protected. There will be a Medicare program around for an awful long time, and we will reform it in a way that can be sustained, that we can afford, and of which everybody will be proud.

If I have any time before I make the point of order, I yield it to Senator NICKLES.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I compliment the chairman of the Budget Committee. He is exactly right. The President's original proposal requested $15 billion. Then he came back and said $31 billion. The Budget Committee started at $20 billion and ended up at $40 billion. Now people are saying we need $80 billion. We don't know what the program is. We have no idea how much it costs. We have no idea if it is duplicating coverage already in the private sector. It makes no sense where a program is not going to be effective for 3 years. That may be good politics, but it is fiscally irresponsible. I join my colleague in his point of order.

The PRESIDING OFFICER. The time has expired.

Mr. DOMENICI. Mr. President, I make a point of order that this violates section 306 of the Budget Act because it tries to rewrite the budget resolution on a tax bill.

Mr. GRAHAM. Mr. President, pursuant to section 904 of the Congressional Budget Act of 1974, I move to waive the applicable section of the act for the consideration of the pending amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays are ordered, and the vote will be placed in the sequence.

Mr. GRAHAM. Mr. President, was the Senator from New Mexico speaking on the opposition's time on our amendment?

Mr. DOMENICI. I assume so.

The PRESIDING OFFICER. All time on the amendment has expired.

The Senator from Iowa is recognized.

AMENDMENT NO. 3834

(Purpose: To provide tax relief for farmers, and for other purposes)

Mr. GRASSLEY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Iowa [Mr. GRASSLEY], for himself, Mr. CRAIG, Mr. BURNS, Mr. LUGAR, Mr. BROWNBACK, and Mr. GRAMS, proposes an amendment numbered 3834.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. GRASSLEY. Mr. President, I yield myself 6 minutes. I want to reserve 4 minutes for other people who want to speak on my amendment.

Mr. President, the amendment I'm offering on behalf of myself and others will assist millions of farmers across the Nation. In the midst of one of the worst farming crises we've seen, in addition to the estate tax repeal, it seems to me we ought to be doing everything we can to help farmers survive.

The package of measures included in this tax relief amendment include the following:

FARRM accounts. These farmer savings accounts would allow farmers to contribute up to 20 percent of their income in an account, and deduct it in the same year. FARRM accounts would be a very important "risk management" tool that will help farmers put away money when there's actual income, so that, in the really bad times, there will be a safety net.

This measure has strong bipartisan support and was actually sent to the President last year as part of the Taxpayer Relief Act that the President vetoed.

Reversing the unfair IRS decisions on self-employment tax for farmers. Farmers who participate in the Conservation Reserve Program are unnecessarily struggling during tax season because of a recent case pushed by the IRS. The latest 6th Circuit Court's ruling treats CRP as farm income subject to the additional self employment tax rate of 15 percent. Senator BROWNBACK has taken the lead on fixing this problem. This unfair tax not only ignores the intent of Congress in creating the CRP, it discourages farmers from using environmentally pro-active measures. At a time when farmers are struggling to regain their footing economically and do the right thing environmentally, it's important that Congress support them by upholding its promise on CRP.

In addition, this amendment includes an effort I've been leading to reverse an IRS attempt to apply the self-employment tax on farmer's cash rental income.

A tax deduction for farmers to donate to food banks. Senator LUGAR has led the effort to expand the current program where companies can donate to food banks, so that farmers can donate surplus food directly to needy food banks. This will be a win for the farmers and a big win for people who depend on food bank assistance.

Income averaging for farmers who are caught in the alternative minimum tax. This was also part of last year's vetoed bill. When we passed income averaging for farmers a few years ago, we neglected to take into account the problem of running into the alternative minimum tax, which many farmers are facing now. Our amendment will fix this growing problem.

Expansion of first-time farmer loans, or Aggie bonds. Our amendment expands opportunities for beginning farmers who are in need of low interest rate loans for capital purchases of farmland and equipment. Current law permits state authorities to issue tax exempt bonds and to loan the proceeds from the sale of the bonds to beginning farmers and ranchers to finance the cost of acquring land, buildings and equipment used in a farm or ranch operation.

Unfortunately, Aggie bonds are subjected to a volume cap and must compete with big industrial projects for bond allocation. Aggie bonds share few similarities to industrial revenue bonds and should not be subjected to the volume cap established for IRBs. Insufficient allocation of funding due to the volume cap limits the effectiveness of this program. We can't stand by and allow the next generation of farmers to lose an opportunity to participate in farming because of competition with industry for reduced interest loan rates.

Repeal of the installment method for certain small businesses. Our amendment would repeal a law that was passed at the end of last year that's had a very negative effect on the small business community. Repeal of this draconian installment sales method is one of small business's biggest priorities.

Farmer co-op initiatives. Recently the IRS determined that some cooperatives should be exposed to a regular corporate tax due to the fact that they are using organic value-added practices rather than manufactured value-added practices. This is unfair, and needs to be fixed.

In addition, we want to allow small cooperative producers of ethanol to be able to receive the same tax benefits as large companies. Our amendment addresses these problems.

So, Mr. President, our amendment would do more for the American farmer regarding taxes than any measure in recent memory. I know others want to speak, so I would urge Members to strongly support this measure. It is an amendment that should have unanimous support.

I yield to the Senator from Minnesota 1⅕ minutes.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. GRAMS. Mr. President, current law provides for an income tax credit of 10 cents per gallon for up to 15 million gallons of annual ethanol production by a small ethanol producer. A small ethanol producer is one defined as having a production capacity of less than 30 million gallons per year. The credit was enacted as part of the Omnibus Budget Reconciliation Act of 1990 and championed by our former colleague, Senator Bob Dole. Unfortunately, the credit was enacted at a time when the growth and shape of the ethanol industry was still difficult to predict.

This situation has led to an unfortunate situation in my state and in other areas where farmer-owned cooperatives have been unable to access the credit due to the way in which the original legislation was drafted. The original legislation certainly envisioned these small, farmer-owned cooperatives as being eligible for the tax credit, but the realities of the tax code have made it impossible for them to do so.

There are currently 22 cooperative ethanol plants in the United States. Twelve of them are located in Minnesota. Eleven of these Minnesota cooperatives involve over 5,000 farmers and their families. Minnesota cooperatives are able to produce roughly 189 million gallons of ethanol per year.

My language would simply correct the provision of the law that shuts out these farmer-owned cooperatives from the complete benefit of the small ethanol producer tax credit.

I want to again stress that this language is consistent with the original intent of the 1990 law that created the small ethanol producer tax credit. Farmer-owned cooperatives were never intended to be excluded from receiving the benefits of the tax credit if they produce less than 30 million gallons and I believe it's time the Congress stepped in and clarified the law.

The ethanol industry in Minnesota and across the country is one we should promote. Ethanol is a crucial product for rural America, for our nation as a whole, and especially for Minnesota. I'd like to point out just a few of ethanol's impressive benefits—environmentally and economically. According to the Minnesota Corn Growers, ethanol production boosts nationwide employment by over 195,000 jobs. Ethanol improves our trade balance by $2 billion and adds $450 million to state tax receipts. It reduces emissions from gasoline use and therefore helps us clean up the environment.

According to the American Coalition for Ethanol, more than $3 billion has been invested in 43 ethanol facilities in 20 states. Those investments have directly created 40,000 jobs and more than $12.6 billion in increased income over the next five years.

Minnesota is now home to over a dozen operating ethanol plants with a capacity of over 200 million gallons annually. These plants mean new jobs with good wages and good benefits for people living in rural areas where these plants are built. According to a report by the Minnesota Legislative Auditor, those plants, and the resulting economic activity, are expected to create as many as 5,000 new, high-wage jobs—including jobs in production, construction, and support industries.

In addition to its positive economic impacts, ethanol production allows our nation to move away from our dependence on foreign energy sources. The United States Department of Agriculture estimates that for every gallon of ethanol produced domestically, we displace seven gallons of imported oil. Ethanol plays a role in increasing our national energy security by providing a stable, homegrown, renewable energy supply. Ethanol is estimated to reduce our demand for foreign oil by 98,000 barrels per day.

Those are just some of the reasons why I urge my colleagues to join Senator GRASSLEY and me in allowing small, farmer-owned cooperatives to enjoy the full benefits of the small ethanol producer tax credit.

I thank Senator GRASSLEY for including this provision, which I had planned to introduce separately, in his package of important tax relief for farmers. As one who has sponsored similar legislation providing tax relief for farmers, I strongly support his amendment and have asked to be a cosponsor. I appreciate the Senator from Iowa's efforts in support of our nation's farmers and all of rural America.

Mr. GRASSLEY. Mr. President, I yield 1⅕ minutes to Senator LUGAR.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, I rise in strong support of this amendment aimed at providing tax relief to America's farmers.

I want to highlight and share my strong enthusiasm for one provision contained as part of this amendment aimed at encouraging farmers, ranchers and other small businesses to donate food to hunger relief organizations. This language is taken from bipartisan legislation I introduced earlier this year—S. 2084, the Hunger Relief Tax Incentive Act.

Current law provides corporations with a special deduction for donations to food banks, but it excludes farmers, ranchers and restaurant owners from donating food under the same tax incentive. This language would address this inequity by extending the deduction to all business taxpayers and by increasing the deduction to the fair market value of the donation.

While recently visiting food banks in Indiana, I met a Hoosier apple farmer who donates several hundred bushels of apples annually, despite the lack of a tax deduction for his actions. Because of labor and transportation costs, it would have been more cost effective to throw the food away. This should not be the case. Our tax laws should reward charitable giving, not discourage it.

Citizens have moved off of welfare, but not out of poverty. A December 1999 study by the U.S. Conference of Mayors found that requests for emergency food assistance increased by an average of 18 percent in American cities over the previous year and that 21 percent of emergency food requests could not be met. I can personally attest to this increased need after recently visiting the Tri-State Food Bank in Evansville, Gleaners Food Bank in Indianapolis, and Community Harvest Food Bank in Ft. Wayne.

This language, which enjoys broad support in the Senate, would be an effective private sector approach to addressing hunger. It has the endorsement of several hunger relief, food, and agricultural organizations, including the American Farm Bureau, the National Farmers Union, the National Restaurant Association, America's Second Harvest Food Banks, and the Salvation Army.

I encourage my colleagues on both sides of the aisle to vote in support of this amendment that benefits our farmers and our food banks.

Mr. GRASSLEY. Mr. President, I reserve the remainder of my time.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KERREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERREY. Mr. President, I am here, along with Senator BAUCUS, as well as Senator DORGAN, Senator

BREAUX, and Senator ROBB, to talk about rescission of the estate tax that we think needs to be addressed. I believe the estate tax is unfair.

I worked with Senator KYL of Arizona to write a bill to eliminate the estate tax, along with a stepped-up basis for capital gains which I think is reasonable.

Unfortunately, there are two problems I have with the legislation. One is that I see many other provisions in the Tax Code that I also don't think are fair. I think the payroll tax is too high.

If you ask me what the No. 1 item is in terms of eliminating, I would like to see the payroll tax reduced. I think it is too high. It is a barrier to savings. It especially falls very hard on those Americans to whom we are trying to give the most opportunity. I would like to see full deductibility of health insurance.

There are a lot of things that I would like to see done. But I have to measure the cost of those against the budget itself to try to maintain the fiscal discipline we have had since 1993.

As a consequence, I think what Senator DASCHLE has proposed as an alternative is reasonable.

In addition to that, if we are going to help 2 percent of Americans, it is very important for us to pay attention and try to help the 98 percent of Americans who do not have any estate. Senator BAUCUS has a proposal that will do just that.

The proposal that I want to talk about a bit is a proposal called KidSave that will similarly help 98 percent of the population of American citizens who head toward old age and have no estate beyond $650,000 that can be taxed under any circumstances, which is rather shocking when you consider how easy it is to accumulate $650,000.

The proposal I have, and I have talked about it before—in fact, I worked with Republicans as well to refine and improve it—is called KidSave. It is based on a very simple mathematical certainty; that is, if you want to accumulate wealth, the most important variable is the length of time over which you save. KidSave opens an account, administered by the Social Security Administration, but very similar to what we have with the Thrift Savings Plan. It opens an account of $1,000 at birth. If you contribute $500 in the first 5 years, you have $3,500 at age 5; and over the next 55 years, that $3,500 is using compounding interest rates.

The investment strategy is similar to the Thrift Savings Plan. Members have not only invested in it ourselves, we have employees invested in it. We become very excited about what it can do for individuals. For example, the C Fund we have available, over the last 12 years, has averaged an 18-percent compounded rate of return. It is lower if you pick a bond fund, lower than that if you pick a Treasury bond fund. The idea it is unsafe is an idea that doesn't make any sense to our employees who operate and live under that program. It gives them a chance to have something when they head towards retirement that provides them with real security—and that is wealth.

Members will find, talking to people who are concerned about the estate tax, as I have—and I think the estate tax is unfair; you can't justify 55-percent taxation especially when you bring the stepped-up basis in—when we talk to people, it provides them with a sense of security. It is not Social Security, but the wealth that accumulates provides them with a sense of security.

I say to my colleagues on the other side of the aisle, I know the debate is not heading in that direction, unfortunately. We are basically going to have a series of amendments which will go to the President, and he will veto the darn thing and we have our political issues.

I say to my colleagues on the other side of the aisle who are concerned about the impact on 2 percent of the population, what Senator BAUCUS and Senator DORGAN and Senator BREAUX and myself are trying to say is, let's express simultaneously a concern for that 98 percent of American people who are working and have no prospect right now of accumulating an estate in excess of $650,000. It is not a gamble. It is a mathematical certainty. If these accounts are opened early enough and continued over a course of a working life, every single individual in America could head towards retirement knowing that they, too, are going to have a sufficient estate to pass on to their heirs. Not only is it respectable, but it will give them security, as well.

I understand there are concerns with KidSave. We worked with Republicans to try to improve it, try to make certain that it accommodates some ideological concerns. I am willing to continue doing that effort. If we are going to be concerned that 2 percent of the population would have to pay estate taxes on estates in excess of $650,000, I believe this Senate should be similarly concerned about 98 percent of the population that heads towards retirement in older age with estates that are under $650,000.

I yield the floor.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, might I make the point that the provision that the Senator from Nebraska is offering is part of S. 21, a bill that we introduced in the first session of the 106th Congress almost 2 years ago. It was a bill to reduce Social Security payroll taxes, provide KidSave, and provide for those who wish to take the option, a 2-percent thrift savings plan equivalent throughout their working years to provide wealth.

The Senator has a powerful idea. We have provided security in the course of a long century, beginning with workman's compensation, widows' pension, and then Social Security and Medicare and Medicaid. But we have never been able to provide a great portion of our population, that which distinguishes this Nation, with a measure of wealth, an estate. Not an estate which would be much affected by the underlying bill we are talking about today. Not many $4 million estates would be acquired in the process, but there would be a measure of wealth.

It would be the first American initiative in the area of social welfare. This starts right here in this Chamber, S. 21. The first 20 numbers are reserved for the majority and minority leaders; the first bill otherwise in this Senate is this provision. We have not got to it in committee, but we have a part here on the floor. I welcome it.

Mr. KERREY. Mr. President, I appreciate that. When I talk of the estate tax, understanding there could be genuine differences of opinion—and the distinguished Senator from New York likes the estate tax. I look at it and I think it is unfair. I hear people say it only affects 2 percent of the population. I say 2 percent are getting the shaft. We ought to still try to help them, whether they are wealthy or not. I don't like the tax.

What is more startling to me is 98 percent of the population do not have an estate over $650,000. Think about that, if $1,000 at birth, compounded at 10 percent, produces $650,000.

I am not arguing that will happen over 60 years, but if you look at the Thrift Savings Plan, it has compounded at 18 percent in the C fund over the last 12 years. It is a remarkable rate of return. It is absolutely certain. If we want to help the 98 percent that don't have estates over $650,000, it is absolutely a mathematical certainty that we can do it. One cannot wait until 55. One cannot wait until 65. One cannot wait even until 45. Start early. The earliest possible moment is at birth. Open these accounts at birth and contribute early.

One objection I heard on the other side is it ought to be an "earned" entitlement. We worked with heritage to make it earned entitlement. I am willing to do that. If you understand compounding interest rates, and if you are startled not by the fact that only 2 percent have estates over $650,000 but that 98 percent haven't reached $650,000—that is a startling number; it is not good. Inside of a liberal democracy in a free market system such as ours, it is not good because we have the rich getting richer and the poor getting poorer. Not because the rich are doing anything bad. I am not saying they are at fault.

What is happening relative to the wealth being generated in America, people without wealth are getting poorer. Raising the minimum wage and expanding the EATC—both of which I favor—do not address the problem of wealth. That is income. In order to address wealth, we have to do it in a different fashion.

I hope during this estate tax debate we not only notice that only 2 percent have estates over $650,000, but 98 percent don't, and we begin in an urgent and serious fashion to address that problem.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. I yield 30 seconds to the Senator from Kansas for speaking on his portion of my amendment.

Mr. BROWNBACK. Mr. President, I thank my colleague from Iowa for recognizing me for this portion of the bill. The portion of the bill I have is a bill that I, along with Senator DASCHLE, have introduced, with 32 other cosponsors, called the Conservation Reserve Program Tax Fairness Act. What it would do is keep conservation reserve program payments from being subject to self-employment tax.

Unfortunately, a circuit court in this country determined that these CRP payments are subject to that. This removes that. That is in the bill. That is why I support my colleague from Iowa and urge my colleagues to support this amendment.

Mr. GRASSLEY. Mr. President, I yield myself a final 30 seconds to ask unanimous consent to have printed in the RECORD a letter in support of the amendment from the American Farm Bureau Federation.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN FARM BUREAU FEDERATION,
*Washington, DC. July 13, 2000.*

Hon. CHARLES E. GRASSLEY,
*U.S. Senate, Washington, DC.*

DEAR SENATOR GRASSLEY: Farm Bureau supports a proposed amendment to add several key agricultural tax provisions to H.R. 8, the Death Tax Elimination Act of 2000. Included in this amendment is the creation of Farm and Ranch Risk Management Accounts (FARRM accounts), repeal of self-employment taxes on farmland rental, and clarification that farm income averaging does not trigger the Alternative Minimum Tax (AMT).

Using a FARRM Account, producers would be able to save up to 20 percent of net farm income in a tax-deferred account where the funds could be held in reserve for up to five years for financial emergencies. Unpredictable weather and uncontrollable markets impact supply and demand making farm income difficult to predict. Serious financial problems can arise when agricultural producers are unable to cover expenses with current income. Farmers and ranchers need financial management tools that encourage savings as a means of stabilizing their incomes.

Recent Internal Revenue Service (IRS) activities have wrongly broadened the application of the self-employment tax. Until 1996, farmers and ranchers paid the 15.3 percent self-employment tax on income from labor and employment as intended by Congress. In that year, a tax court case expanded the tax to include income from the cash rental of farmland. This was done even though the tax code does not generally require non-agricultural property owners to pay self-employment tax on cash rental receipts.

Congress enacted three-year averaging for farm and ranch income in 1997 to protect agriculture producers from excessively high tax rates in profitable year. The intended benefits of income averaging, however, are being eroded by the imposition of the Alternative Minimum Tax (AMT) which limits tax savings for farmers and ranchers. Producers most at risk, those whose incomes vary greatly from year to year, are hurt most by AMT-imposed limits on farm and ranch income averaging.

Farm Bureau urges your support for the agricultural tax amendment to H.R. 8. Thank you for your consideration.

BOB STALLMAN,
*President.*

Mr. GRASSLEY. Mr. President, No. 2, I remind people the farmer savings accounts give the farmers an opportunity to level out years of high income versus years of low income. Very seldom, because of nature, can the farmers control their productivity to any great extent, so they have these peaks and valleys. This gives the family farmer an opportunity to manage his income to a greater extent.

I yield the floor.

### AMENDMENT NO. 3835

(Purpose: To amend the Internal Revenue Code of 1986 to increase the unified credit exemption and the qualified family-owned business interest deduction, to provide a refundable credit to certain individuals for elective deferrals and IRA contributions, and to provide an incentive to small business to establish and maintain qualified pension plans, to amend the Social Security Act to provide each American child with a KidSave Account, and for other purposes)

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Montana [Mr. BAUCUS], for himself, Mr. KERREY, Mr. DORGAN, and Mr. ROBB, proposes an amendment numbered 3835.

Mr. BAUCUS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. BAUCUS. Mr. President, this is an amendment to help people who are not now putting aside money for their retirement. It is combined with measures previously addressed by the Senator from Nebraska, Mr. KERREY, with respect to KidSave. It is a combined amendment along with the Democratic estate tax alternative. So, like other Democratic amendments, this replaces the estate tax provisions in the House bill with the estate tax relief in the Democratic alternative.

As I said before, there are two reasons we have our Democratic alternative. One, it provides more relief more quickly to the folks who really need it; that is, our family businesses, small businesses, ranchers and farmers; and the second part of the basic Democratic alternative amendment is it puts the $40 billion that is saved, compared with the House-passed bill, to better use. Instead of providing further estate tax relief for the few individuals who, by any measure, are very well off—that is, the top portion of the 2 percent—we decided to encourage middle-class families to do more to provide for their own retirement.

We give every child a stake in the American dream. Senator KERREY mentioned the phenomenon of compounding interest. The rule of thumb is that, if you earn 7 percent interest, your money will double every 10 years, at 10 percent interest, your money doubles every 7 years. You can imagine the magic of compounding over a child's lifetime. Senator KERREY has eloquently described that portion of the amendment.

I will explain the portion that is the incentive for retirement saving. Why do we need an incentive? Let me start by pointing out that Social Security is the primary source of income for two-thirds of elderly Americans. We have to stop and think about that just a second. Social Security is the primary source of income for two-thirds of elderly Americans. That is, they do not have other sources of income that amount to very much. In fact, it is the only source of income for about 16 percent of the elderly. For 16 percent, it is the only source.

Those of us who offer this amendment believe, of course, we must protect Social Security. I think everyone in this Chamber agrees with that statement. But I also believe that is not enough. We must complement Social Security by helping people set additional savings aside because Social Security is not enough. Otherwise, there are far too many Americans who will spend their retirement years just one step away from poverty.

So our goal is to increase pension savings, retirement savings, in addition to the Social Security program. That is partly because America is not a nation of savers. We have seen all the statistics. Personal savings rates have continually declined in this country. One-half of all Americans have less than $10,000 set aside for retirement. Let me repeat that. One-half of all Americans have less than $10.000 set aside for retirement. Obviously, we need more.

Part of the solution is pension and IRA reform. Senator ROTH of Delaware has done wonderful work helping this Nation develop better IRA programs. In fact, we have an IRA program named after him, the ROTH IRA. And I have worked with Senators GRAHAM and GRASSLEY on reform for employer-sponsored pension plans. But pension and IRA reform are not the complete solution. After all, pension reform encourages people who are already saving to save a little more. We also need to give people who are not saving anything now—middle- and lower-income people, an incentive to save as well. That is people who are working hard, playing by the rules, but still struggling to make ends meet—which is most Americans, if truth were known—those folks with less than $10,000 set aside for retirement.

That is what our retirement savings amendment would do. It would help in two separate ways: First, it provides a refundable tax credit to match the savings of middle-income workers and spouses. It phases out once the income gets higher, but it is focused on lower and middle income—and I mean middle income, because it phases out with incomes about $75,000. Second, we provide tax incentives to encourage small business owners to start new pension plans for themselves and their employees.

My State of Montana is a small business State. About 20 percent of employees have access to pension plans because it is very hard for a small business person to set up a pension plan. If you stop and think about it, when a person sets up his business or her business, that first day that business owner must meet a payroll tax, and it is big. It may take a while before the business starts making money, and even then, there is only so much money to go around. So the business owner has to prioritize. And most lower income workers are much more interested in getting health care coverage or other benefits than they are in a pension plan. Our amendment provides an incentive to help make it a good business decision for that small business person to offer a pension plan to his or her employees.

I believe this amendment gets our priorities pretty right. In estate tax reform, it provides dramatic tax relief for 90 percent of the farmers and ranchers who are hit by an estate tax; three-quarters of family-held businesses who are otherwise paying estate tax, and about two-thirds of people overall who now pay tax. At the same time, it sets aside $40 billion to give incentives to small businessmen to start pension plans, and help them and their employees keep their pension plan going. It will help millions of Americans, particularly middle-income Americans, increase their wealth so they can have their stake in the economy and encourage them to save for retirement to supplement Social Security.

Mr. President, I reserve the remainder of my time. Senator KERREY spoke earlier on the KidSave portion of this amendment.

I don't see anyone else wishing to speak, so I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BENNETT). Without objection, the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH. Mr. President, I will be very brief in my comment on this amendment. This amendment has the same fundamental defect that the other Democratic amendments have. It is built on the Democratic alternative to the House death tax repeal bill. For that reason, I must oppose the amendment, as the Democratic alternative fails to achieve the termination of the death tax.

Second, I want to raise a procedural point. While I agree and support the concept of encouraging savings, I regret that this amendment would cause the Finance Committee to violate its outlay allocation under the budget resolution. As a result, I raise a section 302(f) point of order against this amendment.

The PRESIDING OFFICER. Does the Senator from Delaware yield at this time?

Mr. ROTH. I yield the remainder of my time.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I move to waive the Budget Act.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time having been yielded back, the vote will occur in the sequence in which it has been stacked.

The Senator from Minnesota.

### AMENDMENT NO. 3836

Mr. GRAMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Minnesota [Mr. GRAMS], for himself and Mr. ABRAHAM, proposes an amendment numbered 3836.

Mr. GRAMS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To repeal the increase in tax on Social Security benefits)

At the end of the bill, add the following:

## TITLE VI—MISCELLANEOUS PROVISIONS

### SEC. 601. REPEAL OF INCREASE IN TAX ON SOCIAL SECURITY BENEFITS.

(a) REPEAL OF INCREASE IN TAX ON SOCIAL SECURITY BENEFITS.—

(1) IN GENERAL.—Paragraph (2) of section 86(a) (relating to social security and tier 1 railroad retirement benefits) is amended by adding at the end the following new flush sentence:

"This paragraph shall not apply to any taxable year beginning after December 31, 2000."

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to taxable years beginning after December 31, 2000.

(b) REVENUE OFFSET.—The Secretary of the Treasury shall transfer, for each fiscal year, from the general fund in the Treasury to the Federal Hospital Insurance Trust Fund established under section 1817 of the Social Security Act (42 U.S.C. 1395i) an amount equal to the decrease in revenues to the Treasury for such fiscal year by reason of the amendment made by this section.

Mr. GRAMS. Mr. President, this is a very simple amendment. The amendment repeals the 1993 tax increase that was imposed as part of the Clinton tax package in 1993, but this was an additional increase in taxes on seniors' Social Security benefits. While we should repeal all of the taxes on seniors' Social Security benefits, as it was when Social Security began, as I have proposed in my legislation, S. 488, I believe this amendment is at least a move in the right direction, and that is to restore some fairness for our senior citizens.

This amendment, as I said, repeals completely President Clinton's 1993 tax increase on seniors' Social Security benefits. The repeal does not affect Medicare because the revenue loss is offset by the non-Social Security surplus. We are holding the Medicare trust fund harmless while correcting what I believe, and I think the majority in Congress believe, is the injustice of the 1993 tax increase on Social Security benefits for our senior citizens.

There are many compelling reasons to repeal this unfair tax increase. When Congress established the Social Security program, the benefits that were then paid to senior citizens were exempt from all Federal income tax. In fact, Social Security benefits were not taxed at all by the Federal Government for nearly half a century. However, when Social Security encountered a financial crisis in the early 1980s, Congress began taxing the benefits. Half—50 percent—of Social Security benefits were subjected to taxation if a single senior citizen earned an annual income of over $25,000 a year and where a couple earned more than $32,000 a year. With the couples and the singles, this is almost a marriage penalty on senior citizens in their retirement benefits.

In 1993, when President Clinton needed even more money to fund his new spending programs, he increased the taxable portion of Social Security benefits from the 50-percent level to 85 percent of income for our seniors. These tax increases have been an unfair tax burden on a number of our senior citizens. In fact, 25 percent of our retirees are affected by this provision.

I believe taxation on Social Security benefits is wrong and it is unfair because Social Security benefits are already earned benefits for senior citizens. By that I mean that Federal income tax has already been paid on Social Security contributions. I do not know if a lot of people realize this, but before they take Social Security out of your check, the Government taxes it. So for your whole life, all of your Social Security earnings have already been taxed before the Government takes it and puts it into the system. What they are saying now is they want to tax you again as you bring it out not at 50 percent, but as high as 85 percent for up to 25 percent of our seniors. This is a very unfair tax. Yet the Government is now taxing them again on the benefits they are collecting. Clearly, taxing Social Security benefits is a double taxation.

Millions of senior citizens planned for their retirement based on the expectation that their benefits would not be taxed. As the tax rate continues to grow and health care costs are also increasing, the income of more and more senior citizens is falling along with their standard of living.

Social Security has become the primary source of retirement income for most Americans, and as I said, as the health care costs go up and the Government is taking more money from them in taxes, it leaves them less to pay for health care and to pay for prescription drugs if they need it. It all, again, goes back because the Government wants a bigger part of their income.

Six out of 10 recipients today get more than half of their income from Social Security. For some families, Social Security benefits are the only source of their retirement income, and research shows American seniors will depend even more on just Social Security income in the future. That is because a lot of our citizens today do not have money left at the end of the month to put into a savings account for their retirement. They are left with only one choice, and that is Social Security. Again, they have less left at the end of the month to put into a savings account because Government taxes are going up. In fact, they are 15 times higher on a household today than they were at the turn of the century in 1900.

Although Social Security has helped many American seniors, the income that is derived from Social Security is often insufficient to maintain a decent retirement today. For example, 1995 data shows that male retirees received on average $810 a month in benefits. Women received only $621 a month from Social Security. I repeat, data from 1995 shows on average $810 a month for men when they retire, and only $621 on average for women when they retire.

In fact, Social Security benefits are paltry, which is one reason why the poverty rate among widows is nearly 20 percent, two times greater the rate than widowers, and poverty rates are higher among retired minority women. Twenty-nine percent of African American women and 28 percent of Hispanic women retire into poverty.

I believe it is unconscionable for Washington to tax Americans' Social Security retirement benefits.

In addition, over the past 15 years, goods purchased by seniors have increased 6 percentage points more than goods purchased by the general public. Again, their dollars are not stretching as far as they used to stretch. Their medical costs skyrocketed by 156 percent, and they have less of their retirement benefits because the Government is taxing more.

My concern is as inflation on medical and pharmaceutical goods continues to rise, without repeal of this unfair tax increase, older Americans' hard-earned Social Security benefits will be worth less and less, and that means their purchasing power will continue to diminish and so will their standard of living.

This tax hurts seniors who choose to work or must work after retirement in order to maintain their standard of living or to pay for health insurance premiums, medical care, prescriptions, and many other expenses.

This tax increase is nothing but a reduction in seniors' benefits that Washington has promised. Unlike welfare where need determines the level of benefits, Social Security is an earned right for our seniors. Taxing their benefits—again, double taxation—is simply an indirect means test on those benefits.

I bet millions of American seniors would agree with me. In fact, repeal of the 1993 tax increase has strong support in the Congress. It was part of the Republican Contract With America and was approved by the House as part of the omnibus reconciliation bill in 1995. In the 106th Congress, 14 bills have been introduced calling for the repeal of this unjust increase in taxation. Some will argue that Medicare will be hurt through this amendment, but, in fact, Medicare funding will be left untouched. Social Security tax dollars going to Medicare will be supplanted by general revenue funds. I believe all of us recognize the need to preserve the integrity of the Medicare program. Therefore, I have ensured through this amendment that it will not harm Medicare.

Many seniors across the country strongly support the repeal of this unfair tax increase. Seniors' organizations such as United Seniors and the Council for Government Reform strongly favor its repeal. The National Committee to Preserve Social Security and Medicare has also stated that it favors the repeal of this 1993 tax increase that was imposed by President Clinton on our senior citizens.

The American Association of Retired Persons originally opposed the 1993 tax increase and has not changed its position. In this era of budget surplus, there is absolutely no reason at all for the Government to continue taxing our seniors' retirement income in order for the Government to subsidize excessive spending from Washington.

I believe seniors deserve tax relief so they can keep a little more of their own money in their pockets, again, so they can help pay for their own medical bills, their prescriptions, and other expenses.

I urge my colleagues to support this amendment.

Mr. President, I yield the floor and reserve the remainder of my time.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 48 seconds.

Mr. GRAMS. Mr. President, I reserve the remainder of my time.

Mr. KYL. Mr. President, I thank my colleague from Minnesota for offering this amendment.

This has been a long time in coming. Just about 7 years ago, on August 6, 1993, the Vice President cast the deciding vote in this Chamber to raise taxes on Social Security benefits. That same day, in the House of Representatives, I introduced legislation to roll back that Clinton-Gore tax hike for seniors. I was proud to have my colleague from Minnesota as a cosponsor of that bill, and I am pleased to offer my support for his amendment today.

Millions of Americans depend on Social Security as a critical part of their retirement income. Having paid into the program throughout their working lives, older Americans plan their retirement budgets very carefully assuming that expected benefits will be there.

The 1993 Clinton-Gore Social Security tax hike upset the carefully laid plans of millions of retirees by subjecting to federal taxation 85% of the benefits earned by seniors above $34,000—or $44,000 for a couple. For affected seniors, this constituted an increase of as much as 70 percent in the marginal tax rate.

The result is that seniors who had planned to continue building their nest eggs after retirement found themselves facing an overwhelming disincentive to continue earning.

This is not just counterproductive—it is blatantly unfair. Younger investors face no such disincentives to save and invest. And yet investment income is much more important to seniors than it is younger citizens. Sixty percent of seniors' income is derived from their investments.

It is simply not credible to dismiss the millions of Americans who must pay this unfair tax hike as "the rich." Last year, 4.6 million American households had to pay more in taxes than they would have had the Clinton-Gore increase not been in effect. That is more than a quarter of all households that include at least one Social Security beneficiary.

Earlier this year, we came together on a bipartisan basis to repeal the Social Security earnings limit. At that time, I wondered if the unanimous vote to put an end to that relic of the Depression Era indicated a new willingness to remove the barriers that discourage older Americans from supplementing government assistance with self-help.

Our vote on the Grams amendment will demonstrate which Members of this body are prepared to follow through on that principle. I certainly hope that this vote will be just as overwhelming as the vote on the earnings limit.

The PRESIDING OFFICER. Who yields time?

The Senator from Nevada.

Mr. REID. Mr. President, as soon as the time expires on the majority side, we will yield back the remainder of our time. The respective Cloakrooms have hotlined all Senators. I ask unanimous consent that the vote start when the time is yielded back rather than at 6:30.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Does the Senator from Minnesota yield back the remainder of his time?

Mr. GRAMS. Mr. President, I reiterate this is an unfair tax. This is double taxation on senior citizens, raising it from 50 to 85 percent on their income, and at a time when we are talking about seniors needing additional dollars to help pay their medical bills, and especially to help them meet their prescription drug bills. So I think this would be one way to enable our seniors to have a little more say in their income and be able to provide for themselves a little better.

I urge my colleagues to support this amendment to repeal the President's 1993 tax on Social Security earnings for our retired Americans.

I yield back the remainder of our time.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I simply point out that this amendment would move us backward in our efforts to produce a stable and continuous Social Security and Medicare systems.

In 1993, I was chairman of the Finance Committee. We expanded provisions with respect to the normal taxation of benefits received from Social Security, just as all other pension benefits, are taxed, which is to say, taxes on that part which is not taxed as employee income at the time the contribution is made. This obviously only affects persons with substantial income who are subject to the income tax. I think a quarter of Social Security recipients will pay no tax of any kind, they having low incomes generally and are below the income tax thresholds.

We did this as part of a general program to secure the Social Security system for the next 75 years. We have not completed this work. We have to adjust the Consumer Price Index. We have to bring in State and local employees, almost a quarter of whom pay no Social Security tax on their regular job but pick up Social Security on the side and get a much higher return than the persons who pay through their regular employee.

The exemption for State and local employees is an anachronism that we inherited from 1935 when it was not clear that the Federal Government could tax a State government, and the issue was just not joined. It is now clear. Most State governments do it; some do not.

There are another few corrections that could be made. And then we have an actuarially sound program for 75 years. To go back now on this one step we have made is to go back to a prospect that in 15 years' time the Social Security system will not be bringing in the amount of revenues it needs to pay benefits and we will start drawing out of general revenues, and very quickly the insurance system will cease to be that, it will be a transfer of payments subject to all of the difficulties we have seen with such payments. And we will do the same to the solvency of Medicare as this change would accelerate the date of the Medicare Hospital Insurance Trust Fund from 2025 to 2020.

I remind the distinguished Presiding Officer that the one change we have seriously made in the Social Security system in this decade is to abolish the provision for children, title IV-A, which was a direct transfer.

I hope we do not accept this amendment.

Mr. President, I yield the floor.

Mr. GRAMS. Mr. President, I ask unanimous consent that I have at least 30 seconds to respond.

Mr. REID. I object.

Mr. GRAMS. I thought all time had been yielded back.

Mr. DASCHLE. Mr. President, I ask unanimous consent the Senator be recognized for 30 seconds.

The PRESIDING OFFICER. Is there objection?

Without objection, the Senator is recognized for 30 seconds.

Mr. GRAMS. Mr. President, all I want to say is that if it is justifiable to increase taxes on our senior citizens to help supplement the Social Security system, it would be like increasing taxes on our farmers so we could give them a better farm bill. It would be like taking more taxes from the farmers so we can give them more back in the farm program. It is saying: Let's tax our seniors at a higher rate—which is unfair—so we can give them more back to stabilize the Social Security system. It is a basic double taxation.

I urge my colleagues to support the amendment.

Mr. MOYNIHAN. Mr. President, I say to the Senator, this is not, sir, double taxation. This is the normal taxation of retirement benefits.

The PRESIDING OFFICER. Does the Senator yield back all his time?

Mr. MOYNIHAN. I yield back.

### AMENDMENT NO. 3828

The PRESIDING OFFICER. All time having been yielded back, under the previous order, the Senate will now address the Bingaman amendment No. 3828. The question is on agreeing to the motion to waive the Budget Act.

There are 2 minutes equally divided. Who yields time?

Is all time to be yielded back?

Mr. REID. All time has been yielded back on all these amendments.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the motion to waive the Budget Act. The yeas and nays have been ordered. The clerk will call the roll.

The yeas and nays resulted—yeas 47, nays 53, as follows:

[Rollcall Vote No. 184 Leg.]

YEAS—47

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Bryan
Byrd
Chafee, L.
Cleland
Conrad
Daschle
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Specter
Torricelli
Wellstone
Wyden

NAYS—53

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Cochran
Collins
Coverdell
Craig
Crapo
DeWine
Domenici
Enzi
Fitzgerald
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Jeffords
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

The PRESIDING OFFICER. On this vote, the yeas are 47, the nays are 53. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected. The point of order is sustained and the amendment falls.

### AMENDMENT NO. 3829

The PRESIDING OFFICER. Under the previous order, we now deal with the Roth amendment numbered 3829 with 2 minutes equally divided.

Who yields time?

Mr. ROTH. Mr. President, I will be very brief in the interest of saving time.

My amendment will eliminate the telephone tax. I think this has broad bipartisan support.

I urge everyone to comport with the amendment.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, this amendment has bipartisan support. I wonder if we can have a voice vote on it.

The PRESIDING OFFICER. The yeas and nays have not been ordered.

Mr. ROTH. We ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the amendment. The clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 97, nays 3, as follows:

[Rollcall Vote No. 185 Leg.]

YEAS—97

Abraham
Akaka
Allard
Ashcroft
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bryan
Bunning
Burns
Byrd
Campbell
Chafee, L.
Cleland
Cochran
Collins
Conrad
Coverdell
Craig
Crapo
Daschle
DeWine
Dodd
Domenici
Dorgan
Durbin
Edwards
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Harkin
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kennedy
Kerrey
Kerry
Kohl
Kyl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
Mack
McCain
McConnell
Mikulski
Moynihan
Murkowski
Murray
Nickles
Reed
Reid
Robb
Roberts
Rockefeller
Roth
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Torricelli
Warner
Wellstone
Wyden

NAYS—3

Graham
Hollings
Voinovich

The amendment (No. 3829) was agreed to.

Mr. ROTH. Mr. President, I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3824

The PRESIDING OFFICER. The question now is on the motion to waive the Budget Act with respect to the Graham amendment, No. 3824. The yeas and nays have been ordered.

There is 2 minutes of debate equally divided. Who yields time?

Mr. GRAHAM. Mr. President, when we adopted the budget resolution, we allocated $40 billion over 5 years to finance a prescription medication benefit. Two things have happened since then, and a third is about to happen.

The first thing that happened is we have recognized that $40 billion over 5, which is actually over 3 years that the prescription benefit will be available, would result in a prescription medication benefit that would be less than a third of the prescription medication benefit which most health insurance programs for over-65-year-olds provide. So we are about to propose going in with a grossly deficient prescription medication benefit if we restrict ourselves to the $40 billion.

The second thing that happened is we have new revenue estimates which have quadrupled the amount of surplus we are going to have.

The third thing is we have just made a series of decisions already tonight, which will be confirmed by final passage, to spend some $100 billion over 5 years for tax cuts, from the estate tax to the R&D tax to the phone tax cut we just passed, and if we pass the Social Security cut of Senator GRAMS.

How can we go home and say we can pass $100 billion over 5 years in these tax cuts but cannot add $40 billion which will allow us to finance a decent prescription benefit for 40 million American elderly?

The PRESIDING OFFICER (Mr. SESSIONS). The time of the Senator has expired. Who yields time? The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I have raised the point of order on this amendment. Let me just recap for you.

Not too many months ago, we produced a budget resolution. There was debate in committee. We started at $20 billion as a good starting point to reform Medicare and provide some prescription drugs. Just to show the sequence, the ranking member, Senator LAUTENBERG, thought we ought to have $35 billion. Before we finished, a bipartisan solution was crafted by the distinguished Senator from Maine, as I recall, and the distinguished Senator from Oregon. It was heralded as the solution. It was $20 billion to reform, $20 billion for prescriptions. Everybody said, "Good."

That is in effect. When somebody comes to the floor tonight, with a few days left in the session, and wants to rewrite the budget and change that to $80 billion, I say the seniors know we just cannot continue to have this kind of bidding. We will bankrupt Medicare ultimately and we will not get the kind of reform we need and we will be holding out to them a bankrupt system, but we got prescription drugs. Incidentally, the President thought we could do it with $31 billion, and he would not start it for 3 full years. How do you like that?

All of a sudden, we have the solution to all the problems, and the solution is, not $20 billion, not $35 billion that Senator LAUTENBERG wanted, not even $40 billion. It is $80 billion.

The point of order is real substance in this case. Seniors know we should not be doing this because of their future and the children's future. We should not be trying to raise the ante on the floor.

The PRESIDING OFFICER. The time of the Senator has expired. The question is on agreeing to the motion. The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from New Jersey (Mr. TORRICELLI) is necessarily absent.

The yeas and nays resulted—yeas 46, nays 53, as follows:

[Rollcall Vote No. 186 Leg.]

YEAS—46

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Bryan
Byrd
Chafee, L.
Conrad
Daschle
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Jeffords
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Snowe
Wellstone
Wyden

NAYS—53

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Cleland
Cochran
Collins
Coverdell
Craig
Crapo
DeWine
Domenici
Enzi
Fitzgerald
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Specter
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

NOT VOTING—1

Torricelli

The PRESIDING OFFICER. On this vote, the yeas are 46, the nays are 53. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected. The point of order is sustained and the amendment falls.

AMENDMENT NO. 3834

The PRESIDING OFFICER. The question occurs on amendment No. 3834. There are 2 minutes for debate. Who seeks time?

The Senator from Iowa.

Mr. GRASSLEY. Mr. President, with this amendment we are making very certain that farmers are a high priority with this bill and with this body.

This amendment is a major package of tax benefits for farmers: No. 1, the farmers savings account; No. 2, fixing a number of misguided IRS decisions that are very detrimental to farming and not within the intent of Congress; No. 3, repealing the draconian installment sales provision which is a No. 1 provision that small business seeks;

No. 4, to increase bonding for beginning farmers.

I thank Senators ROTH, ROBERTS, BROWNBACK, LUGAR, and GRAMS for their contributions. I urge its adoption.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, is the Senator from Iowa going to require a recorded vote on this?

Mr. GRASSLEY. No.

Mr. REID. Mr. President, while everybody is here, we can finish quickly tonight if everybody adheres to the 10 minutes. The votes are running over 10 minutes considerably. I hope we can all vote on time and move this bill along a little more quickly.

The PRESIDING OFFICER. The Senator is correct. It will move faster.

If there is no further debate, the question is on agreeing to amendment No. 3834.

The amendment (No. 3834) was agreed to.

AMENDMENT NO. 3835

The PRESIDING OFFICER. The question is on the adoption of the motion to waive the Budget Act with regard to the Baucus amendment No. 3835. There are 2 minutes for debate.

Who seeks time?

The Senator from Montana.

Mr. BAUCUS. Mr. President, this is a good amendment which includes the best two-thirds of the estate tax relief in the House bill, which is the bill promoted by the majority side. It combines this estate tax relief with important incentives for middle-income persons to save for their retirement. Retirement security is known as a stool with three legs—Social Security, employer-sponsored pension plans and personal savings. This amendment goes a long way toward strengthening those last two legs for middle and lower-income America. By giving a tax credit to those under $75,000 in income to encourage them to save for retirement, and tax credits to small businesspeople who set up new plans for their workers, we can truly help average Americans save for the future.

The PRESIDING OFFICER. The Senator's 1 minute has expired.

The Senator from Delaware.

Mr. ROTH. Mr. President, this amendment includes the Democratic substitute that fails to sunset the death tax. Moreover, the amendment includes two additional provisions which cause the Finance Committee to exceed its 301 spending allocation.

I urge a "no" vote on waiving the point of order.

The PRESIDING OFFICER. The question is on agreeing to the motion to waive the Budget Act. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from New Jersey (Mr. TORRICELLI) is necessarily absent.

The yeas and nays resulted—yeas 44, nays 55, as follows:

[Rollcall Vote No. 187 Leg.]

YEAS—44

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Bryan
Chafee, L.
Cleland
Conrad
Daschle
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Wellstone
Wyden

NAYS—55

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Bunning
Burns
Byrd
Campbell
Cochran
Collins
Coverdell
Craig
Crapo
DeWine
Domenici
Enzi
Fitzgerald
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Jeffords
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

NOT VOTING—1

Torricelli

The PRESIDING OFFICER. On this vote, the yeas are 44, the nays are 55.

Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected. The point of order is sustained and the amendment falls.

AMENDMENT NO. 3836

The PRESIDING OFFICER. The question now is on the Grams amendment No. 3836. There will be 2 minutes equally divided.

Who seeks recognition?

Mr. GRAMS. Mr. President, this is a very simple amendment. It asks for the repeal of the 1993 tax increase that was placed on Social Security benefits. By the way, that does not affect Medicare because we have provided offsets to do that in this amendment.

For the first 50 years of Social Security, there was no Federal tax on the benefits our seniors received from Social Security. You were taxed on those benefits before it was taken out of your check and not when you received the benefits. But in the 1980s, they put on a tax and exposed 50 percent of the benefits. Then in 1993, under President Clinton's tax increase plan, it increased to 85 percent. Social Security is taxed before being taken from your checks. Now it is taxed up to 85 percent when you receive the benefits. That is double dipping, and, at a time when health care costs are going up and we are debating prescription drug benefits, we need to leave more dollars in our seniors' pockets.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. MOYNIHAN. Mr. President, I repeat, sir, that the 1993 measure was part of a long-range effort to restore actuarial balance to the Social Security and Medicare systems. It treats Social Security income, retirement income, as all other retirement income is treated. That part for which taxes have been paid is exempted. The rest is taxed normally for others. Low-income beneficiaries of Social Security would pay no tax. This money goes into the Medicare trust fund and is part of the long-term solvency we seek.

I thank the Chair.

Mr. DASCHLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DASCHLE. Mr. President, we can proceed to the vote now.

The PRESIDING OFFICER. The question is on agreeing to the Grams amendment No. 3836. The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from New Jersey (Mr. TORRICELLI) is necessarily absent.

The PRESIDING OFFICER (Mr. HUTCHINSON). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 58, nays 41, as follows:

[Rollcall Vote No. 188 Leg.]

YEAS—58

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Chafee, L.
Cochran
Collins
Conrad
Coverdell
Craig
Crapo
DeWine
Domenici
Dorgan
Enzi
Feinstein
Fitzgerald
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Jeffords
Johnson
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NAYS—41

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Bryan
Byrd
Cleland
Daschle
Dodd
Durbin
Edwards
Feingold
Graham
Harkin
Hollings
Inouye
Kennedy
Kerrey

Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Voinovich
Wellstone
Wyden

NOT VOTING—1

Torricelli

The amendment (No. 3836) was agreed to.

Mr. LOTT. I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LOTT. Mr. President, I know Senators are anxious to get an agreement on how we proceed at this point. Once again, I thank the Democratic leader for his work with us as we develop these unanimous consents. It is next to impossible to accommodate every Senator's wishes. My goal is to try to find a way to get this work completed in as reasonable a time as possible. I think this will help us get that done.

With regard to the legislation before the Senate, I ask consent that the time between now and 10 p.m. be equally divided in the usual form between the two leaders, and the following amendments be debated for up to 10 minutes, equally divided, in the following order: the Kerry amendment regarding housing; Santorum regarding community renewal; Harkin on Social Security; Roth on retirement; Wellstone-Dodd on child care adoption tax credit; Bayh on long-term care, self-employed health care; Lott on ESAs, et cetera; Feingold amendment on $100 million cap; and the final motion to recommit by myself.

I further ask consent at 9 a.m. on Friday the Senate proceed to a series of votes in relation to the above-listed amendments in the order offered, with 2 minutes of debate equally divided for each amendment prior to each vote.

Mr. DASCHLE. Reserving the right to object, I suggest to the majority leader, we have been consulting on the order. On our side, Senators DODD and WELLSTONE would like to switch the order with Senator HARKIN. I make that modification.

We have a number of Senators who are hopeful they can catch planes. It is so tight that if we have the 2 minutes of debate, in a couple of cases they may miss their planes. I ask that we delete that for this time only. I know it is a very important matter, and oftentimes it is essential for Members to understand the amendments. We will have tonight and tomorrow morning to look at these amendments. I ask that we delete the reference to the 2 minutes.

Mr. LOTT. I think those are reasonable requests, so I modify my request, No. 1, to move the Wellstone-Dodd amendment in order after Santorum and before the Harkin amendment; and that the 2 minutes of debate equally divided be deleted.

Mr. KERRY. Reserving the right to object, I don't know whether I misheard the majority leader or whether he said 10 minutes equally divided; I think he means 20 minutes equally divided.

Mr. LOTT. It is 10 minutes equally divided, not 20 minutes.

Mr. DASCHLE. If I could respond to the Senator's inquiry, if it could accommodate some of those Senators who need more time, we still have more time on the bill. I am happy to authorize the use of whatever additional time allocated to me to those Senators who may require some additional time to further explain their amendment, keeping, therefore, the 10 minutes in the unanimous consent request if that accommodates the Senators.

Mr. LOTT. I, too, make the point that brevity, succinctness, and targeted debate is very persuasive.

Mr. KERRY. Does that mean if I speak for 1 minute the Senator will vote with me?

Mr. LOTT. It would be much more likely.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. LOTT. Mr. President, with regard to reconciliation and the marriage penalty tax issue, there is an awful lot of interest in that matter in how we proceed tomorrow. We will have a series of stacked votes tomorrow morning, possibly as many as nine.

But I believe we can get through it in a reasonably short period of time—hopefully 2 hours. If Senators will come to the floor for the first vote and stay on the floor, we can move much more quickly and we will be able to be completed with that series, I hope, by 11 o'clock, on the marriage penalty.

### UNANIMOUS CONSENT AGREEMENT H.R. 4810

I now ask unanimous consent, notwithstanding any provisions governing the reconciliation budget process, that immediately following the passage of H.R. 8 on Friday, July 14, the Senate turn to consideration of H.R. 4810, the reconciliation bill, and the Senate bill be offered as an amendment and immediately be agreed to and considered as original text for the purpose of further amendments, and the following amendments be the only first-degree amendments in order, and limited to all the restraints outlined in the budget resolution, except that each amendment be limited to up to 30 minutes each with 20 minutes for any second-degree amendment.

Those amendments are as follows. I send to the desk the amendments that have been requested by Republican Members and Democratic Members.

The list is as follows:

Grams—Social Security.
B. Smith—Internet Tax.
B. Smith—Marriage penalty.
B. Smith—Relevant.
B. Smith—Relevant to anything on the list.
Coverdell—Relevant.
Murkoswki—Relevant.
Stevens—Sec. 415.
Stevens—Income averaging fishermen.
Stevens—Empty seat.
Stevens—Whaling captains deductions.
Stevens—Permanent diesel dye exemptions.
Stevens—Settlement trust.
Lott—Relevant to anything on the list.
Lott—Relevant to anything on the list.
Gramm—Relevant.
Gramm—Relevant.
Burns—Installment sales.
Roth—Sunset.
Abraham—Relevant.
Cleland—Savings Bond exemption long term care.
Cleland—Extend deduction computer donations.
Conrad—Medicare Social Security lockbox.
Daschle—Pay equity.
Daschle—Pay equity.
Daschle—Pay equity.
Daschle—Relevant.
Daschle—Relevant to anything.
Daschle—Relevant to anything.
Dodd—Child care.
Dorgan—Tax related.
Durbin—100% deductibility—self employed.
Durbin—Tax credit for small business.
Feingold—Medicare and Social Security solvency.
Feingold—Expansion of standard deduction.
Feingold—COBRO and percentage depletion allowance.
Feinstein—Paycheck fairness.
Hollings—Relevant.
Kennedy—Prescription drugs.
Kennedy—Health care—marriage penalty.
Kennedy—Equal pay.
Kohl—Child care tax credit.
Lautenberg—High speed rail tax credit.
Moynihan—Substitute.
Robb—Relevant.
Schumer—Tuition tax (with Biden and Snowe).
Torricelli—ALS.
Torricelli—Lead (with Reed).
Torricelli—Incresing deduction for casualty losses.
Torricelli—Marriage penalty for individuals suffering casualty losses.
Wellstone—Moratorium on Medicare cuts.
Wellstone—EITC expansion.
Reid—Relevant to anything.
Reid—Relevant.
Harkin—Relevant.
Harkin—Medicare.

Mr. LOTT. I further ask unanimous consent that all amendments be debated during Friday or Saturday's session of the Senate, and those amendments, both first- and second-degree amendments, may be laid aside for other amendments to be offered as deemed necessary by either leader.

I further ask consent that the votes ordered with respect to the amendments occur in a stacked sequence beginning at 6:15 p.m. on Monday, July 17, with 2 minutes prior to each vote for explanation, if it is requested of course, and all votes after the first vote in the sequence be limited to 10 minutes each.

The PRESIDING OFFICER. Is there objection?

Mr. DASCHLE. Reserving the right to object, I ask for one minor modification. With reference to either of the leaders, I suggest we add "or designee," or "a leader designee."

Mr. LOTT. I think that is a reasonable request, Mr. President. I modify my request to that effect.

The PRESIDING OFFICER. Is there objection?

Mr. ABRAHAM. Mr. President, I noted I did not have an amendment on the list. I was wondering if I might add an Abraham relevant amendment on the list.

Mr. LOTT. I ask unanimous consent that, to the list of Republican amendments, a relevant amendment by Senator ABRAHAM be added.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. In light of this agreement then, Mr. President, there will be no further votes tonight. The next votes will occur at 9 a.m. on Friday in stacked sequence, with 9 or 10 back-to-back votes that could be required. I hope Senators will consider the possibility of not offering their amendments or agreeing to a voice vote, if there is any way possible to accommodate other Senators, so the sequence won't go on longer than a couple of hours.

Following those stacked votes on Friday, Members who have amendments to reconciliation and marriage penalty tax will have to stay around to offer and debate them. It can take up to as long as 20 hours. Senators who have amendments on these lists, if they want to offer them, need to be here to offer them and they need to make their case because there will not be an opportunity, other than the 2 minutes equally divided, to talk about the specifics on Monday night. So these votes will be stacked in sequence at 6:15 on Monday, July 17.

I thank again all my colleagues for their cooperation. I know this does not meet everybody's scheduling desires. I had actually hoped to be able to finish the marriage penalty tax tomorrow night or Saturday, but this agreement allows us to get it done, I think, in an efficient way, have it completed on Monday night, complete the Interior appropriations bill on Tuesday morning, and be prepared to go to the next appropriations bill after that.

I thank all Senators for their willingness to help us work through this. I yield the floor.

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. Mr. President, I allocate 5 minutes of my time under the previous agreement to the following Senators: Senator DODD, Senator KERRY, Senator HARKIN, Senator WELLSTONE, Senator BAYH, and Senator FEINGOLD. That will be 5 minutes each.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KERRY. Mr. President, I ask unanimous consent that Senators INOUYE, SARBANES, DODD, and WELLSTONE be added as original cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DASCHLE. Will the Senator from Massachusetts yield?

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. Mr. President, I add to that request 5 minutes for Senator LIEBERMAN.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Massachusetts.

### AMENDMENT NO. 3839

(Purpose: To establish a National Housing Trust Fund in the Treasury of the United States to provide for the development of decent, safe, and affordable housing for low-income families)

Mr. KERRY. Mr. President, I call up my amendment.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Massachusetts [Mr. KERRY], for himself and Mr. SARBANES, Mr. INOUYE, Mr. DODD and Mr. WELLSTONE, proposes an amendment numbered 3839.

Mr. KERRY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. KERRY. Mr. President, I come to the floor today to offer an amendment to the estate tax repeal bill. This amendment would establish a National Affordable Housing Trust Fund to fill the growing gap in our ability to provide affordable housing in this country.

Over the past two decades, income and wealth disparities in our country have increased. The gap between the rich and the poor has widened. Even our robust economy has not been able to bridge the great divide between the haves and have-nots.

This great divide remains impassable for millions of Americans who struggle to survive on the minimum wage. This divide remains impassable for millions of Americans who have no health insurance, no prescription drug coverage. This divide remains impassable for millions of Americans who cannot afford housing, child care, or a college education, who cannot afford to even finish high school because they must drop out and work in order to support their family.

Despite the economic boom that heralded in the new millennium, poverty rates in our country have dropped only marginally. Today, 1 out of ever 5 children still lives in poverty, compared with 1 out of every 7 in the 1970s. The number of families living in extreme poverty—on less than $6,750 a year for a family of 3—has increased from 13.9 million in 1995 to 14.6 million in 1997. Over the 1990's, the average real income of high-income families grew by 15 percent, while average income grew by less than 2 percent for middle-income families and remained the same for the lowest-income families.

I ask, with the futures of so many lower- and middle-income Americans hanging in the balance, what is the majority in Congress doing? What is the majority in Congress defining as a top priority?

Would you believe a tax cut for the richest of the rich? Indeed they have. It is before us today. A tax break for the highest income earners in our country. A fiscally irresponsible tax cut which stands to threaten our non-Social Security surplus and undercut the critical investments we should be making in the future of all Americans.

According to the Joint Committee on Taxation, the Republican proposal to repeal the estate tax will cost $105 billion over the first 10 years, as it slowly phases in. Once the repeal has been fully implemented, it will cost an additional $50 billion each year. That comes out to roughly three-quarters of a trillion dollars over 20 years.

Three-quarters of a trillion dollars is a generous hand-out, Mr. President. But into exactly whose hands does it fall? Does it go to the senior citizen who has survived one heart attack only to find that she cannot afford her cholesterol lowering medication? Does it go to the decorated homeless veteran who cannot afford to put a roof over his head? Does it go to the graduating high school senior who cannot afford to pay tuition and be the first generation of his family to go to college?

The simple answer is no. The estate tax repeal would give the Forbes 400 richest Americans a windfall of $250 billion—that is enough to pay for prescription drug coverage, housing costs, and college scholarships for millions of Americans.

The majority's priorities are misguided, irresponsible, and an affront to the American public. Don't get me wrong; I support targeted estate tax relief for small businesses and family farms. Owners of small businesses and farms should neither be penalized for their success nor denied the opportunity to pass their family businesses on to future generations. And the Democratic alternative which I support would increase the exemption for family-owned small businesses and farms from $1.3 million to $4 million by 2001, and to $8 million by 2010. But the outright repeal proposed by the majority goes far beyond what is necessary to save family businesses and family farms.

Let's be clear: The majority is serious about one thing—unwise, unrealistic, and untenable tax cuts for the wealthiest Americans at a time when the Federal tax burden has shrunk to its lowest level in four decades; at a time when low- and middle-income Americans are struggling to afford decent health care, housing, and education.

I ask my colleagues, does anyone really believe that Donald Trump, Bill Gates, or Steve Forbes needs a tax cut? Does anyone really believe that before doing anything to strengthen Social Security and Medicare, we should provide a tax break to the wealthiest 2 percent of Americans who control 40 percent of the wealth in this Nation? Apparently, the majority believes it. That is their idea of tax fairness: millions for the rich, not a penny for the middle class.

The bottom line is: the Republican proposal mortgages America's future. It threatens our ability to reduce interest rates and protect the economy, to help secure a strong Social Security system for our nation's retirees, to modernize Medicare by establishing a prescription drug benefit for seniors and the disabled, and to provide educational assistance for those that want to climb up the ladder.

There are many more worthwhile investments we could be making with the $750 billion this bill hands out to the extremely wealthy. I am offering an amendment to ensure that we make at least one of these critical investments—an investment in housing.

The booming economy is fueling rising housing costs. While housing prices and costs skyrocket at record pace, many families are unable to keep up. Even during this time of great economic expansion, the housing crisis in this country worsens, quickly becoming a national disgrace.

HUD estimates that 5.4 million low-income households have "worst case" housing needs. This means they are paying over half their income towards housing costs or living in severely substandard housing. In the past decade, the number of families who have "worst case" housing needs has increased by 12 percent—that's 600,000 more American families who cannot afford a decent and safe place to live. For these families living paycheck to paycheck, one unforseen circumstance, a sick child, a car repair bill, can send them into homelessness.

Another recent study actually estimates that 13.7 million households have critical housing needs, including 6 million working and 3.7 million elderly households.

Moreover, there is not one metropolitan area in the country where a person making minimum wage can afford to pay the rent for a two-bedroom apartment. A person needs to earn over $11 an hour to afford the median rent for a two bedroom apartment in this country. This figure rises dramatically in many metropolitan areas: an hourly wage of $22 is needed in San Francisco; $21 on Long Island; $17 in Boston; $16 in the D.C. area; $14 in Seattle and Chicago; and $13 in Atlanta.

We have to remember that there are real people behind these numbers—real people who are struggling to keep their families housed each month. The stories are a testament to the need for increased affordable housing. Let me give you a few.

On Cape Cod, Susan O'Donnell a mother of three, earns $21,000 a year working full-time. Nonetheless, she is forced to live in a campground because she can not find affordable housing. The campground she is living at has time limits, so the only way she is able to stay for a prolonged period of time is through cleaning the campground's toilets. When her time runs out at the campground, she will again be forced to move with her three children, though it is not clear where she will be able to afford to move. Skyrocketing housing costs have pushed her, and other full-time workers on the Cape out of their housing and into homelessness.

Janitors who work at high-tech companies in Silicon Valley are living in egregious conditions, including several large families living in single-family homes and others renting out garages for families to live in—garages which can cost $750 a month. Maria Godinez, of San Jose, works full time for Sun Microsystems making $8 an hour. She shares one bedroom of a single-family house with her husband and five children; 22 people live in that house.

Not too far from where we are today, in Fairfax County, VA, Anita Salathe and her two children live in a shelter despite her having a job and a voucher for assisted housing—there just are not enough affordable housing units. The homelessness rate in Fairfax County has increased by 21 percent in the last two years. Full-time workers are living in shelters because their paychecks are not rising fast enough to keep pace with their growing housing costs.

These stories are all too common. As housing costs rise around America, more working families are being pushed closer to homelessness.

Despite these abysmal stories, we have decreased Federal spending on critical housing programs over time. From fiscal year 1995 to fiscal year 1999, we engaged in what I call the "Great HUDway Robbery," diverting or rescinding over $20 billion from Federal housing programs for other uses. With a few exceptions, the funding increases of this past year have gone primarily to cover the rising costs of serving existing assisted families.

Affordable housing units are being lost. Between 1993 and 1995, a loss of 900,000 rental units affordable to very low-income families occurred. From 1996 to 1998, there was a 19 percent reduction in the number of affordable housing units. This amounted to a dramatic reduction of 1.3 million affordable housing units available to low-income Americans. .

We need to bring our levels of housing spending back up to where they belong. Between 1978 and 1995, the Government increased the number of households receiving housing assistance by almost 3 million. From 1978 through 1984, we provided an additional 230,000 families with housing assistance each year. This number dropped significantly to 126,000 additional households each year from 1985 to 1995.

If we hoped things could not get worse, in 1996 this nations' housing policy hit a brick wall. Not only was there no increase in families receive housing assistance, but the number of assisted units actually decreased. From 1996 to 1998, the number of HUD assisted households dropped by 51,000. In this time of rising rents and housing costs, and the loss of affordable housing units, it is incomprehensible that we are not doing more to bring the levels of housing assistance back from the dead.

It is high time that we focused on housing policies in Congress and around the country. Housing is an anchor for families. When we focus our efforts on other social issues like education and health care, it is beyond comprehension that housing does not take a front seat in these discussions.

It is no secret that neighborhood and living environment play enormous roles in shaping young lives. It should not be news that housing assistance, which helps a family maintain a stable home, is positive for low-income children. We know that a child can not learn if he has to attend 3 or 4 schools in a single year, if his family moves from relative to relative to friend to friend because his parents can't afford the rent.

A recent study conducted by Johns Hopkins University helps to show that housing assistance is beneficial. Housing assistance makes it easier to get and retain a job by providing stability. We need to ensure that every American family has these same opportunities. We need to address the lack of opportunity, the lack of affordable housing.

I am proposing to address this severe shortage of affordable housing by establishing a National Affordable Housing Trust Fund. While we are considering a bill which allows the wealthy to pass on large estates and homes to their families, let's ensure that all Americans can afford a place to live.

My proposal would create an affordable housing production program, ensuring that new rental units are built for those who most need assistance—extremely low-income families, including working families. In addition, Trust Fund assistance will be used to promote homeownership for low-income families, those families whose incomes are below 80 percent of the area median income.

The Trust Fund aims to create long-term affordable, mixed-income developments in areas with the greatest opportunities for low-income families.

A majority of assistance from the Trust Fund will be given out as matching grants to the States which will distribute funds on a competitive basis like the low-income housing tax credit. Localities, non-profits, developers and other entities will be eligible to apply for funds. The remaining 25 percent of the Trust Fund assistance will be distributed through a national competition to intermediaries, such as large, national non-profits which will be required to leverage private funds.

This proposal will bring Federal, State and private resources together to create needed affordable housing opportunities for American families.

When we allow families in this country to live in severely distressed housing, or in situations where they are forced to move from place to place, American children suffer—they have behavioral problems, they suffer from more health problems, and they do worse in school. I think the American people understand that helping children escape these problems today will pay us back tenfold in the years to come. I think the American people understand how we can measure what actually counts in America. I think they know that housing is more than a word or a government program—it is the quality of life—it is how we measure our lives and it is how we ought to take the measure of our nation.

I urge you to support this amendment which restores our commitment to providing affordable housing for all families. We should not vote to ensure that the wealthiest Americans can retain more of their incomes and estates, while turning our back on those families who struggle each month just to put a roof over their heads.

Mr. KENNEDY. Mr. President, I strongly support Senator KERRY's proposal to create a housing trust fund. In this period of strong economic growth and record expansion, the lack of affordable housing is an increasingly serious problem for millions of families across the country, especially low income families struggling to lift themselves out of poverty. Our national prosperity means less if firefighers, teachers, police officers, nurses, and many other hard-working Americans cannot afford to live in the communities where they work.

As long ago as 1949, the nation pledged safe, clean, decent housing for all Americans. As we begin a new century, this promise is still unfulfilled. Even worse we are not making even modest progress to achieve this goal.

The rising cost of housing is one of the most difficult challenges for many families. It is particularly serious for the elderly, many of whom also face the skyrocketing cost of prescription drugs as well.

In a period of economic prosperity such as the one we now enjoy, it is wrong that we have one of the lowest housing production levels in history. Affordable housing must be a higher priority for the Congress.

Over the past five years, more than $20 billion has either been rescinded or diverted by Congress from federal housing programs for other uses, while the number of Americans who cannot afford a decent place to live continues to rise.

The problem is particularly acute in Massachusetts. The average time on waiting lists for public housing and housing vouchers is over 3 years, and more than 13,000 families are on those waiting lists.

In the Greater Boston area, affordable housing is not only a problem for many families, it is becoming a problem for businesses. Many of the most successful companies report difficulties in their efforts to attract and retain employees because of the high cost of housing. Without an ability to retain a strong workforce, unaffordable housing threatens to undermine prosperity at every level, federal, state, and local.

The costs of new construction and rehabilitation of existing housing are very high. The price of owning a home is increasing faster in Massachusetts than in any other state in the country.

I support the Clinton's Administration's budget request of $32.5 billion for the Department of Housing and Urban Development for FY 2001, a 25 percent increase over FY 2000. By contrast, the budget adopted by the Republican Congress in April proposed a $400 million reduction in the HUD budget.

The Trust Fund proposed by this amendment is an important start to ending this period of disinvestment.

Senator KERRY's amendment will provide funds for new units and for the renovation of existing units, along with increases in ownership. It channels money through local and state governments, primarily to already established programs with a track record of success. The majority of Trust Fund assistance will be used for the neediest families, including the working poor.

As we debate the misguided priority of massive tax relief for the wealthiest 2 percent of estates, I urge my colleagues instead to consider the needs of millions of families who are working hard, but who find it increasingly difficult to afford housing for their families.

I urge the Senate to support this amendment. Housing must be a higher priority for Congress. The time to act is now.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. GRAMM. Mr. President, how much time do I have?

The PRESIDING OFFICER. Five minutes in opposition.

Mr. GRAMM. Mr. President, I will be brief in my 5 minutes.

First, I know the Senator from Massachusetts is sincere about this amendment, but I remind my colleagues of a few key points. We are here to repeal the death tax. All over America, families work, sacrifice, save, and through sweat equity build up businesses, farms, and assets. Then they die, and the Government, because they die, taxes their life's work even though they paid taxes on every dollar they earned. Too often in America, their children have to sell the farm or sell the business to give the Government up to 55 cents out of every dollar they earn. Republicans believe that is unfair, that is un-American, and that is immoral.

Our colleague from Massachusetts calls getting rid of this tax a windfall. If your parents worked a lifetime to build up a farm, and they were there when it was dry and they had droughts, they were there when there were floods and when the hail killed the crops, and they saved and sacrificed, and they did it so their children could some day run that farm, I do not call that a windfall. That is just a fundamental difference in philosophy.

There are two big-time problems with this amendment. No. 1, it sets up this new trust fund not out of taxes that were raised to pay for this activity but basically by requiring people to sell off the family farm or sell off the family business to fund this trust fund.

The second problem is, there is no point of order against it. One might ask why is that true of amendments that have been offered that spend money. It is true because this amendment takes $5 billion that the Finance Committee was allocated to do something else with. For what were they allocated the money? They were allocated the money to repeal the marriage penalty for people who receive the earned-income tax credit. That is what this $5 billion was for.

A janitor with three children meets a waitress with two children. They fall in love, and they find the solution to their problems. Only, under the marriage penalty, they both end up losing the earned-income tax credit, and they end up in the 28-percent tax bracket if they get married.

We are planning to use the $5 billion that Senator KERRY would use to fund this trust fund to repeal the marriage penalty for the lowest income individuals to be sure they do not lose their earned-income tax credit if they meet, fall in love, and get married.

Senator KERRY is trying to do a very good thing, but unfortunately there is something I think is of a higher order: repealing the marriage penalty for poor people and not taking away their earned-income tax credit. Senator KERRY is inadvertently taking this money from that purpose.

So ultimately you come down to choices. The choice he would make is:

Sell the family farm, sell the family business, and let the Government have that money; and, secondly, the money you were going to take—that $5 billion that we gave the Finance Committee in the budget to repeal the marriage penalty for low-income people, by changing the earned-income tax credit, where they do not lose it if they get married to somebody who also works—the net result of this is, sell the farm, sell the business, and take away the earned-income tax credit from the janitor and the waitress who have a total of five children, who met, fell in love, wanted to get married, and who saw it as a solution to their problem. But Senator KERRY will be sure they get subsidized housing. I do not think it is a good swap. I do not think it is a good trade. So on another day, on another issue maybe, but not today.

Finally, let me remind my colleagues, if they are worried about housing—and we would be if we did not have a house—that we have a $1.9 billion increase in the 2000 budget for housing, $25.9 billion for the Department of Housing and Urban Development—and that is a 7-percent increase. Very few families in America had a 7-percent increase in their income last year.

So it is a good amendment—well-intended—but we should reject it.

The PRESIDING OFFICER (Mr. ASHCROFT). The time of the Senator has expired.

Mr. KERRY. Does the Senator from Texas have any time left?

The PRESIDING OFFICER. All time has expired.

AMENDMENT NO. 3838

(Purpose: To provide for the designation of renewal communities and to provide tax incentives relating to such communities, to provide a tax credit to taxpayers investing in entities seeking to provide capital to create new markets in low-income communities, and to provide for the establishment of Individual Development Accounts (IDAs), and for other purposes)

The PRESIDING OFFICER. Under the previous order, the Senator from Pennsylvania is recognized.

Mr. SANTORUM. Mr. President, I call up amendment No. 3838.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Pennsylvania [Mr. SANTORUM], for himself, Mr. LIEBERMAN, Mr. ABRAHAM, Mr. HUTCHINSON, Mr. TORRICELLI, Mr. DEWINE, Mr. KOHL, Ms. LANDRIEU, and Mr. KERRY, proposes an amendment numbered 3838.

Mr. SANTORUM. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. SANTORUM. Mr. President, the amendment that we have now before us is a package of legislation that I have been working on with my colleague from Connecticut, Senator LIEBERMAN, as well as Senator KERRY from Massachusetts, and Senator ABRAHAM, Senator KOHL, Senator HUTCHINSON, Senator TORRICELLI, and Senator DEWINE.

Mr. President, I ask unanimous consent to add Senators ASHCROFT and COLLINS as cosponsors to the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SANTORUM. This is a bipartisan attempt in the Senate to match the bipartisan effort that has been ongoing in the House of Representatives with the President of the United States on what is called the Community Renewal New Markets Initiative. Basically, we have taken the House-passed legislation and added a couple of very important provisions to that House-passed legislation, and we are now offering it to this death tax repeal legislation in the Senate.

The two major additions to the House-passed legislation—there are several, but the two major additions are the low-income housing tax credit, which is something that has passed this body before, and again has broad bipartisan support, raising the per capita number or allotment for the low-income housing tax credit per State; and the second is something that Senator LIEBERMAN and I have been working on now for quite some time called individual development accounts.

I think these two key provisions are very important to the idea of empowering individuals, not only in their communities, which the community renewal package does, but also in providing the opportunity for wealth accumulation through individual development accounts, and providing that incentive to save for a home, to save for a college education, to save for the startup of a new business.

In addition, there are some other very important provisions. Earlier this year, Senator ABRAHAM offered the New Millennium Classroom Act, another addition to the House-passed bill, which provides incentives for businesses to donate money to poorer schools, so we can have computer equipment in those poorer schools to bridge the digital divide.

We have a charitable choice provision, which is broader than the House provision, which was introduced by Senator ASHCROFT, the Presiding Officer, that is in line, frankly.

I was reading Vice President GORE's speech that he gave last year where he talked about a "New Partnership." He talked about the 1996 welfare reform bill. He said:

> [This provision states] that states can enlist faith-based organizations to provide basic welfare services, and help move people from welfare to work.

He goes on to say:

> They can do so with public funds—and without having to alter the religious character that is so often the key to their effectiveness.

I go on to quote:

> I believe we should extend this carefully tailored approach to other vital services where faith-based organizations can play a role—such as drug treatment, homelessness, and youth violence prevention.

That is just to name a few.

So what we see is that the Vice President has embraced this charitable choice provision and an expansion of that, which I think is vitally important.

With that, Mr. President, I reserve the remainder of my time.

Mr. ABRAHAM. Mr. President. I rise to support the American Community Renewal and New Markets Empowerment Amendment offered by Senators SANTORUM, LIEBERMAN, KERREY, myself and others.

This amendment represents a bipartisan effort designed to address the social and economic ills which are preventing our poorest areas from participating in the current economic boom. I strongly believe that it will go a long way toward bringing the economic growth and sense of community necessary to maintain, safe streets, strong families, and thriving neighborhoods.

Under this legislation, 50 new Renewal Communities—one for each state—would be created. Characterized by pervasive poverty, Renewal Communities provide financial incentives to promote economic growth and social health in distressed areas.

Incentives include: a zero capital gains rate, increased expensing of equipment costs for small businesses, employment wage credit for hiring Renewal Community Residents and an extension of the Brownfields provision.

In addition, our amendment would increase housing opportunities nationwide for poorer families by increasing and indexing for inflation the Low Income Housing Tax Credit and the volume caps on Private Activity Bonds.

Since implemented in 1986, thanks to the Low Income Housing Tax Credit, in Michigan, 27,000 housing units have gone up. Nationally, the credit is responsible for one million apartments dedicated to low-income tenants at restricted rents.

Mr. President, increasing the volume cap on private activity bonds will help finance thousands of single and multifamily mortgages and property improvement loans.

The legislation also calls for the establishment of Individual Development Accounts to help the working poor build financial assets.

The IDAs in this bill apply this concept nationally, giving all families the opportunity to buy a home, further their education or start up a new business.

The amendment also includes the faith-based treatment and charitable choice provisions will continue the work started in the 1996 Welfare Reform bill.

Religious-based organizations will be able to compete on equal grounds with non-religious organizations. This will allow them to provide drug and alcohol treatment and other welfare-related services without compromising the religious nature of their treatment or organization.

The creation of privately managed, for-profit companies and the New Markets tax credit will provide the financial security necessary to bring investment to communities which would otherwise be considered too high-risk.

Finally, Mr. President, this amendment includes the New Millennium Classrooms Act, which would help address the issue of the digital divide, providing tax incentives to companies to increase the amount of computer and related technology donations to qualified recipients in designated poor areas.

To increase the amount of technology donated to schools, libraries, senior centers and vocational education centers in economically disadvantaged areas, the New Millennium Classrooms Act would expand the parameters of the current tax deduction and add a tax credit.

Introduced as the New Millennium Classrooms Act in March, 1999, this legislation has the support of 32 cosponsors and most recently passed as an amendment to the Affordable Education Act, on a vote of 96–2.

Despite the recent gains made in increasing the level of computers and technology in schools, unacceptable disparities still exist.

Schools with greater numbers of poor and minority students simply do not have the same access to the Internet and computer technology as wealthier schools and schools with lower minority enrollment.

If our poorer communities are to truly experience a complete and long-term economic rejuvenation, their residents must have access and instruction in information technologies.

Many Americans—particularly those with less income and education—are still missing out on the digital age. More and more, everyday activities migrate to the Internet. Unless we act now, the gap in opportunities available to those on the other side of the digital divide will continue to increase.

I hope that my colleagues will support this amendment to provide real hope and opportunity for all Americans.

Mr. KERRY. Mr. President, I want to speak briefly about the Santorum/Lieberman amendment being offered to the Estate Tax bill. This amendment gives the Senate the opportunity to vote on broad economic development policies originally introduced a few weeks ago as S. 2779, the American Community Renewal and New Markets Empowerment Act.

Of the many important and innovative provisions in this legislation, I would like to focus on the community development and venture capital initiative and full funding for Round II of Empowerment Zones. Mr. President, as my colleagues may remember last year I introduced the Community Development and Venture Capital Act. The purpose of community development and venture capital is to stimulate economic development through public-private partnerships that invest venture capital in smaller businesses. Not just any small businesses, but those that are located in impoverished rural and urban areas, known as new markets, or that employ low-income people. We call these areas new markets because of the overlooked business opportunities. According to Michael Porter, a respected professor at Harvard and business analyst who has written extensively on competitiveness, ". . . inner cities are the largest underserved market in America, with many tens of billions of dollars of unmet consumer and business demand."

Both innovative and fiscally sound, my new markets initiative is financially structured similar to Small Business Administration (SBA)'s successful Small Business Investment Company (SBIC) program, and incorporates a technical assistance component similar to that successfully used in SBA's microloan program. However, unlike the SBIC program which focuses solely on small businesses with high-growth potential and claims successes such as Staples and Calaway Golf, the New Markets Venture Capital program will focus on smaller businesses that show promise of financial and social returns, such as jobs—what we call a "double bottomline."

To get at the complex and deep-rooted economic problems in new market areas, my initiative has three parts: a venture capital program to funnel investment money into our poorest communities, a program to expand the number of venture capital firms that are devoted to investing in such communities, and a mentoring program to link established, successful businesses with businesses and entrepreneurs in stagnant or deteriorating communities in order to facilitate the learning curve.

What I'm trying to do as Ranking Member of the Small Business Committee, and have been working with the SBA to achieve, is expand investment in our neediest communities by building on the economic activity created by loans. I think one of the most effective ways to do that is to spur venture capital investment in our neediest communities.

Building on part of the President's and Speaker HASTERT's agreement, this amendment secures full, mandatory funding for Round II empowerment zones. In Massachusetts—specifically Boston—this amounts to a little more than $93 million. Now, I know many of my colleagues are in the same boat because they have empowerment zones in their states—Ohio, South Carolina, Florida, California—but let me just give you the history of why this funding is so important. Funding for Round II empowerment zones started in 1998. So far, however, the money has dribbled in—only $6.6 million of the $100 million authorized over ten years—and made it impossible for Boston, and other empowerment zones, to implement its plan for economic self-sufficiency. In Boston, 80 public and private entities, from universities to technology companies to banks to local government, showed incredible community spirit and committed to matching the EZ money, eight to one. Let me say it another way—these groups agreed to match the $100 million in Federal Empowerment Zone money with $800 million. Yet, and regrettably so, in spite of this incredible alliance, the city of Boston has not been able to tap into that leveraged money and implement the strategic plan because Congress hasn't held its part of the bargain. I am extremely pleased that we were able to find a way to provide full, steady funding to these zones. That money means education, daycare, transportation and basic health care in areas—in Massachusetts that includes 57,000 residents who live in Roxbury, Dorchester and Mattipan—where almost 50 percent of the children are living in poverty and nearly half the residents over 25 don't even have a high school diploma.

Mr. President, this bill goes further than funding empowerment zones and establishing incentives to attract venture capital into distressed communities. It enhances education opportunities, creates individual development accounts to help low-income families save and invest in their future, increases affordable housing, improves access to technology in our classrooms and creates incentives to help communities remediate brownfields.

I thank my colleagues for their work on this legislation.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. LIEBERMAN. Mr. President, I rise to speak in support of the amendment which I have cosponsored with the Senator from Pennsylvania, using the 5 minutes that have been generously allocated to me by the Democratic leader.

I am proud today to join with a distinguished and diverse coalition of Senators—Senators SANTORUM, ABRAHAM, HUTCHINSON, and DEWINE; and my fellow Democrats, Senators KOHL, KERRY, TORRICELLI, and LANDRIEU—in offering this amendment which we believe is a groundbreaking package to help low-income Americans into the economic mainstream. This is a truly bipartisan approach to bring economic revitalization to American communities and families.

The truth is that we could not have broken this ground if we did not first find common ground. For that we are grateful for the leadership of President Clinton and Speaker HASTERT, who reached across the partisan divide to make this project a top priority.

I think the amendment that we offer today is a model of cooperation and innovation. It combines much of the President's new markets initiative with the Republican-initiated American Community Renewal Act, and blends them into a progressive new synthesis for stimulating investment, entrepreneurship, and economic opportunity in poorer parts of our country.

This bill encompasses the range of the Clinton-Hastert plan with a few key additions which we think will make an outstanding package even better.

One important addition is aimed at fixing America's asset liability or, to be more precise, closing the growing gap in asset ownership in this country which separates millions of low-income Americans from their fair shot at the American dream.

We believe that one of the best ways to help close this gap is to promote the use of individual development accounts, known as IDAs. Banks and credit unions that offer these special savings accounts match the deposits dollar-for-dollar, and in return account holders commit to use the proceeds to buy a home, upgrade their education, or start a business, in other words, to build assets.

The only problem with IDA programs that I see is that there are not enough of them. This addition to the Clinton-Hastert proposal will now provide the support to make that happen.

Another important addition to this package, that, again, reflects bipartisan cooperation in support of economically distressed communities, is the full funding of the existing 20 second round empowerment zones.

We believe this amendment reaffirms and reinforces some old American ideals, including strengthening communities, rewarding work, and encouraging responsibility.

I would say, in developing this package, and in offering it as an amendment today, it is our primary objective to continue working in a bipartisan manner. To that end, Senator SANTORUM, and I, along with the other cosponsors, recognize the need to continue a dialog on the charitable choice expansion provisions in this package.

Specifically, we are prepared to work to narrow the scope of the expansion to a limited number of appropriate programs, building on the charitable choice precedent that Congress established in TANF, the welfare-to-work programs, in welfare reform.

I also understand that some of my colleagues, and others, have expressed concern about the provision that would allow groups receiving Federal money to require their employees to adhere to the "religious tenets and teachings of the organizations" provisions. I understand their concerns and look forward to working with them as this bill, hopefully, receives independent consideration.

There is too much good in this proposal that has broad bipartisan support that will be fundamentally helpful to poor people in communities in America to have the proposal fail for one or two relatively small parts of it.

So I say to my colleagues that we are committed to working with Members from both sides of the aisle, with the administration, and with those community-based and faith-based organizations in the field, working in these communities, to come up with an agreement that can be passed and signed into law by the President this year.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. ROBB. Mr. President, I thank my friend and colleague from Connecticut for his words. I regret to say that I rise in opposition to the new markets initiative as it is currently structured. I agree with the Senator from Connecticut. With additional work, we can find common ground. It is critically important that we pass a new markets initiative. My staff has been working for some time with several other offices on a bill that reflects the compromise the President and the Speaker entered into. This bill is going to be dropped next week, and I welcome input from all offices on both sides of the aisle.

This is complicated tax policy, and it ought to go through the Finance Committee. We ought to have a hearing. In the House, the Committee on Ways and Means is working a bill to mark up, and we ought to be doing the same thing.

I regret that the characterization of this bill is one that I cannot agree with at this particular moment. It seems to me it adds too much to the renewal communities at the expense of the already established empowerment zones.

Most importantly, the legislation as it is currently drafted would allow every recipient of Federal grant funds to discriminate against those they hire based on the applicant's religion. This Chamber has fought for the last 40 years to eliminate discrimination. I simply cannot support legislation that turns back the clock.

With that, I yield such time as I have remaining to the distinguished Senator from New Jersey.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I rise to join Senator ROBB in opposing the Santorum-Lieberman amendment. I support the new markets initiative promoted by the President and Speaker HASTERT, but I think it is important for my colleagues to understand that this amendment is not the President's initiative. No one is arguing against reform, not at all. But to introduce a factor that permits religious discrimination—it does do that—to enter into these evaluations as to who can participate, will we see a sign that says "no people of this faith allowed" or "only people of that faith allowed." I hardly think that is an improvement, regardless of the fact that there may be some modest, or perhaps more than that, improvements made in the way the new markets initiative operates.

The fact is, we should not be introducing an opportunity to discriminate against one group or another, not to set religious boundaries on how an organization performs these services, how they encourage people to strike out for themselves and to be able to make a living on their own.

I hope our colleagues will examine this amendment seriously. Hidden in the good that it is doing is some, I would call, possible serious evil. We ought not to be, in this Chamber, saluting the ability of organizations to discriminate against one person or another based on their religious preferences.

With that, I hope we will not support this amendment.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. ROBB. Mr. President, all time having been yielded back on this particular amendment, I raise a point of order that the pending amendment would decrease Social Security surpluses.

The PRESIDING OFFICER. The Chair informs the Senator from Virginia that the Senator from Pennsylvania has time remaining.

Mr. ROBB. I apologize. I thought the Senator from Pennsylvania had completed his presentation. I will withhold until he has completed his presentation.

Mr. SANTORUM. Mr. President, I yield 45 seconds to the Senator from Michigan.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. ABRAHAM. I thank the Chair.

Mr. President, I rise in support of this amendment. I am a cosponsor of the legislation that it embodies. I believe this is the kind of direction we should pursue to try to revitalize parts of this country which require assistance to be completed on parts of our overall economic progress and growth as a Nation.

I am particularly pleased that included in this is our new millenniums classroom component which will make it far easier for schools in this country to gain access to the computer technology they need to make sure that the digital divide, as we call it, is closed, so that opportunities for people to gain the training and skills they need with respect to our new high-tech world will be available to them.

I compliment the Senator from Pennsylvania and the Senator from Connecticut for their work on this and look forward to working with them to secure its ultimate passage and enactment.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I have two final comments. I want to mention some of the people who today let us know that they are supporting this amendment: The National Association of Home Builders, the Chamber of Commerce, the Credit Union National Association, American Bar Association, the Corporation for Enterprise Development, to name a few.

With regard to the charitable choice language, I certainly understand the concerns. The Vice President, the nominee of the Democratic Party, does not share the concerns voiced by many Members on the other side. I understand the White House has some concerns about the breadth of programs covered.

I said to Secretary Sperling, I am very willing to negotiate those and put a list together and limit those covered, but the charitable choice provisions are very broadly supported, I must say.

The PRESIDING OFFICER. The time of the Senator has expired.

The Senator from Virginia.

Mr. ROBB. Mr. President, all time now having expired, I raise a point of order that the pending amendment would decrease Social Security surpluses and therefore violates section 311(a)(2)(B) of the Congressional Budget Act of 1974.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I move to waive the Budget Act.

The PRESIDING OFFICER. The question will be placed in the stacked votes for tomorrow.

Mr. SANTORUM. Mr. President, I ask for the yeas and nays on that.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

### AMENDMENT NO. 3837

(Purpose: To amend the Internal Revenue Code of 1986 to increase the unified credit exemption and the qualified family-owned business interest deduction, to increase, expand, and simplify the child and dependent care tax credit, to expand the adoption credit for special needs children, to provide incentives for employer-provided child care, and for other purposes)

Mr. DODD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Connecticut [Mr. DODD], for himself, Mr. WELLSTONE, Ms. LANDRIEU, Mr. KOHL, and Mr. KENNEDY, proposes an amendment numbered 3837.

Mr. DODD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. DODD. Mr. President, this is the child care tax credit and related issues amendment. I offer this amendment on behalf of myself, my colleague from Minnesota, Senator WELLSTONE, my colleague from Louisiana, Senator LANDRIEU, Senator KOHL of Wisconsin, Senator KENNEDY, and others who may be interested in supporting this.

This is an amendment we have discussed and debated in the past. It would expand the current dependent care tax credit to allow parents to claim credit for a greater percentage of their child care expenses. The amendment would also make this credit refundable so that low-income families who have child care bills but little or no tax liability can benefit. The amendment also extends the refundable tax credit to stay-at-home parents.

This amendment reaches across the entire spectrum of family situations, recognizing the tremendous burdens that parents today are facing.

I ask unanimous consent that an article that appeared on July 6 in the Washington Post, entitled "A Cost Squeeze in Child Care; Families Wonder Where the Aid Is," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### A COST SQUEEZE IN CHILD CARE: FAMILIES WONDER WHERE THE AID IS

(By Dale Russakoff)

Debra Harris, a single mother, quit her $34,000-a-year job as an occupational therapist for the summer because she can't afford full-time care for her two children.

Kathy Popino, a receptionist, and her electrician husband have gone into debt to keep their toddler and 8-year-old in child care at the YMCA, after a bad experience with a lower-priced home caregiver.

Mary O'Mara, a computer network administrator, and her husband, a factory worker, have junked the conventional wisdom of "pay your mortgage first." They sometimes pay a late fee on their home loan to cover child care first, lest they lose coveted spaces in a center they trust.

Child care is in slow-motion crisis for middle-income families, and Middlesex County, N.J., is in the thick of it. With three of four mothers working outside the home-near the national average—this swath of suburbs dramatizes the cost of working families of the national political consensus that child care is a private, not public, responsibility.

For 30 years, politicians have promised to shift the burden for families in the middle, and with little result. Vice President Gore recently called for tens of billions of dollars in spending and tax breaks over a decade to improve care from infancy through adolescence—a proposal advocates called impressive in its reach, but short on resources and details.

Texas Gov. George W. Bush has proposed initiatives only for the poor, saying working families can apply his proposed income tax cut to child care bills.

Would-be beneficiaries here had a feeling they'd heard that before. "I was so hopeful when the Clintons came in," said Popino, 34. "I saw Hillary as a working mom's best friend. I remember she said, 'It takes a village.' Okay, it's been eight years. When are they going to get to my village?"

The politics of welfare reform has focused national attention and money on the vast child care needs of women in poverty, which remain unmet. And the economic boom is helping affluent families pay full-time nannies or the $800- to $1,000-a-month fees at new, high-quality centers.

But with a record 64 percent of mothers of preschoolers now employed, and day care ranked by the Census Bureau as the biggest expense of young families after food and housing, officials say middle-income families routinely are priced out of licensed centers and homes. The median income for families with two children is $45,500 annually, according to the Census Bureau.

"Basically, we have a market that isn't working," said Lynn White, executive director of the National Child Care Association, which represents 7,000 providers.

In a booming economy in which almost any job pays better, day care centers now lose a third to more than half of their staffs each year, and licensed home caregivers have quit in droves, according to national surveys.

The average starting wage for assistant day care teachers nationally rose 1 cent in eight years—to $6 an hour. Weekly tuition at centers in six cities rose 19 percent to 83 percent in the same period, as states tightened regulations.

Most industrialized countries invested heavily in early-childhood care as women surged into the work force in the 1970s, but Congress and a succession of presidents left the system here mostly to the marketplace, directly subsidizing only the poorest of the poor.

A federal child care tax credit, enacted in 1976, saves working families $3 billion, but advocates say it has fallen far behind inflation. (It saved Debra Harris $980 last year, leaving her cost at more than $7,000.)

When the military faced the same crisis of quality, affordability and supply a decade ago, Congress took a strikingly different approach. It financed a multibillion-dollar reform in the name of retaining top recruits and investing in future ones.

The result was a system of tightly enforced, high-quality standards for day care, home care and before- and after-school care. It included continual training of workers and more generous pay and benefits.

Advocates hail the system as a model. With 200,000 children in care, it costs an average of $7,200 a child, which the government subsidizes by income.

"The best chance a family has to be guaranteed affordable and high-quality care in this country is to join the military," concluded an analysis by the National Women's Law Center.

Debra Harris used to drop her kids at Pumpkin Patch Child Development Center in working-class Avenel every morning at 7 in a weathered Ford Escort. She popped buttered bagels in the center's microwave for their breakfasts before heading to Jersey City, where she was a school occupational therapist.

A bus took, Whitney, 9, and Frankie, 7, to school and brought them back at day's end to Pumpkin Patch, which they complained was cramped and a bit boring. Their mother considered it the safest and best care she could afford.

This summer, though, Whitney and Frankie's needs would have grown from before- and after-school care (total: $440 a month) to full-day care at Pumpkin Patch's camp (total: $1,400 a month). Harris recently went back over the math, incredulous at the results.

"I can make $25 an hour on a per-diem basis," she said. "If I work 40 hours a week, that's $4,000 a month, $3,200 after taxes. If I take out $1,400 for my mortgage and $1,400 for full-time day care, that leaves $400—$100 a week to buy food and gas, pay bills, go to the shore on the weekend. This is crazy!"

So Harris decided to quit her job for the summer, find part-time work and draw down her savings.

At 30, Harris prides herself on providing for her children "without ever using the welfare system, thank God," despite difficulties that include an ex-husband who is more than $6,000 behind in child support, according to her records.

Child care was easier when she was married, and not just because of her husband's paycheck, Harris said. Early in their marriage, they were stationed in Germany with the Air Force and had access to German-subsidized child care. They paid $40 a month per child for full-time care in a stately, 19th-century building within walking distance of their home.

"I find it really discouraging that my own government says I shouldn't need help with child care," Harris said. "Now is when I really need some help."

The first time Washington tried to help—and failed—was 1971. Congress passed a $2 billion program to help communities develop child care for working families, but President Richard M. Nixon vetoed it as ill-conceived, writing in his veto message that it would "commit the vast moral authority of the National Government to the side of communal approaches to child-rearing over . . . the family-centered approach."

Mothers of school-age children kept going to work anyway. In 1947, 27 percent were employed at least part time; in 1960, it was 43 percent; in 1980, 64 percent; in 1998, 78 percent. State governments took the lead in setting child care standards, which vary dramatically, as do fees and quality.

In the late 1980s, with the number of children in care surging, Congress again took up the cause of middle-income as well as poor families. The resulting Act for Better Childcare, signed by then-President George Bush in 1990, vastly increased aid to the poor, whose needs were the most urgent. But middle-income families were left out.

Poor families' needs became even more pressing in 1996 with the passage of welfare reform, which sent women from assistance rolls to the work force. A federal child care block grant aimed at families making up to 85 percent of a state's median income is going overwhelmingly to families in or near poverty, reaching only 1 in 10 eligible children, according to the U.S. Department of Health and Human Services.

In 1998, President Clinton moved to expand the child care tax credit but was blocked by Republicans who said it slighted mothers who stayed home with their children.

This election year could be different, several analysts said. Although most voters care less about child care than Social Security and taxes, the issue rates highest with women younger than 50, particularly those under 30, a crucial voting bloc for both Bush and Gore.

Unlike 1996, when these women were solidly for Clinton, their concerns now have political cachet, according to Andrew Kohut of the Pew Research Center for the People and the Press.

At the same time, advocates are linking quality child care to school readiness, hoping to tap into the national focus on education. They emphasize that the government subsidizes higher education for all families, but not "early ed," as they call child care, which hits young families, who have fewer resources.

Another political impetus comes from recen reports of the U.S. military program's success. Newspaper editorials in almost every region of the country asked why the civilian world can't have the same quality child care.

Kathy Popino has been asking for years. Her husband, Warren, was in the Coast Guard when their son, Matthew, was born, and they paid $75 a month—subsidized by the Department of Defense—to a home caregiver trained by the DOD. "She was wonderful. The military inspected all the time," Popino said.

When Warren left the Coast Guard to become an electrican, they moved to Metuchen, N.J., but couldn't find licensed care at even twice that price. They opted for an unlicensed home caregiver who cared for Matthew for $80 a month, along with two other children.

But Matthew, then 2, began crying nights, and "his personality did a 180," Kathy said. Unable to sleep herself or concentrate at work, Kathy moved him to a state-of-the-art KinderCare Learning Center they couldn't afford. "Visa became our best friend," she said.

Ultimately, they moved him to the YMCA, where they now pay about $800 a month for high-quality, full-time care for Gillian, 1½, and after-school care for Matthew, 8. The program there includes weekly swim lessons, daily sports and homework help in spacious, sun-filled rooms.

In the process, Popino has developed a keen class consciousness. "When summer camp starts, you pay every Monday, and everybody who pays with credit cards walks out to our used cars we owe money on. The people paying by check walk out and get in their new Lexus," she said.

The Y's fees are lower than prices at similar, for-profit centers, but cost pressures are rising as the labor market tightens. Child care director Rose Cushing said turnover rates are well over 30 percent, even with the agency paying health benefits to its teachers.

Twenty minutes south on U.S. Route 1, at Pumpkin Patch, where fees, teacher pay and the facilities are more modest, proprietor Michelle Alling has held on to four of her head teachers for five years, mainly because of their loyalty to the children.

On a recent morning, as one teacher baked chocolate-chip cookies with flour-blotched 3- and 4-year-olds, Alling acknowledged that they all desperately needed higher wages.

But "then you have families literally handing you their entire paycheck," she said, "and where does it come from?"

Mary O'Mara, the mother who sometimes makes ends meet by paying late fees on her mortgage, said politicians who look past this issue must live in a different world than hers. She wishes she could show them what she showed her mother, who used to tell her to relax and stay home with her children.

"I sat her down with a calculator, and I gave her a month's worth of bills—food, mortgage, child care, gasoline," O'Mara said. "There was almost nothing left, and that's with two middle-class incomes.

"She looked at me like she didn't believe it. She said, 'I didn't realize how tough it was out there.'"

Mr. DODD. I won't read the entire article, but it cites case after case after case of middle and lower-income families being squeezed every single day to trying to handle the cost of child care, particularly for infants.

One mother says: I could make $25 dollars an hour on a per diem basis. If I worked 40 hours a week, that is $4,000 a month, $3,200 after taxes.

If I take out $1,400 for my mortgage and $1,400 for full-time day care, that leaves $400—$100 a week to buy food, gas, and pay bills for my family. Most families simply can not get by on that. I will put up a quick chart for colleagues to peruse. It lays out the costs of child care in various cities in the country. For example, infant care in Boston is over $11,000 a year. If you are a parent earning $30,000 a year and have a 1-year-old and a 3-year-old, you are spending from a third to a half of your income on child care. That is before you try to pay the rent and put food on the table.

The current child care tax credit helps, but not as much as it could for the reality of the child care market. The maximum a family can claim is $720 a year for one child. Double that for two. That is not an insignificant amount, but it is not enough to make up the $8,000 child care bill that a middle-income family can be paying.

By making this credit refundable, families with incomes around $20,000 or less can benefit. If you are in that income level, you have little or no tax liability—making the tax credit refundable is the only way you can help these families.

I emphasize again that under this amendment, stay-at-home parents with children under the age of 1 could claim a credit of up to $500. This new credit would also be refundable. So here we are dealing with stay-at-home parents, working parents, and, as my colleague from Louisiana will shortly point out, dealing also with adoption issues. Also, Senator KOHL has included in this amendment a provision to deal with employers and incentives for them to offer better child care for employees.

Here we are in the midst of this bill which will provide help to 44,000 Americans. That is the universe that is going to be benefited by this. In contrast, this amendment would help 8 million families. Choose up sides: 44,000 people who will pay an estate tax, or 8 million working people who have incomes in that $20,000 $30,000, $40,000, $50,000 range—the expansion of the credit goes to families under $60,000. These are middle-income families in America, with young kids, trying to pay child care.

I will end on this note. I was at a hospital in Baltimore today. I took a family member there. A woman was talking to a fellow employee, and I overheard the conversation. She thought she got the best break in the world. She figured out that for one of her two children—she couldn't afford to send both—child care would be $100 a week. That is $400 a month for that one child. But she can't send both, not as a working mother who earns around $20,000.

We ought to be able to do better. If we are going to provide tax relief for 44,000 of the wealthiest Americans, why don't we try to do something good here for the working families, as Senator SNOWE and other Members have proposed in the past? The Expanding and making the dependent care tax credit refundable would really make a difference for the 8 million working families who have true child care needs. I have raised this issue on countless occasions. This is an opportunity to do something about it.

I yield to my colleagues.

Mr. WELLSTONE. Mr. President, how much time do we have left?

The PRESIDING OFFICER. The Senator from Minnesota is recognized, and there are 4 minutes 15 seconds remaining.

Mr. WELLSTONE. Mr. President, one thing about this god-awful process is there is not enough time to talk about this legislation. I will take less than 2 minutes, and my colleague from Louisiana will have 2 minutes.

Senator DODD outlined this amendment. Both of us have worked in this area. I think making this tax credit refundable is hugely important. I think the fact that some of the money applies to parents who are at home is hugely important. I think going up from $10,000 to $30,000 and then up from $30,000 to $60,000 cuts across a broad section of the population.

I have no doubt that 99.9 percent of the people in Minnesota, if given the choice between the tax break our Republican colleagues are talking about, the estate tax break that goes to the wealthiest 2 or 3 percent of the population, versus a focus on helping families with child care expenses, working families and low-income families—I want to use that label as well—would say let's put the money into child care. That is what this amendment calls for.

This is just a matter of priorities. It is just crazy to be talking about this giveaway to the wealthiest 2 or 3 percent and not making the investment in affordable child care for families in our States.

I yield the floor.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Ms. LANDRIEU. Mr. President, I am proud to join my colleague tonight to discuss an important amendment. Let me just talk about the underlying amendment for just a moment.

There were 523 families in Louisiana who paid the estate tax last year. I am one of the nine Democrats who are willing to talk about some significant relief because some parts of the tax are clearly unfair, and the Democratic alternative we have offered, I am convinced, would help bring relief to many of those families who have small businesses and family farms.

To go where the Republican leadership in the House wants to take us would lead us to a place where we can't provide any help to many other families—as my colleague pointed out, the 8 million middle-income families who need help with child care—and we could not provide for the businesses across this Nation. Small business is struggling. Tax relief for health insurance is something which our colleague from Illinois has championed on many occasions. We could not expand the earned-income tax credit.

So let's try to be fair in this debate and give some estate tax relief and give us some opportunities to do other things.

In my last minute, that brings me to my point on the adoption tax credit. Americans, in record numbers, are opening their hearts and homes to more children. Last year, 100,000 American families opened their hearts and homes to children throughout the United States and from abroad.

Several years ago, Congress gave an important tax credit of $5,000. This amendment will extend that tax credit but will almost double it for families who adopt children with special needs. There are over 500,000 children in foster care in America. We need to promote adoption and permanency. This will be a great incentive for families to do that. So I am happy to join my colleagues on this. It costs so little, but it would mean so much and would go such a long way in helping to strengthen families, relieve tax burdens on the general public, and give these children an opportunity to be raised in a loving home.

I will soon yield back the remainder of my time. It will be just a small amount. If we do this estate tax relief right, we could do the adoption tax credit, the child care credit, and the health insurance for businesses. I hope we will, in the end, accomplish that goal.

I yield back the remainder of my time.

Mr. DODD. Mr. President, I thank my colleague from Iowa, who graciously allowed us to step ahead of him in line this evening.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. GRAMM. Mr. President, first of all, I note the incredible paradox that this wonderful amendment offered by our dear colleague from Connecticut was in the Republican tax bill that Bill Clinton vetoed last year. I wish our colleagues had supported that bill, and I wish they had helped us override the President's veto.

I have two simple responses here. One, it is true that if you count up the number of people affected by his amendment, Senator DODD has more numbers. But the point is, he is asking us to forgo repealing the death tax so that families will continue to work a lifetime to build up a business or a family farm, pay taxes on every dollar they earn; yet, when they die, their children have to sell off the farm or the business in order to give this tax to the Government. We would repeal the tax. He would take funds from it for another purpose.

So when we talk about somebody's home, somebody's farm, somebody's business, and the fact that there are a larger number of people who would like to have their home or business, I am not surprised by that, nor am I overwhelmed by it. Almost any robber anywhere would say, "I had six children and he had two; I had a gun and he had a wallet."

That is my first point.

My second point is that the $5 billion they spend here is $5 billion that was allocated to the Finance Committee to allow us to repeal the marriage penalty for people who get the earned-income tax credit.

There was no point of order against this amendment because it has taken the $5 billion that we were going to use in repealing the marriage penalty to see that people who get the earned-income tax credit don't lose that earned-income tax credit when they get married.

Let me give you an example. A janitor with three children meets a waitress with two children. They are both working. They are both low income. They both get the earned-income tax credit. They meet and they fall in love. They have the answers to their prayers—a father for the children and a mother for the children. They get married. What happens? They both lose their earned-income tax credit. They are in the 28-percent tax bracket. So, as a result, they decide not to get married.

It is a crazy policy. We want to repeal it. We are going to repeal it tomorrow.

But our ability to fund the earned-income tax credit so they can keep the earned-income tax credit and not move into the 28-percent bracket is made possible by the $5 billion that this amendment will take away from the Finance Committee.

The question you have to ask is not does the Senator's amendment do any good. It does good. But the question is, Is it worth taking away the earned-income tax credit from working poor people who are trying to better their lives? Is it worth forcing people to sell their farm and sell their business that their parents spent a lifetime building up as a way of funding it?

I think this is a proposal that has merit. We wrote it into the Republican tax package last year that the President vetoed. But I don't think we ought to eliminate EITC relief for working people who get married to fund this proposal, which is what it does.

Second, the amendment also keeps part of the death tax in place. Why is that dangerous? They argue that at least we are reducing it. They are. But do you remember in 1993 when the President was putting together his tax increase, and one of the ideas he floated was lowering the deduction from $600,000 to $200,000?

Does anybody doubt that unless we kill the death tax, get rid of it and pull it out by the roots, that the next time we have a Democrat President and a Democrat Congress we are going to end up as we were in 1993 with this deduction back down to $600,000, $400,000, or $200,000?

Mr. DODD. Will my colleague yield?

Mr. GRAMM. I believe this is an amendment that should be defeated.

If I have any time, I would love to yield to my dear friend.

Mr. DODD. My point is, I am for making clear changes in the estate tax proposal. I think all of us are.

Could I ask for 30 additional seconds?

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. DODD. You have proposed a tax break that costs $750 billion in the second 10 years. It seems to me that we ought to be able to find some room for child care for which 8 million people will benefit.

People should remember what my colleague and friend from Texas says—help out those 43,000 richest Americans.

Mr. GRAMM. There is one difference. No matter how many of them there are, it is their home. It is their business. It is their farm. They built it up. It belongs to them. You are taking it away from them to give it to somebody else that it doesn't belong to. I don't care how many there are.

Mr. DODD. We can help them and we can also carve $5 billion out of a $750,000 billion tax break to help 8 million Americans?

The PRESIDING OFFICER. All time has expired.

The Senator from Oklahoma is recognized.

Mr. NICKLES. Mr. President, I yield myself 5 minutes under leader time.

For the information of my colleague from Connecticut, I think that a point of order lies against the bill. That will be made again by the chairman of the Budget Committee tomorrow after it has been checked. We haven't had enough time to review the amendment. For example, we are talking about changing child care tax credits.

I ask my colleagues from Connecticut: Is this a refundable tax credit as proposed?

Mr. DODD. It is refundable, and covers those who stay at home as well.

Mr. NICKLES. Mr. President, if it is a refundable credit, we have now turned a tax cut into a spending bill, I would assume spending billions of dollars.

Again, we haven't had a chance to review the amendment. We haven't had it scored. We will review it. We will find out if a point of order lies against it. I happen to think that one does. We will find out when the chairman of the Budget Committee makes that decision tomorrow. If it is a refundable tax credit, it is a spending bill.

This is a way for Uncle Sam to be writing checks. This is a way for us to be spending more money. I question the wisdom of doing that, especially without a chance to review it and consider it.

Mr. DODD. If my colleague will yield.

Mr. NICKLES. I will, but not right now. I want to move on and finish this bill tonight.

Again, I compliment my colleague from Delaware and my colleague from New York. I personally haven't agreed with the process under which we are considering this bill. I compliment the managers for their patience. The hour is late. I think we still have two or three other amendments to consider. I hope we can finish those. We can vote on these tomorrow. We can pass this bill tomorrow, and I hope lay the predicate and foundation for passing the elimination of the marriage penalty as well. If so, we will have done a couple of days of good work.

I yield the floor.

The PRESIDING OFFICER. Under the previous order, the next amendment is the amendment of the Senator from Delaware.

Mr. MOYNIHAN. Mr. President, might I ask unanimous consent that the Senator from Connecticut be given 2 minutes to respond?

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. DODD. Mr. President, I will not take 2 minutes.

As my colleague notes, this amendment would make the child care tax credit refundable—that's one of its strongest points. My friend from Texas said we adopted a similar provision in the tax proposal offered by the Republicans a year or so ago. That's not true. It was not refundable and would not have benefited lower-income families. There is a significant difference.

Refundability is important because as it stands now the tax break we are talking about is not terribly meaningful for families earning less than $20–$25,000. Refundability is the only way to help people in that income level.

I mentioned earlier that I was listening to a woman today who was saying how happy she was that she found child care for one of her two children for $100 a week. That is $5,200 a year. She makes, according to her, about $25,000 or $30,000 a year. That is a quarter of her gross income going to care for one child. Without refundability, the current tax credit really doesn't mean much to her. It is simply inequitable to deny her a tax credit that families at higher incomes with the same type of child care expenses enjoy.

If we can find the time, as we have for a day and a half, to debate a bill that would assist 43,000 or 44,000 people, can't we carve out a place in a $750 billion tax break for 8 million working people in this country who are trying to raise their children under very difficult circumstances. That is the purpose of the amendment.

I suspect it does suffer a potential point of order. We will make our motion at the time. But I hope my colleagues will be supportive.

Mr. NICKLES. Mr. President, will the Senator yield for a question?

Mr. DODD. I would be happy to yield.

Mr. NICKLES. If you are making it a refundable credit, you are making this more of a priority than health care. You are saying this is a more important item than food, in some cases, because you are having the Federal Government write a check to pay for it. We don't do that with health care.

I understand your desire to do some things for child health care. We happen to agree with much of that because we passed it last year in the bill the President vetoed. But now you are trying to make it refundable by having Uncle Sam write a check for it. I personally think you are going too far with that amendment.

Mr. DODD. Mr. President, I ask for an 15 additional seconds.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DODD. My point is this: Raising children in this country in affordable, decent circumstances is about as basic as it gets. Eight million Americans can benefit from this amendment. This is a good investment for our country. With a $750 billion tax break for 43,000 people, I think we ought to be able to do something for 8 million working families with young children.

Thank you, Mr. President.

Mr. GRAMM. Mr. President, did not our Democrat colleague from New York ask that both sides get 2 minutes?

Mr. MOYNIHAN. Mr. President, I surely wish to do so.

The PRESIDING OFFICER. Is there objection?

Mr. GRAMM. Give me 30 seconds.

The PRESIDING OFFICER. Without objection, 30 seconds.

Mr. GRAMM. Mr. President, what we are talking about here is basically a setting of priorities. Do we want to take money away from eliminating the marriage penalty in the earned-income tax credit for working families to give a tax credit for a noble purpose? In fact, a purpose that we had written into our tax bill last year that the President vetoed. That is what we are debating: priorities.

We set aside the $5 billion in the budget to fund earned-income tax credit for the elimination of the marriage penalty. If we spend it here, we cannot do it tomorrow.

AMENDMENT NO. 3841

(Purpose: To provide for pension reform, and for other purposes)

The PRESIDING OFFICER. Under the previous order, the Senator from Delaware is recognized.

Mr. ROTH. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Delaware [Mr. ROTH] proposes an amendment numbered 3841.

Mr. ROTH. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. ROTH. Mr. President, I rise to offer an amendment which addresses a very important topic for many Americans—retirement savings.

Many Americans, especially Boomers, increasingly worry: Will I have enough to live on when I retire? According to recent studies, one third of Americans are not confident that they will have enough to live on in their retirement years, and for others that optimism about retirement income may not be well founded.

Savings—whether through employer retirement plans or as personal savings—are necessary for a comfortable retirement.

Overall savings by Americans are at an all time low. The U.S. Department of Commerce stated that Americans' personal savings rate for the first half of 1999 fell below zero.

I believe, and many economists agree, that increasing tax incentives for savings will result in more savings.

The amendment I offer provides many tax incentives which will result in greater savings. Let me outline just a few of them.

The maximum contribution limit for IRAs both traditional IRAs and Roth IRAs is $2,000. This limit, which has been in place since 1982, has never been indexed for inflation. According to the Joint Committee on Taxation, If the IRA limit were indexed for inflation it would be over $5,000.

This amendment increases the contribution limit for all IRAs (both traditional IRAs and Roth IRAs) to $5,000 per year and under that amount for inflation.

It is important to remember that people at all income levels make IRA contributions.

An estimated 26 percent of American households now own a traditional IRA. In 1993 (the most recent year for which comprehensive aggregate data is available) 52 percent of all IRA owners earned less than $50,000.

We know that people at all income levels are limited by the $2,000 cap on contributions. For example, IRS statistics show that the average contribution level in 1993 for people with less than $20,000 in income was $1,500.

Lower income people clearly want to make contributions of more than the $2,000 limit.

This amendment also increases other benefit limitations. Currently, the maximum pre-tax contribution to a 401(k) plan or a 403(b) annuity is $10,000.

In addition, the maximum contribution to a 457(b) plan, a plan for employees of government and tax exempt organizations is $8,000.

Finally, the maximum contribution to a simple plan, a simplified defined contribution plan available only to small employers, is $6,000.

This amendment increases limits for 401(k), 403(b) and 457 plans to $15,000 and for simple plans to $10,000.

This does not mean that business executives can automatically take advantage of these higher contribution limits; lower income employees must benefit in order for the executive to benefit.

Consequently, business owners and high paid employees cannot benefit with this new higher contribution limits unless the amount of savings that low paid people make—either on their own or with the help of the employer—increases.

This amendment adds a new type of employer savings plan.

We heard testimony before the Finance Committee that the first year of the Roth IRA was a success. And we have all seen the television and print ads touting the benefits of the Roth IRA. The opportunity for tax-free investment returns has clearly caught the fancy of the American people.

In less than five months after the Roth IRA became available, approximately 3 percent of American households owned a Roth IRA.

In addition, the survey found that the typical Roth IRA owner was 37 years old, significantly younger than the traditional IRA owner who is about 50 years old, and that 30 percent of Roth IRA owners indicated that the Roth IRA was the first IRA they had ever owned.

This amendment intends to harness the power of the Roth IRA and give it to participants in 401(k) plans and 403(b) plans.

We will give companies the opportunity to give participants in 401(k) plans and 403(b) plans the ability to contribute to these plans on an after-tax basis, with the earnings on such contributions being tax-free when distributed, like the Roth IRA.

This amendment will also provide an additional savings opportunity to those individuals who are close to retirement.

We all know that there can be other pressing financial needs earlier in life—school loans, home loans, taking time off to raise the kids—which limit the amount that we may have available to save for retirement.

The closer that we get to retirement, the more we want to put away for those years when we are not working.

However, the current law limitations on how much may be contributed to tax qualified savings vehicles may restrict people's ability to save at this time in their lives.

This amendment will give those who are near retirement—age 50—the opportunity to contribute an additional amount in excess of the annual limits equal to an additional 50% of the annual limit.

Catch-up contributions will be allowed in 401(k) plans, 403(b) plans, 457(b) plans and IRAs.

For IRAs, this will mean that someone age 50 could contribute $7,500 each year rather than $5,000.

Never before have Americans had better opportunities to provide for a comfortable retirement—with a strong economy together with increasing opportunities for saving and investment.

The result of this amendment will be more personal savings to assist people in providing for a comfortable retirement.

I urge my colleagues to support this amendment.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. I yield back all time on this side on the Roth amendment.

The PRESIDING OFFICER. All time is yielded back.

Under the previous order, the Senator from Iowa is to be recognized.

Mr. HARKIN. How much time am I recognized for?

The PRESIDING OFFICER. The Senator has 10 minutes.

### AMENDMENT NO. 3840

(Purpose: To protect and provide resources for the Social Security System, to amend title II of the Social Security Act to eliminate the "motherhood penalty," increase the widow's and widower's benefit and to amend the Internal Revenue Code of 1986 to increase the unified credit exemption and the qualified family-owned business interest deduction, and for other purposes)

Mr. HARKIN. I call up amendment 3840 and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN], for himself, and Mr. FEINGOLD, Ms. MIKULSKI, and Mr. LEAHY, proposes an amendment numbered 3840.

Mr. HARKIN. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. HARKIN. Mr. President, women in America have made significant strides for equality and fair treatment. They have more opportunities and face less discrimination. However, there are still gross inequities, and this is particularly true in Social Security.

The average Social Security benefit received by a man is modest, about $10,508 on average in 1998. But for the 21 million American women who depend on Social Security, their average benefit is over 25 percent less, just $7,836 a year. That is 25 percent less to pay for prescription drugs; 25 percent less to pay for food; and 25 percent less to pay for the rent and utilities.

Largely as a result of these lower Social Security benefits, elderly women are twice as likely to be poor than older men. Fully, 19 percent of single older women—those who have been widowed, divorced, or never married—live in poverty.

There are a number of reasons for this. Women live longer than men. Women earn less during their working years due to wage discrimination and other factors. And women reach retirement with smaller pensions and other assets than men.

Parts of the problem lie with the Social Security itself. Our amendment that I have offered on behalf of myself, Senator FEINGOLD, Senator MIKULSKI, Senator LEAHY, and Senator MURRAY, tries to fix two of these problems in Social Security.

First, under current law, when a man dies, his widow sees only 50 to 66 percent of the couple's previous combined Social Security benefit. In one day, her basic income is cut by as much as half. However, the official poverty rate for a single person is 79 percent of that for a couple. That means that experts have determined it takes about 79 percent of a couple's income for a single person to maintain a minimum standard of living.

So the current widow's benefit forces many older women into poverty upon the death of their spouse. Our amendment would change that by increasing the Social Security survivors' benefit to at least 75 percent of the combined benefits of the husband and wife. This simple change will provide a greatly needed boost to more than 3 million low- and moderate-income widows and widowers.

The second part of our amendment addresses the Social Security motherhood penalty. The motherhood penalty is just this. In Social Security, it provides lower benefits for women who take time off their jobs to raise their children or to care for a sick parent. Our amendment would eliminate this penalty by allowing people to take time out of the workforce to raise a child or to care for a dependent relative, and to eliminate up to 5 years of zero or very low earnings from those used to calculate their future Social Security benefits.

Social Security benefits are based on your average earnings over 35 years. This generally works for men who spend an average of 39 years in the workforce. When Social Security was established in 1935, most women stayed at home. It was assumed most women would get benefits through their husbands. The 35-year average formula fails to recognize that today an increasing number of women work but also take time off to raise children. Thus, the average woman is in the workforce 27 years today. The other 8 years are counted as earning zero dollars, resulting in lower benefits. Our amendment recognizes the importance of care giving, of women taking time out of the workforce to have children, and allows up to 5 years of zero or lower earnings to be exempted when calculating future retirement benefits.

I will just give a brief example. Suppose you have a woman who worked throughout her life but took time off to raise three children. She worked for a total of 30 years, retired at age 65. In those 30 years she averaged $20,000 a year in earnings.

But since she had 5 years with no earnings while caring for her children, her lifetime average earnings calculated on a 35-year formula is $17,142. This entitles her to an annual Social Security benefit of $9,369. Under our amendment she would be allowed to erase those 5 zero-earning years, bringing her lifetime average back up to $20,000. As a result, her annual benefits would be increased by about $800, a significant and needed boost.

The motherhood penalty will become increasingly important as more women receive benefits based on their own earnings. Today, about 37 percent of women receive Social Security benefits based on their own earnings rather than getting the spousal benefit. But this is expected to rise to 60 percent over the next two generations, by 2060.

Finally, the third part of our amendment makes a major contribution to shoring up Social Security for the future. What we do is dedicate the interest savings from paying off the national debt to Social Security. By doing this, we are using good economic times to prepare for the future. These interest savings are substantial, totaling about $120 billion this decade, and growing to $250 billion a year by 2015. This simple step of locking away these savings for Social Security would assure Social Security's fiscal health for the next 50 years. What we are saying is when we buy down the national debt, the savings in the interest payments on that, which would normally go to general revenues, will go to Social Security and not to general revenues.

Again, our amendment offers a clear choice. If you want to make Social Security sound and secure for the next 50 years, you should vote for this amendment. If you want to do away with the motherhood penalty and make sure that women have their proper years counted so we do not discriminate against them for raising children, then I think you should vote for this amendment. If you think millions of moderate-income women deserve a financial boost, making sure they get at least 75 percent of their spouse's benefits rather than the 50 to 66 percent they get now, and get a lot of women over that poverty line, I think you should vote for this amendment.

There are three parts to this amendment: Do away with the motherhood penalty; second, make sure the spousal benefits are at least 75 percent of their spouse's upon death; third, use the savings from the interest payments to put into Social Security rather than general revenues.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 2 minutes 55 seconds remaining.

Mr. HARKIN. I yield the remainder of the time to the cosponsor of the amendment, the Senator from Wisconsin.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. FEINGOLD. Mr. President, as we on this side of the aisle have made clear, this debate is about priorities. The majority has made clear that its highest priority is to expand tax breaks for the wealthiest 2 percent of the population.

Yes some sensible reforms are in order to the estate tax, and the Democratic alternative, which our amendment incorporates, would make those.

But shouldn't our first and highest priority for using our surplus be extending the life of Social Security? Our amendment would do that, as well.

Thirdly, our amendment would make much-needed improvements in Social Security benefits for widows and those who take time out of the workforce to raise their children.

As President Kennedy said in his 1962 state of the Union address, "[T]he time to repair the roof is when the sun is shining." This year, the Social Security Trust Fund is taking in nearly $100 billion more in payroll tax revenues that it pays out in Social Security benefits, building up assets. It will continue to do so for pretty much the entire decade.

But then, in the next decade, as the baby boom generation begins to retire in numbers, that cash surplus will shrink. Starting in 2015, the cost of Social Security benefits is projected to exceed payroll tax revenues. Under current projections, this annual cash deficit will grow so that by 2036, Social Security will pay out a trillion dollars more in benefits that it takes in in payroll taxes. By 2037, the Trust Fund will have consumed all of its assets.

We as a Nation have made a promise to workers that Social Security will be there for them when they retire. Our Nation's commitment to Social Security will not go away. We should start planning for that future.

The Social Security Trustees released their last annual actuarial report at the end of March. That report indicated that to maintain solvency of the Social Security Trust Fund for 75 years, we need to take actions equivalent to raising payroll tax receipts by 1.89 percent of payroll or making equivalent cuts in benefits. In 2037, annual Social Security tax revenues will be sufficient to cover 72 percent of annual expenditures.

The Trustees' report sounds a warning: We can fix the Social Security program so that it will remain solvent for 75 years if we make changes now in either taxes or benefits equivalent to less than 2 percent of our payroll taxes. But if we wait until 2037, we would need the equivalent of a 28 percent cut in benefits to set the program right. Put another way, if we wait until the trust funds run out of assets in 2037, we will need to make changes equal to an increase in the payroll tax rate of 5.4 percentage points, to set the program right.

The choice is clear: Small changes now or big changes later. That's why Social Security reform is important, and why it is important now.

And that's why President Clinton was right when in his 1998 State of the Union Address, he said, "What should we do with this projected surplus? I have a simple four-word answer; Save Social Security first."

That's why it doesn't make sense to enact either tax cuts or spending measures that would spend the non-Social Security surplus before we've addressed Social Security for the long run. Before we enter into new obligations, we need to make sure that we have the resources to meet the commitments we already have.

The complete repeal of the estate tax before us today would head in the opposite direction. It could cost $750 billion a decade, when it if fully phased in. These costs would begin to hit most heavily in the decade after 2011, just when the baby boom generation will begin to retire in large numbers, just when the financial pressures on Social Security will begin to mount.

It would be irresponsible to enact a tax cut of this size before doing anything about Social Security. Before the Senate passes major tax cuts like the one pending today, the Senate should do first things first. And that's what this amendment does. I urge my colleagues to support it.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. GRAMM. Mr. President, our colleagues have just introduced the Gore plan to extend Social Security by giving the Social Security Administration a bunch of new IOUs. Of course, the IOUs are from the same Government that is going to have to pay the Social Security benefits in the future.

We currently have $800 billion of paper IOUs in a steel filing cabinet in West Virginia. They represent the trust fund of Social Security. When Social Security takes in more taxes than it spends, this computer in West Virginia prints out this IOU, and the Government goes on about its business and spends the money on something else. That something else can be any other Government program, or buying down the debt of the Treasury. But the Social Security Administration gets the IOUs.

What we are hearing here is a new gimmick, where you give them the IOU and then maybe you buy down debt, maybe not, but you still give them another IOU. Then that IOU earns interest and you get another IOU.

Let me go back and start at the beginning. Let me quote President Clinton in his year 2000 budget. I know it is late, but I hope my colleagues will listen to this quote.

> These Social Security trust fund balances are available to finance future benefit payments and other trust fund expenditures—but only in a bookkeeping sense. These funds are not set up to be pension funds, like the funds of private pension plans. They do not consist of real economic assets that can be drawn down in the future to fund benefits. Instead, they are claims on the Treasury that, when redeemed, will have to be financed by raising taxes, borrowing from the public, or reducing the benefits—

Which means cutting Social Security benefits—

> or other expenditures. The existence of large trust fund balances, therefore, does not, by itself, have any impact on the Government's ability to pay benefits.

That is not me talking. That is President Bill Clinton from his fiscal year 2000 budget. What is he saying? This $800 billion of Government IOUs we have represents a debt of Government. So when the Government has to pay Social Security benefits in the future, they have an IOU and they can collect it. But who has to pay it? The same Government that collects it.

It is why I cannot write an IOU and put it on my balance sheet. The Senator from Oklahoma, when he was running Nickles Machine Corporation, could not inflate his balance sheet by simply adding another IOU. President Clinton clearly explains that.

Our Vice President is saying: OK, I want to make Social Security solvent for 50 more years—I do not know why he did not do 100 or 500—and the way I am going to do it is I am going to print up these IOUs that say the Government owes the Government money, and they are going to put the IOUs in that filing cabinet in West Virginia.

Here is the problem. When they get them out to cash and they say: OK, this IOU is for $100 billion; we will pay benefits with this. Who is going to pay the $100 billion? The Government has to pay the $100 billion. To quote Bill Clinton, they have to raise taxes, borrow from the public, they have to reduce benefits, which is cut Social Security benefits, or they have to cut other expenditures. The point being this is a totally fraudulent proposal. It simply acts as if you can pay benefits that the Government owes with an IOU that the Government owes.

The problem is there is no way the Government, with its own debt, can pay anybody benefits because it has to pay its own debt first. All the Vice President is proposing is that we commit future income taxes to pay benefits in the future. How does that in any way improve the solvency of Social Security? It does not, and this whole proposal should be rejected.

Mr. CRAIG. Mr. President, I rise in opposition to the Harkin amendment.

The Harkin amendment would make changes to Social Security benefits. It would: increase benefits to widows; and increase benefits for stay-at-home parents by attributing earnings to them while they stay home.

Mr. President, everyone wants to help moms and widows, especially during election years, but Social Security is exactly the wrong tool for the job.

The Harkin amendment would fail to provide meaningful assistance to the people they are targeted to aid.

Worse, it would increase Social Security's unfunded liabilities by almost a third, reduce Social Security trust fund balances by hundreds of billions, and accelerate the system cash-flow crisis.

Social Security is one of the few federal programs that already takes stay-at-home parents into account.

Under the current system, married spouses generally receive about the same Social Security benefit regardless of whether they worked full-time, part-time, took a break for child-rearing, or did not work at all.

For example, in 1996 women who receive Social Security benefits based upon their own work record received an average benefit of $657, while women whose benefits are based upon their husband's work record received $596, just a 10-percent difference [Social Security Administration].

In other words, there is no motherhood penalty in Social Security.

If Senator HARKIN wants to help mothers, why doesn't he embrace tax relief like the Senate Marriage Tax Relief Act, which would allow parents to keep more of their income before it gets sent to Washington?

Instead, his proposal would take a program already under financial distress and make it go broke faster.

Moreover, under the Harkin amendment, years after you've incurred the expense and raised your children, you get a few more benefits from the Federal Government. Who pays for those benefits? You guessed it, your children. Not much of a deal.

The Harkin amendment is exactly the wrong solution to help stay-home parents.

Senator HARKIN estimates this proposal would cost just a few billion over the next 10 years. That is a gross underestimate.

While the Social Security Administration has not estimated the "motherhood" proposal, economist Henry Aaron offered a "seat-of-the-pants" estimate in Slate Magazine [4/5/00] of .25 percent of taxable wages.

That's about $150 billion over 10 years.

Meanwhile, Senator HARKIN's proposal to increase widow's benefits would cost about .32 percent of taxable wages [Report of the 1994–1996 Advisory Council on Social Security, Volume I: Findings and Recommendations, January 1997].

That translates into $166 billion over the next 10 years. Now the Senator has put a limit on his benefit, so it won't cost quite that much, but it is still substantial.

The Harkin amendment claims to pay for these new benefits by transferring money from general funds to the Social Security trust fund.

The amount of the suggested transfers is staggering. Including interest, it literally amounts to over 60 trillion dollars over the life of the transfers—over sixty trillion dollars!

What do general fund transfers accomplish to help ease the burden taxpayers face in coming years? Nothing.

What do the experts have to say about general fund transfers? President Clinton's Budget: "These [trust fund] balances are available to finance future benefit payments and other trust fund expenditures but only in a bookkeeping sense. These funds are not set up to be pension funds, like the funds of private pension plans. They do not consist of real economic assets that can be drawn down in the future to fund benefits. Instead, they are claims on the Treasury that, when redeemed, will have to be financed by raising taxes, borrowing from the public, or reducing benefits or other expenditures. The existence of large trust fund balances, therefore, does not, by itself, have any impact on the Government's ability to pay benefits."

Congressional Budget Office: "The Administration's proposals would create transactions between government accounts, but such intra-governmental transfers do not by themselves increase the resources available to the government."

Dan Crippen—Director of the Congressional Budget Office: "Too many of us—from the President to members of Congress to my high school classmates—believe the current balances in the Social Security trust funds will help ease the burden on the children of the baby boomers. That is, unfortunately, not true."

Henry Aaron—Brookings Institute: "The president proposes to deposit government bonds to defray part of this unfunded liability, thereby putting a call on future general revenues—personal and corporation income taxes—to pay for this unfunded liability," according to testimony before the Ways and Means Committee, 2/2/99.

Mr. President, Senator HARKIN's trust fund transfers are a fraud.

Whether the system is financed through payroll taxes or from general funds, the Social Security system is poised to claim an increasing share of future worker income. By 2075, that share is one-fifth of taxable payroll—20 cents of every dollar a worker earns.

That 20 cents is taken before the other income taxes, sales taxes, and property taxes are collected to pay for national defense, policing the streets, educating children, and other government services.

It also is assessed before the worker can purchase housing, clothing, food, education, and transportation. All for a program that—in many cases—offers the worker less money than he or she contributed.

Meanwhile, expanding Social Security benefits when the program is already going broke is wholly irresponsible.

As Robert Reischauer, former Congressional Budget Office Director, observed about similar proposals. "We still have a program that is going to face difficulties. Compounding those difficulties is not responsible policy."

The Harkin amendment is the worst sort of pandering. It pits one generation against another. Younger workers against older retirees. It should be defeated.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I yield myself 5 minutes of leader time to speak on this amendment.

The PRESIDING OFFICER. The Senator is recognized.

Mr. NICKLES. Mr. President, I mention to my colleagues, I think everyone is aware the minority leader yielded 5 minutes to his colleagues on each of these minutes. I do not like to do it, but it is important to point out some of the facts. I appreciate my colleague from Texas pointing them out.

This amendment and the Vice President's proposal is one of the riskiest, maybe one of the most deceitful I have seen in my years in Congress. It basically says we should have double accounting of interest. It says we are going to take the interest savings from debt reduction and apply that to Social Security, as if we are going to make Social Security more solvent. It would not do that.

I will give some quotes from people who studied the proposal. One is from David Walker, Comptroller General of GAO:

> [The Clinton-Gore proposal] does not come close to saving Social Security.

The proposal he is referring to is the Clinton-Gore proposal.

> Under the President's proposal, the changes to the Social Security program will be more perceived than real: although the trust funds will appear to have more resources as a result of the proposal, nothing about the program has changed.

Dan Crippen, Director of CBO:

> Those transfers would have no effect on the ability of the Federal Government to meet the obligations of those programs. The transfer would not, as some have asserted, strengthen Medicare or Social Security. At most, they might have the opposite effect of imparting a false sense of security.

It is double accounting.

I have a statement from CBO's "An Analysis of the President's Budgetary Proposals for Fiscal Year 2001." On page 67, it talks about the interest savings transfers to Social Security. It says:

> The Social Security trust funds already receive credits for interest on their accumulated balances under current law.

They already get interest on the surpluses. That is already current law.

It continues:

> The proposed transfers would simply add extra interest credits on top of those that would be provided anyway. . . . The transfers themselves would have no economic significance because they would flow out of one government fund and into another.

If we want to say we are making the Social Security fund more solvent by adding more IOUs, we should do what the Senator from Texas did. Why stop at $100 billion?

I read that the Senator's amendment will add $250 billion annually after 2015. Why not right now? Let's just add $5 trillion. We have about $10 trillion of unfunded liability in Social Security. Let's just say we have a Government IOU, $10 trillion. It is fully funded. In the year 2012 or 2015, there is going to be a shortage. There is going to be more money going out than coming in, and those IOUs will not be able to pay one check—not one.

At that point in time, the Government is going to have to borrow more money, raise taxes, or cut benefits. In other words, we have not changed the program, and putting in more IOUs will not pay one benefit, will not pay one Social Security check. If my colleagues are interested in the solvency—my colleague is saying let's also increase benefits; let's increase retirement benefits; let's increase survivor benefits; let's increase benefits for people not paying into the system and increase survivor benefits, none of which had hearings before the Finance Committee.

Talk about being irresponsible and playing politics with Social Security. This amendment does it in the worst way. This amendment needs to fail and, frankly, the Vice President should be ashamed of this proposal. I hope our colleagues will vote against it, and I urge our colleagues to vote against it tomorrow morning.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. If all time has expired on that amendment, I would like to be recognized——

The PRESIDING OFFICER. The Senator from Iowa has 1 minute remaining.

Mr. HARKIN. Mr. President, I will use it for a small rebuttal. I noticed my friends on the other side going after the Social Security trust funds. The Senator from Minnesota, Mr. GRAMS, had an amendment to put money into the Social Security trust fund, and they all voted for it. So much for being consistent around here.

Quite frankly, I listen to the arguments on the other side, and I think my friends from the other side want to privatize Social Security. On top of that, they want to say you do not get Social Security until you are 70. They want to raise the retirement age.

Don't let all that fog over there cloud what we are trying to do. We are trying to change the motherhood penalty so women are not penalized raising children and getting Social Security.

Secondly, our amendment says widows ought to get at least 75 percent of their spousal benefit, rather than the 50 to 60 percent now.

Lastly, when we pay down the national debt, you are right, take the savings from that and stick it into Social Security so that money will be there for future generations.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 1 minute 25 seconds remaining.

Mr. NICKLES. Mr. President, maybe my colleague from Iowa did not understand what we voted on earlier. Earlier we voted on repeal of the tax on Social Security which was passed by the Clinton-Gore administration, passed by Vice President GORE because he broke the tie, passed by every Democrat, but not one Republican voted for it. We had 58 votes, I believe, in the Senate to repeal it today. Those are the facts.

There was a tax increase on Social Security that passed in 1993, and it was passed by every Democrat. Today we had an overwhelming majority who voted to repeal it. Those are the facts.

Now we have an amendment before us that says let's double count interest savings even though we count the interest on Social Security surpluses. Let's double count and let's pretend that is going to make Social Security more solvent and, in the process, let's add a whole bunch of new benefits and see if we can't buy more votes and tell people we are going to give them something even though they know it is not going to happen. It has not been considered in the Finance Committee and Ways and Means Committee. Even though they know it is irresponsible and Social Security has big problems coming up in 13, 14 years, they say: Let's put more IOUs in and pretend it will make it more solvent. The budget experts say it will not work. The President in his own budget statement said it will not work.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I do not have any time left.

The PRESIDING OFFICER. The Senator has no time left on this amendment.

Mr. HARKIN. I ask unanimous consent for 30 seconds to respond.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Iowa is recognized.

Mr. HARKIN. Mr. President, let me read the exact language of the Grams amendment.

> Revenue offset.—The Secretary of the Treasury shall transfer, for each fiscal year, from the general fund in the Treasury to the Federal Hospital Insurance Trust Fund established under section 1817 of the Social Security Act . . . an amount equal to the decrease in revenues to the Treasury for such fiscal year by reason of the amendment made by this section.

I rest my case. They all voted for it transferring money from General Treasury to Social Security. That is the Grams amendment. They all voted for it.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from Texas.

Mr. GRAMM. Mr. President, I ask unanimous consent that it be in order for me to offer the Lott amendment on the list at this time and that I be allowed to yield back all the time and that the vote occur in the sequence to follow the Bayh amendment as previously ordered.

The PRESIDING OFFICER. Without objection, it is so ordered.

### AMENDMENT NO. 3842

(Purpose: To provide tax relief)

Mr. GRAMM. Mr. President, I send the amendment to the desk and yield back all time that is allotted.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

> The Senator from Texas [Mr. GRAMM], for Mr. LOTT, proposes an amendment numbered 3842.

Mr. GRAMM. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. I want to ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Under the previous order, the Senator from Indiana is recognized.

### AMENDMENT NO. 3843

(Purpose: To amend the Internal Revenue Code of 1986 to increase the unified credit exemption and the qualified family-owned business interest deduction and provide a long-term care credit, and for other purposes)

Mr. BAYH. Mr. President, I send an amendment to the desk on behalf of myself, and Senators DURBIN, FEINGOLD, MIKULSKI, KOHL, BIDEN and GRAHAM, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

> The Senator from Indiana [Mr. BAYH] for himself, Mr. DURBIN, Ms. MIKULSKI, Mr. FEINGOLD, Mr. KOHL, Mr. BIDEN, and Mr. GRAHAM, proposes an amendment numbered 3843.

Mr. BAYH. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. BAYH. Mr. President, I yield myself 4 minutes.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. BAYH. Mr. President, I rise to support our amendment because it not only provides for substantial estate tax relief, but it also provides for substantial tax cuts for millions of American families, in providing for long-term care for sick and elderly dependents, and also provides for important tax relief for millions of American families who work hard, play by the rules, are self-employed, but struggle to meet the costs of health insurance.

I express my appreciation to my colleagues, Senator DURBIN, Senator FEINGOLD, and others, for their leadership in bringing us to this point, and for their support of these critical and important steps.

I want to make clear that I strongly support the cause of providing for estate tax relief. That is why I am delighted to say that our approach provides, when fully implemented, that 99.3 percent of the American people—99.3 percent—will be entirely exempt from any estate taxes in our country.

This means that fully 95 percent of farms that would currently be subject to the estate tax have their estate tax liability eliminated entirely, and 75 percent of small businesses currently subject to the estate tax will have their estate tax liability eliminated entirely.

In a perfect world, I would also support the elimination of the other one-tenth of 1 percent of families in our country who will still be subject to the estate tax. But we have other priorities which must also be met.

One of the foremost among these is the fact that currently 2.6 million families across our country struggle to provide care for a sick, elderly parent in their home. This figure is expected to skyrocket in the coming years because, among other facts, those in our country over the age of 65 will more than double during that period of time.

We find too many families today caught in what we refer to as the "sandwich generation," struggling not only to provide for their children, pay the mortgage, put food on the table, but also to care for a sick, elderly parent or grandparent. It is not right in our country that families must be forced to choose between caring for a child or caring for a parent. They deserve tax relief, too.

That is exactly what our bill would do, providing up to a $3,000 tax credit every year, once fully phased in, to help alleviate those burdens, allowing families to meet all of their priorities, and particularly to provide for long-term care for a sick, elderly parent or other dependent.

Likewise, it is not right that so many of our families currently work and struggle to provide for the cost of health insurance. Just last year, one million fewer Americans had health insurance, and many of these are self-employed. Under our approach, we would accelerate the full deductibility for the cost of health insurance for those who are self-employed to next year, providing an additional 2 years of tax relief for hard-working Americans.

In conclusion, let me say this. It has been eloquently stated by our colleagues on the other side of the aisle that death should not be a taxable event, and they are right. But it is equally true no family in our country should face the painful dilemma of providing care for their children or care for their parents. That is not right. They deserve our help. They deserve tax cuts, too.

It is not right that hard-working Americans, who play by the rules, pay their taxes, and get up and go to work every day, struggle to make ends meet, and provide for health care. They deserve tax cuts. They deserve our help, too.

That is exactly what our bill would provide. It meets our priorities, it is financially responsible, and it is true to our enduring values. That is why I encourage my colleagues to adopt this important amendment.

I now yield 3 minutes to the Senator from Illinois, my friend and colleague, Mr. DURBIN.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DURBIN. Mr. President, I thank the Senator from Indiana for his leadership. I fully support his amendment.

For those who are trying to understand what is happening on the floor of the Senate, allow me to give a summary of the game to this point.

The Republican leadership has come forward with a basic proposal to eliminate the estate tax. They have suggested that we should take $850 billion over the next 20 years and dedicate it to eliminating the tax liability for 44,000 of the wealthiest Americans in our Nation. They believe that is our highest priority. When they look at our Tax Code, the Republicans have concluded the greatest inequity in America's taxes is the tax paid by less than 2 percent of our population.

They have decided that the most deserving group for tax relief in America today are 44,000 of the wealthiest people in our Nation. That is their decision. That is their priority. They have made it clear with every single vote.

We have come forward and said we can reform the estate tax so that virtually two-thirds of those currently paying will not have any liability and still have money left to do important things.

We said to the Republican side of the aisle: Will you join us in allowing families to deduct college education expenses for their kids as part of it?

No, they said, we are not interested.

Will you join us in a prescription drug benefit for seniors as part of the relief that we are going to offer in this?

No, they are not interested.

Will you join us in child care relief so that families can afford to have safe and quality child care?

No, they are not interested. Their only interest is in protecting the 44,000 wealthiest people in this country.

What Senator BAYH is offering in this amendment is a long-term care tax assistance package which every family with an aging parent can understand, which every family that faces that responsibility will clearly understand. This is family oriented. It will affect literally millions.

My portion of this amendment will affect 13 percent of the workforce. It will allow the self-employed businesses across America—those are farmers and small businesses, by and large —to deduct immediately next year their health insurance premiums paid for their employees instead of waiting an additional 2 years.

Right now, the big corporations deduct all the expenses for the health insurance of their employees. Self-employed people cannot. When you ask small businesses across America: What is your highest priority? it is not the elimination of the estate tax. The highest priority is the cost of health insurance. And the second highest, I noticed this morning, happens to be education and finding skilled and trained workers.

So this amendment addresses not only an inequity in the Tax Code that affects literally millions in America—21 million self-employed people—but it is also going to provide for those truly deserving, so they can afford health insurance.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from Indiana.

Mr. BAYH. I thank the Senator from Illinois and I yield 3 minutes to my colleague and friend, the Senator from Wisconsin, Mr. FEINGOLD.

Mr. FEINGOLD. Mr. President, I certainly thank the Senator from Indiana and the Senator from Illinois. I am delighted to be part of this effort, as three States in the Midwest link together to fight for this long-term care issue.

As the Senator from Illinois indicated, this debate all day and throughout this week has been about priorities.

By moving this bill, the majority has made clear that its highest priority is to grant tax breaks to the wealthiest 2 percent of the population. But there are other priorities that I think are more important than that.

Yes, some sensible reforms are in order to the estate tax for middle-income Americans and to address the special needs of small businesses and farmers. But we can do that and, by cutting back on the Republican plans tax cuts for the very wealthiest, still have money left over for other pressing needs.

One of our Nation's most pressing unmet needs is the acute and growing demand for help with long-term care.

As our country's population ages and as Americans live longer lives, we face a major long-term care challenge in the decades to come. And I do not think we are meeting it as a country. I think we talk about Medicare, we talk about Social Security—and those are critical—but this is really the third major piece that we are not adequately addressing.

Today, one in eight Americans are over the age of 65. By 2030, one in five will be.

Today, 4 million Americans are over 85 years old. By 2030, more than twice as many—9 million Americans—will be.

And already today, 54 million Americans—one in five—live with some kind of disability. One in ten copes with a severe disability.

The job of helping people with disabilities to deal the life falls heavily on the family. Four out of five primary helpers are relatives, and nearly half of these primary helpers live with the person with a disability.

And the burden on the family is not just emotional, but also financial. More than three-quarters of Americans age 22 to 64 with disabilities receive no public assistance.

The fact is, our Nation has no comprehensive long-term care system. Rather, patients and their families struggle through a fragmented, uncoordinated, and costly labyrinth.

Millions of vulnerable Americans cannot get the care they need. They cannot afford it, they do not qualify for the limited public funding available, or they simply cannot find the services they need.

Whenever people have a choice, they would rather get the long-term care they need in their own homes. If they can't get care at home, people want care as much like home as possible, in places like assisted living facilities. Nearly 4 out of 5 older Americans who need long-term care live in the community, and most receive no paid services.

This amendment would take one small, concrete step to help them out. Much more than this step is needed. But let us at least take this step. I urge my Colleagues to support the amendment.

What the Bayh-Durbin-Feingold amendment and the other cosponsors are trying to do and say is that instead of having this very narrow priority for the very wealthiest Americans, what we have to do is address a true crisis that will only get worse and to do something to assist people with these very difficult costs.

I thank the Senator from Indiana for the time and especially for his leadership on this issue.

Mr. BAYH. Mr. President, I thank Senator FEINGOLD and Senator DURBIN for their eloquent advocacy of this important issue.

How much time do I have remaining?

The PRESIDING OFFICER (Mr. CRAPO). The Senator has 25 seconds remaining.

Mr. BAYH. I yield back the remainder of my time, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. ROTH. Mr. President, providing for America's long-term care needs is an important priority. An important way to help Americans provide for their long-term care needs is by providing various tax incentives.

We have already addressed many of these long-term care tax incentives in other tax bills the Senate has voted on. More recently, the Senate approved the various tax incentives for long-term care insurance and provided for an additional tax exemption for those who are caring for their parents who have long-term care needs.

Last year, the Senate approved a bill which would have provided tax incentives for long-term care insurance. Unfortunately, the President vetoed that bill. When we added these tax provisions to the managed care bill, my friends on the other side opposed these incentives.

I think it is fair to say the Senate has shown its concern towards helping Americans provide for long-term care. However, I must oppose this legislation for it contains a basic defect. It is built on the Democratic alternative to the House death tax repeal bill. In other words, it strikes the House death tax repeal and replaces it with the Democratic alternative.

For this reason, I oppose the amendment and urge my colleagues to vote against it.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, a few comments. Our colleagues are proposing a tax credit for long-term health care. The Senate has passed that in a couple of bills. We passed it on minimum wage. We passed it on the Patients' Bill of Rights, giving an above-the-line deduction.

There is a difference between a deduction and a credit. By a credit, they are saying: You should pay no taxes whatsoever. We are saying: You should get a deduction. There is a difference. With a credit, you are saying that is a better priority. The Federal Government has decided that is a better priority than your health care because people don't get a credit for their health care deductions. We are going to say this is more important.

I think it is equally important. As a matter of fact, the bill we passed said we should have an above-the-line deduction for health care and for long-term health care costs. We want to encourage both. But to say that one is more important than the other, as this bill does, by saying that long-term health care is more important than health care insurance, is a mistake. Most people would say they would rather have health care.

I noticed my colleague added expensing for self-employed. I am sure my friends are aware that I am very much a proponent of that. We have led the fight to make that happen. Incidentally, we have already passed that as well. We passed that on the minimum wage bill. We passed it on the Patients' Bill of Rights. I assure my colleagues, before any minimum wage bill passes, this is going to be part of it.

What my colleagues are not telling people is, they are including with it an amendment that basically guts the estate tax provision that we have in this bill. You go in and tell employers: We want to make sure that you pay estate taxes. And if you pay estate taxes, your minimum rate, the beginning rate, under the Democrat proposal, is 37 percent. If you have a taxable estate of $2 million, you will be paying 37 percent. I don't think they would think that is a very good deal. Small businesspeople would say: You didn't do me any favors.

I urge my colleagues, at the appropriate time tomorrow, to vote against this amendment.

I yield back the remainder of our time.

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin is recognized to offer an amendment.

### AMENDMENT NO. 3844

Mr. FEINGOLD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Wisconsin [Mr. FEINGOLD] proposes an amendment numbered 3844.

The amendment is as follows:

(Purpose: To preserve budget surplus funds so that they might be available to extend the life of Social Security and Medicare)

On page 2, line 16, after "is hereby repealed", insert the following: "for estates up to $100,000,000 in size".

Mr. FEINGOLD. Mr. President, this is a very simple amendment. It limits the estate tax repeal for estates over $100 million.

As I mentioned earlier on the floor, this debate is about priorities. In particular, it is a debate about where we should devote our resources. This amendment provides a clear, easily definable choice.

Many Members have indicated that reforming the estate tax, especially for small businesses and farms, should be a priority of the body. I am sympathetic to that goal. Let's face it, Mr. President. This bill goes much further than addressing that targeted concern. As it rests now, the bill leaps far beyond any commonsense definition of modest estates and provides massive tax relief to the extremely wealthy, even to multimillionaires.

How can anyone suggest that providing such massive tax relief to multimillionaires should be among our highest priorities? They seem to be doing very well. There are millions of Americans who have more pressing needs.

Fiscal prudence dictates that we exercise restraint in considering the disposition of projected budget surpluses. First and foremost, of course, these surpluses may never materialize. But even granting or assuming they do, there are many competing needs for this limited pot of money. Providing a massive tax cut to estates of over $100 million is not the best, highest use of the projected surplus.

When we increase spending, we are implementing policies that benefit some while increasing the fiscal burden on everyone else. We are engaged, of course, in a zero sum enterprise. There is limited money. Milton Friedman's famous quote is: Of course, there is no free lunch. This is true of tax cuts as well.

Every time we lower our tax rate or create a new tax loophole, the tax burden on everyone else increases. Specific tax cuts or spending increases come with a price. They come at the expense of other tax cuts or spending increases or they come at the expense of a higher national debt.

Way too often, as we do our work, the choices we weigh are heartbreakingly difficult. They truly are. This is not one of those cases though. It may make some sense to increase the current exemption on estates, but it makes no sense at all to repeal the estate tax for the handful of estates over $100 million.

Mr. President, surely the supporters of estate tax cuts must agree that eliminating the estate tax on the handful of estates of over $100 million is not our highest priority, or anywhere close to it. It is not even in the ballpark. When I first ran for the Senate back in 1992, the central issue of my campaign was reducing and, hopefully, eliminating the Federal budget deficit —the result of a decade-long binge of self-indulgent fiscal policies. When I came into office, the deficit stood at about $340 billion. Today, we hope to have a balanced budget for the second year in a row. That, of course, is a remarkable achievement. It came, in large part, because of the tough choices we made in 1993 and, to a lesser extent, in 1997. Nobody can credibly argue that our greatly improved budget position, as well as the sustained economic growth we have experienced, are not, in part, the result of the tough choices we made.

I think it would be tragic if Congress now squandered all that has been achieved to appease a handful of enormously wealthy interests—interests, it should be noted, that have been the greatest beneficiaries of our strong economy and, thus, of the fiscal responsibility shown in 1993.

This last point bears some emphasis because so often the tax cuts we have seen proposed by the majority have the immediate effect of benefiting the very well off in our society, while in fact the policy that most benefits the well-to-do is fiscal restraint, not politically appealing tax policies.

Let's exercise just a little bit of restraint. It is a very modest proposal that we just cut this thing off at a $100 million estate. I hope my colleagues will consider adopting this amendment.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. FEINGOLD. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. NICKLES. Mr. President, the way I look at the Tax Code, I think it should be fair; it should be uniform. It is interesting to hear people say: This tax only applies to 2 percent, so let's sock it to them. They have been enormously successful. So what is the right rate? Is it 55 percent or 60 percent, as it is on Americans today? Are my colleagues aware of the fact that if you have a $10 million taxable estate, the death tax is 60 percent?

I know my colleague says he picked a higher figure, $100 million, and that is only 55 percent. Incidentally, he didn't mention it in his comments, but he also eliminates the stepped-up basis. That means you will have a much greater capital gains tax. So you have a 55-percent rate and you have capital gains. It is a really heavy hit. Uncle Sam will get over half.

What is fair? It is easy to demagog and say those guys are supporting tax cuts for the wealthy. That is hogwash. What is fair? If somebody works their entire life and has enormous success and builds up a company—and say it is worth $100 million, which is great—and the principal dies and their kids want to operate that plant, they don't want to sell it. Uncle Sam is entitled to 55 percent of it? I don't think so. What is fair about that or uniform about it? I don't think it makes sense. Maybe they want to continue that.

I can think of a lot of businesses—for example, Bechtel Construction is one of the world's premier construction companies; it happens to be a private business. I am sure it is worth a lot more than this. If the principal owner dies and his kids want to run it, the Government can say, no, we want half. What is right about that? Maybe I shouldn't mention anybody by name. They have never contacted me on this issue.

My point is, where is the Government's right to say that? He said we are squandering "our" resources. How is that the Federal Government's resources? They are the ones who built up these companies, but the Federal Government is entitled to take over half of it when somebody dies? Don't say, well, those estates are getting away from taxes because, under our proposal, when the property is sold, they pay capital gains. That rate is 20 percent; it is not 55 percent. To me, it is a lot more manageable. That is a taxable event just as it would be on any American. But it is basically when the property is sold, not when somebody dies.

We want to eliminate the death tax for all Americans, not just wealthy Americans. They should not have to pay a tax on death. The taxable event would be on the sale of the property—when and if they sell the property. The kids would receive the property and keep running the business; there is no tax. If they sell the business, there is a tax. They pay capital gains.

Under my colleague's proposal, they pay a whole lot more tax because he eliminates the stepped-up basis as well. You keep the extra high rates, and you also have no stepped-up basis and capital gain. So you hit them really hard.

Why don't we just make it 100 percent? Let's just eliminate anybody who accumulates wealth that happens to be over $100 million. Then we won't have the entrepreneurs; we won't have the Microsofts; we won't have the Oracles or the other high-tech companies; we won't have the young entrepreneurs who are building and expanding these businesses in our country.

You can go to a lot of countries that don't have taxes on estates. It is pretty easy today to start a new business in high technology. You can go to other countries easily because they want the entrepreneurs; they will welcome them in because they realize that is the engine of a growing economy, and it is fantastic, so they will give great benefits.

We have one of the highest estate taxes in the world. Some of my colleagues say: Let's only have it on the wealthy, successful people; we will really sock it to them. I think that is really unfair. The Tax Code should be uniform and fair. As a matter of fact, I think of the Constitution where I read that the Tax Code should be uniform. Now when people say we have to increase the exemption so much that we will sock it to the wealthy, the rates already at 55 percent—60 percent for some Americans—that is way too high. We say, wait a minute, the Tax Code should be uniform. Let's eliminate the tax on death on all Americans—not just wealthy Americans but on all Americans—and have the taxable event when the property is sold on wealthy Americans as well. They can pay 20 percent just as any other American does.

To me, that is fair, uniform and, frankly, would probably raise more money because wealthy people have figured out lots of ways to get around estate taxes—through foundations and other little gimmicks. They hire lots of attorneys and successful people and pay them lots of money every year to make sure they pay no tax.

It would be very interesting to know how much money is utilized—some say wasted—but generated to avoid this tax or how many businesses aren't expanded to avoid this tax.

If my colleague's amendment would pass, how many successful people would flee to another country to expand their business and grow their business so they would not be faced with the situation where they worked their entire life for success, and they happen to die, and Uncle Sam says: Thank you very much; we want 55 percent. Thank you for your efforts, but those are "our" resources. Ours? The Government didn't build that company, but the Government is entitled to over half of the estate. The power to tax is the power to destroy.

I urge my colleagues to vote no on this amendment at the appropriate time tomorrow.

The PRESIDING OFFICER. The Senator from Wisconsin has 5 minutes 26 seconds.

Mr. FEINGOLD. Mr. President, in listening to the Senator from Oklahoma, you would think I were up here proposing for the first time in American history that we implement an estate tax or that perhaps it was something created in the heart of the 1960s as an extreme, liberal idea, and that finally the Republican majority were going to eliminate it.

That isn't the truth at all. The fact is, as I understand it, this kind of tax has been around for about a hundred years. When the Senator from Oklahoma condemns the idea of having some kind of limitation on a tax that has been there for decades and decades, in fact, I voted for it, and I assume the Senator from Oklahoma, on a number of occasions, voted for increasing the exemption. He has not taken the position in the past that it must be completely eliminated; otherwise, it is not worth increasing the exemption.

That is all this amendment does. It goes awfully high. My amendment says we are going to completely eliminate the estate tax in estates of up to $100 million. In other words, this gentleman that the Senator from Oklahoma is concerned about leaving the United States, under my proposal, would have the first $100 million of his estate exempted. If he is going to take off after the first $100 million is exempted, I really question his business judgment. He has to leave the United States because somehow he is going to be taxed over $100 million?

Let's face it—and I hate to use this term—but when you start talking about over $100 million and having to pay some kind of tax, just as people have always had to pay in this country, the word "greed" comes to mind rather than "business judgment." There is no need in the pressure of this society to provide an exemption to the estate tax on over $100 million. It would be absolutely clear. Under my amendment, up to $100 million is still covered.

Why in the world can't people at that level at least help us out a little bit? Under current law, they are not getting this break anywhere near this level. But I am suggesting once we hit this extreme level, the real extreme idea here is to have no estate tax at all. That is the point.

The question is, What should the exemption level be? I am suggesting there is number up in the stratosphere. It is just absurd to provide this kind of benefit.

I would suggest that almost any average American you would ask would say, sure, if somebody is at that level, it is reasonable and fair to say they ought to pay some estate tax.

That is all this amendment tries to do.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, again, I want to be very clear. I can think of a female entrepreneur in Oklahoma building a business. It has been very successful. She built it basically from scratch. I am going to guess it is worth $100 million. For this hypothetical example, it is worth $100 million. I bet it is. This business has worldwide sales in pies. She will know who I am talking about. They have had great success.

The value of that company probably 20 years ago was probably less than $1 million. Today, for this purpose, it is worth $100 million.

Let's say she is the sole owner of the company and she dies. Under the Democrat proposal of my colleague from Wisconsin, the tax would be 55 percent. Once you get to the higher levels, you don't get to phase in. That is $55 million—55 percent.

Under his proposal, also you would lose the stepped-up basis, which is kind of complicated. Basically, it means you go back to the zero basis of what it was.

Since the value was almost $1 million, or nothing, 20 years ago, you are going to have to pay another 20 percent on top of that. For this $100 million corporation, say, her sole survivor who wants to inherit this company and keep it running has to pay a tax bill in the neighborhood of about $75 million out of a $100 million company.

What is right about that? What is fair about that? Nothing, zero.

Again, taxes should be uniform. They should be fair.

This amendment is written to demagog. This amendment says: Yes. These tax cuts are really going to benefit people making even over $100 million.

My point is that the Tax Code should be fair and uniform. If we are not going to have death taxes, they should not apply to anybody. Conversely, if we eliminate the tax on death for everybody, including the people over $100 million and under $100 million, all would pay capital gains. So when and if that business is sold there would be a capital gains tax. It would be 20 percent. If you have a $100 million business, or gain in property, and they sell it, the Federal Government would get $20 million.

Isn't that enough? Why in the world would my colleague think the Federal Government under present law and under my colleague's proposal should get over 50 percent? Why would the Federal Government be entitled to 60 percent or 75 percent of that business under his proposal? He taxes them twice.

Under the proposal of my colleague from Wisconsin, the estate would pay twice: once at the death based on the appraised value, and again when the asset is sold without a stepped-up basis.

You couldn't be more unfair. If you are going to go to 75 percent, why don't you make it 100 percent?

This idea of it being the resource of the Government when somebody dies belongs in the Kremlin. It doesn't belong in the United States.

I urge my colleagues to vote no on this amendment.

Mr. ROTH. Mr. President, on behalf of the leader, I move to commit the bill to the Finance Committee to report back forthwith with the text of H.R. 8.

I send the motion to the desk.

The PRESIDING OFFICER. The motion will be received.

Mr. ROTH. Mr. President, this motion, if adopted, sends the death tax repeal directly to the President for signature. This avoids the uncertainty of a conference, expedites our tight floor schedule, and removes the possibility that floor consideration of a conference report could be delayed and blocked altogether.

I ask unanimous consent that all time on both sides be yielded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INOUYE. Mr. President, my colleague, Senator AKAKA, and I wish to engage the floor managers of the bill—the chairman of the Finance Committee, Senator ROTH, and the ranking member, Senator MOYNIHAN—in a discussion on the eventual compromise for estate tax relief.

As the distinguished floor managers and all Senators are well aware, the present strategy in this election year is for the Senate to pass H.R. 8 without any change. The majority will vote down all amendments and pass the bill in the exact form as received from the House. the Senate can thus avoid a conference with the House and send the bill immediately to the President to be vetoed.

The President repeatedly has said that he will veto H.R. 8 in its present form. But the President has added that he is willing to work with the Congress on a bipartisan basis to enact appropriate estate tax relief for small businesses and family farms. So, if any estate tax relief is to be enacted this year, it will occur as part of an eventual compromise on an omnibus legislative, tax, and spending package in September.

Senator AKAKA and I have raised with the distinguished floor managers the need to expand eligibility for deferral and installment payment of the estate tax.

Current law allows qualifying estates a 4-year deferral followed by 10-year installment payment of the estate tax liability arising from certain qualified interests in closely held businesses. The estate tax is not avoided or reduced but only deferred. The Treasury will receive the same amount of tax with a discounted rate of interest, but the family gets a longer period to pay the tax. This relief has proven successful in that closely held and family businesses can continue to operate and keep their workers employed while using business earnings to pay off the estate taxes.

The present deferral and installment payment relief was part of the Subchapter S Act of 1958. Congress in that Act used the same eligibility requirement for Subchapter S tax treatment of closely held businesses and for estate tax relief. Years later, eligibility was broadened for qualification under Subchapter S, but not for estate tax relief. Current eligibility for estate tax relief is too narrowly restricted.

When the expected year-end negotiations between Congress and the President turn to estate tax relief, would the distinguished bill managers seek to widen eligibility for deferral and installment payment for closely held businesses?

Mr. AKAKA. If the senior Senator from Hawaii would allow me to interject before the distinguished floor managers respond to his question, I wish to explain the need for this relief measure.

According to witnesses who have testified before Congress and tax experts, the estate tax poses a dire problem for family-owned and closely held businesses. The owners typically have all their assets tied up in the business, and they have re-invested all their profits to make the business grow. When the owners die, the estate tax must be paid within 9 months and in many cases the families will have to sell the businesses to pay the tax. With only 9 months to pay off the estate tax, the families are often forced to settle for whatever price they can get. Now, rather than face such a fire sale, many business owners will sell their businesses while they are still alive so that their families can get a fair price. Many family-owned and closely held businesses do not show up on estate tax returns, because they have already been sold off in anticipation of having to pay the tax.

Recognizing the liquidity problem that the estate tax imposes on closely held businesses, the Treasury Department has suggested that the number of owners permissible in a qualifying business should be raised from 15 to 75 so that eligibility for estate tax deferral and installment payment can be consistent with Subchapter S qualification. In the House, Representative CAROLYN MCCARTHY, together with various members of the Small Business Committee and Representative NEIL ABERCROMBIE, have advocated this proposal as H.R. 4512. This is the proposal that Senator INOUYE and I have raised with the distinguished floor managers. Am I correct in my understanding that the senior Senator from Delaware and the senior Senator from New York will favorably consider this proposal for inclusion in the eventual package of estate tax relief measures?

Mr. ROTH. The two Senators are correct in their understanding. I personally do not believe that the federal estate tax should force the sale of closely held and family-owned businesses.

Mr. MOYNIHAN. The Senators from Hawaii have identified a true problem with the estate tax, and they have proposed a very meritorious solution. Let me assure the two Senators that I will do all I can to include this proposal in any estate tax relief measure.

Mr. INOUYE. I thank the Senator from Delaware and the Senator from New York for their kind response.

Mr. AKAKA. I, too, join in expressing my appreciation for the distinguished floor managers' support.

Mr. DEWINE. Mr. President, I rise today in support of the "Death Tax Elimination Act." This bill would reduce federal estate and gift tax collections over the next nine years, followed by full repeal in the tenth year.

Many of my colleagues have come to the floor and made compelling arguments for the elimination of the death tax. Many have argued that the death tax is unfair and even immoral in a sense. The death tax penalizes the most productive in our society and discourages savings and investment.

Mr. President, I agree with all of these arguments. Each of these arguments supply ample warrants for eliminating the death tax. And ultimately, I have concluded the estate tax stunts continued economic growth and provides only very limited federal revenues. Simply put, the negative economic and societal consequences of the death tax, coupled with— at best—very limited contributions to federal revenues simply do not justify its continued existence.

So, what exactly does the collection of this tax mean to federal revenues? In Fiscal Year 1999, the estate tax amounted to just 1.5 percent of all federal revenues, or $28 billion. While $28 billion sure sounds like a lot of money, when put in the context of overall federal revenue, it is difficult to comprehend just how inconsequential this amount really is. Given that, how can anyone make the argument that the estate tax is an essential part of our nation's tax code?

Mr. President, I said before that the limited benefits of the death tax do not justify its negative economic and societal consequences. What are these negative consequences? Studies indicate that the death tax results in lower savings, reduced capital accumulation, slower economic growth, and fewer new jobs. These studies simply confirm what our own common sense should have already made plain: Confiscatory taxes, such as the death tax, discourage industry and hurt the overall economy.

Throughout this debate, I have heard my colleagues quote seemingly contradictory statistics gleaned from different studies or economic experts. I am not going to engage in that sort of discussion. Instead, I am going to focus on the stories of some of my constituents in Ohio to help confirm the facts that many studies and my own common sense tell me are true.

Like many of my colleagues, my office has received hundreds of letters from constituents and their families who have been or will be affected by the death tax. One farmer from a small town in Fulton County, Ohio wrote: ". . . the 'Death Tax' wrecks havoc on family farms when parcels have to be sold to pay estate taxes to the government. . . . We have paid our taxes on property, on our equipment, on our income and when its time to transfer our properties to our children, we do not want them to have the added burden of having to sell off assets to pay Uncle Sam." My staff followed up with this constituent to find out more about his story. This particular farmer, who is shy about having his name used, has been involved with agriculture his whole life. He grew up on a farm owned by his father. In 1969, he purchased land of his own for about $700 per acre. Since then, he continually has added land, and he now farms approximately 425 acres. In his words, he and his wife have sacrificed and "skimped to make sure it works." He is now 53 years-old, with three sons, all of whom farm. When the time comes, he'd like to pass his farm on to his children. Unfortunately, his land and equipment are now too expensive to escape the death tax. Rather than become more efficient and perhaps grow his farm further, this farmer has begun the process of estate planning. If we do not eliminate this tax, it is quite likely that his sons will be forced to sell land and/or equipment to meet the tax bill. This just isn't right.

A second story comes from Jerry Boes, of Antwerp, Ohio. Mr. Boes wrote: "I have worked hard all my life and paid all my taxes on everything I own. Why does the government take away 50 percent of whatever might remain upon my death?" Again, my staff followed up with Mr. Boes, who is now 62 years-old. It seems that around 15 years ago, he saw an ad in the local newspaper for opportunities to own a "Subway" sandwich shop franchise. He took a chance and almost lost his home in the process. Mr. Boes now says this: "I took chances, stuck my neck out and paid my taxes." It has indeed paid off for him. He now owns six "Subway" stores and employs around 75 people on average. I am happy to report that he was able to keep his house, too.

Mr. Boes' story is representative of our American entrepreneurial spirit. It is a fantastic example of many Americans' struggle to own their own businesses. Unfortunately, he may have done too well. When he passes away, he'd like to hand the business down to his children. But, because most of his assets are tied up in land and buildings, his children will be forced to sell about 50% of his assets to pay the death tax. He has tried to do some estate planning on at least two different occasions to no avail. He has become so frustrated that he, and I quote, "Just threw up my hands and gave up." Upon his death, I wonder what will become of his 75 employees?

Finally, there is a story of Erin Nyrop Glasgow from Dublin, Ohio. In 1952, her parents started an electrical contracting business out of the trunk of their car. They worked hard over the years to build up that business. The Sterling Electric Company currently employs 40 people. Again, this is another great story of our American entrepreneurial spirit—and one that we, as a nation, should be encouraging. In the early 1990's, Erin's parents convinced her to take over the company. They wanted to keep it in the family upon their passing. The death of Erin's father and the fact that another local family-owned business was forced to sell upon the death of its founder, really caused her to become aware of the perils of the death tax.

Now, she spends thousands of dollars, practically on an annual basis, in estate planning. These dollars could be used to grow the business, become more efficient, or hire new employees. She views monthly finance reports with trepidation. She is happy to find out that Sterling Electric is profitable. But, it is, in her own words, "A double-edged sword." The more profitable she is, the more she'll lose upon her mother's death. Again, this is just wrong. The federal government should not, on the one hand, encourage businesses to grow and be more and more profitable, while on the other hand, threaten the loss of a family business for becoming too successful.

Mr. President, these stories tell more about the regressiveness and the simply unfair nature of the death tax better than any think tank study. Right now, we have an opportunity to eliminate this burdensome tax. This is an opportunity we simply should not miss. I urge my colleagues to support this bill, and I thank the Chair and yield the floor.

Mr. GRASSLEY. Mr. President, I want to make a few comments regarding the need to repeal the estate tax. The United States has had an estate or death tax of some form since 1916. The current version of the death tax came into existence after the Tax Reform act of 1976. This change combined the estate and gift tax structures in one gift and estate tax system, which is essentially a wealth transfer tax. Of course, that's what many on the other side stand for—they want to transfer your money to the federal government so they can decide how your money will be spent.

The Public Interest Institute at Iowa Wesleyan College has recently released a Policy Study entitled, "A Declaration of Independence from Death Taxation: A Bipartisan Appeal." The director of the Institute is Dr. Don Racheter, who I know and respect very much. I'd like to thank Dr. Don Racheter for his help with providing this information. The study was written by Edward McCaffery of the University of Southern California Law School and Richard Wagner of George Mason University. I'd like to just mention three points made by the study. These three points show from both a liberal and conservative perspective that the death tax should be repealed.

First, we've heard the other side argue that this repeal really only affects the wealthiest of taxpayers. So, once again, the other side has rolled out the old, tired class warfare argument. The fact is the death tax affects nearly everyone, not just the wealthy. In fact, a 1999 poll showed that 84 percent of the people surveyed believe the estate tax affects other groups of Americans besides the wealthy. Anyone who owns a family business knows that the estate tax creates major hurdles for small and large family-owned enterprises, which in turn negatively affects local communities. While only about 2 percent of inherited estates are large enough to actually fall under the death tax, millions of more people have to spend substantial amounts of time and money planning their way around it.

All of society loses opportunities by these avoidance procedures. Such tactics are costly, inefficient, and they monopolize many professionals who could be spending their time on more productive endeavors.

The study also shows the death tax damages the patterns of work, savings, and capital information by encouraging taxpayers to slow their work and savings, give money away whenever possible, and spend the rest so they can die broke. By encouraging people to avoid this tax, we are damaging the entire system.

A second point the study makes is that the death tax does not provide the government with extra funds for social purposes, which our friends on the other side have been advocating. It only generates .01 to .0125% of the federal budget. More importantly, the amount of revenue collected from death tax filings has a negative impact on other forms of tax revenue and cash flow. This includes restricted savings and capital formation, hindered creation and growth of private family enterprises, lower amount of jobs, and a lower personal income. These effects lead to the loss of revenue from income taxes which is equal to or greater than that collected from the death tax.

So, when you add up the cost of collecting for the death tax, we do not gain much, if anything for our efforts.

I've heard these Treasury numbers of a $750 billion cost over 20 years or so from the other side. The Minority Leader mentioned the $750 billion number. Then, the senator from Minnesota, Senator WELLSTONE, upped it to $850 billion. Then, we heard Senator BOXER come up with a trillion dollar number. Among the three of them, they've already lost $250 billion!

And, of course, this close to the election, the Treasury Department is acting like an arm of the Democratic Party throwing numbers out of thin air to justify their cause. These estimates are about as believable as a Treasury three dollar bill. It's important to remember that many estates will lose their stepped-up basis under this repeal bill. Then, once the assets are sold, there will be a sizable capital gains tax on the entire appreciated value of the estate.

So, the government will still get a substantial amount of money from these estates over the long run, despite what the Treasury Department and the other side would have you believe.

Third, finally, we hear the argument that if the estate tax didn't exist, taxpayers would give less to charity since they wouldn't have to avoid the tax. I hope no one took seriously the so-called estimates that the senator from California alluded to, citing some ambiguous Finance Committee estimates that charities would lose $250 billion if the estate tax is repealed. I assume these estimates were created by the other side. So, once again, we have the Democrats conjuring up their own facts to make their arguments.

Beyond the cynicism of this charitable giving argument, the study argues that the tax exemption for charitable giving does not necessarily benefit private philanthropy. If encouraging charitable giving is going to be the goal of a tax, more specific income tax laws need to be made.

The study makes the point that this charitable giving claim is based on the assumption that the tax works as a subsidy to charitable bequests. In reality, the cost of one dollar of giving, no matter the tax rate, is one dollar. The death tax is neutral towards charitable bequests as long as these bequests are exempt from tax.

Keeping a complicated death tax to encourage charitable giving is not worth the economic and social costs to the government and the taxpayers.

Mr. President, the estate tax does not accomplish any of the goals it's supposed to. It doesn't raise money overall, or promote well-being. It stands in the way of human progress and encourages wasteful and time-consuming financial planning. I hope we repeal this complicated and inefficient tax and I urge everyone to support this effort.

Mr. GORTON. Mr. President, I strongly support elimination of the federal Death Tax. The Death Tax is an injustice that should be removed from the tax code. The bill the Senate is considering, which passed the House of Representatives with a large, bipartisan majority, takes a responsible approach to ending the Death Tax by phasing-out the tax rate over a decade, and at the end of that decade eliminating the capital gains step-up in basis and creating a carryover basis to treat families with fairness upon the death of a loved one.

It is simply wrong for the Tax Collector to knock on a grieving family's door to collect taxes on the life's work and earnings of the recently deceased. There are those who charge that the Death Tax affects only the richest Americans. Apparently, they have never met the Revesz family from Battle Ground, Washington. Peter and Jane Revesz are family tree farmers, and they recently wrote to me to express their fear that the federal Death Tax may mean their farm will have to be sold and the forestland lost to development. To those who claim ending the Death Tax affects only the rich, I challenge you to listen to their words. Peter and Jane wrote to me that the Death Tax could cause the "loss of so much of our farm and timber to taxes when we die that our children and grandchildren will lose the farm. . . . For us to have sustainable, productive timber on a family farm means that every year or two we need to have a small harvest and that the profits go to the family. To accomplish this in a 60 or more year cycle it is necessary to have a considerable value in the timber so that there can be small but steady harvest and reforestation over a long growth cycle. If much of this long-term crop is lost with each generation to estate taxes, it is impossible to continue a sustainable income for the family or a sustainable annual supply of wood products for the public. Often if a family loses a tree farm, that land becomes something other than forestland. If one family cannot make it, probably the next one cannot make it."

These are not the words of the greedy rich, they are the honest words of hard-working Americans who simply question why part of the farm they have built-up must be sold to pay the government because they die. Uncle Sam did not maintain and care for the farm, why is the government due a portion of it upon the death of its owners?

I have heard from many constituents who share this very real fear that the Death Tax will cause their children to have to sell the family farm or business to be able to pay the Internal Revenue Service.

Oak Harbor Freight Lines is a family owned business in Auburn, Washington, about 15 miles outside Seattle. Ed Vander Pol and his brother David began working at the business in the early 1970s when Oak Harbor had around 100 employees. As the years went by, Ed and David bought the business from their father and grew it to where it is today: a thriving regional trucking line with over 1100 employees. Out of those 1100, over 700 are union workers; Teamsters, mainly, driving the freight trucks and doing other jobs within the company. Naturally, Ed and David would like to keep this business in the family, and not have to sell the company to a larger, national carrier when they die.

But for all their hard work, the Vander Pol's have been rewarded with uncertainty about their company's future. They must pay a yearly life insurance bill of over $150,000—dedicated solely to helping their children pay the onerous Death Tax bill that will be due, in cash, nine months after Ed or David dies. If not for the Death Tax, this money would be re-invested in the business and its people, growing the company and providing additional well paying jobs to people in the Seattle area.

Why should Ed and David's children have to pay a tax to the federal government upon the death of their father? Those who fight elimination of the death tax refuse to answer this basic question; they refuse to justify its existence. Instead of directly telling the American people why they oppose ending this disgraceful tax, they choose to dust-off tired "tax cuts for the rich" rhetoric. The American people deserve honest, straight-forward answers: Those who oppose elimination of the Death Tax simply believe they know better how to spend your money than you and your children. They want to control your pocketbook both when you are alive and when you are dead. They oppose tax reform and tax cuts, whether it is ending the death tax or fixing the marriage penalty, because it means less money for them to spend from Washington, DC.

Ending the Death Tax is about protecting hard work, honoring responsible saving and investment, and protecting family farms and small businesses. The federal government should stop punishing those who pursue the American dream and restore some fairness to the tax code by eliminating the federal Death Tax.

Mrs. FEINSTEIN. Mr. President, I rise today in support of the repeal of the estate tax.

I support the repeal of the estate tax because, on a very basic and fundamental level, I believe that the estate tax is unfair.

In some respects, for example, the estate tax amounts to double taxation, taxing, at times at a confiscatory rate in excess of 50 percent, assets which were already taxed when the income was earned. Regardless of how much or how little, if you have earned money, and paid taxes on it, you ought to be able to pass it on to your children without it being taxed yet again.

I also believe that it is critical to our continued economic growth and prosperity that small business owners and family farmers be given every incentive to work and grow their business, and to be able to pass those businesses on to their children to run and grow.

If a family works for years to establish and grow a business, an heir should not find that they are forced to sell the business simply to pay taxes on it, or that they must assume a crushing debt burden—which may well make the continued survival of the business untenable—simply to pay the taxes.

That is not fair, not right, and not what the American dream is all about.

In addition, because of soaring real estate prices, the estate tax is unfair to many middle class residents of my state who never thought, planned, or expected to find themselves subject to the estate tax. And the simple fact of the matter is that they should not be subject to the estate tax.

As I am sure many of my colleagues are aware, in recent years housing prices in California have gone through the roof. Modest two and three bedroom houses in many parts of California now sell for close to three-quarters of a million dollars.

These are not mansions, but simple and straightforward middle class houses—two or three bedrooms, perhaps a small back yard—in modest neighborhoods.

But because of the soaring value of their homes, many middle class families with modest incomes now find that they would be faced with having to pay estate taxes simply because of the value of their family home.

With few other assets other than their primary residences, a parent who wanted to pass on the family home to his or her children would find that their children would be forced to sell the family house simply to pay the estate taxes on the house itself.

That is not fair and that is not right.

Mr. President, I can think of few things that this Congress can do in addressing tax reform this year that are more important than repealing the estate tax. I urge my colleagues on both sides of the aisle to join me in support of estate tax repeal.

Mr. MACK. Mr. President, I urge all of my colleagues to vote to bury the death tax once and for all. This tax is anti-family and anti-capitalist, smothers the American Dream, and is rationalized only by the greed of government and envy of success.

The debate over death tax repeal highlights, as much as any issue that we will consider, a fundamental difference in philosophy among members of this body, and between the Republican Congress and the current Administration. We in the majority believe that the federal government has no right to claims the lion's share of any person's wealth just because that person had the misfortune of dying. The proponents of the death tax think otherwise.

At the root of this philosophical difference are two vastly different views of the nature of wealth creation and its role in society. The supporters of the death tax seem to harbor a pessimistic, zero-sum view of wealth—the belief that every dollar saved by one person is one less dollar for the rest of us. This belief makes it easier to argue that a ceiling be placed on the level of wealth attained by any individual or family in America—people justify the confiscation of wealth above this level by attacking as greedy any family that seeks to accumulate more at the expenses of the rest of society.

But this view is flawed. There is no finite limit to the amount of wealth that can be created in a society. People become wealthy in a market economy by satisfying the wants of others. Wealth is not a windfall to people with natural intelligence or ability, or who happen to stumble across valuable resources; it is created by providing consumers the goods, materials, and services that they desire at a price that does not exceed their estimate of its value.

When one understands this concept, the death tax cannot be justified. If Bill Gates had chosen a career as a government bureaucrat instead of being a software entrepreneur, the tens of billions of dollars he has amassed in wealth would not have been distributed to others in society—instead, this fortune would never have been generated. It came about because Mr. Gates has provided goods and services to the public that they valued as much or more than the price he charged. Every voluntary exchange between that free individuals in a market economy creates wealth, and the businesses that provide the most consumer satisfaction will create the most wealth. When those goods and services are not offered, this wealth is not created, and everyone in society is poorer because their preferred choice does not exist.

Proponents of the death tax argue that the heirs and legatees of an individual's fortune did nothing to deserve this bounty. Since it is a windfall to these individuals, why shouldn't the government get a piece of the action? Some death tax supporters go one step further, and have argued on this very floor that, unlikely the heirs, the government has a claim to this wealth because it is responsible for the prosperous American economic environment. This argument amounts to the claim that, since government refrains from confiscating property while people are alive, the government is entitled to confiscate upon death.

It makes no sense to terminate property rights at death as the price to pay for their protection while living. The inheritors of property have a right to the property not because of anything they have done, but because it is the will of the decedent. If people cannot leave to their family and friends the wealth they create, they lose the incentive to create it. The higher the rate of death tax falling on their estate, the smaller, the motive to invest in and build a business. The inheritors of property have earned the right to receive it, because they served as the motivation behind the creation of wealth beyond what decedents would consume in their respective lifetimes.

It has been estimated that the death tax will cost the economy almost one trillion dollars over the next decade and almost 275,000 jobs in large part because it robs people of the incentive to invest. I regularly receive letters from older constituents explaining that they have no desire to reinvest profits in their business only to have the government claim 55 percent of the business's increase in value. I am sure all of my colleagues receive similar letters.

The death tax robs people of the incentive to build up their businesses, smothering the American Dream. The death tax eliminates the jobs that these discouraged entrepreneurs would have created. The death tax reduces the savings pool, reducing capital investments and reducing future productivity. The death tax reduces the choices of goods and services available to consumers. And, perhaps worst of all, the death tax places the interest of government over that of families.

Why do we have to impose a tax upon death? Every person spends a lifetime paying taxes on the earnings from which their life savings comes. The income from inherited assets, such as stock dividends or business profits, will be taxed as it is earned. And, under our death tax repeal bill, any capital gain above the exemption amount will result in capital gains taxes when the asset is actually sold. Why the hurry to impose a tax at the time of death, a tax which forces families to sell land, personal property, and business interests that had been in the family for generations?

The only reasons are the greed of the government and the death tax supporters' disapproval of inherited wealth. Under current law, the federal government will be collecting over $4 trillion more in taxes than it is budgeted to spend in the next decade alone. It is the federal government that needs a limit to its ability to enjoy the fruits of the hard work of our taxpayers, not the families of these taxpayers.

The supporters of the death tax seem genuinely puzzled that the American people, in poll after poll, overwhelmingly support repeal of the death tax. They cannot understand why do many people would oppose a tax that directly affects so few. But the American people understand economics much better than the death taxers. They recognize the loss of jobs and opportunity. They also harbor in their hearts the dream that one day they, too, might be so successful as to amass the wealth that is subject to the confiscatory rates of the death tax. But, most of all, they recognize that a tax may be unfair even though it targets a small segment of the population—indeed, a tax may be unfair because it does so. This part of the American spirit does not seem to be appreciated by the death taxers.

Mr. President, the specter of the federal death tax should no longer hover over our citizens, waiting to swoop down and confiscate the savings that has taken a lifetime to build. I urge all of my colleagues to vote for the Death Tax Elimination Act.

Mr. JOHNSON. Mr. President, I rise to talk about the estate tax repeal bill which is currently pending before this body. Like all of my colleagues, I deplore conditions that lead to families losing their family businesses and farms. The family farm is at dire risk of becoming extinct. Some of my colleagues want to attribute this to the estate tax which they claim prevents succeeding generations from carrying on their heritage. Rightfully, that blame belongs to a failed farm policy more than a progressive tax policy. The failed Freedom to Farm policy has driven more farmers out of business than any inheritance tax.

In my state of South Dakota, 102 estates had to pay federal estate tax in 1997. That figure amounts to .2 percent of all estates for that year. I support bringing more relief to the bulk of these estates that are trying to pass down family businesses and farms to their children, but the proposal before us does nothing for these families for ten years while bringing immediate help to the elite of the wealthy.

The House passed plan essentially does nothing for most estates that pay the estate tax over the next decade. The benefits go only to the super-rich worth almost $4 million. Only after ten years will the family farmer and small business owner see any benefit. At that point, the entire estate tax is eliminated, exploding a $50 billion annual hole in the budget.

I support some estate tax relief aimed at preserving family farms and small businesses. Under current law, a couple with a farm or business worth up to $2.6 million can give it to their heirs tax-free. Our approach would raise that to $4 million, which would mean that only 1 out of every 100 estates would face any federal estate tax.

But it would not help the super-rich, as the Republican proposal would. The federal estate tax is a progressive tax. In 1998 more than half the money collected came from estates of $5 million or more. There were exactly 2,898 such estates nationwide. In other words, the Republican plan is aimed predominantly at helping the richest of the rich in our country. Fewer than three thousand estates would get the bulk of this tax break. Three thousand of the richest families in America would benefit.

I do not begrudge the wealthy their position. Wealth is often accumulated through hard work, serendipity and more hard work. However, there is no compelling public policy reason to give the largest single tax break in American history to those fortunate enough to be born into the right families, and expend so much revenue doing so that nothing is left for tax relief for the middle class, paying down accumulated national debt, improving schools, Medicare or veterans health care. Especially when we have such critical needs elsewhere in our society. The majority wants to give a tax break to fewer than three thousand families that will cost over $50 billion annually. The Democrats want to help families maintain their small businesses and family farms, and we can do that for $20 billion per year. With the remainder of that money, we can help millions of Americans meet their basic needs such as helping with extraordinarily high prescription drug costs, child care or education related expenses.

Why is it that the Senate can somehow find all this time to debate tax bills, which I agree are legitimate and important issues, but we can't find the time in this body to debate the number one issue facing the elderly and disabled in this country—rising prescription drug expenses?

Not only should we be here today questioning why it is not good policy to only give enormous federal tax breaks to the super rich but maybe we should also be questioning the huge tax breaks that go to the multi-million dollar drug companies. As reported by Fortune 500 magazine earlier this year, the pharmaceutical companies once again represent the most profitable industry in this country with profits three times that of other industries. These are the same companies that are price gouging millions of elderly senior citizens throughout America, many of whom can't afford their daily medications. Millions of individuals who Congress thus far has said "no we can't help you this year because we don't have the time to debate prescription drug proposals". Instead, we are saying to the American public that we can find the time and money to pass a fiscally irresponsible estate tax bill that will probably not help any of the millions of Medicare beneficiaries who struggle between paying for their prescription drugs and groceries.

I think we should do both. I believe we could pass a meaningful and fiscally responsible estate tax bill and still have resources available for addressing critically important priorities such as prescription drugs. Instead, my colleagues on the other side of the aisle want to use all of these resources solely for a bloated estate tax bill that will benefit only three thousand families.

Prescription drug prices are skyrocketing at unfathomable levels and drug expenditures have grown at double-digit rates during almost every year since 1980 and more than twice the rate of all other health care expenses. Not surprising, the elderly and in particular elderly women, see the largest increases. Combine this crisis with the fact that the Senate has less than eight working weeks left this year and held only one floor debate on a prescription drug bill thus far, which was forced by members on this side of the aisle, and you find the picture for the American senior looking very bleak. If we cannot address the prescription drug issue now, then when?

I am committed to helping seniors and those disabled on Medicare afford their prescription drugs. Equally, I am not going to stop fighting for lower prescription drug prices for Americans who pay by far more for prescription drugs than people in other countries.

Several bills that I have sponsored this Congress aim to address the problem of escalating prescription drug prices. However, these and other prescription drug bills have been the target of an aggressive multi million dollar advertising campaign, operated by the pharmaceutical industry and their so called front group called Citizens For Better Medicare, aimed to kill any hopes of prescription drug legislation this year. In fact, I question just how many "real citizens" are behind that name? According to Public Citizen the drug industry is on pace to spend nearly $14 million every election and another $150 million every two years lobbying Congress to protect its incredibly high profit rates. This is the classic case of the role of big money in politics: the industry takes in billions in profits from high prices and gives out millions in campaign contributions to make sure Congress protects those profits.

The time for Congress to act on providing an affordable, accessible prescription drug bill, while at the same time addressing skyrocketing drug prices, is now. Congress cannot be bullied by the big drug companies pocketbook any longer. Better yet, the American public cannot wait any longer. In the next couple of days the Senate may take up yet another tax bill and we will again be faced with an opportunity to address such critical priorities as prescription drugs. But I guess the American public will have to stay tuned as to whether or not we will even be given the opportunity to debate one of the greatest issues facing our nation.

### ESTATE TAX ELIMINATION ACT

Mr. CAMPBELL. Mr. President, I intend to vote for H.R. 8, the Death Tax Elimination Act, as amended. On January 19, 1999, I introduced the companion bill, S. 38, to the original House bill, along with my colleagues, Senators MACK and HUTCHISON. I felt then, as I do now, this legislation is of vital importance to farmers and family business owners.

Since the time that I introduced the original companion to H.R. 8, I have heard from hundreds of Coloradans and numerous national organizations about the need to eliminate this burdensome and overreaching tax. I believe that eliminating this tax is a fundamental issue of fairness. Death should not be an event government prospers from.

Estate and gift taxes continue to be an enormous burden on American families, particularly those who pursue the American dream of owning their own business. It is often the family-owned businesses and farms that are hit with the highest tax rate when they are handed down to descendants—often immediately following the death of a loved one. Families ought to be encouraged, not discouraged, from building successful farms, ranches and businesses and keeping the ownership of those enterprises within the families that worked to make them successful.

These taxes, and the financial burdens and difficulties they create come at the worst possible time. Making a terrible situation worse is the fact that the rate of this estate tax is crushing, reaching as high as 55 percent for the highest bracket. That's higher than even the highest income tax rate bracket of 39 percent. Furthermore, the tax is due as soon as the business is turned over to the heir, allowing no time for financial planning or the setting aside of money to pay the tax bills. Estate and gift taxes right now are one of the leading reasons why the number of family-owned farms and businesses are declining; the burden of this tax is simply too much for many American families to bear.

This tax sends the troubling message that families should either sell the business while they are still alive in order to spare their descendants this huge tax after their passing, or rundown the value of the business, so that it won't make it into their higher tax brackets. This is not how America was built. Private investment and initiative has historically been a strong part of our American heritage and we should encourage those values, not tax successful family businesses into submission.

That is why I will vote for this important legislation. We need to change the message we are sending to farmers and family business owners. The Death-tax repeal has been endorsed by numerous organizations that represent family farms and businesses such as the National Federation of Independent Business, the Farm Bureau, the Family Business Estate Tax Coalition, National Association of Women Business Owners, the National Black Chamber of Commerce, the National Indian Business Association, the U.S. Hispanic Chamber of Commerce, and the National Association of Neighborhoods.

Mr. President, if there is one thing Congress absolutely ought to do while we are trusted with our jobs it should be to protect American families and their interests. This tax is fundamentally unfair and would never survive if it were being proposed today. I urge my colleagues to support the repeal of the Death-tax and help restore a small degree of integrity to the tax structure imposed on America's families.

Thank you, Mr. President. I yield the floor.

Mr. BUNNING. Mr. President, I rise in support of H.R. 8, the Death Tax Elimination Act of 2000.

This is a sound, sensible approach to providing death tax relief. It phases out the tax over a ten-year period by gradually reducing the marginal rates that apply to estates. And it includes a so-called "step-up" in basis for the first $1.3 million in assets ($3 million for spouses) that applies if assets are ever sold by heirs.

Right now the marginal rates assessed against estates are the highest in our tax code—55 percent for estates larger than $3 million plus a 5 percent surcharge assessed against larger estates. In fact, the United States has the dubious honor of imposing the most onerous estate tax in the developed world. This comes on the heels of recent moves by China, Canada and other developed countries to repeal their death taxes.

It is pitiful that in the U.S. we have worse death taxes than Communist China.

The estate tax was originally passed in 1916 to help fund our efforts in World War I. The last time I checked, that war was over. By the way, for my friends in the Senate who are still living in the early 20th century and oppose death tax repeal, I should point out that we won World War I.

Mr. President, these are a number of sound reasons to repeal the death tax. The best of these is the awful effect it has on small business and family farms. For years and years Congress has heard the sad stories about how small business owners and farm families have to sell family enterprises just to pay the taxes on estates that are passed down from generation to generation.

Additionally, a number of recent analyses make the case for death tax repeal. Studies by the Joint Economic Committee, the National Center for Policy Analysis, the Heritage Foundation, the American Council for Capital Formation, the Institute for Policy Innovation, the Cato Institute, and others all indicate the federal estate tax imposes significant costs on the economy and family-owned businesses, resulting in lower economic growth, job creation, and the destruction of family businesses.

The death tax hurts the ability of small businesses to vie against larger competitors. For instance, in testimony before the House Ways and Means Committee, a lumberyard owner from New Jersey spoke of incurring up to $1 million in costs associated with preserving the family business pending the death of his grandmother. At the same time the family was incurring these costs, the business was also competing against a new Home Depot store that had moved into the area. Remember that Home Depot and other big business is not subject to the estate tax.

In fact, a recent survey of 365 businesses in upstate New York found an estimated 14 jobs per business were lost in direct consequence of the costs associated with estate tax planning and payment. That amounts to more than 5,000 jobs lost in a limited geographical area. Nationally, the Wall Street Journal reported that an estimated 200,000 jobs would be created or preserved if the estate tax were eliminated.

The liberals who oppose death tax repeal claim this is a red herring, and that the bill will really only would help the super-rich and multi-billionaires. In fact, 50 percent of the revenue the federal government derives from the death tax comes from estates worth less than $5 million.

Additionally, the death tax provides less than 2 percent of the federal government's total tax revenues. To hear the Chicken Little liberals talk about it, repealing this tax would cause the sky to fall and the government to collapse for lack of funding. These are only crocodile tears from the big government addicts who cannot bear the thought of hard-working Americans not being forced to send more of their money to Washington to fund big government programs.

Although this bill passed the House by a veto-proof margin, and enjoys bipartisan support here in the Senate, the President has still promised to veto it. Well, I think we should still pass it and let him explain to the American people why he favors "death" taxes that hurt our small business and rural communities.

To his credit, the President did sign into law some death tax relief in 1997 as part of the Taxpayer Relief Act. Of course, we had to lead him kicking and screaming to the signing ceremony. And this came on the heels of his vetoing stronger death tax relief in the 1995 balanced budget bill. Then later he vetoed death tax relief in last year's tax bill.

So who knows what he will actually do in the end. We should give him the chance to decide once and for all if he wants to help us repeal the death tax. Maybe, like Paul on the road to Damascus, he wills see the light. After all, as one senior House Democrat noted several years ago: "We've learned that if you don't like the President's position on the issue, all you have to do is to wait for a few days for him to change his mind.'

Mr. President, surveys have consistently shown that death tax repeal is popular with Americans—70 to 80 percent usually favor it in opinion polls. It is popular for the reasons I have laid out, but the most compelling reason is a moral one. After the death of a loved one, when families are grieving, Americans just do not believe that they, or anyone else, should have to talk to the undertaker and tax man on the same day. It's just not right.

Since 1980, over 20 states have repealed their state death taxes, and it's time the federal government followed suit and learned a lesson from the states. It's time to kill the death tax, and I urge my colleagues to support this important legislation.

## MORNING BUSINESS

Mr. ROTH. Mr. President, I ask unanimous consent that the Senate proceed to a period of morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

## IN HONOR AND REMEMBRANCE OF GERALD CLIFFORD

Mr. DASCHLE. Mr. President, I would like to take a moment to reflect on the life and work of Gerald Clifford, an important and influential South Dakotan and Oglala Sioux tribal member who recently passed away after courageously battling a debilitating illness.

Gerald Clifford, with whom I worked for many years, was a leader and a driving force for change among Native Americans in South Dakota and across the country. He was a champion for rural water development in southwestern South Dakota and a strong advocate for Indian education and Indian self-determination. Earlier this week, Mr. Clifford began his journey to the spirit world at the young age of sixty. I express my heartfelt condolences to Gerald's family and relatives during this difficult time. My prayers and thoughts are with them.

The void left by Gerald's passing was felt especially deeply today, as his life was celebrated at a funeral service in Manderson, South Dakota, on the Pine Ridge Indian reservation. While the work of this body required my presence in Washington today, I do want to honor and remember Gerald here in the Senate for his many outstanding contributions to his community and state.

Over the years, Gerald and I worked together on a number of projects. And I can tell you for a fact: he is a tenacious advocate for his causes and never gives up. Never.

I had the honor and pleasure of working closely with Gerald on the construction of the Mini Wiconi Rural Water System. In his role as director of the Mini Wiconi project, Gerald accepted the daunting challenge of bringing the state of South Dakota, three South Dakota tribes and local non-Indian communities together to achieve a common vision. The project bridged historically-vast political and cultural gaps to bring the precious resources of clean water to rural communities and remote reservations areas.

Even after many South Dakotans had lost hope of ever seeing the Mini Wiconi water project finished, Gerald kept working at it. He shepherded the Mini Wiconi project during the last several years, a critical period in its construction, fulfilled the promise of clean water for many, and laid a strong foundation for completing the project in the foreseeable future.

Gerald managed this project with skill and with diplomacy, and I am proud to have been able to work with him to accomplish our mutual goal. His contribution will be felt for decades to come.

Gerald made many other contributions to his people and his state in addition to Mini Wiconi. I would like to highlight just a few examples that provide a snapshot of the magnitude of this involvement in efforts to benefit the people of South Dakota and our nation.

Gerald Clifford was first and foremost an articulate and impassioned advocate for justice for his people. No one who knew Gerald could ever question the intensity or sincerity of his commitment to this overriding goal.

Gerald also understood the critical importance of education as a means of improving the quality of life for Indian people, working hard to promote tribally-controlled education, particularly tribal colleges and universities, and contributing to the initiation and development in the early 1970's of the American Indian Higher Education Consortium (AIHEC) and the tribal college movement. He was also among the first to have assisted in the creation of tribally-controlled entities, such as the Coalition of Indian-Controlled School Boards. Through this work, he helped provide educational opportunities for 26,000 students at the nation's thirty-three tribal colleges and universities, and opened a major educational pathway for many generations to come.

Gerald Clifford was a highly respected leader of the American Indian people. He was elected by Great Plains tribal leaders and tribal peers to serve as the National Congress of American Indians (NCAI) Aberdeen area Vice-President. As their voice on Capital Hill, Gerald helped many tribes in South Dakota, North Dakota, Nebraska and throughout the mid-West.

Gerald was a dominant presence at the forefront of the many struggles that the Aberdeen area tribes faced over the past four decades. It was through his focused dedication and skilled advocacy that Indian people have prevailed in the face of numerous adversities placed in their way. Gerald served as an elder, mentor, colleague and friend to so many young Indian men and women, imparting many of his outstanding qualities to this and future generations of tribal leaders.

Earlier this year, I addressed the National Congress of American Indians general assembly while Gerald was in Washington fighting hard on issues that meant so much to him. Later, I learned that he was forced to return to South Dakota prematurely because he was struggling with his health. As a result, I was unable to see him. I will always regret that I did not get to visit with Gerald during his last visit here.

Gerald fought illness with courage, determination and indomitable spirit. Even as he was ailing, he was not deterred from the pursuit of his work. He continued to fight for Indian people and for the causes that cared so much about. He never gave up.

In passing, Gerald Clifford left a large, significant and important legacy. He truly will be missed, but his work will live on, enriching the lives of South Dakotans for generations

## BORDER DRUG PROSECUTIONS

Mrs. HUTCHISON. Mr. President, shortly before the July 4th recess, the Senate passed an Emergency Supplemental spending measure as part of the Military Construction Appropriations Bill. This measure dealt with a number of critical needs, including aid for fire victims in New Mexico and funds to continue the war on drugs in Colombia. I am pleased that this legislation also included $12 million to reimburse county and municipal governments along the U.S.-Mexico border for the high costs that they have incurred in handling drug prosecutions and incarcerations for the federal government.

Dramatic increases in manpower and resources for the Border Patrol and Customs Service has meant dramatic increases in drug and alien smuggling and illegal crossing apprehensions. Our border counties, which have handled these cases for the federal government for many years, have borne heavy costs of these prosecutions with no reimbursement from the federal government. These are some of the poorest counties and communities in the nation, and they can no longer afford to pay the costs associated with an expanded caseload they are handling for the federal government.

Specifically, this provision will enable the United States Attorneys to assist border county and municipal governments in the Southwest Border states of Texas, New Mexico, Arizona, and California with their court costs, courtroom technology needs, the building of prisoner holding spaces, administrative staff, and indigent defense costs that are associated with the handling and processing of drug cases that would otherwise fall under the jurisdiction of the Federal government.

I appreciate the help and commitment of Senator GREGG, Chairman of the Commerce-Justice-State Appropriations Subcommittee, and Senator STEVENS, the Chairman of the Appropriations Committee, for working so closely with me to address the needs of the Southwest border. I also want to thank Jim Morhard, Staff Director of the Commerce-Justice-State panel, and Kevin Linskey, for their hard work on this matter. Jim and Kevin serve both the Committee and Senator GREGG very well, and their efforts on the staff level are making a difference in improving the lives of people living along the U.S.-Mexico border.

## GUNRUNNING IN THE STATES

Mr. LEVIN. Mr. President, two new studies just released show that states with a high concentration of gun industry activity and weak gun laws tend to be the major suppliers of crime guns in other states.

On June 28, 2000, the Violence Policy Center (VPC) released Gunland USA, a study which ranks states by their level of gun industry activity. For each state VPC reported the number of gun shows, licensed firearms retailers (including pawnshops), manufacturers producing firearms, and licensed machine gun dealers as well as the number of registered machine guns. In each of these categories, Texas ranks number one. Other states that showed a very high level of gun industry presence were California, Florida, Illinois, Georgia and Ohio.

People in my state of Michigan may wonder how activity in other states like Illinois or Georgia affects them at home. A study released by Senator SCHUMER entitled War Between the States explains that many of the crime guns used in Michigan come from out of state. Interstate gunrunners acquire guns in states with weak laws and flood the markets in specific states and regions that have stricter gun laws. According to this report, states such as Texas, California, Florida, Georgia, and Ohio—the same states with high levels of gun industry activity—are the major suppliers of guns used to commit crimes in other states with tougher gun laws. The study cites Michigan as a state "with strict gun laws" and as one with 41% of guns traced to crime coming from other states such as Ohio and Georgia.

These findings demonstrate the need to tighten our national gun laws. Without national standards, states with a high level of gun industry presence and weak gun laws will continue to serve as major suppliers for gunrunners who traffic guns to states with tougher gun laws—states like Michigan. We must close the loopholes in our national framework for firearms distribution by among other things closing the gun show loophole.

## TRIBUTE TO THE SHANIN FAMILY

Mr. SPECTER. Mr. President, the 20th century story of the Shanin Family portrays the success of immigrants in America and the success of America itself.

The naturalization papers of Freda Mermorvich Shanin show that she traveled from Lugansk, Russia and arrived at Ellis Island on October 31, 1906, with her two children, Lilli and Max, enroute to joining her husband, Mordecai Shanin, in St. Joe, MO. The Shanin Family grew with the addition of five more children: Annie, Louie, Rose, Albert, and Margaret. Mordecai Shanin struggled to earn a living with a variety of occupations including selling Singer sewing machines.

Lilli Shanin, later to become my mother, told me about her father dying in her arms form a heart attack in 1916 on the backstairs of the Shanin home at 922 South Ninth Street. My grandmother, Bubbie Freda, told me she was left a widow with seven children and seven dollars. Deeply religious, proud and independent, Freda Shanin raised her children with the help of Lilli, who left school to work in a tablet factory, and the other siblings pitching in when they became old enough to contribute to the family's support.

In 1917 Freda Shanin met a young immigrant, Harry Specter, who was buying dry goods and blankets at the wholesale house for sales in his travels to farms in Nebraska, Kansas, and Missouri. Harry Specter asked Freda Shanin if she had a daughter. "Yes I do" said the protective mother, "But she's too young for you."

Harry Specter courted Lilli Shanin, won her heart, went off to World War I, was wounded in the Argonne Forest, and returned in uniform to St. Joe to marry the beautiful 19-year-old redhead in her resplendent white gown carrying a large bouquet of roses. That union produced Morton, Hilda, Shirley, and ARLEN SPECTER, who in turn brought Mordecai and Freda Shanin 10 great grandchildren, 25 great-great grandchildren and 6 great-great-great grandchildren.

The three sons, Max, Louie, and Albert grew up in hard times in St. Joe with Albert, who added a granddaughter to the family tree, becoming a prosperous pharmacy owner who spent much of his time and drugstore medicines devoted to his ailing mother. Annie, who wrote a book of Hebrew poetry in 1945, married a distinguished chemist, Dr. Morton Kleiman, and they in turn had Dr. Adina Kleiman, a noted psychologist, and Dr. Jay Kleiman, an eminent cardiologist, who added two more great grandchildren to the Shanin family. Margaret "Mashie" Shanin married handsome Leslie Hoffman, who brought a truckload of watermelons from the family produce business in Waco, TX, to St. Joe. Mashie added to the family tree with four grandchildren and two great-grandchildren.

Rose Shanin left St. Joe at the age of 18 to live with her sister, Lilli, in Wichita, where Rose became a high-powered executive secretary for the Beyer Grain Company. In 1930, at my birth, Tante Rose intervened to save me from the name "Abraham" with the suggested "Arlen" after the famous movie star, Richard Arlen. Rose would later start my brother Morton and me in the development of our work ethics as messengers riding our bicycles all over Wichita delivering bills of lading for Beyer and other grain companies. Rose married Julius Isenberg and added a daughter and son to the growing family tree.

Judaism has continued to be the mainstay of the Shanin Family with many, albeit not all, maintaining strictly kosher homes, with a few emigrants to Jerusalem and Tel Aviv to strengthen the State of Israel. The 70 descendants of Mordecai and Freda Shanin have contributed to the values, prosperity, and success of the United States. Interspersed in the family tree are Ph.Ds, LL.Ds, MDs, a Federal judge, businesspeople, professionals, and elected public officials.

Today, members of the Shanin Family have assembled in Washington for a Shanin Family reunion led by the matriarchs of the family, Annie Kleiman and Rose Isenberg and Joyce Specter, who were privileged to meet with the President today. The entire family visited the White House, the Senate, the Washington Monument, the Jefferson Memorial, the Lincoln Monument, President Kennedy's gravesite, and the Secret Service headquarters.

America is the spectacular story of immigrants who have come in search of freedom and opportunity who have contributed so much. The Shanin Family is typical of the great contributions by immigrants, who, along with native Americans, have made the United States the greatest country in the history of the world.

Mr. REID. Mr. President, I wanted to say this to the Senator from Pennsylvania. Not only is he proud of his family, but certainly they should be proud of him. He has rendered great service to the State of Pennsylvania and to this country. Even though we are in a real quandary for time here, every word he said I appreciate very much. I understand the pride he expresses in his family, as they should in him.

Mr. MOYNIHAN. Mr. President, I believe it is probably the case, although we are not supposed to mention such things on the floor, that the family may be present. I welcome them and congratulate the Senator on such a fine progeny.

Mr. SPECTER. I thank my colleagues for their very kind remarks.

Mr. ROTH. Mr. President, I join my colleagues and say to the Senator's family what pride they should take in you. I know of no Senator that has had a more positive affect on the work of the Senator than Senator SPECTER. I am proud of him.

Mr. SPECTER. I thank my colleagues from Delaware for those very generous comments.

## FUNDING FOR THE ARTS IN SOUTH DAKOTA

Mr. JOHNSON. Mr. President, I would like to briefly express my full support for the funding contained in the fiscal year 2001 Interior Appropriations bill for the National Endowment for the Arts (NEA). Yesterday, I joined 72 of my Senate colleagues—Republicans and Democrats alike—in defeating an effort to cut the NEA's budget. The funding level approved in the Senate version of the Interior Appropriations bill is $7 million above that approved by the House of Representatives and represents a modest increase from last year's budget.

Opponents of the NEA claim that it simply subsidizes a small number of wealthy people in the big cities. The truth is that the NEA supports public-private art projects that benefit millions of people across our country;

young and old, rich and poor, rural and urban. One needs to simply look at the NEA's role in South Dakota to see how a small percentage of our tax dollars improve the lives of entire communities in our state.

Last year, South Dakota received over $630,000 in grants from the NEA. That equates to nearly one dollar for every resident of our state. NEA grants are coordinated by the South Dakota Arts Council, and this successful federal-local-private relationship supports programs like the L. Frank Baum Oz Festival in Aberdeen. NEA funds were instrumental in getting the Washington Pavilion of Arts and Sciences constructed in Sioux Falls. In fact, the Black Hills Community Theatre and the Black Hills Symphony Orchestra provide year-long entertainment as a direct result of NEA funds. Residents of Brookings benefitted from NEA funding of the Brookings Chamber Music Society, the SDSU-Civic Symphony, and the Prairie Repertory Theatre. Restoration of the Historic Homestake Opera House in Lead has been supported through the NEA. In Pierre, NEA funds have allowed the Capital City Children's Chorus to entertain area residents. Vermillion's historic Shrine to Music Museum receives NEA support for its annual programs, and Watertown's Symphony Orchestra and Town Players theater group also received NEA funds this past year. I just returned from attending a performance of "Spiritscapes", a South Dakota cantata, at the Sioux Falls Washington Pavilion which was financed in part by the NEA.

However, it isn't just the larger cities in South Dakota that benefit from NEA funding. Last year, the South Dakota Arts Council funded over 220 weeks of Artists-In-Schools residencies conducted by professional artists at schools and other educational institutions throughout our state. Some of the communities that benefitted from the annual Artists-In-Schools program include: Arlington, Batesland, Belle Fourche, Beresford, Box Elder, Brandon, Buffalo, Canton, Castlewood, Cavour, Centerville, Chester, Clark, Doland, Emery, Fairfax, Faulkton, Garretson, Gettysburg, Harrold, Hartford, Hitchcock, Huron, Kadoka, Kimball, Leola, Madison, Martin, Mission, Mobridge, North Sioux City, Piedmont, Pollock, Porcupine, Revillo, Sisseton, Tyndall, Valley Springs, Wakonda, Waubay, Webster, White River, Wilmot, Woonsocket, and Worthing.

I am pleased to note that NEA funds have been essential in helping to cultivate art on South Dakota's Native American Reservations. Federal funds have supported arts education at the Tiospa Zina Tribal School, the St. Joseph Indian School, the HVJ Lakota Cultural Center, Lower Brule Elementary School, and throughout the Wounded Knee School District. The Northern Plains Tribal Arts festival has also grown into the region's premiere Native American art show and market, in large part to NEA funding.

The total NEA budget amounts to one one-thousandth of one percent of the federal budget. I believe that this extremely modest investment in the NEA is overwhelmingly well spent, thanks to the leadership and creativity of those within the South Dakota arts community. While I am pleased that the Senate was able to once again fight off an attack on the NEA, I hope that we will soon be debating expansion of this federal-local-private partnership with a proven record of success in South Dakota.

## FOREIGN DEVELOPMENT AID

Mr. FRIST. Mr. President, since the end of the Second World War, the United States has provided billions of dollars in development assistance worldwide—foreign aid. The goal of that aid has been to bring recipient countries out of poverty.

That is an admirable goal, but in those 40 years, aid has failed to even come close to meeting it.

The most telling regional example is sub-Saharan Africa, home to the greatest number of aid recipients. The countries of the region have received over $200 billion in aid from donors since 1980 and $27 billion from the United States alone in the past 40 years.

As a percentage of Gross Domestic Product, the average of current aid recipient countries in the region far exceeds that of the beneficiaries under the Marshall Plan—the intellectual basis for modern development aid programs and a resounding success for recipients and donors alike. Those percentages are 13.2 percent to 2.5 percent, respectively.

Yet almost every country in Africa that has received aid—some of them since the early 1960s—are no better off now than when they began an aid program. Some are considerably worse off than at any time since their independence. Clearly, no positive link exists between foreign aid—even massive amounts of foreign aid—and bringing recipient countries out of poverty and off dependence on foreign donations.

We must come to the uncomfortable but obvious conclusion that, although very well intentioned in most cases, aid has neither ended poverty on a reasonable scale nor has it supported our policy goals.

But why such a difference in results? The World Bank itself has concluded that development aid can be effective only in an environment of sound economic policies and good economic management. Economic freedoms, rule of law, and governmental and regulatory transparency are essential elements in providing an environment in which aid can reasonably be expected to promote economic growth.

While many internal and external factors contribute to poverty and quality of life for the people in recipient countries, the governments of those recipient countries determine the degree of economic freedom, economic management, and regulatory and transparency which dictate whether development assistance can reasonably be expected to help promote sustained economic growth.

Foreign assistance can improve the lives of individual recipients and institutions to which it is directly applied, unless it brings about necessary changes in the bigger picture, the economy and welfare of the recipients will not change on a nationwide scale to any meaningful degree.

Recipient countries which do not provide economic freedom, sound management, and regulatory transparency do not provide an environment where development assistance can be expected to eliminate poverty and promote economic growth. In some cases, it can even constitute a "moral hazard," where it weakens pressures for necessary changes by supporting institutions or governments that should otherwise be allowed to collapse and clear the way for real reform.

Thus, the provision of development assistance into unreceptive environments does not promote United States' interests nor the people of recipient countries' welfare. Those efforts and funding would thus be more effectively committed elsewhere, or to programs which, over time, will help the intended beneficiaries (the citizens of the countries) change their governments and other factors that contribute to the perpetuation of poverty and support American goals of democracy, economic development and peaceful coexistence.

Congress must be frank and recognize that well-intentioned aid has not worked, and that special interests and those who depend on aid programs for contracts and employment are a great barrier to necessary change.

In recognition of the fact that foreign development aid has not reduced poverty and has not made reasonable progress toward America's goals overseas, I will today introduce legislation which aims to end our spending on programs which, over 40 years, have achieved too little.

The legislation directs the Secretary of State to establish an index of recipient countries which evaluates their degree of economic freedom. The index will be based on trade policy, including the level of tariffs and other barriers to foreign goods and services as well as the extent of corruption in their customs service; taxation policy, including individual and corporate earnings tax rates; the degree of government intervention in the economy; the country's monetary policy; the degree to which the recipient country allows foreign investment, including foreign ownership of business, land, etc., and the extent to which it allows the investor to use the earnings outside the country; the recipient country's banking policies; whether the country has price controls; the degree of property rights and rule of law and whether the government retains "rights" to seize property without just cause and due process; the regulatory environment and whether it is just and truly designed to protect consumers, the environment, and economic freedom; and the state of the black market and the response by the recipient government.

The index will rate economic freedom for each country and sets a timetable to phase out or terminate accordingly to governments who do not provide a free environment for economic development. It is constructed to provide incentives for reform and ends support for the undemocratic and predatory governments which often benefit from our assistance.

In addition, Mr. President, the Secretary will also have to provide a description of the total amount of assistance the country receives from all foreign sources; the total revenues from all sources; the total of its own revenues each recipient government spends on eliminating poverty; and the total they spend on military expenditures and whether a legitimate security threat warrants them. From this and the index, Congress will be able to clearly judge the viability of countries as recipients and the degree to which the recipients share our priorities in combating poverty.

This legislation will allow for a degree of honesty about heavily defended aid programs. It will allow Americans to use those resources for other national priorities we know to be effective, or to simply relieve the burden on taxpayers overall. It will set the stage for testing new strategies to combat poverty and pursue American interests across the globe. After 40 years, it's an idea whose time has come.

## VICTIMS OF GUN VIOLENCE

Mr. KENNEDY. Mr. President, it has been more than a year since the Columbine tragedy, but still this Republican Congress refuses to act on sensible gun legislation.

Since Columbine, thousands of Americans have been killed by gunfire. Until we act, Democrats in the Senate will read some of the names of those who lost their lives to gun violence in the past year, and we will continue to do so every day that the Senate is session.

In the name of those who died, we will continue this fight. Following are the names of some of the people who were killed by gunfire one year ago today.

July 13, 1999: Debbie Ahl, 39, Nashville, TN; Desiree Battle, Detroit, MI; Antonio Darias, 49, Miami-Dade County, FL; Leonardo Duran, 18, Houston, TX; Doug Harris, 31, Cincinnati, OH; Stefanie Harris, 29, Cincinnati, OH; Romero Jones, 19, St. Louis, MO; Sigmund Linberger, 34, Akron, OH; Michael McKinnon, 18, Nashville, TN; Rodolfo Recendez, 32, Fort Worth, TX; Dylan Sertich, 22, Toledo, OH; Unidentified male, 16, Long Beach, CA; Unidentified male, 35, Nashville, TN.

One of the victims of gun violence I mentioned, 19-year-old Romero Jones from Missouri, grew up in tough circumstances and turned his life around after a troublesome childhood. Romero worked with his city's "Cease Fire Program" to reach out to young people to encourage them to give up their involvement with gangs and pursue job training and careers. Romero sat on the stage with President Clinton during the President's 1995 visit to St. Louis to discuss the city's successes in addressing crime.

Romero was shot and killed in what police say was a case of mistaken identity—no drugs or money were found in Romero's home following his tragic death.

We cannot sit back and allow such senseless gun violence to continue. The time has come to enact sensible gun legislation. Our country cannot afford to lose more of its promising young leaders like Romero Jones. His death is a reminder to all of us that we need to act now.

## THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Wednesday, July 12, 2000, the Federal debt stood at $5,664,141,886,637.91 (Five trillion, six hundred sixty-four billion, one hundred forty-one million, eight hundred eighty-six thousand, six hundred thirty-seven dollars and ninety-one cents).

One year ago, July 12, 1999, the Federal debt stood at $5,621,471,000,000 (Five trillion, six hundred twenty-one billion, four hundred seventy-one million).

Five years ago, July 12, 1995, the Federal debt stood at $4,927,811,000,000 (Four trillion, nine hundred twenty-seven billion, eight hundred eleven million).

Ten years ago, July 12, 1990, the Federal debt stood at $3,152,770,000,000 (Three trillion, one hundred fifty-two billion, seven hundred seventy million).

Fifteen years ago, July 12, 1985, the Federal debt stood at $1,792,949,000,000 (One trillion, seven hundred ninety-two billion, nine hundred forty-nine million) which reflects a debt increase of almost $4 trillion—$3,871,192,886,637.91 (Three trillion, eight hundred seventy-one billion, one hundred ninety-two million, eight hundred eighty-six thousand, six hundred thirty-seven dollars and ninety-one cents) during the past 15 years.

## ADDITIONAL STATEMENTS

## WILLIAM J. BECKHAM, JR. MEMORIAL TRIBUTE

• Mr. LEVIN. Mr. President, I want to pay tribute to the life of one of Michigan's great civic leaders, William J. Beckham, Jr. After living a remarkably accomplished life, sadly, Bill passed away April 27 while on vacation with his beloved wife, Mattie Maynard Beckham. This week, Bill's friends and colleagues and members of the Senate and the House will come together in our Nation's capital to celebrate his memory and his legacy.

Bill loved life and all the important things in it—his family, his friends, school kids, and his African American heritage. Bill loved the difference that he was making in Michigan through his work on school reform—enhancing and expanding the quality of education for all students in the Detroit public school system. Behind Bill's dignified, gentle yet deliberate manner was a fierce determination to help improve the everyday lives of families. Multitudes were beneficiaries of his visionary efforts. He showed that character and the principles of hard work, integrity and perseverance can transform one's dreams into reality. He has left a mark of great achievement in civil rights, education, economic and political reform.

Bill had a distinguished career of public service in Michigan, which included positions as Vice Chair of the School Board for the Detroit Public Schools, Chairman of the Schools of the 21st Century Corporation, President and Trustee of The Skillman Foundation, the first Deputy Mayor of Detroit, and President of New Detroit, Inc. His successful career in the private sector included key leadership positions at Burroughs/Unisys Corporation, Envirotest Systems Corporation in Phoenix and the Ford Motor Company.

Bill also enjoyed a long and noteworthy career in federal service from 1967 through the early 1980s. Over a period of eight years, he served Senator Phil Hart in several capacities including Policy Adviser in his Washington office for four years, Chief of Staff of the Senator's office in Detroit for three years, and Campaign Assistant for one year. Bill subsequently served as Staff Director to the House Education and Labor Subcommittee on Equal Opportunity, chaired by Representative Gus Hawkins. Sought out by President Jimmy Carter, Bill was nominated and confirmed first as Assistant Secretary of the U.S. Department of the Treasury and later as Deputy Secretary of the U.S. Department of Transportation.

During his tenure on Capitol Hill, Bill joined with several of his staff colleagues to establish the first minority congressional staff group to study and act on the political and legislative demands of minority communities nationwide. The group's pioneering efforts in Quitman and Cohoma Counties in Mississippi, along with civil rights leader JOHN LEWIS and, my brother, SANDER LEVIN (both of whom now serve in the House) helped to mark a new and powerful political and participatory direction for the people of the Mississippi Delta. Wise and loyal colleagues—Gordon Alexander, Jackie Parker, Judy Jackson, Willa Rawls Dumas, Alan Boyd, Dora Jean Malachi, Mattie Barrow and Bob Parker—declared Bill their leader. The group moved ahead and soon designed the legendary mission to the Mississippi Delta; and, under the direction of Julian Bond of the then-Southern Elections Fund, pursued other worthy political initiatives, during a time when there was only a handful of minority elected officials nationwide.

Mr. President, I include for the RECORD the names of the members of the William J. Beckham, Jr. Memorial Committee, all of whom were former staff colleagues of Bill's during his tenure of federal service, including my current Deputy Legislative Director Jackie Parker. These devoted friends and former colleagues organized this week's great tribute to Bill and will be attesting, along with others, to the truly incredible life that Bill led and the impact he had on their lives. They are as follows:

WILLIAM J. BECKHAM, JR. MEMORIAL COMMITTEE

Gordon Alexander, Legislative Assistant, former Senator Birch Bayh

*President, 40+ Parenting, Inc.

Robert Bates, former Special Assistant, Senator Edward Kennedy

Alan Boyd, Senior Aide, former Senator Clifford Case

*Charitable Games Control Board

George Dalley, former Chief of Staff, Rep. Charles Rangel

Winifred Donaldson, Chief of Staff, former Rep. Andy Jacobs

Willa Rawls Dumas, Office Manager, former Rep. Silvio Conti

*Vice President for Administration, Directions Data, Inc.

Ernestine Hunter, Senior Aide, former Senator John Glenn

Judy Jackson, Senior Aide, former Rep. Bob Eckhardt and Ex Assistant, Senate Finance Committee

*Executive Assistant, TRESP Associates

Carolyn Jordan, Legislative Assistant, former Senator Alan Cranston and Counsel, Senate Banking Committee

*Executive Director, National Credit Union Administration

Dora Jean Malachi, Senior Aide to former Senator Walter Huddleston and Senate Budget Committee

Mary Maynard, Clerk, House Subcommittee on Equal Opportunity

*AFL-CIO Legislative Division

Jackie B. Parker, Legislative Assistant, former Rep. James A. Burke

*Deputy Legislative Director, Senator Carl Levin

Annette C. Wilson, *U.S. Department of Transportation

*Currently

Mr. President, Bill leaves his beloved mother, Gertrude; his wife Mattie, their two children, Monica and Jeffrey; Bill's three older sons, William, III, Jonathan, and Reverend Eric Beckham; his two sisters Connie Evans and Elaine Beckham of Florida; his brother Charles of Detroit; seven grandchildren, and enumerable friends. Together we will celebrate his life and cherish his memory.●

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## TRIBUTE TO ADMIRAL JAY L. JOHNSON

● Mr. WARNER. Mr. President, I rise today to recognize and honor Admiral Jay L. Johnson, United States Navy, our 26th Chief of Naval Operations, as he prepares to turn over the helm of the United States Navy to his successor.

As former Secretary of the Navy and a member of the Armed Services Committee for 22 years, I have worked closely with every Chief of Naval Operations since 1969. Admiral Johnson, in my view, ranks with the finest of this long line of great Chiefs.

Thirty-six years ago, on the 30th of June, 1964, a young Midshipmen Johnson raised his hand on Tecumseh Court at the United States Naval Academy and took his oath of office to support and defend the Constitution. In the years since that day he has devoted indeed all of his great energy and talent to that task. Oceans of water have passed beneath the keels of the ships he has commanded and many men and women have stood proudly on their decks. He has been steadfast in his covenant to this nation and his devotion to those with whom he has served. An illustrious career gives eloquent testimony to his service to our country and his leadership of its Navy.

He was commissioned an Ensign upon his graduation in 1968 and, demonstrating exceptional tactical and technical acumen, he soloed in both propeller and jet aircraft within six months, setting the pace for a most impressive future.

His first sea duty tour was aboard U.S.S. *Oriskany* (CVA 34), where he made two combat cruises flying and fighting the F-8J Crusader over Vietnam with the Hellcats of VF-191. He flew the F-14 Tomcat as a Ghostrider of VF-142, a Grim Reaper of VF-101, and as Commanding Officer of the Jolly Rogers of VF-84.

Admiral Johnson's follow-on sea tours demonstrated the tactical brilliance and the consensus-building skills that would characterize his tenure as CNO. As Commander, Carrier Air Wing ONE, he planned and coordinated the joint Navy and Air Force air strikes against Libya in response to terrorist acts in Europe. In this same carrier airwing, he successfully integrated the F/A-18C with the F-14, providing a superior day-night combat capability to our forward-deployed carrier battle groups.

Admiral Johnson's early shore assignments reinforced his commitment to our Sailors as he served in the Bureau of Naval Personnel, detailing junior aviation officers. His selection to the prestigious Chief of Naval Operations' Strategic Studies Group further cemented his reputation as a Naval Warfare visionary, and marked him as a future leader of our nation's Navy.

As a new Flag Officer, Admiral Johnson went back to the Bureau of Naval Personnel, where his profound concern for the well being of our Sailors resulted in dramatic improvements in retention and support of our Fleet Sailors. It is particularly noteworthy that these institutional changes were orchestrated at the same time he was coordinating the Navy's activation and call-up of Reserve Sailors in support of Operation Desert Shield and Desert Storm.

Back to sea in command of U.S.S. *Theodore Roosevelt* Battle Group, his tactical acumen and diplomatic skills proved key to a more efficient and combat-ready coalition of forces in Bosnian Theater operations.

But nowhere was Admiral Johnson's leadership, focus on mission execution, and consensus-building skill more brilliantly demonstrated than in his next assignment as Commander, Second Fleet: Striking Fleet Atlantic and Joint Task Force 120. He simultaneously guided the *Eisenhower* Battle Group through preparations for its deployment to the Sixth Fleet while serving as the Deputy Commander for Operation Uphold Democracy, which restored the democratically elected government to Haiti.

After serving as the Vice-Chief of Naval Operations, Admiral Johnson took the helm of our Navy as its 26th Chief. He has exemplified the quiet dignity and honor of that office, ably and wisely counseling leaders at the highest echelons of our Government. His leadership, integrity and foresight have set a true and steady course for the Navy as it transitions into the 21st century. It has been written in ancient annals that "anyone can hold the helm when the sea is calm." This man took the helm of our Navy in heavy seas. Steering by a constellation of four guide stars—Operational Primacy, Leadership, Teamwork, and Pride—Admiral Johnson guided the Navy through the shoals of four tempestuous years, balancing mandated reductions in forces with dramatically increased operational tasking. The Fleet's mission accomplishment in our forward operating areas overseas—at the tip of the spear—was never placed in doubt. And never for a moment did he loose sight of the interests of the men and women of our Navy.

Admiral Johnson empowered the Navy's commanding officers by removing unnecessary inspections and burdensome paperwork, and gave these skippers the opportunity to lead and truly command their ships, submarines, squadrons, and SEAL teams. He also led the Joint Chiefs of Staff in calling for much-needed increases in the Navy's budget: Pay Table Reform and the reform of the Retirement Program are resulting in dramatic increases in retention of the Navy's most valuable asset—our Sailors.

Admiral Johnson's legacy for the future of Naval Warfare is embodied in his vision of the Navy at sea and ashore. At sea, he has boldly committed his service to build upon the Navy's strategy laid down in "Forward From the Sea" and the Marine Corps' "Operational Maneuver From the Sea." He has championed the creation of a Navy and Marine Corps team that will directly and decisively influence events ashore—anytime, anywhere. He has focused the Navy's research, development and investment capital upon improving the Fleet's ability to conduct Land Attack Warfare, Theater Air and Missile Defense, and Organic Mine Warfare. Admiral Johnson has prepared the Sailors and the Fleet to defeat future threats and he has created an information technology revolution at sea, which is dramatically and irreversibly changing the way we employ our Navy in peacetime, crisis, and war.

Ashore, Admiral Johnson has re-invigorated the Naval War College, reminding us of the years prior to World War II, when the Navy's war games anticipated nearly every enemy operation. He has conducted Battle Experiments with cutting-edge technology and brought together the best minds of government, academia, business, and the military to create new rule sets for an international security environment characterized by an Internet-driven, global economy.

Standing beside this officer throughout his superb career has been his wife Garland, a lady to whom he owes much. She has been his key supporter, devoting her life to her husband, to her family and to the men and women of the Navy family. She has traveled by his side for these many years visiting the Fleet. Her sacrifice and devotion have served as an example and inspiration for others. This team has served our Navy well and we will miss them both.

With these words before the Senate, I seek to recognize Admiral Johnson for his unswerving loyalty to the Navy and the Nation. From the beginning, he has been a model Naval officer who has always done his duty to God and to Country. It has been my personal good fortune, and the Senate's good fortune as a whole, to witness Admiral Johnson's leadership of the finest Navy in the world.

The Department of the Navy and the American people have been served well on his watch. The men and women of the United States Navy will not forget the leadership, service and dedication of Admiral Johnson as he has left the Navy better prepared to face the challenges and opportunities of the 21st century.

We thank him and wish Jay, and his lovely wife Garland, fair winds and following seas as they continue forward in what will most assuredly remain lives of service to this Great Nation.•

## NORTHAMPTON COUNTY CELEBRATES ITS 250TH ANNIVERSARY

• Mr. SANTORUM. Mr. President, I rise today to recognize Northampton County, Pennsylvania as it begins preparation for its 250th anniversary. Northampton County was established in 1752, thus its official celebration will not occur until March 11, 2002. However, on June 26, 2000, Northampton County kicked off this celebration with a lunch designed to draw support and preparation for the events in 2002.

Jerry Seyfried, former county executive and current court administrator, is coordinating the celebration preparations. He mentioned some of the events that are in the works, including a parade on September 23, 2001, a historic family treasure hunt, a black-tie gala, and a sports showcase. Most importantly, the celebrations will be geared toward local schools, churches and ethnic groups. This celebration is expected to be the largest event that Northampton County has ever undertaken.

Northampton County has served as a crucial part of Pennsylvania's history, and I commend the area for initiating such a tremendous celebration for this most historic event. I look forward to the upcoming festivities in 2002 and hope to participate in them.•

## MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

### EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting two treaties and sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

## MESSAGE FROM THE HOUSE

At 12:26 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 4169. An act to designate the facility of the United States Postal Service located at 2000 Vassar Street in Reno, Nevada, as the "Barbara F. Vucanovich Post Office Building."

H.R. 4447. An act to designate the facility of the United States Postal Service located at 919 West 34th Street in Baltimore, Maryland, as the "Samuel H. Lacy. Sr. Post Office Building."

At 5:16 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 4811. An act making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2001, and for other purposes.

### ENROLLED BILLS SIGNED

At 6:15 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

S. 986. An act to direct the Secretary of the Interior to convey the Griffith Project to the Southern Nevada Water Authority.

S. 1892. An act to authorize the acquisition of the Valles Caldera, to provide for an effective land and wildlife management program for this resource within the Department of Agriculture, and for other purposes.

The bills were signed subsequently by the President pro tempore (Mr. THURMOND).

## MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 4169. An act to designate the facility of the United States Postal Service located at 2000 Vassar Street in Reno, Nevada, as the "Barbara F. Vucanovich Post Office Building"; to the Committee on Governmental Affairs.

H.R. 4447. An act to designate the facility of the United States Postal Service located at 919 West 34th Street in Baltimore, Maryland, as the "Samuel H. Lacy, Sr. Post Office Building"; to the Committee on Governmental Affairs.

## MEASURES PLACED ON THE CALENDAR

The following bill was read the second time, and placed on the calendar:

H.R. 894. An act to encourage States to incarcerate individuals convicted of murder, rape, or child molestation.

## EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–9682. A communication from the Acting Director of the Office of Surface Mining, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled

"Pennsylvania Regulatory Program" (SPATS No. PA-129-FOR) received on June 21, 2000; to the Committee on Energy and Natural Resources.

EC–9683. A communication from the Assistant General Counsel for Regulatory Law, Office of Environment, Safety and Health, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "DOE Standard; Design Criteria Standard for Electronic Records Management Software Applications" (DOE-STD-4001-2000) received on June 29, 2000; to the Committee on Energy and Natural Resources.

EC–9684. A communication from the Assistant General Counsel for Regulatory Law, Office of Energy Efficiency and Renewable Energy, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Extension of DOE O 430.2, In-House Energy Management" (DOE N 430 .2) received on June 29, 2000; to the Committee on Energy and Natural Resources.

EC–9685. A communication from the Assistant General Counsel for Regulatory Law, Office of the Chief Financial Officer, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Extension of DOE O 430.2, In-House Energy Management" (DOE N 430.2) received on June 29, 2000; to the Committee on Energy and Natural Resources.

EC–9686. A communication from the Assistant General Counsel for Regulatory Law, Office of Environment, Safety and Health, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "DOE Standard; Guide to Good Practices for Lockouts and Tagouts" (DOE-STD-1030-96) received on June 29, 2000; to the Committee on Energy and Natural Resources.

EC–9687. A communication from the Assistant General Counsel for Regulatory Law, Office of Environment, Safety, and Health, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "DOE Standard; Specifications for HEPA Filters Used by DOE Contractors" (DOE-STD-3020-97) received on June 29, 2000; to the Committee on Energy and Natural Resources.

EC–9688. A communication from the Assistant General Counsel for Regulatory Law, Office of the Environment, Safety and Health, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "DOE Standard; Safety of Magnetic Fusion Facilities: Requirements" (DOE-STD-6002-96) received on June 29, 2000; to the Committee on Energy and Natural Resources.

EC–9689. A communication from the Assistant General Counsel for Regulatory Law, Office of Security and Emergency Operations, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Standardization of Chemical Protective Equipment for Protective Forces and Special Agents" (DOE N 473.3) received on June 29, 2000; to the Committee on Energy and Natural Resources.

EC–9690. A communication from the Assistant General Counsel for Regulatory Law, Office of Security and Emergency Operations, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Security Area Vouching and Piggybacking" (DOE N 473.5) received on June 29, 2000; to the Committee on Energy and Natural Resources.

EC–9691. A communication from the Secretary of the Interior, transmitting, pursuant to law, a report relative to the Missouri National Recreational River; to the Committee on Energy and Natural Resources.

EC–9692. A communication from the Comptroller General, General Accounting Office transmitting, pursuant to law, a report relative to the Trans-Alaska Pipeline Liability Fund; to the Committee on Energy and Natural Resources.

EC–9693. A communication from the Assistant Secretary of Land and Minerals Management, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled "Alaska Native Veterans Allotments" (RIN 1004-AD34) received on June 29, 2000; to the Committee on Energy and Natural Resources.

EC–9694. A communication from the Secretary of Energy, transmitting, pursuant to law, a report relative to the strategic petroleum reserve plan; to the Committee on Energy and Natural Resources.

EC–9695. A communication from the Secretary of Energy, transmitting, pursuant to law, the report relative to the fleet alternative fuel vehicle acquisition for fiscal year 1999; to the Committee on Energy and Natural Resources.

EC–9696. A communication from the Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting, a draft of proposed legislation entitled to amend the Cache La Poudre River Corridor Act to make technical corrections, and for other purposes; to the Committee on Energy and Natural Resources.

EC–9697. A communication from the Assistant Legal Adviser for treaty Affairs, Department of State, the report of the texts of international agreements, other than treaties, and background statements; to the Committee on Foreign Relations.

EC–9698. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the report of the pay-as-you-go calculations dated June 30, 2000; to the Committee on the Budget.

EC–9699. A communication from the Secretary of Defense, transmitting, pursuant to law, the report relative to the Cooperative Threat Reduction Program; to the Committee on Armed Services.

EC–9700. A communication from the Chief of the Regulations Branch, U.S. Customs Service, Department of the Treasury, transmitting, pursuant to law, the report a rule entitled "Export Certificates for Sugar-Containing Products Subject to Tariff-Rate Quota" (RIN1515-AC55) received on July 11, 2000; to the Committee on Finance.

EC–9701. A communication from the Assistant General Counsel for Regulatory Law, Office of the Environment, Safety and Health, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "State Child Health; State Children's Health Insurance Program Allotments and Payments to States (HCFA-2114-F)" (RIN0938-AH64) received on July 12, 2000; to the Committee on Energy and Natural Resources.

EC–9702. A communication from the Deputy Executive Secretary, Administration for Children and Families, Department of Health and Human Services, transmitting, pursuant to law, the report a rule entitled "Methodology for Determining Whether an Increase in a State or Territory's Child Poverty Rate is the Result of the TANF Program" (RIN0970-AB65) received on July 12, 2000; to the Committee on Finance.

EC–9703. A communication from the Commissioners of the National Commission on Terrorism, transmitting, pursuant to law, the report entitled "Countering The Changing Threat Of International Terrorism"; to the Committee on the Judiciary.

EC–9704. A communication from the Deputy Executive Secretary to the Department of Health and Human Services (Office of Public Health and Science), transmitting, pursuant to law, the report of a rule entitled "Standards of Compliance of Abortion-Related Services in Family Planning Services Projects" (RIN0940-AA00) received on July 12, 2000; to the Committee on Health, Education, Labor, and Pensions.

EC–9705. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the report entitled "Tenth Special Report on Alcohol and Health"; to the Committee on Health, Education, Labor , and Pensions.

EC–9706. A communication from the Secretary of Defense, transmitting, pursuant to law, a notice relative to the National Missile Defense system report; to the Committee on Armed Services.

EC–9707. A communication from the Under Secretary of Defense for Acquisition, Technology and Logistics, transmitting, pursuant to law, the report entitled "Integrated Chemical and Biological Research, Development and Acquisition Plan for the Departments of Defense and Energy"; to the Committee on Armed Services.

EC–9708. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to law, the report of the status of the exercise of rights and responsibilities of the United States under the Panama Canal Treaty for fiscal year 1999; to the Committee on Armed Services.

EC–9709. A communication from the Under Secretary of Defense (Acquisition and Technology), transmitting, pursuant to law, the report on the Defense Environmental Quality Program for fiscal year 1999; to the Committee on Armed Services.

EC–9710. A communication from the Secretary of Energy, transmitting, the report of a revised fiscal year 2001 budget request regarding weapons activities; to the Committee on Armed Services.

EC–9711. A communication from the Secretary of Defense, transmitting, a notice relative to a retirement; to the Committee on Armed Services.

EC–9712. A communication from the Under Secretary of the Defense (Acquisition and Technology), transmitting, pursuant to law, the report entitled "Activities and Programs for Countering Proliferation and NBC Terrorism"; to the Committee on Armed Services.

EC–9713. A communication from the Chairman and Chief Executive Officer of the Farm Credit Administration, transmitting, pursuant to law, the report of a rule entitled "12 C.F.R. Part 612-Standards of Conduct" (RIN3052-AB95) received on June 21, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–9714. A communication from the Director of the Office of the Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Prallethrin: Pesticide Tolerance" (FRL6499-5) received on June 21, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–9715. A communication from the Associate Administrator, Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Almonds Grown in California; Release of the Reserve Established for the 1999-2000 Crop Year" (FV00-981-1 FIR) received on June 28, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–9716. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Scrapie Pilot Projects" received on June 28, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–9717. A communication from the Associate Administrator, Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Walnuts Grown in California; Report Regarding Interhandler Transfers of Walnuts" (FV00984-1-FR) received on June 28, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–9718. A communication from the Administrator of the Food Safety and Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Elimination of Requirements for Partial Quality Control Programs" (RIN0583-AC35) received on June 29, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–9719. A communication from the Administrator & Executive Vice President, Commodity Credit Corporation, Farm Service Agency, Department of Agriculture, transmitting, pursuant to law, a report of a rule entitled "1999 Marketing Quotas and Price Support Levels for Fire-Cured (Type 21), Fire-Cured (Type-22), Dark Air-Cured (Types 35-36), Virginia Sun-Cured (Type 37), and Cigar-Filler and Binder (Types 42-44 and 53-55) tobaccos" (RIN0560-AF51) received on June 30, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–9720. A communication from the Acting Administrator for the Farm Service Agency, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Lamb Meat Adjustment Assistance Program" (RIN0560-AG17) received on June 20, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–9721. A communication from the Congressional Review Coordinator of the Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Importation of Gypsy Moth Host Material From Canada" received on June 20, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–9722. A communication from the Congressional Review Coordinator of the Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Hawaii Animal Import Center" received on June 20, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–9723. A communication from the Inspector General, Department of Agriculture, transmitting, pursuant to law, a report relative to the Food Safety Initiative; to the Committee on Agriculture, Nutrition, and Forestry.

EC–9724. A communication from the Congressional Review Coordinator of the Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Melon Fruit Fly; Removal of Quarantined Area" received on June 26, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–9725. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of two rules entitled "Fludioxonil; Extension of Tolerance for Emergency Exemption" (FRL6590-3) and "Tebufenenozide; Pesticide Tolerances for Emergency Exemptions" (FRL6590-1) received on July 5, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–9726. A communication from the Associate Administrator, Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Onions Grown in Certain Designated Counties in Idaho, and Malheur County, Oregon; Decreased Assessment Rate" (FV00-958-1-FR) received on July 5, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–9727. A communication from the Associate Administrator, Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Hazelnuts Grown in Oregon and Washington; Establishment of Interim and Final Free and Restricted Percentages for the 1999-2 Marketing Year" (FV00-982-1 FIR) received on July 5, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–9728. A communication from the Associate Administrator, Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Marketing Order Regulating the Handling of Spearmint Oil Produced in the Far West; Decreased Assessment Rate" received on July 5, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–9729. A communication from the Associate Administrator, Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Raisins Produced From Grapes Grown In California; Final Free and Reserve Percentages for 1999-2000 Crop Natural (Sun-Dried) Seedless and Zante Currant Raisins" received on July 5, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–9730. A communication from the Administrator, Food and Nutrition Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Food Stamp Program: Electronic Benefit Transfer Benefit Adjustments" (RIN0584-AC61) received on July 10, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–9731. A communication from the Associate Administrator, Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Fresh Bartlett Pears Grown in Oregon and Washington; Decreased Assessment Rate" FV00931-1-IFR) received on July 10, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–9732. A communication from the Associate Administrator, Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Cranberries Grown in States of Massachusetts, Rhode Island, Connecticut, New Jersey, Wisconsin, Michigan, Minnesota, Oregon, Washington, and Long Island in the State of New York; Establishment of Marketable Quantity and Allotment Percentage and Other Modifications Under the Cranberry Marketing Order" (FV00929-2FR) received on July 11, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–9733. A communication from the Associate Administrator, Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Irish Potatoes Grown in Modoc and Siskiyou Counties, California, and in all Counties in Oregon, except Malheur County; Suspension of Handling, Reporting, and Assessment Collection Regulations" (FV00-947-1 IFR) received on July 11, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–9734. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of three items entitled "Health Effects Test Guidelines: OPPTS 870.3050 Repeated Dose 28-Day Oral Toxicity Study in Rodents", "Health Effects Test Guidelines: OPPTS 870.3550 Reproduction/Developmental Toxicity Screening Test", "Health Effects Test Guidelines: OPPTS 870.3650 Combined Repeated Dose Toxicity Study with the Reproduction/Development Toxicity Screening Test"; to the Committee on Agriculture, Nutrition, and Forestry.

EC–9735. A communication from the Congressional Review Coordinator of the Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Change in Disease Status of Japan Because of Rinderpest and Foot-and-Mouth Disease" received on July 12, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–9736. A communication from the Congressional Review Coordinator of the Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Change in Disease Status of the Republic of Korea Because of Rinderpest and Foot-and-Mouth Disease" received on July 12, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–9737. A communication from the Administrator of the Risk Management Agency, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Catastrophic Risk Protection Endorsement; Regulations for the 1999 and Subsequent Reinsurance Years; Group Risk Plan of Insurance Regulations for the 2000 and Succeeding Crop Years, and the Common Crop Insurance Regulations; Basic Provisions" (RIN0563-AB81) received on July 12, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–9738. A communication from the Director of the Office of Personnel Management (Insurance Policy and Information Division), transmitting, pursuant to law, the report of a rule entitled "Federal Employees Health Benefits Program and Department of Defense Demonstration Project Amendment to 48 CFR, Chapter 16" (RIN3206-AI67) received on June 5, 2000; to the Committee on Governmental Affairs.

EC–9739. A communication from the Director of the Office of Personnel Management (Insurance Policy and Information Division), transmitting, pursuant to law, the report of the Inspector General for the period of of October 1, 1999 through March 31, 2000; to the Committee on Governmental Affairs.

EC–9740. A communication from the Secretary of the Interior, transmitting, the report entitled "Partners in Stewardship" for fiscal year 1999; to the Committee on Governmental Affairs.

EC–9741. A communication from the Director of the Office of Personnel Management, transmitting, pursuant to law, the report of the Inspector General for the period of of October 1, 1999 through March 31, 2000; to the Committee on Governmental Affairs.

EC–9742. A communication from the Director of the Census Bureau, Department of Commerce, transmitting, pursuant to law, the report of the rule entitled "Foreign Trade Statistics Regulations: Amendment to clarify exporters' and forwarding agents' responsibilities in preparing the Shipper's Export Declaration or filing the information electronically using the Automated Export System and related provisions" (RIN0607-AA20) received on July 10, 2000; to the Committee on Governmental Affairs.

EC–9743. A communication from the Director of the Office of Personnel Management, Workforce Compensation and Performance, transmitting, pursuant to law, the report of a rule entitled "Pay Administration; Payments During Evacuation" (RIN3206-AI76) received on July 10, 2000; to the Committee on Governmental Affairs.

EC–9744. A communication from the Director of the Office of Personnel Management (Employment Service), transmitting, pursuant to law, the report of a rule entitled "Appointments of Persons with Psychiatric Disabilities" (RIN3206-AI94) received on July 10, 2000; to the Committee on Governmental Affairs.

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THOMPSON, from the Committee on Governmental Affairs, with amendments:

H.R. 208: A bill to amend title 5, United States Code, to allow for the contribution of certain rollover distributions to accounts in the Thrift Savings Plan, to eliminate certain waiting-period requirements for participating in the Thrift Savings Plan, and for other purposes (Rept. No. 106–343).

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. GRAMS:

S. 2858. A bill to amend title XVIII of the Social Security Act to ensure adequate payment rates for ambulance services, to apply a prudent layperson standard to the determination of medical necessity for emergency ambulance services, and to recognize the additional costs of providing ambulance services in rural areas; to the Committee on Finance.

By Mr. SCHUMER:

S. 2859. A bill to provide assistance to States in reducing the backlog of casework files awaiting DNA analysis and to make DNA testing available in appropriate cases to convicted Federal and States offenders; to the Committee on the Judiciary.

By Mr. ENZI:

S. 2860. A bill for the relief of Sammie Martine Orr; to the Committee on the Judiciary.

By Mr. FRIST:

S. 2861. A bill to establish a biannual certification of eligibility for development assistance based on the level of economic freedom of countries receiving United States development assistance and to provide for a phase-out of that assistance based on the certification, and for other purposes; to the Committee on Foreign Relations.

By Mr. SANTORUM:

S. 2862. A bill to suspend temporarily the duty on Exisulind; to the Committee on Finance.

By Mr. SMITH of New Hampshire:

S. 2863. A bill to prohibit use or sharing of medical health records or information by financial institutions and their affiliates, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. SCHUMER:

S. 2864. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel R'ADVENTURE II; to the Committee on Commerce, Science, and Transportation.

By Mr. ROBB (for himself and Mr. WARNER):

S. 2865. A bill to designate certain land of the National Forest System located in the State of Virginia as wilderness; to the Committee on Energy and Natural Resources.

By Mr. STEVENS (for himself, Mr. JEFFORDS, Mr. KENNEDY, Mr. DODD, Mr. DOMENICI, Mr. KERRY, Mr. BOND, Mr. VOINOVICH, Mr. LAUTENBERG, Mr. COCHRAN, Mrs. MURRAY, Mr. SMITH OF OREGON, Mr. BINGAMAN, Mr. L. CHAFEE, Mr. DURBIN, Mr. MURKOWSKI, Mr. ROBERTS, Mr . ROBB, Mr. ROCKEFELLER, Mr. WELLSTONE, Mrs. FEINSTEIN, Ms. MIKULSKI, Ms. SNOWE, Mrs. BOXER, Mr. KERREY, and Mr. WARNER):

S. 2866. A bill to provide for early learning programs, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. DEWINE:

S. 2867. A bill to provide for the funding and administration of a Veterans Mission for Youth Initiative within the Troops-to-Teachers Program; to the Committee on Health, Education, Labor, and Pensions.

By Mr. FRIST (for himself, Mr. JEFFORDS, Mr. KENNEDY, Mr. DODD, Mr. DEWINE, Mr. REED, Mrs. MURRAY, Mr. BOND, Mr. HATCH, Mr. GORTON, Mr. ABRAHAM, and Mr. DURBIN):

S. 2868. A bill to amend the Public Health Service Act with respect to children's health; to the Committee on Health, Education, Labor, and Pensions.

By Mr. HATCH (for himself, Mr. KENNEDY, Mr. HUTCHINSON, Mr. DASCHLE, Mr. BENNETT, Mr. LIEBERMAN, and Mr. SCHUMER):

S. 2869. A bill to protect religious liberty, and for other purposes; read the first time.

## SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. HELMS (for himself, Mr. LOTT, Mr. BIDEN, Mr. L. CHAFEE, Mr. DODD, Mr. LUGAR, Mr. COVERDELL, Mr. DOMENICI, Mr. LEAHY, Mr. GRASSLEY, Mr. BINGAMAN, Mr. GRAMM, Mr. MCCAIN, Mr. SMITH OF NEW HAMPSHIRE, Mr. CRAIG, Mrs. FEINSTEIN, Mrs. BOXER, Mr. FEINGOLD, Mrs. HUTCHISON, Mr. ASHCROFT, Mr. FRIST, Mr. GRAMS, Mr. DEWINE, Mr. KYL, and Mr. BROWNBACK):

S. Res. 335. A resolution congratulating the people of Mexico on the occasion of the democratic elections held in that country; considered and agreed to.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ENZI:

S. 2860. A bill for the relief of Sammie Martine Orr; to the Committee on the Judiciary.

### THE RELIEF OF SAMMIE MARTINE ORR

Mr. ENZI. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2860

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. CLASSIFICATION AS A CHILD UNDER THE IMMIGRATION AND NATIONALITY ACT.**

(a) IN GENERAL.—In the administration of the Immigration and Nationality Act, Sammie Martine Orr shall be classified as a child within the meaning of section 101(b)(1)(F) of such Act, upon approval of a petition filed on his behalf by the alien's adopting parents, citizens of the United States, pursuant to section 204 of such Act.

(b) LIMITATION.—No natural parent, brother, or sister, if any, of Sammie Martine Orr shall, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

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By Mr. ROBB (for himself and Mr. WARNER):

S. 2865. A bill to designate certain land of the National Forest System located in the State of Virginia as wilderness; to the Committee on Energy and Natural Resources.

### VIRGINIA WILDERNESS ACT OF 2000

Mr. ROBB. Mr. President, I come to the floor today to introduce a bill that will protect one of the most beautiful areas of Virginia. Today, with my colleague JOHN WARNER, I am introducing the Virginia Wilderness Act of 2000. This Act will provide wilderness status to two exceptional areas of Virginia. These areas, the "Three Ridges" and "The Priest" have long been recognized for their outstanding vistas, deep valleys and rugged beauty.

After receiving wilderness designation these areas will remain available for hunting, fishing, hiking, picnicking, and other traditional uses. Wilderness protections will ensure that "The Three Ridges" and "The Priest" remain available for the full enjoyment of our children, grandchildren and great-grandchildren.

This action is now fully supported by the Virginia delegation, and the communities closest to the proposed wilderness areas. I hope we will see quick action on this bill through the committee and that we can move it to floor and complete action on the bill this year.

I ask unanimous consent that this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2865

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Virginia Wilderness Act of 2000".

**SEC. 2. DESIGNATION OF WILDERNESS AREAS.**

Section 1 of the Act entitled "An Act to designate certain National Forest System lands in the States of Virginia and West Virginia as wilderness areas" (Public Law 100-326; 102 Stat. 584) is amended—

(1) in paragraph (5), by striking "and" at the end;

(2) in paragraph (6), by striking the period and inserting a semicolon; and

(3) by adding at the end the following:

"(7) certain land in the George Washington National Forest, comprising approximately 6,500 acres, as generally depicted on a map entitled 'The Priest Wilderness Study Area', dated June 6, 2000, to be known as the 'Priest Wilderness Area'; and

"(8) certain land in the George Washington National Forest, comprising approximately 4,800 acres, as generally depicted on a map entitled 'The Three Ridges Wilderness Study Area', dated June 6, 2000, to be known as the 'Three Ridges Wilderness Area.".

Mr. WARNER. Mr. President, I rise today in support of legislation to add two areas in my State to the National Wilderness Preservation System. These areas, known as The Priest and the Three Ridges, are located in the George Washington National Forest and comprise approximately 10,500 acres.

The Commonwealth of Virginia is blessed with rich geographic diversity. From the Chesapeake Bay in the East to the Appalachian Mountains in the West, residents of the state and visitors alike are able to participate in a broad range of activities not often found in other areas of the country.

The Priest and the Three Ridges, in particular, offer unique opportunities for visitors to enjoy scenic views, interaction with wildlife, hiking, fishing, and other types of outdoor recreation. These areas need to be protected from development, and this legislation would ensure that they remain pristine for the use and enjoyment of present and future generations.

Mr. President, I look forward to the designation of The Priest and Three Ridges as wilderness through the swift passage of this bill.

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By Mr. STEVENS (for himself, Mr. JEFFORDS, Mr. KENNEDY, Mr. DODD, Mr. DOMENICI, Mr. KERRY, Mr. BOND, Mr. VOINOVICH, Mr. LAUTENBERG, Mr. COCHRAN, Mrs. MURRAY, Mr. SMITH of Oregon, Mr. BINGAMAN, Mr. L. CHAFEE, Mr. DURBIN, Mr. MURKOWSKI, Mr. ROBERTS, Mr. ROBB, Mr. ROCKEFELLER, Mr. WELLSTONE, Mrs. FEINSTEIN, Ms. MIKULSKI, Ms. SNOWE, Mrs. BOXER, Mr. KERREY, and Mr. WARNER):

S. 2866. A bill to provide for early learning programs, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

### EARLY LEARNING OPPORTUNITIES ACT

Mr. JEFFORDS. Mr. President, I am pleased to join my colleagues from both sides of the aisle in the introduction of the "Early Learning Opportunities Act of 2000". We first brought this legislation to the floor of the Senate as an amendment to the reauthorization of the Elementary and Secondary Education Act. In fact, it is the pending amendment when we return to consideration of S.2.

Simply stated, this bill is designed to help parents and others who care for young children acquire the resources and tools that they need to do their most important job—nurturing and teaching our children. There is broad, bi-partisan support for this legislation because many of my colleagues recognize the importance of learning in the first few years of life.

Science has taught us that the most explosive time of learning for humans is during the first few years of life. Parents and others who provide care for our children need some help and support to make the most of these early years. Changes in family structures, the weakening of the role of the extended family, and the rise in the number of working mothers have increased the need for communities to provide additional support for parents.

The Early Learning Opportunities Act builds on existing state and federal efforts by expanding the range of programs, the types of activities, and the populations served by other early learning initiatives. Current federal efforts focused on early childhood learning promote programs that provide full- or part-day out of home care and education. Rather than duplicate these programs, the Early Learning Opportunities Act places its emphasis on helping parents and other caretakers increase their abilities to support positive child development.

The Early Learning Opportunities Act will provide funding for parent support programs. Parents are their child's most important teachers. Before anyone thinks about kindergarten, teaching the alphabet, or counting the number of blocks in a tower, children are learning from their parents. When a parent talks and sings to an infant, the baby is learning about sounds and words as a method of communication. When children are fed and then rocked to sleep, they learn about security and love, which will contribute to their sense of self and autonomy. Long before they walk through the schoolhouse door, children have learned important lessons from their parents and others who have taken care of them during the first few years of life.

Funding for the Early Learning Opportunities Act can be used to promote effective parenting and family literacy through a variety of community-based programs, services and activities. If parents are actively engaged in their child's early learning, their children will see greater cognitive and non-cognitive benefits. While all parents want their children to grow up happy and healthy, few are fully prepared for the demands of parenthood. Many parents have difficulty finding the information and support they seek to help their children grow to their full potential. Making that information and support available and accessible to parents is a key component of the Early Learning Opportunities Act.

Early Learning Opportunities Act funds can be used to provide training for child care providers on early childhood development, child safety, and other skills that improve the quality of child care. For many families it is not possible for a parent to remain home to care for their children. Their employment is not a choice, but an essential part of their family's economic survival. And for most of these families, child care is not an option, but a requirement, as parents struggle to meet the competing demands of work and family. Just as it is essential that we provide parents with the tools they need to help their children grow and develop, we also must help the people who care for our nation's children while parents are at work.

States can use a portion of the funds made available for the Early Learning Opportunities Act for statewide initiatives, such as wage and benefit subsidies which encourage child care staff recruitment and incentives to increase staff retention Today, more than 13 million young children—including half of all infants—spend at least part of their day being cared for by someone other than their parents. In Vermont alone, there are about 22,000 children, under the age of six, in state-regulated child care.

The Early Learning Opportunities Act will improve local collaboration and coordination among child care providers, parents, libraries, community centers, schools, and other community service providers. By assessing existing resources and identifying local needs, the community organizations receiving funds will serve as a catalyst for the more effective use of early learning dollars and the removal of barriers that prevent more children, parents and caretakers from participating in good programs. Parents and child care providers will be able to access more services, activities and programs that help them care for children.

An investment in early learning today will save money tomorrow. Many of America's children enter school without the necessary abilities and maturity. Without successful remediation efforts, these children continue to lag behind for their entire academic career. We spend billions of dollars on efforts to help these children catch up. Research has demonstrated that for each dollar invested in quality early learning programs, the federal government can save over five dollars. These savings result from future reductions in the number of children and families who participate in federal government programs like Title I, special education, and welfare.

The Early Learning Opportunities Act is designed to be locally controlled and driven by the unique needs of each community. The legislation authorizes $3.25 billion in discretionary funding over three years for early learning block grants to states. The bill ensures that the majority of the funds will channeled through the states to local councils. The councils are charged with assessing the early learning needs of the community, and distributing the funds to a broad variety of local resources to meet those needs. In Vermont, the Success by Six initiative has demonstrated the importance of placing the resources and responsibilities at the local community level.

The Early Learning Opportunities Act will serve as a catalyst to engage diverse sectors of the community in increasing programs, services, and activities that promote the healthy development of our youngest citizens. Funds may be used by the local councils in a variety of ways: to support reading readiness programs in libraries, parenting classes at the local health center, parent-child recreation programs in the park, and child development classes at the school. Access to existing early learning programs can be increased by expanding the days or times that young children are served, by increasing the number of children served, or by improving the affordability of programs for low-income children. Transportation can be provided to increase participation in early learning programs, activities and services. By keeping the use of the funds flexible, local councils can work with parents, health care professionals, educators, child care providers, recreation specialists, and other groups and individuals in the community to create an affordable, accessible network of early learning activities.

The Early Learning Opportunities Act will help parents and care givers who are looking for better ways to integrate positive learning experiences into the daily lives of our youngest children. When children enter school ready to learn, all of the advantages of their school experiences are opened to them—their opportunities are unlimited. I urge my colleagues to support and co-sponsor the "Early Learning Opportunities Act of 2000". I urge you to give our nation's children every opportunity to succeed in school and in life.

Mr. KENNEDY. Mr. President, our bipartisan goal in introducing The Early Learning Opportunities Act is to provide greater support for parents across the country in preparing their children for a lifetime of learning, beginning at the earliest age.

I commend Senators STEVENS, JEFFORDS, DODD, DOMENICI, and KERRY for their support and leadership in developing this legislation and in seeing to it that children's voices are heard and their needs are a priority in this Congress. Senator KERRY and I have worked together to improve early learning opportunities in Massachusetts, and this national initiative is based in part on successful models in our state. Senator DODD has been an outstanding leader on children's issues for many years. Senator JEFFORDS, the chairman of our Senate committee, has shown great skill and determination in shaping this legislation, and in keeping our committee focused on the important issue of early learning. Senator DOMENICI has been an essential ally throughout the development of this bill, as has the senior Senator from Alaska. Senator STEVENS and I introduced the Early Learning Trust Fund Act as a predecessor to this legislation, and he was a leader in obtaining approval of $8.5 billion for early learning in this year's Senate budget resolution.

Clearly, the need for this legislation is urgent. Today's families are legitimately worried about the quality of care provided to their infants and toddlers while the parents are at work. Of mothers with children aged zero to five, a record 64 percent worked outside the home in 1999. The average cost of care for each of these children is four to ten thousand dollars a year. This is their highest expense besides food and shelter, consuming a quarter to half of their wages. Too often, even this level of sacrifice isn't enough. Many families simply cannot find quality care for their children. Facilities are dangerous, crowded, or closed at the nontraditional times that many mothers work. Low wages attract the least skilled care givers, over a third of whom quit each year. Enforcement of quality standards is rare. Elementary and Secondary education fully deserve to be a priority for the nation, but so does early learning—and it is needed at a time when many young families are least able to bear the full cost.

In Massachusetts, the Community Partnerships for Children Program currently provides quality full-day early learning for 15,300 young children from low-income families. Yet today, over 14,000 additional eligible children in the state are waiting for the early learning services they need—and some have been on the waiting list for 18 months. A 1999 report by the Congressional General Accounting Office on early learning services for low-income families was unequivocal—"infant toddler care [is] still difficult to obtain."

Even as the need to provide early learning opportunities increases, it is clear that many current facilities are unsafe. The average early learning provider is paid under seven dollars an hour—less than the average parking lot attendant or pet sitter. These low wages result in high turnover, poor quality of care, and little trust and bonding with the children.

The Nation's military faced these same problems in the 1980's, and because of the threat that the poor quality of care posed to children, to morale, and to retention of personnel, the armed forces worked long and well to create a model program. The Defense Department now provides quality care to 200,000 children. Many European nations have followed the same path as the U.S. military, building a broad array of quality early learning models that prepare children to reach their full potential.

Head Start is one example of the kind of quality program that has already proved effective throughout the United States. A recent survey found that more parents are satisfied with Head Start than any other federal program. But only two in five eligible 3- and 4-year-olds are enrolled in Head Start—and only one in 100 eligible infants and toddlers are enrolled in Early Head Start. As a result, literally millions of young children never have the chance to reach their full potential. We must do better, and we can do better.

It is time to act to make early learning a top education priority for the nation, just as governors urged us to do a full decade ago. All preschool children should have access to the kind of care and brain stimulation necessary to enable them to enter school ready to learn. We cannot rest until all children have the opportunity to develop to their full potential.

Academic studies have confirmed what parents have long understood—education occurs over a continuum that begins at birth and extends throughout life. Study after study proves that positive brain stimulation very early in life significantly improves a child's later ability to learn, to interact successfully with teachers and peers, and to develop crucial skills like curiosity, trust, and perseverance. Two years ago, the Rand Corporation reported that "after critically reviewing the literature and discounting claims that are not rigorously demonstrated, we conclude that these [early learning] programs can provide significant benefits." Governors, state legislatures, local governments, and educators have all supported these studies and called for increased investments in early learning as the most effective way to promote healthy and constructive behavior.

The goal of this legislation is to enable all children to enter school ready to learn, and to maximize the impact of federal, state, and local investments in education. We must do more to ensure that children have access to the experiences they need during the five or six years before they walk through their first schoolhouse door. Education begins at birth. It is not a process that occurs only in a school building during a school day. When our policies respond to this reality, we will reduce delinquency, improve productivity, and become a stronger and better nation. Early learning programs are good for children, good for parents and good for society as a whole.

The Committee for Economic Development reports that the nation can save over five dollars in the future for every dollar invested in early learning today. The investment significantly reduces the number of families on welfare, the number of children in special education, and the number of children in the juvenile justice system. Investment in early learning is not only morally right—it is economically right.

Two months ago, Fight Crime: Invest in Kids, a bipartisan coalition including hundreds of police chiefs, sheriffs, and crime victims, released another convincing report. It finds that children who receive quality early learning are half as likely to commit crimes and be arrested later in life. Our greatest opportunity to reach at-risk children is in their youngest years.

It is especially important for low-income parents who accept the responsibility of work under welfare reform to have access to quality early learning opportunities for their children. The central idea of welfare reform is that families caught in a cycle of dependence can be shown that work pays. But children's development must not be sacrificed as families move from welfare to work.

We must expand access to Head Start and Early Head Start. We must make parenting assistance available to all who want it. We must support model state efforts that have already proved successful, such as Community Partnerships for Children in Massachusetts and Smart Start in North Carolina, which rely on local councils to identify early learning needs in each community and allocate new resources to meet them. We must give higher priority to early childhood literacy. In ways such as these, we can take bolder action to strengthen early learning opportunities in communities across the nation.

The legislation that we introduce today will move us closer to all of these goals. It includes $3.25 billion over the next three years to enable local communities to fill the gaps that limit current early learning efforts. Local councils will direct the funds to the most urgent needs in each community. These needs include parenting support and education—improving child care quality through professional development and retention initiatives—expanding the times and the days that parents can obtain these services—enhancing childhood literacy—and greater early learning opportunities for children with special needs. These priorities are designed to strengthen early learning programs in all communities across the country, and give each community the opportunity to invest the funds in ways that will meet its most urgent needs.

Much more needs to be done to improve early learning throughout America. But we know from our experience in improving the military's early learning program that with small steps, over time we can go a long way. I urge the Senate to approve this important bill, and I look forward to its enactment and to the significant differences it will make.

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By Mr. DEWINE:

S. 2867. A bill to provide for the funding and administration of a Veterans Mission for Youth Initiative within the Troops-to-Teachers Program; to the Committee on Health, Education, Labor, and Pensions.

VETERANS MISSION FOR YOUTH INITIATIVE

Mr. DEWINE. Mr. President, I am pleased to introduce a bill today—the "Veterans Mission for Youth Initiative"—that would expand the current mission of the successful Troops to Teachers program. As many of my colleagues know, Troops to Teachers is a practical and sensible teacher recruitment program—a program that helps our veterans and retired military personnel gain the necessary certification to teach in our children's classrooms.

The bill I am introducing today would build on the current program's success by expanding its mission to help veterans who want to volunteer in our schools and be role models, but do not necessarily want to become certified teachers. This bill not only will help children benefit from the knowledge and experiences of veterans, but it also will help our veterans get more involved and active in their own local communities. I am pleased that Governor George W. Bush is proposing this same idea today in Pittsburgh.

Specifically, the "Veterans Mission for Youth Initiative," would authorize $75 million to be used for matching federal grants to community organizations that help train and then link veterans and retired military personnel with local school volunteer opportunities to mentor and tutor students. The grant program will be administered through the Defense Department's Defense Activity for Non-Traditional Education Support division, which runs the Troops-to-Teachers program.

Mr. President, the sad reality is that our schools are in crisis—especially in the inner cities and in places like Appalachia. And, I am frustrated and saddened that far too many children simply are not getting the quality education they deserve. The current Troops to Teachers program is helping to improve educational quality in America by providing mature, motivated, experienced, and dedicated personnel for our nation's classrooms. In fact, when administrators were asked to rate Troops to Teachers participants in their schools, 54 percent of the administrators said that the former military personnel turned teachers were among the best teachers at the schools. I am pleased to say that since 1994, 3,720 retired members of the U.S. military have been hired as teachers in all 50 states.

Additionally, a 1999 alternative teacher certification study found that participants in the Troops to Teachers program broaden the make-up and skills of our current teacher pool. For example, 30 percent of participants are minorities, compared to 10 percent of all teachers; 30 percent of participants are teaching math, compared to 13 percent of all teachers; 39 percent are willing to teach in inner cities compared to the current 16 percent urban teaching force; and 90 percent are male, compared to the overall current teaching force which is 26 percent male.

By expanding the current mission of the Troops to Teachers program by helping to link veterans with community volunteer opportunities to tutor and mentor school children, we can strengthen our education system overall. By linking students and America's retired military personnel—men and women who have exhibited the ideals of discipline, order, courage, and civic responsibility—we can teach our children valuable lessons outside the classroom.

Sadly, Mr. President, a recent survey of American youth, called the "New Millennium Project," found that students chose as their three lowest-ranking priorities in life: 1. Being a good citizen who cares about the good of the country; 2. Being involved in democracy and voting; and 3. Being involved in helping make one's community a better place. Furthermore, a recent survey by the Horatio Alger Society found that 21 percent of students had no heroes.

We need to change this, Mr. President. We need to change these apathetic and aimless attitudes. We need to give American youth some direction—the right direction. After all, these children are our future—we need to equip them with an arsenal of lessons—lessons they can learn in the classroom and out of the classroom by interacting with our country's heroes—our veterans.

The bottom line is this: As a nation, we need to do all we can to get the best teachers available into our public schools. We are trying to do just that through the current Troops to Teachers program. Now, the "Veteran's Mission for Youth Initiative" is another step in that direction. I urge my colleagues to support this effort and to join me in taking an important step toward improving education in this country. We owe it to our children; we it to our veterans; and we owe it to our nation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2867

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Veterans Mission for Youth Act".

**SEC. 2. FINDINGS.**

Congress makes the following findings:

(1) Since 1994, 17,148 retired members of the United States Armed Forces have applied to participate in the Troops-to-Teachers program and 3,720 such members have been hired as teachers in 50 States.

(2) The mission of the Troops-to-Teachers program is to help improve American Education by providing mature, motivated, experienced, and dedicated personnel for the nation's classrooms.

(3) The Troops-to-Teachers program provides positive role models for the nation's public school students.

(4) Ninety percent of Troops-to-Teachers participants are male, compared to 26 percent of the existing teaching force.

(5) Nearly 30 percent of Troops-to-Teachers participants are minorities compared to 10 percent in the existing teaching force.

(6) The Troops-to-Teachers program helps relieve teacher shortages, especially in the subjects of math and science.

(7) School administrators who work with Troops-to-Teachers participants were asked to rate such participants in their schools, 54 percent of such administrators said that the former military personnel turned teachers were well above average or were among the best teachers at the schools.

(8) The 1999 Alternative Teacher Certification study by C. Emily Feistritzer found that 30 percent of Troops-to-Teachers participants are minorities compared to 10 percent of all teachers, 30 percent are teaching math compared to 13 percent of all teachers, 25 percent teach in urban schools, and 90 percent are male compared to the current teaching force which is 74 percent female.

(9) America's 25,000,000 veterans have exhibited the ideals of discipline, order, courage, and civic responsibility that are important lessons for America's children.

(10) The recent survey of American youth, the "New Millennium Project" found that students chose as their 3 lowest-ranking priorities in life—being a good citizen who cares about the good of the country, being involved in democracy and voting, and being involved in helping make one's community a better place.

(11) A recent survey by the Horatio Alger Society found that 21 percent of students had no heroes.

**SEC. 3. ESTABLISHMENT OF A VETERANS MISSION FOR YOUTH INITIATIVE.**

Title XVII of the National Defense Authorization Act of Fiscal Year 2000 (commonly known as the Troops-to-Teachers Program Act of 1999 (20 U.S.C. 9301 et seq.)) is amended by adding at the end the following:

**"SEC. 1710. VETERANS MISSION FOR YOUTH INITIATIVE.**

"(a) ESTABLISHMENT.—The Secretary of Defense, acting through the Defense Activity for Non-Traditional Education Support Division of the Department of Defense, shall establish an initiative to be known as the 'Veterans Mission for Youth Initiative' to award grants to eligible organizations to provide mentoring, tutoring, after-school and other programs for youth.

"(b) ELIGIBILITY.—

"(1) IN GENERAL.—To be eligible to receive a grant under subsection (a), an organization shall—

"(A) be a community organization that provides, or intends to provide, services to link individuals described in paragraph (2) with youth;

"(B) prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require;

"(C) provides assurances to the Secretary that the organization with provide matching funds as required under paragraph (3); and

"(D) meet such other requirements as the Secretary may prescribe.

"(2) INDIVIDUALS ELIGIBLE TO PROVIDE SERVICES.—An individual described in this paragraph is any member of the Armed Forces—

"(A) who was—

"(i) discharged or released from active duty after 6 or more years of continuous active duty immediately before the discharge or release; or

"(ii) involuntarily discharged or released from active duty for purposes of a reduction of force after 6 or more years of continuous active duty immediately before the discharge or release; and

"(B) who's last period of service in the Armed Forces was characterized as honorable; and

"(C) who satisfies such other criteria for selection as the Secretary may prescribe.

"(3) MATCHING REQUIREMENT.—To be eligible to receive a grant under this section an eligible organization shall agree to make available (directly or through donations from public or private entities) non-Federal contributions toward the cost of carrying out the program established under the grant in an amount equal to the amount provided under the grant.

"(c) USE OF FUNDS.—An organization shall use amounts provided under a grant under this section to carry out a program to facilitate linkages between individuals described in subsection (b)(2) and youth through the provision by such individuals of mentoring, tutoring, after-school and other services.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, $75,000,000 for fiscal year 2001, and such sums as may be necessary for each subsequent fiscal year.".

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By Mr. FRIST (for himself, Mr. JEFFORDS, Mr. KENNEDY, Mr. DODD, Mr. DEWINE, Mr. REED, Mrs. MURRAY, Mr. BOND, Mr. HATCH, Mr. GORTON, Mr. ABRAHAM, and Mr. DURBIN):

S. 2868. A bill to amend the Public Health Service Act with respect to children's health; to the Committee on Health, Education, Labor, and Pensions.

### CHILDREN'S PUBLIC HEALTH ACT OF 2000

Mr. FRIST. Mr. President, I am pleased to be joined by Senators JEFFORDS, KENNEDY, DODD, DEWINE, REED, MURRAY, BOND, HATCH, GORTON, ABRAHAM, and DURBIN to introduce the Children's Public Health Act of 2000.

This bill is the result of months of close collaboration begun last fall between members of the Health, Education, Labor and Pensions Committee, and in discussion with Congressmen BLILEY and BILIRAKIS to begin an effort to address children's health issues this Congress.

I am pleased that the House has already passed a companion bill to the one which we introduce today, and I look forward to working with the House to ensure that we enact this needed bill by the end of the year.

The Children's Public Health Act of 2000 has four overriding themes represented in its four titles: Injury Prevention, Maternal and Infant Health, Pediatric Health Promotion, and Pediatric Research. I view these four themes as critical to ensuring that we are able to promote the health of our Nation's children.

In the first title we address the critical problem of unintentional injuries. According to the CDC, unintentional injuries are the leading cause of death for every age group between 1 and 19 years of age. Unintentional injuries comprise 26 deaths per 100,000 children aged 1–14 and 62 deaths per 100,000 children aged 15–19. In addition, more than 1,500,000 children in the United States sustain a brain injury each year. To help address this problem, the bill would reauthorize and strengthen the Traumatic Brain Injury programs at the Centers for Disease Control (CDC) and Prevention, the National Institutes of Health (NIH) and the Health Resources and Services Administration (HRSA).

The bill also includes a provision which I originally introduced with Senator DODD in March of this year, to address the issue of child care health and safety. In my own state of Tennessee, there have been 4 deaths in the past 3 years in child care settings, and 1 in 15 child-care programs in the Nashville area were found by state inspectors to have potentially put the health and safety of children at risk during 1999. In addition, in 1997, 31,000 children aged 4 and younger were treated in hospital emergency rooms for injuries sustained in child care or school settings across this nation. Therefore, the bill contains child care safety and health grants to assist states to fund specific activities to increase safety and health in child care settings.

To address the tragic fact that birth defects are the leading cause of infant mortality and are responsible for about 30 percent of all pediatric hospital admissions, the second title of the bill focuses on maternal and infant health. According to the CDC, an estimated 3,000 birth defects have been identified, of which 70 percent have no known cause. To provide national leadership to combat birth defects, the bill would establish a National Center for Birth Defects and Developmental Disabilities at the CDC, which is strongly supported by the March of Dimes and other birth defects groups, to collect, analyze, and distribute data on birth defects. In addition, the bill authorizes the Healthy Start program for the first time, which is designed to reduce the rate of infant mortality and improve perinatal outcomes by providing grants to areas with a high incidence of infant mortality and low birth weight. This bill also contains folic acid education programs to spread the knowledge of the positive health effects of folic acid in the diet of pregnant women.

To address the fact that over 3,000 women experience serious complications due to pregnancy and that 2 to 3 of these women will die from pregnancy complications, the bill would develop a national monitoring and surveillance program to better understand the burden of material complications and mortality and to decrease the disparities among populations at risk of death and complications from pregnancy.

The third title addresses the promotion of pediatric health by focusing on screening and prevention programs to combat some of the most common childhood diseases and conditions. This bill helps to combat asthma, the most common chronic disease of childhood, affecting nearly 5 million children under the age of 18 in the United States, by providing comprehensive asthma services to children and to coordinate the wide range of asthma prevention programs in the federal government.

We also focus on childhood obesity, which has increased by 100% among children in just the past 15 years, and has resulted in 4.7 million children and adolescents ages 6–19 years becoming seriously overweight. To address this obesity epidemic, the bill provides programs to support the development, implementation, and evaluation of state and community-based programs to promote good nutrition and increased physical activity among American youth.

In examining the problems affecting children across the nation and in Tennessee, I was very concerned to learn that in Memphis, Tennessee, over 12 percent of children under the of age of 6 have screened positive for lead poisoning. At high levels, lead can cause a variety of debilitating health problems, including seizure, coma, and even death. At lower levels, lead can contribute to learning disabilities, loss of intelligence, hyperactivity, and behavioral problems. This bill includes physician education and training programs on current lead screening policies, tracks the percentage of children in the Health Centers program who are screened for lead poisoning, and conducts outreach and education for families at risk of lead poisoning.

This bill also targets pediatric oral health, which was recently highlighted by the May 2000, Surgeon General report which focused on the fact that oral health is inseparable from overall health, and that while there have been great improvements in oral health for a majority of the population, there are disparities that primarily affect poor children and those who live in underserved areas of our country, with 80 percent of all dental cavities found in 20 percent of children. This bill would support community-based research and training to improve the understanding of etiology, pathogenesis, diagnoses, prevention, and treatment of pediatric oral, dental, and craniofacial diseases. In addition, the bill would provide state grants to increase community water fluoridation and to provide school-based dental sealant services to children in low income areas.

The last title of this bill is a focus on strengthening pediatric research efforts in the country. To give us a fuller understanding of how we can help promote the health of our children we establish a Pediatric Research Initiative within the National Institutes of Health to enhance collaborative efforts, provide increased support for pediatric biomedical research, and ensure that opportunities for advancement in scientific investigations and care for children are realized. The bill would also expand research into autism, which affects 1 in 500 children, establish a long term Child Development Study at the NIH to evaluate the effects of both chronic and intermittent exposures on human development.

Mr. President, this bill is comprehensive; it systematically addresses several critical childhood health issues and I am committed to ensure that it will be enacted before the end of this Congress. I would like to thank Senator JEFFORDS, the chairman of the Senate Health, Education, Labor and Pensions Committee and Senator KENNEDY and their staffs for their critical collaboration which has led to the development of a strong bipartisan bill. I would also like to thank Senators DODD, DEWINE, REED, MURRAY, BOND, HATCH, GORTON, ABRAHAM, and DURBIN, for their work on selected provision's in this bill and to their commitment to children's health issues. I would also like to thank Mr. Bill Baird, from the Office of Senate Legislative Counsel, for his great work in drafting this bill. I ask unanimous consent that a full summary of the bill appear in the RECORD following my remarks.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

### THE CHILDREN'S PUBLIC HEALTH ACT OF 2000—SUMMARY

In an effort to address the health and well being of our most precious resource, the Children's Public Health Act of 2000 amends the Public Health Service Act to revise, extend, and establish programs with respect to children's health research, health promotion and disease prevention activities conducted through Federal public health agencies. The Act contains four titles to address critical issues in the areas of children's health; including Injury Prevention, Maternal and Infant Health, Pediatric Public Health Promotion, and Pediatric Research.

### TITLE I—INJURY PREVENTION

*Subtitle A—Traumatic Brain Injury*

Traumatic Brain Injury (TBI) is a term descriptive of injury occurring to the brain as a result of external forces. These injuries may include intracranial (inside the skull) or intraparenchymal (inside the brain tissue) hemorrhage, parenchymal edema, or shear injury. The CDC Center for Injury Prevention estimates that more than 1,500,000 children in the US sustain a brain injury each year, and many more are living with the consequences. According to the CDC National Center for Health Statistics, unintentional injuries including TBI are the leading cause of death for every age group from 1 to 19 years of age, comprising 26 deaths per 100,000 children aged 1–14 and 62 deaths per 100,000 children aged 15–19. Younger children and infants are at an increased risk of brain injury because the size and weight of their heads is greater in proportion to their body size. Young children also lack mature muscle control, which contributes to an increased risk of head injury.

This provision would reauthorize the Traumatic Brain Injury Act of 1996 to extent the authority for CDC to support research into strategies for the prevention of TBI and implementing public information and education programs for the prevention of TBI. NIH research is expanded to cognitive disorders and neurobehavioral consequences arising from TBI. The bill authorizes HRSA to make grants for community support services to develop, change, or enhance service delivery systems. Grants may be used to educate consumers and families, train professionals, improve case management, develop best practices in the areas of family support, return to work, and housing for people with traumatic brain injury.

*Subtitle B—Child Care Safety and Health Grants*

Of the 21 million children under the age of 6 in the United States, almost 13 million spend some part of their day in child care. There is alarming evidence to suggest that more must be done to improve the health and safety of children in child care settings. For example, a 1998 Consumer Product Safety Commission Study revealed that two-thirds of the 200 licensed child care settings investigated exhibited safety hazards, such as insufficient child safety gates, cribs with soft bedding, and unsafe playgrounds. In 1997 alone, 31,000 children age 4 and younger were treated in hospital emergency rooms for injuries sustained in child care school settings. Even more tragically, since 1990 more than 56 children have died in child care settings.

To address the need for increased safety of child care facilities, this provision would give the Secretary of Health and Human Services the authority to provide grants to states to carry out activities related to the improvement of the health and safety of children in child care settings. Grants may be used for two or more of the following activities: train and educate child care provides to prevent injuries and illnesses and to promote health-related practices; strengthen and enforce child care provider licensing, regulation, and registration; rehabilitate child care facilities to meet health and safety standards; provide health consultants to give health and safety advice to child care providers; enhance child care providers' ability to serve children with disabilities; conduct criminal background checks on child care providers; provide information to parents on choosing a safe and healthy setting for their children; or improve the safety of transportation of children in child care.

### TITLE II—MATERNAL AND INFANT HEALTH

#### *Subtitle A—Safe Motherhood and Infant Health Prevention*

Every day, 2-3 women die from pregnancy complications and over 3,000 women experience serious complications due to pregnancy. Despite nearly 4 million deliveries in the United States each year, we have little information about unintended health consequences related to pregnancy and childbirth. The nation's infant mortality rate has steadily declined over the last decade, but the percentage of women who die in childbirth has remained unchanged. Maternal mortality rates reveal significant disparities between African American and white women, but the reasons for those differences are not well understood. When compared with white women, black women continue to have four times the risk for dying from complications of pregnancy and childbirth.

The provision would authorize the Secretary of HHS to develop a national monitoring and surveillance program to better understand the burden of maternal complications and mortality and to decrease the disparities among populations at risk of death and complications from pregnancy. The provision would also allow the Secretary to expand the Pregnancy Risk Assessment Monitoring System program to provide surveillance and data collection in each of the 50 States. Furthermore, the provision would expand research concerning risk factors, prevention strategies, and the roles of the family, health care providers, and the community in safe motherhood. The provision also authorizes public education campaigns on healthy pregnancies, education programs for health care providers, and activities to promote community support services for pregnant women. Finally, the provision provides grant funding for research initiatives and prevention programs on drug, alcohol, and smoking prevention and cessation for pregnant women.

#### *Subtitle B—Healthy Start Initiative*

The Healthy Start initiative began as a demonstration project in 1991 to help mothers from disadvantaged neighborhoods improve their chances of having a healthy pregnancy and, ultimately, a healthy baby. This provision authorizes the Healthy Start program for the first time. Healthy Start is designed to reduce the rate of infant mortality and improve perinatal outcomes by providing grants to areas with a high rate of infant mortality and low birth weight. Newly authorized services include expanding access to surgical services to the fetus, pregnant woman, and infant during the first year after birth.

#### *Subtitle C—National Center for Birth Defects and Developmental Disabilities*

Birth defects are the leading cause of infant mortality and are responsible for about 30% of all pediatric hospital admissions. According to the CDC, of the estimated 3,000 different birth defects that have been identified, up to 70% without a known cause. Of the four million babies born each year in the United States, approximately 150,000 are born with one or more serious birth defects. About 17% of U.S. children under 18 years of age have a developmental disability. In the United States, 12 out of every 1,000 school children have mental retardation, approximately 10,000 infants born each year develop cerebral palsy, and as many as 1 in every 500 children under 15 years of age may have one of the autism spectrum disorders.

This provision would create a National Center for Birth Defects and Developmental Disabilities within the CDC. The purpose of this Center would be to collect, analyze, and distribute data on birth defects including information on causes, incidence, and prevalence; conduct applied epidemiological research on the prevention of such defects; and provide information to the public on proven prevention activities.

#### *Subtitle D—Folic Acid Education Programs*

Each year, an estimated 2,500 infants are born in the United States with serious birth defects of the brain and spine, called neural tube defects. The most common neural tube defects are spina bifida, which is due to an incomplete closure of the spinal column, and anencephaly, a fatal condition where an infant is born with a severely underdeveloped brain and skull. Spina bifida is the leading cause of childhood paralysis. As many as 70 percent of all neural tube birth defects could be prevented if all women of childbearing age consumed 400 micrograms of folic acid daily, beginning before pregnancy. Folic acid is a B vitamin found naturally in leafy green vegetables, beans, citrus fruits, and juices. Since January 1998, the Food and Drug Administration has required that all foods containing enriched flour, such as breads, pasta, and breakfast cereal, be fortified with folic acid. In addition to consuming a diet high in folate-rich foods, a daily multivitamin is one of the most reliable sources of folic acid. A majority of women are not aware of this prevention opportunity, nor are they consuming the recommended daily amount. A national folic campaign is needed to urge women to take this simple step to prevent neural tube defects.

This provision would establish a national folic acid education program to prevent birth defects. CDC, in partnership with the States and local, public, and private entities, is authorized to launch an education and public awareness campaign; conduct research to identify effective strategies for increasing folic acid consumption by women of reproductive capacity; and evaluate the effectiveness of these strategies.

### TITLE III—PEDIATRIC PUBLIC HEALTH PROMOTION

#### *Subtitle A—Asthma*

Asthma is the most common chronic disease of childhood. It affects nearly five million children under the age of 18 in the United States, and the incidence is dramatically increasing. Several studies suggest that between 1980 and 1994, asthma increased 160% among children under age 4, and 74% among children aged 5-14. According to the National Center for Health Statistics, children under 18 years of age miss nearly 72 out of every 1,000 school days due to asthma. This is more than three times the number of missed school days than their unaffected peers accounting for almost 10 million missed days each year.

This provision would authorize the Secretary to award grants to provide comprehensive asthma services to children, equip mobile care clinics, conduct patient and family education on asthma management, and identify children eligible for Medicaid, the State Children's Health Insurance Program, and other children's health programs. This provision amends the Preventive Health and Health Services Block Grant program to provide for the establishment, operation, and coordination of effective and cost-efficient systems to reduce the prevalence of asthma and asthma-related illnesses among urban populations, especially children, by reducing the level of exposure to cockroach allergen through the use of integrated pest management. This provision also requires HHS to establish a coordinating committee to identify all Federal programs that carry out asthma-related activities; develop, in consultation with appropriate Federal agencies, professional and voluntary health organizations, a Federal plan for responding to asthma; and submit recommendations to Congress within 12 months after enactment regarding ways to strengthen and improve the coordination of asthma-related Federal activities.

#### *Subtitle B—Childhood Obesity Prevention*

Obesity has increased by more than 50 percent among adults and 100 percent among children in just the past 15 years. Approximately 4.7 million children, or 11% of youths ages 6-19 years are seriously overweight. Obesity is associated with many of the leading causes of death and disability, including heart disease, diabetes, certain forms of arthritis, and cancer. Research shows that 60% of overweight 5 to 10 year old children already have at least one risk factor for heart disease (hyperlipidemia, hypertension, or altered insulin levels). Almost 25 percent of young people ages 6-17 are overweight, and the percentage who are seriously overweight has doubled in the last 30 years. Part of the reason for youth inactivity is the reduction of daily participation in high school physical education classes has declined from 42 percent in 1991 to 27 percent in 1997.

This provision would authorize the CDC to administer a competitive grant program to support the development, implementation, and evaluation of state and community-based programs to promote good nutrition and increased physical activity among American children and adolescents. States would be required to develop comprehensive, inter-agency school- and community-based approaches to encourage and promote nutrition and physical activity in local communities. The proposal would allow CDC to provide states with technical support as well as disseminate information about effective prevention strategies and interventions in treating obesity.

The CDC will coordinate and conduct research to improve our understanding of the relationship between physical activity, diet, health, and other factors that contribute to obesity. Research will also focus on developing and evaluating effective strategies for the prevention and treatment of obesity and eating disorders, as well as study the prevalence and cost of childhood obesity and its effects into adulthood.

The CDC in collaboration with State and local health, nutrition, and physical activity experts, will develop a nationwide public education campaign regarding the health risks associated with poor nutrition and physical inactivity, and will promote information on effective ways to incorporate good eating habits and regular physical activity into daily living.

The CDC, in collaboration with HRSA, will develop and carry out a program to train health professionals in effective strategies to better identify, assess, and counsel (or refer) patients with obesity, an eating disorder, or who are at risk of becoming obese or developing an eating disorder. They will also develop and carry out a program to educate and train educators and child care professionals in effective strategies to teach children and their families about ways to improve dietary habits and levels of physical activity.

#### *Subtitle C—Childhood Lead Prevention*

At high levels, lead can cause a variety of debilitating health problems, including seizure, coma, and even death. At lower levels, lead can contribute to learning disabilities, loss of intelligence, hyperactivity, and behavioral problems. Screening is a critical element in eliminating childhood lead poisoning because in most cases there are no distinctive or obvious symptoms. Children with elevated blood lead levels are seven times more likely to drop out of high school and six times more likely to have reading disabilities. It costs an average of $10,000 more a year to educate a lead-poisoned child.

This provision requires HRSA to report annually to the Congress on the percentage of children in the Health Centers program who are screened for lead poisoning. Requires HRSA to work with the CDC and HCFA to conduct physician education and training programs on current lead screening policies along with the scientific, medical, and public health basis for such policies.

This provision requires CDC to issue recommendations and establish requirements for its grantees to ensure uniform and complete reporting of blood lead levels from laboratories to State and local health departments and to improve data linkages between health departments, CDC, WIC, Early Head Start, and other federally funded means-tested public benefit programs.

This provision authorizes new funding through the Maternal and Child Health Block Grant to states with a demonstrated need (based on local surveillance data) to conduct outreach and education for families at risk of lead poisoning, provide individual family education designed to reduce exposures to children with elevated blood lead levels, implement community environmental interventions, and ensure continuous quality measurement and improvement plans for communities committed to comprehensive lead poisoning prevention.

### *Subtitle D—Oral Health*

In May 2000, the Surgeon General of the United States published the landmark report, Oral Health in America: A Report of the Surgeon General. The report focuses on the fact that oral health is inseparable from overall health. However, tooth decay is the most prevalent preventable chronic disease of childhood and only the common cold, the flu and onitis media occur more often among young children. And while there have been great improvements in oral health for a majority of the population, there are disparities that primarily affect poor children and those who live in underserved areas of our country, with 80 percent of all dental cavities found in 20 percent of the children. "The devastating consequences of untreated disease can affect children's health and well being, causing pain and suffering, time lost from school, loss of permanent teeth, self-consciousness and loss of self-esteem, and even more complications in children with coexisting medical conditions." The United States must improve and enhance the training of dental health professionals to meet the increasing need for dental services for children .

This provision would require the Secretary of HHS to support community-based research and training to improve the understanding of etiology, pathogenesis, diagnoses, prevention and treatment of pediatric oral, dental and craniofacial diseases and conditions. The Secretary of HHS is authorized to provide grants to States to increase community water fluoridation and to provide school-based dental sealant services to children in low income areas.

## TITLE VI—PEDIATRIC RESEARCH

### *Subtitle A—Pediatric Research Initiative*

The rapidly expanding knowledge base in genetics and biomedicine affords an unparaleled opportunity to understand gene-environment interactions and to apply this knowledge to the benefit of children and society. Findings in pediatric research not only promote and maintain health throughout a child's lifespan, but also contribute significantly to new insights and discoveries that will aid in the prevention and treatment of illnesses and conditions among adults. A growing body of evidence shows that risk factors for diseases such as coronary artery disease and stroke begin in childhood and persist through adulthood.

This provision would establish a Pediatric Research Initiative within the National Institutes of Health (NIH) to enhance collaborative efforts, provide increased support for pediatric biomedical research, and ensure that expanding opportunities for advancement in scientific investigations and care for children are realized.

The Secretary of Health and Human Services (HHS) will make available enhanced support for activities relating to the training and career development of pediatric researchers, including general authority for loan repayment of a portion of education loans.

### *Subtitle B—Autism*

Autism and autism spectrum disorders are biologically-based neurodevelopment diseases that cause severe impairments in language and communication. These disorders often manifest in young children sometime during the first two years of life. Estimates indicate that 1 in 500 children born today will be diagnosed with an autism spectrum disorder and that 400,000 Americans have autism or an autism spectrum disorder.

Under this provision, the Director of NIH shall expand, intensify, and coordinate the activities of the NIH with respect to research on autism. The Director of NIH will carry out through NIMH and other agencies that may be appropriate, and establish not less than five Centers of Excellence on autism research. Each center will conduct basic and clinical research into the cause, diagnosis, early detection, prevention, control and treatment of autism, including research in the fields of developmental neurobiology, genetics and psychopharmacology. The Director shall provide for the coordination of information among centers. A center may provide individuals referrals for health and other services and patient care services as required for research. The Director shall provide for a program under which samples of tissues and genetic materials that are of use in research on autism are made available for this research.

The proposal also establishes through the CDC, at least three regional centers of excellence in autism and pervasive developmental disabilities epidemiology to collect and analyze information on the number, incidence, and causes of autism and related developmental disabilities would be established. The Secretary shall establish a program to provide information on autism to health professionals and the general public, and establish an Autism Coordinating Committee to coordinate all efforts within HHS on autism.

### *Subtitle B—Child Development Study*

Findings in pediatric research not only promote and maintain health throughout a child's lifespan, but also contribute significantly to new insights and discoveries that will aid in the prevention and treatment of illnesses and conditions among adults. A growing body of evidence shows that risk factors for diseases such as coronary artery disease and stroke begin in childhood and persist through adulthood. Children are more vulnerable to physical, chemical, biological, safety, and psychosocial exposures than adults. Evidence-based policies and effective prevention and health promotion strategies to achieve a healthy and safe environment for children and families, are best derived from a federal multi-agency longitudinal study.

Authorizes NICHD to convene and direct a consortium of federal agencies, including CDC and EPA, to plan, develop and implement a prospective cohort study to evaluate the effects of both chronic and intermittent exposures on human development, and to investigate basic mechanisms of developmental disorders and environmental factors, both risk and protective, that influence growth and development processes. The study will incorporate behavioral, emotional, educational, and contextual consequences to enable a complete assessment of the physical, chemical, biological and psychosocial environmental influences on children's well-being.

The study shall include diverse populations, before birth, to gather data on environmental influences and outcomes until at least age 21, and shall consider health disparities.

### *Subtitle D—Research on Rare Diseases*

This Provision would require the NIH Director to report to Congress within 180 days of enactment regarding activities conducted and supported by the NIH during Fiscal Year 2000 with respect to rare diseases in children and the activities that are planned to be conducted and supported by the NIH with respect to such diseases during the Fiscal Years 2001 through 2005.

### *Subtitle E—GME in Children's Hospitals*

The health of the nation's children depends upon a steady supply of well-trained pediatricians and pediatric specialists. Independent children's hospitals train about half of all pediatric specialists, and 30 percent of pediatricians. Graduate medical education (GME) activities have historically been supported by Medicare, but, because these hospitals serve very few Medicare patients, they receive very little financial support for this important and costly activity. Children's hospitals are an important resource for all children. The training, pediatric research, and primary and specialty care services that occur in these facilities should be preserved and strengthened. Unfortunately, however, many of these hospitals are struggling to maintain their missions. Last year, a new program was authorized to provide discretionary support for pediatric GME activities in free-standing children's hospitals. This provision extends the authorization to 2005.

**Mr. JEFFORDS.** Mr. President, it gives me great pleasure to join my colleagues today in introducing the Children's Health Act of 2000. This bill authorizes a variety of programs and initiatives that promise to significantly improve the health of children in this nation. I want to commend Senators FRIST, KENNEDY, DODD, GREGG, DEWINE, REED, BOND, GORTON, ABRAHAM, and DURBIN for their work and commitment to protecting and improving the health of our children.

This bill takes a multifaceted approach in addressing the most pressing healthcare problems facing our children today, such as brain injury, birth defects, asthma, and obesity. The bill authorizes prevention programs, educational programs, clinical research, and direct clinical care services. It also enhances the training and knowledge base of pediatric healthcare researchers through training and loan repayment programs. In the face of so many dangerous diseases and conditions, the holistic approach taken by this bill offers the best hope for protecting and improving our children's health.

This bill provides funding for critical research on children's heath. The Pediatric Research Initiative, based in the National Institutes of Health, will lay the foundation for comprehensive, cross cutting pediatric biomedical research. Such a center has the potential to yield valuable new information on child growth and development.

The Child Development Study, a long term study of environmental influences on children's health, will also yield important insights into the environmental factors that influence the growth and development of our children. This understanding will play a critical role in shaping future policy and programs for children's health. This research, in addition to other research opportunities provided in this bill promises to significantly improve our ability to protect the health of our children.

In addition to research, this bill provides resources for care and prevention programs. For example, this bill authorizes aggressive programs to prevent and treat one of the most challenging childhood health problems, traumatic brain injury. The Centers for Disease Control and Prevention is directed to conduct research on prevention and to implement public education and information programs. The Health Research and Services Administration is authorized to fund community support services to develop support or enhance care systems for individuals with brain injuries. These programs, coupled with research at NIH, address both the causes and the consequences of traumatic brain injury.

This bill authorizes the creation of a National Center for Birth Defects and Developmental Disabilities to collect, analyze, and distribute data on birth defects. This provision will allow for important data to be developed to guide the development of programs and policies to assist children and families coping with disabilities. Having worked for many years to improve the quality of life of people living with disabilities, I strongly support this effort to address the challenges of disabilities at the earliest age possible. This center will help to coordinate and focus our approach, and serve as a clearinghouse for information that will improve both healthcare and quality of life for children with disabilities.

By targeting asthma, the most common chronic disease of childhood, this bill will make a difference in the lives of thousands of children and young people who suffer with this disease across the nation. Asthma jumped by 75 percent in the general population between 1980 and 1994. Among children under four there was a rise of 160 percent. It is estimated that this condition debilitates about 33,000 Vermonters (22,000 adults and 11,000 children). Grant programs authorized under this bill will fund comprehensive asthma services, mobile health care clinics, and patient and family education to reduce the impact of this dangerous disease. As this disease continues to strike more and more of our youth, it is critical that programs to reduce asthma have priority.

Oral health is also improved under this legislation, which targets the disparities in access to dental care and preventive therapies among poor children. In addition to direct care services, this provision enhances community based research and training to improve our knowledge of effective clinical and preventive measures. With 20 percent of children experiencing 80 percent of the dental cavities, it is time we focus on this neglected population and make a difference in their health.

An investment in the health of the nation's children will undoubtedly have long term rewards, as we move our understanding of and ability to treat childhood diseases far beyond current capabilities. Clearly, the time has come to comprehensively and aggressively tackle the primary causes of poor health for our children. I strongly support this legislation. The health of the nation rests on the health of our children, and we must do all we can to prevent and treat diseases that strike at the most vulnerable members of society.

Mr. KENNEDY. Mr. President, it is a privilege to join Senator FRIST and our other colleagues in introducing the Children's Public Health Act of 2000. This bipartisan legislation will help millions of children in the years ahead. It takes needed action to improve children's health by expanding pediatric research and calling for specific steps to deal with a wide range of childhood illness, disorders, and injuries. Coordinated action in these areas can lead to significant benefits for all children.

Senator FRIST and I have worked closely with many of our Democratic and Republican colleagues on this legislation. We have talked with experts and advocates in the children's health community. We believe this legislation will lead to significant progress in addressing some of today's most pressing pediatric public health problems.

The legislation includes a variety of new and reauthorized children's health provisions that are organized under four broad categories—injury prevention, maternal and infant health promotion, public health promotion, and research.

Traumatic brain injury is the leading cause of death and disability in young Americans. The Centers for Disease Control and Prevention has estimated that 5.3 million Americans are living with long-term, severe disability as a result of brain injuries, and each year 50,000 people die as a result of such injuries. The Children's Public Health Act revises and extends the authorization for the important programs enacted in 1996 to deal with these injuries. This reauthorization will assure continued progress toward our understanding, treating and preventing them.

Improving and protecting the safety of child care environments should also be a high priority for Congress. This legislation creates a new program to improve the safety of children in child care settings, and to encourage child care providers to take steps to prevent illness and injuries and protect the health of the children they serve.

In addition, this legislation includes programs to improve the health of pregnant women and prenatal outcomes, including prevention of birth defects and low birth weight. It establishes a new Center for Birth Defects and Developmental Disabilities at the Centers for Disease Control and Prevention in order to focus the nation's activities more effectively in these important areas. The new center will be especially helpful for children and families affected by these conditions.

The bill also takes a number of steps to address other prevalent childhood conditions. Asthma is the most common chronic childhood illness, affecting more than seven percent of all American children. The death rate for children with asthma increased by 78 percent between 1980 and 1993, and asthma-related costs total nearly $2 billion annually in direct health care for children. The nation is handicapped by a lack of basic information on where and how asthma strikes, what triggers it, and how effectively our current health care system is responding to those who suffer from this chronic disease. Our bill will provide greater asthma services to children, including mobile clinics, and patent and family education, and it will help to reduce allergens in housing and public facilities.

Poor nutrition and lack of physical activity are also hurting many American children and contributing to lifelong health problems. The nation spends $39 billion a year—equal to six percent of overall U.S. health care expenditures—on direct health care related to obesity. Twenty percent of American children—one in five—are overweight. Unhealthy eating habits and physical inactivity in childhood can lead to heart disease, cancer and other serious illnesses decades later. Children and adolescents who suffer from eating disorders, such as anorexia nervosa and bulimia, can have wide-ranging physical and mental health impairments. Our legislation establishes new grant programs to reduce childhood obesity and earing disorders, promote better nutritional habits among children, and encourage an appropriate level of physical activity for children and adolescents.

Last May, the Surgeon General published a landmark report on oral health in America, emphasizing the need to consider oral health as an essential part of total health. There is no question that oral and dental health care should be included in our primary care. Tooth decay is the most common childhood infectious disease, and it can lead to devastating consequences, including problems with eating, learning and speech. Twenty-five percent of children in the United States suffer 80 percent of the tooth decay, with significant racial and age disparities. The number of dentists in the country has been declining since 1990, and is projected to continue to decline through the year 2020.

According to a 1995 report by the Inspector General, only one in five Medicaid-eligible children receive dental services annually, and the shortage of dentists exacerbates the problem of unmet needs. Yet tooth decay is largely preventable. More effective efforts to educate parents and children about the causes of tooth decay, and initiatives to prevent and treat it can lead to lasting public health improvements. Our legislation includes a variety of approaches to deal with this silent epidemic.

Research has long shown that childhood lead poisoning can have devastating effects on children, causing reduced IQ and attention span, stunted growth, behavior problems, and reading and learning disabilities. Yet too children remain unscreened and untreated, and adequate services often are not available for children with elevated levels of lead in their blood. There is no excuse for not taking greater steps to eliminate childhood lead poisoning. Our bill includes screening for early detection and treatment, professional education and training programs, and outreach and education activities for at-risk children.

Pediatic research discoveries promote and maintain health throughout a child's life span, and also contribute significantly to new insights that aid in the prevention and treatment of illnesses and conditions among adults. A growing body of evidence shows that risk factors for conditions such as coronary artery disease and stroke begin in childhood and persist through adulthood. Congress has a strong history of promoting basis and clinical research, and the steps taken in this legislation continue that priority.

The legislation establishes a pediatric research initiative, authorized at $50 million annually, that will increase support for pediatric biomedical research at the National Institutes of Health, including an increase in collaborative efforts among multidisciplinary fields in areas that are promising for children. The legislation also requires coordination with the Food and Drug Administration to increase the number of pediatric clinical trails, and to provide greater information on safer and more effective use of prescription drugs in children.

Children have unique health care needs. They are not simply small adults. Nothing is more important to the future health of America's children than maintaining a steady supply of pediatricians, pediatric specialists and pediatric-focused scientists.

Our legislation takes two important steps to improve the growth and development of a pediatric-focused medical community. First, it enhances support by the National Institute for Child Health and Human Development expressly for training and career development activities of pediatric researchers, and it establishes a loan repayment program for pediatricians who conduct research.

Second, it extends the authorization of a new program that supports graduate medical education activities at independent children's hospitals. These hospitals train half of all pediatric specialists, and 30 percent of all pediatricians. However, because GME activities have historically been supported by Medicare and because these hospitals serve very few Medicare patients, they receive very little financial support for this important and costly activity. As a result, children's hospitals are struggling to maintain the important training, pediatric research, and primary and specialty care services that they provide. Children's hospitals should be treated like all other teaching hospitals when it comes to support for their GME activities. I have sponsored another legislative proposal to guarantee full funding each year, without being subject to the appropriations process. That proposal is awaiting consideration in the Finance Committee. Until it is enacted, we owe it to America's children to invest in their future health care by improving our support for pediatric GME activities.

The bill also authorizes a new study to monitor and evaluate development of children through adulthood. The kind of information that will be obtained by this study is long-overdue. Children are more vulnerable to physical, chemical, biological, and other risks than adults, and we must make a major commitment to learning more about the influences and effects of the environment.

Finally, this legislation also includes a program to address the unique needs of children with autism and related disorders. I look forward to working with Chairman FRIST, members of the Committee and others to assure that the needs of children with Fragile X are met in the final legislation.

This legislation deserves to be a major public health priority for the nation. Congress should send the President a strong bill on these issues before the end of this year.

Mr. DEWINE. Mr. President, I rise today as a co-author of the "Children's Public Health Act of 2000." The sad fact is that far too many children never realize success as adults or even reach adulthood because of debilitating or life-threatening disease. That is why we must build a health care system that is responsive to the unique needs of children. The "Children's Public Health Act of 2000" is a big step in the right direction, and I commend my colleagues, Senators FRIST, JEFFORDS, and KENNEDY for their efforts to construct a bill that can really make a positive difference in the health and the lives of children.

Mr. President, I am especially pleased that the "Children's Public Health Act" contains several important initiatives that my colleagues and I had already introduced as separate bills. One such initiative—the Pediatric Research Initiative—would help ensure that more of the increased research funding at the National Institutes of Health (NIH) is invested specifically in children's health research.

While children represent close to 30 percent of the population of this country, NIH devotes only about 12 percent of its budget to children, and, in recent years, that proportion has been declining even further. We must reverse this disturbing trend. It simply makes no sense to conduct health research for adults and hope that those findings also will apply to children. A "one-size-fits-all" research approach just doesn't work. The fact is that children have medical conditions and health care needs that differ significantly from adults. Children's health deserves more attention from the research community. That's why the Pediatric Research Initiative is such an important part of the "Children's Public Health Act." It would provide the federal support for pediatric research that is so vital to ensuring that children receive the appropriate and best health care possible.

The Pediatric Research Initiative would authorize $50 million annually for the next five years for the Office of the Director of NIH to conduct, coordinate, support, develop, and recognize pediatric research. By doing so, we will be able to ensure that researchers target and study child-specific diseases. With more than 20 Institutes and Centers and Offices within NIH that conduct, support, or develop pediatric research in some way, this investment would promote greater coordination and focus in children's health research and should encourage new initiatives and areas of research.

The "Children's Public Health Act" also would authorize funding through the National Institutes of Child Health and Human Development (NICHD)—for pediatric research training grants to support training for additional pediatric research scientists and would provide funding for loan forgiveness programs. Trained researchers are essential if we are to make significant advances in the study of pediatric health care, especially in light of the new and improved Food and Drug Administration (FDA) policies that encourage the testing of medications for use by children.

Additionally, the "Children's Public Health Act" includes the "Children's Asthma Relief Act," which Senator DURBIN and I introduced last year. The sad reality for children is that asthma is becoming a far too common and chronic childhood illness. From 1979 to 1992, the hospitalization rates among children due to asthma increased 74 percent. Today, estimates show that more than seven percent of children now suffer from asthma. Nationwide, the most substantial prevalence rate increase for asthma occurred among children aged four and younger. Those four and younger also were hospitalized at the highest rate among all individuals with asthma.

According to 1998 data from the Centers for Disease Control (CDC), my home state of Ohio ranks about 17th in the estimated prevalence rates for asthma. Based on a 1994 CDC National Health Interview Survey, an estimated 197,226 children under 18 years of age in Ohio suffer from asthma. This is a serious health concern among children—and we must address it.

The "Children's Public Health Act" would help ensure that children with asthma receive the care they need to live healthy lives. The bill would authorize $50 million annually for five years for the Secretary of Health and Human Services (HHS) to award grants to eligible entities to develop and expand projects that would provide asthma services to children. These grants also may be used to equip mobile health care clinics that provide asthma diagnosis and asthma-related health care services; educate families on asthma management; and identify and enroll uninsured children who are eligible for, but are not receiving health coverage under Medicaid or the State Children's Health Insurance Program (SCHIP). The ability to identify and enroll children in these programs will ensure that children with asthma receive the care they need.

Since research shows that children living in urban areas suffer from asthma at such alarming rates and that allergens, such as cockroach waste, contribute to the onset of asthma, this bill also adds urban cockroach management to the current preventive health services block grant which currently can be used for rodent control.

To better coordinate federal activities related to asthma, the Secretary of HHS would be required to identify all federal programs that carry out asthma research and develop a federal plan for responding to asthma. To better monitor the prevalence of pediatric asthma and to determine which areas have the greatest incidences of children with asthma, this bill would require the CDC to conduct local asthma surveillance activities to collect data on the prevalence and severity of asthma and to publish data annually on the prevalence rates of asthma among children and on the childhood mortality rate. This surveillance data will help us better detect asthmatic conditions, so that we can treat more children and ensure that we are targeting our resources in an effective and efficient way to reverse the disturbing trend in the hospitalization and death rates of asthmatic children.

Finally, Mr. President, the bill we are introducing today includes language that I strongly support to re-authorize funding for children's hospitals' Graduate Medical Education (GME) programs for four additional years. Last year, as part of the "Health Care Research and Quality Act," which was signed into law, we authorized funding for two years for children's hospitals' GME programs. The teaching mission of these hospitals is essential. Children's hospitals comprise less than one percent of all hospitals, yet they train five percent of all physicians, nearly 30 percent of all pediatricians, and almost 50 percent of all pediatric specialists. By providing our nation with highly qualified pediatricians, children's hospitals can offer children the best possible care and offer parents peace of mind. They serve as the health care safety net for low-income children in their respective communities and are often the sole regional providers of many critical pediatric services. These institutions also serve as centers of excellence for very sick children across the nation. Federal funding for GME in children's hospitals is a sound investment in children's health and provides stability for the future of the pediatric workforce.

Mr. President, as the father of eight children and the grandfather of five, I firmly believe that we must move forward to protect the interests—and especially the health—of all children. The "Children's Public Health Act of 2000" makes crucial investments in our country's future—investments that will yield great returns. If we focus on improving health care for all children today, we will have a generation of healthy adults tomorrow.

I urge my colleagues to support this vital children's health care bill.

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By Mr. HATCH (for himself, Mr. KENNEDY, Mr. HUTCHINSON, Mr. DASCHLE, Mr. BENNETT, Mr. LIEBERMAN, and Mr. SCHUMER):

S. 2869. A bill to protect religious liberty, and for other purposes; read the first time.

### RELIGIOUS LAND USE AND INSTITUTIONALIZED PERSONS ACT OF 2000

Mr. HATCH. Mr. President, I rise today to introduce a narrowly focused bill that protects religious liberty from unnecessary governmental interference. It will provide protection for houses of worship and other religious assemblies from restrictive land use regulation that often prevents the practice of faith. This legislation also allows institutionalized persons to exercise their religion to the extent that it does not undermine the security, discipline, and order of their institutions.

Seven years ago, recognizing the need to strengthen the fundamental right of religious liberty, Congress overwhelmingly passed the Religious Freedom Restoration Act (RFRA). Unfortunately, in 1997, in the case of City of Boerne v. Flores, the Supreme Court held that Congress lacked the authority to enact RFRA as applied to state and local governments. In an attempt to respond to the Boerne decision, I introduced S. 2081 earlier this year. Legislation similar to S. 2081 passed the House of Representatives. Yet, concerns were raised by some regarding the scope of S. 2081, and I undertook an effort to seek out a consensus approach. The legislation I am introducing today, which maintains certain provisions of S. 2081, is a tailored version which represents the product of our efforts.

The Religious Land Use and Institutionalized Persons Act of 2000 provides limited federal remedies for violations of religious liberty in: (1) the land use regulation of churches and synagogues; and (2) prisons and mental hospitals.

### LAND USE REGULATION

At the core of religious freedom is the ability for assemblies to gather and worship together. Finding a location to do so, however, can be quite difficult when faced with pervasive land use regulations. As was seen during congressional hearings in both the House and Senate, land use regulations, either by design or neutral application, often prevent religious assemblies and institutions from obtaining access to a place of worship. Under current law, an assembly whose religious practice is burdened by an otherwise "generally applicable" and "neutral" law can obtain relief only by carrying the heavy burden of proving that there is an unconstitutional motivation behind a law, and thus, that it is not truly neutral or generally applicable. Such a standard places a seemingly insurmountable barrier between the religious assemblies of our country and their right to worship freely.

An example of this was seen recently when a city refused to allow the LDS Church to construct a temple simply because it was not in the "aesthetic" interests of the community as set forth in a "generally applicable" statute. Another example includes an effort to suspend the operation of a religious mission for the homeless operated by the late Mother Teresa's order because it was located on the second floor of a building without an elevator.

The land use section of the bill prohibits discrimination against religious assemblies and institutions, and prohibits the total exclusion of religious assemblies from a jurisdiction. The section also prohibits unreasonable limits on religious assemblies and institutions and requires that land use regulations that substantially burden the exercise of religion be justified by a compelling governmental interest.

It is important to note that this legislation does not provide a religious assembly with immunity from zoning regulation. If the religious claimant cannot demonstrate that the regulation places a substantial burden on sincere religious exercise, then the claim fails without further consideration. If the claimant is successful in demonstrating a substantial burden, the government will still prevail if it can show that the burden is an unavoidable result of its pursuit of a compelling governmental objective.

### INSTITUTIONALIZED PERSONS

Our bill also provides that substantial burdens on the religious exercise of institutionalized persons must be justified by a compelling interest. Congressional witnesses have testified that institutionalized persons have been prevented from practicing their faith. For example, some Jewish prisoners have been denied matzo, the unleavened bread Jews are required to consume during Passover, even though Jewish organizations have offered to provide it to inmates at no cost to the government. While this legislation seeks to improve the ability of institutionalized persons to practice their religion, it remains under the complete application of the Prison Litigation Reform Act of 1995.

Both sections are based firmly on constitutional principles that grant Congress its authority. Thus, today's legislation should withstand the scrutiny that has thwarted our efforts in the past.

As we begin in this effort, it is worth pondering just why America is, worldwide, the most successful multi-faith country in all recorded history. The answer is to be found, I submit, in both components of the phase "religious liberty." Surely, it is because of our Constitution's zealous protection of liberty that so many religions have flourished and so many faiths have worshiped on our soil.

Our country has achieved its greatness because, with its respectful distance from our private lives, our government has allowed all its citizens their own forms of "internal governance," that is, those religious and moral tenets that make a free society possible. Our country has allowed people to answer for themselves, and without interference, those questions that are most fundamental to humankind. And it is in the way that religion informs our answers to these questions, that we not only survive, but thrive as human beings.

While this bill provides much needed preservation of our religious liberty, I personally would have preferred a broader approach. I recognize, however, in this shortened legislative year, the long list of items before the congressional leadership that require their attention. In order to ensure enactment of a measure this year, I think all advocates of a broader approach took a prudent step in embracing a more targeted, consensus bill.

With the help of Senator KENNEDY, Congressman CANADY, and others, I hope this legislation will move swiftly through the Congress. We look forward to welcoming others to our modest, yet important, effort to enact this legislation.

Mr. KENNEDY. Religious freedom is a bedrock principle in our nation. The bill we are introducing today reflects our commitment to protect religious freedom and our belief that Congress still has the power to enact legislation to enhance that freedom, even after the Supreme Court's decision in 1997 to strike down the broader Religious Freedom Restoration Act that 97 Senators joined in passing in 1993.

In striking down the Religious Freedom Restoration Act on constitutional grounds, the Court clearly made the task of passing effective legislation to protect religious liberties more difficult. But too often in our society today, thoughtless and insensitive actions by governments at every level interferes with individual religious freedoms, even though no valid public purpose is served by the governmental action.

Our goal in proposing this legislation is to reach a reasonable and constitutionally sound balance between respecting the compelling interests of government and protecting the ability of people freely to exercise their religion. We believe that the legislation being introduced today accomplishes this goal in two areas where infringement of this right has frequently occurred—the application of land use laws, and treatment of persons who are institutionalized. In both of these areas, our bill will protect the Constitutional right to worship, free from unnecessary government interference.

After numerous Congressional hearings on religious liberties, the evidence is clear that local land use laws often have the discriminatory effect of burdening the free exercise of religion. It is also clear that institutionalized persons are often unreasonably denied the opportunity to practice their religion, even when their observance would not undermine discipline, order, or safety in the facilities.

Relying upon the findings from Congressional hearings, we have developed a bill—based upon well-established constitutional authority—that will protect the free exercise of religion in these two important areas. Our bill has the support of the Free Exercise Coalition, which represents over 50 diverse and respected groups, including the Family Research Council, Christian Legal Society, American Civil Liberties Union, and People for the American Way. The bill also has the endorsement of the Leadership Conference for Civil Rights.

The broad support that this bill enjoys among religious groups and the civil rights community is the result of many months of difficult, but important negotiations. We carefully considered ways to strengthen religious liberties in other ways in the wake of the Supreme Court's decision. We were mindful of not undermining existing laws intended to protect other important civil rights and civil liberties. It would have been counterproductive if this effort to protect religious liberties led to confrontation and conflict between the civil rights community and the religious community, or to a further court decision striking down the new law. We believe that our bill succeeds in avoiding these difficulties by addressing the most obvious threats to religious liberty and by leaving open the question of what future Congressional action, if any, will be needed to protect religious freedom in America.

The land use provision covers regulations defined as "zoning and landmarking" laws. Under this provision, if a zoning or landmarking law substantially burdens a person's free exercise of religion, the government involved must demonstrate that the particular law is the least restrictive means of furthering a compelling governmental interest. This provision is based upon the constitutional authority of Congress under Section 5 of the 14th Amendment, as well as the Commerce and Spending powers of Congress. The institutionalized persons section applies the strict scrutiny standard to cases in which the free exercise rights of such persons are substantially burdened. This provision is based upon Congress's constitutional authority under the Spending and Commerce powers.

Applying a strict scrutiny standard to prison regulations would not lead, as some have suggested, to a flood of frivolous lawsuits by prisoners, and it will not undermine safety, order, or discipline in correctional facilities. Arguments opposing this provision have been made in the past, but they were based on speculation. Now, the arguments can be proven demonstrably false by the facts.

Since the Religious Freedom Restoration Act was enacted in 1993, strict scrutiny has been the applicable standard in religious liberties case brought by inmates in federal prisons. Yet, according to the Department of Justice, among the 96 federally run facilities, housing over 140,000 inmates, less than 75 cases have ever been brought under the Act—most of which have never gone to trial. On average, over seven years, that's less than 1 case in each federal facility. It's hardly a flood of litigation or a reason to deny this protection to prisoners.

Following the enactment of the 1993 Act, Congress also passed the Prison Litigation Reform Act, which includes a number of procedural rules to limit frivolous prisoner litigation. Those procedural rules will apply in cases brought under the bill we are introducing today. Based upon these protections and the data on prison litigation, it is clear that this provision in our bill will not lead to a flood of frivolous lawsuits or threaten the safety, order, or discipline in correctional facilities. Sincere faith and worship can be an indispensable part of rehabilitation, and these protections should be an important part of that process.

In sum, our bill is an important step forward in protecting religious liberty in America. It reflects the Senate's long tradition of bipartisan support for the Constitution and the nation's fundamental freedoms, and I urge the Senate to approve it.

### EXAMPLES OF LAND USE RESTRICTIONS ON RELIGIOUS LIBERTY

In February 2000, a city official in Portland, Oregon ordered a local United Methodist Church to limit attendance at its services to 70 worshipers and shut down a meals program for the homeless and the working poor that the church had been operating for sixteen years. The church can hold up to 500 persons. The land use official announced that her job was "quasi-judicial," and that "she was not required to explain decisions." After a public outcry, the Portland City Council unanimously rejected the attendance cap and voted to allow church programs to continue, contingent on an agreement being reached among neighbors, neighborhood businesses and the city about the management of the church programs. ("Church ordered to limit attendance," Washington Times, February 18, 2000: "Church wins on attendance," The Oregonian, March 2, 2000).

Officials in Arapahoe County, Colorado imposed numerical limits on the number of students who could enroll in religious schools and on the size of congregations of various churches, as a way of limiting their growth. These limits directly conflicted with the mission of evangelical churches, whose fundamental goal is to attract new believers.

In Douglas County, Colorado, administrative officials proposed limiting the operational hours of a church in much the same way as they limit commercial facilities. As Mark Chopko noted in his Congressional testimony, limiting a church's operational hours means that a church may not lawfully engage in certain acts of service and devotion or overnight spiritual retreats. (Testimony of Mark Chopko before the House Subcommittee on the Constitution, March 26, 1998).

Congregation Etz Chaim, an Orthodox Jewish congregation in Los Angeles, was meeting in a rented house, or "shul", in Hancock Park, a residential zone. The rabbi of the congregation, Chaim Baruch Rubin, testified that ten to fifteen men would typically visit the house for daily meetings, and forty or fifty people (many elderly and disabled) would attend on the Sabbath or holidays to engage in quiet prayer and study. Orthodox Jews must walk to services on the Sabbath and on most holidays, because their religion does not permit them to use mechanical modes of transportation on those days. When neighbors complained about the effect on property values, the congregation requested a special use permit from the City Council to remain in the residential zone. The Council unanimously rejected the request, putting the neighborhood effectively off-limits for Orthodox Jews. The same Council, however, allowed other places of assembly in Hancock Park, including schools, book clubs, recreational uses and embassy parties. Rabbi Rubin testified that 84,000 cars traveled through this part of the neighborhood daily, and yet somehow the Council deemed a prayer meeting of a few who traveled by foot as harmful to the neighborhood. Rabbi Rubin concluded his testimony by stating, what do I tell my congregants—what do I tell an 84 year old survivor of Auschwitz, a man who used to risk his life in the concentration camp whenever possible to gather together to pray? (Testimony of Rabbi Chaim Baruch Rubin before the House Subcommittee on the Constitution, February 26, 1998).

In the process of creating a new zoning plan covering development in the city, the City of Forest Hills, Tennessee set up an "educational and religious zone" called an "ER" for schools and churches, but limited that designation to schools and churches that already existed within the city. No other land was zoned "ER" under the plan, so no other property was available for the construction of a new religious building. The City also established strict requirements for changing any zone. The Church of Jesus Christ of Latter-day Saints determined a need for a temple in Forest Hills, and sought a zone change for property that it owned within city limits. Forest Hills rejected the church's request. The church then bought another piece of property that had previously been home to a church. Churches of other denominations were nearby. Forest Hills nevertheless rejected the church's second request citing concern about traffic, and a court upheld this determination, effectively precluding Mormons from temple worship within city limits. (Testimony of Von G. Keetch before the House Subcommittee on the Constitution, March 26, 1998; Report of the House Judiciary Committee on the Religious Liberty Protection Act of 1999, 106th Congress).

In 1997, the City of Richmond passed an ordinance which required places of worship wishing to feed more than thirty hungry and homeless people to apply for a conditional use permit at a cost of $1,000, plus $100 dollars per acre of affected property. The ordinance regulated only places of worship, not other institutions, and only eating by persons who are hungry and homeless. The ordinance also limited to seven days, and to the period between October 1 and April 1, the times when places of worship may feed the hungry and homeless. The City had complete discretion over the granting of conditional use permits based on its assessment of a number of subjective factors. The Rev. Patrick Wilson of Richmond, Virginia stated in his testimony: "A $1,000 fee is beyond the means of most churches, which operate with memberships of less than 100 persons and is therefore prohibitive. Imagine that—a statutorily imposed fee for the exercise of a basic and fundamental tenet of the Christian faith! . . . Health and safety issues can be and are addressed in less odious ways." (Testimony of Rev. Patrick J. Wilson III before the House Subcommittee on the Constitution, February 26, 1998; Preliminary and Jurisdictional Statement in Trinity Baptist Church v. City of Richmond, (E.D.Va. filed August 20, 1997.)

Twenty-two of the twenty-nine zoning codes in the northern suburbs of Chicago effectively exclude churches, unless they have a special use permit. Zoning authorities hold almost wholly discretionary power over whether a house of worship may locate in these areas. John Mauck, a Chicago attorney who serves many churches in this area, handled the case of a church, His Word Ministries to All Nations, interested in buying property after it outgrew its space in the basement of a home. When it sought a special use permit in 1992, an alderman delayed the request three times, resulting in months of delay in the purchase of the building. After the third postponement of the hearing, the alderman had the church's property rezoned as a manufacturing district. Because churches cannot locate in a manufacturing district, the church was forced to withdraw its application for special use after paying filing, attorney and appraiser fees. The church spent approximately $5,000 and wasted an entire year seeking the special use permit. (Testimony of John Mauck before the House Subcommittee on the Constitution, March 26, 1998; Affidavit of Virginia Kantor in Civil Liberties for Urban Believers v. City of Chicago (N.D. Ill. 1994); Testimony of Douglas Laycock before the House Subcommittee on the Constitution, July 14, 1998).

In his testimony, Marc Stern stated that orthodox synagogues are often required to have a specific number of parking spaces, based on the number of seats in the sanctuary—even though the sanctuary will be filled with worshipers who do not drive. (Testimony of Marc Stern before the House Subcommittee on the Constitution, March 26, 1998).

Chicago attorney John Mauck testified about several cases of racially motivated opposition to black churches, and about a case in which the mayor told his city manager that they didn't want Hispanics in the town. He also testified about other statements of bigotry. Marc Stern testified about a case in which a small congregation sought permission to convert a private home into a small synagogue. One council member considering the converted use "warned that if the application was granted, this nearly all white suburb would begin to resemble an adjoining city which was largely minority and full of storefront churches." (Testimony of John Mauck before the House Subcommittee on the Constitution, March 26, 1998; Testimony of Douglas Laycock before the House Subcommittee on the Constitution, July 14, 1998; Testimony of Marc Stern before the House Subcommittee on the Constitution, March 26, 1998).

## ADDITIONAL COSPONSORS

S. 818

At the request of Mr. DEWINE, the name of the Senator from Vermont (Mr. JEFFORDS) was added as a cosponsor of S. 818, a bill to require the Secretary of Health and Human Services to conduct a study of the mortality and adverse outcome rates of medicare patients related to the provision of anesthesia services.

S. 922

At the request of Mr. ABRAHAM, the name of the Senator from Georgia (Mr. CLELAND) was added as a cosponsor of S. 922, a bill to prohibit the use of the "Made in the USA" label on products of the Commonwealth of the Northern Mariana Islands and to deny such products duty-free and quota-free treatment.

S. 1200

At the request of Ms. SNOWE, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 1200, a bill to require equitable coverage of prescription contraceptive drugs and devices, and contraceptive services under health plans.

S. 2023

At the request of Mr. KENNEDY, his name was added as a cosponsor of S. 2023, a bill to provide for the establishment of Individual Development Accounts (IDAs) that will allow individuals and families with limited means an opportunity to accumulate assets, to access education, to own their own homes and businesses, and ultimately to achieve economic self-sufficiency, and for other purposes.

S. 2084

At the request of Mr. LUGAR, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 2084, a bill to amend the Internal Revenue Code of 1986 to increase the amount of the charitable deduction allowable for contributions of food inventory, and for other purposes.

S. 2106

At the request of Mr. ASHCROFT, the name of the Senator from Nebraska (Mr. HAGEL) was added as a cosponsor of S. 2106, a bill to increase internationally the exchange and availability of information regarding biotechnology and to coordinate a federal strategy in order to advance the benefits of biotechnology, particularly in agriculture.

S. 2217

At the request of Mr. ABRAHAM, the names of the Senator from Hawaii (Mr. AKAKA), the Senator from Missouri (Mr. ASHCROFT), the Senator from Montana (Mr. BAUCUS), the Senator from Kentucky (Mr. BUNNING), the Senator from Louisiana (Mr. BREAUX), the Senator from Nevada (Mr. BRYAN), the Senator from Ohio (Mr. DEWINE), the Senator from Connecticut (Mr. DODD), the Senator from California (Mrs. FEINSTEIN), the Senator from Florida (Mr. GRAHAM), the Senator from Iowa (Mr. GRASSLEY), the Senator from New Hampshire (Mr. GREGG), the Senator from North Carolina (Mr. HELMS), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Oklahoma (Mr. INHOFE), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Kentucky (Mr. MCCONNELL), the Senator from Alaska (Mr. MURKOWSKI), the Senator from Washington (Mrs. MURRAY), the Senator from New Hampshire (Mr. SMITH), the Senator from South Carolina (Mr. THURMOND), and the Senator from Minnesota (Mr. WELLSTONE) were added as cosponsors of S. 2217, a bill to require the Secretary of the Treasury to mint coins in commemoration of the National Museum of the American Indian of the Smithsonian Institution, and for other purposes.

S. 2299

At the request of Mr. L. CHAFEE, the name of the Senator from Indiana (Mr. LUGAR) was added as a cosponsor of S. 2299, a bill to amend title XIX of the Social Security Act to continue State Medicaid disproportionate share hospital (DSH) allotments for fiscal year 2001 at the levels for fiscal year 2000.

S. 2463

At the request of Mr. FEINGOLD, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 2463, a bill to institute a moratorium on the imposition of the death penalty at the Federal and State level until a National Commission on the Death Penalty studies its use and policies ensuring justice, fairness, and due process are implemented.

S. 2504

At the request of Mr. CRAIG, the name of the Senator from Georgia (Mr. COVERDELL) was added as a cosponsor of S. 2504, a bill to amend title VI of the Clean Air Act with respect to the phaseout schedule for methyl bromide.

S. 2615

At the request of Mr. KENNEDY, the name of the Senator from Maryland (Mr. SARBANES) was added as a cosponsor of S. 2615, a bill to establish a program to promote child literacy by making books available through early learning and other child care programs, and for other purposes.

S. 2698

At the request of Mr. MOYNIHAN, the name of the Senator from North Dakota (Mr. CONRAD) was added as a cosponsor of S. 2698, a bill to amend the Internal Revenue Code of 1986 to provide an incentive to ensure that all Americans gain timely and equitable access to the Internet over current and future generations of broadband capability.

S. 2700

At the request of Mr. L. CHAFEE, the name of the Senator from Missouri (Mr. ASHCROFT) was added as a cosponsor of S. 2700, a bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to promote the cleanup and reuse of brownfields, to provide financial assistance for brownfields revitalization, to enhance State response programs, and for other purposes.

S. 2703

At the request of Mr. AKAKA, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 2703, a bill to amend the provisions of title 39, United States Code, relating to the manner in which pay policies and schedules and fringe benefit programs for postmasters are established.

S. 2725

At the request of Mr. SMITH of New Hampshire, the name of the Senator from Hawaii (Mr. AKAKA) was added as a cosponsor of S. 2725, a bill to provide for a system of sanctuaries for chimpanzees that have been designated as being no longer needed in research conducted or supported by the Public Health Service, and for other purposes.

S. 2739

At the request of Mr. LAUTENBERG, the names of the Senator from Louisiana (Mr. BREAUX) and the Senator from Maine (Ms. SNOWE) were added as cosponsors of S. 2739, a bill to amend title 39, United States Code, to provide for the issuance of a semipostal stamp in order to afford the public a convenient way to contribute to funding for the establishment of the World War II Memorial.

S. 2769

At the request of Mr. LEAHY, the name of the Senator from Florida (Mr. GRAHAM) was added as a cosponsor of S. 2769, a bill to authorize funding for National Instant Criminal Background Check System improvements.

S. 2787

At the request of Mr. BIDEN, the name of the Senator from New York (Mr. MOYNIHAN) was added as a cosponsor of S. 2787, a bill to reauthorize the Federal programs to prevent violence against women, and for other purposes.

S. 2807

At the request of Mr. FRIST, the name of the Senator from Arkansas (Mr. HUTCHINSON) was added as a cosponsor of S. 2807, a bill to amend the Social Security Act to establish a Medicare Prescription Drug and Supplemental Benefit Program and to stabilize and improve the Medicare+Choice program, and for other purposes.

S. 2815

At the request of Mr. CLELAND, the name of the Senator from Utah (Mr. BENNETT) was added as a cosponsor of S. 2815, a bill to provide for the nationwide designation of 2–1–1 as a toll-free telephone number for access to information and referrals on human services, to encourage the deployment of the toll-free telephone number, and for other purposes.

S. 2851

At the request of Mr. CLELAND, the name of the Senator from Kansas (Mr. ROBERTS) was added as a cosponsor of S. 2851, a bill to require certain information from the President before certain deployments of the Armed Forces, and for other purposes.

S.CON.RES. 2

At the request of Mr. DURBIN, the name of the Senator from Washington (Mr. GORTON) was added as a cosponsor of S.Con.Res. 2, a concurrent resolution recommending the integration of Lithuania, Latvia, and Estonia into the North Atlantic Treaty Organization (NATO).

S.CON.RES. 111

At the request of Mr. NICKLES, the name of the Senator from Illinois (Mr. FITZGERALD) was added as a cosponsor of S.Con.Res. 111, a concurrent resolution expressing the sense of the Congress regarding ensuring a competitive North American market for softwood lumber.

S.RES. 294

At the request of Mr. ABRAHAM, the name of the Senator from Alabama (Mr. SESSIONS) was added as a cosponsor of S.Res. 294, a resolution designating the month of October 2000 as "Children's Internet Safety Month".

S.RES. 301

At the request of Mr. THURMOND, the names of the Senator from Kentucky (Mr. BUNNING), the Senator from Idaho (Mr. CRAPO), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Wisconsin (Mr. KOHL), the Senator from New Mexico (Mr. BINGAMAN), the Senator from New Hampshire (Mr. SMITH), and the Senator from Connecticut (Mr. DODD) were added as cosponsors of S.Res. 301, a resolution designating August 16, 2000, as "National Airborne Day".

S.RES. 304

At the request of Mr. BIDEN, the name of the Senator from South Dakota (Mr. DASCHLE) was added as a cosponsor of S.Res. 304, a resolution expressing the sense of the Senate regarding the development of educational programs on veterans' contributions to the country and the designation of the week that includes Veterans Day as "National Veterans Awareness Week" for the presentation of such educational programs.

AMENDMENT NO. 3767

At the request of Mr. ASHCROFT, his name was added as a cosponsor of amendment No. 3767 proposed to S. 2549, an original bill to authorize appropriations for fiscal year 2001 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

AMENDMENT NO. 3794

At the request of Mr. ASHCROFT, his name was added as a cosponsor of amendment No. 3794 proposed to S. 2549, an original bill to authorize appropriations for fiscal year 2001 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

AMENDMENT NO. 3817

At the request of Mr. GORTON, his name was added as a cosponsor of amendment No. 3817 proposed to S. 2549, an original bill to authorize appropriations for fiscal year 2001 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

## SENATE RESOLUTION 335—CONGRATULATING THE PEOPLE OF MEXICO ON THE OCCASION OF THE DEMOCRATIC ELECTIONS HELD IN THAT COUNTRY

Mr. HELMS (for himself, Mr. LOTT, Mr. BIDEN, Mr. L. CHAFEE, Mr. DODD, Mr. LUGAR, Mr. COVERDELL, Mr. DOMENICI, Mr. LEAHY, Mr. GRASSLEY, Mr. BINGAMAN, Mr. GRAMM, Mr. MCCAIN, Mr. SMITH of New Hampshire, Mr. CRAIG, Mrs. FEINSTEIN, Mrs. BOXER, Mr. FEINGOLD, Mrs. HUTCHISON, Mr. ASHCROFT, Mr. FRIST, Mr. GRAMS, Mr. DEWINE, Mr. KYL, and Mr. BROWNBACK) submitted the following resolution; which was considered and agreed to:

S. RES. 335

Whereas the United States and Mexico share a border of more than 2,000 miles;

Whereas Mexico is the second largest trade partner of the United States, with a two-way trade of $174,000,000,000;

Whereas United States companies have invested more than $25,000,000,000 in Mexico from 1994–1999;

Whereas more than 20,000,000 people now in the United States are of Mexican descent, a fact that in and of itself forges profound and permanent cultural ties between our 2 countries;

Whereas the well-being and security of the United States and Mexico require governments willing and able to cooperate fully to confront common threats, including organized crime, corruption, and trafficking in illicit narcotics;

Whereas the people of Mexico have struggled for decades for a true representative democracy, accountability, and the rule of law and, in recent years, they have sought and obtained significant political and electoral reforms in pursuit of those objectives;

Whereas the Federal Electoral Institute and its regional councils, now genuinely independent and representative bodies, were responsible for organizing the federal elections on July 2, 2000, in which nearly 1,000,000 citizens participated directly in conducting the balloting for a new president, a new national congress, and state or local officials in Mexico City as well as 10 states;

Whereas the July 2nd elections were observed by approximately 2,500,000 domestic monitors and 850 foreign visitors, including delegations of the United States-based International Republican Institute for International Affairs and the National Democratic Institute;

Whereas in the July 2nd elections, Vicente Fox Quesada of the Alliance for Change (consisting of the National Action Party and the Mexican Green Party) was elected President of the United Mexican States, receiving 42.5 percent of the 37,600,000 votes cast, according to preliminary results released by the Federal Electoral Institute; and

Whereas, according to the Federal Electoral Institute and domestic and international observers, the July 2nd elections were unprecedented in their degree of fairness and transparency, forming the foundation for a genuinely democratic and pluralistic government that represents the will and sovereignty of the people of Mexico: Now, therefore, be it

*Resolved*,

### SECTION 1. CONGRATULATING THE PEOPLE OF MEXICO ON THE OCCASION OF THE DEMOCRATIC ELECTIONS HELD IN MEXICO.

(a) CONGRATULATING THE PEOPLE OF MEXICO.—The Senate, on behalf of the people of the United States, hereby—

(1) congratulates the people of Mexico for their long, courageous, and fruitful struggle for representative democracy and the rule of law;

(2) congratulates Vicente Fox Quesada for his electoral triumph and extends to him genuine best wishes for great success in his formation of a new government; and

(3) congratulates Ernesto Zedillo Ponce de León, current President of the United Mexican States, for his historic commitment to ensure the peaceful and stable transition of power.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the United States should seek to—

(1) expand and intensify its cooperation with the newly elected Government of Mexico to promote economic development and to reduce poverty to achieve an improved quality of life for citizens of both countries;

(2) confront common threats such as the trafficking in illicit narcotics; and

(3) act in solidarity to actively promote representative democracy and the rule of law throughout the world.

### SEC. 2. TRANSMITTAL OF RESOLUTION.

The Secretary of the Senate shall transmit a copy of this resolution to—

(1) Vicente Fox Quesada, President-elect of the United Mexican States;

(2) Luis Felipe Bravo Mena, president of the National Action Party of Mexico;

(3) the International Republican Institute for International Affairs and the National Democratic Institute; and

(4) the Secretary of State with the request that the Secretary further transmit such copy to Ernesto Zedillo Ponce de León, President of the United Mexican States.

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## AMENDMENTS SUBMITTED

## DEATH TAX ELIMINATION ACT

### MOYNIHAN AMENDMENT NO. 3821

Mr. MOYNIHAN proposed an amendment to the bill (H.R. 8) to amend the Internal Revenue Code of 1986 to phaseout the estate and gift taxes over a 10-year period; as follows:

Strike all after the first word and insert:

### 1. SHORT TITLE.

(a) SHORT TITLE.—This Act may be cited as the "Estate Tax Relief Act of 2000".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

### SEC. 2. INCREASE IN AMOUNT OF UNIFIED CREDIT AGAINST ESTATE AND GIFT TAXES.

(a) IN GENERAL.—The table contained in section 2010(c) (relating to applicable credit amount) is amended to read as follows:

| "In the case of estates of decedents dying, and gifts made, during: | The applicable exclusion amount is: |
|---|---|
| 2001, 2002, 2003, 2004, and 2005 | $1,000,000 |
| 2006 and 2007 | $1,125,000 |
| 2008 | $1,500,000 |
| 2009 or thereafter | $2,000,000." |

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to the estates of decedents dying, and gifts made, after December 31, 2000.

### SEC. 3. INCREASE IN QUALIFIED FAMILY-OWNED BUSINESS INTEREST DEDUCTION AMOUNT.

(a) IN GENERAL.—Paragraph (2) of section 2057(a) (relating to family-owned business interests) is amended to read as follows:

"(2) MAXIMUM DEDUCTION.—

"(A) IN GENERAL.—The deduction allowed by this section shall not exceed the sum of—

"(i) the applicable deduction amount, plus

"(ii) in the case of a decedent described in subparagraph (C), the applicable unused spousal deduction amount.

"(B) APPLICABLE DEDUCTION AMOUNT.—For purposes of this subparagraph (A)(i), the applicable deduction amount is determined in accordance with the following table:

| "In the case of estates of decedents dying during: | The applicable deduction amount is: |
|---|---|
| 2001, 2002, 2003, 2004, and 2005 | $1,375,000 |
| 2006 and 2007 | $1,625,000 |
| 2008 | $2,375,000 |
| 2009 or thereafter | $3,375,000. |

"(C) APPLICABLE UNUSED SPOUSAL DEDUCTION AMOUNT.—With respect to a decedent whose immediately predeceased spouse died after December 31, 2000, and the estate of such immediately predeceased spouse met the requirements of subsection (b)(1), the applicable unused spousal deduction amount for such decedent is equal to the excess of—

"(i) the applicable deduction amount allowable under this section to the estate of such immediately predeceased spouse, over

"(ii) the sum of—

"(I) the applicable deduction amount allowed under this section to the estate of such immediately predeceased spouse, plus

"(II) the amount of any increase in such estate's unified credit under paragraph (3)(B) which was allowed to such estate."

(b) CONFORMING AMENDMENTS.—Section 2057(a)(3)(B) is amended—

(1) by striking "$675,000" both places it appears and inserting "the applicable deduction amount", and

(2) by striking "$675,000" in the heading and inserting "APPLICABLE DEDUCTION AMOUNT".

(c) EFFECTIVE DATE.—The amendment made by this section shall apply to the estates of decedents dying, and gifts made, after December 31, 2000.

### SEC. 4. SENSE OF SENATE REGARDING SAVINGS.

It is the sense of the Senate that the reduced cost to the Federal Treasury resulting from the amendments made by this Act as compared to the cost to the Federal Treasury of H.R. 8 as received by the Senate from the House of Representatives on June 12, 2000, should be used exclusively to reduce the Federal debt held by the public.

Amend the title so as to read: "An Act to amend the Internal Revenue Code of 1986 to increase the unified credit exemption and the qualified family-owned business interest deduction, and for other purposes."

### SCHUMER (AND OTHERS) AMENDMENT NO. 3822

Mr. SCHUMER (for himself, Mr. BIDEN, Mr. BAYH, Ms. LANDRIEU, Mr. DURBIN, and Mr. ROBB) proposed an amendment to the bill, H.R. 8, supra; as follows:

Strike all after the first word and insert:

### 1. SHORT TITLE.

(a) SHORT TITLE.—This Act may be cited as the "Estate Tax Relief Act of 2000".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

### TITLE I—ESTATE TAX RELIEF

### SEC. 101. INCREASE IN AMOUNT OF UNIFIED CREDIT AGAINST ESTATE AND GIFT TAXES.

(a) IN GENERAL.—The table contained in section 2010(c) (relating to applicable credit amount) is amended to read as follows:

| "In the case of estates of decedents dying, and gifts made, during: | The applicable exclusion amount is: |
|---|---|
| 2001, 2002, 2003, 2004, and 2005 | $1,000,000 |
| 2006 and 2007 | $1,125,000 |
| 2008 | $1,500,000 |
| 2009 or thereafter | $2,000,000." |

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to the estates of decedents dying, and gifts made, after December 31, 2000.

### SEC. 102. INCREASE IN QUALIFIED FAMILY-OWNED BUSINESS INTEREST DEDUCTION AMOUNT.

(a) IN GENERAL.—Paragraph (2) of section 2057(a) (relating to family-owned business interests) is amended to read as follows:

"(2) MAXIMUM DEDUCTION.—

"(A) IN GENERAL.—The deduction allowed by this section shall not exceed the sum of—

"(i) the applicable deduction amount, plus

"(ii) in the case of a decedent described in subparagraph (C), the applicable unused spousal deduction amount.

"(B) APPLICABLE DEDUCTION AMOUNT.—For purposes of this subparagraph (A)(i), the applicable deduction amount is determined in accordance with the following table:

| "In the case of estates of decedents dying, and gifts made, during: | The applicable exclusion amount is: |
|---|---|
| 2001, 2002, 2003, 2004, and 2005 | $1,375,000 |
| 2006 and 2007 | $1,625,000 |
| 2008 | $2,375,000 |
| 2009 or thereafter | $3,375,000. |

"(C) APPLICABLE UNUSED SPOUSAL DEDUCTION AMOUNT.—With respect to a decedent whose immediately predeceased spouse died after December 31, 2000, and the estate of such immediately predeceased spouse met the requirements of subsection (b)(1), the applicable unused spousal deduction amount for such decedent is equal to the excess of—

"(i) the applicable deduction amount allowable under this section to the estate of such immediately predeceased spouse, over

"(ii) the sum of—

"(I) the applicable deduction amount allowed under this section to the estate of such immediately predeceased spouse, plus

"(II) the amount of any increase in such estate's unified credit under paragraph (3)(B) which was allowed to such estate."

(b) Conforming Amendments.—Section 2057(a)(3)(B) is amended—

(1) by striking "$675,000" both places it appears and inserting "the applicable deduction amount", and

(2) by striking "$675,000" in the heading and inserting "APPLICABLE DEDUCTION AMOUNT".

(c) Effective Date.—The amendment made by this section shall apply to the estates of decedents dying, and gifts made, after December 31, 2000.

## TITLE II—MAKE COLLEGE AFFORDABLE

### SEC. 201. DEDUCTION FOR HIGHER EDUCATION EXPENSES.

(a) Deduction Allowed.—Part VII of subchapter B of chapter 1 (relating to additional itemized deductions for individuals) is amended by redesignating section 222 as section 223 and by inserting after section 221 the following:

**"SEC. 222. HIGHER EDUCATION EXPENSES.**

"(a) Allowance of Deduction.—

"(1) In general.—In the case of an individual, there shall be allowed as a deduction an amount equal to the applicable dollar amount of the qualified higher education expenses paid by the taxpayer during the taxable year.

"(2) Applicable dollar amount.—The applicable dollar amount for any taxable year shall be determined as follows:

| "Taxable year: | Applicable dollar amount: |
|---|---|
| 2002 | $4,000 |
| 2003 | $8,000 |
| 2004 and thereafter | $12,000. |

"(b) Limitation Based on Modified Adjusted Gross Income.—

"(1) In general.—The amount which would (but for this subsection) be taken into account under subsection (a) shall be reduced (but not below zero) by the amount determined under paragraph (2).

"(2) Amount of reduction.—The amount determined under this paragraph equals the amount which bears the same ratio to the amount which would be so taken into account as—

"(A) the excess of—

"(i) the taxpayer's modified adjusted gross income for such taxable year, over

"(ii) $62,450 ($104,050 in the case of a joint return, $89,150 in the case of a return filed by a head of household, and $52,025 in the case of a return by a married individual filing separately), bears to

"(B) $15,000.

"(3) Modified adjusted gross income.—For purposes of this subsection, the term 'modified adjusted gross income' means the adjusted gross income of the taxpayer for the taxable year determined—

"(A) without regard to this section and sections 911, 931, and 933, and

"(B) after the application of sections 86, 135, 219, 220, and 469.

For purposes of the sections referred to in subparagraph (B), adjusted gross income shall be determined without regard to the deduction allowed under this section.

"(c) Qualified Higher Education Expenses.—For purposes of this section—

"(1) Qualified higher education expenses.—

"(A) In general.—The term 'qualified higher education expenses' means tuition and fees charged by an educational institution and required for the enrollment or attendance of—

"(i) the taxpayer,

"(ii) the taxpayer's spouse,

"(iii) any dependent of the taxpayer with respect to whom the taxpayer is allowed a deduction under section 151, or

"(iv) any grandchild of the taxpayer,

as an eligible student at an institution of higher education.

"(B) Eligible courses.—Amounts paid for qualified higher education expenses of any individual shall be taken into account under subsection (a) only to the extent such expenses—

"(i) are attributable to courses of instruction for which credit is allowed toward a baccalaureate degree by an institution of higher education or toward a certificate of required course work at a vocational school, and

"(ii) are not attributable to any graduate program of such individual.

"(C) Exception for nonacademic fees.—Such term does not include any student activity fees, athletic fees, insurance expenses, or other expenses unrelated to a student's academic course of instruction.

"(D) Eligible student.—For purposes of subparagraph (A), the term 'eligible student' means a student who—

"(i) meets the requirements of section 484(a)(1) of the Higher Education Act of 1965 (20 U.S.C. 1091(a)(1)), as in effect on the date of the enactment of this section, and

"(ii) is carrying at least one-half the normal full-time work load for the course of study the student is pursuing, as determined by the institution of higher education.

"(E) Identification requirement.—No deduction shall be allowed under subsection (a) to a taxpayer with respect to an eligible student unless the taxpayer includes the name, age, and taxpayer identification number of such eligible student on the return of tax for the taxable year.

"(2) Institution of higher education.—The term 'institution of higher education' means an institution which—

"(A) is described in section 481 of the Higher Education Act of 1965 (20 U.S.C. 1088), as in effect on the date of the enactment of this section, and

"(B) is eligible to participate in programs under title IV of such Act.

"(d) Special Rules.—

"(1) No double benefit.—

"(A) In general.—No deduction shall be allowed under subsection (a) for any expense for which a deduction is allowable to the taxpayer under any other provision of this chapter unless the taxpayer irrevocably waives his right to the deduction of such expense under such other provision.

"(B) Denial of deduction if credit elected.—No deduction shall be allowed under subsection (a) for a taxable year with respect to the qualified higher education expenses of an individual if the taxpayer elects to have section 25A apply with respect to such individual for such year.

"(C) Dependents.—No deduction shall be allowed under subsection (a) to any individual with respect to whom a deduction under section 151 is allowable to another taxpayer for a taxable year beginning in the calendar year in which such individual's taxable year begins.

"(D) Coordination with exclusions.—A deduction shall be allowed under subsection (a) for qualified higher education expenses only to the extent the amount of such expenses exceeds the amount excludable under section 135 or 530(d)(2) for the taxable year.

"(2) Limitation on taxable year of deduction.—

"(A) In general.—A deduction shall be allowed under subsection (a) for qualified higher education expenses for any taxable year only to the extent such expenses are in connection with enrollment at an institution of higher education during the taxable year.

"(B) Certain prepayments allowed.—Subparagraph (A) shall not apply to qualified higher education expenses paid during a taxable year if such expenses are in connection with an academic term beginning during such taxable year or during the first 3 months of the next taxable year.

"(3) Adjustment for certain scholarships and veterans benefits.—The amount of qualified higher education expenses otherwise taken into account under subsection (a) with respect to the education of an individual shall be reduced (before the application of subsection (b)) by the sum of the amounts received with respect to such individual for the taxable year as—

"(A) a qualified scholarship which under section 117 is not includable in gross income,

"(B) an educational assistance allowance under chapter 30, 31, 32, 34, or 35 of title 38, United States Code, or

"(C) a payment (other than a gift, bequest, devise, or inheritance within the meaning of section 102(a)) for educational expenses, or attributable to enrollment at an eligible educational institution, which is exempt from income taxation by any law of the United States.

"(4) No deduction for married individuals filing separate returns.—If the taxpayer is a married individual (within the meaning of section 7703), this section shall apply only if the taxpayer and the taxpayer's spouse file a joint return for the taxable year.

"(5) Nonresident aliens.—If the taxpayer is a nonresident alien individual for any portion of the taxable year, this section shall apply only if such individual is treated as a resident alien of the United States for purposes of this chapter by reason of an election under subsection (g) or (h) of section 6013.

"(6) Regulations.—The Secretary may prescribe such regulations as may be necessary or appropriate to carry out this section, including regulations requiring recordkeeping and information reporting."

(b) Deduction Allowed in Computing Adjusted Gross Income.—Section 62(a) is amended by inserting after paragraph (17) the following:

"(18) Higher education expenses.—The deduction allowed by section 222."

(c) Conforming Amendment.—The table of sections for part VII of subchapter B of chapter 1 is amended by striking the item relating to section 222 and inserting the following:

"Sec. 222. Higher education expenses.
"Sec. 223. Cross reference."

(d) Effective Date.—The amendments made by this section shall apply to payments made in taxable years beginning after December 31, 2001.

### SEC. 202. CREDIT FOR INTEREST ON HIGHER EDUCATION LOANS.

(a) In General.—Subpart A of part IV of subchapter A of chapter 1 (relating to nonrefundable personal credits) is amended by inserting after section 25A the following new section:

**"SEC. 25B. INTEREST ON HIGHER EDUCATION LOANS.**

"(a) Allowance of Credit.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the interest paid by the taxpayer during the taxable year on any qualified education loan.

"(b) Maximum Credit.—

"(1) In general.—Except as provided in paragraph (2), the credit allowed by subsection (a) for the taxable year shall not exceed $1,500.

"(2) Limitation based on modified adjusted gross income.—

"(A) In general.—If the modified adjusted gross income of the taxpayer for the taxable year exceeds $50,000 ($80,000 in the case of a joint return), the amount which would (but for this paragraph) be allowable as a credit under this section shall be reduced (but not below zero) by the amount which bears the same ratio to the amount which would be so allowable as such excess bears to $20,000.

"(B) Modified adjusted gross income.—The term 'modified adjusted gross income' means adjusted gross income determined without regard to sections 911, 931, and 933.

"(C) Inflation adjustment.—In the case of any taxable year beginning after 2003, the $50,000 and $80,000 amounts referred to in subparagraph (A) shall be increased by an amount equal to—

"(i) such dollar amount, multiplied by

"(ii) the cost-of-living adjustment determined under section (1)(f)(3) for the calendar year in which the taxable year begins, by substituting '2002' for '1992'.

"(D) Rounding.—If any amount as adjusted under subparagraph (C) is not a multiple of $50, such amount shall be rounded to the nearest multiple of $50.

"(c) Dependents Not Eligible for Credit.—No credit shall be allowed by this section to an individual for the taxable year if a deduction under section 151 with respect to such individual is allowed to another taxpayer for the taxable year beginning in the calendar year in which such individual's taxable year begins.

"(d) Limit on Period Credit Allowed.—A credit shall be allowed under this section only with respect to interest paid on any qualified education loan during the first 60 months (whether or not consecutive) in which interest payments are required. For purposes of this paragraph, any loan and all refinancings of such loan shall be treated as 1 loan.

"(e) Definitions.—For purposes of this section—

"(1) Qualified education loan.—The term 'qualified education loan' has the meaning given such term by section 221(e)(1).

"(2) Dependent.—The term 'dependent' has the meaning given such term by section 152.

"(f) Special Rules.—

"(1) Denial of double benefit.—No credit shall be allowed under this section for any amount taken into account for any deduction under any other provision of this chapter.

"(2) Married couples must file joint return.—If the taxpayer is married at the close of the taxable year, the credit shall be allowed under subsection (a) only if the taxpayer and the taxpayer's spouse file a joint return for the taxable year.

"(3) Marital status.—Marital status shall be determined in accordance with section 7703."

(b) Conforming Amendment.—The table of sections for subpart A of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 25A the following new item:

"Sec. 25B. Interest on higher education loans."

(c) Effective Date.—The amendments made by this section shall apply to any qualified education loan (as defined in section 25B(e)(1) of the Internal Revenue Code of 1986, as added by this section) incurred on, before, or after the date of the enactment of this Act, but only with respect to any loan interest payment due after December 31, 2001.

### TITLE III—ADVANCED TEACHER CERTIFICATION INCENTIVES

### SEC. 301. CERTIFIED TEACHER CREDIT.

(a) Findings.—Congress makes the following findings:

(1) Studies have shown that the greatest single in-school factor affecting student achievement is teacher quality.

(2) Most accomplished teachers do not get the rewards they deserve.

(3) After adjusting amounts for inflation, the average teacher salary for 1997–1998 of $39,347 is just $2 above what it was in 1993. Such salary is also just $1,924 more than the average salary recorded in 1972, a real increase of only $75 per year.

(4) While K–12 enrollments are steadily increasing, the teacher population is aging. There is a need, now more than ever, to attract competent, capable, and bright college graduates or mid-career professionals to the teaching profession.

(5) The Department of Education projects that 2,000,000 new teachers will have to be hired in the next decade. Shortages, if they occur, will most likely be felt in urban or rural regions of the country where working conditions may be difficult or compensation low.

(6) If students are to receive a high quality education and remain competitive in the global market the United States must attract talented and motivated people to the teaching profession in large numbers.

(b) Allowance of Credit.—Subpart C of part IV of subchapter A of chapter 1 (relating to refundable credits) is amended by redesignating section 35 as section 36 and by inserting after section 34 the following new section:

**"SEC. 35. CERTIFIED TEACHER CREDIT.**

"(a) Allowance of Credit.—

"(1) In general.—In the case of an eligible teacher, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year $5,000.

"(2) Year credit allowed.—The credit under paragraph (1) shall be allowed in the taxable year in which the taxpayer becomes a certified individual.

"(b) Definitions.—For purposes of this section—

"(1) Eligible teacher.—

"(A) In general.—The term 'eligible teacher' means a certified individual who is a pre-kindergarten or early childhood educator, or a kindergarten through grade 12 classroom teacher, instructor, counselor, aide, or principal in an elementary or secondary school on a full-time basis for an academic year ending during a taxable year.

"(B) Certified individual.—The term 'certified individual' means an individual who has successfully completed the requirements for advanced certification provided by the National Board for Professional Teaching Standards.

"(2) Elementary or secondary school.—The term 'elementary or secondary school' means a public elementary or secondary school which—

"(A) is located in a school district of a local educational agency which is eligible, during the taxable year, for assistance under part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311 et seq.), and

"(B) during the taxable year, the Secretary of Education determines to have an enrollment of children counted under section 1124(c) of such Act (20 U.S.C. 6333(c)) in an amount in excess of an amount equal to 40 percent of the total enrollment of such school.

"(c) Verification.—The credit allowed under subsection (a) shall be allowed with respect to any certified individual only if the certification is verified in such manner as the Secretary shall prescribe by regulation.

"(d) Election To Have Credit Not Apply.—A taxpayer may elect to have this section not apply for any taxable year.".

(c) Exclusion From Income For Certain Amounts.—Part III of subchapter B of chapter 1 (relating to items specifically excluded from gross income) is amended by redesignating section 139 as section 140 and inserting after section 138 the following new section:

**"SEC. 139. CERTAIN AMOUNTS RECEIVED BY CERTIFIED TEACHERS.**

"(a) In General.—In the case of a certified teacher, gross income shall not include the value of anything received during the taxable year solely by reason of such teacher having successfully completed the requirements for advanced certification provided by the National Board for Professional Teaching Standards (such as an incentive payment).

"(b) Certified Teacher.—For purposes of this section, the term 'certified teacher' has the meaning given the term 'eligible teacher' under section 35(b)(1).

"(c) Verification.—The exclusion under subsection (a) shall be allowed with respect to any certified teacher only if the certification is verified in such manner as the Secretary shall prescribe by regulation.

"(d) Amounts Must be Reasonable.—Amounts excluded under subsection (a) shall include only amounts which are reasonable.".

(d) Conforming Amendments.—

(1) Section 1324(b)(2) of title 31, United States Code, is amended by striking "or" before "enacted" and by inserting before the period at the end ", or from section 35 of such Code".

(2) The table of sections for subpart C of part IV of subchapter A of chapter 1 is amended by striking the item relating to section 35 and inserting the following:

"Sec. 35. Certified teacher credit.

"Sec. 36. Overpayments of tax."

(3) The table of sections for part III of subchapter B of chapter 1 is amended by striking the item relating to section 139 and inserting the following new items:

"Sec. 139. Certain amounts received by certified teachers.

"Sec. 140. Cross references to other Acts."

(e) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

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## HATCH (AND OTHERS) AMENDMENT NO. 3823

Mr. HATCH (for himself, Mr. Robb, and Mr. Kennedy) proposed an amendment to the bill, H.R. 8, supra; as follows:

At the end, add the following:

### TITLE VI—PERMANENT EXTENSION OF RESEARCH CREDIT

### SEC. 601. PERMANENT EXTENSION OF RESEARCH CREDIT.

(a) In General.—Section 41 (relating to credit for increasing research activities) is amended by striking subsection (h).

(b) Conforming Amendment.—Paragraph (1) of section 45C(b) is amended by striking subparagraph (D).

## GRAHAM (AND OTHERS) AMENDMENT NO. 3824

(Ordered to lie on the table.)

Mr. GRAHAM (for himself, Mr. KENNEDY, Mr. ROBB, Mr. BRYAN, Mrs. LINCOLN, Mr. ROCKEFELLER, Mr. DASCHLE, Mr. WELLSTONE, Mr. KERRY, and Mr. DORGAN) submitted an amendment intended to be proposed by them to the bill, H.R. 8, supra; as follows:

Strike all after the first word and insert:

**SECTION 1. SHORT TITLE.**

(a) SHORT TITLE.—This Act may be cited as the "Estate Tax Relief Act of 2000".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

### TITLE I—ESTATE TAX RELIEF

**SEC. 101. INCREASE IN AMOUNT OF UNIFIED CREDIT AGAINST ESTATE AND GIFT TAXES.**

(a) IN GENERAL.—The table contained in section 2010(c) (relating to applicable credit amount) is amended to read as follows:

| "In the case of estates of decedents dying, and gifts made, during: | The applicable exclusion amount is: |
|---|---|
| 2001, 2002, 2003, 2004, and 2005 | $1,000,000 |
| 2006 and 2007 | $1,125,000 |
| 2008 | $1,500,000 |
| 2009 or thereafter | $2,000,000." |

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to the estates of decedents dying, and gifts made, after December 31, 2000.

**SEC. 102. INCREASE IN QUALIFIED FAMILY-OWNED BUSINESS INTEREST DEDUCTION AMOUNT.**

(a) IN GENERAL.—Paragraph (2) of section 2057(a) (relating to family-owned business interests) is amended to read as follows:

"(2) MAXIMUM DEDUCTION.—

"(A) IN GENERAL.—The deduction allowed by this section shall not exceed the sum of—

"(i) the applicable deduction amount, plus

"(ii) in the case of a decedent described in subparagraph (C), the applicable unused spousal deduction amount.

"(B) APPLICABLE DEDUCTION AMOUNT.—For purposes of this subparagraph (A)(i), the applicable deduction amount is determined in accordance with the following table:

| "In the case of estates of decedents dying during: | The applicable deduction amount is: |
|---|---|
| 2001, 2002, 2003, 2004, and 2005 | $1,375,000 |
| 2006 and 2007 | $1,625,000 |
| 2008 | $2,375,000 |
| 2009 or thereafter | $3,375,000." |

"(C) APPLICABLE UNUSED SPOUSAL DEDUCTION AMOUNT.—With respect to a decedent whose immediately predeceased spouse died after December 31, 2000, and the estate of such immediately predeceased spouse met the requirements of subsection (b)(1), the applicable unused spousal deduction amount for such decedent is equal to the excess of—

"(i) the applicable deduction amount allowable under this section to the estate of such immediately predeceased spouse, over

"(ii) the sum of—

"(I) the applicable deduction amount allowed under this section to the estate of such immediately predeceased spouse, plus

"(II) the amount of any increase in such estate's unified credit under paragraph (3)(B) which was allowed to such estate."

(b) CONFORMING AMENDMENTS.—Section 2057(a)(3)(B) is amended—

(1) by striking "$675,000" both places it appears and inserting "the applicable deduction amount", and

(2) by striking "$675,000" in the heading and inserting "APPLICABLE DEDUCTION AMOUNT".

(c) EFFECTIVE DATE.—The amendment made by this section shall apply to the estates of decedents dying, and gifts made, after December 31, 2000.

### TITLE II—ADDTIONAL BUDGET RESOURCES FOR A MEDICARE PRESCRIPTION DRUG BENEFIT PROGRAM

**SEC. 201. ADDITIONAL BUDGET RESOURCES FOR A MEDICARE PRESCRIPTION DRUG BENEFIT PROGRAM.**

(a) FINDINGS.—The Senate makes the following findings:

(1) Beneficiaries under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) are the only group of insured Americans without prescription drug coverage.

(2) At any point in time, approximately 13,000,000 medicare beneficiaries are without prescription drug coverage.

(3) Over the course of a year, nearly 20,000,000 medicare beneficiaries are without prescription drug coverage for all or part of the year.

(4) The options available to medicare beneficiaries for obtaining prescription drug coverage are declining since—

(A) the number of employers providing employer-sponsored retiree coverage is declining at a dramatic rate;

(B) Medicare+Choice plans that might otherwise provide prescription drug coverage are pulling out of counties throughout the Nation; and

(C) medicare supplemental policies (medigap policies) that offer prescription drug coverage are so prohibitively expensive that only 8 percent of medicare beneficiaries have the means to purchase such policies.

(5) An elderly individual without prescription drug coverage living on $12,525 a year (150 percent of the Federal poverty line), who has diabetes, hypertension, and high cholesterol, pays more than 18.3 percent of their total income on the prescription drugs most commonly prescribed to treat their medical conditions.

(6) Medicare beneficiaries should never have to make the choice between having a roof over their head, having food in their mouth, or having necessary prescription drugs.

(7) Congress must provide medicare beneficiaries with a meaningful medicare prescription drug benefit that—

(A) is universal and affordable;

(B) guarantees stable coverage for medicare beneficiaries receiving benefits through the original fee-for-service program or through enrollment in a Medicare+Choice plan; and

(C) provides real low-income and stop-loss protections.

(8) Meaningful prescription drug coverage includes stop-loss protection above $4,000 of out-of-pocket expenses for prescription drugs.

(9) In March 2000, the Congressional Budget Office estimated the on-budget surplus for the 5-year period of fiscal year 2001 through fiscal year 2005 to be $148,000,000,000, assuming that discretionary spending was allowed to increase with inflation.

(10) Relying on the March 2000 estimate of the Congressional Budget Office, on April 12, 2000, Congress passed the concurrent resolution on the budget for fiscal year 2001 which allocated $40,000,000,000 of the estimated on-budget surplus for the 5-year period described in paragraph (9) to provide a prescription drug benefit for medicare beneficiaries.

(11) Forty billion dollars over 5 years cannot ensure access to a meaningful medicare prescription drug benefit that—

(A) is universal and affordable;

(B) guarantees stable coverage for medicare beneficiaries receiving benefits through the original fee-for-service program or through enrollment in a Medicare+Choice plan; and

(C) provides real low-income and stop-loss protections.

(12) Congress should not be bound to an arbitrarily low and inadequate allocation for providing a medicare prescription drug benefit when the estimated on-budget surplus for the 5-year period described in paragraph (9) has increased dramatically since March 2000.

(13) The Office of Management and Budget recently has revised its estimates for the on-budget surplus for the 5-year period described in paragraph (9) and now estimates that the on-budget surplus will be $360,000,000,000 for such period.

(14) The Congressional Budget Office will issue its revised budget estimates in the next few days and those estimates are widely expected to reflect a significant increase in the on-budget surplus for the 5-year period described in paragraph (9) as compared to the on-budget surplus that was estimated for such period in March 2000.

(b) 2001 BUDGET RESOLUTION AMENDMENT.—Section 213(b) of H. Con. Res. 290 (106th Congress) is amended to read as follows:

"(b) ADJUSTMENTS.—The chairman of the Committee on the Budget of the House or Senate, as applicable—

"(1) shall revise committee allocations and other appropriate budgetary levels and limits to accommodate legislation described in section 215(a) which improves access to prescription drugs for Medicare beneficiaries in an additional amount not to exceed $40,000,000,000 or the difference between the on-budget surpluses in the reports referred to in subsection (a), whichever is less; and

"(2) may, after the adjustment in paragraph (1), make the following adjustments in an amount not to exceed the difference between the on-budget surpluses in the reports referred to in subsection (a) minus the adjustment made pursuant to paragraph (1):

"(A) Reduce the on-budget revenue aggregate by that amount for such fiscal year.

"(B) Adjust the instruction in section 103 or 104 to—

"(i) increase the reduction in revenues by that amount for fiscal year 2001;

"(ii) increase the reduction in revenues by the sum of the amounts for the period of fiscal years 2001 through 2005; and

"(iii) in the House only, increase the amount of debt reduction by that amount for fiscal year 2001.

"(C) Adjust such other levels in this resolution, as appropriate and the Senate pay-as-you-go scorecard.".

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## BAYH (AND OTHERS) AMENDMENT NO. 3825

Mr. BAYH (for himself, Mr. DURBIN, Ms. MIKULSKI, and Mr. FEINGOLD) proposed an amendment to the bill, H.R. 8, supra; as follows:

Strike all after the first word and insert:

### 1. SHORT TITLE.

(a) SHORT TITLE.—This Act may be cited as the "Estate Tax Relief Act of 2000".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

## TITLE I—ESTATE TAX RELIEF

### SEC. 101. INCREASE IN AMOUNT OF UNIFIED CREDIT AGAINST ESTATE AND GIFT TAXES.

(a) IN GENERAL.—The table contained in section 2010(c) (relating to applicable credit amount) is amended to read as follows:

| **"In the case of estates of decedents dying, and gifts made, during:** | **The applicable exclusion amount is:** |
|---|---|
| 2001, 2002, 2003, 2004, and 2005 | $1,000,000 |
| 2006 and 2007 | $1,125,000 |
| 2008 | $1,500,000 |
| 2009 or thereafter | $2,000,000." |

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to the estates of decedents dying, and gifts made, after December 31, 2000.

### SEC. 102. INCREASE IN QUALIFIED FAMILY-OWNED BUSINESS INTEREST DEDUCTION AMOUNT.

(a) IN GENERAL.—Paragraph (2) of section 2057(a) (relating to family-owned business interests) is amended to read as follows:

"(2) MAXIMUM DEDUCTION.—

"(A) IN GENERAL.—The deduction allowed by this section shall not exceed the sum of—

"(i) the applicable deduction amount, plus

"(ii) in the case of a decedent described in subparagraph (C), the applicable unused spousal deduction amount.

"(B) APPLICABLE DEDUCTION AMOUNT.—For purposes of this subparagraph (A)(i), the applicable deduction amount is determined in accordance with the following table:

| **"In the case of estates of decedents dying during:** | **The applicable deduction amount is:** |
|---|---|
| 2001, 2002, 2003, 2004, and 2005 | $1,375,000 |
| 2006 and 2007 | $1,625,000 |
| 2008 | $2,375,000 |
| 2009 or thereafter | $3,375,000. |

"(C) APPLICABLE UNUSED SPOUSAL DEDUCTION AMOUNT.—With respect to a decedent whose immediately predeceased spouse died after December 31, 2000, and the estate of such immediately predeceased spouse met the requirements of subsection (b)(1), the applicable unused spousal deduction amount for such decedent is equal to the excess of—

"(i) the applicable deduction amount allowable under this section to the estate of such immediately predeceased spouse, over

"(ii) the sum of—

"(I) the applicable deduction amount allowed under this section to the estate of such immediately predeceased spouse, plus

"(II) the amount of any increase in such estate's unified credit under paragraph (3)(B) which was allowed to such estate."

(b) CONFORMING AMENDMENTS.—Section 2057(a)(3)(B) is amended—

(1) by striking "$675,000" both places it appears and inserting "the applicable deduction amount", and

(2) by striking "$675,000" in the heading and inserting "APPLICABLE DEDUCTION AMOUNT".

(c) EFFECTIVE DATE.—The amendment made by this section shall apply to the estates of decedents dying, and gifts made, after December 31, 2000.

## TITLE II—HEALTH PROVISIONS

### SEC. 201. LONG-TERM CARE TAX CREDIT.

(a) ALLOWANCE OF CREDIT.—

(1) IN GENERAL.—Section 24(a) (relating to allowance of child tax credit) is amended to read as follows:

"(a) ALLOWANCE OF CREDIT.—

"(1) IN GENERAL.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of—

"(A) $500 multiplied by the number of qualifying children of the taxpayer, plus

"(B) the applicable dollar amount multiplied by the number of applicable individuals with respect to whom the taxpayer is an eligible caregiver for the taxable year.

"(2) APPLICABLE DOLLAR AMOUNT.—For purposes of paragraph (1)(B), the applicable dollar amount for taxable years beginning in any calendar year shall be determined in accordance with the following table:

| "Calendar year: | Applicable Dollar amount: |
|---|---|
| 2001 | $1,000 |
| 2002 | $1,500 |
| 2003 | $2,000 |
| 2004 | $2,500 |
| 2005 and thereafter | $3,000." |

(2) ADDITIONAL CREDIT FOR TAXPAYER WITH 3 OR MORE SEPARATE CREDIT AMOUNTS.—So much of section 24(d) as precedes paragraph (1)(A) thereof is amended to read as follows:

"(d) ADDITIONAL CREDIT FOR TAXPAYERS WITH 3 OR MORE SEPARATE CREDIT AMOUNTS.—

"(1) IN GENERAL.—If the sum of the number of qualifying children of the taxpayer and the number of applicable individuals with respect to which the taxpayer is an eligible caregiver is 3 or more for any taxable year, the aggregate credits allowed under subpart C shall be increased by the lesser of—".

(3) CONFORMING AMENDMENTS.—

(A) The heading for section 32(n) is amended by striking "CHILD" and inserting "FAMILY CARE".

(B) The heading for section 24 is amended to read as follows:

**"SEC. 24. FAMILY CARE CREDIT."**

(C) The table of sections for subpart A of part IV of subchapter A of chapter 1 is amended by striking the item relating to section 24 and inserting the following new item:

"Sec. 24. Family care credit."

(b) DEFINITIONS.—Section 24(c) (defining qualifying child) is amended to read as follows:

"(c) DEFINITIONS.—For purposes of this section—

"(1) QUALIFYING CHILD.—

"(A) IN GENERAL.—The term 'qualifying child' means any individual if—

"(i) the taxpayer is allowed a deduction under section 151 with respect to such individual for the taxable year,

"(ii) such individual has not attained the age of 17 as of the close of the calendar year in which the taxable year of the taxpayer begins, and

"(iii) such individual bears a relationship to the taxpayer described in section 32(c)(3)(B).

"(B) EXCEPTION FOR CERTAIN NONCITIZENS.—The term 'qualifying child' shall not include any individual who would not be a dependent if the first sentence of section 152(b)(3) were applied without regard to all that follows 'resident of the United States'.

"(2) APPLICABLE INDIVIDUAL.—

"(A) IN GENERAL.—The term 'applicable individual' means, with respect to any taxable year, any individual who has been certified, before the due date for filing the return of tax for the taxable year (without extensions), by a physician (as defined in section 1861(r)(1) of the Social Security Act) as being an individual with long-term care needs described in subparagraph (B) for a period—

"(i) which is at least 180 consecutive days, and

"(ii) a portion of which occurs within the taxable year.

Such term shall not include any individual otherwise meeting the requirements of the preceding sentence unless within the 39½ month period ending on such due date (or such other period as the Secretary prescribes) a physician (as so defined) has certified that such individual meets such requirements.

"(B) INDIVIDUALS WITH LONG-TERM CARE NEEDS.—An individual is described in this subparagraph if the individual meets any of the following requirements:

"(i) The individual is at least 6 years of age and—

"(I) is unable to perform (without substantial assistance from another individual) at least 3 activities of daily living (as defined in section 7702B(c)(2)(B)) due to a loss of functional capacity, or

"(II) requires substantial supervision to protect such individual from threats to health and safety due to severe cognitive impairment and is unable to perform at least 1 activity of daily living (as so defined) or to the extent provided in regulations prescribed by the Secretary (in consultation with the Secretary of Health and Human Services), is unable to engage in age appropriate activities.

"(ii) The individual is at least 2 but not 6 years of age and is unable due to a loss of functional capacity to perform (without substantial assistance from another individual) at least 2 of the following activities: eating, transferring, or mobility.

"(iii) The individual is under 2 years of age and requires specific durable medical equipment by reason of a severe health condition or requires a skilled practitioner trained to address the individual's condition to be available if the individual's parents or guardians are absent.

"(3) ELIGIBLE CAREGIVER.—

"(A) IN GENERAL.—A taxpayer shall be treated as an eligible caregiver for any taxable year with respect to the following individuals:

"(i) The taxpayer.

"(ii) The taxpayer's spouse.

"(iii) An individual with respect to whom the taxpayer is allowed a deduction under section 151 for the taxable year.

"(iv) An individual who would be described in clause (iii) for the taxable year if section 151(c)(1)(A) were applied by substituting for the exemption amount an amount equal to the sum of the exemption amount, the standard deduction under section 63(c)(2)(C), and any additional standard deduction under section 63(c)(3) which would be applicable to the individual if clause (iii) applied.

"(v) An individual who would be described in clause (iii) for the taxable year if—

"(I) the requirements of clause (iv) are met with respect to the individual, and

"(II) the requirements of subparagraph (B) are met with respect to the individual in lieu of the support test of section 152(a).

"(B) RESIDENCY TEST.—The requirements of this subparagraph are met if an individual has as his principal place of abode the home of the taxpayer and—

"(i) in the case of an individual who is an ancestor or descendant of the taxpayer or the taxpayer's spouse, is a member of the taxpayer's household for over half the taxable year, or

"(ii) in the case of any other individual, is a member of the taxpayer's household for the entire taxable year.

"(C) SPECIAL RULES WHERE MORE THAN 1 ELIGIBLE CAREGIVER.—

"(i) IN GENERAL.—If more than 1 individual is an eligible caregiver with respect to the same applicable individual for taxable years ending with or within the same calendar year, a taxpayer shall be treated as the eligible caregiver if each such individual (other than the taxpayer) files a written declaration (in such form and manner as the Secretary may prescribe) that such individual will not claim such applicable individual for the credit under this section.

"(ii) NO AGREEMENT.—If each individual required under clause (i) to file a written declaration under clause (i) does not do so, the individual with the highest modified adjusted gross income (as defined in section 32(c)(5)) shall be treated as the eligible caregiver.

"(iii) MARRIED INDIVIDUALS FILING SEPARATELY.—In the case of married individuals filing separately, the determination under this subparagraph as to whether the husband or wife is the eligible caregiver shall be made under the rules of clause (ii) (whether or not one of them has filed a written declaration under clause (i))."

(c) IDENTIFICATION REQUIREMENTS.—

(1) IN GENERAL.—Section 24(e) is amended by adding at the end the following new sentence: "No credit shall be allowed under this section to a taxpayer with respect to any applicable individual unless the taxpayer includes the name and taxpayer identification number of such individual, and the identification number of the physician certifying such individual, on the return of tax for the taxable year."

(2) ASSESSMENT.—Section 6213(g)(2)(I) of such Code is amended—

(A) by inserting "or physician identification" after "correct TIN", and

(B) by striking "child" and inserting "family care".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

### SEC. 202. FULL DEDUCTION FOR HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS.

(a) IN GENERAL.—Section 162(*l*)(1) (relating to special rules for health insurance costs of self-employed individuals) is amended to read as follows:

"(1) ALLOWANCE OF DEDUCTION.—In the case of an individual who is an employee within the meaning of section 401(c)(1), there shall be allowed as a deduction under this section an amount equal to the amount paid during the taxable year for insurance which constitutes medical care for the taxpayer, the taxpayer's spouse, and dependents.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2000.

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## WELLSTONE (AND OTHERS) AMENDMENT NO. 3826

(Ordered to lie on the table.)

Mr. WELLSTONE (for himself, Mr. DODD, Mr. LANDRIEU, and Mr. KOHL), submitted an amendment intended to be proposed by them to the bill, H.R. 8, supra; as follows:

Strike all after the first word and insert:

### 1. SHORT TITLE.

(a) SHORT TITLE.—This Act may be cited as the "Estate Tax Relief Act of 2000".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

## TITLE I—ESTATE TAX RELIEF

### SEC. 101. INCREASE IN AMOUNT OF UNIFIED CREDIT AGAINST ESTATE AND GIFT TAXES.

(a) IN GENERAL.—The table contained in section 2010(c) (relating to applicable credit amount) is amended to read as follows:

| **"In the case of estates of decedents dying, and gifts made, during:** | **The applicable exclusion amount is:** |
|---|---|
| 2001, 2002, 2003, 2004, and 2005 | $1,000,000 |
| 2006 and 2007 | $1,125,000 |
| 2008 | $1,500,000 |
| 2009 or thereafter | $2,000,000." |

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to the estates of decedents dying, and gifts made, after December 31, 2000.

### SEC. 102. INCREASE IN QUALIFIED FAMILY-OWNED BUSINESS INTEREST DEDUCTION AMOUNT.

(a) IN GENERAL.—Paragraph (2) of section 2057(a) (relating to family-owned business interests) is amended to read as follows:

"(2) MAXIMUM DEDUCTION.—

"(A) IN GENERAL.—The deduction allowed by this section shall not exceed the sum of—

"(i) the applicable deduction amount, plus

"(ii) in the case of a decedent described in subparagraph (C), the applicable unused spousal deduction amount.

"(B) APPLICABLE DEDUCTION AMOUNT.—For purposes of this subparagraph (A)(i), the applicable deduction amount is determined in accordance with the following table:

| **"In the case of estates of decedents dying during:** | **The applicable deduction amount is:** |
|---|---|
| 2001, 2002, 2003, 2004, and 2005 | $1,375,000 |
| 2006 and 2007 | $1,625,000 |
| 2008 | $2,375,000 |
| 2009 or thereafter | $3,375,000. |

"(C) APPLICABLE UNUSED SPOUSAL DEDUCTION AMOUNT.—With respect to a decedent whose immediately predeceased spouse died after December 31, 2000, and the estate of such immediately predeceased spouse met the requirements of subsection (b)(1), the applicable unused spousal deduction amount for such decedent is equal to the excess of—

"(i) the applicable deduction amount allowable under this section to the estate of such immediately predeceased spouse, over

"(ii) the sum of—

"(I) the applicable deduction amount allowed under this section to the estate of such immediately predeceased spouse, plus

"(II) the amount of any increase in such estate's unified credit under paragraph (3)(B) which was allowed to such estate."

(b) CONFORMING AMENDMENTS.—Section 2057(a)(3)(B) is amended—

(1) by striking "$675,000" both places it appears and inserting "the applicable deduction amount", and

(2) by striking "$675,000" in the heading and inserting "APPLICABLE DEDUCTION AMOUNT".

(c) EFFECTIVE DATE.—The amendment made by this section shall apply to the estates of decedents dying, and gifts made, after December 31, 2000.

## TITLE II—DEPENDENT CARE TAX CREDIT

### SEC. 201. EXPANSION OF DEPENDENT CARE TAX CREDIT.

(a) IN GENERAL.—Paragraph (2) of section 21(a) (relating to expenses for household and dependent care services necessary for gainful employment) is amended to read as follows:

"(2) APPLICABLE PERCENTAGE DEFINED.—For purposes of paragraph (1), the term 'applicable percentage' means 50 percent (40 percent for taxable years beginning after December 31, 2002, and before January 1, 2005) reduced (but not below 20 percent) by 1 percentage point for each $1,000 (or fraction thereof) by which the taxpayer's adjusted gross income for the taxable year exceeds $30,000."

(b) MINIMUM CREDIT ALLOWED FOR STAY-AT-HOME PARENTS.—Section 21(e) (relating to special rules) is amended by adding at the end the following:

"(11) MINIMUM CREDIT ALLOWED FOR STAY-AT-HOME PARENTS.—Notwithstanding subsection (d), in the case of any taxpayer with one or more qualifying individuals described in subsection (b)(1)(A) under the age of 1 at any time during the taxable year, such taxpayer shall be deemed to have employment-related expenses with respect to not more than 2 of such qualifying individuals in an amount equal to the greater of—

"(A) the amount of employment-related expenses incurred for such qualifying individuals for the taxable year (determined under this section without regard to this paragraph), or

"(B) $41.67 for each month in such taxable year during which each such qualifying individual is under the age of 1.".

(c) INFLATION ADJUSTMENT OF DOLLAR AMOUNTS.—

(1) Section 21 is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

"(f) INFLATION ADJUSTMENT.—In the case of any taxable year beginning in a calendar year after 2001, the $30,000 amount contained in subsection (a), the $2,400 amount in subsection (c), and the $41.67 amount in subsection (e)(11) shall be increased by an amount equal to—

"(1) such dollar amount, multiplied by

"(2) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting 'calendar year 2000' for 'calendar year 1992' in subparagraph (B) thereof.

If the increase determined under the preceding sentence is not a multiple of $50 ($5 in the case of the amount in subsection (e)(11)), such amount shall be rounded to the next lowest multiple thereof."

(2) Paragraph (2) of section 21(c) is amended by striking "$4,800" and inserting "twice the dollar amount applicable under paragraph (1)".

(3) Paragraph (2) of section 21(d) is amended by striking "less than—" and all that follows through the end of the first sentence and inserting "less than 1/12 of the amount which applies under subsection (c) to the taxpayer for the taxable year."

(d) CREDIT ALLOWED BASED ON RESIDENCY IN CERTAIN CASES.—Subsection (e) of section 21 is amended by adding at the end the following new paragraph:

"(12) CREDIT ALLOWED BASED ON RESIDENCY IN CERTAIN CASES.—In the case of a taxpayer—

"(A) who does not satisfy the household maintenance test of subsection (a) for any period, but

"(B) whose principal place of abode for such period is also the principal place of abode of any qualifying individual,

then such taxpayer shall be treated as satisfying such test for such period but the amount of credit allowable under this section with respect to such individual shall be determined by allowing only 1/12 of the limitation under subsection (c) for each full month that the requirement of subparagraph (B) is met."

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

### SEC. 202. DEPENDENT CARE TAX CREDIT MADE REFUNDABLE.

(a) IN GENERAL.—Part IV of subchapter A of chapter 1 (relating to credits against tax) is amended—

(1) by redesignating section 35 as section 36, and

(2) by redesignating section 21 as section 35.

(b) ADVANCE PAYMENT OF CREDIT.—Chapter 25 (relating to general provisions relating to employment taxes) is amended by inserting after section 3507 the following:

### "SEC. 3507A. ADVANCE PAYMENT OF DEPENDENT CARE CREDIT.

"(a) GENERAL RULE.—Except as otherwise provided in this section, every employer making payment of wages with respect to whom a dependent care eligibility certificate is in effect shall, at the time of paying such wages, make an additional payment equal to such employee's dependent care advance amount.

"(b) DEPENDENT CARE ELIGIBILITY CERTIFICATE.—For purposes of this title, a dependent care eligibility certificate is a statement furnished by an employee to the employer which—

"(1) certifies that the employee will be eligible to receive the credit provided by section 35 for the taxable year,

"(2) certifies that the employee reasonably expects to be an applicable taxpayer for the taxable year,

"(3) certifies that the employee does not have a dependent care eligibility certificate in effect for the calendar year with respect to the payment of wages by another employer,

"(4) states whether or not the employee's spouse has a dependent care eligibility certificate in effect,

"(5) states the number of qualifying individuals in the household maintained by the employee, and

"(6) estimates the amount of employment-related expenses for the calendar year.

"(c) DEPENDENT CARE ADVANCE AMOUNT.—

"(1) IN GENERAL.—For purposes of this title, the term 'dependent care advance amount' means, with respect to any payroll period, the amount determined—

"(A) on the basis of the employee's wages from the employer for such period,

"(B) on the basis of the employee's estimated employment-related expenses included in the dependent care eligibility certificate, and

"(C) in accordance with tables provided by the Secretary.

"(2) ADVANCE AMOUNT TABLES.—The tables referred to in paragraph (1)(C) shall be similar in form to the tables prescribed under section 3402 and, to the maximum extent feasible, shall be coordinated with such tables and the tables prescribed under section 3507(c).

"(d) OTHER RULES.—For purposes of this section, rules similar to the rules of subsections (d) and (e) of section 3507 shall apply.

"(e) DEFINITIONS.—For purposes of this section, terms used in this section which are defined in section 35 shall have the respective meanings given such terms by section 35.".

(c) CONFORMING AMENDMENTS.—

(1) Section 35(a)(1), as redesignated by paragraph (1), is amended by striking "chapter" and inserting "subtitle".

(2) Section 35(e), as so redesignated and amended by subsection (c), is amended by adding at the end the following:

"(13) COORDINATION WITH ADVANCE PAYMENTS AND MINIMUM TAX.—Rules similar to the rules of subsections (g) and (h) of section 32 shall apply for purposes of this section.".

(3) Sections 23(f)(1) and 129(a)(2)(C) are each amended by striking "section 21(e)" and inserting "section 35(e)".

(4) Section 129(b)(2) is amended by striking "section 21(d)(2)" and inserting "section 35(d)(2)".

(5) Section 129(e)(1) is amended by striking "section 21(b)(2)" and inserting "section 35(b)(2)".

(6) Section 213(e) is amended by striking "section 21" and inserting "section 35".

(7) Section 995(f)(2)(C) is amended by striking "and 34" and inserting "34, and 35".

(8) Section 6211(b)(4)(A) is amended by striking "and 34" and inserting ", 34, and 35".

(9) Section 6213(g)(2)(H) is amended by striking "section 21" and inserting "section 35".

(10) Section 6213(g)(2)(L) is amended by striking "section 21, 24, or 32" and inserting "section 24, 32, or 35".

(11) The table of sections for subpart C of part IV of subchapter A of chapter 1 is amended by striking the item relating to section 35 and inserting the following:

"Sec. 35. Dependent care services.
"Sec. 36. Overpayments of tax.".

(12) The table of sections for subpart A of such part IV is amended by striking the item relating to section 21.

(13) The table of sections for chapter 25 is amended by adding after the item relating to section 3507 the following:

"Sec. 3507A. Advance payment of dependent care credit.".

(14) Section 1324(b)(2) of title 31, United States Code, is amended by inserting before the period ", or enacted by the Death Tax Elimination Act of 2000".

(d) EFFECTIVE DATE.—The amendments made by this section apply to taxable years beginning after December 31, 2002.

## TITLE III—EXPANSION OF ADOPTION CREDIT

### SEC. 301. EXPANSION OF ADOPTION CREDIT.

(a) SPECIAL NEEDS ADOPTION.—

(1) CREDIT AMOUNT.—Paragraph (1) of section 23(a) (relating to allowance of credit) is amended to read as follows:

"(1) IN GENERAL.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter—

"(A) in the case of a special needs adoption, $10,000, or

"(B) in the case of any other adoption, the amount of the qualified adoption expenses paid or incurred by the taxpayer.".

(2) YEAR CREDIT ALLOWED.—Section 23(a)(2) (relating to year credit allowed) is amended by adding at the end the following new flush sentence:

"In the case of a special needs adoption, the credit allowed under paragraph (1) shall be allowed for the taxable year in which the adoption becomes final.".

(3) DOLLAR LIMITATION.—Section 23(b)(1) is amended—

(A) by striking "subsection (a)" and inserting "subsection (a)(1)(B)", and

(B) by striking "($6,000, in the case of a child with special needs)".

(4) DEFINITION OF SPECIAL NEEDS ADOPTION.—Section 23(d) (relating to definitions) is amended by adding at the end the following new paragraph:

"(4) SPECIAL NEEDS ADOPTION.—The term 'special needs adoption' means the final adoption of an individual during the taxable year who is an eligible child and who is a child with special needs.".

(5) DEFINITION OF CHILD WITH SPECIAL NEEDS.—Section 23(d)(3) (defining child with special needs) is amended to read as follows:

"(3) CHILD WITH SPECIAL NEEDS.—The term 'child with special needs' means any child if a State has determined that the child's ethnic background, age, membership in a minority or sibling groups, medical condition or physical impairment, or emotional handicap makes some form of adoption assistance necessary.".

(b) INCREASE IN INCOME LIMITATIONS.—Section 23(b)(2) (relating to income limitation) is amended—

(1) in subparagraph (A)—

(A) by striking "$75,000" and inserting "$63,550 ($105,950 in the case of a joint return)", and

(B) by striking "$40,000" and inserting "the applicable amount", and

(2) by adding at the end the following new subparagraph:

"(C) APPLICABLE AMOUNT.—For purposes of subparagraph (A), the applicable amount, with respect to any taxpayer, for the taxable year shall be an amount equal to the excess of—

"(i) the maximum taxable income amount for the 31 percent bracket under the table contained in section 1 relating to such taxpayer and in effect for the taxable year, over

"(ii) the dollar amount in effect with respect to the taxpayer for the taxable year under subparagraph (A)(i).

"(D) COST-OF-LIVING ADJUSTMENT.—

"(i) IN GENERAL.—In the case of a taxable year beginning after 2001, each dollar amount under subparagraph (A)(i) shall be increased by an amount equal to—

"(I) such dollar amount, multiplied by

"(II) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2000' for 'calendar year 1992' in subparagraph (B) thereof.

"(ii) ROUNDING RULES.—If any amount after adjustment under clause (i) is not a multiple of $1,000, such amount shall be rounded to the next lower multiple of $1,000.".

(c) ADOPTION CREDIT MADE PERMANENT.—Subclauses (A) and (B) of section 23(d)(2) (defining eligible child) are amended to read as follows:

"(A) who has not attained age 18, or

"(B) who is physically or mentally incapable of caring for himself.".

(d) CONFORMING AMENDMENTS.—

(1) Section 23(a)(2) is amended by striking "(1)" and inserting "(1)(B)".

(2) Section 23(b)(3) is amended by striking "(a)" each place it appears and inserting "(a)(1)(B)".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

### TITLE IV—INCENTIVES FOR EMPLOYER-PROVIDED CHILD CARE

**SEC. 401. ALLOWANCE OF CREDIT FOR EMPLOYER EXPENSES FOR CHILD CARE ASSISTANCE.**

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 (relating to business related credits) is amended by adding at the end the following new section:

**"SEC. 45D. EMPLOYER-PROVIDED CHILD CARE CREDIT.**

"(a) ALLOWANCE OF CREDIT.—For purposes of section 38, the employer-provided child care credit determined under this section for the taxable year is an amount equal to the sum of—

"(1) 25 percent of the qualified child care expenditures, and

"(2) 10 percent of the qualified child care resource and referral expenditures,

of the taxpayer for such taxable year.

"(b) DOLLAR LIMITATION.—The credit allowable under subsection (a) for any taxable year shall not exceed $150,000.

"(c) DEFINITIONS.—For purposes of this section—

"(1) QUALIFIED CHILD CARE EXPENDITURE.—

"(A) IN GENERAL.—The term 'qualified child care expenditure' means any amount paid or incurred—

"(i) to acquire, construct, rehabilitate, or expand property—

"(I) which is to be used as part of an eligible qualified child care facility of the taxpayer,

"(II) with respect to which a deduction for depreciation (or amortization in lieu of depreciation) is allowable, and

"(III) which does not constitute part of the principal residence (within the meaning of section 121) of the taxpayer or any employee of the taxpayer,

"(ii) for the operating costs of an eligible qualified child care facility of the taxpayer, including costs related to the training of employees of the child care facility, to scholarship programs, to the providing of differential compensation to employees based on level of child care training, and to expenses associated with achieving accreditation, or

"(iii) under a contract with a qualified child care facility to provide child care services to employees of the taxpayer.

"(B) EXCLUSION FOR AMOUNTS FUNDED BY GRANTS, ETC.—The term 'qualified child care expenditure' shall not include any amount to the extent such amount is funded by any grant, contract, or otherwise by another person (or any governmental entity).

"(C) NONDISCRIMINATION.—The term 'qualified child care expenditure' shall not include any amount expended in relation to any child care services unless the providing of such services to employees of the taxpayer does not discriminate in favor of highly compensated employees (within the meaning of section 404(q)).

"(2) QUALIFIED CHILD CARE FACILITY.—

"(A) IN GENERAL.—The term 'qualified child care facility' means a facility—

"(i) the principal use of which is to provide child care assistance, and

"(ii) which meets the requirements of all applicable laws and regulations of the State or local government in which it is located, including, but not limited to, the licensing of the facility as a child care facility.

Clause (i) shall not apply to a facility which is the principal residence (within the meaning of section 121) of the operator of the facility.

"(B) ELIGIBLE QUALIFIED CHILD CARE FACILITY.—A qualified child care facility shall be treated as an eligible qualified child care facility with respect to the taxpayer if—

"(i) enrollment in the facility is open to employees of the taxpayer during the taxable year,

"(ii) the facility is not the principal trade or business of the taxpayer, and

"(iii) at least 30 percent of the enrollees of such facility are dependents of employees of the taxpayer.

"(C) APPLICATION OF SUBPARAGRAPH (B).—In the case of a new facility, the facility shall be treated as meeting the requirement of subparagraph (B)(iii) if not later than 2 years after placing such facility in service at least 30 percent of the enrollees of such facility are dependents of employees of the taxpayer.

"(3) QUALIFIED CHILD CARE RESOURCE AND REFERRAL EXPENDITURE.—

"(A) IN GENERAL.—The term 'qualified child care resource and referral expenditure' means any amount paid or incurred under a contract to provide child care resource and referral services to employees of the taxpayer.

"(B) EXCLUSION FOR AMOUNTS FUNDED BY GRANTS, ETC.—The term 'qualified child care resource and referral expenditure' shall not include any amount to the extent such amount is funded by any grant, contract, or otherwise by another person (or any governmental entity).

"(C) NONDISCRIMINATION.—The term 'qualified child care resource and referral expenditure' shall not include any amount expended in relation to any child care resource and referral services unless the providing of such services to employees of the taxpayer does not discriminate in favor of highly compensated employees (within the meaning of section 404(q)).

"(d) RECAPTURE OF ACQUISITION AND CONSTRUCTION CREDIT.—

"(1) IN GENERAL.—If, as of the close of any taxable year, there is a recapture event with respect to any eligible qualified child care facility of the taxpayer, then the tax of the taxpayer under this chapter for such taxable year shall be increased by an amount equal to the product of—

"(A) the applicable recapture percentage, and

"(B) the aggregate decrease in the credits allowed under section 38 for all prior taxable years which would have resulted if the qualified child care expenditures of the taxpayer described in subsection (c)(1)(A) with respect to such facility had been zero.

"(2) APPLICABLE RECAPTURE PERCENTAGE.—

"(A) IN GENERAL.—For purposes of this subsection, the applicable recapture percentage shall be determined from the following table:

| **"If the recapture event occurs in:** | **The applicable recapture percentage is:** |
|---|---|
| Year 1 | 100 |
| Year 2 | 80 |
| Year 3 | 60 |
| Year 4 | 40 |
| Year 5 | 20 |
| Years 6 and thereafter | 0. |

"(B) YEARS.—For purposes of subparagraph (A), year 1 shall begin on the first day of the taxable year in which the eligible qualified child care facility is placed in service by the taxpayer.

"(3) RECAPTURE EVENT DEFINED.—For purposes of this subsection, the term 'recapture event' means—

"(A) CESSATION OF OPERATION.—The cessation of the operation of the facility as an eligible qualified child care facility.

"(B) CHANGE IN OWNERSHIP.—

"(i) IN GENERAL.—Except as provided in clause (ii), the disposition of a taxpayer's interest in an eligible qualified child care facility with respect to which the credit described in subsection (a) was allowable.

"(ii) AGREEMENT TO ASSUME RECAPTURE LIABILITY.—Clause (i) shall not apply if the person acquiring such interest in the facility agrees in writing to assume the recapture liability of the person disposing of such interest in effect immediately before such disposition. In the event of such an assumption, the person acquiring the interest in the facility shall be treated as the taxpayer for purposes of assessing any recapture liability (computed as if there had been no change in ownership).

"(4) SPECIAL RULES.—

"(A) TAX BENEFIT RULE.—The tax for the taxable year shall be increased under paragraph (1) only with respect to credits allowed by reason of this section which were used to reduce tax liability. In the case of credits not so used to reduce tax liability, the carryforwards and carrybacks under section 39 shall be appropriately adjusted.

"(B) NO CREDITS AGAINST TAX.—Any increase in tax under this subsection shall not be treated as a tax imposed by this chapter for purposes of determining the amount of any credit under subpart A, B, or D of this part.

"(C) NO RECAPTURE BY REASON OF CASUALTY LOSS.—The increase in tax under this subsection shall not apply to a cessation of operation of the facility as a qualified child care facility by reason of a casualty loss to the extent such loss is restored by reconstruction or replacement within a reasonable period established by the Secretary.

"(e) SPECIAL RULES.—For purposes of this section—

"(1) AGGREGATION RULES.—All persons which are treated as a single employer under subsections (a) and (b) of section 52 shall be treated as a single taxpayer.

"(2) PASS-THRU IN THE CASE OF ESTATES AND TRUSTS.—Under regulations prescribed by the Secretary, rules similar to the rules of subsection (d) of section 52 shall apply.

"(3) ALLOCATION IN THE CASE OF PARTNERSHIPS.—In the case of partnerships, the credit shall be allocated among partners under regulations prescribed by the Secretary.

"(f) NO DOUBLE BENEFIT.—

"(1) REDUCTION IN BASIS.—For purposes of this subtitle—

"(A) IN GENERAL.—If a credit is determined under this section with respect to any property by reason of expenditures described in subsection (c)(1)(A), the basis of such property shall be reduced by the amount of the credit so determined.

"(B) CERTAIN DISPOSITIONS.—If during any taxable year there is a recapture amount determined with respect to any property the basis of which was reduced under subparagraph (A), the basis of such property (immediately before the event resulting in such recapture) shall be increased by an amount equal to such recapture amount. For purposes of the preceding sentence, the term 'recapture amount' means any increase in tax (or adjustment in carrybacks or carryovers) determined under subsection (d).

"(2) OTHER DEDUCTIONS AND CREDITS.—No deduction or credit shall be allowed under any other provision of this chapter with respect to the amount of the credit determined under this section."

(b) CONFORMING AMENDMENTS.—

(1) Section 38(b) is amended—

(A) by striking out "plus" at the end of paragraph (11),

(B) by striking out the period at the end of paragraph (12), and inserting a comma and "plus", and

(C) by adding at the end the following new paragraph:

"(13) the employer-provided child care credit determined under section 45D.".

(2) The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

"Sec. 45D. Employer-provided child care credit.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

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## ABRAHAM (AND OTHERS) AMENDMENT NO. 3827

Mr. ABRAHAM (for himself, Mr. FITZGERALD, Mrs. HUTCHISON, and Mr. GRAMS) proposed an amendment to the bill, H.R. 8, supra; as follows:

At the end, add the following:

### TITLE VI—TEMPORARY FEDERAL FUELS TAX REDUCTION

**SEC. 601. SHORT TITLE.**

This title may be cited as the "Motorists Relief Act of 2000".

**SEC. 602. TEMPORARY REDUCTION IN HIGHWAY FUEL TAXES ON GASOLINE, DIESEL FUEL, KEROSENE, AND SPECIAL FUELS TO ZERO.**

(a) IN GENERAL.—Section 4081 of the Internal Revenue Code of 1986 (relating to imposition of tax on gasoline, diesel fuel, and kerosene) is amended by adding at the end the following new subsection:

"(f) TEMPORARY REDUCTION IN TAXES ON GASOLINE, DIESEL FUEL, KEROSENE, AND SPECIAL FUELS.—

"(1) HOLDING HARMLESS HIGHWAY TRUST FUND AND APPORTIONMENTS.—In determining the amounts to be appropriated or transferred to the Highway Trust Fund under section 9503 an amount equal to the reduction in revenues to the Treasury by reason of a reduction in any rate of tax under paragraph (3) shall be treated for purposes of chapter 98 as taxes received in the Treasury at such rate. Amounts appropriated or transferred by reason of the preceding sentence shall be transferred from the general fund at such times and in such manner as to replicate to the extent possible the transfers which would have occurred to the Highway Trust Fund had this subsection not been enacted. Nothing in this subsection may be construed as authorizing a reduction in the apportionments of such Trust Fund to the States as a result of the temporary reduction in rates of tax under paragraph (3), except as otherwise provided by law.

"(2) PROTECTING SOCIAL SECURITY TRUST FUND.—If the Secretary, after consultation with the Director of the Office of Management and Budget, and based on the most recent available estimate of the Federal on-budget surplus for fiscal years 2000 and 2001, determines that such reduction would result in an aggregate reduction in revenues to the Treasury exceeding such surplus during the remainder of the applicable period, the Secretary shall modify such reduction such that each rate of tax referred to in paragraph (4) is reduced in a pro rata manner and such aggregate reduction does not exceed such surplus.

"(3) TEMPORARY REDUCTION IN RATES OF CERTAIN TAXES.—During the applicable period, each rate of tax referred to in paragraph (4) shall be reduced to zero.

"(4) RATES OF TAX.—The rates of tax referred to in this paragraph are the rates of tax otherwise applicable under—

"(A) clauses (i) and (iii) of subsection (a)(2)(A) (relating to gasoline, diesel fuel, and kerosene), and

"(B) paragraphs (1), (2), and (3) of section 4041(a) (relating to diesel fuel and special fuels) and section 4041(m) (relating to certain alcohol fuels) with respect to fuel sold for use or used in a highway vehicle.

"(5) SPECIAL REDUCTION RULES.—In the case of a reduction under paragraph (3)—

"(A) subsection (c) shall be applied without regard to paragraph (6) thereof,

"(B) section 40(e)(1) shall be applied without regard to subparagraph (B) thereof,

"(C) section 4041(d)(1) shall be applied by disregarding 'if tax is imposed by subsection (a)(1) or (2) on such sale or use', and

"(D) section 6427(b) shall be applied without regard to paragraph (2) thereof.

"(6) APPLICABLE PERIOD.—For purposes of this subsection, the term 'applicable period' means the 150-day period beginning after the date of the enactment of the Motorists Relief Act of 2000.

"(7) PREEMPTION OF STATE LAW.—No State tax may be increased by reason of any suspension of tax under this subsection.

"(8) RETURN REQUIREMENTS CONTINUE IN EFFECT.—Requirements for filing returns relating to any tax reduced under this subsection, and penalties for failing to file such returns, shall continue in effect as if this subsection had not been enacted. Such returns shall identify the amount of tax that would have been paid but for the enactment of this subsection.".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

**SEC. 603. FLOOR STOCK REFUNDS.**

(a) IN GENERAL.—If—

(1) before the tax reduction date, tax has been imposed under section 4041 or 4081 of the Internal Revenue Code of 1986 on any liquid, and

(2) on such date such liquid is held by a dealer and has not been used and is intended for sale,

there shall be credited or refunded (without interest) to the person who paid such tax (hereafter in this section referred to as the "taxpayer") an amount equal to the excess of the tax paid by the taxpayer over the amount of such tax which would be imposed on such liquid had the taxable event occurred on the tax reduction date.

(b) TIME FOR FILING CLAIMS.—No credit or refund shall be allowed or made under this section unless—

(1) claim therefor is filed with the Secretary of the Treasury before the date which is 6 months after the tax reduction date, and

(2) in any case where liquid is held by a dealer (other than the taxpayer) on the tax reduction date—

(A) the dealer submits a request for refund or credit to the taxpayer before the date which is 3 months after the tax reduction date, and

(B) the taxpayer files with the Secretary—

(i) a certification that the taxpayer has given, subsequent to receipt of the request for refund or credit from such dealer under subparagraph (A), a credit to such dealer with respect to such liquid against the dealer's first purchase of liquid from the taxpayer, and

(ii) a certification by such dealer that such dealer has given, subsequent to the tax suspension date, a credit to a succeeding dealer (if any) with respect to such liquid against the succeeding dealer's first purchase of liquid from such dealer.

(c) REASONABLENESS OF CLAIMS CERTIFIED.—Any certification made under subsection (b)(1)(B) shall include an additional certification that the claim for credit was reasonably based on the taxpayer's or dealer's past business relationship with the succeeding dealer.

(d) DEFINITIONS.—For purposes of this section—

(1) the terms "dealer" and "held by a dealer" have the respective meanings given to such terms by section 6412 of such Code; except that the term "dealer" includes a producer, and

(2) the term "tax reduction date" means the day after the date of the enactment of this Act.

(e) CERTAIN RULES TO APPLY.—Rules similar to the rules of subsections (b) and (c) of section 6412 of such Code shall apply for purposes of this section.

**SEC. 604. FLOOR STOCKS TAX.**

(a) IMPOSITION OF TAX.—In the case of any liquid on which tax would have been imposed under section 4041 or 4081 of the Internal Revenue Code of 1986 during the applicable period but for the amendments made by this Act, and which is held on the floor stocks tax date by any person, there is hereby imposed a floor stocks tax equal to the excess of the tax which would be imposed on such liquid had the taxable event occurred on such date over the tax previously paid (if any) on such liquid.

(b) LIABILITY FOR TAX AND METHOD OF PAYMENT.—

(1) LIABILITY FOR TAX.—A person holding a liquid on the floor stocks tax date to which the tax imposed by subsection (a) applies shall be liable for such tax.

(2) METHOD OF PAYMENT.—The tax imposed by subsection (a) shall be paid in such manner as the Secretary of the Treasury shall prescribe.

(3) TIME FOR PAYMENT.—The tax imposed by subsection (a) shall be paid on or before the date which is 45 days after the floor stocks tax date.

(c) DEFINITIONS.—For purposes of this section—

(1) HELD BY A PERSON.—A liquid shall be considered as "held by a person" if title thereto has passed to such person (whether or not delivery to the person has been made).

(2) FLOOR STOCKS TAX DATE.—The term "floor stocks tax date" means the day after the date which is 150 days after the date of the enactment of this Act.

(3) APPLICABLE PERIOD.—The term "applicable period" means the 150-day period beginning after the date of the enactment of this Act.

(d) EXCEPTION FOR EXEMPT USES.—The tax imposed by subsection (a) shall not apply to any liquid held by any person exclusively for any use to the extent a credit or refund of the tax referred to in section 4081(f)(4) of the Internal Revenue Code of 1986 (as added by section 602) is allowable for such use.

(e) EXCEPTION FOR CERTAIN AMOUNTS OF FUEL.—

(1) IN GENERAL.—No tax shall be imposed by subsection (a) on any liquid held on the floor stocks tax date by any person if the aggregate amount of such liquid held by such person on such date does not exceed 2,000 gallons. The preceding sentence shall apply only if such person submits to the Secretary (at the time and in the manner required by the Secretary) such information as the Secretary shall require for purposes of this paragraph.

(2) EXEMPT FUEL.—For purposes of paragraph (1), there shall not be taken into account any liquid held by any person which is exempt from the tax imposed by subsection (a) by reason of subsection (d).

(3) Controlled groups.—For purposes of this subsection—

(A) Corporations.—

(i) In general.—All persons treated as a controlled group shall be treated as 1 person.

(ii) Controlled group.—The term "controlled group" has the meaning given to such term by subsection (a) of section 1563 of such Code; except that for such purposes the phrase "more than 50 percent" shall be substituted for the phrase "at least 80 percent" each place it appears in such subsection.

(B) Nonincorporated persons under common control.—Under regulations prescribed by the Secretary, principles similar to the principles of subparagraph (A) shall apply to a group of persons under common control where 1 or more of such persons is not a corporation.

(g) Other Law Applicable.—All provisions of law, including penalties, applicable with respect to the taxes imposed by section 4041 or 4081 of such Code shall, insofar as applicable and not inconsistent with the provisions of this subsection, apply with respect to the floor stock taxes imposed by subsection (a) to the same extent as if such taxes were imposed by such section 4041 or 4081.

### SEC. 605. BENEFITS OF TAX REDUCTION SHOULD BE PASSED ON TO CONSUMERS.

(a) Passthrough to Consumers.—

(1) Sense of congress.—It is the sense of Congress that—

(A) consumers immediately receive the benefit of the reduction in taxes under this Act, and

(B) transportation motor fuels producers and other dealers take such actions as necessary to reduce transportation motor fuels prices to reflect such reduction, including immediate credits to customer accounts representing tax credits or refunds under 604.

(2) Study.—

(A) In general.—The Comptroller General of the United States shall conduct a study of the reduction of taxes under this Act to determine whether there has been a passthrough of such reduction.

(B) Report.—Not later than 90 days after the date of the enactment of this Act, the Comptroller General of the United States shall report to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives the results of the study conducted under subparagraph (A).

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## BINGAMAN (AND OTHERS) AMENDMENT NO. 3828

Mr. BINGAMAN (for himself, Mr. Kennedy, Mrs. Murray, Mr. Dodd, Mr. Kerry, Mr. Schumer, and Mr. Dorgan) proposed an amendment to the bill, H.R. 8, supra; as follows:

Strike all after the first word and insert:

### 1. SHORT TITLE.

(a) Short Title.—This Act may be cited as the "Estate Tax Relief Act of 2000".

(b) Amendment of 1986 Code.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

### SEC. 2. INCREASE IN AMOUNT OF UNIFIED CREDIT AGAINST ESTATE AND GIFT TAXES.

(a) In General.—The table contained in section 2010(c) (relating to applicable credit amount) is amended to read as follows:

| **"In the case of estates of decedents dying, and gifts made, during:** | **The applicable exclusion amount is:** |
|---|---|
| 2001, 2002, 2003, 2004, and 2005 | $1,000,000 |
| 2006 and 2007 | $1,125,000 |
| 2008 | $1,500,000 |
| 2009 or thereafter | $2,000,000." |

(b) Effective Date.—The amendment made by this section shall apply to the estates of decedents dying, and gifts made, after December 31, 2000.

### SEC. 3. INCREASE IN QUALIFIED FAMILY-OWNED BUSINESS INTEREST DEDUCTION AMOUNT.

(a) In General.—Paragraph (2) of section 2057(a) (relating to family-owned business interests) is amended to read as follows:

"(2) Maximum deduction.—

"(A) In general.—The deduction allowed by this section shall not exceed the sum of—

"(i) the applicable deduction amount, plus

"(ii) in the case of a decedent described in subparagraph (C), the applicable unused spousal deduction amount.

"(B) Applicable deduction amount.—For purposes of this subparagraph (A)(i), the applicable deduction amount is determined in accordance with the following table:

| **"In the case of estates of decedents dying during:** | **The applicable deduction amount is:** |
|---|---|
| 2001, 2002, 2003, 2004, and 2005 | $1,375,000 |
| 2006 and 2007 | $1,625,000 |
| 2008 | $2,375,000 |
| 2009 or thereafter | $3,375,000. |

"(C) Applicable unused spousal deduction amount.—With respect to a decedent whose immediately predeceased spouse died after December 31, 2000, and the estate of such immediately predeceased spouse met the requirements of subsection (b)(1), the applicable unused spousal deduction amount for such decedent is equal to the excess of—

"(i) the applicable deduction amount allowable under this section to the estate of such immediately predeceased spouse, over

"(ii) the sum of—

"(I) the applicable deduction amount allowed under this section to the estate of such immediately predeceased spouse, plus

"(II) the amount of any increase in such estate's unified credit under paragraph (3)(B) which was allowed to such estate."

(b) Conforming Amendments.—Section 2057(a)(3)(B) is amended—

(1) by striking "$675,000" both places it appears and inserting "the applicable deduction amount", and

(2) by striking "$675,000" in the heading and inserting "APPLICABLE DEDUCTION AMOUNT".

(c) Effective Date.—The amendment made by this section shall apply to the estates of decedents dying, and gifts made, after December 31, 2000.

### SEC. 4. APPROPRIATIONS.

There are appropriated, out of any money in the Treasury not otherwise appropriated, the following amounts:

(1) $1,750,000,000 to carry out class size reduction activities in the same manner as such activities are carried out under section 310 of the Department of Education Appropriations Act, 2000.

(2) $2,200,000,000 to carry out title II of the Elementary and Secondary Education Act of 1965 and title II of the Higher Education Act of 1965.

(3) $250,000,000 to carry out sections 1116 and 1117 of the Elementary and Secondary Education Act of 1965.

(4) $1,000,000,000 to carry out part I of title X of the Elementary and Secondary Education Act of 1965.

(5) $325,000,000 to carry out chapter 2 of subpart 2 of part A of title IV of the Higher Education Act of 1965.

(6) $1,000,000,000 to carry out part B of the Individuals with Disabilities Education Act.

(7) $3,000,000,000 to enable the Secretary of Education to carry out a College Completion Grant Program.

(8) $150,000,000 to carry out part D of title I of the Elementary and Secondary Education Act of 1965.

(9) $1,300,000,000 to carry out title XII of the Elementary and Secondary Education Act of 1965.

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## ROTH (AND OTHERS) AMENDMENT NO. 3829

Mr. ROTH (for himself, Mr. Breaux, Mr. Nickles, Mr. Robb, Mr. Murkowski, Ms. Collins, and Mr. Baucus) proposed an amendment to the bill, H.R. 8, supra; as follows:

At the end, add the following:

### TITLE VI—REPEAL OF EXCISE TAX ON TELEPHONE AND OTHER COMMUNICATIONS SERVICES

### SEC. 601. REPEAL OF EXCISE TAX ON TELEPHONE AND OTHER COMMUNICATIONS SERVICES.

(a) In General.—Chapter 33 (relating to facilities and services) is amended by striking subchapter B.

(b) Conforming Amendments.—

(1) Section 4293 is amended by striking "chapter 32 (other than the taxes imposed by sections 4064 and 4121) and subchapter B of chapter 33," and inserting "and chapter 32 (other than the taxes imposed by sections 4064 and 4121),".

(2)(A) Paragraph (1) of section 6302(e) is amended by striking "section 4251 or".

(B) Paragraph (2) of section 6302(e) is amended by striking "imposed by—" and all that follows through "with respect to" and inserting "imposed by section 4261 or 4271 with respect to".

(C) The subsection heading for section 6302(e) is amended by striking "Communications Services and".

(3) Section 6415 is amended by striking "4251, 4261, or 4271" each place it appears and inserting "4261 or 4271".

(4) Paragraph (2) of section 7871(a) is amended by inserting "or" at the end of subparagraph (B), by striking subparagraph (C), and by redesignating subparagraph (D) as subparagraph (C).

(5) The table of subchapters for chapter 33 is amended by striking the item relating to subchapter B.

(c) Study Regarding Continuing Economic Benefit of Repeal.—

(1) Study.—The Comptroller General of the United States, after consultation with the Chairman of the Federal Communications Commission, shall study and identify—

(A) the extent to which the benefits of the repeal of the excise tax on telephone and other communication services under subsection (a) are passed through to individual and business consumers, and

(B) any actions taken by communication service providers or others that diminish such benefits, including increases in any regulated or unregulated communication service provider charges or increases in other Federal or State fees or taxes related to such service occurring since the date of such repeal.

(2) Report.—By not later than September 1, 2001, the Comptroller General of the United States shall submit a report regarding the study described in paragraph (1) to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate.

(d) Effective Date.—The amendments made by this section shall apply to amounts paid pursuant to bills first rendered after August 31, 2000.

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## PROVIDING MARRIAGE TAX RELIEF

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### TORRICELLI AMENDMENT NO. 3831

(Ordered to lie on the table.)

Mr. TORRICELLI submitted an amendment intended to be proposed by him to the bill (S. 2839) to amend the Internal Revenue Code of 1986 to provide marriage tax relief by adjusting the standard deduction, 15-percent and 28-percent rate brackets, and earned income credit, and for other purposes; as follows:

At the end, add the following:

**SEC. . MODIFICATIONS TO DISASTER CASUALTY LOSS DEDUCTION.**

(a) Lower Adjusted Gross Income Threshold.—Paragraph (2) of section 165(h) of the Internal Revenue Code of 1986 (relating to treatment of casualty gains and losses) is amended—

(1) by striking subparagraph (A) and inserting the following:

"(A) In general.—If the personal casualty losses for any taxable year exceed the personal casualty gains for such taxable year, such losses shall be allowed for the taxable year only to the extent of the sum of—

"(i) the amount of the personal casualty gains for the taxable year, plus

"(ii) so much of such excess attributable to losses described in subsection (i) as exceeds 5 percent of the adjusted gross income of the individual (determined without regard to any deduction allowable under subsection (c)(3))", plus

"(iii) so much of such excess attributable to losses not described in subsection (i) as exceeds 10 percent of the adjusted gross income of the individual.

For purposes of this subparagraph, personal casualty losses attributable to losses not described in subsection (i) shall be considered before such losses attributable to losses described in subsection (i).", and

(2) by striking "10 PERCENT" in the heading and inserting "PERCENTAGE".

(b) Above-The-Line Deduction.—Section 62(a) of the Internal Revenue Code of 1986 (defining adjusted gross income) is amended by inserting after paragraph (17) the following:

"(18) Certain disaster losses.—The deduction allowed by section 165(c)(3) to the extent attributable to losses described in section 165(i)."

(c) Election To Take Disaster Loss Deduction for Preceding or Succeeding 2 Years.—Paragraph (1) of section 165(i) of the Internal Revenue Code of 1986 (relating to disaster losses) is amended—

(1) by inserting "or succeeding" after "preceding", and

(2) by inserting "OR SUCCEEDING" after "PRECEDING" in the heading.

(d) Elimination of Marriage Penalty for Individuals Suffering Casualty Losses.—Subparagraph (B) of section 165(h)(4) of the Internal Revenue Code of 1986 (relating to special rules) is amended to read as follows:

"(B) Joint returns.—For purposes of this subsection—

"(i) In general.—Except as provided in clause (ii), a husband and wife making a joint return for the taxable year shall be treated as 1 individual.

"(ii) Election.—A husband and wife may elect to have each be treated as a single individual for purposes of applying this section. If an election is made under this clause, the adjusted gross income of each individual shall be determined on the basis of the items of income and deduction properly allocable to the individual, as determined under rules prescribed by the Secretary."

(e) Effective Date.—The amendments made by this section shall apply to losses sustained in taxable years beginning after December 31, 2000.

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### TORRICELLI (AND REID) AMENDMENT NO. 3834

(Ordered to lie on the table.)

Mr. TORRICELLI (for himself and Mr. Reid) submitted an amendment intended to be proposed by him to the bill, S. 2839, supra; as follows:

At the end of the bill, add the following:

**SEC. 7. INCREASED LEAD POISONING SCREENINGS AND TREATMENTS UNDER THE MEDICAID PROGRAM.**

(a) Reporting Requirement.—Section 1902(a)(43)(D) of the Social Security Act (42 U.S.C. 1396a(a)(43)(D)) is amended—

(1) in clause (iii), by striking "and" at the end;

(2) in clause (iv), by striking the semicolon and inserting ", and"; and

(3) by adding at the end the following:

"(v) the number of children who are under the age of 3 and enrolled in the State plan and the number of those children who have received a blood lead screening test;".

(b) Mandatory Screening Requirements.—Section 1902(a) of the Social Security Act (42 U.S.C. 1396a(a)) is amended—

(1) in paragraph (64), by striking "and" at the end;

(2) in paragraph (65), by striking the period and inserting "; and"; and

(3) by inserting after paragraph (65) the following:

"(66) provide that each contract entered into between the State and an entity (including a health insuring organization and a medicaid managed care organization) that is responsible for the provision (directly or through arrangements with providers of services) of medical assistance under the State plan shall provide for—

"(A) compliance with mandatory blood lead screening requirements that are consistent with prevailing guidelines of the Centers for Disease Control and Prevention for such screening; and

"(B) coverage of qualified lead treatment services described in section 1905(x) including diagnosis, treatment, and follow-up furnished for children with elevated blood lead levels in accordance with prevailing guidelines of the Centers for Disease Control and Prevention.".

(c) Reimbursement for Treatment of Children With Elevated Blood Lead Levels.—Section 1905 of the Social Security Act (42 U.S.C. 1396d) is amended—

(1) in subsection (a)—

(A) in paragraph (26), by striking "and" at the end;

(B) by redesignating paragraph (27) as paragraph (28); and

(C) by inserting after paragraph (26) the following:

"(27) qualified lead treatment services (as defined in subsection (x)); and"; and

(2) by adding at the end the following:

"(x)(1) In this subsection:

"(A) The term 'qualified lead treatment services' means the following:

"(i) Lead-related medical management, as defined in subparagraph (B).

"(ii) Lead-related case management, as defined in subparagraph (C), for a child described in paragraph (2).

"(iii) Lead-related anticipatory guidance, as defined in subparagraph (D), provided as part of—

"(I) prenatal services;

"(II) early and periodic screening, diagnostic, and treatment services (EPSDT) services described in subsection (r) and available under subsection (a)(4)(B) (including as described and available under implementing regulations and guidelines) to individuals enrolled in the State plan under this title who have not attained age 21; and

"(III) routine pediatric preventive services.

"(B) The term 'lead-related medical management' means the provision and coordination of the diagnostic, treatment, and follow-up services provided for a child diagnosed with an elevated blood lead level (EBLL) that includes—

"(i) a clinical assessment, including a physical examination and medically indicated tests (in addition to diagnostic blood lead level tests) and other diagnostic procedures to determine the child's developmental, neurological, nutritional, and hearing status, and the extent, duration, and possible source of the child's exposure to lead;

"(ii) repeat blood lead level tests furnished when medically indicated for purposes of monitoring the blood lead concentrations in the child;

"(iii) pharmaceutical services, including chelation agents and other drugs, vitamins, and minerals prescribed for treatment of an EBLL;

"(iv) medically indicated inpatient services including pediatric intensive care and emergency services;

"(v) medical nutrition therapy when medically indicated by a nutritional assessment, that shall be furnished by a dietitian or other nutrition specialist who is authorized to provide such services under State law;

"(vi) referral—

"(I) when indicated by a nutritional assessment, to the State agency or contractor administering the program of assistance under the special supplemental food program for women, infants and children (WIC) under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786) and coordination of clinical management with that program; and

"(II) when indicated by a clinical or developmental assessment, to the State agency responsible for early intervention and special education programs under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.); and

"(vii) environmental investigation, as defined in subparagraph (E).

"(C) The term 'lead-related case management' means the coordination, provision, and oversight of the nonmedical services for a child with an EBLL necessary to achieve reductions in the child's blood lead levels, improve the child's nutrition, and secure needed resources and services to protect the child by a case manager trained to develop and oversee a multi-disciplinary plan for a child with an EBLL or by a childhood lead poisoning prevention program, as defined by the Secretary. Such services include—

"(i) assessing the child's environmental, nutritional, housing, family, and insurance status and identifying the family's immediate needs to reduce lead exposure through an initial home visit;

"(ii) developing a multidisciplinary case management plan of action that addresses the provision and coordination of each of the following classes of services as appropriate—

"(I) whether or not such services are covered under the State plan under this title;

"(II) lead-related medical management of an EBLL (including environmental investigation);

"(III) nutrition services;

"(IV) family lead education;

"(V) housing;

"(VI) early intervention services;

"(VII) social services; and

"(VIII) other services or programs that are indicated by the child's clinical status and environmental, social, educational, housing, and other needs;

"(iii) assisting the child (and the child's family) in gaining access to covered and noncovered services in the case management plan developed under clause (ii);

"(iv) providing technical assistance to the provider that is furnishing lead-related medical management for the child; and

"(v) implementation and coordination of the case management plan developed under clause (ii) through home visits, family lead education, and referrals.

"(D) The term 'lead-related anticipatory guidance' means education and information for families of children and pregnant women enrolled in the State plan under this title about prevention of childhood lead poisoning that addresses the following topics:

"(i) The importance of lead screening tests and where and how to obtain such tests.

"(ii) Identifying lead hazards in the home.

"(iii) Specialized cleaning, home maintenance, nutritional, and other measures to minimize the risk of childhood lead poisoning.

"(iv) The rights of families under the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851 et seq.).

"(E) The term 'environmental investigation' means the process of determining the source of a child's exposure to lead by an individual that is certified or registered to perform such investigations under State or local law, including the collection and analysis of information and environmental samples from a child's living environment. For purposes of this subparagraph, a child's living environment includes the child's residence or residences, residences of frequently visited caretakers, relatives, and playmates, and the child's day care site. Such investigations shall be conducted in accordance with the standards of the Department of Housing and Urban Development for the evaluation and control of lead-based paint hazards in housing and in compliance with State and local health agency standards for environmental investigation and reporting.

"(2) For purposes of paragraph (1)(A)(ii), a child described in this paragraph is a child who—

"(A) has attained 6 months but has not attained 6 years of age; and

"(B) has been identified as having a blood lead level that equals or exceeds 20 micrograms per deciliter (or after 2 consecutive tests, equals or exceeds 15 micrograms per deciliter, or the applicable number of micrograms designated for such tests under prevailing guidelines of the Centers for Disease Control and Prevention).".

(d) ENHANCED MATCH FOR DATA COMMUNICATIONS SYSTEM.—Section 1903(a)(3) of the Social Security Act (42 U.S.C. 1396b(a)(3)) is amended—

(1) in subparagraph (D), by striking "plus" at the end and inserting "and"; and

(2) by inserting after subparagraph (D), the following:

"(E)(i) 90 percent of so much of the sums expended during such quarter as are attributable to the design, development, or installation of an information retrieval system that may be easily accessed and used by other federally-funded means-tested public benefit programs to determine whether a child is enrolled in the State plan under this title and whether an enrolled child has received mandatory early and periodic screening, diagnostic, and treatment services, as described in section 1905(r); and

"(ii) 75 percent of so much of the sums expended during such quarter as are attributable to the operation of a system (whether such system is operated directly by the State or by another person under a contract with the State) of the type described in clause (i); plus".

(e) REPORT.—The Secretary of Health and Human Services, acting through the Administrator of the Health Care Financing Administration, annually shall report to Congress on the number of children enrolled in the medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) who have received a blood lead screening test during the prior fiscal year, noting the percentage that such children represent as compared to all children enrolled in that program.

(f) RULE OF CONSTRUCTION.—Nothing in this section or in any amendment made by this section shall be construed as prohibiting the Secretary of Health and Human Services or the State agency administering the State plan under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) from using funds provided under title XIX of that Act to reimburse a State or entity for expenditures for medically necessary activities in the home of a lead-poisoned child to prevent additional exposure to lead, including specialized cleaning of lead-contaminated dust, emergency relocation, safe repair of peeling paint, dust control, and other activities that reduce lead exposure.

## TORRICELLI AMENDMENTS NOS. 3832–3833

(Ordered to lie on the table.)

Mr. TORRICELLI submitted two amendments intended to be proposed by him to the bill, S. 2839, supra; as follows:

### AMENDMENT NO. 3832

At the end of the bill, add the following:

**SEC. 7. WAIVER OF 24-MONTH WAITING PERIOD FOR MEDICARE COVERAGE OF INDIVIDUALS DISABLED WITH AMYOTROPHIC LATERAL SCLEROSIS (ALS).**

(a) IN GENERAL.—Section 226 of the Social Security Act (42 U.S.C. 426) is amended—

(1) by redesignating subsection (h) as subsection (j) and by moving such subsection to the end of the section; and

(2) by inserting after subsection (g) the following:

"(h) For purposes of applying this section in the case of an individual medically determined to have amyotrophic lateral sclerosis (ALS), the following special rules apply:

"(1) Subsection (b) shall be applied as if there were no requirement for any entitlement to benefits, or status, for a period longer than 1 month.

"(2) The entitlement under such subsection shall begin with the first month (rather than twenty-fifth month) of entitlement or status.

"(3) Subsection (f) shall not be applied.".

(b) CONFORMING AMENDMENT.—Section 1837 of such Act (42 U.S.C. 1395p) is amended by adding at the end the following:

"(j) In applying this section in the case of an individual who is entitled to benefits under part A pursuant to the operation of section 226(h), the following special rules apply:

"(1) The initial enrollment period under subsection (d) shall begin on the first day of the first month in which the individual satisfies the requirement of section 1836(1).

"(2) In applying subsection (g)(1), the initial enrollment period shall begin on the first day of the first month of entitlement to disability insurance benefits referred to in such subsection.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to benefits for months beginning after the date of the enactment of this Act.

### AMENDMENT NO. 3833

At the end, add the following:

**SEC. . ELIMINATION OF MARRIAGE PENALTY FOR INDIVIDUALS SUFFERING CASUALTY LOSSES.**

(a) IN GENERAL.—Subparagraph (B) of section 165(h)(4) of the Internal Revenue Code of 1986 (relating to special rules) is amended to read as follows:

"(B) JOINT RETURNS.—For purposes of this subsection—

"(i) IN GENERAL.—Except as provided in clause (ii), a husband and wife making a joint return for the taxable year shall be treated as 1 individual.

"(ii) ELECTION.—A husband and wife may elect to have each be treated as a single individual for purposes of applying this section. If an election is made under this clause, the adjusted gross income of each individual shall be determined on the basis of the items of income and deduction properly allocable to the individual, as determined under rules prescribed by the Secretary."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to losses sustained in taxable years beginning after December 31, 2000.

## DEATH TAX ELIMINATION ACT

## GRASSLEY (AND OTHERS) AMENDMENT NO. 3834

Mr. GRASSLEY (for himself, Mr. CRAIG, Mr. BURNS, Mr. LUGAR, Mr. BROWNBACK, Mr. GRAMS, and Mr. HARKIN) proposed an amendment to the bill, H.R. 8, supra; as follows:

At the end of the bill, add the following:

### TITLE VI—TAX RELIEF FOR FARMERS

**SEC. 601. FARM, FISHING, AND RANCH RISK MANAGEMENT ACCOUNTS.**

(a) IN GENERAL.—Subpart C of part II of subchapter E of chapter 1 (relating to taxable year for which deductions taken) is amended by inserting after section 468B the following:

**"SEC. 468C. FARM, FISHING, AND RANCH RISK MANAGEMENT ACCOUNTS.**

"(a) DEDUCTION ALLOWED.—In the case of an individual engaged in an eligible farming business or commercial fishing, there shall be allowed as a deduction for any taxable year the amount paid in cash by the taxpayer during the taxable year to a Farm, Fishing, and Ranch Risk Management Account (hereinafter referred to as the 'FFARRM Account').

"(b) Limitation.—

"(1) Contributions.—The amount which a taxpayer may pay into the FFARRM Account for any taxable year shall not exceed 20 percent of so much of the taxable income of the taxpayer (determined without regard to this section) which is attributable (determined in the manner applicable under section 1301) to any eligible farming business or commercial fishing.

"(2) Distributions.—Distributions from a FFARRM Account may not be used to purchase, lease, or finance any new fishing vessel, add capacity to any fishery, or otherwise contribute to the overcapitalization of any fishery. The Secretary of Commerce shall implement regulations to enforce this paragraph.

"(c) Eligible Businesses.—For purposes of this section—

"(1) Eligible farming business.—The term 'eligible farming business' means any farming business (as defined in section 263A(e)(4)) which is not a passive activity (within the meaning of section 469(c)) of the taxpayer.

"(2) Commercial Fishing.—The term 'commercial fishing' has the meaning given such term by section (3) of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1802) but only if such fishing is not a passive activity (within the meaning of section 469(c)) of the taxpayer.

"(d) FFARRM Account.—For purposes of this section—

"(1) In general.—The term 'FFARRM Account' means a trust created or organized in the United States for the exclusive benefit of the taxpayer, but only if the written governing instrument creating the trust meets the following requirements:

"(A) No contribution will be accepted for any taxable year in excess of the amount allowed as a deduction under subsection (a) for such year.

"(B) The trustee is a bank (as defined in section 408(n)) or another person who demonstrates to the satisfaction of the Secretary that the manner in which such person will administer the trust will be consistent with the requirements of this section.

"(C) The assets of the trust consist entirely of cash or of obligations which have adequate stated interest (as defined in section 1274(c)(2)) and which pay such interest not less often than annually.

"(D) All income of the trust is distributed currently to the grantor.

"(E) The assets of the trust will not be commingled with other property except in a common trust fund or common investment fund.

"(2) Account taxed as grantor trust.—The grantor of a FFARRM Account shall be treated for purposes of this title as the owner of such Account and shall be subject to tax thereon in accordance with subpart E of part I of subchapter J of this chapter (relating to grantors and others treated as substantial owners).

"(e) Inclusion of Amounts Distributed.—

"(1) In general.—Except as provided in paragraph (2), there shall be includible in the gross income of the taxpayer for any taxable year—

"(A) any amount distributed from a FFARRM Account of the taxpayer during such taxable year, and

"(B) any deemed distribution under—

"(i) subsection (f)(1) (relating to deposits not distributed within 5 years),

"(ii) subsection (f)(2) (relating to cessation in eligible farming business), and

"(iii) subparagraph (A) or (B) of subsection (f)(3) (relating to prohibited transactions and pledging account as security).

"(2) Exceptions.—Paragraph (1)(A) shall not apply to—

"(A) any distribution to the extent attributable to income of the Account, and

"(B) the distribution of any contribution paid during a taxable year to a FFARRM Account to the extent that such contribution exceeds the limitation applicable under subsection (b) if requirements similar to the requirements of section 408(d)(4) are met.

For purposes of subparagraph (A), distributions shall be treated as first attributable to income and then to other amounts.

"(f) Special Rules.—

"(1) Tax on deposits in account which are not distributed within 5 years.—

"(A) In general.—If, at the close of any taxable year, there is a nonqualified balance in any FFARRM Account—

"(i) there shall be deemed distributed from such Account during such taxable year an amount equal to such balance, and

"(ii) the taxpayer's tax imposed by this chapter for such taxable year shall be increased by 10 percent of such deemed distribution.

The preceding sentence shall not apply if an amount equal to such nonqualified balance is distributed from such Account to the taxpayer before the due date (including extensions) for filing the return of tax imposed by this chapter for such year (or, if earlier, the date the taxpayer files such return for such year).

"(B) Nonqualified balance.—For purposes of subparagraph (A), the term 'nonqualified balance' means any balance in the Account on the last day of the taxable year which is attributable to amounts deposited in such Account before the 4th preceding taxable year.

"(C) Ordering rule.—For purposes of this paragraph, distributions from a FFARRM Account (other than distributions of current income) shall be treated as made from deposits in the order in which such deposits were made, beginning with the earliest deposits.

"(2) Cessation in eligible business.—At the close of the first disqualification period after a period for which the taxpayer was engaged in an eligible farming business or commercial fishing, there shall be deemed distributed from the FFARRM Account of the taxpayer an amount equal to the balance in such Account (if any) at the close of such disqualification period. For purposes of the preceding sentence, the term 'disqualification period' means any period of 2 consecutive taxable years for which the taxpayer is not engaged in an eligible farming business or commercial fishing.

"(3) Certain rules to apply.—Rules similar to the following rules shall apply for purposes of this section:

"(A) Section 220(f)(8) (relating to treatment on death).

"(B) Section 408(e)(2) (relating to loss of exemption of account where individual engages in prohibited transaction).

"(C) Section 408(e)(4) (relating to effect of pledging account as security).

"(D) Section 408(g) (relating to community property laws).

"(E) Section 408(h) (relating to custodial accounts).

"(4) Time when payments deemed made.—For purposes of this section, a taxpayer shall be deemed to have made a payment to a FFARRM Account on the last day of a taxable year if such payment is made on account of such taxable year and is made on or before the due date (without regard to extensions) for filing the return of tax for such taxable year.

"(5) Individual.—For purposes of this section, the term 'individual' shall not include an estate or trust.

"(6) Deduction not allowed for self-employment tax.—The deduction allowable by reason of subsection (a) shall not be taken into account in determining an individual's net earnings from self-employment (within the meaning of section 1402(a)) for purposes of chapter 2.

"(g) Reports.—The trustee of a FFARRM Account shall make such reports regarding such Account to the Secretary and to the person for whose benefit the Account is maintained with respect to contributions, distributions, and such other matters as the Secretary may require under regulations. The reports required by this subsection shall be filed at such time and in such manner and furnished to such persons at such time and in such manner as may be required by such regulations.".

(b) Tax on Excess Contributions.—

(1) Subsection (a) of section 4973 (relating to tax on excess contributions to certain tax-favored accounts and annuities) is amended by striking "or" at the end of paragraph (3), by redesignating paragraph (4) as paragraph (5), and by inserting after paragraph (3) the following:

"(4) a FFARRM Account (within the meaning of section 468C(d)), or".

(2) Section 4973 is amended by adding at the end the following:

"(g) Excess Contributions to FFARRM Accounts.—For purposes of this section, in the case of a FFARRM Account (within the meaning of section 468C(d)), the term 'excess contributions' means the amount by which the amount contributed for the taxable year to the Account exceeds the amount which may be contributed to the Account under section 468C(b) for such taxable year. For purposes of this subsection, any contribution which is distributed out of the FFARRM Account in a distribution to which section 468C(e)(2)(B) applies shall be treated as an amount not contributed.".

(3) The section heading for section 4973 is amended to read as follows:

**"SEC. 4973. EXCESS CONTRIBUTIONS TO CERTAIN ACCOUNTS, ANNUITIES, ETC.".**

(4) The table of sections for chapter 43 is amended by striking the item relating to section 4973 and inserting the following:

"Sec. 4973. Excess contributions to certain accounts, annuities, etc.".

(c) Tax on Prohibited Transactions.—

(1) Subsection (c) of section 4975 (relating to tax on prohibited transactions) is amended by adding at the end the following:

"(6) Special rule for FFARRM accounts.—A person for whose benefit a FFARRM Account (within the meaning of section 468C(d)) is established shall be exempt from the tax imposed by this section with respect to any transaction concerning such account (which would otherwise be taxable under this section) if, with respect to such transaction, the account ceases to be a FFARRM Account by reason of the application of section 468C(f)(3)(A) to such account.".

(2) Paragraph (1) of section 4975(e) is amended by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively, and by inserting after subparagraph (D) the following:

"(E) a FFARRM Account described in section 468C(d),".

(d) Failure To Provide Reports on FFARRM Accounts.—Paragraph (2) of section 6693(a) (relating to failure to provide reports on certain tax-favored accounts or annuities) is amended by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively, and by inserting after subparagraph (B) the following:

"(C) section 468C(g) (relating to FFARRM Accounts),".

(e) Clerical Amendment.—The table of sections for subpart C of part II of subchapter E of chapter 1 is amended by inserting after the item relating to section 468B the following:

"Sec. 468C. Farm, Fishing and Ranch Risk Management Accounts.".

(f) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

### SEC. 602. WRITTEN AGREEMENT RELATING TO EXCLUSION OF CERTAIN FARM RENTAL INCOME FROM NET EARNINGS FROM SELF-EMPLOYMENT.

(a) Internal Revenue Code.—Section 1402(a)(1)(A) (relating to net earnings from self-employment) is amended by striking "an arrangement" and inserting "a lease agreement".

(b) Social Security Act.—Section 211(a)(1)(A) of the Social Security Act is amended by striking "an arrangement" and inserting "a lease agreement".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

### SEC. 603. TREATMENT OF CONSERVATION RESERVE PROGRAM PAYMENTS AS RENTALS FROM REAL ESTATE.

(a) In General.—Section 1402(a)(1) (defining net earnings from self-employment) is amended by inserting "and including payments under section 1233(2) of the Food Security Act of 1985 (16 U.S.C. 3833(2))" after "crop shares".

(b) Effective Date.—The amendment made by this section shall apply to payments made before, on, or after the date of the enactment of this Act.

### SEC. 604. EXEMPTION OF AGRICULTURAL BONDS FROM STATE VOLUME CAP.

(a) In General.—Section 146(g) (relating to exception for certain bonds) is amended by striking "and" at the end of paragraph (3), by striking the period at the end of paragraph (4) and inserting ", and", and by inserting after paragraph (4) the following:

"(5) any qualified small issue bond described in section 144(a)(12)(B)(ii).".

(b) Effective Date.—The amendments made by this section shall apply to bonds issued after the date of enactment of this Act.

### SEC. 605. MODIFICATIONS TO SECTION 512(b)(13).

(a) In General.—Paragraph (13) of section 512(b) is amended by redesignating subparagraph (E) as subparagraph (F) and by inserting after subparagraph (D) the following new paragraph:

"(E) Paragraph to apply only to excess payments.—

"(i) In general.—Subparagraph (A) shall apply only to the portion of a specified payment received by the controlling organization that exceeds the amount which would have been paid if such payment met the requirements prescribed under section 482.

"(ii) Addition to tax for valuation misstatements.—The tax imposed by this chapter on the controlling organization shall be increased by an amount equal to 20 percent of such excess.".

(b) Effective Date.—

(1) In general.—The amendment made by this section shall apply to payments received or accrued after December 31, 2000.

(2) Payments subject to binding contract transition rule.—If the amendments made by section 1041 of the Taxpayer Relief Act of 1997 do not apply to any amount received or accrued after the date of the enactment of this Act under any contract described in subsection (b)(2) of such section, such amendments also shall not apply to amounts received or accrued under such contract before January 1, 2001.

### SEC. 606. CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF FOOD INVENTORY.

(a) In General.—Subsection (e) of section 170 (relating to certain contributions of ordinary income and capital gain property) is amended by adding at the end the following new paragraph:

"(7) Special rule for contributions of food inventory.—For purposes of this section—

"(A) Contributions by non-corporate taxpayers.—In the case of a charitable contribution of food, paragraph (3)(A) shall be applied without regard to whether or not the contribution is made by a corporation.

"(B) Limit on reduction.—In the case of a charitable contribution of food which is a qualified contribution (within the meaning of paragraph (3)(A), as modified by subparagraph (A) of this paragraph)—

"(i) paragraph (3)(B) shall not apply, and

"(ii) the reduction under paragraph (1)(A) for such contribution shall be no greater than the amount (if any) by which the amount of such contribution exceeds twice the basis of such food.

"(C) Determination of basis.—For purposes of this paragraph, if a taxpayer uses the cash method of accounting, the basis of any qualified contribution of such taxpayer shall be deemed to be 50 percent of the fair market value of such contribution.

"(D) Determination of fair market value.—In the case of a charitable contribution of food which is a qualified contribution (within the meaning of paragraph (3), as modified by subparagraphs (A) and (B) of this paragraph) and which, solely by reason of internal standards of the taxpayer, lack of market, or similar circumstances, or which is produced by the taxpayer exclusively for the purposes of transferring the food to an organization described in paragraph (3)(A), cannot or will not be sold, the fair market value of such contribution shall be determined—

"(i) without regard to such internal standards, such lack of market, such circumstances, or such exclusive purpose, and

"(ii) if applicable, by taking into account the price at which the same or similar food items are sold by the taxpayer at the time of the contribution (or, if not so sold at such time, in the recent past).".

(b) Effective Date.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2000.

### SEC. 607. INCOME AVERAGING FOR FARMERS AND FISHERMEN NOT TO INCREASE ALTERNATIVE MINIMUM TAX LIABILITY.

(a) In General.—Section 55(c) (defining regular tax) is amended by redesignating paragraph (2) as paragraph (3) and by inserting after paragraph (1) the following:

"(2) Coordination with income averaging for farmers and fishermen.—Solely for purposes of this section, section 1301 (relating to averaging of farm and fishing income) shall not apply in computing the regular tax.".

(b) Allowing Income Averaging for Fishermen.—

(1) In general.—Section 1301(a) is amended by striking "farming business" and inserting "farming business or fishing business,".

(2) Definition of elected farm income.—

(A) In general.—Clause (i) of section 1301(b)(1)(A) is amended by inserting "or fishing business" before the semicolon.

(B) Conforming amendment.—Subparagraph (B) of section 1301(b)(1) is amended by inserting "or fishing business" after "farming business" both places it occurs.

(3) Definition of fishing business.—Section 1301(b) is amended by adding at the end the following new paragraph:

"(4) Fishing business.—The term 'fishing business' means the conduct of commercial fishing as defined in section 3 of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1802).".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

### SEC. 608. REPEAL OF MODIFICATION OF INSTALLMENT METHOD.

(a) In General.—Subsection (a) of section 536 of the Ticket to Work and Work Incentives Improvement Act of 1999 (relating to modification of installment method and repeal of installment method for accrual method taxpayers) is repealed effective with respect to sales and other dispositions occurring on or after the date of the enactment of such Act.

(b) Applicability.—The Internal Revenue Code of 1986 shall be applied and administered as if such subsection (and the amendments made by such subsection) had not been enacted.

### SEC. 609. COOPERATIVE MARKETING INCLUDES VALUE-ADDED PROCESSING THROUGH ANIMALS.

(a) In General.—Section 1388 (relating to definitions and special rules) is amended by adding at the end the following:

"(k) Cooperative Marketing Includes Value-Added Processing Through Animals.—For purposes of section 521 and this subchapter, 'marketing the products of members or other producers' includes feeding the products of members or other producers to cattle, hogs, fish, chickens, or other animals and selling the resulting animals or animal products."

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

### SEC. 610. DECLARATORY JUDGMENT RELIEF FOR SECTION 521 COOPERATIVES.

(a) In General.—Section 7428(a)(1) (relating to declaratory judgments of tax exempt organizations) is amended by striking "or" at the end of subparagraph (B) and by adding at the end the following:

"(D) with respect to the initial qualification or continuing qualification of a cooperative as described in section 521(b) which is exempt from tax under section 521(a), or".

(b) Effective Date.—The amendments made by this section shall apply with respect to pleadings filed after the date of the enactment of this Act but only with respect to determinations (or requests for determinations) made after January 1, 2000.

### SEC. 611. SMALL ETHANOL PRODUCER CREDIT.

(a) Allocation of Alcohol Fuels Credit to Patrons of a Cooperative.—Section 40(g) (relating to alcohol used as fuel) is amended by adding at the end the following:

"(6) Allocation of small ethanol producer credit to patrons of cooperative.—

"(A) Election to allocate.—

"(i) IN GENERAL.—In the case of a cooperative organization described in section 1381(a), any portion of the credit determined under subsection (a)(3) for the taxable year may, at the election of the organization, be apportioned pro rata among patrons of the organization on the basis of the quantity or value of business done with or for such patrons for the taxable year.

"(ii) FORM AND EFFECT OF ELECTION.—An election under clause (i) for any taxable year shall be made on a timely filed return for such year. Such election, once made, shall be irrevocable for such taxable year.

"(iii) SPECIAL RULE FOR 1998 AND 1999.—Notwithstanding clause (ii), an election for any taxable year ending prior to the date of the enactment of the Death Tax Elimination Act of 2000 may be made at any time before the expiration of the 3-year period beginning on the last date prescribed by law for filing the return of the taxpayer for such taxable year (determined without regard to extensions) by filing an amended return for such year.

"(B) TREATMENT OF ORGANIZATIONS AND PATRONS.—The amount of the credit apportioned to patrons under subparagraph (A)—

"(i) shall not be included in the amount determined under subsection (a) with respect to the organization for the taxable year,

"(ii) shall be included in the amount determined under subsection (a) for the taxable year of each patron for which the patronage dividends for the taxable year described in subparagraph (A) are included in gross income, and

"(iii) shall be included in gross income of such patrons for the taxable year in the manner and to the extent provided in section 87.

"(C) SPECIAL RULES FOR DECREASE IN CREDITS FOR TAXABLE YEAR.—If the amount of the credit of a cooperative organization determined under subsection (a)(3) for a taxable year is less than the amount of such credit shown on the return of the cooperative organization for such year, an amount equal to the excess of—

"(i) such reduction, over

"(ii) the amount not apportioned to such patrons under subparagraph (A) for the taxable year,

shall be treated as an increase in tax imposed by this chapter on the organization. Such increase shall not be treated as tax imposed by this chapter for purposes of determining the amount of any credit under this subpart or subpart A, B, E, or G.".

(b) IMPROVEMENTS TO SMALL ETHANOL PRODUCER CREDIT.—

(1) SMALL ETHANOL PRODUCER CREDIT NOT A PASSIVE ACTIVITY CREDIT.—Clause (i) of section 469(d)(2)(A) is amended by striking "subpart D" and inserting "subpart D, other than section 40(a)(3),".

(2) ALLOWING CREDIT AGAINST MINIMUM TAX.—

(A) IN GENERAL.—Subsection (c) of section 38 (relating to limitation based on amount of tax) is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

"(3) SPECIAL RULES FOR SMALL ETHANOL PRODUCER CREDIT.—

"(A) IN GENERAL.—In the case of the small ethanol producer credit—

"(i) this section and section 39 shall be applied separately with respect to the credit, and

"(ii) in applying paragraph (1) to the credit—

"(I) subparagraphs (A) and (B) thereof shall not apply, and

"(II) the limitation under paragraph (1) (as modified by subclause (I)) shall be reduced by the credit allowed under subsection (a) for the taxable year (other than the small ethanol producer credit).

"(B) SMALL ETHANOL PRODUCER CREDIT.—For purposes of this subsection, the term 'small ethanol producer credit' means the credit allowable under subsection (a) by reason of section 40(a)(3).".

(B) CONFORMING AMENDMENT.—Subclause (II) of section 38(c)(2)(A)(ii) is amended by inserting "or the small ethanol producer credit" after "employment credit".

(3) SMALL ETHANOL PRODUCER CREDIT NOT ADDED BACK TO INCOME UNDER SECTION 87.—Section 87 (relating to income inclusion of alcohol fuel credit) is amended to read as follows:

**"SEC. 87. ALCOHOL FUEL CREDIT.**

"Gross income includes an amount equal to the sum of—

"(1) the amount of the alcohol mixture credit determined with respect to the taxpayer for the taxable year under section 40(a)(1), and

"(2) the alcohol credit determined with respect to the taxpayer for the taxable year under section 40(a)(2).".

(c) CONFORMING AMENDMENT.—Section 1388 (relating to definitions and special rules for cooperative organizations) is amended by adding at the end the following:

"(k) CROSS REFERENCE.—For provisions relating to the apportionment of the alcohol fuels credit between cooperative organizations and their patrons, see section 40(d) (6)."

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by subsection (b) of this section shall apply to taxable years ending after the date of enactment.

(2) PROVISIONS AFFECTING COOPERATIVES AND THEIR PATRONS.—The amendments made by subsections (a) and (c), and the amendments made by paragraphs (2) and (3) of subsection (b), shall apply to taxable years beginning after December 31, 1997.

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## BAUCUS (AND OTHERS) AMENDMENT NO. 3835

Mr. BAUCUS (for himself, Mr. KERREY, Mr. DORGAN, and Mr. ROBB) proposed an amendment to the bill, H.R. 8, supra; as follows:

Strike all after the first word and insert:

### 1. SHORT TITLE.

(a) SHORT TITLE.—This Act may be cited as the "Estate Tax Relief Act of 2000".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

## TITLE I—ESTATE TAX RELIEF

### SEC. 101. INCREASE IN AMOUNT OF UNIFIED CREDIT AGAINST ESTATE AND GIFT TAXES.

(a) IN GENERAL.—The table contained in section 2010(c) (relating to applicable credit amount) is amended to read as follows:

| **"In the case of estates of decedents dying, and gifts made, during:** | **The applicable exclusion amount is:** |
|---|---|
| 2001, 2002, 2003, 2004, and 2005 | $1,000,000 |
| 2006 and 2007 | $1,125,000 |
| 2008 | $1,500,000 |
| 2009 or thereafter | $2,000,000." |

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to the estates of decedents dying, and gifts made, after December 31, 2000.

### SEC. 102. INCREASE IN QUALIFIED FAMILY-OWNED BUSINESS INTEREST DEDUCTION AMOUNT.

(a) IN GENERAL.—Paragraph (2) of section 2057(a) (relating to family-owned business interests) is amended to read as follows:

"(2) MAXIMUM DEDUCTION.—

"(A) IN GENERAL.—The deduction allowed by this section shall not exceed the sum of—

"(i) the applicable deduction amount, plus

"(ii) in the case of a decedent described in subparagraph (C), the applicable unused spousal deduction amount.

"(B) APPLICABLE DEDUCTION AMOUNT.—For purposes of this subparagraph (A)(i), the applicable deduction amount is determined in accordance with the following table:

| **"In the case of estates of decedents dying during:** | **The applicable deduction amount is:** |
|---|---|
| 2001, 2002, 2003, 2004, and 2005 | $1,375,000 |
| 2006 and 2007 | $1,625,000 |
| 2008 | $2,375,000 |
| 2009 or thereafter | $3,375,000. |

"(C) APPLICABLE UNUSED SPOUSAL DEDUCTION AMOUNT.—With respect to a decedent whose immediately predeceased spouse died after December 31, 2000, and the estate of such immediately predeceased spouse met the requirements of subsection (b)(1), the applicable unused spousal deduction amount for such decedent is equal to the excess of—

"(i) the applicable deduction amount allowable under this section to the estate of such immediately predeceased spouse, over

"(ii) the sum of—

"(I) the applicable deduction amount allowed under this section to the estate of such immediately predeceased spouse, plus

"(II) the amount of any increase in such estate's unified credit under paragraph (3)(B) which was allowed to such estate."

(b) CONFORMING AMENDMENTS.—Section 2057(a)(3)(B) is amended—

(1) by striking "$675,000" both places it appears and inserting "the applicable deduction amount", and

(2) by striking "$675,000" in the heading and inserting "APPLICABLE DEDUCTION AMOUNT".

(c) EFFECTIVE DATE.—The amendment made by this section shall apply to the estates of decedents dying, and gifts made, after December 31, 2000.

## TITLE II—PENSION INCENTIVES

### SEC. 201. REFUNDABLE CREDIT TO CERTAIN INDIVIDUALS FOR ELECTIVE DEFERRALS AND IRA CONTRIBUTIONS.

(a) IN GENERAL.—Subpart C of part IV of subchapter A of chapter 1 (relating to refundable credits) is amended by redesignating section 35 as section 36 and by inserting after section 34 the following new section:

### "SEC. 35. ELECTIVE DEFERRALS AND IRA CONTRIBUTIONS BY CERTAIN INDIVIDUALS.

"(a) ALLOWANCE OF CREDIT.—In the case of an eligible individual, there shall be allowed as a credit against the tax imposed by this subtitle for the taxable year an amount equal to the applicable percentage of so much of the qualified retirement savings contributions of the eligible individual for the taxable year as do not exceed $1,000.

"(b) APPLICABLE PERCENTAGE.—For purposes of this section, the applicable percentage is the percentage determined in accordance with the following table:

| Adjusted Gross Income | | | | | | Applicable percentage |
|---|---|---|---|---|---|---|
| Joint return | | Head of a household | | All other cases | | |
| Over | Not over | Over | Not over | Over | Not over | |
| $0 | $25,000 | $0 | $18,750 | $0 | $12,500 | 50 |
| 25,000 | 35,000 | 18,750 | 26,250 | 12,500 | 17,500 | 45 |
| 35,000 | 45,000 | 26,250 | 33,750 | 17,500 | 22,500 | 35 |
| 45,000 | 55,000 | 33,750 | 41,250 | 22,500 | 27,500 | 25 |
| 55,000 | 75,000 | 41,250 | 56,250 | 27,500 | 37,500 | 15 |
| 75,000 | 80,000 | 56,250 | 60,000 | 37,500 | 40,000 | 5 |
| 80,000 | .............. | 60,000 | .............. | 40,000 | .............. | 0 |

"(c) ELIGIBLE INDIVIDUAL.—For purposes of this section—

"(1) IN GENERAL.—The term 'eligible individual' means any individual if—

"(A) such individual has attained the age of 18, but has not attained the age of 61, as of the close of the taxable year, and

"(B) the compensation (as defined in section 219(f)(1)) includible in the gross income of the individual (or, in the case of a joint return, of the taxpayer) for such taxable year is at least $5,000.

"(2) DEPENDENTS AND FULL-TIME STUDENTS NOT ELIGIBLE.—The term 'eligible individual' shall not include—

"(A) any individual with respect to whom a deduction under section 151 is allowable to another taxpayer for a taxable year beginning in the calendar year in which such individual's taxable year begins, and

"(B) any individual who is a student (as defined in section 151(c)(4)).

"(3) INDIVIDUALS RECEIVING CERTAIN RETIREMENT DISTRIBUTIONS NOT ELIGIBLE.—

"(A) IN GENERAL.—The term 'eligible individual' shall not include, with respect to a taxable year, any individual who received during the testing period—

"(i) any distribution from a qualified retirement plan (as defined in section 4974(c)), or from an eligible deferred compensation plan (as defined in section 457(b)), which is includible in gross income, or

"(ii) any distribution from a Roth IRA which is not a qualified rollover contribution (as defined in section 408A(e)) to a Roth IRA.

"(B) TESTING PERIOD.—For purposes of subparagraph (A), the testing period, with respect to a taxable year, is the period which includes—

"(i) such taxable year,

"(ii) the 2 preceding taxable years, and

"(iii) the period after such taxable year and before the due date (without extensions) for filing the return of tax for such taxable year.

"(C) EXCEPTED DISTRIBUTIONS.—There shall not be taken into account under subparagraph (A)—

"(i) any distribution referred to in section 72(p), 401(k)(8), 401(m)(6), 402(g)(2), 404(k), or 408(d)(4),

"(ii) any distribution to which section 408A(d)(3) applies, and

"(iii) any distribution before January 1, 2002.

"(D) TREATMENT OF DISTRIBUTIONS RECEIVED BY SPOUSE OF INDIVIDUAL.—For purposes of determining whether an individual is an eligible individual for any taxable year, any distribution received by the spouse of such individual shall be treated as received by such individual if such individual and spouse file a joint return for such taxable year and for the taxable year during which the spouse receives the distribution.

"(d) QUALIFIED RETIREMENT SAVINGS CONTRIBUTIONS.—For purposes of this section, the term 'qualified retirement savings contributions' means the sum of—

"(1) the amount of the qualified retirement contributions (as defined in section 219(e)) for the benefit of the eligible individual,

"(2) the amount of the elective deferrals (as defined in section 414(u)(2)(C)) of such individual, and

"(3) the amount of voluntary employee contributions by such individual to any qualified retirement plan (as defined in section 4974(c)).

"(e) INVESTMENT IN THE CONTRACT.—Notwithstanding any other provision of law, a qualified retirement savings contribution shall not fail to be included in determining the investment in the contract for purposes of section 72 by reason of the credit under this section."

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (2) of section 1324(b) of title 31, United States Code, is amended by inserting before the period ", or from section 35 of such Code".

(2) The table of sections for subpart C of part IV of subchapter A of chapter 1 is amended by striking the last item and inserting the following new items:

"Sec. 35. Elective deferrals and IRA contributions by certain individuals.

"Sec. 36. Overpayments of tax."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

### SEC. 202. CREDIT FOR SMALL EMPLOYER PENSION PLAN CONTRIBUTIONS AND START-UP COSTS.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 (relating to business related credits) is amended by adding at the end the following new section:

### "SEC. 45D. SMALL EMPLOYER PENSION PLAN CREDIT.

"(a) GENERAL RULE.—For purposes of section 38, in the case of an eligible employer, the small employer pension plan credit determined under this section for any taxable year is an amount equal to the sum of—

"(1) 25 percent of the qualified employer contributions of the taxpayer for the taxable year, and

"(2) the qualified start-up costs paid or incurred by the taxpayer during the taxable year.

"(b) LIMITATIONS.—

"(1) LIMITS ON CONTRIBUTIONS.—For purposes of subsection (a)(1)—

"(A) qualified employer contributions may only be taken into account for each of the first 3 taxable years ending after the date the employer establishes the qualified employer plan to which the contribution is made, and

"(B) the amount of the qualified employer contributions taken into account with respect to any qualified employee for any such taxable year shall not exceed 3 percent of the compensation (as defined in section 414(s)) of the qualified employee for such taxable year.

"(2) LIMITS ON START-UP COSTS.—The amount of the credit determined under subsection (a)(2) for any taxable year shall not exceed—

"(A) $500 for each of the first, second, and third taxable years ending after the date the employer established the qualified employer plan to which such costs relate, and

"(B) zero for each taxable year thereafter.

"(c) DEFINITIONS.—For purposes of this section—

"(1) ELIGIBLE EMPLOYER.—

"(A) IN GENERAL.—The term 'eligible employer' means, with respect to any year, an employer which has no more than—

"(i) for purposes of subsection (a)(1), 25 employees, and

"(ii) for purposes of subsection (a)(2), 100 employees,

who received at least $5,000 of compensation from the employer for the preceding year.

"(B) 2-YEAR GRACE PERIOD.—An eligible employer who establishes and maintains a qualified employer plan for 1 or more years and who fails to be an eligible employer for any subsequent year shall be treated as an eligible employer for the 2 years following the last year the employer was an eligible employer.

"(C) REQUIREMENT FOR NEW QUALIFIED EMPLOYER PLANS.—Such term shall not include an employer if the employer (or any predecessor employer) established or maintained a qualified employer plan with respect to which contributions were made, or benefits were accrued, for service in the 3 taxable years ending prior to the first taxable year in which the credit under this section is allowed.

"(2) QUALIFIED EMPLOYER CONTRIBUTIONS.—

"(A) IN GENERAL.—The term 'qualified employer contributions' means, with respect to any taxable year, any employer contributions made on behalf of a qualified employee to a qualified employer plan for a plan year ending with or within the taxable year.

"(B) EMPLOYER CONTRIBUTIONS.—The term 'employer contributions' shall not include any elective deferral (within the meaning of section 402(g)(3)).

"(3) QUALIFIED EMPLOYEE.—The term 'qualified employee' means an individual who—

"(A) is eligible to participate in the qualified employer plan to which the employer contributions are made, and

"(B) is not a highly compensated employee (within the meaning of section 414(q)) for the year for which the contribution is made.

"(4) QUALIFIED START-UP COSTS.—The term 'qualified start-up costs' means any ordinary and necessary expenses of an eligible employer which are paid or incurred in connection with—

"(A) the establishment or maintenance of a qualified employer plan in which qualified employees are eligible to participate, and

"(B) providing educational information to employees regarding participation in such plan and the benefits of establishing an investment plan.

"(5) QUALIFIED EMPLOYER PLAN.—The term 'qualified employer plan' has the meaning given such term in section 4972(d).

"(d) SPECIAL RULES.—

"(1) AGGREGATION RULES.—All persons treated as a single employer under subsection (a) or (b) of section 52, or subsection (n) or (o) of section 414, shall be treated as one person. All qualified employer plans of an employer shall be treated as 1 qualified employer plan.

"(2) DISALLOWANCE OF DEDUCTION.—No deduction shall be allowable under this chapter for any qualified start-up costs or qualified employer contributions for which a credit is determined under subsection (a).

"(3) ELECTION NOT TO CLAIM CREDIT.—This section shall not apply to a taxpayer for any taxable year if such taxpayer elects to have this section not apply for such taxable year.".

(b) CREDIT ALLOWED AS PART OF GENERAL BUSINESS CREDIT.—Section 38(b) (defining current year business credit) is amended by striking "plus" at the end of paragraph (11), by striking the period at the end of paragraph (12) and inserting ", plus", and by adding at the end the following new paragraph:

"(13) in the case of an eligible employer (as defined in section 45D(c)), the small employer pension plan credit determined under section 45D(a).".

(c) Conforming Amendment.—The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

"Sec. 45D. Small employer pension plan credit.".

(d) Effective Date.—The amendments made by this section shall apply to costs paid or incurred or contributions made in connection with qualified employer plans established after December 31, 2000.

## TITLE III—SOCIAL SECURITY KIDSAVE ACCOUNTS

### SEC. 301. SHORT TITLE.

This title may be cited as the "Social Security KidSave Accounts Act".

### SEC. 302. SOCIAL SECURITY KIDSAVE ACCOUNTS.

Title II of the Social Security Act (42 U.S.C. 401 et seq.) is amended—

(1) by inserting before section 201 the following:

"Part A—Insurance Benefits";

and

(2) by adding at the end the following:

"Part B—KidSave Accounts

"kidsave accounts

"Sec. 251. (a) Establishment.—The Commissioner of Social Security shall establish in the name of each individual born on or after January 1, 2006, a KidSave Account upon the later of—

"(1) the date of enactment of this part, or

"(2) the date of the issuance of a Social Security account number under section 205(c)(2) to such individual.

The KidSave Account shall be identified to the account holder by means of the account holder's Social Security account number.

"(b) Contributions.—

"(1) In general.—There are authorized to be appropriated and are appropriated such sums as are necessary in order for the Secretary of the Treasury to transfer from the general fund of the Treasury for crediting by the Commissioner to each account holder's KidSave Account under subsection (a), an amount equal to $1000.00, on the date of the establishment of such individual's KidSave Account.

"(2) Adjustment for inflation.—For any calendar year after 2010, the dollar amount under paragraph (1) shall be increased by the cost-of-living adjustment determined under section 215(i) for the calendar year.

"(c) Designations Regarding KidSave Accounts.—

"(1) Initial designations of investment vehicle.—A person described in subsection (d) shall, on behalf of the individual described in subsection (a), designate the investment vehicle for the KidSave Account to which contributions on behalf of such individual are to be deposited. Such designation shall be made on the application for such individual's Social Security account number.

"(2) Changes in investment vehicles or types of kidsave accounts.—The Commissioner shall by regulation provide the time and manner by which an individual or a person described in subsection (d) on behalf of such individual may change 1 or more investment vehicles for a KidSave Account.

"(d) Treatment of Minors and Incompetent Individuals.—Any designation under subsection (c) to be made by a minor, or an individual mentally incompetent or under other legal disability, may be made by the person who is constituted guardian or other fiduciary by the law of the State of residence of the individual or is otherwise legally vested with the care of the individual or his estate. Payment under this part due a minor, or an individual mentally incompetent or under other legal disability, may be made to the person who is constituted guardian or other fiduciary by the law of the State of residence of the claimant or is otherwise legally vested with the care of the claimant or his estate. In any case in which a guardian or other fiduciary of the individual under legal disability has not been appointed under the law of the State of residence of the individual, if any other person, in the judgment of the Commissioner, is responsible for the care of such individual, any designation under subsection (c) which may otherwise be made by such individual may be made by such person, any payment under this part which is otherwise payable to such individual may be made to such person, and the payment of an annuity payment under this part to such person bars recovery by any other person.

"definitions and special rules

"Sec. 252. For purposes of this part—

"(1) Kidsave account.—The term 'KidSave Account' means an account in the KidSave Investment Fund (established under section 253) which is administered by the KidSave Investment Fund Board.

"(2) Treatment of account.—

"(A) In general.—Except as otherwise provided in this part and in section 531 of the Internal Revenue Code of 1986, any KidSave Account shall be treated in the same manner as an individual account in the Thrift Savings Fund under subchapter III of chapter 84 of title 5, United States Code.

"(B) Exceptions.—

"(i) Contribution limit.—The aggregate amount of contributions for any taxable year to all KidSave Accounts of an individual shall not exceed the contribution made pursuant to section 251(b) for such year on behalf of such individual.

"(ii) Rollover contributions.—No rollover contribution may be made to a KidSave Account unless it is from another KidSave Account. A rollover described in the preceding sentence shall not be taken into account for purposes of clause (i).

"(iii) Distributions.—Notwithstanding any other provision of law, distributions may only be made from a KidSave Account of an individual on or after the earlier of—

"(I) the date on which the individual begins receiving benefits under this title, or

"(II) the date of the individual's death.

"kidsave investment fund

"Sec. 253. (a) Establishment.—There is established and maintained in the Treasury of the United States a KidSave Investment Fund in the same manner as the Thrift Savings Fund under sections 8437, 8438, and 8439 of title 5, United States Code.

"(b) KidSave Investment Fund Board.—

"(1) In general.—There is established and operated in the Social Security Administration a Kidsave Investment Fund Board in the same manner as the Federal Retirement Thrift Investment Board under subchapter VII of chapter 84 of title 5, United States Code.

"(2) Specific investment duties.—The Kidsave Investment Fund shall be managed by the Kidsave Investment Fund Board in the same manner as the Thrift Savings Fund is managed under subchapter VIII of chapter 84 of title 5, United States Code.".

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## GRAMS (AND ABRAHAM) AMENDMENT NO. 3836

Mr. GRAMS (for himself and Mr. Abraham) proposed an amendment to the bill, H.R. 8, supra; as follows:

At the end of the bill, add the following:

## TITLE VI—MISCELLANEOUS PROVISIONS

### SEC. 601. REPEAL OF INCREASE IN TAX ON SOCIAL SECURITY BENEFITS.

(a) Repeal of Increase in Tax on Social Security Benefits.—

(1) In general.—Paragraph (2) of section 86(a) (relating to social security and tier 1 railroad retirement benefits) is amended by adding at the end the following new flush sentence:

"This paragraph shall not apply to any taxable year beginning after December 31, 2000."

(2) Effective date.—The amendment made by this subsection shall apply to taxable years beginning after December 31, 2000.

(b) Revenue Offset.—The Secretary of the Treasury shall transfer, for each fiscal year, from the general fund in the Treasury to the Federal Hospital Insurance Trust Fund established under section 1817 of the Social Security Act (42 U.S.C. 1395i) an amount equal to the decrease in revenues to the Treasury for such fiscal year by reason of the amendment made by this section.

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## DODD (AND OTHERS) AMENDMENT NO. 3837

(Ordered to lie on the table.)

Mr. DODD (for himself, Mr. Wellstone, Ms. Landrieu, and Mr. Kohl) submitted an amendment to be proposed by them to the bill, H.R. 8, supra; as follows:

Strike all after the first word and insert:

### 1. SHORT TITLE.

(a) Short Title.—This Act may be cited as the "Estate Tax Relief Act of 2000".

(b) Amendment of 1986 Code.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

## TITLE I—ESTATE TAX RELIEF

### SEC. 101. INCREASE IN AMOUNT OF UNIFIED CREDIT AGAINST ESTATE AND GIFT TAXES.

(a) In General.—The table contained in section 2010(c) (relating to applicable credit amount) is amended to read as follows:

| **"In the case of estates of decedents dying, and gifts made, during:** | **The applicable exclusion amount is:** |
|---|---|
| 2001, 2002, 2003, 2004, and 2005 | $1,000,000 |
| 2006 and 2007 | $1,125,000 |
| 2008 | $1,500,000 |
| 2009 or thereafter | $2,000,000." |

(b) Effective Date.—The amendment made by this section shall apply to the estates of decedents dying, and gifts made, after December 31, 2000.

### SEC. 102. INCREASE IN QUALIFIED FAMILY-OWNED BUSINESS INTEREST DEDUCTION AMOUNT.

(a) In General.—Paragraph (2) of section 2057(a) (relating to family-owned business interests) is amended to read as follows:

"(2) MAXIMUM DEDUCTION.—

"(A) IN GENERAL.—The deduction allowed by this section shall not exceed the sum of—

"(i) the applicable deduction amount, plus

"(ii) in the case of a decedent described in subparagraph (C), the applicable unused spousal deduction amount.

"(B) APPLICABLE DEDUCTION AMOUNT.—For purposes of this subparagraph (A)(i), the applicable deduction amount is determined in accordance with the following table:

| **"In the case of estates of decedents dying during:** | **The applicable deduction amount is:** |
|---|---|
| 2001, 2002, 2003, 2004, and 2005 | $1,375,000 |
| 2006 and 2007 | $1,625,000 |
| 2008 | $2,375,000 |
| 2009 or thereafter | $3,375,000. |

"(C) APPLICABLE UNUSED SPOUSAL DEDUCTION AMOUNT.—With respect to a decedent whose immediately predeceased spouse died after December 31, 2000, and the estate of such immediately predeceased spouse met the requirements of subsection (b)(1), the applicable unused spousal deduction amount for such decedent is equal to the excess of—

"(i) the applicable deduction amount allowable under this section to the estate of such immediately predeceased spouse, over

"(ii) the sum of—

"(I) the applicable deduction amount allowed under this section to the estate of such immediately predeceased spouse, plus

"(II) the amount of any increase in such estate's unified credit under paragraph (3)(B) which was allowed to such estate."

(b) CONFORMING AMENDMENTS.—Section 2057(a)(3)(B) is amended—

(1) by striking "$675,000" both places it appears and inserting "the applicable deduction amount", and

(2) by striking "$675,000" in the heading and inserting "APPLICABLE DEDUCTION AMOUNT".

(c) EFFECTIVE DATE.—The amendment made by this section shall apply to the estates of decedents dying, and gifts made, after December 31, 2000.

## TITLE II—DEPENDENT CARE TAX CREDIT

### SEC. 201. EXPANSION OF DEPENDENT CARE TAX CREDIT.

(a) IN GENERAL.—Paragraph (2) of section 21(a) (relating to expenses for household and dependent care services necessary for gainful employment) is amended to read as follows:

"(2) APPLICABLE PERCENTAGE DEFINED.—For purposes of paragraph (1), the term 'applicable percentage' means 50 percent (40 percent for taxable years beginning after December 31, 2002, and before January 1, 2005) reduced (but not below 20 percent) by 1 percentage point for each $1,000 (or fraction thereof) by which the taxpayer's adjusted gross income for the taxable year exceeds $30,000."

(b) MINIMUM CREDIT ALLOWED FOR STAY-AT-HOME PARENTS.—Section 21(e) (relating to special rules) is amended by adding at the end the following:

"(11) MINIMUM CREDIT ALLOWED FOR STAY-AT-HOME PARENTS.—Notwithstanding subsection (d), in the case of any taxpayer with one or more qualifying individuals described in subsection (b)(1)(A) under the age of 1 at any time during the taxable year, such taxpayer shall be deemed to have employment-related expenses with respect to not more than 2 of such qualifying individuals in an amount equal to the greater of—

"(A) the amount of employment-related expenses incurred for such qualifying individuals for the taxable year (determined under this section without regard to this paragraph), or

"(B) $41.67 for each month in such taxable year during which each such qualifying individual is under the age of 1.".

(c) INFLATION ADJUSTMENT OF DOLLAR AMOUNTS.—

(1) Section 21 is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

"(f) INFLATION ADJUSTMENT.—In the case of any taxable year beginning in a calendar year after 2001, the $30,000 amount contained in subsection (a), the $2,400 amount in subsection (c), and the $41.67 amount in subsection (e)(11) shall be increased by an amount equal to—

"(1) such dollar amount, multiplied by

"(2) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting 'calendar year 2000' for 'calendar year 1992' in subparagraph (B) thereof.

If the increase determined under the preceding sentence is not a multiple of $50 ($5 in the case of the amount in subsection (e)(11)), such amount shall be rounded to the next lowest multiple thereof."

(2) Paragraph (2) of section 21(c) is amended by striking "$4,800" and inserting "twice the dollar amount applicable under paragraph (1)".

(3) Paragraph (2) of section 21(d) is amended by striking "less than—" and all that follows through the end of the first sentence and inserting "less than 1/12 of the amount which applies under subsection (c) to the taxpayer for the taxable year."

(d) CREDIT ALLOWED BASED ON RESIDENCY IN CERTAIN CASES.—Subsection (e) of section 21 is amended by adding at the end the following new paragraph:

"(12) CREDIT ALLOWED BASED ON RESIDENCY IN CERTAIN CASES.—In the case of a taxpayer—

"(A) who does not satisfy the household maintenance test of subsection (a) for any period, but

"(B) whose principal place of abode for such period is also the principal place of abode of any qualifying individual,

then such taxpayer shall be treated as satisfying such test for such period but the amount of credit allowable under this section with respect to such individual shall be determined by allowing only 1/12 of the limitation under subsection (c) for each full month that the requirement of subparagraph (B) is met."

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

### SEC. 202. DEPENDENT CARE TAX CREDIT MADE REFUNDABLE.

(a) IN GENERAL.—Part IV of subchapter A of chapter 1 (relating to credits against tax) is amended—

(1) by redesignating section 35 as section 36, and

(2) by redesignating section 21 as section 35.

(b) ADVANCE PAYMENT OF CREDIT.—Chapter 25 (relating to general provisions relating to employment taxes) is amended by inserting after section 3507 the following:

### "SEC. 3507A. ADVANCE PAYMENT OF DEPENDENT CARE CREDIT.

"(a) GENERAL RULE.—Except as otherwise provided in this section, every employer making payment of wages with respect to whom a dependent care eligibility certificate is in effect shall, at the time of paying such wages, make an additional payment equal to such employee's dependent care advance amount.

"(b) DEPENDENT CARE ELIGIBILITY CERTIFICATE.—For purposes of this title, a dependent care eligibility certificate is a statement furnished by an employee to the employer which—

"(1) certifies that the employee will be eligible to receive the credit provided by section 35 for the taxable year,

"(2) certifies that the employee reasonably expects to be an applicable taxpayer for the taxable year,

"(3) certifies that the employee does not have a dependent care eligibility certificate in effect for the calendar year with respect to the payment of wages by another employer,

"(4) states whether or not the employee's spouse has a dependent care eligibility certificate in effect,

"(5) states the number of qualifying individuals in the household maintained by the employee, and

"(6) estimates the amount of employment-related expenses for the calendar year.

"(c) DEPENDENT CARE ADVANCE AMOUNT.—

"(1) IN GENERAL.—For purposes of this title, the term 'dependent care advance amount' means, with respect to any payroll period, the amount determined—

"(A) on the basis of the employee's wages from the employer for such period,

"(B) on the basis of the employee's estimated employment-related expenses included in the dependent care eligibility certificate, and

"(C) in accordance with tables provided by the Secretary.

"(2) ADVANCE AMOUNT TABLES.—The tables referred to in paragraph (1)(C) shall be similar in form to the tables prescribed under section 3402 and, to the maximum extent feasible, shall be coordinated with such tables and the tables prescribed under section 3507(c).

"(d) OTHER RULES.—For purposes of this section, rules similar to the rules of subsections (d) and (e) of section 3507 shall apply.

"(e) DEFINITIONS.—For purposes of this section, terms used in this section which are defined in section 35 shall have the respective meanings given such terms by section 35.".

(c) CONFORMING AMENDMENTS.—

(1) Section 35(a)(1), as redesignated by paragraph (1), is amended by striking "chapter" and inserting "subtitle".

(2) Section 35(e), as so redesignated and amended by subsection (c), is amended by adding at the end the following:

"(13) COORDINATION WITH ADVANCE PAYMENTS AND MINIMUM TAX.—Rules similar to the rules of subsections (g) and (h) of section 32 shall apply for purposes of this section.".

(3) Sections 23(f)(1) and 129(a)(2)(C) are each amended by striking "section 21(e)" and inserting "section 35(e)".

(4) Section 129(b)(2) is amended by striking "section 21(d)(2)" and inserting "section 35(d)(2)".

(5) Section 129(e)(1) is amended by striking "section 21(b)(2)" and inserting "section 35(b)(2)".

(6) Section 213(e) is amended by striking "section 21" and inserting "section 35".

(7) Section 995(f)(2)(C) is amended by striking "and 34" and inserting "34, and 35".

(8) Section 6211(b)(4)(A) is amended by striking "and 34" and inserting ", 34, and 35".

(9) Section 6213(g)(2)(H) is amended by striking "section 21" and inserting "section 35".

(10) Section 6213(g)(2)(L) is amended by striking "section 21, 24, or 32" and inserting "section 24, 32, or 35".

(11) The table of sections for subpart C of part IV of subchapter A of chapter 1 is amended by striking the item relating to section 35 and inserting the following:

"Sec. 35. Dependent care services.

"Sec. 36. Overpayments of tax.".

(12) The table of sections for subpart A of such part IV is amended by striking the item relating to section 21.

(13) The table of sections for chapter 25 is amended by adding after the item relating to section 3507 the following:

"Sec. 3507A. Advance payment of dependent care credit.".

(14) Section 1324(b)(2) of title 31, United States Code, is amended by inserting before the period ", or enacted by the Death Tax Elimination Act of 2000".

(d) Effective Date.—The amendments made by this section apply to taxable years beginning after December 31, 2002.

## TITLE III—EXPANSION OF ADOPTION CREDIT

### SEC. 301. EXPANSION OF ADOPTION CREDIT.

(a) Special Needs Adoption.—

(1) Credit amount.—Paragraph (1) of section 23(a) (relating to allowance of credit) is amended to read as follows:

"(1) In general.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter—

"(A) in the case of a special needs adoption, $10,000, or

"(B) in the case of any other adoption, the amount of the qualified adoption expenses paid or incurred by the taxpayer.".

(2) Year credit allowed.—Section 23(a)(2) (relating to year credit allowed) is amended by adding at the end the following new flush sentence:

"In the case of a special needs adoption, the credit allowed under paragraph (1) shall be allowed for the taxable year in which the adoption becomes final.".

(3) Dollar limitation.—Section 23(b)(1) is amended—

(A) by striking "subsection (a)" and inserting "subsection (a)(1)(B)", and

(B) by striking "($6,000, in the case of a child with special needs)".

(4) Definition of special needs adoption.—Section 23(d) (relating to definitions) is amended by adding at the end the following new paragraph:

"(4) Special needs adoption.—The term 'special needs adoption' means the final adoption of an individual during the taxable year who is an eligible child and who is a child with special needs.".

(5) Definition of child with special needs.—Section 23(d)(3) (defining child with special needs) is amended to read as follows:

"(3) Child with special needs.—The term 'child with special needs' means any child if a State has determined that the child's ethnic background, age, membership in a minority or sibling groups, medical condition or physical impairment, or emotional handicap makes some form of adoption assistance necessary.".

(b) Increase in Income Limitations.—Section 23(b)(2) (relating to income limitation) is amended—

(1) in subparagraph (A)—

(A) by striking "$75,000" and inserting "$63,550 ($105,950 in the case of a joint return)", and

(B) by striking "$40,000" and inserting "the applicable amount", and

(2) by adding at the end the following new subparagraph:

"(C) Applicable amount.—For purposes of subparagraph (A), the applicable amount, with respect to any taxpayer, for the taxable year shall be an amount equal to the excess of—

"(i) the maximum taxable income amount for the 31 percent bracket under the table contained in section 1 relating to such taxpayer and in effect for the taxable year, over

"(ii) the dollar amount in effect with respect to the taxpayer for the taxable year under subparagraph (A)(i).

"(D) Cost-of-living adjustment.—

"(i) In general.—In the case of a taxable year beginning after 2001, each dollar amount under subparagraph (A)(i) shall be increased by an amount equal to—

"(I) such dollar amount, multiplied by

"(II) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2000' for 'calendar year 1992' in subparagraph (B) thereof.

"(ii) Rounding rules.—If any amount after adjustment under clause (i) is not a multiple of $1,000, such amount shall be rounded to the next lower multiple of $1,000.".

(c) Adoption Credit Made Permanent.—Subclauses (A) and (B) of section 23(d)(2) (defining eligible child) are amended to read as follows:

"(A) who has not attained age 18, or

"(B) who is physically or mentally incapable of caring for himself.".

(d) Conforming Amendments.—

(1) Section 23(a)(2) is amended by striking "(1)" and inserting "(1)(B)".

(2) Section 23(b)(3) is amended by striking "(a)" each place it appears and inserting "(a)(1)(B)".

(e) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

## TITLE IV—INCENTIVES FOR EMPLOYER-PROVIDED CHILD CARE

### SEC. 401. ALLOWANCE OF CREDIT FOR EMPLOYER EXPENSES FOR CHILD CARE ASSISTANCE.

(a) In General.—Subpart D of part IV of subchapter A of chapter 1 (relating to business related credits) is amended by adding at the end the following new section:

**"SEC. 45D. EMPLOYER-PROVIDED CHILD CARE CREDIT.**

"(a) Allowance of Credit.—For purposes of section 38, the employer-provided child care credit determined under this section for the taxable year is an amount equal to the sum of—

"(1) 25 percent of the qualified child care expenditures, and

"(2) 10 percent of the qualified child care resource and referral expenditures,

of the taxpayer for such taxable year.

"(b) Dollar Limitation.—The credit allowable under subsection (a) for any taxable year shall not exceed $150,000.

"(c) Definitions.—For purposes of this section—

"(1) Qualified child care expenditure.—

"(A) In general.—The term 'qualified child care expenditure' means any amount paid or incurred—

"(i) to acquire, construct, rehabilitate, or expand property—

"(I) which is to be used as part of an eligible qualified child care facility of the taxpayer,

"(II) with respect to which a deduction for depreciation (or amortization in lieu of depreciation) is allowable, and

"(III) which does not constitute part of the principal residence (within the meaning of section 121) of the taxpayer or any employee of the taxpayer,

"(ii) for the operating costs of an eligible qualified child care facility of the taxpayer, including costs related to the training of employees of the child care facility, to scholarship programs, to the providing of differential compensation to employees based on level of child care training, and to expenses associated with achieving accreditation, or

"(iii) under a contract with a qualified child care facility to provide child care services to employees of the taxpayer.

"(B) Exclusion for amounts funded by grants, etc.—The term 'qualified child care expenditure' shall not include any amount to the extent such amount is funded by any grant, contract, or otherwise by another person (or any governmental entity).

"(C) Nondiscrimination.—The term 'qualified child care expenditure' shall not include any amount expended in relation to any child care services unless the providing of such services to employees of the taxpayer does not discriminate in favor of highly compensated employees (within the meaning of section 404(q)).

"(2) Qualified child care facility.—

"(A) In general.—The term 'qualified child care facility' means a facility—

"(i) the principal use of which is to provide child care assistance, and

"(ii) which meets the requirements of all applicable laws and regulations of the State or local government in which it is located, including, but not limited to, the licensing of the facility as a child care facility.

Clause (i) shall not apply to a facility which is the principal residence (within the meaning of section 121) of the operator of the facility.

"(B) Eligible qualified child care facility.—A qualified child care facility shall be treated as an eligible qualified child care facility with respect to the taxpayer if—

"(i) enrollment in the facility is open to employees of the taxpayer during the taxable year,

"(ii) the facility is not the principal trade or business of the taxpayer, and

"(iii) at least 30 percent of the enrollees of such facility are dependents of employees of the taxpayer.

"(C) Application of subparagraph (B).—In the case of a new facility, the facility shall be treated as meeting the requirement of subparagraph (B)(iii) if not later than 2 years after placing such facility in service at least 30 percent of the enrollees of such facility are dependents of employees of the taxpayer.

"(3) Qualified child care resource and referral expenditure.—

"(A) In general.—The term 'qualified child care resource and referral expenditure' means any amount paid or incurred under a contract to provide child care resource and referral services to employees of the taxpayer.

"(B) Exclusion for amounts funded by grants, etc.—The term 'qualified child care resource and referral expenditure' shall not include any amount to the extent such amount is funded by any grant, contract, or otherwise by another person (or any governmental entity).

"(C) Nondiscrimination.—The term 'qualified child care resource and referral expenditure' shall not include any amount expended in relation to any child care resource and referral services unless the providing of such services to employees of the taxpayer does not discriminate in favor of highly compensated employees (within the meaning of section 404(q)).

"(d) Recapture of Acquisition and Construction Credit.—

"(1) IN GENERAL.—If, as of the close of any taxable year, there is a recapture event with respect to any eligible qualified child care facility of the taxpayer, then the tax of the taxpayer under this chapter for such taxable year shall be increased by an amount equal to the product of—

"(A) the applicable recapture percentage, and

"(B) the aggregate decrease in the credits allowed under section 38 for all prior taxable years which would have resulted if the qualified child care expenditures of the taxpayer described in subsection (c)(1)(A) with respect to such facility had been zero.

"(2) APPLICABLE RECAPTURE PERCENTAGE.—

"(A) IN GENERAL.—For purposes of this subsection, the applicable recapture percentage shall be determined from the following table:

| **"If the recapture event occurs in:** | **The applicable recapture percentage is:** |
|---|---|
| Year 1 | 100 |
| Year 2 | 80 |
| Year 3 | 60 |
| Year 4 | 40 |
| Year 5 | 20 |
| Years 6 and thereafter | 0. |

"(B) YEARS.—For purposes of subparagraph (A), year 1 shall begin on the first day of the taxable year in which the eligible qualified child care facility is placed in service by the taxpayer.

"(3) RECAPTURE EVENT DEFINED.—For purposes of this subsection, the term 'recapture event' means—

"(A) CESSATION OF OPERATION.—The cessation of the operation of the facility as an eligible qualified child care facility.

"(B) CHANGE IN OWNERSHIP.—

"(i) IN GENERAL.—Except as provided in clause (ii), the disposition of a taxpayer's interest in an eligible qualified child care facility with respect to which the credit described in subsection (a) was allowable.

"(ii) AGREEMENT TO ASSUME RECAPTURE LIABILITY.—Clause (i) shall not apply if the person acquiring such interest in the facility agrees in writing to assume the recapture liability of the person disposing of such interest in effect immediately before such disposition. In the event of such an assumption, the person acquiring the interest in the facility shall be treated as the taxpayer for purposes of assessing any recapture liability (computed as if there had been no change in ownership).

"(4) SPECIAL RULES.—

"(A) TAX BENEFIT RULE.—The tax for the taxable year shall be increased under paragraph (1) only with respect to credits allowed by reason of this section which were used to reduce tax liability. In the case of credits not so used to reduce tax liability, the carryforwards and carrybacks under section 39 shall be appropriately adjusted.

"(B) NO CREDITS AGAINST TAX.—Any increase in tax under this subsection shall not be treated as a tax imposed by this chapter for purposes of determining the amount of any credit under subpart A, B, or D of this part.

"(C) NO RECAPTURE BY REASON OF CASUALTY LOSS.—The increase in tax under this subsection shall not apply to a cessation of operation of the facility as a qualified child care facility by reason of a casualty loss to the extent such loss is restored by reconstruction or replacement within a reasonable period established by the Secretary.

"(e) SPECIAL RULES.—For purposes of this section—

"(1) AGGREGATION RULES.—All persons which are treated as a single employer under subsections (a) and (b) of section 52 shall be treated as a single taxpayer.

"(2) PASS-THRU IN THE CASE OF ESTATES AND TRUSTS.—Under regulations prescribed by the Secretary, rules similar to the rules of subsection (d) of section 52 shall apply.

"(3) ALLOCATION IN THE CASE OF PARTNERSHIPS.—In the case of partnerships, the credit shall be allocated among partners under regulations prescribed by the Secretary.

"(f) NO DOUBLE BENEFIT.—

"(1) REDUCTION IN BASIS.—For purposes of this subtitle—

"(A) IN GENERAL.—If a credit is determined under this section with respect to any property by reason of expenditures described in subsection (c)(1)(A), the basis of such property shall be reduced by the amount of the credit so determined.

"(B) CERTAIN DISPOSITIONS.—If during any taxable year there is a recapture amount determined with respect to any property the basis of which was reduced under subparagraph (A), the basis of such property (immediately before the event resulting in such recapture) shall be increased by an amount equal to such recapture amount. For purposes of the preceding sentence, the term 'recapture amount' means any increase in tax (or adjustment in carrybacks or carryovers) determined under subsection (d).

"(2) OTHER DEDUCTIONS AND CREDITS.—No deduction or credit shall be allowed under any other provision of this chapter with respect to the amount of the credit determined under this section."

(b) CONFORMING AMENDMENTS.—

(1) Section 38(b) is amended—

(A) by striking out "plus" at the end of paragraph (11),

(B) by striking out the period at the end of paragraph (12), and inserting a comma and "plus", and

(C) by adding at the end the following new paragraph:

"(13) the employer-provided child care credit determined under section 45D.".

(2) The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

"Sec. 45D. Employer-provided child care credit.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

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## SANTORUM (AND OTHERS) AMENDMENT NO. 3838

(Ordered to lie on the table.)

Mr. SANTORUM (for himself, Mr. LIEBERMAN, Mr. ABRAHAM, Mr. HUTCHINSON, Mr. TORRICELLI, Mr. DEWINE, Mr. KOHL, Ms. LANDRIEU, and Mr. KERRY) submitted an amendment intended to be proposed by them to the bill, H.R. 8, supra; as follows:

At the end, add the following:

### DIVISION B—AMERICAN COMMUNITY RENEWAL AND NEW MARKETS EMPOWERMENT

### SECTION 1. SHORT TITLE; ETC.

(a) SHORT TITLE.—This division may be cited as the "American Community Renewal and New Markets Empowerment Act".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this division an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—

Sec. 1. Short title; etc.

TITLE I—AMERICAN COMMUNITY RENEWAL

Sec. 101. Designation of and tax incentives for renewal communities.
Sec. 102. Extension of expensing of environmental remediation costs to renewal communities; extension of termination date for renewal communities and empowerment zones.
Sec. 103. Work opportunity credit for hiring youth residing in renewal communities.
Sec. 104. Evaluation and reporting requirements.
Sec. 105. Exclusion of effects of this title from paygo scorecard.

TITLE II—NEW MILLENNIUM CLASSROOMS

Sec. 201. Credit for computer donations to schools, senior centers, public libraries, and other training centers.

TITLE III—EXPANSION AND EXTENSION OF EMPOWERMENT ZONE TAX INCENTIVES

Sec. 301. Authority to designate 9 additional empowerment zones.
Sec. 302. Extension of enterprise zone treatment through 2009.
Sec. 303. 20 percent employment credit for all empowerment zones.
Sec. 304. Increased expensing under section 179.
Sec. 305. Higher limits on tax-exempt empowerment zone facility bonds.
Sec. 306. Nonrecognition of gain on rollover of empowerment zone investments.
Sec. 307. Increased exclusion of gain on sale of empowerment zone investments.
Sec. 308. Funding entitlement for Round II empowerment zones.
Sec. 309. Rules regarding qualified issues.
Sec. 310. Custom user fees.

TITLE IV—FAITH BASED SUBSTANCE ABUSE TREATMENT

Sec. 401. Prevention and treatment of substance abuse; services provided through religious organizations.

TITLE V—HOMEOWNERSHIP

Sec. 501. Transfer of unoccupied and substandard HUD-held housing to local governments and community development corporations.
Sec. 502. Transfer of HUD assets in revitalization areas.
Sec. 503. Risk-sharing demonstration.

TITLE VI—AMERICA'S PRIVATE INVESTMENT COMPANIES

Sec. 601. Short title.
Sec. 602. Findings and purposes.
Sec. 603. Definitions.
Sec. 604. Authorization.
Sec. 605. Selection of APICs.
Sec. 606. Operations of APICs.
Sec. 607. Credit enhancement by the Federal Government.
Sec. 608. APIC requests for guarantee actions.
Sec. 609. Examination and monitoring of APICs.
Sec. 610. Penalties.
Sec. 611. Effective date.
Sec. 612. Sunset.

TITLE VII—NEW MARKETS TAX CREDIT
Sec. 701. New markets tax credit.
TITLE VIII—COMMUNITY DEVELOPMENT AND VENTURE CAPITAL
Sec. 800. Short title.
Subtitle A—New Markets Venture Capital Program
Sec. 801. New Markets Venture Capital Program.
Sec. 802. Bankruptcy exemption for NMVC companies.
Sec. 803. Federal savings associations.
Subtitle B—Community Development Venture Capital Assistance
Sec. 811. Findings and purposes.
Sec. 812. Community development venture capital activities.
Subtitle C—Business LINC
Sec. 821. Grants authorized.
Sec. 822. Regulations.
TITLE IX—BOND VOLUME CAP AND LOW-INCOME HOUSING CREDIT INCREASES
Sec. 901. Increase in State ceiling on private activity bonds.
Sec. 902. Increase in State ceiling on low-income housing credit.
TITLE X—INDIVIDUAL DEVELOPMENT ACCOUNTS
Sec. 1001. Findings.
Sec. 1002. Purposes.
Sec. 1003. Definitions.
Subtitle A—Individual Development Accounts for Low-Income Workers
Sec. 1011. Structure and administration of qualified individual development account programs.
Sec. 1012. Procedures for opening an Individual Development Account and qualifying for matching funds.
Sec. 1013. Contributions to Individual Development Accounts.
Sec. 1014. Deposits by qualified individual development account programs.
Sec. 1015. Withdrawal procedures.
Sec. 1016. Certification and termination of qualified individual development account programs.
Sec. 1017. Reporting, monitoring, and evaluation.
Sec. 1018. Certain account funds of program participants disregarded for purposes of certain means-tested Federal programs.
Subtitle B—Qualified Individual Development Account Program Investment Credits
Sec. 1021. Qualified individual development account program investment credits.
Sec. 1022. CRA credit treatment for qualified individual development account program investments.
Sec. 1023. Designation of earned income tax credit payments for deposit to Individual Development Accounts.
TITLE XI—CHARITABLE CHOICE EXPANSION
Sec. 1101. Provision of assistance under government programs by religious organizations.
TITLE XII—ANTHRACITE REGION REDEVELOPMENT
Sec. 1201. Credit to holders of qualified anthracite region redevelopment bonds.

## TITLE I—AMERICAN COMMUNITY RENEWAL

### SEC. 101. DESIGNATION OF AND TAX INCENTIVES FOR RENEWAL COMMUNITIES.

(a) IN GENERAL.—Chapter 1 is amended by adding at the end the following new subchapter:

### "Subchapter X—Renewal Communities

"Part I. Designation.
"Part II. Renewal community capital gain; renewal community business.
"Part III. Additional incentives.

### "PART I—DESIGNATION

"Sec. 1400E. Designation of renewal communities.

### "SEC. 1400E. DESIGNATION OF RENEWAL COMMUNITIES.

"(a) DESIGNATION.—

"(1) DEFINITIONS.—For purposes of this title, the term 'renewal community' means any area—

"(A) which is nominated by one or more local governments and the State or States in which it is located for designation as a renewal community (hereinafter in this section referred to as a 'nominated area'), and

"(B) which the Secretary of Housing and Urban Development designates as a renewal community, after consultation with—

"(i) the Secretaries of Agriculture, Commerce, Labor, and the Treasury; the Director of the Office of Management and Budget, and the Administrator of the Small Business Administration, and

"(ii) in the case of an area on an Indian reservation, the Secretary of the Interior.

"(2) NUMBER OF DESIGNATIONS.—

"(A) IN GENERAL.—The Secretary of Housing and Urban Development may designate not more than 1 nominated area as a renewal community in each State.

"(B) MINIMUM DESIGNATION IN RURAL AREAS.—Of the areas designated under paragraph (1), at least 20 percent must be areas—

"(i) which are within a local government jurisdiction or jurisdictions with a population of less than 50,000,

"(ii) which are outside of a metropolitan statistical area (within the meaning of section 143(k)(2)(B)), or

"(iii) which are determined by the Secretary of Housing and Urban Development, after consultation with the Secretary of Commerce, to be rural areas.

"(3) AREAS DESIGNATED BASED ON DEGREE OF POVERTY, ETC.—

"(A) IN GENERAL.—Except as otherwise provided in this section, the nominated areas designated as renewal communities under this subsection shall be those nominated areas with the highest average ranking with respect to the criteria described in subparagraphs (B), (C), and (D) of subsection (c)(3). For purposes of the preceding sentence, an area shall be ranked within each such criterion on the basis of the amount by which the area exceeds such criterion, with the area which exceeds such criterion by the greatest amount given the highest ranking.

"(B) EXCEPTION WHERE INADEQUATE COURSE OF ACTION, ETC.—An area shall not be designated under subparagraph (A) if the Secretary of Housing and Urban Development determines that the course of action described in subsection (d)(2) with respect to such area is inadequate.

"(4) LIMITATION ON DESIGNATIONS.—

"(A) PUBLICATION OF REGULATIONS.—The Secretary of Housing and Urban Development shall prescribe by regulation no later than 4 months after the date of the enactment of this section, after consultation with the officials described in paragraph (1)(B)—

"(i) the procedures for nominating an area under paragraph (1)(A),

"(ii) the parameters relating to the size and population characteristics of a renewal community, and

"(iii) the manner in which nominated areas will be evaluated based on the criteria specified in subsection (d).

"(B) TIME LIMITATIONS.—The Secretary of Housing and Urban Development may designate nominated areas as renewal communities only during the 24-month period beginning on the first day of the first month following the month in which the regulations described in subparagraph (A) are prescribed.

"(C) PROCEDURAL RULES.—The Secretary of Housing and Urban Development shall not make any designation of a nominated area as a renewal community under paragraph (2) unless—

"(i) the local governments and the States in which the nominated area is located have the authority—

"(I) to nominate such area for designation as a renewal community,

"(II) to make the State and local commitments described in subsection (d), and

"(III) to provide assurances satisfactory to the Secretary of Housing and Urban Development that such commitments will be fulfilled,

"(ii) a nomination regarding such area is submitted in such a manner and in such form, and contains such information, as the Secretary of Housing and Urban Development shall by regulation prescribe, and

"(iii) the Secretary of Housing and Urban Development determines that any information furnished is reasonably accurate.

"(5) NOMINATION PROCESS FOR INDIAN RESERVATIONS.—For purposes of this subchapter, in the case of a nominated area on an Indian reservation, the reservation governing body (as determined by the Secretary of the Interior) shall be treated as being both the State and local governments with respect to such area.

"(b) PERIOD FOR WHICH DESIGNATION IS IN EFFECT.—

"(1) IN GENERAL.—Any designation of an area as a renewal community shall remain in effect during the period beginning on January 1, 2001, and ending on the earliest of—

"(A) December 31, 2009,

"(B) the termination date designated by the State and local governments in their nomination, or

"(C) the date the Secretary of Housing and Urban Development revokes such designation.

"(2) REVOCATION OF DESIGNATION.—The Secretary of Housing and Urban Development may revoke the designation under this section of an area if such Secretary determines that the local government or the State in which the area is located—

"(A) has modified the boundaries of the area, or

"(B) is not complying substantially with, or fails to make progress in achieving, the State or local commitments, respectively, described in subsection (d).

"(c) AREA AND ELIGIBILITY REQUIREMENTS.—

"(1) IN GENERAL.—The Secretary of Housing and Urban Development may designate a nominated area as a renewal community under subsection (a) only if the area meets the requirements of paragraphs (2) and (3) of this subsection.

"(2) AREA REQUIREMENTS.—A nominated area meets the requirements of this paragraph if—

"(A) the area is within the jurisdiction of one or more local governments, "(B) the boundary of the area is continuous, and

"(C) the area—

"(i) has a population, of at least—

"(I) 4,000 if any portion of such area (other than a rural area described in subsection (a)(2)(B)(i)) is located within a metropolitan statistical area (within the meaning of section 143(k)(2)(B)) which has a population of 50,000 or greater, or

"(II) 1,000 in any other case, or

"(ii) is entirely within an Indian reservation (as determined by the Secretary of the Interior).

"(3) ELIGIBILITY REQUIREMENTS.—A nominated area meets the requirements of this paragraph if the State and the local governments in which it is located certify (and the Secretary of Housing and Urban Development, after such review of supporting data as he deems appropriate, accepts such certification) that—

"(A) the area is one of pervasive poverty, unemployment, and general distress,

"(B) the unemployment rate in the area, as determined by the most recent available data, was at least 1½ times the national unemployment rate for the period to which such data relate,

"(C) the poverty rate for each population census tract within the nominated area is at least 20 percent, and

"(D) in the case of an urban area, at least 70 percent of the households living in the area have incomes below 80 percent of the median income of households within the jurisdiction of the local government (determined in the same manner as under section 119(b)(2) of the Housing and Community Development Act of 1974).

"(4) CONSIDERATION OF HIGH INCIDENCE OF CRIME.—The Secretary of Housing and Urban Development shall take into account, in selecting nominated areas for designation as renewal communities under this section, the extent to which such areas have a high incidence of crime.

"(5) CONSIDERATION OF COMMUNITIES IDENTIFIED IN GAO STUDY.—The Secretary of Housing and Urban Development shall take into account, in selecting nominated areas for designation as renewal communities under this section, if the area has census tracts identified in the May 12, 1998, report of the Government Accounting Office regarding the identification of economically distressed areas.

"(d) REQUIRED STATE AND LOCAL COMMITMENTS.—

"(1) IN GENERAL.—The Secretary of Housing and Urban Development may designate any nominated area as a renewal community under subsection (a) only if—

"(A) the local government and the State in which the area is located agree in writing that, during any period during which the area is a renewal community, such governments will follow a specified course of action which meets the requirements of paragraph (2) and is designed to reduce the various burdens borne by employers or employees in such area, and

"(B) the economic growth promotion requirements of paragraph (3) are met.

"(2) COURSE OF ACTION.—

"(A) IN GENERAL.—A course of action meets the requirements of this paragraph if such course of action is a written document, signed by a State (or local government) and neighborhood organizations, which evidences a partnership between such State or government and community-based organizations and which commits each signatory to specific and measurable goals, actions, and timetables. Such course of action shall include at least 4 of the following:

"(i) A reduction of tax rates or fees applying within the renewal community.

"(ii) An increase in the level of efficiency of local services within the renewal community.

"(iii) Crime reduction strategies, such as crime prevention (including the provision of such services by nongovernmental entities).

"(iv) Actions to reduce, remove, simplify, or streamline governmental requirements applying within the renewal community.

"(v) Involvement in the program by private entities, organizations, neighborhood organizations, and community groups, particularly those in the renewal community, including a commitment from such private entities to provide jobs and job training for, and technical, financial, or other assistance to, employers, employees, and residents from the renewal community.

"(vi) The gift (or sale at below fair market value) of surplus real property (such as land, homes, and commercial or industrial structures) in the renewal community to neighborhood organizations, community development corporations, or private companies.

"(B) RECOGNITION OF PAST EFFORTS.—For purposes of this section, in evaluating the course of action agreed to by any State or local government, the Secretary of Housing and Urban Development shall take into account the past efforts of such State or local government in reducing the various burdens borne by employers and employees in the area involved.

"(3) ECONOMIC GROWTH PROMOTION REQUIREMENTS.—The economic growth promotion requirements of this paragraph are met with respect to a nominated area if the local government and the State in which such area is located certify in writing that such government and State (respectively) have repealed, will not enforce, or will reduce within the area at least 4 of the following if such area is designated as a renewal community:

"(A) Licensing requirements for occupations that do not ordinarily require a professional degree.

"(B) Zoning restrictions on home-based businesses which do not create a public nuisance.

"(C) Permit requirements for street vendors who do not create a public nuisance.

"(D) Zoning or other restrictions that impede the formation of schools or child care centers.

"(E) Franchises or other restrictions on competition for businesses providing public services, including taxicabs, jitneys, cable television, or trash hauling.

This paragraph shall not apply to the extent that such regulation of businesses and occupations is necessary for and well-tailored to the protection of health and safety.

"(e) COORDINATION WITH TREATMENT OF EMPOWERMENT ZONES AND ENTERPRISE COMMUNITIES.—

"(1) IN GENERAL.—For purposes of this title, the designation under section 1391 of any area as an empowerment zone or enterprise community shall cease to be in effect as of the date that any portion of such area is designated as a renewal community.

"(2) SPECIAL RULE FOR WAGE CREDIT.—For purposes of section 1400H (relating to renewal community employment credit)—

"(A) there shall not be taken into account wages taken into account under section 1396 (without regard to section 1400H), and

"(B) the $15,000 amount in section 1396(c) shall (in applying section 1400H) be reduced for any calendar year by the amount of wages paid or incurred during such year which are taken into account in determining the credit under section 1396 (without regard to section 1400H).

"(f) DEFINITIONS AND SPECIAL RULES.—For purposes of this subchapter—

"(1) GOVERNMENTS.—If more than one government seeks to nominate an area as a renewal community, any reference to, or requirement of, this section shall apply to all such governments.

"(2) LOCAL GOVERNMENT.—The term 'local government' means—

"(A) any county, city, town, township, parish, village, or other general purpose political subdivision of a State, and

"(B) any combination of political subdivisions described in subparagraph (A) recognized by the Secretary of Housing and Urban Development.

"(3) STATE.—The term 'State' means the several States.

"(4) APPLICATION OF RULES RELATING TO CENSUS TRACTS.—The rules of sections 1392(b)(4) shall apply.

"(5) CENSUS DATA.—Population and poverty rate shall be determined by using 1990 census data.

### "PART II—RENEWAL COMMUNITY CAPITAL GAIN; RENEWAL COMMUNITY BUSINESS

"Sec. 1400F. Renewal community capital gain.

"Sec. 1400G. Renewal community business defined.

### "SEC. 1400F. RENEWAL COMMUNITY CAPITAL GAIN.

"(a) GENERAL RULE.—Gross income does not include any qualified capital gain recognized on the sale or exchange of a qualified community asset held for more than 5 years.

"(b) QUALIFIED COMMUNITY ASSET.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified community asset' means—

"(A) any qualified community stock,

"(B) any qualified community partnership interest, and

"(C) any qualified community business property.

"(2) QUALIFIED COMMUNITY STOCK.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the term 'qualified community stock' means any stock in a domestic corporation if—

"(i) such stock is acquired by the taxpayer after December 31, 2000, and before January 1, 2010, at its original issue (directly or through an underwriter) from the corporation solely in exchange for cash,

"(ii) as of the time such stock was issued, such corporation was a renewal community business (or, in the case of a new corporation, such corporation was being organized for purposes of being a renewal community business), and

"(iii) during substantially all of the taxpayer's holding period for such stock, such corporation qualified as a renewal community business.

"(B) REDEMPTIONS.—A rule similar to the rule of section 1202(c)(3) shall apply for purposes of this paragraph.

"(3) QUALIFIED COMMUNITY PARTNERSHIP INTEREST.—The term 'qualified community partnership interest' means any capital or profits interest in a domestic partnership if—

"(A) such interest is acquired by the taxpayer after December 31, 2000, and before January 1, 2010, from the partnership solely in exchange for cash, "(B) as of the time such interest was acquired, such partnership was a renewal community business (or, in the case of a new partnership, such partnership was being organized for purposes of being a renewal community business), and

"(C) during substantially all of the taxpayer's holding period for such interest, such partnership qualified as a renewal community business.

A rule similar to the rule of paragraph (2)(B) shall apply for purposes of this paragraph.

"(4) QUALIFIED COMMUNITY BUSINESS PROPERTY.—

"(A) IN GENERAL.—The term 'qualified community business property' means tangible property if—

"(i) such property was acquired by the taxpayer by purchase (as defined in section 179(d)(2)) after December 31, 2000, and before January 1, 2010,

"(ii) the original use of such property in the renewal community commences with the taxpayer, and

"(iii) during substantially all of the taxpayer's holding period for such property, substantially all of the use of such property was in a renewal community business of the taxpayer.

"(B) SPECIAL RULE FOR SUBSTANTIAL IMPROVEMENTS.—The requirements of clauses (i) and (ii) of subparagraph (A) shall be treated as satisfied with respect to—

"(i) property which is substantially improved by the taxpayer before January 1, 2010, and

"(ii) any land on which such property is located.

The determination of whether a property is substantially improved shall be made under clause (ii) of section 1400B(b)(4)(B), except that 'December 31, 2000' shall be substituted for 'December 31, 1997' in such clause.

"(c) QUALIFIED CAPITAL GAIN.—For purposes of this section—

"(1) IN GENERAL.—Except as otherwise provided in this subsection, the term 'qualified capital gain' means any gain recognized on the sale or exchange of—

"(A) a capital asset, or

"(B) property used in the trade or business (as defined in section 1231(b).

"(2) GAIN BEFORE 2001 OR AFTER 2014 NOT QUALIFIED.—The term 'qualified capital gain' shall not include any gain attributable to periods before January 1, 2001, or after December 31, 2014.

"(3) CERTAIN RULES TO APPLY.—Rules similar to the rules of paragraphs (3), (4), and (5) of section 1400B(e) shall apply for purposes of this subsection.

"(d) CERTAIN RULES TO APPLY.—For purposes of this section, rules similar to the rules of paragraphs (5), (6), and (7) of subsection (b), and subsections (f) and (g), of section 1400B shall apply; except that for such purposes section 1400B(g)(2) shall be applied by substituting 'January 1, 2001' for 'January 1, 1998' and 'December 31, 2014' for 'December 31, 2007'.

**"SEC. 1400G. RENEWAL COMMUNITY BUSINESS DEFINED.**

"For purposes of this subchapter, the term 'renewal community business' means any entity or proprietorship which would be a qualified business entity or qualified proprietorship under section 1397C if references to renewal communities were substituted for references to empowerment zones in such section.

### "PART III—ADDITIONAL INCENTIVES

"Sec. 1400H. Renewal community employment credit.

"Sec. 1400I. Commercial revitalization deduction.

"Sec. 1400J. Increase in expensing under section 179.

**"SEC. 1400H. RENEWAL COMMUNITY EMPLOYMENT CREDIT.**

"(a) IN GENERAL.—Subject to the modification in subsection (b), a renewal community shall be treated as an empowerment zone for purposes of section 1396.

"(b) MODIFICATION.—In applying section 1396 with respect to renewal communities, the applicable percentage shall be—

"(1) 15 percent in the case of calendar years 2001, 2002, 2003, or 2004, and

"(2) 20 percent in the case of calendar years after 2004 and before 2010.

**"SEC. 1400I. COMMERCIAL REVITALIZATION DEDUCTION.**

"(a) GENERAL RULE.—At the election of the taxpayer, either—

"(1) one-half of any qualified revitalization expenditures chargeable to capital account with respect to any qualified revitalization building shall be allowable as a deduction for the taxable year in which the building is placed in service, or

"(2) a deduction for all such expenditures shall be allowable ratably over the 120-month period beginning with the month in which the building is placed in service.

"(b) QUALIFIED REVITALIZATION BUILDINGS AND EXPENDITURES.—For purposes of this section—

"(1) QUALIFIED REVITALIZATION BUILDING.—The term 'qualified revitalization building' means any building (and its structural components) if—

"(A) such building is located in a renewal community and is placed in service after December 31, 2000,

"(B) a commercial revitalization deduction amount is allocated to the building under subsection (d), and

"(C) depreciation is allowable with respect to the building (without regard to this section).

"(2) QUALIFIED REVITALIZATION EXPENDITURE.—

"(A) IN GENERAL.—The term 'qualified revitalization expenditure' means any amount properly chargeable to capital account—

"(i) for property for which depreciation is allowable under section 168 (without regard to this section) and which is—

"(I) nonresidential real property, or

"(II) an addition or improvement to property described in subclause (I),

"(ii) in connection with the construction of any qualified revitalization building which was not previously placed in service or in connection with the substantial rehabilitation (within the meaning of section 47(c)(1)(C)) of a building which was placed in service before the beginning of such rehabilitation, and

"(iii) for land (including land which is functionally related to such property and subordinate thereto).

"(B) DOLLAR LIMITATION.—The aggregate amount which may be treated as qualified revitalization expenditures with respect to any qualified revitalization building for any taxable year shall not exceed the excess of—

"(i) $10,000,000, reduced by

"(ii) any such expenditures with respect to the building taken into account by the taxpayer or any predecessor in determining the amount of the deduction under this section for all preceding taxable years.

"(C) CERTAIN EXPENDITURES NOT INCLUDED.—The term 'qualified revitalization expenditure' does not include—

"(i) ACQUISITION COSTS.—The costs of acquiring any building or interest therein and any land in connection with such building to the extent that such costs exceed 30 percent of the qualified revitalization expenditures determined without regard to this clause.

"(ii) CREDITS.—Any expenditure which the taxpayer may take into account in computing any credit allowable under this title unless the taxpayer elects to take the expenditure into account only for purposes of this section.

"(c) LIMITATION ON AGGREGATE EXPENDITURES ALLOWABLE WITH RESPECT TO BUILDINGS LOCATED IN A STATE.—

"(1) IN GENERAL.—The aggregate qualified revitalization expenditures chargeable to capital account with respect to any building which may be taken into account in determining the deduction under this section with respect to such building shall not exceed the commercial revitalization expenditure amount allocated to such building under this subsection by the commercial revitalization agency. Such allocation shall be made at the same time and in the same manner as under paragraphs (1) and (7) of section 42(h).

"(2) COMMERCIAL REVITALIZATION EXPENDITURE AMOUNT FOR AGENCIES.—

"(A) IN GENERAL.—The aggregate commercial revitalization expenditure amount which a commercial revitalization agency may allocate for any calendar year is the amount of the State commercial revitalization expenditure ceiling determined under this paragraph for such calendar year for such agency.

"(B) STATE COMMERCIAL REVITALIZATION EXPENDITURE CEILING.—The State commercial revitalization expenditure ceiling applicable to any State—

"(i) for each calendar year after 2000 and before 2010 is $12,000,000 for each renewal community in the State, and

"(ii) for each calendar year thereafter is zero.

"(C) COMMERCIAL REVITALIZATION AGENCY.—For purposes of this section, the term 'commercial revitalization agency' means any agency authorized by a State to carry out this section.

"(d) RESPONSIBILITIES OF COMMERCIAL REVITALIZATION AGENCIES.—

"(1) PLANS FOR ALLOCATION.—Notwithstanding any other provision of this section, the commercial revitalization deduction amount with respect to any building shall be zero unless—

"(A) such amount was allocated pursuant to a qualified allocation plan of the commercial revitalization agency which is approved (in accordance with rules similar to the rules of section 147(f)(2) (other than subparagraph (B)(ii) thereof)) by the governmental unit of which such agency is a part, and

"(B) such agency notifies the chief executive officer (or its equivalent) of the local jurisdiction within which the building is located of such allocation and provides such individual a reasonable opportunity to comment on the allocation.

"(2) QUALIFIED ALLOCATION PLAN.—For purposes of this subsection, the term 'qualified allocation plan' means any plan—

"(A) which sets forth selection criteria to be used to determine priorities of the commercial revitalization agency which are appropriate to local conditions,

"(B) which considers—

"(i) the degree to which a project contributes to the implementation of a strategic plan that is devised for a renewal community through a citizen participation process,

"(ii) the amount of any increase in permanent, full-time employment by reason of any project, and "(iii) the active involvement of residents and nonprofit groups within the renewal community, and

"(C) which provides a procedure that the agency (or its agent) will follow in monitoring compliance with this section.

"(e) SPECIAL RULES.—

"(1) DEDUCTION IN LIEU OF DEPRECIATION.—The deduction provided by this section for qualified revitalization expenditures shall—

"(A) with respect to the deduction determined under subsection (a)(1), be in lieu of any depreciation deduction otherwise allowable on account of ½ of such expenditures, and

"(B) with respect to the deduction determined under subsection (a)(2), be in lieu of any depreciation deduction otherwise allowable on account of all of such expenditures.

"(2) BASIS ADJUSTMENT, ETC.—For purposes of sections 1016 and 1250, the deduction under this section shall be treated in the same manner as a depreciation deduction.

"(3) SUBSTANTIAL REHABILITATIONS TREATED AS SEPARATE BUILDINGS.—A substantial rehabilitation (within the meaning of section 47(c)(1)(C)) of a building shall be treated as a separate building for purposes of subsection (a).

"(4) CLARIFICATION OF ALLOWANCE OF DEDUCTION UNDER MINIMUM TAX.—Notwithstanding section 56(a)(1), the deduction under this section shall be allowed in determining alternative minimum taxable income under section 55.

"(f) REGULATIONS.—For purposes of this section, the Secretary shall, by regulations, provide for the application of rules similar to the rules of section 49 and subsections (a) and (b) of section 50.

"(g) TERMINATION.—This section shall not apply to any building placed in service after December 31, 2009.

### "SEC. 1400J. INCREASE IN EXPENSING UNDER SECTION 179.

"(a) IN GENERAL.—For purposes of section 1397A—

"(1) a renewal community shall be treated as an empowerment zone,

"(2) a renewal community business shall be treated as an empowerment zone business, and

"(3) qualified renewal property shall be treated as enterprise zone property.

"(b) QUALIFIED RENEWAL PROPERTY.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified renewal property' means any property to which section 168 applies (or would apply but for section 179) if—

"(A) such property was acquired by the taxpayer by purchase (as defined in section 179(d)(2)) after December 31, 2000, and before January 1, 2010, and

"(B) such property would be qualified zone property (as defined in section 1397D) if references to renewal communities were substituted for references to empowerment zones in section 1397D.

"(2) CERTAIN RULES TO APPLY.—The rules of subsections (a)(2) and (b) of section 1397D shall apply for purposes of this section.".

(b) EXCEPTION FOR COMMERCIAL REVITALIZATION DEDUCTION FROM PASSIVE LOSS RULES.—

(1) Paragraph (3) of section 469(i) is amended by redesignating subparagraphs (C), (D), and (E) as subparagraphs (D), (E), and (F), respectively, and by inserting after subparagraph (B) the following new subparagraph:

"(C) EXCEPTION FOR COMMERCIAL REVITALIZATION DEDUCTION.—Subparagraph (A) shall not apply to any portion of the passive activity loss for any taxable year which is attributable to the commercial revitalization deduction under section 1400I.".

(2) Subparagraph (E) of section 469(i)(3), as redesignated by subparagraph (A), is amended to read as follows:

"(E) ORDERING RULES TO REFLECT EXCEPTIONS AND SEPARATE PHASE-OUTS.—If subparagraph (B), (C), or (D) applies for a taxable year, paragraph (1) shall be applied—

"(i) first to the portion of the passive activity loss to which subparagraph (C) does not apply,

"(ii) second to the portion of the passive activity credit to which subparagraph (B) or (D) does not apply,

"(iii) third to the portion of such credit to which subparagraph (B) applies,

"(iv) fourth to the portion of such loss to which subparagraph (C) applies, and

"(v) then to the portion of such credit to which subparagraph (D) applies.".

(3)(A) Subparagraph (B) of section 469(i)(6) is amended by striking "or" at the end of clause (i), by striking the period at the end of clause (ii) and inserting ", or", and by adding at the end the following new clause:

"(iii) any deduction under section 1400I (relating to commercial revitalization deduction).".

(B) The heading for such subparagraph (B) is amended by striking "OR REHABILITATION CREDIT" and inserting ", REHABILITATION CREDIT, OR COMMERCIAL REVITALIZATION DEDUCTION".

(c) CLERICAL AMENDMENT.—The table of subchapters for chapter 1 is amended by adding at the end the following new item:

"Subchapter X. Renewal Communities.".

### SEC. 102. EXTENSION OF EXPENSING OF ENVIRONMENTAL REMEDIATION COSTS TO RENEWAL COMMUNITIES; EXTENSION OF TERMINATION DATE FOR RENEWAL COMMUNITIES AND EMPOWERMENT ZONES.

(a) EXTENSION.—

(1) IN GENERAL.—Subparagraph (A) of section 198(c)(2) (defining targeted area) is amended by striking "and" at the end of clause (iii), by striking the period at the end of clause (iv) and inserting ", and", and by adding at the end the following new clause:

"(v) any renewal community (as defined in section 1400E).".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to expenditures paid or incurred after December 31, 2000.

(b) EXTENSION OF TERMINATION DATE.—Subsection (h) of section 198 is amended by inserting before the period "(December 31, 2009, in the case of an empowerment zone or renewal community)".

### SEC. 103. WORK OPPORTUNITY CREDIT FOR HIRING YOUTH RESIDING IN RENEWAL COMMUNITIES.

(a) HIGH-RISK YOUTH.—Subparagraphs (A)(ii) and (B) of section 51(d)(5) are each amended by striking "empowerment zone or enterprise community" and inserting "empowerment zone, enterprise community, or renewal community".

(b) QUALIFIED SUMMER YOUTH EMPLOYEE.—Clause (iv) of section 51(d)(7)(A) is amended by striking "empowerment zone or enterprise community" and inserting "empowerment zone, enterprise community, or renewal community".

(c) HEADINGS.—Paragraphs (5)(B) and (7)(C) of section 51(d) are each amended by inserting "OR COMMUNITY" in the heading after "ZONE".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to individuals who begin work for the employer after December 31, 2000.

### SEC. 104. EVALUATION AND REPORTING REQUIREMENTS.

Not later than the close of the fourth calendar year after the year in which the Secretary of Housing and Urban Development first designates an area as a renewal community under section 1400E of the Internal Revenue Code of 1986, and at the close of each fourth calendar year thereafter, such Secretary shall prepare and submit to the Congress a report on the effects of such designations in stimulating the creation of new jobs, particularly for disadvantaged workers and long-term unemployed individuals, and promoting the revitalization of economically distressed areas.

### SEC. 105. EXCLUSION OF EFFECTS OF THIS TITLE FROM PAYGO SCORECARD.

Upon the enactment of this title, the Director of the Office of Management and Budget shall not make any estimates of changes in receipts under section 252(d) of the Balanced Budget and Emergency Deficit Control Act of 1985 resulting from the enactment of this title.

## TITLE II—NEW MILLENNIUM CLASSROOMS

### SEC. 201. CREDIT FOR COMPUTER DONATIONS TO SCHOOLS, SENIOR CENTERS, PUBLIC LIBRARIES, AND OTHER TRAINING CENTERS.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 (relating to business related credits) is amended by adding at the end the following new section:

### "SEC. 48D. CREDIT FOR COMPUTER DONATIONS TO SCHOOLS, SENIOR CENTERS, PUBLIC LIBRARIES, AND OTHER TRAINING CENTERS.

"(a) GENERAL RULE.—For purposes of section 38, the computer donation credit determined under this section is an amount equal to 50 percent of the qualified computer contributions made by the taxpayer during the taxable year as determined after the application of section 170(e)(6)(A) to any entity located in—

"(1) a renewal community designated under section 1400E,

"(2) an empowerment zone or enterprise community designated under section 1391,

"(3) an Indian reservation (as defined in section 168(j)(6)), or

"(4) a low-income community (as defined in subsection (c).

"(b) QUALIFIED COMPUTER CONTRIBUTION.—For purposes of this section, the term 'qualified computer contribution' has the meaning given the term 'qualified elementary or secondary educational contribution' by section 170(e)(6)(B), except that—

"(1) clause (ii) thereof shall be applied—

"(A) by substituting '3 years' for '2 years',

"(B) by inserting 'or reacquired' after 'acquired', and

"(C) by inserting 'for the taxpayer's own use' after 'constructed by the taxpayer',

"(2) clause (iii) thereof shall be applied by inserting ', the person from whom the donor reacquires the property,' after 'the donor',

"(3) such term shall include the contribution of a computer (as defined in section 168(i)(2)(B)(ii)) only if computer software (as defined in section 197(e)(3)(B)) that serves as a computer operating system has been lawfully installed in such computer,

"(4) notwithstanding clauses (i) and (iv) of section 170(e)(6)(B), such term shall include the contribution of computer technology or equipment to—

"(A) multipurpose senior centers (as defined in section 102(35) of the Older Americans Act of 1965 (42 U.S.C. 3002(35), as in effect on the date of the enactment of the

American Community Renewal and New Markets Empowerment Act) described in section 501(c)(3) and exempt from tax under section 501(a) to be used by individuals who have attained 60 years of age to improve job skills in computers,

“(B) a public library (within the meaning of section 213(2)(A) of the Library Services and Technology Act (20 U.S.C. 9122(2)(A), as in effect on the date of the enactment of the American Community Renewal and New Markets Empowerment Act) established and maintained by an entity described in section 170(c)(1), or

“(C) an organization exempt from tax under section 501(a) which provides employment, vocational, and job-training services to individuals with barriers to employment, including welfare recipients and individuals with disabilities, and

“(5) such term shall only include contributions which meet the minimum standards prescribed by the Secretary by regulation, after consultation, at the option of the Secretary, with the National Telecommunications and Information Agency and any other Federal agency with expertise in computer technology.

“(c) Low-Income Community.—For purposes of this section—

“(1) In general.—The term ‘low-income community’ means any population census tract if—

“(A)(i) the poverty rate for such tract is at least 20 percent, or

“(ii)(I) in the case of a tract not located within a metropolitan area, the median family income for such tract does not exceed 80 percent of statewide median family income, or

“(II) in the case of a tract located within a metropolitan area, the median family income for such tract does not exceed 80 percent of the greater of statewide median family income or the metropolitan area median family income, and

“(B) the unemployment rate for such tract, as determined by the most recent available data, was at least 1½ times the national unemployment rate for the period to which such data relate.

“(2) Areas not within census tracts.—In the case of an area which is not tracted for population census tracts, the equivalent county divisions (as defined by the Bureau of the Census for purposes of defining poverty areas) shall be used for purposes of determining poverty rates, median family income, and unemployment rates.

“(d) Certain Rules Made Applicable.—For purposes of this section, rules similar to the rules of paragraphs (1) and (2) of section 41(f) shall apply.

“(e) Termination.—This section shall not apply to taxable years beginning after December 31, 2009.”.

(b) Current Year Business Credit Calculation.—Section 38(b) (relating to current year business credit) is amended by striking “plus” at the end of paragraph (11), by striking the period at the end of paragraph (12) and inserting “, plus”, and by adding at the end the following:

“(13) the computer donation credit determined under section 45D(a).”.

(c) Disallowance of Deduction by Amount of Credit.—Section 280C (relating to certain expenses for which credits are allowable) is amended by adding at the end the following:

“(d) Credit for Computer Donations.—No deduction shall be allowed for that portion of the qualified computer contributions (as defined in section 45D(b)) made during the taxable year that is equal to the amount of credit determined for the taxable year under section 45D(a). In the case of a corporation which is a member of a controlled group of corporations (within the meaning of section 52(a)) or a trade or business which is treated as being under common control with other trades or businesses (within the meaning of section 52(b)), this subsection shall be applied under rules prescribed by the Secretary similar to the rules applicable under subsections (a) and (b) of section 52.”.

(d) Limitation on Carryback.—Subsection (d) of section 39 (relating to carryback and carryforward of unused credits) is amended by adding at the end the following:

“(9) No carryback of computer donation credit before effective date.—No amount of unused business credit available under section 45D may be carried back to a taxable year beginning on or before the date of the enactment of this paragraph.”.

(e) Clerical Amendment.—The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 45C the following:

“Sec. 45D. Credit for computer donations to schools, senior centers, public libraries, and other training centers.”.

(f) Effective Date.—The amendments made by this section shall apply to contributions made in taxable years beginning after December 31, 2000.

## TITLE III—EXPANSION AND EXTENSION OF EMPOWERMENT ZONE TAX INCENTIVES

### SEC. 301. ADDITIONAL EMPOWERMENT ZONE DESIGNATIONS.

Section 1391 is amended by adding at the end the following new subsection:

“(h) Additional Designations Permitted.—

“(1) In general.—In addition to the areas designated under subsections (a) and (g), the appropriate Secretaries may designate in the aggregate an additional 9 nominated areas as empowerment zones under this section, subject to the availability of eligible nominated areas. Of that number, not more than 7 may be designated in urban areas and not more than 2 may be designated in rural areas.

“(2) Period designations may be made and take effect.—A designation may be made under this subsection after the date of the enactment of this subsection and before January 1, 2001. Subject to subparagraphs (B) and (C) of subsection (d)(1), such designations shall remain in effect during the period beginning on January 1, 2001, and ending on December 31, 2009.

“(3) Modifications to eligibility criteria, etc.—The rules of subsection (g)(3) shall apply to designations under this subsection.

“(4) Empowerment zones which become renewal communities.—The number of areas which may be designated as empowerment zones under this subsection shall be increased by 1 for each area which ceases to be an empowerment zone by reason of section 1400E(e). Each additional area designated by reason of the preceding sentence shall have the same urban or rural character as the area it is replacing.”.

### SEC. 302. EXTENSION OF ENTERPRISE ZONE TREATMENT THROUGH 2009.

Subparagraph (A) of section 1391(d)(1) (relating to period for which designation is in effect) is amended to read as follows:

“(A) December 31, 2009,”.

### SEC. 303. 20 PERCENT EMPLOYMENT CREDIT FOR ALL EMPOWERMENT ZONES.

(a) 20 Percent Credit.—Subsection (b) of section 1396 (relating to empowerment zone employment credit) is amended to read as follows:

“(b) Applicable Percentage.—For purposes of this section, the applicable percentage is 20 percent.”.

(b) All Empowerment Zones Eligible for Credit.—Section 1396 is amended by striking subsection (e).

(c) Conforming Amendment.—Subsection (d) of section 1400 is amended to read as follows:

“(d) Special Rule for Application of Employment Credit.—With respect to the DC Zone, section 1396(d)(1)(B) (relating to empowerment zone employment credit) shall be applied by substituting ‘the District of Columbia’ for ‘such empowerment zone’.”.

(d) Effective Date.—The amendments made by this section shall apply to wages paid or incurred after December 31, 2000.

### SEC. 304. INCREASED EXPENSING UNDER SECTION 179.

(a) In General.—Subparagraph (A) of section 1397A(a)(1) is amended by striking “$20,000” and inserting “$35,000”.

(b) Expensing for Property Used in Developable Sites.—Section 1397A is amended by striking subsection (c).

(c) Effective Date.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2000.

### SEC. 305. HIGHER LIMITS ON TAX-EXEMPT EMPOWERMENT ZONE FACILITY BONDS.

(a) In General.—Paragraph (3) of section 1394(f) (relating to bonds for empowerment zones designated under section 1391(g)) is amended to read as follows:

“(3) Empowerment zone facility bond.—For purposes of this subsection, the term ‘empowerment zone facility bond’ means any bond which would be described in subsection (a) if only empowerment zones were taken into account under sections 1397C and 1397D.” .

(b) Conforming Amendments.—

(1) Subsection (f) of section 1394 is amended by striking “new empowerment zone facility bond” each place it appears and inserting “empowerment zone facility bond”.

(2) The heading for such subsection is amended to read as follows:

“(f) Bonds for Empowerment Zones.—”.

(3) Paragraph (1) of section 1394(c) is amended—

(A) by striking “empowerment zone or” in subparagraph (A), and

(B) by striking “empowerment zones and” in subparagraph (B).

(c) Effective Date.—The amendments made by this section shall apply to obligations issued after December 31, 2000.

### SEC. 306. NONRECOGNITION OF GAIN ON ROLLOVER OF EMPOWERMENT ZONE INVESTMENTS.

(a) In General.—Part III of subchapter U of chapter 1 is amended—

(1) by redesignating subpart C as subpart D,

(2) by redesignating sections 1397B and 1397C as sections 1397C and 1397D, respectively, and

(3) by inserting after subpart B the following new subpart:

### “Subpart C—Nonrecognition of Gain on Rollover of Empowerment Zone Investments

“Sec. 1397B. Nonrecognition of Gain on Rollover of Empowerment Zone Investments.

### "SEC. 1397B. NONRECOGNITION OF GAIN ON ROLLOVER OF EMPOWERMENT ZONE INVESTMENTS.

"(a) Nonrecognition of Gain.—In the case of any sale of a qualified empowerment zone asset held by the taxpayer for more than 1 year and with respect to which such taxpayer elects the application of this section, gain from such sale shall be recognized only to the extent that the amount realized on such sale exceeds—

"(1) the cost of any qualified empowerment zone asset (with respect to the same zone as the asset sold) purchased by the taxpayer during the 60-day period beginning on the date of such sale, reduced by

"(2) any portion of such cost previously taken into account under this section.

This section shall apply only to gain which is qualified capital gain.

"(b) Definitions and Special Rules.—For purposes of this section—

"(1) Qualified empowerment zone asset.—

"(A) In general.—The term 'qualified empowerment zone asset' means any property which would be a qualified community asset (as defined in section 1400F) if in section 1400F—

"(i) references to empowerment zones were substituted for references to renewal communities, and

"(ii) references to enterprise zone businesses (as defined in section 1397C) were substituted for references to renewal community businesses.

"(B) Treatment of DC zone.—

**For termination of rollover with respect to the District of Columbia Enterprise Zone for property acquired after December 31, 2002, see section 1400(f).**

"(2) Qualified capital gain.—

"(A) In general.—Except as otherwise provided in this paragraph, the term 'qualified capital gain'means any gain from the sale or exchange of—

"(i) a capital asset, or

"(ii) property used in the trade or business (as defined in section 1231(b)).

"(B) Certain rules to apply.—Rules similar to the rules of paragraphs (3) and (4) of section 1400B(e) shall apply for purposes of this subsection.

"(3) Purchase.—A taxpayer shall be treated as having purchased any property if, but for paragraph (4), the unadjusted basis of such property in the hands of the taxpayer would be its cost (within the meaning of section 1012).

"(4) Basis adjustments.—If gain from any sale is not recognized by reason of subsection (a), such gain shall be applied to reduce (in the order acquired) the basis for determining gain or loss of any qualified empowerment zone asset which is purchased by the taxpayer during the 60-day period described in subsection (a). This paragraph shall not apply for purposes of section 1202.

"(5) Holding period.—For purposes of determining whether the nonrecognition of gain under subsection (a) applies to any qualified empowerment zone asset which is sold—

"(A) the taxpayer's holding period for such asset and the asset referred to in subsection (a)(1) shall be determined without regard to section 1223, and

"(B) only the first year of the taxpayer's holding period for the asset referred to in subsection (a)(1) shall be taken into account for purposes of paragraphs (2)(A)(iii), (3)(C), and (4)(A)(iii) of section 1400F(b)."

(b) Conforming Amendments.—

(1) Paragraph (23) of section 1016(a) is amended—

(A) by striking "or 1045" and inserting "1045, or 1397B", and

(B) by striking "or 1045(b)(4)" and inserting "1045(b)(4), or 1397B(b)(4)".

(2) Paragraph (15) of section 1223 is amended to read as follows:

"(15) Except for purposes of sections 1202(a)(2), 1202(c)(2)(A), 1400B(b), and 1400F(b), in determining the period for which the taxpayer has held property the acquisition of which resulted under section 1045 or 1397B in the nonrecognition of any part of the gain realized on the sale of other property, there shall be included the period for which such other property has been held as of the date of such sale."

(3) Paragraph (2) of section 1394(b) is amended—

(A) by striking "section 1397C" and inserting "section 1397D", and

(B) by striking "section 1397C(a)(2)" and inserting "section 1397D(a)(2)".

(4) Paragraph (3) of section 1394(b) is amended—

(A) by striking "section 1397B" each place it appears and inserting "section 1397C", and

(B) by striking "section 1397B(d)" and inserting "section 1397C(d)".

(5) Sections 1400(e) and 1400B(c) are each amended by striking "section 1397B" each place it appears and inserting "section 1397C".

(6) The table of subparts for part III of subchapter U of chapter 1 is amended by striking the last item and inserting the following new items:

"Subpart C. Nonrecognition of gain on rollover of empowerment zone investments:
"Subpart D. General provisions."

(7) The table of sections for subpart D of such part III is amended to read as follows:

"Sec. 1397C. Enterprise zone business defined.
"Sec. 1397D. Qualified zone property defined."

(c) Effective Date.—The amendments made by this section shall apply to qualified empowerment zone assets acquired after December 31, 2000.

### SEC. 307. INCREASED EXCLUSION OF GAIN ON SALE OF EMPOWERMENT ZONE STOCK.

(a) In General.—Subsection (a) of section 1202 is amended to read as follows:

"(a) Exclusion.—

"(1) In general.—In the case of a taxpayer other than a corporation, gross income shall not include 50 percent of any gain from the sale or exchange of qualified small business stock held for more than 5 years.

"(2) Empowerment zone businesses.—

"(A) In general.—In the case of qualified small business stock acquired after the date of the enactment of this paragraph in a corporation which is a qualified business entity (as defined in section 1397C(b)) during substantially all of the taxpayer's holding period for such stock, paragraph (1) shall be applied by substituting '60 percent' for '50 percent'.

"(B) Certain rules to apply.—Rules similar to the rules of paragraphs (5) and (7) of section 1400B(b) shall apply for purposes of this paragraph.

"(C) Gain after 2014 not qualified.—Subparagraph (A) shall not apply to gain attributable to periods after December 31, 2014.".

(b) Conforming Amendment.—Paragraph (8) of section 1(h) is amended by striking "means" and all that follows and inserting "means the excess of—

"(A) the gain which would be excluded from gross income under section 1202 but for the percentage limitation in section 1202(a), over

"(B) the gain excluded from gross income under section 1202.".

(c) Effective Date.—The amendments made by this section shall apply to stock acquired after December 31, 2000.

### SEC. 308. FUNDING ENTITLEMENT FOR ROUND II EMPOWERMENT ZONES.

(a) In General.—

(1) Entitlement.—Section 2007(a)(1) of the Social Security Act (42 U.S.C. 1397f(a)(1)) is amended—

(A) in subparagraph (A), by striking "in the State; and" and inserting "that is in the State and is designated pursuant to section 1391(b) of the Internal Revenue Code of 1986;";

(B) by adding after subparagraph (B) the following:

"(C)(i) 8 grants under this section for each qualified empowerment zone that is in an urban area in the State and is designated pursuant to section 1391(g) of such Code; and

"(ii) 8 grants under this section for each qualified empowerment zone that is in a rural area in the State and is designated pursuant to section 1391(g) of such Code;

"(D) 8 grants under this section for each qualified enterprise community that is in the State and is designated pursuant to section 766 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999; and

"(E) 1 grant under this section for each strategic planning community.".

(2) Amount of grants.—Section 2007(a)(2) of such Act (42 U.S.C. 1397f(a)(2)) is amended—

(A) in the heading of subparagraph (A), by inserting "ORIGINAL" before "EMPOWERMENT";

(B) in subparagraph (A), in the matter preceding clause (i), by inserting "referred to in paragraph (1)(A)" after "empowerment zone";

(C) by redesignating subparagraph (C) as subparagraph (F); and

(D) by inserting after subparagraph (B) the following:

"(C) Additional empowerment grants.—The amount of the grant to a State under this section for a qualified empowerment zone referred to in paragraph (1)(C) shall be—

"(i) if the zone is in an urban area, $11,675,000 for each of fiscal years 2001 through 2008; or

"(ii) if the zone is in a rural area, $4,600,000 for each of fiscal years 2001 through 2008,

multiplied by the proportion of the population of the zone that resides in the State.

"(D) Additional enterprise community grants.—The amount of the grant to a State under this section for a qualified enterprise community referred to in paragraph (1)(D) shall be $2,750,000, multiplied by the proportion of the population of the community that resides in the State.

"(E) Strategic planning community grants.—The amount of the grant to a State under this section for a strategic planning community shall be $3,000,000, multiplied by the proportion of the population of the community that resides in the State.".

(3) Timing of grants.—Section 2007(a)(3) of such Act (42 U.S.C. 1397f(a)(3)) is amended—

(A) in the heading of subparagraph (A), by inserting "ORIGINAL" before "QUALIFIED";

(B) in subparagraph (A), in the matter preceding clause (i), by inserting "referred to in paragraph (1)(A)" after "empowerment zone"; and

(C) by adding after subparagraph (B) the following:

"(C) ADDITIONAL QUALIFIED EMPOWERMENT ZONES.—With respect to each qualified empowerment zone referred to in paragraph (1)(C), the Secretary shall make 1 grant under this section to the State in which the zone lies, on the first day of fiscal year 2001 and of each of the 7 succeeding fiscal years.

"(D) ADDITIONAL QUALIFIED ENTERPRISE COMMUNITIES.—With respect to each qualified enterprise community referred to in paragraph (1)(D), the Secretary shall make 1 grant under this section to the State in which the community lies on the first day of fiscal year 2001 and of each of the 7 succeeding fiscal years.

"(E) STRATEGIC PLANNING COMMUNITIES.—With respect to each strategic planning community, the Secretary shall make 1 grant under this section to the State in which the community is located, on October 1, 2001.".

(4) FUNDING.—Section 2007(a)(4) of such Act (42 U.S.C. 1397f(a)(4)) is amended—

(A) by striking "(4) FUNDING.—$1,000,000" and inserting the following:

"(4) FUNDING.—

"(A) ORIGINAL GRANTS.—$1,000,000";

(B) by inserting "for empowerment zones and enterprise communities described in subparagraphs (A) and (B) of paragraph (1)" before the period; and

(C) by adding after and below the end the following:

"(B) ADDITIONAL EMPOWERMENT ZONE GRANTS.—$1,585,000,000 shall be made available to the Secretary for grants under this section for empowerment zones referred to in paragraph (1)(C).

"(C) ADDITIONAL ENTERPRISE COMMUNITY GRANTS.—$55,000,000 shall be made available to the Secretary for grants under this section for enterprise communities referred to in paragraph (1)(D).

"(D) STRATEGIC PLANNING COMMUNITY GRANTS.—$45,000,000 shall be made available to the Secretary for grants under this section for strategic planning communities.".

(5) DIRECT FUNDING FOR INDIAN TRIBES.—Section 2007(a) of such Act (42 U.S.C. 1397f(a)) is amended by adding at the end the following:

"(5) DIRECT FUNDING FOR INDIAN TRIBES.—

"(A) IN GENERAL.—The Secretary may make a grant under this section directly to the governing body of an Indian tribe if—

"(i) the tribe is identified in the strategic plan of a qualified empowerment zone or qualified enterprise community as the entity that assumes sole or primary responsibility for carrying out activities and projects under the grant; and

"(ii) the grant is to be used for activities and projects that are—

"(I) included in the strategic plan of the qualified empowerment zone or qualified enterprise community, consistent with this section; and

"(II) approved by the Secretary of Agriculture, in the case of a qualified empowerment zone or qualified enterprise community in a rural area, or the Secretary of Housing and Urban Development, in the case of a qualified empowerment zone or qualified enterprise community in an urban area.

"(B) RULES OF INTERPRETATION.—

"(i) If grant under this section is made directly to the governing body of an Indian tribe under subparagraph (A), the tribe shall be considered a State for purposes of this section.

"(ii) This subparagraph shall not be construed as making applicable to this section the provisions of the Indian Self-Determination and Education Assistance Act.".

(6) DEFINITIONS.—

(A) QUALIFIED ENTERPRISE COMMUNITY.—Section 2007(f)(2)(A) of such Act (42 U.S.C. 1397f(f)(2)(A)) is amended by inserting "or pursuant to section 766 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999" before the semicolon.

(B) STRATEGIC PLAN.—Section 2007(f)(3) of such Act (42 U.S.C. 1397f(f)(3)) is amended by inserting "or under section 766 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999" before the period.

(C) STRATEGIC PLANNING COMMUNITY.—Section 2007(f) of such Act (42 U.S.C. 1397f(f)) is amended by adding at the end the following:

"(7) STRATEGIC PLANNING COMMUNITY.—The term 'strategic planning community' means a respondent to the Notice Inviting Applications at 63 Federal Register 19162 (April 16, 1998) whose application was ranked 16th through 30th in the competition that concluded in December 1998.".

(D) INDIAN TRIBE.—Section 2007(f) of such Act (42 U.S.C. 1397f(f)), as amended by subparagraph (C), is amended by adding at the end the following:

"(8) INDIAN TRIBE.—The term 'Indian tribe' means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.".

(b) USE OF GRANT FUNDS.—

(1) REVOLVING LOAN ACTIVITIES.—Section 2007(b) of the Social Security Act (42 U.S.C. 1397f(b)) is amended by adding at the end the following:

"(5) REVOLVING LOAN ACTIVITIES.—

"(A) IN GENERAL.—In order to assist disadvantaged adults and youths in achieving and maintaining economic self-support, a State may use amounts paid under this section to fund revolving loan funds or similar arrangements for the purpose of making loans to residents, institutions, organizations, or businesses that hire disadvantaged adults and youths.

"(B) RULES FOR DISBURSEMENT.—Amounts to be used as described in subparagraph (A) shall be disbursed by the Secretary, consistent with the provisions of the Cash Management Improvement Act and its implementing rules, regulations, and procedures issued by the Secretary of the Treasury—

"(i) in the case of a grant to a revolving loan fund—

"(I) pursuant to a written irrevocable grant commitment; and

"(II) at such time or times as the Secretary determines that the funds are needed to meet the purposes of such commitment; or

"(ii) in the case of a grant for purposes of capitalizing an insured depository institution (as defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813)) or an insured credit union (as defined in section 101 of the Federal Credit Union Act (12 U.S.C. 1742)), at such time or times as the Secretary determines that funds are needed for such capitalization.".

(2) USE AS NON-FEDERAL SHARE.—Section 2007(b) of such Act (42 U.S.C. 1397f(b)), as amended by paragraph (1), is amended by adding at the end the following:

"(6) A State may use amounts received from a grant under this section to pay all or part of the non-Federal share of expenditures under any other Federal grant to a local public or nonprofit private agency or organization for activities consistent with the purposes of this section, unless the statutory authority for such other grant expressly prohibits counting of Federal grant funds as such non-Federal share.".

(c) ENVIRONMENTAL REVIEW.—Section 2007 of the Social Security Act (42 U.S.C. 1397f) is amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following:

"(f) ENVIRONMENTAL REVIEW.—

"(1) EXECUTION OF RESPONSIBILITY BY THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT AND THE SECRETARY OF AGRICULTURE.—

"(A) APPLICABILITY.—This subsection shall apply to grants under this section in connection with empowerment zones, enterprise communities, and strategic planning communities (as defined in subsection (g)).

"(B) EXECUTION OF RESPONSIBILITY.—With respect to grants described in subparagraph (A), the Secretary of Housing and Urban Development and the Secretary of Agriculture, as appropriate, shall execute the responsibilities under the National Environmental Policy Act of 1969 and other provisions of law that further the purposes of such Act (as specified in regulations issued by each such Secretary under paragraph (2)(B)) that would otherwise apply to the Secretary of Health and Human Services, and may provide for the assumption of such responsibilities in accordance with paragraphs (2) through (5).

"(C) DEFINITION OF SECRETARY.—Except as otherwise specified, in this subsection, the term 'Secretary' means the Secretary of Housing and Urban Development for purposes of grants under this section with respect to qualified empowerment zones and qualified enterprise communities in urban areas, and strategic planning areas, and the Secretary of Agriculture for purposes of grants under this section with respect to qualified empowerment zones and qualified enterprise communities in rural areas.

"(2) ASSUMPTION OF RESPONSIBILITY BY STATES, UNITS OF GENERAL LOCAL GOVERNMENT, AND INDIAN TRIBES.—

"(A) RELEASE OF FUNDS.—In order to assure that the policies of the National Environmental Policy Act of 1969 and other provisions of law that further the purposes of such Act (as specified in regulations issued by the Secretary under subparagraph (B)) are most effectively implemented in connection with the expenditure of funds under this section, and to assure to the public undiminished protection of the environment, the Secretary may, under such regulations, in lieu of the environmental protection procedures otherwise applicable, provide for the release of funds for particular projects to recipients of assistance under this section if the State, unit of general local government, or Indian tribe, as designated by the Secretary in accordance with regulations issued by the Secretary under subparagraph (B), assumes all of the responsibilities for environmental review, decisionmaking, and action pursuant to such Act, and such other provisions of law as the regulations of the Secretary specify, that would otherwise apply to the Secretary were the Secretary to undertake such projects as Federal projects.

"(B) IMPLEMENTATION.—The Secretary of Housing and Urban Development and the Secretary of Agriculture shall each issue regulations to carry out this subsection only after consultation with the Council on Environmental Quality. Such regulations shall—

"(i) specify any other provisions of law that further the purposes of the National Environmental Policy Act of 1969 and to which the assumption of responsibility as provided in this subsection applies;

"(ii) provide eligibility criteria and procedures for the designation of a State, unit of general local government, or Indian tribe to assume all of the responsibilities described in subparagraph (A);

"(iii) specify the purposes for which funds may be committed without regard to the procedure established under paragraph (3);

"(iv) provide for monitoring of the performance of environmental reviews under this subsection;

"(v) in the discretion of the Secretary, provide for the provision or facilitation of training for such performance; and

"(vi) subject to the discretion of the Secretary, provide for suspension or termination by the Secretary of the assumption under subparagraph (A).

"(C) RESPONSIBILITIES OF STATE, UNIT OF GENERAL LOCAL GOVERNMENT, OR INDIAN TRIBE.—The Secretary's duty under subparagraph (B) shall not be construed to limit any responsibility assumed by a State, unit of general local government, or Indian tribe with respect to any particular release of funds under subparagraph (A).

"(3) PROCEDURE.—The Secretary shall approve the release of funds for projects subject to the procedures authorized by this subsection only if, not less than 15 days prior to such approval and prior to any commitment of funds to such projects (except for such purposes specified in the regulations issued under paragraph (2)(B)), the recipient submits to the Secretary a request for such release accompanied by a certification of the State, unit of general local government, or Indian tribe that meets the requirements of paragraph (4). The approval by the Secretary of any such certification shall be deemed to satisfy the Secretary's responsibilities pursuant to paragraph (1) under the National Environmental Policy Act of 1969 and such other provisions of law as the regulations of the Secretary specify insofar as those responsibilities relate to the releases of funds for projects to be carried out pursuant thereto that are covered by such certification.

"(4) CERTIFICATION.—A certification under the procedures authorized by this subsection shall—

"(A) be in a form acceptable to the Secretary;

"(B) be executed by the chief executive officer or other officer of the State, unit of general local government, or Indian tribe who qualifies under regulations of the Secretary;

"(C) specify that the State, unit of general local government, or Indian tribe under this subsection has fully carried out its responsibilities as described under paragraph (2); and

"(D) specify that the certifying officer—

"(i) consents to assume the status of a responsible Federal official under the National Environmental Policy Act of 1969 and each provision of law specified in regulations issued by the Secretary insofar as the provisions of such Act or other such provisions of law apply pursuant to paragraph (2); and

"(ii) is authorized and consents on behalf of the State, unit of general local government, or Indian tribe and himself or herself to accept the jurisdiction of the Federal courts for the purpose of enforcement of the responsibilities as such an official.

"(5) APPROVAL BY STATES.—In cases in which a unit of general local government carries out the responsibilities described in paragraph (2), the Secretary may permit the State to perform those actions of the Secretary described in paragraph (3). The performance of such actions by the State, where permitted, shall be deemed to satisfy the responsibilities referred to in the second sentence of paragraph (3).".

### SEC. 309. RULES REGARDING QUALIFIED ISSUES.

(a) IN GENERAL.—In the case of a qualified issue (as defined in subsection (c)), section 1394(c)(1) of the Internal Revenue Code of 1986 shall be applied by substituting "$200,000,000" for the dollar amounts contained in such section, and section 1394(a) of such Code shall be applied by treating a qualified facility (as defined in subsection (c)) as an enterprise zone facility without regard to the requirements of subsections (b) and (e) of section 1394 of such Code.

(b) SPECIAL RULES REGARDING QUALIFIED ISSUES.—A qualified issue—

(1) shall not be treated as an issue of private activity bonds for purposes of sections 57(a)(5) and 146(a) of the Internal Revenue Code of 1986;

(2) shall be subject to section 147(e) of such Code determined without regard to the phrase "skybox or other private luxury box";

(3) shall not cause the qualified facility to be treated as tax-exempt use property or tax-exempt bond financed property for purposes of section 168(g) of such Code; and

(4) shall be treated as financing capital expenditures relating to the qualified facility (to the extent such capital expenditures were actually paid in an amount not exceeding the amount of the indebtedness being refinanced) without regard to any regulations pertaining to the allocation of bond proceeds to expenses (including expenses paid prior to the issuance of the bonds).

(c) DEFINITIONS.—For purposes of this section—

(1) QUALIFIED ISSUE.—The term "qualified issue" means an issue of bonds (including an issue in a series of refunding issues) issued to refinance the outstanding indebtedness incurred in connection with a qualified facility.

(2) QUALIFIED FACILITY.—The term "qualified facility" means an enclosed, mixed-use entertainment, conference, and sports complex located in the District of Columbia Enterprise Zone, which held its first professional sports event on December 2, 1997, including all related facilities and costs.

### SEC. 310. CUSTOMS USER FEES.

Section 13031(j)(3) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(j)(3)) is amended by striking "2003" and inserting "2008".

## TITLE IV—FAITH BASED SUBSTANCE ABUSE TREATMENT

### SEC. 401. PREVENTION AND TREATMENT OF SUBSTANCE ABUSE; SERVICES PROVIDED THROUGH RELIGIOUS ORGANIZATIONS.

Title V of the Public Health Service Act (42 U.S.C. 290aa et seq.) is amended by adding at the end the following part:

"PART G—SERVICES PROVIDED THROUGH RELIGIOUS ORGANIZATIONS

### "SEC. 581. APPLICABILITY TO DESIGNATED PROGRAMS.

"(a) DESIGNATED PROGRAMS.—Subject to subsection (b), this part applies to discretionary and formula grant programs administered by the Substance Abuse and Mental Health Services Administration that make awards of Federal financial assistance to public or private entities for the purpose of carrying out activities to prevent or treat substance abuse (in this part referred to as a 'designated program'). Designated programs include the program under subpart II of part B of title XIX (relating to formula grants to the States).

"(b) LIMITATION.—This part does not apply to any award of Federal financial assistance under a designated program for a purpose other than the purpose specified in subsection (a).

"(c) DEFINITIONS.—For purposes of this part (and subject to subsection (b)):

"(1) The term 'designated award recipient' means a public or private entity that has received an award of financial assistance under a designated program (whether the award is a designated direct award or a designated subaward).

"(2) The term 'designated direct award' means an award of financial assistance under a designated program that is received directly from the Federal Government.

"(3) The term 'designated subaward' means an award of financial assistance made by a non-Federal entity, which award consists in whole or in part of Federal financial assistance provided through an award under a designated program.

"(4) The term 'designated program' has the meaning given such term in subsection (a).

"(5) The term 'financial assistance' means a grant, cooperative agreement, contract, or voucherized assistance.

"(6) The term 'program beneficiary' means an individual who receives program services.

"(7) The term 'program participant' has the meaning given such term in section 582(a)(2).

"(8) The term 'program services' means treatment for substance abuse, or preventive services regarding such abuse, provided pursuant to an award of financial assistance under a designated program.

"(9) The term 'religious organization' means a nonprofit religious organization.

"(10) The term 'voucherized assistance' means—

"(A) a system of selecting and reimbursing program services in which—

"(i) the beneficiary is given a document or other authorization that may be used to pay for program services;

"(ii) the beneficiary chooses the organization that will provide services to him or her according to rules specified by the designated award recipient; and

"(iii) the organization selected by the beneficiary is reimbursed by the designated award recipient for program services provided; or

"(B) any other mode of financial assistance to pay for program services in which the program beneficiary determines the allocation of program funds through his or her selection of one service provider from among alternatives.

### "SEC. 582. RELIGIOUS ORGANIZATIONS AS PROGRAM PARTICIPANTS.

"(a) IN GENERAL.—

"(1) SCOPE OF AUTHORITY.—Notwithstanding any other provision of law, a religious organization—

"(A) may be a designated award recipient;

"(B) may make designated subawards to other public or nonprofit private entities (including other religious organizations);

"(C) may provide for the provision of program services to program beneficiaries through the use of voucherized assistance; and

"(D) may be a provider of services under a designated program, including a provider that accepts voucherized assistance.

"(2) DEFINITION OF PROGRAM PARTICIPANT.—For purposes of this part, the term 'program participant' means a public or private entity that has received a designated direct award, or a designated subaward, regardless of whether the entity provides program services. Such term includes an entity whose only participation in a designated program is to provide program services pursuant to the acceptance of voucherized assistance.

"(b) Religious Organizations.—The purpose of this section is to allow religious organizations to be program participants on the same basis as any other nonprofit private provider without impairing the religious character of such organizations, and without diminishing the religious freedom of program beneficiaries.

"(c) Nondiscrimination Against Religious Organizations.—

"(1) Eligibility as program participants.—Religious organizations are eligible to be program participants on the same basis as any other nonprofit private organization as long as the programs are implemented consistent with the Establishment Clause of the First Amendment to the United States Constitution. The Federal Government may under the preceding sentence apply to religious organizations the same eligibility conditions in designated programs as are applied to any nonprofit private organization as long as the conditions are consistent with the Free Exercise Clause of the First Amendment.

"(2) Nondiscrimination.—Neither the Federal Government nor a State receiving funds under such programs shall discriminate against an organization that is or applies to be a program participant on the basis that the organization has a religious character.

"(d) Religious Character and Freedom.—

"(1) Religious organizations.—Except as provided in this section, any religious organization that is a program participant shall retain its independence from Federal, State, and local government, including such organization's control over the definition, development, practice, and expression of its religious beliefs.

"(2) Additional safeguards.—Neither the Federal Government nor a State shall require a religious organization to—

"(A) alter its form of internal governance; or

"(B) remove religious art, icons, scripture, or other symbols;

in order to be a program participant.

"(e) Employment Practices.—A religious organization's exemption provided under section 702 of the Civil Rights Act of 1964 regarding employment practices shall not be affected by its participation in, or receipt of funds from, a designated program.

"(f) Rights of Program Beneficiaries.—

"(1) In general.—With respect to an individual who is a program beneficiary or a prospective program beneficiary, if the individual objects to a program participant on the basis that the participant is a religious organization, the following applies:

"(A) If the organization received a designated direct award, the organization shall refer the individual to an alternative entity that provides program services and shall, to the extent practicable, provide appropriate follow-up services.

"(B) If the organization received a designated subaward, the non-Federal entity that made the subaward shall refer the individual to an alternative entity that provides program services and shall, to the extent practicable, provide appropriate follow-up services.

"(C) If the organization is providing services pursuant to voucherized assistance, the designated award recipient that operates the voucherized assistance program shall refer the individual to an alternative entity that provides program services and shall, to the extent practicable, provide appropriate follow-up services.

"(D) If the local government involved makes available a list of entities in the geographic area that provide program services, the program participant with the responsibility for making the referral under subparagraph (A), (B), or (C), as the case may be, shall obtain a copy of such list and consider the list in making the referral (except that this subparagraph does not apply if the program participant is the local government or the State).

"(E) Referrals under any of subparagraphs (A) through (C) shall be made to alternative entities that will provide program services the monetary value of which is not less than the monetary value of the program services that the individual would have received from the religious organization involved.

"(2) Nondiscrimination.—Except as otherwise provided in law, a religious organization that is a program participant shall not in providing program services discriminate against a program beneficiary on the basis of religion or religious belief.

"(g) Fiscal Accountability.—

"(1) In general.—Except as provided in paragraph (2), any religious organization that is a program participant shall be subject to the same regulations as other recipients of awards of Federal financial assistance to account, in accordance with generally accepted auditing principles, for the use of the funds provided under such awards.

"(2) Limited audit.—With respect to the award involved, if a religious organization that is a program participant maintains the Federal funds in a separate account from non-Federal funds, then only the Federal funds shall be subject to audit.

"(h) Compliance.—With respect to compliance with this section by an agency, a religious organization may obtain judicial review of agency action in accordance with chapter 7 of title 5, United States Code.

### "SEC. 583. LIMITATIONS ON USE OF FUNDS FOR CERTAIN PURPOSES.

"(a) In General.—Except as provided in subsection (b), no funds provided directly to an entity under a designated program shall be expended for sectarian worship or instruction.

"(b) Exception.—Subsection (a) shall not apply to assistance provided to or on behalf of a program beneficiary if the beneficiary may choose where such assistance is redeemed or allocated.

### "SEC. 584. FINANCIAL ASSISTANCE NOT AID TO INSTITUTIONS.

"Financial assistance under a designated program is aid to the beneficiary, not to the organization providing program services.

### "SEC. 585. EDUCATIONAL REQUIREMENTS FOR PERSONNEL IN DRUG TREATMENT PROGRAMS.

"(a) Findings.—The Congress finds that—

"(1) establishing formal educational qualification for counselors and other personnel in drug treatment programs may undermine the effectiveness of such programs; and

"(2) such formal educational requirements for counselors and other personnel may hinder or prevent the provision of needed drug treatment services.

"(b) Limitation on Educational Requirements of Personnel.—

"(1) Treatment of religious education.—

"(A) In general.—If any State or local government that is a program participant imposes formal educational qualifications on providers of program services, including religious organizations, such State or local government shall treat religious education and training of personnel as having a critical and positive role in the delivery of program services.

"(B) Education and training on prevention and treatment of substance abuse.—In applying to religious organizations educational qualifications for personnel of such organizations who provide program services, a State or local government that is a program participant shall, with respect to education and training on preventing and treating substance abuse, give credit for such education and training that is provided by religious organizations equivalent to credit given for secular course work that provides such education and training.

"(C) General educational requirements.—In applying to religious organizations educational qualifications for personnel of such organizations who provide program services, a State or local government that is a program participant shall, if such qualifications include course work that does not relate specifically to preventing or treating substance abuse, give credit for religious education equivalent to credit given for secular course work.

"(2) Restriction of discrimination requirements..—

"(A) In general.—Subject to paragraph (1), a State or local government that is a program participant may establish formal educational qualifications for personnel in organizations providing program services that contribute to success in reducing drug use among program beneficiaries.

"(B) Exception.—The Secretary shall waive the application of any educational qualification imposed under subparagraph (A) for an individual religious organization, if the Secretary determines that—

"(i) the religious organization has a record of prior successful drug treatment for at least the preceding three years;

"(ii) the educational qualifications have effectively barred such religious organization from becoming a program provider;

"(iii) the organization has applied to the Secretary to waive the qualifications; and

"(iv) the State or local government has failed to demonstrate empirically that the educational qualifications in question are necessary to the successful operation of a drug treatment program.".

## TITLE V—HOMEOWNERSHIP

### SEC. 501. TRANSFER OF UNOCCUPIED AND SUBSTANDARD HUD-HELD HOUSING TO LOCAL GOVERNMENTS AND COMMUNITY DEVELOPMENT CORPORATIONS.

Section 204 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1997 (12 U.S.C. 1715z–11a) is amended—

(1) by striking "Flexible Authority.—" and inserting "Disposition of HUD-Owned Properties. (a) Flexible Authority for Multifamily Projects.—"; and

(2) by adding at the end the following new subsection:

"(b) Transfer of Unoccupied and Substandard Housing to Local Governments and Community Development Corporations.—

"(1) Transfer authority.—Notwithstanding the authority under subsection (a) and the last sentence of section 204(g) of the National Housing Act (12 U.S.C. 1710(g)), the

Secretary of Housing and Urban Development shall transfer ownership of any qualified HUD property, subject to the requirements of this section, to a unit of general local government having jurisdiction for the area in which the property is located or to a community development corporation which operates within such a unit of general local government in accordance with this subsection, but only to the extent that units of general local government and community development corporations consent to transfer and the Secretary determines that such transfer is practicable.

“(2) QUALIFIED HUD PROPERTIES.—For purposes of this subsection, the term ‘qualified HUD property’ means any property for which, as of the date that notification of the property is first made under paragraph (3)(B), not less than 6 months have elapsed since the later of the date that the property was acquired by the Secretary or the date that the property was determined to be unoccupied or substandard, that is owned by the Secretary and is—

“(A) an unoccupied multifamily housing project;

“(B) a substandard multifamily housing project; or

“(C) an unoccupied single family property that—

“(i) has been determined by the Secretary not to be an eligible asset under section 204(h) of the National Housing Act (12 U.S.C. 1710(h)); or

“(ii) is an eligible asset under such section 204(h), but—

“(I) is not subject to a specific sale agreement under such section; and

“(II) has been determined by the Secretary to be inappropriate for continued inclusion in the program under such section 204(h) pursuant to paragraph (10) of such section.

“(3) TIMING.—The Secretary shall establish procedures that provide for—

“(A) time deadlines for transfers under this subsection;

“(B) notification to units of general local government and community development corporations of qualified HUD properties in their jurisdictions;

“(C) such units and corporations to express interest in the transfer under this subsection of such properties;

“(D) a right of first refusal for transfer of qualified HUD properties to units of general local government and community development corporations, under which—

“(i) the Secretary shall establish a period during which the Secretary may not transfer such properties except to such units and corporations;

“(ii) the Secretary shall offer qualified HUD properties that are single family properties for purchase by units of general local government at a cost of $1 for each property, but only to the extent that the costs to the Federal Government of disposal at such price do not exceed the costs to the Federal Government of disposing of property subject to the procedures for single family property established by the Secretary pursuant to the authority under the last sentence of section 204(g) of the National Housing Act (12 U.S.C. 1710(g));

“(iii) the Secretary may accept an offer to purchase a property made by a community development corporation only if the offer provides for purchase on a cost recovery basis; and

“(iv) the Secretary shall accept an offer to purchase such a property that is made during such period by such a unit or corporation and that complies with the requirements of this paragraph;

“(E) a written explanation, to any unit of general local government or community development corporation making an offer to purchase a qualified HUD property under this subsection that is not accepted, of the reason that such offer was not acceptable.

“(4) OTHER DISPOSITION.—With respect to any qualified HUD property, if the Secretary does not receive an acceptable offer to purchase the property pursuant to the procedure established under paragraph (3), the Secretary shall dispose of the property to the unit of general local government in which property is located or to community development corporations located in such unit of general local government on a negotiated, competitive bid, or other basis, on such terms as the Secretary deems appropriate.

“(5) SATISFACTION OF INDEBTEDNESS.—Before transferring ownership of any qualified HUD property pursuant to this subsection, the Secretary shall satisfy any indebtedness incurred in connection with the property to be transferred, by canceling the indebtedness.

“(6) DETERMINATION OF STATUS OF PROPERTIES.—To ensure compliance with the requirements of this subsection, the Secretary shall take the following actions:

“(A) UPON ENACTMENT.—Upon the enactment of this subsection, the Secretary shall promptly assess each residential property owned by the Secretary to determine whether such property is a qualified HUD property.

“(B) UPON ACQUISITION.—Upon acquiring any residential property, the Secretary shall promptly determine whether the property is a qualified HUD property.

“(C) UPDATES.—The Secretary shall periodically reassess the residential properties owned by the Secretary to determine whether any such properties have become qualified HUD properties.

“(7) TENANT LEASES.—This subsection shall not affect the terms or the enforceability of any contract or lease entered into with respect to any residential property before the date that such property becomes a qualified HUD property.

“(8) USE OF PROPERTY.—Property transferred under this subsection shall be used only for appropriate neighborhood revitalization efforts, including homeownership, rental units, commercial space, and parks, consistent with local zoning regulations, local building codes, and subdivision regulations and restrictions of record.

“(9) INAPPLICABILITY TO PROPERTIES MADE AVAILABLE FOR HOMELESS.—Notwithstanding any other provision of this subsection, this subsection shall not apply to any properties that the Secretary determines are to be made available for use by the homeless pursuant to subpart E of part 291 of title 24, Code of Federal Regulations, during the period that the properties are so available.

“(10) PROTECTION OF EXISTING CONTRACTS.—This subsection may not be construed to alter, affect, or annul any legally binding obligations entered into with respect to a qualified HUD property before the property becomes a qualified HUD property.

“(11) DEFINITIONS.—For purposes of this subsection, the following definitions shall apply:

“(A) COMMUNITY DEVELOPMENT CORPORATION.—The term ‘community development corporation’ means a nonprofit organization whose primary purpose is to promote community development by providing housing opportunities for low-income families.

“(B) COST RECOVERY BASIS.—The term ‘cost recovery basis’ means, with respect to any sale of a residential property by the Secretary, that the purchase price paid by the purchaser is equal to or greater than the sum of (i) the appraised value of the property, as determined in accordance with such requirements as the Secretary shall establish, and (ii) the costs incurred by the Secretary in connection with such property during the period beginning on the date on which the Secretary acquires title to the property and ending on the date on which the sale is consummated.

“(C) MULTIFAMILY HOUSING PROJECT.—The term ‘multifamily housing project’ has the meaning given the term in section 203 of the Housing and Community Development Amendments of 1978.

“(D) RESIDENTIAL PROPERTY.—The term ‘residential property’ means a property that is a multifamily housing project or a single family property.

“(E) SECRETARY.—The term ‘Secretary’ means the Secretary of Housing and Urban Development.

“(F) SEVERE PHYSICAL PROBLEMS.—The term ‘severe physical problems’ means, with respect to a dwelling unit, that the unit—

“(i) lacks hot or cold piped water, a flush toilet, or both a bathtub and a shower in the unit, for the exclusive use of that unit;

“(ii) on not less than three separate occasions during the preceding winter months, was uncomfortably cold for a period of more than 6 consecutive hours due to a malfunction of the heating system for the unit;

“(iii) has no functioning electrical service, exposed wiring, any room in which there is not a functioning electrical outlet, or has experienced three or more blown fuses or tripped circuit breakers during the preceding 90-day period;

“(iv) is accessible through a public hallway in which there are no working light fixtures, loose or missing steps or railings, and no elevator; or

“(v) has severe maintenance problems, including water leaks involving the roof, windows, doors, basement, or pipes or plumbing fixtures, holes or open cracks in walls or ceilings, severe paint peeling or broken plaster, and signs of rodent infestation.

“(G) SINGLE FAMILY PROPERTY.—The term ‘single family property’ means a 1- to 4-family residence.

“(H) SUBSTANDARD.—The term ‘substandard’ means, with respect to a multifamily housing project, that 25 percent or more of the dwelling units in the project have severe physical problems.

“(I) UNIT OF GENERAL LOCAL GOVERNMENT.—The term ‘unit of general local government’ has the meaning given such term in section 102(a) of the Housing and Community Development Act of 1974.

“(J) UNOCCUPIED.—The term ‘unoccupied’ means, with respect to a residential property, that the unit of general local government having jurisdiction over the area in which the project is located has certified in writing that the property is not inhabited.

“(12) REGULATIONS.—

“(A) INTERIM.—Not later than 30 days after the date of the enactment of this subsection, the Secretary shall issue such interim regulations as are necessary to carry out this subsection.

“(B) FINAL.—Not later than 60 days after the date of the enactment of this subsection, the Secretary shall issue such final regulations as are necessary to carry out this subsection.”.

### SEC. 502. TRANSFER OF HUD ASSETS IN REVITALIZATION AREAS.

In carrying out the program under section 204(h) of the National Housing Act (12 U.S.C.

1710(h)), upon the request of the chief executive officer of a county or the government of appropriate jurisdiction and not later than 60 days after such request is made, the Secretary of Housing and Urban Development shall designate as a revitalization area all portions of such county that meet the criteria for such designation under paragraph (3) of such section.

### SEC. 503. RISK-SHARING DEMONSTRATION.

Section 249 of the National Housing Act (12 U.S.C. 1715z-14) is amended—

(1) by striking the section heading and inserting the following:

"RISK-SHARING DEMONSTRATION";

(2) by striking "reinsurance" each place such term appears and insert "risk-sharing";

(3) in subsection (a)—

(A) in the first sentence, by inserting "and insured community development financial institutions" after "private mortgage insurers";

(B) in the second sentence—

(i) by striking "two" and inserting "4"; and

(ii) by striking "March 15, 1988" and inserting "the expiration of the 5-year period beginning on the date of the enactment of the American Community Renewal and New Markets Empowerment Act"; and

(C) in the last sentence, by striking "10 percent" and inserting "20 percent";

(4) in subsection (b)—

(A) in the first sentence, by inserting "and with insured community development financial institutions" before the period at the end;

(B) in the first sentence, by striking "which have been determined to be qualified insurers under section 302(b)(2)(C)";

(C) in the second sentence, by inserting "and insured community development financial institutions" after "private mortgage insurance companies";

(D) by striking paragraph (1) and inserting the following new paragraph:

"(1) assume the first loss on any mortgage insured pursuant to section 203(b), 234, or 245 that covers a one- to four-family dwelling and is included in the program under this section, up to the percentage of loss that is set forth in the risk-sharing contract;"; and

(E) in paragraph (2)—

(i) by striking "carry out (under appropriate delegation) such" and inserting "delegate underwriting,"; and

(ii) by striking "function" and inserting "functions";

(5) in subsection (c)—

(A) in the first sentence—

(i) by striking "of" the first place it appears and insert "for";

(ii) by striking "insurance reserves" and inserting "loss reserves"; and

(iii) by striking "such insurance" and inserting "such reserves"; and

(B) in the second sentence, by inserting "or insured community development financial institution" after "private mortgage insurance company";

(6) in subsection (d), by inserting "or insured community development financial institution" after "private mortgage insurance company"; and

(7) by adding at the end the following new subsection:

"(e) Insured Community Development Financial Institutions.—For purposes of this section, the term 'insured community development financial institution' means a community development financial institution, as such term is defined in section 103 of Reigle Community Development and Regulatory Improvement Act of 1994 (12 U.S.C. 4702) that is an insured depository institution (as such term is defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813)) or an insured credit union (as such term is defined in section 101 of the Federal Credit Union Act (12 U.S.C. 1752)).".

## TITLE VI—AMERICA'S PRIVATE INVESTMENT COMPANIES

### SEC. 601. SHORT TITLE.

This title may be cited as the "America's Private Investment Companies Act".

### SEC. 602. FINDINGS AND PURPOSES.

(a) Findings.—The Congress finds that—

(1) people living in distressed areas, both urban and rural, that are characterized by high levels of joblessness, poverty, and low incomes have not benefited adequately from the economic expansion experienced by the Nation as a whole;

(2) unequal access to economic opportunities continues to make the social costs of joblessness and poverty to our Nation very high; and

(3) there are significant untapped markets in our Nation, and many of these are in areas that are underserved by institutions that can make equity and credit investments.

(b) Purposes.—The purposes of this title are to—

(1) license private for profit community development entities that will focus on making equity and credit investments for large-scale business developments that benefit low-income communities;

(2) provide credit enhancement for those entities for use in low-income communities; and

(3) provide a vehicle under which the economic and social returns on financial investments made pursuant to this title may be available both to the investors in these entities and to the residents of the low-income communities.

### SEC. 603. DEFINITIONS.

As used in this title:

(1) Administrator.—The term "Administrator" means the Administrator of the Small Business Administration.

(2) Agency.—The term "agency" has the meaning given such term in section 551(1) of title 5, United States Code.

(3) APIC.—The term "APIC" means a business entity that has been licensed under the terms of this title as an America's Private Investment Company, and the license of which has not been revoked.

(4) Community development entity.—The term "community development entity" means an entity the primary mission of which is serving or providing investment capital for low-income communities or low-income persons and which maintains accountability to residents of low-income communities.

(5) HUD.—The term "HUD" means the Secretary of Housing and Urban Development or the Department of Housing and Urban Development, as the context requires.

(6) License.—The term "license" means a license issued by HUD as provided in section 604.

(7) Low-income community.—The term "low-income community" means—

(A) a census tract or tracts that have—

(i) a poverty rate of 20 percent or greater, based on the most recent census data; or

(ii) a median family income that does not exceed 80 percent of the greater of (I) the median family income for the metropolitan area in which such census tract or tracts are located, or (II) the median family income for the State in which such census tract or tracts are located; or

(B) a property that was located on a military installation that was closed or realigned pursuant to title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note), the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note), section 2687 of title 10, United States Code, or any other similar law enacted after the date of the enactment of this Act that provides for closure or realignment of military installations.

(8) Low-income person.—The term "low-income person" means a person who is a member of a low-income family, as such term is defined in section 104 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704).

(9) Private equity capital.—

(A) In general.—The term "private equity capital"—

(i) in the case of a corporate entity, the paid-in capital and paid-in surplus of the corporate entity;

(ii) in the case of a partnership entity, the contributed capital of the partners of the partnership entity;

(iii) in the case of a limited liability company entity, the equity investment of the members of the limited liability company entity; and

(iv) earnings from investments of the entity that are not distributed to investors and are available for reinvestment by the entity.

(B) Exclusions.—Such term does not include any—

(i) funds borrowed by an entity from any source or obtained through the issuance of leverage; except that this clause may not be construed to exclude amounts evidenced by a legally binding and irrevocable investment commitment in the entity, or the use by an entity of a pledge of such investment commitment to obtain bridge financing from a private lender to fund the entity's activities on an interim basis; or

(ii) funds obtained directly or indirectly from any Federal, State, or local government or any government agency, except for—

(I) funds invested by an employee welfare benefit plan or pension plan; and

(II) credits against any Federal, State, or local taxes.

(10) Qualified active business.—The term "qualified active business" means a business or trade—

(A) that, at the time that an investment is made in the business or trade, is deriving at least 50 percent of its gross income from the conduct of trade or business activities in low-income communities;

(B) a substantial portion of the use of the tangible property of which is used within low-income communities;

(C) a substantial portion of the services that the employees of which perform are performed in low-income communities; and

(D) less than 5 percent of the aggregate unadjusted bases of the property of which is attributable to certain financial property, as the Secretary shall set forth in regulations, or in collectibles, other than collectibles held primarily for sale to customers.

(11) Qualified debenture.—The term "qualified debenture" means a debt instrument having terms that meet the requirements established pursuant to section 606(c)(1).

(12) Qualified low-income community investment.—The term "qualified low-income community investment" mean an equity investment in, or a loan to, a qualified active business.

(13) Secretary.—The term "Secretary" means the Secretary of Housing and Urban Development, unless otherwise specified in this title.

**SEC. 604. AUTHORIZATION.**

(a) Licenses.—The Secretary is authorized to license community development entities as America's Private Investment Companies, in accordance with the terms of this title.

(b) Regulations.—The Secretary shall regulate APICs for compliance with sound financial management practices, and the program and procedural goals of this title and other related Acts, and other purposes as required or authorized by this title, or determined by the Secretary. The Secretary shall issue such regulations as are necessary to carry out the licensing and regulatory and other duties under this title, and may issue notices and other guidance or directives as the Secretary determines are appropriate to carry out such duties.

(c) Use of Credit Subsidy for Licenses.—

(1) Number of licenses.—The number of APICs licensed at any one time may not exceed—

(A) the number that may be supported by the amount of budget authority appropriated in accordance with section 504(b) of the Federal Credit Reform Act of 1990 (2 U.S.C. 661c) for the cost (as such term is defined in section 502 of such Act) of the subsidy and the investment strategies of such APICs; or

(B) to the extent the limitation under section 605(e)(1) applies, the number authorized under such section.

(2) Use of additional credit subsidy.—Subject to the limitation under paragraph (1), the Secretary may use any budget authority available after credit subsidy has been allocated for the APICs initially licensed pursuant to section 605 as follows:

(A) Additional licenses.—To license additional APICs.

(B) Credit subsidy increases.—To increase the credit subsidy allocated to an APIC as an award for high performance under this title, except that such increases may be made only in accordance with the following requirements and limitations:

(i) Timing.—An increase may only be provided for an APIC that has been licensed for a period of not less than 2 years.

(ii) Competition.—An increase may only be provided for a fiscal year pursuant to a competition for such fiscal year among APICs eligible for, and requesting, such an increase. The competition shall be based upon criteria that the Secretary shall establish, which shall include the financial soundness and performance of the APICs, as measured by achievement of the public performance goals included in the APICs statements required under section 605(a)(6) and audits conducted under section 609(b)(2). Among the criteria established by the Secretary to determine priority for selection under this section, the Secretary shall include making investments in and loans to qualified active businesses in urban or rural areas that have been designated under subchapter U of Chapter 1 of the Internal Revenue Code of 1986 as empowerment zones or enterprise communities.

(d) Cooperation and Coordination.—

(1) Program policies.—The Secretary is authorized to coordinate and cooperate, through memoranda of understanding, an APIC liaison committee, or otherwise, with the Administrator, the Secretary of the Treasury, and other agencies in the discretion of the Secretary, on implementation of this title, including regulation, examination, and monitoring of APICs under this title.

(2) Financial soundness requirements.—The Secretary shall consult with the Administrator and the Secretary of the Treasury, and may consult with such other heads of agencies as the Secretary may consider appropriate, in establishing any regulations, requirements, guidelines, or standards for financial soundness or management practices of APICs or entities applying for licensing as APICs. In implementing and monitoring compliance with any such regulations, requirements, guidelines, and standards, the Secretary shall enter into such agreements and memoranda of understanding with the Administrator and the Secretary of the Treasury as may be appropriate to provide for such officials to provide any assistance that may be agreed to.

(3) Operations.—The Secretary may carry out this title—

(A) directly, through agreements with other Federal entities under section 1535 of title 31, United States Code, or otherwise, or

(B) indirectly, under contracts or agreements, as the Secretary shall determine.

(e) Fees and Charges for Administrative Costs.—To the extent provided in appropriations Acts, the Secretary is authorized to impose fees and charges for application, review, licensing, and regulation, or other actions under this title, and to pay for the costs of such activities from the fees and charges collected.

(f) Guarantee Fees.—The Secretary is authorized to set and collect fees for loan guarantee commitments and loan guarantees that the Secretary makes under this title.

(g) Funding.—

(1) Authorization of appropriations for loan guarantee commitments.—For each of fiscal years 2000, 2001, 2002, 2003, and 2004, there is authorized to be appropriated up to $36,000,000 for the cost (as such term is defined in section 502(5) of the Federal Credit Reform Act of 1990) of annual loan guarantee commitments under this title. Amounts appropriated under this paragraph shall remain available until expended.

(2) Aggregate loan guarantee commitment limitation.—The Secretary may make commitments to guarantee loans only to the extent that the total loan principal, any part of which is guaranteed, will not exceed $1,000,000,000, unless another such amount is specified in appropriation Acts for any fiscal year.

(3) Authorization of appropriations for administrative expenses.—For each of the fiscal years 2000, 2001, 2002, 2003, and 2004, there is authorized to be appropriated $1,000,000 for administrative expenses for carrying out this title. The Secretary may transfer amounts appropriated under this paragraph to any appropriation account of HUD or another agency, to carry out the program under this title. Any agency to which the Secretary may transfer amounts under this title is authorized to accept such transferred amounts in any appropriation account of such agency.

**SEC. 605. SELECTION OF APICS.**

(a) Eligible Applicants.—An entity shall be eligible to be selected for licensing under section 604 as an APIC only if the entity submits an application in compliance with the requirements established pursuant to subsection (b) and the entity meets or complies with the following requirements:

(1) Organization.—The entity shall be a private, for-profit entity that qualifies as a community development entity for the purposes of the New Markets Tax Credits, to the extent such credits are established under Federal law.

(2) Minimum private equity capital.—The amount of private equity capital reasonably available to the entity, as determined by the Secretary, at the time that a license is approved may not be less than $25,000,000.

(3) Qualified management.—The management of the entity shall, in the determination of the Secretary, meet such standards as the Secretary shall establish to ensure that the management of the APIC is qualified, and has the financial expertise, knowledge, experience, and capability necessary, to make investments for community and economic development in low-income communities.

(4) Conflict of interest.—The entity shall demonstrate that, in accordance with sound financial management practices, the entity is structured to preclude financial conflict of interest between the APIC and a manager or investor.

(5) Investment strategy.—The entity shall prepare and submit to the Secretary an investment strategy that includes benchmarks for evaluation of its progress, that includes an analysis of existing locally owned businesses in the communities in which the investments under the strategy will be made, that prioritizes such businesses for investment opportunities, and that fulfills the specific public purpose goals of the entity.

(6) Statement of public purpose goals.—The entity shall prepare and submit to the Secretary a statement of the public purpose goals of the entity, which shall—

(A) set forth goals that shall promote community and economic development, which shall include—

(i) making investments in low-income communities that further economic development objectives by targeting such investments in businesses or trades that comply with the requirements under subparagraphs (A) through (C) of section 603(10) relating to low-income communities in a manner that benefits low-income persons;

(ii) creating jobs in low-income communities for residents of such communities;

(iii) involving community-based organizations and residents in community development activities;

(iv) such other goals as the Secretary shall specify; and

(v) such elements as the entity may set forth to achieve specific public purpose goals;

(B) include such other elements as the Secretary shall specify; and

(C) include proposed measurements and strategies for meeting the goals.

(7) Compliance with laws.—The entity shall agree to comply with applicable laws, including Federal executive orders, Office of Management and Budget circulars, and requirements of the Department of the Treasury, and such operating and regulatory requirements as the Secretary may impose from time to time.

(8) Other.—The entity shall satisfy any other application requirements that the Secretary may impose by regulation or Federal Register notice.

(b) Competitions.—The Secretary shall select eligible entities under subsection (a) to be licensed under section 604 as APICs on the basis of competitions. The Secretary shall announce each such competition by causing a notice to be published in the Federal Register that invites applications for licenses and sets forth the requirements for application and such other terms of the competition not otherwise provided for, as determined by the Secretary.

(c) Selection.—In competitions under subsection (b), the Secretary shall select eligible entities under subsection (a) for licensing as APICs on the basis of—

(1) the extent to which the entity is expected to achieve the goals of this title by meeting or exceeding criteria established under subsection (d); and

(2) to the extent practicable and subject to the existence of approvable applications, ensuring geographical diversity among the applicants selected and diversity of APICs investment strategies, so that urban and rural communities are both served, in the determination of the Secretary, by the program under this title.

(d) SELECTION CRITERIA.—The Secretary shall establish selection criteria for competitions under subsection (b), which shall include the following criteria:

(1) CAPACITY.—

(A) MANAGEMENT.—The extent to which the entity's management has the quality, experience, and expertise to make and manage successful investments for community and economic development in low-income communities.

(B) STATE AND LOCAL COOPERATION.—The extent to which the entity demonstrates a capacity to cooperate with States or units of general local government and with community-based organizations and residents of low-income communities.

(2) INVESTMENT STRATEGY.—The quality of the entity's investment strategy submitted in accordance with subsection (a)(5) and the extent to which the investment strategy furthers the goals of this title pursuant to paragraph (3) of this subsection.

(3) PUBLIC PURPOSE GOALS.—With respect to the statement of public purpose goals of the entity submitted in accordance with subsection (a)(6), and the strategy and measurements included therein—

(A) the extent to which such goals promote community and economic development;

(B) the extent to which such goals provide for making qualified investments in low-income communities that further economic development objectives, such as—

(i) creating, within 2 years of the completion of the initial such investment, job opportunities, opportunities for ownership, and other economic opportunities within a low-income community, both short-term and of a longer duration;

(ii) improving the economic vitality of a low-income community, including stimulating other business development;

(iii) bringing new income into a low-income community and assisting in the revitalization of such community;

(iv) converting real property for the purpose of creating a site for business incubation and location, or business district revitalization;

(v) enhancing economic competition, including the advancement of technology;

(vi) rural development;

(vii) mitigating, rehabilitating, and reusing real property considered subject to the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.; commonly referred to as the Resource Conservation and Recovery Act) or restoring coal mine-scarred land;

(viii) creation of local wealth through investments in employee stock ownership companies or resident-owned ventures; and

(ix) any other objective that the Secretary may establish to further the purposes of this title;

(C) the quality of jobs to be created for residents of low-income communities, taking into consideration such factors as the payment of higher wages, job security, employment benefits, opportunity for advancement, and personal asset building;

(D) the extent to which achievement of such goals will involve community-based organizations and residents in community development activities; and

(E) the extent to which the investments referred to in subparagraph (B) are likely to benefit existing small business in low-income communities or will encourage the growth of small business in such communities.

(4) OTHER.—Any other criteria that the Secretary may establish to carry out the purposes of this title.

(e) FIRST YEAR REQUIREMENTS.—

(1) NUMERICAL LIMITATION.—The number of APICs may not, at any time during the 1-year period that begins upon the Secretary awarding the first license for an APIC under this title, exceed 15.

(2) LIMITATION ON ALLOCATION OF AVAILABLE CREDIT SUBSIDY.—Of the amount of budget authority initially made available for allocation under this title for APICs, the amount allocated for any single APIC may not exceed 20 percent.

(3) NATIVE AMERICAN PRIVATE INVESTMENT COMPANY.—Subject only to the absence of an approvable application from an entity, during the 1-year period referred to in paragraph (1), of the entities selected and licensed by the Secretary as APICs, at least one shall be an entity that has as its primary purpose the making of qualified low-income community investments in areas that are within Indian country (as such term is defined in section 1151 of title 18, United States Code) or within lands that have status as Hawaiian home land under section 204 of the Hawaiian Homes Commission Act, 1920 (42 Stat. 108) or are acquired pursuant to such Act. The Secretary may establish specific selection criteria for applicants under this paragraph.

(f) COMMUNICATIONS BETWEEN HUD AND APPLICANTS.—

(1) IN GENERAL.—The Secretary shall set forth in regulations the procedures under which HUD and applicants for APIC licenses, and others, may communicate. Such regulations shall—

(A) specify by position the HUD officers and employees who may communicate with such applicants and others;

(B) permit HUD officers and employees to request and discuss with the applicant and others (such as banks or other credit or business references, or potential investors, that the applicant specifies in writing) any more detailed information that may be desirable to facilitate HUD's review of the applicant's application;

(C) restrict HUD officers and employees from revealing to any applicant—

(i) the fact or chances of award of a license to such applicant, unless there has been a public announcement of the results of the competition; and

(ii) any information with respect to any other applicant; and

(D) set forth requirements for making and keeping records of any communications conducted under this subsection, including requirements for making such records available to the public after the award of licenses under an initial or subsequent notice, as appropriate, under subsection (a).

(2) TIMING.—Regulations under this subsection may be issued as interim rules for effect on or before the date of publication of the first notice under subsection (a), and shall apply only with respect to applications under such notice. Regulations to implement this subsection with respect to any notice after the first such notice shall be subject to notice and comment rulemaking.

(3) INAPPLICABILITY OF DEPARTMENT OF HUD ACT PROVISION.—Section 12(e)(2) of the Department of Housing and Urban Development Act (42 U.S.C. 3537a(e)(2)) is amended by inserting before the period at the end the following: "or any license provided under the America's Private Investment Companies Act".

### SEC. 606. OPERATIONS OF APICS.

(a) POWERS AND AUTHORITIES.—

(1) IN GENERAL.—An APIC shall have any powers or authorities that—

(A) the APIC derives from the jurisdiction in which it is organized, or that the APIC otherwise has;

(B) may be conferred by a license under this title; and

(C) the Secretary may prescribe by regulation.

(2) NEW MARKET ASSISTANCE.—Nothing in this title shall preclude an APIC or its investors from receiving an allocation of New Market Tax Credits (to the extent such credits are established under Federal law) if the APIC satisfies any applicable terms and conditions under the Internal Revenue Code of 1986.

(b) INVESTMENT LIMITATIONS.—

(1) QUALIFIED LOW-INCOME COMMUNITY INVESTMENTS.—Substantially all investments that an APIC makes shall be qualified low-income community investments if the investments are financed with—

(A) amounts available from the proceeds of the issuance of an APIC's qualified debenture guaranteed under this title;

(B) proceeds of the sale of obligations described under subsection (c)(3)(C)(iii); or

(C) the use of private equity capital, as determined by the Secretary, in an amount specified in the APIC's license.

(2) SINGLE BUSINESS INVESTMENTS.—An APIC shall not, as a matter of sound financial practice, invest in any one business an amount that exceeds an amount equal to 35 percent of the sum of—

(A) the APIC's private equity capital; plus

(B) an amount equal to the percentage limit that the Secretary determines that an APIC may have outstanding at any one time, under subsection (c)(2)(A).

(c) BORROWING POWERS; QUALIFIED DEBENTURES.—

(1) ISSUANCE.—An APIC may issue qualified debentures. The Secretary shall, by regulation, specify the terms and requirements for debentures to be considered qualified debentures for purposes of this title, except that the term to maturity of any qualified debenture may not exceed 21 years and each qualified debenture shall bear interest during all or any part of that time period at a rate or rates approved by the Secretary.

(2) LEVERAGE LIMITS.—In general, as a matter of sound financial management practices—

(A) the total amount of qualified debentures that an APIC issues under this title that an APIC may have outstanding at any one time shall not exceed an amount equal to 200 percent of the private equity capital of the APIC, as determined by the Secretary; and

(B) an APIC shall not have more than $300,000,000 in face value of qualified debentures issued under this title outstanding at any one time.

(3) REPAYMENT.—

(A) CONDITION OF BUSINESS WIND-UP.—An APIC shall have repaid, or have otherwise been relieved of indebtedness, with respect to any interest or principal amounts of borrowings under this subsection no less than 2 years before the APIC may dissolve or otherwise complete the wind-up of its business.

(B) TIMING.—An APIC may repay any interest or principal amounts of borrowings under this subsection at any time: *Provided*, That the repayment of such amounts shall not relieve an APIC of any duty otherwise applicable to the APIC under this title, unless the Secretary orders such relief.

(C) Use of investment proceeds before repayment.—Until an APIC has repaid all interest and principal amounts on APIC borrowings under this subsection, an APIC may use the proceeds of investments, in accordance with regulations issued by the Secretary, only to—

(i) pay for proper costs and expenses the APIC incurs in connection with such investments;

(ii) pay for the reasonable administrative expenses of the APIC;

(iii) purchase Treasury securities;

(iv) repay interest and principal amounts on APIC borrowings under this subsection;

(v) make interest, dividend, or other distributions to or on behalf of an investor; or

(vi) undertake such other purposes as the Secretary may approve.

(D) Use of investment proceeds after repayment.—After an APIC has repaid all interest and principal amounts on APIC borrowings under this subsection, and subject to continuing compliance with subsection (a), the APIC may use the proceeds from investments to make interest, dividend, or other distributions to or on behalf of investors in the nature of returns on capital, or the withdrawal of private equity capital, without regard to subparagraph (C) but in conformity with the APIC's investment strategy and statement of public purpose goals.

(d) Reuse of Qualified Debenture Proceeds.—An APIC may use the proceeds of sale of Treasury securities purchased under subsection (c)(3)(C)(iii) to make qualified low-income community investments, subject to the Secretary's approval. In making the request for the Secretary's approval, the APIC shall follow the procedures applicable to an APIC's request for HUD guarantee action, as the Secretary may modify such procedures for implementation of this subsection. Such procedures shall include the description and certifications that an APIC must include in all requests for guarantee action, and the environmental certification applicable to initial expenditures for a project or activity.

(e) Antipirating.—Notwithstanding any other provision of law, an APIC may not use any private equity capital required to be contributed under this title, or the proceeds from the sale of any qualified debenture under this title, to make an investment, as determined by the Secretary, to assist directly in the relocation of any industrial or commercial plant, facility, or operation, from 1 area to another area, if the relocation is likely to result in a significant loss of employment in the labor market area from which the relocation occurs.

(f) Exclusion of APIC From Definition of Debtor Under Bankruptcy Provisions.—Section 109(b)(2) of title 11, United States Code, is amended by inserting before "credit union" the following: "America's Private Investment Company licensed under the America's Private Investment Companies Act,".

### SEC. 607. CREDIT ENHANCEMENT BY THE FEDERAL GOVERNMENT.

(a) Issuance and Guarantee of Qualified Debentures.—

(1) Authority.—To the extent consistent with the Federal Credit Reform Act of 1990, the Secretary is authorized to make commitments to guarantee and guarantee the timely payment of all principal and interest as scheduled on qualified debentures issued by APICs. Such commitments and guarantees may only be made in accordance with the terms and conditions established under paragraph (2).

(2) Terms and conditions.—The Secretary shall establish such terms and conditions as the Secretary determines to be appropriate for commitments and guarantees under this subsection, including terms and conditions relating to amounts, expiration, number, priorities of repayment, security, collateral, amortization, payment of interest (including the timing thereof), and fees and charges. The terms and conditions applicable to any particular commitment or guarantee may be established in documents that the Secretary approves for such commitment or guarantee.

(3) Seniority.—Notwithstanding any other provision of Federal law or any law or the constitution of any State, qualified debentures guaranteed under this subsection by the Secretary shall be senior to any other debt obligation, equity contribution or earnings, or the distribution of dividends, interest, or other amounts, of an APIC.

(b) Issuance of Trust Certificates.—The Secretary, or an agent or entity selected by the Secretary, is authorized to issue trust certificates representing ownership of all or a fractional part of guaranteed qualified debentures issued by APICs and held in trust.

(c) Guarantee of Trust Certificates.—

(1) In general.—The Secretary is authorized, upon such terms and conditions as the Secretary determines to be appropriate, to guarantee the timely payment of the principal of and interest on trust certificates issued by the Secretary, or an agent or other entity, for purposes of this section. Such guarantee shall be limited to the extent of principal and interest on the guaranteed qualified debentures which compose the trust.

(2) Substitution option.—The Secretary shall have the option to replace in the corpus of the trust any prepaid or defaulted qualified debenture with a debenture, another full faith and credit instrument, or any obligations of the United States, that may reasonably substitute for such prepaid or defaulted qualified debenture.

(3) Proportionate reduction option.—In the event that the Secretary elects not to exercise the option under paragraph (2), and a qualified debenture in such trust is prepaid, or in the event of default of a qualified debenture, the guarantee of timely payment of principal and interest on the trust certificate shall be reduced in proportion to the amount of principal and interest that such prepaid qualified debenture represents in the trust. Interest on prepaid or defaulted qualified debentures shall accrue and be guaranteed by the Secretary only through the date of payment of the guarantee. During the term of a trust certificate, it may be called for redemption due to prepayment or default of all qualified debentures that are in the corpus of the trust.

(d) Full Faith and Credit Backing of Guarantees.—The full faith and credit of the United States is pledged to the timely payment of all amounts which may be required to be paid under any guarantee by the Secretary pursuant to this section.

(e) Subrogation and Liens.—

(1) Subrogation.—In the event the Secretary pays a claim under a guarantee issued under this section, the Secretary shall be subrogated fully to the rights satisfied by such payment.

(2) Priority of liens.—No State or local law, and no Federal law, shall preclude or limit the exercise by the Secretary of its ownership rights in the debentures in the corpus of a trust under this section.

(f) Registration.—

(1) In general.—The Secretary shall provide for a central registration of all trust certificates issued pursuant to this section.

(2) Agents.—The Secretary may contract with an agent or agents to carry out on behalf of the Secretary the pooling and the central registration functions of this section notwithstanding any other provision of law, including maintenance on behalf of and under the direction of the Secretary, such commercial bank accounts or investments in obligations of the United States as may be necessary to facilitate trusts backed by qualified debentures guaranteed under this title and the issuance of trust certificates to facilitate formation of the corpus of the trusts. The Secretary may require such agent or agents to provide a fidelity bond or insurance in such amounts as the Secretary determines to be necessary to protect the interests of the Government.

(3) Form.—Book-entry or other electronic forms of registration for trust certificates under this title are authorized.

(g) Timing of Issuance of Guarantees of Qualified Debentures and Trust Certificates.—The Secretary may, from time to time in the Secretary's discretion, exercise the authority to issue guarantees of qualified debentures under this title or trust certificates under this title.

### SEC. 608. APIC REQUESTS FOR GUARANTEE ACTIONS.

(a) In General.—The Secretary may issue a guarantee under this title for a qualified debenture that an APIC intends to issue only pursuant to a request to the Secretary by the APIC for such guarantee that is made in accordance with regulations governing the content and procedures for such requests, that the Secretary shall prescribe. Such regulations shall provide that each such request shall include—

(1) a description of the manner in which the APIC intends to use the proceeds from the qualified debenture;

(2) a certification by the APIC that the APIC is in substantial compliance with—

(A) this title and other applicable laws, including any requirements established under this title by the Secretary;

(B) all terms and conditions of its license, any cease-and-desist order issued under section 610, and of any penalty or condition that may have arisen from examination or monitoring by the Secretary or otherwise, including the satisfaction of any financial audit exception that may have been outstanding; and

(C) all requirements relating to the allocation and use of New Markets Tax Credits, to the extent such credits are established under Federal law; and

(3) any other information or certification that the Secretary considers appropriate.

(b) Requests for Guarantee of Qualified Debentures That Include Funding for Initial Expenditure for a Project or Activity.—In addition to the description and certification that an APIC is required to supply in all requests for guarantee action under subsection (a), in the case of an APIC's request for a guarantee that includes a qualified debenture, the proceeds of which the APIC expects to be used as its initial expenditure for a project or activity in which the APIC intends to invest, and the expenditure for which would require an environmental assessment under the National Environmental Policy Act of 1969 and other related laws that further the purposes of such Act, such request for guarantee action shall include evidence satisfactory to the Secretary of the certification of the completion of environmental review of the project or activity required of the cognizant State or local government under subsection (c). If the environmental review responsibility for the project or activity has not been assumed by a State or local government under subsection (c), then the Secretary shall be responsible for carrying out the applicable responsibilities under the National Environmental Policy Act of 1969 and other provisions of law that further the purposes of such Act that relate to the project or activity, and the Secretary shall execute such responsibilities before acting on the APIC's request for the guarantee that is covered by this subsection.

(c) RESPONSIBILITY FOR ENVIRONMENTAL REVIEWS.—

(1) EXECUTION OF RESPONSIBILITY BY THE SECRETARY.—This subsection shall apply to guarantees by the Secretary of qualified debentures under this title, the proceeds of which would be used in connection with qualified low-income community investments of APICs under this title.

(2) ASSUMPTION OF RESPONSIBILITY BY COGNIZANT UNIT OF GENERAL GOVERNMENT.—

(A) GUARANTEE OF QUALIFIED DEBENTURES.—In order to assure that the policies of the National Environmental Policy Act of 1969 and other provisions of law that further the purposes of such Act (as specified in regulations issued by the Secretary) are most effectively implemented in connection with the expenditure of funds under this title, and to assure to the public undiminished protection of the environment, the Secretary may, under such regulations, in lieu of the environmental protection procedures otherwise applicable, provide for the guarantee of qualified debentures, any part of the proceeds of which are to fund particular qualified low-income community investments of APICs under this title, if a State or unit of general local government, as designated by the Secretary in accordance with regulations issued by the Secretary, assumes all of the responsibilities for environmental review, decisionmaking, and action pursuant to the National Environmental Policy Act of 1969 and such other provisions of law that further such Act as the regulations of the Secretary specify, that would otherwise apply to the Secretary were the Secretary to undertake the funding of such investments as a Federal action.

(B) IMPLEMENTATION.—The Secretary shall issue regulations to carry out this subsection only after consultation with the Council on Environmental Quality. Such regulations shall—

(i) specify any other provisions of law which further the purposes of the National Environmental Policy Act of 1969 and to which the assumption of responsibility as provided in this subsection applies;

(ii) provide eligibility criteria and procedures for the designation of a State or unit of general local government to assume all of the responsibilities in this subsection;

(iii) specify the purposes for which funds may be committed without regard to the procedure established under paragraph (3);

(iv) provide for monitoring of the performance of environmental reviews under this subsection;

(v) in the discretion of the Secretary, provide for the provision or facilitation of training for such performance; and

(vi) subject to the discretion of the Secretary, provide for suspension or termination by the Secretary of the assumption under subparagraph (A).

(C) RESPONSIBILITIES OF STATES AND UNITS OF GENERAL LOCAL GOVERNMENT.—The Secretary's duty under subparagraph (B) shall not be construed to limit any responsibility assumed by a State or unit of general local government with respect to any particular request for guarantee under subparagraph (A), or the use of funds for a qualified investment.

(3) PROCEDURE.—Subject to compliance by the APIC with the requirements of this title, the Secretary shall approve the request for guarantee of a qualified debenture, any part of the proceeds of which is to fund particular qualified low-income community investments of an APIC under this title, that is subject to the procedures authorized by this subsection only if, not less than 15 days prior to such approval and prior to any commitment of funds to such investment (except for such purposes specified in the regulations issued under paragraph (2)(B)), the APIC submits to the Secretary a request for guarantee of a qualified debenture that is accompanied by evidence of a certification of the State or unit of general local government which meets the requirements of paragraph (4). The approval by the Secretary of any such certification shall be deemed to satisfy the Secretary's responsibilities pursuant to paragraph (1) under the National Environmental Policy Act of 1969 and such other provisions of law as the regulations of the Secretary specify insofar as those responsibilities relate to the guarantees of qualified debentures, any parts of the proceeds of which are to fund such investments, which are covered by such certification.

(4) CERTIFICATION.—A certification under the procedures authorized by this subsection shall—

(A) be in a form acceptable to the Secretary;

(B) be executed by the chief executive officer or other officer of the State or unit of general local government who qualifies under regulations of the Secretary;

(C) specify that the State or unit of general local government under this subsection has fully carried out its responsibilities as described under paragraph (2); and

(D) specify that the certifying officer—

(i) consents to assume the status of a responsible Federal official under the National Environmental Policy Act of 1969 and each provision of law specified in regulations issued by the Secretary insofar as the provisions of such Act or other such provision of law apply pursuant to paragraph (2); and

(ii) is authorized and consents on behalf of the State or unit of general local government and himself or herself to accept the jurisdiction of the Federal courts for the purpose of enforcement of the responsibilities as such an official.

### SEC. 609. EXAMINATION AND MONITORING OF APICS.

(a) IN GENERAL.—The Secretary shall, under regulations, through audits, performance agreements, license conditions, or otherwise, examine and monitor the operations and activities of APICs for compliance with sound financial management practices, and for satisfaction of the program and procedural goals of this title and other related Acts. The Secretary may undertake any responsibility under this section in cooperation with an APIC liaison committee, or any agency that is a member of such a committee, or other agency.

(b) MONITORING, UPDATING, AND PROGRAM REVIEW.—

(1) REPORTING AND UPDATING.—The Secretary shall establish such annual or more frequent reporting requirements for APICs, and such requirements for the updating of the statement of public purpose goals, investment strategy (including the benchmarks in such strategy), and other documents that may have been used in the license application process under this title, as the Secretary determines necessary to assist the Secretary in monitoring the compliance and performance of APICs.

(2) ANNUAL AUDITS.—The Secretary shall require each APIC to have an independent audit conducted annually of the operations of the APIC. The Secretary, in consultation with the Administrator and the Secretary of the Treasury, shall establish requirements and standards for such audits, including requirements that such audits be conducted in accordance with generally accepted accounting principles, that the APIC submit the results of the audit to Secretary, and that specify the information to be submitted.

(3) EXAMINATIONS.—The Secretary shall, no less often than once every 2 years, examine the operations and portfolio of each APIC licensed under this title for compliance with sound financial management practices, and for compliance with this title.

(4) EXAMINATION STANDARDS.—

(A) SOUND FINANCIAL MANAGEMENT PRACTICES.—The Secretary shall examine each APIC to ensure, as a matter of sound financial management practices, substantial compliance with this and other applicable laws, including Federal executive orders, Department of Treasury and Office of Management and Budget guidance, circulars, and application and licensing requirements on a continuing basis. The Secretary may, by regulation, establish any additional standards for sound financial management practices, including standards that address solvency and financial exposure.

(B) PERFORMANCE AND OTHER EXAMINATIONS.—The Secretary shall monitor each APIC's progress in meeting the goals in the APIC's statement of public purpose goals, executing the APIC's investment strategy, and other matters.

(c) INSPECTOR GENERAL RESPONSIBILITY.—In carrying out monitoring of HUD's responsibilities under this title and for purposes of ensuring that the program under this title is operated in accordance with sound financial management practices, the Inspector General of the Department of Housing and Urban Development shall consult with the Inspector General of the Department of the Treasury and the Inspector General of the Small Business Administration, as appropriate, and may enter into such agreements and memoranda of understanding as may be necessary to obtain the cooperation of the Inspectors General of the Department of the Treasury and the Small Business Administration in carrying out such function.

(d) ANNUAL REPORT BY SECRETARY.—The Secretary shall submit a report to the Congress annually regarding the operations, activities, financial health, and achievements of the APIC program under this title. The report shall list each investment made by an APIC and include a summary of the examinations conducted under subsection (b)(3), the guarantee actions of HUD, and any regulatory or policy actions taken by HUD. The report shall distinguish recently licensed APICs from APICs that have held licenses for a longer period for purposes of indicating program activities and performance.

(e) GAO REPORT.—

(1) REQUIREMENT.—Not later than 2 years after the date of the enactment of this Act, the Comptroller General of the United States shall submit a report to the Congress regarding the operation of the program under this title for licensing and guarantees for APICs.

(2) Contents.—The report shall include—

(A) an analysis of the operations and monitoring by HUD of the APIC program under this title;

(B) the administrative and capacity needs of HUD required to ensure the integrity of the program;

(C) the extent and adequacy of any credit subsidy appropriated for the program; and

(D) the management of financial risk and liability of the Federal Government under the program.

### SEC. 610. PENALTIES.

(a) Violations Subject to Penalty.—The Secretary may impose a penalty under this subsection on any APIC or manager of an APIC that, by any act, practice, or failure to act, engages in fraud, mismanagement, or noncompliance with this title, the regulations under this title, or a condition of the APIC's license under this title. The Secretary shall, by regulation, identify, by generic description of a role or responsibilities, any manager of an APIC that is subject to a penalty under this section.

(b) Penalties Requiring Notice and an Opportunity to Respond.—If, after notice in writing to an APIC or the manager of an APIC that the APIC or manager has engaged in any action, practice, or failure to act that, under subsection (a), is subject to a penalty, and after an opportunity for the APIC or manager to respond to the notice, the Secretary determines that the APIC or manager engaged in such action or failure to act, the Secretary may, in addition to other penalties imposed—

(1) assess a civil money penalty, except than any civil money penalty under this subsection shall be in an amount not exceeding $10,000;

(2) issue an order to cease and desist with respect to such action, practice, or failure to act of the APIC or manager;

(3) suspend, or condition the use of, the APIC's license, including deferring, for the period of the suspension, any commitment to guarantee any new qualified debenture of the APIC, except that any suspension or condition under this paragraph may not exceed 90 days; and

(4) impose any other penalty that the Secretary determines to be less burdensome to the APIC than a penalty under subsection (c).

(c) Penalties Requiring Notice and Hearing.—If, after notice in writing to an APIC or the manager of an APIC that an APIC or manager has engaged in any action, practice, or failure to act that, under subsection (a), is subject to a penalty, and after an opportunity for administrative hearing, the Secretary determines that the APIC or manager engaged in such action or failure to act, the Secretary may—

(1) assess a civil money penalty against the APIC or a manager in any amount;

(2) require the APIC to divest any interest in an investment, on such terms and conditions as the Secretary may impose; or

(3) revoke the APIC's license.

(d) Effective Date of Penalties.—

(1) Prior notice requirement.—Except as provided in paragraph (2) of this subsection, a penalty under subsection (b) or (c) shall not be due and payable and shall not otherwise take effect or be subject to enforcement by an order of a court, before notice of the penalty is published in the Federal Register.

(2) Cease-and-desist orders and suspension or conditioning of license.—In the case of a cease-and-desist order under subsection (b)(2) or the suspension or conditioning of an APIC's license under subsection (b)(3), the following procedures shall apply:

(A) Action without published notice.—The Secretary may order an APIC or manager to cease and desist from an action, practice, or failure to act or may suspend or condition an APIC's license, for not more than 45 days without prior publication of notice in the Federal Register, but such cease-and-desist order or suspension or conditioning shall take effect only after the Secretary has issued a written notice (which may include a writing in electronic form) of such action to the APIC. Notwithstanding subsection (b), such written notice shall be effective without regard to whether the APIC has been accorded an opportunity to respond. Upon such notice, such cease-and-desist order or suspension or conditioning shall be subject to enforcement by an order of a court.

(B) Publication of notice of suspension or conditioning of license.—Upon a suspension or conditioning of a license taking effect pursuant to subparagraph (A), the Secretary shall promptly cause a notice of suspension or conditioning of such license for a period of not more than 90 days to be published in the Federal Register. The Secretary shall provide the APIC an opportunity to respond to such notice. For purposes of the determining the duration of the period of any suspension or conditioning under this subparagraph, the first day of such period shall be the day of issuance of the written notice under this paragraph of the suspension or conditioning.

(C) Revocation of license.—During the period of the suspension or conditioning of an APIC's license, the Secretary may take action under subsection (c)(3) to revoke the license of the APIC, in accordance with the procedures applicable to such subsection. Notwithstanding any other provision of this section, if the Secretary takes such action, the Secretary may extend the suspension or conditioning of the APIC's license, for one or more periods of not more than 90 days each, by causing notice of such action to be published in the Federal Register—

(i) for the first such extension, before the expiration of the period under subparagraph (B); and

(ii) for any subsequent extension, before the expiration of the preceding extension period under this subparagraph.

(D) Term of effectiveness.—A cease-and-desist order or the suspension or conditioning of an APIC's license by the Secretary under this paragraph shall remain in effect in accordance with the terms of the order, suspension, or conditioning until final adjudication in any action undertaken to challenge the order, or the suspension or conditioning, or the revocation, of an APIC's license.

### SEC. 611. EFFECTIVE DATE.

(a) In General.—Except as provided in subsection (b), this title shall take effect upon the expiration of the 6-month period beginning on the date of the enactment of this Act.

(b) Issuance of Regulations and Guidelines.—Any authority under this title of the Secretary, the Administrator, and the Secretary of the Treasury to issue regulations, standards, guidelines, or licensing requirements, and any authority of such officials to consult or enter into agreements or memoranda of understanding regarding such issuance, shall take effect on the date of the enactment of this Act.

### SEC. 612. SUNSET.

After the expiration of the 5-year period beginning upon the date that the Secretary awards the first license for an APIC under this title—

(1) the Secretary may not license any APIC; and

(2) no amount may be appropriated for the costs (as such term is defined in section 502 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661c)) of any guarantee under this title for any debenture issued by an APIC.

This section may not be construed to prohibit, limit, or affect the award, allocation, or use of any budget authority for the costs of such guarantees that is appropriated before the expiration of such period.

## TITLE VII—NEW MARKETS TAX CREDIT

### SEC. 701. NEW MARKETS TAX CREDIT.

(a) In General.—Subpart D of part IV of subchapter A of chapter 1 (relating to business-related credits), as amended by section 201(a), is amended by adding at the end the following new section:

### "SEC. 45E. NEW MARKETS TAX CREDIT.

"(a) Allowance of Credit.—

"(1) In general.—For purposes of section 38, in the case of a taxpayer who holds a qualified equity investment on a credit allowance date of such investment which occurs during the taxable year, the new markets tax credit determined under this section for such taxable year is an amount equal to the applicable percentage of the amount paid to the qualified community development entity for such investment at its original issue.

"(2) Applicable percentage.—For purposes of paragraph (1), the applicable percentage is—

"(A) 5 percent with respect to the first 3 credit allowance dates, and

"(B) 6 percent with respect to the remainder of the credit allowance dates.

"(3) Credit allowance date.—For purposes of paragraph (1), the term 'credit allowance date' means, with respect to any qualified equity investment—

"(A) the date on which such investment is initially made, and

"(B) each of the 6 anniversary dates of such date thereafter.

"(b) Qualified Equity Investment.—For purposes of this section—

"(1) In general.—The term 'qualified equity investment' means any equity investment in a qualified community development entity if—

"(A) such investment is acquired by the taxpayer at its original issue (directly or through an underwriter) solely in exchange for cash,

"(B) substantially all of the proceeds from such investment is used by the qualified community development entity to make qualified low-income community investments, and

"(C) such investment is designated for purposes of this section by the qualified community development entity.

Such term shall not include any equity investment issued by a qualified community development entity more than 5 years after the date that such entity receives an allocation under subsection (f). Any allocation not used within such 5-year period may be reallocated by the Secretary under subsection (f).

"(2) Limitation.—The maximum amount of equity investments issued by a qualified community development entity which may be designated under paragraph (1)(C) by such entity shall not exceed the portion of the limitation amount allocated under subsection (f) to such entity.

"(3) Safe harbor for determining use of cash.—The requirement of paragraph (1)(B) shall be treated as met if at least 85 percent of the aggregate gross assets of the qualified community development entity are invested in qualified low-income community investments.

"(4) Treatment of subsequent purchasers.—The term 'qualified equity investment' includes any equity investment which would (but for paragraph (1)(A)) be a qualified equity investment in the hands of the taxpayer if such investment was a qualified equity investment in the hands of a prior holder.

"(5) Redemptions.—A rule similar to the rule of section 1202(c)(3) shall apply for purposes of this subsection.

"(6) Equity investment.—The term 'equity investment' means—

"(A) any stock in a qualified community development entity which is a corporation, and

"(B) any capital interest in a qualified community development entity which is a partnership.

"(c) Qualified Community Development Entity.—For purposes of this section—

"(1) In general.—The term 'qualified community development entity' means any domestic corporation or partnership if—

"(A) the primary mission of the entity is serving, or providing investment capital for, low-income communities or low-income persons,

"(B) the entity maintains accountability to residents of low-income communities through representation on governing or advisory boards or otherwise, and

"(C) the entity is certified by the Secretary for purposes of this section as being a qualified community development entity.

"(2) Special rules for certain organizations.—The requirements of paragraph (1) shall be treated as met by—

"(A) any specialized small business investment company (as defined in section 1044(c)(3)), and

"(B) any community development financial institution (as defined in section 103 of the Community Development Banking and Financial Institutions Act of 1994 (12 U.S.C. 4702)).

"(d) Qualified Low-Income Community Investments.—For purposes of this section—

"(1) In general.—The term 'qualified low-income community investment' means—

"(A) any equity investment in, or loan to, any qualified active low-income community business,

"(B) the purchase from another community development entity of any loan made by such entity which is a qualified low-income community investment if the amount received by such other entity from such purchase is used by such other entity to make qualified low-income community investments,

"(C) financial counseling and other services specified in regulations prescribed by the Secretary to businesses located in, and residents of, low-income communities, and

"(D) any equity investment in, or loan to, any qualified community development entity if substantially all of the investment or loan is used by such entity to make qualified low-income community investments described in subparagraphs (A), (B), and (C).

"(2) Qualified active low-income community business.—

"(A) In general.—For purposes of paragraph (1), the term 'qualified active low-income community business' means, with respect to any taxable year, any corporation or partnership if for such year—

"(i) at least 50 percent of the total gross income of such entity is derived from the active conduct of a qualified business within any low-income community,

"(ii) a substantial portion of the use of the tangible property of such entity (whether owned or leased) is within any low-income community,

"(iii) a substantial portion of the services performed for such entity by its employees are performed in any low-income community,

"(iv) less than 5 percent of the average of the aggregate unadjusted bases of the property of such entity is attributable to collectibles (as defined in section 408(m)(2)) other than collectibles that are held primarily for sale to customers in the ordinary course of such business, and

"(v) less than 5 percent of the average of the aggregate unadjusted bases of the property of such entity is attributable to nonqualified financial property (as defined in section 1397C(e)).

"(B) Proprietorship.—Such term shall include any business carried on by an individual as a proprietor if such business would meet the requirements of subparagraph (A) were it incorporated.

"(C) Portions of business may be qualified active low-income community business.—The term 'qualified active low-income community business' includes any trades or businesses which would qualify as a qualified active low-income community business if such trades or businesses were separately incorporated.

"(3) Qualified business.—For purposes of this subsection, the term 'qualified business' has the meaning given to such term by section 1397C(d); except that—

"(A) in lieu of applying paragraph (2)(B) thereof, the rental to others of real property located in any low-income community shall be treated as a qualified business if there are substantial improvements located on such property,

"(B) paragraph (3) thereof shall not apply, and

"(C) such term shall not include any business if a significant portion of the equity interests in such business are held by any person who holds a significant portion of the equity investments in the community development entity.

"(e) Low-Income Community.—For purposes of this section—

"(1) In general.—The term 'low-income community' means any population census tract if—

"(A) the poverty rate for such tract is at least 20 percent,

"(B)(i) in the case of a tract not located within a metropolitan area, the median family income for such tract does not exceed 80 percent of statewide median family income, or

"(ii) in the case of a tract located within a metropolitan area, the median family income for such tract does not exceed 80 percent of the greater of statewide median family income or the metropolitan area median family income, or

"(C) as determined by the Secretary based on objective criteria, a substantial population of low-income individuals reside in such tract, an inadequate access to investment capital exists in such tract, or other indications of economic distress exist in such tract.

"(2) Areas not within census tracts.—In the case of an area which is not tracted for population census tracts, the equivalent county divisions (as defined by the Bureau of the Census for purposes of defining poverty areas) shall be used for purposes of determining poverty rates and median family income.

"(f) National Limitation on Amount of Investments Designated.—

"(1) In general.—There is a new markets tax credit limitation for each calendar year. Such limitation is—

"(A) $500,000,000 for 2001,

"(B) $1,500,000,000 for 2002 and 2003,

"(C) $2,500,000,000 for 2004 and 2005,

"(D) $3,000,000,000 for 2006,

"(E) $3,500,000,000 for 2007.

"(2) Allocation of limitation.—The limitation under paragraph (1) shall be allocated by the Secretary among qualified community development entities selected by the Secretary. In making allocations under the preceding sentence, the Secretary shall give priority to entities with records of having successfully provided capital or technical assistance to disadvantaged businesses or communities.

"(3) Carryover of unused limitation.—If the new markets tax credit limitation for any calendar year exceeds the aggregate amount allocated under paragraph (2) for such year, such limitation for the succeeding calendar year shall be increased by the amount of such excess.

"(g) Recapture of Credit in Certain Cases.—

"(1) In general.—If, at any time during the 7-year period beginning on the date of the original issue of a qualified equity investment in a qualified community development entity, there is a recapture event with respect to such investment, then the tax imposed by this chapter for the taxable year in which such event occurs shall be increased by the credit recapture amount.

"(2) Credit recapture amount.—For purposes of paragraph (1), the credit recapture amount is an amount equal to the sum of—

"(A) the aggregate decrease in the credits allowed to the taxpayer under section 38 for all prior taxable years which would have resulted if no credit had been determined under this section with respect to such investment, plus

"(B) interest at the overpayment rate established under section 6621 on the amount determined under subparagraph (A) for each prior taxable year for the period beginning on the due date for filing the return for the prior taxable year involved.

No deduction shall be allowed under this chapter for interest described in subparagraph (B).

"(3) Recapture event.—For purposes of paragraph (1), there is a recapture event with respect to an equity investment in a qualified community development entity if—

"(A) such entity ceases to be a qualified community development entity,

"(B) the proceeds of the investment cease to be used as required of subsection (b)(1)(B), or

"(C) such investment is redeemed by such entity.

"(4) Special rules.—

"(A) Tax benefit rule.—The tax for the taxable year shall be increased under paragraph (1) only with respect to credits allowed by reason of this section which were used to reduce tax liability. In the case of credits not so used to reduce tax liability, the carryforwards and carrybacks under section 39 shall be appropriately adjusted.

"(B) No credits against tax.—Any increase in tax under this subsection shall not be treated as a tax imposed by this chapter for purposes of determining the amount of any credit under this chapter or for purposes of section 55.

"(h) Basis Reduction.—The basis of any qualified equity investment shall be reduced by the amount of any credit determined under this section with respect to such investment.

"(i) Regulations.—The Secretary shall prescribe such regulations as may be appropriate to carry out this section, including regulations—

"(1) which limit the credit for investments which are directly or indirectly subsidized by other Federal benefits (including the credit under section 42 and the exclusion from gross income under section 103),

"(2) which prevent the abuse of the provisions of this section through the use of related parties,

"(3) which impose appropriate reporting requirements, and

"(4) which apply the provisions of this section to newly formed entities.".

(b) Credit Made Part of General Business Credit.—

(1) In general.—Subsection (b) of section 38, as amended by section 201(b), is amended by striking "plus" at the end of paragraph (12), by striking the period at the end of paragraph (13) and inserting ", plus", and by adding at the end the following new paragraph:

"(14) the new markets tax credit determined under section 45E(a).".

(2) Limitation on carryback.—Subsection (d) of section 39, as amended by section 201(d), is amended by adding at the end the following new paragraph:

"(10) No carryback of new markets tax credit before January 1, 2001.—No portion of the unused business credit for any taxable year which is attributable to the credit under section 45E may be carried back to a taxable year ending before January 1, 2001.".

(c) Deduction for Unused Credit.—Subsection (c) of section 196 is amended by striking "and" at the end of paragraph (7), by striking the period at the end of paragraph (8) and inserting ", and", and by adding at the end the following new paragraph:

"(9) the new markets tax credit determined under section 45E(a).".

(d) Clerical Amendment.—The table of sections for subpart D of part IV of subchapter A of chapter 1, as amended by section 201(e), is amended by adding at the end the following new item:

"Sec. 45E. New markets tax credit.".

(e) Effective Date.—The amendments made by this section shall apply to investments made after December 31, 2000.

(f) Regulations on Allocation of National Limitation.—Not later than 90 days after the date of the enactment of this Act, the Secretary of the Treasury or the Secretary's delegate shall prescribe regulations which specify objective criteria to be used in making the allocations under section 45E(f)(2) of the Internal Revenue Code of 1986, as added by this section.

## TITLE VIII—COMMUNITY DEVELOPMENT AND VENTURE CAPITAL

### SEC. 800. SHORT TITLE.

This title may be cited as the "Community Development and Venture Capital Act of 2000".

## Subtitle A—New Markets Venture Capital Program

### SEC. 801. NEW MARKETS VENTURE CAPITAL PROGRAM.

(a) In General.—Title III of the Small Business Investment Act of 1958 (15 U.S.C. 681 et seq.) is amended—

(1) by striking the title designation and heading and inserting the following:

## "TITLE III—INVESTMENT DIVISION PROGRAMS

## "PART A—SMALL BUSINESS INVESTMENT COMPANIES";

and

(2) by adding at the end the following:

## "PART B—NEW MARKETS VENTURE CAPITAL PROGRAM

### "SEC. 351. DEFINITIONS.

"In this part—

"(1) the term 'eligible company' means a company that—

"(A) is a newly formed for-profit entity, which may be a newly formed for-profit subsidiary of an existing entity; and

"(B) has a management team with experience in community development financing or relevant venture capital financing;

"(2) the term 'low-income individual' means an individual whose income (adjusted for family size) does not exceed—

"(A) for metropolitan areas, 80 percent of the area median income; and

"(B) for nonmetropolitan areas, the greater of—

"(i) 80 percent of the area median income; or

"(ii) 80 percent of the statewide nonmetropolitan area median income;

"(3) the term 'low- or moderate-income geographic area' means—

"(A) any population census tract (or in the case of an area that is not tracted for population census tracts, the equivalent county division, as defined by the Bureau of the Census of the Department of Commerce for purposes of defining poverty areas) if—

"(i) the poverty rate for such census tract is not less than 20 percent;

"(ii)(I) in the case of a tract located within a metropolitan area, the median family income for such tract does not exceed the greater of 80 percent of the statewide median family income or 80 percent of the metropolitan area median family income; or

"(II) in the case of a tract not located within a metropolitan area, the median family income for such tract does not exceed 80 percent of the statewide median family income; or

"(iii) as determined by the Administrator based on objective criteria, a substantial population of low-income individuals reside, an inadequate access to investment capital exists, or other indications of economic distress exist; or

"(B) any area located within—

"(i) a HUBZone (as defined in section 3(p) of the Small Business Act and the implementing regulations issued under that section);

"(ii) an urban empowerment zone or urban enterprise community (as designated by the Secretary of Housing and Urban Development); or

"(iii) a rural empowerment zone or rural enterprise community (as designated by the Secretary of Agriculture);

"(4) the terms 'new markets venture capital company' and 'NMVC company' mean a company that has been designated as a new markets venture capital company by the Administrator under section 354(d);

"(5) the term 'participation agreement' means an agreement, between the Administrator and a company granted final approval under section 354(e), that—

"(A) details the company's operating plan and investment criteria; and

"(B) requires the company to make investments in smaller enterprises at least 80 percent of which are located in low- or moderate-income geographic areas; and

"(6) the term 'specialized small business investment company' means any small business investment company that—

"(A) invests solely in small business concerns that contribute to a well-balanced national economy by facilitating ownership in such concerns by persons whose participation in the free enterprise system is hampered because of social or economic disadvantages;

"(B) is organized or chartered under State business or nonprofit corporations statutes, or formed as a limited partnership; and

"(C) was licensed under section 301(d), as in effect before September 30, 1996.

### "SEC. 352. PURPOSES.

"The purposes of this part are—

"(1) to encourage venture capital investment in smaller enterprises located within urban and rural areas;

"(2) to promote the creation of wealth, economic development, and job opportunities in low- and moderate-income geographic areas; and

"(3) to establish a venture capital program, which shall be administered by the Administrator—

"(A) to make grants to NMVC companies for the purpose of providing marketing, management, and technical assistance to smaller enterprises financed, or expected to be financed, by such companies; and

"(B) to guarantee debentures issued by NMVC companies to enable such companies to make venture capital investments in smaller enterprises within urban and rural areas.

### "SEC. 353. PROGRAM ESTABLISHMENT.

"There is established a New Markets Venture Capital Program, under which the Administrator is authorized to—

"(1) make grants to NMVC companies, as provided in section 355; and

"(2) guarantee debentures issued by NMVC companies, as provided in section 356.

### "SEC. 354. SELECTION OF NMVC COMPANIES.

"(a) Applications.—In order to be eligible to participate in the program under this part as an NMVC company, an eligible company shall submit to the Administrator an application, within such period of time as the Administrator shall establish, which shall include—

"(1) a business plan that describes the manner and geographic areas in which the applicant will make successful venture capital investments in smaller enterprises described in subparagraphs (A) and (B) of section 351(5) and provide marketing, management, and technical assistance to those enterprises;

"(2) the qualifications and general business reputation of the management of the applicant, specifically addressing—

"(A) the experience of the management in making venture capital investments in smaller enterprises described in subparagraphs (A) and (B) of section 351(5); and

"(B) the success of those investments in terms of business growth, jobs created, and such other factors as the Administrator may require; and

"(3) a description of the manner in which the applicant will interface with community organizations;

"(4) a proposal describing the manner in which grant amounts made available under this part would provide marketing, management, and technical assistance to smaller enterprises expected to be financed by the applicant;

"(5) proposed criteria by which to evaluate the performance of the applicant in meeting program objectives;

“(6) the management and financial strength of any parent or affiliated firm, or any firm essential to the success of the business plan of the applicant;

“(7) with respect to binding commitments to be made to the company under this part, an estimate of the ratio of cash to in-kind contributions; and

“(8) such other information as the Administrator may require.

“(b) CRITERIA FOR CONDITIONAL APPROVAL.—

“(1) IN GENERAL.—Upon receipt of an application submitted under subsection (a), the Administrator shall review the application and make a determination regarding whether to grant conditional approval to the applicant to operate as an NMVC company during the time period described in subsection (c), based on—

“(A) the geographic area and employment characteristics of the smaller enterprises in which the proposed investments of the NMVC company will be made (in order to promote investment nationwide);

“(B) the likelihood that the applicant will meet the goals of the business plan of the applicant;

“(C) the experience and background of the company's management team;

“(D) the need for equity or equity-type investments within the proposed investment areas;

“(E) the extent to which the applicant will concentrate its activities on serving its investment areas;

“(F) the likelihood that the applicant will be able to satisfy the requirements of subsection (c);

“(G) the extent to which the proposed activities will expand economic opportunities within the investment areas; and

“(H) such other factors as the Administrator determines to be appropriate.

“(2) NATIONWIDE DISTRIBUTION.—The Administrator shall select companies under paragraph (1) in such a way that promotes investment nationwide.

“(c) REQUIREMENTS FOR FINAL APPROVAL.—

“(1) IN GENERAL.—Subject to paragraph (2), each applicant that is granted conditional approval by the Administrator to operate as an NMVC company under subsection (b), shall, before the expiration of a time period established by the Administrator not to exceed 24 months, beginning on the date on which such conditional approval is granted—

“(A) raise not less than $5,000,000 of contributed capital or binding capital commitments from 1 or more investors (other than an agency of the Federal Government) that meet criteria established by the Administrator; and

“(B) in order to provide marketing, management, and technical assistance, have—

“(i) cash or binding commitments for contributions (in cash or in-kind) from 1 or more sources other than the Administration that meet criteria established by the Administrator, payable or available over a multiyear period acceptable to the Administrator (not to exceed 10 years), in an amount equal to 30 percent of the capital and commitments raised under subparagraph (A);

“(ii) purchased an annuity from an insurance company acceptable to the Administrator, using amounts (other than the amounts raised to satisfy the requirements of subparagraph (A)) from any source other than the Administration, that would yield cash payments over a multiyear period acceptable to the Administrator (not to exceed 10 years), in an amount equal to 30 percent of the capital and commitments raised under subparagraph (A); or

“(iii) cash or binding commitments for contributions (in cash or in-kind) of the type described in clause (i) and have purchased an annuity of the type described in clause (ii), that in the aggregate make available, over a multiyear period acceptable to the Administrator (not to exceed 10 years), an amount equal to 30 percent of the capital and commitments raised under subparagraph (A).

“(2) EXCEPTION.—The Administrator may, in the discretion of the Administrator and based upon a showing of special circumstances and good cause, consider an applicant to have satisfied the requirements of paragraph (1)(B) if the applicant has—

“(A) a viable plan that reasonably projects the capacity of the applicant to raise the amount (in cash or in-kind) required under paragraph (1)(B); and

“(B) binding commitments in an amount not less than 20 percent of the total amount required under paragraph (1)(B).

“(d) GRANT OF FINAL APPROVAL; DESIGNATION.—The Administrator shall, with respect to each applicant conditionally approved to operate as an NMVC company under subsection (b), either—

“(1) grant final approval to the applicant to operate as an NMVC company under this part and designate the applicant as an NMVC company, if the applicant—

“(A) satisfies the requirements of subsection (c) on or before the expiration of the time period described in that subsection; and

“(B) enters into a participation agreement with the Administrator; or

“(2) if the applicant fails to satisfy the requirements of subsection (c) on or before the expiration of the time period described in that subsection, revoke the conditional approval granted under that subsection.

**“SEC. 355. TECHNICAL ASSISTANCE GRANTS.**

“(a) GRANTS.—

“(1) IN GENERAL.—The Administrator, in accordance with such terms and conditions as the Administrator may require, is authorized to award 1 or more grants to each NMVC company or to any other entity, as authorized by this part, which shall be used to provide marketing, management, and technical assistance for the benefit of smaller enterprises financed, or expected to be financed, by the NMVC company or other authorized entity.

“(2) MULTIYEAR GRANTS.—Amounts from a grant awarded under this section shall be paid upon the direction of the Administrator over a multiyear period of not to exceed 10 years.

“(3) GRANTS TO SPECIALIZED SMALL BUSINESS INVESTMENT COMPANIES.—

“(A) AUTHORITY.—In accordance with this section, the Administrator may make grants to specialized small business investment companies to provide marketing, management, and technical assistance to smaller enterprises financed, or expected to be financed, by such companies after the effective date of the Community Development and Venture Capital Act of 2000.

“(B) USE OF FUNDS.—The proceeds of a grant made under this paragraph may be used by the company receiving such grant only to provide marketing, management, and technical assistance in connection with an equity or equity-type investment (made with capital raised after the effective date of the Community Development and Venture Capital Act of 2000) in a business located in a low- or moderate-income geographic area.

“(C) SUBMISSION OF PLANS.—A specialized small business investment company shall be eligible for a grant under this section only if the company submits to the Administrator, in such form and manner as the Administrator may require, a plan for use of the grant.

“(4) GRANT AMOUNT.—

“(A) IN GENERAL.—Subject to subparagraph (B), the amount of a grant awarded to an NMVC company or other authorized entity under this subsection shall be equal to 30 percent of the amount of capital and commitments raised under section 354(c)(1)(A).

“(B) MATCHING REQUIREMENT.—In order to receive funds under a grant awarded under this subsection, an NMVC company or other authorized entity shall provide a matching contribution (in cash or in-kind) from sources other than the Administration, in an amount equal to the funds to received.

“(5) PRO RATA REDUCTIONS.—If the amount made available to carry out this section for a fiscal year is insufficient for the Administrator to award grants in the amounts required under paragraph (4), the Administrator shall make pro rata reductions in the amounts otherwise payable to each NMVC company or other authorized entity under that paragraph.

“(b) SUPPLEMENTAL GRANTS.—

“(1) IN GENERAL.—In addition to any grant under subsection (a), the Administrator, in accordance with such terms and conditions as the Administrator may require, may make 1 or more supplemental grants to an NMVC company or other authorized entity, which shall be used to provide additional marketing, management, and technical assistance for the benefit of smaller enterprises financed, or expected to be financed, by the NMVC company or other authorized entity.

“(2) MATCHING REQUIREMENT.—The Administrator may require, as a condition of any supplemental grant made under this subsection, that the NMVC company provide a matching contribution (in cash or in-kind) from 1 or more sources other than the Administrator in an amount equal to the amount of the supplemental grant.

“(c) LIMITATION.—No part of any grant made available under this section may be used for any purpose other than to provide direct technical and financial assistance to smaller enterprises financed, or expected to be financed, by the NMVC companies or other authorized entities.

**“SEC. 356. DEBENTURES.**

“(a) IN GENERAL.—The Administrator is authorized to guarantee the timely payment of principal and interest as scheduled on debentures issued by NMVC companies, in accordance with such terms and conditions the Administrator determines to be appropriate.

“(b) FULL FAITH AND CREDIT.—The full faith and credit of the United States is pledged to the payment of all amounts that may be required to be paid under any guarantee under this section.

“(c) DEBENTURE REQUIREMENTS.—A debenture guaranteed under this section—

“(1) may be issued for a term of not to exceed 15 years;

“(2) shall bear interest at a rate approved by the Administrator; and

“(3) shall contain such other terms and conditions as the Administrator may require.

“(d) TOTAL FACE VALUE.—The total face amount of debentures issued by an NMVC company and guaranteed under this section that may be outstanding at any 1 time shall not exceed 150 percent of the contributed capital of the NMVC company, as determined by the Administrator. For purposes of this subsection, the contributed capital of an NMVC company includes capital that is deemed to be Federal funds contributed by an investor other than an agency of the Federal Government.

### "SEC. 357. ISSUANCE AND GUARANTEE OF TRUST CERTIFICATES.

"(a) In General.—The Administrator (or an agent of the Administrator) is authorized to issue trust certificates representing ownership of all or a fractional part of debentures guaranteed by the Administrator under section 356, if such trust certificates are based on and backed by a trust or pool approved by the Administrator and composed solely of debentures guaranteed under section 356.

"(b) Guarantee Authority.—

"(1) In general.—The Administrator is authorized to, upon such terms and conditions as the Administrator determines to be appropriate, guarantee the timely payment of the principal of and interest on any trust certificate issued under this section.

"(2) Limitation.—A guarantee under this subsection shall be limited to the extent of the principal of and interest on the guaranteed debentures that compose the trust or pool described in subsection (a).

"(3) Reduction.—If a debenture in a trust or pool described in subsection (a) is prepaid, or in the event of default of a debenture, the guarantee of timely payment of principal and interest on the related trust certificate issued under this section shall be reduced in proportion to the amount of principal and interest that such prepaid debenture represents in that trust or pool.

"(4) Accrual of interest.—Interest on prepaid or defaulted debentures shall accrue and be guaranteed by the Administrator only through the date of payment of the guarantee.

"(5) Redemption of trust certificates.—During the term of any trust certificate issued under this subsection, the trust certificate may be called for redemption due to prepayment or default of all debentures in the trust or pool.

"(c) Full Faith and Credit.—The full faith and credit of the United States is pledged to the payment of all amounts that may be required to be paid under any guarantee of a trust certificate issued under this section.

"(d) Fees.—The Administrator shall not collect a fee for any guarantee of a trust certificate issued under this section, except that nothing in this subsection may be construed to preclude an agent of the Administrator from collecting a fee approved by the Administrator for the functions described in subsection (f)(2).

"(e) Subrogation.—

"(1) In general.—If the Administrator pays a claim under a guarantee issued under this section, the Administration shall be subrogated fully to the rights satisfied by such payment.

"(2) Ownership rights.—No Federal, State, or local law shall preclude or limit the exercise by the Administrator of the ownership rights of the Administrator in the debentures residing in a trust or pool against which trust certificates are issued under this section.

"(f) Central Registration.—

"(1) In general.—The Administrator may provide for a central registration of all trust certificates issued under this section.

"(2) Contracting of functions.—

"(A) In general.—The Administrator may contract with an agent or agents to carry out on behalf of the Administrator the pooling and the central registration functions of this section including, notwithstanding any other provision of law—

"(i) maintenance on behalf of and under the direction of the Administrator of such commercial bank accounts or investments in obligations of the United States as may be necessary to facilitate trusts or pools backed by debentures guaranteed under this part; and

"(ii) the issuance of trust certificates to facilitate such poolings.

"(B) Fidelity bond or insurance required.—An agent contracting with the Administrator under this paragraph shall be required to provide a fidelity bond or insurance in such amounts as the Administrator determines to be necessary to fully protect the interests of the Government.

"(3) Regulation of brokers and dealers.—Notwithstanding section 3(a)(42) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(42)), the Administrator may regulate brokers and dealers in trust certificates issued under this section.

"(4) Electronic registration.—Nothing in this subsection may be construed to prohibit the use of a book-entry or other electronic form of registration for trust certificates issued under this section.

### "SEC. 358. FEES.

"Except as provided under section 357(d), the Administrator may charge such fees as the Administrator determines to be appropriate with respect to any guarantee issued or grant awarded under this part.

### "SEC. 359. BANK PARTICIPATION.

"Any national bank, or any member bank of the Federal Reserve System or nonmember insured bank to the extent permitted under applicable State law, may invest in any 1 or more NMVC companies, or in any entity established to invest solely in NMVC companies, except that in no event shall the total amount of such investments of any such bank exceed 5 percent of the total capital and surplus of the bank.

### "SEC. 360. FEDERAL FINANCING BANK.

"Section 318 shall not apply to any debenture issued by a NMVC company under this part.

### "SEC. 361. REPORTING REQUIREMENTS.

"Each NMVC company shall provide to the Administrator such information as the Administrator may request, including—

"(1) information related to the measurement criteria that the NMVC company proposed in the application submitted under section 354(a);

"(2) documentation on the use of technical assistance grants under this part; and

"(3) in each case in which the company under this part makes an investment in, or a loan or grant to, a business that is not located in a low- or moderate-income geographic area, a report on the number and percentage of employees of the business who reside in such areas.

### "SEC. 362. EXAMINATIONS.

"(a) In General.—Each NMVC company shall be subject to examinations made at the direction of the Investment Division of the Administration, which may be conducted with the assistance of a private sector entity that has both the qualifications to conduct and the expertise in conducting such examinations.

"(b) Assessment of Costs.—The cost of such examinations, including the compensation of the examiners, may in the discretion of the Administrator be assessed against the company examined and when so assessed shall be paid by such company.

"(c) Deposit of Fees.—Fees collected under this section shall be deposited in the account for salaries and expenses of the Administration.

### "SEC. 363. INJUNCTIONS AND OTHER ORDERS.

"(a) In General.—If, in the judgment of the Administrator, an NMVC company or any other person has engaged or is about to engage in any act or practice that constitutes or will constitute a violation of any provision of this title (or any rule, regulation, or order issued under this title) or of a participation agreement entered into under this part—

"(1) the Administrator may make application to the proper district court of the United States or a United States court of any place subject to the jurisdiction of the United States for an order enjoining such act or practice, or for an order enforcing compliance with such provision; and

"(2) such court shall—

"(A) have jurisdiction over such application and any ensuing proceedings; and

"(B) upon a showing by the Administrator that such NMVC company or other person has engaged or is about to engage in any such act or practice, grant without bond a permanent or temporary injunction, restraining order, or other appropriate order.

"(b) Powers of Court.—In any proceeding under subsection (a)—

"(1) the court as a court of equity may, to such extent as the court determines to be necessary, take exclusive jurisdiction of the NMVC company and the assets thereof, wherever located; and

"(2) the court shall have jurisdiction in any such proceeding to appoint a trustee or receiver to hold or administer under the direction of the court the assets so possessed.

"(c) Trustee or Receiver.—The Administrator is authorized to act as trustee or receiver of the NMVC company. Upon request by the Administrator, the court may appoint the Administrator to act in such capacity unless the court determines such appointment to be inequitable or otherwise inappropriate based on the special circumstances at issue.

### "SEC. 364. UNLAWFUL ACTS AND OMISSIONS BY OFFICERS, DIRECTORS, EMPLOYEES, OR AGENTS; BREACH OF FIDUCIARY DUTY.

"(a) In General.—If an NMVC company violates any provision of this title (or any rule or regulation issued under this title), or of a participation agreement entered into under this part, by failing to comply with the terms thereof or by engaging in any act or practice that constitutes or will constitute a violation thereof, such violation shall be deemed to be also a violation and an unlawful act on the part of any person who, directly or indirectly, authorizes, orders, participates in, or causes, brings about, counsels, aids, or abets in the commission of any act, practice, or transaction that constitutes or will constitute, in whole or in part, such violation.

"(b) Breach of Fiduciary Duty.—It shall be unlawful for any officer, director, employee, agent, or other participant in the management or conduct of the affairs of an NMVC company to engage in any act or practice, or to omit any act, in breach of the fiduciary duty of such officer, director, employee, agent, or participant, if, as a result thereof, the NMVC company has suffered or is in imminent danger of suffering financial loss or other damage.

"(c) Other Prohibitions.—Except with the written consent of the Administrator, it shall be unlawful—

"(1) for any person to take office as an officer, director, or employee of an NMVC company, or to become an agent or participant in the conduct of the affairs or management of an NMVC company, if that person—

“(A) has been convicted of a felony, or any other criminal offense involving dishonesty or breach of trust; or

“(B) has been found civilly liable in damages, or has been permanently or temporarily enjoined by order, judgment, or decree of a court of competent jurisdiction, by reason of any act or practice involving fraud or breach of trust; or

“(2) for any person to continue to serve in any of the above-described capacities, if that person is subsequently—

“(A) convicted of a felony, or any other criminal offense involving dishonesty or breach of trust; or

“(B) found civilly liable in damages, or is permanently or temporarily enjoined by an order, judgment, or decree of a court of competent jurisdiction, by reason of any act or practice involving fraud or breach of trust.

“(d) Notice.—The Administrator may serve upon any officer, director, employee, or other participant in the conduct of the management or other affairs of an NMVC company a written notice of the intention of the Administrator to remove that person from his or her position whenever, in the opinion of the Administrator, that person—

“(1) has willfully committed any substantial violation of—

“(A) this title (or any rule, regulation, or order issued under this title); or

“(B) a participation agreement entered into under this part; or

“(C) a cease-and-desist order that has become final; or

“(2) has willfully committed or engaged in any act, omission, or practice that constitutes a substantial breach of fiduciary duty, and that such violation or such breach of fiduciary duty is one involving personal dishonesty on the part of such person.

“(e) Suspension or Removal.—The Administrator may suspend or remove from office any person upon whom the Administrator has served a notice under subsection (d), in accordance with the procedures set forth in section 313.

### “SEC. 365. REGULATIONS.

“The Administrator may promulgate such regulations as the Administrator determines to be necessary to carry out this part.

### “SEC. 366. AUTHORIZATIONS.

“(a) In General.—For fiscal years 2000 through 2005, the Administration is authorized to be appropriated, to remain available until expended—

“(1) such subsidy budget authority as may be necessary to guarantee $150,000,000 of debentures under this part; and

“(2) $30,000,000 to make grants under this part.

“(b) Funds Collected for Examinations.—Funds deposited under section 362(c) are authorized to be appropriated only for the costs of examinations under section 362 and for the costs of other oversight activities with respect to the program established under this part.”.

(b) Conforming Amendment.—Section 20(e)(1)(C) of the Small Business Act (15 U.S.C. 631 note) is amended by inserting “part A of” before “title III”.

### SEC. 802. BANKRUPTCY EXEMPTION FOR NMVC COMPANIES.

Section 109(b)(2) of title 11, United States Code, is amended by inserting after “homestead association,” the following: “a new markets venture capital company (as defined in section 351 of the Small Business Investment Act of 1958),”.

### SEC. 803. FEDERAL SAVINGS ASSOCIATIONS.

Section 5(c)(4) of the Home Owners' Loan Act (12 U.S.C. 1464(c)(4)) is amended by adding at the end the following:

“(F) New markets venture capital companies.—A Federal savings association may invest in stock, obligations, or other securities of any new markets venture capital company (as defined in section 351 of the Small Business Investment Act of 1958). A Federal savings association may not make any investment under this subparagraph if its aggregate outstanding investment under this subparagraph would exceed 5 percent of the capital and surplus of such savings association.”.

## Subtitle B—Community Development Venture Capital Assistance

### SEC. 811. FINDINGS.

Congress finds that—

(1) there is a need for the development and expansion of organizations that provide private equity capital to smaller businesses in areas in which equity-type capital is scarce, such as inner cities and rural areas, in order to create and retain jobs for low-income residents of those areas;

(2) to invest successfully in smaller businesses, particularly in inner cities and rural areas, requires highly specialized investment and management skills;

(3) there is a shortage of professionals who possess such skills and there are few training grounds for individuals to obtain those skills;

(4) providing assistance to organizations that provide specialized technical assistance and training to individuals and organizations seeking to enter or expand in this segment of the market would stimulate small business development and entrepreneurship in economically distressed communities; and

(5) assistance from the Federal Government could act as a catalyst to attract investment from the private sector and would help to develop a specialized venture capital industry focused on creating jobs, increasing business ownership, and generating wealth in low-income communities.

### SEC. 812. COMMUNITY DEVELOPMENT VENTURE CAPITAL ACTIVITIES.

(a) In General.—The Small Business Act (15 U.S.C. 631 et seq.) is amended—

(1) by redesignating section 34 as section 35; and

(2) by inserting after section 33 the following:

### “SEC. 34. COMMUNITY DEVELOPMENT VENTURE CAPITAL ACTIVITIES.

“(a) Definitions.—In this section:

“(1) Community development venture capital organization.—The term ‘community development venture capital organization’ means a privately-controlled organization that—

“(A) has a primary mission of promoting community development in low-income communities, as defined by the Administrator, through investment in private business enterprises; or

“(B) administers or is in the process of establishing a community development venture capital fund for the purpose of making equity investments in private business enterprises in such communities.

“(2) Developmental organization.—The term ‘developmental organization’—

“(A) means a public or private entity, including a college or university, that provides technical assistance to community development venture capital organizations or that conducts research or training in community development venture capital investment; and

“(B) may include an intermediary organization.

“(3) Intermediary organization.—The term ‘intermediary organization’—

“(A) means a private, nonprofit entity that has—

“(i) a primary mission of promoting community development through investment in private businesses in low-income communities; and

“(ii) significant prior experience in providing technical assistance or financial assistance to community development venture capital organizations;

“(B) may include community development venture capital organizations.

“(b) Authority.—In order to promote the development of community development venture capital organizations, the Administrator, may—

“(1) enter into contracts with 1 or more developmental organizations to carry out training and research activities under subsection (c); and

“(2) make grants in accordance with this section—

“(A) to developmental organizations to carry out training and research activities under subsection (c); and

“(B) to intermediary organizations to provide intensive marketing, management, and technical assistance and training to community development venture capital organizations under subsection (d).

“(c) Training and Research Activities.—

“(1) In general.—Subject to paragraph (2), a developmental organization that receives a grant under subsection (b) shall use the funds made available through the grant for 1 or more of the following training and research activities:

“(A) Strengthening professional skills.—Creating and operating training programs to enhance the professional skills for individuals in community development venture capital organizations or operating private community development venture capital funds.

“(B) Increasing interest in community development venture capital.—Creating and operating a program to select and place students and recent graduates from business and related professional schools as interns with community development venture capital organizations and intermediary organizations for a period of up to 1 year, and to provide stipends for such interns during the internship period.

“(C) Promoting ‘best practices’.—Organizing an annual national conference for community development venture capital organizations to discuss and share information on the best practices regarding issues relevant to the creation and operation of community development venture capital organizations.

“(D) Mobilizing academic resources.—Encouraging the formation of 1 or more centers for the study of community development venture capital at graduate schools of business and management, providing funding for the development of materials for courses on topics in this area, and providing funding for research on economic, operational, and policy issues relating to community development venture capital.

“(2) Limitation.—The Administrator shall ensure that not more than 25 percent of the amount made available to carry out this section is used for activities described in paragraph (1).

“(d) Intensive Marketing, Management, and Technical Assistance and Training.—An intermediary organization that receives a grant under subsection (b) shall use the funds made available through the grant to provide intensive marketing, management, and technical assistance and training to promote the development of community development venture capital organizations, which assistance may include grants to community development venture capital organizations for the start up costs and operating support of those organizations.

"(e) MATCHING CONTRIBUTION REQUIREMENT.—The Administrator shall require, as a condition of any grant made to an intermediary organization under this section, that a matching contribution equal to the amount of such grant be provided from sources other than the Federal Government.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $20,000,000 for fiscal years 2000 through 2003, to remain available until expended.".

(b) REQUIREMENTS.—The Administrator of the Small Business Administration may promulgate such regulations as may be necessary to carry out section 34 of the Small Business Act, as amended by this section, which regulations may take effect upon issuance.

## Subtitle C—Business LINC

### SEC. 821. GRANTS AUTHORIZED.

Section 8 of the Small Business Act (15 U.S.C. 637) is amended by adding at the end the following:

"(m) BUSINESS LINC GRANTS.—

"(1) IN GENERAL.—The Administrator may make grants to and enter into cooperative agreements with any coalition of private or public sector participants that—

"(A) expand business-to-business relationships between large and small businesses; and

"(B) provide businesses, directly or indirectly, with online information and a database of companies that are interested in mentor-protegee programs or community-based, state-wide, or local business development programs.

"(2) MATCHING REQUIREMENTS.—

"(A) IN GENERAL.—Subject to subparagraph (B), the Administrator may make grants to and enter into cooperative agreements with any coalition of private or public sector participants if the coalition provides a matching amount, either in-kind or in cash, equal to the grant amount.

"(B) WAIVER.—In the best interests of the program, the Administrator may waive the requirements for matching funds to be provided by the coalition.

"(3) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $6,600,000 for each of fiscal years 2000 through 2003, to remain available until expended.".

### SEC. 822. REGULATIONS.

The Administrator of the Small Business Administration may promulgate such regulations as the Administration determines to be necessary to carry out this title and the amendment made by this title.

## TITLE IX—BOND VOLUME CAP AND LOW-INCOME HOUSING CREDIT INCREASES

### SEC. 901. INCREASE IN STATE CEILING ON PRIVATE ACTIVITY BONDS.

(a) IN GENERAL.—Paragraphs (1) and (2) of section 146(d) (relating to State ceiling) are amended to read as follows:

"(1) IN GENERAL.—The State ceiling applicable to any State for any calendar year shall be the greater of—

"(A) an amount equal to $75 multiplied by the State population, or

"(B) $225,000,000.

Subparagraph (B) shall not apply to any possession of the United States.

"(2) INFLATION ADJUSTMENT.—In the case of a calendar year after 2001, each of the dollar amounts contained in paragraph (1) shall be increased by an amount equal to—

"(A) such dollar amount, multiplied by

"(B) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting 'calendar year 2000' for 'calendar year 1992' in subparagraph (B) thereof.

If any increase determined under the preceding sentence is not a multiple of $1 ($250 in the case of the dollar amount in paragraph (1)(B), such increase shall be rounded to the nearest multiple thereof."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to calendar years after 2000.

### SEC. 902. INCREASE IN STATE CEILING ON LOW-INCOME HOUSING CREDIT.

(a) IN GENERAL.—Clause (i) of section 42(h)(3)(C) (relating to State housing credit ceiling) is amended by striking "$1.25" and inserting "$1.75".

(b) ADJUSTMENT OF STATE CEILING FOR INCREASES IN COST-OF-LIVING.—Paragraph (3) of section 42(h) (relating to housing credit dollar amount for agencies) is amended by adding at the end the following new subparagraph:

"(H) COST-OF-LIVING ADJUSTMENT.—

"(i) IN GENERAL.—In the case of a calendar year after 2001, the dollar amount contained in subparagraph (C)(i) shall be increased by an amount equal to—

"(I) such dollar amount, multiplied by

"(II) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting 'calendar year 2000' for 'calendar year 1992' in subparagraph (B) thereof.

"(ii) ROUNDING.—If any increase under clause (i) is not a multiple of 5 cents, such increase shall be rounded to the next lowest multiple of 5 cents.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to calendar years after 2000.

## TITLE X—INDIVIDUAL DEVELOPMENT ACCOUNTS

### SEC. 1001. FINDINGS.

Congress makes the following findings:

(1) One-third of all Americans have no assets available for investment, and another 20 percent have only negligible assets. The household savings rate of the United States lags far behind other industrial nations, presenting a barrier to national economic growth and preventing many Americans from entering the economic mainstream by buying a house, obtaining an adequate education, or starting a business.

(2) By building assets, Americans can improve their economic independence and stability, stimulate the development of human and other capital, and work toward a viable and hopeful future for themselves and their children. Thus, economic well-being does not come solely from income, spending, and consumption, but also requires savings, investment, and accumulation of assets.

(3) Traditional public assistance programs based on income and consumption have rarely been successful in promoting and supporting the transition to increased economic self-sufficiency. Income-based social policies that meet consumption needs (including food, child care, rent, clothing, and health care) should be complemented by asset-based policies that can provide the means to achieve long-term independence and economic well-being.

(4) Individual Development Accounts (IDAs) can provide working Americans with strong incentives to build assets, basic financial management training, and access to secure and relatively inexpensive banking services.

(5) There is reason to believe that Individual Development Accounts would also foster greater participation in electric fund transfers (EFT), generate financial returns, including increased income, tax revenue, and decreased welfare cash assistance, that will far exceed the cost of public investment in the program.

### SEC. 1002. PURPOSES.

The purposes of this title are to provide for the establishment of individual development account programs that will—

(1) provide individuals and families with limited means an opportunity to accumulate assets and to enter the financial mainstream;

(2) promote education, homeownership, and the development of small businesses;

(3) stabilize families and build communities; and

(4) support continued United States economic expansion.

### SEC. 1003. DEFINITIONS.

As used in this title:

(1) ELIGIBLE INDIVIDUAL.—

(A) IN GENERAL.—The term "eligible individual" means an individual who—

(i) has attained the age of 18 years;

(ii) is a citizen or legal resident of the United States; and

(iii) is a member of a household the gross income of which does not exceed 80 percent of the median family income for the area in which such individual resides (as published by the Department of Housing and Urban Affairs).

(B) HOUSEHOLD.—The term "household" means all individuals who share use of a dwelling unit as primary quarters for living and eating separate from other individuals.

(2) INDIVIDUAL DEVELOPMENT ACCOUNT.—The term "Individual Development Account" means an account established for an eligible individual as part of a qualified individual development account program, but only if the written governing instrument creating the account meets the following requirements:

(A) The sole owner of the account is the eligible individual.

(B) No contribution will be accepted unless it is in cash, by check, by electronic fund transfer, or by electronic money order.

(C) The holder of the account is a qualified financial institution, a qualified nonprofit organization, or an Indian tribe.

(D) The assets of the account will not be commingled with other property except in a common trust fund or common investment fund.

(E) Except as provided in section 1015(b), any amount in the account may be paid out only for the purpose of paying the qualified expenses of the eligible individual.

(3) PARALLEL ACCOUNT.—The term "parallel account" means a separate, parallel individual or pooled account for all matching funds and earnings dedicated to an eligible individual as part of a qualified individual account program, the sole owner of which is a qualified financial institution, a qualified nonprofit organization, or an Indian tribe.

(4) QUALIFIED FINANCIAL INSTITUTION.—

(A) IN GENERAL.—The term "qualified financial institution" means any person authorized to be a trustee of any individual retirement account under section 408(a)(2).

(B) RULE OF CONSTRUCTION.—Nothing in this paragraph shall be construed as preventing a person described in subparagraph

(A) from collaborating with 1 or more qualified nonprofit organizations or Indian tribes to carry out an individual development account program established under section 1011.

(5) QUALIFIED NONPROFIT ORGANIZATION.—The term "qualified nonprofit organization" means—

(A)(i) any organization described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code;

(ii) any community development financial institution as certified by the Community Development Financial Institution Fund; or

(iii) any credit union certified by the National Credit Union Administration,

that meets standards for financial management and fiduciary responsibility as defined by the Secretary or an organization designated by the Secretary.

(6) INDIAN TRIBE.—The term "Indian tribe" means any Indian tribe as defined in section 4(12) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103(12), and includes any tribal subsidiary, subdivision, or other wholly owned tribal entity.

(7) QUALIFIED INDIVIDUAL DEVELOPMENT ACCOUNT PROGRAM.—The term "qualified individual development program" means a program established under section 1011 under which—

(A) individual development accounts and parallel accounts are held by a qualified financial institution, a qualified nonprofit organization, or an Indian tribe; and

(B) additional activities determined by the Secretary, or an organization designated by the Secretary, as necessary to responsibly develop and administer accounts, including recruiting, providing financial education and other training to account holders, and regular program monitoring, are carried out by such qualified financial institution, qualified nonprofit organization, or Indian tribe.

(8) QUALIFIED EXPENSE DISTRIBUTION.—

(A) IN GENERAL.—The term "qualified expense distribution" means any amount paid (including through electronic payments) or distributed out of an Individual Development Account and a parallel account established for an eligible individual if such amount—

(i) is used exclusively to pay the qualified expenses of such individual or such individual's spouse or dependents,

(ii) is paid by the qualified financial institution, qualified nonprofit organization, or Indian tribe directly to the person to whom the amount is due or to another Individual Development Account, and

(iii) is paid after the holder of the Individual Development Account has completed a financial education course as required under section 1012(b).

(B) QUALIFIED EXPENSES.—

(i) IN GENERAL.—The term "qualified expenses" means any of the following:

(I) Qualified higher education expenses.

(II) Qualified first-time homebuyer costs.

(III) Qualified business capitalization or expansion costs.

(IV) Qualified rollovers.

(ii) QUALIFIED HIGHER EDUCATION EXPENSES.—

(I) IN GENERAL.—The term "qualified higher education expenses" has the meaning given such term by section 72(t)(7) of the Internal Revenue Code of 1986, determined by treating postsecondary vocational educational schools as eligible educational institutions.

(II) POSTSECONDARY VOCATIONAL EDUCATION SCHOOL.—The term "postsecondary vocational educational school" means an area vocational education school (as defined in subparagraph (C) or (D) of section 521(4) of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2471(4))) which is in any State (as defined in section 521(33) of such Act), as such sections are in effect on the date of enactment of this Act.

(III) COORDINATION WITH OTHER BENEFITS.—The amount of qualified higher education expenses for any taxable year shall be reduced as provided in section 25A(g)(2) of such Code and by the amount of such expenses for which a credit or exclusion is allowed under chapter 1 of such Code for such taxable year.

(iii) QUALIFIED FIRST-TIME HOMEBUYER COSTS.—The term "qualified first-time homebuyer costs" means qualified acquisition costs (as defined in section 72(t)(8) of such Code without regard to subparagraph (B) thereof) with respect to a principal residence (within the meaning of section 121 of such Code) for a qualified first-time homebuyer (as defined in section 72(t)(8) of such Code).

(iv) QUALIFIED BUSINESS CAPITALIZATION OR EXPANSION COSTS.—

(I) IN GENERAL.—The term "qualified business capitalization or expansion costs" means qualified expenditures for the capitalization or expansion of a qualified business pursuant to a qualified business plan.

(II) QUALIFIED EXPENDITURES.—The term "qualified expenditures" means expenditures included in a qualified business plan, including capital, plant, equipment, working capital, inventory expenses, attorney and accounting fees, and other costs normally associated with starting or expanding a business.

(III) QUALIFIED BUSINESS.—The term "qualified business" means any business that does not contravene any law.

(IV) QUALIFIED BUSINESS PLAN.—The term "qualified business plan" means a business plan which meets such requirements as the Secretary or an organization designated by the Secretary may specify.

(v) QUALIFIED ROLLOVERS.—The term "qualified rollover" means, with respect to any distribution from an Individual Development Account, the payment, within 120 days of such distribution, of all or a portion of such distribution to such account or to another Individual Development Account established in another qualified financial institution, qualified nonprofit organization, or Indian tribe for the benefit of the eligible individual. Rules similar to the rules of section 408(d)(3) of such Code (other than subparagraph (C) thereof) shall apply for purposes of this clause.

(9) SECRETARY.—The term "Secretary" means the Secretary of the Treasury.

## Subtitle A—Individual Development Accounts for Low-Income Workers

### SEC. 1011. STRUCTURE AND ADMINISTRATION OF QUALIFIED INDIVIDUAL DEVELOPMENT ACCOUNT PROGRAMS.

(a) ESTABLISHMENT OF QUALIFIED INDIVIDUAL DEVELOPMENT ACCOUNT PROGRAMS.—Any qualified financial institution, qualified nonprofit organization, or Indian tribe may establish 1 or more qualified individual development account programs which meet the requirements of this title.

(b) BASIC PROGRAM STRUCTURE.—

(1) IN GENERAL.—All qualified individual development account programs shall consist of the following 2 components:

(A) An Individual Development Account to which an eligible individual may contribute money in accordance with section 1013.

(B) A parallel account to which all matching funds shall be deposited in accordance with section 1014.

(2) TAILORED IDA PROGRAMS.—A qualified financial institution, qualified nonprofit organization, or Indian tribe may tailor its qualified individual development account program to allow matching funds to be spent on 1 or more of the categories of qualified expenses.

(c) ACCOUNT POPULATION DISTRIBUTION REQUIREMENT.—An individual development account program shall be treated as qualified under this title only if not less than one third of the Individual Development Accounts under such program are owned by eligible individuals each of whom is a member of a household the gross income of which does not exceed 50 percent of the median family income for the area in which such individuals reside (as published by the Department of Housing and Urban Affairs).

(d) TAX TREATMENT OF ACCOUNTS.—Any account described in subparagraph (B) of subsection (b)(1) is exempt from taxation under the Internal Revenue Code of 1986 unless such account has ceased to be such an account by reason of section 1015(c) or the termination of the qualified individual development account program under section 1016(b).

### SEC. 1012. PROCEDURES FOR OPENING AN INDIVIDUAL DEVELOPMENT ACCOUNT AND QUALIFYING FOR MATCHING FUNDS.

(a) OPENING AN ACCOUNT.—An eligible individual must open an Individual Development Account with a qualified financial institution, qualified nonprofit organization, or Indian tribe and contribute money in accordance with section 1013 to qualify for matching funds in a parallel account.

(b) REQUIRED COMPLETION OF FINANCIAL EDUCATION COURSE.—

(1) IN GENERAL.—Before becoming eligible to withdraw matching funds to pay for qualified expenses, holders of Individual Development Accounts must complete a financial education course offered by a qualified financial institution, a qualified nonprofit organization, an Indian tribe, or a government entity.

(2) STANDARD AND APPLICABILITY OF COURSE.—The Secretary or an organization designated by the Secretary, in consultation with representatives of qualified individual development account programs and financial educators, shall establish minimum performance standards for financial education courses offered under paragraph (1) and a protocol to exempt eligible individuals from the requirement under paragraph (1) because of hardship or lack of need.

### SEC. 1013. CONTRIBUTIONS TO INDIVIDUAL DEVELOPMENT ACCOUNTS.

(a) IN GENERAL.—Except in the case of a qualified rollover, individual contributions to an Individual Development Account will not be accepted for the taxable year in excess of the lesser of—

(1) $2,000; or

(2) an amount equal to the sum of—

(A) the compensation (as defined in section 219(f)(1) of the Internal Revenue Code of 1986) includible in the individual's gross income for such taxable year; and

(B) in the case of an eligible individual who has attained age 65 or retired on disability (within the meaning of section 22 of the Internal Revenue Code of 1986) before the close of the taxable year, any amount received as a pension or annuity or as a disability benefit and excluded from the individual's gross income for such taxable year.

(b) PROOF OF COMPENSATION AND STATUS AS AN ELIGIBLE INDIVIDUAL.—Federal W-2 forms and other forms specified by the Secretary proving the eligible individual's wages and other compensation (including amounts described in subsection (a)(2)(B)) and the status of the individual as an eligible individual shall be presented at the time of the establishment of the Individual Development Account and at least once annually thereafter.

(c) Time When Contributions Deemed Made.—For purposes of this section, a taxpayer shall be deemed to have made a contribution to an Individual Development Account on the last day of the preceding taxable year if the contribution is made on account of such taxable year and is made not later than the time prescribed by law for filing the Federal income tax return for such taxable year (not including extensions thereof).

(d) Deemed Withdrawals of Excess Contributions.—If the individual for whose benefit an Individual Development Account is established contributes an amount in excess of the amount allowed under subsection (a) and fails to withdraw the excess contribution plus the amount of net income attributable to such excess contribution on or before the day prescribed by law (including extensions of time) for filing such individual's return of tax for the taxable year, such excess contribution and net income shall be deemed to have been withdrawn on such day by such individual for purposes other than to pay qualified expenses.

(e) Cross Reference.—

**For designation of earned income tax credit payments for deposit to an Individual Development Account, see section 32(o) of the Internal Revenue Code of 1986.**

### SEC. 1014. DEPOSITS BY QUALIFIED INDIVIDUAL DEVELOPMENT ACCOUNT PROGRAMS.

(a) Parallel Accounts.—The qualified financial institution, qualified nonprofit organization, or Indian tribe shall deposit all matching funds for each Individual Development Account into a parallel account at a qualified financial institution, qualified nonprofit organization, or Indian tribe.

(b) Regular Deposits of Matching Funds.—

(1) In general.—Subject to paragraph (2), the qualified financial institution, qualified nonprofit organization, or Indian tribe shall not less than annually deposit into the parallel account with respect to each eligible individual the following:

(A) A dollar-for-dollar match for the first $500 contributed by the eligible individual into an Individual Development Account with respect to any taxable year.

(B) Any matching funds provided by State, local, or private sources in accordance to the matching ratio set by those sources.

(2) Cross reference.—

**For allowance of tax credit for Individual Development Account subsidies, including matching funds, see section 30B of the Internal Revenue Code of 1986.**

(c) Forfeiture of Matching Funds.—Matching funds that are forfeited under section 1015(b) shall be used by the qualified financial institution, qualified nonprofit organization, or Indian tribe to pay matches for other Individual Development Account contributions by eligible individuals.

(d) Uniform Accounting Regulations.—The Secretary shall prescribe regulations with respect to accounting for matching funds from all possible sources in the parallel accounts.

(e) Regular Reporting of Accounts.—Any qualified financial institution, qualified nonprofit organization, or Indian tribe shall report the balances in any Individual Development Account and parallel account of an eligible individual on not less than an annual basis.

### SEC. 1015. WITHDRAWAL PROCEDURES.

(a) Withdrawals for Qualified Expenses.—To withdraw money from an eligible individual's Individual Development Account to pay qualified expenses of such individual or such individual's spouse or dependents, the qualified financial institution, qualified nonprofit organization, or Indian tribe shall directly transfer such funds from the Individual Development Account, and, if applicable, from the parallel account electronically to the vendor or other Individual Development Account. If the vendor is not equipped to receive funds electronically, the qualified financial institution, qualified nonprofit organization, or Indian tribe may issue such funds by paper check to the vendor.

(b) Withdrawals for Nonqualified Expenses.—An Individual Development Account holder may unilaterally withdraw funds from the Individual Development Account for purposes other than to pay qualified expenses, but shall forfeit the corresponding matching funds and interest earned on the matching funds by doing so, unless such withdrawn funds are recontributed to such Account by September 30 following the withdrawal.

(c) Deemed Withdrawals From Accounts of Noneligible Individuals.—If the individual for whose benefit an Individual Development Account is established ceases to be an eligible individual, such account shall cease to be an Individual Development Account as of the first day of the taxable year of such individual and any balance in such account shall be deemed to have been withdrawn on such first day by such individual for purposes other than to pay qualified expenses.

(d) Tax Treatment of Matching Funds.—Any amount withdrawn from a parallel account shall not be includible in an eligible individual's gross income.

### SEC. 1016. CERTIFICATION AND TERMINATION OF QUALIFIED INDIVIDUAL DEVELOPMENT ACCOUNT PROGRAMS.

(a) Certification Procedures.—Upon establishing a qualified individual development account program under section 1011, a qualified financial institution, qualified nonprofit organization, or Indian tribe shall certify to the Secretary, or an organization designated by the Secretary, on forms prescribed by the Secretary or such organization and accompanied by any documentation required by the Secretary or such organization, that—

(1) the accounts described in subparagraphs (A) and (B) of section 1011(b)(1) are operating pursuant to all the provisions of this title; and

(2) the qualified financial institution, qualified nonprofit organization, or Indian tribe agrees to implement an information system necessary to monitor the cost and outcomes of the qualified individual development account program.

(b) Authority To Terminate Qualified IDA Program.—If the Secretary, or an organization designated by the Secretary, determines that a qualified financial institution, qualified nonprofit organization, or Indian tribe under this title is not operating a qualified individual development account program in accordance with the requirements of this title (and has not implemented any corrective recommendations directed by the Secretary or such organization), the Secretary or such organization shall terminate such institution's, nonprofit organization's, or Indian tribe's authority to conduct the program. If the Secretary, or an organization designated by the Secretary, is unable to identify a qualified financial institution, qualified nonprofit organization, or Indian tribe to assume the authority to conduct such program, then any account established for the benefit of any eligible individual under such program shall cease to be an Individual Development Account as of the first day of such termination and any balance in such account shall be deemed to have been withdrawn on such first day by such individual for purposes other than to pay qualified expenses.

### SEC. 1017. REPORTING, MONITORING, AND EVALUATION.

(a) Responsibilities of Qualified Financial Institutions, Qualified Nonprofit Organizations, and Indian Tribes.—Each qualified financial institution, qualified nonprofit organization, or Indian tribe that establishes a qualified individual development account program under section 1011 shall report annually to the Secretary, directly or through an organization designated by the Secretary, within 90 days after the end of each calendar year on—

(1) the number of eligible individuals making contributions into Individual Development Accounts;

(2) the amounts contributed into Individual Development Accounts and deposited into parallel accounts for matching funds;

(3) the amounts withdrawn from Individual Development Accounts and parallel accounts, and the purposes for which such amounts were withdrawn;

(4) the balances remaining in Individual Development Accounts and parallel accounts; and

(5) such other information needed to help the Secretary, or an organization designated by the Secretary, monitor the cost and outcomes of the qualified individual development account program.

(b) Responsibilities of the Secretary or Designated Organization.—

(1) Monitoring protocol.—Not later than 12 months after the date of enactment of this Act, the Secretary, or an organization designated by the Secretary, shall develop and implement a protocol and process to monitor the cost and outcomes of the qualified individual development account programs established under section 1011.

(2) Annual reports.—In each year after the date of enactment of this Act, the Secretary, or an organization designated by the Secretary, shall issue a progress report on the status of such qualified individual development account programs. Such report shall include from a representative sample of qualified financial institutions, qualified nonprofit organizations, and Indian tribes a report on—

(A) the characteristics of participants, including age, gender, race or ethnicity, marital status, number of children, employment status, and monthly income;

(B) individual level data on deposits, withdrawals, balances, uses of Individual Development Accounts, and participant characteristics;

(C) the characteristics of qualified individual development account programs, including match rate, economic education requirements, permissible uses of accounts, staffing of programs in full time employees, and the total costs of programs; and

(D) process information on program implementation and administration, especially on problems encountered and how problems were solved.

(3) Appropriations for Monitoring.—There is authorized to be appropriated $5,000,000 for the purposes of monitoring qualified individual development account programs established under section 1011, to remain available until expended.

### SEC. 1018. CERTAIN ACCOUNT FUNDS OF PROGRAM PARTICIPANTS DISREGARDED FOR PURPOSES OF CERTAIN MEANS-TESTED FEDERAL PROGRAMS.

Notwithstanding any provision of the Internal Revenue Code of 1986 or the Social Security Act that requires consideration of 1 or more financial circumstances of an individual, for the purposes of determining eligibility to receive, or the amount of, any assistance or benefit authorized by such provision to be provided to or for the benefit of such individual, the sum of—

(1) the lesser of—

(A) the sum of all contributions by an eligible individual (including earnings thereon) to any Individual Development Account; or

(B) $10,000; plus

(2) the sum of the matching deposits made on behalf of such individual (including earnings thereon) in any parallel account,

shall be disregarded for such purpose with respect to any period during which the individual participates in a qualified individual development account program established under section 1011.

## Subtitle B—Qualified Individual Development Account Program Investment Credits

### SEC. 1021. QUALIFIED INDIVIDUAL DEVELOPMENT ACCOUNT PROGRAM INVESTMENT CREDITS.

(a) In General.—Subpart B of part IV of subchapter A of chapter 1 (relating to other credits) is amended by inserting after section 30A the following:

### "SEC. 30B. QUALIFIED INDIVIDUAL DEVELOPMENT ACCOUNT PROGRAM INVESTMENT CREDIT.

"(a) Determination of Amount.—There shall be allowed as a credit against the applicable tax for the taxable year an amount equal to the qualified individual development account program investment provided by a taxpayer during the taxable year under a qualified individual development account program established under section 1011 of the American Community Renewal and New Markets Empowerment Act.

"(b) Applicable Tax.—For the purposes of this section, the term 'applicable tax' means the excess (if any) of—

"(1) the tax imposed under this chapter (other than the taxes imposed under the provisions described in subparagraphs (C) through (Q) of section 26(b)(2)), over

"(2) the credits allowable under subpart B (other than this section) and subpart D of this part.

"(c) Qualified Individual Development Account Program Investment.—For purposes of this section, the term 'qualified individual development account program investment' means an amount equal to—

"(1) in the case of a taxpayer which is a qualified financial institution, the sum of—

"(A) the lesser of—

"(i) 90 percent of the aggregate amount of dollar-for-dollar matches under any qualified individual development account program by such taxpayer under section 1014 of the American Community Renewal and New Markets Empowerment Act for such taxable year, or

"(ii) $90,000,000, plus

"(B) the lesser of—

"(i) 50 percent of the aggregate costs paid or incurred under such program by the taxpayer during such taxable year—

"(I) to provide financial education courses to Individual Development Account holders under section 1012(b) of such Act, and

"(II) to underwrite program activities described in section 503(6)(B) of such Act), or

"(ii) $1,500,000, and

"(2) in the case of a taxpayer which is not a qualified financial institution and which meets the requirement described in paragraph (2) of subsection (d), the lesser of—

"(A) the sum of—

"(i) 50 percent of the aggregate amount of such dollar-for-dollar matches by such taxpayer for such taxable year, plus

"(ii) 50 percent of the aggregate costs described in paragraph (1)(B)(i) paid under such program by the taxpayer during such taxable year, or

"(B) $5,000,000.

"(d) Definitions and Special Rules.—

"(1) In general.—For purposes of this section, the terms 'Individual Development Account' , 'qualified individual development account program', and 'qualified financial institution' have the meanings given such terms by section 1003 of the American Community Renewal and New Markets Empowerment Act.

"(2) Requirement for taxpayers which are not qualified financial institutions.—The requirement described in this paragraph with respect to any taxpayer which is not a qualified financial institution is the requirement that at least 70 percent of the expenditures by such taxpayer with respect to any qualified individual development account program for any taxable year are described in subsection (c)(2)(A).

"(3) Certain rules made applicable.—Rules similar to the rules of paragraphs (1) and (2) of section 41(f) shall apply for purposes of this section.

"(4) Denial of Double Benefit.—No deduction or credit under any other provision of this chapter shall be allowed with respect to qualified individual development account program investments taken into account under subsection (a).

"(e) Regulations.—The Secretary may prescribe such regulations as may be necessary or appropriate to carry out this section, including regulations providing for a reduction of the credit allowed under this section for any taxable year by the amount of any forfeiture under section 1015(b) of the American Community Renewal and New Markets Empowerment Act in such taxable year of any amount which was taken into account in determining the amount of such credit in a preceding taxable year.

"(f) Termination.—This section shall not apply to any taxable year beginning after December 31, 2006.".

(b) Conforming Amendment.—The table of sections for subpart B of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 30A the following:

"Sec. 30B. Qualified individual development account program investment credit.".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

### SEC. 1022. CRA CREDIT TREATMENT FOR QUALIFIED INDIVIDUAL DEVELOPMENT ACCOUNT PROGRAM INVESTMENTS.

Qualified financial institutions which establish qualified individual development account programs under section 1011 shall not receive credit for funding, administration, and education expenses under any test contained in regulations for the Community Reinvestment Act of 1977 for those activities and expenses related to such programs and taken into account for purposes of the tax credit allowed under section 30B of the Internal Revenue Code of 1986.

### SEC. 1023. DESIGNATION OF EARNED INCOME TAX CREDIT PAYMENTS FOR DEPOSIT TO INDIVIDUAL DEVELOPMENT ACCOUNTS.

(a) In General.—Section 32 (relating to earned income credit) is amended by adding at the end the following:

"(o) Designation of Credit for Deposit to Individual Development Account.—

"(1) In general.—With respect to the return of any eligible individual (as defined in section 1003(1) of the American Community Renewal and New Markets Empowerment Act) for the taxable year of the tax imposed by this chapter, such individual may designate that a specified portion (not less than $1) of any overpayment of tax for such taxable year which is attributable to the credit allowed under this section shall be deposited by the Secretary into an Individual Development Account (as defined in section 1003(2) of such Act) of such individual. The Secretary shall so deposit such portion designated under this paragraph.

"(2) Manner and time of designation.—A designation under paragraph (1) may be made with respect to any taxable year—

"(A) at the time of filing the return of the tax imposed by this chapter for such taxable year, or

"(B) at any other time (after the time of filing the return of the tax imposed by this chapter for such taxable year) specified in regulations prescribed by the Secretary.

Such designation shall be made in such manner as the Secretary prescribes by regulations.

"(3) Portion attributable to earned income tax credit.—For purposes of paragraph (1), an overpayment for any taxable year shall be treated as attributable to the credit allowed under this section for such taxable year to the extent that such overpayment does not exceed the credit so allowed.

"(4) Overpayments treated as refunded.—For purposes of this title, any portion of an overpayment of tax designated under paragraph (1) shall be treated as being refunded to the taxpayer as of the last date prescribed for filing the return of tax imposed by this chapter (determined without regard to extensions) or, if later, the date the return is filed.

"(5) Termination.—This subsection shall not apply to any taxable year beginning after December 31, 2006.".

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after December 31, 2001.

## TITLE XI—CHARITABLE CHOICE EXPANSION

### SEC. 1101. PROVISION OF ASSISTANCE UNDER GOVERNMENT PROGRAMS BY RELIGIOUS ORGANIZATIONS.

Title XXIV of the Revised Statutes is amended by inserting after section 1990 (42 U.S.C. 1994) the following:

### "SEC. 1994A. CHARITABLE CHOICE.

"(a) Short Title.—This section may be cited as the 'Charitable Choice Expansion Act of 2000'.

"(b) Purpose.—The purposes of this section are—

"(1) to prohibit discrimination against nongovernmental organizations and certain individuals on the basis of religion in the distribution of government funds to provide government assistance and distribution of such assistance, under government programs described in subsection (c); and

“(2) to allow such organizations to accept such funds to provide such assistance to such individuals without impairing the religious character of such organizations or the religious freedom of such individuals.

“(c) Religious Organizations Included as Nongovernmental Providers.—For any program carried out by the Federal Government, or by a State or local government with Federal funds, in which the Federal, State, or local government is authorized to use nongovernmental organizations, through contracts, grants, certificates, vouchers, or other forms of disbursement, to provide assistance to beneficiaries under the program, the government shall consider, on the same basis as other nongovernmental organizations, religious organizations to provide the assistance under the program, so long as the program is implemented in a manner consistent with the Establishment Clause of the first amendment to the Constitution. Neither the Federal Government nor a State or local government receiving funds under such program shall discriminate against an organization that provides assistance under, or applies to provide assistance under, such program, on the basis that the organization has a religious character.

“(d) Exclusions.—As used in subsection (c), the term ‘program’ does not include activities carried out under—

“(1) Federal programs providing education to children eligible to attend elementary schools or secondary schools, as defined in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801) (except for activities to assist students in obtaining the recognized equivalents of secondary school diplomas);

“(2) the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.);

“(3) the Head Start Act (42 U.S.C. 9831 et seq.); or

“(4) the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.).

“(e) Religious Character and Independence.—

“(1) In general.—A religious organization that provides assistance under a program described in subsection (c) shall retain its independence from Federal, State, and local governments, including such organization's control over the definition, development, practice, and expression of its religious beliefs.

“(2) Additional safeguards.—Neither the Federal Government nor a State or local government shall require a religious organization—

“(A) to alter its form of internal governance; or

“(B) to remove religious art, icons, scripture, or other symbols;

in order to be eligible to provide assistance under a program described in subsection (c).

“(f) Employment Practices.—

“(1) Tenets and teachings.—A religious organization that provides assistance under a program described in subsection (c) may require that its employees providing assistance under such program adhere to the religious tenets and teachings of such organization, and such organization may require that those employees adhere to rules forbidding the use of drugs or alcohol.

“(2) Title VII exemption.—The exemption of a religious organization provided under section 702 or 703(e)(2) of the Civil Rights Act of 1964 (42 U.S.C. 2000e–1, 2000e–2(e)(2)) regarding employment practices shall not be affected by the religious organization's provision of assistance under, or receipt of funds from, a program described in subsection (c).

“(g) Rights of Beneficiaries of Assistance.—

“(1) In general.—If an individual described in paragraph (3) has an objection to the religious character of the organization from which the individual receives, or would receive, assistance funded under any program described in subsection (c), the appropriate Federal, State, or local governmental entity shall provide to such individual (if otherwise eligible for such assistance) within a reasonable period of time after the date of such objection, assistance that—

“(A) is from an alternative organization that is accessible to the individual; and

“(B) has a value that is not less than the value of the assistance that the individual would have received from such organization.

“(2) Notice.—The appropriate Federal, State, or local governmental entity shall ensure that notice is provided to individuals described in paragraph (3) of the rights of such individuals under this section.

“(3) Individual described.—An individual described in this paragraph is an individual who receives or applies for assistance under a program described in subsection (c).

“(h) Nondiscrimination Against Beneficiaries.—

“(1) Grants and contracts.—A religious organization providing assistance through a grant or contract under a program described in subsection (c) shall not discriminate, in carrying out the program, against an individual described in subsection (g)(3) on the basis of religion, a religious belief, a refusal to hold a religious belief, or a refusal to actively participate in a religious practice.

“(2) Indirect forms of disbursement.—A religious organization providing assistance through a voucher, certificate, or other form of indirect disbursement under a program described in subsection (c) shall not deny an individual described in subsection (g)(3) admission into such program on the basis of religion, a religious belief, or a refusal to hold a religious belief.

“(i) Fiscal Accountability.—

“(1) In general.—Except as provided in paragraph (2), any religious organization providing assistance under any program described in subsection (c) shall be subject to the same regulations as other nongovernmental organizations to account in accord with generally accepted accounting principles for the use of such funds provided under such program.

“(2) Limited audit.—Such organization shall segregate government funds provided under such program into a separate account. Only the government funds shall be subject to audit by the government.

“(j) Compliance.—A party alleging that the rights of the party under this section have been violated by a State or local government may bring a civil action pursuant to section 1979 against the official or government agency that has allegedly committed such violation. A party alleging that the rights of the party under this section have been violated by the Federal Government may bring a civil action for appropriate relief in an appropriate Federal district court against the official or government agency that has allegedly committed such violation.

“(k) Limitations on Use of Funds for Certain Purposes.—No funds provided through a grant or contract to a religious organization to provide assistance under any program described in subsection (c) shall be expended for sectarian worship, instruction, or proselytization.

“(l) Effect on State and Local Funds.—If a State or local government contributes State or local funds to carry out a program described in subsection (c), the State or local government may segregate the State or local funds from the Federal funds provided to carry out the program or may commingle the State or local funds with the Federal funds. If the State or local government commingles the State or local funds, the provisions of this section shall apply to the commingled funds in the same manner, and to the same extent, as the provisions apply to the Federal funds.

“(m) Treatment of Intermediate Contractors.—If a nongovernmental organization (referred to in this subsection as an ‘intermediate organization’), acting under a contract or other agreement with the Federal Government or a State or local government, is given the authority under the contract or agreement to select nongovernmental organizations to provide assistance under the programs described in subsection (c), the intermediate organization shall have the same duties under this section as the government but shall retain all other rights of a nongovernmental organization under this section.”.

## TITLE XII—ANTHRACITE REGION REDEVELOPMENT

### SEC. 1201. CREDIT TO HOLDERS OF QUALIFIED ANTHRACITE REGION REDEVELOPMENT BONDS.

(a) In General.—Subpart B of part IV of subchapter A of chapter 1, as amended by section 1021(a), is amended by adding at the end the following new section:

### “SEC. 30C. CREDIT TO HOLDERS OF QUALIFIED ANTHRACITE REGION REDEVELOPMENT BONDS.

“(a) Allowance of Credit.—In the case of a taxpayer who holds a qualified anthracite region redevelopment bond on a credit allowance date of such bond which occurs during the taxable year, there shall be allowed as a credit against the tax imposed by this chapter for such taxable year an amount equal to the sum of the credits determined under subsection (b) with respect to credit allowance dates during such year on which the taxpayer holds such bond.

“(b) Amount of Credit.—

“(1) In general.—The amount of the credit determined under this subsection with respect to any credit allowance date for a qualified anthracite region redevelopment bond is 25 percent of the annual credit determined with respect to such bond.

“(2) Annual credit.—The annual credit determined with respect to any qualified anthracite region redevelopment bond is the product of—

“(A) the applicable credit rate, multiplied by

“(B) the outstanding face amount of the bond.

“(3) Applicable credit rate.—For purposes of paragraph (1), the applicable credit rate with respect to an issue is the rate equal to an average market yield (as of the day before the date of issuance of the issue) on outstanding long-term corporate debt obligations (determined under regulations prescribed by the Secretary).

“(4) Special rule for issuance and redemption.—In the case of a bond which is issued during the 3-month period ending on a credit allowance date, the amount of the credit determined under this subsection with respect to such credit allowance date shall be a ratable portion of the credit otherwise determined based on the portion of the 3-month period during which the bond is outstanding. A similar rule shall apply when the bond is redeemed.

“(c) Qualified Anthracite Region Redevelopment Bond.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified anthracite region redevelopment bond' means any bond issued as part of an issue if—

"(A) the issuer is an approved special purpose entity,

"(B) all of the net proceeds of the issue are deposited into either—

"(i) an approved segregated program fund, or

"(ii) a sinking fund for payment of principal on the bonds at maturity,

"(C) the issuer designates such bond for purposes of this section, and

"(D) the term of each bond which is part of such issue does not exceed 30 years.

Not more than ⅙ of the net proceeds of an issue may be deposited into a sinking fund referred to in subparagraph (B)(ii).

"(2) LIMITATION ON AMOUNT OF BONDS DESIGNATED.—The maximum aggregate face amount of bonds which may be designated under paragraph (1) shall not exceed $1,200,000,000.

"(3) APPROVED SPECIAL PURPOSE ENTITY.—The term 'approved special purpose entity' means a State or local governmental entity, or an entity described in section 501(c) and exempt from tax under section 501(a), if—

"(A) such entity is established and operated exclusively to carry out qualified purposes,

"(B) such entity has a comprehensive plan to restore and redevelop abandoned mine land in an anthracite region, and

"(C) such entity and plan are approved by the Administrator of the Environmental Protection Agency.

"(4) APPROVED SEGREGATED PROGRAM FUND.—The term 'approved segregated program fund' means any segregated fund the amounts in which may be used only for qualified purposes, but only if such fund has safeguards approved by such Administrator to assure that such amounts are only used for such purposes.

"(d) LIMITATION BASED ON AMOUNT OF TAX.—

"(1) IN GENERAL.—The credit allowed under subsection (a) for any taxable year shall not exceed the excess of—

"(A) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

"(B) the sum of the credits allowable under part IV of subchapter A (other than this section and subpart C thereof, relating to refundable credits).

"(2) CARRYOVER OF UNUSED CREDIT.—If the credit allowable under subsection (a) exceeds the limitation imposed by paragraph (1) for such taxable year, such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such taxable year.

"(e) OTHER DEFINITIONS.—For purposes of this section—

"(1) ANTHRACITE REGION.—The term 'anthracite region' means any area in the United States with anthracite deposits.

"(2) QUALIFIED PURPOSE.—The term 'qualified purpose' means, with respect to any qualified anthracite region redevelopment bond—

"(A) the purchase, restoration, and redevelopment of abandoned mine land and other real, personal, and mixed property in an anthracite region,

"(B) the cleanup of waterways and their tributaries, both surface and subsurface in such region from acid mine drainage and other pollution,

"(C) the provision of financial and technical assistance for infrastructure construction and upgrading water and sewer systems in such region,

"(D) research and development,

"(E) other environmental and economic development purposes in such region, and

"(F) such other purposes as are set forth in the comprehensive plan prepared by the issuer and approved by the Administrator of the Environmental Protection Agency.

"(3) CREDIT ALLOWANCE DATE.—The term 'credit allowance date' means—

"(A) March 15,

"(B) June 15,

"(C) September 15, and

"(D) December 15.

Such term includes the last day on which the bond is outstanding.

"(4) BOND.—The term 'bond' includes any obligation.

"(f) CREDIT INCLUDED IN GROSS INCOME.—Gross income includes the amount of the credit allowed to the taxpayer under this section (determined without regard to subsection (d)) and the amount so included shall be treated as interest income.

"(g) BONDS HELD BY REGULATED INVESTMENT COMPANIES.—If any qualified anthracite region redevelopment bond is held by a regulated investment company, the credit determined under subsection (a) shall be allowed to shareholders of such company under procedures prescribed by the Secretary.

"(h) CREDITS MAY BE STRIPPED.—Under regulations prescribed by the Secretary—

"(1) IN GENERAL.—There may be a separation (including at issuance) of the ownership of a qualified anthracite region redevelopment bond and the entitlement to the credit under this section with respect to such bond. In case of any such separation, the credit under this section shall be allowed to the person who on the credit allowance date holds the instrument evidencing the entitlement to the credit and not to the holder of the bond.

"(2) CERTAIN RULES TO APPLY.—In the case of a separation described in paragraph (1), the rules of section 1286 shall apply to the qualified anthracite region redevelopment bond as if it were a stripped bond and to the credit under this section as if it were a stripped coupon.

"(i) TREATMENT FOR ESTIMATED TAX PURPOSES.—Solely for purposes of sections 6654 and 6655, the credit allowed by this section to a taxpayer by reason of holding a qualified anthracite region redevelopment bond on a credit allowance date shall be treated as if it were a payment of estimated tax made by the taxpayer on such date.

"(j) CREDIT MAY BE TRANSFERRED.—Nothing in any law or rule of law shall be construed to limit the transferability of the credit allowed by this section through sale and repurchase agreements.

"(k) REPORTING.—The issuer shall submit reports similar to the reports required under section 149(e).

"(l) TERMINATION.—This section shall not apply to any bond issued more than 10 years after the date that the first qualified anthracite region redevelopment bond is issued."

(b) REPORTING.—Subsection (d) of section 6049 (relating to returns regarding payments of interest) is amended by adding at the end the following new paragraph:

"(8) REPORTING OF CREDIT ON QUALIFIED ANTHRACITE REGION REDEVELOPMENT BONDS.—

"(A) IN GENERAL.—For purposes of subsection (a), the term 'interest' includes amounts includible in gross income under section 30C(f) and such amounts shall be treated as paid on the credit allowance date (as defined in section 30C(e)(3)).

"(B) REPORTING TO CORPORATIONS, ETC.—Except as otherwise provided in regulations, in the case of any interest described in subparagraph (A) of this paragraph, subsection (b)(4) of this section shall be applied without regard to subparagraphs (A), (H), (I), (J), (K), and (L)(i).

"(C) REGULATORY AUTHORITY.—The Secretary may prescribe such regulations as are necessary or appropriate to carry out the purposes of this paragraph, including regulations which require more frequent or more detailed reporting."

(c) CONFORMING AMENDMENT.—The table of sections for subpart B of part IV of subchapter A of chapter 1, as amended by section 1021(b), is amended by adding at the end the following new item:

"Sec. 30C. Credit to holders of qualified public anthracite region redevelopment bonds."

(d) APPROVAL OF BONDS, ETC., BY ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY.—The Administrator of the Environmental Protection Agency shall act on any request for an approval required by section 30C of the Internal Revenue Code of 1986 (as added by this section) not later than 30 days after the date such request is submitted to such Administrator.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after December 31, 2000.

## KERRY (AND OTHERS) AMENDMENT NO. 3839

Mr. KERRY (for himself, Mr. SARBANES, Mr. INOUYE, Mr. DODD, Mr. WELLSTONE, and Mr. LEAHY) proposed an amendment to the bill, H.R. 8, supra; as follows:

Strike all after the first word and insert:

### 1. SHORT TITLE.

(a) SHORT TITLE.—This Act may be cited as the "Estate Tax Relief Act of 2000".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

## TITLE I—ESTATE TAX RELIEF

### SEC. 101. INCREASE IN AMOUNT OF UNIFIED CREDIT AGAINST ESTATE AND GIFT TAXES.

(a) IN GENERAL.—The table contained in section 2010(c) (relating to applicable credit amount) is amended to read as follows:

| **"In the case of estates of decedents dying, and gifts made, during:** | **The applicable exclusion amount is:** |
|---|---|
| 2001, 2002, 2003, 2004, and 2005 | $1,000,000 |
| 2006 and 2007 | $1,125,000 |
| 2008 | $1,500,000 |
| 2009 or thereafter | $2,000,000." |

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to the estates of decedents dying, and gifts made, after December 31, 2000.

### SEC. 102. INCREASE IN QUALIFIED FAMILY-OWNED BUSINESS INTEREST DEDUCTION AMOUNT.

(a) IN GENERAL.—Paragraph (2) of section 2057(a) (relating to family-owned business interests) is amended to read as follows:

"(2) MAXIMUM DEDUCTION.—

"(A) IN GENERAL.—The deduction allowed by this section shall not exceed the sum of—

"(i) the applicable deduction amount, plus

"(ii) in the case of a decedent described in subparagraph (C), the applicable unused spousal deduction amount.

"(B) APPLICABLE DEDUCTION AMOUNT.—For purposes of this subparagraph (A)(i), the applicable deduction amount is determined in accordance with the following table:

| **"In the case of estates of decedents dying during:** | **The applicable deduction amount is:** |
|---|---|
| 2001, 2002, 2003, 2004, and 2005 | $1,375,000 |
| 2006 and 2007 | $1,625,000 |
| 2008 | $2.375,000 |
| 2009 or thereafter | $3,375,000. |

"(C) APPLICABLE UNUSED SPOUSAL DEDUCTION AMOUNT.—With respect to a decedent whose immediately predeceased spouse died after December 31, 2000, and the estate of such immediately predeceased spouse met the requirements of subsection (b)(1), the applicable unused spousal deduction amount for such decedent is equal to the excess of—

"(i) the applicable deduction amount allowable under this section to the estate of such immediately predeceased spouse, over

"(ii) the sum of—

"(I) the applicable deduction amount allowed under this section to the estate of such immediately predeceased spouse, plus

"(II) the amount of any increase in such estate's unified credit under paragraph (3)(B) which was allowed to such estate."

(b) CONFORMING AMENDMENTS.—Section 2057(a)(3)(B) is amended—

(1) by striking "$675,000" both places it appears and inserting "the applicable deduction amount", and

(2) by striking "$675,000" in the heading and inserting "APPLICABLE DEDUCTION AMOUNT".

(c) EFFECTIVE DATE.—The amendment made by this section shall apply to the estates of decedents dying, and gifts made, after December 31, 2000.

## TITLE II—NATIONAL AFFORDABLE HOUSING

### SEC. 201. SHORT TITLE.

This title may be cited as the "National Affordable Housing Trust Fund Act of 2000".

### SEC. 202. PURPOSES.

The purposes of this title are to—

(1) fill the growing gap in the national ability to build affordable housing by using amounts saved by slowing down the repeal of the Federal estate and gift taxes and profits generated by Federal housing programs to fund additional housing activities, and not supplant existing housing appropriations; and

(2) enable rental housing to be built for those families with the greatest need in areas with the greatest opportunities in mixed-income settings and to promote homeownership for low-income families.

### SEC. 203. NATIONAL HOUSING TRUST FUND.

Subchapter A of chapter 98 of the Internal Revenue Code of 1986 (relating to trust funds) is amended by adding at the end the following:

### "SEC. 9511. NATIONAL HOUSING TRUST FUND.

"(a) ESTABLISHMENT OF TRUST FUND.—There is established in the Treasury of the United States a trust fund to be known as the 'National Affordable Housing Trust Fund' (referred to in this section as the 'Trust Fund') for the purposes of promoting the development of affordable housing.

"(b) TRANSFER TO THE TRUST FUND.—The Secretary shall—

"(1) estimate the amount of the increase in funds in the general fund of the Treasury for each fiscal year resulting from the amendments made by the Estate Tax Relief Act of 2000 as compared to such increase resulting from the amendments made by H.R. 8 as received by the Senate from the House of Representatives on June 12, 2000; and

"(2) transfer, on October 1, 2001, and each October 1 thereafter (if necessary) from the general fund of the Treasury to the Trust Fund an amount equivalent to the difference determined in paragraph (1), to the extent the aggregate amount of such transfers does not exceed $5,000,000,000.

"(c) EXPENDITURES FROM THE TRUST FUND.—Beginning in fiscal year 2002, amounts deposited in or transferred to the Trust Fund shall be available to the Secretary of Housing and Urban Development for use in accordance with section 204 of the National Affordable Housing Trust Fund Act of 2000.".

### SEC. 204. ADMINISTRATION OF NATIONAL AFFORDABLE HOUSING TRUST FUND.

(a) DEFINITIONS.—In this section:

(1) AFFORDABLE HOUSING.—The term "affordable housing" means housing for rental that bears rents not greater than the lesser of—

(A) the existing fair market rent for comparable units in the area, as established by the Secretary under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f); or

(B) a rent that does not exceed 30 percent of the adjusted income of a family whose income equals 65 percent of the median income for the area, as determined by the Secretary, with adjustment for number of bedrooms in the unit, except that the Secretary may establish income ceilings higher or lower than 65 percent of the median for the area on the basis of the findings of the Secretary that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

(2) CONTINUED ASSISTANCE RENTAL SUBSIDY PROGRAM.—The term "continued assistance rental subsidy program" means a program under which—

(A) project-based assistance is provided for not more than 3 years to a family in an affordable housing unit developed with assistance made available under subsection (c) or (d) in a project that partners with a public housing agency, which agency agrees to provide the assisted family with a priority for the receipt of a voucher under section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) if the family chooses to move after an initial year of occupancy and the public housing agency agrees to refer eligible voucher holders to the property when vacancies occur; and

(B) after 3 years, subject to appropriations, continued assistance is provided under section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)), notwithstanding any provision to the contrary in that section, if administered to provide families with the option of continued assistance with tenant-based vouchers, if such a family chooses to move after an initial year of occupancy and the public housing agency agrees to refer eligible voucher holders to the property when vacancies occur.

(3) ELIGIBLE ACTIVITIES.—The term "eligible activities" means activities relating to the development of affordable housing, including—

(A) the construction of new housing;

(B) the acquisition of real property;

(C) site preparation and improvement, including demolition;

(D) substantial rehabilitation of existing housing; and

(E) rental subsidy for not more than 3 years under a continued assistance rental subsidy program.

(4) ELIGIBLE ENTITY.—The term "eligible entity" includes any public or private nonprofit or for-profit entity, unit of local government, regional planning entity, and any other entity engaged in the development of affordable housing, as determined by the Secretary.

(5) ELIGIBLE INTERMEDIARY.—The term "eligible intermediary" means—

(A) a nonprofit community development corporation;

(B) a community development financial institution (as defined in section 103 of the Community Development Banking and Financial Institutions Act of 1994 (12 U.S.C. 4702));

(C) a State or local trust fund;

(D) any entity eligible for assistance under section 4 of the HUD Demonstration Act of 1993 (42 U.S.C. 9816 note);

(E) a national, regional, or statewide nonprofit organization; and

(F) any other appropriate nonprofit entity, as determined by the Secretary.

(6) EXTREMELY LOW-INCOME FAMILIES.—The term "extremely low-income families" means very low-income families (as defined in section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)) whose incomes do not exceed 30 percent of the median family income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 30 percent of the median for the area on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.

(7) LOW-INCOME FAMILIES.—The term "low-income families" has the meaning given the term in section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)).

(8) SECRETARY.—The term "Secretary" means the Secretary of Housing and Urban Development.

(9) STATE.—The term "State" has the meaning given the term in section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)).

(10) TRUST FUND.—The term "Trust Fund" means the National Housing Trust Fund established under section 9511 of the Internal Revenue Code of 1986, as added by section 203 of this title.

(b) ALLOCATION TO STATES AND ELIGIBLE INTERMEDIARIES.—The total amount made available for fiscal year 2002 and each fiscal year thereafter from the Trust Fund shall be allocated by the Secretary as follows:

(1) 75 percent shall be used to award grants to States in accordance with subsection (c).

(2) 25 percent shall be used to award grants to eligible intermediaries in accordance with subsection (d).

(c) GRANTS TO STATES.—

(1) IN GENERAL.—Subject to paragraph (2), from the amount made available for each fiscal year under subsection (b)(1), the Secretary shall award grants to States, in accordance with an allocation formula established by the Secretary, based on the pro rata share of each State of the total need among all States for an increased supply of affordable housing, as determined on the basis of—

(A) the number and percentage of families in the State that live in substandard housing;

(B) the number and percentage of families in the State that pay more than 50 percent of their annual income for housing costs;

(C) the number and percentage of persons living at or below the poverty level in the State;

(D) the cost of developing or carrying out substantial rehabilitation of housing in the State;

(E) the age of the multifamily housing stock in the State; and

(F) such other factors as the Secretary determines to be appropriate.

(2) GRANT AMOUNT.—

(A) IN GENERAL.—The amount of a grant award to a State under this subsection shall be equal to the lesser of—

(i) 4 times the amount of assistance provided by the State from non-Federal sources; and

(ii) the allocation determined in accordance with paragraph (1).

(B) NON-FEDERAL SOURCES.—Fifty percent of funds allocable to tax credits allocated under section 42 of the Internal Revenue Code of 1986, revenue from mortgage revenue bonds issued under section 143 of such Code, or proceeds from the sale of tax exempt bonds shall be considered non-Federal sources for purposes of this section.

(3) AWARD OF STATE ALLOCATION TO CERTAIN ENTITIES.—

(A) IN GENERAL.—If the amount provided by a State from non-Federal sources is less than 25 percent of the amount that would be awarded to the State under this subsection based on the allocation formula described in paragraph (1), not later than 60 days after the date on which the Secretary determines that the State is not eligible for the full allocation determined under paragraph (1), the Secretary shall issue a notice regarding the availability of the funds for which the State is ineligible.

(B) APPLICATIONS.—Not later than 9 months after publication of a notice of funding availability under subparagraph (A), a nonprofit or public entity (or a consortium thereof, which may include units of local government working together on a regional basis) may submit to the Secretary an application for the available assistance, which application shall include—

(i) a certification that the applicant will provide assistance from non-Federal sources in an amount equal to 25 percent of the amount of assistance made available to the applicant under this paragraph; and

(ii) an allocation plan that meets the requirements of paragraph (4)(B) for distribution in the State of any assistance made available to the applicant under this paragraph and the assistance provided by the applicant for purposes of clause (i).

(C) AWARD OF ASSISTANCE.—The Secretary shall award the amount that is not awarded to a State by operation of paragraph (2) to 1 or more applicants that meet the requirements of subparagraph (B) of this paragraph that are selected by the Secretary based on selection criteria, which shall be established by the Secretary by regulation.

(4) DISTRIBUTION TO ELIGIBLE ENTITIES.—

(A) IN GENERAL.—Each State that receives a grant award under this subsection shall distribute the amount made available under the grant and the assistance provided by the State from non-Federal sources for purposes of paragraph (2)(A) to eligible entities for the purpose of assisting those entities in carrying out eligible activities in the State as follows:

(i) 75 percent shall be distributed to eligible entities for eligible activities relating to the development of affordable housing for rental by extremely low-income families in the State.

(ii) 25 percent shall be distributed to eligible entities for eligible activities relating to the development of affordable housing for rental by low-income families in the State, or for homeownership assistance for low-income families in the State.

(B) ALLOCATION PLAN.—Each State shall, after notice to the public, an opportunity for public comment, and consideration of public comments received, establish an allocation plan for the distribution of assistance under this paragraph, which shall be submitted to the Secretary and shall be made available to the public by the State, and which shall include—

(i) application requirements for eligible entities seeking to receive such assistance, including a requirement that each application include—

(I) a certification by the applicant that any housing developed with assistance under this paragraph will remain affordable for extremely low-income families or low-income families, as applicable, for not less than 40 years;

(II) a certification by the applicant that the tenant contribution towards rent for a family residing in a unit developed with assistance under this paragraph will not exceed 30 percent of the adjusted income of that family; and

(III) a certification by the applicant that the owner of a project in which any housing developed with assistance under this paragraph is located will make a percentage of units in the project available to families assisted under the voucher program under section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) on the same basis as other families eligible for the housing (except that only the voucher holder's expected share of rent shall be considered), which percentage shall not be less than the percentage of the total cost of developing or rehabilitating the project that is funded with assistance under this paragraph; and

(ii) factors for consideration in selecting among applicants that meet such application requirements, which shall give preference to applicants based on—

(I) the amount of assistance for the eligible activities leveraged by the applicant from private and other non-Federal sources;

(II) the extent of local assistance that will be provided in carrying out the eligible activities, including—

(aa) financial assistance; and

(bb) the extent to which the applicant has worked with the unit of local government in which the housing will be located to address issues of siting and exclusionary zoning or other policies that are barriers to affordable housing;

(III) the degree to which the development in which the housing will be located is mixed-income;

(IV) whether the housing will be located in a census tract in which the poverty rate is less than 20 percent or in a community undergoing revitalization;

(V) the extent of employment and other opportunities for low-income families in the area in which the housing will be located; and

(VI) the extent to which the applicant demonstrates the ability to maintain units as affordable for extremely low-income or low-income families, as applicable, through the use of assistance made available under this paragraph, assistance leveraged from non-Federal sources, assistance made available under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f), State or local assistance, programs to increase tenant income, cross-subsidization, and any other resources.

(C) FORMS OF ASSISTANCE.—

(i) IN GENERAL.—Assistance distributed under this paragraph may be in the form of capital grants, non-interest bearing or low-interest loans or advances, deferred payment loans, guarantees, and any other forms of assistance approved by the Secretary.

(ii) REPAYMENTS.—If a State awards assistance under this paragraph in the form of a loan or other mechanism by which funds are later repaid to the State, any repayments received by the State shall be distributed by the State in accordance with the allocation plan described in subparagraph (B) the following fiscal year.

(D) COORDINATION WITH OTHER ASSISTANCE.—In distributing assistance under this paragraph, each State shall, to the maximum extent practicable, coordinate such distribution with the provision of other affordable housing assistance by the State, including—

(i) housing credit dollar amounts allocated by the State under section 42(h) of the Internal Revenue Code of 1986;

(ii) assistance made available under the HOME Investment Partnerships Act or the community development block grant program; and

(iii) private activity bonds.

(d) NATIONAL COMPETITION.—

(1) IN GENERAL.—From the amount made available for each fiscal year under subsection (b)(2), the Secretary shall award grants on a competitive basis to eligible intermediaries, which shall be used in accordance with paragraph (3) of this subsection.

(2) APPLICATION REQUIREMENTS AND SELECTION CRITERIA.—The Secretary by regulation shall establish application requirements and selection criteria for the award of competitive grants to eligible intermediaries under this subsection, which criteria shall include—

(A) the ability of the eligible intermediary to meet housing needs of low-income families on a national or regional scope;

(B) the capacity of the eligible intermediary to use the grant award in accordance with paragraph (3), based on the past performance and management of the applicant; and

(C) the extent to which the eligible intermediary has leveraged funding from private and other non-Federal sources for the eligible activities.

(3) USE OF GRANT AWARD.—

(A) IN GENERAL.—Each eligible intermediary that receives a grant award under this subsection shall ensure that the amount made available under the grant is used as follows:

(i) 75 percent shall be used for eligible activities relating to the development of affordable housing for rental by extremely low-income families.

(ii) 25 percent shall be used for eligible activities relating to the development of affordable housing for rental by low-income families, or for homeownership assistance for low-income families.

(B) PLAN OF USE.—Each eligible intermediary that receives a grant award under this subsection shall establish a plan for the use or distribution of the amount made available under the grant, which shall be submitted to the Secretary, and which shall include information relating to the manner in which the eligible intermediary will either use or distribute that amount, including—

(i) a certification that assistance made available under this subsection will be used to supplement assistance leveraged from private and other non-Federal sources;

(ii) a certification that local assistance will be provided in the carrying out the eligible activities, which may include—

(I) financial assistance; and

(II) a good faith effort to work with the unit of local government in which the housing will be located to address issues of siting and exclusionary zoning or other policies that are barriers to affordable housing;

(iii) a certification that any housing developed with assistance under this subsection will remain affordable for extremely low-income families or low-income families, as applicable, for not less than 40 years;

(iv) a certification that any housing developed by the applicant with assistance under this subsection will be located—

(I) in a mixed-income development;

(II) in a census tract having a poverty rate of not more than 20 percent or in a community undergoing revitalization; and

(III) near employment and other opportunities for low-income families;

(v) a certification that the tenant contribution towards rent for a family residing in a unit developed with assistance under this paragraph will not exceed 30 percent of the adjusted income of that family; and

(vi) a certification by the applicant that the owner of a project in which any housing developed with assistance under this subsection is located will make a percentage of units in the project available to families assisted under the voucher program under section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) on the same basis as other families eligible for the housing (except that only the voucher holder's expected share of rent shall be considered), which percentage shall not be less than the percentage of the total cost of developing or rehabilitating the project that is funded with assistance under this subsection.

(C) Forms of assistance.—

(i) In general.—An eligible intermediary may distribute the amount made available under a grant under this subsection in the form of capital grants, non-interest bearing or low-interest loans or advances, deferred payment loans, guarantees, and other forms of assistance.

(ii) Repayments.—If an eligible intermediary awards assistance under this subsection in the form of a loan or other mechanism by which funds are later repaid to the eligible intermediary, any repayments received by the eligible intermediary shall be distributed by the eligible intermediary in accordance with the plan of use described in subparagraph (B) the following fiscal year.

### SEC. 205. REGULATIONS.

Not later than 6 months after the date of enactment of this Act, the Secretary of Housing and Urban Development shall promulgate regulations to carry out this title and the amendment made by this title.

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## HARKIN (AND OTHERS) AMENDMENT NO. 3840

Mr. HARKIN (for himself, Mr. Feingold, Ms. Mikulski, Mr. Leahy, and Mrs. Murray) proposed an amendment to the bill, H.R. 8, supra; as follows:

Strike all after the first word and insert:

### TITLE —SOCIAL SECURITY SOLVENCY AND FAIRNESS

### SEC. . ADDITIONAL APPROPRIATIONS TO FEDERAL OLD-AGE AND SURVIVORS INSURANCE TRUST FUND AND FEDERAL DISABILITY INSURANCE TRUST FUND.

(a) Purpose.—The purpose of this section is to assure that the interest savings on the debt held by the public achieved as a result of Social Security surpluses from 2001 to 2016 are dedicated to Social Security solvency.

(b) Additional Appropriations to Trust Funds.—Section 201 of the Social Security Act is amended by adding at the end the following new subsection:

"(n) Additional Appropriation to Trust Funds.—

"(1) In addition to the amounts appropriated to the Trust Funds under subsections (a) and (b), there is hereby appropriated to the Trust Funds, out of any moneys in the Treasury not otherwise appropriated—

"(A) for the fiscal year ending September 30, 2006, and for each fiscal year thereafter through the fiscal year ending September 30, 2016, an amount equal to the prescribed amount for the fiscal year; and

"(B) for the fiscal year ending September 30, 2017, and for each fiscal year thereafter through the fiscal year ending September 30, 2044, an amount equal to the prescribed amount for the fiscal year ending September 30, 2016.

"(2) The amount appropriated by paragraph (1) in each fiscal year shall be transferred in equal monthly installments.

"(3) The amount appropriated by paragraph (1) in each fiscal year shall be allocated between the Trust Funds in the same proportion as the taxes imposed by chapter 21 (other than sections 3101(b) and 3111(b)) of the Title 26 with respect to wages (as defined in section 3121 of Title 26) reported to the Secretary of the Treasury or his delegate pursuant to subtitle F of Title 26, and the taxes imposed by chapter 2 (other than section 1401(b)) of Title 26 with respect to self-employment income (as defined in section 1402 of Title 26) reported to the Secretary of the Treasury or his delegate pursuant to subtitle F of Title 26, are allocated between the Trust Funds in the calendar year that begins in the fiscal year.

"(4) For purposes of this subsection, the "prescribed amount" for any fiscal year shall be determined by multiplying—

"(A) the excess of—

"(i) the sum of—

"(I) the face amount of all obligations of the United States held by the Trust Funds on the last day of the fiscal year immediately preceding the fiscal year of determination purchased with amounts appropriated or credited to the Trust Funds other than any amount appropriated under paragraph (1); and

"(II) the sum of the amounts appropriated under paragraph (1) and transferred under paragraph (2) through the last day of the fiscal year immediately preceding the fiscal year of determination, and an amount equal to the interest that would have been earned thereon had those amounts been invested in obligations of the United States issued directly to the Trust Funds under subsections (d) and (f); over

"(ii) the face amount of all obligations of the United States held by the Trust Funds on September 30, 2000,

times—

"(B) a rate of interest determined by the Secretary of the Treasury, at the beginning of the fiscal year of determination, as follows:

"(i) if there are any marketable interest-bearing obligations of the United States then forming a part of the public debt, a rate of interest determined by taking into consideration the average market yield (computed on the basis of daily closing market bid quotations or prices during the calendar month immediately preceding the determination of the rate of interest) on such obligations; and

"(ii) if there are no marketable interest-bearing obligations of the United States then forming a part of the public debt, a rate of interest determined to be the best approximation of the rate of interest described in clause (i), taking into consideration the average market yield (computed on the basis of daily closing market bid quotations or prices during the calendar month immediately preceding the determination of the rate of interest) on investment grade corporate obligations selected by the Secretary of the Treasury, less an adjustment made by the Secretary of the Treasury to take into account the difference between the yields on corporate obligations comparable to the obligations selected by the Secretary of the Treasury and yields on obligations of comparable maturities issued by risk-free government issuers selected by the Secretary of the Treasury.".

### SEC. 602. INCREASE IN NUMBER OF YEARS DISREGARDED.

(a) In General.—Section 215(b)(2) of the Social Security Act (42 U.S.C. 415(b)(2)) is amended—

(1) by striking the period at the end of clause (ii) of subparagraph (A) and inserting a comma;

(2) by striking "Clause (ii), once" after and below clause (ii) of subparagraph (A) and inserting the following:

"and reduced further to the extent provided in subparagraph (B). Clause (ii), once";

(3) by striking "If an individual" in the matter following clause (ii) of subparagraph (A) and all that follows through the end of subparagraph (A);

(4) by redesignating subparagraph (B) as subparagraph (F); and

(5) by inserting after subparagraph (A) the following new subparagraphs:

"(B) Subject to subparagraph (C), in any case in which—

"(i) in any calendar year which is included in an individual's computation base years—

"(I) such individual is living with a child (of such individual or his or her spouse) under the age of 12; or

"(II) such individual is living with a child (of such individual or his or her spouse), a parent (of such individual or his or her spouse), or such individual's spouse while such child, parent, or spouse is a chronically dependent individual;

"(ii) such calendar year is not disregarded pursuant to subparagraphs (A) and (E) (in determining such individual's benefit computation years) by reason of the reduction in the number of such individual's elapsed years under subparagraph (A); and

"(iii) such individual submits to the Secretary, in such form as the Secretary shall prescribe by regulations, a written statement that the requirements of clause (i) are met with respect to such calendar year,

then the number by which such elapsed years are reduced under this paragraph pursuant to subparagraph (A) shall be increased by one (up to a combined total not exceeding 5) for each such calendar year.

"(C)(i)(I) No calendar year shall be disregarded by reason of subparagraph (B) (in determining such individual's benefit computation years) unless the individual had less than the applicable dollar amount (in effect for such calendar year under subclause (II)) of earnings as described in section 203(f)(5) for such year.

"(II) Except as otherwise provided in this subclause, the applicable dollar amount in effect under this subclause for any calendar year is $3,000. In each calendar year after 2006, the Secretary shall determine and publish in the Federal Register, on or before November 1 of such calendar year, the applicable dollar amount which shall be effective under this subclause for the next calendar year. Such dollar amount shall be equal to the applicable dollar amount which is effective under this subclause for the calendar year in which such determination is made, increased by a percentage equal to the percentage (rounded to the nearest 1/10 of 1 percent) by which the Consumer Price Index (prepared by the Department of Labor and used in determining increases in benefits pursuant to section 215(i)) for the calendar quarter ending on September 30 of such calendar year exceeds such index for the calendar quarter ending on September 30 of the last preceding calendar year in which a cost-of-living increase in benefits became effective under section 215(i).

"(ii) No calendar year shall be disregarded by reason of subparagraph (B) (in determining such individual's benefit computation years) in connection with a child referred to in subparagraph (B)(i)(I) (and not referred to in subparagraph (B)(i)(II)) unless the individual was living with the child substantially throughout the period in such year in which the child was alive and under the age of 12 in such year.

"(iii) No calendar year shall be disregarded by reason of subparagraph (B) (in determining such individual's benefit computation years) in connection with a child, parent, or spouse referred to in subparagraph (B)(i)(II) unless the individual was living with such child, parent, or spouse substantially throughout a period of 180 consecutive days in such year throughout which such child, parent, or spouse was a chronically dependent individual.

"(iv) The particular calendar years to be disregarded under this subparagraph (in determining such benefit computation years) shall be those years (not otherwise disregarded under subparagraph (A)) which, before the application of subsection (f), meet the conditions of the preceding provisions of this clause.

"(v) This subparagraph shall apply only to the extent that—

"(I) its application would not result in a lower primary insurance amount; and

"(II) it does not raise the primary insurance amount to a level greater than the average old-age insurance benefit paid under this title.

"(D)(i) For purposes of this paragraph, the term 'chronically dependent individual' means an individual who—

"(I) is dependent on a daily basis on another person who is living with the individual and is assisting the individual without monetary compensation in the performance of at least 2 of the activities of daily living (described in clause (ii)), and

"(II) without such assistance could not perform such activities of daily living.

"(ii) The 'activities of daily living', referred to in clause (i), are the following:

"(I) Eating.

"(II) Bathing.

"(III) Dressing.

"(IV) Toileting.

"(V) Transferring in and out of a bed or in and out of a chair.

"(E) The number of an individual's benefit computation years as determined under this paragraph shall in no case be less than 2.".

(b) EFFECTIVE DATE AND RELATED PROVISIONS.—

(1) IN GENERAL.—The amendments made by this Act shall apply with respect to computation base years ending before, on, or after the date of enactment of this Act, but only with respect to benefits payable for months after December 2001.

(2) NOTICE AND PROCEDURES.—

(A) 60-DAY FILING PERIOD AFTER ISSUANCE OF REGULATIONS FOR CALENDAR YEARS BEFORE 2001.—The requirements of clause (iii) of section 215(b)(2)(B) of the Social Security Act (as amended by this section) shall be treated as satisfied, in the case of a statement with respect to any calendar year before 2001, only if such statement is submitted to the Secretary of Health and Human Services not later than 60 days after the date of the first issuance in final form of the regulations required under such clause.

(B) NOTICE REQUIREMENTS.—The Secretary of Health and Human Services shall issue, not later than the date of the first issuance in final form of the regulations described in paragraph (1), regulations establishing procedures to ensure that—

(i) persons who are, as of such date, recipients of monthly benefits under section 202(a) or 223 of the Social Security Act, or applicants for such benefits, are fully informed of the amendments made by this section; and

(ii) such persons are invited to comply, and given a reasonable opportunity to comply, with the requirements of section 215(b)(2)(B)(iii) of the Social Security Act (as amended by this section), as provided in subparagraph (A).

Upon receiving from a recipient described in clauses (i) and (ii) a written statement referred to in clause (iii) of section 215(b)(2)(B) of the Social Security Act (as amended by this section) with respect to which the requirements of such clause are satisfied, the Secretary shall redetermine the amount of such benefits to the extent necessary to take into account the amendments made by this section (and if such redetermination results in an increase in such amount the increase shall be effective as provided in paragraph (1)). Such regulations described in subparagraph (A) shall also provide procedures to ensure that applicants for benefits under section 202(a) or 223 of the Social Security Act are given the opportunity, at the time of their application, to indicate and verify any additional years which may be disregarded under section 215(b)(2)(B) of the Social Security Act (as amended by this section).

### SEC. . INCREASE IN WIDOWS' AND WIDOWERS' INSURANCE BENEFITS.

(a) WIDOW'S BENEFIT.—Section 202(e)(2)(A) of the Social Security Act (42 U.S.C. 402(e)(2)(A)) is amended by striking "equal to" and all that follows and inserting "equal to the greater of—

"(i) the primary insurance amount (as determined for purposes of this subsection after application of subparagraphs (B) and (C)) of such deceased individual, or

"(ii) the lesser of—

"(I) 75 percent of the joint benefit which would have been received by the widow or surviving divorced wife and the deceased individual for such month if such individual had not died, or

"(II) the average old-age insurance benefit paid under this title.".

(b) WIDOWER'S BENEFIT.—Section 202(f)(3)(A) of the Social Security Act (42 U.S.C. 402(b)(3)(A)) is amended by striking "equal to" and all that follows and inserting "equal to the greater of—

"(i) the primary insurance amount (as determined for purposes of this subjection after application of subparagraphs (B) and (C)) of such deceased individual, or

"(ii) the lesser of—

(I) 75 percent of the joint benefit which would have been received by the widow or surviving divorced wife and the deceased individual for such month if such individual had not died, or

"(II) the average old-age insurance benefit paid under this title.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to benefits payable for months after December 2000.

### SEC. . SHORT TITLE.

(a) SHORT TITLE.—This Act may be cited as the "Estate Tax Relief Act of 2000".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

### SEC. . INCREASE IN AMOUNT OF UNIFIED CREDIT AGAINST ESTATE AND GIFT TAXES.

(a) IN GENERAL.—The table contained in section 2010(c) (relating to applicable credit amount) is amended to read as follows:

| **"In the case of estates of decedents dying, and gifts made, during:** | **The applicable exclusion amount is:** |
|---|---|
| 2001, 2002, 2003, 2004, and 2005 | $1,000,000 |
| 2006 and 2007 | $1,125,000 |
| 2008 | $1,500,000 |
| 2009 or thereafter | $2,000,000." |

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to the estates of decedents dying, and gifts made, after December 31, 2000.

### SEC. . INCREASE IN QUALIFIED FAMILY-OWNED BUSINESS INTEREST DEDUCTION AMOUNT.

(a) IN GENERAL.—Paragraph (2) of section 2057(a) (relating to family-owned business interests) is amended to read as follows:

"(2) MAXIMUM DEDUCTION.—

"(A) IN GENERAL.—The deduction allowed by this section shall not exceed the sum of—

"(i) the applicable deduction amount, plus

"(ii) in the case of a decedent described in subparagraph (C), the applicable unused spousal deduction amount.

"(B) APPLICABLE DEDUCTION AMOUNT.—For purposes of this subparagraph (A)(i), the applicable deduction amount is determined in accordance with the following table:

| **"In the case of estates of decedents dying during:** | **The applicable deduction amount is:** |
|---|---|
| 2001, 2002, 2003, 2004, and 2005 | $1,375,000 |
| 2006 and 2007 | $1,625,000 |
| 2008 | $2,375,000 |
| 2009 or thereafter | $3,375,000. |

"(C) APPLICABLE UNUSED SPOUSAL DEDUCTION AMOUNT.—With respect to a decedent whose immediately predeceased spouse died after December 31, 2000, and the estate of such immediately predeceased spouse met the requirements of subsection (b)(1), the applicable unused spousal deduction amount for such decedent is equal to the excess of—

"(i) the applicable deduction amount allowable under this section to the estate of such immediately predeceased spouse, over

"(ii) the sum of—

"(I) the applicable deduction amount allowed under this section to the estate of such immediately predeceased spouse, plus

"(II) the amount of any increase in such estate's unified credit under paragraph (3)(B) which was allowed to such estate."

(b) CONFORMING AMENDMENTS.—Section 2057(a)(3)(B) is amended—

(1) by striking "$675,000" both places it appears and inserting "the applicable deduction amount", and

(2) by striking "$675,000" in the heading and inserting "APPLICABLE DEDUCTION AMOUNT".

(c) EFFECTIVE DATE.—The amendment made by this section shall apply to the estates of decedents dying, and gifts made, after December 31, 2000.

**SEC. . SENSE OF SENATE REGARDING SAVINGS.**

It is the sense of the Senate that the reduced cost to the Federal Treasury resulting from the amendments made by this Act as compared to the cost to the Federal Treasury of H.R. 8 as received by the Senate from the House of Representatives on June 12, 2000, should be used exclusively to reduce the Federal debt held by the public.

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## ROTH AMENDMENT NO. 3841

Mr. ROTH proposed an amendment to the bill, H.R. 8, supra; as follows:

At the end of the bill, add the following:

### TITLE VI—MISCELLANEOUS PROVISIONS

**SEC. 601. TABLE OF CONTENTS; ETC.**

(a) SECTION 15 NOT TO APPLY.—No amendment made by this title shall be treated as a change in a rate of tax for purposes of section 15 of the Internal Revenue Code of 1986.

(b) TABLE OF CONTENTS.—The table of contents for this title is as follows:

TITLE VI—MISCELLANEOUS PROVISIONS
Sec. 601. Table of contents; etc.
Subtitle A—Individual Retirement Arrangements
Sec. 611. Modification of deduction limits for IRA contributions.
Sec. 612. Modification of income limits on contributions and rollovers to Roth IRAs.
Sec. 613. Deemed IRAs under employer plans.
Subtitle B—Expanding Coverage
Sec. 621. Option to treat elective deferrals as after-tax contributions.
Sec. 622. Increase in benefit and contribution limits.
Sec. 623. Plan loans for subchapter S owners, partners, and sole proprietors.
Sec. 624. Elective deferrals not taken into account for purposes of deduction limits.
Sec. 625. Reduced PBGC premium for new plans of small employers.
Sec. 626. Reduction of additional PBGC premium for new plans.
Sec. 627. Elimination of user fee for requests to IRS regarding new pension plans.
Sec. 628. Modification of top-heavy rules.
Sec. 629. Repeal of coordination requirements for deferred compensation plans of State and local governments and tax-exempt organizations.
Subtitle C—Enhancing Fairness for Women
Sec. 631. Catchup contributions for individuals age 50 or over.
Sec. 632. Equitable treatment for contributions of employees to defined contribution plans.
Sec. 633. Clarification of tax treatment of division of section 457 plan benefits upon divorce.
Sec. 634. Modification of safe harbor relief for hardship withdrawals from cash or deferred arrangements.
Sec. 635. Faster vesting of certain employer matching contributions.
Subtitle D—Increasing Portability for Participants
Sec. 641. Rollovers allowed among various types of plans.
Sec. 642. Rollovers of IRAs into workplace retirement plans.
Sec. 643. Rollovers of after-tax contributions.
Sec. 644. Hardship exception to 60-day rule.
Sec. 645. Treatment of forms of distribution.
Sec. 646. Rationalization of restrictions on distributions.
Sec. 647. Purchase of service credit in governmental defined benefit plans.
Sec. 648. Employers may disregard rollovers for purposes of cash-out amounts.
Sec. 649. Inclusion requirements for section 457 plans.
Subtitle E—Strengthening Pension Security and Enforcement
Sec. 651. Repeal of 150 percent of current liability funding limit.
Sec. 652. Extension of missing participants program to multiemployer plans.
Sec. 653. Excise tax relief for sound pension funding.
Sec. 654. Excise tax on failure to provide notice by defined benefit plans significantly reducing future benefit accruals.
Sec. 655. Protection of investment of employee contributions to 401(k) plans.
Sec. 656. Treatment of multiemployer plans under section 415.
Sec. 657. Maximum contribution deduction rules modified and applied to all defined benefit plans.
Sec. 658. Increase in section 415 early retirement limit for governmental and other plans.
Subtitle F—Encouraging Retirement Education
Sec. 661. Periodic pension benefits Statements.
Sec. 662. Clarification of treatment of employer-provided retirement advice.
Subtitle G—Reducing Regulatory Burdens
Sec. 671. Flexibility in nondiscrimination and coverage rules.
Sec. 672. Modification of timing of plan valuations.
Sec. 673. Substantial owner benefits in terminated plans.
Sec. 674. ESOP dividends may be reinvested without loss of dividend deduction.
Sec. 675. Notice and consent period regarding distributions.
Sec. 676. Repeal of transition rule relating to certain highly compensated employees.
Sec. 677. Employees of tax-exempt entities.
Sec. 678. Extension to international organizations of moratorium on application of certain nondiscrimination rules applicable to State and local plans.
Sec. 679. Annual report dissemination.
Sec. 680. Modification of exclusion for employer provided transit passes.
Sec. 681. Reporting simplification.
Sec. 682. Repeal of the multiple use test.
Subtitle H—Plan Amendments
Sec. 691. Provisions relating to plan amendments.

### Subtitle A—Individual Retirement Arrangements

**SEC. 611. MODIFICATION OF DEDUCTION LIMITS FOR IRA CONTRIBUTIONS.**

(a) INCREASE IN CONTRIBUTION LIMIT.—

(1) IN GENERAL.—Paragraph (1)(A) of section 219(b) (relating to maximum amount of deduction) is amended by striking "$2,000" and inserting "the deductible amount".

(2) DEDUCTIBLE AMOUNT.—Section 219(b) is amended by adding at the end the following new paragraph:

"(5) DEDUCTIBLE AMOUNT.—For purposes of paragraph (1)(A)—

"(A) IN GENERAL.—The deductible amount shall be determined in accordance with the following table:

| **"For taxable years beginning in:** | **The deductible amount is:** |
|---|---|
| 2001 | $3,000 |
| 2002 | $4,000 |
| 2003 and thereafter | $5,000. |

"(B) COST-OF-LIVING ADJUSTMENT.—

"(i) IN GENERAL.—In the case of any taxable year beginning in a calendar year after 2003, the $5,000 amount under subparagraph (A) shall be increased by an amount equal to—

"(I) such dollar amount, multiplied by

"(II) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2002' for 'calendar year 1992' in subparagraph (B) thereof.

"(ii) ROUNDING RULES.—If any amount after adjustment under clause (i) is not a multiple of $100, such amount shall be rounded to the next lower multiple of $100."

(b) INCREASE IN ADJUSTED GROSS INCOME LIMITS FOR ACTIVE PARTICIPANTS.—

(1) IN GENERAL.—Subparagraph (B) of section 219(g)(3) (relating to applicable dollar amount) is amended to read as follows:

"(B) APPLICABLE DOLLAR AMOUNT.—The term 'applicable dollar amount' means the following:

"(i) In the case of a taxpayer filing a joint return:

| **"For taxable years beginning in:** | **The applicable dollar amount is:** |
|---|---|
| 2001 | $53,000 |
| 2002 | $54,000 |
| 2003 | $60,000 |
| 2004 | $65,000 |
| 2005 | $70,000 |
| 2006 | $75,000 |
| 2007 | $80,000 |
| 2008 | $84,000 |
| 2009 | $89,000 |
| 2010 and thereafter | $94,000. |

"(ii) In the case of any other taxpayer (other than a married individual filing a separate return):

| **"For taxable years beginning in:** | **The applicable dollar amount is:** |
|---|---|
| 2001 | $33,000 |
| 2002 | $34,000 |
| 2003 | $40,000 |
| 2004 | $45,000 |
| 2005, 2006, and 2007 | $50,000 |
| 2008 | $52,000 |
| 2009 | $54,500 |
| 2010 and thereafter | $57,000." |

(2) Cost-of-living adjustment.—Section 219(g)(3) is amended by adding at the end the following new subparagraph:

‘‘(C) Cost-of-living adjustment.—

‘‘(i) In general.—In the case of any taxable year beginning in a calendar year after 2010, the $94,000 amount in subparagraph (B)(i) and the $57,000 amount in subparagraph(B)(ii) shall each be increased by an amount equal to—

‘‘(I) such dollar amount, multiplied by

‘‘(II) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting ‘calendar year 2009’ for ‘calendar year 1992’ in subparagraph (B) thereof.

‘‘(ii) Rounding rules.—If any amount after adjustment under clause (i) is not a multiple of $1,000, such amount shall be reduced to the next lowest multiple of $1,000.’’

(c) Conforming Amendments.—

(1) Section 408(a)(1) is amended by striking ‘‘in excess of $2,000 on behalf of any individual’’ and inserting ‘‘on behalf of any individual in excess of the amount in effect for such taxable year under section 219(b)(1)(A)’’.

(2) Section 408(b)(2)(B) is amended by striking ‘‘$2,000’’ and inserting ‘‘the dollar amount in effect under section 219(b)(1)(A)’’.

(3) Section 408(b) is amended by striking ‘‘$2,000’’ in the matter following paragraph (4) and inserting ‘‘the dollar amount in effect under section 219(b)(1)(A)’’.

(4) Section 408(j) is amended by striking ‘‘$2,000’’.

(5) Section 408(p)(8) is amended by striking ‘‘$2,000’’ and inserting ‘‘the dollar amount in effect under section 219(b)(1)(A)’’

(d) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

### SEC. 612. MODIFICATION OF INCOME LIMITS ON CONTRIBUTIONS AND ROLLOVERS TO ROTH IRAS.

(a) Repeal of AGI Limit on Contributions.—Section 408A(c)(3) (relating to limits based on modified adjusted gross income) is amended by striking subparagraph (A) and by redesignating subparagraphs (B), (C), and (D) as subparagraphs (A), (B), and (C), respectively.

(b) Increase in AGI Limit for Rollover Contributions.—Section 408A(c)(3)(A) (relating to rollover from IRA), as redesignated by subsection (a), is amended to read as follows:

‘‘(A) Rollover from IRA.—A taxpayer shall not be allowed to make a qualified rollover contribution from an individual retirement plan other than a Roth IRA during any taxable year if, for the taxable year of the distribution to which the contribution relates, the taxpayer's adjusted gross income exceeds $1,000,000.’’.

(c) Conforming Amendments.—

(1) Subparagraph (B) of section 408A(c)(3), as redesignated by subsection (a) and as in effect before and after the amendments made by the Internal Revenue Service Restructuring and Reform Act of 1998, is amended to read as follows:

‘‘(B) Definition of adjusted gross income.—For purposes of subparagraph (A), adjusted gross income shall be determined—

‘‘(i) after application of sections 86 and 469, and

‘‘(ii) without regard to sections 135, 137, 221, and 911, the deduction allowable under section 219, or any amount included in gross income under subsection (d)(3).’’.

(2) Subparagraph (B) of section 408A(c)(3), as amended by paragraph (1), is amended by inserting ‘‘or by reason of a required distribution under a provision described in paragraph (5)’’ before the period at the end.

(d) Effective Dates.—

(1) In general.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

(2) Rollovers.—The amendment made by subsection (b) shall apply to taxable years beginning after December 31, 2001.

(3) Adjusted gross income.—The amendment made by subsection (c)(2) shall apply to taxable years beginning after December 31, 2004.

### SEC. 613. DEEMED IRAS UNDER EMPLOYER PLANS.

(a) In General.—Section 408 (relating to individual retirement accounts) is amended by redesignating subsection (q) as subsection (r) and by inserting after subsection (p) the following new subsection:

‘‘(q) Deemed IRAs Under Qualified Employer Plans.—

‘‘(1) General rule.—If—

‘‘(A) a qualified employer plan elects to allow employees to make voluntary employee contributions to a separate account or annuity established under the plan, and

‘‘(B) under the terms of the qualified employer plan, such account or annuity meets the applicable requirements of this section or section 408A for an individual retirement account or annuity,

then such account or annuity shall be treated for purposes of this title in the same manner as an individual retirement plan (and contributions to such account or annuity as contributions to an individual retirement plan). For purposes of subparagraph (B), the requirements of subsection (a)(5) shall not apply.

‘‘(2) Special rules for qualified employer plans.—For purposes of this title—

‘‘(A) a qualified employer plan shall not fail to meet any requirement of this title solely by reason of establishing and maintaining a program described in paragraph (1), and

‘‘(B) any account or annuity described in paragraph (1), and any contribution to the account or annuity, shall not be subject to any requirement of this title applicable to a qualified employer plan or taken into account in applying any such requirement to any other contributions under the plan.

‘‘(3) Definitions.—For purposes of this subsection—

‘‘(A) Qualified employer plan.—The term ‘qualified employer plan’ has the meaning given such term by section 72(p)(4).

‘‘(B) Voluntary employee contribution.—The term ‘voluntary employee contribution’ means any contribution (other than a mandatory contribution within the meaning of section 411(c)(2)(C))—

‘‘(i) which is made by an individual as an employee under a qualified employer plan which allows employees to elect to make contributions described in paragraph (1), and

‘‘(ii) with respect to which the individual has designated the contribution as a contribution to which this subsection applies.’’.

(b) Amendment of ERISA.—

(1) In general.—Section 4 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1003) is amended by adding at the end the following new subsection:

‘‘(c) If a pension plan allows an employee to elect to make voluntary employee contributions to accounts and annuities as provided in section 408(q) of the Internal Revenue Code of 1986, such accounts and annuities (and contributions thereto) shall not be treated as part of such plan (or as a separate pension plan) for purposes of any provision of this title other than section 403(c), 404, or 405 (relating to exclusive benefit, and fiduciary and co-fiduciary responsibilities).’’.

(2) Conforming amendment.—Section 4(a) of such Act (29 U.S.C. 1003(a)) is amended by inserting ‘‘or (c)’’ after ‘‘subsection (b)’’.

(c) Effective Date.—The amendments made by this section shall apply to plan years beginning after December 31, 2001.

## Subtitle B—Expanding Coverage

### SEC. 621. OPTION TO TREAT ELECTIVE DEFERRALS AS AFTER-TAX CONTRIBUTIONS.

(a) In General.—Subpart A of part I of subchapter D of chapter 1 (relating to deferred compensation, etc.) is amended by inserting after section 402 the following new section:

### ‘‘SEC. 402A. OPTIONAL TREATMENT OF ELECTIVE DEFERRALS AS PLUS CONTRIBUTIONS.

‘‘(a) General Rule.—If an applicable retirement plan includes a qualified plus contribution program—

‘‘(1) any designated plus contribution made by an employee pursuant to the program shall be treated as an elective deferral for purposes of this chapter, except that such contribution shall not be excludable from gross income, and

‘‘(2) such plan (and any arrangement which is part of such plan) shall not be treated as failing to meet any requirement of this chapter solely by reason of including such program.

‘‘(b) Qualified Plus Contribution Program.—For purposes of this section—

‘‘(1) In general.—The term ‘qualified plus contribution program’ means a program under which an employee may elect to make designated plus contributions in lieu of all or a portion of elective deferrals the employee is otherwise eligible to make under the applicable retirement plan.

‘‘(2) Separate accounting required.—A program shall not be treated as a qualified plus contribution program unless the applicable retirement plan—

‘‘(A) establishes separate accounts (‘designated plus accounts’) for the designated plus contributions of each employee and any earnings properly allocable to the contributions, and

‘‘(B) maintains separate recordkeeping with respect to each account.

‘‘(c) Definitions and Rules Relating to Designated Plus Contributions.—For purposes of this section—

‘‘(1) Designated plus contribution.—The term ‘designated plus contribution’ means any elective deferral which—

‘‘(A) is excludable from gross income of an employee without regard to this section, and

‘‘(B) the employee designates (at such time and in such manner as the Secretary may prescribe) as not being so excludable.

‘‘(2) Designation limits.—The amount of elective deferrals which an employee may designate under paragraph (1) shall not exceed the excess (if any) of—

‘‘(A) the maximum amount of elective deferrals excludable from gross income of the employee for the taxable year (without regard to this section), over

‘‘(B) the aggregate amount of elective deferrals of the employee for the taxable year which the employee does not designate under paragraph (1).

‘‘(3) Rollover contributions.—

‘‘(A) In general.—A rollover contribution of any payment or distribution from a designated plus account which is otherwise allowable under this chapter may be made only if the contribution is to—

‘‘(i) another designated plus account of the individual from whose account the payment or distribution was made, or "(ii) a Roth IRA of such individual.

"(B) COORDINATION WITH LIMIT.—Any rollover contribution to a designated plus account under subparagraph (A) shall not be taken into account for purposes of paragraph (1).

"(d) DISTRIBUTION RULES.—For purposes of this title—

"(1) EXCLUSION.—Any qualified distribution from a designated plus account shall not be includible in gross income.

"(2) QUALIFIED DISTRIBUTION.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'qualified distribution' has the meaning given such term by section 408A(d)(2)(A) (without regard to clause (iv) thereof).

"(B) DISTRIBUTIONS WITHIN NONEXCLUSION PERIOD.—A payment or distribution from a designated plus account shall not be treated as a qualified distribution if such payment or distribution is made within the 5-taxable-year period beginning with the earlier of—

"(i) the 1st taxable year for which the individual made a designated plus contribution to any designated plus account established for such individual under the same applicable retirement plan, or

"(ii) if a rollover contribution was made to such designated plus account from a designated plus account previously established for such individual under another applicable retirement plan, the 1st taxable year for which the individual made a designated plus contribution to such previously established account.

"(C) DISTRIBUTIONS OF EXCESS DEFERRALS AND EARNINGS.—The term 'qualified distribution' shall not include any distribution of any excess deferral under section 402(g)(2) and any income on the excess deferral.

"(3) AGGREGATION RULES.—Section 72 shall be applied separately with respect to distributions and payments from a designated plus account and other distributions and payments from the plan.

"(e) OTHER DEFINITIONS.—For purposes of this section—

"(1) APPLICABLE RETIREMENT PLAN.—The term 'applicable retirement plan' means—

"(A) an employees' trust described in section 401(a) which is exempt from tax under section 501(a), and

"(B) a plan under which amounts are contributed by an individual's employer for an annuity contract described in section 403(b).

"(2) ELECTIVE DEFERRAL.—The term 'elective deferral' means any elective deferral described in subparagraph (A) or (C) of section 402(g)(3).".

(b) EXCESS DEFERRALS.—Section 402(g) (relating to limitation on exclusion for elective deferrals) is amended—

(1) by adding at the end of paragraph (1) the following new sentence: "The preceding sentence shall not apply to so much of such excess as does not exceed the designated plus contributions of the individual for the taxable year.", and

(2) by inserting "(or would be included but for the last sentence thereof)" after "paragraph (1)" in paragraph (2)(A).

(c) ROLLOVERS.—Subparagraph (B) of section 402(c)(8) is amended by adding at the end the following:

"If any portion of an eligible rollover distribution is attributable to payments or distributions from a designated plus account (as defined in section 402A), an eligible retirement plan with respect to such portion shall include only another designated plus account and a Roth IRA.".

(d) REPORTING REQUIREMENTS.—

(1) W-2 INFORMATION.—Section 6051(a)(8) is amended by inserting ", including the amount of designated plus contributions (as defined in section 402A)" before the comma at the end.

(2) INFORMATION.—Section 6047 is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

"(f) DESIGNATED PLUS CONTRIBUTIONS.—The Secretary shall require the plan administrator of each applicable retirement plan (as defined in section 402A) to make such returns and reports regarding designated plus contributions (as so defined) to the Secretary, participants and beneficiaries of the plan, and such other persons as the Secretary may prescribe.".

(e) CONFORMING AMENDMENTS.—

(1) Section 408A(e) is amended by adding after the first sentence the following new sentence: "Such term includes a rollover contribution described in section 402A(c)(3)(A).".

(2) The table of sections for subpart A of part I of subchapter D of chapter 1 is amended by inserting after the item relating to section 402 the following new item:

"Sec. 402A. Optional treatment of elective deferrals as plus contributions.".

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

### SEC. 622. INCREASE IN BENEFIT AND CONTRIBUTION LIMITS.

(a) DEFINED BENEFIT PLANS.—

(1) DOLLAR LIMIT.—

(A) Subparagraph (A) of section 415(b)(1) (relating to limitation for defined benefit plans) is amended by striking "$90,000" and inserting "$160,000".

(B) Subparagraphs (C) and (D) of section 415(b)(2) are each amended by striking "$90,000" each place it appears in the headings and the text and inserting "$160,000".

(C) Paragraph (7) of section 415(b) (relating to benefits under certain collectively bargained plans) is amended by striking "the greater of $68,212 or one-half the amount otherwise applicable for such year under paragraph (1)(A) for '$90,000' " and inserting "one-half the amount otherwise applicable for such year under paragraph (1)(A) for '$160,000' ".

(2) LIMIT REDUCED WHEN BENEFIT BEGINS BEFORE AGE 62.—Subparagraph (C) of section 415(b)(2) is amended by striking "the social security retirement age" each place it appears in the heading and text and inserting "age 62".

(3) LIMIT INCREASED WHEN BENEFIT BEGINS AFTER AGE 65.—Subparagraph (D) of section 415(b)(2) is amended by striking "the social security retirement age" each place it appears in the heading and text and inserting "age 65".

(4) COST-OF-LIVING ADJUSTMENTS.—Subsection (d) of section 415 (related to cost-of-living adjustments) is amended—

(A) by striking "$90,000" in paragraph (1)(A) and inserting "$160,000", and

(B) in paragraph (3)(A)—

(i) by striking "$90,000" in the heading and inserting "$160,000", and

(ii) by striking "October 1, 1986" and inserting "July 1, 2000".

(5) CONFORMING AMENDMENT.—Section 415(b)(2) is amended by striking subparagraph (F).

(b) DEFINED CONTRIBUTION PLANS.—

(1) DOLLAR LIMIT.—Subparagraph (A) of section 415(c)(1) (relating to limitation for defined contribution plans) is amended by striking "$30,000" and inserting "$40,000".

(2) COST-OF-LIVING ADJUSTMENTS.—Subsection (d) of section 415 (related to cost-of-living adjustments) is amended—

(A) by striking "$30,000" in paragraph (1)(C) and inserting "$40,000", and

(B) in paragraph (3)(D)—

(i) by striking "$30,000" in the heading and inserting "$40,000", and

(ii) by striking "October 1, 1993" and inserting "July 1, 2000".

(c) QUALIFIED TRUSTS.—

(1) COMPENSATION LIMIT.—Sections 401(a)(17), 404(l), 408(k), and 505(b)(7) are each amended by striking "$150,000" each place it appears and inserting "$200,000".

(2) BASE PERIOD AND ROUNDING OF COST-OF-LIVING ADJUSTMENT.—Subparagraph (B) of section 401(a)(17) is amended—

(A) by striking "October 1, 1993" and inserting "July 1, 2000", and

(B) by striking "$10,000" both places it appears and inserting "$5,000".

(d) ELECTIVE DEFERRALS.—

(1) IN GENERAL.—Paragraph (1) of section 402(g) (relating to limitation on exclusion for elective deferrals) is amended to read as follows:

"(1) IN GENERAL.—

"(A) LIMITATION.—Notwithstanding subsections (e)(3) and (h)(1)(B), the elective deferrals of any individual for any taxable year shall be included in such individual's gross income to the extent the amount of such deferrals for the taxable year exceeds the applicable dollar amount.

"(B) APPLICABLE DOLLAR AMOUNT.—For purposes of subparagraph (A), the applicable dollar amount shall be the amount determined in accordance with the following table:

| **"For taxable years beginning in calendar year:** | **The applicable dollar amount:** |
|---|---|
| 2001 | $11,000 |
| 2002 | $12,000 |
| 2003 | $13,000 |
| 2004 | $14,000 |
| 2005 or thereafter | $15,000.". |

(2) COST-OF-LIVING ADJUSTMENT.—Paragraph (5) of section 402(g) is amended to read as follows:

"(5) COST-OF-LIVING ADJUSTMENT.—In the case of taxable years beginning after December 31, 2005, the Secretary shall adjust the $15,000 amount under paragraph (1)(B) at the same time and in the same manner as under section 415(d), except that the base period shall be the calendar quarter beginning July 1, 2004, and any increase under this paragraph which is not a multiple of $500 shall be rounded to the next lowest multiple of $500.".

(3) CONFORMING AMENDMENTS.—

(A) Section 402(g) (relating to limitation on exclusion for elective deferrals), as amended by paragraphs (1) and (2), is further amended by striking paragraph (4) and redesignating paragraphs (5), (6), (7), (8), and (9) as paragraphs (4), (5), (6), (7), and (8), respectively.

(B) Paragraph (2) of section 457(c) is amended by striking "402(g)(8)(A)(iii)" and inserting "402(g)(7)(A)(iii)".

(C) Clause (iii) of section 501(c)(18)(D) is amended by striking "(other than paragraph (4) thereof)".

(e) DEFERRED COMPENSATION PLANS OF STATE AND LOCAL GOVERNMENTS AND TAX-EXEMPT ORGANIZATIONS.—

(1) IN GENERAL.—Section 457 (relating to deferred compensation plans of State and local governments and tax-exempt organizations) is amended—

(A) in subsections (b)(2)(A) and (c)(1) by striking "$7,500" each place it appears and inserting "the applicable dollar amount", and

(B) in subsection (b)(3)(A) by striking "$15,000" and inserting "twice the dollar amount in effect under subsection (b)(2)(A)".

(2) APPLICABLE DOLLAR AMOUNT; COST-OF-LIVING ADJUSTMENT.—Paragraph (15) of section 457(e) is amended to read as follows:

"(15) APPLICABLE DOLLAR AMOUNT.—

"(A) IN GENERAL.—The applicable dollar amount shall be the amount determined in accordance with the following table:

| **"For taxable years beginning in calendar year:** | **The applicable dollar amount:** |
|---|---|
| 2001 | $11,000 |
| 2002 | $12,000 |
| 2003 | $13,000 |
| 2004 | $14,000 |
| 2005 or thereafter | $15,000. |

"(B) COST-OF-LIVING ADJUSTMENTS.—In the case of taxable years beginning after December 31, 2005, the Secretary shall adjust the $15,000 amount specified in the table in subparagraph (A) at the same time and in the same manner as under section 415(d), except that the base period shall be the calendar quarter beginning July 1, 2004, and any increase under this paragraph which is not a multiple of $500 shall be rounded to the next lowest multiple of $500.".

(f) SIMPLE RETIREMENT ACCOUNTS.—

(1) LIMITATION.—Clause (ii) of section 408(p)(2)(A) (relating to general rule for qualified salary reduction arrangement) is amended by striking "$6,000" and inserting "the applicable dollar amount".

(2) APPLICABLE DOLLAR AMOUNT.—Subparagraph (E) of 408(p)(2) is amended to read as follows:

"(E) APPLICABLE DOLLAR AMOUNT; COST-OF-LIVING ADJUSTMENT.—

"(i) IN GENERAL.—For purposes of subparagraph (A)(ii), the applicable dollar amount shall be the amount determined in accordance with the following table:

| **"For taxable years beginning in calendar year:** | **The applicable dollar amount:** |
|---|---|
| 2001 | $7,000 |
| 2002 | $8,000 |
| 2003 | $9,000 |
| 2004 or thereafter | $10,000. |

"(ii) COST-OF-LIVING ADJUSTMENT.—In the case of a year beginning after December 31, 2004, the Secretary shall adjust the $10,000 amount under clause (i) at the same time and in the same manner as under section 415(d), except that the base period taken into account shall be the calendar quarter beginning July 1, 2003, and any increase under this subparagraph which is not a multiple of $500 shall be rounded to the next lower multiple of $500.".

(3) CONFORMING AMENDMENTS.—

(A) Clause (I) of section 401(k)(11)(B)(i) is amended by striking "$6,000" and inserting "the amount in effect under section 408(p)(2)(A)(ii)".

(B) Section 401(k)(11) is amended by striking subparagraph (E).

(g) ROUNDING RULE RELATING TO DEFINED BENEFIT PLANS AND DEFINED CONTRIBUTION PLANS.—Paragraph (4) of section 415(d) is amended to read as follows:

"(4) ROUNDING.—

"(A) $160,000 AMOUNT.—Any increase under subparagraph (A) of paragraph (1) which is not a multiple of $5,000 shall be rounded to the next lowest multiple of $5,000.

"(B) $40,000 AMOUNT.—Any increase under subparagraph (C) of paragraph (1) which is not a multiple of $1,000 shall be rounded to the next lowest multiple of $1,000.".

(h) EFFECTIVE DATE.—The amendments made by this section shall apply to years beginning after December 31, 2001.

### SEC. 623. PLAN LOANS FOR SUBCHAPTER S OWNERS, PARTNERS, AND SOLE PROPRIETORS.

(a) AMENDMENT TO 1986 CODE.—Subparagraph (B) of section 4975(f)(6) (relating to exemptions not to apply to certain transactions) is amended by adding at the end the following new clause:

"(iii) LOAN EXCEPTION.—For purposes of subparagraph (A)(i), the term 'owner-employee' shall only include a person described in subclause (II) or (III) of clause (i).".

(b) AMENDMENT TO ERISA.—Section 408(d)(2) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1108(d)(2)) is amended by adding at the end the following new subparagraph:

"(C) For purposes of paragraph (1)(A), the term 'owner-employee' shall only include a person described in clause (ii) or (iii) of subparagraph (A).".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to loans made after December 31, 2001.

### SEC. 624. ELECTIVE DEFERRALS NOT TAKEN INTO ACCOUNT FOR PURPOSES OF DEDUCTION LIMITS.

(a) IN GENERAL.—Section 404 (relating to deduction for contributions of an employer to an employees' trust or annuity plan and compensation under a deferred payment plan) is amended by adding at the end the following new subsection:

"(n) ELECTIVE DEFERRALS NOT TAKEN INTO ACCOUNT FOR PURPOSES OF DEDUCTION LIMITS.—Elective deferrals (as defined in section 402(g)(3)) shall not be subject to any limitation contained in paragraph (3), (7), or (9) of subsection (a), and such elective deferrals shall not be taken into account in applying any such limitation to any other contributions.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to years beginning after December 31, 2001.

### SEC. 625. REDUCED PBGC PREMIUM FOR NEW PLANS OF SMALL EMPLOYERS.

(a) IN GENERAL.—Subparagraph (A) of section 4006(a)(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1306(a)(3)(A)) is amended—

(1) in clause (i), by inserting "other than a new single-employer plan (as defined in subparagraph (F)) maintained by a small employer (as so defined)," after "single-employer plan,",

(2) in clause (iii), by striking the period at the end and inserting ", and", and

(3) by adding at the end the following new clause:

"(iv) in the case of a new single-employer plan (as defined in subparagraph (F)) maintained by a small employer (as so defined) for the plan year, $5 for each individual who is a participant in such plan during the plan year.".

(b) DEFINITION OF NEW SINGLE-EMPLOYER PLAN.—Section 4006(a)(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1306(a)(3)) is amended by adding at the end the following new subparagraph:

"(F)(i) For purposes of this paragraph, a single-employer plan maintained by a contributing sponsor shall be treated as a new single-employer plan for each of its first 5 plan years if, during the 36-month period ending on the date of the adoption of such plan, the sponsor or any member of such sponsor's controlled group (or any predecessor of either) had not established or maintained a plan to which this title applies with respect to which benefits were accrued for substantially the same employees as are in the new single-employer plan.

"(ii)(I) For purposes of this paragraph, the term 'small employer' means an employer which on the first day of any plan year has, in aggregation with all members of the controlled group of such employer, 100 or fewer employees.

"(II) In the case of a plan maintained by 2 or more contributing sponsors that are not part of the same controlled group, the employees of all contributing sponsors and controlled groups of such sponsors shall be aggregated for purposes of determining whether any contributing sponsor is a small employer.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to plans established after December 31, 2001.

### SEC. 626. REDUCTION OF ADDITIONAL PBGC PREMIUM FOR NEW PLANS.

(a) IN GENERAL.—Subparagraph (E) of section 4006(a)(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1306(a)(3)(E)) is amended by adding at the end the following new clause:

"(v) In the case of a new defined benefit plan, the amount determined under clause (ii) for any plan year shall be an amount equal to the product of the amount determined under clause (ii) and the applicable percentage. For purposes of this clause, the term 'applicable percentage' means—

"(I) 0 percent, for the first plan year.

"(II) 20 percent, for the second plan year.

"(III) 40 percent, for the third plan year.

"(IV) 60 percent, for the fourth plan year.

"(V) 80 percent, for the fifth plan year.

For purposes of this clause, a defined benefit plan (as defined in section 3(35)) maintained by a contributing sponsor shall be treated as a new defined benefit plan for its first 5 plan years if, during the 36-month period ending on the date of the adoption of the plan, the sponsor and each member of any controlled group including the sponsor (or any predecessor of either) did not establish or maintain a plan to which this title applies with respect to which benefits were accrued for substantially the same employees as are in the new plan.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to plans established after December 31, 2001.

### SEC. 627. ELIMINATION OF USER FEE FOR REQUESTS TO IRS REGARDING NEW PENSION PLANS.

(a) ELIMINATION OF CERTAIN USER FEES.—The Secretary of the Treasury or the Secretary's delegate shall not require payment of user fees under the program established under section 7527 of the Internal Revenue Code of 1986 for requests to the Internal Revenue Service for ruling letters, opinion letters, and determination letters or similar requests with respect to the qualified status of a new pension benefit plan or any trust which is part of the plan.

(b) NEW PENSION BENEFIT PLAN.—For purposes of this section—

(1) IN GENERAL.—The term "new pension benefit plan" means a pension, profit-sharing, stock bonus, annuity, or employee stock ownership plan which is maintained by one or more eligible employers if such employer (or any predecessor employer) has not made a prior request described in subsection (a) for such plan (or any predecessor plan).

(2) ELIGIBLE EMPLOYER.—The term "eligible employer" means an employer (or any predecessor employer) which has not established or maintained a qualified employer plan with respect to which contributions

were made, or benefits were accrued for service, in the 3 most recent taxable years ending prior to the first taxable year in which the request is made.

(c) Effective Date.—The provisions of this section shall apply with respect to requests made after December 31, 2001.

### SEC. 628. MODIFICATION OF TOP-HEAVY RULES.

(a) Simplification of Definition of Key Employee.—

(1) In general.—Section 416(i)(1)(A) (defining key employee) is amended—

(A) by striking "or any of the 4 preceding plan years" in the matter preceding clause (i),

(B) by striking clause (i) and inserting the following:

"(i) an officer of the employer having an annual compensation greater than $150,000,",

(C) by striking clause (ii) and redesignating clauses (iii) and (iv) as clauses (ii) and (iii), respectively, and

(D) by striking the second sentence in the matter following clause (iii), as redesignated by subparagraph (C).

(2) Conforming amendment.—Section 416(i)(1)(B)(iii) is amended by striking "and subparagraph (A)(ii)".

(b) Matching Contributions Taken Into Account for Minimum Contribution Requirements.—Section 416(c)(2)(A) (relating to defined contribution plans) is amended by adding at the end the following: "Employer matching contributions (as defined in section 401(m)(4)(A)) shall be taken into account for purposes of this subparagraph.".

(c) Distributions During Last Year Before Determination Date Taken Into Account.—

(1) In general.—Paragraph (3) of section 416(g) is amended to read as follows:

"(3) Distributions during last year before determination date taken into account.—

"(A) In general.—For purposes of determining—

"(i) the present value of the cumulative accrued benefit for any employee, or

"(ii) the amount of the account of any employee,

such present value or amount shall be increased by the aggregate distributions made with respect to such employee under the plan during the 1-year period ending on the determination date. The preceding sentence shall also apply to distributions under a terminated plan which if it had not been terminated would have been required to be included in an aggregation group.

"(B) 5-year period in case of in-service distribution.—In the case of any distribution made for a reason other than separation from service, death, or disability, subparagraph (A) shall be applied by substituting '5-year period' for '1-year period'.".

(2) Benefits not taken into account.—Subparagraph (E) of section 416(g)(4) is amended—

(A) by striking "LAST 5 YEARS" in the heading and inserting "LAST YEAR BEFORE DETERMINATION DATE", and

(B) by striking "5-year period" and inserting "1-year period".

(d) Definition of Top-Heavy Plans.—Paragraph (4) of section 416(g) (relating to other special rules for top-heavy plans) is amended by adding at the end the following new subparagraph:

"(H) Cash or deferred arrangements using alternative methods of meeting nondiscrimination requirements.—The term 'top-heavy plan' shall not include a plan which consists solely of—

"(i) a cash or deferred arrangement which meets the requirements of section 401(k)(12), and

"(ii) matching contributions with respect to which the requirements of section 401(m)(11) are met.

If, but for this subparagraph, a plan would be treated as a top-heavy plan because it is a member of an aggregation group which is a top-heavy group, contributions under the plan may be taken into account in determining whether any other plan in the group meets the requirements of subsection (c)(2).".

(e) Frozen Plan Exempt From Minimum Benefit Requirement.—Subparagraph (C) of section 416(c)(1) (relating to defined benefit plans) is amended—

(A) by striking "clause (ii)" in clause (i) and inserting "clause (ii) or (iii)", and

(B) by adding at the end the following:

"(iii) Exception for frozen plan.—For purposes of determining an employee's years of service with the employer, any service with the employer shall be disregarded to the extent that such service occurs during a plan year when the plan benefits (within the meaning of section 410(b)) no employee or former employee.".

(f) Elimination of Family Attribution.—Section 416(i)(1)(B) (defining 5-percent owner) is amended by adding at the end the following new clause:

"(iv) Family attribution disregarded.—Solely for purposes of applying this paragraph (and not for purposes of any provision of this title which incorporates by reference the definition of a key employee or 5-percent owner under this paragraph), section 318 shall be applied without regard to subsection (a)(1) thereof in determining whether any person is a 5-percent owner.".

(g) Effective Date.—The amendments made by this section shall apply to years beginning after December 31, 2001.

### SEC. 629. REPEAL OF COORDINATION REQUIREMENTS FOR DEFERRED COMPENSATION PLANS OF STATE AND LOCAL GOVERNMENTS AND TAX-EXEMPT ORGANIZATIONS.

(a) In General.—Subsection (c) of section 457 (relating to deferred compensation plans of State and local governments and tax-exempt organizations), as amended by section 622, is amended to read as follows:

"(c) Limitation.—The maximum amount of the compensation of any one individual which may be deferred under subsection (a) during any taxable year shall not exceed the amount in effect under subsection (b)(2)(A) (as modified by any adjustment provided under subsection (b)(3)).".

(b) Effective Date.—The amendment made by subsection (a) shall apply to years beginning after December 31, 2001.

## Subtitle C—Enhancing Fairness for Women

### SEC. 631. CATCHUP CONTRIBUTIONS FOR INDIVIDUALS AGE 50 OR OVER.

(a) Elective Deferrals.—Section 414 (relating to definitions and special rules) is amended by adding at the end the following new subsection:

"(v) Catchup Contributions for Individuals Age 50 or Over.—

"(1) In general.—An applicable employer plan shall not be treated as failing to meet any requirement of this title solely because the plan permits an eligible participant to make additional elective deferrals in any plan year.

"(2) Limitation on amount of additional deferrals.—

"(A) In general.—A plan shall not permit additional elective deferrals under paragraph (1) for any year in an amount greater than the lesser of—

"(i) the applicable percentage of the applicable dollar amount for such elective deferrals for such year, or

"(ii) the excess (if any) of—

"(I) the participant's compensation for the year, over

"(II) any other elective deferrals of the participant for such year which are made without regard to this subsection.

"(B) Applicable percentage.—For purposes of this paragraph, the applicable percentage shall be determined in accordance with the following table:

| **"For taxable years beginning in:** | **The applicable percentage is:** |
|---|---|
| 2001 | 10 |
| 2002 | 20 |
| 2003 | 30 |
| 2004 | 40 |
| 2005 and thereafter | 50. |

"(3) Treatment of contributions.—In the case of any contribution to a plan under paragraph (1)—

"(A) such contribution shall not, with respect to the year in which the contribution is made—

"(i) be subject to any otherwise applicable limitation contained in section 402(g), 402(h), 403(b), 404(a), 404(h), 408, 415, or 457, or

"(ii) be taken into account in applying such limitations to other contributions or benefits under such plan or any other such plan, and

"(B) such plan shall not be treated as failing to meet the requirements of section 401(a)(4), 401(a)(26), 401(k)(3), 401(k)(11), 401(k)(12), 401(m), 403(b)(12), 408(k), 408(p), 408B, 410(b), or 416 by reason of the making of (or the right to make) such contribution.

"(4) Eligible participant.—For purposes of this subsection, the term 'eligible participant' means, with respect to any plan year, a participant in a plan—

"(A) who has attained the age of 50 before the close of the plan year, and

"(B) with respect to whom no other elective deferrals may (without regard to this subsection) be made to the plan for the plan year by reason of the application of any limitation or other restriction described in paragraph (3) or contained in the terms of the plan.

"(5) Other definitions and rules.—For purposes of this subsection—

"(A) Applicable dollar amount.—The term 'applicable dollar amount' means, with respect to any year, the amount in effect under section 402(g)(1)(B), 408(p)(2)(E)(i), or 457(e)(15)(A), whichever is applicable to an applicable employer plan, for such year.

"(B) Applicable employer plan.—The term 'applicable employer plan' means—

"(i) an employees' trust described in section 401(a) which is exempt from tax under section 501(a),

"(ii) a plan under which amounts are contributed by an individual's employer for an annuity contract described in section 403(b),

"(iii) an eligible deferred compensation plan under section 457 of an eligible employer as defined in section 457(e)(1)(A), and

"(iv) an arrangement meeting the requirements of section 408 (k) or (p).

"(C) Elective deferral.—The term 'elective deferral' has the meaning given such term by subsection (u)(2)(C).

"(D) Exception for section 457 plans.—This subsection shall not apply to an applicable employer plan described in paragraph (5)(B)(iii) for any year to which section 457(b)(3) applies.".

(b) Individual Retirement Plans.—Section 219(b), as amended by section 611, is amended by adding at the end the following new paragraph:

"(6) Catchup contributions.—

"(A) In general.—In the case of an individual who has attained the age of 50 before the close of the taxable year, the dollar amount in effect under paragraph (1)(A) for such taxable year shall be equal to the applicable percentage of such amount determined without regard to this paragraph.

"(B) Applicable percentage.—For purposes of this paragraph, the applicable percentage shall be determined in accordance with the following table:

| "For taxable years beginning in: | The applicable percentage is: |
|---|---|
| 2001 | 110 |
| 2002 | 120 |
| 2003 | 130 |
| 2004 | 140 |
| 2005 and thereafter | 150.". |

(c) Effective Date.—The amendment made by this section shall apply to contributions in taxable years beginning after December 31, 2001.

### SEC. 632. EQUITABLE TREATMENT FOR CONTRIBUTIONS OF EMPLOYEES TO DEFINED CONTRIBUTION PLANS.

(a) Equitable Treatment.—

(1) In general.—Subparagraph (B) of section 415(c)(1) (relating to limitation for defined contribution plans) is amended by striking "25 percent" and inserting "100 percent".

(2) Application to section 403(b).—Section 403(b) is amended—

(A) by striking "the exclusion allowance for such taxable year" in paragraph (1) and inserting "the applicable limit under section 415",

(B) by striking paragraph (2), and

(C) by inserting "or any amount received by a former employee after the 5th taxable year following the taxable year in which such employee was terminated" before the period at the end of the second sentence of paragraph (3).

(3) Conforming amendments.—

(A) Subsection (f) of section 72 is amended by striking "section 403(b)(2)(D)(iii))" and inserting "section 403(b)(2)(D)(iii), as in effect before the enactment of the Taxpayer Refund Act of 1999)".

(B) Section 404(a)(10)(B) is amended by striking ", the exclusion allowance under section 403(b)(2),".

(C) Section 415(a)(2) is amended by striking ", and the amount of the contribution for such portion shall reduce the exclusion allowance as provided in section 403(b)(2)".

(D) Section 415(c)(3) is amended by adding at the end the following new subparagraph:

"(E) Annuity contracts.—In the case of an annuity contract described in section 403(b), the term 'participant's compensation' means the participant's includible compensation determined under section 403(b)(3).".

(E) Section 415(c) is amended by striking paragraph (4).

(F) Section 415(c)(7) is amended to read as follows:

"(7) Certain contributions by church plans not treated as exceeding limit.—

"(A) In general.—Notwithstanding any other provision of this subsection, at the election of a participant who is an employee of a church or a convention or association of churches, including an organization described in section 414(e)(3)(B)(ii), contributions and other additions for an annuity contract or retirement income account described in section 403(b) with respect to such participant, when expressed as an annual addition to such participant's account, shall be treated as not exceeding the limitation of paragraph (1) if such annual addition is not in excess of $10,000.

"(B) $40,000 aggregate limitation.—The total amount of additions with respect to any participant which may be taken into account for purposes of this subparagraph for all years may not exceed $40,000.

"(C) Annual addition.—For purposes of this paragraph, the term 'annual addition' has the meaning given such term by paragraph (2).".

(G) Subparagraph (B) of section 402(g)(7) (as redesignated by section 312(a)) is amended by inserting before the period at the end the following: "(as in effect before the enactment of the Taxpayer Refund Act of 1999)".

(3) Effective date.—The amendments made by this subsection shall apply to years beginning after December 31, 2001.

(b) Special Rules for Sections 403(b) and 408.—

(1) In general.—Subsection (k) of section 415 is amended by adding at the end the following new paragraph:

"(4) Special rules for sections 403(b) and 408.—For purposes of this section, any annuity contract described in section 403(b) for the benefit of a participant shall be treated as a defined contribution plan maintained by each employer with respect to which the participant has the control required under subsection (b) or (c) of section 414 (as modified by subsection (h)). For purposes of this section, any contribution by an employer to a simplified employee pension plan for an individual for a taxable year shall be treated as an employer contribution to a defined contribution plan for such individual for such year.".

(2) Effective date.—The amendments made by paragraph (1) shall apply to limitation years beginning after December 31, 2000.

(c) Deferred Compensation Plans of State and Local Governments and Tax-Exempt Organizations.—

(1) In general.—Subparagraph (B) of section 457(b)(2) (relating to salary limitation on eligible deferred compensation plans) is amended by striking "33⅓ percent" and inserting "100 percent".

(2) Effective date.—The amendment made by this subsection shall apply to years beginning after December 31, 2001.

### SEC. 633. CLARIFICATION OF TAX TREATMENT OF DIVISION OF SECTION 457 PLAN BENEFITS UPON DIVORCE.

(a) In General.—Section 414(p)(11) (relating to application of rules to governmental and church plans) is amended—

(1) by inserting "or an eligible deferred compensation plan (within the meaning of section 457(b))" after "subsection (e))", and

(2) in the heading, by striking "GOVERNMENTAL AND CHURCH PLANS" and inserting "CERTAIN OTHER PLANS".

(b) Waiver of Certain Distribution Requirements.—Paragraph (10) of section 414(p) is amended by striking "and section 409(d)" and inserting "section 409(d), and section 457(d)".

(c) Tax Treatment of Payments From a Section 457 Plan.—Subsection (p) of section 414 is amended by redesignating paragraph (12) as paragraph (13) and inserting after paragraph (11) the following new paragraph:

"(12) Tax treatment of payments from a section 457 plan.—If a distribution or payment from an eligible deferred compensation plan described in section 457(b) is made pursuant to a qualified domestic relations order, rules similar to the rules of section 402(e)(1)(A) shall apply to such distribution or payment.".

(d) Effective Date.—The amendments made by this section shall apply to transfers, distributions, and payments made after December 31, 2001.

### SEC. 634. MODIFICATION OF SAFE HARBOR RELIEF FOR HARDSHIP WITHDRAWALS FROM CASH OR DEFERRED ARRANGEMENTS.

(a) In General.—The Secretary of the Treasury shall revise the regulations relating to hardship distributions under section 401(k)(2)(B)(i)(IV) of the Internal Revenue Code of 1986 to provide that the period an employee is prohibited from making elective and employee contributions in order for a distribution to be deemed necessary to satisfy financial need shall be equal to 6 months.

(b) Effective Date.—The revised regulations under subsection (a) shall apply to years beginning after December 31, 2001.

### SEC. 635. FASTER VESTING OF CERTAIN EMPLOYER MATCHING CONTRIBUTIONS.

(a) Amendments to 1986 Code.—Section 411(a) (relating to minimum vesting standards) is amended—

(1) in paragraph (2), by striking "A plan" and inserting "Except as provided in paragraph (12), a plan", and

(2) by adding at the end the following:

"(12) Faster vesting for matching contributions.—In the case of matching contributions (as defined in section 401(m)(4)(A)), paragraph (2) shall be applied—

"(A) by substituting '3 years' for '5 years' in subparagraph (A), and

"(B) by substituting the following table for the table contained in subparagraph (B):

| "Years of service: | The nonforfeitable percentage is: |
|---|---|
| 2 | 20 |
| 3 | 40 |
| 4 | 60 |
| 5 | 80 |
| 6 | 100.". |

(b) Amendments to ERISA.—Section 203(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1053(a)) is amended—

(1) in paragraph (2), by striking "A plan" and inserting "Except as provided in paragraph (4), a plan", and

(2) by adding at the end the following:

"(4) Faster vesting for matching contributions.—In the case of matching contributions (as defined in section 401(m)(4)(A) of the Internal Revenue Code of 1986), paragraph (2) shall be applied—

"(A) by substituting '3 years' for '5 years' in subparagraph (A), and

"(B) by substituting the following table for the table contained in subparagraph (B):

| "Years of service: | The nonforfeitable percentage is: |
|---|---|
| 2 | 20 |
| 3 | 40 |
| 4 | 60 |
| 5 | 80 |
| 6 | 100.". |

(c) Effective Dates.—

(1) In general.—Except as provided in paragraph (2), the amendments made by this section shall apply to contributions for plan years beginning after December 31, 2001.

(2) Collective bargaining agreements.—In the case of a plan maintained pursuant to 1 or more collective bargaining agreements between employee representatives and 1 or more employers ratified by the date of enactment of this Act, the amendments made by this section shall not apply to contributions on behalf of employees covered by any such agreement for plan years beginning before the earlier of—

(A) the later of—

(i) the date on which the last of such collective bargaining agreements terminates (determined without regard to any extension thereof on or after such date of enactment), or

(ii) January 1, 2001, or

(B) January 1, 2005.

(3) SERVICE REQUIRED.—With respect to any plan, the amendments made by this section shall not apply to any employee before the date that such employee has 1 hour of service under such plan in any plan year to which the amendments made by this section apply.

## Subtitle D—Increasing Portability for Participants

### SEC. 641. ROLLOVERS ALLOWED AMONG VARIOUS TYPES OF PLANS.

(a) ROLLOVERS FROM AND TO SECTION 457 PLANS.—

(1) ROLLOVERS FROM SECTION 457 PLANS.—

(A) IN GENERAL.—Section 457(e) (relating to other definitions and special rules) is amended by adding at the end the following:

"(16) ROLLOVER AMOUNTS.—

"(A) GENERAL RULE.—In the case of an eligible deferred compensation plan established and maintained by an employer described in subsection (e)(1)(A), if—

"(i) any portion of the balance to the credit of an employee in such plan is paid to such employee in an eligible rollover distribution (within the meaning of section 402(c)(4) without regard to subparagraph (C) thereof),

"(ii) the employee transfers any portion of the property such employee receives in such distribution to an eligible retirement plan described in section 402(c)(8)(B), and

"(iii) in the case of a distribution of property other than money, the amount so transferred consists of the property distributed,

then such distribution (to the extent so transferred) shall not be includible in gross income for the taxable year in which paid.

"(B) CERTAIN RULES MADE APPLICABLE.—The rules of paragraphs (2) through (7) (other than paragraph (4)(C)) and (9) of section 402(c) and section 402(f) shall apply for purposes of subparagraph (A).

"(C) REPORTING.—Rollovers under this paragraph shall be reported to the Secretary in the same manner as rollovers from qualified retirement plans (as defined in section 4974(c)).".

(B) DEFERRAL LIMIT DETERMINED WITHOUT REGARD TO ROLLOVER AMOUNTS.—Section 457(b)(2) (defining eligible deferred compensation plan) is amended by inserting "(other than rollover amounts)" after "taxable year".

(C) DIRECT ROLLOVER.—Paragraph (1) of section 457(d) is amended by striking "and" at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting ", and", and by inserting after subparagraph (B) the following:

"(C) in the case of a plan maintained by an employer described in subsection (e)(1)(A), the plan meets requirements similar to the requirements of section 401(a)(31).

Any amount transferred in a direct trustee-to-trustee transfer in accordance with section 401(a)(31) shall not be includible in gross income for the taxable year of transfer.".

(D) WITHHOLDING.—

(i) Paragraph (12) of section 3401(a) is amended by adding at the end the following:

"(E) under or to an eligible deferred compensation plan which, at the time of such payment, is a plan described in section 457(b) maintained by an employer described in section 457(e)(1)(A); or".

(ii) Paragraph (3) of section 3405(c) is amended to read as follows:

"(3) ELIGIBLE ROLLOVER DISTRIBUTION.—For purposes of this subsection, the term 'eligible rollover distribution' has the meaning given such term by section 402(f)(2)(A).".

(iii) LIABILITY FOR WITHHOLDING.—Subparagraph (B) of section 3405(d)(2) is amended by striking "or" at the end of clause (ii), by striking the period at the end of clause (iii) and inserting ", or", and by adding at the end the following:

"(iv) section 457(b).".

(2) ROLLOVERS TO SECTION 457 PLANS.—

(A) IN GENERAL.—Section 402(c)(8)(B) (defining eligible retirement plan) is amended by striking "and" at the end of clause (iii), by striking the period at the end of clause (iv) and inserting ", and", and by inserting after clause (iv) the following new clause:

"(v) an eligible deferred compensation plan described in section 457(b) of an employer described in section 457(e)(1)(A).".

(B) SEPARATE ACCOUNTING.—Section 402(c) is amended by adding at the end the following new paragraph:

"(11) SEPARATE ACCOUNTING.—Unless a plan described in clause (v) of paragraph (8)(B) agrees to separately account for amounts rolled into such plan from eligible retirement plans not described in such clause, the plan described in such clause may not accept transfers or rollovers from such retirement plans.".

(C) 10 PERCENT ADDITIONAL TAX.—Subsection (t) of section 72 (relating to 10-percent additional tax on early distributions from qualified retirement plans) is amended by adding at the end the following new paragraph:

"(9) SPECIAL RULE FOR ROLLOVERS TO SECTION 457 PLANS.—For purposes of this subsection, a distribution from an eligible deferred compensation plan (as defined in section 457(b)) of an employer described in section 457(e)(1)(A) shall be treated as a distribution from a qualified retirement plan described in 4974(c)(1) to the extent that such distribution is attributable to an amount transferred to an eligible deferred compensation plan from a qualified retirement plan (as defined in section 4974(c)).".

(b) ALLOWANCE OF ROLLOVERS FROM AND TO 403(b) PLANS.—

(1) ROLLOVERS FROM SECTION 403(b) PLANS.—Section 403(b)(8)(A)(ii) (relating to rollover amounts) is amended by striking "such distribution" and all that follows and inserting "such distribution to an eligible retirement plan described in section 402(c)(8)(B), and".

(2) ROLLOVERS TO SECTION 403(b) PLANS.—Section 402(c)(8)(B) (defining eligible retirement plan), as amended by subsection (a), is amended by striking "and" at the end of clause (iv), by striking the period at the end of clause (v) and inserting ", and", and by inserting after clause (v) the following new clause:

"(vi) an annuity contract described in section 403(b).".

(c) EXPANDED EXPLANATION TO RECIPIENTS OF ROLLOVER DISTRIBUTIONS.—Paragraph (1) of section 402(f) (relating to written explanation to recipients of distributions eligible for rollover treatment) is amended by striking "and" at the end of subparagraph (C), by striking the period at the end of subparagraph (D) and inserting ", and", and by adding at the end the following new subparagraph:

"(E) of the provisions under which distributions from the eligible retirement plan receiving the distribution may be subject to restrictions and tax consequences which are different from those applicable to distributions from the plan making such distribution.".

(d) SPOUSAL ROLLOVERS.—Section 402(c)(9) (relating to rollover where spouse receives distribution after death of employee) is amended by striking "; except that" and all that follows up to the end period.

(e) CONFORMING AMENDMENTS.—

(1) Section 72(o)(4) is amended by striking "and 408(d)(3)" and inserting "403(b)(8), 408(d)(3), and 457(e)(16)".

(2) Section 219(d)(2) is amended by striking "or 408(d)(3)" and inserting "408(d)(3), or 457(e)(16)".

(3) Section 401(a)(31)(B) is amended by striking "and 403(a)(4)" and inserting ", 403(a)(4), 403(b)(8), and 457(e)(16)".

(4) Subparagraph (A) of section 402(f)(2) is amended by striking "or paragraph (4) of section 403(a)" and inserting ", paragraph (4) of section 403(a), subparagraph (A) of section 403(b)(8), or subparagraph (A) of section 457(e)(16)".

(5) Paragraph (1) of section 402(f) is amended by striking "from an eligible retirement plan".

(6) Subparagraphs (A) and (B) of section 402(f)(1) are amended by striking "another eligible retirement plan" and inserting "an eligible retirement plan".

(7) Subparagraph (B) of section 403(b)(8) is amended to read as follows:

"(B) CERTAIN RULES MADE APPLICABLE.—The rules of paragraphs (2) through (7) and (9) of section 402(c) and section 402(f) shall apply for purposes of subparagraph (A), except that section 402(f) shall be applied to the payor in lieu of the plan administrator.".

(8) Section 408(a)(1) is amended by striking "or 403(b)(8)" and inserting ", 403(b)(8), or 457(e)(16)".

(9) Subparagraphs (A) and (B) of section 415(b)(2) are each amended by striking "and 408(d)(3)" and inserting "403(b)(8), 408(d)(3), and 457(e)(16)".

(10) Section 415(c)(2) is amended by striking "and 408(d)(3)" and inserting "408(d)(3), and 457(e)(16)".

(11) Section 4973(b)(1)(A) is amended by striking "or 408(d)(3)" and inserting "408(d)(3), or 457(e)(16)".

(f) EFFECTIVE DATE; SPECIAL RULE.—

(1) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions after December 31, 2001.

(2) SPECIAL RULE.—Notwithstanding any other provision of law, subsections (h)(3) and (h)(5) of section 1122 of the Tax Reform Act of 1986 shall not apply to any distribution from an eligible retirement plan (as defined in clause (iii) or (iv) of section 402(c)(8)(B) of the Internal Revenue Code of 1986) on behalf of an individual if there was a rollover to such plan on behalf of such individual which is permitted solely by reason of any amendment made by this section.

### SEC. 642. ROLLOVERS OF IRAS INTO WORKPLACE RETIREMENT PLANS.

(a) IN GENERAL.—Subparagraph (A) of section 408(d)(3) (relating to rollover amounts) is amended by adding "or" at the end of clause (i), by striking clauses (ii) and (iii), and by adding at the end the following:

"(ii) the entire amount received (including money and any other property) is paid into an eligible retirement plan for the benefit of such individual not later than the 60th day after the date on which the payment or distribution is received, except that the maximum amount which may be paid into such plan may not exceed the portion of the amount received which is includible in gross income (determined without regard to this paragraph).

For purposes of clause (ii), the term 'eligible retirement plan' means an eligible retirement plan described in clause (iii), (iv), (v), or (vi) of section 402(c)(8)(B).".

(b) Conforming Amendments.—

(1) Paragraph (1) of section 403(b) is amended by striking "section 408(d)(3)(A)(iii)" and inserting "section 408(d)(3)(A)(ii)".

(2) Clause (i) of section 408(d)(3)(D) is amended by striking "(i), (ii), or (iii)" and inserting "(i) or (ii)".

(3) Subparagraph (G) of section 408(d)(3) is amended to read as follows:

"(G) Simple retirement accounts.—In the case of any payment or distribution out of a simple retirement account (as defined in subsection (p)) to which section 72(t)(6) applies, this paragraph shall not apply unless such payment or distribution is paid into another simple retirement account.".

(c) Effective Date; Special Rule.—

(1) Effective date.—The amendments made by this section shall apply to distributions after December 31, 2001.

(2) Special rule.—Notwithstanding any other provision of law, subsections (h)(3) and (h)(5) of section 1122 of the Tax Reform Act of 1986 shall not apply to any distribution from an eligible retirement plan (as defined in clause (iii) or (iv) of section 402(c)(8)(B) of the Internal Revenue Code of 1986) on behalf of an individual if there was a rollover to such plan on behalf of such individual which is permitted solely by reason of the amendments made by this section.

### SEC. 643. ROLLOVERS OF AFTER-TAX CONTRIBUTIONS.

(a) Rollovers From Exempt Trusts.—Paragraph (2) of section 402(c) (relating to maximum amount which may be rolled over) is amended by adding at the end the following: "The preceding sentence shall not apply to such distribution to the extent—

"(A) such portion is transferred in a direct trustee-to-trustee transfer to a qualified trust which is part of a plan which is a defined contribution plan and which agrees to separately account for amounts so transferred, including separately accounting for the portion of such distribution which is includible in gross income and the portion of such distribution which is not so includible, or

"(B) such portion is transferred to an eligible retirement plan described in clause (i) or (ii) of paragraph (8)(B).".

(b) Optional Direct Transfer of Eligible Rollover Distributions.—Subparagraph (B) of section 401(a)(31) (relating to limitation) is amended by adding at the end the following: "The preceding sentence shall not apply to such distribution if the plan to which such distribution is transferred—

"(i) agrees to separately account for amounts so transferred, including separately accounting for the portion of such distribution which is includible in gross income and the portion of such distribution which is not so includible, or

"(ii) is an eligible retirement plan described in clause (i) or (ii) of section 402(c)(8)(B).".

(c) Rules for Applying Section 72 to IRAs.—Paragraph (3) of section 408(d) (relating to special rules for applying section 72) is amended by inserting at the end the following:

"(H) Application of section 72.—

"(i) In general.—If—

"(I) a distribution is made from an individual retirement plan, and

"(II) a rollover contribution is made to an eligible retirement plan described in section 402(c)(8)(B)(iii), (iv), (v), or (vi) with respect to all or part of such distribution, then, notwithstanding paragraph (2), the rules of clause (ii) shall apply for purposes of applying section 72.

"(ii) Applicable rules.—In the case of a distribution described in clause (i)—

"(I) section 72 shall be applied separately to such distribution,

"(II) notwithstanding the pro rata allocation of income on, and investment in the contract, to distributions under section 72, the portion of such distribution rolled over to an eligible retirement plan described in clause (i) shall be treated as from income on the contract (to the extent of the aggregate income on the contract from all individual retirement plans of the distributee), and

"(III) appropriate adjustments shall be made in applying section 72 to other distributions in such taxable year and subsequent taxable years.".

(d) Effective Date.—The amendments made by this section shall apply to distributions made after December 31, 2001.

### SEC. 644. HARDSHIP EXCEPTION TO 60-DAY RULE.

(a) Exempt Trusts.—Paragraph (3) of section 402(c) (relating to transfer must be made within 60 days of receipt) is amended to read as follows:

"(3) Transfer must be made within 60 days of receipt.—

"(A) In general.—Except as provided in subparagraph (B), paragraph (1) shall not apply to any transfer of a distribution made after the 60th day following the day on which the distributee received the property distributed.

"(B) Hardship exception.—The Secretary may waive the 60-day requirement under subparagraph (A) where the failure to waive such requirement would be against equity or good conscience, including casualty, disaster, or other events beyond the reasonable control of the individual subject to such requirement.".

(b) IRAs.—Paragraph (3) of section 408(d) (relating to rollover contributions), as amended by section 333, is amended by adding after subparagraph (H) the following new subparagraph:

"(I) Waiver of 60-day requirement.—The Secretary may waive the 60-day requirement under subparagraphs (A) and (D) where the failure to waive such requirement would be against equity or good conscience, including casualty, disaster, or other events beyond the reasonable control of the individual subject to such requirement.".

(c) Effective Date.—The amendments made by this section shall apply to distributions after December 31, 2001.

### SEC. 645. TREATMENT OF FORMS OF DISTRIBUTION.

(a) Plan Transfers.—

(1) Amendment to internal revenue code of 1986.—Paragraph (6) of section 411(d) (relating to accrued benefit not to be decreased by amendment) is amended by adding at the end the following:

"(D) Plan transfers.—

"(i) A defined contribution plan (in this subparagraph referred to as the 'transferee plan') shall not be treated as failing to meet the requirements of this subsection merely because the transferee plan does not provide some or all of the forms of distribution previously available under another defined contribution plan (in this subparagraph referred to as the 'transferor plan') to the extent that—

"(I) the forms of distribution previously available under the transferor plan applied to the account of a participant or beneficiary under the transferor plan that was transferred from the transferor plan to the transferee plan pursuant to a direct transfer rather than pursuant to a distribution from the transferor plan,

"(II) the terms of both the transferor plan and the transferee plan authorize the transfer described in subclause (I),

"(III) the transfer described in subclause (I) was made pursuant to a voluntary election by the participant or beneficiary whose account was transferred to the transferee plan,

"(IV) the election described in subclause (III) was made after the participant or beneficiary received a notice describing the consequences of making the election,

"(V) if the transferor plan provides for an annuity as the normal form of distribution under the plan in accordance with section 417, the transfer is made with the consent of the participant's spouse (if any), and such consent meets requirements similar to the requirements imposed by section 417(a)(2), and

"(VI) the transferee plan allows the participant or beneficiary described in subclause (III) to receive any distribution to which the participant or beneficiary is entitled under the transferee plan in the form of a single sum distribution.

"(ii) Clause (i) shall apply to plan mergers and other transactions having the effect of a direct transfer, including consolidations of benefits attributable to different employers within a multiple employer plan.

"(E) Elimination of form of distribution.—Except to the extent provided in regulations, a defined contribution plan shall not be treated as failing to meet the requirements of this section merely because of the elimination of a form of distribution previously available thereunder. This subparagraph shall not apply to the elimination of a form of distribution with respect to any participant unless—

"(i) a single sum payment is available to such participant at the same time or times as the form of distribution being eliminated, and

"(ii) such single sum payment is based on the same or greater portion of the participant's account as the form of distribution being eliminated.".

(2) Amendment to ERISA.—Section 204(g) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1054(g)) is amended by adding at the end the following:

"(4)(A) A defined contribution plan (in this subparagraph referred to as the 'transferee plan') shall not be treated as failing to meet the requirements of this subsection merely because the transferee plan does not provide some or all of the forms of distribution previously available under another defined contribution plan (in this paragraph referred to as the 'transferor plan') to the extent that—

"(i) the forms of distribution previously available under the transferor plan applied to the account of a participant or beneficiary under the transferor plan that was transferred from the transferor plan to the transferee plan pursuant to a direct transfer rather than pursuant to a distribution from the transferor plan;

"(ii) the terms of both the transferor plan and the transferee plan authorize the transfer described in clause (i);

"(iii) the transfer described in clause (i) was made pursuant to a voluntary election by the participant or beneficiary whose account was transferred to the transferee plan;

"(iv) the election described in clause (iii) was made after the participant or beneficiary received a notice describing the consequences of making the election;

"(v) if the transferor plan provides for an annuity as the normal form of distribution under the plan in accordance with section 417, the transfer is made with the consent of the participant's spouse (if any), and such consent meets requirements similar to the requirements imposed by section 417(a)(2); and

"(vi) the transferee plan allows the participant or beneficiary described in subclause (III) to receive any distribution to which the participant or beneficiary is entitled under the transferee plan in the form of a single sum distribution.

"(B) Subparagraph (A) shall apply to plan mergers and other transactions having the effect of a direct transfer, including consolidations of benefits attributable to different employers within a multiple employer plan.

"(5) ELIMINATION OF FORM OF DISTRIBUTION.—Except to the extent provided in regulations, a defined contribution plan shall not be treated as failing to meet the requirements of this section merely because of the elimination of a form of distribution previously available thereunder. This paragraph shall not apply to the elimination of a form of distribution with respect to any participant unless—

"(A) a single sum payment is available to such participant at the same time or times as the form of distribution being eliminated; and

"(B) such single sum payment is based on the same or greater portion of the participant's account as the form of distribution being eliminated.".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to years beginning after December 31, 2001.

(b) REGULATIONS.—

(1) AMENDMENT TO INTERNAL REVENUE CODE OF 1986.—The last sentence of paragraph (6)(B) of section 411(d) (relating to accrued benefit not to be decreased by amendment) is amended to read as follows: "The Secretary may by regulations provide that this subparagraph shall not apply to any plan amendment that does not adversely affect the rights of participants in a material manner.".

(2) AMENDMENT TO ERISA.—The last sentence of section 204(g)(2) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1054(g)(2)) is amended to read as follows: "The Secretary of the Treasury may by regulations provide that this paragraph shall not apply to any plan amendment that does not adversely affect the rights of participants in a material manner.".

(3) SECRETARY DIRECTED.—Not later than December 31, 2001, the Secretary of the Treasury is directed to issue final regulations under section 411(d)(6) of the Internal Revenue Code of 1986 and section 204(g)(2) of the Employee Retirement Income Security Act of 1974. Such regulations shall apply to plan years beginning after December 31, 2001, or such earlier date as is specified by the Secretary of the Treasury.

### SEC. 646. RATIONALIZATION OF RESTRICTIONS ON DISTRIBUTIONS.

(a) MODIFICATION OF SAME DESK EXCEPTION.—

(1) SECTION 401(k).—

(A) Section 401(k)(2)(B)(i)(I) (relating to qualified cash or deferred arrangements) is amended by striking "separation from service" and inserting "severance from employment".

(B) Subparagraph (A) of section 401(k)(10) (relating to distributions upon termination of plan or disposition of assets or subsidiary) is amended to read as follows:

"(A) IN GENERAL.—An event described in this subparagraph is the termination of the plan without establishment or maintenance of another defined contribution plan (other than an employee stock ownership plan as defined in section 4975(e)(7)).".

(C) Section 401(k)(10) is amended—

(i) in subparagraph (B)—

(I) by striking "An event" in clause (i) and inserting "A termination", and

(II) by striking "the event" in clause (i) and inserting "the termination",

(ii) by striking subparagraph (C), and

(iii) by striking "OR DISPOSITION OF ASSETS OR SUBSIDIARY" in the heading.

(2) SECTION 403(b).—

(A) Paragraphs (7)(A)(ii) and (11)(A) of section 403(b) are each amended by striking "separates from service" and inserting "has a severance from employment".

(B) The heading for paragraph (11) of section 403(b) is amended by striking "SEPARATION FROM SERVICE" and inserting "SEVERANCE FROM EMPLOYMENT".

(3) SECTION 457.—Clause (ii) of section 457(d)(1)(A) is amended by striking "is separated from service" and inserting "has a severance from employment".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions after December 31, 2001.

### SEC. 647. PURCHASE OF SERVICE CREDIT IN GOVERNMENTAL DEFINED BENEFIT PLANS.

(a) 403(b) PLANS.—Subsection (b) of section 403 is amended by adding at the end the following new paragraph:

"(13) TRUSTEE-TO-TRUSTEE TRANSFERS TO PURCHASE PERMISSIVE SERVICE CREDIT.—No amount shall be includible in gross income by reason of a direct trustee-to-trustee transfer to a defined benefit governmental plan (as defined in section 414(d)) if such transfer is—

"(A) for the purchase of permissive service credit (as defined in section 415(n)(3)(A)) under such plan, or

"(B) a repayment to which section 415 does not apply by reason of subsection (k)(3) thereof.".

(b) 457 PLANS.—

(1) Subsection (e) of section 457 is amended by adding after paragraph (17) the following new paragraph:

"(18) TRUSTEE-TO-TRUSTEE TRANSFERS TO PURCHASE PERMISSIVE SERVICE CREDIT.—No amount shall be includible in gross income by reason of a direct trustee-to-trustee transfer to a defined benefit governmental plan (as defined in section 414(d)) if such transfer is—

"(A) for the purchase of permissive service credit (as defined in section 415(n)(3)(A)) under such plan, or

"(B) a repayment to which section 415 does not apply by reason of subsection (k)(3) thereof.".

(2) Section 457(b)(2) is amended by striking "(other than rollover amounts)" and inserting "(other than rollover amounts and amounts received in a transfer referred to in subsection (e)(16))".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to trustee-to-trustee transfers after December 31, 2001.

### SEC. 648. EMPLOYERS MAY DISREGARD ROLLOVERS FOR PURPOSES OF CASH-OUT AMOUNTS.

(a) QUALIFIED PLANS.—

(1) AMENDMENT TO INTERNAL REVENUE CODE OF 1986.—Section 411(a)(11) (relating to restrictions on certain mandatory distributions) is amended by adding at the end the following:

"(D) SPECIAL RULE FOR ROLLOVER CONTRIBUTIONS.—A plan shall not fail to meet the requirements of this paragraph if, under the terms of the plan, the present value of the nonforfeitable accrued benefit is determined without regard to that portion of such benefit which is attributable to rollover contributions (and earnings allocable thereto). For purposes of this subparagraph, the term 'rollover contributions' means any rollover contribution under sections 402(c), 403(a)(4), 403(b)(8), 408(d)(3)(A)(ii), and 457(e)(16).".

(2) AMENDMENT TO ERISA.—Section 203(e) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1053(c)) is amended by adding at the end the following:

"(4) A plan shall not fail to meet the requirements of this subsection if, under the terms of the plan, the present value of the nonforfeitable accrued benefit is determined without regard to that portion of such benefit which is attributable to rollover contributions (and earnings allocable thereto). For purposes of this subparagraph, the term 'rollover contributions' means any rollover contribution under sections 402(c), 403(a)(4), 403(b)(8), 408(d)(3)(A)(ii), and 457(e)(16) of the Internal Revenue Code of 1986.".

(b) ELIGIBLE DEFERRED COMPENSATION PLANS.—Clause (i) of section 457(e)(9)(A) is amended by striking "such amount" and inserting "the portion of such amount which is not attributable to rollover contributions (as defined in section 411(a)(11)(D))".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions after December 31, 2001.

### SEC. 649. INCLUSION REQUIREMENTS FOR SECTION 457 PLANS.

(a) YEAR OF INCLUSION.—Subsection (a) of section 457 (relating to year of inclusion in gross income) is amended to read as follows:

"(a) YEAR OF INCLUSION IN GROSS INCOME.—

"(1) IN GENERAL.—Any amount of compensation deferred under an eligible deferred compensation plan, and any income attributable to the amounts so deferred, shall be includible in gross income only for the taxable year in which such compensation or other income—

"(A) is paid to the participant or other beneficiary, in the case of a plan of an eligible employer described in subsection (e)(1)(A), and

"(B) is paid or otherwise made available to the participant or other beneficiary, in the case of a plan of an eligible employer described in subsection (e)(1)(B).

"(2) SPECIAL RULE FOR ROLLOVER AMOUNTS.—To the extent provided in section 72(t)(9), section 72(t) shall apply to any amount includible in gross income under this subsection.".

(b) CONFORMING AMENDMENT.—So much of paragraph (9) of section 457(e) as precedes subparagraph (A) is amended to read as follows:

"(9) BENEFITS OF TAX EXEMPT ORGANIZATION PLANS NOT TREATED AS MADE AVAILABLE BY REASON OF CERTAIN ELECTIONS, ETC.—In the case of an eligible deferred compensation plan of an employer described in paragraph (1)(B)—".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions after December 31, 2001.

## Subtitle E—Strengthening Pension Security and Enforcement

### SEC. 651. REPEAL OF 150 PERCENT OF CURRENT LIABILITY FUNDING LIMIT.

(a) AMENDMENT TO INTERNAL REVENUE CODE OF 1986.—Section 412(c)(7) (relating to full-funding limitation) is amended—

(1) by striking "the applicable percentage" in subparagraph (A)(i)(I) and inserting "in

the case of plan years beginning before January 1, 2004, the applicable percentage'', and

(2) by amending subparagraph (F) to read as follows:

''(F) APPLICABLE PERCENTAGE.—For purposes of subparagraph (A)(i)(I), the applicable percentage shall be determined in accordance with the following table:

| **''In the case of any plan year beginning in—** | **The applicable percentage is—** |
|---|---|
| 2001 | 160 |
| 2002 | 165 |
| 2003 | 170.''. |

(b) AMENDMENT TO ERISA.—Section 302(c)(7) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1082(c)(7)) is amended—

(1) by striking ''the applicable percentage'' in subparagraph (A)(i)(I) and inserting ''in the case of plan years beginning before January 1, 2004, the applicable percentage'', and

(2) by amending subparagraph (F) to read as follows:

''(F) APPLICABLE PERCENTAGE.—For purposes of subparagraph (A)(i)(I), the applicable percentage shall be determined in accordance with the following table:

| **''In the case of any plan year beginning in—** | **The applicable percentage is—** |
|---|---|
| 2001 | 160 |
| 2002 | 165 |
| 2003 | 170.''. |

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning after December 31, 2001.

### SEC. 652. EXTENSION OF MISSING PARTICIPANTS PROGRAM TO MULTIEMPLOYER PLANS.

(a) IN GENERAL.—Section 4050 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1350) is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following:

''(c) MULTIEMPLOYER PLANS.—The corporation shall prescribe rules similar to the rules in subsection (a) for multiemployer plans covered by this title that terminate under section 4041A.''.

(b) CONFORMING AMENDMENT.—Section 206(f) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1056(f)) is amended by striking ''the plan shall provide that,''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions made after final regulations implementing subsection (c) of section 4050 of the Employee Retirement Income Security Act of 1974 (as added by subsection (a)) are prescribed.

### SEC. 653. EXCISE TAX RELIEF FOR SOUND PENSION FUNDING.

(a) IN GENERAL.—Subsection (c) of section 4972 (relating to nondeductible contributions) is amended by adding at the end the following new paragraph:

''(7) DEFINED BENEFIT PLAN EXCEPTION.—In determining the amount of nondeductible contributions for any taxable year, an employer may elect for such year not to take into account any contributions to a defined benefit plan except to the extent that such contributions exceed the full-funding limitation (as defined in section 412(c)(7), determined without regard to subparagraph (A)(i)(I) thereof). For purposes of this paragraph, the deductible limits under section 404(a)(7) shall first be applied to amounts contributed to defined contribution plans and then to amounts described in this paragraph. If an employer makes an election under this paragraph for a taxable year, paragraph (6) shall not apply to such employer for such taxable year.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to years beginning after December 31, 2001.

### SEC. 654. EXCISE TAX ON FAILURE TO PROVIDE NOTICE BY DEFINED BENEFIT PLANS SIGNIFICANTLY REDUCING FUTURE BENEFIT ACCRUALS.

(a) AMENDMENT TO 1986 CODE.—Chapter 43 of subtitle D (relating to qualified pension, etc., plans) is amended by adding at the end the following new section:

### ''SEC. 4980F. FAILURE OF APPLICABLE PLANS REDUCING BENEFIT ACCRUALS TO SATISFY NOTICE REQUIREMENTS.

''(a) IMPOSITION OF TAX.—There is hereby imposed a tax on the failure of any applicable pension plan to meet the requirements of subsection (e) with respect to any applicable individual.

''(b) AMOUNT OF TAX.—

''(1) IN GENERAL.—The amount of the tax imposed by subsection (a) on any failure with respect to any applicable individual shall be $100 for each day in the noncompliance period with respect to such failure.

''(2) NONCOMPLIANCE PERIOD.—For purposes of this section, the term 'noncompliance period' means, with respect to any failure, the period beginning on the date the failure first occurs and ending on the date the failure is corrected.

''(c) LIMITATIONS ON AMOUNT OF TAX.—

''(1) OVERALL LIMITATION FOR UNINTENTIONAL FAILURES.—In the case of failures that are due to reasonable cause and not to willful neglect, the tax imposed by subsection (a) for failures during the taxable year of the employer (or, in the case of a multiemployer plan, the taxable year of the trust forming part of the plan) shall not exceed $500,000. For purposes of the preceding sentence, all multiemployer plans of which the same trust forms a part shall be treated as one plan. For purposes of this paragraph, if not all persons who are treated as a single employer for purposes of this section have the same taxable year, the taxable years taken into account shall be determined under principles similar to the principles of section 1561.

''(2) WAIVER BY SECRETARY.—In the case of a failure which is due to reasonable cause and not to willful neglect, the Secretary may waive part or all of the tax imposed by subsection (a) to the extent that the payment of such tax would be excessive relative to the failure involved.

''(d) LIABILITY FOR TAX.—The following shall be liable for the tax imposed by subsection (a):

''(1) In the case of a plan other than a multiemployer plan, the employer.

''(2) In the case of a multiemployer plan, the plan.

''(e) NOTICE REQUIREMENTS FOR PLANS SIGNIFICANTLY REDUCING BENEFIT ACCRUALS.—

''(1) IN GENERAL.—If an applicable pension plan is amended to provide for a significant reduction in the rate of future benefit accrual, the plan administrator shall provide written notice to each applicable individual (and to each employee organization representing applicable individuals).

''(2) NOTICE.—The notice required by paragraph (1) shall be written in a manner calculated to be understood by the average plan participant and shall provide sufficient information (as determined in accordance with regulations prescribed by the Secretary) to allow applicable individuals to understand the effect of the plan amendment.

''(3) TIMING OF NOTICE.—Except as provided in regulations, the notice required by paragraph (1) shall be provided within a reasonable time before the effective date of the plan amendment.

''(4) DESIGNEES.—Any notice under paragraph (1) may be provided to a person designated, in writing, by the person to which it would otherwise be provided.

''(5) NOTICE BEFORE ADOPTION OF AMENDMENT.—A plan shall not be treated as failing to meet the requirements of paragraph (1) merely because notice is provided before the adoption of the plan amendment if no material modification of the amendment occurs before the amendment is adopted.

''(f) APPLICABLE INDIVIDUAL; APPLICABLE PENSION PLAN.—For purposes of this section—

''(1) APPLICABLE INDIVIDUAL.—The term 'applicable individual' means, with respect to any plan amendment—

''(A) any participant in the plan, and

''(B) any beneficiary who is an alternate payee (within the meaning of section 414(p)(8)) under an applicable qualified domestic relations order (within the meaning of section 414(p)(1)(A)),

who may reasonably be expected to be affected by such plan amendment.

''(2) APPLICABLE PENSION PLAN.—The term 'applicable pension plan' means—

''(A) any defined benefit plan, or

''(B) an individual account plan which is subject to the funding standards of section 412,

which had 100 or more participants who had accrued a benefit, or with respect to whom contributions were made, under the plan (whether or not vested) as of the last day of the plan year preceding the plan year in which the plan amendment becomes effective. Such term shall not include a governmental plan (within the meaning of section 414(d)) or a church plan (within the meaning of section 414(e)) with respect to which the election provided by section 410(d) has not been made.''.

(b) AMENDMENT TO ERISA.—Section 204(h) of the Employee Retirement Income Security Act or 1974 (29 U.S.C. 1054(h)) is amended by adding at the end the following new paragraph:

''(3)(A) A plan to which paragraph (1) applies shall not be treated as meeting the requirements of such paragraph unless, in addition to any notice required to be provided to an individual or organization under such paragraph, the plan administrator provides the notice described in subparagraph (B).

''(B) The notice required by subparagraph (A) shall be written in a manner calculated to be understood by the average plan participant and shall provide sufficient information (as determined in accordance with regulations prescribed by the Secretary of the Treasury) to allow individuals to understand the effect of the plan amendment.

''(C) Except as provided in regulations prescribed by the Secretary of the Treasury, the notice required by subparagraph (A) shall be provided within a reasonable time before the effective date of the plan amendment.

''(D) A plan shall not be treated as failing to meet the requirements of subparagraph (A) merely because notice is provided before the adoption of the plan amendment if no material modification of the amendment occurs before the amendment is adopted.''.

(c) CLERICAL AMENDMENT.—The table of sections for chapter 43 of subtitle D is amended by adding at the end the following new item:

''Sec. 4980F. Failure of applicable plans reducing benefit accruals to satisfy notice requirements.''.

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall apply to plan amendments taking effect on or after the date of the enactment of this Act.

(2) TRANSITION.—Until such time as the Secretary of the Treasury issues regulations under sections 4980F(e)(2) and (3) of the Internal Revenue Code of 1986 and section 204(h)(3) of the Employee Retirement Income Security Act of 1974 (as added by the amendments made by this section), a plan shall be treated as meeting the requirements of such sections if it makes a good faith effort to comply with such requirements.

(3) SPECIAL RULE.—The period for providing any notice required by the amendments made by this section shall not end before the date which is 3 months after the date of the enactment of this Act.

### SEC. 655. PROTECTION OF INVESTMENT OF EMPLOYEE CONTRIBUTIONS TO 401(K) PLANS.

(a) IN GENERAL.—Section 1524(b) of the Taxpayer Relief Act of 1997 is amended to read as follows:

"(b) EFFECTIVE DATE.—

"(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to elective deferrals for plan years beginning after December 31, 2001.

"(2) NONAPPLICATION TO PREVIOUSLY ACQUIRED PROPERTY.—The amendments made by this section shall not apply to any elective deferral used to acquire an interest in the income or gain from employer securities or employer real property acquired—

"(A) before January 1, 2002, or

"(B) after such date pursuant to a written contract which was binding on such date and at all times thereafter on such plan.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply as if included in the provision of the Taxpayer Relief Act of 1997 to which it relates.

### SEC. 656. TREATMENT OF MULTIEMPLOYER PLANS UNDER SECTION 415.

(a) COMPENSATION LIMIT.—Paragraph (11) of section 415(b) (relating to limitation for defined benefit plans) is amended to read as follows:

"(11) SPECIAL LIMITATION RULE FOR GOVERNMENTAL AND MULTIEMPLOYER PLANS.—In the case of a governmental plan (as defined in section 414(d)) or a multiemployer plan (as defined in section 414(f)), subparagraph (B) of paragraph (1) shall not apply.".

(b) COMBINING AND AGGREGATION OF PLANS.—

(1) COMBINING OF PLANS.—Subsection (f) of section 415 (relating to combining of plans) is amended by adding at the end the following:

"(3) EXCEPTION FOR MULTIEMPLOYER PLANS.—Notwithstanding paragraph (1) and subsection (g), a multiemployer plan (as defined in section 414(f)) shall not be combined or aggregated with any other plan maintained by an employer for purposes of applying the limitations established in this section. The preceding sentence shall not apply for purposes of applying subsection (b)(1)(A) to a plan which is not a multiemployer plan.".

(2) CONFORMING AMENDMENT FOR AGGREGATION OF PLANS.—Subsection (g) of section 415 (relating to aggregation of plans) is amended by striking "The Secretary" and inserting "Except as provided in subsection (f)(3), the Secretary".

(c) APPLICATION OF SPECIAL EARLY RETIREMENT RULES.—Section 415(b)(2)(F) (relating to plans maintained by governments and tax-exempt organizations) is amended—

(1) by inserting "a multiemployer plan (within the meaning of section 414(f))," after "section 414(d)),", and

(2) by striking the heading and inserting:

"(F) SPECIAL EARLY RETIREMENT RULES FOR CERTAIN PLANS.—".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to years beginning after December 31, 2001.

### SEC. 657. MAXIMUM CONTRIBUTION DEDUCTION RULES MODIFIED AND APPLIED TO ALL DEFINED BENEFIT PLANS.

(a) IN GENERAL.—Subparagraph (D) of section 404(a)(1) (relating to special rule in case of certain plans) is amended to read as follows:

"(D) SPECIAL RULE IN CASE OF CERTAIN PLANS.—

"(i) IN GENERAL.—In the case of any defined benefit plan, except as provided in regulations, the maximum amount deductible under the limitations of this paragraph shall not be less than the unfunded termination liability (determined as if the proposed termination date referred to in section 4041(b)(2)(A)(i)(II) of the Employee Retirement Income Security Act of 1974 were the last day of the plan year).

"(ii) PLANS WITH LESS THAN 100 PARTICIPANTS.—For purposes of this subparagraph, in the case of a plan which has less than 100 participants for the plan year, termination liability shall not include the liability attributable to benefit increases for highly compensated employees (as defined in section 414(q)) resulting from a plan amendment which is made or becomes effective, whichever is later, within the last 2 years before the termination date.

"(iii) RULE FOR DETERMINING NUMBER OF PARTICIPANTS.—For purposes of determining whether a plan has more than 100 participants, all defined benefit plans maintained by the same employer (or any member of such employer's controlled group (within the meaning of section 412(l)(8)(C))) shall be treated as 1 plan, but only employees of such member or employer shall be taken into account.

"(iv) PLANS ESTABLISHED AND MAINTAIN BY PROFESSIONAL SERVICE EMPLOYERS.—Clause (i) shall not apply to a plan described in section 4021(b)(13) of the Employee Retirement Income Security Act of 1974.".

(b) CONFORMING AMENDMENT.—Paragraph (6) of section 4972(c) is amended to read as follows:

"(6) EXCEPTIONS.—In determining the amount of nondeductible contributions for any taxable year, there shall not be taken into account so much of the contributions to 1 or more defined contribution plans which are not deductible when contributed solely because of section 404(a)(7) as does not exceed the greater of—

"(A) the amount of contributions not in excess of 6 percent of compensation (within the meaning of section 404(a)) paid or accrued (during the taxable year for which the contributions were made) to beneficiaries under the plans, or

"(B) the sum of—

"(i) the amount of contributions described in section 401(m)(4)(A), plus

"(ii) the amount of contributions described in section 402(g)(3)(A).

For purposes of this paragraph, the deductible limits under section 404(a)(7) shall first be applied to amounts contributed to a defined benefit plan and then to amounts described in subparagraph (B).".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning after December 31, 2001.

### SEC. 658. INCREASE IN SECTION 415 EARLY RETIREMENT LIMIT FOR GOVERNMENTAL AND OTHER PLANS.

(a) IN GENERAL.—Subclause (II) of section 415(b)(2)(F)(i), as amended by section 346(c), is amended—

(1) by striking "$75,000" and inserting "80 percent of the dollar amount in effect under paragraph (1)(A)", and

(2) by striking "the $75,000 limitation" and inserting "80 percent of such dollar amount".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to years beginning after December 31, 2001.

## Subtitle F—Encouraging Retirement Education

### SEC. 661. PERIODIC PENSION BENEFITS STATEMENTS.

(a) IN GENERAL.—Section 105(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1025 (a)) is amended to read as follows:

"(a)(1) Except as provided in paragraph (2)—

"(A) the administrator of an individual account plan shall furnish a pension benefit statement—

"(i) to a plan participant at least once annually, and

"(ii) to a plan beneficiary upon written request, and

"(B) the administrator of a defined benefit plan shall furnish a pension benefit statement—

"(i) at least once every 3 years to each participant with a nonforfeitable accrued benefit who is employed by the employer maintaining the plan at the time the statement is furnished to participants, and

"(ii) to a participant or beneficiary of the plan upon written request.

"(2) Notwithstanding paragraph (1), the administrator of a plan to which more than 1 unaffiliated employer is required to contribute shall only be required to furnish a pension benefit statement under paragraph (1) upon the written request of a participant or beneficiary of the plan.

"(3) A pension benefit statement under paragraph (1)—

"(A) shall indicate, on the basis of the latest available information—

"(i) the total benefits accrued, and

"(ii) the nonforfeitable pension benefits, if any, which have accrued, or the earliest date on which benefits will become nonforfeitable,

"(B) shall be written in a manner calculated to be understood by the average plan participant, and

"(C) may be provided in written, electronic, telephonic, or other appropriate form.

"(4) In the case of a defined benefit plan, the requirements of paragraph (1)(B)(i) shall be treated as met with respect to a participant if the administrator provides the participant at least once each year with notice of the availability of the pension benefit statement and the ways in which the participant may obtain such statement. Such notice shall be provided in written, electronic, telephonic, or other appropriate form, and may be included with other communications to the participant if done in a manner reasonably designed to attract the attention of the participant.".

(b) CONFORMING AMENDMENTS.—

(1) Section 105 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1025) is amended by striking subsection (d).

(2) Section 105(b) of such Act (29 U.S.C. 1025(b)) is amended to read as follows:

"(b) In no case shall a participant or beneficiary of a plan be entitled to more than one statement described in subsection (a)(1)(A) or (a)(1)(B)(ii), whichever is applicable, in any 12-month period.".

(c) Effective Date.—The amendments made by this section shall apply to plan years beginning after December 31, 2001.

### SEC. 662. CLARIFICATION OF TREATMENT OF EMPLOYER-PROVIDED RETIREMENT ADVICE.

(a) In General.—Subsection (a) of section 132 (relating to exclusion from gross income) is amended by striking "or" at the end of paragraph (5), by striking the period at the end of paragraph (6) and inserting ", or", and by adding at the end the following new paragraph:

"(7) qualified retirement planning services.".

(b) Qualified Retirement Planning Services Defined.—Section 132 is amended by redesignating subsection (m) as subsection (n) and by inserting after subsection (l) the following:

"(m) Qualified Retirement Planning Services.—

"(1) In general.—For purposes of this section, the term 'qualified retirement planning services' means any retirement planning service provided to an employee and his spouse by an employer maintaining a qualified employer plan.

"(2) Nondiscrimination rule.—Subsection (a)(7) shall apply in the case of highly compensated employees only if such services are available on substantially the same terms to each member of the group of employees normally provided education and information regarding the employer's qualified employer plan.

"(3) Qualified employer plan.—For purposes of this subsection, the term 'qualified employer plan' means a plan, contract, pension, or account described in section 219(g)(5).".

(c) Effective Date.—The amendments made by this section shall apply to years beginning after December 31, 2001.

## Subtitle G—Reducing Regulatory Burdens

### SEC. 671. FLEXIBILITY IN NONDISCRIMINATION AND COVERAGE RULES.

(a) Nondiscrimination.—

(1) In general.—The Secretary of the Treasury shall, by regulation, provide that a plan shall be deemed to satisfy the requirements of section 401(a)(4) of the Internal Revenue Code of 1986 if such plan satisfies the facts and circumstances test under section 401(a)(4) of such Code, as in effect before January 1, 1994, but only if—

(A) the plan satisfies conditions prescribed by the Secretary to appropriately limit the availability of such test, and

(B) the plan is submitted to the Secretary for a determination of whether it satisfies such test.

Subparagraph (B) shall only apply to the extent provided by the Secretary.

(2) Effective dates.—

(A) Regulations.—The regulation required by subsection (a) shall apply to years beginning after December 31, 2001.

(B) Conditions of availability.—Any condition of availability prescribed by the Secretary under paragraph (1)(A) shall not apply before the first year beginning not less than 120 days after the date on which such condition is prescribed.

(b) Coverage Test.—

(1) In general.—Section 410(b)(1) (relating to minimum coverage requirements) is amended by adding at the end the following:

"(D) In the case that the plan fails to meet the requirements of subparagraphs (A), (B) and (C), the plan—

"(i) satisfies subparagraph (B), as in effect immediately before the enactment of the Tax Reform Act of 1986,

"(ii) is submitted to the Secretary for a determination of whether it satisfies the requirement described in clause (i), and

"(iii) satisfies conditions prescribed by the Secretary by regulation that appropriately limit the availability of this subparagraph.

Clause (ii) shall apply only to the extent provided by the Secretary.".

(2) Effective dates.—

(A) In general.—The amendment made by subsection (a) shall apply to years beginning after December 31, 2001.

(B) Conditions of availability.—Any condition of availability prescribed by the Secretary under regulations prescribed by the Secretary under section 410(b)(1)(D) of the Internal Revenue Code of 1986 shall not apply before the first year beginning not less than 120 days after the date on which such condition is prescribed.

### SEC. 672. MODIFICATION OF TIMING OF PLAN VALUATIONS.

(a) In General.—Section 412(c)(9) (relating to annual valuation) is amended—

(1) by striking "For purposes" and inserting the following:

"(A) In general.—For purposes", and

(2) by adding at the end the following:

"(B) Election to use prior year valuation.—

"(i) In general.—Except as provided in clause (ii), if, for any plan year—

"(I) an election is in effect under this subparagraph with respect to a plan, and

"(II) the assets of the plan are not less than 125 percent of the plan's current liability (as defined in paragraph (7)(B)), determined as of the valuation date for the preceding plan year,

then this section shall be applied using the information available as of such valuation date.

"(ii) Exceptions.—

"(I) Actual valuation every 3 years.—Clause (i) shall not apply for more than 2 consecutive plan years and valuation shall be under subparagraph (A) with respect to any plan year to which clause (i) does not apply by reason of this subclause.

"(II) Regulations.—Clause (i) shall not apply to the extent that more frequent valuations are required under the regulations under subparagraph (A).

"(iii) Adjustments.—Information under clause (i) shall, in accordance with regulations, be actuarially adjusted to reflect significant differences in participants.

"(iv) Election.—An election under this subparagraph, once made, shall be irrevocable without the consent of the Secretary.".

(b) Amendments to ERISA.—Paragraph (9) of section 302(c) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1053(c)) is amended—

(1) by inserting "(A)" after "(9)", and

(2) by adding at the end the following:

"(B)(i) Except as provided in clause (ii), if, for any plan year—

"(I) an election is in effect under this subparagraph with respect to a plan, and

"(II) the assets of the plan are not less than 125 percent of the plan's current liability (as defined in paragraph (7)(B)), determined as of the valuation date for the preceding plan year,

then this section shall be applied using the information available as of such valuation date.

"(ii)(I) Clause (i) shall not apply for more than 2 consecutive plan years and valuation shall be under subparagraph (A) with respect to any plan year to which clause (i) does not apply by reason of this subclause.

"(II) Clause (i) shall not apply to the extent that more frequent valuations are required under the regulations under subparagraph (A).

"(iii) Information under clause (i) shall, in accordance with regulations, be actuarially adjusted to reflect significant differences in participants.

"(iv) An election under this subparagraph, once made, shall be irrevocable without the consent of the Secretary of the Treasury.".

(c) Effective Date.—The amendments made by this section shall apply to plan years beginning after December 31, 2001.

### SEC. 673. SUBSTANTIAL OWNER BENEFITS IN TERMINATED PLANS.

(a) Modification of Phase-In of Guarantee.—Section 4022(b)(5) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1322(b)(5)) is amended to read as follows:

"(5)(A) For purposes of this paragraph, the term 'majority owner' means an individual who, at any time during the 60-month period ending on the date the determination is being made—

"(i) owns the entire interest in an unincorporated trade or business,

"(ii) in the case of a partnership, is a partner who owns, directly or indirectly, 50 percent or more of either the capital interest or the profits interest in such partnership, or

"(iii) in the case of a corporation, owns, directly or indirectly, 50 percent or more in value of either the voting stock of that corporation or all the stock of that corporation.

For purposes of clause (iii), the constructive ownership rules of section 1563(e) of the Internal Revenue Code of 1986 shall apply (determined without regard to section 1563(e)(3)(C)).

"(B) In the case of a participant who is a majority owner, the amount of benefits guaranteed under this section shall equal the product of—

"(i) a fraction (not to exceed 1) the numerator of which is the number of years from the later of the effective date or the adoption date of the plan to the termination date, and the denominator of which is 10, and

"(ii) the amount of benefits that would be guaranteed under this section if the participant were not a majority owner.".

(b) Modification of Allocation of Assets.—

(1) Section 4044(a)(4)(B) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1344(a)(4)(B)) is amended by striking "section 4022(b)(5)" and inserting "section 4022(b)(5)(B)".

(2) Section 4044(b) of such Act (29 U.S.C. 1344(b)) is amended—

(A) by striking "(5)" in paragraph (2) and inserting "(4), (5),", and

(B) by redesignating paragraphs (3) through (6) as paragraphs (4) through (7), respectively, and by inserting after paragraph (2) the following:

"(3) If assets available for allocation under paragraph (4) of subsection (a) are insufficient to satisfy in full the benefits of all individuals who are described in that paragraph, the assets shall be allocated first to benefits described in subparagraph (A) of that paragraph. Any remaining assets shall then be allocated to benefits described in subparagraph (B) of that paragraph. If assets allocated to such subparagraph (B) are insufficient to satisfy in full the benefits described in that subparagraph, the assets shall be allocated pro rata among individuals on the basis of the present value (as of the termination date) of their respective benefits described in that subparagraph.".

(c) Conforming Amendments.—

(1) Section 4021 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1321) is amended—

(A) in subsection (b)(9), by striking "as defined in section 4022(b)(6)", and

(B) by adding at the end the following:

"(d) For purposes of subsection (b)(9), the term 'substantial owner' means an individual who, at any time during the 60-month period ending on the date the determination is being made—

"(1) owns the entire interest in an unincorporated trade or business,

"(2) in the case of a partnership, is a partner who owns, directly or indirectly, more than 10 percent of either the capital interest or the profits interest in such partnership, or

"(3) in the case of a corporation, owns, directly or indirectly, more than 10 percent in value of either the voting stock of that corporation or all the stock of that corporation. For purposes of paragraph (3), the constructive ownership rules of section 1563(e) of the Internal Revenue Code of 1986 shall apply (determined without regard to section 1563(e)(3)(C)).".

(2) Section 4043(c)(7) of such Act (29 U.S.C. 1343(c)(7)) is amended by striking "section 4022(b)(6)" and inserting "section 4021(d)".

(d) Effective Dates.—

(1) In general.—Except as provided in paragraph (2), the amendments made by this section shall apply to plan terminations—

(A) under section 4041(c) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1341(c)) with respect to which notices of intent to terminate are provided under section 4041(a)(2) of such Act (29 U.S.C. 1341(a)(2)) after December 31, 2001, and

(B) under section 4042 of such Act (29 U.S.C. 1342) with respect to which proceedings are instituted by the corporation after such date.

(2) Conforming amendments.—The amendments made by subsection (c) shall take effect on the date of enactment of this Act.

### SEC. 674. ESOP DIVIDENDS MAY BE REINVESTED WITHOUT LOSS OF DIVIDEND DEDUCTION.

(a) In General.—Section 404(k)(2)(A) (defining applicable dividends) is amended by striking "or" at the end of clause (ii), by redesignating clause (iii) as clause (iv), and by inserting after clause (ii) the following new clause:

"(iii) is, at the election of such participants or their beneficiaries—

"(I) payable as provided in clause (i) or (ii), or

"(II) paid to the plan and reinvested in qualifying employer securities, or".

(b) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

### SEC. 675. NOTICE AND CONSENT PERIOD REGARDING DISTRIBUTIONS.

(a) Expansion of Period.—

(1) In general.—

(A) Amendment of internal revenue code of 1986.—Subparagraph (A) of section 417(a)(6) is amended by striking "90-day" and inserting "1-year".

(B) Amendment to erisa.—Subparagraph (A) of section 205(c)(7) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1055(c)(7)) is amended by striking "90-day" and inserting "1-year".

(2) Modification of regulations.—The Secretary of the Treasury shall modify the regulations under sections 402(f), 411(a)(11), and 417 of the Internal Revenue Code of 1986 to substitute "1-year" for "90 days" each place it appears in Treasury Regulations sections 1.402(f)–1, 1.411(a)–11(c), and 1.417(e)–1(b).

(3) Effective date.—The amendments made by paragraph (1) and the modifications required by paragraph (2) shall apply to years beginning after December 31, 2001.

(b) Consent Regulation Inapplicable to Certain Distributions.—

(1) In general.—The Secretary of the Treasury shall modify the regulations under section 411(a)(11) of the Internal Revenue Code of 1986 to provide that the description of a participant's right, if any, to defer receipt of a distribution shall also describe the consequences of failing to defer such receipt.

(2) Effective date.—The modifications required by paragraph (1) shall apply to years beginning after December 31, 2001.

### SEC. 676. REPEAL OF TRANSITION RULE RELATING TO CERTAIN HIGHLY COMPENSATED EMPLOYEES.

(a) In General.—Paragraph (4) of section 1114(c) of the Tax Reform Act of 1986 is hereby repealed.

(b) Effective Date.—The repeal made by subsection (a) shall apply to plan years beginning after December 31, 1999.

### SEC. 677. EMPLOYEES OF TAX-EXEMPT ENTITIES.

(a) In General.—The Secretary of the Treasury shall modify Treasury Regulations section 1.410(b)–6(g) to provide that employees of an organization described in section 403(b)(1)(A)(i) of the Internal Revenue Code of 1986 who are eligible to make contributions under section 403(b) of such Code pursuant to a salary reduction agreement may be treated as excludable with respect to a plan under section 401 (k) or (m) of such Code that is provided under the same general arrangement as a plan under such section 401(k), if—

(1) no employee of an organization described in section 403(b)(1)(A)(i) of such Code is eligible to participate in such section 401(k) plan or section 401(m) plan, and

(2) 95 percent of the employees who are not employees of an organization described in section 403(b)(1)(A)(i) of such Code are eligible to participate in such plan under such section 401 (k) or (m).

(b) Effective Date.—The modification required by subsection (a) shall apply as of the same date set forth in section 1426(b) of the Small Business Job Protection Act of 1996.

### SEC. 678. EXTENSION TO INTERNATIONAL ORGANIZATIONS OF MORATORIUM ON APPLICATION OF CERTAIN NONDISCRIMINATION RULES APPLICABLE TO STATE AND LOCAL PLANS.

(a) In General.—Subparagraph (G) of section 401(a)(5), subparagraph (H) of section 401(a)(26), subparagraph (G) of section 401(k)(3), and paragraph (2) of section 1505(d) of the Taxpayer Relief Act of 1997 are each amended by inserting "or by an international organization which is described in section 414(d)" after "or instrumentality thereof)".

(b) Conforming Amendments.—

(1) The headings for subparagraph (G) of section 401(a)(5) and subparagraph (H) of section 401(a)(26) are each amended by inserting "AND INTERNATIONAL ORGANIZATION" after "GOVERNMENTAL".

(2) Subparagraph (G) of section 401(k)(3) is amended by inserting "State and local governmental and international organization plans.—" after "(G)".

(c) Effective Date.—The amendments made by this section shall apply to years beginning after December 31, 2001.

### SEC. 679. ANNUAL REPORT DISSEMINATION.

(a) In General.—Section 104(b)(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1024(b)(3)) is amended by striking "shall furnish" and inserting "shall make available for examination (and, upon request, shall furnish)".

(b) Effective Date.—The amendment made by this section shall apply to reports for years beginning after December 31, 2001.

### SEC. 681. REPORTING SIMPLIFICATION.

(a) Simplified Annual Filing Requirement for Owners and Their Spouses.—

(1) In general.—The Secretary of the Treasury shall modify the requirements for filing annual returns with respect to one-participant retirement plans to ensure that such plans with assets of $500,000 or less as of the close of the plan year need not file a return for that year.

(2) One-participant retirement plan defined.—For purposes of this subsection, the term "one-participant retirement plan" means a retirement plan that—

(A) on the first day of the plan year—

(i) covered only the employer (and the employer's spouse) and the employer owned the entire business (whether or not incorporated), or

(ii) covered only one or more partners (and their spouses) in a business partnership (including partners in an S or C corporation),

(B) meets the minimum coverage requirements of section 410(b) of the Internal Revenue Code of 1986 without being combined with any other plan of the business that covers the employees of the business,

(C) does not provide benefits to anyone except the employer (and the employer's spouse) or the partners (and their spouses),

(D) does not cover a business that is a member of an affiliated service group, a controlled group of corporations, or a group of businesses under common control, and

(E) does not cover a business that leases employees.

(3) Other definitions.—Terms used in paragraph (2) which are also used in section 414 of the Internal Revenue Code of 1986 shall have the respective meanings given such terms by such section.

(b) Simplified Annual Filing Requirement for Plans With Fewer Than 25 Employees.—In the case of a retirement plan which covers less than 25 employees on the 1st day of the plan year and meets the requirements described in subparagraphs (B), (D), and (E) of subsection (a)(2), the Secretary of the Treasury shall provide for the filing of a simplified annual return that is substantially similar to the annual return required to be filed by a one-participant retirement plan.

(c) Effective Date.—The provisions of this section shall take effect on January 1, 2001.

### SEC. 682. REPEAL OF THE MULTIPLE USE TEST.

(a) In General.—Paragraph (9) of section 401(m) is amended to read as follows:

"(9) Regulations.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this subsection and subsection (k), including regulations permitting appropriate aggregation of plans and contributions.".

(b) Effective Date.—The amendment made by this section shall apply to years beginning after December 31, 2001.

## Subtitle H—Plan Amendments

### SEC. 691. PROVISIONS RELATING TO PLAN AMENDMENTS.

(a) In General.—If this section applies to any plan or contract amendment—

(1) such plan or contract shall be treated as being operated in accordance with the terms of the plan during the period described in subsection (b)(2)(A), and

(2) such plan shall not fail to meet the requirements of section 411(d)(6) of the Internal Revenue Code of 1986 by reason of such amendment.

(b) AMENDMENTS TO WHICH SECTION APPLIES.—

(1) IN GENERAL.—This section shall apply to any amendment to any plan or annuity contract which is made—

(A) pursuant to any amendment made by this title, or pursuant to any regulation issued under this title, and

(B) on or before the last day of the first plan year beginning on or after January 1, 2003.

In the case of a government plan (as defined in section 414(d) of the Internal Revenue Code of 1986), this paragraph shall be applied by substituting "2005" for "2003".

(2) CONDITIONS.—This section shall not apply to any amendment unless—

(A) during the period—

(i) beginning on the date the legislative or regulatory amendment described in paragraph (1)(A) takes effect (or in the case of a plan or contract amendment not required by such legislative or regulatory amendment, the effective date specified by the plan), and

(ii) ending on the date described in paragraph (1)(B) (or, if earlier, the date the plan or contract amendment is adopted),

the plan or contract is operated as if such plan or contract amendment were in effect, and

(B) such plan or contract amendment applies retroactively for such period.

## LOTT AMENDMENT NO. 3842

Mr. GRAMM (for Mr. LOTT) proposed an amendment to the bill, H.R. 8, supra; as follows:

At the end of the bill, add the following:

### TITLE VI—MISCELLANEOUS PROVISIONS

### SEC. 601. MODIFICATIONS TO EDUCATION INDIVIDUAL RETIREMENT ACCOUNTS.

(a) MAXIMUM ANNUAL CONTRIBUTIONS.—

(1) IN GENERAL.—Section 530(b)(1)(A)(iii) (defining education individual retirement account) is amended by striking "$500" and inserting "the contribution limit for such taxable year".

(2) CONTRIBUTION LIMIT.—Section 530(b) (relating to definitions and special rules) is amended by adding at the end the following new paragraph:

"(4) CONTRIBUTION LIMIT.—The term 'contribution limit' means $500 ($2,000 in the case of any taxable year beginning after December 31, 1999, and ending before January 1, 2004)."

(3) CONFORMING AMENDMENT.—Section 4973(e)(1)(A) is amended by striking "$500" and inserting "the contribution limit (as defined in section 530(b)(4)) for such taxable year".

(b) TAX-FREE EXPENDITURES FOR ELEMENTARY AND SECONDARY SCHOOL EXPENSES.—

(1) IN GENERAL.—Section 530(b)(2) (defining qualified higher education expenses) is amended to read as follows:

"(2) QUALIFIED EDUCATION EXPENSES.—

"(A) IN GENERAL.—The term 'qualified education expenses' means—

"(i) qualified higher education expenses (as defined in section 529(e)(3)), and

"(ii) qualified elementary and secondary education expenses (as defined in paragraph (5)).

Such expenses shall be reduced as provided in section 25A(g)(2).

"(B) QUALIFIED STATE TUITION PROGRAMS.—Such term shall include any contribution to a qualified State tuition program (as defined in section 529(b)) on behalf of the designated beneficiary (as defined in section 529(e)(1)); but there shall be no increase in the investment in the contract for purposes of applying section 72 by reason of any portion of such contribution which is not includible in gross income by reason of subsection (d)(2)."

(2) QUALIFIED ELEMENTARY AND SECONDARY EDUCATION EXPENSES.—Section 530(b) (relating to definitions and special rules), as amended by subsection (a)(2), is amended by adding at the end the following new paragraph:

"(5) QUALIFIED ELEMENTARY AND SECONDARY EDUCATION EXPENSES.—

"(A) IN GENERAL.—The term 'qualified elementary and secondary education expenses' means—

"(i) expenses for tuition, fees, academic tutoring, special needs services, books, supplies, computer equipment (including related software and services), and other equipment which are incurred in connection with the enrollment or attendance of the designated beneficiary of the trust as an elementary or secondary school student at a public, private, or religious school, and

"(ii) expenses for room and board, uniforms, transportation, and supplementary items and services (including extended day programs) which are required or provided by a public, private, or religious school in connection with such enrollment or attendance.

"(B) SPECIAL RULE FOR HOMESCHOOLING.—Such term shall include expenses described in subparagraph (A)(i) in connection with education provided by homeschooling if the requirements of any applicable State or local law are met with respect to such education.

"(C) SCHOOL.—The term 'school' means any school which provides elementary education or secondary education (kindergarten through grade 12), as determined under State law."

(3) SPECIAL RULES FOR APPLYING EXCLUSION TO ELEMENTARY AND SECONDARY EXPENSES.—Section 530(d)(2) (relating to distributions for qualified higher education expenses) is amended by adding at the end the following new subparagraph:

"(E) SPECIAL RULES FOR ELEMENTARY AND SECONDARY EXPENSES.—

"(i) IN GENERAL.—The aggregate amount of qualified elementary and secondary education expenses taken into account for purposes of this paragraph with respect to any education individual retirement account for all taxable years shall not exceed the sum of the aggregate contributions to such account for taxable years beginning after December 31, 1999, and before January 1, 2004, and earnings on such contributions.

"(ii) SPECIAL OPERATING RULES.—For purposes of clause (i)—

"(I) the trustee of an education individual retirement account shall keep separate accounts with respect to contributions and earnings described in clause (i), and

"(II) if there are distributions in excess of qualified elementary and secondary education expenses for any taxable year, such excess distributions shall be allocated first to contributions and earnings not described in clause (i)."

(4) CONFORMING AMENDMENTS.—Section 530 is amended—

(A) by striking "higher" each place it appears in subsections (b)(1) and (d)(2), and

(B) by striking "HIGHER" in the heading for subsection (d)(2).

(c) WAIVER OF AGE LIMITATIONS FOR CHILDREN WITH SPECIAL NEEDS.—Section 530(b)(1) (defining education individual retirement account) is amended by adding at the end the following flush sentence:

"The age limitations in the preceding sentence and paragraphs (5) and (6) of subsection (d) shall not apply to any designated beneficiary with special needs (as determined under regulations prescribed by the Secretary)."

(d) ENTITIES PERMITTED TO CONTRIBUTE TO ACCOUNTS.—Section 530(c)(1) (relating to reduction in permitted contributions based on adjusted gross income) is amended by striking "The maximum amount which a contributor" and inserting "In the case of a contributor who is an individual, the maximum amount the contributor".

(e) TIME WHEN CONTRIBUTIONS DEEMED MADE.—

(1) IN GENERAL.—Section 530(b) (relating to definitions and special rules), as amended by subsection (b)(2), is amended by adding at the end the following new paragraph:

"(6) TIME WHEN CONTRIBUTIONS DEEMED MADE.—An individual shall be deemed to have made a contribution to an education individual retirement account on the last day of the preceding taxable year if the contribution is made on account of such taxable year and is made not later than the time prescribed by law for filing the return for such taxable year (not including extensions thereof)."

(2) EXTENSION OF TIME TO RETURN EXCESS CONTRIBUTIONS.—Subparagraph (C) of section 530(d)(4) (relating to additional tax for distributions not used for educational expenses) is amended—

(A) by striking clause (i) and inserting the following new clause:

"(i) such distribution is made before the 1st day of the 6th month of the taxable year following the taxable year, and", and

(B) by striking "DUE DATE OF RETURN" in the heading and inserting "JUNE".

(f) COORDINATION WITH HOPE AND LIFETIME LEARNING CREDITS AND QUALIFIED TUITION PROGRAMS.—

(1) IN GENERAL.—Section 530(d)(2)(C) is amended to read as follows:

"(C) COORDINATION WITH HOPE AND LIFETIME LEARNING CREDITS AND QUALIFIED TUITION PROGRAMS.—

"(i) CREDIT COORDINATION.—

"(I) IN GENERAL.—Except as provided in subclause (II), subparagraph (A) shall not apply for any taxable year to any qualified higher education expenses with respect to any individual if a credit is allowed under section 25A with respect to such expenses for such taxable year.

"(II) SPECIAL COORDINATION RULE.—In the case of any taxable year beginning after December 31, 1999, and before January 1, 2004, subclause (I) shall not apply, but the total amount of qualified higher education expenses otherwise taken into account under subparagraph (A) with respect to an individual for such taxable year shall be reduced (after the application of the reduction provided in section 25A(g)(2)) by the amount of such expenses which were taken into account in determining the credit allowed to the taxpayer or any other person under section 25A with respect to such expenses.

"(ii) COORDINATION WITH QUALIFIED TUITION PROGRAMS.—If the aggregate distributions to which subparagraph (A) and section 529(c)(3)(B) apply exceed the total amount of qualified higher education expenses otherwise taken into account under subparagraph (A) (after the application of clause (i)) with respect to an individual for any taxable year, the taxpayer shall allocate such expenses among such distributions for purposes of determining the amount of the exclusion under subparagraph (A) and section 529(c)(3)(B).”

(2) Conforming amendments.—

(A) Subsection (e) of section 25A is amended to read as follows:

“(e) Election Not To Have Section Apply.—A taxpayer may elect not to have this section apply with respect to the qualified tuition and related expenses of an individual for any taxable year.”

(B) Section 135(d)(2)(A) is amended by striking “allowable” and inserting “allowed”.

(C) Section 530(b)(2)(A) is amended by striking “, reduced as provided in section 25A(g)(2)”.

(D) Section 530(d)(2)(D) is amended—

(i) by striking “or credit”, and

(ii) by striking “CREDIT OR” in the heading.

(E) Section 4973(e)(1) is amended by adding “and” at the end of subparagraph (A), by striking subparagraph (B), and by redesignating subparagraph (C) as subparagraph (B).

(g) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

### SEC. 602. DEDUCTION FOR HIGHER EDUCATION EXPENSES.

(a) Deduction Allowed.—Part VII of subchapter B of chapter 1 (relating to additional itemized deductions for individuals) is amended by redesignating section 222 as section 223 and by inserting after section 221 the following:

### “SEC. 222. HIGHER EDUCATION EXPENSES.

“(a) Allowance of Deduction.—

“(1) In general.—In the case of an individual, there shall be allowed as a deduction an amount equal to the applicable dollar amount of the qualified higher education expenses paid by the taxpayer during the taxable year.

“(2) Applicable dollar amount.—The applicable dollar amount for any taxable year shall be determined as follows:

| **“Taxable year:** | **Applicable dollar amount:** |
|---|---|
| 2002 | $4,000 |
| 2003 | $8,000 |
| 2004 and thereafter | $12,000. |

“(b) Limitation Based on Modified Adjusted Gross Income.—

“(1) In general.—The amount which would (but for this subsection) be taken into account under subsection (a) shall be reduced (but not below zero) by the amount determined under paragraph (2).

“(2) Amount of reduction.—The amount determined under this paragraph equals the amount which bears the same ratio to the amount which would be so taken into account as—

“(A) the excess of—

“(i) the taxpayer's modified adjusted gross income for such taxable year, over

“(ii) $62,450 ($104,050 in the case of a joint return, $89,150 in the case of a return filed by a head of household, and $52,025 in the case of a return by a married individual filing separately), bears to

“(B) $15,000.

“(3) Modified adjusted gross income.—For purposes of this subsection, the term ‘modified adjusted gross income’ means the adjusted gross income of the taxpayer for the taxable year determined—

“(A) without regard to this section and sections 911, 931, and 933, and

“(B) after the application of sections 86, 135, 219, 220, and 469.

For purposes of the sections referred to in subparagraph (B), adjusted gross income shall be determined without regard to the deduction allowed under this section.

“(c) Qualified Higher Education Expenses.—For purposes of this section—

“(1) Qualified higher education expenses.—

“(A) In general.—The term ‘qualified higher education expenses’ means tuition and fees charged by an educational institution and required for the enrollment or attendance of—

“(i) the taxpayer,

“(ii) the taxpayer's spouse,

“(iii) any dependent of the taxpayer with respect to whom the taxpayer is allowed a deduction under section 151, or

“(iv) any grandchild of the taxpayer,

as an eligible student at an institution of higher education.

“(B) Eligible courses.—Amounts paid for qualified higher education expenses of any individual shall be taken into account under subsection (a) only to the extent such expenses—

“(i) are attributable to courses of instruction for which credit is allowed toward a baccalaureate degree by an institution of higher education or toward a certificate of required course work at a vocational school, and

“(ii) are not attributable to any graduate program of such individual.

“(C) Exception for nonacademic fees.—Such term does not include any student activity fees, athletic fees, insurance expenses, or other expenses unrelated to a student's academic course of instruction.

“(D) Eligible student.—For purposes of subparagraph (A), the term ‘eligible student’ means a student who—

“(i) meets the requirements of section 484(a)(1) of the Higher Education Act of 1965 (20 U.S.C. 1091(a)(1)), as in effect on the date of the enactment of this section, and

“(ii) is carrying at least one-half the normal full-time work load for the course of study the student is pursuing, as determined by the institution of higher education.

“(E) Identification requirement.—No deduction shall be allowed under subsection (a) to a taxpayer with respect to an eligible student unless the taxpayer includes the name, age, and taxpayer identification number of such eligible student on the return of tax for the taxable year.

“(2) Institution of higher education.—The term ‘institution of higher education’ means an institution which—

“(A) is described in section 481 of the Higher Education Act of 1965 (20 U.S.C. 1088), as in effect on the date of the enactment of this section, and

“(B) is eligible to participate in programs under title IV of such Act.

“(d) Special Rules.—

“(1) No double benefit.—

“(A) In general.—No deduction shall be allowed under subsection (a) for any expense for which a deduction is allowable to the taxpayer under any other provision of this chapter unless the taxpayer irrevocably waives his right to the deduction of such expense under such other provision.

“(B) Denial of deduction if credit elected.—No deduction shall be allowed under subsection (a) for a taxable year with respect to the qualified higher education expenses of an individual if the taxpayer elects to have section 25A apply with respect to such individual for such year.

“(C) Dependents.—No deduction shall be allowed under subsection (a) to any individual with respect to whom a deduction under section 151 is allowable to another taxpayer for a taxable year beginning in the calendar year in which such individual's taxable year begins.

“(D) Coordination with exclusions.—A deduction shall be allowed under subsection (a) for qualified higher education expenses only to the extent the amount of such expenses exceeds the amount excludable under section 135 or 530(d)(2) for the taxable year.

“(2) Limitation on taxable year of deduction.—

“(A) In general.—A deduction shall be allowed under subsection (a) for qualified higher education expenses for any taxable year only to the extent such expenses are in connection with enrollment at an institution of higher education during the taxable year.

“(B) Certain prepayments allowed.—Subparagraph (A) shall not apply to qualified higher education expenses paid during a taxable year if such expenses are in connection with an academic term beginning during such taxable year or during the first 3 months of the next taxable year.

“(3) Adjustment for certain scholarships and veterans benefits.—The amount of qualified higher education expenses otherwise taken into account under subsection (a) with respect to the education of an individual shall be reduced (before the application of subsection (b)) by the sum of the amounts received with respect to such individual for the taxable year as—

“(A) a qualified scholarship which under section 117 is not includable in gross income,

“(B) an educational assistance allowance under chapter 30, 31, 32, 34, or 35 of title 38, United States Code, or

“(C) a payment (other than a gift, bequest, devise, or inheritance within the meaning of section 102(a)) for educational expenses, or attributable to enrollment at an eligible educational institution, which is exempt from income taxation by any law of the United States.

“(4) No deduction for married individuals filing separate returns.—If the taxpayer is a married individual (within the meaning of section 7703), this section shall apply only if the taxpayer and the taxpayer's spouse file a joint return for the taxable year.

“(5) Nonresident aliens.—If the taxpayer is a nonresident alien individual for any portion of the taxable year, this section shall apply only if such individual is treated as a resident alien of the United States for purposes of this chapter by reason of an election under subsection (g) or (h) of section 6013.

“(6) Regulations.—The Secretary may prescribe such regulations as may be necessary or appropriate to carry out this section, including regulations requiring recordkeeping and information reporting.”

(b) Deduction Allowed in Computing Adjusted Gross Income.—Section 62(a) is amended by inserting after paragraph (17) the following:

“(18) Higher education expenses.—The deduction allowed by section 222.”

(c) Conforming Amendment.—The table of sections for part VII of subchapter B of chapter 1 is amended by striking the item relating to section 222 and inserting the following:

“Sec. 222. Higher education expenses.

“Sec. 223. Cross reference.”

(d) Effective Date.—The amendments made by this section shall apply to payments made in taxable years beginning after December 31, 2001.

### SEC. 603. CREDIT FOR INTEREST ON HIGHER EDUCATION LOANS.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 (relating to nonrefundable personal credits) is amended by inserting after section 25A the following new section:

### "SEC. 25B. INTEREST ON HIGHER EDUCATION LOANS.

"(a) ALLOWANCE OF CREDIT.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the interest paid by the taxpayer during the taxable year on any qualified education loan.

"(b) MAXIMUM CREDIT.—

"(1) IN GENERAL.—Except as provided in paragraph (2), the credit allowed by subsection (a) for the taxable year shall not exceed $1,500.

"(2) LIMITATION BASED ON MODIFIED ADJUSTED GROSS INCOME.—

"(A) IN GENERAL.—If the modified adjusted gross income of the taxpayer for the taxable year exceeds $50,000 ($80,000 in the case of a joint return), the amount which would (but for this paragraph) be allowable as a credit under this section shall be reduced (but not below zero) by the amount which bears the same ratio to the amount which would be so allowable as such excess bears to $20,000.

"(B) MODIFIED ADJUSTED GROSS INCOME.—The term 'modified adjusted gross income' means adjusted gross income determined without regard to sections 911, 931, and 933.

"(C) INFLATION ADJUSTMENT.—In the case of any taxable year beginning after 2003, the $50,000 and $80,000 amounts referred to in subparagraph (A) shall be increased by an amount equal to—

"(i) such dollar amount, multiplied by

"(ii) the cost-of-living adjustment determined under section (1)(f)(3) for the calendar year in which the taxable year begins, by substituting '2002' for '1992'.

"(D) ROUNDING.—If any amount as adjusted under subparagraph (C) is not a multiple of $50, such amount shall be rounded to the nearest multiple of $50.

"(c) DEPENDENTS NOT ELIGIBLE FOR CREDIT.—No credit shall be allowed by this section to an individual for the taxable year if a deduction under section 151 with respect to such individual is allowed to another taxpayer for the taxable year beginning in the calendar year in which such individual's taxable year begins.

"(d) LIMIT ON PERIOD CREDIT ALLOWED.—A credit shall be allowed under this section only with respect to interest paid on any qualified education loan during the first 60 months (whether or not consecutive) in which interest payments are required. For purposes of this paragraph, any loan and all refinancings of such loan shall be treated as 1 loan.

"(e) DEFINITIONS.—For purposes of this section—

"(1) QUALIFIED EDUCATION LOAN.—The term 'qualified education loan' has the meaning given such term by section 221(e)(1).

"(2) DEPENDENT.—The term 'dependent' has the meaning given such term by section 152.

"(f) SPECIAL RULES.—

"(1) DENIAL OF DOUBLE BENEFIT.—No credit shall be allowed under this section for any amount taken into account for any deduction under any other provision of this chapter.

"(2) MARRIED COUPLES MUST FILE JOINT RETURN.—If the taxpayer is married at the close of the taxable year, the credit shall be allowed under subsection (a) only if the taxpayer and the taxpayer's spouse file a joint return for the taxable year.

"(3) MARITAL STATUS.—Marital status shall be determined in accordance with section 7703."

(b) CONFORMING AMENDMENT.—The table of sections for subpart A of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 25A the following new item:

"Sec. 25B. Interest on higher education loans."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to any qualified education loan (as defined in section 25B(e)(1) of the Internal Revenue Code of 1986, as added by this section) incurred on, before, or after the date of the enactment of this Act, but only with respect to any loan interest payment due after December 31, 2001.

### SEC. 604. CERTIFIED TEACHER CREDIT.

(a) FINDINGS.—Congress makes the following findings:

(1) Studies have shown that the greatest single in-school factor affecting student achievement is teacher quality.

(2) Most accomplished teachers do not get the rewards they deserve.

(3) After adjusting amounts for inflation, the average teacher salary for 1997–1998 of $39,347 is just $2 above what it was in 1993. Such salary is also just $1,924 more than the average salary recorded in 1972, a real increase of only $75 per year.

(4) While K–12 enrollments are steadily increasing, the teacher population is aging. There is a need, now more than ever, to attract competent, capable, and bright college graduates or mid-career professionals to the teaching profession.

(5) The Department of Education projects that 2,000,000 new teachers will have to be hired in the next decade. Shortages, if they occur, will most likely be felt in urban or rural regions of the country where working conditions may be difficult or compensation low.

(6) If students are to receive a high quality education and remain competitive in the global market the United States must attract talented and motivated people to the teaching profession in large numbers.

(b) ALLOWANCE OF CREDIT.—Subpart C of part IV of subchapter A of chapter 1 (relating to refundable credits) is amended by redesignating section 35 as section 36 and by inserting after section 34 the following new section:

### "SEC. 35. CERTIFIED TEACHER CREDIT.

"(a) ALLOWANCE OF CREDIT.—

"(1) IN GENERAL.—In the case of an eligible teacher, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year $5,000.

"(2) YEAR CREDIT ALLOWED.—The credit under paragraph (1) shall be allowed in the taxable year in which the taxpayer becomes a certified individual.

"(b) DEFINITIONS.—For purposes of this section—

"(1) ELIGIBLE TEACHER.—

"(A) IN GENERAL.—The term 'eligible teacher' means a certified individual who is a pre-kindergarten or early childhood educator, or a kindergarten through grade 12 classroom teacher, instructor, counselor, aide, or principal in an elementary or secondary school on a full-time basis for an academic year ending during a taxable year.

"(B) CERTIFIED INDIVIDUAL.—The term 'certified individual' means an individual who has successfully completed the requirements for advanced certification provided by the National Board for Professional Teaching Standards.

"(2) ELEMENTARY OR SECONDARY SCHOOL.—The term 'elementary or secondary school' means a public elementary or secondary school which—

"(A) is located in a school district of a local educational agency which is eligible, during the taxable year, for assistance under part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311 et seq.), and

"(B) during the taxable year, the Secretary of Education determines to have an enrollment of children counted under section 1124(c) of such Act (20 U.S.C. 6333(c)) in an amount in excess of an amount equal to 40 percent of the total enrollment of such school.

"(c) VERIFICATION.—The credit allowed under subsection (a) shall be allowed with respect to any certified individual only if the certification is verified in such manner as the Secretary shall prescribe by regulation.

"(d) ELECTION TO HAVE CREDIT NOT APPLY.—A taxpayer may elect to have this section not apply for any taxable year.".

(c) EXCLUSION FROM INCOME FOR CERTAIN AMOUNTS.—Part III of subchapter B of chapter 1 (relating to items specifically excluded from gross income) is amended by redesignating section 139 as section 140 and inserting after section 138 the following new section:

### "SEC. 139. CERTAIN AMOUNTS RECEIVED BY CERTIFIED TEACHERS.

"(a) IN GENERAL.—In the case of a certified teacher, gross income shall not include the value of anything received during the taxable year solely by reason of such teacher having successfully completed the requirements for advanced certification provided by the National Board for Professional Teaching Standards (such as an incentive payment).

"(b) CERTIFIED TEACHER.—For purposes of this section, the term 'certified teacher' has the meaning given the term 'eligible teacher' under section 35(b)(1).

"(c) VERIFICATION.—The exclusion under subsection (a) shall be allowed with respect to any certified teacher only if the certification is verified in such manner as the Secretary shall prescribe by regulation.

"(d) AMOUNTS MUST BE REASONABLE.—Amounts excluded under subsection (a) shall include only amounts which are reasonable.".

(d) CONFORMING AMENDMENTS.—

(1) Section 1324(b)(2) of title 31, United States Code, is amended by striking "or" before "enacted" and by inserting before the period at the end ", or from section 35 of such Code".

(2) The table of sections for subpart C of part IV of subchapter A of chapter 1 is amended by striking the item relating to section 35 and inserting the following:

"Sec. 35. Certified teacher credit.
"Sec. 36. Overpayments of tax."

(3) The table of sections for part III of subchapter B of chapter 1 is amended by striking the item relating to section 139 and inserting the following new items:

"Sec. 139. Certain amounts received by certified teachers.
"Sec. 140. Cross references to other Acts."

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

### SEC. 605. SENSE OF THE SENATE REGARDING COVERAGE OF PRESCRIPTION DRUGS UNDER THE MEDICARE PROGRAM.

(a) FINDINGS.—The Senate makes the following findings:

(1) Projected on-budget surpluses for the next 10 years total $1,900,000,000,000, according to the President's mid-session review.

(2) Eliminating the death tax would reduce revenues by $104,000,000,000 over 10 years, leaving on-budget surpluses of $1,800,000,000,000.

(3) The medicare program established under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) faces the dual problem of inadequate coverage of prescription drugs and rapid escalation of program costs with the retirement of the baby boom generation.

(4) The concurrent resolution on the budget for fiscal year 2001 provides $40,000,000,000 for prescription drug coverage in the context of a reform plan that improves the long-term outlook for the medicare program.

(5) The Committee on Finance of the Senate currently is working in a bipartisan manner on reporting legislation that will reform the medicare program and provide a prescription drug benefit.

(b) Sense of the Senate.—It is the sense of the Senate that—

(1) on-budget surpluses are sufficient to both repeal the death tax and improve coverage of prescription drugs under the medicare program and Congress should do both this year; and

(2) the Senate should pass adequately funded legislation that can effectively—

(A) expand access to outpatient prescription drugs;

(B) modernize the medicare benefit package;

(C) make structural improvements to improve the long term solvency of the medicare program;

(D) reduce medicare beneficiaries' out-of-pocket prescription drug costs, placing the highest priority on helping the elderly with the greatest need; and

(E) give the elderly access to the same discounted rates on prescription drugs as those available to Americans enrolled in private insurance plans.

### SEC. 606. DEDUCTION FOR PREMIUMS FOR LONG-TERM CARE INSURANCE.

(a) In General.—Part VII of subchapter B of chapter 1 (relating to additional itemized deductions) is amended by redesignating section 222 as section 223 and by inserting after section 221 the following:

### "SEC. 222. PREMIUMS FOR LONG-TERM CARE INSURANCE.

"(a) In General.—In the case of an eligible individual, there shall be allowed as a deduction an amount equal to 100 percent of the amount paid during the taxable year for any coverage for qualified long-term care services (as defined in section 7702B(c)) or any qualified long-term care insurance contract (as defined in section 7702B(b)) which constitutes medical care for the taxpayer, his spouse, and dependents.

"(b) Limitations.—

"(1) Deduction not available to individuals eligible for employer-subsidized coverage.—

"(A) In general.—Except as provided in subparagraph (B), subsection (a) shall not apply to any taxpayer for any calendar month for which the taxpayer is eligible to participate in any plan which includes coverage for qualified long-term care services (as so defined) or is a qualified long-term care insurance contract (as so defined) maintained by any employer (or former employer) of the taxpayer or of the spouse of the taxpayer.

"(B) Continuation coverage.—Coverage shall not be treated as subsidized for purposes of this paragraph if—

"(i) such coverage is continuation coverage (within the meaning of section 4980B(f)) required to be provided by the employer, and

"(ii) the taxpayer or the taxpayer's spouse is required to pay a premium for such coverage in an amount not less than 100 percent of the applicable premium (within the meaning of section 4980B(f)(4)) for the period of such coverage.

"(2) Limitation on long-term care premiums.—In the case of a qualified long-term care insurance contract (as so defined), only eligible long-term care premiums (as defined in section 213(d)(10)) shall be taken into account under subsection (a)(2).

"(c) Special Rules.—For purposes of this section—

"(1) Coordination with medical deduction, etc.—Any amount paid by a taxpayer for insurance to which subsection (a) applies shall not be taken into account in computing the amount allowable to the taxpayer as a deduction under section 213(a).

"(2) Deduction not allowed for self-employment tax purposes.—The deduction allowable by reason of this section shall not be taken into account in determining an individual's net earnings from self-employment (within the meaning of section 1402(a)) for purposes of chapter 2.".

(b) Conforming Amendments.—

(1) Subsection (a) of section 62 is amended by inserting after paragraph (17) the following:

"(18) Long-term care insurance costs of certain individuals.—The deduction allowed by section 222.".

(2) The table of sections for part VII of subchapter B of chapter 1 is amended by striking the last item and inserting the following:

"Sec. 222. Premiums for long-term care insurance.
"Sec. 223. Cross reference.".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

### SEC. 607. FULL AVAILABILITY OF MEDICAL SAVINGS ACCOUNTS.

(a) Availability Not Limited To Accounts for Employees of Small Employers and Self-Employed Individuals.—

(1) In general.—Section 220(c)(1)(A) (relating to eligible individual) is amended to read as follows:

"(A) In general.—The term 'eligible individual' means, with respect to any month, any individual if—

"(i) such individual is covered under a high deductible health plan as of the 1st day of such month, and

"(ii) such individual is not, while covered under a high deductible health plan, covered under any health plan—

"(I) which is not a high deductible health plan, and

"(II) which provides coverage for any benefit which is covered under the high deductible health plan.".

(2) Conforming amendments.—

(A) Section 220(c)(1) is amended by striking subparagraphs (C) and (D).

(B) Section 220(c) is amended by striking paragraph (4) (defining small employer) and by redesignating paragraph (5) as paragraph (4).

(C) Section 220(b) is amended by striking paragraph (4) (relating to deduction limited by compensation) and by redesignating paragraphs (5), (6), and (7) as paragraphs (4), (5), and (6), respectively.

(b) Removal of Limitation on Number of Taxpayers Having Medical Savings Accounts.—

(1) In general.—Section 220 (relating to medical savings accounts) is amended by striking subsections (i) and (j).

(2) Medicare+choice.—Section 138 (relating to Medicare+Choice MSA) is amended by striking subsection (f).

(c) Reduction in High Deductible Plan Minimum Annual Deductible.—

(1) In general.—Subparagraph (A) of section 220(c)(2) (defining high deductible health plan) is amended—

(A) by striking "$1,500" and inserting "$1,000", and

(B) by striking "$3,000" in clause (ii) and inserting "$2,000".

(2) Conforming amendment.—Subsection (g) of section 220 is amended—

(A) by striking "1998" and inserting "1999"; and

(B) by striking "1997" and inserting "1998".

(d) Increase in Contribution Limit to 100 Percent of Annual Deductible.—

(1) In general.—Section 220(b)(2) (relating to monthly limitation) is amended to read as follows:

"(2) Monthly limitation.—The monthly limitation for any month is the amount equal to $\frac{1}{12}$ of the annual deductible of the high deductible health plan of the individual.".

(2) Conforming amendment.—Section 220(d)(1)(A) is amended by striking "75 percent of".

(e) Limitation on Additional Tax on Distributions Not Used for Qualified Medical Expenses.—Section 220(f)(4) (relating to additional tax on distributions not used for qualified medical expenses) is amended by adding at the end the following:

"(D) Exception in case of sufficient account balance.—Subparagraph (A) shall not apply to any payment or distribution in any taxable year, but only to the extent such payment or distribution does not reduce the fair market value of the assets of the medical savings account to an amount less than the annual deductible for the high deductible health plan of the account holder (determined as of January 1 of the calendar year in which the taxable year begins).".

(f) Treatment of Network-Based Managed Care Plans.—Section 220(c)(2)(B) (relating to special rules for high deductible health plans) is amended by adding at the end the following:

"(iii) Treatment of network-based managed care plans.—A plan that provides health care services through a network of contracted or affiliated health care providers, if the benefits provided when services are obtained through network providers meet the requirements of subparagraph (A), shall not fail to be treated as a high deductible health plan by reason of providing benefits for services rendered by providers who are not members of the network, so long as the annual deductible and annual limit on out-of-pocket expenses applicable to services received from non-network providers are not lower than those applicable to services received from the network providers.".

(g) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

### SEC. 609. INCREASE IN NUMBER OF YEARS DISREGARDED.

(a) In General.—Section 215(b)(2) of the Social Security Act (42 U.S.C. 415(b)(2)) is amended—

(1) by striking the period at the end of clause (ii) of subparagraph (A) and inserting a comma;

(2) by striking "Clause (ii), once" after and below clause (ii) of subparagraph (A) and inserting the following: "and reduced further

to the extent provided in subparagraph (B). Clause (ii), once";

(3) by striking "If an individual" in the matter following clause (ii) of subparagraph (A) and all that follows through the end of subparagraph (A);

(4) by redesignating subparagraph (B) as subparagraph (F); and

(5) by inserting after subparagraph (A) the following new subparagraphs:

"(B) Subject to subparagraph (C), in any case in which—

"(i) in any calendar year which is included in an individual's computation base years—

"(I) such individual is living with a child (of such individual or his or her spouse) under the age of 12; or

"(II) such individual is living with a child (of such individual or his or her spouse), a parent (of such individual or his or her spouse), or such individual's spouse while such child, parent, or spouse is a chronically dependent individual;

"(ii) such calendar year is not disregarded pursuant to subparagraphs (A) and (E) (in determining such individual's benefit computation years) by reason of the reduction in the number of such individual's elapsed years under subparagraph (A); and

"(iii) such individual submits to the Secretary, in such form as the Secretary shall prescribe by regulations, a written statement that the requirements of clause (i) are met with respect to such calendar year,

then the number by which such elapsed years are reduced under this paragraph pursuant to subparagraph (A) shall be increased by one (up to a combined total not exceeding 5) for each such calendar year.

"(C)(i)(I) No calendar year shall be disregarded by reason of subparagraph (B) (in determining such individual's benefit computation years) unless the individual had less than the applicable dollar amount (in effect for such calendar year under subclause (II)) of earnings as described in section 203(f)(5) for such year.

"(II) Except as otherwise provided in this subclause, the applicable dollar amount in effect under this subclause for any calendar year is $3,000. In each calendar year after 2006, the Secretary shall determine and publish in the Federal Register, on or before November 1 of such calendar year, the applicable dollar amount which shall be effective under this subclause for the next calendar year. Such dollar amount shall be equal to the applicable dollar amount which is effective under this subclause for the calendar year in which such determination is made, increased by a percentage equal to the percentage (rounded to the nearest 1/10 of 1 percent) by which the Consumer Price Index (prepared by the Department of Labor and used in determining increases in benefits pursuant to section 215(i)) for the calendar quarter ending on September 30 of such calendar year exceeds such index for the calendar quarter ending on September 30 of the last preceding calendar year in which a cost-of-living increase in benefits became effective under section 215(i).

"(ii) No calendar year shall be disregarded by reason of subparagraph (B) (in determining such individual's benefit computation years) in connection with a child referred to in subparagraph (B)(i)(I) (and not referred to in subparagraph (B)(i)(II)) unless the individual was living with the child substantially throughout the period in such year in which the child was alive and under the age of 12 in such year.

"(iii) No calendar year shall be disregarded by reason of subparagraph (B) (in determining such individual's benefit computation years) in connection with a child, parent, or spouse referred to in subparagraph (B)(i)(II) unless the individual was living with such child, parent, or spouse substantially throughout a period of 180 consecutive days in such year throughout which such child, parent, or spouse was a chronically dependent individual.

"(iv) The particular calendar years to be disregarded under this subparagraph (in determining such benefit computation years) shall be those years (not otherwise disregarded under subparagraph (A)) which, before the application of subsection (f), meet the conditions of the preceding provisions of this clause.

"(v) This subparagraph shall apply only to the extent that—

"(I) its application would not result in a lower primary insurance amount; and

"(II) it does not raise the primary insurance amount to a level greater than the average old-age insurance benefit paid under this title.

"(D)(i) For purposes of this paragraph, the term 'chronically dependent individual' means an individual who—

"(I) is dependent on a daily basis on another person who is living with the individual and is assisting the individual without monetary compensation in the performance of at least 2 of the activities of daily living (described in clause (ii)), and

"(II) without such assistance could not perform such activities of daily living.

"(ii) The 'activities of daily living', referred to in clause (i), are the following:

"(I) Eating.

"(II) Bathing.

"(III) Dressing.

"(IV) Toileting.

"(V) Transferring in and out of a bed or in and out of a chair.

"(E) The number of an individual's benefit computation years as determined under this paragraph shall in no case be less than 2.".

(b) Effective Date and Related Provisions.—

(1) In general.—The amendments made by this Act shall apply with respect to computation base years ending before, on, or after the date of enactment of this Act, but only with respect to benefits payable for months after December 2005.

(2) Notice and procedures.—

(A) 60-Day filing period after issuance of regulations for calendar years before 2001.—The requirements of clause (iii) of section 215(b)(2)(B) of the Social Security Act (as amended by this section) shall be treated as satisfied, in the case of a statement with respect to any calendar year before 2001, only if such statement is submitted to the Secretary of Health and Human Services not later than 60 days after the date of the first issuance in final form of the regulations required under such clause.

(B) Notice requirements.—The Secretary of Health and Human Services shall issue, not later than the date of the first issuance in final form of the regulations described in paragraph (1), regulations establishing procedures to ensure that—

(i) persons who are, as of such date, recipients of monthly benefits under section 202(a) or 223 of the Social Security Act, or applicants for such benefits, are fully informed of the amendments made by this section; and

(ii) such persons are invited to comply, and given a reasonable opportunity to comply, with the requirements of section 215(b)(2)(B)(iii) of the Social Security Act (as amended by this section), as provided in subparagraph (A).

Upon receiving from a recipient described in clauses (i) and (ii) a written statement referred to in clause (iii) of section 215(b)(2)(B) of the Social Security Act (as amended by this section) with respect to which the requirements of such clause are satisfied, the Secretary shall redetermine the amount of such benefits to the extent necessary to take into account the amendments made by this section (and if such redetermination results in an increase in such amount the increase shall be effective as provided in paragraph (1)). Such regulations described in subparagraph (A) shall also provide procedures to ensure that applicants for benefits under section 202(a) or 223 of the Social Security Act are given the opportunity, at the time of their application, to indicate and verify any additional years which may be disregarded under section 215(b)(2)(B) of the Social Security Act (as amended by this section).

### SEC. 610. INCREASE IN WIDOWS' AND WIDOWERS' INSURANCE BENEFITS.

(a) Widow's Benefit.—Section 202(e)(2)(A) of the Social Security Act (42 U.S.C. 402(e)(2)(A)) is amended by striking "equal to" and all that follows and inserting "equal to the greater of—

"(i) the primary insurance amount (as determined for purposes of this subsection after application of subparagraphs (B) and (C)) of such deceased individual, or

"(ii) the lesser of—

"(I) 75 percent of the joint benefit which would have been received by the widow or surviving divorced wife and the deceased individual for such month if such individual had not died, or

"(II) the average old-age insurance benefit paid under this title.".

(b) Widower's Benefit.—Section 202(f)(3)(A) of the Social Security Act (42 U.S.C. 402(b)(3)(A)) is amended by striking "equal to" and all that follows and inserting "equal to the greater of—

"(i) the primary insurance amount (as determined for purposes of this subsection after application of subparagraphs (B) and (C)) of such deceased individual, or

"(ii) the lesser of—

"(I) 75 percent of the joint benefit which would have been received by the widow or surviving divorced wife and the deceased individual for such month if such individual had not died, or

"(II) the average old-age insurance benefit paid under this title.".

(c) Effective Date.—The amendments made by this section shall apply individuals entitled to benefits after the date of enactment of this Act.

### SEC. 611. MODIFICATION OF DEPENDENT CARE CREDIT.

(a) Increase in Percentage of Employment-Related Expenses Taken Into Account.—Subsection (a)(2) of section 21 (relating to expenses for household and dependent care services necessary for gainful employment) is amended—

(1) by striking "30 percent" and inserting "40 percent",

(2) by striking "$2,000" and inserting "$1,000", and

(3) by striking "$10,000" and inserting "$30,000".

(b) Indexing of Limit on Employment-Related Expenses.—Section 21(c) (relating to dollar limit on amount creditable) is amended to read as follows:

"(c) Dollar Limit on Amount Creditable.—

"(1) In general.—The amount of the employment-related expenses incurred during any taxable year which may be taken into account under subsection (a) shall not exceed—

"(A) an amount equal to 50 percent of the amount determined under subparagraph (B) if there is 1 qualifying individual with respect to the taxpayer for such taxable year, or

"(B) $4,800 if there are 2 or more qualifying individuals with respect to the taxpayer for such taxable year.

The amount determined under subparagraph (A) or (B) (whichever is applicable) shall be reduced by the aggregate amount excludable from gross income under section 129 for the taxable year.

"(2) COST-OF-LIVING ADJUSTMENT.—

"(A) IN GENERAL.—In the case of a taxable year beginning after 2000, the $4,800 amount under paragraph (1)(B) shall be increased by an amount equal to—

"(i) such dollar amount, multiplied by

"(ii) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 1999' for 'calendar year 1992' in subparagraph (B) thereof.

"(B) ROUNDING RULES.—If any amount after adjustment under subparagraph (A) is not a multiple of $50, such amount shall be rounded to the next lower multiple of $50.".

(c) MINIMUM DEPENDENT CARE CREDIT ALLOWED FOR STAY-AT-HOME PARENTS.—Section 21(e) (relating to special rules) is amended by adding at the end the following:

"(11) MINIMUM CREDIT ALLOWED FOR STAY-AT-HOME PARENTS.—

"(A) IN GENERAL.—Notwithstanding subsection (d), in the case of any taxpayer with 1 or more qualifying individuals described in subsection (b)(1)(A) under the age of 1, such taxpayer shall be deemed to have employment-related expenses for the taxable year with respect to each such qualifying individual in an amount equal to the sum of—

"(i) $200 for each month in such taxable year during which such qualifying individual is under the age of 1, and

"(ii) the amount of employment-related expenses otherwise incurred for such qualifying individual for the taxable year (determined under this section without regard to this paragraph).

"(B) ELECTION TO NOT APPLY THIS PARAGRAPH.—This paragraph shall not apply with respect to any qualifying individual for any taxable year if the taxpayer elects to not have this paragraph apply to such qualifying individual for such taxable year.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

### SEC. 612. ALLOWANCE OF CREDIT FOR EMPLOYER EXPENSES FOR CHILD CARE ASSISTANCE.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 (relating to business related credits) is amended by adding at the end the following new section:

### "SEC. 45D. EMPLOYER-PROVIDED CHILD CARE CREDIT.

"(a) ALLOWANCE OF CREDIT.—For purposes of section 38, the employer-provided child care credit determined under this section for the taxable year is an amount equal to the sum of—

"(1) 25 percent of the qualified child care expenditures, and

"(2) 10 percent of the qualified child care resource and referral expenditures,

of the taxpayer for such taxable year.

"(b) DOLLAR LIMITATION.—The credit allowable under subsection (a) for any taxable year shall not exceed $150,000.

"(c) DEFINITIONS.—For purposes of this section—

"(1) QUALIFIED CHILD CARE EXPENDITURE.—

"(A) IN GENERAL.—The term 'qualified child care expenditure' means any amount paid or incurred—

"(i) to acquire, construct, rehabilitate, or expand property—

"(I) which is to be used as part of an eligible qualified child care facility of the taxpayer,

"(II) with respect to which a deduction for depreciation (or amortization in lieu of depreciation) is allowable, and

"(III) which does not constitute part of the principal residence (within the meaning of section 121) of the taxpayer or any employee of the taxpayer,

"(ii) for the operating costs of an eligible qualified child care facility of the taxpayer, including costs related to the training of employees of the child care facility, to scholarship programs, to the providing of differential compensation to employees based on level of child care training, and to expenses associated with achieving accreditation, or

"(iii) under a contract with a qualified child care facility to provide child care services to employees of the taxpayer.

"(B) EXCLUSION FOR AMOUNTS FUNDED BY GRANTS, ETC.—The term 'qualified child care expenditure' shall not include any amount to the extent such amount is funded by any grant, contract, or otherwise by another person (or any governmental entity).

"(C) NONDISCRIMINATION.—The term 'qualified child care expenditure' shall not include any amount expended in relation to any child care services unless the providing of such services to employees of the taxpayer does not discriminate in favor of highly compensated employees (within the meaning of section 404(q)).

"(2) QUALIFIED CHILD CARE FACILITY.—

"(A) IN GENERAL.—The term 'qualified child care facility' means a facility—

"(i) the principal use of which is to provide child care assistance, and

"(ii) which meets the requirements of all applicable laws and regulations of the State or local government in which it is located, including, but not limited to, the licensing of the facility as a child care facility.

Clause (i) shall not apply to a facility which is the principal residence (within the meaning of section 121) of the operator of the facility.

"(B) ELIGIBLE QUALIFIED CHILD CARE FACILITY.—A qualified child care facility shall be treated as an eligible qualified child care facility with respect to the taxpayer if—

"(i) enrollment in the facility is open to employees of the taxpayer during the taxable year,

"(ii) the facility is not the principal trade or business of the taxpayer, and

"(iii) at least 30 percent of the enrollees of such facility are dependents of employees of the taxpayer.

"(C) APPLICATION OF SUBPARAGRAPH (B).—In the case of a new facility, the facility shall be treated as meeting the requirement of subparagraph (B)(iii) if not later than 2 years after placing such facility in service at least 30 percent of the enrollees of such facility are dependents of employees of the taxpayer.

"(3) QUALIFIED CHILD CARE RESOURCE AND REFERRAL EXPENDITURE.—

"(A) IN GENERAL.—The term 'qualified child care resource and referral expenditure' means any amount paid or incurred under a contract to provide child care resource and referral services to employees of the taxpayer.

"(B) EXCLUSION FOR AMOUNTS FUNDED BY GRANTS, ETC.—The term 'qualified child care resource and referral expenditure' shall not include any amount to the extent such amount is funded by any grant, contract, or otherwise by another person (or any governmental entity).

"(C) NONDISCRIMINATION.—The term 'qualified child care resource and referral expenditure' shall not include any amount expended in relation to any child care resource and referral services unless the providing of such services to employees of the taxpayer does not discriminate in favor of highly compensated employees (within the meaning of section 404(q)).

"(d) RECAPTURE OF ACQUISITION AND CONSTRUCTION CREDIT.—

"(1) IN GENERAL.—If, as of the close of any taxable year, there is a recapture event with respect to any eligible qualified child care facility of the taxpayer, then the tax of the taxpayer under this chapter for such taxable year shall be increased by an amount equal to the product of—

"(A) the applicable recapture percentage, and

"(B) the aggregate decrease in the credits allowed under section 38 for all prior taxable years which would have resulted if the qualified child care expenditures of the taxpayer described in subsection (c)(1)(A) with respect to such facility had been zero.

"(2) APPLICABLE RECAPTURE PERCENTAGE.—

"(A) IN GENERAL.—For purposes of this subsection, the applicable recapture percentage shall be determined from the following table:

| **"If the recapture event occurs in:** | **The applicable recapture percentage is:** |
|---|---|
| Year 1 | 100 |
| Year 2 | 80 |
| Year 3 | 60 |
| Year 4 | 40 |
| Year 5 | 20 |
| Years 6 and thereafter | 0. |

"(B) YEARS.—For purposes of subparagraph (A), year 1 shall begin on the first day of the taxable year in which the eligible qualified child care facility is placed in service by the taxpayer.

"(3) RECAPTURE EVENT DEFINED.—For purposes of this subsection, the term 'recapture event' means—

"(A) CESSATION OF OPERATION.—The cessation of the operation of the facility as an eligible qualified child care facility.

"(B) CHANGE IN OWNERSHIP.—

"(i) IN GENERAL.—Except as provided in clause (ii), the disposition of a taxpayer's interest in an eligible qualified child care facility with respect to which the credit described in subsection (a) was allowable.

"(ii) AGREEMENT TO ASSUME RECAPTURE LIABILITY.—Clause (i) shall not apply if the person acquiring such interest in the facility agrees in writing to assume the recapture liability of the person disposing of such interest in effect immediately before such disposition. In the event of such an assumption, the person acquiring the interest in the facility shall be treated as the taxpayer for purposes of assessing any recapture liability (computed as if there had been no change in ownership).

"(4) SPECIAL RULES.—

"(A) TAX BENEFIT RULE.—The tax for the taxable year shall be increased under paragraph (1) only with respect to credits allowed by reason of this section which were used to reduce tax liability. In the case of credits not so used to reduce tax liability, the carryforwards and carrybacks under section 39 shall be appropriately adjusted.

"(B) No credits against tax.—Any increase in tax under this subsection shall not be treated as a tax imposed by this chapter for purposes of determining the amount of any credit under subpart A, B, or D of this part.

"(C) No recapture by reason of casualty loss.—The increase in tax under this subsection shall not apply to a cessation of operation of the facility as a qualified child care facility by reason of a casualty loss to the extent such loss is restored by reconstruction or replacement within a reasonable period established by the Secretary.

"(e) Special Rules.—For purposes of this section—

"(1) Aggregation rules.—All persons which are treated as a single employer under subsections (a) and (b) of section 52 shall be treated as a single taxpayer.

"(2) Pass-thru in the case of estates and trusts.—Under regulations prescribed by the Secretary, rules similar to the rules of subsection (d) of section 52 shall apply.

"(3) Allocation in the case of partnerships.—In the case of partnerships, the credit shall be allocated among partners under regulations prescribed by the Secretary.

"(f) No Double Benefit.—

"(1) Reduction in basis.—For purposes of this subtitle—

"(A) In general.—If a credit is determined under this section with respect to any property by reason of expenditures described in subsection (c)(1)(A), the basis of such property shall be reduced by the amount of the credit so determined.

"(B) Certain dispositions.—If during any taxable year there is a recapture amount determined with respect to any property the basis of which was reduced under subparagraph (A), the basis of such property (immediately before the event resulting in such recapture) shall be increased by an amount equal to such recapture amount. For purposes of the preceding sentence, the term 'recapture amount' means any increase in tax (or adjustment in carrybacks or carryovers) determined under subsection (d).

"(2) Other deductions and credits.—No deduction or credit shall be allowed under any other provision of this chapter with respect to the amount of the credit determined under this section.".

(b) Conforming Amendments.—

(1) Section 38(b) is amended—

(A) by striking out "plus" at the end of paragraph (11),

(B) by striking out the period at the end of paragraph (12), and inserting a comma and "plus", and

(C) by adding at the end the following new paragraph:

"(13) the employer-provided child care credit determined under section 45D.".

(2) The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

"Sec. 45D. Employer-provided child care credit.".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

### SEC. 613. MARRIAGE PENALTY RELIEF FOR EARNED INCOME CREDIT.

(a) In General.—Paragraph (2) of section 32(b) (relating to percentages and amounts) is amended—

(1) by striking "Amounts.—The earned" and inserting "Amounts.—

"(A) In general.—Subject to subparagraph (B), the earned"; and

(2) by adding at the end the following new subparagraph:

"(B) Joint returns.—In the case of a joint return, the phaseout amount determined under subparagraph (A) shall be increased by $2,500.".

(b) Inflation Adjustment.—Paragraph (1)(B) of section 32(j) (relating to inflation adjustments) is amended to read as follows:

"(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined—

"(i) in the case of amounts in subsections (b)(2)(A) and (i)(1), by substituting 'calendar year 1995' for 'calendar year 1992' in subparagraph (B) thereof, and

"(ii) in the case of the $2,500 amount in subsection (b)(2)(B), by substituting 'calendar year 2000' for 'calendar year 1992' in subparagraph (B) of such section 1.".

(c) Rounding.—Section 32(j)(2)(A) (relating to rounding) is amended by striking "subsection (b)(2)" and inserting "subsection (b)(2)(A) (after being increased under subparagraph (B) thereof)".

(d) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

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## BAYH (AND OTHERS) AMENDMENT NO. 3843

Mr. BAYH (for himself, Mr. Durbin, Ms. Mikulski, Mr. Feingold, Mr. Kohl, Mr. Biden, and Mr. Graham) proposed an amendment to the bill, H.R. 8, supra; as follows:

Strike all after the first word and insert:

### 1. SHORT TITLE.

(a) Short Title.—This Act may be cited as the "Estate Tax Relief Act of 2000".

(b) Amendment of 1986 Code.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

## TITLE I—ESTATE TAX RELIEF

### SEC. 101. INCREASE IN AMOUNT OF UNIFIED CREDIT AGAINST ESTATE AND GIFT TAXES.

(a) In General.—The table contained in section 2010(c) (relating to applicable credit amount) is amended to read as follows:

| **"In the case of estates of decedents dying, and gifts made, during:** | **The applicable exclusion amount is:** |
|---|---|
| 2001, 2002, 2003, 2004, and 2005 | $1,000,000 |
| 2006 and 2007 | $1,125,000 |
| 2008 | $1,500,000 |
| 2009 or thereafter | $2,000,000." |

(b) Effective Date.—The amendment made by this section shall apply to the estates of decedents dying, and gifts made, after December 31, 2000.

### SEC. 102. INCREASE IN QUALIFIED FAMILY-OWNED BUSINESS INTEREST DEDUCTION AMOUNT.

(a) In General.—Paragraph (2) of section 2057(a) (relating to family-owned business interests) is amended to read as follows:

"(2) Maximum deduction.—

"(A) In general.—The deduction allowed by this section shall not exceed the sum of—

"(i) the applicable deduction amount, plus

"(ii) in the case of a decedent described in subparagraph (C), the applicable unused spousal deduction amount.

"(B) Applicable deduction amount.—For purposes of this subparagraph (A)(i), the applicable deduction amount is determined in accordance with the following table:

| **"In the case of estates of decedents dying during:** | **The applicable deduction amount is:** |
|---|---|
| 2001, 2002, 2003, 2004, and 2005 | $1,375,000 |
| 2006 and 2007 | $1,625,000 |
| 2008 | $2,375,000 |
| 2009 or thereafter | $3,375,000. |

"(C) Applicable unused spousal deduction amount.—With respect to a decedent whose immediately predeceased spouse died after December 31, 2000, and the estate of such immediately predeceased spouse met the requirements of subsection (b)(1), the applicable unused spousal deduction amount for such decedent is equal to the excess of—

"(i) the applicable deduction amount allowable under this section to the estate of such immediately predeceased spouse, over

"(ii) the sum of—

"(I) the applicable deduction amount allowed under this section to the estate of such immediately predeceased spouse, plus

"(II) the amount of any increase in such estate's unified credit under paragraph (3)(B) which was allowed to such estate."

(b) Conforming Amendments.—Section 2057(a)(3)(B) is amended—

(1) by striking "$675,000" both places it appears and inserting "the applicable deduction amount", and

(2) by striking "$675,000" in the heading and inserting "APPLICABLE DEDUCTION AMOUNT".

(c) Effective Date.—The amendment made by this section shall apply to the estates of decedents dying, and gifts made, after December 31, 2000.

## TITLE II—HEALTH PROVISIONS

### SEC. 201. LONG-TERM CARE TAX CREDIT.

(a) Allowance of Credit.—

(1) In general.—Section 24(a) (relating to allowance of child tax credit) is amended to read as follows:

"(a) Allowance of Credit.—

"(1) In general.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of—

"(A) $500 multiplied by the number of qualifying children of the taxpayer, plus

"(B) the applicable dollar amount multiplied by the number of applicable individuals with respect to whom the taxpayer is an eligible caregiver for the taxable year.

"(2) Applicable dollar amount.—For purposes of paragraph (1)(B), the applicable dollar amount for taxable years beginning in any calendar year shall be determined in accordance with the following table:

| **"Calendar year:** | **Applicable dollar amount:** |
|---|---|
| 2001 | $1,000 |
| 2002 | $1,500 |
| 2003 | $2,000 |
| 2004 | $2,500 |
| 2005 and thereafter | $3,000." |

(2) Additional credit for taxpayer with 3 or more separate credit amounts.—So much of section 24(d) as precedes paragraph (1)(A) thereof is amended to read as follows:

"(d) Additional Credit for Taxpayers With 3 or More Separate Credit Amounts.—

"(1) In general.—If the sum of the number of qualifying children of the taxpayer and the number of applicable individuals with respect to which the taxpayer is an eligible caregiver is 3 or more for any taxable year, the aggregate credits allowed under subpart C shall be increased by the lesser of—".

(3) Conforming amendments.—

(A) The heading for section 32(n) is amended by striking "Child" and inserting "Family Care".

(B) The heading for section 24 is amended to read as follows:

**"SEC. 24. FAMILY CARE CREDIT."**

(C) The table of sections for subpart A of part IV of subchapter A of chapter 1 is amended by striking the item relating to section 24 and inserting the following new item:

"Sec. 24. Family care credit."

(b) Definitions.—Section 24(c) (defining qualifying child) is amended to read as follows:

"(c) Definitions.—For purposes of this section—

"(1) Qualifying child.—

"(A) In general.—The term 'qualifying child' means any individual if—

"(i) the taxpayer is allowed a deduction under section 151 with respect to such individual for the taxable year,

"(ii) such individual has not attained the age of 17 as of the close of the calendar year in which the taxable year of the taxpayer begins, and

"(iii) such individual bears a relationship to the taxpayer described in section 32(c)(3)(B).

"(B) Exception for certain noncitizens.—The term 'qualifying child' shall not include any individual who would not be a dependent if the first sentence of section 152(b)(3) were applied without regard to all that follows 'resident of the United States'.

"(2) Applicable individual.—

"(A) In general.—The term 'applicable individual' means, with respect to any taxable year, any individual who has been certified, before the due date for filing the return of tax for the taxable year (without extensions), by a physician (as defined in section 1861(r)(1) of the Social Security Act) as being an individual with long-term care needs described in subparagraph (B) for a period—

"(i) which is at least 180 consecutive days, and

"(ii) a portion of which occurs within the taxable year.

Such term shall not include any individual otherwise meeting the requirements of the preceding sentence unless within the 39½ month period ending on such due date (or such other period as the Secretary prescribes) a physician (as so defined) has certified that such individual meets such requirements.

"(B) Individuals with long-term care needs.—An individual is described in this subparagraph if the individual meets any of the following requirements:

"(i) The individual is at least 6 years of age and—

"(I) is unable to perform (without substantial assistance from another individual) at least 3 activities of daily living (as defined in section 7702B(c)(2)(B)) due to a loss of functional capacity, or

"(II) requires substantial supervision to protect such individual from threats to health and safety due to severe cognitive impairment and is unable to perform at least 1 activity of daily living (as so defined) or to the extent provided in regulations prescribed by the Secretary (in consultation with the Secretary of Health and Human Services), is unable to engage in age appropriate activities.

"(ii) The individual is at least 2 but not 6 years of age and is unable due to a loss of functional capacity to perform (without substantial assistance from another individual) at least 2 of the following activities: eating, transferring, or mobility.

"(iii) The individual is under 2 years of age and requires specific durable medical equipment by reason of a severe health condition or requires a skilled practitioner trained to address the individual's condition to be available if the individual's parents or guardians are absent.

"(3) Eligible caregiver.—

"(A) In general.—A taxpayer shall be treated as an eligible caregiver for any taxable year with respect to the following individuals:

"(i) The taxpayer.

"(ii) The taxpayer's spouse.

"(iii) An individual with respect to whom the taxpayer is allowed a deduction under section 151 for the taxable year.

"(iv) An individual who would be described in clause (iii) for the taxable year if section 151(c)(1)(A) were applied by substituting for the exemption amount an amount equal to the sum of the exemption amount, the standard deduction under section 63(c)(2)(C), and any additional standard deduction under section 63(c)(3) which would be applicable to the individual if clause (iii) applied.

"(v) An individual who would be described in clause (iii) for the taxable year if—

"(I) the requirements of clause (iv) are met with respect to the individual, and

"(II) the requirements of subparagraph (B) are met with respect to the individual in lieu of the support test of section 152(a).

"(B) Residency test.—The requirements of this subparagraph are met if an individual has as his principal place of abode the home of the taxpayer and—

"(i) in the case of an individual who is an ancestor or descendant of the taxpayer or the taxpayer's spouse, is a member of the taxpayer's household for over half the taxable year, or

"(ii) in the case of any other individual, is a member of the taxpayer's household for the entire taxable year.

"(C) Special rules where more than 1 eligible caregiver.—

"(i) In general.—If more than 1 individual is an eligible caregiver with respect to the same applicable individual for taxable years ending with or within the same calendar year, a taxpayer shall be treated as the eligible caregiver if each such individual (other than the taxpayer) files a written declaration (in such form and manner as the Secretary may prescribe) that such individual will not claim such applicable individual for the credit under this section.

"(ii) No agreement.—If each individual required under clause (i) to file a written declaration under clause (i) does not do so, the individual with the highest modified adjusted gross income (as defined in section 32(c)(5)) shall be treated as the eligible caregiver.

"(iii) Married individuals filing separately.—In the case of married individuals filing separately, the determination under this subparagraph as to whether the husband or wife is the eligible caregiver shall be made under the rules of clause (ii) (whether or not one of them has filed a written declaration under clause (i))."

(c) Identification Requirements.—

(1) In general.—Section 24(e) is amended by adding at the end the following new sentence: "No credit shall be allowed under this section to a taxpayer with respect to any applicable individual unless the taxpayer includes the name and taxpayer identification number of such individual, and the identification number of the physician certifying such individual, on the return of tax for the taxable year."

(2) Assessment.—Section 6213(g)(2)(I) of such Code is amended—

(A) by inserting "or physician identification" after "correct TIN", and

(B) by striking "child" and inserting "family care".

(d) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

**SECTION 202. FULL DEDUCTION FOR HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS.**

(a) In General.—Section 162(*l*)(1) (relating to special rules for health insurance costs of self-employed individuals) is amended to read as follows:

"(1) Allowance of deduction.—In the case of an individual who is an employee within the meaning of section 401(c)(1), there shall be allowed as a deduction under this section an amount equal to the amount paid during the taxable year for insurance which constitutes medical care for the taxpayer, the taxpayer's spouse, and dependents.".

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after December 31, 2000.

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## FEINGOLD AMENDMENT NO. 3844

Mr. FEINGOLD proposed an amendment to the bill, H.R. 8, supra; as follows:

On page 2, line 16, after "is hereby repealed", insert the following: "for estates up to $100,000,000 in size".

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## AUTHORITY FOR COMMITTEES TO MEET

### COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS

Mr. ROTH. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, July 13, 2000, to conduct a mark-up on "S. 2107, the Competitive Market Supervision Act; S. 2266, the 2002 Winter Olympic Commemorative Coin Act; S. 2453, awarding a Congressional Gold Medal to Pope John Paul II; S. 2459, awarding a Congressional Gold Medal to former President Ronald Reagan and former first lady Nancy Reagan; a committee print of a substitute amendment to S. 2101, the International Monetary Stability Act of 2000; and a committee print of a substitute amendment to H.R. 3046, providing for semiannual Federal reserve testimony before Congress."

The PRESIDING OFFICER. Without objection, it is so ordered.

### COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. ROTH. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, July 13, for purposes of conducting a Full Committee business meeting which is scheduled to begin at 9:30 a.m. The purpose of this business meeting is to consider pending calendar business.

The PRESIDING OFFICER. Without objection, it is so ordered.

### COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. ROTH. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, July 13 immediately following the business meeting to conduct an oversight hearing. The committee will receive testimony on Gasoline Supply Problems: Are deliverability, transportation, and refining/blending resources adequate to supply America at a reasonable price?

The PRESIDING OFFICER. Without objection, it is so ordered.

### COMMITTEE ON HEALTH, EDUCATION, LABOR AND PENSIONS

Mr. ROTH. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions, Subcommittee on Employment, Safety, and Training be authorized to meet for a hearing on "The Effect of the Proposed Ergonomics Standard on Medicaid and Medicare Patients and Providers" during the session of the Senate on Thursday, July 13, 2000 at 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

### SELECT COMMITTEE ON INTELLIGENCE

Mr. ROTH. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, July 13, 2000 at 2:30 p.m. to hold a closed hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

### SUBCOMMITTEE ON INTERNATIONAL SECURITY, PROLIFERATION, AND FEDERAL SERVICES

Mr. ROTH. Mr. President, I ask unanimous consent that the Governmental Affairs Subcommittee on International Security, Proliferation, and Federal Services be authorized to meet during the session of the Senate on Thursday, July 13, 2000, at 2:00 p.m. for a hearing on the annual report of the Postmaster General.

The PRESIDING OFFICER. Without objection, it is so ordered.

### SUBCOMMITTEE ON NATIONAL PARKS, HISTORIC PRESERVATION AND RECREATION

Mr. ROTH. Mr. President, I ask unanimous consent that the Subcommittee on National Parks, Historic Preservation and Recreation of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, July 13, at 2:30 p.m. to conduct a hearing. The subcommittee will receive testimony on S. 2294, a bill to establish the Rosie the Riveter-World War II Home Front National Historical Park in the State of California, and for other purposes; S. 2331, a bill to direct the Secretary of the Interior to recalculate the franchise fee owed by Fort Sumter Tours, Inc., a concessioner providing service to Fort Sumter National Monument, South Carolina; S. 2598, a bill to authorize appropriations for the United States Holocaust Museum, and for other purposes; and S. Con. Res. 106, a resolution recognizing the Hermann Monument and the Herman Heights Park in New Ulm, Minnesota, as a national symbol of the contributions of Americans of German heritage.

The PRESIDING OFFICER. Without objection, it is so ordered.

## PRIVILEGE OF THE FLOOR

Mr. REID. I ask unanimous consent that Phoebe Haupt who works in my office be extended privileges of the floor during the pendency of H.R. 8.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask unanimous consent that Ruth Lodder, an Air Force fellow in the office of FRANK LAUTENBERG, be granted floor privileges during the duration of the 106th Congress.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERRY. Mr. President, I ask unanimous consent that Jennifer Fogul-Bublick, a fellow in my office, be granted the privilege of the floor during this debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH. Mr. President, I ask unanimous consent that the following members of the staff of the Joint Committee on Taxation have floor privileges: Joe Nega, John Navratil, Rick Grafmeyer, Todd Simmens, Barry Wold, and Tom Barthold.

The PRESIDING OFFICER. Without objection, it is so ordered.

## NATIONAL FRAGILE X AWARENESS DAY

On July 12, 2000, the Senate passed S. Res. 268, as follows:

S. RES. 268

Whereas Fragile X is the most common inherited cause of mental retardation, affecting people of every race, income level, and nationality;

Whereas 1 in every 260 women is a carrier of the Fragile X defect;

Whereas 1 in every 4,000 children is born with the Fragile X defect, and typically requires a lifetime of special care at a cost of over $2,000,000;

Whereas Fragile X remains frequently undetected due to its recent discovery and the lack of awareness about the disease, even within the medical community;

Whereas the genetic defect causing Fragile X has been discovered, and is easily identified by testing;

Whereas inquiry into Fragile X is a powerful research model for neuropsychiatric disorders, such as autism, schizophrenia, pervasive developmental disorders, and other forms of X-linked mental retardation;

Whereas individuals with Fragile X can provide a homogeneous research population for advancing the understanding of neuropsychiatric disorders;

Whereas with concerted research efforts, a cure for Fragile X may be developed;

Whereas Fragile X research, both basic and applied, has been vastly underfunded despite the prevalence of the disorder, the potential for the development of a cure, the established benefits of available treatments and intervention, and the significance that Fragile X research has for related disorders; and

Whereas the Senate as an institution and Members of Congress as individuals are in unique positions to help raise public awareness about the need for increased funding for research and early diagnosis and treatment for the disorder known as Fragile X: Now, therefore, be it

*Resolved*, That the Senate designate July 22, 2000 as "National Fragile X Awareness Day".

## MEASURE PLACED ON THE CALENDAR—H.R. 894

Mr. ROTH. Mr. President, I understand there is a bill at the desk due for its second reading.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 894) to encourage States to incarcerate individuals convicted of murder, rape, or child molestation.

Mr. ROTH. Mr. President, I object to further proceeding on this bill at this time.

The PRESIDING OFFICER. The bill will be placed on the calendar.

## MEASURE READ THE FIRST TIME—S. 2869

Mr. ROTH. Mr. President, I understand that S. 2869 is at the desk. I ask for its first reading.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 2869) to protect religious liberty, and for other purposes.

Mr. ROTH. I now ask for its second reading and object to my own request.

The PRESIDING OFFICER. Objection is heard.

## CONGRATULATING THE PEOPLE OF MEXICO

Mr. ROTH. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of S. Res. 335 submitted earlier by Senator HELMS for himself and others.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 335) congratulating the people of Mexico on the occasion of the democratic elections in that country.

There being no objection, the Senate proceeded to consider the resolution.

Mr. HELMS. Mr. President, unanimity is a rare event in the Senate these days but I suspect that there may be unanimous approval of a resolution I am proposing commending and congratulating the people of Mexico for their July 2 democratic elections, which shocked the experts who had predicted that the ruling Institutional Revolutionary Party (PRI) could not be defeated and driven from power. An articulate and steadfast candidate named Vicente Fox Quesada thought differently—and he was right.

With the support of millions of Mexicans across the political spectrum, Governor Fox won 42.5 percent of the votes cast—six points ahead of the PRI candidate, Francisco Labistida. And since the third-place candidate received nearly 17 percent of the vote, that meant that 60 percent of the 37.6 million Mexicans who voted wanted to put an end to the PRI's stranglehold.

Thus the conventional wisdom that regarded the PRI political machine as being invincible avoided two facts: (1) the legendary PRI political machine had never been in a fair fight; and (2) the Mexican people have been striving for decades to put an end to the one-party rule that has wrought corruption, poverty, and insecurity.

Mexico's president-elect, Vicente Fox, has pledged to root out the grinding corruption that has locked 40 percent of the Mexican population into poverty and the others into insecurity. Mr. Fox has an agenda of free-market policies with a commitment that no Mexican will be excluded from economic opportunity and development.

Furthermroe, president-elect Fox has a sensible plan to reform the Mexican Government to make it accountable to the people. And, he has vowed to work with the United States and other countries to fight the deadly gangsters who traffic in illegal drugs in Mexico with virtual impunity.

So, this ambitious reform agenda is good news for the American people as well as Mexicans. For the first time, we will have a full partner in a truly legitimate and sovereign Mexican Government—one willing to work with us to make the most of shared opportunities and to confront common challenges.

Outgoing President Ernesto Zedillo's election-night address, in which he recognized the victory of Vicente Fox and pledged to work for a smooth and orderly transition, seals his place in Mexican history. From his earliest days in office, President Zedillo had declared his intent to break the cycle of election thievery that had marked 70 years of PRI rule, and the gentleman kept his word.

A special tribute is due the men and women of the Federal Electoral Institute who systematically ensured that Mexicans would get the free and honest elections they demanded. The IFE lived up to its mandate and has shown itself to be one of the premier electoral bodies in the world.

My resolution congratulates the Mexican people, President-elect Fox, and President Ernesto Zedillo. It is a new day in Mexico and for relations between our two great nations.

Mr. BINGAMAN. Mr. President, I rise today in support of Senator HELM's resolution that commends Mexico on the results of their elections. There is no doubt that this was an event of historic proportions. The Mexican people have, through careful consideration and a peaceful political process, ended over seven decades of rule by a single political party. By doing so they have turned their country into a true democracy. They deserve this recognition.

My colleague's resolution captures the significance of this vote to the United States in terms of our national interest and our social welfare. As my state sits right across the border from Mexico, New Mexicans are well aware that the destinies of our two countries have been, and will be, intertwined. We have always shared similarities in heritage and language with the Mexican people, and this has established the means by which cultural and economic interaction can increase rapidly and consistently over time.

It is clear that the new President of Mexico, Vincente Fox, faces a broad range of tough challenges as he assumes office and plots a course for the future. Expectations are high and the obstacles are great. Privatization, corruption, education, economic growth, narcotics, crime and health—all these issues require immediate attention. It is encouraging to see President Ernesto Zedillo already working in tandem with the new government to ensure a successful transition. This will inevitably benefit the Mexican people.

I concur with the goals of the resolution, specifically the pledge for increased cooperation with the Government of Mexico so that we might confront the threats that our countries face and improve the quality of life for our people. I wish President-elect Fox luck in his efforts, and I look forward to working with him in the future.

Mr. ROTH. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and any statements relating to the resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 335) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 335

Whereas the United States and Mexico share a border of more than 2,000 miles;

Whereas Mexico is the second largest trade partner of the United States, with a two-way trade of $174,000,000,000;.

Whereas United States companies have invested more than $25,000,000,000 in Mexico from 1994–1999;

Whereas more than 20,000,000 people now in the United States are of Mexican descent, a fact that in and of itself forges profound and permanent cultural ties between our 2 countries;

Whereas the well-being and security of the United States and Mexico require governments willing and able to cooperate fully to confront common threats, including organized crime, corruption, and trafficking in illicit narcotics;

Whereas the people of Mexico have struggled for decades for a true representative democracy, accountability, and the rule of law and, in recent years, they have sought and obtained significant political and electoral reforms in pursuit of those objectives;

Whereas the Federal Electoral Institute and its regional councils, now genuinely independent and representative bodies, were responsible for organizing the federal elections on July 2, 2000, in which nearly 1,000,000 citizens participated directly in conducting the balloting for a new president, a new national congress, and state or local officials in Mexico City as well as 10 states;

Whereas the July 2nd elections were observed by approximately 2,500,000 domestic monitors and 850 foreign visitors, including delegations of the United States-based International Republican Institute for International Affairs and the National Democratic Institute;

Whereas in the July 2nd elections, Vicente Fox Quesada of the Alliance for Change (consisting of the National Action Party and the Mexican Green Party) was elected President of the United Mexican States, receiving 42.5 percent of the 37,600,000 votes cast, according to preliminary results released by the Federal Electoral Institute; and

Whereas, according to the Federal Electoral Institute and domestic and international observers, the July 2nd elections were unprecedented in their degree of fairness and transparency, forming the foundation for a genuinely democratic and pluralistic government that represents the will and sovereignty of the people of Mexico: Now, therefore, be it

*Resolved,*

### SECTION 1. CONGRATULATING THE PEOPLE OF MEXICO ON THE OCCASION OF THE DEMOCRATIC ELECTIONS HELD IN MEXICO.

(a) CONGRATULATING THE PEOPLE OF MEXICO.—The Senate, on behalf of the people of the United States, hereby—

(1) congratulates the people of Mexico for their long, courageous, and fruitful struggle for representative democracy and the rule of law;

(2) congratulates Vicente Fox Quesada for his electoral triumph and extends to him genuine best wishes for great success in his formation of a new government; and

(3) congratulates Ernesto Zedillo Ponce de León, current President of the United Mexican States, for his historic commitment to ensure the peaceful and stable transition of power.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the United States should seek to—

(1) expand and intensify its cooperation with the newly elected Government of Mexico to promote economic development and to reduce poverty to achieve an improved quality of life for citizens of both countries;

(2) confront common threats such as the trafficking in illicit narcotics; and

(3) act in solidarity to actively promote representative democracy and the rule of law throughout the world.

**SEC. 2. TRANSMITTAL OF RESOLUTION.**

The Secretary of the Senate shall transmit a copy of this resolution to—

(1) Vicente Fox Quesada, President-elect of the United Mexican States;

(2) Luis Felipe Bravo Mena, president of the National Action Party of Mexico;

(3) the International Republican Institute for International Affairs and the National Democratic Institute; and

(4) the Secretary of State with the request that the Secretary further transmit such copy to Ernesto Zedillo Ponce de León, President of the United Mexican States.

## GOLD MEDAL TO POPE JOHN PAUL II

Mr. ROTH. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of H.R. 3544, which is at the desk.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 3544) to authorize a gold medal to be presented on behalf of the Congress to Pope John Paul II in recognition of his many and enduring contributions to peace and religious understanding, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. ROTH. Mr. President, I ask unanimous consent that the bill be read the third time, passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 3544) was read the third time and passed.

## A GOLD MEDAL TO NANCY AND RONALD REAGAN

Mr. ROTH. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 578, H.R. 3591.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 3591) to provide for the award of a gold medal on behalf of the Congress to former President Ronald Reagan and his wife Nancy Reagan in recognition of their service to the Nation.

There being no objection, the Senate proceeded to consider the bill.

Mr. COVERDELL. Mr. President, tonight, we pass and clear for the President's signature a fitting tribute for a pair of American heroes, the Congressional Gold Medal. I am privileged and deeply honored to have been joined and supported by so many of my colleagues and others in this effort.

In his first inaugural address, President Reagan encouraged a nation by stating, "Let us begin an era of national renewal. Let us renew our determination, our courage, and our strength. And let us renew our faith and our hope."

Former President Ronald Reagan spoke these words almost two decades ago at his first inauguration ceremony, inspiring a generation. During his 8 years as President of the United States, Ronald Reagan successfully reshaped America's hope and sparked a national renewal, marked by unprecedented global peace, economic growth, military superiority, and the spread of freedom and liberty.

Serving as the leader of the world's greatest superpower, President Reagan preferred to see himself as a simple citizen who had been called upon to aid the Nation he so loved. He believed fervently in the American dream and wanted the American people to realize it fully.

Through every historic fight and landmark decision, the ever-gracious First Lady, Nancy, was by President Reagan's side. A distinguished leader in her own right, she traveled tirelessly throughout the country promoting her famous "Just Say No" campaign. The project is aimed at preventing alcohol and drug use among our youth.

In his tenure, President Reagan restored America's sense of pride and set us squarely on the course of prosperity we still enjoy today. He facilitated the collapse of the Soviet Union that brought an end to the cold war. Who could forget his ringing challenge from Berlin's Bradenburg Gate, "Mr. Gorbachev, tear down this Wall!" By 1989, to the amazement of the world, Germany was unified, and the Wall was a memory. Reagan's character, wit, and eloquence as the "Great Communicator" brought honor to the Office of the President and endeared him to all Americans and, indeed, all the world.

Former British Prime Minister Margaret Thatcher once commented, "Not since Lincoln, or Winston Churchill in Britain, has there been a President who has so understood the power of words to uplift and inspire." Mr. President, I couldn't agree more.

His one-time rival for superpower dominance, Mikhail Gorbachev, described honoring the Reagans with the Congressional Gold Medal as ". . . a fitting tribute to the fortieth President of the United States, who will go down in history as a man profoundly dedicated to his people and committed to the values of democracy and freedom."

Together, the Reagans selflessly dedicated their lives to promoting national pride and bettering the quality of life in America. Together, they continue their battle with Alzheimer's disease, displaying the dignity for which they are famous. Mrs. Reagan remains committed to community service. In his honor, she has become a national advocate for heightening Alzheimer's disease awareness. Their fight inspires hope in millions of Americans who share their struggle.

The leadership and dedication that President and Mrs. Reagan provided this Nation undeniably abides with us still. It is fitting for a grateful people and Nation to say, "Thank you."

Mr. ROTH. Mr. President, I ask unanimous consent that the bill be considered read the third time, passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 3591) was read the third time and passed.

## REMOVAL OF INJUNCTION OF SECRECY—TREATY DOCUMENT NOS. 106-35 and 106-36

Mr. ROTH. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the following treaties transmitted to the Senate on July 13, 2000, by the President of the United States: Treaty with Cyprus on Mutual Legal Assistance in Criminal Matters (Treaty Document No. 106-35); and Treaty with South Africa on Mutual Legal Assistance in Criminal Matters (Treaty Document No. 106-36).

I further ask that the treaties be considered as having been read the first time, they be referred with accompanying papers to the Committee on Foreign Relations, and the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The messages of the President are as follow:

*To the Senate of the United States:*

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty Between the Government of the United States of America and the Government of the Republic of Cyprus on Mutual Legal Assistance in Criminal Matters, signed at Nicosia on December 20, 1999. I transmit also, for the information of the Senate, the report of the Department of State with respect to the Treaty.

The Treaty is one of a series of modern mutual legal assistance treaties being negotiated by the United States in order to counter criminal activities more effectively. Together with the Extradition Treaty Between the Government of the United States of America and the Government of the Republic of Cyprus, which entered into force September 14, 1999, this Treaty will, upon entry into force, provide an effective tool to assist in the prosecution of a wide variety of offenses, including organized crime, terrorism, drug-trafficking offenses, and other violent crimes as well as money laundering and other white collar crimes of particular interest to the U.S. law enforcement community. The Treaty is self-executing.

The Treaty provides for a broad range of cooperation in criminal matters. Mutual assistance available under the Treaty includes taking the testimony or statements of persons; providing documents, records, and other items; locating or identifying persons or items; serving documents; transferring persons in custody for testimony or other purposes; executing searches and seizures; assisting in proceedings related to immobilization and forfeiture of assets, restitution, and collection of fines; and any other form of assistance not prohibited by the laws of the Requested State.

I recommend that the Senate give early favorable consideration to the Treaty and give its advice and consent to ratification.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 13, 2000.*

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*To the Senate of the United States:*

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty Between the Government of the United States of America and the Government of the Republic of South Africa on Mutual Legal Assistance in Criminal Matters, signed at Washington on September 16, 1999. I transmit also, for the information of the Senate, the report of the Department of State with respect to the Treaty.

The Treaty is one of a series of modern mutual legal assistance treaties being negotiated by the United States in order to counter criminal activities more effectively. Together with the Extradition Treaty Between the Government of the United States of America and the Government of the Republic of South Africa, also signed September 16, 1999, this Treaty will, upon entry into force, provide an effective tool to assist in the prosecution of a wide variety of offenses, including terrorism, organized crime, drug-trafficking offenses, and other violent crimes as well as money laundering, and other white collar crimes of particular interest to the U.S. law enforcement community. The Treaty is self-executing.

The Treaty provides for a broad range of cooperation in criminal matters. Mutual assistance available under the Treaty includes taking the testimony or statements of persons; providing documents, records and articles of evidence; locating or identifying persons; serving documents; transferring persons in custody for testimony or other purposes; executing requests for searches and seizures; assisting in proceedings related to restraint or immobilization and confiscation or forfeiture of assets or property, compensation or restitution, and recovery or collection of fines; and any other form of assistance not prohibited by the laws of the Requested State.

I recommend that the Senate give early and favorable consideration to the Treaty and give its advice and consent to ratification.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 13, 2000.*

## ORDERS FOR FRIDAY, JULY 14, 2000

Mr. ROTH. I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9 a.m. on Friday, July 14. I further ask consent that on Friday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate then resume consideration of H.R. 8, the Death Tax Elimination Act, under the previous order.

The PRESIDING OFFICER. Without objection, it is so ordered.

## PROGRAM

Mr. ROTH. For the information of all Senators, at 9 a.m. the Senate will begin the final votes on the death tax elimination bill. Under the order, there will be up to 10 votes on the remaining amendments and final passage.

Following disposition on the death tax legislation, the Senate will begin debate of the reconciliation bill, which includes the marriage tax penalty language. Under a consent agreement reached tonight, there is a finite list of amendments which will be debated throughout the day, tomorrow, and voted on beginning at 6:15 p.m. on Monday, July 17. As a reminder, all votes after the first vote tomorrow morning will be limited to 10 minutes in length.

Mr. FEINGOLD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Wisconsin.

### UNANIMOUS CONSENT REQUEST

Mr. FEINGOLD. Mr. President, I would like to ask unanimous consent, in a moment, to modify my amendment, the Feingold amendment to the estate tax bill. When I make this request, the purpose is to address a concern the Senator from Oklahoma raised about unintended implications of the amendment. The amendment was supposed to be a simple amendment having to do with limiting the estate tax exemption of $100 million.

He has raised a legitimate point with regard to an unintended consequence. In the spirit of trying to get to the core of the matter, I ask I be able to modify my amendment. My intent was not to impose an additional capital gains tax on estates of greater than $100 million. My intent was to keep the current law rule that permits a step-up in basis.

I hope the Senator from Oklahoma in good faith will understand that that was our purpose and that the amendment could be offered in that spirit.

Mr. President, I ask unanimous consent, notwithstanding the fact that this is not the pending business, that I be allowed to modify my amendment and to send a modification to the desk.

The PRESIDING OFFICER. Is there objection?

Mr. NICKLES. I object.

Mr. FEINGOLD. Thank you, Mr. President.

## ADJOURNMENT UNTIL 9 A.M. TOMORROW

Mr. ROTH. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 10:34 p.m., adjourned until Friday, July 14, 2000, at 9 a.m.

## NOMINATIONS

Executive nominations received by the Senate July 13, 2000:

### FEDERAL LABOR RELATIONS AUTHORITY

BONNIE PROUTY CASTREY, OF CALIFORNIA, TO BE A MEMBER OF THE FEDERAL LABOR RELATIONS AUTHORITY FOR A TERM OF FIVE YEARS EXPIRING JULY 1, 2005, VICE DONALD S. WASSERMAN, TERM EXPIRED.

### DEPARTMENT OF TRANSPORTATION

ARTHENIA L. JOYNER, OF FLORIDA, TO BE A MEMBER OF THE FEDERAL AVIATION MANAGEMENT ADVISORY COUNCIL FOR A TERM OF ONE YEAR. (NEW POSITION)

### CENTRAL INTELLIGENCE

JOHN E. MCLAUGHLIN, OF PENNSYLVANIA, TO BE DEPUTY DIRECTOR OF CENTRAL INTELLIGENCE, VICE GENERAL JOHN A. GORDON.

### DEPARTMENT OF EDUCATION

JUDITH A. WINSTON, OF THE DISTRICT OF COLUMBIA, TO BE UNDER SECRETARY OF EDUCATION, VICE MARSHALL S. SMITH.

# EXTENSIONS OF REMARKS

## PERSONAL EXPLANATION

### HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Mr. OWENS. Mr. Speaker, on Tuesday, I was unavoidably absent on a matter of critical importance and missed the following votes.

On the bill, H. Con. Res. 253, expressing the sense of the Congress strongly objecting to any effort to expel the Holy See from the United Nations as a state participant by removing its status as a permanent observer, introduced by the gentleman from New Jersey, Mr. SMITH, I would have voted "yea."

On the bill, H.R. 4442, the National Wildlife Refuge System Centennial Act, introduced by the gentleman from New Jersey, Mr. SAXTON, I would have voted "yea."

On the bill, H. Res. 415, the sense of the House that there should be a National Ocean Day, introduced by the gentlelady from Hawaii, Mrs. MINK, I would have voted "yea."

On the amendment to H.R. 4461, the fiscal year 2001 Agriculture appropriations bill, introduced by the gentleman from Oregon, Mr. DEFAZIO, I would have voted "yea."

On the amendment to H.R. 4461, the fiscal year 2001 Agriculture appropriations bill, introduced by the gentleman from South Carolina, Mr. SANFORD, I would have voted "nay."

On the amendment to H.R. 4461, the fiscal year 2001 Agriculture appropriations bill, introduced by the gentleman from Indiana, Mr. BURTON, I would have voted "nay."

On the amendment to H.R. 4461, the fiscal year 2001 Agriculture appropriations bill, introduced by the gentleman from New Mexico, Mr. SKEEN, I would have voted "nay."

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## TRIBUTE TO ST. MICHAEL'S HOSPITAL

### HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Mr. KUCINICH. Mr. Speaker, on Wednesday, March 29, 2000, a day when the U.S. Congress was in session, I was present on behalf of the people of my district at a federal bankruptcy court in Wilmington, Delaware before federal Judge Mary F. Walrath, to request the Judge's consideration of my constituents' heartfelt plea to help us save our community hospital. What follows is my testimony in open court—a tribute to St. Michael's Hospital.

Your Honor, I thank your Honor for granting me the privilege to humbly approach this court on behalf of the community interests of the 570,000 people of the 10th Congressional district in Cleveland, Ohio, a city which I served as Mayor and now I represent Cleveland in the U.S. Congress. For this matter is literally one of life and death for my constituents because their access to full service health care, emergency care (13,000 cases a year) surgical care and acute medical care is at stake.

St. Michael's Hospital, which was known as St. Alexis Hospital, has been the heart and soul of an old Cleveland neighborhood on the edge of the steel mills for 116 years.

I know the hospital well. I lived in the neighborhood. I worked there 36 years ago as an orderly, then as a surgical technician. I learned long ago about the spirit of this hospital—about its spiritual connection to the community, about how it provides over 400 jobs, and protects neighborhood health and neighborhood commerce. Our community has a lot at stake here.

St. Michael's has provided care, outstanding care for the sick and the elderly, including my own mother and father, and brothers and sisters, and myself.

It provides care for the poor, the indigent, for people who do not own cars, for people who are dependent on mass transit, for a large elderly population who wait patiently each month for their social security checks.

St. Michael's staff is totally dedicated. Some of its doctors still do house calls. St. Michael's has saved the lives, and prolonged the quality of life of so many people who I know and love and the lives of loved ones of many people here in this courtroom.

St. Michael's gives people hope. It has demonstrated true charity. The people from my district who have traveled here by bus including City Council representatives, are now obligated by the

Today, when I walk the streets of St. Michael's neighborhoods, I see poverty reflected on people's faces, in the walk, in their clothes. I know the people well, because this is where I come from. This is my home. This is my heart.

I know that for many people in the community this hospital is the only institution in the neighborhood which enables the people to rescue some quality from a hard life.

And that is why I am here on a day when the U.S. House of Representatives is in session—because I can and do speak on behalf of 570,000 people and say that we plead for the wisdom and mercy of this honorable court, in considering the interests of the community. We respect that this honorable court cannot solve all the problems which beset the American health care system—indeed that is work for the institution I am honored to serve, but the court can help give the hospitals a fighting chance to survive, and in the process give the humble people of our community one last chance for the hospital to be saved. I ask your honor to please take notice of the fact that:

On the same day that PHS and Cleveland Clinic privately applied to the Federal Trade Commission for Hart-Scott-Rodino (antitrust) approval for the asset purchase agreement to close St. Michael's and Mt. Sinai East—on that same day, PHS publicly announced its intention to keep St. Michael's and Mt. Sinai East open, not withstanding the closure of Mt. Sinai University Circle.

Your honor, the people who I represent are humble people, many minorities, many from immigrant families. They take things at face value. They have trouble understanding people who say one thing and do another. They have faith in people, in one another, and in this court.

The truth is that notwithstanding the three year agreement which PHS and Cleveland Clinic made with the Mayor of Cleveland at St. Michael's:

The adolescent ward was closed in the past three weeks;

The detox unit was closed;

The ambulance service has been stopped;

The elective services have been stopped;

That today the cardiac rehab unit is being closed;

That women's center patients have to find other physicians. PHS did this without the physicians' knowing;

That one physician's patients received letters "to get another physician"—even though PHS never notified the physician;

All this has hurt our community. But St. Michael's Hospital lives. It lives despite PHS billing hospitals for a computer system which still does not work and PHS paying multi-million dollar consultant fees that in and of themselves would cover any deficits which may exist at St.

We cannot expect this honorable court to solve the health care problems of America—but it is a fact that on the entire east side of Cleveland, as a result of the closing of Mt. Sinai, University Circle; no level-one trauma center is available. And throughout this process of closing hospitals the community; doctors, nurses and Cleveland City Council were not included in any talks. It is no wonder that the Council voted 18–0 to formally oppose the sale and closure of St. Michael's.

Your honor, I want the court to know that I am sensitive to PHS's position as a debtor in Bankruptcy proceedings and understand that PHS must sell these hospitals. But it seems, that to PHS, St. Michael's and Mt. Sinai are simply assets to be unloaded, worth more to them closed than open. But to the people in my district and in neighboring districts, these represent community resources and access to health care.

To Cleveland Clinic, St. Michael's and Mt. Sinai East represent competition to be snuffed out. That is why Cleveland clinic agreed to purchase these hospitals only under the condition that PHS close them prior to purchase. That's a cold and heartless decision to we who are committed to providing access to health care for Cleveland area residents. It is cruel and it is inexplicable that St. Michael's, which provides 20 percent of its care to indigent and Medicaid patients must close to make way for the sprawling Cleveland Clinic which provides only 2.3 percent of its care to charity patients.

What makes it even harder to comprehend is that the asset purchase agreement freezes out willing bidders, those who would keep the hospitals open. Those who would keep St. Michael's doing what it has always done for 116 years, protecting the people's health care needs. That's all the people I represent want—to keep hospitals open, to keep access to health care.

I join with the objectors to the Asset Purchase Agreement in the request that this

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

honorable court set aside the agreement for a closed sale and open the bidding to provide a clear, honest opportunity for our community hospitals to stay open. Thank you, your honor.

## RECOGNIZING MARION SHROYER

### HON. JOHN SHIMKUS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Mr. SHIMKUS. Mr. Speaker, today I recognize Ms. Marion Shroyer of Vandalia, Illinois for all her outstanding contributions towards her community.

Marion has received several awards for her outstanding public service. She has received the "Abe Award," which is presented to a person for their outstanding contributions to their community. A tree was planted, in her honor, on the lawn of the Old State Capitol of Illinois for her outstanding citizenship.

She is an active leader in her church and dedicates much of her time to helping the elderly by taking them to the hospital and visiting with them in the nursing homes. Marion is an active leader in the Schoroptomist Club and has been a Real Estate Broker for over 20 years. She is a mother of two, a grandmother of six, a great grandmother of three and a role model for us all.

I want to applaud Marion for all her years of service to the great townspeople of Vandalia. For all you have done and continue to do, I thank you.

## RECOGNIZING DR. EDISON O. JACKSON

### HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Mr. TOWNS. Mr. Speaker, I rise today to recognize Dr. Edison O. Jackson, President of the Medgar Evers College of the City University of New York. Dr. Jackson, a resident of Prospect Heights, Brooklyn, and a member of the Ministerial staff of Bridge Street A.M.E. Church, is a outstanding citizen and a pillar of our community.

Born in Heathsville, Virginia, Dr. Jackson received a B.S. in Zoology, followed by a Master of Arts Degree in Counseling from Howard University. He began his career in education in the field of counseling, where he served for almost four years. In 1969, he was named Dean of Student Affairs at Essex County College in New Jersey, where he distinguished himself to the point that he was promoted to the position of Vice President of Student Affairs. In 1983, Dr. Edison was named Executive Vice President and Chief Academic Officer at Essex County College. In that same year, he received a Doctorate in Education from Rutgers University with academic emphasis on philosophy, function, role and administration of urban educational institutions. During these many years, Dr. Edison achieved numerous remarkable accomplishments so, when he accepted the position of President of Medgar Evers College in 1989, he brought with him a wealth of experience and knowledge in administering the affairs of educational institutions.

Dr. Jackson currently holds memberships on a number of civic, educational and community organizations. His affiliations with professional and national organizations run the gamut from the American Association of Higher Education, to the President's Round Table and the National Council on Crime and Delinquency. Dr. Jackson has also written extensively on issues of concern to educators, with particular concentration on minority students and the community, academic preparation and student performance.

Finally, Mr. Speaker, I want to note that Dr. Jackson is married to Florence E. Jackson, and is the proud father of two children: Eulaynea and Terrance. Mr. Speaker, I ask you and all of my colleagues to join me in recognizing the lifelong efforts of Dr. Edison O. Jackson, and wish him continued success in his future endeavors.

## PERSONAL EXPLANATION

### HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Mr. OWENS. Mr. Speaker, on Monday, I was unavoidably absent on a matter of critical importance and missed the following votes:

On the first amendment to H.R. 4461, the fiscal year 2001 agriculture appropriations bill, introduced by the gentleman from Oklahoma, Mr. COBURN, I would have voted "nay."

On the first amendment to H.R. 4461, the fiscal year 2001 agriculture appropriations bill, introduced by the gentleman from California, Mr. ROYCE, I would have voted "nay."

On the amendment to H.R. 4461, the fiscal year 2001 agriculture appropriations bill, introduced by the gentleman from New York, Mr. CROWLEY, I would have voted "yea."

On the second amendment to H.R. 4461, the fiscal year 2001 agriculture appropriations bill, introduced by the gentleman from California, Mr. ROYCE, I would have voted "nay."

On the second amendment to H.R. 4461, the fiscal year 2001 agriculture appropriations bill, introduced by the gentleman from Oklahoma, Mr. COBURN, I would have voted "yea."

On the amendment to H.R. 4461, the fiscal year 2001 agriculture appropriations bill, introduced by the gentleman from South Carolina, Mr. SANFORD, I would have voted "nay."

## IN CELEBRATION OF THE TENTH ANNIVERSARY OF THE AMERICANS WITH DISABILITIES ACT

### HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Mr. KUCINICH. Mr. Speaker, I rise today to spread the word. I spread the word of the many thousands of successful people with disabilities who have benefitted from the Americans with Disabilities Act (ADA), and I ask my colleagues to join me in celebrating the tenth anniversary of this historic legislation.

On July 26, 1990, the Americans with Disabilities Act was signed into law. The nation's handicapped community was presented with perhaps their most important legislation in the history of the United States. With the signing of this bill, handicapped individuals were given the opportunity and the access to have their incredible potential recognized. For ten years now, the ADA has extended the American dream to millions of Americans with disabilities. With this act, America has become a better nation.

Paying tribute to this momentous event, I commemorate the Disability Coalition Movement of Cleveland in creating "ADA Day—A Celebration". In sponsoring this event, the communities of Northeast Ohio are recognizing the previous accomplishments of the ADA, and envisioning the future success that will inevitably come. By bringing together area disabled and non-disabled for a celebration, ADA Day will further encourage a dialogue of anti-discrimination. ADA Day will continue to spread the word for all to hear.

Throughout my district and throughout our nation, handicapped individuals have impacted their neighborhoods. A message of awareness and understanding has been spread, and this message must only get louder.

The tenth anniversary of the Americans with Disability Act is a time commemorating handicapped people and applauding events like ADA Day—A Celebration. My fellow colleagues, please join me in spreading this important word.

## HONORING DR. ANTANAS RAZMA

### HON. JOHN SHIMKUS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Mr. SHIMKUS. Mr. Speaker, today I commend Dr. Antanas Razma, this year's recipient of the Balzekas Museum of Lithuanian Culture Man of the Year Award. This award is given to outstanding individuals who have contributed so much towards the advancement of their fellow man.

Dr. Razma is being honored for his dedication to Lithuania and for establishing the Lithuanian Foundation. As co-chairman of the House of Representatives Baltic Caucus, I want to congratulate and thank him for all that he has done and will continue to do for the people of Lithuania.

## WE NEED JUSTICE IN THE DISTRIBUTION OF THE SURPLUS

### HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Mr. OWENS. Mr. Speaker, today's New York Times reports that Democrats are showing greater interest in tax cuts. On the floor of this House at the beginning of this year I said that a tax cut was inevitable in this election year. Those of us who represent the "Caring Majority" must make certain that this coming tax cut benefits those most in need of relief. We must start with a cut in the payroll taxes. And beyond tax cuts we must spread the benefits of our blessed surplus to those in greatest need. We need more housing; we need prescription drug benefits. We need to invest heavily in education to guarantee American prosperity for the future. The following "Chant" sums up my position on this pivotal national decision.

### Chant For Surplus Justice

People in need
Have no fear,
Budget surplus facts prove
There's 200 Billion this year;

People in need
Challenge what you hear,
The Nation needs your votes
And your voices loud and clear;

Read our lips,
The B word is Billion,
In ten years racing
All the way to three Trillion;

People in need
Have no fear
Both Compassionate Conservatives
And Democratic Idealists
Have rhetoric running full gear:
Prescription medicare benefits,
Phased family health care
The fantasy finished New Deal
Was never so near;

People in need
Challenge What you hear,
More than rich tax cuts
Must be spread on the table;

Deficit paralysis
Is a rotting fable—
End U.S. Gulag incarceration
Demand ten percent of leftovers
to revamp education,
Build houses for seniors
And families with low incomes,
Round out the rhetoric,
Allocate desperately needed sums;

Not a single hungry child should cry,
For lack of a pill
No elderly mother should die;

People in Need
Challenge what you hear,
The Nation needs your votes—
And your voices loud and clear.

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## INTRODUCTION OF RECOGNITION OF THE KING SALMON TRADITIONAL VILLAGE AND THE SHOONAQ' TRIBE OF KODIAK

### HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Mr. YOUNG of Alaska. Mr. Speaker, I am pleased to introduce legislation which will provide for the recognition of the King Salmon Traditional Village and the Shoonaq' Tribe of Kodiak, Alaska. For the past twenty years these two villages have worked with the Bureau of Indian Affairs and the Department of the Interior to seek tribal recognition. They have gone through the process at the Department of the Interior and it is now time to grant them recognition.

I have two other villages going through the recognition process at the Department of the Interior, and if at time of mark-up of this bill they have addressed the concerns of the Department, we may include the two other villages from Alaska in this bill.

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## ATROCITIES AGAINST CHRISTIANS IN INDIA

### HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Mr. TOWNS. Mr. Speaker, recently a list was published of atrocities against Christians in India from January to May of this year. It listed 38 specific incidents just in a period of five months. This should indicate the depth of India's religious terrorism against Christians.

On July 8 and 9, two more churches were bombed. The pattern of Indian terrorism against its minorities continues.

It is not just the Christians who are being attacked. In March, the Indian government massacred 35 Sikhs in the village of Chithi Singhpora. This was confirmed by two separate investigations. Some of our colleagues may deny it, but the evidence is clear. This, too, is part of the Indian government's pattern of repression.

This pattern of repression and terrorism must be stopped. The U.S. Congress must take strong action. We should cut off aid to India until this terrorism stops. India should be declared a terrorist nation, as 21 of us recently urged the President to do. And Congress should support self-determination for the people of Khalistan, Kashmir, Nagaland, and all the minority nations seeking their freedom from India. Self-determination is the cornerstone of democracy.

Mr. Speaker, I submit the atrocity list I mentioned earlier into the RECORD for the information of my colleagues.

ATTACKS ON CHRISTIANS (JANUARY–MAY 2000)

[Sources: the Indian Currents, 21 May, 2000]

| S. No. | Date | Place/State | Description |
|---|---|---|---|
| 1 | January | Philliaur, Punjab | Sts. Peter and Paul Church robbed. |
| 2 | January | Philliaur, Punjab | St. Joseph's Convent robbed. |
| 3 | Jan. 3 | Gajapati, Orissa | 17, Dalit Christian house torched, 12 killed. |
| 4 | Jan. 9 | Panipat, Haryana | Fr. Vikas of St. Mary's Church attacked. |
| 5 | Feb. 4 | Rajgarh, MP | Hostel forced to closed down. |
| 6 | Feb. 20 | Pudiyattuvil, Kerala | Statues of Mary destroy. |
| 7 | Feb. 20 | Sevit, Gujarat | Protestant Church damaged. |
| 8 | March 6 | Mysore, Karnataka | BD threatens Bishop Roy to install Hindu statue in Churches. |
| 9 | March 8 | Basara, Panipat, Haryana | Isa Mata Church attacked. |
| 10 | March 12 | Panipat, Haryana | St. Mary's Church attacked. |
| 11 | March 12 | Suryanagar, UP | Media Computer Centre robbed. |
| 12 | March 17 | Changanacherry, Kerala | St. Berchman's College Chapel desecrated, robbed. |
| 13 | March 31 | Agra UP | Police lock up two priests without charge. |
| 14 | March 31 | Bulandshaher, UP | Nirmala School |
| 15 | March 31 | Dasna, Masuri, UP | Fr. S. George, Christ Vihar School attacked robbed. |
| 16 | April 3 | Panaji, Goa | Priest and 21 Catholics wounded by police. |
| 17 | April 5 | Barwatoli, Bihar | 5 Oraon Catholic tribals kidnapped, 2 killed. |
| 18 | April 6 | Mathura, UP | Sacred Heart School Principal Sr. Maria Pereira attacked. |
| 19 | April 7 | Belatanr, Giridih Bihar | Holy Cross Convent watchman shot dead. |
| 20 | April 9 | Bettiah, Bihar | Jesuit Social Centre (READ) stoned. |
| 21 | April 10 | Mathura Cantt, UP | Fr. Joseph Dabre, St. Dominic School attacked. |
| 22 | April 11 | Kosikalan, Haryana | Fr. K.K. Thomas and maid beaten up, house looted. |
| 23 | April 11 | Kosikalan Haryana | St. Teresa's School looted, Srs. Mary and Gloria beaten. |
| 24 | April 14 | Khagaria Bihar | 50 Christians in Charismatic prayer attacked. |
| 25 | April 15 | Timerpur, Bijnor, UP | Convent, three Catholic homes attacked. |
| 26 | April 16 | Babupet, Chanda | Maharashtra Convent tabernacle robbed. |
| 27 | April 21 | Agra, UP | Bajrang Dal attack 14 neo Christians. |
| 28 | April 22 | Rajabari, Assam | Priest and 2 brothers seriously beaten in Church robbery. |
| 29 | April 22 | Rewari, Haryana | Two nuns attacked, hit by scooter. |
| 30 | May 3 | Paricha Jhansi, UP | Chapel desecrated, nuns attacked, robbed. |
| 31 | May 3 | Dangs, Gujarat | 13 Evangelist arrested for holding prayer. |
| 32 | May 4 | Patna, Bihar | St. Xavier's School principal Fr. A.B. Peter Sj accused of sodomy. |
| 33 | May 5 | Anabha, Gujarat | 8 Protestant missionaries attacked with swords, Bibles burnt. |
| 34 | May 5 | Bhojpur, Bihar | Mary's statue smashed. |
| 35 | May | Uchhal Taluka, Gujarat | Rev. Jhalam Singh attacked, Church damaged. |
| 36 | May 9 | Nashik, Maharashtra | Protestant Shelter School for Tribal girls attacked. |
| 37 | May 11 | Indore, MP | Fire bomb thrown at Dialogue Centre, 3 churches attacked. |
| 38 | May 11 | Anekal, Karnataka | Anthony Selva, Jesuit student stabbed. |

## NATIONAL WILDLIFE REFUGE SYSTEM CENTENNIAL ACT

SPEECH OF

### HON. BARON P. HILL

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 10, 2000*

Mr. HILL of Indiana. Madam Speaker, I rise in support of H.R. 4442, the National Wildlife Refuge System Centennial Act. H.R. 4442 would establish a commission to promote awareness of the National Wildlife Refuge System among the American public as the System celebrates its centennial anniversary in 2003.

For many years, my family and I have enjoyed hiking at the Muscatatuck National Wildlife Refuge near my home in Seymour, Indiana. And now a major new refuge has been established on Army property at the former Jefferson Proving Ground.

Just last weekend, I attended the dedication of the Big Oaks National Wildlife Refuge at the former military facility. The new refuge encompasses more than 50,000 acres of grasslands, woodlands and forests and is home to white-tailed deer, wild turkey, river otters and coyotes. The refuge also provides managed habitat for 40 species of fish, 120 species of breeding birds, and the federally endangered Indiana bat. The Indiana Department of Natural Resources has identified 46 rare species of plants on the site.

Mr. Speaker, the Big Oaks National Wildlife Refuge is the latest addition to more than 500 national wildlife refuges managed by the U.S. Fish and Wildlife Service. I urge all Americans to come and enjoy the beauty and recreation opportunities at Big Oaks. And while they are in the area, they should also spend some time at the Muscatatuck refuge.

These and many other refuges are often the best kept secrets in town. H.R. 4442 rightly commemorates the centennial of the refuge system and will help make Americans more aware of the tremendous assets available to them through the National Wildlife Refuge System.

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## SUPPORT OF THE WINDOWS AND GLAZING PROGRAM

### HON. JIM DAVIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Mr. DAVIS of Florida. Mr. Speaker, I rise today in support of the windows and glazing program, which is funded through the Building Technology Category. This program provides funding for a promising new technology with enormous energy saving potential for the commercial windows market. This program would allow the further development of plasma enhanced chemical vapor deposition (PECVD) techniques for electrochromic technologies. This technology provides a flexible means of controlling the amount of heat and light that pass through a glass surface providing significant energy conservation opportunities. The Department of Energy estimates that placing this technology on all commercial building windows in the United States would produce yearly energy savings equivalent to the amount of oil that passes through the Alaskan pipeline each year.

In recognition of the importance of this technology, the State of Florida has provided $1.6 million toward the advancement of this program, and has allocated an additional $720,000 in the State of Florida Fiscal Year 2001 budget. The program is being undertaken in conjunction with the University of South Florida and utilizes the expertise and patented technology of the National Renewable Energy Laboratory in Colorado. The State of Florida's program has made significant progress toward making electrochromic windows a reality. This program is an excellent example of successful technology transfer from a national laboratory as well as an example of a successful public/private relationship.

The Florida program is consistent with industry priorities and goals of the Department of Energy's windows program. I believe this program only helps strengthen our conservation programs. I encourage my colleagues to support this important program.

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## RECOGNIZING THE 20TH ANNIVERSARY WORLD CONGRESS

### HON. JAMES P. MORAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Mr. MORAN of Virginia. Mr. Speaker, I would like to take this opportunity to recognize the 20th Anniversary World Congress, which is organized by the Czechoslovak Society of Arts and Sciences (SVU), under the auspices of the Czech and Slovak Embassies and in close cooperation with American University, scheduled for August 9–13, 2000, in Washington, D.C.

The central theme for this World Congress is: "Civil Society and Democracy into the New Millennium." It will feature speakers from both sides of the Atlantic and it promises to be the pivotal event of the year 2000 for those interested in things Czech or Slovak.

The three day program at American University will comprise numerous discussion panels and symposia, covering practically every aspect of human endeavor from the arts and humanities to social and behavioral sciences, and science and technology.

I am indeed proud to salute the efforts of the organizers and particularly would like to commend the efforts of Mr. Eugene L. Krizek, a resident of my congressional district, for his generous and untiring efforts on behalf of this project.

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## TRIBUTE TO THE LATE RUTH FIRSCHEIN

### HON. JOE BACA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Mr. BACA. Mr. Speaker, I request that the Congress reflect on the memory of Ruth Firschein, of Palo Alto, California, who passed away this week.

Known by her family simply as "Grandma Ruth," Ruth spanned nearly a century during her remarkable life.

Born in a village in Eastern Europe, Ruth immigrated to the United States as a young woman. She followed the classic path of many immigrants, landing in New York City, working hard to make a living in a new country, marrying, raising children, and assisting with the operation of a small family printing business, Firschein Press.

Although circumstances did not permit her to complete more than a grade school education, she took her children to the New York City Public Library, and taught them that books and knowledge are the key to understanding and success. The Firschein apartment was filled with books and artwork, radios and science experiments.

People who met Ruth were impressed by her intelligence, wit, charm, and leadership qualities. She served as an officer in a number of synagogue and charitable groups, freely giving of her time, and expressing her views enthusiastically, without hesitation or reservation.

Ruth witnessed much during her long life. She liked to tell about the time cossacks occupied her village and had a saber fight in the kitchen of her family's home. One of the swords accidentally struck her. Years later, she would point to the small scar and tell of the soldiers' remorse. One of them told her he had a little girl just like her at home.

Ruth was a link between the past and the present. She witnessed the birth of airplanes, televisions, computers and rockets. She watched as new waves of immigrants came to this country, retracing her life and her steps. In her later years, she would sit with new Russian immigrants, listening to their stories, and trading her own. She was a natural storyteller, and we are fortunate that a number of her stories have been recorded on tape.

Ruth leaves behind three children and several grandchildren. They remember her legacy of love for the world. She will be missed.

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## HONORING THE ARRIVAL OF THE "AMISTAD" TO ITS HOME PORT OF NEW HAVEN, CONNECTICUT

### HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Ms. DELAURO. Mr. Speaker: It is with great pride that I rise today to join the thousands gathered in New Haven, Connecticut to welcome the *Amistad* to its home port, commemorating the story of Sengbe Pieh and the Mendians kidnaped from what is now Sierra Leone, Africa. The *Amistad* replica will bring to life the legendary events of 1839 so that generations of children and adults will understand and share the slaves' courageous rebellion aboard ship, their difficult imprisonment, and their final vindication by the United States Supreme Court.

At a time of great division in our society, many New Haven residents played a key role in aiding Sengbe Pieh and the Mendians in what became a two-year legal and political battle for their freedom. Pastor Simeon Jocelyn, Lewis Tappan, and the congregations of the United Church on the Green and Dixwell United Church of Christ established the *Amistad* Committee whose mission was to provide for the Mendians' basic needs. They gathered food and clothing, and arranged for students from the Yale Divinity School to teach the Mendians English so that they were able to communicate their story to their defenders. Roger Sherman Baldwin, a New Haven attorney who later enlisted the aid of former President John Quincy Adams, volunteered to defend the captives. Today, a statue of Sengbe Pieh stands proudly near the site where he and the other Mendians of the *Amistad* were first imprisoned. New Haven is proud of the role it played in this crucial moment in the ongoing struggle for human rights and racial harmony. We are honored to have the *Amistad* with us today.

There are so many wonderful people that have committed themselves to this project—their hard work and dedication to this cause has made this day possible. My sincere thanks and appreciation to former Connecticut Governor Lowell Weicker, responsible for securing the initial state funding and support for the project; Al Marder and the *Amistad* Committee, which recreated the original committee that first came to the defense of the *Amistad* slaves; the Connecticut African American Historical Society, whose work with the *Amistad* Committee and Governor Weicker established *Amistad* America; *Amistad* America, a non-profit educational corporation that worked with Mystic Seaport to build the replica and will continue to operate the ship; and the students and faculty of the Sound School in New Haven, who crafted a lifeboat, named Margru after one of the four children aboard *Amistad*, that will now be carried on the *Amistad* replica. The participation and diligent efforts of all these groups and talented individuals have produced a tremendous contribution to the history of Connecticut and the United States.

As we reflect on the 161 years of history that has passed since the original *Amistad* landed on our shores, it is important to remind ourselves that this continues to be an unfinished journey. In the United States, we tore our nation apart in violence before we put an end to the institution that brought Sengbe Pieh to these shores. In Sierra Leone, it would be more than a century after their native sons and daughters left their shores before they would be able to claim the right to truly govern themselves. Today, we watch as the United Nations and Sierra Leone's African neighbors help in its struggle for peace. If the history of the United States and Sierra Leone have taught us anything, it is that our journey towards peace, justice, and freedom has not yet ended.

Whether at sea or in port, the *Amistad* will carry this message to all who will hear it. A reminder of an extraordinary moment in our history, I applaud the inspired dedication that the New Haven community has shown for this project. It is with great pleasure that I stand and add my voice to all of those who have gathered today to welcome the *Amistad* home.

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## TRIBUTE TO THE 11TH GREAT DOMINICAN PARADE AND CARNIVAL OF THE BRONX

### HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Mr. SERRANO. Mr. Speaker, once again it is an honor for me to recognize the Great Dominican Parade and Festival of the Bronx on its eleventh year of celebrating Dominican culture in my South Bronx Congressional District. This year's festivities will take place on July 16, 2000.

Under its Founder and President, Felipe Febles, the parade has grown in size and splendor. It now brings together an increasing number of participants from all five New York City boroughs and beyond.

On Sunday July 16, thousands of members and friends of the Dominican community will march from Mt. Eden and 172nd Street to East 161st Street and the Grand Concourse in honor of Juan Pablo Duarte, the father of the independence of the Dominican Republic.

As one who has participated in the parade in the past, I can attest that the excitement it generates brings the entire City together. It is a celebration and an affirmation of life. It feels wonderful to enable so many people to have this experience—one that will change the lives of many of them. It is an honor for me to join once again the hundreds of joyful people who will march from Mt. Eden and 172nd Street to East 161st Street, and to savor the variety of their celebrations. There's no better way to see our Bronx community.

The event will feature a wide variety of entertainment for all age groups. This year's festival includes the performance of Merengue and Salsa bands, crafts exhibitions, and food typical of the Dominican Republic.

In addition to the parade, President Febles and many organizers have provided the community with nearly two weeks of activities to commemorate the contributions of the Dominican community, its culture and history.

Mr. Speaker, it is with enthusiasm that I ask my colleagues to join me in paying tribute to this wonderful celebration of Dominican culture, which has brought much pride to the Bronx community.

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## REPUBLIC OF TURKEY'S CONTRIBUTION TO THE KOREAN WAR

### HON. PETER T. KING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Mr. KING. Mr. Speaker, I rise today to recognize not only the importance of our strategic relationship with the Republic of Turkey but their historic contribution in the Korean War. Almost 50 years ago, in October of 1950, the Turkish brigade consisting of 4,500 army troops arrived in Korea. By the time Turkey had completed its commitment, 29,882 were rotated through the brigade, 717 were killed in action, and 2246 were wounded. These figures, the highest casualty rate of the United Nations mission, demonstrated that Turkey's reputation was well deserved.

The Turkish brigade's courage and contributions were repeatedly highlighted in the press at the time. For example, the battle of Kunuri was detailed in a TIME magazine article which stated "The courageous battles of the Turkish Brigade have created a favorable effect on the whole United Nations Forces." Their courage was also referenced on Capitol Hill, with former Representative Claude Pepper opining that, "There is no one left who does not know that the Turks, our valuable allies, are hard warriors and that they have accomplished very great at the front."

Having become a member of NATO in 1952, Turkey also demonstrated its indisputable role in European security. Among all NATO allies, Turkey defended the longest border with the former Soviet Union, and carried a heavy responsibility in helping to contain, and ultimately defeat communism.

After the end of the Cold War, Turkey seized the opportunity to help shape the peace in the region. One of the first countries to recognize the independence of new emerging democracies, Turkey actively sought to assist with their efforts to integrate into the international community. Turkey provided them with direct assistance in credit and goods, military cooperation agreements to assist in building their national defense structure, scholarships for students to study in Turkish universities, offering an alternate route for transportation and communication facilities, and legal technical assistance and know how.

Turkey remains at the center of our energy security policy to develop the "east-west" access for the transport of both oil and natural gas from the Caspian region. This strategy would further shore up the economies of the countries involved, and encourage the development of democracy in the region.

At the time of the Korean War, most strategic thinkers would probably have envisioned Turkey as playing an important role in the future of European security, but the scope and breadth of the relationship which developed has most likely surpassed even the greatest expectations. Our relationship with Turkey has developed into a strategic one which we should continue to develop and nurture.

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## AIMEE'S LAW

SPEECH OF

### HON. JERRY WELLER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. WELLER. Mr. Speaker, I rise today in support of H.R. 894, the No Second Chances for Murderers, Rapists, or Child Molesters Act (Aimee's Law).

Each year more than 14,000 murders, rapes, and sexual assaults are committed by previously convicted murderers and sex offenders. While the United States has been moving towards lengthy mandatory sentences for a number of crimes, sentences for murder, child molestation and rape often fall short.

Aimee's Law would add accountability to the existing formula for distributing federal crime funds to states that convict a murderer, rapist, or child molester, if that criminal had previously been convicted of the same crime in a different state. The cost of prosecuting and incarcerating the criminal would be deducted from the federal crime funds intended to go to the state where a criminal previously committed one of these horrible crimes, and instead be sent to the state that is forced to prosecute the same criminal, for the same crime, against another innocent victim.

Tragedies like this are happening all across America, including in my home state. This type of tragedy struck close to home when a child in my District was molested and murdered by a repeat offender. Every day that we wait to pass this bill we put another innocent person at risk of being harmed.

I urge my colleagues to support this common-sense legislation.

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## TRIBUTE TO BASIC HIGH SCHOOL STUDENTS

## HON. SHELLEY BERKLEY

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Ms. BERKLEY. Mr. Speaker, I would like to take a moment to recognize a group of students and their teacher for their outstanding achievement and their remarkable understanding of the fundamental ideals and values of American constitutional government.

The students from Basic High School in Henderson, Nevada, were recognized for their expertise on the topic, "What Rights Does the Bill of Rights Protect?" at the We the People . . . the Citizen and the Constitution national finals held in Washington, D.C. The outstanding young people competed against 50 other classes across the nation and demonstrated their ability to understand and articulate the individual liberties granted by the Bill of Rights.

Additionally, the Basic High School students worked as a team to exemplify the ideals our nation was founded on. Their dedication, hard work, and unity truly embodied the three simple words in the preamble of our Constitution: "We the people."

The Constitution of the United States is the oldest working document in our nation's history, and thus the wisdom we have inherited is invaluable. As these students continue to carry out those values, we can be assured that our country will continue to strengthen and prosper. They will be ready to face the challenges of tomorrow and be leaders of our community.

The students who participated in the event are: Kate Bair, Joshua Bitsko, Ryan Black, Daniel Croy, Scott Devoge, Danielle Dodgen, Courtney England, Starlyn Hackney, Jill Hales, Alia Holm, Janae Jeffrey, Ryan Johnson, Aimee Lucero, Nathan Lund, Jessica Magro, Jasmine Miller, Holli Mitchell, Gary Nelson, Krystaly Nielsen, Mark Niewinski, Amanda Reed, Jeni Riddle, Leslie Roland, Landin Ryan, Alena Sivertson, Ashley Stolworthy, Tarah Strohm, Tyler Watson, Kara Williams, Ricky Zeedyk. Other individuals who should be recognized for their love and dedication for the students are their teacher, John Wallace; State Coordinator, Judith Simpson; and District Coordinator, Debbie Berger.

I thank their teachers and their parents for investing and sacrificing for the future of America. And once again, I congratulate these students for their accomplishment, and wish them every success in future endeavors.

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## TENTH ANNIVERSARY OF UKRAINE'S SOVEREIGNTY DECLARATION

## HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Mr. SMITH of New Jersey. Mr. Speaker, ten years ago, on July 16th 1990, the Supreme Soviet (parliament) of the Ukrainian S.S.R. adopted a far-reaching Declaration on State Sovereignty of Ukraine. The overwhelming vote of 355 for and four against was a critical and demonstrative step towards independence, as Ukraine was at that time a republic of the Soviet Union.

The Declaration, inspired by the democratic movement Rukh whose key members were veterans of the Helsinki movement seeking greater rights and freedoms, proclaimed Ukraine's state sovereignty and stressed the Republic's intention of controlling its own affairs. Ukraine and its people were identified as the sole source of state authority in the republic, and they alone were to determine their own destiny. The Declaration asserted the primacy of Ukraine's legislation over Soviet laws and established the right of Ukraine to create its own currency and national bank, raise its own army, maintain relations with foreign countries, collect tariffs, and erect borders. Through this Declaration, Ukraine announced its intention not to use, possess, or acquire nuclear weapons. Going beyond Soviet leader Gorbachev's vision of a "renewed" Soviet federation, the Declaration asserted Ukraine's sovereignty vis-a-vis Moscow, a move that only a few years earlier would have been met with the harshest of sanctions.

The Declaration's assurances on the protection of individual rights and freedoms for all of the people of Ukraine, including national and religious minorities, were extremely important and viewed as an integral aspect of the building of a sovereign Ukraine. The Declaration itself was the outcome of emerging democratic processes in Ukraine. Elections to the Ukrainian Supreme Soviet—the first in which noncommunists were permitted on the ballot—had been held only a few months earlier, in March 1990; one-third of the new members elected were representatives of the democratic opposition. Even the Communist majority voted for the Declaration, reflecting the reality that the Soviet Empire was steadily unraveling. A year later, on August 24, 1991, the same Ukrainian parliament declared Ukraine's independence, and in December of that year, on the heels of a referendum in Ukraine in which over 90 percent voted for independence, the Soviet Union ceased to exist.

Mr. Speaker, since the adoption of the Declaration ten years ago Ukraine has witnessed momentous transformations. Independent Ukraine has developed from what was, for all practical purposes, a colony of the Soviet empire into a viable, peaceful state with a commitment to ensuring democracy and prosperity for its citizens. It has emerged as a responsible and constructive actor in the international arena which enjoys good relations with all its neighbors and a strategic partnership with the United States. Obviously, the heavy legacy of communism and Soviet misrule has not yet disappeared, as illustrated by stifling corruption, and inadequate progress in rule of law and economic reforms. However, the defeat of the communists in last November's presidential elections, and the appointment of genuinely reformist Prime Minister Viktor Yushchenko have given grounds for renewed optimism, which is supported by evidence of growth in some sectors of the economy.

Mr. Speaker, now is the time for the Ukrainian people to strengthen and ensure independence by redoubling their efforts to build democracy and a market economy, thereby keeping faith with the ideals and goals of the historic 1990 Declaration on Sovereignty.

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## A SALUTE TO COL. ALTHEA WILLIAMS

## HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Mr. SCHAFFER. Mr. Speaker, I rise today to honor Col. Althea Williams for her outstanding service to our country as an accomplished nurse for the US Army.

Her dedication to the Nurse Corps spanned three major wars following her graduation in 1941 from the Beth-11 School of Nursing in Colorado Springs, Colorado. In World War II, she primarily served in the Southwest Pacific area, in addition to Australia, New Guinea, Netherlands, East Indies and the Philippines.

Later in the Korean War, Williams served in Japan with the 279th General Hospital. Finally, during the Vietnam War, she served with the 44th Medical Brigade. As a result of her dedication and outstanding abilities, she was awarded with the Legion of Merit with an Oak Leaf Cluster.

Col. Williams exemplified outstanding service in other assignments including Chief Nurse at Valley Forge General Hospital, Phoenixville, Pennsylvania; Chief Nurse of First US Army, Governor's Island, New York; Chief Nurse at Madigan General Hospital, Tacoma, Washington and the 44th Medical Brigade. Furthermore, Williams served as Chief Nurse at the Headquarters of the Sixth US Army at the Presidio of San Francisco.

Throughout her years of patriotic devotion, this Platteville, Colorado native also achieved several other degrees. Initially, from the Colorado State University she graduated with a Bachelors degree in Home Economics in 1948 and soon thereafter another Bachelors in Occupational Therapy. Notably, in 1970 she received the "Honor Alumni" award from CSU. Finally, in 1960 she graduated from Baylor University with a Masters in Hospital Administration.

Since Retirement in 1970, working as a representative of the USO and volunteering around Ft. Collins, Colorado has occupied Col. Williams, which further exemplifies her commitment to service.

Mr. Speaker, on behalf of the United States Congress I hereby thank and salute Col. Althea Williams for her steadfast dedication to the US Army Nurse Corps and for her leadership for our beloved country. On her 80th birthday, may she enjoy the bountiful Liberty with which God has so richly blessed the United States of America, and which Col. Williams has herself so completely and patriotically preserved for all posterity.

## TRIBUTE TO FABIUS-POMPEY HIGH SCHOOL'S MENS VARSITY BASEBALL TEAM

### HON. JAMES T. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Mr. WALSH. Mr. Speaker, on Saturday, June 24, 2000, the Fabius-Pompey Falcons defeated Haldane to win the New York State Class D Mens Varsity Baseball Championship, a terrific finish to an outstanding undefeated season. The Falcons, Section III Champions, won the state Class D final with a 6–2 triumph over Section I's Haldane to top off a 20–0 season and a dominant playoff run.

Previously, Fabius-Pompey, representing the Onondaga League, defeated the Oriskany Redskins of the Center State Conference in a 7–2 victory to retain the Section III, Class D Championship again this year, their third consecutive sectional title. In that game, the Falcons' star pitcher, junior Bryan Porter, entered the state record book for most consecutive innings without giving up an earned run. To advance to the State Final game, Fabius-Pompey later defeated Section IV champions Schenevus (7–0) and Section II champs Hermon-Dekalb (25–0). This year's title win against Haldane avenges a 1998 Class D State championship loss.

Talent emanates from the Fabius-Pompey dugout, with five players receiving Syracuse Newspapers' All CNY Baseball Team recognition, including Player of the Year Bryan Porter, First Team's Nate Bliss and Mike Shick, Third Team's Bob Virgil, and Honorable Mention Tim Wilcox. The team was led by All CNY Coach of the Year Shawn May, completing his ninth season leading the Falcons, and Assistant Coach Josh Virgil, himself a former Falcons fielder.

Members of the 2000 Class D Championship team include: Nate Bliss, Matt Crossman, Brandt Ford, Rob Keeney, Matthew Morse, Mitch Morse, Bill Orty, Brian Porter, Mike Shick, Jed Smith, Corey Spicer, Robert Virgil, and Tim Wilcox. Coaching staff includes Head Coach Shawn May, and Assistant Coaches Josh Virgil, Evan Eaton, and Jim Keegan.

I wish to celebrate the outstanding athletic achievements of these fine young men and recognize their scholastic and civic accomplishments as well. I join with the entire Fabius-Pompey community—including Falcons fans, parents and other family members, and educators and administrators—in extending sincere congratulations for a job well done. This strong group of fine young athletes deserves special recognition.

## NORRISTOWN, PENNSYLVANIA AND MONTELLA, ITALY CELEBRATE NINE YEARS OF SISTERHOOD

### HON. JOSEPH M. HOEFFEL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Mr. HOEFFEL. Mr. Speaker, I rise today to recognize a remarkable relationship between two wonderful cities—one here in the United States and the other in Italy. Nine years ago, the borough of Norristown in my district in Montgomery County, Pennsylvania and Montella, Italy established a Sister Cities program that has grown stronger each year.

Sister Cities International is an organization that motivates and empowers municipal officials, volunteers and youth to conduct long-term programs of mutual benefit and interest between two cities. Norristown and Montella have certainly taken advantage of this program. Norristown is an active participant in the Sister Cities program and has been fortunate to develop a partnership with people of Montella in the Province of Avellino, Italy. Montella is the home for many first and second generation Italian Americans who now reside in Norristown.

Thanks to the continued efforts of Norristown officials including Mayor Ted LeBlanc and officials from Montella including Mayor Bruno Fierro and Councilperson Carmelina Chiaradonna, this relationship has been successful in creating an atmosphere in which economic, cultural and personal ties have been implemented and strengthened.

Later this month, Joseph Byrnes, President of the Norristown Borough Council, will travel to Montella to visit Norristown's Sister City. I hope this experience, like the other personal, cultural and governmental contacts over the past nine years, will be enriching and enlightening, and I am pleased to have him represent Norristown on this exciting occasion.

## A TRIBUTE TO SHIRLEY COHEN

### HON. LORETTA SANCHEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Ms. SANCHEZ. Mr. Speaker, on behalf of Orange County's senior citizens it is my distinct honor to pay tribute to a great leader, my friend, Shirley Cohen. On June 30 of this year, Shirley retired from the Feedback Foundation at the age of 81. However, for anyone who knows Shirley retirement is not the accurate word. Shirley is merely transitioning from Feedback to become a full time political activist.

In the more than 23 years since Shirley founded Feedback it has served more than twenty million meals to frail elderly in their homes as well as to active elders who come daily to senior centers and community centers throughout the County. Shirley's outstanding work in Orange County has been recognized at the state and national level. Shirley has served with distinction as the President of the California Association of Nutrition Directors. She is also the founder of the group which is now the National Association of Nutrition and Aging Services Programs.

Shirley Cohen is a unique individual. She is creative, committed and deeply compassionate about the needs of seniors. She is often called upon by policy makers at all levels to help develop measures that will provide home and community services for seniors.

In 1995 Shirley was invited to join the White House's Conference on Aging staff. During her service to the White House Conference she made important, enduring contributions to the resolutions that were adopted and have since become the foundation for the aging policy during this decade.

There are few words to fully describe Shirley Cohen. I do know one—indefatigable. Shirley works all the time for Feedback in the community at meetings and forums. She is more than just a friendly face—she is force for positive change.

The people of Orange County and especially our senior citizens have had a tireless friend and advocate with Shirley Cohen. I know I will still see Shirley around town or hear from her on some important legislative issue at any time.

The Orange County Board of Supervisors recently passed a Resolution honoring Shirley Cohen.

Shirley Cohen epitomizes our definition of a great public servant and a wonderful productive resource as a senior citizen. I am very pleased to pay tribute to her today.

## RESOLUTION APOLOGIZING FOR SLAVERY

### HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Mr. HALL of Ohio. Mr. Speaker, I include the following remarks for the RECORD.

INTRODUCTION

In 1865, Alexis de Tocqueville wrote, "When they have abolished slavery, the moderns still have to eradicate a much more intangible and tenacious prejudice—the prejudice of race. Differences [between races] have lasted for centuries, and they still subsist in very many places; everywhere they have left traces which, though imaginary, time is hardly able to obliterate. I see slavery is in retreat, but the prejudice from which it arose is immovable."

Those words, written over a century ago, unfortunately still ring true today.

WHY I INTRODUCED THE APOLOGY

A few years ago, I saw a television program with a black minister and a white minister commemorating Dr. Martin Luther King's birthday. They mentioned that there had never been an official apology for slavery. With the Civil War, with all that President Abraham Lincoln achieved, and with the Civil Rights Movement's successes, I found that hard to believe.

So I went to the Library of Congress and discovered that they were right—no one in the Government of the United States had ever apologized for slavery. I set out to correct this glaring omission in history, and in 1997, I introduced my simple resolution without much fanfare.

What happened next was a complete surprise. Debate about my resolution erupted at about the same time President Clinton began his "National Dialogue on Race." Some dismissed it as "a meaningless gesture" or "an avoidance of problem-solving." Some felt, as I still do, that this apology was overdue.

I received hundreds of letters and phone calls about the apology. Many of the people I heard from opposed the idea and some were outright hateful.

I know that my resolution will not fix the lingering injustices that were and are slavery's legacy. But, in any human relationship, reconciliation begins with an apology. I hope the official apology my resolution seeks will be the start of a new healing between the people of our country.

After taking care of my District, I focus on hunger and human rights. I have seen these problems in communities around our nation and the world, but I am not an expert on issues of race. What I do know, because I have seen it in rich and poor communities alike, is that there are deep divisions in our country's past and our present.

My faith leads me to a clear purpose for my life: to love God, and to love others as I would love myself. I know that I would not want my children sold as slaves. I know that it would tear me apart if my wife was taken from my arms and given to another man. I know that I would be angry if I was beaten, whipped and killed because of the color of my skin. I do not want that for my neighbors, whether they live down the street or half a world away.

Americans have tried to heal our race problems many times before today, but perhaps we can find more lasting solutions if we change our approach. We have started new programs, invested money, and written countless reports. But, I say with respect, that has not been enough. We need to acknowledge the past, recognize the present, and hope for the future.

### WHY WE STILL NEED TO APOLOGIZE

### *Personal Reasons*

There are numerous reasons why Congress should apologize for its role in promoting and sustaining slavery. First, it is the right thing to do. If you offend your spouse or a friend, you have to say you are sorry in order to go forward in your relationship. It is so basic that we teach our kids from an early age—say you are sorry, or you can't play anymore; apologize, or you have to go to your room.

These three words—I am sorry—are a foundation for beginning again, a small price to pay for restoring lost trust, and a necessary first step in moving forward constructively.

Others have said it better.

"An apology would show that my government and president believe the enslavement of Africans for national gain was a grave and revolting wrong. It will document in stone for years to come the country's repentance for a tremendous crime. It is the right thing to do," a woman wrote to me in 1997.

"The fact that you want to apologize, says to me personally, that you recognize and accept my pain, the pain of my ancestors, and that you care about it," another letter said, ". . . in my lifetime, no one has done that."

"A general expression of sorrow is the starting point of any healing process," a journalist for USA Today said. "Of course, an apology has to be followed by serious acts of contrition, but any attempt at reconciliation that begins without one cannot be taken seriously."

I was most heartened by the thoughtful people like Clarence Page of the Chicago Tribune, whose first reaction was "why should we apologize?" but who came, to the conclusion, "why shouldn't we?"

This apology will not solve all of the problems, but it will begin new progress on issues that still divide Americans. It is never too late to admit a wrong and to ask for forgiveness. In giving those our nation wronged the dignity of this honest admission, we might all enjoy some measure of healing. And it will set the right example for our children.

### *Historical Reasons*

Another reason to apologize for slavery is the historical precedent it will set. There have been many public apologies offered in recent years. In 1988, Congress apologized to Japanese-Americans for imprisoning them during World War II. In 1993, Congress offered a formal apology to native Hawaiians for the role the United States played in overthrowing the Kingdom of Hawaii a century before.

Other countries have also apologized: Britain's Prime Minister apologized to Irish people for failing to help the millions of people who suffered and died during the great potato famine of the 19th century. East Germany's legislature issued an apology for the atrocities committed against the Jews during the Holocaust. Japan's emperor formally apologized to Korea for its conduct during its colonial period.

Slavery has been an important focus of recent apologies. In 1993, Pope John Paul II apologized for the Catholic Church's support for slavery, and for the violence of the 16th Century Counter Reformation. In 1994, the State of Florida apologized and paid reparations for its role in the 1923 Rosewood riots. The same year, the Southern Baptist Convention apologized for its past support of slavery. In 1999, the United Methodist Church's West Ohio Conference called for white Methodists to apologize for their ancestors' role in slavery.

Unfortunately, America's history is littered with many examples of missed opportunities to address the "peculiar institution" of slavery. When our Founding Fathers declared that "all men are created equal," we could have truly included everyone. When we established the Constitution as the rule of law for our new country, we could have treated slaves as full and equal, instead of treating them as three-fifths of a person. When the Supreme Court made its rulings, when our nation amended the Constitution, or when Congress wrote Civil Rights laws—at any of these moments in our history, we could have apologized for slavery. But we failed, and now we must go back and finish our history's chapter on slavery.

### CONCLUSION

Last December, at the invitation of Benin's President, I attended a conference he convened on slavery and reconciliation. As I told the many dignitaries who attended, the tragedy of slavery and the curse that came with it will not simply disappear with time. All of us live with the legacy of slavery. Africans' descendants suffer from the guilt of having sold their brothers and sisters, and the effects of exploitation. Europeans' descendants are cursed with a divided society, blind to the fact that our own privilege perpetuates that division, and unaware of the need to repent. And African-Americans are plagued by the remnants of the institution of slavery and the consequences of bitterness.

Apologizing is humbling. To admit to a wrong, you expose your wounds and warts for all the world to see. But the United States is a great country, and it should be big enough to admit its mistakes. And it should be wise enough to do whatever is necessary to heal its divisions. I believe this apology is faithful to our past, and essential to our future.

### H. CON. RES. 356

Acknowledging the fundamental injustice, cruelty, brutality, and inhumanity of slavery in the United States and the 13 American colonies, and for other purposes.

Whereas approximately 4,000,000 Africans and their descendants were enslaved in the United States and the 13 American colonies in the period 1619 through 1865;

Whereas slavery was a grave injustice that caused and continues to cause African-Americans to suffer enormous damages and losses, both material and intangible, including the loss of human dignity and liberty, the frustration of careers and professional lives, and the long-term loss of income and opportunity;

Whereas slavery in the United States denied African-Americans the fruits of their own labor and was an immoral and inhumane deprivation of life, liberty, the pursuit of happiness, citizenship rights, and cultural heritage;

Whereas, although the achievements of African-Americans in overcoming the evils of slavery stand as a source of tremendous inspiration, the successes of slaves and their descendants do not overwrite the failure of the Nation to grant all Americans their birthright of equality and the civil rights that safeguard freedom;

Whereas an apology is an important and necessary step in the process of racial reconciliation, because a sincere apology accompanied by an attempt at real restitution is an important healing interaction;

Whereas a genuine apology may restore damaged relationships, whether they are between 2 people or between groups of people;

Whereas African-American art, history, and culture reflects experiences of slavery and freedom, and continued struggles for full recognition of citizenship and treatment with human dignity, and there is inadequate presentation, preservation, and recognition of the contributions of African-Americans within American society;

Whereas there is a great need for building institutions and monuments to promote cultural understanding of African-American heritage and further enhance racial harmony;

Whereas it is proper and timely for the Congress to recognize June 19, 1865, the historic day when the last group of slaves were informed of their freedom, to acknowledge the historic significance of the abolition of slavery, to express deep regret to African-Americans, and to support reconciliation efforts: Now, therefore, be it

*Resolved by the House of Representatives (the Senate concurring),*

That the Congress—

(A) acknowledges the fundamental injustice, cruelty, brutality, and inhumanity of slavery in the United States and the 13 American colonies;

(B) apologizes to African-Americans on behalf of the people of the United States, for the wrongs committed against their ancestors who suffered as slaves;

(C) expresses condemnation of and repudiates the gross and wanton excesses perpetrated against African-Americans while the institution of slavery existed;

(D) recognizes the Nation's need to redress these events;

(E) commends efforts of reconciliation initiated by organizations and individuals concerned about civil rights and civil liberties and calls for a national initiative of reconciliation among the races; and

(F) expresses commitment to rectify misdeeds of slavery done in the past and to discourage the occurrence of human rights violations in the future; and

(2) it is the sense of the Congress that—

(A) a commission should be established—

(1) to examine the institution of slavery, subsequent racial and economic discrimination against African-Americans as a matter of law and as a matter of fact, and the impact of slavery and such discrimination on living African-Americans;

(ii) to issue a standardized, historical curriculum for use in public schools on the institution of slavery in the United States; and

(iii) to explore the possibility of establishing a scholarship and research fund; and

(B) a National museum and memorial should be established regarding slavery as it relates to the history of the United States, and other significant African-American history.

## PERSONAL EXPLANATION

### HON. CHRISTOPHER SHAYS

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Mr. SHAYS. Mr. Speaker, on July 10, I was in Connecticut participating in my district's nominating convention and, therefore, missed six recorded votes.

I take my voting responsibility very seriously, having missed only a handful of votes in my nearly 13 years in Congress.

I would like to say for the record that had I been present I would have voted no on recorded vote number 373, yes on recorded vote number 374, yes on recorded vote number 375, yes on recorded vote number 376, yes on recorded vote number 377, and no on recorded vote number 378.

## VA-HUD APPROPRIATIONS—"ELDERLY HOUSING"

### HON. GREGORY W. MEEKS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Mr. MEEKS of New York. Mr. Speaker, I rise today against the bill because it does not do enough for the housing needs of the Elderly and Disabled. We must increase monies for programs to specifically assist these populations. There comes a point in time when everyone needs help and now is the time to help our Elderly and Disabled.

Dependence, vulnerability, and loneliness has become a lifestyle of the Elderly and Disabled who have no one to turn to.

The Elderly and Disabled of America are pleading to this Congress for assistance. As elected officials, it is our obligation to answer those cries and create solutions for those that are unable to fight for themselves.

This Appropriations bill falls short of meeting the housing needs of these groups by $78 million.

In fact, 37 percent of Elderly and Disabled housing lack basic necessities. Specifically, hand rails and grab bars in bathrooms that enable safe independent movement have not been installed in many of their apartments.

We need more money for construction and rehabilitation services for the elderly under Section 202, and more money for these same services for the disabled under Section 811.

In addition, the proposed appropriations for Community Development Block Grant programs are $295 million less than current funding and 8 percent less than requested by the Administration.

If this bill passes, New York would receive $30 million less in CDBG monies, and $6 million less than what was allocated in FY 2000. New York City needs CDBG money to revitalize our communities. And, the reduction of CDBG monies will reduce the number of households assisted by 11,425; and the number of jobs created by 10,340.

This bill doesn't provide a single penny for the program "America's Private Investment Companies." We need this program to stimulate economic growth and development in impoverished inner city and rural areas. APIC is essential to the development of economic empowerment in our districts. This program would lay the foundation to do this.

How can we eliminate poverty and increase the standard of living in our districts if we cut funding from the same programs we look to for solutions to our problems?

I cannot support a bill that will increase the plight of the Elderly and Disabled who require our help the most.

## COMMEMORATING THE 50TH ANNIVERSARY OF THE STUYVESANT FIRE COMPANY NO. 1

### HON. JOHN E. SWEENEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Mr. SWEENEY. Mr. Speaker, today I recognize the golden anniversary of the Stuyvesant Fire Company No. 1, located in Stuyvesant, NY. For 50 years, the members of this great company have selflessly dedicated their lives to helping their neighbors and friends, often putting their own safety on the line to do so. It is with great pride that I share a bit of their history with you and my fellow colleagues today.

July 18, 1950, marked the beginning of the Stuyvesant Fire Company No. 1. The first company meeting, held at the Stuyvesant Hotel, was attended by 38 members. At this meeting it was decided that dues of $0.25 would be assessed to the charter members. The ensuing months were dedicated to establishing by-laws and a constitution for this promising new company. Fundraisers were held, earning the company the funds that were needed to build the house that would proudly bear the name of the company. In 1952, the Stuyvesant Fire Company No. 1 house was erected. The first official meeting was held within its walls on March 11 of the same year.

Fundraising has been a major theme of the firehouse, empowering the members of the community to take an active role in the betterment of this vital service. The diligent fundraising efforts of the company through events such as roast beef dinners and raffles, have allowed the company to make continuous improvements, thus improving its service to the citizens of the community. In fact, as a result of these efforts, in 1974 the firehouse was able to build a bay for a new fire truck at no cost to taxpayers.

In 1982, the fire company endorsed George Treitler as a director of the Columbia County's Firemen's Association and the next year he was elected as a director, which subsequently brought the 67th annual Columbia County Firemen's Association Convention to Stuyvesant in 1992. This honor was the culmination of years of hard work. Not only was the 67th Convention a great success, it set the precedent by which future conventions would be judged. In addition, the funds generated by the convention enabled the fire company to complete many projects and purchase needed equipment in subsequent years.

The Stuyvesant Fire Company No. 1 continued its tradition of excellence in 1996 and 1997 by winning the coveted Edward Rowe Trophy for best overall appearing fire company in the county. Winning this prestigious award in two consecutive years placed the company in an elite group of county fire companies with only two other companies being able to boast such a claim.

Mr. Speaker, the Stuyvesant Fire Company No. 1 has achieved epic levels of success. They stand as proof that with hard work and dedication, great things can happen. I would like to thank them for their commitment to excellence and wish them many more years of prosperity.

## IN RECOGNITION OF THE LIONS CLUB OF WEBSTER GROVES, MISSOURI

### HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Mr. GEPHARDT. Mr. Speaker, I wish to pay tribute to the Lions Club of Webster Groves, Missouri, celebrating its 75th Anniversary this year. This excellent service organization, from its beginnings, has had at its heart a commitment to the people and the community of Webster Groves. In 1933, the Webster Lions "established a nutrition project in the schools and helped to form better health measures in the home." The City's Health Commissioner at the time viewed the project as being "of unlimited value to the community and will be felt for many years to come." Christmas parties for children and care of orphans, the provision of tennis courts for public use, baseball fields, and support of an "Old Folks Home" in a neighboring community are some of the projects they have supported over the years.

As federal resources and support were reduced in Webster Groves in the mid-1930s, the Webster Lions increased their participation with the local chapter of the American Red Cross to provide for the welfare needs of the community. Expenditures during 1935 in today's dollars exceeded $60,000 for community welfare alone. Their work with the American Red Cross during the worst days of the Great Depression was just a small portion of the good work in which they were involved. Their involvement and concern for their community continues to this very day, with sons and grandsons of the original members often taking their places in the organization.

Mr. Speaker, I ask my colleagues to join me in congratulating the Webster Groves Lions Club on its 75th Anniversary.

## PERSONAL EXPLANATION

### HON. RUBÉN HINOJOSA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Mr. HINOJOSA. Mr. Speaker—Yesterday morning I was unavoidably detained and unfortunately missed two votes. Had I been present I would have voted as follows:

H. Con. Res. 253, Sense of Congress Objecting to Any Effort To Expel The Holy See From The UN As A State Participant By Removing Its Status As A Permanent Observer—Yea.

H.R. 4442, National Wildlife Refuge System Centennial Act—Aye.

## TRIBUTE TO KOREAN WAR VETERANS FROM PUERTO RICO

### HON. BILL PASCRELL, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Mr. PASCRELL. Mr. Speaker, I rise today to call to your attention the considerable valor during the Korean War of Julio Mercado of West Haverstraw, N.Y., Donato Santiago-Molina of Paterson, N.J., Guillermo Alamo of Newark, N.J., and Asuncion Santiago-Cruz of Philadelphia, PA. I also wish to call to your attention the deeds and tragic deaths of John A. Pabon and Ramon Gaya-Arce, who were tragically killed in action as members of the 65th Infantry Regiment, which was comprised of soldiers from the great island of Puerto Rico.

Fifty years ago, on June 27, 1950, U.S. forces launched a military effort to battle communist North Korea. Soon after, they were joined by soldiers from Puerto Rico, plucked from their Caribbean homeland to fight on a distant continent. Many were dirt poor from hill country and didn't speak a word of English. Some became U.S. soldiers because they needed a job; others were drafted.

Waging war on some of the world's harshest terrain, through the sweltering heat of summer and the bone-chilling winds of winter, the steely group of Puerto Rican soldiers fought with incredible determination and courage.

These Puerto Rican soldiers gave their hearts to the fight and helped sweep the North Koreans back to the 38th parallel. Working side by side with the U.S. forces from Maine to California, they then attacked Chinese forces that had entered the fray on behalf of the North Koreans.

Through months of bitter battle, in which the warring factions worked themselves into a bloody stalemate, the Puerto Rican soldiers fought valiantly along side GIs from Maine to California, sacrificing their lives for the ideals of democracy.

Negotiators finally signed an armistice agreement at Panmunjom on July 27, 1953. The North Koreans returned to the northern side of the 38th parallel, while democracy was allowed to once again flourish in the Republic of South Korea.

In later years, the Korean War would be called "The Forgotten War." But for the Puerto Rican soldiers who gave everything they had to preserve freedom, this war will never be forgotten.

As we prepare to commemorate "National Korean War Veterans Armistice Day" on July 27, let us thank the Puerto Rican soldiers who demonstrated their love for America, although they did not have a vote—and still don't—in the affairs of this great nation.

Mr. Speaker, I would also like to bring to your attention the actions of three individuals who have worked selflessly to raise public awareness of Korean War veterans from Puerto Rico. Specifically, Puerto Rico Senator Kenneth McClintock, retired U.S. Army Sgt. Angel Cordero of Paterson, N.J., who serves as a Junior ROTC instructor at Eastside High School in Paterson, and Ruben Pabon, Jr. of Northvale, N.J. should be lauded for enlightening us of the Puerto Rican veterans' valiant efforts on behalf of our nation. Sadly, Mr. Pabon is waiting for the body of his late brother, Cpl. John A. Pabon, to be recovered from Korea some fifty years after the end of the war.

Let us all pray that democracy can reach every corner of the Earth, from Havana, Cuba to Beijing, China. And, just like our brave soldiers in the Korean War, may we remain ever vigilant against those who threaten our inalienable rights.

Mr. Speaker, I ask that you join me, our colleagues, the people of New Jersey, Puerto Rico and the United States in recognizing the outstanding and invaluable service to our nation of Julio Mercado, Donato Santiago-Molina, Guillermo Alamo, Asuncion Santiago-Cruz, as well as John A. Pabon and Ramon Gaya-Arce, who are no longer with us.

As we honor these men today, we in turn bear in mind the stand of the many courageous Puerto Rican soldiers against Communism, which has laid the foundation for the peace and freedom that America and many nations enjoy today. We also recall the grief of the Puerto Rican families who lost their children in this war, and remember the gratitude still expressed by the people of South Korea.

## IN RECOGNITION OF THE NEW JERSEY DISTINGUISHED SERVICE MEDAL RECIPIENTS

### HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Mr. MENENDEZ. Mr. Speaker, I rise today to recognize the recipients of the Distinguished Service Medal, New Jersey's highest military commendation.

Through extraordinary courage and patriotism, each of these recipients went beyond the call of duty during their military service. Because of their dedication and sacrifice, America succeeded in its fight against naked aggression, defeating the dark forces of tyranny, so that the world could continue its pursuit of democratic ideals.

It is not difficult to comprehend the gratitude America feels for the sacrifices and contributions these veterans made to ensure our freedom; and the Distinguished Service Award is a wonderful way to show our appreciation. I personally want to recognize and thank the following individuals from my district for their distinguished military service: Salvatore F. Acerra; Thomas J. Beeh; Anthony J. Brescia; Joseph E. Callandrillo; Walter F. Camporeale; Harold E. Cerbie; Richard B. Clark; John P. Conlon; Anthony R. Costantino; John O. Coughi; John F. Dellaluna; Maximilian Desonne; Peter J. Di Stefano; George H. Edler; Max J. Elsasser; Craig J. Fallon; Sol C. Feith; Joseph T. Fitzgerald; Edwin H. Gaffney; John M. Habermann; Richard Hamilton; Sean Healy; John T. Hoey; Norman Holtzberg; Albert J. James; Edward K. Janiga; Robert J. Jones; John Keselica; George F. Kimball; Chester Latko; Harry Lazarov; John G. Le Pore; Patrick T. Lioi; Angelo Mack; Nelson Martinez, Emil A. Masciandaro; Anthony M. Melone; Robert Menzel; Conrad J. Minutillo; Augustine A. Monahan; Alphonso J. Mosca; Michael J. Napolitano; Donald T. Nevins; Vincent L. Ortizio; Robert V. Palmeri; Ralph C. Pasqua; John H. Phillips; Howard J. Plunkett Jr., Joseph A. Pona; Antonio Raffaele Jr.; James A. Robinson; Ivan Romero; Joseph E. Rooth; Richard F. Rush; William A. Sears; Granger W. Searvance Sr.; Francis H. Seidal; Anthony Sikora; Albert F. Skirpstunas; Joseph H. Skrocki; James W. Smith; Edward J. Stacy; Walter Suty; Francis P. Trench; Francis H. Vannucchi; Miguel Vazquez; Dominick J. Vitone; Frank B. Wasniewski; Sanford L. Weiss; Eugene J. Wickeresty; Joseph Wigodner; L. Harry Wolpert; Francis Woods; and Anthony F. Zucaro.

Today, it is my honor to recognize there exceptional individuals. With courage, honor, and integrity they have each made invaluable and enduring contributions to America. I ask that my colleagues join me in recognizing them as well.

## LIVE A LITTLE

## HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Mr. FRANK of Massachusetts. Mr. Speaker, I have for some time felt that we have overemphasized the importance of holding down the cost of medical care as a general principle. The notion that if the total amount we spend on medical care in all of its facets as a percentage of the gross domestic product exceeds some arbitrary figure we will be damaged economically is demonstrably false. A dozen years ago or so, people were convinced that America's economic performance was being retarded because we spent too much on medical care. No one can now make that argument, given the strength of our economy, and the continued high percentage that medical care absorbs of our gross domestic product compared to many other countries.

Indeed, I believe this notion that medical care costs must be held down despite the good that is accomplished by medical care expenditures has caused us serious problems in recent years. The ill-advised, ill-named Balanced Budget Act of 1997 inflicted serious cuts on the Medicare program from which health care providers and patients are still suffering, and undoing this terrible mistake is long overdue.

Because I feel this very strongly, I was especially pleased in a conversation with journalist Jonathan Cohn to learn that he had written on the subject, and I asked him to send me a copy of the article. Having read it, I am delighted to share it with my colleagues. It is a year old, but it is not old in any other sense. Mr. Cohn's arguments are cogent and supported by our experience. As Mr. Cohn notes, "among all of the things a nation's wealth could buy, surely the health of its citizens is near the top." I am very pleased that Mr. Cohn has set forward the argument for adequately funding our medical care needs in so a persuasive a fashion, and because this continues to be a matter of some debate in the Congress, I submit his article from the June 7 New Republic on this topic to be reprinted here.

[From The New Republic, June 7, 1999]

LIVE A LITTLE

(Jonathan Cohn)

My grandfather survived three heart attacks and a stroke over the course of his lifetime. And he did so thanks to some of the best medicine that insurance could buy: a heart bypass operation, extensive hospitalization, plus literally thousands of hours of one-on-one nursing care after the stroke left him partially paralyzed. I remember when the stroke hit: the doctors predicted he'd live maybe nine more months. That was in 1986. He passed away last year.

It would be near impossible to add up my grandfather's medical bills, but I'm sure they totaled hundreds of thousands of dollars. He benefited from a wide range of pharmaceutical products, the most advanced medical technology in the world, and care from highly trained specialists. Above all, he benefited from a health care financing system willing to subsidize such extravagance at every level—from the training of the surgeons to the research that invented blood-thinners to the salary of the worker who lifted him in and out of his wheelchair every day.

I thought about that last week when I read an article on rising health insurance premiums. It was merely the latest confirmation of a trend many economists have long predicted: that, after years of stability, the real price of health care in America is about to start climbing again. According to a study published last fall in the journal Health Affairs, the nation's total health care bill will likely go up by 3.4 percent annually over the next four years—compared with a rate of just 1.5 percent in the period from 1993 to 1996. By 2007, the study predicted, health care will soak up 16 percent of the gross domestic product. That would be quite a lot of money, particularly when you consider that we already sink more than 13 percent of GDP into health care—more than any other nation and well more than we spent in 1970, when health care was just seven percent of GDP.

The predictions are probably right. Today, about 85 percent of Americans who hold private insurance are enrolled in health maintenance organizations or other forms of managed care, which hold down costs by emphasizing preventive medicine; controlling access to tests treatments, and specialists; and simply bidding down the services of doctors and hospitals. Most of the people in these plans shifted over from costly fee-for-service insurance only in the past few years, and that transformation is the primary reason health care spending has remained stable during that time. But the cost containment from HMOs seems to have been a onetime phenomenon. Now expenditures on health care are going back up, if at a somewhat reduced clip, in part because people are starting to demand some of the things HMOs have been denying them, in part because the population is living longer, and in part because researchers continue to come up with expensive new technological innovations that patients want, from Viagra to the protease inhibitors that keep HIV in check.

Once the bill for all of this spending comes due, in the form of higher insurance premiums and more government spending, you can bet that a chorus of experts and high-minded officials will start insisting that we're spending too much. Some will do what former Colorado Governor Richard Lamm did back in 1992: they'll come right out and say we need to stop coddling the elderly with the kind of "long-shot medicine" that sustained my grandfather and made him more comfortable in his final years. Others will strike more cautious tones, preaching the need to be more efficient in our outlays, but the end result will be much the same: less generous care particularly at the margins. In a sense, we're already hearing early versions of this argument in the ongoing debate over Social Security and Medicare—two programs in which the current level of expenditures is widely believed to be unsustainable over the long run.

But this may be a case where the average citizen, who intuitively wants to keep spending that money, knows more than the average expert, who insists it's not possible. After all, we spend far more on computers than we did 20 years ago, but nobody makes a fuss about that. The reason is that computers have made economy stronger and our lives discernibly easier. Well, the same logic ought to apply to health care. Among all of the things a nation's wealth could buy, surely the health of its citizens is near the top. And, while some critics might carp about inefficiency in the system, that inefficiency keeps a good chunk of our country employed—while enabling the population as a whole to work longer and harder.

To be sure, many critics question whether our robust health care spending really translates into robust health. They argue that, even though European nations spend less on health care, the differences in health care "outcomes" and life expectancy are minimal. But it is notoriously difficult to measure the impact of health care spending. For one thing, those comparatively frugal counties benefit from the pharmaceuticals and treatments largely subsidized by big spending in the United States. What's more, the benefit of more health care spending may be simply to provide a few more weeks here and there, or to make life just a little more comfortable for some of the nation's sickest people. This is not the kind of thing that makes a big difference statistically, but it is the kind of thing a society might rightly deem important. After all, this is what usually happens in societies as they progress economically: the percentage of labor time spent on producing bare necessities—food, shelter, and clothing—shrinks, freeing up greater resources for making life more pleasant.

This isn't to say we parcel out all of our health care dollars wisely. Among other things, we currently subsidize emergency care for the uninsured, which is at once very expensive and not terribly efficient at keeping people healthy, while denying them the basic care most other nations offer as a privilege of citizenship. But the solution to this problem is not to worry excessively about how big the bill has gotten; if anything, we should be making the case for spending even more money and them making sure it's meted out on a more egalitarian basis. (Sound crazy? No less a sober mind than MIT economist Paul Krugman once made a similar argument, speculating that spending as much as 30 percent of GDP on health care might not be unreasonable.)

Yes, there is one catch. If you want to spend that much money on health care, you have to find the money to spend. But that's not a problem—or, at least, it shouldn't be. We have enjoyed enormous gains in productivity over the past few years, which means as a nation we are creating more wealth—wealth that can easily be directed to health care rather than to, say, sport utility vehicles, either in the form of higher insurance premiums or (heaven forbid!) higher taxes. "The alternatives uses of our resources are not necessarily more noble," Mickey Kaus once wrote in this space. He's right. There are a lot of things we could have bought my grandfather in his final months. But none was as valuable as the time itself.

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## HONORING LIEUTENANT COLONEL DEBRA M. LEWIS

## HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Mr. BORSKI. Mr. Speaker, today I pay tribute to Lt. Col. Debra M. Lewis, the departing Commander and District Engineer of the Philadelphia District of the U.S. Army Corps of Engineers. Colonel Lewis fills many roles in her life. She is a mother to Emily, wife, daughter, sister, equestrian, mentor to many, friend to even more, and last, but not least, a U.S. Army Lieutenant Colonel. She brings great strength, vitality and dedication to all the facets of her life, but it is her allegiance to her country that prompts me to honor her today.

As Commander of the Philadelphia District of the Army Corps of Engineers, she oversees the Delaware River Basin, approximately 13,000 miles spread across the five states of Pennsylvania, Delaware, New Jersey, New York and Maryland. More than 550 civilian and military personnel dedicate their efforts to carry out Corps projects at the request of local and state agencies, as authorized by Congress. Flood control, navigation, military installation support and environmental restoration are key missions of the Philadelphia District, which is a lead partner in the plan to preserve and protect the region and its water resources.

I have also enjoyed working with Colonel Lewis on many occasions. Her professionalism, expertise, and dedication to the Army Corps of Engineers have been an integral part of the success of the Delaware River Main Channel Deepening Project. I have also enjoyed working with Colonel Lewis on my vision for Philadelphia—the redevelopment and the revitalization of the Delaware River Waterfront. Her support has enabled this new project to move forward.

Colonel Lewis came to the Philadelphia District two years ago uniquely qualified to serve as its first female commander. A woman of many firsts, Debra Lewis is a member of the first class to graduate women from West Point. She was also the U.S. Military Academy's first female captain of its highly successful intercollegiate equestrian team, and also the 1980 Academy Equestrian of the Year. Her initiative and perseverance have seen her through many challenging circumstances.

In addition to her other pursuits, Colonel Lewis enjoys collecting quotations. Her personal motto: Attitude is everything. But I would offer one from Harvey Firestone, who once said, "You get the best out of others when you give the best of yourself." It is my opinion that Lieutenant Colonel Debra M. Lewis is the embodiment of that sentiment.

Mr. Speaker, Lieutenant Colonel Debra M. Lewis should be commended for her 18 years of military service in the United States Army and is congratulated for a job well done for her performance as Commander and District Engineer of the Philadelphia District, United States Army Corps of Engineers. I offer her my very best wishes for continued success.

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## PERSONAL EXPLANATION

### HON. XAVIER BECERRA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Mr. BECERRA. Mr. Speaker, on June 10 and 11, 2000, I was detained with business in my District, and therefore unable to cast my votes on rollcall numbers 373 through 385. Had I been present for the votes, I would have voed "aye" on rollcall votes 375, 377, 379, 380, 381, 382, and 385; and "nay" on rollcall votes 373, 374, 376, 378, 383, and 384.

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## ENHANCED FEDERAL SECURITY ACT OF 2000, H.R. 4827

### HON. STEPHEN HORN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Mr. HORN. Mr. Speaker, today I am introducing the Enhanced Federal Security Act of 2000. H.R. 4827 seeks to prohibit those who abuse forms of false identification, including the law enforcement badge, from committing crimes against innocent people. This legislation is an expanded and improved version of my earlier proposal, the Police Badge Fraud Prevention Act, H.R. 2633.

The Enhanced Federal Security Act prohibits entry under fraudulent or false pretense to Federal Government buildings and the secure area of any airport. It also bans the interstate and foreign trafficking of counterfeit and genuine police badges, among those not authorized to possess such a badge.

H.R. 4827 addresses serious issues of security and public safety. Recently, the General Accounting Office conducted an undercover investigation of security in Federal Government buildings at the request of Representative BILL MCCOLLUM, Chairman of the Subcommittee on Crime. This investigation revealed critical lapses in policy at these government buildings which allowed unauthorized individuals access to secure areas, placing not only the individuals in those areas in danger, but jeopardizing national security. These undercover agents flashed fake law enforcement badges, which were easily obtained through the Internet, to penetrate secure areas in 19 government offices and two major airports.

Criminals can just as easily purchase badges, such as these used in the undercover investigation, over the Internet and through mail order catalogs. The ease with which the General Accounting Office agents were able to enter sensitive areas in Federal Government buildings and secure parts of airports suggests that the same opportunity exists for criminals to assume false identities and engage in criminal behavior.

Fake badges and other forms of false identification are dangerous when used to commit crimes against innocent people who trust in the authority of law enforcement officials.

In two separate incidents in Tampa, FL, an unidentified man attempted to abduct a young boy by using a fake police badge.

In Chicago, IL, sheriff's police are investigating a series of home invasions and sexual assaults against women by a man who flashes a police badge to get into victims' homes.

We must take action to prevent misuse of police badges and other forms of false identification to commit crimes. Beyond raising stakes for would-be criminals, a federal law is essential in addressing the interstate problem posed by increasing sales of counterfeit badges over the internet and through mail order catalogs.

With the capable assistance of Representative MCCOLLUM and the Subcommittee on Crime, as well as the support of the Corrections Day Advisory Group, I believe that we are taking the necessary measures to prevent criminal activity involving the misuse of the law enforcement badge and other false identifications. I encourage my colleagues to support the Enhanced Federal Security Act of 2000.

I am delighted to have the support of the following cosponsors: Representatives BILL MCCOLLUM, JAMES A. BARCIA, SHELLEY BERKLEY, MERRILL COOK, BOB CLEMENT, GENE GREEN, GARY MILLER, SUE MYRICK, JIM RAMSTAD, ADAM SMITH, and PETER J. VISCLOSKY.

I submit for the RECORD the revised bill, H.R. 4827.

H.R. 4827

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Enhanced Federal Security Act of 2000".

**SEC. 2. ENTRY BY FALSE PRETENSES TO ANY REAL PROPERTY, VESSEL, OR AIRCRAFT OF THE UNITED STATES, OR SECURE AREA OF AIRPORT.**

(a) IN GENERAL.—Chapter 47 of title 18, United States Code, is amended by adding at the end the following:

**"§ 1036. Entry by false pretenses to any real property, vessel, or aircraft of the United States or secure area of any airport**

"(a) Whoever, by any fraud or false pretense, enters or attempts to enter—

"(1) any real property belonging in whole or in part to, or leased by, the United States;

"(2) any vessel or aircraft belonging in whole or in part to, or leased by, the United States; or

"(3) any secure area of any airport;

shall be punished as provided in subsection (b) of this section.

"(b) The punishment for an offense under subsection (a) of this section is—

"(1) a fine under this title or imprisonment for not more than five years, or both, if the offense is committed with the intent to commit any crime; or

"(2) a fine under this title or imprisonment for not more than two years, or both, in any other case.

"(c) As used in this section—

"(1) the term 'secure area' means an area access to which is restricted by the airport authority or a public agency; and

"(2) the term 'airport' has the meaning given such term in section 47102 of title 49.".

"(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 47 of title 18, United States Code, is amended by adding at the end the following new item:

"1036. Entry by false pretenses to any real property, vessel, or aircraft of the United States or secure area of any airport.".

**SEC. 3. POLICE BADGES.**

"(A) IN GENERAL.—Chapter 33 of title 18, United States Code, is amended by adding at the end the following:

**"§ 716. Police badges**

"(a) Whoever—

"(1) knowingly transfers, transports, or receives, in interstate or foreign commerce, a counterfeit police badge;

"(2) knowingly transfers, in interstate or foreign commerce, a genuine police badge to an individual, knowing that such individual is not authorized to possess it under the law of the place in which the badge is the official badge of the police;

"(3) knowingly receives a genuine police badge in a transfer prohibited by paragraph (2); or

"(4) being a person not authorized to possess a genuine police badge under the law of the place in which the badge is the official badge of the police, knowingly transports that badge in interstate or foreign commerce;

shall be fined under this title or imprisoned not more than six months; or both.

"(b) It is a defense to a prosecution under this section that the badge is used or is intended to be used exclusively—

"(1) in a collection or exhibit;

"(2) for decorative purposes; or

"(3) for a dramatic presentation, such as a theatrical, film, or television production.

"(c) As used in this section—

"(1) the term 'genuine police badge' means an official badge issued by public authority to identify an individual as a law enforcement officer having police powers; and

"(2) the term 'counterfeit police badge' means an item that so resembles a police badge that it would deceive an ordinary individual into believing it was a genuine police badge.".

"(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 33 of title 18, United States Code, is amended by adding at the end the following new item:

"716. Police badges.".

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## SENSE OF CONGRESS STRONGLY OBJECTING TO EFFORT TO EXPEL HOLY SEE FROM UNITED NATIONS

### HON. DAVE WELDON

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Mr. WELDON of Florida. Mr. Speaker, I rise in strong support of H. Con. Res. 253, which expresses the support of the Vatican retaining its status as a permanent observer at the United Nations. It is a tragedy that in the last few months, anti-Catholic pro-abortion groups have been attempting to remove the Holy See from its longstanding position of an observer at the U.N.

This is an attempt by extremists to silence the Vatican's defense of the family and the unborn. The Holy See has been a part of the U.N. since the beginning, over 50 years ago. In addition, the Holy See has formal diplomatic relations with 169 nations, including the United States and it maintains 179 permanent diplomatic missions abroad. I commend the Holy See for its commitment to the family, the unborn and serving the poor. The Holy See's contribution to the U.N. is very valuable. The Vatican's role is essential and vital for preserving family values and protecting life, particularly the most vulnerable.

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## HONORING COLONEL WILLIAM L. WEBB, III

### HON. NORMAN SISISKY

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Mr. SISISKY. Mr. Speaker, it is with great pleasure that I pay special tribute to an outstanding soldier who has dedicated his life to the service of our Nation.

Colonel William L. Webb, III, will take off his uniform for the last time this month as he retires from the United States Army following more than 28 years of active duty service.

Colonel Webb's career culminated with duty as the Legislative Director for the Chairman of the Joint Chiefs of Staff, where he served as the principal liaison between the Nation's most senior military officer and the U.S. Congress.

He prepared the Chairman, Vice Chairman and senior Joint General/Flag officers for congressional hearings, briefings, and testimony, and coordinated their legislative efforts on joint national security decisions with OSD, the Services, and the interagency community.

He interacted continuously with Members of Congress and their staffs, and developed and executed the strategy for presenting Joint Staff and Unified Command agendas to Congress.

Born in Tokyo, Japan, and raised in a military family, Colonel Webb has lived and traveled extensively throughout the United States, Europe and Asia.

His outstanding all-around high school performance in Carlisle, Pennsylvania, earned him a Presidential appointment to the U.S. Military Academy at West Point.

While at West Point, he excelled as a varsity wrestler, student leader, and school spirit coordinator.

He graduated in 1972 with a concentration in National Security and Public Affairs.

In 1983, Colonel Webb earned a Masters Degree in Business Administration from the Harvard Business School, concentrating in General Management/Human Resource Management.

His military education includes completion of the Armor Officer Basic and Infantry Officer Advanced Courses, the Armed Forces Staff College, and the Army War College, as well as the Rotary Wing Aviator Course and Air Assault School.

He has served on Fellowships in the White House, the U.S. Congress, and the Joint Center for Political and Economic Studies.

Colonel Webb has served in ground and air cavalry units in Germany, Colorado, Korea, Hawaii, Panama, and California, and commanded an aviation brigade in Germany, Bosnia, and Hungary.

His previous assignments include: Armored Cavalry Platoon Leader and Troop Executive Officer, 1st Squadron, 10th Cavalry; Aero Scout Section Commander, Aero Rifle Platoon Commander and Squadron Motor Officer, 4th Squadron, 7th Cavalry; Aero Weapons Platoon Commander, Assistant Squadron S3 and Ground Troop Commander, 3rd Squadron, 4th Cavalry; Associate Professor of Financial Management and Department Executive Officer at the United States Military Academy; White House Fellow in the Executive Office of President Reagan; Aviation Brigade S3 and Executive Officer, 7th Infantry Division (Light); Squadron Commander, 2nd Squadron, 9th Cavalry; Senior Military Fellow at the Joint Center for Political and Economic Studies; Congressional Staff Officer and Legislative Fellow in the Office of the Secretary of the Army; and Aviation Brigade Commander, 1st Armored Division.

Colonel Webb's combat experience includes service as Deputy Commander of the Aviation Brigade Task Force with Joint Task Force South and 7th Infantry Division (Light) during Operation Just Cause, the liberation of Panama.

From December 1995 to December 1996, Colonel Webb's aviation brigade was deployed to Bosnia-Herzegovina as part of a multi-national peace implementation force during Operation Joint Endeavor.

His Aviation Task Force was command and control headquarters for 120 Task Force Eagle helicopters that safely flew over 33,000 flying hours in treacherous conditions to compel peace in the war-ravaged Balkans.

Colonel Webb's awards and decorations include the Legion of Merit, Defense Meritorious Service Medal, three awards of the Meritorious Service Medal, three awards of the Army Commendation Medal, the Army Achievement Medal, the National Defense Service Medal with Bronze Star, Armed Forces Service Medal, NATO Medal, Joint Meritorious Unit Award, and Army Superior Unit Award, as well as the Senior Army Aviator, Assault, Presidential Service, Joint Staff, and Army Staff Badges.

Colonel Webb's units have been recognized for the following Army level professional excellence awards: Draper Armor Leadership Award (1980), AAAA Outstanding Army Aviation Unit of the Year (1989, 1996), Army Outstanding Aviation Logistics Support Unit of the Year (1992, 1996), Combat Support Air Traffic Control Unit of the Year (1996), LTG Parker Top Army Combat Battalion of the Year (1995, 1996), and LTG Parker Overall Winner and Top Army Combat Support Battalion of the Year (1996).

Colonel Webb is committed to his community, where he has served actively in church, neighborhood, youth sports, welfare, and family support activities.

He is blessed by his wife, Kathryn, and their children, David (19), Kristy (17), and Willy (9). Their life together is thoroughly focused on service to the Lord and their country, as well as enjoyment of family, friends, sports, travel, and people.

In 1990, First Lady Barbara Bush honored the Webb family as a recipient of the Great American Family Award.

Colonel Webb is a dynamic and resourceful Army officer who throughout his career has proven to be an indispensable professional.

His contributions and distinguished service will have long-term benefits for both the military and our Nation he so proudly served.

As Colonel Webb enters into his new profession, we will certainly miss him and wish him and his family the very best.

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## INTRODUCTION OF THE PHASED RETIREMENT LIBERALIZATION ACT

### HON. EARL POMEROY

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Mr. POMEROY. Mr. Speaker, today I join my colleague Senator Grassley in introducing the Phased Retirement Liberalization (PRL) Act. This legislation would allow in-service distributions from defined benefit plans once a participant has reached the earliest of the plan's normal retirement age, age 59½, or 30 years of service. By providing for more flexible retirement options in defined benefit plans, this legislation will benefit employers and workers alike.

Over the next 20 years, the aging of the baby boom generation and other demographic factors will transform the very nature of retirement. These factors, which include a shrinking labor supply, increased life expectancy, the desire of remain active, and a greater need for financial security, will combine to change the concept of retirement from an "on-off" switch to a wide spectrum of options, including phased retirement. As embodied in the PRL legislation, phased retirement would allow individuals to continue working for their current employer even after they begin drawing down their pension benefits.

Many older Americans who want to continue working for their employer find that it makes more sense to switch jobs simply so that they can continue working and still receive their pension benefit. Other workers retire from their employer and start receiving pension benefits; only to be rehired later—either as a full-time or part-time employee or as an independent contractor. While these arrangements have allowed some workers to take advantage of phased retirement, permitting in-service distributions from defined benefit plans at age 59½ or 30 years of service will allow more employers to offer flexible retirement programs.

Employers have expressed a keen interest in phased retirement as a method of retaining skilled older workers. In a survey of 586 larger employers conducted by Watson Wyatt in 1999, 60 percent of employers reported they were having difficulty attracting workers, and fully 70 percent agreed that implementing a phased retirement program is a viable strategy for addressing labor shortages. Sixteen percent of employers surveyed reported that they offer phased retirement, while another 28 percent said they are interested in establishing such programs in the next two to three years. Employers currently offering phased retirement report that it enables them to retain skilled older workers.

Mr. Speaker, our nation's pension laws have not kept pace with the need for flexible approaches to retirement. Under current law, defined benefit plans are permitted to make in-service distributions to active employees only if they have reached the plan's "normal retirement age." Under our legislation, however, the vast majority of defined benefit plans would have the flexibility to adopt a phased retirement arrangement.

Congress recently recognized the changing nature of the workforce and of retirement by passing legislation to eliminate the Social Security earnings test for beneficiaries age 65 and older. It is time that Congress took a similar step in the private sector by examining phased retirement proposals.

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## COMMENDING JUD M. LOCKWOOD'S ARTICLE ON THE AMERICAN FLAG

### HON. GEORGE R. NETHERCUTT, JR.

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Mr. NETHERCUTT. Mr. Speaker, when I was in my district over the 4th of July weekend, I read a newspaper article in my hometown paper that deserves the attention of the House.

The article explains how Jud M. Lockwood, of Spokane, WA, came to write a very moving paean to the American flag. Mr. Lockwood is a veteran of World War Two and he fought in North Africa and Europe. He knows first-hand of the sacrifices our fellow Americans have made to defend our nation and believes that the American flag is the living symbol of the price of freedom.

Last year, Mr. Lockwood decided to write the story of the American flag. In five short paragraphs, writing from the point of view of the flag itself, the story brings to life the silent symbol of America. Mr. Lockwood is urging all Americans to take the time to read the story of our flag. I wish to join his crusade by entering into the CONGRESSIONAL RECORD Mr. Lockwood's story, as well as the newspaper article describing his passionate efforts to promote this worthy cause.

Thank you Jud Lockwood, both for reminding Americans about the history and symbolism of our flag, but also for standing up for the flag in its time of need more than 50 years ago.

AN INSPIRATION FOR PATRIOTISM

(By Tracy Eilig)

In a neon orange Hawaiian shirt, Jud Lockwood folds his arms behind his head, rocks back in his easy chair and tries to explain how the idea came to him.

He can't. He hasn't a clue. He woke up one morning and the idea was in his head, like a baby in a basket left on the doorstep.

But he's taken care of it ever since. Or, maybe, the idea has taken care of him.

"I woke up and thought, 'I fought hard for the American flag and so did millions of others, and maybe I could write a story to give it the credit it deserves,'" he said.

His wife, Ruth, was skeptical. "Jud, you can't even write a good letter," she said.

But Lockwood sat down in his living room last fall with a yellow legal pad in hand and wrote. He came up with five paragraphs and 479 words that he wants everyone in America to read.

Lockwood calls it a story. But it's not really a story or a poem. It takes the point of view of the flag talking about itself in a way that ends up like a history lesson, a reminder and an admonition It's sort of a red-white-and-blue Post-it note of patriotism:

"When you pledge your allegiance to me, remember that it stands for 'Liberty and justice for all.' Please rest assured that I will fly over your last resting place. Love and respect me as I shall be yours forever."

That's the final paragraph. It brings tears to Lockwood's eyes.

"My thrust is to get it out to the people because we should all respect the flag," he said. "To me, the flag is priceless. I am a firm believer that it's an emblem of peace in the world and as long as the flag flies we're safe."

A retired insurance salesman, former mayor of Omak, Wash., and former manager of the Omak Chamber of Commerce, the octogenerian and his wife moved to Spokane four years ago.

He is a World War II veteran, having fought in North Africa and Europe. He remembers watching fleets of B-17s fly over Italy on their way to bomb German targets. Some of the planes would vanish in a black cloud, in taking a direct hit from anti-aircraft fire.

In Tunis, he huddled with the rest of the troops as German Messerschmitt fighters strafed and bombed their positions.

"You're just at their mercy," he said.

It was a part of the war that Lockwood brought home with him in 1945 and lingered for a while before vanishing. Sitting at the dinner table, the sound of an airplane would make him race outside and dive for cover.

"I think you get fear built up in you," he said.

But Lockwood would do it again. He'd go to war for his country again even at his age.

"Freedom is priceless as far as I'm concerned," he said.

To Lockwood the flag is the embodiment of that freedom and everyone should respect it. It's that belief that has driven him for months.

With the help of a neighbor in his apartment complex, Lockwood got his flag story edited. With the help of the building manager, he got it formatted on paper with stars in the background and stripes around the border. With the encouragement of his wife, daughter and strangers he's met along the way, he's tried to sell his admonition to respect the flag.

He copyrighted his story and then made himself business cards. He puts blue and red edging on them by hand with a felt-tip marker. He finishes them with a sticker of, naturally, an American flag.

He's gone to schools. To fire departments. To the U.S. Immigration and Naturalization Service. Everywhere, he tries to sell copies of his flag story.

"Do you realize 600,000 immigrants enter the country annually?" he said.

Every one of them should have a copy, Lockwood thinks. Why not?

He's taken his story to congressmen. He's offered it to banks. He'd like it to be printed on the back of brochures for political candidates. He's sold about 500 trying to cover his expenses and given away hundreds of other copies.

"I would like to get this into a national concern. Maybe someday, one of my children will take over," he said. "I would like to see the flag story on the Statue of Liberty, put into bronze or something."

Lockwood woke up one morning with his version of the American dream. He took care of it, made it grow. It's taking care of him, too.

Before the idea for his flag story came to him, Lockwood was feeling a little adrift.

"I really didn't do much. I'd walk downtown, got involved with my church. Basically, I don't think I had a lot of direction until this bombshell—this story hit," he said. "I wonder if I didn't have this, what really would I be doing?"

But it's a question he doesn't need to probe. He's got his mission.

"I get carried away, each day I get up seeing where I can sell them. I think the possibilities are unlimited. It keeps me going, keeps me active," Lockwood said. "It gives me a goal every day to go out and meet people."

### I AM YOUR FLAG—THE AMERICAN FLAG

I am also known as the Grand Old Flag. I am the greatest flag in the world. I am thrilled and overjoyed that I can represent you. As I fly from many high and lofty heights, you honor me from places such as the United States capital, state capitals, your home, city halls, cemeteries, the Tomb of the Unknown Soldier, and the island of Iwo Jima. I am doing my best to remind you that I represent the home of the brave and the land of the free.

My beginning is uncertain. Some scholars claim that Francis Hopkins designed me, while other say Betsy Ross made me. Whichever, it doesn't change my goals. It has been a grand and glorious life for me. I have led this great country in thousands of parades. I have been saluted by millions, and sung to at events of all kinds. I am happy to wave to you as a symbol of peace and hope. I am also known as Old Glory. What an honor to have a name like that. I tingle with pride when you sing the Star Spangled Banner, or graciously give the Pledge Of Allegiance.

Sometimes I get cold and lonesome flying high above. The wind whips me in many directions, but my life is to give you courage and direction. As I see a big storm approaching, I become somewhat concerned and brace myself for the wind, rain, hail, sleet, snow or whatever nature has in store. Being afraid of the elements doesn't hurt my pride because the American people are thinking of me, and what I proudly stand for.

For centuries I have been the symbol of peace and honor, yet I have been burned, tattered, and torn by warfare. I have been cursed, worn on people's anatomy, hairpieces and clothing. I don't like it! It's disrespectful of my intent and purpose to represent freedom. At times it is hard for me to realize that I have been the emblem of peace and justice for so many years. Why do some people want to destroy me, and what I stand for? I hope that my days as your flag are not numbered. Cherish me, respect and love me for centuries to come. Sometimes I get so battered, torn and faded that I need to be replaced. I know that one of my brothers or sisters is willing and able to take my place as Old Glory. When my time to depart arrives, I never want to leave without knowing that another flag is flying for you on top of a flagpole or at half-mast in honor of those who have made the ultimate sacrifice for our great country.

When you pledge your allegiance to me, remember that it stands for liberty and justice for all. Please rest assured that I will fly over your last resting place. Love and respect me as I shall be forever yours.

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## INCREASE OF $40 MILLION TO THE ENERGY AND WATER APPROPRIATION ALLOCATION

**HON. MATT SALMON**

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Mr. SALMON. Mr. Speaker, Mr. Mark Udall and I recently introduced, and ChairmanPackard accepted, an amendment to add $40 million to the FY 2001 Energy and Water budget. The following chart appropriates that $40 million in a manner agreed upon by Chairman Packard. I submit this chart for inclusion in the Record.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS—RENEWABLE ENERGY RESOURCES—SALMON/M. UDALL/BOEHLERT/KAPTUR AMENDMENT

[In millions of dollars]—

| Program | FY00 actual | FY01 request | FY01 house | Amendment adds | Program totals |
|---|---|---|---|---|---|
| Solar bldgs. | 2 | 4.5 | 2 | +1.95 | 3.95 |
| PV | 65.9 | 82 | 67 | +8.775 | 75.775 |
| CS power | 15.2 | 15 | 6 | +7.8 | 13.8 |
| Biopower | 31.8 | 48 | 32 | +1.4625 | 33.4625 |
| Biofuels | 38.9 | 54.4 | 42.26 | +3.9 | 46.16 |
| Wind | 32.5 | 50.5 | 33.28 | +3.9 | 37.18 |
| REPI | 1.5 | 4 | 1 | +2.925 | 3.925 |
| RE prog support | 4.9 | 6.5 | 4 | | 4 |
| Int'l Renewable | 3.8 | 11.5 | 4 | | 4 |
| NREL | 1.1 | 1.9 | 4 | | 4 |
| Geotherman | 23.6 | 27 | 24 | +2.925 | 26.925 |
| Hydrogen | 24.5 | 23 | 22 | +1 | 23 |
| Hydropower | 5 | 5 | 5 | +.4875 | 5.4875 |
| Renewable Indians | 4 | 5 | 2 | | 2 |
| Elect. sys. | 37.8 | 48 | 37 | +4.875 | 41..875 |
| Emissions | | | .1 | | .1 |
| Transmission | 3 | 11 | 5 | | 5 |
| (DistPower) | | (3) | (3) | (+.975) | (3.975) |
| HTS | 31.4 | 32 | 28 | +3.9 | 31.9 |
| Storage | 3.4 | 5 | 4 | | 4 |
| DOE energy mgmt | 0 | 5 | 2 | | 2 |
| Federal buildings | 4 | [1] (6) | 0 | | 0 |
| Program direction | 17.72 | 18.159 | 18.159 | | 18.159 |
| Totals | 314.22 | 409.459 | 305.699 | +40 | 345.699 |

[1] Not requested.

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## OPPOSITION TO LANGUAGE PERMITTING LARGER MICROENTERPRISE LOANS

**HON. BENJAMIN A. GILMAN**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Mr. GILMAN. Mr. Speaker, the following is an explanation of the purposes of a point of order I made relative to legislative language on microenterprise loans that I did not have the opportunity to deliver in full on the floor. I include it here so that my purposes in making the point of order are clear.

Mr. Chairman, I make a point of order against the language appearing in the bill beginning with "Provided" on page 11, line 23, through page 12, line 8, on the ground that it violates clause 2 of Rule XXI.

The Rule prohibits changes to law on general appropriations bills. This language imposes conditions on the microenterprise program and clearly changes existing law by relaxing minimum lending provisions.

The House considered the issue of microenterprise lending in 1999 when it passed H.R. 1143. A counterpart to that bill has been reported by the Senate Committee on Foreign Relations and is awaiting floor action, I hope we will be able to complete our consideration of it before long.

If the Administration, which has historically wanted to relax these standards, wished to engage further with the Congress on this issue, they should have approached the Committee with legislative jurisdiction, the Committee on International Relations.

That is an unfortunate attitude that we have seen from time to time in this and other Administrations and I regret that we have to consume the time of the Committee in dealing with this sort of matter in this way.

Accordingly, Mr. Chairman, I must respectfully insist on my point of order.

# SENATE—*Friday, July 14, 2000*

The Senate met at 9:01 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

### PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious Father, our days of work and nights of rest run together. We need You. We praise You for Your love that embraces us and gives us security, Your joy that uplifts us and gives us resiliency, Your peace that floods our hearts and gives us serenity, and the presence of Your Spirit that fills us and gives us strength and endurance.

We dedicate this day to You. Help us to realize that it is by Your permission that we breathe our next breath and by Your grace that we are privileged to use all the gifts of intellect and judgment that You provide. Give the Senators and all of us who work with them a perfect blend of humility and hope, so that we will know that You have given us all that we have and are and have chosen to bless us this day. Our choice is to respond and commit ourselves to You. Through our Lord and Saviour. Amen.

### PLEDGE OF ALLEGIANCE

The Honorable LINCOLN CHAFEE, a Senator from the State of Rhode Island, led the Pledge of Allegiance, as follows:

> I pledge allegiance to the flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

### RESERVATION OF LEADER TIME

The PRESIDING OFFICER (Mr. L. CHAFEE). Under the previous order, the leadership time is reserved.

### SCHEDULE

Mr. ROTH. Mr. President, today the Senate will begin the final votes on the Death Tax Elimination Act. There are nine votes on amendments and a vote on final passage of the bill. Senators should be aware that all votes after the first vote will be limited to 10 minutes in an effort to expedite the process. Following the votes, the Senate will begin consideration of the reconciliation bill. Under a previous agreement, all Senators who have amendments must debate their amendments during today's session with votes scheduled to occur at approximately 6:15 p.m. on Monday, July 17.

I thank my colleagues for their cooperation.

### MEASURE PLACED ON THE CALENDAR—S. 2869

Mr. ROTH. Mr. President, I do understand there is a bill at the desk due for its second reading.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

> A bill (S. 2869) to protect religious liberty, and for other purposes.

Mr. ROTH. Mr. President, I object to further proceedings on this bill at this time.

The PRESIDING OFFICER. Under the rule, the bill will be placed on the calendar.

The Senator from Nevada.

### ORDER OF BUSINESS

Mr. REID. Mr. President, it is my understanding this first vote will be 15 minutes and the votes thereafter 10 minutes; is that true?

Mr. ROTH. That is correct.

### REQUEST FOR LEAVE OF ABSENCE

Mr. REID. Mr. President, I ask unanimous consent that Senator DASCHLE be excused from today's proceedings under rule VI, paragraph 2.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask unanimous consent that Senator DODD be excused from today's proceedings under rule VI, paragraph 2.

The PRESIDING OFFICER. Without objection, it is so ordered.

### DEATH TAX ELIMINATION ACT OF 2000

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of H.R. 8, which the clerk will report.

The legislative clerk read as follows:

> A bill (H.R. 8) to amend the Internal Revenue Code of 1986 to phase out the estate and gift taxes over a 10-year period.

Pending:

Kerry amendment No. 3839, to establish a National Housing Trust Fund in the Treasury of the United States to provide for the development of decent, safe, and affordable housing for low-income families.

Santorum amendment No. 3838, to provide for the designation of renewal communities and to provide tax incentives relating to such communities, to provide a tax credit to taxpayers investing in entities seeking to provide capital to create new markets in low-income communities, and to provide for the establishment of Individual Development Accounts.

Dodd amendment No. 3837, to amend the Internal Revenue Code of 1986 to increase the unified credit exemption and the qualified family-owned business interest deduction, to increase, expand, and simplify the child and dependent care tax credit, to expand the adoption credit for special needs children, to provide incentives for employer-provided child care.

Roth amendment No. 3841, to provide for pension reform by creating tax incentives for savings.

Harkin amendment No. 3840, to protect and provide resources for the Social Security System, to amend title II of the Social Security Act to eliminate the "motherhood penalty," increase the widow's and widower's benefit and to amend the Internal Revenue Code of 1986 to increase the unified credit exemption and the qualified family-owned business interest deduction.

Gramm (for Lott) amendment No. 3842, to provide tax relief by providing modifications to education individual retirement accounts.

Bayh amendment No. 3843, to amend the Internal Revenue Code of 1986 to increase the unified credit exemption and the qualified family-owned business interest deduction and provide a long-term care credit.

Feingold amendment No. 3844, to preserve budget surplus funds so that they might be available to extend the life of Social Security and Medicare.

Roth (for Lott) motion to commit to Committee on Finance with instructions to report back forthwith.

#### VOTE ON AMENDMENT NO. 3839

The PRESIDING OFFICER. The question occurs on the Kerry amendment No. 3839.

Mr. ROTH. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is on agreeing to amendment No. 3839. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from New Mexico (Mr. DOMENICI) is necessarily absent.

Mr. REID. I announce that the Senator from South Dakota (Mr. DASCHLE) and the Senator from Connecticut (Mr. DODD) are necessarily absent.

I further announce that, if present and voting, the Senator from South Dakota (Mr. DASCHLE) would vote "aye."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 45, nays 52, as follows:

[Rollcall Vote No. 189 Leg.]

YEAS—45

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Bryan
Byrd
Chafee, L.
Cleland
Conrad

Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Jeffords
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Specter
Wellstone
Wyden

### NAYS—52

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Cochran
Collins
Coverdell
Craig
Crapo
DeWine
Enzi
Fitzgerald
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Stevens
Thomas
Thompson
Thurmond
Torricelli
Voinovich
Warner

### NOT VOTING—3

Daschle
Dodd
Domenici

The amendment (No. 3839) was rejected.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

### VOTE ON AMENDMENT NO. 3838

The PRESIDING OFFICER. The question is on agreeing to the motion to waive the Budget Act with respect to the Santorum amendment No. 3838. The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Pennsylvania (Mr. SPECTER) is necessarily absent.

Mr. REID. I announce that the Senator from South Dakota (Mr. DASCHLE) and the Senator from Connecticut (Mr. DODD) are necessarily absent.

I further announce that, if present and voting, the Senator from South Dakota (Mr. DASCHLE) would vote "no."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 57, nays 40, as follows:

[Rollcall Vote No. 190 Leg.]

### YEAS—57

Abraham
Allard
Ashcroft
Bennett
Bond
Breaux
Brownback
Bunning
Burns
Byrd
Campbell
Cleland
Cochran
Collins
Conrad
Coverdell
Craig
Crapo
DeWine
Enzi
Feinstein
Fitzgerald
Frist
Gorton
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Jeffords
Johnson
Kerry
Kohl
Landrieu
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Roberts
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Stevens
Thomas
Thompson
Thurmond
Warner

### NAYS—40

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Bryan
Chafee, L.
Domenici
Dorgan
Durbin
Edwards
Feingold
Graham
Gramm
Harkin
Hollings
Inouye
Kennedy
Kerrey
Kyl
Lautenberg
Leahy
Levin
Lincoln
Mikulski
Moynihan
Murray
Nickles
Reed
Reid
Robb
Rockefeller
Roth
Sarbanes
Schumer
Torricelli
Voinovich
Wellstone
Wyden

### NOT VOTING—3

Daschle
Dodd
Specter

The PRESIDING OFFICER. On this vote, the yeas are 57, the nays 40. Three-fifths of the Senators duly chosen and not having voted in the affirmative, the motion is rejected. The point of order is sustained and the amendment falls.

### VOTE ON AMENDMENT NO. 3837

Mr. DOMENICI. Mr. President, I believe the next amendment is numbered 3837.

The PRESIDING OFFICER. The Senator is correct.

Mr. DOMENICI. Mr. President, this amendment offered by Senators WELLSTONE and DODD——

Mr. REID. Mr. President, if I could—I apologize to the Senator—we are having no statements before the votes.

Mr. DOMENICI. I am making a point of order.

Mr. REID. I apologize very much.

Mr. DOMENICI. I thank the Senator.

Mr. President, this amendment increases direct spending in excess of the committee's allocation.

I raise a point of order against the amendment under section 302(f) of the Budget Act.

Mr. WELLSTONE. I move to waive the Budget Act and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from South Dakota (Mr. DASCHLE), the Senator from Connecticut (Mr. DODD), and the Senator from Massachusetts (Mr. KERRY) are necessarily absent.

I further announce that, if present and voting, the Senator from South Dakota (Mr. DASCHLE) would vote "aye."

The yeas and nays resulted—yeas 41, nays 56, as follows:

[Rollcall Vote No. 191 Leg.]

### YEAS—41

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Bryan
Chafee, L.
Cleland
Conrad
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Inouye
Jeffords
Johnson
Kennedy
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Specter
Torricelli
Wellstone
Wyden

### NAYS—56

Abraham
Allard
Ashcroft
Bennett
Bond
Breaux
Brownback
Bunning
Burns
Byrd
Campbell
Cochran
Collins
Coverdell
Craig
Crapo
DeWine
Domenici
Enzi
Fitzgerald
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Kerrey
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

### NOT VOTING—3

Daschle
Dodd
Kerry

The PRESIDING OFFICER (Mr. GORTON). On this vote, the yeas are 41, the nays are 56. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected. The point of order is sustained and the amendment falls.

### VOTE ON AMENDMENT NO. 3841

The PRESIDING OFFICER. The question is on agreeing to amendment No. 3841.

The amendment (No. 3841) was agreed to.

Mr. ROTH. Mr. President, I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

### VOTE ON AMENDMENT NO. 3840

The PRESIDING OFFICER. The question is on agreeing to amendment No. 3840. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arkansas (Mr. HUTCHINSON) and the Senator from Vermont (Mr. JEFFORDS) are necessarily absent.

Mr. REID. I announce that the Senator from South Dakota (Mr. DASCHLE) and the Senator from Connecticut (Mr. DODD) are necessarily absent.

I further announce that, if present and voting, the Senator from South Dakota (Mr. DASCHLE) would vote "aye."

The result was announced—yeas 42, nays 54, as follows:

[Rollcall Vote No. 192 Leg.]

### YEAS—42

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Bryan
Byrd
Cleland
Conrad
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Johnson

Kennedy
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Torricelli
Wellstone
Wyden

NAYS—54

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Chafee, L.
Cochran
Collins
Coverdell
Craig
Crapo
DeWine
Domenici
Enzi
Fitzgerald
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchison
Inhofe
Kerrey
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

NOT VOTING—4

Daschle
Dodd
Hutchinson
Jeffords

The amendment (No. 3840) was rejected.

Mr. LOTT. I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

### VOTE ON AMENDMENT NO. 3843

The PRESIDING OFFICER. The question now is on agreeing to the Bayh amendment No. 3843. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arkansas (Mr. HUTCHINSON) is necessarily absent.

Mr. REID. I announce that the Senator from South Dakota (Mr. DASCHLE) and the Senator from Connecticut (Mr. DODD) are necessarily absent.

I further announce that, if present and voting, the Senator from South Dakota (Mr. DASCHLE) would vote "aye."

The result was announced—yeas 46, nays 51, as follows:

[Rollcall Vote No. 193 Leg.]

YEAS—46

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Bryan
Byrd
Chafee, L.
Cleland
Conrad
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Jeffords
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Specter
Torricelli
Wellstone
Wyden

NAYS—51

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Cochran
Collins
Coverdell
Craig
Crapo
DeWine
Domenici
Enzi
Fitzgerald
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchison
Inhofe
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

NOT VOTING—3

Daschle
Dodd
Hutchinson

The amendment (No. 3843) was rejected.

Mr. REID. Mr. President, I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

### VOTE ON AMENDMENT NO. 3842

The PRESIDING OFFICER. The question is on agreeing to the Gramm for Lott amendment No. 3842.

Mr. REID. Mr. President, I make a point of order that the pending amendment violates section 302(f) of the Congressional Budget Act of 1974.

Mr. LOTT. Mr. President, I move to waive the Budget Act and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arkansas (Mr. HUTCHINSON), is necessarily absent.

Mr. REID. I announce that the Senator from South Dakota (Mr. DASCHLE), is necessarily absent.

I further announce that, if present and voting, the Senator from South Dakota (Mr. DASCHLE) would vote "no."

The yeas and nays resulted—yeas 14, nays 84, as follows:

[Rollcall Vote No. 194 Leg.]

YEAS—14

Abraham
Ashcroft
Biden
Breaux
Collins
DeWine
Fitzgerald
Gorton
Roth
Santorum
Smith (OR)
Snowe
Specter
Torricelli

NAYS—84

Akaka
Allard
Baucus
Bayh
Bennett
Bingaman
Bond
Boxer
Brownback
Bryan
Bunning
Burns
Byrd
Campbell
Chafee, L.
Cleland
Cochran
Conrad
Coverdell
Craig
Crapo
Dodd
Domenici
Dorgan
Durbin
Edwards
Enzi
Feingold
Feinstein
Frist
Graham
Gramm
Grams
Grassley
Gregg
Hagel
Harkin
Hatch
Helms
Hollings
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kennedy
Kerrey
Kerry
Kohl
Kyl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
Mack
McCain
McConnell
Mikulski
Moynihan
Murkowski
Murray
Nickles
Reed
Reid
Robb
Roberts
Rockefeller
Sarbanes
Schumer
Sessions
Shelby
Smith (NH)
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner
Wellstone
Wyden

NOT VOTING—2

Daschle
Hutchinson

The PRESIDING OFFICER. On this vote, the yeas are 14, the nays are 84. Three-fifths of the Senators duly chosen and not having voted in the affirmative, the motion is rejected. The point of order is sustained and the amendment falls.

### VOTE ON AMENDMENT NO. 3844

The PRESIDING OFFICER. The question is on agreeing to the Feingold amendment No. 3844. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arkansas (Mr. HUTCHINSON) is necessarily absent.

Mr. REID. I announce that the Senator from South Dakota (Mr. DASCHLE) is necessarily absent.

I further announce that, if present and voting, the Senator from South Dakota (Mr. DASCHLE) would vote "aye."

The result was announced—yeas 44, nays 54, as follows:

[Rollcall Vote No. 195 Leg.]

YEAS—44

Akaka
Baucus
Bayh
Biden
Boxer
Breaux
Bryan
Byrd
Chafee, L.
Conrad
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Frist
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
McCain
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Torricelli
Wellstone
Wyden

NAYS—54

Abraham
Allard
Ashcroft
Bennett
Bingaman
Bond
Brownback
Bunning
Burns
Campbell
Cleland
Cochran
Collins
Coverdell
Craig
Crapo
DeWine
Domenici
Enzi
Fitzgerald
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchison
Inhofe
Jeffords
Kyl
Lott
Lugar
Mack
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

NOT VOTING—2

Daschle
Hutchinson

The amendment (No. 3844) was rejected.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

### VOTE ON MOTION TO COMMIT

The PRESIDING OFFICER. The question is on agreeing to the motion to commit.

Mr. KENNEDY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arkansas (Mr. HUTCHINSON) is necessarily absent.

Mr. REID. I announce that the Senator from South Dakota (Mr. DASCHLE) is necessarily absent.

I further announce that, if present and voting, the Senator from South Dakota (Mr. DASCHLE) would vote "no".

The result was announced—yeas 53, nays 45, as follows:

[Rollcall Vote No. 196 Leg.]

YEAS—53

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Cochran
Collins
Coverdell
Craig
Crapo
DeWine
Domenici
Enzi
Fitzgerald
Frist
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchison
Inhofe
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

NAYS—45

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Bryan
Byrd
Chafee, L.
Cleland
Conrad
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Harkin
Hollings
Inouye
Jeffords
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Torricelli
Wellstone
Wyden

NOT VOTING—2

Daschle
Hutchinson

The motion was agreed to.

Mr. MOYNIHAN. I move to reconsider the vote.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DODD. Mr. President, earlier today I was necessarily absent while attending to a family member's medical condition during Senate action on rollcall votes 189 through 193.

Had I been present for the votes, I would have voted as follows: On rollcall vote No. 189, Senator KERRY's amendment No. 3839, to establish a National Housing Trust Fund in the Treasury of the United States to provide for the development of decent, safe, and affordable housing for low-income families, I would have voted aye.

On rollcall vote No. 190, the motion to waive the Budget Act with respect to Senator SANTORUM's Amendment No. 3838, to provide for the designation of renewal communities and to provide tax incentives relating to such communities, to provide a tax credit to taxpayers investing in entities seeking to provide capital to create new markets in low-income communities, and to provide for the establishment of Individual Development Accounts (IDAs), and for other purposes, I would have voted no.

On rollcall vote No. 191, the motion to waive the Budget Act with respect to my and Senator WELLSTONEs amendment. No. 3837, to amend the Internal Revenue Code of 1986 to increase the unified credit exemption and the qualified family-owned business interest deduction, to increase, expand, and simplify the child and dependent care tax credit, to expand the adoption credit for special needs children, provide incentives for employer-provided child care, and for other purposes, I would have voted aye.

On rollcall vote No. 192, Senator HARKIN's amendment No. 3840, to protect and provide resources for the Social Security System, to amend title II of the Social Security Act to eliminate the "motherhood penalty," increase the widow's and widower's benefit and to amend the Internal Revenue Code of 1986 to increase the unified credit exemption and the qualified family-owned business interest deduction, and for other purposes, I would have voted aye.

On rollcall vote No. 193, Senator BAYH's amendment No. 3843 to amend the Internal Revenue Code of 1986 to increase the unified credit exemption and the qualified family-owned business interest deduction and provide a long-term care credit, and for other purposes, I would have voted aye.

### AMENDMENT NO. 3838

Mr. ROTH. Mr. President, while I am sympathetic to the goals of the Santorum amendment and I strongly support some of its provisions, I must vote against it at this time.

The amendment offered by the Senator is 251 pages long and has 12 titles. It includes new tax incentives and new authorization programs. Some of the incentives are new starters that have never been considered before. While the amendment is based on an agreement that has been announced by the Speaker's Office and the White House, that specific agreement has not been finalized, introduced, or considered by the House of Representatives.

A few weeks ago, Senator SANTORUM introduced a slightly smaller version of his amendment as a bill. That bill, S. 2779, was referred to the Finance Committee. Our Committee has held no hearings on the bill and we have not marked it up. The Joint Committee on Taxation has not had a chance to offer its comments on the full package or formally to tell us how much it costs. The Administration has not provided us with its views. Since the bill was introduced, my staff has been contacted by a variety of groups asking for technical changes to make the tax incentives operate better.

My colleagues know that I am a strong supporter of some of the provisions in the amendment. Increases in the low income housing credit cap and the private activity bond volume cap are long overdue. Tax credits for individual development accounts are a new and promising concept that I included in last year's tax bill. Nevertheless, I believe that the proper course is for the Finance Committee to take the time to review and evaluate all the provisions of this amendment. Accordingly, I will vote against it at this time.

### AMENDMENT NO. 3838

Mr. REED. Mr. President, I oppose this amendment because it contains language that raises serious First Amendment questions regarding the separation of church and state.

This amendment basically allows taxpayer dollars to flow to religious institutions, such as churches, mosques, and synagogues, to administer social services and public health benefits on behalf of our federal government. I believe this provision is Constitutionally suspect and requires more thoughtful Congressional scrutiny in the form of hearings and public discussion. Instead, this dubious language has been slipped into a several-hundred page amendment that few, if any, of my Senate colleagues have probably read.

Unlike the charitable choice provision in the 1996 welfare reform act, which applies to a very limited number of social service programs, this language would expand the scope of "charitable choice" to every current and future public health and social service program that receives federal funds. This new charitable choice language also would go further by allowing religious institutions receiving taxpayer dollars to discriminate in their hiring and firing decisions on the basis of their particular religious beliefs and teachings, abrogating the intent of our nation's civil rights laws.

Thus, under this particular provision, persons hired with federal taxpayer money, notwithstanding their personal religious beliefs, could be fired because they did not abide by particular religious standards, such as regular church attendance, tithing, or perhaps abstinence from coffee, tea, alcohol, and tobacco. This new language could allow a federally funded employee to be fired because she remarried without seeking an annulment of her first marriage. This seemingly innocuous "charitable choice" language amounts to federally funded employment discrimination, and allows religious organizations supported by taxpayer money to exclude people of different tenets, teachings and faiths from government-funded employment.

I would also like to address a point made by Senator SANTORUM last evening regarding Vice President GORE's support of "charitable choice." Senator SANTORUM failed to mention that in a speech given in May 1999 by the Vice President, he stated that any charitable choice "extension must be accompanied by clear and strict safeguards." He also said that "government must never promote a particular religious view, or try to force anyone to receive faith." This amendment fails on both accounts.

There is a tradition in Rhode Island of religious tolerance and respect for the boundaries between religion and government. Indeed, Roger Williams, who was banished from Massachusetts for his religious beliefs, founded Providence in 1636. The colony served as a refuge where all could come to worship as their conscience dictated without interference from the state. With that background, I believe that we should be very careful to maintain the distinction between government and religion. They both have important roles to play, especially in helping some of our country's neediest citizens. However, if a church or mosque is going to accept taxpayer dollars to perform contractual government services, they should not be able to deny employment to qualified American citizens. Our nation's laws should not allow discrimination on the basis of religion.

I suspect that the drafters of the amendment understand the Constitutional infirmities of their language. They seek some protection by inserting a reference to the "Establishment Clause in the First Amendment" as a check on permissible programs. However, such an approach blithely ignores the succeeding words of the same sentence. "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof . . ." (emphasis added).

Their use of the Establishment Clause is a transparent ploy to dress up dubious legislation in the trappings of the Constitution without giving effect to the full meaning of the Constitution. The proposed legislation raises serious questions about the "free exercise" of religion. By imposing religious tests on federally funded employment and by condoning religious based treatment regimes paid for by public funds which may conflict with the religious beliefs of beneficiaries, this legislation severely impinges on the "free exercise" of conscience.

With specific regard to the religious beliefs of beneficiaries, the drafters try to salvage this amendment from the Constitutional morass that they have created. They purport to require governmental entities to provide access to an "alternative" service provider if an individual objects to the religious character of the service provider. Having abandoned the Constitution, the amendment now abandons reality. In a country with insufficient resources to fully treat and serve all who qualify for public services, where are these alternative service providers? We are all familiar with the long waiting lists for substance abuse treatment, just to name one area of concern. We are equally familiar with situations in many areas, both rural and urban, where there is only one realistic provider. How available can any alternative provider be in practice? Moreover, why should a qualified beneficiary have to advance a "religious" reason as a condition to receiving public benefits?

Unfortunately, the enactment of the "charitable choice" language in this amendment will result in expensive and time-consuming Constitutional litigation, bogging down the passage of its laudatory community renewal provisions.

Mr. President, I would urge my colleagues to oppose this amendment and to vote against federally supported religious discrimination.

I ask unanimous consent that the full text of my remarks be included at the appropriate place in the RECORD.

AMENDMENT NO. 3838

Mr. ROCKEFELLER. Mr. President, I believe in the importance of the New Markets initiative to promote growth and economic development in struggling communities across our country. I have worked closely with Senator ROBB on this effort, as well as the President and his Administration. Given the commitment of President Clinton and Speaker HASTERT, I believe we may have a real chance to enact meaningful legislation on New Markets.

But I do not believe the Santorum amendment is the right starting point. I have serious questions about the provisions in the bill labeled "Charitable Choice." While I strongly support and admire the community development and social service work performed by faith-based organizations, I am deeply troubled by the potential for discrimination in hiring on the basis of an applicant's faith with programs funded by federal dollars. This is not good public policy.

Senator ROBB has announced his intention to introduce another New Markets bill, and I will continue to work closely with the distinguished Senator from Virginia. We introduced the original New Markets bill in August of 1999, and I am committed to working for passage of a final package. But such an important initiative deserves consideration in the Finance Committee, and more than ten minutes of flood debate.

West Virginia has several Empowerment Zones/Enterprise Communities, including Huntington, McDowell County, the Central Appalachia Community and the Upper Kanawha Community. These communities are working hard to deliver on the promise of the President's economic development initiative, and I am proud of our progress. Together we can make a real difference.

I hope that the Santorum amendment will not prevail, but that Members will work together to build on the Clinton-Hastert initiative to develop vital legislation to promote New Markets. We should provide tax incentives to promote new investments. We should expand on the success of Empowerment Zones and create new Renewal Communities to help small businesses get started in struggling communities. We should invest in affordable housing by expanding the Low-Income Housing Tax Credit and promote home ownership by expanding Mortgage Revenue Bonds. We should make these strategic investments, but not include language that might allow discrimination in hiring practices which would cause controversy and hinder the important investments of New Markets.

Mr. CRAIG. Mr. President, during debate of H.R. 8, the question has been raised: Does the death tax really impact family-owned farms and businesses?

The answer is an emphatic "Yes!"

According to the book, "The Millionaire Next Door," self-employed individuals are four times as likely to accumulate $1 million in assets over their lifetime than those people who work for someone else. Moreover, while self-employed individuals make up only 20 percent of the workforce, they comprise two-thirds of those Americans whose estates are worth more than $1 million. As a tax on accumulated wealth, the estate tax is a direct attack on these individuals.

Meanwhile, the Small Business Administration Office of Advocacy estimates that seven out of ten family-owned businesses fail to survive from one generation to the next. While this failure rate can be attributed to many factors, the federal estate tax is cited by family business owners as a major obstacle blocking a successful transition. For example, a report by the

Family Enterprise Institute found that 60 percent of black business owners believe the estate tax makes the survival of their business significantly more difficult or impossible.

Finally, the estate tax hampers the ability of family-owned businesses to compete against larger corporations. In testimony before the House Ways and Means Committee, a lumberyard owner from New Jersey spoke of incurring up to $1 million in costs associated with preserving the family business pending the death of his grandmother. At the same time the family was incurring these costs, the business was also competing against a new Home Depot store that had moved into the area. Home Depot is not subject to the estate tax.

Mr. President, death tax repeal is also pro-jobs. A survey of 365 businesses in upstate New York found an estimated 14 jobs per business were lost in direct consequence of the costs associated with estate tax planning and payment. That amounts to more than 5,000 jobs lost in a limited geographical area. Nationally, the Wall Street Journal reported that an estimated 200,000 jobs would be created or preserved if the estate tax were eliminated.

Mr. President, a false argument made by the opposition is that the tax code already protects family-owned businesses from the death tax. While the 1997 Taxpayer Relief Act included provisions to protect family-owned businesses from the death tax, these provisions have proven so complicated and cumbersome that few family businesses choose to use them.

For example, in order to qualify for the Family Business Exclusion, an heir has to have worked in the family business for at least five of the eight years leading up to the death of the owner. Following the death of the owner, the family must continue to participate in the business for at least five out of eight years.

Both these restrictions create significant problems for family members. How does a son or daughter know when the eight-year "clock" starts ticking. If their parents are elderly, do they sacrifice going to college in order to begin working in the business? Moreover, once the business is transferred, the tax deferred by receiving the Qualified Family Business designation hangs over the business for at least eight years, affecting the ability of the business to attain credit or attract investors.

Similar difficulties have been realized from other carve-outs. For example, Section 2032A allows closely-held farms and businesses to receive a valuation based upon the property's current use—say farming—rather than its "highest and best" use—say commercial development.

In order to qualify for the lower valuation, however, the estate and heirs must meet qualifications similar to those required for the Family Business Exclusion. Despite the obvious benefits, only a small fraction—less than one percent in 1992—of taxable estates elect to use it. The provision is simply too complicated for widespread use.

With regard to the death tax, it is proving very difficult to protect one set of assets while taxing another. A good-faith attempt was made to protect family-owned businesses from the death tax three years ago, but by most accounts that attempt has largely failed. The best way to protect family farms and businesses from the death tax is to repeal it.

I have a paper by Bill Beach of the Heritage Foundation summarizing just a few of the real life stories of farms and businesses harmed by the death tax. I ask unanimous consent that it be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection it is so ordered. (See exhibit 2.)

Mr. CRAIG. Mr. President, repealing the estate tax is one of the more populist tax cuts considered by Congress this session. Not only do studies show the estate tax has a dramatic impact on the ability of family-owned farms and businesses to survive and create job opportunities, survey after survey has revealed that 70 to 80 percent of Americans in general are critical of the tax and supportive of its repeal. This broad-based support is evident in the number of states that have acted to repeal their state-level estate taxes. Since 1980, more than 20 states have elected to repeal their estate taxes.

Mr. President, there is no excuse for continuing a tax that confiscates capital from our most productive citizens. It's anti-growth. It's anti-jobs. It's anti-American.

Mr. President, it's time to bury the death tax.

EXHIBIT 1

### DEATH TAX DEVASTATION: HORROR STORIES FROM MIDDLE-CLASS AMERICA

(By William W. Beach, Director, Center for Data Analysis, The Heritage Foundation)

The death tax is the nightmare of the American dream, as these real-life experiences from middle-class America will show.

Millions of Americans spend their adult lives working hard, sacrificing and saving, obeying the law, and doing the countless other things that official Washington has told them are the ingredients of a successful life. They are encouraged as federal laws are passed that should expand economic opportunity and guarantee that civil rights will be as much a part of the marketplace as they are a part of community life and education. Thousands of political speeches reinforce the impression they have that Washington believes the United States really is a land of opportunity and a place where the financial fruits of hard work can be used to endow the next generation's economic struggle with greater potential.

However, for those whose economic success also ,resulted in significant assets (like a farm, a small business, a factory, or a trucking fleet), what official Washington says is nothing less than a lie. At the end of life, the federal death tax will sweep across the profits of family-owned businesses and estates and leave in its wake millions of devastated survivors, employees, and communities. Many people whose assets will be depleted to pay the death tax unfortunately learn about estate and gift taxes so late in life that they spend their last days as frequently in the company of their tax lawyers and accountants as they do with their families.

The federal government taxes the transfer of wealth between generations at rates as high as 55 percent. At $30 billion, the death tax burden in the United States is the greatest in the world. Indeed, this country owns the dubious distinction of holding the fruits of economic success in lower regard than many of its ideological and economic adversaries.

The full case for repealing federal death taxes will involve more than testimony from its victims. However, evidence of harm to the U.S. economy and public finances pales in comparison to the stories of the men and women whose economic virtues regrettably laid the basis for their own and their offspring's financial devastation. The following sampling of evidence from that anecdotal record has been compiled from testimony before Congress, newspaper articles, and statements of family members whose lives were changed by federal death taxes.

### THE DEATH TAX HURTS FAMILY FARMS AND RANCHES

The death tax destroys family businesses and farms, and forces families to spend their hard-earned money on lawyers, accountants, and life insurance policies to deal with it. The Public Policy Institute of New York found a negative relationship between anticipated death tax liability and growth in employment, particularly for growing firms. Business owners are afraid to hire new people and expand their businesses when they face the death tax. The reason is simple: Hiring new people is optional; paying taxes on the family estate is not.

#### *Family Farm Horror Story #1*

Tim Koopman's family has owned ranch property in California for most of this century. His children would like to continue to run the ranch, but the death tax may prevent this.

Since Tim's mother died four years ago, the Koopman's have paid about $400,000 in death taxes. For three of those years, however, Tim has been able only to pay the interest on the death tax bill, and soon he will not be able to pay that without selling some or all of his land. This is a decision that he does not want to face. This land is an important part of his life.

The Koopman's faced the death tax once before. In 1973, Tim was forced to sell one of the family's ranches to pay the $125,000 death tax bill that he owed when his father died. Now the family faces the death tax again. Tim wants to pass the ranch on to his children, but the hefty death tax may leave little ranch for him to do so.

#### *Family Farm Horror Story #2*

Lee Ann's family owns a ranch in Idaho. They have lived there for three generations, providing jobs for the local economy and helping to create a strong community. The family did not acquire a lot of material wealth, so it came as a great shock when the government hit them with a $3.3 million death tax bill after their father's death.

Although the death of Lee Ann's father was devastating, the death tax bill made it worse. The family had no debts and owned their land outright; they thought they had nothing to tax. However, their land had increased in value enough to trigger the death tax. Lee Ann's mother, who has been under tremendous strain since her husband's death, is haunted by the realization that after she dies, her family may lose the ranch because of this tax.

Another concern is who will buy the ranch if they are forced to sell. Lee Ann worries that, as is the case with so many other properties, the purchaser will not be another family rancher, but rather a wealthy absentee owner who flies in once or twice a year for a vacation. This has been happening more frequently in Idaho, and the sense of community that Lee Ann enjoyed for most of her life is quickly being lost.

*Family Farm Horror Story #3*

Robert Sakata is a 42-year-old vegetable farmer from Brighton, Colorado. Back in 1944 his father paid $6,000 for 40 acres of land to begin a family farm. Six years later, he purchased additional land for $700 an acre. Today, the elder Sakata is 73 and owns 2,000 acres of farmland near the Denver International Airport—a piece of land worth nearly $380 million.

This might seem like a wonderful situation for the Sakata family, yet the family owns no other investments; after the elder Sakata and his wife pass away, Robert will face a tax bill of over $200 million. Robert has admitted that he would have to sell off half the farm and lay off many of his 350 workers "who are like family." "We don't live like millionaires," Robert has stated. "We're just trying to sustain a family business."

They will have a difficult time. the death tax will force them to lay off workers and sell land that has been part of the family for more than five decades. This treatment of hardworking successful citizens is hardly the story line for an American dream.

THE DEATH TAX THREAT TO FAMILY BUSINESSES

The Center for the Study of Taxation found that three out of four families faced with liquidating all or part of their business to pay the death tax would have to cut their payroll in the process. Moreover, studies by the Institute for Policy Innovation (IPI) and Congress's own Joint Economic Committee have found that the death tax costs communities more in lost jobs and lower economic growth than it raises for the U.S. Treasury.

*Family Business Horror Story #1*

After her father's death from cancer, Terry Deeny, like many Americans, could not reflect on her personal loss, spend time with her family, and build family cohesion. Instead, death taxes forced Terry to concern herself with her family's survival. As Chairman and CEO of Deeny Construction Co., Terry watched as payment of the death taxes drove her company deeply into debt. She had no choice but to lay workers off, sell much of the company machinery, and stop many business transactions that had kept the business alive. "We barely survived. It was not an American dream; it was an American nightmare."

It is hard for people like Terry to find justification for the federal government to force Americans to scrounge for money in order to pay a tax that puts many into debt, especially when the money otherwise could be used to help create jobs and enable even more citizens to achieve the American dream.

*Family Business Horror Story #2*

Barry, an entrepreneur in Kentucky, likens the death tax to the old saying about sheep: Slaughter your sheep and you will get dinner for a night. Shear it and you will get a lifetime of wool. By endangering the future of his family's business, the death tax is threatening his employees' livelihoods as well as costing the government future revenue.

For three generations, Barry's family ran their own business in Kentucky. Today, they own 20 gas stations and convenience stores and employ about 100 people. However, Barry's father is growing older and would like to pass on the business.

According to Barry, the family has spent a significant amount of money on accountants and attorneys in preparation for shifting ownership of the businesses from his father to Barry's generation and the grandchildren. Family members have purchased insurance and have gone through rewriting several wills and trusts. "It's something you continually update," Barry says; "every time a new grandchild is born, we have to revise the will and trusts."

The death tax also affects the ability of Barry's businesses to grow. New opportunities take time to develop, but between worrying about how to pay the death tax and meet other federal regulations, Barry finds it is harder to pursue new opportunities. In the end, the businesses and their communities suffer.

*Family Business Horror Story #3*

Clarence owns a farming and lumber business in North Carolina. He provides jobs to 70 people in the community who work on his three small farms, in his fertilizer and tobacco warehouse, and at a small lumber mill. His family has worked hard for four generations to build the business. However, all this may be lost when Clarence dies and his family is faced with an enormous death tax bill.

Clarence has tried to reduce the burden of the death tax. He has intentionally slowed the growth of his business, hired lawyers, purchased life insurance, and established trusts—all to create a plan that he hopes will enable his children to keep the family business when he dies.

But all that work and planning may not be enough. Clarence figures that his son will owe the federal government about $1.5 million upon his death—a difficult sum for most people to raise, but especially so for a man who makes $31,000 a year. It will be impossible for his son to pay that much, so he may have to sell all or part of the business. It would be the fourth time that Clarence's family will have had to pay the death tax. The federal government, in the end, will have destroyed the work of four generations.

*Family Business Horror Story #4*

Everett has been in the newspaper business for 30 years. His company publishes six weekly papers in northern California and the telephone directory for two counties. He employs 97 people. From his first small weekly paper, Everett has built his company into a $3 million business.

Nevertheless, all the hard work may be for naught. Everett's wife died two years ago, and he placed her share of the corporate stock in a trust for their daughter. His daughter and her husband, who is the publisher for all the business's publications, will still face a hefty death tax that may cause them to lose the business when Everett dies.

For years, the number of small, family-owned weeklies has been declining in northern California. The people who work for the weeklies and the small towns that depend on these newspapers for information and entertainment will suffer when these businesses shut down. Abolishing the death tax would help preserve the legacy of hard work and dedication that thousands of families like Everett's have given to their communities.

*Family Business Horror Story #4*

Wayne Williams' family has owned a telecommunications and video communications business in Washington since 1982. The family's philosophy is that it is important to reinvest profits in employees, new products, and expanding opportunities. The company has maintained a commitment to improving the local community and tied most of its financial worth up in the business. That means Wayne does not have the cash on hand to pay the death tax when his parents die.

So Wayne has had to take other measures to save his family from the devastation of the death tax, including scheduling gifts, buying life insurance, and slowing reinvestment in the firm. This last action does not mesh well with the family's philosophy of reinvesting profits, but the death tax makes it necessary.

The fact that thousands of family businesses are in the same fix explains why eliminating the death tax is the number one priority of so many owners of small businesses. It also could explain why a majority of Americans agree that the death tax is simply unfair and should be eliminated.

*Family Business Horror Story #5*

David Pankonin, whose story first appeared in the Wall Street Journal, is the fourth-generation owner of Pankonin's Inc., in Nebraska. David's great-grandfather established this retail farm equipment company in 1883 in Louisville, Nebraska. The business has been handed down there times through the family, and David hopes that some day he will be able to hand it down to his own son. He worries because the odds—and the estate tax laws—are against him.

Only 30 percent of businesses survive a first intergenerational transfer. Only 4 percent survive to the next generation. A third transfer—the transfer that put Pankonin's in David's hands—usually has survival odds of less than 1 percent. Now David wonders if the business can survive another transfer. In his words, "Will I be able to pass the company inherited from my father along to my son or, in spite of what my will might say, am I just working hard to pay an heir called Uncle Sam?"

THE DEATH TAX THREAT TO THE ENVIRONMENT

When people think about the death tax, they tend to focus on its devastating effect on family businesses and farms. However, the death tax also hurts the environment. Many landowners, especially those in rural areas, are "land rich, but cash poor." If the owner of a family business dies, the heirs often will have to sell their assets because they do not have enough money to pay the death tax. Since land is valued at its "highest and best use," they must sell to developers in order to raise the necessary cash.

*Impact on the Environment Case #1*

The Hilliard family is a good example of how the death tax hurts the environment. The family was forced to sell 17,000 acres of land in southern Florida to developers to pay its death tax bills. So far, 12,000 acres have been developed; the rest will soon follow. The family did not intend to sell the land before the death tax bill and had not made plans to develop it.

The Hilliard's land is in the heart of Florida panther habitat. The panther, an endangered species, requires a large amount of land to survive. The death tax indirectly threatens the panther's habitat every time it forces local Florida's landowners to sell their land to real estate developers.

Today, over 75 percent of species listed under the Endangered Species Act rely on privately owned land for some or all of their habitat. The death tax creates a huge burden for those that wish to keep their land undeveloped.

TAX AVOIDANCE

Historically, the death tax brings in only about 1 percent of total federal revenues. Yet, the costs to administer and collect the death tax, including litigation, as well as the costs of its economic effects can add up to 65 cents on every dollar collected. That means net revenue collected from this onerous tax is just nearly one-third of the total tax collected.

According to the Institute for Policy Innovation, the death tax costs the economy almost as much as it raises for the federal government. This is because the death tax harms the most potent engine of growth in the economy—America's small businesses and their employees. The IPI study found that if Congress repealed the death tax today, the increase in economic growth that resulted from this reform would replace any loss to the U.S. Treasury by the year 2010.

A 1996 Heritage Foundation analysis of death taxes using the WEFA Group U.S. Macroeconomic Model and the Washington University Macro Model found that, if the estate tax had been repealed in 1996, then over the next nine years: The U.S. economy would average as much as $11 billion per year in extra output; an average of 145,000 additional jobs could be created each year; personal income could rise by an average of $8 billion per year above the current projections; and the extra revenue generated by the additional growth in the economy would more than compensate for the meager revenue losses stemming from the death tax's repeal.

*Wasted Resources Case #1*

Robert, an entrepreneur, began investing in Northern California real estate early in life, making large profits from the resale of his land. He used the profits to invest in a vineyard in Napa Valley that now has a fair market value of $20 million.

Robert planned on leaving the vineyard to his children. Two of his three children work on the vineyard already and they would like to continue to do so. However, Robert is afraid that when he dies he is going to have to leave all that he has worked hard to build to the federal government, rather than to his children. To make sure his legacy lives on, Robert has spent approximately $50,000 on legal, accounting, and appraisal bills.

He is also making annual $10,000 gifts to his children and has given away 45 percent of his winery to his children. He has changed his company from a sole proprietorship to a limited liability company, and has formed a family limited partnership for the vineyards.

*Wasted Resources Case #2*

Richard Forrestel, Jr., of Akron, New York, has spent a substantial amount of time and effort to avoid the devastation wrought by the death tax. Forrestel's father founded Cold Spring Construction Company. Forrestel stated that, "My family's construction company has already wasted over $4 million since 1980 in insurance purchases and stock redemptions solely in order to be able to pay the death tax." "I wish death tax proponents would tell the truth—they simply want to redistribute wealth," continues Forrestel. "The American dream of my father should not be broken up and sent to Washington when he dies."

Each day, hundreds of Americans spend more and more money in an attempt to shelter as much of their estate as possible from taxation after they pass away, so that their offspring can benefit from their years of hard work. This money could have been reinvested into the company, creating more jobs and helping more Americans in their daily lives, but the death tax makes this almost impossible.

*Wasted Resources Case #3*

Ronald works at a steel manufacturing plant his father started in Philadelphia in 1952. Its stainless steel plate products are sold to other manufacturers for various uses. Ronald and his brother have been working with their father to develop an estate plan to smooth the transition of ownership from the second generation to the third.

However, this task has been difficult. Ronald does not have 55 percent of his business assets in cash so, that he can pay off the death tax bill when his father dies. So, he has to spend his precious time and money on lawyers and insurance agents. He has to stop the growth of his plant to ensure he can pay the tax bill. The death tax means that Ronald cannot buy a new piece of equipment or hire a new employee because he must spend his extra money on lawyer's fees.

*Wasted Resources Case #4*

Helen and her husband dreamed of owning a community newspaper. After years of planning, they finally realized their dream in 1965 and bought a small, struggling weekly paper in northern Georgia. They invested all their savings and have turned that small paper into a $2 million business that publishes three other weeklies as well.

Helen is worried that all of their hard work will go to waste when she and her husband die. She would like to pass the business on to her sons, but she may not be able to if the government hands her a 55 percent death tax bill. Her family has spent thousands of dollars already in legal fees to ensure she can pass her business on as she and her husband hope, but this still may not happen. The 55 percent death tax will be levied on the family estate despite all the corporate and personal taxes they have paid through the years.

*Wasted Resources Case #5*

The family business of Michael Coyne has lasted through three generations across 67 years. What started as a small New Jersey lumber company in 1932 has grown into three home improvement stores and a separate kitchen and bath store. However, the same business that made it through the ravages of the Great Depression and the shortages of World War II may not survive the death tax.

Michael's experience with death taxes began 10 years ago when his grandfather passed away. The majority of the estate was left to his grandmother; though they obtained appropriate legal representation and death tax planning, it became clear that the business would not survive after his grandmother's death.

Michael and his family have contributed more than just stability to their community for generations. They employ 70 people, and they have paid all their taxes. Yet for the past 10 years, they have been forced to spend over $1 million on life insurance policies, lawyers, accountants, and other efforts to protect the business from the death tax. Despite these efforts, the family faces a death tax bill in the millions of dollars. The business might not survive.

CONCLUSION

Even though many countries such as Australia and Canada do not have a death tax, the United States continues to reserve its highest marginal tax rate of 55 percent for estates that involve family farms and businesses. The lowest rate imposed by Washington (37 percent) is nearly twice the average death tax rate of 21.6 percent in 24 other countries that do impose death taxes. And while most countries impose a top rate on estates of $4 million or more, the top death tax rate in this country is imposed on estates valued $3 million or more. This policy is wrong in a country that built its future on the idea that with enough hard work and determination anyone could move up the economic ladder.

By eliminating the death tax, Congress could put more money in the pockets of Americans who in turn, would give more to their favorite charities and to their communities during their life times as well as after death. While the death tax was supposed to be a tax on the rich, American families who work hard to build a family business or farm and their employees of are the ones most often left paying the bill. The mathematics are simple: The tax rate on a worker who loses his other job as a result of the death tax is 100 percent. Clearly, with estimates of the federal budget surplus now exceeding $1.87 trillion over the next ten years, it's time to do away with this faulty tax policy.

Mr. LEAHY. Mr. President, in Vermont, small businesses and family farms form the backbone of our economy. I have always been a strong supporter of targeted estate tax relief for these family-owned farms and small businesses. Targeted relief would help families in Vermont keep their property intact and in the family.

What we have are two very different approaches to estate tax relief.

Under the Republican proposal, H.R. 8, relief from the estate tax would be phased in gradually over ten years and the initial benefits would be directed towards the wealthiest estates, those valued at over $20 million. Under this proposal, not a single small business or family farm would be removed from the tax next year or even 9 years from now. That is because H.R. 8 does not actually repeal the estate tax until the next decade. This proposal would cost American taxpayers $105 billion in the first ten years and $50 billion in each year after that.

Under the second proposal, the Democratic Alternative put forth by Senator MOYNIHAN, thousands of additional farms and small businesses would be exempt from the estate tax in the very first year after its enactment. Under the Democratic Alternative, business owners and farmers would be able to leave $2 million per individual and $4 million per couple without paying estate tax in 2001. By 2010, business owner's and farmer's assets totaling $8 million would be exempt. This proposal would cost approximately $64 billion over 10 years.

We now have a choice between a proposal that would provide immediate relief to small business owners and farmers at a cost we can afford and a fiscally irresponsible measure that would provide a windfall to the wealthiest estates at a high cost to Vermonters and the American public. I choose the affordable, immediate, targeted relief that we have with the Democratic proposal—a proposal that I believe is a better deal for Vermonters.

The Republicans have stated that H.R. 8 is designed primarily to help small businesses and family farms. But who would benefit the most from this proposal? I think an article on the front page of the Business Section of today's New York Times sums it up well, and I ask unanimous consent that this article be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

Mr. LEAHY. The New York Times article said that had the estate tax been repealed in 1997, as the Republicans now propose, more than half of the tax savings would have gone to the slightly more than 400 individuals who died that year leaving estates valued at $20 million or more. Only about 400 estates in the entire nation, Mr. President.

In other words, under the Republican proposal, once again, only the wealthiest individuals would reap the majority of the benefits. Only gradually would any benefits trickle down to the small business owners and farmers who Republicans are professing to help. Under the Republican proposal hard working Vermonters would bear the burden of a windfall to the wealthy.

In Vermont, in 1998, 227 estates were subject to the estate tax. If the Republican proposal were adopted in 1997, not a single one of those estates would have been removed from the rolls in the following year. Under the Democratic Alternative, small business owners and farmers would have received immediate relief. When all is said and done, with the Democratic Alternative, approximately two-thirds of all estates would not be subject to the estate tax.

Do we want relief for our farmers and small business owners now, at a cost we can afford? Or do we want an unworkable partisan solution that will lead inevitably to a presidential veto, endless debate, and empty campaign slogans? I think that Vermonters deserve the immediate relief that is available under the Democratic proposal, relief that would keep small businesses and family owned farms intact, relief that is balanced and affordable.

EXHIBIT NO. 1

[From the New York Times, July 13, 2000]

DEMOCRATS' ESTATE TAX PLAN IS LITTLE KNOWN

(By David Cay Johnston)

Small business owners and farmers whose Washington lobbyists are ardent backers of a Republican-backed plan to repeal the estate tax seem largely unaware that President Clinton—who has vowed to veto the Republican proposal—has said he would sign legislation that would exempt nearly all of them from the tax starting next year.

Business owners and farmers would be allowed to leave $2 million—$4 million for a couple—to their heirs without paying estate taxes under the plan favored by the President and the Democratic leadership in Congress. The Republican proposal, which passed the House last month with some Democrats' support and is being debated in the Senate this week, would be phased in slowly, with the tax eliminated in 2009.

Supporters of the Republican plan say the tax is so complicated that eliminating it is the only effective reform; they argue that the nation's growing wealth means more estates will steadily fall under the tax if it remains law on the Democratic proposal's terms.

Still, had the Democratic plan been law in 1997, the last year for which estate tax return data is available from the Internal Revenue Service, the estates of fewer than 1,300 owners of closely held businesses and 300 farmers would have owed the tax.

According to the data, 95 percent of the roughly 6,000 farmers who paid estate tax that year would have been exempted under terms of the Democrats' plan, as would 88 percent of the roughly 10,000 small-business owners who paid the tax.

Had the estate tax been repealed in 1997, as the Republicans now propose, more than half of the tax savings would have gone to the slightly more than 400 individuals who died that year leaving individual estates worth more than $20 million each.

Two prominent experts on estate taxes said yesterday that the Democrats were offering a much better deal to small-business owners and farmers, because the relief under their bill would be immediate and the estate tax would be eliminated for nearly all of them.

"The fact is that the Democrats are making the better offer—and I'm a Republican saying that," said Sanford J. Schlesinger of the law firm of Kaye, Scholer, Fierman, Hays & Handler in New York. With routine estate planning, he said, the $4 million exemption could effectively be raised to as much as $10 million in wealth that could be passed untaxed to heirs. Only 1,221 of the 2.3 million people who died in 1997 left a taxable estate of $10 million or more, I.R.S. data shows.

Neil Harl, an Iowa State University economist who is a leading estate tax adviser to Midwest farmers, said that only a handful of working family farms had a net worth of $4 million. "Above that, with a very few exceptions, you are talking about the Ted Turners who own huge ranches and are not working farmers," he said.

Mr. Harl said he was surprised that farmers were not calling lawmakers to demand that they take the president up on his promise to sign the Democratic bill.

One reason for that may be that in leading the call for repeal of the tax, two organizations representing merchants and farmers—the National Federation of Independent Business and the American Farm Bureau Federation—have done little to tell members about the Democratic plan. Interviews this week with half a dozen people whom the two organizations offered as spokesmen on the estate tax showed that only one of them had any awareness of the Democratic proposal.

Officials of the business federation and the farm bureau said that in the event full repeal failed, they might push for approval of the Democratic plan. But both groups say outright repeal makes more sense.

"My concern is not over the Bill Gateses of the world," said Jim Hirni, a Senate lobbyist for the business federation. "But we have to eliminate this tax, because it is too complicated to comply with the rules. Instead of further complicating the system, the best way is to eliminate the tax, period."

A farm bureau spokesman, Christopher Noun, said that the Democrats' plan appeared to grant benefits that would erode over time. "Farmers are not cash wealthy, they are asset wealthy," he said. "And those assets are only going to continue to gain value over the years. So while some farmers may not be taxed now under the other plan—10 or 15 years out they will."

Whether the proposal to repeal the tax dies in the Senate or is passed and then vetoed by the President, it will become a powerful tool for both parties in the fall elections. The Republicans will be able to paint themselves as tax cutters who would carry out their plans if they could just win the White House and more seats in Congress. The Democrats could try to paint the Republicans as the party that abandoned Main Street merchants and family to serve the interests of billionaires.

A vote in the Senate could come as early as this evening.

At the grass roots, however, those who would benefit from any reduction in the scope of the estate tax take a much more pragmatic view of the matter.

"The whole reason I took up this cause is I do not want to see another small family business get into the situation we are in," said Mark Sincavage, a land developer in the Pocono Mountains of Pennsylvania whose family expects to sell some raw land soon to pay a $600,000 estate tax bill to the federal and state governments.

The independent business federation cited Mr. Sincavage's situation as an especially good example of problems the estate tax causes its members who are asset rich but short on cash. Facing similar circumstances is John H. Kearney, a Ford and Lincoln dealer in Ravena, N.Y., who said he "got slammed pretty hard" when his father died last year. Most of his father's $1.6 million estate was in land and the car dealership, said Mr. Kearney, who added that he dipped into savings intended for his children's education to pay the estate tax bill.

Neither Mr. Sincavage nor Mr. Kearney said he was aware of the Democrats' plan to roll back the tax.

But Mr. Kearney said his interest was in reasonable tax relief so that merchants and farmers could continue to nurture their businesses, not in helping billionaires.

"No part of me has any sympathy for people with more than $5 million," he said. "Would I feel terrible if all they did was raise the exemption to $4 million or $5 million? I would say from my selfish standpoint that we have covered the small family farm and small business and thus we achieved what we wanted to achieve.

"But I would still be asking: Is it really a moral tax to begin with? And that's a point you can argue a hundred different ways."

Carl Loop, 72, who owns a wholesale decorative-plant nursery in Jacksonville, Fla., said he favored repeal, partly because estate tax planning was fraught with uncertainty.

"The complexity of it keeps a lot of people from doing estate planning because they don't understand it," Mr. Loop said. "And they don't like the fact that they have to give up ownership of property while they are alive."

Professor Harl, the Iowa State University estate tax expert, said that he had heard many horror stories about people having to sell farms to pay estate taxes. But in 35 years of conducting estate tax seminars for farmers, he added, "I have pushed and hunted and probed and I have not been able to find a single case where estate taxes caused the sale of a family farm; it's a myth."

Mr. ENZI. Mr. President, I rise in support of the Death Tax Elimination Act of 2000. The time has come to stop death from being a taxable event.

The repeal of the Federal death tax is one of the top priorities for tax reform in my home State of Wyoming. The reason is simple—Wyoming is made up almost exclusively of small businesses, and the Federal death tax hits small business owners the hardest of any group in society. Many of the small businesses in Wyoming are in the agricultural sector—ranching and farming businesses that have been built up by families working together to help feed Wyoming and America. These farms and ranches not only provide a great service to our State and the country as a whole by helping provide food that we eat every day, but they are an integral part of the western way of the life. All too often, I have heard the painful stories of families who were forced to sell their ranches or farms just to pay the taxes when their parents pass away. The death tax chips away at our very way of life in the West and elsewhere and should be abolished.

The death tax discourages thrift and pierces the very heart of the American economy—small businesses. We should never forget that small businesses are the backbone of the American economy. The simple fact is that most businesses in this country are small businesses. Out of the nearly 5.5 million employers in this country, 99 percent are businesses with fewer than 500 employees. Almost 90 percent of those businesses employ fewer than twenty employees. Since the early 1970s, small businesses have created two out of every three net new jobs in this country. This remarkable job growth continued even during periods of slow national growth and downturns when most large corporations were downsizing and laying off workers. Small businesses employ more than half of the private sector workforce and are responsible for producing roughly half of our nation's gross domestic product. By punishing small businesses, the Federal death tax stifles our economy, discourages ingenuity, and threatens the economic security of many of our families.

The Federal death tax also tears at the bonds that unite parents and children and families and communities. The family business has historically been one of the primary means for children to learn skills and virtues that help them throughout their entire lives. I know many of the hard-working men and women in Wyoming who run our State's family ranches and farms. The whole family pitches in to harvest the crops, feed the livestock, mend the fences, fix the irrigation ditches, plow the roads, herd the sheep and cattle, and plan for next year's crops or herds. Children learn that hard work and responsible planning are necessary ingredients for success in work as in life. They learn respect for the land that is their livelihood. They learn to appreciate the labor of their parents and grandparents and they realize their own labor is an investment in their future and the future of their children.

Unfortunately, we live at a time in America when there are all too many forces in our society telling our children that everything goes and that instant gratification is the only goal in life. It we as policymakers want to curb this trend, if we want to teach our children the importance of personal responsibility, hard work, and investment in their future, we should encourage family-owned businesses which are one of the domestic classrooms for teaching our children these time-honored virtues.

I have a little experience in operating a small business myself. My family and I ran a couple of small family-owned shoe stores in Gillette, WY. We didn't have separate division for merchandising and marketing. We didn't have an accounting department to sort out the complicated tax code. We all wore many hats. We had to sell the shoes, balance the books, keep track of our inventory, and straighten out the shelves. We had to sweep the sidewalks when we opened in the morning and at the end of a long day, we had to clean the floors and organize the store room. Let me tell you that we all learned to pitch in to get the job done. We learned to work together and we learned to appreciate the hard work and sacrifices each of us made to keep the store running smoothly.

We also learned firsthand the importance of living by the golden rule. If you don't treat your customers well in the retail business they don't forget. This is especially true of folks in small towns where there are always a few people who remember what you did as a kid and who can even tell you stories about your parents and grandparents. The joy is, they also remember you when you treat them well. The family-owned business is an important means we have in America of passing on our heritage from one generation to the next.

Our tax code represents our tax policy and we should be ashamed at a code which punishes families and stifles our economy. Every year our tax code forces thousands of families to sell their businesses just to pay the repressive Federal death tax. It is time we correct this injustice by eliminating the death tax. I commend Chairman ROTH for his diligent work bringing this bill to the floor. I also commend Senator KYL, who has been a tireless advocate for the repeal of this tax ever since he came to the United States Senate and who made an important contribution to the legislation before us today. I urge my colleagues to join me in standing up for America's small businesses by putting the death tax permanently to rest.

Mr. HOLLINGS. Mr. President, since the beginning of the fiscal year, the national debt has increased, not decreased. Since we have been running a deficit and there is no surplus, any tax cut or loss of revenues only increases the debt rather than paying down the debt. Accordingly, I oppose the telephone tax cut, and I oppose this estate tax cut. As John Mitchell used to say, "Watch what we do, not what we say." We say pay down the debt but we increase it.

Mr. KENNEDY. Mr. President, I am disappointed that the Senate has taken four days now to debate the estate tax before making any real progress on education, health, or debt reduction. Democrats agree that owners of small businesses and farms need relief from this tax, and if the Republicans had worked with us, this problem could have been solved long ago. Instead, our Republican colleagues are holding small business owners and farmers hostage as their excuse to provide an enormous windfall to the wealthiest 1 percent of taxpayers—people who have an average income of over $800,000 a year. The repeal of the estate tax that they seek, costing over $50 billion a year, is the ultimate tax break for the wealthy, and any repeal bill will eminently deserve the veto that President Clinton has promised if it reaches his desk.

The Senate has much higher priorities that we should have addressed this week. Tens of millions of senior citizens face a crisis because they can't afford the prescription drugs they need. The extraordinary promise of fuller and healthier lives brought by new prescription drugs is beyond their reach. They need help to afford these life-saving, life-changing miracle drugs. But instead of doing the work that is needed to enable all seniors to access the prescription drugs they need, the Senate spends day after day doing the bidding of a few thousand of America's wealthiest citizens.

We send tens of millions of young children to dilapidated, crumbling, over-crowded schools with underpaid teachers each day—yet we stand here debating a bill to repeal the tax on multi-million dollar estates.

Millions of working men and women and their families struggle to survive on the minimum wage at its current unfair level of $5.15 an hour. The Republican Senate has no time to meet their needs—yet the time of the Senate is instantly available to those who make thousands of dollars each hour.

Congress has not found time to resolve any of the daily problems facing the vast majority of the nation's working families, its senior citizens, and its school children. In this "do-nothing Congress," the list of priority matters on which nothing is done goes on and on—gun safety, the patients' bill of rights, protecting children from tobacco, protecting the environment. There is no time for any of these issues—but there is always time to help millionaires and even billionaires reduce their taxes. It is obvious where the priorities of our Republican friends lie.

All Americans should take a clear look at what the Republicans really want when they propose a full repeal of the estate tax. Current law now taxes only the largest 2 percent of all estates. No one else pays any estate tax. Today anyone can bequeath unlimited resources to a spouse completely free of the estate tax, and $675,000 to anyone else—again completely without tax. Present law already exempts up to $1.3 million for family-owned businesses and farms.

We Democrats seek to substantially raise these exemptions so that next year, no one pays the tax on the first two million dollars in value of any estate, and by 2010, no one pays the tax on the first four million dollars in value of any estate. The Democratic plan affords owners of small businesses and family farms double these exemptions, so that couples who own a small business or family farm worth up to $8 million would pay no estate tax at all. If a business or farm is worth over $8 million, only the portion over $8 million in an estate is taxed under the Democratic plan. The Democratic plan will eliminate all estate taxes for more than half of those who currently pay them. I stand with my Democratic colleagues in fully supporting this common sense approach to estate tax reform.

Estate tax repeal, however, is simply a boon for the three thousand largest estates each year, valued not in millions, but in the tens of millions of dollars. These huge estates are the only ones significantly affected by the estate tax.

Currently, over half of all estate taxes are paid by the top one tenth of the wealthiest one percent—estates worth more than $5 million. There are fewer than three thousand of these estates out of the 2.3 million Americans who die each year. According to an analysis by the Citizens for Tax Justice, 91 percent of the tax benefits from repeal of the estate tax would go to the top 1 percent of taxpayers—who have an average annual income of $837,000. As Treasury Secretary Lawrence Summers has said, repealing the estate tax would qualify as the most regressive and back-loaded tax legislation ever.

Republicans don't want to talk about who will really benefit from this enormous tax cut. Instead, they talk about the plight of small family owned farms and businesses. What they don't tell you is that these family owned small businesses and farms account for less than ten percent of estate taxes today.

We could act now—and we should—to help families keep their farms and businesses when the owner dies. This concern is legitimate—but it does not justify eliminating the entire estate tax. The estate tax problem for small businesses and family farms could be solved at a fraction of the cost of the Republican bill. Our Democratic proposal provides full relief to these families.

If helping owners of small farms and businesses were the Republicans' real goal, they would join us to pass the Democratic estate tax reform overwhelmingly. After all, the Democratic plan exempts almost all owners of small businesses and farms immediately, while the Republican plan takes ten years before exempting anyone. Republicans obviously know that giving immediate relief to family farms and small firms will take away any pretext at all for the enormous windfall that they want to give the richest taxpayers. They know they can never explain the real purpose of their estate tax repeal to the voters—so they are holding relief for small business owners and small farmers hostage to their unacceptable larger scheme for helping the super-rich.

The people whom the Republican leadership is really working for—but whom they don't want to mention—are those few people who inherit the 3,000 estates each year that are worth more than $5 million. These estates are one in every thousand estates—yet they pay over half of the current estate tax. When pressed to explain why these estates need to have taxes eliminated entirely, Republicans respond vaguely in terms of "fairness." They never explain why it is fairer to tax the earned income of working families than the unearned inheritance of the wealthiest families in America. That is a fairness issue they never want to talk about. There is nothing compassionately conservative about repealing the estate tax.

Republican President Theodore Roosevelt thought the estate tax was fair when he proposed it a century ago. He believed then and we believe today that those who have the largest financial resources have an obligation to help provide for the basic needs of the less fortunate members of this community. Obviously, today's Republicans don't share Teddy Roosevelt's values.

The supporters of the Republican estate tax repeal have also carefully designed it to conceal its real long-run cost. Under their scheme, full repeal would not occur until the year 2010. When fully phased in, the repeal will cost over $50 billion a year. The cost of repealing the estate tax will be nearly three quarters of a trillion dollars in the second ten years. This nation cannot afford to devote three quarters of a trillion dollars to repealing the estate tax. The 98 percent of Americans who would receive no tax relief from repeal of the estate tax know it is unfair to spend this vast amount on the wealthiest taxpayers.

Let's consider what $50 billion a year can accomplish for the American people—if we don't repeal the estate tax. It is more than the entire budget for the Department of Education. We could double the federal investment in schools—provide smaller classes with better teachers, state of the art computer technology for every classroom, and modern school facilities across the nation. We could double the financial assistance for college students.

Consider what $50 billion a year could do for senior citizens. It is $10 billion more than is needed to fully fund prescription drug coverage for all elderly Americans under Medicare.

We have a bipartisan congressional goal to double the funding for medical research through the National Institutes of Health and improve the health of our entire nation. Fifty billion dollars a year would allow us to virtually triple the NIH budget.

These are the most pressing needs of the American people—not repeal of the estate tax.

Astonishing as it may seem, I have heard my Republican colleagues stand on this floor and claim that the projected budget surplus enables us to easily afford their estate tax repeal. But by the time their law is fully effective in 2010, it will cost the Treasury over $50 billion each year, rising to $750 billion over ten years.

Repeal of the estate tax would also cost the country billions in charitable contributions. A Treasury Department analysis estimates that it would cause charitable contributions to be reduced by $6 billion per year. Colleges that rely on donations to build buildings and provide scholarships would be hurt. Medical schools that rely on donations to conduct medical research would be halted. Public Hospitals that rely on donations to buy equipment and buildings would have to cut back on their ability to provide health care. Shelters that rely on donations to keep people warm and fed would have to turn more people away. Six billion dollars is precious to the non-profit sector of this Nation.

The entire Department of Education will have budgeted $48 billion in fiscal year 2005. You don't hear Republicans saying we can easily afford to double education spending. Instead, during the recent debate on the Labor-HHS appropriations bill, we repeatedly heard our Republican colleagues say that they had to compromise among competing meritorious priorities to fit within their limited budget. They have ample money for the super-rich—but nothing for students in crumbling schools.

The same is true for prescription drugs. President Clinton's proposal would cost about $40 billion in 2010, the year before Republicans want to begin giving over $50 billion each year in tax breaks to the wealthiest of all Americans.

I vote for prescription drugs over estate tax repeal. I vote for education over estate tax repeal. I vote for medical research over estate tax repeal. This issue should not even be a close question for 98 percent of Americans.

The Republican Party is living up to its reputation as the "Let Them Eat Cake" Party.

What do they propose for senior citizens who desperately need prescription drugs? Republicans say, "Let them eat cake."

What do they propose for schools and students? Republicans say "Let them eat cake."

What do they propose for workers struggling to survive on the minimum wage? Republicans say, "Let them eat cake."

What do they propose for the richest 1 percent of taxpayers? A $50 billion annual windfall at the expense of America's hard-working families.

I say, "Let them eat cake" will work no better for the Republican Party than it did for Marie Antoinette.

Mr. GRAMS. Mr. President, I rise to make a few brief follow-up remarks about the repeal of the unfair and unjust death tax. As I said before, it is the family farms and small business owners that the death taxes particularly harm, not the rich, as our colleagues from the other side of aisle claim.

Mr. President, the death tax hurts average American workers as well. Let me give you another example of how this tax penalizes those workers:

Hy-Vee, Inc., headquartered in Iowa, with operations in my state of Minnesota and 7 other Midwestern states, is one of the largest employee-owned companies in the nation. Over the past half a century, the employees and the management of Hy-Vee have built a very successful business. It is ranked one of the top 15 supermarket chains in this country, and top 5 supermarket chains based on cleanliness, and other services.

Through the company's profit-sharing mechanism, workers in Hy-Vee are rewarded for their hard work. Over 171 workers of the Hy-Vee company have accumulated assets of over $650,000. These employees are not wealthy individuals by any means but average workers who work at the checkout lines or at mid-level management.

However, a large portion of the earnings from their hard work can be taken away by the government if we don't eliminate the death tax.

Ron Pearson, CEO of Hy-Vee, says: "We believe that in many ways, employee ownership represents the truest expression of the American dream. It is simply unfortunate that the dream also contains a nightmare—the estate tax."

Mr. President, I believe Mr. Pearson is right. We must repeal the death tax to preserve the American dream for working Americans.

Mr. President, I ask unanimous consent that an article telling Hy-Vee's story be printed in the RECORD.

There being no objections, the material was ordered to be printed in the RECORD, as follows:

### HY-VEE, INC.

(By Ron Pearson)

A strong case could be made that Hy-Vee, Inc., Iowa's largest employer, represents the essence of American capitalism.

Hy-Vee, headquartered in West Des Moines, is one of the nation's largest employee-owned companies, ranking 32nd in Forbes Magazine's list of the top private firms. With the slogan, "A Helpful Smile in Every Aisle," Hy-Vee, Inc. operates more than 200 stores in seven Midwestern states, and generates annual sales in excess of $3.5 billion—making it one of the top 15 supermarket chains in the nation. In addition to 184 Hy-Vee Food Stores, the Company operates 27 Drug Town drug stores. Hy-Vee also has developed or acquired several subsidiary companies to provide goods and services in dairy, perishables, floral, grocery products, banking, construction and advertising.

Hy-Vee was founded in 1930 by Charles Hyde and David Vredenburg, who opened a small general store in Beaconsfield, Iowa. Eight years later, the two men incorporated as Hyde & Vredenburg, Inc., with 15 stores and 16 stockholders. The name Hy-Vee is a contraction of the two founders' names.

From its very beginning, Hy-Vee has been employee-owned. Profits are shared with employees through the Company's Profit-Sharing Trust Fund, and a combination of bonus, commission, and incentive systems. Every Hy-Vee employee, from CEO Ron Pearson to produce clerks and truck drivers, is included in the plan. The result is an incredibly loyal and long-serving employee group renowned throughout the Midwest for unflagging dedication to customer service, efficient operation, and community involvement. Within the grocery industry, Hy-Vee enjoys a sterling reputation as a retailing innovator as well as a Company with a strong commitment to high ethical standards and business integrity. Hy-Vee's food safety training program, for example, has become a national model of workplace procedures designed to insure freshness and quality. Ron Pearson has served as co-chairman of a national task force on diversity in the supermarket industry, reflective of his Company's involvement in expanding management opportunities for female and minority employees. In 1997, Hy-Vee was ranked by Consumer Reports magazine as one of the nation's top 5 supermarket chains on the basis of cleanliness, courtesy, speed of checkout and price/value.

All in all, Hy-Vee represents the pinnacle of success not only within the supermarket industry, but also as an organization in which the individual employees are held to the highest standards—and rewarded for their work. Some 171 active employees of the Company have accumulated balances of $650,000 or more in their retirement holdings and Hy-Vee stock. These are store employees, mid-level managers and the like, people who hardly fit the negative stereotype that most Americans have of the wealthy. Yet it is these individuals—and their families—whose life holdings are at risk because of the federal estate tax.

The estate tax was implemented early in the 20th Century as a way to break up the incredible wealth that had concentrated among a relatively small group of families. The tax has long outlived its usefulness; in fact, the amount of estate taxes collected each year doesn't even cover the cost of collection. But it lives on, penalizing people like the estate tax employees who have earned a secure future for their families over a lifetime of hard work.

"As an employee-owned company, we've had great success in building a reputation for customer service, efficient operations, and community involvement, in large part because we're the owners," Pearson says. "The federal estate tax ends up penalizing employees who've built a retirement nest egg through hard work and dedication."

The estate tax places the philosophy underlying employee ownership at risk. Hard work, after all, should have its own rewards.

Still, Hy-Vee has no doubt that its formula works best—for all concerned: its employees, certainly, but also its customers and the communities it serves. "We believe that in many ways, employee ownership represents the truest expression of the American dream," Pearson says. "It is simply unfortunate that the dream also contains a nightmare—the estate tax."

Mrs. MURRAY. Mr. President, I rise today to speak briefly about the estate tax repeal bill before the Senate.

Along with eight of my Democratic colleagues, I am a cosponsor of S. 1128, the Kyl-Kerrey repeal bill. Barring the attachment of any egregious amendments, I intend to vote for final passage of H.R. 8.

But while I am a cosponsor of S. 1128, I want to take a moment to voice my concern about the debate we have had so far.

I believe there are two policy challenges before us.

First, Congress needs to ensure the vast majority of Americans—including those who do not own family business and farm assets—do not need to worry about paying estate taxes or going through burdensome estate tax planning. Current law does a fairly good job in this area. In fact, only two percent of estates actually pay an estate tax each year.

The estate tax reform provisions we passed as part of the Taxpayer Relief Act of 1997 helped take us further in the right direction. But the prosperity we've had in the last seven years has threatened to push more people in the direction of costly estate tax planning. In the spirit of a fairer tax code, Congress needs to take additional action.

The second policy challenge we face is more complex. That challenge is to ensure the tax code does not prevent the efficient transfer of family businesses and farms to the next generation. Unfortunately, in its current form, the estate tax can be a major hurdle to the efficient transfer of family business and farm assets.

One of the arguments made for the estate tax is it deconcentrates wealth.

The problem is family businesses—sometimes as the result of planning for the estate tax or paying the estate tax—have been swept up by large corporations with no ties to the community. We need to recognize changes in the economy have also changed the debate we should be having on the estate tax.

I am a cosponsor of S. 1128 because I believe it is the only reasonable vehicle before us that addresses how we transfer family businesses and farms to the next generation. Unfortunately, estate tax repeal is extremely expensive. And at the end of the day, I am still hopeful we can find another solution to the two policy challenges I have outlined.

While I will vote to pass H.R. 8, I must express some disappointment with the estate tax debate we've had in Congress. It's as if both sides have dug in so deep with the same arguments for so long that we can't have a thoughtful debate on the merits of the issue. The black and white choice is either to repeal the "death" tax or to oppose a tax break that will only benefit America's wealthiest citizens.

My friends in the majority could be proposing estate tax reform or repeal in the context of a responsible, long-term fiscal plan. Unfortunately, they have chosen not to do so. It seems the extent of the fiscal planning our majority colleagues have done is to note there were 279 votes in the House for H.R. 8—enough to override an expected veto. I believe the American people deserve more thoughtful deliberation.

Meanwhile, many Democrats and the Administration have been slower to react to real and heartfelt concerns people have about the estate tax. H.R. 8 has been criticized by some of my colleagues as a bill that would simply benefit the wealthiest estates. I can tell you that I have not been contacted by the wealthiest individuals in my state. Rather, for the last seven years, I have heard from family business and farm owners who are desperate to get a tax code that effectively allows them to transfer their operations to the children and grandchildren. They want their Washington state businesses to remain Washington state businesses for many years to come.

Since I first began working on estate tax reform in 1995, my commitment has been to provide estate tax relief to small family businesses and farmers. I believe the public interest on this issue is to continue to work—as I have done the last five years—to push forward with estate tax reform. Therefore, I supported the Democratic alternative and I will support H.R. 8. It is my sincere hope we can work on a bipartisan basis to craft a compromise that President Clinton will sign before the end of the year. And I hope the compromise will include estate tax relief for small businesses and farms in the next ten years, which H.R. 8 does not do.

It is clear H.R. 8 will be vetoed, and likely Congress will sustain the veto. But I'm glad we had the debate. Earlier this week, when we appeared deadlocked on the estate tax bill, I initiated a letter signed by all nine of the Democratic cosponsors of S. 1128. The letter urged the majority leader to allow a reasonable number of Democratic amendments on the estate tax bill.

Following my letter, I was pleased we were able to move forward with a unanimous consent agreement to consider the estate tax bill. After this debate, I hope we can move forward to consider the other pressing business before us, including passage of permanent normal trade relations for China.

### CARRYOVER BASIS PROVISIONS

Mr. FEINGOLD. Mr. President, the Senator from California inquired of me about the intent of the amendment with regard to the carryover basis. Let me assure the Senator from California that it is the intent of the sponsors that for estates over $100 million in size the carryover basis provisions would not apply. Those estates would be able to benefit from the stepped-up basis provisions of current law. To the extent that my amendment is unclear on this matter, I would fight for changes in Conference that would make that entirely clear.

Mrs. FEINSTEIN. Mr. President, I thank the Senator from Wisconsin for his clarification. The point he makes is essential to me. If I had not had the understanding with regard to the carryover basis that he has just indicated, I would not have supported the amendment.

• Mr. DASCHLE. Mr. President, we have worked hard over the last 7 years to restore strength to our Nation's economy. We have turned record deficits into record surpluses. Today, we are about to make a decision none of us could have imagined making in 1993. The question facing us is: How should we spend the first significant portion of the surplus?

Our Republican colleagues believe we should use the first major portion of the surplus to eliminate a tax that is paid by only the wealthiest 2 percent of Americans. They say the first, best use of the surplus is to give people with estates worth more than $20 million a $10.5 million tax break.

The cost of their plan is $105 billion for the first 10 years. In the second 10 years, the cost balloons to $750 billion. Three-quarters of a trillion dollars in the second 10 years alone—to eliminate a tax paid only by the wealthiest 2 percent of Americans. The full cost of the Republican estate tax cut would hit at the worst possible time: just as the baby boomers are starting to retire. That is our Republican colleagues' highest priority for the surplus: to help those who are already benefitting most from this economy.

Democrats disagree. We support cutting the estate tax. We voted in 1997 to do just that.

Today we are offering a plan to cut estate taxes even further. But our plan is different—in three very important ways—from the Republican plan.

First, our plan helps family farmers and ranchers, and small-business owners, immediately.

The Republican plan does not remove one family-owned farm or ranch or small business during the first 10 years. Not one.

Just as an aside, I must say I have been surprised, during this debate, to hear so many of our colleagues on the other side of the aisle expressing concern for family farmers and ranchers. In South Dakota and all across this country, family farmers and ranchers are working practically around the clock to scratch out a living. They are working 12 hours a day, 7 days a week—not even making back their production costs, earning less than their parents and grandparents earned in the Depression.

Too many of them are being forced to sell farms and ranches that have been in their families for generations—not because they cannot pay estate taxes; their farms and ranches are not worth enough to owe any estate taxes. They are being forced out by the disastrous Federal agriculture policies put in place by a Republican Congress. I am relieved to hear our colleagues acknowledge, finally, that family farmers and ranchers need help from this Government. I hope they will continue to believe that when we move on to the agriculture appropriations bill next week.

That is the first difference between our plan to cut estate taxes and the Republican plan: Our plan cuts estate taxes for family farmers and ranchers immediately. Their plan does nothing for family farmers and ranchers for the first 10 years.

The second major difference is, our plan costs less: $65 versus $105 billion over the first 10 years. Our plan does not cost in the second decade, as their plan does.

Our plan is simple and effective. For couples with assets of up to $4 million, we eliminate the estate tax entirely. We also eliminate the estate tax on all family farms, ranches, and businesses worth up to $8 million. Under our plan, only the wealthiest seven-tenths of 1 percent of estates and the wealthiest one-half of one percent of family-owned businesses would pay any estate taxes.

Let me say that again: Only the wealthiest seven-tenths of one percent of couples and the wealthiest one-half of one percent of businesses would pay any estate taxes under our proposal.

The third major difference between our plan and the Republican plan is: Our plan also helps the other 98 percent of Americans who do not pay estate taxes. Because we target our estate tax relief, we are able to provide additional tax breaks to families, to help them with real, pressing needs—like child care, paying for college, and caring for sick and aging relatives. Because we target our estate tax relief, we are able to provide a real Medicare prescription drug benefit.

Under our plan, someone who inherits an estate worth $20 million would receive a tax cut of roughly $1 million. Our Republican colleagues say that is not enough. They want to spend hundreds of billions of dollars more than is in our plan, on far bigger tax cuts for multimillionaires. That is their priority for the surplus: bigger tax cuts for the very wealthiest Americans—at the expense of everyone else.

I urge my colleagues on the other side of the aisle: before you cast this vote, imagine sitting down at the kitchen table with parents who are wondering how they are going to pay for their children's college education. Imagine sitting around a kitchen table with a middle-aged woman who is wondering what will happen when her parents need long-term care—where the money will come from. Imagine talking with a retired couple who have cut back on necessities in order to pay for their prescriptions each month. How would you explain your vote to them? How would you explain to them that eliminating a tax that affects only the wealthiest 2 percent of Americans is more important than helping them care for their children, or their aging parents—or helping them with the cost of their prescriptions?

What could you possibly say to convince them to sign onto a $750 billion tax bill that won't help them one nickel, and will come due just as the baby boomers start to retire? For the life of me, I can't imagine.

A Nation's budget is full of moral implications. It tells what a society cares about and what it doesn't care about. It tells what our values are. There are better ways to spend the first major portion of the surplus than by repealing a tax that affects only the wealthiest 2 percent of Americans. America's families have needs that are far more urgent. Those are the needs that should come first.●

Mr. ROBB. Mr. President, I supported final passage of the Death Tax Elimination Act. I'm a cosponsor of similar legislation, and I've long believed that simply dying shouldn't be a taxable event. Death and taxes may be inevitable, but they don't have to be simultaneous.

Because we've been willing to make some tough decisions over the last seven years, we now have the first budget surplus we've seen in this nation in a generation. We need to continue making those tough decisions. We need to keep the prosperity going by investing in our schools and roads and paying down the debt. We need to strengthen Social Security and modernize Medicare by adding a prescription drug benefit. We need to bolster our nation's defenses, which includes improving the quality of life for those who now serve in our military and honoring our commitment to provide health care for life for those who've already served. And we need to provide targeted tax relief.

To address these many needs, we in Congress ought to establish our priorities first. I continue to believe that before we enact massive untargeted tax cuts, we should make sure that Social Security is strong and that Medicare contains a prescription drug benefit. I voted today to phase out the estate tax because I'm committed to making sure that no one loses their farm or their small business because of the way we tax gifts and estates. We know this legislation we passed today will be vetoed. Once the bill is vetoed, I hope we can come to the table in a bipartisan way to address a few of our more pressing national priorities and construct a fair way to protect family farms and small businesses from having to be broken up or sold just to pay estate taxes.

Mr. HATCH. Mr. President, I rise today in support of H.R. 8, the Death Tax Elimination Act of 2000. The death tax, which is also known as the estate and gift or the transfer tax, is an unfair and counterproductive burden on our economy, and it is past time Congress repealed it.

Many of my colleagues who agree with me that this tax ought to be repealed have made many persuasive arguments as to why. Rather than repeat all of these excellent arguments, I would like to focus on just one vital reason the death tax should be repealed: by hurting millions of closely-held businesses and farms, the death tax harms the economy and every American.

Mr. President, our colleagues from across the aisle have been quick to assert that only two percent of all estates are affected by the estate tax and that fewer than five percent of these estates are made up of farms and small businesses. These statistics are highly misleading and conceal a very important point. Estates that actually pay the estate tax represent only the tip of the iceberg of the total number of estates that are harmed by the tax. Let me explain.

Millions of individuals and the owners of millions of family-owned farms, ranches, and closely-held businesses are potentially subject to the estate tax, but the majority of them are able, with great effort and expense, to avoid the tax by complex tax planning or by selling the business or farm. What are left are the two percent of death tax-paying estates my colleagues keep mentioning.

Every year, billions of dollars are spent in legal and tax planning fees and other costs so that estates may effectively avoid the death tax. A survey conducted by the National Association of Manufacturers last month found that, over the past five years, more than 40 percent of respondents spent more than $100,000 on attorney and consultant fees, life insurance premiums, and other estate planning techniques. More than half had spent over $25,000 in the past year. Despite this planning, nearly one-third of the respondents believed the business would have to be sold to pay the death tax if the owner died tomorrow.

Furthermore, thousands of businesses are prematurely sold each year in order to escape the death tax. Business owners are forced into selling their business when they have tangible assets of significant value, such as land or business machinery, and yet have few liquid assets to pay an estate tax bill. Clearly, a great many more taxpayers are affected by the estate tax than opponents of repeal would have us believe.

Let me give you an example, Mr. President. Until late last year, Ken Macey was the chairman of his second-generation family-owned grocery business based in Sandy, Utah. Ken's father had founded the business in 1946, opening a tiny store called "Sava Nickel" in a renovated house in North Salt Lake. Relying on old-fashioned hard work and thrift and the principle of treating customers and employees as they would want to be treated, the Macey family built their business into an eight-store chain, with $200 million per year in revenues and 1,800 employees.

Mr. Macey tells me he would have liked to keep the business in the family. However, the long shadow of the death tax loomed. Even though Mr. Macey had spent many thousands of dollars in professional fees for estate tax planning, he still believed his estate was vulnerable for tax rates of up to 60 percent. Rather than risk the trauma of a forced sale upon his death that could have been devastating to his children and the 1,800 employees and their families that depended on Macey's for their livelihood, Mr. Macey decided to sell his business to a larger food store chain.

Although this story could have been much worse if some or all of Macey's employees has lost their jobs, it is a tragedy that a business founded by this Utahn's father was forced to be sold outside the family. Macey's Inc. is another example of the millions of American family businesses that do not survive to the next generation.

Some of the same senators and congressmen—and our President—who have decried the loss of family farms and family-owned small businesses and who have wondered aloud why large corporations seem to be taking over Main Street have totally ignored the estate tax as one major reason. Yet, many of these colleagues continue to argue that repealing the death tax benefits only the wealthiest two percent.

According to the National Federation of Independent Businesses, only about 30 percent of family farms and businesses survive to the second generation, and only about 4 percent survive a second-to-third generation transfer. No one can tell Mr. Macey or his children or grandchildren that they are not the victims of an unfair death tax.

The point is that a huge amount of money, effort, and talent is wasted by millions of individuals and owners of family farms and businesses on activities designed to avoid the death tax. Most of these efforts are successful in the sense that the majority of these estates avoid paying the tax. However, the cost to the economy in terms of lost productivity, business disruption, and lost jobs is enormous.

A December 1998 study by the Joint Economic Committee concluded that the death tax has reduced the stock of capital in the economy by almost a half trillion dollars. By putting these resources to better use, as many as 240,000 jobs could be created over a seven year period, resulting in an additional $24.4 billion in disposable personal income.

A study released last year by the Institute for Policy Innovation (IPI) estimated that the repeal of the estate tax would, over 10 years:

Increase annual gross domestic product by $137 billion.

Boost the nation's capital stock by $1.7 trillion.

Create 275,000 more jobs than would otherwise be created.

The IPI study also estimated that over the first decade following repeal of the death tax, added growth from capital formation would generate offsetting federal revenues of 78 percent of the static revenue loss. By 2010, these gains would totally offset the loss in revenues.

Mr. President, my colleagues who oppose the repeal of the estate and gift tax would have the American people believe that this repeal would benefit only a very few rich families in America. What a distortion of the facts! All of us are hurt by a tax that drives millions of people to spend billions of dollars in largely effective, but economically destructive, activities to avoid paying the death tax. When these efforts fail, jobs are often lost and dreams often die. All of us will benefit by repealing the tax, through increased economic activity, more jobs, more disposable income, and a fairer tax system.

Again, I commend Senator ROTH and other supporters of this bill for pointing out the many reasons it should be passed and passed expeditiously.

I would like my friends and colleagues on the other side of this issue to remember that the estate and gift tax—the "death tax"—is not a tax on income. Income was already taxed. This is a tax on the American dream. This is a tax on a way of life for many American families and the accumulation of their hard work. This is a tax on their hope for the future, which often includes leaving something for their children and grandchildren.

We must repeal it, and the time is now.

The PRESIDING OFFICER (Mr. BROWNBACK). The clerk will read the bill for the third time.

The bill was read the third time.

Mr. LOTT. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The bill having been read the third time, the question is, Shall the bill pass? The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arkansas (Mr. HUTCHINSON) is necessarily absent.

Mr. REID. I announce that the Senator from South Dakota (Mr. DASCHLE) is necessarily absent.

I further announce that, if present and voting, the Senator from South Dakota (Mr. DASCHLE) would vote "no."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 59, nays 39, as follows:

[Rollcall Vote No. 197 Leg.]

YEAS—59

Abraham
Allard
Ashcroft
Bennett
Bond
Breaux
Brownback
Bunning
Burns
Campbell
Cleland
Cochran
Collins
Coverdell
Craig
Crapo
DeWine
Domenici
Enzi
Feinstein
Fitzgerald
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchison
Inhofe
Kyl
Landrieu
Lincoln
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Murray
Nickles
Robb
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Stevens
Thomas
Thompson
Thurmond
Torricelli
Warner
Wyden

NAYS—39

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Bryan
Byrd
Chafee, L.
Conrad
Dodd
Dorgan
Durbin
Edwards
Feingold
Graham
Harkin
Hollings
Inouye
Jeffords
Johnson
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moynihan
Reed
Reid
Rockefeller
Sarbanes
Schumer
Specter
Voinovich
Wellstone

NOT VOTING—2

Daschle
Hutchinson

The bill (H.R. 8) was passed.

Mr. ROTH. Mr. President, I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## MARRIAGE TAX PENALTY RELIEF RECONCILIATION ACT OF 2000

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of H.R. 4810, which the clerk will report by title.

The legislative clerk read as follows:

A bill (H.R. 4810) to provide for reconciliation pursuant to section 103(a)(1) of the concurrent resolution on the budget for fiscal year 2001.

The PRESIDING OFFICER. All after the enacting clause is stricken, and the language of the Senate bill is inserted in lieu thereof.

The Senator from Delaware.

Mr. ROTH. Mr. President, we are now on the reconciliation bill authorized by the budget resolution we adopted in the spring.

I would like to clarify for all Senators that nothing in the consent agreement covering the consideration of this bill precludes Budget Act points of order being raised against any amendment offered. Those points of order could be raised at the time of the votes on Monday night. I ask the Presiding Officer, is that correct?

The PRESIDING OFFICER. That is correct.

Mr. ROTH. Mr. President, we will start with opening statements by myself and the Democratic manager. Subsequent to that, we will open it up to amendments.

Mr. President, a little more than 3 months ago, I stood in this chamber to introduce the Marriage Tax Relief Act of 2000. At that time, I described that bill "as the centerpiece of our efforts to reduce the tax overpayment by America's families." That is as it should be because families are the centerpiece of American society.

Three months ago, I urged my colleagues to support the Marriage Tax Relief Act because it "delivered savings to virtually every married couple in America—and it did so within the context of fiscal discipline and preserving the Social Security surplus." And that too, is as it should be, because if we act irresponsibly we are not giving relief to America's families, but grief to America's children.

In the three months since I last spoke on this topic, we have discovered that American families' tax overpayment is even larger and our relief even more appropriate than we had imagined then.

Despite the enormous benefits that the Marriage Tax Relief Act of 2000 would have brought to American families, we could never get the other side to agree to a procedure that would limit debate to relevant amendments. The Majority Leader's offer to limit debate to marriage tax issues was rejected and cloture votes failed. The Senate moved on to other business.

But even as the Senate took up other important issues, we remained committed to delivering tax relief to America's families. We knew that the American people would not be satisfied with us shrugging our shoulders and saying that we tried. We knew that the American people would not be satisfied with us telling them that they'll have to wait for comprehensive marriage tax relief because the other side blocked our first attempt.

And so we are back today. We have returned with "The Marriage Tax Relief Reconciliation Act of 2000." Substantively, this bill is the same as the one that we sought to pass a few months ago. But there is one crucial difference between now and then. Today, we are proceeding under the Budget Act's reconciliation procedure. And that means that no one is going to delay us from passing this bill. We will have an up or down vote. We will see who supports the marriage tax relief in our bill. And we will see who thinks that American families are not entitled to this relief.

Before I describe the specifics of our bill, I want to talk about how we got here. Our tax system has chosen to use the family as the unit for taxation. Unlike some other countries—where all individuals are taxed separately—here in the United States, we look to the household. In doing so, our tax system has tried to balance three disparate goals—progressivity, equal treatment of married couples, and marriage neutrality. And, I will remind my colleagues, it is impossible to achieve all three principles at the same time.

The principle of progressivity holds that taxpayers with higher incomes should pay a higher percentage of their income in taxes. The principle of equal treatment holds that two married couples with the same amount of income should pay the same level of tax. And the principle of marriage neutrality holds that a couple's income tax bill should not depend on their marital status. The tax code should neither provide an incentive nor a disincentive for two people to get married.

Our policy response differs depending on how we balance these different principles. For instance, if we want to ensure that when two singles get married their total tax bill will not rise—but we do not mind if two married couples with the same overall income level are treated differently, then we arrive at one result. However, if we want to make sure that two singles who marry do not face increased taxes—and we want to make sure that two married couples with the same income level are treated evenly—then we arrive at a different result.

Last year, the Senate position in the Taxpayer Relief Act of 1999 only embraced the first policy result. We focused on what people refer to as the marriage tax penalty—in other words, the difference between what two spouses would pay in taxes if they were single versus what they would pay in taxes if they were married. In developing the specific provision, we took aim only at one particular definition of a marriage tax relief penalty. We developed a system whereby a married couple would have an option. The couple could continue to file a joint return using the existing schedule of married filing jointly. Or the couple could choose to file a joint return using the separate schedules for single taxpayers. It was straightforward, and it was universal—we did not try to impose arbitrary income limits to cut off the relief.

As I said last year, the separate filing option had a lot of good things about it. Most importantly, I liked the way that the plan basically eliminated the marriage penalty for all taxpayers who suffered from it.

It delivered relief to those in the lowest brackets as well as to those in the highest brackets.

However we should also remember that last year's approach was part of a larger package of tax relief. We should all remember this point: America's families were going to receive relief from other provisions in that bill. Last year's marriage penalty provision was part of a comprehensive tax bill directed towards American families. Other pieces of the bill—the cuts in the 15 percent rate bracket, the expansion of the child care credit—provided additional benefits to American families. So, the separate filing option should not be viewed in a vacuum; instead, it must be seen as part of a comprehensive tax relief package. In any event, as we all know, none of the pieces of last year's tax cut package—neither the marriage penalty relief nor anything else—made it into law. Because President Clinton vetoed that bill, America's families have been denied the tax relief that they deserve.

This year I felt that we should take a different approach to marriage tax relief. As the Chairman of the Finance Committee, I am responsible for developing tax policy in a fair and rational manner. I am also responsible for working with members of my committee and of the full Senate.

After listening to my colleagues' views on marriage tax relief, I came to the conclusion that the best approach this time is to build on the foundation that Congress has already approved. Last year, in the conference report of the Taxpayer Relief Act of 1999, Congress adopted three components of marriage penalty relief. These included an expansion of the standard deduction for married couples filing jointly; a widening of the tax brackets; and an increase in the income phase-outs for the earned income credit. A different part of that bill addressed the minimum tax issue. Earlier this year, the House passed a marriage penalty tax bill that included the first three components.

And so the Finance Committee bill, the Marriage Tax Relief Reconciliation Act of 2000, uses these same building blocks. This is important—not just for purposes of building and maintaining consensus—but for policy reasons as well.

You see, if we target relief only at the families that suffer a marriage penalty, we begin to violate another of the three principles that I described earlier. Since 1948, our tax system has adhered to the principle of treating all married couples with the same amount of income equally. In other words, each household that earns $80,000—regardless of the breakdown of that income—would pay the same amount of tax. It does not matter whether one spouse earns all $80,000 while the other spouse works at home taking care of the children; and it does not matter whether both spouses work outside the home and earn $40,000 each. Each household with the same amount of income is treated the same for tax purposes.

As we studied how best to solve the marriage penalty—to ensure that the tax code does not provide a disincentive to get married—we realized that it was extremely important to stick to this principle of equal treatment. In solving one penalty, we don't want to be creating a new penalty—a new disincentive for America's families. We did not think that the tax code should deliver a new, so-called "homemaker penalty"—where a family with only one wage earner is treated worse than a family where both spouses work. This is what would happen if we used a separate filing option. Many people have argued that tax policy should not discourage one parent from staying at home and raising the family. It is a laudable goal and one that I strongly support.

Retention of the equal treatment principle is especially important in a tax bill such as the one we have before us. Unlike last year's tax bill, this one does not include rate cuts or enhanced family tax credits. All America's taxpaying families have contributed to the tax overpayment in Washington today. All these families, therefore, deserve to receive some of the benefits that we are seeking to return to the American people. We should not pick out some married couples over others.

We should not be picking winners and losers from America's families in some Washington game of musical chairs. And that is what we would do if we left out those families where one spouse works maintaining a home and a family. Under the proposal offered by

Democrats in the Finance Committee, over 17 million homemaker families would be left out of tax relief. In my state of Delaware, over 30,000 homemaker families would be left standing at the altar by the Democrats proposal.

Now let me take a few minutes and describe the provisions of our bill. First, we enlarge the standard deduction for married couples. Under current law, for the year 2000, the standard deduction for a single taxpayer is $4,400. The standard deduction for a married couple filing a joint return is $7,350. That means that for couples who use a standard deduction—and those are generally low and middle income couples—they are losing $1,450 in extra deductions each year. At a 28-percent tax rate, that lost deduction translates into an extra tax liability of $406 each and every year.

The Finance Committee bill increases the standard deduction for married couples so that it is twice the size of the standard deduction for singles, and we do that immediately, in 2001. When fully effective, this provision provides tax relief to approximately 25 million couples filing joint returns, including more than 6 million returns filed by senior citizens.

Increasing the standard deduction also has the added benefit of simplifying the Tax Code. Approximately 3 million couples who currently itemize their deductions will realize the simplification benefits of using the standard deduction.

Second, the Marriage Tax Relief Reconciliation Act of 2000 addresses the cause of the greatest dollar amount of the marriage tax penalty—the structure of the rate brackets. Under current law, the 15-percent rate bracket for single filers ends at taxable income of $26,250. The 15-percent rate bracket for married couples filing jointly ends with taxable income of $43,850, which one can see is less than twice the single rate bracket. In practical terms, that means that when two individuals who each earn taxable income of $30,000 get married and file a joint tax return, $8,650 of their income is taxed at the 28-percent rate rather than at the 15-percent rate that the income would have been subject to if they had remained single. The extra tax liability for that couple each year comes out to $1,125.

The Finance Committee bill remedies that fundamental unfairness. The bill adjusts the end point of the 15-percent rate bracket for married couples so that it is twice the sum of the end point of the bracket for single filers. Recognizing that the rate structure hurts all married couples, the bill also adjusts the end points of the 28-percent rate bracket as well.

When fully effective, this provision will provide tax relief to approximately 21 million couples filing joint returns, including more than 4 million returns filed by senior citizens.

Third, the Marriage Tax Relief Reconciliation Act of 2000 addresses the biggest source of the marriage tax penalty for low income, working families—the earned income credit. This complicated credit is determined by using a schedule for the number of qualifying children, and then multiplying the credit rate by the taxpayer's earned income up to a certain amount. The credit is phased out above certain income levels. What that means is that two people who are each receiving the earned income credit as singles may lose all or some of their credit when they get married.

In order to address that problem, the Finance Committee bill increases the beginning and ending points of the income levels of the phaseout of the credit for married couples filing a joint return. For a couple with two or more qualifying children, this could mean as much as $526 in extra credit. This provision would also expand the number of married couples who would be eligible for the credit. It will help almost 4 million families.

Fourth, the Marriage Tax Relief Reconciliation Act of 2000 tries to make sure that families can continue to receive the family tax credits that Congress has enacted over the past several years. Each year, an increasing number of American families are finding that their family tax credits—such as the child credit and the Hope Scholarship education credit—are being cut back or eliminated because of the alternative minimum tax. Last year, Congress made a small downpayment on this problem, temporarily carving out these family tax credits from the minimum tax calculations. This year, we are building on that bipartisan approach, by permanently extending the preservation of the family tax credits.

Because of this provision, millions of taxpayers will no longer face the burden of making minimum tax calculations for the purpose of determining the family tax credits they need.

Finally, the committee included a provision to ensure that we complied with the Budget Act. Because we were not allowed to decrease revenues outside of the period covered by the budget resolution—which is 5 years—the bill sunsets all of the provisions in the bill after 2004. It goes without saying that I do not think it is good policy to sunset these tax benefits. They should be permanent and I expect that they will be permanent when this bill is signed into law. Accordingly, I will propose an amendment to strike the sunset. I expect all of my colleagues to join with me in supporting that amendment.

How much does this marriage tax penalty relief help? It helps a lot. Over 45 million families will get marriage tax relief under this legislation. In my State of Delaware, over 100,000 families will benefit. Every family earning over $10,000 per year will see their tax bill fall at least 1 percent—except those at high income levels. The key to this legislation is that it helps the middle class. Sixty percent of this bill's tax relief goes to those families making $100,000 or less.

Who are these people? They are two married civil engineers, or a pharmacist who is married to a school teacher. They are the policeman and his wife who runs a small gift shop in Dover. They are the firefighter who is married to a social worker, or a librarian who is married to an accountant. These are the families who will benefit.

They will benefit even more, as you examine the impact this tax relief will have over time. Consider the effect if these tax savings were put away for their children's education and retirement. If a couple with two children making just $30,000 took their tax savings from this bill and put it into an education savings account like the one recently passed by the Senate, they would have $40,000 for those children's college education.

Based on the stock market's historical rate of return, that is $40,000 if they did not set aside another penny. If the family was that of two elementary school teachers with two children and earning average salaries of $70,000 combined, they would have $65,000 after 18 years.

If those two married school teachers then started to put their tax savings from this bill into a Roth IRA after 18 years, this same couple would have $224,100 when they retired 27 years later.

By transforming these tax savings into personal savings, we see that these real tax savings translate into real opportunities for these families.

And consider the effect on the economy. According to an analysis by the Heritage Foundation, in 2004 this marriage tax penalty relief legislation will result in additional jobs. It will increase the personal savings rate by three-tenths of 1 percent, which in turn will lower interest rates. According to estimates done by the economists at the Heritage Foundation, the favorable economic impact of the tax relief would increase overall disposable income by $45 billion in 2004. That means that the average family of four would see an additional $670 in income—just from the positive economic impact. So not only do married families gain, not only do their children gain, but the entire country gains. They gain more jobs, better jobs, and higher wages because of this marriage tax relief legislation.

The marriage tax relief legislation I bring to the floor today amounts to just 3 percent of the total budget surplus over the next 5 years. It amounts to just 10 percent of the non-Social Security surplus over the next 5 years. It amounts to just 42 percent of the new spending provided for in this year's budget over the next 5 years. Finally, it amounts to just one third of the tax cut that has been allotted to the Finance Committee for tax cuts over the next 5 years in this year's budget. By any comparison or estimation, this marriage tax penalty relief is fiscally responsible.

This bill does all these things for America's working families while preserving every cent of Social Security's surplus. These tax cuts do not have to pit America's families against America's seniors, nor does it extend a tax cut in a fiscally irresponsible manner. These tax cuts fit in this year's budget, along with the other Republican priorities that we have already passed for education, health care, and small businesses. Our priorities add up to what's good for America, and our numbers add up to what is fiscally responsible.

It is time we stopped playing the politics of division. We do not have to pit one type of family against another type of family or families against seniors to do what is right. It is time we divorce the marriage penalty from the Tax Code once and for all. For too long Washington has been an unclaimed dependent in millions of America's families. I urge all my colleagues to support the Marriage Tax Relief Reconciliation Act of 2000.

Mr. President, the earned income credit, or EIC, is an important antipoverty tool. It gives an incentive for families to help themselves. It provides low-income workers with a tax credit, thereby increasing their real wages. It gives poor and middle-class families an extra incentive to help themselves. While the program is by no means perfect, it has been one of the more effective Government programs in pushing families above the poverty line.

The structure of the EIC is the largest source of the marriage penalty for low-income families. Our bill addresses this inequity by increasing the beginning and ending income phaseout levels of the credit for married couples by $2,500. Our proposal goes to families, just as the original EIC program was intended to do.

Mr. President, I move to raise a point of order against section 4, from page 5, line 12, through page 7, line 3, of the bill, that it violates section 313 of the Budget Act.

Mr. President, I furthermore move to waive all points of order under the budget process arising from the earned-income credit component in the Senate bill, the Moynihan substitute, the House companion bill, and any conference report thereon.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, the Democratic manager, Senator MOYNIHAN, has agreed to give his opening statement at a subsequent time. If it is agreeable to the Senator from Delaware, we have some people who are anxious to catch planes and do other things. They have very brief speaking assignments, and they would like to offer some amendments at this time.

Mr. ROTH. I think the Senator from Texas has been seeking the floor.

Mrs. HUTCHISON. Mr. President, I ask the distinguished minority whip, are you proposing to go to amendments right away? The only issue is, I want to make a statement on the bill of which I am a major cosponsor.

Mr. REID. We recognize the work you have done on this. Senator MOYNIHAN has agreed to give his statement at a later time. I am told Senator HARKIN wants to speak for 3 or 4 minutes, Senator FEINGOLD for 3 minutes, and Senator KENNEDY for 5 minutes. They would like to leave after that.

It is my understanding the Senator has a relatively long statement. If they could offer their amendments, then we would be happy to have you speak.

Mrs. HUTCHISON. I thank the Senator.

Mr. ROTH. That is satisfactory.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that the motion to waive the Budget Act be temporarily set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

### MOTION TO COMMIT

Mr. FEINGOLD. Mr. President, I send a motion to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

> The Senator from Wisconsin [Mr. FEINGOLD] moves to commit the bill to the Committee on Finance with instructions that the Committee report it back along with legislation that would substantially extend the solvency of Social Security and Medicare.

Mr. FEINGOLD. Mr. President, this debate, like the debate on the estate tax that it follows, allows the Senate to talk about priorities. Yes, some sensible reforms are in order to eliminate the marriage penalty for middle-income Americans. But before we enact a major tax bill like this, we should consider whether the first and highest priority for using our surplus should not be extending the life of Social Security and Medicare.

Yesterday, the Senate considered the Harkin-Feingold amendment that would have extended the life of Social Security. Some did not like the way that Senator HARKIN and I proposed to extend the life of Social Security. But few will deny that we should do something to keep Social Security and Medicare solvent.

As I noted yesterday, starting in 2015, the cost of Social Security benefits is projected to exceed payroll tax revenues. Under current projections, this annual cash deficit will grow so that by 2036, Social Security will pay out a trillion dollars more in benefits than it takes in in payroll taxes. By 2037, the Trust Fund will have consumed all of its assets.

Similarly, this year, the Medicare Hospital Insurance Trust Fund is taking in $21 billion more in income than it pays out in Medicare benefits, and its Trustees project that it will continue to do so for 17 years. But by 2025, they project that the Medicare Trust Fund will have consumed all of its assets.

We as a Nation have made a promise to workers that Social Security and Medicare will be there for them when they retire. We should start planning for that future.

The Social Security Trustees' actuarial report shows a Social Security trust fund shortfall of 1.89 percent of payroll. That is, to maintain solvency of the Social Security Trust Fund for 75 years, we need to take actions equivalent to raising payroll tax receipts by 1.89 percent of payroll or making equivalent cuts in benefits.

Thus, we can fix the Social Security program so that it will remain solvent for 75 years if we make changes now in either taxes or benefits equivalent to less than 2 percent of our payroll taxes. But if we wait until 2037, we would need the equivalent of an increase in the payroll tax rate of 5.4 percentage points, to set the program right. The choice is clear: Small changes now or big changes later. That is why Social Security reform is important, and why it is important now.

And that's why President Clinton was right when in his 1998 State of the Union Address, he said, "What should we do with this projected surplus? I have a simple four-word answer: Save Social Security first."

Beginning in 1999, the government began to run surpluses in the non-Social Security budget. If we continue current law and don't dissipate these surpluses, they will continue into the 2020s or beyond, according to Congressional Budget Office projections. But starting in 2015, Social Security will start redeeming the bonds that it holds, and the non-Social Security budget will have to start paying for those bonds from non-Social Security surpluses. The bottom line is that starting in 2015, the government will have to show restraint in the non-Social Security budget so that we can pay the Social Security benefits that people have earned.

That is why it doesn't make sense to enact either tax cuts or spending measures that would spend the non-Social

Security surplus before we've addressed Social Security and Medicare for the long run. Before we enter into new obligations, we need to make sure that we have the resources to meet the commitments we already have.

Indeed, not spending the surplus has a positive benefit for addressing Social Security and Medicare. The government is spending $224 billion this year just to pay the interest on the Federal debt. That is 11.5 cents out of every tax dollar the government collects. If we don't use the surplus for tax cuts or spending, but instead pay down the debt, we reduce that annual interest cost. The President's latest budget proposal calls for paying down the entire publicly-held debt by 2012. Doing so would give us $224 billion a year more in resources than we have now with which to address our Social Security and Medicare obligations.

The government is like a family with a mortgage on the house and young kids who will go to college in a few years. One way to prepare to be able to afford those college costs is to pay down the mortgage now.

There are a variety of options for extending Social Security's solvency. A broad choice of options exist for how we might get where we need to go. Yesterday, we rejected one option. My motion simply says we should choose some option to extend the life of Social Security and Medicare.

The marriage tax bill before us today would head in the opposite direction. The Joint Committee on Taxation estimates that the committee-reported bill would cost $56 billion over the first 5 years. And it would cost about $250 billion, if the sunset provision in this bill is not maintained.

This bill is just one in a long series of tax bills. It's no secret. The majority leader has essentially said as much. The majority intends to pass—in one bill after another—a massive tax cut plan reminiscent of the early 1980s.

Both the Senate and House have already passed a number of costly tax cut bills this year. According to one estimate by the Republican staff of the Senate Budget Committee made in mid-June, the Senate or the House have already passed tax cuts costing about $440 billion over the next 10 years. Slicing last year's vetoed tax bill into a series of salami slices does not change their irresponsibility.

As well, it doesn't make sense to proceed on one expensive part of a legislative agenda before knowing what the others are. Democrats support targeted marriage penalty relief.

It would be irresponsible to enact a tax cut of this size before doing anything about Social Security and Medicare. Before the Senate passes major tax cuts like the one pending today, the Finance Committee should consider the options for extending Social Security and Medicare. The Senate should do first things first. And that's all that this motion to recommit requires. I urge my colleagues to support it.

Mr. President, I ask unanimous consent that my motion be temporarily set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3845

Mr. FEINGOLD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Wisconsin [Mr. FEINGOLD] proposes an amendment numbered 3845.

Mr. FEINGOLD. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To strike the adjustment to the rate brackets and to further adjust the standard deduction)

Beginning on page 2, line 5, strike all through page 5, line 11, and insert:

**SEC. 2. ELIMINATION OF MARRIAGE PENALTY IN STANDARD DEDUCTION.**

(a) IN GENERAL.—Paragraph (2) of section 63(c) of the Internal Revenue Code of 1986 (relating to standard deduction) is amended—

(1) by striking "$5,000" in subparagraph (A) and inserting "200 percent of the dollar amount in effect under subparagraph (C) for the taxable year";

(2) by striking "$4,400" in subparagraph (B) and inserting "$7,500";

(3) by adding "or" at the end of subparagraph (B);

(4) by striking "$3,000 in the case of" and all that follows in subparagraph (C) and inserting "$4,750 in any other case."; and

(5) by striking subparagraph (D).

(b) TECHNICAL AMENDMENTS.—

(1) Section 63(c)(4) of such Code is amended by adding at the end the following flush sentence:

"The preceding sentence shall not apply to the amount referred to in paragraph (2)(A).".

(2) Section 63(c)(4)(B) of such Code is amended—

(A) by redesignating clause (ii) as clause (iii); and

(B) by striking clause (i) and inserting:

"(i) 'calendar year 2000' in the case of the dollar amounts contained in paragraph (2),

"(ii) 'calendar year 1987' in the case of the dollar amounts contained in paragraph (5)(A) or subsection (f), and".

(3) Subparagraph (B) of section 1(f)(6) of such Code is amended by striking "(other than with" and all that follows through "shall be applied" and inserting "(other than with respect to sections 63(c)(4) and 151(d)(4)(A)) shall be applied".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

Mr. FEINGOLD. Mr. President, the bill before us is a major tax bill. Because the bill sunsets in 2004 to comply with the Senate's Byrd Rule, the Joint Committee on Taxation's official estimate is that the bill would cost $55.5 billion. And in the likely circumstance that Congress fails to sunset the bill, it would cost nearly $250 billion over 10 years and $40 billion a year, or $400 billion a decade, when fully phased in.

In a matter of this importance, it is appropriate to consider where the money goes. It is appropriate to consider whether we could make other, similar changes to the tax law that would benefit more Americans.

This Senator believes that it is a priority to simplify taxes and free people from paying income taxes altogether. My amendment would accomplish both of these goals by expanding the standard deduction.

The amendment would increase the standard deduction for individuals by $250, from $4,500 to $4,750. It would increase the standard deduction for heads of households, as well, from $6,650 to $7,500. And it would maintain the underlying bill's policy of increasing the standard deduction for married couples to twice that of an individual.

Seven in 10 taxpayers take the standard deduction instead of itemizing. My amendment would benefit all of those 7 out of 10 taxpayers. It would reduce their taxable incomes by hundreds of dollars and thus make it so that many middle-income working Americans would not owe any income taxes at all.

Expanding the standard deduction would also make it worthwhile for even more Americans to use that easier method of calculating their tax and avoid the difficult and cumbersome itemization forms. It would thus take one of the most concrete steps that we can take to simplify the unnecessarily complex income tax.

My amendment is paid for, so that the total cost of the bill would be exactly the same over 5 years.

Mr. President, I ask unanimous consent that a letter from the Chief of Staff of the Joint Committee on Taxation certifying that fact be printed in the RECORD at the close of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

The offset for my amendment is to strike the provision of the Republican marriage penalty bill that benefits only taxpayers in the top quarter of the income distribution. The tradeoff is clear: strike benefits for the best-off quarter to fund tax-simplifying benefits for 7 out of 10 taxpayers—overwhelmingly middle and lower-income taxpayers.

Let me take a moment to explain how the Republican marriage penalty bill works and how it comes to have a provision that benefits only the best off.

The bill has three marriage penalty provisions. One would fix the marriage penalty for lower- and middle-income working families getting the EITC. The second would make the standard deduction for married couples equal to two times the standard deduction for single taxpayers. Both of these provisions benefit working families who have the hardest time finding the money to pay taxes.

But a third provision in the Republican marriage penalty bill would reduce the rates at which income is taxed for some married couples. This provision would, for married couples, increase the income level at which the 15 percent tax bracket ends and the 28 percent bracket begins, and also increase the income level at which the 28 percent bracket ends and the 31 percent bracket begins.

Once fully in effect, the provision to expand the 15 percent and 28 percent tax brackets would cost more than $20 billion a year. It would thus account for most of the package's overall cost when fully phased in.

Here's how this costly provision would work. Right now, there are five tax brackets. Married couples who make taxable incomes up to $43,850 pay tax at a rate of 15 percent of their taxable income. Couples who make between $43,850 and $105,950 pay 15 percent on their first $43,850 plus 28 percent on the amount over $43,850. A 31 percent bracket applies to income between $105,950 and $161,450. A 36 percent bracket applies to income between $161,450 and $288,350. And a 39.6 percent bracket applies to income above $288,350.

To address the marriage penalty, the Republican bill raises the cut-off points for the 15 percent and 28 percent brackets. But the Republican bill would not raise the brackets for the 31, 36, and 39.6 percent brackets, leaving some marriage penalty to exist for those very well-off groups. The Republican bill thus already acknowledges the principle in my amendment that there is some point at which tax cuts for the best-off among us are not appropriate.

The way the Republican bill would work, the bracket expanding provision would have absolutely no benefit for taxpayers with taxable incomes of up to $43,850. And it would benefit every married couple filing jointly with incomes above $43,850. The portion of this provision that would expand the 28 percent tax bracket would have absolutely no benefit for taxpayers with taxable incomes of up to $105,950. And it would benefit every married couple filing jointly with incomes above $105,950.

As only the top quarter of taxpayers have incomes high enough to put them in brackets higher than the 15 percent bracket, only those in the top quarter of the income distribution would benefit from the provision. By striking this provision, my amendment would thus make the marriage penalty relief more targeted to those who need it most.

The Joint Committee on Taxation has estimated that for 2005, more than 70 percent of the fully-implemented Republican bill's benefits would go to tax filers with incomes above $75,000, and only 15 percent of the benefits would go to tax filers with incomes below $50,000.

Citizens for Tax Justice estimates that among married couples, those with incomes above $75,000 would receive 68 percent of the benefits of the Republican bill when it is fully phased in. They estimate that more than 40 percent of the benefits would go to couples with incomes above $100,000. Only 15 percent of its benefits would go to the 45 percent of married couples with incomes below $50,000.

Mr. President, I ask that an analysis of the Republican bill by the Center of Budget and Policy Priorities be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

My amendment would better target the marriage-penalty relief in the Republican bill. It would use the savings from doing so to simplify taxes and to free middle- and lower-income Americans from paying income taxes altogether. This amendment presents a clear choice, and I urge my colleagues to support it.

### EXHIBIT 1

JOINT COMMITTEE ON TAXATION,
*Washington, DC, July 12, 2000.*

Hon. RUSSELL D. FEINGOLD,
*U.S. Senate, SH-716*
*Washington, DC.*

DEAR SENATOR FEINGOLD: This letter is in response to your request of July 5, 2000, for a revenue estimate of a possible amendment to the "Marriage Tax Relief Reconciliation Act of 2000."

The amendment would replace the increase in the married filing a joint return 15-percent and 28-percent rate brackets, estimated to cost 17.523 billion, with an increase in the standard deduction for singles and heads of household. The provisions affecting the earned income credit, married filing a joint return standard deduction, and the AMT treatment of credits would remain unchanged. All provisions would sunset after December 31, 2004.

You asked that we determine the maximum possible increase in the single and head of household standard deductions within the constraint of the revenue effect of the bill as reported. Under this constraint, the standard deduction would increase for singles from 4,500 to 4,750 and for heads of household from 6,650 to 7,500 for taxable years beginning after December 31, 2000, and indexed thereafter.

The bill as amended would have the following effect on Federal fiscal year budget receipts:

| Fiscal years: | *Billions* |
|---|---|
| 2001 | −$7.4 |
| 2002 | −12.6 |
| 2003 | −13.8 |
| 2004 | −14.8 |
| 2005 | −7.1 |
| 2006 | (13's) |
| 2007 | (13's) |
| 2008 | (13's) |
| 2009 | (13's) |
| 2010 | (13's) |
| 2001–10 | −55.6 |

Note: Details do not add to totals due to rounding.

I hope this information is helpful to you. If we can be of further assistance in this matter, please let me know.

Sincerely,

LINDY L. PAULL.

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### EXHIBIT 2

CENTER ON BUDGET AND POLICY PRIORITIES, 820 FIRST STREET, NE, SUITE 510,
*Washington, DC, July 12, 2000.*

## LARGE COST OF THE ROTH "MARRIAGE PENALTY RELIEF" PROVISIONS REFLECTS POOR TARGETING—MUCH OF THE BENEFITS WOULD GO TO HIGH-INCOME TAXPAYERS OR THOSE WHO ALREADY RECEIVE MARRIAGE BONUSES

(By Iris Lav and James Sly)

### SUMMARY

On June 28, the Senate Finance Committee passed a marriage-tax-penalty relief proposal offered by its chairman, Senator William Roth, that would cost $248 billion over 10 years. The official cost assigned to the bill is considerably less—$55.6 billion—because the legislation will be considered in a form that provides the tax relief only through 2004, to satisfy Senate rules. history shows, however, that legislation of this type rarely is allowed to expire. As a result, the full, permanent cost of the bill should be considered the relevant benchmark.

Although two of the proposal's marriage penalty provisions are focused on middle- or low-income families, the proposal as a whole is poorly targeted and largely benefits couples with higher incomes. The proposal's costliest provision, which accounts for more than half of the package's overall cost when all provisions are in full effect, benefits only taxpayers in the top quarter of the income distribution. In addition, the proposal would provide nearly two-fifths of its benefits to families that already receive marrige bonuses.

Citizens for Tax Justice finds that only 15 percent of the benefits of the Roth proposal would go to low- and middle-income married couples with incomes below $50,000. This group accounts for 45 percent of all married couples. By contrast, the fewer than one-third of married couples that have incomes exceeding $75,000 would receive more than two-thirds of the bill's tax-cut benefits.

The Roth plan contains three principal provisions related to marriage penalties. The most costly of these would reduce the rates at which income is taxed for some married couples. This provision would increase for married couples the income level at which the 15 percent tax bracket ends and the 28 percent bracket begins, and also increase the income level at which the 28 percent bracket ends and the 31 percent bracket begins. The second provision would raise the standard deduction for married couples, setting it at twice the standard deduction for single taxpayers. A third, much smaller provision would increase the earned income tax credit for certain low- and moderate-income married couples with children.

A fourth provision relates to the alternative minimum tax (AMT) and affects both married and single taxpayers. It is not specifically designed to relieve marriage penalties. This provision would permanently extend taxpayers' ability to use personal tax credits, such as the child tax credit and education credits, to offset tax liability under the alternative minimum tax.

The Joint Committee on Taxation estimates that the Roth proposal, without the sunset, would cost $248 billion over 10 years. And the proposals long-term cost is substantially higher than this. The bill's costly provision that would extend the 15 percent and

28 percent tax brackets would not take full effect until 2008; this slow phase-in markedly reduces the bill's cost in the first 10 years. The Joint Tax Committee estimate shows that when all of the plan's provisions are fully in effect in 2008 through 2010, the bill would cost $40 billion a year.

Once in full effect, the proposal to expand the 15 percent and 28 percent tax bracket itself would cost more than $20 billion a year. This provision would exclusively benefit taxpayers in brackets higher than the current 15 percent bracket; no other taxpayers would be touched by it. Since only the top quarter of taxpayers are in brackets higher than the 15 percent bracket, only those in the top quarter of the income distribution would benefit from the provision.

The bill's tax reductions are not focused on married families that face marriage penalties. Nearly as many families receive marriage bonuses today as receive marriage penalties, and the bill would reduce their taxes as well. The proposal would confer tens of billions of dollars of "marriage penalty tax relief" on millions of married families that already receive marriage bonuses. In fact, only about 40 percent of the $248 billion in tax cut benefits the bill would provide over the next ten years would go for reductions in marriage penalties. A similar proportion of the tax cuts, about 38 percent would reduce the taxes of families already receiving marriage bonuses. The remainder of the benefits, including portions of the AMT change that would go to taxpayers other than married couples, would neither reduce penalties nor increase bonuses.

### SENATE DEMOCRATIC AND ADMINISTRATION PROPOSALS

A marriage penalty relief plan that is more targeted on middle-income families and modestly less expensive than the Roth proposal is expected to be offered by Democrats on the Senate floor. This Democratic alternative is identical to an amendment offered by the Finance Committee Democrats during the June 28th mark up of the Roth proposal. This plan would allow married taxpayers with incomes below $150,000 to choose whether to file jointly as a couple or to file a combined return with each spouse taxed as a single filer. The long-term cost of the Democratic alternative appears to be about four-fifths of the long-term cost of the Roth plan. (This provision ignores the cost of the AMT provision of the Roth plan.)

The marriage penalty relief proposals contained in the Administration fiscal year 2001 budget are significantly less costly than either the Roth proposal or the Senate Democratic alternative. These proposals, which are targeted on low- and middle-income married filers who face marriage tax penalties, would provide substantial marriage penalty relief at about one-fourth the cost of the Roth plan. (This comparison, as well, excludes the cost of the AMT provisions of the Roth plan.) The marriage penalty proposals in the Administration budget would cost a little more than $50 billion over 10 years.

### BUDGETARY REALITIES

The budget surplus projections that the Administration issued on June 26 show a projected non-Social Security surplus under current law of nearly $1.9 trillion over 10 years. While this may make it seem as though the proposed marriage penalty relief could be afforded easily, caution needs to be exercised. The surpluses actually available for tax cuts and programs expansions are considerably smaller than is commonly understood. Furthermore, there is a wide range of priorities competing for the surplus dollars that are available.

The projected surpluses include about $400 billion in Medicare Hospital Insurance (HI) trust fund surpluses that the President, the House of Representatives, and the Senate have agreed should not be used to fund tax cuts or program increase. Excluding these Medicare HI surplues, the surpluses available to fund tax cuts or program increases amount to less than $1.5 trillion.

That baseline projection, however, does not reflect the full costs of maintaining current policies. For instance, the Administration's baseline projections of the cost of discretionary, or annually appropriated, programs assume that funding for these programs will be maintained at current levels, adjusted only for inflation. The projections do not include an adjustment for growth in the U.S. population, so the projections assume that funding in discretionary programs will fall in purchasing power on a per person basis. Maintaining current service levels for discretionary programs would entail that such spending be maintaining in purchasing power on a per capita basis.

Certain legislation that is needed simply to maintain current tax and entitlement policies and that is virtually certain to be enacted also is not reflected in the surplus projections, including legislation to extend an array of expiring tax credits that Congress always extends, legislation to prevent the Alternative Minimum Tax from hitting millions of middle-class taxpayers and raising their taxes, as will occur if the tax laws are not modified, and legislation to provide farm price support payments to farmers beyond those the Freedom to Farm Act provides, as Congress has done each of the past two years. Assuming that legislation in these areas will be enacted (as it is virtually certain to be) and that the purchasing power of discretionary programs will be maintained at current levels on a per person basis reduces the available non-Social Security, non-Medicare HI surpluses by approximately $600 billion, to less than $900 billion over 10 years.

At least half of this $900 billion is likely to be needed to facilitate reform of Social Security and Medicare that will ensure the long-term solvency of those programs. Since neither party is willing to close the long-term financing gaps in these programs entirely or largely through slicing benefits costs or increasing payroll taxes, a large infusion of revenue from the non-Social Security part of the budget will be necessary. Indeed, nearly all of the major Social Security proposals offered by lawmakers of either party entail the transfer of substantial sums from the non-Social Security budget to the retirement system. Taking this reality into account leaves about $400 billion over 10 years to pay for tax cuts or other program initiatives.

Competing for those funds are other tax cuts, various domestic priorities such as providing a Medicare prescription drug benefit, reducing the number of uninsured Americans, increasing investments in education and research, and reducing child poverty, as well as proposals to raise defense spending. The Senate Finance Committee marriage penalty proposals would eat up more than three-fifths of this $400 billion in a single bill.

### ROTH PLAN FAVORS HIGHER-INCOME TAXPAYERS

The most expensive provision in the Roth bill would change the tax brackets for married couples. It would raise for couples both the income level at which the 15 percent bracket ends and the 28 percent bracket begins, and the income level at which the 28 percent bracket ends and the 31 percent bracket begins. Joint Tax Committee estimates, show this provision would cost nearly $123 billion over the next 10 years even though it does not fully phase in until fiscal year 2008. In the years between 2008 and 2010 it would account for 54 percent of this plan.

Because this provision would raise the income level at which the 15 percent and 28 percent brackets end for married couples, it would benefit only those couples whose incomes exceed the level at which the 15 percent bracket now ends. A couple with two children would need to have income surpassing $62,400 (in 2000 dollars) to benefit. Only one of every four taxpayers, and one of every three married taxpayers, have incomes that place the taxpayers above the point at which the 15 percent bracket currently ends.

Thus, when the provisions of the Roth plan are phased in fully, more than half of its tax cuts would come from a provision that exclusively benefits taxpayers in the top quarter of the income distribution and married couples in the top third of the distribution.

A second provision in the Roth bill would increase the standard deduction for married couples. This approach focuses its tax benefits on middle-income families. Most higher-income families have sufficient expenses to itemize their deduction and do not use the standard deduction. Most low-income working families have no income tax liability and would not benefit. If this provision were effective in 2000, the standard deduction would increase by $1,450, which would generate a $218 tax cut for most couples in the 15 percent tax bracket. This provision would account for a little more than one quarter (27 percent) of the plan's costs over the first 10 years and one-fifth of the plan's annual costs when all provisions of the plan are phased in fully.

The third provision of the Roth plan is an increase in the amount of the earned income tax credit that certain married couples with low earnings can receive. This is the one provision of help to low-income married families. When all of the provisions of the plan are phased in fully, the EITC provision would represent four percent of the plan's annual costs. (This provision would account for six percent of the plan's costs over the first 10 years.)

Low-income married families can face marriage penalties that arise from the structure of the Earned Income Tax Credit. EITC marriage penalties occur when two people with earnings marry and their combined higher income makes them ineligible for the EITC or places them at a point in the EITC "phase-out range" where they receive a smaller EITC than one or both of them would get if they were still single.

The Roth proposal would reduce EITC marriage penalties by increasing by $2,500 the income level at which the EITC for married families begins to phase down, as well as the income level at which married families cease to qualify for any EITC benefits. For a husband and wife that each work full time at the minimum wage, the Roth proposal would alleviate about 44 percent of their marriage tax penalty.

The plan also contains a fourth provision that is not directly targeted at relieving marriage penalties. This measure would address some of the problems that will result in significant numbers of middle-income families becoming subject to the Alternative Minimum Tax in future years—a situation never intended when the AMT was enacted—by permanently allowing both non-refundable and refundable personal tax credits to offset AMT tax liability. This provision would account for one-quarter of the legislation's total cost when all of the bill's provisions are fully implemented.

### ROTH PLAN TARGETS BENEFITS ON HIGHER-INCOME TAXPAYERS

The Joint Committee on Taxation has estimated the distribution impact of this proposal on taxpayers in the years 2001 through 2005. For 2005, the JCT found that more than 70 percent of the benefits of this tax proposal would go to tax filers with incomes exceeding $75,000, while only 15 percent of the benefits would go to tax filers with incomes below $50,000. Moreover, these figures understate the extent to which higher-income taxpayers would benefit, because the costly bracket increases that benefit only the top quarter of taxpayers would not be fully in effect until fiscal year 2008. The final year covered by the JCT estimate is 2005.

Some observers note that married taxpayers tend to have higher incomes than other taxpayers, in part because there often is more than one earner in the family. They point out that looking at the distribution of benefits among all taxpayers makes the distribution appear more skewed than it is seen to be if just the effect on married taxpayers is considered. This is not the case, however, with respect to the Roth proposal.

An analysis by Citizens for Tax Justice shows that even within the universe of married couples, the Roth plan disproportionately benefits those married couples who are at the upper end of the income spectrum. The Citizens for Tax Justice analysis finds that among married couples, those with incomes in excess of $75,000 would garner 68 percent of the benefits of the Roth proposal when the plan is phased in fully. Some 41 percent of the benefits would go to married couples with incomes in excess of $100,000. Only 15 percent of the benefits would go to those with incomes below $50,000. (See Table 1.)

TABLE 1.—EFFECTS OF THE FINANCE COMMITTEE MARRIAGE PENALTY RELIEF BILL

| Income group ($–000) | Number of joint returns (000) | Percent of joint returns | Married couples | |
|---|---|---|---|---|
| | | | Average tax cut | Percent of total tax cut |
| <$10K | 1,357 | 2.5 | −$14 | 0.1 |
| $10–20K | 4,566 | 8.4 | −128 | 2.2 |
| $20–30 | 6,304 | 11.5 | −220 | 5.2 |
| $30–40K | 6,227 | 11.4 | −172 | 4.0 |
| $40–50K | 6,286 | 11.5 | −148 | 3.5 |
| $50–75 | 13,274 | 24.3 | −344 | 17.0 |
| $75–100K | 7,184 | 13.1 | −1,006 | 27.1 |
| $100–200K | 6,893 | 12.6 | −1,118 | 28.9 |
| $200K+ | 2,349 | 4.3 | −1,342 | 11.8 |
| $Total | 54,632 | 100.0 | −488 | 100.0 |
| <$50K | 24,740 | 45.3 | −162 | 15.0 |
| $75K | 16,426 | 30.1 | −1,101 | 67.9 |

Figures show the effects of the bill when phased in fully. The income levels in the table are 1999 income levels. Under the legislation, the changes in the standard deduction and earned-income tax credit for couples would take effect in 2001. The changes in the starting points for the 28% and 31% tax brackets for couples would be phased in starting in 2002 and finishing in 2007. The totals exclude about $0.8 billion in tax cuts for married persons filing separate returns. Changes in the Alternative Minimum Tax, which would maintain the current treatment of tax credits under the AMT, are not included.

Source: Institute on Taxation and Economic Policy Tax Model, March 30, 2000.

### ROTH PLAN DOES NOT FOCUS ITS BENEFITS ON FAMILIES FACING MARRIAGE PENALTIES

Three of the proposals in the Roth plan, the standard deduction increase, the tax bracket extensions, and the EITC provision—would provide general tax relief for married couples, rather than marriage penalty relief focused on families that actually face penalties. The fourth provision, allowing tax credits to offset the AMT, is not specifically targeted on married couples.

Under the current tax structure, no one-earner couples face marriage penalties; they generally receive marriage bonuses. The families that face marriage penalties are two-earner families. The Roth plan, however, would reduce tax burdens for one-earner and two-earner married couples alike. As a result, the plan is far more expensive than it needs to be to reduce marriage penalties.

Indeed, nearly two-fifths of the cost of the legislation results from tax reductions that would increase marriage bonuses rather than reducing marriage penalties. Another two-fifths of the cost would reduce marriage penalties. The remaining fifth would not affect marriage penalties and bonuses.

If the "marriage penalties relief" provisions are considered alone, approximately half of the cost of these provisions would go to increase marriage bonuses. When the Treasury Department examined a proposal to expand the standard deduction for married filers and to set the tax brackets for married couples at twice the level for single taxpayers—a plan similar to the Roth proposal—it found that only about half of the resulting tax cuts would go to reduce marriage penalties, with the rest going to increasing marriages bonuses.

### LONG-TERM COST OF ROTH PLAN

The Roth plan has a $248 billion price tag over ten years, in comparison to the $182 billion cost of the similar marriage penalty relief plan the House passed earlier this year. The major difference relates to the Alternative Minimum Tax. The House bill does not include any provision to allow non-refundable credits to offset the AMT, even though failure to do so would allow the Alternative Minimum Tax in future years to tax back from millions of middle-class taxpayers the tax benefits that the legislation otherwise provides. If one assumes the full cost of the House plan ultimately would include changing the AMT to prevent that from occurring, the full cost of the plan would be considerably higher than $182 billion.

The Roth plan, which includes substantial AMT changes, provides a more accurate view of the total cost. Nevertheless, the Roth plan itself appears to hold hidden costs relating to the AMT. Even under the Roth plan, the alternative minimum tax would prevent some higher-income married taxpayers from enjoying the benefits of the wider tax brackets. If the Roth plan were enacted and the AMT were subsequently modified to address this issue, as would be likely, the changes in the Roth plan would have a larger cost.

Leaving aside the additional AMT issues that might have to be addressed in future years, the Roth plan would rise in cost from $23.3 billion in 2005 to $39.9 billion annually by 2010 (assuming the sunsets do not hold). When the plan was fully in effect, its long-term cost thus would greatly exceed the $248 billion price tag for the first ten years.

### DEMOCRATS OFFER MORE TARGETED PLAN

Democrats are expected to offer on the Senate floor a modestly less expensive version of marriage penalty relief that is more targeted on married couples that experience marriage penalties under current law.

The Democratic plan would give married couples two different options for filing their taxes. The couples could file jointly, as the vast majority of couples do under current law. Alternatively, couples would have a new option under which a husband and wife could each file as single individuals, although they would file together on the same tax return. Each couple would have the opportunity to make two different tax calculations and pay taxes using the method that resulted in the lowest tax bill. In addition, the proposal would in some circumstances allow each spouse in a family with more than one child to claim a separate Earned Income Credit (for different children), based on that spouse's income; this would effectively double the level of income such a family could have and receive the EITC.

This new option for single filing would begin to be phased out for couples with incomes exceeding $100,000. Couples with incomes exceeding $150,000 would not be eligible to use the option.

The optional separate filing provision would reduce or eliminate marriage penalties for most couples below the $150,000 income limit. It would maintain marriage bonuses for couples that receive such bonuses under current law. In contrast to the Roth plan, however, it would not increase marriage bonuses for couples that already receive them.

The Democratic alternative would cost approximately $21 billion a year when fully in effect in 2004. Buy comparison, the Republican plan would cost approximately $40 billion a year when fully in effect in the years 2008–2010, of which slightly more than $30 billion a year is attributable to the marriage penalty provisions. (The remainder reflects the costs of the AMT provisions.) When costs for similar years are compared, the fully phased-in cost of the Democratic plan would be about four-fifths of the fully phased-in cost of the Republican bill, excluding its AMT provisions.

Mr. FEINGOLD. I ask unanimous consent that my amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

### AMENDMENT NO. 3846

(Purpose: To provide a nonrefundable credit against tax for costs of COBRA continuation insurance and allow extended COBRA coverage for qualified retirees, and for other purposes)

Mr. FEINGOLD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. BUNNING). The clerk will report.

The legislative clerk read as follows:

The Senator from Wisconsin [Mr. FEINGOLD] proposes an amendment numbered 3846.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. FEINGOLD. Mr. President, I rise to offer an amendment to expand access to affordable health insurance through COBRA. It includes a 25 percent tax credit for COBRA premiums, plus an expansion of COBRA to cover retirees whose employer-sponsored coverage is terminated. It pays for this expansion by eliminating a tax break for mining companies.

Since 1985, people who lose their jobs have been able to buy into their former employer's health insurance plan. This COBRA coverage has provided some continuity to workers between jobs, but for many Americans, COBRA is an empty promise.

That is because under COBRA, people have to pay their own way. But many people who lose their jobs lose any hope of being able to afford health insurance on their own.

Mr. President, employer coverage gets a tax break, but individual purchases do not. This amendment would rectify the situation in part by providing a 25 percent tax credit to individual COBRA premiums, giving a little support to people who would otherwise go without health coverage.

But COBRA only applies for a brief time, generally eighteen months at most. After that, people must find another source of insurance, or be forced to join the growing legions of uninsured Americans.

For older Americans before age 65, there is no other practical source of insurance. Individual plans for people at age 60 can be four times the amount that young Americans could pay. In many parts of the country, the market for individual coverage is not sufficiently developed to provide seniors any affordable health care option.

That is why this amendment also extends COBRA for retirees whose employers discontinue their health coverage. Retirees would not lose access to COBRA after eighteen months, but could keep it until they turn 65 and qualify for Medicare.

Imagine getting a letter from your former employer one day telling you that the retiree health coverage that you had been promised and that you had been counting on was going to be taken away from you. There would be nothing you could do about it. Only with approval of this amendment would you be guaranteed access to quality health care.

To pay for expanding access to health care, this amendment would eliminate from the tax code the percentage depletion allowance for hardrock minerals mined on federal public lands. It retains the percentage depletion allowance for oil and gas extracted on public and private land, and also retains this deduction when hardrock minerals are mined on private land.

Mineral producers are allowed to deduct a defined percentage of their profits from their income before computing income taxes. There is no restriction in the tax code to limit this deduction to the value of the property, and this deduction is in addition to standard cost depletion for capital equipment such as machinery and vehicles. As a result, companies may over time deduct more than the total value of the property.

Today, the percentage depletion rate for most hardrock minerals is 22 percent, while others such as gold, silver, copper and iron ore are depleted at lower rates ranging from 5 percent to 15 percent.

On public lands, where mining companies do not pay any return to the taxpayer for the value of the mineral resources they are depleting, and pay a very nominal patenting fee, this policy is very costly to the American taxpayer.

So instead of providing this tax break to mining companies, let's instead offer a little help to people who lose their health insurance.

Mr. President, 44 million Americans lack basic health insurance. This is a problem that demands attention. Let's build on a law that already works to help people, Americans who have not other health care choice. Let's expand COBRA for retirees to support their transition form work to Medicare. Let's help people afford to keep the health insurance they need. I ask my colleagues to support this sensible amendment. I yield the floor.

Mr. President, I ask unanimous consent that my amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FEINGOLD. I thank my colleagues for their patience on this. I look forward to the votes on these amendments. I thank the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

### AMENDMENT NO. 3847

(Purpose: To amend the Fair Labor Standards Act of 1938 to provide more effective remedies to victims of discrimination in the payment of wages on the basis of sex)

Mr. HARKIN. Mr. President, I send an amendment to the desk on behalf of myself, Senator DASCHLE, Senator FEINSTEIN, and Senator KENNEDY.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN], for himself, Mr. DASCHLE, Mrs. FEINSTEIN, Mr. KENNEDY, and Mr. REID, proposes an amendment numbered 3847.

Mr. HARKIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. HARKIN. Mr. President, this amendment is the Paycheck Fairness Act, which was introduced under Senator DASCHLE's leadership. It addresses an important economic issue—an issue that affects women, working families, retirees and America's children. I'm talking about the wage gap between women and men and how this legislation would work to close it.

You might think since Congress passed the Equal Pay Act in 1963, the wage gap wouldn't exist. But women are still paid only 73 cents for every dollar a white man earns.

Part of the problem is that we need to do a better job of enforcing that law. That's why I am a proud cosponsor of this bill that would strengthen the Equal Pay Act.

This legislation would allow those who win their wage discrimination claims in court, to collect punitive and compensatory damages. It would put new money into employer education and honor employers with best practices. And, it would ensure that women can not be retaliated against by their employers for sharing pay information.

Senator DASCHLE's bill is a modest but needed step in ending pay discrimination. It has received strong support from the Administration and from advocates for working women, such as the AFL–CIO and the Business and Professional Women, the National Women's Law Center, and the National Partnership for Women and Families.

This body also has before it, the Fair Pay Act, legislation that I have introduced which takes the next step to closing the wage gap. It targets female-dominated jobs that are routinely underpaid and undervalued. My bill would require wages be set based on responsibility, skill, effort and working conditions.

The simple fact remains—working families face the problem of wage discrimination every day and lose billions of dollars in wages because of it. The average working woman loses $420,000 over a lifetime due to the wage gap.

We cannot continue to short-change women and families. It is our hope that for working women today, that this Congress will pass the Paycheck Fairness amendment to help end the wage gap.

Mr. President, I ask unanimous consent that my amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask unanimous consent that I be added as a cosponsor of the Harkin amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I ask unanimous consent to be added as a cosponsor of the Harkin amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, pay discrimination against women continues to be a serious problem in our society. The wage gap now costs America's families $200 billion a year. Nearly two-thirds of working women report that they provide half or more of their family's income, and nearly one in five U.S. families is headed by a single woman. Yet single mothers continue to earn the lowest average rate of pay.

Although the Equal Pay Act was signed into law 37 years ago, the wage gap today continues to plague American families, and wage discrimination continues to be a serious and pervasive problem in workplaces across the country. In spite of the Equal Pay Act, women still earn only 73 cents for every dollar earned by men. And the pay disparities between white men and women of color are even more disturbing. African American women earn just 63 cents, and Latinas earn only 53 cents for every dollar earned by white men. And men of color suffer from pay inequality as well.

These disparities translate into large costs in lost wages and lost opportunity. The average working woman loses $4,200 in income annually, and suffers a loss of $420,000 over her career. In Massachusetts, women earn an average of $512 weekly, compared to $640 earned by men for the same period of time. This gender gap has a long-term impact, since lower wages and lower lifetime earnings lead to lower pension benefits in retirement. The median pension benefit received by new female retirees is less than half that of benefits received by men.

Women are entitled to the same paychecks as male colleagues who perform the same or comparable work. Without this guarantee, women are less able to provide an economic safety net for themselves and their families. If married women were paid the same wages as men in comparable positions, their family incomes would rise by nearly 6 percent, and their families' poverty rates would fall. If single women earned as much as men in comparable positions, their incomes would rise by 13 percent, and their poverty rates would be reduced as well. These figures demonstrate the severe effect of pay disparities on the lives of women and their families.

Equal pay helps men as well as women. One of the major causes of pay inequity is sex segregation in the workplace. Jobs traditionally held by men, such as jobs which involve heavy lifting or truck driving, are compensated more highly than jobs traditionally held by women, which often involve caretaking or nurturing activities. Both men and women in jobs predominantly held by women—such as sales, service, nursing, child care, teaching and clerical positions—suffer the effects of pay bias. As the percentage of women within an occupation increases, the wages for that job decrease.

Women and men alike will receive significant gains in earnings if they are paid the same wages as comparable workers in jobs that are not predominantly female. Men and women who work in predominantly female occupations earn less than comparable workers in other occupations. Women would gain $89 billion a year, and men would gain $25 billion from pay equity increases in female-dominated jobs. The 4 million men who work in predominately female occupations lose, on average, over $6200 each year. The increase in payroll costs that would result from these wage adjustments would be only 3.7 percent of total hourly payroll costs throughout the economy.

Some argue that these differences in pay are based on different levels of education, years in the workforce and similar factors. But, these factors alone do not explain away the wage gap. Studies have found substantial pay differences between men and women working in the same narrowly defined occupations and establishments. Studies of discrimination in hiring offer additional evidence on the gender pay gap.

Educational advancement hasn't solved this problem. Although women have now surpassed men in the percentage of those earning a college or advanced degree, college-educated women earn almost $14,000 less than college educated men. A black woman with a master's degree earns almost $10,000 less annually than a college-educated white male. A college-educated Hispanic female makes only $727 more than a white male with a high school degree. These disparities in compensation for men and women can be explained by one factor—blatant discrimination.

Consider the story of Sarah Foulger, who served as pastor of a church in Maine for more than 10 years. For the last 5 of those years, she asked for a pay raise, and every year she was told the increase had to be delayed or reduced. Within weeks of her departure, the church was able to significantly increase the salary of the male pastor hired to replace her. After 17 years of her ministry, she earned less than $7,000 in pension credits. The third of her salary that was missing—multiplied by just 4 years of being underpaid—would have added up to enough money to pay for a State college education for one of her children.

Gender and race-based wage discrimination is also present on Capitol Hill, and it is glaring and embarrassing for all of us. Women custodial workers in the House and Senate Office Buildings have been underpaid for years, and have finally brought suit against the Architect of the Capitol. Even though the women custodians perform essentially the same work under the same job conditions as male workers, they are paid almost a dollar less an hour.

But there are some successes. Nancy Hopkins is a molecular biologist and professor at M.I.T. When she learned that she was making less than her male colleagues, she took the issue to the administration. M.I.T's top officials responded by issuing a report acknowledging that its female professors suffered from pervasive, if unintentional, discrimination. The report documented discrimination in hiring, awards, promotions, membership on important committees, and allocation of important resources such as laboratory space and research funding.

Eastman Kodak Company provides another significant example. After an internal study of its compensation practices, Kodak voluntarily agreed to pay $13 million in back pay to 2,000 female and minority employees who had been underpaid because of their race or gender. Kodak continues to work to improve the number of women and minorities in mid-level and senior-level management positions.

The plight of these women who work hard and are denied fair compensation is unacceptable. The disparities are particularly alarming because they persist almost 40 years after the Equal Pay Act was enacted, and at a time when our nation is experiencing unprecedented prosperity, when women are entering the workforce in record numbers, and when women are spending less time at home with their children, and more time at work.

Businesses and other private institutions across the country also have a responsibility to do more to correct this injustice. I commend M.I.T. for the impressive example it has set by acknowledging that women professors suffer from pervasive pay discrimination and by making a clear commitment to correct it. And I commend Eastman Kodak for its efforts to address the wage gap in response to NAACP concerns, by launching an investigation and providing raises for 12 percent of its female and 33 percent of its black employees. More businesses and organizations need to follow these leads.

Congress must do more to solve this unconscionable problem. Our goal is not just to reduce the pay gap, but to eliminate it entirely. Senator DASCHLE's Paycheck Fairness Act is a needed step to correct this injustice in pay. It will provide more effective remedies for women denied equal pay for equal work. And Senator HARKIN's Fair Pay Act will prohibit wage discrimination based on sex, race, or national origin for employees in equivalent jobs in the same workplace. Congress should pass both the Paycheck Fairness Act and The Fair Pay Act. These bills are necessary steps to eliminate the disparity between the earning power of men and women. It's the right thing to do—and the fair thing to do—for working families.

At a time when our economy is more prosperous than ever, when unemployment is at a 30 year low, and when women are entering the labor force at an all time high, there is no excuse for discrimination that cheats women out of their fair pay.

AMENDMENT NO. 3848

(Purpose: To amend title XIX and XXI of the Social Security Act to permit States to expand coverage under the Medicaid program and SCHIP to parents of enrolled children and for other purposes)

Mr. KENNEDY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY] proposes an amendment numbered 3848.

Mr. KENNEDY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. KENNEDY. Mr. President, the Republican marriage tax plan provides a quarter of a trillion dollars in tax breaks over the next ten years. Only 15 cents of every dollar in tax breaks goes to families with incomes of less than $50,000 a year. Sixty-eight cents of every dollar goes to families with incomes of more than $75,000 a year and 40 cents goes to individuals with more than $100,000 in income. Someone with $200,000 in income gets a $1,300 tax break, while a family struggling to make ends meet on $30,000 a year gets a meager $172—about fifty cents a day. Many of the tax breaks in the bill have nothing to do with the so-called marriage penalty.

I'd like to point out that right now we have a marriage and work penalty in Medicaid. Up to 14 states—which account for more than 22 percent of the population—penalize two-parent low-income families by having stricter eligibility standards for Medicaid or even prohibiting enrollment. For example, in Maine, married parents earning a total of $14,000 annually can't qualify for Medicaid, but a single parent earning the same amount can.

The work penalty is equally appalling. In 37 states, a single parent with two children can qualify for Medicaid only if she earns 80 percent of the poverty level or less. Only 13 states offer Medicaid coverage to a single parent who works full-time in a minimum wage job and has two children. That's wrong, and this amendment would fix it.

It would also provide financial incentives and new options for states to expand CHIP and Medicaid to parents and older youths, and it would improve enrollment in CHIP and Medicaid. These are two important steps that we should be able to take this year.

An overwhelming majority of the uninsured are working men or women, or family members of workers. In fact, the vast majority are members of families with at least one person working full-time.

Most uninsured workers are not uninsured by choice. They are uninsured because their employer either does not offer coverage, or because they are not eligible for the coverage if it is offered. Seventy percent of uninsured workers are in firms where no coverage is offered. Eighteen percent are in firms that offer coverage, but they are not eligible for it, usually because they are part-time workers or have not worked in the firm long enough to qualify for coverage. Only 12 percent of uninsured workers are offered coverage and actually decline, and some of them do so because they have other coverage available.

Most of the uninsured have low or moderate incomes. Thirty-seven percent are at or below the federal poverty level. Twenty-eight percent have incomes between 100 and 200 percent of poverty. Fifteen percent have incomes between 200 and 300 percent of poverty.

While good coverage for all Americans may not be feasible at this time, we can and must do more to close the current health insurance gap.

It is a national scandal that lack of insurance coverage is the seventh leading—and most preventable—cause of death in America today.

Numerous studies indicate that lack of insurance leads to second-class health care or no health care at all. A recent article in the Journal of the American Medical Association found that angina patients with insurance are more than twice as likely as uninsured patients to receive needed bypass surgery. Across the nation, more than 32,000 patients are going without needed heart surgery because of their lack of insurance.

The numbers are equally dramatic when it comes to cancer. Early detection and treatment of cancer often makes the difference between life and death. Uninsured patients are two and a half times more likely not to receive an early diagnosis of melanoma and one and a half times more likely not to benefit from early detection of breast cancer, prostate cancer, or colon cancer. Tragically, the new and promising treatments resulting from our national investment in the NIH are out of reach for millions of uninsured Americans.

In 1997, we took a major step toward guaranteeing health insurance to millions of children in low-income working families whose earnings are above the cut-off for Medicaid. Every state is now participating in the children's health insurance plan, and most states have plans to increase coverage under these programs again this year.

As of January, two million children had been enrolled in the program, and many other children had signed up for Medicaid as a result of the outreach efforts. Soon, more than three-quarters of all uninsured children in the nation will be eligible for assistance through either CHIP or Medicaid.

An article in the Journal of the American Medical Association found that 57 percent of uninsured children had an unmet major medical need before enactment of CHIP. But just one year after receiving coverage, only 16 percent of these same children had an unmet medical need.

The lesson is clear. Access to insurance improves access to health care, which improves health. We have the resources. We have good programs. We must do all we can to increase their effectiveness. Clearly, the states and the federal government have more to do.

The overwhelming majority of uninsured low-wage parents are struggling to support their families. Too often, there is too little left to pay for health care. Parents who work hard, 40 hours a week, 52 weeks a year, should be eligible for assistance to buy the health insurance they need to protect their families. Our message to them today is that help with health care is on the way.

As I mentioned earlier, under current law, Medicaid is generally available only to single-parent families. Our proposal also repeals this "health marriage tax." It is a serious penalty for low-wage two-parent families, and one which is comparable to the "marriage penalty" in the tax code.

This proposal also rewards work. Currently, most parents in families with an employed person are not eligible for Medicaid, while families headed by non-workers are eligible if their income is low enough. That's not right. Eligibility should be tied to need, not to employment status. It's a historical artifact of the system and it ought to be changed.

Coverage for parents also means that coverage for their children is more likely too. Parents are much more likely to enroll their children in health insurance programs, if the parents themselves can obtain coverage.

These steps will provide up to six and a half million more Americans with the health insurance coverage they need and deserve. If we are sincere in this debate about helping working families, our goal should be to enact this coverage before the end of this year. I urge my colleagues to support it.

Mr. President, I will take a few minutes more of the Senate's time to review where we are as an institution and where we are effectively as a country on the people's business.

We have just passed an estate tax bill that is going to cost the Treasury $750 billion over the next 20 years. Half of the benefit of that, some $300 billion, will benefit some 1,400 families. Four hundred families will benefit by $250 billion. So this is a proposal that is basically benefiting the wealthiest individuals in the country.

With the marriage penalty tax that is before us, it is $250 billion over a 10-year period, and 40 percent of the people who benefit from it have incomes over $100,000—$100 billion of that $250 billion is going to go to people with incomes in excess of $100,000.

As the result, at the end of this week and at the end of consideration of the legislation before us, we will have expended $1 trillion. Going into Monday night, when we are going to complete the issue on the marriage penalty, we will have spent $1 trillion. We have to ask, who has benefited and who has not.

Quite clearly, as this chart points out, the people who have benefited are the wealthiest individuals in our country. We see the average value of estate exempted under the Republican plan is $2.3 million. The median income of a Medicare beneficiary is $13,800.

We find out, if we look at another indicator about who is going to benefit, that the Federal expenditure per person under the Republican estate tax repeal is $268,000 versus $900 for the Medicare prescription drug coverage we are trying to pass here.

We think it is about time that we started looking out after the senior citizens, 40 million of them, who need a prescription drug program. We know they have enormous needs. That is why we are in such strong support of the proposal being advanced by Senator ROBB, Senator GRAHAM, the leader, and other measures.

At the end of this week and the beginning of next week, with the expenditure of about $1 trillion from the Treasury, we are not buying one new book for a child in America. We are not buying one new Band-Aid or one prescription drug for a senior citizen who is in need.

We are not making our schools any safer by an effective program that might limit guns in our schools in this country. We have not done a single thing to stop an accountant in an HMO from denying care that may put a patient at further risk in our society. We have not done anything about prescription drugs. We have not done anything to provide a real Patients' Bill of Rights. That is at the end of this week, where we have spent $1 trillion.

When I go back to Massachusetts in a short while, people are going to be asking: What have you done? You spent $1 trillion. Have you done anything for our schoolchildren? Have you done anything for our parents? Have you done anything about prescription drugs? Have you done anything to make our health care system safer? Have you done anything to make our schools safer? Have you done anything to increase access to health care? The answer to all of those is no, we have not.

That is very clearly not a matter of accident. That is a matter of choice. It is a matter of priority.

It is a result of the Republican leadership having set out an agenda, and it is an agenda to which I take strong exception. I cannot believe that it is the agenda of working families in this country. It cannot reflect their priorities.

Working families are concerned most about their children. They are concerned about their parents. They are concerned about their jobs and safety and security. They are concerned about living in safe and secure neighborhoods with clean air and clean water.

We have not touched a single item that will impact and affect average families in America. As an institution, we have failed to meet their priorities.

We are going to continue to fight these battles, next week and beyond, all the way through, as long as we are in session. We will fight it continuously right up to the time of the election.

I want to be clear. I support legislation that would provide tax relief to the working families who are currently paying a marriage penalty. Such a penalty is unfair and should be eliminated. However, I do not support the proposal which the Republicans have brought to the floor.

While its sponsors claim the purpose of the bill is to provide marriage penalty relief, that is not its real purpose. In fact, only 42 percent of the tax benefits contained in the legislation go to couples currently subject to a marriage penalty. The majority of the tax benefits would actually go to couples who are already receiving a marriage bonus, and to single taxpayers. As a result, the cost of the legislation is highly inflated. It would cost $248 billion over the next ten years.

And, as with most Republican tax breaks, the overwhelming majority of the tax benefits would go to the wealthiest taxpayers. This bill is designed to give more than 78 percent of the total tax savings to the wealthiest 20 percent of taxpayers.

It is, in reality, the latest ploy in the Republican scheme to spend the entire surplus on tax cuts which would disproportionately benefit the richest taxpayers. That is not what the American people mean when they ask for relief from the marriage penalty. With this bill, the Republicans have deliberately distorted the legitimate concern of married couples for tax fairness.

All married couples do not pay a marriage penalty. In fact, a larger percentage of couples receive a marriage bonus than pay a marriage penalty. The only couples who pay a penalty are those families in which both spouses work and have relatively equivalent incomes. They deserve relief from this inequity and they deserve it now. We can provide relief to the overwhelming majority of the couples simply and at a modest cost. That is what the Senate should do. Instead, the Republicans have insisted on greatly inflating the cost of the bill by adding extraneous tax breaks primarily benefitting the wealthiest taxpayers.

A plan that would eliminate the marriage penalty for married couples could easily be designed at a much lower cost. The House Democrats offered such a plan when they debated this issue in February. The Senate Democrats are offering such an alternative plan today. If the real purpose of the legislation is to eliminate the marriage penalty for those working families who actually pay a penalty under current law, it can be accomplished at a reasonable cost.

The key to drafting an affordable plan to eliminate the marriage penalty is to focus the tax relief on those couples who actually pay the penalty under current law. The Republican proposal fails to do this, and, as a result, it actually perpetuates the marriage penalty despite the expenditure of $248 billion on new tax cuts. Under the Democratic plan, the tax relief actually goes to those currently paying a marriage penalty. It is also essential to target the tax benefits to the middle income working families who need tax relief the most. The Democratic plan focuses the tax benefits on those two earner families with incomes less than $150,000. By contrast, major portions of the tax benefits in the Republican plan would go to much wealthier taxpayers at the expense of those families with more modest incomes. As a result, the Democratic proposal would cost $11 billion a year less, when fully implemented, than the Republican plan, yet provide more marriage penalty tax relief to middle income families.

The problem we have consistently faced is that our Republican colleagues insist on using marriage penalty relief as a subterfuge to enact large tax breaks unrelated to relieving the marriage penalty and heavily weighted to the wealthiest taxpayers. The House Republicans put forward a bill which would cost $182 billion over 10 years and give less than half the tax benefits to people who pay a marriage penalty. Even that was not enough for the Senate Republicans. They raised the cost to $248 billion over 10 years with nearly all the additional amount going to the wealthiest taxpayers. A substantial majority, 58 percent of the tax breaks in the Senate bill would go to taxpayers who do not pay a marriage penalty.

Nor is this the only excessive and unfair tax cut bill the Republicans have brought to the floor this year. They attached tax cuts to the minimum wage bill in the House, tax cuts to the bankruptcy bill in the Senate. They have sought to pass tax cuts to subsidize private school tuition and to eliminate the inheritance tax paid by multimillionaires.

Just this morning, the Republican leadership forced through the Senate a complete repeal of the inheritance tax, which will cost over $50 billion per year when fully implemented. More than 90 percent of the tax benefits of that bill will go to the richest one percent of taxpayers.

In total, the Republicans in the House and Senate have already passed tax cuts that would consume over $700 billion during the next ten years.

The result of this tax cut frenzy is to crowd out necessary spending on the priorities that the American people care most about—education, prescription drugs for seniors, health care for uninsured families, strengthening Medicare and Social Security for future generations. It's misguided and short-sighted, and I strongly object to it.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, Senator BROWNBACK and I are going to make statements about the bill. This is my bill. I have been working on marriage penalty relief for the last 4 years. Senator ASHCROFT, Senator ABRAHAM, Senator GRAMS of Minnesota, Senator BROWNBACK, and I, along with my colleague, Senator GRAMM, have all made this a very high priority in our legislative agenda. We have made this a high priority because we believe it is un-American to make people choose between love and money. That is what the marriage penalty does.

In America, if you make $30,000 and you are a schoolteacher and you marry a policeman who makes $30,000, all of a sudden, you owe more in taxes. I thought it was interesting; the Senator from Massachusetts just said we have spent a trillion dollars by giving death tax relief. We spent a trillion dollars, and what do we have to show for it?

I have to ask the question: Whose money is it? Is letting people keep more of the money they earn in their pocketbooks and to decide how they want to spend it wrong? I think we should let people keep their money. I don't consider it spending a trillion dollars, allowing people to keep the money they earn. I think it is the reverse.

I believe we should not be spending other people's money, when we are running a huge surplus and don't need it in the Federal Government for new programs. I believe the American people can make better decisions about how they spend the money they earn than we can here in Washington.

So when you are talking about tax relief, you are not talking about spending money. It is not the Government's money. It belongs to the people who earn it. Government, by the consent of the governed, will take some money for the good of everyone—for national defense, for clearly Federal issues that cannot be done by people individually, for our security. But it becomes confiscatory when a couple making $30,000 apiece has to pay $1,000 more in taxes just because they get married. That is what we are trying to eliminate today.

When the distinguished Senator from Massachusetts says we have done nothing for the average family, I just ask him if a policeman and a schoolteacher constitute an average family. I think they do, and I think they deserve the $1,000, or $1,400, more they are paying in taxes to make the downpayment on their first home. That is help for the American family. That is help for the average family. A young couple who make $30,000 each and get married may not be able to save for a downpayment if they are having to pay $1,400 more in taxes just because they got married.

So tax relief is not spending money. Spending money that other people earn is spending money—their money. I think there is a huge difference.

The bill we have before us today would double the standard deduction so that if you get married, you don't get penalized. Today, if two single working people get married, they will pay approximately $1,100 more in taxes because of the standard deduction. We want to double the standard deduction because we don't think it should be different for two working singles or a married couple, both working. So we want the standard deduction to be $8,800, exactly double the standard deduction.

Secondly, we want people in the 15-percent bracket and the 28-percent bracket not to be punished because the got married and were pushed into a higher tax bracket. We do this by widening each bracket for married couples so that it is exactly double the bracket size of a single taxpayer. So in the 15-percent bracket, if you are single or married, it will not make any difference because you will not go into the next bracket if we can pass marriage penalty relief because, of course, that is the problem. When a schoolteacher, who makes $26,000 and is in the 15-percent bracket, marries a policeman who makes $26,000 and is in the 15-percent bracket, they go into the 28-percent bracket, and that is why they pay more in taxes. We want them to be able to stay in the 15-percent bracket, each of them making $26,000 a year. That is exactly what our bill does.

Our bill increases the earned-income tax credit because we know that people—especially people coming off welfare—need to be able to have an earned-income tax credit to make sure they do better working than being on welfare. The Senate bill increases the earned-income tax credit parameters by $2,500. That is higher than the House version of the bill by $500. We think that is right. We want the people at the lowest end of the spectrum to know it really does make a difference that you work. We want it to be a benefit.

Another important aspect of our bill is preserving essential tax credits for families. Important tax credits such as the $500 per child tax credit, the adoption tax credit, the HOPE scholarship credit for families who want to send their children to college, the credit for expenses related to child care—they would all remain intact, regardless of the alternative minimum tax. Many families are finding that, with the alternative minimum tax, they lose the basic deduction that everyone else gets. The $500 per child tax credit should apply, regardless of whether a person is in the alternative minimum tax category.

We are trying to have a balanced approach for people who have a real problem. Just prior to this debate I, and several other Senators met with some of the couples that are affected by this bill. We had a couple from San Antonio, TX, Noe and Connie Garcia. He works for an insurance company; she is a Government employee. When they did their taxes last year, they estimated that they paid over $1,000 more in taxes because they are married.

We had a very young couple, Hubert and Min Joo Kim, come to visit with us today. They live in Maryland. She is a teacher; he is an engineer. They have been married for 2 years, and they have a 1-year-old daughter named Isabelle, who is absolutely a precious child. But they are losing the ability to do some of the things they would like to do for Isabelle because they are paying a marriage tax penalty.

Earlier this year I met with Kervin and Marsha Johnson who live in Washington, DC. Kervin is a D.C. police officer. His wife is a Federal employee. They were married last July. This year, they paid almost $1,000 more in taxes because they chose to get married.

Mr. President, these are just a few of the 21 million American couples who are suffering from the marriage penalty tax. This is not just tax relief, this is a tax correction. This is correcting an inequity that I don't believe Congress ever intended. Congress did not intend to say: If you are a policeman and you make $30,000 a year, and you marry a schoolteacher who makes $30,000 a year, we want you to pay $1,400 more in taxes. I don't believe Congress ever intended that to happen.

I think it is time for Congress to correct this inequity. If we pass this, next year the vast majority of couples will get immediate tax relief as we increase the standard deduction. Beginning the year after next, we start the phased-in increase of the tax brackets.

We are going to be debating this bill today, and we are going to start voting on some amendments Monday night.

When we passed marriage tax penalty relief once before, the President vetoed the bill. He said he didn't like some of the other tax cuts that were in the bill. The President said in his State of the Union Message that he favored tax relief for American families. He has said he favors marriage tax penalty relief. He said: Send me those bills individually because then I can pick and choose. So we sent him individually the elimination of the earnings test on Social Security recipients. He signed that bill. Today, because Congress acted and the President signed the bill, a person who receives Social Security benefits can work as much or as little as he or she wants to work. There will be no penalty. There will be no earnings test. We have opened the doors to hundreds of thousands of our senior citizens who would like to earn extra income.

Today we passed the elimination of the death tax. It is going to the President because we believe the American dream does not have fences. We believe the American dream is, if you come to America, you will have the freedom to succeed, and it will not be dependent on who your grandfather was. It will be dependent on you. If you want to work hard and give your children a better chance than you had, we want you to be able to keep the fruits of your labors and give your children that chance.

We have passed that. We have sent it to the President. We hope the President will sign that bill. Now we have marriage penalty relief. This is the marriage penalty relief for middle-income people who do not have the ability to make the choice not to get married because they want to start a family, and they want their children to grow up in a healthy, wholesome atmosphere. They don't have that choice because our tax code punishes them for doing so.

We are going to correct this inequity. We are going to pass marriage penalty relief. We are going to do what the President asked us to do; that is, send him the bill by itself. I hope he will sign it so we can give marriage penalty relief to hard-working American families.

I will close and ask that we hear from Senator BROWNBACK from Kansas, who has been the lead cosponsor of marriage penalty relief. We have worked for years side by side, along with Senator ABRAHAM, Senator ASHCROFT, Senator GRAMS, and my colleague, Senator GRAMM, to see this come to a successful conclusion.

I hope we can give the middle-income people of our country—people in the 15-percent bracket, the people in the 28-percent bracket, and people who get earned-income tax credits—more of the relief they deserve because I reject the argument that tax relief is spending money. Tax relief is spending money only if you think the Government has a right to the money you earned, and I don't think the Government does. I think the people who earn the money are entitled to that money. Tax relief is not spending money because the Government doesn't own the money that is earned by the hard-working people of this country. We want them to keep more of it. That is the bottom line in this debate.

I would like to yield the floor to the Senator from Kansas.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mr. BROWNBACK. Mr. President, I thank the chairman of the Finance Committee, Chairman ROTH, who has done an outstanding job of getting this bill to this point. We are going to get this to the President. The President is going to have the opportunity to sign it and provide relief to over 20 million American couples.

The Senator from Massachusetts argued earlier that we haven't done anything for the vast majority of Americans this week. I disagree heartily with that. But he can certainly join us on this one.

We have over 20 million American couples, 40 million people—if you count family members affected by this issue, it is far more than that—who are going to be affected right now by this tax.

My comments are not long. They are simple and to the point.

There is an iron rule of government: If you want less of something, tax it; if you want more of something, subsidize it. We are taxing marriage, and we are getting less of it. That is hurting our families, and it is hurting our children.

We are taxing marriage to the tune of about $1,400 per couple per year. The tax is applied to 21 million American couples. We have seen a decline in the number of marriages from 1960 to 1996—about 40 percent during that period of time. I am not saying that is all associated with the marriage penalty. It is not. But, clearly, we are sending a signal across the country that we are for family values, but not really. We are going to go ahead and tax the very fundamental institution in which families do the most, and do their best. We are going to tax the fundamental institution around which families are built; that is the marriage. We are going to tax it significantly—$1,400 per married couple across America.

When you tax things, you get less of it. You can see what is taking place in the number of couples who are affected in this country.

In Kansas, we have nearly 260,000 married couples affected by the marriage penalty. You can see it in States as large as Texas with 1.75 million. You can see it in States such as New York with 1.5 million; States such as Massachusetts where 600,000 couples are taxed by this.

I certainly don't consider it spending money when you allow people to keep a little bit more of their own money, particularly when you have such an unfair tax as the one on marriage. It is one of those institutions that we should not be taxing, and yet we are.

The Senator from Texas and the Senator from Delaware hit the fundamentals of the bill—expanding the tax brackets in the 15- and 28-percent bracket, doubling the standard deduction to be able to take care of this, and the EITC credit as well—because the marriage penalty occurs in about 66 different places in the Tax Code. We are taking care of the biggest areas. But there are still some other areas we are trying to take care of as well.

I want to directly hit something that has been raised by some of my colleagues on the other side of the aisle, that we are somehow providing too much benefit to married couples. One of the Democrat proposals pushed around would actually put in place a homemaker penalty, where you would tax a couple if one decides to stay at home and take care of the family. One of the Democrat proposals would make families with one earner and one stay-at-home spouse pay higher taxes than families with the same household income and two earners; thus, putting in place a stay-at-home spouse penalty; a homemaker penalty.

Why would we discriminate against families who would decide to make the very difficult choice of one working outside of the home, one staying at home to take care of older members of the family, and younger members of the family to do other things around the community? Why would we want to penalize that type of situation and create that stay-at-home spouse penalty? I don't understand why that would be something we would want to do. Yet it is being bandied about that that is one of the amendments supported by our colleagues on the other side of the aisle.

I want to note, too, that the fundamentals of this are pretty simple and pretty stark as well. I have another chart to point that out. You can look at this as a typical couple getting married. They wanted to get married. We encourage this. This is a good thing, building families. It is a good thing for family values.

We have a first-year teacher making $27,000 of annual income. We have a rookie police officer with $29,698 of annual income. Individually we can see what they would pay in taxes: $3,030 for her; $3,434 for him. Yet if you put them together in a joint return, if you encourage them to get married and say we want you to build a family, we want you to build it within this construction of a marriage, this sacred union between man and woman, they say, OK, but our tax bill to do this—look, they are not making lots of money here: $27,500 for a first-year teacher, $29,000 for a rookie cop—at the Federal level is an additional $638.44.

Some say that is not a lot of money; they ought to pay it. Look at what they are making. They need to have this money if they are going to be able to do anything as a young couple, to start building a home, build some equity, and start a family. That is why this tax strikes so many people and why public opinion polls across the country say this is one tax people want removed.

Then we get letters. We get all sorts of letters. The Senator from Texas read some letters she received. I receive them. A number of Senators do.

This one is from Mark in Salina, KS, writing to urge us to reduce the marriage penalty. He says:

> Two single people that choose to get married must not pay more tax than two people who choose not to do so. That is a penalty for getting married. Correcting this problem is not "cutting taxes." It is merely restoring them back to the way they were before the couple joined in marriage. Thus it is not a tax cut. It is the correction of the penalty for getting married. Please do the right thing.

The right thing clearly is passing this bill. The right thing for the President to do is sign this bill into law.

I have this letter from Thomas, from Hilliard, OH:

> No person who legitimately supports family values could be against this bill. The marriage penalty is but another example of how in the past 40 years the Federal Government has enacted policies that have broken down the fundamental institutions that were the strength of this country from the start.

This gentleman has hit on a couple of things. One, it is not a fair tax in the first place; it is something we ought to do away with. He even looks deeper and says, Is the Federal Government really trying to harm one of our fundamental institutions, as a country? Is that really the signal the Federal Government is sending me? Is that what they want to do? Yet a lot of people looking at the Government today actually believe that is the case, that the Government is trying to break down some of these fundamental institutions in our country around which we build our values and on which we build our Nation.

Here is another one from Jerry Fishbein, Pennsylvania. He writes:

My wife and I have actually discussed the possibility of obtaining a divorce—something neither of us wants or believes in, especially myself . . . simply because my family cannot afford to pay the price [of the marriage penalty tax.]

We have had much debate on this issue. I am not going to keep that going on the floor. I think this is a clear choice. We should pass the marriage penalty elimination. We should not put in place a homemaker penalty within this bill. We should provide this relief to over 20 million American couples.

The President of the United States and his administration should sign this bill into law. We will pass this in the Senate. If it is passed in the House, the only thing that stands in the way of this bill is the President of the United States and his administration. I ask them, do they really want to send a signal to the American population that they don't value marriage; That they think it should be taxed so we get less of it? Is that really the signal they want to send?

I hope they will not and that the President will sign this into law.

### AMENDMENT NO. 3849

(Purpose: To provide tax relief for farmers, and for other purposes)

Mr. BROWNBACK. Mr. President, I have an amendment. I send it to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Kansas [Mr. BROWNBACK] proposes an amendment numbered 3849.

Mr. BROWNBACK. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. BROWNBACK. Mr. President, this is an amendment I want to get into the mix. I would like it to be brought up and considered on Monday. It deals with a number of issues that are affecting CRP payments. I submit it for consideration, and I ask it be considered at the proper time. I ask now it be set aside for other business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROWNBACK. Mr. President, this is the right time and the right place. We have the wherewithal; we have the ability; we have the need to do this. This body should pass this bill. The President should sign this bill into law and eliminate the marriage penalty tax.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I have a number of amendments I am going to send to the desk.

### AMENDMENT NO. 3850

Mr. REID. I send to the desk, first, an amendment on behalf of Senator DURBIN and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Mr. DURBIN, proposes an amendment numbered 3850.

Mr. REID. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To amend the Internal Revenue Code of 1986 to increase the deduction for health insurance costs of self-employed individuals, and for other purposes)

At the end, add the following:

**SEC. . DEDUCTION FOR HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS INCREASED.**

(a) IN GENERAL.—Section 162(*l*)(1) of the Internal Revenue Code of 1986 (relating to special rules for health insurance costs of self-employed individuals) is amended to read as follows:

"(1) ALLOWANCE OF DEDUCTION.—In the case of an individual who is an employee within the meaning of section 401(c)(1), there shall be allowed as a deduction under this section an amount equal to the amount paid during the taxable year for insurance which constitutes medical care for the taxpayer, the taxpayer's spouse, and dependents.".

(c) EFFECTIVE DATE.—The amendment made by this section applies to taxable years beginning after December 31, 2000.

Mr. ROTH. Mr. President, I make a point of order a quorum is not present.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

### AMENDMENT NO. 3851 TO AMENDMENT NO. 3850

Mr. ROTH. Mr. President, I send to the desk an amendment in the second degree on behalf of Senator BOND, to the amendment offered on behalf of Senator DURBIN.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Delaware [Mr. ROTH], for Mr. BOND, proposes an amendment numbered 3851.

Mr. ROTH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike all after the first word, and insert the following:

**1. SHORT TITLE.**

This Act may be cited as the "Self-Employed Health Insurance Fairness Act of 1999".

**SEC. . DEDUCTION FOR HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS INCREASED.**

(a) IN GENERAL.—Section 162(l)(1) of the Internal Revenue Code of 1986 (relating to special rules for health insurance costs of self-employed individuals) is amended to read as follows:

"(1) ALLOWANCE OF DEDUCTION.—In the case of an individual who is an employee within the meaning of section 401(c)(1), there shall be allowed as a deduction under this section an amount equal to the amount paid during the taxable year for insurance which constitutes medical care for the taxpayer, the taxpayer's spouse, and dependents."

(b) CLARIFICATION OF LIMITATIONS ON OTHER COVERAGE.—The first sentence of section 162(l)(2)(B) of the Internal Revenue Code of 1986 is amended to read as follows: "Paragraph (1) shall not apply to any taxpayer for any calendar month for which the taxpayer participates in any subsidized health plan maintained by any employer (other than an employer described in section 401(c)(4)) of the taxpayer or the spouse of the taxpayer."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1999.

Mr. REID. Mr. President, we yield back our time on this amendment.

Mr. ROTH. We yield back our time on the amendment.

### AMENDMENT NO. 3852

Mr. REID. Mr. President, I send a second amendment to the desk for Senator DURBIN.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Mr. DURBIN, proposes an amendment numbered 3852.

Mr. REID. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To amend the Internal Revenue Code of 1986 to allow small business employers a credit against income tax for employee health insurance expenses paid or incurred by the employer)

At the end, add the following:

**SEC. . CREDIT FOR EMPLOYEE HEALTH INSURANCE EXPENSES.**

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to business-related credits) is amended by adding at the end the following:

**"SEC. 45D. EMPLOYEE HEALTH INSURANCE EXPENSES.**

"(a) GENERAL RULE.—For purposes of section 38, in the case of a small employer, the employee health insurance expenses credit determined under this section is an amount equal to the applicable percentage of the amount paid by the taxpayer during the taxable year for qualified employee health insurance expenses.

"(b) APPLICABLE PERCENTAGE.—For purposes of subsection (a)—

"(1) IN GENERAL.—Except as provided in paragraph (2), the applicable percentage is equal to—

"(A) 25 percent in the case of self-only coverage, and

"(B) 35 percent in the case of family coverage (as defined in section 220(c)(5)).

"(2) FIRST YEAR COVERAGE.—

"(A) IN GENERAL.—In the case of first year coverage, paragraph (1) shall be applied by substituting '60 percent' for '25 percent' and '70 percent' for '35 percent'.

"(B) FIRST YEAR COVERAGE.—For purposes of subparagraph (A), the term 'first year coverage' means the first taxable year in which the small employer pays qualified employee health insurance expenses but only if such small employer did not provide health insurance coverage for any qualified employee during the 2 taxable years immediately preceding the taxable year.

"(c) PER EMPLOYEE DOLLAR LIMITATION.—The amount of qualified employee health insurance expenses taken into account under subsection (a) with respect to any qualified employee for any taxable year shall not exceed—

"(1) $1,800 in the case of self-only coverage, and

"(2) $4,000 in the case of family coverage (as so defined).

"(d) DEFINITIONS.—For purposes of this section—

"(1) SMALL EMPLOYER.—

"(A) IN GENERAL.—The term 'small employer' means, with respect to any calendar year, any employer if such employer employed an average of 9 or fewer employees on business days during either of the 2 preceding calendar years. For purposes of the preceding sentence, a preceding calendar year may be taken into account only if the employer was in existence throughout such year.

"(B) EMPLOYERS NOT IN EXISTENCE IN PRECEDING YEAR.—In the case of an employer which was not in existence throughout the 1st preceding calendar year, the determination under subparagraph (A) shall be based on the average number of employees that it is reasonably expected such employer will employ on business days in the current calendar year.

"(2) QUALIFIED EMPLOYEE HEALTH INSURANCE EXPENSES.—

"(A) IN GENERAL.—The term 'qualified employee health insurance expenses' means any amount paid by an employer for health insurance coverage to the extent such amount is attributable to coverage provided to any employee while such employee is a qualified employee.

"(B) EXCEPTION FOR AMOUNTS PAID UNDER SALARY REDUCTION ARRANGEMENTS.—No amount paid or incurred for health insurance coverage pursuant to a salary reduction arrangement shall be taken into account under subparagraph (A).

"(C) HEALTH INSURANCE COVERAGE.—The term 'health insurance coverage' has the meaning given such term by section 9832(b)(1).

"(3) QUALIFIED EMPLOYEE.—

"(A) IN GENERAL.—The term 'qualified employee' means, with respect to any period, an employee of an employer if the total amount of wages paid or incurred by such employer to such employee at an annual rate during the taxable year exceeds $5,000 but does not exceed $16,000.

"(B) TREATMENT OF CERTAIN EMPLOYEES.—For purposes of subparagraph (A), the term 'employee'—

"(i) shall not include an employee within the meaning of section 401(c)(1), and

"(ii) shall include a leased employee within the meaning of section 414(n).

"(C) WAGES.—The term 'wages' has the meaning given such term by section 3121(a) (determined without regard to any dollar limitation contained in such section).

"(D) INFLATION ADJUSTMENT.—

"(i) IN GENERAL.—In the case of any taxable year beginning in a calendar year after 2000, the $16,000 amount contained in subparagraph (A) shall be increased by an amount equal to—

"(I) such dollar amount, multiplied by

"(II) the cost-of-living adjustment under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 1999' for 'calendar year 1992' in subparagraph (B) thereof.

"(ii) ROUNDING.—If any increase determined under clause (i) is not a multiple of $100, such amount shall be rounded to the nearest multiple of $100.

"(e) CERTAIN RULES MADE APPLICABLE.—For purposes of this section, rules similar to the rules of section 52 shall apply.

"(f) DENIAL OF DOUBLE BENEFIT.—No deduction or credit under any other provision of this chapter shall be allowed with respect to qualified employee health insurance expenses taken into account under subsection (a)."

(b) CREDIT TO BE PART OF GENERAL BUSINESS CREDIT.—Section 38(b) of the Internal Revenue Code of 1986 (relating to current year business credit) is amended by striking "plus" at the end of paragraph (11), by striking the period at the end of paragraph (12) and inserting ", plus", and by adding at the end the following:

"(13) the employee health insurance expenses credit determined under section 45D."

(c) NO CARRYBACKS.—Subsection (d) of section 39 of the Internal Revenue Code of 1986 (relating to carryback and carryforward of unused credits) is amended by adding at the end the following:

"(9) NO CARRYBACK OF SECTION 45D CREDIT BEFORE EFFECTIVE DATE.—No portion of the unused business credit for any taxable year which is attributable to the employee health insurance expenses credit determined under section 45D may be carried back to a taxable year ending before the date of the enactment of section 45D."

(d) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following:

"Sec. 45D. Employee health insurance expenses."

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred in taxable years beginning after the date of the enactment of this Act.

### AMENDMENT NO. 3853

Mr. REID. Mr. President, I send an amendment to the desk for Senator ROBB, Senator GRAHAM, and Senator KENNEDY, and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the previous amendment is set aside. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Mr. ROBB, for himself, Mr. GRAHAM, and Mr. KENNEDY, proposes an amendment numbered 3853.

Mr. REID. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To make the bill effective upon enactment of a Medicare prescription drug benefit)

At the end of the bill, insert the following:

**SEC. . EFFECTIVE DATE.**

Notwithstanding any other provision of this Act or amendment made by this Act, no such provision or amendment shall take effect until legislation has been enacted that provides a voluntary, affordable outpatient Medicare prescription drug benefit to all Medicare beneficiaries that guarantees meaningful, stable coverage, including stop-loss and low-income protections.

Mr. KENNEDY. Mr. President, the need for action by Congress on prescription drug coverage for senior citizens is as clear as it is urgent. Medicare is a specific contract between the people and their government. It says, "Work hard, pay into the trust fund during your working years, and you will have health security in your retirement years." But that promise is being broken today and every day, because Medicare does not cover prescription drugs.

This amendment is about priorities. The Republican marriage penalty relief proposal is little more than a fig leaf for a package of other tax breaks for the wealthy. I am all for marriage penalty relief. I am all for providing targeted tax relief to working families. But that's not what's at stake here.

This amendment simply says that marriage penalty relief shall not take effect until legislation has been enacted that provides a voluntary, affordable outpatient Medicare prescription drug benefit to all Medicare beneficiaries which that guarantees meaningful, stable coverage, including stop-loss and low-income protections.

Too many elderly Americans today must choose between food on the table and the medicine they need to stay healthy or to treat their illnesses. Too many senior citizens take half the pills their doctor prescribes, or don't even fill needed prescriptions at all—because they can't afford the high cost of prescription drugs.

Too many seniors are paying twice as much as they should for the drugs they need, because they are forced to pay full price, while almost everyone with a private insurance policy benefits from negotiated discounts. Too many seniors are ending up hospitalized—at immense cost to Medicare—because they aren't receiving the drugs they need to treat their illness. Pharmaceutical products are increasingly the source of miracle cures for a host of dread diseases, but senior citizens are being left out and left behind because Congress fails to act.

The crisis that senior citizens face today will only worsen if we refuse to act, because insurance coverage continues to go down, and drug costs continue to go up.

Twelve million senior citizens—one third of the total—have no prescription drug coverage at all. Surveys indicate that only half of all senior citizens—20 million—have any prescription drug coverage throughout the year. Insurance through employer retirement plans is plummeting. Medicare HMOs are drastically cutting back. Medigap plans are priced out of reach of most elderly Americans. The only senior citizens who have stable, reliable, affordable drug coverage are the very poor on Medicaid.

Prescription drug costs are out of control. Since 1996, costs have grown at double-digit rates every year. Last year, the increase was an unacceptable 16 percent, at a time when the increase in the CPI was only 2.7 percent. Access to affordable prescription drugs has become a crisis for many elderly Americans

In the face of this declining coverage and soaring cost, more and more senior citizens are being hurt. The vast majority of the elderly are of moderate means. They cannot possibly afford to purchase the prescription drugs they need if serious illness strikes. Fifty-seven percent of senior citizens have incomes below $15,000 a year, and 78 percent have incomes below $25,000. Only 7 percent have annual incomes in excess of $50,000. The older they are, the more likely they are to be in poor health and the more likely they are to have very limited income to meet their health needs.

Their current situation on prescription drugs is intolerable. Senior citizens and their families are asking for help and they deserve it. The Senate has an obligation to respond.

Few if any issues facing this Congress are more important than giving the nation's senior citizens the health security they have been promised. The promise of Medicare will not be fulfilled until Medicare protects senior citizens against the high cost of prescription drugs, in the same way that it protects them against the high cost of hospital and doctor care.

President Clinton called for prescription drug coverage under Medicare in his 1999 State of the Union Message more than 18 months ago but the Senate still has failed to act. The legislation passed by the Republican majority in the House can't pass the truth in advertising test.

It is not a true Medicare benefit—and it won't give senior citizens the stable, affordable, adequate prescription drug benefit they deserve.

The Senate Finance Committee is discussing a new prescription drug proposal but it requires senior citizens to give up their current benefits and accept greater out-of-pocket costs that they cannot afford as the price for gaining prescription drug coverage.

The amendment we are proposing is a clear statement of priorities. It says that prescription drug coverage for the Nation's senior citizens is as important as new tax breaks.

Let's get our priorities straight. Let's meet this pressing need. Let's give senior citizens a real prescription drug benefit under Medicare. Let's put the Senate on record in support of mending Medicare's broken promise, and telling America's senior citizens that they are as important as working families and others who would benefit from this tax bill.

Mr. REID. I ask the amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3854

(Purpose: To ensure that children enrolled in the Medicaid program at highest risk for lead poisoning are identified and treated)

Mr. REID. Mr. President, I send an amendment to the desk on behalf of Senator TORRICELLI.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Mr. TORRICELLI, for himself and Mr. REED, proposes an amendment numbered 3854.

Mr. REID. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. REID. Mr. President, I rise to introduce an amendment on behalf of Senators REED of Rhode Island and TORRICELLI that would enhance Medicaid coverage for childhood lead poisoning screening.

The Reed-Torricelli amendment is concerned about lead testing because, despite federal screening requirements for kids enrolled in Medicaid, many children are not getting tested.

Lead poisoning attacks a child's nervous system and can cause seizures, brain damage, comas, and even death.

The threat of lead poisoning is particularly great for those least able to confront it—our nation's poor children.

This is why in 1992 Congress required states to test every Medicaid recipient under age two for lead.

These children are 5 times more likely to have high blood levels.

Disturbingly, however, this federal law is being ignored.

A recent GAO study found that two-thirds of children on Medicaid have never been screened for lead.

For whatever reason, insufficient outreach, lax government oversight or parental ignorance, too many kids are not getting screened.

Therefore, the Reed-Torricelli amendment seeks to improve the lead screening rates for children enrolled in Medicaid.

(1) Guarantee's that Medicaid contracts explicitly require health care providers to adhere to federal rules for screening and treatment.

(2) Requires states to report to the federal government the number of children on Medicaid being tested.

(3) Expands Medicaid coverage to include treatment for lead poisoning and for environmental investigations to determine its sources.

Mr. REID. I ask unanimous consent the amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3855

Mr. REID. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID] on behalf of Mr. TORRICELLI, proposes an amendment numbered 3855.

Mr. REID. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To amend the Social Security Act to waive the 24-month waiting period for medicare coverage of individuals disabled with amyotrophic lateral sclerosis (ALS))

At the end of the bill, add the following:

**SEC. 7. WAIVER OF 24-MONTH WAITING PERIOD FOR MEDICARE COVERAGE OF INDIVIDUALS DISABLED WITH AMYOTROPHIC LATERAL SCLEROSIS (ALS).**

(a) In General.—Section 226 of the Social Security Act (42 U.S.C. 426) is amended—

(1) by redesignating subsection (h) as subsection (j) and by moving such subsection to the end of the section; and

(2) by inserting after subsection (g) the following:

"(h) For purposes of applying this section in the case of an individual medically determined to have amyotrophic lateral sclerosis (ALS), the following special rules apply:

"(1) Subsection (b) shall be applied as if there were no requirement for any entitlement to benefits, or status, for a period longer than 1 month.

"(2) The entitlement under such subsection shall begin with the first month (rather than twenty-fifth month) of entitlement or status.

"(3) Subsection (f) shall not be applied.".

(b) Conforming Amendment.—Section 1837 of such Act (42 U.S.C. 1395p) is amended by adding at the end the following:

"(j) In applying this section in the case of an individual who is entitled to benefits under part A pursuant to the operation of section 226(h), the following special rules apply:

"(1) The initial enrollment period under subsection (d) shall begin on the first day of the first month in which the individual satisfies the requirement of section 1836(1).

"(2) In applying subsection (g)(1), the initial enrollment period shall begin on the first day of the first month of entitlement to disability insurance benefits referred to in such subsection.".

(c) Effective Date.—The amendments made by this section shall apply to benefits for months beginning after the date of the enactment of this Act.

Mr. REID. Mr. President, I rise to introduce an amendment on behalf of Senator Torricelli that strives to improve the lives of patients with ALS, better known as the disease that struck down the famed Yankee Lou Gehrig.

First diagnosed over 130 years ago, ALS is a fatal neurological disorder that usually strikes individuals over 50 years old. Each year, 5,000 new cases are diagnosed; an estimated 300,000 Americans alive today will die of ALS. Life expectancy is only 3 to 5 years and the financial costs to families can be up to $200,000 a year.

Yet despite the rapid onset of symptoms and the extremely short life-expectancy, patients with ALS must endure a 24-month waiting period before receiving Medicare services.

Senator Torricelli's amendment will eliminate the 24-month waiting period so that patients will no longer need to wait until the final months of their illness to receive the care they need upon diagnosis.

This proposal is based on the legislation introduced by Senator Torricelli in 1998 and has achieved the bi-partisan support of 27 co-sponsors.

Mr. REID. I ask unanimous consent the amendment be set aside.

### AMENDMENT NO. 3856

Mr. REID. Mr. President, I send an amendment to the desk on behalf of Senator Torricelli.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. Reid], for Mr. Torricelli, proposes an amendment numbered 3856.

Mr. REID. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To amend the Internal Revenue Code of 1986 to lower the adjusted gross income threshold for deductible disaster casualty losses to 5 percent, to make such deduction an above-the-line deduction, to allow an election to take such deduction for the preceding or succeeding year, and to eliminate the marriage penalty for individuals suffering casualty losses)

At the end, add the following:

**SEC. ___. MODIFICATIONS TO DISASTER CASUALTY LOSS DEDUCTION.**

(a) Lower Adjusted Gross Income Threshold.—Paragraph (2) of section 165(h) of the Internal Revenue Code of 1986 (relating to treatment of casualty gains and losses) is amended—

(1) by striking subparagraph (A) and inserting the following:

"(A) In general.—If the personal casualty losses for any taxable year exceed the personal casualty gains for such taxable year, such losses shall be allowed for the taxable year only to the extent of the sum of—

"(i) the amount of the personal casualty gains for the taxable year, plus

"(ii) so much of such excess attributable to losses described in subsection (i) as exceeds 5 percent of the adjusted gross income of the individual (determined without regard to any deduction allowable under subsection (c)(3))", plus

"(iii) so much of such excess attributable to losses not described in subsection (i) as exceeds 10 percent of the adjusted gross income of the individual.

For purposes of this subparagraph, personal casualty losses attributable to losses not described in subsection (i) shall be considered before such losses attributable to losses described in subsection (i).", and

(2) by striking "10 PERCENT" in the heading and inserting "PERCENTAGE".

(b) Above-the-Line Deduction.—Section 62(a) of the Internal Revenue Code of 1986 (defining adjusted gross income) is amended by inserting after paragraph (17) the following:

"(18) Certain disaster losses.—The deduction allowed by section 165(c)(3) to the extent attributable to losses described in section 165(i)."

(c) Election To Take Disaster Loss Deduction for Preceding or Succeeding 2 Years.—Paragraph (1) of section 165(i) of the Internal Revenue Code of 1986 (relating to disaster losses) is amended—

(1) by inserting "or succeeding" after "preceding", and

(2) by inserting "OR SUCCEEDING" after "PRECEDING" in the heading.

(d) Elimination of Marriage Penalty for Individuals Suffering Casualty Losses.—Subparagraph (B) of section 165(h)(4) of the Internal Revenue Code of 1986 (relating to special rules) is amended to read as follows:

"(B) Joint returns.—For purposes of this subsection—

"(i) In general.—Except as provided in clause (ii), a husband and wife making a joint return for the taxable year shall be treated as 1 individual.

"(ii) Election.—A husband and wife may elect to have each be treated as a single individual for purposes of applying this section. If an election is made under this clause, the adjusted gross income of each individual shall be determined on the basis of the items of income and deduction properly allocable to the individual, as determined under rules prescribed by the Secretary."

(e) Effective Date.—The amendments made by this section shall apply to losses sustained in taxable years beginning after December 31, 1998.

Mr. REID. Mr. President, on behalf of Senator Torricelli, I would like to offer the following amendment which seeks to ease the tax burden on those Americans who have suffered or will suffer from natural disasters.

This amendment agrees with the notion that rebuilding a community in the wake of a natural disaster is an enormous task. The Senator's amendment builds on this idea by stating that a heavy income tax burden should not be one of those obstacles to recovery.

Current tax law stipulates that taxpayers can only deduct those losses that exceed 10 percent of their income. Furthermore, the requirements only allow those taxpayers who itemize their returns to deduct their losses.

Given that only a quarter of all taxpayers itemize their returns, this means that these restrictive provisions disqualify many Americans who could benefit from this deduction. This legislation removes these barriers.

First, this amendment would lower the income threshold for disaster loss deductions from 10 percent to 5 percent.

Secondly, this provision would make these deductions "above the line" enabling the majority of non-itemizing tax payers to claim this deduction.

This amendment would also eliminate the marriage penalty a couple incurs when they deduct their uninsured disaster losses as joint filers by allowing married couples to claim their disaster losses as single filers in order to fully deduct their uninsured disaster losses.

Finally, it would allow taxpayers to defer their deduction for a period of up to two years or claim losses that have occurred two years previously.

Senator Torricelli's amendment believes that those who rebuild their lives in the wake of a disaster should not have to overcome a heavy tax burden in order to recover. This provision will help ensure that this is not the case.

Mr. REID. Mr. President, I ask unanimous consent that the amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

### AMENDMENT NO. 3857

Mr. REID. Mr. President, I send an amendment to the desk on behalf of Senator TORRICELLI.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Mr. TORRICELLI, proposes an amendment numbered 3857.

Mr. REID. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To amend the Internal Revenue Code of 1986 to eliminate the marriage penalty for individuals suffering casualty losses)

At the end, add the following:

**SEC. ____ . ELIMINATION OF MARRIAGE PENALTY FOR INDIVIDUALS SUFFERING CASUALTY LOSSES.**

(a) IN GENERAL.—Subparagraph (B) of section 165(h)(4) of the Internal Revenue Code of 1986 (relating to special rules) is amended to read as follows:

"(B) JOINT RETURNS.—For purposes of this subsection—

"(i) IN GENERAL.—Except as provided in clause (ii), a husband and wife making a joint return for the taxable year shall be treated as 1 individual.

"(ii) ELECTION.—A husband and wife may elect to have each be treated as a single individual for purposes of applying this section. If an election is made under this clause, the adjusted gross income of each individual shall be determined on the basis of the items of income and deduction properly allocable to the individual, as determined under rules prescribed by the Secretary."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to losses sustained in taxable years beginning after December 31, 1998.

Mr. REID. Mr. President, on behalf of Senator TORRICELLI, I would like to offer an amendment which seeks to correct the current marriage penalty on those couples who deduct their disaster losses.

Whenever a married couple with joint filing status seek to deduct their losses incurred from a natural disaster, they find that their deduction is significantly less than it would be if they claimed their losses as single filers.

This amendment seeks to rectify this inequity, by allowing joint filers to claim single filing status in order to deduct their disaster losses, so that they can enjoy the deduction that they are entitled to.

Mr. REID. Mr. President, I ask unanimous consent that the amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

### AMENDMENT NO. 3858

(Purpose: To amend the Internal Revenue Code of 1986 to allow a credit to holders of qualified bonds issued by Amtrak, and for other purposes)

Mr. REID. Mr. President, I send an amendment to the desk on behalf of Senator FRANK LAUTENBERG.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Mr. LAUTENBERG, proposes an amendment numbered 3858.

Mr. REID. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. REID. Mr. President, I ask unanimous consent that the amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

### AMENDMENT NO. 3859

Mr. REID. Mr. President, I send an amendment to the desk on behalf of Senator MAX CLELAND.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Mr. CLELAND, proposes an amendment numbered 3859.

Mr. REID. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To amend the Internal Revenue Code of 1986 to exclude United States savings bond income from gross income if used to pay long-term care expenses)

At the end, add the following:

**SEC. ____ . EXCLUSION OF UNITED STATES SAVINGS BOND INCOME FROM GROSS INCOME IF USED TO PAY LONG-TERM CARE EXPENSES.**

(a) IN GENERAL.—Subsection (a) of section 135 of the Internal Revenue Code of 1986 (relating to income from United States savings bonds used to pay higher education tuition and fees) is amended to read as follows:

"(a) EXCLUSION.—

"(1) GENERAL RULE.—In the case of an individual who pays qualified expenses during the taxable year, no amount shall be includible in gross income by reason of the redemption during such year of any qualified United States savings bond.

"(2) QUALIFIED EXPENSES.—For purposes of this section, the term 'qualified expenses' means—

"(A) qualified higher education expenses, and

"(B) eligible long-term care expenses.".

(b) LIMITATION WHERE REDEMPTION PROCEEDS EXCEED QUALIFIED EXPENSES.—Section 135(b)(1) of the Internal Revenue Code of 1986 (relating to limitation where redemption proceeds exceed higher education expenses) is amended—

(1) by striking "higher education" in subparagraph (A)(ii), and

(2) by striking "HIGHER EDUCATION" in the heading thereof.

(c) ELIGIBLE LONG-TERM CARE EXPENSES.—Section 135(c) of the Internal Revenue Code of 1986 (relating to definitions) is amended by redesignating paragraph (4) as paragraph (5) and by inserting after paragraph (3) the following new paragraph:

"(4) ELIGIBLE LONG-TERM CARE EXPENSES.—The term 'eligible long-term care expenses' means qualified long-term care expenses (as defined in section 7702B(c)) and eligible long-term care premiums (as defined in section 213(d)(10)) of—

"(A) the taxpayer,

"(B) the taxpayer's spouse, or

"(C) any dependent of the taxpayer with respect to whom the taxpayer is allowed a deduction under section 151.".

(d) ADJUSTMENTS.—Section 135(d) of the Internal Revenue Code of 1986 (relating to special rules) is amended by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively, and by inserting after paragraph (2) the following new paragraph:

"(3) ELIGIBLE LONG-TERM CARE EXPENSE ADJUSTMENTS.—The amount of eligible long-term care expenses otherwise taken into account under subsection (a) with respect to an individual shall be reduced (before the application of subsection (b)) by the sum of—

"(A) any amount paid for qualified long-term care services (as defined in section 7702B(c)) provided to such individual and described in section 213(d)(11), plus

"(B) any amount received by the taxpayer or the taxpayer's spouse or dependents for the payment of eligible long-term care expenses which is excludable from gross income.".

(e) COORDINATION WITH DEDUCTIONS.—

(1) Section 213 of the Internal Revenue Code of 1986 (relating to medical, dental, etc., expenses) is amended by adding at the end the following new subsection:

"(f) COORDINATION WITH SAVINGS BOND INCOME USED FOR EXPENSES.—Any expense taken into account in determining the exclusion under section 135 shall not be treated as an expense paid for medical care.".

(2) Section 162(l) of such Code (relating to special rules for health insurance costs of self-employed individuals) is amended by adding at the end the following new paragraph:

"(6) COORDINATION WITH SAVINGS BOND INCOME USED FOR EXPENSES.—Any expense taken into account in determining the exclusion under section 135 shall not be treated as an expense paid for medical care.".

(f) CLERICAL AMENDMENTS.—

(1) The heading for section 135 of the Internal Revenue Code of 1986 is amended by inserting "**and long-term care expenses**" after "**fees**".

(2) The item relating to section 135 in the table of sections for part III of subchapter B of chapter 1 of such Code is amended by inserting "and long-term care expenses" after "fees".

(g) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

Mr. CLELAND. Mr. President, the Cleland Savings Bond Tax-Exemption for Long-Term Care Services Amendment would exclude United States savings bond income from being taxed if used to pay for long-term health care expenses. This bill will assist individuals struggling to accommodate costs associated with many chronic medical conditions and the aging process. A staggering 5.8 million Americans are afflicted with the financial burdens of long-term care.

My bill proposes a tax credit for individuals who are limited in daily activities or have a comparable cognitive impairment. Providing a tax credit for families paying for long-term health care will help alleviate the financial burdens for one of the fastest growing health care expenses. Federal and state spending for nursing home care and home care continues to skyrocket. Current estimates forecast that in the next 30 years, half of all women and a third of all men in the United States will spend a portion of their life in a nursing home at cost of $40,000 to $90,000 per year per person.

My legislation will assist families by: providing a tax credit for savings bonds used to pay for long-term care, and allowing families to use their savings bond assets to face the dual challenge of paying for long-term care services and higher education expenses.

I urge you to support proposal to provide tax relief to Americans burdened by the financial constraints on providing long-term care and higher education expenses.

Mr. REID. Mr. President, I ask unanimous consent that the amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

### AMENDMENT NO. 3860

Mr. REID. Mr. President, I send an amendment to the desk on behalf of Senator MAX CLELAND.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Mr. CLELAND, proposes an amendment numbered 3860.

Mr. REID. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To amend the Internal Revenue Code of 1986 to expand the enhanced deduction for corporate donations of computer technology to public libraries and community centers)

At the end, add the following:

**SEC. . ENHANCED DEDUCTION FOR CORPORATE DONATIONS OF COMPUTER TECHNOLOGY TO PUBLIC LIBRARIES AND COMMUNITY CENTERS.**

(a) EXPANSION OF COMPUTER TECHNOLOGY DONATIONS TO PUBLIC LIBRARIES AND COMMUNITY CENTERS.—

(1) IN GENERAL.—Paragraph (6) of section 170(e) of the Internal Revenue Code of 1986 (relating to special rule for contributions of computer technology and equipment for elementary or secondary school purposes) is amended by striking "qualified elementary or secondary educational contribution" each place it occurs in the headings and text and inserting "qualified computer contribution".

(2) EXPANSION OF ELIGIBLE DONEES.—Subclause (II) of section 170(e)(6)(B)(i) of such Code (relating to qualified elementary or secondary educational contribution) is amended by striking "or" at the end of subclause (I) and by inserting after subclause (II) the following new subclauses:

"(III) a public library (within the meaning of section 213(2)(A) of the Library Services and Technology Act (20 U.S.C. 9122(2)(A)), as in effect on the date of the enactment of the Community Technology Assistance Act, established and maintained by an entity described in subsection (c)(1), or

"(IV) a nonprofit or governmental community center, including any center within which an after-school or employment training program is operated,".

(b) CONFORMING AMENDMENTS.—

(1) Section 170(e)(6)((B)(iv) of the Internal Revenue Code of 1986 is amended by striking "in any grades K–12".

(2) The heading of paragraph (6) of section 170(e) of such Code is amended by striking "ELEMENTARY OR SECONDARY SCHOOL PURPOSES" and inserting "EDUCATIONAL PURPOSES".

(c) EXTENSION OF DEDUCTION.—Section 170(e)(6)(F) of the Internal Revenue Code of 1986 (relating to termination) is amended by striking "December 31, 2000" and inserting "December 31, 2005".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions made after December 31, 2000.

Mr. REID. Mr. President, I ask unanimous consent that the amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

### AMENDMENT NO. 3861

Mr. ROTH. Mr. President, I send an amendment to the desk on behalf of Senator GRAMS.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Delaware [Mr. ROTH], for Mr. GRAMS, proposes an amendment numbered 3861.

Mr. ROTH. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To repeal the increase in tax on Social Security benefits)

At the end of the bill, add the following:

## TITLE VI—MISCELLANEOUS PROVISIONS

**SEC. 601. REPEAL OF INCREASE IN TAX ON SOCIAL SECURITY BENEFITS.**

(a) REPEAL OF INCREASE IN TAX ON SOCIAL SECURITY BENEFITS.—

(1) IN GENERAL.—Paragraph (2) of section 86(a) (relating to social security and tier 1 railroad retirement benefits) is amended by adding at the end the following new flush sentence:

"This paragraph shall not apply to any taxable year beginning after December 31, 2000."

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to taxable years beginning after December 31, 2000.

(b) REVENUE OFFSET.—The Secretary of the Treasury shall transfer, for each fiscal year, from the general fund in the Treasury to the Federal Hospital Insurance Trust Fund established under section 1817 of the Social Security Act (42 U.S.C. 1395i) an amount equal to the decrease in revenues to the Treasury for such fiscal year by reason of the amendment made by this section.

Mr. REID. Mr. President, I say to my friend from Delaware, we want to second degree this amendment. We cannot do that until all time is yielded back.

Mr. ROTH. I yield back the time.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask unanimous consent that we move on to other business and subsequently Senator ROTH and I will make a decision as to whether or not a second-degree amendment will be offered on our behalf and whether or not he wants to second degree our amendment. We will decide that at a subsequent time so we can complete our work.

The PRESIDING OFFICER. Without objection, it is so ordered.

### AMENDMENT NO. 3862

Mr. ROTH. Mr. President, on behalf of Senator ABRAHAM, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Delaware [Mr. ROTH], for Mr. ABRAHAM, proposes an amendment numbered 3862.

Mr. ROTH. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To express the sense of the Senate regarding the need to repeal the death tax and improve coverage of prescription drugs under the medicare program this year)

At the end of the Act, add the following:

## TITLE VI—MISCELLANEOUS

**SEC. 601. SENSE OF THE SENATE REGARDING COVERAGE OF PRESCRIPTION DRUGS UNDER THE MEDICARE PROGRAM.**

(a) FINDINGS.—The Senate makes the following findings:

(1) Projected on-budget surpluses for the next 10 years total $1,900,000,000,000, according to the President's mid-session review.

(2) Eliminating the death tax would reduce revenues by $104,000,000,000 over 10 years, leaving on-budget surpluses of $1,800,000,000,000.

(3) The medicare program established under title XVIII of the Social Security Act

(42 U.S.C. 1395 et seq.) faces the dual problem of inadequate coverage of prescription drugs and rapid escalation of program costs with the retirement of the baby boom generation.

(4) The concurrent resolution on the budget for fiscal year 2001 provides $40,000,000,000 for prescription drug coverage in the context of a reform plan that improves the long-term outlook for the medicare program.

(5) The Committee on Finance of the Senate currently is working in a bipartisan manner on reporting legislation that will reform the medicare program and provide a prescription drug benefit.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) on-budget surpluses are sufficient to both repeal the death tax and improve coverage of prescription drugs under the medicare program and Congress should do both this year; and

(2) the Senate should pass adequately funded legislation that can effectively—

(A) expand access to outpatient prescription drugs;

(B) modernize the medicare benefit package;

(C) make structural improvements to improve the long term solvency of the medicare program;

(D) reduce medicare beneficiaries' out-of-pocket prescription drug costs, placing the highest priority on helping the elderly with the greatest need; and

(E) give the elderly access to the same discounted rates on prescription drugs as those available to Americans enrolled in private insurance plans.

Mr. ROTH. I yield back the Republican time.

Mr. REID. I yield back the time for the minority.

Mr. ROTH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent to set aside the amendment that is now pending.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3863

Mr. MOYNIHAN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New York [Mr. MOYNIHAN] proposes an amendment numbered 3863.

Mr. MOYNIHAN. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide a complete substitute)

Strike all after the enacting clause and insert the following:

**SECTION 1. COMBINED RETURN TO WHICH UNMARRIED RATES APPLY.**

(a) IN GENERAL.—Subpart B of part II of subchapter A of chapter 61 of the Internal Revenue Code of 1986 (relating to income tax returns) is amended by inserting after section 6013 the following new section:

**"SEC. 6013A. COMBINED RETURN WITH SEPARATE RATES.**

"(a) GENERAL RULE.—A husband and wife may make a combined return of income taxes under subtitle A under which—

"(1) a separate taxable income is determined for each spouse by applying the rules provided in this section, and

"(2) the tax imposed by section 1 is the aggregate amount resulting from applying the separate rates set forth in section 1(c) to each such taxable income.

"(b) TREATMENT OF INCOME.—For purposes of this section—

"(1) earned income (within the meaning of section 911(d)), and any income received as a pension or annuity which arises from an employer-employee relationship, shall be treated as the income of the spouse who rendered the services,

"(2) income from property shall be divided between the spouses in accordance with their respective ownership rights in such property (equally in the case of property held jointly by the spouses), and

"(3) any exclusion from income shall be allowable to the spouse with respect to whom the income would be otherwise includible.

"(c) TREATMENT OF DEDUCTIONS.—For purposes of this section—

"(1) except as otherwise provided in this subsection, the deductions described in section 62(a) shall be allowed to the spouse treated as having the income to which such deductions relate,

"(2) the deductions allowable by section 151(b) (relating to personal exemptions for taxpayer and spouse) shall be determined by allocating 1 personal exemption to each spouse,

"(3) section 63 shall be applied as if such spouses were not married, except that the election whether or not to itemize deductions shall be made jointly by both spouses and apply to each, and

"(4) each spouse's share of all other deductions shall be determined by multiplying the aggregate amount thereof by the fraction—

"(A) the numerator of which is such spouse's gross income, and

"(B) the denominator of which is the combined gross incomes of the 2 spouses.

Any fraction determined under paragraph (4) shall be rounded to the nearest percentage point.

"(d) TREATMENT OF CREDITS.—For purposes of this section—

"(1) IN GENERAL.—Except as provided in paragraph (2), each spouse's share of credits allowed to both spouses shall be determined by multiplying the aggregate amount of the credits by the fraction determined under subsection (c)(4).

"(2) EARNED INCOME CREDIT.—The earned income credit under section 32 shall be determined as if each spouse were a separate taxpayer, except that—

"(A) the earned income and the modified adjusted gross income of each spouse shall be determined under the rules of subsections (b), (c), and (e), and

"(B) qualifying children shall be allocated between spouses proportionate to the earned income of each spouse (rounded to the nearest whole number).

"(e) SPECIAL RULES REGARDING INCOME LIMITATIONS.—

"(1) EXCLUSIONS AND DEDUCTIONS.—For purposes of making a determination under subsection (b) or (c), any eligibility limitation with respect to each spouse shall be determined by taking into account the limitation applicable to a single individual.

"(2) CREDITS.—For purposes of making a determination under subsection (d)(1), in no event shall an eligibility limitation for any credit allowable to both spouses be less than twice such limitation applicable to a single individual.

"(f) SPECIAL RULES FOR ALTERNATIVE MINIMUM TAX.—If a husband and wife elect the application of this section—

"(1) the tax imposed by section 55 shall be computed separately for each spouse, and

"(2) for purposes of applying section 55—

"(A) the rules under this section for allocating items of income, deduction, and credit shall apply, and

"(B) the exemption amount for each spouse shall be the amount determined under section 55(d)(1)(B).

"(g) TREATMENT AS JOINT RETURN.—Except as otherwise provided in this section or in the regulations prescribed hereunder, for purposes of this title (other than sections 1 and 63(c)) a combined return under this section shall be treated as a joint return.

"(h) LIMITATIONS.—

"(1) PHASE-IN OF BENEFIT.—

"(A) IN GENERAL.—In the case of any taxable year beginning before January 1, 2004, the tax imposed by section 1 or 55 shall in no event be less than the sum of—

"(i) the tax determined after the application of this section, plus

"(ii) the applicable percentage of the excess of—

"(I) the tax determined without the application of this section, over

"(II) the amount determined under clause (i).

"(B) APPLICABLE PERCENTAGE.—For purposes of subparagraph (A), the applicable percentage shall be determined in accordance with the following table:

| "For taxable years beginning in: | The applicable percentage is: |
|---|---|
| 2002 | 50 |
| 2003 | 10. |

"(2) LIMITATION OF BENEFIT BASED ON COMBINED ADJUSTED GROSS INCOME.—With respect to spouses electing the treatment of this section for any taxable year, the tax under section 1 or 55 shall be increased by an amount which bears the same ratio to the excess of the tax determined without the application of this section over the tax determined after the application of this section as the ratio (but not over 100 percent) of the excess of the combined adjusted gross income of the spouses over $100,000 bears to $50,000.

"(i) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out this section.".

(b) UNMARRIED RATE MADE APPLICABLE.—So much of subsection (c) of section 1 of the Internal Revenue Code of 1986 as precedes the table is amended to read as follows:

"(c) SEPARATE OR UNMARRIED RETURN RATE.—There is hereby imposed on the taxable income of every individual (other than a married individual (as defined in section 7703) filing a return which is not a combined return under section 6013A, a surviving spouse as defined in section 2(a), or a head of household as defined in section 2(b)) a tax determined in accordance with the following table:".

(c) PENALTY FOR SUBSTANTIAL UNDERSTATEMENT OF INCOME FROM PROPERTY.—Section 6662 of the Internal Revenue Code of 1986 (relating to imposition of accuracy-related penalty) is amended—

(1) by adding at the end of subsection (b) the following:

"(6) Any substantial understatement of income from property under section 6013A.", and

(2) by adding at the end the following new subsection:

"(i) Substantial Understatement of Income From Property Under Section 6013A.—For purposes of this section, there is a substantial understatement of income from property under section 6013A if—

"(1) the spouses electing the treatment of such section for any taxable year transfer property from 1 spouse to the other spouse in such year,

"(2) such transfer results in reduced tax liability under such section, and

"(3) the significant purpose of such transfer is the avoidance or evasion of Federal income tax.".

(d) Protection of Social Security and Medicare Trust Funds.—

(1) In general.—Nothing in this section shall be construed to alter or amend the Social Security Act (or any regulation promulgated under that Act).

(2) Transfers.—

(A) Estimate of secretary.—The Secretary of the Treasury shall annually estimate the impact that the enactment of this section has on the income and balances of the trust funds established under sections 201 and 1817 of the Social Security Act (42 U.S.C. 401 and 1395i).

(B) Transfer of funds.—If, under subparagraph (A), the Secretary of the Treasury estimates that the enactment of this section has a negative impact on the income and balances of such trust funds, the Secretary shall transfer, not less frequently than quarterly, from the general revenues of the Federal Government an amount sufficient so as to ensure that the income and balances of such trust funds are not reduced as a result of the enactment of this section.

(e) Clerical Amendment.—The table of sections for subpart B of part II of subchapter A of chapter 61 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 6013 the following:

"Sec. 6013A. Combined return with separate rates.".

(f) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

(g) Sunset Provision.—The amendments made by this Act shall not apply to any taxable year beginning after December 31, 2004.

Mr. MOYNIHAN. Mr. President, the proposal we make is somewhat without precedent as a tax measure. It can be described, sir, in one sentence: It says, with regard to the marriage penalty, married couples are free to file jointly or individually. They choose. The present regime, with persons having the sense of being treated unfairly, I hope disappears in this regard. The one thing about the Tax Code—whatever its size—it must not be seen to be unfair. There are people—and they are many—who think this present arrangement is unfair. We say: You choose; it is your choice.

Mr. President, for the second time in three months, the Senate is considering a marriage penalty relief bill that only partly addresses the marriage penalty. While Democrats strongly support marriage penalty relief, we cannot support the bill before us today because it fails to eliminate the marriage penalty. I will soon explain the specific objections to the GOP bill and the benefits and simplicity of the Democratic substitute amendment. First, I would like to frame the debate by explaining what a marriage penalty tax is and the history of the tax.

The "marriage penalty" is the additional tax paid by a husband and wife over and above what the couple would have paid in the aggregate if they were not married. Marriage penalties are more likely to occur where both spouses have roughly similar income, i.e., a division between 50/50 and 70/30. On the other hand, a marriage bonus can occur where one spouse receives substantially more income than the other, i.e., a disparity in earnings of 70/30 or greater, where the spouses together pay less tax in the aggregate than they would if not married.

For years, we have struggled to achieve the right balance in the taxation of single and married taxpayers. In 1948, to maintain parity between married couples in community property and separate property states, Congress created the joint tax return with rate brackets double the width of the rate brackets for single filers. Thus, a married worker with a non-earning spouse had a much lower tax liability than an equal-income single person. Not surprisingly, single taxpayers viewed this change as creating a singles penalty rather than a bonus for married couples, an effect magnified by the high marginal tax rates paid by upper-income taxpayers. By 1969, a single taxpayer with the same income as a married couple could expect to pay as much as 40 percent more in income tax. To address this inequity, a special rate structure was introduced for single taxpayers in the Tax Reform Act of 1969. The 1969 Act limited the tax liability of single taxpayers to no more than 20 percent above that of married couples with the same taxable income.

Now married couples have come to view the current structure as penalizing them, and we are therefore on the verge of changing the tax code once again in the never ending attempt to find balance.

Why do we repeatedly revisit this issue? Because of the inherent conflict in three fundamental tax policies: (a) the use of progressive tax rates, under which persons with higher incomes pay higher marginal tax rates, (b) neutrality among married taxpayers, where all married couples with the same income face identical tax burdens, and (c) neutrality between marriage and remaining single, where the tax burden does not change due to marital status. Only two of the three conditions, in any combination, can be satisfied.

Which leads me to my objections to the bill before us today. First, many Democratic members believe the best thing we can do with on-budget surpluses is to pay down the federal debt. I think all Democratic members agree that if we are going to have tax cuts, however, we should consider them in a comprehensive fashion that allows us to balance priorities. Instead, this Congress is considering tax cuts in piecemeal fashion. Although the magnitude of any one individual proposal may not threaten our expected 10-year budget surplus, Congress has already passed—in one chamber or the other—$551 billion in tax cuts, including the marriage tax proposal now on the floor when considered on a normal 10 year basis. The 10-year price tag on these cuts, however, is not exhaustive. The cuts come with an additional cost. For every dollar that goes toward cutting taxes rather than paying down debt, there is a corresponding interest cost. For example, the interest cost associated with the $551 billion in tax cuts already passed is $127 billion. The country wants a responsible Congress that allocates the surplus to provide sufficient funds for reducing the national debt, bolstering Medicare and Social Security, and investing in other priority programs such as a prescription drug benefit.

Second, while several of the marriage penalty bill's provisions have merit as tax policy matters, the bill is not targeted at eliminating the marriage penalty. Instead, the standard deduction and bracket expansion proposals would increase the marriage bonus for millions of couples. The Department of Treasury estimates that only about 40 percent of the tax reduction would go to couples currently experiencing a marriage penalty.

I point out that a marriage bonus is equivalent to a singles penalty. The GOP bill increases the singles penalty because it increases the marriage bonus for people already receiving a bonus. Marriage bonuses cause undue and unfair burdens on singles, including widows and widowers

Third, the GOP bill does not comprehensively address the marriage penalty. Of the 65 known provisions in the Internal Revenue Code that have a marriage penalty effect, the Committee-passed bill eliminates only one and partially addresses only two more. If the committee bill is enacted, we will have made little progress in eliminating discrimination in the tax code based on marital status.

Finally, because the GOP bill does not completely exempt its marriage penalty relief benefits from the alternative minimum tax calculation, some 5 million taxpayers would immediately lose those benefits as a consequence of becoming newly subject to the AMT.

In March of this year, Democratic members of the Finance Committee proposed an alternative marriage penalty relief bill which was more comprehensive, more targeted, and more generous to those actually experiencing a marriage penalty than the majority proposal. However, Committee Republicans rejected it, opting for a flawed proposal identical to the one they have passed. In the June 28, 2000 markup of the Budget Reconciliation Bill, Finance Committee Democrats offered another proposal that varies slightly from the March proposal. The new version caps the benefit with a phase out that begins at adjusted gross income of $100,000 and phases out completely at AGI of $150,000.”

The Democrats' marriage penalty relief proposal is a comprehensive, targeted, and fiscally responsible approach. Democrats believe, first of all, that if we are going to address the marriage penalty, we must do it comprehensively. The Democratic alternative would give married couples the option of filing as single individuals or as a couple. When fully phased in by 2004, this approach would eliminate for eligible couples all 65 marriage penalty provisions in the tax code by allowing them to choose whichever filing status is more beneficial. Separate filing would address all aspects of the marriage penalty, including penalties associated with such divergent matters as the taxation of social security benefits, education tax incentives, and retirement savings. Moreover, this proposal would eliminate the penalty inherent in the earned income tax credit—the most severe marriage penalty in the tax code—which creates a substantial disincentive to marry for EITC beneficiaries. Finally, the benefits of this approach would also be available under the AMT.

Perhaps the most striking difference between this approach and the Republican plan is the targeting of benefits. The Democratic alternative would dedicate 100 percent of its benefits to fixing the marriage penalty problem and would not spend resources on expanding marriage bonuses.

Permitting married couples to file as if they were two single individuals is not a new concept. Nine states and the District of Columbia allow married couples to pay taxes on their separate incomes as if they were single. And in 1994, 19 of the 27 OECD countries provided one rate schedule whether taxpayers were married or single. Countries such as Canada, Australia and the United Kingdom treat each individual as a taxpaying unit. Thus, in those countries marriage has little effect on the couple's tax liability.

Optional separate filing is the correct approach. We urge the Senate to adopt the Democratic alternative.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, before the Senator leaves the floor, I want to be able to say some things publicly that I have said to him privately. My stay here in the Senate has been a great experience, but that experience has been heightened every day because of Senator MOYNIHAN. I loved when I was going to school, but being around Senator MOYNIHAN is even better because it is like going to school—and you don't have to take the tests.

I say to the Senator from New York, the State of New York and our country is so well-served by the wisdom and integrity and the brilliance that he has. I know he is going to be here for another 6 months, but the Senate will never be the same without DANIEL PATRICK MOYNIHAN. I and the country and the State of New York will miss him terribly.

Mr. MOYNIHAN. I thank my friend. What a great way to go off for the weekend.

I thank my revered chairman.

Mr. ROTH. Mr. President, I would just like to echo the kind remarks made about Senator MOYNIHAN. There is no man who better serves his State. There is no Senator who provides greater insight and brilliance. I am honored to be associated with him.

Mr. MOYNIHAN. I do thank you, sir.

I thank the Chair. I think it is best to make my departure quickly.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. This alternative amendment would allow married couples the option to file as two singles on their joint return. It is the same amendment that Senator MOYNIHAN offered in the Finance Committee a few weeks ago. It is a concept I have endorsed in the past, primarily because it has the capability to deliver complete marriage penalty relief to all taxpayers, both at the low end and at the high end. It was a principled approach to ending the marriage penalty in our Tax Code.

But the amendment the Senator offers today cuts away from that principled approach. Today's amendment imposes arbitrary income limits on the marriage penalty relief and begins to phase out the benefits at $100,000 of income, and then completely shuts them off at $150,000 per couple.

According to the Congressional Budget Office, in 1999, there were about 7.5 million joint returns with an adjusted gross income greater than $100,000. And 56 percent of that group, or 4.2 million couples, suffered from a marriage penalty. The total amount of marriage penalty suffered by those couples is almost $12 billion, which is more than one-third of all the marriage penalties caused by our Tax Code.

The average marriage penalty faced by each one of these families is about $2,800. Yet despite these significant marriage penalties encountered by these couples—and they claim that this is a targeted tax bill to eliminate the marriage tax—this substitute amendment turns its back on those taxpayers. The amendment tells these folks they make too much money and should not receive complete relief.

A few weeks ago, during the Finance Committee markup on the marriage penalty, and the subsequent procedural debate on the Senate floor, the Democratic alternative was a separate filing regime with no income limits. Now the substitute amendment has arbitrary income limits.

What has happened in the last 3 months? The surplus estimates have outgrown even the rosiest expectations. We continue to see the accumulation of tremendous on-budget surpluses. We have continued to see more and more evidence of America's tax overpayment. Especially in this environment, I cannot see any rationale for creating some arbitrary income level. Yet that is precisely what this amendment does. It seems to me that we are going in the wrong direction. This is just not right.

Over the past few years, all of us—both Democrats and Republicans—have talked at length about the fundamental unfairness of the marriage penalty in the Tax Code. But if we really believe it is a policy that needs to be changed—I believe that it does—then we should change it for all Americans. I do not see how we can justify solving the marriage tax penalty for some but letting it remain for others at an arbitrary income level. This does not have to be—and should not be—an issue of the rich versus the poor.

While I do not agree with this amendment, I do want to commend my colleague for recognizing American families deserve substantial tax relief. Over 5 years, this alternative costs the same as the marriage tax relief reconciliation bill of 2000—a total of $55 billion. It is nice to see many Members have recognized that we should return the income tax overpayment to families across the country. This amendment takes what could be a good framework and destroys it with income limits.

I urge my colleagues to oppose the substitute amendment.

Mr. BAUCUS. Mr. President, I rise to support the Moynihan amendment, which provides an alternative form of marriage penalty relief.

I do so for two main reasons.

First, unlike the bill, the Democratic alternative completely eliminates the marriage penalty, by giving taxpayers the choice whether to file their taxes individually or jointly.

Second, unlike the bill, the Democratic alternative only addresses the marriage penalty, rather than providing a more general tax cut that benefits some people but not others. In that sense, it's a replay of yesterday's debate, about estate taxes. By concentrating on the real problem, the Democratic alternative leaves resources available for other pressing national needs.

Before going into these arguments in more detail, I'd provide a little background.

From some of the debate that we've heard over the past months, you'd think that the proponents of committee bill are only ones in favor of marriage.

But as is usually the case, it's not that simple. In fact, the taxation of married couples presents some complex issues, requiring careful thought.

After all, the so-called "marriage penalty" is not some devilish concoction designed to discourage marriage and reward sinners.

It is, instead, a reflection of some difficult choices that have been made. We have to decide how to tax married couples compared to individuals, and we have to decide whether couples that earn the same amount of income, but in different proportions between the husband and wife, should be taxed differently.

These are not easy issues. They don't have pat, obvious answers. And, when you try to solve one problem, you often create another.

Congress has wrestled with these questions before. Up until 1948, married people filed taxes individually. That created problems. Among other things, the Supreme Court held that the IRS must give effect to state community property laws. As a result, couples were taxes differently depending on how different state community property laws allocated income between spouses. If a couple lived in a common law state, they may have had to pay higher taxes than a couple with the same income between spouses. If a couple lived in a common law state, they may have had to pay higher taxes than a couple with the same income who lived in a community property state.

In 1948, Congress addressed this by allowing all married couples to file joint returns. Congress set the personal exemption, standard deduction, and "rate breaks" for couples at twice those for individuals. For some couples, that created the so-called "marriage bonus". For example, if one spouse earned 100 percent of the income, the couple would probably pay lower taxes after marriage, because the income would be split evenly between the two spouses, and they would benefit from lower tax rates.

In 1969, Congress decided that this system treated individuals unfairly.

The Senate Finance Committee report said that "the tax rates imposed on single persons are too heavy relative to those imposed on married couples at the same income level . . . While some difference between the rate of tax paid by single persons and joint returns is appropriate to reflect the additional living expenses of married taxpayers, the existing differential of as much as 41 percent which results from income splitting cannot be justified."

So in 1969, Congress adjusted the rate schedules, setting the rate breaks for individuals at about 60 percent of those for couples, rather than 50 percent. That addressed the perceived unfairness to individuals.

But it resulted in some couples paying higher taxes after they marry—the marriage penalty.

We've pretty much stuck with that system ever since, through Democratic and Republican Administrations, when Democrats were in the Senate majority and when Republicans were in the Senate majority.

In recent years, however, some things have changes, that have made the taxation of married couples a bigger issue.

First of all, as we've added more credits, deductions, and exclusions to the Tax Code, each has included it's own "marriage penalty," because there's a separate rate schedule for individuals and married couples.

For example, the 1997 tax bill, sponsored primarily by Republicans, made two noteworthy additions to the marriage penalty. The first is the child tax credit. The phase out for this credit begins a $110,000 of adjusted gross income for joint return filers, but at $75,000 for unmarried parents, creating both a marriage bonus for sole earner couples and a marriage penalty for dual earner couples.

The second is the phaseouts of the deduction for interest on student loans. The phaseout for this deduction begins at $40,000 for unmarried individuals and at $60,000 for joint return filers. Like the child credit phaseout, it creates a marriage bonus for one earner couples and a marriage penalty for two earner couples.

So the issue has become compounded by all of our tinkering with the Code.

In addition, there's been a demographic shift. More couples today are two earner couples than there were three decades ago. So more couples today face a marriage penalty than a bonus.

Pulling this together, the marriage penalty is not intentional. It's not designed to penalize marriage. It's a natural consequence of some rational decisions.

But it's still a problem, both in fact and in the eyes of the American people.

And it's a problem that we should do something about. But we should all understand that there is no "magic bullet" that will solve the problem without potentially creating others. We must make some tough choices.

That brings me to the committee bill.

It has some good features, including the provisions regarding the standard deduction and the earned income tax credit.

But is also has several flaws.

Most important of these, the bill isn't a "marriage penalty" proposal at all.

Let's have a little truth in advertising. Let's tell people what's really going on. This isn't a marriage penalty bill. It's a tax cut, disguised as a marriage penalty bill.

More than half of the tax cut goes to couples who don't face a marriage penalty, or to individuals who pay the alternative minimum tax.

It's really more like a broad-based tax cut, at least for married couples and some individuals.

That kind of a tax cut may or may not be a good idea, compared to other priorities. But let's be clear. The Chairman's bill is not simply a bill to reduce the marriage penalty.

Viewed not as a marriage penalty bill, but as a tax cut, it's arbitrary—there's no particular rhyme or reason to it. If you're married and pay a marriage penalty, you get a tax cut. If you're married and don't pay a marriage penalty, you also get a tax cut. And if you're married and get a tax bonus, you still get a tax cut.

If you're single, you get no tax cut. In fact, the disparity between married and single taxpayers widens, to where is was before 1969.

Think about it. If you're married, with no kids, and you're already receiving the so-called marriage bonus, you get a tax cut.

If, on the other hand, you're a single mom with three kids, struggling to make ends meet, you get no tax cut. Zero

The Democratic alternative, on the other hand, is more fair and more logical. You only get a tax cut if you have a marriage penalty. And if you have a marriage penalty, the Democratic alternative completely eliminates it. Not partial relief. Complete elimination.

You won't have to worry about the marriage penalty in the student loan deduction, or in Social Security benefits, or in any of the 65 separate marriage penalties that have crept into the Tax Code over the years. The Democratic alternative eliminates all of them at one time.

And it does so in a way most taxpayers can understand—if they save more in taxes by filing as individuals, that is what they're allowed to do. It's their choice how they file their returns. Taxpayers in a number of states, including my own home state of Montana, already have this option and it saves them millions of dollars in taxes.

Mr. President, let's eliminate the marriage penalty, not just provide some relief from it.

And let's do it by empowering taxpayers to make the choice about how they file their taxes.

I urge my colleagues to support the Democratic alternative.

### AMENDMENT NO. 3864

Mr. ROTH. Mr. President, I move to strike the sunset provisions in the underlying bill on page 8, lines 6 through 14. I send the amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Delaware [Mr. ROTH] proposes an amendment numbered 3864.

Mr. ROTH. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To strike sunset provision)

On page 8, strike lines 6 through 14.

### AMENDMENT NO. 3865 TO AMENDMENT NO. 3863

Mr. ROTH. Mr. President, I also move to strike the sunset provisions in the substitute offered by Senator MOYNIHAN, on page 9, lines 23 through 25, and send the amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Delaware [Mr. ROTH] proposes an amendment numbered 3865 to amendment No. 3863.

Mr. ROTH. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is as follows:

(Purpose: To strike sunset provision)

On page 9, strike lines 23 through 25.

Mr. ROTH. Mr. President, I further note that both my amendments would be deemed extraneous under section 313, the so-called Byrd rule of the Budget Act, because they increase the deficit beyond the years for which the Finance Committee has received reconciliation and instruction. Therefore, I move to waive the point of order against both my amendments pursuant to section 313(b)(1)(E) of the Congressional Budget Act of 1974, the House companion bill, and any conference report thereon.

Mr. REID. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. ROTH. Mr. President, I ask unanimous consent with respect to the Grams amendment No. 3861, that it be in order for Senator REID to offer a second-degree amendment and, immediately following the offering of that amendment, it be set aside in order for Senator ROTH to offer a second-degree amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

### AMENDMENT NO. 3866 TO AMENDMENT NO. 3861

Mr. REID. Mr. President, under the unanimous consent agreement, I send an amendment to the desk in relation to amendment No. 3861.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 3866 to the Grams amendment No. 3861.

Mr. REID. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the amendment add the following:

### FINDINGS

The Grams Social Security amendment includes a general fund transfer to the Medicare HI Trust Fund of $113 billion over the next 10 years.

Without a general fund transfer to the HI trust fund, the Grams amendment would cause Medicare to become insolvent 5 years earlier than is expected today.

It is appropriate to protect the Medicare program and ensure its quality and viability by transferring monies from the general fund to the Medicare HI Trust Fund.

The adoption of the Grams Social Security amendment has put a majority of the Senate on record in favor of a general fund transfer to the HI trust fund.

Today, the Medicare HI Trust Fund is expected to become insolvent in 2025.

The $113 billion the Grams amendment transfers to the HI trust fund to maintain Medicare's solvency is the same amount that the President has proposed to extend its solvency to 2030.

### SENSE OF THE SENATE

It is the sense of the Senate that the general fund transfer mechanism included in the Grams Social Security amendment should be used to extend the life of the Medicare Trust Fund through 2030, to ensure that Medicare remains a strong health insurance program for our nation's seniors and that its payments to health providers remain adequate.

Mr. REID. I yield back any time we have for debate on that amendment.

Mr. ROTH. I yield back any time we may have on that amendment.

### AMENDMENT NO. 3867 TO AMENDMENT NO. 3861

Mr. ROTH. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Delaware [Mr. ROTH] proposes an amendment numbered 3867 to the GRAMS amendment No. 3861.

Mr. ROTH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To repeal the increase in tax on Social Security benefits)

Strike all after the first word and add the following:

### TITLE VI—MISCELLANEOUS PROVISIONS

**SEC. 601. REPEAL OF INCREASE IN TAX ON SOCIAL SECURITY BENEFITS.**

(a) REPEAL OF INCREASE IN TAX ON SOCIAL SECURITY BENEFITS.—

(1) IN GENERAL.—Paragraph (2) of section 86(a) (relating to social security and tier 1 railroad retirement benefits) is amended by adding at the end the following new flush sentence:

"This paragraph shall not apply to any taxable year beginning after December 31, 2000."

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to taxable years beginning after December 31, 2000.

(b) REVENUE OFFSET.—The Secretary of the Treasury shall transfer, for each fiscal year, from the general fund in the Treasury to the Federal Hospital Insurance Trust Fund established under section 1817 of the Social Security Act (42 U.S.C. 1395i) an amount equal to the decrease in revenues to the Treasury for such fiscal year by reason of the amendment made by this section.

This section shall become effective 1 day after enactment of this Act.

Mr. ROTH. Mr. President, I yield back any time I have on the amendment.

Mr. REID. As does the minority, Mr. President.

### AMENDMENT NO. 3868

Mr. ROTH. Mr. President, on behalf of Senator STEVENS, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Delaware [Mr. ROTH], for Mr. STEVENS, for himself, proposes an amendment numbered 3868.

Mr. ROTH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To amend the Internal Revenue Code of 1986 to maintain exemption of Alaska from dyeing requirements for exempt diesel fuel and kerosene)

At the appropriate place insert the following new section:

**"SEC. . ALASKA EXEMPTION FROM DYEING REQUIREMENTS.**

(a) EXCEPTION TO DYEING REQUIREMENTS FOR EXEMPT DIESEL FUEL AND KEROSENE.—Paragraph (1) of section 4082(c) (relating to exception to dyeing requirements) is amended to read as follows:

"(1) removed, entered, or sold in the State of Alaska for ultimate sale or use in such State, and".

(b) EFFECTIVE DATE.—The amendment made by this section applies with respect to fuel removed, entered, or sold on or after the date of the enactment of this Act.

Mr. ROTH. Mr. President, I yield back any time I have on the amendment.

Mr. REID. As does the minority.

### AMENDMENT NO. 3869

Mr. ROTH. Mr. President, on behalf of Senator STEVENS, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Delaware [Mr. ROTH], for Mr. STEVENS, proposes an amendment numbered 3869.

Mr. ROTH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To amend section 415 of the Internal Revenue Code)

At the appropriate place insert the following new section:

**"SEC. . TREATMENT OF MULTIEMPLOYER PLANS UNDER SECTION 415.**

"(a) Compensation Limit.—Paragraph (11) of section 415(b) (relating to limitation for defined benefit plans) is amended to read as follows:

"'(11) Special limitation rule for governmental and multiemployer plans.—In the case of a governmental plan (as defined in section 414(d)) or a multiemployer plan (as defined in section 414(f)), subparagraph (B) of paragraph (1) shall not apply.'

"(b) Combining and Aggregation of Plans.—

"(1) Combining of plans.—Subsection (f) of section 415 (relating to combining of plans) is amended by adding at the end the following:

"'(3) Exception for multiemployer plans.—Notwithstanding paragraph (1) and subsection (g), a multiemployer plan (as defined in section 414(f)) shall not be combined or aggregated with any other plan maintained by an employer for purposes of applying the limitations established in this section. The preceding sentence shall not apply for purposes of applying subsection (b)(1)(A) to a plan which is not a multiemployer plan.'

"(2) Conforming amendment for aggregation of plans.—Subsection (g) of section 415 (relating to aggregation of plans) is amended by striking 'The Secretary' and inserting 'Except as provided in subsection (f)(3), the Secretary'.

"(c) Application of Special Early Retirement Rules.—Section 415(b)(2)(F) (relating to plans maintained by governments and tax-exempt organizations) is amended—

"(1) by inserting 'a multiemployer plan (within the meaning of section 414(f)),' after 'section 414(d)),', and

"(2) by striking the heading and inserting:

"'(F) Special early retirement rules for certain plans.—'

"(d) Effective Date.—The amendments made by this section shall apply to years beginning after December 31, 2000.".

Mr. ROTH. Mr. President, I yield back the remaining time on the amendment.

Mr. REID. As does the minority.

### AMENDMENT NO. 3870

Mr. ROTH. Mr. President, on behalf of Senator Stevens, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Delaware [Mr. Roth], for Mr. Stevens, proposes an amendment numbered 3870.

Mr. ROTH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To amend the Internal Revenue Code of 1986 to provide a charitable deduction for certain expenses incurred in support of Native Alaskan subsistence whaling)

At the appropriate place insert the following new section:

**SEC. . CHARITABLE CONTRIBUTION DEDUCTION FOR CERTAIN EXPENSES INCURRED IN SUPPORT OF NATIVE ALASKAN SUBSISTENCE WHALING.**

(a) In General.—Section 170 (relating to charitable, etc., contributions and gifts) is amended by redesignating subsection (m) as subsection (n) and by inserting after subsection (l) the following new subsection:

"(m) Expenses Paid by Certain Whaling Captains in Support of Native Alaskan Subsistence Whaling.—

"(1) In general.—In the case of an individual who is recognized by the Alaska Eskimo Whaling Commission as a whaling captain charged with the responsibility of maintaining and carrying out sanctioned whaling activities and who engages in such activities during the taxable year, the amount described in paragraph (2) (to the extent such amount does not exceed $7,500 for the taxable year) shall be treated for purposes of this section as a charitable contribution.

"(2) Amount described.—

"(A) In general.—The amount described in this paragraph is the aggregate of the reasonable and necessary whaling expenses paid by the taxpayer during the taxable year in carrying out sanctioned whaling activities.

"(B) Whaling expenses.—For purposes of subparagraph (A), the term 'whaling expenses' includes expenses for—

"(i) the acquisition and maintenance of whaling boats, weapons, and gear used in sanctioned whaling activities,

"(ii) the supplying of food for the crew and other provisions for carrying out such activities, and

"(iii) storage and distribution of the catch from such activities.

"(3) Sanctioned whaling activities.—For purposes of this subsection, the term 'sanctioned whaling activities' means subsistence bowhead whale hunting activities conducted pursuant to the management plan of the Alaska Eskimo Whaling Commission".

(b) Effective Date.—the amendments made by subsection (a) shall apply to taxable years beginning after December 31, 2000.

Mr. ROTH. Mr. President, I yield back the remaining time on the amendment.

Mr. REID. The minority yields back.

### AMENDMENT NO. 3871

Mr. ROTH. Mr. President, on behalf of Senator Stevens, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Delaware [Mr. Roth], for Mr. Stevens, proposes an amendment numbered 3871.

Mr. ROTH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To amend the Internal Revenue Code to provide for equitable treatment of trusts created to preserve the benefits of Alaska Native Settlement Act)

At the appropriate place insert the following new section:

**SEC. . TAX TREATMENT OF ALASKA NATIVE SETTLEMENT TRUSTS.**

(a) Modification of Tax Rate.—Section 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

"(i) In lieu of the tax imposed by subsection (c), there is hereby imposed on any electing Settlement Trust (as defined in section 646(e)(2)) a tax at the rate of 15% on its taxable income (as defined in section 646(d)), except that if such trust has a net capital gain for any taxable year, a tax shall be imposed on such net capital gain at the rate of tax that would apply to such net capital gain if the taxpayer were an individual subject to a tax on ordinary income at a rate of 15%."

(b) Special Rules Relating to Taxation of Alaska Native Settlement Trusts.—Subpart A of Part I of subchapter J of Chapter 1 (relating to general rules for taxation of trusts and estates) is amended by adding at the end the following new section.

**"SEC. 646. TAX TREATMENT OF ALASKA NATIVE SETTLEMENT TRUSTS.**

"(a) In General.—Except as otherwise provided in this section, the provisions of this subchapter and section 1(c) shall apply to all settlement trusts organized under the Alaska Native Claims Settlement Act ("Claims Act")).

"(b) One-Time Election.—

"(1) Effect. In the case of an electing Settlement Trust, then except as set forth in this section—

"(A) section 1(i), and not section 1(e), shall apply to such trust;

"(B) no amount shall be includible in the gross income of any person by reason of a contribution to such trust; and

"(C) the beneficiaries of such trust shall be subject to tax on the distributions by such trust only as set forth in paragraph (2).

"(2) Tax treatment of distributions to beneficiaries by electing settlement trusts.—

"(A) distributions by an electing Settlement Trust shall be taxed as follows:

"(i) Any distributions by such trust, up to the amount for such taxable year of such trust's taxable income plus any amount of income excluded from the income of the trust by section 103, shall be excluded from the gross income of the recipient beneficiaries;

"(ii) Next, any distributions by such trust during the taxable year that are not excluded from the recipient beneficiaries' income pursuant to clause (i) shall nonetheless be excluded from the gross income of the recipient beneficiaries. The maximum exclusion under this clause shall be equal to the amount during all years in which an election under this subsection has been in effect of such trust's taxable income plus any amount of income excluded from the income of the trust by section 103, reduced by any amounts which have previously been excluded from the recipient beneficiaries' income under this clause or clause (i);

(iii) The remaining distributions by the Trust during the taxable year which are not excluded from the beneficiaries' income pursuant to clause (i) or (ii) shall be deemed for all purposes of this title to be treated as distributions by the sponsoring Native Corporation during such taxable year upon its stock and taxable to the recipient beneficiaries to the extent provided in Subchapter C of Subtitle A.

"(3) Time and method of election.—An election under this subsection shall be made—

"(A) before the due date (including extensions) for filing the Settlement Trust's return of tax for the first taxable year of such trust ending after the date of enactment of this subsection, and

"(B) by attaching to such return of tax a statement specifically providing for such election.

"(4) Period election in effect.—Except as provided in subsection (c), an election under this subsection—

"(A) shall apply to the 1st taxable year described in subparagraph (3)(A) and all subsequent taxable years, and

"(B) may not be revoked once it is made.

"(c) Special Rules Where Transfer Restrictions Modified.—

"(1) Transfer of beneficial interests.—If the beneficial interests in an electing Settlement Trust may at any time be disposed of in a manner which would not be permitted by section 7(h) of the Claims Act (43 U.S.C. 1606(h)) if such beneficial interest were Settlement Common Stock—

"(A) no election may be made under subsection (b) with respect to such trust, and

"(B) if an election under subsection (b) is in effect as of such time—

"(i) such election is revoked as of the 1st day of the taxable year following the taxable year in which such disposition is first permitted, and

"(ii) there is hereby imposed on such Alaska Native Settlement Trust in lieu of any other taxes for such taxable year a tax equal to the product of the fair market value of the assets held by such trust as of the close of the taxable year in which such disposition is first permitted and the highest rate of tax under section 1(e) for such taxable year.

"(2) Stock in corporation.—If—

"(A) the Settlement Common Stock in the sponsoring Native Corporation may be disposed of in any manner not permitted by section 7(b) of the Claims Act, and

"(B) at any time after such disposition is first permitted, the sponsoring Native Corporation transfer assets to such Settlement Trust,

subparagaph (1)(B) shall be applied to such trust in the same manner as if the trust permitted dispositions of beneficial interests in the trust other than would be permitted under section 7(h) of the Claims Act if such beneficial interests were Settlement Common Stock.

"(3) Administrative provisions.—For purposes of Subtitle F, the tax imposed by clause (ii) of subparagraph (1)(B) shall be treated as an excise tax with respect to which the deficiency procedures of such subtitle apply.

"(d) Taxable Income.—For purposes of this Title, the taxable income of an electing Settlement Trust shall be determined under section 641(b) without regard to any deduction under section 651 or 661.

"(e) Definitions.—For purposes of this section, section 1(i) and section 6041.—

"(1) Native corporation.—The term 'Native Corporation' has the meaning given such term by section 3(m) of the Claims Act (43 U.S.C. 1602(m))

"(2) Sponsoring native corporation.—The term 'sponsoring Native Corporation' means the respective Native Corporation that transferred assets to an electing Settlement Trust.

"(3) Settlement trust.—The term 'Settlement Trust' means a trust which constitutes a settlement trust under section 39 of the Claims Act (43 U.S.C. 1629e).

"(4) Electing settlement trust.—The term 'electing Settlement Trust' means a Settlement Trust that has made the election described in subsection (b).

"(5) Settlement common stock.—The term 'Settlement Common Stock' has the meaning given such term by section 3(p) of the Claims Act (43 U.S.C. 1602(p))."

(c) Reporting.—Section 6041 of such Code is amended by adding at the end the following new subsection:

"(f) Application to Certain Alaska Native Settlement Trusts.—In lieu of all other rules (whether imposed by statute, regulation or otherwise that require a trust to report to its beneficiaries and the Commissioner concerning distributable share information, the rules of this subsection shall apply to an electing Settlement Trust (as defined in section 646(e)(4)). An electing Settlement Trust is not required to include with its return of income or send to its beneficiaries statement that identify the amounts distributed to specific beneficiaries. An electing Settlement Trust shall instead include with its own return of income a statement as to the total amount of its distributions during such taxable year, the amount of such distributions which are excludable from the recipient beneficiaries' gross income pursuant to section 646, and the amount, if any, of its distributions during such year which were deemed to have been made by the sponsoring Native Corporation (as such term is defined in section 646(e)(2))."

"(d) Effective date.—The amendments made by this section shall apply to taxable years of electing Settlement Trusts, their beneficiaries, and sponsoring Native Corporations ending after the date of the enactment of this Act and to contributions made to electing Settlement Trusts during such year and thereafter.

Mr. ROTH. I yield back any time I have.

Mr. REID. As does the minority.

### AMENDMENT NO. 3872

Mr. ROTH. Mr. President, I send an amendment to the desk on behalf of Senator Stevens.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Delaware [Mr. Roth], for Mr. Stevens, proposes an amendment numbered 3872.

Mr. ROTH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To clarify the tax treatment of passengers filling empty seats on noncommercial airplanes)

At the appropriate place insert the following new section:

**SEC. . TAX TREATMENT OF PASSENGERS FILLING EMPTY SEATS ON NONCOMMERCIAL AIRPLANES.**

(a) Subsection (j) of section 132 of the Internal Revenue Code of 1986 (relating to certain fringe benefits) is amended by adding at the end thereof the following new paragraph:

"(9) Special rule for certain noncommercial air transportation.—Notwithstanding any other provision of this section, the term 'no-additional-cost service' includes the value of transportation provided to any person on a noncommercially operated aircraft if—

"(A) such transportation is provided on a flight made in the ordinary course of the trade or business of the taxpayer owning or leasing such aircraft for use in such trade or business,

"(B) the flight on which the transportation is provided would have been made whether or not such person was transported on the flight, and

"(C) no substantial additional cost is incurred in providing such transportation to such person.

For purposes of this paragraph, an aircraft is noncommercially operated if transportation thereon is not provided or made available to the general public by purchase of a ticket or other fare."

(b) Effective Date.—The amendment made by Section 1 shall take effect on January 1, 2001.

Mr. ROTH. Mr. President, I yield back my time.

Mr. REID. As does the minority.

### AMENDMENT NO. 3873

Mr. ROTH. Once more, Mr. President, on behalf of Senator Stevens, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Delaware [Mr. Roth], for Mr. Stevens, proposes an amendment numbered 3873.

Mr. ROTH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To amend title 26 of the Taxpayer Relief Act of 1986 to allow income averaging for fishermen without negative Alternative Minimum Tax treatment, for the creation of risk management accounts for fishermen and for other purposes)

At the appropriate place insert the following new section:

**SEC. . INCOME AVERAGING FOR FISHERMEN WITHOUT INCREASING ALTERNATIVE MINIMUM TAX LIABILITY AND FISHERMEN RISK MANAGEMENT ACCOUNTS.**

(a)(1) Income Averaging for Fishermen Without Increasing Alternative Minimum Tax Liability.—Section 55(c) (defining regular tax) is amended by redesignating paragraph (2) as paragraph (3) and by inserting after paragraph (1) the following:

"(2) Coordination with income averaging for fishermen.—Solely for purposes of this section, section 1301 (relating to averaging of fishing income) shall not apply in computing the regular tax.".

(2) Allowing Income Averaging for Fishermen.—

(A) In general.—Section 1301(a) is amended by striking 'farming business' and inserting 'farming business or fishing business,'.

"(B) Definition of elected farm income.—

"(i) In general.—Clause (i) of section 1301(b)(1)(A) is amended by inserting 'or fishing business' before the semicolon.

"(ii) Conforming amendment.—Subparagraph (B) of section 1301(b)(1) is amended by inserting 'or fishing business' after 'farming, business' both places it occurs.

"(C) Definition of fishing business.—Section 1301(b) is amended by adding at the end the following new paragraph:

"(4) Fishing Business.—The term 'fishing business' means the conduct of commercial fishing (as defined in section 3 of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1802, Public Law 94-265 as amended)).".

(b) Fishermen Risk Management Accounts.—Subpart C of part II of subchapter E of chapter 1 (relating to taxable year for which deductions taken) is amended by inserting after section 468B the following:

**"SEC. 468C. FISHING RISK MANAGEMENT ACCOUNTS.**

"(a) Deduction Allowed.—In the case of an individual engaged in an eligible commercial fishing activity, there shall be allowed as a deduction for any taxable year the amount paid in cash by the taxpayer during the taxable year Fishing Risk Management Account (hereinafter referred to as the 'FisheRMen Account').

"(b) Limitation.—

"(1) Contributions.—The amount which a taxpayer may pay into the FisheRMen Account for any taxable year shall not exceed 20 percent of so much of the taxable income of the taxpayer (determined without regard to this section) which is attributable (determined in the manner applicable under section 1301) to any eligible commercial fishing activity.

"(2) Distributions.—Distributions from a FisheRMen Account may not be used to purchase, lease, or finance any new fishing vessel, add capacity to any fishery, or otherwise contribute to the overcapitalization of any fishery. The Secretary of Commerce shall implement regulations to enforce this paragraph.

"(c) Eligible Businesses.—For purposes of this section—

"(1) Commercial fishing activity.—The term 'commercial fishing activity' has the meaning given the term commercial fishing by section (3) of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1802, Public Law 94-265 as amended) but only if such fishing is not a passive activity (within the meaning of section 469(c)) of the taxpayer.

"(d) Fishermen Account.—For purposes of this section—

"(1) In general.—The term 'FisheRMen Account' means a trust created or organized in the United States for the exclusive benefit of the taxpayer, but only if the written governing instrument creating the trust meets the following requirements:

"(A) No contribution will be accepted for any taxable year in excess of the amount allowed as a deduction under subsection (a) for such year.

"(B) The trustee is a bank (as defined in section 408(n)) or another person who demonstrates to the satisfaction of the Secretary that the manner in which such person will administer the trust will be consistent with the requirements of this section.

"(C) The assets of the trust consist entirely of cash or of obligations which have adequate stated interest (as defined in section 1274(c)(2)) and which pay such interest not less often than annually.

"(D) All income of the trust is distributed currently to the grantor.

"(E) The assets of the trust will not be commingled with other property except in a common trust fund or common investment fund.

"(2) Account taxed as grantor trust.—The grantor of a FisheRMen Account shall be treated for purposes of this title as the owner of such Account and shall be subject to tax thereon in accordance with subpart E of part I of subchapter J of this chapter (relating to grantors and others treated as substantial owners).

"(e) Inclusion of Amounts Distributed.—

"(1) In general.—Except as provided in paragraph (2), there shall be includible in the gross income of the taxpayer for any taxable year—

"(A) any amount distributed from a FisheRMen Account of the taxpayer during such taxable year, and

"(B) any deemed distribution under—

"(i) subsection (f)(1) (relating to deposits not distributed within 5 years),

"(ii) subsection (f)(2) (relating to cessation in eligible commercial fishing activities), and

"(iii) subparagraph (A) or (B) of subsection (f)(3) (relating to prohibited transactions and pledging account as security).

"(2) Exceptions.—Paragraph (1)(A) shall not apply to—

"(A) any distribution to the extent attributable to income of the Account, and

"(B) the distribution of any contribution paid during a taxable year to a FisheRMen Account to the extent that such contribution exceeds the limitation applicable under subsection (b) if requirements similar to the requirements of section 408(d)(4) are met.

"For purposes of subparagraph (A), distributions shall be treated as first attributable to income and then to other amounts.

"(f) Special Rules.—

"(1) Tax on deposits in account which are not distributed within 5 years.—

"(A) In general.—If, at the close of any taxable year, there is a nonqualified balance in any FisheRMen Account—

"(i) there shall be deemed distributed from such Account during such taxable year an amount equal to such balance, and

"(ii) the taxpayer's tax imposed by this chapter for such taxable year shall be increased by 10 percent of such deemed distribution.

"The preceding sentence shall not apply if an amount equal to such nonqualified balance is distributed from such Account to the taxpayer before the due date (including extensions) for filing the return of tax imposed by this chapter for such year (or, if earlier, the date the taxpayer files such return for such year).

"(B) Nonqualified balance.—For purposes of subparagraph (A), the term 'nonqualified balance' means any balance in the Account on the last day of the taxable year which is attributable to amounts deposited in such Account before the 4th preceding taxable year.

"(C) Ordering rule.—For purposes of this paragraph, distributions from a FisheRMen Account (other than distributions of current income) shall be treated as made from deposits in the order in which such deposits were made, beginning with the earliest deposits.

"(2) Cessation in eligible business.—At the close of the first disqualification period after a period for which the taxpayer was engaged in an eligible commercial fishing activity, there shall be deemed distributed from the FisheRMen Account of the taxpayer an amount equal to the balance in such Account (if any) at the close of such disqualification period. For purposes of the preceding sentence, the term 'disqualification period' means any period of 2 consecutive taxable years for which the taxpayer is not engaged in an eligible commercial fishing activity.

"(3) Certain rules to apply.—Rules similar to the following rules shall apply for purposes of this section:

"(A) Section 220(f)(8) (relating to treatment on death).

"(B) Section 408(e)(2) (relating to loss of exemption of account where individual engaged in prohibited transaction).

"(C) Section 408(e)(4) (relating to effect of pledging account as security).

"(D) Section 408(g) (relating to community property laws.)

"(E) Section 408(h) (relating to custodial accounts).

"(4) Time when payments deemed made.—For purposes of this section, a taxpayer shall be deemed to have made a payment to a FisheRMen Account on the last day of a taxable year if such payment is made on account of such taxable year and is made on or before the due date (without regard to extensions) for filing the return of tax for such taxable year.

"(5) Individual.—For purposes of this section the term 'individual' shall not include an estate or trust.

"(6) Deduction not allowed for self-employment tax.—The deduction allowable by reason of subsection (a) shall not be taken into account in determining an individual's net earnings from self-employment (within the meaning of section 1402(a)) for purposes of chapter 2.

"(g) Reports.—The trustee of a FisheRMen Account shall make such reports regarding such Account to the Secretary and to the person for whose benefit the Account is maintained with respect to contributions, distributions, and such other matters as the Secretary may require under regulations. The reports required by this subsection shall be filed at such time and in such manner and furnished to such persons at such time and in such manner as may be required by such regulations.".

(c) Conformity With Existing Provisions and Clerical Amendment.—

(1) Subsection (a) of section 4973 (relating to tax on excess contributions to certain tax-favored accounts and annuities) is amended by striking "or" at the end of paragraph (3), by redesignating paragraph (4) as paragraph (5), and by inserting after paragraph (3) the following:

"(4) a FisheRMen Account (within the meaning of section 468C(d)), or".

(2) Section 4973 is amended by adding at the end the following:

"(g) Excess Contributions to Fishermen Accounts.—For purposes of this section, in the case of a FisheRMen Account (within the meaning of section 468C(d)), the term 'excess contributions' means the amount by which the amount contributed for the taxable year to the Account exceeds the amount which may be contributed to the Account under section 468C(b) for such taxable year. For purposes of this subsection, any contribution which is distributed out of the FisheRMen Account in a distribution to which section 468C(e)(2)(B) applies shall be treated as an amount not contributed.".

(3) The section heading for section 4973 is amended to read as follows:

**"SEC. 4973. EXCESS CONTRIBUTIONS TO CERTAIN ACCOUNTS, ANNUITIES, ETC.".**

(4) The table of sections for chapter 43 is amended by striking the item relating to section 4973 and inserting the following:

"Sec. 4973. Excess contributions to certain accounts, annuities, etc.".

(5) Tax on prohibited transactions.—Subsection (c) of section 4975 (relating to tax on prohibited transactions) is amended by adding at the end the following:

"(6) Special rule for fishermen accounts.—A person for whose benefit a FisheRMen Account (within the meaning of section 468C(d)) is established shall be exempt from the tax imposed by this section with respect to any transaction concerning such account (which would otherwise be taxable under this section) if, with respect to such transaction, the account ceases to be a FisheRMen Account by reason of the application of section 468C(f)(3)(A) to such account.". (2) Paragraph (1) of section 4975(e) is amended by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively, and by inserting after subparagraph (D) the following:

"(E) a FisheRMen Account described in section 468C(d).".

(6) Failure to provide reports on fishermen accounts.—Paragraph (2) of section

6693(a) (relating to failure to provide reports on certain tax-favored accounts or annuities) is amended by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively, and by inserting after subparagraph (B) the following:

"(C) section 468C(g) (relating to FisheRMen Accounts,".

(7) CLERICAL AMENDMENT.—The table of sections for subpart C of part II of subchapter E of chapter 1 is amended by inserting after the item relating to section 468B the following:

"Sec. 468C. Fishing Risk Management Accounts.".

(d) EFFECTIVE DATE.—The changes made by this section shall apply to taxable years beginning after December 31, 2000.

Mr. ROTH. Mr. President, I yield back whatever time I have remaining.

Mr. REID. As does the minority.

AMENDMENT NO. 3862, AS MODIFIED

Mr. ROTH. Mr. President, on behalf of Senator ABRAHAM, I ask unanimous consent to send a modification of his previous amendment to the desk.

The PRESIDING OFFICER. Is there objection to the modification?

Mr. REID. I have no objection, Mr. President.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The amendment, as modified, is as follows:

(Purpose: To express the sense of the Senate regarding the need to repeal the marriage tax penalty and improve coverage of prescription drugs under the medicare program this year)

At the end of the Act, add the following:

### TITLE VI—MISCELLANEOUS

### SEC. 601. SENSE OF THE SENATE REGARDING COVERAGE OF PRESCRIPTION DRUGS UNDER THE MEDICARE PROGRAM.

(a) FINDINGS.—The Senate makes the following findings:

(1) Projected on-budget surpluses for the next 10 years total $1,900,000,000,000, according to the President's mid-session review.

(2) Eliminating the marriage tax penalty would reduce revenues by $56,000,000,000 over 10 years, leaving on-budget surpluses of $1,844,000,000,000.

(3) The medicare program established under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) faces the dual problem of inadequate coverage of prescription drugs and rapid escalation of program costs with the retirement of the baby boom generation.

(4) The concurrent resolution on the budget for fiscal year 2001 provides $40,000,000,000 for prescription drug coverage in the context of a reform plan that improves the long-term outlook for the medicare program.

(5) The Committee on Finance of the Senate currently is working in a bipartisan manner on reporting legislation that will reform the medicare program and provide a prescription drug benefit.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) on-budget surpluses are sufficient to both repeal the marriage tax penalty and improve coverage of prescription drugs under the medicare program and Congress should do both this year; and

(2) the Senate should pass adequately funded legislation that can effectively—

(A) expand access to outpatient prescription drugs;

(B) modernize the medicare benefit package;

(C) make structural improvements to improve the long term solvency of the medicare program;

(D) reduce medicare beneficiaries' out-of-pocket prescription drug costs, placing the highest priority on helping the elderly with the greatest need; and

(E) give the elderly access to the same discounted rates on prescription drugs as those available to Americans enrolled in private insurance plans.

Mr. ROTH. Mr. President, I believe that is all the amendments we have on this side.

Mr. REID. Mr. President, I say to the manager of the bill, Senator REED, who is a cosponsor of one of the amendments that was offered on his behalf and Senator TORRICELLI, wishes to speak on that amendment at this time.

Mr. REED. Mr. President, earlier today, the Senator from Nevada offered an amendment on childhood lead exposure on behalf of myself and Senator TORRICELLI. I wish to speak briefly at this time on the merits of that amendment.

Today, we are here to offer an amendment that would address a problem that is particularly pernicious, dealing with the health of children and exposure to lead paint. There are countless numbers of children across this country who have been physically and emotionally harmed; and cognitive development impaired, because they were unwittingly, in most cases, exposed to lead-based paint. Generally, this type of paint is common in older homes throughout the country. It is a particular problem in the Northeast, in Rhode Island and in Massachusetts; but it is not limited to that part of the country.

Anyplace where you have older houses, and the homes are more than 20 or 30 years old—you have this potential problem of exposure to lead-based paint by children, which may impact their physical and intellectual development.

The Medicaid authorities have recognized this problem and have promulgated regulations for screening and follow-up treatment services for Medicaid-eligible young children. However, in all too many cases, this screening requirement is ignored by Medicaid contractors. Without screening and without identification of lead poisoned children, there is no good opportunity for followup treatment.

Now, the amendment, proposed by Senator TORRICELLI and myself, would codify these regulations and would require screening conducted by Medicaid contractors, which are the health plans that provide services for the Medicaid population. With screening, it would also require the followup treatment and services necessary to ensure that the child can successfully deal with exposure and poisoning from lead.

What we are seeing across the country, from statistics being generated by the General Accounting Office, is that many States are negligent in ensuring that the contractors are screening children and providing followup treatment. Our amendment would try to respond to this known deficiency by requiring an annual report to Congress from HCFA and, in turn, requiring legislatively that the States not only insist upon the screening, but also report back to HCFA on the results of their screening efforts.

Let me emphasize that this is not a new mandate on the States. This is in response to the fact that the existing Federal regulations are being ignored. The next logical step—the one we propose—is to codify these regulations, literally give them the force of law so the States and Medicaid contractors will begin to do what they should have been doing since 1992.

What we have seen, in terms of the population of Medicaid children, is that they represent about 60 percent of all children who have been exposed to and poisoned by lead paint. Yet, only 20 percent of Medicaid-eligible children have been effectively screened for lead exposure. So you have estimates of 60 percent of the youth Medicaid population with some exposure to lead paint. Only 20 percent have been screened. That huge gap suggests very strongly that there are many, many children—too many—who are not being given the treatment they need to correct a very difficult problem.

Now, the other aspect we want to emphasize is the fact that timely screening of children exposed to lead is critical to their ultimate recovery. It is critical, not only to saving families the stress, turmoil and tragedy of a lead-poisoned child, but also saving society enormous economic costs associated with lead exposure and lead poisoning. One of the things that is quite clear to all who have looked into this problem is that, first, lead poisoning is a completely preventable illness. If children are not exposed to lead—and typically exposure comes from paint in their homes—then they will not contract this disease. What is also critical is the fact that lead poisoning can cause extremely detrimental health effects in developing children. It is associated with brain damage, behavioral and learning problems, slow growth, and other maladies, all of which are avoidable if we screen, test, and literally get the lead out.

Statistics show that young children who are exposed to lead poisoning frequently require special education services. In fact, it has been suggested that children who have exposure to lead paint are 40 percent more likely to require special education.

Special education is one of the issues we often talk about during the course of the debate on educational priorities and funding. It costs an average of $10,000 above the cost of regular education for the typical special education child. Many of these children are in special education programs because they were poisoned by lead in their homes. If we can effectively deal with this health care problem, we will also deal with an educational problem and a funding problem, a problem that bedevils every local school system in this country.

Whenever I go back to my State, one of the top issues I hear about from my constituents is the extra cost of special education. While this proposal will at least go a small way toward addressing that problem, as well as going to the heart of the matter on protecting children from an environmental poison that can be avoided if we screen and take other remedial actions.

This amendment is only one part of a comprehensive strategy we need to protect children against the hazards of lead poisoning. We need screening of individual children and we need quick access to followup services and treatment; but we also need a housing policy that recognizes that we have an obligation to remove from older homes the lead paint that is the source of the contagion for these young children. If we put these together—screening, treatment, housing policies that try to get the lead out, and provide safe housing for all of our children—then I think we will be on our way not only to providing good, compassionate care for our children, but also saving society countless millions of dollars each year.

I particularly thank my colleagues, Senator BOND and Senator MIKULSKI, because over the last couple of years we have been able to put more resources into Federal lead abatement programs, treatment programs, and other programs aimed at this particularly pernicious problem. I hope we, in fact, continue on that trend.

Today we have an important opportunity to do what we have tried to do through regulations, but to do it through the force of law, by requiring screening and access to care for children, by requiring appropriate reports to Federal authorities and to the Congress, so we can eradicate this problem amongst our children in this country.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. GRAMM. Mr. President, one of the things I am afraid of is that many people following this debate will get confused about what we are talking about, why we are here, and what the issue is before us. I thought I would come over one more time before the weekend and basically try to outline what it is we are talking about. Many amendments are being offered. Our Democrat colleagues would not let us just bring up repeal of the marriage penalty and vote on it. They insisted on having the ability to offer amendments on scores of different issues. So I know it may be confusing as people listen to the debate.

Let me talk about what the issue is, where those of us stand on repealing the marriage tax penalty, what we believe we have to do regarding that; and then I want to talk a little bit about what the President has proposed as an alternative.

I don't know that anybody ever intended that American tax law penalize working people who get married. But today, when two people, both of whom work outside their home, meet, fall in love, get married, and pay their taxes, they pay, on average, $1,400 a year for the right to be married.

Now, I hope and believe that if you asked most American couples if it is worth $1,400 a year to them to be married, I think most of them would say it is. I can say, without any reservation, that my wife is worth $1,400 a year, and a bargain at that. But I believe she ought to get the money, and not bureaucrats in Washington, DC.

How did this all come about? You have to remember when the Tax Code was written that relatively few women worked outside the home. It was structured in such a way as to try to achieve various objectives.

But the bottom line is we have two problems today.

The first problem is, if you are single and you file your tax return, you get a standard deduction of $4,400. If you have a young man and a young woman, or not such a young man and not such a young woman, and they are single and filing separately, and don't itemize deductions, each one of them gets a standard deduction of $4,400. If they meet, fall in love, and get married, they end up getting a joint return standard deduction of $7,350—obviously, much less than $8,800, which would be twice the single deduction of $4,400. If you meet, fall in love, and get married, the amount of income you get to deduct before you start paying taxes is actually less after you are married than it is before.

Second, the income of the second spouse is added directly to the income of the first spouse.

What tends to happen is two people who, as singles, are in the 15-percent tax bracket meet, fall in love and get married, and end up in the 28-percent tax bracket. Hence, when you combine the discrimination in the tax law against married couples as compared to singles on the standard deduction, and when you look at pushing people into these higher tax brackets more quickly when they are married than when they were singled, the result is a marriage tax penalty which averages $1,400 each year.

We want the remedy to be very simple. We want to repeal the marriage penalty. We think this is not just an economic issue, we think it is a moral issue. We think even the greatest country in the history of the world is treading dangerously when it has policies that discourage people from forming families. We are not here to give any kind of sermon on families and the values of families, but the plain truth is the modern family is the most powerful institution in history for happiness and economic progress, and we don't think our Government, of all governments, should be trifling with it.

Our reform says, whereas single people get a $4,400 standard deduction, we will give a married couple $8,800. We want to change the tax brackets so that if two people get married who are in the 15-percent tax bracket as singles, they will still be in the 15-percent tax bracket after they get married; or, if they are in the 28-percent tax bracket, they are still in the 28-percent tax bracket after they get married.

You would think you could look throughout the continent of North America and not find a single soul who thought the marriage tax penalty was a good idea. But, unfortunately, we have a President and we have Members of this very Congress who may say they are not for it but they are opposed to getting rid of it.

They are opposed to getting rid of it for a very simple reason. They believe they can spend this money better than families. They believe if we repeal the marriage penalty and working couples get to keep $1,400 a year more of their own income to invest in their own family, in their own future, and in their own children, that those families will do a poorer job with that money than the Government will do if the Government gets to spend it. They really believe that the Government can spend it better.

Our President and many of our Democrat colleagues, honest to goodness, in their hearts, believe it is wrong to give this $1,400 back to people by eliminating the marriage penalty because they believe that Government could spend the money so much better than families could spend it.

While they believe that, they don't feel comfortable saying it because they don't believe the American people will agree with them.

So what do they say? What does our President say? He doesn't say: Look, don't give this money back to families. They will spend it on their children. They will spend it on houses. They might buy a new refrigerator. They might go on vacation. They might send their children to Texas A&M. Let the Government spend it. But they do not say that. Our President is many things, but dumb is not one of them. He is very smart. So he says it is rich people—that we are trying to give money to rich people.

There is a code that you need to understand about our President and many people in his party. The code is that every tax increase is on rich people and every tax cut is for rich people; therefore, you always want to raise taxes but you never want to cut taxes.

I want to remind you—I am sure people who are listening to this debate are going to hear our President speak on the issue within a week after we send this bill down to the White House. The President is going to have to decide whether to sign it. I suspect he is going to say: I wanted to eliminate the marriage penalty. I am against the marriage penalty. It is just that I didn't want to do it for rich people.

Let me remind people that this is the same President who, when he raised taxes in 1993, looked us right in the eye over the television, and said: No one who is not rich will pay more taxes under my tax bill. Then he raised gasoline taxes on everybody. I guess maybe everybody who drives a truck, or a car, or uses gasoline in some way to travel or go to work is rich.

Then there was the even more grievous example where the President taxed people's Social Security benefits if they earned over $34,000 a year, because if you earn over $34,000 a year, according to the President, you are rich.

Here is an example I wanted to make. I think it is so priceless. Let me make it a couple of times to be sure I get it right.

The President says he wants to get rid of the marriage penalty but he doesn't want to do it for rich people. So what he proposes is raising the standard deduction if both people work. If one of them doesn't work, or one of them doesn't make as much money, he doesn't raise it or doesn't raise it as much. I am going to get back to that. But he doesn't expand the 15-percent bracket so that married people don't end up paying in the 28-percent tax bracket with the same incomes that were taxed at 15-percent when they were single. He says his plan just eliminates the marriage penalty for people who are not rich—that our plan eliminates it for people who are rich.

It is very interesting. For a couple filing a tax return, they move into the 28-percent tax bracket at a combined income of $43,850. If you want to know whether you are rich or not by the definition of our President, if you make $21,925 a year and your wife makes $21,925, according to Bill Clinton, you are rich.

I ask a question: Does anybody really believe that somebody making $21,925 a year is rich? I don't think anybody really believes that. Why does Bill Clinton say that? He says it because he is not willing to say what he really believes, which is, it is fine to penalize people for getting married, because he may not necessarily like it or enjoy it, but it is all right to do that and make them pay the marriage penalty of $1,400 a year because the Government can do such a good job spending that money and the family would probably waste it.

Let me mention two other issues. Then I will yield the floor.

The President says if both spouses are not working, they ought not to get the benefit. We reject that.

First of all, anybody who thinks stay-home parents don't work has never been a stay-home parent. Anybody who thinks you are getting a tax bonus by staying at home to raise your children is somebody who doesn't understand families too well, because most families make tremendous economic sacrifices to have one parent stay home with their children. Yet the President runs around and says when one of the parents doesn't work outside the home, they are getting a bonus. Forgoing income and sacrificing to raise children is only called a bonus in Washington, DC. In most places it is called parenting.

We want to eliminate the marriage penalty because we think there is one institution in America that is constantly starved for resources. It is not the Federal Government.

As many of our colleagues know, we are in the greatest spending spree of the Federal Government since Jimmy Carter was President. We are increasing money for all kinds of Government programs. The President would like to increase it faster, and he is concerned that, if we let families not pay a marriage penalty, that $1,400 per family they will spend instead of him, means that we will not have as much money for education, housing, or nutrition.

What the President forgets is, What are families going to spend this money on? If we eliminate the marriage penalty and let working couples keep $1,400 a year more, what are they going to spend it on? They are going to spend it on education, housing, and nutrition. The question is not about how much money we are going to spend on all these things we are for. The question is, Who is going to do the spending? Bill Clinton wants Washington to do the spending. We want the family to do the spending.

On the issue of one parent staying at home, this is something we have thought about, worked on, prayed over. Here is the decision we have reached. We don't think Government tax policy ought to have a say in the decision that parents make about working outside the home or staying in their homes. My mama worked my whole life when I was growing up because she had to. My wife has worked the whole while that we have had children because she wanted to.

We are not trying to make a value judgment as to what people ought to do. So basically we say we want to eliminate the marriage penalty, whether both parents work outside the home or whether only one does. We do not think we ought to have a tax policy that discourages a parent staying home, or encourages it. We think the Tax Code ought to be neutral.

So we have put together a proposal that eliminates the marriage penalty. The President says it helps rich people because, if you make over $21,925 a year, you get the benefit of our stretching the tax brackets. We do not believe that is what most people think of as rich.

Finally, to address the "rich" issue, our point is not about poor people or rich people or ordinary people. Our point is about penalizing marriage. If two people are poor and meet and fall in love, I want them to get married. If two people are rich and they meet and they fall in love and they want to get married, I don't want the tax code to discourage them from getting married. This is a question of right and wrong. It is not a question of rich and poor.

I don't understand why the President has to always pit people against each other based on how much money they make. I would have to say of all the things we do in debate in the Congress and in the American political system, the thing I dislike the most is this use of class struggle, where somehow we have people who claim to love capitalism, but appear to hate capitalists. They claim to want success, but seem to hate people who are successful. I, for one, do not understand it.

I want to repeal the marriage penalty for everybody. The plain truth is the bulk of the cost of eliminating the marriage penalty is for middle-income people. But I want to eliminate it for everybody because it is wrong.

Finally, if we did not eliminate all of it, what do we think would happen the first time we have a President and a Congress who want to raise taxes? We would be back down to the point where $21,925 is rich. So this is a very important debate.

This last week, and today, repealing the death tax, and on Monday, repealing the marriage penalty tax, represents the best 2 weeks that American families have had in a very long time. These are good policies. They are good because they are right. They are good because they are profamily. They are good because they recognize that families can spend money better than Government can. They are good because they represent the triumph of the individual and the family over the Government.

I have to say I wish that every American could have heard the debate on the death tax and on the marriage penalty. I would be willing to let this election and every election from now until the end of time be determined on these two issues and these two issues alone because I think these two issues clearly define the difference between our two great parties.

I am against the death tax because I don't think death ought to be a taxable event. And I am against the marriage penalty because I am for love and I am for marriage and I don't want to tax it. And neither do the American people.

I thank my colleagues for their patience and I yield the floor.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BURNS. Mr. President, I rise in support of this legislation. It is pretty tough to follow the Senator from Texas because the old professor gets going and he lays it out pretty good. Some of us never had the privilege of being a classroom professor and we strike out when we try to start making a point. But I want to offer a few remarks. I also want to offer an amendment at this time.

### AMENDMENT NO. 3874

Mr. BURNS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Montana [Mr. BURNS] for himself, Mr. ABRAHAM, Mr. HATCH, Mr. CRAIG, Mr. KYL, Mr. BENNETT, Mr. FRIST, and Mr. GRAMM, proposes an amendment numbered 3874.

Mr. BURNS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To repeal the modification of the installment method)

At the end of , insert the following:

**SEC. . REPEAL OF MODIFICATION OF INSTALLMENT METHOD.**

(a) In General.—Subsection (a) of section 536 of the Ticket to Work and Work Incentives Improvement Act of 1999 (relating to modification of installment method and repeal of installment method for accrual method taxpayers) is repealed effective with respect to sales and other dispositions occurring on or after the date of enactment of such Act.

(b) Applicability.—The Internal Revenue Code of 1986 should be applied and administered as if such subsection (and the amendments made by such subsection) had not been enacted.

Mr. BURNS. Mr. President, this is in essence S. 2005, the Installment Tax Correction Act of 2000. It has 41 cosponsors, as listed on the stand-alone bill, in the Senate. It is a very simple bill, but it is very important to small businesses, farmers, and people who sell their businesses and carry back some of the financing. As you know, whenever you sell your business, if you have capital gains, you pay the full capital gain on the sale price of that business. Yet your money may be returned to you in yearly installments. What this bill does, is provide an easier method to pay your capital gains tax. The amendment doesn't change the rate. It changes nothing. But it does allow you to pay your capital gains tax as you receive the money on installment.

We think this is more than fair. It doesn't put the seller at the disadvantage of having to go to the bank to borrow money in order to pay the capital gains tax whenever a business is sold.

I cannot add a lot to what the Senator from Texas has said about the marriage penalty. But I will tell you this, Joshua and Jody Hayes, of Billings, MT—two kids I have known for a long time, now pay $971 more in taxes just because they are married, rather than if they had remained single.

That is just one example. Mr. President, I still think when you start to look around this great country and you see the standard of living that generations, since this country's established, have created, it has been progressive. This is because we in this country live for the next generation. Most of us, being parents or grandparents, work for our kids. That is important. We want them to be better educated than we are. We want them to start with a little nest egg which they can invest. We want to start them on their careers, at a rung higher than we started.

I was interested in the explanation of the Senator from Texas that this President thinks if you make $25,000 a year, you are rich. I happen to remember the day that if I was making $25,000 I would have thought I was pretty rich. I have a daughter now who is starting her life career making more than I am making now. I find that pretty mind-boggling.

Nonetheless, we have always worked for our kids. While we have done that, we have elevated the standard of living for more Americans than any other society on the face of the planet. Now we have found a way to tax it.

That tax comes from families—a mom, a dad, a grandma, and a grandpa. Say you have a young family and are trying to pay for a home and saving money to send their kids to school—there are more than enough things going on. You should not have to be penalized by the tax man. Some 21 million couples nationwide pay $1,400 or more a year in income taxes. Now to some people that's not a lot of money, but I know a lot of folks who think it is a lot of money.

I urge the passage of this legislation, and I also hope this body will look with favor on the amendment I have sent to the desk which helps small businesses and farmers.

Mr. President, I yield the floor.

### AMENDMENT NO. 3852, AS MODIFIED

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, amendment No. 3852 is pending. I ask a technical correction be allowed. It has been shown to the majority. It appears on page 3, changing the numbers from "9" to "25."

The PRESIDING OFFICER. Is there objection to the modification?

Without objection, it is so ordered.

The amendment is so modified.

The amendment, as modified, is as follows:

At the end, add the following:

**SEC. . CREDIT FOR EMPLOYEE HEALTH INSURANCE EXPENSES.**

(a) In General.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to business-related credits) is amended by adding at the end the following:

**"SEC. 45D. EMPLOYEE HEALTH INSURANCE EXPENSES.**

"(a) General Rule.—For purposes of section 38, in the case of a small employer, the employee health insurance expenses credit determined under this section is an amount equal to the applicable percentage of the amount paid by the taxpayer during the taxable year for qualified employee health insurance expenses.

"(b) Applicable Percentage.—For purposes of subsection (a)—

"(1) In general.—Except as provided in paragraph (2), the applicable percentage is equal to—

"(A) 25 percent in the case of self-only coverage, and

"(B) 35 percent in the case of family coverage (as defined in section 220(c)(5)).

"(2) First year coverage.—

"(A) In general.—In the case of first year coverage, paragraph (1) shall be applied by substituting '60 percent' for '25 percent' and '70 percent' for '35 percent'.

"(B) First year coverage.—For purposes of subparagraph (A), the term 'first year coverage' means the first taxable year in which the small employer pays qualified employee health insurance expenses but only if such small employer did not provide health insurance coverage for any qualified employee during the 2 taxable years immediately preceding the taxable year.

"(c) Per Employee Dollar Limitation.—The amount of qualified employee health insurance expenses taken into account under subsection (a) with respect to any qualified employee for any taxable year shall not exceed—

"(1) $1,800 in the case of self-only coverage, and

"(2) $4,000 in the case of family coverage (as so defined).

"(d) Definitions.—For purposes of this section—

"(1) Small employer.—

"(A) In general.—The term 'small employer' means, with respect to any calendar year, any employer if such employer employed an average of 25 or fewer employees on business days during either of the 2 preceding calendar years. For purposes of the preceding sentence, a preceding calendar year may be taken into account only if the employer was in existence throughout such year.

"(B) Employers not in existence in preceding year.—In the case of an employer which was not in existence throughout the 1st preceding calendar year, the determination under subparagraph (A) shall be based on the average number of employees that it is reasonably expected such employer will employ on business days in the current calendar year.

"(2) Qualified employee health insurance expenses.—

"(A) In general.—The term 'qualified employee health insurance expenses' means any amount paid by an employer for health insurance coverage to the extent such amount is attributable to coverage provided to any employee while such employee is a qualified employee.

"(B) Exception for amounts paid under salary reduction arrangements.—No amount paid or incurred for health insurance coverage pursuant to a salary reduction arrangement shall be taken into account under subparagraph (A).

"(C) Health insurance coverage.—The term 'health insurance coverage' has the meaning given such term by section 9832(b)(1).

"(3) Qualified employee.—

"(A) In general.—The term 'qualified employee' means, with respect to any period, an employee of an employer if the total amount of wages paid or incurred by such employer to such employee at an annual rate during the taxable year exceeds $5,000 but does not exceed $16,000.

"(B) Treatment of certain employees.—For purposes of subparagraph (A), the term 'employee'—

"(i) shall not include an employee within the meaning of section 401(c)(1), and

"(ii) shall include a leased employee within the meaning of section 414(n).

"(C) Wages.—The term 'wages' has the meaning given such term by section 3121(a) (determined without regard to any dollar limitation contained in such section).

"(D) Inflation adjustment.—

"(i) In general.—In the case of any taxable year beginning in a calendar year after 2000, the $16,000 amount contained in subparagraph (A) shall be increased by an amount equal to—

"(I) such dollar amount, multiplied by

"(II) the cost-of-living adjustment under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 1999' for 'calendar year 1992' in subparagraph (B) thereof.

"(ii) Rounding.—If any increase determined under clause (i) is not a multiple of $100, such amount shall be rounded to the nearest multiple of $100.

"(e) Certain rules made applicable.—For purposes of this section, rules similar to the rules of section 52 shall apply.

"(f) Denial of Double Benefit.—No deduction or credit under any other provision of this chapter shall be allowed with respect to qualified employee health insurance expenses taken into account under subsection (a)."

(b) Credit To Be Part of General Business Credit.—Section 38(b) of the Internal Revenue Code of 1986 (relating to current year business credit) is amended by striking "plus" at the end of paragraph (11), by striking the period at the end of paragraph (12) and inserting ", plus", and by adding at the end the following:

"(13) the employee health insurance expenses credit determined under section 45D."

(c) No Carrybacks.—Subsection (d) of section 39 of the Internal Revenue Code of 1986 (relating to carryback and carryforward of unused credits) is amended by adding at the end the following:

"(9) No carryback of section 45D credit before effective date.—No portion of the unused business credit for any taxable year which is attributable to the employee health insurance expenses credit determined under section 45D may be carried back to a taxable year ending before the date of the enactment of section 45D."

(d) Clerical Amendment.—The table of sections for subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following:

"Sec. 45D. Employee health insurance expenses."

(e) Effective Date.—The amendments made by this section shall apply to amounts paid or incurred in taxable years beginning after the date of the enactment of this Act.

AMENDMENT NO. 3858, WITHDRAWN

Mr. REID. Mr. President, I ask that the Lautenberg amendment No. 3858 be withdrawn.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3875

Mr. REID. Mr. President, I ask unanimous consent that the pending amendment be set aside for the purpose of offering an amendment for Senator Hollings.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. Reid], for Mr. Hollings, proposes an amendment numbered 3875.

Mr. REID. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike beginning with "Marriage Tax Relief Reconciliation Act of 2000" through the end of the bill.

Mr. REID. Mr. President, I ask unanimous consent that the amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3876

(Purpose: To amend the Internal Revenue Code of 1986 to increase the unified credit exemption and the qualified family-owned business interest deduction, to increase, expand, and simplify the child and dependent care tax credit, to expand the adoption credit for special needs children, to provide incentives for employer-provided child care, and for other purposes)

Mr. REID. Mr. President, I send an amendment to the desk on behalf of Senator Dodd.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Nevada [Mr. Reid], for Mr. Dodd, proposes an amendment numbered 3876.

Mr. REID. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's Record under "Amendments Submitted.")

Mr. REID. Mr. President, I ask unanimous consent that the amendment be set aside for further business of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

### UNANIMOUS CONSENT AGREEMENT—H.R. 4516

Mr. ROTH. Mr. President, I ask unanimous consent that when the Senate considers H.R. 4516, the legislative branch appropriations bill, after the Senate amendment has been offered, Senator Boxer be recognized to offer her pesticide amendment; that she be recognized to speak for 5 minutes on the amendment, and the amendment be agreed to after her remarks; and that the Senate proceed to adopt Senate amendment as follows:

On page 2 after "Title 1 Congressional Operations" insert page 2, line 6, of S. 2603, as amended, through page 13, line 14;

On page 8, line 8, of H.R. 4516 strike through line 12, page 23; insert line 15, page 13, of S. 2603 through line 11, page 23;

In H.R. 4516, strike line 17, page 23, through line 6, page 45; insert line 12, page 23, of S. 2603 through line 17, page 76.

Finally, I ask unanimous consent that the bill then be read the third time and passed, the Senate insist on its amendments, request a conference with the House, and the Chair be authorized to appoint conferees on the part of the Senate.

Mr. REID. We have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

### ESTABLISHING SOURCING REQUIREMENTS FOR STATE AND LOCAL TAXATION OF MOBILE TELECOMMUNICATION SERVICES

Mr. ROTH. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of H.R. 4391, which is at the desk.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 4391) to amend title 4 of the United States Code to establish sourcing requirements for State and local taxation of mobile telecommunication services.

There being no objection, the Senate proceeded to consider the bill.

Mr. BROWNBACK. Mr. President, I am delighted to hail today the passage of the Mobile Telecommunications Sourcing Act. This legislation is the product of more than three year's worth of negotiations between the governors, cities, State tax and local tax authorities, and the wireless industry.

The legislation represents an historic agreement between State and local governments and the wireless industry to bring sanity to the manner in which wireless telecommunications services are taxed.

For as long as we have had wireless telecommunications in this country, we have had a taxation system that is incredibly complex for carriers and costly for consumers. Today, there are several different methodologies that determine whether a taxing jurisdiction may tax a wireless call.

If a call originates at a cell site located in a jurisdiction, it may impose a tax. If a call originates at a switch in the jurisdiction, a tax may be imposed. If the billing address is in the jurisdiction, a tax can be imposed.

As a result, many different taxing authorities can tax the same wireless call. The farther you travel during a call, the greater the number of taxes that can be imposed upon it.

This system is simply not sustainable as wireless calls represent an increasing portion of the total number of calls made throughout the United States. To reduce the cost of making wireless calls, Senator DORGAN and I introduced S. 1755, the Mobile Telecommunications Sourcing Act. The bill we pass today that we received from the House is substantively identical to our bill. While the current bill amends title 4 rather than title 47 and represents the drafting style of the House rather than the Senate, the legislation uses our language to accomplish our mutual goal.

The legislation would create a nationwide, uniform system for the taxation of wireless calls. The only jurisdictions that would have the authority to tax mobile calls would be the taxing authorities of the customer's place of primary use, which would essentially be the customer's home or office.

By creating this uniform system, Congress would be greatly simplifying the taxation and billing of wireless calls. The wireless industry would not have to keep track of multiple taxing laws for each wireless transaction. State and local taxing authorities would be relieved of burdensome audit and oversight responsibilities without losing the authority to tax wireless calls. And, most importantly, consumers would see reduced wireless rates and fewer billing headaches.

The Mobile Telecommunications Sourcing Act is a win-win-win. It's a win for industry, a win for government, and a win for consumers. I thank Senator DORGAN for working with me in crafting our bill. And I would like to commend the House for sending the Senate the bill before us. And, most of all, I thank the groups outside of Congress for coming together and reaching agreement on this important issue.

Mr. President, I ask unanimous consent that Senator DORGAN and I be permitted to enter into a colloquy.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. I wanted to ask the Senator from Kansas about the bill currently before the Senate, H.R. 4391, the Mobile Telecommunications Sourcing Act, which passed the House unanimously on Tuesday. Is this bill similar to S. 1755, the Mobile Telecommunications Sourcing Act, legislation that the Senator and I introduced last year that is currently on the Senate calendar?

Mr. BROWNBACK. The Senator from North Dakota is correct. H.R. 4391 is substantively identical to S. 1755, which the Senator and I introduced last year, which is co-sponsored by every member of the Senate Commerce Committee, which was reported unanimously by the Senate Commerce Committee to the Senate, and for which the Senate Commerce Committee filed Senate Report No. 106-326.

Mr. DORGAN. How does H.R. 4391 differ from S. 1755?

Mr. BROWNBACK. H.R. 4391 amends title 4 of the U.S. Code, whereas S. 1755 amends title 47. H.R. 4391 reflects the drafting style of the House, whereas S. 1755 reflects the drafting style of the Senate. H.R. 4391 deleted the findings incorporated in section 2 of S. 1755. H.R. 4391 also changed the order in which the definitions appear in S. 1755. There are no substantive differences between S. 1755 and H.R. 4391. Therefore, H.R. 4391 and S. 1755 are substantively identical.

Mr. DORGAN. I thank the Senator from Kansas.

Mr. ROTH. Mr. President, I ask unanimous consent the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 4391) was read the third time and passed.

## ORDERS FOR MONDAY, JULY 17, 2000

Mr. ROTH. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 12 noon on Monday, July 17. I further ask consent that on Monday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate then begin a period of morning business, with Members permitted to speak for up to 10 minutes each, with the following exceptions: Senator BYRD, from 12 noon to 2 p.m.; Senator THOMAS or his designee, from 2 p.m. to 3 p.m.

Mr. REID. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

## PROGRAM

Mr. ROTH. Following morning business, the Senate will resume the Interior appropriations bill under the previous consent, with several amendments to be offered and debated throughout the day. However, any votes ordered with respect to the Interior bill will occur at 9:45 a.m. on Tuesday, July 18. As a reminder, there will be votes on the reconciliation bill on Monday at 6:15 p.m. This will include votes on amendments as well as on final passage of this important tax legislation.

## MARRIAGE TAX PENALTY RELIEF RECONCILIATION ACT OF 2000—Continued

Mr. REID. Mr. President, if I could alert the Senator from Delaware, we just received a phone call that perhaps—we do not know yet—Senator KENNEDY may want to second degree an amendment offered by Senator ABRAHAM. We would have the same agreement we had this morning. If the majority decides they want to file their second degree, they would have that right to do so, also.

Mr. ROTH. That is satisfactory.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, when I entered the Chamber a few moments ago, one of our colleagues was speaking, and he, as I best understood it, came out in favor of love, in favor of marriage, and in opposition to taxing death. And I thought to myself, that is an interesting bit of debate.

But one has to look at the public policies being espoused by those who are describing those positions to understand exactly how much they favor love and marriage and exactly how much they want to do with respect to our public laws and our Tax Code dealing with the taxing of death.

So I thought maybe I could just, for a couple minutes, comment on that. And then I want to talk about the various tax penalties and about an amendment that I am going to offer today.

In the Wall Street Journal of today, there is an op-ed piece written by Mr. George Soros, one of the more noted American financiers. He is chairman of the Soros Fund Management. I have no idea what Mr. Soros is worth, but suffice it to say that Mr. Soros is one of the more successful American entrepreneurs and financial gurus. He has made a substantial amount of money, and has been known as a very successful businessman. Here is what he writes in the Wall Street Journal of today. Mr. George Soros writes:

> Supporters of repealing the estate tax say the legislation would save family farms and businesses and lift a terrible and unfair burden. I happen to be fortunate enough to be eligible for the tax benefits of this legislation, and so I wish I could convince myself to believe the proponents' rhetoric. Unfortunately, it just isn't so. The truth is that repealing the estate tax would give a huge tax windfall to the wealthiest 2 percent of Americans. It would provide an average tax cut of more than $7 million to taxpayers who inherit estates worth more than $10 million.

His last paragraph, in an op-ed piece I would commend to those who might want to get the Wall Street Journal today:

> So I say to the Republican leaders of Congress, thanks for thinking of me—but no thanks. Please keep the estate tax in place, and use the proceeds where it will really count: to better the lives not of people who have already realized the American dream but of people still seeking to achieve it.

That is from George Soros.

As you know, there was not a disagreement about whether to repeal the estate tax in a way that would protect the passage of family farms and small businesses from parents to children. There was no debate about that.

We proposed a piece of legislation that would have provided up to $8 million of value in a family farm or a small business—neither of which, incidentally, would be very small if they reached that $8 million mark—but they could be passed without one penny of estate tax from parents to children.

We proposed repealing the estate tax on the transfer of almost all small businesses and family farms in this country. That is what we proposed. The other side said: No, that is not enough. What we want you to do is repeal the estate tax for the largest estates in America, those worth hundreds of millions of dollars, those worth billions of dollars.

They said: No, we want to provide the 400 wealthiest families in America, according to Forbes magazine, up to $250 billion in tax cuts, by removing the estate tax on the wealthiest estates in America.

Now comes one of America's preeminent financiers, who has made a fair amount of that money, saying: Thanks, but no thanks. That would not be a fair way to do it.

I think it is important, not only as we talk about the repeal of the estate tax, which we just had a significant debate on, and now talking about the marriage tax penalty and trying to provide some relief there, to talk about who is going to benefit from these proposals. Who will benefit?

Repealing the estate tax on the largest estates in this country—a country in which our economy has done so well and so many Americans have done so well; a country in which one-half of the world's billionaires live—repealing the estate tax burden on the largest estates worth hundreds of millions and billions of dollars, is obviously a tax break for the very wealthiest Americans.

Instead of using the money for that kind of tax relief, what about some tax relief for the people who go to work every day and pay a payroll tax on minimum income? What about the folks who could use a middle-income tax cut by perhaps having a tax credit for the tuition they are paying to send their kids to college? Or perhaps what about using that money to reduce the Federal debt?

What about using that money to put a prescription drug benefit in the Medicare program?

There are a whole series of alternatives one might consider in evaluating how we might want to use this money. I come down in favor of using some of it to reduce the Federal debt. What greater gift to America's children than to reduce our Federal debt during good times. If, during tough times, we run up the Federal debt because we must, then during good times let's pay down the Federal debt. That should be a priority use of funds that are available.

We had a debate this week about the estate tax. The majority party said: We demand that the estate tax be repealed in its entirety.

We said: No, what we think we should do is repeal the estate tax for a modest amount of income, accumulation of income over the lifetime of a family, and we proposed up to $4 million. That is more than modest and more than most families will ever see. We proposed an $8 million exemption for the passage of a small business and a family farm.

The majority party said: That is not enough. We insist on more relief. We insist on relief for the biggest estates in America.

That is where we disagreed. That is why at the end of this we have a bill that passed the Senate that will certainly be vetoed by the President, and the veto will certainly be sustained by the Senate.

Now the question is the marriage tax penalty. There is no disagreement in this Chamber about the marriage tax penalty. We should eliminate it. Let me give an example of what is done with the marriage tax penalty. This is very simple, but it illustrates the problem.

A husband and wife making $35,000 each have a combined income of $70,000. In the present circumstance, if they filed as single taxpayers and they were unmarried, they would pay about $8,407 combined in income taxes. But because they are married and file a joint return, they pay $9,532. Therefore, because they are married, these two individuals pay about $1,125 more in taxes. That is called the marriage penalty. We should eliminate that, of course. Let's do that.

The majority party has offered a piece of legislation that in this circumstance would give $443 worth of relief. The couple had a $1,125 penalty, and they only give $443 in relief. We have offered a proposal that says let's eliminate the marriage tax penalty simply, effectively, and completely.

How would we do that? We would say to these people: File your income return as you choose, as married filing jointly or as individuals. You choose. You can file separately or jointly.

It will eliminate all of the marriage tax penalty. That is what we propose.

If I might use one additional chart that shows the difference, we allow all married couples to file separately or jointly. They make the decision. They can make the decision that would abolish any marriage tax penalty that exists in their circumstance. That is not true of the plan offered by the majority. If we eliminate all marriage penalty taxes for taxpayers earning $100,000 or less, if we reduce all penalties from $100,000 to $150,000; why don't we do it all the way up to people who are making $10 million or $20 million?

The reason is this distribution chart. As is the case with the estate tax repeal and now with the marriage tax penalty, most of the benefit of this proposal will go to a very small percent of the taxpayers. Nearly 80 percent of the benefit of the majority party's proposal to reduce the marriage tax penalty will accrue to the top 20 percent of taxpayers, and the bottom 80 percent of the taxpayers will get less than one-fourth of the benefit. That is the problem, once again.

I think there is substantial agreement in this Chamber about goals. If our goal is to eliminate the estate tax for the passage of small businesses and family farms, let's do that. We can do that together. We have proposed that. Join us. Don't continue to insist that we eliminate the estates tax for the largest estates in the country. There is a better use for those revenues.

If the proposition is, let's eliminate the marriage tax penalty, we say fine. Join us. Do it the simple way. Allow people to file either as individuals, separately, or as married couples filing jointly. Their choice. That will eliminate all of the marriage tax penalty.

The majority plan only eliminates about three categories of marriage tax penalty when, in fact, there are more than 60. We say, on these issues, while we philosophically agree on part of them, let's join together and do this.

Of course, what we have discovered is there are some who would much prefer to have a political issue than to have legislation passed. The result is, they want to send it to the White House and have the President veto it.

We could have had at the end of this week a very substantial exemption of the estate tax so that almost no small business or family farm would ever have been ensnared in the web of the estate tax. Why aren't we doing that? Because the majority party insisted on passing a complete repeal of the estate tax which was going to cost a substantial amount of money in a manner that would give the largest estates the biggest tax benefit. That is not fair and not the right thing to do.

I hope as we finish this reconciliation bill and move to other appropriations bills and also deal now in July, and especially September and October, with a range of these issues, that we find a way to pass legislation that represents the best of what both political parties have to offer. Instead of getting the best of both, we often get the worst of each because there is so much energy fighting each other's proposals that we forget that there is philosophical agreement.

Yes, there is a marriage tax penalty. Yes, we ought to take action to remove it and eliminate it. There is no reason at all that we couldn't do it together. There is more common interest here than most people think. I hope in the coming weeks we can find ways that we can bridge the gap across the political aisle in the Senate and send the President some good legislation.

### AMENDMENT NO. 3877

Mr. DORGAN. Mr. President, I send an amendment to the desk and ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from North Dakota [Mr. DORGAN] proposes an amendment numbered 3877.

Mr. DORGAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To amend the Internal Revenue Code of 1986 to treat payments under the Conservation Reserve Program as rentals from real estate, expand the applicability of section 179 expensing, provide an exclusion for gain from the sale of farmland, and allow a deduction for 100 percent of the health insurance costs of self-employed individuals)

At the end, add the following:

**SEC. 7. TREATMENT OF CONSERVATION RESERVE PROGRAM PAYMENTS AS RENTALS FROM REAL ESTATE.**

(a) In General.—Section 1402(a)(1) of the Internal Revenue Code of 1986 (defining net earnings from self-employment) is amended by inserting "and including payments under section 1233(2) of the Food Security Act of 1985 (16 U.S.C. 3833(2))" after "crop shares".

(b) Effective Date.—The amendment made by this section shall apply to payments made before, on, or after the date of the enactment of this Act.

**SEC. 8. EXPANSION OF EXPENSING TREATMENT FOR SMALL BUSINESSES.**

(a) Acceleration of Increase in Dollar Limit.—Section 179(b)(1) of the Internal Revenue Code of 1986 (relating to dollar limits on expensing treatment) is amended to read as follows:

"(1) Dollar limitation.—The aggregate cost which may be taken into account under subsection (a) for any taxable year shall not exceed $25,000."

(b) Expensing Available for All Tangible Depreciable Property.—Section 179(d)(1) of the Internal Revenue Code of 1986 (defining section 179 property) is amended by striking "which is section 1245 property (as defined in section 1245(a)(3)) and".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

**SEC. 9. EXCLUSION OF GAIN FROM SALE OF CERTAIN FARMLAND.**

(a) In General.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to items specifically excluded from gross income) is amended by adding after section 121 the following new section:

**"SEC. 121A. EXCLUSION OF GAIN FROM SALE OF QUALIFIED FARM PROPERTY.**

"(a) Exclusion.—In the case of a natural person, gross income shall not include gain from the sale or exchange of qualified farm property.

"(b) Limitation on Amount of Exclusion.—

"(1) In general.—The amount of gain excluded from gross income under subsection (a) with respect to any taxable year shall not exceed $500,000 ($250,000 in the case of a married individual filing a separate return), reduced by the aggregate amount of gain excluded under subsection (a) for all preceding taxable years.

"(2) Special rule for joint returns.—The amount of the exclusion under subsection (a) on a joint return for any taxable year shall be allocated equally between the spouses for purposes of applying the limitation under paragraph (1) for any succeeding taxable year.

"(c) Qualified Farm Property.—

"(1) Qualified farm property.—For purposes of this section, the term 'qualified farm property' means real property located in the United States if, during periods aggregating 3 years or more of the 5-year period ending on the date of the sale or exchange of such real property—

"(A) such real property was used as a farm for farming purposes by the taxpayer or a member of the family of the taxpayer, and

"(B) there was material participation by the taxpayer (or such a member) in the operation of the farm.

"(2) Definitions.—For purposes of this subsection, the terms 'member of the family', 'farm', and 'farming purposes' have the respective meanings given such terms by paragraphs (2), (4), and (5) of section 2032A(e).

"(3) Special rules.—For purposes of this section, rules similar to the rules of paragraphs (4) and (5) of section 2032A(b) and paragraphs (3) and (6) of section 2032A(e) shall apply.

"(d) Other Rules.—For purposes of this section, rules similar to the rules of subsection (e) and subsection (f) of section 121 shall apply."

(b) Conforming Amendment.—The table of sections for part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by adding after the item relating to section 121 the following new item:

"Sec. 121A. Exclusion of gain from sale of qualified farm property."

(c) Effective Date.—The amendment made by this section shall apply to any sale or exchange on or after the date of the enactment of this Act, in taxable years ending after such date.

**SEC. 10. FULL DEDUCTION FOR HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS.**

(a) In General.—Section 162(l)(1) of the Internal Revenue Code of 1986 (relating to special rules for health insurance costs of self-employed individuals) is amended to read as follows:

"(1) Allowance of deduction.—In the case of an individual who is an employee within the meaning of section 401(c)(1), there shall be allowed as a deduction under this section an amount equal to the amount paid during the taxable year for insurance which constitutes medical care for the taxpayer, the taxpayer's spouse, and dependents."

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after December 31, 1999.

Mr. DORGAN. Mr. President, I will explain what this amendment is.

If on the floor of the Senate we are discussing a reconciliation bill that carries reductions in taxation, especially, in this circumstance, the elimination of the marriage tax penalty, I want to have considered several other pieces of tax law that I think are long overdue for consideration. This particular amendment combines four ideas.

One, we have a current problem with virtually all farmers in this country who are receiving income from their conservation reserve program acres. The Internal Revenue Service has now decided that income is from self-employment and therefore subject to self-employment tax. That is one of the goofiest interpretations of tax law I have ever heard, but nonetheless that is the IRS's position. They have the opportunity to make it stick unless we tell them that is not what we intended; that is not the way the law ought to be read. That is not the way Congress intended it, so we will legislate to tell the IRS how they ought to view this issue.

It is clear that the conservation reserve program, for which the Federal Government gives payments to farmers for the retirement of certain acreage into conservation, is not self-employment income and therefore subject to self-employment taxes. Yet that is exactly the way the IRS has ruled. All farmers across this country are going to get caught in this web. We must fix it. That is one provision.

The second is a provision that applies to expensing opportunities for small business. Under current law, small businesses can generally expense or immediately deduct up to $20,000 of the cost of equipment and other items. This maximum amount will increase to $25,000 over the next several years. I propose that we allow, under those expensing provisions, opportunities for small businesses to fix up their storefronts on Main Streets. Many of our small towns desperately need reinvestment in the storefronts on Main Street. They are 50, 60, 70 years old. Yet when they do that these days, small businesses find they must depreciate the costs of those investments over 39 years for tax purposes. They ought to be able to expense that under the expensing provisions. My proposal would allow that to happen.

The third proposal in this amendment fixes a problem with the issue of capital gains exclusions. If you are in a town someplace and you sell a home, you know there is an exclusion of up to $500,000 on all capital gains on the sale of that home. If you go out of town 15 miles and run a family farm someplace, your house has zero value except that value to which it inures to the farm you are farming. So if you sell that house, you sell it for almost nothing.

The only value that home has is the ability for somebody to live in that home and operate farm equipment around that farmstead.

The fact is, when farmers sell their home and their home quarter, they are not able to take advantage of the capital gains exclusion that the folks in town are taking advantage of when they sell their home. I would fix that in this legislation, as well, to give farmers that opportunity.

Fourth, my amendment provides for the full deductibility immediately of health insurance costs for the self-employed. There is no excuse in this country to have a business on one side of Main Street be able to deduct only a fraction of their health insurance costs as a business expense and a corporation across the street that can deduct 100 percent of that as a business expense. That is not fair. Both parties have been working to try to bridge that gap. All of us have talked about that—Republicans and Democrats—for some long while. We are making progress in closing the gap. Well, let's not just make progress, let's just close it and say self-employed will be treated exactly the same as large corporations. If you have health insurance costs for your employees in a business, it is a business expense and it ought to be fully deductible, and it ought to be fully deductible right now.

Those are the four provisions I have offered to this reconciliation bill, and I hope for its consideration next week.

As I conclude, we are not talking about tax issues. We have, according to economists, some good years ahead of us. The best economists in this country can't see beyond a few months. God bless them, and I don't mean to speak ill of them when I talk about economists this way. As I have said, I actually taught economics for a couple of years in college, but I was able to overcome that experience and go on to other things.

Economists can't see very far into the future. They just can't. Adam Smith, one of the great economists, of course, in modern history, they say, used to get lost walking home; he could not find his home. God bless his memory as well. We are told now by economists today—the best in the country—that the next 10 years is likely to bring unprecedented economic growth, with 10 years of surpluses. I don't have any idea whether that will be the case. I hope it is. It would be terrific. But I don't know, nor do economists.

The year before the last recession in this country, 35 of the 40 leading economists predicted the next year would be a year of continued economic growth. So 35 of the 40 leading economists had no idea what would happen in the next year. The same is true with respect to the future that we now discuss. We don't know what is going to happen. If we are fortunate enough to have continued, recurring budget surpluses, then we ought to begin this discussion about tax reductions. Yes, I think there is room for some tax cuts, but the question is, What kind and who benefits from them?

We ought to begin the discussion about tax cuts relative to other issues: Reducing the Federal debt, providing a prescription drug program under Medicare, and a range of other needs in this country, including our investment in education, which represents our real future. We can do all of these things this month and in September and in the first half of October, before this Congress finishes its work.

I think, in many ways, there are more common interests among Members of the Senate than most people realize. We can accomplish a lot of things together, and we ought to do more of that in the coming months. I hope to work on this range of issues. We are talking about the estate tax and the marriage tax penalty which, combined in the second 10 years, cost about $1 trillion in lost revenue. We have to evaluate this relative to other needs and interests—the needs, especially, of working families. It is true that we have had a wonderful economy and a robust bit of economic growth. But it is also true that some people have not benefited so much in this economy. We need to worry about them as well.

Having said all of that, I look forward to the coming several months. I know this is an election year, a political year. But this country has much to be thankful for, and there is much to be gained by having an aggressive, robust debate about the future, the projected surplus, about our tax system, the needs in the Medicare program, prescription drug prices, and a whole range of issues that are important to most families.

When they sit around their supper tables in this country, families are asking these basic questions: What kind of a job do I have? What kind of income do I get paid? Do I have security in my job? What kind of health care do I have for my kids? Do my parents get adequate health care? Do we live in a safe neighborhood? What about the issue of crime? All of those issues are important. Do we send our kids to a good school? When our kids walk through the door of the school, are we proud of the classroom and the teachers? Are we committing enough resources to make sure the kids are getting the best education they can get?

Those are the issues that people are concerned about and that ought to be the center of our discussion in the coming 3 and a half or 4 months, before America makes political choices once again in this election.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. REID. Mr. President, I will soon send two amendments to the desk on behalf of Senator WELLSTONE. This has been cleared with the majority.

Under the order, he is only entitled to offer one amendment on this subject. I ask unanimous consent that he be allowed to withdraw one of these amendments on Monday.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

### AMENDMENTS NOS. 3879 AND 3880, EN BLOC

Mr. REID. Mr. President, I send two amendments to the desk, en bloc.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Mr. WELLSTONE, proposes amendments numbered 3879 and 3880, en bloc.

Mr. REID. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

### AMENDMENT NO. 3879

(Purpose: To express the sense of the Senate regarding the restoration of reductions in payments under the medicare program caused by the Balanded Budget Act of 1997)

At the end, add the following:

### SEC. ____. SENSE OF THE SENATE REGARDING REDUCTIONS IN MEDICARE PAYMENTS RESULTING FROM THE BALANCED BUDGET ACT.

(a) FINDINGS.—The Senate finds the following:

(1) Since its passage, the Balanced Budget Act of 1997 (Public Law 105–133; 111 Stat. 251), has drastically cut payments under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) in the areas of hospital services, home health sevices, skilled nursing facility services, and other services.

(2) While the reductions were originally estimated at around $100,000,000,000 over 5 years, recent figures put the actual cuts in payments under the medicare program at over $200,000,000,000.

(3) These cuts are not without consequence, and have caused medicare beneficiaries with medically complex needs to face increased difficulty in accessing skilled nursing care. Furthermore, in a recent study on home health care, nearly 70 percent of hospital discharge planners surveyed reported a greater difficulty obtaining home health services for medicare beneficiaries as a result of the Balanced Budget Act of 1997.

(4) In the area of hospital care, a 4 percentage point drop in rural hospitals' inpatient margins continues a dangerous trend that threatens access to health care in rural America.

(5) With passage of the Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 1999 (113 Stat. 1501A–372), as enacted into law by section 1000(a)(6) of Public Law 106–113, Congress and the President took positive steps toward fixing some of the Balanced Budget Act of 1997's unintended consequences, but this relief was limited to just 10 percent of the actual cuts in payments to provider caused by the Balanced Budget Act of 1997.

(6) Expeditious action is required to provide relief to medicare beneficiaries and health care providers.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) by the end of the 106th Congress, Congress should revisit and restore a substantial portion of the reductions in payments under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) to providers caused by enactment of the Balanced Budget Act of 1997 (Public Law 105–133; 111 Stat. 251); and

(2) if Congress fails to restore a substantial portion of the reductions in payments under the medicare program to health care providers caused by enactment of the Balanced Budget Act of 1997, then Congress should pass legislation that directs the Secretary of Health and Human Services to administer title XVIII of the Social Security Act as if a 1-year moratorium for fiscal year 2001 were placed on all reductions in payments to health care providers that were a result of the Balanced Budget Act of 1997.

AMENDMENT NO. 3880

(Purpose: To express the sense of the Senate regarding the restoration of reductions in payments under the medicare program caused by the Balanded Budget Act of 1997)

At the end, add the following:

**SEC. . SENSE OF THE SENATE REGARDING REDUCTIONS IN MEDICARE PAYMENTS RESULTING FROM THE BALANCED BUDGET ACT OF 1997.**

(a) FINDINGS.—The Senate finds the following:

(1) Since its passage, the Balanced Budget Act of 1997 (Public Law 105–133; 111 Stat. 251) has drastically cut payments under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) in the areas of hospital services, home health sevices, skilled nursing facility services, and other services.

(2) While the reductions were originally estimated at around $100,000,000,000 over 5 years, recent figures put the actual cuts in payments under the medicare program at over $200,000,000,000.

(3) These cuts are not without consequence, and have caused medicare beneficiaries with medically complex needs to face increased difficulty in accessing skilled nursing care. Furthermore, in a recent study on home health care, nearly 70 percent of hospital discharge planners surveyed reported a greater difficulty obtaining home health services for medicare beneficiaries as a result of the Balanced Budget Act of 1997.

(4) In the area of hospital care, a 4 percentage point drop in rural hospitals' inpatient margins continues a dangerous trend that threatens access to health care in rural America.

(5) With passage of the Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 1999 (113 Stat. 1501A–372), as enacted into law by section 1000(a)(6) of Public Law 106–113, Congress and the President took positive steps toward fixing some of the Balanced Budget Act of 1997's unintended consequences, but this relief was limited to just 10 percent of the actual cuts in payments to provider caused by the Balanced Budget Act of 1997.

(6) Expeditious action is required to provide relief to medicare beneficiaries and health care providers.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that by the end of the 106th Congress, Congress should revisit and restore a substantial portion of the reductions in payments under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) to providers caused by enactment of the Balanced Budget Act of 1997 (Public Law 105–133; 111 Stat. 251).

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LEVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEVIN. Mr. President, I ask unanimous consent to be allowed to proceed in morning business for up to 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

## DEATH TAX ELIMINATION ACT

Mr. LEVIN. Mr. President, I want to spend a few moments this afternoon to explain why I opposed the Republican proposal to repeal the Federal estate tax and why I supported the alternative Democratic proposal to provide relief in the estate tax for those who, in my judgment, need it the most, that is, small businesses, family farms, and those who are more modestly situated than those who would receive the most of the relief under the Republican proposal.

The current estate tax was first enacted by Congress in 1916, partly at the behest of President Teddy Roosevelt. Teddy Roosevelt was right; it is appropriate for there to be an estate tax on those who prosper so greatly in the American economic system in order to provide some assistance to those who have worked hard but have fallen behind and in order also to do some things we must do in order to improve our society and our communities. That is the basic tenet of a progressive system of taxation.

I think President Teddy Roosevelt was also correct that the tax should not be designed in such a way as to discourage people from seeing to it that their children are more secure but, rather, it should be aimed at immense fortunes which have been created.

That is why I supported the Democratic proposal to reform the estate tax to provide prompt relief to small business owners and farmers rather than voting for the Republican proposal which would have repealed it more slowly over the next 10 years but then would have totally repealed it for even the greatest portion.

The Democratic proposal targets tax relief to persons with estates, small businesses, and family farms of up to $8 million. By increasing the exemption for qualified family-owned business interests from its current level of $2.6 million per couple to $4 million per couple in 2001 and $8 million per couple in 2009, the Democratic alternative provides significant immediate relief and then removes altogether the tax for the vast majority of the 2 percent of family farms and small businesses that are currently subject to the tax.

In contrast, the Republican plan removes no one from the estate tax burden totally for another 10 years but then removes even the largest estate completely at huge costs to the Treasury.

In addition to providing relief immediately, the Democratic proposal does so at a more reasonable cost—$64 billion over 10 years—compared to $105 billion for the Republican repeal. This $40 billion difference can and should go to other important national priorities, such as a prescription drug benefit for Medicare, making a college education more affordable, extending Medicare solvency, or reducing the national debt.

The Republican repeal would cost much more than that because in the second 10 years—from 2011 to 2020, the same decade in which the baby boomers begin to retire and place strains on the Medicare system and on Social Security—the repeal is estimated to cost up to $750 billion.

That is what these two charts show. There is a significant revenue loss from the Republican repeal, starting in 2010 at the rate of about $23 billion a year, going up to $53 billion a year in 2015, and then $66 billion a year in 2020, $82 billion in 2025, and so forth.

That kind of severe strain on the Treasury begins in about the year 2010—that is, at the same time when there is a great demand on the Treasury to make payments to Social Security. Until about 2015, Social Security is in surplus. But then in about 2015, Social Security takes in less than it is paying out, and the Treasury from the general fund must begin to pay back to Social Security a part of the debt which has been built up for Social Security. Those payments significantly increase, starting in the year 2015 from $12 billion a year, to $183 billion in 2020, to $416 billion a year in 2025, and so forth.

That is one of the major problems with the estate tax proposal the Republican majority offered—that the drain it is going to place on the Treasury, the loss to the Treasury, begins to hit severely at precisely the same time, or at least approximately the same time, as there is a significant shortfall for Social Security and when payments must be paid from the Treasury to Social Security if we are going to keep our promise to those who retire in those years.

I believe taxes should be distributed fairly among all Americans. To give a huge tax cut to the wealthiest among us at the expense of important national priorities for the rest of us, at the risk of not being able to pay what is required to Social Security recipients, what is committed to be paid to them, and what was promised to be paid to the recipients of Social Security starting in the years 2015 and beyond, is a serious mistake. It is simply wrong.

I believe the Democratic estate tax reform plan is consistent with national priorities and is consistent with keeping our commitments to Social Security. The alternative Republican plan puts those commitments at risk and puts those priorities at risk. That is why I thought the Democratic plan was fairer to our taxpayers and fairer to this Nation.

I thank the Chair. I yield the floor.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

## MARRIAGE TAX PENALTY RELIEF RECONCILIATION ACT OF 2000—Continued

Mr. SESSIONS. Mr. President, I would like to share a few thoughts on the marriage penalty tax and why I believe it is long past time to remove that tax from our body politic.

I would also like to share a few thoughts on my excitement and thrill about seeing the vote earlier today in which we joined the overwhelming vote of the House of Representatives in eliminating the death tax. I believe it is a tax that causes an extraordinary burden on the American economy. It disrupts the small, closely-held businesses in America. It actually impedes smaller, growing, profitable businesses that are reaching the levels to compete with a Wal-Mart, or a Home Depot, or a Car Quest store—the companies that are doing so well locally. Then 10, 15, or 20 years down the road, bam, the leading stockholder dies and the corporation owes $6 million, $8 million, $10 million, $12 million, or $30 million in estate taxes. They either have to sell off their corporation, go into debt, or do whatever to pay it. People do not understand it.

If you start an auto parts store chain, and I know of an example of this, and build up to 27 stores, and the senior man who owns the business dies, they evaluate every single store, every part on every counter in those stores as if it is for sale. Say it is worth $50 million and the family has been investing, every day, all of the profits, basically in expanding the business, and the tax they owe, 55 percent, is on the entire value of the corporation. So where do they get the money?

What I know happened in a company as I am describing, the family faced a major decision. What did they decide to do? They sold out to Car Quest, a national corporation. There is nothing wrong with it, it is a fine company, but instead of being a competitor to Car Quest and Auto Zone and the other big dealers, they were out of business. The customers lost. The hometown distribution center in Alabama, where that company was, closed down and they had the Car Quest distribution center in another part of the State.

We are chopping off the heads of growing, vibrant corporations, just as they get to the point to compete with the big multinational and national corporations worth billions of dollars. We ought not to be doing that. It is not good public policy. It brings in very little money. I don't think we ought to be afraid about projections of how much it would cost. It is certainly not going to cost much in the next 10 years. At the rate of growth of this economy, we will be more than able to pay for it, and these numbers do not include the strength and aid the elimination of this tax will give to the American economy.

But the power to tax is a major power of our National Government. When you take money from individual American citizens, you take their wealth from them, as we do in the Government every day when we collect taxes. We take their autonomy, their freedom, their independence, and their power over the things they have earned. It is a diminishment of the strength and independence and autonomy of a citizen, when you increase taxes. It is an increase in the power, the strength, the domination of the Government who takes that tax.

When we have a time in this Nation that we are growing and vibrant and we have some extra money coming in, we have a choice. Are we going to keep taking that money or are we going to allow it to go back to the American people? I have seen the studies from the Office of Management and Budget that show, as a percentage of the total gross domestic product, the Government is taking more money today than at any time since the height of World War II. In 1992, when President Clinton took office, the percentage of the gross domestic product, the total of all goods and services produced in our Nation going to the Federal Government, was 17.6 percent. It is now hitting about 20.9 percent, the largest in history since the peak of World War II when we had a life-and-death struggle going on in the world.

I am, first of all, a supporter of tax cuts because I believe they restore and move us in the direction we ought to head, and that is our heritage as Americans. I spent some time recently in Europe. We were stunned to find the Europeans are paying, on average, 67 percent of their income to the government. Their economies are not nearly what ours is. We have much lower unemployment. The highest growth rate in gross domestic product in the world last year, among industrial nations, was the United States.

I remember reading an article in USA Today, and they interviewed three businessmen—one each from Germany, Japan, and England. They asked them why our economy was better than theirs. They said unanimously it is because the United States had less taxes, less regulation, and a greater commitment to the free market.

I asked Chairman Alan Greenspan, the architect, many say, of this growth economy we are in, did he agree with that. He immediately looked up at me and he said: I absolutely agree with that.

So my concern, my drive, is not to try to see if I can get votes by promising people we are going to reduce their taxes. What I want to see is our Nation establish its heritage of private sector development and growth that is allowing us to lead the world, without doubt, economically, industrially, environmentally, and scientifically. When you talk to people in Europe, they take it as a given that our economy is stronger than theirs. They do not even discuss the subject. They try to say why they chose a different path, but they acknowledge the strength of our American economy.

I have one more prefatory statement. A tax is a penalty. A gift of money is a subsidy. Things you penalize, you get less of. Things you subsidize, you get more of. I think that is a fundamental law of human nature and of the economy, little to be disputed at this point.

So the next tax we need to be talking about is a tax on marriage. In this Nation, we impose a tax on the institution of marriage. As we all know, marriage is the cornerstone of strength in any society. We have seen study after study, ever since Dan Quayle raised the issue and Atlantic Monthly wrote an article that Dan Quayle was right, that the marriage breakup is damaging to our country. We have created a tax policy in this country that penalizes the institution of marriage and subsidizes singleness.

I had a staff person make a statement to me a couple of years ago that stunned me. She said: JEFF, you know we were divorced in January. We got a $1,600 improvement on our taxes by being divorced. If we had been smart enough to have divorced in December, we would have saved $1,600 both years.

We are in the business now in this country of paying people a tax bonus for divorce. We are causing them to suffer a tax penalty, on average of $1,400, if they get married. That is not good public policy. It is wrong. It is unfair. It should not continue. The President has indicated in his State of the Union Address it ought to be eliminated. I do not know who would be against that. It is time to end it now, and this Senate is going to do so. We are going to do it. I expect the President will sign it. I certainly hope so.

We have a surplus now of record proportions, of $1 trillion outside Social Security. I hear a number of my fellow Members of the Senate on the other side of the aisle who express concern if we have a few tax cuts that represent only a small part of the $1 trillion in the non-Social Security surplus we are going to have in the next 10 years, over $1 trillion in non-Social Security surplus applying every dime of the Social Security surplus to the Social Security fund, that somehow we are going to be disrupting and spending all that surplus. The tax cuts proposed are not going to use all of the surplus.

Not only will we pay down the debt with the Social Security surplus, we will be paying down debt with the other surplus we have, unless we go into a spending frenzy—which I reject.

We will also have money to expand spending programs. Our spending is up this year. But every time we get an estimate of the surplus we are looking at over the next decade, those estimates are higher than before. Our economy continues to be strong, and allowing people to keep their money will help keep the economy vibrant and strong.

I am excited about this vote we will be undertaking soon to eliminate the penalty on a very important institution in this country, and that is marriage. We did make progress 2½ years ago, when we passed a child tax credit. A family of three would be able to receive $1,500, if their income is not too high, in tax rebates for those three children; over $100 a month that they can use for shoes, or to fix the muffler on the car, to buy a set of tires, let the child go to camp for the summer, or maybe take a vacation together. It is real money for real families.

Some think Government is not working if we allow families to spend the money as they see fit; that we are somehow unconcerned about children; we are somehow unconcerned about families if we do not take the money from them and give it back to them and tell them how to spend it. That proves we are concerned?

I say baloney. If you respect American families and you respect American people, free and independent citizens that we are, you let them keep as much of the money you can, to spend as they wish, and they will use it wisely.

I am excited about this vote and this debate. I welcome it. The American people are going to understand the absolute insanity of a tax on the institution of marriage and reject it. We will allow the American people to keep some money that they can spend as they choose on the things that are important to them.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia.

## FAMILY CARE ACT

Mr. ROCKEFELLER. Mr. President, I rise to comment on the bill Senator KENNEDY and others have worked on which is formally called the Medicaid/CHIP Family Improvement Act, but I will simply refer to it as the Family Care Act.

Most of the people in this country who are uninsured work. A lot of Americans assume that if somebody does not have health insurance, there is lack of merit or effort on their part. Most of the people who do not have health insurance are, in fact, working every single day. They are working, and many happen to be the working poor.

The whole philosophy of the earned-income tax credit, which President Reagan started and a lot of people continued, is that if people are poor and are working, we say: Good, you have taken a job; as a result of taking a job, you have given up your Medicaid health care benefits, and in America we respect that you are taking a risk by going out into the marketplace. You are probably not getting health insurance because of the low wages you are being paid but, nevertheless, you value work and you are going ahead with it.

This is the same spirit we are talking about in the Family Care Act. We value people who work. We value people who work for low wages, and we want to help them and their families.

Essentially through the Family Care Act, not only do we have the CHIP program, with which we are all familiar, which was started in 1996, which has been moderately successful for 2 million out of the 11 million children in this country, but we expand that. We say: Let your parents be included in this, too, because you are all part of the same family.

The Senator from Alabama was just talking about the importance of protecting the family. This is an example of how to do that. The parent of the child receiving the Children's Health Insurance Program is probably without health insurance, so why not expand that to include that parent, which brings the family together on health insurance. It is sensible.

We also provide some money because it is very hard in places such as West Virginia and, I suspect, Alabama, both of which are essentially rural States, and most States in this country have very rural aspects to them—it is very hard to reach out and find the children. We go through the School Lunch Program, but not everybody wants to admit they are on Medicaid or they are available for the CHIP program. It is hard to reach out, so we provide more money to the States to do that in ways the States believe are appropriate.

We also provide States some money for other ways they might think of to do innovative planning to include parents and expand those who are uninsured.

It is interesting to me because we are talking a lot about health care but not doing very much about it. I remember when President Clinton was elected. Although his health care bill did not succeed, there was a lot of energy around here. The energy did not start out to be partisan. It started out that he was elected to do universal health care, and there was a lot of talk.

At that time, the only industrialized countries in the world that did not have universal health insurance were the United States and South Africa. South Africa now has universal health insurance, and the United States is still the only country which does not.

Of course, we are in a massively successful economic situation with a lot of people working and a lot of opportunities to make these changes. What I worry about and why I care about the Family Care Act is that we have tended more away from the fundamentals of health care towards what I call political posturing. I do not want to get into who is doing it and to what extent, but I think most people will agree there is a lot of political posturing occurring.

I am hopeful we will pass a prescription drug benefit. I am not sure we will. I am hopeful we will pass Medicare reform. I do not think we will. I spent a year with the Medicare Reform Commission. It was quite an exercise in futility. There were a lot of negative feelings going back and forth. It was not the kind of commission or work with which one really wanted to be associated in terms of expanding health care.

This bill is not about posturing; it is about trying to eliminate the number of uninsured as much as we possibly can.

I still very much have on my mind the concept of universal health care. I understand that is not the top subject of the moment. We are at an incremental stage. If I can do things incrementally, then I will do that. If I have to wait some years for universal health care, then I will have to do that. I will always be pushing for universal health care, but I will take steps as we can take them, and this Family Care Act is a splendid way to do that.

One of the problems is that since President Clinton's health care bill did not pass—and I will not comment on that—there were 36 or 37 million people uninsured in the country, and there was disagreement as to the number. That is a lot of people. Now there are about 43 million to 44 million uninsured. One can extrapolate from that that we have been talking but not doing much about it. There have been a couple of instances where there has been bipartisan legislation which has passed and has helped, but nothing really substantial, and it has been very sporadic.

We are looking at a situation where, over the next 3 years, approximately 30 percent of the population, or about 81 million Americans, can expect to have no health insurance for at least 1 month out of a year. Who is to say when a problem might occur, when a leg might be broken, when a cancer may be discovered or when some other problem might arise? Basically, that to me is uninsurance.

Business people like to have predictability, and individuals like to have a sense of predictability: I have it; I am safe. That is why it is called the Health Security Act. Security is very important in health care.

Others would say let the market do that. The market has worked wonderfully in many ways in our country. It has had a lot to do with the success of our economy. It probably has had more to do with the success of our economy than the very Chairman of the Federal Reserve the Senator from Alabama was talking about a few moments ago. We are an entrepreneurial country, but we carry entrepreneurship to those places where we are quite certain it is going to work.

There are those who take risks, but basically Americans, when it comes to something such as health care, are rather risk averse, and therefore the whole concept of predictability and security once again becomes particularly important.

I am very unhappy when I think of 81 million Americans having at least 1 month out of the year without health insurance. I do not suspect the market is going to turn that around because it declined to. The Health Insurance Association of America, which is not a particularly aggressive group on health care, would agree with that statement. They do not want to get into that business of doing that kind of insurance.

The Family Care Act is a sensible Government approach in which we simply take the CHIP program, which is beginning to work now at a rapidly increasing rate as States grow more comfortable with it, and say let's extend that to the parents. That is called incrementalism. It is sensible. It fits within a pattern. It is logical, and it also helps those who tend to be from the working poor. I think we should do all we can to help people who are poor and who work and who choose not to go on welfare.

I think it is time to act. The family care amendment is not in any way political. It is not even large scale. But it does help. It is something that we will be voting on next week. With a strong degree of intensity, I encourage my colleagues to vote for it.

I thank the Presiding Officer and yield the floor.

The PRESIDING OFFICER (Mr. SESSIONS). The Senator from Kentucky.

## MARRIAGE TAX PENALTY RELIEF RECONCILIATION ACT OF 2000—Continued

Mr. BUNNING. Mr. President, I will talk just a little bit about the marriage penalty bill that we have before us.

I rise in strong support of this legislation to repeal the marriage penalty.

I am going to vote for this bill because it restores fairness and equity to married Americans under the Tax Code. It is the right and honorable thing to do.

By now I think all of my colleagues know the sad facts about the marriage penalty, and how it cruelly punishes married couples by forcing them to pay higher taxes on their income than if they were single.

For example, a married couple where both spouses earned $30,000 in 1999 would pay $7,655 in federal income taxes. Two individuals earning $30,000 each but filing single returns would pay only $6,892 combined. The $763 difference in tax liability is the marriage penalty.

In fact, the Congressional Budget Office estimates that overall almost half of all married couples—22 million—suffered under the marriage penalty last year. The average penalty paid by these couples was $1 400. Cumulatively, the marriage penalty increases taxes on affected couples by $32 billion per year.

That is 44 million Americans who are paying a total of $32 billion in higher taxes each year simply because they took the walk down the aisle.

In my home State of Kentucky alone, there are over 800,000 married couples, many of whom are punished by the marriage penalty.

I can't think of one good reason why they should have to send more of their money to the Federal Government for the simple reason that they decided to get married. It is about the most unfair and unjust thing I have ever heard of.

This bill provides real relief by making four simple changes to the code.

It increases the standard deduction for married couples to twice the standard reduction for single taxpayers.

It expands 15-percent and 28-percent income tax brackets for married couples filing a joint return to twice the size of the corresponding brackets for individuals.

It updates the rule to eliminate the marriage penalty for low-income couples who qualify for the earned income credit.

And it corrects a glaring oversight in the Code whereby couples who have to pay the alternative minimum tax are denied the ability to fully claim family tax credits, such as the $500 per child tax credit, hope and lifetime learning credits, and the dependent care credit.

The marriage penalty is an outdated relic from the days when families primarily relied on one breadwinner.

The penalty principally occurs because the Tax Code provides a higher combined standard deduction for two workers filing as singles than for married couples, and the income tax bracket thresholds for married couples are less than twice that for single taxpayers.

As recently as several decades ago when most mothers stayed home and fathers trudged off to work at the factory each day, this might have made sense.

Back then it did not matter nearly as much if the Tax Code's standard deduction for a married couple wasn't twice as much as for an individual, or if the income brackets for couples weren't double that for individuals.

Few families had to account for a second income, and had never heard of the marriage penalty.

But times change, and now in many families both parents do work. And I can guarantee you that they know their money is being wrongly taken from them by our immoral tax laws.

Congress and the Tax Code haven't kept pace with the American family. It is time to change that and to make sure that our code meets the needs of the modern family in the 21st century in America.

Even worse, the marriage penalty is a cancer that has spread throughout the Tax Code, and which goes beyond simply affecting standard deductions and income brackets.

There are at least 65 more provisions in our tax laws where married couples are unjustly penalized. Frankly, I think the bill before us today should be just the first step toward completely rooting the marriage penalty out of our Tax Code.

The adoption tax credit, the student loan interest deduction, retirement savings incentives, and dozens of other parts of the Code have all been afflicted by the marriage penalty, and are less available to married couples than if they were single earners trying to take advantage of this tax relief.

This means that the marriage penalty not only punishes Americans who have to foot the bill, it further undermines the good public policy goals that Congress has tried to implement when it passed these changes to the Tax Code.

This isn't the first time Congress has tried to fix the insidious marriage penalty. In 1995, Congress tried to increase the standard deduction for married couples to offset some of the marriage penalty. President Clinton vetoed that bill.

Again in 1999, Congress passed marriage penalty relief. Again the President vetoed it.

Both times the President said he liked the idea of marriage penalty relief, but didn't like other provisions in the legislation. So this year the House passed what I call a "clean" marriage penalty bill to try to answer his concerns. But, of course, he issued a strong statement in opposition to that bill.

However, that did not stop him from recently proposing a little horse trading, and telling Congress that he would reconsider and sign marriage penalty relief legislation if we would also pass his Medicare prescription drug plan.

If all that does is confuse you, I know it confuses me. But I think it means the President can't decide what he thinks about ending the marriage penalty.

So I believe that Congress should help clarify his thinking and send him a bill soon so he can make up his mind and decide if he really wants to help provide tax relief to the 44 million Americans who are unfairly punished by the marriage penalty.

It is time for the Senate to act and to send marriage penalty relief to the President. Until we do we are not going to be able to escape the fact that the marriage penalty causes a vicious cycle.

It imposes higher taxes on millions of families, and it unfairly takes away billions of dollars of income from married couples. That money is then sent to Washington and used to help pay for child care and other programs that families might not have needed in the first place if they had been able to keep the money that was stolen from them by the marriage penalty.

Mr. President, the marriage penalty is an evil that is eating away at our families. The American people want a divorce from the marriage penalty, and we can give it to them by passing this bill today.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. NICKLES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NICKLES. Mr. President, for the information of my colleague, I will speak on the marriage penalty for a few minutes and then go into the wrap-up.

Mr. President, I compliment my colleagues, several of whom have worked very hard to make sure we eliminate the marriage penalty. KAY BAILEY HUTCHISON of Texas, SAM BROWNBACK, Senator ASHCROFT, and Senator SANTORUM have been pushing and pushing to eliminate one of the most unfair penalties in the Tax Code, the marriage penalty. Now we have a chance to do that. We are going to vote on that on Monday. We are going to pass it—at least I hope we do—and I hope the President will sign it.

The President said in his State of the Union Address that we need to eliminate the marriage penalty. He didn't propose it. He had a little something in his budget but very little. We have taken that and we are now considering a bill to basically eliminate the marriage penalty. A lot of people don't know what that is. It says that if people file a joint return, they pay more than they would have paid as single individuals. Some people say: Wait a minute. The Republican proposal, or the proposal we passed out of the Finance Committee, does more than that; it has a marriage bonus.

We say that we should basically double the income tax brackets for individuals and for couples. So if they are married and file jointly, they end up getting twice the income tax bracket before you step into the next bracket as individuals. That is really pretty simple. But it is as fair as it can get. It is the right thing to do.

To give an example, we have several brackets in our Tax Code: 0, 15, 28, 31, 36, and 39.6. Actually, the maximum rate was 31 percent before President Clinton came into office. In 1993, he and Vice President Gore passed a tax increase to move the maximum rate up to 39.6. They also eliminated deductions and also took off the cap on the Medicare tax, which is another 2.9 percent. So they basically raised the maximum rate up to 43, 44 percent.

As you jump into higher tax brackets, each income level, you are penalized under the marriage penalty. As an individual, you pay 15 percent up to $26,000. You would think a couple would go into the next bracket until it is double that amount. That would be $52,000. An individual pays 15 percent up to $26,000. So for a couple, when they go into the next higher bracket at 28 percent, that should be at $52,000. That is not the case.

If you look at the Tax Code, a married couple filing a joint return goes into 28 percent not at $52,000 or $50,000 but at $43,000. So what that means is that the married couple is paying an additional rate of 28 percent on all income between $43,000 and $52,000. That is the marriage penalty. We would eliminate that. Whether there is one wage earner or two wage earners in the married couple, we eliminate that penalty. Another way of saying it is, we take the $26,000, on which you are paying 15 percent, and we double it. So if it is $26,000 for an individual, it is $52,000 for a couple. We do the same thing on the 28 percent bracket. So we eliminate this penalty.

Another way of looking at it would be, if you have a principal wage earner and, say, he or she makes $40,000, and a spouse makes $20,000, under present law, the spouse that makes $20,000 pays the same income tax rate as the principal wage earner. That is not right. They should not be paying a tax rate of 28 percent. They should be paying at the 15-percent rate. So we are doubling the tax. The present Tax Code almost charges double for the wage earner that is making $20,000 just because they happen to be married to a spouse who makes $40,000. That is wrong. It needs to be eliminated, and we do eliminate that in this proposal.

I have heard some of my colleagues say they are going to offer a Democrat substitute and change that Democrat proposal.

I compliment my friend and colleague from New York, Senator MOYNIHAN. I have the greatest respect for him. He says the way to solve it is to make individuals file as if they have individual returns. What does that mean?

If you have an income of $40,000 or $20,000, there would be some tax relief. But what if you have a situation where somebody earns $60,000? There is no tax relief. Or if you have an income that is $50,000, there is no tax relief. You are paying a 28-percent bracket on any income between $43,000 and $52,000. So they get penalized. They doesn't solve that problem.

I hope I am not being too confusing. Maybe it is kind of wonkish, but we are penalizing couples in the U.S. today for being married to the tune of an average $1,200 to $1,400. That is wrong. We have a chance to fix it. We should. I believe we will fix it on Monday.

I am pleased. This week was a good week. We passed a bill to eliminate the death tax. That is good news for small business. It is good news for farmers and ranchers or anybody who is trying to build a business. They would like to know they can build the business and not lose half of it when they die.

The tax rates right now on the death tax range from 37 percent once you get past the deductible to 55 percent and in some cases 60 percent. If you have a taxable estate of $10 million, you have a marginal rate of 60 percent. That is too high. A lot of people do not know that. Some press people said to me: I think you misstated it.

The facts are, if you have a taxable estate of $10 million to $17 million, you pay a rate of 60 percent. That is way too high. We have taken care of that today. The only thing that will stop that from becoming law is President Clinton. He can sign it and we can eliminate the death tax and replace it with a capital gains tax. That is fair and equitable across the board. It is something we ought to do. It is the fair and right thing to do.

Next Monday we can eliminate the marriage penalty. People shouldn't have to pay more taxes because they happen to be married. People shouldn't be bumped into higher categories because they happen to be married. We shouldn't be charging couples for marriage. They shouldn't be penalized for being married.

We basically double the tax schedule for couples. To me, it is the fairest thing to do. You don't penalize somebody because they are working or not working. We don't penalize married couples. We have a chance to eliminate this gross inequity.

We have taken care of one today on the floor of the Senate by eliminating the death penalty. On Monday, we can eliminate the marriage penalty.

I compliment my colleagues, and especially several of our Democrat colleagues who were with us. Nine Democrats voted with us on final passage. We passed a bipartisan bill. It was bipartisan in the House with an overwhelming vote of a 2-to-1 margin. There was a good margin today in the Senate—59–39. Frankly, I hope that number will grow. We had several Members absent today, several of whom maybe would join us.

Again, I compliment Senator LOTT, and also Senator ROTH, for bringing the bill forward this week. Next week, we have the opportunity to provide real tax relief for businesses, for families, and for married couples. I think that is some of the most positive news for taxpayers in a long, long time.

I am going to proceed to several unanimous consent requests to help expedite consideration of these matters before the Senate next week.

AMENDMENT NO. 3881

Mr. NICKLES. Mr. President, I send an amendment to the desk to the pending bill on behalf of the majority leader.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Oklahoma (Mr. NICKLES), for Mr. LOTT, proposes an amendment numbered 3881.

Mr. NICKLES. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide a substitute)

Strike all after the first word and insert:

### 1. SHORT TITLE.

(a) SHORT TITLE.—This Act may be cited as the "Marriage Tax Relief Reconciliation Act of 2000".

(b) SECTION 15 NOT TO APPLY.—No amendment made by this Act shall be treated as a change in a rate of tax for purposes of section 15 of the Internal Revenue Code of 1986.

### SEC. 2. ELIMINATION OF MARRIAGE PENALTY IN STANDARD DEDUCTION.

(a) IN GENERAL.—Paragraph (2) of section 63(c) of the Internal Revenue Code of 1986 (relating to standard deduction) is amended—

(1) by striking "$5,000" in subparagraph (A) and inserting "200 percent of the dollar amount in effect under subparagraph (C) for the taxable year";

(2) by adding "or" at the end of subparagraph (B);

(3) by striking "in the case of" and all that follows in subparagraph (C) and inserting "in any other case."; and

(4) by striking subparagraph (D).

(b) TECHNICAL AMENDMENTS.—

(1) Subparagraph (B) of section 1(f)(6) of such Code is amended by striking "(other than with" and all that follows through "shall be applied" and inserting "(other than with respect to sections 63(c)(4) and 151(d)(4)(A)) shall be applied".

(2) Paragraph (4) of section 63(c) of such Code is amended by adding at the end the following flush sentence:

"The preceding sentence shall not apply to the amount referred to in paragraph (2)(A).".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

### SEC. 3. PHASEOUT OF MARRIAGE PENALTY IN 15-PERCENT AND 28-PERCENT RATE BRACKETS.

(a) IN GENERAL.—Subsection (f) of section 1 of the Internal Revenue Code of 1986 (relating to adjustments in tax tables so that inflation will not result in tax increases) is amended by adding at the end the following new paragraph:

"(8) PHASEOUT OF MARRIAGE PENALTY IN 15-PERCENT AND 28-PERCENT RATE BRACKETS.—

"(A) IN GENERAL.—With respect to taxable years beginning after December 31, 2001, in prescribing the tables under paragraph (1)—

"(i) the maximum taxable income amount in the 15-percent rate bracket, the minimum and maximum taxable income amounts in the 28-percent rate bracket, and the minimum taxable income amount in the 31-percent rate bracket in the table contained in subsection (a) shall be the applicable percentage of the comparable taxable income amounts in the table contained in subsection (c) (after any other adjustment under this subsection), and

"(ii) the comparable taxable income amounts in the table contained in subsection (d) shall be ½ of the amounts determined under clause (i).

"(B) APPLICABLE PERCENTAGE.—For purposes of subparagraph (A), the applicable percentage shall be determined in accordance with the following table:

| **"For taxable years beginning in calendar year—** | **The applicable percentage is—** |
|---|---|
| 2002 | 170.3 |
| 2003 | 173.8 |
| 2004 | 180.0 |
| 2005 | 183.2 |
| 2006 | 185.0 |
| 2007 and thereafter | 200.0. |

"(C) ROUNDING.—If any amount determined under subparagraph (A)(i) is not a multiple of $50, such amount shall be rounded to the next lowest multiple of $50.".

(b) TECHNICAL AMENDMENTS.—

(1) Subparagraph (A) of section 1(f)(2) of such Code is amended by inserting "except as provided in paragraph (8)," before "by increasing".

(2) The heading for subsection (f) of section 1 of such Code is amended by inserting "PHASEOUT OF MARRIAGE PENALTY IN 15-PERCENT AND 28-PERCENT RATE BRACKETS;" before "ADJUSTMENTS".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

### SEC. 4. MARRIAGE PENALTY RELIEF FOR EARNED INCOME CREDIT.

(a) IN GENERAL.—Paragraph (2) of section 32(b) of the Internal Revenue Code of 1986 (relating to percentages and amounts) is amended—

(1) by striking "AMOUNTS.—The earned" and inserting "AMOUNTS.—

"(A) IN GENERAL.—Subject to subparagraph (B), the earned"; and

(2) by adding at the end the following new subparagraph:

"(B) JOINT RETURNS.—In the case of a joint return, the phaseout amount determined under subparagraph (A) shall be increased by $2,500.".

(b) INFLATION ADJUSTMENT.—Paragraph (1)(B) of section 32(j) of such Code (relating to inflation adjustments) is amended to read as follows:

"(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined—

"(i) in the case of amounts in subsections (b)(2)(A) and (i)(1), by substituting 'calendar year 1995' for 'calendar year 1992' in subparagraph (B) thereof, and

"(ii) in the case of the $2,500 amount in subsection (b)(2)(B), by substituting 'calendar year 2000' for 'calendar year 1992' in subparagraph (B) of such section 1.".

(c) ROUNDING.—Section 32(j)(2)(A) of such Code (relating to rounding) is amended by striking "subsection (b)(2)" and inserting "subsection (b)(2)(A) (after being increased under subparagraph (B) thereof)".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

### SEC. 5. PRESERVE FAMILY TAX CREDITS FROM THE ALTERNATIVE MINIMUM TAX.

(a) IN GENERAL.—Subsection (a) of section 26 of the Internal Revenue Code of 1986 (relating to limitation based on tax liability; definition of tax liability) is amended to read as follows:

"(a) LIMITATION BASED ON AMOUNT OF TAX.—The aggregate amount of credits allowed by this subpart for the taxable year shall not exceed the sum of—

"(1) the taxpayer's regular tax liability for the taxable year reduced by the foreign tax credit allowable under section 27(a), and

"(2) the tax imposed for the taxable year by section 55(a).".

(b) CONFORMING AMENDMENTS.—

(1) Subsection (d) of section 24 of such Code is amended by striking paragraph (2) and by redesignating paragraph (3) as paragraph (2).

(2) Section 32 of such Code is amended by striking subsection (h).

(3) Section 904 of such Code is amended by striking subsection (h) and by redesignating subsections (i), (j), and (k) as subsections (h), (i), and (j), respectively.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

### SEC. 6. COMPLIANCE WITH BUDGET ACT.

(a) IN GENERAL.—Except as provided in subsection (b), all amendments made by this Act which are in effect on September 30, 2005, shall cease to apply as of the close of September 30, 2005.

(b) SUNSET FOR CERTAIN PROVISIONS ABSENT SUBSEQUENT LEGISLATION.—The amendments made by sections 2, 3, 4, and 5 of this Act shall not apply to any taxable year beginning after December 31, 2004.

Mr. NICKLES. Mr. President, I ask unanimous consent that all time be yielded and the amendment be laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3882

Mr. NICKLES. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Oklahoma (Mr. NICKLES) proposes an amendment numbered 3882.

Mr. NICKLES. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide a substitute)

Strike all after the first word and insert:

### 1. SHORT TITLE.

(a) SHORT TITLE.—This Act may be cited as the "Marriage Tax Relief Reconciliation Act of 2000".

(b) SECTION 15 NOT TO APPLY.—No amendment made by this Act shall be treated as a change in a rate of tax for purposes of section 15 of the Internal Revenue Code of 1986.

### SEC. 2. ELIMINATION OF MARRIAGE PENALTY IN STANDARD DEDUCTION.

(a) IN GENERAL.—Paragraph (2) of section 63(c) of the Internal Revenue Code of 1986 (relating to standard deduction) is amended—

(1) by striking "$5,000" in subparagraph (A) and inserting "200 percent of the dollar amount in effect under subparagraph (C) for the taxable year";

(2) by adding "or" at the end of subparagraph (B);

(3) by striking "in the case of" and all that follows in subparagraph (C) and inserting "in any other case."; and

(4) by striking subparagraph (D).

(b) TECHNICAL AMENDMENTS.—

(1) Subparagraph (B) of section 1(f)(6) of such Code is amended by striking "(other than with" and all that follows through "shall be applied" and inserting "(other than with respect to sections 63(c)(4) and 151(d)(4)(A)) shall be applied".

(2) Paragraph (4) of section 63(c) of such Code is amended by adding at the end the following flush sentence:

"The preceding sentence shall not apply to the amount referred to in paragraph (2)(A).".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

### SEC. 3. PHASEOUT OF MARRIAGE PENALTY IN 15-PERCENT AND 28-PERCENT RATE BRACKETS.

(a) IN GENERAL.—Subsection (f) of section 1 of the Internal Revenue Code of 1986 (relating to adjustments in tax tables so that inflation will not result in tax increases) is amended by adding at the end the following new paragraph:

"(8) PHASEOUT OF MARRIAGE PENALTY IN 15-PERCENT AND 28-PERCENT RATE BRACKETS.—

"(A) IN GENERAL.—With respect to taxable years beginning after December 31, 2001, in prescribing the tables under paragraph (1)—

"(i) the maximum taxable income amount in the 15-percent rate bracket, the minimum and maximum taxable income amounts in the 28-percent rate bracket, and the minimum taxable income amount in the 31-percent rate bracket in the table contained in subsection (a) shall be the applicable percentage of the comparable taxable income amounts in the table contained in subsection (c) (after any other adjustment under this subsection), and

"(ii) the comparable taxable income amounts in the table contained in subsection (d) shall be ½ of the amounts determined under clause (i).

"(B) APPLICABLE PERCENTAGE.—For purposes of subparagraph (A), the applicable percentage shall be determined in accordance with the following table:

| **"For taxable years beginning in calendar year—** | **The applicable percentage is—** |
|---|---|
| 2002 | 170.3 |
| 2003 | 173.8 |
| 2004 | 180.0 |
| 2005 | 183.2 |
| 2006 | 185.0 |
| 2007 and thereafter | 200.0. |

"(C) ROUNDING.—If any amount determined under subparagraph (A)(i) is not a multiple of $50, such amount shall be rounded to the next lowest multiple of $50.".

(b) TECHNICAL AMENDMENTS.—

(1) Subparagraph (A) of section 1(f)(2) of such Code is amended by inserting "except as provided in paragraph (8)," before "by increasing".

(2) The heading for subsection (f) of section 1 of such Code is amended by inserting "PHASEOUT OF MARRIAGE PENALTY IN 15-PERCENT AND 28-PERCENT RATE BRACKETS;" before "ADJUSTMENTS".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

### SEC. 4. PRESERVE FAMILY TAX CREDITS FROM THE ALTERNATIVE MINIMUM TAX.

(a) IN GENERAL.—Subsection (a) of section 26 of the Internal Revenue Code of 1986 (relating to limitation based on tax liability; definition of tax liability) is amended to read as follows:

"(a) LIMITATION BASED ON AMOUNT OF TAX.—The aggregate amount of credits allowed by this subpart for the taxable year shall not exceed the sum of—

"(1) the taxpayer's regular tax liability for the taxable year reduced by the foreign tax credit allowable under section 27(a), and

"(2) the tax imposed for the taxable year by section 55(a).".

(b) CONFORMING AMENDMENTS.—

(1) Subsection (d) of section 24 of such Code is amended by striking paragraph (2) and by redesignating paragraph (3) as paragraph (2).

(2) Section 32 of such Code is amended by striking subsection (h).

(3) Section 904 of such Code is amended by striking subsection (h) and by redesignating subsections (i), (j), and (k) as subsections (h), (i), and (j), respectively.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

### SEC. 5. COMPLIANCE WITH BUDGET ACT.

(a) IN GENERAL.—Except as provided in subsection (b), all amendments made by this Act which are in effect on September 30, 2005, shall cease to apply as of the close of September 30, 2005.

(b) SUNSET FOR CERTAIN PROVISIONS ABSENT SUBSEQUENT LEGISLATION.—The amendments made by sections 2, 3, and 4 of this Act shall not apply to any taxable year beginning after December 31, 2004.

Mr. NICKLES. Mr. President, I ask unanimous consent that all time be yielded and the amendment be laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

### AMENDMENT NO. 3849, AS MODIFIED

Mr. NICKLES. Mr. President, I ask unanimous consent that the Brownback amendment numbered 3849 be modified with the text that is now at the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment as modified is as follows:

(Purpose: To provide tax relief for farmers, and for other purposes)

At the end of the bill, add the following:

## TITLE VI—TAX RELIEF FOR FARMERS

### SEC. 601. FARM, FISHING, AND RANCH RISK MANAGEMENT ACCOUNTS.

(a) IN GENERAL.—Subpart C of part II of subchapter E of chapter 1 (relating to taxable year for which deductions taken) is amended by inserting after section 468B the following:

### "SEC. 468C. FARM, FISHING, AND RANCH RISK MANAGEMENT ACCOUNTS.

"(a) DEDUCTION ALLOWED.—In the case of an individual engaged in an eligible farming business or commercial fishing, there shall be allowed as a deduction for any taxable year the amount paid in cash by the taxpayer during the taxable year to a Farm, Fishing, and Ranch Risk Management Account (hereinafter referred to as the 'FFARRM Account').

"(b) LIMITATION.—

"(1) CONTRIBUTIONS.—The amount which a taxpayer may pay into the FFARRM Account for any taxable year shall not exceed 20 percent of so much of the taxable income of the taxpayer (determined without regard to this section) which is attributable (determined in the manner applicable under section 1301) to any eligible farming business or commercial fishing.

"(2) DISTRIBUTIONS.—Distributions from a FFARRM Account may not be used to purchase, lease, or finance any new fishing vessel, add capacity to any fishery, or otherwise contribute to the overcapitalization of any fishery. The Secretary of Commerce shall implement regulations to enforce this paragraph.

"(c) ELIGIBLE BUSINESSES.—For purposes of this section—

"(1) ELIGIBLE FARMING BUSINESS.—The term 'eligible farming business' means any farming business (as defined in section 263A(e)(4)) which is not a passive activity (within the meaning of section 469(c)) of the taxpayer.

"(2) COMMERCIAL FISHING.—The term 'commercial fishing' has the meaning given such term by section (3) of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1802) but only if such fishing is not a passive activity (within the meaning of section 469(c)) of the taxpayer.

"(d) FFARRM ACCOUNT.—For purposes of this section—

"(1) IN GENERAL.—The term 'FFARRM Account' means a trust created or organized in the United States for the exclusive benefit of the taxpayer, but only if the written governing instrument creating the trust meets the following requirements:

"(A) No contribution will be accepted for any taxable year in excess of the amount allowed as a deduction under subsection (a) for such year.

"(B) The trustee is a bank (as defined in section 408(n)) or another person who demonstrates to the satisfaction of the Secretary that the manner in which such person will administer the trust will be consistent with the requirements of this section.

"(C) The assets of the trust consist entirely of cash or of obligations which have adequate stated interest (as defined in section 1274(c)(2)) and which pay such interest not less often than annually.

"(D) All income of the trust is distributed currently to the grantor.

"(E) The assets of the trust will not be commingled with other property except in a common trust fund or common investment fund.

"(2) ACCOUNT TAXED AS GRANTOR TRUST.—The grantor of a FFARRM Account shall be treated for purposes of this title as the owner of such Account and shall be subject to tax thereon in accordance with subpart E of part I of subchapter J of this chapter (relating to grantors and others treated as substantial owners).

"(e) INCLUSION OF AMOUNTS DISTRIBUTED.—

"(1) IN GENERAL.—Except as provided in paragraph (2), there shall be includible in the gross income of the taxpayer for any taxable year—

"(A) any amount distributed from a FFARRM Account of the taxpayer during such taxable year, and

"(B) any deemed distribution under—

"(i) subsection (f)(1) (relating to deposits not distributed within 5 years),

"(ii) subsection (f)(2) (relating to cessation in eligible farming business), and

"(iii) subparagraph (A) or (B) of subsection (f)(3) (relating to prohibited transactions and pledging account as security).

"(2) Exceptions.—Paragraph (1)(A) shall not apply to—

"(A) any distribution to the extent attributable to income of the Account, and

"(B) the distribution of any contribution paid during a taxable year to a FFARRM Account to the extent that such contribution exceeds the limitation applicable under subsection (b) if requirements similar to the requirements of section 408(d)(4) are met.

For purposes of subparagraph (A), distributions shall be treated as first attributable to income and then to other amounts.

"(f) Special Rules.—

"(1) Tax on deposits in account which are not distributed within 5 years.—

"(A) In general.—If, at the close of any taxable year, there is a nonqualified balance in any FFARRM Account—

"(i) there shall be deemed distributed from such Account during such taxable year an amount equal to such balance, and

"(ii) the taxpayer's tax imposed by this chapter for such taxable year shall be increased by 10 percent of such deemed distribution.

The preceding sentence shall not apply if an amount equal to such nonqualified balance is distributed from such Account to the taxpayer before the due date (including extensions) for filing the return of tax imposed by this chapter for such year (or, if earlier, the date the taxpayer files such return for such year).

"(B) Nonqualified balance.—For purposes of subparagraph (A), the term 'nonqualified balance' means any balance in the Account on the last day of the taxable year which is attributable to amounts deposited in such Account before the 4th preceding taxable year.

"(C) Ordering rule.—For purposes of this paragraph, distributions from a FFARRM Account (other than distributions of current income) shall be treated as made from deposits in the order in which such deposits were made, beginning with the earliest deposits.

"(2) Cessation in eligible business.—At the close of the first disqualification period after a period for which the taxpayer was engaged in an eligible farming business or commercial fishing, there shall be deemed distributed from the FFARRM Account of the taxpayer an amount equal to the balance in such Account (if any) at the close of such disqualification period. For purposes of the preceding sentence, the term 'disqualification period' means any period of 2 consecutive taxable years for which the taxpayer is not engaged in an eligible farming business or commercial fishing.

"(3) Certain rules to apply.—Rules similar to the following rules shall apply for purposes of this section:

"(A) Section 220(f)(8) (relating to treatment on death).

"(B) Section 408(e)(2) (relating to loss of exemption of account where individual engages in prohibited transaction).

"(C) Section 408(e)(4) (relating to effect of pledging account as security).

"(D) Section 408(g) (relating to community property laws).

"(E) Section 408(h) (relating to custodial accounts).

"(4) Time when payments deemed made.—For purposes of this section, a taxpayer shall be deemed to have made a payment to a FFARRM Account on the last day of a taxable year if such payment is made on account of such taxable year and is made on or before the due date (without regard to extensions) for filing the return of tax for such taxable year.

"(5) Individual.—For purposes of this section, the term 'individual' shall not include an estate or trust.

"(6) Deduction not allowed for self-employment tax.—The deduction allowable by reason of subsection (a) shall not be taken into account in determining an individual's net earnings from self-employment (within the meaning of section 1402(a)) for purposes of chapter 2.

"(g) Reports.—The trustee of a FFARRM Account shall make such reports regarding such Account to the Secretary and to the person for whose benefit the Account is maintained with respect to contributions, distributions, and such other matters as the Secretary may require under regulations. The reports required by this subsection shall be filed at such time and in such manner and furnished to such persons at such time and in such manner as may be required by such regulations.".

(b) Tax on Excess Contributions.—

(1) Subsection (a) of section 4973 (relating to tax on excess contributions to certain tax-favored accounts and annuities) is amended by striking "or" at the end of paragraph (3), by redesignating paragraph (4) as paragraph (5), and by inserting after paragraph (3) the following:

"(4) a FFARRM Account (within the meaning of section 468C(d)), or".

(2) Section 4973 is amended by adding at the end the following:

"(g) Excess Contributions to FFARRM Accounts.—For purposes of this section, in the case of a FFARRM Account (within the meaning of section 468C(d)), the term 'excess contributions' means the amount by which the amount contributed for the taxable year to the Account exceeds the amount which may be contributed to the Account under section 468C(b) for such taxable year. For purposes of this subsection, any contribution which is distributed out of the FFARRM Account in a distribution to which section 468C(e)(2)(B) applies shall be treated as an amount not contributed.".

(3) The section heading for section 4973 is amended to read as follows:

**"SEC. 4973. EXCESS CONTRIBUTIONS TO CERTAIN ACCOUNTS, ANNUITIES, ETC.".**

(4) The table of sections for chapter 43 is amended by striking the item relating to section 4973 and inserting the following:

"Sec. 4973. Excess contributions to certain accounts, annuities, etc.".

(c) Tax on Prohibited Transactions.—

(1) Subsection (c) of section 4975 (relating to tax on prohibited transactions) is amended by adding at the end the following:

"(6) Special rule for FFARRM accounts.—A person for whose benefit a FFARRM Account (within the meaning of section 468C(d)) is established shall be exempt from the tax imposed by this section with respect to any transaction concerning such account (which would otherwise be taxable under this section) if, with respect to such transaction, the account ceases to be a FFARRM Account by reason of the application of section 468C(f)(3)(A) to such account.".

(2) Paragraph (1) of section 4975(e) is amended by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively, and by inserting after subparagraph (D) the following:

"(E) a FFARRM Account described in section 468C(d),".

(d) Failure To Provide Reports on FFARRM Accounts.—Paragraph (2) of section 6693(a) (relating to failure to provide reports on certain tax-favored accounts or annuities) is amended by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively, and by inserting after subparagraph (B) the following:

"(C) section 468C(g) (relating to FFARRM Accounts),".

(e) Clerical Amendment.—The table of sections for subpart C of part II of subchapter E of chapter 1 is amended by inserting after the item relating to section 468B the following:

"Sec. 468C. Farm, Fishing and Ranch Risk Management Accounts.".

(f) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

### SEC. 602. WRITTEN AGREEMENT RELATING TO EXCLUSION OF CERTAIN FARM RENTAL INCOME FROM NET EARNINGS FROM SELF-EMPLOYMENT.

(a) Internal Revenue Code.—Section 1402(a)(1)(A) (relating to net earnings from self-employment) is amended by striking "an arrangement" and inserting "a lease agreement".

(b) Social Security Act.—Section 211(a)(1)(A) of the Social Security Act is amended by striking "an arrangement" and inserting "a lease agreement".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

### SEC. 603. TREATMENT OF CONSERVATION RESERVE PROGRAM PAYMENTS AS RENTALS FROM REAL ESTATE.

(a) In General.—Section 1402(a)(1) (defining net earnings from self-employment) is amended by inserting "and including payments under section 1233(2) of the Food Security Act of 1985 (16 U.S.C. 3833(2))" after "crop shares".

(b) Effective Date.—The amendment made by this section shall apply to payments made before, on, or after the date of the enactment of this Act.

### SEC. 604. EXEMPTION OF AGRICULTURAL BONDS FROM STATE VOLUME CAP.

(a) In General.—Section 146(g) (relating to exception for certain bonds) is amended by striking "and" at the end of paragraph (3), by striking the period at the end of paragraph (4) and inserting ", and", and by inserting after paragraph (4) the following:

"(5) any qualified small issue bond described in section 144(a)(12)(B)(ii).".

(b) Effective Date.—The amendments made by this section shall apply to bonds issued after the date of enactment of this Act.

### SEC. 605. MODIFICATIONS TO SECTION 512(b)(13).

(a) In General.—Paragraph (13) of section 512(b) is amended by redesignating subparagraph (E) as subparagraph (F) and by inserting after subparagraph (D) the following new paragraph:

"(E) Paragraph to apply only to excess payments.—

"(i) In general.—Subparagraph (A) shall apply only to the portion of a specified payment received by the controlling organization that exceeds the amount which would have been paid if such payment met the requirements prescribed under section 482.

"(ii) Addition to tax for valuation misstatements.—The tax imposed by this chapter on the controlling organization shall be increased by an amount equal to 20 percent of such excess.".

(b) Effective Date.—

(1) In general.—The amendment made by this section shall apply to payments received or accrued after December 31, 2000.

(2) Payments subject to binding contract transition rule.—If the amendments made by section 1041 of the Taxpayer Relief Act of 1997 do not apply to any amount received or accrued after the date of the enactment of this Act under any contract described in subsection (b)(2) of such section, such amendments also shall not apply to amounts received or accrued under such contract before January 1, 2001.

### SEC. 606. CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF FOOD INVENTORY.

(a) In General.—Subsection (e) of section 170 (relating to certain contributions of ordinary income and capital gain property) is amended by adding at the end the following new paragraph:

"(7) Special rule for contributions of food inventory.—For purposes of this section—

"(A) Contributions by non-corporate taxpayers.—In the case of a charitable contribution of food, paragraph (3)(A) shall be applied without regard to whether or not the contribution is made by a corporation.

"(B) Limit on reduction.—In the case of a charitable contribution of food which is a qualified contribution (within the meaning of paragraph (3)(A), as modified by subparagraph (A) of this paragraph)—

"(i) paragraph (3)(B) shall not apply, and

"(ii) the reduction under paragraph (1)(A) for such contribution shall be no greater than the amount (if any) by which the amount of such contribution exceeds twice the basis of such food.

"(C) Determination of basis.—For purposes of this paragraph, if a taxpayer uses the cash method of accounting, the basis of any qualified contribution of such taxpayer shall be deemed to be 50 percent of the fair market value of such contribution.

"(D) Determination of fair market value.—In the case of a charitable contribution of food which is a qualified contribution (within the meaning of paragraph (3), as modified by subparagraphs (A) and (B) of this paragraph) and which, solely by reason of internal standards of the taxpayer, lack of market, or similar circumstances, or which is produced by the taxpayer exclusively for the purposes of transferring the food to an organization described in paragraph (3)(A), cannot or will not be sold, the fair market value of such contribution shall be determined—

"(i) without regard to such internal standards, such lack of market, such circumstances, or such exclusive purpose, and

"(ii) if applicable, by taking into account the price at which the same or similar food items are sold by the taxpayer at the time of the contribution (or, if not so sold at such time, in the recent past).".

(b) Effective Date.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2000.

### SEC. 607. INCOME AVERAGING FOR FARMERS AND FISHERMEN NOT TO INCREASE ALTERNATIVE MINIMUM TAX LIABILITY.

(a) In General.—Section 55(c) (defining regular tax) is amended by redesignating paragraph (2) as paragraph (3) and by inserting after paragraph (1) the following:

"(2) Coordination with income averaging for farmers and fishermen.—Solely for purposes of this section, section 1301 (relating to averaging of farm and fishing income) shall not apply in computing the regular tax.".

(b) Allowing Income Averaging for Fishermen.—

(1) In general.—Section 1301(a) is amended by striking "farming business" and inserting "farming business or fishing business,".

(2) Definition of elected farm income.—

(A) In general.—Clause (i) of section 1301(b)(1)(A) is amended by inserting "or fishing business" before the semicolon.

(B) Conforming amendment.—Subparagraph (B) of section 1301(b)(1) is amended by inserting "or fishing business" after "farming business" both places it occurs.

(3) Definition of fishing business.—Section 1301(b) is amended by adding at the end the following new paragraph:

"(4) Fishing business.—The term 'fishing business' means the conduct of commercial fishing as defined in section 3 of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1802).".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

### SEC. 608. REPEAL OF MODIFICATION OF INSTALLMENT METHOD.

(a) In General.—Subsection (a) of section 536 of the Ticket to Work and Work Incentives Improvement Act of 1999 (relating to modification of installment method and repeal of installment method for accrual method taxpayers) is repealed effective with respect to sales and other dispositions occurring on or after the date of the enactment of such Act.

(b) Applicability.—The Internal Revenue Code of 1986 shall be applied and administered as if such subsection (and the amendments made by such subsection) had not been enacted.

### SEC. 609. COOPERATIVE MARKETING INCLUDES VALUE-ADDED PROCESSING THROUGH ANIMALS.

(a) In General.—Section 1388 (relating to definitions and special rules) is amended by adding at the end the following:

"(k) Cooperative Marketing Includes Value-Added Processing Through Animals.—For purposes of section 521 and this subchapter, 'marketing the products of members or other producers' includes feeding the products of members or other producers to cattle, hogs, fish, chickens, or other animals and selling the resulting animals or animal products."

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

### SEC. 610. DECLARATORY JUDGMENT RELIEF FOR SECTION 521 COOPERATIVES.

(a) In General.—Section 7428(a)(1) (relating to declaratory judgments of tax exempt organizations) is amended by striking "or" at the end of subparagraph (B) and by adding at the end the following:

"(D) with respect to the initial qualification or continuing qualification of a cooperative as described in section 521(b) which is exempt from tax under section 521(a), or".

(b) Effective Date.—The amendments made by this section shall apply with respect to pleadings filed after the date of the enactment of this Act but only with respect to determinations (or requests for determinations) made after January 1, 2000.

### SEC. 611. SMALL ETHANOL PRODUCER CREDIT.

(a) Allocation of Alcohol Fuels Credit to Patrons of a Cooperative.—Section 40(g) (relating to alcohol used as fuel) is amended by adding at the end the following:

"(6) Allocation of small ethanol producer credit to patrons of cooperative.—

"(A) Election to allocate.—

"(i) In general.—In the case of a cooperative organization described in section 1381(a), any portion of the credit determined under subsection (a)(3) for the taxable year may, at the election of the organization, be apportioned pro rata among patrons of the organization on the basis of the quantity or value of business done with or for such patrons for the taxable year.

"(ii) Form and effect of election.—An election under clause (i) for any taxable year shall be made on a timely filed return for such year. Such election, once made, shall be irrevocable for such taxable year.

"(iii) Special rule for 1998 and 1999.—Notwithstanding clause (ii), an election for any taxable year ending prior to the date of the enactment of the Death Tax Elimination Act of 2000 may be made at any time before the expiration of the 3-year period beginning on the last date prescribed by law for filing the return of the taxpayer for such taxable year (determined without regard to extensions) by filing an amended return for such year.

"(B) Treatment of organizations and patrons.—The amount of the credit apportioned to patrons under subparagraph (A)—

"(i) shall not be included in the amount determined under subsection (a) with respect to the organization for the taxable year,

"(ii) shall be included in the amount determined under subsection (a) for the taxable year of each patron for which the patronage dividends for the taxable year described in subparagraph (A) are included in gross income, and

"(iii) shall be included in gross income of such patrons for the taxable year in the manner and to the extent provided in section 87.

"(C) Special rules for decrease in credits for taxable year.—If the amount of the credit of a cooperative organization determined under subsection (a)(3) for a taxable year is less than the amount of such credit shown on the return of the cooperative organization for such year, an amount equal to the excess of—

"(i) such reduction, over

"(ii) the amount not apportioned to such patrons under subparagraph (A) for the taxable year,

shall be treated as an increase in tax imposed by this chapter on the organization. Such increase shall not be treated as tax imposed by this chapter for purposes of determining the amount of any credit under this subpart or subpart A, B, E, or G.".

(b) Improvements to Small Ethanol Producer Credit.—

(1) Small ethanol producer credit not a passive activity credit.—Clause (i) of section 469(d)(2)(A) is amended by striking "subpart D" and inserting "subpart D, other than section 40(a)(3),".

(2) Allowing credit against minimum tax.—

(A) In general.—Subsection (c) of section 38 (relating to limitation based on amount of tax) is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

"(3) Special rules for small ethanol producer credit.—

"(A) In general.—In the case of the small ethanol producer credit—

"(i) this section and section 39 shall be applied separately with respect to the credit, and "(ii) in applying paragraph (1) to the credit—

"(I) subparagraphs (A) and (B) thereof shall not apply, and

"(II) the limitation under paragraph (1) (as modified by subclause (I)) shall be reduced by the credit allowed under subsection (a) for the taxable year (other than the small ethanol producer credit).

"(B) SMALL ETHANOL PRODUCER CREDIT.—For purposes of this subsection, the term 'small ethanol producer credit' means the credit allowable under subsection (a) by reason of section 40(a)(3).".

(B) CONFORMING AMENDMENT.—Subclause (II) of section 38(c)(2)(A)(ii) is amended by inserting "or the small ethanol producer credit" after "employment credit".

(3) SMALL ETHANOL PRODUCER CREDIT NOT ADDED BACK TO INCOME UNDER SECTION 87.—Section 87 (relating to income inclusion of alcohol fuel credit) is amended to read as follows:

**"SEC. 87. ALCOHOL FUEL CREDIT.**

"Gross income includes an amount equal to the sum of—

"(1) the amount of the alcohol mixture credit determined with respect to the taxpayer for the taxable year under section 40(a)(1), and

"(2) the alcohol credit determined with respect to the taxpayer for the taxable year under section 40(a)(2).".

(c) CONFORMING AMENDMENT.—Section 1388 (relating to definitions and special rules for cooperative organizations) is amended by adding at the end the following:

"(k) CROSS REFERENCE.—For provisions relating to the apportionment of the alcohol fuels credit between cooperative organizations and their patrons, see section 40(d) (6)."

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by subsection (b) of this section shall apply to taxable years ending after the date of enactment.

(2) PROVISIONS AFFECTING COOPERATIVES AND THEIR PATRONS.—The amendments made by subsections (a) and (c), and the amendments made by paragraphs (2) and (3) of subsection (b), shall apply to taxable years beginning after December 31, 1997.

Mr. MACK. Mr. President, I urge all of my colleagues to join us to reduce the marriage penalties in the tax code. This bill will provide married couples the relief that President Clinton denied them last year with his veto of the Taxpayer Refund and Relief Act of 1999. President Clinton's action last year increased taxes by close to $800 billion and imposed a marriage penalty on middle class American families.

There is no place in the Tax Code for marriage penalties. Marriage penalties are caused by tax laws that treat joint filers relatively worse than single filers with half the income. It has of late become common practice to use the Tax Code for purposes of social engineering, discouraging some actions with the stick of tax penalties and encouraging others with the carrot of tax preferences. But there is no legitimate policy reason for punishing taxpayers with higher taxes just because they happen to be married. The marriage penalties in the Tax Code undermine the family, the institution that is the foundation of our society.

I view this bill as just a start. Our Tax Code will not truly be family-friendly until every single marriage penalty is rooted out and eliminated, so that married couples with twice the income of single individuals are taxed at the same rates, and are eligible for the same tax preferences—including deductions, exemptions, use of IRAs and other savings vehicles—as those single filers. This bill is an important step toward that ultimate goal.

The Democrat criticisms of our bill are misplaced. They argue that our bill contains complicated phase-ins, in contrast to their simple approach. But anyone who reads the bill and their alternative would see that this is false. The Finance Committee bill contains percentages in it, sure enough. And it phases in the relief, that is true. But the percentages and the phase-ins are instructions to the Treasury and the IRS, to make adjustments to the tax brackets. The only people who have to make any new calculations under the Finance Committee bill are the bureaucrats who make up the tax tables, not the taxpayer.

By contrast, the Democrat alternative, in phasing in its relief, requires taxpayers to calculate their taxes as joint filers, then calculate their taxes as if they were single—a complicated process that requires the allocation of various deductions and credits. Next, the taxpayer would have to determine the difference between these two calculations and then reduce this by a certain percentage. That is supposed to be simple? The Democrat substitute adds to the headaches of tax filing and the demand for tax preparers and tax preparation software.

The Democrats also complain that the Finance Committee bill does more than address their narrow definition of the marriage penalty. They invoke the so-called "marriage bonus." But the "marriage bonus" is a red herring. What they call a "marriage bonus" results from adjusting tax brackets for joint filers to reflect the fact that two adults are sharing the household income. Under the Democrat approach, single taxpayers who marry a nonworking or low-earning spouse should pay the same amount of taxes as when they were single, even though this income must be spread over the needs of two adults.

This approach is fundamentally flawed. The Democrat approach would enshrine in the law a new "homemaker penalty." The Democrats would make families with one earner and one stay-at-home spouse pay higher taxes than families with the same household income and two earners.

But why discriminate against one-earner families? Why would we want a tax code that penalized families just because one of the spouses chooses the hard work of the household over the role of breadwinner? The Democrat alternative discourages parents from staying home with their infant children, and penalizes a person who works longer hours so that a spouse can care for elderly parents. That is just plain wrong.

The Finance Committee bill reduces the marriage penalty in a rational, sensible way, by making the standard deduction for joint filers twice what it is for single filers, and by making the ranges at which income is taxed at the 15 percent and 28 percent rates twice for joint filers what they are for single filers. This recognizes that marriage is a partnership in which two adults share the household income. Our approach cuts taxes for all American families. The Democrats call this a "bonus." We call it common sense.

Mr. GRAMS. Mr. President, today the Senate begins consideration of the first tax reconciliation bill, which would correct the injustice of the marriage penalty. As a long-time advocate of repealing the marriage penalty, I rise to strongly support this legislation and support elimination of the marriage penalty entirely.

First, I'd like to take this opportunity to commend our leaders for bringing up this important legislation. I'd particularly like to commend Chairman ROTH for his leadership on tax relief. He has consistently championed critically needed tax relief that will restore fairness for millions of American families.

This marriage penalty tax relief legislation would increase the standard deduction so that married couples filing jointly get the same deduction as single taxpayers. It expands the 15 percent and 28 percent tax brackets to ensure that 21 million American couples—including 3 million American seniors—pay the same tax rate as unmarried taxpayers. The bill makes Alternative Minimum Tax exemption for family-related tax credits permanent, so families won't be pushed into higher tax brackets.

This bill also takes care of low-income married couples by increasing the threshold of the Earned Income Credit to allow them to enjoy this tax relief. Mr. President, in my view, this is fair, well-balanced legislation by any standard.

There are compelling reasons to eliminate the marriage penalty tax and provide immediate tax relief for millions of married couples:

As I have said many times before in this Chamber, the family has been and will continue to be the bedrock of American society. Strong families make strong communities; strong communities make for a strong America. We all agree that this marriage penalty tax treats married couples unfairly. Even President Clinton agrees the marriage penalty is unfair.

But our tax policy reflects just the opposite. It discourages marriage, punishes married couples, and damages the family—the basic institution of our society.

The Congressional Budget Office reports that 22 million American couples suffered from the marriage penalty in 1999. The average penalty paid by these couples was $1,500.

This wasn't always the case. For over half a century—from 1913, when Washington first imposed the federal income tax, to 1969—the federal income tax treated married couples as well as, or better than, single individuals. Since 1996, however, many married couples every year have had to pay a penalty just for saying "I do." At the time they exchanged their vows, I'll bet most of those couples didn't realize they were also saying "I do" to Uncle Sam.

The tax hike of 1993 further aggravated the problem because it added new, higher tax rates. In addition, now that a greater number of households are dual income, that means that more couples are subject to this penalty.

Mr. President, the consequence of this unjust penalty is devastating. It has put an additional financial burden on already overtaxed American families. Here is an example of how this penalty hits the average American:

Alicia Jones from my state of Minnesota and her husband graduated from college and had just begun working full-time two years ago, in professional careers. They had no children and were renting an apartment, saving to buy a house. They had to pay at least an additional $1,500 for simply being married. As a result, on top of the over $10,000 tax they already paid, they had to take an additional $700 from their limited savings account to pay for federal taxes—taxes that they wouldn't have had to pay if they weren't married.

She wrote, "I am frustrated by this, I'm frustrated for the future—how do we get ahead, when each year we have to take money from our savings to pay more for our taxes. I hope that you will remember my concern."

Millions of married couples similarly suffer because of this penalty. This is extremely unfair. This was not the intention of Congress when it created the marriage penalty tax in the 1960s by separating tax schedules for married and unmarried people. This unjust marriage penalty also has an adverse social impact, as more and more people delay their wedding just for tax purposes. I have an example of that in my own office. Research also shows that the marriage penalty has discouraged couples from getting married. It has also encouraged some married couples to get friendly divorces. They continue to live together, but save on their taxes.

Clearly, this tax policy has interrupted and distorted the normal lives of many Americans. It should not be allowed to continue.

Repealing the marriage penalty will provide immediate, meaningful tax relief to American families and allow them to keep $1,500 or more each year of their own money to pay for health insurance, groceries, child care, or other family necessities.

In my state of Minnesota alone, over 550,000 couples will benefit from this tax relief and will no longer suffer from this unfair tax.

However, the biggest beneficiaries of the elimination of the marriage penalty tax are working women and low-income families.

Federal tax policy penalizes working women by taxing their income at the highest rate imposed on their husbands' income. Our legislation addresses this injustice by allowing married working women to keep significantly more of their hard-earned money for family needs.

The elimination of the marriage penalty will primarily benefit minority, and low and middle income families. Government data suggest the marriage penalty hits African-Americans and lower-income working families hardest. Couples at the bottom end of the income scale who incur penalties paid an average of nearly $800 in additional taxes, which represented 8 percent of their income. Eight percent, Mr. President. Repeal the penalty, and those low-income families will immediately have an 8 percent increase in their income, larger than for all other income levels.

Despite these facts, some of our colleagues from the other side of aisle still call this a "tax cut for the rich." They seem to have gotten into the habit, whenever they hear the phrase "tax relief," of jumping up and shouting "tax cut for the rich!" That's not fair to working Americans who are hit hard by these taxes.

Mr. President, some also argue that marriage penalty tax relief will go to those families who already receive marriage bonuses. The argument does not fold true either. While about 51 percent, or 25 million couples, receive marriage bonuses, this doesn't justify the federal government penalizing another 22 million couples just for being married or for choosing to work.

In addition, most of those who receive marriage bonuses are likely to receive this due to family-related tax credits, such as the $500 per-child credit I passed into law to help a family afford raising children. It is contradictory to allow married couples to receive these credits and then turn around and require them to pay more income taxes for receiving the tax credits. We should give more bonuses to all American families whether both spouses or only one of them are working.

More importantly, the trends show that more couples under age 55 are working, and the earnings between husbands and wives are more evenly divided since 1969. This means more and more couples have received, and will continue to receive, marriage penalties and fewer couples will have bonuses.

Another conventional argument of our Democratic colleagues against tax relief is that the tax relief costs too much. This is a typical Washington way of thinking. They forget the fact that it is the taxpayer's, not Washington's, money in the first place.

Mr. President, it is hard to justify under any circumstances continued punishment of married couples in this country regardless of the costs. Moreover, in this era of record budget surpluses, the so called "costs" associated with the repeal of the marriage penalty are just a fraction of the tax overpayments made by working Americans. Over the next 10 years, the federal government will collect over $1.9 trillion in tax overpayments from taxpayers, while the total tax relief in the reconciliation instruction adopted under the FY 2001 budget resolution is merely $150 billion. This is less than 8 cents of every dollar of non-Social Security surpluses collected by the government.

We have also heard some argue that Washington needs tax overpayments to save Social Security and Medicare with an addition of prescription drug benefits. President Clinton has also said that he will support the marriage penalty repeal if prescription drug benefits are added.

Mr. President, I support saving and strengthening Social Security and Medicare, and I support prescription drug benefits for seniors. I have my own plan to do that. I support repealing the marriage penalty tax, the death tax, and the tax on seniors' retirement benefits. But I believe they all should be passed and signed into law on their own merits, and shouldn't be traded against each other.

As a matter of fact, the Administration has never come up with a viable plan to save Social Security. It has blocked bipartisan efforts to strengthen Medicare, including prescription drug benefits. Now it uses this as a cover to deny working Americans the moderate tax refund they deserve.

Mr. President, this is not acceptable. I have repeatedly argued that American families today are overtaxed, and the surplus comes directly from taxes paid by the American people. It is only fair to return it to the taxpayers. With a huge budget surplus, we can reduce working Americans' tax burden, pay down the national debt, save Social Security, and provide prescription drug benefits for seniors—if the Administration and the Congress have the political will to do so.

In closing, Mr. President, the marriage penalty is simply bad tax policy and we must end it once and for all to restore equity and fairness for working Americans.

Mr. ASHCROFT. Mr. President, the current tax code is at war with our values—the tax code penalizes the basic social institution: marriage. The American people know that this is unfair—they know it is not right that the code penalizes marriage. Now the Senate is prepared to end this long-standing problem.

25 million American couples pay an average of approximately $1,400 in marriage penalty annually as a result of the marriage penalty. Ending this penalty gives couples the freedom to make their own choices with their money. Couples could use the $1,400 for: retirement, education, home, children's needs.

This bill will also provide needed tax relief to American families—39 million American married couples, 830,000 in Missouri. Couples like Bruce and Kay Morton, from Camdenton, MO, who suffer from this unfair penalty. Mr. Morton wrote me a note so simple that even a Senator could understand it: "Please vote yes for the Marriage Tax relief of 2000."

Another Missourian, Travis Harms, of Independence, Missouri, wrote to tell me that the marriage penalty hits him and his wife, Laura. Mr. Harms graciously offered me his services in ending the marriage penalty. "I would like to thank you for your support and effort towards the elimination of the unfair 'marriage tax.' If there is any way I can support or encourage others to help this dream become a reality, I would be honored to help."

I am grateful to Travis Harms and Bruce Morton for their support. And I want to repay them by making sure we end this unfair penalty on marriage.

The marriage penalty places an undue burden on American families. According to the Tax Foundation, an American family spends more of their family budget on taxes than on health care, food, clothing, and shelter combined. The tax bill should not be the biggest bill families like the Morton's and Harms' face.

And families certainly should not be taxed extra because they are married. Couples choosing marriage are making the right choice for society. It is in our interest to encourage them to make this choice.

Unfortunately, the marriage penalty discourages this choice. The marriage penalty may actually contribute to one of society's most serious and enduring problems. There are now twice as many single parent households in America than there were when this penalty was first enacted.

In its policies, the government should uphold the basic values that give strength and vitality to our culture. Marriage and family are a cornerstone of civilization, but are heavily penalized by the federal tax system.

The marriage penalty is so patently unfair no one will defend it. Those on the other side of the aisle are making a stab at addressing the marriage penalty, even though they are not willing to provide relief to all couples who face this unfair penalty. Their bill implements a choose or lose system for some couples who are subject to the marriage penalty. Their bill phases out marriage penalty relief, and does not cover all of the couples who face this unfair penalty.

This issue, however, is not about income, it's about fairness. It us unfair to tax married couples more than single people, no matter what their income. The Finance Committee bill provides tax relief to all married couples.

In addition, the Finance Committee bill makes sure that couples do not face the risk of differential treatment. Under the minority bill, one family with a husband earning $50,000 and a mother staying home with her children will pay more in taxes than a family with a combined income of $50,000, with the wife and husband each earning $25,000. This system creates a disincentive for parents to stay at home with their children. The Republican plan will treat all couples equally.

While the minority bill is flawed, I am encouraged that they are finally acknowledging that the marriage penalty is a problem. I am also encouraged that President Clinton has also acknowledged the unfair nature of the marriage penalty. But unfortunately, Treasury Secretary Larry Summers has announced that he would advise the President to veto marriage penalty relief.

I say to the President and to my colleagues on the other side: being against the marriage penalty means that you have to be willing to eliminate it. You cannot just say you oppose the penalty, and then fight to keep the penalty in law, or to keep part of the penalty in law for some people. Join us to vote for the elimination of the penalty, and let us bring this important tax relief bill to the American people together.

The marriage penalty has endured for too long and harmed too many couples. It is time to abolish the prejudice that charges higher taxes for being married. It is time to take the tax out of saying "I do."

## MORNING BUSINESS

Mr. NICKLES. Mr. President, I ask unanimous consent that the Senate proceed to a period of morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

## EXPLANATION OF ABSENCE

Mr. HUTCHINSON. Mr. President, I ask that the RECORD reflect the purpose of my absence during final passage of H.R. 8, the Death Tax Elimination Act. I departed Washington this morning to attend the wedding of my youngest son, Joshua. I would add that my absence would not have changed the outcome of this vote. If I had been present, however, I would have voted "aye."

## VICTIMS OF GUN VIOLENCE

Mr. DORGAN. Mr. President, it has been more than a year since the Columbine tragedy, but still this Republican Congress refuses to act on sensible gun legislation.

Since Columbine, thousands of Americans have been killed by gunfire. Until we act, Democrats in the Senate will read some of the names of those who lost their lives to gun violence in the past year, and we will continue to do so every day that the Senate is session.

In the name of those who died, we will continue this fight. Following are the names of some of the people who were killed by gunfire one year ago today.

July 14, 1999: Robert Clayton, San Francisco, CA; River P. Graham, 39, Oklahoma City, OK; Lonzie Harper, Detroit, MI; Angelo Rhodes, 20, Philadelphia, PA; Torris Starks, Detroit, MI; Terrance Wilkins, 28, Nashville, TN; Nathan A. Williams, 26, Oklahoma City, OK; and an unidentified male, 27, Charlotte, NC.

## THE ARREST OF KAZAKHSTAN'S OPPOSITION LEADER

Mr. BIDEN. Mr. President, I rise today to highlight the troubled transition from communism to democracy of the largest of the new states in Central Asia, Kazakhstan. That transition is in serious jeopardy because of the authoritarian behavior of Kazakhstan's President, highlighted by the recent capricious arrest of the leader of the political opposition.

There are high-stakes, competing forces at work in Kazakhstan: the promise of huge sums of money to be made from exploiting the country's vast natural resources, and the pull of old dictatorial ways against the nascent democratic movement.

Last month, I met with a man who could help lead Kazakhstan toward true democracy—a former Prime Minister and outspoken critic of the current regime, Akezhan Kazhegeldin.

Unfortunately, the Government of Kazakhstan is doing everything within its power to see that Mr. Kazhegeldin not get this opportunity.

Two days ago, he was detained in Rome on an INTERPOL warrant instigated by the Kazakh Government. The charges, which range from terrorism to money laundering, are regarded by our State Department as trumped up and political in nature.

This morning word came from Rome that the Italian authorities have shared our Government's assessment of the case and that they have released Mr. Kazhegeldin.

But, although I am gratified at this development, the very fact of Mr. Kazhegeldin's arrest is a cause for deep concern for every American who hopes that democracy can take root in every country where Soviet despotism once reigned.

This latest arrest is doubly troubling, because it suggests that authoritarian rulers are having at least temporary success in manipulating international organizations, in this case INTERPOL.

The International League for Human Rights considers Mr. Kazhegeldin's arrest to be a "particularly serious violation of article 2 of the INTERPOL Constitution" because the founders of that organization "were careful to provide that the INTERPOL network could not be used by authoritarian governments to harass their domestic political opponents."

The real reason for the arrest was the latest in a series of attempts by the President of Kazakhstan, Nursultan Nazarbayev, to suppress his political opposition, which is led by Mr. Kazhegeldin.

The timing is probably not coincidental. Mr. Kazhegeldin had recently offered to testify before U.S. authorities about corruption at the highest levels in Kazakhstan.

This is the second time that President Nazarbayev has had Mr. Kazhegeldin detained by national authorities—there was a similar occurrence in Moscow last fall. In both cases, President Nazarbayev's government filed bogus charges through INTERPOL to have Mr. Kazhegeldin detained.

I understand that our own Department of Justice has routinely ignored such INTERPOL notices concerning Mr. Kazhegeldin.

In an even more sinister vein, the harassment against Mr. Kazhegeldin's associates has turned to physical violence—his press aide was stabbed in Moscow recently.

Mr. President, the stakes in Kazakhstan are extraordinarily high. The country is four times the size of Texas and is blessed with energy resources that even the Lone Star State would envy.

For example, it has proven oil reserves of some 15½ billion barrels; areas under the Caspian Sea may yield up to another 30 billion barrels.

Estimates of natural gas reserves range from 3 to 6 trillion cubic meters. In addition, there are rich deposits of minerals such as copper, zinc, chromium, and uranium.

The Tengiz oil field is currently being worked by U.S., Russian, Kazakh, and other companies. Construction is underway on a pipeline to the Russian port city of Novorossiisk, and Central Asian leaders have signed agreements with Turkey for a Baku-Ceyhan route.

But this energy wealth is prospective for now. The big fields have not yet begun to yield, and the country remains poor.

Kazakhstan's political landscape remains as undeveloped as its oil fields. Elections have been marked by irregularities to the point where international monitors agree that they have not met democratic standards. In fact—and this speaks volumes about the arrest in Rome—President Nazarbayev was re-elected in 1999 by banning his only real opponent, none other than Akezhan Kazhegeldin.

Human rights abuses have been reliably documented and include extrajudicial killings, harsh prison conditions, and torture of detainees.

The press in Kazakhstan has been constrained by President Nazarbayev's desire to curb those who would "harm the country's image in the world." In addition, the government owns and controls significant printing and distribution facilities and subsidizes publications. Restraints on the press are severe enough that self-censorship is now practiced.

The right of free assembly is restricted by law and by the government. Organizations must apply 10 days in advance to hold a gathering, and local authorities are widely reported to deny such permits. In some instances, demonstrators have been fined or imprisoned.

There is, however, one piece of good news, in the area of weapons nonproliferation. Kazakhstan, which was one of four nuclear states formed out of the dissolution of the Soviet Union, has been a vigorous partner with the United States in the elimination of weapons of mass destruction. In 1995, President Nazarbayev announced that his country was no longer a nuclear power, after the last of its nuclear warheads had been removed to Russia.

On the negative side, however, government officials of Kazakhstan illegally sold 40 Soviet-built MiG 21 fighter jets to North Korea. The officials implicated in the sales have received only minor punishment.

The United States has worked with Kazakhstan and the other Central Asian states to promote democracy, economic reform, development of the energy sector, and other goals. In Kazakhstan alone, we provided $600 million in assistance from 1992 to 1999.

It is important to note that the Silk Road Strategy Act, passed by this Congress, specifically calls for increased aid to support conflict resolution in the region, humanitarian relief, economic and democratic reform, and institution-building.

Finally, the United States has pursued a policy of vigorous engagement with the Government of Kazakhstan, including visits to that country by Secretary of State Albright and First Lady Hillary Clinton. We have also received many of their leaders in Washington, including President Nazarbayev.

Kazakhstan, for all of its failings, is important to global security—because of its location, because of its wealth of energy resources, and because of its commitment to remain a nuclear weapons-free state.

But no matter how important Kazakhstan is, the United States must forcefully remind President Nazarbayev that acts of harassment such as the arrest of Mr. Kazhegeldin endanger the good relations between our two countries. He must be made to see the benefits of democracy and a free market economy, and the blind alley of authoritarian cronyism.

Therefore, I call upon President Nazarbayev to stop his harassment of Mr. Kazhegeldin and the rest of the legitimate political opposition in Kazakhstan. It is these attacks—not the legitimate activities of the political opposition—that are serving to tarnish the reputation of Kazakhstan. This political repression makes the developed nations—whose support and investment Kazakhstan desperately needs—wary of economic involvement there.

The United States can work in partnership to build a better life for the people of Kazakhstan, but only if President Nazarbayev understands that political democracy must go hand-in-hand with economic development.

## UNMANNED COMBAT VEHICLE INITIATIVE

Mr. WARNER. Mr. President, since January, I have been working on an initiative that deals with introducing new cutting-edge technology into the combat arms of our Armed Services. The initiative is to have one-third of our airborne deep strike aircraft remotely operated within 10 years, and one-third of our ground combat vehicles remotely operated within 15 years.

I asked one of our "Captains of Industry," Mr. Kent Kresa, the Chief Executive Officer of Northrop Grumman, for his assessment of the technical feasibility for such an undertaking. He expressed his unqualified support for the initiative, saying that it was certainly feasible from a technical viewpoint. His thoughts have been published in the July 2000, issue of National Defense, the magazine of the National Defense Industrial Association. I ask unanimous consent this article be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From National Defense, July, 2000]

### FOR UNMANNED SYSTEMS, THE TIME HAS COME

(By Kent Kresa)

Today's technology gives us the ability to do things in different ways. All we really need is determination. In preparing for future conflicts, the area of unmanned systems is one where institutional determination has not matched technological reach. But that may be about to change.

Sen. John Warner, R-Va. chairman of the Armed Services Committee, recently announced that he supports efforts to make one-third of the U.S. operational deep strike aircraft unmanned by 2010, and one-third of ground vehicles unmanned by 2015.

Such a significant change in how the United States conducts military operations would have a profound impact on future national security efforts. Having spent many years of my career in the defense industry working on unmanned systems, I believe Warner's goals are reasonable aspirations. In my view, such an acceleration reflects both a technological possibility and an operational necessity. Certainly, there are technological challenges to be overcome, but the greatest obstacle may be our past experiences and concepts.

A senior defense official commented last year that, by the year 2050, there will be no manned aircraft in the military inventory. A growing number of senior officers see this transition as inevitable. However, most do not see it as imminent. The 50-year period suggested in that observation approximates the chronological distance separating Kitty Hawk from Sputnik.

Although there are certainly issues to be resolved, particularly regarding command and control, we know considerably more today about building and controlling unmanned vehicles than the Wright Brothers did about rocketry.

Certainly, there are those who harbor reservations about unmanned systems. But I have been surprised at the growing acceptance of these technologies across the Defense Department. Field commanders, in particular, increasingly are confident and comfortable about conducting unmanned strikes. During Operation Desert Fox—the fourth-day campaign against Iraq in December 1998—72 percent of the strikes were conducted by unmanned cruise missiles. By comparison, during the first four days of Operation Desert Storm in 1991, only 6 percent of the strikes were conducted with cruise missiles.

Although the scales of these two operations were significantly different, this dramatic shift to unmanned strike systems reflects a fundamental operational change.

As Gen. Michael Ryan, Air Force chief of staff, has commented on several occasions, cruise missiles and other standoff munitions are merely unmanned aerial vehicles (UAVs) on a "one-way trip." Transitioning to UAVs that are re-usable and capable of making numerous trips dropping less costly precision munitions is within our near-term technological ability.

Calculations suggest that in fewer than 10 missions, unmanned combat air vehicles (UCAVs) dropping ordnance similar to Joint Direct Attack Munition (JDAM) become considerably more cost-effective than cruise missiles. Furthermore, these calculations do not consider additional cost savings resulting from lower manning and routine operational costs.

In the intelligence, surveillance and reconnaissance (ISR) mission area, UAVs already are well accepted. The recent testimony before the Senate Armed Services Committee by Gens. Wesley Clark and Anthony Zinni, commanders-in-chief of two of our more important regional commands, reflects this trend. Both articulated the need for a larger number of UAVs for ISR missions that "are 24-hour-a-day capable and are adverse-weather capable."

In my view, this is a near-term possibility. Assets such as the Global Hawk system provide such a capability. When teamed with other key ISR assets, such as the joint surveillance target attack radar system (JSTARS) and the airborne warning and control system (AWACS), U.S. commanders will have a formidable capability for seeing their operational area in real-time, in all weather. Other assets—such as the Predator UAV, the Army's new tactical UAV, and the Navy's vertical take-off UAV—will offer high-fidelity battlefield surveillance to tactical commanders.

### ORGANIZATIONAL ISSUES

There are numerous tactics, techniques, and procedures, as well as organizational and operational issues to be resolved on how all of these systems work together, and how they are-controlled and integrated to form a common operational picture. But the work currently under way by the Joint Forces Command's experimentation program will highlight the major issues and suggest reasonable solutions.

A study on unmanned systems conducted by the Government Electronics and Information Technology Association (GEIA) last fall concluded that in all areas—air, land and sea—both institutional and technological barriers to the expanded use of unmanned systems were dropping rapidly. The report concluded that a heavy reliance on UAVs in both the ISR and attack roles would happen sooner, rather than later. This suggest that others in industry, as well as the government, share this perspective.

Unmanned systems address two pressing problems. First, not only will they be less expensive to build, but their ownership costs will be lower. Since the aircraft fly themselves, their "mission managers" can be trained on simulators. The aircraft can be kept in storage until needed, thus lowering operations and maintenance costs that currently consume a high percentage of the defense budget.

Second, unmanned systems empower our troops, while lowering the risks that they assume. In an age where manpower is becoming more expensive, and sensitivity to casualties more prominent, performing "dirty and dangerous" missions with unmanned systems is likely to become an imperative. Moreover, by removing the real constraints associated with having humans on board, unmanned systems can provide greater range, greater mission endurance, and great agility. Such systems expand the options available to national and operational leaders.

The issue of greater use of UAVs is less "can we do it?" than "do we want to do it?" In my view, the first question is already answered: We can do it. The second question is a function of institutional commitment and funding. Warner's bold vision is certain to stimulate discussion that will inevitably lead others to the conclusion that several factors—strategic, operational, and fiscal—indicate that we must make this transformation. When that question is resolved, those of us in the defense industry are confident that we are prepared to do our part in making that vision a reality.

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## SEMINAR ON THE GEORGIA REPUBLIC

Mr. BROWNBACK. Mr. President, in May 2000, a delegation from Georgia attended a five-day seminar in western Sicily to help further a culture of lawfulness in Georgia. The delegation consisted of government officials as well as senior educators, representatives from the Orthodox Church, and the media. The program was organized by two non-governmental organizations—the National Strategy Information Center in Washington, D.C. and the Sicilian Renaissance Institute in Palermo, Sicily—with financial assistance from the City of Palermo and the U.S. Department of State. The seminar featured presentations on key aspects of the Sicilian Renaissance as well as one-on-one meetings between Georgians and their Sicilian counterparts to discuss specific programs that could be implemented in Georgia. The focus was on how in recent decades cultural change in Palermo and other parts of Sicily helped reduce crime and corruption, the lessons from the Sicilian experience that may have applicability to Georgia, and how the Sicilian experience can be modified or replicated in Georgia. The consensus of the Georgian delegation was that the achievements of the Sicilians were remarkable and that many of the practices that have been effective in Sicily are applicable to the prevention of crime and corruption in Georgia. The delegation is now developing culture of lawfulness programs with specific products, and methods of evaluation. Additional sectors of society such as the police, social workers, NGO's will become involved as progress is made.

Mr. President, this program is one that attempts to go to the root of one of the major problems left over from decades of communist rule: corruption. The National Strategy Information Center should be commended and encouraged in these types of programs. This is exactly the kind of program we should be encouraging not just in Georgia but in the other Silk Road countries as well.

I request unanimous consent that the following article from the Giornale di Sicilia (Palermo) be printed in the RECORD with my remarks. It is an interview with Vakhtang Sartania, Rector of the Pedagogical University of Tblisi, Georgia, and head of the delegation visiting Sicily, about the visit to Sicily.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Giornale di Sicilia (Palermo), June 5, 2000]

### TBILISI. IN PALERMO FOR LESSONS OF LAWFULNESS

(By Franco Di Parenti)

Palermo. "Being in Sicily is like being at home. There are lots of similarities between this country and Georgia: here, too, people are straightforward, well-disposed towards others and proud of their culture; even nature is very similar." Vakhtang Sartania is about to leave Palermo and, together with some souvenirs, he is bringing back in his suitcase the image of a city that he found different from the usual cliché. And he tells it with great enthusiasm. Sartania is the Rector of the Pedagogical University of

Tbilisi, the capital (twinned with Palermo) of the former Soviet State of Georgia; he led a delegation, invited by the Sicilian Renaissance Institute and the City of Palermo, that had meetings at all levels for five days in order to understand what "Palermo's spring" is about, what the "culture of lawfulness" of which Leoluca Orlando speaks so much consists of, and how it happened that in the city of the mafioso terror there are today only a few murders. It was not by chance that the Georgian delegation included mostly educators, plus an orthodox priest from the Academy of Clergy, and only one specialist in national security.

"Perhaps," Sartania says "the image which most impressed me was that of a schoolboy, Umberto, who during our visit came up to Mayor Orlando and patted him on the arm, showing how happy he was to meet him."

It can be read as a sign of a new relationship between citizens and institutions * * *

"It surely can. You see, I come from a country that has experienced war and has only recently regained freedom. But, just like Sicily, Georgia too has given a remarkable contribution to the world culture. That's why I was very pleased to see Palermo so lively from the civil point of view, and I think that credit for this must be given to the Church and Mayor Orlando, who can be considered the symbol of such transformation."

Did Palermo appear to you different from what you expected?

"Movies and books often give us a different image of this country, and I must admit that I expected to find here a gloomier atmosphere. Perhaps many, even in my country, think it to be still so; the truth is that you have nice people and nice cities here. Anyway, I was expecting a city different from the way it is usually described."

What did this feeling originate from?

"From past contacts between Sicilians and Georgians. For instance, in 1968 some earthquake refugees from the Belice Valley were given hospitality in my country for some time. And since Sicilians don't like to feel in debt, six years ago some Sicilian families began to give hospitality to children coming from Abchasia, A Georgian region with many difficulties".

You came here to understand what's behind local successes in the fight against the Mafia. Is your country too menaced by organized crime?

"Georgia has a very important geo-political position because it connects Asia with Europe. Commercial links have just started being developed, such as those in the oil sector or the so-called 'silk route'. There's the risk that organized crime may infiltrate into or exploit such links for illicit traffic. We must be ready to avoid it. Above all, we must work on prevention".

Is this the reason why your delegation consists mostly of educators?

"Your experience in combating the Mafia is very interesting, and we look at the promotion of a 'culture of lawfulness' with special attention. We must transmit positive values, such as patriotism and tolerance, and must invest resources in that direction. In our current phase, so delicate for our country, we must explain that welfare is good, but it has to be legal; that family has a great value; that family, school and society are the foundations of an educational system. But I wish also to add that our relationship must be based on a two-way exchange. We've got a lot to learn, but others too can learn from us."

[From the Press-Office of the President of Georgia, July 11, 2000]

## STATEMENT OF THE PRESIDENT OF GEORGIA, E. SHEVARDNADZE

My fellow compatriots, I would like to draw your attention to one of the urgent problems facing Georgia.

Yesterday I signed the Decree on the "National Anticorruption Program", according to which a special authorized group of the highest level was established, headed by Mr. Lado Chauturia, Chairman of the Supreme Court of Georgia.

This group shall elaborate several stages of the anticorruption program, oriented on various trends, which will be the ground for very radical actions and corresponding policy.

There is no time left, the situation is unbearable, our society expects the urgent measures from us.

I would say, that I made this very hard decision after beginning of the process of economical improvement in the country. It is enough to say, that in the first part of the current year the Gross Domestic Product has increased by 5 percent, and the industrial output by—11 percent in comparison with the same period of the last year. The export volume is increasing, and it is important, that since 1998 the change in the tax incomes' gross has taken place for the first time.

All I said indicates that the country will definitely overcome the both—the budgetary and the financial crisis; the significant economic growth will occur, the problems related to unpaid salaries, pensions and other kinds of payments will be solved as well as those of social assistance.

But the success will be temporary only; the country will fail to recover entirely, if we do not have the clear, exact and active anticorruption program as a firm basis for it.

Let me label this social disease as "malignant tumor", that is removable with pain, but necessary measures should be taken urgently.

I should be fair and remind you—much was done during the last 4 years in order to set some limits to "corruption space" and for creation of the anticorruption basis in Georgia.

Proper legislative system was created and that is very important. Criminal, Civil and Administrative Codes reflecting contemporary realities and national specific nature were worked out and approved. The common courts and Supreme Court have the new legislative basis.

Many laws have been approved, intended against the corruption processes in the society. The law "On Licenses", "On State Purchase", "On Monopoly Activities and Competition" and many others are among them.

The law "On Conflict of Interests at Public Service and Corruption" is worth to mention on the ground of which Information Bureau for Ownership and Financial State of Higher Officials has done a large-scale work.

The judicial reform has been carried out—the penitentiary system was subordinated to the Ministry of Justice.

Two thousand persons were arrested within last three years for committing crimes like abuse of one's position and misappropriation of State property. The six hundred of them have been already imprisoned.

These facts seem to prove the intensity of our struggle, but our efforts are not still enough. At the same time, one must consider the unfit system of the law enforcement bodies extremely hard material and financial conditions of the employees, poor technical basis.'

Yet, I believe, that law enforcement bodies and reforms therein are of great importance and they will intensify combat of corruption.

They should not wait final preparation of the program but intensify the activities for establishment of the corresponding fund.

The interested bodies have suggested the several versions of the anticorruption program.

Most of them are interesting and I would emphasize the suggestions of the local administrations, local self-governing bodies, and of course, the corresponding Parliamentary Committees.

As for my yesterday's special Decree about the anticorruption program, I have already said, it has a very important function and liabilities.

Well, I think I must share several opinions.

The first conceptual thesis is that the corruption has reached the crucial level with its scale and nature, that makes dubious almost every State initiative and implementation of some Governmental programs.

Unfortunately, the high level of the corruption has damaged authority not of the Government only, but of the Georgian independent state.

The fulfillment of both interior and foreign priorities is immediately connected with the necessity of suppressing corruption.

I am not departing from my responsibility and am fully responsible for this situation.

But nobody should forget that President of the State is able to do only what the society and the whole country are capable of performing.

Since the end of the civil war and bloody conflicts, and until now, I had to compromise on some issues, in order to rescue the other more important and more priority values for the moment.

Last 8 years of my governing have been devoted to turning of almost ill independent Georgian State into a healthy one, and to create it in fact.

That's why I had to make a hard choice concerning, problems to be solved on the first stage and proper use of our poor resources more effectively.

Once more, I declare with all responsibility: nowadays nothing can be of more important issue for Georgia's society and State development, than combating corruption.

All other issues must be subordinated to the settlement of this strategic issue.

The second: the long-term and detailed analysis of the corruption as a phenomenon in the country allows me to conclude the following: In spite of some proper programs, the anticorruption activities up to now produced no desirable results. The local programs failed to create proper State mechanisms, able to solve the problems.

In other words, the solving of the State-scale problems appeared impossible within the framework of the separate actions. Even the judicial reform, quite effective anticorruption action by itself was not enough evidently.

It goes without doubt, that in order to solve large-scale State problems, it is necessary to elaborate a multistage statewide program.

Meanwhile, the program must be supported by the consequent actions systems, finances, and social-political factors and by the active support in the society.

The third: My long-term experience of being at the wheel of the country, has assured me that unprepared actions hear only a campaign, surface character and can yield only temporary results.

In some cases, the populist impulsiveness may only aggravate the problem. So, instead of recovery from the grave disease we are likely to get the opposite result.

That is why I acted so carefully.

That's why, I consider it both necessary and possible to undertake the radical measures after common State program for complex anticorruption policy was prepared. I would say, the national program and the corresponding executive mechanism will be created.

As we established the anticorruption service and some corrupted officials have been arrested, I could have earned more "grades" in the pre-electoral period, but I am sure, that we would not be able to combat corruption, and that would only worsen the situation by populist actions.

The fourth: Working out of the anticorruption program will be the ultimate step for the fulfillment of my main purpose—to combat corruption in Georgia for good.

I am sure, that after recovery from the disease, the Georgian State will be healthy and sound, and Georgian people will have their own everlasting prospects of the national development.

I declare that the statement of the anticorruption program that will be submitted to me by the group, working on it presently will be a cornerstone of my policy during the second term of my Presidency, as it is economic growth at present stage.

The same statement and recommendations define the purposes and rights of the special anticorruption service or the anticorruption committee.

The necessity of creation of such a body is the topic of a large-scale discussion in the society, which must be continued.

The fifth: the members of the group, working at the program, (it is remarkable, that the number of the group's members may be enlarged, if necessary), as well as the invited guests (I mean the well-known foreign experts), must gain the trust and create the necessary authority in the society, important for implementation of the program.

This group will depart from narrow political interests. It will realize a super-party, nationwide mission and shall cooperate with those political forces, for which corruption is national insult, humiliation of national dignity, source of national and social jeopardy and not the life style.

The sixth: I completely understand the great national importance of these tasks. I have made this strong decision. My political will is firm. I address to my adherents, companions, the members of government, parliamentarians; I categorically demand from them to accept president's will with complete responsibility and understanding.

The first victims of anti-corruption policy should be those unkind officials and statesmen, who are determined to reach their aims and goals by using their positions, enjoying partisan or relationship links with me for their own prosperity and not for strengthening the national buildup.

The seventh, I strongly believe that anticorruption activities will receive complete support from the citizens of Georgia and from the whole Georgian society. At the same time, all of us need to acknowledge our civil and national responsibilities.

In this complicated and non-compromising combat, we, the society and government, must defend the superiority of justice and law, we must categorically exclude the efforts of mutual punishment, blackmailing and civil counteract.

I gave a special importance to the support and principal attitude of the press, primarily television and mass media at large.

The Georgian media is our democracy's important achievement. For several times, it showed veritable national, patriotic attitude toward the national affair and devotion toward any national interest.

Even more patriotism and intense sense of responsibility are necessary today.

In the process of being of vital importance, the unity of words and actions must turn into principal measure and basis of patriotism for every citizen and government official.

More than this, during the program elaboration, and while its implementation, no single agency shall avoid the responsibility that it invested in it by the law and all agencies shall be obligated to fight against corruption.

I want to add that to combat corruption with some repressive methods implies a certain preventive system, an active application of economic lever and mechanism, the restriction and suppression of criminals in the economic sphere.

I don't suspect that in the present circumstances, when the society has realized the importance of such a destructive vice, with joint will and endeavor Georgia can overcome this problem and recover from such a shameful disease as corruption represents itself.

In response, our generation will regain the right and honor to look into the face of the next generation proudly and create healthy, honest and democratic order in Georgia.

It is my firm decision and I will use all my strength, experience and facility to realize it.

And now, let me announce the Decree.

"On Elaboration of National Anti-corruption Program"

"Taking into consideration the scale and the complexity of the corruption and to increase the effectiveness of activities for its suppression a national group shall be set up to the office of President of Georgia. The group with the following membership shall develop the anti-corruption program:

1. Lado Chanturia—Chairman of Georgian Supreme Court, Head of the Group;
2. David Usuposhvili—Lawyer, Executive Secretary of the Group;
3. Gia Nodia—Director, Caucasus Institute for Peace, Democracy and Development;
4. Sulkhan Molashvili—Chairman of Georgian Chamber of Control;
5. Levan Dzneladze—First Deputy of Georgian Minister of Finances;
6. Nana Devdariani—Georgian Public Defender;
7. Gia Meparishvill—Member of Parliament;

The task group shall present the main trends of the program by September 20, 2000. The essential components and plans will be implemented before the final presentation of the program. The deadline of developing and publishing complete version of national anti-corruption program is fall, 2000.

While working out national anti-corruption program the Group shall:

Gather, analyze and collect recommendations of international organizations concerning corruption in Georgia, programs worked out in governmental structures, research agencies and ideas based on private initiatives shall be presented to the Group;

Be provided with the idea of the national consensus—to negotiate with each interested person, political and social groups;

Work out a specific mechanism to make a program taking into account society involvement and their proposals and opinions;

Explore, analyze and use experience in corruption problems of foreign countries and leading international governmental and non-governmental organizations;

Define the separate sections of anti-corruption system, provide their systematic description, (legislative base, institutional structure, political system, economical base, moral, psychological preceding, etc. . . .) and explain the relationship concerning reasons and results, hence, set up a system of priorities;

Elaborate on political, financial, institutional, legislative and personnel staff providing schemes for anti-corruption program implementation;

Analyze acting legislation of Georgia, make complex program of legislative amendments and thus eradicate those legislative defects that promote formation of corruption based relations or hinder effective struggle against corruption;

Study the relations of separate national traditions to corruption-based relations spread all over the country and take appropriate measures;

Make a prognosis for main obstacles expected on the definite stages of project implementations process and define the ways to avoid them;

According to definite program activities make a prognosis for the most afflicted social groups and regions and plan to take social protection measures;

Seek and invite Georgian and foreign specialists to elaborate on concrete problems and thus to arrange working conditions for at least two specialists on every issue;

Discuss the materials offered by experts, plan to take concrete measures in definite directions and unite them within the frames of complex anti-corruption program stages;

Define the mechanisms for the monitoring of program implementation process and for adequate reaction towards variable environment;

Present concrete recommendations concerning anti-corruption activities to the president of Georgia in case of demand, or by private initiative, in case of especially important issues;

Demand from every state and local administration requested information in timely order without any obstacles.

We acknowledge that foreign countries and international organizations and/or missions acting in Georgia shall provide active support and give necessary assistance (including financial aid) to the Group;

Non-governmental organizations, political units and representatives of public society shall be urged to cooperate with the group and respond their requests on time;

The group shall work out the working schedule within next week. It should be taken into consideration that a special anti-corruption plan and materials thereof are designed at the national Security Council to President of Georgia and according to the order of President of Georgia will be handed over to the Group to utilize them while working process.

The members of the Group who are not in civil service shall receive their salary from exploring funds of the Program;

The executive secretary shall provide administrative and technical arrangements for the Group.

## NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2001

Mr. McCAIN. Mr. President, I rise today in support of S. 2549, the National Defense Authorization Act for

FY2001. Included in the bill that passed today are several amendments that will significantly improve the lives of active duty members, reservists, military retirees, veterans, and their families.

These amendments greatly improved the version of the bill that came out of the Armed Services Committee. I had voted against reporting the bill out of the Committee because it did not include important measures for military personnel and neglected the issue of defense reform.

The critical amendments that were included in the legislation that passed today will: remove servicemembers from food stamps; increase pay for mid-grade Petty Officers and Non-Commissioned Officers; assist disabled veterans in claims processing; restore retirement pay for disabled military retirees; provide survivor benefit plan enhancements; authorize a low-cost life insurance plan for spouses and their children; enhance benefits and retirement pay for Reservists and National Guardsmen; authorize back-pay for certain WWII Navy and Marine Corps Prisoners of War; and provide for significant acquisition reform by eliminating domestic source restrictions on the procurement of shipyard cranes.

One of the areas of greatest concern among military retirees and their families is the "broken promise" of lifetime medical care, especially for those over age 65. While the Committee had included some key health care provisions, it failed to meet the most important requirement, the restoration of this broken promise.

With severe recruitment and retention problems still looming, we must better compensate our mid-grade enlisted servicemembers who are critical to leading the junior enlisted force. We have significantly underpaid enlisted servicemembers since the beginning of the All-Volunteer Force. The value of the mid-grade NCO pay, compared to that of the most junior enlisted, has dropped 50% since the All-Volunteer Force was enacted by Congress in 1973. This pay provision for the mid-grade enlisted ranks, up to $700 per year, plus the food stamp pay provision of an additional $180 per month for junior enlisted servicemembers, provides a significant increase in pay for enlisted servicemembers.

The National Guard and Reserves have become a larger percentage of the Total Force and are essential partners in a wide range of military operations. Due to the higher deployment rates of the active duty forces, the Reserve Components are being called upon more frequently and for longer periods of time than ever before. We must stop treating them like a "second-class" force.

I would like to emphasize the importance of enacting meaningful improvements for our servicemembers, their families and their survivors. They risk their lives to protect our freedom and preserve democracy. We should compensate them adequately, improve the benefits to their families and survivors, and enhance the quality of life for the Reserves and National Guard in a similar manner as the active forces.

Each year the number of disabled veterans appealing their health care cases continues to increase. It is Congress' duty to ensure that the disability claims process is less complex, less burdensome, and more efficient. Likewise, we should restore retirement pay for disabled military retirees.

I would also like to point out that this year's defense authorization bill contained over $1.9 billion in pork—unrequested add-ons to the defense budget that robs our military of vital funding on priority issues. While this year's total is less than previous years' it is still $1.9 billion too much. We need to, and can do better. I ask that the detailed list of pork on this bill be included in the CONGRESSIONAL RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

Mr. McCAIN. In conclusion, I would like to emphasize the importance of enacting meaningful improvements for active duty and Reserve members. They risked their lives to defend our shores and preserve democracy and we can not thank them enough for their service. But we can pay them more, improve the benefits for their families, and support the Reserve Components in a similar manner as the active forces.

We must ensure that the critical amendments that I have outlined survive the Conference process and are enacted into law. Our servicemembers past, present, and future need these improvements, and the bill that we passed today is just one step on the road to reform.

EXHIBIT 1

DEFENSE AUTHORIZATION ACT (S. 2549) FOR FY2001 ADD-ONS, INCREASES AND EARMARKS

| | Dollars (in millions) |
|---|---|
| TITLE 1, PROCUREMENT | |
| Army Procurement (none) | |
| Navy Procurement: | |
| Airborne Low Frequency Sonar (ALFS) | 6 |
| Allegany Ballistics Lab GOCO | 7.7 |
| LHD–8 Advanced Procurement | 46 |
| Adv Procurement DDG 51 | 79 |
| MSC Thermal Imaging Equipment | 4 |
| Integrated Condition Assessment System (ICAS) | 5 |
| Side-Scan Sonar | 5 |
| Joint Engineering Data Management & Info Control (JEDMICS) | 4 |
| AN/SPQ–9B Gun Fire Control Radar | 4 |
| NULKA Anti-Ship Missile Decoy | 4.3 |
| Marine Corps Procurement: Improved Night/Day Fire Control Observation Device (INOD) | 2.7 |
| Air Force Procurement: | |
| C–17 Cockpit System Simulation | 14.9 |
| C–17 A/C Maintenance System Trainer (AMST) | 11.5 |
| Combat Training Ranges | 20 |
| TITLE II R, D, T, and E | |
| Army R, D, T & E: | |
| Composite Materials | 6 |
| Advaqced missile composite component | 5 |
| Ballistics Technology | 3.5 |
| Portable Hybrid Electric Power Research | 1.5 |
| Thermoelectric Power Generation for Military Applications | 1 |
| Operational Support | 4 |
| Equipment Readiness | 8 |
| Fuel Cell Auxiliary Power Units | 4 |
| Enabling Technologies for Future Combat Vehicle | 46.3 |
| Big Crow | 7 |
| Simulation Centers Upgrades | 4.5 |
| Family of Systems Simulators | 3 |
| Army Space Control | 5 |
| Acoustic Technology | 4 |
| Radar Power Technology | 4 |
| Scramjet Acoustic Combustion Enhance | 2 |
| Aero-Acoustic Instrumentation | 4 |
| Supercluster distributed Memory | 2 |
| SMDC Battlelab | 5 |
| Anti-malaria Research | 2 |
| SIRFC/ATIRCM | 38.5 |
| Threat Virtual Mine Simulator | 2.5 |
| Threat Information Operations Attack Simulator | 2.1 |
| Cost Reduction Effort MLRS/HIMARS | 16 |
| Design and Manufacturing Program | 2 |
| Center for Communications and Networking | 5 |
| Navy R, D, T & E: | |
| Free Electron Laser | 5 |
| Biodegradable Polymers | 1.25 |
| Bioenvironmental Hazards Research | 3 |
| Nontraditional Warfare Initiatives | 2 |
| Hyperspectral Research | 3 |
| Cognitive Research | 3 |
| Nanoscale Sensor Research | 3 |
| Ceramic and Carbon Based Composites | 2 |
| Littoral Area Acoustic Demo | 3 |
| Computational Engineering Design | 2 |
| Supply Chain Best Practices | 2 |
| Virtual Tested for Reconfigurable Ship | 2 |
| Modular Composite Hull | 4 |
| Composite Helo Hangar Door | 5 |
| Advanced Waterjet-21 | 4 |
| Laser Welding and Cutting | 2.8 |
| Ocean Modeling for Mine and Expeditionary Warfare | 3 |
| USMC ATT Initiative | 15 |
| Minesweeper Integrated Combat Weapons Systems | 5 |
| Electric Motor Brush Technology | 2 |
| Advanced Composite Sail Technology | 2.5 |
| Shipboard Simulation for Marine Corps Operations | 20 |
| Common Command and Decision Functions | 10 |
| Advanced Amphibious Assault Vehicles | 27.5 |
| High Mobility Artillery Rocket System | 17.3 |
| Extended Range Guided Munition | 10 |
| Nonlethal Research and Technology Development | 8 |
| NAVCIITI | 4 |
| Parametric Airborne Dipping Sonar | 10 |
| Advanced Threat Infrared Countermeasures | 8 |
| Power Node Control Center | 3 |
| Advanced Food Service Technology | 2 |
| SPY–3 and Volume Search Radar | 8 |
| Multi-purpose Processor | 15 |
| Antenna Technology Improvements | 5 |
| Submarine Common Architecture | 5 |
| Advanced Tactical Software Integration | 4 |
| CVN–77, CVN(X), and Nimitz Class Smart Product Model | 10 |
| NULKA Dual Band Spatially Distributed Infrared Signature | 2.1 |
| Single Integrated Human Resources Strategy | 3 |
| Marine Corps Research University | 3 |
| Reentry System Application Program | 2 |
| Joint Tactical Combat Training System | 5 |
| SAR Reconnaissance System Demonstrator | 9 |
| Interoperability Process Software Tools | 2 |
| SPAWAR SATCOM Systems Integration Initiative | 2 |
| Distributed Engineering Plant | 5 |
| Air Force R, D, T & E: | |
| Resin Systems for Engine Applications | 2 |
| Laser Processing Tools | 4 |
| Thermal Protection Systems | 1.5 |
| Aeronautical Research | 6 |
| Variable Displacement Vane Pump | 3 |
| PBO Membrane Fuel Cell | 5 |
| Aluminum Aerostructures | 3 |
| Space Survivability | 5.6 |
| HAARP | 7 |
| Integrated Demonstration & Applications Laboratory (IDAL) | 6 |
| Fiber Optic Control Technology | 2 |
| Miniature Satellite Threat Reporting System (MSTRS) | 5 |
| Upper Stage Flight Experiment | 5 |
| Scorpius | 5 |
| Space Maneuver Vehicle | 15 |
| Solar Orbital Transfer Vehicle (SOTV) | 5 |
| Micro-Satellite Technology (XSS–10) | 12 |
| Composite Payload Fairings and Shrouds | 2 |
| SBL Integrated Flight Experiment (IFX) | 30 |
| Airborne Laser Program | 92.4 |
| RSLP GPS Range Safety | 19.2 |
| SATCOM Connectivity | 5 |
| BOL Integration | 7.6 |
| Hyperspectral Technology | 2 |
| Extended Range Cruise Missile | 86.1 |
| Global Air Traffic Management | 7.2 |
| Lighthouse Cyber-Security | 5 |
| B–2 Connectivity | 3 |
| U–2 Syers | 6 |
| Improved Radar for Global Hawk | 6 |
| Global Hawk Air Surveillance Demonstration | 12 |
| Defense Wide R, D, T & E: | |
| Personnel Research Institute | 4 |

DEFENSE AUTHORIZATION ACT (S. 2549) FOR FY2001 ADD-ONS, INCREASES AND EARMARKS—Continued

| | Dollars (in millions) |
|---|---|
| Infrasound Detection Basic Research | 1.5 |
| Program Increase | 15 |
| Chemical Agent Detection-Optical Computing | 2 |
| Thin film Technology | 3 |
| Wide Band Gap | 2 |
| Bio-defense Research | 2.1 |
| Hybrid Sensor Suite | 8 |
| High Definition Systems | 7 |
| Three-Dimensional Structure Research | 3 |
| Chem-Bio Detectors | 5 |
| Blast Mitigation Testing | 3 |
| Facial Recognition Access Control Technology | 2 |
| Magdalena Ridge Observatory | 9 |
| Wide Band Gap | 10 |
| Excalibur | 3 |
| Atmospheric Interceptor Technology | 15 |
| Chem-Bio Individual Sampler | 2.7 |
| Consequence Management Information System | 6.4 |
| Chem-Bio Advanced Materials Research | 3.5 |
| Small Unit Bio Detector | 8.5 |
| Complex System Design | 5 |
| Competitive Sustainment Initiative | 8 |
| WMD simulation Capability | 5 |
| HAARP | 5 |
| Integrated Data Environment (IDE) | 2 |
| Advanced Optical Data and Sensor Fusion | 3 |
| Advanced Research Center | 6.5 |
| KE–ASAT | 20 |
| WMD Response System | 1.6 |
| Information Operations Technology Center Alliance | 5 |
| Trust Rubix | 1.8 |
| Cyber Attack Sensing and Warning | 20 |
| Virtual Worlds Initiative | 2 |
| Smart Maps | 2 |
| NIMA Viewer | 5 |
| JCOATS–IO | 5 |
| Information Assurance Testbed | 5 |
| Advanced Lightweight Grenade Launcher | 5.6 |
| Operational Test & Evaluation, Defense, RDT & E: | |
| Central T & E Investment Development (CTEIP) Program Increase | 20 |
| Reality Fire-Fighting Training | 1.5 |
| TITLE III OPERATIONS & MAINTENANCE | |
| Army O&M: | |
| Range Upgrade | 50 |
| Battlefield Mobility Enhancement System | 10 |
| Clara Barton Center for Domestic Preparedness | 1.5 |
| Navy O&M: | |
| Navy Call Center—Cutler, Maine | 3 |
| Operational Meteorology and Oceanography | 7 |
| Nulka Training | 4.3 |
| Range Upgrades | 25 |
| MTAPP | 2 |
| Information Technology Center—New Orleans, LA | 5 |
| Nansemond Ordnance Depot Site—Suffolk, VA | 0.9 |
| USMC O&M (none) | |
| USAF O&M (none) | |
| O&M Defense Wide: | |
| JCS Mobility Enhancements | 50 |
| Defense Acquisition University | 2 |
| DLA MOCAS Enhancements | 1.2 |
| Joint Spectrum Center Data Base Upgrade | 25 |
| Legacy Project, Nautical Historical Project—Lake Champlaign, NY | 6.1 |
| Information Security Scholarship Program | 20 |
| Command Information Superiority Architecture | 2 |
| Information Protection Research Institute | 10 |
| Impact Aid | 20 |
| MISCELLANEOUS | |
| Defense Health Program | 98 |
| Kaho'olawe Island Conveyance | 25 |
| Alkali Silica Reactivity Study | 5 |
| Sec. 373 Reimbursement by Civil Air Carriers for Johnston Atoll Support | |
| Sec. 1041 Inst. for Defense Computer Sec. & Info. Protection | 10 |
| Sec. 2831 Land Conveyance, Price Support Center, Granite City, IL | |
| Sec. 2832 Land Conveyance Hay Army Res. Center, Pittsburgh, PA | |
| Sec. 2833 Land Conveyance, Steele Army Res. Center, Pittsburgh, PA | |
| Sec. 2834 Land Conveyance Fort Lawton, WA | |
| Sec. 2835 Land Conveyance Vancouver Barracks, WA | |
| Sec. 2851 Land Conveyance MCAS Miramar, CA | |
| Sec. 2852 Land Conveyance, Defense Fuel Supply Point, Casco Bay, ME | |
| Sec. 2853 Land Conveyance Former NTC Bainbridge, Cecil County, MD | |
| Sec. 2854 Land Conveyance Naval Computer & Telecomm. Station, Cutler, ME | |
| Sec. 2871 Land Conveyance, Army & Air Force Exchange, Farmers Branch, TX | |
| AMENDMENTS | |
| Amdt. 3219 To modify authority to carry out a fiscal year 1990 military construction project at Portsmouth Naval Hospital, VA | 8.5 |
| Amdt. 3235 To authorize a land conveyance, Ft. Riley, KS | |
| Amdt. 3242 To modify authority for use of certain Navy property by the Oxnard Harbor District, Port Hueneme, CA | |
| Amdt. 3383 To provide with an offset, $5 million for R,D,T,& E Defense wide for strategic environment Research & Development Program for technologies for detection & transport of pollutants from live-fire activities | 5 |
| Amdt. 3385 To set aside for weatherproofing facilities at Keesler Air Force Base, MS, $2.8 million of amount authorized to be appropriated for USAF operation & maintenance | 2.8 |
| Amdt. 3389 To treat as veterans individuals who served in the Alaska Territorial Guard during W.W.II | |
| Amdt. 3400 To authorize a land conveyance, former National Ground Intelligence Center, Charlottesville, VA | |
| Amdt. 3401 To authorize a land conveyance, Army Reserve Center, Winona, MN | |
| Amdt. 3404 To authorize acceptance and use of gifts from Air Force Museum Foundation for the construction of a third building for the Museum at Wright-Patterson USAF Base, OH | |
| Amdt. 3407 To permit the lease of the Naval Computer Telecomm. Center, Cutler, ME, pending its conveyance | |
| Amdt. 3408 To modify the authorized conveyance of certain land at Ellsworth Air Force Base, SD | |
| Amdt. 3415 To provide for the development of a USMC Heritage Center at Marine Corps Base, Quantico, VA | |
| Amdt. 3423 To authorize SecNav to convey to the city of Jacksonville N.C., certain land for the purpose of permitting the development of a bike/green way trail | |
| Amdt. 3424 To authorize, with an offset, $1.45 million for a contribution by the Air National Guard, the construction of a new airport tower at Cheyenne Airport, WY | |
| Amdt. 3460 P–3/H–1/SH–60R Gun Modifications | 30 |
| Amdt. 3462 CIWS MODS | 30 |
| Amdt. 3465 Land Conveyance, Los Angeles AFB. | |
| Amdt. 3466 Procurement of AV–8B aircraft | 92 |
| Amdt. 3467 Information Technology Center, LA | 5 |
| Amdt. 3468 USMC Trucks, tilting brackets and mobile electronic warfare support system | 10 |
| Amdt. 3477 Joint Technology Information Center Initiative | 20 |
| Amdt. 3481 Tethered Aerostat Radar System Sites | 33 |
| Amdt. 3482 Special Warfare Boat Integrated Bridge Systems | 7 |
| Amdt. 3483 R,D,T & E for Explosive Demilitarization Technology | 5 |
| Amdt. 3488 Procurement of AGM–65 Maverick missiles | 2.1 |
| Amdt. 3489 Procurement of Rapid Intravenous Infusion Pumps | 6 |
| Amdt. 3490 Training Range Upgrades, Fort Knox, KY | 4 |
| Amdt. 3490 (cont.) Overhaul of MK–45 5 inch guns | 12 |
| Amdt. 3770 National Labs Partnership Improvements | 10 |
| Amdt. 3801 National Energy Technology Lab, Fossil Energy R&D | 4 |
| Amdt. 3802 Florida Restoration Grant | 2 |
| Amdt. 3812 Indian Health Care for Diabetes | 7.372 |
| Amdt. 3807 Salmon restoration and conservation in Maine | 5 |
| Amdt. 3795 Forest System Land Review Committee | 1 |
| Total = $1,981,522,000.00 | |

## SCHOOL OF THE AMERICAS

Mr. FEINGOLD. Mr. President, I rise today to express my serious disappointment with the Fiscal Year 2001 Department of Defense Authorization bill, which passed the Senate earlier this week. I opposed a number of provisions in the bill, including language to restructure and rename the School of the Americas. It is this issue which I would like to address today.

Mr. President, it is clear that the Department of Defense recognizes there are serious problems with the School of the Americas, otherwise they would not have gone to the trouble of proposing to repackage it. But make no mistake, that is all that has happened. While the name may not remain the same, the School of the Americas still exists.

Mr. President, I think a little history is in order here. The School of the Americas was founded in 1946, originally in the U.S.-controlled Panama Canal Zone. At that time, it was known as the Latin American Center-Ground Division. In 1963, the facility was renamed the School of the Americas, and in 1984, in compliance with the Panama Canal Treaty, the school was moved to Fort Benning, Georgia as part of the U.S. Army Training and Doctrine Command.

SOA was charged with the mission of developing and conducting instruction for the armed forces of Latin America. Unfortunately, what SOA has produced are some of the most notorious dictators and human rights abusers from Latin America including El Salvador death squad leader Roberto D'Abuisson, Panamanian dictator and drug dealer Manuel Noriega, Argentinian dictators Leopold Galtieri and Roberto Viola, and Peruvian dictator Juan Velasco Alvarado.

Mr. President, the list continues. SOA alumni include 48 of the 69 Salvadoran military members cited in the U.N. Truth Commission's report on El Salvador for involvement in human rights violations, including 19 of 27 military members implicated in the 1989 murder of six Jesuit priests.

SOA alumni reportedly also include more than 100 Colombian military officers alleged to be responsible for human rights violations, and several Peruvian military officers linked to the July 1992 killings of nine students and a professor from Peru's La Cantutu University.

SOA alumni include several Honduran officers linked to a clandestine military force known as Battalion 316 responsible for disappearances in the early 1980s.

And, SOA graduates have led military coups and are responsible for massacres of hundreds of people, including the Uraba massacre in Colombia, the El Mozote massacre of 900 civilians in El Salvador, the assassination of Archbishop Oscar Romero, the torture and murder of a UN worker, and hundreds of other human rights abuses.

Mr. President, it is not merely coincidence that SOA has such an egregious list of alumni. In September, 1996, the Department of Defense made available excerpts from seven Spanish-language training manuals used at SOA and it was revealed that those manuals included instruction in extortion, execution, and torture techniques that the Pentagon conceded were "clearly objectionable and possibly illegal."

Even today, the SOA legacy lives on. Just this past January, another SOA graduate, Guatemala Col. Byron Disrael Lima Estrada, was arrested for his involvement in the death of Guatemalan Bishop Juan Jose Gerardi in 1998. As CRS noted, Bishop Gerardi was murdered in April of 1998 just two days after he released a report accusing the Guatemalan military for most of the human rights abuses committed during the country's conflict.

Mr. President, as I mentioned earlier, while the Department of Defense will ostensibly close the School of the Americas, it is producing a clone in its place. The Department of Defense Authorization bill establishes the Western Hemisphere Institute for Professional Education and Training—an institution that appears in every way to be nothing more than a repackaged School of the Americas.

To my knowledge, nothing has been done to ensure that a thorough evaluation of SOA is conducted before this new entity is operational. As SOA Watch has noted, there appears to be no critical assessment of the training, procedures, performance or consequences of the SOA training program this new entity copies.

I regret the Pentagon has not taken more meaningful steps to address the horrifying legacy of SOA. I support closing SOA permanently, not merely changing its name.

I am pleased to be a cosponsor of legislation introduced by the senior Senator from Illinois (Mr. DURBIN) that would terminate this program.

But, Mr. President, even if there were any justification for continuing some portion of the School of the Americas, it should come only after a truly serious and independent review is made of the purpose, mission, curricula, administrative structure, and student selection of the new entity.

Given the bloody heritage of SOA, the very least we owe the people of Latin America and the innocent who have been killed is such a review. Unfortunately, that is not what will happen.

As a member of the Senate Committee on Foreign Relations, I am committed to promoting human rights throughout the world. While it may be appropriate for the United States military to train its colleagues from other nations, it is inexcusable that this training should take place at an institution with a reputation far beyond salvage. In my view, our government cannot continue to support the existence of a school or a simple repackaging of that school which has so many murderers among its alumni.

Mr. President, I will be watching this new institution very closely, and so, I have no doubt, will many of my constituents. My concerns about accountability and transparency have not been sufficiently addressed, and I will continue to raise this issue until I am satisfied that the U.S. Government has finally and firmly brought an end to the shameful legacy of the School of Americas.

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## CHINA AND NATIONAL MISSILE DEFENSE

Mr. BIDEN. Mr. President, 3 years ago I came to the Senate floor to talk about China and how the United States can best achieve its national interests in the Far East.

I spoke then on the eve on two summits which went a long way toward putting the U.S.-China relationship on a firmer foundation. I called for a patient, principled engagement strategy designed to win greater Chinese compliance with international norms in the areas of human rights, nonproliferation, and trade.

Three years later, there has been some progress, but also some setbacks.

U.S.-China relations remain dogged by uncertainties—each side harbors doubts about the other's intentions, doubts reinforced by allegations of Chinese espionage and the tragic mistaken U.S. bombing of the Chinese embassy in Belgrade. China's fear of how we might exploit our position as the world's only superpower is matched by our concerns over China's proliferation of weapons of mass destruction and its intimidation tactics against Taiwan. China's leaders decry U.S. "hegemony" and "interference in their internal affairs." We worry about whether the Dragon will breathe fire at its neighbors, or just blow smoke.

So today I rise at what I believe may be a pivotal moment which will determine our Nation's future in Asia not just for this year, or next year, but for 10 years, 20 years, and into the world my grandchildren will inherit.

Three decisions—on national missile defense, on invoking sweeping new unilateral sanctions on China, and on extending permanent normal trade relations to China—will help shape U.S. strategic doctrine and irrevocably alter the security landscape in East Asia for decades to come. They are decisions which must be made in the context of revolutionary changes underway on the Korean Peninsula and an awakening China which wants to play in major leagues, but is not sure it wants to abide by all the rules of the game.

Today I wish to address the first of these three major decisions—national missile defense—as it relates to China and recent developments on the Korean peninsula.

Mr. President, I rise with optimism—my mother calls me a "congenital optimist." Not the optimism of a Phillies fan—a blind, fervent optimism born each spring, matured each summer, and dashed against the rocks by fall. No, I speak with the confidence which flows from the enormous capacity and good will of the American people. I am optimistic because we now enjoy an unprecedented opportunity to shape the future in ways which will enhance our national security and preserve our prosperity.

I reject the path of unrelieved pessimism and lack of common sense which, to me, underlies much of the thinking of those who believe China must be an enemy of the United States, and that North Korea can neither be deterred nor persuaded to abandon its pursuit of a nuclear missile capability.

I reject the pessimism which says that American idealism and the dynamism of American markets are somehow incapable of handling the opportunities which will be ours as China joins the World Trade Organization and opens its markets to the world.

But my optimism is informed by realism.

Let me put it bluntly: China does not believe that National Missile Defense is oriented against North Korea. According to those who justify a limited national missile defense on the basis of the North Korean threat, North Korea is ruled by a nutcase who by 2005 will be in position to launch an ICBM with weapons of mass destruction against the United States, and will do so without giving one thought to the consequences.

Who can blame China for questioning this rationale for a national missile defense? I question it myself.

The notion that North Korea's leader Kim Jong-il is going to wake up one morning and decide to attack the United States with long-range missiles armed with weapons of mass destruction is absurd!

The notion that 5 or 10 long-range missiles would deter us from defending South Korea is equally bogus. Did the Soviet Union's ability to devastate the United States prevent us from defending Europe for a generation and West Berlin in 1961, even in the face of superior Warsaw Pact strength on the ground? No.

Did it stop us from forcing the removal of missiles from Cuba in 1963, or from supplying Afghan mujaheddin in their successful struggle against Soviet forces? No.

Has China's ability to deliver a nuclear strike against a dozen or more U.S. cities prevented us from defending Taiwan? No, again.

Moreover, in the wake of the first North-South Summit meeting ever, the prospects for peaceful reconciliation between North and South Korea are better today than they have been in my lifetime. I'm not saying that peace on the Korean Peninsula is a "done deal." Far from it. North Korea has not withdrawn its heavy artillery. North Korea has not abandoned its missile program. North Korea has not halted all of its support for international terrorist organizations. There is a tremendous amount of hard work to be done.

But look at the facts that relate to our decision on national missile defense.

The last time North Korea launched a missile, I remind my colleagues, was on August 31, 1998. On that day, a three stage Taepo-Dong missile flew over Japan. The third stage of the missile apparently failed to perform as the North Koreans had hoped, but the mere existence of the third stage surprised many of our experts and caused them to reassess the North's capabilities and to advance the date by which North Korea might develop an ICBM to 2005.

But since August 1998, North Korea has not launched a long-range missile. It recently extended indefinitely the test-launch moratorium it implemented 15 months ago. Negotiations are underway right now with the objective of curtailing North Korea's development and export of long-range missiles.

Now the pessimists say that North Korea will never agree to forego development, deployment, or export of long-range ballistic missiles.

But then, the pessimists also said that the North Koreans would never open their nuclear facilities to round-the-clock monitoring by the International Atomic Energy Agency, would never stop construction on its heavy water nuclear reactors, would never permit World Food Program monitoring of food deliveries throughout North Korea, would never hold a summit meeting with South Korea, would never undertake economic reforms, and so on. Guess what? They have been wrong on all counts.

And what does Kim Dae-jung, the President of South Korea, have to say about the temperament of Kim Jong-il? All evidence points to a North Korean leader who is intelligent, rational, and coldly calculating. Not the type of guy who gets up on the wrong side of bed in the morning and decides to ensure the complete annihilation of his country by launching a few nuclear missiles at the United States.

How does all this relate to China? The fact is, North Korea is in a world of hurt since the collapse of the Soviet Union. China is the North's major trading partner and aid donor, and it has successfully urged North Korea to engage with South Korea and curtail its missile testing.

Why? Is it because China wants to be helpful to us? Perhaps. But I doubt it.

No. China is acting in its own self interest. China knows that if North Korea presses ahead with its missile program, the United States is almost certain to deploy a national missile defense against that threat. And if we do, even a limited system will seriously undermine China's tiny nuclear deterrent.

China has only a handful of old, silo-based, liquid-fueled missiles capable of delivering a nuclear payload to the United States. Beijing calculates that any U.S. system sufficient to deal with 10–12 North Korean missiles could also handle 10–20 Chinese ICBMs. And guess what? Notwithstanding our repeated protests to the contrary, they are probably right.

So how can we expect China to respond if we foolishly rush ahead with deployment of this unproven, expensive, national missile defense, for which the rationale is evaporating as I speak?

Well, for starters, China will have no further incentive to use its influence with North Korea to rein in the North's nuclear missile ambitions. And North Korea, with no reason to trust the United States, may opt to end its missile launch moratorium and proceed full speed with the testing, deployment, and export of long-range ballistic missiles.

Second, if we rush to deploy limited NMD, China itself will surely take steps to ensure the survivability of its nuclear arsenal. They have made that painfully clear. We already know that they are planning to move from silo-based liquid-fueled rockets to mobile, solid-fueled rockets which will be much harder for us to locate and destroy. They are probably going to do that no matter what we do.

But they have not decided how many missiles to manufacture, or whether to MIRV them. Our actions will have a huge impact on their thinking. We already sent one unfortunate signal when the Senate rejected the Comprehensive Test-Ban Treaty. If we want to guarantee that China will go from fewer than two dozen ICBM's to 200 or 2,000, then by all means, let's just forge ahead with a national missile defense without any consideration for how that decision will affect China's nuclear posture and doctrine.

And if China responds as I fear they might, how will India respond? Pakistan? Japan? And if in 5 or 10 years Japan feels compelled to go nuclear, how will South Korea respond?

Mr. President, there is a reason why our allies in East Asia are urging caution with respect to the deployment of a national missile defense. They understand that bad U.S.-China relations are bad for regional stability. Listen to what a leading strategist in South Korea, Dr. Lho Kyong-soo of Seoul National University, recently wrote about missile defenses, China, and implications for the U.S.-South Korea alliance:

> Needless to say, minus a clear-cut image of North Korea as the 'enemy,' the security rationale underpinning the alliance is seriously weakened . . .
>
> Much will depend on how the relationship between the United States and China evolves in the years ahead. If the relationship becomes antagonistic, Seoul will find itself in an extremely delicate position vis-a-vis Beijing, a situation that it would clearly like to avoid at all costs.
>
> There appears to be little awareness in Washington, however, how its China policy, should it be mishandled, could have possibly adverse consequences in terms of alliance relations with Seoul, and, in all likelihood, with Tokyo as well. The cautious stance taken by Seoul with respect to the acquisition of even a lower-tier Theater Missile Defense capability is but one example of Seoul's desire not to unnecessarily create friction with Beijing.

So, Mr. President, this is a serious business.

I believe this body has not yet taken the time to consider the implications of deploying a limited national missile defense for our broader strategic interests in East Asia. I intend to raise these issues and others in the days ahead. If we are not to squander our material wealth and our world leadership, we must consider carefully whether a missile defense will maximize our overall national security.

## CHILDREN'S PUBLIC HEALTH ACT

Mr. REED. Mr President, I rise to join my colleagues Senators FRIST, KENNEDY, JEFFORDS and others in support of our bill the "Children's Public Health Act of 2000". This critical legislation seeks to improve the lives of children in this nation by enhancing access to certain health care services and providing additional resources for pediatric health research. Children are our most precious resource, and we must do all we can to enable our children to reach their full potential both physically and intellectually. The Children's Public Health Act takes an important step toward achieving this goal by creating an environment where children are able to grow and develop unhindered by the burden of disease.

Overall, tremendous improvements have been made in the quality of children's health over the past century. For instance, deadly and debilitating diseases that were once prevalent during childhood have been largely eradicated thanks to advancements in vaccines.

Yet, even with these remarkable advancements, new problems have arisen. In particular, over the past decade, we have seen dramatic increases in the number of preventable childhood injuries, as well as a rise in diagnoses of asthma, autism, and diseases often attributed to obesity, such as diabetes, high cholesterol and hypertension in young children. This legislation sets forth creative approaches for dealing with these increasingly prevalent pediatric conditions.

Generally, the programs and initiatives authorized under the Children's Public Health Act can be broken down into four specific categories: (1) injury prevention; (2) maternal and infant health; (3) pediatric health promotion and; (4) pediatric research. I would like to take this opportunity to highlight a couple of the provisions included under the pediatric health promotion section of the bill dealing with lead poisoning prevention and childhood obesity.

First, the Children's Public Health Act contains a section based on legislation I introduced last year along with Senator TORRICELLI, entitled the Child Lead SAFE Act. This comprehensive bill seeks to address an entirely preventable problem that continues to plague far too many children in this nation—lead poisoning. While tremendous strides have been made over the last 20 years in reducing lead exposure among the population, it is estimated that nearly one million preschoolers nationwide still have excessive levels of lead in their blood—making lead poisoning the leading childhood environmental disease. Childhood lead poisoning has a profound health and educational impact on children.

Children with high blood lead levels can suffer from brain damage, behavior and learning problems, slowed growth, and hearing problems, among other maladies. Moreover, children with a history of lead poisoning frequently require special education to compensate for intellectual deficits and behavioral problems that are caused by their exposure to lead. Research shows that children with elevated blood-lead levels are seven times more likely to drop out of high school and six times more likely to have reading disabilities. By failing to eradicate lead poisoning, we are preventing our children from achieving their fullest potential and are also imposing significant health and special education costs on taxpayers.

Timely childhood lead screening and appropriate follow-up care for children most at-risk of lead exposure is critical to mitigating the long-term health and developmental effects of lead. Regrettably, our current system is not adequately protecting our children from this hazard. Despite longstanding federal requirements for lead screening for children enrolled in Medicaid and other federally funded health care program, a January 1999 GAO report found that two-thirds of these children have never been screened and, consequently, remain untreated, eventhough low-income children are at particular risk for lead exposure. As a result, there may be thousands of children with lead poisoning who continue to go undiagnosed.

The Children's Public Health Act will begin to address this problem by enhancing the existing lead grant program through the Centers for Disease Control and Prevention and authorizing new grant programs to conduct outreach and education for families at risk of lead poisoning, implement community-based interventions to mitigate lead hazards, establish uniform guidelines for reporting and tracking of blood lead screening from laboratories and local health departments and ensure continuous quality measurement and improvement plans for communities dedicated to lead poisoning prevention. The legislation also provides resources for health care provider education and training on current lead screening practices and would require the Health Resources and Services Administration to submit an annual report to Congress on the percentage of children in the health centers programs who are screened for lead poisoning.

A second element of this bill that I believe will have a major impact on improving and preserving the health of children in this nation is a provision related to childhood obesity. Over the past fifteen years, childhood obesity rates have doubled. It is estimated that almost five million, or 11% of youth 6–19 years of age are seriously overweight. Contributing to this trend has been the rise in fast food consumption, coupled with an increasingly sedentary lifestyle where time engaged in physical activity has been replaced by hours playing computer games and watching television. Another reason for the lack of physical activity in children is the reduction of daily participation in high school physical education classes, which has declined from 42 percent in 1991 to 27 percent in 1997. Children simply do not have the time or opportunity to engage in healthy physical activities.

As a result, younger and younger Americans are showing the signs of obesity-related diseases, such as heart disease and diabetes. Research shows that 60 percent of overweight 5–10 year old children already have at least one risk factor for heart disease, such as hypertension. If our society continues on this trend, obesity will soon rival smoking as a leading cause of preventable death. Clearly, action needs to be taken to curb this potentially deadly epidemic.

The Children's Public Health Act acknowledges and attempts to reverse this trend through a multi-pronged approach. First, the bill would provide states and local communities with the resources they need to develop and implement creative approaches to promoting good nutrition habits and enhancing the levels of physical activity among children. The bill authorizes a new competitive grant program through the Centers for Disease Control and Prevention, whereby states would develop comprehensive, interagency, school- and community-based approaches to better physical and nutritional health in children and adolescents. These programs would be evaluated and information about effective intervention models and obesity prevention strategies would be broadly disseminated.

The legislation also calls for greater applied research in order to improve our understanding of the many factors that contribute to obesity. Research will also focus on the study of the prevalence and costs of childhood obesity and its effects into adulthood. Another aspect of the bill is the development of a nationwide public education campaign informing families of the health risks associated with chronic obesity that provides information on incorporating good eating and regular physical activity into daily living. Lastly, the bill provides resources for health care provider education and training on evaluation and treatment practices for obese children or children at risk of becoming obese.

Overall, this bill has many substantial provisions that will go a long way in improving the health and well-being of our children. This legislation not only expands the base of pediatric medical research currently ongoing, it also includes important enhancements in maternal and prenatal health as well as several other initiatives that will greatly enhance access to services to children with chronic and debilitating diseases.

I am pleased to join my colleagues today on introducing this important legislation, and I look forward to working to pass the bill through the Health, Education, Labor, and Pensions Committee and the full Senate this year.

Thank you, Mr. President.

## PAYCHECK FAIRNESS ACT

Mr. **BAUCUS**. Mr. President, I rise today in support of S. 74, the Paycheck Fairness Act. Over 30 years ago, President John Kennedy signed the Equal Pay Act into law. At that time women were making only 61 cents for every dollar that was earned by a man. Since that time, we have made significant strides to ensure equality in the workplace, however, the disparity in wages between men and women still exists.

Today, as a nation, women earn 74 cents for every dollar that a man earns. In Montana, the difference is even more significant, women are earning only 69 cents for every dollar that is earned by a man. This translates into more than $5,000 a year. This is unacceptable. We must have pay equity.

In our state, and the country as a whole, women work a variety of jobs, from minimum wage jobs, to women who run their own businesses. The work that women do is not adequately reflected in the wages that they earn.

In Montana we are faced with a unique situation—we are ranked almost last in per capita income. The economic boom that has created tremendous wealth on Wall Street hasn't echoed on Main Street, Montana. It is necessary to invest our resources to maintain our quality of life while creating good jobs and boosting our working families standard of living. If women were paid equitably, Montana families would greatly benefit. Family incomes would rise and, poverty rates would fall.

Mr. President, pay equity is not the entire solution to the economic development challenge. It is part of a package, we must also invest in and protect our small businesses. After all, small business is the backbone of our economy. In order to improve jobs and wages in Montana and in the nation, we must maintain our educational systems. When we make additional investments in education and job training, we can attract new businesses to our state, increase our wages, and prepare our children for the jobs of tomorrow.

If we are willing to do these things, economic growth will improve the quality of life for all men and women of Montana.

## CONSERVATION

Mr. REED. Mr. President, on September 3, 1964, President Lyndon Johnson signed the Land and Water Conservation Fund Act. The Land and Water Conservation Fund, or LWCF, was created by Congress to use revenues from Outer Continental Shelf oil and gas development—a non-renewable resource—to invest in America's renewable resources by creating parks and open spaces, protecting wilderness, wetlands and refuges, preserving habitat, and enhancing recreational opportunities.

The LWCF has been a remarkable conservation success story. In its 35-year history, LWCF has supported the acquisition of nearly 7 million acres of parkland and the development of more than 37,000 park and recreation projects. In my state of Rhode Island alone, LWCF has invested over $32 million in nearly 400 state and local parks projects, including $1.7 million for development of Roger Williams Park in Providence, $1.1 million for Scarborough State Beach in Narragansett, and $536,000 for rehabilitation of the famous Cliff Walk in Newport. Because State and local governments provide at least half of initial project costs and assume all operation and maintenance costs in perpetuity, each Federal dollar leverages several dollars in non-Federal contributions.

But despite the LWCF's success, funding for the program has fallen well below its authorized level of $900 million per year, and the stateside grant program was completely zeroed out in 1995, even as offshore oil and gas revenues increased and the need for parks and open space continued to rise dramatically.

Last year, President Clinton proposed an historic Lands Legacy budget initiative to fully fund the LWCF at its authorized level. Although appropriators did not fully fund the Lands Legacy budget request, Members of Congress are clearly getting the message Americans are sending to Washington about the need for major conservation legislation to promote open space and recreation.

On May 11, the House of Representatives passed H.R. 701, the Conservation and Reinvestment Act of 2000, by a vote of 315–102. The "CARA" bill, which would automatically set aside revenues from offshore oil and gas leases to fully fund the Federal and State LWCF grant programs for the first time in decades, was the product of an extraordinary bipartisan compromise between the House Resources Committee chairman, DON YOUNG, and the ranking member, GEORGE MILLER. The CARA bill would provide nearly $3 billion annually until 2015 to support conservation efforts across the country.

All eyes are now on the Senate, Mr. President. Across the country, Americans in cities, suburbs, and rural areas have joined State Governors, city and town planners, wildlife program managers, hunters and fishermen, and environmental organizations to call on the Senate to act on this historic legislation.

Several bills have been introduced in the Senate:

S. 2123, introduced by Senators LANDRIEU and MURKOWSKI, is identical to H.R. 701 as reported by the House Resources Committee;

S. 2567, introduced by Senator BOXER, is identical to H.R. 701 as passed by the full House;

S. 2181, introduced by Senator BINGAMAN, would support many of the same programs as the House bill but would distribute a greater percentage of LWCF stateside funds evenly among the states, benefitting states with small populations, such as Rhode Island. In addition, it would support a number of marine research and conservation programs;

And there are several more bills, all of which seek to fully fund the LWCF and preserve our natural heritage for future generations.

Mr. President, none of these bills is perfect; there is always room for improvement. Members of the Senate may disagree, for example, on how much funding should go to coastal assistance, or federal land acquisition in western states, or endangered species protection. I, for one, believe it is critically important that we provide $125 million or more each year for the Urban Parks and Recreation Recovery, UPARR, program, as well as full annual funding of $150 million for the Historic Preservation Fund. We should also avoid creating incentives for new offshore oil and gas drilling.

Whatever our differences over the details of this legislation, Mr. President, the important thing is that we pass a bill this year. Any one of these conservation bills would represent an unprecedented and desperately needed investment in our natural resources and our cultural and historic heritage.

But we have to act soon. There are, at best, 33 legislative days left in the 106th Congress. Many members of this body, myself included, are disappointed that the Senate Energy and Natural Resources Committee has postponed several markups of the CARA bill. But we understand that Chairman MURKOWSKI and ranking member BINGAMAN are working to satisfy a wide array of regional interests on the Committee, and we continue to hope that an agreement can be reached in time for the Committee to approve the bill next week. We would urge the Majority leadership to move the bill expeditiously to the floor following the Committee's action.

I look forward to working with my colleagues to send to the President a bill that will respond to our constituents' overwhelming calls for Congress to make a substantial and reliable investment in the conservation of our Nation's wildlife, coastal resources, and open spaces. The momentum is with us, and we should not miss this rare opportunity to create a conservation legacy for generations to come.

## THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Thursday, July 13, 2000, the Federal debt stood at $5,666,740,403,750.26 (Five trillion, six hundred sixty-six billion, seven hundred forty million, four hundred three thousand, seven hundred fifty dollars and twenty-six cents).

One year ago, July 13, 1999, the Federal debt stood at $5,625,005,000,000 (Five trillion, six hundred twenty-five billion, five million).

Five years ago, July 13, 1995, the Federal debt stood at $4,933,342,000,000 (Four trillion, nine hundred thirty-three billion, three hundred forty-two million).

Ten years ago, July 13, 1990, the Federal debt stood at $3,152,611,000,000 (Three trillion, one hundred fifty-two billion, six hundred eleven million) which reflects almost a doubling of the debt—an increase of over $2.5 trillion—$2,514,129,403,750.26 (Two trillion, five hundred fourteen billion, one hundred twenty-nine million, four hundred three thousand, seven hundred fifty dollars and twenty-six cents) during the past 10 years.

## ADDITIONAL STATEMENTS

## HONORING JANET R. STEWART

• Mr. GORTON. Mr. President, today I pay tribute to an outstanding representative of Washington State, Jan Stewart. Ms. Stewart will soon complete her year as national president of the American Association of Nurse Anesthetists (AANA). I am very pleased that one of Washington State's own was tapped as the 1999–2000 president of this prestigious national organization.

The AANA is the professional association that represents over 27,000 practicing Certified Registered Nurse Anesthetists (CRNAs). Founded in 1931, the American Association of Nurse Anesthetists is the professional association representing CRNAs nationwide. As you may know, CRNAs administer more than 65 percent of the anesthetics given to patients each year in the United States. CRNAs provide anesthesia for all types of surgical cases and are the sole anesthesia provider in over 65 percent of rural hospitals, affording these medical facilities obstetrical, surgical and trauma stabilization capabilities. They work in every setting in which anesthesia is delivered, including hospital surgical suites and obstetrical delivery rooms, ambulatory surgical centers, and the offices of dentists, podiatrists, and plastic surgeons.

Jan has been a nurse anesthetist since 1982. She received her extensive anesthesia training at the Mayo School in Rochester, Minnesota. She is currently self-employed with an independent practice that encompassed several States and is based in Seattle. Jan has held various leadership positions within the field of nursing generally since 1985, and within the field of nurse anesthesia served on the Finance Committee, the Strategic Planning Committee and as a member of the AANA Board of Directors representing Region 5. She was elected Vice President of AANA in 1997 and is furnishing her service as the organization's President.

In addition to her service to the AANA, I would like to thank Jan for her input as a member of my local advisory committee. I have always appreciated her advice and interest in the health issues before the Senate.

Mr. President, I ask my colleagues to join me today in recognizing Ms. Jan Stewart for her notable career and outstanding achievements.●

## WILLIAM J. BECKHAM, JR. MEMORIAL TRIBUTE

● Mr. LEVIN. Mr. President, I want to pay tribute to the life of one of Michigan's great civic leaders, William J. Beckham, Jr. After living a remarkably accomplished life, sadly, Bill passed away April 27th while on vacation with his beloved wife, Mattie Maynard Beckham. This week, Bill's friends and colleagues and members of the Senate and the House will come together in our Nation's capital to celebrate his memory and his legacy.

Bill loved life and all the important things in it—his family, his friends, school kids, and his African American heritage. Bill loved the difference that he was making in Michigan through his work on school reform—enhancing and expanding the quality of education for all students in the Detroit public school system. Behind Bill's dignified, gentle yet deliberate manner was a fierce determination to help improve the everyday lives of families. Multitudes were beneficiaries of his visionary efforts. He showed that character and the principles of hard work, integrity and perseverance can transform one's dreams into reality. He has left a mark of great achievement in civil rights, education, economic and political reform.

Bill had a distinguished career of public service in Michigan, which included positions as Vice Chair of the School Board for the Detroit Public Schools, Chairman of the Schools of the 21st Century Corporation, President and Trustee of The Skillman Foundation, the first Deputy Mayor of Detroit, and President of New Detroit, Inc. His successful career in the private sector included key leadership positions at Burroughs/Unisys Corporation, Envirotest Systems Corporation in Phoenix and the Ford Motor Company.

Bill also enjoyed a long and noteworthy career in federal service from 1967 through the early 1980s. Over a period of eight years, he served Senator Phil Hart in several capacities including Policy Adviser in his Washington office for 4 years, Chief of Staff of the Senator's office in Detroit for three years, and Campaign Assistant for one year. Bill subsequently served as Staff Director to the House Education and Labor Subcommittee on Equal Opportunity, chaired by Representative Gus Hawkins. Sought out by President Jimmy Carter, Bill was nominated and confirmed first as Assistant Secretary of the U.S. Department of the Treasury and later as Deputy Secretary of the U.S. Department of Transportation.

During his tenure on Capitol Hill, Bill joined with several of his staff colleagues to establish the first minority congressional staff group to study and act on the political and legislative demands of minority communities nationwide. The group's pioneering efforts in Quitman and Cohoma Counties in Mississippi, along with civil rights leader John Lewis and, my brother, Sander Levin (both of whom now serve in the House) helped to mark a new and powerful political and participatory direction for the people of the Mississippi Delta. Wise and loyal colleagues—Gordon Alexander, Jackie Parker, Judy Jackson, Willa Rawls Dumas, Alan Boyd, Dora Jean Malachi, Mattie Barrow and Bob Parker—declared Bill their leader. The group moved ahead and soon designed the legendary mission to the Mississippi Delta; and, under the direction of Julian Bond of the then-Southern Elections Fund, pursued other worthy political initiatives.

Mr. President, I would like to include in the Record the names of the members of the William J. Beckham, Jr. Memorial Committee, all of whom were former staff colleagues of Bill's during his tenure of Federal service, including my current Deputy Legislative Director, Jackie Parker. These devoted friends and former colleagues organized this week's great tribute to Bill and will be attesting, along with others, to the truly incredible life that Bill led and the impact he had on their lives. I ask their names be printed in the Record.

The material follows:

### William J. Beckham, Jr., Memorial Committee

Gordon Alexander, Legislative Assistant, former Senator Birch Bayh, *President, 40+ Parenting, Inc.

Robert Bates, former Special Assistant, Senator Edward Kennedy.

Alan Boyd, Senior Aide, former Senator Clifford Case, *Charitable Games Control Board.

George Dalley, former Chief of Staff, Rep. Charles Rangel.

Winifred Donaldson, Chief of Staff, former Rep. Andy Jacobs.

Willa Rawls Dumas, Senior Aide, former Rep. Silvio Conti, *Vice President for Administration, Directions Data, Inc.

Ernestine Hunter, Senior Aide, former Senator John Glenn.

Judy Jackson, Senior Aide, former Rep. Bob Eckhardt and Ex Assistant, Senate Finance Committee, *Executive Assistant, TRESP Associates.

Carolyn Jordan, Legislative Assistant, former Senator Alan Cranston and Counsel, Senate Banking Committee, *Executive Director, National Credit Union Administration.

Dora Jean Malachi, Senior Aide to former Senator John Sherman Cooper, Senator Marlow Cook and Congressional Budget Office.

Mary Maynard, Clerk, House Subcommittee on Equal Opportunity, *AFL–CIO Legislative Division.

Jackie B. Parker, Legislative Assistant, former Rep. James A. Burke, *Deputy Legislative Director, Senator Carl Levin.

Annette C. Wilson, *U.S. Department of Transportation.

*Currently

Mr. LEVIN. Mr. President, Bill leaves his beloved mother, Gertrude; his wife Mattie, their two children, Monica and Jeffrey; Bill's three older sons, William, III, Jonathan, and Reverend Eric Beckham; his two sisters Connie Evans and Elaine Beckham of Florida; his brother Charles of Detroit; seven grandchildren, and innumerable friends. Together we will celebrate his life and cherish his memory.

In closing, I would like to share with my colleagues an article which appeared in the Detroit Free Press the day after Bill's funeral. The article includes the very moving sentiments expressed by Monica Beckham about her father as well as expressions of others who were touched by Bill's generous spirit. I ask that the article be printed in the Record.

The article follows:

[From the Detroit Free Press, May 4, 2000]

### Mourners Praise Beckham's Vision—2,000 at Funeral for Revered Detroit Civic Leader

(By Ben Schmitt)

William Beckham Jr. had a strategy to get home at a reasonable hour, as he juggled highranking jobs and late speaking engagements. He'd arrive early to evening meetings, empower the audience, gradually make his way toward the back door and vanish.

"How prophetic," said Willie Scott, a board member of Schools of the 21st Century, the Detroit school district's grant-funded educational partner. "It is exactly how he lived and left us. He worked us as the audience and slipped out the back door."

Beckham's funeral, a 2½-hour affair Wednesday at Greater Grace Temple in Detroit that drew more than 2,000 people, was full of memories, praise and grieving for the Detroit school reformer, president of the Skillman Foundation, Detroit's first deputy mayor and past president of New Detroit Inc. But it was an unscheduled speech by Beckham's 21-year-old daughter, Monica Beckham, that brought the tissues out in full force.

"One of the main things I will always remember about you was your ability to see the innate goodness in everybody," she said, while crying. "It was so beautiful about you. You were the epitome of a father, a husband and a man."

Beckham, who also worked for the Carter administration as an assistant secretary in the U.S. Department of Treasury and deputy secretary of the U.S. Department of Transportation, died April 27 of a pulmonary embolism in Bloomington, Ill., during a drive back from a family vacation. He was 59.

Although his funeral attracted a mix of family, friends and high-ranking city and state officials, no special measures were taken for accommodations. Beckham would have wanted it that way, his brother said.

"Bill, as you know, thought everyone was a dignitary," said his younger brother, Charles Beckham. "So if anyone's feelings were hurt, we certainly didn't intend that. It was in the vein of Bill saying that everybody's a dignitary; everybody's important."

Detroit Mayor Dennis Archer, Detroit Public Schools interim CEO David Adamany, retired MBD Bank President Tom Jeffs, retired General Motors Corp. Vice President William Brooks and DaimlerChrysler Vice President W. Frank Fountain were among those in attendance.

Fountain wondered aloud, as he addressed the crowd, how the city will move forward without Beckham.

"It's an unfair question because no answer seems like the right answer," he said. "We move forward the same way that Bill did during his lifetime: with hard work, humility and humor."

Maureen Taylor, chair of Michigan Welfare Rights Organization, said she never knew what the J in William J. Beckham stood for.

"It probably stands for 'Just in time,'" she said to applause. "He came in here with his sleeves rolled up. He came just in time to work with a multitude of jigsaw puzzle activities: children, grandchildren and school boards.

"So we, too, are jolted by this premature departure. I guess it was premature to me and premature to you and for him it was just in time."

Adamany said it's too early to say whether school reform will succeed.

"In Detroit, that success will be much more difficult because of Bill Beckham's untimely passing. But we can say with certainty that Bill's vision about the need for school reform was true. His vision began not with the school system, not with the people of power, but rather with the students."

Charles Beckham, standing several steps above the flower-surrounded casket, described the church scene in a conversation with his older brother.

"This room is filled with everybody, all hues, colors and racial ethnicities," he said. "There's a large crowd, and I know that wouldn't make you comfortable. But I swear I don't have anything to do with that. It's your fault because these people have been touched by you and love you."•

## TRIBUTE TO JUDGE HATFIELD

• Mr. BAUCUS. Mr. President, I rise today to pay tribute to Judge Paul Hatfield. Last week, Montana lost not only a great man, but a dedicated and passionate public servant who spent most of his life committed to working for the people of our state and our nation.

A native Montanan, Paul Hatfield was born and raised in Great Falls, where he graduated from the local high school in 1947 and pursued pre-law studies at the College of Great Falls. His education was interrupted by two years of service in the U.S. Army, including overseas duty with the Signal Corps during the Korean conflict.

In 1953, Paul returned home and entered the University of Montana Law school, After several years in private practice, he was appointed Chief Deputy Attorney for Cascade County, serving until his election as 8th Judicial District judge in 1960. He held this post with honor and distinction for the next sixteen years. Heeding the call for public service, he was elected Chief Justice of the Montana Supreme Court, moving to Helena to assume his new duties in January 1977.

When Senator Lee Metcalf passed away on January 12, 1978, Judge Hatfield was the Governor's choice to complete the remaining year of that term. During his tenure in the Senate, Hatfield served on the Armed Services and Judiciary Committees. In 1978, Judge Hatfield and I both ran for the Democratic nomination for the opportunity to represent Montana in the United States Senate. Paul campaigned as a man of integrity. He was always gracious and principled. Following the election, we remained friends and I have nothing but the utmost respect and admiration for him.

While already having a distinguished career, Judge Hatfield was not yet done with public service. In 1979, he was appointed to serve on the Federal District bench by President Carter. Although Hatfield took senior status in 1995, he continued to serve actively in the courtroom until the time of his death.

Mr. President, as I have said, Paul Hatfield was an incredibly gracious man. His dedication was apparent through his long career as a public servant and his commitment to his faith. He was full of charisma as everyone who came into contact with him would attest to. Paul Hatfield was a treasure to our state and to this nation and he will be greatly missed.•

## ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, July 14, 2000, he had presented to the President of the United States the following enrolled bills:

S. 986. An act to direct the Secretary of the Interior to convey the Griffith Project to the Southern Nevada Water Authority.

S. 1892. An act to authorize the acquisition of the Valles Caldera, to provide for an effective land and wildlife management program for this resource within the Department of Agriculture, and for other purposes.

## EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–9745. A communication from the Executive Director of the Committee for Purchase From People Who Are Blind or Severely Disabled, transmitting, pursuant to law, the report of additions to the procurement list received on July 11, 2000; to the Committee on Governmental Affairs.

EC–9746. A communication from the Director of the Office of Personnel Management (Workforce Compensation and Performance Service), transmitting, pursuant to law, the report of a rule entitled "Cost-of-Living Allowances (Nonforeign Areas); Guam and the Commonwealth of the Northern Mariana Islands" (RIN3206–AJ15) received on July 11, 2000; to the Committee on Governmental Affairs.

EC–9747. A communication from the Director of the Office of Personnel Management (Workforce Compensation and Performance Service), transmitting, pursuant to law, the report of a rule entitled "Cost-of-Living Allowances (Nonforeign Areas); Honolulu, HI" (RIN3206–AI38) received on July 11, 2000; to the Committee on Governmental Affairs.

EC–9748. A communication from the Executive Director of the Japan-US Friendship Commission, transmitting, pursuant to law, the report relative to the Federal Activities Reform Act of 1998; to the Committee on Governmental Affairs.

EC–9749. A communication from the Secretary of Agriculture, transmitting, pursuant to law, the report relative to the Federal Managers' Financial Integrity Act for fiscal year 1999; to the Committee on Governmental Affairs.

EC–9750. A communication from the Director of the Office of Personnel Management, transmitting, pursuant to law, the report of a rule entitled "Prevailing Rate Systems; Abolishment of the Franklin, PA, Nonappropriated Fund Wage Area" (RIN3206–AJ00) received on July 12, 2000; to the Committee on Governmental Affairs.

EC–9751. A communication from the Director of the Office of Personnel Management, transmitting, pursuant to law, the report of a rule entitled "Prevailing Rate Systems; Abolishment of the Lebanon, PA, Nonappropriated Fund Wage Area" (RIN3206–AJ01) received on July 12, 2000; to the Committee on Governmental Affairs.

EC–9752. A communication from the Director of the Federal Emergency Management Agency, transmitting, pursuant to law, the Report of the Inspector General, and the report on audit resolution and management both for the period of October 1, 1999 through March 31, 2000; to the Committee on Governmental Affairs.

EC–9753. A communication from the Director of the Office of Personnel Management (Workforce Compensations and Performance Service), transmitting, pursuant to law, the report of a rule entitled "Final Regulations on Sick Leave for Family Care Purposes" (RIN3206–AJ76) received on June 21, 2000; to the Committee on Governmental Affairs.

EC–9754. A communication from the Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of the Inspector General for the period of October 1, 1999 through March 31, 2000; to the Committee on Governmental Affairs.

EC–9755. A communication from the Office of Special Counsel, transmitting, pursuant to law, the annual report for fiscal year 1999; to the Committee on Governmental Affairs.

EC-9756. A communication from the Secretary of the Treasury, transmitting, pursuant to law, the reports of the Inspector General prepared by the Treasury's Office of Inspector General and by the Treasury Inspector General for Tax Administration for the period October 1, 1999 through March 31, 2000; to the Committee on Governmental Affairs.

EC-9757. A communication from the Secretary of Education, transmitting, pursuant to law, the report of the Inspector General for the period October 1, 1999 through March 31, 2000; to the Committee on Governmental Affairs.

EC-9758. A communication from the Secretary of Energy, transmitting, pursuant to law, the report of the Inspector General for the period October 1, 1999 through March 31, 2000; to the Committee on Governmental Affairs.

EC-9759. A communication from the Executive Director of the Committee for Purchase from People Who Are Blind or Disabled, transmitting, pursuant to law, the report of additions to the procurement list received on June 24, 2000; to the Committee on Governmental Affairs.

EC-9760. A communication from the Deputy Archivist, Policy and Planning Staff, National Archives and Records Administration, transmitting, pursuant to law, the report of a rule entitled "John F. Kennedy Assassination Records Collection Rules" (RIN3095-AB00) received on June 27, 2000; to the Committee on Governmental Affairs.

EC-9761. A communication from the Deputy Associate Administrator for Acquisition Policy, General Services Administration, transmitting, pursuant to law, the report of a rule entitled "General Services Administration Acquisition Regulation; Part 525 Rewrite, Payment Information, and Clarification of Provisions and Clauses Applicable to Contract Actions Under the Javits-Wagner-O'Day Act" (RIN3090-AH22) received June 28, 2000; to the Committee on Governmental Affairs.

EC-9762. A communication from the Director of the Office of Personnel Management (Office of the General Counsel), transmitting, pursuant to law, the report of a rule entitled "Procedures for Settling Claims" (RIN3206-AJ13) received on June 29, 2000; to the Committee on Governmental Affairs.

EC-9763. A communication from the Executive Director of the Committee for Purchase from People Who Are Blind or Disabled, transmitting, pursuant to law, the report of additions to the procurement list received on June 29, 2000; to the Committee on Governmental Affairs.

EC-9764. A communication from the Public Printer, Government Printing Office, transmitting, pursuant to law, the report of the Inspector General for the period October 1, 1999 through March 31, 2000; to the Committee on Governmental Affairs.

EC-9765. A communication from the Chief Financial Officer and Plan Administrator, First South production Credit Association, transmitting, pursuant to law, the report for the pension plan for calendar year 1999; to the Committee on Governmental Affairs.

EC-9766. A communication from the Deputy Director of the Support Personal and Family Readiness Division, Department of the Navy, transmitting, pursuant to law, the report relative to the retirement plan for civilian employees of the United States Marine Corps personal; to the Committee on Governmental Affairs.

EC-9767. A communication from the Inspector General, General Services Administration, transmitting, pursuant to law, the audit report register of the Office of the Inspector General for the period October 1, 1999 through March 31, 2000; to the Committee on Governmental Affairs.

EC-9768. A communication from the Assistant Secretary of the Interior (Policy, Management and Budget and Chief Financial Officer), transmitting, pursuant to law, the report on accountability for fiscal year 1999; to the Committee on Governmental Affairs.

EC-9769. A communication from the Secretary of Transportation, transmitting, pursuant to law, the report of the Inspector General for the period October 1, 1999 through March 31, 2000; to the Committee on Governmental Affairs.

EC-9770. A communication from the Chief Operating Officer/President of the Resolution Funding Corporation, transmitting, pursuant to law, the report of the financial statements and other reports for calendar years 1998 and 1999; to the Committee on Governmental Affairs.

EC-9771. A communication from the General Counsel, Cost Accounting Standards Board, Office of Management and Budget, transmitting, pursuant to law, the report of a rule entitled "Cost Accounting Standards; Applicability, Thresholds and Waiver of Cost Accounting Standards Coverage; Final Rule" received on June 30, 2000; to the Committee on Governmental Affairs.

EC-9772. A communication from the General Counsel, Cost Accounting Standards Board, Office of Management and Budget, transmitting, pursuant to law, the report of a rule entitled "Cost Accounting Standards Board; Changes in Cost Accounting Practices; Final Rule" received on June 30, 2000 ; to the Committee on Governmental Affairs.

EC-9773. A communication from the Secretary of Commerce, transmitting, pursuant to law, the report of the Inspector General for the period October 1, 1999 through March 31, 2000; to the Committee on Governmental Affairs.

EC-9774. A communication from the Office of the Chairman of the Postal Rate Commission, transmitting, pursuant to law, the report relative to international mail volumes, costs, and revenues, for fiscal year 1999; to the Committee on Governmental Affairs.

EC-9775. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report a rule entitled "Approval and Promulgation of Air Quality Implementation Plans; Massachusetts; VOC Regulation for Large Commercial Bakeries" (FRL6709-5) received on June 21, 2000; to the Committee on Environment and Public Works.

EC-9776. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of one item entitled "Guidance for Refining Anticipated Residue Estimates for Use in Acute Dietary Probabilistic Risk Assessment" received on June 21, 2000; to the Committee on Environment and Public Works.

EC-9777. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of three rules entitled "Approval and Promulgation of Implementation Plans: Oregon" (FRL6714-7), "Approval and Promulgation of Implementation Plan: Indiana" (FRL6702-2), and "OMB Approvals Under the Paperwork Reduction Act; Technical Amendments" (FRL6067-7) received on June 21, 2000; to the Committee on Environment and Public Works.

EC-9778. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, the report of two items entitled "Emergency Planning and Community Right-To-Know Act Session 313 Reporting Guidance for the Printing, Publishing, and Packaging Industry" and "Emergency Planning and Community Right-To-Know Act Session 313 Reporting Guidance for the Textile Processing Industry" received on June 23, 2000; to the Committee on Environment and Public Works.

EC-9779. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of two rules entitled "Approval and Promulgation of Air Quality Implementation Plans; Georgia Update to Materials Incorporated by Reference" (FRL6720-4) and "Phosphoric Acid; Community Right-To-Know Toxic Chemical Release Reporting" (FRL6591-5) received on June 23, 2000; to the Committee on Environment and Public Works.

EC-9780. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of eight rules entitled "Approval and Promulgation of Air Quality Implementation Plans; Revised Format for Materials being Incorporated by Reference; Approval of Recodification of the Virginia Administrative Code; Correction" (FRL6726-4), "Change of Official EPA Mailing Address; Technical Correction; Final Rule" (FRL6487-4) , "National Oil and Hazardous Substances Pollution Contingency Plan; National Priorities List" (FRL6727-2), "National Primary and Secondary Drinking Water Regulations: Analytical Methods for Chemical and Microbiological Contaminants and Revisions to Laboratory Certification Requirements; Technical Correction: (FRL6726-2), "National Primary Drinking Water Regulations: Public Notification Rule" (FRL6726-1), "OMB Approval Numbers for the Primacy Rule Under the Paperwork Reduction Act and Clarification of OMB Approval for the Consumer Confidence Report Rule" (FRL6726-3), "Preliminary Assessment Information Reporting; Addition of Certain Chemicals" (FRL6589-1), and "Protection of Stratospheric Ozone: Allocation of Essential Use Allowances for Calendar Year 2000: Allocations for Metered-Dose Inhalers and the Space Shuttle and Titan Rockets" (FRL6726-5) received on June 28, 2000; to the Committee on Environment and Public Works.

EC-9781. A communication from the Administrator of the General Services Administration, transmitting, the report of lease prospectuses relative to the Capital Investment Leasing Program for fiscal year 2001; to the Committee on Environment and Public Works.

EC-9782. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, a notice entitled "A Guide for Ship Scrappers: Tips for Regulatory Compliance"; to the Committee on Environment and Public Works.

EC-9783. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, the report of three items entitled "Final Understanding and Accounting for Method Variability in Whole Effluent Toxicity (WET) Applications Under the National Pollutant Discharge Elimination System Program", "Protocol for Developing Nutrient TMDLs", and "Protocol for Developing Sediment TDMLs: First Edition" received on July 5, 2000; to the Committee on Environment and Public Works.

EC-9784. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of four rules entitled "National Estuary Program fiscal year 2000 Budget and Funding—Requirements for Grants", "Texas: Final Authorization of State Hazardous Waste Management Program Revisions" (FRL6730-8), "Delaware: Final Authorization of State Hazardous Waste Management Program Revision" (FRL6732-8), and "Finding of Failure to Submit a Required State Implementation Plan for Carbon Monoxide; Anchorage, Alaska" received on July 5, 2000; to the Committee on Environment and Public Works.

EC-9785. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Air Quality Implementation Plans; New Hampshire, Rhode Island, and Vermont; Aerospace Negative Declarations" (FRL6727-9) received on July 7, 2000; to the Committee on Environment and Public Works.

EC-9786. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Rescinding Findings That the One hour Ozone Standard No Longer Applies in Certain Areas" (FRL6733-3) , and "Approval and Promulgation of State Plans for Designated Facilities and Pollutants; Control of Emissions from Hospital/Medical/Infectious Waste Incinerators (HMIWI) of State of Kansas" (FRL6733-9) received on July 7, 2000; to the Committee on Environment and Public Works.

EC-9787. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, a notice entitled "Approval and Promulgation of Air Quality Implementation Plans; Pennsylvania; Withdrawal of Direct Final Rule" (FRL6719-7) July 7, 2000; to the Committee on Environment and Public Works.

EC-9788. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, a notice entitled "Emergency Planning and Community Right-To-Know Act Section 313 Reporting Guidance for Rubber and Plastics Manufacturing" received on July 7, 2000; to the Committee on Environment and Public Works.

EC-9789. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, a notice entitled "Expediting Requests for Prospective Purchaser Agreements" received on July 11, 2000; to the Committee on Environment and Public Works.

EC-9790. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Additional Flexibility Amendments to Vehicle Inspection Maintenance Program requirements; Amendments to Final Rule" (FRL6735-1) received on July 11, 2000; to the Committee on Environment and Public Works.

EC-9791. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Revisions to the Water Quality Planning and Management Regulation and Revisions to the National Pollutant Discharge Elimination System Program in Support of Revisions to the Water Quality Planning and Management Regulation" (FRL6733-2) received on July 11, 2000; to the Committee on Environment and Public Works.

EC-9792. A communication from the General Counsel, Office of Management and Budget, transmitting, pursuant to law, a report relative to two vacancies in the Office of Management and Budget; to the Committee on Governmental Affairs.

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THOMPSON, from the Committee on Governmental Affairs, with an amendment in the nature of a substitute and an amendment to the title:

S. 2420: A bill to amend title 5, United States Code, to provide for the establishment of a program under which long-term care insurance is made available to Federal employees, members of the uniformed services, and civilian and military retirees, and for other purposes (Rept. No. 106-344).

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. JEFFORDS:

S. 2870. A bill to allow postal patrons to invest in banishing wildlife protection programs through the voluntary purchase of specially issued postage stamps; to the Committee on Governmental Affairs.

By Mr. SHELBY (for himself, Mr. CRAPO, and Mr. SANTORUM):

S. 2871. A bill to amend the Gramm-Leach-Bliley Act, to prohibit the sale and purchase of the social security number of an individual by financial institutions and to include social security numbers in the definition of nonpublic personal information; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. CAMPBELL (for himself, Mr. BINGAMAN, and Mr. KYL):

S. 2872. A bill to improve the cause of action for misrepresentation of Indian arts and crafts; to the Committee on Indian Affairs.

By Mr. BENNETT:

S. 2873. A bill to provide for all right, title, and interest in and to certain property in Washington County, Utah, to be vested in the United States; to the Committee on Energy and Natural Resources.

By Mr. MOYNIHAN (for himself, Mr. SCHUMER, Mr. CONRAD, Mr. BREAUX, Mr. ROBB, Mr. MACK, Mr. LIEBERMAN, and Mr. DODD):

S. 2874. A bill to amend the Internal Revenue Code of 1986 to repeal the provision taxing policyholder dividends of mutual life insurance companies and to repeal the policyholders surplus account provisions; to the Committee on Finance.

By Mr. SESSIONS (for himself, Mr. HATCH, Mr. LEAHY, Mr. THURMOND, Mr. TORRICELLI, and Mr. GRASSLEY):

S. 2875. A bill to amend titles 18 and 28, United States Code, with respect to United States magistrate judges; to the Committee on the Judiciary.

By Mr. BUNNING:

S. 2876. A bill to amend the Social Security Act to enhance privacy protections for individuals, to prevent fraudulent misuse of the social security account number, and to provide additional safeguards for Social Security and Supplemental Security Income beneficiaries with representative payees, and for other purposes; to the Committee on Finance.

By Mr. WYDEN (for himself and Mr. SMITH of Oregon):

S. 2877. A bill to authorize the Secretary of the Interior to conduct a feasibility study on water optimization in the Burnt River basin, Malheur River basin, Owyhee River basin, and Powder River basin, Oregon; to the Committee on Energy and Natural Resources.

## SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Ms. SNOWE (for herself, Mr. MURKOWSKI, and Mr. WELLSTONE):

S. Res. 336. Resolution expressing the sense of the Senate regarding the contributions, sacrifices, and distinguished service of Americans exposed to radiation or radioactive materials as a result of service in the Armed Forces; considered and agreed to.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

Mr. CAMPBELL (for himself, Mr. BINGAMAN, and Mr. KYL):

S. 2872. A bill to improve the cause of action for misrepresentation of Indian arts and crafts; to the Committee on Indian Affairs.

### INDIAN ARTS AND CRAFTS ENFORCEMENT ACT OF 2000

Mr. CAMPBELL. Mr. President, today I am pleased to be joined by Senators BINGAMAN and KYL in introducing legislation that makes much-needed amendment to the Indian Arts and Crafts Act of 1990 (the Act).

In 1989 and 1990 I had the pleasure of working on legislation that became the 1990 Act which was enacted with two goals in mind: (1) to promote the market for Indian arts and crafts; and (2) to enforce the provisions of the Act to protect the integrity of authentic Indian goods and Indian artisans.

Today's market for Indian-made goods is roughly $1 billion, but by some estimates half of that demand, or nearly $500 million, is satisfied by counterfeit goods, much of which is produced off-shore and imported illegally into the United States.

The growing influx of inauthentic Indian arts and crafts has not only weakened the market and consumer confidence in Indian goods, but has also endangered traditional Indian customs and practices.

Native communities are plagued by rampant unemployment and a stagnant economy, and the growing influx of inauthentic Indian arts and crafts continues to decimate one of the few forms of entrepreneurship and economic development on Indian reservations.

In addition, this influx also erodes the propagation and practice of traditional beliefs and customs by Native people and must be stopped for that reason alone.

Under the existing Act, the Indian Arts and Crafts Board ("IACB") is charged with not only promoting Indian arts and crafts, but also has a key role in the enforcement of the Act's civil and criminal provisions. In this role the IACB is required by law to work with the Department of justice to bring complaints against potential violators of the Act.

As of July, 2000, neither the IACB nor the Department of Justice have produced the kind of enforcement results Congress intended when it enacted the 1990 Act. In fact, there has yet to be a single criminal or civil prosecution of the Act, with Indian tribes themselves being forced to take up the slack.

The bill that I am introducing today, would improve enforcement of the Act by (1) enhancing the ability of the plaintiff to assess and calculate damages; (2) authorizing Indian arts and crafts organizations and individual Indians to bring suit for alleged violations of the Act; (3) authorizing a portion of the damages collected to reimburse the IACB for the costs of its role in investigating and bringing about the successful prosecution of the suit; and (4) requiring more precise definitions through the regulations process.

This bill will provide the tools needed to stem the flow of these goods, protect legitimate Indian artisans, and eliminate the economic incentive to steal from Native people that which is theirs.

I am hopeful that this legislation will signal a new day in the enforcement of the Act and encourage both the economic and cultural benefits of authentic Indian arts and crafts.

I ask that a copy of the bill be printed in the RECORD. I thank the Chair and yield the floor.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2872

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Indian Arts and Crafts Enforcement Act of 2000".

**SEC. 2. AMENDMENTS TO CIVIL ACTION PROVISIONS.**

Section 6 of the Act entitled "An Act to promote the development of Indian arts and crafts and to create a board to assist therein, and for other purposes" (25 U.S.C. 305e) (as added by section 105 of the Indian Arts and Crafts Act of 1990 (Public Law 101-644; 104 Stat. 4664)) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1), by inserting ", directly or indirectly," after "against a person who"; and

(B) by inserting the following flush language after paragraph (2)(B):

"For purposes of paragraph (2)(A), damages shall include any and all gross profits accrued by the defendant as a result of the activities found to violate this subsection.";

(2) in subsection (c)—

(A) in paragraph (1)—

(i) in subparagraph (A), by striking "or" at the end;

(ii) in subparagraph (B), by striking the period and inserting "; or"; and

(iii) by adding at the end the following:

"(C) by an Indian arts and crafts organization on behalf of itself, or by an Indian on behalf of himself or herself."; and

(B) in paragraph (2)(A)—

(i) by striking "the amount recovered the amount" and inserting "the amount recovered—

"(i) the amount"; and

(ii) by adding at the end the following:

"(ii) the amount for the costs of investigation awarded pursuant to subsection (b) and reimburse the Board the amount of such costs incurred as a direct result of Board activities in the suit; and";

(3) in subsection (d)(2), by inserting "subject to subsection (f)," after "(2)"; and

(4) by adding at the end the following:

"(f) Not later than 180 days after the date of enactment of the Indian Arts and Crafts Enforcement Act of 2000, the Board shall promulgate regulations to include in the definition of the term 'Indian product' specific examples of such product to provide guidance to Indian artisans as well as to purveyors and consumers of Indian arts and crafts, as defined under this Act.".

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By Mr. BENNETT:

S. 2873. A bill to provide for all right, title, and interest in and to certain property in Washington County, Utah, to be vested in the United States; to the Committee on Energy and Natural Resources.

### LEGISLATION REGARDING CERTAIN PROPERTY IN WASHINGTON COUNTY, UTAH

Mr. BENNETT. Mr. President, I rise today to introduce a bill which will bring to a close the Federal acquisition of an important piece of private property in Washington County, Utah.

As some of my colleagues are aware, in March of 1991, the desert tortoise was listed as an endangered species under the Endangered Species Act. Government and environmental researchers determined that the land immediately north of St. George, Utah, was prime desert tortoise habitat. Consequently, in February 1996, nearly five years after the listing, the United States Fish and Wildlife Service [USFWS] issued Washington County a section 10 permit under the Endangered Species Act, and a habitat conservation plan [HCP] and an implementation agreement were adopted. Under the plan and agreement, the Bureau of Land Management [BLM] assumed an obligation to acquire private lands in the designated habitat area to form the Red Cliffs Reserve for the protection of the desert tortoise.

One of the private land owners within the reserve is Environmental Land Technology, Limited [ELT], which had earlier acquired approximately 2,440 acres from the State of Utah for purposes of residential and recreational development. In the years preceding the adoption of the habitat conservation plan, ELT completed appraisals, cost estimates, engineering studies, site plans, surveys, utility layouts, right-of-way negotiations, staked out golf courses, and obtained water rights for the development of this land. Prior to the adoption of the HCP, it was not clear which lands the Federal and local governments would decide to set aside for the desert tortoise, although it was assumed that there was sufficient surrounding Federal lands to provide adequate habitat. However, in 1996, with the creation of the Red Cliffs Reserve, which included land belonging to ELT, all development efforts were halted.

With assurances from the Federal Government that the acquisition of the ELT development lands was a high priority, the owner negotiated with, and entered into, an assembled land exchange agreement with the BLM in anticipation of intrastate land exchanges. The private land owner then began a costly process of identifying comparable Federal lands within the State that would be suitable for an exchange for its lands in Washington County. Over the last four years, BLM and the private land owners, including ELT have completed several exchanges, and the Federal Government has acquired, through those exchanges or direct purchases, nearly all of the Private property located within the reserve, except for approximately 1,516 acres of the ELT development land. However, with the creation of the Grand Staircase National Monument in September 1996, and the subsequent land exchanges between the State of Utah and the Federal Government for the consolidation of Federal lands within the monument, there are no longer sufficient comparable Federal lands within Utah to complete the originally contemplated intrastate exchanges for the remainder of the ELT development land within the reserve.

Faced with this problem, and in light of the high priority the Department of the Interior has placed on acquiring these lands, BLM officials recommended that the ELT lands be acquired by direct purchase. During the FY 2000 budget process, BLM proposed that $30 million be set aside to begin acquiring the remaining lands in Washington County. Unfortunately, because this project involves endangered species habitat and the USFWS is responsible for administering activities under the Endangered Species Act, the Office of Management and Budget shifted the $30 million from the BLM budget request to the USFWS's Cooperative Endangered Species Conservation Fund budget request. Ultimately, however, none of those funds were made available for BLM acquisitions within the

Federal section of the reserve. Instead, the funds in that account were made available on a matching basis for the use of individual States to acquire wildlife habitat. The result of this bureaucratic fumbling has resulted in extreme financial hardship for ELT.

The development lands within the Red Cliffs Reserve are ELT's main asset. The establishment of the Washington County HCP has effectively taken this property from this private land owner and has prevented ELT from developing or otherwise disposing of the property. ELT has had to expend virtually all of its resources to hold the property while awaiting the compensation to which it is legally entitled. ELT has had to sell its remaining assets, and the private land owner has also had to sell assets, including his home, to simply hold the property. It is now impossible for him to hold the property any longer. This situation is made more egregious by the failure of the Department of the Interior to request any acquisition funding for FY 2001, even though this acquisition has been designated a high priority. Over the past several years, ELT has pursued all possible avenues to complete the acquisition of these lands. The private land owner has spent millions of dollars pursuing both intrastate and interstate land exchanges and has worked cooperatively with the Department of the Interior. Unfortunately, all of these efforts have been fruitless thus far. Absent the enactment of this legislation, the land owner faces financial ruin. The failure of the government to timely discharge an acknowledged obligation has forced this private land owner to liquidate his business and personal assets and effectively carry the burden of a large portion of the Red Cliffs Reserve on his back. This is clearly not how the government should treat its citizens.

The legislative taking bill that I am introducing today will finally bring this acquisition to a close. In my view, a legislative taking should be an action of last resort. But, if ever a case warranted legislative condemnation, this is it. This bill will transfer all right, title, and interest in the ELT development property within the Red Cliffs Reserve, including an additional 34 acres of landlocked real property owned by ELT which is adjacent to the land within the reserve, to the Federal Government. It provides an initial payment to ELT to pay off existing debts accrued in holding the property, and provides 90 days during which ELT and the Department of the Interior can attempt to reach a negotiated settlement on the remaining value of the property. In the absence of a negotiated amount, the Secretary of the Interior will be required to bring an action in the Federal District Court for the District of Utah to determine a value for the land. Payment for the land, whether negotiated or determined by the court, will be made from the permanent judgment appropriation or any other appropriate account, or, at the option of the land owner, the Secretary of the Interior will credit a surplus property account, established and maintained by the General Services Administration, which the land owner can then use to bid on surplus government property.

This legislation is consistent with the high priority the Department of the Interior has repeatedly placed on this land acquisition, and is a necessary final step towards an equitable resolution for this private land owner. The time for pursuing other options has long since expired. I encourage my colleagues to support the timely enactment of this important legislation.

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By Mr. MOYNIHAN (for himself, Mr. SCHUMER, Mr. CONRAD, Mr. BREAUX, Mr. ROBB, Mr. MACK, Mr. LIEBERMAN, and Mr. DODD):

S. 2874. A bill to amend the Internal Revenue Code of 1986 to repeal the provision taxing policyholder dividends of mutual life insurance companies and to repeal the policyholders surplus account provisions; to the Committee on Finance.

### LIFE INSURANCE TAX SIMPLIFICATION ACT OF 2000

Mr. MOYNIHAN. Mr. President, today I introduce legislation to simplify the taxation of life insurance companies under the Internal Revenue Code. This bill repeals two sections of the Code that no longer serve valid tax policy goals, section 809 and section 815.

Section 809, which was enacted in 1984 as part of an overhaul of the taxation of life insurance companies, disallows a deduction for some of the dividends that mutual life insurance companies pay to their policyholders. It was enacted at a time when mutual life insurance companies were thought to be the dominant segment of the industry and was intended to ensure that stock life insurance companies were not competitively disadvantaged. Since that time, however, the number of mutual life insurance companies has dwindled while the number of stock life insurance companies has grown and the industry estimates that mutual life insurance companies will constitute less than ten percent of the industry within a few years. The section 809 tax has not been a significant component of the taxes paid by life insurance companies but it has been burdensome because of its unpredictable nature and complexity. Moreover, the original reason for its enactment no longer exists. Therefore, the bill would repeal section 809.

Section 815 was enacted in 1959 along with other changes to the taxation of life insurance companies. The 1959 changes permitted life insurance companies to defer tax on one-half of their underwriting income so long as such income was not distributed to their shareholders. The tax deferred income was accounted for through "policyholder surplus accounts." In 1984, Congress revised the taxation of mutual and stock life insurance companies and as part of these revisions, stock life insurance companies were no longer permitted to defer tax on one half of their underwriting income or add to their policyholder surplus accounts. At the same time, Congress did not eliminate the existing policyholder surplus accounts or trigger tax on the accrued amounts but instead left them in place. Thus, the amounts in those accounts remain subject to tax only when a triggering event occurs (for example, direct or indirect distributions to shareholders). Since 1984, little revenue has been collected under this provision as companies avoid triggering events. The Administration recently has proposed taxing the amounts in the accounts, creating uncertainty for companies with these accounts. Finally, only life insurance companies that were in existence in 1984 even have these accounts. The bill would repeal this provision.

Elimination of these complicated and outmoded provisions will provide greater certainty to the taxation of these companies and allow them to restructure their businesses to compete in the developing global financial services marketplace. While this bill is only a modest attempt to simplify the taxation of one sector of our economy, it represents a first step towards overall simplification of our Internal Revenue Code.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2874

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Life Insurance Tax Simplification Act of 2000".

**SEC. 2. REPEAL OF REDUCTION OF DEDUCTIONS FOR MUTUAL LIFE INSURANCE COMPANIES.**

(a) IN GENERAL.—Section 809 of the Internal Revenue Code of 1986 (relating to reductions in certain deductions of mutual life insurance companies) is hereby repealed.

(b) CONFORMING AMENDMENTS.—

(1) Subsections (a)(2)(B) and (b)(1)(B) of section 807 of such Code are each amended by striking "the sum of (i)" and by striking "plus (ii) any excess described in section 809(a)(2) for the taxable year,".

(2)(A) The last sentence of section 807(d)(1) of such Code is amended by striking "section 809(b)(4)(B)" and inserting "paragraph (6)".

(B) Subsection (d) of section 807 of such Code is amended by adding at the end the following new paragraph:

"(6) STATUTORY RESERVES.—The term 'statutory reserves' means the aggregate amount set forth in the annual statement with respect to items described in section 807(c).

Such term shall not include any reserve attributable to a deferred and uncollected premium if the establishment of such reserve is not permitted under section 811(c)."

(3) Subsection (c) of section 808 of such Code is amended to read as follows:

"(c) AMOUNT OF DEDUCTION.—The deduction for policyholder dividends for any taxable year shall be an amount equal to the policyholder dividends paid or accrued during the taxable year."

(4) Subparagraph (A) of section 812(b)(3) of such Code is amended by striking "sections 808 and 809" and inserting "section 808".

(5) Subsection (c) of section 817 of such Code is amended by striking "(other than section 809)".

(6) Subsection (c) of section 842 of such Code is amended by striking paragraph (3) and by redesignating paragraph (4) as paragraph (3).

(7) The table of sections for subpart C of part I of subchapter L of chapter 1 of such Code is amended by striking the item relating to section 809.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

**SEC. 3. REPEAL OF POLICYHOLDERS SURPLUS ACCOUNT PROVISIONS.**

(a) IN GENERAL.—Section 815 of the Internal Revenue Code of 1986 (relating to distributions to shareholders from pre-1984 policyholders surplus account) is hereby repealed.

(b) CONFORMING AMENDMENTS.—

(1) Section 801 of such Code is amended by striking subsection (c).

(2) The table of sections for subpart D of part I of subchapter L of chapter 1 of such Code is amended by striking the item relating to section 815.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

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By Mr. SESSIONS (for himself, Mr. HATCH, Mr. LEAHY, Mr. THURMOND, Mr. TORRICELLI, and Mr. GRASSLEY):

S. 2875. A bill to amend titles 18 and 28, United States Code, with respect to United States magistrate judges; to the Committee on the Judiciary.

### MAGISTRATE JUDGE IMPROVEMENT ACT OF 2000

Mr. SESSIONS. Mr. President, I rise today on behalf of myself and Senators HATCH, LEAHY, THURMOND, TORRICELLI, and GRASSLEY, to introduce the Magistrate Judge Improvement Act of 2000. We are introducing this legislation because we believe that the modest reforms it seeks to make will greatly enhance the efficiencies and effectiveness of the Federal court system. In fact, the changes proposed by this legislation are based on recommendations made by the Judicial Conference and the Magistrate Judges Association, and this legislation has the strong support of both organizations. I do not believe that this legislation is controversial, and I encourage my colleagues to join in support of this initiative.

Over the years, Congress has repeatedly recognized the important role that magistrate judges have in helping to ensure the smooth and efficient functioning of the federal judicial system. For example, Congress has deemed it appropriate to allow magistrate judges to have final disposition authority, with the consent of the parties, in civil and misdemeanor cases pending before a district court. This was done, in part, to help federal district courts better manage their dockets by providing litigants with a viable alternative that they could utilize in the resolution of their claims. Despite the fact that magistrate judges have been asked to play a greater role in adjudicating cases that had traditionally been tried before district courts, magistrates have not been granted the same powers that district courts enjoy to enforce their oral and written orders or even to maintain order in their courtrooms. The Magistrate Judge Improvement Act of 2000 seeks to correct this imbalance, while also making additional reforms that will greatly enhance the efficiencies provided by magistrate courts. In particular, this legislation will make three important, and common-sense reforms.

First: The bill will grant magistrate judges limited contempt authority in criminal and civil cases. Under current law, magistrate judges do not have any contempt authority at all, and are required to certify any instances of improper behavior to a district court judge for resolution. This lack of authority undermines the magistrate judges ability to ensure compliance with their orders, and to control disorderly behavior in their courtroom. By giving magistrate judges contempt authority, Congress will greatly enhance their ability to assist district courts in the application of federal law.

Second: The bill will improve district court efficiency by empowering magistrate judges to handle all petty offense cases without the consent of the defendant. Current law already allows magistrate judges to try Class B misdemeanors charging a motor vehicle offense and all Class C misdemeanors and infractions without the consent of the defendant. By expanding this authority to encompass all Class B misdemeanors, instead of just those involving motor vehicle offenses, we will help reduce the dockets of the district courts as they will no longer be the primary forum for resolving a wide variety of relatively minor offenses.

Third: The bill will grant magistrate judges the ability to enter sentences of incarceration in juvenile misdemeanor cases. Under current law, magistrate judges are empowered to try and sentence juvenile defendants accused of Class B and Class C misdemeanor offenses; however, they are precluded from entering sentences of imprisonment. This is an unusual lack of authority because magistrates are empowered under current law to order the pretrial detention of juvenile defendants who have committed felonies. This legislation remedies this situation by granting magistrate judges the ability to enter minimal sentences of incarceration in the misdemeanor cases they adjudicate. In addition, the legislation extends the scope of magistrate judge authority to ensure that they are empowered to preside over all classes of misdemeanor offenses, including Class A misdemeanors.

As you can see, these are all sensible and reasonable reforms and their enactment into law will go a long way towards strengthening an important component of our Federal Judiciary. I urge my colleagues to join in support of this legislation, and I look forward to working with them in the hopes of getting this bill passed before Congress adjourns for the year. I ask that a copy of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2875

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Magistrate Judge Improvement Act of 2000".

**SEC. 2. MAGISTRATE JUDGE CONTEMPT AUTHORITY.**

Section 636(e) of title 28, United States Code is amended to read as follows:

"(e) MAGISTRATE JUDGE CONTEMPT AUTHORITY.—

"(1) IN GENERAL.—A United States magistrate judge serving under this chapter shall have within the territorial jurisdiction prescribed by his or her appointment the power to exercise contempt authority as set forth in this subsection.

"(2) SUMMARY CRIMINAL CONTEMPT AUTHORITY.—A magistrate judge shall have the power to punish summarily by fine or imprisonment such contempt of the authority of that magistrate judge constituting misbehavior of any person in the presence of the magistrate judge so as to obstruct the administration of justice. The order of contempt shall be issued pursuant to Federal Rules of Criminal Procedure.

"(3) ADDITIONAL CRIMINAL CONTEMPT AUTHORITY IN CIVIL CONSENT AND MISDEMEANOR CASES.—In any case in which a United States magistrate judge presides with the consent of the parties under subsection (c) of this section, and in any misdemeanor case proceeding before a magistrate judge under section 3401 of title 18, the magistrate judge shall have the power to punish by fine or imprisonment such criminal contempt constituting disobedience or resistance to the lawful writ, process, order, rule, decree, or command of the magistrate judge. Disposition of such contempt shall be conducted upon notice and hearing pursuant to the Federal Rules of Criminal Procedure.

"(4) CIVIL CONTEMPT AUTHORITY IN CIVIL CONSENT AND MISDEMEANOR CASES.—In any case in which a United States magistrate judge presides with the consent of the parties under subsection (c) of this section, and in any misdemeanor case proceeding before a magistrate judge under section 3401 of title 18, the magistrate judge may exercise the civil contempt authority of the district court. This paragraph shall not be construed to limit the authority of a magistrate judge to order sanctions pursuant to any other statute, the Federal Rules of Civil Procedure, or the Federal Rules of Criminal Procedure.

"(5) CRIMINAL CONTEMPT PENALTIES.—The sentence imposed by a magistrate judge for any criminal contempt set forth in paragraphs (2) and (3) of this subsection shall not exceed the penalties for a class C misdemeanor as set forth in sections 3571(b)(6) and 3581(b)(8) of title 18.

"(6) CERTIFICATION OF OTHER CONTEMPTS TO THE DISTRICT JUDGE.—

"(A) IN GENERAL.—Upon the commission of any act described in subparagraph (B)—

"(i) the magistrate judge shall promptly certify the facts to a district judge and may serve or cause to be served upon any person whose behavior is brought into question under this paragraph an order requiring such person to appear before a district judge upon a day certain to show cause why such person should not be adjudged in contempt by reason of the facts so certified; and

"(ii) the district judge shall hear the evidence as to the act or conduct complained of and, if it is such as to warrant punishment, punish such person in the same manner and to the same extent as for a contempt committed before a district judge.

"(B) ACTS DESCRIBED.—An act is described in this subparagraph if it is—

"(i) in any case in which a United States magistrate judge presides with the consent of the parties under subsection (c) of this section, or in any misdemeanor case proceeding before a magistrate judge under section 3401 of title 18, an act that may, in the opinion of the magistrate judge, constitute a serious criminal contempt punishable by penalties exceeding those set forth in paragraph (5) of this subsection; or

"(ii) in any other case or proceeding under subsection (a) or (b), or any other statute—

"(I) an act committed in the presence of the magistrate judge that may, in the opinion of the magistrate judge, constitute a serious criminal contempt punishable by penalties exceeding those set forth in paragraph (5);

"(II) an act that constitutes a criminal contempt that occurs outside the presence of the magistrate judge; or

"(III) an act that constitutes a civil contempt.

"(7) APPEALS OF MAGISTRATE JUDGE CONTEMPT ORDERS.—The appeal of an order of contempt issued pursuant to this section shall be made to the court of appeals in any case proceeding under subsection (c). The appeal of any other order of contempt issued pursuant to this section shall be made to the district court.".

### SEC. 3. MAGISTRATE JUDGE AUTHORITY IN PETTY OFFENSE CASES.

(a) TITLE 18, UNITED STATES CODE.—Section 3401(b) of title 18, United States Code, is amended in the first sentence by striking "that is a class B" and all that follows through "infraction".

(b) TITLE 28, UNITED STATES CODE.—Section 636(a) of title 28, United States Code, is amended by striking paragraphs (4) and (5) and inserting the following:

"(4) the power to enter a sentence for a petty offense; and

"(5) the power to enter a sentence for a class A misdemeanor in a case in which the parties have consented.".

### SEC. 4. MAGISTRATE JUDGE AUTHORITY IN CASES INVOLVING JUVENILES.

Section 3401(g) of title 18, United States Code, is amended—

(1) by striking the first sentence and inserting the following: "The magistrate judge may, in a petty offense case involving a juvenile, exercise all powers granted to the district court under chapter 403 of this title.";

(2) in the second sentence by striking "any other class B or C misdemeanor case" and inserting "the case of any misdemeanor, other than a petty offense,"; and

(3) by striking the last sentence.

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By Mr. BUNNING:

S. 2876. A bill to amend the Social Security Act to enhance privacy protections for individuals, to prevent fraudulent misuse of the social security account number, and to provide additional safeguards for Social Security and Supplemental Security Income beneficiaries with representative payees, and for other purposes; to the Committee on Finance.

## PRIVACY AND IDENTITY PROTECTION ACT OF 2000

Mr. BUNNING. Mr. President, I rise today to introduce legislation that is designed to protect the privacy of all Americans from identity theft caused by theft or abuse of an individual's Social Security number (SSN).

Mr. President, identity theft is the fastest growing financial crime in the nation, affecting an estimated 500,000 to 700,000 people annually. Allegations of fraudulent Social Security number use for identity theft increased from 26,531 cases in 1998 to 62,000 in 1999—this is a 233 percent increase in just one year!

In May of this year, the Privacy Rights Clearinghouse released a report that found of the more than 75% of identity theft crimes that took place last year, "true name" fraud was involved. What is "true name" fraud?

It is when someone uses your Social Security number to open new accounts in the victim's name. That means a common criminal can apply for credit cards, buy a car, obtain personal, business, auto or real estate loans, do just about anything in your name and you may not even know about it for months or even years. Across the country there are people who can tell you about losing their life savings or having their credit history damaged, simply because someone had obtained their Social Security number and fraudulently assumed their identity.

My bill prohibits the sale of Social Security numbers by the private sector, Federal, State and local government agencies. My bill strengthens existing criminal penalties for enforcement of Social Security number violations to include those by government employees. It amends the Fair Credit Reporting Act to include the Social Security number as part of the information protected under the law, enhances law enforcement authority of the Office of Inspector General, and allows Federal courts to order defendants to make restitution to the Social Security Trust Funds.

Mr. President, I think that it is high time that we get back to the original purpose of the Social Security number. Social Security numbers were designed to be used to track workers and their earnings so that their benefits could be accurately calculated when a worker retires—nothing else.

My bill would also prohibit the display of Social Security numbers on drivers licenses, motor vehicle registration and other related identification records, like the official Senate ID Card.

I urge my colleagues to cosponsor this very important piece of legislation.

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By Mr. WYDEN (for himself and Mr. SMITH of Oregon):

S. 2877. A bill to authorize the Secretary of the Interior to conduct a feasibility study on water optimization in the Burnt River basin, Malheur River basin, Owyhee River basin, and Powder River basin, Oregon; to the Committee on Energy and Natural Resources.

## IMPROVED WATER MANAGEMENT IN EASTERN OREGON

• Mr. WYDEN. Mr. President, I am introducing today legislation that will allow the Bureau of Reclamation to conduct a feasibility study on ways to improve water management in the Malheur, Owyhee, Powder and Burnt River basins in northeastern Oregon. An earlier study by the Bureau identified a number of problems on these four Snake River tributaries, including high water temperatures and degraded fish habitat.

These types of problems are not unique to these rivers; in fact, many rivers in the Pacific Northwest are in a similar condition. However, Oregon has a unique approach to solving these problems through the work of Watershed Councils. In these Councils, local farmers, ranchers and other stakeholders sit down together with the resource agencies to develop action plans to solve local problems.

The Council members have the local knowledge of the land and waters, but they don't have technical expertise. The Bureau of Reclamation has the expertise to collect the kinds of water flow and water quality data that are needed to understand how the watershed works and how effective different solutions might be.

One class of possible solutions includes small-scale construction projects, such as upgrading of irrigation systems and creation of wetlands to act as pollutant filters. This legislation would allow the Bureau of Reclamation to partner with the Watershed Councils in determining how such small-scale construction projects might benefit both the environment and the local economy.

This bill authorizes a study; it does not authorize actual construction. It simply enables the Bureau to help find the most logical solution to resource management issues.

I look forward to a hearing on this bill in the Energy and Natural Resources Subcommittee on Water and Power. I welcome my colleague, Mr.

SMITH, as an original co-sponsor of this bill.

I ask unanimous consent that my statement and a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2877

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Burnt, Malheur, Owyhee, and Powder River Basin Water Optimization Feasibility Study Act of 2000".

**SEC. 2. STUDY.**

The Secretary of the Interior may conduct a feasibility study on water optimization in the Burnt River basin, Malheur River basin, Owyhee River basin, and Powder River basin, Oregon.

**SEC. 3. AUTHORIZATION OF APPROPRIATIONS.**

There are authorized to be appropriated such sums as are necessary to carry out this Act.●

## ADDITIONAL COSPONSORS

S. 1109

At the request of Mr. MCCONNELL, the name of the Senator from Utah (Mr. BENNETT) was added as a cosponsor of S. 1109, a bill to conserve global bear populations by prohibiting the importation, exportation, and interstate trade of bear viscera and items, products, or substances containing, or labeled or advertised as containing, bear viscera, and for other purposes.

S. 1810

At the request of Mrs. MURRAY, the name of the Senator from Washington (Mr. GORTON) was added as a cosponsor of S. 1810, a bill to amend title 38, United States Code, to clarify and improve veterans' claims and appellate procedures.

S. 2217

At the request of Mr. CAMPBELL, the names of the Senator from Wisconsin (Mr. KOHL) and the Senator from Illinois (Mr. DURBIN) were added as cosponsors of S. 2217, a bill to require the Secretary of the Treasury to mint coins in commemoration of the National Museum of the American Indian of the Smithsonian Institution, and for other purposes.

S. 2274

At the request of Mr. GRASSLEY, the name of the Senator from Kansas (Mr. BROWNBACK) was added as a cosponsor of S. 2274, a bill to amend title XIX of the Social Security Act to provide families and disabled children with the opportunity to purchase coverage under the medicaid program for such children.

S. 2293

At the request of Mr. SANTORUM, the name of the Senator from Virginia (Mr. WARNER) was added as a cosponsor of S. 2293, a bill to amend the Federal Deposit Insurance Act and the Federal Home Loan Bank Act to provide for the payment of Financing Corporation interest obligations from balances in the deposit insurance funds in excess of an established ratio and, after such obligations are satisfied, to provide for rebates to insured depository institutions of such excess reserves.

S. 2394

At the request of Mr. MOYNIHAN, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 2394, a bill to amend title XVIII of the Social Security Act to stabilize indirect graduate medical education payments.

S. 2544

At the request of Mr. ROCKEFELLER, the name of the Senator from Wisconsin (Mr. FEINGOLD) was added as a cosponsor of S. 2544, a bill to amend title 38, United States Code, to provide compensation and benefits to children of female Vietnam veterans who were born with certain birth defects, and for other purposes.

S. 2589

At the request of Mr. JOHNSON, the names of the Senator from Kansas (Mr. ROBERTS) and the Senator from New Mexico (Mr. BINGAMAN) were added as cosponsors of S. 2589, a bill to amend the Federal Deposit Insurance Act to require periodic cost of living adjustments to the maximum amount of deposit insurance available under that Act, and for other purposes.

S. 2686

At the request of Mr. COCHRAN, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 2686, a bill to amend chapter 36 of title 39, United States Code, to modify rates relating to reduced rate mail matter, and for other purposes.

S. 2696

At the request of Mr. CONRAD, the name of the Senator from Alaska (Mr. MURKOWSKI) was added as a cosponsor of S. 2696, a bill to prevent evasion of United States excise taxes on cigarettes, and for other purposes.

S. 2700

At the request of Mr. L. CHAFEE, the names of the Senator from West Virginia (Mr. ROCKEFELLER) and the Senator from Arkansas (Mrs. LINCOLN) were added as cosponsors of S. 2700, a bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to promote the cleanup and reuse of brownfields, to provide financial assistance for brownfields revitalization, to enhance State response programs, and for other purposes.

S. 2703

At the request of Mr. AKAKA, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 2703, a bill to amend the provisions of title 39, United States Code, relating to the manner in which pay policies and schedules and fringe benefit programs for postmasters are established.

S. 2714

At the request of Mrs. LINCOLN, the name of the Senator from West Virginia (Mr. ROCKEFELLER) was added as a cosponsor of S. 2714, a bill to amend the Internal Revenue Code of 1986 to provide a higher purchase price limitation applicable to mortgage subsidy bonds based on median family income.

S. 2758

At the request of Mr. GRAHAM, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 2758, a bill to amend title XVIII of the Social Security Act to provide coverage of outpatient prescription drugs under the medicare program.

S. 2787

At the request of Mr. BIDEN, the names of the Senator from Hawaii (Mr. AKAKA) and the Senator from Hawaii (Mr. INOUYE) were added as cosponsors of S. 2787, a bill to reauthorize the Federal programs to prevent violence against women, and for other purposes.

S. 2869

At the request of Mr. HATCH, the name of the Senator from Oregon (Mr. SMITH) was added as a cosponsor of S. 2869, a bill to protect religious liberty, and for other purposes.

S. CON. RES. 60

At the request of Mr. FEINGOLD, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. Con. Res. 60, a concurrent resolution expressing the sense of Congress that a commemorative postage stamp should be issued in honor of the U.S.S. *Wisconsin* and all those who served aboard her.

S. RES. 279

At the request of Mrs. BOXER, the name of the Senator from Nevada (Mr. BRYAN) was added as a cosponsor of S. Res. 279, a resolution expressing the sense of the Senate that the United States Senate Committee on Foreign Relations should hold hearings and the Senate should act on the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW).

S. RES. 286

At the request of Mrs. BOXER, the name of the Senator from Nevada (Mr. BRYAN) was added as a cosponsor of S. Res. 286, a resolution expressing the sense of the Senate that the United States Senate Committee on Foreign Relations should hold hearings and the Senate should act on the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW).

S. RES. 294

At the request of Mr. ABRAHAM, the names of the Senator from Montana (Mr. BAUCUS) and the Senator from Utah (Mr. HATCH) were added as cosponsors of S. Res. 294, a resolution designating the month of October 2000 as "Children's Internet Safety Month."

S. RES. 304

At the request of Mr. BIDEN, the names of the Senator from Kentucky (Mr. BUNNING), the Senator from Nevada (Mr. REID), and the Senator from Iowa (Mr. GRASSLEY) were added as cosponsors of S. Res. 304, a resolution expressing the sense of the Senate regarding the development of educational programs on veterans' contributions to the country and the designation of the week that includes Veterans Day as "National Veterans Awareness Week" for the presentation of such educational programs.

AMENDMENT NO. 3828

At the request of Mr. BINGAMAN, the names of the Senator from Maryland (Ms. MIKULSKI), the Senator from Rhode Island (Mr. REED), and the Senator from Montana (Mr. BAUCUS) were added as cosponsors of amendment No. 3828 proposed to H.R. 8, a bill to amend the Internal Revenue Code of 1986 to phaseout the estate and gift taxes over a 10-year period.

## SENATE RESOLUTION 336—EXPRESSING THE SENSE OF THE SENATE REGARDING THE CONTRIBUTIONS, SACRIFICIES, AND DISTINGUISHED SERVICE OF AMERICANS EXPOSED TO RADIATION OR RADIOACTIVE MATERIALS AS A RESULT OF SERVICE IN THE ARMED FORCES

Ms. SNOWE (for herself, Mr. MURKOWSKI, and Mr. WELLSTONE) submitted the following resolution, which was considered and agreed to:

S. RES. 336

Whereas the Nation has a responsibility to veterans who are injured, or who incur a disease, while serving in the Armed Forces, including the provision of health care, cash compensation, and other benefits for such disabilities;

Whereas from 1945 to 1963, the United States conducted test explosions of approximately 235 nuclear devices, potentially exposing approximately 220,000 members of the Armed Forces to unknown levels of radiation, and approximately 195,000 members of the Armed Forces have been identified as participants in the occupation of Hiroshima and Nagasaki, Japan, after World War II;

Whereas many of these veterans later claimed that low levels of radiation released during such tests, or exposure to radiation during such occupation, may be a cause of certain medical conditions; and

Whereas Sunday, July 16, 2000, is the 55th anniversary of the first nuclear explosion, the Trinity Shot in New Mexico: Now, therefore, be it

*Resolved*, That it is the sense of the Senate that—

(1) July 16, 2000, should be designated as a "National Day of Remembrance" in order to honor veterans exposed to radiation or radioactive materials during service in the Armed Forces; and

(2) the contributions, sacrifices, and distinguished service on behalf of the United States of the Americans exposed to radiation or radioactive materials while serving in the Armed Forces are worthy of solemn recognition.

## AMENDMENTS SUBMITTED

## MARRIAGE PENALTY TAX RELIEF ACT

## FEINGOLD AMENDMENTS NOS. 3845–3846

Mr. FEINGOLD proposed two amendments to the bill (H.R. 4810) to provide for reconciliation pursuant to section 103(a)(1) of the concurrent resolution on the budget for fiscal year 2001; as follows:

AMENDMENT NO. 3845

Beginning on page 2, line 5, strike all through page 5, line 11, and insert:

**SEC. 2. ELIMINATION OF MARRIAGE PENALTY IN STANDARD DEDUCTION.**

(a) IN GENERAL.—Paragraph (2) of section 63(c) of the Internal Revenue Code of 1986 (relating to standard deduction) is amended—

(1) by striking "$5,000" in subparagraph (A) and inserting "200 percent of the dollar amount in effect under subparagraph (C) for the taxable year";

(2) by striking "$4,400" in subparagraph (B) and inserting "$7,500";

(3) by adding "or" at the end of subparagraph (B);

(4) by striking "$3,000 in the case of" and all that follows in subparagraph (C) and inserting "$4,750 in any other case."; and

(5) by striking subparagraph (D).

(b) TECHNICAL AMENDMENTS.—

(1) Section 63(c)(4) of such Code is amended by adding at the end the following flush sentence:

"The preceding sentence shall not apply to the amount referred to in paragraph (2)(A).".

(2) Section 63(c)(4)(B) of such Code is amended—

(A) by redesignating clause (ii) as clause (iii); and

(B) by striking clause (i) and inserting:

"(i) 'calendar year 2000' in the case of the dollar amounts contained in paragraph (2),

"(ii) 'calendar year 1987' in the case of the dollar amounts contained in paragraph (5)(A) or subsection (f), and".

(3) Subparagraph (B) of section 1(f)(6) of such Code is amended by striking "(other than with" and all that follows through "shall be applied" and inserting "(other than with respect to sections 63(c)(4) and 151(d)(4)(A)) shall be applied".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

AMENDMENT NO. 3846

At the end of the bill, add the following:

### TITLE II—COBRA CONTINUATION COVERAGE

### Subtitle A—Tax Credit for Insurance Costs

**SEC. 201. CREDIT FOR HEALTH INSURANCE COSTS OF INDIVIDUALS WITH COBRA COVERAGE.**

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to nonrefundable personal credits) is amended by inserting after section 25A the following new section:

**"SEC. 25B. HEALTH INSURANCE COSTS OF INDIVIDUALS WITH COBRA COVERAGE.**

"(a) IN GENERAL.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 25 percent of the amount paid during the taxable year for coverage for the taxpayer, his spouse, and dependents under qualified health insurance.

"(b) LIMITATION ON COVERAGE.—Amounts paid for coverage of an individual for any month shall not be taken into account under subsection (a) if, as of the first day of such month, such individual is covered under any medical care program described in—

"(1) title XVIII, XIX, or XXI of the Social Security Act,

"(2) chapter 55 of title 10, United States Code,

"(3) chapter 17 of title 38, United States Code,

"(4) chapter 89 of title 5, United States Code, or

"(5) the Indian Health Care Improvement Act.

"(c) QUALIFIED HEALTH INSURANCE.—For purposes of this section, the term 'qualified health insurance' means health insurance coverage (as defined under section 9832(b)(1)(A)) which constitutes continuation coverage under a group health plan which is required to be provided by Federal law for an individual during the period specified in section 4980B(f)(2)(B).

"(d) SPECIAL RULES.—

"(1) COORDINATION WITH OTHER DEDUCTIONS.—No credit shall be allowed under this section for the taxable year if any amount paid for qualified health insurance is taken into account in determining the deduction allowed for such year under section 213 or 220.

"(2) DENIAL OF CREDIT TO DEPENDENTS.—No credit shall be allowed under this section to any individual with respect to whom a deduction under section 151 is allowable to another taxpayer for a taxable year beginning in the calendar year in which such individual's taxable year begins.".

(b) REGULATIONS.—The Secretary of the Treasury shall promulgate such regulations as necessary to carry out the provisions of this section, including reporting requirements for employers.

(c) CLERICAL AMENDMENT.—The table of sections for subpart A part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 25A the following new item:

"Sec. 25B. Health insurance costs of individuals with COBRA coverage."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

### Subtitle B—COBRA Protection for Early Retirees

### CHAPTER 1—AMENDMENTS TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

**SEC. 211. COBRA CONTINUATION BENEFITS FOR CERTAIN RETIRED WORKERS WHO LOSE RETIREE HEALTH COVERAGE.**

(a) ESTABLISHMENT OF NEW QUALIFYING EVENT.—

(1) IN GENERAL.—Section 603 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1163) is amended by inserting after paragraph (6) the following new paragraph:

"(7) The termination or substantial reduction in benefits (as defined in section 607(7)) of group health plan coverage as a result of plan changes or termination in the case of a covered employee who is a qualified retiree.".

(2) QUALIFIED RETIREE; QUALIFIED BENEFICIARY; AND SUBSTANTIAL REDUCTION DEFINED.—Section 607 of such Act (29 U.S.C. 1167) is amended—

(A) in paragraph (3)—

(i) in subparagraph (A), by inserting "except as otherwise provided in this paragraph," after "means,"; and

(ii) by adding at the end the following new subparagraph:

"(D) SPECIAL RULE FOR QUALIFYING RETIREES AND DEPENDENTS.—In the case of a qualifying event described in section 603(7), the term 'qualified beneficiary' means a qualified retiree and any other individual who, on the day before such qualifying event, is a beneficiary under the plan on the basis of the individual's relationship to such qualified retiree."; and

(B) by adding at the end the following new paragraphs:

"(6) QUALIFIED RETIREE.—The term 'qualified retiree' means, with respect to a qualifying event described in section 603(7), a covered employee who, at the time of the event—

"(A) has attained 55 years of age; and

"(B) was receiving group health coverage under the plan by reason of the retirement of the covered employee.

"(7) SUBSTANTIAL REDUCTION.—The term 'substantial reduction'—

"(A) means, as determined under regulations of the Secretary and with respect to a qualified beneficiary, a reduction in the average actuarial value of benefits under the plan (through reduction or elimination of benefits, an increase in premiums, deductibles, copayments, and coinsurance, or any combination thereof), since the date of commencement of coverage of the beneficiary by reason of the retirement of the covered employee (or, if later, July 12, 2000), in an amount equal to at least 50 percent of the total average actuarial value of the benefits under the plan as of such date (taking into account an appropriate adjustment to permit comparison of values over time); and

"(B) includes an increase in premiums required to an amount that exceeds the premium level described in the fourth sentence of section 602(3).".

(b) DURATION OF COVERAGE THROUGH AGE 65.—Section 602(2)(A) of such Act (29 U.S.C. 1162(2)(A)) is amended—

(1) in clause (ii), by inserting "or 603(7)" after "603(6)";

(2) in clause (iv), by striking "or 603(6)" and inserting ", 603(6), or 603(7)";

(3) by redesignating clause (iv) as clause (vi);

(4) by redesignating clause (v) as clause (iv) and by moving such clause to immediately follow clause (iii); and

(5) by inserting after such clause (iv) the following new clause:

"(v) SPECIAL RULE FOR CERTAIN BENEFICIARIES IN CASE OF TERMINATION OR SUBSTANTIAL REDUCTION OF RETIREE HEALTH COVERAGE.—In the case of a qualifying event described in section 603(7), in the case of a qualified beneficiary described in section 607(3)(D) who is not the qualified retiree or spouse of such retiree, the later of—

"(I) the date that is 36 months after the earlier of the date the qualified retiree becomes entitled to benefits under title XVIII of the Social Security Act, or the date of the death of the qualified retiree; or

"(II) the date that is 36 months after the date of the qualifying event.".

(c) TYPE OF COVERAGE IN CASE OF TERMINATION OR SUBSTANTIAL REDUCTION OF RETIREE HEALTH COVERAGE.—Section 602(1) of such Act (29 U.S.C. 1162(1)) is amended—

(1) by striking "The coverage" and inserting the following:

"(A) IN GENERAL.—Except as provided in subparagraph (B), the coverage"; and

(2) by adding at the end the following:

"(B) CERTAIN RETIREES.—In the case of a qualifying event described in section 603(7), in applying the first sentence of subparagraph (A) and the fourth sentence of paragraph (3), the coverage offered that is the most prevalent coverage option (as determined under regulations of the Secretary) continued under the group health plan (or, if none, under the most prevalent other plan offered by the same plan sponsor) shall be treated as the coverage described in such sentence, or (at the option of the plan and qualified beneficiary) such other coverage option as may be offered and elected by the qualified beneficiary involved.".

(d) INCREASED LEVEL OF PREMIUMS PERMITTED.—Section 602(3) of such Act (29 U.S.C. 1162(3)) is amended by adding at the end the following new sentence: "In the case of an individual provided continuation coverage by reason of a qualifying event described in section 603(7), any reference in subparagraph (A) of this paragraph to '102 percent of the applicable premium' is deemed a reference to '125 percent of the applicable premium for employed individuals (and their dependents, if applicable) for the coverage option referred to in paragraph (1)(B)'.".

(e) NOTICE.—Section 606(a) of such Act (29 U.S.C. 1166) is amended—

(1) in paragraph (4)(A), by striking "or (6)" and inserting "(6), or (7)"; and

(2) by adding at the end the following:

"The notice under paragraph (4) in the case of a qualifying event described in section 603(7) shall be provided at least 90 days before the date of the qualifying event.".

(f) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section (other than subsection (e)(2)) shall apply to qualifying events occurring on or after July 12, 2000. In the case of a qualifying event occurring on or after such date and before the date of the enactment of this Act, such event shall be deemed (for purposes of such amendments) to have occurred on the date of the enactment of this Act.

(2) ADVANCE NOTICE OF TERMINATIONS AND REDUCTIONS.—The amendment made by subsection (e)(2) shall apply to qualifying events occurring after the date of the enactment of this Act, except that in no case shall notice be required under such amendment before such date.

## CHAPTER 2—AMENDMENTS TO THE PUBLIC HEALTH SERVICE ACT

### SEC. 221. COBRA CONTINUATION BENEFITS FOR CERTAIN RETIRED WORKERS WHO LOSE RETIREE HEALTH COVERAGE.

(a) ESTABLISHMENT OF NEW QUALIFYING EVENT.—

(1) IN GENERAL.—Section 2203 of the Public Health Service Act (42 U.S.C. 300bb–3) is amended by inserting after paragraph (5) the following new paragraph:

"(6) The termination or substantial reduction in benefits (as defined in section 2208(6)) of group health plan coverage as a result of plan changes or termination in the case of a covered employee who is a qualified retiree.".

(2) QUALIFIED RETIREE; QUALIFIED BENEFICIARY; AND SUBSTANTIAL REDUCTION DEFINED.—Section 2208 of such Act (42 U.S.C. 300bb–8) is amended—

(A) in paragraph (3)—

(i) in subparagraph (A), by inserting "except as otherwise provided in this paragraph," after "means,"; and

(ii) by adding at the end the following new subparagraph:

"(C) SPECIAL RULE FOR QUALIFYING RETIREES AND DEPENDENTS.—In the case of a qualifying event described in section 2203(6), the term 'qualified beneficiary' means a qualified retiree and any other individual who, on the day before such qualifying event, is a beneficiary under the plan on the basis of the individual's relationship to such qualified retiree."; and

(B) by adding at the end the following new paragraphs:

"(5) QUALIFIED RETIREE.—The term 'qualified retiree' means, with respect to a qualifying event described in section 2203(6), a covered employee who, at the time of the event—

"(A) has attained 55 years of age; and

"(B) was receiving group health coverage under the plan by reason of the retirement of the covered employee.

"(6) SUBSTANTIAL REDUCTION.—The term 'substantial reduction'—

"(A) means, as determined under regulations of the Secretary of Labor and with respect to a qualified beneficiary, a reduction in the average actuarial value of benefits under the plan (through reduction or elimination of benefits, an increase in premiums, deductibles, copayments, and coinsurance, or any combination thereof), since the date of commencement of coverage of the beneficiary by reason of the retirement of the covered employee (or, if later, July 12, 2000), in an amount equal to at least 50 percent of the total average actuarial value of the benefits under the plan as of such date (taking into account an appropriate adjustment to permit comparison of values over time); and

"(B) includes an increase in premiums required to an amount that exceeds the premium level described in the fourth sentence of section 2202(3).".

(b) DURATION OF COVERAGE THROUGH AGE 65.—Section 2202(2)(A) of such Act (42 U.S.C. 300bb–2(2)(A)) is amended—

(1) by redesignating clause (iii) as clause (iv); and

(2) by inserting after clause (ii) the following new clause:

"(iii) SPECIAL RULE FOR CERTAIN BENEFICIARIES IN CASE OF TERMINATION OR SUBSTANTIAL REDUCTION OF RETIREE HEALTH COVERAGE.—In the case of a qualifying event described in section 2203(6), in the case of a qualified beneficiary described in section 2208(3)(C) who is not the qualified retiree or spouse of such retiree, the later of—

"(I) the date that is 36 months after the earlier of the date the qualified retiree becomes entitled to benefits under title XVIII of the Social Security Act, or the date of the death of the qualified retiree; or

"(II) the date that is 36 months after the date of the qualifying event.".

(c) TYPE OF COVERAGE IN CASE OF TERMINATION OR SUBSTANTIAL REDUCTION OF RETIREE HEALTH COVERAGE.—Section 2202(1) of such Act (42 U.S.C. 300bb–2(1)) is amended—

(1) by striking "The coverage" and inserting the following:

"(A) IN GENERAL.—Except as provided in subparagraph (B), the coverage"; and

(2) by adding at the end the following:

"(B) CERTAIN RETIREES.—In the case of a qualifying event described in section 2203(6), in applying the first sentence of subparagraph (A) and the fourth sentence of paragraph (3), the coverage offered that is the most prevalent coverage option (as determined under regulations of the Secretary of Labor) continued under the group health plan (or, if none, under the most prevalent other plan offered by the same plan sponsor) shall be treated as the coverage described in such sentence, or (at the option of the plan and qualified beneficiary) such other coverage option as may be offered and elected by the qualified beneficiary involved.".

(d) Increased Level of Premiums Permitted.—Section 2202(3) of such Act (42 U.S.C. 300bb-2(3)) is amended by adding at the end the following new sentence: "In the case of an individual provided continuation coverage by reason of a qualifying event described in section 2203(6), any reference in subparagraph (A) of this paragraph to '102 percent of the applicable premium' is deemed a reference to '125 percent of the applicable premium for employed individuals (and their dependents, if applicable) for the coverage option referred to in paragraph (1)(B)'.".

(e) Notice.—Section 2206(a) of such Act (42 U.S.C. 300bb-6(a)) is amended—

(1) in paragraph (4)(A), by striking "or (4)" and inserting "(4), or (6)"; and

(2) by adding at the end the following:

"The notice under paragraph (4) in the case of a qualifying event described in section 2203(6) shall be provided at least 90 days before the date of the qualifying event.".

(f) Effective Dates.—

(1) In general.—The amendments made by this section (other than subsection (e)(2)) shall apply to qualifying events occurring on or after July 12, 2000. In the case of a qualifying event occurring on or after such date and before the date of the enactment of this Act, such event shall be deemed (for purposes of such amendments) to have occurred on the date of the enactment of this Act.

(2) Advance notice of terminations and reductions.—The amendment made by subsection (e)(2) shall apply to qualifying events occurring after the date of the enactment of this Act, except that in no case shall notice be required under such amendment before such date.

### CHAPTER 3—AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986

### SEC. 231. COBRA CONTINUATION BENEFITS FOR CERTAIN RETIRED WORKERS WHO LOSE RETIREE HEALTH COVERAGE.

(a) Establishment of New Qualifying Event.—

(1) In general.—Section 4980B(f)(3) of the Internal Revenue Code of 1986 is amended by inserting after subparagraph (F) the following new subparagraph:

"(G) The termination or substantial reduction in benefits (as defined in subsection (g)(6)) of group health plan coverage as a result of plan changes or termination in the case of a covered employee who is a qualified retiree.".

(2) Qualified retiree; qualified beneficiary; and substantial reduction defined.—Section 4980B(g) of such Code is amended—

(A) in paragraph (1)—

(i) in subparagraph (A), by inserting "except as otherwise provided in this paragraph," after "means,"; and

(ii) by adding at the end the following new subparagraph:

"(E) Special rule for qualifying retirees and dependents.—In the case of a qualifying event described in subsection (f)(3)(G), the term 'qualified beneficiary' means a qualified retiree and any other individual who, on the day before such qualifying event, is a beneficiary under the plan on the basis of the individual's relationship to such qualified retiree."; and

(B) by adding at the end the following new paragraphs:

"(5) Qualified retiree.—The term 'qualified retiree' means, with respect to a qualifying event described in subsection (f)(3)(G), a covered employee who, at the time of the event—

"(A) has attained 55 years of age; and

"(B) was receiving group health coverage under the plan by reason of the retirement of the covered employee.

"(6) Substantial reduction.—The term 'substantial reduction'—

"(A) means, as determined under regulations of the Secretary of Labor and with respect to a qualified beneficiary, a reduction in the average actuarial value of benefits under the plan (through reduction or elimination of benefits, an increase in premiums, deductibles, copayments, and coinsurance, or any combination thereof), since the date of commencement of coverage of the beneficiary by reason of the retirement of the covered employee (or, if later, July 12, 2000), in an amount equal to at least 50 percent of the total average actuarial value of the benefits under the plan as of such date (taking into account an appropriate adjustment to permit comparison of values over time); and

"(B) includes an increase in premiums required to an amount that exceeds the premium level described in the fourth sentence of subsection (f)(2)(C).".

(b) Duration of Coverage Through Age 65.—Section 4980B(f)(2)(B)(i) of such Code is amended—

(1) in subclause (II), by inserting "or (3)(G)" after "(3)(F)";

(2) in subclause (IV), by striking "or (3)(F)" and inserting ", (3)(F), or (3)(G)";

(3) by redesignating subclause (IV) as subclause (VI);

(4) by redesignating subclause (V) as subclause (IV) and by moving such clause to immediately follow subclause (III); and

(5) by inserting after such subclause (IV) the following new subclause:

"(V) Special rule for certain beneficiaries in case of termination or substantial reduction of retiree health coverage.—In the case of a qualifying event described in paragraph (3)(G), in the case of a qualified beneficiary described in subsection (g)(1)(E) who is not the qualified retiree or spouse of such retiree, the later of—

"(a) the date that is 36 months after the earlier of the date the qualified retiree becomes entitled to benefits under title XVIII of the Social Security Act, or the date of the death of the qualified retiree; or

"(b) the date that is 36 months after the date of the qualifying event.".

(c) Type of Coverage in Case of Termination or Substantial Reduction of Retiree Health Coverage.—Section 4980B(f)(2)(A) of such Code is amended—

(1) by striking "The coverage" and inserting the following:

"(i) In general.—Except as provided in clause (ii), the coverage"; and

(2) by adding at the end the following:

"(ii) Certain retirees.—In the case of a qualifying event described in paragraph (3)(G), in applying the first sentence of clause (i) and the fourth sentence of subparagraph (C), the coverage offered that is the most prevalent coverage option (as determined under regulations of the Secretary of Labor) continued under the group health plan (or, if none, under the most prevalent other plan offered by the same plan sponsor) shall be treated as the coverage described in such sentence, or (at the option of the plan and qualified beneficiary) such other coverage option as may be offered and elected by the qualified beneficiary involved.".

(d) Increased Level of Premiums Permitted.—Section 4980B(f)(2)(C) of such Code is amended by adding at the end the following new sentence: "In the case of an individual provided continuation coverage by reason of a qualifying event described in paragraph (3)(G), any reference in clause (i) of this subparagraph to '102 percent of the applicable premium' is deemed a reference to '125 percent of the applicable premium for employed individuals (and their dependents, if applicable) for the coverage option referred to in subparagraph (A)(ii)'.".

(e) Notice.—Section 4980B(f)(6) of such Code is amended—

(1) in subparagraph (D)(i), by striking "or (F)" and inserting "(F), or (G)"; and

(2) by adding at the end the following:

"The notice under subparagraph (D)(i) in the case of a qualifying event described in paragraph (3)(G) shall be provided at least 90 days before the date of the qualifying event.".

(f) Effective Dates.—

(1) In general.—The amendments made by this section (other than subsection (e)(2)) shall apply to qualifying events occurring on or after July 12, 2000. In the case of a qualifying event occurring on or after such date and before the date of the enactment of this Act, such event shall be deemed (for purposes of such amendments) to have occurred on the date of the enactment of this Act.

(2) Advance notice of terminations and reductions.—The amendment made by subsection (e)(2) shall apply to qualifying events occurring after the date of the enactment of this Act, except that in no case shall notice be required under such amendment before such date.

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## HARKIN (AND OTHERS) AMENDMENT NO. 3847

Mr. HARKIN (for himself, Mr. Daschle, Mrs. Feinstein, Mr. Kennedy, and Mr. Reid) proposed an amendment to the bill, H.R. 4810, supra; as follows:

At the end of the bill, add the following:

### TITLE —PAYCHECK FAIRNESS

### SEC. 01. SHORT TITLE.

This title may be cited as the "Paycheck Fairness Act".

### SEC. 02. FINDINGS.

Congress makes the following findings:

(1) Women have entered the workforce in record numbers.

(2) Even in the 1990's, women earn significantly lower pay than men for work on jobs that require equal skill, effort, and responsibility and that are performed under similar working conditions. These pay disparities exist in both the private and governmental sectors. In many instances, the pay disparities can only be due to continued intentional discrimination or the lingering effects of past discrimination.

(3) The existence of such pay disparities—

(A) depresses the wages of working families who rely on the wages of all members of the family to make ends meet;

(B) prevents the optimum utilization of available labor resources;

(C) has been spread and perpetuated, through commerce and the channels and instrumentalities of commerce, among the workers of the several States;

(D) burdens commerce and the free flow of goods in commerce;

(E) constitutes an unfair method of competition in commerce;

(F) leads to labor disputes burdening and obstructing commerce and the free flow of goods in commerce;

(G) interferes with the orderly and fair marketing of goods in commerce; and

(H) in many instances, may deprive workers of equal protection on the basis of sex in violation of the 5th and 14th amendments.

(4)(A) Artificial barriers to the elimination of discrimination in the payment of wages on the basis of sex continue to exist more than 3 decades after the enactment of the Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq.) and the Civil Rights Act of 1964 (42 U.S.C. 2000a et seq.).

(B) Elimination of such barriers would have positive effects, including—

(i) providing a solution to problems in the economy created by unfair pay disparities;

(ii) substantially reducing the number of working women earning unfairly low wages, thereby reducing the dependence on public assistance; and

(iii) promoting stable families by enabling all family members to earn a fair rate of pay;

(iv) remedying the effects of past discrimination on the basis of sex and ensuring that in the future workers are afforded equal protection on the basis of sex; and

(v) ensuring equal protection pursuant to Congress' power to enforce the 5th and 14th amendments.

(5) With increased information about the provisions added by the Equal Pay Act of 1963 and wage data, along with more effective remedies, women will be better able to recognize and enforce their rights to equal pay for work on jobs that require equal skill, effort, and responsibility and that are performed under similar working conditions.

(6) Certain employers have already made great strides in eradicating unfair pay disparities in the workplace and their achievements should be recognized.

**SEC. 03. ENHANCED ENFORCEMENT OF EQUAL PAY REQUIREMENTS.**

(a) REQUIRED DEMONSTRATION FOR AFFIRMATIVE DEFENSE.—Section 6(d)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(d)(1)) is amended by striking "(iv) a differential" and all that follows through the period and inserting the following: "(iv) a differential based on a bona fide factor other than sex, such as education, training or experience, except that this clause shall apply only if—

"(I) the employer demonstrates that—

"(aa) such factor—

"(AA) is job-related with respect to the position in question; or

"(BB) furthers a legitimate business purpose, except that this item shall not apply where the employee demonstrates that an alternative employment practice exists that would serve the same business purpose without producing such differential and that the employer has refused to adopt such alternative practice; and

"(bb) such factor was actually applied and used reasonably in light of the asserted justification; and

"(II) upon the employer succeeding under subclause I, the employee fails to demonstrate that the differential produced by the reliance of the employer on such factor is itself the result of discrimination on the basis of sex by the employer.

"An employer that is not otherwise in compliance with this paragraph may not reduce the wages of any employee in order to achieve such compliance.".

(b) APPLICATION OF PROVISIONS.—Section 6(d)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(d)(1)) is amended by adding at the end the following: "The provisions of this subsection shall apply to applicants for employment if such applicants, upon employment by the employer, would be subject to any provisions of this section.".

(c) ELIMINATION OF ESTABLISHMENT REQUIREMENT.—Section 6(d) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(d)) is amended—

(1) by striking ", within any establishment in which such employees are employed,"; and

(2) by striking "in such establishment" each place it appears.

(d) NONRETALIATION PROVISION.—Section 15(a)(3) of the Fair Labor Standards Act of 1938 (29 U.S.C. 215(a)(3)) is amended—

(1) by striking "or has" each place it appears and inserting "has"; and

(2) by inserting before the semicolon the following: ", or has inquired about, discussed, or otherwise disclosed the wages of the employee or another employee, or because the employee (or applicant) has made a charge, testified, assisted, or participated in any manner in an investigation, proceeding, hearing, or action under section 6(d)".

(e) ENHANCED PENALTIES.—Section 16(b) of the Fair Labor Standards Act of 1938 (29 U.S.C. 216(b)) is amended—

(1) by inserting after the first sentence the following: "Any employer who violates section 6(d) shall additionally be liable for such compensatory or punitive damages as may be appropriate, except that the United States shall not be liable for punitive damages.";

(2) in the sentence beginning "An action to", by striking "either of the preceding sentences" and inserting "any of the preceding sentences of this subsection";

(3) in the sentence beginning "No employees shall", by striking "No employees" and inserting "Except with respect to class actions brought to enforce section 6(d), no employee";

(4) by inserting after the sentence referred to in paragraph (3), the following: "Notwithstanding any other provision of Federal law, any action brought to enforce section 6(d) may be maintained as a class action as provided by the Federal Rules of Civil Procedure."; and

(5) in the sentence beginning "The court in"—

(A) by striking "in such action" and inserting "in any action brought to recover the liability prescribed in any of the preceding sentences of this subsection"; and

(B) by inserting before the period the following: ", including expert fees".

(f) ACTION BY SECRETARY.—Section 16(c) of the Fair Labor Standards Act of 1938 (29 U.S.C. 216(c)) is amended—

(1) in the first sentence—

(A) by inserting "or, in the case of a violation of section 6(d), additional compensatory or punitive damages," before "and the agreement"; and

(B) by inserting before the period the following: ", or such compensatory or punitive damages, as appropriate";

(2) in the second sentence, by inserting before the period the following: "and, in the case of a violation of section 6(d), additional compensatory or punitive damages";

(3) in the third sentence, by striking "the first sentence" and inserting "the first or second sentence"; and

(4) in the last sentence—

(A) by striking "commenced in the case" and inserting "commenced—

"(1) in the case";

(B) by striking the period and inserting "; or"; and

(C) by adding at the end the following:

"(2) in the case of a class action brought to enforce section 6(d), on the date on which the individual becomes a party plaintiff to the class action".

**SEC. 04. TRAINING.**

The Equal Employment Opportunity Commission and the Office of Federal Contract Compliance Programs, subject to the availability of funds appropriated under section 09(b), shall provide training to Commission employees and affected individuals and entities on matters involving discrimination in the payment of wages.

**SEC. 05. RESEARCH, EDUCATION, AND OUTREACH.**

The Secretary of Labor shall conduct studies and provide information to employers, labor organizations, and the general public concerning the means available to eliminate pay disparities between men and women, including—

(1) conducting and promoting research to develop the means to correct expeditiously the conditions leading to the pay disparities;

(2) publishing and otherwise making available to employers, labor organizations, professional associations, educational institutions, the media, and the general public the findings resulting from studies and other materials, relating to eliminating the pay disparities;

(3) sponsoring and assisting State and community informational and educational programs;

(4) providing information to employers, labor organizations, professional associations, and other interested persons on the means of eliminating the pay disparities;

(5) recognizing and promoting the achievements of employers, labor organizations, and professional associations that have worked to eliminate the pay disparities; and

(6) convening a national summit to discuss, and consider approaches for rectifying, the pay disparities.

**SEC. 06. TECHNICAL ASSISTANCE AND EMPLOYER RECOGNITION PROGRAM.**

(a) GUIDELINES.—

(1) IN GENERAL.—The Secretary of Labor shall develop guidelines to enable employers to evaluate job categories based on objective criteria such as educational requirements, skill requirements, independence, working conditions, and responsibility, including decisionmaking responsibility and de facto supervisory responsibility.

(2) USE.—The guidelines developed under paragraph (1) shall be designed to enable employers voluntarily to compare wages paid for different jobs to determine if the pay scales involved adequately and fairly reflect the educational requirements, skill requirements, independence, working conditions, and responsibility for each such job with the goal of eliminating unfair pay disparities between occupations traditionally dominated by men or women.

(3) PUBLICATION.—The guidelines shall be developed under paragraph (1) and published in the Federal Register not later than 180 days after the date of enactment of this Act.

(b) EMPLOYER RECOGNITION.—

(1) PURPOSE.—It is the purpose of this subsection to emphasize the importance of, encourage the improvement of, and recognize the excellence of employer efforts to pay wages to women that reflect the real value of the contributions of such women to the workplace.

(2) IN GENERAL.—To carry out the purpose of this subsection, the Secretary of Labor shall establish a program under which the Secretary shall provide for the recognition of

employers who, pursuant to a voluntary job evaluation conducted by the employer, adjust their wage scales (such adjustments shall not include the lowering of wages paid to men) using the guidelines developed under subsection (a) to ensure that women are paid fairly in comparison to men.

(3) Technical assistance.—The Secretary of Labor may provide technical assistance to assist an employer in carrying out an evaluation under paragraph (2).

(c) Regulations.—The Secretary of Labor shall promulgate such rules and regulations as may be necessary to carry out this section.

### SEC. 07. ESTABLISHMENT OF THE NATIONAL AWARD FOR PAY EQUITY IN THE WORKPLACE.

(a) In General.—There is established the Robert Reich National Award for Pay Equity in the Workplace, which shall be evidenced by a medal bearing the inscription "Robert Reich National Award for Pay Equity in the Workplace". The medal shall be of such design and materials, and bear such additional inscriptions, as the Secretary of Labor may prescribe.

(b) Criteria for Qualification.—To qualify to receive an award under this section a business shall—

(1) submit a written application to the Secretary of Labor, at such time, in such manner, and containing such information as the Secretary may require, including at a minimum information that demonstrates that the business has made substantial effort to eliminate pay disparities between men and women, and deserves special recognition as a consequence; and

(2) meet such additional requirements and specifications as the Secretary of Labor determines to be appropriate.

(c) Making and Presentation of Award.—

(1) Award.—After receiving recommendations from the Secretary of Labor, the President or the designated representative of the President shall annually present the award described in subsection (a) to businesses that meet the qualifications described in subsection (b).

(2) Presentation.—The President or the designated representative of the President shall present the award under this section with such ceremonies as the President or the designated representative of the President may determine to be appropriate.

(d) Business.—In this section, the term "business" includes—

(1)(A) a corporation, including a nonprofit corporation;

(B) a partnership;

(C) a professional association;

(D) a labor organization; and

(E) a business entity similar to an entity described in any of subparagraphs (A) through (D);

(2) an entity carrying out an education referral program, a training program, such as an apprenticeship or management training program, or a similar program; and

(3) an entity carrying out a joint program, formed by a combination of any entities described in paragraph (1) or (2).

### SEC. 08. COLLECTION OF PAY INFORMATION BY THE EQUAL EMPLOYMENT OPPORTUNITY COMMISSION.

Section 709 of the Civil Rights Act of 1964 (42 U.S.C. 2000e–8) is amended by adding at the end the following:

"(f)(1) Not later than 18 months after the date of enactment of this subsection, the Commission shall—

"(A) complete a survey of the data that is currently available to the Federal Government relating to employee pay information for use in the enforcement of Federal laws prohibiting pay discrimination and, in consultation with other relevant Federal agencies, identify additional data collections that will enhance the enforcement of such laws; and

"(B) based on the results of the survey and consultations under subparagraph (A), issue regulations to provide for the collection of pay information data from employers as described by the sex, race, and national origin of employees.

"(2) In implementing paragraph (1), the Commission shall have as its primary consideration the most effective and efficient means for enhancing the enforcement of Federal laws prohibiting pay discrimination. For this purpose, the Commission shall consider factors including the imposition of burdens on employers, the frequency of required reports (including which employers should be required to prepare reports), appropriate protections for maintaining data confidentiality, and the most effective format for the data collection reports.".

### SEC. 09. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out this title.

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## KENNEDY (AND ROCKEFELLER) AMENDMENT NO. 3848

Mr. KENNEDY (for himself and Mr. Rockefeller) proposed an amendment to the bill, H.R. 4810, supra; as follows:

At the end of the bill, add the following:

### DIVISION —FAMILYCARE COVERAGE OF PARENTS UNDER THE MEDICAID PROGRAM AND SCHIP

### SEC. 1. FAMILYCARE COVERAGE OF PARENTS UNDER THE MEDICAID PROGRAM AND SCHIP.

(a) Incentives to Implement FamilyCare Coverage.—

(1) Under medicaid.—

(A) Establishment of new optional eligibility category.—Section 1902(a)(10)(A)(ii) of the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(ii)) is amended—

(i) by striking "or" at the end of subclause (XVI);

(ii) by adding "or" at the end of subclause (XVII); and

(iii) by adding at the end the following new subclause:

"(XVIII) who are parents described in subsection (k)(1), but only if the State meets the conditions described in subsection (k)(2);".

(B) Conditions for coverage.—Section 1902 of such Act is further amended by inserting after subsection (j) the following new subsection:

"(k)(1)(A) Parents described in this paragraph are the parents of an individual who is under 19 years of age (or such higher age as the State may have elected under section 1902(l)(1)(D)) and who is eligible for medical assistance under subsection (a)(10)(A), if—

"(i) such parents are not otherwise eligible for such assistance under such subsection; and

"(ii) the income of a family that includes such parents does not exceed an income level specified by the State consistent with paragraph (2)(B).

"(B) In this subsection, the term 'parent' has the meaning given the term 'caretaker' for purposes of carrying out section 1931.

"(2) The conditions for a State to provide medical assistance under subsection (a)(10)(A)(ii)(XVIII) are as follows:

"(A) The State has a State child health plan under title XXI which (whether implemented under such title or under this title)—

"(i) has an income standard that is at least 200 percent of the poverty line for children; and

"(ii) does not limit the acceptance of applications, does not use a waiting list for children who meet eligibility standards to qualify for assistance, and provides benefits to all children in the State who apply for and meet eligibility standards.

"(B) The income level specified under paragraph (1)(A)(ii) for parents in a family may not be less than the income level provided under section 1931 and may not exceed the highest income level applicable to a child in the family under this title. A State may not cover such parents with higher family income without covering parents with a lower family income.

"(3) In the case of a parent described in paragraph (1) who is also the parent of a child who is eligible for child health assistance under title XXI, the State may elect (on a uniform basis) to cover all such parents under section 2111 or under subsection (a)(10)(A).".

(C) Enhanced matching funds available.—Section 1905 of such Act (42 U.S.C. 1396d) is amended—

(i) in the fourth sentence of subsection (b), by striking "or subsection (u)(3)" and inserting ", (u)(3), or (u)(4)"; and

(ii) in subsection (u)—

(I) by redesignating paragraph (4) as paragraph (5), and

(II) by inserting after paragraph (3) the following new paragraph:

"(4) For purposes of subsection (b), the expenditures described in this paragraph are expenditures for medical assistance made available under section 1902(a)(10)(A)(ii)(XVIII) for parents described in section 1902(k)(1) in a family the income of which exceeds the income level applicable under section 1931 to a family of the size involved as of January 1, 2000.".

(2) Under schip.—

(A) FamilyCare coverage.—Title XXI of such Act is amended by adding at the end the following new section:

### "SEC. 2111. OPTIONAL FAMILYCARE COVERAGE OF PARENTS OF TARGETED LOW-INCOME CHILDREN.

"(a) Optional Coverage.—Notwithstanding any other provision of this title, a State child health plan may provide for coverage, through an amendment to its State child health plan under section 2102, of FamilyCare assistance for targeted low-income parents in accordance with this section, but only if the State meets the conditions described in section 1902(k)(2).

"(b) Definitions.—For purposes of this section:

"(1) FamilyCare assistance.—The term 'FamilyCare assistance' has the meaning given the term child health assistance in section 2110(a) as if any reference to targeted low-income children were a reference to targeted low-income parents.

"(2) Targeted low-income parent.—The term 'targeted low-income parent' has the meaning given the term targeted low-income child in section 2110(b) as if any reference to a child were deemed a reference to a parent (as defined in paragraph (3)) of the child; except that in applying such section—

"(A) there shall be substituted for the income limit described in paragraph (1)(B)(ii)(I) the applicable income limit in effect for a targeted low-income child;

"(B) in paragraph (1)(B)(ii)(II), January 1, 2000, shall be substituted for June 1, 1997; and

"(C) in paragraph (3), January 1, 2000, shall be substituted for July 1, 1997.

"(3) Parent.—The term 'parent' has the meaning given the term 'caretaker' for purposes of carrying out section 1931.

"(c) References to Terms and Special Rules.—In the case of, and with respect to, a State providing for coverage of FamilyCare assistance to targeted low-income parents under subsection (a), the following special rules apply:

"(1) Any reference in this title (other than subsection (b)) to a targeted low-income child is deemed to include a reference to a targeted low-income parent.

"(2) Any such reference to child health assistance with respect to such parents is deemed a reference to FamilyCare assistance.

"(3) In applying section 2103(e)(3)(B) in the case of a family provided coverage under this section, the limitation on total annual aggregate cost-sharing shall be applied to the entire family.

"(4) In applying section 2110(b)(4), any reference to 'section 1902(l)(2) or 1905(n)(2) (as selected by a State)' is deemed a reference to the income level applicable to parents under section 1931.".

(B) Addition of familycare allotment.—

(i) In general.—Section 2104 of such Act (42 U.S.C. 1397dd) is amended—

(I) by redesignating subsections (e) and (f) as subsections (f) and (g), respectively, and by striking "subsection (e)" and "subsection (f)" each place it appears in such subsections and inserting "subsection (f)" and "subsection (g)", respectively; and

(II) by inserting after subsection (d) the following new subsection:

"(d) Additional FamilyCare Allotments.—

"(1) Appropriation; total allotment.—For the purpose of providing FamilyCare allotments to States under this subsection, there is appropriated, out of any money in the Treasury not otherwise appropriated—

"(A) for fiscal year 2002, $2,000,000,000;

"(B) for fiscal year 2003, $2,000,000,000;

"(C) for fiscal year 2004, $3,000,000,000;

"(D) for fiscal year 2005, $3,000,000,000;

"(E) for fiscal year 2006, $6,000,000,000;

"(F) for fiscal year 2007, $7,000,000,000;

"(G) for fiscal year 2008, $8,000,000,000;

"(H) for fiscal year 2009, $9,000,000,000;

"(I) for fiscal year 2010, $10,000,000,000; and

"(J) for fiscal year 2011 and each fiscal year thereafter, the amount of the allotment provided under this paragraph for the preceding fiscal year increased by the same percentage as the percentage increase in the medical care expenditure category of the Consumer Price Index for All Urban Consumers (United States city average) for such preceding fiscal year.".

"(2) State allotments.—

"(A) In general.—In addition to the allotments otherwise provided under subsections (b) and (c), subject to paragraph (4), of the amount available for the FamilyCare allotment under paragraph (1) for a fiscal year, reduced by the amount of allotments made under paragraph (3) for the fiscal year, the Secretary shall allot to each State (other than a State described in such paragraph) with a State child health plan approved under this title and which has elected to provide coverage under this section the same proportion as the proportion of the State's allotment under section 2104(b) (determined without regard to section 2104(f)) to the total amount of the allotments under such section.

"(B) Unused allotments.—Any unused allotments under subparagraph (A) shall be subject to redistribution in the same manner as that provided under section 2104(f)).

"(3) Allotments to territories.—Of the amount available for the FamilyCare allotment under paragraph (1) for a fiscal year, subject to paragraph (4), the Secretary shall consult with members of Congress, representatives of commonwealths and territories, experts, and others, to determine appropriate allotments for each of the commonwealths and territories described in section 2104(c)(3) with a State child health plan approved under this title that has elected to provide coverage under this section.

"(4) Certain medicaid expenditures counted against individual state familycare allotments.—The amount of the allotment otherwise provided to a State under paragraph (2) or (3) for a fiscal year (before fiscal year 2006) shall be reduced by the amount (if any) of the payments made to that State under section 1903(a) for expenditures claimed by the State during such fiscal year that is attributable to the provision of medical assistance to a parent described in section 1902(k)(1) for which payment is made under section 1903(a)(1) on the basis of an enhanced FMAP under the fourth sentence of section 1905(b).".

(ii) Conforming amendments.—Such section is further amended—

(I) in subsection (a), by inserting "subject to subsection (e)," after "under this section,"; and

(II) in subsection (b)(1), by striking "subsection (d)" and inserting "subsections (d) and (e)".

(3) Effective date.—The amendments made by this subsection apply to items and services furnished on or after October 1, 2000.

(b) Rules for Implementation Beginning with Fiscal Year 2006.—

(1) Fail-safe eligibility under medicaid.—Section 1902(a)(10)(A)(i) of the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(i)) is amended—

(A) by striking "or" at the end of subclause (VI);

(B) by adding "or" at the end of subclause (VII); and

(C) by adding at the end the following new subclause:

"(VIII) an individual who would be a parent described in subsection (k)(1) if the income level specified in subsection (k)(2)(B) were equal to at least 100 percent of the poverty line referred to in such subsection,".

(2) Expansion of availability of enhanced match under medicaid.—Paragraph (4) of section 1905(u) of such Act (42 U.S.C. 1396d(u)), as inserted by subsection (a)(1)(C)(ii)(II), is amended—

(A) by inserting before the period at the end the following: "or in a family the income of which exceeds 100 percent of the poverty line applicable to a family of the size involved or made available under section 1902(a)(10)(A)(i)(VIII)"; and

(B) by designating the matter beginning "made available" as subparagraph (A) with an appropriate indentation, by striking the period at the end and inserting "; and", and by adding at the end the following new subparagraph:

"(B) made available to any child who is eligible for assistance under section 1902(a)(10)(A) and the income of whose family exceeds the minimum income level required under subsection 1902(l)(2) for a child of the age involved.".

(3) Elimination of schip allotment offset for familycare assistance provided to parents below poverty.—Section 2104(d) of such Act (42 U.S.C. 1397dd(d)) is amended by inserting before the period at the end the following: ", except that no such reduction shall be made with respect to medical assistance provided under section 1902(a)(10)(A)(ii)(XVIII) or 1902(a)(10)(A)(i)(VIII) with respect to a parent whose family income does not exceed 100 percent of the poverty line".

(4) Effective date.—The amendments made by this subsection apply as of October 1, 2005, to fiscal years beginning on or after such date and to expenditures under the State plan on and after such date.

(c) Making SCHIP Base Allotments Permanent.—Section 2104(a) of such Act (42 U.S.C. 1397dd(a)) is amended—

(1) by striking "and" at the end of paragraph (9);

(2) by striking the period at the end of paragraph (10) and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(11) for fiscal year 2008 and each fiscal year thereafter, the amount of the allotment provided under this subsection for the preceding fiscal year increased by the same percentage as the percentage increase in the medical care expenditure category of the Consumer Price Index for All Urban Consumers (United States city average) for such preceding fiscal year.".

(d) Conforming Amendments.—

(1) Eligibility categories.— Section 1905(a) of such Act (42 U.S.C. 1396d(a)) is amended, in the matter before paragraph (1)—

(A) by striking "or" at the end of clause (xi);

(B) by inserting "or" at the end of clause (xii); and

(C) by inserting after clause (xii) the following new clause:

"(xiii) who are parents described (or treated as if described) in section 1902(k)(1),".

(2) Income limitations.—Section 1903(f)(4) of such Act (42 U.S.C. 1396b(f)(4)) is amended—

(A) by inserting "1902(a)(10)(A)(i)(VIII)," after "1902(a)(10)(A)(i)(VII),"; and

(B) by inserting "1902(a)(10)(A)(ii)(XVII), 1902(a)(10)(A)(ii)(XVIII)," before "or 1905(p)(1)".

### SEC. 2. AUTOMATIC ENROLLMENT OF CHILDREN BORN TO SCHIP PARENTS.

Section 2102(b)(1) of the Social Security Act (42 U.S.C. 1397bb(b)(1)) is amended by adding at the end the following new subparagraph:

"(C) Automatic eligibility of children born to a parent being provided familycare.—Such eligibility standards shall provide for automatic coverage of a child born to a parent who is provided familycare assistance under section 2111 in the same manner as medical assistance would be provided under section 1902(e)(4) to a child described in such section.".

### SEC. 3. OPTIONAL COVERAGE OF CHILDREN THROUGH AGE 20 UNDER THE MEDICAID PROGRAM AND SCHIP.

(a) Medicaid.—

(1) In general.—Section 1902(l)(1)(D) of the Social Security Act (42 U.S.C. 1396a(l)(1)(D)) is amended by inserting "(or, at the election of a State, 20 or 21 years of age)" after "19 years of age".

(2) Conforming amendments.—

(A) Section 1902(e)(3)(A) of such Act (42 U.S.C. 1396a(e)(3)(A)) is amended by inserting "(or 1 year less than the age the State has elected under subsection (l)(1)(D))" after "18 years of age".

(B) Section 1902(e)(12) of such Act (42 U.S.C. 1396a(e)(12)) is amended by inserting "or such higher age as the State has elected under subsection (l)(1)(D)" after "19 years of age".

(C) Section 1902(l)(5) of such Act (42 U.S.C. 1396a(l)(5)), as added by section 4(a), is amended by inserting "(or such higher age as the State has elected under paragraph (1)(D))" after "19 years of age".

(D) Section 1920A(b)(1) of such Act (42 U.S.C. 1396r–1a(b)(1)) is amended by inserting "or such higher age as the State has elected under section 1902(l)(1)(D)" after "19 years of age".

(E) Section 1928(h)(1) of such Act (42 U.S.C. 1396s(h)(1)) is amended by inserting "or 1 year less than the age the State has elected under section 1902(l)(1)(D)" before the period at the end.

(F) Section 1932(a)(2)(A) of such Act (42 U.S.C. 1396u–2(a)(2)(A)) is amended by inserting "(or such higher age as the State has elected under section 1902(l)(1)(D))" after "19 years of age".

(b) SCHIP.—Section 2110(c)(1) of such Act (42 U.S.C. 1397jj(c)(1)) is amended by inserting "(or such higher age as the State has elected under section 1902(l)(1)(D))".

(c) Effective Date.—The amendments made by this section take effect on October 1, 2000, and apply to medical assistance and child health assistance provided on or after such date.

### SEC. 4. APPLICATION OF SIMPLIFIED SCHIP PROCEDURES UNDER THE MEDICAID PROGRAM.

(a) In General.—Section 1902(l) of the Social Security Act (42 U.S.C. 1396a(l)) is amended—

(1) in paragraph (3), by inserting "subject to paragraph (5)", after "Notwithstanding subsection (a)(17),"; and

(2) by adding at the end the following new paragraph:

"(5) With respect to determining the eligibility of individuals under 19 years of age for medical assistance under subsection (a)(10)(A), notwithstanding any other provision of this title, if the State has established a State child health plan under title XXI—

"(A) the State may not apply a resource standard if the State does not apply such a standard under such child health plan;

"(B) the State shall use same simplified eligibility form (including, if applicable, permitting application other than in person) as the State uses under such State child health plan; and

"(C) the State shall provide for redeterminations of eligibility using the same forms and frequency as the State uses for redeterminations of eligibility under such State child health plan.".

(b) Use of Uniform Application and Coordinated Enrollment Process.—

(1) SCHIP program.—Section 2102 (42 U.S.C. 1397bb) is amended by adding at the end the following new subsection:

"(d) Development and Use of Uniform Application Forms and Coordinated Enrollment Process.—A State child health plan shall provide, by not later than the first day of the first month that begins more than 6 months after the date of the enactment of this subsection, for—

"(1) the development and use of a uniform, simplified application form which is used both for purposes of establishing eligibility for benefits under this title and also under title XIX; and

"(2) an enrollment process that is coordinated with that under title XIX so that a family need only interact with a single agency in order to determine whether a child is eligible for benefits under this title or title XIX.".

(2) Medicaid conforming amendment.—

(A) In general.—Section 1902(a) (42 U.S.C. 1396a(a)) is amended—

(i) in paragraph (64), by striking "and" at the end;

(ii) by striking the period at the end of paragraph (65) and inserting "; and", and

(iii) by inserting after paragraph (65) the following new paragraph:

"(66) provide, by not later than the first day of the first month that begins more than 6 months after the date of the enactment of this paragraph, in the case of a State with a State child health plan under title XXI for—

"(A) the development and use of a uniform, simplified application form which is used both for purposes of establishing eligibility for benefits under this title and also under title XXI; and

"(B) establishment and operation of an enrollment process that is coordinated with that under title XXI so that a family need only interact with a single agency in order to determine whether a child is eligible for benefits under this title or title XXI.".

(B) Effective date.—The amendments made by subparagraph (A) apply to calendar quarters beginning more than 6 months after the date of the enactment of this Act.

(b) Additional Entities Qualified to Determine Medicaid Presumptive Eligibility for Low-income Children.—

(1) In general.—Section 1920A(b)(3)(A)(i) of such Act (42 U.S.C. 1396r–1a(b)(3)(A)(i)) is amended—

(A) by striking "or (II)" and inserting ", (II)"; and

(B) by inserting "eligibility of a child for medical assistance under the State plan under this title, or eligibility of a child for child health assistance under the program funded under title XXI, (III) is an elementary school or secondary school, as such terms are defined in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801), an elementary or secondary school operated or supported by the Bureau of Indian Affairs, a State child support enforcement agency, a child care resource and referral agency, an organization that is providing emergency food and shelter under a grant under the Stewart B. McKinney Homeless Assistance Act, or a State office or entity involved in enrollment in the program under this title, under part A of title IV, under title XXI, or that determines eligibility for any assistance or benefits provided under any program of public or assisted housing that receives Federal funds, including the program under section 8 or any other section of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.), or (IV) any other entity the State so deems, as approved by the Secretary" before the semicolon.

(2) Technical amendments.—Section 1920A of such Act (42 U.S.C. 1396r-1a) is amended—

(A) in subsection (b)(3)(A)(ii), by striking "paragraph (1)(A)" and inserting "paragraph (2)(A)"; and

(B) in subsection (c)(2), in the matter preceding subparagraph (A), by striking "subsection (b)(1)(A)" and inserting "subsection (b)(2)(A)".

(c) Elimination of Funding Offset for Exercise of Presumptive Eligibility Option.—

(1) In general.—Section 2104(d) of such Act (42 U.S.C. 1397dd(d)) is amended by striking "the sum of—" and all that follows through "(2)" and conforming the margins of all that remains accordingly.

(2) Effective date.—The amendment made by paragraph (1) is effective as if included in the enactment of the Balanced Budget Act of 1997.

(d) Use of School Lunch Information in Eligibility Determinations.—Section 9(b)(2)(C)(iii) of the National School Lunch Act (42 U.S.C. 1758(b)(2)(C)(iii)) is amended—

(1) in subclause (II), by striking "and" at the end;

(2) in subclause (III), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(IV) the agency administering a State plan under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) or a State child health plan under title XXI of that Act (42 U.S.C. 1397aa et seq.) solely for the purpose of identifying children eligible for benefits under, and enrolling children in, any such plan, except that this subclause shall apply with respect to the agency from which the information would be obtained only if the State and the agency so elect.".

(e) Automatic Reassessment of Eligibility for SCHIP and Medicaid Benefits for Children Losing Medicaid or SCHIP Eligibility.—

(1) Loss of medicaid eligibility.—Section 1902(a)(66) (42 U.S.C. 1396a(a)(66)), as inserted by subsection (b)(2), is amended—

(A) by striking "and" at the end of subparagraph (B),

(B) by striking the period at the end of subparagraph (C) and inserting "; and"; and

(C) by adding at the end the following new subparagraph:

"(D) the automatic assessment, in the case of a child who loses eligibility for medical assistance under this title on the basis of changes in income, assets, or age, of whether the child is eligible for benefits under title XXI and, if so eligible, automatic enrollment under such title without the need for a new application.".

(2) Loss of SCHIP eligibility.—Section 2102(b)(3) (42 U.S.C. 1397bb(b)(3)) is amended by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F), respectively, and by inserting after subparagraph (C) the following new subparagraph:

"(D) that there is an automatic assessment, in the case of a child who loses eligibility for child health assistance under this title on the basis of changes in income, assets, or age, of whether the child is eligible for medical assistance under title XIX and, if so eligible, there is automatic enrollment under such title without the need for a new application;".

(3) Effective date.—The amendments made by paragraphs (1) and (2) apply to children who lose eligibility under the medicaid program under title XIX, or under a State child health insurance plan under title XXI, respectively, of the Social Security Act on or after the date that is 30 days after the date of enactment of this Act.

### SEC. 5. MAKING WELFARE-TO-WORK TRANSITION UNDER THE MEDICAID PROGRAM PERMANENT.

Subsection (f) of section 1925 of the Social Security Act (42 U.S.C. 1396r–6) is repealed.

### SEC. 6. OPTIONAL COVERAGE OF LEGAL IMMIGRANTS UNDER THE MEDICAID PROGRAM AND SCHIP.

(a) Medicaid Program.—Section 1903(v) of the Social Security Act (42 U.S.C. 1396b(v)) is amended—

(1) in paragraph (1), by striking "paragraph (2)" and inserting "paragraphs (2) and (4)"; and

(2) by adding at the end the following new paragraph:

"(4)(A) A State may elect (in a plan amendment under this title and notwithstanding any provision of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 to the contrary) to waive the application of sections 401(a), 402(b), 403, and 421 of such Act with respect to eligibility for medical assistance under this title of aliens who are lawfully present in the United States (as defined by the Secretary and including battered aliens described in section 431(c) of such Act), within any or all (or any combination) of eligibility categories, other than the category of aliens described in subparagraph (C).

"(B) For purposes of applying section 213A of the Immigration and Nationality Act, the term 'means-tested public benefits' does not include medical assistance provided to a category of aliens pursuant to a State election and waiver described in subparagraph (A).

"(C) The category of aliens described in this subparagraph is disabled or blind aliens who became disabled or blind before the date of entry into the United States.

"(D) If a State makes an election and waiver under subparagraph (A) with respect to the category of children, the State is deemed to have made such an election and waiver with respect to such category for purposes of its State child health plan under title XXI.".

(b) SCHIP.—Section 2107(e)(1) of such Act (42 U.S.C. 1397gg(e)(1)) is amended by adding at the end the following new subparagraph:

"(D) Section 1903(v)(4)(D) (relating to optional coverage of categories of permanent resident alien children).".

(c) Effective Date.—The amendments made by this section take effect on October 1, 2000, and apply to medical assistance and child health assistance furnished on or after such date.

**SEC. 7. FUNDING.**

Notwithstanding any other provision of law, the Federal outlays necessary to carry out this division and the amendments made by this division to titles XIX and XXI of the Social Security Act (42 U.S.C. 1396 et seq.; 1397aa et seq.) shall not cause an on-budget deficit.

## BROWNBACK AMENDMENT NO. 3849

Mr. BROWNBACK proposed an amendment to the bill, H.R. 4810, supra; as follows:

At the end of the bill, add the following:

### TITLE VI—TAX RELIEF FOR FARMERS

**SEC. 601. FARM, FISHING, AND RANCH RISK MANAGEMENT ACCOUNTS.**

(a) In General.—Subpart C of part II of subchapter E of chapter 1 (relating to taxable year for which deductions taken) is amended by inserting after section 468B the following:

**"SEC. 468C. FARM, FISHING, AND RANCH RISK MANAGEMENT ACCOUNTS.**

"(a) Deduction Allowed.—In the case of an individual engaged in an eligible farming business or commercial fishing, there shall be allowed as a deduction for any taxable year the amount paid in cash by the taxpayer during the taxable year to a Farm, Fishing, and Ranch Risk Management Account (hereinafter referred to as the 'FFARRM Account').

"(b) Limitation.—

"(1) Contributions.—The amount which a taxpayer may pay into the FFARRM Account for any taxable year shall not exceed 20 percent of so much of the taxable income of the taxpayer (determined without regard to this section) which is attributable (determined in the manner applicable under section 1301) to any eligible farming business or commercial fishing.

"(2) Distributions.—Distributions from a FFARRM Account may not be used to purchase, lease, or finance any new fishing vessel, add capacity to any fishery, or otherwise contribute to the overcapitalization of any fishery. The Secretary of Commerce shall implement regulations to enforce this paragraph.

"(c) Eligible Businesses.—For purposes of this section—

"(1) Eligible farming business.—The term 'eligible farming business' means any farming business (as defined in section 263A(e)(4)) which is not a passive activity (within the meaning of section 469(c)) of the taxpayer.

"(2) Commercial fishing.—The term 'commercial fishing' has the meaning given such term by section (3) of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1802) but only if such fishing is not a passive activity (within the meaning of section 469(c)) of the taxpayer.

"(d) FFARRM Account.—For purposes of this section—

"(1) In general.—The term 'FFARRM Account' means a trust created or organized in the United States for the exclusive benefit of the taxpayer, but only if the written governing instrument creating the trust meets the following requirements:

"(A) No contribution will be accepted for any taxable year in excess of the amount allowed as a deduction under subsection (a) for such year.

"(B) The trustee is a bank (as defined in section 408(n)) or another person who demonstrates to the satisfaction of the Secretary that the manner in which such person will administer the trust will be consistent with the requirements of this section.

"(C) The assets of the trust consist entirely of cash or of obligations which have adequate stated interest (as defined in section 1274(c)(2)) and which pay such interest not less often than annually.

"(D) All income of the trust is distributed currently to the grantor.

"(E) The assets of the trust will not be commingled with other property except in a common trust fund or common investment fund.

"(2) Account taxed as grantor trust.—The grantor of a FFARRM Account shall be treated for purposes of this title as the owner of such Account and shall be subject to tax thereon in accordance with subpart E of part I of subchapter J of this chapter (relating to grantors and others treated as substantial owners).

"(e) Inclusion of Amounts Distributed.—

"(1) In general.—Except as provided in paragraph (2), there shall be includible in the gross income of the taxpayer for any taxable year—

"(A) any amount distributed from a FFARRM Account of the taxpayer during such taxable year, and

"(B) any deemed distribution under—

"(i) subsection (f)(1) (relating to deposits not distributed within 5 years),

"(ii) subsection (f)(2) (relating to cessation in eligible farming business), and

"(iii) subparagraph (A) or (B) of subsection (f)(3) (relating to prohibited transactions and pledging account as security).

"(2) Exceptions.—Paragraph (1)(A) shall not apply to—

"(A) any distribution to the extent attributable to income of the Account, and

"(B) the distribution of any contribution paid during a taxable year to a FFARRM Account to the extent that such contribution exceeds the limitation applicable under subsection (b) if requirements similar to the requirements of section 408(d)(4) are met.

For purposes of subparagraph (A), distributions shall be treated as first attributable to income and then to other amounts.

"(f) Special Rules.—

"(1) Tax on deposits in account which are not distributed within 5 years.—

"(A) In general.—If, at the close of any taxable year, there is a nonqualified balance in any FFARRM Account—

"(i) there shall be deemed distributed from such Account during such taxable year an amount equal to such balance, and

"(ii) the taxpayer's tax imposed by this chapter for such taxable year shall be increased by 10 percent of such deemed distribution.

The preceding sentence shall not apply if an amount equal to such nonqualified balance is distributed from such Account to the taxpayer before the due date (including extensions) for filing the return of tax imposed by this chapter for such year (or, if earlier, the date the taxpayer files such return for such year).

"(B) Nonqualified balance.—For purposes of subparagraph (A), the term 'nonqualified balance' means any balance in the Account on the last day of the taxable year which is attributable to amounts deposited in such Account before the 4th preceding taxable year.

"(C) Ordering rule.—For purposes of this paragraph, distributions from a FFARRM Account (other than distributions of current income) shall be treated as made from deposits in the order in which such deposits were made, beginning with the earliest deposits.

"(2) Cessation in eligible business.—At the close of the first disqualification period after a period for which the taxpayer was engaged in an eligible farming business or commercial fishing, there shall be deemed distributed from the FFARRM Account of the taxpayer an amount equal to the balance in such Account (if any) at the close of such disqualification period. For purposes of the preceding sentence, the term 'disqualification period' means any period of 2 consecutive taxable years for which the taxpayer is not engaged in an eligible farming business or commercial fishing.

"(3) Certain rules to apply.—Rules similar to the following rules shall apply for purposes of this section:

"(A) Section 220(f)(8) (relating to treatment on death).

"(B) Section 408(e)(2) (relating to loss of exemption of account where individual engages in prohibited transaction).

"(C) Section 408(e)(4) (relating to effect of pledging account as security).

"(D) Section 408(g) (relating to community property laws).

"(E) Section 408(h) (relating to custodial accounts).

"(4) Time when payments deemed made.—For purposes of this section, a taxpayer shall be deemed to have made a payment to a FFARRM Account on the last day of a taxable year if such payment is made on account of such taxable year and is made on or before the due date (without regard to extensions) for filing the return of tax for such taxable year.

"(5) Individual.—For purposes of this section, the term 'individual' shall not include an estate or trust.

"(6) Deduction not allowed for self-employment tax.—The deduction allowable by reason of subsection (a) shall not be taken into account in determining an individual's net earnings from self-employment (within the meaning of section 1402(a)) for purposes of chapter 2.

“(g) REPORTS.—The trustee of a FFARRM Account shall make such reports regarding such Account to the Secretary and to the person for whose benefit the Account is maintained with respect to contributions, distributions, and such other matters as the Secretary may require under regulations. The reports required by this subsection shall be filed at such time and in such manner and furnished to such persons at such time and in such manner as may be required by such regulations.”.

(b) TAX ON EXCESS CONTRIBUTIONS.—

(1) Subsection (a) of section 4973 (relating to tax on excess contributions to certain tax-favored accounts and annuities) is amended by striking “or” at the end of paragraph (3), by redesignating paragraph (4) as paragraph (5), and by inserting after paragraph (3) the following:

“(4) a FFARRM Account (within the meaning of section 468C(d)), or”.

(2) Section 4973 is amended by adding at the end the following:

“(g) EXCESS CONTRIBUTIONS TO FFARRM ACCOUNTS.—For purposes of this section, in the case of a FFARRM Account (within the meaning of section 468C(d)), the term ‘excess contributions’ means the amount by which the amount contributed for the taxable year to the Account exceeds the amount which may be contributed to the Account under section 468C(b) for such taxable year. For purposes of this subsection, any contribution which is distributed out of the FFARRM Account in a distribution to which section 468C(e)(2)(B) applies shall be treated as an amount not contributed.”.

(3) The section heading for section 4973 is amended to read as follows:

**“SEC. 4973. EXCESS CONTRIBUTIONS TO CERTAIN ACCOUNTS, ANNUITIES, ETC.”.**

(4) The table of sections for chapter 43 is amended by striking the item relating to section 4973 and inserting the following:

“Sec. 4973. Excess contributions to certain accounts, annuities, etc.”.

(c) TAX ON PROHIBITED TRANSACTIONS.—

(1) Subsection (c) of section 4975 (relating to tax on prohibited transactions) is amended by adding at the end the following:

“(6) SPECIAL RULE FOR FFARRM ACCOUNTS.—A person for whose benefit a FFARRM Account (within the meaning of section 468C(d)) is established shall be exempt from the tax imposed by this section with respect to any transaction concerning such account (which would otherwise be taxable under this section) if, with respect to such transaction, the account ceases to be a FFARRM Account by reason of the application of section 468C(f)(3)(A) to such account.”.

(2) Paragraph (1) of section 4975(e) is amended by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively, and by inserting after subparagraph (D) the following:

“(E) a FFARRM Account described in section 468C(d),”.

(d) FAILURE TO PROVIDE REPORTS ON FFARRM ACCOUNTS.—Paragraph (2) of section 6693(a) (relating to failure to provide reports on certain tax-favored accounts or annuities) is amended by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively, and by inserting after subparagraph (B) the following:

“(C) section 468C(g) (relating to FFARRM Accounts),”.

(e) CLERICAL AMENDMENT.—The table of sections for subpart C of part II of subchapter E of chapter 1 is amended by inserting after the item relating to section 468B the following:

“Sec. 468C. Farm, Fishing and Ranch Risk Management Accounts.”.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

### SEC. 602. WRITTEN AGREEMENT RELATING TO EXCLUSION OF CERTAIN FARM RENTAL INCOME FROM NET EARNINGS FROM SELF-EMPLOYMENT.

(a) INTERNAL REVENUE CODE.—Section 1402(a)(1)(A) (relating to net earnings from self-employment) is amended by striking “an arrangement” and inserting “a lease agreement”.

(b) SOCIAL SECURITY ACT.—Section 211(a)(1)(A) of the Social Security Act is amended by striking “an arrangement” and inserting “a lease agreement”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

### SEC. 603. TREATMENT OF CONSERVATION RESERVE PROGRAM PAYMENTS AS RENTALS FROM REAL ESTATE.

(a) IN GENERAL.—Section 1402(a)(1) (defining net earnings from self-employment) is amended by inserting “and including payments under section 1233(2) of the Food Security Act of 1985 (16 U.S.C. 3833(2))” after “crop shares”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to payments made before, on, or after the date of the enactment of this Act.

### SEC. 604. EXEMPTION OF AGRICULTURAL BONDS FROM STATE VOLUME CAP.

(a) IN GENERAL.—Section 146(g) (relating to exception for certain bonds) is amended by striking “and” at the end of paragraph (3), by striking the period at the end of paragraph (4) and inserting “, and”, and by inserting after paragraph (4) the following:

“(5) any qualified small issue bond described in section 144(a)(12)(B)(ii).”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to bonds issued after the date of enactment of this Act.

### SEC. 605. MODIFICATIONS TO SECTION 512(b)(13).

(a) IN GENERAL.—Paragraph (13) of section 512(b) is amended by redesignating subparagraph (E) as subparagraph (F) and by inserting after subparagraph (D) the following new paragraph:

“(E) PARAGRAPH TO APPLY ONLY TO EXCESS PAYMENTS.—

“(i) IN GENERAL.—Subparagraph (A) shall apply only to the portion of a specified payment received by the controlling organization that exceeds the amount which would have been paid if such payment met the requirements prescribed under section 482.

“(ii) ADDITION TO TAX FOR VALUATION MISSTATEMENTS.—The tax imposed by this chapter on the controlling organization shall be increased by an amount equal to 20 percent of such excess.”.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by this section shall apply to payments received or accrued after December 31, 2000.

(2) PAYMENTS SUBJECT TO BINDING CONTRACT TRANSITION RULE.—If the amendments made by section 1041 of the Taxpayer Relief Act of 1997 do not apply to any amount received or accrued after the date of the enactment of this Act under any contract described in subsection (b)(2) of such section, such amendments also shall not apply to amounts received or accrued under such contract before January 1, 2001.

### SEC. 606. CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF FOOD INVENTORY.

(a) IN GENERAL.—Subsection (e) of section 170 (relating to certain contributions of ordinary income and capital gain property) is amended by adding at the end the following new paragraph:

“(7) SPECIAL RULE FOR CONTRIBUTIONS OF FOOD INVENTORY.—For purposes of this section—

“(A) CONTRIBUTIONS BY NON-CORPORATE TAXPAYERS.—In the case of a charitable contribution of food, paragraph (3)(A) shall be applied without regard to whether or not the contribution is made by a corporation.

“(B) LIMIT ON REDUCTION.—In the case of a charitable contribution of food which is a qualified contribution (within the meaning of paragraph (3)(A), as modified by subparagraph (A) of this paragraph)—

“(i) paragraph (3)(B) shall not apply, and

“(ii) the reduction under paragraph (1)(A) for such contribution shall be no greater than the amount (if any) by which the amount of such contribution exceeds twice the basis of such food.

“(C) DETERMINATION OF BASIS.—For purposes of this paragraph, if a taxpayer uses the cash method of accounting, the basis of any qualified contribution of such taxpayer shall be deemed to be 50 percent of the fair market value of such contribution.

“(D) DETERMINATION OF FAIR MARKET VALUE.—In the case of a charitable contribution of food which is a qualified contribution (within the meaning of paragraph (3), as modified by subparagraphs (A) and (B) of this paragraph) and which, solely by reason of internal standards of the taxpayer, lack of market, or similar circumstances, or which is produced by the taxpayer exclusively for the purposes of transferring the food to an organization described in paragraph (3)(A), cannot or will not be sold, the fair market value of such contribution shall be determined—

“(i) without regard to such internal standards, such lack of market, such circumstances, or such exclusive purpose, and

“(ii) if applicable, by taking into account the price at which the same or similar food items are sold by the taxpayer at the time of the contribution (or, if not so sold at such time, in the recent past).”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2000.

### SEC. 607. INCOME AVERAGING FOR FARMERS AND FISHERMEN NOT TO INCREASE ALTERNATIVE MINIMUM TAX LIABILITY.

(a) IN GENERAL.—Section 55(c) (defining regular tax) is amended by redesignating paragraph (2) as paragraph (3) and by inserting after paragraph (1) the following:

“(2) COORDINATION WITH INCOME AVERAGING FOR FARMERS AND FISHERMEN.—Solely for purposes of this section, section 1301 (relating to averaging of farm and fishing income) shall not apply in computing the regular tax.”.

(b) ALLOWING INCOME AVERAGING FOR FISHERMEN.—

(1) IN GENERAL.—Section 1301(a) is amended by striking “farming business” and inserting “farming business or fishing business,”.

(2) DEFINITION OF ELECTED FARM INCOME.—

(A) IN GENERAL.—Clause (i) of section 1301(b)(1)(A) is amended by inserting “or fishing business” before the semicolon.

(B) CONFORMING AMENDMENT.—Subparagraph (B) of section 1301(b)(1) is amended by inserting “or fishing business” after “farming business” both places it occurs.

(3) DEFINITION OF FISHING BUSINESS.—Section 1301(b) is amended by adding at the end the following new paragraph:

“(4) FISHING BUSINESS.—The term ‘fishing business’ means the conduct of commercial fishing as defined in section 3 of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1802).".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

**SEC. 608. REPEAL OF MODIFICATION OF INSTALLMENT METHOD.**

(a) In General.—Subsection (a) of section 536 of the Ticket to Work and Work Incentives Improvement Act of 1999 (relating to modification of installment method and repeal of installment method for accrual method taxpayers) is repealed effective with respect to sales and other dispositions occurring on or after the date of the enactment of such Act.

(b) Applicability.—The Internal Revenue Code of 1986 shall be applied and administered as if such subsection (and the amendments made by such subsection) had not been enacted.

**SEC. 609. COOPERATIVE MARKETING INCLUDES VALUE-ADDED PROCESSING THROUGH ANIMALS.**

(a) In General.—Section 1388 (relating to definitions and special rules) is amended by adding at the end the following:

"(k) Cooperative Marketing Includes Value-Added Processing Through Animals.—For purposes of section 521 and this subchapter, 'marketing the products of members or other producers' includes feeding the products of members or other producers to cattle, hogs, fish, chickens, or other animals and selling the resulting animals or animal products."

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

**SEC. 610. SMALL ETHANOL PRODUCER CREDIT.**

(a) Allocation of Alcohol Fuels Credit to Patrons of a Cooperative.—Section 40(g) (relating to alcohol used as fuel) is amended by adding at the end the following:

"(6) Allocation of small ethanol producer credit to patrons of cooperative.—

"(A) Election to allocate.—

"(i) In general.—In the case of a cooperative organization described in section 1381(a), any portion of the credit determined under subsection (a)(3) for the taxable year may, at the election of the organization, be apportioned pro rata among patrons of the organization on the basis of the quantity or value of business done with or for such patrons for the taxable year.

"(ii) Form and effect of election.—An election under clause (i) for any taxable year shall be made on a timely filed return for such year. Such election, once made, shall be irrevocable for such taxable year.

"(iii) Special rule for 1998 and 1999.—Notwithstanding clause (ii), an election for any taxable year ending prior to the date of the enactment of the Death Tax Elimination Act of 2000 may be made at any time before the expiration of the 3-year period beginning on the last date prescribed by law for filing the return of the taxpayer for such taxable year (determined without regard to extensions) by filing an amended return for such year.

"(B) Treatment of organizations and patrons.—The amount of the credit apportioned to patrons under subparagraph (A)—

"(i) shall not be included in the amount determined under subsection (a) with respect to the organization for the taxable year,

"(ii) shall be included in the amount determined under subsection (a) for the taxable year of each patron for which the patronage dividends for the taxable year described in subparagraph (A) are included in gross income, and

"(iii) shall be included in gross income of such patrons for the taxable year in the manner and to the extent provided in section 87.

"(C) Special rules for decrease in credits for taxable year.—If the amount of the credit of a cooperative organization determined under subsection (a)(3) for a taxable year is less than the amount of such credit shown on the return of the cooperative organization for such year, an amount equal to the excess of—

"(i) such reduction, over

"(ii) the amount not apportioned to such patrons under subparagraph (A) for the taxable year,

shall be treated as an increase in tax imposed by this chapter on the organization. Such increase shall not be treated as tax imposed by this chapter for purposes of determining the amount of any credit under this subpart or subpart A, B, E, or G.".

(b) Improvements to Small Ethanol Producer Credit.—

(1) Small ethanol producer credit not a passive activity credit.—Clause (i) of section 469(d)(2)(A) is amended by striking "subpart D" and inserting "subpart D, other than section 40(a)(3),".

(2) Allowing credit against minimum tax.—

(A) In general.—Subsection (c) of section 38 (relating to limitation based on amount of tax) is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

"(3) Special rules for small ethanol producer credit.—

"(A) In general.—In the case of the small ethanol producer credit—

"(i) this section and section 39 shall be applied separately with respect to the credit, and

"(ii) in applying paragraph (1) to the credit—

"(I) subparagraphs (A) and (B) thereof shall not apply, and

"(II) the limitation under paragraph (1) (as modified by subclause (I)) shall be reduced by the credit allowed under subsection (a) for the taxable year (other than the small ethanol producer credit).

"(B) Small ethanol producer credit.—For purposes of this subsection, the term 'small ethanol producer credit' means the credit allowable under subsection (a) by reason of section 40(a)(3).".

(B) Conforming amendment.—Subclause (II) of section 38(c)(2)(A)(ii) is amended by inserting "or the small ethanol producer credit" after "employment credit".

(3) Small ethanol producer credit not added back to income under section 87.—Section 87 (relating to income inclusion of alcohol fuel credit) is amended to read as follows:

**"SEC. 87. ALCOHOL FUEL CREDIT.**

"Gross income includes an amount equal to the sum of—

"(1) the amount of the alcohol mixture credit determined with respect to the taxpayer for the taxable year under section 40(a)(1), and

"(2) the alcohol credit determined with respect to the taxpayer for the taxable year under section 40(a)(2).".

(c) Conforming Amendment.—Section 1388 (relating to definitions and special rules for cooperative organizations) is amended by adding at the end the following:

"(k) Cross Reference.—For provisions relating to the apportionment of the alcohol fuels credit between cooperative organizations and their patrons, see section 40(d) (6)."

(d) Effective Date.—

(1) In general.—Except as provided in paragraph (2), the amendments made by subsection (b) of this section shall apply to taxable years ending after the date of enactment.

(2) Provisions affecting cooperatives and their patrons.—The amendments made by subsections (a) and (c), and the amendments made by paragraphs (2) and (3) of subsection (b), shall apply to taxable years beginning after December 31, 1997.

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### DURBIN AMENDMENT NO. 3850

Mr. REID (for Mr. Durbin) proposed an amendment to the bill, H.R. 4810, supra; as follows:

At the end, add the following:

**SEC.   . DEDUCTION FOR HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS INCREASED.**

(a) In General.—Section 162(*l*)(1) of the Internal Revenue Code of 1986 (relating to special rules for health insurance costs of self-employed individuals) is amended to read as follows:

"(1) Allowance of deduction.—In the case of an individual who is an employee within the meaning of section 401(c)(1), there shall be allowed as a deduction under this section an amount equal to the amount paid during the taxable year for insurance which constitutes medical care for the taxpayer, the taxpayer's spouse, and dependents.".

(c) Effective Date.—The amendment made by this section applies to taxable years beginning after December 31, 2000.

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### BOND AMENDMENT NO. 3851

Mr. ROTH (for Mr. Bond) proposed an amendment to amendment No. 3850 previously proposed by Mr. Reid (for Mr. Durbin) to the bill, H.R. 4810, supra; as follows:

Strike all after the first word, and insert the following:

**1. SHORT TITLE.**

This Act may be cited as the "Self-Employed Health Insurance Fairness Act of 1999".

**SEC. . DEDUCTION FOR HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS INCREASED.**

(a) In General.—Section 162(l)(1) of the Internal Revenue Code of 1986 (relating to special rules for health insurance costs of self-employed individuals) is amended to read as follows:

"(1) Allowance of deduction.—In the case of an individual who is an employee within the meaning of section 401(c)(1), there shall be allowed as a deduction under this section an amount equal to the amount paid during the taxable year for insurance which constitutes medical care for the taxpayer, the taxpayer's spouse, and dependents."

(b) Clarification of Limitations on Other Coverage.—The first sentence of section 162(l)(2)(B) of the Internal Revenue Code of 1986 is amended to read as follows: "Paragraph (1) shall not apply to any taxpayer for any calendar month for which the taxpayer participates in any subsidized health plan maintained by any employer (other than an employer described in section 401(c)(4)) of the taxpayer or the spouse of the taxpayer."

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1999.

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### DURBIN AMENDMENT NO. 3852

Mr. REID (for Mr. Durbin) proposed an amendment to the bill, H.R. 4810, supra; as follows:

At the end, add the following:

**SEC. . CREDIT FOR EMPLOYEE HEALTH INSURANCE EXPENSES.**

(a) In General.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to business-related credits) is amended by adding at the end the following:

**"SEC. 45D. EMPLOYEE HEALTH INSURANCE EXPENSES.**

"(a) General Rule.—For purposes of section 38, in the case of a small employer, the employee health insurance expenses credit determined under this section is an amount equal to the applicable percentage of the amount paid by the taxpayer during the taxable year for qualified employee health insurance expenses.

"(b) Applicable Percentage.—For purposes of subsection (a)—

"(1) In general.—Except as provided in paragraph (2), the applicable percentage is equal to—

"(A) 25 percent in the case of self-only coverage, and

"(B) 35 percent in the case of family coverage (as defined in section 220(c)(5)).

"(2) First year coverage.—

"(A) In general.—In the case of first year coverage, paragraph (1) shall be applied by substituting '60 percent' for '25 percent' and '70 percent' for '35 percent'.

"(B) First year coverage.—For purposes of subparagraph (A), the term 'first year coverage' means the first taxable year in which the small employer pays qualified employee health insurance expenses but only if such small employer did not provide health insurance coverage for any qualified employee during the 2 taxable years immediately preceding the taxable year.

"(c) Per Employee Dollar Limitation.—The amount of qualified employee health insurance expenses taken into account under subsection (a) with respect to any qualified employee for any taxable year shall not exceed—

"(1) $1,800 in the case of self-only coverage, and

"(2) $4,000 in the case of family coverage (as so defined).

"(d) Definitions.—For purposes of this section—

"(1) Small employer.—

"(A) In general.—The term 'small employer' means, with respect to any calendar year, any employer if such employer employed an average of 9 or fewer employees on business days during either of the 2 preceding calendar years. For purposes of the preceding sentence, a preceding calendar year may be taken into account only if the employer was in existence throughout such year.

"(B) Employers not in existence in preceding year.—In the case of an employer which was not in existence throughout the 1st preceding calendar year, the determination under subparagraph (A) shall be based on the average number of employees that it is reasonably expected such employer will employ on business days in the current calendar year.

"(2) Qualified employee health insurance expenses.—

"(A) In general.—The term 'qualified employee health insurance expenses' means any amount paid by an employer for health insurance coverage to the extent such amount is attributable to coverage provided to any employee while such employee is a qualified employee.

"(B) Exception for amounts paid under salary reduction arrangements.—No amount paid or incurred for health insurance coverage pursuant to a salary reduction arrangement shall be taken into account under subparagraph (A).

"(C) Health insurance coverage.—The term 'health insurance coverage' has the meaning given such term by section 9832(b)(1).

"(3) Qualified employee.—

"(A) In general.—The term 'qualified employee' means, with respect to any period, an employee of an employer if the total amount of wages paid or incurred by such employer to such employee at an annual rate during the taxable year exceeds $5,000 but does not exceed $16,000.

"(B) Treatment of certain employees.—For purposes of subparagraph (A), the term 'employee'—

"(i) shall not include an employee within the meaning of section 401(c)(1), and

"(ii) shall include a leased employee within the meaning of section 414(n).

"(C) Wages.—The term 'wages' has the meaning given such term by section 3121(a) (determined without regard to any dollar limitation contained in such section).

"(D) Inflation adjustment.—

"(i) In general.—In the case of any taxable year beginning in a calendar year after 2000, the $16,000 amount contained in subparagraph (A) shall be increased by an amount equal to—

"(I) such dollar amount, multiplied by

"(II) the cost-of-living adjustment under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 1999' for 'calendar year 1992' in subparagraph (B) thereof.

"(ii) Rounding.—If any increase determined under clause (i) is not a multiple of $100, such amount shall be rounded to the nearest multiple of $100.

"(e) Certain rules made applicable.—For purposes of this section, rules similar to the rules of section 52 shall apply.

"(f) Denial of Double Benefit.—No deduction or credit under any other provision of this chapter shall be allowed with respect to qualified employee health insurance expenses taken into account under subsection (a)."

(b) Credit To Be Part of General Business Credit.—Section 38(b) of the Internal Revenue Code of 1986 (relating to current year business credit) is amended by striking "plus" at the end of paragraph (11), by striking the period at the end of paragraph (12) and inserting ", plus", and by adding at the end the following:

"(13) the employee health insurance expenses credit determined under section 45D."

(c) No Carrybacks.—Subsection (d) of section 39 of the Internal Revenue Code of 1986 (relating to carryback and carryforward of unused credits) is amended by adding at the end the following:

"(9) No carryback of section 45D credit before effective date.—No portion of the unused business credit for any taxable year which is attributable to the employee health insurance expenses credit determined under section 45D may be carried back to a taxable year ending before the date of the enactment of section 45D."

(d) Clerical Amendment.—The table of sections for subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following:

"Sec. 45D. Employee health insurance expenses."

(e) Effective Date.—The amendments made by this section shall apply to amounts paid or incurred in taxable years beginning after the date of the enactment of this Act.

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### ROBB (AND OTHERS) AMENDMENT NO. 3853

Mr. REID (for Mr. Robb (for himself, Mr. Graham, and Mr. Kennedy) proposed an amendment to the bill, H.R. 4810, supra; as follows:

At the end of the bill, insert the following:

**SEC. . EFFECTIVE DATE.**

Notwithstanding any other provision of this Act or amendment made by this Act, no such provision or amendment shall take effect until legislation has been enacted that provides a voluntary, affordable outpatient Medicare prescription drug benefit to all Medicare beneficiaries that guarantees meaningful, stable coverage, including stop-loss and low-income protections.

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### TORRICELLI (AND REED) AMENDMENT NO. 3854

Mr. REED (for Mr. Torricelli and Mr. Reed) proposed an amendment to the bill, H.R. 4810, supra; as follows:

At the end of the bill, add the following:

**SEC. 7. INCREASED LEAD POISONING SCREENINGS AND TREATMENTS UNDER THE MEDICAID PROGRAM.**

(a) Reporting Requirement.—Section 1902(a)(43)(D) of the Social Security Act (42 U.S.C. 1396a(a)(43)(D)) is amended—

(1) in clause (iii), by striking "and" at the end;

(2) in clause (iv), by striking the semicolon and inserting ", and"; and

(3) by adding at the end the following:

"(v) the number of children who are under the age of 3 and enrolled in the State plan and the number of those children who have received a blood lead screening test;".

(b) Mandatory Screening Requirements.—Section 1902(a) of the Social Security Act (42 U.S.C. 1396a(a)) is amended—

(1) in paragraph (64), by striking "and" at the end;

(2) in paragraph (65), by striking the period and inserting "; and"; and

(3) by inserting after paragraph (65) the following:

"(66) provide that each contract entered into between the State and an entity (including a health insuring organization and a medicaid managed care organization) that is responsible for the provision (directly or through arrangements with providers of services) of medical assistance under the State plan shall provide for—

"(A) compliance with mandatory blood lead screening requirements that are consistent with prevailing guidelines of the Centers for Disease Control and Prevention for such screening; and

"(B) coverage of qualified lead treatment services described in section 1905(x) including diagnosis, treatment, and follow-up furnished for children with elevated blood lead levels in accordance with prevailing guidelines of the Centers for Disease Control and Prevention.".

(c) Reimbursement for Treatment of Children With Elevated Blood Lead Levels.—Section 1905 of the Social Security Act (42 U.S.C. 1396d) is amended—

(1) in subsection (a)—

(A) in paragraph (26), by striking "and" at the end;

(B) by redesignating paragraph (27) as paragraph (28); and

(C) by inserting after paragraph (26) the following:

“(27) qualified lead treatment services (as defined in subsection (x)); and”; and

(2) by adding at the end the following:

“(x)(1) In this subsection:

“(A) The term ‘qualified lead treatment services’ means the following:

“(i) Lead-related medical management, as defined in subparagraph (B).

“(ii) Lead-related case management, as defined in subparagraph (C), for a child described in paragraph (2).

“(iii) Lead-related anticipatory guidance, as defined in subparagraph (D), provided as part of—

“(I) prenatal services;

“(II) early and periodic screening, diagnostic, and treatment services (EPSDT) services described in subsection (r) and available under subsection (a)(4)(B) (including as described and available under implementing regulations and guidelines) to individuals enrolled in the State plan under this title who have not attained age 21; and

“(III) routine pediatric preventive services.

“(B) The term ‘lead-related medical management’ means the provision and coordination of the diagnostic, treatment, and follow-up services provided for a child diagnosed with an elevated blood lead level (EBLL) that includes—

“(i) a clinical assessment, including a physical examination and medically indicated tests (in addition to diagnostic blood lead level tests) and other diagnostic procedures to determine the child’s developmental, neurological, nutritional, and hearing status, and the extent, duration, and possible source of the child’s exposure to lead;

“(ii) repeat blood lead level tests furnished when medically indicated for purposes of monitoring the blood lead concentrations in the child;

“(iii) pharmaceutical services, including chelation agents and other drugs, vitamins, and minerals prescribed for treatment of an EBLL;

“(iv) medically indicated inpatient services including pediatric intensive care and emergency services;

“(v) medical nutrition therapy when medically indicated by a nutritional assessment, that shall be furnished by a dietitian or other nutrition specialist who is authorized to provide such services under State law;

“(vi) referral—

“(I) when indicated by a nutritional assessment, to the State agency or contractor administering the program of assistance under the special supplemental food program for women, infants and children (WIC) under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786) and coordination of clinical management with that program; and

“(II) when indicated by a clinical or developmental assessment, to the State agency responsible for early intervention and special education programs under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.); and

“(vii) environmental investigation, as defined in subparagraph (E).

“(C) The term ‘lead-related case management’ means the coordination, provision, and oversight of the nonmedical services for a child with an EBLL necessary to achieve reductions in the child’s blood lead levels, improve the child’s nutrition, and secure needed resources and services to protect the child by a case manager trained to develop and oversee a multi-disciplinary plan for a child with an EBLL or by a childhood lead poisoning prevention program, as defined by the Secretary. Such services include—

“(i) assessing the child’s environmental, nutritional, housing, family, and insurance status and identifying the family’s immediate needs to reduce lead exposure through an initial home visit;

“(ii) developing a multidisciplinary case management plan of action that addresses the provision and coordination of each of the following classes of services as appropriate—

“(I) whether or not such services are covered under the State plan under this title;

“(II) lead-related medical management of an EBLL (including environmental investigation);

“(III) nutrition services;

“(IV) family lead education;

“(V) housing;

“(VI) early intervention services;

“(VII) social services; and

“(VIII) other services or programs that are indicated by the child’s clinical status and environmental, social, educational, housing, and other needs;

“(iii) assisting the child (and the child’s family) in gaining access to covered and non-covered services in the case management plan developed under clause (ii);

“(iv) providing technical assistance to the provider that is furnishing lead-related medical management for the child; and

“(v) implementation and coordination of the case management plan developed under clause (ii) through home visits, family lead education, and referrals.

“(D) The term ‘lead-related anticipatory guidance’ means education and information for families of children and pregnant women enrolled in the State plan under this title about prevention of childhood lead poisoning that addresses the following topics:

“(i) The importance of lead screening tests and where and how to obtain such tests.

“(ii) Identifying lead hazards in the home.

“(iii) Specialized cleaning, home maintenance, nutritional, and other measures to minimize the risk of childhood lead poisoning.

“(iv) The rights of families under the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851 et seq.).

“(E) The term ‘environmental investigation’ means the process of determining the source of a child’s exposure to lead by an individual that is certified or registered to perform such investigations under State or local law, including the collection and analysis of information and environmental samples from a child’s living environment. For purposes of this subparagraph, a child’s living environment includes the child’s residence or residences, residences of frequently visited caretakers, relatives, and playmates, and the child’s day care site. Such investigations shall be conducted in accordance with the standards of the Department of Housing and Urban Development for the evaluation and control of lead-based paint hazards in housing and in compliance with State and local health agency standards for environmental investigation and reporting.

“(2) For purposes of paragraph (1)(A)(ii), a child described in this paragraph is a child who—

“(A) has attained 6 months but has not attained 6 years of age; and

“(B) has been identified as having a blood lead level that equals or exceeds 20 micrograms per deciliter (or after 2 consecutive tests, equals or exceeds 15 micrograms per deciliter, or the applicable number of micrograms designated for such tests under prevailing guidelines of the Centers for Disease Control and Prevention).”.

(d) ENHANCED MATCH FOR DATA COMMUNICATIONS SYSTEM.—Section 1903(a)(3) of the Social Security Act (42 U.S.C. 1396b(a)(3)) is amended—

(1) in subparagraph (D), by striking “plus” at the end and inserting “and”; and

(2) by inserting after subparagraph (D), the following:

“(E)(i) 90 percent of so much of the sums expended during such quarter as are attributable to the design, development, or installation of an information retrieval system that may be easily accessed and used by other federally-funded means-tested public benefit programs to determine whether a child is enrolled in the State plan under this title and whether an enrolled child has received mandatory early and periodic screening, diagnostic, and treatment services, as described in section 1905(r); and

“(ii) 75 percent of so much of the sums expended during such quarter as are attributable to the operation of a system (whether such system is operated directly by the State or by another person under a contract with the State) of the type described in clause (i); plus”.

(e) REPORT.—The Secretary of Health and Human Services, acting through the Administrator of the Health Care Financing Administration, annually shall report to Congress on the number of children enrolled in the medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) who have received a blood lead screening test during the prior fiscal year, noting the percentage that such children represent as compared to all children enrolled in that program.

(f) RULE OF CONSTRUCTION.—Nothing in this section or in any amendment made by this section shall be construed as prohibiting the Secretary of Health and Human Services or the State agency administering the State plan under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) from using funds provided under title XIX of that Act to reimburse a State or entity for expenditures for medically necessary activities in the home of a lead-poisoned child to prevent additional exposure to lead, including specialized cleaning of lead-contaminated dust, emergency relocation, safe repair of peeling paint, dust control, and other activities that reduce lead exposure.

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## TORRICELLI AMENDMENTS NOS. 3855–3857

Mr. REED (for Mr. TORRICELLI) proposed three amendments to the bill, H.R. 4810, supra; as follows:

### AMENDMENT NO. 3855

At the end of the bill, add the following:

### SEC. 7. WAIVER OF 24-MONTH WAITING PERIOD FOR MEDICARE COVERAGE OF INDIVIDUALS DISABLED WITH AMYOTROPHIC LATERAL SCLEROSIS (ALS).

(a) IN GENERAL.—Section 226 of the Social Security Act (42 U.S.C. 426) is amended—

(1) by redesignating subsection (h) as subsection (j) and by moving such subsection to the end of the section; and

(2) by inserting after subsection (g) the following:

“(h) For purposes of applying this section in the case of an individual medically determined to have amyotrophic lateral sclerosis (ALS), the following special rules apply:

“(1) Subsection (b) shall be applied as if there were no requirement for any entitlement to benefits, or status, for a period longer than 1 month.

“(2) The entitlement under such subsection shall begin with the first month (rather than twenty-fifth month) of entitlement or status.

"(3) Subsection (f) shall not be applied.".

(b) CONFORMING AMENDMENT.—Section 1837 of such Act (42 U.S.C. 1395p) is amended by adding at the end the following:

"(j) In applying this section in the case of an individual who is entitled to benefits under part A pursuant to the operation of section 226(h), the following special rules apply:

"(1) The initial enrollment period under subsection (d) shall begin on the first day of the first month in which the individual satisfies the requirement of section 1836(1).

"(2) In applying subsection (g)(1), the initial enrollment period shall begin on the first day of the first month of entitlement to disability insurance benefits referred to in such subsection.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to benefits for months beginning after the date of the enactment of this Act.

### AMENDMENT NO. 3856

At the end, add the following:

**SEC. . MODIFICATIONS TO DISASTER CASUALTY LOSS DEDUCTION.**

(a) LOWER ADJUSTED GROSS INCOME THRESHOLD.—Paragraph (2) of section 165(h) of the Internal Revenue Code of 1986 (relating to treatment of casualty gains and losses) is amended—

(1) by striking subparagraph (A) and inserting the following:

"(A) IN GENERAL.—If the personal casualty losses for any taxable year exceed the personal casualty gains for such taxable year, such losses shall be allowed for the taxable year only to the extent of the sum of—

"(i) the amount of the personal casualty gains for the taxable year, plus

"(ii) so much of such excess attributable to losses described in subsection (i) as exceeds 5 percent of the adjusted gross income of the individual (determined without regard to any deduction allowable under subsection (c)(3))", plus

"(iii) so much of such excess attributable to losses not described in subsection (i) as exceeds 10 percent of the adjusted gross income of the individual.

For purposes of this subparagraph, personal casualty losses attributable to losses not described in subsection (i) shall be considered before such losses attributable to losses described in subsection (i).", and

(2) by striking "10 PERCENT" in the heading and inserting "PERCENTAGE".

(b) ABOVE-THE-LINE DEDUCTION.—Section 62(a) of the Internal Revenue Code of 1986 (defining adjusted gross income) is amended by inserting after paragraph (17) the following:

"(18) CERTAIN DISASTER LOSSES.—The deduction allowed by section 165(c)(3) to the extent attributable to losses described in section 165(i)."

(c) ELECTION TO TAKE DISASTER LOSS DEDUCTION FOR PRECEDING OR SUCCEEDING 2 YEARS.—Paragraph (1) of section 165(i) of the Internal Revenue Code of 1986 (relating to disaster losses) is amended—

(1) by inserting "or succeeding" after "preceding", and

(2) by inserting "OR SUCCEEDING" after "PRECEDING" in the heading.

(d) ELIMINATION OF MARRIAGE PENALTY FOR INDIVIDUALS SUFFERING CASUALTY LOSSES.—Subparagraph (B) of section 165(h)(4) of the Internal Revenue Code of 1986 (relating to special rules) is amended to read as follows:

"(B) JOINT RETURNS.—For purposes of this subsection—

"(i) IN GENERAL.—Except as provided in clause (ii), a husband and wife making a joint return for the taxable year shall be treated as 1 individual.

"(ii) ELECTION.—A husband and wife may elect to have each be treated as a single individual for purposes of applying this section. If an election is made under this clause, the adjusted gross income of each individual shall be determined on the basis of the items of income and deduction properly allocable to the individual, as determined under rules prescribed by the Secretary."

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to losses sustained in taxable years beginning after December 31, 1998.

### AMENDMENT NO. 3857

At the end, add the following:

**SEC. . ELIMINATION OF MARRIAGE PENALTY FOR INDIVIDUALS SUFFERING CASUALTY LOSSES.**

(a) IN GENERAL.—Subparagraph (B) of section 165(h)(4) of the Internal Revenue Code of 1986 (relating to special rules) is amended to read as follows:

"(B) JOINT RETURNS.—For purposes of this subsection—

"(i) IN GENERAL.—Except as provided in clause (ii), a husband and wife making a joint return for the taxable year shall be treated as 1 individual.

"(ii) ELECTION.—A husband and wife may elect to have each be treated as a single individual for purposes of applying this section. If an election is made under this clause, the adjusted gross income of each individual shall be determined on the basis of the items of income and deduction properly allocable to the individual, as determined under rules prescribed by the Secretary."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to losses sustained in taxable years beginning after December 31, 1998.

## LAUTENBERG AMENDMENT NO. 3858

Mr. REID (for Mr. LAUTENBERG) proposed an amendment to the bill, H.R. 4810, supra; as follows:

At the end, add the following:

**SEC. 7. CREDIT TO HOLDERS OF QUALIFIED AMTRAK BONDS.**

(a) IN GENERAL.—Part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to credits against tax) is amended by adding at the end the following new subpart:

**"Subpart H—Nonrefundable Credit for Holders of Qualified Amtrak Bonds**

"Sec. 54. Credit to holders of qualified Amtrak bonds.

**"SEC. 54. CREDIT TO HOLDERS OF QUALIFIED AMTRAK BONDS.**

"(a) ALLOWANCE OF CREDIT.—In the case of a taxpayer who holds a qualified Amtrak bond on a credit allowance date of such bond which occurs during the taxable year, there shall be allowed as a credit against the tax imposed by this chapter for such taxable year the amount determined under subsection (b).

"(b) AMOUNT OF CREDIT.—

"(1) IN GENERAL.—The amount of the credit determined under this subsection with respect to any credit allowance date for a qualified Amtrak bond is 25 percent of the annual credit determined with respect to such bond.

"(2) ANNUAL CREDIT.—The annual credit determined with respect to any qualified Amtrak bond is the product of—

"(A) the applicable credit rate, multiplied by

"(B) the outstanding face amount of the bond.

"(3) APPLICABLE CREDIT RATE.—For purposes of paragraph (2), the applicable credit rate with respect to an issue is the rate equal to an average market yield (as of the day before the date of issuance of the issue) on outstanding long-term corporate debt obligations (determined under regulations prescribed by the Secretary).

"(4) SPECIAL RULE FOR ISSUANCE AND REDEMPTION.—In the case of a bond which is issued during the 3-month period ending on a credit allowance date, the amount of the credit determined under this subsection with respect to such credit allowance date shall be a ratable portion of the credit otherwise determined based on the portion of the 3-month period during which the bond is outstanding. A similar rule shall apply when the bond is redeemed.

"(c) LIMITATION BASED ON AMOUNT OF TAX.—

"(1) IN GENERAL.—The credit allowed under subsection (a) for any taxable year shall not exceed the excess of—

"(A) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

"(B) the sum of the credits allowable under this part (other than this subpart and subpart C).

"(2) CARRYOVER OF UNUSED CREDIT.—If the credit allowable under subsection (a) exceeds the limitation imposed by paragraph (1) for such taxable year, such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such taxable year.

"(d) QUALIFIED AMTRAK BOND.—For purposes of this part—

"(1) IN GENERAL.—The term 'qualified Amtrak bond' means any bond issued as part of an issue if—

"(A) 95 percent or more of the proceeds of such issue are—

"(i) to be used for any qualified project, or

"(ii) to be pledged to secure payments and other obligations incurred by the National Railroad Passenger Corporation in connection with any qualified project,

"(B) the bond is issued by the National Railroad Passenger Corporation,

"(C) the issuer—

"(i) designates such bond for purposes of this section,

"(ii) certifies that it meets the State contribution requirement of paragraph (2) with respect to such project, and

"(iii) certifies that it has obtained the written approval of the Secretary of Transportation for such project,

"(D) the term of each bond which is part of such issue does not exceed 20 years, and

"(E) the payment of principal with respect to such bond is guaranteed by the National Railroad Passenger Corporation.

"(2) STATE CONTRIBUTION REQUIREMENT.—

"(A) IN GENERAL.—For purposes of paragraph (1)(C)(ii), the State contribution requirement of this paragraph is met with respect to any qualified project if the National Railroad Passenger Corporation has a written binding commitment from 1 or more States to make matching contributions not later than the date of issuance of the issue of not less than 20 percent of the cost of the qualified project.

"(B) USE OF STATE MATCHING CONTRIBUTIONS.—The matching contributions described in subparagraph (A) with respect to each qualified project shall be used—

"(i) in the case of an amount equal to 20 percent of the cost of such project, to redeem bonds which are a part of the issue with respect to such project, and

"(ii) in the case of any remaining amount, at the election of the National Railroad Passenger Corporation and the contributing State—

"(I) to fund the qualified project, or

"(II) to redeem such bonds, or

"(III) for the purposes of subclauses (I) and (II).

"(3) Qualified project.—The term 'qualified project' means—

"(A) the acquisition, financing, or refinancing of equipment, rolling stock, and other capital improvements for the northeast rail corridor between Washington, D.C. and Boston, Massachusetts,

"(B) the acquisition, financing, or refinancing of equipment, rolling stock, and other capital improvements for the improvement of train speeds or safety (or both) on the high-speed rail corridors designated under section 104(d)(2) of title 23, United States Code, and

"(C) with respect to not more than 10 percent of the net proceeds of an issue, the acquisition, financing, or refinancing of equipment, rolling stock, and other capital improvements for non-designated high-speed rail corridors, including station rehabilitation, track or signal improvements, or the elimination of grade crossings.

"(4) Temporary period exception.—A bond shall not be treated as failing to meet the requirement of paragraph (1)(A) solely by reason of the fact that the proceeds of the issue of which such bond is a part are invested for a reasonable temporary period (but not more than 36 months) until such proceeds are needed for the purpose for which such issue was issued.

"(e) Limitations on Amount of Bonds Designated.—

"(1) In general.—There is a qualified Amtrak bond limitation for each fiscal year. Such limitation is—

"(A) $1,000,000,000 for each of the fiscal years 2001 through 2010, and

"(B) zero after 2010.

"(2) Carryover of unused limitation.—If for any fiscal year—

"(A) the limitation amount under paragraph (1), exceeds

"(B) the amount of bonds issued during such year which are designated under subsection (d)(1)(C)(i),

the limitation amount under paragraph (1) for the following fiscal year shall be increased by the amount of such excess.

"(f) Other Definitions.—For purposes of this subpart—

"(1) Bond.—The term 'bond' includes any obligation.

"(2) Credit allowance date.—The term 'credit allowance date' means—

"(A) March 15,

"(B) June 15,

"(C) September 15, and

"(D) December 15.

Such term includes the last day on which the bond is outstanding.

"(3) State.—The term 'State' includes the District of Columbia.

"(g) Partnership; S Corporation; and Other Pass-Thru Entities.—Under regulations prescribed by the Secretary, in the case of a partnership, trust, S corporation, or other pass-thru entity, rules similar to the rules of section 41(g) shall apply with respect to the credit allowable under subsection (a).

"(h) Bonds Held by Regulated Investment Companies.—If any qualified Amtrak bond is held by a regulated investment company, the credit determined under subsection (a) shall be allowed to shareholders of such company under procedures prescribed by the Secretary.

"(i) Use of Trust Account.—

"(1) In general.—The amount of any matching contribution with respect to a qualified project described in subsection (d)(2)(B)(i) or (d)(2)(B)(ii)(II) and the temporary period investment earnings on proceeds of the issue with respect to such project described in subsection (d)(4), and any earnings thereon, shall be held in a trust account by a trustee independent of the National Railroad Passenger Corporation to be used to redeem bonds which are part of such issue.

"(2) Use of remaining funds in trust account.—Upon the repayment of the principal of all qualified Amtrak bonds issued under this section, any remaining funds in the trust account described in paragraph (1) shall be available to the trustee described in paragraph (1) to meet any remaining obligations under any guaranteed investment contract used to secure earnings sufficient to repay the principal of such bonds. Any remaining balance in such trust account shall be paid to the United States to be used to redeem public-debt obligations.

"(j) Credit Included in Gross Income.—Gross income includes the amount of the credit allowed to the taxpayer under this section (determined without regard to subsection (c)) and the amount so included shall be treated as interest income.

"(k) Credits May Be Stripped.—Under regulations prescribed by the Secretary—

"(1) In general.—There may be a separation (including at issuance) of the ownership of a qualified Amtrak bond and the entitlement to the credit under this section with respect to such bond. In case of any such separation, the credit under this section shall be allowed to the person who on the credit allowance date holds the instrument evidencing the entitlement to the credit and not to the holder of the bond.

"(2) Certain rules to apply.—In the case of a separation described in paragraph (1), the rules of section 1286 shall apply to the qualified Amtrak bond as if it were a stripped bond and to the credit under this section as if it were a stripped coupon.

"(l) Treatment for Estimated Tax Purposes.—Solely for purposes of sections 6654 and 6655, the credit allowed by this section to a taxpayer by reason of holding a qualified Amtrak bond on a credit allowance date shall be treated as if it were a payment of estimated tax made by the taxpayer on such date.

"(m) Credit May Be Transferred.—Nothing in any law or rule of law shall be construed to limit the transferability of the credit allowed by this section through sale and repurchase agreements.

"(n) Reporting.—Issuers of qualified Amtrak bonds shall submit reports similar to the reports required under section 149(e)."

(b) Reporting.—Subsection (d) of section 6049 of the Internal Revenue Code of 1986 (relating to returns regarding payments of interest) is amended by adding at the end the following:

"(8) Reporting of credit on qualified Amtrak bonds.—

"(A) In general.—For purposes of subsection (a), the term 'interest' includes amounts includible in gross income under section 54(j) and such amounts shall be treated as paid on the credit allowance date (as defined in section 54(f)(2)).

"(B) Reporting to corporations, etc.—Except as otherwise provided in regulations, in the case of any interest described in subparagraph (A) of this paragraph, subsection (b)(4) of this section shall be applied without regard to subparagraphs (A), (H), (I), (J), (K), and (L)(i).

"(C) Regulatory authority.—The Secretary may prescribe such regulations as are necessary or appropriate to carry out the purposes of this paragraph, including regulations which require more frequent or more detailed reporting."

(c) Clerical Amendments.—

(1) The table of subparts for part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following:

"Subpart H. Nonrefundable Credit for Holders of Qualified Amtrak Bonds."

(2) Section 6401(b)(1) of such Code is amended by striking "and G" and inserting "G, and H".

(d) Effective Date.—The amendments made by this section shall apply to obligations issued after September 30, 2000.

## CLELAND AMENDMENTS NOS. 3859-3860

Mr. REID (for Mr. Cleland) proposed two amendments to the bill, H.R. 4810, supra; as follows:

Amendment No. 3859

At the end, add the following:

**SEC. . EXCLUSION OF UNITED STATES SAVINGS BOND INCOME FROM GROSS INCOME IF USED TO PAY LONG-TERM CARE EXPENSES.**

(a) In General.—Subsection (a) of section 135 of the Internal Revenue Code of 1986 (relating to income from United States savings bonds used to pay higher education tuition and fees) is amended to read as follows:

"(a) Exclusion.—

"(1) General rule.—In the case of an individual who pays qualified expenses during the taxable year, no amount shall be includible in gross income by reason of the redemption during such year of any qualified United States savings bond.

"(2) Qualified expenses.—For purposes of this section, the term 'qualified expenses' means—

"(A) qualified higher education expenses, and

"(B) eligible long-term care expenses.".

(b) Limitation Where Redemption Proceeds Exceed Qualified Expenses.—Section 135(b)(1) of the Internal Revenue Code of 1986 (relating to limitation where redemption proceeds exceed higher education expenses) is amended—

(1) by striking "higher education" in subparagraph (A)(ii), and

(2) by striking "HIGHER EDUCATION" in the heading thereof.

(c) Eligible Long-Term Care Expenses.—Section 135(c) of the Internal Revenue Code of 1986 (relating to definitions) is amended by redesignating paragraph (4) as paragraph (5) and by inserting after paragraph (3) the following new paragraph:

"(4) Eligible long-term care expenses.—The term 'eligible long-term care expenses' means qualified long-term care expenses (as defined in section 7702B(c)) and eligible long-term care premiums (as defined in section 213(d)(10)) of—

"(A) the taxpayer,

"(B) the taxpayer's spouse, or

"(C) any dependent of the taxpayer with respect to whom the taxpayer is allowed a deduction under section 151.".

(d) Adjustments.—Section 135(d) of the Internal Revenue Code of 1986 (relating to special rules) is amended by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively, and by inserting after paragraph (2) the following new paragraph:

"(3) Eligible long-term care expense adjustments.—The amount of eligible long-term care expenses otherwise taken into account under subsection (a) with respect to an individual shall be reduced (before the application of subsection (b)) by the sum of—

"(A) any amount paid for qualified long-term care services (as defined in section 7702B(c)) provided to such individual and described in section 213(d)(11), plus

"(B) any amount received by the taxpayer or the taxpayer's spouse or dependents for the payment of eligible long-term care expenses which is excludable from gross income.".

(e) Coordination With Deductions.—

(1) Section 213 of the Internal Revenue Code of 1986 (relating to medical, dental, etc., expenses) is amended by adding at the end the following new subsection:

"(f) Coordination With Savings Bond Income Used for Expenses.—Any expense taken into account in determining the exclusion under section 135 shall not be treated as an expense paid for medical care.".

(2) Section 162(l) of such Code (relating to special rules for health insurance costs of self-employed individuals) is amended by adding at the end the following new paragraph:

"(6) Coordination with savings bond income used for expenses.—Any expense taken into account in determining the exclusion under section 135 shall not be treated as an expense paid for medical care.".

(f) Clerical Amendments.—

(1) The heading for section 135 of the Internal Revenue Code of 1986 is amended by inserting "and long-term care expenses" after "fees".

(2) The item relating to section 135 in the table of sections for part III of subchapter B of chapter 1 of such Code is amended by inserting "and long-term care expenses" after "fees".

(g) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

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### Amendment No. 3860

At the end, add the following:

**SEC. . ENHANCED DEDUCTION FOR CORPORATE DONATIONS OF COMPUTER TECHNOLOGY TO PUBLIC LIBRARIES AND COMMUNITY CENTERS.**

(a) Expansion of Computer Technology Donations to Public Libraries and Community Centers.—

(1) In general.—Paragraph (6) of section 170(e) of the Internal Revenue Code of 1986 (relating to special rule for contributions of computer technology and equipment for elementary or secondary school purposes) is amended by striking "qualified elementary or secondary educational contribution" each place it occurs in the headings and text and inserting "qualified computer contribution".

(2) Expansion of eligible donees.—Subclause (II) of section 170(e)(6)(B)(i) of such Code (relating to qualified elementary or secondary educational contribution) is amended by striking "or" at the end of subclause (I) and by inserting after subclause (II) the following new subclauses:

"(III) a public library (within the meaning of section 213(2)(A) of the Library Services and Technology Act (20 U.S.C. 9122(2)(A)), as in effect on the date of the enactment of the Community Technology Assistance Act, established and maintained by an entity described in subsection (c)(1), or

"(IV) a nonprofit or governmental community center, including any center within which an after-school or employment training program is operated,".

(b) Conforming Amendments.—

(1) Section 170(e)(6)((B)(iv) of the Internal Revenue Code of 1986 is amended by striking "in any grades K–12".

(2) The heading of paragraph (6) of section 170(e) of such Code is amended by striking "ELEMENTARY OR SECONDARY SCHOOL PURPOSES" and inserting "EDUCATIONAL PURPOSES".

(c) Extension of Deduction.—Section 170(e)(6)(F) of the Internal Revenue Code of 1986 (relating to termination) is amended by striking "December 31, 2000" and inserting "December 31, 2005".

(d) Effective Date.—The amendments made by this section shall apply to contributions made after December 31, 2000.

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### GRAMS AMENDMENT NO. 3861

Mr. ROTH (for Mr. Grams) proposed an amendment to the bill, H.R. 4810, supra; as follows:

At the end of the bill, add the following:

**TITLE VI—MISCELLANEOUS PROVISIONS**

**SEC. 601. REPEAL OF INCREASE IN TAX ON SOCIAL SECURITY BENEFITS.**

(a) Repeal of Increase in Tax on Social Security Benefits.—

(1) In general.—Paragraph (2) of section 86(a) (relating to social security and tier 1 railroad retirement benefits) is amended by adding at the end the following new flush sentence:

"This paragraph shall not apply to any taxable year beginning after December 31, 2000."

(2) Effective date.—The amendment made by this subsection shall apply to taxable years beginning after December 31, 2000.

(b) Revenue Offset.—The Secretary of the Treasury shall transfer, for each fiscal year, from the general fund in the Treasury to the Federal Hospital Insurance Trust Fund established under section 1817 of the Social Security Act (42 U.S.C. 1395i) an amount equal to the decrease in revenues to the Treasury for such fiscal year by reason of the amendment made by this section.

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### ABRAHAM AMENDMENT NO. 3862

Mr. ROTH (for Mr. Abraham) proposed an amendment to the bill, H.R. 4810, supra; as follows:

At the end of the Act, add the following:

**TITLE VI—MISCELLANEOUS**

**SEC. 601. SENSE OF THE SENATE REGARDING COVERAGE OF PRESCRIPTION DRUGS UNDER THE MEDICARE PROGRAM.**

(a) Findings.—The Senate makes the following findings:

(1) Projected on-budget surpluses for the next 10 years total $1,900,000,000,000, according to the President's mid-session review.

(2) Eliminating the death tax would reduce revenues by $104,000,000,000 over 10 years, leaving on-budget surpluses of $1,800,000,000,000.

(3) The medicare program established under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) faces the dual problem of inadequate coverage of prescription drugs and rapid escalation of program costs with the retirement of the baby boom generation.

(4) The concurrent resolution on the budget for fiscal year 2001 provides $40,000,000,000 for prescription drug coverage in the context of a reform plan that improves the long-term outlook for the medicare program.

(5) The Committee on Finance of the Senate currently is working in a bipartisan manner on reporting legislation that will reform the medicare program and provide a prescription drug benefit.

(b) Sense of the Senate.—It is the sense of the Senate that—

(1) on-budget surpluses are sufficient to both repeal the death tax and improve coverage of prescription drugs under the medicare program and Congress should do both this year; and

(2) the Senate should pass adequately funded legislation that can effectively—

(A) expand access to outpatient prescription drugs;

(B) modernize the medicare benefit package;

(C) make structural improvements to improve the long term solvency of the medicare program;

(D) reduce medicare beneficiaries' out-of-pocket prescription drug costs, placing the highest priority on helping the elderly with the greatest need; and

(E) give the elderly access to the same discounted rates on prescription drugs as those available to Americans enrolled in private insurance plans.

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### MOYNIHAN AMENDMENT NO. 3863

Mr. MOYNIHAN proposed an amendment to the bill, H.R. 4810, supra; as follows:

Strike all after the enacting clause and insert the following:

**SECTION 1. COMBINED RETURN TO WHICH UNMARRIED RATES APPLY.**

(a) In General.—Subpart B of part II of subchapter A of chapter 61 of the Internal Revenue Code of 1986 (relating to income tax returns) is amended by inserting after section 6013 the following new section:

**"SEC. 6013A. COMBINED RETURN WITH SEPARATE RATES.**

"(a) General Rule.—A husband and wife may make a combined return of income taxes under subtitle A under which—

"(1) a separate taxable income is determined for each spouse by applying the rules provided in this section, and

"(2) the tax imposed by section 1 is the aggregate amount resulting from applying the separate rates set forth in section 1(c) to each such taxable income.

"(b) Treatment of Income.—For purposes of this section—

"(1) earned income (within the meaning of section 911(d)), and any income received as a pension or annuity which arises from an employer-employee relationship, shall be treated as the income of the spouse who rendered the services,

"(2) income from property shall be divided between the spouses in accordance with their respective ownership rights in such property (equally in the case of property held jointly by the spouses), and

"(3) any exclusion from income shall be allowable to the spouse with respect to whom the income would be otherwise includible.

"(c) Treatment of Deductions.—For purposes of this section—

"(1) except as otherwise provided in this subsection, the deductions described in section 62(a) shall be allowed to the spouse treated as having the income to which such deductions relate, "(2) the deductions allowable by section 151(b) (relating to personal exemptions for taxpayer and spouse) shall be determined by allocating 1 personal exemption to each spouse,

"(3) section 63 shall be applied as if such spouses were not married, except that the election whether or not to itemize deductions shall be made jointly by both spouses and apply to each, and

"(4) each spouse's share of all other deductions shall be determined by multiplying the aggregate amount thereof by the fraction—

"(A) the numerator of which is such spouse's gross income, and

"(B) the denominator of which is the combined gross incomes of the 2 spouses.

Any fraction determined under paragraph (4) shall be rounded to the nearest percentage point.

"(d) TREATMENT OF CREDITS.—For purposes of this section—

"(1) IN GENERAL.—Except as provided in paragraph (2), each spouse's share of credits allowed to both spouses shall be determined by multiplying the aggregate amount of the credits by the fraction determined under subsection (c)(4).

"(2) EARNED INCOME CREDIT.—The earned income credit under section 32 shall be determined as if each spouse were a separate taxpayer, except that—

"(A) the earned income and the modified adjusted gross income of each spouse shall be determined under the rules of subsections (b), (c), and (e), and

"(B) qualifying children shall be allocated between spouses proportionate to the earned income of each spouse (rounded to the nearest whole number).

"(e) SPECIAL RULES REGARDING INCOME LIMITATIONS.—

"(1) EXCLUSIONS AND DEDUCTIONS.—For purposes of making a determination under subsection (b) or (c), any eligibility limitation with respect to each spouse shall be determined by taking into account the limitation applicable to a single individual.

"(2) CREDITS.—For purposes of making a determination under subsection (d)(1), in no event shall an eligibility limitation for any credit allowable to both spouses be less than twice such limitation applicable to a single individual.

"(f) SPECIAL RULES FOR ALTERNATIVE MINIMUM TAX.—If a husband and wife elect the application of this section—

"(1) the tax imposed by section 55 shall be computed separately for each spouse, and

"(2) for purposes of applying section 55—

"(A) the rules under this section for allocating items of income, deduction, and credit shall apply, and

"(B) the exemption amount for each spouse shall be the amount determined under section 55(d)(1)(B).

"(g) TREATMENT AS JOINT RETURN.—Except as otherwise provided in this section or in the regulations prescribed hereunder, for purposes of this title (other than sections 1 and 63(c)) a combined return under this section shall be treated as a joint return.

"(h) LIMITATIONS.—

"(1) PHASE-IN OF BENEFIT.—

"(A) IN GENERAL.—In the case of any taxable year beginning before January 1, 2004, the tax imposed by section 1 or 55 shall in no event be less than the sum of—

"(i) the tax determined after the application of this section, plus

"(ii) the applicable percentage of the excess of—

"(I) the tax determined without the application of this section, over

"(II) the amount determined under clause (i).

"(B) APPLICABLE PERCENTAGE.—For purposes of subparagraph (A), the applicable percentage shall be determined in accordance with the following table:

| "For taxable years beginning in: | The applicable percentage is: |
|---|---|
| 2002 | 50 |
| 2003 | 10. |

"(2) LIMITATION OF BENEFIT BASED ON COMBINED ADJUSTED GROSS INCOME.—With respect to spouses electing the treatment of this section for any taxable year, the tax under section 1 or 55 shall be increased by an amount which bears the same ratio to the excess of the tax determined without the application of this section over the tax determined after the application of this section as the ratio (but not over 100 percent) of the excess of the combined adjusted gross income of the spouses over $100,000 bears to $50,000.

"(i) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out this section.".

(b) UNMARRIED RATE MADE APPLICABLE.—So much of subsection (c) of section 1 of the Internal Revenue Code of 1986 as precedes the table is amended to read as follows:

"(c) SEPARATE OR UNMARRIED RETURN RATE.—There is hereby imposed on the taxable income of every individual (other than a married individual (as defined in section 7703) filing a return which is not a combined return under section 6013A, a surviving spouse as defined in section 2(a), or a head of household as defined in section 2(b)) a tax determined in accordance with the following table:".

(c) PENALTY FOR SUBSTANTIAL UNDERSTATEMENT OF INCOME FROM PROPERTY.—Section 6662 of the Internal Revenue Code of 1986 (relating to imposition of accuracy-related penalty) is amended—

(1) by adding at the end of subsection (b) the following:

"(6) Any substantial understatement of income from property under section 6013A.", and

(2) by adding at the end the following new subsection:

"(i) SUBSTANTIAL UNDERSTATEMENT OF INCOME FROM PROPERTY UNDER SECTION 6013A.—For purposes of this section, there is a substantial understatement of income from property under section 6013A if—

"(1) the spouses electing the treatment of such section for any taxable year transfer property from 1 spouse to the other spouse in such year,

"(2) such transfer results in reduced tax liability under such section, and

"(3) the significant purpose of such transfer is the avoidance or evasion of Federal income tax.".

(d) PROTECTION OF SOCIAL SECURITY AND MEDICARE TRUST FUNDS.—

(1) IN GENERAL.—Nothing in this section shall be construed to alter or amend the Social Security Act (or any regulation promulgated under that Act).

(2) TRANSFERS.—

(A) ESTIMATE OF SECRETARY.—The Secretary of the Treasury shall annually estimate the impact that the enactment of this section has on the income and balances of the trust funds established under sections 201 and 1817 of the Social Security Act (42 U.S.C. 401 and 1395i).

(B) TRANSFER OF FUNDS.—If, under subparagraph (A), the Secretary of the Treasury estimates that the enactment of this section has a negative impact on the income and balances of such trust funds, the Secretary shall transfer, not less frequently than quarterly, from the general revenues of the Federal Government an amount sufficient so as to ensure that the income and balances of such trust funds are not reduced as a result of the enactment of this section.

(e) CLERICAL AMENDMENT.—The table of sections for subpart B of part II of subchapter A of chapter 61 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 6013 the following:

"Sec. 6013A. Combined return with separate rates.".

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

(g) SUNSET PROVISION.—The amendments made by this Act shall not apply to any taxable year beginning after December 31, 2004.

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## ROTH AMENDMENTS NO. 3864–3865

Mr. ROTH proposed two amendments to the bill, H.R. 4810, supra; as follows:

AMENDMENT NO. 3864

On page 8, strike lines 6 through 14.

AMENDMENT NO. 3865

On page 9, strike lines 23 through 25.

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## REID AMENDMENT NO. 3866

Mr. REID proposed an amendment to amendment No. 3861 previously proposed by Mr. ROTH (for Mr. GRAMS) to the bill, H.R. 4810, supra; as follows:

AMENDMENT NO. 3866

At the end of the amendment add the following:

FINDINGS

The Grams Social Security amendment includes a general fund transfer to the Medicare HI Trust Fund of $113 billion over the next 10 years.

Without a general fund transfer to the HI trust fund, the Grams Amendment would cause Medicare to become insolvent 5 years earlier than is expected today.

It is appropriate to protect the Medicare program and ensure its quality and viability by transferring monies from the general fund to the Medicare HI trust fund.

The adoption of the Grams Social Security amendment has put a majority of the Senate on record in favor of a general fund transfer to the HI trust fund.

Today, the Medicare HI Trust Fund is expected to become insolvent in 2025.

The $113 billion the Grams amendment transfers to the HI trust fund to maintain Medicare's solvency is the same amount that the President has proposed to extend its solvency to 2030.

SENSE OF THE SENATE

It is the sense of the Senate that the general fund transfer mechanism included in the Grams Social Security amendment should be used to extend the life the Medicare trust fund through 2030, to ensure that Medicare remains a strong health insurance program for our nation's seniors and that its payments to health providers remain adequate.

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## GRAMS AMENDMENT NO. 3867

Mr. ROTH (for Mr. GRAMS) proposed an amendment to amendment No. 3861 previously proposed by Mr. Roth (for Mr. Grams) to the bill, H.R. 4810, supra; as follows:

Strike all after the first word and add the following:

### TITLE VI—MISCELLANEOUS PROVISIONS

### SEC. 601. REPEAL OF INCREASE IN TAX ON SOCIAL SECURITY BENEFITS.

(a) Repeal of Increase in Tax on Social Security Benefits.—

(1) In general.—Paragraph (2) of section 86(a) (relating to social security and tier 1 railroad retirement benefits) is amended by adding at the end the following new flush sentence:

"This paragraph shall not apply to any taxable year beginning after December 31, 2000."

(2) Effective date.—The amendment made by this subsection shall apply to taxable years beginning after December 31, 2000.

(b) Revenue Offset.—The Secretary of the Treasury shall transfer, for each fiscal year, from the general fund in the Treasury to the Federal Hospital Insurance Trust Fund established under section 1817 of the Social Security Act (42 U.S.C. 1395i) an amount equal to the decrease in revenues to the Treasury for such fiscal year by reason of the amendment made by this section.

This section shall become effective 1 day after enactment of this Act.

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## STEVENS AMENDMENTS NOS. 3868–3873

Mr. ROTH (for Mr. Stevens) proposed six amendments to bill, H.R. 4810, supra; as follows:

### Amendment No. 3868

At the appropriate place insert the following new section:

### SEC. . ALASKA EXEMPTION FROM DYEING REQUIREMENTS.

(a) Except to Dyeing Requirements for ion Exempt Diesel Fuel and Kerosene.—Paragraph (1) section 4082(c) (relating to exception to dyeing requirements) is amended to read as follows:

"(1) removed, entered, or sold in the State of Alaska for ultimate sale or use in such State, and".

(b) Effective Date.—The amendment made by this section applies with respect to fuel removed, entered, or sold on or after the date of the enactment of this Act.

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### Amendment No. 3869

At the appropriate place insert the following new section:

### SEC. . TREATMENT OF MULTIEMPLOYER PLANS UNDER SECTION 415.

(a) Compensation Limit.—Paragraph (11) of section 415(b) (relating to limitation for defined benefit plans) is amended to read as follows:

"(11) Speciality limitation rule for governmental and multiemployer plans.—In the case of a governmental plan (as defined in section 414(d)) or a multiemployer plan (as defined in section 414(f)), subparagraph (B) of paragraph (1) shall not apply."

(b) Combining and Aggregation of Plans.—

(1) Combining of plans.—Subsection (f) of section 415 (relating to combining of plans) is amended by adding at the end the following:

"(3) Exception for multiemployer plans.—Notwithstanding paragraph (1) and subsection (g), a multiemployer plan (as defined in section 414(f)) shall not be combined or aggregated with any other plan maintained by an employer for purposes of applying the limitations established in this section. The preceding sentence shall not apply for purposes of applying subsection (b)(1)(A) to a plan which is not a multiemployee plan."

(2) Conforming amendment for aggregation of plans.—Subsection (g) of section 415 (relating to aggregation of plans) is amended by striking "The Secretary" and inserting "Except as provided in subsection (f)(3), the Secretary".

(c) Application of Special Early Retirement Rules.—Section 415(b)(2)(F) (relating to plans maintained by governments and tax-exempt organizations) is amended—

(1) by inserting "a multiemployer plan (within the meaning of section 414(f))," after "section 414(d),", and

(2) by striking the heading and inserting:

"(F) Special early retirement rules for certain plans—".

(d) Effective Date.—The amendments made by this section shall apply to years beginning after December 31, 2000.'.

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### Amendment No. 3870

At the appropriate place insert the following new section:

### SEC. . CHARITABLE CONTRIBUTION DEDUCTION FOR CERTAIN EXPENSES INCURRED IN SUPPORT OF NATIVE ALASKAN SUBSISTENCE WHALING.

(a) In General.—Section 170 (relating to charitable, etc., contributions and gifts) is amended by redesignating subsection (m) as subsection (n) and by inserting after subsection (l) the following new subsection:

"(m) Expenses Paid by Certain Whaling Captains in Support of Native Alaskan Subsistence Whaling.—

"(1) In general.—In the case of an individual who is recognized by the Alaska Eskimo Whaling Commission as a whaling captain charged with the responsibility of maintaining and carrying out sanctioned whaling activities and who engages in such activities during the taxable year, the amount described in paragraph (2) (to the extent such amount does not exceed $7,500 for the taxable year) shall be treated for purposes of this section as a charitable contribution.

"(2) Amount described.—

"(A) In general.—The amount described in this paragraph is the aggregate of the reasonable and necessary whaling expenses paid by the taxpayer during the taxable year in carrying out sanctioned whaling activities.

"(B) Whaling expenses.—For purposes of subparagraph (A), the term 'whaling expenses' includes expenses for—

"(i) the acquisition and maintenance of whaling boats, weapons, and gear used in sanctioned whaling activities,

"(ii) the supplying of food for the crew and other provisions for carrying out such activities, and

"(iii) storage and distribution of the catch from such activities.

"(3) Sanctioned whaling activities.—For purposes of this subsection, the term 'sanctioned whaling activities' means subsistence bowhead whale hunting activities conducted pursuant to the management plan of the Alaska Eskimo Whaling Commission."

(b) Effective Date.—The amendments made by subsection (a) shall apply to taxable years beginning after December 31, 2000.

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### Amendment No. 3871

At the appropriate place insert the following new sections:

### SEC. . TAX TREATMENT OF ALASKA NATIVE SETTLEMENT TRUSTS.

(a) Modification of Tax Rate.—Section 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

"(i) In lieu of the tax imposed by subsection (c), there is hereby imposed on any electing Settlement Trust (as defined in section 646(e)(2)) a tax at the rate of 15% on its taxable income (as defined in section 646(d)), except that if such trust has a net capital gain for any taxable year, a tax shall be imposed on such net capital gain at the rate of tax that would apply to such net capital gain if the taxpayer were an individual subject to a tax on ordinary income at a rate of 15%."

(b) Special Rules Relating to Taxation of Alaska Native Settlement Trusts.—Subpart A of Part I of subchapter J of Chapter 1 (relating to general rules for taxation of trusts and estates) is amended by adding at the end the following

### "SEC. 646. TAX TREATMENT OF ALASKA NATIVE SETTLEMENT TRUSTS.

"(a) In General.—Except as otherwise provided in this section, the provisions of this subchapter and section 1(c) shall apply to all settlement trusts organized under the Alaska Native Claims Settlement Act ("Claims Act")).

"(b) One-Time Election.

"(1) Effect.—In the case of an electing Settlement Trust, then except as set forth in this section—

"(A) section 1(i), and not section 1(e), shall apply to such trust;

"(B) no amount shall be includible in the gross income of any person by reason of a contribution to such trust; and

"(C) the beneficiaries of such trust shall be subject to tax on the distributions by such trust only as set forth in paragraph (2).

"(2) Tax treatment of distributions to beneficiaries by electing settlement trusts.—

"(A) distributions by an electing Settlement Trust shall be taxed as follows:

"(i) Any distributions by such trust, up to the amount for such taxable year of such trust's taxable income plus any amount of income excluded from the income of the trust by section 103, shall be excluded from the gross income of the recipient beneficiaries;

"(ii) Next, any distributions by such trust during the taxable year that are not excluded from the recipient beneficiaries' income pursuant to clause (i) shall nonetheless be excluded from the gross income of the recipient beneficiaries. The maximum exclusion under this clause shall be equal to the amount during all years in which an election under this subsection has been in effect of such trust's taxable income plus any amount of income excluded from the income of the trust by section 103, reduced by any amounts which have previously been excluded from the recipient beneficiaries's income under this clause or clause (i);

"(iii) The remaining distributions by the Trust during the taxable year which are not excluded from the beneficiaries' income pursuant to clause (i) or (ii) shall be deemed for all purposes of this title to be treated as distributions by the sponsoring Native Corporation during such taxable year upon its stock and taxable to the recipient beneficiaries to the extend provided in Subchapter C of Subtitle A.

"(3) Time and Method of Election.—An election under this subsection shall be made—

"(A) before the due date (including extensions) for filing the Settlement Trust's return of tax for the first taxable year of such trust ending after the date of enactment of this subsection, and

"(B) by attaching to such return of tax a statement specifically providing for such election.

"(4) PERIOD ELECTION IN EFFECT.—Except as provided in subsection (c), an election under this subsection—

"(A) shall apply to the 1st taxable year described in subparagraph (3)(A) and all subsequent taxable years, and

"(B) may not be revoked once it is made.

"(c) SPECIAL RULES WHERE TRANSFER RESTRICTIONS MODIFIED.—

"(1) TRANSFER OF BENEFICIAL INTERESTS.—If the beneficial interests in an electing Settlement Trust may at any time be disposed of in a manner which would not be permitted by section 7(h) of the Claims Act (43 U.S.C. 1606(h)) if such beneficial interest were Settlement Common Stock.—

"(A) no election may be made under subsection (b) with respect to such trust, and

"(B) if an election under subsection (b) is in effect as of such time.—

"(i) such election is revoked as of the 1st day of the taxable year following the taxable year in which such disposition is first permitted, and

"(ii) there is hereby imposed on such Alaska Native Settlement Trust in lieu of any other taxes for such taxable year a tax equal to the product of the fair market value of the assets held by such trust as of the close of the taxable year in which such disposition is first permitted and the highest rate of tax under section 1(e) for such taxable year.

"(2) STOCK IN CORPORATION.—If—

"(A) the Settlement Common Stock in the sponsoring Native Corporation may be disposed of in any manner not permitted by section 7(h) of the Claims Act, and

"(B) at any time such disposition is first permitted, the sponsoring Native Corporation transfers assets to such Settlement Trust,

subparagraph (1)(B) shall be applied to such trust in the same manner as if the trust permitted dispositions of beneficial interests in the trust other than would be permitted under section 7(h) of the Claims Act if such beneficial interests were Settlement Common Stock.

"(3) ADMINISTRATIVE PROGRAMS.—For purposes of Subtitle F, the tax imposed by clause (ii) of subparagraph (1)(B) shall be treated as an excise tax with respect to which the deficiency procedures of such subtitle apply.

"(d) TAXABLE INCOME.—For purposes of this Title, the taxable income of an electing Settlement Trust shall be determined under section 641(b) without regard to any deduction under section 651 or 661.

"(e) DEFINITIONS.—For purposes of this section, section 1(i) and section 6041,—

"(1) NATIVE CORPORATION.—The term 'Native Corporation' has the meaning given such term by section 3(m) of the Claims Act (43 U.S.C. 1602(m)).

"(2) SPONSORING NATIVE CORPORATION.—The term 'sponsoring Native Corporation' means the respective Native Corporation that transferred assets to an electing Settlement Trust.

"(3) SETTLEMENT TRUST.—The term 'Settlement Trust' means a trust which constitutes a settlement trust under section 39 of the Claims Act (43 U.S.C. 1629e).

"(4) ELECTING SETTLEMENT TRUST.—The term 'electing Settlement Trust' means a Settlement Trust that has made the election described in subsection (b).

"(5) SETTLEMENT COMMON STOCK.—The term 'Settlement Common Stock' has the meaning given such term by section 3(p) of the Claims Act (43 U.S.C. 1602(p))."

(c) REPORTING.—Section 6041 of such Code is amended by adding at the end the following new subsection:

"(f) APPLICATION TO CERTAIN ALASKA NATIVE SETTLEMENT TRUSTS.—In lieu of all other rules (whether imposed by statute, regulation or otherwise) that require a trust to report to its beneficiaries and the Commissioner concerning distributable share information, the rules of this subsection shall apply to an electing Settlement Trust (as defined in section 646(e)(4)). An electing Settlement Trust is not required to include with its return of income or send to its beneficiaries statements that identify the amounts distributed to specific beneficiaries. An electing Settlement Trust shall instead include with its own return of income a statement as to the total amount of its distributions during such taxable year, the amount of such distributions which are excludable from the recipient beneficiaries' gross income pursuant to section 646, and the amount, if any, of its distributions during such year which were deemed to have been made by the sponsoring Native Corporation (as such term is defined in section 646(e)(2))."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years of electing Settlement Trusts, their beneficiaries, and sponsoring Native Corporations ending after the date of the enactment of this Act and to contributions made to electing Settlement Trusts during such year and thereafter.

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### AMENDMENT NO. 3872

At the appropriate place insert the following new section:

**SEC. . TAX TREATMENT OF PASSENGERS FILLING EMPTY SEATS ON NONCOMMERCIAL AIRPLANES.**

(a) Subsection (j) of section 132 of the Internal Revenue Code of 1986 (relating to certain fringe benefits) is amended by adding at the end thereof the following new paragraph:

"(9) SPECIAL RULE FOR CERTAIN NONCOMMERCIAL AIR TRANSPORTATION.—Notwithstanding any other provision of this section, the term 'no-additional-cost service' includes the value of transportation provided to any person on a noncommercially operated aircraft if—

"(A) such transportation is provided on a flight made in the ordinary course of the trade or business of the taxpayer owning or leasing such aircraft for use in such trade or business,

"(B) the flight on which the transportation is provided would have been made whether or not such person was transported on the flight, and

"(C) no substantial additional cost is incurred in providing such transportation to such person.

For purposes of this paragraph, an aircraft is noncommercially operated if transportation thereon is not provided or made available to the general public by purchase of a ticket or other fare."

(b) EFFECTIVE DATE.—The amendment made by Section 1 shall take effect on January 1, 2001.

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### AMENDMENT NO. 3873

At the appropriate place insert the following new section:

**SEC. . INCOME AVERAGING FOR FISHERMEN WITHOUT INCREASING ALTERNATIVE MINIMUM TAX LIABILITY AND FISHERMEN RISK MANAGEMENT ACCOUNTS.**

(a)(1) INCOME AVERAGING FOR FISHERMEN WITHOUT INCREASING ALTERNATIVE MINIMUM TAX LIABILITY.—Section 55(c) (defining regular tax) is amended by redesignating paragraph (2) as paragraph (3) and by inserting after paragraph (1) the following:

"(2) COORDINATION WITH INCOME AVERAGING FOR FISHERMEN.—Solely for purposes of this section, section 1301 (relating to averaging of fishing income) shall not apply in computing the regular tax.".

(2) ALLOWING INCOME AVERAGING FOR FISHERMEN.—

(A) IN GENERAL.—Section 1301(a) is amended by striking "farming business" and inserting "farming business or fishing business,".

(B) DEFINITION OF ELECTED FARM INCOME.—

(i) IN GENERAL.—Clause (i) of section 1301(b)(1)(A) is amended by inserting "or fishing business" before the semicolon.

(ii) CONFORMING AMENDMENT.—Subparagraph (B) of section 1301(b)(1) is amended by inserting "or fishing business' after "farming business" both places it occurs.

(C) DEFINITION OF FISHING BUSINESS.—Section 1301(b) is amended by adding at the end the following new paragraph:

"(4) FISHING BUSINESS.—The term 'fishing business' means the conduct of commercial fishing (as defined in section 3 of the Magnuson-Stevens Fisher Conservation and Management Act (16 U.S.C. 1802, P.L. 94-265 as amended).)".

(b) FISHERMEN RISK MANAGEMENT ACCOUNTS.—Subpart C of part II of subchapter E of chapter 1 (relating to taxable year for which deductions taken) is amended by inserting after section 468B the following:

**"SEC. 468C. FISHING RISK MANAGEMENT ACCOUNTS.**

"(a) DEDUCTION ALLOWED.—In the case of an individual engaged in an eligible commercial fishing activity, there shall be allowed as a deduction for any taxable year the amount paid in cash by the taxpayer during the taxable year Fishing Risk Management Account (hereinafter referred to as the 'FisheRMen Account').

"(b) LIMITATION.—

"(1) CONTRIBUTIONS.—The amount which a taxpayer may pay into the FisheRMen Account for any taxable year shall not exceed 20 percent of so much of the taxable income of the taxpayer (determined without regard to this section) which is attributable (determined in the manner applicable under section 1301) to any eligible commercial fishing activity.

"(2) DISTRIBUTIONS.—Distributions from a FisheRMen Account may not be used to purchase, lease, or finance any new fishing vessel, add capacity to any fishery, or otherwise contribute to the overcapitalization of any fishery. The Secretary of Commerce shall implement regulations to enforce this paragraph.

"(c) ELIGIBLE BUSINESSES.—For purposes of this section—

"(1) COMMERCIAL FISHING ACTIVITY.—The term 'commercial fishing activity' has the meaning given the term 'commercial fishing' by section (3) of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1802, P.L. 94-265 as amended) but only if such fishing is not a passive activity (within the meaning of section 469(c)) of the taxpayer.

"(d) FISHERMEN ACCOUNT.—For purposes of this section—

"(1) IN GENERAL.—The term 'FisheRMen Account' means a trust created or organized in the United States for the exclusive benefit of the taxpayer, but only if the written governing instrument creating the trust meets the following requirements:

"(A) No contribution will be accepted for any taxable year in excess of the amount allowed as a deduction under subsection (a) for such year.

"(B) The trustee is a bank (as defined in section 408(n)) or another person who demonstrates to the satisfaction of the Secretary that the manner in which such person will administer the trust will be consistent with the requirements of this section.

"(C) The assets of the trust consist entirely of cash or of obligations which have adequate stated interest (as defined in section 1274(c)(2)) and which pay such interest not less often than annually.

"(D) All income of the trust is distributed currently to the grantor.

"(E) The assets of the trust will not be commingled with other property except in a common trust fund or common investment fund.

"(2) ACCOUNT TAXED AS GRANTOR TRUST.—The grantor of a FisheRMen Account shall be treated for purposes of this title as the owner of such Account and shall be subject to tax thereon in accordance with subpart E of part I of subchapter J of this chapter (relating to grantors and others treated as substantial owners).

"(e) INCLUSION OF AMOUNTS DISTRIBUTED.—

"(1) IN GENERAL.—Except as provided in paragraph (2), there shall be includible in the gross income of the taxpayer for any taxable year—

"(A) Any amount distributed from a FisheRMen Account of the taxpayer during such taxable year, and

"(B) any deemed distribution under

"(i) subsection (f)(1) (relating to deposits not distributed within 5 years),

"(ii) subsection (f)(2) (relating to cessation in eligible commercial fishing activities), and

"(iii) subparagraph (A) or (B) of subsection (f)(3) (relating to prohibited transactions and pledging account as security).

"(2) EXCEPTIONS.—Paragraph (1)(A) shall not apply to—

"(A) any distribution to the extent attributable to income of the Account, and

"(B) the distribution of any contribution paid during a taxable year to a FisheRMen Account to the extent that such contribution exceeds the limitation applicable under subsection (b) if requirements similar to the requirements of section 408(d)(4) are met.

For purposes of subparagraph (A), distributions shall be treated as first attributable to income and then to other amounts.

"(f) SPECIAL RULES.—

"(1) Tax on deposits in account which are not distributed within 5 years.—

"(A) IN GENERAL.—If, at the close of any taxable year, there is a nonqualaified balance in any FisheRMen Account—

"(i) there shall be deemed distributed from such Account during such taxable year an amount equal to such balance, and

"(ii) the taxpayer's tax imposed by this chapter for such taxable year shall be increased by 10 percent of such deemed distribution.

The preceding sentence shall not apply if an amount equal to such nonqualified balance is distributed from such Account to the taxpayer before the due date (including extensions) for filing the return of tax imposed by this chapter for such year (or, if earlier, the date the taxpayer files such return for such year).

"(B) NONQUALIFIED BALANCE.—For purposes of subparagraph (A), the term 'nonqualified balance' means any balance in the Account on the last day of the taxable year which is attributable to amounts deposited in such Account before the 4th preceding taxable year.

"(C) ORDERING RULE.—For purposes of this paragraph, distributions from a FisheRMen Account (other than distributions of current income) shall be treated as made from deposits in the order in which such deposits were made, beginning with the earliest deposits.

"(2) CESSATION IN ELIGIBLE BUSINESS.—At the close of the first disqualification period after a period for which the taxpayer was engaged in an eligible commercial fishing activity, there shall be deemed distribued from the FisheRMen Account of the taxpayer an amount equal to the balance in such Account (if any) at the close of such disqualification period. For purposes of the preceding sentence, the term 'disqualaification period' means any period of 2 consecutive taxable years for which the taxpayer is not engaged in an eligible commercial fishing activity.

"(3) CERTAIN RULES TO APPLY.—Rules similar to the following rules shall apply for purposes of this section:

"(A) Section 220(f)(8) (relating to treatment on death).

"(B) Section 408(e)(2) (relating to loss of exemption of account where individual engages in prohibited transaction).

"(C) Section 408(e)(4) (relating to effect of pledging account as security).

"(D) Section 408(g) (relating to community property laws).

"(E) Section 408(h) (relating to custodial accounts).

"(4) TIME WHEN PAYMENTS DEEMED MADE.—For purposes of this section, a taxpayer shall be deemed to have made a payment to a FisheRMen Account on the last day of a taxable year if such payment is made on account of such taxable year and is made on or before the due date (without regard to extensions) for filing the return of tax for such taxable year.

"(5) INDIVIDUAL—For purposes of this section, the term 'individual' shall not include an estate or trust

"(6) DEDUCTION NOT ALLOWED FOR SELF-EMPLOYMENT TAX.—The deduction allowable by reason of subsection (a) shall not be taken into account in determining an individual's net earnings from self-employment (within the meaning of section 1402(a)) for purposes of chapter 2.

"(g) REPORTS.—The trustee of a FisheRMen Account shall make such reports regarding such Account to the Secretary and to the person for whose benefit the Account is maintained with respect to contributions, distributions, and such other matters as the Secretary may require under regulations. The reports required by this subsection shall be filed at such time and in such manner and furnished to such persons at such time and in such manner as may be required by such regulations.'.

"(c) CONFORMITY WITH EXISTING PROVISIONS AND CLERICAL AMENDMENT.—

(1) Subsection (a) of section 4973 (relating to tax on excess contributions to certain tax-favored accounts and annuities) is amended by striking 'or' at the end of paragraph (3), by redesignating paragraph (4) as paragraph (5), and by inserting after paragraph (3) the following:

"(4) a FisheRMen Account (within the meaning of section 468C(d)), or".

"(2) Section 4973 is amended by adding at the end the following:

"(g) EXCESS CONTRIBUTIONS TO FISHERMEN ACCOUNTS.—For purposes of this section, in the case of a FisheRMen Account (within the meaning of section 468C(d)), the term excess contributions' means the amount by which the amount contributed for the taxable year to the Account exceeds the amount which may be contributed to the Account under section 468C(b) for such taxable year. For purposes of this subsection, any contribution which is distributed out of the FisheRMen Account in a distribution to which section 468C(e)(2)(B) applies shall be treated as an amount not contributed.'.

"(3) The section heading for section 4973 is amended to read as follows:

**"SEC. 4973. EXCESS CONTRIBUTIONS TO CERTAIN ACCOUNTS, ANNUITIES, ETC.".**

"(4) The table of sections for chapter 43, is amended by striking the item relating to section 4973 and inserting the following:

"Sec, 4973. Excess contributions to certain accounts, annuities, etc.".

(5) TAX ON PROHIBITED TRANSACTIONS.—Subsection (c) of section 4975 (relating to tax on prohibited transactions) is amended by adding at the end the following:

"(6) SPECIAL RULE FOR FISHERMEN ACCOUNTS.—A person for whose benefit a FisheRMen Account (within the meaning of section 468C(d)) is established shall be exempt from the tax imposed by this section with respect to any transaction concerning such account (which would otherwise be taxable under this section), if, with respect to such transaction, the account ceases to be a FisheRMen Account by reason of the application of section 469C(f)(3)(A) to such account.'. (2) Paragraph (1) of section 4975(e) is amended by redesignating subparagraphs (E) and (F) and (G), respectively, and by inserting after subparagraph (D) the following:

"(E) a FisheRMen Account described in section 468C(d),".

(6) FAILURE TO PROVIDE REPORTS ON FISHERMEN ACCOUNTS.—Paragraph (2) of section 6693(a) (relating to failure to provide reports on certain tax-favored accounts or annuities) is amended by redesignating subparagraphs (C) and (D) as subparagraph (D) and (E), respectively,and by inserting after subparagraph (B) the following:

"(C) section 468C(g) (relating to FisheRMen Accounts),".

(7) CLERICAL AMENDMENT.—The table of sections for subpart C of part II of subchapter E of chapter 1 is amended by inserting after the item relating to section 468B the following:

**"SEC. 468C. FISHING RISK MANAGEMENT ACCOUNTS.".**

(d) EFFECTIVE DATE.—The changes made by this section shall apply to taxable years beginning after December 31, 2000.

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## BURNS (AND OTHERS) AMENDMENT NO. 3874

Mr. BURNS (for himself, Mr. ABRAHAM, Mr. HATCH, Mr. CRAIG, Mr. KYL, Mr. BENNETT, Mr. FRIST, and Mr. GRAMM) proposed an amendment to the bill, H.R. 4810, supra; as follows:

At the appropriate place, insert the following:

**SEC. . REPEAL OF MODIFICATION OF INSTALLMENT METHOD.**

(a) IN GENERAL.—Subsection (a) of section 536 of the Ticket to Work and Work Incentives Improvement Act of 1999 (relating to modification of installment method and repeal of installment method for accrual method taxpayers) is repealed effective with respect to sales and other dispositions occurring on or after the date of enactment of such Act.

(b) Applicability.—The Internal Revenue Code of 1986 should be applied and administered as if such subsection (and the amendments made by such subsection) had not been enacted.

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## HOLLINGS AMENDMENT NO. 3875

Mr. REID (for Mr. Hollings) proposed an amendment to the bill, H.R. 4810, supra; as follows:

Strike beginning with "Marriage Tax Relief Reconciliation Act of 2000" through the end of the bill.

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## DODD AMENDMENT NO. 3876

Mr. REID (for Mr. Dodd) proposed an amendment to the bill, H.R. 4810, supra; as follows:

At the end, add the following:

## TITLE II—DEPENDENT CARE TAX CREDIT

### SEC. 201. EXPANSION OF DEPENDENT CARE TAX CREDIT.

(a) In General.—Paragraph (2) of section 21(a) (relating to expenses for household and dependent care services necessary for gainful employment) is amended to read as follows:

"(2) Applicable percentage defined.—For purposes of paragraph (1), the term 'applicable percentage' means 50 percent (40 percent for taxable years beginning after December 31, 2002, and before January 1, 2005) reduced (but not below 20 percent) by 1 percentage point for each $1,000 (or fraction thereof) by which the taxpayer's adjusted gross income for the taxable year exceeds $30,000."

(b) Minimum Credit Allowed for Stay-At-Home Parents.—Section 21(e) (relating to special rules) is amended by adding at the end the following:

"(11) Minimum credit allowed for stay-at-home parents.—Notwithstanding subsection (d), in the case of any taxpayer with one or more qualifying individuals described in subsection (b)(1)(A) under the age of 1 at any time during the taxable year, such taxpayer shall be deemed to have employment-related expenses with respect to not more than 2 of such qualifying individuals in an amount equal to the greater of—

"(A) the amount of employment-related expenses incurred for such qualifying individuals for the taxable year (determined under this section without regard to this paragraph), or

"(B) $41.67 for each month in such taxable year during which each such qualifying individual is under the age of 1.".

(c) Inflation Adjustment of Dollar Amounts.—

(1) Section 21 is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

"(f) Inflation Adjustment.—In the case of any taxable year beginning in a calendar year after 2001, the $30,000 amount contained in subsection (a), the $2,400 amount in subsection (c), and the $41.67 amount in subsection (e)(11) shall be increased by an amount equal to—

"(1) such dollar amount, multiplied by

"(2) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting 'calendar year 2000' for 'calendar year 1992' in subparagraph (B) thereof.

If the increase determined under the preceding sentence is not a multiple of $50 ($5 in the case of the amount in subsection (e)(11)), such amount shall be rounded to the next lowest multiple thereof."

(2) Paragraph (2) of section 21(c) is amended by striking "$4,800" and inserting "twice the dollar amount applicable under paragraph (1)".

(3) Paragraph (2) of section 21(d) is amended by striking "less than—" and all that follows through the end of the first sentence and inserting "less than $1/12$ of the amount which applies under subsection (c) to the taxpayer for the taxable year."

(d) Credit Allowed Based on Residency in Certain Cases.—Subsection (e) of section 21 is amended by adding at the end the following new paragraph:

"(12) Credit allowed based on residency in certain cases.—In the case of a taxpayer—

"(A) who does not satisfy the household maintenance test of subsection (a) for any period, but

"(B) whose principal place of abode for such period is also the principal place of abode of any qualifying individual,

then such taxpayer shall be treated as satisfying such test for such period but the amount of credit allowable under this section with respect to such individual shall be determined by allowing only $1/12$ of the limitation under subsection (c) for each full month that the requirement of subparagraph (B) is met."

(e) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

## TITLE III—EXPANSION OF ADOPTION CREDIT

### SEC. 301. EXPANSION OF ADOPTION CREDIT.

(a) Special Needs Adoption.—

(1) Credit amount.—Paragraph (1) of section 23(a) (relating to allowance of credit) is amended to read as follows:

"(1) In general.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter—

"(A) in the case of a special needs adoption, $10,000, or

"(B) in the case of any other adoption, the amount of the qualified adoption expenses paid or incurred by the taxpayer.".

(2) Year credit allowed.—Section 23(a)(2) (relating to year credit allowed) is amended by adding at the end the following new flush sentence:

"In the case of a special needs adoption, the credit allowed under paragraph (1) shall be allowed for the taxable year in which the adoption becomes final.".

(3) Dollar limitation.—Section 23(b)(1) is amended—

(A) by striking "subsection (a)" and inserting "subsection (a)(1)(B)", and

(B) by striking "($6,000, in the case of a child with special needs)".

(4) Definition of special needs adoption.—Section 23(d) (relating to definitions) is amended by adding at the end the following new paragraph:

"(4) Special needs adoption.—The term 'special needs adoption' means the final adoption of an individual during the taxable year who is an eligible child and who is a child with special needs.".

(5) Definition of child with special needs.—Section 23(d)(3) (defining child with special needs) is amended to read as follows:

"(3) Child with special needs.—The term 'child with special needs' means any child if a State has determined that the child's ethnic background, age, membership in a minority or sibling groups, medical condition or physical impairment, or emotional handicap makes some form of adoption assistance necessary.".

(b) Increase in Income Limitations.—Section 23(b)(2) (relating to income limitation) is amended—

(1) in subparagraph (A)—

(A) by striking "$75,000" and inserting "$63,550 ($105,950 in the case of a joint return)", and

(B) by striking "$40,000" and inserting "the applicable amount", and

(2) by adding at the end the following new subparagraph:

"(C) Applicable amount.—For purposes of subparagraph (A), the applicable amount, with respect to any taxpayer, for the taxable year shall be an amount equal to the excess of—

"(i) the maximum taxable income amount for the 31 percent bracket under the table contained in section 1 relating to such taxpayer and in effect for the taxable year, over

"(ii) the dollar amount in effect with respect to the taxpayer for the taxable year under subparagraph (A)(i).

"(D) Cost-of-living adjustment.—

"(i) In general.—In the case of a taxable year beginning after 2001, each dollar amount under subparagraph (A)(i) shall be increased by an amount equal to—

"(I) such dollar amount, multiplied by

"(II) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2000' for 'calendar year 1992' in subparagraph (B) thereof.

"(ii) Rounding rules.—If any amount after adjustment under clause (i) is not a multiple of $1,000, such amount shall be rounded to the next lower multiple of $1,000.".

(c) Adoption Credit Made Permanent.—Subclauses (A) and (B) of section 23(d)(2) (defining eligible child) are amended to read as follows:

"(A) who has not attained age 18, or

"(B) who is physically or mentally incapable of caring for himself.".

(d) Conforming Amendments.—

(1) Section 23(a)(2) is amended by striking "(1)" and inserting "(1)(B)".

(2) Section 23(b)(3) is amended by striking "(a)" each place it appears and inserting "(a)(1)(B)".

(e) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

## TITLE IV—INCENTIVES FOR EMPLOYER-PROVIDED CHILD CARE

### SEC. 401. ALLOWANCE OF CREDIT FOR EMPLOYER EXPENSES FOR CHILD CARE ASSISTANCE.

(a) In General.—Subpart D of part IV of subchapter A of chapter 1 (relating to business related credits) is amended by adding at the end the following new section:

### "SEC. 45D. EMPLOYER-PROVIDED CHILD CARE CREDIT.

"(a) Allowance of Credit.—For purposes of section 38, the employer-provided child care credit determined under this section for the taxable year is an amount equal to the sum of—

"(1) 25 percent of the qualified child care expenditures, and

"(2) 10 percent of the qualified child care resource and referral expenditures,

of the taxpayer for such taxable year.

"(b) Dollar Limitation.—The credit allowable under subsection (a) for any taxable year shall not exceed $150,000.

"(c) Definitions.—For purposes of this section—

"(1) Qualified child care expenditure.—

"(A) In general.—The term 'qualified child care expenditure' means any amount paid or incurred—

"(i) to acquire, construct, rehabilitate, or expand property—

"(I) which is to be used as part of an eligible qualified child care facility of the taxpayer,

"(II) with respect to which a deduction for depreciation (or amortization in lieu of depreciation) is allowable, and

"(III) which does not constitute part of the principal residence (within the meaning of section 121) of the taxpayer or any employee of the taxpayer,

"(ii) for the operating costs of an eligible qualified child care facility of the taxpayer, including costs related to the training of employees of the child care facility, to scholarship programs, to the providing of differential compensation to employees based on level of child care training, and to expenses associated with achieving accreditation, or

"(iii) under a contract with a qualified child care facility to provide child care services to employees of the taxpayer.

"(B) Exclusion for amounts funded by grants, etc.—The term 'qualified child care expenditure' shall not include any amount to the extent such amount is funded by any grant, contract, or otherwise by another person (or any governmental entity).

"(C) Nondiscrimination.—The term 'qualified child care expenditure' shall not include any amount expended in relation to any child care services unless the providing of such services to employees of the taxpayer does not discriminate in favor of highly compensated employees (within the meaning of section 404(q)).

"(2) Qualified child care facility.—

"(A) In general.—The term 'qualified child care facility' means a facility—

"(i) the principal use of which is to provide child care assistance, and

"(ii) which meets the requirements of all applicable laws and regulations of the State or local government in which it is located, including, but not limited to, the licensing of the facility as a child care facility.

Clause (i) shall not apply to a facility which is the principal residence (within the meaning of section 121) of the operator of the facility.

"(B) Eligible qualified child care facility.—A qualified child care facility shall be treated as an eligible qualified child care facility with respect to the taxpayer if—

"(i) enrollment in the facility is open to employees of the taxpayer during the taxable year,

"(ii) the facility is not the principal trade or business of the taxpayer, and

"(iii) at least 30 percent of the enrollees of such facility are dependents of employees of the taxpayer.

"(C) Application of subparagraph (B).—In the case of a new facility, the facility shall be treated as meeting the requirement of subparagraph (B)(iii) if not later than 2 years after placing such facility in service at least 30 percent of the enrollees of such facility are dependents of employees of the taxpayer.

"(3) Qualified child care resource and referral expenditure.—

"(A) In general.—The term 'qualified child care resource and referral expenditure' means any amount paid or incurred under a contract to provide child care resource and referral services to employees of the taxpayer.

"(B) Exclusion for amounts funded by grants, etc.—The term 'qualified child care resource and referral expenditure' shall not include any amount to the extent such amount is funded by any grant, contract, or otherwise by another person (or any governmental entity).

"(C) Nondiscrimination.—The term 'qualified child care resource and referral expenditure' shall not include any amount expended in relation to any child care resource and referral services unless the providing of such services to employees of the taxpayer does not discriminate in favor of highly compensated employees (within the meaning of section 404(q)).

"(d) Recapture of Acquisition and Construction Credit.—

"(1) In general.—If, as of the close of any taxable year, there is a recapture event with respect to any eligible qualified child care facility of the taxpayer, then the tax of the taxpayer under this chapter for such taxable year shall be increased by an amount equal to the product of—

"(A) the applicable recapture percentage, and

"(B) the aggregate decrease in the credits allowed under section 38 for all prior taxable years which would have resulted if the qualified child care expenditures of the taxpayer described in subsection (c)(1)(A) with respect to such facility had been zero.

"(2) Applicable recapture percentage.—

"(A) In general.—For purposes of this subsection, the applicable recapture percentage shall be determined from the following table:

| **"If the recapture event occurs in:** | **The applicable recapture percentage is:** |
|---|---|
| Year 1 | 100 |
| Year 2 | 80 |
| Year 3 | 60 |
| Year 4 | 40 |
| Year 5 | 20 |
| Years 6 and thereafter | 0. |

"(B) Years.—For purposes of subparagraph (A), year 1 shall begin on the first day of the taxable year in which the eligible qualified child care facility is placed in service by the taxpayer.

"(3) Recapture event defined.—For purposes of this subsection, the term 'recapture event' means—

"(A) Cessation of operation.—The cessation of the operation of the facility as an eligible qualified child care facility.

"(B) Change in ownership.—

"(i) In general.—Except as provided in clause (ii), the disposition of a taxpayer's interest in an eligible qualified child care facility with respect to which the credit described in subsection (a) was allowable.

"(ii) Agreement to assume recapture liability.—Clause (i) shall not apply if the person acquiring such interest in the facility agrees in writing to assume the recapture liability of the person disposing of such interest in effect immediately before such disposition. In the event of such an assumption, the person acquiring the interest in the facility shall be treated as the taxpayer for purposes of assessing any recapture liability (computed as if there had been no change in ownership).

"(4) Special rules.—

"(A) Tax benefit rule.—The tax for the taxable year shall be increased under paragraph (1) only with respect to credits allowed by reason of this section which were used to reduce tax liability. In the case of credits not so used to reduce tax liability, the carryforwards and carrybacks under section 39 shall be appropriately adjusted.

"(B) No credits against tax.—Any increase in tax under this subsection shall not be treated as a tax imposed by this chapter for purposes of determining the amount of any credit under subpart A, B, or D of this part.

"(C) No recapture by reason of casualty loss.—The increase in tax under this subsection shall not apply to a cessation of operation of the facility as a qualified child care facility by reason of a casualty loss to the extent such loss is restored by reconstruction or replacement within a reasonable period established by the Secretary.

"(e) Special Rules.—For purposes of this section—

"(1) Aggregation rules.—All persons which are treated as a single employer under subsections (a) and (b) of section 52 shall be treated as a single taxpayer.

"(2) Pass-thru in the case of estates and trusts.—Under regulations prescribed by the Secretary, rules similar to the rules of subsection (d) of section 52 shall apply.

"(3) Allocation in the case of partnerships.—In the case of partnerships, the credit shall be allocated among partners under regulations prescribed by the Secretary.

"(f) No Double Benefit.—

"(1) Reduction in basis.—For purposes of this subtitle—

"(A) In general.—If a credit is determined under this section with respect to any property by reason of expenditures described in subsection (c)(1)(A), the basis of such property shall be reduced by the amount of the credit so determined.

"(B) Certain dispositions.—If during any taxable year there is a recapture amount determined with respect to any property the basis of which was reduced under subparagraph (A), the basis of such property (immediately before the event resulting in such recapture) shall be increased by an amount equal to such recapture amount. For purposes of the preceding sentence, the term 'recapture amount' means any increase in tax (or adjustment in carrybacks or carryovers) determined under subsection (d).

"(2) Other deductions and credits.—No deduction or credit shall be allowed under any other provision of this chapter with respect to the amount of the credit determined under this section."

(b) Conforming Amendments.—

(1) Section 38(b) is amended—

(A) by striking out "plus" at the end of paragraph (11),

(B) by striking out the period at the end of paragraph (12), and inserting a comma and "plus", and

(C) by adding at the end the following new paragraph:

"(13) the employer-provided child care credit determined under section 45D.".

(2) The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

"Sec. 45D. Employer-provided child care credit.".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

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## DORGAN AMENDMENT NO. 3877

Mr. Dorgan proposed an amendment to the bill, H.R. 4810, supra; as follows:

At the end, add the following:

**SEC. 7. TREATMENT OF CONSERVATION RESERVE PROGRAM PAYMENTS AS RENTALS FROM REAL ESTATE.**

(a) In General.—Section 1402(a)(1) of the Internal Revenue Code of 1986 (defining net earnings from self-employment) is amended by inserting "and including payments under section 1233(2) of the Food Security Act of 1985 (16 U.S.C. 3833(2))" after "crop shares".

(b) Effective Date.—The amendment made by this section shall apply to payments made before, on, or after the date of the enactment of this Act.

### SEC. 8. EXPANSION OF EXPENSING TREATMENT FOR SMALL BUSINESSES.

(a) Acceleration of Increase in Dollar Limit.—Section 179(b)(1) of the Internal Revenue Code of 1986 (relating to dollar limits on expensing treatment) is amended to read as follows:

"(1) Dollar limitation.—The aggregate cost which may be taken into account under subsection (a) for any taxable year shall not exceed $25,000."

(b) Expensing Available for All Tangible Depreciable Property.—Section 179(d)(1) of the Internal Revenue Code of 1986 (defining section 179 property) is amended by striking "which is section 1245 property (as defined in section 1245(a)(3)) and".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

### SEC. 9. EXCLUSION OF GAIN FROM SALE OF CERTAIN FARMLAND.

(a) In General.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to items specifically excluded from gross income) is amended by adding after section 121 the following new section:

### "SEC. 121A. EXCLUSION OF GAIN FROM SALE OF QUALIFIED FARM PROPERTY.

"(a) Exclusion.—In the case of a natural person, gross income shall not include gain from the sale or exchange of qualified farm property.

"(b) Limitation on Amount of Exclusion.—

"(1) In general.—The amount of gain excluded from gross income under subsection (a) with respect to any taxable year shall not exceed $500,000 ($250,000 in the case of a married individual filing a separate return), reduced by the aggregate amount of gain excluded under subsection (a) for all preceding taxable years.

"(2) Special rule for joint returns.—The amount of the exclusion under subsection (a) on a joint return for any taxable year shall be allocated equally between the spouses for purposes of applying the limitation under paragraph (1) for any succeeding taxable year.

"(c) Qualified Farm Property.—

"(1) Qualified farm property.—For purposes of this section, the term 'qualified farm property' means real property located in the United States if, during periods aggregating 3 years or more of the 5-year period ending on the date of the sale or exchange of such real property—

"(A) such real property was used as a farm for farming purposes by the taxpayer or a member of the family of the taxpayer, and

"(B) there was material participation by the taxpayer (or such a member) in the operation of the farm.

"(2) Definitions.—For purposes of this subsection, the terms 'member of the family', 'farm', and 'farming purposes' have the respective meanings given such terms by paragraphs (2), (4), and (5) of section 2032A(e).

"(3) Special rules.—For purposes of this section, rules similar to the rules of paragraphs (4) and (5) of section 2032A(b) and paragraphs (3) and (6) of section 2032A(e) shall apply.

"(d) Other Rules.—For purposes of this section, rules similar to the rules of subsection (e) and subsection (f) of section 121 shall apply."

(b) Conforming Amendment.—The table of sections for part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by adding after the item relating to section 121 the following new item:

"Sec. 121A. Exclusion of gain from sale of qualified farm property."

(c) Effective Date.—The amendment made by this section shall apply to any sale or exchange on or after the date of the enactment of this Act, in taxable years ending after such date.

### SEC. 10. FULL DEDUCTION FOR HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS.

(a) In General.—Section 162(l)(1) of the Internal Revenue Code of 1986 (relating to special rules for health insurance costs of self-employed individuals) is amended to read as follows:

"(1) Allowance of deduction.—In the case of an individual who is an employee within the meaning of section 401(c)(1), there shall be allowed as a deduction under this section an amount equal to the amount paid during the taxable year for insurance which constitutes medical care for the taxpayer, the taxpayer's spouse, and dependents."

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after December 31, 1999.

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## COMPETITIVE MARKET SUPERVISION ACT

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## COLLINS AMENDMENT NO. 3878

(Ordered to be referred to the Committee on Banking, Housing, and Urban Affairs.)

Ms. COLLINS submitted an amendment intended to be proposed by her to the bill (S. 2107) to amend the Securities Act of 1933 and the Securities Exchange Act of 1934 to reduce securities fees in excess of those required to fund the operations of the Securities and Exchange Commission, to adjust compensation provisions for employees of the Commission, and for other purposes; as follows:

At the appropriate place, insert the following (and amend the table of contents accordingly):

### SEC. . MICROCAP FRAUD PREVENTION.

(a) Amendments to the Securities Exchange Act of 1934.—Section 15(b)(4) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(b)(4)) is amended—

(1) by striking subparagraph (F) and inserting the following:

"(F) is subject to any order of the Commission barring or suspending the right of the person to be associated with a broker or dealer;";

(2) in subparagraph (G)—

(A) in clause (i), by striking "has omitted" and all that follows through the semicolon and inserting "omitted to state in any such application, report, or proceeding any material fact that is required to be stated therein;";

(B) in clause (ii)—

(i) by striking "transactions in securities," and inserting "securities, banking, insurance,"; and

(ii) by adding "or" at the end; and

(C) in clause (iii)—

(i) by inserting "other" after "violation by any";

(ii) by striking "empowering a foreign financial regulatory authority regarding transactions in securities," and inserting "regarding securities, banking, insurance,";

(iii) by striking "has been found, by a foreign financial regulatory authority,"; and

(iv) by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following:

"(H) is subject to any order of a State securities commission (or any agency or office performing like functions), State authority that supervises or examines financial institutions, State insurance commission (or any agency or office performing like functions), or an appropriate Federal banking agency (as defined in section 3 of the Federal Deposit Insurance Act) that—

"(i) bars such person from association with an entity regulated by such commission, authority, agency, or officer, or from engaging in the business of securities, insurance, or banking; or

"(ii) constitutes a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct.".

(b) Amendments to the Investment Advisers Act of 1940.—Section 203 of the Investment Advisers Act of 1940 (15 U.S.C. 80b-3) is amended—

(1) in subsection (e), by striking paragraphs (7) and (8) and inserting the following:

"(7) is subject to any order of the Commission barring or suspending the right of the person to be associated with an investment adviser;

"(8) has been found by a foreign financial regulatory authority to have—

"(A) made or caused to be made in any application for registration or report required to be filed with, or in any proceeding before, that foreign financial regulatory authority, any statement that was, at the time and in light of the circumstances under which it was made, false or misleading with respect to any material fact, or omitted to state in any application or report filed with, or in any proceeding before, that foreign financial regulatory authority any material fact that is required to be stated in the application, report, or proceeding;

"(B) violated any foreign statute or regulation regarding securities, banking, insurance, or contracts of sale of a commodity for future delivery traded on or subject to the rules of a contract market or any board of trade; or

"(C) aided, abetted, counseled, commanded, induced, or procured the violation by any other person of any foreign statute or regulation regarding securities, banking, insurance, or contracts of sale of a commodity for future delivery traded on or subject to the rules of a contract market or any board of trade, or failed reasonably to supervise, with a view to preventing violations of any such statute or regulation, another person who commits such a violation, if the other person is subject to its supervision; or

"(9) is subject to any order of a State securities commission (or any agency or office performing like functions), State authority that supervises or examines financial institutions, State insurance commission (or any agency or office performing like functions), or an appropriate Federal banking agency (as defined in section 3 of the Federal Deposit Insurance Act) that—

"(A) bars such investment adviser or person from association with an entity regulated by such commission, authority, agency, or officer, or from engaging in the business of securities, insurance, or banking; or

"(B) constitutes a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct."; and

(2) in subsection (f)—

(A) by striking "(6), or (8)" and inserting "(6), (8), or (9)"; and

(B) by striking "paragraph (2)" and inserting "paragraph (2) or (3)".

(c) Amendments to the Investment Company Act of 1940.—Section 9(b) of the Investment Company Act of 1940 (15 U.S.C. 80a–9(b)) is amended—

(1) in paragraph (4), by striking subparagraphs (A) through (C) and inserting the following:

"(A) made or caused to be made in any application for registration or report required to be filed with, or in any proceeding before, that foreign financial regulatory authority, any statement that was, at the time and in light of the circumstances under which it was made, false or misleading with respect to any material fact, or omitted to state in any application or report filed with, or in any proceeding before, that foreign financial regulatory authority any material fact that is required to be stated in the application, report, or proceeding;

"(B) violated any foreign statute or regulation regarding securities, banking, insurance, or contracts of sale of a commodity for future delivery traded on or subject to the rules of a contract market or any board of trade; or

"(C) aided, abetted, counseled, commanded, induced, or procured the violation by any other person of any foreign statute or regulation regarding securities, banking, insurance, or contracts of sale of a commodity for future delivery traded on or subject to the rules of a contract market or any board of trade;";

(2) in paragraph (5), by striking "or" at the end; and

(3) in paragraph (6), by striking the period at the end and inserting the following: "; or

"(7) is subject to any order of a State securities commission (or any agency or office performing like functions), State authority that supervises or examines financial institutions, State insurance commission (or any agency or office performing like functions), or an appropriate Federal banking agency (as defined in section 3 of the Federal Deposit Insurance Act) that—

"(A) bars such person from association with an entity regulated by such commission, authority, agency, or officer, or from engaging in the business of securities, insurance, or banking; or

"(B) constitutes a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct.".

(d) Conforming Amendments.—

(1) Municipal securities dealers.—Section 15B(c) of the Securities Exchange Act of 1934 (15 U.S.C. 78o–4(c)) is amended—

(A) in paragraph (2), by striking "act or omission" and all that follows through the period and inserting "act, or is subject to an order or finding, enumerated in subparagraph (A), (D), (E), (G), or (H) of section 15(b)(4), has been convicted of any offense specified in section 15(b)(4)(B) within 10 years of the commencement of the proceedings under this paragraph, or is enjoined from any action, conduct, or practice specified in section 15(b)(4)(C)."; and

(B) in paragraph (4), in the first sentence, by striking "any act or omission" and all that follows through the period and inserting "or omitted any act, or is subject to an order or finding, enumerated in subparagraph (A), (D), (E), (G), or (H) of section 15(b)(4), has been convicted of any offense specified in section 15(b)(4)(B) within 10 years of the commencement of the proceedings under this paragraph, or is enjoined from any action, conduct, or practice specified in section 15(b)(4)(C).".

(2) Government securities brokers and dealers.—Section 15C(c)(1) of the Securities Exchange Act of 1934 (15 U.S.C. 78o–5(c)(1)) is amended—

(A) in subparagraph (A), by striking "or omission enumerated in subparagraph (A), (D), (E), or (G) of paragraph (4) of section 15(b) of this title" and inserting ", or is subject to an order or finding, enumerated in subparagraph (A), (D), (E), (G), or (H) of section 15(b)(4)"; and

(B) in subparagraph (C), by striking "or omission enumerated in subparagraph (A), (D), (E), or (G) of paragraph (4) of section 15(b) of this title" and inserting ", or is subject to an order or finding, enumerated in subparagraph (A), (D), (E), (G), or (H) of section 15(b)(4)".

(3) Clearing agencies.—Section 17A(c) of the Securities Exchange Act of 1934 (15 U.S.C. 78q–1(c)) is amended—

(A) in paragraph (3)(A), by striking "any act enumerated in subparagraph (A), (D), (E), or (G) of paragraph (4) of section 15(b) of this title" and inserting "any act, or is subject to an order or finding, enumerated in subparagraph (A), (D), (E), (G), or (H) of section 15(b)(4)"; and

(B) in paragraph (4)(C), in the first sentence, by striking "any act enumerated in subparagraph (A), (D), (E), or (G) of paragraph (4) of section 15(b) of this title" and inserting "any act, or is subject to an order or finding, enumerated in subparagraph (A), (D), (E), (G), or (H) of section 15(b)(4)".

(4) Statutory disqualifications.—Section 3(a)(39) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(39)) is amended—

(A) in subparagraph (B)(i), by striking "order to" and inserting "order of"; and

(B) in subparagraph (F)—

(i) by striking "any act enumerated in subparagraph (D), (E), or (G) of paragraph (4) of section 15(b) of this title" and inserting "any act, or is subject to an order or finding, enumerated in subparagraph (D), (E), (G), or (H) of section 15(b)(4)";

(ii) by striking "subparagraph (B) of such paragraph (4)" and inserting "section 15(b)(4)(B)"; and

(iii) by striking "subparagraph (C) of such paragraph (4)" and inserting "section 15(b)(4)(C)".

(e) Broadening of Penny Stock Bar.—Section 15(b)(6) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(b)(6)) is amended—

(1) in subparagraph (A)—

(A) by striking "of any penny stock" and inserting "of any noncovered security";

(B) by striking "of penny stock" and inserting "of any noncovered security"; and

(C) in clause (i), by striking "or omission enumerated in subparagraph (A), (D), (E), or (G) of paragraph (4) of this subsection" and inserting ", or is subject to an order or finding, enumerated in subparagraph (A), (D), (E), (G), or (H) of paragraph (4)";

(2) in subparagraph (B)—

(A) by striking "an offering of penny stock" each place it appears and inserting "any securities offering"; and

(B) in clause (iii), by striking "such a person" and inserting "a person as to whom an order under section 21(d)(5) or subparagraph (A) of this paragraph is in effect"; and

(3) by striking subparagraph (C) and inserting the following:

"(C) For purposes of this paragraph—

"(i) the term 'noncovered security' means any security other than those described in paragraphs (1) and (2) of section 18(b) of the Securities Act of 1933; and

"(ii) the term 'participation in an offering of noncovered securities'—

"(I) means acting as a promoter, finder, consultant, or agent, or engaging in activities with a broker, dealer, or issuer for purposes of the issuance of or trading in any noncovered security, or inducing or attempting to induce the purchase or sale of any noncovered security;

"(II) includes other activities that the Commission specifies by rule or regulation; and

"(III) excludes any person or class of persons, in whole or in part, conditionally or unconditionally, that the Commission, by rule, regulation, or order, may exclude.".

(f) Court Authority To Prohibit Offerings of Noncovered Securities.—Section 21(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78u(d)) is amended by adding at the end the following:

"(5) Court authority to prohibit persons from participating in offering of noncovered securities.—

"(A) In general.—In any proceeding under paragraph (1), the court may prohibit, conditionally or unconditionally, and permanently or for such period of time as it shall determine, any person that violated section 10(b) or the rules or regulations issued thereunder in connection with any transaction in any noncovered security from participating in an offering of a noncovered security.

"(B) Definitions.—For purposes of this paragraph—

"(i) the term 'noncovered security' means any security other than those described in paragraphs (1) and (2) of section 18(b) of the Securities Act of 1933; and

"(ii) the term 'participation in an offering of noncovered securities'—

"(I) means acting as a promoter, finder, consultant, or agent, or engaging in activities with a broker, dealer, or issuer for purposes of the issuance of or trading in any noncovered security, or inducing or attempting to induce the purchase or sale of any noncovered security;

"(II) includes other activities that the Commission specifies by rule or regulation; and

"(III) excludes any person or class of persons, in whole or in part, conditionally or unconditionally, that the Commission, by rule, regulation, or order, may exempt.".

(g) Broadening of Officer and Director Bar.—Section 21(d)(2) of the Securities Exchange Act of 1934 (15 U.S.C. 78u(d)(2)) is amended—

(1) by striking "of this title or that" and inserting ", that"; and

(2) by striking "of this title if" and inserting ", or the securities of which are quoted in any quotation medium, if".

(h) Violations of Court Ordered Bars.—

(1) In general.—Section 21 of the Securities Exchange Act of 1934 (15 U.S.C. 78u) is amended by adding at the end the following:

"(i) Bar on Participation.—It shall be unlawful for any person, against which an order under paragraph (2) or (5) of subsection (d) is in effect, to serve as officer, director, or participant in any offering involving a noncovered security (as defined in subsection (d)(5)(B)) in contravention of such order.".

(2) Conforming amendment.—Section 21(d)(3)(D) of the Securities Exchange Act of

1934 (15 U.S.C. 78u(d)(3)(D)) is amended by inserting "or relating to a violation of subsection (i) of this section," before "each separate".

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## MARRIAGE PENALTY TAX RELIEF ACT

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## WELLSTONE AMENDMENTS NOS. 3879-3880

Mr. REID (for Mr. WELLSTONE) proposed two amendments to the bill, H.R. 4810, supra; as follows:

AMENDMENT NO. 3879

At the end, add the following:

**SEC. ___. SENSE OF THE SENATE REGARDING REDUCTIONS IN MEDICARE PAYMENTS RESULTING FROM THE BALANCED BUDGET ACT.**

(a) FINDINGS.—The Senate finds the following:

(1) Since its passage, the Balanced Budget Act of 1997 (Public Law 105-133; 111 Stat. 251) has drastically cut payments under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) in the areas of hospital services, home health sevices, skilled nursing facility services, and other services.

(2) While the reductions were originally estimated at around $100,000,000,000 over 5 years, recent figures put the actual cuts in payments under the medicare program at over $200,000,000,000.

(3) These cuts are not without consequence, and have caused medicare beneficiaries with medically complex needs to face increased difficulty in accessing skilled nursing care. Furthermore, in a recent study on home health care, nearly 70 percent of hospital discharge planners surveyed reported a greater difficulty obtaining home health services for medicare beneficiaries as a result of the Balanced Budget Act of 1997.

(4) In the area of hospital care, a 4 percentage point drop in rural hospitals' inpatient margins continues a dangerous trend that threatens access to health care in rural America.

(5) With passage of the Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 1999 (113 Stat. 1501A-372), as enacted into law by section 1000(a)(6) of Public Law 106-113, Congress and the President took positive steps toward fixing some of the Balanced Budget Act of 1997's unintended consequences, but this relief was limited to just 10 percent of the actual cuts in payments to provider caused by the Balanced Budget Act of 1997.

(6) Expeditious action is required to provide relief to medicare beneficiaries and health care providers.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) by the end of the 106th Congress, Congress should revisit and restore a substantial portion of the reductions in payments under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) to providers caused by enactment of the Balanced Budget Act of 1997 (Public Law 105-133; 111 Stat. 251); and

(2) if Congress fails to restore a substantial portion of the reductions in payments under the medicare program to health care providers caused by enactment of the Balanced Budget Act of 1997, then Congress should pass legislation that directs the Secretary of Health and Human Services to administer title XVIII of the Social Security Act as if a 1-year moratorium for fiscal year 2001 were placed on all reductions in payments to health care providers that were a result of the Balanced Budget Act of 1997.

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AMENDMENT NO. 3880

At the end, add the following:

**SEC. ___. SENSE OF THE SENATE REGARDING REDUCTIONS IN MEDICARE PAYMENTS RESULTING FROM THE BALANCED BUDGET ACT OF 1997.**

(a) FINDINGS.—The Senate finds the following:

(1) Since its passage, the Balanced Budget Act of 1997 (Public Law 105-133; 111 Stat. 251) has drastically cut payments under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) in the areas of hospital services, home health sevices, skilled nursing facility services, and other services.

(2) While the reductions were originally estimated at around $100,000,000,000 over 5 years, recent figures put the actual cuts in payments under the medicare program at over $200,000,000,000.

(3) These cuts are not without consequence, and have caused medicare beneficiaries with medically complex needs to face increased difficulty in accessing skilled nursing care. Furthermore, in a recent study on home health care, nearly 70 percent of hospital discharge planners surveyed reported a greater difficulty obtaining home health services for medicare beneficiaries as a result of the Balanced Budget Act of 1997.

(4) In the area of hospital care, a 4 percentage point drop in rural hospitals' inpatient margins continues a dangerous trend that threatens access to health care in rural America.

(5) With passage of the Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 1999 (113 Stat. 1501A-372), as enacted into law by section 1000(a)(6) of Public Law 106-113, Congress and the President took positive steps toward fixing some of the Balanced Budget Act of 1997's unintended consequences, but this relief was limited to just 10 percent of the actual cuts in payments to provider caused by the Balanced Budget Act of 1997.

(6) Expeditious action is required to provide relief to medicare beneficiaries and health care providers.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that by the end of the 106th Congress, Congress should revisit and restore a substantial portion of the reductions in payments under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) to providers caused by enactment of the Balanced Budget Act of 1997 (Public Law 105-133; 111 Stat. 251).

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## LOTT AMENDMENTS NOS. 3881-3882

Mr. NICKLES (for Mr. LOTT) proposed two amendments to the bill, H.R. 4810, supra; as follows:

AMENDMENT NO. 3881

Strike all after the first word and insert:

**1. SHORT TITLE.**

(a) SHORT TITLE.—This Act may be cited as the "Marriage Tax Relief Reconciliation Act of 2000".

(b) SECTION 15 NOT TO APPLY.—No amendment made by this Act shall be treated as a change in a rate of tax for purposes of section 15 of the Internal Revenue Code of 1986.

**SEC. 2. ELIMINATION OF MARRIAGE PENALTY IN STANDARD DEDUCTION.**

(a) IN GENERAL.—Paragraph (2) of section 63(c) of the Internal Revenue Code of 1986 (relating to standard deduction) is amended—

(1) by striking "$5,000" in subparagraph (A) and inserting "200 percent of the dollar amount in effect under subparagraph (C) for the taxable year";

(2) by adding "or" at the end of subparagraph (B);

(3) by striking "in the case of" and all that follows in subparagraph (C) and inserting "in any other case."; and

(4) by striking subparagraph (D).

(b) TECHNICAL AMENDMENTS.—

(1) Subparagraph (B) of section 1(f)(6) of such Code is amended by striking "(other than with" and all that follows through "shall be applied" and inserting "(other than with respect to sections 63(c)(4) and 151(d)(4)(A)) shall be applied".

(2) Paragraph (4) of section 63(c) of such Code is amended by adding at the end the following flush sentence:

"The preceding sentence shall not apply to the amount referred to in paragraph (2)(A).".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

**SEC. 3. PHASEOUT OF MARRIAGE PENALTY IN 15-PERCENT AND 28-PERCENT RATE BRACKETS.**

(a) IN GENERAL.—Subsection (f) of section 1 of the Internal Revenue Code of 1986 (relating to adjustments in tax tables so that inflation will not result in tax increases) is amended by adding at the end the following new paragraph:

"(8) PHASEOUT OF MARRIAGE PENALTY IN 15-PERCENT AND 28-PERCENT RATE BRACKETS.—

"(A) IN GENERAL.—With respect to taxable years beginning after December 31, 2001, in prescribing the tables under paragraph (1)—

"(i) the maximum taxable income amount in the 15-percent rate bracket, the minimum and maximum taxable income amounts in the 28-percent rate bracket, and the minimum taxable income amount in the 31-percent rate bracket in the table contained in subsection (a) shall be the applicable percentage of the comparable taxable income amounts in the table contained in subsection (c) (after any other adjustment under this subsection), and

"(ii) the comparable taxable income amounts in the table contained in subsection (d) shall be ½ of the amounts determined under clause (i).

"(B) APPLICABLE PERCENTAGE.—For purposes of subparagraph (A), the applicable percentage shall be determined in accordance with the following table:

| "For taxable years beginning in calendar year— | The applicable percentage is— |
|---|---|
| 2002 | 170.3 |
| 2003 | 173.8 |
| 2004 | 180.0 |
| 2005 | 183.2 |
| 2006 | 185.0 |
| 2007 and thereafter | 200.0. |

"(C) ROUNDING.—If any amount determined under subparagraph (A)(i) is not a multiple of $50, such amount shall be rounded to the next lowest multiple of $50.".

(b) TECHNICAL AMENDMENTS.—

(1) Subparagraph (A) of section 1(f)(2) of such Code is amended by inserting "except as provided in paragraph (8)," before "by increasing".

(2) The heading for subsection (f) of section 1 of such Code is amended by inserting "PHASEOUT OF MARRIAGE PENALTY IN 15-PERCENT AND 28-PERCENT RATE BRACKETS;" before "ADJUSTMENTS".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

**SEC. 4. MARRIAGE PENALTY RELIEF FOR EARNED INCOME CREDIT.**

(a) IN GENERAL.—Paragraph (2) of section 32(b) of the Internal Revenue Code of 1986 (relating to percentages and amounts) is amended—

(1) by striking "AMOUNTS.—The earned" and inserting "AMOUNTS.—

"(A) IN GENERAL.—Subject to subparagraph (B), the earned"; and

(2) by adding at the end the following new subparagraph:

"(B) JOINT RETURNS.—In the case of a joint return, the phaseout amount determined under subparagraph (A) shall be increased by $2,500.".

(b) INFLATION ADJUSTMENT.—Paragraph (1)(B) of section 32(j) of such Code (relating to inflation adjustments) is amended to read as follows:

"(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined—

"(i) in the case of amounts in subsections (b)(2)(A) and (i)(1), by substituting 'calendar year 1995' for 'calendar year 1992' in subparagraph (B) thereof, and

"(ii) in the case of the $2,500 amount in subsection (b)(2)(B), by substituting 'calendar year 2000' for 'calendar year 1992' in subparagraph (B) of such section 1.".

(c) ROUNDING.—Section 32(j)(2)(A) of such Code (relating to rounding) is amended by striking "subsection (b)(2)" and inserting "subsection (b)(2)(A) (after being increased under subparagraph (B) thereof)".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

**SEC. 5. PRESERVE FAMILY TAX CREDITS FROM THE ALTERNATIVE MINIMUM TAX.**

(a) IN GENERAL.—Subsection (a) of section 26 of the Internal Revenue Code of 1986 (relating to limitation based on tax liability; definition of tax liability) is amended to read as follows:

"(a) LIMITATION BASED ON AMOUNT OF TAX.—The aggregate amount of credits allowed by this subpart for the taxable year shall not exceed the sum of—

"(1) the taxpayer's regular tax liability for the taxable year reduced by the foreign tax credit allowable under section 27(a), and

"(2) the tax imposed for the taxable year by section 55(a).".

(b) CONFORMING AMENDMENTS.—

(1) Subsection (d) of section 24 of such Code is amended by striking paragraph (2) and by redesignating paragraph (3) as paragraph (2).

(2) Section 32 of such Code is amended by striking subsection (h).

(3) Section 904 of such Code is amended by striking subsection (h) and by redesignating subsections (i), (j), and (k) as subsections (h), (i), and (j), respectively.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

**SEC. 6. COMPLIANCE WITH BUDGET ACT.**

(a) IN GENERAL.—Except as provided in subsection (b), all amendments made by this Act which are in effect on September 30, 2005, shall cease to apply as of the close of September 30, 2005.

(b) SUNSET FOR CERTAIN PROVISIONS ABSENT SUBSEQUENT LEGISLATION.—The amendments made by sections 2, 3, 4, and 5 of this Act shall not apply to any taxable year beginning after December 31, 2004.

AMENDMENT NO. 3882

Strike all after the first word and insert:

**1. SHORT TITLE.**

(a) SHORT TITLE.—This Act may be cited as the "Marriage Tax Relief Reconciliation Act of 2000".

(b) SECTION 15 NOT TO APPLY.—No amendment made by this Act shall be treated as a change in a rate of tax for purposes of section 15 of the Internal Revenue Code of 1986.

**SEC. 2. ELIMINATION OF MARRIAGE PENALTY IN STANDARD DEDUCTION.**

(a) IN GENERAL.—Paragraph (2) of section 63(c) of the Internal Revenue Code of 1986 (relating to standard deduction) is amended—

(1) by striking "$5,000" in subparagraph (A) and inserting "200 percent of the dollar amount in effect under subparagraph (C) for the taxable year";

(2) by adding "or" at the end of subparagraph (B);

(3) by striking "in the case of" and all that follows in subparagraph (C) and inserting "in any other case."; and

(4) by striking subparagraph (D).

(b) TECHNICAL AMENDMENTS.—

(1) Subparagraph (B) of section 1(f)(6) of such Code is amended by striking "(other than with" and all that follows through "shall be applied" and inserting "(other than with respect to sections 63(c)(4) and 151(d)(4)(A)) shall be applied".

(2) Paragraph (4) of section 63(c) of such Code is amended by adding at the end the following flush sentence:

"The preceding sentence shall not apply to the amount referred to in paragraph (2)(A).".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

**SEC. 3. PHASEOUT OF MARRIAGE PENALTY IN 15-PERCENT AND 28-PERCENT RATE BRACKETS.**

(a) IN GENERAL.—Subsection (f) of section 1 of the Internal Revenue Code of 1986 (relating to adjustments in tax tables so that inflation will not result in tax increases) is amended by adding at the end the following new paragraph:

"(8) PHASEOUT OF MARRIAGE PENALTY IN 15-PERCENT AND 28-PERCENT RATE BRACKETS.—

"(A) IN GENERAL.—With respect to taxable years beginning after December 31, 2001, in prescribing the tables under paragraph (1)—

"(i) the maximum taxable income amount in the 15-percent rate bracket, the minimum and maximum taxable income amounts in the 28-percent rate bracket, and the minimum taxable income amount in the 31-percent rate bracket in the table contained in subsection (a) shall be the applicable percentage of the comparable taxable income amounts in the table contained in subsection (c) (after any other adjustment under this subsection), and

"(ii) the comparable taxable income amounts in the table contained in subsection (d) shall be ½ of the amounts determined under clause (i).

"(B) APPLICABLE PERCENTAGE.—For purposes of subparagraph (A), the applicable percentage shall be determined in accordance with the following table:

| "For taxable years beginning in calendar year— | The applicable percentage is— |
|---|---|
| 2002 | 170.3 |
| 2003 | 173.8 |
| 2004 | 180.0 |
| 2005 | 183.2 |
| 2006 | 185.0 |
| 2007 and thereafter | 200.0. |

"(C) ROUNDING.—If any amount determined under subparagraph (A)(i) is not a multiple of $50, such amount shall be rounded to the next lowest multiple of $50.".

(b) TECHNICAL AMENDMENTS.—

(1) Subparagraph (A) of section 1(f)(2) of such Code is amended by inserting "except as provided in paragraph (8)," before "by increasing".

(2) The heading for subsection (f) of section 1 of such Code is amended by inserting "PHASEOUT OF MARRIAGE PENALTY IN 15-PERCENT AND 28-PERCENT RATE BRACKETS;" before "ADJUSTMENTS".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

**SEC. 4. PRESERVE FAMILY TAX CREDITS FROM THE ALTERNATIVE MINIMUM TAX.**

(a) IN GENERAL.—Subsection (a) of section 26 of the Internal Revenue Code of 1986 (relating to limitation based on tax liability; definition of tax liability) is amended to read as follows:

"(a) LIMITATION BASED ON AMOUNT OF TAX.—The aggregate amount of credits allowed by this subpart for the taxable year shall not exceed the sum of—

"(1) the taxpayer's regular tax liability for the taxable year reduced by the foreign tax credit allowable under section 27(a), and

"(2) the tax imposed for the taxable year by section 55(a).".

(b) CONFORMING AMENDMENTS.—

(1) Subsection (d) of section 24 of such Code is amended by striking paragraph (2) and by redesignating paragraph (3) as paragraph (2).

(2) Section 32 of such Code is amended by striking subsection (h).

(3) Section 904 of such Code is amended by striking subsection (h) and by redesignating subsections (i), (j), and (k) as subsections (h), (i), and (j), respectively.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

**SEC. 5. COMPLIANCE WITH BUDGET ACT.**

(a) IN GENERAL.—Except as provided in subsection (b), all amendments made by this Act which are in effect on September 30, 2005, shall cease to apply as of the close of September 30, 2005.

(b) SUNSET FOR CERTAIN PROVISIONS ABSENT SUBSEQUENT LEGISLATION.—The amendments made by sections 2, 3, and 4 of this Act shall not apply to any taxable year beginning after December 31, 2004.

## NOTICES OF HEARINGS

### COMMITTEE ON INDIAN AFFAIRS

Mr. CAMPBELL. Mr. President, I would like to announce that the Committee on Indian Affairs will meet on Thursday, July 20, 2000, at 10 a.m. in room 485 of the Russell Senate Building to conduct a hearing on the S. 2688, the native American Languages Act Amendments Act of 2000.

Those wishing additional information may contact committee staff at 202/224-2251.

### COMMITTEE ON INDIAN AFFAIRS

Mr. CAMPBELL. Mr. President, I would like to announce that the Committee on Indian Affairs will meet on Wednesday, July 19, 2000 at 2:30 p.m. in room 485 of the Russell Senate Building to conduct an oversight hearing on the Activities of the National Indian Gaming Commission. A business meeting will precede the hearing.

Those wishing additional information may contact committee staff at 202/224-2251.

### COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. CRAIG. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Forests and Public Land Management of the Committee on Energy and Natural Resources.

The hearing will take place on Thursday, July 20, 2000, at 2:00 p.m. in room SD-366 of the Dirksen Senate Office Building in Washington, D.C.

S. 2834, a bill to authorize the Secretary of the Interior, acting through the Bureau of Reclamation, to convey property to the Greater Yuma Port Authority of Yuma County, Arizona, for use as an international port of entry; H.R. 3023, an act to authorize the Secretary of the Interior, acting through the Bureau of Reclamation, to convey property to the Greater Yuma Port Authority of Yuma County, Arizona, for use as an international port of entry; and H.R. 4579, an act to provide for the exchange of certain lands within the State of Utah, have been added to the agenda.

Those who wish to submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, D.C. 20510. For further information, please call Mike Menge at (202) 224-6170.

### COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, I would like to announce for the information of the Senate and the public that an oversight hearing has been scheduled before the Committee on Energy and Natural Resources.

The hearing will take place on Tuesday, July 25 at 9:30 a.m. in Room SD-366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of this hearing is to receive testimony on Natural Gas Supply.

For further information, please call Dan Kish at 202-224-8276 or Jo Meuse at (202) 224-4756.

## AUTHORITY FOR COMMITTEES TO MEET

### SUBCOMMITTEE ON HOUSING AND TRANSPORTATION

Mr. ROTH. Mr. President, I ask unanimous consent that the subcommittee on Housing and Transportation of the Committee on Banking, Housing, and Urban Affairs be authorized to hold a field hearing on Friday, July 14, 2000, in the Englewood City Council Chambers, Englewood, Colorado, on "Mass Transit Priorities for Rapid Growth Areas."

The PRESIDING OFFICER. Without objection, it is so ordered.

## PRIVILEGE OF THE FLOOR

Mr. REID. Mr. President, on behalf of Senator DANIEL PATRICK MOYNIHAN, I ask unanimous consent that six members of his staff—Jerry Pannullo, John Sparrow, Lee Holtzman, Matthew Vogele, Andy Guglielmi, and Cindy Wachowski—be granted the privilege of the floor for the duration of the debate on H.R. 4810, the Marriage Tax Penalty Relief Reconciliation Act of 2000.

The PRESIDING OFFICER. Without objection, it is so ordered.

## NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2001

On July 13, 2000, the Senate amended and passed H.R. 4205, as follows:

*Resolved*, That the bill from the House of Representatives (H.R. 4205) entitled "An Act to authorize appropriations for fiscal year 2001 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.", do pass with the following amendment:

Strike out all after the enacting clause and insert:

***SECTION 1. SHORT TITLE.***

*This Act may be cited as the "National Defense Authorization Act for Fiscal Year 2001".*

***SEC. 2. ORGANIZATION OF ACT INTO DIVISIONS; TABLE OF CONTENTS.***

*(a) DIVISIONS.—This Act is organized into three divisions as follows:*

*(1) Division A—Department of Defense Authorizations.*

*(2) Division B—Military Construction Authorizations.*

*(3) Division C—Department of Energy National Security Authorizations and Other Authorizations.*

*(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:*

*Sec. 1. Short title.*
*Sec. 2. Organization of Act into divisions; table of contents.*
*Sec. 3. Congressional defense committees defined.*

### *DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS*

### *TITLE I—PROCUREMENT*

#### *Subtitle A—Authorization of Appropriations*

*Sec. 101. Army.*
*Sec. 102. Navy and Marine Corps.*
*Sec. 103. Air Force.*
*Sec. 104. Defense-wide activities.*
*Sec. 105. Defense Inspector General.*
*Sec. 106. Chemical demilitarization program.*
*Sec. 107. Defense health programs.*

#### *Subtitle B—Army Programs*

*Sec. 111. Multiyear procurement authority for certain programs.*
*Sec. 112. Reports and limitations relating to Army transformation.*
*Sec. 113. Rapid intravenous infusion pumps.*

#### *Subtitle C—Navy Programs*

*Sec. 121. CVNX-1 nuclear aircraft carrier program.*
*Sec. 122. Arleigh Burke class destroyer program.*
*Sec. 123. Virginia class submarine program.*
*Sec. 124. ADC(X) ship program.*
*Sec. 125. Refueling and complex overhaul program of the CVN-69 nuclear aircraft carrier.*
*Sec. 126. Remanufactured AV-8B aircraft.*
*Sec. 127. Anti-personnel obstacle breaching system.*

#### *Subtitle D—Air Force Programs*

*Sec. 131. Repeal of requirement for annual report on B-2 bomber aircraft program.*
*Sec. 132. Conversion of AGM-65 Maverick missiles.*

#### *Subtitle E—Other Matters*

*Sec. 141. Pueblo Chemical Depot chemical agent and munitions destruction technologies.*
*Sec. 142. Integrated bridge systems for naval systems special warfare rigid inflatable boats and high-speed assault craft.*
*Sec. 143. Repeal of prohibition on use of Department of Defense funds for procurement of nuclear-capable shipyard crane from a foreign source.*

### *TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION*

#### *Subtitle A—Authorization of Appropriations*

*Sec. 201. Authorization of appropriations.*
*Sec. 202. Amount for basic and applied research.*
*Sec. 203. Additional authorization for research, development, test, and evaluation on weathering and corrosion of aircraft surfaces and parts.*

#### *Subtitle B—Program Requirements, Restrictions, and Limitations*

*Sec. 211. Fiscal year 2002 joint field experiment.*
*Sec. 212. Nuclear aircraft carrier design and production modeling.*
*Sec. 213. DD-21 class destroyer program.*
*Sec. 214. F-22 aircraft program.*
*Sec. 215. Joint strike fighter program.*
*Sec. 216. Global Hawk high altitude endurance unmanned aerial vehicle.*
*Sec. 217. Unmanned advanced capability aircraft and ground combat vehicles.*
*Sec. 218. Army space control technology development.*
*Sec. 219. Russian American Observation Satellites program.*
*Sec. 220. Joint biological defense program.*
*Sec. 221. Report on biological warfare defense vaccine research and development programs.*
*Sec. 222. Technologies for detection and transport of pollutants attributable to live-fire activities.*
*Sec. 223. Acoustic mine detection.*
*Sec. 224. Operational technologies for mounted maneuver forces.*
*Sec. 225. Air logistics technology.*
*Sec. 226. Precision Location and Identification Program (PLAID).*
*Sec. 227. Navy Information Technology Center and Human Resource Enterprise Strategy.*
*Sec. 228. Joint Technology Information Center Initiative.*
*Sec. 229. Ammunition risk analysis capabilities.*
*Sec. 230. Funding for comparisons of medium armored combat vehicles.*

#### *Subtitle C—Other Matters*

*Sec. 241. Mobile offshore base.*
*Sec. 242. Air Force science and technology planning.*
*Sec. 243. Enhancement of authorities regarding education partnerships for purposes of encouraging scientific study.*

### *TITLE III—OPERATION AND MAINTENANCE*

#### *Subtitle A—Authorization of Appropriations*

*Sec. 301. Operation and maintenance funding.*
*Sec. 302. Working capital funds.*
*Sec. 303. Armed Forces Retirement Home.*
*Sec. 304. Transfer from National Defense Stockpile Transaction Fund.*

### *Subtitle B—Program Requirements, Restrictions, and Limitations*

*Sec. 311. Impact aid for children with disabilities.*
*Sec. 312. Joint warfighting capabilities assessment teams.*
*Sec. 313. Weatherproofing of facilities at Keesler Air Force Base, Mississippi.*
*Sec. 314. Demonstration project for Internet access and services in rural communities.*
*Sec. 315. Tethered Aerostat Radar System (TARS) sites.*
*Sec. 316. Mounted Urban Combat Training site, Fort Knox, Kentucky.*
*Sec. 317. MK–45 overhaul.*
*Sec. 318. Industrial mobilization capacity at Government-owned, Government-operated Army ammunition facilities and arsenals.*
*Sec. 319. Close-in weapon system overhauls.*
*Sec. 320. Spectrum data base upgrades.*

### *Subtitle C—Humanitarian and Civic Assistance*

*Sec. 321. Increased authority to provide health care services as humanitarian and civic assistance.*
*Sec. 322. Use of humanitarian and civic assistance funding for pay and allowances of Special Operations Command Reserves furnishing demining training and related assistance as humanitarian assistance.*

### *Subtitle D—Department of Defense Industrial Facilities*

*Sec. 331. Codification and improvement of armament retooling and manufacturing support programs.*
*Sec. 332. Centers of Industrial and Technical Excellence.*
*Sec. 333. Effects of outsourcing on overhead costs of Centers of Industrial and Technical Excellence and ammunition plants.*
*Sec. 334. Revision of authority to waive limitation on performance of depot-level maintenance.*
*Sec. 335. Unutilized and underutilized plant-capacity costs of United States arsenals.*

### *Subtitle E—Environmental Provisions*

*Sec. 341. Environmental restoration accounts.*
*Sec. 342. Payment of fines and penalties for environmental compliance violations.*
*Sec. 343. Annual reports under Strategic Environmental Research and Development Program.*
*Sec. 344. Payment of fines or penalties imposed for environmental compliance violations at certain Department of Defense facilities.*
*Sec. 345. Reimbursement for certain costs in connection with the Former Nansemond Ordnance Depot Site, Suffolk, Virginia.*
*Sec. 346. Environmental restoration activities.*
*Sec. 347. Ship disposal project.*
*Sec. 348. Report on Defense Environmental Security Corporate Information Management program.*
*Sec. 349. Report on Plasma Energy Pyrolysis System.*

### *Subtitle F—Other Matters*

*Sec. 361. Effects of worldwide contingency operations on readiness of certain military aircraft and equipment.*
*Sec. 362. Realistic budgeting for readiness requirements of the Army.*
*Sec. 363. Additions to plan for ensuring visibility over all in-transit end items and secondary items.*
*Sec. 364. Performance of emergency response functions at chemical weapons storage installations.*
*Sec. 365. Congressional notification of use of radio frequency spectrum by a system entering engineering and manufacturing development.*
*Sec. 366. Monitoring of value of performance of Department of Defense functions by workforces selected from between public and private workforces.*
*Sec. 367. Suspension of reorganization of Naval Audit Service.*
*Sec. 368. Investment of commissary trust revolving fund.*
*Sec. 369. Economic procurement of distilled spirits.*
*Sec. 370. Resale of armor-piercing ammunition disposed of by the Army.*
*Sec. 371. Damage to aviation facilities caused by alkali silica reactivity.*
*Sec. 372. Reauthorization of pilot program for acceptance and use of landing fees charged for use of domestic military airfields by civil aircraft.*
*Sec. 373. Reimbursement by civil air carriers for support provided at Johnston Atoll.*
*Sec. 374. Review of costs of maintaining historical properties.*
*Sec. 375. Extension of authority to sell certain aircraft for use in wildfire suppression.*
*Sec. 376. Overseas airlift service on civil reserve air fleet aircraft.*
*Sec. 377. Defense travel system.*
*Sec. 378. Review of AH–64 aircraft program.*
*Sec. 379. Assistance for maintenance, repair, and renovation of school facilities that serve dependents of members of the Armed Forces and Department of Defense civilian employees.*
*Sec. 380. Postponement of implementation of Defense Joint Accounting System (DJAS) pending analysis of the system.*

## *TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS*

### *Subtitle A—Active Forces*

*Sec. 401. End strengths for active forces.*

### *Subtitle B—Reserve Forces*

*Sec. 411. End strengths for Selected Reserve.*
*Sec. 412. End strengths for Reserves on active duty in support of the reserves.*
*Sec. 413. End strengths for military technicians (dual status).*
*Sec. 414. Fiscal year 2001 limitation on non-dual status technicians.*
*Sec. 415. Increase in numbers of members in certain grades authorized to be on active duty in support of the reserves.*

### *Subtitle C—Other Matters Relating to Personnel Strengths*

*Sec. 421. Suspension of strength limitations during war or national emergency.*
*Sec. 422. Exclusion of certain reserve component members on active duty for more than 180 days from active component end strengths.*
*Sec. 423. Exclusion of Army and Air Force medical and dental officers from limitation on strengths of reserve commissioned officers in grades below brigadier general.*
*Sec. 424. Authority for temporary increases in number of reserve personnel serving on active duty or full-time National Guard duty in certain grades.*
*Sec. 425. Temporary exemption of Director of the National Security Agency from limitations on number of Air Force officers above major general.*

### *Subtitle D—Authorization of Appropriations*

*Sec. 431. Authorization of appropriations for military personnel.*

## *TITLE V—MILITARY PERSONNEL POLICY*

### *Subtitle A—Officer Personnel Policy*

*Sec. 501. Eligibility of Army Reserve colonels and brigadier generals for position vacancy promotions.*
*Sec. 502. Promotion zones for Coast Guard Reserve officers.*
*Sec. 503. Time for release of officer promotion selection board reports.*
*Sec. 504. Clarification of authority for posthumous commissions and warrants.*
*Sec. 505. Inapplicability of active-duty list promotion, separation, and involuntary retirement authorities to reserve general and flag officers serving in certain positions designated for reserve officers by the Chairman of the Joint Chiefs of Staff.*
*Sec. 506. Review of actions of selection boards.*
*Sec. 507. Extension to all Air Force biomedical sciences officers of authority to retain until specified age.*
*Sec. 508. Termination of application requirement for consideration of officers for continuation on the Reserve Active-Status List.*
*Sec. 509. Technical corrections relating to retired grade of reserve commissioned officers.*
*Sec. 510. Grade of chiefs of reserve components and directors of National Guard components.*
*Sec. 511. Contingent exemption from limitation on number of Air Force officers serving on active duty in grades above major general.*

### *Subtitle B—Joint Officer Management*

*Sec. 521. Joint specialty designations and additional identifiers.*
*Sec. 522. Promotion objectives.*
*Sec. 523. Education.*
*Sec. 524. Length of joint duty assignment.*
*Sec. 525. Annual report to Congress.*
*Sec. 526. Multiple assignments considered as single joint duty assignment.*
*Sec. 527. Joint duty requirement for promotion to one-star grades.*

### *Subtitle C—Education and Training*

*Sec. 541. Eligibility of children of Reserves for Presidential appointment to service academies.*
*Sec. 542. Selection of foreign students to receive instruction at service academies.*
*Sec. 543. Repeal of contingent funding increase for Junior Reserve Officers Training Corps.*
*Sec. 544. Revision of authority for Marine Corps Platoon Leaders Class tuition assistance program.*

### *Subtitle D—Matters Relating to Recruiting*

*Sec. 551. Army recruiting pilot programs.*
*Sec. 552. Enhancement of the joint and service recruitment market research and advertising programs.*
*Sec. 553. Access to secondary schools for military recruiting purposes.*

### *Subtitle E—Military Voting Rights Act of 2000*

*Sec. 561. Short title.*
*Sec. 562. Guarantee of residency.*
*Sec. 563. State responsibility to guarantee military voting rights.*

### *Subtitle F—Other Matters*

*Sec. 571. Authority for award of Medal of Honor to certain specified persons.*
*Sec. 572. Waiver of time limitations for award of certain decorations to certain persons.*
*Sec. 573. Ineligibility for involuntary separation pay upon declination of selection for continuation on active duty.*
*Sec. 574. Recognition by States of military testamentary instruments.*
*Sec. 575. Sense of Congress on the court-martial conviction of Captain Charles Butler McVay, Commander of the U.S.S. Indianapolis, and on the courageous service of its crew.*
*Sec. 576. Senior officers in command in Hawaii on December 7, 1941.*
*Sec. 577. Verbatim records in special courts-martial.*
*Sec. 578. Management and per diem requirements for members subject to lengthy or numerous deployments.*
*Sec. 579. Extension of TRICARE managed care support contracts.*
*Sec. 580. Preparation, participation, and conduct of athletic competitions and small arms competitions by the National Guard and members of the National Guard.*

## *TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS*

### *Subtitle A—Pay and Allowances*

*Sec. 601. Increase in basic pay for fiscal year 2001.*
*Sec. 602. Corrections for basic pay tables.*
*Sec. 603. Pay in lieu of allowance for funeral honors duty.*
*Sec. 604. Clarification of service excluded in computation of creditable service as a Marine Corps officer.*
*Sec. 605. Calculation of basic allowance for housing.*
*Sec. 606. Eligibility of members in grade E-4 to receive basic allowance for housing while on sea duty.*
*Sec. 607. Personal money allowance for the senior enlisted members of the Armed Forces.*
*Sec. 608. Increased uniform allowances for officers.*
*Sec. 609. Cabinet-level authority to prescribe requirements and allowance for clothing of enlisted members.*
*Sec. 610. Special subsistence allowance for members eligible to receive food stamp assistance.*
*Sec. 610A. Restructuring of basic pay tables for certain enlisted members.*
*Sec. 610B. Basic allowance for housing.*

### *Subtitle B—Bonuses and Special and Incentive Pays*

*Sec. 611. Extension of certain bonuses and special pay authorities for reserve forces.*
*Sec. 612. Extension of certain bonuses and special pay authorities for nurse officer candidates, registered nurses, and nurse anesthetists.*
*Sec. 613. Extension of authorities relating to payment of other bonuses and special pays.*
*Sec. 614. Consistency of authorities for special pay for reserve medical and dental officers.*
*Sec. 615. Special pay for physician assistants of the Coast Guard.*
*Sec. 616. Authorization of special pay and accession bonus for pharmacy officers.*
*Sec. 617. Correction of references to Air Force veterinarians.*
*Sec. 618. Entitlement of active duty officers of the Public Health Service Corps to special pays and bonuses of health professional officers of the Armed Forces.*
*Sec. 619. Career sea pay.*
*Sec. 620. Increased maximum rate of special duty assignment pay.*
*Sec. 621. Expansion of applicability of authority for critical skills enlistment bonus to include all Armed Forces.*
*Sec. 622. Entitlement of members of the National Guard and other reserves not on active duty to receive special duty assignment pay.*

### *Subtitle C—Travel and Transportation Allowances*

*Sec. 631. Advance payments for temporary lodging of members and dependents.*
*Sec. 632. Incentive for shipping and storing household goods in less than average weights.*
*Sec. 633. Expansion of funded student travel.*
*Sec. 634. Benefits for members not transporting personal motor vehicles overseas.*

### *Subtitle D—Retirement Benefits*

*Sec. 641. Exception to high-36 month retired pay computation for members retired following a disciplinary reduction in grade.*
*Sec. 642. Automatic participation in reserve component Survivor Benefit Plan unless declined with spouse's consent.*
*Sec. 643. Participation in Thrift Savings Plan.*
*Sec. 644. Retirement from active reserve service after regular retirement.*
*Sec. 645. Same treatment for Federal judges as for other Federal officials regarding payment of military retired pay.*
*Sec. 646. Policy on increasing minimum survivor benefit plan basic annuities for surviving spouses age 62 or older.*
*Sec. 647. Survivor benefit plan annuities for survivors of all members who die on active duty.*
*Sec. 648. Family coverage under servicemembers' group life insurance.*
*Sec. 649. Fees paid by residents of the Armed Forces Retirement Home.*
*Sec. 650. Computation of survivor benefits.*
*Sec. 651. Equitable application of early retirement eligibility requirements to military reserve technicians.*
*Sec. 652. Concurrent payment to surviving spouses of disability and indemnity compensation and annuities under Survivor Benefit Plan.*

### *Subtitle E—Other Matters*

*Sec. 661. Reimbursement of recruiting and ROTC personnel for parking expenses.*
*Sec. 662. Extension of deadline for filing claims associated with capture and internment of certain persons by North Vietnam.*
*Sec. 663. Settlement of claims for payments for unused accrued leave and for retired pay.*
*Sec. 664. Eligibility of certain members of the Individual Ready Reserve for Servicemembers' Group Life Insurance.*
*Sec. 665. Authority to pay gratuity to certain veterans of Bataan and Corregidor.*
*Sec. 666. Concurrent payment of retired pay and compensation for retired members with service-connected disabilities.*
*Sec. 667. Travel by reserves on military aircraft to and from locations outside the continental United States for inactive-duty training.*
*Sec. 668. Additional benefits and protections for personnel incurring injury, illness, or disease in the performance of funeral honors duty.*
*Sec. 669. Determinations of income eligibility for special supplemental food program.*
*Sec. 670. Modification of time for use by certain members of the Selected Reserve of entitlement to educational assistance.*
*Sec. 671. Recognition of members of the Alaska Territorial Guard as veterans.*
*Sec. 672. Clarification of Department of Veterans Affairs duty to assist.*
*Sec. 673. Back pay for members of the Navy and Marine Corps approved for promotion while interned as prisoners of war during World War II.*

### *Subtitle F—Education Benefits*

*Sec. 681. Short title.*
*Sec. 682. Transfer of entitlement to educational assistance by certain members of the Armed Forces.*
*Sec. 683. Participation of additional members of the Armed Forces in Montgomery GI Bill program.*
*Sec. 684. Modification of authority to pay tuition for off-duty training and education.*
*Sec. 685. Modification of time for use by certain members of Selected Reserve of entitlement to certain educational assistance.*

### *Subtitle G—Additional Benefits For Reserves and Their Dependents*

*Sec. 691. Sense of Congress.*
*Sec. 692. Travel by Reserves on military aircraft.*
*Sec. 693. Billeting services for Reserve members traveling for inactive duty training.*
*Sec. 694. Increase in maximum number of reserve retirement points that may be credited in any year.*
*Sec. 695. Authority for provision of legal services to reserve component members following release from active duty.*

## *TITLE VII—HEALTH CARE*

### *Subtitle A—Senior Health Care*

*Sec. 701. Conditions for eligibility for CHAMPUS upon the attainment of 65 years of age.*

### *Subtitle B—TRICARE Program*

*Sec. 711. Additional beneficiaries under TRICARE Prime Remote program in CONUS.*
*Sec. 712. Elimination of copayments for immediate family.*
*Sec. 713. Improvement in business practices in the administration of the TRICARE program.*
*Sec. 714. Improvement of access to health care under the TRICARE program.*
*Sec. 715. Enhancement of access to TRICARE in rural States.*

### *Subtitle C—Joint Initiatives With Department of Veterans Affairs*

*Sec. 721. Tracking patient safety in military and veterans health care systems.*
*Sec. 722. Pharmaceutical identification technology.*
*Sec. 723. Medical informatics.*

### *Subtitle D—Other Matters*

*Sec. 731. Permanent authority for certain pharmaceutical benefits.*

Sec. 732. Provision of domiciliary and custodial care for CHAMPUS beneficiaries.

Sec. 733. Medical and dental care for Medal of Honor recipients and their dependents.

Sec. 734. School-required physical examinations for certain minor dependents.

Sec. 735. Two-year extension of dental and medical benefits for surviving dependents of certain deceased members.

Sec. 736. Extension of authority for contracts for medical services at locations outside medical treatment facilities.

Sec. 737. Transition of chiropractic health care demonstration program to permanent status.

Sec. 738. Use of information technology for enhancement of delivery of administrative services under the Defense Health Program.

Sec. 739. Patient care reporting and management system.

Sec. 740. Health care management demonstration program.

Sec. 741. Studies of accrual financing for health care for military retirees.

Sec. 742. Augmentation of Army Medical Department by reserve officers of the Public Health Service.

Sec. 743. Service areas of transferees of former uniformed services treatment facilities that are included in the uniformed services health care delivery system.

Sec. 744. Blue ribbon advisory panel on Department of Defense policies regarding the privacy of individual medical records.

### TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

Sec. 801. Improvements in procurements of services.

Sec. 802. Addition of threshold value requirement for applicability of a reporting requirement relating to multiyear contract.

Sec. 803. Planning for the acquisition of information systems.

Sec. 804. Tracking of information technology purchases.

Sec. 805. Repeal of requirement for contractor assurances regarding the completeness, accuracy, and contractual sufficiency of technical data provided by the contractor.

Sec. 806. Extension of authority for Department of Defense acquisition pilot programs.

Sec. 807. Clarification and extension of authority to carry out certain prototype projects.

Sec. 808. Clarification of authority of Comptroller General to review records of participants in certain prototype projects.

Sec. 809. Eligibility of small business concerns owned and controlled by women for assistance under the Mentor-Protege Program.

Sec. 810. Navy-Marine Corps intranet acquisition.

Sec. 811. Qualifications required for employment and assignment in contracting positions.

Sec. 812. Defense acquisition and support workforce.

Sec. 813. Financial analysis of use of dual rates for quantifying overhead costs at Army industrial facilities.

Sec. 814. Revision of the organization and authority of the Cost Accounting Standards Board.

Sec. 815. Revision of authority for solutions-based contracting pilot program.

Sec. 816. Appropriate use of personnel experience and educational requirements in the procurement of information technology services.

Sec. 817. Study of Office of Management and Budget Circular A–76 process.

Sec. 818. Procurement notice through electronic access to contracting opportunities.

### TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

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### *SEC. 3. CONGRESSIONAL DEFENSE COMMITTEES DEFINED.*

*For purposes of this Act, the term "congressional defense committees" means—*

*(1) the Committee on Armed Services and the Committee on Appropriations of the Senate; and*

*(2) the Committee on Armed Services and the Committee on Appropriations of the House of Representatives.*

## *DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS*

## *TITLE I—PROCUREMENT*

### *Subtitle A—Authorization of Appropriations*

### *SEC. 101. ARMY.*

*Funds are hereby authorized to be appropriated for fiscal year 2001 for procurement for the Army as follows:*

*(1) For aircraft, $1,749,662,000.*

*(2) For missiles, $1,382,328,000.*

*(3) For weapons and tracked combat vehicles, $2,115,138,000.*

*(4) For ammunition, $1,224,323,000.*

*(5) For other procurement, $4,039,670,000.*

### *SEC. 102. NAVY AND MARINE CORPS.*

*(a) NAVY.—Funds are hereby authorized to be appropriated for fiscal year 2001 for procurement for the Navy as follows:*

*(1) For aircraft, $8,685,958,000.*

*(2) For weapons, including missiles and torpedoes, $1,539,950,000.*

*(3) For shipbuilding and conversion, $12,900,076,000.*

*(4) For other procurement, $3,378,311,000.*

*(b) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 2001 for procurement for the Marine Corps in the amount of $1,191,035,000.*

*(c) NAVY AND MARINE CORPS AMMUNITION.—Funds are hereby authorized to be appropriated for fiscal year 2001 for procurement of ammunition for the Navy and the Marine Corps in the amount of $500,749,000.*

### *SEC. 103. AIR FORCE.*

*Funds are hereby authorized to be appropriated for fiscal year 2001 for procurement for the Air Force as follows:*

*(1) For aircraft, $9,968,371,000.*

*(2) For ammunition, $666,808,000.*

*(3) For missiles, $3,005,915,000.*

*(4) For other procurement, $7,724,527,000.*

### *SEC. 104. DEFENSE-WIDE ACTIVITIES.*

*Funds are hereby authorized to be appropriated for fiscal year 2001 for Defense-wide procurement in the amount of $2,203,508,000.*

### *SEC. 105. DEFENSE INSPECTOR GENERAL.*

*Funds are hereby authorized to be appropriated for fiscal year 2001 for procurement for the Inspector General of the Department of Defense in the amount of $3,300,000.*

### *SEC. 106. CHEMICAL DEMILITARIZATION PROGRAM.*

*There is hereby authorized to be appropriated for fiscal year 2001 the amount of $1,003,500,000 for—*

*(1) the destruction of lethal chemical agents and munitions in accordance with section 1412 of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521); and*

*(2) the destruction of chemical warfare materiel of the United States that is not covered by section 1412 of such Act.*

### *SEC. 107. DEFENSE HEALTH PROGRAMS.*

*Funds are hereby authorized to be appropriated for fiscal year 2001 for the Department of Defense for procurement for carrying out health care programs, projects, and activities of the Department of Defense in the total amount of $290,006,000.*

### *Subtitle B—Army Programs*

### *SEC. 111. MULTIYEAR PROCUREMENT AUTHORITY FOR CERTAIN PROGRAMS.*

*(a) AUTHORITY.—Beginning with the fiscal year 2001 program year, the Secretary of the Army may, in accordance with section 2306b of title 10, United States Code, enter into multiyear contracts for procurement of the following:*

*(1) M2A3 Bradley fighting vehicles.*

*(2) UH–60L Blackhawk helicopters.*

*(3) CH–60S Seahawk helicopters.*

*(b) LIMITATION FOR BRADLEY FIGHTING VEHICLES.—The period for a multiyear contract entered into under subsection (a)(1) may not exceed the three consecutive program years beginning with the fiscal year 2001 program year.*

*(c) REPEAL OF SUPERSEDED AUTHORITY.—Section 111 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 531) is amended by striking paragraph (2).*

### *SEC. 112. REPORTS AND LIMITATIONS RELATING TO ARMY TRANSFORMATION.*

*(a) REPORT ON OBJECTIVE FORCE DEVELOPMENT PROCESS.—The Secretary of the Army shall submit to the congressional defense committees a report on the process for developing the objective force in the transformation of the Army. The report shall include the following:*

*(1) The operational environments envisioned for the objective force.*

*(2) The threat assumptions on which research and development efforts for transformation of the Army into the objective force are based.*

*(3) The potential operational and organizational concepts for the objective force.*

*(4) The key performance parameters anticipated for the objective force and the operational requirements anticipated for the operational requirements document of the objective force.*

*(5) The schedule of Army transformation activities through fiscal year 2012, together with—*

*(A) the projected funding requirements through that fiscal year for the research and development activities and the procurement activities;*

*(B) the specific adjustments that are made for Army programs in the future-years defense program and in the extended planning program in order to program the funding necessary to meet the funding requirements for Army transformation; and*

*(C) a summary of the anticipated investments of the Defense Advanced Research Projects Agency in programs designed to lead to the fielding of future combat systems for the objective force.*

*(6) The joint warfighting requirements that will be supported by the fielding of the objective force, together with a description of the adjustments that are planned to be made in the war plans of the commanders of the regional unified combatant commands in relation to the fielding of the objective force.*

*(7) The changes in lift requirements that result from the establishment and fielding of the combat brigades of the objective force.*

*(8) The evaluation process that will be used to support decisionmaking on the course of the Army transformation, including a description of the operational evaluations and experimentation that will be used to validate the key performance parameters associated with the objective force and the operational requirements for the operational requirements document of the objective force.*

*(b) REPORTS ON MEDIUM ARMORED COMBAT VEHICLES FOR THE INTERIM BRIGADE COMBAT TEAMS.—(1) The Secretary of the Army shall develop and carry out a plan for comparing—*

*(A) the costs and operational effectiveness of the medium armored combat vehicles selected for the infantry battalions of the interim brigade combat teams; and*

*(B) the costs and operational effectiveness of the medium armored vehicles currently in the Army inventory for the use of infantry battalions.*

*(2) The plan shall provide for the costs and operational effectiveness of the two sets of vehicles to be determined on the basis of the results of an operational analysis that involves the participation of at least one infantry battalion that is fielded with medium armored vehicles currently in the Army inventory and is similar in organization to the infantry battalions of the interim brigade combat teams.*

*(3) The Director of Operational Test and Evaluation of the Department of Defense shall review the plan developed under paragraph (1) and submit the Director's comments on the plan to the Secretary of the Army.*

*(4) Not later than February 1, 2001, the Secretary of the Army shall submit to the congressional defense committees a report on the plan developed under paragraph (1). The report shall include the following:*

*(A) The plan.*

*(B) The comments of the Director of Operational Test and Evaluation on the plan.*

*(C) A discussion of how the results of the operational analysis are to be used to guide future decisions on the acquisition of medium armored combat vehicles for additional interim brigade combat teams.*

*(D) The specific adjustments that are made for Army programs in the future-years defense program and in the extended planning program in order to program the funding necessary for fielding the interim brigade combat teams.*

*(5)(A) Not later than March 1, 2002, the Secretary of the Army shall submit to the congressional defense committees a report on the results of the comparison of costs and operational effectiveness of the two sets of medium armored combat vehicles under paragraph (1).*

*(B) The report under subparagraph (A) shall include a certification by the Secretary of Defense regarding whether the results of the comparison would support the continuation in fiscal year 2003 and beyond of the acquisition of the additional medium armored combat vehicles proposed to be used for equipping the interim brigade combat teams.*

*(c) LIMITATIONS.—(1) Not more than 60 percent of the amount appropriated for the procurement of armored vehicles in the family of new medium armored vehicles pursuant to the authorization of appropriations in section 101(3) may be obligated until the date that is 30 days after the date on which the Secretary of the Army submits the report required under subsection (b)(4) to the congressional defense committees.*

*(2) Not more than 60 percent of the funds appropriated for the Army for fiscal year 2002 for the procurement of armored vehicles in the family of new medium armored combat vehicles may be obligated until the date that is 30 days after the date on which the Secretary of the Army submits the report required under subsection (b)(5) to the congressional defense committees.*

*(d) DEFINITIONS.—In this section:*

*(1) The term "transformation", with respect to the Army, means the actions being undertaken to transform the Army, as it is constituted in terms of organization, equipment, and doctrine in 2000, into the objective force.*

*(2) The term "objective force" means the Army that has the organizational structure, the most advanced equipment that early twenty-first century science and technology can provide, and the appropriate doctrine to ensure that the Army is responsive, deployable, agile, versatile, lethal, survivable, and sustainable for the full spectrum of the operations anticipated to be required of the Army during the early years of the twenty-first century following 2010.*

*(3) The term "interim brigade combat team" means an Army brigade that is designated by the Secretary of the Army as a brigade combat team and is reorganized and equipped with currently available equipment in a configuration that effectuates an evolutionary advancement toward transformation of the Army to the objective force.*

### *SEC. 113. RAPID INTRAVENOUS INFUSION PUMPS.*

*Of the amount authorized to be appropriated under section 101(5)—*

*(1) $6,000,000 shall be available for the procurement of rapid intravenous infusion pumps; and*

*(2) the amount provided for the family of medium tactical vehicles is hereby reduced by $6,000,000.*

## *Subtitle C—Navy Programs*

### *SEC. 121. CVNX-1 NUCLEAR AIRCRAFT CARRIER PROGRAM.*

*(a) AUTHORIZATION OF SHIP.—The Secretary of the Navy is authorized to procure the aircraft carrier to be designated CVNX-1.*

*(b) ADVANCE PROCUREMENT AND CONSTRUCTION.—The Secretary may enter into one or more contracts for the advance procurement and advance construction of components for the ship authorized under subsection (a).*

*(c) AMOUNT AUTHORIZED FROM SCN ACCOUNT.—Of the amounts authorized to be appropriated under section 102(a)(3) for fiscal year 2001, $21,869,000 is available for the advance procurement and advance construction of components (including nuclear components) for the CVNX-1 aircraft carrier program.*

### *SEC. 122. ARLEIGH BURKE CLASS DESTROYER PROGRAM.*

*(a) ECONOMICAL MULTIYEAR PROCUREMENT OF PREVIOUSLY AUTHORIZED VESSELS AND ONE ADDITIONAL VESSEL.—(1) Subsection (b) of section 122 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2446), as amended by section 122(a) of Public Law 106–65 (113 Stat. 535), is further amended by striking "a total of 18 Arleigh Burke class destroyers" in the first sentence and all that follows through the period at the end of that sentence and inserting "Arleigh Burke class destroyers in accordance with this subsection and subsection (a)(4) at procurement rates not in excess of 3 ships in each of the fiscal years beginning after September 30, 1998, and before October 1, 2005. The authority under the preceding sentence is subject to the availability of appropriations for such destroyers.".*

*(2) The heading for such subsection is amended by striking "18".*

*(b) ECONOMICAL RATE OF PROCUREMENT.—It is the sense of Congress that, for the procurement of the Arleigh Burke class destroyers to be procured after fiscal year 2001 under multiyear contracts authorized under section 122(b) of Public Law 104–201—*

*(1) the Secretary of the Navy should—*

*(A) achieve the most economical rate of procurement; and*

*(B) enter into such contracts for advance procurement as may be necessary to achieve that rate of procurement;*

*(2) the most economical rate of procurement would be achieved by procuring 3 of the destroyers in each of fiscal years 2002 and 2003 and procuring another destroyer in fiscal year 2004; and*

*(3) the Secretary has the authority under section 122(b) of Public Law 104–201 (110 Stat. 2446) and subsections (b) and (c) of section 122 of Public Law 106–65 (113 Stat. 534) to provide for procurement at the most economical rate, as described in paragraph (2).*

*(c) UPDATE OF 1993 REPORT ON DDG–51 CLASS SHIPS.—(1) The Secretary of the Navy shall submit to the Committees on Armed Services of the Senate and the House of Representatives, not later than November 1, 2000, a report that updates the information provided in the report of the Secretary of the Navy entitled the "Arleigh Burke (DDG–51) Class Industrial Base Study of 1993". The Secretary shall transmit a copy of the updated report to the Comptroller General not later than the date on which the Secretary submits the report to the committees.*

*(2) The Comptroller General shall review the updated report submitted under paragraph (1) and, not later than December 1, 2000, submit to the Committees on Armed Services of the Senate and House of Representatives the Comptroller General's comments on the updated report.*

### *SEC. 123. VIRGINIA CLASS SUBMARINE PROGRAM.*

*(a) AMOUNTS AUTHORIZED FROM SCN ACCOUNT.—Of the amounts authorized to be appropriated by section 102(a)(3) for fiscal year 2001, $1,711,234,000 is available for the Virginia class submarine program.*

*(b) CONTRACT AUTHORITY.—(1) The Secretary of the Navy is authorized to enter into a contract for the procurement of up to five Virginia class submarines, including the procurement of material in economic order quantities when cost savings are achievable, during fiscal years 2003 through 2006. The submarines authorized under the preceding sentence are in addition to the submarines authorized under section 121(b) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1648).*

*(2) A contract entered into under paragraph (1) shall include a clause that states that any obligation of the United States to make a payment under this contract is subject to the availability of appropriations for that purpose.*

*(c) SHIPBUILDER TEAMING.—Paragraphs (2)(A), (3), and (4) of section 121(b) of Public Law 105–85 apply to the procurement of submarines under this section.*

*(d) LIMITATION OF LIABILITY.—If a contract entered into under this section is terminated, the United States shall not be liable for termination costs in excess of the total of the amounts appropriated for the Virginia class submarine program that remain available for the program.*

*(e) REPORT REQUIREMENT.—At that same time that the President submits the budget for fiscal year 2002 to Congress under section 1105(a) of title 31, United States Code, the Secretary of Defense shall submit to the congressional defense committees a report on the Navy's fleet of fast attack submarines. The report shall include the following:*

*(1) A plan for maintaining at least 55 fast attack submarines in commissioned service through 2015, including, by 2015, 18 Virginia class submarines.*

*(2) Two assessments of the potential savings that would be achieved under the Virginia class submarine program if the production rate for such program were at least two submarines each fiscal year, as follows:*

*(A) An assessment if that were the production rate beginning in fiscal year 2004.*

*(B) An assessment if that were the production rate beginning in fiscal year 2006.*

*(3) An analysis of the advantages and disadvantages of various contracting strategies for Virginia class submarine program, including one or more multiyear procurement strategies and one or more strategies for block buy with economic order quantity.*

### SEC. 124. ADC(X) SHIP PROGRAM.

*Notwithstanding any other provision of law, the Secretary of the Navy may procure the construction of all ADC(X) class ships in one shipyard if the Secretary determines that it is more cost effective to do so than to procure the construction of such ships from more than one shipyard.*

### SEC. 125. REFUELING AND COMPLEX OVERHAUL PROGRAM OF THE CVN–69 NUCLEAR AIRCRAFT CARRIER.

*(a) Amount Authorized From SCN Account.—Of the amount authorized to be appropriated by section 102(a)(3) for fiscal year 2001, $703,441,000 is available for the commencement of the nuclear refueling and complex overhaul of the CVN–69 aircraft carrier during fiscal year 2001. The amount made available in the preceding sentence is the first increment in the incremental funding planned for the nuclear refueling and complex overhaul of the CVN–69 aircraft carrier.*

*(b) Contract Authority.—The Secretary of the Navy is authorized to enter into a contract during fiscal year 2001 for the nuclear refueling and complex overhaul of the CVN–69 nuclear aircraft carrier.*

*(c) Condition for Out-Year Contract Payments.—A contract entered into under subsection (b) shall include a clause that states that any obligation of the United States to make a payment under the contract for a fiscal year after fiscal year 2001 is subject to the availability of appropriations for that purpose for that later fiscal year.*

### SEC. 126. REMANUFACTURED AV–8B AIRCRAFT.

*Of the amount authorized to be appropriated by section 102(a)(1)—*

*(1) $318,646,000 is available for the procurement of remanufactured AV–8B aircraft;*

*(2) $15,200,000 is available for the procurement of UC–35 aircraft;*

*(3) $3,300,000 is available for the procurement of automatic flight control systems for EA–6B aircraft; and*

*(4) $46,000,000 is available for engineering change proposal 583 for FA–18 aircraft.*

### SEC. 127. ANTI-PERSONNEL OBSTACLE BREACHING SYSTEM.

*Of the total amount authorized to be appropriated under section 102(c), $4,000,000 is available only for the procurement of the anti-personnel obstacle breaching system.*

## Subtitle D—Air Force Programs

### SEC. 131. REPEAL OF REQUIREMENT FOR ANNUAL REPORT ON B–2 BOMBER AIRCRAFT PROGRAM.

*Section 112 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1373), as amended by section 141 of Public Law 104–106 (110 Stat. 213), is repealed.*

### SEC. 132. CONVERSION OF AGM–65 MAVERICK MISSILES.

*(a) Increase in Amount.—The amount authorized to be appropriated by section 103(3) for procurement of missiles for the Air Force is hereby increased by $2,100,000.*

*(b) Availability of Amount.—(1) Of the amount authorized to be appropriated by section 103(3), as increased by subsection (a), $2,100,000 shall be available for In-Service Missile Modifications for the purpose of the conversion of Maverick missiles in the AGM–65B and AGM–65G configurations to Maverick missiles in the AGM–65H and AGM–65K configurations.*

*(2) The amount available under paragraph (1) for the purpose specified in that paragraph is in addition to any other amounts available under this Act for that purpose.*

*(c) Offset.—The amount authorized to be appropriated by section 103(1) for procurement of aircraft for the Air Force is hereby reduced by $2,100,000, with the amount of the reduction applicable to amounts available under that section for ALE–50 Code Decoys.*

## Subtitle E—Other Matters

### SEC. 141. PUEBLO CHEMICAL DEPOT CHEMICAL AGENT AND MUNITIONS DESTRUCTION TECHNOLOGIES.

*(a) Limitation.—In determining the technologies to be used for the destruction of the stockpile of lethal chemical agents and munitions at Pueblo Chemical Depot, Colorado, whether under the assessment required by section 141(a) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 537; 50 U.S.C. 1521 note), the Assembled Chemical Weapons Assessment, or any other assessment, the Secretary of Defense may consider only the following technologies:*

*(1) Incineration.*

*(2) Any technologies demonstrated under the Assembled Chemical Weapons Assessment on or before May 1, 2000.*

*(b) Assembled Chemical Weapons Assessment Defined.—As used in subsection (a), the term "Assembled Chemical Weapons Assessment" means the pilot program carried out under section 8065 of the Department of Defense Appropriations Act, 1997 (section 101(b) of Public Law 104–208; 110 Stat. 3009–101; 50 U.S.C. 1521 note).*

### SEC. 142. INTEGRATED BRIDGE SYSTEMS FOR NAVAL SYSTEMS SPECIAL WARFARE RIGID INFLATABLE BOATS AND HIGH-SPEED ASSAULT CRAFT.

*(a) Increase in Authorization for Procurement, Defense-Wide.—The amount authorized to be appropriated by section 104 for procurement, Defense-wide, is hereby increased by $7,000,000.*

*(b) Availability of Amount.—Of the amount authorized to be appropriated by section 104, as increased by subsection (a), $7,000,000 shall be available for the procurement and installation of integrated bridge systems for naval systems special warfare rigid inflatable boats and high-speed assault craft for special operations forces.*

*(c) Offset.—The amount authorized to be appropriated by section 103(4), for other procurement for the Air Force, is hereby reduced by $7,000,000.*

### SEC. 143. REPEAL OF PROHIBITION ON USE OF DEPARTMENT OF DEFENSE FUNDS FOR PROCUREMENT OF NUCLEAR-CAPABLE SHIPYARD CRANE FROM A FOREIGN SOURCE.

*Section 8093 of the Department of Defense Appropriations Act, 2000 (Public Law 106–79; 113 Stat. 1253) is amended by striking subsection (d), relating to a prohibition on the use of Department of Defense funds to procure a nuclear-capable shipyard crane from a foreign source.*

# TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

## Subtitle A—Authorization of Appropriations

### SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

*Funds are hereby authorized to be appropriated for fiscal year 2001 for the use of the Department of Defense for research, development, test, and evaluation as follows:*

*(1) For the Army, $5,501,946,000.*

*(2) For the Navy, $8,665,865,000.*

*(3) For the Air Force, $13,887,836,000.*

*(4) For Defense-wide activities, $11,275,202,000, of which $223,060,000 is authorized for the Director of Operational Test and Evaluation.*

### SEC. 202. AMOUNT FOR BASIC AND APPLIED RESEARCH.

*(a) Fiscal Year 2001.—Of the amounts authorized to be appropriated by section 201, $4,702,604,000 shall be available for basic research and applied research projects.*

*(b) Basic Research and Applied Research Defined.—For purposes of this section, the term "basic research and applied research" means work funded in program elements for defense research and development under Department of Defense category 6.1 or 6.2.*

### SEC. 203. ADDITIONAL AUTHORIZATION FOR RESEARCH, DEVELOPMENT, TEST, AND EVALUATION ON WEATHERING AND CORROSION OF AIRCRAFT SURFACES AND PARTS.

*(a) Increase in Authorization.—The amount authorized to be appropriated by section 201(3) is hereby increased by $1,500,000.*

*(b) Availability of Funds.—The amount available under section 201(3), as increased by subsection (a), for research, development, test, and evaluation on weathering and corrosion of aircraft surfaces and parts (PE62102F) is hereby increased by $1,500,000.*

*(c) Offset.—The amount authorized to be appropriated by section 201(4) is hereby decreased by $1,500,000, with the amount of such decrease being allocated to Sensor and Guidance Technology (PE63762E).*

## Subtitle B—Program Requirements, Restrictions, and Limitations

### SEC. 211. FISCAL YEAR 2002 JOINT FIELD EXPERIMENT.

*(a) Requirements.—The Secretary of Defense shall carry out a joint field experiment in fiscal year 2002. The Secretary shall ensure that the planning for the joint field experiment is carried out during fiscal year 2001.*

*(b) Purpose.—The purpose of the joint field experiment is to explore the most critical war fighting challenges at the operational level of war that will confront United States joint military forces after 2010.*

*(c) Participating Forces.—(1) The joint field experiment shall involve elements of Army, Navy, Marine Corps, and Air Force, and shall include special operations forces.*

*(2) The forces designated to participate in the joint field experiment shall exemplify the concepts for organization, equipment, and doctrine that are conceived for the forces after 2010 under Joint Vision 2010 (issued by the Joint Chiefs of Staff) and the current vision statements of the Chief of Staff of the Army, the Chief of Naval Operations and the Commandant of the Marine Corps, and the Chief of Staff of the Air Force, including the following concepts:*

*(A) Air Force expeditionary aerospace forces.*

*(B) Army medium weight brigades.*

*(C) Navy forward from the sea.*

*(d) Funding.—Of the amount authorized to be appropriated under section 201(2) for joint experimentation, $6,000,000 shall be available only for planning the joint field experiment required under this section.*

### SEC. 212. NUCLEAR AIRCRAFT CARRIER DESIGN AND PRODUCTION MODELING.

*Of the amount authorized to be appropriated under section 201(2) for the Navy for nuclear aircraft carrier design and production modeling, $10,000,000 shall be available for the conversion and development of nuclear aircraft carrier design data into an electronic, three-dimensional product model.*

### SEC. 213. DD–21 CLASS DESTROYER PROGRAM.

*(a) Authority.—The Secretary of the Navy is authorized to pursue a technology insertion approach for the construction of the DD–21 destroyer on the following schedule:*

*(1) Commencement of construction during fiscal year 2004.*

*(2) Delivery of the completed vessel during fiscal year 2009.*

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) there are compelling reasons for starting the program for constructing the DD–21 destroyer in fiscal year 2004 and continuing with sequential construction of DD–21 class destroyers during the ensuing fiscal years until 32 DD–21 class destroyers are constructed; and

(2) the Secretary of the Navy, in providing for the acquisition of DD–21 class destroyers, should consider that—

(A) the Marine Corps needs the surface fire support capabilities of the DD–21 class destroyers as soon as possible in order to mitigate the inadequacies of the surface fire support capabilities that are currently available;

(B) the Navy and Marine Corps need to resolve whether there is a requirement for surface fire support missile weapon systems to be easily sustainable by means of replenishment while under way;

(C) the technology insertion approach has been successful for other ship construction programs and is being pursued for the CVN(X) and Virginia class submarine programs;

(D) the establishment of a stable configuration for the first 10 DD–21 class destroyers should enable the construction of the ships with the greatest capabilities at the lowest cost; and

(E) action to acquire DD–21 class destroyers should be taken as soon as possible in order to realize fully the cost savings that can be derived from the construction and operation of DD–21 class destroyers, including—

(i) savings in construction costs that would result from achievement of the Navy's target per-ship cost of $750,000,000 by the fifth ship constructed in each construction yard;

(ii) savings that will result from the estimated reduction of the crews of destroyers by 200 or more personnel for each ship; and

(iii) savings that will result from a reduction in the operating costs for destroyers by an estimated 70 percent.

(c) NAVY PLAN FOR USE OF TECHNOLOGY INSERTION APPROACH FOR CONSTRUCTION OF THE DD–21 SHIP.—The Secretary of the Navy shall submit to the Committees on Armed Services of the Senate and the House of Representatives, not later than April 18, 2001, a plan for pursuing a technology insertion approach for the construction of the DD–21 destroyer as authorized under subsection (a). The plan shall include estimates of the resources necessary to execute the plan.

(d) REPORT ON ACQUISITION AND MAINTENANCE PLAN FOR DD–21 CLASS SHIPS.—The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives, not later than April 18, 2001, a report on the Navy's plan for the acquisition and maintenance of DD–21 class destroyers. The report shall include a discussion of each of the following matters:

(1) The technical feasibility of commencing construction of the DD–21 destroyer in fiscal year 2004 and achieving delivery of the completed ship to the Navy during fiscal year 2009.

(2) An analysis of the advantages and disadvantages of various contracting strategies for the construction of the first 10 DD–21 class destroyers, including one or more multiyear procurement strategies and one or more strategies for block buy in economic order quantity.

(3) The effects on the destroyer industrial base and on costs to other Navy shipbuilding programs of delaying the commencement of construction of the DD–21 destroyer until fiscal year 2005 and delaying the commencement of construction of the next DD–21 class destroyer until fiscal year 2007.

(4) The effects on the fleet maintenance strategies of Navy fleet commanders, on commercial maintenance facilities in fleet concentration areas, and on the administration of funds in compliance with section 2466 of title 10, United States Code, of awarding to a contractor for the construction of a DD–21 class destroyer all maintenance workloads for DD–21 class destroyers that are below depot-level maintenance and above ship-level maintenance.

**SEC. 214. F–22 AIRCRAFT PROGRAM.**

Section 217(c) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1660) is amended by adding at the end the following:

"(3) With respect to the limitation in subsection (a), an increase by an amount that does not exceed one percent of the total amount of that limitation (taking into account the increases and decreases, if any, under paragraphs (1) and (2)) if the Director of Operational Test and Evaluation, after consulting with the Under Secretary of Defense for Acquisition, Technology, and Logistics, determines that the increase is necessary in order to ensure adequate testing.".

**SEC. 215. JOINT STRIKE FIGHTER PROGRAM.**

(a) REPORT.—Not later than December 15, 2000, the Secretary shall submit to Congress a report on the joint strike fighter program. The report shall contain the following:

(1) A description of the program as the program has been restructured before the date of the report, including any modified acquisition strategy that has been incorporated into the program.

(2) The exit criteria that have been established to ensure that technical risks are at levels acceptable for entry of the program into engineering and manufacturing development.

(b) TRANSFERS FROM OTHER NAVY AND AIR FORCE ACCOUNTS.—(1) Notwithstanding any other provision of this Act, the Secretary may transfer to the joint strike fighter program or within the joint strike fighter program amounts authorized to be appropriated under section 201 for a purpose other than the purpose of the authorization of appropriations to which transferred, as follows:

(A) Of the funds authorized to be appropriated under section 201(2), up to $150,000,000.

(B) Of the funds authorized to be appropriated under section 201(3), up to $150,000,000.

(2) The transfer authority under paragraph (1) is in addition to the transfer authority provided in section 1001.

**SEC. 216. GLOBAL HAWK HIGH ALTITUDE ENDURANCE UNMANNED AERIAL VEHICLE.**

(a) CONCEPT DEMONSTRATION REQUIRED.—The Secretary of Defense shall require and coordinate a concept demonstration of the Global Hawk high altitude endurance unmanned aerial vehicle.

(b) PURPOSE OF DEMONSTRATION.—The purpose of the concept demonstration is to demonstrate the capability of the Global Hawk high altitude endurance unmanned aerial vehicle to operate in an airborne surveillance mode, using available, non-developmental technology.

(c) TIME FOR DEMONSTRATION.—The demonstration shall take place as early in fiscal year 2001 as the Secretary determines practicable.

(d) PARTICIPATION BY CINCS.—The Secretary shall require the Commander in Chief of the United States Joint Forces Command and the Commander in Chief of the United States Southern Command jointly to provide guidance for the demonstration and otherwise to participate in the demonstration.

(e) SCENARIO FOR DEMONSTRATION.—The demonstration shall be conducted in a counter-drug surveillance scenario that is designed to replicate factual conditions typically encountered in the performance of the counter-drug surveillance mission of the Commander in Chief of the United States Southern Command within that commander's area of responsibility.

(f) REPORT.—Not later than 45 days after the concept demonstration is completed, the Secretary shall submit to Congress a report on the results of the demonstration. The report shall include the following:

(1) The Secretary's assessment of the technical feasibility of using the Global Hawk high altitude endurance unmanned aerial vehicle for airborne air surveillance.

(2) A discussion of the operational concept for the use of the vehicle for that purpose.

**SEC. 217. UNMANNED ADVANCED CAPABILITY AIRCRAFT AND GROUND COMBAT VEHICLES.**

(a) GOAL.—It shall be a goal of the Armed Forces to achieve the fielding of unmanned, remotely controlled technology such that—

(1) by 2010, one-third of the operational deep strike aircraft of the Armed Forces are unmanned; and

(2) by 2015, one-third of the operational ground combat vehicles of the Armed Forces are unmanned.

(b) REPORT ON ADVANCED CAPABILITY GROUND COMBAT VEHICLES.—Not later than January 31, 2001, the Secretary of Defense shall submit to the congressional defense committees a report on each of the programs undertaken by the Secretaries of the Army, Navy, and Air Force jointly with the Director of the Defense Advanced Research Projects Agency to demonstrate advanced capability ground combat vehicles. The report shall include the following for the program of each military department:

(1) A schedule for the program, including, in the case of the Army program, a schedule for the demonstration of the capability for unmanned, remotely controlled operation of advanced capability ground combat vehicles for the Army.

(2) An identification of the funding required for fiscal year 2002 and for the future-years defense program to carry out the program and, in the case of the Army program, for the demonstration described in paragraph (1).

(3) A description and assessment of the acquisition strategy for unmanned ground combat vehicles planned by the Secretary of the military department concerned, together with a complete identification of all operation, support, ownership, and other costs required to carry out such strategy through the year 2030.

(c) FUNDS.—Of the amount authorized to be appropriated for Defense-wide activities under section 201(4) for the Defense Advanced Research Projects Agency, $200,000,000 shall be available only to carry out the programs referred to in subsection (b).

**SEC. 218. ARMY SPACE CONTROL TECHNOLOGY DEVELOPMENT.**

(a) KINETIC ENERGY ANTI-SATELLITE TECHNOLOGY PROGRAM.—Of the funds authorized to be appropriated under section 201(4), $20,000,000 shall be available for the kinetic energy anti-satellite technology program.

(b) OTHER ARMY SPACE CONTROL TECHNOLOGY DEVELOPMENT.—Of the funds authorized to be appropriated under section 201(4), $5,000,000 shall be available for the development of space control technologies that emphasize reversible or temporary effects.

(c) LIMITATION.—None of the funds made available pursuant to subsection (b) may be obligated until the funds provided for the kinetic energy anti-satellite technology program under subsection (a) have been released to the kinetic energy anti-satellite technology program manager.

**SEC. 219. RUSSIAN AMERICAN OBSERVATION SATELLITES PROGRAM.**

None of the funds authorized to be appropriated under section 201(4) for the Russian American Observation Satellites program may be obligated or expended until 30 days after the

*Secretary of Defense submits to Congress a report explaining how the Secretary plans to protect United States advanced military technology that may be associated with the Russian American Observation Satellites program.*

### ***SEC. 220. JOINT BIOLOGICAL DEFENSE PROGRAM.***

*(a) Limitation.—Funds authorized to be appropriated by this Act may not be obligated for the procurement of a vaccine for the biological agent anthrax until the Secretary of Defense has submitted to the congressional defense committees the following:*

*(1) A written notification that the Food and Drug Administration has approved for production of the vaccine the manufacturing source from which the Department of Defense is procuring the vaccine as of the date of the enactment of this Act (hereafter in this section referred to as the "current manufacturer").*

*(2) A report on the contingencies associated with continuing to rely on the current manufacturer to supply anthrax vaccine.*

*(b) Content of Report.—The report required under subsection (a)(2) shall include the following:*

*(1) Recommended strategies to mitigate the risk to the Department of Defense of losing the current manufacturer as a source of anthrax vaccine, together with a discussion of the criteria to be applied in determining whether to carry out any of the strategies and which strategy to carry out.*

*(2) Recommended strategies to ensure that the Department of Defense can procure from any source or sources an anthrax vaccine approved by the Food and Drug Administration that meets the requirements of the department if—*

*(A) the Food and Drug Administration does not approve the release of the anthrax vaccine available from the current manufacturer; or*

*(B) the current manufacturer terminates the production of anthrax vaccine permanently.*

*(3) A five-year budget to support each strategy recommended under paragraph (1) or (2).*

### ***SEC. 221. REPORT ON BIOLOGICAL WARFARE DEFENSE VACCINE RESEARCH AND DEVELOPMENT PROGRAMS.***

*(a) Requirement for Report.—The Secretary of Defense shall submit to the congressional defense committees, not later than February 1, 2001, a report on the acquisition of biological warfare defense vaccines for the Department of Defense.*

*(b) Content of Report.—The report shall include the following:*

*(1) The Secretary's evaluation of the implications of reliance on the commercial sector to meet the requirements of the Department of Defense for biological warfare defense vaccines.*

*(2) A complete design for a facility at an alternative site determined by the Secretary that is designed to be operated under government ownership by a contractor for the production of biological warfare defense vaccines to meet the current and future requirements of the Department of Defense for biological warfare defense vaccines, together with—*

*(A) an estimation of the cost of contractor operation of such a facility for that purpose;*

*(B) a determination, developed in consultation with the Surgeon General of the United States, on the utility of such a facility to support civilian vaccine requirements and a discussion of the effects that the use of the facility for that purpose would have on the operating costs for vaccine production at the facility; and*

*(C) an analysis of the effects that international demand for vaccines would have on the operating costs for vaccine production at such a facility.*

*(c) Biological Warfare Defense Vaccine Defined.—In this section, the term "biological warfare defense vaccine" means a vaccine useful for the immunization of military personnel to protect against biological agents on the Validated Threat List issued by the Joint Chiefs of Staff, whether such vaccine is in production or is being developed.*

### ***SEC. 222. TECHNOLOGIES FOR DETECTION AND TRANSPORT OF POLLUTANTS ATTRIBUTABLE TO LIVE-FIRE ACTIVITIES.***

*(a) Increase in Amount.—The amount authorized to be appropriated by section 201(4) for research, development, test, and evaluation Defense-wide is hereby increased by $5,000,000.*

*(b) Availability of Amount.—Of the amount authorized to be appropriated by section 201(4), as increased by subsection (a), the amount available for the Strategic Environmental Research and Development Program (PE6034716D) is hereby increased by $5,000,000, with the amount of such increase available for the development and test of technologies to detect, analyze, and map the presence of, and transport of, pollutants and contaminants at sites undergoing the detection and remediation of constituents attributable to live-fire activities in a variety of hydrogeological scenarios.*

*(c) Additional Requirement.—Performance measures shall be established for the technologies described in subsection (b) for purposes of facilitating the implementation and utilization of such technologies by the Department of Defense.*

*(d) Offset.—The amount authorized to be appropriated by section 201(4) for research, development, test, and evaluation, Defense-wide is hereby decreased by $5,000,000, with the amount of such decrease applied to Computing Systems and Communications Technology (PE602301E).*

### ***SEC. 223. ACOUSTIC MINE DETECTION.***

*(a) Increase in Amount.—(1) The amount authorized to be appropriated by section 201(1) for research, development, test, and evaluation for the Army is hereby increased by $2,500,000.*

*(2) Of the amount authorized to be appropriated by section 201(1), as increased by paragraph (1), the amount available for Countermine Systems (PE602712A) is hereby increased by $2,500,000, with the amount of such increase available for research in acoustic mine detection.*

*(b) Offset.—The amount authorized to be appropriated by section 201(4) for research, development, test, and evaluation Defense-wide is hereby decreased by $2,500,000, with the amount of such decrease to be applied to Sensor Guidance Technology (PE603762E).*

### ***SEC. 224. OPERATIONAL TECHNOLOGIES FOR MOUNTED MANEUVER FORCES.***

*(a) Increase in Amount.—(1) The amount authorized to be appropriated by section 201(1) for research, development, test, and evaluation for the Army is hereby increased by $5,000,000.*

*(2) Of the amount authorized to be appropriated by section 201(1), as increased by paragraph (1), the amount available for Concepts Experimentation Program (PE605326A) is hereby increased by $5,000,000, with the amount of such increase available for test and evaluation of future operational technologies for use by mounted maneuver forces.*

*(b) Offset.—The amount authorized to be appropriated by section 201(4) for research, development, test, and evaluation Defense-wide is hereby decreased by $5,000,000, with the amount of such decrease to be applied to Computing Systems and Communications Technology (PE602301E).*

### ***SEC. 225. AIR LOGISTICS TECHNOLOGY.***

*(a) Availability of Amount.—Of the amount authorized to be appropriated by section 201(4) for research, development, test, and evaluation Defense-wide, the amount available for Generic Logistics Research and Development Technology Demonstrations (PE603712S) is hereby increased by $300,000, with the amount of such increase available for air logistics technology.*

*(b) Offset.—Of the amount authorized to be appropriated by section 201(4), the amount available for Computing Systems and Communications Technology (PE602301E) is hereby decreased by $300,000.*

### ***SEC. 226. PRECISION LOCATION AND IDENTIFICATION PROGRAM (PLAID).***

*(a) Increase in Amount.—(1) The amount authorized to be appropriated by section 201(3) for research, development, test, and evaluation for the Air Force is hereby increased by $8,000,000.*

*(2) Of the amount authorized to be appropriated by section 201(3), as increased by paragraph (1), the amount available for Electronic Warfare Development (PE604270F) is hereby increased by $8,000,000, with the amount of such increase available for the Precision Location and Identification Program (PLAID).*

*(b) Offset.—The amount authorized to be appropriated by section 201(1) for research, development, test, and evaluation for the Army is hereby decreased by $8,000,000, with the amount of the reduction applied to Electronic Warfare Development (PE604270A).*

### ***SEC. 227. NAVY INFORMATION TECHNOLOGY CENTER AND HUMAN RESOURCE ENTERPRISE STRATEGY.***

*(a) Availability of Increased Amount.—(1) Of the amount authorized to be appropriated by section 201(2), for research, development, test, and evaluation for the Navy, $5,000,000 shall be available for the Navy Program Executive Office for Information Technology for purposes of the Information Technology Center and for the Human Resource Enterprise Strategy implemented under section 8147 of the Department of Defense Appropriations Act, 1999 (Public Law 105–262; 112 Stat. 2341; 10 U.S.C. 113 note).*

*(2) Amounts made available under paragraph (1) for the purposes specified in that paragraph are in addition to any other amounts made available under this Act for such purposes.*

*(b) Offset.—Of the amount authorized to be appropriated by section 201(2), the amount available for Marine Corps Assault Vehicles (PE603611M) is hereby reduced by $5,000,000.*

### ***SEC. 228. JOINT TECHNOLOGY INFORMATION CENTER INITIATIVE.***

*Of the amount authorized to be appropriated under section 201(4)—*

*(1) $20,000,000 shall be available for the Joint Technology Information Center Initiative; and*

*(2) the amount provided for cyber attack sensing and warning under the information systems security program (account 0303140G) is reduced by $20,000,000.*

### ***SEC. 229. AMMUNITION RISK ANALYSIS CAPABILITIES.***

*(a) Availability of Amount.—Of the amount authorized to be appropriated by section 201(4) for research, development, test, and evaluation Defense-wide, the amount available for Explosives Demilitarization Technology (PE603104D) is hereby increased by $5,000,000, with the amount of such increase available for research into ammunition risk analysis capabilities.*

*(b) Offset.—Of the amount authorized to be appropriated by section 201(4), the amount available for Computing Systems and Communications Technology (PE602301E) is hereby decreased by $5,000,000.*

### ***SEC. 230. FUNDING FOR COMPARISONS OF MEDIUM ARMORED COMBAT VEHICLES.***

*Of the amount authorized to be appropriated under section 201(1), $40,000,000 shall be available for the advanced tank armament system program for the development and execution of the plan for comparing costs and operational effectiveness of medium armored combat vehicles required under section 112(b).*

### Subtitle C—Other Matters

### SEC. 241. MOBILE OFFSHORE BASE.

(a) REPORT.—Not later than March 1, 2001, the Secretary of Defense shall submit to Congress a report on the mobile offshore base concept.

(b) CONTENT OF REPORT.—The report shall contain the following:

(1) A cost-benefit analysis of the mobile offshore base, using operational concepts that would support the National Military Strategy.

(2) A recommendation regarding whether to proceed with the mobile offshore base as a program and, if so—

(A) a statement regarding which of the Armed Forces is to be designated to have the lead responsibility for the program; and

(B) a schedule for the program.

### SEC. 242. AIR FORCE SCIENCE AND TECHNOLOGY PLANNING.

(a) REPORT.—Not later than one year after the date of the enactment of this Act, the Secretary of the Air Force shall submit to the congressional defense committees a report on the long-term challenges and short-term objectives of the Air Force science and technology program. The report shall include the following:

(1) An assessment of the budgetary resources that are being used for fiscal year 2001 for addressing the long-term challenges and the short-term objectives.

(2) The budgetary resources that are necessary to address those challenges and objectives adequately.

(3) A course of action for any projected or ongoing Air Force science and technology programs that do not address either the long-term challenges or the short-term objectives.

(4) The matters required under subsection (b)(5) and (c)(6).

(b) LONG-TERM CHALLENGES.—(1) The Secretary of the Air Force shall establish an integrated product team to identify high-risk, high-payoff challenges that will provide a long-term focus and motivation for the Air Force science and technology program over the next 20 to 50 years. The integrated product team shall include representatives of the Office of Scientific Research and personnel from the Air Force Research Laboratory.

(2) The team shall solicit views from the entire Air Force science and technology community on the matters under consideration by the team.

(3) The team—

(A) shall select for consideration science and technology challenges that involve—

(i) compelling requirements of the Air Force;

(ii) high-risk, high-payoff areas of exploration; and

(iii) very difficult, but probably achievable, results; and

(B) should not include as a selected challenge any linear extension of an ongoing Air Force science and technology program.

(4) The Deputy Assistant Secretary of the Air Force for Science, Technology, and Engineering shall designate a technical coordinator and a management coordinator for each science and technology challenge identified pursuant to this subsection. Each technical coordinator shall have sufficient expertise in fields related to the challenge to be able to identify other experts and affirm the credibility of the program. The coordinator for a science and technology challenge shall conduct workshops within the relevant scientific and technological community to obtain suggestions for possible approaches to addressing the challenge, to identify ongoing work that addresses the challenge, to identify gaps in current work relating to the challenge, and to highlight promising areas of research.

(5) The report required by subsection (a) shall, at a minimum, provide information on each science and technology challenge identified pursuant to this subsection and describe the results of the workshops conducted pursuant to paragraph (4), including any work not currently funded by the Air Force that should be performed to meet the challenge.

(c) SHORT-TERM OBJECTIVES.—(1) The Secretary of the Air Force shall establish a task force to identify short-term technological objectives of the Air Force science and technology program. The task force shall be chaired by the Deputy Assistant Secretary of the Air Force for Science, Technology, and Engineering and shall include representatives of the Chief of Staff of the Air Force and the specified combatant commands of the Air Force.

(2) The task force shall solicit views from the entire Air Force requirements community, user community, and acquisition community.

(3) The task force shall select for consideration short-term objectives that involve—

(A) compelling requirements of the Air Force;

(B) support in the user community; and

(C) likely attainment of the desired benefits within a 5-year period.

(4) The Deputy Assistant Secretary of the Air Force for Science, Technology, and Engineering shall establish an integrated product team for each short-term objective identified pursuant to this subsection. Each integrated product team shall include representatives of the requirements community, the user community, and the science and technology community with relevant expertise.

(5) The integrated product team for a short-term objective shall be responsible for—

(A) identifying, defining, and prioritizing the enabling capabilities that are necessary for achieving the objective;

(B) identifying gaps in the enabling capabilities that must be addressed if the short-term objective is to be achieved; and

(C) working with the Air Force science and technology community to identify science and technology projects and programs that should be undertaken to fill each gap in an enabling capability.

(6) The report required by subsection (a) shall, at a minimum, describe each short-term science and technology objective identified pursuant to this subsection and describe the work of the integrated product teams conducted pursuant to paragraph (5), including any gaps identified in enabling capabilities and the science and technology work that should be undertaken to fill each such gap.

### SEC. 243. ENHANCEMENT OF AUTHORITIES REGARDING EDUCATION PARTNERSHIPS FOR PURPOSES OF ENCOURAGING SCIENTIFIC STUDY.

(a) ASSISTANCE IN SUPPORT OF PARTNERSHIPS.—Subsection (b) of section 2194 of title 10, United States Code, is amended—

(1) in the matter preceding paragraph (1), by inserting ", and is encouraged to provide," after "may provide";

(2) in paragraph (1), by inserting before the semicolon the following: "for any purpose and duration in support of such agreement that the director considers appropriate"; and

(3) by striking paragraph (2) and inserting the following new paragraph (2):

"(2) notwithstanding the provisions of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.) or any provision of law or regulation relating to transfers of surplus property, transferring to the institution any defense laboratory equipment (regardless of the nature of type of such equipment) surplus to the needs of the defense laboratory that is determined by the director to be appropriate for support of such agreement;".

(b) DEFENSE LABORATORY DEFINED.—Subsection (e) of that section is amended to read as follows:

"(e) In this section:

"(1) The term 'defense laboratory' means any laboratory, product center, test center, depot, training and educational organization, or operational command under the jurisdiction of the Department of Defense.

"(2) The term 'local educational agency' has the meaning given such term in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801).".

## TITLE III—OPERATION AND MAINTENANCE

### Subtitle A—Authorization of Appropriations

### SEC. 301. OPERATION AND MAINTENANCE FUNDING.

Funds are hereby authorized to be appropriated for fiscal year 2001 for the use of the Armed Forces and other activities and agencies of the Department of Defense for expenses, not otherwise provided for, for operation and maintenance, in amounts as follows:

(1) For the Army, $19,031,031,000.

(2) For the Navy, $23,254,154,000.

(3) For the Marine Corps, $2,746,558,000.

(4) For the Air Force, $22,389,077,000.

(5) For Defense-wide activities, $11,922,069,000.

(6) For the Army Reserve, $1,526,418,000.

(7) For the Naval Reserve, $965,946,000.

(8) For the Marine Corps Reserve, $138,959,000.

(9) For the Air Force Reserve, $1,890,859,000.

(10) For the Army National Guard, $3,222,335,000.

(11) For the Air National Guard, $3,450,875,000.

(12) For the Defense Inspector General, $144,245,000.

(13) For the United States Court of Appeals for the Armed Forces, $8,574,000.

(14) For Environmental Restoration, Army, $389,932,000.

(15) For Environmental Restoration, Navy, $294,038,000.

(16) For Environmental Restoration, Air Force, $376,300,000.

(17) For Environmental Restoration, Defense-wide, $23,412,000.

(18) For Environmental Restoration, Formerly Used Defense Sites, $231,499,000.

(19) For Overseas Humanitarian, Disaster, and Civic Aid programs, $55,400,000.

(20) For Drug Interdiction and Counter-drug Activities, Defense-wide, $845,300,000.

(21) For the Kaho'olawe Island Conveyance, Remediation, and Environmental Restoration Trust Fund, $25,000,000.

(22) For Defense Health Program, $11,401,723,000.

(23) For Cooperative Threat Reduction programs, $458,400,000.

(24) For Overseas Contingency Operations Transfer Fund, $4,100,577,000.

### SEC. 302. WORKING CAPITAL FUNDS.

Funds are hereby authorized to be appropriated for fiscal year 2001 for the use of the Armed Forces and other activities and agencies of the Department of Defense for providing capital for working capital and revolving funds in amounts as follows:

(1) For the Defense Working Capital Funds, $916,276,000.

(2) For the National Defense Sealift Fund, $388,158,000.

### SEC. 303. ARMED FORCES RETIREMENT HOME.

There is hereby authorized to be appropriated for fiscal year 2001 from the Armed Forces Retirement Home Trust Fund the sum of $69,832,000 for the operation of the Armed Forces Retirement Home, including the United States Soldiers' and Airmen's Home and the Naval Home.

### SEC. 304. TRANSFER FROM NATIONAL DEFENSE STOCKPILE TRANSACTION FUND.

(a) TRANSFER AUTHORITY.—To the extent provided in appropriations Acts, not more than

$150,000,000 is authorized to be transferred from the National Defense Stockpile Transaction Fund to operation and maintenance accounts for fiscal year 2001 in amounts as follows:

(1) For the Army, $50,000,000.

(2) For the Navy, $50,000,000.

(3) For the Air Force, $50,000,000.

(b) TREATMENT OF TRANSFERS.—Amounts transferred under this section—

(1) shall be merged with, and be available for the same purposes and the same period as, the amounts in the accounts to which transferred; and

(2) may not be expended for an item that has been denied authorization of appropriations by Congress.

(c) RELATIONSHIP TO OTHER TRANSFER AUTHORITY.—The transfer authority provided in this section is in addition to the transfer authority provided in section 1001.

## Subtitle B—Program Requirements, Restrictions, and Limitations

### SEC. 311. IMPACT AID FOR CHILDREN WITH DISABILITIES.

Of the total amount authorized to be appropriated under section 301(5) for payments under section 8003 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703), $20,000,000 is available only for payments for children with disabilities under subsection (d) of such section.

### SEC. 312. JOINT WARFIGHTING CAPABILITIES ASSESSMENT TEAMS.

Of the total amount authorized to be appropriated under section 301(5) for the Joint Staff, $4,000,000 is available only for the improvement of the performance of analyses by the joint warfighting capabilities assessment teams of the Joint Requirements Oversight Council.

### SEC. 313. WEATHERPROOFING OF FACILITIES AT KEESLER AIR FORCE BASE, MISSISSIPPI.

Of the total amount authorized to be appropriated by section 301(4), $2,800,000 is available for the weatherproofing of facilities at Keesler Air Force Base, Mississippi.

### SEC. 314. DEMONSTRATION PROJECT FOR INTERNET ACCESS AND SERVICES IN RURAL COMMUNITIES.

(a) IN GENERAL.—The Secretary of the Army, acting through the Chief of the National Guard Bureau, shall carry out a demonstration project to provide Internet access and services to rural communities that are unserved or underserved by the Internet.

(b) PROJECT ELEMENTS.—In carrying out the demonstration project, the Secretary shall—

(1) establish and operate distance learning classrooms in communities described in subsection (a), including any support systems required for such classrooms; and

(2) subject to subsection (c), provide Internet access and services in such classrooms through GuardNet, the telecommunications infrastructure of the National Guard.

(c) AVAILABILITY OF ACCESS AND SERVICES.—Under the demonstration project, Internet access and services shall be available to the following:

(1) Personnel and elements of governmental emergency management and response entities located in communities served by the demonstration project.

(2) Members and units of the Army National Guard located in such communities.

(3) Businesses located in such communities.

(4) Personnel and elements of local governments in such communities.

(5) Other appropriate individuals and entities located in such communities.

(d) REPORT.—Not later than February 1, 2005, the Secretary shall submit to Congress a report on the demonstration project. The report shall describe the activities under the demonstration project and include any recommendations for the improvement or expansion of the demonstration project that the Secretary considers appropriate.

(e) FUNDING.—(1) The amount authorized to be appropriated by section 301(10) for operation and maintenance of the Army National Guard is hereby increased by $15,000,000.

(2) Of the amount authorized to be appropriated by section 301(10), as increased by paragraph (1), $15,000,000 shall be available for the demonstration project required by this section.

(3) It is the sense of Congress that requests of the President for funds for the National Guard for fiscal years after fiscal year 2001 should provide for sufficient funds for the continuation of the demonstration project required by this section.

### SEC. 315. TETHERED AEROSTAT RADAR SYSTEM (TARS) SITES.

(a) FINDINGS.—Congress makes the following findings:

(1) Failure to operate and standardize the current Tethered Aerostat Radar System (TARS) sites along the Southwest border of the United States and the Gulf of Mexico will result in a degradation of the counterdrug capability of the United States.

(2) Most of the illicit drugs consumed in the United States enter the United States through the Southwest border, the Gulf of Mexico, and Florida.

(3) The Tethered Aerostat Radar System is a critical component of the counterdrug mission of the United States relating to the detection and apprehension of drug traffickers.

(4) Preservation of the current Tethered Aerostat Radar System network compels drug traffickers to transport illicit narcotics into the United States by more risky and hazardous routes.

(b) AVAILABILITY OF FUNDS.—Of the amount authorized to be appropriated by section 301(20) for Drug Interdiction and Counter-drug Activities, Defense-wide, up to $33,000,000 may be made available to Drug Enforcement Policy Support (DEP&S) for purposes of maintaining operations of the 11 current Tethered Aerostat Radar System (TARS) sites and completing the standardization of such sites located along the Southwest border of the United States and in the States bordering the Gulf of Mexico.

### SEC. 316. MOUNTED URBAN COMBAT TRAINING SITE, FORT KNOX, KENTUCKY.

Of the total amount authorized to be appropriated under section 301(1) for training range upgrades, $4,000,000 is available for the Mounted Urban Combat Training site, Fort Knox, Kentucky.

### SEC. 317. MK–45 OVERHAUL.

Of the total amount authorized to be appropriated under section 301(1) for maintenance, $12,000,000 is available for overhaul of MK–45 5-inch guns.

### SEC. 318. INDUSTRIAL MOBILIZATION CAPACITY AT GOVERNMENT-OWNED, GOVERNMENT-OPERATED ARMY AMMUNITION FACILITIES AND ARSENALS.

Of the amount authorized to be appropriated under section 301(1), $51,280,000 shall be available for funding the industrial mobilization capacity at Army ammunition facilities and arsenals that are government owned, government operated.

### SEC. 319. CLOSE-IN WEAPON SYSTEM OVERHAULS.

Of the total amount authorized to be appropriated by section 301(2), $391,806,000 is available for weapons maintenance.

### SEC. 320. SPECTRUM DATA BASE UPGRADES.

The total amount authorized to be appropriated by section 301(5) for Spectrum data base upgrades is reduced by $10,000,000.

## Subtitle C—Humanitarian and Civic Assistance

### SEC. 321. INCREASED AUTHORITY TO PROVIDE HEALTH CARE SERVICES AS HUMANITARIAN AND CIVIC ASSISTANCE.

Section 401(e)(1) of title 10, United States Code, is amended by striking "rural areas of a country" and inserting "areas of a country that are rural or are underserved by medical, dental, and veterinary professionals, respectively".

### SEC. 322. USE OF HUMANITARIAN AND CIVIC ASSISTANCE FUNDING FOR PAY AND ALLOWANCES OF SPECIAL OPERATIONS COMMAND RESERVES FURNISHING DEMINING TRAINING AND RELATED ASSISTANCE AS HUMANITARIAN ASSISTANCE.

Section 401(c) of title 10, United States Code, is amended by adding at the end the following:

"(5) Up to 10 percent of the funds available in any fiscal year for humanitarian and civic assistance described in subsection (e)(5) may be expended for the pay and allowances of reserve component personnel of the Special Operations Command for periods of duty for which the personnel, for a humanitarian purpose, furnish education and training on the detection and clearance of landmines or furnish related technical assistance.".

## Subtitle D—Department of Defense Industrial Facilities

### SEC. 331. CODIFICATION AND IMPROVEMENT OF ARMAMENT RETOOLING AND MANUFACTURING SUPPORT PROGRAMS.

(a) IN GENERAL.—(1) Part IV of subtitle B of title 10, United States Code, is amended by inserting after chapter 433 the following:

### "CHAPTER 434—ARMAMENTS INDUSTRIAL BASE

"Sec.

"4551. Policy.

"4552. Armament Retooling and Manufacturing Support Initiative.

"4553. Property management contracts and leases.

"4554. ARMS Initiative loan guarantee program.

"4555. Definitions.

**"§ 4551. Policy**

"It is the policy of the United States—

"(1) to encourage, to the maximum extent practicable, commercial firms to use Government-owned, contractor-operated ammunition manufacturing facilities of the Department of the Army;

"(2) to use such facilities for supporting programs, projects, policies, and initiatives that promote competition in the private sector of the United States economy and that advance United States interests in the global marketplace;

"(3) to increase the manufacture of products inside the United States;

"(4) to support policies and programs that provide manufacturers with incentives to assist the United States in making more efficient and economical use of Government-owned industrial plants and equipment for commercial purposes;

"(5) to provide, as appropriate, small businesses (including socially and economically disadvantaged small business concerns and new small businesses) with incentives that encourage those businesses to undertake manufacturing and other industrial processing activities that contribute to the prosperity of the United States;

"(6) to encourage the creation of jobs through increased investment in the private sector of the United States economy;

"(7) to foster a more efficient, cost-effective, and adaptable armaments industry in the United States;

"(8) to achieve, with respect to armaments manufacturing capacity, an optimum level of readiness of the national technology and industrial base within the United States that is consistent with the projected threats to the national *security of the United States and the projected emergency requirements of the Armed Forces of the United States; and*

*"(9) to encourage facility use contracting where feasible.*

**"§4552. *Armament Retooling and Manufacturing Support Initiative***

*"(a) AUTHORITY FOR INITIATIVE.—The Secretary of the Army may carry out a program to be known as the 'Armament Retooling and Manufacturing Support Initiative' (hereafter in this chapter referred to as the 'ARMS Initiative').*

*"(b) PURPOSES.—The purposes of the ARMS Initiative are as follows:*

*"(1) To encourage commercial firms, to the maximum extent practicable, to use Government-owned, contractor-operated ammunition manufacturing facilities of the Department of the Army for commercial purposes.*

*"(2) To increase the opportunities for small businesses (including socially and economically disadvantaged small business concerns and new small businesses) to use such facilities for those purposes.*

*"(3) To maintain in the United States a work force having the skills in manufacturing processes that are necessary to meet industrial emergency planned requirements for national security purposes.*

*"(4) To demonstrate innovative business practices, to support Department of Defense acquisition reform, and to serve as both a model and a laboratory for future defense conversion initiatives of the Department of Defense.*

*"(5) To the maximum extent practicable, to allow the operation of Government-owned, contractor-operated ammunition manufacturing facilities of the Department of the Army to be rapidly responsive to the forces of free market competition.*

*"(6) To reduce or eliminate the cost of ownership of ammunition manufacturing facilities by the Department of the Army, including the costs of operations and maintenance, the costs of environmental remediation, and other costs.*

*"(7) To reduce the cost of products of the Department of Defense produced at ammunition manufacturing facilities of the Department of the Army.*

*"(8) To leverage private investment at Government-owned, contractor-operated ammunition manufacturing facilities through long-term facility use contracts, property management contracts, leases, or other agreements that support and advance the policies and purposes of this chapter, for the following activities:*

*"(A) Recapitalization of plant and equipment.*

*"(B) Environmental remediation.*

*"(C) Promotion of commercial business ventures.*

*"(D) Other activities.*

*"(9) To foster cooperation between the Department of the Army, property managers, commercial interests, and State and local agencies in the implementation of sustainable development strategies and investment in facilities made available for purposes of the ARMS Initiative.*

*"(10) To reduce or eliminate the cost of asset disposal prior to a declaration by the Secretary of the Army that property is excess to the needs of the Department of the Army.*

*"(c) AVAILABILITY OF FACILITIES.—(1) The Secretary of the Army may make any Government-owned, contractor-operated ammunition manufacturing facility of the Department of the Army available for the purposes of the ARMS Initiative.*

*"(2) The authority under paragraph (1) applies to a facility described in that paragraph without regard to whether the facility is active, inactive, in layaway or caretaker status, or is designated (in whole or in part) as excess property under property classification procedures applicable under title II of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481 et seq.).*

*"(d) PRECEDENCE OF PROVISION OVER CERTAIN PROPERTY MANAGEMENT LAWS.—The following provisions of law shall not apply to uses of property or facilities in accordance with this section to the extent that such provisions of law are inconsistent with the exercise of the authority of this section:*

*"(1) Section 2667(a)(3) of this title.*

*"(2) The Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.).*

*"(3) Section 321 of the Act of June 30, 1932 (commonly known as the 'Economy Act') (40 U.S.C. 303b).*

*"(e) PROGRAM SUPPORT.—(1) Funds appropriated for purposes of the ARMS Initiative may be used for administrative support and management.*

*"(2) A full annual accounting of such expenses for each fiscal year shall be provided to the Committees on Armed Services and on Appropriations of the Senate and the House of Representatives not later than March 30 of the following fiscal year.*

**"§4553. *Property management contracts and leases***

*"(a) IN GENERAL.—In the case of each Government-owned, contractor-operated ammunition manufacturing facility of the Department of the Army that is made available for the ARMS Initiative, the Secretary of the Army—*

*"(1) shall make full use of facility use contracts, leases, and other such commercial contractual instruments as may be appropriate;*

*"(2) shall evaluate, on the basis of efficiency, cost, emergency mobilization requirements, and the goals and purposes of the ARMS Initiative, the procurement of services from the property manager, including maintenance, operation, modification, infrastructure, environmental restoration and remediation, and disposal of ammunition manufacturing assets, and other services; and*

*"(3) may, in carrying out paragraphs (1) and (2)—*

*"(A) enter into contracts, and provide for subcontracts, for terms up to 25 years, as the Secretary considers appropriate and consistent with the needs of the Department of the Army and the goals and purposes of the ARMS Initiative; and*

*"(B) use procedures that are authorized to be used under section 2304(c)(5) of this title when the contractor or subcontractor is a source specified in law.*

*"(b) CONSIDERATION FOR USE.—(1) To the extent provided in a contract entered into under this section for the use of property at a Government-owned, contractor-operated ammunition manufacturing facility that is accountable under the contract, the Secretary of the Army may accept consideration for such use that is, in whole or in part, in a form other than—*

*"(A) rental payments; or*

*"(B) revenue generated at the facility.*

*"(2) Forms of consideration acceptable under paragraph (1) for a use of a facility or any property at a facility include the following:*

*"(A) The improvement, maintenance, protection, repair, and restoration of the facility, the property, or any property within the boundaries of the installation where the facility is located.*

*"(B) Reductions in overhead costs.*

*"(C) Reductions in product cost.*

*"(3) The authority under paragraph (1) may be exercised without regard to section 3302(b) of title 31 and any other provision of law.*

*"(c) REPORTING REQUIREMENT.—Not later than July 1 each year, the Secretary of the Army shall submit to the Committees on Armed Services and on Appropriations of the Senate and the House of Representatives a report on the procedures and controls implemented to carry out this section.*

**"§4554. *ARMS Initiative loan guarantee program***

*"(a) PROGRAM AUTHORIZED.—Subject to subsection (b), the Secretary of the Army may carry out a loan guarantee program to encourage commercial firms to use ammunition manufacturing facilities under this chapter. Under any such program, the Secretary may guarantee the repayment of any loan made to a commercial firm to fund, in whole or in part, the establishment of a commercial activity to use any such facility under this chapter.*

*"(b) ADVANCED BUDGET AUTHORITY.—Loan guarantees under this section may not be committed except to the extent that appropriations of budget authority to cover their costs are made in advance, as required by section 504 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661c).*

*"(c) PROGRAM ADMINISTRATION.—(1) The Secretary may enter into an agreement with any of the officials named in paragraph (2) under which that official may, for the purposes of this section—*

*"(A) process applications for loan guarantees;*

*"(B) guarantee repayment of loans; and*

*"(C) provide any other services to the Secretary to administer the loan guarantee program.*

*"(2) The officials referred to in paragraph (1) are as follows:*

*"(A) The Administrator of the Small Business Administration.*

*"(B) The head of any appropriate agency in the Department of Agriculture, including—*

*"(i) the Administrator of the Farmers Home Administration; and*

*"(ii) the Administrator of the Rural Development Administration.*

*"(3) Each official authorized to do so under an agreement entered into under paragraph (1) may guarantee loans under this section to commercial firms of any size, notwithstanding any limitations on the size of applicants imposed on other loan guarantee programs that the official administers.*

*"(4) To the extent practicable, each official processing loan guarantee applications under this section pursuant to an agreement entered into under paragraph (1) shall use the same processing procedures as the official uses for processing loan guarantee applications under other loan guarantee programs that the official administers.*

*"(d) LOAN LIMITS.—The maximum amount of loan principal guaranteed during a fiscal year under this section may not exceed—*

*"(1) $20,000,000, with respect to any single borrower; and*

*"(2) $320,000,000 with respect to all borrowers.*

*"(e) TRANSFER OF FUNDS.—The Secretary of the Army may transfer to an official providing services under subsection (c), and that official may accept, such funds as may be necessary to administer the loan guarantee program under this section.*

**"§4555. *Definitions***

*"In this chapter:*

*"(1) The term 'property manager' includes any person or entity managing a facility made available under the ARMS Initiative through a property management contract.*

*"(2) The term 'property management contract' includes facility use contracts, site management contracts, leases, and other agreements entered into under the authority of this chapter.".*

*(2) The tables of chapters at the beginning of subtitle B of such title and at the beginning of part IV of such subtitle are amended by inserting after the item relating to chapter 433 the following:*

**"434. Armaments Industrial Base ....... 4551".**

(b) RELATIONSHIP TO NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE.—(1) Subchapter IV of chapter 148 of title 10, United States Code, is amended—

(A) by redesignating section 2525 as section 2521; and

(B) by adding at the end the following:

**"§2522. Armament retooling and manufacturing**

"The Secretary of the Army is authorized by chapter 434 of this title to carry out programs for the support of armaments retooling and manufacturing in the national defense industrial and technology base.".

(2) The table of sections at the beginning of such subchapter is amended by striking the item relating to section 2525 and inserting the following:

"2521. Manufacturing Technology Program.
"2522. Armament retooling and manufacturing.".

(c) REPEAL OF SUPERSEDED LAW.—The Armament Retooling and Manufacturing Support Act of 1992 (subtitle H of title I of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 10 U.S.C. 2501 note)) is repealed.

### SEC. 332. CENTERS OF INDUSTRIAL AND TECHNICAL EXCELLENCE.

(a) DESIGNATION OF ARMY ARSENALS.—(1) Subsection (a) of section 2474 of title 10, United States Code, is amended by striking paragraph (1) and inserting the following:

"(1) The Secretary concerned, or the Secretary of Defense in the case of a Defense Agency, shall designate as a Center of Industrial and Technical Excellence in the recognized core competencies of the designee the following:

"(A) Each depot-level activity of the military departments and the Defense Agencies (other than facilities approved for closure or major realignment under the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note)).

"(B) Each arsenal of the Army.

"(C) Each government-owned, government-operated ammunition plant of the Army.".

(2) Paragraph (2) of such subsection is amended—

(A) by inserting "of Defense" after "The Secretary"; and

(B) by striking "depot-level activities" and inserting "Centers of Industrial and Technical Excellence".

(3) Paragraph (3) of such subsection is amended by striking "the efficiency and effectiveness of depot-level operations, improve the support provided by depot-level activities" and inserting "the efficiency and effectiveness of operations at Centers of Industrial and Technical Excellence, improve the support provided by the Centers".

(b) PUBLIC-PRIVATE PARTNERSHIPS.—Subsection (b) of such section is amended to read as follows:

"(b) PUBLIC-PRIVATE PARTNERSHIPS.—(1) To achieve one or more objectives set forth in paragraph (2), the Secretary designating a Center of Industrial and Technical Excellence under subsection (a) shall authorize and encourage the head of the Center to enter into public-private cooperative arrangements that provide any of the following:

"(A) For employees of the Center, private industry, or other entities outside the Department of Defense—

"(i) to perform (under contract, subcontract, or otherwise) work in any of the core competencies of the Center, including any depot-level maintenance and repair work that involves one or more core competencies of the Center; or

"(ii) to perform at the Center depot-level maintenance and repair work that does not involve a core competency of the Center.

"(B) For private industry or other entities outside the Department of Defense to use, for any period of time determined to be consistent with the needs of the Department of Defense, any facilities or equipment of the Center that are not fully utilized by a military department for its own production or maintenance requirements.

"(2) The objectives for exercising the authority provided in paragraph (1) are as follows:

"(A) To maximize the utilization of the capacity of a Center of Industrial and Technical Excellence.

"(B) To reduce or eliminate the cost of ownership of a Center by the Department of Defense in such areas of responsibility as operations and maintenance and environmental remediation.

"(C) To reduce the cost of products of the Department of Defense produced or maintained at a Center.

"(D) To leverage private sector investment in—

"(i) such efforts as plant and equipment recapitalization for a Center; and

"(ii) the promotion of the undertaking of commercial business ventures at a Center.

"(E) To foster cooperation between the armed forces and private industry.

"(3) A public-private cooperative arrangement entered into under this subsection shall be known as a 'public-private partnership'.

"(4) The Secretary designating a Center of Industrial and Technical Excellence under subsection (a) may waive the condition in paragraph (1)(A) and subsection (a)(1) of section 2553 of this title that an article or service must be not available (as defined in subsection (g)(2) of such section) from a United States commercial source in the case of a particular article or service of a public-private partnership if the Secretary determines that the waiver is necessary to achieve one or more objectives set forth in paragraph (2).

"(5) In any sale of articles manufactured or services performed by employees of a Center pursuant to a waiver under paragraph (4), the Secretary shall charge the full cost of manufacturing the articles or performing the services, as the case may be. The full cost charged shall include both direct costs and indirect costs.".

(c) PRIVATE SECTOR USE OF EXCESS CAPACITY.—Such section is further amended—

(1) striking subsection (d);

(2) by redesignating subsection (c) as subsection (d); and

(3) by inserting after subsection (b) the following new subsection (c):

"(c) PRIVATE SECTOR USE OF EXCESS CAPACITY.—Any facilities or equipment of a Center of Industrial and Technical Excellence made available to private industry may be used to perform maintenance or to produce goods in order to make more efficient and economical use of Government-owned industrial plants and encourage the creation and preservation of jobs to ensure the availability of a workforce with the necessary manufacturing and maintenance skills to meet the needs of the armed forces.".

(d) CREDITING OF AMOUNTS FOR PERFORMANCE.—Subsection (d) of such section, as redesignated by subsection (c)(2), is amended by adding at the end the following: "Consideration in the form of rental payments or (notwithstanding section 3302(b) of title 31) in other forms may be accepted for a use of property accountable under a contract performed pursuant to this section. Notwithstanding section 2667(d) of this title, revenues generated pursuant to this section shall be available for facility operations, maintenance, and environmental restoration at the Center where the leased property is located.".

(e) AVAILABILITY OF EXCESS EQUIPMENT TO PRIVATE-SECTOR PARTNERS.—Such section is further amended by adding at the end the following:

"(e) AVAILABILITY OF EXCESS EQUIPMENT TO PRIVATE-SECTOR PARTNERS.—Equipment or facilities of a Center of Industrial and Technical Excellence may be made available for use by a private-sector entity under this section only if—

"(1) the use of the equipment or facilities will not have a significant adverse effect on the readiness of the armed forces, as determined by the Secretary concerned or, in the case of a Center in a Defense Agency, by the Secretary of Defense; and

"(2) the private-sector entity agrees—

"(A) to reimburse the Department of Defense for the direct and indirect costs (including any rental costs) that are attributable to the entity's use of the equipment or facilities, as determined by that Secretary; and

"(B) to hold harmless and indemnify the United States from—

"(i) any claim for damages or injury to any person or property arising out of the use of the equipment or facilities, except in a case of willful conduct or gross negligence; and

"(ii) any liability or claim for damages or injury to any person or property arising out of a decision by the Secretary concerned or the Secretary of Defense to suspend or terminate that use of equipment or facilities during a war or national emergency.

"(f) CONSTRUCTION OF PROVISION.—Nothing in this section may be construed to authorize a change, otherwise prohibited by law, from the performance of work at a Center of Industrial and Technical Excellence by Department of Defense personnel to performance by a contractor.".

(f) LOAN GUARANTEE PROGRAM FOR SUPPORT OF PUBLIC-PRIVATE PARTNERSHIPS.—Chapter 146 of title 10, United States Code, is amended by adding at the end the following:

**"§2475. Centers of Industrial and Technical Excellence: loan guarantee program for support of public-private partnerships**

"(a) PROGRAM AUTHORIZED.—Subject to subsection (b), the Secretary of Defense may carry out a loan guarantee program to encourage commercial firms to use Centers of Industrial and Technical Excellence pursuant to section 2474 of this title. Under any such program, the Secretary may guarantee the repayment of any loan made to a commercial firm to fund, in whole or in part, the establishment of public-private partnerships authorized under subsection (b) of such section.

"(b) ADVANCED BUDGET AUTHORITY.—Loan guarantees under this section may not be committed except to the extent that appropriations of budget authority to cover their costs are made in advance, as required by section 504 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661c).

"(c) PROGRAM ADMINISTRATION.—(1) The Secretary may enter into an agreement with any of the officials named in paragraph (2) under which that official may, for the purposes of this section—

"(A) process applications for loan guarantees;

"(B) guarantee repayment of loans; and

"(C) provide any other services to the Secretary to administer the loan guarantee program.

"(2) The officials referred to in paragraph (1) are as follows:

"(A) The Administrator of the Small Business Administration.

"(B) The head of any appropriate agency in the Department of Agriculture, including—

"(i) the Administrator of the Farmers Home Administration; and

"(ii) the Administrator of the Rural Development Administration.

"(3) Each official authorized to do so under an agreement entered into under paragraph (1) may guarantee loans under this section to commercial firms of any size, notwithstanding any limitations on the size of applicants imposed on other loan guarantee programs that the official administers.

"(4) To the extent practicable, each official processing loan guarantee applications under this section pursuant to an agreement entered into under paragraph (1) shall use the same processing procedures as the official uses for processing loan guarantee applications under other loan guarantee programs that the official administers.

"(d) LOAN LIMITS.—The maximum amount of loan principal guaranteed during a fiscal year under this section may not exceed—

"(1) $20,000,000, with respect to any single borrower; and

"(2) $320,000,000 with respect to all borrowers.

"(e) TRANSFER OF FUNDS.—The Secretary of Defense may transfer to an official providing services under subsection (c), and that official may accept, such funds as may be necessary to administer the loan guarantee program under this section.".

(g) USE OF WORKING CAPITAL-FUNDED FACILITIES.—Section 2208(j) of title 10, United States Code, is amended—

(1) by striking "contract; and" in paragraph (1) and all that follows through "(2) the Department of Defense" in paragraph (2) and inserting the following: "contract, and the Department of Defense";

(2) by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following:

"(2) the Secretary would advance the objectives set forth in section 2474(b)(2) of this title by authorizing the facility to do so.".

(h) REPEAL OF GENERAL AUTHORITY TO LEASE EXCESS DEPOT-LEVEL EQUIPMENT AND FACILITIES TO OUTSIDE TENANTS.—Section 2471 of title 10, United States Code, is repealed.

(i) CLERICAL AMENDMENTS.—The table of sections at the beginning of chapter 146 of such title is amended—

(1) by striking the item relating to section 2471; and

(2) by adding at the end the following:

"2475. Centers of Industrial and Technical Excellence: loan guarantee program for support of public-private partnerships.".

### SEC. 333. EFFECTS OF OUTSOURCING ON OVERHEAD COSTS OF CENTERS OF INDUSTRIAL AND TECHNICAL EXCELLENCE AND AMMUNITION PLANTS.

(a) FINDINGS.—Congress makes the following findings:

(1) Centers of Industrial and Technical Excellence and ammunition plants of the United States comprise a vital component of the national technology and industrial base that ensures that there is sufficient domestic industrial capacity to meet the needs of the Armed Forces for certain critical defense equipment and supplies in time of war or national emergency.

(2) Underutilization of the Centers of Industrial and Technical Excellence and ammunition plants in peacetime does not diminish the critical importance of those centers and ammunition plants to the national defense.

(b) REQUIREMENT FOR REPORTS.—(1) Subchapter V of chapter 148 of title 10, United States Code, is amended by adding at the end the following:

**"§2539c. Centers of Industrial and Technical Excellence and ammunition plants of the United States: effects of outsourcing on overhead costs**

"Not later than 30 days before any official of the Department of Defense enters into a contract with a private sector source for the performance of a workload already being performed by more than 50 employees at a Center of Industrial and Technical Excellence designated under section 2474(a) of this title or an ammunition plant of the United States, the Secretary of Defense shall submit to Congress a report describing the effect that the performance and administration of the contract will have on the overhead costs of the center or ammunition plant, as the case may be.".

(2) The table of sections at the beginning of subchapter V of such chapter is amended by adding at the end the following:

"2539c. Centers of Industrial and Technical Excellence and ammunition plants of the United States: effects of outsourcing on overhead costs.".

### SEC. 334. REVISION OF AUTHORITY TO WAIVE LIMITATION ON PERFORMANCE OF DEPOT-LEVEL MAINTENANCE.

Section 2466(c) of title 10, United States Code, is amended to read as follows:

"(c) WAIVER OF LIMITATION.—The President may waive the limitation in subsection (a) for a fiscal year if—

"(1) the President determines that—

"(A) the waiver is necessary for reasons of national security; and

"(B) compliance with the limitation cannot be achieved through effective management of depot operations consistent with those reasons; and

"(2) the President submits to Congress a notification of the waiver together with a discussion of the reasons for the waiver.".

### SEC. 335. UNUTILIZED AND UNDERUTILIZED PLANT-CAPACITY COSTS OF UNITED STATES ARSENALS.

(a) IN GENERAL.—(1) The Secretary of the Army shall submit to Congress each year, together with the President's budget for the fiscal year beginning in such year under section 1105(a) of title 31, an estimate of the funds to be required in the fiscal year in order to cover the costs of operating and maintaining unutilized and underutilized plant capacity at United States arsenals.

(2) Funds appropriated to the Secretary for a fiscal year for costs described in paragraph (1) shall be utilized by the Secretary in such fiscal year only to cover such costs.

(3) Notwithstanding any other provision of law, the Secretary shall not include unutilized or underutilized plant-capacity costs when evaluating an arsenal's bid for purposes of the arsenal's contracting to provide a good or service to a United States Government organization. When an arsenal is subcontracting to a private-sector entity on a good or service to be provided to a United States Government organization, the cost charged by the arsenal shall not include unutilized or underutilized plant-capacity costs that are funded by a direct appropriation.

(b) DEFINITION.—For purposes of this section, the term "unutilized and underutilized plant-capacity cost" shall mean the cost associated with operating and maintaining arsenal facilities and equipment that the Secretary of the Army determines are required to be kept for mobilization needs, in those months in which the facilities and equipment are not used or are used only 20 percent or less of available work days.

## Subtitle E—Environmental Provisions

### SEC. 341. ENVIRONMENTAL RESTORATION ACCOUNTS.

(a) ADDITIONAL ACCOUNT FOR FORMERLY USED DEFENSE SITES.—Subsection (a) of section 2703 of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(5) An account to be known as the 'Environmental Restoration Account, Formerly Used Defense Sites'.".

(b) ACCOUNTS AS SOLE SOURCE OF FUNDS FOR OPERATION AND MONITORING OF ENVIRONMENTAL REMEDIES.—That section is further amended by adding at the end the following:

"(f) ACCOUNTS AS SOLE SOURCE OF FUNDS FOR ENVIRONMENTAL REMEDIES.—(1) The sole source of funds for the long-term operation and monitoring of an environmental remedy at a facility under the jurisdiction of the Department of Defense shall be the applicable environmental restoration account under subsection (a).

"(2) In this subsection, the term 'environmental remedy' shall have the meaning given the term 'remedy' under section 101(24) of CERCLA (42 U.S.C. 9601(24)).".

### SEC. 342. PAYMENT OF FINES AND PENALTIES FOR ENVIRONMENTAL COMPLIANCE VIOLATIONS.

(a) PAYMENT OF FINES AND PENALTIES.—(1) Chapter 160 of title 10, United States Code, is amended by adding at the end the following new section:

**"§2710. Environmental compliance: payment of fines and penalties for violations**

"(a) IN GENERAL.—The Secretary of Defense or the Secretary of a military department may not pay a fine or penalty for an environmental compliance violation that is imposed by a Federal agency against the Department of Defense or such military department, as the case may be, unless the payment of the fine or penalty is specifically authorized by law, if the amount of the fine or penalty (including any supplemental environmental projects carried out as part of such penalty) is $1,500,000 or more.

"(b) DEFINITIONS.—In this section:

"(1)(A) Except as provided in subparagraph (B), the term 'environmental compliance', in the case of on-going operations, functions, or activities at a Department of Defense facility, means the activities necessary to ensure that such operations, functions, or activities meet requirements under applicable environmental law.

"(B) The term does not include operations, functions, or activities relating to environmental restoration under this chapter that are conducted using funds in an environmental restoration account under section 2703(a) of this title.

"(2) The term 'violation', in the case of environmental compliance, means an act or omission resulting in the failure to ensure the compliance.

"(c) EXPIRATION OF PROHIBITION.—This section does not apply to any part of a violation described in subsection (a) that occurs on or after the date that is three years after the date of the enactment of the National Defense Authorization Act for Fiscal Year 2001.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2710. Environmental compliance: payment of fines and penalties for violations.".

(b) APPLICABILITY.—(1) Section 2710 of title 10, United States Code (as added by subsection (a)), shall take effect on the date of the enactment of this Act.

(2) Subsection (a)(1) of that section, as so added, shall not apply with respect to any supplemental environmental projects referred to in that subsection that were agreed to before the date of the enactment of this Act.

### SEC. 343. ANNUAL REPORTS UNDER STRATEGIC ENVIRONMENTAL RESEARCH AND DEVELOPMENT PROGRAM.

(a) REPEAL OF REQUIREMENT FOR ANNUAL REPORT FROM SCIENTIFIC ADVISORY BOARD.—Section 2904 of title 10, United States Code, is amended—

(1) by striking subsection (h); and

(2) by redesignating subsection (i) as subsection (h).

(b) INCLUSION OF ACTIONS OF BOARD IN ANNUAL REPORTS OF COUNCIL.—Section 2902(d)(3) of such title is amended by adding at the end the following subparagraph:

"(D) A summary of the actions of the Strategic Environmental Research and Development

*Program Scientific Advisory Board during the year preceding the year in which the report is submitted and any recommendations, including recommendations on program direction and legislation, that the Advisory Board considers appropriate regarding the program.".*

### *SEC. 344. PAYMENT OF FINES OR PENALTIES IMPOSED FOR ENVIRONMENTAL COMPLIANCE VIOLATIONS AT CERTAIN DEPARTMENT OF DEFENSE FACILITIES.*

*(a) Army.—The Secretary of the Army may, from amounts authorized to be appropriated for the Army by this title and available for such purpose, utilize amounts for the purposes and at the locations, as follows:*

*(1) $993,000 for a Supplemental Environmental Project to implement an installation-wide hazardous substance management system at Walter Reed Army Medical Center, Washington, District of Columbia, in satisfaction of a fine imposed by Environmental Protection Agency Region 3 under the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.).*

*(2) $377,250 for a Supplemental Environmental Project to install new parts washers at Fort Campbell, Kentucky, in satisfaction of a fine imposed by Environmental Protection Agency Region 4 under the Solid Waste Disposal Act.*

*(3) $20,701 for a Supplemental Environmental Project to upgrade the wastewater treatment plant at Fort Gordon, Georgia, in satisfaction of a fine imposed by the State of Georgia under ihe Solid Waste Disposal Act.*

*(4) $78,500 for Supplemental Environmental Projects to reduce the generation of hazardous waste at Pueblo Chemical Depot, Colorado, in satisfaction of a fine imposed by the State of Colorado under the Solid Waste Disposal Act.*

*(5) $20,000 for a Supplemental Environmental Project to repair cracks in floors of igloos used to store munitions hazardous waste at Deseret Chemical Depot, Utah, in satisfaction of a fine imposed by the State of Utah under the Solid Waste Disposal Act.*

*(6) $7,975 for payment to the Texas Natural Resource Conservation Commission of a cash fine for permit violations assessed under the Solid Waste Disposal Act.*

*(b) Navy.—The Secretary of the Navy may, from amounts authorized to be appropriated for the Navy by this title and available for such purpose, utilize amounts for the purposes and at the locations, as follows:*

*(1) $108,800 for payment to the West Virginia Division of Environmental Protection of a cash penalty with respect to Allegany Ballistics Laboratory, West Virginia, under the Solid Waste Disposal Act.*

*(2) $5,000 for payment to Environmental Protection Agency Region 6 of a cash penalty with respect to Naval Air Station, Corpus Christi, Texas, under the Clean Air Act (42 U.S.C. 7401).*

### *SEC. 345. REIMBURSEMENT FOR CERTAIN COSTS IN CONNECTION WITH THE FORMER NANSEMOND ORDNANCE DEPOT SITE, SUFFOLK, VIRGINIA.*

*(a) Authority.—The Secretary of Defense may pay, using funds described in subsection (b), not more than $98,210 to the Former Nansemond Ordnance Depot Site Special Account within the Hazardous Substance Superfund established by section 9507 of the Internal Revenue Code of 1986 (26 U.S.C. 9507) to reimburse the Environmental Protection Agency for costs incurred by the agency in overseeing a time critical removal action under CERCLA being performed by the Department of Defense under the Defense Environmental Restoration Program for ordnance and explosive safety hazards at the Former Nansemond Ordnance Depot Site, Suffolk, Virginia, pursuant to an Interagency Agreement entered into by the Department of the Army and the Environmental Protection Agency on January 3, 2000.*

*(b) Source of Funds.—Any payment under subsection (a) shall be made using amounts authorized to be appropriated by section 301 to the Environmental Restoration Account, Formerly Used Defense Sites, established by paragraph (5) of section 2703(a) of title 10, United States Code, as added by section 341(a) of this Act.*

*(c) Definitions.—In this section:*

*(1) The term "CERCLA" means the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.).*

*(2) The term "Defense Environmental Restoration Program" means the program of environmental restoration carried out under chapter 160 of title 10, United States Code.*

### *SEC. 346. ENVIRONMENTAL RESTORATION ACTIVITIES.*

*(a) Authority To Use Funds for Facilities Relocation.—During the period beginning on October 1, 2000, and ending on September 30, 2003, the Secretary concerned may use funds available under section 2703 of title 10, United States Code, to pay for the costs of permanently relocating facilities because of a release or threatened release of hazardous substances, pollutants, or contaminants from—*

*(1) real property or facilities currently under the jurisdiction of the Secretary of Defense; or*

*(2) real property or facilities that were under the jurisdiction of the Secretary of Defense at the time of the actions leading to such release or threatened release.*

*(b) Limitations.—(1) The Secretary concerned may not pay the costs of permanently relocating facilities under subsection (a) unless the Secretary concerned determines in writing that such permanent relocation of facilities is part of a response action that—*

*(A) has the support of the affected community;*

*(B) has the approval of relevant regulatory agencies; and*

*(C) is the most cost effective response action available.*

*(2) Not more than 5 percent of the funds available under section 2703 of title 10, United States Code, in any fiscal year may be used to pay the costs of permanently relocating facilities pursuant to the authority in subsection (a).*

*(c) Reports.—(1) Not later than November 30 of each of 2001, 2002, and 2003, the Secretary of Defense shall submit to Congress a report on each response action for which a written determination has been made under subsection (b)(1) in the fiscal year ending in such year.*

*(2) Each report for a fiscal year under paragraph (1) shall contain the following:*

*(A) A copy of each written determination under subsection (b)(1) during such fiscal year.*

*(B) A description of the response action taken or to be taken in connection with each such written determination.*

*(C) A statement of the costs incurred or to be incurred in connection with the permanent relocation of facilities covered by each such written determination.*

*(d) Secretary Concerned Defined.—In this section, the term "Secretary concerned" means the following:*

*(1) The Secretary of a military department, with regard to real property or facilities for which such military department is the lead agency.*

*(2) The Secretary of Defense, for any other real property or facilities.*

### *SEC. 347. SHIP DISPOSAL PROJECT.*

*(a) Continuation of Project.—(1) Subject to the provisions of this subsection, the Secretary of the Navy shall continue to carry out a ship disposal project within the United States during fiscal year 2001.*

*(2) The scope of the ship disposal project shall be sufficient to permit the Secretary to assemble appropriate data on the cost of scrapping ships.*

*(3) The Secretary shall use competitive procedures to award all task orders under the primary contracts under the ship disposal project.*

*(b) Report.—Not later than December 31, 2000, the Secretary shall submit to the congressional defense committees a report on the ship disposal project referred to in subsection (a). The report shall contain the following:*

*(1) A description of the competitive procedures used for the solicitation and award of all task orders under the project.*

*(2) A description of the task orders awarded under the project.*

*(3) An assessment of the results of the project as of the date of the report, including the performance of contractors under the project.*

*(4) The proposed strategy of the Navy for future procurement of ship scrapping activities.*

### *SEC. 348. REPORT ON DEFENSE ENVIRONMENTAL SECURITY CORPORATE INFORMATION MANAGEMENT PROGRAM.*

*(a) Report Required.—Not later than 60 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report on the Defense Environmental Security Corporate Information Management program.*

*(b) Report Elements.—The report under subsection (a) shall include the following elements:*

*(1) The recommendations of the Secretary for the future mission of the Defense Environmental Security Corporate Information Management program.*

*(2) A discussion of the means by which the program will address or provide the following:*

*(A) Information access procedures which keep pace with current and evolving requirements for information access.*

*(B) Data standardization and systems integration.*

*(C) Product failures and cost-effective results.*

*(D) User confidence and utilization.*

*(E) Program continuity.*

*(F) Program accountability, including accountability for all past, current, and future activities funded under the program.*

*(G) Program management and oversight.*

*(H) Program compliance with applicable requirements of the Clinger-Cohen Act of 1996 (divisions D and E of Public Law 104–106) and applicable requirements under other provisions of law.*

### *SEC. 349. REPORT ON PLASMA ENERGY PYROLYSIS SYSTEM.*

*(a) Report Required.—Not later than October 1, 2000, the Secretary of the Army shall submit to the congressional defense committees a report on the Plasma Energy Pyrolysis System (PEPS).*

*(b) Report Elements.—The report on the Plasma Energy Pyrolysis System under subsection (a) shall include the following:*

*(1) An analysis of available information and data on the fixed-transportable unit demonstration phase of the System and on the mobile unit demonstration phase of the System.*

*(2) Recommendations regarding future applications for each phase of the System described in paragraph (1).*

*(3) A statement of the projected funding for such future applications.*

## *Subtitle F—Other Matters*

### *SEC. 361. EFFECTS OF WORLDWIDE CONTINGENCY OPERATIONS ON READINESS OF CERTAIN MILITARY AIRCRAFT AND EQUIPMENT.*

*(a) Requirement for Report.—The Secretary of Defense shall submit to Congress, not later than 180 days after the date of the enactment of this Act, a report on—*

*(1) the effects of worldwide contingency operations of the Navy, Marine Corps, and Air Force on the readiness of aircraft of those Armed Forces; and*

*(2) the effects of worldwide contingency operations of the Army and Marine Corps on the readiness of ground equipment of those Armed Forces.*

*(b) CONTENT OF REPORT.—The report shall contain the Secretary's assessment of the effects of the contingency operations referred to in subsection (a) on the capability of the Department of Defense to maintain a high level of equipment readiness and to manage a high operating tempo for the aircraft and ground equipment.*

*(c) EFFECTS ON AIRCRAFT.—The assessment contained in the report shall address, with respect to aircraft, the following effects:*

*(1) The effects of the contingency operations carried out during fiscal years 1995 through 2000 on the aircraft of each of the Navy, Marine Corps, and Air Force in each category of aircraft, as follows:*

*(A) Combat tactical aircraft.*

*(B) Strategic aircraft.*

*(C) Combat support aircraft.*

*(D) Combat service support aircraft.*

*(2) The types of adverse effects on the aircraft of each of the Navy, Marine Corps, and Air Force in each category of aircraft specified in paragraph (1) resulting from contingency operations, as follows:*

*(A) Patrolling in no-fly zones—*

*(i) over Iraq in Operation Northern Watch;*

*(ii) over Iraq in Operation Southern Watch; and*

*(iii) over the Balkans in Operation Allied Force.*

*(B) Air operations in the NATO air war against Serbia in Operation Sky Anvil, Operation Noble Anvil, and Operation Allied Force.*

*(C) Air operations in Operation Shining Hope in Kosovo.*

*(D) All other activities within the general context of worldwide contingency operations.*

*(3) Any other effects that the Secretary considers appropriate in carrying out subsection (a).*

*(d) EFFECTS ON GROUND EQUIPMENT.—The assessment contained in the report shall address, with respect to ground equipment, the following effects:*

*(1) The effects of the contingency operations carried out during fiscal years 1995 through 2000 on the ground equipment of each of the Army and Marine Corps.*

*(2) Any other effects that the Secretary considers appropriate in carrying out subsection (a).*

### SEC. 362. REALISTIC BUDGETING FOR READINESS REQUIREMENTS OF THE ARMY.

*(a) REQUIREMENT FOR NEW METHODOLOGY.—The Secretary of the Army shall develop a new methodology for preparing budget requests for operation and maintenance that can be used to ensure that the budget requests for operation and maintenance for future fiscal years more accurately reflect the Army's requirements than do the budget requests that have been submitted to Congress for fiscal year 2001 and preceding fiscal years.*

*(b) SENSE OF CONGRESS ON THE NEW METHODOLOGY.—It is the sense of Congress that—*

*(1) the methodology should provide for the determination of the budget levels to request for operation and maintenance to be based on—*

*(A) the level of training that must be conducted in order to maintain essential readiness;*

*(B) the cost of conducting the training at that level; and*

*(C) the costs of all other Army operations, including the cost of meeting infrastructure requirements; and*

*(2) the Secretary should use the new methodology in the preparation of the budget requests for operation and maintenance for fiscal years after fiscal year 2001.*

### SEC. 363. ADDITIONS TO PLAN FOR ENSURING VISIBILITY OVER ALL IN-TRANSIT END ITEMS AND SECONDARY ITEMS.

*(a) REQUIRED ADDITIONS.—Subsection (d) of section 349 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 1981; 10 U.S.C. 2458 note) is amended—*

*(1) by inserting before the period at the end of paragraph (1) ", including specific actions to address underlying weaknesses in the controls over items being shipped"; and*

*(2) by adding at the end the following:*

*"(5) The key management elements for monitoring, and for measuring the progress achieved in, the implementation of the plan, including—*

*"(A) the assignment of oversight responsibility for each action identified pursuant to paragraph (1);*

*"(B) a description of the resources required for oversight; and*

*"(C) an estimate of the annual cost of oversight.".*

*(b) CONFORMING AMENDMENTS.—(1) Subsection (a) of such section is amended by striking "Not later than" and all that follows through "Congress" and inserting "The Secretary of Defense shall prescribe and carry out".*

*(2) Such section is further amended by adding at the end the following:*

*"(f) SUBMISSIONS TO CONGRESS.—After the Secretary submits the plan to Congress (on a date not later than March 1, 1999), the Secretary shall submit to Congress any revisions to the plan that are required by any law enacted after October 17, 1998. The revisions so made shall be submitted not later than 180 days after the date of the enactment of the law requiring the revisions.".*

*(3) Subsection (e)(1) of such section is amended by striking "submits the plan" and inserting "submits the initial plan".*

### SEC. 364. PERFORMANCE OF EMERGENCY RESPONSE FUNCTIONS AT CHEMICAL WEAPONS STORAGE INSTALLATIONS.

*(a) RESTRICTION ON CONVERSION.—The Secretary of the Army may not convert to contractor performance the emergency response functions of any chemical weapons storage installation that, as of the date of the enactment of this Act, are performed for that installation by employees of the United States until the certification required by subsection (c) has been submitted in accordance with that subsection.*

*(b) COVERED INSTALLATIONS.—For the purposes of this section, a chemical weapons storage installation is any installation of the Department of Defense on which lethal chemical agents or munitions are stored.*

*(c) CERTIFICATION REQUIREMENT.—The Secretary of the Army shall certify in writing to the Committees on Armed Services of the Senate and the House of Representatives that, to ensure that there will be no lapse of capability to perform the chemical weapon emergency response mission at a chemical weapons storage installation during any transition to contractor performance of those functions at that installation, the plan for conversion of the performance of those functions—*

*(1) is consistent with the recommendation contained in General Accounting Office Report NSIAD–00–88, entitled "DoD Competitive Sourcing", dated March 2000; and*

*(2) provides for a transition to contractor performance of emergency response functions which ensures an adequate transfer of the relevant knowledge and expertise regarding chemical weapon emergency response to the contractor personnel.*

### SEC. 365. CONGRESSIONAL NOTIFICATION OF USE OF RADIO FREQUENCY SPECTRUM BY A SYSTEM ENTERING ENGINEERING AND MANUFACTURING DEVELOPMENT.

*Before a decision is made to enter into the engineering and manufacturing development phase of a program for the acquisition of a system that is to use the radio frequency spectrum, the Secretary of Defense shall submit to the congressional defense committees a report setting forth the following:*

*(1) The frequency or frequencies that the system will use.*

*(2) A statement of whether the Department of Defense is, or is to be, designated as the primary user of the particular frequency or frequencies.*

*(3) If not, the unique technical characteristics that make it necessary to use the particular frequency or frequencies.*

*(4) A description of the protections that the Department of Defense has been given to ensure that it will not incur costs as a result of current or future interference from other users of the particular frequency or frequencies.*

### SEC. 366. MONITORING OF VALUE OF PERFORMANCE OF DEPARTMENT OF DEFENSE FUNCTIONS BY WORKFORCES SELECTED FROM BETWEEN PUBLIC AND PRIVATE WORKFORCES.

*(a) REQUIREMENT FOR A MONITORING SYSTEM.—(1) Chapter 146 of title 10, United States Code, as amended by section 332(f), is further amended by adding at the end the following:*

***"§2476. Public-private workforce selections: system for monitoring value***

*"(a) SYSTEM FOR MONITORING PERFORMANCE.—(1) The Secretary of Defense shall establish a system for monitoring the performance of functions of the Department of Defense that—*

*"(A) are performed by 50 or more employees of the department; and*

*"(B) have been subjected to a workforce review.*

*"(2) In this section, the term 'workforce review', with respect to a function, is a review to determine whether the function should be performed by a workforce composed of Federal Government employees or by a private sector workforce, and includes any review for that purpose that is carried out under, or is associated with, the following:*

*"(A) Office of Management and Budget Circular A–76.*

*"(B) A strategic sourcing.*

*"(C) A base closure or realignment.*

*"(D) Any other reorganization, privatization, or reengineering of an organization.*

*"(b) PERFORMANCE MEASUREMENTS.—The system for monitoring the performance of a function shall provide for the measurement of the costs and benefits resulting from the selection of one workforce over the other workforce pursuant to a workforce review, as follows:*

*"(1) The costs incurred.*

*"(2) The savings derived.*

*"(3) The value of the performance by the selected workforce measured against the costs of the performance of that function by the workforce performing the function as of the beginning of the workforce review, as the workforce then performing the function was organized.*

*"(c) ANNUAL REPORT.—The Secretary shall submit to Congress, not later than February 1 of each fiscal year, a report on the measurable value of the performance during the preceding fiscal year of the functions that have been subjected to a workforce review, as determined under the monitoring system established under subsection (a). The report shall display the findings separately for each of the armed forces and for each Defense Agency.*

*"(d) CONSIDERATION IN PREPARATION OF FUTURE-YEARS DEFENSE PROGRAM.—In preparing the future-years defense program under section*

221 of this title, the Secretary of Defense shall, for the fiscal years covered by the program, estimate and take into account the costs to be incurred and the savings to be derived from the performance of functions by workforces selected in workforce reviews. The Secretary shall consider the results of the monitoring under this section in making the estimates.".

(2) The table of sections at the beginning of such chapter, as amended by section 332(i)(2), is further amended by adding at the end the following:

"2476. Public-private workforce selections: system for monitoring value.".

(b) CONTENT OF CONGRESSIONAL NOTIFICATION OF CONVERSIONS.—Paragraph (1) of section 2461(c) of title 10, United States Code, is amended—

(1) by redesignating subparagraphs (C), (D), and (E) as subparagraphs (D), (F) and (G);

(2) by inserting after subparagraph (B), the following new subparagraph (C):

"(C) The Secretary's certification that the factors considered in the examinations performed under subsection (b)(3), and in the making of the decision to change performance, did not include any predetermined personnel constraint or limitation in terms of man years, end strength, full-time equivalent positions, or maximum number of employees."; and

(3) by inserting after subparagraph (D), as redesignated by paragraph (1), the following new subparagraph (E):

"(E) A statement of the potential economic effect of the change on each affected local community, as determined in the examination under subsection (b)(3)(B)(ii).".

### SEC. 367. SUSPENSION OF REORGANIZATION OF NAVAL AUDIT SERVICE.

The Secretary of the Navy shall cease any consolidations, involuntary transfers, buy-outs, or reductions in force of the workforce of auditors and administrative support personnel of the Naval Audit Service that are associated with the reorganization or relocation of the performance of the auditing functions of the Navy until 60 days after the date on which the Secretary submits to the congressional defense committees a report that sets forth in detail the Navy's plans and justification for the reorganization or relocation, as the case may be.

### SEC. 368. INVESTMENT OF COMMISSARY TRUST REVOLVING FUND.

Section 2486 of title 10, United States Code, is amended—

(1) in subsection (g)(5), by striking "(5) In this subsection" and inserting "(i) COMMISSARY TRUST REVOLVING FUND DEFINED.—In this section"; and

(2) by inserting after subsection (g)(4) the following:

"(h) INVESTMENT OF COMMISSARY TRUST REVOLVING FUND.—The Secretary of Defense shall invest such portion of the commissary trust revolving fund as is not, in the judgment of the Secretary, required to meet current withdrawals. The investments shall be in public debt securities with maturities suitable to the needs of the fund, as determined by the Secretary, and bearing interest at rates determined by the Secretary of the Treasury, taking into consideration current market yields on outstanding marketable obligations of the United States of comparable maturities. The income derived from the investments shall be credited to and form a part of the fund.".

### SEC. 369. ECONOMIC PROCUREMENT OF DISTILLED SPIRITS.

Subsection 2488(c) of title 10, United States Code, is amended—

(1) by striking paragraph (2); and

(2) by redesignating paragraph (3) as paragraph (2).

### SEC. 370. RESALE OF ARMOR-PIERCING AMMUNITION DISPOSED OF BY THE ARMY.

(a) RESTRICTION.—(1) Chapter 443 of title 10, United States Code, is amended by adding at the end the following:

**"§4688. Armor-piercing ammunition and components: condition on disposal**

"(a) LIMITATION ON RESALE OR OTHER TRANSFER.—Except as provided in subsection (b), whenever the Secretary of the Army carries out a disposal (by sale or otherwise) of armor-piercing ammunition, or a component of armor-piercing ammunition, the Secretary shall require as a condition of the disposal that the recipient agree in writing not to sell or otherwise transfer any of the ammunition (reconditioned or otherwise), or any armor-piercing component of that ammunition, to any purchaser in the United States other than a law enforcement or other governmental agency.

"(b) EXCEPTION.—Subsection (a) does not apply to a transfer of a component of armor-piercing ammunition solely for the purpose of metal reclamation by means of a destructive process such as melting, crushing, or shredding.

"(c) SPECIAL RULE FOR NON-ARMOR-PIERCING COMPONENTS.—A component of the armor-piercing ammunition that is not itself armor-piercing and is not subjected to metal reclamation as described in subsection (b) may not be used as a component in the production of new or remanufactured armor-piercing ammunition other than for sale to a law enforcement or other governmental agency or for a government-to-government sale or commercial export to a foreign government under the Arms Export Control Act.

"(d) DEFINITION.—In this section, the term 'armor-piercing ammunition' means a center-fire cartridge the military designation of which includes the term 'armor penetrator' or 'armor-piercing', including a center-fire cartridge designated as armor-piercing incendiary (API) or armor-piercing incendiary-tracer (API–T).".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following:

"4688. Armor-piercing ammunition and components: condition on disposal.".

(b) APPLICABILITY.—Section 4688 of title 10, United States Code (as added by subsection (a)), shall apply with respect to any disposal of ammunition or components referred to in that section after the date of the enactment of this Act.

### SEC. 371. DAMAGE TO AVIATION FACILITIES CAUSED BY ALKALI SILICA REACTIVITY.

(a) ASSESSMENT REQUIRED.—The Secretary of Defense shall assess the damage caused to aviation facilities of the Department of Defense by alkali silica reactivity. In making the assessment, the Secretary shall review the department's aviation facilities throughout the world.

(b) DAMAGE PREVENTION AND MITIGATION PLAN.—(1) Taking into consideration the assessment under subsection (a), the Secretary may develop and, during fiscal years 2001 through 2006, carry out a plan to prevent and mitigate damage to the aviation facilities of the Department of Defense as a result of alkali silica reactivity.

(2) A plan developed under paragraph shall provide for the following:

(A) Treatment of alkali silica reactivity in pavement and structures at a selected test site.

(B) The demonstration and deployment of technologies capable of mitigating alkali silica reactivity in hardened concrete structures and pavements.

(C) The promulgation of specific guidelines for appropriate testing and use of lithium salts to prevent alkali silica reactivity in new construction.

(c) DELEGATION OF AUTHORITY.—The Secretary shall direct the Chief of Engineers of the Army and the Commander of the Naval Facilities Engineering Command to carry out the assessment required by subsection (a) and to develop and carry out the plan required by subsection (b).

(d) FUNDING.—Of the amounts authorized to be appropriated under section 301, not more than $5,000,000 is available for carrying out this section.

### SEC. 372. REAUTHORIZATION OF PILOT PROGRAM FOR ACCEPTANCE AND USE OF LANDING FEES CHARGED FOR USE OF DOMESTIC MILITARY AIRFIELDS BY CIVIL AIRCRAFT.

(a) REAUTHORIZATION.—Subsection (a) of section 377 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 1993; 10 U.S.C. 113 note) is amended as follows:

(1) by striking "1999 and 2000" and inserting "2001 through 2010"; and

(2) by striking the second sentence and inserting "The pilot program under this section may not be carried out after September 30, 2010.".

(b) FEES COLLECTED.—Subsection (b) of such section is amended to read as follows:

"(b) LANDING FEE DEFINED.—For the purposes of this section, the term 'landing fee' means any fee that is established under or in accordance with regulations of the military department concerned (whether prescribed in a fee schedule or imposed under a joint-use agreement) to recover costs incurred for use by civil aircraft of an airfield of the military department in the United States or in a territory or possession of the United States.".

(c) USE OF PROCEEDS.—Subsection (c) of such section is amended by striking "Amounts received for a fiscal year in payment of landing fees imposed under the pilot program for use of a military airfield" and inserting "Amounts received in payment of landing fees for use of a military airfield in a fiscal year of the pilot program".

(d) REPORT.—Subsection (d) of such section is amended—

(1) by striking "March 31, 2000," and inserting "March 31, 2003,"; and

(2) by striking "December 31, 1999" and inserting "December 31, 2002".

### SEC. 373. REIMBURSEMENT BY CIVIL AIR CARRIERS FOR SUPPORT PROVIDED AT JOHNSTON ATOLL.

(a) IN GENERAL.—Chapter 949 of title 10, United States Code, is amended by adding at the end the following:

**"§9783. Johnston Atoll: reimbursement for support provided to civil air carriers**

"(a) AUTHORITY OF THE SECRETARY.—The Secretary of the Air Force may, under regulations prescribed by the Secretary, require payment by a civil air carrier for support provided by the United States to the carrier at Johnston Atoll that is either—

"(1) requested by the civil air carrier; or

"(2) determined under the regulations as being necessary to accommodate the civil air carrier's use of Johnston Atoll.

"(b) AMOUNT OF CHARGES.—Any amount charged an air carrier under subsection (a) for support shall be equal to the total amount of the actual costs to the United States of providing the support. The amount charged may not include any amount for an item of support that does not satisfy a condition described in paragraph (1) or (2) of subsection (a).

"(c) RELATIONSHIP TO LANDING FEES.—No landing fee shall be charged an air carrier for a landing of an aircraft of the air carrier at Johnston Atoll if the air carrier is charged under subsection (a) for support provided to the air carrier.

"(d) DISPOSITION OF PAYMENTS.—(1) Notwithstanding any other provision of law, amounts collected from an air carrier under this section shall be credited to appropriations available for the fiscal year in which collected, as follows:

"(A) For support provided by the Air Force, to appropriations available for the Air Force for operation and maintenance.

"(B) For support provided by the Army, to appropriations available for the Army for chemical demilitarization.

"(2) Amounts credited to an appropriation under paragraph (1) shall be merged with funds in that appropriation and shall be available, without further appropriation, for the purposes and period for which the appropriation is available.

"(e) DEFINITIONS.—In this section:

"(1) The term 'civil air carrier' means an air carrier (as defined in section 40101(a)(2) of title 49) that is issued a certificate of public convenience and necessity under section 41102 of such title.

"(2) The term 'support' includes fuel, fire rescue, use of facilities, improvements necessary to accommodate use by civil air carriers, police, safety, housing, food, air traffic control, suspension of military operations on the island (including operations at the Johnston Atoll Chemical Agent Demilitarization System), repairs, and any other construction, services, or supplies.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"9783. Johnston Atoll: reimbursement for support provided to civil air carriers.".

### SEC. 374. REVIEW OF COSTS OF MAINTAINING HISTORICAL PROPERTIES.

(a) REQUIREMENT FOR REVIEW.—The Comptroller General of the United States shall conduct a review of the annual costs incurred by the Department of Defense to comply with the requirements of the National Historic Preservation Act (16 U.S.C. 470 et seq.).

(b) REPORT.—Not later than February 28, 2001, the Comptroller General shall submit to the congressional defense committees a report on the results of the review. The report shall contain the following:

(1) For each military department and Defense Agency and for the Department of Defense in the aggregate, the cost for fiscal year 2000 and the projected costs for the ensuing 10 fiscal years.

(2) An analysis of the cost to maintain only those properties that qualified as historic properties under the National Historic Preservation Act when such Act was originally enacted.

(3) The accounts used for paying the costs of complying with the requirements of the National Historic Preservation Act.

(4) For each military department and Defense Agency, the identity of all properties that must be maintained in order to comply with the requirements of the National Historic Preservation Act.

### SEC. 375. EXTENSION OF AUTHORITY TO SELL CERTAIN AIRCRAFT FOR USE IN WILDFIRE SUPPRESSION.

Section 2 of the Wildfire Suppression Aircraft Transfer Act of 1996 (Public Law 104–307) is amended—

(1) in subsection (a)(1) by striking "September 30, 2000" and inserting "September 30, 2005";

(2) by adding at the end of subsection (d)(1) the following: "After taking effect, the regulations shall be effective until the end of the period specified in subsection (a)(1).";

(3) in subsection (f), by striking "March 31, 2000" and inserting "March 31, 2005".

### SEC. 376. OVERSEAS AIRLIFT SERVICE ON CIVIL RESERVE AIR FLEET AIRCRAFT.

(a) IN GENERAL.—Section 41106(a) of title 49, United States Code, is amended—

(1) by striking "GENERAL.—(1) Except as provided in subsection (b)," and inserting "INTERSTATE TRANSPORTATION.—(1) Except as provided in subsection (d),";

(2) in paragraph (1), by striking "of at least 31 days";

(3) by redesignating subsection (b) as subsection (d); and

(4) by inserting after subsection (a) the following:

"(b) TRANSPORTATION BETWEEN THE UNITED STATES AND FOREIGN LOCATIONS.—Except as provided in subsection (d), the transportation of passengers or property by transport category aircraft between a place in the United States and a place outside the United States obtained by the Secretary of Defense or the Secretary of a military department through a contract for airlift service may be provided by an air carrier referred to in subsection (a).

"(c) TRANSPORTATION BETWEEN FOREIGN LOCATIONS.—The transportation of passengers or property by transport category aircraft between two places outside the United States obtained by the Secretary of Defense or the Secretary of a military department through a contract for airlift service shall be provided by an air carrier that has aircraft in the civil reserve air fleet whenever transportation by such an air carrier is reasonably available.".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2000.

### SEC. 377. DEFENSE TRAVEL SYSTEM.

(a) REQUIREMENT FOR REPORT.—Not later than November 30, 2000, the Secretary of Defense shall submit to the congressional defense committees a report on the Defense Travel System.

(b) CONTENT OF REPORT.—The report shall include the following:

(1) A detailed discussion of the development, testing, and fielding of the system, including the performance requirements, the evaluation criteria, the funding that has been provided for the development, testing, and fielding of the system, and the funding that is projected to be required for completing the development, testing, and fielding of the system.

(2) The schedule that has been followed for the testing of the system, including the initial operational test and evaluation and the final operational testing and evaluation, together with the results of the testing.

(3) The cost savings expected to result from the deployment of the system and from the completed implementation of the system, together with a discussion of how the savings are estimated and the expected schedule for the realization of the savings.

(4) An analysis of the costs and benefits of fielding the front-end software for the system throughout all 18 geographical areas selected for the original fielding of the system.

(c) LIMITATIONS.—(1) Not more than 25 percent of the amount authorized to be appropriated under section 301(5) for the Defense Travel System may be obligated or expended before the date on which the Secretary submits the report required under subsection (a).

(2) Funds appropriated for the Defense Travel System pursuant to the authorization of appropriations referred to in paragraph (1) may not be used for a purpose other than the Defense Travel System unless the Secretary first submits to Congress a written notification of the intended use and the amount to be so used.

### SEC. 378. REVIEW OF AH–64 AIRCRAFT PROGRAM.

(a) REQUIREMENT FOR REVIEW.—The Comptroller General shall conduct a review of the Army's AH–64 aircraft program to determine the following:

(1) Whether any of the following conditions exist under the program:

(A) Obsolete spare parts, rather than spare parts for the latest aircraft configuration, are being procured.

(B) There is insufficient sustaining system technical support.

(C) The technical data packages and manuals are obsolete.

(D) There are unfunded requirements for airframe and component upgrades.

(2) Whether the readiness of the aircraft is impaired by conditions described in paragraph (1) that are determined to exist.

(b) REPORT.—Not later than March 1, 2001, the Comptroller General shall submit to the congressional defense committees a report on the results of the review under subsection (a).

### SEC. 379. ASSISTANCE FOR MAINTENANCE, REPAIR, AND RENOVATION OF SCHOOL FACILITIES THAT SERVE DEPENDENTS OF MEMBERS OF THE ARMED FORCES AND DEPARTMENT OF DEFENSE CIVILIAN EMPLOYEES.

(a) GRANTS AUTHORIZED.—Chapter 111 of title 10, United States Code, is amended—

(1) by redesignating section 2199 as section 2199a; and

(2) by inserting after section 2198 the following new section:

**"§2199. Quality of life education facilities grants**

"(a) REPAIR AND RENOVATION ASSISTANCE.—(1) The Secretary of Defense may make a grant to an eligible local educational agency to assist the agency to repair and renovate—

"(A) an impacted school facility that is used by significant numbers of military dependent students; or

"(B) a school facility that was a former Department of Defense domestic dependent elementary or secondary school.

"(2) Authorized repair and renovation projects may include repairs and improvements to an impacted school facility (including the grounds of the facility) designed to ensure compliance with the requirements of the Americans with Disabilities Act or local health and safety ordinances, to meet classroom size requirements, or to accommodate school population increases.

"(3) The total amount of assistance provided under this subsection to an eligible local educational agency may not exceed $5,000,000 during any period of two fiscal years.

"(b) MAINTENANCE ASSISTANCE.—(1) The Secretary of Defense may make a grant to an eligible local educational agency whose boundaries are the same as a military installation to assist the agency to maintain an impacted school facility, including the grounds of such a facility.

"(2) The total amount of assistance provided under this subsection to an eligible local educational agency may not exceed $250,000 during any fiscal year.

"(c) DETERMINATION OF ELIGIBLE LOCAL EDUCATIONAL AGENCIES.—(1) A local educational agency is an eligible local educational agency under this section only if the Secretary of Defense determines that the local educational agency has—

"(A) one or more federally impacted school facilities and satisfies at least one of the additional eligibility requirements specified in paragraph (2); or

"(B) a school facility that was a former Department of Defense domestic dependent elementary or secondary school, but assistance provided under this subparagraph may only be used to repair and renovate that facility.

"(2) The additional eligibility requirements referred to in paragraph (1) are the following:

"(A) The local educational agency is eligible to receive assistance under subsection (f) of section 8003 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703) and at least 10 percent of the students who were in average daily attendance in the schools of such agency during the preceding school year were students described under paragraph (1)(A) or (1)(B) of section 8003(a) of the Elementary and Secondary Education Act of 1965.

"(B) At least 35 percent of the students who were in average daily attendance in the schools of the local educational agency during the preceding school year were students described under paragraph (1)(A) or (1)(B) of section 8003(a) of the Elementary and Secondary Education Act of 1965.

"(C) The State education system and the local educational agency are one and the same.

"(d) NOTIFICATION OF ELIGIBILITY.—Not later than June 30 of each fiscal year, the Secretary of Defense shall notify each local educational agency identified under subsection (c) that the local educational agency is eligible during that fiscal year to apply for a grant under subsection (a), subsection (b), or both subsections.

"(e) RELATION TO IMPACT AID CONSTRUCTION ASSISTANCE.—A local education agency that receives a grant under subsection (a) to repair and renovate a school facility may not also receive a payment for school construction under section 8007 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7707) for the same fiscal year.

"(f) GRANT CONSIDERATIONS.—In determining which eligible local educational agencies will receive a grant under this section for a fiscal year, the Secretary of Defense shall take into consideration the following conditions and needs at impacted school facilities of eligible local educational agencies:

"(1) The repair or renovation of facilities is needed to meet State mandated class size requirements, including student-teacher ratios and instructional space size requirements.

"(2) There is a increase in the number of military dependent students in facilities of the agency due to increases in unit strength as part of military readiness.

"(3) There are unhoused students on a military installation due to other strength adjustments at military installations.

"(4) The repair or renovation of facilities is needed to address any of the following conditions:

"(A) The condition of the facility poses a threat to the safety and well-being of students.

"(B) The requirements of the Americans with Disabilities Act.

"(C) The cost associated with asbestos removal, energy conservation, or technology upgrades.

"(D) Overcrowding conditions as evidenced by the use of trailers and portable buildings and the potential for future overcrowding because of increased enrollment.

"(5) The repair or renovation of facilities is needed to meet any other Federal or State mandate.

"(6) The number of military dependent students as a percentage of the total student population in the particular school facility.

"(7) The age of facility to be repaired or renovated.

"(g) DEFINITIONS.—In this section:

"(1) LOCAL EDUCATIONAL AGENCY.—The term 'local educational agency' has the meaning given that term in section 8013(9) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7713(9)).

"(2) IMPACTED SCHOOL FACILITY.—The term 'impacted school facility' means a facility of a local educational agency—

"(A) that is used to provide elementary or secondary education at or near a military installation; and

"(B) at which the average annual enrollment of military dependent students is a high percentage of the total student enrollment at the facility, as determined by the Secretary of Defense.

"(3) MILITARY DEPENDENT STUDENTS.—The term 'military dependent students' means students who are dependents of members of the armed forces or Department of Defense civilian employees.

"(4) MILITARY INSTALLATION.—The term 'military installation' has the meaning given that term in section 2687(e) of this title.".

(b) AMENDMENTS TO CHAPTER HEADING AND TABLES OF CONTENTS.—(1) The heading of chapter 111 of title 10, United States Code, is amended to read as follows:

**"CHAPTER 111—SUPPORT OF EDUCATION".**

(2) The table of sections at the beginning of such chapter is amended by striking the item relating to section 2199 and inserting the following new items:

"2199. Quality of life education facilities grants.
"2199a. Definitions.".

(3) The tables of chapters at the beginning of subtitle A, and at the beginning of part III of subtitle A, of such title are amended by striking the item relating to chapter 111 and inserting the following:

**"111. Support of Education ................. 2191".**

(c) FUNDING FOR FISCAL YEAR 2001.—Amounts appropriated in the Department of Defense Appropriations Act, 2001, under the heading "QUALITY OF LIFE ENHANCEMENTS, DEFENSE" may be used by the Secretary of Defense to make grants under section 2199 of title 10, United States Code, as added by subsection (a).

**SEC. 380. POSTPONEMENT OF IMPLEMENTATION OF DEFENSE JOINT ACCOUNTING SYSTEM (DJAS) PENDING ANALYSIS OF THE SYSTEM.**

(a) POSTPONEMENT.—The Secretary of Defense may not grant a Milestone III decision for the Defense Joint Accounting System (DJAS) until the Secretary—

(1) conducts, with the participation of the Inspector General of the Department of Defense and the inspectors general of the military departments, an analysis of alternatives to the system to determine whether the system warrants deployment; and

(2) if the Secretary determines that the system warrants deployment, submits to the congressional defense committees a report certifying that the system meets Milestone I and Milestone II requirements and applicable requirements of the Clinger-Cohen Act of 1996 (divisions D and E of Public Law 104–106).

(b) DEADLINE FOR REPORT.—The report referred to in subsection (a)(2) shall be submitted, if at all, not later than March 30, 2001.

## TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

### Subtitle A—Active Forces

**SEC. 401. END STRENGTHS FOR ACTIVE FORCES.**

The Armed Forces are authorized strengths for active duty personnel as of September 30, 2001, as follows:

(1) The Army, 480,000.

(2) The Navy, 372,000.

(3) The Marine Corps, 172,600.

(4) The Air Force, 357,000.

### Subtitle B—Reserve Forces

**SEC. 411. END STRENGTHS FOR SELECTED RESERVE.**

(a) IN GENERAL.—The Armed Forces are authorized strengths for Selected Reserve personnel of the reserve components as of September 30, 2001, as follows:

(1) The Army National Guard of the United States, 350,088.

(2) The Army Reserve, 205,000.

(3) The Naval Reserve, 88,900.

(4) The Marine Corps Reserve, 39,558.

(5) The Air National Guard of the United States, 108,022.

(6) The Air Force Reserve, 74,300.

(7) The Coast Guard Reserve, 8,500.

(b) ADJUSTMENTS.—The end strengths prescribed by subsection (a) for the Selected Reserve of any reserve component shall be proportionately reduced by—

(1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at the end of the fiscal year; and

(2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at the end of the fiscal year.

Whenever such units or such individual members are released from active duty during any fiscal year, the end strength prescribed for such fiscal year for the Selected Reserve of such reserve component shall be proportionately increased by the total authorized strengths of such units and by the total number of such individual members.

**SEC. 412. END STRENGTHS FOR RESERVES ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.**

Within the end strengths prescribed in section 411(a), the reserve components of the Armed Forces are authorized, as of September 30, 2001, the following number of Reserves to be serving on full-time active duty or full-time duty, in the case of members of the National Guard, for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

(1) The Army National Guard of the United States, 22,974.

(2) The Army Reserve, 12,806.

(3) The Naval Reserve, 14,649.

(4) The Marine Corps Reserve, 2,261.

(5) The Air National Guard of the United States, 11,170.

(6) The Air Force Reserve, 1,278.

**SEC. 413. END STRENGTHS FOR MILITARY TECHNICIANS (DUAL STATUS).**

The minimum number of military technicians (dual status) as of the last day of fiscal year 2001 for the reserve components of the Army and the Air Force (notwithstanding section 129 of title 10, United States Code) shall be the following:

(1) For the Army Reserve, 5,249.

(2) For the Army National Guard of the United States, 24,728.

(3) For the Air Force Reserve, 9,733.

(4) For the Air National Guard of the United States, 22,221.

**SEC. 414. FISCAL YEAR 2001 LIMITATION ON NON-DUAL STATUS TECHNICIANS.**

(a) LIMITATION.—The number of non-dual status technicians employed by the reserve components of the Army and the Air Force as of September 30, 2001, may not exceed the following:

(1) For the Army Reserve, 1,195.

(2) For the Army National Guard of the United States, 1,600.

(3) For the Air Force Reserve, 0.

(4) For the Air National Guard of the United States, 326.

(b) NON-DUAL STATUS TECHNICIANS DEFINED.—In this section, the term "non-dual status technician" has the meaning given the term in section 10217(a) of title 10, United States Code.

(c) POSTPONEMENT OF PERMANENT LIMITATION.—Section 10217(c)(2) of title 10, United States Code, is amended by striking "October 1, 2001" and inserting "October 1, 2002".

#### SEC. 415. INCREASE IN NUMBERS OF MEMBERS IN CERTAIN GRADES AUTHORIZED TO BE ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

*(a) OFFICERS.—The table in section 12011(a) of title 10, United States Code, is amended to read as follows:*

| "Grade | Army | Navy | Air Force | Marine Corps |
|---|---|---|---|---|
| Major or Lieutenant Commander | 3,227 | 1,071 | 898 | 140 |
| Lieutenant Colonel or Commander | 1,687 | 520 | 844 | 90 |
| Colonel or Navy Captain | 511 | 188 | 317 | 30". |

*(b) SENIOR ENLISTED MEMBERS.—The table in section 12012(a) of title 10, United States Code, is amended to read as follows:*

| "Grade | Army | Navy | Air Force | Marine Corps |
|---|---|---|---|---|
| E-9 | 662 | 202 | 501 | 20 |
| E-8 | 2,676 | 429 | 1,102 | 94". |

### Subtitle C—Other Matters Relating to Personnel Strengths

#### SEC. 421. SUSPENSION OF STRENGTH LIMITATIONS DURING WAR OR NATIONAL EMERGENCY.

*(a) SENIOR ENLISTED MEMBERS.—Section 517 of title 10, United States Code, is amended by adding at the end the following new subsection (c):*

*"(c) The Secretary of Defense may suspend the operation of this section in time of war or of national emergency declared by the Congress or by the President. Any suspension shall, if not sooner ended, end on the last day of the 2-year period beginning on the date on which the suspension (or the last extension thereof) takes effect or on the last day of the 1-year period beginning on the date of the termination of the war or national emergency, whichever occurs first. Title II of the National Emergencies Act (50 U.S.C. 1621–1622) shall not apply to an extension under this subsection.".*

*(b) SENIOR AGR PERSONNEL.—(1) Chapter 1201 of such title is amended by adding at the end the following:*

***"§12013. Authority to suspend sections 12011 and 12012***

*"The Secretary of Defense may suspend the operation of section 12011 or 12012 of this title in time of war or of national emergency declared by the Congress or by the President. Any suspension shall, if not sooner ended, end on the last day of the 2-year period beginning on the date on which the suspension (or the last extension thereof) takes effect or on the last day of the 1-year period beginning on the date of the termination of the war or national emergency, whichever occurs first. Title II of the National Emergencies Act (50 U.S.C. 1621–1622) shall not apply to an extension under this subsection.".*

*(2) The table of sections at the beginning of such chapter is amended by adding at the end the following:*

*"12013. Authority to suspend sections 12011 and 12012.".*

#### SEC. 422. EXCLUSION OF CERTAIN RESERVE COMPONENT MEMBERS ON ACTIVE DUTY FOR MORE THAN 180 DAYS FROM ACTIVE COMPONENT END STRENGTHS.

*Section 115(d) of title 10, United States Code, is amended by adding at the end the following new paragraph:*

*"(9) Members of reserve components (not described in paragraph (8)) on active duty for more than 180 days to perform special work in support of the armed forces (other than in support of the Coast Guard) and the combatant commands, except that the number of the members excluded under this paragraph may not exceed the number equal to two-tenths of one percent of the end strength authorized for active-duty personnel under subsection (a)(1)(A).".*

#### SEC. 423. EXCLUSION OF ARMY AND AIR FORCE MEDICAL AND DENTAL OFFICERS FROM LIMITATION ON STRENGTHS OF RESERVE COMMISSIONED OFFICERS IN GRADES BELOW BRIGADIER GENERAL.

*Section 12005(a) of title 10, United States Code, is amended by adding at the end the following:*

*"(3) Medical officers and dental officers shall not be counted for the purposes of this subsection.".*

#### SEC. 424. AUTHORITY FOR TEMPORARY INCREASES IN NUMBER OF RESERVE PERSONNEL SERVING ON ACTIVE DUTY OR FULL-TIME NATIONAL GUARD DUTY IN CERTAIN GRADES.

*(a) OFFICERS.—Section 12011 of title 10, United States Code, is amended by adding at the end the following new subsection:*

*"(c) Upon increasing under subsection (c)(2) of section 115 of this title the end strength that is authorized under subsection (a)(1)(B) of that section for a fiscal year for active-duty personnel and full-time National Guard duty personnel of an armed force who are to be paid from funds appropriated for reserve personnel, the Secretary of Defense may increase for that fiscal year the limitation that is set forth in subsection (a) of this section for the number of officers of that armed force serving in any grade if the Secretary determines that such action is in the national interest. The percent of the increase may not exceed the percent by which the Secretary increases that end strength.".*

*(b) ENLISTED PERSONNEL.—Section 12012 of title 10, United States Code, is amended by adding at the end the following new subsection:*

*"(c) Upon increasing under subsection (c)(2) of section 115 of this title the end strength that is authorized under subsection (a)(1)(B) of that section for a fiscal year for active-duty personnel and full-time National Guard duty personnel of an armed force who are to be paid from funds appropriated for reserve personnel, the Secretary of Defense may increase for that fiscal year the limitation that is set forth in subsection (a) of this section for the number of enlisted members of that armed force serving in any grade if the Secretary determines that such action is in the national interest. The percent of the increase may not exceed the percent by which the Secretary increases that end strength.".*

#### SEC. 425. TEMPORARY EXEMPTION OF DIRECTOR OF THE NATIONAL SECURITY AGENCY FROM LIMITATIONS ON NUMBER OF AIR FORCE OFFICERS ABOVE MAJOR GENERAL.

*Section 525(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:*

*"(8) An Air Force officer while serving as Director of the National Security Agency is in addition to the number that would otherwise be permitted for the Air Force for officers serving on active duty in grades above major general under paragraph (1) and the number that would otherwise be permitted for the Air Force for officers serving on active duty in grades above brigadier general under subsection (a). This paragraph shall not be effective after September 30, 2005.".*

### Subtitle D—Authorization of Appropriations

#### SEC. 431. AUTHORIZATION OF APPROPRIATIONS FOR MILITARY PERSONNEL.

*There is hereby authorized to be appropriated to the Department of Defense for military personnel for fiscal year 2001 a total of $75,632,266,000. The authorization in the preceding sentence supersedes any other authorization of appropriations (definite or indefinite) for such purpose for fiscal year 2001.*

## TITLE V—MILITARY PERSONNEL POLICY

### Subtitle A—Officer Personnel Policy

#### SEC. 501. ELIGIBILITY OF ARMY RESERVE COLONELS AND BRIGADIER GENERALS FOR POSITION VACANCY PROMOTIONS.

*Section 14315(b)(1) of title 10, United States Code, is amended by inserting after "(A) is assigned to the duties of a general officer of the next higher reserve grade in the Army Reserve" the following: "or is recommended for such an assignment under regulations prescribed by the Secretary of the Army".*

#### SEC. 502. PROMOTION ZONES FOR COAST GUARD RESERVE OFFICERS.

*(a) FLEXIBLE AUTHORITY TO MEET COAST GUARD NEEDS.—Section 729(d) of title 14, United States Code, is amended to read as follows:*

*"(d)(1) Before convening a selection board to recommend Reserve officers for promotion, the Secretary shall establish a promotion zone for officers serving in each grade and competitive category to be considered by the board. The Secretary shall determine the number of officers in the promotion zone for officers serving in any grade and competitive category from among officers who are eligible for promotion in that grade and competitive category.*

*"(2) Before convening a selection board to recommend Reserve officers for promotion to a grade above lieutenant (junior grade), the Secretary shall determine the maximum number of officers in that grade and competitive category that the board may recommend for promotion. The Secretary shall make the determination under the preceding sentence of the maximum number that may be recommended with a view to having in an active status a sufficient number of Reserve officers in each grade and competitive category to meet the needs of the Coast Guard for Reserve officers in an active status. In order to make that determination, the Secretary shall determine (A) the number of positions needed to accomplish mission objectives which require officers of such competitive category in the grade to which the board will recommend officers for promotion, (B) the estimated number of officers needed to fill vacancies in such positions during the period in which it is anticipated that officers selected for promotion will be promoted, (C) the number of officers authorized by the Secretary to serve in an active status in the grade and competitive category under consideration, and (D) any statutory limitation on the number of officers in any grade or category (or combination thereof) authorized to be in an active status.*

*"(3)(A) The Secretary may, when the needs of the Coast Guard require, authorize the consideration of officers in a grade above lieutenant (junior grade) for promotion to the next higher grade from below the promotion zone.*

*"(B) When selection from below the promotion zone is authorized, the Secretary shall establish the number of officers that may be recommended for promotion from below the promotion zone in each competitive category to be considered. That number may not exceed the number equal to 10 percent of the maximum number of officers that the board is authorized to recommend for promotion in such competitive category, except that the Secretary may authorize a greater number, not to exceed 15 percent of the total number of officers that the board is authorized to recommend for promotion, if the Secretary determines that the needs of the Coast Guard so require. If the maximum number determined under this paragraph is less than one, the board may recommend one officer for promotion from below the promotion zone.*

*"(C) The number of officers recommended for promotion from below the promotion zone does not increase the maximum number of officers that the board is authorized to recommend for promotion under paragraph (2).".*

*(b) Running Mate System.—(1) Section 731 of such title is amended—*

*(A) by designating the text of such section as subsection (b);*

*(B) by inserting after the section heading the following:*

*"(a) Authority To Use Running Mate System.—The Secretary may by regulation implement section 729(d)(1) of this title by requiring that the promotion zone for consideration of Reserve officers in an active status for promotion to the next higher grade be determined in accordance with a running mate system as provided in subsection (b).";*

*(C) in subsection (b), as designated by subparagraph (A), by striking "Subject to the eligibility requirements of this subchapter, a Reserve officer shall" and inserting the following: "Consideration for Promotion.—If promotion zones are determined as authorized under subsection (a), a Reserve officer shall, subject to the eligibility requirements of this subchapter,"; and*

*(D) by adding at the end the following:*

*"(c) Consideration of Officers Below the Zone.—If the Secretary authorizes the selection of officers for promotion from below the promotion zone in accordance with section 729(d)(3) of this title, the number of officers to be considered from below the zone may be established through the application of the running mate system under this subchapter or otherwise as the Secretary determines to be appropriate to meet the needs of the Coast Guard.".*

*(2)(A) The heading for such section is amended to read as follows:*

***"§ 731. Establishment of promotion zones: running mate system".***

*(B) The item relating to such section in the table of sections at the beginning of chapter 21 of title 14, United States Code, is amended to read as follows:*

*"731. Establishment of promotion zones: running mate system.".*

*(c) Effective Date.—This section and the amendments made by this section shall take effect on October 1, 2000, and shall apply with respect to selection boards convened under section 730 of title 14, United States Code, on or after that date.*

### *SEC. 503. TIME FOR RELEASE OF OFFICER PROMOTION SELECTION BOARD REPORTS.*

*(a) Active-Duty List Officer Boards.—Section 618(e) of title 10, United States Code, is amended to read as follows:*

*"(e)(1) The names of the officers recommended for promotion in the report of a selection board may be disseminated to the armed force concerned as follows:*

*"(A) In the case of officers recommended for promotion to a grade below brigadier general or rear admiral (lower half), upon the transmittal of the report to the President.*

*"(B) In the case of officers recommended for promotion to a grade above colonel or, in the case of the Navy, captain, upon the approval of the report by the President.*

*"(C) In the case of officers whose names have not been sooner disseminated, upon confirmation by the Senate.*

*"(2) A list of names of officers disseminated under paragraph (1) may not include—*

*"(A) any name removed by the President from the report of the selection board containing that name, if dissemination is under the authority of subparagraph (B) of such paragraph; or*

*"(B) the name of any officer whose promotion the Senate failed to confirm, if dissemination is under the authority of subparagraph (C) of such paragraph.".*

*(b) Reserve Active-Status List Officer Boards.—The text of section 14112 of title 10, United States Code, is amended to read as follows:*

*"(a) Time for Dissemination.—The names of the officers recommended for promotion in the report of a selection board may be disseminated to the armed force concerned as follows:*

*"(1) In the case of officers recommended for promotion to a grade below brigadier general or rear admiral (lower half), upon the transmittal of the report to the President.*

*"(2) In the case of officers recommended for promotion to a grade above colonel or, in the case of the Navy, captain, upon the approval of the report by the President.*

*"(3) In the case of officers whose names have not been sooner disseminated, upon confirmation by the Senate.*

*"(b) Names Not Disseminated.—A list of names of officers disseminated under subsection (a) may not include—*

*"(1) any name removed by the President from the report of the selection board containing that name, if dissemination is under the authority of paragraph (2) of such subsection; or*

*"(2) the name of any officer whose promotion the Senate failed to confirm, if dissemination is under the authority of paragraph (3) of such subsection.".*

### *SEC. 504. CLARIFICATION OF AUTHORITY FOR POSTHUMOUS COMMISSIONS AND WARRANTS.*

*Section 1521(a)(3) of title 10, United States Code, is amended to read as follows:*

*"(3) was officially recommended for appointment or promotion to a commissioned grade but died in line of duty before the appointment or promotion was approved by the Secretary concerned or before accepting the appointment or promotion.".*

### *SEC. 505. INAPPLICABILITY OF ACTIVE-DUTY LIST PROMOTION, SEPARATION, AND INVOLUNTARY RETIREMENT AUTHORITIES TO RESERVE GENERAL AND FLAG OFFICERS SERVING IN CERTAIN POSITIONS DESIGNATED FOR RESERVE OFFICERS BY THE CHAIRMAN OF THE JOINT CHIEFS OF STAFF.*

*Section 641(1)(B) of title 10, United States Code, is amended by inserting "526(b)(2)(A)," after "on active duty under section".*

### *SEC. 506. REVIEW OF ACTIONS OF SELECTION BOARDS.*

*(a) In General.—(1) Chapter 79 of title 10, United States Code, is amended by adding at the end the following:*

***"§ 1558. Exclusive remedies in cases involving selection boards***

*"(a) Correction of Military Records.—The Secretary concerned may correct a person's military records in accordance with a recommendation made by a special board. Any such correction shall be effective, retroactively, as of the effective date of the action taken on a report of a previous selection board that resulted in the action corrected in the person's military records.*

*"(b) Relief Associated With Corrections of Certain Actions.—(1) The Secretary concerned shall ensure that a person receives relief under paragraph (2) or (3), as the person may elect, if the person—*

*"(A) was separated or retired from an armed force, or transferred to the retired reserve or to inactive status in a reserve component, as a result of a recommendation of a selection board; and*

*"(B) becomes entitled to retention on or restoration to active duty or active status in a reserve component as a result of a correction of the person's military records under subsection (a).*

*"(2)(A) With the consent of a person referred to in paragraph (1), the person shall be retroactively and prospectively restored to the same status, rights, and entitlements (less appropriate offsets against back pay and allowances) in the person's armed force as the person would have had if the person had not been selected to be separated, retired, or transferred to the retired reserve or to inactive status in a reserve component, as the case may be, as a result of an action corrected under subsection (a). An action under this subparagraph is subject to subparagraph (B).*

*"(B) Nothing in subparagraph (A) shall be construed to permit a person to be on active duty or in an active status in a reserve component after the date on which the person would have been separated, retired, or transferred to the retired reserve or to inactive status in a reserve component if the person had not been selected to be separated, retired, or transferred to the retired reserve or to inactive status in a reserve component, as the case may be, in an action of a selection board that is corrected under subsection (a).*

*"(3) If the person does not consent to a restoration of status, rights, and entitlements under paragraph (2), the person shall receive back pay and allowances (less appropriate offsets) and service credit for the period beginning on the date of the person's separation, retirement, or transfer to the retired reserve or to inactive status in a reserve component, as the case may be, and ending on the earlier of—*

*"(A) the date on which the person would have been so restored under paragraph (2), as determined by the Secretary concerned; or*

*"(B) the date on which the person would otherwise have been separated, retired, or transferred to the retired reserve or to inactive status in a reserve component, as the case may be.*

*"(c) Finality of Unfavorable Action.—If a special board makes a recommendation not to correct the military records of a person regarding action taken in the case of that person on the basis of a previous report of a selection board, the action previously taken on that report shall be considered as final as of the date of the action taken on that report.*

*"(d) Regulations.—(1) The Secretary concerned may prescribe regulations to carry out this section (other than subsection (e)) with respect to the armed force or armed forces under the jurisdiction of the Secretary.*

*"(2) The Secretary may prescribe in the regulations the circumstances under which consideration by a special board may be provided for under this section, including the following:*

*"(A) The circumstances under which consideration of a person's case by a special board is contingent upon application by or for that person.*

*"(B) Any time limits applicable to the filing of an application for consideration.*

*"(3) Regulations prescribed by the Secretary of a military department under this subsection shall be subject to the approval of the Secretary of Defense.*

*"(e) Judicial Review.—(1) A person challenging for any reason the action or recommendation of a selection board, or the action taken by the Secretary concerned on the report of a selection board, is not entitled to relief in any judicial proceeding unless the person has first been considered by a special board under this section or the Secretary concerned has denied such consideration.*

*"(2) In reviewing an action or recommendation of a special board or an action of the Secretary concerned on the report of a special board, a court may hold unlawful and set aside the recommendation or action, as the case may be, only if the court finds that recommendation or action was contrary to law or involved a material error of fact or a material administrative error.*

*"(3) In reviewing a decision by the Secretary concerned to deny consideration by a special board in any case, a court may hold unlawful and set aside the decision only if the court finds the decision to be arbitrary or capricious, not based on substantial evidence, or otherwise contrary to law.*

*"(f) EXCLUSIVITY OF REMEDIES.—Notwithstanding any other provision of law, but subject to subsection (g), the remedies provided under this section are the only remedies available to a person for correcting an action or recommendation of a selection board regarding that person or an action taken on the report of a selection board regarding that person.*

*"(g) EXISTING JURISDICTION.—(1) Nothing in this section limits the jurisdiction of any court of the United States under any provision of law to determine the validity of any statute, regulation, or policy relating to selection boards, except that, in the event that any such statute, regulation, or policy is held invalid, the remedies prescribed in this section shall be the sole and exclusive remedies available to any person challenging the recommendation of a special board on the basis of the invalidity.*

*"(2) Nothing in this section limits authority to correct a military record under section 1552 of this title.*

*"(h) INAPPLICABILITY TO COAST GUARD.—This section does not apply to the Coast Guard when it is not operating as a service in the Navy.*

*"(i) DEFINITIONS.—In this section:*

*"(1) The term 'special board'—*

*"(A) means a board that the Secretary concerned convenes under any authority to consider whether to recommend a person for appointment, enlistment, reenlistment, assignment, promotion, retention, separation, retirement, or transfer to inactive status in a reserve component instead of referring the records of that person for consideration by a previously convened selection board which considered or should have considered that person;*

*"(B) includes a board for the correction of military or naval records convened under section 1552 of this title, if designated as a special board by the Secretary concerned; and*

*"(C) does not include a promotion special selection board convened under section 628 or 14502 of this title.*

*"(2) The term 'selection board'—*

*"(A) means a selection board convened under section 573(c), 580, 580a, 581, 611(b), 637, 638, 638a, 14101(b), 14701, 14704, or 14705 of this title, and any other board convened by the Secretary concerned under any authority to recommend persons for appointment, enlistment, reenlistment, assignment, promotion, or retention in the armed forces or for separation, retirement, or transfer to inactive status in a reserve component for the purpose of reducing the number of persons serving in the armed forces; and*

*"(B) does not include—*

*"(i) a promotion board convened under section 573(a), 611(a), or 14101(a) of this title;*

*"(ii) a special board;*

*"(iii) a special selection board convened under section 628 of this title; or*

*"(iv) a board for the correction of military records convened under section 1552 of this title.".*

*(2) The table of sections at the beginning of such chapter is amended by adding at the end the following:*

*"1558. Exclusive remedies in cases involving selection boards .".*

*(b) SPECIAL SELECTION BOARDS.—Section 628 of such title is amended—*

*(1) by redesignating subsection (g) as subsection (j); and*

*(2) by inserting after subsection (f) the following:*

*"(g) LIMITATIONS OF OTHER JURISDICTION.—No official or court of the United States may—*

*"(1) consider any claim based to any extent on the failure of an officer or former officer of the armed forces to be selected for promotion by a promotion board until—*

*"(A) the claim has been referred by the Secretary concerned to a special selection board convened under this section and acted upon by that board and the report of the board has been approved by the President; or*

*"(B) the claim has been rejected by the Secretary concerned without consideration by a special selection board; or*

*"(2) grant any relief on such a claim unless the officer or former officer has been selected for promotion by a special selection board convened under this section to consider the officer's claim and the report of the board has been approved by the President.*

*"(h) JUDICIAL REVIEW.—(1) A court of the United States may review a determination by the Secretary concerned under subsection (a)(1) or (b)(1) not to convene a special selection board. If a court finds the determination to be arbitrary or capricious, not based on substantial evidence, or otherwise contrary to law, it shall remand the case to the Secretary concerned, who shall provide for consideration of the officer or former officer by a special selection board under this section.*

*"(2) A court of the United States may review the action of a special selection board convened under this section on a claim of an officer or former officer and any action taken by the President on the report of the board. If a court finds that the action was contrary to law or involved a material error of fact or a material administrative error, it shall remand the case to the Secretary concerned, who shall provide for reconsideration of the officer or former officer by another special selection board.*

*"(i) EXISTING JURISDICTION.—(1) Nothing in this section limits the jurisdiction of any court of the United States under any provision of law to determine the validity of any statute, regulation, or policy relating to selection boards, except that, in the event that any such statute, regulation, or policy is held invalid, the remedies prescribed in this section shall be the sole and exclusive remedies available to any person challenging the recommendation of a selection board on the basis of the invalidity.*

*"(2) Nothing in this section limits authority to correct a military record under section 1552 of this title.".*

*(c) EFFECTIVE DATE AND APPLICABILITY.—(1) The amendments made by this section shall take effect on the date of the enactment of this Act and, except as provided in paragraph (2), shall apply with respect to any proceeding pending on or after that date without regard to whether a challenge to an action of a selection board of any of the Armed Forces being considered in such proceeding was initiated before, on, or after that date.*

*(2) The amendments made by this section shall not apply with respect to any action commenced in a court of the United States before the date of the enactment of this Act.*

### ***SEC. 507. EXTENSION TO ALL AIR FORCE BIOMEDICAL SCIENCES OFFICERS OF AUTHORITY TO RETAIN UNTIL SPECIFIED AGE.***

*Section 14703(a)(3) of title 10, United States Code, is amended to read as follows:*

*"(3) the Secretary of the Air Force may, with the officer's consent, retain in an active status any reserve officer who is designated as a medical officer, dental officer, Air Force nurse, Medical Service Corps officer, biomedical sciences officer, or chaplain.".*

### ***SEC. 508. TERMINATION OF APPLICATION REQUIREMENT FOR CONSIDERATION OF OFFICERS FOR CONTINUATION ON THE RESERVE ACTIVE-STATUS LIST.***

*Section 14701(a)(1) of title 10, United States Code, is amended by striking "Upon application, a reserve officer" and inserting "A reserve officer".*

### ***SEC. 509. TECHNICAL CORRECTIONS RELATING TO RETIRED GRADE OF RESERVE COMMISSIONED OFFICERS.***

*(a) ARMY.—Section 3961(a) of title 10, United States Code, is amended by striking "or for nonregular service under chapter 1223 of this title".*

*(b) AIR FORCE.—Section 8961(a) of title 10, United States Code, is amended by striking "or for nonregular service under chapter 1223 of this title".*

*(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to Reserve commissioned officers who are promoted to a higher grade as a result of selection for promotion by a board convened under chapter 36 or 1403 of title 10, United States Code, or having been found qualified for Federal recognition in a higher grade under chapter 3 of title 32, United States Code, after October 1, 1996.*

### ***SEC. 510. GRADE OF CHIEFS OF RESERVE COMPONENTS AND DIRECTORS OF NATIONAL GUARD COMPONENTS.***

*(a) CHIEF OF ARMY RESERVE.—Section 3038(c) of title 10, United States Code, is amended—*

*(1) by striking "major general" in the third sentence and inserting "lieutenant general"; and*

*(2) by striking the fourth sentence.*

*(b) CHIEF OF NAVAL RESERVE.—Section 5143(c)(2) of such title is amended—*

*(1) by striking "rear admiral" in the first sentence and inserting "vice admiral"; and*

*(2) by striking the second sentence.*

*(c) CHIEF OF AIR FORCE RESERVE.—Section 8038(c) of such title is amended—*

*(1) by striking "major general" in the third sentence and inserting "lieutenant general"; and*

*(2) by striking the fourth sentence.*

*(d) DIRECTORS IN THE NATIONAL GUARD BUREAU.—Subparagraphs (A) and (B) of section 10506(a)(1) of such title are each amended by striking "the grade of major general or, if appointed to that position in accordance with section 12505(a)(2) of this title,".*

*(e) COMMANDER, MARINE FORCES RESERVE.—(1) Section 5144(c)(2) of such title is amended to read as follows:*

*"(2)(A) The Commander, Marine Forces Reserve, while so serving, has the grade of major general, without vacating the officer's permanent grade. An officer may, however, be assigned to the position of Commander, Marine Forces Reserve, in the grade of lieutenant general if appointed to that grade for service in that position by the President, by and with the advice and consent of the Senate. An officer may be recommended to the President for such an appointment if selected for appointment to that position in accordance with subparagraph (B).*

*"(B) An officer shall be considered to have been selected for appointment to the position of Commander, Marine Forces Reserve, in accordance with this subparagraph if—*

*"(i) the officer is recommended for that appointment by the Secretary of the Navy;*

*"(ii) the officer is determined by the Chairman of the Joint Chiefs of Staff, in accordance with criteria and as a result of a process established by the Chairman, to have significant joint duty experience; and*

*"(iii) the officer is recommended by the Secretary of Defense to the President for the appointment.".*

*(2) Until October 1, 2002, the Secretary of Defense may, on a case-by-case basis, waive clause*

(ii) of section 5144(c)(2)(B) of title 10, United States Code (as added by paragraph (1)), with respect to the appointment of an officer to the position of Commander, Marine Forces Reserve, if in the judgment of the Secretary—

(A) the officer is qualified for service in the position; and

(B) the waiver is necessary for the good of the service.

(f) REPEAL OF SUPERSEDED AUTHORITY.—(1) Section 12505 of title 10, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 1213 of such title is amended by striking the item relating to section 12505.

(g) VICE CHIEF OF NATIONAL GUARD BUREAU.—(1) The Secretary of Defense shall conduct a study of the advisability of increasing the grade authorized for the Vice Chief of the National Guard Bureau to Lieutenant General.

(2) As part of the study, the Chief of the National Guard Bureau shall submit to the Secretary of Defense an analysis of the functions and responsibilities of the Vice Chief of the National Guard Bureau and the Chief's recommendation as to whether the grade authorized for the Vice Chief should be increased.

(3) Not later than February 1, 2001, the Secretary shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the study. The report shall include the following—

(A) the recommendation of the Chief of the National Guard Bureau and any other information provided by the Chief to the Secretary of Defense pursuant to paragraph (2);

(B) the conclusions resulting from the study; and

(C) the Secretary's recommendations regarding whether the grade authorized for the Vice Chief of the National Guard Bureau should be increased to Lieutenant General.

(h) EFFECTIVE DATES.—Subsection (g) shall take effect on the date of the enactment of this Act. Except for that subsection, this section and the amendments made by this section shall take effect on the earlier of—

(1) the date that is 90 days after the date of the enactment of this Act; or

(2) January 1, 2001.

### SEC. 511. CONTINGENT EXEMPTION FROM LIMITATION ON NUMBER OF AIR FORCE OFFICERS SERVING ON ACTIVE DUTY IN GRADES ABOVE MAJOR GENERAL.

Section 525(b) of title 10, United States Code, is amended by adding at the end the following:

"(8) While an officer of the Army, Navy, or Marine Corps is serving as Commander in Chief of the United States Transportation Command, an officer of the Air Force, while serving as Commander of the Air Mobility Command, if serving in the grade of general, is in addition to the number that would otherwise be permitted for the Air Force for officers serving on active duty in grades above major general under paragraph (1).

"(9) While an officer of the Army, Navy, or Marine Corps is serving as Commander in Chief of the United States Space Command, an officer of the Air Force, while serving as Commander of the Air Force Space Command, if serving in the grade of general, is in addition to the number that would otherwise be permitted for the Air Force for officers serving on active duty in grades above major general under paragraph (1).".

## Subtitle B—Joint Officer Management

### SEC. 521. JOINT SPECIALTY DESIGNATIONS AND ADDITIONAL IDENTIFIERS.

Section 661 of title 10, United States Code, is amended to read as follows:

**"§661. Management policies for joint specialty officers**

"(a) ESTABLISHMENT.—The Secretary of Defense shall establish policies, procedures, and practices for the effective management of officers of the Army, Navy, Air Force, and Marine Corps on the active-duty list who are particularly trained in, and oriented toward, joint matters (as defined in section 668 of this title). Such officers shall be identified or designated (in addition to their principal military occupational specialty) in such manner as the Secretary of Defense directs. For purposes of this chapter, officers to be managed by such policies, procedures, and practices are those who have been designated under subsection (b) as joint specialty officers.

"(b) JOINT SPECIALTY OFFICER DESIGNATION.—(1) The purpose for designation of officers as joint specialty officers is to provide a quickly identifiable group of officers who have the joint service experience and education in joint matters that are especially required for any particular organizational staff or joint task force operation.

"(2) To qualify for the joint specialty designation, an officer shall—

"(A) have successfully completed—

"(i) a program of education in residence at a joint professional military education school accredited as such by the Chairman of the Joint Chiefs of Staff; and

"(ii) a full tour of duty in a joint duty assignment; or

"(B) have successfully completed two full tours of duty in joint duty assignments.

"(3) The requirements set forth in paragraph (2)(A) may be satisfied in any sequence.

"(4) The Secretary of Defense shall prescribe the standards for characterizing the completion of a requirement under paragraph (2) as successful.

"(5) An officer may not be designated as a joint specialty officer unless qualified under paragraph (2).

"(c) ADDITIONAL IDENTIFIER.—An officer designated as a joint specialty officer may be awarded an additional joint specialty identifier as directed by the Secretary under subsection (a).

"(d) WAIVER AUTHORITY FOR AWARD OF ADDITIONAL IDENTIFIER.—(1) The Secretary of Defense may waive the applicability of a requirement for a qualification set forth in subsection (b) for a designation of a particular officer as a joint specialty officer upon the Secretary's determination that, by reason of unusual circumstances applicable in the officer's case, the officer has one or more qualifications that are comparable to the qualification waived.

"(2) The Secretary may grant a waiver for a general or flag officer under paragraph (1) only upon the Secretary's determination that it is necessary to do so in order to meet a critical need of the armed forces.

"(3) The Secretary may delegate authority under this subsection only to the Deputy Secretary of Defense or the Chairman of the Joint Chiefs of Staff.

"(4) The Secretary of the military department concerned may request a waiver under this subsection. A request shall include a full justification for the requested waiver on the basis of the criterion described in paragraph (1) and, in the case of a general or flag officer, the additional criterion described in paragraph (2).

"(e) GENERAL AND FLAG OFFICER POSITIONS.—(1) The Secretary of Defense shall designate the joint duty assignments for general or flag officers that must be filled by joint specialty officers.

"(2) Only a joint specialty officer may be assigned to a joint duty assignment designated under paragraph (1).

"(3) The Secretary may waive the limitation in paragraph (2) if the Secretary determines that it is necessary to do so in the interest of national security.

"(f) JOINT PROFESSIONAL MILITARY EDUCATION SCHOOLS.—The Chairman of the Joint Chiefs of Staff shall accredit as joint professional military education schools for the purposes of this chapter the schools that the Chairman determines as being qualified for the accreditation. A school may not be considered a joint professional military education school for any such purpose unless the school is so accredited.".

### SEC. 522. PROMOTION OBJECTIVES.

(a) OBJECTIVES.—Section 662 of title 10, United States Code, is amended to read as follows:

**"§662. Promotion policy objectives for joint officers**

"(a) QUALIFICATIONS.—The Secretary of Defense shall ensure that the qualifications of officers assigned to joint duty assignments and officers whose previous assignment was a joint duty assignment are such that those officers are expected, as a group, to be promoted to the next higher grade at a rate not less than the rate for officers of the same armed force in the same grade and competitive category who are serving on the headquarters staff of that armed force.

"(b) VALIDATION OF QUALIFICATIONS.—(1) The Secretary of a military department shall validate the qualifications of officers under the jurisdiction of the Secretary for eligibility for joint duty assignments.

"(2) The Secretary shall ensure that, under the process prescribed under paragraph (3), an adequate number of the colonels or, in the case of the Navy, captains validated as qualified for joint duty assignments satisfy the requirements under section 619a of this title for promotion to brigadier general or rear admiral (lower half), respectively.

"(3) The Secretary shall prescribe the process for validating qualifications of officers under the jurisdiction of the Secretary in accordance with this subsection.

"(c) CONSIDERATION OF JOINT SPECIALTY OFFICERS.—(1) The Secretary of Defense shall prescribe policies for ensuring that joint specialty officers eligible for consideration for promotion are appropriately considered for promotion.

"(2) The policies shall require the following:

"(A) That at least one member of a board convened for the selection of officers for promotion to a grade above major or, in the case of the Navy, lieutenant commander is serving in a joint duty assignment and has been approved by the Chairman of the Joint Chiefs of Staff for appointment to membership on that board.

"(B) That the Chairman of the Joint Chiefs of Staff has the opportunity to review the report of each promotion selection board referred to in subparagraph (A), and to submit comments on the report to the Secretary of Defense and the Secretary of the military department concerned, before the Secretary of that military department takes action on the report.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 38 of title 10, United States Code, is amended by striking the item relating to section 662 and inserting the following:

"662. Promotion policy objectives for joint officers.".

### SEC. 523. EDUCATION.

(a) OFFICERS ELIGIBLE FOR WAIVER OF CAPSTONE COURSE REQUIREMENT.—Subsection (a)(1)(C) of section 663 of title 10, United States Code, is amended by striking "scientific and technical qualifications" and inserting "career field specialty qualifications".

(b) REPEAL OF REQUIREMENT FOR POST-EDUCATION JOINT DUTY ASSIGNMENT.—Such section is further amended by striking subsection (d).

### SEC. 524. LENGTH OF JOINT DUTY ASSIGNMENT.

(a) IN GENERAL.—Section 664 of title 10, United States Code, is amended—

*(1) by striking subsections (a) through (h);*

*(2) by redesignating subsection (i) as subsection (f); and*

*(3) by inserting after the section heading the following:*

*"(a) In General.—The length of a joint duty assignment at an installation or other place of duty shall be equivalent to the standard length of the assignments (other than joint duty assignments) of officers at that installation or other place of duty.*

*"(b) Waiver Authority.—The Secretary of Defense may waive the requirement in subsection (a) for the length of a joint duty assignment in the case of any officer upon a determination by the Secretary that the waiver is critical in the case of that specific officer for meeting military personnel management requirements.*

*"(c) Curtailment of Assignment.—The Secretary of Defense may, upon the request of the Secretary of the military department concerned, authorize a curtailment of a joint duty assignment of more than two years for an officer who has served in that assignment for at least two years.*

*"(d) Full Tour of Duty.—Subject to subsection (e), an officer shall be considered to have completed a full tour of duty in a joint duty assignment upon the completion of service performed in a grade not lower than major or, in the case of the Navy, lieutenant commander, as follows:*

*"(1) Service in a joint duty assignment that meets the standard set forth in subsection (a).*

*"(2) Service in a joint duty assignment under the circumstances described in subsection (c).*

*"(3) Cumulative service in one or more joint task force headquarters that is substantially equivalent to a standard length of assignment determined under subsection (a).*

*"(4) Service in a joint duty assignment with respect to which the Secretary of Defense has granted a waiver under subsection (b), but only in a case in which the Secretary directs that the service completed by the officer in that duty assignment be considered to be a full tour of duty in a joint duty assignment.*

*"(5) Service in a second joint duty assignment that is less than the period required under subsection (a), but is not less than two years, without regard to whether a waiver was granted for such assignment under subsection (b).".*

*(b) Joint Duty Credit for Certain Joint Task Force Assignments.—Subsection (f) of such section, as redesignated by subsection (a)(2), is amended—*

*(1) in paragraph (4)(B), by inserting before the period at the end the following: ", except that cumulative service of less than one year in more than one such assignment in the headquarters of a joint task force may not be credited";*

*(2) in paragraph (4)(E)—*

*(A) by striking "combat or combat-related"; and*

*(B) by inserting before the period at the end the following: ", as approved by the Secretary of Defense";*

*(3) in paragraph (5), by striking "any of the following provisions of this title:" and all that follows and inserting "section 662 of this title or paragraph (2), (4), or (7) of section 667(a) of this title."; and*

*(4) by striking paragraph (6).*

### *SEC. 525. ANNUAL REPORT TO CONGRESS.*

*Section 667 of title 10, United States Code, is amended by striking paragraph (1) and all that follows and inserting the following:*

*"(1) The number of joint specialty officers, reported by grade and by branch or specialty.*

*"(2) An assessment of the extent to which the Secretary of each military department is assigning personnel to joint duty assignments in accordance with this chapter and the policies, procedures, and practices established by the Secretary of Defense under section 661(a) of this title.*

*"(3) The number of waivers granted under section 619a(b)(1) of this title for officers in the grade of colonel or, in the case of the Navy, captain for each of the years preceding the year in which the report is submitted.*

*"(4) The officers whose service in joint duty assignments during the year covered by the report terminated before the officers completed the full tour of duty in those assignments, expressed as a percent of the total number of officers in joint duty assignments during that year.*

*"(5) The percentage of fill of student quotas for each course of the National Defense University for the year covered by the report.*

*"(6) A list of the joint task force headquarters in which service was approved for crediting as a joint duty assignment for the year covered by the report.*

*"(7) The following comparisons:*

*"(A) A comparison of—*

*"(i) the promotion rates for officers who are officers serving in joint duty assignments or officers whose previous assignment was a joint duty assignment and were considered for promotion within the promotion zone, with*

*"(ii) the promotion rates for other officers in the same grade and the same competitive category who are serving on the headquarters staff of the armed force concerned and were considered for promotion within the promotion zone.*

*"(B) A comparison of—*

*"(i) the promotion rates for officers who are officers serving in joint duty assignments or officers whose previous assignment was a joint duty assignment and were considered for promotion from above the promotion zone, with*

*"(ii) the promotion rates for other officers in the same grade and the same competitive category who are serving on the headquarters staff of the armed force concerned and were considered for promotion from above the promotion zone.*

*"(C) A comparison of—*

*"(i) the promotion rates for officers who are officers serving in joint duty assignments or officers whose previous assignment was a joint duty assignment and were considered for promotion from below the promotion zone, with*

*"(ii) the promotion rates for other officers in the same grade and the same competitive category who are serving on the headquarters staff of the armed force concerned and were considered for promotion from below the promotion zone.*

*"(8) If any of the comparisons in paragraph (7) indicate that the promotion rates for officers referred to in subparagraph (A)(i), (B)(i), or (C)(i) of such paragraph fail to meet the objective set forth in section 662(a) of this title, information on the failure and on what action the Secretary has taken or plans to take to prevent further failures.*

*"(9) Any other information relating to joint officer management that the Secretary of Defense considers significant.".*

### *SEC. 526. MULTIPLE ASSIGNMENTS CONSIDERED AS SINGLE JOINT DUTY ASSIGNMENT.*

*(a) Definition of Joint Duty Assignment.—Subsection (b) of section 668 of title 10, United States Code, is amended—*

*(1) by redesignating paragraph (2) as paragraph (3); and*

*(2) by inserting after paragraph (1) the following new paragraph (2):*

*"(2) An assignment not qualifying as a joint duty assignment within the definition prescribed under paragraph (1) shall be treated as a joint duty assignment for the purposes of this subchapter if the assignment is considered under subsection (c)(2) as part of a single tour of duty in a joint duty assignment.".*

*(b) Multiple Assignments Considered as Single Tour of Duty.—Subsection (c) of such section is amended to read as follows:*

*"(c) Multiple Assignments Considered as Single Tour of Duty.—For purposes of this chapter, service in more than one assignment shall be considered to be a single tour of duty in a joint duty assignment, as follows:*

*"(1) Continuous service in two or more consecutive joint duty assignments, as defined under subsection (b)(1).*

*"(2) Continuous service, in any order, in—*

*"(A) at least one joint duty assignment, as defined under subsection (b)(1); and*

*"(B) one or more assignments not satisfying the definition prescribed under subsection (b)(1) but involving service that provides significant experience in joint matters, as determined under policies prescribed by the Secretary of Defense under section 661(a) of this title.".*

### *SEC. 527. JOINT DUTY REQUIREMENT FOR PROMOTION TO ONE-STAR GRADES.*

*Section 619a of title 10, United States Code, is amended—*

*(1) in subsection (a), by striking "section 664(f)" and inserting "section 664(d); and*

*(2) in subsection (b)—*

*(A) in paragraph (2), by striking "scientific and technical qualifications" and inserting "career field specialty qualifications"; and*

*(B) in paragraph (4), by striking "if—" and all that follows and inserting a period.*

## *Subtitle C—Education and Training*

### *SEC. 541. ELIGIBILITY OF CHILDREN OF RESERVES FOR PRESIDENTIAL APPOINTMENT TO SERVICE ACADEMIES.*

*(a) United States Military Academy.—Section 4342(b)(1) of title 10, United States Code, is amended—*

*(1) in subparagraph (B), by striking ", other than those granted retired pay under section 12731 of this title (or under section 1331 of this title as in effect before the effective date of the Reserve Officer Personnel Management Act)"; and*

*(2) by inserting after subparagraph (B) the following:*

*"(C) are serving as members of reserve components and are credited with at least eight years of service computed under section 12733 of this title; or*

*"(D) would be, or who died while they would have been, entitled to retired pay under chapter 1223 of this title except for not having attained 60 years of age;".*

*(b) United States Naval Academy.—Section 6954(b)(1) of such title is amended—*

*(1) in subparagraph (B), by striking ", other than those granted retired pay under section 12731 of this title (or under section 1331 of this title as in effect before the effective date of the Reserve Officer Personnel Management Act)"; and*

*(2) by inserting after subparagraph (B) the following:*

*"(C) are serving as members of reserve components and are credited with at least eight years of service computed under section 12733 of this title; or*

*"(D) would be, or who died while they would have been, entitled to retired pay under chapter 1223 of this title except for not having attained 60 years of age;".*

*(c) United States Air Force Academy.—Section 9342(b)(1) of such title is amended—*

*(1) in subparagraph (B), by striking ", other than those granted retired pay under section 12731 of this title (or under section 1331 of this title as in effect before the effective date of the Reserve Officer Personnel Management Act)"; and*

*(2) by inserting after subparagraph (B) the following:*

*"(C) are serving as members of reserve components and are credited with at least eight years of service computed under section 12733 of this title; or*

*"(D) would be, or who died while they would have been, entitled to retired pay under chapter 1223 of this title except for not having attained 60 years of age;".*

### SEC. 542. SELECTION OF FOREIGN STUDENTS TO RECEIVE INSTRUCTION AT SERVICE ACADEMIES.

*(a) United States Military Academy.—Section 4344(a) of title 10, United States Code, is amended by adding at the end the following:*

*"(3) In selecting persons to receive instruction under this section from among applicants from the countries approved under paragraph (2), the Secretary shall give a priority to persons who have a national service obligation to their countries upon graduation from the Academy.".*

*(b) United States Naval Academy.—Section 6957(a) of such title is amended by adding at the end the following:*

*"(3) In selecting persons to receive instruction under this section from among applicants from the countries approved under paragraph (2), the Secretary shall give a priority to persons who have a national service obligation to their countries upon graduation from the Academy.".*

*(c) United States Air Force Academy.—Section 9344(a) of such title is amended by adding at the end the following:*

*"(3) In selecting persons to receive instruction under this section from among applicants from the countries approved under paragraph (2), the Secretary shall give a priority to persons who have a national service obligation to their countries upon graduation from the Academy.".*

*(d) Effective Date and Applicability.—This section and the amendments made by this section shall take effect on October 1, 2000, and shall apply with respect to academic years that begin after that date.*

### SEC. 543. REPEAL OF CONTINGENT FUNDING INCREASE FOR JUNIOR RESERVE OFFICERS TRAINING CORPS.

*(a) Repeal.—(1) Section 2033 of title 10, United States Code, is repealed.*

*(2) The table of sections at the beginning of chapter 102 of such title is amended by striking the item relating to section 2033.*

*(b) Effective Date.—This section and the amendments made by this section shall take effect on October 1, 2000.*

### SEC. 544. REVISION OF AUTHORITY FOR MARINE CORPS PLATOON LEADERS CLASS TUITION ASSISTANCE PROGRAM.

*(a) Eligibility of Officers.—Section 16401 of title 10, United States Code, is amended—*

*(1) in subsection (a), by striking "enlisted" in the matter preceding paragraph (1); and*

*(2) in subsection (b)(1)—*

*(A) by striking "an enlisted member" in the matter preceding subparagraph (A) and inserting "a member"; and*

*(B) by striking "an officer candidate in" in subparagraph (A) and inserting "a member of".*

*(b) Repeal of Age Limitations.—Subsection (b) of such section is amended—*

*(1) in paragraph (1)—*

*(A) by striking subparagraph (B);*

*(B) by redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively; and*

*(C) in subparagraph (C), as so redesignated, by striking "paragraph (3)" and inserting "paragraph (2)";*

*(2) by striking subparagraph (2);*

*(3) by redesignating paragraph (3) as paragraph (2); and*

*(4) in paragraph (2), as so redesignated, by striking "paragraph (1)(D)" and inserting "paragraph (1)(C)".*

*(c) Candidates for Law Degrees.—Subsection (a)(2) of such section is amended by striking "three" and inserting "four".*

*(d) Inapplicability of Sanction to Officers.—Subsection (f)(1) of such section is amended by striking "A member" and inserting "An enlisted member".*

*(e) Amendments of Headings.—(1) The heading for such section is amended to read as follows:*

***"§ 16401. Marine Corps Platoon Leaders Class tuition assistance program".***

*(2) The heading for subsection (a) of such section is amended by striking "For Financial Assistance Program".*

*(f) Clerical Amendment.—The item relating to such section in the table of chapters at the beginning of chapter 1611 of title 10, United States Code, is amended to read as follows:*

*"16401. Marine Corps Platoon Leaders Class tuition assistance program.".*

### Subtitle D—Matters Relating to Recruiting

### SEC. 551. ARMY RECRUITING PILOT PROGRAMS.

*(a) Requirement for Programs.—The Secretary of the Army shall carry out pilot programs to test various recruiting approaches under this section for the following purposes:*

*(1) To assess the effectiveness of the recruiting approaches for creating enhanced opportunities for recruiters to make direct, personal contact with potential recruits.*

*(2) To improve the overall effectiveness and efficiency of Army recruiting activities.*

*(b) Outreach Through Motor Sports.—(1) One of the pilot programs shall be a pilot program of public outreach that associates the Army with motor sports competitions to achieve the objectives set forth in paragraph (2).*

*(2) The events and activities undertaken under the pilot program shall be designed to provide opportunities for Army recruiters to make direct, personal contact with high school students to achieve the following objectives:*

*(A) To increase enlistments by students graduating from high school.*

*(B) To reduce attrition in the Delayed Entry Program of the Army by sustaining the personal commitment of students who have elected delayed entry into the Army under the program.*

*(3) Under the pilot program, the Secretary shall provide for the following:*

*(A) For Army recruiters or other Army personnel—*

*(i) to organize Army sponsored career day events in association with national motor sports competitions; and*

*(ii) to arrange for or encourage attendance at the competitions by high school students, teachers, guidance counselors, and administrators of high schools located near the competitions.*

*(B) For Army recruiters and other soldiers to attend national motor sports competitions—*

*(i) to display exhibits depicting the contemporary Army and career opportunities in the Army; and*

*(ii) to discuss those opportunities with potential recruits.*

*(C) For the Army to sponsor a motor sports racing team as part of an integrated program of recruitment and publicity for the Army.*

*(D) For the Army to sponsor motor sports competitions for high school students at which recruiters meet with potential recruits.*

*(E) For Army recruiters or other Army personnel to compile in an Internet accessible database the names, addresses, telephone numbers, and electronic mail addresses of persons who are identified as potential recruits through activities under the pilot program.*

*(F) Any other activities associated with motor sports competition that the Secretary determines appropriate for Army recruitment purposes.*

*(c) Outreach at Vocational Schools and Community Colleges.—(1) One of the pilot programs shall be a pilot program under which Army recruiters are assigned at postsecondary vocational institutions and community colleges for the purpose of recruiting students graduating from those institutions and colleges, recent graduates of those institutions and colleges, and students withdrawing from enrollments in those institutions and colleges.*

*(2) The Secretary shall select the institutions and colleges to be invited to participate in the pilot program.*

*(3) The conduct of the pilot program at an institution or college shall be subject to an agreement which the Secretary shall enter into with the governing body or authorized official of the institution or college, as the case may be.*

*(4) Under the pilot program, the Secretary shall provide for the following:*

*(A) For Army recruiters to be placed in postsecondary vocational institutions and community colleges to serve as a resource for guidance counselors and to recruit for the Army.*

*(B) For Army recruiters to recruit from among students and graduates described in paragraph (1).*

*(C) For the use of telemarketing, direct mail, interactive voice response systems, and Internet website capabilities to assist the recruiters in the postsecondary vocational institutions and community colleges.*

*(D) For any other activities that the Secretary determines appropriate for recruitment activities in postsecondary vocational institutions and community colleges.*

*(5) In this subsection, the term "postsecondary vocational institution" has the meaning given the term in section 102(c) of the Higher Education Act of 1965 (20 U.S.C. 1002(c)).*

*(d) Contract Recruiting Initiatives.—(1) One of the pilot programs shall be a program that expands in accordance with this subsection the scope of the Army's contract recruiting initiatives that are ongoing as of the date of the enactment of this Act. Under the pilot program, the Secretary shall select at least five recruiting battalions to apply the initiatives in efforts to recruit personnel for the Army.*

*(2) Under the pilot program, the Secretary shall provide for the following:*

*(A) For replacement of the Regular Army recruiters by contract recruiters in the five recruiting battalions selected under paragraph (1).*

*(B) For operation of the five battalions under the same rules and chain of command as the other Army recruiting battalions.*

*(C) For use of the offices, facilities, and equipment of the five battalions by the contract recruiters.*

*(D) For reversion to performance of the recruiting activities by Regular Army soldiers in the five battalions upon termination of the pilot program.*

*(E) For any other uses of contractor personnel for Army recruiting activities that the Secretary determines appropriate.*

*(e) Duration of Pilot Programs.—The pilot programs required by this section shall be carried out during the period beginning on October 1, 2000, and, subject to subsection (f), ending on December 31, 2005.*

*(f) Authority To Expand or Extend Pilot Programs.—The Secretary may expand the scope of any of the pilot programs (under subsection (b)(3)(F), (c)(4)(D), (d)(2)(E), or otherwise) or extend the period for any of the pilot programs. Before doing so in the case of a pilot program, the Secretary shall submit to the Committees on Armed Services of the Senate and the House of Representatives a written notification of the expansion of the pilot program (together with the scope of the expansion) or the continuation of the pilot program (together with the period of the extension), as the case may be.*

*(g) Relationship to Other Law.—The Secretary may exercise the authority to carry out a*

*pilot program under this section without regard to any other provision of law that, except for this subsection, would otherwise restrict the actions taken by the Secretary under that authority.*

*(h) REPORTS.—Not later than February 1, 2006, the Secretary of the Army shall submit to the Committees on Armed Services of the Senate and the House of Representatives a separate report on each of the pilot programs carried out under this section. The report on a pilot program shall include the following:*

*(1) The Secretary's assessment of the value of the actions taken in the administration of the pilot program for increasing the effectiveness and efficiency of Army recruiting.*

*(2) Any recommendations for legislation or other action that the Secretary considers appropriate to increase the effectiveness and efficiency of Army recruiting.*

### SEC. 552. ENHANCEMENT OF THE JOINT AND SERVICE RECRUITMENT MARKET RESEARCH AND ADVERTISING PROGRAMS.

*The Secretary of Defense shall take appropriate actions to enhance the effectiveness of the Joint and Service Recruiting and Advertising Programs through an aggressive program of advertising and market research targeted to prospective recruits for the Armed Forces and to persons who influence prospective recruits. Chapter 35 of title 44, United States Code, shall not apply to actions taken under this section.*

### SEC. 553. ACCESS TO SECONDARY SCHOOLS FOR MILITARY RECRUITING PURPOSES.

*(a) REQUIREMENT FOR ACCESS.—Section 503(c) of title 10, United States Code, is amended to read as follows:*

*"(c) ACCESS TO SECONDARY SCHOOLS.—(1) Each local educational agency shall provide to the Department of Defense, upon a request made for military recruiting purposes, the same access to secondary school students, and to directory information concerning such students, as is provided generally to post-secondary educational institutions or to prospective employers of those students, except as provided in paragraph (5).*

*"(2) If a local educational agency denies a request for recruiting access that must be granted under paragraph (1), the Secretary of the military department for which the request is made shall designate a general or flag officer of the armed force concerned or a senior executive of that military department to visit the local educational agency for the purpose of arranging for recruiting access. The designated officer or senior executive shall make the visit within 120 days after the date of the denial of the request.*

*"(3) Upon a determination by the Secretary of Defense that, after the actions under paragraph (2) have been taken with respect to a local educational agency, the agency continues to deny recruiting access, the Secretary shall transmit to the Chief Executive of the State in which the local educational agency is located a notification of the denial of access and a request for assistance in obtaining the requested access. The notification shall be transmitted within 60 days after the date of the determination. The Secretary shall provide copies of communications between the Secretary and a Chief Executive under this subparagraph to the Secretary of Education.*

*"(4) If a local educational agency continues to deny recruiting access one year after the date of the transmittal of a notification regarding that agency under paragraph (3), the Secretary shall—*

*"(A) determine whether the agency denies recruiting access to at least two of the armed forces (other than the Coast Guard when it is not operating as a service in the Navy); and*

*"(B) upon making an affirmative determination under subparagraph (A), transmit a notification of the denial of recruiting access to—*

*"(i) the Committees on Armed Services of the Senate and the House of Representatives;*

*"(ii) the Senators of the State in which the local educational agency operates; and*

*"(iii) the member of the House of Representatives who represents the district in which the local educational agency operates.*

*"(5) The requirements of this subsection do not apply to a local educational agency with respect to access to secondary school students or access to directory information concerning such students during any period that there is in effect a policy of the agency, established by majority vote of the governing body of the agency, to deny access to the students or to the directory information, respectively, for military recruiting purposes.*

*"(6) In this subsection:*

*"(A) The term 'local educational agency' includes a private secondary educational institution.*

*"(B) The term 'recruiting access' means access requested as described in paragraph (1).*

*"(C) The term 'senior executive' has the meaning given that term in section 3132(a)(3) of title 5.*

*"(D) The term 'State' includes the District of Columbia, American Samoa, the Federated States of Micronesia, Guam, the Republic of the Marshall Islands, the Commonwealth of the Northern Mariana Islands, the Commonwealth of Puerto Rico, the Republic of Palau, and the United States Virgin Islands.".*

*(b) TECHNICAL AMENDMENTS.—Section 503 of title 10, United States Code, is amended—*

*(1) in subsection (a), by inserting "RECRUITING CAMPAIGNS.—" after "(a)";*

*(2) in subsection (b), by inserting "COMPILATION OF DIRECTORY INFORMATION.—" after "(b)"; and*

*(3) in subsection (c), by inserting "ACCESS TO SECONDARY SCHOOLS.—" after "(c)".*

*(c) EFFECTIVE DATES.—(1) The amendment made by subsection (a) shall take effect on July 1, 2002.*

*(2) The amendments made by subsection (b) shall take effect on the date of the enactment of this Act.*

## Subtitle E—Military Voting Rights Act of 2000

### SEC. 561. SHORT TITLE.

*This subtitle may be cited as the "Military Voting Rights Act of 2000".*

### SEC. 562. GUARANTEE OF RESIDENCY.

*Article VII of the Soldiers' and Sailors' Civil Relief Act of 1940 (50 U.S.C. 700 et seq.) is amended by adding at the end the following:*

*"SEC. 704. (a) For purposes of voting for an office of the United States or of a State, a person who is absent from a State in compliance with military or naval orders shall not, solely by reason of that absence—*

*"(1) be deemed to have lost a residence or domicile in that State;*

*"(2) be deemed to have acquired a residence or domicile in any other State; or*

*"(3) be deemed to have become resident in or a resident of any other State.*

*"(b) In this section, the term 'State' includes a territory or possession of the United States, a political subdivision of a State, territory, or possession, and the District of Columbia.".*

### SEC. 563. STATE RESPONSIBILITY TO GUARANTEE MILITARY VOTING RIGHTS.

*(a) REGISTRATION AND BALLOTING.—Section 102 of the Uniformed and Overseas Absentee Voting Act (42 U.S.C. 1973ff–1) is amended—*

*(1) by inserting "(a) ELECTIONS FOR FEDERAL OFFICES.—" before "Each State shall—"; and*

*(2) by adding at the end the following:*

*"(b) ELECTIONS FOR STATE AND LOCAL OFFICES.—Each State shall—*

*"(1) permit absent uniformed services voters to use absentee registration procedures and to vote by absentee ballot in general, special, primary, and run-off elections for State and local offices; and*

*"(2) accept and process, with respect to any election described in paragraph (1), any otherwise valid voter registration application from an absent uniformed services voter if the application is received by the appropriate State election official not less than 30 days before the election.".*

*(b) CONFORMING AMENDMENT.—The heading for title I of such Act is amended by striking out "**FOR FEDERAL OFFICE**".*

## Subtitle F—Other Matters

### SEC. 571. AUTHORITY FOR AWARD OF MEDAL OF HONOR TO CERTAIN SPECIFIED PERSONS.

*(a) INAPPLICABILITY OF TIME LIMITATIONS.—Notwithstanding the time limitations in section 3744(b) of title 10, United States Code, or any other time limitation, the President may award the Medal of Honor under section 3741 of such title to the persons specified in subsection (b) for the acts specified in that subsection, the award of the Medal of Honor to such persons having been determined by the Secretary of the Army to be warranted in accordance with section 1130 of such title.*

*(b) PERSONS ELIGIBLE TO RECEIVE THE MEDAL OF HONOR.—The persons referred to in subsection (a) are the following:*

*(1) Ed W. Freeman, for conspicuous acts of gallantry and intrepidity at the risk of his life and beyond the call of duty on November 14, 1965, as flight leader and second-in-command of a helicopter lift unit at landing zone X-Ray in the Battle of the Ia Drang Valley, Republic of Vietnam, during the Vietnam War, while serving in the grade of Captain in Alpha Company, 229th Assault Helicopter Battalion, 101st Cavalry Division (Airmobile).*

*(2) James K. Okubo, for conspicuous acts of gallantry and intrepidity at the risk of his life and beyond the call of duty on October 28 and 29, and November 4, 1944, at Foret Domaniale de Champ, near Biffontaine, France, during World War II, while serving as an Army medic in the grade of Technician Fifth Grade in the medical detachment, 442d Regimental Combat Team.*

*(3) Andrew J. Smith, for conspicuous acts of gallantry and intrepidity at the risk of his life and beyond the call of duty on November 30, 1864, in the Battle of Honey Hill, South Carolina, during the Civil War, while serving as a corporal in the 55th Massachusetts Voluntary Infantry Regiment.*

*(c) POSTHUMOUS AWARD.—The Medal of Honor may be awarded under this section posthumously, as provided in section 3752 of title 10, United States Code.*

*(d) PRIOR AWARD.—The Medal of Honor may be awarded under this section for service for which a Silver Star, or other award, has been awarded.*

### SEC. 572. WAIVER OF TIME LIMITATIONS FOR AWARD OF CERTAIN DECORATIONS TO CERTAIN PERSONS.

*(a) WAIVER.—Any limitation established by law or policy for the time within which a recommendation for the award of a military decoration or award must be submitted shall not apply to awards of decorations described in this section, the award of each such decoration having been determined by the Secretary concerned to be warranted in accordance with section 1130. of title 10, United States Code.*

*(b) SILVER STAR.—Subsection (a) applies to the award of the Silver Star to Louis Rickler, of Rochester, New York, for gallantry in action from August 18 to November 18, 1918, while serving as a member of the Army.*

*(c) DISTINGUISHED FLYING CROSS.—Subsection (a) applies to the award of the Distinguished Flying Cross for service during World War II or*

Korea (including multiple awards to the same individual) in the case of each individual concerning whom the Secretary of the Navy (or an officer of the Navy acting on behalf of the Secretary) submitted to the Committee on Armed Services of the House of Representatives and the Committee on Armed Services of the Senate, during the period beginning on October 5, 1999, and ending on the day before the date of the enactment of this Act, a notice as provided in section 1130(b) of title 10, United States Code, that the award of the Distinguished Flying Cross to that individual is warranted and that a waiver of time restrictions prescribed by law for recommendation for such award is recommended.

### SEC. 573. INELIGIBILITY FOR INVOLUNTARY SEPARATION PAY UPON DECLINATION OF SELECTION FOR CONTINUATION ON ACTIVE DUTY.

(a) INELIGIBILITY.—Section 1174(a)(1) of title 10, United States Code, is amended—

(1) by inserting ", 637(a)(4)," after "section 630(1)(A)"; and

(2) by inserting "(except under section 580(e)(2))" after "section 580".

(b) EFFECTIVE DATE AND APPLICABILITY.—The amendments made by subsection (a) shall take effect on October 1, 2000, and shall apply with respect to discharges and retirements from active duty that take effect under section 580(e)(2) or 637(a)(4) of title 10, United States Code, on or after that date.

### SEC. 574. RECOGNITION BY STATES OF MILITARY TESTAMENTARY INSTRUMENTS.

(a) IN GENERAL.—Chapter 53 of title 10, United States Code, is amended by inserting after section 1044c the following new section:

**"§ 1044d. Military testamentary instruments: requirement for recognition by States**

"(a) TESTAMENTARY INSTRUMENTS TO BE GIVEN LEGAL EFFECT.—A military testamentary instrument—

"(1) is exempt from any requirement of form, formality, or recording before probate that is provided for testamentary instruments under the laws of a State; and

"(2) has the same legal effect as a testamentary instrument prepared and executed in accordance with the laws of the State in which it is presented for probate.

"(b) MILITARY TESTAMENTARY INSTRUMENTS.—For purposes of this section, a military testamentary instrument is an instrument that is prepared with testamentary intent in accordance with regulations prescribed under this section and that—

"(1) is executed in accordance with subsection (c) by (or on behalf of) a person, as a testator, who is eligible for military legal assistance;

"(2) makes a disposition of property of the testator; and

"(3) takes effect upon the death of the testator.

"(c) REQUIREMENTS FOR EXECUTION OF MILITARY TESTAMENTARY INSTRUMENTS.—An instrument is valid as a military testamentary instrument only if—

"(1) the instrument is executed by the testator (or, if the testator is unable to execute the instrument personally, the instrument is executed in the presence of, by the direction of, and on behalf of the testator);

"(2) the instrument is executed in the presence of a military legal assistance counsel acting as presiding attorney;

"(3) the instrument is executed in the presence of at least two disinterested witnesses (in addition to the presiding attorney), each of whom attests to witnessing the testator's execution of the instrument by signing it; and

"(4) the instrument is executed in accordance with such additional requirements as may be provided in regulations prescribed under this section.

"(d) SELF-PROVING MILITARY TESTAMENTARY INSTRUMENTS.—(1) If the document setting forth a military testamentary instrument meets the requirements of paragraph (2), then the signature of a person on the document as the testator, an attesting witness, a notary, or the presiding attorney, together with a written representation of the person's status as such and the person's military grade (if any) or other title, is prima facie evidence of the following:

"(A) That the signature is genuine.

"(B) That the signatory had the represented status and title at the time of the execution of the will.

"(C) That the signature was executed in compliance with the procedures required under the regulations prescribed under subsection (f).

"(2) A document setting forth a military testamentary instrument meets the requirements of this paragraph if it includes (or has attached to it), in a form and content required under the regulations prescribed under subsection (f), each of the following:

"(A) A certificate, executed by the testator, that includes the testator's acknowledgment of the testamentary instrument.

"(B) An affidavit, executed by each witness signing the testamentary instrument, that attests to the circumstances under which the testamentary instrument was executed.

"(C) A notarization, including a certificate of any administration of an oath required under the regulations, that is signed by the notary or other official administering the oath.

"(e) STATEMENT TO BE INCLUDED.—(1) Under regulations prescribed under this section, each military testamentary instrument shall contain a statement that sets forth the provisions of subsection (a).

"(2) Paragraph (1) shall not be construed to make inapplicable the provisions of subsection (a) to a testamentary instrument that does not include a statement described in that paragraph.

"(f) REGULATIONS.—Regulations for the purposes of this section shall be prescribed jointly by the Secretary of Defense and by the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Department of the Navy.

"(g) DEFINITIONS.—In this section:

"(1) The term 'person eligible for military legal assistance' means a person who is eligible for legal assistance under section 1044 of this title.

"(2) The term 'military legal assistance counsel' means—

"(A) a judge advocate (as defined in section 801(13) of this title); or

"(B) a civilian attorney serving as a legal assistance officer under the provisions of section 1044 of this title.

"(3) The term 'State' includes the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, and each possession of the United States.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1044c the following new item:

"1044d. Military testamentary instruments: requirement for recognition by States.".

### SEC. 575. SENSE OF CONGRESS ON THE COURT-MARTIAL CONVICTION OF CAPTAIN CHARLES BUTLER McVAY, COMMANDER OF THE U.S.S. INDIANAPOLIS, AND ON THE COURAGEOUS SERVICE OF ITS CREW.

(a) FINDINGS.—Congress makes the following findings:

(1) Shortly after midnight on the morning of July 30, 1945, the United States Navy heavy cruiser U.S.S. Indianapolis (CA-35) was torpedoed and sunk by the Japanese submarine I-58 in what became the worst sea disaster in the history of the United States Navy.

(2) Although approximately 900 of the ship's crew of 1,196 survived the actual sinking, only 316 of those courageous sailors survived when rescued after four and a half days adrift in the open sea.

(3) Nearly 600 of the approximately 900 men who survived the sinking perished from battle wounds, drowning, predatory shark attacks, exposure to the elements, and lack of food and potable water.

(4) Rescue came for the remaining 316 sailors when they were spotted by chance by Navy Lieutenant Wilbur C. Gwinn while flying a routine naval air patrol mission.

(5) After the end of World War II, the commanding officer of the U.S.S. Indianapolis, Captain Charles Butler McVay, who was rescued with the other survivors, was court-martialed for "suffering a vessel to be hazarded through negligence" by failing to zigzag (a naval tactic employed to help evade submarine attacks), and was convicted even though—

(A) the choice to zigzag was left to Captain McVay's discretion in his orders; and

(B) Motchisura Hashimoto, the commander of the Japanese submarine that sank the U.S.S. Indianapolis, and Glynn R. Donaho, a United States Navy submarine commander highly decorated for his service during World War II, both testified at Captain McVay's court-martial trial that the Japanese submarine could have sunk the U.S.S. Indianapolis whether or not it had been zigzagging, an assertion that the Japanese submarine commander has since reaffirmed in a letter to the Chairman of the Committee on Armed Services of the Senate.

(6) Although not argued by Captain McVay's defense counsel in the court-martial trial, poor visibility on the night of the sinking (as attested in surviving crew members' handwritten accounts recently discovered at the National Archives) justified Captain McVay's choice not to zigzag as that choice was consistent with the applicable Navy directives in force in 1945, which stated that, "During thick weather and at night, except on very clear nights or during bright moonlight, vessels normally cease zigzagging.".

(7) Naval officials failed to provide Captain McVay with available support that was critical to the safety of the U.S.S. Indianapolis and its crew on what became its final mission by—

(A) disapproving a request made by Captain McVay for a destroyer escort for the U.S.S. Indianapolis across the Philippine Sea as being "not necessary";

(B) not informing Captain McVay that naval intelligence sources, through signal intelligence (the Japanese code having been broken earlier in World War II), had become aware that the Japanese submarine I-58 was operating in the area of the U.S.S. Indianapolis' course (as disclosed in evidence presented in a hearing of the Committee on Armed Services of the Senate); and

(C) not informing Captain McVay of the sinking of the destroyer escort U.S.S. Underhill by a Japanese submarine within range of the course of the U.S.S. Indianapolis four days before the U.S.S. Indianapolis departed Guam on its fatal voyage.

(8) Captain McVay's court-martial initially was opposed by his immediate command superiors, Fleet Admiral Chester Nimitz (CINCPAC) and Vice Admiral Raymond Spruance of the 5th fleet, for which the U.S.S. Indianapolis served as flagship, but, despite their recommendations, Secretary of the Navy James Forrestal ordered the court-martial, largely on the basis of the recommendation of Admiral King, Chief of Naval Operations.

*(9) There is no explanation on the public record for Secretary Forestal's overruling of the recommendations made by Admirals Nimitz and Spruance.*

*(10) Captain McVay was the only commander of a United States Navy vessel lost in combat to enemy action during World War II who was subjected to a court-martial trial for such a loss, even though several hundred United States Navy ships were lost in combat to enemy action during World War II.*

*(11) The survivors of the U.S.S. Indianapolis overwhelmingly conclude that McVay was not at fault and have dedicated their lives to vindicating their Captain, Charles McVay, but time is running out for the 130 remaining members of the crew in their united and steadfast quest to clear their Captain's name.*

*(12) Although Captain McVay was promoted to Rear Admiral upon retirement from the Navy, he never recovered from the stigma of his post-war court-martial and in 1968, tragically, took his own life.*

*(13) Captain McVay was a graduate of the United States Naval Academy, was an exemplary career naval officer with an outstanding record (including participation in the amphibious invasions of North Africa, the assault on Iwo Jima, and the assault on Okinawa where he survived a fierce kamikaze attack), was a recipient of the Silver Star earned for courage under fire during the Solomon Islands campaign, and, with his crew, had so thoroughly demonstrated proficiency in naval warfare that the Navy entrusted Captain McVay and the crew with transporting, on their fatal cruise, the components necessary for assembling the atomic bombs that were exploded over Hiroshima and Nagasaki to end the war with Japan.*

*(b) SENSE OF CONGRESS.—(1) It is the sense of Congress, on the basis of the facts presented in a public hearing conducted by the Committee on Armed Services of the Senate on September 14, 1999, including evidence not available at the time of Captain Charles Butler McVay's court-martial, and on the basis of extensive interviews and questioning of witnesses and knowledgeable officials and a review of the record of the court-martial for and in that hearing, that—*

*(A) recognizing that the Secretary of the Navy remitted the sentence of the court-martial and that Admiral Nimitz, as Chief of Naval Operations, restored Captain McVay to active duty, the American people should now recognize Captain McVay's lack of culpability for the tragic loss of the U.S.S. Indianapolis and the lives of the men who died as a result of her sinking; and*

*(B) knowing that vital information was not available to the court-martial board and that, as a result, Captain McVay was convicted, Captain McVay's military record should now reflect that he is exonerated for the loss of the ship and its crew.*

*(2) It is, further, the sense of Congress that Congress strongly encourages the Secretary of the Navy to award a Navy Unit Commendation to the U.S.S. Indianapolis and its final crew.*

### ***SEC. 576. SENIOR OFFICERS IN COMMAND IN HAWAII ON DECEMBER 7, 1941.***

*(a) FINDINGS.—Congress makes the following findings:*

*(1) Rear Admiral Husband E. Kimmel, formerly the Commander in Chief of the United States Fleet and the Commander in Chief, United States Pacific Fleet, had an excellent and unassailable record throughout his career in the United States Navy prior to the December 7, 1941, attack on Pearl Harbor.*

*(2) Major General Walter C. Short, formerly the Commander of the United States Army Hawaiian Department, had an excellent and unassailable record throughout his career in the United States Army prior to the December 7, 1941, attack on Pearl Harbor.*

*(3) Numerous investigations following the attack on Pearl Harbor have documented that Admiral Kimmel and Lieutenant General Short were not provided necessary and critical intelligence that was available, that foretold of war with Japan, that warned of imminent attack, and that would have alerted them to prepare for the attack, including such essential communiques as the Japanese Pearl Harbor Bomb Plot message of September 24, 1941, and the message sent from the Imperial Japanese Foreign Ministry to the Japanese Ambassador in the United States from December 6 to 7, 1941, known as the Fourteen-Part Message.*

*(4) On December 16, 1941, Admiral Kimmel and Lieutenant General Short were relieved of their commands and returned to their permanent ranks of rear admiral and major general.*

*(5) Admiral William Harrison Standley, who served as a member of the investigating commission known as the Roberts Commission that accused Admiral Kimmel and Lieutenant General Short of "dereliction of duty" only six weeks after the attack on Pearl Harbor, later disavowed the report maintaining that "these two officers were martyred" and "if they had been brought to trial, both would have been cleared of the charge".*

*(6) On October 19, 1944, a Naval Court of Inquiry exonerated Admiral Kimmel on the grounds that his military decisions and the disposition of his forces at the time of the December 7, 1941, attack on Pearl Harbor were proper "by virtue of the information that Admiral Kimmel had at hand which indicated neither the probability nor the imminence of an air attack on Pearl Harbor"; criticized the higher command for not sharing with Admiral Kimmel "during the very critical period of November 26 to December 7, 1941, important information . . . regarding the Japanese situation"; and, concluded that the Japanese attack and its outcome was attributable to no serious fault on the part of anyone in the naval service.*

*(7) On June 15, 1944, an investigation conducted by Admiral T. C. Hart at the direction of the Secretary of the Navy produced evidence, subsequently confirmed, that essential intelligence concerning Japanese intentions and war plans was available in Washington but was not shared with Admiral Kimmel.*

*(8) On October 20, 1944, the Army Pearl Harbor Board of Investigation determined that Lieutenant General Short had not been kept "fully advised of the growing tenseness of the Japanese situation which indicated an increasing necessity for better preparation for war"; detailed information and intelligence about Japanese intentions and war plans were available in "abundance" but were not shared with the General Short's Hawaii command; and General Short was not provided "on the evening of December 6th and the early morning of December 7th, the critical information indicating an almost immediate break with Japan, though there was ample time to have accomplished this".*

*(9) The reports by both the Naval Court of Inquiry and the Army Pearl Harbor Board of Investigation were kept secret, and Rear Admiral Kimmel and Major General Short were denied their requests to defend themselves through trial by court-martial.*

*(10) The joint committee of Congress that was established to investigate the conduct of Admiral Kimmel and Lieutenant General Short completed, on May 31, 1946, a 1,075-page report which included the conclusions of the committee that the two officers had not been guilty of dereliction of duty.*

*(11) The then Chief of Naval Personnel, Admiral J. L. Holloway, Jr., on April 27, 1954, recommended that Admiral Kimmel be advanced in rank in accordance with the provisions of the Officer Personnel Act of 1947.*

*(12) On November 13, 1991, a majority of the members of the Board for the Correction of Military Records of the Department of the Army found that Lieutenant General Short "was unjustly held responsible for the Pearl Harbor disaster" and that "it would be equitable and just" to advance him to the rank of lieutenant general on the retired list.*

*(13) In October 1994, the then Chief of Naval Operations, Admiral Carlisle Trost, withdrew his 1988 recommendation against the advancement of Admiral Kimmel and recommended that the case of Admiral Kimmel be reopened.*

*(14) Although the Dorn Report, a report on the results of a Department of Defense study that was issued on December 15, 1995, did not provide support for an advancement of Rear Admiral Kimmel or Major General Short in grade, it did set forth as a conclusion of the study that "responsibility for the Pearl Harbor disaster should not fall solely on the shoulders of Admiral Kimmel and Lieutenant General Short, it should be broadly shared".*

*(15) The Dorn Report found that "Army and Navy officials in Washington were privy to intercepted Japanese diplomatic communications . . . which provided crucial confirmation of the imminence of war"; that "the evidence of the handling of these messages in Washington reveals some ineptitude, some unwarranted assumptions and misestimations, limited coordination, ambiguous language, and lack of clarification and followup at higher levels"; and, that "together, these characteristics resulted in failure . . . to appreciate fully and to convey to the commanders in Hawaii the sense of focus and urgency that these intercepts should have engendered".*

*(16) On July 21, 1997, Vice Admiral David C. Richardson (United States Navy, retired) responded to the Dorn Report with his own study which confirmed findings of the Naval Court of Inquiry and the Army Pearl Harbor Board of Investigation and established, among other facts, that the war effort in 1941 was undermined by a restrictive intelligence distribution policy, and the degree to which the commanders of the United States forces in Hawaii were not alerted about the impending attack on Hawaii was directly attributable to the withholding of intelligence from Admiral Kimmel and Lieutenant General Short.*

*(17) The Officer Personnel Act of 1947, in establishing a promotion system for the Navy and the Army, provided a legal basis for the President to honor any officer of the Armed Forces of the United States who served his country as a senior commander during World War II with a placement of that officer, with the advice and consent of the Senate, on the retired list with the highest grade held while on the active duty list.*

*(18) Rear Admiral Kimmel and Major General Short are the only two eligible officers from World War II who were excluded from the list of retired officers presented for advancement on the retired lists to their highest wartime ranks under the terms of the Officer Personnel Act of 1947.*

*(19) This singular exclusion from advancement on the retired list serves only to perpetuate the myth that the senior commanders in Hawaii were derelict in their duty and responsible for the success of the attack on Pearl Harbor, a distinct and unacceptable expression of dishonor toward two of the finest officers who have served in the Armed Forces of the United States.*

*(20) Major General Walter Short died on September 23, 1949, and Rear Admiral Husband Kimmel died on May 14, 1968, without the honor of having been returned to their wartime ranks as were their fellow veterans of World War II.*

*(21) The Veterans of Foreign Wars, the Pearl Harbor Survivors Association, the Admiral Nimitz Foundation, the Naval Academy Alumni Association, the Retired Officers Association, and the Pearl Harbor Commemorative Committee, and other associations and numerous retired military officers have called for the rehabilitation of the reputations and honor of Admiral Kimmel and Lieutenant General Short through their posthumous advancement on the retired lists to their highest wartime grades.*

*(b) ADVANCEMENT OF REAR ADMIRAL KIMMEL AND MAJOR GENERAL SHORT ON RETIRED LISTS.—(1) The President is requested—*

*(A) to advance the late Rear Admiral Husband E. Kimmel to the grade of admiral on the retired list of the Navy; and*

*(B) to advance the late Major General Walter C. Short to the grade of lieutenant general on the retired list of the Army.*

*(2) Any advancement in grade on a retired list requested under paragraph (1) shall not increase or change the compensation or benefits from the United States to which any person is now or may in the future be entitled based upon the military service of the officer advanced.*

*(c) SENSE OF CONGRESS REGARDING THE PROFESSIONAL PERFORMANCE OF ADMIRAL KIMMEL AND LIEUTENANT GENERAL SHORT.—It is the sense of Congress that—*

*(1) the late Rear Admiral Husband E. Kimmel performed his duties as Commander in Chief, United States Pacific Fleet, competently and professionally, and, therefore, the losses incurred by the United States in the attacks on the naval base at Pearl Harbor, Hawaii, and other targets on the island of Oahu, Hawaii, on December 7, 1941, were not a result of dereliction in the performance of those duties by the then Admiral Kimmel; and*

*(2) the late Major General Walter C. Short performed his duties as Commanding General, Hawaiian Department, competently and professionally, and, therefore, the losses incurred by the United States in the attacks on Hickam Army Air Field and Schofield Barracks, Hawaii, and other targets on the island of Oahu, Hawaii, on December 7, 1941, were not a result of dereliction in the performance of those duties by the then Lieutenant General Short.*

### SEC. 577. VERBATIM RECORDS IN SPECIAL COURTS-MARTIAL.

*(a) WHEN REQUIRED.—Subsection (c)(1)(B) of section 854 of title 10, United States Code (article 54 of the Uniform Code of Military Justice), is amended by inserting after "bad-conduct discharge" the following: ", confinement for more than six months, or forfeiture of pay for more than six months".*

*(b) RETROACTIVE EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as of April 1, 2000, and shall apply with respect to charges referred on or after that date to trial by special courts-martial.*

### SEC. 578. MANAGEMENT AND PER DIEM REQUIREMENTS FOR MEMBERS SUBJECT TO LENGTHY OR NUMEROUS DEPLOYMENTS.

*(a) MANAGEMENT OF DEPLOYMENTS OF MEMBERS.—Section 586(a) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106-65; 113 Stat. 637) is amended in the text of section 991 of title 10, United States Code, set forth in such section 586(a)—*

*(1) in subsection (a), by striking "an officer in the grade of general or admiral" in the second sentence and inserting "the designated component commander for the member's armed force"; and*

*(2) in subsection (b)—*

*(A) in paragraph (1), by inserting "or homeport, as the case may" before the period at the end;*

*(B) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively;*

*(C) by inserting after paragraph (1) the following new paragraph (2):*

*"(2) In the case of a member of a reserve component performing active service, the member shall be considered deployed or in a deployment for the purposes of paragraph (1) on any day on which, pursuant to orders that do not establish a permanent change of station, the member is performing the active service at a location that—*

*"(A) is not the member's permanent training site; and*

*"(B) is—*

*"(i) at least 100 miles from the member's permanent residence; or*

*"(ii) a lesser distance from the member's permanent residence that, under the circumstances applicable to the member's travel, is a distance that requires at least three hours of travel to traverse."; and*

*(D) in paragraph (3), as redesignated by subparagraph (B) of this paragraph—*

*(i) by striking "or" at the end of subparagraph (A);*

*(ii) by striking the period at the end of subparagraph (B) and inserting "; or"; and*

*(iii) by adding at the end the following:*

*"(C) unavailable solely because of—*

*"(i) a hospitalization of the member at the member's permanent duty station or homeport or in the immediate vicinity of the member's permanent residence; or*

*"(ii) a disciplinary action taken against the member.".*

*(b) ASSOCIATED PER DIEM ALLOWANCE.—Section 586(b) of that Act (113 Stat. 638) is amended in the text of section 435 of title 37, United States Code, set forth in such section 586(b)—*

*(1) in subsection (a), by striking "251 days or more out of the preceding 365 days" and inserting "501 or more days out of the preceding 730 days"; and*

*(2) in subsection (b), by striking "prescribed under paragraph (3)" and inserting "prescribed under paragraph (4)".*

*(c) REVIEW OF MANAGEMENT OF DEPLOYMENTS OF INDIVIDUAL MEMBERS.— Not later than March 31, 2002, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the administration of section 991 of title 10, United States Code (as added by section 586(a) of the National Defense Authorization Act for Fiscal Year 2000), during the first year that such section 991 is in effect. The report shall include—*

*(1) a discussion of the experience in tracking and recording the deployments of members of the Armed Forces; and*

*(2) any recommendations for revision of such section 991 that the Secretary considers appropriate.*

### SEC. 579. EXTENSION OF TRICARE MANAGED CARE SUPPORT CONTRACTS.

*(a) AUTHORITY.—Notwithstanding any other provision of law, the TRICARE managed care support contracts in effect, or in final stages of acquisition as of September 30, 1999, may be extended for four years, subject to subsection (b).*

*(b) CONDITIONS.—Any extension of a contract under paragraph (1)—*

*(1) may be made only if the Secretary of Defense determines that it is in the best interest of the Government to do so; and*

*(2) shall be based on the price in the final best and final offer for the last year of the existing contract as adjusted for inflation and other factors mutually agreed to by the contractor and the Government.*

### SEC. 580. PREPARATION, PARTICIPATION, AND CONDUCT OF ATHLETIC COMPETITIONS AND SMALL ARMS COMPETITIONS BY THE NATIONAL GUARD AND MEMBERS OF THE NATIONAL GUARD.

*(a) PREPARATION AND PARTICIPATION OF MEMBERS GENERALLY.—Subsection (a) of section 504 of title 32, United States Code, is amended—*

*(1) by striking "or" at the end of paragraph (2);*

*(2) in paragraph (3)—*

*(A) by inserting "prepare for and" before "participate"; and*

*(B) by striking the period at the end and inserting "; or"; and*

*(3) by adding at the end the following:*

*"(4) prepare for and participate in qualifying athletic competitions.".*

*(b) CONDUCT OF COMPETITIONS.—That section is further amended by adding at the end the following new subsection:*

*"(c)(1) Units of the National Guard may conduct small arms competitions and athletic competitions in conjunction with training required under this chapter if such activities would meet the requirements set forth in paragraphs (1), (3), and (4) of section 508(a) of this title if such activities were services to be provided under that section.*

*"(2) Facilities and equipment of the National Guard, including military property and vehicles described in section 508(c) of this title, may be used in connection with activities under paragraph (1).".*

*(c) AVAILABILITY OF FUNDS.—That section is further amended by adding at the end the following new subsection:*

*"(d) Subject to provisions of appropriations Acts, amounts appropriated for the National Guard may be used in order to cover the costs of activities under subsection (c) and of expenses of members of the National Guard under paragraphs (3) and (4) of subsection (a), including expenses of attendance and participation fees, travel, per diem, clothing, equipment, and related expenses.".*

*(d) QUALIFYING ATHLETIC COMPETITIONS DEFINED.—That section is further amended by adding at the end the following new subsection:*

*"(e) In this section, the term 'qualifying athletic competition' means a competition in athletic events that require skills relevant to military duties or involve aspects of physical fitness that are evaluated by the armed forces in determining whether a member of the National Guard is fit for military duty.".*

*(e) CONFORMING AND CLERICAL AMENDMENTS.—(1) The section heading of such section is amended to read as follows:*

***"§504. National Guard schools; small arms competitions; athletic competitions".***

*(2) The table of sections at the beginning of chapter 5 of that title is amended by striking the item relating to section 504 and inserting the following new item:*

*"504. National Guard schools; small arms competitions; athletic competitions.".*

## TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

### Subtitle A—Pay and Allowances

### SEC. 601. INCREASE IN BASIC PAY FOR FISCAL YEAR 2001.

*(a) WAIVER OF SECTION 1009 ADJUSTMENT.—The adjustment to become effective during fiscal year 2001 required by section 1009 of title 37, United States Code, in the rates of monthly basic pay authorized members of the uniformed services shall not be made.*

*(b) INCREASE IN BASIC PAY.—Effective on January 1, 2001, the rates of monthly basic pay for members of the uniformed services are increased by 3.7 percent.*

### SEC. 602. CORRECTIONS FOR BASIC PAY TABLES.

Section 601(c) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65) is amended—

(1) in footnote 2 under the first table (113 Stat. 646), relating to commissioned officers, by striking "$12,441.00" and inserting "$12,488.70"; and

(2) in footnote 2 under the fourth table (113 Stat. 648), relating to enlisted members, by striking "$4,701.00" and inserting "$4,719.00".

### SEC. 603. PAY IN LIEU OF ALLOWANCE FOR FUNERAL HONORS DUTY.

(a) COMPENSATION AT RATE FOR INACTIVE-DUTY TRAINING.—(1) Section 115(b)(2) of title 32, United States Code, is amended to read as follows:

"(2) as directed by the Secretary concerned, either—

"(A) the allowance under section 435 of title 37; or

"(B) compensation under section 206 of title 37.".

(2) Section 12503(b)(2) of title 10, United States Code, is amended to read as follows:

"(2) as directed by the Secretary concerned, either—

"(A) the allowance under section 435 of title 37; or

"(B) compensation under section 206 of title 37.".

(b) CONFORMING REPEAL.—Section 435 of title 37, United States Code, is amended by striking subsection (c).

(c) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on October 1, 2000, and shall apply with respect to months beginning on or after that date.

### SEC. 604. CLARIFICATION OF SERVICE EXCLUDED IN COMPUTATION OF CREDITABLE SERVICE AS A MARINE CORPS OFFICER.

(a) SERVICE AS RESERVE ENLISTED MEMBER IN PLATOON LEADERS CLASS.—Section 205(f) of title 37, United States Code, is amended by striking "that the officer performed concurrently as a member" and inserting "that the officer performed concurrently as an enlisted member".

(b) CORRECTION OF REFERENCE.—Such section 205(f) is further amended by striking "section 12209" and inserting "section 12203".

### SEC. 605. CALCULATION OF BASIC ALLOWANCE FOR HOUSING.

(a) RATES.—Subsection (b) of section 403 of title 37, United States Code, is amended—

(1) by striking paragraph (2);

(2) by redesignating paragraph (1) as paragraph (2);

(3) by inserting after "(b) BASIC ALLOWANCE FOR HOUSING INSIDE THE UNITED STATES.—" the following: "(1) The Secretary of Defense shall prescribe the rates of the basic allowance for housing that are applicable for the various military housing areas in the United States. The rates for an area shall be based on the costs of adequate housing determined for the area under paragraph (2)."; and

(4) in paragraph (6), by striking ", changes in the national average monthly cost of housing,".

(b) REPEAL OF LIMITATION ON TOTAL PAYMENTS.—Subsection (b) of such section is further amended—

(1) by striking paragraphs (3) and (5); and

(2) by redesignating paragraphs (4), (6), and (7) as paragraphs (3), (4), and (5), respectively.

### SEC. 606. ELIGIBILITY OF MEMBERS IN GRADE E–4 TO RECEIVE BASIC ALLOWANCE FOR HOUSING WHILE ON SEA DUTY.

(a) PAYMENT AUTHORIZED.—Subsection (f)(2)(B) of section 403 of title 37, United States Code, is amended—

(1) by striking "E–5" in the first sentence and inserting "E–4 or E–5"; and

(2) by striking "grade E–5" in the second sentence and inserting "grades E–4 and E–5".

(b) CONFORMING AMENDMENT.—Subsection (m)(1)(B) of such section is amended by striking "E–4" and inserting "E–3".

### SEC. 607. PERSONAL MONEY ALLOWANCE FOR THE SENIOR ENLISTED MEMBERS OF THE ARMED FORCES.

(a) AUTHORITY.—Section 414 of title 37, United States Code, is amended by adding at the end the following:

"(c) In addition to other pay or allowances authorized by this title, a noncommissioned officer is entitled to a personal money allowance of $2,000 a year while serving as the Sergeant Major of the Army, the Master Chief Petty Officer of the Navy, the Chief Master Sergeant of the Air Force, the Sergeant Major of the Marine Corps, or the Master Chief Petty Officer of the Coast Guard.".

(b) EFFECTIVE DATE.—This section and the amendment made by this section shall take effect on October 1, 2000.

### SEC. 608. INCREASED UNIFORM ALLOWANCES FOR OFFICERS.

(a) INITIAL ALLOWANCE.—Section 415(a) of title 37, United States Code, is amended by striking "$200" and inserting "$400".

(b) ADDITIONAL ALLOWANCE.—Section 416(a) of such title is amended by striking "$100" and inserting "$200".

(c) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on October 1, 2000.

### SEC. 609. CABINET-LEVEL AUTHORITY TO PRESCRIBE REQUIREMENTS AND ALLOWANCE FOR CLOTHING OF ENLISTED MEMBERS.

Section 418 of title 37, United States Code, is amended—

(1) in subsection (a), by striking "The President" and inserting "The Secretary of Defense and the Secretary of Transportation, with respect to the Coast Guard when it is not operating as a service in the Navy,"; and

(2) in subsection (b), by striking "the President" and inserting "the Secretary of Defense".

### SEC. 610. SPECIAL SUBSISTENCE ALLOWANCE FOR MEMBERS ELIGIBLE TO RECEIVE FOOD STAMP ASSISTANCE.

(a) ALLOWANCE.—(1) Chapter 7 of title 37, United States Code, is amended by inserting after section 402 the following new section:

**"§ 402a. Special subsistence allowance**

"(a) ENTITLEMENT.—(1) Upon the application of an eligible member of a uniformed service described in subsection (b), the Secretary concerned shall pay the member a special subsistence allowance for each month for which the member is eligible to receive food stamp assistance.

"(2) In determining the eligibility of a member to receive food stamp assistance for purposes of this section, the amount of any special subsistence allowance paid the member under this section shall not be taken into account.

"(b) COVERED MEMBERS.—An enlisted member referred to in subsection (a) is an enlisted member in pay grade E–5 or below.

"(c) TERMINATION OF ENTITLEMENT.—The entitlement of a member to receive payment of a special subsistence allowance terminates upon the occurrence of any of the following events:

"(1) Termination of eligibility for food stamp assistance.

"(2) Payment of the special subsistence allowance for 12 consecutive months.

"(3) Promotion of the member to a higher grade.

"(4) Transfer of the member in a permanent change of station.

"(d) REESTABLISHED ENTITLEMENT.—(1) After a termination of a member's entitlement to the special subsistence allowance under subsection (c), the Secretary concerned shall resume payment of the special subsistence allowance to the member if the Secretary determines, upon further application of the member, that the member is eligible to receive food stamps.

"(2) Payments resumed under this subsection shall terminate under subsection (c) upon the occurrence of an event described in that subsection after the resumption of the payments.

"(3) The number of times that payments are resumed under this subsection is unlimited.

"(e) DOCUMENTATION OF ELIGIBILITY.—A member of the uniformed services applying for the special subsistence allowance under this section shall furnish the Secretary concerned with such evidence of the member's eligibility for food stamp assistance as the Secretary may require in connection with the application.

"(f) AMOUNT OF ALLOWANCE.—The monthly amount of the special subsistence allowance under this section is $180.

"(g) RELATIONSHIP TO BASIC ALLOWANCE FOR SUBSISTENCE.—The special subsistence allowance under this section is in addition to the basic allowance for subsistence under section 402 of this title.

"(h) FOOD STAMP ASSISTANCE DEFINED.—In this section, the term 'food stamp assistance' means assistance under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.).

"(i) TERMINATION OF AUTHORITY.—No special subsistence allowance may be made under this section for any month beginning after September 30, 2005.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 402 the following:

"402a. Special subsistence allowance.".

(b) EFFECTIVE DATE.—Section 402a of title 37, United States Code, shall take effect on the first day of the first month that begins on or after the date of the enactment of this Act.

(c) ANNUAL REPORT.—(1) Not later than March 1 of each year after 2000, the Comptroller General of the United States shall submit to Congress a report setting forth the number of members of the uniformed services who are eligible for assistance under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.).

(2) In preparing the report, the Comptroller General shall consult with the Secretary of Defense, the Secretary of Transportation (with respect to the Coast Guard), the Secretary of Health and Human Services (with respect to the commissioned corps of the Public Health Service), and the Secretary of Commerce (with respect to the commissioned officers of the National Oceanic and Atmospheric Administration), who shall provide the Comptroller General with any information that the Comptroller General determines necessary to prepare the report.

(3) No report is required under this subsection after March 1, 2005.

### SEC. 610A. RESTRUCTURING OF BASIC PAY TABLES FOR CERTAIN ENLISTED MEMBERS.

(a) IN GENERAL.—The table under the heading "ENLISTED MEMBERS" in section 601(c) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 105–65; 113 Stat. 648) is amended by striking the amounts relating to pay grades E–7, E–6, and E–5 and inserting the amounts for the corresponding years of service specified in the following table:

## ENLISTED MEMBERS

*Years of service computed under section 205 of title 37, United States Code*

| Pay Grade | 2 or less | Over 2 | Over 3 | Over 4 | Over 6 | Over 8 | Over 10 | Over 12 | Over 14 | Over 16 | Over 18 | Over 20 | Over 22 | Over 24 | Over 26 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| E–7 .. | 1,765.80 | 1,927.80 | 2,001.00 | 2,073.00 | 2,148.60 | 2,277.80 | 2,350.70 | 2,423.20 | 2,495.90 | 2,570.90 | 2,644.20 | 2,717.50 | 2,844.40 | 2,926.40 | 3,134.40 |
| E–6 .. | 1,518.90 | 1,678.20 | 1,752.60 | 1,824.30 | 1,899.40 | 2,022.60 | 2,096.40 | 2,168.60 | 2,241.90 | 2,294.80 | 2,332.00 | 2,332.00 | 2,335.00 | 2,335.00 | 2,335.00 |
| E–5 .. | 1,332.60 | 1,494.00 | 1,566.00 | 1,640.40 | 1,715.70 | 1,821.00 | 1,893.00 | 1,967.10 | 1,967.60 | 1,967.60 | 1,967.60 | 1,967.60 | 1,967.60 | 1,967.60 | 1,967.60 |

(b) APPLICATION OF AMENDMENTS.—The amendments made by subsection (a) shall take effect as of October 1, 2000, and shall apply with respect to months beginning on or after that date.

### SEC. 610B. BASIC ALLOWANCE FOR HOUSING.

(a) APPLICABILITY OF LOW-COST AND NO-COST REASSIGNMENTS TO MEMBERS WITH DEPENDENTS.—Subsection (b)(7) of section 403 of title 37, United States Code, is amended by striking "without dependents".

(b) ALLOWANCE WHEN DEPENDENTS ARE UNABLE TO ACCOMPANY MEMBERS.—Subsection (d) of such section is amended by striking paragraph (3) and inserting the following:

"(3) In the case of a member with dependents who is assigned to duty in an area that is different from the area in which the member's dependents reside—

"(A) the member shall receive a basic allowance for housing as provided in subsection (b) or (c), as appropriate;

"(B) if the member is assigned to duty in an area or under circumstances that, as determined by the Secretary concerned, require the member's dependents to reside in a different area, the member shall receive a basic allowance for housing as if the member were assigned to duty in the area in which the dependents reside or at the member's last duty station, whichever the Secretary concerned determines to be equitable; or

"(C) if the member is assigned to duty in that area under the conditions of low-cost or no-cost permanent change of station or permanent change of assignment and the Secretary concerned determines that it would be inequitable to base the member's entitlement to, and amount of, a basic allowance for housing on the cost of housing in the area to which the member is reassigned, the member shall receive a basic allowance for housing as if the member were assigned to duty at the member's last duty station.".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect on October 1, 2000, and shall apply with respect to pay periods beginning on and after that date.

## Subtitle B—Bonuses and Special and Incentive Pays

### SEC. 611. EXTENSION OF CERTAIN BONUSES AND SPECIAL PAY AUTHORITIES FOR RESERVE FORCES.

(a) SPECIAL PAY FOR HEALTH PROFESSIONALS IN CRITICALLY SHORT WARTIME SPECIALTIES.—Section 302g(f) of title 37, United States Code, is amended by striking "December 31, 2000" and inserting "December 31, 2001".

(b) SELECTED RESERVE REENLISTMENT BONUS.—Section 308b(f) of such title is amended by striking "December 31, 2000" and inserting "December 31, 2001".

(c) SELECTED RESERVE ENLISTMENT BONUS.—Section 308c(e) of such title is amended by striking "December 31, 2000" and inserting "December 31, 2001".

(d) SPECIAL PAY FOR ENLISTED MEMBERS ASSIGNED TO CERTAIN HIGH PRIORITY UNITS.—Section 308d(c) of such title is amended by striking "December 31, 2000" and inserting "December 31, 2001".

(e) SELECTED RESERVE AFFILIATION BONUS.—Section 308e(e) of such title is amended by striking "December 31, 2000" and inserting "December 31, 2001".

(f) READY RESERVE ENLISTMENT AND REENLISTMENT BONUS.—Section 308h(g) of such title is amended by striking "December 31, 2000" and inserting "December 31, 2001".

(g) PRIOR SERVICE ENLISTMENT BONUS.—Section 308i(f) of such title is amended by striking "December 31, 2000" and inserting "December 31, 2001".

(h) REPAYMENT OF EDUCATION LOANS FOR CERTAIN HEALTH PROFESSIONALS WHO SERVE IN THE SELECTED RESERVE.—Section 16302(d) of title 10, United States Code, is amended by striking "January 1, 2001" and inserting "January 1, 2002".

### SEC. 612. EXTENSION OF CERTAIN BONUSES AND SPECIAL PAY AUTHORITIES FOR NURSE OFFICER CANDIDATES, REGISTERED NURSES, AND NURSE ANESTHETISTS.

(a) NURSE OFFICER CANDIDATE ACCESSION PROGRAM.—Section 2130a(a)(1) of title 10, United States Code, is amended by striking "December 31, 2000" and inserting "December 31, 2001".

(b) ACCESSION BONUS FOR REGISTERED NURSES.—Section 302d(a)(1) of title 37, United States Code, is amended by striking "December 31, 2000" and inserting "December 31, 2001".

(c) INCENTIVE SPECIAL PAY FOR NURSE ANESTHETISTS.—Section 302e(a)(1) of title 37, United States Code, is amended by striking "December 31, 2000" and inserting "December 31, 2001".

### SEC. 613. EXTENSION OF AUTHORITIES RELATING TO PAYMENT OF OTHER BONUSES AND SPECIAL PAYS.

(a) .AVIATION OFFICER RETENTION BONUS.—Section 301b(a) of title 37, United States Code, is amended by striking "December 31, 2000," and inserting "December 31, 2001,".

(b) REENLISTMENT BONUS FOR ACTIVE MEMBERS.—Section 308(g) of such title is amended by striking "December 31, 2000" and inserting "December 31, 2001".

(c) ENLISTMENT BONUS FOR PERSONS WITH CRITICAL SKILLS.—Section 308a(d) of such title is amended by striking "December 31, 2000" and inserting "December 31, 2001".

(d) ARMY ENLISTMENT BONUS.—Section 308f(c) of such title is amended by striking "December 31, 2000" and inserting "December 31, 2001".

(e) SPECIAL PAY FOR NUCLEAR-QUALIFIED OFFICERS EXTENDING PERIOD OF ACTIVE SERVICE.—Section 312(e) of such title is amended by striking "December 31, 2000" and inserting "December 31, 2001".

(f) NUCLEAR CAREER ACCESSION BONUS.—Section 312b(c) of such title is amended by striking "December 31, 2000" and inserting "December 31, 2001".

(g) NUCLEAR CAREER ANNUAL INCENTIVE BONUS.—Section 312c(d) of such title is amended by striking "December 31, 2000" and inserting "December 31, 2001".

### SEC. 614. CONSISTENCY OF AUTHORITIES FOR SPECIAL PAY FOR RESERVE MEDICAL AND DENTAL OFFICERS.

(a) RESERVE MEDICAL OFFICERS SPECIAL PAY.—Section 302(h)(1) of title 37, United States Code, is amended by adding at the end: ", including active duty in the form of annual training, active duty for training, and active duty for special work".

(b) RESERVE DENTAL OFFICERS SPECIAL PAY AMENDMENT.—Subsection (d) of section 302f of title 37, United States Code, is amended to read as follows:

"(d) SPECIAL RULE FOR RESERVE MEDICAL AND DENTAL OFFICERS.—While a Reserve medical or dental officer receives a special pay under section 302 or 302b of this title by reason of subsection (a), the officer shall not be entitled to special pay under section 302(h) or 302b(h) of this title.".

### SEC. 615. SPECIAL PAY FOR PHYSICIAN ASSISTANTS OF THE COAST GUARD.

Section 302c(d)(1) of title 37, United States Code, is amended by inserting after "nurse," the following: "an officer of the Coast Guard or Coast Guard Reserve designated as a physician assistant,".

### SEC. 616. AUTHORIZATION OF SPECIAL PAY AND ACCESSION BONUS FOR PHARMACY OFFICERS.

(a) AUTHORIZATION OF SPECIAL PAY.—Chapter 5 of title 37, United States Code, is amended by inserting after section 302h the following new section:

**"§ 302i. Special pay: pharmacy officers**

"(a) ARMY, NAVY, AND AIR FORCE PHARMACY OFFICERS.—Under regulations prescribed pursuant to section 303a of this title, the Secretary of the military department concerned may, subject to subsection (c), pay special pay at the rates specified in subsection (d) to an officer who—

"(1) is a pharmacy officer in the Medical Service Corps of the Army or Navy or the Biomedical Sciences Corps of the Air Force; and

"(2) is on active duty under a call or order to active duty for a period of not less than one year.

"(b) PUBLIC HEALTH SERVICE CORPS.—Subject to subsection (c), the Secretary of Health and Human Services may pay special pay at the rates specified in subsection (d) to an officer who—

"(1) is an officer in the Regular or Reserve Corps of the Public Health Service and is designated as a pharmacy officer; and

"(2) is on active duty under a call or order to active duty for a period of not less than one year.

"(c) LIMITATION.—Special pay may not be paid under this section to an officer serving in a pay grade above pay grade O–6.

"(d) RATE OF SPECIAL PAY.—The rate of special pay paid to an officer subsection (a) or (b) is as follows:

"(1) $3,000 per year, if the officer is undergoing pharmacy internship training or has less than 3 years of creditable service.

"(2) $7,000 per year, if the officer has at least 3 but less than 6 years of creditable service and is not undergoing pharmacy internship training.

"(3) $7,000 per year, if the officer has at least 6 but less than 8 years of creditable service.

"(4) $12,000 per year, if the officer has at least 8 but less than 12 years of creditable service.

"(5) $10,000 per year, if the officer has at least 12 but less than 14 years of creditable service.

"(6) $9,000 per year, if the officer has at least 14 but less than 18 years of creditable service.

"(7) $8,000 per year, if the officer has 18 or more years of creditable service.".

(b) AUTHORIZATION OF ACCESSION BONUSES.—Chapter 5 of that title is further amended by inserting after section 302i, as added by subsection (a) of this section, the following new section:

**"§ 302j. Special pay: accession bonus for pharmacy officers**

"(a) ACCESSION BONUS AUTHORIZED.—A person who is a graduate of an accredited pharmacy school and who, during the period beginning on the date of the enactment of the National Defense Authorization Act for Fiscal Year 2001 and ending on September 30, 2004, executes a written agreement described in subsection (c) to accept a commission as an officer of a uniformed service and remain on active duty for a period of not less than 4 years may, upon acceptance of the agreement by the Secretary concerned, be paid an accession bonus in an amount determined by the Secretary concerned.

"(b) LIMITATION ON AMOUNT OF BONUS.—The amount of an accession bonus under subsection (a) may not exceed $30,000.

"(c) LIMITATION ON ELIGIBILITY FOR BONUS.—A person may not be paid a bonus under subsection (a) if—

"(1) the person, in exchange for an agreement to accept an appointment as a warrant or commissioned officer, received financial assistance from the Department of Defense or the Department of Health and Human Services to pursue a course of study in pharmacy; or

"(2) the Secretary concerned determines that the person is not qualified to become and remain licensed as a pharmacist.

"(d) AGREEMENT.—The agreement referred to in subsection (a) shall provide that, consistent with the needs of the uniformed service concerned, the person executing the agreement shall be assigned to duty, for the period of obligated service covered by the agreement, as a pharmacy officer in the Medical Service Corps of the Army or Navy, a biomedical sciences officer in the Air Force designated as a pharmacy officer, or a pharmacy officer of the Public Health Service.

"(e) REPAYMENT.—(1) An officer who receives a payment under subsection (a) and who fails to become and remain licensed as a pharmacist during the period for which the payment is made shall refund to the United States an amount equal to the full amount of such payment.

"(2) An officer who voluntarily terminates service on active duty before the end of the period agreed to be served under subsection (a) shall refund to the United States an amount that bears the same ratio to the amount paid to the officer as the unserved part of such period bears to the total period agreed to be served.

"(3) An obligation to reimburse the United States under paragraph (1) or (2) is for all purposes a debt owed to the United States.

"(4) A discharge in bankruptcy under title 11 that is entered less than 5 years after the termination of an agreement under this section does not discharge the person signing such agreement from a debt arising under such agreement or this subsection. This paragraph applies to any case commenced under title 11 after the date of the enactment of the National Defense Authorization Act for Fiscal Year 2001.".

(c) ADMINISTRATION.—Section 303a of title 37, United States Code, is amended by striking "302h" each place it appears and inserting "302j".

(d) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 5 of such title is amended by inserting after the item relating to section 302h the following new items:

"302i. Special pay: pharmacy officers.
"302j. Special pay: accession bonus for pharmacy officers.".

### SEC. 617. CORRECTION OF REFERENCES TO AIR FORCE VETERINARIANS.

Section 303(a) of title 37, United States Code, is amended—

(1) in paragraph (1)(B), by striking "who is designated as a veterinary officer" and inserting "who is an officer in the Biomedical Sciences Corps and holds a degree in veterinary medicine"; and

(2) in paragraph (2), by striking subparagraph (B) and inserting the following:

"(B) of a reserve component of the Air Force, of the Army or the Air Force without specification of component, or of the National Guard, who—

"(i) is designated as a veterinary officer; or

"(ii) is an officer in the Biomedical Sciences Corps of the Air Force and holds a degree in veterinary medicine; or".

### SEC. 618. ENTITLEMENT OF ACTIVE DUTY OFFICERS OF THE PUBLIC HEALTH SERVICE CORPS TO SPECIAL PAYS AND BONUSES OF HEALTH PROFESSIONAL OFFICERS OF THE ARMED FORCES.

(a) IN GENERAL.—Section 303a of title 37, United States Code, is amended—

(1) by redesignating subsections (b) and (c) as subsections (c) and (d); and

(2) by inserting after subsection (a) the following new subsection (b):

"(b)(1) Except as provided in paragraph (2) or as otherwise provided under a provision of this chapter, commissioned officers in the Regular or Reserve Corps of the Public Health Service shall be entitled to special pay under the provisions of this chapter in the same amounts, and under the same terms and conditions, as commissioned officers of the armed forces are entitled to special pay under the provisions of this chapter.

"(2) A commissioned medical officer in the Regular or Reserve Corps of the Public Health Service (other than an officer serving in the Indian Health Service) may not receive additional special pay under section 302(a)(4) of this title for any period during which the officer is providing obligated service under the following provisions of law:

"(A) Section 338B of the Public Health Service Act (42 U.S.C. 254l–1).

"(B) Section 225(e) of the Public Health Service Act, as that section was in effect before 1, 1977.

"(C) Section 752 of the Public Health Service Act, as that section was in effect between October 1, 1977, and August 13, 1981.".

(b) REPEAL OF SUPERSEDED PROVISIONS.—Section 208(a) of the Public Health Service Act (42 U.S.C. 210(a)) is amended—

(1) by striking paragraphs (2) and (3); and

(2) by inserting after paragraph (1) the following new paragraph (2):

"(2) For provisions relating to the receipt of special pay by commissioned officers of the Regular and Reserve Corps while on active duty, see section 303a(b) of title 37, United States Code.".

### SEC. 619. CAREER SEA PAY.

(a) REFORM OF AUTHORITIES.—Section 305a of title 37, United States Code, is amended—

(1) in subsection (a), by striking "Under regulations prescribed by the President, a member" and inserting "A member";

(2) by redesignating subsection (d) as subsection (e); and

(3) by striking subsections (b) and (c) and inserting the following:

"(b) The Secretary concerned shall prescribe the monthly rates for special pay applicable to members of each armed force under the Secretary's jurisdiction. No monthly rate may exceed $750.

"(c) A member of a uniformed service entitled to career sea pay under this section who has served 36 consecutive months of sea duty is also entitled to a career sea pay premium for the thirty-seventh consecutive month and each subsequent consecutive month of sea duty served by such member. The monthly amount of the premium shall be prescribed by the Secretary concerned, but may not exceed $350.

"(d) The Secretary concerned shall prescribe regulations for the administration of this section for the armed force or armed forces under the jurisdiction of the Secretary. The entitlements under this section shall be subject to the regulations.".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2000, and shall apply with respect to months beginning on or after that date.

### SEC. 620. INCREASED MAXIMUM RATE OF SPECIAL DUTY ASSIGNMENT PAY.

Section 307(a) of title 37, United States Code, is amended—

(1) by striking "$275" and inserting "$600"; and

(2) by striking the second sentence.

### SEC. 621. EXPANSION OF APPLICABILITY OF AUTHORITY FOR CRITICAL SKILLS ENLISTMENT BONUS TO INCLUDE ALL ARMED FORCES.

(a) EXPANSION OF AUTHORITY.—Section 308f of title 37, United States Code, is amended—

(1) by striking "Secretary of the Army" each place it appears and inserting "Secretary concerned"; and

(2) by striking "the Army" in subsections (a)(3) and (c) and inserting "an armed force".

(b) CONFORMING AMENDMENT.—The heading for such section is amended to read as follows:

**"§308f. Special pay: bonus for enlistment".**

(c) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 5 of title 37, United States Code, is amended by striking the item relating to section 308f and inserting the following:

"308f. Special pay: bonus for enlistment.".

(d) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on October 1, 2000, and shall apply with respect to months beginning on or after that date.

### SEC. 622. ENTITLEMENT OF MEMBERS OF THE NATIONAL GUARD AND OTHER RESERVES NOT ON ACTIVE DUTY TO RECEIVE SPECIAL DUTY ASSIGNMENT PAY.

(a) AUTHORITY.—Section 307(a) of title 37, United States Code, is amended by inserting after "is entitled to basic pay" in the first sentence the following: ", or is entitled to compensation under section 206 of this title in the case of a member of a reserve component not on active duty,".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the first day of the first month that begins on or after the date of the enactment of this Act.

## Subtitle C—Travel and Transportation Allowances

### SEC. 631. ADVANCE PAYMENTS FOR TEMPORARY LODGING OF MEMBERS AND DEPENDENTS.

(a) SUBSISTENCE EXPENSES.—Section 404a of title 37, United States Code, is amended—

(1) by redesignating subsections (b) and (c) as subsections (d) and (e), respectively; and

(2) by striking subsection (a) and inserting the following:

"(a)(1) Under regulations prescribed by the Secretaries concerned, a member of a uniformed service who is ordered to make a change of permanent station described in paragraph (2) shall be paid or reimbursed for subsistence expenses of the member and the member's dependents for the period (subject to subsection (c)) for which the member and dependents occupy temporary quarters incident to that change of permanent station.

"(2) Paragraph (1) applies to the following:

"(A) A permanent change of station from any duty station to a duty station in the United States (other than Hawaii or Alaska).

"(B) A permanent change of station from a duty station in the United States (other than Hawaii or Alaska) to a duty station outside the United States or in Hawaii or Alaska.

"(b) The Secretary concerned may make any payment for subsistence expenses to a member under this section in advance of the incurrence of the expenses. The amount of an advance payment made to a member shall be computed on the basis of the Secretary's determination of the average number of days that members and their dependents occupy temporary quarters under the circumstances applicable to the member and the member's dependents.

"(c)(1) In the case of a change of permanent station described in subsection (a)(2)(A), the period for which subsistence expenses are to be paid or reimbursed under this section may not exceed 10 days.

"(2) In the case of a change of permanent station described in subsection (a)(2)(B)—

"(A) the period for which such expenses are to be paid or reimbursed under this section may not exceed five days; and

"(B) such payment or reimbursement may be provided only for expenses incurred before leaving the United States (other than Hawaii or Alaska).".

(b) PER DIEM.—Section 405 of such title is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by striking subsection (a) and inserting the following:

"(a) Without regard to the monetary limitation of this title, the Secretary concerned may pay a per diem to a member who is on duty outside of the United States or in Hawaii or Alaska, whether or not the member is in a travel status. The Secretary may pay the per diem in advance of the accrual of the per diem.

"(b) In determining the per diem to be paid under this section, the Secretary concerned shall consider all elements of the cost of living to members of the uniformed services under the Secretary's jurisdiction and their dependents, including the cost of quarters, subsistence, and other necessary incidental expenses. However, dependents may not be considered in determining the per diem allowance for a member in a travel status.".

### SEC. 632. INCENTIVE FOR SHIPPING AND STORING HOUSEHOLD GOODS IN LESS THAN AVERAGE WEIGHTS.

Section 406(b)(1) of title 37, United States Code, is amended by adding at the end the following new subparagraph:

"(G) The Secretary concerned may pay a member a share (determined by the Secretary) of the amount of the savings resulting to the United States for less than average shipping and storage of the member's baggage and household effects under subparagraph (A). Shipping and storage of a member's baggage and household effects for a member shall be considered as less than average if the total weights of the baggage and household effects shipped and stored are less than the average weights of the baggage and household effects that are shipped and stored, respectively, by members of the same grade and status with respect to dependents as the member in connection with changes of station that are comparable to the member's change of station. The amount of the savings shall be the amount equal to the excess of the cost of shipping and cost of storing such average weights of baggage and household effects, respectively, over the corresponding costs associated with the weights of the member's baggage and household effects. For the administration of this subparagraph, the Secretary of Defense shall annually determine the average weights of baggage and household effects shipped and stored.".

### SEC. 633. EXPANSION OF FUNDED STUDENT TRAVEL.

Section 430 of title 37, United States Code, is amended—

(1) in subsection (a)(3), by striking "for the purpose of obtaining a secondary or undergraduate college education" and inserting "for the purpose of obtaining a formal education";

(2) in subsection (b), by striking "for the purpose of obtaining a secondary or undergraduate college education" and inserting "for the purpose of obtaining a formal education"; and

(3) in subsection (f)—

(A) by striking "In this section, the term" and insert the following:

"In this section:

"(1) The term"; and

(B) by adding at the end the following:

"(2) The term 'formal education' means the following:

"(A) A secondary education.

"(B) An undergraduate college education.

"(C) A graduate education pursued on a full-time basis at an institution of higher education (as defined in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001)).

"(D) Vocational education pursued on a full-time basis at a post-secondary vocational institution.(as defined in section 102(c) of the Higher Education Act of 1965 (20 U.S.C. 1002(c))).".

### SEC. 634. BENEFITS FOR MEMBERS NOT TRANSPORTING PERSONAL MOTOR VEHICLES OVERSEAS.

(a) INCENTIVES.—Section 2634 of title 10, United States Code, is amended—

(1) by redesignating subsection (h) as subsection (i); and

(2) by inserting after subsection (g) the following new subsection (h):

"(h)(1) If a member of an armed force authorized the transportation of a motor vehicle under subsection (a) elects not to have the vehicle transported and not (if eligible) to have the vehicle stored under subsection (b), the Secretary concerned may pay the member a share (determined by the Secretary) of the amount of the savings resulting to the United States. The Secretary may make the payment in advance of the member's change of permanent station.

"(2) The Secretary of Defense shall determine annually the rates of savings to the United States that are associated with elections of a member described in paragraph (1).".

(b) STORAGE AS ALTERNATIVE TO TRANSPORTATION FOR UNACCOMPANIED ASSIGNMENTS.—Subsection (b) of such section—

(1) by redesignating paragraph (3) as paragraph (4); and

(2) by inserting after paragraph (2) the following new paragraph (3):

"(3) If a member authorized the transportation of a motor vehicle under subsection (a) is not authorized under reassignment orders to be accompanied by dependents on a command-sponsored basis, the member may elect, in lieu of that transportation, to have the motor vehicle stored at a location approved by the Secretary concerned. If storage is elected, the Secretary shall pay the expenses associated with the storage of the vehicle, as authorized under paragraph (4), up to the amount equal to the cost that would have been incurred by the United States for transportation of the vehicle under subsection (a). The member shall be responsible for the payment of the costs of the storage in excess of that amount.".

## Subtitle D—Retirement Benefits

### SEC. 641. EXCEPTION TO HIGH-36 MONTH RETIRED PAY COMPUTATION FOR MEMBERS RETIRED FOLLOWING A DISCIPLINARY REDUCTION IN GRADE.

Section 1407 of title 10, United States Code, is amended—

(1) in subsection (b), by striking "The retired pay base" and inserting "Except as provided in subsection (f), the retired pay base"; and

(2) by adding at the end the following new subsection:

"(f) EXCEPTION FOR ENLISTED MEMBERS REDUCED IN GRADE AND OFFICERS WHO DO NOT SERVE SATISFACTORILY IN HIGHEST GRADE HELD.—

"(1) COMPUTATION BASED ON PRE-HIGH-THREE RULES.—In the case of a member or former member described in paragraph (2), the retired pay base or retainer pay base is determined under section 1406 of this title in the same manner as if the member or former member first became a member of a uniformed service before September 8, 1980.

"(2) AFFECTED MEMBERS.—A member or former member referred to in paragraph (1) is a member or former member who by reason of conduct occurring after the date of the enactment of this subsection—

"(A) in the case of a member retired in an enlisted grade or transferred to the Fleet Reserve or Fleet Marine Corps Reserve, was at any time reduced in grade as the result of a court-martial sentence, nonjudicial punishment, or an administrative action, unless the member was subsequently promoted to a higher enlisted grade or appointed to a commissioned or warrant grade; and

"(B) in the case of an officer, is retired in a grade lower than the highest grade in which served by reason of denial of a determination or certification under section 1370 of this title that the officer served on active duty satisfactorily in that grade.

"(3) SPECIAL RULE FOR ENLISTED MEMBERS.—In the case of a member who retires within three years after having been reduced in grade as described in paragraph (2)(A), who retires in an enlisted grade that is lower than the grade from which reduced, and who would be subject to paragraph (2)(A) but for a subsequent promotion to a higher enlisted grade or a subsequent appointment to a warrant- or commissioned grade, the rates of basic pay used in the computation of the member's high-36 average for the period of the member's service in a grade higher than the grade in which retired shall be the rates of pay that would apply if the member had been serving for that period in the grade in which retired.".

### SEC. 642. AUTOMATIC PARTICIPATION IN RESERVE COMPONENT SURVIVOR BENEFIT PLAN UNLESS DECLINED WITH SPOUSE'S CONSENT.

(a) INITIAL OPPORTUNITY TO DECLINE.—Paragraph (2)(B) of section 1448(a) of title 10, United States Code, is amended to read as follows:

"(B) RESERVE-COMPONENT ANNUITY PARTICIPANTS.—A person who is—

"(i) eligible to participate in the Plan under paragraph (1)(B); and

"(ii) married or has a dependent child when he is notified under section 12731(d) of this title that he has completed the years of service required for eligibility for reserve-component retired pay, unless the person elects (with his spouse's concurrence, if required under paragraph (3)) not to participate in the Plan before the end of the 90-day period beginning on the date he receives such notification.

A person who elects not to participate in the Plan as described in the foregoing sentence remains eligible, upon reaching 60 years of age and otherwise becoming entitled to retired pay, to participate in the Plan in accordance with eligibility under paragraph (1)(A).".

(b) SPOUSAL CONSENT REQUIREMENT.—Paragraph (3)(B) of such section is amended—

(1) by striking "who elects to provide" and inserting "who is eligible to provide";

(2) by redesignating clauses (i) and (ii) as clauses (iii) and (iv), respectively; and

(3) by inserting before clause (iii), as so redesignated, the following:

"(i) not to participate in the Plan;

"(ii) to defer the effective date of annuity payments to the 60th anniversary of the member's birth pursuant to subsection (e)(2);".

(c) IRREVOCABILITY OF ELECTION NOT TO PARTICIPATE MADE UPON RECEIPT OF 20-YEAR LETTER.—Paragraph (4)(B) of such section is amended by striking "to participate in the Plan is irrevocable" and inserting "not to participate in the Plan is, subject to the sentence following clause (ii) of paragraph (2)(B), irrevocable".

(d) DESIGNATION OF COMMENCEMENT OF RESERVE-COMPONENT ANNUITY.—(1) Section 1448(e) of title 10, United States Code, is amended by striking "a person electing to participate" and all that follows through "making such election" and inserting "a person is required to make a designation under this subsection, the person".

(2) Section 1450(j)(1) of such title is amended to read as follows:

"(1) PERSON MAKING SECTION 1448(e) DESIGNATION.—A reserve-component annuity shall be effective in accordance with the designation made under section 1448(e) of this title by the person providing the annuity.".

(e) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on October 1, 2000.

### SEC. 643. PARTICIPATION IN THRIFT SAVINGS PLAN.

(a) EFFECTIVE DATE OF PARTICIPATION AUTHORITY.—Section 663 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 673; 5 U.S.C. 8440 note) is amended to read as follows:

**"SEC. 663. EFFECTIVE DATE.**

"(a) IN GENERAL.—The amendments made by this subtitle shall take effect 180 days after the date of the enactment of the National Defense Authorization Act for Fiscal Year 2001.

"(b) POSTPONEMENT AUTHORITY.—(1) The Secretary of Defense may postpone the authority of members of the Ready Reserve to participate in the Thrift Savings Plan under section 211 of title 37, United States Code (as amended by this subtitle) up to 360 days after the date referred to in subsection (a) if the Secretary, after consultation with the Executive Director (appointed by the Federal Retirement Thrift Investment Board), determines that permitting such members to participate in the Thrift Savings Plan earlier would place an excessive burden on the administrative capacity of the Board to accommodate participants in the Thrift Savings Plan.

"(2) The Secretary shall notify the congressional defense committees, the Committee on Government Reform of the House of Representatives, and the Committee on Governmental Affairs of the Senate of any determination made under paragraph (1).".

(b) REGULATIONS.—Section 661(b) of such Act (113 Stat. 672; 5 U.S.C. 8440e) is amended by striking "the date on which" and all that follows through "later," and inserting "the effective date of the amendments made by this subtitle (determined under section 663(a)),".

### SEC. 644. RETIREMENT FROM ACTIVE RESERVE SERVICE AFTER REGULAR RETIREMENT.

(a) CONVERSION TO RESERVE RETIREMENT.—(1) Chapter 1223 of title 10, United States Code, is amended by adding at the end the following:

**"§ 12741. Retirement from active reserve service performed after regular retirement**

"(a) RESERVE RETIREMENT.—Upon the election of a member or former member of a reserve component under subsection (b), the Secretary concerned shall—

"(1) treat the person as being entitled to retired pay under this chapter;

"(2) terminate the person's entitlement to retired pay that is payable out of the Department of Defense Military Retirement Fund under any other provision of law other than this chapter; and

"(3) in the case of a reserve commissioned officer, transfer the officer to the Retired Reserve.

"(b) ELIGIBILITY AND ELECTION.—A person who, after being retired under chapter 65, 367, 571, or 867 of this title, serves in an active status in a reserve component of the armed forces may elect to receive retired pay under this chapter if—

"(1) the person would, except for paragraph (4) of section 12731(a) of this title, otherwise be entitled to retired pay under this chapter; and

"(2) during that reserve service, the person served satisfactorily as—

"(A) a reserve commissioned officer; or

"(B) a reserve noncommissioned officer.

"(c) TIME AND FORM OF ELECTION.—An election under subsection (b) shall be made within such time and in such form as the Secretary concerned requires.

"(d) EFFECTIVE DATE OF ELECTION.—An election made by a person under subsection (b) shall be effective—

"(1) except as provided in paragraph (2)(B), as of the date on which the person attains 60 years of age, if the election is made in accordance with this section within 180 days after that date; or

"(2) on the first day of the first month that begins after the date on which the election is made in accordance with this section, if—

"(A) the election is made more than 180 days after the date on which the person attains 60 years of age; or

"(B) the person retires from active reserve service within that 180-day period.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following:

"12741. Retirement from active service performed after regular retirement.".

(b) EFFECTIVE DATE AND APPLICABILITY.—(1) This section and the amendments made by this section shall take effect 180 days after the date of the enactment of this Act.

(2) No benefits shall accrue under section 12741 of title 10, United States Code (as added by subsection (a)), for any period before the first day of the first month that begins on or after the effective date of this section.

### SEC. 645. SAME TREATMENT FOR FEDERAL JUDGES AS FOR OTHER FEDERAL OFFICIALS REGARDING PAYMENT OF MILITARY RETIRED PAY.

(a) REPEAL OF REQUIREMENT FOR SUSPENSION DURING REGULAR ACTIVE SERVICE.—Section 371 of title 28, United States Code, is amended—

(1) by striking subsection (e); and

(2) by redesignating subsection (f) as subsection (e).

(b) CONFORMING AMENDMENTS.—Subsection (b) of such section is amended by striking "subsection (f)" each place it appears and inserting "subsection (e)".

(c) RETROACTIVE EFFECTIVE DATE.—The amendments made by this section shall take effect as of October 1, 1999.

### SEC. 646. POLICY ON INCREASING MINIMUM SURVIVOR BENEFIT PLAN BASIC ANNUITIES FOR SURVIVING SPOUSES AGE 62 OR OLDER.

It is the sense of Congress that there should be enacted during the 106th Congress legislation that increases the minimum basic annuities provided under the Survivor Benefit Plan for surviving spouses of members of the uniformed services who are 62 years of age or older.

### SEC. 647. SURVIVOR BENEFIT PLAN ANNUITIES FOR SURVIVORS OF ALL MEMBERS WHO DIE ON ACTIVE DUTY.

(a) ENTITLEMENT.—(1) Subsection (d)(1) of section 1448 of title 10, United States Code, is amended to read as follows:

"(1) SURVIVING SPOUSE ANNUITY.—The Secretary concerned shall pay an annuity under this subchapter to the surviving spouse of—

"(A) a member who dies on active duty after—

"(i) becoming eligible to receive retired pay;

"(ii) qualifying for retired pay except that he has not applied for or been granted that pay; or

"(iii) completing 20 years of active service but before he is eligible to retire as a commissioned officer because he has not completed 10 years of active commissioned service; or

"(B) a member not described in subparagraph (A) who dies on active duty, except in the case of a member whose death, as determined by the Secretary concerned—

"(i) is a direct result of the member's intentional misconduct or willful neglect; or

"(ii) occurs during a period of unauthorized absence.".

(2) The heading for subsection (d) of such section is amended by striking "RETIREMENT-ELIGIBLE".

(b) AMOUNT OF ANNUITY.—Section 1451(c)(1) of such title is amended to read as follows:

"(1) IN GENERAL.—In the case of an annuity provided under section 1448(d) or 1448(f) of this title, the amount of the annuity shall be determined as follows:

"(A) BENEFICIARY UNDER 62 YEARS OF AGE.—If the person receiving the annuity is under 62 *years of age or is a dependent child when the member or former member dies, the monthly annuity shall be the amount equal to 55 percent of the retired pay imputed to the member or former member. The retired pay imputed to a member or former member is as follows:*

*''(i) Except in a case described in clause (ii), the retired pay to which the member or former member would have been entitled if the member or former member had been entitled to that pay based upon his years of active service when he died.*

*''(ii) In the case of a deceased member referred to in subparagraph (A)(iii) or (B) of section 1448(d)(1) of this title, the retired pay to which the member or former member would have been entitled if the member had been entitled to that pay based upon a retirement under section 1201 of this title (if on active duty for more than 30 days when the member died) or section 1204 of this title (if on active duty for 30 days or less when the member died) for a disability rated as total.*

*''(B) Beneficiary 62 Years of Age or Older.—*

*''(i) General Rule.—If the person receiving the annuity (other than a dependent child) is 62 years of age or older when the member or former member dies, the monthly annuity shall be the amount equal to 35 percent of the retired pay imputed to the member or former member as described in clause (i) or (ii) of the second sentence of subparagraph (A).*

*''(ii) Rule if Beneficiary Eligible for Social Security Offset Computation.—If the beneficiary is eligible to have the annuity computed under subsection (e) and if, at the time the beneficiary becomes entitled to the annuity, computation of the annuity under that subsection is more favorable to the beneficiary than computation under clause (i), the annuity shall be computed under that subsection rather than under clause (i).''.*

*(c) Effective Date.—This section and the amendments made by this section shall take effect on October 1, 2000, and shall apply with respect to deaths occurring on or after that date.*

### SEC. 648. FAMILY COVERAGE UNDER SERVICEMEMBERS' GROUP LIFE INSURANCE.

*(a) Insurable Dependents.—Section 1965 of title 38, United States Code, is amended by adding at the end the following:*

*''(10) The term 'insurable dependent', with respect to a member, means the following:*

*''(A) The member's spouse.*

*''(B) A child of the member for so long as the child is unmarried and the member is providing over 50 percent of the support of the child.''.*

*(b) Insurance Coverage.—(1) Subsection (a) of section 1967 of title 38, United States Code, is amended to read as follows:*

*''(a)(1) Subject to an election under paragraph (2), any policy of insurance purchased by the Secretary under section 1966 of this title shall automatically insure the following persons against death:*

*''(A) In the case of any member of a uniformed service on active duty (other than active duty for training)—*

*''(i) the member; and*

*''(ii) each insurable dependent of the member.*

*''(B) Any member of a uniformed service on active duty for training or inactive duty training scheduled in advance by competent authority.*

*''(C) Any member of the Ready Reserve of a uniformed service who meets the qualifications set forth in section 1965(5)(B) of this title.*

*''(2)(A) A member may elect in writing not to be insured under this subchapter.*

*''(B) A member referred to in subparagraph (A) may also make either or both of the following elections in writing:*

*''(i) An election not to insure a dependent spouse under this subchapter.*

*''(ii) An election to insure none of the member's children under this subchapter.*

*''(3)(A) Subject to an election under subparagraph (B), the amount for which a person is insured under this subchapter is as follows:*

*''(i) In the case of a member, $200,000.*

*''(ii) In the case of a member's spouse, the amount equal to 50 percent of the amount for which the member is insured under this subchapter.*

*''(iii) In the case of a member's child, $10,000.*

*''(B) A member may elect in writing to be insured or to insure an insurable dependent in an amount less than the amount provided under subparagraph (A). The amount of insurance so elected shall, in the case of a member or spouse, be evenly divisible by $10,000 and, in the case of a child, be evenly divisible by $5,000.*

*''(4) No dependent of a member is insured under this chapter unless the member is insured under this subchapter.*

*''(5) The insurance shall be effective with respect to a member and the member's dependents on the first day of active duty or active duty for training, or the beginning of a period of inactive duty training scheduled in advance by competent authority, or the first day a member of the Ready Reserve meets the qualifications set forth in section 1965(5)(B) of this title, or the date certified by the Secretary to the Secretary concerned as the date Servicemembers' Group Life Insurance under this subchapter for the class or group concerned takes effect, whichever is the later date.''.*

*(2) Subsection (c) of such section is amended by striking out the first sentence and inserting the following: ''If a person eligible for insurance under this subchapter is not so insured, or is insured for less than the maximum amount provided for the person under subparagraph (A) of subsection (a)(3), by reason of an election made by a member under subparagraph (B) of that subsection, the person may thereafter be insured under this subchapter in the maximum amount or any lesser amount elected as provided in such subparagraph (B) upon written application by the member, proof of good health of each person to be so insured, and compliance with such other terms and conditions as may be prescribed by the Secretary.''.*

*(c) Termination of Coverage.—(1) Subsection (a) of section 1968 of such title is amended—*

*(A) in the matter preceding paragraph (1), by inserting ''and any insurance thereunder on any insurable dependent of such a member,'' after ''any insurance thereunder on any member of the uniformed services,'';*

*(B) by striking ''and'' at the end of paragraph (3);*

*(C) by striking the period at the end of paragraph (4) and inserting ''; and''; and*

*(D) by adding at the end the following:*

*''(5) with respect to an insurable dependent of the member—*

*''(A) upon election made in writing by the member to terminate the coverage; or*

*''(B) on the earlier of—*

*''(i) the date of the member's death;*

*''(ii) the date of termination of the insurance on the member's life under this subchapter;*

*''(iii) the date of the dependent's death; or*

*''(iv) the termination of the dependent's status as an insurable dependent of the member.*

*(2) Subsection (b)(1)(A) of such section is amended by inserting ''(to insure against death of the member only)'' after ''converted to Veterans' Group Life Insurance''.*

*(d) Premiums.—Section 1969 of such title is amended by adding at the end the following:*

*''(g)(1) During any period in which any insurable dependent of a member is insured under this subchapter, there shall be deducted each month from the member's basic or other pay until separation or release from active duty an amount determined by the Secretary (which shall be the same for all such members) as the premium allocable to the pay period for providing that insurance coverage.*

*''(2)(A) The Secretary shall determine the premium amounts to be charged for life insurance coverage for dependents of members under this subchapter.*

*''(B) The premium amounts shall be determined on the basis of sound actuarial principles and shall include an amount necessary to cover the administrative costs to the insurer or insurers providing such insurance.*

*''(C) Each premium rate for the first policy year shall be continued for subsequent policy years, except that the rate may be adjusted for any such subsequent policy year on the basis of the experience under the policy, as determined by the Secretary in advance of that policy year.*

*''(h) Any overpayment of a premium for insurance coverage for an insurable dependent of a member that is terminated under section 1968(a)(5) of this title shall be refunded to the member.''.*

*(e) Payments of Insurance Proceeds.—Section 1970 of such title is amended by adding at the end the following:*

*''(h) Any amount of insurance in force on an insurable dependent of a member under this subchapter on the date of the dependent's death shall be paid, upon the establishment of a valid claim therefor, to the member or, in the event of the member's death before payment to the member can be made, then to the person or persons entitled to receive payment of the proceeds of insurance on the member's life under this subchapter.''.*

*(f) Effective Date and Initial Implementation.—(1) This section and the amendments made by this section shall take effect on the first day of the first month that begins more than 120 days after the date of the enactment of this Act, except that paragraph (2) shall take effect on the date of the enactment of this Act.*

*(2) The Secretary of Veterans Affairs, in consultation with the Secretaries of the military departments, the Secretary of Transportation, the Secretary of Commerce and the Secretary of Health and Human Services, shall take such action as is necessary to ensure that each member of the uniformed services on active duty (other than active duty for training) during the period between the date of the enactment of this Act and the effective date determined under paragraph (1) is furnished an explanation of the insurance benefits available for dependents under the amendments made by this section and is afforded an opportunity before such effective date to make elections that are authorized under those amendments to be made with respect to dependents.*

### SEC. 649. FEES PAID BY RESIDENTS OF THE ARMED FORCES RETIREMENT HOME.

*(a) Naval Home.—Section 1514 of the Armed Forces Retirement Home Act of 1991 (24 U.S.C. 414) is amended by striking subsection (d) and inserting the following:*

*''(d) Naval Home.—The monthly fee required to be paid by a resident of the Naval Home under subsection (a) shall be as follows:*

*''(1) For a resident in an independent living status, $500.*

*''(2) For a resident in an assisted living status, $750.*

*''(3) For a resident of a skilled nursing facility, $1,250.''.*

*(b) United States Soldiers' and Airmen's Home.—Subsection (c) of such section is amended—*

*(1) by striking ''(c) Fixing Fees.—'' and inserting ''(c) United States Soldiers' and Airmen's Home.—'';*

(2) in paragraph (1)—

(A) by striking "the fee required by subsection (a) of this section" and inserting "the fee required to be paid by residents of the United States Soldiers' and Airmen's Home under subsection (a)"; and

(B) by striking "needs of the Retirement Home" and inserting "needs of that establishment"; and

(3) in paragraph (2), by striking the second sentence.

(c) SAVINGS PROVISION.—Such section is further amended by adding at the end the following:

"(e) RESIDENTS BEFORE FISCAL YEAR 2001.—A resident of the Retirement Home on September 30, 2000, may not be charged a monthly fee under this section in an amount that exceeds the amount of the monthly fee charged that resident for the month of September 2000.".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2000.

### SEC. 650. COMPUTATION OF SURVIVOR BENEFITS.

(a) INCREASED BASIC ANNUITY.—(1) Subsection (a)(1)(B)(i) of section 1451 of title 10, United States Code, is amended by striking "35 percent of the base amount." and inserting "the product of the base amount and the percent applicable for the month. The percent applicable for a month is 35 percent for months beginning on or before the date of the enactment of the National Defense Authorization Act for Fiscal Year 2001, 40 percent for months beginning after such date and before October 2004, and 45 percent for months beginning after September 2004.".

(2) Subsection (a)(2)(B)(i)(I) of such section is amended by striking "35 percent" and inserting "the percent specified under subsection (a)(1)(B)(i) as being applicable for the month".

(3) Subsection (c)(1)(B)(i) of such section is amended—

(A) by striking "35 percent" and inserting "the applicable percent"; and

(B) by adding at the end the following: "The percent applicable for a month under the preceding sentence is the percent specified under subsection (a)(1)(B)(i) as being applicable for the month.".

(4) The heading for subsection (d)(2)(A) of such section is amended to read as follows: "COMPUTATION OF ANNUITY.—".

(b) ADJUSTED SUPPLEMENTAL ANNUITY.—Section 1457(b) of title 10, United States Code, is amended—

(1) by striking "5, 10, 15, or 20 percent" and inserting "the applicable percent"; and

(2) by inserting after the first sentence the following: "The percent used for the computation shall be an even multiple of 5 percent and, whatever the percent specified in the election, may not exceed 20 percent for months beginning on or before the date of the enactment of the National Defense Authorization Act for Fiscal Year 2001, 15 percent for months beginning after that date and before October 2004, and 10 percent for months beginning after September 2004.".

(c) RECOMPUTATION OF ANNUITIES.—(1) Effective on the first day of each month referred to in paragraph (2)—

(A) each annuity under section 1450 of title 10, United States Code, that commenced before that month, is computed under a provision of section 1451 of that title amended by subsection (a), and is payable for that month shall be recomputed so as to be equal to the amount that would be in effect if the percent applicable for that month under that provision, as so amended, had been used for the initial computation of the annuity; and

(B) each supplemental survivor annuity under section 1457 of such title that commenced before that month and is payable for that month shall be recomputed so as to be equal to the amount that would be in effect if the percent applicable for that month under that section, as amended by this section, had been used for the initial computation of the supplemental survivor annuity.

(2) The requirements for recomputation of annuities under paragraph (1) apply with respect to the following months:

(A) The first month that begins after the date of the enactment of this Act.

(B) October 2004.

(d) RECOMPUTATION OF RETIRED PAY REDUCTIONS FOR SUPPLEMENTAL SURVIVOR ANNUITIES.—The Secretary of Defense shall take such actions as are necessitated by the amendments made by subsection (b) and the requirements of subsection (c)(1)(B) to ensure that the reductions in retired pay under section 1460 of title 10, United States Code, are adjusted to achieve the objectives set forth in subsection (b) of that section.

### SEC. 651. EQUITABLE APPLICATION OF EARLY RETIREMENT ELIGIBILITY REQUIREMENTS TO MILITARY RESERVE TECHNICIANS.

(a) TECHNICIANS COVERED BY FERS.—Paragraph (1) of section 8414(c) of title 5, United States Code, is amended by striking "after becoming 50 years of age and completing 25 years of service" and inserting "after completing 25 years of service or after becoming 50 years of age and completing 20 years of service".

(b) TECHNICIANS COVERED BY CSRS.—Section 8336 of title 5, United States Code, is amended by adding at the end the following new subsection:

"(p) Section 8414(c) of this title applies—

"(1) under paragraph (1) of such section to a military reserve technician described in that paragraph for purposes of determining entitlement to an annuity under this subchapter; and

"(2) under paragraph (2) of such section to a military technician (dual status) described in that paragraph for purposes of determining entitlement to an annuity under this subchapter.".

(c) TECHNICAL AMENDMENT.—Section 1109(a)(2) of Public Law 105–261 (112 Stat. 2143) is amended by striking "adding at the end" and inserting "inserting after subsection (n)".

(d) APPLICABILITY.—Subsection (c) of section 8414 of such title (as amended by subsection (a)), and subsection (p) of section 8336 of title 5, United States Code (as added by subsection (b)), shall apply according to the provisions thereof with respect to separations from service referred to in such subsections that occur on or after October 5, 1999.

### SEC. 652. CONCURRENT PAYMENT TO SURVIVING SPOUSES OF DISABILITY AND INDEMNITY COMPENSATION AND ANNUITIES UNDER SURVIVOR BENEFIT PLAN.

(a) CONCURRENT PAYMENT.—Section 1450 of title 10, United States Code, is amended by striking subsection (c).

(b) CONFORMING AMENDMENTS.—That section is further amended by striking subsections (e) and (k).

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act, and shall apply with respect to the payment of annuities under the Survivor Benefit Plan under subchapter II of chapter 73 of title 10, United States Code, for months beginning on or after that date.

(d) RECOMPUTATION OF ANNUITIES.—The Secretary of Defense shall provide for the readjustment of any annuities to which subsection (c) of section 1450 of title 10, United States Code, applies as of the date before the date of the enactment of this Act, as if the adjustment otherwise provided for under such subsection (c) had never been made.

(e) PROHIBITION ON RETROACTIVE BENEFITS.—No benefits shall be paid to any person by virtue of the amendments made by this section for any period before the effective date of the amendments as specified in subsection (c).

## Subtitle E—Other Matters

### SEC. 661. REIMBURSEMENT OF RECRUITING AND ROTC PERSONNEL FOR PARKING EXPENSES.

(a) IN GENERAL.—Chapter 53 of title 10, United States Code, is amended by inserting after section 1053 the following new section:

**"§ 1053a. Reimbursement of recruiting and ROTC personnel: parking expenses**

"(a) AUTHORITY.—The Secretary concerned may, under regulations prescribed by the Secretary of Defense, reimburse eligible Department of Defense personnel for expenses incurred for parking a privately owned vehicle at a place of duty.

"(b) ELIGIBILITY.—A member of the armed forces or employee of the Department of Defense is eligible for reimbursement under subsection (a) while—

"(1) assigned to duty as a recruiter for any of the armed forces;

"(2) assigned to duty at a military entrance processing facility of the armed forces; or

"(3) detailed for instructional and administrative duties at any institution where a unit of the Senior Reserve Officers' Training Corps is maintained.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1053 the following:

"1053a. Reimbursement of recruiting and ROTC personnel: parking expenses.".

### SEC. 662. EXTENSION OF DEADLINE FOR FILING CLAIMS ASSOCIATED WITH CAPTURE AND INTERNMENT OF CERTAIN PERSONS BY NORTH VIETNAM.

Section 657(d)(1) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2585) is amended by adding at the end the following: "The Secretary may extend the time limitation under the preceding sentence for up to 18 months in the case of any claim for which the Secretary determines that the extension is necessary to prevent an injustice or that a failure to file within the time limitation is due to excusable neglect.".

### SEC. 663. SETTLEMENT OF CLAIMS FOR PAYMENTS FOR UNUSED ACCRUED LEAVE AND FOR RETIRED PAY.

(a) CLAIMS FOR PAYMENTS FOR UNUSED ACCRUED LEAVE.—Subsection (a)(1) of section 3702 of title 31, United States Code, is amended by inserting "payments for unused accrued leave," after "transportation,".

(b) WAIVER OF TIME LIMITATIONS.—Subsection (e)(1) of such section is amended by striking "claim for pay or allowances under title 37" and inserting "claim for pay, allowances, or payment for unused accrued leave under title 37 or a claim for retired pay under title 10".

### SEC. 664. ELIGIBILITY OF CERTAIN MEMBERS OF THE INDIVIDUAL READY RESERVE FOR SERVICEMEMBERS' GROUP LIFE INSURANCE.

Section 1965(5) of title 38, United States Code, is amended—

(1) by striking "and" at the end of subparagraph (B);

(2) by redesignating subparagraph (C) as subparagraph (D); and

(3) by inserting after subparagraph (B) the following new subparagraph (C):

"(C) a person who volunteers for assignment to a category in the Individual Ready Reserve of a uniformed service that is subject to an involuntary call to active duty under section 12304 of title 10; and".

### SEC. 665. AUTHORITY TO PAY GRATUITY TO CERTAIN VETERANS OF BATAAN AND CORREGIDOR.

*(a) PAYMENT OF GRATUITY AUTHORIZED.—The Secretary of Veterans Affairs may pay a gratuity to a covered veteran, or to the surviving spouse of a covered veteran, in the amount of $20,000.*

*(b) COVERED VETERAN DEFINED.—For purposes of subsection (a), the term "covered veteran" means any veteran of the Armed Forces who—*

*(1) served at Bataan or Corregidor in the Philippines during World War II;*

*(2) was captured and held as a prisoner of war by Japan as a result of such service; and*

*(3) was required by Japan to perform slave labor in Japan during World War II.*

*(c) RELATIONSHIP TO OTHER PAYMENTS.—Any amount paid a person under this section for activity described in subsection (b) is in addition to any other amount paid such person for such activity under any other provision of law.*

### SEC. 666. CONCURRENT PAYMENT OF RETIRED PAY AND COMPENSATION FOR RETIRED MEMBERS WITH SERVICE-CONNECTED DISABILITIES.

*(a) CONCURRENT PAYMENT.—Section 5304(a) of title 38, United States Code, is amended by adding at the end the following new paragraph:*

*"(3) Notwithstanding the provisions of paragraph (1) and section 5305 of this title, compensation under chapter 11 of this title may be paid to a person entitled to receive retired or retirement pay described in such section 5305 concurrently with such person's receipt of such retired or retirement pay.".*

*(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act, and apply with respect to payments of compensation for months beginning on or after that date.*

*(c) PROHIBITION ON RETROACTIVE BENEFITS.—No benefits shall be paid to any person by virtue of the amendment made by subsection (a) for any period before the effective date of this Act as specified in subsection (b).*

### SEC. 667. TRAVEL BY RESERVES ON MILITARY AIRCRAFT TO AND FROM LOCATIONS OUTSIDE THE CONTINENTAL UNITED STATES FOR INACTIVE-DUTY TRAINING.

*(a) SPACE-REQUIRED TRAVEL.—Subsection (a) of section 18505 of title 10, United States Code, is amended—*

*(1) by inserting "residence or" after "In the case of a member of a reserve component whose"; and*

*(2) by inserting after "(including a place" the following: "of inactive-duty training".*

*(b) CLERICAL AMENDMENTS.—(1) The heading of such section is amended to read as follows:*

"***§ 18505. Space-required travel: Reserves traveling to inactive-duty training***".

*(2) The item relating to such section in the table of sections at the beginning of such chapter is amended to read as follows:*

*"18505. Space-required travel: Reserves traveling to inactive-duty training.".*

### SEC. 668. ADDITIONAL BENEFITS AND PROTECTIONS FOR PERSONNEL INCURRING INJURY, ILLNESS, OR DISEASE IN THE PERFORMANCE OF FUNERAL HONORS DUTY.

*(a) INCAPACITATION PAY.—Section 204 of title 37, United States Code, is amended—*

*(1) in subsection (g)(1)—*

*(A) by striking "or" at the end of subparagraph (C);*

*(B) by striking the period at the end of subparagraph (D) and inserting "; or"; and*

*(C) by adding at the end the following:*

*"(E) in line of duty while—*

*"(i) serving on funeral honors duty under section 12503 of this title or section 115 of title 32;*

*"(ii) traveling to or from the place at which the duty was to be performed; or*

*"(iii) remaining overnight at or in the vicinity of that place immediately before so serving, if the place is outside reasonable commuting distance from the member's residence."; and*

*(2) in subsection (h)(1)—*

*(A) by striking "or" at the end of subparagraph (C);*

*(B) by striking the period at the end of subparagraph (D) and inserting "; or"; and*

*(C) by adding at the end the following:*

*"(E) in line of duty while—*

*"(i) serving on funeral honors duty under section 12503 of this title or section 115 of title 32;*

*"(ii) traveling to or from the place at which the duty was to be performed; or*

*"(iii) remaining overnight at or in the vicinity of that place immediately before so serving, if the place is outside reasonable commuting distance from the member's residence.".*

*(b) TORT CLAIMS.—Section 2671 of title 28, United States Code, is amended by inserting "115," in the second paragraph after "members of the National Guard while engaged in training or duty under section".*

*(c) APPLICABILITY.—(1) The amendments made by subsection (a) shall apply with respect to months beginning on or after the date of the enactment of this Act.*

*(2) The amendment made by subsection (b) shall apply with respect to acts and omissions occurring before, on, or after the date of the enactment of this Act.*

### SEC. 669. DETERMINATIONS OF INCOME ELIGIBILITY FOR SPECIAL SUPPLEMENTAL FOOD PROGRAM.

*Section 1060a(c)(1)(B) of title 10, United States Code, is amended by striking the second sentence and inserting the following: "In the application of such criterion, the Secretary shall exclude from income any basic allowance for housing as permitted under section 17(d)(2)(B) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(d)(2)(B)).".*

### SEC. 670. MODIFICATION OF TIME FOR USE BY CERTAIN MEMBERS OF THE SELECTED RESERVE OF ENTITLEMENT TO EDUCATIONAL ASSISTANCE.

*(a) IN GENERAL.—Subsection (a) of section 16133 of title 10, United States Code, is amended by striking "(1) at the end" and all that follows through the end and inserting "on the date the person is separated from the Selected Reserve.".*

*(b) CERTAIN MEMBERS.—Paragraph (1) of subsection (b) of that section is amended in the flush matter following subparagraph (B) by striking "shall be determined" and all that follows through the end and inserting "shall expire on the later of (i) the 10-year period beginning on the date on which such person becomes entitled to educational assistance under this chapter, or (ii) the end of the 4-year period beginning on the date such person is separated from, or ceases to be, a member of the Selected Reserve.".*

*(c) CONFORMING AMENDMENTS.—Subsection (b) of that section is further amended—*

*(1) in paragraph (2), by striking "subsection (a)" and inserting "subsections (a) and (b)(1)";*

*(2) in paragraph (3), by striking "subsection (a)" and inserting "subsection (b)(1)"; and*

*(3) in paragraph (4)—*

*(A) in subparagraph (A), by striking "subsection (a)" and inserting "subsections (a) and (b)(1)"; and*

*(B) in subparagraph (B), by striking "clause (2) of such subsection" and inserting "subsection (a)".*

### SEC. 671. RECOGNITION OF MEMBERS OF THE ALASKA TERRITORIAL GUARD AS VETERANS.

*(a) IN GENERAL.—Section 106 of title 38, United States Code, is amended by adding at the end the following new subsection:*

*"(f) Service as a member of the Alaska Territorial Guard during World War II of any individual who was honorably discharged therefrom under section 656(b) of the National Defense Authorization Act for Fiscal Year 2001 shall be considered active duty for purposes of all laws administered by the Secretary.".*

*(b) DISCHARGE.—(1) The Secretary of Defense shall issue to each individual who served as a member of the Alaska Territorial Guard during World War II a discharge from such service under honorable conditions if the Secretary determines that the nature and duration of the service of the individual so warrants.*

*(2) A discharge under paragraph (1) shall designate the date of discharge. The date of discharge shall be the date, as determined by the Secretary, of the termination of service of the individual concerned as described in that paragraph.*

*(c) PROHIBITION ON RETROACTIVE BENEFITS.—No benefits shall be paid to any individual for any period before the date of the enactment of this Act by reason of the enactment of this section.*

### SEC. 672. CLARIFICATION OF DEPARTMENT OF VETERANS AFFAIRS DUTY TO ASSIST.

*(a) IN GENERAL.—Section 5107 of title 38, United States Code, is amended to read as follows:*

***"§ 5107 Assistance to claimants; benefit of the doubt; burden of proof***

*"(a) The Secretary shall assist a claimant in developing all facts pertinent to a claim for benefits under this title. Such assistance shall include requesting information as described in section 5106 of this title. The Secretary shall provide a medical examination when such examination may substantiate entitlement to the benefits sought. The Secretary may decide a claim without providing assistance under this subsection when no reasonable possibility exists that such assistance will aid in the establishment of entitlement.*

*"(b) The Secretary shall consider all evidence and material of record in a case before the Department with respect to benefits under laws administered by the Secretary and shall give the claimant the benefit of the doubt when there is an approximate balance of positive and negative evidence regarding any issue material to the determination of the matter.*

*"(c) Except when otherwise provided by this title or by the Secretary in accordance with the provisions of this title, a person who submits a claim for benefits under a law administered by the Secretary shall have the burden of proof.".*

*(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 51 of that title is amended by striking the item relating to section 5017 and inserting the following new item:*

*"5107 Assistance to claimants; benefit of the doubt; burden of proof.".*

### SEC. 673. BACK PAY FOR MEMBERS OF THE NAVY AND MARINE CORPS APPROVED FOR PROMOTION WHILE INTERNED AS PRISONERS OF WAR DURING WORLD WAR II.

*(a) ENTITLEMENT OF FORMER PRISONERS OF WAR.—Upon receipt of a claim made in accordance with this section, the Secretary of the Navy shall pay back pay to a claimant who, by reason of being interned as a prisoner of war while serving as a member of the Navy or the Marine Corps during World War II, was not available to accept a promotion for which the claimant was approved.*

*(b) PROPER CLAIMANT FOR DECEASED FORMER MEMBER.—In the case of a person described in subsection (a) who is deceased, the back pay for that deceased person under this section shall be paid to a member or members of the family of the deceased person determined appropriate in*

the same manner as is provided in section 6(c) of the War Claims Act of 1948 (50 U.S.C. App. 2005(c)).

(c) AMOUNT OF BACK PAY.—The amount of back pay payable to or for a person described in subsection (a) is the amount equal to the excess of—

(1) the total amount of basic pay that would have been paid to that person for service in the Navy or the Marine Corps if the person had been promoted on the date on which the promotion was approved, over

(2) the total amount of basic pay that was paid to or for that person for such service on and after that date.

(d) TIME LIMITATIONS.—(1) To be eligible for a payment under this section, a claimant must file a claim for such payment with the Secretary of Defense within two years after the effective date of the regulations implementing this section.

(2) Not later than 18 months after receiving a claim for payment under this section, the Secretary shall determine the eligibility of the claimant for payment of the claim. Subject to subsection (f), if the Secretary determines that the claimant is eligible for the payment, the Secretary shall promptly pay the claim.

(e) REGULATIONS.—The Secretary of Defense shall prescribe regulations to carry out this section. Such regulations shall include procedures by which persons may submit claims for payment under this section. Such regulations shall be prescribed not later than six months after the date of the enactment of this Act.

(f) LIMITATION ON DISBURSEMENT.—(1) Notwithstanding any power of attorney, assignment of interest, contract, or other agreement, the actual disbursement of a payment under this section may be made only to each person who is eligible for the payment under subsection (a) or (b) and only—

(A) upon the appearance of that person, in person, at any designated disbursement office in the United States or its territories; or

(B) at such other location or in such other manner as that person may request in writing.

(2) In the case of a claim approved for payment but not disbursed as a result of operation of paragraph (1), the Secretary of Defense shall hold the funds in trust for the person in an interest bearing account until such time as the person makes an election under such paragraph.

(g) ATTORNEY FEES.—Notwithstanding any contract, the representative of a person may not receive, for services rendered in connection with the claim of, or with respect to, a person under this section, more than 10 percent of the amount of a payment made under this section on that claim.

(h) OUTREACH.—The Secretary of the Navy shall take such actions as are necessary to ensure that the benefits and eligibility for benefits under this section are widely publicized by means designed to provide actual notice of the availability of the benefits in a timely manner to the maximum number of eligible persons practicable.

(i) DEFINITION.—In this section, the term "World War II" has the meaning given the term in section 101(8) of title 38, United States Code.

## Subtitle F—Education Benefits

### SEC. 681. SHORT TITLE.

This subtitle may be cited as the "Helping Our Professionals Educationally (HOPE) Act of 2000".

### SEC. 682. TRANSFER OF ENTITLEMENT TO EDUCATIONAL ASSISTANCE BY CERTAIN MEMBERS OF THE ARMED FORCES.

(a) AUTHORITY TO TRANSFER TO FAMILY MEMBERS.—(1) Subchapter II of chapter 30 of title 38, United States Code, is amended by adding at the end the following new section:

**"§3020. Transfer of entitlement to basic educational assistance: members of the Armed Forces**

"(a)(1) Subject to the provisions of this section, the Secretary of each military department may, for the purpose of enhancing recruiting and retention and at such Secretary's sole discretion, permit an individual described in paragraph (2) who is entitled to basic educational assistance under this subchapter to elect to transfer such individual's entitlement to such assistance, in whole or in part, to the dependents specified in subsection (b).

"(2) An individual referred to in paragraph (1) is any individual who is a member of the Armed Forces at the time of the approval by the Secretary of the military department concerned of the individual's request to transfer entitlement to educational assistance under this section.

"(3) The Secretary of the military department concerned may not approve an individual's request to transfer entitlement to educational assistance under this section until the individual has completed six years of service in the Armed Forces.

"(4) Subject to the time limitation for use of entitlement under section 3031 of this title, an individual approved to transfer entitlement to educational assistance under this section may transfer such entitlement at any time after the approval of individual's request to transfer such entitlement without regard to whether the individual is a member of the Armed Forces when the transfer is executed.

"(b) An individual approved to transfer an entitlement to basic educational assistance under this section may transfer the individual's entitlement to such assistance as follows:

"(1) To the individual's spouse.

"(2) To one or more of the individual's children.

"(3) To a combination of the individuals referred to in paragraphs (1) and (2).

"(c)(1) An individual transferring an entitlement to basic educational assistance under this section shall—

"(A) designate the dependent or dependents to whom such entitlement is being transferred and the percentage of such entitlement to be transferred to each such dependent; and

"(B) specify the period for which the transfer shall be effective for each dependent designated under subparagraph (A).

"(2) The aggregate amount of the entitlement transferable by an individual under this section may not exceed the aggregate amount of the entitlement of such individual to basic educational assistance under this subchapter.

"(3) An individual transferring an entitlement under this section may modify or revoke the transfer at any time before the use of the transferred entitlement begins. An individual shall make the modification or revocation by submitting written notice of the action to the Secretary of the military department concerned.

"(d)(1) A dependent to whom entitlement to educational assistance is transferred under this section may not commence the use of the transferred entitlement until the completion by the individual making the transfer of 10 years of service in the Armed Forces.

"(2) The use of any entitlement transferred under this section shall be charged against the entitlement of the individual making the transfer at the rate of one month for each month of transferred entitlement that is used.

"(3) Except as provided in under subsection (c)(1)(B) and subject to paragraphs (4) and (5), a dependent to whom entitlement is transferred under this section is entitled to basic educational assistance under this subchapter in the same manner and at the same rate as the individual from whom the entitlement was transferred.

"(4) Notwithstanding section 3031 of this title, a child to whom entitlement is transferred under this section may not use any entitlement so transferred after attaining the age of 26 years.

"(5) The administrative provisions of this chapter (including the provisions set forth in section 3034(a)(1) of this title) shall apply to the use of entitlement transferred under this section, except that the dependent to whom the entitlement is transferred shall be treated as the eligible veteran for purposes of such provisions.

"(e) In the event of an overpayment of basic educational assistance with respect to a dependent to whom entitlement is transferred under this section, the dependent and the individual making the transfer shall be jointly and severally liable to the United States for the amount of the overpayment for purposes of section 3685 of this title.

"(f) The Secretary of a military department may approve transfers of entitlement to educational assistance under this section in a fiscal year only to the extent that appropriations for military personnel are available in the fiscal year for purposes of making transfers of funds under section 2006 of title 10 with respect to such transfers of entitlement.

"(g) The Secretary of Defense shall prescribe regulations for purposes of this section. Such regulations shall specify the manner and effect of an election to modify or revoke a transfer of entitlement under subsection (c)(3) and shall specify the manner of the applicability of the administrative provisions referred to in subsection (d)(5) to a dependent to whom entitlement is transferred under this section.

"(h)(1) Not later than January 31, 2002, and each year thereafter, each Secretary of a military department shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the transfers of entitlement under this section that were approved by such Secretary during the preceding year.

"(2) Each report shall set forth—

"(A) the number of transfers of entitlement under this section that were approved by such Secretary during the preceding year; or

"(B) if no transfers of entitlement under this section were approved by such Secretary during that year, a justification for such Secretary's decision not to approve any such transfers of entitlement during that year.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 3019 the following new item:

"3020. Transfer of entitlement to basic educational assistance: members of the Armed Forces.".

(b) TREATMENT UNDER DEPARTMENT OF DEFENSE EDUCATION BENEFITS FUND.—Section 2006(b)(2) of title 10, United States Code, is amended by adding at the end the following:

"(D) The present value of the future benefits payable from the Fund as a result of transfers under section 3020 of title 38 of entitlement to basic educational assistance under chapter 30 of title 38."

(c) PLAN FOR IMPLEMENTATION.—Not later than June 30, 2001, the Secretary of Defense shall submit to Congress a report describing the manner in which the Secretaries of the military departments propose to exercise the authority granted by section 3020 of title 38, United States Code, as added by subsection (a).

### SEC. 683. PARTICIPATION OF ADDITIONAL MEMBERS OF THE ARMED FORCES IN MONTGOMERY GI BILL PROGRAM.

(a) PARTICIPATION AUTHORIZED.—(1) Subchapter II of chapter 30 of title 38, United States Code, as amended by section 682(a) of this Act, is further amended by inserting after section 3018C the following new section:

### ***"§3018D. Opportunity to enroll: certain VEAP participants; active duty personnel not previously enrolled***

*"(a)(1) Notwithstanding any other provision of law and subject to the provisions of this section, the Secretary concerned may, for the purpose of enhancing recruiting and retention and at such Secretary's sole discretion, permit an individual described in subsection (b) to elect under subsection (c) to become entitled to basic educational assistance under this chapter.*

*"(2) The Secretary concerned may permit an individual to elect to become entitled to basic educational assistance under this section only if sufficient funds are available in accordance with this section for purposes of payments by the Secretary of Defense into the Department of Defense Education Benefits Fund under section 2006 of title 10 with respect to such election.*

*"(3) An individual who makes an election to become entitled to basic educational assistance under this section shall be entitled to basic educational assistance under this chapter.*

*"(b) An individual eligible to be permitted to make an election under this section is an individual who—*

*"(1) either—*

*"(A)(i) is a participant on the date of the enactment of this section in the educational benefits program provided by chapter 32 of this title; or*

*"(ii) disenrolled from participation in that program before that date; or*

*"(B) has made an election under section 3011(c)(1) or 3012(d)(1) of this title not to receive educational assistance under this chapter and has not withdrawn that election under section 3018(a) of this title as of that date;*

*"(2) is serving on active duty (excluding periods referred to in section 3202(1)(C) of this title in the case of an individual described in paragraph (1)(A)) on that date; and*

*"(3) before applying for benefits under this section, has completed the requirements of a secondary school diploma (or equivalency certificate) or has successfully completed the equivalent of 12 semester hours in a program of education leading to a standard college degree.*

*"(c) An individual permitted to make an election under this section to become entitled to basic educational assistance under this chapter shall make an irrevocable election to receive benefits under this section in lieu of benefits under chapter 32 of this title or withdraw the election made under section 3011(c)(1) or 3012(d)(1) of this title, as the case may be, pursuant to procedures which the Secretary of each military department shall provide in accordance with regulations prescribed by the Secretary of Defense for the purpose of carrying out this section or which the Secretary of Transportation shall provide for such purpose with respect to the Coast Guard when it is not operating as a service in the Navy.*

*"(d)(1) Except as provided in paragraphs (2) and (3), in the case of an individual who makes an election under this section to become entitled to basic educational assistance under this chapter, the basic pay of the individual shall be reduced (in a manner determined by the Secretary of Defense) until the total amount by which such basic pay is reduced is—*

*"(A) $1,200, in the case of an individual described in subsection (b)(1)(A); or*

*"(B) $1,500, in the case of an individual described in subsection (b)(1)(B).*

*"(2) In the case of an individual previously enrolled in the educational benefits program provided by chapter 32 of this title, the total amount of the reduction in basic pay otherwise required by paragraph (1) shall be reduced by an amount equal to so much of the unused contributions made by the individual to the Post-Vietnam Era Veterans Education Account under section 3222(a) of this title as do not exceed $1,200.*

*"(3) An individual may at any time pay the Secretary concerned an amount equal to the difference between the total of the reductions otherwise required with respect to the individual under this subsection and the total amount of the reductions made with respect to the individual under this subsection as of the time of the payment.*

*"(4) The Secretary concerned shall transfer to the Secretary of Defense amounts retained with respect to individuals under paragraph (1) and amounts, if any, paid by individuals under paragraph (3).*

*"(e)(1) An individual who is enrolled in the educational benefits program provided by chapter 32 of this title and who makes the election described in subsection (c) shall be disenrolled from the program as of the date of such election.*

*"(2) For each individual who is disenrolled from such program, the Secretary shall transfer to Secretary of Defense any amounts in the Post-Vietnam Era Veterans Education Account that are attributable to the individual, including amounts in the Account that are attributable to the individual by reason of contributions made by the Secretary of Defense under section 3222(c) of this title.*

*"(f) With respect to each individual electing under this section to become entitled to basic educational assistance under this chapter, the Secretary concerned shall transfer to the Secretary of Defense, from appropriations for military personnel that are available for transfer, an amount equal to the difference between—*

*"(1) the amount required to be paid by the Secretary of Defense into the Department of Defense Education Benefits Fund with respect to such election; and*

*"(2) the aggregate amount transferred to the Secretary of Defense with respect to the individual under subsections (d) and (e).*

*"(g) The Secretary of Defense shall utilize amounts transferred to such Secretary under this section for purposes of payments into the Department of Defense Education Benefits Fund with respect to the provision of benefits under this chapter for individuals making elections under this section.*

*"(h)(1) The requirements of sections 3011(a)(3) and 3012(a)(3) of this title shall apply to an individual who makes an election under this section, except that the completion of service referred to in such section shall be the completion of the period of active duty being served by the individual on the date of the enactment of this section.*

*"(2) The procedures provided in regulations referred to in subsection (c) shall provide for notice of the requirements of subparagraphs (B), (C), and (D) of section 3011(a)(3) of this title and of subparagraphs (B), (C), and (D) of section 3012(a)(3) of this title. Receipt of such notice shall be acknowledged in writing.*

*"(i)(1) Not later than January 31, 2002, and each year thereafter, each Secretary concerned shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the members of the Armed Forces under the jurisdiction of such Secretary who were permitted to elect to become entitled to basic educational assistance under this section during the preceding year.*

*"(2) Each report shall set forth—*

*"(A) the number of members who were permitted to elect to become entitled to basic educational assistance under this section during the preceding year;*

*"(B) the number of members so permitted who elected to become entitled to basic educational assistance during that year; and*

*"(C) if no members were so permitted during that year, a justification for such Secretary's decision not to permit any members to elect to become so entitled during that year.".*

*(2) The table of sections at the beginning of chapter 30 of that title, as amended by section 682(a) of this Act, is further amended by inserting after the item relating to section 3018C the following new item:*

*"3018D. Opportunity to enroll: certain VEAP participants; active duty personnel not previously enrolled.".*

*(b) CONFORMING AMENDMENT.—Section 3015(f) of that title is amended by striking "or 3018C" and inserting "3018C, or 3018D".*

*(c) TREATMENT UNDER DEPARTMENT OF DEFENSE EDUCATION BENEFITS FUND.—Section 2006(b)(2) of title 10, United States Code, as amended by section 682(b) of this Act, is further amended by adding at the end the following:*

*"(E) The present value of the future benefits payable from the Fund as a result of elections under section 3018D of title 38 of entitlement to basic educational assistance under chapter 30 of title 38.".*

*(d) PLANS FOR IMPLEMENTATION.—(1) Not later than June 30, 2001, the Secretary of Defense shall submit to Congress a report describing the manner in which the Secretaries of the military departments propose to exercise the authority granted by section 3018A of title 38, United States Code, as added by subsection (a).*

*(2) Not later than June 30, 2001, the Secretary of Transportation shall submit to Congress a report describing the manner in which that Secretary proposes to exercise the authority granted by such section 3018A with respect to members of the Coast Guard.*

### ***SEC. 684. MODIFICATION OF AUTHORITY TO PAY TUITION FOR OFF-DUTY TRAINING AND EDUCATION.***

*(a) AUTHORITY TO PAY ALL CHARGES.—Section 2007 of title 10, United States Code, is amended—*

*(1) by striking subsections (a) and (b) and inserting the following new subsections:*

*"(a) Subject to subsection (b), the Secretary of a military department may pay all or a portion of the charges of an educational institution for the tuition or expenses of a member of the armed forces enrolled in such educational institution for education or training during the member's off-duty periods.*

*"(b) In the case of a commissioned officer on active duty, the Secretary of the military department concerned may not pay charges under subsection (a) unless the officer agrees to remain on active duty for a period of at least two years after the completion of the training or education for which the charges are paid."; and*

*(2) in subsection (d)—*

*(A) by striking "(within the limits set forth in subsection (a))" in the matter preceding paragraph (1); and*

*(B) in paragraph (3), by striking "subsection (a)(3)" and inserting "subsection (b)".*

*(b) USE OF ENTITLEMENT TO ASSISTANCE UNDER MONTGOMERY GI BILL FOR PAYMENT OF CHARGES.—(1) That section is further amended by adding at the end the following new subsection:*

*"(e)(1) A member of the armed forces who is entitled to basic educational assistance under chapter 30 of title 38 may use such entitlement for purposes of paying any portion of the charges described in subsection (a) or (c) that are not paid for by the Secretary of the military department concerned under such subsection.*

*"(2) The use of entitlement under paragraph (1) shall be governed by the provisions of section 3014(b) of title 38.".*

*(2) Section 3014 of title 38, United States Code, is amended—*

*(A) by inserting "(a)" before "The Secretary"; and*

*(B) by adding at the end the following new subsection:*

*"(b)(1) In the case of an individual entitled to basic educational assistance who is pursuing education or training described in subsection (a) or (c) of section 2007 of title 10, the Secretary shall, at the election of the individual, pay the individual a basic educational assistance allowance to meet all or a portion of the charges of the educational institution for the education or training that are not paid by the Secretary of the military department concerned under such subsection.*

*"(2)(A) The amount of the basic educational assistance allowance payable to an individual under this subsection for a month shall be the amount of the basic educational assistance allowance to which the individual would be entitled for the month under section 3015 of this title (without regard to subsection (g) of that section) were payment made under that section instead of under this subsection.*

*"(B) The maximum number of months for which an individual may be paid a basic educational assistance allowance under paragraph (1) is 36.".*

*(3) Section 3015 of title 38, United States Code, is amended—*

*(A) by striking "subsection (g)" each place it appears in subsections (a) and (b);*

*(B) by redesignating subsection (g) as subsection (h); and*

*(C) by inserting after subsection (f) the following new subsection (g):*

*"(g) In the case of an individual who has been paid a basic educational assistance allowance under section 3014(b) of this title, the rate of the basic educational assistance allowance applicable to the individual under this section shall be the rate otherwise applicable to the individual under this section reduced by an amount equal to—*

*"(1) the aggregate amount of such allowances paid the individual under such section 3014(b); divided by*

*"(2) 36.".*

### ***SEC. 685. MODIFICATION OF TIME FOR USE BY CERTAIN MEMBERS OF SELECTED RESERVE OF ENTITLEMENT TO CERTAIN EDUCATIONAL ASSISTANCE.***

*Section 16133(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:*

*"(5)(A) In the case of a person who continues to serve as member of the Selected Reserve as of the end of the 10-year period applicable to the person under subsection (a), as extended, if at all, under paragraph (4), the period during which the person may use the person's entitlement shall expire at the end of the 5-year period beginning on the date the person is separated from the Selected Reserve.*

*"(B) The provisions of paragraph (4) shall apply with respect to any period of active duty of a person referred to in subparagraph (A) during the 5-year period referred to in that subparagraph.".*

## ***Subtitle G—Additional Benefits For Reserves and Their Dependents***

### ***SEC. 691. SENSE OF CONGRESS.***

*It is the sense of Congress that it is in the national interest for the President to provide the funds for the reserve components of the Armed Forces (including the National Guard and Reserves) that are sufficient to ensure that the reserve components meet the requirements specified for the reserve components in the National Military Strategy, including training requirements.*

### ***SEC. 692. TRAVEL BY RESERVES ON MILITARY AIRCRAFT.***

*(a) Space-Required Travel for Travel to Duty Stations INCONUS and OCONUS.—(1) Subsection (a) of section 18505 of title 10, United States Code, is amended to read as follows:*

*"(a) A member of a reserve component traveling to a place of annual training duty or inactive-duty training (including a place other than the member's unit training assembly if the member is performing annual training duty or inactive-duty training in another location) may travel in a space-required status on aircraft of the armed forces between the member's home and the place of such duty or training.".*

*(2) The heading of such section is amended to read as follows:*

***"§ 18505. Reserves traveling to annual training duty or inactive-duty training: authority for space-required travel".***

*(b) Space-Available Travel for Members of Selected Reserve and Dependents.—Chapter 1805 of such title is amended by adding at the end the following new section:*

***"§ 18506. Space-available travel: Selected Reserve members and dependents***

*"(a) Eligibility for Space-Available Travel.—The Secretary of Defense shall prescribe regulations to allow persons described in subsection (b) to receive transportation on aircraft of the Department of Defense on a space-available basis under the same terms and conditions (including terms and conditions applicable to travel outside the United States) as apply to members of the armed forces entitled to retired pay.*

*"(b) Persons Eligible.—Subsection (a) applies to a person who is a member of the Selected Reserve in good standing (as determined by the Secretary concerned) or who is a participating member of the Individual Ready Reserve of the Navy or Coast Guard in good standing (as determined by the Secretary concerned).*

*"(c) Dependents.—A dependent of a person described in subsection (b) shall be provided transportation under this section on the same basis as dependents of members of the armed forces entitled to retired pay.*

*"(d) Limitation on Required Identification.—Neither the 'Authentication of Reserve Status for Travel Eligibility' form (DD Form 1853), nor or any other form, other than the presentation of military identification and duty orders upon request, or other methods of identification required of active duty personnel, shall be required of reserve component personnel using space-available transportation within or outside the continental United States under this section.".*

*(c) Clerical Amendments.—The table of sections at the beginning of such chapter is amended by striking the item relating to section 18505 and inserting the following new items:*

*"18505. Reserves traveling to annual training duty or inactive-duty training: authority for space-required travel.*

*"18506. Space-available travel: Selected Reserve members and dependents.".*

*(d) Implementing Regulations.—Regulations under section 18506 of title 10, United States Code, as added by subsection (b), shall be prescribed not later than 180 days after the date of the enactment of this Act.*

### ***SEC. 693. BILLETING SERVICES FOR RESERVE MEMBERS TRAVELING FOR INACTIVE DUTY TRAINING.***

*(a) In General.—(1) Chapter 1217 of title 10, United States Code, is amended by inserting after section 12603 the following new section:*

***"§ 12604. Billeting in Department of Defense facilities: Reserves attending inactive-duty training***

*"(a) Authority for Billeting on Same Basis as Active Duty Members Traveling Under Orders.—The Secretary of Defense shall prescribe regulations authorizing a Reserve traveling to inactive-duty training at a location more than 50 miles from that Reserve's residence to be eligible for billeting in Department of Defense facilities on the same basis and to the same extent as a member of the armed forces on active duty who is traveling under orders away from the member's permanent duty station.*

*"(b) Proof of Reason for Travel.—The Secretary shall include in the regulations the means for confirming a Reserve's eligibility for billeting under subsection (a).".*

*(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 12603 the following new item:*

*"12604. Billeting in Department of Defense facilities: Reserves attending inactive-duty training.*

*(b) Effective Date.—Section 12604 of title 10, United States Code, as added by subsection (a), shall apply with respect to periods of inactive-duty training beginning more than 180 days after the date of the enactment of this Act.*

### ***SEC. 694. INCREASE IN MAXIMUM NUMBER OF RESERVE RETIREMENT POINTS THAT MAY BE CREDITED IN ANY YEAR.***

*Section 12733(3) of title 10, United States Code, is amended by striking "but not more than" and all that follows and inserting "but not more than—*

*"(A) 60 days in any one year of service before the year of service that includes September 23, 1996;*

*"(B) 75 days in the year of service that includes September 23, 1996, and in any subsequent year of service before the year of service that includes the date of the enactment of the National Defense Authorization Act for Fiscal Year 2001; and*

*"(C) 90 days in the year of service that includes the date of the enactment of the National Defense Authorization Act for Fiscal Year 2001 and in any subsequent year of service.".*

### ***SEC. 695. AUTHORITY FOR PROVISION OF LEGAL SERVICES TO RESERVE COMPONENT MEMBERS FOLLOWING RELEASE FROM ACTIVE DUTY.***

*(a) Legal Services.—Section 1044(a) of title 10, United States Code, is amended—*

*(1) by redesignating paragraph (4) as paragraph (5); and*

*(2) by inserting after paragraph (3) the following new paragraph (4):*

*"(4) Members of reserve components of the armed forces not covered by paragraph (1) or (2) following release from active duty under a call or order to active duty for more than 30 days issued under a mobilization authority (as determined by the Secretary of Defense), but only during the period that begins on the date of the release and is equal to at least twice the length of the period served on active duty under such call or order to active duty.".*

*(b) Dependents.—Paragraph (5) of such section, as redesignated by subsection (a)(1), is amended by striking "and (3)" and inserting "(3), and (4)".*

*(c) Implementing Regulations.—Regulations to implement the amendments made by this section shall be prescribed not later than 180 days after the date of the enactment of this Act.*

## ***TITLE VII—HEALTH CARE***

## ***Subtitle A—Senior Health Care***

### ***SEC. 701. CONDITIONS FOR ELIGIBILITY FOR CHAMPUS UPON THE ATTAINMENT OF 65 YEARS OF AGE.***

*(a) Eligibility of Medicare Eligible Persons.—Section 1086(d) of title 10, United States Code, is amended—*

*(1) by striking paragraph (2) and inserting the following:*

*"(2) The prohibition contained in paragraph (1) shall not apply to a person referred to in subsection (c) who—*

*"(A) is enrolled in the supplementary medical insurance program under part B of such title (42 U.S.C. 1395j et seq.); and*

"(B) in the case of a person under 65 years of age, is entitled to hospital insurance benefits under part A of title XVIII of the Social Security Act pursuant to subparagraph (A) or (C) of section 226(b)(2) of such Act (42 U.S.C. 426(b)(2)) or section 226A(a) of such Act (42 U.S.C. 426–1(a))."; and

(2) in paragraph (4), by striking "paragraph (1) who satisfy only the criteria specified in subparagraphs (A) and (B) of paragraph (2), but not subparagraph (C) of such paragraph," and inserting "subparagraph (B) of paragraph (2) who do not satisfy the condition specified in subparagraph (A) of such paragraph".

(b) Extension of TRICARE Senior Prime Demonstration Program.—Paragraph (4) of section 1896(b) of the Social Security Act (42 U.S.C. 1395ggg(b)) is amended by striking "3-year period beginning on January 1, 1998" and inserting "period beginning on January 1, 1998, and ending on December 31, 2001".

(c) Effective Dates.—(1) The amendments made by subsection (a) shall take effect on October 1, 2001.

(2) The amendment made by subsection (b) shall take effect on the date of the enactment of this Act.

(d) Adjustment for Budget-Related Restrictions.—Effective on October 1, 2003, section 1086(d)(2) of title 10, United States Code, as amended by subsection (a), is further amended by striking "in the case of a person under 65 years of age," and inserting "is under 65 years of age and".

## Subtitle B—TRICARE Program

### SEC. 711. ADDITIONAL BENEFICIARIES UNDER TRICARE PRIME REMOTE PROGRAM IN CONUS.

(a) Coverage of Other Uniformed Services.—(1) Section 1074(c) of title 10, United States Code, is amended—

(A) by striking "armed forces" each place it appears, except in paragraph (3)(A), and inserting "uniformed services";

(B) in paragraph (1), by inserting after "military department" in the first sentence the following: ", the Department of Transportation (with respect to the Coast Guard when it is not operating as a service in the Navy), or the Department of Health and Human Services (with respect to the National Oceanic and Atmospheric Administration and the Public Health Service)";

(C) in paragraph (2), by adding at the end the following:

"(C) The Secretary of Defense shall consult with the other administering Secretaries in the administration of this paragraph."; and

(D) in paragraph (3)(A), by striking "The Secretary of Defense may not require a member of the armed forces described in subparagraph (B)" and inserting "A member of the uniformed services described in subparagraph (B) may not be required".

(2)(A) Subsections (b), (c), and (d)(3) of section 731 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1811; 10 U.S.C. 1074 note) are amended by striking "Armed Forces" and inserting "uniformed services".

(B) Subsection (b) of such section is further amended by adding at the end the following:

"(4) The Secretary of Defense shall consult with the other administering Secretaries in the administration of this subsection.".

(C) Subsection (f) of such section is amended by adding at the end the following:

"(3) The terms 'uniformed services' and 'administering Secretaries' have the meanings given those terms in section 1072 of title 10, United States Code.".

(3) Section 706(b) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 684) is amended by striking "Armed Forces" and inserting "uniformed services (as defined in section 1072(1) of title 10, United States Code)".

(b) Coverage of Immediate Family.—(1) Section 1079 of title 10, United States Code, is amended by adding at the end the following:

"(p)(1) Subject to such exceptions as the Secretary of Defense considers necessary, coverage for medical care under this section for the dependents referred to in subsection (a) of a member of the uniformed services referred to in section 1074(c)(3) of this title who are residing with the member, and standards with respect to timely access to such care, shall be comparable to coverage for medical care and standards for timely access to such care under the managed care option of the TRICARE program known as TRICARE Prime.

"(2) The Secretary of Defense shall enter into arrangements with contractors under the TRICARE program or with other appropriate contractors for the timely and efficient processing of claims under this subsection.

"(3) The Secretary of Defense shall consult with the other administering Secretaries in the administration of this subsection.".

(2) Section 731(b) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1811; 10 U.S.C. 1074 note) is amended—

(A) in paragraph (1), by adding at the end the following: "A dependent of the member, as described in subparagraph (A), (D), or (I) of section 1072(2) of title 10, United States Code, who is residing with the member shall have the same entitlement to care and to waiver of charges as the member."; and

(B) in paragraph (2), by inserting "or dependent of the member, as the case may be," after "(2) A member".

(c) Effective Date.—(1) The amendments made by subsection (a)(2), with respect to members of the uniformed services, and the amendments made by subsection (b)(2), with respect to dependents of members, shall take effect on the date of the enactment of this Act and shall expire with respect to a member or the dependents of a member, respectively, on the later of the following:

(A) The date that is one year after the date of the enactment of this Act.

(B) The date on which the amendments subsection (a)(1) or (b)(1) apply with respect to the coverage of medical care for and provision of such care to the member or dependents, respectively.

(2) Section 731(b)(3) of Public Law 105–85 does not apply to a member of the Coast Guard, the National Oceanic and Atmospheric Administration, or the Commissioned Corps of the Public Health Service, or to a dependent of a member of a uniformed service.

### SEC. 712. ELIMINATION OF COPAYMENTS FOR IMMEDIATE FAMILY.

(a) No Copayment for Immediate Family.—Section 1097a of title 10, United States Code, is amended—

(1) by redesignating subsection (e) as subsection (f); and

(2) by inserting after subsection (d) the following new subsection (e):

"(e) No Copayment for Immediate Family.—No copayment shall be charged a member for care provided under TRICARE Prime to a dependent of a member of the uniformed services described in subparagraph (A), (D), or (I) of section 1072 of this title.".

(b) Effective Date.—The amendments made by subsection (a) shall take effect on October 1, 2000, and shall apply with respect to care provided on or after that date.

### SEC. 713. IMPROVEMENT IN BUSINESS PRACTICES IN THE ADMINISTRATION OF THE TRICARE PROGRAM.

(a) Requirement.—Not later than October 1, 2001, the Secretary of Defense shall take actions that the Secretary considers appropriate to improve the business practices used in administering the access of eligible persons to health care services through the TRICARE program under chapter 55 of title 10, United States Code, including the practices relating to the following:

(1) The availability and scheduling of appointments.

(2) The filing, processing, and payment of claims.

(3) Public relations efforts that are focused on outreach to eligible persons.

(4) The continuation of enrollments without expiration.

(5) The portability of enrollments nationwide.

(b) Consultation.—The Secretary of Defense shall consult with the other administering Secretaries in the development of the actions to be taken under subsection (a).

(c) Report.—Not later than March 15, 2001, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the actions to be taken under subsection (a).

(d) Definitions.—In this section the terms "administering Secretaries" and "TRICARE program" shall have the meanings given such terms in section 1072 of title 10, United States Code.

### SEC. 714. IMPROVEMENT OF ACCESS TO HEALTH CARE UNDER THE TRICARE PROGRAM.

(a) Waiver of Nonavailability Statement or Preauthorization.—In the case of a covered beneficiary under chapter 55 of title 10, United States Code, who is enrolled in TRICARE Standard, the Secretary of Defense may not require with regard to authorized health care services (other than mental health services) under any new contract for the provision of health care services under such chapter that the beneficiary—

(1) obtain a nonavailability statement or preauthorization from a military medical treatment facility in order to receive the services from a civilian provider; or

(2) obtain a nonavailability statement for care in specialized treatment facilities outside the 200-mile radius of a military medical treatment facility.

(b) Notice.—The Secretary may require that the covered beneficiary inform the primary care manager of the beneficiary of any health care received from a civilian provider or in a specialized treatment facility.

(c) Exceptions.—Subsection (a) shall not apply if—

(1) the Secretary demonstrates significant cost avoidance for specific procedures at the affected military medical treatment facilities;

(2) the Secretary determines that a specific procedure must be maintained at the affected military medical treatment facility to ensure the proficiency levels of the practitioners at the facility; or

(3) the lack of nonavailability statement data would significantly interfere with TRICARE contract administration.

(d) Effective Date.—This section shall take effect on October 1, 2001.

### SEC. 715. ENHANCEMENT OF ACCESS TO TRICARE IN RURAL STATES.

(a) Higher Maximum Allowable Charge.—Section 1079(h) of title 10, United States Code, is amended—

(1) in paragraph (1), by striking "paragraphs (2) and (3)" in the first sentence and inserting "paragraphs (2), (3), and (4)";

(2) by redesignating paragraph (4) as paragraph (5);

(3) by inserting after paragraph (3) the following new paragraph (4):

"(4)(A) The amount payable for a charge for a service provided by an individual health care *professional or other noninstitutional health care provider in a rural State for which a claim is submitted under a plan contracted for under subsection (a) shall be equal to 80 percent of the customary and reasonable charge for services of that type when provided by such a professional or other provider, as the case may be, in that State.*

*"(B) A customary and reasonable charge shall be determined for the purposes of subparagraph (A) under regulations prescribed by the Secretary of Defense in consultation with the other administering Secretaries. In prescribing the regulations, the Secretary may also consult with the Administrator of the Health Care Financing Administration of the Department of Health and Human Services."; and*

*(4) by adding at the end the following:*

*"(6) In this subsection the term 'rural State' means a State that has, on average, as determined by the Bureau of the Census in the latest decennial census—*

*"(A) less than 76 residents per square mile; and*

*"(B) less than 211 actively practicing physicians (not counting physicians employed by the United States) per 100,000 residents.".*

*(b) REPORT.—(1) Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the extent to which physicians are choosing not to participate in contracts for the furnishing of health care in rural States under chapter 55 of title 10, United States Code.*

*(2) The report shall include the following:*

*(A) The number of physicians in rural States who are withdrawing from participation, or otherwise refusing to participate, in the health care contracts.*

*(B) The reasons for the withdrawals and refusals.*

*(C) The actions that the Secretary of Defense can take to encourage more physicians to participate in the health care contracts.*

*(D) Any recommendations for legislation that the Secretary considers necessary to encourage more physicians to participate in the health care contracts.*

*(3) In this subsection, the term "rural State" has the meaning given that term in section 1079(h)(6) of title 10, United States Code (as added by subsection (a)).*

## ***Subtitle C—Joint Initiatives With Department of Veterans Affairs***

### ***SEC. 721. TRACKING PATIENT SAFETY IN MILITARY AND VETERANS HEALTH CARE SYSTEMS.***

*(a) CENTRALIZED TRACKING PROCESS.—The Secretary of Defense and the Secretary of Veterans Affairs shall jointly prescribe a centralized process for the reporting, compiling, and analysis of errors in the provision of health care under the Defense Health Program and the Department of Veterans Affairs health care system that endanger patients beyond the normal risks associated with the care and treatment of the patients.*

*(b) SAFETY INDICATORS, ET CETERA.—The process shall include such indicators, standards, and protocols as the Secretary of Defense and the Secretary of Veterans Affairs consider necessary for the establishment and administration of an effective process.*

### ***SEC. 722. PHARMACEUTICAL IDENTIFICATION TECHNOLOGY.***

*(a) BAR CODE IDENTIFICATION TECHNOLOGY.—The Secretary of Defense and the Secretary of Veterans Affairs shall jointly develop a system for the use of bar codes for the identification of pharmaceuticals.*

*(b) USE IN MAIL ORDER PHARMACEUTICALS PROGRAM.—The Secretary of Defense, in consultation with the Secretary of Veterans Affairs, shall experiment with the use of bar code identification of pharmaceuticals in the administration of the mail order pharmaceuticals program carried out under section 1110(a) of title 10, United States Code (as added by section 731).*

### ***SEC. 723. MEDICAL INFORMATICS.***

*(a) ADDITION MATTERS FOR ANNUAL REPORT ON MEDICAL INFORMATICS ADVISORY COMMITTEE.—Section 723(d)(5) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 697; 10 U.S.C. 1071 note) is amended to read as follows:*

*"(5) The Secretary of Defense shall submit to Congress an annual report on medical informatics. The report shall include a discussion of the following matters:*

*"(A) The activities of the Committee.*

*"(B) The coordination of development, deployment, and maintenance of health care informatics systems within the Federal Government, and between the Federal Government and the private sector.*

*"(C) The progress or growth occurring in medical informatics.*

*"(D) How the TRICARE program and the Department of Veterans Affairs health care system can use the advancement of knowledge in medical informatics to raise the standards of health care and treatment and the expectations for improving health care and treatment.".*

*(b) FISCAL YEAR 2001 FUNDING FOR PHARMACEUTICALS-RELATED MEDICAL INFORMATICS.—Of the amount authorized to be appropriated under section 301(22)—*

*(1) $64,000,000 is available for the commencement of the implementation of a new computerized medical record, including an automated entry order system for pharmaceuticals, that makes all relevant clinical information on a patient under the Defense Health Program available when and where it is needed; and*

*(2) $9,000,000 is available for the implementation of an integrated pharmacy system under the Defense Health Program that creates a single profile for all of the prescription medications a patient takes, regardless of whether the prescriptions for those medications were filled at military or private pharmacies serving Department of Defense beneficiaries worldwide.*

## ***Subtitle D—Other Matters***

### ***SEC. 731. PERMANENT AUTHORITY FOR CERTAIN PHARMACEUTICAL BENEFITS.***

*(a) AUTHORITY.—(1) Chapter 55 of title 10, United States Code, is amended by adding at the end the following:*

***"§ 1110. Pharmaceutical benefits***

*"(a) PHARMACEUTICALS BY MAIL.—The Secretary of Defense shall carry out a program to provide eligible persons with prescription pharmaceuticals by mail.*

*"(b) RETAIL PHARMACY NETWORK.—To the maximum extent practicable, the Secretary of Defense shall include in each managed health care program under this chapter, a program to supply prescription pharmaceuticals to eligible persons through a managed care network of community retail pharmacies in the area covered by the managed health care program.*

*"(c) ELIGIBLE PERSONS.—A person is eligible to obtain pharmaceuticals under the program of pharmaceuticals by mail under subsection (a) or through a retail pharmacy network included in a managed health care program under subsection (b) as follows:*

*"(1) A person who is eligible for medical care under a contract for medical care entered into by the Secretary of Defense under section 1079 or 1086 of this title.*

*"(2) A person who would be eligible for medical care under a contract for medical care entered into under section 1086 of this title except for the operation of subsection (d)(1) of such section.*

*"(d) PHARMACEUTICALS OFFERED.—The Secretary of Defense shall determine the pharmaceuticals that may be obtained by eligible persons under subsection (a) or (b).*

*"(e) FEES.—The Secretary of Defense shall prescribe an appropriate fee, charge, or copayment to be paid by persons for pharmaceuticals obtained under subsection (a) or (b).*

*"(f) CONSULTATION REQUIREMENT.—The Secretary of Defense shall consult with the other administering Secretaries in the administration of this section.".*

*(2) The table of sections at the beginning of such chapter is amended by adding at the end the following:*

*"1110. Pharmaceutical benefits.".*

*(b) REPEAL OF SUPERSEDED AUTHORITY.—Section 702 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 106 Stat. 2431; 10 U.S.C. 1079 note) is repealed.*

*(c) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on January 1, 2001.*

### ***SEC. 732. PROVISION OF DOMICILIARY AND CUSTODIAL CARE FOR CHAMPUS BENEFICIARIES.***

*(a) CONTINUATION OF CARE FOR CERTAIN CHAMPUS BENEFICIARIES.—Section 703(a)(1) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 682; 10 U.S.C. 1077 note) is amended by inserting before the period at the end the following: "or by the prohibition in section 1086(d)(1) of such title".*

*(b) COST LIMITATION FOR INDIVIDUAL CASE MANAGEMENT PROGRAM.—(1) Section 1079(a)(17) of title 10, United States Code, is amended—*

*(A) by inserting "(A)" after "(17)"; and*

*(B) by adding at the end the following:*

*"(B) The total amount expended under subparagraph (A) for a fiscal year may not exceed $100,000,000.".*

*(2) Section 703 of the National Defense Authorization Act for Fiscal Year 2000 is amended by adding at the end the following:*

*"(e) COST LIMITATION.—The total amount paid for services for eligible beneficiaries under subsection (a) for a fiscal year (together with the costs of administering the authority under that subsection) shall be included in the expenditures limited by section 1079(a)(17)(B) of title 10, United States Code.".*

*(c) APPLICABILITY OF COST LIMITATION.—The amendments made by subsection (b) shall apply to fiscal years after fiscal year 1999.*

### ***SEC. 733. MEDICAL AND DENTAL CARE FOR MEDAL OF HONOR RECIPIENTS AND THEIR DEPENDENTS.***

*(a) MEDAL RECIPIENTS.—Section 1074 of title 10, United States Code, is amended by adding at the end the following:*

*"(d)(1) A medal of honor recipient is entitled to medical and dental care under this chapter to the same extent as a person referred to in subsection (b).*

*"(2) In this subsection, the term 'medal of honor recipient' means a person awarded a medal of honor under section 3741, 6241, or 8741 of this title, or section 491 of title 14.".*

*(b) DEPENDENTS.—Section 1076 of such title is amended by adding at the end the following:*

*"(f)(1) The immediate dependents of a medal of honor recipient are entitled to medical and dental care under this chapter to the same extent as a person referred to in subsection (b).*

*"(2) In this subsection:*

*"(A) The term 'medal of honor recipient' has the meaning given the term in section 1074(d)(2) of this title.*

*"(B) The term 'immediate dependent' means a dependent described in subparagraphs (A), (B), (C), and (D) of section 1072(2) of this title.".*

### *SEC. 734. SCHOOL-REQUIRED PHYSICAL EXAMINATIONS FOR CERTAIN MINOR DEPENDENTS.*

*Section 1076 of title 10, United States Code, as amended by section 733(b), is further amended by adding at the end the following:*

*"(g)(1) The administering Secretaries shall furnish an eligible dependent a physical examination that is required by a school in connection with the enrollment of the dependent as a student in that school.*

*"(2) A dependent is eligible for a physical examination under paragraph (1) if the dependent—*

*"(A) is entitled to receive medical care under subsection (a) or is authorized to receive medical care under subsection (b); and*

*"(B) is at least 5 years of age and less than 12 years of age.*

*"(3) Nothing in paragraph (2) may be construed to prohibit the furnishing of a school-required physical examination to any dependent who, except for not satisfying the age requirement under that paragraph, would otherwise be eligible for a physical examination required to be furnished under this subsection.".*

### *SEC. 735. TWO-YEAR EXTENSION OF DENTAL AND MEDICAL BENEFITS FOR SURVIVING DEPENDENTS OF CERTAIN DECEASED MEMBERS.*

*(a) Dental Benefits.—Section 1076a(k)(2) of title 10, United States Code, is amended by striking "one-year period" and inserting "three-year period".*

*(b) Medical Benefits.—Section 1079(g) of title 10, United States Code, is amended by striking "one-year period" in the second sentence and inserting "three-year period".*

### *SEC. 736. EXTENSION OF AUTHORITY FOR CONTRACTS FOR MEDICAL SERVICES AT LOCATIONS OUTSIDE MEDICAL TREATMENT FACILITIES.*

*Section 1091(a)(2) of title 10, United States Code, is amended by striking "December 31, 2000" and inserting "September 30, 2002".*

### *SEC. 737. TRANSITION OF CHIROPRACTIC HEALTH CARE DEMONSTRATION PROGRAM TO PERMANENT STATUS.*

*(a) TRICARE Prime Benefits.—The Secretary of Defense shall complete the development and implementation of a program to provide chiropractic health care services and benefits for all TRICARE Prime enrollees as a permanent part of the military health care system for the enrollees in that plan, as follows:*

*(1) At the military medical treatment facilities designated pursuant to section 731(a)(2)(A) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 10 U.S.C. 1092 note), not later than 180 days after the date of the enactment of this Act.*

*(2) At the other military medical treatment facilities considered by the Secretary of Defense to be major military medical treatment facilities, not later than October 1, 2001.*

*(b) Primary Care Management.—The Secretary shall ensure that the primary care manager model, which requires referral by a primary care manager, is used for providing the chiropractic health care services and benefits under the program referred to in subsection (a).*

*(c) Continuation of Existing Chiropractic Benefits.—Section 731(a)(4) of the National Defense Authorization Act for Fiscal Year 1995 is amended—*

*(1) by striking "During fiscal year 2000, the" and inserting "The"; and*

*(2) by adding at the end the following: "The requirement under the preceding sentence shall cease to apply with respect to a military medical treatment facility on the date on which the Secretary of Defense completes the implementation of a program to provide chiropractic health care services and benefits at that facility for all TRICARE Prime enrollees as a permanent part of the military health care system for the enrollees in that plan.".*

### *SEC. 738. USE OF INFORMATION TECHNOLOGY FOR ENHANCEMENT OF DELIVERY OF ADMINISTRATIVE SERVICES UNDER THE DEFENSE HEALTH PROGRAM.*

*(a) Requirement.—The Secretary of Defense shall take the actions that the Secretary determines necessary to use, in at least one TRICARE program region, commercially available information technology systems and products to simplify the critical administrative processes of the defense health program (including TRICARE), to enhance the efficiency of the performance of administrative services under the program, to match commercially recognized standards of performance of the services, and otherwise to improve the performance of the services.*

*(b) Implementation.—In carrying out subsection (a), the Secretary shall ensure that—*

*(1) the use of Internet technology is incorporated into the processes referred to in that subsection; and*

*(2) conversions to new or different computer technologies incorporate data requirements that are widely used in the marketplace (including those used by medicare or commercial insurers) for the performance of administrative services.*

*(c) Administrative Services Defined.—In this section, the term "administrative services" includes the performance of the following functions:*

*(1) Marketing.*

*(2) Enrollment.*

*(3) Program education of beneficiaries.*

*(4) Program education of health care providers.*

*(5) Scheduling of appointments.*

*(6) Processing of claims.*

### *SEC. 739. PATIENT CARE REPORTING AND MANAGEMENT SYSTEM.*

*(a) Establishment.—The Secretary of Defense shall establish a patient care error reporting and management system.*

*(b) Purposes of System.—The purposes of the system are as follows:*

*(1) To study the occurrences of errors in the patient care provided under chapter 55 of title 10, United States Code.*

*(2) To identify the systemic factors that are associated with such occurrences.*

*(3) To provide for action to be taken to correct the identified systemic factors.*

*(c) Requirements for System.—The patient care error reporting and management system shall include the following:*

*(1) A hospital-level patient safety center, within the quality assurance department of each health care organization of the Department of Defense, to collect, assess, and report on the nature and frequency of errors related to patient care.*

*(2) For each health care organization of the Department of Defense and for the entire Defense health program, the patient safety baselines that are necessary for the development of a full understanding of patient safety issues in each such organization and the entire program, including the nature and types of errors and the systemic causes of the errors.*

*(3) A Department of Defense Patient Safety Center within the Armed Forces Institute of Pathology to have the following missions:*

*(A) To analyze information on patient care errors that is submitted to the Center by each military health care organization.*

*(B) To develop action plans for addressing patterns of patient care errors.*

*(C) To execute those action plans to mitigate and control errors in patient care with a goal of ensuring that the health care organizations of the Department of Defense provide highly reliable patient care with virtually no error.*

*(D) To provide, through the Assistant Secretary of Defense for Health Affairs, to the Agency for Healthcare Research and Quality of the Department of Health and Human Services any reports that the Assistant Secretary determines appropriate.*

*(E) To review and integrate processes for reducing errors associated with patient care and for enhancing patient safety.*

*(F) To contract with a qualified and objective external organization to manage the national patient safety database of the Department of Defense.*

*(d) MedTeams Program.—The Secretary shall expand the health care team coordination program to integrate that program into all Department of Defense health care operations. In carrying out this subsection, the Secretary shall take the following actions:*

*(1) Establish not less than two Centers of Excellence for the development, validation, proliferation, and sustainment of the health care team coordination program, one of which shall support all fixed military health care organizations, the other of which shall support all combat casualty care organizations.*

*(2) Deploy the program to all fixed and combat casualty care organizations of each of the Armed Forces, at the rate of not less than 10 organizations in each fiscal year.*

*(3) Expand the scope of the health care team coordination program from a focus on emergency department care to a coverage that includes care in all major medical specialties, at the rate of not less than one specialty in each fiscal year.*

*(4) Continue research and development investments to improve communication, coordination, and team work in the provision of health care.*

*(e) Consultation.—The Secretary shall consult with the other administering Secretaries (as defined in section 1072(3) of title 10, United States Code) in carrying out this section.*

### *SEC. 740. HEALTH CARE MANAGEMENT DEMONSTRATION PROGRAM.*

*(a) Establishment.—The Secretary of Defense shall carry out a demonstration program on health care management to explore opportunities for improving the planning and management of the Department of Defense health care system.*

*(b) Test Models.—Under the demonstration program, the Secretary shall test the use of the following planning and management models:*

*(1) A health care simulation model for studying alternative delivery policies, processes, organizations, and technologies.*

*(2) A health care simulation model for studying long term disease management.*

*(c) Demonstration Sites.—The Secretary shall test each model separately at one or more sites.*

*(d) Period for Program.—The demonstration program shall begin not later than 180 days after the date of the enactment of this Act and shall terminate on December 31, 2001.*

*(e) Reports.—The Secretary of Defense shall submit a report on the demonstration program to the Committees on Armed Services of the Senate and the House of Representatives not later than March 15, 2002. The report shall include the Secretary's assessment of the value of incorporating the use of the tested planning and management models throughout the Department of Defense health care system.*

*(f) Funding.—Of the amount authorized to be appropriated under section 301(22), $6,000,000 shall be available for the demonstration program under this section.*

### *SEC. 741. STUDIES OF ACCRUAL FINANCING FOR HEALTH CARE FOR MILITARY RETIREES.*

*(a) Studies Required.—The Secretary of Defense shall carry out two studies to assess the*

*feasibility and desirability of financing the military health care program for retirees of the uniformed services on an accrual basis.*

*(b) Sources of Studies.—The Secretary shall provide for—*

*(1) one of the studies under subsection (a) to be conducted by one or more Department of Defense organizations designated by the Secretary; and*

*(2) the other study to be conducted by an organization that is independent of the Department of Defense and has expertise in financial programs and health care.*

*(c) Reports.—(1) The Secretary shall provide for the submission of a final report on each study to the Secretary within such time as the Secretary determines necessary to satisfy the requirement in paragraph (2).*

*(2) The Secretary shall transmit the final reports on the studies to Congress not later than February 8, 2001. The Secretary may include in the transmittal any comments on the reports or on the matters studied that the Secretary considers appropriate.*

### *SEC. 742. AUGMENTATION OF ARMY MEDICAL DEPARTMENT BY RESERVE OFFICERS OF THE PUBLIC HEALTH SERVICE.*

*(a) Authority.—The Secretary of the Army and the Secretary of Health and Human Services may jointly conduct a program to augment the Army Medical Department by exercising any authorities provided to those officials in law for the detailing of reserve commissioned officers of the Public Health Service not in an active status to the Army Medical Department for that purpose.*

*(b) Agreement.—The Secretary of the Army and the Secretary of Health and Human Services shall enter into an agreement governing any program conducted under subsection (a).*

*(c) Assessment.—(1) The Secretary of the Army shall review the laws providing the authorities described in subsection (a) and assess the adequacy of those laws for authorizing—*

*(A) the Secretary of Health and Human Services to detail reserve commissioned officers of the Public Health Service not in an active status to the Army Medical Department to augment that department; and*

*(B) the Secretary of the Army to accept the detail of such officers for that purpose.*

*(2) The Secretary shall complete the review and assessment under paragraph (1) not later than 90 days after the date of the enactment of this Act.*

*(d) Report to Congress.—Not later than March 1, 2001, the Secretary of the Army shall submit a report on the results of the review and assessment under subsection (c) to the Committees on Armed Services of the Senate and the House of Representatives. The report shall include the following:*

*(1) The findings resulting from the review and assessment.*

*(2) Any proposal for legislation that the Secretary recommends to strengthen the authority of the Secretary of Health and Human Services and the authority of the Secretary of the Army to take the actions described in subparagraphs (A) and (B), respectively, of subsection (c)(1).*

*(e) Consultation Requirement.—The Secretary of the Army shall consult with the Secretary of Health and Human Services in carrying out the review and assessment under subsection (c) and in preparing the report (including making recommendations) under subsection (d).*

### *SEC. 743. SERVICE AREAS OF TRANSFEREES OF FORMER UNIFORMED SERVICES TREATMENT FACILITIES THAT ARE INCLUDED IN THE UNIFORMED SERVICES HEALTH CARE DELIVERY SYSTEM.*

*Section 722(e) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 10 U.S.C. 1073 note) is amended—*

*(1) by inserting "(1)" after "(e) Service Area.—"; and*

*(2) by adding at the end the following:*

*"(2) The Secretary may, with the agreement of a designated provider, expand the service area of the designated provider as the Secretary determines necessary to permit covered beneficiaries to enroll in the designated provider's managed care plan. The expanded service area may include one or more noncontiguous areas.".*

### *SEC. 744. BLUE RIBBON ADVISORY PANEL ON DEPARTMENT OF DEFENSE POLICIES REGARDING THE PRIVACY OF INDIVIDUAL MEDICAL RECORDS.*

*(a) Establishment.—(1) There is hereby established an advisory panel to be known as the Blue Ribbon Advisory Panel on Department of Defense Policies Regarding the Privacy of Individual Medical Records (in this section referred to as the "Panel").*

*(2)(A) The Panel shall be composed of 7 members appointed by the President, of whom—*

*(i) at least one shall be a member of a consumer organization;*

*(ii) at least one shall be a medical professional;*

*(iii) at least one shall have a background in medical ethics; and*

*(iv) at least one shall be a member of the Armed Forces.*

*(B) The appointments of the members of the Panel shall be made not later than 30 days after the date of the enactment of this Act.*

*(3) No later than 30 days after the date on which all members of the Panel have been appointed, the Panel shall hold its first meeting.*

*(4) The Panel shall select a Chairman and Vice Chairman from among its members.*

*(b) Duties.—(1) The Panel shall conduct a thorough study of all matters relating to the policies and practices of the Department of Defense regarding the privacy of individual medical records.*

*(2) Not later than April 30, 2001, the Panel shall submit a report to the President and Congress which shall contain a detailed statement of the findings and conclusions of the Panel, together with its recommendations for such legislation and administrative actions as it considers appropriate to ensure the privacy of individual medical records.*

*(c) Powers.—(1) The Panel may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Panel considers advisable to carry out the purposes of this section.*

*(2) The Panel may secure directly from the Department of Defense, and any other Federal department or agency, such information as the Panel considers necessary to carry out the provisions of this section. Upon request of the Chairman of the Panel, the Secretary of Defense, or the head of such department or agency, shall furnish such information to the Panel.*

*(3) The Panel may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.*

*(4) The Panel may accept, use, and dispose of gifts or donations of services or property.*

*(5) Any Federal Government employee may be detailed to the Panel without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.*

*(d) Termination.—The Panel shall terminate 30 days after the date on which the Panel submits its report under subsection (b)(2).*

*(e) Funding.—(1) Of the amounts authorized to be appropriated by this Act, the Secretary shall make available to the Panel such sums as the Panel may require for its activities under this section.*

*(2) Any sums made available under paragraph (1) shall remain available, without fiscal year limitation, until expended.*

## *TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS*

### *SEC. 801. IMPROVEMENTS IN PROCUREMENTS OF SERVICES.*

*(a) Preference for Performance-Based Service Contracting.—Not later than 180 days after the date of the enactment of this Act, the Federal Acquisition Regulation issued in accordance with sections 6 and 25 of the Office of Federal Procurement Policy Act (41 U.S.C. 405 and 421) shall be revised to establish a preference for use of contracts and task orders for the purchase of services in the following order of precedence:*

*(1) A performance-based contract or performance-based task order that contains firm fixed prices for the specific tasks to be performed.*

*(2) Any other performance-based contract or performance-based task order.*

*(3) Any contract or task order that is not a performance-based contract or a performance-based task order.*

*(b) Incentive for Use of Performance-Based Service Contracts.—(1) A Department of Defense performance-based contract or performance-based task order may be treated as a contract for the procurement of commercial items if—*

*(A) the contract or task order is valued at $5,000,000 or less;*

*(B) the contract or task order sets forth specifically each task to be performed and, for each task—*

*(i) defines the task in measurable, mission-related terms;*

*(ii) identifies the specific end products or output to be achieved; and*

*(iii) contains a firm fixed price; and*

*(C) the source of the services provides similar services contemporaneously to the general public under terms and conditions similar to those offered to the Federal Government.*

*(2) The special simplified procedures provided in the Federal Acquisition Regulation pursuant to section 2304(g)(1)(B) of title 10, United States Code, shall not apply to a performance-based contract or performance-based task order that is treated as a contract for the procurement of commercial items under paragraph (1).*

*(3) Not later than 2 years after the date of the enactment of this Act, the Comptroller General shall submit a report on the implementation of this subsection to the congressional defense committees.*

*(4) The authority under this subsection shall not apply to contracts entered into or task orders issued more than 3 years after the date of the enactment of this Act.*

*(c) Centers of Excellence in Service Contracting.—Not later than 180 days after the date of the enactment of this Act, the Secretary of each military department shall establish at least one center of excellence in contracting for services. Each center of excellence shall assist the acquisition community by identifying, and serving as a clearinghouse for, best practices in contracting for services in the public and private sectors.*

*(d) Enhanced Training in Service Contracting.—(1) The Secretary of Defense shall ensure that classes focusing specifically on contracting for services are offered by the Defense Acquisition University and the Defense Systems Management College and are otherwise available to contracting personnel throughout the Department of Defense.*

*(2) The Secretary of each military department and the head of each Defense Agency shall ensure that the personnel of the department or agency, as the case may be, who are responsible for the awarding and management of contracts for services receive appropriate training that is focused specifically on contracting for services.*

*(e) DEFINITIONS.—In this section:*

*(1) The term "performance-based", with respect to a contract, a task order, or contracting, means that the contract, task order, or contracting, respectively, includes the use of performance work statements that set forth contract requirements in clear, specific, and objective terms with measurable outcomes.*

*(2) The term "commercial item" has the meaning given the term in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12)).*

*(3) The term "Defense Agency" has the meaning given the term in section 101(a)(11) of title 10, United States Code.*

### ***SEC. 802. ADDITION OF THRESHOLD VALUE REQUIREMENT FOR APPLICABILITY OF A REPORTING REQUIREMENT RELATING TO MULTIYEAR CONTRACT.***

*Section 2036b(l)(4) of title 10, United States Code, is amended by striking "until the Secretary of Defense submits to the congressional defense committees a report with respect to that contract (or contract extension)" in the matter preceding subparagraph (A) and inserting "the value of which would exceed $500,000,000 (when entered into or when extended, as the case may be) until the Secretary of Defense has submitted to the congressional defense committees a report".*

### ***SEC. 803. PLANNING FOR THE ACQUISITION OF INFORMATION SYSTEMS.***

*(a) RESPONSIBILITY OF CHIEF INFORMATION OFFICERS.—Section 2223 of title 10, United States Code, is amended—*

*(1) in subsection (a)—*

*(A) by striking "and" at the end of paragraph (3);*

*(B) by striking the period at the end of paragraph (4) and inserting "; and"; and*

*(C) by adding at the end the following:*

*"(5) maintain a consolidated inventory of Department of Defense mission critical and mission essential information systems, identify interfaces between these systems and other information systems, and develop and maintain contingency plans for responding to a disruption in the operation of any of these information systems."; and*

*(2) in subsection (b)—*

*(A) by striking "and" at the end of paragraph (3);*

*(B) by striking the period at the end of paragraph (4) and inserting "; and"; and*

*(C) by adding at the end the following:*

*"(5) maintain an inventory of the mission critical and mission essential information systems of the military department, identify interfaces between these systems and other information systems, and develop and maintain contingency plans for responding to a disruption in the operation of any of these information systems.".*

*(b) REVISED REGULATIONS REQUIRED.—Not later than 60 days after the date of enactment of this Act, Department of Defense Directive 5000.1 shall be revised to establish minimum planning requirements for the acquisition of information technology systems.*

*(c) MISSION CRITICAL AND MISSION ESSENTIAL INFORMATION TECHNOLOGY SYSTEMS.—The revised directive required by subsection (b) shall—*

*(1) include definitions of the terms "mission critical information system" and "mission essential information system"; and*

*(2) prohibit the award of any contract for the acquisition of a mission critical or mission essential information technology system until—*

*(A) the system has been registered with the Chief Information Officer of the Department of Defense;*

*(B) the Chief Information Officer has received all information on the system that is required under the directive to be provided to that official; and*

*(C) the Chief Information Officer has determined that an appropriate information assurance strategy is in place for the system.*

*(d) MAJOR AUTOMATED INFORMATION SYSTEMS.—The revised directive required by subsection (b) shall prohibit Milestone I approval, Milestone II approval, or Milestone III approval of a major automated information system within the Department of Defense until the Chief Information Officer has determined that—*

*(1) the system is being developed in accordance with the requirements of division E of the Clinger-Cohen Act of 1996 (40 U.S.C. 1401 et seq.);*

*(2) appropriate actions have been taken with respect to the system in the areas of business process reengineering, analysis of alternatives, economic analysis, and performance measures; and*

*(3) the system has been registered as described in subsection (c)(2).*

*(e) REPORTS.—(1) The Secretary of Defense shall submit to the congressional defense committees, not later than February 1 of each of fiscal years 2001, 2002, and 2003, a report on the implementation of the requirements of this section during the preceding fiscal year.*

*(2) The report for a fiscal year under paragraph (1) shall include, at a minimum, for each major automated information system that was approved during such preceding fiscal year under Department of Defense Directive 5000.1 (as revised pursuant to subsection (d)), the following:*

*(A) The funding baseline.*

*(B) The milestone schedule.*

*(C) The actions that have been taken to ensure compliance with the requirements of this section and the directive.*

*(3) The report for fiscal year 2000 shall include, in addition to the information required by paragraph (2), an explanation of the manner in which the responsible officials within the Department of Defense have addressed, or intend to address, the following acquisition issues for each major automated information system to be acquired after that fiscal year:*

*(A) Requirements definition.*

*(B) Presentation of a business case analysis, including an analysis of alternatives and a calculation of return on investment.*

*(C) Performance measurement.*

*(D) Test and evaluation.*

*(E) Interoperability.*

*(F) Cost, schedule, and performance baselines.*

*(G) Information assurance.*

*(H) Incremental fielding and implementation.*

*(I) Risk mitigation.*

*(J) The role of integrated product teams.*

*(K) Issues arising from implementation of the Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance Plan required by Department of Defense Directive 5000.1 and Chairman of the Joint Chiefs of Staff Instruction 3170.01.*

*(L) Oversight, including the Chief Information Officer's oversight of decision reviews.*

*(f) DEFINITIONS.—In this section:*

*(1) The term "Chief Information Officer" means the senior official of the Department of Defense designated by the Secretary of Defense pursuant to section 3506 of title 44, United States Code.*

*(2) The term "information technology system" has the meaning given the term "information technology" in section 5002 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1401).*

*(3) The term "major automated information system" has the meaning given that term in Department of Defense Directive 5000.1.*

### ***SEC. 804. TRACKING OF INFORMATION TECHNOLOGY PURCHASES.***

*(a) REQUIREMENT FOR TRACKING SYSTEM.—(1) Chapter 131 of title 10, United States Code, is amended by adding at the end the following:*

### ***"§2225. Information technology purchases: automated tracking and management systems***

*"(a) REQUIREMENT FOR SYSTEMS.—(1) The Secretary of each military department shall administer an automated system for tracking and managing purchases of information technology products and services by the department.*

*"(2) The Secretary of Defense shall administer an automated system for tracking and managing purchases of information technology products and services by the Defense Agencies.*

*"(b) PURCHASE TO WHICH APPLICABLE.—Each system under subsection (a) shall, at a minimum, provide for collection of data on all purchases of information technology products and services in excess of the simplified acquisition threshold, regardless of whether such purchases are made in the form of a contract, grant, cooperative agreement, other transaction, task order, delivery order, or military interdepartmental purchase request, or in any other form.*

*"(c) DATA TO BE INCLUDED.—The information collected under each such system shall include, for each purchase, the following:*

*"(1) The products or services purchased.*

*"(2) The categorization of the products or services as commercial off-the-shelf products, other commercial items, nondevelopmental items other than commercial items, other noncommercial items, or services.*

*"(3) The total dollar amount of the purchase.*

*"(4) The contract form used to make the purchase.*

*"(5) In the case of a purchase made through another agency—*

*"(A) the agency through which the purchase is made; and*

*"(B) the reasons for making the purchase through that agency.*

*"(6) The type of pricing used to make the purchase (whether by fixed price or by another specified type of pricing).*

*"(7) The extent of competition provided for in making the purchase.*

*"(8) A statement regarding whether the purchase was made from—*

*"(A) a small business concern;*

*"(B) a small business concern owned and controlled by socially and economically disadvantaged individuals; or*

*"(C) a small business concern owned and controlled by women.*

*"(9) A statement regarding whether the purchase was made in compliance with the planning requirements provided under sections 5112, 5113, 5122, and 5123 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1412, 1413, 1242, 1423).*

*"(10) In the case of frequently-purchased commercial off-the-shelf items, data that informs managers of the unit prices paid for the items and enables the managers to ensure that such prices are fair and reasonable.*

*"(d) LIMITATION ON PURCHASES.—No purchase of information technology products or services in excess of the simplified acquisition threshold shall be made for the Department of Defense through a Federal Government agency that is outside the Department of Defense unless—*

*"(1) data on the purchase is included in a tracking system that meets the requirements of subsections (a), (b), and (c); or*

*"(2) the purchase—*

*"(A) in the case of a purchase by a Defense Agency, is approved by the Under Secretary of Defense for Acquisition, Technology, and Logistics; or*

*"(B) in the case of a purchase by a military department, is approved by the senior procurement executive of the military department.*

*"(e) ANNUAL REPORT.—Not later than February 15 of each fiscal year, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the purchases of information technology products and services that*

*were made by the military departments and Defense Agencies during the preceding fiscal year. The report shall set forth an aggregation of the information collected in accordance with subsection (c).*

*"(f) Definitions.—In this section:*

*"(1) The term 'senior procurement executive', with respect to a military department, means the official designated as the senior procurement executive for the military department for the purposes of section 16(3) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(3)).*

*"(2) The term 'simplified acquisition threshold' has the meaning given the term in section 4(11) of the Office of Federal Procurement Policy Act (31 U.S.C. 403(11).*

*"(3) The term 'small business concern' means a business concern that meets the applicable size standards prescribed pursuant to section 3(a) of the Small Business Act (15 U.S.C. 632(a)).*

*"(4) The term 'small business concern owned and controlled by socially and economically disadvantaged individuals' has the meaning given that term in section 8(d)(3)(C) of the Small Business Act (15 U.S.C. 637(d)(3)(C)).*

*"(5) The term 'small business concern owned and controlled by women' has the meaning given that term in section 8(d)(3)(D) of the Small Business Act (15 U.S.C. 637(d)(3)(D)).".*

*(2) The table of sections at the beginning of such chapter is amended by adding at the end the following:*

*"2225. Information technology purchases: automated tracking and management systems.".*

*(b) Time for Implementation.—(1) Each official required under section 2225 of title 10, United States Code (as added by subsection (a)), to administer an automated system for tracking and managing purchases of information technology products and services shall develop and commence the use of the system not later than one year after the date of the enactment of this Act.*

*(2) Subsection (d) of section 2225 of title 10, United States Code (as so added), shall apply to purchases described in that subsection for which solicitations of offers are issued more than one year after the date of the enactment of this Act.*

*(c) GAO Report.—Not later than 15 months after the date of the enactment of this Act, the Comptroller General shall submit to the congressional defense committees a report on the systems developed pursuant to section 2225 of title 10, United States Code (as added by subsection (a)). The report shall include the Comptroller General's assessment of the extent to which the systems meet the requirements of that section.*

### SEC. 805. REPEAL OF REQUIREMENT FOR CONTRACTOR ASSURANCES REGARDING THE COMPLETENESS, ACCURACY, AND CONTRACTUAL SUFFICIENCY OF TECHNICAL DATA PROVIDED BY THE CONTRACTOR.

*Section 2320(b) of title 10, United States Code, is amended—*

*(1) by striking paragraph (7); and*

*(2) by redesignating paragraphs (8) and (9) as paragraphs (7) and (8), respectively.*

### SEC. 806. EXTENSION OF AUTHORITY FOR DEPARTMENT OF DEFENSE ACQUISITION PILOT PROGRAMS.

*Section 5064(d)(2) of the Federal Acquisition Streamlining Act of 1994 (Public Law 103–355; 108 Stat. 3361; 10 U.S.C. 2430 note) is amended by striking "45 days after the date of the enactment of this Act and ends on September 30, 1998" and inserting "on October 13, 1994, and ends on October 1, 2007".*

### SEC. 807. CLARIFICATION AND EXTENSION OF AUTHORITY TO CARRY OUT CERTAIN PROTOTYPE PROJECTS.

*(a) Amendments to Authority.—Section 845 of the National Defense Authorization Act for Fiscal Year 1994 (10 U.S.C. 2371 note) is amended by—*

*(1) redesignating subsection (d) as subsection (g); and*

*(2) inserting after subsection (c) the following:*

*"(d) Appropriate Use of Authority.—(1) The Secretary of Defense shall ensure that no official of an agency enters into an agreement for a prototype project under the authority of this section unless—*

*"(A) at least 20 percent of the total cost of the prototype project is to be paid out of funds provided by parties to the agreement other than the Federal Government (not including funds provided by such parties in the form of independent research and development costs and other costs that are reimbursed as indirect costs under Federal Government contracts);*

*"(B) at least 40 percent of the total cost of the prototype project is to be paid out of funds provided by parties to the agreement other than the Federal Government (including funds provided by such parties in the form of independent research and development costs and other costs that are reimbursed as indirect costs under Federal Government contracts);*

*"(C) there is at least one nontraditional defense contractor participating to a significant extent in the prototype project; or*

*"(D) the senior procurement executive for the agency (as designated for the purposes of section 16(3) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(3))) determines in writing that extraordinary circumstances justify the use of the authority of section 2371 of title 10, United States Code, in accordance with the requirements of this section, to enter into the particular agreement.*

*"(2)(A) Except as provided in subparagraph (B), the amounts counted for the purposes of this subsection as being provided or to be provided by a party other than the Federal Government under an agreement for a prototype project that is entered into under this section do not include costs that were incurred before the date on which the agreement becomes effective.*

*"(B) Costs that were incurred for a prototype project by a party after the beginning of negotiations resulting in an agreement for the project under this section may be counted for the purposes of this subsection as being provided or to be provided by the party under the agreement if and to the extent that the contracting officer or another official responsible for entering into the agreement determines in writing that—*

*"(i) the party incurred the costs in anticipation of entering into the agreement; and*

*"(ii) it was appropriate for the party to incur the costs before the agreement became effective in order to ensure the successful implementation of the agreement.*

*"(e) Pilot Program for Transition to Follow-on Contracts.—(1) The Secretary of Defense is authorized to carry out a pilot program for follow-on contracting for the production of items or processes that are developed by nontraditional defense contractors under prototype projects carried out under this section.*

*"(2) Under the pilot program—*

*"(A) a qualifying contract for the procurement of such an item or process, or a qualifying subcontract under a contract for the procurement of such an item or process, may be treated as a contract or subcontract, respectively, for the procurement of commercial items, as defined in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12)); and*

*"(B) the item or process may be treated as an item or process, respectively, that is developed in part with Federal funds and in part at private expense for the purposes of section 2320 of title 10, United States Code.*

*"(3) For the purposes of the pilot program, a qualifying contract or subcontract is a contract or subcontract, respectively, with a nontraditional defense contractor that—*

*"(A) does not exceed $20,000,000; and*

*"(B) is either—*

*"(i) a firm, fixed-price contract or subcontract; or*

*"(ii) a fixed-price contract or subcontract with economic price adjustment.*

*"(4) The authority to conduct a pilot program under this subsection shall terminate on September 30, 2004. The termination of the authority shall not affect the validity of contracts or subcontracts that are awarded or modified during the period of the pilot program, without regard to whether the contracts or subcontracts are performed during the period.*

*"(f) Nontraditional Defense Contractor Defined.—In this section, the term 'nontraditional defense contractor' means an entity that has not, for a period of at least three years, entered into—*

*"(1) any contract that is subject to the cost accounting standards prescribed pursuant to section 26 of the Office of Federal Procurement Policy Act (41 U.S.C. 422); or*

*"(2) any other contract or agreement to carry out prototype projects or to perform basic, applied, or advanced research projects for a Federal Government agency, other than an agreement entered into under the authority of this section or section 2371 of title 10, United States Code.".*

*(b) Extension of Authority.—Subsection (g) of such section, as redesignated by subsection (a)(1), is amended by striking "September 30, 2001" and inserting "September 30, 2004".*

*(c) Moratorium.—Beginning on the date that is 120 days after the date of the enactment of this Act, no transaction may be entered into under the authority of section 845 of the National Defense Authorization Act for Fiscal Year 1994 or section 2371 of title 10, United States Code, until the final regulations implementing such section 2371 (required by subsection (g) of such section) are published in the Federal Register.*

### SEC. 808. CLARIFICATION OF AUTHORITY OF COMPTROLLER GENERAL TO REVIEW RECORDS OF PARTICIPANTS IN CERTAIN PROTOTYPE PROJECTS.

*(a) Comptroller General Review.—Section 845(c) of the National Defense Authorization Act for Fiscal Year 1994 (10 U.S.C. 2371 note) is amended—*

*(1) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively; and*

*(2) by inserting after paragraph (2) the following new paragraph (3):*

*"(3)(A) The right provided to the Comptroller General in a clause of an agreement under paragraph (1) is limited as provided in subparagraph (B) in the case of a party to the agreement, an entity that participates in the performance of the agreement, or a subordinate element of that party or entity if the only agreements or other transactions that the party, entity, or subordinate element entered into with Government entities in the year prior to the date of that agreement are cooperative agreements or transactions that were entered into under this section or section 2371 of title 10, United States Code.*

*"(B) The only records of a party, other entity, or subordinate element referred to in subparagraph (A) that the Comptroller General may examine in the exercise of the right referred to in that subparagraph are records of the same type as the records that the Government has had the right to examine under the audit access clauses of the previous agreements or transactions referred to in such subparagraph that were entered into by that particular party, entity, or subordinate element.".*

### *SEC. 809. ELIGIBILITY OF SMALL BUSINESS CONCERNS OWNED AND CONTROLLED BY WOMEN FOR ASSISTANCE UNDER THE MENTOR-PROTEGE PROGRAM.*

*Section 831(m)(2) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 10 U.S.C. 2302 note) is amended—*

*(1) by striking "or" at the end of subparagraph (C);*

*(2) by striking the period at the end of subparagraph (D) and inserting "; or"; and*

*(3) by adding at the end the following:*

*"(E) a small business concern owned and controlled by women, as defined in section 8(d)(3)(D) of the Small Business Act (15 U.S.C. 637(d)(3)(D)).".*

### *SEC. 810. NAVY-MARINE CORPS INTRANET ACQUISITION.*

*(a) LIMITATION.—The performance of a contract for the acquisition of a Navy-Marine Corps Intranet may not begin until the Secretary of the Navy submits a report on that contract to Congress. A report under this section shall contain the following information:*

*(1) An estimate of the amount to be expended on the contract by each of the Navy and Marine Corps for each fiscal year.*

*(2) The accounts from which the performance of the contract will be funded through the end of fiscal year 2001.*

*(3) A plan for an incrementally phased implementation of the Navy-Marine Corps Intranet into the operations of the shore-based activities of the Navy and Marine Corps.*

*(4) The same information with regard to the Navy-Marine Corps Intranet as is required to be included in the report on major automated information systems under paragraphs (2) and (3) of section 803(e).*

*(5) With regard to each major command included in the first year of the implementation of the contract—*

*(A) an estimate of the number of civilian personnel currently performing functions that are potentially included in the scope of the contract;*

*(B) the extent to which the contractor may continue to rely upon that workforce to perform functions after the award of the contract; and*

*(C) the plans of the Department of the Navy for reassignment, reorganization, or other disposition of any portion of the workforce that does not continue to perform current functions.*

*(b) PROHIBITIONS.—(1) The increment of the Navy-Marine Corps Intranet that is implemented during the first year of implementation may not include any activities of the Marine Corps, the naval shipyards, or the naval aviation depots.*

*(2) Funds available for fiscal year 2001 for activities referred to in paragraph (1) may not be expended for any contract for the Navy-Marine Corps Intranet.*

*(c) APPLICABILITY OF STATUTORY AND REGULATORY REQUIREMENTS.—The acquisition of a Navy-Marine Corps Intranet shall be managed by the Department of the Navy in accordance with the requirements of—*

*(1) the Clinger-Cohen Act of 1996, including the requirement for utilizing modular contracting in accordance with section 38 of the Office of Federal Procurement Policy Act (41 U.S.C. 434); and*

*(2) Department of Defense Directives 5000.1 and 5000.2–R and all other directives, regulations, and management controls that are applicable to major investments in information technology and related services.*

*(d) COMPTROLLER GENERAL REVIEW.—(1) At the same time that the Secretary of the Navy submits a report on the Navy-Marine Corps Intranet to Congress under subsection (a), the Secretary shall transmit a copy of the report to the Comptroller General.*

*(2) Not later than 60 days after receiving a report on the Navy-Marine Corps Intranet under paragraph (1), the Comptroller General shall review the report and submit to Congress any comments that the Comptroller General considers appropriate regarding the report and the Navy-Marine Corps Intranet.*

*(e) PHASED IMPLEMENTATION TO COMMENCE DURING FISCAL YEAR 2001—The Secretary of the Navy shall commence a phased implementation of the Navy-Marine Corps Intranet during fiscal year 2001. For the implementation in that fiscal year—*

*(1) not more than fifteen percent of the total number of work stations to be provided under the Navy-Marine Corps Intranet program may be provided in the first quarter of such fiscal year; and*

*(2) no additional work stations may be provided until—*

*(A) the Secretary has conducted operational testing of the Intranet; and*

*(B) the Chief Information Officer of the Department of Defense has certified to the Secretary that the results of the operational testing of the Intranet are acceptable.*

*(f) IMPACT ON FEDERAL EMPLOYEES.—The Secretary shall mitigate any adverse impact of the implementation of the Navy-Marine Corps Intranet on civilian employees of the Department of the Navy who, as of the date of the enactment of this Act, are performing functions that are included in the scope of the Navy-Marine Corps Intranet program by—*

*(1) developing a comprehensive plan for the transition of such employees to the performance of other functions within the Department of the Navy;*

*(2) taking full advantage of transition authorities available for the benefit of employees;*

*(3) encouraging the retraining of employees who express a desire to qualify for reassignment to the performance of other functions within the Department of the Navy; and*

*(4) including a provision in the Navy-Marine Corps Intranet contract that requires the contractor to provide a preference for hiring employees of the Department of the Navy who, as of the date of the enactment of this Act, are performing functions that are included in the scope of the contract.*

### *SEC. 811. QUALIFICATIONS REQUIRED FOR EMPLOYMENT AND ASSIGNMENT IN CONTRACTING POSITIONS.*

*(a) APPLICABILITY OF REQUIREMENTS TO MEMBERS OF THE ARMED FORCES.—Section 1724 of title 10, United States Code, is amended—*

*(1) in subsection (a), by striking "a person must" in the matter preceding paragraph (1) and inserting "an employee or member of the armed forces must"; and*

*(2) in subsection (d)—*

*(A) by striking "employee of" and inserting "person in"; and*

*(B) by striking "employee possesses" and inserting "person possesses".*

*(b) MANDATORY ACADEMIC QUALIFICATIONS.—(1) Subsection (a)(3) of such section is amended—*

*(A) by inserting "and" before "(B)"; and*

*(B) by striking ", or (C)" and all that follows through "listed in subparagraph (B)".*

*(2) Subsection (b) of such section is amended to read as follows:*

*"(b) GS–1102 SERIES POSITIONS AND SIMILAR MILITARY POSITIONS.—The Secretary of Defense shall require that a person meet the requirements set forth in paragraph (3) of subsection (a), but not the other requirements set forth in that subsection, in order to qualify to serve in a position in the Department of Defense in—*

*"(1) the GS–1102 occupational series; or*

*"(2) a similar occupational specialty when the position is to be filled by a member of the armed forces.".*

*(c) EXCEPTION.—Subsection (c) of such section is amended to read as follows:*

*"(c) EXCEPTION.—The requirements imposed under subsection (a) or (b) shall not apply to a person for the purpose of qualifying to serve in a position in which the person is serving on September 30, 2000.".*

*(d) DELETION OF UNNECESSARY CROSS REFERENCES.—Subsection (a) of such section is amended by striking "(except as provided in subsections (c) and (d))" in the matter preceding paragraph (1).*

*(e) EFFECTIVE DATE.—This section, and the amendments made by this section, shall take effect on October 1, 2000, and shall apply to appointments and assignments made on or after that date.*

### *SEC. 812. DEFENSE ACQUISITION AND SUPPORT WORKFORCE.*

*(a) REQUIREMENT FOR REPORT.—Not later than March 15, 2001, the Secretary of Defense shall submit to Congress a report on the sufficiency of the acquisition and support workforce of the Department of Defense. The report shall include a plan to ensure that the defense acquisition and support workforce is of sufficient size and has the expertise necessary to ensure the cost-effective management of the defense acquisition system to obtain needed products and services at the best value.*

*(b) CONTENT OF REPORT.—(1) The Secretary's report on the defense acquisition and support workforce under subsection (a) shall include, at a minimum, the following:*

*(A) A comprehensive reassessment of any programmed reductions in the workforce and the impact that such reductions are likely to have on the ability of the workforce to meet the anticipated workload and responsibilities of the acquisition workforce.*

*(B) An assessment of the changing demographics of the workforce, including the impact of anticipated retirements among the most experienced acquisition personnel over the next five years, and management steps that may be needed to address these changes.*

*(C) A plan to address problems arising from previous reductions in the workforce, including—*

*(i) increased backlogs in closing out completed contracts;*

*(ii) increased program costs resulting from contracting for technical support rather than using Federal employees to provide the technical support;*

*(iii) insufficient staff to negotiate fair and reasonable pricing, to review and respond to contractor actions, to perform oversight and inspections, and otherwise to manage contract requirements;*

*(iv) failures to comply with competition requirements, to perform independent cost estimates, to complete technical reviews, to meet contractor surveillance requirements, and to perform necessary cost control functions; and*

*(v) lost opportunities to negotiate strategic supplier alliances, to improve parts control and management, to conduct modeling and simulation projects, and to develop other cost savings initiatives.*

*(D) The actions that are being taken or could be taken within the Department of Defense to enhance the tenure and reduce the turnover of program executive officers, program managers, and contracting officers.*

*(E) An evaluation of the acquisition workforce demonstration project conducted under section 4308 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 10 U.S.C. 1701 note) together with any recommendations for improving personnel management laws, policies, or procedures with respect to the defense acquisition and support workforce.*

*(2) The plan contained in the report shall include specific milestones for workforce size, composition, and qualifications (including plans for*

needed recruiting, retention, and training) to address any problems identified in the report and to ensure the achievement of the objectives of the plan that are set forth in subsection (a).

(c) EXTENSION OF DEMONSTRATION PROJECT.—Section 4308(b)(3)(B) of the National Defense Authorization Act for Fiscal Year 1996 (10 U.S.C. 1701 note) is amended by striking "3-year period beginning on the date of the enactment of the National Defense Authorization Act for Fiscal Year 1998" and inserting "period beginning on November 18, 1997, and ending on November 17, 2003".

(d) MORATORIUM ON REDUCTION OF DEFENSE ACQUISITION WORKFORCE.—(1) Notwithstanding any other provision of law, the defense acquisition and support workforce may not be reduced, during fiscal years 2001, 2002, and 2003, below the level of that workforce as of September 30, 2000, determined on the basis of full-time equivalent positions.

(2) The Secretary of Defense may waive the prohibition in paragraph (1) and reduce the level of the defense acquisition and support workforce upon submitting to Congress the Secretary's certification that the defense acquisition and support workforce, at the level to which reduced, will be able efficiently and effectively to perform the workloads that are required of that workforce consistent with the cost-effective management of the defense acquisition system to obtain best value equipment and with ensuring military readiness.

(e) DEFENSE ACQUISITION AND SUPPORT WORKFORCE DEFINED.—In this section, the term "defense acquisition and support workforce" means Armed Forces and civilian personnel who are assigned to, or are employed in, an organization of the Department of Defense that is—

(1) an acquisition organization specified in Department of Defense Instruction 5000.58, dated January 14, 1992; or

(2) an organization not so specified that has acquisition as its predominant mission, as determined by the Secretary of Defense.

### SEC. 813. FINANCIAL ANALYSIS OF USE OF DUAL RATES FOR QUANTIFYING OVERHEAD COSTS AT ARMY INDUSTRIAL FACILITIES.

(a) REQUIREMENT FOR ANALYSIS.—The Secretary of the Army shall carry out a financial analysis of the costs that would be incurred and the benefits that would be derived from the implementation of a policy to use—

(1) one set of rates for quantifying the overhead costs associated with government-owned industrial facilities of the Department of the Army when allocating those costs to contractors operating the facilities; and

(2) another set of rates for quantifying the overhead costs to be allocated to the operation of such facilities by employees of the United States.

(b) REPORT.—Not later than February 15, 2001, the Secretary shall submit to the congressional defense committees a report on the results of the analysis carried out under subsection (a). The report shall include the following:

(1) The costs and benefits identified in the analysis under subsection (a).

(2) The risks to the United States of implementing a dual rates policy described in subsection (a).

(3) The effects that a use of dual rates under such a policy would have on the defense industrial base of the United States.

### SEC. 814. REVISION OF THE ORGANIZATION AND AUTHORITY OF THE COST ACCOUNTING STANDARDS BOARD.

(a) ESTABLISHMENT WITHIN OMB.—Paragraph (1) of subsection (a) of section 26 of the Office of Federal Procurement Policy Act (41 U.S.C. 422) is amended by striking "Office of Federal Procurement Policy" in the first sentence and inserting "Office of Management and Budget".

(b) COMPOSITION OF BOARD.—Subsection (a) of such section is further amended—

(1) by striking the second sentence of paragraph (1);

(2) by redesignating paragraph (2) as paragraph (3); and

(3) by inserting after paragraph (1) the following new paragraph (2):

"(2) The Board shall consist of five members appointed as follows:

"(A) A Chairman, appointed by the Director of the Office of Management and Budget, from among persons who are knowledgeable in cost accounting matters for Federal Government contracts.

"(B) One member, appointed by the Secretary of Defense, from among Department of Defense personnel.

"(C) One member, appointed by the Administrator, from among employees of executive agencies other than the Department of Defense, with the concurrence of the head of the executive agency concerned.

"(D) One member, appointed by the Chairman from among persons (other than officers and employees of the United States) who are in the accounting or accounting education profession.

"(E) One member, appointed by the Chairman from among persons in industry.".

(c) TERM OF OFFICE.—Paragraph (3) of such subsection, as redesignated by subsection (b)(2), is amended—

(1) in subparagraph (A)—

(A) by striking ", other than the Administrator for Federal Procurement Policy,";

(B) by striking clause (i);

(C) by redesignating clauses (ii) and (iii) as clauses (i) and (ii), respectively; and

(D) in clause (ii), as so redesignated, by striking "individual who is appointed under paragraph (1)(A)" and inserting "officer or employee of the Federal Government who is appointed as a member under paragraph (2)"; and

(2) by striking subparagraph (C).

(d) OTHER BOARD PERSONNEL.—(1) Subsection (b) of such section is amended to read as follows:

"(b) SENIOR STAFF.—The Chairman, after consultation with the Board, may appoint an executive secretary and two additional staff members without regard to the provisions of title 5, United States Code, governing appointments in the competitive service and in senior-level positions. The Chairman may pay such employees without regard to the provisions of chapter 51 (relating to classification of positions), and subchapter III of chapter 53 of such title and section 5376 of such title (relating to the rates of basic pay under the General Schedule and for senior-level positions, respectively), except that no individual so appointed may receive pay in excess of the maximum rate of basic pay payable for a senior-level position under such section 5376.".

(2) Subsections (c) and (d)(2), and the third sentence of subsection (e), of such section are amended by striking "Administrator" and inserting "Chairman".

(e) COST ACCOUNTING STANDARDS AUTHORITY.—(1) Paragraph (1) of subsection (f) of such section is amended by inserting ", subject to direction of the Director of the Office of Management and Budget," after "exclusive authority".

(2) Paragraph (2)(B)(iv) of such subsection is amended by striking "more than $7,500,000" and inserting "$7,500,000 or more".

(3) Paragraph (3) of such subsection is amended, in the first sentence—

(A) by striking "Administrator, after consultation with the Board" and inserting "Chairman, with the concurrence of a majority of the members of the Board"; and

(B) by inserting before the period at the end the following: ", including rules and procedures for the public conduct of meetings of the Board".

(4) Paragraph (5)(C) of such subsection is amended to read as follows:

"(C) The head of an executive agency may not delegate the authority under subparagraph (A) or (B) to any official in the executive agency below a level in the executive agency as follows:

"(i) The senior policymaking level, except as provided in clause (ii).

"(ii) The head of a procuring activity, in the case of a firm, fixed price contract or subcontract for which the requirement to obtain cost or pricing data under subsection (a) of section 2306a of title 10, United States Code, or subsection (a) of section 304A of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254b) is waived under subsection (b)(1)(C) of such section, respectively.".

(5) Paragraph (5)(E) of such subsection is amended by inserting before the period at the end the following: "in accordance with requirements prescribed by the Board".

(f) REQUIREMENTS FOR STANDARDS.—(1) Subsection (g)(1)(B) of section 26 of the Office of Federal Procurement Policy Act is amended by inserting before the semicolon at the end the following: ", together with a solicitation of comments on those issues".

(g) INTEREST RATE APPLICABLE TO CONTRACT PRICE ADJUSTMENTS.—Subsection (h)(4) of such section is amended by inserting "(a)(2)" after "6621" both places that it appears.

(h) REPEAL OF REQUIREMENT FOR ANNUAL REPORT.—Such section is further amended by striking subsection (i).

(i) EFFECTS OF BOARD INTERPRETATIONS AND REGULATIONS.—Subsection (j) of such section is amended—

(1) in paragraph (1), by striking "promulgated by the Cost Accounting Standards Board under section 719 of the Defense Production Act of 1950 (50 U.S.C. App. 2168)" and inserting "that are in effect on the date of the enactment of the National Defense Authorization Act for Fiscal Year 2001"; and

(2) in paragraph (3), by striking "under the authority set forth in section 6 of this Act" and inserting "exercising the authority provided in section 6 of this Act in consultation with the Chairman".

(j) RATE OF PAY FOR CHAIRMAN.—Section 5315 of title 5, United States Code, is amended by adding at the end the following:

"Chairman, Cost Accounting Standards Board.".

(k) TRANSITION PROVISION FOR MEMBERS.—Each member of the Cost Accounting Standards Board who serves on the Board under paragraph (1) of section 26(a) of the Office of Federal Procurement Policy Act, as in effect on the day before the date of the enactment of this Act, shall continue to serve as a member of the Board until the earlier of—

(1) the expiration of the term for which the member was so appointed; or

(2) the date on which a successor to such member is appointed under paragraph (2) of such section 26(a), as amended by subsection (b) of this section.

### SEC. 815. REVISION OF AUTHORITY FOR SOLUTIONS-BASED CONTRACTING PILOT PROGRAM.

(a) PILOT PROJECTS UNDER THE PROGRAM.—Section 5312 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1492) is amended—

(1) in subsection (a), by striking "subsection (d)(2)" and inserting "subsection (d)"; and

(2) by striking subsection (d) and inserting the following:

"(d) PILOT PROGRAM PROJECTS.—The Administrator shall authorize to be carried out under the pilot program—

"(1) not more than 10 projects, each of which has an estimated cost of at least $25,000,000 and not more than $100,000,000; and

"(2) not more than 10 projects for small business concerns, each of which has an estimated cost of at least $1,000,000 and not more than $5,000,000.".

(b) ELIMINATION OF REQUIREMENT FOR FEDERAL FUNDING OF PROGRAM DEFINITION PHASE.—Subsection (c)(9)(B) of such section is amended by striking "program definition phase (funded, in the case of the source ultimately awarded the contract, by the Federal Government)—" and inserting "program definition phase—".

### SEC. 816. APPROPRIATE USE OF PERSONNEL EXPERIENCE AND EDUCATIONAL REQUIREMENTS IN THE PROCUREMENT OF INFORMATION TECHNOLOGY SERVICES.

(a) AMENDMENT OF THE FEDERAL ACQUISITION REGULATION.—Not later than 180 days after the date of the enactment of this Act, the Federal Acquisition Regulation issued in accordance with sections 6 and 25 of the Office of Federal Procurement Policy Act (41 U.S.C. 405 and 421) shall be amended to address the use of personnel experience and educational requirements in the procurement of information technology services.

(b) CONTENT OF AMENDMENT.—The amendment issued pursuant to subsection (a) shall—

(1) provide that a solicitation of bids on a performance-based contract for the procurement of information technology services may not set forth any minimum experience or educational requirement for contractor personnel that a bidder must satisfy in order to be eligible for award of the contract; and

(2) specify—

(A) the circumstances under which a solicitation of bids for other contracts for the procurement of information technology services may set forth any such minimum requirement for that purpose; and

(B) the circumstances under which a solicitation of bids for other contracts for the procurement of information technology services may not set forth any such minimum requirement for that purpose.

(c) CONSTRUCTION OF REGULATION.—The amendment issued pursuant to subsection (a) shall include a rule of construction that a prohibition included in the amendment under paragraph (1) or (2)(B) does not prohibit the consideration of the experience and educational levels of the personnel of bidders in the selection of a bidder to be awarded a contract.

(d) GAO REPORT.—Not later than 1 year after the date on which the regulations required by subsection (a) are published in the Federal Register, the Comptroller General shall submit to Congress an evaluation of—

(1) executive agency compliance with the regulations; and

(2) conformity of the regulations with existing law, together with any recommendations that the Comptroller General considers appropriate.

(e) DEFINITIONS.—In this section:

(1) The term "executive agency" has the meaning given that term in section 4 of the Office of Federal Procurement Policy Act (41 U.S.C. 403).

(2) The term "performance-based contract" means a contract that includes performance work statements setting forth contract requirements in clear, specific, and objective terms with measurable outcomes.

(3) The term "information technology" has the meaning given that term in section 5002 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1401).

### SEC. 817. STUDY OF OFFICE OF MANAGEMENT AND BUDGET CIRCULAR A-76 PROCESS.

(a) GAO-CONVENED PANEL.—The Comptroller General shall convene a panel of experts to study rules, and the administration of the rules, governing the selection of sources for the performance of commercial or industrial functions for the Federal Government from between public and private sector sources, including public-private competitions pursuant to the Office of Management and Budget Circular A-76. The Comptroller General shall be the chairman of the panel.

(b) COMPOSITION OF PANEL.—(1) The Comptroller General shall appoint highly qualified and knowledgeable persons to serve on the panel and shall ensure that the following groups receive fair representation on the panel:

(A) Officers and employees of the United States.

(B) Persons in private industry.

(C) Federal labor organizations.

(2) For the purposes of the requirement for fair representation under paragraph (1), persons serving on the panel under subparagraph (C) of that paragraph shall not be counted as persons serving on the panel under subparagraph (A) or (B) of that paragraph.

(c) PARTICIPATION BY OTHER INTERESTED PARTIES.—The Comptroller General shall ensure that the opportunity to submit information and views on the Office of Management and Budget Circular A-76 process to the panel for the purposes of the study is accorded to all interested parties, including officers and employees of the United States not serving on the panel and entities in private industry and representatives of federal labor organizations not represented on the panel.

(d) INFORMATION FROM AGENCIES.—The panel may secure directly from any department or agency of the United States any information that the panel considers necessary to carry out a meaningful study of administration of the rules described in subsection (a), including the Office of Management and Budget Circular A-76 process. Upon the request of the Chairman of the panel, the head of such department or agency shall furnish the requested information to the panel.

(e) REPORT.—The Comptroller General shall submit a report on the results of the study to Congress.

(f) DEFINITION.—In this section, the term "federal labor organization" has the meaning given the term "labor organization" in section 7103(a)(4) of title 5, United States Code.

### SEC. 818. PROCUREMENT NOTICE THROUGH ELECTRONIC ACCESS TO CONTRACTING OPPORTUNITIES.

(a) PUBLICATION BY ELECTRONIC ACCESSIBILITY.—Subsection (a) of section 18 of the Office of Federal Procurement Policy Act (41 U.S.C. 416) is amended—

(1) in paragraph (1)(A), by striking "furnish for publication by the Secretary of Commerce" and inserting "publish";

(2) by striking paragraph (2) and inserting the following:

"(2)(A) A notice of solicitation required to be published under paragraph (1) may be published by means of—

"(i) electronic accessibility that meets the requirements of paragraph (7); or

"(ii) publication in the Commerce Business Daily.

"(B) The Secretary of Commerce shall promptly publish in the Commerce Business Daily each notice or announcement received under this subsection for publication by that means."; and

(3) by adding at the end the following:

"(7) A publication of a notice of solicitation by means of electronic accessibility meets the requirements of this paragraph for electronic accessibility if the notice is electronically accessible in a form that allows convenient and universal user access through the single Government-wide point of entry designated in the Federal Acquisition Regulation.".

(b) WAITING PERIOD FOR ISSUANCE OF SOLICITATION.—Paragraph (3) of such subsection is amended—

(1) in the matter preceding subparagraph (A), by striking "furnish a notice to the Secretary of Commerce" and inserting "publish a notice of solicitation"; and

(2) in subparagraph (A), by striking "by the Secretary of Commerce".

(c) CONFORMING AMENDMENTS FOR SMALL BUSINESS ACT.—Subsection (e) of section 8 of the Small Business Act (15 U.S.C. 637) is amended—

(1) in paragraph (1)(A), by striking "furnish for publication by the Secretary of Commerce" and inserting "publish";

(2) by striking paragraph (2) and inserting the following:

"(2)(A) A notice of solicitation required to be published under paragraph (1) may be published by means of—

"(i) electronic accessibility that meets the requirements of section 18(a)(7) of the Office of Federal Procurement Policy Act (41 U.S.C. 416(a)(7)); or

"(ii) publication in the Commerce Business Daily.

"(B) The Secretary of Commerce shall promptly publish in the Commerce Business Daily each notice or announcement received under this subsection for publication by that means."; and

(3) in paragraph (3)—

(A) in the matter preceding subparagraph (A), by striking "furnish a notice to the Secretary of Commerce" and inserting "publish a notice of solicitation"; and

(B) in subparagraph (A), by striking "by the Secretary of Commerce".

(d) PERIODIC REPORTS ON IMPLEMENTATION OF ELECTRONIC COMMERCE IN FEDERAL PROCUREMENT.—Section 30(e) of the Office of Federal Procurement Policy Act (41 U.S.C. 426(e)) is amended—

(1) in the first sentence, by striking "Not later than March 1, 1998, and every year afterward through 2003" and inserting "Not later than March 1 of each even-numbered year through 2004"; and

(2) in paragraph (4)—

(A) by striking "Beginning with the report submitted on March 1, 1999,"; and

(B) by striking "calendar year" and inserting "two fiscal years".

(e) EFFECTIVE DATE AND APPLICABILITY.—This section and the amendments made by this section shall take effect on October 1, 2000. The amendments made by subsections (a), (b) and (c) shall apply with respect to solicitations issued on or after that date.

## TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

### SEC. 901. REPEAL OF LIMITATION ON MAJOR DEPARTMENT OF DEFENSE HEADQUARTERS ACTIVITIES PERSONNEL.

(a) REPEAL OF LIMITATION.—(1) Section 130a of title 10, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 3 of such title is amended by striking the item relating to section 130a.

(b) REPEAL OF ASSOCIATED REPORTING REQUIREMENT.—Section 921(b) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 723) is repealed.

### SEC. 902. OVERALL SUPERVISION OF DEPARTMENT OF DEFENSE ACTIVITIES FOR COMBATING TERRORISM.

Section 138(b)(4) of title 10, United States Code, is amended to read as follows:

"(4)(A) One of the Assistant Secretaries shall be the Assistant Secretary of Defense for Special Operations and Low Intensity Conflict.

"(B) The Assistant Secretary shall have the following duties:

"(i) As the principal duty, to provide overall supervision (including oversight of policy and resources) of special operations activities (as defined in section 167(j) of this title) and low intensity conflict activities of the Department of Defense.

"(ii) To provide overall direction and supervision for policy, program planning and execution, and allocation and use of resources for the activities of the Department of Defense for combating terrorism, including antiterrorism activities, counterterrorism activities, terrorism consequences management activities, and terrorism-related intelligence support activities.

"(C) The Assistant Secretary is the principal civilian adviser to the Secretary of Defense on, and is the principal official within the senior management of the Department of Defense (after the Secretary and Deputy Secretary) responsible for, the following matters:

"(i) Special operations and low intensity conflict.

"(ii) Combating terrorism.".

### SEC. 903. NATIONAL DEFENSE PANEL 2001.

(a) ESTABLISHMENT.—Not later than March 1, 2001, the Secretary of Defense shall establish a nonpartisan, independent panel to be known as the National Defense Panel 2001. The Panel shall have the duties set forth in this section.

(b) MEMBERSHIP AND CHAIRMAN.—(1) The Panel shall be composed of nine members appointed from among persons in the private sector who are recognized experts in matters relating to the national security of the United States, as follows:

(A) Three members appointed by the Secretary of Defense.

(B) Three members appointed by the Chairman of the Committee on Armed Services of the Senate, in consultation with the ranking member of the committee.

(C) Three members appointed by the Chairman of the Committee on Armed Services of the House of Representatives, in consultation with the ranking member of the committee.

(2) The Secretary of Defense, in consultation with the chairmen and ranking members of the Committees on Armed Services of the Senate and the House of Representatives, shall designate one of the members to serve as the chairman of the Panel.

(c) DUTIES.—(1) The Panel shall—

(A) assess the matters referred to in paragraph (2);

(B) assess the current and projected strategic environment, together with the progress made by the Armed Forces in transforming to meet that environment;

(C) identify the most dangerous threats to the national security interests of the United States that are to be countered by the United States in the ensuing 10 years and those that are to be encountered in the ensuing 20 years;

(D) identify the strategic and operational challenges for the Armed Forces to address in order to prepare to counter the threats identified under subparagraph (C);

(E) develop—

(i) a recommendation on the priority that should be accorded to each of the strategic and operational challenges identified under subparagraph (D); and

(ii) a recommendation on the priority that should be accorded to the development of each joint capability needed to meet each such challenge; and

(F) identify the issues that the Panel recommends for assessment during the next quadrennial review to be conducted under section 118 of title 10, United States Code.

(2) The matters to be assessed under paragraph (1)(A) are the defense strategy, force structure, force modernization plans, infrastructure, budget plan, and other elements of the defense program and policies established since the quadrennial defense review conducted in 1996.

(3) The Panel shall conduct the assessments under paragraph (1) with a view toward recommending—

(A) the most critical changes that should be made to the defense strategy of the United States for the ensuing 10 years and the most critical changes that should be made to the defense strategy of the United States for the ensuing 20 years; and

(B) any changes considered appropriate by the Panel regarding the major weapon systems programmed for the force, including any alternatives to those weapon systems.

(d) REPORT.—(1) The Panel shall submit to the Secretary of Defense and to the Committees on Armed Services of the Senate and the House of Representatives two reports on the assessment, including a discussion of the Panel's activities, the findings and recommendations of the Panel, and any recommendations for legislation that the Panel considers appropriate, as follows:

(A) An interim report not later than July 1, 2001.

(B) A final report not later than December 1, 2001.

(2) Not later than December 15, 2001, the Secretary shall transmit to the committees referred to in paragraph (1) the Secretary's comments on the final report submitted to the committees under subparagraph (B) of that paragraph.

(e) INFORMATION FROM FEDERAL AGENCIES.—The Panel may secure directly from the Department of Defense and any of its components and from any other department and agency of the United States such information as the Panel considers necessary to carry out its duties under this section. The head of the department or agency concerned shall ensure that information requested by the Panel under this subsection is promptly provided.

(f) PERSONNEL MATTERS.—(1) Each member of the Panel shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the performance of the duties of the Panel.

(2) The members of the Panel shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Panel.

(3)(A) The chairman of the Panel may, without regard to the civil service laws and regulations, appoint and terminate an executive director and a staff if the Panel determines that an executive director and staff are necessary in order for the Panel to perform its duties effectively. The employment of an executive director shall be subject to confirmation by the Panel.

(B) The chairman may fix the compensation of the executive director without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(4) Any employee of the United States may be detailed to the Panel without reimbursement of the employee's agency, and such detail shall be without interruption or loss of civil service status or privilege. The Secretary shall ensure that sufficient personnel are detailed to the Panel to enable the Panel to carry out its duties effectively.

(5) To the maximum extent practicable, the members and employees of the Panel shall travel on military aircraft, military ships, military vehicles, or other military conveyances when travel is necessary in the performance of a duty of the Panel, except that no such aircraft, ship, vehicle, or other conveyance may be scheduled primarily for the transportation of any such member or employee when the cost of commercial transportation is less expensive.

(g) ADMINISTRATIVE PROVISIONS.—(1) The Panel may use the United States mails and obtain printing and binding services in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(2) The Secretary shall furnish the Panel any administrative and support services requested by the Panel.

(3) The Panel may accept, use, and dispose of gifts or donations of services or property.

(h) PAYMENT OF PANEL EXPENSES.—The compensation, travel expenses, and per diem allowances of members and employees of the Panel shall be paid out of funds available to the Department of Defense for the payment of compensation, travel allowances, and per diem allowances, respectively, of civilian employees of the Department. The other expenses of the Panel shall be paid out of funds available to the Department for the payment of similar expenses incurred by the Department.

(i) TERMINATION.—The Panel shall terminate at the end of the year following the year in which the Panel submits its final report under subsection (d)(1)(B). For the period that begins 90 days after the date of submittal of the report, the activities and staff of the panel shall be reduced to a level that the Secretary of Defense considers sufficient to continue the availability of the panel for consultation with the Secretary of Defense and with the Committees on Armed Services of the Senate and the House of Representatives.

### SEC. 904. QUADRENNIAL NATIONAL DEFENSE PANEL.

(a) NATIONAL DEFENSE PANEL.—(1) Chapter 7 of title 10, United States Code, is amended by adding at the end the following:

**"§ 184. National Defense Panel**

"(a) ESTABLISHMENT.—Not later than January 1 of each year immediately preceding a year in which a President is to be inaugurated, the Secretary of Defense shall establish a nonpartisan, independent panel to be known as the National Defense Panel. The Panel shall have the duties set forth in this section.

"(b) MEMBERSHIP AND CHAIRMAN.—(1) The Panel shall be composed of nine members appointed from among persons in the private sector who are recognized experts in matters relating to the national security of the United States, as follows:

"(A) Three members appointed by the Secretary of Defense.

"(B) Three members appointed by the Chairman of the Committee on Armed Services of the Senate, in consultation with the ranking member of the committee.

"(C) Three members appointed by the Chairman of the Committee on Armed Services of the House of Representatives, in consultation with the ranking member of the committee.

"(2) The Secretary of Defense, in consultation with the chairmen and ranking members of the Committees on Armed Services of the Senate and the House of Representatives, shall designate one of the members to serve as the chairman of the Panel

"(c) DUTIES.—(1) The Panel shall—

"(A) assess the matters referred to in paragraph (2);

"(B) assess the current and projected strategic environment, together with the progress made by the armed forces in transforming to meet the environment;

"(C) identify the most dangerous threats to the national security interests of the United States that are to be countered by the United States in the ensuing 10 years and those that are to be encountered in the ensuing 20 years;

"(D) identify the strategic and operational challenges for the armed forces to address in *order to prepare to counter the threats identified under subparagraph (C);*

*"(E) develop—*

*"(i) a recommendation on the priority that should be accorded to each of the strategic and operational challenges identified under subparagraph (D); and*

*"(ii) a recommendation on the priority that should be accorded to the development of each joint capability needed to meet each such challenge; and*

*"(F) identify the issues that the Panel recommends for assessment during the next quadrennial review to be conducted under section 118 of this title.*

*"(2) The matters to be assessed under paragraph (1)(A) are the defense strategy, force structure, force modernization plans, infrastructure, budget plan, and other elements of the defense program and policies established since the previous quadrennial defense review under section 118 of this title.*

*"(3) The Panel shall conduct the assessments under paragraph (1) with a view toward recommending—*

*"(A) the most critical changes that should be made to the defense strategy of the United States for the ensuing 10 years and the most critical changes that should be made to the defense strategy of the United States for the ensuing 20 years; and*

*"(B) any changes considered appropriate by the Panel regarding the major weapon systems programmed for the force, including any alternatives to those weapon systems.*

*"(d) Report.—(1) The Panel, in the year that it is conducting an assessment under subsection (c), shall submit to the Secretary of Defense and to the Committees on Armed Services of the Senate and the House of Representatives two reports on the assessment, including a discussion of the Panel's activities, the findings and recommendations of the Panel, and any recommendations for legislation that the Panel considers appropriate, as follows:*

*"(A) An interim report not later than July 1 of the year.*

*"(B) A final report not later than December 1 of the year.*

*"(2) Not later than December 15 of the year in which the Secretary receives a final report under paragraph (1)(B), the Secretary shall submit to the committees referred to in paragraph (1) the Secretary's comments on that report.*

*"(e) Information From Federal Agencies.—The Panel may secure directly from the Department of Defense and any of its components and from any other department or agency of the United States any information that the Panel considers necessary to carry out its duties under this section. The head of that department or agency shall ensure that information requested by the Panel under this subsection is promptly provided.*

*"(f) Personnel Matters.—(1) Each member of the Panel shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5 for each day (including travel time) during which the member is engaged in the performance of the duties of the Panel.*

*"(2) The members of the Panel shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5 while away from their homes or regular places of business in the performance of services for the Panel.*

*"(3)(A) The chairman of the Panel may, without regard to the civil service laws and regulations, appoint and terminate an executive director and a staff if the Panel determines that an executive director and staff are necessary in order for the Panel to perform its duties effectively. The employment of an executive director shall be subject to confirmation by the Panel.*

*"(B) The chairman may fix the compensation of the executive director without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5 relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.*

*"(4) Any Federal Government employee may be detailed to the Panel without reimbursement of the employee's agency, and such detail shall be without interruption or loss of civil service status or privilege. The Secretary shall ensure that sufficient personnel are detailed to the Panel to enable the Panel to carry out its duties effectively.*

*"(5) To the maximum extent practicable, the members and employees of the Panel shall travel on military aircraft, military ships, military vehicles, or other military conveyances when travel is necessary in the performance of a duty of the Panel, except that no such aircraft, ship, vehicle, or other conveyance may be scheduled primarily for the transportation of any such member or employee when the cost of commercial transportation is less expensive.*

*"(g) Administrative Provisions.—(1) The Panel may use the United States mails and obtain printing and binding services in the same manner and under the same conditions as other departments and agencies of the Federal Government.*

*"(2) The Secretary shall furnish the Panel any administrative and support services requested by the Panel.*

*"(3) The Panel may accept, use, and dispose of gifts or donations of services or property.*

*"(h) Payment of Panel Expenses.—The compensation, travel expenses, and per diem allowances of members and employees of the Panel shall be paid out of funds available to the Department of Defense for the payment of compensation, travel allowances, and per diem allowances, respectively, of civilian employees of the Department. The other expenses of the Panel shall be paid out of funds available to the Department for the payment of similar expenses incurred by the Department.*

*"(i) Termination.—The Panel shall terminate at the end of the year following the year in which the Panel submits its final report under subsection (d)(1)(B). For the period that begins 90 days after the date of submittal of the report, the activities and staff of the panel shall be reduced to a level that the Secretary of Defense considers sufficient to continue the availability of the Panel for consultation with the Secretary of Defense and with the Committees on Armed Services of the Senate and the House of Representatives.".*

*(2) The table of sections at the beginning of such chapter is amended by adding at the end the following:*

*"184. National Defense Panel.".*

*(b) First Panel To Be Established in 2004.—The first National Defense Panel under section 184 of title 10, United States Code (as added by subsection (a)), shall be established in 2004.*

### ***SEC. 905. INSPECTOR GENERAL INVESTIGATIONS OF PROHIBITED PERSONNEL ACTIONS.***

*(a) Standards and Procedures for Preliminary Determinations.—Subsection (c)(3)(A) of section 1034 of title 10, United States Code, is amended by inserting ", in accordance with regulations prescribed under subsection (h)," after "shall expeditiously determine".*

*(b) Definition of Inspector General.—Subsection (i)(2) of such section is amended by adding at the end the following:*

*"(H) An officer of the armed forces or employee of the Department of Defense, not referred to in any other subparagraph of this paragraph, who is assigned or detailed to serve as an Inspector General at any level in the Department of Defense.".*

### ***SEC. 906. NETWORK CENTRIC WARFARE.***

*(a) Goal.—It shall be a goal of the Department of Defense to fully coordinate the network centric warfare efforts being pursued by the Joint Chiefs of Staff, the Defense Agencies, and the military departments so that (1) the concepts, procedures, training, and technology development resulting from those efforts lead to an integrated information network, and (2) a coherent concept for enabling information dominance in joint military operations can be formulated.*

*(b) Report on Implementation of Network Centric Warfare Principles.—(1) The Secretary of Defense, in consultation with the Chairman of the Joint Chiefs of Staff, shall submit to the congressional defense committees a report on the development and implementation of network centric warfare concepts in the Department of Defense.*

*(2) The report shall contain the following:*

*(A) A clear definition and terminology to describe the set of operational concepts referred to as network centric warfare.*

*(B) An identification and description of current, planned, and needed activities by the Office of the Secretary of Defense, the Joint Chiefs of Staff, and the United States Joint Forces Command to coordinate the development of doctrine and the definition of requirements and to ensure that those activities are consistent with the concepts of network centric warfare and information superiority that are articulated in Joint Vision 2010 issued by the Joint Chiefs of Staff.*

*(C) Recommended metrics, and a process for applying and reporting such metrics, to assist the Secretary of Defense and the Chairman of the Joint Chiefs of Staff in the evaluation of the progress being made toward—*

*(i) the implementation of the concepts of network centric warfare and information superiority that are articulated in Joint Vision 2010; and*

*(ii) the attainment of a fully integrated, joint command, control, communications, computers, intelligence, surveillance, and reconnaissance capability.*

*(D) A recommended joint concept development and experimentation campaign for enabling the co-evolution of doctrine, organization, training, materiel, leadership, people, and facilities that are pertinent to achieving advances in command and control consistent with the concepts of network centric warfare and information superiority articulated in those vision statements.*

*(E) A description of the programs and initiatives underway, together with a discussion of the progress made (as determined using metrics recommended under subparagraph (C)) toward—*

*(i) establishing a foundation for networking the sensors, combat personnel and weapon systems, and decisionmaking nodes to ensure that there is seamless communication within each of the Armed Forces and across the Armed Forces;*

*(ii) achieving, within and between the Armed Forces, full situational awareness of the dispositions of friendly forces so that joint task forces can operate effectively on fast-changing battlefields with substantially reduced risk of fratricide and less restrictive control measures; and*

*(iii) ensuring a seamless delivery of fire on targets by the Armed Forces and allied forces, with particular attention being given in that discussion to how networking of surface and aerial fire delivery and aerial transport assets can be exploited to manage theater airspace so*

*as to minimize the coordination steps necessary for obtaining fire clearance or aerial transit clearance.*

*(F) An identification of the additional powers that must be provided the officials making joint policy for the Armed Forces in order to ensure that those officials have sufficient authority quickly to develop and implement means for supporting network centric warfare, including such means as interoperable intranets of the Armed Forces and joint and allied interoperability standards for the joint operating environment.*

*(G) The areas of joint authority that require greater emphasis or resource allocation.*

*(H) The specific organizational entities that can provide coordination for the development of network centric warfare systems and doctrine.*

*(I) The joint requirements under development that will lead to the acquisition of technologies for enabling the implementation and support of network centric warfare, together with—*

*(i) a description of how the joint requirements are modifying existing requirements and vision statements of each of the Armed Forces to better reflect the joint nature of network centric warfare;*

*(ii) a description of how the vision statements are being expanded to reflect the role of network centric warfare concepts in future coalition operations and operations other than war; and*

*(iii) an evaluation of whether there is a need to modify the milestone decision processes for all acquisition programs that directly affect joint task force interoperability and interoperability between the Armed Forces.*

*(J) A discussion of how the efforts within the Department of Defense to implement information superiority concepts described in Joint Vision 2010 are informed by private sector investments, and successes and failures, in implementing networking technologies that enhance distribution, inventory control, maintenance management, personnel management, knowledge management, technology development, and other relevant business areas.*

*(K) A discussion of how Department of Defense activities to establish a joint network centric capability—*

*(i) are coordinated with the Intelligence Community, the Department of Commerce, the Department of Justice, the Federal Emergency Management Agency, and other departments and agencies of the United States; and*

*(ii) are carried out in accordance with Presidential Decision Directive 63 and the National Plan for Information Systems Protection.*

*(c) STUDY ON USE OF JOINT EXPERIMENTATION FOR DEVELOPING NETWORK CENTRIC WARFARE CONCEPTS.—(1) The Secretary of Defense shall conduct a study on the present and future use of the joint experimentation program of the Department of Defense in the development of network centric warfare concepts.*

*(2) The Secretary shall submit to the congressional defense committees a report on the results of the study. The report shall include the following:*

*(A) A survey and description of how experimentation under the joint experimentation program and experimentation under the experimentation program of each of the Armed Forces are being used for evaluating emerging concepts in network centric warfare.*

*(B) Recommended means and mechanisms for using the results of the joint experimentation for developing new joint requirements, new joint doctrine, and new acquisition programs of the military departments and Defense Agencies with a view to achieving the objective of supporting network centric operations.*

*(C) Recommendations on future joint experimentation to validate and accelerate the use of network centric warfare concepts in operations involving coalition forces.*

*(D) Recommendations on how joint experimentation can be used to identify impediments to—*

*(i) the development of a joint information network; and*

*(ii) the seamless coordination of the intranet systems of each of the Armed Forces in operational environments.*

*(E) Recommendations on how joint experimentation can be used to develop concepts in revolutionary force redesign to leverage new operational concepts in network centric warfare.*

*(F) The levels of appropriations necessary for joint experimentation on network-related concepts.*

*(3) The Secretary of Defense, acting through the Chairman of the Joint Chiefs of Staff, shall designate the Commander in Chief of the United States Joint Forces Command to carry out the study and to prepare the report required under this subsection.*

*(d) REPORT ON SCIENCE AND TECHNOLOGY PROGRAMS TO SUPPORT NETWORK CENTRIC WARFARE CONCEPTS.—(1) The Under Secretary of Defense for Acquisition, Technology, and Logistics shall submit to the congressional defense committees a report describing the coordination of the science and technology investments of the military departments and Defense Agencies in the development of future joint network centric warfare capabilities. The Under Secretary shall consult with the Chairman of the Joint Chiefs of Staff in the preparation of the report.*

*(2) The report shall include the following:*

*(A) A discussion of the science and technology investments in the following areas:*

*(i) Sensors, including ground-based, air-based, sea-based, and space-based inhabited and uninhabited systems.*

*(ii) Seamless communications and networking protocols and technologies.*

*(iii) Modeling and simulation of technologies and operational concepts.*

*(iv) Secure and reliable information networks and databases.*

*(v) Computing and software technology.*

*(vi) Robust human-machine interfaces.*

*(vii) Novel training concepts for supporting network centric operations.*

*(B) For the areas listed in subparagraph (A)—*

*(i) a rationalization of the rapid pace of technological change and the influence of global developments in commercial technology; and*

*(ii) an explanation of how that rationalization is informing and modifying science and technology investments made by the Department of Defense.*

*(e) TIME FOR SUBMISSION OF REPORTS.—Each report required under this section shall be submitted not later than March 1, 2001.*

### *SEC. 907. ADDITIONAL DUTIES FOR THE COMMISSION TO ASSESS UNITED STATES NATIONAL SECURITY SPACE MANAGEMENT AND ORGANIZATION.*

*Section 1622(a) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 814; 10 U.S.C. 111 note) is amended by adding at the end the following:*

*"(6) The advisability of—*

*"(A) various actions to eliminate the requirement for specified officers in the United States Space Command to be flight rated that results from the dual assignment of such officers to that command and to one or more other commands for which the officers are expressly required to be flight rated;*

*"(B) the establishment of a requirement that all new general or flag officers of the United States Space Command have experience in space, missile, or information operations that is either acquisition experience or operational experience; and*

*"(C) rotating the command of the United States Space Command among the Armed Forces.".*

### *SEC. 908. SPECIAL AUTHORITY FOR ADMINISTRATION OF NAVY FISHER HOUSES.*

*(a) BASE OPERATING SUPPORT.—Section 2493 of title 10, United States Code, is amended—*

*(1) by redesignating subsection (f) as subsection (g); and*

*(2) by inserting after subsection (e) the following new subsection (f):*

*"(f) SPECIAL AUTHORITY FOR NAVY.—The Secretary of the Navy shall provide base operating support for Fisher Houses associated with health care facilities of the Navy. The level of the support shall be equivalent to the base operating support that the Secretary provides for morale, welfare, and recreation category B community activities (as defined in regulations prescribed by the Secretary, that govern morale, welfare, and recreation activities associated with Navy installations).".*

*(b) SAVINGS PROVISIONS FOR CERTAIN NAVY EMPLOYEES.—(1) The Secretary of the Navy may continue to employ, and pay out of appropriated funds, any employee of the Navy in the competitive service who, as of October 17, 1998, was employed by the Navy in a position at a Fisher House administered by the Navy, but only for so long as the employee is continuously employed in that position.*

*(2) After a person vacates a position in which the person was continued to be employed under the authority of paragraph (1), a person employed in that position shall be employed as an employee of a nonappropriated fund instrumentality of the United States and may not be paid for services in that position out of appropriated funds.*

*(3) In this subsection:*

*(A) The term "Fisher House" has the meaning given the term in section 2493(a)(1) of title 10, United States Code.*

*(B) The term "competitive service" has the meaning given the term in section 2102 of title 5, United States Code.*

*(c) EFFECTIVE DATE.—(1) The amendments made by subsection (a) shall be effective as of October 17, 1998, as if included in section 2493 of title 10, United States Code, as enacted by section 906(a) of Public Law 105–261.*

*(2) Subsection (b) applies with respect to the pay period that includes October 17, 1998, and subsequent pay periods.*

### *SEC. 909. ORGANIZATION AND MANAGEMENT OF THE CIVIL AIR PATROL.*

*(a) IN GENERAL.—Chapter 909 of title 10, United States Code, is amended to read as follows:*

### *"CHAPTER 909—CIVIL AIR PATROL*

*"Sec.*
*"9441. Status as federally chartered corporation; purposes.*
*"9442. Status as volunteer civilian auxiliary of the Air Force.*
*"9443. Activities not performed as auxiliary of the Air Force.*
*"9444. Activities performed as auxiliary of the Air Force.*
*"9445. Funds appropriated for the Civil Air Patrol.*
*"9446. Miscellaneous personnel authorities.*
*"9447. Board of Governors.*
*"9448. Regulations.*

***"§ 9441. Status as federally chartered corporation; purposes***

*"(a) STATUS.—(1) The Civil Air Patrol is a nonprofit corporation that is federally chartered under section 40301 of title 36.*

*"(2) Except as provided in section 9442(b)(2) of this title, the Civil Air Patrol is not an instrumentality of the Federal Government for any purpose.*

*"(b) PURPOSES.—The purposes of the Civil Air Patrol are set forth in section 40302 of title 36.*

***"§ 9442. Status as volunteer civilian auxiliary of the Air Force***

*"(a) VOLUNTEER CIVILIAN AUXILIARY.—The Civil Air Patrol is a volunteer civilian auxiliary*

*of the Air Force when the services of the Civil Air Patrol are used by any department or agency in any branch of the Federal Government.*

*"(b) USE BY AIR FORCE.—(1) The Secretary of the Air Force may use the services of the Civil Air Patrol to fulfill the noncombat programs and missions of the Department of the Air Force.*

*"(2) The Civil Air Patrol shall be deemed to be an instrumentality of the United States with respect to any act or omission of the Civil Air Patrol, including any member of the Civil Air Patrol, in carrying out a mission assigned by the Secretary of the Air Force.*

***"§9443. Activities not performed as auxiliary of the Air Force***

*"(a) SUPPORT FOR STATE AND LOCAL AUTHORITIES.—The Civil Air Patrol may, in its status as a federally chartered nonprofit corporation and not as an auxiliary of the Air Force, provide assistance requested by State or local governmental authorities to perform disaster relief missions and activities, other emergency missions and activities, and nonemergency missions and activities. Missions and activities carried out under this section shall be consistent with the purposes of the Civil Air Patrol.*

*"(b) USE OF FEDERALLY PROVIDED RESOURCES.—(1) To perform any mission or activity authorized under subsection (a), the Civil Air Patrol may use any equipment, supplies, and other resources provided to it by the Air Force or by any other department or agency of the Federal Government or acquired by or for the Civil Air Patrol with appropriated funds, without regard to whether the Civil Air Patrol has reimbursed the Federal Government source for the equipment, supplies, other resources, or funds, as the case may be.*

*"(2) The use of equipment, supplies, or other resources under paragraph (1) is subject to—*

*"(A) the terms and conditions of the applicable agreement entered into under chapter 63 of title 31; and*

*"(B) the laws and regulations that govern the use by nonprofit corporations of federally provided assets or of assets purchased with appropriated funds, as the case may be.*

*"(c) AUTHORITY NOT CONTINGENT ON REIMBURSEMENT.—The authority for the Civil Air Patrol to provide assistance under this section is not contingent on the Civil Air Patrol being reimbursed for the cost of providing the assistance. If the Civil Air Patrol requires reimbursement for the provision of any such assistance, the Civil Air Patrol may establish the reimbursement rate for the assistance at a rate less than the rate charged by private sector sources for equivalent services.*

*"(d) LIABILITY INSURANCE.—The Secretary of the Air Force may provide the Civil Air Patrol with funds for paying the cost of liability insurance for missions and activities carried out under this section.*

***"§9444. Activities performed as auxiliary of the Air Force***

*"(a) AIR FORCE SUPPORT FOR ACTIVITIES.—The Secretary of the Air Force may furnish to the Civil Air Patrol in accordance with this section any equipment, supplies, and other resources that the Secretary determines necessary to enable the Civil Air Patrol to fulfill the missions assigned by the Secretary to the Civil Air Patrol as an auxiliary of the Air Force.*

*"(b) FORMS OF AIR FORCE SUPPORT.—The Secretary of the Air Force may, under subsection (a)—*

*"(1) give, lend, or sell to the Civil Air Patrol without regard to the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.)—*

*"(A) major items of equipment (including aircraft, motor vehicles, computers, and communications equipment) that are excess to the military departments; and*

*"(B) necessary related supplies and training aids that are excess to the military departments;*

*"(2) permit the use, with or without charge, of services and facilities of the Air Force;*

*"(3) furnish supplies (including fuel, lubricants, and other items required for vehicle and aircraft operations) or provide funds for the acquisition of supplies;*

*"(4) establish, maintain, and supply liaison officers of the Air Force at the national, regional, State, and territorial headquarters of the Civil Air Patrol;*

*"(5) detail or assign any member of the Air Force or any officer, employee, or contractor of the Department of the Air Force to any liaison office at the national, regional, State, or territorial headquarters of the Civil Air Patrol;*

*"(6) detail any member of the Air Force or any officer, employee, or contractor of the Department of the Air Force to any unit or installation of the Civil Air Patrol to assist in the training programs of the Civil Air Patrol;*

*"(7) authorize the payment of travel expenses and allowances, at rates not to exceed those paid to employees of the Federal Government under subchapter I of chapter 57 of title 5, to members of the Civil Air Patrol while the members are carrying out programs or missions specifically assigned by the Air Force;*

*"(8) provide funds for the national headquarters of the Civil Air Patrol, including—*

*"(A) funds for the payment of staff compensation and benefits, administrative expenses, travel, per diem and allowances, rent, utilities, other operational expenses of the national headquarters; and*

*"(B) to the extent considered necessary by the Secretary of the Air Force to fulfill Air Force requirements, funds for the payment of compensation and benefits for key staff at regional, State, or territorial headquarters;*

*"(9) authorize the payment of expenses of placing into serviceable condition, improving, and maintaining equipment (including aircraft, motor vehicles, computers, and communications equipment) owned or leased by the Civil Air Patrol;*

*"(10) provide funds for the lease or purchase of items of equipment that the Secretary determines necessary for the Civil Air Patrol;*

*"(11) support the Civil Air Patrol cadet program by furnishing—*

*"(A) articles of the Air Force uniform to cadets without cost; and*

*"(B) any other support that the Secretary of the Air Force determines is consistent with Air Force missions and objectives; and*

*"(12) provide support, including appropriated funds, for the Civil Air Patrol aerospace education program to the extent that the Secretary of the Air Force determines appropriate for furthering the fulfillment of Air Force missions and objectives.*

*"(c) ASSISTANCE BY OTHER AGENCIES.—(1) The Secretary of the Air Force may arrange for the use by the Civil Air Patrol of such facilities and services under the jurisdiction of the Secretary of the Army, the Secretary of the Navy, or the head of any other department or agency of the United States as the Secretary of the Air Force considers to be needed by the Civil Air Patrol to carry out its mission.*

*"(2) An arrangement for use of facilities or services of a military department or other department or agency under this subsection shall be subject to the agreement of the Secretary of the military department or head of the other department or agency, as the case may be.*

*"(3) Each arrangement under this subsection shall be made in accordance with regulations prescribed under section 9448 of this title.*

***"§9445. Funds appropriated for the Civil Air Patrol***

*"Funds appropriated for the Civil Air Patrol shall be available only for the exclusive use of the Civil Air Patrol.*

***"§9446. Miscellaneous personnel authorities***

*"(a) USE OF RETIRED AIR FORCE PERSONNEL.—(1) Upon the request of a person retired from service in the Air Force, the Secretary of the Air Force may enter into a personal services contract with that person providing for the person to serve as an administrator or liaison officer for the Civil Air Patrol. The qualifications of a person to provide the services shall be determined and approved in accordance with regulations prescribed under section 9448 of this title.*

*"(2) To the extent provided in a contract under paragraph (1), a person providing services under the contract may accept services on behalf of the Air Force.*

*"(3) A person, while providing services under a contract authorized under paragraph (1), may not be considered to be on active duty or inactive-duty training for any purpose.*

*"(b) USE OF CIVIL AIR PATROL CHAPLAINS.—The Secretary of the Air Force may use the services of Civil Air Patrol chaplains in support of the Air Force active duty and reserve component forces to the extent and under conditions that the Secretary determines appropriate.*

***"§9447. Board of Governors***

*"(a) GOVERNING BODY.—The Board of Governors of the Civil Air Patrol is the governing body of the Civil Air Patrol.*

*"(b) COMPOSITION.—The Board of Governors is composed of 13 members as follows:*

*"(1) Four members appointed by the Secretary of the Air Force, who may be active or retired officers of the Air Force (including reserve components of the Air Force), employees of the Federal Government, or private citizens.*

*"(2) Four members of the Civil Air Patrol, elected from among the members of the Civil Air Patrol in the manner provided in regulations prescribed under section 9448 of this title.*

*"(3) Three members appointed or selected as provided in subsection (c) from among personnel of any Federal Government agencies, public corporations, nonprofit associations, and other organizations that have an interest and expertise in civil aviation and the Civil Air Patrol mission.*

*"(4) One member appointed by the Majority Leader of the Senate.*

*"(5) One member appointed by the Speaker of the House of Representatives.*

*"(c) APPOINTMENTS FROM INTERESTED ORGANIZATIONS.—(1) Subject to paragraph (2), the members of the Board of Governors referred to in subsection (b)(3) shall be appointed jointly by the Secretary of the Air Force and the National Commander of the Civil Air Patrol.*

*"(2) Any vacancy in the position of a member referred to in paragraph (1) that is not filled under that paragraph within 90 days shall be filled by majority vote of the other members of the Board.*

*"(d) CHAIRPERSON.—(1) The Chairperson of the Board of Governors shall be chosen by the members of the Board of Governors from among the members of the Board eligible for selection under paragraph (2) and shall serve for a term of two years.*

*"(2) The position of Chairperson shall be held on a rotating basis, first by a member of the Board selected from among those appointed by the Secretary of the Air Force under paragraph (1) of subsection (b) and then by a member of the Board selected from among the members elected by the Civil Air Patrol under paragraph (2) of that subsection. Upon the expiration of the term of a Chairperson selected from among*

the members referred to in one of those paragraphs, the selection of a successor to that position shall be made from among the members who are referred to in the other paragraph.

"(e) POWERS.—(1) The Board of Governors shall, subject to paragraphs (2) and (3), exercise the powers granted under section 40304 of title 36.

"(2) Any exercise by the Board of the power to amend the constitution or bylaws of the Civil Air Patrol or to adopt a new constitution or bylaws shall be subject to the approval of the corporate officers of the Civil Air Patrol, as those officers are defined in the constitution and bylaws of the Civil Air Patrol.

"(3) Neither the Board of Governors nor any other component of the Civil Air Patrol may modify or terminate any requirement or authority set forth in this section.

"(f) PERSONAL LIABILITY FOR BREACH OF A FIDUCIARY DUTY.—(1) The Board of Governors may, subject to paragraph (2), take such action as is necessary to limit the personal liability of a member of the Board of Governors to the Civil Air Patrol or to any of its members for monetary damages for a breach of fiduciary duty while serving as a member of the Board.

"(2) The Board may not limit the liability of a member of the Board of Governors to the Civil Air Patrol or to any of its members for monetary damages for any of the following:

"(A) A breach of the member's duty of loyalty to the Civil Air Patrol or its members.

"(B) Any act or omission that is not in good faith or that involves intentional misconduct or a knowing violation of law.

"(C) Participation in any transaction from which the member directly or indirectly derives an inproper personal benefit.

"(3) Nothing in this subsection shall be construed as rendering section 207 or 208 of title 18 inapplicable in any respect to a member of the Board of Governors who is a member of the Air Force on active duty, an officer on a retired list of the Air Force, or an employee of the Federal Government.

"(g) PERSONAL LIABILITY FOR BREACH OF A FIDUCIARY DUTY.—(1) Except as provided in paragraph (2), no member of the Board of Governors or officer of the Civil Air Patrol shall be personally liable for damages for any injury or death or loss or damage of property resulting from a tortious act or omission of an employee or member of the Civil Air Patrol.

"(2) Paragraph (1) does not apply to a member of the Board of Governors or officer of the Civil Air Patrol for a tortious act or omission in which the member or officer, as the case may be, was personally involved, whether in breach of a civil duty or in commission of a criminal offense.

"(3) Nothing in this subsection shall be construed to restrict the applicability of common law protections and rights that a member of the Board of Governors or officer of the Civil Air Patrol may have.

"(4) The protections provided under this subsection are in addition to the protections provided under subsection (f).

**"§9448. Regulations**

"(a) AUTHORITY.—The Secretary of the Air Force shall prescribe regulations for the administration of this chapter.

"(b) REQUIRED REGULATIONS.—The regulations shall include the following:

"(1) Regulations governing the conduct of the activities of the Civil Air Patrol when it is performing its duties as a volunteer civilian auxiliary of the Air Force under section 9442 of this title.

"(2) Regulations for providing support by the Air Force and for arranging assistance by other agencies under section 9444 of this title.

"(3) Regulations governing the qualifications of retired Air Force personnel to serve as an administrator or liaison officer for the Civil Air Patrol under a personal services contract entered into under section 9446(a) of this title.

"(4) Procedures and requirements for the election of members of the Board of Governors under section 9447(b)(2) of this title.

"(c) APPROVAL BY SECRETARY OF DEFENSE.—The regulations required by subsection (b)(2) shall be subject to the approval of the Secretary of Defense.".

(b) CONFORMING AMENDMENTS.—(1) Section 40302 of title 36, United States Code, is amended—

(A) by striking "to—" in the matter preceding paragraph (1) and inserting "as follows:";

(B) by inserting "To" after the paragraph designation in each of paragraphs (1), (2), (3), and (4);

(C) by striking the semicolon at the end of paragraphs (1)(B) and (2) and inserting a period;

(D) by striking "; and" at the end of paragraph (3) and inserting a period; and

(E) by adding at the end the following:

"(5) To assist the Department of the Air Force in fulfilling its noncombat programs and missions.".

(2)(A) Section 40303 of such title is amended—

(i) by inserting "(a) MEMBERSHIP.—" before "Eligibility"; and

(ii) by adding at the end the following:

"(b) GOVERNING BODY.—The Civil Air Patrol has a Board of Governors. The composition and responsibilities of the Board of Governors are set forth in section 9447 of title 10.".

(B) The heading for such section is amended to read as follows:

**"§40303. Membership and governing body".**

(C) The item relating to such section in the table of sections at the beginning of chapter 403 of title 36, United States Code, is amended to read as follows:

"40303. Membership and governing body.".

(c) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on January 1, 2001.

### SEC. 910. RESPONSIBILITY FOR THE NATIONAL GUARD CHALLENGE PROGRAM.

(a) SECRETARY OF DEFENSE.—Subsection (a) of section 509 of title 32, United States Code, is amended by striking ", acting through the Chief of the National Guard Bureau,".

(b) CLARIFICATION OF SOURCE OF FEDERAL SUPPORT.—Subsection (b) of such section is amended by striking "Federal expenditures" and inserting "Department of Defense expenditures".

(c) REGULATIONS.—Such section is further amended—

(1) by redesignating subsection (l) and subsection (m); and

(2) by inserting after subsection (k) the following new subsection (l):

"(l) REGULATIONS.—The Secretary of Defense shall prescribe regulations to carry out this section, including regulations governing the following:

"(1) Terms and conditions to be included in program agreements under subsection (c).

"(2) The eligibility requirements for participation under subsection (e).

"(3) The benefits authorized for program participants under subsection (f).

"(4) The status of National Guard personnel providing services for the program under subsection (g).

"(5) The use of equipment and facilities of the National Guard for the program under subsection (h).

"(6) The status of program participants under subsection (i).

"(7) The procedures for communicating between the Secretary of Defense and States regarding the program.".

### SEC. 911. SUPERVISORY CONTROL OF ARMED FORCES RETIREMENT HOME BOARD BY SECRETARY OF DEFENSE.

(a) BOARD AUTHORITY 'SUBJECT TO SECRETARY'S CONTROL.—Section 1516(a) of the Armed Forces Retirement Home Act of 1991 (Public Law 101–510; 24 U.S.C. 416(a)) is amended by inserting after the first sentence the following: "The Board is subject to the authority, direction, and control of the Secretary of Defense in the performance of its responsibilities.".

(b) APPOINTMENT AND TERMS OF BOARD MEMBERS.—Section 1515 of such Act (24 U.S.C. 415) is amended—

(1) in subsection (b), by adding at the end the following:

"An appointment not made by the Secretary of Defense is subject to the approval of the Secretary of Defense.";

(2) in subsection (e)(3), by striking "Chairman of the Retirement Home Board" and inserting "Secretary of Defense"; and

(3) in subsection (f), by striking "(f) EARLY EXPIRATION OF TERM.—" and inserting the following:

"(f) EARLY TERMINATION.—(1) The Secretary of Defense may terminate the appointment of a member of the Board at the pleasure of the Secretary.

"(2)".

(c) RESPONSIBILITY OF CHAIRMAN TO THE SECRETARY.—Section 1515(d)(1)(B) of such Act (24 U.S.C. 415(d)(1)(B)) is amended by striking "not be responsible to the Secretary of Defense or to the Secretaries of the military departments" and inserting "be responsible to the Secretary of Defense, but not to the Secretaries of the military departments,".

### SEC. 912. CONSOLIDATION OF CERTAIN NAVY GIFT FUNDS.

(a) MERGER OF NAVAL HISTORICAL CENTER FUND INTO DEPARTMENT OF THE NAVY GENERAL GIFT FUND.—(1) The Secretary of the Navy shall transfer all amounts in the Naval Historical Center Fund maintained under section 7222 of title 10, United States Code, to the Department of the Navy General Gift Fund maintained under section 2601 of such title. Upon completing the transfer, the Secretary shall close the Naval Historical Center Fund.

(2) Amounts transferred to the Department of the Navy General Gift Fund under this subsection shall be merged with other amounts in that Fund and shall be available for the purposes for which amounts in that Fund are available.

(b) CONSOLIDATION OF NAVAL ACADEMY GENERAL GIFT FUND AND NAVAL ACADEMY MUSEUM FUND.—(1) The Secretary of the Navy shall transfer all amounts in the United States Naval Academy Museum Fund established by section 6974 of title 10, United States Code, to the gift fund maintained for the benefit and use of the United States Naval Academy under section 6973 of such title. Upon completing the transfer, the Secretary shall close the United States Naval Academy Museum Fund.

(2) Amounts transferred under this subsection shall be merged with other amounts in the gift fund to which transferred and shall be available for the purposes for which amounts in that gift fund are available.

(c) CONSOLIDATION AND REVISION OF AUTHORITIES FOR ACCEPTANCE OF GIFTS, BEQUESTS, AND LOANS FOR THE UNITED STATES NAVAL ACADEMY.—(1) Subsection (a) of section 6973 of title 10, United States Code, is amended—

(A) in the first sentence—

(i) by inserting ", and loans of personal property other than money," after "gifts and bequests of personal property"; and

(ii) by inserting "or the Naval Academy Museum, its collection, or its services" before the period at the end;

(B) in the second sentence, by striking "'United States Naval Academy general gift fund'" and inserting "'United States Naval Academy Gift and Museum Fund'"; and

(C) in the third sentence, by inserting "(including the Naval Academy Museum)" after "the Naval Academy".

(2) Such section 6973 is further amended—

(A) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

(B) by inserting after subsection (a) the following new subsection (b):

"(b) The Secretary shall prescribe written guidelines to be used for determinations of whether the acceptance of money, any personal property, or any loan of personal property under subsection (a) would reflect unfavorably on the ability of the Department of the Navy or any officer or employee of the Department of the Navy to carry out responsibilities or duties in a fair and objective manner, or would compromise either the integrity or the appearance of the integrity of any program of the Department of the Navy or any officer or employee of the Department of the Navy who is involved in any such program.".

(3) Subsection (d) of such section, as redesignated by paragraph (2)(A), is amended by striking "United States Naval Academy general gift fund" both places it appears and inserting "United States Naval Academy Gift and Museum Fund".

(4) The heading for such section is amended to read as follows:

**"§6973. Gifts, bequests, and loans of property: acceptance for benefit and use of Naval Academy".**

(d) REFERENCES TO CLOSED GIFT FUNDS.—(1) Section 6974 of title 10, United States Code, is amended to read as follows:

**"§6974. United States Naval Academy Museum Fund: references to Fund**

"Any reference in a law, regulation, document, paper, or other record of the United States to the United States Naval Academy Museum Fund formerly maintained under this section shall be deemed to refer to the United States Naval Academy Gift and Museum Fund maintained under section 6973 of this title.".

(2) Section 7222 of such title is amended to read as follows:

**"§7222. Naval Historical Center Fund: references to Fund**

"Any reference in a law, regulation, document, paper, or other record of the United States to the Naval Historical Center Fund formerly maintained under this section shall be deemed to refer to the Department of the Navy General Gift Fund maintained under section 2601 of this title.".

(e) CLERICAL AMENDMENTS.—(1) The table of sections at the beginning of chapter 603 of title 10, United States Code, is amended by striking the items relating to sections 6973 and 6974 and inserting the following:

"6973. Gifts, bequests, and loans of property: acceptance for benefit and use of Naval Academy.
"6974. United States Naval Academy Museum Fund: references to Fund.".

(2) The item relating to section 7222 of such title in the table of sections at the beginning of chapter 631 of such title is amended to read as follows:

"7222. Naval Historical Center Fund: references to Fund.".

### SEC. 913. TEMPORARY AUTHORITY TO DISPOSE OF A GIFT PREVIOUSLY ACCEPTED FOR THE NAVAL ACADEMY.

Notwithstanding section 6973 of title 10, United States Code, during fiscal year 2001, the Secretary of the Navy may dispose of the current cash value of a gift accepted before the date of the enactment of this Act for the Naval Academy general gift fund by disbursing out of that fund the amount equal to that cash value to an entity designated by the donor of the gift.

### SEC. 914. MANAGEMENT OF NAVY RESEARCH FUNDS BY CHIEF OF NAVAL RESEARCH.

(a) CLARIFICATION OF DUTIES.—Section 5022 of title 10, United States Code, is amended—

(1) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively;

(2) by inserting after paragraph (1) of subsection (a) the following:

"(b)(1) The Chief of Naval Research is the head of the Office of Naval Research."; and

(3) by inserting after subsection (b) the following new subsection (c):

"(c) CHIEF AS MANAGER OF RESEARCH FUNDS.—The Chief of Naval Research shall manage the Navy's basic, applied, and advanced research funds to foster transition from science and technology to higher levels of research, development, test, and evaluation.".

(b) CONFORMING AMENDMENT.—Subsection (a) of such section is amended by striking "(a)(1)" and inserting "(a)".

### SEC. 915. UNITED STATES AIR FORCE INSTITUTE OF TECHNOLOGY.

(a) AUTHORITY.—(1) Part III of subtitle D of title 10, United States Code, is amended by inserting after chapter 903 the following:

## "CHAPTER 904—UNITED STATES AIR FORCE INSTITUTE OF TECHNOLOGY

"Sec.
"9321. Establishment; purposes.
"9322. Sense of the Senate regarding the utilization of the Air Force Institute of Technology.

**"§9321. Establishment; purposes**

"(a) ESTABLISHMENT.—There is a United States Air Force Institute of Technology in the Department of the Air Force.

"(b) PURPOSES.—The purposes of the Institute are as follows:

"(1) To perform research.

"(2) To provide advanced instruction and technical education for employees of the Department of the Air Force and members of the Air Force (including the reserve components) in their practical and theoretical duties.

**"§9322. Sense of the Senate regarding the utilization of the Air Force Institute of Technology**

"It is the sense of the Senate that in order to insure full and continued utilization of the Air Force Institute of Technology, the Secretary of the Air Force should, in consult with the Chief of Staff of the Air Force and the Commander of the Air Force Materiel Command, review the following areas of organizational structure and operations at the Institute:

"(1) The grade of the Commandant.

"(2) The chain of command of the Commandant of the Institute within the Air Force.

"(3) The employment and compensation of civilian professors at the Institute.

"(4) The processes for the identification of requirements for advanced degrees within the Air Force, identification for annual enrollment quotas and selection of candidates.

"(5) Post graduation opportunities for graduates of the Institute.

"(6) The policies and practices regarding the admission of—

"(A) officers of the Army, Navy, Marine Corps, and Coast Guard;

"(B) employees of the Department of the Army, Department of the Navy, and Department of Transportation;

"(C) personnel of the armed forces of foreign countries;

"(D) enlisted members of the Armed Forces of the United States; and

"(E) others eligible for admission.".

### SEC. 916. EXPANSION OF AUTHORITY TO EXEMPT GEODETIC PRODUCTS OF THE DEPARTMENT OF DEFENSE FROM PUBLIC DISCLOSURE.

Section 455(b)(1)(C) of title 10, United States Code, is amended by striking "or reveal military operational or contingency plans" and inserting ", reveal military operational or contingency plans, or reveal, jeopardize, or compromise military or intelligence capabilities".

### SEC. 917. COORDINATION AND FACILITATION OF DEVELOPMENT OF DIRECTED ENERGY TECHNOLOGIES, SYSTEMS, AND WEAPONS.

(a) FINDINGS.—Congress makes the following findings:

(1) Directed energy systems are available to address many current challenges with respect to military weapons, including offensive weapons and defensive weapons.

(2) Directed energy weapons offer the potential to maintain an asymmetrical technological edge over adversaries of the United States for the foreseeable future.

(3) It is in the national interest that funding for directed energy science and technology programs be increased in order to support priority acquisition programs and to develop new technologies for future applications.

(4) It is in the national interest that the level of funding for directed energy science and technology programs correspond to the level of funding for large-scale demonstration programs in order to ensure the growth of directed energy science and technology programs and to ensure the successful development of other weapons systems utilizing directed energy systems.

(5) The industrial base for several critical directed energy technologies is in fragile condition and lacks appropriate incentives to make the large-scale investments that are necessary to address current and anticipated Department of Defense requirements for such technologies.

(6) It is in the national interest that the Department of Defense utilize and expand upon directed energy research currently being conducted by the Department of Energy, other Federal agencies, the private sector, and academia.

(7) It is increasingly difficult for the Federal Government to recruit and retain personnel with skills critical to directed energy technology development.

(8) The implementation of the recommendations contained in the High Energy Laser Master Plan of the Department of Defense is in the national interest.

(9) Implementation of the management structure outlined in the Master Plan will facilitate the development of revolutionary capabilities in directed energy weapons by achieving a coordinated and focused investment strategy under a new management structure featuring a joint technology office with senior-level oversight provided by a technology council and a board of directors.

(b) IMPLEMENTATION OF HIGH ENERGY LASER MASTER PLAN.—(1) The Secretary of Defense shall implement the management and organizational structure specified in the Department of Defense High Energy Laser Master Plan of March 24, 2000.

(2) The Secretary shall locate the Joint Technology Office specified in the High Energy Laser Master Plan at a location determined appropriate by the Secretary, not later than October 1, 2000.

(3) In determining the location of the Joint Technology Office, the Secretary shall, in consultation with the Deputy Under Secretary of Defense for Science and Technology, evaluate whether to locate the Office at a site at which occur a substantial proportion of the directed energy research, development, test, and evaluation activities of the Department of Defense.

(c) Enhancement of Industrial Base.—(1) The Secretary of Defense shall develop and undertake initiatives, including investment initiatives, for purposes of enhancing the industrial base for directed energy technologies and systems.

(2) Initiatives under paragraph (1) shall be designed to—

(A) stimulate the development by institutions of higher education and the private sector of promising directed energy technologies and systems; and

(B) stimulate the development of a workforce skilled in such technologies and systems.

(d) Enhancement of Test and Evaluation Capabilities.—The Secretary of Defense shall consider modernizing the High Energy Laser Test Facility at White Sands Missile Range, New Mexico, in order to enhance the test and evaluation capabilities of the Department of Defense with respect to directed energy weapons.

(e) Cooperative Programs and Activities.—The Secretary of Defense shall evaluate the feasibility and advisability of entering into cooperative programs or activities with other Federal agencies, institutions of higher education, and the private sector, including the national laboratories of the Department of Energy, for the purpose of enhancing the programs, projects, and activities of the Department of Defense relating to directed energy technologies, systems, and weapons.

(f) Funding for Fiscal Year 2001.—(1) Of the amount authorized to be appropriated by section 201(4) for research, development, test, and evaluation, Defense-wide, up to $50,000,000 may be available for science and technology activities relating to directed energy technologies, systems, and weapons.

(2) The Secretary of Defense shall establish procedures for the allocation of funds available under paragraph (1) among activities referred to in that paragraph. In establishing such procedures, the Secretary shall provide for the competitive selection of programs, projects, and activities to be carried out by the recipients of such funds.

(g) Directed Energy Defined.—In this section, the term "directed energy", with respect to technologies, systems, or weapons, means technologies, systems, or weapons that provide for the directed transmission of energies across the energy and frequency spectrum, including high energy lasers and high power microwaves.

## TITLE X—GENERAL PROVISIONS

### Subtitle A—Financial Matters

**SEC. 1001. TRANSFER AUTHORITY.**

(a) Authority To Transfer Authorizations.—(1) Upon determination by the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer amounts of authorizations made available to the Department of Defense in this division for fiscal year 2001 between any such authorizations for that fiscal year (or any subdivisions thereof). Amounts of authorizations so transferred shall be merged with and be available for the same purposes as the authorization to which transferred.

(2) The total amount of authorizations that the Secretary may transfer under the authority of this section may not exceed $2,000,000,000.

(b) Limitations.—The authority provided by this section to transfer authorizations—

(1) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(2) may not be used to provide authority for an item that has been denied authorization by Congress.

(c) Effect on Authorization Amounts.—A transfer made from one account to another under the authority of this section shall be deemed to increase the amount authorized for the account to which the amount is transferred by an amount equal to the amount transferred.

(d) Notice to Congress.—The Secretary shall promptly notify Congress of each transfer made under subsection (a).

**SEC. 1002. AUTHORIZATION OF EMERGENCY SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 2000.**

Amounts authorized to be appropriated to the Department of Defense for fiscal year 2000 in the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65) are hereby adjusted, with respect to any such authorized amount, by the amount by which appropriations pursuant to such authorization were increased (by a supplemental appropriation) or decreased (by a rescission), or both, in any law making supplemental appropriations for fiscal year 2000 that is enacted during the 106th Congress, second session.

**SEC. 1003. UNITED STATES CONTRIBUTION TO NATO COMMON-FUNDED BUDGETS IN FISCAL YEAR 2001.**

(a) Fiscal Year 2001 Limitation.—The total amount contributed by the Secretary of Defense in fiscal year 2001 for the common-funded budgets of NATO may be any amount up to, but not in excess of, the amount specified in subsection (b) (rather than the maximum amount that would otherwise be applicable to those contributions under the fiscal year 1998 baseline limitation).

(b) Total Amount.—The amount of the limitation applicable under subsection (a) is the sum of the following:

(1) The amounts of unexpended balances, as of the end of fiscal year 2000, of funds appropriated for fiscal years before fiscal year 2001 for payments for those budgets.

(2) The amount specified in subsection (c)(1).

(3) The amount specified in subsection (c)(2).

(4) The total amount of the contributions authorized to be made under section 2501.

(c) Authorized Amounts.—Amounts authorized to be appropriated by titles II and III of this Act are available for contributions for the common-funded budgets of NATO as follows:

(1) Of the amount provided in section 201(1), $743,000 for the Civil Budget.

(2) Of the amount provided in section 301(1), $194,400,000 for the Military Budget.

(d) Definitions.—For purposes of this section:

(1) Common-funded budgets of NATO.—The term "common-funded budgets of NATO" means the Military Budget, the Security Investment Program, and the Civil Budget of the North Atlantic Treaty Organization (and any successor or additional account or program of NATO).

(2) Fiscal year 1998 baseline limitation.—The term "fiscal year 1998 baseline limitation" means the maximum annual amount of Department of Defense contributions for common-funded budgets of NATO that is set forth as the annual limitation in section 3(2)(C)(ii) of the resolution of the Senate giving the advice and consent of the Senate to the ratification of the Protocols to the North Atlantic Treaty of 1949 on the Accession of Poland, Hungary, and the Czech Republic (as defined in section 4(7) of that resolution), approved by the Senate on April 30, 1998.

**SEC. 1004. ANNUAL OMB/CBO JOINT REPORT ON SCORING OF BUDGET OUTLAYS.**

(a) Revision of Scope of Technical Assumptions.—Subsection (a)(1) of section 226 of title 10, United States Code, is amended by inserting "subfunctional category 051 (Department of Defense—Military) under" before "major functional category 050".

(b) Treatment of Differences in Outlay Rates and Assumptions.—(1) Subsection (b) of such section is amended by striking ", the report shall reflect the average of the relevant outlay rates or assumptions used by the two offices." and inserting ", the report shall reflect the differences between the relevant outlay rates or assumptions used by the two offices. For each account for which a difference is reported, the report shall also display, by fiscal year, each office's estimates regarding budget authority, outlay rates, and outlays.".

(2) The heading for such subsection is amended to read as follows: "Differences in Outlay Rates and Assumptions.—".

**SEC. 1005. PROMPT PAYMENT OF CONTRACT VOUCHERS.**

(a) Requirement.—(1) Chapter 131 of title 10, United States Code, is amended by adding at the end the following:

**"§2225. Prompt payment of vouchers for contracted property and services**

"(a) Requirement.—Of the contract vouchers that are received by the Defense Finance and Accounting Service by means of the mechanization of contract administration services system, the number of such vouchers that remain unpaid for more than 30 days as of the last day of each month may not exceed 5 percent of the total number of the contract vouchers so received that remain unpaid on that day.

"(b) Conditional Requirement for Report.—(1) For any month of a fiscal year that the requirement in subsection (a) is not met, the Secretary of Defense shall submit to Congress a report on the magnitude of the unpaid contract vouchers. The report for a month shall be submitted not later than 30 days after the end of that month.

"(2) A report for a month under paragraph (1) shall include information current as of the last day of the month as follows:

"(A) The number of the vouchers received by the Defense Finance and Accounting Service by means of the mechanization of contract administration services system during each month.

"(B) The number of the vouchers so received, whenever received by the Defense Finance and Accounting Service, that remain unpaid for each of the following periods:

"(i) Not more than 30 days.

"(ii) Over 30 days and not more than 60 days.

"(iii) Over 60 days and not more than 90 days.

"(iv) More than 90 days.

"(C) The number of the vouchers so received that remain unpaid for the major categories of procurements, as defined by the Secretary of Defense.

"(D) The corrective actions that are necessary, and those that are being taken, to ensure compliance with the requirement in subsection (a).

"(c) Contract Voucher Defined.—In this section, the term 'contract voucher' means a voucher or invoice for the payment of a contractor for services, commercial items (as defined in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12))), or other deliverable items provided by the contractor pursuant to a contract funded by the Department of Defense.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following:

"2225. Prompt payment of vouchers for contracted property and services".

(b) Effective Date.—Section 2225 of title 10, United States Code (as added by subsection (a)), shall take effect on December 1, 2000, and shall apply with respect to months beginning on or after that date.

**SEC. 1006. REPEAL OF CERTAIN REQUIREMENTS RELATING TO TIMING OF CONTRACT PAYMENTS.**

The following provisions of law are repealed: sections 8175 and 8176 of the Department of Defense Appropriations Act, 2000 (Public Law 106–

79), as amended by sections 214 and 215, respectively, of H.R. 3425 of the 106th Congress (113 Stat. 1501A–297), as enacted into law by section 1000(a)(5) of Public Law 106–113.

### SEC. 1007. PLAN FOR PROMPT POSTING OF CONTRACTUAL OBLIGATIONS.

(a) REQUIREMENT FOR PLAN.—The Secretary of Defense shall submit to the congressional defense committees, not later than November 15, 2000, and carry out a plan for ensuring that each obligation of the Department of Defense under a transaction described in subsection (c) is posted within 10 days after the obligation is incurred.

(b) CONTENT OF PLAN.—The plan for posting obligations shall provide the following:

(1) Uniform posting requirements that are applicable throughout the Department of Defense, including requirements for the posting of detailed data on each obligation.

(2) A system of uniform accounting classification reference numbers.

(3) Increased use of electronic means for the submission of invoices and other billing documents.

(c) COVERED TRANSACTIONS.—The plan shall apply to each liability of the Department of Defense for a payment under the following:

(1) A contract.

(2) An order issued under a contract.

(3) Services received under a contract.

(4) Any transaction that is similar to a transaction referred to in another paragraph of this subsection.

### SEC. 1008. PLAN FOR ELECTRONIC SUBMISSION OF DOCUMENTATION SUPPORTING CLAIMS FOR CONTRACT PAYMENTS.

(a) REQUIREMENT FOR PLAN.—The Secretary of Defense shall submit to the congressional defense committees, not later than March 30, 2001, and carry out a plan for ensuring that all documentation that is to be submitted to the Department of Defense in support of claims for payment under contracts is submitted electronically.

(b) CONTENT OF PLAN.—The plan shall include the following:

(1) The format in which information can be accepted by the Defense Finance and Accounting Service's corporate database.

(2) Procedures for electronic submission of the following:

(A) Receiving reports.

(B) Contracts and contract modifications.

(C) Required certifications.

(3) The requirements to be included in contracts regarding electronic submission of invoices by contractors.

### SEC. 1009. ADMINISTRATIVE OFFSETS FOR OVERPAYMENT OF TRANSPORTATION COSTS.

(a) OFFSETS FOR OVERPAYMENTS OR LIQUIDATED DAMAGES.—Section 2636 of title 10, United States Code, is amended to read as follows:

**"§2636. Deductions from amounts due carriers**

"(a) AMOUNTS FOR LOSS OR DAMAGE.—An amount deducted from an amount due a carrier shall be credited as follows:

"(1) If deducted because of loss of or damage to material in transit for a military department, to the proper appropriation, account, or fund from which the same or similar material may be replaced.

"(2) If deducted as an administrative offset for an overpayment previously made to the carrier under any Department of Defense contract for transportation services or as liquidated damages due under any such contract, to the appropriation or account from which payments for the transportation services were made.

"(b) SIMPLIFIED OFFSET FOR COLLECTION OF CLAIMS NOT IN EXCESS OF THE SIMPLIFIED ACQUISITION THRESHOLD.—(1) In any case in which the total amount of a claim for the recovery of overpayments or liquidated damages under a contract described in subsection (a)(2) does not exceed the simplified acquisition threshold, the Secretary of Defense or the Secretary concerned may exercise the authority to collect the claim by administrative offset under section 3716 of title 31 after providing the notice required by paragraph (1) of subsection (a) of that section, but without regard to paragraphs (2), (3), and (4) of that subsection.

"(2) In this subsection, the term 'simplified acquisition threshold' has the meaning given the term in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11)).".

(b) CLERICAL AMENDMENT.—The item relating to such section in the table of sections at the beginning of chapter 157 of such title is amended to read as follows:

"2636. Deductions from amounts due carriers.".

### SEC. 1010. REPEAL OF CERTAIN PROVISIONS SHIFTING CERTAIN OUTLAYS FROM ONE FISCAL YEAR TO ANOTHER.

Sections 305 and 306 of H.R. 3425 of the 106th Congress, as enacted into law by section 1000(a)(5) of Public Law 106–113 (113 Stat. 1501A–306), are repealed.

### SEC. 1010A. TREATMENT OF PARTIAL PAYMENTS UNDER SERVICE CONTRACTS.

For the purposes of the regulations prescribed under section 3903(a)(5) of title 31, United States Code, partial payments, other than progress payments, that are made on a contract for the procurement of services shall be treated as being periodic payments.

## Subtitle B—Counter-Drug Activities

### SEC. 1011. EXTENSION AND INCREASE OF AUTHORITY TO PROVIDE ADDITIONAL SUPPORT FOR COUNTER-DRUG ACTIVITIES.

(a) EXTENSION OF AUTHORITY FOR ASSISTANCE TO COLOMBIA.—Section 1033 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1881) is amended—

(1) in subsection (a), by striking "during fiscal years 1998 through 2002,"; and

(2) in subsection (b)—

(A) in paragraph (1), by inserting before the period at the end the following: ", for fiscal years 1998 through 2002"; and

(B) in paragraph (2), by inserting before the period at the end the following: ", for fiscal years 1998 through 2006'.

(b) ADDITIONAL TYPE OF SUPPORT.—Subsection (c) of such section is amended by adding at the end the following:

"(4) The transfer of one light observation aircraft.".

(c) INCREASED MAXIMUM ANNUAL AMOUNT OF SUPPORT.—Subsection (e)(2) of such section is amended—

(1) by striking "$20,000,000" and inserting "$40,000,000"; and

(2) by striking "2002" and inserting "2006, of which not more than $10,000,000 may be obligated or expended for any fiscal year for support for the counter-drug activities of the Government of Peru".

### SEC. 1012. RECOMMENDATIONS ON EXPANSION OF SUPPORT FOR COUNTER-DRUG ACTIVITIES.

(a) REQUIREMENT FOR SUBMITTAL OF RECOMMENDATIONS.—The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives, not later than February 1, 2001, the Secretary's recommendations regarding whether expanded support for counter-drug activities should be authorized under section 1033 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1881) for the region that includes the countries that are covered by that authority on the date of the enactment of this Act.

(b) CONTENT OF SUBMISSION.—The submission under subsection (a) shall include the following:

(1) What, if any, additional countries should be covered.

(2) What, if any, additional support should be provided to covered countries, together with the reasons for recommending the additional support.

(3) For each country recommended under paragraph (1), a plan for providing support, including the counter-drug activities proposed to be supported.

### SEC. 1013. REVIEW OF RIVERINE COUNTER-DRUG PROGRAM.

(a) REQUIREMENT FOR REVIEW.—The Secretary of Defense shall review the riverine counter-drug program supported under section 1033 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1881).

(b) REPORT.—Not later than February 1, 2001, the Secretary shall submit a report on the riverine counter-drug program to the Committees on Armed Services of the Senate and the House of Representatives. The report shall include, for each country receiving support under the riverine counter-drug program, the following:

(1) The Assistant Secretary's assessment of the effectiveness of the program.

(2) A recommendation regarding which of the Armed Forces, units of the Armed Forces, or other organizations within the Department of Defense should be responsible for managing the program.

(c) DELEGATION OF AUTHORITY.—The Secretary shall require the Assistant Secretary of Defense for Special Operations and Low Intensity Conflict to carry out the responsibilities under this section.

## Subtitle C—Strategic Forces

### SEC. 1015. REVISED NUCLEAR POSTURE REVIEW.

(a) REQUIREMENT FOR REVIEW.—The Secretary of Defense, in consultation with the Secretary of Energy, shall conduct a comprehensive review of the nuclear posture of the United States for the next 5 to 10 years.

(b) ELEMENTS OF REVIEW.—The nuclear posture review shall include the following elements:

(1) The role of nuclear forces in United States military strategy, planning, and programming.

(2) The policy requirements and objectives for the United States to maintain a safe, reliable, and credible nuclear deterrence posture.

(3) The relationship between United States nuclear deterrence policy, targeting strategy, and arms control objectives.

(4) The levels and composition of the nuclear delivery systems that will be required for implementing the United States national and military strategy, including any plans for replacing or modifying existing systems.

(5) The nuclear weapons complex that will be required for implementing the United States national and military strategy, including any plans to modernize or modify the complex.

(6) The active and inactive nuclear weapons stockpile that will be required for implementing the United States national and military strategy, including any plans for replacing or modifying warheads.

(c) REPORT TO CONGRESS.—The Secretary of Defense shall submit to Congress, in unclassified and classified forms as necessary, a report on the results of the nuclear posture review concurrently with the Quadrennial Defense Review due in December 2001.

(d) SENSE OF CONGRESS.—It is the sense of Congress that, to clarify United States nuclear deterrence policy and strategy for the next 5 to 10 years, a revised nuclear posture review should be conducted and that such review should be used as the basis for establishing future United States arms control objectives and negotiating positions.

### *SEC. 1016. PLAN FOR THE LONG-TERM SUSTAINMENT AND MODERNIZATION OF UNITED STATES STRATEGIC NUCLEAR FORCES.*

*(a) Requirement for Plan.—The Secretary of Defense, in consultation with the Secretary of Energy, shall develop a long-range plan for the sustainment and modernization of United States strategic nuclear forces to counter emerging threats and satisfy the evolving requirements of deterrence.*

*(b) Elements of Plan.—The plan specified under subsection (a) shall include the Secretary's plans, if any, for the sustainment and modernization of the following:*

*(1) Land-based and sea-based strategic ballistic missiles, including any plans for developing replacements for the Minuteman III intercontinental ballistic missile and the Trident II sea-launched ballistic missile and plans for common ballistic missile technology development*

*(2) Strategic nuclear bombers, including any plans for a B-2 follow-on, a B-52 replacement, and any new air-launched weapon systems.*

*(3) Appropriate warheads to outfit the strategic nuclear delivery systems referred to in paragraphs (1) and (2) to satisfy evolving military requirements.*

*(c) Submittal of Plan.—The plan specified under subsection (a) shall be submitted to Congress not later than April 15, 2001. The plan shall be submitted in unclassified and classified forms, as necessary.*

### *SEC. 1017. CORRECTION OF SCOPE OF WAIVER AUTHORITY FOR LIMITATION ON RETIREMENT OR DISMANTLEMENT OF STRATEGIC NUCLEAR DELIVERY SYSTEMS; AUTHORITY TO WAIVE LIMITATION.*

*(a) In General.—Section 1302(b) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1948), as amended by section 1501(a) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 806), is further amended by striking "the application of the limitation in effect under paragraph (1)(B) or (3) of subsection (a), as the case may be," and inserting "the application of the limitation in effect under subsection (a) to a strategic nuclear delivery system".*

*(b) Authority To Waive Limitation on Retirement or Dismantlement of Strategic Nuclear Delivery Systems.—After the submission of the report on the results of the nuclear posture review to Congress under section 1015(c)—*

*(1) the Secretary of Defense shall, taking into consideration the results of the review, submit to the President a recommendation regarding whether the President should waive the limitation on the retirement or dismantlement of strategic nuclear delivery systems in section 1302 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1948); and*

*(2) the President, taking into consideration the results of the review and the recommendation made by the Secretary of Defense under paragraph (1), may waive the limitation referred to in that paragraph if the President determines that it is in the national security interests of the United States to do so.*

### *SEC. 1018. REPORT ON THE DEFEAT OF HARDENED AND DEEPLY BURIED TARGETS.*

*(a) Study.—The Secretary of Defense shall, in conjunction with the Secretary of Energy, conduct a study relating to the defeat of hardened and deeply buried targets. Under the study, the Secretaries shall—*

*(1) review the requirements and current and future plans for hardened and deeply buried targets and agent defeat weapons concepts and activities;*

*(2) determine if those plans adequately address all requirements;*

*(3) identify potential future hardened and deeply buried targets and other related targets;*

*(4) determine what resources and research and development efforts are needed to defeat the targets identified under paragraph (3) as well as other agent defeat requirements;*

*(5) assess both current and future options to defeat hardened and deeply buried targets as well as agent defeat weapons concepts, including any limited research and development that may be necessary to conduct such assessment; and*

*(6) determine the capability and cost of each option.*

*(b) Report.—The Secretary of Defense shall submit to the congressional defense committees a report on the results of the study required by subsection (a) not later than July 1, 2001.*

### *SEC. 1019. SENSE OF SENATE ON THE MAINTENANCE OF THE STRATEGIC NUCLEAR TRIAD.*

*It is the sense of the Senate that, in light of the potential for further arms control agreements with the Russian Federation limiting strategic forces—*

*(1) it is in the national interest of the United States to maintain a robust and balanced TRIAD of strategic nuclear delivery vehicles, including long-range bombers, land-based intercontinental ballistic missiles (ICBMs), and ballistic missile submarines; and*

*(2) reductions to United States conventional bomber capability are not in the national interest of the United States.*

## *Subtitle D—Miscellaneous Reporting Requirements*

### *SEC. 1021. ANNUAL REPORT OF THE CHAIRMAN OF THE JOINT CHIEFS OF STAFF ON COMBATANT COMMAND REQUIREMENTS.*

*(a) Additional Component.—Section 153(d)(1) of title 10, United States Code, is amended by adding at the end the following:*

*"(C) The extent to which the future-years defense program (under section 221 of this title) addresses the requirements on the consolidated lists.".*

*(b) Applicability to Reports After Fiscal Year 2000.—Subparagraph (C) of paragraph (1) of section 153(d) of title 10, United States Code (as added by subsection (a)), shall apply to reports submitted to Congress under such section after fiscal year 2000.*

### *SEC. 1022. SEMIANNUAL REPORT ON JOINT REQUIREMENTS OVERSIGHT COUNCIL.*

*(a) Semiannual Report.—The Chairman of the Joints Chiefs of Staff shall submit to the congressional defense committees a semiannual report on the activities of the Joint Requirements Oversight Council. The principal purpose of the report is to inform the committees of the progress made in the reforming and refocusing of the Joint Requirements Oversight Council process during the period covered by the report.*

*(b) Content.—The report for a half of a fiscal year shall include the following:*

*(1) A listing and justification for each of the distinct capability areas selected by the Chairman of the Joints Chiefs of Staff as being within the principal domain of the Joint Requirements Oversight Council.*

*(2) A listing of the joint requirements developed, considered, or approved within each of the capability areas.*

*(3) A listing and explanation of the decisions made by the Joint Requirements Oversight Council, together with a delineation of each decision that was made in disagreement with a position advocated by the Commander in Chief, United States Joint Forces Command, as the chief proponent of the requirements identified by the commanders of the unified and specified combatant commands.*

*(4) An assessment of the progress made in elevating the Joint Requirements Oversight Council to a more strategic focus on future war fighting requirements, integration of requirements, and development of overarching common architectures.*

*(5) A summation and assessment of the role and impact of joint experimentation on the processes and decisions for defining joint requirements, for defining requirements of each of the Armed Forces individually, for managing acquisitions by Defense Agencies, and for managing acquisitions by the military departments.*

*(6) A description of any procedural actions that have been taken to improve the Joint Requirements Oversight Council.*

*(7) Any recommendations for legislation or for providing additional resources that the Chairman considers necessary in order fully to refocus and reform the processes of the Joint Requirements Oversight Council.*

*(c) Dates for Submission.—(1) The semiannual report for the half of a fiscal year ending on March 31 of a year shall be submitted not later than August 31 of that year.*

*(2) The semiannual report for the half of a fiscal year ending on September 30 of a year shall be submitted not later than February 28 of the following year.*

*(3) The first semiannual report shall be submitted not later than February 28, 2001, and shall cover the last half of fiscal year 2000.*

### *SEC. 1023. PREPAREDNESS OF MILITARY INSTALLATION FIRST RESPONDERS FOR INCIDENTS INVOLVING WEAPONS OF MASS DESTRUCTION.*

*(a) Requirement for Report.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the program of the Department of Defense to ensure the preparedness of the first responders of the Department of Defense for incidents involving weapons of mass destruction on installations of the Department of Defense.*

*(b) Content of Report.—The report shall include the following:*

*(1) A detailed description of the overall preparedness program.*

*(2) The schedule and costs associated with the implementation of the program.*

*(3) The Department's plan for coordinating the preparedness program with responders in the communities in the localities of the installations.*

*(4) The Department's plan for promoting the interoperability of the equipment used by the installation first responders referred to in subsection (a) with the equipment used by the first responders in those communities.*

*(c) Definitions.—In this section:*

*(1) The term "first responder" means an organization responsible for responding to an incident involving a weapon of mass destruction.*

*(2) The term "weapon of mass destruction" has the meaning given that term in section 1403(1) of the Defense Against Weapons of Mass Destruction Act of 1996 (50 U.S.C. 2302(1)).*

### *SEC. 1024. DATE OF SUBMITTAL OF REPORTS ON SHORTFALLS IN EQUIPMENT PROCUREMENT AND MILITARY CONSTRUCTION FOR THE RESERVE COMPONENTS IN FUTURE-YEARS DEFENSE PROGRAMS.*

*Section 10543(c) of title 10, United States Code, is amended by adding at the end the following new paragraph:*

*"(3) A report required under paragraph (1) for a fiscal year shall be submitted not later than 15 days after the date on which the President submits to Congress the budget for such fiscal year under section 1105(a) of title 31.".*

### *SEC. 1025. MANAGEMENT REVIEW OF DEFENSE LOGISTICS AGENCY.*

*(a) Comptroller General Review Required.—The Comptroller General shall review*

each operation of the Defense Logistics Agency—

(1) to assess—

(A) the efficiency of the operation;

(B) the effectiveness of the operation in meeting customer requirements; and

(C) the flexibility of the operation to adopt best business practices; and

(2) to identify alternative approaches for improving the operations of the agency.

(b) REPORT.—Not later than February 1, 2002, the Comptroller General shall submit to the Committees on Armed Services of the Senate and the House of Representatives 1 or more reports setting forth the Comptroller General's findings resulting from the review.

### SEC. 1026. MANAGEMENT REVIEW OF DEFENSE INFORMATION SYSTEMS AGENCY.

(a) COMPTROLLER GENERAL REVIEW REQUIRED.—The Comptroller General shall review each operation of the Defense Information Systems Agency—

(1) to assess—

(A) the efficiency of the operation;

(B) the effectiveness of the operation in meeting customer requirements; and

(C) the flexibility of the operation to adopt best business practices; and

(2) to identify alternative approaches for improving the information systems of the Department of Defense.

(b) REPORT.—Not later than February 1, 2002, the Comptroller General shall submit to the Committees on Armed Services of the Senate and the House of Representatives one or more reports setting forth the Comptroller General's findings resulting from the review.

### SEC. 1027. REPORT ON SPARE PARTS AND REPAIR PARTS PROGRAM OF THE AIR FORCE FOR THE C-5 AIRCRAFT.

(a) FINDINGS.—Congress makes the following findings:

(1) There exists a significant shortfall in the Nation's current strategic airlift requirement, even though strategic airlift remains critical to the national security strategy of the United States.

(2) This shortfall results from the slow phase-out of C-141 aircraft and their replacement with C-17 aircraft and from lower than optimal reliability rates for the C-5 aircraft.

(3) One of the primary causes of these reliability rates for C-5 aircraft, and especially for operational unit aircraft, is the shortage of spare repair parts. Over the past 5 years, this shortage has been particularly evident in the C-5 fleet.

(4) NMCS (Not Mission Capable for Supply) rates for C-5 aircraft have increased significantly in the period between 1997 and 1999. At Dover Air Force Base, Delaware, an average of 7 to 9 C-5 aircraft were not available during that period because of a lack of parts.

(5) Average rates of cannibalization of C-5 aircraft per 100 sorties of such aircraft have also increased during that period and are well above the Air Mobility Command standard. In any given month, this means devoting additional manhours to cannibalizations of C-5 aircraft. At Dover Air Force Base, an average of 800 to 1,000 additional manhours were required for cannibalizations of C-5 aircraft during that period. Cannibalizations are often required for aircraft that transit through a base such as Dover Air Force Base, as well as those that are based there.

(6) High cannibalization rates indicate a significant problem in delivering spare parts in a timely manner and systemic problems within the repair and maintenance process, and also demoralize overworked maintenance crews.

(7) The C-5 aircraft remains an absolutely critical asset in air mobility and airlifting heavy equipment and personnel to both military contingencies and humanitarian relief efforts around the world.

(8) Despite increased funding for spare and repair parts and other efforts by the Air Force to mitigate the parts shortage problem, Congress continues to receive reports of significant cannibalizations to airworthy C-5 aircraft and parts backlogs.

(b) REPORTS.—Not later than January 1, 2001, and September 30, 2001, the Secretary of the Air Force shall submit to the congressional defense committees a report on the overall status of the spare and repair parts program of the Air Force for the C-5 aircraft. The report shall include the following—

(1) a statement of the funds currently allocated to parts for the C-5 aircraft and the adequacy of such funds to meet current and future parts and maintenance requirements for that aircraft;

(2) a description of current efforts to address shortfalls in parts for such aircraft, including an assessment of potential short-term and long-term effects of such efforts;

(3) an assessment of the effects of such shortfalls on readiness and reliability ratings for C-5 aircraft;

(4) a description of cannibalization rates for C-5 aircraft and the manhours devoted to cannibalizations of such aircraft; and

(5) an assessment of the effects of parts shortfalls and cannibalizations with respect to C-5 aircraft on readiness and retention.

### SEC. 1028. REPORT ON THE STATUS OF DOMESTIC PREPAREDNESS AGAINST THE THREAT OF BIOLOGICAL TERRORISM.

(a) REPORT REQUIRED.—Not later than March 31, 2001, the President shall submit to the Speaker of the House of Representatives and the President Pro Tempore of the Senate a report on domestic preparedness against the threat of biological terrorism.

(b) REPORT ELEMENTS.—The report shall address the following:

(1) The current state of United States preparedness to defend against a biologic attack.

(2) The roles that various Federal agencies currently play, and should play, in preparing for, and defending against, such an attack.

(3) The roles that State and local agencies and public health facilities currently play, and should play, in preparing for, and defending against, such an attack.

(4) The advisability of establishing an intergovernmental task force to assist in preparations for such an attack.

(5) The potential role of advanced communications systems in aiding domestic preparedness against such an attack.

(6) The potential for additional research and development in biotechnology to aid domestic preparedness against such an attack.

(7) Other measures that should be taken to aid domestic preparedness against such an attack.

(8) The financial resources necessary to support efforts for domestic preparedness against such an attack.

(9) The beneficial consequences of such efforts on—

(A) the treatment of naturally occurring infectious disease;

(B) the efficiency of the United States health care system;

(C) the maintenance in the United States of a competitive edge in biotechnology; and

(D) the United States economy.

### SEC. 1029. REPORT ON GLOBAL MISSILE LAUNCH EARLY WARNING CENTER.

Not later than March 15, 2001, the Secretary of Defense shall submit to the congressional defense committees a report on the feasibility and advisability of establishing a center at which missile launch early warning data from the United States and other nations would be made available to representatives of nations concerned with the launch of ballistic missiles. The report shall include the Secretary's assessment of the advantages and disadvantages of such a center and any other matters regarding such a center that the Secretary considers appropriate.

### SEC. 1030. MANAGEMENT REVIEW OF WORKING-CAPITAL FUND ACTIVITIES.

(a) COMPTROLLER GENERAL REVIEW REQUIRED.—The Comptroller General shall conduct a review of the working-capital fund activities of the Department of Defense to identify any potential changes in current management processes or policies that, if made, would result in a more efficient and economical operation of those activities.

(b) REVIEW TO INCLUDE CARRYOVER POLICY.—The review shall include a review of practices under the Department of Defense policy that authorizes funds available for working-capital fund activities for one fiscal year to be obligated for work to be performed at such activities within the first 90 days of the next fiscal year (known as "carryover"). On the basis of the review, the Comptroller General shall determine the following:

(1) The extent to which the working-capital fund activities of the Department of Defense have complied with the 90-day carryover policy.

(2) The reasons for the carryover authority under the policy to apply to as much as a 90-day quantity of work.

(3) Whether applying the carryover authority to not more than a 30-day quantity of work would be sufficient to ensure uninterrupted operations at the working-capital fund activities early in a fiscal year.

(4) What, if any, savings could be achieved by restricting the carryover authority so as to apply to a 30-day quantity of work.

### SEC. 1031. REPORT ON SUBMARINE RESCUE SUPPORT VESSELS.

(a) REQUIREMENT.—The Secretary of the Navy shall submit to Congress, together with the submission of the budget of the President for fiscal year 2002 under section 1105 of title 31, United States Code, a report on the plan of the Navy for providing for submarine rescue support vessels through fiscal year 2007.

(b) CONTENT.—The report shall include a discussion of the following:

(1) The requirement for submarine rescue support vessels through fiscal year 2007, including experience in changing from the provision of such vessels from dedicated platforms to the provision of such vessels through vessel of opportunity services and charter vessels.

(2) The resources required, the risks to submariners, and the operational impacts of the following:

(A) Chartering submarine rescue support vessels for terms of up to five years, with options to extend the charters for two additional five-year periods.

(B) Providing submarine rescue support vessels using vessel of opportunity services.

(C) Providing submarine rescue support services through other means considered by the Navy.

### SEC. 1032. REPORTS ON FEDERAL GOVERNMENT PROGRESS IN DEVELOPING INFORMATION ASSURANCE STRATEGIES.

(a) FINDINGS.—Congress makes the following findings:

(1) The protection of our Nation's critical infrastructure is of paramount importance to the security of the United States.

(2) The vulnerability of our Nation's critical sectors—such as financial services, transportation, communications, and energy and water supply—has increased dramatically in recent years as our economy and society have become ever more dependent on interconnected computer systems.

*(3) Threats to our Nation's critical infrastructure will continue to grow as foreign governments, terrorist groups, and cyber-criminals increasingly focus on information warfare as a method of achieving their aims.*

*(4) Addressing the computer-based risks to our Nation's critical infrastructure requires extensive coordination and cooperation within and between Federal agencies and the private sector.*

*(5) Presidential Decision Directive No. 63 (PDD–63) identifies 12 areas critical to the functioning of the United States and requires certain Federal agencies, and encourages private sector industries, to develop and comply with strategies intended to enhance the Nation's ability to protect its critical infrastructure.*

*(6) PDD–63 requires lead Federal agencies to work with their counterparts in the private sector to create early warning information sharing systems and other cyber-security strategies.*

*(7) PDD–63 further requires that key Federal agencies develop their own internal information assurance plans, and that these plans be fully operational not later than May 2003.*

*(b) REPORT REQUIREMENTS.—(1) Not later than July 1, 2001, the President shall submit to Congress a comprehensive report detailing the specific steps taken by the Federal Government as of the date of the report to develop infrastructure assurance strategies as outlined by Presidential Decision Directive No. 63 (PDD–63). The report shall include the following:*

*(A) A detailed summary of the progress of each Federal agency in developing an internal information assurance plan.*

*(B) The progress of Federal agencies in establishing partnerships with relevant private sector industries.*

*(2) Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a detailed report on the roles and responsibilities of the Department of Defense in defending against attacks on critical infrastructure and critical information-based systems. The report shall include the following:*

*(A) A description of the current role of the Department of Defense in implementing Presidential Decision Directive No. 63 (PDD–63).*

*(B) A description of the manner in which the Department is integrating its various capabilities and assets (including the Army Land Information Warfare Activity (LIWA), the Joint Task Force on Computer Network Defense (JTF-CND), and the National Communications System) into an indications and warning architecture.*

*(C) A description of Department work with the intelligence community to identify, detect, and counter the threat of information warfare programs by potentially hostile foreign national governments and sub-national groups.*

*(D) A definitions of the terms "nationally significant cyber event" and "cyber reconstitution".*

*(E) A description of the organization of Department to protect its foreign-based infrastructure and networks.*

*(F) An identification of the elements of a defense against an information warfare attack, including the integration of the Computer Network Attack Capability of the United States Space Command into the overall cyber-defense of the United States.*

## *Subtitle E—Information Security*

### *SEC. 1041. INSTITUTE FOR DEFENSE COMPUTER SECURITY AND INFORMATION PROTECTION.*

*(a) ESTABLISHMENT.—The Secretary of Defense shall establish an Institute for Defense Computer Security and Information Protection.*

*(b) MISSION.—The Secretary shall require the institute—*

*(1) to conduct research and technology development that is relevant to foreseeable computer and network security requirements and information assurance requirements of the Department of Defense with a principal focus on areas not being carried out by other organizations in the private or public sector; and*

*(2) to facilitate the exchange of information regarding cyberthreats, technology, tools, and other relevant issues between government and nongovernment organizations and entities.*

*(c) CONTRACTOR OPERATION.—The Secretary shall enter into a contract with a not-for-profit entity or consortium of not-for-profit entities to organize and operate the institute. The Secretary shall use competitive procedures for the selection of the contractor to the extent determined necessary by the Secretary.*

*(d) FUNDING.—Of the amounts authorized to be appropriated under section 301(5), $10,000,000 shall be available for the Institute for Defense Computer Security and Information Protection.*

*(e) REPORT.—Not later than April 1, 2001, the Secretary shall submit to the congressional defense committees the Secretary's plan for implementing this section.*

### *SEC. 1042. INFORMATION SECURITY SCHOLARSHIP PROGRAM.*

*(a) ESTABLISHMENT OF PROGRAM.—(1) Part III of subtitle A of title 10, United States Code, is amended by adding at the end the following:*

### *"CHAPTER 112—INFORMATION SECURITY SCHOLARSHIP PROGRAM*

*"Sec.*
*"2200. Programs; purpose.*
*"2200a. Scholarship program.*
*"2200b. Grant program.*
*"2200c. Centers of Academic Excellence in Information Assurance Education.*
*"2200d. Regulations.*
*"2200e. Definitions.*
*"2200f. Inapplicability to Coast Guard.*

### *"§2200. Programs; purpose*

*"(a) IN GENERAL.—To encourage the recruitment and retention of Department of Defense personnel who have the computer and network security skills necessary to meet Department of Defense information assurance requirements, the Secretary of Defense may carry out programs in accordance with this chapter to provide financial support for education in disciplines relevant to those requirements at institutions of higher education.*

*"(b) TYPES OF PROGRAMS.—The programs authorized under this chapter are as follows:*

*"(1) Scholarships for pursuit of programs of education in information assurance at institutions of higher education.*

*"(2) Grants to institutions of higher education.*

### *"§2200a. Scholarship program*

*"(a) AUTHORITY.—The Secretary of Defense may, subject to subsection (g), provide financial assistance in accordance with this section to a person pursuing a baccalaureate or advanced degree in an information assurance discipline referred to in section 2200(a) of this title at an institution of higher education who enters into an agreement with the Secretary as described in subsection (b).*

*"(b) SERVICE AGREEMENT FOR SCHOLARSHIP RECIPIENTS.—(1) To receive financial assistance under this section—*

*"(A) a member of the armed forces shall enter into an agreement to serve on active duty in the member's armed force for the period of obligated service determined under paragraph (2);*

*"(B) an employee of the Department of Defense shall enter into an agreement to continue in the employment of the department for the period of obligated service determined under paragraph (2); and*

*"(C) a person not referred to in subparagraph (A) or (B) shall enter into an agreement—*

*"(i) to enlist or accept a commission in one of the armed forces and to serve on active duty in that armed force for the period of obligated service determined under paragraph (2); or*

*"(ii) to accept and continue employment in the Department of Defense for the period of obligated service determined under paragraph (2).*

*"(2) For the purposes of this subsection, the period of obligated service for a recipient of financial assistance under this section shall be the period determined by the Secretary of Defense as being appropriate to obtain adequate service in exchange for the financial assistance and otherwise to achieve the goals set forth in section 2200(a) of this title. In no event may the period of service required of a recipient be less than the period equal to ¾ of the total period of pursuit of a degree for which the Secretary agrees to provide the recipient with financial assistance under this section. The period of obligated service is in addition to any other period for which the recipient is obligated to serve on active duty or in the civil service, as the case may be.*

*"(3) An agreement entered into under this section by a person pursuing an academic degree shall include clauses that provide the following:*

*"(A) That the period of obligated service begins on a date after the award of the degree that is determined under the regulations prescribed under section 2200d of this title.*

*"(B) That the person will maintain satisfactory academic progress, as determined in accordance with those regulations, and that failure to maintain such progress constitutes grounds for termination of the financial assistance for the person under this section.*

*"(C) Any other terms and conditions that the Secretary of Defense determines appropriate for carrying out this section.*

*"(c) AMOUNT OF ASSISTANCE.—The amount of the financial assistance provided for a person under this section shall be the amount determined by the Secretary of Defense as being necessary to pay all educational expenses incurred by that person, including tuition, fees, cost of books, laboratory expenses, and expenses of room and board. The expenses paid, however, shall be limited to those educational expenses normally incurred by students at the institution of higher education involved.*

*"(d) USE OF ASSISTANCE FOR SUPPORT OF INTERNSHIPS.—The financial assistance for a person under this section may also be provided to support internship activities of the person at the Department of Defense in periods between the academic years leading to the degree for which assistance is provided the person under this section.*

*"(e) REFUND FOR PERIOD OF UNSERVED OBLIGATED SERVICE.—(1) A person who voluntarily terminates service before the end of the period of obligated service required under an agreement entered into under subsection (b) shall refund to the United States an amount determined by the Secretary of Defense as being appropriate to obtain adequate service in exchange for financial assistance and otherwise to achieve the goals set forth in section 2200(a) of this title.*

*"(2) An obligation to reimburse the United States imposed under paragraph (1) is for all purposes a debt owed to the United States.*

*"(3) The Secretary of Defense may waive, in whole or in part, a refund required under paragraph (1) if the Secretary determines that recovery would be against equity and good conscience or would be contrary to the best interests of the United States.*

*"(f) EFFECT OF DISCHARGE IN BANKRUPTCY.—A discharge in bankruptcy under title 11 that is entered less than 5 years after the termination of an agreement under this section does not discharge the person signing such agreement from a debt arising under such agreement or under subsection (e).*

*"(g) ALLOCATION OF FUNDING.—Not less than 50 percent of the amount available for financial*

*assistance under this section for a fiscal year shall be available only for providing financial assistance for the pursuit of degrees referred to in subsection (a) at institutions of higher education that have established, improved, or are administering programs of education in information assurance under the grant program established in section 2200b of this title, as determined by the Secretary of Defense.*

### *"§ 2200b. Grant program*

*"(a) AUTHORITY.—The Secretary of Defense may provide grants of financial assistance to institutions of higher education to support the establishment, improvement, or administration of programs of education in information assurance disciplines referred to in section 2200(a) of this title.*

*"(b) PURPOSES.—The proceeds of grants under this section may be used by an institution of higher education for the following purposes:*

*"(1) Faculty development.*

*"(2) Curriculum development.*

*"(3) Laboratory improvements.*

*"(4) Faculty research in information security.*

### *"§ 2200c. Centers of Academic Excellence in Information Assurance Education*

*"In the selection of a recipient for the award of a scholarship or grant under this chapter, consideration shall be given to whether—*

*"(1) in the case of a scholarship, the institution at which the recipient pursues a degree is a Center of Academic Excellence in Information Assurance Education; and*

*"(2) in the case of a grant, the recipient is a Center of Academic Excellence in Information Assurance Education.*

### *"§ 2200d. Regulations*

*"The Secretary of Defense shall prescribe regulations for the administration of this chapter.*

### *"§ 2200e. Definitions*

*"In this chapter:*

*"(1) The term 'information assurance' includes the following:*

*"(A) Computer security.*

*"(B) Network security.*

*"(C) Any other information technology that the Secretary of Defense considers related to information assurance.*

*"(2) The term 'institution of higher education' has the meaning given the term in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001).*

*"(3) The term 'Center of Academic Excellence in Information Assurance Education' means an institution of higher education that is designated as a Center of Academic Excellence in Information Assurance Education by the Director of the National Security Agency.*

### *"§ 2200f. Inapplicability to Coast Guard*

*"This chapter does not apply to the Coast Guard when it is not operating as a service in the Navy.".*

*(2) The tables of chapters at the beginning of subtitle A of title 10, United States Code, and the beginning of part III of such subtitle are amended by inserting after the item relating to chapter 111 the following:*

*"112. Information Security Scholarship Program .......................................... 2200".*

*(b) FUNDING.—Of the amount authorized to be appropriated under section 301(5), $20,000,000 shall be available for carrying out chapter 112 of title 10, United States Code (as added by subsection (a)).*

*(c) REPORT.—Not later than April 1, 2001, the Secretary of Defense shall submit to the congressional defense committees a plan for implementing the programs under chapter 112 of title 10, United States Code.*

### *SEC. 1043. PROCESS FOR PRIORITIZING BACKGROUND INVESTIGATIONS FOR SECURITY CLEARANCES FOR DEPARTMENT OF DEFENSE PERSONNEL.*

*(a) ESTABLISHMENT OF PROCESS.—Chapter 80 of title 10, United States Code, is amended by adding at the end the following:*

### *"§ 1563. Security clearance investigations*

*"(a) EXPEDITED PROCESS.—The Secretary of Defense shall prescribe a process for expediting the completion of the background investigations necessary for granting security clearances for Department of Defense personnel who are engaged in sensitive duties that are critical to the national security.*

*"(b) REQUIRED FEATURES.—The process developed under subsection (a) shall provide for the following:*

*"(1) Quantification of the requirements for background investigations necessary for grants of security clearances for Department of Defense personnel.*

*"(2) Categorization of personnel on the basis of the degree of sensitivity of their duties and the extent to which those duties are critical to the national security.*

*"(3) Prioritization of the processing of background investigations on the basis of the categories of personnel.*

*"(c) ANNUAL REVIEW.—The Secretary shall review, each year, the process prescribed under subsection (a) and shall revise it as determined necessary in relation to ongoing Department of Defense missions.*

*"(d) CONSULTATION REQUIREMENT.—The Secretary shall consult with the Secretaries of the military departments and the heads of Defense Agencies in carrying out this section.*

*"(e) SENSITIVE DUTIES.—For the purposes of this section, it is not necessary for the performance of duties to involve classified activities or classified matters in order for the duties to be considered sensitive and critical to the national security.".*

*(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following:*

*"1563. Security clearance investigations.".*

### *SEC. 1044. AUTHORITY TO WITHHOLD CERTAIN SENSITIVE INFORMATION FROM PUBLIC DISCLOSURE.*

*(a) IN GENERAL.—Chapter 3 of title 10, United States Code, is amended by inserting after section 130b the following new section:*

### *"§ 130c. Nondisclosure of information: certain sensitive information of foreign governments and international organizations*

*"(a) EXEMPTION FROM DISCLOSURE.—The national security official concerned (as defined in subsection (g)) may withhold from public disclosure otherwise required by law sensitive information of foreign governments in accordance with this section.*

*"(b) INFORMATION ELIGIBLE FOR EXEMPTION.—For the purposes of this section, information is sensitive information of a foreign government only if the national security official concerned makes each of the following determinations with respect to the information:*

*"(1) That the information was provided by, otherwise made available by, or produced in cooperation with, a foreign government or international organization.*

*"(2) That the foreign government or international organization is withholding the information from public disclosure (relying for that determination on the written representation of the foreign government or international organization to that effect).*

*"(3) That any of the following conditions are met:*

*"(A) The foreign government or international organization requests, in writing, that the information be withheld.*

*"(B) The information was provided or made available to the United States Government on the condition that it not be released to the public.*

*"(C) The information is an item of information, or is in a category of information, that the national security official concerned has specified in regulations prescribed under subsection (f) as being information the release of which would have an adverse effect on the ability of the United States Government to obtain the same or similar information in the future.*

*"(c) INFORMATION OF OTHER AGENCIES.—If the national security official concerned provides to the head of another agency sensitive information of a foreign government, as determined by that national security official under subsection (b), and informs the head of the other agency of that determination, then the head of the other agency shall withhold the information from any public disclosure unless that national security official specifically authorizes the disclosure.*

*"(d) LIMITATIONS.—(1) If a request for disclosure covers any sensitive information of a foreign government (as described in subsection (b)) that came into the possession or under the control of the United States Government before the date of the enactment of the National Defense Authorization Act for Fiscal Year 2001 and more than 25 years before the request is received by an agency, the information may be withheld only as set forth in paragraph (3).*

*"(2)(A) If a request for disclosure covers any sensitive information of a foreign government (as described in subsection (b)) that came into the possession or under the control of the United States Government on or after the date referred to in paragraph (1), the authority to withhold the information under this section is subject to the provisions of subparagraphs (B) and (C).*

*"(B) Information referred to in subparagraph (A) may not be withheld under this section after—*

*"(i) the date that is specified by a foreign government or international organization in a request or expression of a condition described in paragraph (1) or (2) of subsection (b) that is made by the foreign government or international organization concerning the information; or*

*"(ii) if there are more than one such foreign governments or international organizations, the latest date so specified by any of them.*

*"(C) If no date is applicable under subparagraph (B) to a request referred to in subparagraph (A) and the information referred to in that subparagraph came into possession or under the control of the United States more than 10 years before the date on which the request is received by an agency, the information may be withheld under this section only as set forth in paragraph (3).*

*"(3) Information referred to in paragraph (1) or (2)(C) may be withheld under this section in the case of a request for disclosure only if, upon the notification of each foreign government and international organization concerned in accordance with the regulations prescribed under subsection (g)(2), any such government or organization requests in writing that the information not be disclosed for an additional period stated in the request of that government or organization. After the national security official concerned considers the request of the foreign government or international organization, the official shall designate a later date as the date after which the information is not to be withheld under this section. The later date may be extended in accordance with a later request of any such foreign government or international organization under this paragraph.*

"(e) INFORMATION PROTECTED UNDER OTHER AUTHORITY.—This section does not apply to information or matters that are specifically required in the interest of national defense or foreign policy to be protected against unauthorized disclosure under criteria established by an Executive order and are classified, properly, at the confidential, secret, or top secret level pursuant to such Executive order.

"(f) DISCLOSURES NOT AFFECTED.—Nothing in this section shall be construed to authorize any official to withhold, or to authorize the withholding of, information from the following:

"(1) Congress.

"(2) The Comptroller General, unless the information relates to activities that the President designates as foreign intelligence or counterintelligence activities.

"(g) REGULATIONS.—(1) The national security officials referred to in subsection (h)(1) shall each prescribe regulations to carry out this section. The regulations shall include criteria for making the determinations required under subsection (b). The regulations may provide for controls on access to and use of, and special markings and specific safeguards for, a category or categories of information subject to this section.

"(2) The regulations shall include procedures for notifying and consulting with each foreign government or international organization concerned about requests for disclosure of information to which this section applies.

"(h) DEFINITIONS.—In this section:

"(1) The term 'national security official concerned' means the following:

"(A) The Secretary of Defense, with respect to information of concern to the Department of Defense, as determined by the Secretary.

"(B) The Secretary of Transportation, with respect to information of concern to the Coast Guard, as determined by the Secretary, but only while the Coast Guard is not operating as a service in the Navy.

"(C) The Secretary of Energy, with respect to information concerning the national security programs of the Department of Energy, as determined by the Secretary.

"(2) The term 'agency' has the meaning given that term in section 552(f) of title 5.

"(3) The term 'international organization' means the following:

"(A) A public international organization designated pursuant to section 1 of the International Organizations Immunities Act (59 Stat. 669; 22 U.S.C. 288) as being entitled to enjoy the privileges, exemptions, and immunities provided in such Act.

"(B) A public international organization created pursuant to a treaty or other international agreement as an instrument through or by which two or more foreign governments engage in some aspect of their conduct of international affairs.

"(C) An official mission, except a United States mission, to a public international organization referred to in subparagraph (A) or (B).".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 130b the following new item:

"130c. Nondisclosure of information: certain sensitive information of foreign governments and international organizations.".

### SEC. 1045. PROTECTION OF OPERATIONAL FILES OF THE DEFENSE INTELLIGENCE AGENCY.

(a) AUTHORITY.—Subchapter I of chapter 21 of title 10, United States Code, is amended by adding at the end the following:

**"§426. Protection of sensitive information: operational files of the Defense Intelligence Agency**

"(a) AUTHORITY TO WITHHOLD OPERATIONAL FILES.—The Secretary of Defense may withhold from public disclosure operational files described in subsection (b) to the same extent that operational files may be withheld under section 701 of the National Security Act of 1947 (50 U.S.C. 431), subject to judicial review under the same circumstances and to the same extent as is provided in subsection (f) of such section.

"(b) DECENNIAL REVIEW OF EXEMPTED OPERATIONAL FILES.—Section 702 of the National Security Act of 1947 (50 U.S.C. 432), setting forth requirements for decennial review of exemptions from public disclosure and related provisions for judicial review shall apply with respect to the exemptions from public disclosure that are in force under subsection (a), subject to the following requirements:

"(1) The Secretary of Defense shall conduct the decennial review under this subsection.

"(2) In the application of the judicial review provisions under subsection (c) of such section 702—

"(A) the references to the Central Intelligence Agency shall be deemed to refer to the Secretary of Defense; and

"(B) the reference in paragraph (1) of that subsection to the period for the first review shall be deemed to refer to the 10-year period beginning on the day after the date of the enactment of the National Defense Authorization Act for Fiscal Year 2001.

"(c) OPERATIONAL FILES DEFINED.—In this section, the term 'operational files' has the meaning given that term in section 701(b) of the National Security Act of 1947 (50 U.S.C. 431(b)), except that the references to elements of the Central Intelligence Agency do not apply.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such subchapter is amended by adding at the end the following:

"426. Protection of sensitive information: operational files of the Defense Intelligence Agency.".

## Subtitle F—Other Matters

### SEC. 1051. COMMEMORATION OF THE FIFTIETH ANNIVERSARY OF THE UNIFORM CODE OF MILITARY JUSTICE.

(a) FINDINGS.—Congress makes the following findings:

(1) The American military justice system predates the United States itself, having had a continuous existence since the enactment of the first American Articles of War by the Continental Congress in 1775.

(2) Pursuant to article I of the Constitution, which explicitly empowers Congress "To make Rules for the Government and Regulation of the land and naval Forces", Congress enacted the Articles of War and an Act to Govern the Navy, which were revised on several occasions between the ratification of the Constitution and the end of World War II.

(3) Dissatisfaction with the administration of military justice in World War I and World War II led both to significant statutory reforms in the Articles of War and to the convening of a committee, under Department of Defense auspices, to draft a uniform code of military justice applicable to all of the Armed Forces.

(4) The committee, chaired by Professor Edmund M. Morgan of Harvard Law School, made recommendations that formed the basis of bills introduced in Congress to establish such a uniform code of military justice.

(5) After lengthy hearings and debate on the congressional proposals, the Uniform Code of Military Justice was enacted into law on May 5, 1950, when President Harry S. Truman signed the legislation.

(6) President Truman then issued a revised Manual for Courts-Martial implementing the new code, and the code became effective on May 31, 1951.

(7) One of the greatest innovations of the Uniform Code of Military Justice was the establishment of a civilian court of appeals within the military justice system. That court, the United States Court of Military Appeals (now the United States Court of Appeals for the Armed Forces), held its first session on July 25, 1951.

(8) Congress enacted major revisions of the Uniform Code of Military Justice in 1968 and 1983 and, in addition, has amended the code from time to time over the years as practice under the code indicated a need for updating the substance or procedure of the law of military justice.

(9) The evolution of the system of military justice under the Uniform Code of Military Justice may be traced in the decisions of the Courts of Criminal Appeals of each of the Armed Forces and the decisions of the United States Court of Appeals for the Armed Forces. These courts have produced a unique body of jurisprudence upon which commanders and judge advocates rely in the performance of their duties.

(10) It is altogether fitting that the fiftieth anniversary of the Uniform Code of Military Justice be duly commemorated.

(b) COMMEMORATION.—The Congress—

(1) requests the President to issue a proclamation commemorating the fiftieth anniversary of the Uniform Code of Military Justice; and

(2) calls upon the Department of Defense, the Armed Forces, and the United States Court of Appeals for the Armed Forces to commemorate the occasion with ceremonies and activities befitting its importance.

### SEC. 1052. TECHNICAL CORRECTIONS.

(a) THRESHOLD DATE FOR EFFECTIVENESS OF AGREEMENTS TO MAKE AN SBP ELECTION.—(1) Section 657(a)(1)(A) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 668; 10 U.S.C. 1450 note) is amended by striking "August 21, 1983" and inserting "August 19, 1983".

(2) The amendment made by paragraph (1) shall take effect as of October 5, 1999, and shall apply as if included in section 657(a)(1)(A) of Public Law 106–65 on that date.

(b) STATE OF INCORPORATION OF FLEET RESERVE ASSOCIATION.—Sections 70102(a) and 70108(a) of title 36, United States Code, are amended by striking "Delaware" and inserting "Pennsylvania".

### SEC. 1053. ELIGIBILITY OF DEPENDENTS OF AMERICAN RED CROSS EMPLOYEES FOR ENROLLMENT IN DEPARTMENT OF DEFENSE DOMESTIC DEPENDENT SCHOOLS IN PUERTO RICO.

Section 2164 of title 10, United States Code, is amended by adding at the end the following:

"(i) AMERICAN RED CROSS EMPLOYEE DEPENDENTS IN PUERTO RICO.—(1) The Secretary of Defense may authorize a dependent of an employee of the American Red Cross performing armed forces emergency services in Puerto Rico to enroll in an educational program provided by the Secretary pursuant to subsection (a) in Puerto Rico.

"(2) In determining the dependency status of any person for the purposes of paragraph (1), the Secretary shall apply the same definitions as apply to the determination of such status with respect to Federal employees in the administration of this section.

"(3) The Secretary shall be paid for the educational services and related items provided to a student under paragraph (1). To determine the amount for educational services, the Secretary shall allocate to the student a share, considered appropriate by the Secretary, of the costs of providing the educational program in which the student is enrolled. The Secretary shall enter into such agreements or take such other actions as the Secretary determines necessary to ensure that the payments required under this paragraph are made.".

### SEC. 1054. GRANTS TO AMERICAN RED CROSS FOR ARMED FORCES EMERGENCY SERVICES.

(a) GRANTS AUTHORIZED.—The Secretary of Defense may, subject to subsection (b), make a grant to the American Red Cross of up to $9,400,000 in each of fiscal years 2001, 2002, and 2003 for the support of the Armed Forces Emergency Services program of the American Red Cross.

(b) MATCHING REQUIREMENT.—A grant may not be made for a fiscal year under subsection (a) until the Secretary receives from the American Red Cross a certification providing assurances satisfactory to the Secretary that the American Red Cross will expend for the Armed Forces Emergency Services program for that fiscal year funds, derived from sources other than the Federal Government, in a total amount that equals or exceeds the amount of the grant.

(c) FUNDING.—Of the amount authorized to be appropriated by section 301 for operation and maintenance for Defense-wide activities, $9,400,000 shall be available for grants made under this section.

### SEC. 1055. TRANSIT PASS PROGRAM FOR CERTAIN DEPARTMENT OF DEFENSE PERSONNEL.

(a) ESTABLISHMENT OF PROGRAM.—To encourage Department of Defense personnel in areas described in subsection (b) to use means other than single-occupancy motor vehicles to commute to or from work, the Secretary of Defense shall exercise the authority provided in section 7905 of title 5, United States Code, to establish a program to provide the personnel in such areas with a transit pass benefit under subsection (b)(2)(A) of such section.

(b) COVERED AREAS.—The Secretary shall establish the program required by subsection (a) in the areas which do not meet the revised national ambient air quality standards under section 109 of the Clean Air Act (42 U.S.C. 7409).

(c) TIME FOR IMPLEMENTATION.—The Secretary shall prescribe the effective date for the program required under subsection (a). The effective date so prescribed may not be later than the first day of the first month that begins on or after the date that is 180 days after the date of the enactment of this Act.

### SEC. 1056. FEES FOR PROVIDING HISTORICAL INFORMATION TO THE PUBLIC.

(a) ARMY.—(1) Chapter 437 of title 10, United States Code, is amended by adding at the end the following:

### “§4595. Army Military History Institute: fee for providing historical information to the public

“(a) AUTHORITY.—Except as provided in subsection (b), the Secretary of the Army may charge a person a fee for providing the person with information from the United States Army Military History Institute that is requested by that person.

“(b) EXCEPTIONS.—A fee may not be charged under this section—

“(1) to a person for information that the person requests to carry out a duty as a member of the armed forces or an officer or employee of the United States; or

“(2) for a release of information under section 552 of title 5.

“(c) LIMITATION ON AMOUNT.—A fee charged for providing information under this section may not exceed the cost of providing the information.

“(d) RETENTION OF FEES.—Amounts received under subsection (a) for providing information in any fiscal year shall be credited to the appropriation or appropriations charged the costs of providing information to the public from the United States Army Military History Institute during that fiscal year.

“(e) DEFINITIONS.—In this section:

“(1) The term ‘United States Army Military History Institute’ means the archive for historical records and materials of the Army that the Secretary of the Army designates as the primary archive for such records and materials.

“(2) The terms ‘officer of the United States’ and ‘employee of the United States’ have the meanings given the terms ‘officer’ and ‘employee’, respectively, in sections 2104 and 2105, respectively, of title 5.”.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following:

“4595. Army Military History Institute: fee for providing historical information to the public.”.

(b) NAVY.—(1) Chapter 649 of such title 10 is amended by adding at the end the following new section:

### “§7582. Naval and Marine Corps Historical Centers: fee for providing historical information to the public

“(a) AUTHORITY.—Except as provided in subsection (b), the Secretary of the Navy may charge a person a fee for providing the person with information from the United States Naval Historical Center or the Marine Corps Historical Center that is requested by that person.

“(b) EXCEPTIONS.—A fee may not be charged under this section—

“(1) to a person for information that the person requests to carry out a duty as a member of the armed forces or an officer or employee of the United States; or

“(2) for a release of information under section 552 of title 5.

“(c) LIMITATION ON AMOUNT.—A fee charged for providing information under this section may not exceed the cost of providing the information.

“(d) RETENTION OF FEES.—Amounts received under subsection (a) for providing information from the United States Naval Historical Center or the Marine Corps Historical Center in any fiscal year shall be credited to the appropriation or appropriations charged the costs of providing information to the public from that historical center during that fiscal year.

“(e) DEFINITIONS.—In this section:

“(1) The term ‘United States Naval Historical Center’ means the archive for historical records and materials of the Navy that the Secretary of the Navy designates as the primary archive for such records and materials.

“(2) The term ‘Marine Corps Historical Center’ means the archive for historical records and materials of the Marine Corps that the Secretary of the Navy designates as the primary archive for such records and materials.

“(3) The terms ‘officer of the United States’ and ‘employee of the United States’ have the meanings given the terms ‘officer’ and ‘employee’, respectively, in sections 2104 and 2105, respectively, of title 5.”.

(2) The heading of such chapter is amended by striking “**RELATED**”.

(3)(A) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

“7582. Naval and Marine Corps Historical Centers: fee for providing historical information to the public.”.

(B) The item relating to such chapter in the tables of chapters at the beginning of subtitle C of title 10, United States Code, and the beginning of part IV of such subtitle is amended by striking out “Related”.

(c) AIR FORCE.—(1) Chapter 937 of title 10, United States Code, is amended by adding at the end the following new section:

### “§9594. Air Force Military History Institute: fee for providing historical information to the public

“(a) AUTHORITY.—Except as provided in subsection (b), the Secretary of the Air Force may charge a person a fee for providing the person with information from the United States Air Force Military History Institute that is requested by that person.

“(b) EXCEPTIONS.—A fee may not be charged under this section—

“(1) to a person for information that the person requests to carry out a duty as a member of the armed forces or an officer or employee of the United States; or

“(2) for a release of information under section 552 of title 5.

“(c) LIMITATION ON AMOUNT.—A fee charged for providing information under this section may not exceed the cost of providing the information.

“(d) RETENTION OF FEES.—Amounts received under subsection (a) for providing information in any fiscal year shall be credited to the appropriation or appropriations charged the costs of providing information to the public from the United States Air Force Military History Institute during that fiscal year.

“(e) DEFINITIONS.—In this section:

“(1) The term ‘United States Air Force Military History Institute’ means the archive for historical records and materials of the Air Force that the Secretary of the Air Force designates as the primary archive for such records and materials.

“(2) The terms ‘officer of the United States’ and ‘employee of the United States’ have the meanings given the terms ‘officer’ and ‘employee’, respectively, in sections 2104 and 2105, respectively, of title 5.”.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

“9594. Air Force Military History Institute: fee for providing historical information to the public.”.

### SEC. 1057. ACCESS TO CRIMINAL HISTORY RECORD INFORMATION FOR NATIONAL SECURITY PURPOSES.

(a) CONDITIONS FOR AVAILABILITY OF INFORMATION.—Subsection (b) of section 9101 of title 5, United States Code, is amended—

(1) by striking paragraph (3);

(2) by redesignating paragraph (2) as paragraph (4);

(3) in paragraph (1)—

(A) in the first sentence—

(i) by inserting “the Department of Transportation,” after “the Department of State,”; and

(ii) by inserting “the following:” after “eligibility for”; and

(B) by striking “(A) access to classified information” and all that follows through the end of the paragraph and inserting the following:

“(A) Access to classified information.

“(B) Assignment to or retention in sensitive national security duties.

“(C) Acceptance or retention in the armed forces.

“(D) Appointment, retention, or assignment to a position of public trust or a critical or sensitive position while either employed by the Federal Government or performing a Federal Government contract.

“(2) If the criminal justice agency possesses the capability to provide automated criminal history record information based on a search of its records by name and other common identifiers, the agency shall provide the requester with full criminal history record information for individuals who meet the matching criteria.

“(3) Fees, if any, charged for providing criminal history record information pursuant to this subsection may not exceed the reasonable cost of *providing such information through an automated name search.''; and*

*(4) by adding at the end the following:*

*''(5) A criminal justice agency may not require, as a condition for the release of criminal history record information under this subsection, that any official of a department or agency named in paragraph (1) enter into an agreement with a State or local government to indemnify and hold harmless the State or locality for damages, costs, or other monetary loss arising from the disclosure or use by that department or agency of criminal history record information obtained from the State or local government pursuant to this subsection.''.*

*(b) Use of Automated Information Delivery Systems.—Such section is further amended—*

*(1) by redesignating subsection (e) as subsection (f); and*

*(2) by inserting after subsection (d) the following new subsection (e):*

*''(e)(1) Automated information delivery systems shall be used to provide criminal history record information a department or agency under subsection (b) whenever available.*

*''(2) Fees, if any, charged for automated access through such systems may not exceed the reasonable cost of providing such access.*

*''(3) The criminal justice agency providing the criminal history record information through such systems may not limit disclosure on the basis that the repository is accessed from outside the State.*

*''(4) Information provided through such systems shall be the full and complete criminal history record.*

*''(5) Criminal justice agencies shall accept and respond to requests for criminal history record information through such systems with printed or photocopied records when requested.''.*

### *SEC. 1058. SENSE OF CONGRESS ON THE NAMING OF THE CVN–77 AIRCRAFT CARRIER.*

*(a) Findings.—Congress makes the following findings:*

*(1) Over the last three decades Congress has authorized and appropriated funds for a total of 10 ''NIMITZ'' class aircraft carriers.*

*(2) The last vessel in the ''NIMITZ'' class of aircraft carriers, CVN–77, is currently under construction and will be delivered in 2008.*

*(3) The first nine vessels in this class bear the following proud names:*

*(A) U.S.S. Nimitz (CVN–68).*

*(B) U.S.S. Dwight D. Eisenhower (CVN–69).*

*(C) U.S.S. Carl Vinson (CVN–70).*

*(D) U.S.S. Theodore Roosevelt (CVN–71).*

*(E) U.S.S. Abraham Lincoln (CVN–72).*

*(F) U.S.S. George Washington (CVN–73).*

*(G) U.S.S. John C. Stennis (CVN–74).*

*(H) U.S.S. Harry S. Truman (CVN–75).*

*(I) U.S.S. Ronald Reagan (CVN–76).*

*(4) It is appropriate for Congress to recommend to the President, as Commander in Chief of the Armed Forces, an appropriate name for the final vessel in the ''NIMITZ'' class of aircraft carriers.*

*(5) Over the last 25 years the vessels in the ''NIMITZ'' class of aircraft carriers have served as one of the principal means of United States diplomacy and as one of the principal means for the defense of the United States and our allies around the world.*

*(6) The name bestowed upon aircraft carrier CVN–77 should embody the American spirit and provide a lasting symbol of the American commitment to freedom.*

*(7) The name ''Lexington' has been a symbol of freedom from the first battle of the American Revolution.*

*(8) The two aircraft carriers previously named U.S.S. Lexington (the CV–2 and the CV–16) served our Nation for 64 years, served in World War II, and earned 13 battle stars.*

*(9) One of those honored vessels, the CV–2, was lost after having given gallant fight at the Battle of Coral Sea in 1942.*

*(b) Sense of Congress.—It is the sense of Congress that the CVN–77 aircraft carrier should be named the ''U.S.S. Lexington''—*

*(1) in order to honor the men and women who served in the Armed Forces of the United States during World War II, and the incalculable number of United States citizens on the home front during that war, who mobilized in the name of freedom, and who are today respectfully referred to as the ''Greatest Generation''; and*

*(2) as a special tribute to the 16,000,000 veterans of the Armed Forces who served on land, sea, and air during World War II (of whom less than 6,000,000 remain alive today) and a lasting symbol of their commitment to freedom as they pass on having proudly taken their place in history.*

### *SEC. 1059. DONATION OF CIVIL WAR CANNON.*

*(a) Authority.—The Secretary of the Army shall convey all right, title, and interest of the United States in and to the Civil War era cannon described in subsection (b) to the Edward Dorr Tracey, Jr. Camp 18 of the Sons of the Confederate Veterans.*

*(b) Property To Be Conveyed.—The cannon referred to in subsection (a) is a 12-pounder Napoleon cannon bearing the following markings:*

*(1) On the top: ''CS''.*

*(2) On the face of the muzzle: ''Macon Arsenal, 1864/No.41/1164 ET''.*

*(3) On the right trunnion: ''Macon Arsenal GEO/1864/No.41/WT.1164/E.T.''.*

*(c) Consideration.—No consideration may be required by the Secretary for the conveyance of the cannon under this section.*

*(d) Additional Terms and Conditions.—The Secretary may require such additional terms and conditions in connection with the conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.*

*(e) Relationship to Other Law.—The conveyance required under this section may be carried out without regard to the Act entitled ''An Act for the preservation of American antiquities'', approved June 8, 1906 (34 Stat. 225; 16 U.S.C. 431 et seq.), popularly referred to as the ''Antiquities Act of 1906''.*

### *SEC. 1060. MAXIMUM SIZE OF PARCEL POST PACKAGES TRANSPORTED OVERSEAS FOR ARMED FORCES POST OFFICES.*

*Section 3401(b) of title 39, United States Code, is amended by striking ''100 inches in length and girth combined'' in paragraphs (2) and (3) and inserting ''the maximum size allowed by the Postal Service for fourth class parcel post (known as 'Standard Mail (B)'''.*

### *SEC. 1061. AEROSPACE INDUSTRY BLUE RIBBON COMMISSION.*

*(a) Findings.—Congress makes the following findings:*

*(1) The United States aerospace industry, composed of manufacturers of commercial, military, and business aircraft, helicopters, aircraft engines, missiles, spacecraft, materials, and related components and equipment, has a unique role in the economic and national security of our Nation.*

*(2) In 1999, the aerospace industry continued to produce, at $37,000,000,000, the largest trade surplus of any industry in the United States economy.*

*(3) The United States aerospace industry employs 800,000 Americans in highly skilled positions associated with manufacturing aerospace products.*

*(4) United States aerospace technology is preeminent in the global marketplace for both defense and commercial products.*

*(5) History since World War I has demonstrated that a superior aerospace capability usually determines victory in military operations and that a robust, technically innovative aerospace capability will be essential for maintaining United States military superiority in the 21st century.*

*(6) Federal Government policies concerning investment in aerospace research and development and procurement, controls on the export of services and goods containing advanced technologies, and other aspects of the Government-industry relationship will have a critical impact on the ability of the United States aerospace industry to retain its position of global leadership.*

*(7) Recent trends in investment in aerospace research and development, in changes in global aerospace market share, and in the development of competitive, non-United States aerospace industries could undermine the future role of the United States aerospace industry in the national economy and in the security of the Nation.*

*(8) Because the United States aerospace industry stands at an historical crossroads, it is advisable for the President and Congress to appoint a blue ribbon commission to assess the future of the industry and to make recommendations for Federal Government actions to ensure United States preeminence in aerospace in the 21st century.*

*(b) Establishment.—There is established a Blue Ribbon Commission on the Future of the United States Aerospace Industry.*

*(c) Membership.—(1) The Commission shall be composed of 12 members appointed, not later than March 1, 2001, as follows:*

*(A) Up to 6 members appointed by the President.*

*(B) Two members appointed by the Majority Leader of the Senate.*

*(C) Two members appointed by the Speaker of the House of Representatives.*

*(D) One member appointed by the Minority Leader of the Senate.*

*(E) One member appointed by the Minority Leader of the House of Representatives.*

*(2) The members of the Commission shall be appointed from among—*

*(A) persons with extensive experience and national reputations in aerospace manufacturing, economics, finance, national security, international trade or foreign policy; and*

*(B) persons who are representative of labor organizations associated with the aerospace industry.*

*(3) Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.*

*(4) The President shall designate one member of the Commission to serve as the Chairman.*

*(5) The Commission shall meet at the call of the Chairman. A majority of the members shall constitute a quorum, but a lesser number may hold hearings for the Commission.*

*(d) Duties.—(1) The Commission shall—*

*(A) study the issues associated with the future of the United States aerospace industry in the global economy, particularly in relationship to United States national security; and*

*(B) assess the future importance of the domestic aerospace industry for the economic and national security of the United States.*

*(2) In order to fulfill its responsibilities, the Commission shall study the following:*

*(A) The budget process of the Federal Government, particularly with a view to assessing the adequacy of projected budgets of the Federal Government agencies for aerospace research and development and procurement.*

*(B) The acquisition process of the Federal Government, particularly with a view to assessing—*

*(i) the adequacy of the current acquisition process of Federal agencies; and*

*(ii) the procedures for developing and fielding aerospace systems incorporating new technologies in a timely fashion.*

*(C) The policies, procedures, and methods for the financing and payment of government contracts.*

*(D) Statutes and regulations governing international trade and the export of technology, particularly with a view to assessing—*

*(i) the extent to which the current system for controlling the export of aerospace goods, services, and technologies reflects an adequate balance between the need to protect national security and the need to ensure unhindered access to the global marketplace; and*

*(ii) the adequacy of United States and multilateral trade laws and policies for maintaining the international competitiveness of the United States aerospace industry.*

*(E) Policies governing taxation, particularly with a view to assessing the impact of current tax laws and practices on the international competitiveness of the aerospace industry.*

*(F) Programs for the maintenance of the national space launch infrastructure, particularly with a view to assessing the adequacy of current and projected programs for maintaining the national space launch infrastructure.*

*(G) Programs for the support of science and engineering education, including current programs for supporting aerospace science and engineering efforts at institutions of higher learning, with a view to determining the adequacy of those programs.*

*(e) Report.—(1) Not later than March 1, 2002, the Commission shall submit a report on its activities to the President and Congress.*

*(2) The report shall include the following:*

*(A) The Commission's findings and conclusions.*

*(B) Recommendations for actions by Federal Government agencies to support the maintenance of a robust aerospace industry in the United States in the 21st century.*

*(C) A discussion of the appropriate means for implementing the recommendations.*

*(f) Implementation of Recommendations.—The heads of the executive agencies of the Federal Government having responsibility for matters covered by recommendations of the Commission shall consider the implementation of those recommendations in accordance with regular administrative procedures. The Director of the Office of Management and Budget shall coordinate the consideration of the recommendations among the heads of those agencies.*

*(g) Administrative Requirements and Authorities.—(1) The Director of the Office of Management and Budget shall ensure that the Commission is provided such administrative services, facilities, staff, and other support services as may be necessary. Any expenses of the Commission shall be paid from funds available to the Director.*

*(2) The Commission may hold hearings, sit and act at times and places, take testimony, and receive evidence that the Commission considers advisable to carry out the purposes of this Act.*

*(3) The Commission may secure directly from any department or agency of the Federal Government any information that the Commission considers necessary to carry out the provisions of this Act. Upon the request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.*

*(4) The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.*

*(5) The Commission is an advisory committee for the purposes of the Federal Advisory Committee Act (5 U.S.C. App. 2).*

*(h) Commission Personnel Matters.—(1) Members of the Commission shall serve without additional compensation for their service on the Commission, except that members appointed from among private citizens may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law for persons serving intermittently in government service under subchapter I of chapter 57 of title 5, United States Code, while away from their homes and places of business in the performance of services for the Commission.*

*(2) The Chairman of the Commission may, without regard to the civil service laws and regulations, appoint and terminate any staff that may be necessary to enable the Commission to perform its duties. The employment of a head of staff shall be subject to confirmation by the Commission. The Chairman may fix the compensation of the staff personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rates of pay fixed by the Chairman shall be in compliance with the guidelines prescribed under section 7(d) of the Federal Advisory Committee Act.*

*(3) Any Federal Government employee may be detailed to the Commission without reimbursement. Any such detail shall be without interruption or loss of civil status or privilege.*

*(4) The Chairman may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals that do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.*

*(i) Termination.—The Commission shall terminate 30 days after the submission of the report under subsection (e).*

### ***SEC. 1062. REPORT TO CONGRESS REGARDING EXTENT AND SEVERITY OF CHILD POVERTY.***

*(a) In General.—Not later than June 1, 2001 and prior to any reauthorization of the temporary assistance to needy families program under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) for any fiscal year after fiscal year 2002, the Secretary of Health and Human Services (in this section referred to as the "Secretary") shall report to Congress on the extent and severity of child poverty in the United States. Such report shall, at a minimum—*

*(1) determine for the period since the enactment of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104–193; 110 Stat. 2105)—*

*(A) whether the rate of child poverty in the United States has increased;*

*(B) whether the children who live in poverty in the United States have gotten poorer; and*

*(C) how changes in the availability of cash and non-cash benefits to poor families have affected child poverty in the United States;*

*(2) identify alternative methods for defining child poverty that are based on consideration of factors other than family income and resources, including consideration of a family's work-related expenses; and*

*(3) contain multiple measures of child poverty in the United States that may include the child poverty gap and the extreme poverty rate.*

*(b) Legislative Proposal.—If the Secretary determines that during the period since the enactment of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104–193; 110 Stat. 2105) the extent or severity of child poverty in the United States has increased to any extent, the Secretary shall include with the report to Congress required under subsection (a) a legislative proposal addressing the factors that led to such increase.*

### ***SEC. 1063. IMPROVING PROPERTY MANAGEMENT.***

*(a) In General.—Section 203(p)(1)(B)(ii) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(p)(1)(B)(ii)) is amended by striking "July 31, 2000" and inserting "December 31, 2002".*

*(b) Conforming Amendment.—Section 233 of Appendix E of Public Law 106–113 (113 Stat. 1501A–301) is repealed.*

### ***SEC. 1064. SENSE OF THE SENATE REGARDING TAX TREATMENT OF MEMBERS RECEIVING SPECIAL PAY.***

*It is the sense of the Senate that members of the Armed Forces who receive special pay for duty subject to hostile fire or imminent danger (37 U.S.C. 310) should receive the same tax treatment as members serving in combat zones.*

### ***SEC. 1065. DEPARTMENT OF DEFENSE PROCESS FOR DECISIONMAKING IN CASES OF FALSE CLAIMS.***

*Not later than February 1, 2001, the Secretary of Defense shall submit to Congress a report describing the policies and procedures for Department of Defense decisionmaking on issues arising under sections 3729 through 3733 of title 31, United States Code, in cases of claims submitted to the Department of Defense that are suspected or alleged to be false. The report shall include a discussion of any changes that have been made in the policies and procedures since January 1, 2000.*

### ***SEC. 1066. SENSE OF THE SENATE CONCERNING LONG-TERM ECONOMIC DEVELOPMENT AID FOR COMMUNITIES REBUILDING FROM HURRICANE FLOYD.***

*(a) Findings.—The Senate finds that—*

*(1) during September 1999, Hurricane Floyd ran a path of destruction along the entire eastern seaboard from Florida to Maine;*

*(2) Hurricane Floyd was the most destructive natural disaster in the history of the State of North Carolina and most costly natural disaster in the history of the State of New Jersey;*

*(3) the Federal Emergency Management Agency declared Hurricane Floyd the eighth worst natural disaster of the past decade;*

*(4) although the Federal Emergency Management Agency coordinates the Federal response to natural disasters that exceed the capabilities of State and local governments and assists communities to recover from those disasters, the Federal Emergency Management Agency is not equipped to provide long-term economic recovery assistance;*

*(5) it has been 9 months since Hurricane Floyd and the Nation has hundreds of communities that have yet to recover from the devastation caused by that disaster;*

*(6) in the past, Congress has responded to natural disasters by providing additional economic community development assistance to communities recovering from those disasters, including $250,000,000 for Hurricane Georges in 1998, $552,000,000 for Red River Valley floods in North Dakota in 1997, $25,000,000 for Hurricanes Fran and Hortense in 1996, and $725,000,000 for the Northridge Earthquake in California in 1994;*

*(7) additional assistance provided by Congress to communities recovering from natural disasters has been in the form of community development block grants administered by the Department of Housing and Urban Development;*

*(8) communities affected by Hurricane Floyd are facing similar recovery needs as have victims of other natural disasters and will need long-term economic recovery plans to make them strong again; and*

*(9) on April 7, 2000, the Senate passed amendment number 3001 to S. Con. Res. 101, which amendment would allocate $250,000,000 in long-term economic development aid to assist communities rebuilding from Hurricane Floyd, including $150,000,000 in community development block grant funding and $50,000,000 in rural facilities grant funding.*

*(b) Sense of the Senate.—It is the sense of the Senate that—*

*(1) communities devastated by Hurricane Floyd should know that, in the past, Congress*

has responded to natural disasters by demonstrating a commitment to helping affected States and communities to recover;

(2) the Federal response to natural disasters has traditionally been quick, supportive, and appropriate;

(3) recognizing that communities devastated by Hurricane Floyd are facing tremendous challenges as they begin their recovery, the Federal agencies that administer community and regional development programs should expect an increase in applications and other requests from these communities;

(4) community development block grants administered by the Department of Housing and Urban Development, grant programs administered by the Economic Development Administration, and the Community Facilities Grant Program administered by the Department of Agriculture are resources that communities have used to accomplish revitalization and economic development following natural disasters; and

(5) additional community and regional development funding, as provided for in amendment number 3001 to S. Con. Res. 101, as passed by the Senate on April 7, 2000, should be appropriated to assist communities in need of long-term economic development aid as a result of damage suffered by Hurricane Floyd.

### SEC. 1067. AUTHORITY TO PROVIDE HEADSTONES OR MARKERS FOR MARKED GRAVES OR OTHERWISE COMMEMORATE CERTAIN INDIVIDUALS.

(a) IN GENERAL.—Section 2306 of title 38, United States Code, is amended—

(1) in subsections (a) and (e)(1), by striking "the unmarked graves of"; and

(2) by adding at the end the following:

"(f) A headstone or marker furnished under subsection (a) shall be furnished, upon request, for the marked grave or unmarked grave of the individual or at another area appropriate for the purpose of commemorating the individual.".

(b) APPLICABILITY.—(1) Except as provided in paragraph (2), the amendment to subsection (a) of section 2306 of title 38, United States Code, made by subsection (a) of this section, and subsection (f) of such section 2306, as added by subsection (a) of this section, shall apply with respect to burials occurring before, on, or after the date of the enactment of this Act.

(2) The amendments referred to in paragraph (1) shall not apply in the case of the grave for any individual who died before November 1, 1990, for which the Administrator of Veterans' Affairs provided reimbursement in lieu of furnishing a headstone or marker under subsection (d) of section 906 of title 38, United States Code, as such subsection was in effect after September 30, 1978, and before November 1, 1990.

### SEC. 1068. COMPREHENSIVE STUDY AND SUPPORT FOR CRIMINAL INVESTIGATIONS AND PROSECUTIONS BY STATE AND LOCAL LAW ENFORCEMENT OFFICIALS.

(a) STUDIES.—

(1) COLLECTION OF DATA.—

(A) DEFINITION OF RELEVANT OFFENSE.—In this paragraph, the term "relevant offense" means a crime described in subsection (b)(1) of the first section of Public Law 101–275 (28 U.S.C. 534 note) and a crime that manifests evidence of prejudice based on gender or age.

(B) COLLECTION FROM CROSS-SECTION OF STATES.—Not later than 120 days after the date of enactment of this Act, the Comptroller General of the United States, in consultation with the National Governors' Association, shall select 10 jurisdictions with laws classifying certain types of offenses as relevant offenses and 10 jurisdictions without such laws from which to collect the data described in subparagraph (C) over a 12-month period.

(C) DATA TO BE COLLECTED.—The data described in this paragraph are—

(i) the number of relevant offenses that are reported and investigated in the jurisdiction;

(ii) the percentage of relevant offenses that are prosecuted and the percentage that result in conviction;

(iii) the duration of the sentences imposed for crimes classified as relevant offenses in the jurisdiction, compared with the length of sentences imposed for similar crimes committed in jurisdictions with no laws relating to relevant offenses; and

(iv) references to and descriptions of the laws under which the offenders were punished.

(D) COSTS.—Participating jurisdictions shall be reimbursed for the reasonable and necessary costs of compiling data collected under this paragraph.

(2) STUDY OF RELEVANT OFFENSE ACTIVITY.—

(A) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, the Comptroller General of the United States shall complete a study and submit to Congress a report that analyzes the data collected under paragraph (1) and under section 534 of title 28, United States Code, to determine the extent of relevant offense activity throughout the United States and the success of State and local officials in combating that activity.

(B) IDENTIFICATION OF TRENDS.—In the study conducted under subparagraph (A), the Comptroller General of the United States shall identify any trends in the commission of relevant offenses specifically by—

(i) geographic region;

(ii) type of crime committed; and

(iii) the number and percentage of relevant offenses that are prosecuted and the number for which convictions are obtained.

(b) ASSISTANCE OTHER THAN FINANCIAL ASSISTANCE.—At the request of a law enforcement official of a State or a political subdivision of a State, the Attorney General, acting through the Director of the Federal Bureau of Investigation and in cases where the Attorney General determines special circumstances exist, may provide technical, forensic, prosecutorial, or any other assistance in the criminal investigation or prosecution of any crime that—

(1) constitutes a crime of violence (as defined in section 16 of title 18, United States Code);

(2) constitutes a felony under the laws of the State; and

(3) is motivated by animus against the victim by reason of the membership of the victim in a particular class or group.

(c) GRANTS.—

(1) IN GENERAL.—The Attorney General may, in cases where the Attorney General determines special circumstances exist, make grants to States and local subdivisions of States to assist those entities in the investigation and prosecution of crimes motivated by animus against the victim by reason of the membership of the victim in a particular class or group.

(2) ELIGIBILITY.—A State or political subdivision of a State applying for assistance under this subsection shall—

(A) describe the purposes for which the grant is needed; and

(B) certify that the State or political subdivision lacks the resources necessary to investigate or prosecute a crime motivated by animus against the victim by reason of the membership of the victim in a particular class or group.

(3) DEADLINE.—An application for a grant under this subsection shall be approved or disapproved by the Attorney General not later than 10 days after the application is submitted.

(4) GRANT AMOUNT.—A grant under this subsection shall not exceed $100,000 for any single case.

(5) REPORT AND AUDIT.—Not later than December 31, 2001, the Attorney General, in consultation with the National Governors' Association, shall—

(A) submit to Congress a report describing the applications made for grants under this subsection, the award of such grants, and the effectiveness of the grant funds awarded; and

(B) conduct an audit of the grants awarded under this subsection to ensure that such grants are used for the purposes provided in this subsection.

(6) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $5,000,000 for each of the fiscal years 2001 and 2002 to carry out this section.

### SEC. 1069. STUDENT LOAN REPAYMENT PROGRAMS.

(a) STUDENT LOANS.—Section 5379(a)(1)(B) of title 5, United States Code, is amended—

(1) in clause (i), by inserting "(20 U.S.C. 1071 et seq.)" before the semicolon;

(2) in clause (ii), by striking "part E of title IV of the Higher Education Act of 1965" and inserting "part D or E of title IV of the Higher Education Act of 1965 (20 U.S.C. 1087a et seq., 1087aa et seq.)"; and

(3) in clause (iii), by striking "part C of title VII of Public Health Service Act or under part B of title VIII of such Act" and inserting "part A of title VII of the Public Health Service Act (42 U.S.C. 292 et seq.) or under part E of title VIII of such Act (42 U.S.C. 297a et seq.)".

(b) PERSONNEL COVERED.—

(1) INELIGIBLE PERSONNEL.—Section 5379(a)(2) of title 5, United States Code, is amended to read as follows:

"(2) An employee shall be ineligible for benefits under this section if the employee occupies a position that is excepted from the competitive service because of its confidential, policy-determining, policy-making, or policy-advocating character.".

(2) PERSONNEL RECRUITED OR RETAINED.—Section 5379(b)(1) of title 5, United States Code, is amended by striking "professional, technical, or administrative".

(c) REGULATIONS.—

(1) PROPOSED REGULATIONS.—Not later than 60 days after the date of enactment of this Act, the Director of the Office of Personnel Management (referred to in this section as the "Director") shall issue proposed regulations under section 5379(g) of title 5, United States Code. The Director shall provide for a period of not less than 60 days for public comment on the regulations.

(2) FINAL REGULATIONS.—Not later than 240 days after the date of enactment of this Act, the Director shall issue final regulations described in paragraph (1).

(d) ANNUAL REPORTS.—Section 5379 of title 5, United States Code, is amended by adding at the end the following:

"(h)(1) Each head of an agency shall maintain, and annually submit to the Director of the Office of Personnel Management, information with respect to the agency on—

"(A) the number of Federal employees selected to receive benefits under this section;

"(B) the job classifications for the recipients; and

"(C) the cost to the Federal Government of providing the benefits.

"(2) The Director of the Office of Personnel Management shall prepare, and annually submit to Congress, a report containing the information submitted under paragraph (1), and information identifying the agencies that have provided the benefits described in paragraph (1).".

### SEC. 1070. SENSE OF THE SENATE ON THE MODERNIZATION OF AIR NATIONAL GUARD F–16A UNITS.

(a) FINDINGS.—Congress finds that:

(1) Certain United States Air Force Air National Guard fighter units are flying some of the world's oldest and least capable F–16A aircraft

*which are approaching the end of their service lives.*

*(2) The aircraft are generally incompatible with those flown by the active force and therefore cannot be effectively deployed to theaters of operation to support contingencies and to relieve the high operations tempo of active duty units.*

*(3) The Air Force has specified no plans to replace these obsolescent aircraft before the year 2007 at the earliest.*

*(b) SENSE OF THE SENATE.—It is the sense of the Senate that in light of these findings the Air Force should, by February 1, 2001, provide the Congress with a plan to modernize and upgrade the combat capabilities of those Air National Guard units that are now flying F–16As so they can deploy as part of Air Expeditionary Forces and assist in relieving the high operations tempo of active duty units.*

### ***SEC. 1071. TWO-YEAR EXTENSION OF AUTHORITY TO ENGAGE IN COMMERCIAL ACTIVITIES AS SECURITY FOR INTELLIGENCE COLLECTION ACTIVITIES.***

*Section 431(a) of title 10, United States Code, is amended in the second sentence by striking "December 31, 2000" and inserting "December 31, 2002".*

### ***SEC. 1072. FIREFIGHTER INVESTMENT AND RESPONSE ENHANCEMENT.***

*The Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2201 et seq.) is amended by adding at the end the following:*

### ***"SEC. 33. FIREFIGHTER INVESTMENT AND RESPONSE ENHANCEMENT.***

*"(a) DEFINITION OF FIREFIGHTING PERSONNEL.—In this section, the term 'firefighting personnel' means individuals, including volunteers, who are firefighters, officers of fire departments, or emergency medical service personnel of fire departments.*

*"(b) ASSISTANCE PROGRAM.—*

*"(1) AUTHORITY.—In accordance with this section, the Director may—*

*"(A) make grants on a competitive basis to fire departments for the purpose of protecting the health and safety of the public and firefighting personnel against fire and fire-related hazards; and*

*"(B) provide assistance for fire prevention programs in accordance with paragraph (4).*

*"(2) ESTABLISHMENT OF OFFICE FOR ADMINISTRATION OF ASSISTANCE.—Before providing assistance under paragraph (1), the Director shall establish an office in the Federal Emergency Management Agency that shall have the duties of establishing specific criteria for the selection of recipients of the assistance, and administering the assistance, under this section.*

*"(3) USE OF FIRE DEPARTMENT GRANT FUNDS.—The Director may make a grant under paragraph (1)(A) only if the applicant for the grant agrees to use the grant funds—*

*"(A) to hire additional firefighting personnel;*

*"(B) to train firefighting personnel in firefighting, emergency response, arson prevention and detection, or the handling of hazardous materials, or to train firefighting personnel to provide any of the training described in this subparagraph;*

*"(C) to fund the creation of rapid intervention teams to protect firefighting personnel at the scenes of fires and other emergencies;*

*"(D) to certify fire inspectors;*

*"(E) to establish wellness and fitness programs for firefighting personnel to ensure that the firefighting personnel can carry out their duties;*

*"(F) to fund emergency medical services provided by fire departments;*

*"(G) to acquire additional firefighting vehicles, including fire trucks;*

*"(H) to acquire additional firefighting equipment, including equipment for communications and monitoring;*

*"(I) to acquire personal protective equipment required for firefighting personnel by the Occupational Safety and Health Administration, and other personal protective equipment for firefighting personnel;*

*"(J) to modify fire stations, fire training facilities, and other facilities to protect the health and safety of firefighting personnel;*

*"(K) to enforce fire codes;*

*"(L) to fund fire prevention programs; or*

*"(M) to educate the public about arson prevention and detection.*

*"(4) FIRE PREVENTION PROGRAMS.—*

*"(A) IN GENERAL.—For each fiscal year, the Director shall use not less than 10 percent of the funds made available under subsection (c)—*

*"(i) to make grants to fire departments for the purpose described in paragraph (3)(L); and*

*"(ii) to make grants to, or enter into contracts or cooperative agreements with, national, State, local, or community organizations that are recognized for their experience and expertise with respect to fire prevention or fire safety programs and activities, for the purpose of carrying out fire prevention programs.*

*"(B) PRIORITY.—In selecting organizations described in subparagraph (A)(ii) to receive assistance under this paragraph, the Director shall give priority to organizations that focus on prevention of injuries to children from fire.*

*"(5) APPLICATION.—The Director may provide assistance to a fire department or organization under this subsection only if the fire department or organization seeking the assistance submits to the Director an application in such form and containing such information as the Director may require.*

*"(6) MATCHING REQUIREMENT.—The Director may provide assistance under this subsection only if the applicant for the assistance agrees to match with an equal amount of non-Federal funds 10 percent of the assistance received under this subsection for any fiscal year.*

*"(7) MAINTENANCE OF EXPENDITURES—The Director may provide assistance under this subsection only if the applicant for the assistance agrees to maintain in the fiscal year for which the assistance will be received the applicant's aggregate expenditures for the uses described in paragraph (3) or (4) at or above the average level of such expenditures in the 2 fiscal years preceding the fiscal year for which the assistance will be received.*

*"(8) REPORT TO THE DIRECTOR.—The Director may provide assistance under this subsection only if the applicant for the assistance agrees to submit to the Director a report, including a description of how the assistance was used, with respect to each fiscal year for which the assistance was received.*

*"(9) VARIETY OF FIRE DEPARTMENT GRANT RECIPIENTS.—The Director shall ensure that grants under paragraph (1)(A) for a fiscal year are made to a variety of fire departments, including, to the extent that there are eligible applicants—*

*"(A) paid, volunteer, and combination fire departments;*

*"(B) fire departments located in communities of varying sizes; and*

*"(C) fire departments located in urban, suburban, and rural communities.*

*"(10) LIMITATION ON EXPENDITURES FOR FIREFIGHTING VEHICLES.—The Director shall ensure that not more than 25 percent of the assistance made available under this subsection for a fiscal year is used for the use described in paragraph (3)(G).*

*"(c) AUTHORIZATION OF APPROPRIATIONS.—*

*"(1) IN GENERAL.—There are authorized to be appropriated to the Director—*

*"(A) $100,000,000 for fiscal year 2001;*

*"(B) $200,000,000 for fiscal year 2002;*

*"(C) $400,000,000 for fiscal year 2003;*

*"(D) $600,000,000 for fiscal year 2004;*

*"(E) $800,000,000 for fiscal year 2005; and*

*"(F) $1,000,000,000 for fiscal year 2006.*

*"(2) LIMITATION ON ADMINISTRATIVE COSTS.—Of the amounts made available under paragraph (1) for a fiscal year, the Director may use not more than 10 percent for the administrative costs of carrying out this section.".*

### ***SEC. 1073. BREAST CANCER STAMP EXTENSION.***

*Section 414(g) of title 39, United States Code, is amended by striking "2-year" and inserting "4-year".*

### ***SEC. 1074. PERSONNEL SECURITY POLICIES.***

*No officer or employee of the Department of Defense or any contractor thereof, and no member of the Armed Forces shall be granted a security clearance if that person—*

*(1) has been convicted in any court within the United States of a crime and sentenced to imprisonment for a term exceeding 1 year;*

*(2) is an unlawful user of or addicted to any controlled substance (as defined in section 102 of the Controlled Substances Act);*

*(3) is currently mentally incompetent; or*

*(4) has been discharged from the Armed Forces under dishonorable conditions.*

### ***SEC. 1075. ADDITIONAL MATTERS FOR ANNUAL REPORT ON TRANSFERS OF MILITARILY SENSITIVE TECHNOLOGY TO COUNTRIES AND ENTITIES OF CONCERN.***

*Section 1402(b) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 798) is amended by adding at the end the following:*

*"(4) The status of the implementation or other disposition of recommendations included in reports of audits by Inspectors General that have been set forth in previous annual reports under this section.".*

### ***SEC. 1076. NATIONAL SECURITY IMPLICATIONS OF UNITED STATES-CHINA TRADE RELATIONSHIP.***

*(a) IN GENERAL.—*

*(1) NAME OF COMMISSION.—Section 127(c)(1) of the Trade Deficit Review Commission Act (19 U.S.C. 2213 note) is amended by striking "Trade Deficit Review Commission" and inserting "United States-China Security Review Commission".*

*(2) QUALIFICATIONS OF MEMBERS.—Section 127(c)(3)(B)(i)(I) of such Act (19 U.S.C. 2213 note) is amended by inserting "national security matters and United States-China relations," after "expertise in".*

*(3) PERIOD OF APPOINTMENT.—Section 127(c)(3)(A) of such Act (19 U.S.C. 2213 note) is amended to read as follows:*

*"(A) IN GENERAL.—*

*"(i) APPOINTMENT BEGINNING WITH 107th CONGRESS.—Beginning with the 107th Congress and each new Congress thereafter, members shall be appointed not later than 30 days after the date on which Congress convenes. Members may be reappointed for additional terms of service.*

*"(ii) TRANSITION.—Members serving on the Commission shall continue to serve until such time as new members are appointed.".*

*(b) PURPOSE.—Section 127(k) of the Trade Deficit Review Commission Act (19 U.S.C. 2213 note) is amended to read as follows:*

*"(k) UNITED STATES-CHINA NATIONAL SECURITY IMPLICATIONS.—*

*"(1) IN GENERAL.—Upon submission of the report described in subsection (e), the Commission shall—*

*"(A) wind up the functions of the Trade Deficit Review Commission; and*

*"(B) monitor, investigate, and report to Congress on the national security implications of the bilateral trade and economic relationship between the United States and the People's Republic of China.*

*"(2) ANNUAL REPORT.—Not later than March 1, 2002, and annually thereafter, the Commission shall submit a report to Congress, in both*

*unclassified and classified form, regarding the national security implications and impact of the bilateral trade and economic relationship between the United States and the People's Republic of China. The report shall include a full analysis, along with conclusions and recommendations for legislative and administrative actions, of the national security implications for the United States of the trade and current balances with the People's Republic of China in goods and services, financial transactions, and technology transfers. The Commission shall also take into account patterns of trade and transfers through third countries to the extent practicable.*

*"(3) CONTENTS OF REPORT.—The report described in paragraph (2) shall include, at a minimum, a full discussion of the following:*

*"(A) The portion of trade in goods and services with the United States that the People's Republic of China dedicates to military systems or systems of a dual nature that could be used for military purposes.*

*"(B) The acquisition by the Government of the People's Republic of China and entities controlled by the Government of advanced military technologies through United States trade and technology transfers.*

*"(C) Any transfers, other than those identified under subparagraph (B), to the military systems of the People's Republic of China made by United States firms and United States-based multinational corporations.*

*"(D) An analysis of the statements and writing of the People's Republic of China officials and officially-sanctioned writings that bear on the intentions of the Government of the People's Republic of China regarding the pursuit of military competition with, and leverage over, the United States and the Asian allies of the United States.*

*"(E) The military actions taken by the Government of the People's Republic of China during the preceding year that bear on the national security of the United States and the regional stability of the Asian allies of the United States.*

*"(F) The effects to the national security interests of the United States of the use by the People's Republic of China of financial transactions, capital flow, and currency manipulations.*

*"(G) Any action taken by the Government of the People's Republic of China in the context of the World Trade Organization that is adverse to the United States national security interests.*

*"(H) Patterns of trade and investment between the People's Republic of China and its major trading partners, other than the United States, that appear to be substantively different from trade and investment patterns with the United States and whether the differences constitute a security problem for the United States.*

*"(I) The extent to which the trade surplus of the People's Republic of China with the United States enhances the military budget of the People's Republic of China.*

*"(J) An overall assessment of the state of the security challenges presented by the People's Republic of China to the United States and whether the security challenges are increasing or decreasing from previous years.*

*"(4) RECOMMENDATIONS OF REPORT.—The report described in paragraph (2) shall include recommendations for action by Congress or the President, or both, including specific recommendations for the United States to invoke Article XXI (relating to security exceptions) of the General Agreement on Tariffs and Trade 1994 with respect to the People's Republic of China, as a result of any adverse impact on the national security interests of the United States.".*

*(c) CONFORMING AMENDMENTS.—*

*(1) HEARINGS.—Section 127(f)(1) of such Act (19 U.S.C. 2213 note) is amended to read as follows:*

*"(1) HEARINGS.—*

*"(A) IN GENERAL.—The Commission or, at its direction, any panel or member of the Commission, may for the purpose of carrying out the provisions of this Act, hold hearings, sit and act at times and places, take testimony, receive evidence, and administer oaths to the extent that the Commission or any panel or member considers advisable.*

*"(B) INFORMATION.—The Commission may secure directly from the Department of Defense, the Central Intelligence Agency, and any other Federal department or agency information that the Commission considers necessary to enable the Commission to carry out its responsibilities under this Act, except the provision of intelligence information to the Commission shall be made with due regard for the protection from unauthorized disclosure of classified information relating to sensitive intelligence sources and methods or other exceptionally sensitive matters, under procedures approved by the Director of Central Intelligence.*

*"(C) SECURITY.—The Office of Senate Security shall—*

*"(i) provide classified storage and meeting and hearing spaces, when necessary, for the Commission; and*

*"(ii) assist members and staff of the Commission in obtaining security clearances.*

*"(D) SECURITY CLEARANCES.—All members of the Commission and appropriate staff shall be sworn and hold appropriate security clearances.".*

*(2) CHAIRMAN.—*

*(A) Section 127(c)(6) of such Act (19 U.S.C. 2213 note) is amended by striking "Chairperson" and inserting "Chairman".*

*(B) Section 127(g) of such Act (19 U.S.C. 2213 note) is amended by striking "Chairperson" each place it appears and inserting "Chairman".*

*(3) CHAIRMAN AND VICE CHAIRMAN.—Section 127(c)(7) of such Act (19 U.S.C. 2213 note) is amended—*

*(A) by striking "CHAIRPERSON AND VICE CHAIRPERSON" in the heading and inserting "CHAIRMAN AND VICE CHAIRMAN";*

*(B) by striking "chairperson" and "vice chairperson" in the text and inserting "Chairman" and "Vice Chairman"; and*

*(C) by inserting "at the beginning of each new Congress" before the end period.*

*(d) APPROPRIATIONS.—Section 127(i) of such Act (19 U.S.C. 2213 note) is amended to read as follows:*

*"(i) AUTHORIZATION.—*

*"(1) IN GENERAL.—There are authorized to be appropriated to the Commission for fiscal year 2001, and each fiscal year thereafter, such sums as may be necessary to enable it to carry out its functions. Appropriations to the Commission are authorized to remain available until expended. Unobligated balances of appropriations made to the Trade Deficit Review Commission before the effective date of this subsection shall remain available to the Commission on and after such date.*

*"(2) FOREIGN TRAVEL FOR OFFICIAL PURPOSES.—Foreign travel for official purposes by members and staff of the Commission may be authorized by either the Chairman or the Vice Chairman.".*

*(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on the first day of the 107th Congress.*

**SEC. 1077. SECRECY POLICIES AND WORKER HEALTH.**

*(a) REVIEW OF SECRECY POLICIES.—The Secretary of Defense in consultation with the Secretary of Energy shall review classification and security policies and, within appropriate national security constraints, ensure that such policies do not prevent or discourage employees at former nuclear weapons facilities who may have been exposed to radioactive or other hazardous substances associated with nuclear weapons from discussing such exposures with appropriate health care providers and with other appropriate officials. The policies reviewed should include the policy to neither confirm nor deny the presence of nuclear weapons as it is applied to former United States nuclear weapons facilities that no longer contain nuclear weapons or materials.*

*(b) NOTIFICATION OF AFFECTED EMPLOYEES.—(1) The Secretary of Defense in consultation with the Secretary of Energy shall seek to identify individuals who are or were employed at Department of Defense sites that no longer store, assemble, disassemble, or maintain nuclear weapons.*

*(2) Upon determination that such employees may have been exposed to radioactive or hazardous substances associated with nuclear weapons at such sites, such employees shall be notified of any such exposures to radiation, or hazardous substances associated with nuclear weapons.*

*(3) Such notification shall include an explanation of how such employees can discuss any such exposures with health care providers who do not possess security clearances without violating security or classification procedures or, if necessary, provide guidance to facilitate the ability of such individuals to contact health care providers with appropriate security clearances or discuss such exposures with other officials who are determined by the Secretary of Defense to be appropriate.*

*(c) The Secretary of Defense in consultation with the Secretary of Energy shall, no later than May 1, 2001, submit a report to the Congressional Defense Committees setting forth—*

*(1) the results of the review in paragraph (a) including any changes made or recommendations for legislation; and*

*(2) the status of the notification in paragraph (b) and an anticipated date on which such notification will be completed.*

## TITLE XI—DEPARTMENT OF DEFENSE CIVILIAN PERSONNEL POLICY

**SEC. 1101. COMPUTER/ELECTRONIC ACCOMMODATIONS PROGRAM.**

*(a) AUTHORITY TO EXPAND PROGRAM.—(1) Chapter 81 of title 10, United States Code, is amended by inserting after section 1581 the following:*

**"§ 1582. Assistive technology, assistive technology devices, and assistive technology services**

*"(a) AUTHORITY.—The Secretary of Defense may provide assistive technology, assistive technology devices, and assistive technology services to the following:*

*"(1) Department of Defense employees with disabilities.*

*"(2) Organizations within the department that have requirements to make programs or facilities accessible to and usable by persons with disabilities.*

*"(3) Any other department or agency of the Federal Government, upon the request of the head of that department or agency, for its employees with disabilities or for satisfying a requirement to make its programs or facilities accessible to and usable by persons with disabilities.*

*"(b) DEFINITIONS.—In this section, the terms 'assistive technology', 'assistive technology device', 'assistive technology service', and 'disability' have the meanings given the terms in section 3 of the Assistive Technology Act of 1998 (29 U.S.C. 3002).".*

*(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1581 the following:*

*"1582. Assistive technology, assistive technology devices, and assistive technology services.".*

*(b) Funding.—Of the amount authorized to be appropriated under section 301(5) for operation and maintenance for Defense-wide activities, not more than $2,000,000 is available for the purpose of expanding and administering the Computer/Electronic Accommodation Program of the Department of Defense to provide under section 1582 of title 10, United States Code (as added by subsection (a)), the technology, devices, and services described in that section.*

### SEC. 1102. ADDITIONAL SPECIAL PAY FOR FOREIGN LANGUAGE PROFICIENCY BENEFICIAL FOR UNITED STATES NATIONAL SECURITY INTERESTS.

*(a) In General.—Chapter 81 of title 10, United States Code, is amended by inserting after section 1596 the following new section:*

**"§1596a. Foreign language proficiency: special pay for proficiency beneficial for other national security interests**

*"(a) Authority.—The Secretary of Defense may pay special pay under this section to an employee of the Department of Defense who—*

*"(1) has been certified by the Secretary to be proficient in a foreign language identified by the Secretary as being a language in which proficiency by civilian personnel of the department is necessary because of national security interests;*

*"(2) is assigned duties requiring proficiency in that foreign language; and*

*"(3) is not receiving special pay under section 1596 of this title.*

*"(b) Rate.—The rate of special pay for an employee under this section shall be prescribed by the Secretary, but may not exceed five percent of the employee's rate of basic pay.*

*"(c) Relationship to Other Pay and Allowances.—Special pay under this section is in addition to any other pay or allowances to which the employee is entitled.*

*"(d) Regulations.—The Secretary of Defense shall prescribe regulations to carry out this section.".*

*(b) Amendment To Distinguish Other Foreign Language Proficiency Special Pay.—The heading for section 1596 of title 10, United States Code, is amended to read as follows:*

**"§1596. Foreign language proficiency: special pay for proficiency beneficial for intelligence interests".**

*(c) Clerical Amendment.—The table of sections at the beginning of chapter 81 of such title is amended by striking the item relating to section 1596 and inserting the following:*

*"1596. Foreign language proficiency: special pay for proficiency beneficial for intelligence interests.*

*"1596a. Foreign language proficiency: special pay for proficiency beneficial for other national security interests.".*

### SEC. 1103. INCREASED NUMBER OF POSITIONS AUTHORIZED FOR THE DEFENSE INTELLIGENCE SENIOR EXECUTIVE SERVICE.

*Section 1606(a) of title 10, United States Code, is amended by striking "492" and inserting "517".*

### SEC. 1104. EXTENSION OF AUTHORITY FOR TUITION REIMBURSEMENT AND TRAINING FOR CIVILIAN EMPLOYEES IN THE DEFENSE ACQUISITION WORKFORCE.

*Section 1745(a) of title 10, United States Code, is amended by striking "September 30, 2001" in the second sentence and inserting "September 30, 2010".*

### SEC. 1105. WORK SAFETY DEMONSTRATION PROGRAM.

*(a) Establishment.—The Secretary of Defense shall carry out a defense employees work safety demonstration program.*

*(b) Private Sector Work Safety Models.—Under the demonstration program, the Secretary shall—*

*(1) adopt for use in the workplace of employees of the Department of Defense such work safety models used by employers in the private sector that the Secretary considers as being representative of the best work safety practices in use by private sector employers; and*

*(2) determine whether the use of those practices in the Department of Defense improves the work safety record of Department of Defense employees.*

*(c) Sites.—(1) The Secretary shall carry out the demonstration program—*

*(A) at not fewer than two installations of each of the Armed Forces (other than the Coast Guard), for employees of the military department concerned; and*

*(B) in at least two Defense Agencies (as defined in section 101(a)(11) of title 10, United States Code).*

*(2) The Secretary shall select the installations and Defense Agencies from among the installations and Defense Agencies listed in the Federal Worker 2000 Presidential Initiative.*

*(d) Period for Program.—The demonstration program shall begin not later than 180 days after the date of the enactment of this Act and shall terminate on September 30, 2002.*

*(e) Reports.—(1) The Secretary of Defense shall submit an interim report on the demonstration program to the Committees on Armed Services of the Senate and the House of Representatives not later than December 1, 2001. The interim report shall contain, at a minimum, for each site of the demonstration program the following:*

*(A) A baseline assessment of the lost workday injury rate.*

*(B) A comparison of the lost workday injury rate for fiscal year 2000 with the lost workday injury rate for fiscal year 1999.*

*(C) The direct and indirect costs associated with all lost workday injuries.*

*(2) The Secretary of Defense shall submit a final report on the demonstration program to the Committees on Armed Services of the Senate and the House of Representatives not later than December 1, 2002. The final report shall contain, at a minimum, for each site of the demonstration program the following:*

*(A) The Secretary's determination on the issue stated in subsection (b)(2).*

*(B) A comparison of the lost workday injury rate under the program with the baseline assessment of the lost workday injury rate.*

*(C) The lost workday injury rate for fiscal year 2002.*

*(D) A comparison of the direct and indirect costs associated with all lost workday injuries for fiscal year 2002 with the direct and indirect costs associated with all lost workday injuries for fiscal year 2001.*

*(f) Funding.—Of the amount authorized to be appropriated under section 301(5), $5,000,000 shall be available for the demonstration program under this section.*

### SEC. 1106. EMPLOYMENT AND COMPENSATION OF EMPLOYEES FOR TEMPORARY ORGANIZATIONS ESTABLISHED BY LAW OR EXECUTIVE ORDER.

*(a) In General.—Chapter 31 of title 5, United States Code, is amended by adding at the end the following new subchapter:*

*"SUBCHAPTER IV—TEMPORARY ORGANIZATIONS ESTABLISHED BY LAW OR EXECUTIVE ORDER*

**"§3161. Employment and compensation of employees**

*"(a) Definition of Temporary Organization.—For the purposes of this subchapter, the term 'temporary organization' means a commission, committee, board, or other organization that—*

*"(1) is established by law or Executive order for a specific period not in excess of 3 years for the purpose of performing a specific study or other project; and*

*"(2) is terminated upon the completion of the study or project or upon the occurrence of a condition related to the completion of the study or project.*

*"(b) Employment Authority.—(1) Notwithstanding the provisions of chapter 51 of this title, the head of an Executive agency may appoint persons to positions of employment in a temporary organization in such numbers and with such skills as are necessary for the performance of the functions required of a temporary organization.*

*"(2) The period of an appointment under paragraph (1) may not exceed three years, except that under regulations prescribed by the Office of Personnel Management the period of appointment may be extended for up to an additional two years.*

*"(3) The positions of employment in a temporary organization are in the excepted service of the civil service.*

*"(c) Detail Authority.—Upon the request of the head of a temporary organization, the head of any department or agency of the Government may detail, on a nonreimbursable basis, any personnel of the department or agency to that organization to assist in carrying out its duties.*

*"(d) Compensation.—(1) The rate of basic pay for an employee appointed under subsection (b) shall be established under regulations prescribed by the Office of Personnel Management without regard to the provisions of chapter 51 and subchapter III of chapter 53 of this title.*

*"(2) The rate of basic pay for the chairman, a member, an executive director, a staff director, or another executive level position of a temporary organization may not exceed the maximum rate of basic pay established for the Senior Executive Service under section 5382 of this title.*

*"(3) Except as provided in paragraph (4), the rate of basic pay for other positions in a temporary organization may not exceed the maximum rate of basic pay for grade GS–15 of the General Schedule under section 5332 of this title.*

*"(4) The rate of basic pay for a senior staff position of a temporary organization may, in a case determined by the head of the temporary organization as exceptional, exceed the maximum rate of basic pay authorized under paragraph (3), but may not exceed the maximum rate of basic pay authorized for an executive level position under paragraph (2).*

*"(5) In this subsection, the term 'basic pay' includes locality pay provided for under section 5304 of this title.*

*"(e) Travel Expenses.—An employee of a temporary organization, whether employed on a full-time or part-time basis, may be allowed travel and transportation expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of this title, while traveling away from the employee's regular place of business in the performance of services for the temporary organization.*

*"(f) Benefits.—(1) An employee appointed under subsection (b) shall be afforded the same benefits and entitlements as are provided other employees under subpart G of part III of this*

*title, except that a full-time employee shall be eligible for life insurance under chapter 87 of this title and health benefits under chapter 89 of this title immediately upon appointment to the position of full-time employment without regard to the duration of the temporary organization or of the appointment to that position of the temporary organization.*

*"(2) Until an employee of a temporary organization has completed one year of continuous service in the civil service, there shall be withheld from the employee's pay the following:*

*"(A) In the case of an employee insured pursuant to paragraph (1) by an insurance policy purchased by the Office under chapter 87 of this title, the amount equal to the amount of the Government contribution under section 8708 of this title, as well as the amount required to be withheld from the pay of the employee under section 8707 of this title, all of which shall be deposited in the Treasury of the United States to the credit of the Employees' Life Insurance Fund referred to in section 8714 of this title.*

*"(B) In the case of an employee participating pursuant to paragraph (1) in a Federal Employees Health Benefits plan under chapter 89 of this title, the amount equal to the amount of the Government contribution under section 8906 of this title, as well as the amount required to be withheld from the pay of the employee under section 8906 of this title, all of which shall be paid into the Employees Health Benefits Fund referred to in section 8909 of this title.*

*"(3) No contribution shall be made by the United States for an employee under section 8708 or 8906 of this title for any period for which subparagraph (A) or (B), respectively, of paragraph (2) applies to the employee.*

*"(g) Return Rights.—An employee serving under a career or career conditional appointment or the equivalent in an agency who transfers to or converts to an appointment in a temporary organization with the consent of the head of the agency is entitled to be returned to the employee's former position or a position of like seniority, status, and pay without grade or pay retention in the agency if the employee—*

*"(1) is being separated from the temporary organization for reasons other than misconduct, neglect of duty, or malfeasance; and*

*"(2) applies for return not later than 30 days before the earlier of—*

*"(A) the date of the termination of the employment in the temporary organization; or*

*"(B) the date of the termination of the temporary organization.*

*"(h) Temporary and Intermittent Services.—The head of a temporary organization may procure for the organization temporary and intermittent services under section 3109(b) of this title.*

*"(i) Acceptance of Volunteer Services.—(1) The head of a temporary organization may accept volunteer services appropriate to the duties of the organization without regard to section 1342 of title 31.*

*"(2) Donors of voluntary services accepted for a temporary organization under this subsection may include the following:*

*"(A) Advisors.*

*"(B) Experts.*

*"(C) Members of the commission, committee, board, or other temporary organization, as the case may be.*

*"(D) A person performing services in any other capacity determined appropriate by the head of the temporary organization.*

*"(3) The head of the temporary organization—*

*"(A) shall ensure that each person performing voluntary services accepted under this subsection is notified of the scope of the voluntary services accepted;*

*"(B) shall supervise the volunteer to the same extent as employees receiving compensation for similar services; and*

*"(C) shall ensure that the volunteer has appropriate credentials or is otherwise qualified to perform in each capacity for which the volunteer's services are accepted.*

*"(4) A person providing volunteer services accepted under this subsection shall be considered an employee of the Federal Government in the performance of those services for the purposes of the following provisions of law:*

*"(A) Chapter 81 of this title, relating to compensation for work-related injuries.*

*"(B) Chapter 171 of title 28, relating to tort claims.*

*"(C) Chapter 11 of title 18, relating to conflicts of interest.".*

*(b) Clerical Amendment.—The table of sections at the beginning of such chapter is amended by adding at the end the following:*

*"SUBCHAPTER IV—TEMPORARY ORGANIZATIONS ESTABLISHED BY LAW OR EXECUTIVE ORDER*

*"Sec.*

*"3161. Employment and compensation of employees.".*

### ***SEC. 1107. EXTENSION OF AUTHORITY FOR VOLUNTARY SEPARATIONS IN REDUCTIONS IN FORCE.***

*Section 3502(f)(5) of title 5, United States Code, is amended by striking "September 30, 2001" and inserting "September 30, 2005".*

### ***SEC. 1108. ELECTRONIC MAINTENANCE OF PERFORMANCE APPRAISAL SYSTEMS.***

*Section 4302 of title 5, United States Code, is amended by adding at the end the following:*

*"(c) The head of an agency may administer and maintain its performance appraisal systems electronically in accordance with regulations which the Office shall prescribe.".*

### ***SEC. 1109. APPROVAL AUTHORITY FOR CASH AWARDS IN EXCESS OF $10,000.***

*Section 4502 of title 5, United States Code, is amended by adding at the end the following:*

*"(f) The Secretary of Defense may grant a cash award under subsection (b) of this section without regard to the requirements for certification and approval provided in that subsection.".*

### ***SEC. 1110. LEAVE FOR CREWS OF CERTAIN VESSELS.***

*Section 6305(c)(2) of title 5, United States Code, is amended to read as follows:*

*"(2) may not be made the basis for a lump-sum payment, except that civil service mariners of the Military Sealift Command on temporary promotion aboard ship may be paid the difference between their temporary and permanent rates of pay for leave accrued and not otherwise used during the temporary promotion upon the expiration or termination of the temporary promotion; and".*

### ***SEC. 1111. LIFE INSURANCE FOR EMERGENCY ESSENTIAL DEPARTMENT OF DEFENSE EMPLOYEES.***

*Section 8702 of title 5, United States Code, is amended by adding at the end the following new subsection:*

*"(c) Notwithstanding a notice previously given under subsection (b), an employee of the Department of Defense who is designated as an emergency essential employee under section 1580 of title 10 shall be insured if the employee, within 60 days after the date of the designation, elects to be insured under a policy of insurance under this chapter. An election under the preceding sentence shall be effective when provided to the Office in writing, in the form prescribed by the Office, within such 60-day period.".*

### ***SEC. 1112. CIVILIAN PERSONNEL SERVICES PUBLIC-PRIVATE COMPETITION PILOT PROGRAM.***

*(a) Program Required.—The Secretary of Defense shall establish a pilot program to assess the extent to which the effectiveness and efficiency of the performance of civilian personnel services for the Department of Defense could be increased by conducting competitions for the performance of such services between the public and private sectors. The pilot program under this section shall be known as the "Civilian Personnel Services Public-Private Competition Program".*

*(b) Civilian Personnel Regions To Be Included.—(1) The pilot program shall be carried out in four civilian personnel regions, as follows:*

*(A) In one region, for the civilian personnel services for the Department of the Army.*

*(B) In two regions, for the civilian personnel services for the Department of the Navy.*

*(C) In one region, for the civilian personnel services for any military department or for any organization within the Department of Defense that is not within a military department.*

*(2) The Secretary shall designate the regions to participate in the pilot program. The Secretary shall select the regions for designation from among the regions where the conduct of civilian personnel operations are most conducive to public-private competition. In making the selections, the Secretary shall consult with the Secretary of the Army, the Secretary of the Navy, and the Director of Washington Headquarters Services.*

*(c) Right of First Refusal for Displace Federal Employees.—The Secretary of Defense shall take the actions necessary to ensure that, in the case of a conversion to private sector performance under the pilot program, employees of the United States who are displaced by the conversion have the right of first refusal for jobs for which they are qualified that are created by the conversion.*

*(d) Duration and Coverage of the Program.—The pilot program shall be carried out during the period beginning on October 1, 2000, and ending on December 31, 2004.*

*(e) Authority To Expand Program.—The Secretary may expand the pilot program to include other regions.*

*(f) Report.—Not later than February 1, 2005, the Secretary shall submit a report on the pilot program to the Committees on Armed Services of the Senate and the House of Representatives. The report shall include the following:*

*(1) The Secretary's assessment of the value of the actions taken in the administration of the pilot program for increasing the effectiveness and efficiency of the performance of civilian personnel services for the Department of Defense in the regions covered by the pilot program, as compared to the performance of civilian personnel services for the department in regions not included in the pilot program.*

*(2) Any recommendations for legislation or other action that the Secretary considers appropriate to increase the effectiveness and efficiency of the performance of civilian personnel services for the Department of Defense in all regions.*

### ***SEC. 1113. EXTENSION, EXPANSION, AND REVISION OF AUTHORITY FOR EXPERIMENTAL PERSONNEL PROGRAM FOR SCIENTIFIC AND TECHNICAL PERSONNEL.***

*(a) Extension of Program.—Section 1101 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 2139; 5 U.S.C. 3104 note) is amended—*

*(1) in subsection (a), by striking "the 5-year period beginning on the date of the enactment of this Act" and inserting "the program period specified in subsection (e)(1)";*

*(2) in subsection (e), by striking paragraph (1) and inserting the following:*

*"(1) The period for carrying out the program authorized under this section begins on October 17, 1998, and ends on October 16, 2005."; and*

(3) in subsection (f), by striking "on the day before the termination of the program" and inserting "on the last day of the program period specified in subsection (e)(1)".

(b) EXPANSION OF SCOPE.—Subsection (a) of such section, as amended by subsection (a)(1) of this section, is further amended by inserting before the period at the end the following: "and research and development projects administered by laboratories designated for the program by the Secretary from among the laboratories of each of the military departments".

(c) LIMITATION ON NUMBER OF APPOINTMENTS.—Subsection (b)(1) of such section is amended to read as follows:

"(1) without regard to any provision of title 5, United States Code, governing the appointment of employees in the civil service, appoint scientists and engineers from outside the civil service and uniformed services (as such terms are defined in section 2101 of such title) to—

"(A) not more than 40 scientific and engineering positions in the Defense Advanced Research Projects Agency;

"(B) not more than 40 scientific and engineering positions in the designated laboratories of each of the military services; and

"(C) not more than a total of 10 scientific and engineering positions in the National Imagery and Mapping Agency and the National Security Agency.".

(d) RATES OF PAY FOR APPOINTEES.—Subsection (b)(2) of such section is amended by inserting after "United States Code," the following: "as increased by locality-based comparability payments under section 5304 of such title,".

(e) COMMENSURATE EXTENSION OF REQUIREMENT FOR ANNUAL REPORT.—Subsection (g) of such section is amended by striking "2004" and inserting "2006".

(f) AMENDMENT OF SECTION HEADING.—The heading for such section is amended to read as follows:

**"SEC. 1101. EXPERIMENTAL PERSONNEL PROGRAM FOR SCIENTIFIC AND TECHNICAL PERSONNEL.".**

### SEC. 1114. CLARIFICATION OF PERSONNEL MANAGEMENT AUTHORITY UNDER A PERSONNEL DEMONSTRATION PROJECT.

Section 342(b) of the National Defense Authorization Act for Fiscal Year 1995 is amended—

(1) by striking the last sentence of paragraph (4); and

(2) by adding at the end the following:

"(5) The employees of a laboratory covered by a personnel demonstration project under this section shall be managed by the director of the laboratory subject to the supervision of the Under Secretary of Defense for Acquisition, Technology, and Logistics. Notwithstanding any other provision of law, the director of the laboratory is authorized to appoint individuals to positions in the laboratory, and to fix the compensation of such individuals for service in those positions, under the demonstration project without the review or approval of any official or agency other than the Under Secretary.".

### SEC. 1115. EXTENSION OF AUTHORITY FOR VOLUNTARY SEPARATIONS IN REDUCTIONS IN FORCE.

Section 3502(f)(5) of title 5, United States Code, is amended by striking "September 30, 2001" and inserting "September 30, 2005".

### SEC. 1116. EXTENSION, REVISION, AND EXPANSION OF AUTHORITIES FOR USE OF VOLUNTARY SEPARATION INCENTIVE PAY AND VOLUNTARY EARLY RETIREMENT.

(a) EXTENSION OF AUTHORITY.—Subsection (e) of section 5597 of title 5, United States Code, is amended by striking "September 30, 2003" and inserting "September 30, 2005".

(b) REVISION AND ADDITION OF PURPOSES FOR DEPARTMENT OF DEFENSE VSIP.—Subsection (b) of such section is amended by inserting after "transfer of function," the following: "restructuring of the workforce (to meet mission needs, achieve one or more strength reductions, correct skill imbalances, or reduce the number of high-grade, managerial, or supervisory positions in accordance with the strategic plan required under section 1118 of the National Defense Authorization Act for Fiscal Year 2001),".

(c) ELIGIBILITY.—Subsection (c) of such section is amended—

(1) in paragraph (2), by inserting "objective and nonpersonal" after "similar"; and

(2) by adding at the end the following:

"A determination of which employees are within the scope of an offer of separation pay shall be made only on the basis of consistent and well-documented application of the relevant criteria.".

(d) INSTALLMENT PAYMENTS.—Subsection (d) of such section is amended—

(1) by striking paragraph (1) and inserting the following:

"(1) shall be paid in a lump-sum or in installments;";

(2) by striking "and" at the end of paragraph (3);

(3) by striking the period at the end of paragraph (4) and inserting "; and"; and

(4) by adding at the end the following:

"(5) if paid in installments, shall cease to be paid upon the recipient's acceptance of employment by the Federal Government, or commencement of work under a personal services contract, as described in subsection (g)(1).".

(e) APPLICABILITY OF REPAYMENT REQUIREMENT TO REEMPLOYMENT UNDER PERSONAL SERVICES CONTRACTS.—Subsection (g)(1) of such section is amended by inserting after "employment with the Government of the United States" the following: ", or who commences work for an agency of the United States through a personal services contract with the United States,".

### SEC. 1117. DEPARTMENT OF DEFENSE EMPLOYEE VOLUNTARY EARLY RETIREMENT AUTHORITY.

(a) CIVIL SERVICE RETIREMENT SYSTEM.—Section 8336 of title 5, United States Code, is amended—

(1) in subsection (d)(2), by inserting "except in the case of an employee described in subsection (o)(1)," after "(2)"; and

(2) by adding at the end the following:

"(o)(1) An employee of the Department of Defense who, before October 1, 2005, is separated from the service after completing 25 years of service or after becoming 50 years of age and completing 20 years of service is entitled to an immediate annuity under this subchapter if the employee is eligible for the annuity under paragraph (2) or (3).

"(2)(A) An employee referred to in paragraph (1) is eligible for an immediate annuity under this paragraph if the employee—

"(i) is separated from the service involuntarily other than for cause; and

"(ii) has not declined a reasonable offer of another position in the Department of Defense for which the employee is qualified, which is not lower than 2 grades (or pay levels) below the employee's grade (or pay level), and which is within the employee's commuting area.

"(B) For the purposes of paragraph (2)(A)(i), a separation for failure to accept a directed reassignment to a position outside the commuting area of the employee concerned or to accompany a position outside of such area pursuant to a transfer of function may not be considered to be a removal for cause.

"(3) An employee referred to in paragraph (1) is eligible for an immediate annuity under this paragraph if the employee satisfies all of the following conditions:

"(A) The employee is separated from the service voluntarily during a period in which the organization within the Department of Defense in which the employee is serving is undergoing a major organizational adjustment.

"(B) The employee has been employed continuously by the Department of Defense for more than 30 days before the date on which the head of the employee's organization requests the determinations required under subparagraph (A).

"(C) The employee is serving under an appointment that is not limited by time.

"(D) The employee is not in receipt of a decision notice of involuntary separation for misconduct or unacceptable performance.

"(E) The employee is within the scope of an offer of voluntary early retirement, as defined on the basis of one or more of the following objective criteria:

"(i) One or more organizational units.

"(ii) One or more occupational groups, series, or levels.

"(iii) One or more geographical locations.

"(iv) Any other similar objective and nonpersonal criteria that the Office of Personnel Management determines appropriate.

"(4) Under regulations prescribed by the Office of Personnel Management, the determinations of whether an employee meets—

"(A) the requirements of subparagraph (A) of paragraph (3) shall be made by the Office, upon the request of the Secretary of Defense; and

"(B) the requirements of subparagraph (E) of such paragraph shall be made by the Secretary of Defense.

"(5) A determination of which employees are within the scope of an offer of early retirement shall be made only on the basis of consistent and well-documented application of the relevant criteria.

"(6) In this subsection, the term 'major organizational adjustment' means any of the following:

"(A) A major reorganization.

"(B) A major reduction in force.

"(C) A major transfer of function.

"(D) A workforce restructuring—

"(i) to meet mission needs;

"(ii) to achieve one or more reductions in strength;

"(iii) to correct skill imbalances; or

"(iv) to reduce the number of high-grade, managerial, supervisory, or similar positions.".

(b) FEDERAL EMPLOYEES' RETIREMENT SYSTEM.—Section 8414 of such title is amended—

(1) in subsection (b)(1)(B), by inserting "except in the case of an employee described in subsection (d)(1)," after "(B)"; and

(2) by adding at the end the following:

"(d)(1) An employee of the Department of Defense who, before October 1, 2005, is separated from the service after completing 25 years of service or after becoming 50 years of age and completing 20 years of service is entitled to an immediate annuity under this subchapter if the employee is eligible for the annuity under paragraph (2) or (3).

"(2)(A) An employee referred to in paragraph (1) is eligible for an immediate annuity under this paragraph if the employee—

"(i) is separated from the service involuntarily other than for cause; and

"(ii) has not declined a reasonable offer of another position in the Department of Defense for which the employee is qualified, which is not lower than 2 grades (or pay levels) below the employee's grade (or pay level), and which is within the employee's commuting area.

"(B) For the purposes of paragraph (2)(A)(i), a separation for failure to accept a directed reassignment to a position outside the commuting area of the employee concerned or to accompany a position outside of such area pursuant to a transfer of function may not be considered to be a removal for cause.

"(3) An employee referred to in paragraph (1) is eligible for an immediate annuity under this paragraph if the employee satisfies all of the following conditions:

"(A) The employee is separated from the service voluntarily during a period in which the organization within the Department of Defense in which the employee is serving is undergoing a major organizational adjustment.

"(B) The employee has been employed continuously by the Department of Defense for more than 30 days before the date on which the head of the employee's organization requests the determinations required under subparagraph (A).

"(C) The employee is serving under an appointment that is not limited by time.

"(D) The employee is not in receipt of a decision notice of involuntary separation for misconduct or unacceptable performance.

"(E) The employee is within the scope of an offer of voluntary early retirement, as defined on the basis of one or more of the following objective criteria:

"(i) One or more organizational units.

"(ii) One or more occupational groups, series, or levels.

"(iii) One or more geographical locations.

"(iv) Any other similar objective and nonpersonal criteria that the Office of Personnel Management determines appropriate.

"(4) Under regulations prescribed by the Office of Personnel Management, the determinations of whether an employee meets—

"(A) the requirements of subparagraph (A) of paragraph (3) shall be made by the Office upon the request of the Secretary of Defense; and

"(B) the requirements of subparagraph (E) of such paragraph shall be made by the Secretary of Defense.

"(5) A determination of which employees are within the scope of an offer of early retirement shall be made only on the basis of consistent and well-documented application of the relevant criteria.

"(6) In this subsection, the term 'major organizational adjustment' means any of the following:

"(A) A major reorganization.

"(B) A major reduction in force.

"(C) A major transfer of function.

"(D) A workforce restructuring—

"(i) to meet mission needs;

"(ii) to achieve one or more reductions in strength;

"(iii) to correct skill imbalances; or

"(iv) to reduce the number of high-grade, managerial, supervisory, or similar positions.".

(c) Conforming Amendments.—(1) Section 8339(h) of such title is amended by striking out "or (j)" in the first sentence and inserting "(j), or (o)".

(2) Section 8464(a)(1)(A)(i) of such title is amended by striking out "or (b)(1)(B)" and ", (b)(1)(B), or (d)".

(d) Effective Date; Applicability.—The amendments made by this section—

(1) shall take effect on October 1, 2000; and

(2) shall apply with respect to an approval for voluntary early retirement made on or after that date.

### SEC. 1118. RESTRICTIONS ON PAYMENTS FOR ACADEMIC TRAINING.

(a) Sources of Postsecondary Education.—Subsection (a) of section 4107 of title 5, United States Code, is amended—

(1) by striking "or" at the end of paragraph (1);

(2) by striking the period at the end of paragraph (2) and inserting "; or"; and

(3) by adding at the end the following:

"(3) any course of postsecondary education that is administered or conducted by an institution not accredited by a national or regional accrediting body (except in the case of a course or institution for which standards for accrediting do not exist or are determined by the head of the employee's agency as being inappropriate), regardless of whether the course is provided by means of classroom instruction, electronic instruction, or otherwise.".

(b) Waiver of Restriction on Degree Training.—Subsection (b)(1) of such section is amended by striking "if necessary" and all that follows through the end and inserting "if the training provides an opportunity for an employee of the agency to obtain an academic degree pursuant to a planned, systematic, and coordinated program of professional development approved by the head of the agency.".

(c) Conforming and Clerical Amendments.—The heading for such section is amended to read as follows:

**"§4107. Restrictions".**

(3) The item relating to such section in the table of sections at the beginning of chapter 41 of title 5, United States Code, is amended to read as follows:

"4107. Restrictions.".

### SEC. 1119. STRATEGIC PLAN.

(a) Requirement for Plan.—Not later than six months after the date of the enactment of this Act, and before exercising any of the authorities provided or extended by the amendments made by sections 1115 through 1117, the Secretary of Defense shall submit to the appropriate committees of Congress a strategic plan for the exercise of such authorities. The plan shall include an estimate of the number of Department of Defense employees that would be affected by the uses of authorities as described in the plan.

(b) Consistency With DoD Performance and Review Strategic Plan.—The strategic plan submitted under subsection (a) shall be consistent with the strategic plan of the Department of Defense that is in effect under section 306 of title 5, United States Code.

(c) Appropriate Committees.—For the purposes of this section, the appropriate committees of Congress are as follows:

(1) The Committee on Armed Services and the Committee on Governmental Affairs of the Senate.

(2) The Committee on Armed Services and the Committee on Government Reform of the House of Representatives.

## TITLE XII—MATTERS RELATING TO OTHER NATIONS

### SEC. 1201. AUTHORITY TO TRANSFER NAVAL VESSELS TO CERTAIN FOREIGN COUNTRIES.

(a) Authority To Transfer.—

(1) Australia.—The Secretary of the Navy is authorized to transfer to the Government of Australia the "KIDD" class guided missile destroyers KIDD (DDG 993), CALLAGHAN (DDG 994), SCOTT (DDG 995), and CHANDLER (DDG 996). Each such transfer shall be on a combined lease-sale basis under sections 61 and 21 of the Arms Export Control Act (22 U.S.C. 2796 and 2761).

(2) Brazil.—The Secretary of the Navy is authorized to transfer to the Government of Brazil the "THOMASTON" class dock landing ships ALAMO (LSD 33) and HERMITAGE (LSD 34), and the "GARCIA" class frigates BRADLEY (FF 1041), DAVIDSON (FF 1045), SAMPLE (FF 1048) and ALBERT DAVID (FF 1050). Each such transfer shall be on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j).

(3) Chile.—The Secretary of the Navy is authorized to transfer to the Government of Chile the "OLIVER HAZARD PERRY" class guided missile frigates WADSWORTH (FFG 9), and ESTOCIN (FFG 15). Each such transfer shall be on a combined lease-sale basis under sections 61 and 21 of the Arms Export Control Act (22 U.S.C. 2796 and 2761).

(4) Egypt.—The Secretary of the Navy is authorized to transfer to the Government of Egypt the "DIXIE" class destroyer tender YOSEMITE (AD 19). The transfer shall be on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j).

(5) Greece.—The Secretary of the Navy is authorized to transfer to the Government of Greece the "KNOX" class frigates VREELAND (FF 1068) and TRIPPE (FF 1075). Each such transfer shall be on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j).

(6) Turkey.—(A) The Secretary of the Navy is authorized to transfer to the Government of Turkey the "OLIVER HAZARD PERRY" class guided missile frigates JOHN A. MOORE (FFG 19) and FLATLEY (FFG 21). Each transfer under the authority of this subsection shall be on a combined lease-sale basis under sections 61 and 21 of the Arms Export Control Act (22 U.S.C. 2796 and 2761).

(B) The authority provided under subparagraph (A) is in addition to the authority provided under section 1018(a)(9) of Public Law 106–65 (113 Stat. 745) for the Secretary of the Navy to transfer such vessels to the Government of Turkey on a sale basis under section 21 of the Arms Export Control Act (22 U.S.C. 2761).

(b) Grants Not Counted in Annual Total of Transferred Excess Defense Articles.—The value of a vessel transferred to another country on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j) pursuant to authority provided by subsection (a) shall not be counted for the purposes of subsection (g) of that section in the aggregate value of excess defense articles transferred to countries under that section in any fiscal year.

(c) Costs of Transfers.—Any expense incurred by the United States in connection with a transfer authorized by this section shall be charged to the recipient (notwithstanding section 516(e)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j(e)(1)) in the case of a transfer authorized to be made on a grant basis under subsection (a)).

(d) Repair and Refurbishment in United States Shipyards.—To the maximum extent practicable, the Secretary of the Navy shall require, as a condition of the transfer of a vessel under this section, that the country to which the vessel is transferred have such repair or refurbishment of the vessel as is needed, before the vessel joins the naval forces of that country, performed at a shipyard located in the United States, including a United States Navy shipyard.

(e) Conditions Relating to Combined Lease-Sale Transfers.—A transfer of a vessel on a combined lease-sale basis authorized by subsection (a) shall be made in accordance with the following requirements:

(1) The Secretary of the Navy may initially transfer the vessel by lease, with lease payments suspended for the term of the lease, if the country entering into the lease for the vessel simultaneously enters into a foreign military sales agreement for the transfer of title to the vessel.

(2) The Secretary may not deliver to the purchasing country title to the vessel until the purchase price of the vessel under such a foreign military sales agreement is paid in full.

(3) Upon payment of the purchase price in full under such a sales agreement and delivery of title to the recipient country, the Secretary shall terminate the lease.

(4) If the purchasing country fails to make full payment of the purchase price in accordance with the sales agreement by the date required under the sales agreement—

*(A) the sales agreement shall be immediately terminated;*

*(B) the suspension of lease payments under the lease shall be vacated; and*

*(C) the United States shall be entitled to retain all funds received on or before the date of the termination under the sales agreement, up to the amount of the lease payments due and payable under the lease and all other costs required by the lease to be paid to that date.*

*(5) If a sales agreement is terminated pursuant to paragraph (4), the United States shall not be required to pay any interest to the recipient country on any amount paid to the United States by the recipient country under the sales agreement and not retained by the United States under the lease.*

*(f) Authorization of Appropriations for Costs of Lease-Sale Transfers.—There is hereby authorized to be appropriated into the Defense Vessels Transfer Program Account such sums as may be necessary for paying the costs (as defined in section 502 of the Congressional Budget Act of 1974 (2 U.S.C. 661a)) of the lease-sale transfers authorized by subsection (a). Amounts so appropriated shall be available only for the purpose of paying those costs.*

*(g) Expiration of Authority.—The authority provided under subsection (a) shall expire at the end of the two-year period beginning on the date of the enactment of this Act.*

### *SEC. 1202. SUPPORT OF UNITED NATIONS-SPONSORED EFFORTS TO INSPECT AND MONITOR IRAQI WEAPONS ACTIVITIES.*

*(a) Limitation on Amount of Assistance in Fiscal Year 2001.—The total amount of the assistance for fiscal year 2001 that is provided by the Secretary of Defense under section 1505 of the Weapons of Mass Destruction Control Act of 1992 (22 U.S.C. 5859a) as activities of the Department of Defense in support of activities under that Act may not exceed $15,000,000.*

*(b) Extension of Authority To Provide Assistance.—Subsection (f) of section 1505 of the Weapons of Mass Destruction Control Act of 1992 (22 U.S.C. 5859a) is amended by striking "2000" and inserting "2001".*

### *SEC. 1203. REPEAL OF RESTRICTION PREVENTING COOPERATIVE AIRLIFT SUPPORT THROUGH ACQUISITION AND CROSS-SERVICING AGREEMENTS.*

*Section 2350c of title 10, United States Code, is amended—*

*(1) by striking subsection (d); and*

*(2) by redesignating subsection (e) as subsection (d).*

### *SEC. 1204. WESTERN HEMISPHERE INSTITUTE FOR PROFESSIONAL EDUCATION AND TRAINING.*

*(a) In General.—Chapter 108 of title 10, United States Code, is amended by adding at the end the following:*

#### *"§2166. Western Hemisphere Institute for Professional Education and Training*

*"(a) Establishment and Administration.—(1) The Secretary of Defense may operate an education and training facility for the purpose set forth in subsection (b). The facility may be called the Western Hemisphere Institute for Professional Education and Training.*

*"(2) The Secretary may designate the Secretary of a military department as the Department of Defense executive agent for carrying out the responsibilities of the Secretary of Defense under this section.*

*"(b) Purpose.—The purpose of the Institute is to provide professional education and training to eligible personnel of the Western Hemisphere within the context of the democratic principles set forth in the Charter of the Organization of American States and supporting agreements, while fostering mutual knowledge, transparency, confidence, and cooperation among the participating nations and promoting democratic values, respect for human rights, and knowledge and understanding of United States customs and traditions.*

*"(c) Eligible Personnel.—(1) Subject to paragraph (2), personnel of the Western Hemisphere are eligible for education and training at the Institute as follows:*

*"(A) Military personnel.*

*"(B) Law enforcement personnel.*

*"(C) Civilians, whether or not employed by a government of the Western Hemisphere.*

*"(2) The selection of foreign personnel for education or training at the Institute is subject to the approval of the Secretary of State.*

*"(d) Curriculum.—(1) The curriculum of the Institute shall include mandatory instruction for each student, for at least 8 hours, on human rights, the rule of law, due process, civilian control of the military, and the role of the military in a democratic society.*

*"(2) The curriculum may include instruction and other educational and training activities on the following:*

*"(A) Leadership development.*

*"(B) Counterdrug operations.*

*"(C) Peace support operations.*

*"(D) Disaster relief.*

*"(E) Any other matters that the Secretary determines appropriate.*

*"(e) Board of Visitors.—(1) There shall be a Board of Visitors for the Institute. The Board shall be composed of the following:*

*"(A) Two members of the Senate designated by the President pro tempore of the Senate.*

*"(B) Two members of the House of Representatives designated by the Speaker of the House of Representatives.*

*"(C) Six persons designated by the Secretary of Defense including, to the extent practicable, at least one member from academia, one member from the religious community, and one member from the human rights community.*

*"(D) One person designated by the Secretary of State.*

*"(E) For each of the armed forces, the senior military officer responsible for training and doctrine or a designee of that officer.*

*"(F) The Commander in Chief of the United States Southern Command or a designee of that officer.*

*"(2) The members of the Board shall serve for 2 years except for the members referred to in subparagraphs (A) and (B) of paragraph (1) who may serve until a successor is designated.*

*"(3) A vacancy in a position of membership on the Board shall be filled in the same manner as the position was originally filled.*

*"(4) The Board shall meet at least once each year.*

*"(5)(A) The Board shall inquire into the curriculum, instruction, physical equipment, fiscal affairs, academic methods, and other matters relating to the Institute that the Board decides to consider.*

*"(B) The Board shall review the curriculum of the Institute to determine whether—*

*"(i) the curriculum complies with applicable United States laws and regulations;*

*"(ii) the curriculum is consistent with United States policy goals toward Latin America and the Caribbean;*

*"(iii) the curriculum adheres to current United States doctrine; and*

*"(iv) the instruction under the curriculum appropriately emphasizes the matters described in subsection (d)(1).*

*"(6) Not later than 60 days after its annual meeting, the Board shall submit to the Secretary of Defense a written report of its action and of its views and recommendations pertaining to the Institute.*

*"(7) Members of the Board may not be compensated for service on the Board. In the case of officers or employees of the United States serving on the Board as part of their official duties, compensation paid to the members as officers or employees of the United States shall not be considered compensation for service on the Board.*

*"(8) With the approval of the Secretary of Defense, the Board may accept and use the services of voluntary and noncompensated advisers appropriate to the duties of the Board without regard to section 1342 of title 31.*

*"(9) Members of the Board and advisers whose services are accepted under paragraph (8) shall be allowed travel and transportation expenses, including per diem in lieu of subsistence, while away from their homes or regular places of business in the performance of services for the Board. Allowances under this paragraph shall be computed—*

*"(A) in the case of members of the Board who are officers or employees of the United States, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5; and*

*"(B) in the case of other members of the Board and advisers, as authorized under section 5703 of title 5 for employees serving without pay.*

*"(10) The Federal Advisory Committee Act (5 U.S.C. App. 2), other than section 14 (relating to termination after two years), shall apply to the Board.*

*"(f) Fixed Costs.—The fixed costs of operating and maintaining the Institute—*

*"(1) may be paid from funds available to the Army for operation and maintenance; and*

*"(2) may not be paid out of the proceeds of tuition fees charged for professional education and training at the Institute.*

*"(g) Annual Report.—Not later than March 15 of each year, the Secretary of Defense shall submit to Congress a detailed report on the activities of the Institute during the preceding year. The Secretary shall coordinate the preparation of the report with the heads of department and agencies of the United States that have official interests in the activities of the Institute, as determined by the Secretary.".*

*(b) Repeal of Authority for United States Army School of the Americas.—Section 4415 of title 10, United States Code, is repealed.*

*(c) Clerical Amendments.—(1) The table of sections at the beginning of chapter 108 of title 10, United States Code, is amended by inserting after the item relating to section 2165 the following:*

*"2166. Western Hemisphere Institute for Professional Education and Training.".*

*(2) The table of sections at the beginning of chapter 407 of such title is amended by striking the item relating to section 4415.*

### *SEC. 1205. BIANNUAL REPORT ON KOSOVO PEACEKEEPING.*

*(a) Requirement for Periodic Report.—Beginning on December 1, 2000, and every six months thereafter, the President shall submit to the congressional defense committees, the Committee on Foreign Relations of the Senate, and the Committee on International Relations of the House of Representatives a report on the contributions of European nations and organizations to the peacekeeping operations in Kosovo.*

*(b) Content of Report.—Each report shall contain detailed information on the following:*

*(1) The commitments and pledges made by the European Commission, the member nations of the European Union, and the European member nations of the North Atlantic Treaty Organization for reconstruction assistance in Kosovo, humanitarian assistance in Kosovo, the Kosovo Consolidated Budget, police (including special police) for the United Nations international police force for Kosovo, and military personnel for peacekeeping operations in Kosovo.*

*(2) The amount of the assistance that has been provided in each category, and the number of police and military personnel that have been*

deployed to Kosovo, by each such organization or nation.

(3) The full range of commitments and responsibilities that have been undertaken for Kosovo by the United Nations, the European Union, and the Organization for Security and Cooperation in Europe (OSCE), the progress made by those organizations in fulfilling those commitments and responsibilities, an assessment of the tasks that remain to be accomplished, and an anticipated schedule for completing those tasks.

### SEC. 1206. MUTUAL ASSISTANCE FOR MONITORING TEST EXPLOSIONS OF NUCLEAR DEVICES.

(a) AUTHORITY.—Subchapter II of chapter 138 of title 10, United States Code, is amended by adding at the end the following new section:

**"§2350l. Mutual assistance for monitoring test explosions of nuclear devices**

"(a) ACCEPTANCE OF CONTRIBUTIONS.—(1) The Secretary of Defense may accept funds, services, or property from a foreign government, an international organization, or any other entity for a purpose described in paragraph (2).

"(2) Contributions accepted under paragraph (1) may be used only for the development, procurement, installation, operation, repair, or maintenance of equipment for monitoring test explosions of nuclear devices, or for communications relating to the operation of such equipment. The equipment may be installed and used on United States territory, foreign territory (including Antarctica), or in international waters.

"(3) Any funds accepted under paragraph (1) shall be deposited in an account established by the Secretary for use for the purposes described in paragraph (2), and shall be available, without fiscal year limitation, for use by Department of Defense officials authorized by the Secretary of Defense for contracts, grants, or other forms of acquisition for such purposes.

"(b) AUTHORITY TO PROVIDE MONITORING ASSISTANCE.—(1) To satisfy obligations of the United States to monitor test explosions of nuclear devices, the Secretary of Defense may provide a foreign government with assistance for the monitoring of such tests, but only in accordance with an agreement satisfying the requirements of paragraph (3).

"(2) The assistance authorized under paragraph (1) is as follows:

"(A) A loan or conveyance of—

"(i) equipment for monitoring test explosions of nuclear devices; and

"(ii) associated equipment.

"(B) The installation of such equipment on foreign territory or in international waters.

"(3) Assistance for a foreign government under this subsection shall be subject to an agreement entered into between the United States and the foreign government that ensures the following:

"(A) That the Secretary has timely access to data that is produced, collected, or generated by equipment loaned or conveyed to the foreign government under the agreement.

"(B) That the Secretary—

"(i) has access to that equipment for purposes of inspecting, testing, maintaining, repairing, or replacing the equipment; and

"(ii) may take such actions as are necessary to meet United States obligations to inspect, test, maintain, repair, or replace the equipment.

"(c) DELEGATION.—The Secretary may delegate authority to carry out subsection (a) or (b) only to the Under Secretary of Defense for Acquisition, Technology, and Logistics or the Secretary of the Air Force. Authority so delegated may be further delegated.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of subchapter II of such chapter is amended by inserting after the item relating to section 2350k the following new item:

"2350l. Mutual assistance for monitoring test explosions of nuclear devices.".

### SEC. 1207. ANNUAL REPORT ON ACTIVITIES AND ASSISTANCE UNDER COOPERATIVE THREAT REDUCTION PROGRAMS.

(a) ANNUAL REPORT CONSOLIDATING DISPARATE REPORT REQUIREMENTS.—(1) Chapter 23 of title 10, United States Code, is amended by adding at the end the following new section:

**"§488. Annual report on activities and assistance under Cooperative Threat Reduction programs**

"(a) ANNUAL REPORT.—In any year in which the budget of the President under section 1105 of title 31 for the fiscal year beginning in such year requests funds for the Department of Defense for assistance or activities under Cooperative Threat Reduction programs with the states of the former Soviet Union, the Secretary of Defense shall submit to Congress a report on activities and assistance during the preceding fiscal year under Cooperative Threat Reduction programs setting forth the matters in subsection (c).

"(b) DEADLINE FOR REPORT.—The report under subsection (a) shall be submitted not later than the first Monday in February of a year.

"(c) MATTERS TO BE INCLUDED.—The report under subsection (a) in a year shall set forth the following:

"(1) An estimate of the total amount that will be required to be expended by the United States in order to achieve the objectives of the Cooperative Threat Reduction programs.

"(2) A five-year plan setting forth the amount of funds and other resources proposed to be provided by the United States for Cooperative Threat Reduction programs over the term of the plan, including the purpose for which such funds and resources will be used, and to provide guidance for the preparation of annual budget submissions with respect to Cooperative Threat Reduction programs.

"(3) A description of the Cooperative Threat Reduction activities carried out during the fiscal year ending in the year preceding the year of the report, including—

"(A) the amounts notified, obligated, and expended for such activities and the purposes for which such amounts were notified, obligated, and expended for such fiscal year and cumulatively for Cooperative Threat Reduction programs;

"(B) a description of the participation, if any, of each department and agency of the United States Government in such activities;

"(C) a description of such activities, including the forms of assistance provided;

"(D) a description of the United States private sector participation in the portion of such activities that were supported by the obligation and expenditure of funds for Cooperative Threat Reduction programs; and

"(E) such other information as the Secretary of Defense considers appropriate to inform Congress fully of the operation of Cooperative Threat Reduction programs and activities, including with respect to proposed demilitarization or conversion projects, information on the progress toward demilitarization of facilities and the conversion of the demilitarized facilities to civilian activities.

"(4) A description of the audits, examinations, and other efforts, such as on-site inspections, conducted by the United States during the fiscal year ending in the year preceding the year of the report to ensure that assistance provided under Cooperative Threat Reduction programs is fully accounted for and that such assistance is being used for its intended purpose, including a description of—

"(A) if such assistance consisted of equipment, a description of the current location of such equipment and the current condition of such equipment;

"(B) if such assistance consisted of contracts or other services, a description of the status of such contracts or services and the methods used to ensure that such contracts and services are being used for their intended purpose;

"(C) a determination whether the assistance described in subparagraphs (A) and (B) has been used for its intended purpose; and

"(D) a description of the audits, examinations, and other efforts planned to be carried out during the fiscal year beginning in the year of the report to ensure that Cooperative Threat Reduction assistance provided during such fiscal year is fully accounted for and is used for its intended purpose.

"(5) A current description of the tactical nuclear weapons arsenal of Russia, including—

"(A) an estimate of the current types, numbers, yields, viability, locations, and deployment status of the nuclear warheads in that arsenal;

"(B) an assessment of the strategic relevance of such warheads;

"(C) an assessment of the current and projected threat of theft, sale, or unauthorized use of such warheads; and

"(D) a summary of past, current, and planned United States efforts to work cooperatively with Russia to account for, secure, and reduce Russia's stockpile of tactical nuclear warheads and associated fissile materials.

"(d) INPUT OF DCI.—The Director of Central Intelligence shall submit to the Secretary of Defense the views of the Director on any matters covered by subsection (b)(5) in a report under this section. Such views shall be included in such report as a classified annex to such report.

"(e) COMPTROLLER GENERAL ASSESSMENT.—Not later than 60 days after the date on which a report is submitted to Congress under subsection (a), the Comptroller General shall submit to Congress a report setting forth the Comptroller General's assessment of the report under subsection (a), including any recommendations regarding the report under subsection (a) that the Comptroller General considers appropriate.".

(2) The table of sections at the beginning of chapter 23 of such title is amended by adding at the end the following new item:

"488. Annual report on activities and assistance under Cooperative Threat Reduction programs.".

(b) FIRST REPORT.—The first report submitted under section 488 of title 10, United States Code, as added by subsection (a), shall be submitted in 2002.

(c) REPEAL OF SUPERSEDED REPORTING REQUIREMENTS.—(1) The following provisions of law are repealed:

(A) Section 1207 of the Cooperative Threat Reduction Act of 1994 (title XII of Public Law 103–160; 107 Stat. 1782; 22 U.S.C. 5956), relating to semiannual reports on Cooperative Threat Reduction.

(B) Section 1203 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2882), relating to a report accounting for United States for Cooperative Threat Reduction.

(C) Section 1205 of the National Defense Authorization Act for Fiscal Year 1995 (108 Stat. 2883; 10 U.S.C. 5952 note), relating to multiyear planning and Allied support for Cooperative Threat Reduction.

(D) Section 1206 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 22 U.S.C. 5955 note), relating to accounting for United States assistance for Cooperative Threat Reduction.

(E) Section 1307 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 795), relating to a limitation on use of funds for Cooperative Threat Reduction pending submittal of a multiyear plan.

(2) Section 1312 of the National Defense Authorization Act for Fiscal Year 2000 (113 Stat.

796; 22 U.S.C. 5955 note), relating to Russian nonstrategic nuclear arms, is amended—

(A) by striking "(a) SENSE OF CONGRESS.—"; and

(B) by striking subsections (b) and (c).

### SEC. 1208. LIMITATION ON USE OF FUNDS FOR CONSTRUCTION OF A RUSSIAN FACILITY FOR THE DESTRUCTION OF CHEMICAL WEAPONS.

Section 1305 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 794; 22 U.S.C. 5952 note) is amended to read as follows:

### "SEC. 1305. LIMITATION ON USE OF FUNDS FOR CHEMICAL WEAPONS DESTRUCTION.

"(a) LIMITATION.—No fiscal year 2000 Cooperative Threat Reduction funds, and no funds appropriated for Cooperative Threat Reduction programs after the date of the enactment of this Act, may be obligated or expended for any fiscal year for the purpose of the construction of the Shchuch'ye chemical weapons destruction facility in Russia before the date that is 30 days after the Secretary of Defense certifies in writing to the Committees on Armed Services of the Senate and the House of Representatives for that fiscal year that each of the following conditions has been met:

"(1) That the government of the Russian Federation has agreed to provide at least $25,000,000 annually for the construction support and operation of the facility to destroy chemical weapons and for the support and maintenance of the facility for that purpose for each year of the entire operating life-cycle of the facility.

"(2) That the government of the Russian Federation has agreed to utilize the facility to destroy the remaining four stockpiles of nerve agents, which are located at Kisner, Pochep, Leonidovka, and Maradykovsky.

"(3) That the United States has obtained multiyear commitments from governments of other countries to donate funds for the support of essential social infrastructure projects for Shchuch'ye in sufficient amounts to ensure that the projects are adequately maintained during the entire operating life-cycle of the facility.

"(4) That Russia has agreed to destroy its chemical weapons production facilities at Volgograd and Novocheboksark.

"(b) TIMING OF CERTIFICATIONS.—The certification under subsection (a) for any fiscal year shall be submitted prior to the obligation of funds in such fiscal year for the purpose specified in that subsection.".

### SEC. 1209. LIMITATION ON USE OF FUNDS FOR ELIMINATION OF WEAPONS GRADE PLUTONIUM PROGRAM.

Of the amounts authorized to be appropriated by this Act for fiscal year 2001 for the Elimination of Weapons Grade Plutonium Program, not more than 50 percent of such amounts may be obligated or expended for the program in fiscal year 2001 until 30 days after the date on which the Secretary of Defense submits to the Committees on Armed Services of the Senate and House of Representatives a report on an agreement between the United States Government and the Government of the Russian Federation regarding a new option selected for the shut down or conversion of the reactors of the Russian Federation that produce weapons grade plutonium, including—

(1) the new date on which such reactors will cease production of weapons grade plutonium under such agreement by reason of the shut down or conversion of such reactors; and

(2) any cost-sharing arrangements between the United States Government and the Government of the Russian Federation in undertaking activities under such agreement.

### SEC. 1210. SENSE OF CONGRESS REGARDING THE USE OF CHILDREN AS SOLDIERS.

(a) FINDINGS.—Congress finds that—

(1) in the year 2000 approximately 300,000 individuals under the age of 18 are participating in armed conflict in more than 30 countries worldwide;

(2) many of these children are forcibly conscripted through kidnapping or coercion, while others join military units due to economic necessity, to avenge the loss of a family member, or for their own personal safety;

(3) many military commanders frequently force child soldiers to commit gruesome acts of ritual killings or torture against their enemies, including against other children;

(4) many military commanders separate children from their families in order to foster dependence on military units and leaders, leaving children vulnerable to manipulation, deep traumatization, and in need of psychological counseling and rehabilitation;

(5) child soldiers are exposed to hazardous conditions and risk physical injuries, sexually transmitted diseases, malnutrition, deformed backs and shoulders from carrying overweight loads, and respiratory and skin infections;

(6) many young female soldiers face the additional psychological and physical horrors of rape and sexual abuse, being enslaved for sexual purposes by militia commanders, and forced to endure severe social stigma should they return home;

(7) children in northern Uganda continue to be kidnapped by the Lords Resistance Army (LRA), which is supported and funded by the Government of Sudan and which has committed and continues to commit gross human rights violations in Uganda;

(8) children in Sri Lanka have been forcibly recruited by the opposition Tamil Tigers movement and forced to kill or be killed in the armed conflict in that country;

(9) an estimated 7,000 child soldiers have been involved in the conflict in Sierra Leone, some as young as age 10, with many being forced to commit extrajudicial executions, torture, rape, and amputations for the rebel Revolutionary United Front;

(10) on January 21, 2000, in Geneva, a United Nations Working Group, including representatives from more than 80 governments including the United States, reached consensus on an optional protocol on the use of child soldiers;

(11) this optional protocol will raise the international minimum age for conscription and direct participation in armed conflict to age eighteen, prohibit the recruitment and use in armed conflict of persons under the age of eighteen by non-governmental armed forces, encourage governments to raise the minimum legal age for voluntary recruits above the current standard of 15 and, commits governments to support the demobilization and rehabilitation of child soldiers, and when possible, to allocate resources to this purpose;

(12) on October 29, 1998, United Nations Secretary General Kofi Annan set minimum age requirements for United Nations peacekeeping personnel that are made available by member nations of the United Nations;

(13) United Nations Under-Secretary General for Peace-keeping, Bernard Miyet, announced in the Fourth Committee of the General Assembly that contributing governments of member nations were asked not to send civilian police and military observers under the age of 25, and that troops in national contingents should preferably be at least 21 years of age but in no case should they be younger than 18 years of age;

(14) on August 25, 1999, the United Nations Security Council unanimously passed Resolution 1261 (1999) condemning the use of children in armed conflicts;

(15) in addressing the Security Council, the Special Representative of the Secretary General for Children and Armed Conflict, Olara Otunnu, urged the adoption of a global three-pronged approach to combat the use of children in armed conflict, first to raise the age limit for recruitment and participation in armed conflict from the present age of 15 to the age of 18, second, to increase international pressure on armed groups which currently abuse children, and third to address the political, social, and economic factors which create an environment where children are induced by appeal of ideology or by socio-economic collapse to become child soldiers;

(16) the United States delegation to the United Nations working group relating to child soldiers, which included representatives from the Department of Defense, supported the Geneva agreement on the optional protocol;

(17) on May 25, 2000, the United Nations General Assembly unanimously adopted the optional protocol on the use of child soldiers;

(18) the optional protocol was opened for signature on June 5, 2000; and

(19) President Clinton has publicly announced his support of the optional protocol and a speedy process of review and signature.

(b) SENSE OF CONGRESS.—(1) Congress joins the international community in—

(A) condemning the use of children as soldiers by governmental and nongovernmental armed forces worldwide; and

(B) welcoming the optional protocol as a critical first step in ending the use of children as soldiers.

(2) It is the sense of Congress that—

(A) it is essential that the President consult closely with the Senate with the objective of building support for this protocol, and the Senate move forward as expeditiously as possible.

(B) the President and Congress should work together to enact a law that establishes a fund for the rehabilitation and reintegration into society of child soldiers; and

(C) the Departments of State and Defense should undertake all possible efforts to persuade and encourage other governments to ratify and endorse the new optional protocol on the use of child soldiers.

### SEC. 1211. SUPPORT OF CONSULTATIONS ON ARAB AND ISRAELI ARMS CONTROL AND REGIONAL SECURITY ISSUES.

Of the amount authorized to be appropriated by section 301(5), up to $1,000,000 is available for the support of programs to promote informal region-wide consultations among Arab, Israeli, and United States officials and experts on arms control and security issues concerning the Middle East region.

### SEC. 1212. AUTHORITY TO CONSENT TO RETRANSFER OF ALTERNATIVE FORMER NAVAL VESSEL BY GOVERNMENT OF GREECE.

Section 1012 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 740) is amended—

(1) in subsection (a), by inserting after "HS Rodos (ex-USS BOWMAN COUNTY (LST 391))" the following: ", LST 325, or any other former United States LST that is excess to the needs of that government"; and

(2) in subsection (b)(1), by inserting "retransferred under subsection (a)" after "the vessel".

### SEC. 1213. UNITED STATES-RUSSIAN FEDERATION JOINT DATA EXCHANGE CENTER ON EARLY WARNING SYSTEMS AND NOTIFICATION OF MISSILE LAUNCHES.

(a) AUTHORITY.—The Secretary of Defense is authorized to establish, in conjunction with the Government of the Russian Federation, a United States-Russian Federation joint center for the exchange of data from early warning systems and for notification of missile launches.

(b) SPECIFIC ACTIONS.—The actions that the Secretary jointly undertakes for the establishment of the center may include the renovation of a mutually agreed upon facility to be made *available by the Russian Federation and the provision of such equipment and supplies as may be necessary to commence the operation of the center.*

### SEC. 1214. ADJUSTMENT OF COMPOSITE THEORETICAL PERFORMANCE LEVELS OF HIGH PERFORMANCE COMPUTERS.

*(a) Layover Period for New Performance Levels.—Section 1211 of the National Defense Authorization Act for Fiscal Year 1998 (50 U.S.C. App. 2404 note) is amended—*

*(1) in the second sentence of subsection (d), by striking "180" and inserting "60"; and*

*(2) by adding at the end the following:*

*"(g) Calculation of 60-Day Period.—The 60-day period referred to in subsection (d) shall be calculated by excluding the days on which either House of Congress is not in session because of an adjournment of the Congress sine die.".*

*(b) Effective Date.—The amendments made by subsection (a) shall apply to any new composite theoretical performance level established for purposes of section 1211(a) of the National Defense Authorization Act for Fiscal Year 1998 that is submitted by the President pursuant to section 1211(d) of that Act on or after the date of the enactment of this Act.*

## TITLE XIII—NAVY ACTIVITIES ON THE ISLAND OF VIEQUES, PUERTO RICO

### SEC. 1301. ASSISTANCE FOR ECONOMIC GROWTH ON VIEQUES.

*(a) Authority.—The President may provide economic assistance under this section for the people and communities of the island of Vieques.*

*(b) Maximum Amount.—The total amount of economic assistance provided under this section may, subject to section 1303(b), be any amount up to $40,000,000.*

### SEC. 1302. REQUIREMENT FOR REFERENDUM ON CONTINUATION OF NAVY TRAINING.

*(a) Referendum.—*

*(1) Requirement.—The President shall, except as provided in paragraph (2), provide for a referendum to be conducted on the island of Vieques to determine by a majority of the votes cast in the referendum by the Vieques electorate whether the people of Vieques approve or disapprove of the continuation of the conduct of live-fire training, and any other types of training, by the Armed Forces at the Navy's training sites on the island on the conditions described in subsection (d).*

*(2) Exception.—If the Chief of Naval Operations and the Commandant of the Marine Corps jointly submit to the congressional defense committees, after the date of the enactment of this Act and before the date set forth in subsection (c), their certification that the Vieques Naval Training Range is no longer needed for training by the Navy and the Marine Corps, then the requirement for a referendum under paragraph (1) shall cease to be effective on the date on which the certification is submitted.*

*(b) Prohibition of Other Propositions.—In a referendum under this section, no proposition or option may be presented as an alternative to the propositions of approval and of disapproval of the continuation of the conduct of training as described in subsection (a)(1).*

*(c) Time for Referendum.—A referendum required under this section shall be held on May 1, 2001, or within 270 days before such date or 270 days after such date. The Secretary of the Navy shall publicize the date set for the referendum 90 days before that date.*

*(d) Required Training Conditions.—For the purposes of a referendum under this section, the conditions for the continuation of the conduct of training are those that are proposed by the Secretary of the Navy and publicized on the island of Vieques in connection with, and for a reasonable period in advance of, the referendum. The conditions shall include the following:*

*(1) Live-fire training.—A condition that the training may include live-fire training.*

*(2) Maximum annual days of use.—A condition that the training may be conducted on not more than 90 days each year.*

*(e) Proclamation of Outcome.—Promptly after a referendum is completed under this section, the President shall determine, and issue a proclamation declaring, the outcome of the referendum. The President's determination shall be final.*

*(f) Vieques Electorate Defined.—In this section, the term "Vieques electorate", with respect to a referendum under this section, means the residents of the island of Vieques, Puerto Rico, who, as of the date that is 180 days before the date of the referendum, have an electoral domicile on, and are duly registered to vote on, the island of Vieques under the laws of the Commonwealth of Puerto Rico.*

### SEC. 1303. ACTIONS IF TRAINING IS APPROVED.

*(a) Condition for Effectiveness.—This section shall take effect on the date on which the President issues a proclamation under subsection (e) of section 1302 declaring that the continuation of the conduct of training (including live-fire training) by the Armed Forces at the Navy's training sites on the island of Vieques on the conditions described in subsection (d) of that section is approved in a referendum conducted under that section.*

*(b) Additional Economic Assistance.—The President may provide economic assistance for the people and communities of the island of Vieques in a total amount up to $50,000,000 in addition to the total amount of economic assistance authorized to be provided under section 1301.*

### SEC. 1304. REQUIREMENTS IF TRAINING IS NOT APPROVED OR MANDATE FOR REFERENDUM IS VITIATED.

*(a) Conditions for Effectiveness.—This section shall take effect on the date on which either of the following occurs:*

*(1) The President issues a proclamation under subsection (e) of section 1302 declaring that the continuation of the conduct of training (including live-fire training) by the Armed Forces at the Navy's training sites on the island of Vieques on the conditions described in subsection (d) of that section is not approved in the referendum conducted under that section.*

*(2) The requirement for a referendum under section 1302 ceases to be effective under subsection (a)(2) of that section.*

*(b) Actions Required of Secretary of Defense.—The Secretary of Defense—*

*(1) shall, not later than May 1, 2003—*

*(A) terminate all Navy and Marine Corps training operations on the island of Vieques; and*

*(B) terminate all Navy and Marine Corps operations at Roosevelt Roads, Puerto Rico, that are related to the use of the training range on the island of Vieques by the Navy and the Marine Corps.*

*(2) may relocate the units of the Armed Forces (other than those of the reserve components) and activities of the Department of Defense (including nonappropriated fund activities) at Fort Buchanan, Puerto Rico, to Roosevelt Roads, Puerto Rico, to ensure maximum utilization of capacity;*

*(3) shall close the Department of Defense installations and facilities on the island of Vieques (other than properties exempt from transfer under section 1305); and*

*(4) shall, except as provided in section 1305, transfer to the Secretary of the Interior—*

*(A) the Live Impact Area on the island of Vieques;*

*(B) all Department of Defense real properties on the eastern side of that island that are identified as conservation zones; and*

*(C) all other Department of Defense real properties on the eastern side of that island.*

*(c) Actions Required of Secretary of the Interior.—The Secretary of the Interior shall retain, and may not dispose of any of, the properties transferred under subsection (b)(4) pending the enactment of a law that addresses the disposition of those properties.*

*(d) GAO Review.—*

*(1) Requirement for review.—The Comptroller General shall review the requirement for the continued use of Fort Buchanan by active Army forces and shall submit to the congressional defense committees a report on the review. The report shall contain the following:*

*(A) Findings.—The findings resulting from the review.*

*(B) Recommendations.—Recommendations regarding the closure of Fort Buchanan and the consolidation of United States military forces to Roosevelt Roads, Ruerto Rico.*

*(2) Time for submittal of report.—The Comptroller General shall submit the report under paragraph (1) not later than one year after the date of the referendum conducted under section 1302 or the date on which a certification is submitted to the congressional defense committees under section 1302(a)(2), as the case may be.*

### SEC. 1305. EXEMPT PROPERTY.

*(a) In General.—The Department of Defense properties and property interests described in subsection (b) may not be transferred out of the Department of Defense under this title.*

*(b) Properties Described.—The exemption under subsection (a) applies to the following Department of Defense properties and property interests on the island of Vieques:*

*(1) ROTHR site.—The site for relocatable over-the-horizon radar.*

*(2) Telecommunications sites.—The Mount Pirata telecommunications sites.*

*(3) Associated interests.—Any easements, rights-of-way, and other interests in property that the Secretary of Defense determines necessary for—*

*(A) ensuring access to the properties referred to in paragraphs (1) and (2);*

*(B) providing utilities for such properties;*

*(C) ensuring the security of such properties; and*

*(D) ensuring effective maintenance and operations on the property.*

### SEC. 1306. MORATORIUM ON IMPROVEMENTS AT FORT BUCHANAN.

*(a) In General.—Except as provided in subsection (b), no acquisition, construction, conversion, rehabilitation, extension, or improvement of any facility at Fort Buchanan, Puerto Rico, may be initiated or continued on or after the date of the enactment of this Act.*

*(b) Exceptions.—The prohibition in subsection (a) does not apply to the following:*

*(1) Actions necessary to maintain the existing facilities (including utilities) at Fort Buchanan.*

*(2) The construction of reserve component facilities authorized before the date of the enactment of this Act.*

*(c) Termination.—This subsection shall cease to be effective upon the issuance of a proclamation described in section 1303(a).*

### SEC. 1307. PROPERTY TRANSFERRED TO SECRETARY OF THE INTERIOR.

*(a) Transfers Required.—Not later than September 30, 2005, the Secretary of Defense shall, except as provided in section 1305, transfer to the Secretary of the Interior all Department of Defense real properties on the western part of the island of Vieques that are identified as conservation zones.*

*(b) Administration of Properties as Wildlife Refuges.—The Secretary of the Interior shall administer as wildlife refuges under the National Wildlife Refuge System Administration*

*Act of 1966 (16 U.S.C. 668dd et seq.) all properties transferred to the Secretary under this section.*

### *SEC. 1308. LIVE IMPACT AREA.*

*(a) RESPONSIBILITY FOR LIVE IMPACT AREA.—Upon a termination of Navy and Marine Corps training operations on the island of Vieques under section 1304(b), and pending the enactment of a law that addresses the disposition of the Live Impact Area, the Secretary of the Interior shall assume responsibility for the administration of the Live Impact Area and deny public access to the area.*

*(b) LIVE IMPACT AREA DEFINED.—In this title, the term "Live Impact Area" means the parcel of real property, consisting of approximately 900 acres (more or less), on the island of Vieques that is designated by the Secretary of the Navy for targeting by live ordnance in the training of forces of the Navy and Marine Corps.*

## *TITLE XIV—GOVERNMENT INFORMATION SECURITY REFORM*

### *SEC. 1401. SHORT TITLE.*

*This title may be cited as the "Government Information Security Act".*

### *SEC. 1402. COORDINATION OF FEDERAL INFORMATION POLICY.*

*Chapter 35 of title 44, United States Code, is amended by inserting at the end the following:*

### *"SUBCHAPTER II—INFORMATION SECURITY*

### *"§3531. Purposes*

*"The purposes of this subchapter are to—*

*"(1) provide a comprehensive framework for establishing and ensuring the effectiveness of controls over information resources that support Federal operations and assets;*

*"(2)(A) recognize the highly networked nature of the Federal computing environment including the need for Federal Government interoperability and, in the implementation of improved security management measures, assure that opportunities for interoperability are not adversely affected; and*

*"(B) provide effective governmentwide management and oversight of the related information security risks, including coordination of information security efforts throughout the civilian, national security, and law enforcement communities;*

*"(3) provide for development and maintenance of minimum controls required to protect Federal information and information systems; and*

*"(4) provide a mechanism for improved oversight of Federal agency information security programs.*

### *"§3532. Definitions*

*"(a) Except as provided under subsection (b), the definitions under section 3502 shall apply to this subchapter.*

*"(b) As used in this subchapter the term—*

*"(1) 'information technology' has the meaning given that term in section 5002 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1401); and*

*"(2) 'mission critical system' means any telecommunications or information system used or operated by an agency or by a contractor of an agency, or other organization on behalf of an agency, that—*

*"(A) is defined as a national security system under section 5142 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1452);*

*"(B) is protected at all times by procedures established for information which has been specifically authorized under criteria established by an Executive order or an Act of Congress to be classified in the interest of national defense or foreign policy; or*

*"(C) processes any information, the loss, misuse, disclosure, or unauthorized access to or modification of, would have a debilitating impact on the mission of an agency.*

### *"§3533. Authority and functions of the Director*

*"(a)(1) The Director shall establish governmentwide policies for the management of programs that—*

*"(A) support the cost-effective security of Federal information systems by promoting security as an integral component of each agency's business operations; and*

*"(B) include information technology architectures as defined under section 5125 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1425).*

*"(2) Policies under this subsection shall—*

*"(A) be founded on a continuing risk management cycle that recognizes the need to—*

*"(i) identify, assess, and understand risk; and*

*"(ii) determine security needs commensurate with the level of risk;*

*"(B) implement controls that adequately address the risk;*

*"(C) promote continuing awareness of information security risk; and*

*"(D) continually monitor and evaluate policy and control effectiveness of information security practices.*

*"(b) The authority under subsection (a) includes the authority to—*

*"(1) oversee and develop policies, principles, standards, and guidelines for the handling of Federal information and information resources to improve the efficiency and effectiveness of governmental operations, including principles, policies, and guidelines for the implementation of agency responsibilities under applicable law for ensuring the privacy, confidentiality, and security of Federal information;*

*"(2) consistent with the standards and guidelines promulgated under section 5131 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1441) and sections 5 and 6 of the Computer Security Act of 1987 (40 U.S.C. 1441 note; Public Law 100–235; 101 Stat. 1729), require Federal agencies to identify and afford security protections commensurate with the risk and magnitude of the harm resulting from the loss, misuse, or unauthorized access to or modification of information collected or maintained by or on behalf of an agency;*

*"(3) direct the heads of agencies to—*

*"(A) identify, use, and share best security practices;*

*"(B) develop an agency-wide information security plan;*

*"(C) incorporate information security principles and practices throughout the life cycles of the agency's information systems; and*

*"(D) ensure that the agency's information security plan is practiced throughout all life cycles of the agency's information systems;*

*"(4) oversee the development and implementation of standards and guidelines relating to security controls for Federal computer systems by the Secretary of Commerce through the National Institute of Standards and Technology under section 5131 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1441) and section 20 of the National Institute of Standards and Technology Act (15 U.S.C. 278g–3);*

*"(5) oversee and coordinate compliance with this section in a manner consistent with—*

*"(A) sections 552 and 552a of title 5;*

*"(B) sections 20 and 21 of the National Institute of Standards and Technology Act (15 U.S.C. 278g–3 and 278g–4);*

*"(C) section 5131 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1441);*

*"(D) sections 5 and 6 of the Computer Security Act of 1987 (40 U.S.C. 1441 note; Public Law 100–235; 101 Stat. 1729); and*

*"(E) related information management laws; and*

*"(6) take any authorized action under section 5113(b)(5) of the Clinger-Cohen Act of 1996 (40 U.S.C. 1413(b)(5)) that the Director considers appropriate, including any action involving the budgetary process or appropriations management process, to enforce accountability of the head of an agency for information resources management, including the requirements of this subchapter, and for the investments made by the agency in information technology, including—*

*"(A) recommending a reduction or an increase in any amount for information resources that the head of the agency proposes for the budget submitted to Congress under section 1105(a) of title 31;*

*"(B) reducing or otherwise adjusting apportionments and reapportionments of appropriations for information resources; and*

*"(C) using other authorized administrative controls over appropriations to restrict the availability of funds for information resources.*

*"(c) The authorities of the Director under this section may be delegated—*

*"(1) to the Secretary of Defense, the Director of Central Intelligence, and other agency head as designated by the President in the case of systems described under subparagraphs (A) and (B) of section 3532(b)(2); and*

*"(2) in the case of all other Federal information systems, only to the Deputy Director for Management of the Office of Management and Budget.*

### *"§3534. Federal agency responsibilities*

*"(a) The head of each agency shall—*

*"(1) be responsible for—*

*"(A) adequately ensuring the integrity, confidentiality, authenticity, availability, and nonrepudiation of information and information systems supporting agency operations and assets;*

*"(B) developing and implementing information security policies, procedures, and control techniques sufficient to afford security protections commensurate with the risk and magnitude of the harm resulting from unauthorized disclosure, disruption, modification, or destruction of information collected or maintained by or for the agency; and*

*"(C) ensuring that the agency's information security plan is practiced throughout the life cycle of each agency system;*

*"(2) ensure that appropriate senior agency officials are responsible for—*

*"(A) assessing the information security risks associated with the operations and assets for programs and systems over which such officials have control;*

*"(B) determining the levels of information security appropriate to protect such operations and assets; and*

*"(C) periodically testing and evaluating information security controls and techniques;*

*"(3) delegate to the agency Chief Information Officer established under section 3506, or a comparable official in an agency not covered by such section, the authority to administer all functions under this subchapter including—*

*"(A) designating a senior agency information security official who shall report to the Chief Information Officer or a comparable official;*

*"(B) developing and maintaining an agencywide information security program as required under subsection (b);*

*"(C) ensuring that the agency effectively implements and maintains information security policies, procedures, and control techniques;*

*"(D) training and overseeing personnel with significant responsibilities for information security with respect to such responsibilities; and*

*"(E) assisting senior agency officials concerning responsibilities under paragraph (2);*

*"(4) ensure that the agency has trained personnel sufficient to assist the agency in complying with the requirements of this subchapter and related policies, procedures, standards, and guidelines; and*

*"(5) ensure that the agency Chief Information Officer, in coordination with senior agency officials, periodically—*

*"(A)(i) evaluates the effectiveness of the agency information security program, including testing control techniques; and*

*"(ii) implements appropriate remedial actions based on that evaluation; and*

*"(B) reports to the agency head on—*

*"(i) the results of such tests and evaluations; and*

*"(ii) the progress of remedial actions.*

*"(b)(1) Each agency shall develop and implement an agencywide information security program to provide information security for the operations and assets of the agency, including operations and assets provided or managed by another agency.*

*"(2) Each program under this subsection shall include—*

*"(A) periodic risk assessments that consider internal and external threats to—*

*"(i) the integrity, confidentiality, and availability of systems; and*

*"(ii) data supporting critical operations and assets;*

*"(B) policies and procedures that—*

*"(i) are based on the risk assessments required under subparagraph (A) that cost-effectively reduce information security risks to an acceptable level; and*

*"(ii) ensure compliance with—*

*"(I) the requirements of this subchapter;*

*"(II) policies and procedures as may be prescribed by the Director; and*

*"(III) any other applicable requirements;*

*"(C) security awareness training to inform personnel of—*

*"(i) information security risks associated with the activities of personnel; and*

*"(ii) responsibilities of personnel in complying with agency policies and procedures designed to reduce such risks;*

*"(D)(i) periodic management testing and evaluation of the effectiveness of information security policies and procedures; and*

*"(ii) a process for ensuring remedial action to address any significant deficiencies; and*

*"(E) procedures for detecting, reporting, and responding to security incidents, including—*

*"(i) mitigating risks associated with such incidents before substantial damage occurs;*

*"(ii) notifying and consulting with law enforcement officials and other offices and authorities;*

*"(iii) notifying and consulting with an office designated by the Administrator of General Services within the General Services Administration; and*

*"(iv) notifying and consulting with an office designated by the Secretary of Defense, the Director of Central Intelligence, and other agency head as designated by the President for incidents involving systems described under subparagraphs (A) and (B) of section 3532(b)(2).*

*"(3) Each program under this subsection is subject to the approval of the Director and is required to be reviewed at least annually by agency program officials in consultation with the Chief Information Officer. In the case of systems described under subparagraphs (A) and (B) of section 3532(b)(2), the Director shall delegate approval authority under this paragraph to the Secretary of Defense, the Director of Central Intelligence, and other agency head as designated by the President.*

*"(c)(1) Each agency shall examine the adequacy and effectiveness of information security policies, procedures, and practices in plans and reports relating to—*

*"(A) annual agency budgets;*

*"(B) information resources management under the Paperwork Reduction Act of 1995 (44 U.S.C. 101 note);*

*"(C) performance and results based management under the Clinger-Cohen Act of 1996 (40 U.S.C. 1401 et seq.);*

*"(D) program performance under sections 1105 and 1115 through 1119 of title 31, and sections 2801 through 2805 of title 39; and*

*"(E) financial management under—*

*"(i) chapter 9 of title 31, United States Code, and the Chief Financial Officers Act of 1990 (31 U.S.C. 501 note; Public Law 101–576) (and the amendments made by that Act);*

*"(ii) the Federal Financial Management Improvement Act of 1996 (31 U.S.C. 3512 note) (and the amendments made by that Act); and*

*"(iii) the internal controls conducted under section 3512 of title 31.*

*"(2) Any significant deficiency in a policy, procedure, or practice identified under paragraph (1) shall be reported as a material weakness in reporting required under the applicable provision of law under paragraph (1).*

*"(d)(1) In addition to the requirements of subsection (c), each agency, in consultation with the Chief Information Officer, shall include as part of the performance plan required under section 1115 of title 31 a description of—*

*"(A) the time periods; and*

*"(B) the resources, including budget, staffing, and training,*

*which are necessary to implement the program required under subsection (b)(1).*

*"(2) The description under paragraph (1) shall be based on the risk assessment required under subsection (b)(2)(A).*

***"§3535. Annual independent evaluation***

*"(a)(1) Each year each agency shall have performed an independent evaluation of the information security program and practices of that agency.*

*"(2) Each evaluation under this section shall include—*

*"(A) an assessment of compliance with—*

*"(i) the requirements of this subchapter; and*

*"(ii) related information security policies, procedures, standards, and guidelines; and*

*"(B) tests of the effectiveness of information security control techniques.*

*"(3) The Inspector General or the independent evaluator performing an evaluation under this section including the Comptroller General may use any audit, evaluation, or report relating to programs or practices of the applicable agency.*

*"(b)(1)(A) Subject to subparagraph (B), for agencies with Inspectors General appointed under the Inspector General Act of 1978 (5 U.S.C. App.) or any other law, the annual evaluation required under this section or, in the case of systems described under subparagraphs (A) and (B) of section 3532(b)(2), an audit of the annual evaluation required under this section, shall be performed by the Inspector General or by an independent evaluator, as determined by the Inspector General of the agency.*

*"(B) For systems described under subparagraphs (A) and (B) of section 3532(b)(2), the evaluation required under this section shall be performed only by an entity designated by the Secretary of Defense, the Director of Central Intelligence, or other agency head as designated by the President.*

*"(2) For any agency to which paragraph (1) does not apply, the head of the agency shall contract with an independent evaluator to perform the evaluation.*

*"(3) An evaluation of agency information security programs and practices performed by the Comptroller General may be in lieu of the evaluation required under this section.*

*"(c) Not later than 1 year after the date of enactment of this subchapter, and on that date every year thereafter, the applicable agency head shall submit to the Director—*

*"(1) the results of each evaluation required under this section, other than an evaluation of a system described under subparagraph (A) or (B) of section 3532(b)(2); and*

*"(2) the results of each audit of an evaluation required under this section of a system described under subparagraph (A) or (B) of section 3532(b)(2).*

*"(d)(1) Each year the Comptroller General shall review—*

*"(A) the evaluations required under this section (other than an evaluation of a system described under subparagraph (A) or (B) of section 3532(b)(2));*

*"(B) the results of each audit of an evaluation required under this section of a system described under subparagraph (A) or (B) of section 3532(b)(2); and*

*"(C) other information security evaluation results.*

*"(2) The Comptroller General shall report to Congress regarding the results of the review required under paragraph (1) and the adequacy of agency information programs and practices.*

*"(3) Evaluations and audits of evaluations of systems under the authority and control of the Director of Central Intelligence and evaluations and audits of evaluation of National Foreign Intelligence Programs systems under the authority and control of the Secretary of Defense—*

*"(A) shall not be provided to the Comptroller General under this subsection; and*

*"(B) shall be made available only to the appropriate oversight committees of Congress, in accordance with applicable laws.*

*"(e) Agencies and evaluators shall take appropriate actions to ensure the protection of information, the disclosure of which may adversely affect information security. Such protections shall be commensurate with the risk and comply with all applicable laws.".*

***SEC. 1403. RESPONSIBILITIES OF CERTAIN AGENCIES.***

*(a) DEPARTMENT OF COMMERCE.—Notwithstanding section 20 of the National Institute of Standards and Technology Act (15 U.S.C. 278g–3) and except as provided under subsection (b), the Secretary of Commerce, through the National Institute of Standards and Technology and with technical assistance from the National Security Agency, as required or when requested, shall—*

*(1) develop, issue, review, and update standards and guidance for the security of Federal information systems, including development of methods and techniques for security systems and validation programs;*

*(2) develop, issue, review, and update guidelines for training in computer security awareness and accepted computer security practices, with assistance from the Office of Personnel Management;*

*(3) provide agencies with guidance for security planning to assist in the development of applications and system security plans for such agencies;*

*(4) provide guidance and assistance to agencies concerning cost-effective controls when interconnecting with other systems; and*

*(5) evaluate information technologies to assess security vulnerabilities and alert Federal agencies of such vulnerabilities as soon as those vulnerabilities are known.*

*(b) DEPARTMENT OF DEFENSE AND THE INTELLIGENCE COMMUNITY.—*

*(1) IN GENERAL.—Notwithstanding section 3533 of title 44, United States Code (as added by section 1402 of this Act), the Secretary of Defense, the Director of Central Intelligence, and other agency head as designated by the President, shall, consistent with their respective authorities—*

*(A) develop and issue information security policies, standards, and guidelines for systems described under subparagraphs (A) and (B) of section 3532(b)(2) of title 44, United States Code (as added by section 1402 of this Act), that provide more stringent protection than the policies, principles, standards, and guidelines required under section 3533 of such title; and*

*(B) ensure the implementation of the information security policies, principles, standards, and guidelines described under subparagraph (A).*

*(2) MEASURES ADDRESSED.—The policies, principles, standards, and guidelines developed by the Secretary of Defense and the Director of Central Intelligence under paragraph (1) shall address the full range of information assurance measures needed to protect and defend Federal information and information systems by ensuring their integrity, confidentiality, authenticity, availability, and nonrepudiation.*

*(c) DEPARTMENT OF JUSTICE.—The Department of Justice shall review and update guidance to agencies on—*

*(1) legal remedies regarding security incidents and ways to report to and work with law enforcement agencies concerning such incidents; and*

*(2) lawful uses of security techniques and technologies.*

*(d) GENERAL SERVICES ADMINISTRATION.—The General Services Administration shall—*

*(1) review and update General Services Administration guidance to agencies on addressing security considerations when acquiring information technology; and*

*(2) assist agencies in—*

*(A) fulfilling agency responsibilities under section 3534(b)(2)(E) of title 44, United States Code (as added by section 1402 of this Act); and*

*(B) the acquisition of cost-effective security products, services, and incident response capabilities.*

*(e) OFFICE OF PERSONNEL MANAGEMENT.—The Office of Personnel Management shall—*

*(1) review and update Office of Personnel Management regulations concerning computer security training for Federal civilian employees;*

*(2) assist the Department of Commerce in updating and maintaining guidelines for training in computer security awareness and computer security best practices; and*

*(3) work with the National Science Foundation and other agencies on personnel and training initiatives (including scholarships and fellowships, as authorized by law) as necessary to ensure that the Federal Government—*

*(A) has adequate sources of continuing information security education and training available for employees; and*

*(B) has an adequate supply of qualified information security professionals to meet agency needs.*

*(f) INFORMATION SECURITY POLICIES, PRINCIPLES, STANDARDS, AND GUIDELINES.—*

*(1) IN GENERAL.—Notwithstanding any provision of this title (including any amendment made by this title)—*

*(A) the Secretary of Defense, the Director of Central Intelligence, and other agency head as designated by the President shall develop such policies, principles, standards, and guidelines for mission critical systems subject to their control;*

*(B) the policies, principles, standards, and guidelines developed by the Secretary of Defense, the Director of Central Intelligence, and other agency head as designated by the President may be adopted, to the extent that such policies are consistent with policies and guidance developed by the Director of the Office of Management and Budget and the Secretary of Commerce—*

*(i) by the Director of the Office of Management and Budget, as appropriate, to the mission critical systems of all agencies; or*

*(ii) by an agency head, as appropriate, to the mission critical systems of that agency; and*

*(C) to the extent that such policies are consistent with policies and guidance developed by the Director of the Office of Management and Budget and the Secretary of Commerce, an agency may develop and implement information security policies, principles, standards, and guidelines that provide more stringent protection than those required under section 3533 of title 44, United States Code (as added by section 1402 of this Act), or subsection (a) of this section.*

*(2) MEASURES ADDRESSED.—The policies, principles, standards, and guidelines developed by the Secretary of Defense and the Director of Central Intelligence under paragraph (1) shall address the full range of information assurance measures needed to protect and defend Federal information and information systems by ensuring their integrity, confidentiality, authenticity, availability, and nonrepudiation.*

*(g) ATOMIC ENERGY ACT OF 1954.—Nothing in this title (including any amendment made by this title) shall supersede any requirement made by or under the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.). Restricted Data or Formerly Restricted Data shall be handled, protected, classified, downgraded, and declassified in conformity with the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.).*

### ***SEC. 1404. TECHNICAL AND CONFORMING AMENDMENTS.***

*(a) IN GENERAL.—Chapter 35 of title 44, United States Code, is amended—*

*(1) in the table of sections—*

*(A) by inserting after the chapter heading the following:*

*"SUBCHAPTER I—FEDERAL INFORMATION POLICY";*

*and*

*(B) by inserting after the item relating to section 3520 the following:*

*"SUBCHAPTER II—INFORMATION SECURITY*

*"Sec.*  
*"3531. Purposes.*  
*"3532. Definitions.*  
*"3533. Authority and functions of the Director.*  
*"3534. Federal agency responsibilities.*  
*"3535. Annual independent evaluation.";*

*and*

*(2) by inserting before section 3501 the following:*

*"SUBCHAPTER I—FEDERAL INFORMATION POLICY".*

*(b) REFERENCES TO CHAPTER 35.—Chapter 35 of title 44, United States Code, is amended—*

*(1) in section 3501—*

*(A) in the matter preceding paragraph (1), by striking "chapter" and inserting "subchapter"; and*

*(B) in paragraph (11), by striking "chapter" and inserting "subchapter";*

*(2) in section 3502, in the matter preceding paragraph (1), by striking "chapter" and inserting "subchapter";*

*(3) in section 3503, in subsection (b), by striking "chapter" and inserting "subchapter";*

*(4) in section 3504—*

*(A) in subsection (a)(2), by striking "chapter" and inserting "subchapter";*

*(B) in subsection (d)(2), by striking "chapter" and inserting "subchapter"; and*

*(C) in subsection (f)(1), by striking "chapter" and inserting "subchapter";*

*(5) in section 3505—*

*(A) in subsection (a), in the matter preceding paragraph (1), by striking "chapter" and inserting "subchapter";*

*(B) in subsection (a)(2), by striking "chapter" and inserting "subchapter"; and*

*(C) in subsection (a)(3)(B)(iii), by striking "chapter" and inserting "subchapter";*

*(6) in section 3506—*

*(A) in subsection (a)(1)(B), by striking "chapter" and inserting "subchapter";*

*(B) in subsection (a)(2)(A), by striking "chapter" and inserting "subchapter";*

*(C) in subsection (a)(2)(B), by striking "chapter" and inserting "subchapter";*

*(D) in subsection (a)(3)—*

*(i) in the first sentence, by striking "chapter" and inserting "subchapter"; and*

*(ii) in the second sentence, by striking "chapter" and inserting "subchapter";*

*(E) in subsection (b)(4), by striking "chapter" and inserting "subchapter";*

*(F) in subsection (c)(1), by striking "chapter, to" and inserting "subchapter, to"; and*

*(G) in subsection (c)(1)(A), by striking "chapter" and inserting "subchapter";*

*(7) in section 3507—*

*(A) in subsection (e)(3)(B), by striking "chapter" and inserting "subchapter";*

*(B) in subsection (h)(2)(B), by striking "chapter" and inserting "subchapter";*

*(C) in subsection (h)(3), by striking "chapter" and inserting "subchapter";*

*(D) in subsection (j)(1)(A)(i), by striking "chapter" and inserting "subchapter";*

*(E) in subsection (j)(1)(B), by striking "chapter" and inserting "subchapter"; and*

*(F) in subsection (j)(2), by striking "chapter" and inserting "subchapter";*

*(8) in section 3509, by striking "chapter" and inserting "subchapter";*

*(9) in section 3512—*

*(A) in subsection (a), by striking "chapter if" and inserting "subchapter if"; and*

*(B) in subsection (a)(1), by striking "chapter" and inserting "subchapter";*

*(10) in section 3514—*

*(A) in subsection (a)(1)(A), by striking "chapter" and inserting "subchapter"; and*

*(B) in subsection (a)(2)(A)(ii), by striking "chapter" and inserting "subchapter" each place it appears;*

*(11) in section 3515, by striking "chapter" and inserting "subchapter";*

*(12) in section 3516, by striking "chapter" and inserting "subchapter";*

*(13) in section 3517(b), by striking "chapter" and inserting "subchapter";*

*(14) in section 3518—*

*(A) in subsection (a), by striking "chapter" and inserting "subchapter" each place it appears;*

*(B) in subsection (b), by striking "chapter" and inserting "subchapter";*

*(C) in subsection (c)(1), by striking "chapter" and inserting "subchapter";*

*(D) in subsection (c)(2), by striking "chapter" and inserting "subchapter";*

*(E) in subsection (d), by striking "chapter" and inserting "subchapter"; and*

*(F) in subsection (e), by striking "chapter" and inserting "subchapter"; and*

*(15) in section 3520, by striking "chapter" and inserting "subchapter".*

### ***SEC. 1405. EFFECTIVE DATE.***

*This title and the amendments made by this title shall take effect 30 days after the date of enactment of this Act.*

## ***TITLE XV—LOCAL LAW ENFORCEMENT ENHANCEMENT ACT OF 2000***

### ***SEC. 1501. SHORT TITLE.***

*This title may be cited as the "Local Law Enforcement Enhancement Act of 2000".*

### ***SEC. 1502. FINDINGS.***

*Congress makes the following findings:*

*(1) The incidence of violence motivated by the actual or perceived race, color, religion, national origin, gender, sexual orientation, or disability of the victim poses a serious national problem.*

*(2) Such violence disrupts the tranquility and safety of communities and is deeply divisive.*

*(3) State and local authorities are now and will continue to be responsible for prosecuting the overwhelming majority of violent crimes in the United States, including violent crimes motivated by bias. These authorities can carry out their responsibilities more effectively with greater Federal assistance.*

(4) Existing Federal law is inadequate to address this problem.

(5) The prominent characteristic of a violent crime motivated by bias is that it devastates not just the actual victim and the victim's family and friends, but frequently savages the community sharing the traits that caused the victim to be selected.

(6) Such violence substantially affects interstate commerce in many ways, including—

(A) by impeding the movement of members of targeted groups and forcing such members to move across State lines to escape the incidence or risk of such violence; and

(B) by preventing members of targeted groups from purchasing goods and services, obtaining or sustaining employment or participating in other commercial activity.

(7) Perpetrators cross State lines to commit such violence.

(8) Channels, facilities, and instrumentalities of interstate commerce are used to facilitate the commission of such violence.

(9) Such violence is committed using articles that have traveled in interstate commerce.

(10) For generations, the institutions of slavery and involuntary servitude were defined by the race, color, and ancestry of those held in bondage. Slavery and involuntary servitude were enforced, both prior to and after the adoption of the 13th amendment to the Constitution of the United States, through widespread public and private violence directed at persons because of their race, color, or ancestry, or perceived race, color, or ancestry. Accordingly, eliminating racially motivated violence is an important means of eliminating, to the extent possible, the badges, incidents, and relics of slavery and involuntary servitude.

(11) Both at the time when the 13th, 14th, and 15th amendments to the Constitution of the United States were adopted, and continuing to date, members of certain religious and national origin groups were and are perceived to be distinct "races". Thus, in order to eliminate, to the extent possible, the badges, incidents, and relics of slavery, it is necessary to prohibit assaults on the basis of real or perceived religions or national origins, at least to the extent such religions or national origins were regarded as races at the time of the adoption of the 13th, 14th, and 15th amendments to the Constitution of the United States.

(12) Federal jurisdiction over certain violent crimes motivated by bias enables Federal, State, and local authorities to work together as partners in the investigation and prosecution of such crimes.

(13) The problem of crimes motivated by bias is sufficiently serious, widespread, and interstate in nature as to warrant Federal assistance to States and local jurisdictions.

### SEC. 1503. DEFINITION OF HATE CRIME.

In this title, the term "hate crime" has the same meaning as in section 280003(a) of the Violent Crime Control and Law Enforcement Act of 1994 (28 U.S.C. 994 note).

### SEC. 1504. SUPPORT FOR CRIMINAL INVESTIGATIONS AND PROSECUTIONS BY STATE AND LOCAL LAW ENFORCEMENT OFFICIALS.

(a) ASSISTANCE OTHER THAN FINANCIAL ASSISTANCE.—

(1) IN GENERAL.—At the request of a law enforcement official of a State or Indian tribe, the Attorney General may provide technical, forensic, prosecutorial, or any other form of assistance in the criminal investigation or prosecution of any crime that—

(A) constitutes a crime of violence (as defined in section 16 of title 18, United States Code);

(B) constitutes a felony under the laws of the State or Indian tribe; and

(C) is motivated by prejudice based on the victim's race, color, religion, national origin, gender, sexual orientation, or disability or is a violation of the hate crime laws of the State or Indian tribe.

(2) PRIORITY.—In providing assistance under paragraph (1), the Attorney General shall give priority to crimes committed by offenders who have committed crimes in more than 1 State and to rural jurisdictions that have difficulty covering the extraordinary expenses relating to the investigation or prosecution of the crime.

(b) GRANTS.—

(1) IN GENERAL.—The Attorney General may award grants to assist State, local, and Indian law enforcement officials with the extraordinary expenses associated with the investigation and prosecution of hate crimes. In implementing the grant program, the Office of Justice Programs shall work closely with the funded jurisdictions to ensure that the concerns and needs of all affected parties, including community groups and schools, colleges, and universities, are addressed through the local infrastructure developed under the grants.

(2) APPLICATION.—

(A) IN GENERAL.—Each State desiring a grant under this subsection shall submit an application to the Attorney General at such time, in such manner, and accompanied by or containing such information as the Attorney General shall reasonably require.

(B) DATE FOR SUBMISSION.—Applications submitted pursuant to subparagraph (A) shall be submitted during the 60-day period beginning on a date that the Attorney General shall prescribe.

(C) REQUIREMENTS.—A State or political subdivision of a State or tribal official applying for assistance under this subsection shall—

(i) describe the extraordinary purposes for which the grant is needed;

(ii) certify that the State, political subdivision, or Indian tribe lacks the resources necessary to investigate or prosecute the hate crime;

(iii) demonstrate that, in developing a plan to implement the grant, the State, political subdivision, or tribal official has consulted and coordinated with nonprofit, nongovernmental victim services programs that have experience in providing services to victims of hate crimes; and

(iv) certify that any Federal funds received under this subsection will be used to supplement, not supplant, non-Federal funds that would otherwise be available for activities funded under this subsection.

(3) DEADLINE.—An application for a grant under this subsection shall be approved or disapproved by the Attorney General not later than 30 business days after the date on which the Attorney General receives the application.

(4) GRANT AMOUNT.—A grant under this subsection shall not exceed $100,000 for any single jurisdiction within a 1 year period.

(5) REPORT.—Not later than December 31, 2001, the Attorney General shall submit to Congress a report describing the applications submitted for grants under this subsection, the award of such grants, and the purposes for which the grant amounts were expended.

(6) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $5,000,000 for each of fiscal years 2001 and 2002.

### SEC. 1505. GRANT PROGRAM.

(a) AUTHORITY TO MAKE GRANTS.—The Office of Justice Programs of the Department of Justice shall award grants, in accordance with such regulations as the Attorney General may prescribe, to State and local programs designed to combat hate crimes committed by juveniles, including programs to train local law enforcement officers in identifying, investigating, prosecuting, and preventing hate crimes.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

### SEC. 1506. AUTHORIZATION FOR ADDITIONAL PERSONNEL TO ASSIST STATE AND LOCAL LAW ENFORCEMENT.

There are authorized to be appropriated to the Department of the Treasury and the Department of Justice, including the Community Relations Service, for fiscal years 2001, 2002, and 2003 such sums as are necessary to increase the number of personnel to prevent and respond to alleged violations of section 249 of title 18, United States Code (as added by this title).

### SEC. 1507. PROHIBITION OF CERTAIN HATE CRIME ACTS.

(a) IN GENERAL.—Chapter 13 of title 18, United States Code, is amended by adding at the end the following:

**"§249. Hate crime acts**

"(a) IN GENERAL.—

"(1) OFFENSES INVOLVING ACTUAL OR PERCEIVED RACE, COLOR, RELIGION, OR NATIONAL ORIGIN.—Whoever, whether or not acting under color of law, willfully causes bodily injury to any person or, through the use of fire, a firearm, or an explosive or incendiary device, attempts to cause bodily injury to any person, because of the actual or perceived race, color, religion, or national origin of any person—

"(A) shall be imprisoned not more than 10 years, fined in accordance with this title, or both; and

"(B) shall be imprisoned for any term of years or for life, fined in accordance with this title, or both, if—

"(i) death results from the offense; or

"(ii) the offense includes kidnaping or an attempt to kidnap, aggravated sexual abuse or an attempt to commit aggravated sexual abuse, or an attempt to kill.

"(2) OFFENSES INVOLVING ACTUAL OR PERCEIVED RELIGION, NATIONAL ORIGIN, GENDER, SEXUAL ORIENTATION, OR DISABILITY.—

"(A) IN GENERAL.—Whoever, whether or not acting under color of law, in any circumstance described in subparagraph (B), willfully causes bodily injury to any person or, through the use of fire, a firearm, or an explosive or incendiary device, attempts to cause bodily injury to any person, because of the actual or perceived religion, national origin, gender, sexual orientation, or disability of any person—

"(i) shall be imprisoned not more than 10 years, fined in accordance with this title, or both; and

"(ii) shall be imprisoned for any term of years or for life, fined in accordance with this title, or both, if—

"(I) death results from the offense; or

"(II) the offense includes kidnaping or an attempt to kidnap, aggravated sexual abuse or an attempt to commit aggravated sexual abuse, or an attempt to kill.

"(B) CIRCUMSTANCES DESCRIBED.—For purposes of subparagraph (A), the circumstances described in this subparagraph are that—

"(i) the conduct described in subparagraph (A) occurs during the course of, or as the result of, the travel of the defendant or the victim—

"(I) across a State line or national border; or

"(II) using a channel, facility, or instrumentality of interstate or foreign commerce;

"(ii) the defendant uses a channel, facility, or instrumentality of interstate or foreign commerce in connection with the conduct described in subparagraph (A);

"(iii) in connection with the conduct described in subparagraph (A) the defendant employs a firearm, explosive or incendiary device, or other weapon that has traveled in interstate or foreign commerce; or

"(iv) the conduct described in subparagraph (A)—

"(I) interferes with commercial or other economic activity in which the victim is engaged at the time of the conduct; or

"(II) otherwise affects interstate or foreign commerce.

"(b) Certification Requirement.—No prosecution of any offense described in this subsection may be undertaken by the United States, except under the certification in writing of the Attorney General, the Deputy Attorney General, the Associate Attorney General, or any Assistant Attorney General specially designated by the Attorney General that—

"(1) he or she has reasonable cause to believe that the actual or perceived race, color, religion, national origin, gender, sexual orientation, or disability of any person was a motivating factor underlying the alleged conduct of the defendant; and

"(2) he or his designee or she or her designee has consulted with State or local law enforcement officials regarding the prosecution and determined that—

"(A) the State does not have jurisdiction or does not intend to exercise jurisdiction;

"(B) the State has requested that the Federal Government assume jurisdiction;

"(C) the State does not object to the Federal Government assuming jurisdiction; or

"(D) the verdict or sentence obtained pursuant to State charges left demonstratively unvindicated the Federal interest in eradicating bias-motivated violence.

"(c) Definitions.—In this section—

"(1) the term 'explosive or incendiary device' has the meaning given the term in section 232 of this title; and

"(2) the term 'firearm' has the meaning given the term in section 921(a) of this title.".

(b) Technical and Conforming Amendment.—The analysis for chapter 13 of title 18, United States Code, is amended by adding at the end the following:

"249. Hate crime acts.".

### SEC. 1508. DUTIES OF FEDERAL SENTENCING COMMISSION.

(a) Amendment of Federal Sentencing Guidelines.—Pursuant to its authority under section 994 of title 28, United States Code, the United States Sentencing Commission shall study the issue of adult recruitment of juveniles to commit hate crimes and shall, if appropriate, amend the Federal sentencing guidelines to provide sentencing enhancements (in addition to the sentencing enhancement provided for the use of a minor during the commission of an offense) for adult defendants who recruit juveniles to assist in the commission of hate crimes.

(b) Consistency With Other Guidelines.—In carrying out this section, the United States Sentencing Commission shall—

(1) ensure that there is reasonable consistency with other Federal sentencing guidelines; and

(2) avoid duplicative punishments for substantially the same offense.

### SEC. 1509. STATISTICS.

Subsection (b)(1) of the first section of the Hate Crimes Statistics Act (28 U.S.C. 534 note) is amended by inserting "gender," after "race,".

### SEC. 1510. SEVERABILITY.

If any provision of this title, an amendment made by this title, or the application of such provision or amendment to any person or circumstance is held to be unconstitutional, the remainder of this title, the amendments made by this title, and the application of the provisions of such to any person or circumstance shall not be affected thereby.

## DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

### SEC. 2001. SHORT TITLE.

This division may be cited as the "Military Construction Authorization Act for Fiscal Year 2001".

## TITLE XXI—ARMY

### SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) Inside the United States.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(1), the Secretary of the Army may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

**Army: Inside the United States**

| State | Installation or location | Amount |
|---|---|---|
| Alabama | Redstone Arsenal | $23,400,000 |
| Alaska | Fort Richardson | $3,000,000 |
| Arizona | Fort Huachuca | $1,250,000 |
| California | Fort Irwin | $31,000,000 |
| Georgia | Fort Benning | $15,800,000 |
| Hawaii | Pohakuloa Training Range | $32,000,000 |
| | Wheeler Army Air Field | $43,800,000 |
| Kansas | Fort Riley | $22,000,000 |
| Maryland | Aberdeen Proving Ground | $3,100,000 |
| | Fort Meade | $19,000,000 |
| Missouri | Fort Leonard Wood | $61,200,000 |
| North Carolina | Fort Bragg | $222,200,000 |
| | Sunny Point Military Ocean Terminal | $2,300,000 |
| Ohio | Columbus | $1,832,000 |
| Oklahoma | Fort Sill | $10,100,000 |
| Pennsylvania | Carlisle Barracks | $10,500,000 |
| | New Cumberland Army Depot | $3,700,000 |
| Texas | Fort Bliss | $26,000,000 |
| | Fort Hood | $26,000,000 |
| | Red River Army Depot | $800,000 |
| Virginia | Fort Eustis | $4,450,000 |
| | Total: | $563,432,000 |

(b) Outside the United States.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(2), the Secretary of the Army may acquire real property and carry out military construction projects for the locations outside the United States, and in the amounts, set forth in the following table:

**Army: Outside the United States**

| Country | Installation or location | Amount |
|---|---|---|
| Germany | Area Support Group, Bamberg | $11,650,000 |
| | Area Support Group, Darmstadt | $11,300,000 |
| | Kaiserslautern | $3,400,000 |
| | Mannheim | $4,050,000 |
| Korea | Camp Humphreys | $14,200,000 |
| | Camp Page | $19,500,000 |
| | Total: | $64,100,000 |

(c) Unspecified Worldwide.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(3), the Secretary of the Army may acquire real property and carry out military construction projects for the installation and location, and in the amount, set forth in the following table:

**Army: Unspecified Worldwide**

| Location | Installation | Amount |
|---|---|---|
| Unspecified Worldwide | Classified Location | $11,500,000 |

### *SEC. 2102. FAMILY HOUSING.*

*(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(6)(A), the Secretary of the Army may construct or acquire family housing units (including land acquisition) at the installations, for the purposes, and in the amounts set forth in the following table:*

***Army: Family Housing***

| *State or County* | *Installation or location* | *Purpose* | *Amount* |
|---|---|---|---|
| *Alaska* | *Fort Wainwright* | *72 Units* | *$24,000,000* |
| *Arizona* | *Fort Huachuca* | *110 Units* | *$16,224,000* |
| *Hawaii* | *Schofield Barracks* | *72 Units* | *$15,500,000* |
| *Kentucky* | *Fort Campbell* | *56 Units* | *$7,800,000* |
| | *Fort Campbell* | *128 Units* | *$20,000,000* |
| *Maryland* | *Fort Detrick* | *48 Units* | *$5,600,000* |
| *North Carolina* | *Fort Bragg* | *112 Units* | *$14,600,000* |
| *South Carolina* | *Fort Jackson* | *1 Unit* | *$250,000* |
| *Texas* | *Fort Bliss* | *64 Units* | *$10,200,000* |
| | *Fort Sam Houston* | *80 Units* | *$10,000,000* |
| *Korea* | *Camp Humphreys* | *60 Units* | *$21,800,000* |
| | *Total:* | | *$145,974,000* |

*(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(6)(A), the Secretary of the Army may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of family housing units in an amount not to exceed $8,742,000.*

### *SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.*

*Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(6)(A), the Secretary of the Army may improve existing military family housing units in an amount not to exceed $63,590,000.*

### *SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.*

*(a) IN GENERAL.—Subject to subsection (c), funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2000, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of $1,978,295,000 as follows:*

*(1) For military construction projects inside the United States authorized by section 2101(a), $372,832,000.*

*(2) For military construction projects outside the United States authorized by section 2101(b), $64,100,000.*

*(3) For military construction projects at unspecified worldwide locations authorized by section 2101(c), $11,500,000.*

*(4) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $15,000,000.*

*(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $97,482,000.*

*(6) For military family housing functions:*

*(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $218,306,000.*

*(B) For support of military family housing (including the functions described in section 2833 of title 10, United States Code), $978,275,000.*

*(7) For the construction of the Ammunition Demilitarization Facility, Pine Bluff Arsenal, Arkansas, authorized in section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3040), as amended by section 2407 of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 539), section 2408 of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85; 111 Stat. 1982), and section 2406 of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2197), $43,600,000.*

*(8) For the construction of the Ammunition Demilitarization Facility Phase 6, Umatilla Army Depot, Oregon, authorized in section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1995, as amended by section 2407 of the Military Construction Authorization Act for Fiscal Year 1996, section 2408 of the Military Construction Authorization Act for Fiscal Year 1998, and section 2406 of the Military Construction Authorization Act for Fiscal Year 1999, $9,400,000.*

*(9) For the construction of the Ammunition Demilitarization Facility Phase 2, Pueblo Army Depot, Colorado, authorized in section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2775), as amended by section 2406 of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 839), $10,700,000.*

*(10) For the construction of the Ammunition Demilitarization Facility Phase 3, Newport Army Depot, Indiana, authorized in section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1999 (112 Stat. 2193), $54,400,000.*

*(11) For the construction of the Ammunition Demilitarization Facility phase 3, Aberdeen Proving Ground, Maryland, authorized in section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1999, $45,700,000.*

*(12) For the construction of the railhead facility, Fort Hood, Texas, authorized in section 2101(a) of the Military Construction Authorization Act for Fiscal Year 1999, as amended by section 2106 of this Act, $9,800,000.*

*(13) For the construction of a Barracks Complex—Infantry Drive Phase 1C, Fort Riley, Kansas, authorized in section 2101(a) of the Military Construction Authorization Act for Fiscal Year 1999, as amended by section 2106 of this Act, $10,000,000.*

*(14) For the construction of a Multipurpose Digital Range Phase 3, Fort Knox, Kentucky, authorized in section 2101(a) of the Military Construction Authorization Act for Fiscal Year 1999, $600,000.*

*(15) For the construction of the Chemical Defense Qualification Facility, Pine Bluff Arsenal, Arkansas, authorized in section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2000 (113 Stat. 825), $2,592,000.*

*(16) For the construction of a Barracks Complex—Wilson Street Phase 1B, Schofield Barracks, Hawaii, authorized in section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2000, $22,400,000.*

*(17) For the construction of the Ammunition Demilitarization Support Phase 2, Blue Grass Army Depot, Kentucky, authorized in section 2401(a) the Military Construction Act for Fiscal Year 2000 (113 Stat. 836), $8,500,000.*

*(18) For the construction of a Barracks Complex—Tagaytay Street Phase 2B, Fort Bragg, North Carolina, authorized in section 2101(a) of the Military Construction Act for Fiscal Year 2000, $3,108,000.*

*(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variations authorized by law, the total cost of all projects carried out under section 2101 of this Act may not exceed—*

*(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a);*

*(2) $22,600,000 (the balance of the amount authorized under section 2101(a) for the construction of a Basic Training Complex at Fort Leonard Wood, Missouri);*

*(3) $10,000,000 (the balance of the amount authorized under section 2101(a) for construction of a Multipurpose Digital Training Range at Fort Hood, Texas);*

*(4) $34,000,000 (the balance of the amount authorized under section 2101(a) for construction of a barracks complex, Longstreet Road Phase I at Fort Bragg, North Carolina);*

*(5) $104,000,000 (the balance of the amount authorized under section 2101(a) for the construction of a barracks complex, Bunter Road Phase I at Fort Bragg, North Carolina); and*

*(6) $20,000,000 (the balance of the amount authorized under section 2101(a) for the construction of Saddle Access Road, Pohakuloa Training Facility, Hawaii).*

*(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (18) of subsection (a) is the sum of the amounts authorized to be appropriated by those paragraphs, reduced by $20,546,000 which represents savings in the foreign currency account.*

### SEC. 2105. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 2000 PROJECTS.

(a) CONSTRUCTION PROJECTS INSIDE THE UNITED STATES.—The table in section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 825) is amended—

(1) in the item relating to Fort Stewart, Georgia, by striking "$71,700,000" in the amount column and inserting "$25,700,000";

(2) by striking the item relating to Fort Riley, Kansas; and

(3) by striking the amount identified as the total in the amount column and inserting "$956,750,000".

(b) UNSPECIFIED MINOR CONSTRUCTION PROJECTS.—Subsection (a)(3) of section 2104 of the Military Construction Authorization Act for Fiscal Year 2000 (113 Stat. 826) is amended by striking "$9,500,000" and inserting "$14,600,000".

(c) CONFORMING AMENDMENTS.—Section 2104 of the Military Construction Authorization Act for Fiscal Year 2000 is further amended—

(1) in the matter preceding subsection (a), by striking "$2,353,231,000" and inserting "$2,358,331,000"; and

(2) by striking paragraph (7) of subsection (b).

### SEC. 2106. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 1999 PROJECTS.

(a) MODIFICATION.—The table in section 2101 of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2182) is amended—

(1) in the item relating to Fort Hood, Texas, by striking "$32,500,000" in the amount column and inserting "$45,300,000";

(2) in the item relating to Fort Riley, Kansas, by striking "$41,000,000" in the amount column and inserting "$44,500,000"; and

(3) by striking the amount identified as the total in the amount column and inserting "$785,081,000".

(b) CONFORMING AMENDMENTS.—Section 2104 of that Act (112 Stat. 2184) is amended—

(1) in the matter preceding subsection (a), by striking "$2,098,713,000" and inserting "$2,111,513,000";

(2) in subsection (a)(1)(1), by striking "$609,076,000" and inserting "$622,581,000"; and

(3) in subsection (b)(7), by striking "$24,500,000" and inserting "$28,000,000".

### SEC. 2107. MODIFICATION OF AUTHORITY TO CARRY OUT FISCAL YEAR 1998 PROJECT.

(a) MODIFICATION.—The table in section 2101(a) of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85; 111 Stat. 1967), as amended by section 2105(a) of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2185) is further amended—

(1) in the item relating to Hunter Army Airfield, Fort Stewart, Georgia, by striking "$54,000,000" in the amount column and inserting "$57,500,000"; and

(2) by striking the amount identified as the total in the amount column and inserting "$606,250,000".

(b) CONFORMING AMENDMENT.—Section 2104(b)(5) of the Military Construction Authorization Act for Fiscal Year 1998 (111 Stat. 1969) is amended by striking "$42,500,000" and inserting "$46,000,000".

### SEC. 2108. AUTHORITY TO ACCEPT FUNDS FOR REALIGNMENT OF CERTAIN MILITARY CONSTRUCTION PROJECT, FORT CAMPBELL, KENTUCKY.

(a) AUTHORITY TO ACCEPT FUNDS.—(1) The Secretary of the Army may accept funds from the Federal Highway Administration or the State of Kentucky for purposes of funding all costs associated with the realignment of the military construction project involving a rail connector located at Fort Campbell, Kentucky, authorized in section 2101(a) of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2763).

(2) Any funds accepted under paragraph (1) shall be credited to the account of the Department of the Army from which the costs of the realignment of the military construction project described in that paragraph are to be paid.

(b) USE OF FUNDS.—(1) The Secretary may use funds accepted under subsection (a) for any costs associated with the realignment of the military construction project described in that subsection in addition to any amounts authorized and appropriated for the military construction project.

(2) For purposes of paragraph (1), the costs associated with the realignment of the military construction project described in subsection (a) include redesign costs, additional construction costs, additional costs due to construction delays related to the realignment, and additional real estate costs.

(3) Funds accepted under subsection (a) shall remain available under paragraph (1) until expended.

## TITLE XXII—NAVY

### SEC. 2201. AUTHORIZED NAVY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(1), the Secretary of the Navy may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

**Navy: Inside the United States**

| State | Installation or location | Amount |
|---|---|---|
| Arizona | Marine Corps Air Station, Yuma | $8,200,000 |
| | Navy Detachment, Camp Navajo | $2,940,000 |
| California | Marine Corps Air Station, Miramar | $7,350,000 |
| | Marine Corps Air-Ground Combat Center, Twentynine Palms | $2,100,000 |
| | Marine Corps Base, Camp Pendleton | $8,100,000 |
| | Naval Air Station, Lemoore | $8,260,000 |
| | Naval Air Warfare Center Weapons Division, Point Mugu | $11,400,000 |
| | Naval Aviation Depot, North Island | $4,340,000 |
| | Naval Facility, San Clemente Island | $8,860,000 |
| | Naval Ship Weapons Systems Engineering Station, Port Hueneme | $10,200,000 |
| | Naval Station, San Diego | $53,200,000 |
| Connecticut | Naval Submarine Base, New London | $3,100,000 |
| CONUS Various | CONUS Various | $11,500,000 |
| District of Columbia | Marine Corps Barracks | $17,197,000 |
| | Naval District, Washington | $2,450,000 |
| | Naval Research Laboratory, Washington | $12,390,000 |
| Florida | Coastal System Station, Panama City | $9,960,000 |
| | Naval Air Station, Whiting Field, Milton | $5,130,000 |
| | Naval Surface Warfare Center Detachment, Ft. Lauderdale | $3,570,000 |
| Georgia | Marine Corps Logistics Base, Albany | $1,100,000 |
| | Trident Refit Facility, Kings Bay | $5,200,000 |
| Hawaii | Fleet Industrial Supply Center, Pearl Harbor | $12,000,000 |
| | Naval Undersea Weapons Station Detachment, Lualualei | $2,100,000 |
| | Marine Corps Air Station, Kaneohe | $18,400,000 |
| | Naval Station, Pearl Harbor | $37,600,000 |
| Illinois | Naval Training Center, Great Lakes | $121,400,000 |
| Maine | Naval Air Station, Brunswick | $2,450,000 |
| | Naval Ship Yard, Portsmouth | $4,960,000 |
| Maryland | Naval Explosive Ordinance Disposal Tech Division, Indian Head | $6,430,000 |
| Mississippi | Naval Air Station, Meridian | $6,230,000 |
| | Naval Oceanographic Office, Stennis Space Center | $6,950,000 |
| Nevada | Naval Air Station, Fallon | $6,280,000 |
| New Jersey | Naval Weapons Station, Earle | $2,420,000 |
| North Carolina | Marine Corps Air Station, Cherry Point | $8,480,000 |
| | Marine Corps Air Station, New River | $3,400,000 |
| | Marine Corps Base, Camp LeJeune | $45,870,000 |
| | Naval Aviation Depot, Cherry Point | $7,540,000 |

### Navy: Inside the United States—Continued

| State | Installation or location | Amount |
|---|---|---|
| Rhode Island | Naval Undersea Warfare Center Division, Newport | $4,150,000 |
| South Carolina | Marine Corps Air Station, Beaufort | $3,140,000 |
| | Marine Corps Recruit Depot, Parris Island | $2,660,000 |
| Texas | Naval Air Station, Kingsville | $2,670,000 |
| Virginia | AEGIS Combat Systems Center, Wallops Island | $3,300,000 |
| | Marine Corps Combat Development Command, Quantico | $8,590,000 |
| | Naval Air Station, Oceana | $5,250,000 |
| | Naval Air Station, Norfolk | $31,450,000 |
| | Naval Amphibious Base, Little Creek | $2,830,000 |
| | Naval Shipyard, Norfolk, Portsmouth | $16,100,000 |
| | Naval Station, Norfolk | $4,700,000 |
| | Naval Surface Warfare Center, Dahlgren | $30,700,000 |
| Washington | Naval Station, Everett | $5,500,000 |
| | Naval Submarine Base, Bangor | $4,600,000 |
| | Puget Sound Naval Shipyard, Bremerton | $78,460,000 |
| | Strategic Weapons Facility Pacific, Bremerton | $1,400,000 |
| | Total: | $694,557,000 |

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(2), the Secretary of the Navy may acquire real property and carry out military construction projects for the locations outside the United States, and in the amounts, set forth in the following table:

### Navy: Outside the United States

| Country | Installation or location | Amount |
|---|---|---|
| Bahrain | Administrative Support Unit | $19,400,000 |
| Italy | Naval Air Station, Sigonella | $32,969,000 |
| | Naval Support Activity, Naples | $15,000,000 |
| Various Locations | Host Nation Infrastructure Support | $142,000 |
| | Total: | $67,511,000 |

### SEC. 2202. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Secretary of the Navy may construct or acquire family housing units (including land acquisition) at the installations, for the purposes, and in the amounts set forth in the following table:

### Navy: Family Housing

| State | Installation or location | Purpose | Amount |
|---|---|---|---|
| California | Marine Corps Air-Ground Combat Center, Twentynine Palms | 79 Units | $13,923,000 |
| | Naval Air Station, Lemoore | 160 Units | $27,768,000 |
| Hawaii | Commander Naval Base, Pearl Harbor | 112 Units | $23,654,000 |
| | Commander Naval Base, Pearl Harbor | 62 Units | $14,237,000 |
| | Commander Naval Base, Pearl Harbor | 98 Units | $22,230,000 |
| | Marine Corps Air Station, Kaneohe Bay | 84 Units | $21,910,000 |
| Maine | Naval Air Station, Brunswick | 168 Units | $18,722,000 |
| Mississippi | Naval Station, Pascagoula | 140 Units | $21,605,000 |
| North Carolina | Camp LeJeune | 149 Units | $7,838,000 |
| Washington | Naval Air Station, Whidbey Island | 98 Units | $16,873,000 |
| | | Total: | $188,760,000 |

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Secretary of the Navy may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $19,958,000.

### SEC. 2203. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Secretary of the Navy may improve existing military family housing units in an amount not to exceed $183,547,000.

### SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.

(a) IN GENERAL.—Subject to subsection (c), funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2000, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $2,095,163,000 as follows:

(1) For military construction projects inside the United States authorized by section 2201(a), $633,537,000.

(2) For military construction projects outside the United States authorized by section 2201(b), $66,571,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $7,659,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $64,093,000.

(5) For military family housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $392,265,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), $882,638,000.

(6) For construction of a berthing wharf at Naval Air Station, North Island, California, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 828), $12,800,000.

(7) For construction of the Commander-in-Chief Headquarters, Pacific Command, Camp H.M. Smith, Hawaii, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 2000, $35,600,000.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2201 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a);

(2) $17,500,000 (the balance of the amount authorized under section 2201(a) for repair of a pier at Naval Station, San Diego, California);

(3) $12,390,000 (the balance of the amount authorized under section 2201(a) for construction of a Nano Science Research Laboratory, Washington, District of Columbia);

(4) $4,000,000 (the balance of the amount authorized under section 2201(a) for construction of armories at Marine Corps Base, Camp LeJeune, North Carolina);

(5) $2,670,000 (the balance of the amount authorized under section 2201(a) for construction of an aircraft parking apron at Naval Air Station, Kingsville, Texas);

(6) $24,460,000 (the balance of the amount authorized under section 2201(a) for replacement of a pier at Naval Ship Yard, Bremerton, Puget Sound, Washington); and

*(7) $940,000 (the balance of the amount authorized under section 2201(b) for construction of community facilities at Naval Air Station, Sigonella, Italy).*

*(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (7) of subsection (a) is the sum of the amounts authorized to be appropriated by such paragraphs, reduced by $9,351,000 which represents $3,960,000 for savings in the foreign currency account and $5,391,000 from prior year unobligated funds.*

### SEC. 2205. CORRECTION IN AUTHORIZED USE OF FUNDS, MARINE CORPS COMBAT DEVELOPMENT COMMAND, QUANTICO, VIRGINIA.

*The Secretary of the Navy may carry out a military construction project involving infrastructure development at the Marine Corps Combat Development Command, Quantico, Virginia, in the amount of $8,900,000, using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(1) of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2769) for a military construction project involving a sanitary landfill at that installation, as authorized by section 2201(a) of that Act (110 Stat. 2767) and extended by section 2702 of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 842) and section 2703 of this Act.*

## TITLE XXIII—AIR FORCE

### SEC. 2301. AUTHORIZED AIR FORCE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

*(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(1), the Secretary of the Air Force may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:*

**Air Force: Inside the United States**

| State | Installation or location | Amount |
|---|---|---|
| Alabama | Maxwell Air Force Base | $3,825,000 |
| Alaska | Cape Romanzof | $3,900,000 |
| | Eielson Air Force Base | $40,990,000 |
| | Elmendorf Air Force Base | $35,186,000 |
| Arizona | Davis-Monthan Air Force Base | $7,900,000 |
| Arkansas | Little Rock Air Force Base | $18,319,000 |
| California | Beale Air Force Base | $10,099,000 |
| | Los Angeles Air Force Base | $6,580,000 |
| | Vandenberg Air Force Base | $4,650,000 |
| Colorado | Buckley Air National Guard Base | $2,750,000 |
| | Peterson Air Force Base | $20,086,000 |
| | Schriever Air Force Base | $8,450,000 |
| | United States Air Force Academy | $18,960,000 |
| CONUS Classified | Classified Location | $1,810,000 |
| District of Columbia | Bolling Air Force Base | $4,520,000 |
| Florida | Eglin Air Force Base | $8,940,000 |
| | Eglin Auxiliary Field 9 | $7,960,000 |
| | Patrick Air Force Base | $12,970,000 |
| | Tyndall Air Force Base | $25,300,000 |
| Georgia | Fort Stewart/Hunter Army Air Field | $4,920,000 |
| | Moody Air Force Base | $11,318,000 |
| | Robins Air Force Base | $4,095,000 |
| Hawaii | Hickam Air Force Base | $4,620,000 |
| Idaho | Mountain Home Air Force Base | $10,125,000 |
| Illinois | Scott Air Force Base | $3,830,000 |
| Kansas | McConnell Air Force Base | $2,100,000 |
| Louisiana | Barksdale Air Force Base | $20,464,000 |
| Massachusetts | Hanscom Air Force Base | $17,851,000 |
| Mississippi | Columbus Air Force Base | $4,828,000 |
| | Keesler Air Force Base | $15,040,000 |
| Missouri | Whiteman Air Force Base | $12,050,000 |
| Montana | Malmstrom Air Force Base | $11,179,000 |
| Nebraska | Offut Air Force Base | $9,765,000 |
| New Jersey | McGuire Air Force Base | $9,772,000 |
| New Mexico | Cannon Air Force Base | $4,934,000 |
| | Holloman Air Force Base | $18,380,000 |
| | Kirtland Air Force Base | $7,352,000 |
| North Carolina | Pope Air Force Base | $24,570,000 |
| Ohio | Wright-Patterson Air Force Base | $22,600,000 |
| Oklahoma | Altus Air Force Base | $2,939,000 |
| | Tinker Air Force Base | $18,180,000 |
| | Vance Air Force Base | $10,504,000 |
| South Carolina | Charleston Air Force Base | $22,238,000 |
| | Shaw Air Force Base | $2,850,000 |
| South Dakota | Ellsworth Air Force Base | $10,290,000 |
| Texas | Dyess Air Force Base | $24,988,000 |
| | Lackland Air Force Base | $10,330,000 |
| Utah | Hill Air Force Base | $28,050,000 |
| Virginia | Langley Air Force Base | $7,470,000 |
| Washington | Fairchild Air Force Base | $2,046,000 |
| | McChord Air Force Base | $10,250,000 |
| Wyoming | F.E. Warren Air Force Base | $36,114,000 |
| | Total: | $649,237,000 |

*(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(2), the Secretary of the Air Force may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:*

**Air Force: Outside the United States**

| Country | Installation or location | Amount |
|---|---|---|
| Diego Garcia | Diego Garcia | $5,475,000 |
| Italy | Aviano Air Base | $8,000,000 |
| Korea | Kunsan Air Base | $6,400,000 |
| | Osan Air Base | $21,948,000 |
| Spain | Naval Station Rota | $5,052,000 |
| Turkey | Incirlik Air Base | $1,000,000 |
| | Total: | $47,875,000 |

### SEC. 2302. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(5)(A), the Secretary of the Air Force may construct or acquire family housing units (including land acquisition) at the installations, for the purposes, and in the amounts set forth in the following table:

**Air Force: Family Housing**

| State | Installation or location | Purpose | Amount |
|---|---|---|---|
| District of Columbia | Bolling Air Force Base | 136 Units | $17,137,000 |
| Idaho | Mountain Home Air Force Base | 119 Units | $22,694,000 |
| North Dakota | Cavalier Air Force Station | 2 Units | $443,000 |
| | Minot Air Force Base | 134 Units | $19,097,000 |
| | | Total: | $59,371,000 |

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(5)(A), the Secretary of the Air Force may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $13,730,000.

### SEC. 2303. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(5)(A), the Secretary of the Air Force may improve existing military family housing units in an amount not to exceed $174,046,000.

### SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE.

(a) IN GENERAL.—Subject to subsection (c), funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2000, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $1,851,909,000 as follows:

(1) For military construction projects inside the United States authorized by section 2301(a), $649,237,000.

(2) For military construction projects outside the United States authorized by section 2301(b), $47,875,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $9,850,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $71,529,000.

(5) For military housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $247,147,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $826,271,000.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2301 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (5) of subsection (a) is the sum of the amounts authorized to be appropriated by such paragraphs, reduced by $33,846,000, which represents $12,231,000 for savings in the foreign currency account and $21,615,000 from prior year unobligated funds.

## TITLE XXIV—DEFENSE AGENCIES

### SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2403(a)(1), the Secretary of Defense may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

**Defense Agencies: Inside the United States**

| Agency | Installation or location | Amount |
|---|---|---|
| Defense Education Activity | Camp LeJeune, North Carolina | $5,914,000 |
| | Laurel Bay, South Carolina | $804,000 |
| Defense Logistics Agency | Defense Distribution Depot Susquehanna, New Cumberland, Pennsylvania | $17,700,000 |
| | Defense Fuel Support Point, Cherry Point, North Carolina | $5,700,000 |
| | Defense Fuel Support Point, MacDill Air Force Base, Florida | $16,956,000 |
| | Defense Fuel Support Point, McConnell Air Force Base, Kansas | $11,000,000 |
| | Defense Fuel Support Point, Naval Air Station, Fallon, Nevada | $5,000,000 |
| | Defense Fuel Support Point, North Island, California | $5,900,000 |
| | Defense Fuel Support Point, Oceana Naval Air Station, Virginia | $2,000,000 |
| | Defense Fuel Support Point, Patuxent River, Maryland | $8,300,000 |
| | Defense Fuel Support Point, Twentynine Palms, California | $2,200,000 |
| | Defense Supply Center, Richmond, Virginia | $4,500,000 |
| National Security Agency | Fort Meade, Maryland | $4,228,000 |
| Special Operations Command | Classified Location | $2,303,000 |
| | Eglin Auxiliary Field 9, Florida | $23,204,000 |
| | Fleet Combat Training Center, Dam Neck, Virginia | $5,500,000 |
| | Fort Bragg, North Carolina | $8,600,000 |
| | Fort Campbell, Kentucky | $16,300,000 |
| | Naval Air Station, North Island, California | $1,350,000 |
| | Naval Air Station, Oceana, Virginia | $3,400,000 |
| | Naval Amphibious Base, Coronado, California | $4,300,000 |
| | Naval Amphibious Base, Little Creek, Virginia | $5,400,000 |
| Tri-Care Management Activity | Edwards Air Force Base, California | $17,900,000 |
| | Marine Corps Base, Camp Pendleton, California | $14,150,000 |
| | Eglin Air Force Base, Florida | $37,600,000 |
| | Fort Drum, New York | $1,400,000 |
| | Patrick Air Force Base, Florida | $2,700,000 |
| | Tyndall Air Force Base, Florida | $7,700,000 |
| | Total: | $242,009,000 |

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2403(a)(2), the Secretary of Defense may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

**Defense Agencies: Outside the United States**

| Agency | Installation or location | Amount |
|---|---|---|
| Defense Education Activity | Hanau, Germany | $1,026,000 |
| | Hohenfels, Germany | $13,774,000 |
| | Royal Air Force, Feltwell, United Kingdom | $1,287,000 |
| | Royal Air Force, Lakenheath, United Kingdom | $3,086,000 |
| | Schweinfurt, Germany | $1,444,000 |

**Defense Agencies: Outside the United States—Continued**

| Agency | Installation or location | Amount |
|---|---|---|
| | Sigonella, Italy | $971,000 |
| | Wuerzburg, Germany | $1,798,000 |
| Defense Finance and Accounting Service | Kleber Kaserne, Germany | $7,500,000 |
| Defense Logistics Agency | Defense Fuel Support Point, Andersen Air Force Base, Guam | $36,000,000 |
| | Defense Fuel Support Point, Marine Corps Air Station, Iwakuni, Japan | $22,400,000 |
| | Defense Fuel Support Point, Misawa Air Base, Japan | $26,400,000 |
| | Defense Fuel Support Point, Royal Air Force, Mildenhall, United Kingdom | $10,000,000 |
| | Defense Fuel Support Point, Sigonella, Italy | $16,300,000 |
| Defense Threat Reduction Agency | Darmstadt, Germany | $2,450,000 |
| Special Operations Command | Roosevelt Roads, Puerto Rico | $1,241,000 |
| | Taegu, Korea | $1,450,000 |
| Tri-Care Management Agency | Kitzingen, Germany | $1,400,000 |
| | Naval Support Activity, Naples, Italy | $43,850,000 |
| | Wiesbaden Air Base, Germany | $7,187,000 |
| | Total: | $199,564,000 |

*(c) UNSPECIFIED WORLDWIDE.—Using amounts appropriated pursuant to the authorization of appropriations in section 2403(a)(3), the Secretary of Defense may acquire real property and carry out military construction projects for the installations and locations, and in the amounts, set forth in the following table:*

**Defense Agencies: Unspecified Worldwide**

| Location | Installation | Amount |
|---|---|---|
| Unspecified Worldwide | Unspecified Worldwide | $451,135,000 |

**SEC. 2402. ENERGY CONSERVATION PROJECTS.**

*Using amounts appropriated pursuant to the authorization of appropriations in section 2403(a)(7), the Secretary of Defense may carry out energy conservation projects under section 2865 of title 10, United States Code, in the amount of $16,785,000.*

**SEC. 2403. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.**

*(a) IN GENERAL.—Subject to subsection (c), funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2000, for military construction, land acquisition, and military family housing functions of the Department of Defense (other than the military departments), in the total amount of $1,912,703,000 as follows:*

*(1) For military construction projects inside the United States authorized by section 2401(a), $242,009,000.*

*(2) For military construction projects outside the United States authorized by section 2401(b), $199,564,000.*

*(3) For the military construction projects at unspecified worldwide locations authorized by section 2401(c), $85,095,000.*

*(4) For unspecified minor construction projects under section 2805 of title 10, United States Code, $17,390,000.*

*(5) For contingency construction projects of the Secretary of Defense under section 2804 of title 10, United States Code, $10,000,000.*

*(6) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $78,605,000.*

*(7) For energy conservation projects authorized by section 2404 of this Act, $16,785,000.*

*(8) For base closure and realignment activities as authorized by the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note), $1,174,369,000.*

*(9) For military family housing functions, for support of military housing (including functions described in section 2833 of title 10, United States Code), $44,886,000 of which not more than $38,478,000 may be obligated or expended for the leasing of military family housing units worldwide.*

*(10) For construction of a replacement hospital at Fort Wainwright, Alaska, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 836), $44,000,000.*

*(b) LIMITATION OF TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variation authorized by section 2853 of title 10, United States Code, and any other cost variations authorized by law, the total cost of all projects carried out under section 2401 of this Act may not exceed—*

*(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a); and*

*(2) $366,040,000 (the balance of the amount authorized under section 2401(c) for construction of National Missile Defense Initial Deployment Facilities, Unspecified Worldwide locations).*

*(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (6) of subsection (a) is the sum of the amounts authorized to be appropriated by such paragraphs, reduced by $7,155,000 which represents savings in the foreign currency account.*

**SEC. 2404. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 1990 PROJECT.**

*(a) INCREASE.—Section 2401(a) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101–189), as amended by section 2407 of the Military Construction Authorization Act for Fiscal Year 1999 (division B of Public Law 105–261; 112 Stat. 2197), is amended in the item relating to Portsmouth Naval Hospital, Virginia, by striking "$351,354,000" and inserting "$359,854,000".*

*(b) CONFORMING AMENDMENT.—Section 2405(b)(2) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991, as amended by section 2407 of the Military Construction Authorization Act for Fiscal Year 1999, is amended by striking "$342,854,000" and inserting "$351,354,000".*

## TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM

**SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND ACQUISITION PROJECTS.**

*The Secretary of Defense may make contributions for the North Atlantic Treaty Organization Security Investment program as provided in section 2806 of title 10, United States Code, in an amount not to exceed the sum of the amount authorized to be appropriated for this purpose in section 2502 and the amount collected from the North Atlantic Treaty Organization as a result of construction previously financed by the United States.*

**SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.**

*Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2000, for contributions by the Secretary of Defense under section 2806 of title 10, United States Code, for the share of the United States of the cost of projects for the North Atlantic Treaty Organization Security Investment program authorized by section 2501, in the amount of $190,000,000.*

## TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

**SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUCTION AND LAND ACQUISITION PROJECTS.**

*There are authorized to be appropriated for fiscal years beginning after September 30, 2000, for the costs of acquisition, architectural and engineering services, and construction of facilities for the Guard and Reserve Forces, and for contributions therefore, under chapter 1803 of title 10, United States Code (including the cost of acquisition of land for those facilities), the following amounts:*

*(1) For the Department of the Army—*

*(A) for the Army National Guard of the United States, $181,629,000; and*

*(B) for the Army Reserve, $92,497,000.*

*(2) For the Department of the Navy, for the Naval and Marine Corps Reserve, $38,091,000.*

*(3) For the Department of the Air Force—*

*(A) for the Air National Guard of the United States, $161,806,000; and*

*(B) for the Air Force Reserve, $32,673,000.*

### SEC. 2602. AUTHORIZATION FOR CONTRIBUTION TO CONSTRUCTION OF AIRPORT TOWER, CHEYENNE AIRPORT, CHEYENNE, WYOMING.

*(a) Increase in Amount Authorized for Air National Guard.—The amount authorized to be appropriated by section 2601(3)(A) is hereby increased by $1,450,000.*

*(b) Offset.—The amounts authorized to be appropriated by section 2403(a), and by paragraph (2) of that section, are each hereby reduced by $1,450,000. The amount of the reduction shall be allocated to the project authorized in section 2401(b) for the Tri-Care Management Agency for the Naval Support Activity, Naples, Italy.*

*(c) Availability of Funds for Contribution to Tower.—Of the amounts authorized to be appropriated by section 2601(3)(A), as increased by subsection (a), $1,450,000 shall be available to the Secretary of the Air Force for a contribution to the costs of construction of a new airport tower at Cheyenne Airport, Cheyenne, Wyoming.*

*(d) Authority To Make Contribution.—The Secretary may, using funds available under subsection (c), make a contribution, in an amount considered appropriate by the Secretary and consistent with applicable agreements, to the costs of construction of a new airport tower at Cheyenne Airport, Cheyenne, Wyoming.*

## TITLE XXVII—EXPIRATION AND EXTENSION OF AUTHORIZATIONS

### SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND AMOUNTS REQUIRED TO BE SPECIFIED BY LAW.

*(a) Expiration of Authorizations After Three Years.—Except as provided in subsection (b), all authorizations contained in titles XXI through XXVI for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Security Investment program (and authorizations of appropriations therefore) shall expire on the later of—*

*(1) October 1, 2003; or*

*(2) the date of the enactment of an Act authorizing funds for military construction for fiscal year 2004.*

*(b) Exception.—Subsection (a) shall not apply to authorizations for military construction projects, land acquisition; family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Security Investment program (and authorizations of appropriations therefore) for which appropriated funds have been obligated before the later of—*

*(1) October 1, 2003; or*

*(2) the date of the enactment of an Act authorizing funds for fiscal year 2004 for military construction projects, land acquisition, family housing projects and facilities, or contributions to the North Atlantic Treaty Organization Security Investment program.*

### SEC. 2702. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 1998 PROJECTS.

*(a) Extension.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85; 111 Stat. 1984), authorizations set forth in the tables in subsection (b), as provided in section 2102, 2202, or 2302 of that Act, shall remain in effect until October 1, 2001, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 2002, whichever is later.*

*(b) Tables.—The tables referred to in subsection (a) are as follows:*

**Army: Extension of 1998 Project Authorizations**

| State | Installation or location | Project | Amount |
|---|---|---|---|
| Maryland | Fort Meade | Family Housing Construction (56 units). | $7,900,000 |
| Texas | Fort Hood | Family Housing Construction (130 units). | $18,800,000 |

**Navy: Extension of 1998 Project Authorizations**

| State | Installation or location | Project | Amount |
|---|---|---|---|
| California | Naval Complex, San Diego | Replacement Family Housing Construction (94 units). | $13,500,000 |
| California | Marine Corps Air Station, Miramar | Family Housing Construction (166 units). | $28,881,000 |
| California | Marine Corps Air-Ground Combat Center, Twentynine Palms | Replacement Family Housing Construction (132 units). | $23,891,000 |
| Louisiana | Naval Complex, New Orleans | Replacement Family Housing Construction (100 units). | $11,930,000 |
| Texas | Naval Complex, Kingsville and Corpus Christi | Family Housing Construction (212 units). | $22,250,000 |
| Washington | Naval Air Station, Whidbey Island | Replacement Family Housing Construction (102 units). | $16,000,000 |

**Air Force: Extension of 1998 Project Authorizations**

| State | Installation or location | Project | Amount |
|---|---|---|---|
| Georgia | Robins Air Force Base | Replace Family Housing (60 units). | $6,800,000 |
| Idaho | Mountain Home Air Force Base | Replace Family Housing (60 units). | $11,032,000 |
| New Mexico | Kirtland Air Force Base | Replace Family Housing (180 units). | $20,900,000 |
| Texas | Dyess Air Force Base | Construct Family Housing (70 units). | $10,503,000 |

### SEC. 2703. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 1997 PROJECTS.

*(a) Extension.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2782), authorizations set forth in the tables in subsection (b), as provided in section 2201, 2202, or 2601 of that Act and extended by section 2702 of the Military Construction Authorization Act for Fiscal Year 2000 (division B of Public Law 106–65; 113 Stat. 842), shall remain in effect until October 1, 2001, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 2002, whichever is later.*

*(b) Tables.—The tables referred to in subsection (a) are as follows:*

### Navy: Extension of 1997 Project Authorizations

| State | Installation or location | Project | Amount |
|---|---|---|---|
| Florida | Navy Station, Mayport | Family Housing Construction (100 units). | $10,000,000 |
| North Carolina | Marine Corps Base, Camp Lejuene | Family Housing Construction (94 units). | $10,110,000 |
| South Carolina | Marine Corps Air Station, Beaufort | Family Housing Construction (140 units). | $14,000,000 |
| Texas | Naval Complex, Corpus Christi | Family Housing Replacement (104 units). | $11,675,000 |
|  | Naval Air Station, Kingsville | Family Housing Replacement (48 units). | $7,550,000 |
| Virginia | Marine Corps Combat Development Command, Quantico | Infrastructure | $8,900,000 |
| Washington | Naval Station, Everett | Family Housing Construction (100 units). | $15,015,000 |

### Army National Guard: Extension of 1997 Project Authorization

| State | Installation or location | Project | Amount |
|---|---|---|---|
| Mississippi | Camp Shelby | Multipurpose Range Complex (Phase II). | $5,000,000 |

**SEC. 2704. EFFECTIVE DATE.**

Titles XXI, XXII, XXIII, XXIV, XXV, and XXVI shall take effect on the later of—

(1) October 1, 2000; or

(2) the date of the enactment of this Act.

## TITLE XXVIII—GENERAL PROVISIONS

### Subtitle A—Military Construction Program and Military Family Housing Changes

**SEC. 2801. JOINT USE MILITARY CONSTRUCTION PROJECTS.**

(a) Sense of Congress on Joint Use Projects.—It is the sense of Congress that in preparing the budget for a fiscal year for submission to Congress under section 1105 of title 31, United States Code, the Secretary of Defense should—

(1) seek to identify military construction projects that are suitable as joint use military construction projects;

(2) specify in the budget for the fiscal year the military construction projects that are identified under paragraph (1); and

(3) give priority in the budget for the fiscal year to the military construction projects specified under paragraph (2).

(b) Annual Evaluation and Report on Joint Use Projects.—(1) Subchapter I of chapter 169 of title 10, United States Code, is amended by adding at the end the following new section:

**"§2815. Joint use military construction projects: evaluation; annual report**

"(a) Annual Evaluation.—The Secretary of Defense shall include with the budget for each fiscal year under section 1105 of title 31, a certification by each Secretary concerned that in evaluating military construction projects for inclusion in the budget for such fiscal year, such Secretary evaluated the feasibility of carrying out such projects as joint use military construction projects.

"(b) Annual Report.—(1) Not later than September 30 each year, the Secretary of Defense shall submit to the appropriate committees of Congress a report on joint use military construction projects.

"(2) Each report under paragraph (1) shall include, for the one-year period ending on the date of the report, the following:

"(A) The military construction requirements that were evaluated for their feasibility to be carried out through joint use military construction projects, with each such requirement set forth by armed force, component (whether active or reserve component), and location.

"(B) An estimate of the fiscal year in which each requirement set forth under subparagraph (A) is likely to be met, without regard to the applicability of any future-years defense program, and an assessment of the extent to which such requirement could be met more rapidly through a joint use military construction project.

"(C) A list of the military construction projects determined to be feasible as joint use military construction projects, including—

"(i) the number of military personnel and civilian personnel to be served by each such project; and

"(ii) an estimate of the costs avoidable by carrying out each such project as a joint use military project rather than as an independent military construction project.

"(c) Joint Use Military Construction Project Defined.—In this section, the term 'joint use military construction project' means a military construction project for a facility intended to be used by—

"(1) both the active and a reserve component of a single armed force; or

"(2) two or more components (whether active or reserve components) of the armed forces.".

(2) The table of sections at the beginning of that subchapter is amended by adding at the end the following new item:

"2815. Joint use military construction projects: evaluation; annual report.".

**SEC. 2802. EXCLUSION OF CERTAIN COSTS FROM DETERMINATION OF APPLICABILITY OF LIMITATION ON USE OF FUNDS FOR IMPROVEMENT OF FAMILY HOUSING.**

Section 2825(b) of title 10, United States Code, is amended—

(1) by redesignating paragraph (3) as paragraph (4); and

(2) by inserting after paragraph (2) the following new paragraph (3):

"(3) In determining the applicability of the limitation contained in paragraph (1), the Secretary concerned shall exclude from the cost of the improvement of the unit or units concerned the following:

"(A) The cost of the installation, maintenance, and repair of communications, security, or antiterrorism equipment required by an occupant of the unit or units to perform duties assigned as a member of the armed forces.

"(B) The cost of repairing or replacing the exterior of the unit or units if such repair or replacement is necessary to meet applicable standards for historical preservation.".

**SEC. 2803. REPLACEMENT OF LIMITATIONS ON SPACE BY PAY GRADE OF MILITARY FAMILY HOUSING WITH REQUIREMENT FOR LOCAL COMPARABILITY OF MILITARY FAMILY HOUSING.**

(a) In General.—(1) Section 2826 of title 10, United States Code, is amended to read as follows:

**"§2826. Military family housing: local comparability of rooms patterns and floor areas**

"(a) Local Comparability.—In the construction, acquisition, and improvement of military family housing, the Secretary concerned shall ensure that the room patterns and floor areas of military family housing in a particular locality (as designated by the Secretary concerned for purposes of this section) are similar to room patterns and floor areas of similar housing in the private sector in that locality.

"(b) Requests for Authority for Military Family Housing.—(1) In submitting to Congress a request for authority to carry out the construction, acquisition, or improvement of military family housing, the Secretary concerned shall include in the request information on the net floor area of each unit of military family housing to be constructed, acquired, or improved under the authority.

"(2) In this subsection, the term 'net floor area', in the case of a military family housing unit, means the total number of square feet of the floor space inside the exterior walls of the unit, excluding the floor area of an unfinished basement, an unfinished attic, a utility space, a garage, a carport, an open or insect-screened porch, a stairwell, and any space used for a solar-energy system.".

(2) The table of sections at the beginning of subchapter II of chapter 169 of that title is amended by striking the item relating to section 2826 and inserting the following new item:

"2826. Military family housing: local comparability of rooms patterns and floor areas.".

(b) EFFECTIVE DATE.—(1) Except as provided in paragraph (2), the amendments made by subsection (a) shall take effect on October 1, 2000.

(2) Subsection (a) of section 2826, of title 10, United States Code (as added by subsection (a) of this section), shall apply with respect to the construction, acquisition, or improvement of military family housing under authority for the construction, acquisition, or improvement of such housing that takes effect on or after October 1, 2000.

### SEC. 2804. MODIFICATION OF LEASE AUTHORITY FOR HIGH-COST MILITARY FAMILY HOUSING.

(a) REPEAL OF SINGLE LEASE MAXIMUM FOR UNITED STATES SOUTHERN COMMAND.—Paragraph (4) of section 2828(b) of title 10, United States Code, is amended—

(1) by inserting "(A)" after "(4)";

(2) by striking the second sentence; and

(3) by adding at the end the following new subparagraph:

"(B) The amount of all leases under this paragraph may not exceed $280,000 per year, as adjusted from time to time under paragraph (6).".

(b) FIVE-YEAR LIMITATION ON TERM OF LEASES FOR UNITED STATES SOUTHERN COMMAND.—That paragraph is further amended by adding at the end the following new subparagraph:

"(C) The term of any lease under this paragraph may not exceed 5 years.".

(c) ANNUAL ADJUSTMENT OF MAXIMUM LEASE AMOUNTS.—That section is further amended by striking paragraph (5) and inserting the following new paragraphs:

"(5) At the beginning of each fiscal year, the Secretary concerned shall adjust the maximum lease amount provided for leases under paragraphs (2) and (3) for the previous fiscal year by the percentage (if any) by which the national average monthly cost of housing (as calculated for purposes of determining rates of basic allowance for housing under section 403 of title 37) for the preceding fiscal year exceeds the national average monthly cost of housing (as so calculated) for the fiscal year before such preceding fiscal year.

"(6) At the beginning of each fiscal year, the Secretary of the Army shall adjust the maximum aggregate amount for leases under paragraph (4) for the previous fiscal year by the percentage (if any) by which the annual average cost of housing for the Miami Military Housing Area (as calculated for purposes of determining rates of basic allowance for housing under section 403 of title 37) for the preceding fiscal year exceeds the annual average cost of housing for the Miami Military Housing Area (as so calculated) for the fiscal year before such preceding fiscal year.".

(d) CONFORMING AMENDMENTS.—That section is further amended—

(1) in paragraph (2), by inserting after "per year" the following: ", as adjusted from time to under paragraph (5)"; and

(2) in paragraph (3), by striking "$12,000 per unit per year but does not exceed $14,000 per unit per year" and inserting "the maximum amount per unit per year in effect under paragraph (2) but does not exceed $14,000 per unit per year, as adjusted from time to time under paragraph (5)".

### SEC. 2805. APPLICABILITY OF COMPETITION POLICY TO ALTERNATIVE AUTHORITY FOR ACQUISITION AND IMPROVEMENT OF MILITARY HOUSING.

(a) APPLICABILITY.—(1) Subchapter IV of chapter 169 of title 10, United States Code, is amended by inserting after section 2872 the following:

**"§ 2872a. Competition requirements**

"(a) CONTRACTS.—The Secretary concerned shall comply with section 2304 of this title when entering into any contract in furtherance of the exercise of any authority or combination of authorities under this subchapter for a purpose specified in section 2872 of this title.

"(b) OTHER FORMS OF AGREEMENTS.—(1) The Secretary concerned shall use competitive procedures to enter into any agreement other than a contract in furtherance of the exercise of any authority or combination of authorities under this subchapter for a purpose specified in section 2872 of this title.

"(2) The Secretary concerned may waive the applicability of paragraph (1) to an agreement only if the Secretary—

"(A) determines that the use of competitive procedures for entering into the agreement would be inconsistent with the public interest; and

"(B) submits to Congress a written notification of the determination not less than 30 days before entering into the agreement.".

(2) The table of sections at the beginning of such subchapter is amended by inserting after the item relating to section 2872 the following:

"2872a. Competition requirements.".

(b) EFFECTIVE DATE.—Section 2872a of title 10, United States Code (as added by subsection (a)), shall take effect on October 1, 2000, and shall apply with respect to contracts and agreements referred to in that section that are entered into on or after that date.

### SEC. 2806. PROVISION OF UTILITIES AND SERVICES UNDER ALTERNATIVE AUTHORITY FOR ACQUISITION AND IMPROVEMENT OF MILITARY HOUSING.

(a) AUTHORITY TO FURNISH ON REIMBURSABLE BASIS.—Subchapter IV of chapter 169 of title 10, United States Code, as amended by section 2805, is further amended by inserting after section 2872a the following new section:

**"§ 2872b. Utilities and services**

"(a) AUTHORITY TO FURNISH.—The Secretary concerned may furnish utilities and services referred to in subsection (b) in connection with any military housing acquired or constructed pursuant to the exercise of any authority or combination of authorities under this subchapter if the military housing is located on a military installation.

"(b) COVERED UTILITIES AND SERVICES.—The utilities and services that may be furnished under subsection (a) are the following:

"(1) Electric power.

"(2) Steam.

"(3) Compressed air.

"(4) Water.

"(5) Sewage and garbage disposal.

"(6) Natural, manufactured, or mixed gas.

"(7) Ice.

"(8) Mechanical refrigeration.

"(9) Telecommunications service.

"(c) REIMBURSEMENT.—(1) The Secretary concerned shall be reimbursed for any utilities or services furnished under subsection (a).

"(2) The amount of any cash payment received under paragraph (1) shall be credited to the appropriation or working capital account from which the cost of furnishing the utilities or services concerned was paid. Amounts so credited to an appropriation or account shall be merged with funds in such appropriation or account, and shall be available to the same extent, and subject to the same terms and conditions, as such funds.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such subchapter, as so amended, is further amended by inserting after the item relating to section 2872a the following new item:

"2872b. Utilities and services.".

### SEC. 2807. EXTENSION OF ALTERNATIVE AUTHORITY FOR ACQUISITION AND IMPROVEMENT OF MILITARY HOUSING.

Section 2885 of title 10, United States Code, is amended by striking "February 10, 2001" and inserting "February 10, 2004".

### SEC. 2808. INCLUSION OF READINESS CENTER IN DEFINITION OF ARMORY FOR PURPOSES OF CONSTRUCTION OF RESERVE COMPONENT FACILITIES.

(a) INCLUSION.—Section 18232(3) of title 10, United States Code, is amended—

(1) in the first sentence, by striking "The term 'armory' means" and inserting "The terms 'armory' and 'readiness center' mean"; and

(2) in the second sentence, by striking "It includes" and inserting "Such terms include".

(b) CONFORMING AMENDMENTS.—(1) Section 18232(2)(B) of such title is amended by inserting ", readiness center," after "armory".

(2) Section 18236(b) of such title is amended in the matter preceding paragraph (1) by inserting "or readiness center" after "an armory".

## Subtitle B—Real Property and Facilities Administration

### SEC. 2811. INCREASE IN THRESHOLD FOR REPORTS TO CONGRESS ON REAL PROPERTY TRANSACTIONS.

Section 2662 of title 10, United States Code, is amended by striking "$200,000" each place it appears and inserting "$500,000".

### SEC. 2812. ENHANCEMENTS OF MILITARY LEASE AUTHORITY.

(a) PROPERTY AVAILABLE FOR LEASE.—Subsection (a) of section 2667 of title 10, United States Code, is amended—

(1) by inserting "and" at the end of paragraph (1);

(2) by striking paragraph (2); and

(3) by redesignating paragraph (3) as paragraph (2).

(b) IN KIND CONSIDERATION.—That section is further amended—

(1) in subsection (b)(5)—

(A) by striking "improvement, maintenance, protection, repair, or restoration," and inserting "alteration, repair, or improvement,"; and

(B) by striking ", or of the entire unit or installation where a substantial part of it is leased,";

(2) by transferring subsection (c) to the end of the section and redesignating such subsection, as so transferred, as subsection (i);

(3) by inserting after subsection (b) the following new subsection (c):

"(c)(1) In addition to any in kind consideration accepted under subsection (b)(5), in kind consideration accepted with respect to a lease under subsection (b) may include the following:

"(A) Maintenance, protection, alteration, repair, improvement, or restoration (including environmental restoration) of property or facilities under the control of the Secretary concerned.

"(B) Construction of new facilities for the Secretary concerned.

"(C) Provision of facilities for use by the Secretary concerned.

"(D) Facilities operation support for the Secretary concerned.

"(E) Provision of such other services relating to activities that will occur on the leased property as the Secretary concerned considers appropriate.

"(2) In kind consideration under paragraph (1) may be accepted at any property or facilities under the control of the Secretary concerned that are selected for that purpose by the Secretary concerned.

"(3) Sections 2662 and 2802 of this title shall not apply to any new facilities whose construction is accepted as in kind consideration under this subsection.

"(4) In the case of a lease for which all or part of the consideration proposed to be accepted by the Secretary concerned under this subsection is the construction of facilities with a value in excess of $500,000, the Secretary concerned may not enter into the lease until 30 days after the date on which a report on the facts of the lease is submitted to the congressional defense committees."; and

(4) in subsection (f)—

(A) by striking paragraph (4); and

(B) by redesignating paragraph (5) as paragraph (4).

(c) USE OF MONEY RENTALS.—Subsection (d) of that section is amended—

(1) in paragraph (1), by striking subparagraph (B) and inserting the following new subparagraphs:

"(B) Subject to subparagraphs (C) and (D), the sums deposited in the special account of a military department pursuant to subparagraph (A) shall be available to the military department for the following:

"(i) Maintenance, protection, alteration, repair, improvement, or restoration (including environmental restoration) of property or facilities.

"(ii) Construction or acquisition of new facilities.

"(iii) Lease of facilities.

"(iv) Facilities operation support.

"(C) At least 50 percent of the sums deposited in the special account of a military department under subparagraph (A) by reason of a lease shall be available for activities described in subparagraph (B) only at the military installation where the leased property is located.

"(D) The Secretary concerned may not construct or acquire under subparagraph (B)(ii) facilities with a value in excess of $500,000 until 30 days after the date on which a report on the facts of the construction or acquisition of such facilities is submitted to the congressional defense committees."; and

(2) in paragraph (3)—

(A) in the matter preceding subparagraph (A), by striking "As part" and all that follows through "Secretary of Defense" and inserting "Not later than March 15 each year, the Secretary of Defense shall submit to the congressional defense committees a report which"; and

(B) in subparagraph (A), by striking "request" and inserting "report".

(d) INDEMNIFICATION FOR ENVIRONMENTAL CONTAMINATION.—That section is further amended by striking subsection (h) and inserting the following new subsection (h):

"(h)(1) Subject to paragraph (2), the Secretary concerned may enter into an agreement to hold harmless, defend, and indemnify in full any person or entity to whom the Secretary concerned leases real property under subsection (a) from and against any suit, claim, demand or action, liability, judgment, cost, or other fee arising out of—

"(A) any claim for personal injury, property damage (including death, illness, or loss of or damage to property or economic loss), that results from, or is in any manner predicated upon, the release or threatened release of any hazardous substance, pollutant or contaminant, petroleum or petroleum derivative, or unexploded ordnance as a result of Department of Defense activities on the military installation at which the leased property is located; and

"(B) any legally binding obligation to respond pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) or any other Federal law, or any State law, that results from, or is in any manner predicated upon, the release or threatened release of any hazardous substance, pollutant or contaminant, petroleum or petroleum derivative, or unexploded ordnance as a result of Department of Defense activities on the military installation at which the leased property is located.

"(2) Any agreement entered into pursuant to paragraph (1) shall provide that—

"(A) if, at the time of a claim for indemnification under the agreement, less than 50 percent of the release or threatened release of hazardous substances, pollutants or contaminants, petroleum or petroleum derivatives, or unexploded ordnance giving rise to the suit, claim, demand or action, liability, judgment, cost, or other fee for which indemnification is demanded is a result of Department of Defense activities, the indemnification authorized by paragraph (1) shall not apply; and

"(B) if, at the time of a claim for indemnification under the agreement, 50 percent or more of the release or threatened release of hazardous substances, pollutants or contaminants, petroleum or petroleum derivatives, or unexploded ordnance giving rise to the suit, claim, demand or action, liability, judgment, cost, or other fee for which indemnification is demanded is a result of Department of Defense activities, the indemnification authorized by paragraph (1) shall be reduced to the extent of the contribution to any such release or threatened release of any person or entity other than the Department of Defense.

"(3) No indemnification may be afforded under an agreement under this subsection unless the person or entity making a claim for indemnification—

"(A) notifies the Secretary concerned in writing within two months of the filing of any suit, claim, demand, or action that reasonably could be expected to give rise to a liability, judgment, cost, or other fee to which the agreement applies and at least one month before settlement or other resolution of such suit, claim, demand, or action;

"(B) furnishes to the Secretary concerned copies of pertinent papers the person or entity receives;

"(C) furnishes evidence or proof of any suit, claim, demand or action, liability, judgment, cost, or other fee covered by this subsection;

"(D) provides, upon request of the Secretary concerned, access to the records and personnel of the person or entity for purposes of defending or settling any such suit, claim, demand, or action; and

"(E) if the Secretary concerned chooses not to defend or settle any such suit, claim, demand, or action, the person or entity making a claim for indemnification notifies the Secretary concerned in writing within one month of any judgment, settlement, or other resolution of the suit, claim, demand, or action.

"(4)(A) In any case in which the Secretary concerned determines that the military department may be required to make indemnification payments to a person or entity under this subsection, the Secretary concerned may settle or defend, on behalf of the person or entity, the suit, claim, demand, or action that could give rise to such requirement.

"(B) In any case described in subparagraph (A), if the person or entity to whom the military department may be required to make indemnification payments does not allow the Secretary concerned to settle or defend the claim, the person or entity may not be afforded indemnification with respect to the claim under this subsection.

"(5) Nothing in this subsection shall be construed as affecting or modifying in any way the applicability of the provisions of section 120(h) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620(h)).".

(e) DEFINITIONS.—That section is further amended by adding at the end the following new subsection:

"(j) In this section:

"(1) The term 'congressional defense committees' means:

"(A) The Committees on Armed Services and Appropriations of the Senate.

"(B) The Committees on Armed Services and Appropriations of the House of Representatives.

"(2) The term 'base closure law' means the following:

"(A) Section 2687 of this title.

"(B) The Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note).

"(C) Title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note).

"(3) The terms 'hazardous substance', 'release', and 'pollutant or contaminant' have the meanings given such terms in paragraphs (14), (22), and (33) of section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, respectively (42 U.S.C. 9601 (14), (22), and (33)).

"(4) The term 'military installation' has the meaning given such term in section 2687(e)(1) of this title.".

(f) TREATMENT OF CERTAIN RECEIPTS.—(1) From the money rentals resulting from leases entered into under section 2667 of title 10, United States Code, an amount equal to $20,100,000 shall be deposited in the Treasury as miscellaneous receipts in each of fiscal years 2001 through 2005, inclusive.

(2) The amount of the deposit under paragraph (1) in any fiscal year covered by that paragraph may be reduced only to the extent that other receipts of the Department of Defense for such fiscal year in an amount equal to such reduction are deposited in the Treasury as miscellaneous receipts in such fiscal year.

### SEC. 2813. EXPANSION OF PROCEDURES FOR SELECTION OF CONVEYEES UNDER AUTHORITY TO CONVEY UTILITY SYSTEMS.

Section 2688(b) of title 10, United States Code, is amended—

(1) by inserting "(1)" before "If more than one"; and

(2) by adding at the end the following new paragraph:

"(2) Notwithstanding paragraph (1), the Secretary concerned may use procedures other than competitive procedures for the selection of a conveyee of a utility under subsection (a) in accordance with the provisions of subsections (c) through (f) of section 2304 this title.".

## Subtitle C—Defense Base Closure and Realignment

### SEC. 2821. SCOPE OF AGREEMENTS TO TRANSFER PROPERTY TO REDEVELOPMENT AUTHORITIES WITHOUT CONSIDERATION UNDER THE BASE CLOSURE LAWS.

(a) 1990 LAW.—Section 2905(b)(4)(B)(i) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note) is amended by striking "the transfer" and inserting "the initial transfer of property".

(b) 1988 LAW.—Section 204(b)(4)(B)(i) of the Defense Authorization Amendments and Base Closure and Realignment Act (title II of Public Law 100–526; 10 U.S.C. 2687 note) is amended by striking "the transfer" and inserting "the initial transfer of property".

### *Subtitle D—Land Conveyances*

### *Part I—Army Conveyances*

#### *SEC. 2831. LAND CONVEYANCE, CHARLES MELVIN PRICE SUPPORT CENTER, ILLINOIS.*

*(a) CONVEYANCE AUTHORIZED.—(1) The Secretary of the Army may convey to the Tri-City Regional Port District of Granite City, Illinois (in this section referred to as the "Port District"), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of approximately 752 acres and known as the Charles Melvin Price Support Center, for the purpose of permitting the Port District to use the parcel for development of a port facility and for other public purposes.*

*(2) The property to be conveyed under paragraph (1) shall include 158 units of military family housing at the Charles Melvin Price Support Center for the purpose of permitting the Port District to use the housing to provide affordable housing, but only if the Port District agrees to accord first priority to members of the Armed Forces in the lease of the housing.*

*(3) The Secretary of the Army may include as part of the conveyance under paragraph (1) such personal property of the Army at the Charles Melvin Price Support Center that the Secretary of Transportation considers appropriate for the development or operation of the port facility if the Secretary of the Army determines that such property is excess to the needs of the Army.*

*(b) INTERIM LEASE.—Until such time as the real property described in subsection (a) is conveyed by deed, the Secretary of the Army may lease the property to the Port District.*

*(c) CONSIDERATION.—(1) The conveyance under subsection (a) shall be made without consideration as a public benefit conveyance for port development if the Secretary of the Army determines that the Port District satisfies the criteria specified in section 203(q) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(q)) and regulations prescribed to implement such section. If the Secretary determines that the Port District fails to qualify for a public benefit conveyance, but still desires to acquire the property, the Port District shall pay to the United States an amount equal to the fair market value of the property to be conveyed. The fair market value of the property shall be determined by the Secretary.*

*(2) The Secretary may accept as consideration for a lease of the property under subsection (b) an amount that is less than fair market value of the property leased if the Secretary determines that the public interest will be served as a result of the lease on that basis.*

*(d) ARMY RESERVE CONFERENCE CENTER.—(1) Notwithstanding the total acreage of the parcel authorized for conveyance under subsection (a), the Secretary of the Army may retain a portion of the parcel, not to exceed 50 acres, for the development of an Army Reserve Conference Center.*

*(2) In selecting acreage for retention under this subsection, the Secretary shall ensure that the location and use of the retained acreage does not interfere with the Port District's use of the remainder of the parcel for development of a port facility and for other public purposes.*

*(3) At such time as the Secretary determines that the acreage retained under this subsection is no longer needed for an Army Reserve Conference Center, the Secretary shall convey the acreage to the Port District in accordance with subsection (c).*

*(e) FEDERAL LEASE OF FACILITIES.—(1) As a condition for the conveyance under subsection (a), the Secretary of the Army may require that the Port District lease to the Department of Defense or any other Federal agency facilities for use by the agency on the property being conveyed. Any lease under this subsection shall be made under terms and conditions satisfactory to the Secretary and the Port District.*

*(2) The agency leasing a facility under this subsection shall provide for the maintenance of the facility or pay the Port District to maintain the facility. Maintenance of the leased facilities performed by the Port District shall be to the reasonable satisfaction of the United States, or as required by all applicable Federal, State, and local laws and ordinances.*

*(3) At the end of a lease under this subsection, the facility covered by the lease shall revert to the Port District.*

*(f) FLOOD CONTROL EASEMENT.—The Port District shall grant to the Secretary of the Army an easement on the property conveyed under subsection (a) for the purpose of permitting the Secretary to implement and maintain flood control projects. The Secretary, acting through the Corps of Engineers, shall be responsible for the maintenance of any flood control project built on the property pursuant to the easement.*

*(g) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary of the Army and the Port District.*

*(h) ADDITIONAL TERMS.—The Secretary of the Army may require such additional terms and conditions in connection with the conveyance as the Secretary considers appropriate to protect the interests of the United States.*

#### *SEC. 2832. LAND CONVEYANCE, LIEUTENANT GENERAL MALCOLM HAY ARMY RESERVE CENTER, PITTSBURGH, PENNSYLVANIA.*

*(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey to the City of Pittsburgh, Pennsylvania (in this section referred to as the "City"), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of approximately 2.68 acres located at 950 Saw Mill Run Boulevard in Pittsburgh, Pennsylvania, and containing the Lieutenant General Malcolm Hay Army Reserve Center.*

*(b) CONSIDERATION.—As consideration for the conveyance under subsection (a), the City shall pay to the United States an amount equal to the fair market value of the property to be conveyed, as determined by the Secretary.*

*(c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under this section shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the City.*

*(d) ADDITIONAL TERMS AND CONSIDERATION.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.*

#### *SEC. 2833. LAND CONVEYANCE, COLONEL HAROLD E. STEELE ARMY RESERVE CENTER AND MAINTENANCE SHOP, PITTSBURGH, PENNSYLVANIA.*

*(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey to the Ellis School, Pittsburgh, Pennsylvania (in this section referred to as the "School"), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of approximately 2 acres located at 6482 Aurelia Street in Pittsburgh, Pennsylvania, and containing the Colonel Harold E. Steele Army Reserve Center and Maintenance Shop.*

*(b) CONSIDERATION.—As consideration for the conveyance under subsection (a), the School shall pay to the United States an amount equal to the fair market value of the property to be conveyed, as determined by the Secretary.*

*(c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under this section shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the School.*

*(d) ADDITIONAL TERMS AND CONSIDERATION.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.*

#### *SEC. 2834. LAND CONVEYANCE, FORT LAWTON, WASHINGTON.*

*(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the City of Seattle, Washington (in this section referred to as the "City"), all right, title, and interest of the United States in and to the real property at Fort Lawton, Washington, consisting of Area 500 and Government Way from 36th Avenue to Area 500, for purposes of the inclusion of the property in Discovery Park, Seattle, Washington.*

*(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the City.*

*(c) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.*

#### *SEC. 2835. LAND CONVEYANCE, VANCOUVER BARRACKS, WASHINGTON.*

*(a) CONVEYANCE OF WEST BARRACKS AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the City of Vancouver, Washington (in this section referred to as the "City"), all right, title, and interest of the United States in and to a parcel of real property, including any improvements thereon, encompassing 19 structures at Vancouver Barracks, Washington, which are identified by the Army using numbers between 602 and 676, and are known as the west barracks.*

*(b) PURPOSE.—The purpose of the conveyance authorized by subsection (a) shall be to include the property described in that subsection in the Vancouver National Historic Reserve, Washington.*

*(c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the City.*

*(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance authorized by subsection (a) as the Secretary considers appropriate to protect the interests of the United States.*

#### *SEC. 2836. LAND CONVEYANCE, FORT RILEY, KANSAS.*

*(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the State of Kansas, all right, title, and interest of the United States in and to a parcel of real property, including any improvements thereon, consisting of approximately 70 acres at Fort Riley Military Reservation, Fort Riley, Kansas. The preferred site is adjacent to the Fort Riley Military Reservation boundary, along the north side of Huebner Road across from the First Territorial Capitol of Kansas Historical Site Museum.*

*(b) CONDITIONS OF CONVEYANCE.—The conveyance required by subsection (a) shall be subject to the following conditions:*

*(1) That the State of Kansas use the property conveyed solely for purposes of establishing and maintaining a State-operated veterans cemetery.*

(2) That all costs associated with the conveyance, including the cost of relocating water and electric utilities should the Secretary determine that such relocations are necessary, be borne by the State of Kansas.

(c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary and the Director of the Kansas Commission on Veterans Affairs.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance required by subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

### SEC. 2837. LAND CONVEYANCE, ARMY RESERVE CENTER, WINONA, MINNESOTA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the Winona State University Foundation of Winona, Minnesota (in this section referred to as the "Foundation"), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, in Winona, Minnesota, containing an Army Reserve Center for the purpose of permitting the Foundation to use the parcel for educational purposes.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Foundation.

(c) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

## Part II—Navy Conveyances

### SEC. 2851. MODIFICATION OF LAND CONVEYANCE, MARINE CORPS AIR STATION, EL TORO, CALIFORNIA.

(a) USE OF CONSIDERATION FOR CONVEYANCE AT MCAS, MIRAMAR, CALIFORNIA.—Section 2811(a)(2) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101–189; 103 Stat. 1650) is amended by striking "of additional military family housing units at Marine Corps Air Station, Tustin, California." and inserting "and repair of roads and development of aerial port of embarkation facilities at Marine Corps Air Station, Miramar, California.".

(b) CONFORMING AMENDMENT.—The section heading of such section is amended by striking "**, AND CONSTRUCTION OF FAMILY HOUSING AT MARINE CORPS AIR STATION, TUSTIN, CALIFORNIA**".

### SEC. 2852. MODIFICATION OF LAND CONVEYANCE, DEFENSE FUEL SUPPLY POINT, CASCO BAY, MAINE.

Section 2839 of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3065) is amended—

(1) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

(2) by inserting after subsection (b) the following new subsection (c):

"(c) REPLACEMENT OF REMOVED ELECTRIC UTILITY SERVICE.—(1) The Secretary of Defense may replace the electric utility service removed during the course of environmental remediation carried out with respect to the property to be conveyed under subsection (a), including the procurement and installation of electrical cables, switch cabinets, and transformers associated with the service.

"(2) As part of the replacement of the electric utility service under paragraph (1), the Secretary of Defense may, in consultation with the Town, improve the electric utility service and install telecommunications service. The Town shall pay any cost associated with the improvement of the electric utility service and the installation of telecommunications service under this paragraph.".

### SEC. 2853. MODIFICATION OF LAND CONVEYANCE AUTHORITY, FORMER NAVAL TRAINING CENTER, BAINBRIDGE, CECIL COUNTY, MARYLAND.

Section 1 of Public Law 99–596 (100 Stat. 3349) is amended—

(1) in subsection (a), by striking "subsections (b) through (f)" and inserting "subsections (b) through (e)";

(2) by striking subsection (b) and inserting the following new subsection (b):

"(b) CONSIDERATION.—(1) In the event of the transfer of the property under subsection (a) to the State of Maryland, the transfer shall be with consideration or without consideration from the State of Maryland, at the election of the Secretary.

"(2) If the Secretary elects to receive consideration from the State of Maryland under paragraph (1), the Secretary may reduce the amount of consideration to be received from the State of Maryland under that paragraph by an amount equal to the cost, estimated as of the time of the transfer of the property under this section, of the restoration of the historic buildings on the property. The total amount of the reduction of consideration under this paragraph may not exceed $500,000.";

(3) by striking subsection (d); and

(4) by redesignating subsections (e) and (f) as subsections (d) and (e), respectively.

### SEC. 2854. LAND CONVEYANCE, NAVAL COMPUTER AND TELECOMMUNICATIONS STATION, CUTLER, MAINE.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Navy may convey, without consideration, to the State of Maine, any political subdivision of the State of Maine, or any tax-supported agency in the State of Maine, all right, title, and interest of the United States in and to a parcel of real property, together with any improvements thereon, consisting of approximately 263 acres located in Washington County, Maine, and known as the Naval Computer and Telecommunications Station (NCTS), Cutler, Maine.

(b) REIMBURSEMENT FOR ENVIRONMENTAL AND OTHER ASSESSMENTS.—(1) The Secretary may require the recipient of the property conveyed under this section to reimburse the Secretary for the costs incurred by the Secretary for any environmental assessments and other studies and analyses carried out by the Secretary with respect to the property to be conveyed under this section before the conveyance of the property under this section.

(2) The amount of any reimbursement required under paragraph (1) shall be determined by the Secretary and may not exceed the cost of the assessments, studies, and analyses for which reimbursement is required under that paragraph.

(3) Amounts paid as reimbursement for costs under this subsection shall be credited to the account from which the costs were paid. Amounts so credited to an account shall be merged with funds in the account, and shall be available for the same purposes and subject to the same limitations as the funds with which merged.

(c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the recipient of the property under this section.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

(e) LEASE OF PROPERTY PENDING CONVEYANCE.—(1) Pending the conveyance by deed of the property authorized to be conveyed by subsection (a), the Secretary may enter into one or more leases of the property.

(2) The Secretary shall deposit any amounts paid under a lease under paragraph (1) in the appropriation or account providing funds for the protection, maintenance, or repair of the property, or for the provision of utility services for the property. Amounts so deposited shall be merged with funds in the appropriation or account in which deposited, and shall be available for the same purposes, and subject to the same conditions and limitations, as the funds with which merged.

### SEC. 2855. MODIFICATION OF AUTHORITY FOR OXNARD HARBOR DISTRICT, PORT HUENEME, CALIFORNIA, TO USE CERTAIN NAVY PROPERTY.

(a) ADDITIONAL RESTRICTIONS ON JOINT USE.—Subsection (c) of section 2843 of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3067) is amended to read as follows:

"(c) RESTRICTIONS ON USE.—The District's use of the property covered by an agreement under subsection (a) is subject to the following conditions:

"(1) The District shall suspend operations under the agreement upon notification by the commanding officer of the Center that the property is needed to support mission essential naval vessel support requirements or Navy contingency operations, including combat missions, natural disasters, and humanitarian missions.

"(2) The District shall use the property covered by the agreement in a manner consistent with Navy operations at the Center, including cooperating with the Navy for the purpose of assisting the Navy to meet its through-put requirements at the Center for the expeditious movement of military cargo.

"(3) The commanding officer of the Center may require the District to remove any of its personal property at the Center that the commanding officer determines may interfere with military operations at the Center. If the District cannot expeditiously remove the property, the commanding officer may provide for the removal of the property at District expense.".

(b) CONSIDERATION.—Subsection (d) of such section is amended to read as follows:

"(d) CONSIDERATION.—(1) As consideration for the use of the property covered by an agreement under subsection (a), the District shall pay to the Navy an amount that is mutually agreeable to the parties to the agreement, taking into account the nature and extent of the District's use of the property.

"(2) The Secretary may accept in-kind consideration under paragraph (1), including consideration in the form of—

"(A) the District's maintenance, preservation, improvement, protection, repair, or restoration of all or any portion of the property covered by the agreement;

"(B) the construction of new facilities, the modification of existing facilities, or the replacement of facilities vacated by the Navy on account of the agreement; and

"(C) covering the cost of relocation of the operations of the Navy from the vacated facilities to the replacement facilities.

"(3) All cash consideration received under paragraph (1) shall be deposited in the special account in the Treasury established for the Navy under section 2667(d) of title 10, United States Code. The amounts deposited in the special account pursuant to this paragraph shall be available, as provided in appropriation Acts, for general supervision, administration, overhead expenses, and Center operations and for the maintenance, preservation, improvement, protection, repair, or restoration of property at the Center.".

*(c) CONFORMING AMENDMENTS.—Such section is further amended—*

*(1) by striking subsection (f); and*

*(2) by redesignating subsections (g) and (h) as subsections (f) and (g), respectively.*

### SEC. 2856. REGARDING LAND CONVEYANCE, MARINE CORPS BASE, CAMP LEJEUNE, NORTH CAROLINA.

*(a) CONVEYANCE AUTHORIZED.—The Secretary of the Navy may convey, to the City of Jacksonville, North Carolina (City), all right, title and interest of the United States in and to real property, including improvements thereon, and currently leased to Norfolk Southern Corporation (NSC), consisting of approximately 50 acres, known as the railroad right-of-way, lying within the City between Highway 24 and Highway 17, at the Marine Corps Base, Camp Lejeune, North Carolina, for the purpose of permitting the City to develop the parcel for initial use as a bike/green way trail.*

*(b) CONSIDERATION.—As consideration for the conveyance under subsection (a), the City shall reimburse the Secretary such amounts (as determined by the Secretary) equal to the costs incurred by the Secretary in carrying out the provisions of this section, including, but not limited to, planning, design, surveys, environmental assessment and compliance, supervision and inspection of construction, severing and realigning utility systems, and other prudent and necessary actions, prior to the conveyance authorized by subsection (a). Amounts collected under this subsection shall be credited to the account(s) from which the expenses were paid. Amounts so credited shall be merged with funds in such account(s) and shall be available for the same purposes and subject to the same limitations as the funds with which merged.*

*(c) CONDITION OF CONVEYANCE.—The right of the Secretary of the Navy to retain such easements, rights-of-way, and other interests in the property conveyed and to impose such restrictions on the property conveyed as are necessary to ensure the effective security, maintenance, and operations of the Marine Corps Base, Camp Lejeune, North Carolina, and to protect human health and the environment.*

*(d) DESCRIPTION OF THE PROPERTY.—The exact acreage and legal description of the real property authorized to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary of the Navy.*

*(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Navy may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.*

## Part III—Air Force Conveyances

### SEC. 2861. MODIFICATION OF LAND CONVEYANCE, ELLSWORTH AIR FORCE BASE, SOUTH DAKOTA.

*(a) MODIFICATION OF CONVEYEE.—Subsection (a) of section 2863 of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85; 111 Stat. 2010) is amended by striking "Greater Box Elder Area Economic Development Corporation, Box Elder, South Dakota (in this section referred to as the 'Corporation')" and inserting "West River Foundation for Economic and Community Development, Sturgis, South Dakota (in this section referred to as the 'Foundation')".*

*(b) CONFORMING AMENDMENTS.—That section is further amended by striking "Corporation" each place it appears in subsections (c) and (e) and inserting "Foundation".*

### SEC. 2862. LAND CONVEYANCE, LOS ANGELES AIR FORCE BASE, CALIFORNIA.

*(a) CONVEYANCE AUTHORIZED.—The Secretary of the Air Force may convey, by sale or lease upon such terms as the Secretary considers appropriate, all or any portion of the following parcels of real property, including improvements thereon, at Los Angeles Air Force Base, California:*

*(1) Approximately 42 acres in El Segundo, California, commonly known as Area A.*

*(2) Approximately 52 acres in El Segundo, California, commonly known as Area B.*

*(3) Approximately 13 acres in Hawthorne, California, commonly known as the Lawndale Annex.*

*(4) Approximately 3.7 acres in Sun Valley, California, commonly known as the Armed Forces Radio and Television Service Broadcast Center.*

*(b) CONSIDERATION.—As consideration for the conveyance of real property under subsection (a), the recipient of the property shall provide for the design and construction on real property acceptable to the Secretary of one or more facilities to consolidate the mission and support functions at Los Angeles Air Force Base. Any such facility must comply with the seismic and safety design standards for Los Angeles County, California, in effect at the time the Secretary takes possession of the facility.*

*(c) LEASEBACK AUTHORITY.—If the fair market value of a facility to be provided as consideration for the conveyance of real property under subsection (a) exceeds the fair market value of the conveyed property, the Secretary may enter into a lease for the facility for a period not to exceed 10 years. Rental payments under the lease shall be established at the rate necessary to permit the lessor to recover, by the end of the lease term, the difference between the fair market value of a facility and the fair market value of the conveyed property. At the end of the lease, all right, title, and interest in the facility shall vest in the United States.*

*(d) APPRAISAL OF PROPERTY.—The Secretary shall obtain an appraisal of the fair market value of all property and facilities to be sold, leased, or acquired under this section. An appraisal shall be made by a qualified appraiser familiar with the type of property to be appraised. The Secretary shall consider the appraisals in determining whether a proposed conveyance accomplishes the purpose of this section and is in the interest of the United States. Appraisal reports shall not be released outside of the Federal Government, other than the other party to a conveyance.*

*(e) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of real property to be conveyed under subsection (a) or acquired under subsection (b) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the recipient of the property.*

*(f) EXEMPTION.—Section 2696 of title 10, United States Code, does not apply to the conveyance authorized by subsection (a).*

*(g) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with a conveyance under subsection (a) or a lease under subsection (c) as the Secretary considers appropriate to protect the interests of the United States.*

### SEC. 2863. LAND CONVEYANCE, MUKILTEO TANK FARM, EVERETT, WASHINGTON.

*(a) CONVEYANCE AUTHORIZED.—The Secretary of the Air Force may convey, without consideration, to the Port of Everett, Washington (in this section referred to as the "Port"), all right, title, and interest of the United States in and to a parcel of real property, including any improvements thereon, consisting of approximately 22 acres and known as the Mukilteo Tank Farm for the purposes of permitting the Port to use the parcel for the development and operation of a port facility and for other public purposes.*

*(b) PERSONAL PROPERTY.—The Secretary of the Air Force may include as part of the conveyance authorized by subsection (a) any personal property at the Mukilteo Tank Farm that is excess to the needs of the Air Force if the Secretary of Transportation determines that such personal property is appropriate for the development or operation of the Mukilteo Tank Farm as a port facility.*

*(c) INTERIM LEASE.—(1) Until such time as the real property described in subsection (a) is conveyed by deed, the Secretary of the Air Force may lease all or part of the real property to the Port if the Secretary determines that the real property is suitable for lease and the lease of the property under this subsection will not interfere with any environmental remediation activities or schedules under applicable law or agreements.*

*(2) The determination under paragraph (1) whether the lease of the real property will interfere with environmental remediation activities or schedules referred to in that paragraph shall be based upon an environmental baseline survey conducted in accordance with applicable Air Force regulations and policy.*

*(3) Except as provided by paragraph (4), as consideration for the lease under this subsection, the Port shall pay the Secretary an amount equal to the fair market of the lease, as determined by the Secretary.*

*(4) The amount of consideration paid by the Port for the lease under this subsection may be an amount, as determined by the Secretary, less than the fair market value of the lease if the Secretary determines that—*

*(A) the public interest will be served by an amount of consideration for the lease that is less than the fair market value of the lease; and*

*(B) payment of an amount equal to the fair market value of the lease is unobtainable.*

*(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary of the Air Force and the Port.*

*(e) ADDITIONAL TERMS.—The Secretary of the Air Force, in consultation with the Secretary of Transportation, may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary of the Air Force considers appropriate to protect the interests of the United States.*

## Part IV—Defense Agencies Conveyances

### SEC. 2871. LAND CONVEYANCE, ARMY AND AIR FORCE EXCHANGE SERVICE PROPERTY, FARMERS BRANCH, TEXAS.

*(a) CONVEYANCE AUTHORIZED.—(1) The Secretary of Defense may convey all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, under the jurisdiction of the Army and Air Force Exchange Service that is located at 2727 LBJ Freeway, Farmers Branch, Texas.*

*(2) The Secretary shall carry out any activities under this section (other than activities under subsections (e) and (g)) through the Army and Air Force Exchange Service.*

*(b) CONSIDERATION.—As consideration for the conveyance of property under subsection (a) the Secretary shall require a cash payment in an amount equal to the fair market value (as determined by the Secretary) of the property. The cash payment shall be made in a lump-sum payment.*

*(c) TREATMENT OF PAYMENT.—Any cash payment received under subsection (b) shall be processed in accordance with section 204(c) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(c)).*

*(d) APPLICATION OF OTHER LAWS.—The conveyance authorized by subsection (a) shall not be subject to the following:*

*(1) Section 2693 of title 10, United States Code.*

*(2) The provisions of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.).*

(3) Section 501 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11411).

(4) Any other provision of law which is inconsistent with a provision of this section.

(e) REPORT.—Not later than one year after the conveyance, if any, of property under this section, the Secretary shall submit to the congressional defense committees a report on the conveyance. The report shall set forth the details of the conveyance.

(f) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the prospective purchaser of the property.

(g) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

### Part V—Other Conveyances

### SEC. 2881. LAND CONVEYANCE, FORMER NATIONAL GROUND INTELLIGENCE CENTER, CHARLOTTESVILLE, VIRGINIA.

(a) CONVEYANCE AUTHORIZED.—The Administrator of General Services may convey, without consideration, to the City of Charlottesville, Virginia (in this section referred to as the "City"), all right, title, and interest of the United States in and to a parcel of real property, including any improvements thereon, formerly occupied by the National Ground Intelligence Center and known as the Jefferson Street Property.

(b) AUTHORITY TO CONVEY WITHOUT CONSIDERATION.—The conveyance authorized by subsection (a) may be made without consideration if the Administrator determines that the conveyance on that basis would be in the best interests of the United States.

(c) PURPOSE OF CONVEYANCE.—The conveyance authorized by subsection (a) shall be for the purpose of permitting the City to use the parcel, directly or through an agreement with a public or private entity, for economic development purposes.

(d) REVERSIONARY INTEREST.—If, during the 5-year period beginning on the date the Administrator makes the conveyance authorized by subsection (a), the Administrator determines that the conveyed real property is not being used for a purpose specified in subsection (c), all right, title, and interest in and to the property, including any improvements thereon, may upon the election of the Administrator revert to the United States, and upon such reversion the United States shall have the right of immediate entry onto the property.

(e) INAPPLICABILITY OF CERTAIN PROPERTY MANAGEMENT LAWS.—The conveyance authorized by subsection (a) shall not be subject to the following:

(1) Sections 2667 and 2696 of title 10, United States Code.

(2) Section 501 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11411).

(3) Sections 202 and 203 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 483, 484).

(f) LIMITATION ON CERTAIN SUBSEQUENT CONVEYANCES.—(1) Subject to paragraph (2), if at any time after the Administrator makes the conveyance authorized by subsection (a) the City conveys any portion of the parcel conveyed under that subsection to a private entity, the City shall pay to the United States an amount equal to the fair market value (as determined by the Administrator) of the portion conveyed at the time of its conveyance under this subsection.

(2) Paragraph (1) applies to a conveyance described in that paragraph only if the Administrator makes the conveyance authorized by subsection (a) without consideration.

(3) The Administrator shall deposit any amounts paid the United States under this subsection into the fund established by section 210(f) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)). Any amounts so deposited shall be available to the Administrator for real property management and related activities as provided for under paragraph (2) of that section.

(g) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Administrator. The cost of the survey shall be borne by the City.

(h) ADDITIONAL TERMS AND CONDITIONS.—The Administrator may require such additional terms and conditions in connection with the conveyance as the Administrator considers appropriate to protect the interests of the United States.

### Subtitle E—Other Matters

### SEC. 2891. NAMING OF ARMY MISSILE TESTING RANGE AT KWAJALEIN ATOLL AS THE RONALD REAGAN BALLISTIC MISSILE DEFENSE TEST SITE AT KWAJALEIN ATOLL.

The United States Army missile testing range located at Kwajalein Atoll in the Marshall Islands shall be known and designated as the "Ronald Reagan Ballistic Missile Defense Test Site at Kwajalein Atoll". Any reference to that range in any law, regulation, map, document, record, or other paper of the United States shall be considered to be a reference to the Ronald Reagan Ballistic Missile Defense Test Site at Kwajalein Atoll.

### SEC. 2892. ACCEPTANCE AND USE OF GIFTS FOR CONSTRUCTION OF THIRD BUILDING AT UNITED STATES AIR FORCE MUSEUM, WRIGHT-PATTERSON AIR FORCE BASE, OHIO.

(a) ACCEPTANCE AUTHORIZED.—(1) The Secretary of the Air Force may accept from the Air Force Museum Foundation, a private non-profit foundation, gifts in the form of cash, Treasury instruments, or comparable United States Government securities for the purpose of paying the costs of design and construction of a third building for the United States Air Force Museum at Wright-Patterson Air Force Base, Ohio. The building is listed as an unfunded military construction requirement for the Air Force in the fiscal year 2002 military construction program of the Air Force.

(2) A gift accepted under paragraph (1) may specify that all or part of the amount of the gift be utilized solely for purposes of the design and construction of a particular portion of the building described in that paragraph.

(b) DEPOSIT IN ESCROW ACCOUNT.—The Secretary, acting through the Comptroller of the Air Force Materiel Command, shall deposit the amount of any cash, instruments, or securities accepted as a gift under subsection (a) in an escrow account established for that purpose.

(c) INVESTMENT.—Amounts in the escrow account under subsection (b) not required to meet current requirements of the account shall be invested in public debt securities with maturities suitable to the needs of the account, as determined by the Comptroller of the Air Force Materiel Command, and bearing interest at rates that take into consideration current market yields on outstanding marketable obligations of the United States of comparable maturities. The income on such investments shall be credited to and form a part of the account.

(d) UTILIZATION.—(1) Amounts in the escrow account under subsection (b), including any income on investments of such amounts under subsection (c), that are attributable to a particular portion of the building described in subsection (a) shall be utilized by the Comptroller of the Air Force Materiel Command to pay the costs of the design and construction of such portion of the building, including progress payments for such design and construction.

(2) Subject to paragraph (3), amounts shall be payable under paragraph (1) upon receipt by the Comptroller of the Air Force Materiel Command of a notification from an appropriate officer or employee of the Corps of Engineers that such amounts are required for the timely payment of an invoice or claim for the performance of design or construction activities for which such amounts are payable under paragraph (1).

(3) The Comptroller of the Air Force Materiel Command shall, to the maximum extent practicable consistent with good business practice, limit payment of amounts from the account in order to maximize the return on investment of amounts in the account.

(e) LIMITATION ON CONTRACTS.—The Corps of Engineers may not enter into a contract for the design or construction of a particular portion of the building described in subsection (a) until amounts in the escrow account under subsection (b), including any income on investments of such amounts under subsection (c), that are attributable to such portion of the building are sufficient to cover the amount of such contract.

(f) LIQUIDATION OF ESCROW ACCOUNT.—(1) Upon final payment of all invoices and claims associated with the design and construction of the building described in subsection (a), the Secretary of the Air Force shall terminate the escrow account under subsection (b).

(2) Any amounts in the account upon final payment of invoices and claims as described in paragraph (1) shall be available to the Secretary for such purposes as the Secretary considers appropriate.

### SEC. 2893. DEVELOPMENT OF MARINE CORPS HERITAGE CENTER AT MARINE CORPS BASE, QUANTICO, VIRGINIA.

(a) AUTHORITY TO ENTER INTO JOINT VENTURE FOR DEVELOPMENT.—The Secretary of the Navy may enter into a joint venture with the Marine Corps Heritage Foundation, a not-for-profit entity, for the design and construction of a multipurpose facility to be used for historical displays for public viewing, curation, and storage of artifacts, research facilities, classrooms, offices, and associated activities consistent with the mission of the Marine Corps University. The facility shall be known as the Marine Corps Heritage Center.

(b) AUTHORITY TO ACCEPT CERTAIN LAND.—(1) The Secretary may, if the Secretary determines it to be necessary for the facility described in subsection (a), accept without compensation any portion of the land known as Locust Shade Park which is now offered by the Park Authority of the County of Prince William, Virginia, as a potential site for the facility.

(2) The Park Authority may convey the land described in paragraph (1) to the Secretary under this section without regard to any limitation on its use, or requirement for its replacement upon conveyance, under section 6(f)(3) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–8(f)(3)) or under any other provision of law.

(c) DESIGN AND CONSTRUCTION.—For each phase of development of the facility described in subsection (a), the Secretary may—

(1) permit the Marine Corps Heritage Foundation to contract for the design, construction, or both of such phase of development; or

(2) accept funds from the Marine Corps Heritage Foundation for the design, construction, or both of such phase of development.

(d) ACCEPTANCE AUTHORITY.—Upon completion of construction of any phase of development of the facility described in subsection (a) by the Marine Corps Heritage Foundation to the satisfaction of the Secretary, and the satisfaction of any financial obligations incident thereto by the Marine Corps Heritage Foundation, *the facility shall become the property of the Department of the Navy with all right, title, and interest in and to facility being in the United States.*

*(e) LEASE OF FACILITY.—(1) The Secretary may lease, under such terms and conditions as the Secretary considers appropriate for the joint venture authorized by subsection (a), portions of the facility developed under that subsection to the Marine Corps Heritage Foundation for use in generating revenue for activities of the facility and for such administrative purposes as may be necessary for support of the facility.*

*(2) The amount of consideration paid the Secretary by the Marine Corps Heritage Foundation for the lease under paragraph (1) may not exceed an amount equal to the actual cost (as determined by the Secretary) of the operation of the facility.*

*(3) Notwithstanding any other provision of law, the Secretary shall use amounts paid under paragraph (2) to cover the costs of operation of the facility.*

*(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the joint venture authorized by subsection (a) as the Secretary considers appropriate to protect the interests of the United States.*

### *SEC. 2894. ACTIVITIES RELATING TO THE GREENBELT AT FALLON NAVAL AIR STATION, NEVADA.*

*(a) IN GENERAL.—The Secretary of the Navy shall, in consultation with the Secretary of the Army acting through the Chief of Engineers, carry out appropriate activities after examination of the potential environmental and flight safety ramifications for irrigation that has been eliminated, or will be eliminated, for the greenbelt at Fallon Naval Air Station, Nevada. Any activities carried out under the preceding sentence shall be consistent with aircrew safety at Fallon Naval Air Station.*

*(b) AUTHORIZATION OF APPROPRIATIONS.—There is hereby authorized to be appropriated for operation and maintenance for the Navy such sums as may be necessary to carry out the activities required by subsection (a).*

### *SEC. 2895. SENSE OF CONGRESS REGARDING LAND TRANSFERS AT MELROSE RANGE, NEW MEXICO, AND YAKIMA TRAINING CENTER, WASHINGTON.*

*(a) FINDINGS.—Congress makes the following findings:*

*(1) The Secretary of the Air Force seeks the transfer of 6,713 acres of public domain land within the Melrose Range, New Mexico, from the Department of the Interior to the Department of the Air Force for the continued use of these lands as a military range.*

*(2) The Secretary of the Army seeks the transfer of 6,640 acres of public domain land within the Yakima Training Center, Washington, from the Department of the Interior to the Department of the Army for military training purposes.*

*(3) The transfers provide the Department of the Air Force and the Department of the Army with complete land management control of these public domain lands to allow for effective land management, minimize safety concerns, and ensure meaningful training.*

*(4) The Department of the Interior concurs with the land transfers at Melrose Range and Yakima Training Center.*

*(b) SENSE OF CONGRESS.—It is the sense of Congress that the land transfers at Melrose Range, New Mexico, and Yakima Training Center, Washington, will support military training, safety, and land management concerns on the lands subject to transfer.*

## *DIVISION C—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS*

## *TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS*

### *Subtitle A—National Security Programs Authorizations*

### *SEC. 3101. NATIONAL NUCLEAR SECURITY ADMINISTRATION.*

*(a) IN GENERAL.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2001 for national nuclear security administration in carrying out programs necessary for national security in the amount of $6,289,835,000, to be allocated as follows:*

*(1) WEAPONS ACTIVITIES.—For weapons activities necessary for national nuclear security administration, $4,747,800,000, to be allocated as follows:*

*(A) STEWARDSHIP OPERATION AND MAINTENANCE.—For stewardship operation and maintenance in carrying out weapons activities necessary for national nuclear security administration, $3,822,383,000, to be allocated as follows:*

*(i) For directed stockpile work, $842,603,000.*

*(ii) For campaigns, $1,471,982,000.*

*(iii) For readiness in technical base and facilities, $1,507,798,000.*

*(B) SECURE TRANSPORTATION ASSETS.—For secure transportation assets in carrying out weapons activities necessary for national nuclear security administration, $115,673,000, to be allocated as follows:*

*(i) For operation and maintenance, $79,357,000.*

*(ii) For program direction (secure transportation), $36,316,000.*

*(C) PROGRAM DIRECTION.—For program direction in carrying out weapons activities necessary for national nuclear security administration, $221,257,000.*

*(D) CONSTRUCTION.—For construction (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto) in carrying out weapons activities necessary for national nuclear security administration, $588,173,000, to be allocated as follows:*

*Project 01–D–101, distributed information systems laboratory, Sandia National Laboratories, Livermore, California, $2,300,000.*

*Project 01–D–103, preliminary project design and engineering, various locations, $14,500,000.*

*Project 01–D–124, highly enriched uranium (HEU) materials facility, Y–12 Plant, Oak Ridge, Tennessee, $17,800,000.*

*Project 01–D–126, weapons evaluation test laboratory, Pantex Plant, Amarillo, Texas, $3,000,000.*

*Project 00–D–103, terascale simulation facility, Lawrence Livermore National Laboratory, Livermore, California, $5,000,000.*

*Project 00–D–105, strategic computing complex, Los Alamos National Laboratory, Los Alamos, New Mexico, $56,000,000.*

*Project 00–D–107, joint computational engineering laboratory, Sandia National Laboratories, Albuquerque, New Mexico, $6,700,000.*

*Project 99–D–103, isotope sciences facilities, Lawrence Livermore National Laboratory, Livermore, California, $5,000,000.*

*Project 99–D–104, protection of real property (roof reconstruction, Phase II) Lawrence Livermore National Laboratory, Livermore, California, $2,800,000.*

*Project 99–D–106, model validation and systems certification test center, Sandia National Laboratories, Albuquerque, New Mexico, $5,200,000.*

*Project 99–D–108, renovate existing roadways, Nevada Test Site, Nevada, $2,000,000.*

*Project 99–D–125, replace boilers and controls, Kansas City Plant, Kansas City, Missouri, $13,000,000.*

*Project 99–D–127, stockpile management restructuring initiative, Kansas City Plant, Kansas City, Missouri, $23,765,000.*

*Project 99–D–128, stockpile management restructuring initiative, Pantex Plant consolidation, Amarillo, Texas, $4,998,000.*

*Project 99–D–132, stockpile management restructuring initiative, nuclear materials safeguards and security upgrades project, Los Alamos National Laboratory, Los Alamos, New Mexico, $18,043,000.*

*Project 98–D–123, stockpile management restructuring initiative, tritium facility modernization and consolidation, Savannah River Site, Aiken, South Carolina, $30,767,000.*

*Project 98–D–125, tritium extraction facility, Savannah River Site, Aiken, South Carolina, $75,000,000.*

*Project 98–D–126, Accelerator Production of Tritium (APT), various locations, $34,000,000.*

*Project 97–D–102, dual-axis radiographic hydrotest facility (DARHT), Los Alamos National Laboratory, Los Alamos, New Mexico, $35,232,000.*

*Project 97–D–123, structural upgrades, Kansas City Plant, Kansas City, Missouri, $2,918,000.*

*Project 96–D–111, national ignition facility (NIF), Lawrence Livermore National Laboratory, Livermore, California, $214,100,000.*

*Project 95–D–102, chemistry and metallurgy research upgrades project, Los Alamos National Laboratory, Los Alamos, New Mexico, $13,337,000.*

*Project 88–D–123, security enhancement, Pantex Plant, Amarillo, Texas, $2,713,000.*

*(2) DEFENSE NUCLEAR NONPROLIFERATION.—For defense nuclear nonproliferation necessary for national nuclear security administration, $847,035,000, to be allocated as follows:*

*(A) NONPROLIFERATION AND VERIFICATION RESEARCH AND DEVELOPMENT.—For nonproliferation and verification research and development technology in carrying out defense nuclear nonproliferation necessary for national nuclear security administration, $262,990,000, to be allocated as follows:*

*(i) For operation and maintenance, $255,990,000.*

*(ii) For the following plant project (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $7,000,000, to be allocated as follows:*

*Project 00–D–192, nonproliferation and international security center (NISC), Los Alamos National Laboratory, Los Alamos, New Mexico, $7,000,000.*

*(B) ARMS CONTROL.—For arms control in carrying out defense nuclear nonproliferation necessary for national nuclear security administration, $308,060,000, to be allocated as follows:*

*(i) For arms control operations, $272,870,000.*

*(ii) For highly enriched uranium (HEU) transparency implementation, $15,190,000.*

*(iii) For international nuclear safety, $20,000,000.*

*(C) FISSILE MATERIALS DISPOSITION.—For fissile materials disposition in carrying out defense nuclear nonproliferation necessary for national nuclear security administration, $224,517,000, to be allocated as follows:*

*(i) For operation and maintenance, $175,517,000.*

*(ii) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $49,000,000, to be allocated as follows:*

*Project 00–D–142, immobilization and associated processing facility, titles I and II design, Savannah River Site, Aiken, South Carolina, $3,000,000.*

*Project 99–D–141, pit disassembly and conversion facility, titles I and II design, Savannah River Site, Aiken, South Carolina, $20,000,000.*

*Project 99–D–143, mixed oxide fuel fabrication facility, titles I and II design, Savannah River Site, Aiken, South Carolina, $26,000,000.*

*(D) PROGRAM DIRECTION.—For program direction in carrying out defense nuclear nonproliferation necessary for national nuclear security administration, $51,468,000.*

*(3) NAVAL REACTORS.—For naval reactors activities necessary for national nuclear security administration, $695,000,000, to be allocated as follows:*

*(A) NAVAL REACTORS DEVELOPMENT.—For naval reactors development in carrying out naval reactors activities necessary for national nuclear security administration, $673,600,000, to be allocated as follows:*

*(i) For operation and maintenance, $644,900,000.*

*(ii) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $28,700,000, to be allocated as follows:*

*Project GPN–101, general plant projects, various locations, $11,400,000.*

*Project 01–D–200, major office replacement building, Schenectady, New York, $1,300,000.*

*Project 90–N–102, expended core facility dry cell project, Naval Reactors Facility, Idaho Falls, Idaho, $16,000,000.*

*(B) PROGRAM DIRECTION.—For program direction in carrying out naval reactors activities necessary for national nuclear security administration, $21,400,000.*

### ***SEC. 3102. DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.***

*(a) IN GENERAL.—Subject to subsection (b), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2001 for environmental restoration and waste management activities in carrying out programs necessary for national security in the amount of $5,651,824,000, to be allocated as follows:*

*(1) CLOSURE PROJECTS.—For closure projects carried out in accordance with section 3143 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2836; 42 U.S.C. 7277n), $1,082,297,000*

*(2) SITE/PROJECT COMPLETION.—For site completion and project completion in carrying out environmental management activities necessary for national security programs, $930,951,000, to be allocated as follows:*

*(A) For operation and maintenance, $861,475,000.*

*(B) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $69,476,000, to be allocated as follows:*

*Project 01–D–402, Intec cathodic protection system expansion, Idaho National Engineering and Environmental Laboratory, Idaho Falls, Idaho, $500,000.*

*Project 01–D–407, highly enriched uranium (HEU) blend down, Savannah River Site, Aiken, South Carolina, $27,932,000.*

*Project 99–D–402, tank farm support services, F&H areas, Savannah River Site, Aiken, South Carolina, $7,714,000.*

*Project 99–D–404, health physics instrumentation laboratory, Idaho National Engineering and Environmental Laboratory, Idaho Falls, Idaho, $4,300,000.*

*Project 98–D–453, plutonium stabilization and handling system for plutonium finishing plant, Richland, Washington, $1,690,000.*

*Project 97–D–470, regulatory monitoring and bioassay laboratory, Savannah River Site, Aiken, South Carolina, $3,949,000.*

*Project 96–D–471, chlorofluorocarbon heating, ventilation, and air conditioning and chiller retrofit, Savannah River Site, Aiken, South Carolina, $12,512,000.*

*Project 92–D–140, F&H canyon exhaust upgrades, Savannah River Site, Aiken, South Carolina, $8,879,000.*

*Project 86–D–103, decontamination and waste treatment facility, Lawrence Livermore National Laboratory, Livermore, California, $2,000,000.*

*(3) POST 2006 COMPLETION.—For post-2006 completion in carrying out environmental restoration and waste management activities necessary for national security programs, $3,178,457,000, to be allocated as follows:*

*(A) For operation and maintenance, $2,683,725,000.*

*(B) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $99,732,000, to be allocated as follows:*

*Project 01–D–403, immobilized high-level waste interim storage facility, Richland, Washington, $1,300,000.*

*Project 99–D–403, privatization phase I infrastructure support, Richland, Washington, $7,812,000.*

*Project 97–D–402, tank farm restoration and safe operations, Richland, Washington, $46,023,000.*

*Project 94–D–407, initial tank retrieval systems, Richland, Washington, $17,385,000.*

*Project 93–D–187, high-level waste removal from filled waste tanks, Savannah River Site, Aiken, South Carolina, $27,212,000.*

*(4) SCIENCE AND TECHNOLOGY DEVELOPMENT.—For science and technology development in carrying out environmental restoration and waste management activities necessary for national security programs, $246,548,000.*

*(5) PROGRAM DIRECTION.—For program direction in carrying out environmental restoration and waste management activities necessary for national security programs, $354,888,000.*

*(b) ADJUSTMENT.—The total amount authorized to be appropriated by subsection (a) is the sum of the amounts authorized to be appropriated by paragraphs (1) through (5) of that subsection, reduced by $216,317,000.*

### ***SEC. 3103. OTHER DEFENSE ACTIVITIES.***

*(a) IN GENERAL.—Subject to subsection (b), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2001 for other defense activities in carrying out programs necessary for national security in the amount of $536,322,000, to be allocated as follows:*

*(1) INTELLIGENCE.—For intelligence in carrying out other defense activities necessary for national security programs, $38,059,000, to be allocated as follows:*

*(A) For operation and maintenance, $36,059,000.*

*(B) For the following plant project (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $2,000,000, to be allocated as follows:*

*Project 01–D–800, sensitive compartmented information facility, Lawrence Livermore National Laboratory, Livermore, California, $2,000,000.*

*(2) COUNTERINTELLIGENCE.—For counterintelligence in carrying out other defense activities necessary for national security programs, $75,200,000.*

*(3) SECURITY AND EMERGENCY OPERATIONS.—For security and emergency operations in carrying out other defense activities necessary for national security programs, $281,576,000, to be allocated as follows:*

*(A) For nuclear safeguards and security, $124,409,000.*

*(B) For security investigations, $33,000,000.*

*(C) For emergency management, $37,300,000.*

*(D) For program direction, $86,867,000.*

*(4) INDEPENDENT OVERSIGHT AND PERFORMANCE ASSURANCE.—For independent oversight and performance assurance in carrying out other defense activities necessary for national security programs, $14,937,000, to be allocated for program direction.*

*(5) ENVIRONMENT, SAFETY, AND HEALTH, DEFENSE.—For environment, safety, and health, defense, in carrying out other defense activities necessary for national security programs, $99,050,000, to be allocated as follows:*

*(A) For the Office of Environment, Safety, and Health (Defense), $76,446,000.*

*(B) For program direction, $22,604,000.*

*(6) WORKER AND COMMUNITY TRANSITION.—For worker and community transition in carrying out other defense activities necessary for national security programs, $24,500,000, to be allocated as follows:*

*(A) For operation and maintenance, $21,500,000.*

*(B) For program direction, $3,000,000.*

*(7) OFFICE OF HEARINGS AND APPEALS.—For the Office of Hearings and Appeals in carrying out other defense activities necessary for national security programs, $3,000,000.*

*(b) ADJUSTMENTS.—(1) The amount authorized to be appropriated pursuant to subsection (a)(3)(B) is reduced by $20,000,000 to reflect an offset provided by user organizations for security investigations.*

*(2) The total amount authorized to be appropriated by subsection (a) is the sum of the amounts authorized to be appropriated by paragraphs (1) through (7) of that subsection, reduced by $50,000,000.*

### ***SEC. 3104. DEFENSE ENVIRONMENTAL MANAGEMENT PRIVATIZATION.***

*(a) IN GENERAL.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2001 for privatization initiatives in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $390,092,000, to be allocated as follows:*

*Project 98–PVT–2, spent nuclear fuel dry storage, Idaho Falls, Idaho, $25,092,000.*

*Project 97–PVT–1, tank waste remediation system project, phase I, Richland, Washington, $300,000,000.*

*Project 97–PVT–2, advanced mixed waste treatment project Idaho Falls, Idaho, $65,000,000.*

*(b) EXPLANATION OF ADJUSTMENT.—The amount authorized to be appropriated pursuant to subsection (a) is the sum of the amounts authorized to be appropriated for the projects in that subsection reduced by $25,092,000 for use of prior year balances of funds for defense environmental management privatization.*

### ***SEC. 3105. ENERGY EMPLOYEES COMPENSATION INITIATIVE.***

*Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2001 for an energy employees compensation initiative in the amount of $17,000,000.*

### ***SEC. 3106. DEFENSE NUCLEAR WASTE DISPOSAL.***

*Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 2001 for payment to the Nuclear Waste Fund established in section 302(c) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222(c)) in the amount of $112,000,000.*

## ***Subtitle B—Recurring General Provisions***

### ***SEC. 3121. REPROGRAMMING.***

*(a) IN GENERAL.—Until the Secretary of Energy submits to the congressional defense committees the report referred to in subsection (b) and a period of 30 days has elapsed after the date on which such committees receive the report, the Secretary may not use amounts appropriated pursuant to this title for any program—*

*(1) in amounts that exceed, in a fiscal year—*

*(A) 110 percent of the amount authorized for that program by this title; or*

*(B) $ 1,000,000 more than the amount authorized for that program by this title; or*

*(2) which has not been presented to, or requested of, Congress.*

*(b) Report.—(1) The report referred to in subsection (a) is a report containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of the proposed action.*

*(2) In the computation of the 30-day period under subsection (a), there shall be excluded any day on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain.*

*(c) Limitations.—(1) In no event may the total amount of funds obligated pursuant to this title exceed the total amount authorized to be appropriated by this title.*

*(2) Funds appropriated pursuant to this title may not be used for an item for which Congress has specifically denied funds.*

### ***SEC. 3122. LIMITS ON GENERAL PLANT PROJECTS.***

*(a) In General.—The Secretary of Energy may carry out any construction project under the general plant projects authorized by this title if the total estimated cost of the construction project does not exceed $5,000,000.*

*(b) Report to Congress.—If, at any time during the construction of any general plant project authorized by this title, the estimated cost of the project is revised because of unforeseen cost variations and the revised cost of the project exceeds $5,000,000, the Secretary shall immediately furnish a report to the congressional defense committees explaining the reasons for the cost variation.*

### ***SEC. 3123. LIMITS ON CONSTRUCTION PROJECTS.***

*(a) In General.—(1) Except as provided in paragraph (2), construction on a construction project may not be started or additional obligations incurred in connection with the project above the total estimated cost, whenever the current estimated cost of the construction project, authorized by 3101, 3102, or 3103, or which is in support of national security programs of the Department of Energy and was authorized by any previous Act, exceeds by more than 25 percent the higher of—*

*(A) the amount authorized for the project; or*

*(B) the amount of the total estimated cost for the project as shown in the most recent budget justification data submitted to Congress.*

*(2) An action described in paragraph (1) may be taken if—*

*(A) the Secretary of Energy has submitted to the congressional defense committees a report on the actions and the circumstances making such action necessary; and*

*(B) a period of 30 days has elapsed after the date on which the report is received by the committees.*

*(3) In the computation of the 30-day period under paragraph (2), there is excluded any day on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain.*

*(b) Exception.—Subsection (a) does not apply to a construction project with a current estimated cost of less than $5,000,000.*

### ***SEC. 3124. FUND TRANSFER AUTHORITY.***

*(a) Transfer to Other Federal Agencies.—The Secretary of Energy may transfer funds authorized to be appropriated to the Department of Energy pursuant to this title to other Federal agencies for the performance of work for which the funds were authorized. Funds so transferred may be merged with and be available for the same purposes and for the same time period as the authorizations of the Federal agency to which the amounts are transferred.*

*(b) Transfer Within Department of Energy.—(1) Subject to paragraph (2), the Secretary of Energy may transfer funds authorized to be appropriated to the Department of Energy pursuant to this title between any such authorizations. Amounts of authorizations so transferred may be merged with and be available for the same purposes and for the same period as the authorization to which the amounts are transferred.*

*(2) Not more than 5 percent of any such authorization may be transferred between authorizations under paragraph (1). No such authorization may be increased or decreased by more than 5 percent by a transfer under such paragraph.*

*(c) Limitations.—The authority provided by this subsection to transfer authorizations—*

*(1) may be used only to provide funds for items relating to activities necessary for national security programs that have a higher priority than the items from which the funds are transferred; and*

*(2) may not be used to provide funds for an item for which Congress has specifically denied funds.*

*(d) Notice to Congress.—The Secretary of Energy shall promptly notify the Committees on Armed Services of the Senate and House of Representatives of any transfer of funds to or from authorizations under this title.*

### ***SEC. 3125. AUTHORITY FOR CONCEPTUAL AND CONSTRUCTION DESIGN.***

*(a) Requirement of Conceptual Design.—(1) Subject to paragraph (2) and except as provided in paragraph (3), before submitting to Congress a request for funds for a construction project that is in support of a national security program of the Department of Energy, the Secretary of Energy shall complete a conceptual design for that project.*

*(2) If the estimated cost of completing a conceptual design for a construction project exceeds $3,000,000, the Secretary shall submit to Congress a request for funds for the conceptual design before submitting a request for funds for the construction project.*

*(3) The requirement in paragraph (1) does not apply to a request for funds—*

*(A) for a construction project the total estimated cost of which is less than $5,000,000; or*

*(B) for emergency planning, design, and construction activities under section 3126.*

*(b) Authority for Construction Design.—(1) Within the amounts authorized by this title, the Secretary of Energy may carry out construction design (including architectural and engineering services) in connection with any proposed construction project if the total estimated cost for such design does not exceed $600,000.*

*(2) If the total estimated cost for construction design in connection with any construction project exceeds $600,000, funds for that design must be specifically authorized by law.*

### ***SEC. 3126. AUTHORITY FOR EMERGENCY PLANNING, DESIGN, AND CONSTRUCTION ACTIVITIES.***

*(a) Authority.—The Secretary of Energy may use any funds available to the Department of Energy pursuant to an authorization in this title, including funds authorized to be appropriated for advance planning and construction design under sections 3101, 3102, and 3103, to perform planning, design, and construction activities for any Department of Energy national security program construction project that, as determined by the Secretary, must proceed expeditiously in order to protect public health and safety, to meet the needs of national defense, or to protect property.*

*(b) Limitation.—The Secretary may not exercise the authority under subsection (a) in the case of any construction project until the Secretary has submitted to the congressional defense committees a report on the activities that the Secretary intends to carry out under this section and the circumstances making those activities necessary.*

*(c) Specific Authority.—The requirement of section 3125(b)(2) does not apply to emergency planning, design, and construction activities conducted under this section.*

### ***SEC. 3127. FUNDS AVAILABLE FOR ALL NATIONAL SECURITY PROGRAMS OF THE DEPARTMENT OF ENERGY.***

*Subject to the provisions of appropriation Acts and section 3121, amounts appropriated pursuant to this title for management and support activities and for general plant projects are available for use, when necessary, in connection with all national security programs of the Department of Energy.*

### ***SEC. 3128. AVAILABILITY OF FUNDS.***

*(a) In General.—Except as provided in subsection (b), when so specified in an appropriations Act, amounts appropriated for operation and maintenance or for plant projects may remain available until expended.*

*(b) Exception for Program Direction Funds.—Amounts appropriated for program direction pursuant to an authorization of appropriations in subtitle A shall remain available to be expended only until the end of fiscal year 2003.*

### ***SEC. 3129. TRANSFER OF DEFENSE ENVIRONMENTAL MANAGEMENT FUNDS.***

*(a) Transfer Authority for Defense Environmental Management Funds.—The Secretary of Energy shall provide the manager of each field office of the Department of Energy with the authority to transfer defense environmental management funds from a program or project under the jurisdiction of the office to another such program or project.*

*(b) Limitations.—(1) Only one transfer may be made to or from any program or project under subsection (a) in a fiscal year.*

*(2) The amount transferred to or from a program or project under subsection (a) may not exceed $5,000,000 in a fiscal year.*

*(3) A transfer may not be carried out by a manager of a field office under subsection (a) unless the manager determines that the transfer is necessary to address a risk to health, safety, or the environment or to assure the most efficient use of defense environmental management funds at the field office.*

*(4) Funds transferred pursuant to subsection (a) may not be used for an item for which Congress has specifically denied funds or for a new program or project that has not been authorized by Congress.*

*(c) Exemption From Reprogramming Requirements.—The requirements of section 3121 shall not apply to transfers of funds pursuant to subsection (a).*

*(d) Notification.—The Secretary, acting through the Assistant Secretary of Energy for Environmental Management, shall notify Congress of any transfer of funds pursuant to subsection (a) not later than 30 days after such transfer occurs.*

*(e) Definitions.—In this section:*

*(1) The term "program or project" means, with respect to a field office of the Department of Energy, any of the following:*

*(A) A program referred to or a project listed in paragraphs (2) through (5) of section 3102(a).*

*(B) A program or project not described in subparagraph (A) that is for environmental restoration or waste management activities necessary for national security programs of the Department, that is being carried out by the office, and for which defense environmental management funds have been authorized and appropriated before the date of the enactment of this Act.*

*(2) The term "defense environmental management funds" means funds appropriated to the*

Department of Energy pursuant to an authorization for carrying out environmental restoration and waste management activities necessary for national security programs.

(f) DURATION OF AUTHORITY.—The managers of the field offices of the Department may exercise the authority provided under subsection (a) during the period beginning on October 1, 2000, and ending on September 30, 2001.

## Subtitle C—National Nuclear Security Administration

### SEC. 3131. TERM OF OFFICE OF PERSON FIRST APPOINTED AS UNDER SECRETARY FOR NUCLEAR SECURITY OF THE DEPARTMENT OF ENERGY.

(a) LENGTH OF TERM.—The term of office as Under Secretary for Nuclear Security of the Department of Energy of the person first appointed to that position shall be three years.

(b) EXCLUSIVE REASONS FOR REMOVAL.—The exclusive reasons for removal from office as Under Secretary for Nuclear Security of the person described in subsection (a) shall be inefficiency, neglect of duty, or malfeasance in office.

(c) POSITION DESCRIBED.—The position of Under Secretary for Nuclear Security of the Department of Energy referred to in this section is the position established by subsection (c) of section 202 of the Department of Energy Organization Act (42 U.S.C. 7132), as added by section 3202 of the National Nuclear Security Administration Act (title XXXII of Public Law 106–65; 113 Stat. 954)).

### SEC. 3132. MEMBERSHIP OF UNDER SECRETARY FOR NUCLEAR SECURITY ON THE JOINT NUCLEAR WEAPONS COUNCIL.

(a) MEMBERSHIP.—Section 179 of title 10, United States Code, is amended—

(1) in subsection (a), by striking paragraph (3) and inserting the following new paragraph (3):

"(3) The Under Secretary for Nuclear Security of the Department of Energy."; and

(2) in subsection (b)(2), by striking "the representative designated under subsection (a)(3)" and inserting "the Under Secretary for Nuclear Security of the Department of Energy".

(b) CONFORMING AMENDMENT.—Section 3212 of the National Nuclear Security Administration Act (title XXXII of the Public Law 106–65; 50 U.S.C. 2402) is amended by adding at the end the following new subsection:

"(e) MEMBERSHIP ON JOINT NUCLEAR WEAPONS COUNCIL.—The Administrator serves as a member of the Joint Nuclear Weapons Council under section 179 of title 10, United States Code.".

### SEC. 3133. SCOPE OF AUTHORITY OF SECRETARY OF ENERGY TO MODIFY ORGANIZATION OF NATIONAL NUCLEAR SECURITY ADMINISTRATION.

(a) SCOPE OF AUTHORITY.—Subtitle A of the National Nuclear Security Administration Act (title XXXII of Public Law 106–65; 113 Stat. 957; 50 U.S.C. 2401 et seq.) is amended by adding at the end the following new section:

### "SEC. 3219. SCOPE OF AUTHORITY OF SECRETARY OF ENERGY TO MODIFY ORGANIZATION OF ADMINISTRATION.

"Notwithstanding the authority granted by section 643 of the Department of Energy Organization Act (42 U.S.C. 7253) or any other provision of law, the Secretary of Energy may not establish, abolish, alter, consolidate, or discontinue any organizational unit or component, or transfer any function, of the Administration, except as authorized by subsection (b) or (c) of section 3291.".

(b) CONFORMING AMENDMENTS.—Section 643 of the Department of Energy Organization Act (42 U.S.C. 7253) is amended—

(1) by striking "The Secretary" and inserting "(a) Subject to subsection (b), the Secretary"; and

(2) by adding at the end the following new subsection:

"(b) The authority of the Secretary to establish, abolish, alter, consolidate, or discontinue any organizational unit or component of the National Nuclear Security Administration is governed by the provisions of section 3219 of the National Nuclear Security Administration Act (title XXXII of Public Law 106–65).".

### SEC. 3134. PROHIBITION ON PAY OF PERSONNEL ENGAGED IN CONCURRENT SERVICE OR DUTIES INSIDE AND OUTSIDE NATIONAL NUCLEAR SECURITY ADMINISTRATION.

Subtitle C of the National Nuclear Security Administration Act (title XXXII of Public Law 106–65; 50 U.S.C. 2441 et seq.) is amended by adding at the end the following new section:

### "SEC. 3245. PROHIBITION ON PAY OF PERSONNEL ENGAGED IN CONCURRENT SERVICE OR DUTIES INSIDE AND OUTSIDE ADMINISTRATION.

"Except as otherwise expressly provided by statute, no funds authorized to be appropriated or otherwise made available for the Department of Energy for any fiscal year after fiscal year 2000 may be obligated or utilized to pay the basic pay of an officer or employee of the Department of Energy who—

"(1) serves concurrently in a position in the Administration and a position outside the Administration; or

"(2) performs concurrently the duties of a position in the Administration and the duties of a position outside the Administration.".

### SEC. 3135. ORGANIZATION PLAN FOR FIELD OFFICES OF THE NATIONAL NUCLEAR SECURITY ADMINISTRATION.

(a) PLAN REQUIRED.—Not later than March 1, 2001, the Administrator of the National Nuclear Security Administration shall submit to the Committees on Armed Services of the Senate and House of Representatives a plan for assigning roles and responsibilities to and among the headquarters and field organizational units of the National Nuclear Security Administration.

(b) PLAN ELEMENTS.—The plan shall include the following:

(1) A general description of the organizational structure of the administrative functions of the National Nuclear Security Administration under the plan, including the authorities and responsibilities to be vested in the units of the headquarters, operations offices, and area offices of the Administration.

(2) A description of any downsizing, elimination, or consolidation of units of the headquarters, operations offices, and area offices of the Administration that may be necessary to enhance the efficiency of the Administration.

(3) A description of the modifications of staffing levels of the headquarters, operations offices, and area offices of the Administration, including any reductions in force, employment of additional personnel, or realignments of personnel, that are necessary to implement the plan.

(4) A schedule for the implementation of the plan.

(c) INCLUDED FACILITIES.—The plan shall address any administrative units in the National Nuclear Security Administration, including units in and under the following:

(1) The Department of Energy Headquarters, Washington, District of Columbia, metropolitan area.

(2) The Albuquerque Operations Office, Albuquerque, New Mexico.

(3) The Nevada Operations Office, Las Vegas, Nevada.

(4) The Oak Ridge Operations Office, Oak Ridge, Tennessee.

(5) The Oakland Operations Office, Oakland, California.

(6) The Savannah River Operations Office, Aiken, South Carolina.

(7) The Los Alamos Area Office, Los Alamos, New Mexico.

(8) The Kirtland Area Office, Albuquerque, New Mexico.

(9) The Amarillo Area Office, Amarillo, Texas.

(10) The Kansas City Area Office, Kansas City, Missouri.

### SEC. 3136. FUTURE-YEARS NUCLEAR SECURITY PROGRAM.

(a) PROGRAM REQUIRED.—(1) The Under Secretary for Nuclear Security of the Department of Energy shall submit to the congressional defense committees a future-years nuclear security program (including associated annexes) for fiscal year 2001 and the five succeeding fiscal years.

(2) The program shall reflect the estimated expenditures and proposed appropriations included in the budget for fiscal year 2001 that is submitted to Congress in 2000 under section 1105(a) of title 31, United States Code.

(b) PROGRAM DETAIL.—The level of detail of the program submitted under subsection (a) shall be equivalent to the level of detail in the Project Baseline Summary system of the Department of Energy, if practicable, but in no event below the following:

(1) In the case of directed stockpile work, detail as follows:

(A) Stockpile research and development.

(B) Stockpile maintenance.

(C) Stockpile evaluation.

(D) Dismantlement and disposal.

(E) Production support.

(F) Field engineering, training, and manuals.

(2) In the case of campaigns, detail as follows:

(A) Primary certification.

(B) Dynamic materials properties.

(C) Advanced radiography.

(D) Secondary certification and nuclear system margins.

(E) Enhanced surety.

(F) Weapons system engineering certification.

(G) Certification in hostile environments.

(H) Enhanced surveillance.

(I) Advanced design and production technologies.

(J) Inertial confinement fusion (ICF) ignition and high yield.

(K) Defense computing and modeling.

(L) Pit manufacturing readiness.

(M) Secondary readiness.

(N) High explosive readiness.

(O) Nonnuclear readiness.

(P) Materials readiness.

(Q) Tritium readiness.

(3) In the case of readiness in technical base and facilities, detail as follows:

(A) Operation of facilities.

(B) Program readiness.

(C) Special projects.

(D) Materials recycle and recovery.

(E) Containers.

(F) Storage.

(4) In the case of secure transportation assets, detail as follows:

(A) Operation and maintenance.

(B) Program direction relating to transportation.

(5) Program direction.

(6) Construction (listed by project number).

(7) In the case of safeguards and security, detail as follows:

(A) Operation and maintenance.

(B) Construction.

(c) DEADLINE FOR SUBMITTAL.—The future-years nuclear security program required by subsection (a) shall be submitted not later than November 1, 2000.

(d) LIMITATION ON USE OF FUNDS PENDING SUBMITTAL.—Not more than 65 percent of the funds authorized to be appropriated or otherwise made available for the Department of Energy for fiscal year 2001 by section 3101(a)(1)(C) may be obligated or expended until 45 days after the date on which the Under Secretary of Energy for Nuclear Security submits to the congressional defense committees the program required by subsection (a).

### SEC. 3137. COOPERATIVE RESEARCH AND DEVELOPMENT OF THE NATIONAL NUCLEAR SECURITY ADMINISTRATION.

*(a) Objective for Obligation of Funds.—It shall be an objective of the Administrator of the National Nuclear Security Administration to obligate funds for cooperative research and development agreements (as that term is defined in section 12(d)(1) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a(d)(1)), or similar cooperative, cost-shared research partnerships with non-Federal organizations, in a fiscal year covered by subsection (b) in an amount at least equal to the percentage of the total amount appropriated for the Administration for such fiscal year that is specified for such fiscal year under subsection (b).*

*(b) Fiscal Year Percentages.—The percentages of funds appropriated for the National Nuclear Security Administration that are obligated in accordance with the objective under subsection (a) are as follows:*

*(1) In each of fiscal years 2001 and 2002, 0.5 percent.*

*(2) In any fiscal year after fiscal year 2002, the percentage recommended by the Administrator for each such fiscal year in the report under subsection (c).*

*(c) Recommendations for Percentages in Later Fiscal Years.—Not later than one year after the date of the enactment of this Act, the Administrator shall submit to the congressional defense committees a report setting forth the Administrator's recommendations for appropriate percentages of funds appropriated for the National Nuclear Security Administration to be obligated for agreements described in subsection (a) during each fiscal year covered by the report.*

*(d) Consistency of Agreements.—Any agreement entered into under this section shall be consistent with and in support of the mission of the National Nuclear Security Administration.*

*(e) Reports on Achievement of Objective.—(1) Not later than March 30, 2002, and each year thereafter, the Administrator shall submit to the congressional defense committees a report on whether funds of the National Nuclear Security Administration were obligated in the fiscal year ending in the preceding year in accordance with the objective for such fiscal year under this section.*

*(2) If funds were not obligated in a fiscal year in accordance with the objective under this section for such fiscal year, the report under paragraph (1) shall—*

*(A) describe the actions the Administrator proposes to take to ensure that the objective under this section for the current fiscal year and future fiscal years will be met; and*

*(B) include any recommendations for legislation required to achieve such actions.*

### SEC. 3138. CONSTRUCTION OF NATIONAL NUCLEAR SECURITY ADMINISTRATION OPERATIONS OFFICE COMPLEX.

*(a) Authority for Design and Construction.—Subject to subsection (b), the Administrator of the National Nuclear Security Administration may provide for the design and construction of a new operations office complex for the National Nuclear Security Administration in accordance with the feasibility study regarding such operations office complex conducted under the National Defense Authorization Act for Fiscal Year 2000.*

*(b) Limitation.—The Administrator may not exercise the authority in subsection (a) until the later of—*

*(1) 30 days after the date on which the plan required by section 3135(a) is submitted to the Committees on Armed Services of the Senate and House of Representatives under that section; or*

*(2) the date on which the Administrator certifies to Congress that the design and construction of the complex in accordance with the feasibility study is consistent with the plan required by section 3135(a).*

*(c) Basis of Authority.—The design and construction of the operations office complex authorized by subsection (a) shall be carried out through one or more energy savings performance contracts (ESPC) entered into under this section and in accordance with the provisions of title VIII of the National Energy Policy Conservation Act (42 U.S.C. 8287 et seq.).*

*(d) Payment of Costs.—Amounts for payments of costs associated with the construction of the operations office complex authorized by subsection (a) shall be derived from energy savings and ancillary operation and maintenance savings that result from the replacement of a current Department of Energy operations office complex (as identified in the feasibility study referred to in subsection (a)) with the operations office complex authorized by subsection (a).*

## Subtitle D—Program Authorizations, Restrictions, and Limitations

### SEC. 3151. PROCESSING, TREATMENT, AND DISPOSITION OF LEGACY NUCLEAR MATERIALS.

*(a) Continuation.—The Secretary of Energy shall continue operations and maintain a high state of readiness at the F-canyon and H-canyon facilities at the Savannah River Site, Aiken, South Carolina, and shall provide technical staff necessary to operate and so maintain such facilities.*

*(b) Limitation on Use of Funds for Decommissioning of F-Canyon Facility.—No amounts authorized to be appropriated or otherwise made available for the Department of Energy by this Act or any other Act may be obligated or expended for purposes of commencing the decommissioning of the F-canyon facility at the Savannah River Site, including any studies and planning relating to such decommissioning, until the Secretary and the Defense Nuclear Facilities Safety Board jointly submit to the congressional defense committees a certification as follows:*

*(1) That all materials present in the facility as of the date of the certification are safely stabilized.*

*(2) That requirements applicable to the facility in order to meet the future needs of the United States for fissile materials disposition can be met fully utilizing the H-canyon facility at the Savannah River Site.*

*(c) Plan for Transfer of Long-Term Chemical Separation Activities.—Not later than February 15, 2001, the Secretary shall submit to the Committees on Armed Services of the Senate and House of Representatives a plan for the transfer of all long-term chemical separation activities from the F-canyon facility to the H-canyon facility at the Savannah River Site commencing in fiscal year 2002.*

### SEC. 3152. FORMERLY UTILIZED SITES REMEDIAL ACTION PROGRAM.

*(a) Contingent Limitation on Availability of Funds for Certain Travel Expenses.—Subject to the provisions of this section, no funds authorized to be appropriated or otherwise made available for the Department of Energy by this or any other Act may be obligated or expended for travel by the Secretary of Energy or any employees of the Office of the Secretary of Energy.*

*(b) Applicability.—The prohibition in subsection (a) shall take effect on March 1, 2001, unless the Secretary of Energy makes a certification to the congressional defense committees before that date that the Department of Energy is in compliance with the requirements of section 3131 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 925; 10 U.S.C. 2701 note).*

*(c) Termination.—If the prohibition in subsection (a) takes effect under subsection (b), the prohibition shall remain in effect until the date on which the Secretary makes the certification described in subsection (b). .*

### SEC. 3153. DEPARTMENT OF ENERGY DEFENSE NUCLEAR NONPROLIFERATION PROGRAMS.

*(a) Nuclear Materials Protection, Control, and Accounting Program.—(1) Not later than January 1, 2001, and each year thereafter, the Secretary of Energy shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the status of efforts during the preceding fiscal year under the Nuclear Materials Protection, Control, and Accounting Program of the Department of Energy to secure weapons-usable nuclear materials in Russia that have been identified as being at risk for theft or diversion.*

*(2) Each report under paragraph (1) shall set forth the following:*

*(A) The number of buildings, including building locations, that received complete and integrated materials protection, control, and accounting systems for nuclear materials described in paragraph (1) during the year covered by such report.*

*(B) The amounts of highly enriched uranium and plutonium in Russia that have been secured under systems described in subparagraph (A) as of the date of such report.*

*(C) The amount of nuclear materials described in paragraph (1) that continues to require securing under systems described in subparagraph (A) as of the date of such report.*

*(D) A plan for actions to secure the nuclear materials identified in subparagraph (C) under systems described in subparagraph (A), including an estimate of the cost of such actions.*

*(E) The amounts expended through the fiscal year preceding the date of such report to secure nuclear materials described in paragraph (1) under systems described in subparagraph (A), set forth by total amount and by amount per fiscal year.*

*(3)(A) No amounts authorized to be appropriated for the Department of Energy by this Act or any other Act for purposes of the Nuclear Materials Protection, Control, and Accounting Program may be obligated or expended after September 30, 2000, for any project under the program at a nuclear weapons complex in Russia until the Secretary submits to the Committees on Armed Services of the Senate and House of Representatives a report on the access policy established with respect to such project, including a certification that the access policy has been implemented.*

*(B) The access policy with respect to a project under this paragraph shall—*

*(i) permit appropriate determinations by United States officials regarding security requirements, including security upgrades, for the project; and*

*(ii) ensure verification by United States officials that Department of Energy assistance at the project is being used for the purposes intended.*

*(b) Nuclear Cities Initiative.—(1)(A) Except as provided in subparagraph (B), no amounts authorized to be appropriated or otherwise made available for the Department of Energy for fiscal year 2001 for the Nuclear Cities Initiative may be obligated or expended for purposes of providing assistance under the Initiative until 30 days after the date on which the Secretary of Energy submits to the Committees on Armed Services of the Senate and House of Representatives a copy of an agreement described in subparagraph (C).*

*(B) Subparagraph (A) shall not apply with respect to the obligation or expenditure of funds for purposes of providing assistance under the Nuclear Cities Initiative to the following:*

*(i) Not more than three nuclear cities in Russia.*

*(ii) Not more than two serial production facilities in Russia.*

*(C) An agreement referred to in this subparagraph is a written agreement between the United States Government and the Government of the Russian Federation which provides that Russia will close some of its facilities engaged in nuclear weapons assembly and disassembly work.*

*(2)(A) Of the amounts appropriated or otherwise made available for the Department of Energy for fiscal year 2001 for the Nuclear Cities Initiative, not more than 50 percent of such amounts may be obligated or expended for purposes of the Initiative until the Secretary of Energy establishes and implements project review procedures for projects under the Initiative.*

*(B) The project review procedures established under subparagraph (A) shall ensure that any scientific, technical, or commercial project initiated under the Nuclear Cities Initiative—*

*(i) shall not enhance the military or weapons of mass destruction capabilities of Russia;*

*(ii) shall not result in the inadvertent transfer or utilization of products or activities under such project for military purposes;*

*(iii) shall be commercially viable; and*

*(iv) shall be carried out in conjunction with an appropriate commercial, industrial, or other nonprofit entity as partner.*

*(C) Not later than January 1, 2001, the Secretary of Energy shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the project review procedures established and implemented under this paragraph.*

*(3) In this subsection, the term "Nuclear Cities Initiative" means the initiative arising pursuant to the March 1998 discussion between the Vice President of the United States and the Prime Minister of the Russian Federation and between the Secretary of Energy of the United States and the Minister of Atomic Energy of the Russian Federation.*

*(c) INTERNATIONAL NUCLEAR SECURITY PROGRAM.—Amounts authorized to be appropriated or otherwise made available by this title for the Department of Energy for fiscal year 2001 for the International Nuclear Security Program in the former Soviet Union and Eastern Europe shall be available only for purposes of reactor safety upgrades and training relating to nuclear operator and reactor safety.*

### *SEC. 3154. MODIFICATION OF COUNTERINTELLIGENCE POLYGRAPH PROGRAM.*

*(a) COVERED PERSONS.—Subsection (b) of section 3154 of the Department of Energy Facilities Safeguards, Security, and Counterintelligence Enhancement Act of 1999 (subtitle D of title XXXI of Public Law 106–65; 113 Stat. 941; 42 U.S.C. 7383h) is amended to read as follows:*

*"(b) COVERED PERSONS.—(1) Subject to paragraph (2), for purposes of this section, a covered person is one of the following:*

*"(A) An officer or employee of the Department.*

*"(B) An expert or consultant under contract to the Department.*

*"(C) An officer or employee of a contractor of the Department.*

*"(D) An individual assigned or detailed to the Department.*

*"(E) An applicant for a position in the Department.*

*"(2) A person described in paragraph (1) is a covered person for purposes of this section only if the position of the person, or for which the person is applying, under that paragraph is a position in one of the categories of positions listed in section 709.4 of title 10, Code of Federal Regulations.".*

*(b) HIGH-RISK PROGRAMS.—Subsection (c) of that section is amended to read as follows:*

*"(c) HIGH-RISK PROGRAMS.—For purposes of this section, high-risk programs are the following:*

*"(1) The programs known as Special Access Programs and Personnel Security and Assurance Programs.*

*"(2) Any other program or position category specified in section 709.4 of title 10, Code of Federal Regulations.".*

*(c) AUTHORITY TO WAIVE EXAMINATION REQUIREMENT.—Subsection (d) of that section is amended—*

*(1) by inserting "(1)" before "The Secretary"; and*

*(2) by adding at the end the following new paragraphs:*

*"(2) Subject to paragraph (3), the Secretary may, after consultation with appropriate security personnel, waive the applicability of paragraph (1) to a covered person—*

*"(A) if—*

*"(i) the Secretary determines that the waiver is important to the national security interests of the United States;*

*"(ii) the covered person has an active security clearance; and*

*"(iii) the covered person acknowledges in a signed writing that the capacity of the covered person to perform duties under a high-risk program after the expiration of the waiver is conditional upon meeting the requirements of paragraph (1) within the effective period of the waiver;*

*"(B) if another Federal agency certifies to the Secretary that the covered person has completed successfully a full-scope or counterintelligence-scope polygraph examination during the 5-year period ending on the date of the certification; or*

*"(C) if the Secretary determines, after consultation with the covered person and appropriate medical personnel, that the treatment of a medical or psychological condition of the covered person should preclude the administration of the examination.*

*"(3)(A) The Secretary may not commence the exercise of the authority under paragraph (2) to waive the applicability of paragraph (1) to any covered persons until 15 days after the date on which the Secretary submits to the appropriate committees of Congress a report setting forth the criteria to be utilized by the Secretary for determining when a waiver under paragraph (2)(A) is important to the national security interests of the United States. The criteria shall include an assessment of counterintelligence risks and programmatic impacts.*

*"(B) Any waiver under paragraph (2)(A) shall be effective for not more than 120 days.*

*"(C) Any waiver under paragraph (2)(C) shall be effective for the duration of the treatment on which such waiver is based.*

*"(4) The Secretary shall submit to the appropriate committees of Congress on a semi-annual basis a report on any determinations made under paragraph (2)(A) during the 6-month period ending on the date of such report. The report shall include a national security justification for each waiver resulting from such determinations.*

*"(5) In this subsection, the term 'appropriate committees of Congress' means the following:*

*"(A) The Committee on Armed Services and the Select Committee on Intelligence of the Senate.*

*"(B) The Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives.*

*"(6) It is the sense of Congress that the waiver authority in paragraph (2) not be used by the Secretary to exempt from the applicability of paragraph (1) any covered persons in the highest risk categories, such as persons who have access to the most sensitive weapons design information and other highly sensitive programs, including special access programs.*

*"(7) The authority under paragraph (2) to waive the applicability of paragraph (1) to a covered person shall expire on September 30, 2002.".*

*(d) SCOPE OF COUNTERINTELLIGENCE POLYGRAPH EXAMINATION.—Subsection (f) of that section is amended—*

*(1) by inserting "terrorism," after "sabotage,"; and*

*(2) by inserting "deliberate damage to or malicious misuse of a United States Government information or defense system," before "and".*

### *SEC. 3155. EMPLOYEE INCENTIVES FOR EMPLOYEES AT CLOSURE PROJECT FACILITIES.*

*(a) AUTHORITY TO PROVIDE INCENTIVES.—Notwithstanding any other provision of law, the Secretary of Energy may provide to any eligible employee of the Department of Energy one or more of the incentives described in subsection (d).*

*(b) ELIGIBLE EMPLOYEES.—An individual is an eligible employee of the Department of Energy for purposes of this section if the individual—*

*(1) has worked continuously at a closure facility for at least two years;*

*(2) is an employee (as that term is defined in section 2105(a) of title 5, United States Code);*

*(3) has a fully satisfactory or equivalent performance rating during the most recent performance period and is not subject to an adverse notice regarding conduct; and*

*(4) meets any other requirement or condition under subsection (d) for the incentive which is provided the employee under this section.*

*(c) CLOSURE FACILITY DEFINED.—For purposes of this section, the term "closure facility" means a Department of Energy facility at which the Secretary is carrying out a closure project selected under section 3143 of the National Defense Authorization Act for Fiscal Year 1997 (42 U.S.C. 7274n).*

*(d) INCENTIVES.—The incentives that the Secretary may provide under this section are the following:*

*(1) The right to accumulate annual leave provided by section 6303 of title 5, United States Code, for use in succeeding years until it totals not more than 90 days, or not more than 720 hours based on a standard work week, at the beginning of the first full biweekly pay period, or corresponding period for an employee who is not paid on the basis of biweekly pay periods, occurring in a year, except that—*

*(A) any annual leave that remains unused when an employee transfers to a position in a department or agency of the Federal Government shall be liquidated upon the transfer by payment to the employee of a lump sum for leave in excess of 30 days, or in excess of 240 hours based on a standard work week; and*

*(B) upon separation from service, annual leave accumulated under this paragraph shall be treated as any other accumulated annual leave is treated.*

*(2) The right to be paid a retention allowance in a lump sum in compliance with paragraphs (1) and (2) of section 5754(b) of title 5, United States Code, if the employee meets the requirements of section 5754(a) of that title, except that the retention allowance may exceed 25 percent, but may not be more than 40 percent, of the employee's rate of basic pay.*

*(3) A detail under section 3341 of title 5, United States Code.*

*(4) The right to receive a voluntary separation incentive payment in the amount equal to the amount the employee would be entitled to receive under section 5595(c) of title 5, United States Code, subject to the terms, conditions, and procedures set forth in section 663 of the Treasury, Postal Service, and General Government Appropriations Act, 1997 (5 U.S.C. 5597 note), except that the date in section 663(c)(2)(D) of that Act does not apply.*

*(e) AGREEMENT.—(1) An eligible employee of the Department of Energy provided an incentive*

under this section shall enter into an agreement with the Secretary to remain employed at the closure facility at which the employee is employed as of the date of the agreement until a specific date or for a specific period of time.

(2) The detail of an employee under subsection (d)(3) shall not be treated as terminating the employment of the employee at a closure facility for purposes of an agreement under paragraph (1).

(f) VIOLATION OF AGREEMENT.—(1) Except as provided under paragraph (3), an eligible employee of the Department of Energy who violates an agreement under subsection (e), or is dismissed for cause, shall forfeit eligibility for any incentives under this section as of the date of the violation or dismissal, as the case may be.

(2) Except as provided under paragraph (3), an eligible employee of the Department of Energy who is paid a retention allowance under subsection (d)(2), receives a voluntary separation incentive payment under subsection (d)(4), or both, and who violates an agreement under subsection (e), or is dismissed for cause, before the end of the period or date of employment agreed upon under such agreement shall refund to the United States an amount that bears the same ratio to the aggregate amount so paid to or received by the employee as the unserved part of such employment bears to the total period of employment agreed upon under such agreement.

(3) The Secretary may waive the applicability of paragraph (1) or (2) to an employee otherwise covered by such paragraph if the Secretary determines that there is good and sufficient reason for the waiver.

(g) REPORT.—The Secretary shall include in each report on a closure project under section 3143(h) of the National Defense Authorization Act for Fiscal Year 1997 a report on the incentives, if any, provided under this section with respect to the project for the period covered by such report.

(h) EXPIRATION OF AUTHORITY.—The authority to provide incentives under this section shall expire on September 23, 2011.

(i) DETAILS.—(1) Section 3341 of title 5, United States Code, is amended to read as follows:

**"§ 3341. Details: within and among Executive agencies; to non-Federal employers**

"(a) The head of an Executive agency may detail employees among the components of the agency, except employees who are required by law to be engaged exclusively in some specific work.

"(b) The head of an Executive agency may detail to duties in the Executive agency or another Executive agency or to a non-Federal employer, on a nonreimbursable basis, an employee who has been identified by the Executive agency as being, or likely to become, a surplus employee or displaced employee.

"(c) For purposes of this section:

"(1) The term 'Executive agency' has the meaning given that term by section 105, but does not include a Government corporation or the General Accounting Office.

"(2) The term 'displaced employee' means an employee who has been given specific notice that the employee is to be separated due to a reduction in force.

"(3) The term 'surplus employee' means an employee who has been identified by the employing agency as likely to be separated due to a reduction in force.

"(4) The term 'non-Federal employer' means an employer other than an Executive agency or any agency in the legislative or judicial branch (including Congress or any United States court).".

(2) The table of sections at the beginning of chapter 33 of such title is amended by striking the item relating to section 3341 and inserting the following new item:

"3341. Details: within and among Executive agencies; to non-Federal employers.".

(i) HEALTH COVERAGE.—Section 8905a(d)(4) of title 5, United States Code, is amended by adding after subparagraph (B) the following new subparagraph (C):

"(C) Notwithstanding subparagraph (B), if the basis for continued coverage under this section is a voluntary or involuntary separation from the Department of Energy by reason of a closure project under section 3143 of the National Defense Authorization Act for Fiscal Year 1997 (42 U.S.C. 7274n)—

"(i) the individual shall be liable for not more than the employee contributions referred to in paragraph (1)(A)(i); and

"(ii) the Department of Energy shall pay the remaining portion of the amount required is under paragraph (1)(A).".

### SEC. 3156. CONCEPTUAL DESIGN FOR SUBSURFACE GEOSCIENCES LABORATORY AT IDAHO NATIONAL ENGINEERING AND ENVIRONMENTAL LABORATORY, IDAHO FALLS, IDAHO.

(a) AUTHORIZATION.—Of the amounts authorized to be appropriated by paragraphs (2) and (3) of section 3102(a), not more than $400,000 shall be available to the Secretary of Energy for purposes of carrying out a conceptual design for a Subsurface Geosciences Laboratory at Idaho National Engineering and Environmental Laboratory, Idaho Falls, Idaho.

(b) LIMITATION.—None of the funds authorized to be appropriated by subsection (a) may be obligated until 60 days after the Secretary submits the report required by subsection (c).

(c) REPORT.—The Secretary of Energy shall submit to the congressional defense committees a report on the proposed Subsurface Geosciences Laboratory, including the following:

(1) The need to conduct mesoscale experiments to meet long-term clean-up requirements at Department of Energy sites.

(2) The possibility of utilizing or modifying an existing structure or facility to house a new mesoscale experimental capability.

(3) The estimated construction cost of the facility.

(4) The estimated annual operating cost of the facility.

(5) How the facility will utilize, integrate, and support the technical expertise, capabilities, and requirements at other Department of Energy and non-Department of Energy facilities.

(6) An analysis of costs, savings, and benefits which are unique to the Idaho National Engineering and Environmental Laboratory.

### SEC. 3157. TANK WASTE REMEDIATION SYSTEM, HANFORD RESERVATION, RICHLAND, WASHINGTON.

(a) FUNDS AVAILABLE.—Of the amount authorized to be appropriated by section 3102, $150,000,000 shall be available to carry out an accelerated cleanup and waste management program at the Department of Energy Hanford Site in Richland, Washington.

(b) REPORT.—Not later than December 15, 2000, the Secretary of Energy shall submit to Congress a report on the Tank Waste Remediation System Project at the Hanford Site. The report shall include the following:

(1) A proposed plan for processing and stabilizing all nuclear waste located in the Hanford Tank Farm.

(2) A proposed schedule for carrying out the plan.

(3) The total estimated cost of carrying out the plan.

(4) A description of any alternative options to the proposed plan and a description of the costs and benefits of each such option.

### SEC. 3158. REPORT ON NATIONAL IGNITION FACILITY, LAWRENCE LIVERMORE NATIONAL LABORATORY, LIVERMORE, CALIFORNIA.

(a) NEW BASELINE.—(1) Not more than 50 percent of the funds available for the national ignition facility (Project 96–D–111) may be obligated or expended until the Secretary of Energy submits to the Committees on Armed Services of the Senate and House of Representatives a report setting forth a new baseline plan for the completion of the national ignition facility.

(2) The report shall include a detailed, year-by-year breakdown of the funding required for completion of the facility, as well as projected dates for the completion of program milestones, including the date on which the first laser beams are expected to become operational.

(b) COMPTROLLER GENERAL REVIEW OF NIF PROGRAM.—(1) The Comptroller General shall conduct a thorough review of the national ignition facility program.

(2) Not later than March 31, 2001, the Comptroller General shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the review conducted under paragraph (1). The report shall include—

(A) an analysis of—

(i) the relationship of the national ignition facility program to other key components of the Stockpile Stewardship Program; and

(ii) the potential impact of delays in the national ignition facility program, and of a failure to complete key program objectives of the program, on the other key components of the Stockpile Stewardship Program, such as the Advanced Strategic Computing Initiative Program;

(B) a detailed description and analysis of the funds spent as of the date of the report on the national ignition facility program; and

(C) an assessment whether Lawrence Livermore National Laboratory has established a new baseline plan for the national ignition facility program with clear goals and achievable milestones for that program.

## Subtitle E—National Laboratories Partnership Improvement Act

### SEC. 3161. SHORT TITLE.

This subtitle may be cited as the "National Laboratories Partnership Improvement Act of 2000".

### SEC. 3162. DEFINITIONS.

For purposes of this subtitle—

(1) the term "Department" means the Department of Energy;

(2) the term "departmental mission" means any of the functions vested in the Secretary of Energy by the Department of Energy Organization Act (42 U.S.C. 7101 et seq.) or other law;

(3) the term "institution of higher education" has the meaning given such term in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a));

(4) the term "National Laboratory" means any of the following institutions owned by the Department of Energy—

(A) Argonne National Laboratory;

(B) Brookhaven National Laboratory;

(C) Idaho National Engineering and Environmental Laboratory;

(D) Lawrence Berkeley National Laboratory;

(E) Lawrence Livermore National Laboratory;

(F) Los Alamos National Laboratory;

(G) National Renewable Energy Laboratory;

(H) Oak Ridge National Laboratory;

(I) Pacific Northwest National Laboratory; or

(J) Sandia National Laboratory;

(5) the term "facility" means any of the following institutions owned by the Department of Energy—

(A) Ames Laboratory;

(B) East Tennessee Technology Park;

(C) Environmental Measurement Laboratory;

*(D) Fermi National Accelerator Laboratory;*

*(E) Kansas City Plant;*

*(F) National Energy Technology Laboratory;*

*(G) Nevada Test Site;*

*(H) Princeton Plasma Physics Laboratory;*

*(I) Savannah River Technology Center;*

*(J) Stanford Linear Accelerator Center;*

*(K) Thomas Jefferson National Accelerator Facility;*

*(L) Waste Isolation Pilot Plant;*

*(M) Y–12 facility at Oak Ridge National Laboratory; or*

*(N) other similar organization of the Department designated by the Secretary that engages in technology transfer, partnering, or licensing activities;*

*(6) the term "nonprofit institution" has the meaning given such term in section 4 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3703(5));*

*(7) the term "Secretary" means the Secretary of Energy;*

*(8) the term "small business concern" has the meaning given such term in section 3 of the Small Business Act (15 U.S.C. 632);*

*(9) the term "technology-related business concern" means a for-profit corporation, company, association, firm, partnership, or small business concern that—*

*(A) conducts scientific or engineering research,*

*(B) develops new technologies,*

*(C) manufactures products based on new technologies, or*

*(D) performs technological services;*

*(10) the term "technology cluster" means a concentration of—*

*(A) technology-related business concerns;*

*(B) institutions of higher education; or*

*(C) other nonprofit institutions;*

*that reinforce each other's performance through formal or informal relationships;*

*(11) the term "socially and economically disadvantaged small business concerns" has the meaning given such term in section 8(a)(4) of the Small Business Act (15 U.S.C. 637(a)(4)); and*

*(12) the term "NNSA" means the National Nuclear Security Administration established by title XXXII of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65).*

### SEC. 3163. TECHNOLOGY INFRASTRUCTURE PILOT PROGRAM.

*(a) ESTABLISHMENT.—The Secretary, through the appropriate officials of the Department, shall establish a Technology Infrastructure Pilot Program in accordance with this section.*

*(b) PURPOSE.—The purpose of the program shall be to improve the ability of National Laboratories or facilities to support departmental missions by—*

*(1) stimulating the development of technology clusters that can support the missions of the National Laboratories or facilities;*

*(2) improving the ability of National Laboratories or facilities to leverage and benefit from commercial research, technology, products, processes, and services; and*

*(3) encouraging the exchange of scientific and technological expertise between National Laboratories or facilities and—*

*(A) institutions of higher education,*

*(B) technology-related business concerns,*

*(C) nonprofit institutions, and*

*(D) agencies of State, tribal, or local governments;*

*that can support the missions of the National Laboratories and facilities.*

*(c) PILOT PROGRAM.—In each of the first three fiscal years after the date of enactment of this section, the Secretary may provide no more than $10,000,000, divided equally, among no more than 10 National Laboratories or facilities selected by the Secretary to conduct Technology Infrastructure Program Pilot Programs.*

*(d) PROJECTS.—The Secretary shall authorize the Director of each National Laboratory or facility designated under subsection (c) to implement the Technology Infrastructure Pilot Program at such National Laboratory or facility through projects that meet the requirements of subsections (e) and (f).*

*(e) PROGRAM REQUIREMENTS.—Each project funded under this section shall meet the following requirements:*

*(1) MINIMUM PARTICIPANTS.—Each project shall at a minimum include—*

*(A) a National Laboratory or facility; and*

*(B) one of the following entities—*

*(i) a business,*

*(ii) an institution of higher education,*

*(iii) a nonprofit institution, or*

*(iv) an agency of a State, local, or tribal government.*

*(2) COST SHARING.—*

*(A) MINIMUM AMOUNT.—Not less than 50 percent of the costs of each project funded under this section shall be provided from non-Federal sources.*

*(B) QUALIFIED FUNDING AND RESOURCES.—(i) The calculation of costs paid by the non-Federal sources to a project shall include cash, personnel, services, equipment, and other resources expended on the project.*

*(ii) Independent research and development expenses of Government contractors that qualify for reimbursement under section 31–205–18(e) of the Federal Acquisition Regulations issued pursuant to section 25(c)(1) of the Office of Federal Procurement Policy Act (41 U.S.C. 421(c)(1)) may be credited towards costs paid by non-Federal sources to a project, if the expenses meet the other requirements of this section.*

*(iii) No funds or other resources expended either before the start of a project under this section or outside the project's scope of work shall be credited toward the costs paid by the non-Federal sources to the project.*

*(3) COMPETITIVE SELECTION.—All projects where a party other than the Department or a National Laboratory or facility receives funding under this section shall, to the extent practicable, be competitively selected by the National Laboratory or facility using procedures determined to be appropriate by the Secretary or his designee.*

*(4) ACCOUNTING STANDARDS.—Any participant receiving funding under this section, other than a National Laboratory or facility, may use generally accepted accounting principles for maintaining accounts, books, and records relating to the project.*

*(5) LIMITATIONS.—No Federal funds shall be made available under this section for—*

*(A) construction; or*

*(B) any project for more than five years.*

*(f) SELECTION CRITERIA.—*

*(1) THRESHOLD FUNDING CRITERIA.—The Secretary shall authorize the provision of Federal funds for projects under this section only when the Director of the National Laboratory or facility managing such a project determines that the project is likely to improve the participating National Laboratory or facility's ability to achieve technical success in meeting departmental missions.*

*(2) ADDITIONAL CRITERIA.—The Secretary shall also require the Director of the National Laboratory or facility managing a project under this section to consider the following criteria in selecting a project to receive Federal funds—*

*(A) the potential of the project to succeed, based on its technical merit, team members, management approach, resources, and project plan;*

*(B) the potential of the project to promote the development of a commercially sustainable technology cluster, one that will derive most of the demand for its products or services from the private sector, that can support the missions of the participating National Laboratory or facility;*

*(C) the potential of the project to promote the use of commercial research, technology, products, processes, and services by the participating National Laboratory or facility to achieve its departmental mission or the commercial development of technological innovations made at the participating National Laboratory or facility;*

*(D) the commitment shown by non-Federal organizations to the project, based primarily on the nature and amount of the financial and other resources they will risk on the project;*

*(E) the extent to which the project involves a wide variety and number of institutions of higher education, nonprofit institutions, and technology-related business concerns that can support the missions of the participating National Laboratory or facility and that will make substantive contributions to achieving the goals of the project;*

*(F) the extent of participation in the project by agencies of State, tribal, or local governments that will make substantive contributions to achieving the goals of the project; and*

*(G) the extent to which the project focuses on promoting the development of technology-related business concerns that are small business concerns or involves such small business concerns substantively in the project.*

*(3) SAVINGS CLAUSE.—Nothing in this subsection shall limit the Secretary from requiring the consideration of other criteria, as appropriate, in determining whether projects should be funded under this section.*

*(g) REPORT TO CONGRESS ON FULL IMPLEMENTATION.—Not later than 120 days after the start of the third fiscal year after the date of enactment of this section, the Secretary shall report to Congress on whether the Technology Infrastructure Program should be continued beyond the pilot stage, and, if so, how the fully implemented program should be managed. This report shall take into consideration the results of the pilot program to date and the views of the relevant Directors of the National laboratories and facilities. The report shall include any proposals for legislation considered necessary by the Secretary to fully implement the program.*

### SEC. 3164. SMALL BUSINESS ADVOCACY AND ASSISTANCE.

*(a) ADVOCACY FUNCTION.—The Secretary shall direct the Director of each National Laboratory, and may direct the Director of each facility the Secretary determines to be appropriate, to establish a small business advocacy function that is organizationally independent of the procurement function at the National Laboratory or facility. The person or office vested with the small business advocacy function shall—*

*(1) work to increase the participation of small business concerns, including socially and economically disadvantaged small business concerns, in procurements, collaborative research, technology licensing, and technology transfer activities conducted by the National Laboratory or facility;*

*(2) report to the Director of the National Laboratory or facility on the actual participation of small business concerns in procurements and collaborative research along with recommendations, if appropriate, on how to improve participation;*

*(3) make available to small business concerns training, mentoring, and clear, up-to-date information on how to participate in the procurements and collaborative research, including how to submit effective proposals;*

*(4) increase the awareness inside the National Laboratory or facility of the capabilities and opportunities presented by small business concerns; and*

*(5) establish guidelines for the program under subsection (b) and report on the effectiveness of*

*such program to the Director of the National Laboratory or facility.*

*(b) Establishment of Small Business Assistance Program.—The Secretary shall direct the Director of each National Laboratory, and may direct the Director of each facility the Secretary determines to be appropriate, to establish a program to provide small business concerns—*

*(1) assistance directed at making them more effective and efficient subcontractors or suppliers to the National Laboratory or facility; or*

*(2) general technical assistance, the cost of which shall not exceed $10,000 per instance of assistance, to improve the small business concern's products or services.*

*(c) Use of Funds.—None of the funds expended under subsection (b) may be used for direct grants to the small business concerns.*

### *SEC. 3165. TECHNOLOGY PARTNERSHIPS OMBUDSMAN.*

*(a) Appointment of Ombudsman.—The Secretary shall direct the Director of each National Laboratory, and may direct the Director of each facility the Secretary determines to be appropriate, to appoint a technology partnership ombudsman to hear and help resolve complaints from outside organizations regarding each laboratory's policies and actions with respect to technology partnerships (including cooperative research and development agreements), patents, and technology licensing. Each ombudsman shall—*

*(1) be a senior official of the National Laboratory or facility who is not involved in day-to-day technology partnerships, patents, or technology licensing, or, if appointed from outside the laboratory, function as such a senior official; and*

*(2) have direct access to the Director of the National Laboratory or facility.*

*(b) Duties.—Each ombudsman shall—*

*(1) serve as the focal point for assisting the public and industry in resolving complaints and disputes with the laboratory regarding technology partnerships, patents, and technology licensing;*

*(2) promote the use of collaborative alternative dispute resolution techniques such as mediation to facilitate the speedy and low-cost resolution of complaints and disputes, when appropriate; and*

*(3) report, through the Director of the National Laboratory or facility, to the Department annually on the number and nature of complaints and disputes raised, along with the ombudsman's assessment of their resolution, consistent with the protection of confidential and sensitive information.*

*(c) Dual Appointment.—A person vested with the small business advocacy function of section 3164 may also serve as the technology partnership ombudsman.*

### *SEC. 3166. STUDIES RELATED TO IMPROVING MISSION EFFECTIVENESS, PARTNERSHIPS, AND TECHNOLOGY TRANSFER AT NATIONAL LABORATORIES.*

*(a) Studies.—The Secretary shall direct the Laboratory Operations Board to study and report to him, not later than one year after the date of enactment of this section, on the following topics—*

*(1) the possible benefits from and need for policies and procedures to facilitate the transfer of scientific, technical, and professional personnel among National Laboratories and facilities; and*

*(2) the possible benefits from and need for changes in—*

*(A) the indemnification requirements for patents or other intellectual property licensed from a National Laboratory or facility;*

*(B) the royalty and fee schedules and types of compensation that may be used for patents or other intellectual property licensed to a small business concern from a National Laboratory or facility;*

*(C) the licensing procedures and requirements for patents and other intellectual property;*

*(D) the rights given to a small business concern that has licensed a patent or other intellectual property from a National Laboratory or facility to bring suit against third parties infringing such intellectual property;*

*(E) the advance funding requirements for a small business concern funding a project at a National Laboratory or facility through a Funds-In-Agreement;*

*(F) the intellectual property rights allocated to a business when it is funding a project at a National Laboratory or facility through a Funds-In-Agreement; and*

*(G) policies on royalty payments to inventors employed by a contractor-operated National Laboratory or facility, including those for inventions made under a Funds-In-Agreement.*

*(b) Definition.—For the purposes of this section, the term "Funds-in-Agreement" means a contract between the Department and a non-Federal organization where that organization pays the Department to provide a service or material not otherwise available in the domestic private sector.*

*(c) Report to Congress.—Not later than one month after receiving the report under subsection (a), the Secretary shall transmit the report, along with his recommendations for action and proposals for legislation to implement the recommendations, to Congress.*

### *SEC. 3167. OTHER TRANSACTIONS AUTHORITY.*

*(a) New Authority.—Section 646 of the Department of Energy Organization Act (42 U.S.C. 7256) is amended by adding at the end the following new subsection:*

*"(g) Other Transactions Authority.—(1) In addition to other authorities granted to the Secretary to enter into procurement contracts, leases, cooperative agreements, grants, and other similar arrangements, the Secretary may enter into other transactions with public agencies, private organizations, or persons on such terms as the Secretary may deem appropriate in furtherance of basic, applied, and advanced research functions now or hereafter vested in the Secretary. Such other transactions shall not be subject to the provisions of section 9 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5908).*

*"(2)(A) The Secretary of Energy shall ensure that—*

*"(i) to the maximum extent practicable, no transaction entered into under paragraph (1) provides for research that duplicates research being conducted under existing programs carried out by the Department of Energy; and*

*"(ii) to the extent that the Secretary determines practicable, the funds provided by the Government under a transaction authorized by paragraph (1) do not exceed the total amount provided by other parties to the transaction.*

*"(B) A transaction authorized by paragraph (1) may be used for a research project when the use of a standard contract, grant, or cooperative agreement for such project is not feasible or appropriate.*

*"(3)(A) The Secretary shall not disclose any trade secret or commercial or financial information submitted by a non-Federal entity under paragraph (1) that is privileged and confidential.*

*"(B) The Secretary shall not disclose, for five years after the date the information is received, any other information submitted by a non-Federal entity under paragraph (1), including any proposal, proposal abstract, document supporting a proposal, business plan, or technical information that is privileged and confidential.*

*"(C) The Secretary may protect from disclosure, for up to five years, any information developed pursuant to a transaction under paragraph (1) that would be protected from disclosure under section 552(b)(4) of title 5, United States Code, if obtained from a person other than a Federal agency.".*

*(b) Implementation.—Not later than six months after the date of enactment of this section, the Department shall establish guidelines for the use of other transactions. Other transactions shall be made available, if needed, in order to implement projects funded under section 3163.*

### *SEC. 3168. CONFORMANCE WITH NNSA ORGANIZATIONAL STRUCTURE.*

*All actions taken by the Secretary in carrying out this subtitle with respect to National Laboratories and facilities that are part of the NNSA shall be through the Administrator for Nuclear Security in accordance with the requirements of title XXXII of the National Defense Authorization Act for Fiscal Year 2000.*

### *SEC. 3169. ARCTIC ENERGY.*

*(a) Establishment.—There is hereby established within the Department of Energy an Office of Arctic Energy.*

*(b) Purpose.—The purposes of the Office of Arctic Energy are—*

*(1) to promote research, development and deployment of electric power technology that is cost-effective and especially well suited to meet the needs of rural and remote regions of the United States, especially where permafrost is present or located nearby; and*

*(2) to promote research, development and deployment in such regions of—*

*(A) enhanced oil recovery technology, including heavy oil recovery, reinjection of carbon and extended reach drilling technologies;*

*(B) gas-to-liquids technology and liquified natural gas (including associated transportation systems);*

*(C) small hydroelectric facilities, river turbines and tidal power;*

*(D) natural gas hydrates, coal bed methane, and shallow bed natural gas; and*

*(E) alternative energy, including wind, geothermal, and fuel cells.*

*(c) Location.—The Secretary shall locate the Office of Arctic Energy at a university with special expertise and unique experience in the matters specified in paragraphs (1) and (2) of subsection (b).*

*(d) Authorization of Appropriations.—There are authorized to be appropriated to carry out activities under this section $1,000,000 for the first fiscal year after the date of enactment of this section.*

## *Subtitle F—Other Matters*

### *SEC. 3171. EXTENSION OF AUTHORITY FOR APPOINTMENT OF CERTAIN SCIENTIFIC, ENGINEERING, AND TECHNICAL PERSONNEL.*

*Section 3161(c)(1) of the National Defense Authorization Act for Fiscal Year 1995 (42 U.S.C. 7231 note) is amended by striking "September 30, 2000" and inserting "September 30, 2002".*

### *SEC. 3172. UPDATES OF REPORT ON NUCLEAR TEST READINESS POSTURES.*

*Section 3152 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 623) is amended—*

*(1) by inserting "(a) Report.—" before "Not later than February 15, 1996,"; and*

*(2) by adding at the end the following:*

*"(b) Biennial Updates of Report.—(1) The Secretary shall submit to the congressional defense committees an update of the report required under (a) not later than February 15, 2001, and every two years thereafter.*

*"(2) Each update under paragraph (1) shall include, current as of the date of such update, the following:*

*"(A) A list and description of the workforce skills and capabilities that are essential to carry*

out underground nuclear tests at the Nevada Test Site.

"(B) A list and description of the infrastructure and physical plant that are essential to carry out underground nuclear tests at the Nevada Test Site.

"(C) A description of the readiness status of the skills and capabilities described in subparagraph (A) and of the infrastructure and physical plant described in subparagraph (B).

"(3) Each update under paragraph (1) shall be submitted in unclassified form, but may include a classified annex.".

### SEC. 3173. FREQUENCY OF REPORTS ON INADVERTENT RELEASES OF RESTRICTED DATA AND FORMERLY RESTRICTED DATA.

(a) Frequency of Reports.—Section 3161(f)(2) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 2261; 50 U.S.C. 435 note) is amended to read as follows:

"(2) The Secretary of Energy shall, on a quarterly basis, notify the committees and Assistant to the President specified in subsection (d) of inadvertent releases described in paragraph (1) that are discovered after the date of the enactment of this Act.".

(b) Effective Date.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act and shall apply with respect to inadvertent releases of Restricted Data and Formerly Restricted Data that are discovered on or after that date.

### SEC. 3174. FORM OF CERTIFICATIONS REGARDING THE SAFETY OR RELIABILITY OF THE NUCLEAR WEAPONS STOCKPILE.

Any certification submitted to the President by the Secretary of Defense or the Secretary of Energy regarding confidence in the safety or reliability of a nuclear weapon type in the United States nuclear weapons stockpile shall be submitted in classified form only.

### SEC. 3175. ENGINEERING AND MANUFACTURING RESEARCH, DEVELOPMENT, AND DEMONSTRATION BY PLANT MANAGERS OF CERTAIN NUCLEAR WEAPONS PRODUCTION PLANTS.

(a) Authority.—The Secretary of Energy may authorize the plant manager of a covered nuclear weapons production plant to engage in research, development, and demonstration activities with respect to the engineering and manufacturing capabilities at such plant in order to maintain and enhance such capabilities at such plant.

(b) Funding.—Of the amount allocated by the Secretary to a covered nuclear weapons production plant each fiscal year from amounts available to the Department of Energy for such fiscal year for national security programs, not more than an amount equal to 2 percent of such amount may be used for activities authorized under subsection (a).

(c) Covered Nuclear Weapons Production Plants.—For purposes of this section, the term "covered nuclear weapons production plant" means the following:

(1) The Kansas City Plant, Kansas City, Missouri.

(2) The Y–12 Plant, Oak Ridge, Tennessee.

(3) The Pantex Plant, Amarillo, Texas.

### SEC. 3176. COOPERATIVE RESEARCH AND DEVELOPMENT AGREEMENTS FOR GOVERNMENT-OWNED, CONTRACTOR-OPERATED LABORATORIES.

(a) Strategic Plans.—Subsection (a) of section 12 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a) is amended by striking "joint work statement," and inserting "joint work statement or, if permitted by the agency, in an agency-approved annual strategic plan,".

(b) Experimental Federal Waivers.—Subsection (b) of that section is amended by adding at the end the following new paragraph:

"(6)(A) In the case of a Department of Energy laboratory, a designated official of the Department of Energy may waive any license retained by the Government under paragraph (1)(A), (2), or (3)(D), in whole or in part and according to negotiated terms and conditions, if the designated official finds that the retention of the license by the Department of Energy would substantially inhibit the commercialization of an invention that would otherwise serve an important Federal mission.

"(B) The authority to grant a waiver under subparagraph (A) shall expire on the date that is 5 years after the date of the enactment of the National Defense Authorization Act for Fiscal Year 2001.

"(C) The expiration under subparagraph (B) of authority to grant a waiver under subparagraph (A) shall not effect any waiver granted under subparagraph (A) before the expiration of such authority.".

(c) Time Required for Approval.—Subsection (c)(5) of that section is amended—

(1) by striking subparagraph (C);

(2) by redesignating subparagraph (D) as subparagraph (C); and

(3) in subparagraph (C), as so redesignated—

(A) in clause (i)—

(i) by striking "with a small business firm"; and

(ii) by inserting "if" after "statement"; and

(B) by adding at the end the following new clauses:

"(iv) Any agency that has contracted with a non-Federal entity to operate a laboratory may develop and provide to such laboratory one or more model cooperative research and development agreements for purposes of standardizing practices and procedures, resolving common legal issues, and enabling review of cooperative research and development agreements to be carried out in a routine and prompt manner.

"(v) A Federal agency may waive the requirements of clause (i) or (ii) under such circumstances as the agency considers appropriate.".

### SEC. 3177. COMMENDATION OF DEPARTMENT OF ENERGY AND CONTRACTOR EMPLOYEES FOR EXEMPLARY SERVICE IN STOCKPILE STEWARDSHIP AND SECURITY.

(a) Authority To Present Certificate of Commendation.—The Secretary of Energy may present a certificate of commendation to any current or former employee of the Department of Energy, and any current or former employee of a Department contractor, whose service to the Department in matters relating to stockpile stewardship and security assisted the Department in furthering the national security interests of the United States.

(b) Certificate.—The certificate of commendation presented to a current or former employee under subsection (a) shall include an appropriate citation of the service of the current or former employee described in that subsection, including a citation for dedication, intellect, and sacrifice in furthering the national security interests of the United States by maintaining a strong, safe, and viable United States nuclear deterrent during the Cold War or thereafter.

(c) Department of Energy Defined.—For purposes of this section, the term "Department of Energy" includes any predecessor agency of the Department of Energy.

### SEC. 3178. ADJUSTMENT OF THRESHOLD REQUIREMENT FOR SUBMISSION OF REPORTS ON ADVANCED COMPUTER SALES TO TIER III FOREIGN COUNTRIES.

Section 3157 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 2045) is amended by adding at the end the following:

"(e) Adjustment of Performance Levels.—Whenever a new composite theoretical performance level is established under section 1211(d), that level shall apply for purposes of subsection (a) of this section in lieu of the level set forth in subsection (a).".

## Subtitle G—Russian Nuclear Complex Conversion

### SEC. 3191. SHORT TITLE.

This subtitle may be cited as the "Russian Nuclear Weapons Complex Conversion Act of 2000".

### SEC. 3192. FINDINGS.

Congress makes the following findings:

(1) The Russian nuclear weapons complex has begun closure and complete reconfiguration of certain weapons complex plants and productions lines. However, this work is at an early stage. The major impediments to downsizing have been economic and social conditions in Russia. Little information about this complex is shared, and 10 of its most sensitive cities remain closed. These cities house 750,000 people and employ approximately 150,000 people in nuclear military facilities. Although the Russian Federation Ministry of Atomic Energy has announced the need to significantly downsize its workforce, perhaps by as much as 50 percent, it has been very slow in accomplishing this goal. Information on the extent of any progress is very closely held.

(2) The United States, on the other hand, has significantly downsized its nuclear weapons complex in an open and transparent manner. As a result, an enormous asymmetry now exists between the United States and Russia in nuclear weapon production capacities and in transparency of such capacities. It is in the national security interest of the United States to assist the Russian Federation in accomplishing significant reductions in its nuclear military complex and in helping it to protect its nuclear weapons, nuclear materials, and nuclear secrets during such reductions. Such assistance will accomplish critical nonproliferation objectives and provide essential support towards future arms reduction agreements. The Russian Federation's program to close and reconfigure weapons complex plants and production lines will address, if it is implemented in a significant and transparent manner, concerns about the Russian Federation's ability to quickly reconstitute its arsenal.

(3) Several current programs address portions of the downsizing and nuclear security concerns. The Nuclear Cities Initiative was established to assist Russia in creating job opportunities for employees who are not required to support realistic Russian nuclear security requirements. Its focus has been on creating commercial ventures that can provide self-sustaining jobs in three of the closed cities. The current scope and funding of the program are not commensurate with the scale of the threats to the United States sought to be addressed by the program.

(4) To effectively address threats to United States national security interests, progress with respect to the nuclear cities must be expanded and accelerated. The Nuclear Cities Initiative has laid the groundwork for an immediate increase in investment which offers the potential for prompt risk reduction in the cities of Sarov, Snezhinsk, and Zheleznogorsk, which house four key Russian nuclear facilities. Furthermore, the Nuclear Cities Initiative has made considerable progress with the limited funding available. However, to gain sufficient advocacy for additional support, the program must demonstrate—

(A) rapid progress in conversion and restructuring; and

(B) an ability for the United States to track progress against verifiable milestones that support a Russian nuclear complex consistent with their future national security requirements.

(5) Reductions in the nuclear weapons-grade material stocks in the United States and Russia

*enhance prospects for future arms control agreements and reduce concerns that these materials could lead to proliferation risks. Confidence in both nations will be enhanced by knowledge of the extent of each nation's stockpiles of weapons-grade materials. The United States already makes this information public.*

*(6) Many current programs contribute to the goals stated herein. However, the lack of programmatic coordination within and among United States Government agencies impedes the capability of the United States to make rapid progress. A formal single point of coordination is essential to ensure that all United States programs directed at cooperative threat reduction, nuclear materials reduction and protection, and the downsizing, transparency, and nonproliferation of the nuclear weapons complex effectively mitigate the risks inherent in the Russian Federation's military complex.*

*(7) Specialists in the United States and the former Soviet Union trained in nonproliferation studies can significantly assist in the downsizing process while minimizing the threat presented by potential proliferation of weapons materials or expertise.*

### *SEC. 3193. EXPANSION AND ENHANCEMENT OF NUCLEAR CITIES INITIATIVE.*

*(a) IN GENERAL.—The Secretary of Energy shall, in accordance with the provisions of this section, take appropriate actions to expand and enhance the activities under the Nuclear Cities Initiative in order to—*

*(1) assist the Russian Federation in the downsizing of the Russian Nuclear Complex; and*

*(2) coordinate the downsizing of the Russian Nuclear Complex under the Initiative with other United States nonproliferation programs.*

*(b) ENHANCED USE OF MINATOM TECHNOLOGY AND RESEARCH AND DEVELOPMENT SERVICES.—In carrying out actions under this section, the Secretary of Energy shall facilitate the enhanced use of the technology, and the research and development services, of the Russia Ministry of Atomic Energy (MINATOM) by—*

*(1) fostering the commercialization of peaceful, non-threatening advanced technologies of the Ministry through the development of projects to commercialize research and development services for industry and industrial entities; and*

*(2) authorizing the Department of Energy, and encouraging other departments and agencies of the United States Government, to utilize such research and development services for activities appropriate to the mission of the Department, and such departments and agencies, including activities relating to—*

*(A) nonproliferation (including the detection and identification of weapons of mass destruction and verification of treaty compliance);*

*(B) global energy and environmental matters; and*

*(C) basic scientific research of benefit to the United States.*

*(c) ACCELERATION OF NUCLEAR CITIES INITIATIVE.—(1) In carrying out actions under this section, the Secretary of Energy shall accelerate the Nuclear Cities Initiative by implementing, as soon as practicable after the date of the enactment of this Act, programs at the nuclear cities referred to in paragraph (2) in order to convert significant portions of the activities carried out at such nuclear cities from military activities to civilian activities.*

*(2) The nuclear cities referred to in this paragraph are the following:*

*(A) Sarov (Arzamas–16).*

*(B) Snezhinsk (Chelyabinsk–70).*

*(C) Zheleznogorsk (Krasnoyarsk–26).*

*(3) To advance nonproliferation and arms control objectives, the Nuclear Cities Initiative is encouraged to begin planning for accelerated conversion, commensurate with available resources, in the remaining nuclear cities.*

*(4) Before implementing a program under paragraph (1), the Secretary shall establish appropriate, measurable milestones for the activities to be carried out in fiscal year 2001.*

*(d) PLAN FOR RESTRUCTURING THE RUSSIAN NUCLEAR COMPLEX.—(1) The President, acting through the Secretary of Energy, is urged to enter into negotiations with the Russian Federation for purposes of the development by the Russian Federation of a plan to restructure the Russian Nuclear Complex in order to meet changes in the national security requirements of Russia by 2010.*

*(2) The plan under paragraph (1) should include the following:*

*(A) Mechanisms to achieve a nuclear weapons production capacity in Russia that is consistent with the obligations of Russia under current and future arms control agreements.*

*(B) Mechanisms to increase transparency regarding the restructuring of the nuclear weapons complex and weapons-surplus nuclear materials inventories in Russia to the levels of transparency for such matters in the United States, including the participation of Department of Energy officials with expertise in transparency of such matters.*

*(C) Measurable milestones that will permit the United States and the Russian Federation to monitor progress under the plan.*

*(e) ENCOURAGEMENT OF CAREERS IN NONPROLIFERATION.—(1) In carrying out actions under this section, the Secretary of Energy shall carry out a program to encourage students in the United States and in the Russian Federation to pursue a career in an area relating to nonproliferation.*

*(2) Of the amounts under subsection (f), up to $2,000,000 shall be available for purposes of the program under paragraph (1).*

*(f) FUNDING FOR FISCAL YEAR 2001.—(1) There is hereby authorized to be appropriated for the Department of Energy for fiscal year 2001, $30,000,000 for purposes of the Nuclear Cities Initiative, including activities under this section.*

*(2) The amount authorized to be appropriated by section 101(5) for other procurement for the Army is hereby reduced by $12,500,000, with the amount of the reduction to be allocated to the Close Combat Tactical Trainer.*

*(g) LIMITATION ON AVAILABILITY OF FUNDS FOR NUCLEAR CITIES INITIATIVE.—No amount in excess of $17,500,000 authorized to be appropriated for the Department of Energy for fiscal year 2001 for the Nuclear Cities Initiative may be obligated or expended for purposes of providing assistance under the Initiative until 30 days after the date on which the Secretary of Energy submits to the Committees on Armed Services of the Senate and House of Representatives the following:*

*(1) A copy of the written agreement between the United States Government and the Government of the Russian Federation which provides that Russia will close some of its facilities engaged in nuclear weapons assembly and disassembly work within five years in exchange for participation in the Initiative.*

*(2) A certification by the Secretary that—*

*(A) project review procedures for all projects under the Initiative have been established and implemented; and*

*(B) such procedures will ensure that any scientific, technical, or commercial project initiated under the Initiative—*

*(i) will not enhance the military or weapons of mass destruction capabilities of Russia;*

*(ii) will not result in the inadvertent transfer or utilization of products or activities under such project for military purposes;*

*(iii) will be commercially viable within three years of the date of the certification; and*

*(iv) will be carried out in conjunction with an appropriate commercial, industrial, or other nonprofit entity as partner.*

*(3) A report setting forth the following:*

*(A) The project review procedures referred to in paragraph (2)(A).*

*(B) A list of the projects under the Initiative that have been reviewed under such project review procedures.*

*(C) A description for each project listed under subparagraph (B) of the purpose, life-cycle, outyear budget costs, participants, commercial viability, expected time for income generation, and number of Russian jobs created.*

*(h) SENSE OF CONGRESS ON FUNDING FOR FISCAL YEARS AFTER FISCAL YEAR 2001.—It is the sense of Congress that the availability of funds for the Nuclear Cities Initiative in fiscal years after fiscal year 2001 should be contingent upon—*

*(1) demonstrable progress in the programs carried out under subsection (c), as determined utilizing the milestones required under paragraph (4) of that subsection; and*

*(2) the development and implementation of the plan required by subsection (d).*

### *SEC. 3194. SENSE OF CONGRESS ON THE ESTABLISHMENT OF A NATIONAL COORDINATOR FOR NONPROLIFERATION MATTERS.*

*It is the sense of Congress that—*

*(1) there should be a National Coordinator for Nonproliferation Matters to coordinate—*

*(A) the Nuclear Cities Initiative;*

*(B) the Initiatives for Proliferation Prevention program;*

*(C) the Cooperative Threat Reduction programs;*

*(D) the materials protection, control, and accounting programs; and*

*(E) the International Science and Technology Center; and*

*(2) the position of National Coordinator for Nonproliferation Matters should be similar, regarding nonproliferation matters, to the position filled by designation of the President under section 1441(a) of the Defense Against Weapons of Mass Destruction Act of 1996 (title XIV of Public Law 104–201; 110 Stat. 2727; 50 U.S.C. 2351(a)).*

### *SEC. 3195. DEFINITIONS.*

*In this subtitle:*

*(1) NUCLEAR CITY.—The term "nuclear city" means any of the closed nuclear cities within the complex of the Russia Ministry of Atomic Energy (MINATOM) as follows:*

*(A) Sarov (Arzamas–16).*

*(B) Zarechnyy (Penza–19).*

*(C) Novoural'sk (Sverdlovsk–44).*

*(D) Lesnoy (Sverdlovsk–45).*

*(E) Ozersk (Chelyabinsk–65).*

*(F) Snezhinsk (Chelyabinsk–70).*

*(G) Trechgornyy (Zlatoust–36).*

*(H) Seversk (Tomsk–7).*

*(I) Zhelenznogorsk (Krasnoyarsk–26).*

*(J) Zelenogorsk (Krasnoyarsk–45).*

*(2) RUSSIAN NUCLEAR COMPLEX.—The term "Russian Nuclear Complex" refers to all of the nuclear cities.*

## *TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD*

### *SEC. 3201. DEFENSE NUCLEAR FACILITIES SAFETY BOARD.*

*There are authorized to be appropriated for fiscal year 2001, $18,500,000 for the operation of the Defense Nuclear Facilities Safety Board under chapter 21 of the Atomic Energy Act of 1954 (42 U.S.C. 2286 et seq.).*

## *TITLE XXXIII—NAVAL PETROLEUM RESERVES*

### *SEC. 3301. MINIMUM PRICE OF PETROLEUM SOLD FROM THE NAVAL PETROLEUM RESERVES.*

*(a) HIGHER MINIMUM PRICE.—Subparagraph (A) of section 7430(b)(2) of title 10, United States Code, is amended by striking "90 percent of".*

*(b) INAPPLICABILITY OF REQUIREMENT TO RESERVE NUMBERED 1.—Such section 7430(b)(2) is further amended by striking "Naval Petroleum Reserves Numbered 1, 2, and 3" in the matter preceding subparagraph (A) and inserting "Naval Petroleum Reserves Numbered 2 and 3".*

### SEC. 3302. REPEAL OF AUTHORITY TO CONTRACT FOR COOPERATIVE OR UNIT PLANS AFFECTING NAVAL PETROLEUM RESERVE NUMBERED 1.

*(a) REPEAL.—Section 7426 of title 10, United States Code, is repealed.*

*(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 641 of such title is amended by striking the item relating to section 7426.*

### SEC. 3303. LAND TRANSFER AND RESTORATION.

*(a) SHORT TITLE.—This section may be cited as the "Ute-Moab Land Restoration Act".*

*(b) TRANSFER OF OIL SHALE RESERVE.—Section 3405 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (10 U.S.C. 7420 note; Public Law 105–261) is amended to read as follows:*

### "SEC. 3405. TRANSFER OF OIL SHALE RESERVE NUMBERED 2.

*"(a) DEFINITIONS.—In this section:*

*"(1) MAP.—The term "map" means the map depicting the boundaries of NOSR–2, to be kept on file and available for public inspection in the offices of the Department of the Interior.*

*"(2) MOAB SITE.—The term 'Moab site' means the Moab uranium milling site located approximately 3 miles northwest of Moab, Utah, and identified in the Final Environmental Impact Statement issued by the Nuclear Regulatory Commission in March 1996, in conjunction with Source Material License No. SUA 917.*

*"(3) NOSR–2.—The term 'NOSR–2' means Oil Shale Reserve Numbered 2, as identified on a map on file in the Office of the Secretary of the Interior.*

*"(4) TRIBE.—The term 'Tribe' means the Ute Indian Tribe of the Uintah and Ouray Indian Reservation.*

*"(b) CONVEYANCE.—*

*"(1) IN GENERAL.—Except as provided in paragraph (2), the United States conveys to the Tribe, subject to valid existing rights in effect on the day before the date of enactment of this section, all Federal land within the exterior boundaries of NOSR–2 in fee simple (including surface and mineral rights).*

*"(2) RESERVATIONS.—The conveyance under paragraph (1) shall not include the following reservations of the United States:*

*"(A) A 9 percent royalty interest in the value of any oil, gas, other hydrocarbons, and all other minerals from the conveyed land that are produced, saved, and sold, the payments for which shall be made by the Tribe or its designee to the Secretary of Energy during the period that the oil, gas, hydrocarbons, or minerals are being produced, saved, sold, or extracted.*

*"(B) The portion of the bed of Green River contained entirely within NOSR–2, as depicted on the map.*

*"(C) The land (including surface and mineral rights) to the west of the Green River within NOSR–2, as depicted on the map.*

*"(D) A ¼ mile scenic easement on the east side of the Green River within NOSR–2.*

*"(3) CONDITIONS.—*

*"(A) MANAGEMENT AUTHORITY.—On completion of the conveyance under paragraph (1), the United States relinquishes all management authority over the conveyed land (including tribal activities conducted on the land).*

*"(B) NO REVERSION.—The land conveyed to the Tribe under this subsection shall not revert to the United States for management in trust status.*

*"(C) USE OF EASEMENT.—The reservation of the easement under paragraph (2)(D) shall not affect the right of the Tribe to obtain, use, and maintain access to, the Green River through the use of the road within the easement, as depicted on the map.*

*"(c) WITHDRAWALS.—Each withdrawal that applies to NOSR–2 and that is in effect on the date of enactment of this section is revoked to the extent that the withdrawal applies to NOSR–2.*

*"(d) ADMINISTRATION OF RESERVED LAND AND INTERESTS IN LAND.—*

*"(1) IN GENERAL.—The Secretary of the Interior shall administer the land and interests in land reserved from conveyance under subparagraphs (B) and (C) of subsection (b)(2) in accordance with the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.).*

*"(2) MANAGEMENT PLAN.—Not later than 3 years after the date of enactment of this section, the Secretary shall submit to Congress a land use plan for the management of the land and interests in land referred to in paragraph (1).*

*"(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary such sums as are necessary to carry out this subsection.*

*"(e) ROYALTY.—*

*"(1) PAYMENT OF ROYALTY.—The royalty interest reserved from conveyance in subsection (b)(2)(A) that is required to be paid by the Tribe shall not include any development, production, marketing, and operating expenses.*

*"(2) REPORT.—The Tribe shall submit to the Secretary of Energy and to Congress an annual report on resource development and other activities of the Tribe concerning the conveyance under subsection (b).*

*"(3) FINANCIAL AUDIT.—*

*"(A) IN GENERAL.—Not later than 5 years after the date of enactment of this section, and every 5 years thereafter, the Tribe shall obtain an audit of all resource development activities of the Tribe concerning the conveyance under subsection (b), as provided under chapter 75 of title 31, United States Code.*

*"(B) INCLUSION OF RESULTS.—The results of each audit under this paragraph shall be included in the next annual report submitted after the date of completion of the audit.*

*"(f) RIVER MANAGEMENT.—*

*"(1) IN GENERAL.—The Tribe shall manage, under Tribal jurisdiction and in accordance with ordinances adopted by the Tribe, land of the Tribe that is adjacent to, and within ¼ mile of, the Green River in a manner that—*

*"(A) maintains the protected status of the land; and*

*"(B) is consistent with the government-to-government agreement and in the memorandum of understanding dated February 11, 2000, as agreed to by the Tribe and the Secretary.*

*"(2) NO MANAGEMENT RESTRICTIONS.—An ordinance referred to in paragraph (1) shall not impair, limit, or otherwise restrict the management and use of any land that is not owned, controlled, or subject to the jurisdiction of the Tribe.*

*"(3) REPEAL OR AMENDMENT.—An ordinance adopted by the Tribe and referenced in the government-to-government agreement may not be repealed or amended without the written approval of—*

*"(A) the Tribe; and*

*"(B) the Secretary.*

*"(g) PLANT SPECIES.—*

*"(1) IN GENERAL.—In accordance with a government-to-government agreement between the Tribe and the Secretary, in a manner consistent with levels of legal protection in effect on the date of enactment of this section, the Tribe shall protect, under ordinances adopted by the Tribe, any plant species that is—*

*"(A) listed as an endangered species or threatened species under section 4 of the Endangered Species Act of 1973 (16 U.S.C. 1533); and*

*"(B) located or found on the NOSR–2 land conveyed to the Tribe.*

*"(2) TRIBAL JURISDICTION.—The protection described in paragraph (1) shall be performed solely under tribal jurisdiction*

*"(h) HORSES.—*

*"(1) IN GENERAL.—The Tribe shall manage, protect, and assert control over any horse not owned by the Tribe or tribal members that is located or found on the NOSR–2 land conveyed to the Tribe in a manner that is consistent with Federal law governing the management, protection, and control of horses in effect on the date of enactment of this section.*

*"(2) TRIBAL JURISDICTION.—The management, control, and protection of horses described in paragraph (1) shall be performed solely—*

*"(A) under tribal jurisdiction; and*

*"(B) in accordance with a government-to-government agreement between the Tribe and the Secretary.*

*"(i) REMEDIAL ACTION AT MOAB SITE.—*

*"(1) INTERIM REMEDIAL ACTION.—*

*"(A) PLAN.—Not later than 1 year after the date of enactment of this section, the Secretary of Energy shall prepare a plan for remedial action, including ground water restoration, at the uranium milling site near Moab, Utah, under section 102(a) of the Uranium Mill Tailings Radiation Control Act of 1978 (42 U.S.C. 7912(a)).*

*"(B) COMMENCEMENT OF REMEDIAL ACTION.—The Secretary of Energy shall commence remedial action as soon as practicable after the preparation of the plan.*

*"(C) TERMINATION OF LICENSE.—The license for the materials at the site issued by the Nuclear Regulatory Commission shall terminate 1 year from the date of enactment of this section, unless the Secretary of Energy determines that the license may be terminated earlier.*

*"(D) ACTIVITIES OF THE TRUSTEE OF THE MOAB RECLAMATION TRUST.— Until the license referred to in subparagraph (C) terminates, the Trustee of the Moab Reclamation Trust (referred to in this paragraph as the 'Trustee'), subject to the availability of funds appropriated specifically for a purpose described in clauses (i) through (iii) or made available by the Trustee from the Moab Reclamation Trust, may carry out—*

*"(i) interim measures to reduce or eliminate localized high ammonia concentrations identified by the United States Geological Survey in a report dated March 27, 2000, in the Colorado River;*

*"(ii) activities to dewater the mill tailings; and*

*"(iii) other activities, subject to the authority of the Secretary of Energy and the Nuclear Regulatory Commission.*

*"(E) TITLE; CARETAKING.—Until the date on which the Moab site is sold under paragraph (4), the Trustee—*

*"(i) shall maintain title to the site; and*

*"(ii) shall act as a caretaker of the property and in that capacity exercise measures of physical safety consistent with past practice, until the Secretary of Energy relieves the Trustee of that responsibility.*

*"(2) LIMIT ON EXPENDITURES.—The Secretary shall limit the amounts expended in carrying out the remedial action under paragraph (1) to—*

*"(A) amounts specifically appropriated for the remedial action in an Act of appropriation; and*

*"(B) other amounts made available for the remedial action under this subsection.*

*"(3) RETENTION OF ROYALTIES.—*

*"(A) IN GENERAL.—The Secretary of Energy shall retain the amounts received as royalties under subsection (e)(1).*

*"(B) AVAILABILITY.—Amounts referred to in subparagraph (A) shall be available, without further Act of appropriation, to carry out the remedial action under paragraph (1).*

"(C) EXCESS AMOUNTS.—On completion of the remedial action under paragraph (1), all remaining royalty amounts shall be deposited in the General Fund of the Treasury.

"(D) EXCLUSION OF NATIONAL SECURITY ACTIVITIES FUNDING.—The Secretary shall not use any funds made available to the Department of Energy for national security activities to carry out the remedial action under paragraph (1).

"(E) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Energy to carry out the remedial action under paragraph (1) such sums as are necessary.

"(4) SALE OF MOAB SITE.—

"(A) IN GENERAL.—If the Moab site is sold after the date on which the Secretary of Energy completes the remedial action under paragraph (1), the seller shall pay to the Secretary of Energy, for deposit in the miscellaneous receipts account of the Treasury, the portion of the sale price that the Secretary determines resulted from the enhancement of the value of the Moab site that is attributable to the completion of the remedial action, as determined in accordance with subparagraph (B).

"(B) DETERMINATION OF ENHANCED VALUE.—The enhanced value of the Moab site referred to in subparagraph (A) shall be equal to the difference between—

"(i) the fair market value of the Moab site on the date of enactment of this section, based on information available on that date; and

"(ii) the fair market value of the Moab site, as appraised on completion of the remedial action.".

(c) URANIUM MILL TAILINGS.—Section 102(a) of the Uranium Mill Tailings Radiation Control Act of 1978 (42 U.S.C. 7912(a)) is amended by inserting after paragraph (3) the following:

"(4) DESIGNATION AS PROCESSING SITE.—

"(A) IN GENERAL.—Notwithstanding any other provision of law, the Moab uranium milling site (referred to in this paragraph as the 'Moab Site') located approximately 3 miles northwest of Moab, Utah, and identified in the Final Environmental Impact Statement issued by the Nuclear Regulatory Commission in March 1996, in conjunction with Source Material License No. SUA 917, is designated as a processing site.

"(B) APPLICABILITY.—This title applies to the Moab Site in the same manner and to the same extent as to other processing sites designated under this subsection, except that—

"(i) sections 103, 107(a), 112(a), and 115(a) of this title shall not apply;

"(ii) a reference in this title to the date of the enactment of this Act shall be treated as a reference to the date of enactment of this paragraph; and

"(iii) the Secretary, subject to the availability of appropriations and without regard to section 104(b), shall conduct remediation at the Moab site in a safe and environmentally sound manner, including—

"(I) ground water restoration; and

"(II) the removal, to at a site in the State of Utah, for permanent disposition and any necessary stabilization, of residual radioactive material and other contaminated material from the Moab Site and the floodplain of the Colorado River.".

(d) CONFORMING AMENDMENT.—Section 3406 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (10 U.S.C. 7420 note; Public Law 105–261) is amended by inserting after subsection (e) the following:

"(f) OIL SHALE RESERVE NUMBERED 2.—This section does not apply to the transfer of Oil Shale Reserve Numbered 2 under section 3405.".

## TITLE XXXIV—NATIONAL DEFENSE STOCKPILE

### SEC. 3401. AUTHORIZED USES OF STOCKPILE FUNDS.

(a) OBLIGATION OF STOCKPILE FUNDS.—During fiscal year 2001, the National Defense Stockpile Manager may obligate up to $75,000,000 of the funds in the National Defense Stockpile Transaction Fund established under subsection (a) of section 9 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h) for the authorized uses of such funds under subsection (b)(2) of such section, including the disposal of hazardous materials that are environmentally sensitive.

(b) ADDITIONAL OBLIGATIONS.—The National Defense Stockpile Manager may obligate amounts in excess of the amount specified in subsection (a) if the National Defense Stockpile Manager notifies Congress that extraordinary or emergency conditions necessitate the additional obligations. The National Defense Stockpile Manager may make the additional obligations described in the notification after the end of the 45-day period beginning on the date on which Congress receives the notification.

(c) LIMITATIONS.—The authorities provided by this section shall be subject to such limitations as may be provided in appropriations Acts.

### SEC. 3402. INCREASED RECEIPTS UNDER PRIOR DISPOSAL AUTHORITY.

Section 3303(a) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 1112 Stat. 2263; 50 U.S.C. 98d note) is amended—

(1) in paragraph (2), by striking "$460,000,000" and inserting "$409,000,000";

(2) in paragraph (3), by striking "$555,000,000" and inserting "$585,000,000"; and

(3) in paragraph (4), by striking "$590,000,000" and inserting "$620,000,000".

### SEC. 3403. DISPOSAL OF TITANIUM.

(a) DISPOSAL REQUIRED.—Subject to subsection (b), the President shall, by September 30, 2010, dispose of 30,000 short tons of titanium contained in the National Defense Stockpile so as to result in receipts to the United States in a total amount that is not less than $180,000,000.

(b) MINIMIZATION OF DISRUPTION AND LOSS.—The President may not dispose of titanium under subsection (a) to the extent that the disposal will result in—

(1) undue disruption of the usual markets of producers, processors, and consumers of titanium; or

(2) avoidable loss to the United States.

(c) TREATMENT OF RECEIPTS.—Notwithstanding section 9 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h), funds received as a result of the disposal of titanium under subsection (a) shall be applied as follows: $174,000,000 to defray the costs of health care benefit improvements for retired military personnel; and $6,000,000 for transfer to the American Battle Monuments Commission for deposit in the fund established under section 2113 of title 36, United States Code, for the World War II memorial authorized by section 1 of Public Law 103–32 (107 Stat. 90).

(d) WORLD WAR II MEMORIAL.—(1) The amount transferred to the American Battle Monuments Commission under subsection (c) shall be used to complete all necessary requirements for the design of, ground breaking for, construction of, maintenance of, and dedication of the World War II memorial. The Commission shall determine how the amount shall be apportioned among such purposes.

(2) Any funds not necessary for the purposes set forth in paragraph (1) shall be transferred to and deposited in the general fund of the Treasury.

(e) RELATIONSHIP TO OTHER DISPOSAL AUTHORITY.—The disposal authority provided in subsection (a) is new disposal authority and is in addition to, and shall not affect, any other disposal authority provided by law regarding materials in the National Defense Stockpile.

## TITLE XXXV—ENERGY EMPLOYEES OCCUPATIONAL ILLNESS COMPENSATION

### SEC. 3501. SHORT TITLE.

This title may be cited as the "Energy Employees Occupational Illness Compensation Act of 2000".

### SEC. 3502. CONSTRUCTION WITH OTHER LAWS.

References in this title to a provision of another statute shall be considered as references to such provision, as amended and as may be amended from time to time.

### SEC. 3503. DEFINITIONS.

(a) IN GENERAL.—In this title:

(1) ATOMIC WEAPON.—The term "atomic weapon" has the meaning given that term in section 11d. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(d)).

(2) ATOMIC WEAPONS EMPLOYEE.—The term "atomic weapons employee" means an individual employed by an atomic weapons employer during a time when the employer was processing or producing, for the use by the United States, material that emitted radiation and was used in the production of an atomic weapon, excluding uranium mining and milling.

(3) ATOMIC WEAPONS EMPLOYER.—The term "atomic weapons employer" means an entity that—

(A) processed or produced, for the use by the United States, material that emitted radiation and was used in the production of an atomic weapon, excluding uranium mining and milling; and

(B) is designated as an atomic weapons employer for purposes of this title by the Secretary of Energy.

(4) ATOMIC WEAPONS EMPLOYER FACILITY.—The term "atomic weapons employer facility" means a facility, owned by an atomic weapons employer, that is or was used to process or produce, for use by the United States, material that emitted radiation and was used in the production of an atomic weapon, excluding uranium mining or milling.

(5) BERYLLIUM VENDOR.—The term "beryllium vendor" means the following:

(A) Atomics International.

(B) Brush Wellman, Incorporated, and its predecessor, Brush Beryllium Company.

(C) General Atomics.

(D) General Electric Company.

(E) NGK Metals Corporation and its predecessors, Kawecki-Berylco, Cabot Corporation, BerylCo, and Beryllium Corporation of America.

(F) Nuclear Materials and Equipment Corporation.

(G) StarMet Corporation, and its predecessor, Nuclear Metals, Incorporated.

(H) Wyman Gordan, Incorporated.

(I) Any other vendor, processor, or producer of beryllium or related products designated as a beryllium vendor for purposes of this title under section 3504(a).

(6) CHRONIC SILICOSIS.—The term "chronic silicosis" means silicosis if—

(A) at least 10 years elapse between initial exposure to silica and the emergence of the silicosis; and

(B) the silicosis is established by one of the following:

(i) A chest x-ray presenting any combination of rounded opacities of type p/q/r, with or without irregular opacities, present in at least both upper lung zones and of profusion 1/0 or greater, as found in accordance with the International Labor Organization classification system.

(ii) A physician's provisional or working diagnosis of silicosis, combined with—

(I) a chest radiograph interpreted as consistent with silicosis; or

(II) pathologic findings consistent with silicosis.

(iii) A history of occupational exposure to airborne silica dust and a chest radiograph or *other imaging technique interpreted as consistent with silicosis or pathologic findings consistent with silicosis.*

*(7) COMPENSATION.—The term "compensation" means the money allowance payable under this title and any other benefits paid for from the Fund including the alternative compensation payable pursuant to section 3515.*

*(8) COVERED BERYLLIUM EMPLOYEE.—The term "covered beryllium employee" means the following:*

*(A) A current or former employee (as that term is defined in section 8101(1) of title 5, United States Code) who may have been exposed to beryllium at a Department of Energy facility or at a facility owned, operated, or occupied by a beryllium vendor.*

*(B) A current or former employee of any entity that contracted with the Department of Energy to provide management and operation, management and integration, or environmental remediation of a Department of Energy facility or an employee of any contractor or subcontractor that provided services, including construction and maintenance, at such a facility.*

*(C) A current or former employee of a beryllium vendor, or a contractor or subcontractor of a beryllium vendor, during a period when the vendor was engaged in activities related to the production or processing of beryllium for sale to, or use by, the Department of Energy.*

*(9) COVERED BERYLLIUM ILLNESS.—The term "covered beryllium illness" means any condition as follows:*

*(A) Beryllium sensitivity as established by—*

*(i) an abnormal beryllium lymphocyte proliferation test performed on either blood or lung lavage cells; or*

*(ii) other means specified under section 3504(b).*

*(B) Chronic beryllium disease as established by the following:*

*(i) For diagnoses on or after January 1, 1993—*

*(I) beryllium sensitivity, as established in accordance with subparagraph (A); and*

*(II) lung pathology consistent with chronic beryllium disease, including—*

*(aa) a lung biopsy showing granulomas or a lymphocytic process consistent with chronic beryllium disease;*

*(bb) a computerized axial tomography scan showing changes consistent with chronic beryllium disease; or*

*(cc) pulmonary function or exercise testing showing pulmonary deficits consistent with chronic beryllium disease.*

*(ii) For diagnoses before January 1, 1993, the presence of four of the criteria set forth in subclauses (I) through (VI), including the criteria set forth in subclause (I) and any three of the criteria set forth in subclauses (II) through (VI):*

*(I) Occupational or environmental history, or epidemiologic evidence of beryllium exposure.*

*(II) Characteristic chest radiographic (or computed tomography (CT) abnormalities.*

*(III) Restrictive or obstructive lung physiology testing or diffusing lung capacity defect.*

*(IV) Lung pathology consistent with chronic beryllium disease.*

*(V) Clinical course consistent with a chronic respiratory disorder.*

*(VI) Immunologic tests showing beryllium sensitivity (skin patch test or beryllium blood test preferred).*

*(iii) Other means specified under section 3504(b).*

*(C) Any injury, illness, impairment, or disability sustained as a consequence of a covered beryllium illness referred to in subparagraph (A) or (B).*

*(10) COVERED EMPLOYEE.—The term "covered employee" means a covered beryllium employee, a covered employee with cancer, or a covered employee with chronic silicosis.*

*(11) COVERED EMPLOYEE WITH CANCER.—The term "covered employee with cancer" means the following:*

*(A) An individual who meets the criteria in section 3511(c)(1).*

*(B) A member of the Special Exposure Cohort.*

*(12) COVERED EMPLOYEE WITH CHRONIC SILICOSIS.—The term "covered employee with chronic silicosis" means a—*

*(A) Department of Energy employee; or*

*(B) Department of Energy contractor employee;*

*with chronic silicosis who was exposed to silica in the performance of duty as determined in section 3511(b).*

*(13) DEPARTMENT OF ENERGY.—The term "Department of Energy" includes the predecessor agencies of the Department of Energy, including the Manhattan Engineering District.*

*(14) DEPARTMENT OF ENERGY CONTRACTOR EMPLOYEE.—The term "Department of Energy contractor employee" means the following:*

*(A) An individual who is or was in residence at a Department of Energy facility as a researcher for a period of at least 24 cumulative months.*

*(B) An individual who is or was employed, at a Department of Energy facility by—*

*(i) an entity that contracted with the Department of Energy to provide management and operating, management and integration, or environmental remediation at the facility; or*

*(ii) a contractor or subcontractor that provided services, including construction and maintenance, at the facility.*

*(15) DEPARTMENT OF ENERGY FACILITY.—The term "Department of Energy facility" means any building, structure, or premise, including the grounds upon which such building, structure, or premise is located—*

*(A) in which operations are, or have been, conducted by, or on behalf of, the Department of Energy (except for buildings, structures, premises, grounds, or operations covered by Executive Order 12344, pertaining to the Naval Nuclear Propulsion Program); and*

*(B) with regard to which the Department of Energy has or had—*

*(i) a proprietary interest; or*

*(ii) entered into a contract with an entity to provide management and operation, management and integration, environmental remediation services, construction, or maintenance services.*

*(16) FUND.—The term "Fund" means the Energy Employees' Occupational Illness Compensation Fund under section 3542 of this title.*

*(17) MONTHLY PAY.—The term "monthly pay" means the monthly pay at the time of injury, or the monthly pay at the time disability begins, or the monthly pay at the time the compensable disability recurs, if the recurrence begins more than 6 months after the employee resumes regular full-time employment, whichever is greater, except when otherwise determined under section 8113 of title 5, United States Code.*

*(18) RADIATION.—The term "radiation" means ionizing radiation in the form of—*

*(A) alpha particles;*

*(B) beta particles;*

*(C) neutrons;*

*(D) gamma rays; or*

*(E) accelerated ions or subatomic particles from accelerator machines.*

*(19) SECRETARY OF HEALTH AND HUMAN SERVICES.—The term "Secretary of Health and Human Services" means the Secretary of Health and Human Services with the assistance of the Director of the National Institute for Occupational Safety and Health.*

*(20) SPECIAL EXPOSURE COHORT.—The term "Special Exposure Cohort" means the following groups of Department of Energy employees, Department of Energy contractor employees, and atomic weapons employees:*

*(A) Individuals who—*

*(i) were employed during the period prior to February 1, 1992—*

*(I) at the gaseous diffusion plants located in—*

*(aa) Paducah, Kentucky;*

*(bb) Portsmouth, Ohio; or*

*(cc) Oak Ridge, Tennessee; and*

*(II) by—*

*(aa) the Department of Energy;*

*(bb) a Department of Energy contractor or subcontractor; or*

*(cc) an atomic weapons employer; and*

*(ii) during employment covered by clause (i)—*

*(I) were monitored through the use of dosimetry badges for exposure at the plant of the external parts of the employee's body to radiation; or*

*(II) worked in a job that had exposures comparable to a job that is or was monitored through the use of dosimetry badges.*

*(B) Individuals who were employed by the Department of Energy or a Department of Energy contractor or subcontractor on Amchitka Island, Alaska, prior to January 1, 1974, and who were exposed to ionizing radiation in the performance of duty related to the Long Shot, Milrow, or Cannikin underground nuclear tests.*

*(C) Individuals designated as part of the Special Exposure Cohort by the Secretary of Health and Human Services, in accordance with section 3513.*

*(21) SPECIFIED CANCER.—The term "specified cancer" means the following:*

*(A) Leukemia (other than chronic lymphocytic leukemia).*

*(B) Multiple myeloma.*

*(C) Non-Hodgkins Lymphoma.*

*(D) Cancer of the—*

*(i) bladder;*

*(ii) bone;*

*(iii) brain;*

*(iv) breast (male or female);*

*(v) cervix;*

*(vi) digestive system (including esophagus, stomach, small intestine, bile ducts, colon, rectum, or other digestive organs);*

*(vii) gallbladder;*

*(viii) kidney;*

*(ix) larynx, pharynx, or other respiratory organs;*

*(x) liver;*

*(xi) lung;*

*(xii) male genitalia;*

*(xiii) nasal organs;*

*(xiv) nervous system;*

*(xv) ovary;*

*(xvi) pancreas;*

*(xvii) prostate;*

*(xviii) salivary gland (parotid or non-parotid);*

*(xix) thyroid;*

*(xx) ureter;*

*(xxi) urinary tract or other urinary organs; or*

*(xxii) uterus.*

*(22) SURVIVOR.—The term "survivor" means any individual or individuals eligible to receive compensation pursuant to section 8133 of title 5, United States Code.*

*(23) TIME OF INJURY.—The term "time of injury" means—*

*(A) in regard to a claim arising out of exposure to beryllium, the last date on which a covered employee was exposed to beryllium in the performance of duty in accordance with section 3511(a);*

*(B) in regard to a claim arising out of chronic silicosis, the last date on which a covered employee was exposed to silica in the performance of duty in accordance with section 3511(b); and*

*(C) in regard to a claim arising out of exposure to radiation, the last date on which a covered employee was exposed to radiation in the performance of duty in accordance with section 3511(c)(1) or, in the case of a member of the Special Exposure Cohort, the last date on which the*

member of the Special Exposure Cohort was employed at the Department of Energy facility at which the member was exposed to radiation.

(b) TERMS USED IN ADMINISTRATION.—

(1) IN GENERAL.—The following terms have the meaning given those terms in section 8101 of title 5, United States Code—

(A) "physician";

(B) "medical, surgical, and hospital services and supplies";

(C) "injury";

(D) "widow";

(E) "parent";

(F) "brother";

(G) "sister";

(H) "child";

(I) "grandchild";

(J) "widower";

(K) "student";

(L) "price index";

(M) "organ"; and

(N) "United States medical officers and hospitals".

(2) EMPLOYEE.—In applying any provision of chapter 81 of title 5, United States Code (except section 8101), under this title, the term "employee" in such provision shall mean a covered employee.

(3) EMPLOYEES' COMPENSATION FUND.—In applying any provision of chapter 81 of title 5, United States Code, under this title, the term "Employees' Compensation Fund" in such provision shall mean the Fund.

### SEC. 3504. EXPANSION OF LIST OF BERYLLIUM VENDORS AND MEANS OF ESTABLISHING COVERED BERYLLIUM ILLNESSES.

(a) BERYLLIUM VENDORS.—The Secretary of Energy may from time to time, and in consultation with the Secretary of Labor, designate as a beryllium vendor for purposes of section 3503(a)(5) any vendor, processor, or producer of beryllium or related products not previously listed under or designated for purposes of that section if the Secretary of Energy finds that such vendor, processor, or producer has been engaged in activities related to the production or processing of beryllium for sale to, or use by, the Department of Energy in a manner similar to the entities listed in that section.

(b) MEANS OF ESTABLISHING COVERED BERYLLIUM ILLNESSES.—The Secretary of Health and Human Services may from time to time, and in consultation with the Secretary of Energy, specify means of establishing the existence of a covered beryllium illness referred to in subparagraph (A) or (B) of section 3503(a)(9) not previously listed under or specified for purposes of such subparagraph.

## Subtitle A—Beryllium, Silicosis, and Radiation Compensation

### SEC. 3511. EXPOSURE TO HAZARDS IN THE PERFORMANCE OF DUTY.

(a) BERYLLIUM.—In the absence of substantial evidence to the contrary, a covered beryllium employee shall be determined to have been exposed to beryllium in the performance of duty for the purposes of this title if, and only if, the covered beryllium employee was—

(1) employed at a Department of Energy facility; or

(2) present at a Department of Energy facility, or a facility owned and operated by a beryllium vendor, because of employment by the United States, a beryllium vendor, or a contractor or subcontractor of the Department of Energy;

during a period when beryllium dust, particles, or vapor may have been present at such facility.

(b) CHRONIC SILICOSIS.—In the absence of substantial evidence to the contrary, a covered employee with chronic silicosis shall be determined to have been exposed to silica in the performance of duty for the purposes of this title if, and only if, the covered employee with chronic silicosis was present during the mining of tunnels at a Department of Energy facility for tests or experiments related to an atomic weapon.

(c) CANCER.—

(1) IN GENERAL.—A Department of Energy employee, Department of Energy contractor employee, or an atomic weapons employee shall be determined to have sustained a cancer in the performance of duty if, and only if, such employee—

(A) contracted cancer after beginning employment at a Department of Energy facility for a Department of Energy contractor or an atomic weapons employer facility for an atomic weapons employer; and

(B) falls within guidelines that—

(i) are established by the Secretary of Health and Human Services by regulation, after consultation with the Secretary of Energy and after technical review by the Advisory Board under section 3512, for determining whether the cancer the employee contracted was at least as likely as not related to employment at the facility;

(ii) are based on the radiation dose received by the employee (or a group of employees performing similar work) at the facility and the upper 99 percent confidence interval of the probability of causation in the radioepidemiological tables published under section 7(b) of the Orphan Drug Act (42 U.S.C. 241 note), as such tables may be updated under section 7(b)(3) of such Act from time to time;

(iii) incorporate the methods established under subsection (d); and

(iv) take into consideration the type of cancer; past health-related activities, such as smoking; information on the risk of developing a radiation-related cancer from workplace exposure; and other relevant factors.

(2) SPECIAL EXPOSURE COHORT.—A member of the Special Exposure Cohort shall be determined to have sustained a cancer in the performance of duty if, and only if, such individual contracted a specified cancer after beginning employment at a Department of Energy facility for a Department of Energy contractor or an atomic weapons employer facility for an atomic weapons employer.

(d) RADIATION DOSE.—

(1) IN GENERAL.—The Secretary of Health and Human Services, after consultation with the Secretary of Energy, shall—

(A) establish by regulation methods for arriving at reasonable estimates of the radiation doses Department of Energy employees or Department of Energy contractor employees received at a Department of Energy facility and atomic weapons employees received at a facility operated by an atomic weapons employer if such employees were not monitored for exposure to radiation at the facility, or were monitored inadequately, or if the employees' exposure records are missing or incomplete; and

(B) provide to an employee who meets the requirements of subsection (c)(1)(B) an estimate of the radiation dose the employee received based on dosimetry reading, a method established under subparagraph (A), or a combination of both.

(2) SCIENTIFIC REVIEW.—The Secretary of Health and Human Services shall establish an independent review process utilizing the Advisory Board under section 3512 to assess the methods established under paragraph (1)(A) and the application of those methods and to verify a reasonable sample of individual dose reconstructions provided under paragraph (1)(B).

(3) ACCESS TO DOSE RECONSTRUCTIONS.—The Secretary of Health and Human Services and the Secretary of Energy each shall, consistent with the protection of private medical records, make available to researchers and the general public information on the assumptions, methodology, and data used in dose reconstructions undertaken under this subtitle.

### SEC. 3512. ADVISORY BOARD ON RADIATION AND WORKER HEALTH.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—Not later than 120 days after the date of enactment of this title, the Secretary of Health and Human Services, in consultation with the Secretary of Energy, shall establish and appoint an Advisory Board on Radiation and Worker Health.

(2) BALANCE OF VIEWS.—In making appointments to the Board, the Secretary of Health and Human Services shall also consult with labor unions and other organizations with expertise on worker health issues to ensure that the membership of the Board reflects a balance of scientific, medical, and worker perspectives.

(3) CHAIR.—The Secretary of Health and Human Services shall designate a Chair for the Board from among its members.

(b) DUTIES.—The Board shall advise the Secretary of Health and Human Services, Secretary of Energy, and Secretary of Labor on—

(1) the development of guidelines to be used by the Secretary of Health and Human Services under section 3511;

(2) the scientific validity and quality of dose estimation and reconstruction efforts being performed to implement compensation programs under this subtitle; and

(3) other matters related to radiation and worker health in Department of Energy facilities as the Secretary of Labor, the Secretary of Energy, or the Secretary of Health and Human Services may request.

(c) STAFF.—

(1) IN GENERAL.—The Secretary of Health and Human Services shall appoint a staff to facilitate the work of the Board, headed by a Director appointed under subchapter VIII of chapter 33 of title 5, United States Code.

(2) DETAILS.—The Secretary of Health and Human Services may accept for staff of the Board personnel on detail from other Federal agencies to serve on the staff on a nonreimbursable basis.

(d) EXPENSES.—Members of the Board, other than full-time employees of the Federal Government, while attending meetings of the Board or while otherwise serving at the request of the Secretary of Health and Human Services while serving away from their homes or regular places of business, may be allowed travel and meal expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for individuals in the Government serving without pay.

(e) APPLICABILITY OF FACA.—The Advisory Board shall be subject to the Federal Advisory Committee Act (5 U.S.C. App.).

### SEC. 3513. DESIGNATION OF ADDITIONAL MEMBERS OF THE SPECIAL EXPOSURE COHORT.

(a) ADVICE ON MEMBERSHIP IN COHORT.—

(1) IN GENERAL.—Upon request of the Secretary of Health and Human Services, the Advisory Board on Radiation and Worker Health under section 3512, based on exposure assessments by radiation health professionals, information provided by the Department of Energy, and other information deemed appropriate by the Board, shall advise the Secretary of Health and Human Services whether there is a class of employees at a Department of Energy facility who likely were exposed to radiation at the facility but for whom it is not feasible to estimate with sufficient accuracy the radiation dose they received.

(2) PROCEDURES.—The Secretary of Health and Human Services shall establish procedures for considering petitions by classes of employees to request the advice of the Board.

(b) TREATMENT AS MEMBERS OF COHORT.—A class of employees at a Department of Energy facility shall be considered as members of the Special Exposure Cohort for purposes of section

*3503(a)(20) if the Secretary of Health and Human Services, upon recommendation of the Advisory Board on Radiation and Worker Health and in consultation with the Secretary of Energy, determines that—*

*(1) it is not feasible to estimate with sufficient accuracy the radiation dose which the class received; and*

*(2) there is a reasonable likelihood that the radiation dose may have endangered the health of members of the class.*

*(c) Access to Information.—The Secretary of Energy shall, in accordance with law, provide the Secretary of Health and Human Services and the members and staff of the Advisory Board under section 3512 access to relevant information on worker exposures, including access to Restricted Data (as that term is defined in section 11y. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(y)).*

### *SEC. 3514. AUTHORITY TO PROVIDE COMPENSATION AND OTHER ASSISTANCE.*

*(a) Compensation.—Subject to the provisions of this title, the Secretary of Labor—*

*(1) shall pay compensation in accordance with sections 8105 through 8110, 8111(a), 8112, 8113, 8115, 8117, 8133, 8134, 8146a(a), and 8146a(b) of title 5, United States Code, for the disability or death—*

*(A) from a covered beryllium illness of a covered beryllium employee who was exposed to beryllium while in the performance of duty as determined in accordance with section 3511(a) of this title;*

*(B) from chronic silicosis of a covered employee with chronic silicosis who was exposed to silica in the performance of duty as determined in accordance with section 3511(b) of this title; or*

*(C) from cancer of a covered employee with cancer determined to have sustained that cancer in the performance of duty in accordance with section 3511(c) of this title or from any injury suffered as a consequence of that cancer;*

*(2) shall furnish the services and other benefits specified in section 8103 of title 5, United States Code, to—*

*(A) a covered beryllium employee with a covered beryllium illness who was exposed to beryllium in the performance of duty as determined in accordance with section 3511(a) of this title;*

*(B) a covered employee with chronic silicosis who was exposed to silica in the performance of duty as determined in accordance with section 3511(b) of this title; or*

*(C) a covered employee with cancer determined to have sustained that cancer in the performance of duty in accordance with section 3511(c) of this title or to have suffered any injury as a consequence of that cancer; and*

*(3) may direct a permanently disabled individual whose disability is compensable under this subtitle to undergo vocational rehabilitation and shall provide for furnishing such vocational rehabilitation services pursuant to the provisions of sections 8104, 8111(b), and 8113(b) of title 5, United States Code.*

*(b) Limitations on Compensation.—*

*(1) Employee misconduct.—No compensation or benefits may be paid or provided under this title for a cancer (including a specified cancer), chronic silicosis, covered beryllium illness, or death if the cancer (including a specified cancer), chronic silicosis, covered beryllium illness, or death occurred under one of the circumstances set forth in paragraph (1), (2), or (3) of section 8102(a) of title 5, United States Code.*

*(2) Retroactive benefits.—No compensation may be paid under this section for any period before the date of enactment of this title, except in the case of compensation under section 3515.*

*(3) Source.—All compensation under this subtitle shall be paid from the Fund.*

*(c) Computation of Pay.—*

*(1) In general.—Except as otherwise provided by this title or by regulation, computation of pay under this title shall be determined in accordance with section 8114 of title 5, United States Code.*

*(2) Substitute rule for section 8114(d)(3).—If either of the methods of determining the average annual earnings specified in section 8114(d) (1) and (2) of title 5, United States Code, cannot be applied reasonably and fairly, the average annual earnings are a sum that reasonably represents the annual earning capacity of the covered employee in the employment in which the employee was working at the time of injury having regard to the previous earnings of the employee in similar employment, and of other employees of the same employer in the same or most similar class working in the same or most similar employment in the same or neighboring location, other previous employment of the employee, or other relevant factors. However, the average annual earnings may not be less than 150 times the average daily wage the covered employee earned in the employment during the days employed within 1 year immediately preceding the time of injury.*

*(d) Assistance for Claimants.—The Secretary of Labor shall, upon the receipt of a request for assistance from a claimant for compensation under this section, provide assistance to the claimant in connection with the claim, including—*

*(1) assistance in securing medical testing and diagnostic services necessary to establish the existence of a covered beryllium illness or cancer; and*

*(2) such other assistance as may be required to develop facts pertinent to the claim.*

*(e) Assistance for Potential Claimants.—The Secretary of Energy, in consultation with the Secretary of Labor, shall take appropriate actions to inform and assist covered employees who are potential claimants under this subtitle, and other potential claimants under this subtitle, of the availability of compensation under this subtitle, including actions to—*

*(1) ensure the ready availability, in paper and electronic format, of forms necessary for making claims;*

*(2) provide such covered employees and other potential claimants with information and other support necessary for making claims, including—*

*(A) medical protocols for medical testing and diagnosis to establish the existence of a covered beryllium illness, silicosis, or cancer; and*

*(B) lists of vendors approved for providing laboratory services related to such medical testing and diagnosis;*

*(3) provide such additional assistance to such covered employees and other potential claimants as may be required for the development of facts pertinent to a claim.*

*(f) Information From Beryllium Vendors and Other Contractors.—As part of the assistance program provided under subsections (d) and (e), and as permitted by law, the Secretary of Energy shall, upon the request of the Secretary of Labor, require a beryllium vendor or other Department of Energy contractor or subcontractor to provide information relevant to a claim or potential claim under this title to the Secretary of Labor.*

### *SEC. 3515. ALTERNATIVE COMPENSATION.*

*(a) In General.—Subject to the provisions of this section, a covered employee eligible for benefits under section 3514(a), or the survivor of such covered employee if the employee is deceased, may elect to receive compensation in the amount of $200,000 in lieu of any other compensation under section 3514(a)(1).*

*(b) Death Before Election.—*

*(1) In general.—Subject to the provisions of this section, if a covered employee otherwise eligible to make an election provided by this section dies before the date of enactment of this title, or before making the election, whether or not the death is a result of a cancer (including a specified cancer), chronic silicosis, or covered beryllium illness, a survivor of the covered employee on behalf of the survivor and any other survivors of the covered employee may make the election and receive the compensation provided for under this section.*

*(2) Precedence of survivors.—The right to make an election and to receive compensation under this section shall be afforded to survivors in the order of precedence set forth in section 8109 of title 5, United States Code.*

*(c) Time Limit for Election.—An election under this section may be made at any time after the submittal under this subtitle of the claim on which such compensation is based, but not later than 30 days after the latter of the date of—*

*(1) a determination by the Secretary of Labor that an employee is eligible for an award under this section; or*

*(2) a determination by the Secretary of Labor under section 3214 awarding an employee or an employee's survivors compensation for total or partial disability or compensation in case of death.*

*(d) Irrevocability of Election.—*

*(1) In general.—An election under this section when made is irrevocable.*

*(2) Binding effect.—An election made by a covered employee or survivor under this section is binding on all survivors of the covered employee.*

### *SEC. 3516. SUBMITTAL OF CLAIMS.*

*(a) Claim Required.—A claim for compensation under this subtitle shall be submitted to the Secretary of Labor in the manner specified in section 8121 of title 5, United States Code.*

*(b) General Time Limitations.—A claim for compensation under this subtitle shall be filed under this section not later than the later of—*

*(1) seven years after the date of enactment of this title;*

*(2) seven years after the date the claimant first becomes aware that a cancer (including a specified cancer), chronic silicosis, covered beryllium illness, or death from any of the foregoing of a covered employee may be connected to the exposure of the covered employee to beryllium, radiation, or silica in the performance of duty.*

*(c) New Period for Additional Illnesses and Conditions.—A new period of limitation under subsection (b)(2) shall commence with each new diagnosis of a cancer (including a specified cancer), chronic silicosis, or covered beryllium illness that is different from a previously diagnosed cancer (including a specified cancer), chronic silicosis, or covered beryllium illness.*

*(d) Death Claim.—The timely filing of a disability claim for a cancer (including a specified cancer), chronic silicosis, or covered beryllium illness shall satisfy the time requirements of this section for death benefits for the same cancer (including a specified cancer), chronic silicosis, or covered beryllium illness.*

### *SEC. 3517. ADJUDICATION AND ADMINISTRATION.*

*(a) In General.—*

*(1) Requirement.—The Secretary of Labor shall determine and make a finding of fact and make an award for or against payment of compensation under this subtitle after—*

*(A) considering the claim presented by the claimant, the results of any medical test or diagnosis undertaken to establish the existence of a cancer (including a specified cancer), chronic silicosis, or covered beryllium illness, and any report furnished by the Secretary of Energy with respect to the claim; and*

*(B) completing such investigation as the Secretary of Labor considers necessary.*

(2) SCOPE OF ALLOWANCE AND DENIAL.—The Secretary may allow or deny a claim, in whole or in part.

(b) AVAILABLE AUTHORITIES.—

(1) IN GENERAL.—Except as provided in paragraph (2), in carrying out activities under subsection (c), the Secretary of Labor may utilize the authorities available to the Secretary under sections 8123, 8124(b), 8125, 8126, 8128(a), and 8129 of title 5, United States Code.

(2) DISAGREEMENT.—If there is a disagreement under section 8123(a) of title 5, United States Code, between the physician making the examination for the United States and the physician of the employee, the Secretary of Labor shall appoint a third physician from a roster of physicians with relevant expertise maintained by the Secretary of Health and Human Services.

(c) RIGHTS OF CLAIMANT.—

(1) IN GENERAL.—Except as provided by paragraph (2), the provisions of section 8127 of title 5, United States Code, shall apply.

(2) SUITS TO COMPEL INFORMATION.—A claimant may commence an action in the appropriate district court of the United States against a beryllium vendor, or other contractor or subcontractor of the Department of Energy, to compel the production of information or documents requested by the Secretary of Labor under this subtitle if such information or documents are not provided within 180 days of the date of the request. Upon successful resolution of any action brought under this paragraph, the court shall award the claimant reasonable attorney fees and costs to be paid by the defendant in such action.

(d) DEADLINES.—Beginning on the date that is two years after the date of enactment of this title, the Secretary of Labor shall allow or deny a claim under this section not later than the later of—

(1) 180 days after the date of submittal of the claim to the Secretary under section 3516; or

(2) 120 days after the date of receipt of information or documents produced under subsection (c)(2).

(e) RESOLUTION OF REASONABLE DOUBT.—Except as provided in subsection (b)(2), in determining whether a claimant meets the requirements of this subtitle, the Secretary of Labor shall find in favor of the claimant in circumstances where the evidence supporting the claim of the claimant and the evidence controverting the claim of the claimant is in equipoise.

(f) SERVICE OF DECISION.—The Secretary of Labor shall have served upon a claimant the Secretary's decision denying the claim under this section, including the finding of fact under subsection (a)(1).

(g) HEARINGS AND FURTHER REVIEW.—

(1) REGULATIONS.—The Secretary of Labor may prescribe regulations necessary for the administration and enforcement of this title including regulations for the conduct of hearings under this section.

(2) APPEALS PANELS.—

(A) IN GENERAL.—Regulations issued by the Secretary of Labor under this title shall provide for one or more Energy Employees' Compensation Appeals Panels of three individuals with authority to hear and, subject to applicable law and the regulations of the Secretary, make final decisions on appeals taken from determinations and awards with respect to claims of employees filed under this subtitle.

(B) INTERAGENCY AGREEMENT.—Under an agreement between the Secretary of Labor and another Federal agency (except the Department of Energy), a panel appointed by the other Federal agency may provide these appellate decisionmaking services.

(3) APPEAL.—An individual seeking review of a denial of an award under this section shall submit an appeal in accordance with the regulations under this subsection.

(h) RECONSIDERATION BASED ON NEW CRITERIA OR EVIDENCE.—

(1) NEW CRITERIA OR METHODS FOR ESTABLISHING WORK-RELATED ILLNESS.—A claimant may obtain reconsideration of a decision awarding or denying coverage under this subtitle within one year after the effective date of regulations setting forth—

(A) new criteria for establishing a covered beryllium illness pursuant to section 3504(b); or

(B) additional or revised methods for determining whether a cancer was at least as likely as not related to employment pursuant to section 3211(c)(1)(B)(i);

by submitting evidence that is relevant and pertinent to the new regulations.

(2) NEW EVIDENCE.—A covered employee or covered employee's survivor may obtain reconsideration of a decision denying an application for compensation or benefits under this title if the employee or employee's survivor has additional medical or other information relevant to the claim that was not reasonably available at the time of the decision and that likely would lead to the reversal of the decision.

## Subtitle B—Exposure to Other Toxic Substances

### SEC. 3521. DEFINITIONS.

In this subtitle:

(1) DIRECTOR.—The term "Director" means the Director of the Office of Workers' Compensation Advocate under section 217 of the Department of Energy Organization Act, as added by section 3538 of this Act.

(2) PANEL.—The term "panel" means a physicians panel established under section 3522(d).

(3) SECRETARY.—The term "Secretary" means the Secretary of Energy.

### SEC. 3522. AGREEMENTS WITH STATES.

(a) AGREEMENTS.—The Secretary, through the Director, may enter into agreements with the Governor of a State to provide assistance to a Department of Energy contractor employee in filing a claim under the appropriate State workers' compensation system.

(b) PROCEDURE.—Pursuant to agreements under subsection (a), the Director may—

(1) establish procedures under which an individual may submit an application for review and assistance under this section, and

(2) review an application submitted under this section and determine whether the applicant submitted reasonable evidence that—

(A) the application was filed by or on behalf of a Department of Energy contractor employee or employee's estate, and

(B) the illness or death of the Department of Energy contractor employee may have been related to employment at a Department of Energy facility.

(c) SUBMITTAL OF APPLICATIONS TO PANELS.—If provided in an agreement under subsection (a), and if the Director determines that the applicant submitted reasonable evidence under subsection (b)(2), the Director shall submit the application to a physicians panel established under subsection (d). The Director shall assist the employee in obtaining additional evidence within the control of the Department of Energy and relevant to the panel's deliberations.

(d) PANEL.—

(1) NUMBER OF PANELS.—The Director shall inform the Secretary of Health and Human Services of the number of physicians panels the Director has determined to be appropriate to administer this section, the number of physicians needed for each panel, and the area of jurisdiction of each panel. The Director may determine to have only one panel.

(2) APPOINTMENT.—

(A) IN GENERAL.—The Secretary of Health and Human Services shall appoint panel members with experience and competency in diagnosing occupational illnesses under section 3109 of title 5, United States Code.

(B) COMPENSATION.—Each member of a panel shall be paid at the rate of pay payable for level III of the Executive Schedule for each day (including travel time) the member is engaged in the work of a panel.

(3) DUTIES.—A panel shall review an application submitted to it by the Director and determine, under guidelines established by the Director, by rule, whether the illness or death that is the subject of the application arose out of and in the course of employment by the Department of Energy and exposure to a toxic substance at a Department of Energy facility.

(4) ADDITIONAL INFORMATION.—At the request of a panel, the Director and a contractor who employed a Department of Energy contractor employee shall provide additional information relevant to the panel's deliberations. A panel may consult specialists in relevant fields as it determines necessary.

(5) DETERMINATIONS.—Once a panel has made a determination under paragraph (3), it shall report to the Director its determination and the basis for the determination.

(6) INAPPLICABILITY OF FACA.—A panel established under this section shall not be subject to the Federal Advisory Committee Act (5 U.S.C. App.).

(e) ASSISTANCE.—If provided in an agreement under subsection (a)—

(1) the Director shall review a panel's determination made under subsection (d), information the panel considered in reaching its determination, any relevant new information not reasonably available at the time of the panel's deliberations, and the basis for the panel's determination;

(2) as a result of the review under paragraph (1), the Director shall accept the panel's determination in the absence of compelling evidence to the contrary;

(3) if the panel has made a positive determination under subsection (d) and the Director accepts the determination under paragraph (2), or the panel has made a negative determination under subsection (d) and the Director finds compelling evidence to the contrary—

(A) the Director shall—

(i) assist the applicant to file a claim under the appropriate State workers' compensation system based on the health condition that was the subject of the determination;

(ii) recommend to the Secretary of Energy that the Department of Energy not contest a claim filed under a State workers' compensation system based on the health condition that was the subject of the determination and not contest an award made under a State workers' compensation system regarding that claim; and

(iii) recommend to the Secretary of Energy that the Secretary direct, as permitted by law, the contractor who employed the Department of Energy contractor employee who is the subject of the claim not to contest the claim or an award regarding the claim; and

(B) any costs of contesting a claim or an award regarding the claim incurred by the contractor who employed the Department of Energy contractor employee who is the subject of the claim shall not be an allowable cost under a Department of Energy contract.

(f) INFORMATION.—At the request of the Director, a contractor who employed a Department of Energy contractor employee shall make available to the Director or the employee, information relevant to deliberations under this section.

(g) GAO REPORT.—Not later than February 1, 2002, the Comptroller General shall submit a report to the Congress evaluating the implementation by the Department of Energy of the provisions of this subtitle and of the effectiveness of the program under this subtitle in providing *compensation to Department of Energy contractor employees for occupational illness.*

### *Subtitle C—General Provisions*

### *SEC. 3531. TREATMENT OF COMPENSATION AND BENEFITS.*

*(a) In General.—Any compensation or benefits allowed, paid, or provided under this title—*

*(1) shall not be included as income or resources for purposes of determining eligibility to receive benefits described in section 3803(c)(2)(C) of title 31, United States Code, or the amount of those benefits; and*

*(2) shall not be subject to offset under chapter 37 of title 31, United States Code.*

*(b) Insurance.—(1) Compensation or benefits paid or provided under this title shall not be considered as any form of compensation or reimbursement for a loss for purposes of imposing liability on an individual receiving the compensation or benefits to repay any insurance carrier for insurance payments made.*

*(2) The payment or provision of compensation or benefits under this title shall not be treated as affecting any claim against an insurance carrier with respect to insurance.*

*(c) Prohibition on Assignment or Attachment of Claims.—The provisions of section 8130 of title 5, United States Code, shall apply to claims under this title.*

*(d) Retention of Civil Service Rights.—If a Federal employee found to be disabled under this title resumes employment with the Federal Government, the employee shall be entitled to the rights set forth in section 8151 of title 5, United States Code.*

### *SEC. 3532. FORFEITURE OF BENEFITS BY CONVICTED FELONS.*

*(a) Forfeit Compensation.—Any individual convicted of a violation of section 1920 of title 18, United States Code, or any other Federal or State criminal statute relating to fraud in the application for or receipt of any benefit under this title or under any other Federal or State workers' compensation law, shall forfeit (as of the date of such conviction) any entitlement to any benefit under this title such individual would otherwise be awarded for any injury, illness or death covered by this title for which the time of injury was on or before the date of the conviction. This forfeiture shall be in addition to any action the Secretary of Labor takes under sections 8106 or 8129 of title 5, United States Code.*

*(b) Dependents.—(1) Notwithstanding any other provision of law, except as provided under paragraph (2), compensation under this title shall not be paid or provided to an individual during any period during which such individual is confined in a jail, prison, or other penal institution or correctional facility, pursuant to that individual's conviction of an offense that constituted a felony under applicable law. After this period of incarceration ends, the individual shall not receive compensation forfeited during the period of incarceration.*

*(2) If an individual has one or more dependents as defined under section 8110(a) of title 5, United States Code, the Secretary of Labor may, during the period of incarceration, pay to such dependents a percentage of the compensation under section 3114 that would have been payable to the individual computed according to the percentages set forth in section 8133(a) (1) through (5) of title 5, United States Code.*

*(c) Information.—Notwithstanding section 552a of title 5, United States Code, or any other Federal or State law, an agency of the United States, a State, or a political subdivision of a State shall make available to the Secretary of Labor, upon written request from the Secretary of Labor and if the Secretary of Labor requires the information to carry out this section, the names and Social Security account numbers of individuals confined, for conviction of a felony, in a jail, prison, or other penal institution or correctional facility under the jurisdiction of that agency.*

### *SEC. 3533. LIMITATION ON RIGHT TO RECEIVE BENEFITS.*

*(a) Claimant.—A claimant who receives compensation for any claim under this title, except for compensation provided under the authority of section 8103(b) of title 5, United States Code, shall not receive compensation for any other claim under this title.*

*(b) Survivor.—If a survivor receives compensation for any claim under this title derived from a covered employee, except for compensation provided under the authority of section 8103(b) of title 5, United States Code, such survivor shall not receive compensation for any other claim under this title derived from the same covered employee. A survivor of a claimant who receives compensation for any claim under this title, except for compensation provided under the authority of section 8103(b) of title 5, United States Code, shall not receive compensation for any other claim under this title derived from the same covered employee.*

*(c) Widow or Widower.—A widow or widower who is eligible for benefits under this title derived from more than one husband or wife shall elect one benefit to receive.*

### *SEC. 3534. COORDINATION OF BENEFITS—STATE WORKERS' COMPENSATION.*

*(a) In General.—An individual who is eligible to receive compensation under this title because of a cancer (including a specified cancer), chronic silicosis, covered beryllium illness, or death and who is also entitled to receive benefits because of the same cancer (including a specified cancer), chronic silicosis, covered beryllium illness, or death from a State workers' compensation system shall elect which such benefits to receive, unless—*

*(1) at the time of injury, workers' compensation coverage for the employee was secured by a policy or contract of insurance; and*

*(2) the Secretary of Labor waives the requirement to make such an election.*

*(b) Election.—The individual shall make the election within the time allowed by the Secretary of Labor. The election when made is irrevocable and binding on all survivors of that individual.*

*(c) Coordination.—Except as provided in paragraph (d), an individual who has been awarded compensation under this title and who also has received benefits from a State workers' compensation system because of the same cancer (including a specified cancer), chronic silicosis, covered beryllium illness, or death, shall receive compensation as specified under this title reduced by the amount of any workers' compensation benefits that the individual has received under the State workers' compensation system as a result of the cancer (including a specified cancer), chronic silicosis, covered beryllium illness, or death attributable to the period subsequent to the effective date of this title, after deducting the reasonable costs, as determined by the Secretary of Labor, of obtaining benefits under the State workers' compensation system.*

*(d) Waiver.—An individual described in paragraph (a) who has also received, under paragraph (a)(2), a waiver of the requirement to elect between compensation under this title and benefits under a State workers' compensation system shall receive compensation as specified in this title for the cancer (including a specified cancer), chronic silicosis, covered beryllium illness, or death, reduced by 80 percent of the net amount of any workers' compensation benefits that the claimant has received under a State workers' compensation system attributable to the period subsequent to the effective date of this title, after deducting the reasonable costs, as determined by the Secretary of Labor, of obtaining benefits under the State workers' compensation system.*

### *SEC. 3535. COORDINATION OF BENEFITS—FEDERAL WORKERS' COMPENSATION.*

*(a) In General.—An individual who is eligible to receive compensation under this title because of a cancer (including a specified cancer), chronic silicosis, covered beryllium illness, or death and who is also entitled to receive benefits because of the same cancer (including a specified cancer), chronic silicosis, covered beryllium illness, or death from another Federal workers' compensation system shall elect which such benefits to receive.*

*(b) Election.—The individual shall make the election within the time allowed by the Secretary of Labor. The election when made is irrevocable and binding on all survivors of that individual.*

*(c) Coordination.—An individual who has been awarded compensation under this title and who also has received benefits from another Federal workers' compensation system because of the same cancer (including a specified cancer), chronic silicosis, covered beryllium illness, or death, shall receive compensation as specified under this title reduced by the amount of any workers' compensation benefits that the individual has received under the other Federal workers' compensation system as a result of the cancer (including a specified cancer), chronic silicosis, covered beryllium illness, or death.*

### *SEC. 3536. RECEIPT OF BENEFITS—OTHER STATUTES.*

*An individual may not receive compensation under this title for cancer and also receive compensation under the Radiation Exposure Compensation Act (42 U.S.C. 2210 note) or the Radiation-Exposed Veterans Compensation Act (38 U.S.C. 112(c)).*

### *SEC. 3537. DUAL COMPENSATION—FEDERAL EMPLOYEES.*

*(a) Limitation.—While a Federal employee is receiving compensation under this title, or such employee has been paid a lump sum in commutation of installment payments until the expiration of the period during which the installment payments would have continued, such employee may not receive salary, pay, or remuneration of any type from the United States, except—*

*(1) in return for service actually performed;*

*(2) pension for service in the Army, Navy or Air Force;*

*(3) other benefits administrated by the Department of Veterans Affairs unless such benefits are payable for the same covered illness or the same death; and*

*(4) retired pay, retirement pay, retainer pay, or equivalent pay for service in the Armed Forces or other uniformed service.*

*However, eligibility for or receipt of benefits under subchapter III of chapter 83 of title 5, United States Code, or another retirement system for employees of the Government, does not impair the right of the employee to compensation for scheduled disabilities specified by section 8107 of title 5, United States Code.*

### *SEC. 3538. DUAL COMPENSATION—OTHER EMPLOYEES.*

*An individual entitled to receive compensation under this title because of a cancer (including a specified cancer), chronic silicosis, covered beryllium illness, or death covered by this title of a covered employee, who also is entitled to receive from the United States under a provision of a statute other than this title payments or benefits for that injury, illness or death (except proceeds of an insurance policy), because of service by such employee (or in the case of death, by the deceased) as an employee or in the Armed Forces, shall elect which benefits to receive. The individual shall make the election within the time allowed by the Secretary of*

*Labor. The election when made is irrevocable, except as otherwise provided by statute.*

### *SEC. 3539. EXCLUSIVITY OF REMEDY AGAINST THE UNITED STATES, CONTRACTORS, AND SUBCONTRACTORS.*

*(a) IN GENERAL.—The liability of the United States or an instrumentality of the United States under this title with respect to a cancer (including a specified cancer), chronic silicosis, covered beryllium illness, or death of a covered employee is exclusive and instead of all other liability—*

*(1) of—*

*(A) the United States;*

*(B) any instrumentality of the United States;*

*(C) a contractor that contracted with the Department of Energy to provide management and operation, management and integration, or environmental remediation of a Department of Energy facility (in its capacity as a contractor);*

*(D) a subcontractor that provided services, including construction, at a Department of Energy facility (in its capacity as a subcontractor); and*

*(E) an employee, agent, or assign of an entity specified in subparagraphs (A) through (D);*

*(2) to—*

*(A) the covered employee;*

*(B) the covered employee's legal representative, spouse, dependents, survivors and next of kin; and*

*(C) any other person, including any third party as to whom the covered employee has a cause of action relating to the cancer (including a specified cancer), chronic silicosis, covered beryllium illness, or death, otherwise entitled to recover damages from the United States, the instrumentality, the contractor, the subcontractor, or the employee, agent, or assign of one of them;*

*because of the cancer (including a specified cancer), chronic silicosis, covered beryllium illness, or death in any proceeding or action including a direct judicial proceeding, a civil action, a proceeding in admiralty, or a proceeding under a tort liability statute or the common law.*

*(b) APPLICABILITY.—This section applies to all cases filed on after July 31, 2000.*

*(c) WORKERS' COMPENSATION.—This section does not apply to an administrative or judicial proceeding under a State or Federal workers' compensation statute subject to sections 3534 through 3538.*

### *SEC. 3540 ELECTION OF REMEDY AGAINST BERYLLIUM VENDORS AND ATOMIC WEAPONS EMPLOYERS.*

*(a) BERYLLIUM VENDORS.—If an individual elects to accept payment under this title with respect to a covered beryllium illness or death of a covered employee, that acceptance of payment shall be in full settlement of all tort claims related to such covered beryllium illness or death—*

*(1) against—*

*(A) a beryllium vendor or a contractor or subcontractor of a beryllium vendor; and*

*(B) an employee, agent, or assign of a beryllium vendor or of a contractor or subcontractor of a beryllium vendor;*

*(2) by—*

*(A) that individual;*

*(B) that individual's legal representative, spouse, dependents, survivors, and next of kin; and*

*(C) any other person, including any third party as to whom a covered employee has a cause of action relating to the covered beryllium illness or death, otherwise entitled to recover damages from the beryllium vendor, the contractor or subcontractor of the beryllium vendor, or the employee, agent, or assign of the beryllium vendor, of the contractor or subcontractor of the beryllium vendor;*

*that arise out of the covered beryllium illness or death in any proceeding or action including a direct judicial proceeding, a civil action, a proceeding in admiralty, or proceeding under a tort liability statute or the common law.*

*(b) ATOMIC WEAPONS EMPLOYER.—If an individual elects to accept payment under this title with respect to a cancer (including a specified cancer) or death of a covered employee, that acceptance of payment shall be in full settlement of all tort claims—*

*(1) against—*

*(A) an atomic weapons employer; and*

*(B) an employee, agent, or assign of an atomic weapons employer;*

*(2) by—*

*(A) that individual;*

*(B) that individual's legal representative, spouse, dependents, survivors, and next of kin; and*

*(C) any other person, including any third party as to whom a covered employee has a cause of action relating to the cancer (including a specified cancer) or death, otherwise entitled to recover damages from the atomic weapons employer, or the employee, agent, or assign of the atomic weapons employer;*

*that arise out of the cancer (including a specified cancer) or death in any proceeding or action including a direct judicial proceeding, a civil action, a proceeding in admiralty, or proceeding under a tort liability statute or the common law.*

*(c) APPLICABILITY.—*

*(1) IN GENERAL.—With respect to a case filed after the date of enactment of this title, alleging liability of—*

*(A) a beryllium vendor or a contractor or subcontractor of a beryllium vendor for a covered beryllium illness or death of a covered beryllium employee; or*

*(B) an atomic weapons employer for a cancer (including a specified cancer) or death of a covered employee;*

*the plaintiff shall not be eligible for benefits under this title unless the plaintiff files such case within the applicable time limits in paragraph (2).*

*(2) TIME LIMITS.—*

*(A) SUITS AGAINST BERYLLIUM VENDORS.—Except as provided in subparagraph (B), a case described in paragraph (1)(A) shall be filed not later than the later of—*

*(i) 180 days after the date of enactment of this title; or*

*(ii) 180 days after the date the plaintiff first becomes aware that a covered beryllium illness or death of a covered beryllium employee may be connected to the exposure of the covered employee to beryllium in the performance of duty.*

*(B) NEW DIAGNOSES.—A new period of limitation under subparagraph (A)(ii) shall commence with each new diagnosis of a covered beryllium illness that is different from a previously diagnosed covered beryllium illness.*

*(C) SUITS AGAINST ATOMIC WEAPONS EMPLOYERS.—Except as provided in subparagraph (D), a case described in paragraph (1)(B) shall be filed not later than the later of—*

*(i) 180 days after the date of enactment of this title; or*

*(ii) 180 days after the date the plaintiff first becomes aware that a cancer (including a specified cancer) or death of a covered employee may be connected to the exposure of the covered employee to radiation in the performance of duty.*

*(D) NEW DIAGNOSES.—A new period of limitation under subparagraph (C)(ii) shall commence with each new diagnosis of a cancer (including a specified cancer) that is different from a previously diagnosed cancer.*

*(c) WORKERS' COMPENSATION.—This section does not apply to an administrative or judicial proceeding under a State or Federal workers' compensation statute subject to sections 3534 through 3538.*

### *SEC. 3541. SUBROGATION OF THE UNITED STATES.*

*(a) IN GENERAL.—If a cancer (including a specified cancer), covered beryllium illness, chronic silicosis, disability, or death for which compensation is payable under this title is caused under circumstances creating a legal liability in a person other than the United States to pay damages, sections 8131 and 8132 of title 5, United States Code, shall apply, except to the extent specified in this title.*

*(b) APPEARANCE OF EMPLOYEE.—For the purposes of this title, the provision in section 8131 of title 5, United States Code, that provides that an employee required to appear as a party or witness in the prosecution of an action described in that section is in an active duty status while so engaged shall only apply to a Federal employee.*

### *SEC. 3542. ENERGY EMPLOYEES' OCCUPATIONAL ILLNESS COMPENSATION FUND.*

*(a) ESTABLISHMENT.—There is hereby established on the books of the Treasury a fund to be known as the Energy Employees' Occupational Illness Compensation Fund. The Secretary of the Treasury shall transfer to the Fund from the general fund of the Treasury the amounts necessary to carry out the purposes of this title.*

*(b) USE OF THE FUND.—Amounts in the Fund shall be used for the payment of compensation under this title and other benefits and expenses authorized by this title or any extension or application thereof, and for payment of all expenses of the administration of this title.*

*(c) COST DETERMINATIONS.—(1) Within 45 days of the end of every quarter of every fiscal year, the Secretary of Labor shall determine the total costs of compensation, benefits, administrative expenses, and other payments made from the Fund during the quarter just ended; the end-of-quarter balance in the Fund; and the amount anticipated to be needed during the immediately succeeding two quarters for the payment of compensation, benefits, and administrative expenses under this title.*

*(2) In making the determination under paragraph (1), the Secretary of Labor shall include, without amendment, information provided by the Secretary of Energy and the Secretary of Health and Human Services on the total costs and amounts anticipated to be needed for their activities under this title.*

*(3) Each cost determination made in the last quarter of the fiscal year under paragraph (1) shall show, in addition, the total costs of compensation, benefits, administrative expenses, and other payments from the Fund during the preceding 12-month expense period and an estimate of the expenditures from the Fund for the payment of compensation, benefits, administrative expenses, and other payments for each of the immediately succeeding two fiscal years.*

*(d) ASSURING AVAILABLE BALANCE IN THE FUND.—Upon application of the Secretary of Labor, the Secretary of the Treasury shall advance such sums from the Treasury as are projected by the Secretary of Labor to be necessary, for the period of time equaling the date of a projected deficiency in the Fund through 90 days following the end of the fiscal year, for the payment of compensation and other benefits and expenses authorized by this title or any extension or application thereof, and for payment of all expenses of administering this title.*

### *SEC. 3543. EFFECTIVE DATE.*

*This title is effective upon enactment, and applies to all claims, civil actions, and proceedings pending on, or filed on or after, the date of enactment of this title.*

### *SEC. 3544. TECHNICAL AND CONFORMING AMENDMENTS.*

*(a) Section 1920 of title 18 is amended by inserting in the title "or Energy employee's" after "Federal employee's" and by inserting "or the*

*Energy Employees' Occupational Illness Compensation Act of 2000" after "title 5".*

*(b) Section 1921 of title 18 is amended by inserting in the title "or Energy employees" after "Federal employees" and by inserting "or the Energy Employees' Occupational Illness Compensation Act of 2000" after "title 5".*

*(c) Section 210(a)(1) of the Energy Reorganization Act of 1974 (42 U.S.C. 5851(a)(1)) is amended by—*

*(1) in subparagraph (E), striking "or;" and inserting ";",*

*(2) in subparagraph (F), striking the period and inserting "; or", and*

*(3) after subparagraph (F) inserting a new subparagraph as follows:*

*"(G) filed an application for benefits or assistance under the Energy Employees Occupational Illness Compensation Act of 2000".*

*(d) Title II of the Department of Energy Organization Act (P.L. 95–91) is amended by adding at the end of the title the following:*

*"OFFICE OF WORKERS' COMPENSATION ADVOCATE*

*"SEC. 217. (a) There shall be within the Department an Office of Workers' Compensation Advocate. The Office shall be headed by a Director who shall be appointed by the Secretary. The Director shall be compensated at the rate provided for in level IV of the Executive Schedule under section 5315 of title 5, United States Code.*

*"(b) The Director shall be responsible for providing information, research reports, and studies to support the implementation of the Energy Employees' Occupational Illness Compensation Act of 2000. Not later than 90 days after the date of enactment of this section, the Director shall enter into memoranda of agreement to provide for coordination of the efforts of the office with the Department of Labor and the Department of Health and Human Services.*

*"(c) The Director shall coordinate efforts within the Department to collect and make available to present and former employees of the Department and its predecessor agencies, present and former employees of contractors and subcontractors to the Department and its predecessor agencies, and other individuals who are or were present at facilities owned or operated by the Department or its predecessor agencies information on occupational conditions and exposures to health hazards. Such information shall include information on substances and their chemical forms to which employees may have been exposed, records and studies relevant to determining occupational hazards, raw dosimetry and industrial hygiene data, results from medical screening programs, accident and other relevant occurrence reports, and reports, assessments, or reviews by contractors, consultants, or external entities relevant to assessing risk of occupational hazards or illness.*

*"(d) If the Director determines that—*

*"(1) an entity within the Department or an entity that is the recipient of a Departmental grant, contract, or cooperative agreement possesses information necessary to carry out the provisions of the Energy Employees' Occupational Illness Compensation Act of 2000; and*

*"(2) the production and sharing of that information under the provisions of the Energy Employees' Occupational Illness Compensation Act of 2000 is being unreasonably delayed;*

*the Director shall have the authority, notwithstanding section 3213 of the National Nuclear Security Administration Act, to direct such entity to produce expeditiously such information in accordance with the provisions of this section and the Energy Employees' Occupational Illness Compensation Act of 2000.*

*"(e) The Director shall take actions to inform and assist potential claimants under the Energy Employees' Occupational Illness Compensation Act of 2000, pursuant to section 3515(e) of such Act.".*

## NATIONAL DAY OF REMEMBRANCE

Mr. NICKLES. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 336 submitted earlier today by Senator SNOWE.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 336) expressing the sense of the Senate regarding the contributions, sacrifices, and distinguished service of Americans exposed to radiation or radioactive material as a result of service in the Armed Forces.

There being no objection, the Senate proceeded to consider the resolution.

Ms. SNOWE. Mr. President, this resolution is introduced to honor veterans exposed to radiation while serving in the U.S. military.

As many of my colleagues are no doubt aware, many veterans, veterans organizations, and scientists believe that exposure to environmental toxins or unknown diseases during military service has left thousands of veterans vulnerable to an array of disabilities and medical conditions. Over the years, Congress has responded to the concerns of veterans with claims resulting from service in nuclear testing areas, as well as Vietnam veterans suffering from exposure to Agent Orange, and Persian Gulf veterans suffering with the Persian Gulf War Illness. Authority for the Department of Veterans Affairs to provide health care for diseases possibly linked to radiation has been made permanent.

The Department of Veterans Affairs is authorized by Congress to provide special priority for enrollment for health services to any veteran exposed to ionizing radiation while participating in the nuclear weapons testing program, or if he or she served with the U.S. occupation forces in Hiroshima or Nagasaki. These veterans are eligible to participate in the VA ionizing radiation registry examination program, under which the VA will perform a complete physical examination, including all necessary tests, for each veteran who requests it. The VA also pays compensation to veterans and their survivors if the veteran is determined to have a disability due to radiation exposure while in service.

Unfortunately, Mr. President, with some disorders, evidence of a service-connection is simply not conclusive. That is why Congress has in some cases permitted a "presumption" of a service-connection, so that veterans can be provided much-needed care, and given appropriate compensation, while science endeavors to verify whether a correlation can be established between military service and the subsequent development of a given medical disorder.

Authority for the Department of Veterans Affairs to provide medical treatment for diseases possibly linked to radiation has been made permanent by Congress. In 1987, Congress found that due to the fact that the evidence of exposure-level risk could not be conclusively verified, our national veterans benefits policy should depend on correlation of various diseases with radiation exposure. Public Law 100–321 included language establishing a presumption that 13 diseases would be presumed to be service-connected if they developed in veterans whose service histories included active duty in a "radiation-risk activity." Since 1987, the list established under Public Law 100–321 has been expanded to include additional diseases, totalling approximately 16.

Mr. President, the resolution I am introducing today would recognize the contributions, sacrifices, and distinguished service of Americans exposed to radiation or radioactive materials in the line of military duty and authorize a day of remembrance for these men and women.

From 1945 to 1963, the U.S. exploded approximately 235 nuclear devices, potentially exposing an estimated 220,000 military personnel to unknown levels of radiation. In addition, roughly 195,000 servicemembers have been identified as participants in the post-WWII occupation of Hiroshima and Nagasaki, Japan. Many of these veterans claimed that low levels of radiation released during the testing, or exposure to radiation in service in Hiroshima and Nagasaki, may be a cause of certain medical conditions that have developed since that service.

Under my resolution, Sunday July 16, 2000, the 55th anniversary of the first atomic explosion—the Trinity Shot in New Mexico—is designated as a "National Day of Remembrance" honoring veterans exposed to radiation in the line of military duty, and the President is urged to issue a proclamation observing the day and paying tribute to these Americans who have had to fight so hard to get the recognition and benefits they deserve. The measure also expresses the sense of the Senate that the Department of Veterans Affairs should take steps to ensure that veterans exposed to radiation in service to their country are awarded the benefits and services they deserve.

Mr. President, the nation has a solemn responsibility to veterans who are injured, or who incur a disease, while serving in the military, including the provision of health care, cash payments, and other benefits that may be awarded to veterans who experience disabilities resulting from military service. This precedent is well-established and should not be undercut or weakened.

I hope that my colleagues will join me in a strong show of support for this resolution and the men and women exposed to radiation in the line of duty.

Thank you, Mr. President, and I yield the floor.

Mr. NICKLES. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 336) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

### S. RES. 336

Whereas the Nation has a responsibility to veterans who are injured, or who incur a disease, while serving in the Armed Forces, including the provision of health care, cash compensation, and other benefits for such disabilities;

Whereas from 1945 to 1963, the United States conducted test explosions of approximately 235 nuclear devices, potentially exposing approximately 220,000 members of the Armed Forces to unknown levels of radiation, and approximately 195,000 members of the Armed Forces have been identified as participants in the occupation of Hiroshima and Nagasaki, Japan, after World War II;

Whereas many of these veterans later claimed that low levels of radiation released during such tests, or exposure to radiation during such occupation, may be a cause of certain medical conditions; and

Whereas Sunday, July 16, 2000, is the 55th anniversary of the first nuclear explosion, the Trinity Shot in New Mexico: Now, therefore, be it

*Resolved,* That it is the sense of the Senate that—

(1) July 16, 2000, should be designated as a "National Day of Remembrance" in order to honor veterans exposed to radiation or radioactive materials during service in the Armed Forces; and

(2) the contributions, sacrifices, and distinguished service on behalf of the United States of the Americans exposed to radiation or radioactive materials while serving in the Armed Forces are worthy of solemn recognition.

## PROGRAM

Mr. NICKLES. Mr. President, I would like to put all Members on notice that just under 40 amendments were filed on the marriage penalty reconciliation bill. Those votes will occur in stacked sequence beginning at 6:15 p.m. on Monday. Therefore, all Senators should prepare for a late night session on Monday with a lot of recorded votes.

Mr. REED. Mr. President, if I could ask my friend to yield, we have 40 amendments filed. I hope the Senator will work on his side as we will on our side. There is some duplication. It may not be necessary to have votes on each amendment. There may be other things that develop during Monday. We may not need all of those votes.

Mr. NICKLES. Mr. President, I concur with my friend and colleague from Nevada. I think for a lot of these amendments recorded votes are not necessary. A lot of these amendments will fall on procedure because they won't be germane to the reconciliation bill.

I will work with my friend from Nevada energetically to reduce the number of amendments on this side, as I am sure he will on the other side, to see if we can't expedite the matter and finish this reconciliation bill to provide marriage penalty relief for married couples, and hopefully complete it on Monday evening.

Mr. President, as a reminder, stacked votes are scheduled also for 9:45 a.m. on Tuesday with respect to the Interior bill. Therefore, Members should plan to stay in or around the Senate Chamber for those stacked votes on Tuesday morning as well. It is our intention to complete the interior bill on Tuesday and move to other matters.

We are going to have a busy couple of weeks. We had a fruitful week this week. We passed the Defense authorization bill. We almost completed the Interior bill. We completed the repeal of the death tax bill. This has been a good week. We have 2 more weeks prior to the August recess, which are going to be very aggressive. Next week we plan to take up the energy and water appropriations bill and the Agriculture appropriations bill.

## ORDER FOR ADJOURNMENT

Mr. NICKLES. Mr. President, seeing no other Senators desiring to speak, I ask unanimous consent that the Senate stand in adjournment under the previous order following the remarks of Senators WELLSTONE and BRYAN.

The PRESIDING OFFICER. Without objection, it is so ordered.

## BBA RELIEF

Mr. WELLSTONE. Mr. President, since its passage in 1997, the BBA has drastically cut Medicare payments in the areas of hospital, home health and skilled nursing care services, among others.

While the reductions were originally estimated at around $100 billion over five years, recent figures put the actual cuts in Medicare payments at over $100 billion.

These cuts have consequences. Beneficiaries with medically complex needs face increase difficulty in accessing skilled nursing care. Hospital discharge planners have greater difficulty obtaining home health services for Medicare beneficiaries as a result of the BBA. Rural Hospital margins have dropped four percentage points continuing a dangerous trend that threatens access to care in rural America.

Last year, Congress acknowledged that the Medicare savings that resulted from the 1997 Balanced Budget Act went far beyond what we intended, and passed the Balanced Budget Refinement Act (BBRA) but it didn't go nearly far enough.

With actual cuts in payment of $200 billion from the BBA, the BBRA reversed at best only 10% of these actual cuts in payment to providers caused by the BBA.

My state of Minnesota has been hit very hard by the BBA cuts, and last year's fix hasn't stopped the pain. As I said when I voted against the BBA, the cuts are too harsh and they will hurt our health care system. Both urban safety net hospitals and rural hospitals are feeling the pain. They are cutting back services, they are short staffed, like the hospital in Aurora, MN are faced with closing if they can't find a way to restructure so that their reliance on Medicare is not so great.

My colleagues should be aware that in rural Minnesota typically 70% of the revenue for rural hospitals is from Medicare and Medicaid. Hospitals are often the largest employers in these communities and new businesses won't locate in a community if it doesn't have a hospital. You can't blame them.

In addition these hospitals are critical to the tourism industry, which in my state is made up largely of mom and pop resorts, restaurants, lodges, canoe outfitters, fishing guides, cross country ski lodges as well as the downhill ski areas, snow mobile trails, vendors who cater to hunters and fishermen and women, bicyclists who use our state trails, the list is a long one.

When these folks become sick or are injured while out in the wilderness, on the water, on the ski hill or while hunting, they need a local hospital to treat their injury or illness. In our state of Minnesota these front line health care providers are small rural hospitals in communities like Cook, Grand Marais, Ely and Teo Harbors. We can't fly out all the people with broken bones or heart attacks during a blizzard, or in the fog. We need hospitals there to provide the care.

Northwestern Minnesota has been hit again by flooding this year. I don't know how many years in a row this has happened. We need health care there in these communities for farm families who are struggling with the farm economy, the weather and a health care crisis in their family. The hospitals in Northwestern Minnesota are on the razors edge of staying open. These BBA cuts hit them hard and hurt them badly.

Southwestern Minnesota is a part of my state that relies on the farm economy. When families are not making any money at farming like this year and last year, whether it be collapsed hog prices, milk, or grain prices, through no fault of their own they don't have money to buy good insurance, the counties' revenue from property taxes that supports the rural county hospitals can't keep up and if Medicare isn't there with a fair level of reimbursement, they face the possibility of closing as well.

There has been a tremendous number of closings in home health care in Minnesota. The cuts we made were extreme. People who could be taken care of at home are now kept longer in the more costly hospital setting simply because there is no one to provide the home care.

But let me focus on the White Community Hospital in Aurora, Minnesota. This is a hospital that serves an iron ore mining community in Northeast Minnesota. The miners in this community and others in communities across Minnesota's iron range mined the ore that was turned into steel and built our cites in the twentieth century, made the cars, and the rails. They are the hear and soul of America. They or their parents came to this country, fleeing oppression in many European countries, they have a strong patriotism, a powerful work ethic and a community second to none in the United States. When I visited them last week to hear about the struggle they are engaged in to keep their hospital open I didn't over promise, but I did promise I would do everything I could to help them in their fight. And I will. The BBA is hurting them. It is an anchor around the neck of their hospital. They are fighting for their hospital and we can't turn our back on them.

I have co-sponsored numerous pieces of legislation to restore additional funds to Medicare providers, but what we need is comprehensive BBA relief and our constituents, our hospitals, our nursing homes, and our home health agencies cannot wait.

When Medicare fails to pay its share, it threatens health care for all patients. Reduced Medicare payments are contributing to decisions by many providers and insurers that threaten Medicare beneficiaries' access to care, including staff layoffs, reductions in services, or even outright facility closures or decisions to withdraw from the Medicare program. As we all know, entire communities suffer when such actions take place.

We need comprehensive and substantial relief for community hospitals, teaching hospitals, rural hospitals, home health agencies, and skilled nursing facilities, among others—and we need it now, before Congress adjourns before the August recess.

This amendment simply sates that it is the sense of the Senate that by the end of the 106th Congress, Congress shall revisit and restore a substantial portion of the reductions in Medicare payments to providers caused by enactment of the BBA of 1997.

I wish to let colleagues know that I am going to call for a vote on an amendment Monday evening that deals with the drastic reduction of Medicare payments in the areas of hospital and home health care, and also skilled nursing care.

In 1997, we passed the balanced budget amendment, and the reductions in Medicare over a 5-year period were estimated to be around $100 billion. The recent figure is going to be about $200 billion.

Last year, we tried to do a "fix," and we passed what was called the Balanced Budget Refinement Act. But basically what it did was restore about 10 percent of the actual cuts that we have made. I could say this in a more complete way, but what I want to do right now is just say to colleagues that my amendment is going to deal with these cuts. Either it is going to be a sense of the Senate that says by the end of the session, we have to restore some of this assistance, some of this money to our providers and to our patients and to the consumers, and/or I could have another amendment that says if we do not do that, there needs to be a freeze in the cuts.

I am sure the Presiding Officer has heard of this in Alabama. I think you hear it in Nevada. I hear it in Minnesota. You hear it all across the country. In Minnesota, especially in our rural communities, whether it is White Hospital in the Iron Range in the White Lakes, whether it is southwest Minnesota, whether it is west central Minnesota, especially in our rural communities—we are going to lose these hospitals. They lost anywhere from 50 to 70 percent of their payment on Medicaid and Medicare.

Colleagues, in 1997, I don't know what we were thinking when we voted for this. I think it was a big mistake. I did not vote for it. Others voted for it in good faith. Right now, what we are hearing is that these hospitals are not going to be able to provide the care. They are going to go under. These nursing homes are not going to be able to make it. We have seen severe cuts and cutbacks of services in home health care.

The point is this: Yes, it is true the hospitals and nursing homes are important employers in these communities, so there are jobs. Yes, it is true the same thing could be said for home health care. But the worst part of it is we are talking about a dramatic decline in the quality of care for people. In a lot of communities, especially in rural America, this is the death knell for our communities. It is hard enough for people to struggle to earn a decent living, but people can't stay in the communities if there is not good health care and if there is not good education available. Right now, we do not have that, if these hospitals shut down.

This amendment is an amendment that speaks to these cuts. It will be an amendment based upon many meetings I have had with community people all across Minnesota. I think it is an amendment that all my colleagues, hopefully, will support because when Medicare does not pay its share, it is a threat to the health care for patients and it also has a dramatic negative effect on our communities as well.

I want to bring this to the attention of colleagues. I hope there will be a strong vote for this amendment. There is some discussion we are not going to do anything about this. But we never should have voted for cuts that are this severe. This has had just the harshest consequences. It was a mistake and we have to restore this funding.

## MASSACRES IN COLOMBIA

Mr. WELLSTONE. Mr. President, I want to bring something to the attention of the Senate today. Even though most Senators are gone, I want to do this because I think it should be done in as public a way as possible. I bring to the attention of colleagues a piece in the New York Times. It is a front-page story, "Colombians Tell of Massacre, as Army Stood By."

When you read this story, there will be tears in your eyes. I don't know whether they will be tears of sadness or tears of anger. I will read just the first few paragraphs:

> EL SALADO, Colombia.—The armed men, more than 300 of them, marched into this tiny village early on a Friday. They went straight to the basketball court that doubles as the main square, residents said, announced themselves as members of Colombia's most feared right-wing paramilitary group, and with a list of names began summoning residents for judgment.
>
> A table and chairs were taken from a house, and after the death squad leader had made himself comfortable, the basketball court was turned into a court of execution, villagers said. The paramilitary troops ordered liquor and music, and then embarked on a calculated rampage of torture, rape and killing.
>
> "To them, it was like a big party," said one of a dozen survivors who described the scene in interviews this month. "They drank and danced and cheered as they butchered us like hogs."
>
> By the time they left, late the following Sunday afternoon, they had killed at least 36 people whom they accused of collaborating with the enemy, left-wing guerrillas who have long been a presence in the area. The victims, for the most part, were men, but others ranged from a 6-year-old girl to an elderly woman. As music blared, some of the victims were shot after being tortured; others were stabbed or beaten to death, and several more were strangled.
>
> Yet during the three days of killing last February, military and police units just a few miles away made no effort to stop the slaughter, witnesses said. At one point, they said, the paramilitaries had a helicopter flown in to rescue a fighter who had been injured trying to drag some victims from their home.
>
> Instead of fighting back, the armed forces set up a roadblock on the way to the village shortly after the rampage began, and prevented human rights and relief groups from entering and rescuing residents.
>
> While the Colombian military has opened three investigations into what happened here and has made some arrests of paramilitaries, top military officials insist that fighting was under way in the village between guerrillas and paramilitary forces—not a series of executions. They also insist that the colonel in charge of the region has been persecuted by

government prosecutors and human rights groups. Last month he was promoted to general, even though examinations of the incidents are pending.

I ask unanimous consent the entire article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, July 14, 2000]

### VILLAGERS TELL OF A MASSACRE IN COLOMBIA, WITH THE ARMY STANDING BY

(By Larry Rohter)

EL SALADO, COLOMBIA.—The armed men, more than 300 of them, marched into this tiny village early on a Friday. They went straight to the basketball court that doubles as the main square, residents said, announced themselves as members of Colombia's most feared right-wing paramilitary group, and with a list of names began summoning residents for judgment.

A table and chairs were taken from a house, and after the death squad leader had made himself comfortable, the basketball court was turned into a court of execution, villagers said. The paramilitary troops ordered liquor and music, and then embarked on a calculated rampage of torture, rape and killing.

"To them, it was like a big party," said one of a dozen survivors who described the scene in interviews this month. "They drank and danced and cheered as they butchered us like hogs."

By the time they left, late the following Sunday afternoon, they had killed at least 36 people whom they accused of collaborating with the enemy, left-wing guerrillas who have long been a presence in the area. The victims, for the most part, were men, but others ranged from a 6-year-old girl to an elderly woman. As music blared, some of the victims were shot after being tortured; others were stabbed or beaten to death, and several more were strangled.

Yet during the three days of killing last February, military and police units just a few miles away made no effort to stop the slaughter, witnesses said. At one point, they said, the paramilitaries had a helicopter flown in to rescue a fighter who had been injured trying to drag some victims from their home.

Instead of fighting back, the armed forces set up a roadblock on the way to the village shortly after the rampage began, and prevented human rights and relief groups from entering and rescuing residents.

While the Colombian military has opened three investigations into what happed here and has made some arrests of paramilitaries, top military officials insist that fighting was under way in the village between guerrillas and paramilitary forces—not a series of executions. They also insist that the colonel in charge of the region has been persecuted by government prosecutors and human rights groups. Last month he was promoted to general, even though examinations of the incidents are pending.

What happened in El Salado last February—at the same time that President Clinton was pushing an aid package to step up antidrug efforts here—goes to the heart of the debate over the growing American backing of the Colombian military. For years the United States government and human rights groups have had reservations about the Colombian military leadership, its human rights record and its collaboration with paramilitary units.

The Colombian Armed Forces and police are the principal beneficiaries of a new $1.3 billion aid package from Washington. The Colombian government says it has been working hard to sever the remnants of ties between the armed forces and the paramilitaries and has been training its soldiers to observe international human rights conventions even during combat.

"The paramilitaries are some of the worst of the terrorists who profit from drugs in Colombia, and in no way can anyone justify their human rights violations," said Gen. Barry R. McCaffrey, the White House drug policy director. But he said "the Colombian military is making dramatic improvements in its human rights record," and noted that the aid package includes "significant money, $46 million, for human rights training and implementation."

But human rights groups, pointing to incidents like the massacre here, say these links still exist and that mechanisms to monitor and punish commanders and units have had limited success at best.

"El Salado was the worst recorded massacre yet this year," said Andrew Miller, a Latin American specialist for Amnesty International USA, who spent the past year as an observer near here. "The Colombian Armed Forces, specifically the marines, were at best criminally negligent by not responding sooner to the attack. At worst, they were knowledgeable and complicit."

The paramilitary attack on El Salado killed more people and lasted longer than any other in Colombia this year. But in most other respects it was an operation so typical of the 5,500-member right-wing death squad that goes by the name of the Peasant Self-Defense of Colombia that the Colombian press treated it as just another atrocity.

The paramilitary groups were founded in the early 1980's, mostly funded by agricultural interests to protect them from extortion and kidnapping by the left-wing guerrillas. The groups were declared illegal over a decade ago, but have continued to operate, often with clandestine military support and intelligence, and in recent years have become increasingly involved in drug trafficking.

Over the past 18 months, more than 2,500 people, most of them unarmed peasants in rural areas like this village in northern Colombia, have died in more than 500 attacks by what the Colombian government calls "illegal armed groups" involved in the country's 35-year-old civil conflict. And according to the government, right-wing paramilitary groups are responsible for most of those killings.

Since the El Salado massacre, nearly 3,000 residents of the area have fled to nearby towns, including El Carmen de Bolivar and Ovejas, as well as the provincial capital, Cartagena. Early this month, more than a dozen of the survivors were interviewed in the towns where they have taken refuge under the protection of human rights groups or the Roman Catholic Church.

Despite efforts to protect them, however, some have recently been killed in individual attacks or have disappeared, actions for which the same paramilitary group that attacked their village has been blamed. As a result, all of the survivors interviewed for this story spoke on condition that their names not be used.

Their accounts, however, coincide with investigations conducted by the Colombian government prosecutor's office and by the Colombia office of the United Nations high commissioner for human rights.

Members of a paramilitary unit had attacked this village in 1997, killing five people and warning that they would eventually come back. Many residents fled then, but returned after a few months believing that they were safe until the death squad suddenly reappeared on the morning of Feb. 18.

"I looked up at the hills, and could see armed men everywhere, blocking every possible exit," a farmer recalled. "They had surrounded the town, and almost as soon as they came down, they began firing their guns and shouting, 'Death to the guerrillas.'"

The death squad troops, almost all dressed in military-style uniforms with a blue patch, made their way to the basketball court at the center of the village. The took tables and chairs from a nearby building, pulled out a list of names and began the search for victims.

"Some people were shot, but a lot of them were beaten with clubs and then stabbed with knives or sliced up with machetes," one witness said. "A few people were beheaded, or strangled with metal wires, while others had their throats cut."

The list of those to be executed was supplied by two men, one wearing a ski mask. Paramilitary leaders, who have acknowledged the attack on El Salado but describe it as combat with the Revolutionary Armed Forces of Colombia, known as the FARC, said the two were FARC deserters who had dealt with local people and knew who had been guerrilla sympathizers.

"It was all done very methodically," one witness said. "Some people were brought to the basketball court, but were saved because someone would say, 'Not that one,' and they would be allowed to leave. But I saw a woman neighbor of mine, who I know had nothing at all to do with the guerrillas, knocked down with clubs and then stabbed to death."

While some paramilitaries searched for people to kill, others were breaking into shops and stealing beer, rum and whisky. Before long, a macabre party atmosphere prevailed, with the paramilitaries setting up radios with dance music and ordering a local guitarist and accordionist to play.

In addition, a young waitress from a cantina adjoining the basketball court was ordered to keep a steady supply of liquor flowing. As the armed men grew drunk and rowdy, they repeatedly raped her, along with several other women, according to residents and human rights groups.

As night fell, some residents fled to the wooded hills above town. Others, however stayed in their homes, afraid of being caught if they tried to escape, unable to move because they had small children, or convinced that they would not be harmed.

Saturday was more of the same. "All day long we could hear occasional bursts of gunfire, along with the screams and cries of those who were being tortured and killed," said a women who had taken refuge in the hills with her small children.

Of the 36 people killed in town, 16 were executed at the basketball court. And additional 18 people were killed in the countryside, residents and human rights workers said, and 17 more are still missing, making for a death toll that could be as high as 71.

By Friday afternoon, however, news of the slaughter had spread to El Carmen de Bolivar, about 15 miles away. Relatives of El Salado residents rushed to local police and military posts, but were rebuffed.

"We made a scandal and nearly caused a riot, we were so insistent," said a 40-year-old-man who had left El Salado early on Friday because he had business in town. "But they did nothing to help us."

Besides not coming to the aid of villagers here, the armed forces and the police set up roadblocks that prevented others from entering the town to help. Anyone seeking to enter the area was told the road was unsafe because it had been mined and that combat was going on between guerrilla and paramilitary units.

In a telephone interview, three Colombian Navy admirals said that residents of El Salado were accusing the military of complicity in the massacre because they have been coerced by guerrillas. The roadblock was set up, they said, to prevent more deaths or injuries to civilians.

"At no point was there collaboration on our part, nor would we have permitted their passage" through the area, Adm William Porras, the second in command of the Colombian Navy, said on the death squad unit. "We never at any point were covering up for them or helping them, as all the subsequent investigations have shown."

But local residents, Colombian prosecutors investigating the massacre and human rights groups say there was no combat. Villagers say that the armed forces had not been in the center of El Salado recently, and that they had left the outlying areas a day before. Residents also say they had passed over the dirt road that Friday morning and there were no mines.

"The army was on patrol for two or three days before the massacre took place, and then suddenly they disappeared," recalled a 43-year-old tobacco farmer. "It can't be explained, and it seems very curious to me."

What has been established is that the villagers were simple peasants, and not the guerrillas the paramilitary leader says his troops were fighting. "It is quite clear that these were defenseless people and that what they were subjected to was not combat, but abuse and torture," said a foreign diplomat who has been investigating.

Residents said the paramilitaries felt so certain that government security forces would stay away that late on Friday they had a helicopter flown in. It landed in front of a church and picked up a death squad fighter who was injured when a family he was trying to drag out of their house to be taken to the basketball court resisted.

In a report published last February, Human Rights Watch found "detailed, abundant and compelling evidence of continuing close ties between the Colombian Army and paramilitary groups responsible for gross human rights violations." All told, "half of Colombia's 18 brigade-level units have documented links to paramilitary activity," the report concluded.

"Far from moving decisively to sever ties to paramilitaries, Human Rights Watch's evidence strongly suggests that Colombia's military high command has yet to take the necessary steps to accomplish this goal," the report stated.

At the time of the El Salado massacre, the senior military officer in this region was Col. Rodrigo Quiñones Cárdenas, commander of the First Navy Brigade, who has since been promoted to general. As director of Naval Intelligence in the early 1990's, he was identified by Colombian prosecutors as the organizer of a paramilitary network responsible for the killings of 57 trade unionists, human rights workers and members of a left-wing political party.

In 1994, Colonel Quiñones and seven other soldiers were charged with "conspiring to form or collaborate with armed groups." But after the main witness against him was killed in a maximum security prison and the case was moved from a civilian court to a military tribunal, the colonel was acquitted.

According to the same investigation by Colombian prosecutors, one of Colonel Quiñones's closest asscciates in that paramilitary network was Harold Mantilla, a colonel in the Colombian Marines. Today, Colonel Mantilla is commander of the Fifth Marine Battalion, which operates in the area around El Salado and is one of the units said by residents and human rights workers to have failed to respond to appeals for help.

After the paramilitary unit left El Salado, the police captured 11 paramilitaries northeast of here on the ranch of a drug trafficker who is in prison in Bogotá. Along with four others who were arrested separately, they are facing murder charges, but their leaders and most of the others who carried out the killings remain free.

More than four months after the massacre, El Salado is virtually deserted. Only one of the town's 1,330 original residents was present when a reporter and human rights workers visited early this month, and he said the village remains as it was the day the death squad left, except for the two mass graves on a rise near the basketball court where the bodies were buried and later exhumed for investigators.

The tables and chairs used by the paramilitary "judges," smashed or overturned as they left, are still strewn across the basketball court.

"I don't know if the people are ever going to want to come back again," the resident said. "What happened here was just too terrible to bear, and we didn't deserve it."

Mr. WELLSTONE. We just voted, with essentially no strings attached, to be involved in a military operation in Colombia with the money going for a military operation, to a military that does not lift a finger while these paramilitary death squads go in and massacre innocent people. I say to Senators, Democrats and Republicans, this is no longer Colombia's business. This is our business because we now have provided the money for just such a military, which is complicit, not only in human rights violations—I spoke about this on the floor of the Senate—but in this particular case in the murder of innocent people, including small children.

I ask unanimous consent to have printed in the Record a letter I sent to Secretary Albright.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Senate,
*Washington, DC, July 14, 2000.*

Hon. Madeleine K. Albright,
*Secretary of State,*
*U.S. Department of State,*
*Washington, DC.*

Dear Secretary Albright: I write to express my profound concern over the reported murder and disappearance of 71 civilians in February in El Salado and six civilians this past weekend in La Union, Colombia. Both massacres were allegedly committed by paramilitary groups in collaboration with members of the Colombia Armed Forces. I urge you to move swiftly to investigate these claims and to ensure that those involved in these atrocities are brought to justice.

According to a report today in the New York Times, on February 17th a paramilitary group killed 36 people in El Salado, sixteen of which were executed in the town's basketball court. Another 18 were killed in the surrounding countryside, and 17 are still missing. At the time of the massacre, the senior military office in the region was Col. Rodrigo Quinones Cardenas, commander of the First Navy Brigade, who has since been promoted to general. Not only did military and police units in the area not come to the aid of the villagers, they allegedly set up road blocks which prevented others from entering the town to provide assistance to the victims. While the evidence in this case strongly indicates the link between the armed forces and the paramilitaries in the massacre at El Salado, it clearly confirms a negligence of the duty of the Colombian military and police to protect the civilian population. Similarly, on July 8, helicopters and soldiers from the Colombian 17th Army Brigade appear to have facilitated killings of six men by a paramilitary unit in La Union.

Yesterday, the President signed a bill that will provide approximately $1 billion in emergency supplemental assistance to the Colombian government to support its counter narcotics efforts. During the debate in Congress over Plan Colombia, I and many of my colleagues objected to the plan's military component, the "Push into Southern Colombia," given the detailed and abundant evidence of continuing close ties between the Colombian Army and paramilitary groups responsible for gross human rights violations. The final package was conditioned on the Administration and the Colombian government ensuring that ties between the Armed Forces and paramilitaries are severed, and that Colombian Armed Forces personnel who are credibly alleged to have committed gross human rights violations are held accountable.

Instead of moving decisively to sever ties to paramilitaries, some elements in Colombia's military high command continue to work with paramilitary groups and have yet to take the necessary steps to accomplish that goal. For example, Col. Cardenas was the senior military officer overseeing the El Salado area at the time of the massacre, and was identified by Colombian prosecutors in the early 1990's as the organizer of a paramilitary network responsible for the killings of 57 trade unionist and human workers. Nevertheless, since the killings in El Salado in February, he has received a promotion to general. How does this demonstrate the Colombian military's stated commitment to clean up its house? Is it the policy of the Colombian military to offer promotions to officers involved in incidences about which investigations for human rights abuses are pending?

I am very concerned about the credibility of the vetting process used to insure that Colombian soldiers accused of human rights violations will not serve in the battalions scheduled to receive training from the United States military. It is my understanding that the vetting process checks only for those accusations of direct involvement in human rights violations and does not consider the fact that soldiers may indirectly facilitate abuses. This is reported to have been the case in El Salado.

During the debate surrounding Plan Colombia, the Administration and the Colombian government pledged to work to reduce the production and supply of cocaine while protecting human rights. The continuing reports of human rights abuses in Colombia confirm my grave reservations regarding the Administration's ability to effectively manage the use of the resources that will be provided while protecting the human rights of

> Colombian citizens. To that end, I respectfully seek answers to the following questions:
>
> (1) How will the Administration ensure a vetting process guaranteeing that Colombians indirectly facilitating human rights violations, as well as those accused of direct violations, will not serve in battalions being trained by the United States military?
>
> (2) What will the Administration do to ensure that the alleged murders and human rights abuses in El Salado are investigated, and that those responsible are prosecuted?
>
> (3) How will the Administration address the needs of the victims at El Salado, including the nearly 3,000 residents displaced by the incident?
>
> Thank you for your attention to this matter. I look forward to your response.
>
> Sincerely,
>
> PAUL D. WELLSTONE,
> *U.S. Senator.*

Mr. WELLSTONE. I conclude this letter:

> During this debate surrounding Plan Colombia, the Administration and the Colombian government pledged to work to reduce the production and supply of cocaine while protecting human rights. The continuing reports of human rights abuses in Colombia confirm my grave reservations regarding the Administration's ability to effectively manage the use of the resources that will be provided while protecting the human rights of Colombian citizens. To that end I respectfully seek answers to the following questions.
>
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>
> No. 1, How will the Administration ensure a vetting process guaranteeing that Colombians indirectly facilitating human rights violations, as well as those accused of direct violations, will not serve in battalions being trained by the United States military?
>
> I want an answer to that question from the Secretary of State.
>
> No. 2, What will the Administration do to ensure that the alleged murderers and human rights abuses in El Salado are investigated, and that those responsible are prosecuted?
>
> No. 3, How will the Administration address the needs of the victims at El Salado, including the nearly 3,000 residents displaced by the incident?

Mr. President, I want to conclude by thanking my colleague, Senator BRYAN, for his graciousness, but also by saying to Senators, again, this front-page story—and I just wrote the administration about another massacre just a few days ago in Colombia—this is our business.

We support this government. We are supporting the military operation in the south. We are supporting this military with this kind of record, complicity in this kind of slaughter of innocent people.

I hope Secretary Albright will respond to this letter in an expeditious way. I will continue to come to the floor of the Senate and speak out about what is going on in Colombia. Senator DURBIN is very concerned. Senator REED is very concerned. Senator BIDEN is very concerned. He had a different position on this Colombia aid package. All should speak out, whatever our vote was on this legislation, because this is our business. This is being done, if not directly, indirectly, in our name.

I thank my colleague from Nevada. I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. BRYAN. Mr. President, I am always pleased to yield to my friend and colleague from Minnesota. I know how deeply he feels about these issues. I was happy to provide him the time to speak.

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## MARRIAGE TAX PENALTY RELIEF RECONCILIATION ACT

Mr. BRYAN. Mr. President, I preface my comments this afternoon by praising the distinguished public service of the ranking member of the Senate Finance Committee, the very able and distinguished senior Senator from New York, Mr. MOYNIHAN. Senator MOYNIHAN is not only a treasure for his own State; he is a national resource. This institution and this country will greatly miss his public service.

His years of experience have provided context and perspective for many of the policy debates in which we have been engaged since I have been a Member of this body and, more specifically, since becoming a member of the Senate Finance Committee and having had the opportunity to meet with him. He always acts in a gracious way, with much charm and considerable Irish wit and humor that makes every meeting of the Senate Finance Committee something special because of his wisdom, his insight, and the manner in which he presents his case.

I am pleased to be supportive of the alternative marriage penalty relief measure of which he is the prime architect, and I will discuss that more in just a moment.

My purpose in coming to the floor this afternoon is to oppose the legislation before us today. I do so with regret because it is my view that it would be possible for us to craft a bipartisan measure which would accomplish the result sought by those of us who believe the marriage penalty is unfair and should be eliminated.

Unfortunately, this measure will pass. It will do so on a partisan vote, and, most assuredly, the President will veto this measure and we will, in effect, have missed an opportunity to alleviate a burden that millions of Americans endure, that is unfair, and that we could correct before this session of the Congress concludes. I regret that very deeply, and I am hopeful we may extricate ourselves from the situation we face.

This measure is described as providing relief from a marriage penalty. Let me say that it sails under false colors. No. 1, it does not provide the relief its advocates contend. No. 2, it provides substantial tax relief to those who are not facing a marriage penalty, who enjoy a marriage bonus, and to at least 29 million others who are not married at all.

Providing relief in these two other categories may be an area of legitimate debate and concern, but it could hardly be argued that this is providing relief from an onerous marriage penalty. I much appreciate the support of our distinguished chairman of the Finance Committee to provide relief to taxpayers who are currently paying the penalty. As I said, this does much more and, I think in doing so, diminishes our effort to solve the problem.

My own view is that as a result of the surpluses that have accrued, we ought to be paying down the national debt and taking care of the Social Security and Medicare problem that is longstanding and that threatens to engulf us in those outyears as more and more people become eligible for that program. We ought to be providing a prescription drug benefit as part of Medicare and, yes, we ought to be providing some tax relief, but we ought to do so in a very targeted fashion. I believe that appropriately one of those targets is eliminating the marriage penalty, and I will talk more about the specifics of the proposal in just a moment.

The proposal before us not only is not targeted and is misdirected, in my view, it is also enormously costly. Although we are debating this matter in the context of reconciliation, a concept that I suspect is lost on most Americans who may be watching the proceedings of the Senate this afternoon, that is in a 5-year constraint. In point of fact, what we are talking about is a 10-year bill and a 10-year cost.

The proposal the majority advances would cost $248 billion. In my view, we squander much of the surplus that could be devoted to these other priorities and yet fail to achieve what the majority says is its priority, and that is to eliminate the marriage penalty.

Let me talk for a moment about what the marriage penalty is because not everybody perhaps understands it. Because of certain anomalies in the Tax Code, when millions and millions of married couples in which both are wage earners—a situation that has become increasingly frequent in recent years—combine their incomes, some married couples pay a penalty, and that is wrong and we ought to correct that. It is indefensible and, indeed, one can even argue that it is morally improper as well.

Twenty-five million Americans pay a marriage penalty, and that is the target to which I want to address my comments.

Because of the anomalies in the Tax Code, another 21 million Americans receive a marriage bonus; that is, they benefit by reason of the provisions of the Tax Code. In my view, that is not what the target ought to be. Those married couples will, under the provision of the Republican plan, receive a bonus on top of a bonus, and that, it seems to me, ought not be where our priorities are focused.

Let me point, if I may, to the chart to my right. The total cost of this plan, as I indicated, is $248 billion over a 10-year period of time. Note that 40 percent of those who will be beneficiaries under the plan—40 percent receive 40 percent of the $248 billion; 60 percent of that $248 billion goes to those who are in the bonus category; and 23 percent do not have any penalty at all, no impact by virtue of the marriage penalty.

Of the total amount we are providing in the form of tax relief, only 40 percent—substantially less than half—actually is targeted to the marriage penalty. That is on what we ought to be focusing our attention. Sixty percent of the tax relief provided in this measure has nothing to do with the marriage penalty at all.

Moreover, under the bill that is offered by the majority, we have individuals who will be affected. Some 5 million additional taxpayers will be caught up under what is referred to as an alternative minimum tax. The Republican proposal does not reduce the tax rolls of the AMT, or the alternative minimum tax; it greatly expands it. That is why I have called this proposal something that masquerades as marriage penalty relief because it is much more than that and, at the same time, much less.

The proposal the majority has advanced in terms of its ostensible claim of providing a marriage penalty relief is, at best, a half trillion dollars.

Earlier in my comments, I praised the ranking member of the Finance Committee, the able Senator from New York. His approach, it strikes me, does what we are trying to accomplish: It eliminates the marriage penalty, but it does so in a very targeted and specific way, and that ought to be the guiding principle. If we are serious about eliminating the marriage penalty and providing relief for those taxpayers, 25 million in America, that ought to be the focus. It is simple and is more targeted.

The reconciliation bill before us relies on a complex scheme of bracketed extensions, deduction increases, and allowance of personal preference.

One would have to have a Ph.D. from MIT to figure how the calculations are made. I thought, in the waning days of the 106th Congress, if there was one thing on which we could agree—both those on the other side of the aisle and those on our side of the aisle; those who find themselves to the right of center, to the left of center, and the moderates—we ought not to do anything to make the Tax Code more complicated.

Each summer, as I know a number of my colleagues do, I spend the entire recess doing townhall meetings across my State. Not surprisingly, there are different views as to what we ought to be doing. But no one has argued: You know, what you need to do, Senator, is, return to Washington and try to make this Tax Code more complicated.

May I say that the proposal advanced by the majority will add dozens—maybe hundreds—of new pages of regulations. By contrast, the Democratic alternative provides simplicity.

Taxpayers would be allowed a choice, not a difficult concept for us in America: If you benefit under the Tax Code, as a married person, by filing as a single person, that is your option, and you can do so—no ifs, ands, or buts. And conversely, if you benefit as a married person by filing a joint return, that is your choice as well. It is that simple. Whatever fits your individual need. It is tailored, it is specific, and it is simple.

That is what we are talking about. And I believe that is what we should be all about. Moreover, it is far less expensive than the proposal offered by the Republican majority—much less expensive.

It leaves monies to deal with the priorities I have outlined that I think most Americans support: Providing extended solvency to Social Security and Medicare and a prescription drug benefit, and, yes, to pay down that enormous national debt that exploded during the 1980s and early 1990s.

Moreover, the proposal that we advance, the one that Senator MOYNIHAN has so ably crafted, completely wipes out the marriage penalty—completely wipes it out—without irresponsibly awarding cash bonuses to those who already receive a break under the Tax Code.

While the majority's proposal only addresses a grand total of three marriage penalties in the entire Tax Code, the proposal that we offer would address every single one of the 65 marriage penalties in the Tax Code. It is understandable, it is simple, it is targeted, and it is comprehensive. It does the job.

I will illustrate this point of simplicity with an example, if I may.

I have asserted that under the plan the majority has advocated, it does not wipe out the marriage penalty relief for many. This chart I have here shows an example. Under this example, a married couple—wife and husband—each earn $35,000 a year. Their joint return reflects $70,000 in joint income.

As individuals, they would pay a tax of $8,407. But if they were filing a joint return, they would pay $9,532. Under the current law, they must file jointly. That is the marriage penalty. That is what we are talking about, probably not a situation that is too dissimilar for thousands of married couples—perhaps hundred of thousands. By virtue of being married, they pay $1,125 more than two single individuals with the identical incomes—the woman earning $35,000, the man earning $35,000, who are able to file individually as opposed to a joint return.

Under the bill before us, only $443 of relief is provided. That is only 39 percent of the penalty. So to those couples who are in the situation of being led to believe that if the bill that has been advocated by the majority is passed, they are going to get relief, they are going to be very disappointed because they are not getting all the relief; they are only getting 39 percent.

Under the Democratic plan, crafted by the distinguished Senator from New York, Mr. MOYNIHAN, 100-percent relief is achieved, the full $1,125. And how is that done? Not through a convoluted approach of either compressing or enlarging the brackets, or adjusting the deductions, or from some other kind of incantation in the Tax Code, with which we are all so familiar making our Tax Code such a complicated burden for the average citizen to fill out. By the simple provision—one line in the Tax Code—it is your choice. You may file individually or you may file a joint return.

Obviously, this couple would choose to file individually and in so doing would reduce their tax liability by $1,125. That is real relief. That is targeted relief. That is what our proposal is all about. It is easy to understand. It provides the virtue of simplicity. It does the job, and it is targeted.

I am going to conclude because I know the distinguished Presiding Officer has other matters to attend, and this Senator does as well.

I am hopeful that we can extricate ourselves from this abyss into which we are about to fall. Most of us in the Chamber agree that the marriage penalty is fundamentally wrong. We can solve it with a bipartisan approach, less expensively, simply, and completely by adopting this choice. I certainly hope that we do so.

I pledge to my colleagues on the other side of the aisle, I look forward to working with them and hope that we can accomplish it. The course of action that we are pursuing is a collision course. The wheels are going to come off this train. This proposal will not become law, nor should it, because it does not provide complete relief from the marriage penalty, but it does provide extraordinary tax relief to those who are unaffected in any way by it, for those who already receive a bonus. That is not the kind of targeted tax relief we ought to be providing.

Mr. President, I think from a parliamentary point of view, all I need to do is yield the floor, and under the previous unanimous consent agreement, we are in adjournment; am I correct?

The PRESIDING OFFICER. The Senator from Nevada is correct.

Mr. BRYAN. I notice the enthusiastic response by the distinguished Presiding Officer.

Mr. President, you will be pleased to hear, and our colleagues who are listening will be pleased to hear, I yield the floor.

## ADJOURNMENT UNTIL MONDAY, JULY 17, 2000

The PRESIDING OFFICER. Under the previous order, the Senate stands in adjournment until Monday, July 17, 2000, at 12 noon.

Thereupon, the Senate, at 4:19 p.m., adjourned until Monday, July 17, 2000, at 12 noon.

# EXTENSIONS OF REMARKS

## RECOGNIZING LAVINIA T. DICKERSON

### HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. TOWNS. Mr. Speaker, I rise today to recognize Lavinia T. Dickerson, an Executive Vice President of the Institute for Student Achievement, Inc., a not-for-profit organization. She is a psychologist and an educator with more than 20 years of experience working with children, youth and families in low-income communities.

In July 1995, the New York State Board of Regents and the Commissioner of Education appointed her a member of the State Oversight Panel of Roosevelt School District. She is the principal designer of the Institute's academic enrichment, counseling and personal development school-based programs designed to help low performing students succeed through middle school, graduate from high school and go on to higher education. Chief among these programs are COMET (Children of Many Educational Talents) for middle school students, and STAR (Success Through Academic Readiness) for high school students. The programs help students improve their academic, and behavioral problems, develop good character and concept of self, improve their performance, and successfully finish school on time.

A published author, whose works have appeared in both academic and literary journals, she also directed the San Francisco Children's Workshop in the Western Addition section. She has conducted workshops across the nation for educators, counselors, and human service professionals on collaborative school-based program development for children and at-risk youth.

Lavinia Dickerson is a member of American Association of School Administrators (AASA) and serves on their Federal Policy and Legislative Committee. She is also a member of the Association of Supervision and Curriculum Development (ASCD), the Association of Black Psychologists, the National Black Child Development Institute, and the National Alliance of Black School Educators. She also is a member of several community-based organization boards. She is an alumna of the University of Pennsylvania, the University of California at Berkeley and the Wharton School of Business.

Mr. Speaker, I ask you and all of my colleagues to join me in recognizing the lifelong efforts of Lavinia Dickerson, and wish her continued success in her future endeavors.

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## HAROLD D. SAMUELS

### HON. JOE BARTON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. BARTON of Texas. Mr. Speaker, today I have the pleasure of acknowledging the great service and loyalty Harold D. Samuels has afforded me these past seven years, not only as District Director for the Sixth Congressional District of Texas, but also as a trusted friend. Harold also diligently served the Sixth District as both a City Councilman and the Mayor of Euless, TX, for 25 years.

Harold was born in Waxahachie, TX, in 1934, and graduated from Waxahachie High School in 1951. Harold and the former Tommie Smith have been happily married for 45 years, and together they have three children, Warren, Scott, and Carole. Warren is currently a Baptist Minister, and he and his wife, Sherry, have three daughters. Scott is a General Contractor for the city of Euless, and Carole is happily married with two children.

Harold and Tommie are active members of the First Baptist Church in Euless, where they currently reside. Harold currently donates his time as Secretary for the Board of Trustees for John Peter Smith Health Systems in Fort Worth, and heads his own successful company.

The Sixth District of Texas thanks Harold D. Samuels for his service and dedication to public service, and I personally thank him for his seven years of faithful service as my District Director.

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## WHAT IF THERE WERE FREE TRADE IN OPINION MAKERS?

### HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. KUCINICH. Mr. Speaker, what if there were free trade in opinion makers? According to consumer advocate Ralph Nader, the chief purveyors of the inevitability of unfettered global trade themselves would have a lot to lose if free trade were applied to them. I submit this article to my colleagues.

(By Ralph Nader)

Imagine the following: The New York Times announced today that it was replacing its columnists, Thomas Friedman and Paul Krugman with the two leading bilingual writers from the Beijing Daily. A Times spokesman explained that the move was necessary to meet the global competition.

The two prize-winning Chinese newspaper columnists—Li Gangsun and Mao Yushi—pledged to work hard, and write 4 columns a week, if desired, for $25 a column. Media analysts estimated that the Times would reduce its costs by over 95%.

An accompanying Times editorial urged other companies and think tanks to consider opening up their ranks to free trade in executive talent from Third World countries. "It is time to practice what we preach and join the globalization movement," said the editorial, "and achieve the long-hidden efficiencies from these markets."

The Times cited two examples where the CEOs from Boeing and General Electric, at retirement, replaced themselves with highly regarded, experienced executives from Shanghai and Cuernavaca who are taking office with an unheard of pay package for them of $19,000 a year. These two gentlemen had long prior experience with Boeing factory outsourcing in China and GE factories and suppliers moving to Mexico. With today's online technology, they are able to remain where they are, with occasional visits to the States.

Tom Friedman's last column had a wistful tone—given his past paeans to corporate globalization—but it had a defiant note when he concluded by writing: "I regret that my editors failed to recognize both my long service to the Times and my double Pulitzer prizes. It seems that the intangibles of quality and place have no value anymore. Apparently, everything now is for sale!"

At a departure ceremony, his editors gave Friedman an award for the reporter who has travelled the most and predicted that he would have a fine prospect for employment with fast expanding global Chinese media.

Professor Krugman's good-bye column was totally different. He developed an amended theory of comparative advantage to rebut the very thought of replacing him. "Totally unique commodities like me," wrote the noted economist, "can only adhere to a doctrine of superior advantage. My eminence cannot be compared to the exchange of early 19th century Portuguese wine for British textiles."

Krugman declared that he will return to his full-time faculty post at MIT where he will research how the practice of monopolistic competition can be exempted from world trade agreements and the imminence of widespread distance learning.

Li Gangsun's first column recommended that the Chinese government bring a number of WTO complaints against the non-tariff trade barriers erected by the upper classes of U.S. corporations and universities. "Since everything is for sale," he wrote, "then all these positions should be considered 'commerce and trade' and opened to vigorous competition worldwide."

As for those "tenured economics professors at Harvard and Stanford, who are always testifying for total free trade between nations," he wrote, "they are the essence of impermissible barriers to trade. There are numerous Chinese academics who could do a better job, either in situ or by Internet instruction, at far lower salaries, thus lightening the tuition and debt load for American students."

Word was leaked out that the upcoming meeting of the BusinessRoundtable, which will be closed to the press, will have on its agenda a debate over the topic—

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

"Globalization: if it's good for our workers, why not our top executives?"

Meanwhile, over at the offices of the U.S. Chamber of Commerce near the White House, CEO Tom Donahue is huddled with his aides. The Chamber was planning a joint press conference with its counterpart Mexican Chamber of Commerce to protest President Clinton's clear violation of NAFTA by banning Mexican truck drivers from access to all 50 states.

Already the Teamsters Union and consumer safety groups have been emphasizing the traffic safety hazards of such poorly maintained trucks. Moreover, Teamster drivers are angry over having to compete with $7 a day Mexican drivers.

The aides have new information for Mr. Donahue that is furrowing his brow. It seems that the head of the Mexican Chamber, Jorge Zapata, after reading the Times, is preparing an offer to replace Mr. Donahue. Zapata, a hard-driving, Harvard Business School trained economist, is willing to work for one-eighth of Mr. Donahue's executive compensation package and move to Washington before the year's end. This could lead to reductions in management salaries at the Chamber below Mr. Donahue's level and result in an overall reduction in membership dues.

Mr. Donahue heaved a sigh and, deferring comment, suggested that they all go out for a three-martini lunch.

## PERSONAL EXPLANATION

### HON. CHRISTOPHER SHAYS

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. SHAYS. Mr. Speaker, on July 10, I was in Connecticut participating in my district's nominating convention and, therefore, missed six recorded votes.

I take my voting responsibility very seriously, having missed only a handful of votes in my nearly 13 years in Congress.

I would like to say for the record that had I been present I would have voted "no" on recorded voted No. 373, "yes" on recorded vote No. 374, "yes" on recorded vote No. 375, "yes" on recorded vote No. 376, "yes" on recorded vote No. 377, and "no" on recorded vote No. 378.

## IN HONOR OF JIM DUNBAR

### HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Ms. PELOSI. Mr. Speaker, I rise to honor one of San Francisco's best-known and best-loved radio personalities as he assumes new responsibilities at the station which has been his home since 1963. Jim Dunbar is leaving the morning show at KGO Radio after 25 years of being San Francisco's favorite way to start the day.

Jim Dunbar's career in radio began in 1952 in East Lansing, MI, where Dunbar worked for WKAR providing commentary for Michigan State football games. Over the next eight years, Dunbar worked as a disc jockey, a newscaster, and a program director, and his work took him from Kansas to Detroit to New Orleans. By 1960, he was working as assistant program director and on-air talent for WLS in Chicago. During the three years he was there, WLS flourished and Dunbar attracted the attention of KGO in San Francisco.

By 1963, KGO had tried a variety of formats, but it always ended up last in the ratings. Dunbar was hired as program director and given the charge of turning around the station's fortunes. By any measure, he has had enormous success. Dunbar began many creative segments, including "The Man on the Street," but his most lasting innovation was the "Newstalk" format. It combined news coverage, commentary, and call-in talk radio in a way that no other station at the time had done. By 1978 "KGO Newstalk AM 810" had become the most popular station in the market. It has never relinquished that position.

Although Dunbar intended to work solely as the program director, he soon found himself on the air as the afternoon talk show host implementing the Newstalk format. In 1974, he switched from the afternoon show to become the co-anchor of the KGO Radio Morning News. On this program, for the past 26 years, Dunbar has informed and entertained San Francisco as host of the most popular morning show.

Dunbar also hosted KGO Television's morning talk show AM San Francisco from 1965–1979 and anchored the 5 p.m. news from 1974–1976. He not only reported the news on AM San Francisco but became the news when the "Zodiac" serial killer, still at-large, agreed to call Dunbar on the air. The program was so dramatic that rival television stations encouraged their viewers to watch Dunbar's program instead.

In recognition of his leadership and excellence in the field of broadcasting, Dunbar was inducted into the Radio Hall of Fame in 1999. He is currently the only San Francisco radio personality with that distinction. He has also received a Lifetime Achievement Award from Northwestern University's School of Journalism and was part of the Associated Press Television and Radio Association of California-Nevada's "Best Anchor Team" in 1994, along with Ted Wygant.

Though he is leaving the morning show, Jim is not retiring quite yet. He will continue his work at KGO with topical essays and, when called upon, news reports.

I join with his wife, Beth, his children, Brooke and Jim Jr., and all of his loyal listeners in congratulating Jim on a wonderful career thus far and wishing him many more creative years.

## HONORING KEN BLACKMAN

### HON. LYNN C. WOOLSEY

OF CALIFORNIA

### HON. MIKE THOMPSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Ms. WOOLSEY. Mr. Speaker, we, the Representatives serving Santa Rosa, California, rise today to recognize and celebrate the retirement of Ken Blackman. Ken Blackman served as City Manager for Santa Rosa for 30 years. He was a dedicated and effective public servant. During his time of public service, the city grew into a community that Forbes Magazine named the third-best place to do business in the country. The Press Democrat also ranked Blackman among the 50 Sonoma County people whose leadership and contributions shaped the county in the 20th century.

Ken Blackman helped create Annadel State Park and Santa Rosa Plaza, lobbied for improved services for the homeless, kept city finances stable and helped start the country's wastewater agricultural reclamation project. All of Ken Blackman's efforts have succeeded in his goal to make Santa Rosa a better place.

Mr. Speaker, it is our great pleasure to pay tribute to Ken Blackman for his many years of service to Santa Rosa. We are proud to represent such a fine citizen. We extend our best wishes to Ken Blackman and his family for continued success in the years of his retirement.

## IN CELEBRATION OF THE GRAND OPENING OF THE MUSEUM OF AFRICAN AMERICAN TECHNOLOGY SCIENCE VILLAGE OAKLAND, CALIFORNIA

### HON. BARBARA LEE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Ms. LEE. Mr. Speaker, today I celebrate the Grand Opening of the Museum of African American Technology (MAAT) Science Village in Oakland, California. This event will take place on Saturday, July 29, 2000.

The Science Village is a unique effort by the Northern California Council of Black Professional Engineers (NCCBPE) to present the lives and scientific contributions of African Americans. Through the museum's interactive features, and the ancient African concept of Ma'at, which explores truth and balance in relation to the universe, the Village will encourage the NCCBPE's long standing goal of increasing the number of African American youth who pursue careers in science and engineering.

The Village includes a diverse number of showcases that will reach out to the community. In addition to the scientific concepts and applications that the community has access to, the Science Village will feature a science mobile that will reach out to the community with supplemental classroom material and fun activities.

The actual museum will run a series of seminars about the scientific achievements of African Americans, while providing a collection of magazines, books, and journals that focus on their achievements and their remarkable lives.

It is the hope of the NCCBPE that the scientific accomplishments of African Americans will encourage further discovery in the lives of today's youth. To that end, the museum will also provide further information on methods to prepare for a career in science and engineering. An Internet café will also complement the museum's more traditional materials. The café will be complete with computers for teaching scientific concepts and technical skills while providing outlets for academic and career research.

The African American Technology Science Village is truly an innovative reminder of the vital ways that the African American community has contributed to this country's development. I am excited to join in the grand opening and look forward to the possibility of similar facilities being established throughout the country.

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## THE RELIGIOUS LAND USE AND INSTITUTIONALIZED PERSONS ACT OF 2000

### HON. CHARLES T. CANADY

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. CANADY of Florida. Mr. Speaker, I am pleased to introduce with my colleagues the gentleman from New York, Mr. NADLER and the gentleman from Texas, Mr. EDWARDS, the Religious Land Use and Institutionalized Persons Act, a bill designed to protect the free exercise of religion from unnecessary government interference. The legislation uses the recognized constitutional authority of the Congress to protect one of the most fundamental aspects of religious freedom—the right to gather and worship—and to protect the religious exercise of a class of people particularly vulnerable to government regulation—institutionalized persons.

The land use section of the legislation would prohibit discrimination against or among religious assemblies and institutions, and prohibit the total unreasonable limits on religious assemblies and institutions. Finally, it would require that land use regulations that substantially burden the exercise of religion be justified by a compelling interest. The legislation would also require that a substantial burden on an institutionalized person's religious exercise be justified by a compelling interest.

The Religious Land Use and Institutionalized Persons Act is a partial response to rulings by the Supreme Court which have curtailed constitutional protection for one of our most fundamental rights. In 1990, the Supreme court in Employment Division v. Smith held that governmental actions under neutral laws of general applicability—that is, laws which do not "target" religion for adverse treatment—are not ordinarily subject to challenge under the free exercise clause even if they result in substantial burdens on religious practice. In doing so, the Court abandoned the strict scrutiny legal standard for governmental actions that have the effect of substantially burdening the free exercise of religion. Prior to the Smith decision the Court had for many years recognized, as the Court said in 1972 in Wisconsin v. Yoder, that "[a] regulation neutral on its face may, in its application, nonetheless offend the constitutional requirement for government neutrality if it unduly burdens the free exercise of religion."

In response to widespread public concern regarding the impact of the Smith decision, the Congress in 1993 passed the Religious Freedom Restoration Act, frequently referred to as RFRA, which sought to restore the strict scrutiny legal standard for governmental actions that substantially burdened religious exercise. RFRA was based in part on the power of Congress under Section 5 of the 14th Amendment to "enforce, by appropriate legislation, the provisions" of the 14th Amendment with respect to the States. The Supreme Court in 1997 in the City of Boerne v. Flores, however, held that Congress had gone beyond its proper powers under Section 5 of the 14th Amendment in enacting RFRA.

The Religious Land Use and Institutionalized Persons Act approaches the issue of protecting free exercise in a way that will not be subject to the same challenge that succeeded in Boerne. Its protection for religious assemblies and institutions and for institutionalized persons applies where the religious exercise is burdened in a program or activity operated by the government that receives Federal financial assistance, a provision closely tracking Title VI of the Civil Rights Act of 1964. Such protection also applies where the burden on a person's religious exercise, or removal of the burden, would affect interstate commerce, also following in the tradition of the civil rights laws. In addition, the land use section applies to cases of discrimination and exclusion to cases in which land use authorities can make individualized assessments of proposed land uses. These provisions are designed to remedy the well-documented discriminatory and abusive treatment suffered by religious individuals and organizations in the land use context.

The protection afforded religious exercise by this legislation in the area of land use and zoning will be of great significance to people of faith. Attempting to locate a new church in a residential neighborhood can often be an exercise in futility. Commercial districts are frequently the only feasible avenue for the location of new churches, but many land use schemes permit churches only in residential areas, thus giving the appearance that regulators are being generous to churches when just the opposite is true. Other land use restrictions are more brazen. Some deliberately exclude all new churches from an entire city, others refuse to permit churches to use existing buildings that non-religious assemblies had previously used, and some intentionally change a zone to exclude a church. For example, churches who applied for permits to use a flower shop, a bank, and a theater were excluded when the land use regulators rezoned each small parcel of land into a tiny manufacturing zone.

The Religious Land Use and Institutionalized Persons Act is supported by a broad coalition of more than 70 religious and civil rights groups ranging from the Family Research Council and Campus Crusade for Christ to the National Council of Churches People for the American Way. While it does not fill the gap in the legal protections available to people of faith in every circumstance, it will provide critical protection in two important areas where the right to religious exercise is frequently infringed.

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## AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

SPEECH OF

### HON. CHARLES F. BASS

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 10, 2000*

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4461) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2001, and for other purposes:

Mr. BASS. Mr. Speaker, I rise in strong support of the amendment offered by my colleagues from Oklahoma and Maine.

Prescription drugs are playing an increasing role in health care, and thereby account for a growing share of health care costs. To help address this trend, I have supported legislation to make health insurance, including employer-provided and Medicare managed care plans, which often provide special coverage for prescription medication, more affordable, accessible, and fair.

But a particular problem with prescription drug costs is foreign price controls. Countries like Canada maintain artificially low drug prices, contributing to higher prices in America's free market as companies seek to recoup costs for research and development, which in turn benefits all countries. Simply establishing price controls in America would seriously risk such life-saving and life-improving innovation. Instead, we must focus on ways to break down foreign price controls and create a broader free market in prescription drugs. A first step would be to remove existing barriers to trade while maintaining safety and quality controls.

For example, I am a cosponsor of the Drug Import Fairness Act, H.R. 3240, which would remove unwarranted red tape from legal prescription imports from other countries under current reporting requirements. I also recently cosponsored the International Prescription Drug Parity Act, H.R. 1885, which would revise reporting requirements better to facilitate imports from FDA-certified facilities abroad while continuing to protect safety and quality standards.

This amendment is a step in the same direction, and I hope that Congress will continue to examine additional steps to open up free trade in prescription drugs while maintaining safety and quality standards.

# FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 2001

SPEECH OF

## HON. JAMES P. MORAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4811) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2001, and for other purposes.

Mr. MORAN of Virginia. Mr. Chairman, the FY 2001 Foreign Operations Appropriations bill is a bare-bones measure.

This bill provides for a mere $13.3 billion—about $200 million less than the FY2000 Act and $1.8 billion, or 12%, below the President's $15.1 billion FY2001 request.

Most disconcerting are the inadequate funding levels for debt relief and HIV/AIDS, and language placing restrictions on international funds for family planning.

The Foreign Operations Appropriations bill contains only $82 million of the $472 million requested for multilateral debt relief assistance. This is appalling.

Developing countries are struggling to pay debts that are crippling their economies. These countries have had to make drastic cuts in education and health care in order to make payments on these debts.

Debt relief is good moral and economic policy. Relieving the debt burden borne by the world's poorest nations will significantly improve the lives of millions of people around the world, while also serving U.S. interests by promoting stability and self-sufficiency in these countries.

Last month, the United Nations issued a report that uncovered the major devastation of HIV/AIDS occurring in Sub-Saharan Africa. The report stated that one in five adults in Sub-Saharan Africa are infected with the HIV virus. How can the United States sit back and allow such suffering to go on? The answer is we cannot.

Back in April, the President declared AIDS in Africa to be a threat to U.S. national security. This epidemic has the power to devastate economies, overthrow governments, and set off wars. While some believed this statement was an "overreaction," I am convinced that this is an accurate assessment. If we do not provide the necessary funding to contain this epidemic today, the U.S. and the rest of the international community will have to carry a greater burden in the future.

We can no longer allow an isolationist approach to guide our foreign policy, which is exactly what this bill does. As a world leader, the United States should promote globalization and embrace a pro-active, internationalist vision.

Mr. Chairman, I am discouraged with the inadequate funding provided under the FY2001 Foreign Operations Appropriations bill. It is my hope that we will be able to resolve many of the shortcomings in this bill and bring the funding levels closer to the Administration's request. However, in its current form, I regret that I will have to vote against this bill and I urge my colleagues to do the same.

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# THE HONORABLE D. JOSE MANUEL MOLINA GARCIA

## HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. ORTIZ. Mr. Speaker, I rise today to ask the United States House of Representatives to join me in offering a national welcome to a very special visitor to the City of Corpus Christi, the Mayor of Toledo, Spain, Excmo. Sr. D. Jose Manuel Molina Garcia.

Mayor Garcia is in my congressional district today as the guest of Corpus Christi's Sister Cities Committee. Toledo, Spain is a sister city of Corpus Christi in the U.S.A. The Sister Cities Committee is an important international economic engine in the Coastal Bend of Texas. I offer my congratulations to the Sister City Committee for the good work that they do.

Even before the advent of the North American Free Trade Agreement, Corpus Christi was becoming a leader in international trade. With the trading agreements we have made in the past decade, the international trade in our area has skyrocketed. The Sister City Committee has had much to do with this dynamic.

The Mayor of Toledo, Spain, Excmo. Sr. D. Jose Manuel Molina Garcia, is a very accomplished leader in Spain and has been active in government and economic affairs during the course of his career. He has served as a Senator and national congressman in Spain's legislature. He is well-versed in matters related to economics, he was schooled as an accountant and an attorney.

Since the official business of the House of Representatives keeps me here today, I wanted to ask the House to join me in offering our best wishes to the Sister Cities of Corpus Christi, U.S.A., and Toledo, Spain. Let us also welcome the Honorable D. Jose Manuel Molina Garcia to our country.

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# RECOGNIZING JULETTE O'MEALLY

## HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. TOWNS. Mr. Speaker, I rise today to recognize Julette O'Meally, President of Agape Development Services.

Ms. Julette Hernandez O'Meally has been in the business of managing, developing and training people for more than 15 years. She has served in hospitality, health care and other service industries in the United States and the Caribbean. Her clients range from Fortune 100 companies to individual entrepreneurs.

Whether on an organizational or an individual level, her work centers around increasing the profitability and effectiveness of her clients—by focusing on the personal/professional development of each person, as well as on the development of the organization. This is done through consultations, workshops and individual coaching sessions. Her work with recent clients includes creating, developing and delivering comprehensive orientation programs and training initiatives in customer service, supervisory/management development and communication skills. Ms. O'Meally has held a variety of operations management positions in the hospitality and retail industries. This management experience adds a certain level of credibility and depth of knowledge to the training programs she develops.

Ms. O'Meally is also the founder of the Beethoven Reading Club—a non-profit organization dedicated to the inspiration and development of children. Ms. O'Meally has recently written a book on how to raise self-esteem in children and their parents. She is also a cofounder of Agape Community Services, which offers free workshops and consultations to nonprofit organizations.

Mr. Speaker, I ask you and all of my colleagues to join me in recognizing the lifelong efforts of Julette O'Meally, and wish her continued success in her future endeavors.

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# NAUM FALKOVICH

## HON. JOE BARTON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. BARTON of Texas. Mr. Speaker, I have the privilege of acknowledging the former Naum Falkovich, an immigrant from the Ukraine. As Supervisor for the Transportation Authority, Mr. Falkovich helped to clean up the world's worst nuclear disaster at Cherynobyl in 1986. He made daily trips to the nuclear disaster to ensure proper evacuation, while his wife, Lyusya Falkovich, helped clothe those in the immediate area of the disaster. Mrs. Falkovich later received a medal for her special efforts during the disaster.

In 1993, their desire to escape a land of religious persecution motivated the family to sell all of their belongings, including the precious medal. The Falkovich family sought refuge in America, a land where opportunities are boundless and freedoms are afforded to every human. Fearing his death would arrive before his citizenship, Mr. Falkovich's family contacted my office seeking assistance to expedite the naturalization process. On June 9, 2000, just hours before his death, the 71 year old immigrant named Naum Falkovich received his last wish and became a citizen of the United States. Only a few hours later the proud U.S. citizen lost his grueling battle with cancer.

I speak today to honor Mr. Falkovich, and his courage to seek a better life for himself and his beloved family.

## TRIBUTE TO THE LATE ETTA STANKO

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### HON. CHRISTOPHER SHAYS

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. SHAYS. Mr. Speaker, I rise to pay tribute to one of Darien, Connecticut's most notable volunteers and political activists, and my friend, Etta Stanko, who died June 12 at her home. She was 75 and had lived here for more than 40 years. I would like to read into the record excerpts from a news article of June 15, 2000, written by Locker McCarthy of the Darien News-Review, celebrating her life.

"One of her best friends and a fellow former president of the Darien Community Association, Marge Harrington, said she had known Ms. Stanko and her family 'since they moved to Noroton Bay, where we were, about 35 years ago. She used to call herself a 'professional volunteer,' recalled Ms. Harrington, 'and she certainly did a lot of things. She was everyone's dream volunteer—when she believed in a cause she gave 100 percent. She was a good person and a good friend,' said Ms. Harrington. 'We were with her just last Friday and we went to see 'Small Time Crooks,' and we all laughed."'

"Just three weeks before her death, Ms. Stanko was notified she was to be the next recipient of the Georgina B. Davis Award for her outstanding fund raising efforts on behalf of the Western Connecticut Chapter of the National Multiple Sclerosis Society. Ms. Stanko became involved in trying to further research into M.S. after another past president of the D.C.A. became afflicted with the disease, and so became one of the original members of the Western Connecticut Chapter's committee that sponsors the annual March into Spring fashion show. 'She's been a very good friend since 1978,' said Chapter Director Loretta Weitzel. 'She was a wonderful woman, a mentor, and we'll miss her.'"

"Ms. Stanko was also an ardent leader of town Republicans. For 10 years she served on the Republican Town Committee, and was for two years, a decade ago, its president. She was elected to the Representative Town Meeting every two years from 1986 to 1996, when she did not to run."

"She was not a reticent member of the RTM, and with her high, piping voice, reminiscent in tone if not in content to Eleanor Roosevelt's, she was an instantly recognizable member of this town's political class. Former First Selectman Henry Sanders said, 'She represented reason and stability and meant a lot to me; she did an awful lot and was a significant person in this town, and shared my Republican vision.'"

"It wasn't only her GOP cohorts who were expressing sadness about Ms. Stanko's passing. Former Democratic Town Committee Chairman Anne Shaw remembered her work as one of those 'instrumental' in the creation of the Senior Center (founded by Ms. Harrington and Caroline Murray). 'What a loss,' remarked Ms. Shaw. 'I saw her last week and she was really happy and giggly. I haven't seen her looking so well in a long time. I always enjoyed working with her and I think she was a role model for all of us.'"

"Town Tax Collector and longtime friend of Ms. Stanko's, Robert Locke, said, 'I've lost a good friend and a wonderful gal who was a tireless and dedicated volunteer. I said to my wife, 'They must need some head volunteers up there!'"

"Etta Marquardt Stanko was born on December 29, 1924 in Philadelphia, Pennsylvania, the daughter of the late Guy Marquardt and the late Bertha Bloh. Ms. Stanko attended the University of Pennsylvania and worked as an auditor for the Pennsylvania Railroad in the 1940's and 50's before assisting in the family business, Stanko Associates."

"Ms. Stanko had volunteered at the Darien Community Association (DCA) since 1961 and served two consecutive terms as president of the DCA from 1977 to 1981. She has also served as Treasurer, Finance Chairman, Thrift Shop volunteer and board member. Among her many accomplishments at the DCA were creating a merit scholarship award for Darien public school graduates, launching a planning and development committee and began glucose screening and a health fair in cooperation with the Darien Lion's Club, opened what became the Darien Nature Center at Cherry Lawn Park and helped promote alcohol education and abuse programs at Darien High School."

"She has also spent decades in service to the Salvation Army, of which she was chairman of the service unit at the time of her death, and with Family Children's Agency. She also spent six years on the board of directors for Darien United Way and eight years on the board of the Darien Senior Center. She was a member of the Connecticut Commission on Aging and was on the board of directors for the American Red Cross where she had volunteered for 14 years."

"Ms. Stanko was predeceased by her husband, Joseph Stanko. She is survived by one son, Joseph C. Stanko, Jr. of Alexandria, Virginia; one daughter, Alyse Stanko Pleiter of Villa Park Illinois; and two grandchildren."

"'She was very proud of her children,' said Ms. Harrington. 'Her son is a lawyer and her daughter is a budding writer. And she had wonderful grandchildren she doted on. She recently traveled to Spain and Portugal and had a good time. She did a lot of nice things in the last part of her life.'"

On a more personal note, I would like to add that Ms. Stanko was also on the board of directors of the Bank of Darien, was an active member of St. John's Roman Catholic Church in Darien, and was a wonderful past volunteer for my campaigns for Congress, although this year she supported a challenger for the Republican nomination.

Etta Stanko was a great lady who had a powerful impact on her family, friends, and those she served in her extensive volunteer endeavors. We all miss her dearly.

## SUPPORTING THE DEMOCRATIC SUBSTITUTE TO THE MARRIAGE TAX PENALTY RELIEF RECONCILIATION ACT OF 2000

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SPEECH OF

### HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

Ms. PELOSI. Mr. Speaker, throughout the Appropriations process, the Republicans have attempted to portray Democrats and Democratic priorities in the areas of health, education, and other important federal initiatives as fiscally irresponsible. However, priorities such as health research, school construction, and teacher training are underfunded in the appropriations bills because the Republicans insisted on including massive tax cuts for the wealthy in the budget resolution. Which is the more accurate definition of fiscal responsibility—massive tax cuts that do not benefit most Americans or targeted tax cuts that leave room for health and education for all Americans?

Today's debate raises that same question. The Republican Marriage Reconciliation Act will cost an astounding $182 billion over the next ten years, consuming nearly one-fourth of the on-budget surplus. Democrats have a sensible alternative that costs almost half as much as the Republican bill, while still providing marriage penalty tax relief to a majority of Americans.

The fact is that most married couples are subject to tax at the 15% marginal rate. The only marriage penalty faced by most of these couples is due to the fact that the standard deduction for a joint return is less than twice the standard deduction for single taxpayers. The Democratic substitute would eliminate this marriage penalty by increasing the standard deduction for joint returns so that it is equal to twice the standard allowed to single taxpayers.

In addition, low-income married couples also face a marriage penalty in the earned income tax credit. The Democratic substitute would reduce those penalties by increasing the income level at which the EITC begins to phase out by $2,000 in 2001 and by $2,500 in 2002 and thereafter.

The Republicans portray themselves as the party of tax cuts and Democrats as the opponents of tax relief, but the reality has always been quite different. The reality of the bill being debated today is that the bulk of the tax cuts they propose are not marriage penalty relief, but rather a widening of tax brackets that benefit higher income taxpayers. As a result, half of the tax cuts in the Republican bill go to those who do not currently pay any marriage penalty.

What Democrats have emphasized, today and always, is the importance of fairness in providing tax relief—fairness that ensures family security and protects our nation's priorities. The Democratic substitute would benefit the vast majority of married couples, and provide greater tax relief for low-income taxpayers than would the Republican bill. We should provide fiscally responsible tax relief to those Americans who need it most. I urge my colleagues to vote no on the Marriage Penalty

Reconciliation Act and yes on the Democratic substitute.

## RECOGNIZING THE 25TH ANNIVERSARY OF PANAMAX OF SAN RAFAEL

### HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Ms. WOOLSEY. Mr. Speaker, I rise today to recognize and celebrate the 25th Anniversary of Panamax of San Rafael. Panamax, the country's foremost designer and manufacturer of power protection equipment, is deserving of special Congressional recognition. What started out as a one room, single employee operation has become a multi-million dollar enterprise that provides employment opportunities to over one hundred individuals. Panamax has been a strong supporter of small business and has a record of hiring employees from the 6th Congressional District.

Panamax has earned a reputation for innovation and service to producers and users of a wide variety of high-tech equipment. The company has developed an important niche in the area of devices that provide protection from power surges and spikes. It also provides a complete guarantee on every unit produced.

Panamax has strongly supported international trade and has substantially expanded its trade with Canada, Latin America and the Pacific Rim countries. It continues to be an innovator and leader in the power protection field in the United States.

Mr. Speaker, it is my great pleasure to pay tribute to congratulate Panamax as they mark two decades of service. I am very proud to be representing such a fine company in Congress. I extend my best wishes to Henry Moody, and the Panamax family, for continued success in the years to come.

## IN RECOGNITION OF AEROSPACE ELECTRONIC COMMERCE DAY, OAKLAND, CALIFORNIA

### HON. BARBARA LEE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Ms. LEE. Mr. Speaker, I advise my colleagues that the Aerospace Electronic Commerce Working Group, sponsored by the Aerospace Industries Association, is meeting on July 19, 2000, in Oakland, California, where they are collaborating and reaching consensus about electronic commerce standards and implementation conventions. The purpose is to simplify eBusiness implementation for small- and medium-size suppliers who must comply with both government and commercial requirements for electronic commerce capabilities.

Without collaboration among supply chain leaders at the top of virtual enterprise trading teams, suppliers face complexities that compound implementation and compliance costs. The Aerospace initiative began several years ago with consultants from Oakland leading facilitation on behalf of the Department of Defense Joint Electronic Commerce Program Office, managed by the Oakland Electronic Commerce Resource Center Program.

This is an ongoing requirement as business rules, business process scenarios, and enabling technologies change constantly.

Having the ability to conduct electronic commerce is a requirement for any business that is serving government customers. It is also a requirement for members of defense and other agency supply chains. The effort by supply chain leaders to make it possible for all suppliers to participate is to be commended.

I am proud that our community can catalyze progress on behalf of suppliers, many of which are minority, small disadvantaged businesses. Electronic commerce and eBusiness can increase access by small- and medium-sized businesses to new and expanding market opportunities.

## TRIBUTE TO THE HONORABLE KATY GEISSERT

### HON. STEVEN T. KUYKENDALL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. KUYKENDALL. Mr. Speaker, I rise today to honor former Torrance Mayor, Katy Geissert. Katy, along with Toyota Motor Sales USA, will be honored tomorrow night at the Torrance Cultural Arts Center Foundation's 50'anniversary gala.

Katy is a pioneer in South Bay politics. In 1974, Katy became the first woman elected to the Torrance City Council. After serving three terms, she became the first woman elected Mayor of the City of Torrance. Katy paved the way for women to hold public office in Torrance. A resident of Torrance for nearly a half century, Katy has been actively involved in the local community.

Her contributions to the Torrance community are numerous. Katy was the Founding President of the Torrance Cultural Arts Center Foundation, past chairman of the Torrance Salvation Army Advisory Board, consultant to the South Bay/Harbor Volunteer Bureau, and charter board member of the Torrance League of Women Voters.

I commend Katy for her tireless work on behalf of the South Bay. The community she represented is a better place to live because of her service. Congratulations on this much deserved honor.

## A TRIBUTE TO JOHN THOMAS THORNTON, JR.

### HON. SANFORD D. BISHOP, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. BISHOP. Mr. Speaker, a few days ago, I had an opportunity to participate in a day of celebration and remembrance of the great contribution to agriculture and the economy in general made by the late John Thomas Thornton, Jr., of the community of Parrott, Georgia. If you are not familiar with the name, you are not alone. Even in the area of southwest Georgia where he lived and farmed most of his life, many people are not fully aware of his contribution, which impacts our lives even today.

J.T. Thornton invented the peanut shaker, a harvesting device that came into common use in the 1940's. His invention revolutionized the peanut industry. By making the harvesting process faster and more efficient, the peanut shaker contributed greatly to the economic growth of our area of Georgia and, in fact, to the country at large.

Mr. Thornton spent some 40 years developing and perfecting his invention. It was a magnificent achievement. The history of this achievement was beautifully presented in an essay written by a student from Parrott, Bonnie West, who won high honors when she entered the paper in the National History Day competition. Her accomplishment helped revive community interest in Mr. Thornton's invention, which he called the "Victory Peanut Harvester."

The people of Parrott, including members of the Thornton family, are establishing a museum on the invention of the peanut shaker, and sponsored the day of celebration that included a parade and a number of other events. It was an exciting and enjoyable day, and it helped bring wider recognition of what this native southwest Georgian achieved.

Although farmers did not have any more spare time back then than they do today, J.T. Thornton somehow found the time to apply his practical knowledge of farming, and his extraordinary grasp of engineering and mechanics, to overcome all of the difficulties he must have encountered until he produced something that raised the quality of life for countless Americans. This is a story we are proud of in southwest Georgia, and that can inspire other Americans, especially our young people. Mr. Speaker, it is, therefore, a story I want to share with our colleagues in Congress.

## TRIBUTE TO ARMANDO "ACE" ALAGNA

### HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. PAYNE. Mr. Speaker, recently, the city of Newark experienced the sad loss of a wonderful community leader whom I was proud to call a friend, Mr. Armando "Ace" Alagna. Publisher of the popular newspaper The Italian Tribune, Mr. Alagna distinguished himself through his many humanitarian contributions, not only in our community, but around the globe. Proud of his Italian heritage, he was instrumental in the naming of the Columbus Day holiday, and he transformed the Columbus Day Parade in Newark into one of the largest and most successful in the entire nation. I know my colleagues here in the U.S. House of Representatives join me in honoring the memory of this great patriot and humanitarian and in extending our sympathy to the Alagna family. I submit the beautiful eulogy delivered by his daughter, Marion Fortunato, be included in the official CONGRESSIONAL RECORD:

EULOGY, ARMANDO "ACE" ALAGNA

We gather here today . . . in this beautiful church . . . among friends and family to say goodbye to my father, Ace Alagna. There were few places he cherished more than this. His father helped build it decades ago and he was forever devoted to St. Lucy's and the Blessed Mother. He would swell with pride to see all of you here today, paying last respects, and remembering the life you shared with him in a setting so dear to his heart.

Since my father passed away last week, nearly everyone who has known him has taken a moment to share with me, and the rest of the family, memories they had of him—favors he had done, photos he had taken, laughs they had shared. Seemingly everyone held a cherished memory of him in their heart. Suddenly, I realized how much I shared my father with all of you. He wasn't just a father to me and my sisters; he wasn't just a husband to our mother. He was someone to whom many of you turned. I know how much it meant to him to be able to help in time of trouble and how much he enjoyed celebrating prosperity. The cards, phone calls, prayers, and your presence here today shows my family how much he meant to all of you and we thank you for helping ease the pain of this difficult time.

Blessed are the dead which die in the Lord
from henceforth, Yea, said the Spirit,
that they may rest from their labours;
and their works do follow them.

Ace Alagna's "works" will indeed follow him to his Eternal home and those he left behind will remember his "labours." The people of Italy for whom he organized a one million dollar relief effort—building shelters for the homeless and a children's home, bringing hope to a land ravaged by despair—will remember his labours. The people of Poland—for whom he arranged the delivery of surplus medicinal supplies during a time of terrible disease—will remember his labours. Most importantly, the people of Italian heritage in America—on whose behalf he fought for most of his life—will remember his labours.

Countless families will long treasure the photos he took of their loved ones—weddings and communions, births and baptisms—if the occasion was special, the Italian American community knew who to call: "One Shot Ace." Then, after years spent photographing United States presidents as a member of the White House Press Corps, he bought a struggling weekly newspaper, the Italian Tribune, and turned it into the voice of the Italian American people. If an issue concerned the Italian American community, you can be sure Ace had an opinion. More often than not, his ideas met with great success and helped earn for our community the respect and recognition we deserve as major contributors to the American mosaic.

Ethnic pride is a concept most people consider in their spare time. For some, it is a chance to associate with a few friends. For others, it is a hobby to be dusted off a couple of times each year for a few parades and festivals. A few make a genuine effort to make a real contribution. But it takes someone like my father—someone willing to dedicate his life full time to the cause to make a significant difference.

He played a large role in the naming of Columbus Day as a national holiday. He revived the Newark Columbus Day Parade and served as its Executive Director for nearly thirty years. He brought A-list celebrities, huge crowds and millions of dollars of revenue to a city directly in need of an economic and social boost.

All along, my family had a front row seat as we watched this amazing man succeed where others had failed. We watched with awe as he presented awards to American heroes such as Ronald Reagan, Mickey Mantle, Joe DiMaggio, and Frank Sinatra. We watched with pride as he was thanked for his efforts. Keys to cities all around the world. Plaques from organizations which had benefitted from his midas touch.

We watched with admiration as Pope John Paul II thanked him for efforts on behalf of the people of Poland. Our hearts swelled as he was made a Knight of Malta, the highest honor the Catholic Church can bestow upon a lay person. His most treasured accolades were presented by the Italian government: Cavaliere della Republica D'Italia and the Cavaliere Officiale.

He was the first Italian American to receive the State of Israel Award, presented in recognition of his contributions to the brotherhood of nationalities. He also received the John F. Kennedy Library for Minorities Award, the Four Chaplains Legion of Honor Award, the Boys' Towns of Italy Humanitarian Award, and the National American Committee on Italian Migration Award. One of his final accolades—the Ellis Island medal of honor—was a fitting cap on his remarkable life. Given to Americans of ethnic origin who exemplify the ideals of our melting pot society, the Medal of Honor brought closure to a life spent living the American dream.

There is an old Italian proverb: Chi fa buona vita, fa buona morte. He who lives well, dies well. A good life makes a good death. Few people ever squeezed more life out of their time on this Earth than did my father. He was a Renaissance Man in the truest sense of the word. When he was taking pictures, he was an artist. When he was acting in films, he was an entertainer. When he fought for Italian American causes, he was a leader. Most importantly, to his family, he was a provider.

"His four girls"—he called us. "Ace and his four queens"—his friends would joke. Through all the years, his love and complete devotion to his family were his most admirable qualities. He lost both of his parents at a very young age. He grew up without the strong bond of a family. Somehow, he instinctively recognized the importance of family and his life became a testament to the limitless boundaries of a man's love for his family. I realize now the priceless gifts he has given me. Not only my appreciation for my culture and heritage, but also for the sanctity of family.

My father's love for "his four girls" was boundless and we knew we'd never want for anything while he watched over us. He regarded his grandchildren as gifts from God, beautiful children able to carry on his legacy long after he left this life. But if it is possible for one man to love someone even more than my father loved any of us, I believe his feelings for his wife would qualify. In "Paradiso", Dante described his love for Beatrice as a love that moved the sun and the stars. Ace and Josie had this kind of love. As you all know, he was at times a gruff man. And, he has even been known to raise his voice from time to time in order to make a point. But you should have seen the tenderness he displayed towards Josie in the quiet times. When they were alone, away from the spotlight, away from the responsibilities and the pressures. While fifty-five years is certainly a long time to spend with someone, I'm sure Ace would forego an eternity of Heavenly bliss for one more moment with his beloved Josephine. I hope each of you one day experiences the kind of love we each received for a lifetime from our father.

And he dreamed,
and beheld a ladder set up on the earth,
and the top of it reached to heaven;
and behold the angels of God ascending and
descending on it.

I see this ladder going to Heaven. I see my father, not as he has been these past two years, crippled and betrayed by a broken body. I see him as he was while we were all growing up. A man of boundless energy, enthusiasm and exuberance.

We see him as he rises up that ladder to see what's happening on the other side. I see my father photographing everyone from presidents and heads of state to athletes and entertainers. I see him laughing with his celebrity pals as he gave them a copy of the paper and set up another photo. When he saw an opportunity, he pursued it with uncommon zeal. Rarely did he ever miss a photo he wanted. My sisters and I used to tease him by saying that the only person he hadn't photographed was Jesus Christ. Well . . . by now I'm sure he's snapped Jesus, the Apostles . . . probably the entire Holy Family.

Now, with our blessings and prayers, may he rest in peace.

Good night, Daddy. Sleep well.

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## FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 2001

SPEECH OF

### HON. LOUISE McINTOSH SLAUGHTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4811) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2001, and for other purposes:

Ms. SLAUGHTER. Mr. Chairman, in May of this year, I was proud to speak in support of Representative SMITH's bill to monitor and eliminate sex trafficking here in the U.S. and abroad. After an arduous six year struggle to address the problem of sex industries worldwide with my own bill, I was pleased to see Rep. SMITH's bill pass with strong bipartisan support.

As a result of this successful effort, the U.S. is now in a position to put pressure on other nations to adopt policies that will eradicate sex trafficking practices inside and between their borders. We are also in a position to prosecute and punish the traffickers themselves and thereby put an end to coordinated kidnaping and prostitution rings.

In the wake of this victory, however, there is still a great deal of work to be done. Over the past six years, it has become abundantly clear to me that the phenomenon of trafficking of women and children will never be fully eliminated until we develop safe shelters, psychological services and reintegration programs for returning sex trafficking victims. This amendment, offered by Rep. BERNIE SANDERS, strives to respond to this growing problem by granting assistance to non-governmental organizations (NGOs) who provide shelter and reintegration assistance to women and children victims of international trafficking.

Today, in many countries of transit or destination where victims are found, there is an immediate need for temporary and safe shelter, medical and psychological services, access to translators and appropriate NGO consultations and assistance. But the resources are limited or in some cases, nonexistent.

When there is no shelter available for these victims, governments will often place the victim in detention with criminals and then immediately deport her the next day. The need to deport victims immediately due to the lack of shelter thereby increases the risk that the victim will return to trafficking or a dangerous situation back home. Returning these individuals to a threatening environment is a crime in and of itself, not to mention counterproductive and psychologically damaging to the victim.

Another challenge we face is how to effectively reintegrate victims into their families and community structures after being trafficked abroad. For many victims, they return home with the stigma of prostitution or suffer with HIV/AIDS—only to be rejected by their families and communities. In the worst case scenarios, traffickers anticipate this rejection and attempt to retraffick these victims at the border.

To prevent these repeat offenses and to provide victims with a fighting chance to improve their lives, I rise in strong support of the Sanders—Smith amendment. If approved, this amendment will provide international NGOs with a $2.5 million increase to ensure that victims escape the trafficking world for good.

## A TRIBUTE TO ARMANDO AND BETTY RODRIGUEZ ON THEIR FIFTIETH WEDDING ANNIVERSARY

### HON. CALVIN M. DOOLEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. DOOLEY of California. Mr. Speaker, I rise today to pay tribute to Armando and Betty Rodriguez of Fresno, CA, who are this weekend celebrating their 50th wedding anniversary. As life-long residents of Fresno and active participants in the community, Armando and Betty have had a tremendous impact on their friends, neighbors and fellow community members over the past 50 years, and have demonstrated a loving devotion to one another that make their successful marriage an inspiring example.

Betty and Armando Rodriguez were both born in Fresno and were high school sweethearts at Edison High School, where they graduated in 1947. They were married on July 15, 1950 and 2 years later, Armando joined the U.S. Air Force, serving for 4 years including a tour of duty in Korea. After being discharged, Armando reunited with Betty in Fresno and completed his undergraduate degree. After being accepted to Lincoln University School of Law in San Francisco, Armando began his legal studies while Betty supported both of them by working in a number of part time jobs.

Armando's deep commitment to serving the public interest through the legal system was demonstrated immediately after he passed the bar exam and returned to California's Central Valley to help establish the California Rural Legal Assistance office in Madera. His commitment to public service has been the hallmark of his career, having served as an elected member of the Fresno County Board of Supervisors from 1972 to 1975, and on the bench as a Fresno Municipal Court judge for 20 years, from 1975 to 1995.

Though he officially retired from the bench in 1995, Armando continues to serve in his capacity as a judge when called upon. He has also been actively involved in the Fresno Torreon Sister Cities program, Arte Americas, Fresno Metropolitan Rotary, and previously served as the state president of the Mexican American Political Association.

Betty Rodriguez has also been active in a number of community organizations, helping to found the League of Mexican American Women, and participating in Ladies Aid to Retarded Citizens, the League of Women Voters, the Mexican-American Political Association, Friends of the Library, and countless other organizations. Despite her many commitments to the community, she has also been a devoted caretaker of the Rodriguez home throughout their 50 years of marriage and has been the behind the scenes leader keeping the family very close.

The key to Armando and Betty's 50 years together has been their undiminished love for each other and for those around them, and their shared and deep desire to contribute to the local community.

Mr. Speaker, I ask my colleagues to join me today in congratulating Armando and Betty Rodriguez on celebrating their 50th year of marriage, and expressing our hope that they are blessed with many more joyous years together.

## COMMENDATION OF MARIO CRUZ

### HON. GARY G. MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. GARY MILLER of California. Mr. Speaker, I would like to take this opportunity to congratulate Mario Cruz, a Victorville High School student, for his numerous and laudable achievements.

Mario's commitment to education is demonstrated by his perfect attendance record and excellent grades. His ability to excel in school is made all the more impressive when one takes into account the exclusive attention he gives to his home duties, while additionally helping to support himself through work and occupational training.

Despite losing both of his parents at a young age, Mario has remained positive in nature and dedicated to building a prosperous personal and community life. Mario's overwhelming triumph over difficult and challenging circumstances is both moving and inspiring.

Mario's long list of educational accomplishments include attaining excellent grades, being in the top 5% of his class, achieving perfect attendance, serving as a Junior Class Officer and Key Club Officer, attending after school occupational training, and summer school classes for extra credit.

Mario's decision to remain alcohol, tobacco, drug and gang free and his incalculable future potential serve as an invaluable and exemplary model of dedication, honesty, determination, strength of character and success for his community and peers.

Respected and well-liked by all teachers and peers alike, Mario Cruz embodies the finest qualities of America's youth.

Mario has also been fortunate enough to have the unwavering support of a group of Diamond Bar, Pomona, and Victorville residents and community leaders including Dr. Joseph Eiswert, D.M.D., who operates the Smilemakers dental practice; Christine Briggs, the Executive Director for, United Way; Felix and Margaret Diaz; Lyle Henry; Mel Friedland, Esq.; Dorothy Harper, Esq.; John Clifford, Esq.; Marta Melendez of Catholic Charities; Sister Sharon Becker, Vice President, at St. Mary's Medical Center; Rhonda Morken, the Executive Director of One 2 One Mentors; Ronald Wilson, Chairman, President, and CEO of Desert Community Bank, DCB; Peter Schmidt, Vice President of UmLab; Eddie Cortez, Mayor of Pomona, Mike Radlovic 41st. Congressional District Bush Campaign, GOP Chair, and Lincoln Club President; Edda Gahm Diamond Bar Republican Woman's Club, Bush Campaign Chair; Diamond Bar Councilman Robert Huff; Carolyn Elfellt and Dr. York Lee, Walnut Valley Unified School District Board Members; Nancy J. Mc Cracken, Brenda Phyllis Engdahl, Pomona Unified School District; Nick Anis, Diamond Bar Sister City, President; Patricia Anis, Vice Chair Diamond Bar Parks and Recreation Commission; Gil Villavicencio, Owner, Whole Enchilada restaurant chain; and others.

These individuals have pledged their support for "Project Mario," an effort aimed at helping this promising high school junior complete his secondary education and continue on at a four-year college.

Mr. Speaker, it is with great pride that I congratulate Mario Cruz and extend to him this much deserved recognition for his courage of both heart and mind.

## TRIBUTE TO CALIFORNIA STATE SENATOR TERESA P. HUGHES

### HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. DIXON. Mr. Speaker, I am pleased to have this opportunity to pay tribute to California State Senator Teresa P. Hughes, who is retiring at the end of this year concluding more than a quarter of century in distinguished public service to the citizens of California. During her illustrious career in the California Assembly and Senate, Teresa Hughes has authored and/or co-authored hundreds of important legislative initiatives resulting in improved standards of living for the citizens of our great State. I am, therefore, proud to publicly commend her for her exemplary service and to share this retrospective of her exceptional career with my colleagues.

A native of New York City, Teresa Hughes received her bachelor of science in Physiology and Public Health and completed her graduate work in Sociology at Hunter College. She holds a master of arts in education administration from New York University, and earned a Ph.D. in education administration from the Claremont Graduate School in Claremont, CA. She is married to physician Dr. Frank E. Staggers, and is the proud mother of attorney Vincent Hughes and Los Angeles Superior Court Judge Deirdre Hughes.

Dr. Teresa Hughes was elected to the California State Assembly in a special election on June 17, 1975. Over the next 17 years she authored numerous legislative initiatives, including measures establishing the Hughes Earthquake Safety Act of 1987; the Hughes-Hart Education Reform Act of 1983; and the Conflict Resolution and School Violence Reduction Program. In addition, she successfully fought for increased funding for research grants into the causes of Lupus and high blood pressure, diseases that disproportionately impact the African-American community.

Owing largely to her keen leadership skills and legislative acumen, while serving in the Assembly she was selected by her peers to Chair the Committees on Education; Human Services; and Housing and Community Development. She served as the first chair of the California Legislative Black Caucus, as well as the California Women Legislators Caucus.

In recognition of her distinguished contributions to public education, in 1988 the Los Angeles Unified School District honored then-Assemblywoman Hughes by renaming an elementary school in her name in the city of Cudahy, CA. The "Teresa Hughes Elementary School," thus stands as a fitting legacy to her longtime, public and personal commitment to ensuring quality education for California's school children.

For the past 6 years, State Senator Hughes has continued her strong advocacy for the citizens of California. Currently, she is the Chair of the Senate Committee on Public Employment and Retirement, and is a member of the Committees on Appropriations; Education; Energy, Utilities, and Communications; Government Organization; Health and Human Services; and Insurance.

Mr. Speaker, for more than 25 years, Teresa Hughes has selflessly committed herself to improving the human condition for the people of the great state of California. She has carved out an enviable legislative record, and leaves a legacy for every young person to emulate who aspires to a career in public service. I am proud to call her my friend and to single her out for this special recognition here today.

I have do doubt that she will continue to make contributions to our society, even as she prepares to set sail on a new course. On behalf of the citizens of my congressional district, I want to thank her for her service. I wish her and Frank, a future that is rich with good health and good fortune.

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## INS SHOULD NOT DEPORT THE MART FAMILY TO ROMANIA

### HON. DARLENE HOOLEY

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Ms. HOOLEY of Oregon. Mr. Speaker, I rise today on behalf of a family that I have come to know very well in my time in Congress.

Julian and Veronica Mart and their children Paul and Adelina fled their homeland of Romania in the turmoil surrounding the downfall of communism. They came to the United States, like so many others before them, seeking its promise, and fleeing from a country where the freedom we cherish was unknown. They fled tyranny and persecution and wanted nothing more than to live out the American dream, to make a better life for themselves and their children.

When they entered America, Lady Liberty welcomed them to our shores—but the INS did not. The INS has done everything in its considerable powers to deny the Marts the opportunity to live the American dream. The INS denied their application for political asylum, despite credible evidence that they faced retribution from the Romanian government if they returned home. And now INS bureaucrats have denied their application under the Diversity Visa program—on a technicality. The INS has done a great injustice to this family that must be made right. If it is not, the Marts may be deported.

The Marts have made a great impact on their community and have become well-loved by their friends and neighbors. I have here signatures from over 700 people who believe the Marts should be allowed to stay in the country. What is truly remarkable about this is that these signatures were gathered by teenage girls, friends of Adelina Mart who love her so much and believe so strongly in her cause that they have made this effort to help her.

Even the Honorable Robert Jones, a federal judge who heard the Marts' case against the INS, agrees that their treatment has been unjust. In handing down his opinion, he said, "The Marts are good people. They are highly intelligent, creative people. . . . And this is where they—in my view, this is the country where they belong. . . . The person was given the lottery opportunity, was denied that opportunity on a technicality, and it just isn't right in my opinion."

America has always been a city upon a hill and a light unto the world. And throughout our history America has welcomed those who have been driven from their homelands by hunger, government tyranny, religious persecution, and poverty. We must not allow this proud legacy to die. We must not drive away those whom we should welcome with open arms. We must not allow this injustice to stand. And we must not allow the INS to deport this family.

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## PERSONAL EXPLANATION

### HON. JULIA CARSON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Ms. CARSON. Mr. Speaker, I was unavoidably absent yesterday, Wednesday, July 12, 2000, and as a result, missed rollcall votes 386 through 395. Had I been present, I would have voted "yes" on rollcall vote 386, "yes" on rollcall vote 387, "yes" on rollcall vote 388, "yes" on rollcall vote 389, "yes" on rollcall vote 390, "yes" on rollcall vote 391, "yes" on rollcall vote 392, "yes" on rollcall vote 393, "no" on rollcall vote 394, and "yes" on rollcall vote 395.

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## THE RETIREMENT OF CHARLES F. LEE

### HON. LANE EVANS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. EVANS. Mr. Speaker, I rise today to note the impending retirement of Charles F. Lee. After a distinguished career of public service to our nation, Chuck will retire from Federal service this week.

Chuck personifies the best of our Federal public servants. Personal qualities that include unquestioned integrity, diligence and tenacity, thoughtfulness and thoroughness, a willingness to confront difficult and complex issues and a determination to establish both the facts and the truth together with a thoroughly professional demeanor describe Chuck Lee.

Chuck currently serves as the Democratic Counsel of the Oversight and Investigations Subcommittee of the House Committee on Veterans Affairs. Chuck's contributions are indeed noteworthy, but they are just the capstone of a remarkable career. Chuck's service to the nation includes undertaking a wide range of demanding responsibilities. Highlights of his career include serving as the Assistant Director for Veterans' Benefits Programs for the Department of Veterans Affairs; counsel to the Senate Veterans Affairs Committee; Executive Assistant to former Assistant Secretary of Labor Preston Taylor; and, a senior staff member of the Commission on Servicemembers and Veterans Transition Assistance. As a veteran who served in Vietnam, Chuck's public service career has been dedicated to assisting his fellow veterans.

Chuck joined the Democratic staff of the House Veterans Affairs Committee early last year and has made significant contributions to the work of the Oversight and Investigations Subcommittee in a broad range of policy areas. We will miss his shrewd judgment, his thorough preparation and his sense of humor. Thank you, Chuck, for your high ideals and your dedication to America's veterans. We wish you only the best in all of your future endeavors.

# TRIBUTE TO LT. GEN. JAMES M. LINK OF THE UNITED STATES ARMY

## HON. ROBERT E. (BUD) CRAMER, JR.

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. CRAMER. Mr. Speaker, it has come to my attention that Lieutenant General James M. Link is retiring after 33 years of exemplary service in the United States Army. He has served his country with dignity, honor, and integrity.

General Link was born in Columbus, Ohio, but grew up in North Carolina. He was commissioned a Second Lieutenant in the U.S. Army Ordnance Corps in 1967 after completing undergraduate work at Methodist College and graduate work at the University of North Carolina at Chapel Hill. He also has a master's degree in business administration from the University of Tennessee. His military education includes the Army Command and General Staff College and the Industrial College of the Armed Forces. He holds honorary doctorate degrees from Methodist College and the University of Alabama, Huntsville.

A veteran of Vietnam and Desert Storm, General Link has held numerous command and staff positions leading to his current assignment as Deputy Commanding General, Army Materiel Command. Most recently, he was Chief of Staff of U.S. Army Materiel Command. Prior to that, he served as Commander, U.S. Army Missile Command, Redstone Arsenal, AL. (now Aviation and Missile Command) from June 1994 to July 1997 and Deputy Commander, 21st Theater Army Area Command, U.S. Army Europe and Seventh Army, from July 1993 to June 1994. From January 1992 to June 1993, he served as the MICOM Deputy Commanding General. He also served at MICOM from 1986 to 1989 as Director of Materiel Management Directorate in what is now the Integrated Materiel Management Center, and served as the Acting Director of this organization for eight months.

He has held various logistical and staff assignments. While Commander, 16th Corps Support Group, V Corps, Hanau, Germany, he deployed to Southwest Asia in support of VII Corps during Operations Desert Shield and Storm. He was Deputy for Training Developments, U.S. Army Combined Arms Support Command; Chief, Ordnance Assignment Branch, MILPERCEN; Commander, 194th Maintenance Battalion, Camp Humphreys, Korea; and Department of the Army Staff Officer, Office of the Deputy Chief of Staff, Logistics. In Vietnam, he served as Company Commander and Technical Supply Officer, 173rd Airborne Brigade.

General Link's awards and decorations include: the Distinguished Service Medal, the Legion of Merit (with 3 Oak Leaf Clusters), the Bronze Star Medal (with 2 Oak Leaf Clusters), the Meritorious Service Medal (with 3 Oak Leaf Clusters), the Army Commendation Medal (with Oak Leaf Cluster), the Army Achievement Medal, the Senior Army Parachute Badge, and the Army General Staff Identification Badge.

Mr. Speaker, Lieutenant General Link deserves the thanks and praise of the nation that he has faithfully served for so long. I know the members of the House will join me in wishing him, his wife of 30 years, Judy and his daughter, Carey, all the best in the years ahead.

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# RECOGNIZING MARC AND JAY ELLIS

## HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. TOWNS. Mr. Speaker, I rise today to recognize two remarkable entrepreneurs, Marc Ellis and, his brother, Jay Ellis. Marc Ellis is the Chief Executive Officer, and Jay Ellis is the President of MyPinstripes.com, a Brooklyn based Internet business that is quickly becoming a premier Internet based valet service company. MyPinstripes.com focuses on communities that have traditionally been ignored by garment care and apparel service providers.

Marc and Jay Ellis were born to Joe and Katherine Ellis in Rockville Center, Long Island. Marc, born in August 1970, is married to Gardy Ellis and has three children: Marc 11, Kathleen and Sydney. Marc graduated from Springfield Gardens High School in Queens, New York in 1988, and earned a BA in Finance from Morehouse College in 1992. After graduating from Morehouse, Marc went on to earn two MBAs, one in Finance and the other in Marketing, from New York University Stern School of Business. Before founding MyPinstripes.com, Marc worked in corporate and investment banking with two of the largest banking institutions in the United States.

Jay Ellis, the younger of the brothers, was born in November 1972. Jay graduated from Logan High School in Oakland, California in 1989, and entered the United States Army. During Operation Desert Storm, Jay earned a Purple Heart a combat veteran. Upon from serving the United States in the Persian Gulf, Jay earned a BS in Economics, with honors, from the University of San Francisco.

The primary products for MyPinstripes.com are the door to door dry cleaning, laundry, shoe repair and tailoring services. They are using the Internet and other technologies to cut their operating costs while improving the buying experience for their, customers. The company was started on a full time basis in June 1999 with less than 100 customers, and as of last month it served over 3,000 households in four small communities in New York.

Mr. Speaker, I ask you and all of my colleagues to join me in recognizing the lifelong efforts of Marc and Jay Ellis, and wish them continued success in their future endeavors.

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# TRIBUTE TO BILLY ROBBINS, PRESIDENT OF THE TECHNOLINK ASSOCIATION

## HON. BRIAN P. BILBRAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. BILBRAY. Mr. Speaker, I rise today to honor the contributions of Mr. Billy Robbins, President of the Technolink Association. The Technolink Association is a coalition of business, political, academic, high-tech and life science industry leaders creating linkage and resources for emerging and start-up companies in Southern California.

For over 40 years, Mr. Robbins has brought an innovative and entrepreneurial approach to practicing Intellectual Property Law. A true pioneer in futurist thinking, he took the initiative to invest time and equity over the last four years to create and build the Technolink Association. Mr. Robbins, who is of counsel at Fulbright and Jaworski, focuses his practice on patent, trademark, copyright and trade secret law litigation and transactional practice. His practice also includes domestic and foreign licensing and technology transfer. He received his BSEE in 1950 from the University of Arkansas and a J.D. from the University of Southern California. He has authored a number of articles and has been appointed by the People's Republic of China as a Senior Technical Advisor under the government's STAR program.

As President of the Technolink Association, he has taken the lead in bridging the gap between start-up innovators and large companies to help build the new economic structure of Southern California. He personally shepherded several new high tech and biotech companies through the beginning stages of their business. Mr. Robbins has testified before and spoken on several panels about the importance of creating high tech clusters to support the needs of emerging companies.

Mr. Speaker, it is leaders like Billy Robbins who are highlighting the contributions of dynamic individuals and businesses and allowing all Americans to prosper in our "new economy."

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# IN CELEBRATION OF THE GRAND OPENING OF THE NEW SANCTUARY AND MULTI-COMMUNITY CENTER AT EVERGREEN BAPTIST CHURCH, OAKLAND, CALIFORNIA

## HON. BARBARA LEE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Ms. LEE. Mr. Speaker, today I celebrate the Grand Opening of the New Sanctuary and Multi-Community Center at Evergreen Baptist Church in Oakland, California. A month-long celebration and dedication will take place each Sunday in July, concluding on Sunday, July 30, 2000. This multi-million dollar project has been designed specifically to serve the needs of the residents of North Oakland.

The community center will offer two daily meal programs. The first meal program will be a part of the Church's children's center and will provide hot, nutritious meals to the children residing in the motels along the West MacArthur corridor. The West MacArthur corridor, which runs from Broadway to San Pablo Avenue, is a highly transient area with some of the poorest people of Oakland living in these motels.

In addition to providing meals to these children, a second meal program has been established to feed adults, particularly seniors, in the community.

Evergreen Baptist Church is also expanding its activities and outreach throughout the community through a variety of ways. The church will be participating in the Welfare to Work Program by providing a care center for young expectant mothers. In an effort to decrease the high infant mortality rate among African-Americans, the Church is also establishing a Well Baby Clinic to promote better health care to these expectant mothers.

To tie all of these programs together, the Evergreen Baptist Church has chosen "Lifting the Least" as its theme for the new center. I applaud the many efforts and activities of Evergreen Baptist Church by serving as a model to other organizations of innovative ways to assist our populations most in need.

## INTRODUCTION OF THE EMS EMPLOYEE EQUALITY ACT OF 2000

### HON. MATTHEW G. MARTINEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. MARTINEZ. Mr. Speaker, I am pleased to introduce the EMS Employee Equality Act of 2000 that protects the rights of emergency medical technicians employed by acute care hospitals. This legislation, strongly endorsed by the International Association of EMTs and Paramedics, will bring equality to the thousands of EMTs who risk their lives to save others.

The National Labor Relations Act guarantees employees the right and freedom to organize and collectively bargain with their employers—a right that is currently denied EMTs. Generally, the National Labor Relations Board designates groups of employees, usually based on their shared interests, as individual bargaining units for the purposes of bargaining with their employer.

In 1974, the Act was amended to cover employees in acute care hospitals. At that time, prehospital emergency medical service (EMS) was in its infancy. It was very rare to find fleets of ambulances staffed by highly trained emergency medical technicians (EMTs) and paramedics. Today, however, there are hospitals that deploy fleets of ambulances staffed with EMS providers.

Pursuant to the rulemaking published in the Federal Register in 1989, the National Relations Board declared that there are only eight appropriate bargaining units in a hospital: doctors, nurses, other professionals, technical employees, skilled maintenance employees, clerical employees, other non-professional employees and guards. Paramedics have been relegated to join one of these 8 units.

The concern is that there is absolutely no community of interest between EMS personnel and other employees in a hospital. The very nature of ambulance work requires that these employees remain outside the hospital environment. In fact, many times the ambulances are stationed off the hospital premises, and have no association with the hospital other than ownership.

I am introducing this legislation to amend the National Labor Relations Act to include a ninth unit composed of EMS personnel. This legislation is needed because emergency medical services were never considered during the rule making process and these heroes deserve to have their own voice heard at the collective bargaining table.

## J.L. DAWKINS POST OFFICE BUILDING

SPEECH OF

### HON. BOB ETHERIDGE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 11, 2000*

Mr. ETHERIDGE. Mr. Speaker, I rise in support of H.R. 4658, a bill to designate the facility of the United States Postal Service located at 301 Green Street in Fayetteville, North Carolina, as the J.L. Dawkins Post Office Building. I appreciate the opportunity to remember Mr. Dawkins' life and legacy.

Today we pay tribute to a remarkable public servant and family man Mayor J.L. Dawkins. Fayetteville's "Mayor for Life" was born in 1935 and lived almost his entire life in and around the city he so proudly served. In 1975, Mr. Dawkins was elected to his first term on the Fayetteville City Council. After holding this position for 12 years, Mr. Dawkins ran for and was elected Mayor in 1987 and served honorably until his passing earlier this year.

Mr. Speaker, I pay tribute to J.L. Dawkins the public servant by remembering his record as Mayor and a member of the City Council, but I also remember him as a dear friend who cared about the people he served. When I visited Fayetteville schools during my tenure as State Superintendent, J.L. Dawkins was always present and engaged—because he cared. He cared about the children of Fayetteville. He cared about their well-being and their future. Mr. Dawkins also supported local law enforcement because he knew it would improve safety in Fayetteville's schools and in the community as a whole. He supported Fayetteville's law enforcement community because he cared.

Mr. Dawkin's passing has left a great void in the Fayetteville community. Despite our sorrow and loss, we have the opportunity today to celebrate the life and legacy of an exemplary public servant. It is fitting then that we honor him today by naming a post office for J.L. Dawkins in Fayetteville. Mr. Dawkins cared deeply for his city, the constituents he served, and most importantly his family. H.R. 4658 ensures that Mr. Dawkins will forever be remembered for these traits.

Mr. Speaker, I urge my colleagues to unanimously support this legislation.

## RECOGNIZING WINSTON P. THOMPSON

### HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. TOWNS. Mr. Speaker, I rise today to recognize Winston P. Thompson, a Certified Public Accountant and successful Financial Planner who has been actively involved in providing tax and financial planning services within the Brooklyn Community for the past fifteen years.

Mr. Thompson, a graduate of St. Francis College in Brooklyn, New York, obtained his graduate degree from Pace University in New York. As a young certified public accountant, Mr. Thompson spent two years as a auditing officer with Morgan Guaranty Trust Company, a Wall Street Investment Banking firm. Mr. Thompson also spent five years with Arthur Andersen & Company, an international accounting and consulting firm.

Fifteen years ago, following his tenure with Morgan Guaranty and Arthur Andersen, Winston Thompson founded Thompson & Company, a Certified Public Accounting and Consulting firm. Mr. Thompson currently serves as President and Chief Executive Officer of this highly respected firm, based in downtown Brooklyn.

In addition to his serving the community through his membership in the Caribbean American Chamber of Commerce, the Brooklyn Chamber of Commerce and the Bedford Stuyvesant Real Estate Board, Mr. Thompson is active in various community events.

Mr. Speaker, I ask you and all of my colleagues to join me in recognizing the lifelong efforts of Winston Thompson, and wish him continued success in his future endeavors.

## TRIBUTE TO THE U.S. COAST GUARD STATION CHARLEVOIX ON ITS 100TH ANNIVERSARY AS A SEARCH AND RESCUE STATION

### HON. BART STUPAK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. STUPAK. Mr. Speaker, I rise today to pay tribute to the many members of the U.S. Coast Guard who served for the past 100 years in the essential duty of Search and Rescue at Coast Guard Station Charlevoix.

Search and Rescue has been one of the United States Coast Guard's oldest missions. Like many of man's endeavors, Search and Rescue has evolved. Once—and we can all conjure the picture in our heads, Mr. Speaker—search and rescue often involved sending rescuers into the maw of an angry sea. It was an enterprise that required an intuitive understanding of nature, great physical strength, and reserves of energy.

Today the intellect of inventors has sought to expand man's ability to undertake a rescue. As the bestseller "A Perfect Storm" makes clear, however, new generations of technology for locating those in distress or bringing rescuers to the a vessel in trouble must still face the elemental forces that can overwhelm our most advanced hardware.

The success of this book—and the new movie based on the book—is certain to make clear that any who ventures on the water, even the most experienced mariner, can be caught unaware by the sudden fury of an unexpected storm.

What was true for the North Atlantic in the story is true in many ways for the Great

Lakes—the storms may not be as massive, but they can arise suddenly with strong winds. Shoals and islands present hazards for commercial shipping and private sailors, and tales like the loss of the Edmund Fitzgerald are almost as well known as the story loss of the Titanic.

What was true in the early days of search and rescue remains true today. The men and the women who venture forth on rescue missions must possess one key trait—courage.

It's no wonder, then, Mr. Speaker, that the crew of U.S. Coast Guard Station Charlevoix have an important part in the great tradition of endeavoring to save the lives of men and women in peril on the water.

Their own log records such remarkable moments as bringing 500 people safely to shore in 1906 from a vessel aground off the Lake Michigan shore, searching for the crew of a downed B–52 bomber in the 1970s, and even rushing ashore to treat individuals wounded in a celebration fireworks accident in 1997.

The presence of the Coast Guard throughout my district is extremely important, Mr. Speaker. These brave men and women have my deepest respect and admiration, and strongest support in whatever is needed to permit them to fulfill this essential mission, to keep Search and Rescue units semper paratus—always ready.

Technology may continue to change, but I trust another 100 years will find Coast Guard Station Charlevoix always ready to serve and assist on the Great Lakes.

## FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 2001

SPEECH OF

### HON. DONNA MC CHRISTENSEN

OF VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4811) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2001, and for other purposes.

Mrs. CHRISTENSEN. Mr. Chairman, I rise in support of the amendment of my colleague, the Gentlelady from California, Ms. LEE, to restore the funding for Global Aids assistance that was cut from the President's request.

This body Mr. Chairman, invariably never ceases to amaze me. Here we are in the middle of a monumental life and family destroying, economy breaking, HIV/AIDS pandemic. Instead of increasing funding to address it, as the situation calls out desperately for us to do, we are codifying restrictions on family planning funding, slashing funding for debt relief to some of the same affected countries and others, and reducing the flow of drastically needed funds for HIV/AIDS prevention and treatment to a mere drip. This is a travesty.

A recent UN report revealed that AIDS will cause early death in as many as one-half of the young adults in the hardest hit countries of southern Africa, causing unprecedented populations imbalances. In one country alone, Botswana, it is predicted that two thirds of that country's 15-year-olds will die of AIDS before age 50. But as bad as the impact is now, the full blow is still some years off. This loss at a time when men and women would be at their most productive, in countries that are only now beginning to come out from under the deep effects of colonialism and tyrannical rules, will be devastating.

Our communities here in the U.S. are bleeding, these are hemorrhaging. Both crises need to be appropriately addressed, and addressed now.

We are no longer in a world where any one country, nor even one neighborhood can labor under the impression that they are isolated. The devastation, and the disruptive effects of the HIV/AIDS pandemic may be at its very worse in far away, exotic lands, but the dire effects will ripple until they reach our shores. Combined with our domestic HIV/AIDS crisis, which also is not being adequately addressed, the bell will increasingly toll for us.

We have the opportunity today to make a difference in the lives of our neighbors in Africa and other countries today, by supporting the Lee amendment. We must also resolve to apply the remedies in the magnitude that is needed here at home as well.

$100 million is not a large sum. It is merely a drop in the bucket, against the backdrop of the enormity of the pandemic. But it is a start. It is seed money—an incentive for other countries, private corporations and foundations to join this vital effort.

The Congressional Black Caucus and its Health Brain Trust, which I chair, has made HIV/AIDS our chief priority. We began here in this country with the call for a state of emergency and funding which has come to be known as the CBC Minority HIV/AIDS Initiative. But as we got funding and began to apply those dollars to the needs of our communities, we recognized that the problem was far deeper than HIV and AIDS. It was a problem of poor and deficient health infrastructure, it was and is a problem of communities beset with a myriad of social and economic problems.

As we began the work of addressing all of the ills that lay beneath the tip of the AIDS iceberg, we also came face to face with the grim reality that is AIDS in Africa, and AIDS in the Caribbean, as well.

And so, Mr. Chairman, what we want this body and our colleagues to recognize is that HIV and AIDS is a pandemic for people of color, around the world, including here in the United States. Achieving adequate prevention and treatment of HIV and AIDS in Africa and other parts of the world, is not that much different from combating it here. The social, economic, and health care infrastructure deficiencies are pretty much the same. And that is a real shame.

So, I am asking this body, to support Congresswoman LEE's efforts, to support the CBC initiative and to fully fund it this year and for several years to come as needed.

## PERSONAL EXPLANATION

### HON. MICHAEL K. SIMPSON

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. SIMPSON. Mr. Speaker, it was my intention to vote "yea" on rollcall vote No. 324, the H. Amdt. 905 to HR 4690, offered by Representative John Hostetler, but was recorded as voting "nay." The amendment was designed to add a new section, which provides that no funds in the bill may be used to enforce, implement, or administer the provisions of the settlement document dated March 17, 2000, between Smith and Wesson and the Department of the Treasury.

The Second Amendment to the United States Constitution dearly defines the right of Americans to possess firearms. The Second Amendment reads: "A well-regulated militia being necessary to the security of a free State, the right of the people to keep and bear arms shall not be infringed." I firmly believe this provision prohibits the federal government from denying citizens this right.

The agreement reached by the Administration and Smith & Wesson should not be used to coerce other manufacturers into abiding by an agreement of which they are not a party. On June 21, 2000, I voted to limit the repercussions of this Smith & Wesson agreement by supporting two of Representative Hostetler's amendments to the VA–HLD Appropriations bill for Fiscal Year (FY) 2001. It is my intention to vote in favor of similar amendments to future FY 2001 Appropriations bills.

## INTRODUCTION OF THE RAIL RETIREMENT REFORM

### HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. SHUSTER. Mr. Speaker, as Chairman of the Committee on Transportation and Infrastructure, I am very pleased to introduce today H.R. 4844, the Railroad Retirement and Survivors' Improvement Act of 2000, on behalf of myself, the Ranking Member of the Committee on Transportation and Infrastructure, Mr. OBERSTAR; the Chairman of the Committee on Ways and Means, Mr. ARCHER; the Ranking Member of the Commmittee on Ways and Means, Mr. RANGEL; the Chairman of the Ground Transportation Subcommittee, Mr. PETRI; the Ranking Member of the Ground Transportation Subcommittee, Mr. RAHALL; the Chairman of the Social Security Subcommittee, Mr. SHAW; and the Ranking Member of the Social Security Subcommittee, Mr. MATSUI.

This is a good bill which deserves the support of the House. The following is a joint statement on behalf of the eight original sponsors.

JOINT STATEMENT OF THE EIGHT ORIGINAL SPONSORS OF THE RAILROAD RETIREMENT AND SURVIVORS' IMPROVEMENT ACT OF 2000

We are pleased to join together to introduce the Railroad Retirement and Survivors'

Improvement Act of 2000. This legislation will make important improvements in the railroad retirement program.

The introduction of this legislation by the bipartisan leadership of the two House committees with jurisdiction over this program represents a significant step toward enactment. We are pleased that Congress continues to have the close working relationship with railroad management and labor groups that has allowed us to come together on this bill today.

This reform legislation makes several improvements in the current benefit structure, especially for widows and widowers. In addition, the legislation modernizes the system's investment practices and strengthens the financing of the program.

This legislation is the product of several years of complex negotiations between rail management and rail labor. These negotiations were also given impetus by the September 1998 hearing held by the Subcommittee on Ground Transportation on benefit reform legislation authored by our colleague JACK QUINN. Although not all representatives of rail labor could support the final compromise signed in January of this year, a significant majority have endorsed the agreement, as have the groups representing rail retirees. We hope that as this bill moves through the legislative process, the full value of the benefits it brings to the system will be carefully assessed, and that it will ultimately receive the support of all groups.

The Railroad Retirement and Survivors' Improvement Act of 2000 is the end product of a bipartisan collaborative process. It is a bill that each of us supports and is committed to bring to enactment during the remaining days of the 106th Congress. We are pleased to introduce it today.

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## RECOGNIZING STEPHEN WEISS, JR.

### HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. TOWNS. Mr. Speaker, I rise today to recognize Stephen Weiss, Jr., a man who has been very instrumental in assisting hundreds of Brooklyn residents in the transition from apartment renters to first time homeowners.

Mr. Weiss, a graduate of Yale University, is an executive with Flintlock Construction Services, LLC, as well as with several other property development companies. Mr. Weiss is also actively involved in the operations of a property management company. Mr. Weiss joined these various firms in 1980, with the goal of using his positions with them to develop and construct primarily affordable housing, both for rental and for sale. Mr. Weiss also used these enterprises to develop much-needed medical centers, to further benefit the community.

With his partner, DeCosta Headley, Mr. Weiss has developed and built hundreds of affordable apartments in East New York, Brownsville and Bedford Stuyvesant. Many of these homes, built to house working people, were rebuilt out of abandoned shells that used to blight these neighborhoods.

Mr. Speaker, I ask you and all of my colleagues to join me in recognizing the lifelong efforts of Stephen Weiss, Jr., and wish him continued success in his future endeavors.

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## LIEUTENANT COMMANDER DOUG FEARS, USCG

### HON. SONNY CALLAHAN

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. CALLAHAN. Mr. Speaker, I rise today to pay tribute to Lieutenant Commander Doug Fears, who recently left his position as the United States Coast Guard's (USCG) House liaison officer to attend the Naval War College in Newport, Rhode Island.

Lieutenant Commander Doug Fears grew up on the Eastern Shore of Maryland. He enlisted in the USCG in 1982 and served on the Cutter *Taney* (WHEC 37) home ported in Portsmouth, Virginia, and in the precommissioning detail for the Cutter *Tampa* (WMEC 902) in Norfolk, Virginia. He attended the USCG's Electronics Technician "A" school on Governor's Island, New York, and the Navy's Broadened Opportunity for Officer Selection and Training (BOOST) Program in San Diego, California, before accepting an appointment to the USCG Academy in 1985.

While at the academy, Lieutenant Commander Fears was active in a number of programs and served as the regimental commander of the Corps of Cadets. He graduated from the academy in May 1989 and subsequently served as Operations Officer and Navigator on the Cutter *Basswood* (WLB 388) in Guam, Marianas Islands.

He was then selected for the USCG/Navy officer exchange program in 1991. He served on the Aegis cruiser, U.S.S. *Vincennes* (CG49), as the Aegis Fire Control Officer. He subsequently served on the Throat Upgrade cruiser U.S.S. *Leay* (CG 16) as the Combat Information Center Officer. Both ships were home ported in San Diego, California. During his tours, he deployed in support of Operations Desert Storm/Southern Watch in the Northern Arabian (Persian) Gulf, Restore Hope in the Indian Ocean off Somolia, Blue Line in the Eastern Pacific off South America and various bi-lateral exercises in the Sea of Japan and South China Sea.

In July 1993, Lieutenant Commander Fears reported to Seattle, Washington, as a search and rescue controller and command duty officer in the Thirteenth District Command Center. From 1994 to 1996, he served as aide and executive assistant to the Thirteenth District Commander, Rear Admiral John Lockwood.

In June 1996, Lieutenant Commander Fears assumed command of the Cutter *Sitkinak* (WP 1329), home ported in Key West, Florida. During his tour, he was involved in numerous counter-narcotics, alien migrant interdiction and search and rescue operations, including Operations Able Response and Frontier Shield. He is a designated Coast Guard Cutterman and Navy Surface Warfare Officer, a licensed Master (100 gross tons) and has been awarded over two dozen personal unit, campaign and service awards. He is the 1997 national recipient of the U.S. Navy League's Captain David H. Jarvis Award for inspirational leadership.

From June 1998 to June 2000, Lieutenant Commander Fears was assigned to the United States House of Representatives as the assistant USCG liaison. In this capacity, he unselfishly served me, other members and their staffs in fulfilling requests and providing vital information pertinent to the USCG. My staff worked with Lieutenant Commander Fears closely over the past two years, and I know for a fact they could not have done their job properly without the able-bodied assistance of this fine officer. When a problem or issue pertinent to the USCG surfaced in my office, Lieutenant Commander Fears was the first one my staff or I called and, like clockwork, he promptly and thoroughly addressed the matter at hand.

In August 2000, he reports to the Naval War College, College of Command and Staff, in Newport, Rhode Island, where I know he will find great success. Lieutenant Commander Fears' future is bright, Mr. Speaker, and I wish him and his wife, Kate, the best as they forge ahead.

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## HONORING RICHMOND COUNTY SENIOR HIGH SCHOOL BETA CLUB QUIZ BOWL TEAM

### HON. ROBIN HAYES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. HAYES. Mr. Speaker, I rise today to honor the accomplishments of the Richmond County Senior High School Beta Club Quiz Bowl Team. Competing in the 20th Annual National Beta Club Convention in mid-June, team captain Joey Moree, John Bream, Allen Hodges, William Morgan, and alternate Mary Catherine Knight placed second in the nation and nearly came home to North Carolina with the National Championship. The Richmond Senior High team was one of 18 teams from southeastern and midwestern states. Some 2,500 Betas participated in the 3 day tournament in Arlington, Texas.

Having placed second in the North Carolina State Beta Quiz Bowl with the help of team member Montgomery Morris, the quiz bowl team earned the right to attend the national convention. The other five team members traveled to Arlington accompanied by advisors Judy Harrelson and Robert Graves. The Richmond team cruised through the first three rounds of the tournament. In the first round, Richmond Senior High defeated Martin County, Florida 185 to 95. The students breezed to a 250 to 140 victory over Koshkonong, Missouri in the second round. However, the semifinals proved to be more challenging. After trailing Pendleton Heights, Indiana 80 to 75 at halftime, the team roared to life and dominated the second half, winning with a resounding 265 to 105 tally. Drawing a crowd of over 2,000 Betas, the final round was a close contest throughout the match. Battling Southside, South Carolina, the finals came down to the very last question, with Southside pulling ahead of Richmond Senior High with a single bonus to win the championship 155 to 150.

Mr. Speaker, the accomplishments of the Richmond Senior High School Beta Club Quiz Bowl Team deserve recognition. The hard work and dedication of Mr. Moree, Mr. Bream, Mr. Hodges, Mr. Morgan, Ms. Knight, and Mr. Morris have made their peers, teachers and parents proud. These six students have set an example for others to follow by challenging their minds outside the classroom. Their hard work has been duly rewarded with their strong second place performances in both the state and national competitions. Mr. Speaker, I congratulate the efforts and achievements of the Richmond Senior High School Beta Quiz Bowl Team.

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## INTRODUCTION OF THE UNITED STATES-CUBA TRADE ACT OF 2000

### HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. RANGEL. Mr. Speaker, today, I am introducing the "United States-Cuba Trade Act of 2000," to supplement legislation I introduced last year, H.R. 229, the "Free Trade with Cuba Act." The United States-Cuba Trade Act of 2000 will make the necessary changes to the U.S. Tariff Schedule and ensure that Cuba is not subjected to Title IV of the Trade Act of 1974, the so-called "Jackson-Vanik" amendment. (It is unclear whether the "Jackson-Vanik" amendment applies to Cuba, but the proposed legislation will eliminate any ambiguity in the law.) The legislation also calls on the President to take any appropriate actions in the World Trade Organization to restore full trading relations with Cuba, once the legislation is passed.

H.R. 229 repeals the legislative authority of the trade embargo against Cuba. The bill I am introducing today will, when applied in conjunction with H.R. 229, fully normalize trade relations with Cuba.

It makes no sense for the U.S. to trade with communist China, communist Vietnam, and other communist and formerly communist countries while continuing a 40-year old failed effort to promote reform in Cuba by isolating her people.

The 40 year old embargo has not achieved the intended result—isolation has not promoted political and economic reforms. In fact, here we are, 40 years later, and Fidel Castro is still in power, having outlasted almost 10 U.S. Presidents.

Many of the proponents of the China PNTR bill spoke eloquently about the benefits of trade with Communist countries, including the political message that it sends to the people and leadership of those countries about the benefits of freedom and the strengths of America's economy and society. However, some of these same proponents now balk when asked to apply these same principles to Cuba. It is hard for me to understand why in the view of some, these principles apply with such force to China, but not to Cuba. American businesses, workers and products are our best ambassadors—whether we are talking about China or Cuba.

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## HONORING THE 100TH ANNIVERSARY OF THE FOUNDING OF THE NATIVITY OF THE VIRGIN MARY ORTHODOX CHURCH

### HON. JERRY F. COSTELLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. COSTELLO. Mr. Speaker, today I ask my colleagues to join me in honoring the 100th anniversary of the founding of the Nativity of the Virgin Mary Orthodox Church is Madison, Illinois.

Long before the year 1900, the seeds of the Orthodox faith were firmly planted in the City of Madison, Illinois by Carpatho-Russian and Galacian immigrants. The first missionary priest, Fr. Stepanov, was sent to Madison in 1899. He heard his first confessions at the home of the Sawchucks at 1017 Madison Avenue. In 1902, permission was granted by the Archbishop of the Russian Orthodox Church in America to start the process of collecting funds to construct an Orthodox Church on Ewing Avenue in Madison. First a wooden structure was constructed, remaining on this site until 1964 when a new church building was built.

This first church building was blessed by Fr. John Kochuroff, pastor of the Chicago Parish and builder of the present cathedral in Chicago, Illinois. Fr. Kochuroff had later returned to his homeland and in the beginning of the Russian Revolution was martyred in that conflict.

The parish has it's own cemetery, eleven acres in size, located at Highway 157 and Interstate 270 and is commonly known as Sunset Hill. The cemetery was purchased in 1924 and dedicated on Memorial Day, 1925. The parish was ministered by missionary priests in it's early years, and beginning in 1905, permanent priests were assigned. The church choir was organized in 1920 and continues to this day. In 1962, additional property was acquired and a new building program was commenced. In 1964, ground was broken to begin construction. In 1965, the new church was consecrated and the church was dedicated.

In 1972, the Church held a "mortgage burning ceremony" and a ground breaking was held for a new rectory building. In 1973, the new rectory was completed and in 1988 the Rectory Mortgage was also retired and a Mortgage burning luncheon was held in October of that year. The church and rectory continue today to fulfill the spiritual lives of orthodox Christians of Russian, Greek, Serbian and other eastern European heritage.

Mr. Speaker, I ask my colleagues to join me in honoring the communities and parishioners on the occasion of the 100th anniversary of the founding of the Nativity of the Virgin Mary Orthodox Church.

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## IN MEMORY OF MY PERSONAL FRIEND—PATRICIA KRONGARD

### HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. McINNIS. Mr. Speaker, It is with profound sadness that I now rise to honor the life and memory of an outstanding American, my friend Patricia Krongard. Sadly, Pat succumbed to lung disease earlier this month after a prolonged medical battle. As family and friends mourn her passing, I would like to pay tribute to this beloved wife, mother and friend. She was a great American who will be missed by many. Even so, her life was a remarkable one that is most deserving of both the recognition and praise of this body.

Since her birth in 1940, Pat has been a fixture of the Baltimore community. Along with her husband Buzzy Krongard, Pat gave generously of her time and energies to the Baltimore community. Her service included founding the Mounted Patrol Foundation to support the mounted patrol of the Baltimore Police Department, organizing the Peabody Institute's spring time fair, serving on the Advisory Board of the State Juvenile Service Administration, and finally, working right up until the time of her death to create a Board of Visitors for the University of Maryland Hospital for Children. These, it turns out, are only a few of the many causes that Pat devoted herself to during her accomplished life. Still, each point to the underlying generosity that marked the life of this humanitarian.

In addition to her distinguished service to the Baltimore community, Pat was also a renowned photographer. Pat traveled around the world, from Afghanistan, Nepal, Russia and China, taking striking pictures of foreign places and people. According to a beautifully written obituary that recently ran in the Baltimore Sun, Pat's photographs "reflected a sympathetic curiosity, with a portfolio of portraits of law enforcement officers across the country and artists around the world." Many of her photographs were displayed at the Johns Hopkins Hospital. In addition, Pat worked closely by my side on the campaign trail on many occasions over the years, shooting an assortment of photographs of me and my family. In every case, her work was the highest quality. Pat's photographic skills brought her great distinction and were rightly a source of pride.

While her accomplishments as a photographer and humanitarian are many, Pat's lasting legacy rests in her family. Pat was the mother of two—Alexander Lion Krongard, Randall Harris Krongard and Timothy Lion Krongard—and the proud grandmother of two more. In her sons and grandchildren, Pat's love and generosity will endure.

As you can see, Mr. Speaker, Pat was a beautiful human being who lived an accomplished life. Although friends and family are profoundly saddened by her premature passing, each can take solace in the wonderful life that she led.

I know I speak for everyone who knew Pat well when I say she will be greatly missed.

## IN HONOR OF JEAN MURRELL CAPERS

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### HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. KUCINICH. Mr. Speaker, I rise today to honor retired Judge Jean Murrell Capers with The Black Professionals Association Charitable Foundation Life Achievement Award. She has led a life of dynamic public service in the city of Cleveland for 87 years, and we are blessed that she continues to do so.

Judge Capers was born and raised in the same Cleveland neighborhood. From her early years, her remarkable talent and dedication shone. At Central High School, she was an exceptional athlete in basketball, swimming and tennis. She graduated with honors and started college at age 16. After earning her degree from Western Reserve University's School of Education, she returned to the Cleveland public school system to teach elementary students for several years. Her starting salary in 1932 and $79.32 per month.

In order to serve her community in a leadership role, she ran for Cleveland City Council and won a seat. Her dedication to public service then led her to earn her juris doctorate from John Marshall School of Law by going to school at night. This education helped her to be a more effective city council member. Not only on council, but in her daily workday, she persevered to help individuals in Cleveland. Her long list of clients kept her much busier than most of colleagues. Judge Capers came to the aid of many people who needed her help, especially those who could not afford to pay her much.

In 1960, she became an assistant Attorney General. After that term, she became special counsel to the Ohio Attorney General from 1964 to 1966. Judge Capers was one of the original members of the Women's Advisory Council of the Women's Division at the Ohio Bureau of Employment Services. For this exceptional record, Governor James Rhodes appointed her to Municipal Court Judge in 1977. She then served an additional six year term when she was elected to the position in 1979.

In addition to her outstanding career of public service, she worked to help others through other activities. Judge Capers founded and helped organize political groups whose purpose was to increase the status of women regardless of race or political persuasion. She provided encouragement and guidance as a mentor to many public servants in Ohio, other states and in other nations.

In 1995, Judge Capers was recognized in the John Marshall School of Law's Centennial in the film: Four Decades of African American Leadership. She is also featured in the book Rebels in Law: Voices in History of Black Women Lawyers, by J. Clay Smith Jr. She is highlighted as a lawyer who is a leader in her community. Judge Capers was inducted into the Ohio Women's Hall of Fame in 1998.

Today, at age 87, retired Judge Capers continues to help young people, especially women, and mentor them in their career choices. We thank her for being an inspiration to numerous people in their formative years and in public service. As only the fifth person to receive this prestigious Life Achievement Award, we humbly honor Judge Capers for her extraordinary dedication to our community.

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## RECOGNITION OF SCIENCE DAY 2000

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### HON. RUSH D. HOLT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. HOLT. Mr. Speaker, today I recognize Science Day 2000, sponsored by The Science Coalition, an alliance of more than 400 organizations, institutions, and individuals dedicated to sustaining the federal government's historic commitment to U.S. leadership in basic science. Representatives of The Science Coalition visited several Members of Congress today to remind us that an investment in research is an investment in our future.

Medical advances depend on advances in basic science and engineering. For example, scientists are recreating pancreatic islet cells to replace damaged ones, essentially reconstructing the pancreas to treat diabetes. Islet implants are possible thanks to nanotechnology. Working molecule by molecule, scientist are able to create new molecular structures and this ability may lead to new ways of building human tissue and organs. The federal investment in research makes many of these breakthroughs possible.

Advancement in science and engineering requires the interactions of many disciplines. The interaction of physics, chemistry, materials science, computer science, and engineering in combination with the biological sciences makes advancements in health technologies, instruments, and treatments possible.

The physical sciences have transformed the modern world. We could not have mapped the human genome without advances in information technology. Modern navigation aids would not be possible without the Global Positioning System, an outgrowth of astronomy. New diagnostic tools such as digital mammography are grounded in electrical engineering and mathematics.

The economy is changing. Innovations in information technology and research based industries like telecommunications and biotechnology are leading the nation to a new level of prosperity based on federally funded research.

Twenty years ago few could have imagined an economic expansion based primarily on fiber optics and information technology. Yet they are at the core of today's information and innovation economy. How did we get there? Through university research. The next new economy is taking shape at universities today.

Alan Greenspan and leaders of industry continue to state that our economic prosperity is flowing from investments in science and technology we made years ago. Technologies that fuel today's economy came from these investments at university laboratories.

The global market for products manufactured by research-intensive industries such as aerospace, computers, electronics, communications, and pharmaceuticals, is growing more than twice as fast as that for other manufactured goods. This is driving national economic growth around the world. Increased federal investment in university research is one of the most important steps we can take to prepare for the "information and innovation" economy of the 21st century.

The current pace of new scientific breakthroughs holds the promise to raise the quality of our lives even further. To make this a reality however, it is imperative that we continue to fuel this engine by ensuring a sustained commitment of federal funding for basic research in these fields.

As a scientist and a Member of Congress, I am in a special position to speak about the need to ensure continued success of the research and development enterprise by increasing federal support for basic research. With this goal in mind, I am a cosponsor of The Federal Research Investment Act, H.R. 3161. This bill calls for doubling the federal government's current rate of investment in research and development over a 10-year period. This would be achieved through annual increases above inflation, so that by fiscal year 2010, 2.6 percent of the Federal budget would be spent on non-defense R&D. This bill would assure a basic level of federal funding across a wide array of non-defense, basic scientific, biomedical, and engineering research.

This legislation would provide a balanced investment across 15 agencies engaged in activities for basic research including: the National Institutes of Health, within the Department of Health and Human Services; the National Science Foundation; the National Institute of Standards and Technology, the National Aeronautics and Space Administration; the National Oceanic and Atmospheric Administration, the Centers for Disease Control, the Department of Energy and the Department of Agriculture. We must fuel the engine that directs such prosperity by adequately funding the next generation of potential scientific discoveries.

In addition to increasing our financial commitment to the basic research enterprise, we must also ensure that we produce a technologically proficient workforce. Improving science education for all children in our public schools is also critical to developing a broader appreciation for science and the scientific method in society and producing well-trained and informed citizens. I believe that teachers are the most critical element in improving education. Nothing makes more of an impact on our children than a well-trained, caring, and dedicated teacher.

Public schools will have to hire more than two million new teachers over the next 10 years. Many of these new teachers will have to teach math and science in the elementary grades. Unfortunately, many of today's teachers, especially in elementary school, do not feel prepared to teach science. Over half of America's high school teachers of physical sciences (including chemistry and earth science) do not have a major or minor in any physical science. About one-third of public high school math teachers do not have a teaching certificate in math.

Science literacy is at the core of maintaining our economic strength, given the realities of global competition. We must strive for an education system that teaches every student every science every year. The support of professional scientists and engineers in education is important in assuring the development of concerned and responsible citizens in the future who understand the nature of the self-correcting system of science.

Again, I applaud the efforts of the Science Coalition in promoting Science Day 2000. I urge my colleagues to consider the high return on the investment in basic research as we move forward together.

## PERSONAL EXPLANATION

## HON. HELEN CHENOWETH-HAGE

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Ms. CHENOWETH-HAGE. Mr. Speaker, During the week of July 10, 2000, I missed several rollcall votes due to an illness. Had I been present, I would have voted "yea" on rollcall vote 373 (Dr. COBURN's amendment to H.R. 4461); "yea" on rollcall vote 374 (Mr. ROYCE's amendment to H.R. 4461); "yea" on rollcall vote 375 (Mr. CROWLEY's amendment to H.R. 4461); "nay" on rollcall vote 376 (Mr. ROYCE's amendment to H.R. 4461); "yea" on rollcall vote 377 (Dr. COBURN's amendment to H.R. 4461); "nay" on rollcall vote 378 (Mr. SANFORD's amendment to H.R. 4461); "yea" on rollcall vote 379 (On motion to suspend the rules and agree to H. Con. Res. 253); "nay" on rollcall vote 380 (On motion to suspend the rules and pass, as amended, H.R. 4442); "nay" on rollcall vote 381 (On motion to suspend the rules and pass, as amended, H. Res. 415); "nay" on rollcall vote 382 (Mr. DEFAZIO's amendment to H.R. 4461); "nay" on rollcall vote 383 (Mr. SANFORD's amendment to H.R. 4461); "yea" on rollcall vote 384 (Mr. BURTON's amendment to H.R. 4461); "yea" on rollcall vote 385 (On passage of H.R. 4461); "yea" on rollcall vote 386 (On approving the Journal); "yea" on rollcall vote 387 (On agreeing to H. Res. 545); "nay" on rollcall vote 388 (Suspend the rules and pass S. 1892); "yea" on rollcall vote 389 (On motion to suspend the rules and pass H.R. 4169); "nay" on rollcall vote 390 (Mr. RANGEL's substitute amendment to H.R. 4810); "nay" on rollcall vote 391 (On motion to recommit with instructions); "yea" on rollcall vote 392 (On passage of H.R. 4810); "yea" on rollcall vote 393 (On motion to suspend the rules and pass H.R. 4447); "yea" on rollcall vote 394 (On agreeing to H. Res. 546); "yea" on rollcall vote 395 (On closing portions of the conference accompanying H.R. 4576).

## HONORING OFFICER BRUCE BERRY ON HIS RETIREMENT FROM THE COLORADO STATE PATROL

## HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. MCINNIS. Mr. Speaker, it is a privilege and an honor to have this opportunity to pay tribute to State Patrol Trooper Bruce Berry for his dedicated service to the Colorado State Patrol for 29 years as he celebrates his retirement. Officer Berry has been the embodiment of service, support and sacrifice during his time with the Colorado State Patrol. He clearly deserves the praise and recognition of this body as he and his fellow troopers celebrate his retirement.

Officer Berry distinguished himself through his exceptional leadership and service during his career with the Colorado State Patrol. During his career, Officer Berry issued 564,000 speeding tickets, logged 620,000 miles, and covered 5,500 accidents. In 1997, Officer Berry earned the Governor's Local Hero Award for warning children of the possible implications of getting in a car with an intoxicated person. Officer Berry always made helping children one of his first priorities. In fact, Officer Berry was one of the first troopers with the Colorado State Patrol to begin arresting adults on suspicion of child abuse.

After retirement, Officer Berry intends to spend his time fishing and with his grandchildren. Officer Berry also has plans to attend Colorado Mountain College, where he is an instructor of law enforcement driving training, in further pursuit of his bachelor's degree in police science.

As Officer Berry celebrates his retirement, Mr. Speaker, I wanted to take this opportunity to say thank you and congratulations on behalf of the United States Congress. In every sense, Officer Berry is the embodiment of all the best in law enforcement and deserves the praise and admiration of us all. My thanks to him for a job well done.

## PALESTINIAN PEACE TALKS

## HON. NICK J. RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. RAHALL. Mr. Speaker, President Clinton, Prime Minister Barak, and President Arafat are meeting at Camp David in an attempt to resolve the most difficult issues preventing peace between Israelis and Palestinians. The pundits on both sides have been pessimistic about their chance for success. Each side claims that the other is unwilling to compromise. We are told the issues are too difficult and few new ideas are available. Each side has supposedly drawn red lines which reportedly will not be crossed.

I, for one, am more hopeful. The task confronting these three men is great and the odds are clearly against them. Nevertheless, if one takes the time and effort, one can see examples of flexibility on all sides and willingness to rethink difficult issues. The most controversial of all outstanding issues is the future of Jerusalem. Even on this emotion-filled issue, parties are clearly willing to compromise and approach the problem creatively. An example of this is an opinion article which appeared in the Sunday Los Angeles Times. Faisal Husseini, the author, is the senior Palestine Liberation Organization official in Jerusalem. I would like to draw my colleagues' attention to the article not necessarily to endorse every idea presented in it, but in order to emphasize the level of creative thinking and flexibility being displayed by officials involved in finding solutions.

Mr. Speaker, this flexibility gives hope if not optimism that the three men gathered at Camp David can find a peaceful resolution to the Israeli/Palestinian conflict.

[From the Los Angeles Times, July 9, 2000]

### THE HOLY CITY MUST BE RULED FAIRLY

(By Faisal Husseini)

JERUSALEM—No city in the world evokes as much passion and controversy as Jerusalem. And for good reason: Jerusalem is spiritually important to three great religions—Judaism, Christianity and Islam. And it is politically important to two peoples—Palestinian and Israeli.

If we are to reach a peaceful resolution to the Jerusalem quandary, it only will be through devising a way to ensure that all five of these constituencies have a role in the administration of Jerusalem and its holy sites. No single group should be able to claim either religious or political exclusivity in Jerusalem.

One of the many myths that have flourished since 1967 is that Israel wants to keep Jerusalem unified while the Palestinians wish to redivide it. Nothing could be further from the truth. Neither I nor others want to see Jerusalem as a divided city. The real question is whether a unified Jerusalem will be under the exclusive control of Israel or under shared control.

Palestinians believe that Jerusalem should be a shared, open city; two capitals for two states. sIn our vision, East Jerusalem, as defined by the 1948-1967 borders.

To a large degree, this arrangement would simply be recognition of reality. For the past 33 years, Israelis have treated East Jerusalem as a separate entity. The Israeli government has channeled only minimal resources to the Palestinians of East Jerusalem and has denied its majority Palestinian population many basic rights. These Palestinians, many of whose families have lived in Jerusalem for centuries, have had no voice in their city's administration and have faced severe impediments imposed by Israel in housing, land use and economic development. This is the Israeli version of "unified" Jerusalem.

Under our plan, all of the city's residents, not just Jewish Israelis, would have a say in how Jerusalem is run. Moreover, the rights of both Palestinians and Israelis should be equal: If Israelis are to live in East Jerusalem, then Palestinians should be allowed to live in West Jerusalem.

Creating shared administrative arrangements is especially important in the Old City of Jerusalem, as this concentrated area evokes the most passion among Jews, Christians and Muslims. Many residents of the Old City are Palestinian. Yet for the past 33 years, all decisions about land use, housing and development have been made by Israelis. Palestinian Christians and Muslims have had no say and have suffered as a result.

For example, soon after Israeli forces captured Jerusalem in 1967, Israel greatly expanded the Old City's Jewish Quarter and ruled that Palestinians could not purchase houses there, even though extremist Jewish groups—often with Israeli government encouragement—have seized properties in the Old City's Christian and Muslim quarters. And since 1993, Israel has imposed a military closure that systematically prevents Palestinian Christians and Muslims from entering Jerusalem.

In our vision of Jerusalem, such actions could not occur because administration of the Old City would be shared and followers of all three religions would enjoy unimpeded access to thier holy sites.

As Jerusalem is the spiritual center for all three monothelistic religions, no one should have a monopoly over the Old City, and no one should act there unilaterally. Israelis say they want to keep Jerusalem unified and not divided. What they really mean is that they want to maintain 100% control over Jerusalem.

Palestinians want a Jerusalem that is shared, not divided. Ours is the only realistic alternative for a city that is so important to so many people. There is no reason why Jerusalem cannot become the symbol of reconciliation in the Middle East instead of continuing to be an obstacle to peace.

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## CENTRAL NEW JERSEY RECOGNIZES VETERAN MANUEL (MANNY) ALMEIDA

### HON. RUSH D. HOLT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. HOLT. Mr. Speaker, today I recognize Mr. Manuel Almeida, a distinguished veteran and accomplished VFW commander. Mr. Almeida is being honored this Saturday as the State Commander, Department of New Jersey, Veterans of Foreign Wars of the United States.

Mr. Almeida saw action in the Army during the Korean War. He was awarded the purple heart, the combat infantry badge, and the United States, the United Nations, and the Korean Campaign Ribbons with two Battle Stars. One event that serves as a testament to the bravery and dedication of Mr. Almeida happened in 1952, in the affectionately named "Old Baldy" area.

On this occasion, our forces were conducting a raid on an outpost. They withdrew, and it soon was discovered that there were some wounded men left behind. Mr. Almeida and two of his colleagues volunteered to return to "Old Baldy" and retrieve the injured men. Upon retrieving the men, Mr. Almeida and the other soldiers were hit by a mortar barrage. One of the soldiers who was acting as a stretcher bearer was hit by mortar schrapnel, and Mr. Almeida as well as the other remaining volunteers carried through with their mission and brought the original wounded men back to safety, returned for the injured stretcher bearer, and brought him to safety as well.

Mr. Almeida's service to his country did not end with the completion of his tour of duty. He went on to serve in the US Army for 20 years, receiving numerous citations and awards. After his 20 year Army career, Mr. Almeida worked for the US Army Electronics Command at Fort Monmouth as a logistics maintenance manager and again retired from the Federal Service in 1995.

Mr. Almeida joined VFW #2226, Oakhurst, New Jersey, was extremely active, became one of their All State Commanders, and now will command the Department of New Jersey, Veterans of Foreign Wars for the year 2000–2001.

I urge my colleagues to join me in honoring Mr. Almeida for his many achievements and for his contributions to our country and to our Veterans. I wish him well in his new position.

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## A TRIBUTE TO H. LYNN CUNDIFF, PH.D., PRESIDENT OF FLOYD COLLEGE

### HON. BOB BARR

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. BARR of Georgia. Mr. Speaker, I stand before you today to honor a personal friend and a friend to the people of the seventh district of Georgia, Dr. H. Lynn Cundiff, president of Floyd College, a two year unit of the university system of Georgia. Floyd College serves students who commute from throughout a large portion of northwest Georgia and northeast Alabama. Dr. Cundiff is leaving his post of president to assume the presidency of Salt Lake Community College. Georgia's loss is Utah's son.

Dr. Cundiff came to Floyd College in 1992, as only its second president, from the position of executive vice chancellor of the Alabama college system. Dr. Cundiff received a Bachelor of Arts degree from William Jewell College in physical education and mathematics, a Master of Arts degree from Northeast Missouri State University in educational administration, and a Ph.D. from Southern Illinois University in educational leadership. He attended the Harvard Leadership Institute, and attended Oxford University along with 45 community college leaders from around the world in August, 1998. He has authored several scholarly publications and has presented a number of papers at national, professional conferences.

Since coming to Floyd College, Dr. Cundiff has been actively involved in the community, having served on the board of the Greater Rome Chamber of Commerce, chaired the 1995 Rome/Floyd County United Way Campaign, chaired the 1996 Race to the Olympics commission for the Rome area, and is a member of the Rotary Club of Rome. Dr. Cundiff and his wife, Glenda, are very active in the North Rome Church of God, where they have been involved in providing pre-marriage and family counseling.

Under Dr. Cundiff's guidance and leadership, Floyd College, which was founded in 1970 to provide educational opportunities for the physical, intellectual, and cultural development of a diverse population in seven northwest Georgia counties, has grown to become an institute offering a large and varied community-education program. It operates extension centers in Cartersville, Haralson County, and Acworth. The college pioneered the development of cooperative programs with Coosa Valley Technical Institute as early as 1972, and now also offers joint programs with North Metro Technical Institute in Acworth, Georgia as well. With the advent of distance learning technologies, specialty programs, off-campus centers, collaborative arrangements, and cooperative degree programs with technical institutes, the college has expanded its scope of influence far beyond the institution's original geographical area.

Under Dr. Cundiff's leadership, the philosophy of the college is expressed in the beliefs that education is essential to the intellectual, physical, economic, social, emotional, cultural, and environmental well-being of individuals and society; and that education should be geographically and physically accessible and affordable. In support of this philosophy, the college maintains a teaching/learning environment which promotes inclusiveness and provides educational opportunities, programs, and services of excellence in response to documented needs.

Dr. Cundiff will be leaving Floyd College, effective July 31st, to assume the presidency of Salt Lake Community College in Utah. However, the results of his personal commitment of excellence in education will forever remain in the minds and spirit of the citizens of the hills of northwest Georgia and northeast Alabama. We are forever grateful for the years he has given to us, and we wish him much success in his new endeavors.

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## IN SUPPORT OF THE EPA RULE CONCERNING TOTAL MAXIMUM DAILY LOADS

### HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. OBERSTAR. Mr. Speaker, the Environmental Protection Agency has taken a bold and necessary step toward fulfilling the promise of fishable, swimmable waters that the Congress made to the American people in the Clean Water Act nearly 30 years ago.

EPA has finalized the rule on Total Maximum Daily Loads. This will address the last frontier of the Clean Water Act—discharges from open spaces, runoff from land that gets into our waters through creeks and streams, into rivers, lakes, and estuaries.

EPA proceeded in all proper fashion in developing this rule. It provided for an extended comment period, which was further extended by Congress for a full 5 months. EPA subsequently received and responded to over 30,000 comments. The agency made changes in the rule to make it more flexible, more responsive, and more effective in addressing water quality needs. EPA even went as far as to withdraw the proposal for forestry, choosing to focus efforts on comprehensively, effectively, and thoroughly addressing the fundamental issue of runoff from nonpoint sources.

Notwithstanding this monumental effort, Congress responded with a direct assault on TMDL rule and the Clean Water Act.

Regrettably, it seems as though we go down this road every year—EPA seeking to advance protection of human health and the environment, and the Congress pushing anti-environmental riders in appropriations bills.

Just a few short weeks ago, the majority, with much fanfare, claimed to have adopted a policy of no anti-environmental riders in appropriations bills. Unfortunately, that policy lasted only until the first vote on a conference report, when the majority inserted language to prevent EPA from improving the quality of the Nation's waters. The majority's rider would prevent EPA from proceeding with the TMDL rule by prohibiting the agency from spending any money to advance the process of developing and implementing the program.

The opposition to the TMDL rule is badly misguided and fueled by an unwillingness to achieve water quality in a fair and timely manner. The TMDL process is an effective, rational, and defensible process by which to achieve the water quality goals of the Clean Water Act.

The EPA estimates that some 20,000 rivers, lakes, streams and other bodies of water in this country are polluted to the point of endangering public health. The TMDL rule would help states address this problem by setting a daily limit on the amount of polluting substances entering these waters, in effect, creating a "pollution budget" for them.

This is how the process works: First, states identify those waters where the state's water quality standards are not being met.

Second, states identify the pollutants that are causing the water quality impairment.

Third, states identify the sources of those pollutants.

Finally, states assign responsibility for reducing those pollutants so that the waters can meet the uses that the states have established.

We have made great improvements in water quality through the treatment of municipal waste and industrial discharges. Thanks to billions of dollars invested by industries and municipalities, these point sources are no longer the greatest source of water quality impairment. Nationally, the greatest remaining problem is nonpoint sources—not pollution from a single, easily identifiable source such as discharge from a sewer pipe, but from a wider area, such as runoff from a farm field or parking lot. Now, nearly 30 years after the Clean Water Act, it is time for the states to get all sources of pollution—including nonpoint sources—to be part of the solution.

I have heard the arguments that the TMDL rule is not based on science. In my considered judgment, the TMDL rule is not only based on science, it is based upon the facts.

Just this June, EPA published its biennial report entitled National Water Quality. This report provides Congress with information developed by the states, and the states tell us that there are still major water quality problems to be addressed. Further, the states tell Congress that for rivers, streams, lakes, reservoirs and ponds, the leading source of water quality impairment, by far, is runoff from urban lands under development and from those agricultural lands that are not properly managed to contain runoff.

The TMDL process is the most fair and efficient way to finish cleaning up the Nation's waters. The TMDL rule is not perfect, and EPA has been responsive in making adjustments to the rule. Many have criticized it, including some in the environmental community, but the TMDL process is the tool the states need to achieve water quality.

EPA has changed the TMDL rule to make it clearer and more responsive to the concerns of the agriculture community. EPA has also withdrawn in its entirety the rule relating to forestry, and has promised to work with stakeholders to develop a new rule sometime next year.

Now, the vast majority of the environmental community supports going forward. The Department of Agriculture supports going forward.

I applaud EPA for going forward, and will work to allow EPA to fully implement the rule and achieve the water quality goals of the landmark Clean Water Act of 1972.

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## FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 2001

SPEECH OF

### HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4811) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2001, and for other purposes.

Ms. WOOLSEY. Mr. Chairman, I rise in strong support of the Lee amendment.

This amendment will provide the funds needed for finding a cure for HIV/AIDS.

Sadly, HIV/AIDS infects more than ten million young people around the world, making it the largest crisis children face.

Just as awful, this horrific virus has left millions of uninfected children orphaned by parents who have died of HIV/AIDS.

AIDS is destroying the lives and futures of our children here at home, and our children around the globe, and we are not doing enough to turn the tide.

What kind of crisis does it take before this Congress realizes we need to take immediate action against the global AIDS epidemic?

Immediate action requires measures of prevention and treatment.

Prevention must include world-wide educational and awareness campaigns. Our youth can't protect themselves if they don't know the facts about HIV/AIDS. I find it extremely disturbing that many children don't know how the virus is transmitted.

Like prevention, we must make treatment for AIDS a high priority.

The availability of certain drugs can make the difference between the death of a parent, child or individual and the possibility of a bright, healthy future.

Mr. Chairman, we need to mobilize every available resource, sparing no effort to fight the HIV/AIDS epidemic. Our Nation and those across the globe need help and they need it now.

I strongly urge my colleagues to support this amendment.

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## FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 2001

SPEECH OF

### HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 12, 2000*

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4811) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2001, and for other purposes.

Mrs. MALONEY of New York. Mr. Chairman, I join with my colleagues from Vermont, New Jersey, and New York in support of women and children around the world and rise in strong support of the Sanders/Smith/Slaughter/Maloney amendment.

This amendment increases USAID's Development Assistance Account by $2.5 million dollars to assist non-governmental organizations in providing shelter and reintegration assistance to the millions of women and children who are victims of international trafficking.

The exploitation of our world's women and children in trafficking is a tragic human rights offense.

Many of these women and children are kidnaped, sold, or tricked into captivity. Instead of dreams of better jobs, better lives, they are trapped into a monstrous ordeal of coercion, violence, and disease. It is important that we protect and assist the victims of trafficking once they are rescued from their nightmare.

Shelters are needed so that victims have a temporary and safe place to stay, and where they can obtain medical services.

This amendment provides the much needed funds for buildings, resources and personnel that will temporarily care for victims, but it also provides resources to provide for the long term assistance that is required for complete reintegration of the victims.

The victims of trafficking, especially the victims of sex trafficking are often stigmatized and rejected by their families and communities.

Without the long term assistance, counseling, and follow up, many of these women and children are often left alone and remain at high risk and some of them are even re-trafficked.

Of course, there is more that needs to be done to stop the many human rights abuses inflicted on women and children around the world.

For many months, I have been exploring ways to stop the sex tourism industry, especially targeting U.S.-based businesses.

When I learned that a sex tourism business was operating in my hometown of New York City, I held a press conference urging the Queens DA to take action against this business.

In addition, I have contacted the Attorney General, Janet Reno, about strengthening current federal laws which already address sex tourism.

We must prevent trafficking and punish the predators that profit from the exploitation of women and children.

This amendment takes a significant step toward making a difference in the lives of women and children around the world.

Once again I commend my colleagues for introducing this amendment and providing assistance to victims of trafficking and urge a Yes vote on the Sanders/Smith/Slaughter/Maloney amendment.

## ALL THE NEWS THAT'S FIT TO LEAK

### HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. FRANK of Massachusetts. Mr. Speaker, from time to time I insert articles into the CONGRESSIONAL RECORD which seem to make important points that my colleagues should read. Usually I accompany them with some explanation of why I think they are important. In the case of Michael Kinsley's superb article on Kenneth Starr's press secretary, the New York Times, and the ethics of leaking, no such commentary is necessary. I submit the article here.

[From the Washington Post, July 11, 2000]

### I DID NOT HAVE LEAKS WITH THAT NEWSPAPER

IT'S NOT ABOUT SEX

(By Michael Kinsley)

No, no, it really isn't about sex this time. No one has even suggested that Charles Bakaly, former deputy to independent counsel Kenneth Starr, had sexual relations with New York Times reporter Don Van Natta. The accusation is that Bakaly leaked a story to Van Natta back in January 1999. Other than that small difference, though, the parallels are pretty tasty. Bakaly was—according to informed sources—a promiscuous leaker who just got caught this time. As with Starr's main target, there is speculation whether he was hoodwinking the boss or had an "understanding." And Bakaly is in legal trouble not for the initial sin but for lying about it in the subsequent investigation. His trial starts Thursday.

Oddly, Bakaly's defenders seem unable on this occasion to keep the original behavior and the subsequent denials distinct in their minds. Because they feel there was nothing wrong with the leaking (and indeed a circuit court panel held as much last September), they feel it is unfiar to punish Bakaly for the attempted coverup. The purity of obstruction of justice—the principle that it is wrong to give false answers in the criminal justice system, even to questions that never should have been asked—no longer beguiles them. Don't try to tell them it's not about leaks, it's about lying. They don't buy it. This time.

The New York Times, at least, is consistent. It opposed the impeachment of President Clinton and it opposes the prosecution of Charles Bakaly (in which the Times itself plays the role of Monica). "Ill-considered," thundered the Times editorial page July 8. "A regrettable denouement," it roared. Actually, that's more like a meow than a roar, isn't it? But then the whole world of leaks puts news media in a comically difficult position.

A friend of mine defends dishonest adulterous politicians on the grounds that (a) adultery should not be a public issue; (b) lying is inherent to adultery; therefore (c) lying about adultery should not be a public issue. Something similar might be said in defense of dishonest talkative public officials; (a) Leaking serves the public interest; (b) lying is essential to leaking, and therefore (c) lying about leaking serves the public interest. This might be said but never is said because it is too embarrassing. How can professional truth-tellers defend lying? So instead we deny step (b): that leaking and lying are inseparable.

The New York Times story that led to the Bakaly prosecution reported that "several associates of Mr. Starr" had said that Starr believed he had constitutional authority to indict a sitting president. As the story ran on, these unnamed associates chatted away about sundry implications of this factoid. But not Charles Bakaly! "Charles G. Bakaly 3d, the spokesman for Mr. Starr, declined to discuss the matter. 'We will not discuss the plans of this office or the plans of the grand jury in any way, shape, or form,' he said." Thus the Times not only allowed Bakaly to tell what the reporter knew to be a lie in its press, but it told a knowing lie itself. Bakaly did not "decline to discuss the matter."

Unless Bakaly actually wasn't the leaker, as he still maintains. This is pretty unlikely, unless Starr—who defended him for a while, then fired him after a supposed investigation—is a total dastard. But suppose Bakaly actually did not have leakual relations with that newspaper. In that case the Times has been reporting on the criminal prosecution of a man it knows to be innocent, while failing to report that rather pertinent bit of information.

The media also tend to be disingenuous, at least, about the general function of leaks. In this case, whether or not Bakaly was the leaker, and whether or not Starr was in on the plot, it was a strategic leak, intended to unnerve the Clinton forces during the impeachment proceedings. Most leaks are like this: not courageous acts of dissent from the organization but part of the organization's game plan.

And thus leaks often suck the media into a conspiracy of hype. Was the fact that Starr thought a sitting president could be indicted really so new, so important, so surprising? (He never actually tried it, so intentionally or not, the leak turned out to be misleading.) In what the Times may have regarded as a somewhat backhanded defense of its scoop. The Washington Post editorialized that "this information was not really even news at all." The Times itself took the opposite approach, declaring that the story "was obviously of great national moment." Too small to matter? Too big to stop? Each is a plausible defense, but both can't be true.

The point here is not to pick on the Times. (Is that true? Sources inside my head, who spoke on the condition they not be identified, say it's hard to tell.) Let's say the point is that even the New York Times has leak fever. Its editorial last week, just after declaring that the Starr story was "of great national moment," suddenly pooh-poohed this historic scoop as merely "discussion Mr. Starr and his aides may have had with reporters about [their] deliberations." May have had? The story was what anonymous Starr aides had told the Times about their deliberations! In its pious agnosticism regarding matters it must know the truth about, the Times seems to be raising the possibility that it made the whole thing up.

Now that I wouldn't believe. Even if it said so in the New York Times.

## FEDERAL LAND EXCHANGE PROGRAMS NEED TO BE HALTED AND FIXED

### HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 13, 2000*

Mr. GEORGE MILLER of California. Mr. Speaker, a General Accounting Office report I requested on land exchanges confirms many of the concerns I have expressed over the past several years: too many land swaps by the Bureau of Land Management and the Forest Service shortchange taxpayers and are not in the public interest.

The GAO report released on July 12, entitled "Land Exchanges Need to Reflect Appropriate Value and Serve the Public Interest" (GAO/RCED–00–73), highlights numerous failings of the exchange program. GAO found that the agencies have wasted hundreds of millions of dollars swapping valuable public land for private land of questionable value, and the report concludes that the BLM may even be breaking the law.

According to GAO, the agencies "did not ensure that the land being exchanged was appropriately valued or that exchanges served the public interest or met certain other exchange requirements." GAO went on to state that "the exchanges presented in our report demonstrate serious, substantive, and continuing problems with the agencies' land exchange programs." In addition, GAO found that the BLM has—under the umbrella of its land exchange authority—illegally sold federal land, deposited the proceeds into interest-bearing accounts, and used these funds to acquire nonfederal land (or arranged with other to do so). These unauthorized transactions undermine congressional budget authority, GAO said.

The GAO recommended that Congress consider eliminating the programs altogether.

I believe that the appropriate step is to halt the programs and then fix them. In light of the GAO's report, I have asked the Forest Service and the Bureau of Land Management to immediately suspend their programs while they evaluate the best method to achieve their laudable goals.

Mr. Speaker, I would encourage my colleagues to review the findings of the GAO report and to consider my call for a moratorium on land exchanges while the programs are being fixed. I am submitting for your review as well the letters I sent to the federal agencies yesterday and several newspaper articles on the GAO report.

Hon. BRUCE BABBITT,
*Secretary of Interior,*
*Washington DC.*

DEAR SECRETARY BABBITT: I am writing to request that you direct the Bureau of Land Management to enact a moratorium on land exchanges until the agency demonstrates that it can ensure all exchanges are in the public interest and of equal value, as required by law. In addition, the Bureau should immediately identify and cease all activities carried out under the land exchange authority umbrella that are not authorized by law. The agency should also thoroughly account for the funds used in these transactions.

I am extremely concerned by the General Accounting Office's findings in its June, 2000 report entitled "Land Exchanges Need to Reflect Appropriate Value and Service the Public Interest" (GAO/RCED-00-73). GAO documented numerous instances in which valuable federal land was traded for private land worth significantly less. In addition, the report described exchanges in which the public interest being served was unclear.

According to GAO, the Bureau "did not ensure that the land being exchanged was appropriately valued or that exchanges served the public interest or met certain other exchange requirements" GAO went on to state that "the exchanges presented in our report demonstrate serious, substantive, and continuing problems with the agencies' land exchange programs." In addition, GAO found that the Bureau has—under the umbrella of its land exchange authority—illegally sold federal land, deposited the proceeds into interest-bearing accounts, and used these funds to acquire nonfederal land (or arranged with others to do so).

I am also concerned by the Bureau's response to these findings: it appears that the Bureau would rather deny the problems than solve them. GAO reported that the Bureau is attempting to make superficial changes that do not adequately address these illegal land transactions. For example, according to GAO, the Bureau is renaming the disputed land transactions, calling them "disposals" rather than "sales" and "acquisitions" rather than "purchases." In addition, the Bureau is switching from using cash in these transactions, to financial instruments, like bonds. According to GAO, the transactions are still not authorized by law and the Bureau's arguments to the contrary are "circular and unconvincing."

Many of the problems highlighted by GAO are not new and have been reported on by the Inspector General and in numerous news accounts. While I am supportive of the Bureau's ongoing efforts to address these concerns, such as creating a national review team, these changes have not yet produced sufficient results.

The Bureau's moratorium should suspend all pending exchanges for which a decision has not yet been signed and halt the initiation of new exchanges. Before the Bureau considers lifting the moratorium, the Inspector General should complete a comprehensive review of procedures and pending exchanges and certify that the agency has sufficient control of the program and can ensure that all exchanges are of equal value and in the public interest. The IG review should include a close look at exchanges involving third-party facilitators, which may be more likely than other exchanges to lead to inequitable results.

As the Bureau works to regain control over its exchange program, it may want to consider ways to improve appraisals, better incorporate the public in its process, reduce the influence of third parties and project proponents. Some specific reforms the Bureau should evaluate include: the automatic release of all appraisal information to the public upon completion of review by the agency appraiser limits on the ability of proponents to select appraisers; application of the NEPA and NHPA requirements in Muckleshoot v. Forest Service to all exchanges; incorporation of the agency's priorities for acquisition in the exchange process; release of a schedule of all proposed land exchanges; inclusion of maps with the legal description of an exchange; reforms of the appeal process; greater notification of adjacent landowners; and the compilation of better system-wide financial and environmental information on all exchanges.

Thank you for your consideration. I look forward to your prompt response.

Sincerely,

GEORGE MILLER,
*Member of Congress.*

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CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
*Washington, DC, July 12, 2000.*

Hon. DAN GLICKMAN,
*Secretary of Agriculture,*
*Washington, DC.*

DEAR SECRETARY GLICKMAN: I am writing to request that you direct the Forest Service to enact a moratorium on land exchanges until the agency demonstrates that it can ensure all exchanges are in the public interest and of equal value, as required by law.

I am extremely concerned by the General Accounting Office's findings in its June, 2000 report entitled "Land Exchanges Need to Reflect Appropriate Value and Serve the Public Interest" (GAO/RCED-00-73). GAO documented numerous instances in which valuable federal land was traded for private land worth significantly less. In addition, the report described exchanges in which the public interest being served was unclear.

According to the GAO, the Service "did not ensure that the land being exchanged was appropriately valued or that exchanges served the public interest or met certain other exchange requirements." GAO went on to state that "the exchanges presented in our report demonstrate serious, substantive, and continuing problems with the agencies' land exchange programs."'

Many of the problems highlighted by GAO are not new and have been reported on by the Inspector General and in numerous news accounts. I am supportive of the Service's ongoing efforts to address these concerns, such as creating a national review team and the new proposal that could lead to public release of appraisal documents. However these changes have not yet produced sufficient results. GAO reported that, "while most regions have made progress in strengthening their land exchange programs, none have clearly demonstrated that they fully and consistently comply with national standards reflecting applicable laws, regulations, and policies in developing and processing land exchanges."

The Service's moratorium should suspend all pending exchanges for which a decision has not yet been signed and halt the initiation of new exchanges. Before the Service considers lifting the moratorium, the Inspector General should complete a comprehensive review of procedures and pending exchanges and certify that the agency has sufficient control of the program and can ensure that all exchanges are of equal value and in the public interest. The IG review should include a close look at exchanges involving third-party facilitators, which may be more likely than other exchanges to lead to inequitable results.

I am aware that the Service previously declared a 30 day moratorium on third-party exchanges, and believe the action, and other reforms, demonstrates the agency's commitment to fixing the exchange program. In addition, I note that the Service runs a less problem-ridden exchange program than does the Bureau of Land Management.

As the Service works to regain control over its exchange program, it may want to consider ways to improve appraisals, better incorporate the public in its process, and reduce the influence of third parties and project proponents. Some specific reforms the Service should evaluate include: the automatic release of all appraisal information to the public upon completion of review by the agency appraiser; limits on the ability of proponents to select appraisers; application of the NEPA and NHPA requirements in Muckleshoot v. Forest Service to all exchanges; incorporation of the agency's priorities for acquisition in the exchange process; greater notification of adjacent landowners; and the compilation of better system-wide financial and environmental information on all exchanges.

Thank you for your consideration. I look forward to your prompt response.

Sincerely,

GEORGE MILLER,
*Member of Congress.*

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[From the Washington Post, July 13, 2000]

### LAND EXCHANGE PROGRAM HURTS PUBLIC, GAO SAYS

(By Deborah Nelson and Rick Weiss)

A federal program designed to improve national wilderness and recreation areas by trading expendable public land for desirable private property has shortchanged taxpayers by millions of dollars, government auditors reported yesterday.

Too often, the report concludes, developers, timber companies and other business interests benefit at the public's expense from the complex real estate deals that are supposed to help the government acquire important natural resources and clean up messy ownership boundaries.

The program is so riddled with problems and abuses that Congress should consider banning trades altogether, the report from the General Accounting Office concludes.

In one instance, for example, a private buyer obtained 70 acres of federal land for $763,000, and then sold the parcel the same day for $4.6 million. In another case, the same buyer acquired another 40 acres with a supposed value of $504,000 and sold it the same day for $1 million.

The report also highlighted a deal in which the Forest Service gave Weyerhaeuser Co., a valuable, mature Douglas fir forest in exchange for vast amounts of mostly clear-cut land near Seattle. A couple of the private parcels had been traded to Weyerhaeuser in an earlier deal, shaved clean of trees and then traded back to the Forest Service. The deal was only stopped after a local Indian tribe and an environmental group challenged it in federal court.

The stinging new assessment is the latest in a series of highly critical reviews of the program by government investigators, but it goes further than any other by suggesting a congressional ban.

Rep. George Miller (D-Calif.), who released the report, called on the Clinton administration to impose an immediate moratorium on land exchanges.

However, officials from the Forest Service and the Bureau of Land Management (BLM), the two most active land-trading agencies, say the program is too important to abandon, particularly because they do not have the money to buy land outright at a time of rising real estate prices.

Over the past decade, the Forest Service and BLM have traded 2 million acres of public land for 3 million acres of mostly private land in increasingly complex deals that sometimes have moved entire mountains from federal to private ownership.

Despite the net gain in land, the GAO found that the public was shorted in many of the deals, because the government under-valued its own land, overvalued the private land or made trades that benefited the private parties rather than the public.

In addition, the BLM broke the law by selling land outright and keeping the money for its own purposes rather than returning it to the federal treasury as required, the report concludes.

Under federal land exchange regulations the private and public land in a trade must be of equal market value and the overall transaction must benefit the public and the environment.

But the GAO report found that the public often loses out, because the program pits government land managers with relatively little expertise in real estate against professional property brokers, developers and major corporations.

Agriculture Undersecretary Jim Lyons, who oversees the Forest Service, called the criticism "overstated" and the suggested trade ban "ludicrous."

The agency has improved appraisal procedures and training to address past problems, he said. The Forest Service needs the land exchange program as a tool to protect natural resources, he said.

Janine Blaeloch, director of the Seattle-based Western Land Exchange Project environmental group, which has successfully challenged the Weyerhaeuser deal and other trades across the country, said the GAO report didn't go far enough. A moratorium should be extended to land exchanges that are legislated by Congress at the request of private landowners; such trades can legally circumvent the environmental and public review process that the agencies are required to follow, she said.

"Once a land deal goes to Congress it's almost impossible to stop," Blaeloch said. "No public lands should be traded to private parties until we figure out how to solve this problem."

Among the land exchanges scrutinized for the GAO report was a deal between the BLM and a private company that is seeking to build the nation's largest garbage dump just outside the borders of Joshua Tree National Park in California.

To build the dump, which has faced repeated legal challenges over the past decade because of concerns about its environmental impact on the pristine desert park, the developers needed 3,500 acres of adjacent public land. The BLM traded that land to the developers for 10 parcels of private land, which were supposed to provide crucial habitat for the threatened desert tortoise, the endangered pup fish and other sensitive species.

But all 10 parcels are bisected by a rail line that will be used to carry 20,000 tons of garbage a day to the dump. Moreover, dump opponents have gathered evidence that at least some of the land traded by the developers to the public falls within a live bombing area of the federal Chocolate Mountain Gunnery Range. Those and other aspects of the swap have spawned two separate lawsuits seeking to undo the deal.

In another deal, the government traded valuable federal land in the booming Las Vegas valley to developers for an assortment of private parcels, including the 46-acre Zephyr Cove estate on Lake Tahoe, Nev.

A combination of clever legal tactics on the part of the developers and clumsy federal oversight led the Forest Service to mistakenly sign away its rights to a 10,000-square-foot mansion and other buildings on the newly acquired land, government investigators found.

The developers that resold those buildings to another buyer that quickly fenced off the area with "private property" signs and proposed its own development plans that were to expand further onto the Forest Service land.

An investigation by the Agriculture Department found that the buyer of those buildings gave the developers $300,000, exclusive use of the mansion for seven weeks of the year and two 20-year memberships to a Lake Tahoe golf club. The deal has been mired in expensive legal proceedings.

Other exchanges highlighted by the GAO include:

A trade between BLM and the Del Webb development company in Nevada in which the agency let the company use its own appraiser to set the value of 4,776 acres of federal land at $43 million and removed an agency appraiser who protested. When the inspector general for the Department of Interior announced plans to review the exchange, BLM contracted for a new, independent appraisal that set the value $9 million higher.

A deal in which the Forest Service acquired an environmentally desirable $50 million parcel on Lake Tahoe in an exchange with developers who got large tracts of coveted federal land outside quickly growing Las Vegas. But when the developers failed to abide by two separate promises to find a buyer for unwanted buildings on the land, the Forest Service stood poised to get stuck with $300,000-a-year maintenance costs, which it could not afford. Moreover, a USDA investigation found that the developers had misinformed the Forest Service about the nature of the water rights on the land, which were more restrictive than officials had been led to believe.

BLM spokesman Rem Hawes said efforts to improve appraisals and review of land exchanges are underway. "We do a lot of these every year," he said. "And we have some every year that are controversial. The vast majority don't receive a single appeal or protest. We do a lot of these that are quite positive," Hawes said.

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[From the Wall Street Journal, July 13, 2000]

## Congressman Seeks U.S. Moratorium on Land Exchange

(By Jim Carlton)

A California congressman has called for a moratorium on government land exchanges, following the release of a General Accounting Office report criticizing the program for trading valuable public properties for marginal private ones.

Democratic Rep. George Miller sent letters to Interior Secretary Bruce Babbitt and Agriculture Secretary Dan Glickman asking them to halt all exchanges by the Bureau of Land Management and the U.S. Forest Service pending further review.

BLM officials under Interior's authority acknowledged they had room for improvement, and agreed to put their exchange process under closer review. "If we have a squeaky wheel, we want to make sure to get it fixed," said BLM spokesman Rem Hawes. Agriculture officials overseeing the Forest Service said that, while appraisal methods could be improved, most of their exchanges are conducted fairly. "What the GAO report is pointing out are exceptions to the rule," said Jim Lyons, an Agriculture undersecretary.

Rep. Miller, the senior Democrat on the House Resources Committee, had requested the report by the GAO, an investigative arm of Congress, following numerous reports in the media and elsewhere in recent years of problems with the land exchanges. Most of the exchanges have involved the government's vast land holdings in the West, where resources advocates have complained of pristine wildlands being traded away for less valuable private or locally owned tracts.

In Washington state, for instance, a federal appeals court last year blocked a proposed swap of private land that had been logged for untouched public forest, following an outcry by environmentalists. In Utah, a proposed land swap between the Bureau of Land Management and a state school trust is drawing fire from critics who say the transaction would open the entrance of Zion National Park to commercial and residential development.

The exchanges are supposed to enable the government to acquire environmentally valuable parcels of private land by disposing of federal lands deemed of marginal public value. However, the GAO report documented numerous exchanges in which federal land was traded for private land worth significantly less.

As a result, private parties in one Nevada exchange managed to sell for $4.6 million land they had acquired from the BLM that same day for $763,000, according to the report, the Forest Service acquired land in three Nevada exchanges that was overvalued by $8.8 million, "because the appraised values were not supported by credible evidence."

"Land deals are being cut behind closed doors with tremendous special-interest pressure and limited public input," said Rep. Miller, who asked Mr. Babbitt and Mr. Glickman to put a hold on all exchanges until the problems are corrected.

The GAO report also found that the BLM has been illegally holding onto proceeds from land sales, rather than returning the money to the U.S. Treasury, as a pool to purchase additional lands without congressional approval. Rep. Miller called on Mr. Babbitt, who oversees the BLM, to cease those activities as well.

BLM officials said they knew of one such instance in which the agency had neglected to return to the Treasury interest from an escrow account. The BLM's Mr. Hawes said that money would be returned, and added that the agency is seeking to retain an auditor to determine whether escrow monies from other exchanges also need to be returned.

# SENATE—*Monday, July 17, 2000*

The Senate met at 12 noon and was called to order by the President pro tempore [Mr. THURMOND].

## PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

We praise You, dear God. You have promised never to leave or forsake us. Our confidence is in You and not ourselves. We come to You in prayer, not trusting our own goodness but solely in Your grace. You are our joy when we get down, our strength when we are weak, our courage when we vacillate. You are our security in a world of change and turmoil. Even when we forget You in the rush of life, You never forget us. Thank You for Your faithfulness.

At this moment we claim that faithfulness for our friend, Senator PAUL COVERDELL, as he undergoes surgery. Bless him, care for him, and heal him.

And now dear God, filled with wonder, love, and gratitude, we commit this week to live and work for You, inviting the indwelling power of Your spirit. Bless the Senators. Control their minds and give them Your discernment. Give them boldness to take stands for what You have revealed is the application of Your righteousness and justice for our Nation.

Thank You for the privilege of living this week for You. In Your all powerful name. Amen.

## PLEDGE OF ALLEGIANCE

The Honorable PETER G. FITZGERALD, a Senator from the State of Illinois, led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

## RECOGNITION OF THE MAJORITY LEADER

The PRESIDING OFFICER (Mr. FITZGERALD). The majority leader.

Mr. LOTT. I thank the Chair.

## PRAYERS AND REFLECTIONS

Mr. LOTT. Mr. President, I express my appreciation also once again to our Chaplain of the Senate, Lloyd John Ogilvie, and for his remembering our friend and my most trusted confidante, most reliable lieutenant, the Senator from Georgia, PAUL COVERDELL. I don't know of a Senator who works any harder or has a more indomitable spirit. I noticed particularly Friday afternoon how happy he was as he took leave of this Chamber because of the vote that we had just taken and realizing that he would have the opportunity to be home in Georgia on Friday afternoon and on Saturday. Our thoughts and our prayers are with him as he apparently undergoes a surgical procedure at this hour. I thank the Chaplain for his prayer.

Coincidentally, this weekend I also had a little more time than I anticipated and was able to spend some time thinking about our country and reading some books. One of those that I read was "Going For The Max," by Senator MAX CLELAND, also of Georgia. It is a really inspirational book about his life and his experience as a Vietnam veteran and the recovery period he had to go through and the inspiration from things he had learned in his life—12 principles of life that he had learned and on which he relies. I talked to him this morning to tell him how much I enjoyed his book; that I was inspired by it. And he said he was at that very moment standing there looking at Piedmont Hospital where our friend, Senator COVERDELL, is, and he was saying a prayer for him. He offered to cover any meetings or appointments that needed to be done today or this week by Senator COVERDELL.

That is the kind of real love and appreciation and bipartisanship we need more of in this institution and in our lives. So I encourage my colleagues in the Senate, if you have not read it, get a copy of "Going For The Max," and it will be an inspiration to you.

## SCHEDULE

Mr. LOTT. Mr. President, today the Senate will be in a period of morning business until 3 p.m. with Senators BYRD and THOMAS in control of the time.

Following morning business, the Senate will resume consideration of the Interior appropriations bill, and hopefully we will be able to complete our deliberations on that bill and get to final passage on all amendments and the bill itself tomorrow morning.

Under the previous agreement, there are up to 10 amendments remaining to the Interior bill that must be offered and debated during today's session. Hopefully, some of those amendments will be withdrawn, others will be accepted, and maybe we will not need to have more than a couple of them actually voted on, and then go to final passage tomorrow morning. I believe those votes will be stacked in the morning at 9:45 a.m.

At 6:15 this evening, the Senate will begin the final votes on the reconciliation bill which provides for the elimination of the marriage penalty tax. Senators should be aware that during the remainder of the afternoon on Friday, when all amendments were offered and/or debated, almost 40 potential votes could occur in regard to this legislation.

Again, I hope and I think that several of those amendments were just filed as a precaution and that not nearly that many will actually require a vote; some of them can be accepted. But I do expect there will be somewhere between 10 and 15, at least, that will require a recorded vote. We will try to do a major portion of those tonight, if not all of them. We may try to get a consent to finish the remainder of the votes on amendments and final passage tomorrow morning after we take a look at exactly how many we are going to have to do, look at how many we would have to vote on tonight, how many we would have to vote on in the morning, and try to be reasonable in how we schedule those votes. But we do need to get both of them completed not later than tomorrow morning. So votes are expected into the night. We could have, I guess, conceivably 10, 15, or more votes tonight beginning at 6:15. Of course, we have stacked them and the votes will be limited to 10 minutes in length after the first vote. Senators will be encouraged to remain in the Chamber again during the votes.

We were able to record 10 votes in about 1½ hours I think on Friday, which probably is some kind of new record. A lot of the credit for that goes to Senator HARRY REID, the assistant minority leader, because he stayed in the Chamber and helped me make sure that we wrapped those votes up as quickly as was possible.

This will be an important week. After we complete those two very important issues, we will need to go to the Agriculture appropriations bill which has been awaiting action in the Senate now for probably a month. Senator COCHRAN has indicated he will be ready to go tomorrow morning or right after lunch, whichever is available to him, to begin debate on this very important legislation.

We also would like to have the opportunity to consider the energy and water appropriations bill this week also. It is ready and should not take a lot of time. But that will depend on how long it takes on the Agriculture appropriations bill.

I see smiles throughout the Chamber, the idea that we would complete these two bills I have already mentioned and then take up two appropriations bills,

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

but with determination we can get it done.

We achieved more last week than most people thought we would be able to do. It took work and it took some time and it took cooperation between leaders on both sides of the aisle. We were able to get that. I hope we can do it this week. I thank my colleagues for their participation and their cooperation.

With that, I will yield the floor and I observe the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BURNS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## CONSERVATION REINVESTMENT ACT

Mr. BURNS. Mr. President, on the eve of marking up the Conservation Reinvestment Act—an act that can only be described as great politics but very bad policy—to enact a law that gives the Federal Government a blank check to buy land for the purpose of conservation, preservation, or any other so called environmental cause is ill-advised and ill-conceived, it appears, on the surface, the idea of putting land under Federal control for conservation purposes is a good idea and good policy for the nation. However, under the surface, hidden in the dark side of government ownership of lands, it is very bad policy.

Nobody has hunted or fished and appreciated it more than this Senator. Nobody enjoys the outdoors as much as I do—the cold crisp mornings in a hunting camp or a fishing camp is unequaled and one would not need a fishing rod or a rifle.

I would say that nobody in this body has fought harder for habitat and policies that promote the enjoyment of the outdoors, hunting, and fishing. As former cochairman of the sportsman's caucus and still active in the foundation, we guard this privilege.

There is no way, Mr. President, this piece of legislation can be made to reflect or fulfill our role in the protection and improvement of our public lands. Just adding acres to the Federal estate does not get it done. Just no way. The supporters of this legislation has been blinded by the prospects of dollars, free dollars coming to their respective States. The money comes from royalties from off-shore drilling. I have no problem with that and, in fact, support such a scheme. It is the purchasing of land for the Federal estate that I cannot support.

I ask your patience to bear with me but I feel some facts should be made part of this record and my colleagues need reminding of some startling facts.

The Federal Government now controls one-third of the land in the United States. That is wrong and was never intended to be as envisioned by the Founders of our Nation nor the Framers of our Constitution.

However, the Federal Government has from its first day, a healthy appetite for land ownership and has never stopped acquiring more and more land. Some for good and solid reasons. In the last 40 years, however, land acquisition has been under the guise of conservation and preservation.

Do we have enough surplus of money to squander on the idea that the Federal Government needs more land.

Since 1960, major Federal land agencies have added 33.6 million acres of land. That is the area the size of Florida.

These agencies control more than 612 million acres or just over one-fourth of the land area of the United States.

True, the majority of Americans support land conservation and some acquisition, but few know or understand what it entails.

Most of those demanding public ownership of lands have come from groups who have little regard for private land ownership or property rights as provided by our Constitution. Land ownership is the cornerstone to individual freedom which most Americans hold very dear. Have you not seen the movie, "The Patriot"?

> . . . A major increase in Federal funding for land acquisition has long been needed. There is a tremendous backlog in land purchases. . . .

So says Carl Pope, Ex. Director of the Sierra Club.

Ron Tipton, a vice president of the National Park Conservation Association echoes the same line.

I would suggest that both organizations have the money and the political will to buy land for conservation, preservation, or to heal some real or perceived environmental ill. The problem arises that they also would be responsible for the operation and management of the lands.

That being the case, why in the world does the Federal Government need more land? That is why I started to do some research some 3 or 4 years ago and using some information gathered by very credible organizations, I was startled what I found.

The Congressional Budget Office has gone so far as to suggest a freeze on Federal acquisitions. A 1999 report asserts:

> Land management agencies should improve their stewardship of the lands they already own before taking on additional acreage and management responsibilities.
>
> Environmental objectives might be best met by improving that they already own.

There is one glaring fact that throughout our history, private individuals and groups have offered the best and most sound resource conservation. Several organizations such as the Sierra Club has the funds and expertise to do and I suggest they proceed.

Here is CBO's concern. BLM, USF&W, and NPS have added 840,000 acres per year since 1960. That is the area the size of Rhode Island.

In the 1990's, 3.4 million acres and 25 new units for NPS; 2.7 million acres and 24 new units for USF&W; plus 18 million acres in military installations, 8.5 million acres in BOR, and 11.7 million acres in the Corps of Engineers. Even the conservation reserve "CRP" controls 33 million acres.

### SPIRALING COSTS AND BALLOONING BUDGETS

Here are the reasons the Congressional Budget Office suggested a freeze in land acquisition:

Annual costs for land management have far outpaced the rate at which the Federal estate was expanding.

For the past 40 years, government's appetite for land ownership grew the total acres just over 6 percent, yet operating budgets have risen 262 percent above inflation.

From 1962 to 1998, land acquisition cost $10.5 billion. At that same timeframe, managing Federal lands cost $176 billion, $6.6 billion in 1999 alone.

It is a little easier to grasp when one looks at the cost of management in 1962 at $3 per acre. In 1997 the cost has grown to $10 per acre adjusted for inflation.

The NPS operating expenses have risen 2.6 percent per year above inflation since 1980. During the same time, the system grew only 1 percent per year in acreage and units. The system has always gotten more money to operate. Park visits, nationally, only grew 2.3 percent per year.

BLM generated .50 cents for every $1.00 invested and the NPS .08 cents for every $1.00. While operating budgets for day-to-day upkeep and services have grown faster than acreage, provisions for infrastructure and major maintenance have not followed a similar pattern.

In some instances, these capital budgets that provide for long-term facility maintenance have shrunk. Between 1980 and 1995, NPS declined to an annual rate of 1.5 percent when adjusted for inflation. As a result, the NPS has a $5.6 billion deficit for construction and maintenance and a $2 billion deficit for resource management.

The USFS has a $5 billion maintenance backlog. Throwing more money into the Federal trough is not getting us what we want. Eroding forest roads, deteriorating water quality, disappearing wildlife habitat, and loss of priceless artifacts are just the most obvious indicators that current policies are not providing quality management.

Buying more land only contributes to a situation that is not achieving the environmental objectives that we want.

Billions of dollars are spent each year to manage our Federal lands, and the public is not getting the benefits of multiple-use fiscal responsibility, or good resource stewardship.

A number of ecologists have also questioned the ability to fulfill its mission of resource protection. Biologist Charles Kay of Utah State University has documented the destruction of the Crown Jewel of national parks, Yellowstone. Overpopulation of elk and buffalo has taken its toll. The result is starvation of thousands of elk, and overgrazed range, the destruction of plant communities, the elimination of critical habitat, and a serious decline in biodiversity. Karl Hess reported the same in Rocky Mountain National Park.

Some 39 million acres of Federal forest land are, as we speak, at risk of catastrophic wildfire and disease according to a GAO report of last year.

### BETTER TOOLS—BETTER RESULTS—SATISFIED CONSERVATIONISTS

It is clear that merely dipping into the Federal Treasury does not ensure land conservation for the future. Under the current system of command and control, politics plays a major role in Federal land management. Some pragmatic changes in our Federal land agencies, however, could help us get the incentives right.

### RECREATIONAL LAND

Lands historically used for recreation, should pay or attempt to pay their own way and not rely entirely upon congressional appropriations.

There is no doubt that park managers can better care for the land that Federal overseers in Congress who fail to allocate funds for necessary maintenance. The Fee Demonstration Program is a step in the right direction.

As land managers generate revenues and decide how the money will be spent, they are allowed to be more responsive to visitors, more expedient with maintenance, and more protective of natural resources.

### COMMODITY LANDS

Not all Federal lands are equally deserving of preservation. In a world of limited resources, it makes sense to sell lands with lesser conservation values to ensure adequate protection for those worthy of conservation.

### HABITAT SET-ASIDES

There are some lands under Federal management that are not likely to ever pay their own way, but have ecological or cultural value. The land might be critical wildlife habitat, watershed for large, diversified users, or the site of some historical event. These should be placed under a trust or endowment board. A portion of revenues derived from user fees at more popular sites or the sale of other lands could be used as endowment funds to manage these valuable areas. I am very supportive of this idea.

### NEW ACQUISITIONS

Current Federal land management permits land acquisitions without regard to operating and maintenance costs. Before adding more land to the Federal estate and obligating the American taxpayer, a detailed accounting of annual operating and maintenance costs should be prepared and, like private conservators, laws should require that funding for proper management be part of the appropriation. No O&M money, no deal. I will insist on it.

### LAND EXCHANGES

There is no doubt in my mind that land exchanges are necessary. Small units of range should be either traded or sold to block up large units for management purposes. The funds derived from the sales should be placed in the trust or endowment for management of other public holdings.

### PRIVATE SOLUTIONS

As an alternative to Federal land conservation, private conservation by individuals and groups is a viable option with a long history in the United States. The growing demand to protect land resources has created a new impetus for private conservation through ownership and other legal mechanisms. Whether the land is managed for profit or to fulfill a mission, these private conservators have the right incentives. They face the opportunity costs for alternative uses of the resources. The result is often better land management than that provided by our Federal land managers.

### FEE SIMPLE

Private landownership is the oldest and simplest form of land conservation. It will continue to exist as long as property rights are well-defined and owners can profit from their investment in conservation or achieve their conservation goals.

### LAND TRUSTS, CONSERVATION EASEMENTS

Tax benefits.

Perpetual easements.

Restructuring easements.

### CONCLUSION

Changes that would improve land conservation and mitigate environmental damage without adding more land to the Federal estate include:

Lands for recreational use should pay their own way or generate some revenue to cover costs;

Land use rights on commodity producing lands should be sold for the highest value use. The winning bid could be commercial timber harvest, selective harvest to enhance wildlife habitat, wilderness, recreation, or some combination of uses;

Income from the sale of land and land use rights should be put into endowment funds to buy or manage lands with higher conservation values, such as those with critical wildlife habitat, scenic value, or historical significance; and

Barriers should be lowered to encourage private conservation and good stewardship.

At present our Federal land agencies are poor land stewards. Many times through no fault of their own, their budgets reach into the billions, yet damage to roads, sewers, buildings, forest, and rangelands remain and continue to worsen.

Only the lands that are under long-term lease arrangements with individuals or groups continue to improve.

Given the right incentives, we can protect areas like Yellowstone and Yosemite, preserve the Bob Marshall Wilderness of Montana, and the east front. But forests such as Clinch Valley, VA, are better left in private hands.

Again, I must iterate that the Conservation Reinvestment Act as written and presented this day, is ill-conceived and ill-advised. We can and must invest those dollars where the environmental objectives are clearly achievable.

Mr. President, I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for morning business not to extend beyond the hour of 3 o'clock with Senators permitted to speak therein for up to 10 minutes each, with the following exceptions: The Senator from West Virginia, Mr. BYRD, from 12 p.m. to 2 p.m.; and the Senator from Wyoming, Mr. THOMAS, or his designee from 2 p.m. until 3 p.m.

The Senator from West Virginia is recognized.

Mr. BYRD. I thank the Chair.

Mr. President, Alexander Hamilton spoke 6 hours at the Constitutional Convention. So I think I am in rather good company.

## THE PLIGHT OF OUR NATION

Mr. BYRD. Mr. President, the great English novelist, Charles Dickens, began his epic novel, "A Tale of Two Cities," with these words, "It was the best of times, it was the worst of times. . . ."

Well over a century later, and a continent away from the writing of Dickens' story, those words could well describe the plight of our Nation in the last year of the 20th century.

That is this century—the last year of the 20th century.

The United States has never been more affluent, in terms of material wealth and creature comforts, or more impoverished in terms of spiritual well-being. It is the best of times materially. It is the worst of times spiritually. Millions are made daily on

Wall Street. American consumerism fuels booming international economic and trade markets, and our Nation's living standard is the envy of the world. We have eliminated our staggering deficits at home, at least on paper, and jobs are available for our people in abundance.

Yet, America is, in many ways, a hollow nation. We are a people on the edge of a precipice. Despite all of our economic prosperity, despite all of our fascination with the glittery toys that money can buy us, despite all of the accouterments of success and prosperity, so envied by the rest of the world, all of the material comforts we so enthusiastically chase, can never pacify the hunger beginning to emerge in our collective souls, nor even start to solve the endemic problems which crowd the dark corners of our national psyche.

Our children randomly slaughter each other in our schools, clothes are torn off of innocent women in a public park, smut crowds the airwaves, the traditional family structure continues to deteriorate, advertising reflects little but sexual innuendo and the desire for a mad rush to some materialistic nirvana, song lyrics are not fit for polite company, and even the barest mention of the existence of a Creator is castigated as inappropriate or viewed as the unbalanced ravings of the lunatic fringe.

We are a people seemingly in deep denial of our own humanity—in deep denial of our own unquenched inner need for meaning and purpose and direction in our lives. We have succumbed to the glossy promise of more, and more, and more, in a vain and pointless effort to deny the one essential element which is so glaringly missing from our aimless, restless pursuit of prosperity.

Religion has all but vanished from our national life. Worse than that, religion is discouraged; religion is frowned upon. Religion is suppressed, spurred by what I believe is a misguided attempt to ensure a completely secular society and a gross misreading of constitutional intent. Oh, what ills are born when we forget our history! What ills are born when we forget our history!

This Nation was founded, in part, so that religion could freely flourish. The Constitution was written and ratified by men who possessed a strong spiritual awareness. These were not Godless men who wrote the Constitution of the United States. They had a spiritual awareness. The universal principles espoused in the Declaration of Independence in 1776, and other early American documents reflect aspirations, which are, at their core, based on a belief in a Supreme Being and on the existence of a human soul. What are these if not religious principles? Such lofty and spiritual beliefs as the bedrock equality of all humans—as the bedrock equality of all humans—and the endowment by a Creator of basic rights cannot be secularized out of existence in a nation so rooted in a deep spiritual consciousness as is ours. Every single value upon which this country was so painstakingly built—individual sacrifice for the greater good, fairness, charity, truthfulness, morality, personal responsibility, honesty—all of these are, at root, qualities derived from Judeo-Christian teachings. To try to separate this Nation from the religious grounding which it so obviously exhibits in every aspect of its history, is like trying to bifurcate muscle from bone. Dysfunction is the result—sterile bone which cannot move, and useless tissue with no support. That is what happens when spiritual values become separated from our national life.

Nowhere are the results of such an unfortunate rending more obvious, more destructive or more heartbreaking than in the evident damage we have done to our most precious commodity, our children. Millions of our innocents are lost in a maze of drugs, cheap sex, violence, and materialism. They are starving—starving—for lessons by which to live their lives, and what do we offer them? We offer them only hedonistic baubles. Love of pleasure, greed, gratification of sex, deification of the crude and the outrageous, and the selfish culture of Me, me, me, and More, more, more, are no guidelines on which to build a life or a character whether it be a nation or the individual. These are only empty distractions that lead down roads previously reserved for misfits and criminals. We must look hard at ourselves in the mirror each morning and ask what in the name of God we are coming to if we continue on this course? We are all at fault, all of us—the clergy for not speaking out. The Church doesn't speak out like it used to when I was a boy.

The church took a strong stand on the great national issues. But the church, as so many of us, has been driven into a closet; so the clergy for not speaking out; the leaders of business in this country for looking only at profits; the leaders of both political parties for pandering—pandering. Most of the issues that plague us nationally—such as violence in our schools, inadequate health care for the weakest in our society, crime, greed in politics, all of these issues, all of them, are at their root—are issues of right and wrong, issues of morality.

Yet in order to avoid offending anyone—don't offend anyone; that is why so many of the colleges and schools have taken history out of the required courses, because history might offend somebody. It might offend some group—in order to avoid offending anyone or any group, we try to totally secularize our politics on the left and overly polarize our politics, with too much false piety, on the right. So both are in the wrong. The result is only endless power struggle and pandering to the various groups which keep us in power. As such, political power has become an end, not a means, and the leadership of this Nation too often winds up pursuing solutions to the effects of our ills and ignoring their causes.

A prejudice against the influence of religious commitment and moral values upon political issues now characterizes almost every sector of American society from the media to law to academia. We have seen the Supreme Court rule, again and again, against allowing voluntary prayer in public schools in this country. I believe that this ingrained predisposition against expressions of religious or spiritual beliefs is wrongheaded, destructive, and completely contrary to the intent of the Founders of this great Nation. Instead of ensuring freedom of religion in a nation founded in part to guarantee that basic liberty, a literal suffocation of that freedom has been the result. The rights of those who do not believe in a Supreme Being have been zealously guarded, to the denigration, I repeat, denigration, of the rights of those who do so believe.

The American doctrine of separation of church and state—and you don't find that in the Constitution; it says nothing about separation of Church and State in the Constitution—forbids the establishment of any one religion by the state, but not, I repeat, not the influence of religious values in the life of the nation. Religious faith has always been an underpinning of American life.

One of the most perceptive of observers of the early American scene was Alexis de Tocqueville. Writing in the 1830's on his observations while traveling in America, de Tocqueville grasped the moral content of America. Coming from France where abuse of power by the clergy had made anticlericalism endemic, he was amazed to find it virtually unknown in America.

De Tocqueville writes:

> In France, I had almost always seen the spirit of religion and the spirit of freedom marching in opposite directions, but in America, I found they were intimately united, and that they reigned in common over the same country. . . . Religion . . . must be regarded as the first of their political institutions . . . .

He is talking about Americans in the 1830s. Let me say that again—DeTocqueville:

> Religion . . . must be regarded as the first of their political institutions; for if it does not impart a taste for freedom, it facilitates the use of it.

He concluded that most Americans held religion,

> to be indispensable to the maintenance of Republican institutions.

John Adams was the second President of the United States. He served as

Vice President for 8 years under George Washington. He was a member of the Continental Congress, and a signer of the Declaration of Independence. He greatly influenced the States to ratify the new Constitution by writing a three-volume work, entitled, "A Defense of the Constitutions of the Government of the United States."

I like to go back to John Adams' work from time to time and just read it again. I recommend it to our people who are listening in this Chamber. One might say that, when it came to building the governmental structure of these United States, John Adams was in on the ground floor. In his diary entry dated February 22, 1756, John Adams wrote—listen to John Adams now:

> Suppose a nation in some distant region should take the Bible for their only law book, and every member should regulate his conduct by the precepts there exhibited! Every member would be obliged in conscience to temperance, frugality, and industry; to justice, kindness, and charity towards his fellow men; and to piety, love, and reverence toward Almighty God . . . . What a Utopia, what a Paradise would this region be.

That was John Adams. Obviously, John Adams believed that moral precepts and Biblical teachings would be an ideal foundation on which to lay the government of a great nation.

On July 8, 1776, the Declaration of Independence was read publicly at the Continental Congress while the famous "Liberty Bell" was rung. Wouldn't you have liked to have been there? Congress then established a three-man Committee consisting of Thomas Jefferson, John Adams, and Benjamin Franklin, for the purpose of designing a great seal for the United States. What were Franklin's suggestions? Franklin's suggestions for a seal and motto characterizing the spirit of this new nation were—this is Franklin talking, not ROBERT C. BYRD:

> Moses lifting up his wand, and dividing the red sea, and pharaoh in his chariot overwhelmed with the waters. This motto: "Rebellion to tyrants is obedience to God."

What did Thomas Jefferson propose? This is Thomas Jefferson talking, not ROBERT C. BYRD. Thomas Jefferson proposed:

> The children of Israel in the wilderness, led by a cloud by day, and a pillar of fire by night.

Try as I may, I sense no hypersensitivity about absolute separation of religion and the government of the new country in these suggestions for symbols of our new nation. Would such men as Jefferson and Franklin have suggested such symbols if they intended for an absolute wall of separation to be erected between government and any sort of religious expression? I think not.

When it comes to current attitudes about the proper role of religion in America, the apple has fallen very far from the tree. In fact, our greatest leaders have shown no trepidation about God's proper place in the American panorama. I am talking about our greatest leaders. Every session of the U.S. House of Representatives and the United States Senate begins with a prayer. I heard the Chaplin pray today, and so did you. And each House, from the Nation's beginning, has had its Chaplain paid with Federal tax dollars. The Supreme Court of the United States begins each session only after a solemn pronouncement that concludes with "God save the United States and this Honorable Court."

So it is then, with almost total incredulity, that I read the continued pronouncements on the subject of prayer in school by our Supreme Court, which since 1962, has steadily chipped away at any connection between religion and the governmental sphere. How could such rulings be handed down time after time by learned men and women who are obviously familiar with the history of this nation, and with the faith-based grounding of our entire governmental structure? And recently we have this latest decision by the Supreme Court, involving voluntary student-led prayer at a Texas high school football game.

I don't attend football games. I have attended one in the 48 years that I have been in Washington, and I attended that only at halftime to crown the Queen; West Virginia and Maryland were playing. But even if I don't attend football games, there are people who do attend. And if it is their wish to have prayers, if the students in the band or on the football teams want to have prayer, more power to them.

On June 19, the highest court in our land ruled in a 6-3 decision that somehow this voluntary student-led prayer violated the Constitution's establishment clause.

Justice Stevens, writing for the majority opinion, said that even when attendance was voluntary and the decision to pray was made by students:

> the delivery of a pregame prayer has the improper effect of coercing those present to participate in an act of religious worship.

What nonsense—nonsense. Such a pronouncement ignores a separate First Amendment problem, in that it amounts to the censorship of religious speech in a governmental forum. What about the rights of those students who wish to pray, perhaps for the safety of their classmates? Such a ruling tramples on the Constitutional rights of those students in favor of some mythical possibility that coercement might be felt by someone.

In a dissenting opinion, Chief Justice William H. Rehnquist summed up the matter pretty nicely, I think, when he stated that the majority opinion "bristles"—bristles—"with hostility to all things religious in public life."

Mr. Chief Justice Rehnquist said it right: The majority opinion "bristles with hostility to all things religious in public life."

For that statement, the Chief Justice will always have my gratitude. He is eminently correct, and, of course, it took courage to say what he did. As everyone knows, I am no fan of amending the U.S. Constitution, and I believe it should be done only rarely and with great care. Certainly this year, an election year, is no year to try to pass a constitutional amendment on school prayer.

But I intend to implore the two major party candidates—and I do implore the two major party candidates—to seriously consider including a constitutional amendment in the nature of clarifying the intent of the framers in the area of prayer in school as part of both party platforms.

I have yet to read a party platform. Never read one. I have never read a Democratic Party platform or any other party platform, but there are many who do, and it is only natural the parties should have platforms. People expect them to have a platform to indicate where they stand on the great issues of the day. So I urge Mr. Bush and Mr. GORE to work to put the words in the party platforms urging that there be an amendment to clarify the intent of the framers in the area of prayer in school.

The intent of the framers was clearly only to keep the new government from endorsing or favoring one religion over another, but not from favoring a free exercise of religion over nonreligion. Certainly, it was never to prohibit voluntary expressions of a religious nature by our citizens.

Just what do we teach our children? Upon what do we base the most fundamental codes of society if we are not to base them on moral precepts and spiritual precepts? How can we lead our own people, how can we grapple with issues of right and wrong, or how can we continue to inspire downtrodden peoples from around the globe if we continue to deny and to sever our basic ties to faith-based principles?

Alarmingly, we are crafting a political secularism which does not reflect the views or practices of most Americans, the overwhelming majority of Americans. Consider these facts:

> Nine Americans in 10 say they have never doubted the existence of God. Eight Americans in 10 say they believe they will be called before God on Judgment Day to answer for their actions, their words, their deeds. Eight Americans in 10 say they believe God still works miracles, and he does.

One sits right over there in the chair. Here sits some up here. These are miracles. There are literally millions of things that could have happened to each of us, and we would never have been born or in being born we would have been confronted with many health problems. There are miracles every day.

Seven Americans in 10 believe in life after death. I do, and I daresay most, if not all, of the people in this Chamber do believe there is a life after death. What would there be to live for otherwise? Oh, you may laugh now, but wait until you are 82, as I am, and well on your way to 83. To what do you have to look forward to each day of your life which is fast ebbing? Yes, you will change your mind then.

How can the beliefs of such sizable sections of the American population totally escape the attention of politicians and educators? They are all going to die, too. Every one of them, and they are going to have to go out and meet God in eternity, which is a long, long, long time.

How could these statistics escape the nine members of the Supreme Court of the United States? Does the answer lie in the elitism that so permeates this arrogant capital city? Does theology tend to thin out as one gravitates toward the top of the socioeconomic scale, rather like the thinner air at the top of some elevated peak? Are we, indeed, witnessing the writing of a new "Tale of Two Cities" as we watch public policy diverge ever more dramatically from the views of the people and the plain-as-day record of our own documented history?

Power unchecked by moral insight, teaching untempered by spiritual values, government unenlightened by faith in a Creator—no city and no nation can sustain such a course. While we may distract ourselves for a time with the affluence that a booming economy provides, eventually there is a kind of nihilism in a society whose God is materialism—whose only God is materialism.

Look carefully around you at the culture of America today. Just stop and think for a moment. You do not even have to look around you. Stop and think for a moment about the culture of this country today. Note the banality of most public discourse, the lack of respect for authority, the absence of common civility, the crudeness of popular entertainment, the glorification of violence.

There is no map, there is no compass, there is no vision, and "Where there is no vision, the people perish."

Mr. President, the very first sentence of the first amendment to the Constitution of the United States—here is the Constitution; so small that it fits into a shirt pocket—the very first sentence of the first amendment to the Constitution of the United States reads as follows: "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; . . ." It seems to me that the U.S. Supreme Court, over the years, in its rulings on school prayer over the last 40 years has bent over backwards to enforce the first clause in that amendment dealing with an establishment of religion, but the Court has seemingly exhibited a strong bias against the equally important—the equally important—second part of the sentence. That sentence has two parts. And the second part is, I quote: ". . . or prohibiting the free exercise thereof; . . ."

In ruling after ruling, over the past 40 years the Court seems to be going farther and farther in the direction of prohibiting the free exercise of religion. In precedent after precedent, the Court, often by slim majorities, has seemed bent upon totally eradicating any semblance whatsoever of religious speech in our public schools, even when such speech is not in any way, shape, or form connected with an "establishment" of religion.

When I read the first amendment clause dealing with freedom of religion, the words of the amendment seem to strike a balance between an establishment of religion, on the one hand, and the free exercise of religion, on the other. But the Court seems determined to completely ignore, and thus obliterate, any right to a free exercise of religion in the public schools. No wonder many people take their children out of the public schools. I believe that the framers of the United States Constitution—yea, the founders of this Republic itself—would be appalled. Can you imagine what the founders—the framers, the people who framed the Constitution, the people who voted on the ratification of the Constitution—how they would feel? I believe they would be appalled at the Court's apparent drift over the last 40 years toward total secularism and away from any modicum of voluntary religious expression in the public schools of this country.

Now let us briefly reflect upon the impact of religion on the development of American constitutionalism. Let's go back. Let's go back over the decades, yea, even over the centuries, and reflect upon the impact of religion on the development of American constitutionalism. We will find that the roots of religion run deep. As one scholar, Donald S. Lutz, has noted—this is what he says—"The political covenants written by English colonists in America lead us to the church covenants written by Protestants in the late 1500's and early 1600's and these, in turn, lead us back to the Covenant tradition of the Old Testament." That is what he said. The American constitutional tradition derives in much of its form and content from the Judeo-Christian tradition—we can't avoid it; it is there; nothing can erase it; you can take all the history books out of the schools that you want, but the fact remains that it is still there—the Judeo-Christian tradition as interpreted by the radical Protestant sects to which belonged so many of the original European settlers in British North America.

Lutz, in his work, entitled, "The Origins of American Constitutionalism," says this: "The tribes of Israel shared a covenant that made them a nation. American federalism originated at least in part in the dissenting Protestants' familiarity with the Bible".

The early Calvinist settlers who came to this country from the Old World brought with them a familiarity with the Old Testament Covenants that made them especially apt in the formation of colonial documents and State constitutions.

Now, let me refer to Winton U. Solberg. He tells us that in 17th century colonial thought, divine law—a fusion of the law of nature in the Old and New Testaments—usually stood as fundamental law. The Mayflower Compact—how many of us like to claim that our forebearers were on the Mayflower? "Oh, they were there. They were on the Mayflower." Well, there was such a thing written as the Mayflower Compact.

The Mayflower Compact exemplifies the doctrine of covenant or contract. Puritanism exalted the biblical component and drew on certain scriptural passages for a theological outlook. Called the Covenant or Federal Theology, this was a theory of contract regarding man's relations with God and the nature of church and state.

If we examine the public political literature written between 1760 and 1805, the book most frequently cited in that literature is the Bible.

Let me say that again. If we examine the public political literature written between 1760 and 1805, the book most frequently cited in that literature is the Bible.

Saint Paul, the great apostle, is cited about as frequently as Montesquieu and Blackstone, the two most cited secular authors. Deuteronomy is cited almost twice as often as all of Locke's writings put together.

Many of the references to the Bible came from reprinted sermons, while other citations came from secular works. Saint Paul was the favorite in the New Testament, especially his Epistle to the Romans, in which he discusses the basis for, and limits on, obedience to political authorities. From the Old Testament, Deuteronomy was the most cited book, followed by Isaiah, Genesis, Exodus, and Leviticus. The authors most frequently referred to the sections about covenants and God's promises to Israel.

The movement towards independence found the clergy out in front—the movement toward independence in this country found the clergy out in front, not back in the closet; out in front—and the clergy were also most vigorous in maintaining morale during the Revolutionary War. When reading comprehensively in the political literature of the war years, one cannot but be struck by the extent to which biblical sources used by ministers and traditional Whigs undergirded the justification for the break with Great Britain, the rationale for continuing the war, and the basic principles of Americans writing their own Constitutions at the State level.

Let us look at the Mayflower Compact, of November 11, 1620. Here is what they wrote:

> In the name of God, Amen. We, whose names are underwritten, the loyal subjects of our dread sovereign Lord, King James, by the grace of God, . . . having undertaken, for the glory of God, and advancement of the Christian faith, . . . by these presents solemnly and mutually in the presence of God, and of one another, covenant and combine ourselves together into a civil body politick, for our better ordering and preservation and furtherance of the ends aforesaid; and by virtue hereof to enact, constitute, and frame such just and equal laws, ordinances, acts, Constitutions, and offices, from time to time, as shall be thought most . . . convenient for the general good of the colony unto which we promise all due submission and obedience. . . .

That was the Mayflower Compact. The authors of the Mayflower Compact had no hesitation about mentioning God, no hesitation about placing their lives in his hands and saying so. Now let us examine briefly "The Fundamental Orders of Connecticut." Here we will find many references to the Deity, in these orders which were adopted by a popular Convention of the three towns of Windsor, Hartford, and Wethersfield, on January 14, 1639, 361 years ago. The form, according to historians, was "the first written Constitution, in the modern sense of the term, as a permanent limitation on governmental power, known in history, and certainly the first American Constitution of government to embody the Democratic idea."

I shall quote the following references to the Deity from The Fundamental Orders of Connecticut: Forasmuch as it hath pleased the Almighty God by the wise disposition of his divine providence . . ."; "and well knowing where a people are gathered together the word of God requires that to maintain the peace and union of such a people, there should be an orderly and decent government established according to God, . . ."; ". . . to maintain and preserve the liberty and purity of the Gospel of our Lord Jesus which we now profess, . . ."; ". . . do swear by the great and dreadful name of the everlasting God, . . ."; ". . . so help me God, in the name of the Lord Jesus Christ . . ."; ". . . according to the righteous rule of God's word; so help me God, and so forth."

Now let us look at the opening words of the treaty with Great Britain in 1783, 217 years ago, providing for the complete independence of the American states and acknowledgment by Great Britain: "In the name of the Most Holy and Undivided Trinity. It having pleased the Divine Providence to dispose the hearts of the most serene and most potent Prince George III, by the grace of God. . . ."

The foregoing extracts, and others, from American historical documents are sufficient to impress us with the fact that religious conviction permeated the blood stream of American Constitutionalism and American statecraft as far back as 200 years prior to the writing of the Constitution in 1787.

Now let us examine the first inaugural address of George Washington, 1789, who had been chairman of the convention which framed the Constitution. Here is the greatest President we have ever had. A few extracts therefrom will leave no doubt as to where the Nation's first President stood when it came to religious expression in matters pertaining to Government: ". . . it would be peculiarly improper to omit, in this first official act, my fervent supplications to that Almighty Being who rules over the Universe, who presides in the councils of nations, and whose providential aids can supply every human defect, that His benediction may consecrate to the liberties and happiness of the people of the United States a government instituted by themselves for these essential purposes, and may enable every instrument employed in its administration to execute with success the functions allotted to His charge. In tendering this homage to the great Author of every public and private good, I assure myself that it expresses your sentiments not less than my own; nor those of my fellow citizens at large less than either. No people can be bound to acknowledge and adore the Invisible Hand which conducts the affairs of men more than the people of the United States. Every step by which they have advanced to the character of an independent nation, seems to have been distinguished by some token of providential agency."

That is George Washington, the father of our country, the commander in chief at Valley Forge, the presiding officer of the Constitutional Convention, first President of the United States and the best by any measure, by any standard. He had no hesitancy in speaking of that invisible hand that guides the Nation. If he were alive today and a Member of this Senate or a Member of the Supreme Court or President of the United States again. How clear, how incisive, and how powerful were these allusions to God by our first and greatest President!

Further expressions by George Washington in that same inaugural address were indicative of an unabashed religious faith:

> Since we ought to be no less persuaded that the propitious smiles of heaven can never be expected on a nation that disregards the eternal rules of order and right, which heaven itself has ordained; . . .; I shall take my present leave, but not without resorting once more to the benign Parent of the human race, in humble supplication, that, since He has been pleased to favor the American people with opportunities for deliberating in perfect tranquility . . . .; . . . so His divine blessing may be equally conspicuous in the enlarged views, the temperament consultations and the wise measures, on which the success of this government must depend.

There you have it.

Having quoted from Washington's first inaugural address, now let me quote briefly from Lincoln's first inaugural address—no hesitation here about calling upon—no hesitancy here about calling upon the Creator: "If the Almighty Ruler of Nations—he is not talking about King George III—with His eternal truth and justice, be on your side of the North, or on yours of the South, that truth and that justice will surely prevail by the judgment of this great tribunal of the American people . . . .; Intelligence, patriotism, Christianity, and a firm reliance on Him who has never yet forsaken this favored land are still competent to adjust in the best way all our present difficulty."

Issuing the Emancipation Proclamation in 1863, Lincoln closed his remarks with these words: "And upon this act, sincerely believed to be an act of justice, warranted by the Constitution, upon military necessity, I invoke the considerate judgment of mankind and the gracious favor of Almighty God." That is Abraham Lincoln.

Lincoln, in his second inaugural address, rises to a rare pitch of eloquence, marked by a singular combination of tenderness and determination:

> If we shall suppose that American slavery is one of those offenses which, in the providence of God, must needs come, but which, having continued through His appointed time, He now wills to remove, and that He gives to both North and South this terrible war, as the woe due to those by whom the offense came, shall we discern therein any departure from those divine attributes which the believers in a living God always ascribe to Him? Fondly do we hope—fervently do we pray—that this mighty scourge of war may speedily pass away. Yet, if God wills that it continue until all the wealth piled by the bondsman's 250 years of unrequited toil shall be sunk, and until every drop of blood drawn with the lash shall be paid by another drawn with a sword, as was said three thousand years ago, so still it must be said: "The judgments of the Lord are true and righteous altogether."

Now hear that, Supreme Court of the United States. Hear those words by Abraham Lincoln.

Lincoln then went on to say those words with which we all are so familiar: "With malice towards none; with charity for all; with firmness in the right, as God gives us to see the right, let us strive on to finish the work we are in; to bind up the nation's wounds; to care for him who shall have borne the battle and for his widow and his orphan, to do all which may achieve and cherish just and lasting peace among ourselves and with all nations."

How can one read and reflect upon these clear and unrestrained references to Almighty God expressed by our nation's two greatest Presidents—Washington and Lincoln—and hold any doubt whatsoever as to the impact of religion upon the thoughts, the character, and the lives of the two greatest statesmen America has ever produced?

And yet, the Supreme Court in recent years, in majority opinions, has not scrupled to bow to materialism in the Court's rulings concerning voluntary prayer in public school settings!

A further examination of the inaugural addresses of the Presidents finds John Adams, the second President, closing his inaugural address with the following invocation:

> And may that Being who is supreme over all, the Patron of Order, the Fountain of Justice, and the Protector in all ages of the world of virtuous liberty, continue His blessing upon this nation and its government and give it all possible success and duration consistent with the ends of His providence.

Thomas Jefferson's closing words in his second inaugural address were these:

> I shall need, too, the favor of that Being in whose hands we are, who led our fathers, as Israel of old, from their native land and planted them in a country flowing with all the necessaries and comforts of life; who has covered our infancy with His providence and our riper years with His wisdom and power, and to whose goodness I ask you to join in supplications with me that He will so enlighten the minds of your servants, guide their councils, and prosper their measures that whatsoever they do shall result in your good, and shall secure to you the peace, friendship, and approbation of all nations.

James Madison, the chief author of our Constitution, showed no hesitancy in expressing his dependence upon Providence:

> My confidence will under every difficulty be best placed, next to that which we have all been encouraged to feel in the guardianship and guidance of that Almighty Being whose power regulates the destiny of nations, whose blessings have been so conspicuously dispensed to this rising Republic, and to whom we are bound to address our devout gratitude for the past, as well as our fervent supplications and best hopes for the future.

Having quoted from the inaugural addresses of our country's first four Presidents, I shall now recall to my fellow Senators references to God in the inaugural addresses of four Presidents in the current 20th century. I begin with William Howard Taft who, subsequent to having served as President, fulfilled a lifelong dream in 1921 when he was sworn in as Chief Justice of the United States. He ended his inaugural address with these words:

> I invoke the considerate sympathy and support of my fellow citizens and the aid of the Almighty God in the discharge of my responsible duties.

Franklin D. Roosevelt refers to the Supreme Being in each of his inaugural addresses, but I shall quote only from the fourth and last:

> The Almighty God has blessed our land in many ways. He has given our people stout hearts and strong arms with which to strike mighty blows for freedom and truth. He has given to our country a faith which has become the hope of all peoples in an anguished world.
>
> So we pray to Him now for the vision to see our way clearly—to see the way that leads to a better life for ourselves and for all our fellow men—to the achievement of His will, to peace on earth.

Dwight D. Eisenhower, who had been Supreme Commander of Allied Forces in Europe during World War II, and had served as Supreme Commander of NATO, took the oath of office as President using both George Washington's Bible and one given to him by his mother at his graduation from the Military Academy at West Point.

Many of us remember his prayer at the beginning of his first inaugural address:

> Almighty God, as we stand here at this moment my future associates in the executive branch of government join me in beseeching that Thou will make full and complete our dedication to the service of the people in this throng, and their fellow citizens everywhere.
>
> Give us, we pray, the power to discern clearly right from wrong, and allow all our words and actions to be governed thereby, and by the laws of this land. Especially we pray that our concern shall be for all the people regardless of station, race, or calling.
>
> May cooperation be permitted and be the mutual aim of those who, under the concepts of our Constitution, hold to differing political faiths; so that all may work for the good of our beloved country and Thy glory. Amen.

Dwight D. Eisenhower led the Nation in prayer himself.

Eisenhower's was the first prayer to be uttered by a President in his inaugural address to the nation, but it was not to be the last. President Reagan, in his second inaugural address, began his inaugural address with a silent prayer:

> I wonder if we could all join in a moment of silent prayer. [Moment of silent prayer.] Amen.

George Bush, after taking the oath with his hand placed on George Washington's Bible, began his presidency with a prayer:

> And my first act as President is a prayer. I ask you to bow your heads:
>
> Heavenly father, we bow our heads and thank You for Your love. Accept our thanks for the peace that yields this day and the shared faith that makes its continuance likely. Make us strong to do Your work, willing to heed and hear Your will, and write on our hearts these words: 'Use power to help people.' For we are given power not to advance our own purposes, nor to make a great show in the world, nor a name. There is but one just use of power, and it is to serve people. Help us to remember it, Lord. Amen.

That was George Bush.

I have a reason for quoting from these great American documents and for these inaugural and other addresses by some of our Presidents. There have been other Presidents whom I could have quoted.

All of these references to religious faith that I have quoted from early American documents and from inaugural addresses by Presidents bear witness to the fact that a strong spiritual consciousness has pervaded the fabric of American statecraft and American Constitutionalism for two centuries prior to the writing of the U.S. Constitution and for these two centuries following that event.

Mr. President, the Framers of the Constitution, the voters who ratified that Constitution, the members of the First Congress who supported the first amendment to the Constitution, and the people in the states who ratified the First Amendment, would be aghast at the interpretations of the First Amendment clause by U.S. Supreme Court rulings concerning prayer in the public schools of America. I say that those rulings are having the effect of "prohibiting the free exercise" of religion. The court has drifted too far from the shore.

I lauded the six members of the Supreme Court whose votes declared the Line Item Veto Act of 1995 to be unconstitutional. But the Court's majority has adopted a dangerous trend in case after case concerning the free exercise of religion in the public schools. The situation has become so bad that most school boards frown upon the use of God's name by teachers or students for fear of being hit with a costly law suit. I have had that happen right in West Virginia, and just within the last year. Consequently, God is being driven out of the public schools completely. I shudder to think that what we put into the schools will, in a generation, dominate the nation, and what we drop from the schools will, in a generation, leave the nation. Can it be said, therefore, that the U.S. Supreme Court is heading us down the road to becoming a godless nation?

The opponents of voluntary prayer in schools are quick to say that the place for prayer is in the home—and it is—and not in the schoolroom. This argument portrays an amazing ignorance of the religious awareness that has been the underpinning of our Republic from its earliest beginnings. Prayer in the public schools was prevalent in our country until the courts began to whittle away at this tradition in recent years. So, we are told that there is no place for God in the schoolroom.

It must be confusing to the child who is taught by parents at bedtime to repeat the words: "Now I lay me down to sleep, I pray the Lord my soul to keep; if I should die before I wake, I pray the Lord my soul to take", but if the same child mentions the Lord's name in school, the teacher feels it necessary to say "shuh, we must not mention the Lord's name in school."

At home and at the breakfast table, America's children are taught to say: "God is great, God is good, and we thank Him for this food; by His goodness all are fed, give us Lord our daily bread," but in the schoolroom at lunchtime, the children must not say grace over the food. That might offend someone. Hence, the home and the school are at war with each other today.

I wonder if the high court is aware of the chaos that it is creating in the schools of the country? School administrators are caught in a bind. I wonder if the court is aware of the harm that it is doing to the nation when it strongly enforces the first half of the religious clause while it shows a dangerous bias against the second half of the same clause? Isn't it about time that the Supreme Court demonstrates an equal balance in its interpretation of the first sentence of the First Amendment to the Constitution? It seems to me that the court is drifting farther and farther to the left of center in its drift towards materialism and radical secularism as its opinions serve more and more to inhibit any display of religious belief by the nation's school children. In an effort to ensure a tolerance for all beliefs, the courts are bending too far, in effect, establishing an environment of intolerance rather than tolerance.

Mr. President, we rail, and moan, and gnash our teeth, and wring our hands as we see more and more violence in our schools and a general decline in morals throughout the nation. Is it any wonder? Our nation's leaders are no longer paragons of rectitude. Don't point to them as being the idols of our youth. The institution of marriage is crumbling; the church, more and more, refrains from speaking out boldly on the great moral issues of the day; and God is being driven from the classrooms of our nation's schools by the U.S. Supreme Court's decisions that favor secularism, materialism, and the stifling of any voluntary and free exercise of religion in the public schools. Is it any wonder that more and more parents are determined to send their children to private schools and to religious schools?

Mr. President, George Washington, the Father of our country, our first President, bequeathed to us a clear vision of the importance of religion to morality in our national life, when he said, in his farewell address to the nation in September, 1796: "Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports. In vain would that man claim the tribute of patriotism who should labor to subvert these great pillars of human happiness, these firmest props of the duties of men and citizens. The mere politician, equally with the pious man, ought to respect and to cherish them. A volume could not trace all their connections with private and public felicity. Let it simply be asked, George Washington said, where is the security for property, for reputation, for life, if the sense of religious obligation desert the oaths, which are the instruments of investigations in courts of justice? And let us with caution indulge the supposition that morality can be maintained without religion. It can't be done. Whatever may be conceded to the influence of refined education on minds of peculiar structure, reason and experience both forbid us to expect that national morality can prevail in exclusion of religious principle." I hope the Supreme Court will review those words by our first president, the man who presided over the Constitutional Convention in 1787.

Mr. President, it is not an idle reflection if, while discussing the issue of prayer in the public schools, we contemplate the profundity of Benjamin Franklin's words to the Constitutional Convention on June 28, 1787, when he made a sobering suggestion that brought the assembly of doubting minds "to a realization that destiny herself sat as guest and witness in this room." The weather had been hot, and the delegates to the Convention were tired and edgy. The debates were seemingly getting nowhere and a melancholy cloud seemed to hover over the Convention. Little progress was being made, and the prevailing winds were those of discouragement, dissension, and despair, when old Dr. Franklin, sitting with the famous double spectacles low on his nose, broke silence; he had said little during these past days. Addressing himself to George Washington in the chair, Franklin, according to Catherine Drinker Bowen, in her book, "Miracle at Philadelphia," reminded the Convention how, at the beginning of the war with England, the Continental Congress had had prayers for Divine protection, and in this very room. "Our prayers, Sir, were heard," said Franklin, "and they were graciously answered. All of us who were engaged in the struggle must have observed frequent instances of a Superintending providence in our favor. To that kind Providence we owe this happy opportunity of consulting in peace on the means of establishing our future national felicity. And have we now forgotten that powerful friend? I have lived, Sir, a long time, and the longer I live, the more convincing proofs I see of this truth—that God governs in the affairs of men."

Bowen, in her magnificent story of the Constitutional Convention, goes on to say that on Dr. Franklin's manuscript of his little speech, "the word God is twice underscored, perhaps as indication to the printer. But whether or no Franklin looked upon the Deity as worthy of three capital letters, his speech was timely." You will read this same speech in Madison's notes.

"If a sparrow cannot fall to the ground unseen by Him," Franklin continued, "was it probable that an empire could arise without his aid? 'I firmly believe this, and I also believe that without his concurring aid we shall succeed in this political building no better than the builders of Babel.'" Franklin proposed that "henceforth prayers imploring the assistance of heaven and its blessings on our deliberations, be held in this Assembly every morning before we proceed to business, and that one or more of the clergy of this city be requested to officiate in that service."

Roger Sherman at once seconded Franklin's motion. Incidentally, on yesterday, July 16, 1787, the convention adopted the great compromise, without which none of us would be here today. That compromise established two bodies in the legislative branch and provided that each State would be equal in this branch, that we would have votes in this branch. I won't go further, but you might recall it was only yesterday.

But Hamilton and several others, wrote Madison, feared that calling in a clergymen at so late a stage might lead the public to suspect dissensions in the Convention. Williamson of North Carolina made the frank statement that everyone knew the real reason for not engaging a chaplain: the Convention had no funds. Franklin's motion failed, though Randolph proposed that on the approaching Fourth of July, a sermon be preached at the request of the Convention and that thenceforth prayers be used. In any event, we can all learn a lesson from this episode: God was very much a part of national life at a time when the greatest document of its kind—the Constitution of the United States—was ever written, a time when it was being formed.

Mr. President, I close with words from the Bible, which Franklin aptly used in his speech: "Except the Lord build the house, they labor in vain that build it; except the Lord keep the city, the watchman waketh but in vain."

It would be well, Mr. President, if this Biblical admonition were kept in mind as future cases concerning school prayer come before the courts of the land.

As a matter of fact, this admonition is one on which all three branches of government should reflect. We here in the legislative branch bear some responsibility. Here is where laws are made, and here is where some positive steps could originate on a path toward correcting a court imposed imbalance. The executive branch, too, could play some useful role in that regard. This being an election year, I urge that the Democratic and Republican political Conventions adopt planks—why not—in their respective platforms advocating a Constitutional amendment concerning prayer in schools. Both the Democratic and Republican nominees for President should be urged to support such an amendment.

Both nominees should be urged to speak out on this subject during the campaigns. I intend to urge that both nominees do that.

I thank all Senators and I yield the floor.

Mr. HOLLINGS. I see the distinguished Senator from Colorado is supposed to take over the time. I ask unanimous consent to be yielded 5 minutes.

The PRESIDING OFFICER (Mr. KYL). Under the previous order, the Senator from Wyoming, Mr. THOMAS, or his designee, has from 2 o'clock until 3 p.m.

Does the Senator from Colorado wish to respond to the Senator from South Carolina?

Mr. ALLARD. I am willing to grant the Senator from South Carolina 5 minutes.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

## THE DEBT AND TAX CUTS

Mr. HOLLINGS. Mr. President, in response to my amendment relative to eliminating the tax cut, I ask unanimous consent that my comments of February 10, this year, in the CONGRESSIONAL RECORD, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

### FRAUD

Mr. HOLLINGS. Mr. President, if people back home only knew. This whole town is engaged in the biggest fraud. Tom Brokaw has written that the greatest generation suffered the Depression, won the war, and then came back to lead. They not only won the war but were conscientious about paying for that war and Korea and Vietnam. Lyndon Johnson balanced the budget in 1969.

I ask unanimous consent to print in the RECORD the record of all the Presidents, since President Truman down through President Clinton, of the deficit and debt, the national debt, and interest costs.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HOLLING'S BUDGET REALITIES

| President and year | U.S. budget (outlays) (In billions) | Borrowed trust funds (billions) | Unified deficit with trust funds (billions) | Actual deficit without trust funds (billions) | National debt (billions) | Annual increases in spending for interest (billions) |
|---|---|---|---|---|---|---|
| Truman: | | | | | | |
| 1946 | 55.2 | −5.0 | −15.9 | −10.9 | 271.0 | ........ |
| 1947 | 34.5 | −9.9 | 4.0 | +13.9 | 257.1 | ........ |
| 1948 | 29.8 | 6.7 | 11.8 | +5.1 | 252.0 | ........ |
| 1949 | 38.8 | 1.2 | 0.6 | −0.6 | 252.6 | ........ |
| 1950 | 42.6 | 1.2 | −3.1 | −4.3 | 256.9 | ........ |
| 1951 | 45.5 | 4.5 | 6.1 | +1.6 | 255.3 | ........ |
| 1952 | 67.7 | 2.3 | −1.5 | −3.8 | 259.1 | ........ |
| 1953 | 76.1 | 0.4 | −6.5 | −6.9 | 266.0 | ........ |
| 1954 | 70.9 | 3.6 | −1.2 | −4.8 | 270.8 | ........ |
| Eisenhower: | | | | | | |
| 1955 | 68.4 | 0.6 | −3.0 | −3.6 | 274.4 | ........ |
| 1956 | 70.6 | 2.2 | 3.9 | +1.7 | 272.7 | ........ |
| 1957 | 76.6 | 3.0 | 3.4 | +0.4 | 272.3 | ........ |
| 1958 | 82.4 | 4.6 | −2.8 | −7.4 | 279.7 | ........ |
| 1959 | 92.1 | −5.0 | −12.8 | −7.8 | 287.5 | ........ |
| 1960 | 92.2 | 3.3 | 0.3 | −3.0 | 290.5 | ........ |
| 1961 | 97.7 | −1.2 | −3.3 | −2.1 | 292.6 | ........ |
| 1962 | 106.8 | 3.2 | −7.1 | −10.3 | 302.9 | 9.1 |
| Kennedy: | | | | | | |
| 1963 | 111.3 | 2.6 | −4.8 | −7.4 | 310.3 | 9.9 |
| 1964 | 118.5 | −0.1 | −5.9 | −5.8 | 316.1 | 10.7 |
| Johnson: | | | | | | |
| 1965 | 118.2 | 4.8 | −1.4 | −6.2 | 322.3 | 11.3 |
| 1966 | 134.5 | 2.5 | −3.7 | −6.2 | 328.5 | 12.0 |
| 1967 | 157.5 | 3.3 | −8.6 | −11.9 | 340.4 | 13.4 |
| 1968 | 178.1 | 3.1 | −25.2 | −28.3 | 368.7 | 14.6 |
| 1969 | 183.6 | 0.3 | 3.2 | +2.9 | 365.8 | 16.6 |
| 1970 | 195.6 | 12.3 | −2.8 | −15.1 | 380.9 | 19.3 |
| Nixon: | | | | | | |
| 1971 | 210.2 | 4.3 | −23.0 | −27.3 | 408.2 | 21.0 |
| 1972 | 230.7 | 4.3 | −23.4 | −27.7 | 435.9 | 21.8 |
| 1973 | 245.7 | 15.5 | −14.9 | −30.4 | 466.3 | 24.2 |
| 1974 | 269.4 | 11.5 | −6.1 | −17.6 | 483.9 | 29.3 |
| 1975 | 332.3 | 4.8 | −53.2 | −58.0 | 541.9 | 32.7 |
| Ford: | | | | | | |
| 1976 | 371.8 | 13.4 | −73.7 | −87.1 | 629.0 | 37.1 |
| 1977 | 409.2 | 23.7 | −53.7 | −77.4 | 706.4 | 41.9 |
| Carter: | | | | | | |
| 1978 | 458.7 | 11.0 | −59.2 | −70.2 | 776.6 | 48.7 |
| 1979 | 503.5 | 12.2 | −40.7 | −52.9 | 829.5 | 59.9 |
| 1980 | 590.9 | 5.8 | −73.8 | −79.6 | 909.1 | 74.8 |
| 1981 | 678.2 | 6.7 | −79.0 | −85.7 | 994.8 | 95.5 |
| Reagan: | | | | | | |
| 1982 | 745.8 | 14.5 | −128.0 | −142.5 | 1,137.3 | 117.2 |
| 1983 | 808.4 | 26.6 | −207.8 | −234.4 | 1,371.7 | 128.7 |
| 1984 | 851.8 | 7.6 | −185.4 | −193.0 | 1,564.7 | 153.9 |
| 1985 | 946.4 | 40.5 | −212.3 | −252.8 | 1,817.5 | 178.9 |
| 1986 | 990.3 | 81.9 | −221.2 | −303.1 | 2,120.6 | 190.3 |
| 1987 | 1,003.9 | 75.7 | −149.8 | −225.5 | 2,346.1 | 195.3 |
| 1988 | 1,064.1 | 100.0 | −155.2 | −255.2 | 2,601.3 | 214.1 |
| 1989 | 1,143.2 | 114.2 | −152.5 | −266.7 | 2,868.3 | 240.9 |
| Bush: | | | | | | |
| 1990 | 1,252.7 | 117.4 | −221.2 | −338.6 | 3,206.6 | 264.7 |
| 1991 | 1,323.8 | 122.5 | −269.4 | −391.9 | 3,598.5 | 285.5 |
| 1992 | 1,380.9 | 113.2 | −290.4 | −403.6 | 4,002.1 | 292.3 |
| 1993 | 1,408.2 | 94.3 | −255.0 | −349.3 | 4,351.4 | 292.5 |
| Clinton: | | | | | | |
| 1994 | 1,460.6 | 89.2 | −203.1 | −292.3 | 4,643.7 | 296.3 |
| 1995 | 1,514.6 | 113.4 | −163.9 | −277.3 | 4,921.0 | 332.4 |
| 1996 | 1,453.1 | 153.5 | −107.4 | −260.9 | 5,181.9 | 344.0 |
| 1997 | 1,601.2 | 165.9 | −21.9 | −187.8 | 5,369.7 | 355.8 |
| 1998 | 1,651.4 | 179.0 | 70.0 | −109.0 | 5,478.7 | 363.8 |
| 1999 | 1,704.5 | 250.5 | 122.7 | −127.8 | 5,606.5 | 353.5 |
| 2000 | 1,769.0 | 234.5 | 176.0 | −58.5 | 5,665.0 | 362.0 |
| 2001 | 1,839.0 | 262.0 | 177.0 | −85.0 | 5,750.0 | 371.0 |

* Historical Tables, Budget of the US Government FY 1998; Beginning in 1962 CBO'S 2001 Economic and Budget Outlook.

Mr. HOLLINGS. Mr. President, Lyndon Johnson balanced the budget in 1969. At that time, the national debt was $365 billion with an interest cost of only $16 billion. Now, under a new generation without the cost of a war, the debt has soared to $5.6 trillion with annual interest costs of $365 billion. That is right. We spend $1 billion a day for nothing. It does not buy any defense, any education, any health care, or highways. Astoundingly, since President Johnson balanced the budget, we have increased spending $349 billion for nothing.

Early each morning, the Federal Government goes down to the bank and borrows $1 billion and adds it to the national debt. We have not had a surplus for 30 years. Senator TRENT LOTT, commenting on President Clinton's State of the Union Address, said the talk cost $1 billion a minute. For an hour-

and-a-half talk, that would be $90 billion a year. Governor George W. Bush's tax cut costs $90 billion a year. Together, that is $180 billion. Just think, we can pay for both the Democratic and Republican programs with the money we are spending on interest and still have $185 billion to pay down the national debt. Instead, the debt increases, interest costs increase, while all in town, all in the Congress, shout: Surplus, surplus, surplus.

Understand the game. Ever since President Johnson's balanced budget, the Government has spent more each year than it has taken in—a deficit. The average deficit for the past 30 years was $175 billion a year. This is with both Democratic and Republican Presidents and Democratic and Republican Congresses. Somebody wants to know why the economy is good? If you infuse $175 billion a year for some 30 years and do not pay for it, it ought to be good.

The trick to calling a deficit a surplus is to have the Government borrow from itself. The Federal Government, like an insurance company, has various funds held in reserve to pay benefits of the program—Social Security, Medicare, military retirement, civilian retirement, unemployment compensation, highway funds, airport funds, railroad retirement funds.

Mr. President, I ask unanimous consent to print in the RECORD a list of trust funds looted to balance this budget.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

| | 1998 | 1999 | 2000 |
|---|---|---|---|
| Social Security | 730 | 855 | 1,009 |
| Medicare: | | | |
| HI | 118 | 154 | 176 |
| SMI | 40 | 27 | 34 |
| Military Retirement | 134 | 141 | 149 |
| Civilian Retirement | 461 | 492 | 522 |
| Unemployment | 71 | 77 | 85 |
| Highway | 18 | 28 | 31 |
| Airport | 9 | 12 | 13 |
| Railroad Retirement | 22 | 24 | 25 |
| Other | 53 | 59 | 62 |
| Total | 1,656 | 1,869 | 2,106 |

Mr. HOLLINGS. Mr. President, these funds are held in trust for the specific purpose for which the taxes are collected.

Under corporate law, it is a felony to pay off the company debt with the pension fund. But in Washington we pay down the public debt with trust funds, call it a surplus, and they give us the "Good Government" award.

To make it sound correct, we divide the debt in two: The public debt and the private debt. Of course, our Government is public, and the law treats the debt as public without separation. The separation allows Washington politicians to say: We have paid down the public debt and have a surplus. There is no mention, of course, that the Government debt is increased by the same amount that the public debt is decreased. It is like paying off your MasterCard with your Visa card and saying you do not owe anything. Dr. Dan Crippen, the Director of the Congressional Budget Office, describes this as "taking from one pocket and putting it in the other."

For years we have been using the trust funds to report a unified budget and a unified deficit. This has led people to believe the Government was reporting net figures. It sounded authentic. But as the unified deficit appeared less and less, the national debt continued to increase. While the unified deficit in 1997 was $21.9 billion, the actual deficit was $187.8 billion. In 1998 the unified budget reported a surplus of $70 billion, but actually there was a deficit of $109 billion. In 1999 the "unified surplus" was $124 billion, but the actual deficit was $127.8 billion.

Now comes the Presidential campaign. Social Security is a hot topic. Both parties are shouting: Save Social Security. Social Security lockbox. The economy is humming, booming. With high employment, the Social Security revenues have increased. It appears that, separate from Social Security, there will be enough trust fund money to compute a surplus. We have reached the millennium—Utopia—enough money to report a surplus without spending Social Security.

Washington jargon now changes. Instead of a "unified budget," the Government now reports an "on-budget" and an "off-budget." This is so we can all call it an on-budget surplus, meaning without Social Security. But to call it an on-budget surplus, the Government spends $96 billion from the other trust funds.

We ended last year with a deficit of $128 billion—not a surplus. The President's budget just submitted shows an actual deficit each year for the next 5 years. Instead of paying down the debt, the President shows, on page 420 of his budget, the debt increasing from the year 2000 to the year 2013—$5.686 trillion to $6.815 trillion, an increase of $1.129 trillion.

They are all talking about paying off the debt by 2013, and the actual document they submit shows the debt increasing each year, and over that period an increase of over $1 trillion.

Each year, Congress spends more than the President's budgets. There is no chance of a surplus with both sides proposing to reduce revenues with a tax cut. But we have a sweetheart deal: The Republicans will call a deficit a surplus, so they can buy the vote with tax cuts; the Democrats will call the deficit a surplus, so they can buy the vote with increased spending. The worst abuse of campaign finance is using the Federal budget to buy votes.

Alan Greenspan could stop this. He could call a deficit a deficit. Instead, appearing before Congress in his confirmation hearing, Greenspan, talking of the Federal budget, stated: "I would fear very much that these huge surpluses . . ." and on and on. We are in real trouble when Greenspan calls huge deficits "huge surpluses." Greenspan thinks his sole role is to protect the financial markets. He does not want the U.S. Government coming into the market borrowing billions to pay its deficit, crowding out private capital, and running up interest costs.

But Congress' job is to not only protect the financial markets but the overall economy. Our job, as the board of directors for the Federal Government, is to make sure the Government pays its bills. In short, our responsibility is to eliminate waste.

The biggest waste of all is to continue to run up the debt with devastating interest costs for nothing. In good times, the least we can do is put this Government on a pay-as-you-go basis. Greenspan's limp admonition to "pay down the debt" is just to cover his backside. He knows better. He should issue a clarion call to stop increasing the debt. While he is raising interest rates to cool the economy, he should categorically oppose tax cuts to stimulate it.

Our only hope is the free press. In the earliest days, Thomas Jefferson observed, given a choice between a free government and a free press, he would choose the latter. Jefferson believed strongly that with the press reporting the truth to the American people, the Government would stay free.

Our problem is that the press and media have joined the conspiracy to defraud. They complain lamely that the Federal budget process is too complicated, so they report "surplus." Complicated it is. But as to being a deficit or a surplus is clear cut; it is not complicated at all. All you need to do is go to the Department of the Treasury's report on public debt. They report the growth in the national debt every day, every minute, on the Internet at "www.publicdebt.treas.gov."

In fact, there is a big illuminated billboard on Sixth Avenue in New York that reports the increase in the debt by the minute. At present, it shows that we are increasing the debt every minute by $894,000. Think of that—$894,000 a minute. Of course, increase the debt, and interest costs rise. Already, interest costs exceed the defense budget. Interest costs, like taxes, must be paid. Worse, while regular taxes support defense, and other programs, interest taxes support waste. Running a deficit of over $100 billion today, any tax cut amounts to an interest tax increase—an increase in waste.

If the American people realized what was going on, they would run us all out of town.

Mr. HOLLINGS. I ask unanimous consent the Public Debt to the Penny, issued by the Secretary of the Treasury, dated as of last Friday, July 14, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE PUBLIC DEBT TO THE PENNY

| | |
|---|---|
| Current: | |
| 07/14/2000 | $5,666,749,557,909.16 |
| Current month: | Amount |
| 07/13/2000 | $5,666,740,403,750.26 |
| 07/12/2000 | 5,664,141,886,637.91 |
| 07/11/2000 | 5,665,065,032,353.04 |
| 07/10/2000 | 5,662,949,608,628.38 |
| 07/07/2000 | 5,664,950,120,488.65 |
| 07/06/2000 | 5,665,885,115,450.41 |
| 07/05/2000 | 5,663,895,163,292.22 |
| 07/03/2000 | 5,656,715,920,235.71 |
| Prior months: | |
| 06/30/2000 | 5,685,938,087,296.66 |
| 05/31/2000 | 5,647,169,888,532.25 |
| 04/28/2000 | 5,685,108,228,594.76 |
| 03/31/2000 | 5,773,391,634,682.91 |
| 02/29/2000 | 5,735,333,348,132.58 |
| 01/31/2000 | 5,711,285,168,951.46 |
| 12/31/1999 | 5,776,091,314,225.33 |
| 11/30/1999 | 5,693,600,157,029.08 |
| 10/29/1999 | 5,679,726,662,904.06 |
| Prior fiscal years: | |
| 09/30/1999 | 5,656,270,901,615.43 |
| 09/30/1998 | 5,526,193,008,897.62 |
| 09/30/1997 | 5,413,146,011,397.34 |
| 09/30/1996 | 5,224,810,939,135.73 |
| 09/29/1995 | 4,973,982,900,709.39 |
| 09/30/1994 | 4,692,749,910,013.32 |
| 09/30/1993 | 4,411,488,883,139.38 |
| 09/30/1992 | 4,064,620,655,521.66 |
| 09/30/1991 | 3,665,303,351,697.03 |
| 09/28/1990 | 3,233,313,451,777.25 |
| 09/29/1989 | 2,857,430,960,187.32 |
| 09/30/1988 | 2,602,337,712,041.16 |
| 09/30/1987 | 2,350,276,890,953.00 |

Source: Bureau of the Public Debt.

Mr. HOLLINGS. I also ask unanimous consent that the public Interest Expense on the Public Debt Outstanding, issued by the Secretary of the Treasury, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

### INTEREST EXPENSE ON THE PUBLIC DEBT OUTSTANDING

The monthly Interest Expense represents the interest expense on the *Public Debt Outstanding* as of each month end. The interest expense on the Public Debt includes interest for *Treasury notes and bonds*; foreign and domestic series certificates of indebtedness, notes and bonds; *Savings Bonds*; as well as Government Account Series (GAS), *State and Local Government series (SLGs)*, and other special purpose securities. Amortized discount or premium on bills, notes and bonds is also included in interest expense.

The fiscal year Interest Expense represents the total interest expense on the Public Debt Outstanding for a given fiscal year. This includes the months of October through September.

| Fiscal year 2000: | Interest expense |
|---|---|
| June | $75,884,057,388.85 |
| May | 26,802,350,934.54 |
| April | 19,878,902,328.72 |
| March | 20,889,017,596.95 |
| February | 20,778,646,308.19 |
| January | 19,689,955,250.71 |
| December | 73,267,794,917.58 |
| November | 25,690,033,589.51 |
| October | 19,373,192,333.69 |
| Fiscal year total | 302,253,950,648.74 |
| Available historical data—fiscal year end: | |
| 1999 | 353,511,471,722.87 |
| 1998 | 363,823,722,920.26 |
| 1997 | 355,795,834,214.66 |
| 1996 | 343,955,076,695.15 |
| 1995 | 332,413,555,030.62 |
| 1994 | 296,277,764,246.26 |
| 1993 | 292,502,219,484.25 |
| 1992 | 292,361,073,070.74 |
| 1991 | 286,021,921,181.04 |
| 1990 | 264,852,544,615.90 |
| 1989 | 240,863,231,535.71 |
| 1988 | 214,145,028,847.73 |

E-mail your questions and comments about this page.

Mr. HOLLINGS. I ask unanimous consent that table 23 of the midsession review by the President of the United States, dated June 26, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TABLE 23.—FEDERAL GOVERNMENT FINANCING AND DEBT

[In billions of dollars]

| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Financing: | | | | | | | | | | | | | |
| Unified surplus or deficit ( – ) | 211 | 228 | 224 | 236 | 255 | 268 | 286 | 304 | 332 | 364 | 416 | 500 | 547 |
| Off-budget surplus: | | | | | | | | | | | | | |
| Social Security solvency lock-box: | | | | | | | | | | | | | |
| Social Security solvency transfers | | | | | | | | | | | | 123 | 147 |
| Other Social Security surplus (including Postal) | 148 | 160 | 176 | 191 | 204 | 226 | 239 | 256 | 273 | 288 | 306 | 316 | 335 |
| Medicare HI solvency lock-box: | | | | | | | | | | | | | |
| Medicare solvency transfers | | 31 | 14 | | | | | | 9 | 21 | 40 | 2 | 4 |
| Other Medicare HI surplus | 24 | 29 | 33 | 39 | 40 | 41 | 47 | 46 | 48 | 51 | 57 | 58 | 60 |
| On-budget surplus | 39 | 9 | 1 | 6 | 10 | 1 | 1 | 1 | 2 | 4 | 14 | 1 | 1 |
| Means of financing other than borrowing from the public: | | | | | | | | | | | | | |
| Premiums paid ( – ) on buybacks of Treasury securities | –5 | –2 | | | | | | | | | | | |
| Changes in: | | | | | | | | | | | | | |
| Treasury operating cash balance | 6 | 10 | | | | | | | | | | | |
| Checks outstanding, deposit funds, etc. | –4 | | | | | | | | | | | | |
| Seigniorage on coins | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Less: Equity purchases by Social Security trust fund | | | | | | | | | | | | –63 | –82 |
| Less: Net financing disbursements: | | | | | | | | | | | | | |
| Direct loan financing accounts | –27 | –14 | –18 | –17 | –16 | –15 | –15 | –15 | –15 | –15 | –15 | –15 | –15 |
| Guaranteed loan financing accounts | | 1 | 1 | 1 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 3 | 3 |
| Total, means of financing other than borrowing from the public | –27 | –3 | –14 | –14 | –12 | –11 | –12 | –11 | –11 | –11 | –11 | –74 | –93 |
| Total, repayment of debt held by the public | 185 | 225 | 210 | 222 | 243 | 257 | 274 | 293 | 321 | 353 | 406 | 426 | 454 |
| Change in debt held by the public | –184 | –225 | –210 | –222 | –243 | –257 | –274 | –293 | –321 | –353 | –406 | –426 | –454 |
| Debt Subject to Statutory Limitation, End of Year: | | | | | | | | | | | | | |
| Debt issued by Treasury | 5,529 | 5,683 | 5,748 | 5,809 | 5,861 | 5,921 | 5,982 | 6,040 | 6,094 | 6,146 | 6,189 | 6,240 | 6,525 |
| Adjustment for Treasury debt not subject to limitation and agency debt subject to limitation | –15 | –15 | –15 | –15 | –15 | –15 | –15 | –15 | –15 | –15 | –15 | –15 | –15 |
| Adjustment for discount and premium | 5 | 5 | 5 | 5 | 4 | 4 | 4 | 4 | 3 | 3 | 2 | 2 | 2 |
| Total, debt subject to statutory limitation | 5,519 | 5,673 | 5,737 | 5,798 | 5,850 | 5,910 | 5,971 | 6,028 | 6,082 | 6,134 | 6,176 | 6,227 | 6,511 |
| Debt Outstanding, End of Year: | | | | | | | | | | | | | |
| Gross Federal debt: | | | | | | | | | | | | | |
| Debt issued by Treasury | 5,529 | 5,683 | 5,748 | 5,809 | 5,861 | 5,921 | 5,982 | 6,040 | 6,094 | 6,146 | 6,189 | 6,240 | 6,525 |
| Debt issued by other agencies | 28 | 28 | 27 | 26 | 24 | 22 | 21 | 19 | 19 | 19 | 18 | 18 | 18 |
| Total, gross Federal debt | 5,557 | 5,711 | 5,774 | 5,834 | 5,885 | 5,943 | 6,003 | 6,060 | 6,113 | 6,165 | 6,208 | 6,259 | 6,543 |
| Held by: | | | | | | | | | | | | | |
| Debt securities held as assets by Government accounts | 2,108 | 2,487 | 2,760 | 3,042 | 3,335 | 3,651 | 3,985 | 4,334 | 4,708 | 5,113 | 5,561 | 6,038 | 6,543 |
| Social Security | 1,005 | 1,165 | 1,341 | 1,532 | 1,737 | 1,963 | 2,201 | 2,457 | 2,729 | 3,014 | 3,318 | 3,692 | 4,090 |
| Federal employee retirement | 681 | 718 | 756 | 792 | 828 | 864 | 899 | 932 | 965 | 997 | 1,027 | 1,056 | 1,085 |
| Other | 422 | 604 | 663 | 718 | 770 | 823 | 885 | 944 | 1,014 | 1,102 | 1,216 | 1,290 | 1,368 |
| Debt securities held as assets by the public | 3,449 | 3,224 | 3,014 | 2,792 | 2,550 | 2,293 | 2,018 | 1,726 | 1,405 | 1,052 | 646 | 220 | |

Mr. HOLLINGS. Mr. President, right to the point. Surplus, surplus, everywhere man cries surplus—paraphrasing Patrick Henry. But there is no surplus.

I know not, of course, what others may say, but as for me, I want to pay down the debt rather than engage in this shabby charade. As a result, the only way to do that and pay down the debt is stop this sweetheart deal of giving a little on spending increases and giving a little again, of course, on tax cuts. We do not have a surplus to divide. That is the point of my particular amendment.

I appreciate the distinguished Senator from Colorado giving me these few moments, and I yield the floor.

The PRESIDING OFFICER (Mr. BUNNING). The Senator from Colorado.

## ELIMINATING THE MARRIAGE PENALTY

Mr. ALLARD. Mr. President, I have come to the floor to support eliminating the marriage penalty. I think it is timely that we have some votes scheduled this evening, I understand about 6:15 p.m. By eliminating the marriage penalty, we eliminate one of the most egregious examples of unfairness and complexity in the Tax Code to date. Another example of that would be the death tax or the inheritance tax. We dealt with that issue last week. I am extremely excited that it has passed the House, passed the Senate, and is now going on to the President for his signature.

Both these taxes are prominent concerns of my constituents, at a time when the tax burden is at record high levels in this country. When we are talking about eliminating the death tax, we are talking about the family business and what happens to a family business after an unexpected death without any estate planning, and how much the Government takes of that estate, forcing the sale. Many times it is a farm or a ranch that has been in the family for many, many generations.

When we talk about the marriage penalty—we are eliminating that unfair burden—we are talking about the family. We are talking about reducing the tax burden. We are talking about fairness and Tax Code simplification.

Just a brief description needs to be made of the marriage penalty. The marriage penalty exists when a married couple, filing a joint tax return, pays higher taxes than if the same couple were not married and were filing as individuals. The penalty varies, depending on the tax bracket in which the couple may find themselves. The example that has been used before is based on an assumption that both spouses are each holding down separate jobs, each earning about $30,000, in 1999. It is determined they would pay about $7,655 in Federal income taxes. If these two individuals were not married and both earned the same amount of money, and had each filed a single tax return, they would pay only $6,892 in combined tax liability. There is a $763 difference in tax liability. This is what we refer to when we talk about the marriage tax penalty.

According to the Congressional Budget Office, almost half of all married couples—it figures out to about 22 million—suffered from the marriage tax penalty last year. The average penalty paid by these couples was around $1,500. In the previous example, the marriage penalty was the result of a higher combined standard deduction for two workers filing as singles than for married couples, and the income tax bracket thresholds for married couples are less than twice the threshold for single taxpayers. We are trying to eliminate this problem.

The best illustration of the real tax burden faced by families is to compare today's tax burden of an average family with the tax burden of a family with average income of four decades ago. The total tax burden for the family today is 39 percent of its income. That is up from 18 percent in 1955. The Federal payroll taxes and State and local taxes have literally doubled the total tax burden faced by families. As a result, the middle-income family today has 25 percent less disposable income than a similar family in 1955.

The bill we have been working on in the Senate, and which many of us support, addresses the standard deduction problem I alluded to, and it increases the standard deduction for married couples filing jointly to twice the standard deduction for single taxpayers. According to the Subcommittee on Taxation, this provision provides tax relief to approximately 25 million couples filing joint returns. Hopefully, it can be made effective after December 31, 2000. That is what we are talking about in this particular marriage penalty relief bill.

It also raises the tax brackets. The bill expands, over a 6-year period—this is not happening all at once, it is gradually happening over a 6-year period—the 15-percent and 28-percent income tax brackets for a married couple filing a joint return to twice the size of the corresponding brackets for an individual filing a single return. This is a phase-in provision, ultimately providing relief to 21 million married couples, including 3 million senior citizens.

We also try to address the earned-income credit. This bill increases the beginning and the end of the phase out of the earned-income credit for couples filing a joint return. Currently, for a couple with two or more children, the earned-income credit begins phasing out at $12,690 and is eliminated for couples earning more than $31,152. Under this bill, the new range would be $2,500 higher. The maximum increase in the earned-income tax credit in this provision for an eligible couple is $526. As you recall, the earned-income tax credit was put in place to try to help low-income individuals so they would be encouraged to go out and get a job and to stay off welfare. Also, there is a provision preserving the family tax credits.

The bill permanently extends the current temporary exemption from the individual alternative minimum tax for family-related tax credits. This is so that, once you grant tax deductions and credits, the alternative minimum tax doesn't come in and take that all away.

One of the complaints I hear from my constituents is it seems as if Congress has been working on tax cuts, they pass tax cuts, they get signed by the President, but we don't seem to feel it when we are paying our taxes on April 15. One of the reasons that you do not feel it is because, in some cases, the alternative minimum tax kicks in, it takes effect, and that means the previous tax cuts that were applied to a particular taxpayer did not take effect because of the alternative minimum tax.

Members of the Democratic Party have thwarted passage of any kind of relief for marriage, as far as the Tax Code is concerned, since 1995. In 1995, we had the marriage tax penalty bill passed by the Congress, sent to the President, a Democratic President. He vetoed it. In 1999, we sent a bill to the Democratic President and he vetoed it. Earlier this year, in April, there was a Democratic filibuster that prevented a marriage penalty bill from moving forward. We need to pass and the President needs to sign a marriage tax penalty provision to give relief to married couples.

This year I have held town meetings in all 63 of Colorado's counties. At those meetings I heard from many of my constituents about how strongly they feel about tax relief. In Colorado, over 400,000 couples incur an additional tax burden simply because they are married.

I have some numbers here, numbers from the Congressional Budget Office. I find them very disturbing. Almost half of all married couples, the 22 million couples I mentioned earlier, suffered from the marriage penalty provisions last year.

Again, as in the rest of the country, many of these couples on average have suffered a $1,500 penalty where, if they had not been married, they would not have had to pay this amount.

Cumulatively, the marriage tax penalty increases the taxes on affected couples throughout the United States by about $32 billion per year. That is money that families could use toward their own needs, rather than Washington trying to set the priorities for American families.

This penalty is not a tax on the rich. The marriage tax penalty exists because of multiple tax brackets and the fact that the standard deductions for married couples are not twice those given to single people. This tax can be incurred by folks in every tax bracket. In fact, families with two wage earners are the hardest hit by the marriage penalty. There are more and more of these families in today's workforce. Many of these folks are in the lower to middle class—people working hard to provide for their children. Taxing these folks for being married is plain wrong.

Another one of the groups implicitly taxed under the marriage penalty is the working poor. The earned-income tax credit is an effective tool in helping these low-income workers, but the EITC is phased out more quickly for married couples than for individuals. So the families incur a greater tax burden simply for being married.

Some colleagues of mine call for more Government spending for education, health care, and housing. I believe if we simply allow the American family to keep more of their money, we permit them to better afford the things they need.

In this time of a historic budget surplus, we still have nearly record high taxation. Hard-working American families deserve to keep some of this money. It is theirs in the first place, and I see it as the responsibility of Congress to return some of this money to the people.

To permit the marriage tax penalty to continue is wrong. Allowing American families to keep this money is the right thing to do, and I believe it is time to do away with the marriage tax penalty.

I yield the floor.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I rise today to express my strong support for the Marriage Tax Penalty Relief Act of 2000. This much-needed bill has had a long and difficult journey in getting to this point where we can pass it in the Senate. Passage will occur today; and, as we did in 1999, the Congress will send legislation to help married couples being hurt by marriage tax penalties to the President.

I congratulate my colleague, the chairman of the Finance Committee, Senator ROTH, for his very effective leadership on this issue. I realize that this matter has not been an easy one for Chairman ROTH this year, because he has been unfairly criticized by our colleagues on the other side of the aisle for taking the approach on marriage tax penalty relief that is reflected in this bill. Let me explain.

The Senate last year, led by Chairman ROTH, passed a marriage penalty relief provision in the Taxpayer Refund Act, which used a different solution to the marriage penalty problem than the one included in the bill before us today. Last year's bill would have solved the marriage penalty problem by allowing married couples the option of filing as single taxpayers on a combined joint return. I supported that bill as did a majority of our colleagues. It was a good approach to solving a major tax problem for American families.

Last year's bill was effective in relieving the marriage penalty. However, it left untouched another glaring family tax problem that I will call the single-earner penalty. I would like to illustrate this with a hypothetical example of three Utah families.

Let's suppose we have three families, all neighbors living on the same street in Ogden, UT. These families are nearly identical, in that they each have three children and household incomes of $80,000 per year. The only differences in these three families are in the marital status of the parents and in who earns the income. In the first family, the Allen family, the parents are married and both work outside the home and earn $40,000 each for a total of $80,000. The second family, the Brown family, are also married but only the husband works outside the home, earning $80,000 per year. The third family, the Campbell-Clark family, are unmarried parents and each of them earns $40,000 per year for a total of $80,000.

As you can see from this chart, under current law, the Allen and the Brown families each pay about $9,200 in income tax each year. The Campbell-Clark family, however, because they can file as single taxpayers, pay only a combined $7,900. Because the Allens each earn one-half the family income, if they were to divorce and file as singles, they could reduce their combined tax bill down to $7,900, the same as the Campbell-Clarks. Therefore, the Allens suffer a marriage penalty of about $1,300 each year.

The marriage penalty relief provision included in last year's tax bill would have eliminated this marriage penalty and reduced the tax bill of the Allen family down to the same level paid by the Campbell-Clarks. However, by doing so it would have left behind the Brown family, who would still be paying income taxes of $9,200 per year.

This is not fair. We must not, in the name of fairness, fix the marriage tax problems of one category of families, but not another category. It is true that the Browns do not suffer a marriage penalty, but why should they pay higher taxes simply because their family income is earned by one spouse and not two?

There are approximately 210,000 couples in my home state of Utah, who, like the Allens, suffer a marriage penalty. However, there are also about 108,000 couples in Utah who are like the Browns, and would be left behind by marriage tax relief like we passed in 1999.

This is why this year's marriage penalty bill is superior to last year's. The bill before us today lowers the tax burden of both the Allen family and the Brown family. It alleviates the marriage penalty and the one-earner penalty. It does not leave any family behind.

In essence, the Internal Revenue Code results in marriage tax penalties and bonuses because it pursues three conflicting ideals or principles—marriage neutrality, equal treatment of married couples with the same household income, and progressive taxation.

The ideal of marriage neutrality states that a couple's tax liability should not be determined based on their marital status. In other words, there should not be a tax incentive either to marry, to remain single, or to divorce. Under our example, current law does penalize the Allen family, because they would pay about $1,300 per year less if they were to divorce and live together. That is ridiculous. We want to encourage people to live together in marriage.

The equally important principle of equal treatment holds that married couples with equal incomes should pay the same amount in taxes without regard to how much each spouse contributes to the couple's income. Under this principle, the Allens and the Browns should pay the same tax since they are both married with identical family incomes. Currently, they do pay the same, but this principle would be violated if we did not also lower the Browns' tax while fixing the Allens' marriage penalty.

Progressive taxation is the principle that those with higher incomes should pay a higher percentage of their incomes in taxes than is required of those with lower incomes.

It is mathematically impossible for the Tax Code to achieve all three of these tax policy ideals simultaneously.

One of the three objectives must be sacrificed. If we continue to insist on a progressive tax system, we cannot solve both the marriage penalty and the one-earner penalty. Simply put, last year's marriage penalty relief provision did solve the marriage penalty, but it violated the one-earner penalty. The bill before us today does not totally solve the marriage penalty, but it greatly alleviates it for most families. And, it does not create a one-earner penalty. All in all, it represents the fairest approach for the most families in our country.

As long as we have a progressive tax system, we will never achieve total family tax fairness. Therefore, no marriage tax penalty bill will be perfect. While making tremendous progress toward marriage penalty relief for most families, the bill before us leaves some serious marriage penalties in place.

For example, the current-law student loan interest deduction provision penalizes married couples struggling to pay off student loans. In February, the Senate passed an amendment to the education tax bill that Senator MACK and I offered that would have eliminated this problem. I had hoped to add that provision to this bill, but it would not be germane under the reconciliation rules. I hope we can take care of that problem in another tax bill later this year.

President Clinton has given strong indications he will veto this bill because it gives tax relief to families who do not suffer from marriage penalties. This is a shortsighted point of view that ignores the structure of our tax system and the needs of American families.

In fact, it kind of makes me wonder whether President Clinton's real concern is the idea of cutting taxes. He has made no secret of his opposition to tax cuts. He has fought us every step of the way in our efforts to return a portion of the budget surplus to those hard-working Americans who produced it.

But, I will be very sorry if a Presidential veto denies American families even this tax cut which is not being made for its own sake, but rather to correct a longstanding inequity in the Tax Code.

I implore the President to reconsider that all American families need fair and substantial tax relief—those where both spouses work outside the home as well as those where one parent stays home. I hope he will sign this bill into law.

And, allow me to say just a word about parents who forego outside income to remain at home. Everyone in this body knows that I believe we must have adequate child care for those families who need it. I have worked with my Republican colleagues and my Democratic colleagues across the aisle on child care legislation. But, I cannot say emphatically enough that the best child care is still provided by a parent. I have yet to hear a single Senator disagree with that. Yet, our Tax Code penalizes a family in which one parent makes this choice to stay at home with their children.

I am glad that my wife stayed home with our children. She did work in the early years of our marriage as a grade school teacher, but she stayed home virtually all of the time our children were growing up, and I think it shows.

It is high time we fix this problem. It is high time we correct the marriage penalty for both the Allens and the Browns in Utah, and families like them all over the country. Today, we have the means to do it. I say to my colleagues on the other side of the aisle: There are no more excuses.

Again, I thank Chairman ROTH for his insight and leadership on this important issue, and I urge my colleagues to support final passage of this bill. I urge President Clinton to sign it.

One last thing, and that is, when you have a $4.3 trillion surplus in the budget, you know darn well somebody is being taxed too much. Why can't we at least solve these inequities that are literally calling out to us for a solution? Why can't we make it clear that being married should not be a disadvantage to couples? Why don't we make it clear that we are going to treat married couples just as well as those who live together and are not married, who don't pay as much in taxes today?

These three families illustrate this as well as I think we can illustrate it. Why should the Allen family and the Brown family pay $9,222, while the Campbell-Clark family, just because they live together—each of them single, and each of them earning $40,000—why should they get a tax bill of $1,300 less than the other two families?

I urge the President to sign this bill. I think it is the right thing to do.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Idaho.

## PRAYERS AND THOUGHTS FOR SENATOR PAUL COVERDELL

Mr. CRAIG. Mr. President, before I deliver my remarks on the marriage tax penalty, for just a moment, let me say that our colleague, PAUL COVERDELL, is struggling at this moment. Our prayers and thoughts are with him and his wife Nancy as he struggles with his health in an Atlanta hospital. He is a champion of the issue of the marriage penalty tax relief.

## MARRIAGE PENALTY TAX RELIEF

Mr. CRAIG. Mr. President, certainly, KAY BAILEY HUTCHISON, our colleague from Texas, has led us on the issue of the marriage penalty tax. I think probably she has sensitized all of us to it as only a woman can. I mean that in the sense of understanding the true balance that ought to be in this Tax Code that isn't in the Tax Code. She has been persistent with the Congress and with this Senate to assure that we develop a sense of equity and balance in the Tax Code that our marriage penalty tax relief legislation will offer.

Who pays the marriage penalty? In our country, about 22 million married couples do. They are not wealthy. They are modest- and middle-income families. In my State of Idaho, that is 129,710 families.

To really bring this home, if, from the time a couple marries, they were to put away, with interest, the difference in the disparity of taxes between $1,000 and $1,400 per year, on the average, for their first child, they could afford to pay 3 years of his or her education at a State institution in my State of Idaho. So it is significant. It is important. There is no question it would help, and can help, the American family.

The usual suspects out there who are opposed to this, I think, are using the most tired and sad arguments against tax relief. They simply are arguing from a position of the wrong facts. We have heard them whining about tax cuts and saying the tax cuts are for the rich and somehow you ought not give the rich any opportunity. Of course, in this instance they have simply missed the mark, and they know it. They know they are on the wrong side of this issue.

Tax relief, in the area of the marriage penalty tax, helps working families. It ends discrimination against married couples. It reduces the Tax Code's antifamily bias that no tax code should have in it. We have always said that the very foundation of our culture and our country is the family, and yet we take advantage of that union in the Tax Code by causing them to pay more in taxes.

Low- and middle-income married couples are the ones who truly are hurt by this penalty. On average, a married couple hit by the marriage penalty will pay about $1,400 more a year in taxes than two single persons at the same combined income. That is where the penalty rests.

In total, the marriage penalty overcharges couples in this country $32 billion a year, according to the Congressional Budget Office—that is right, $32 billion a year—that could stay out there with those young couples.

I use the example in my State of Idaho that if they simply put it in a bank, with interest, by the time their first child is old enough to go to college, they can afford his first or her first 3 years at a State institution in my State.

I think those who oppose marriage tax penalty relief oppose, frankly, all tax relief. The more they can get to spend on Government programs and Government solutions—and go home to their constituents and talk about what wonderful things Government is doing for them—somehow they think that most of our citizens are either undertaxed, and not giving enough to Government for all those wonderful solutions to their problems, or the current Tax Code is fair.

They are not worried about a Tax Code that charges a family an extra $1,400 or more, when a family certainly needs that additional income as they become a family unit. They are opposed to all tax relief. If you pay taxes, somehow, in this argument, you are rich; and the rich do not need the relief.

How many times have we heard that? At least I have heard it in the good number of years I have been in the Senate. Every time we talk about tax relief, somebody over there on the other side of the aisle says: Gee, those darn Republicans want to give that money back to the rich, and the rich don't need tax relief.

Low- and middle-income families do need tax relief. So the opposition on the other side always ponies up some kind of what I call tax-relief "lite" amendments to offer, so they can show some degree of compassion. Yet at the same time they offer nothing except a new Government program.

Let me break it down into the three most significant ways that the Tax Code extracts the marriage penalty for us to understand.

First of all, it is discrimination in the standard deduction area. About two-thirds of the taxpayers take the standard deduction. For a married couple, the standard deduction this year is $7,200. For two single taxpayers with the same combined income, it is $8,600. This is the first $392 of the marriage penalty. Lower and middle-income taxpayers are more likely to take the standard deduction than upper-income persons. Many middle-income families who itemize are still hurt by standard deduction discrimination because the amount of the standard deduction determines whether they itemize. In other words, one element triggers the other element in our Tax Code.

The Senate bill would provide relief to 25 million couples by making the standard deduction for married couples filing jointly equal to the standard deduction for two singles with the same combined income. That is a little complicated, but it is easy to understand that for those who take the standard deduction—and those tend to be the lower and middle-income families—the benefit is immediate and, as we have said, is approximately $1,400 a year.

The second area deals with discrimination in the earned-income tax credit area, the EITC. We are all familiar with the EITC. It is supposed to reward work, ease income tax and other tax burdens, and supplement incomes for low-income working families with children. It is astonishing, in a program designed to help lower income families, the phaseout schedule for EITC benefits again imposes an antimarriage, antifamily penalty. This is the very program Congress designed to help low-income families. Yet when we look inside the code, the way the IRS has interpreted it and administers it, there is an antimarriage, antifamily penalty. The Senate bill would begin addressing marriage penalty inequity in the EITC by first increasing the maximum credit by $526, starting the phaseout range $2,500 higher than it was at an income level just above $15,000.

The third area of discrimination is in the tax brackets. For the average couple paying a marriage penalty, bracket discrimination charges them another $1,000. Bracket discrimination usually takes the lower income earned by one spouse, which would be taxed in the 15-percent bracket if he or she were single, and taxes it at the other spouse's 28-percent rate. This devalues the spouse and the spouse's work that provides the second income for the family. Of course, in some instances, both spouses are professional and choose to seek their profession in the marketplace. In other marriages, one spouse simply wants to supplement the overall family income to broaden the ability of that family to earn, to save, to invest, and to provide for its children. In this instance, this particular structure of the Tax Code actually devalues the value of the income of that spouse who goes into the marketplace to earn additional income for the family.

For folks with modest means, this adds what we could easily call insult to the very injury that the Tax Code levees to the taxpayer. Time after time on this floor, we hear how many families are forced to earn a second income to make ends meet. Currently, the heavy hand of Government has the first claim on the second income. For anybody who would choose to vote against this particular provision, shame on them. Especially shame on them if they then turn around and argue that circumstances are so tough out there that every family needs two incomes. Let us work today to lessen that burden, to make it less tough, to give that family unit greater choices as to whether they both want to work in the marketplace or one would choose to stay home.

The Senate bill provides help for 21 million couples, including 3 million senior citizens, by expanding the 15-to-28 percent bracket for one couple to a range equal to that for two singles. In addition, this bill preserves the full effect of the family tax credits enacted in the 1997 Taxpayers Relief Act. We now find that particular provision taking effect. More and more middle-income families are slipping into the alternative minimum tax or the AMT. In fact, even some EITC families are now being affected by this. The AMT is already a dubious tax. It requires thousands of taxpayers to figure their returns according to two different tax systems. I don't think anyone really intended the AMT to apply and wipe out the family tax credits we enacted in 1997, including the $500-per-child tax credit, the HOPE education credit, the lifetime earnings credit, and the ongoing dependency care credit. It is time to cut back on the antifamily AMT, and that is exactly what this provision will do.

In conclusion, we want a Government that is truly profamily. Certainly all of us—and in a sincere way—want to make sure our laws are profamily. Yet those who will vote against the marriage tax penalty are talking about two different systems. They are being very inconsistent with honesty and integrity in debating this kind of an issue. You cannot talk profamily on one side of the issue and turn around and vote against this provision that we will be voting on on the floor this evening.

Our Tax Code says, unless we change it tonight, don't get married. And if you do, you are going to pay higher taxes. We say it is time we create equity in this equation. Our Tax Code says you will pay a penalty if both spouses work and you will be the most heavily taxed if your incomes are about equal. We say the best anti-poverty program is a family and a job in America, or two jobs in America taxable at a lower rate, leaving more money inside the family unit to provide for that family and those portions of the American dream they seek to secure. We encourage our citizens to dream a better dream, of a fairer and freer society. Our Tax Code has a great deal to say about the size and the scope of their dreams.

I hope we will vote tonight to strike a blow for a profamily, pro-American, American-dream approach, not have the Tax Code constantly confusing the message and sending a negative signal. We are going to pass it, I do believe, and seize the opportunity.

In closing, I say to the President: Come on. Quit playing the political games you are playing right now. You have to have this new spending program and this new spending program with a multitrillion-dollar surplus. Give the highest taxed generation in history just a little break. When this bill gets to your desk, sign it.

I yield the floor.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. ROBB. Mr. President, I ask unanimous consent that the Democratic side be permitted to reclaim the 15 minutes accorded to the other side of the aisle earlier today so that I may speak at this particular moment.

Mr. CRAIG. Reserving the right to object, and I will not, I ask unanimous consent that Senator COLLINS retain 15 minutes in morning business prior to the Interior bill following the comments of the Senator from Virginia.

The PRESIDING OFFICER. Without objection, it is so ordered.

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## PRESCRIPTION DRUG AMENDMENT ON THE MARRIAGE PENALTY RECONCILIATION BILL

Mr. ROBB. Mr. President, I rise today to speak about an amendment that I submitted on Friday to the marriage penalty bill, which the Senate will take up and vote on later today. My amendment, which is cosponsored by Senators KENNEDY, GRAHAM and BRYAN, follows up on a similar proposal I offered in April to the Senate budget resolution that would have required Congress to enact a new Medicare prescription drug benefit before considering any massive tax cuts. While a procedural hurdle prevented that amendment from passing, fifty-one senators voted to waive a budget point of order, indicating they favored it, and sending the American people a strong signal that a majority of the U.S. Senate thought we should put the needs of our nation's seniors before excessive tax cuts.

The majority, however, has moved in the opposite direction since then. This past Friday, we passed a large tax bill that would phase out the tax on the estates of those seniors who die, but did nothing to provide needed prescription drugs that can preserve the lives of those seniors who are living. Because I had cosponsored earlier legislation to ease the estate tax burden in order to preserve family farms and small businesses, I voted for this bill. Even though all of our Democratic amendments were defeated—and look forward to crafting more equitable legislation to address these same concerns after the President vetoes the bill we passed Friday.

The bill before the Senate now, however, is very different. Under the guise of eliminating the "marriage penalty," the majority has brought a bill to the floor that would devote over half of its benefits to people who either aren't married, or who are actually receiving right now a tax benefit, or "bonus," for being married. As I have stated previously, Mr. President, this takes a lot of chutzpah.

Mr. President, I believe we ought to eliminate the marriage penalty for those who actually suffer the marriage penalty and need the relief most. With all the rhetoric from the other side of the aisle about eliminating the marriage penalty, one might think that they'd share my view, and want to pass a bill that would actually focus on the penalty.

But a closer examination of the Republican bill reveals that it isn't quite what it's described to be. Mr. President, there are in fact 65 provisions in the current tax code that contain a marriage penalty, including Social Security. The bill reported from the Finance Committee on a straight party-line vote takes care of one marriage penalty provision completely and two others partially, and leaves the other 62 marriage penalties untouched. The Democratic bill addresses all 65 provisions, and takes care of the entire penalty for almost everyone.

Mr. President, it's time that we set our priorities straight. We ought not to be devoting billions of dollars of the surplus to individuals who currently suffer no marriage penalty whatever when we've done nothing to help those that suffer from the "senior citizens' drug penalty"—the high prices our nation's seniors are forced to pay for prescription drugs.

The amendment that I've offered would force Congress to address these priorities. It simply says that the tax bill before the Senate today won't take effect until Congress has also fulfilled its responsibility to enact a meaningful Medicare prescription drug benefit. My amendment won't prevent Congress from enacting marriage penalty relief this year, nor will it keep a single married couple from enjoying the tax benefits in this bill. What it will do is ensure that we don't backtrack from the Senate's vote to enact a prescription drug benefit before we do major tax cuts.

Let me say, Mr. President, that this isn't just rhetoric. The problems faced by our nation's seniors in affording prescription drugs are immediate and real. I'd like to remind the Senate of a story I heard from a physician in my state recently about a patient who was splitting her doses of Tamoxifin—a breast cancer drug—with two of her friends who also had breast cancer, but couldn't afford the medication. As a result, all three women had inadequate doses of the medication.

Or consider the story of a disabled father of three from Pennington Gap, Virginia, who broke his neck several years ago, and went from making $50,000 a year to $800 a month in disability benefits. While he qualifies for Medicare, he's forced to choose each month between spending nearly half of his disability benefit on prescription drugs, or helping out his family, because Medicare offers no coverage for his medications.

These Virginians are not alone in their troubles. The average Medicare beneficiary will spend $1100 on prescription drugs this year. Most of them won't have adequate prescription drug coverage to help them cover these crushing costs. And the numbers of those that do have coverage are dropping rapidly.

Despite the suggestions of some of my colleagues, this problem isn't limited solely to the poor. One in four Medicare beneficiaries with a high income—defined as $45,000 a year for a couple—has no coverage for prescription drugs. And while some seniors do have coverage, nearly half of them lack coverage for the entire year, making them extremely vulnerable to catastrophic drug costs.

Complicating this matter for the elderly is the "senior citizens' drug penalty" that seniors without drug coverage are forced to pay. Most working Americans who are insured through the private sector pay less than the full retail price for prescription drugs. This is because insurers generally contract with private sector entities that negotiate better prices for drugs, and pass on the power of group purchasing to their customers.

Seniors lack this option, however, and must still pay full price for their drugs. One recent study showed that seniors without drug coverage typically pay 15 percent more than people with coverage. And the percentage of Medicare beneficiaries without drug coverage who report not being able to afford a needed drug is about 5 times higher than those with coverage.

This "senior citizens' drug penalty," in my view, is unconscionable. Senior citizens are more reliant on drugs, and have higher drug costs, than any other segment of the population. They deserve to have the same bargaining power that benefits other Americans.

Mr. President, in April, the other side spoke against my budget amendment, claiming that there was already adequate language in the Republican budget resolution to ensure that we pass a prescription drug benefit this year. At the time, they pointed to the $40 billion reserve fund which was included in the budget resolution that the Committee had reported, arguing that this would provide ample money to enact a prescription drug benefit and offer tax relief.

Republicans asked, in essence, that we trust them that the Senate won't put tax cuts before our nation's seniors. Let me say that I do trust my good friends on the other side of the aisle. But to borrow a line from Ronald Reagan, I believe we should trust—but verify. That requires deeds as well as words.

Mr. President, our nation's seniors deserve better than this. In April, at least fifty-one senators felt the same way. I urge every one of them, as well as senators who opposed my amendment then because they thought the $40 billion reserve fund would guarantee a prescription drug benefit, to support my amendment now. With its passage, we'll be able to eliminate both the true "marriage penalty" and the "senior citizens' drug penalty."

With that, Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Maine is recognized.

Ms. COLLINS. I believe under the previous order I will be recognized to speak.

The PRESIDING OFFICER. The Senator is recognized for 15 minutes.

## CONCERN FOR SENATOR PAUL COVERDELL

Ms. COLLINS. Mr. President, I want to express the sorrow that is in my heart, and I know in the hearts of all of my colleagues and, indeed, everybody who works in the Senate, about the sad news of the unexpected ill health of our friend and colleague, Senator PAUL COVERDELL of Georgia. My heart and my prayers go out to him, his family, his staff, his constituents, and all of the many people who care so much about our good friend. He will be in our hearts and in our prayers. I know I speak for all of my colleagues when I wish him a speedy recovery.

The PRESIDING OFFICER. The Senator from Maine is recognized.

(The remarks of Ms. COLLINS and Mr. CRAIG pertaining to the introduction of S. 2879 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

## CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

## DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

The PRESIDING OFFICER. Under the previous order, the hour of 3 p.m. having arrived, the Senate will now resume consideration of H.R. 4578, which the clerk will report.

The assistant legislative clerk read as follows:

> A bill (H.R. 4578) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2001, and for other purposes.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, we are now back for the final 3 and one-quarter hours of debate on amendments to the Interior appropriations bill. Any Member who reserved an amendment to that bill may present it between now and 6:15 this evening, at which time, by unanimous consent, we go to the marriage penalty bill for what may be an extended series of votes. Any of the amendments reserved on the Interior bill will be voted on, if, in fact, the vote is necessary, tomorrow morning.

I list 12 amendments that were reserved for debate during this period of time. I am informed by staff that we have settled 4 of them. That leaves eight amendments: two by the Senator from New Mexico, Mr. BINGAMAN; one by the Senator from California, Mrs. BOXER; one by the Senator from Nevada, Mr. BRYAN; one by the Senator from Connecticut, Mr. LIEBERMAN; one by the Senator from Oklahoma, Mr. NICKLES; one by the Senator from Rhode Island, Mr. REED; one by the Senator from Wyoming, Mr. THOMAS.

Curiously enough, most of these Senators who have said they will be here from between 5 o'clock and 6 o'clock p.m., which takes a considerable portion of the debate time, are away. I think some of those eight amendments I have listed will themselves be settled without debate or by agreement. If any of the seven Senators whose names I have just mentioned are within hearing and sight of this debate, I urge that

Senator to reach the Senate floor promptly. At this point they have a real opportunity to present their amendments. Later on, they are likely to be very constricted as to time.

Therefore, I suggest the absence of a quorum.

The PRESIDING OFFICER (Ms. COLLINS). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. THOMPSON. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THOMPSON. Madam President, as we debate this bill to provide funding for the Department of the Interior in the next fiscal year, I would like to discuss an issue that is of increasing concern to me: our underinvestment in our national parks.

There are 379 national parks in the United States and U.S. territories, covering over 80 million acres. These parks provide Americans with an opportunity to enjoy activities such as hiking, camping, white water rafting, or horseback riding in some of the most beautiful sites in the world. The Great Smoky Mountains National Park in my home State of Tennessee is often referred to as the crown jewel of the national park system, and for good reason.

But one can't help but be concerned about what is happening in our parks today. I have seen first hand the problems associated with air pollution, traffic congestion, and invasive species in our parks. Folks come to the Smokies to escape the big city and breathe the clean mountain air. Unfortunately, there are too many days now when the air quality in the Smokies is worse than in major cities. Already this year, the park has recorded 13 days with unhealthy ozone levels. Who would believe that visiting a national park could be hazardous to your health?

Air pollution is also diminishing the experience of visitors in the park. People visit the Smokies for the magnificent mountain vistas. Unfortunately, the pollution reduces their visibility not only by affecting how far they can see from a scenic overlook, but also how well they can see. Ground level ozone washes out the bright colors of the leaves in the fall and the flowers in the spring. These air quality problems have landed the Great Smoky Mountains National Park on the list of 10 most endangered national parks compiled by the National Parks and Conservation Association.

Another major threat facing many of our national parks, including the Smokies, is damage from invasive species. Organisms that are not native to parks are finding their way in and are killing wildlife. Virtually all of the frasier firs on top of Klingman's Dome in the Smokies are dead. At first glance, it would appear that they were killed by fire, but that is not the case. These trees were killed by the balsam woolly adelgid which is not native to the Smokies and has no natural predator there.

These and similar problems afflict our entire national park system. That is why I'm pleased that the appropriations bill before us today recognizes these serious threats by providing $11 million for the National Park Service's Natural Resource Challenge. This money will help fund air and water quality studies in our parks. It will also fund efforts to address the problems caused by non-native invasive species. I thank the Senators from Washington and West Virginia for their attention to these needs. I especially thank Senator GORTON for his leadership as chairman of this very important subcommittee.

I am also growing increasingly concerned that our national parks are showing the wear and tear of neglect. Each year our parks are host to more and more visitors. In 1998, almost 300 million people visited our national parks. Ten million of those visitors went to the Smokies, making it the most visited national park in the country. That is more visitors than the Grand Canyon and Yosemite combined—which rank second and third in terms of park visitation.

We in Tennessee and North Carolina welcome these visitors to our beautiful mountains. National parks are here to be used and enjoyed. But our parks are laboring under their popularity. One might say our parks are being loved to death. We must face up to the stresses to infrastructure that result from increased visitation. More visitors cause more wear and tear on the trails, campgrounds, and roads. Growing visitation also requires higher staffing levels in the parks since more visitors mean more stranded hikers that need to be rescued, more comfort stations that need to be cleaned, and more trash that needs to be picked up.

Unfortuantely, park budgets have not kept pace with increases in visitation. The National Park Service estimates that there is currently a $4.3 million maintenance backlog. Park Service staff are struggling to do more with fewer resources.

Fortunately, they have been able to rely on a number of organizations for help such as friends groups, the National Park Foundation and other cooperating associations. These organizations raise money to fund maintenance and educational projects within the parks.

I am proud that the Friends of the Great Smoky Mountains National Park is held up as the model friends group for the country. Over the last 7 years, the Friends of the Smokies has raised $6 million—$1.5 million last year alone. This money has come from donation boxes in the park, license plate sales, telethons and direct contributions. And, it is used for a variety of projects. For example, the Friends just produced a new orientation film to welcome park visitors. The Friends funded the restoration of the historic Mount Cammerer Fire Tower. And, the Friends help organize and manage volunteer projects in the park. When a team of volunteers goes out to work on a trail, it's the Friends of the Smokies that buys the materials needed to do the job. The hard work and generosity on the part of the Friends of the Smokies is critical to assisting the Park Service officials maintain our valuable natural resource.

Just as important as the financial contributions to our national parks are the generous donations of time. This year alone, volunteers will donate almost 75,000 hours valued at $1.1 million to run the visitor centers and help maintain trails and campgrounds in the Great Smoky Mountains National Park. Because the Smokies was a gift from the residents of Tennessee and North Carolina to the Federal Government, citizens living near the park have a strong sense of ownership. They want to volunteer to take care of their park.

Several years ago, Congress also recognized the need to increase resources to our national park system, and we passed legislation to provide the Park Service with new sources of funding for maintenance projects. This new law allows national parks to retain most of the entrance and other fees they may charge, and use that money for visitor services. Fee revenue can be used to fund maintenance projects or to pay seasonal employees, but it cannot be used to fund basic operations. This year, Smokies' fees will generate $1.9 million over and above the park's $13.2 million annual appropriated budget.

Fee revenue, volunteer hours, and donations are critical to keeping our parks running, but they are just not enough. Without an adequate operations budget and enough permanent full-time staff, the Park Service lacks the capability to handle the generosity of groups like the Friends of the Smokies.

Again, I compliment my colleagues from Washington and West Virginia for recognizing the most pressing needs of our national park system by providing a substantial increase in the Park Service's basic operations budget in this bill. The bill before us includes over $1.4 billion for the National Park Service. That's an increase of more than $80 million over FY 2000.

But as impressive a job as the managers have done here today, I'm sure they would both agree with me when I say that Congress still must do better for our national parks. I believe that the Federal Government has a fundamental responsibility to ensure the protection of these natural resources for the enjoyment of both the current and future generations. But we are not meeting that responsibility fully. We must provide our park officials with adequate resources to maintain the trails and campgrounds. We must give them better tools to combat threats like air pollution.

As Congress debates what to do with the projected budget surplus, I think we should start by determining whether government is meeting its fundamental responsibilities now. If we see that we are neglecting certain responsibilities, then we need to make fulfilling those obligations a priority.

I believe that increasing our investment in our national parks is a priority. I intend to work closely with my colleagues in the years to come to ensure that Congress provides the funding necessary to protect our precious natural resources for the enjoyment of my grandchildren and their grandchildren.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. REID. Madam President, before my friend leaves the floor, I want to tell him how very much I appreciate his statement. In years past, I offered amendments when we did not have a budget surplus to increase funding for our park system. I hope next year we can work together in a bipartisan fashion to increase significantly the funding for our National Park System.

I have not had the good fortune to be in the park to which the Senator referred, the Great Smoky Mountain National Park, but I have been to a number of national parks. For example, the living conditions our park rangers have to put up with in our national parks is a disgrace. My colleague should see what park rangers live in at the Grand Canyon National Park. They are from World War II. They look like icehouses; they are square. It is disgraceful.

We only have one national park in Nevada. It is one of the newer ones, so I really do not have the right to complain as many do, but we have so many things that need to be done there. We do not have a visitors center. Interpretive trails have not been built. There are parts of our great National Park System that we have closed as a result of dangerous conditions. The Park Service simply does not have the resources to keep up.

I commend and applaud my friend from Tennessee. He has given a great statement. I look forward to next year. Perhaps we can work together to come up with a funding formula that would be permanent in nature to take care of the $5 billion backlog in our National Park System.

Mr. THOMPSON. Madam President, I thank my friend from Nevada for those comments. This is something upon which I believe we can all agree. Even those who view the role of Government to be a limited one must agree that there are certain basic obligations and functions the Federal Government has. Of course, national defense is one of them; infrastructure is one of them. Our national parks are a precious resource that we must all protect.

They are, as the Senator indicates, being attacked from so many different directions right now. We are taking them for granted and slowly, but surely, they are falling into disrepair, and they are being damaged environmentally. We in the Smokies have a particular problem with the weather patterns, for example. Not only do we have some old coal-fired plants in the area, but we have a weather pattern that brings the pollution in from other parts of the country that just seems to hover over that particular area. We have days where there is more pollution on top of the Smoky Mountains than there is in downtown New York City. It is an increasing problem. Hopefully, as my colleague suggests, we can join together and do even more next year.

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. Madam President, first, I thank our distinguished assistant Democratic leader for his graciousness once again in providing me the opportunity to say a couple of words this evening.

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## MARRIAGE TAX PENALTY RELIEF

Mr. DASCHLE. Madam President, the Senate will be voting on two competing marriage penalty relief proposals. The choice really could not be more clear. I want to talk a little bit about that choice this afternoon. The Republican bill has very little to do with the marriage penalty.

In fact, I was just commenting that if the Republicans were trying to treat an illness, they would be sued for malpractice—given the bill they are proposing this afternoon—malpractice because they are not curing the disease. In fact, in some ways they are causing the disease, this marriage penalty disease, to be even more problematic, more difficult. They are actually creating another disease—a singles penalty. We need to be aware of the repercussions of what the Republicans are attempting to do with their legislation this afternoon. The singles penalty is something I will talk a little bit more about.

To begin, I don't think there is any doubt that if you asked all 100 Senators: should we fix the marriage penalty, the answer would be emphatically yes. The question is, How do we fix it, and are we really intent on fixing it?

Our Republican colleagues only deal with three of the marriage penalty provisions incorporated in the law today. If you were going to completely eliminate the entire marriage penalty, you would have to deal not with 3 but with 65 of the provisions incorporated in the tax law that have caused the imbalance or the inequity to exist today. The Republicans have only dealt with three. Yet the cost to the Treasury of their plan—the one we will vote on today—is $248 billion overall.

I don't know what it would cost if you were going to try to fix all 65 under the Republican plan. Republican amendments were filed addressing six additional provisions, totaling $81 billion, in the Finance Committee. The remaining 56 provisions, untouched in the Republican bill, not addressed at all, have yet to be calculated in terms of what the cost might be with regard to the approach our Republican colleagues use.

The second chart spells out what that means. If you only deal with 3 of the 65 provisions, this is what happens. Take a married couple with a joint income of $70,000. Under current law, if the couple were single and they each paid their share of the tax, their tax total would be $8,407, depicted on the chart. Yet because they are kicked into a higher tax bracket when they reach that $70,000 joint income level, their tax is not $8,407; their tax is $9,532. So the marriage penalty is $1,125 under current tax law.

Here is what the Republicans do. The Republicans will provide, under their bill, 39-percent relief. That is all you get. Here they are, spending $248 billion, and they can't even do it right. They can't even fix all 65 provisions. They fix three. So you leave the balance, under the Republican bill, for another day, apparently.

We don't believe that ought to be the way to fix the marriage penalty. We think you ought to fix the marriage penalty, if you are saying you are going to fix it. We provide 100-percent relief. $1,125 in relief for that couple making $70,000 a year. That is what we do. That is why we believe it is important for people to know there is a clear choice tonight when we vote on those plans: You can vote for the $248 billion Republican plan that fixes 3 or you can vote for the Democratic plan that provides for 100-percent relief and fixes all 65.

I think it is very important for us to understand that not only is there a choice in trying to address the marriage penalty, but there is also another problem.

We know how doctors try to fix one disease and sometimes create another side effect they had not anticipated because they prescribed the wrong medicine. We have a true illustration of prescription drugs as we know it in this country today, with a $248 billion fix when you could do it for a fraction of the cost. Not only that, their prescription doesn't cure the disease. Not only does it not cure the disease, it actually creates a new one.

I guarantee my colleagues, within the next few years, you will have somebody come to the floor and say: Now we have to fix the singles penalty. It is broken. We may need another $248 billion tax plan to fix the singles penalty.

This is what happens under the Republican plan. You have a joint income for that couple of $70,000. Current law requires their tax liability of $10,274. The Republican plan would provide $8,743, leaving the $443 relief I mentioned a moment ago.

Let's take a widow, a widow who is making that $70,000 income—not a couple but a widow. She has a tax liability under current law of $14,172. Yet her penalty, a singles penalty, would go from $3,898 under current law to $5,429 under the Republican plan.

What happens with this tax plan for a single person under certain circumstances—take a widow, a widow who is already probably faced with all kinds of serious financial pressures. Her tax burden goes up by $1,531, a new singles penalty created—I assume inadvertently—because our Republican colleagues are rushing to try to fix a marriage penalty, and they can't do it right. That is why this vote this afternoon is so important.

The Democrats will be offering a plan that recognizes another inequity in the Republican plan. I have already talked about two: First, the importance of recognizing that out of the 65 provisions, the Republican plan only deals with 3; and then secondly, how we now have created—I assume inadvertently—this singles penalty.

Look at the third problem with the Republican plan that has caused us to want to come to the floor to offer the alternative we will tonight. If you are making $20,000, the amount of tax relief you get under the Republican plan is $567. That is all you get. But if you are making $20,000, under the Democratic plan, your tax reduction, the amount of relief, is $2,164. If you are making $30,000 a year, according to the Joint Committee on Taxation, which has analyzed this, under the Republican plan you get $800. Under the Democratic plan, you get $4,191. Why? Because we fix the marriage penalty. We provide entire relief, all 65 provisions.

Look at what happens if you are making $50,000. I don't know what the Republicans have as a problem with those who are making $50,000, but they are sure penalizing them here. You only get $240 under the Republican plan in relief. Why you would want to penalize somebody making $50,000, I don't know. Under the Democratic plan, you get $1,913 in relief.

Let us skip all the way over to the other end of the spectrum. This probably tells it best.

If you are providing real relief, you are going to go to those people who need the relief the most, those people in the $30,000 to $50,000 category. Under the Republican plan, if you are making more than $200,000, that is when you start kicking in to real money. You get $1,335 in relief there. But if you make $50,000 in income, you get $240. That is the third reason we are so concerned about this Republican plan.

Under the Republican plan, you get $1,335 in relief if you are making tons of money. If you are making $50,000, as are most people in the country—couples—you are going to get $240.

We are concerned for those three problems. That is why we are offering our alternative tonight. The Democratic marriage penalty relief plan allows married couples to file separately or jointly—another very important aspect: Give them the flexibility. Let them decide what is most helpful to them.

That is how we avoid the so-called singles penalty, not the Republican plan. It eliminates all marriage tax penalties for taxpayers earning $100,000 or less, 100 percent. It reduces all marriage tax penalties for those taxpayers earning up to $150,000 and does not expand the so-called marriage bonus or the singles penalty that we are actually creating inadvertently today.

I want to show one last chart that probably makes the case as well as I can. The marriage penalty bill proposed by the Republican plan deals with three. The Democratic alternative deals with the standard deduction and the problem we have with the marriage penalty and the standard deduction; earned income tax credits; child tax credits; Social Security benefits; rate brackets; IRA deductions, student loan interest deductions, and the 56 other marriage penalty provisions that exacerbate the marriage penalty today. We do them all. The Republican's do three.

There is one other nonsubstantive but procedural concern I have, which I am compelled to bring up. The regular order in the Senate right now is the marriage penalty. We ought to be taking this bill up under the regular order, but we are not doing that. I think everyone here in the Chamber knows why. We are not doing that because the Republicans don't want to vote on tax amendments. That is why we are not doing it. They are using the brick wall they built around their marriage penalty, this impenetrable wall. So this is an up-or-down vote, a take-it-or-leave-it vote. You either like it or don't; you either take it or leave it. That is the way it is going to be. We are not going to give the Democrats an amendable vehicle. We are going to give them a vehicle they can't amend, a vehicle that will allow the one alternative; and we are not going to debate tax policy, even though this goes to the heart of tax policy.

So for the second time in less than a week we are going to be voting on a bill that I think deserves to be defeated. We should have defeated the estate tax bill. I will offer to Senator LOTT that I am willing to sit down today and negotiate with him and the Finance Committee Democrats and Republicans to come up with a bill the President will sign. That isn't going to happen with the bill they passed last week. This bill is going to get vetoed, too. This bill will be vetoed, and it will be vetoed for good reason. It doesn't fix the marriage penalty. It costs $248 billion. It helps those at the high end and leaves everyone else in the lurch. It creates a singles penalty. That isn't the way to legislate. That is why we normally have amendments—to try to fix problems that were caused on purpose or inadvertently.

I am hopeful the majority will take great care before they pass the bill that they are going to be pressing this evening. I hope they will work with us to come up with an alternative that the President will sign. We can do things the right way and we can enact them into law and provide meaningful accomplishment and meaningful relief and meaningful help to victims of the marriage penalty. Or we can simply make more statements about how some in this Senate prefer simply to help those at the very top of the income scale, once again, whether they need it or not. That is our choice. I hope Senators will take great care in making their choice, and I look forward to the debate and vote later this evening. Again, I thank the Senator from Nevada for yielding the floor.

I yield the floor.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. GORTON. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HELMS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. HELMS. I thank the Chair.

## A SMASHING SUCCESS

Mr. HELMS. Madam President, a noted sports figure in American sports history once commented that "Bragging ain't bragging if you can prove it."

On that basis, I want to brag a little bit about North Carolina which has had its share of top sports figures—perhaps more than our share when you consider such outstanding sports figures, past and present, as Arnold Palmer, Catfish Hunter, Charlie "Choo-Choo" Justice, Michael Jordan, Richard Petty, David Thompson, Sonny Jurgensen, Dean Smith, Everett Case, Joe Gibbs, Enos

Slaughter, and Wallace Wade, who by the way took two teams from Duke University to the Rose Bowl. But he didn't have to go very far for the second one because it was held in Durham, NC, right after Pearl Harbor. It was feared that the Japanese might try to bomb the stadium out in California, so they moved the whole thing across the country to North Carolina—the only time the Rose Bowl was not played in Pasadena.

But I don't recall any previous teenager—from anywhere—who has been described as a "tennis phenomenon who walks in Chris Evert's footsteps". But that's the accolade handed 14-year-old Alli Baker of Raleigh my hometown—in the May edition of Metromagazine in a sparkling and detailed piece by Patrik Jonsson, writing from Boca Raton, Florida.

As I read the tribute to Alli Baker, I was reminded that this young lady is a great granddaughter of the late Lenox Dial Baker, one of America's leading orthopedic surgeons. Dr. Baker almost single-handedly founded a children's hospital, later named for him, at Duke University Medical Center in Durham, where hundreds of crippled children's lives have brightened and their lives improved because of Dr. Baker's selfless and loving interest in them.

I am going to let the article about Alli Baker speak for itself. Therefore, I ask unanimous consent that the tribute to the amazing 14-year-old Alli Baker by Patrik Jonsson be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

## TEENAGE TENNIS PHENOMENON WALKS IN CHRIS EVERT'S FOOTSTEPS

[From Metro Magazine, May 2000]

BOCA RATON, FLA.—Alli Baker is fuming. Frustrated during a drill at the Evert Tennis Academy, the 14-year-old tennis phenomenon from Raleigh huffs and puffs as if she's about to blow somebody's house down. Then a few easy ground strokes go into the net. That's it. Baker's Volkl racket goes flying into a patch of grass. Conversations hush. Eyes glance sideways at the lithe, freckled Southern girl whom everybody knows as the number one ranked 14-year-old in the country, and the highest-ranked female player yet to come out of North Carolina. The court mood tenses the way it used to when John McEnroe yelled at refs, or when the young German Boris Becker pumped his fists in defiance. This is just practice. Still, being Alli Baker's rival right now seems like a very, very bad idea.

"It's true, I get very competitive," says Baker, who is also the seventh-ranked 16-and-under player in the country, an hour before the brief blow-up on the court. "I love to win. It's my greatest strength."

Tennis my not be a gritty contact sport, but it is, above all, a game of mind over body. Anger and other unchecked emotions are widely known top scatter the concentrations of even the most experienced players in clutch situations. But the coaches here already know that North Carolina's newest sports star hones her on-court emotions, polishes them like treasure, and beams them into that fuzzy yellow ball, straight back at her opponents on the other side of the net at center court. Indeed, she's beaten some of the world's best tennis players in her age group by funneling her competitive angst into devastating trickery.

"She's a very mature player," says her coach, John Evert, the brother of Wimbledon champ Chris Evert, and a 17-year coach in his own right. "Her strength is that she figures out how to play exactly to her opponents' weaknesses, and she doesn't let herself get into the dumps."

Last year, Baker won five tournament tie breakers in a row, an almost unheard of feat that epitomizes her unwillingness to lose. "I've yet to see her play in a tournament," one of the other Evert Academy coaches confides. "But they say she is very, very hungry."

Don't get the wrong idea, though. Off the court, Alli Baker is about as sweet as strawberry pie, as humble as corn pone. Freckled, tan and every bit the exuberant teenager, she talks about fashion, missing home, seeing the world (Paris is her favorite city), bonding with tennis stars Monica Seles and Martina Hingis, how she loves her mentor, Chris Evert, and the life-affirming step she's getting ready to take into professional tennis. She's making "a million new friends" while coaxing her Raleigh confidantes to hurry down to where it's nice and warm and where the beaches stretch on and on.

So far, it's been a whirlwind tour from the halls of Raleigh's Daniels Middle School to the star-studded tennis courts of SoFla.

### HANGING IN WEST BOCA

It's here—to the Evert Tennis Academy, near some of the world's largest country clubs, where the average annual income is $65,000 and where the warm prevailing winds collect tall afternoon thunder clouds over the coast—that Alli decided to come this spring after it became clear that to follow her dream, she had to follow it right out of North Carolina.

Although the family will stay in Raleigh, where dad Bill Baker is a vice president for a major construction firm, the family just bought a house across Glades Avenue in west Boca as a permanent base here. Baker and her family made the decision after acknowledging the lack of a steady stream of crack practice partners and full-time coaches in Raleigh. While Bill works and helps shuttle their second daughter, 11-year-old Lenox, to her soccer games, mom Leigh Baker has found a permanent seat on the red-eye to Boca.

Of course, there were some questions among family friends: How could the Bakers send a 13-year-old (her birthday is in April) off to fend for herself in such a competitive, cutthroat world? Bill Baker has an easy answer: "She called yesterday from a hotel room overlooking Key Biscayne. She said, 'Dad, I'm here looking our over the bay and the blue water. It's so beautiful here.' I think she's going to be all right."

If Baker has what it takes to be an international tennis star, Evert Academy is where the transformation from sharpshooting local kid to Grand Slam winning hardball player will likely take place. It's a place where the phrase, "Yeah, Agassi decided not to come down today," seems rote. Don't be surprised to see top-ranked players such as France's Sebastian Grosjean and Vince Spadea sweating through a four-hour practice. Tiny, but fiery Amanda Coetzer shows up here from time to time to practice—and to show the reverent young ones how it's done.

On these finely groomed courts nestled amidst swaying coconut palms is also where Chris Evert practices with students three times a week, and where there's a lyrical constant of English, French, Spanish and even Czech spoken over the grunts of determined players returning smashes. Bordered by dozens of clay and hard courts, flanked by a beige dormitory hall, this tucked-away facility is what the doorstep to the big time now looks like for Alli Baker.

"Her dream is to be the top-ranked tennis player in the world," says Bill Baker at his Raleigh office overlooking Falls of the Neuse Road. "We knew that wouldn't happen if she stayed here. She's doing all this herself. All that we're doing is making the sacrifices to provide her with the opportunities to pursue this dream. Sometimes it's hard as a parent to not get emotionally involved. But in the end, the fire to do it has to come from within her."

### STYLE POINTS

Naturally athletic, Baker picked tennis over other sports for reasons perhaps girls can best understand. First, it's not so—she searches for the word—"tomboy-ish." The outfits, in other words, look great. Plus, there's no physical contact, only the physicality of pressurized felt ball against tight catgut, the action crashing back and forth across the net in an elaborate joust. It is a game you can win by using your mind to imbue the body with the power of wit, intensity and strategy.

"I think it's the best game out there for girls," she says. "You can play hard and be super-competitive—and you can look good doing it."

Indeed, Baker already has the fresh, jaunty look that has potential sponsors swooning. With the exception of Adidas (clothes) and Volkl (racket), Baker has so far turned down major sponsorships. In April, she unofficially entered the pro circuit at a minor qualifying event. This spring, she will play pro tourneys in Little Rock and Hilton Head. But she's still an amateur, meaning she can't take any winnings home yet. Still, it's at those tournaments, as well as at her new home base here in Boca, where she's getting the first real taste of her new life and where she is, as Bill Baker says, "meeting a lot of people who have been where she wants to go—including some who made it and some who didn't."

Impressed with Baker's natural talent, intense competitiveness and impressive number of wins against tough players, the United States Tennis Association and John Evert, now Baker's development coach, "recruited" her into the program.

"She has shown great skill and promise, but this is the time for her to get on the court and work hard, because this is where it's going to get tougher now," says Ricardo Acuna, USTA's Southeast region coach, who oversees Baker's overall training program.

For coaches like Evert and Acuna, right now is when the ball meets the clay for the great-granddaughter of the late Sports Hall of Famer Lenox Baker, the famed Duke orthopedic surgeon and sports medicine pioneer, and the granddaughter of single-handicappers Robert F. Baker and Robert M. Hines of Raleigh, the five-time Carolina Country Club Senior Championship winner. Wedged between childhood and the muscular 16- and 17-year-olds playing above her, this is when this next generation Baker has to concentrate more on fundamentals than winning—a difficult task for someone who has gotten used to eating victories for lunch. She says she still lags behind some of her key competitors as far as skills go. "Ground strokes are about the only part of my game I'm really good at," she admits.

"She's had a pretty easy time with practices up to this point, where she's been able to turn it up and win matches," says Evert. "But now I'm trying to figure out how she can match that intensity during practice. At this point, I'm even ready to cut back on her practice time to foster that intensity. For Alli right now, quality is more important than quantity."

### THE CHRISSIE FACTOR

Although other tennis academies offer similarly competitive programs, here Baker is becoming a member of the Famed Evert family tennis tradition, which began with legendary tennis coach Jim Evert's longtime directorship of Fort Lauderdale's public Holiday Park tennis program from which Chris Evert emanated. Indeed, it may have been the "Chrissie presence" that finally convinced the Bakers to make the move.

Having a role model like Chris Evert, who won 18 grand slams and 159 tournaments before retiring in 1989, rifling balls at you from the other side of the net is unbelievable, Baker says. "I just love her. She comes out here to practice, and she still plays really hard. My mom says she would love to have her body."

But Baker and Evert are not two peas in a pod as far as playing style. Evert was known for staring her opponents down from the baseline, playing a cool-headed volley game. Fans recall her "icy stare" that unnerved some opponents enough to immobilize them. On the other hand, Baker loves to explode to the net with a tenacity that dad Bill Baker says has also yielded success in her doubles game.

Indeed, as Baker has served, sliced and backhanded her way to the top of the rankings, from playing in tourneys from Rio de Janeiro to Paris, comparisons run more to former teenage phenomenon Monica Seles than to Evert or today's young superstars like Serena and Venus Williams. "She has to play smarter because she's not as big as some of the other players," says her dad.

Still, Baker's skinny frame is mentioned as a potential liability, especially when matched against the new breed of power players such as the Williams sisters, who tower above their competitors.

But don't dismiss a growth spurt yet, says, Acuno, the USTA coach. "I've seen her increase in size by a lot just this year," he adds confidently, While Baker sometimes has trouble getting fired up for practice, she loves the weight room and working out. As part of her routine at Evert Tennis Academy, she endures a strenuous regimen along with nearly four hours of court time a day against some of the best young players in the world.

Despite her early success, it's still not advantage Baker. Most of her competitors were already enrolled in tennis academies when then 8-year-old Alli Baker started playing with her mom at Carolina Country Club, drawn more to the sport for the "cute outfits" than the competition. Other tennis kids get started way before that, as evidenced by a muffin-sized front-court player, perhaps 5 years old, who spent two hours cranking backhands at her dad-slash-coach on a recent day at the academy. The girl rode her pink Barbie bike with training wheels off the court after the practice. In Baker's case, however, her natural talents shone through right away, and she quickly made up for lost time. She started beating her mom as a 9-year-old—showing right off the bat a natural inclination toward not just good tennis, but winning tennis.

"It was a little bit later when I started to really like the feeling of winning," she says. "Before that, it was just about the outfits and having fun with my friends."

That love for the game and the big win is now starting to pay off.

* * * * *

Interest in Baker began to percolate two years ago, when USTA began sniffing around Raleigh, following rumors of a phenom-in-the-making. After attending a few national camps and doing well in a number of regional tournaments, Baker bloomed for real last year.

Locally, North Hills Tennis Club coach Nancy Arndt, Raleigh Racquet Club's Mike Leonard and Rali Bakita, and a handful of other top-notch coaches worked on Baker's fundamentals, knowing they had a potential star on their hands. But it was at the Ace Tennis Academy in Atlanta, where Leigh Baker would shuttle her daughter on weekends, that Baker culled those extra pointers that propelled last year's successes.

Before last summer, Baker had already won both singles and doubles at the coveted Easter Bowl, a triumph that sent her like a projectile to the top ranking in the USTA under-14 category. Against older girls up to age 16, Baker is still ranked number seven. Impressed with the wily Raleigh youngster, CBS included Baker in a segment called "Top Spin" last summer, along with Pete Sampras and Serena Williams.

The Easter Bowl victory led to Baker's USTA National Champion ribbon. She finished third in the World Cup held in the Czech Republic last year. She was also a runner-up in the Banana Bowl in Brazil, and a semi-finalist in the Acunsion Bowl in Paraguay, and the Windmill Cup in the Netherlands. This year she is again on the U.S. National Team and this spring worked her way into the doubles finals tourneys in London and France. Right now is when competitive circuits around the world are really starting to heat up.

On top of the thrill of competition another boon to her meteoric rise into international tennis is the gang of cool friends. Baker is building around her. Currently, she e-mails a dozen friends in Russia and France, as well as her clan of pals and fans in Raleigh.

### CHALLENGER FROM QUEENS

But Ally's best friend on the ground in Boca right now is a gritty, 15-year-old power player from the blue-collar sky-line of Queens, Shadisha Robinson. The two squared off against each other last year where Baker came back from a deep deficit, unwound Robinson in a 7–6 second set and thrashed her 6–1 in the third. They've been best friends ever since. Evert uses the friendship to boost both players' performance on the court: While Baker leans how to defend against pure power, Robinson gets a lesson in wiliness from the freckle-cheeked Southerner.

"John doesn't really play us together competitively," Baker says. "He knows we are good for each other as training partners, but he doesn't want us to get too much of a rivalry going."

A straight-A student through primary and middle school, Baker is also managing to keep up with her academic work through it all. While vacationing at the beach last year. Retired Daniels Middle School teacher Lynn Reynolds heard about Baker's decision to go to Florida. She immediately called up the family and volunteered to come out of retirement and "sign up for the team" as a home schoolteacher. Reynolds and her young charge have since become close friends, constantly in touch via e-mail and fax—the methods they also use to exchange homework assignments and tests. Daily, the teacher and student log onto the College Boards web site to work out a daily test question posted there—just to make sure Baker is ready for the SAT's when that time comes.

"This high-tech teacher and student relationship has really been fun for both of us," Reynolds say. "She's a quick study and a very smart girl. We've become great friends. This is one of the best teaching assignments of my whole career."

In two short years, Baker has traveled from Prague to Paris, from Palm Springs to Rio. She says she's enamored with this lifestyle that a simple game has already given her. She misses her friends, but they'll come visit, they promise. Everyone says they will.

If the "tennis thing" doesn't work out, Baker says, "with all the agents I've already met, I've got a chance with my singing"—country, that is, her backburner passion. Already the world has opened its doors to a talented Raleigh kid with enough sense to know that dreams are out there for the getting. "I mean, if this were to give me a leg up to go to a school like Stanford or Duke, then it's already worth it," she says. "Plus, just look at this place," she adds, holding out her hands as if to weigh the fresh, precious Florida air. "This is prefect."

Mr. HELMS. I thank the Chair. I yield the floor.

Mr. GORTON. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. KENNEDY. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## TAX BREAKS

Mr. KENNEDY. Madam President, between last Friday and today, in the span of just 4 days, Republican Senators will pass tax breaks, overwhelmingly targeted for the wealthy, that will cost the Treasury one and a half trillion dollars over the next 20 years. You would think that careful attention would be paid to the merits of these astronomical tax giveaways before they are passed. Instead, they are being rammed through by a right-wing Republican majority in Congress bent on rewarding the wealthy and ignoring the country's true priorities that have a far greater claim on these enormous resources.

What about prescription drug coverage for millions of senior citizens under Medicare? I have just returned from Massachusetts where I met with the elderly people. They are asking, Will the Senate of the United States, will Congress, take action to provide some relief to the elderly people in my State and across the country? Really, the unfinished business of Medicare is the prescription drug program. We did not debate that last Thursday and last Friday. We are not debating that issue today. We have basically said, let's find out how we can give the one and a half trillion dollars away over the next 20 years, instead of dealing with the Medicare issue on prescription drugs.

What about greater Federal aid to education to help schools and colleges across the country and the students who attend them? We put into the RECORD last Friday the most recent studies of the Congressional Research Service that showed that by moving to smaller class sizes, there was an enhancement of academic achievement and accomplishment by students in California. That supports the STARS Program of Tennessee. Senator MURRAY of the State of Washington has been our leader championing for smaller class sizes, because we believe that that can be enormously important in enhancing academic achievement. If we do that, plus ensure that teachers get training and professional advancement in their classrooms, working to enhance their professionalism, we will see a very important, significant gain in academic achievement and accomplishment.

We also know the value of afterschool programs, tutorials, and accountability, as Senator BINGAMAN has talked about; the newer digital divide that Senator MIKULSKI has talked about; construction, the need to make sure our schools will be safe and secure and not crumbling, as so many of them are. But, no, we have set that aside. We are not going to have the resources to do that. Make no mistake about it, I say to American families, we have made enhancing academic achievement for our teachers, smaller class sizes, afterschool programs, a lesser priority than providing $1.5 trillion from the Federal Treasury to the wealthiest individuals.

What about health insurance for the millions of hard-working Americans who have no coverage today? We made a downpayment in terms of the children in the CHIP program in a bipartisan way. We reach out to try to get coverage for their hard-working parents, an increasing number of Americans, who do not have health insurance. But we have not put that on the agenda. We are not debating that here on the floor of the Senate. There will not be the resources to try to do that. We are saying we want $1.5 trillion for the wealthiest individuals. Health insurance for hard-working Americans is put aside.

What about raising the minimum wage for millions of low-income Americans, the 13 million Americans, the majority of whom are women who have children? It is a women's issue, it is a children's issue, and it is a civil rights issue because so many of these men and women are men and women of color. It is a fairness issue. People who work 40 hours a week, 52 weeks a year, should not have to live in poverty. No, we cannot debate that up here in the Senate. We can get tax breaks for the wealthiest individuals in this country, but we will not debate an increase in the minimum wage. We will not do it.

I hope we are not going to hear long lectures from the other side about how we ought to be funding, now, the special needs programs. We had great statements from the other side: We have failed in meeting our responsibility to special needs children, to help local communities in the area of education. We have heard that time in and time out, while we have been trying to do some of these other actions for children in this country. We had an opportunity to pay for all those special needs children, but I did not hear from the other side that this is a priority. We did not hear it when they had the $780 billion tax cut 2 years ago, and we could have taken a fifth of that tax cut and funded special needs education for every child in this country for 10 years. No, no, that is not enough of a priority. We are not going to do it. Our tax cut is too important. We are going to give $1.5 trillion away without spending a single nickel on special needs children.

The list goes on about protecting Social Security and Medicare. Right now, I am sure there are scores of Members of the Congress and the Senate going on about how we ought to protect Medicare and Social Security. It is very clear what the priority has been in the Senate: $1.5 trillion, not to protect Medicare, not to protect Social Security, but to provide it to the wealthiest individuals in this country.

That is what has happened over the period of these last 4 days, including a Sunday when we were not even here. All of these priorities and many more are being blatantly ignored by this Republican Congress in their unseemly stampede to enact these tax breaks for the wealthy. Never, in the entire history of our country, has so much been given away so quickly to so few with so little semblance of fairness or even thoughtful consideration.

I make that statement. I wait to be challenged on that. Never, never in the history of this body has so much been given away to so few, in such a short period of time, with such little semblance of fairness and even thoughtful consideration.

I hope we are not going to hear from the other side: We need to study these issues more carefully in our committee; this hasn't been carefully considered by the committee—when they come out with that $1.5 trillion tax cut, that never even saw the light of day in committee, on the estate tax. Think of having a committee report, think of having a committee discussion, think of having some debate about what the implications of this might be in terms of a wide range of different issues? Absolutely not. We just took it, faced it, and passed it.

So it goes on. Plums for the rich and crumbs for everyone else will be the epitaph of this Republican Congress. It's a dream Congress for the superwealthy and their special interest friends, and a nightmare Congress for hard-working families across America.

The Republican's trillion-dollar tax breaks will eminently deserve the veto that President Clinton is about to give them. The Republicans fail to honestly weigh the nation's priorities, and I believe that this is an irresponsible and reckless way to legislate. Some may view it as good political theater, red meat for the Republican right wing on the eve of the Republican convention. But it is a disservice to all Americans because it prevents action on the many true priorities facing this Nation.

I suspect that Americans who see and understand what is happening here this week in Washington will ask a single question: What if George W. Bush were in the White House? He would sign these irresponsible tax break monstrosities, and the nation would suffer for years to come.

I suspect that millions of Americans who see what is happening here would say: No thanks, we don't need a Congress that would pass such irresponsible legislation—and we certainly don't need a President who would sign it.

Last Friday's estate tax bill gave $250 billion to America's 400 wealthiest families, yet this same $250 billion would buy 10 years of prescription drug coverage for 11 million senior citizens who don't have access to coverage now. Our senior citizens face a crisis today. The extraordinary promise of fuller and healthier lives offered by new discoveries in medicine is often beyond their reach. They need help to afford the life-saving, life-changing miracle drugs that are increasingly available. Cutting a trillion dollars from the federal budget clearly jeopardizes our ability to add a prescription drug benefit to Medicare.

Today, in schools across the country, students face over-crowded classrooms, teachers go without adequate training, school buildings are crumbling, and violence is a constant threat. One would think that at some opportunity over these past few days we would have debated what most families are concerned about, as well as insuring academic achievement for their children in a safe and secure area.

No, we are denied that opportunity. We cannot debate that. We are told somehow that it is not relevant. It is relevant to what parents care about, which is their children in school. I daresay it is a lot more relevant than the fact that we will be giving $1.5 trillion, $250 billion of which will go to the 400 wealthiest families. It is a lot more relevant to their lives than that other factor, the giveaway.

Yet, Republicans are rushing through a trillion dollars in tax cuts without serious consideration of what it means for the nation's unmet education needs. Today, the booming economy is helping many Americans, but those who work day after day at the minimum wage are falling farther and farther behind. A recent study by the pro-business Conference Board finds that the number of working poor is actually rising, in spite of the record prosperity. The number of working poor families who seek emergency help in soup kitchens and food pantries across the nation is far ahead of the ability of agencies to meet their needs.

Read the reports from last week about what is happening to children in our society. The total number of poor children has gone down by about a percentage point, a point and a half, maybe, in the last 2 years. But the ones who are living in poverty are living in deeper poverty than they have ever experienced.

We are finding an increased number of children who are not being immunized against basic diseases, and here we are cutting $1.5 trillion, when we are not immunizing our children and cannot find ways to make those programs workable and effective. We are not debating that and trying to find ways to improve it.

The cost of rental housing is skyrocketing in most cities because of the economic boom, but the wages of millions of families who need that housing has failed to keep pace.

My colleague and friend from Massachusetts, JOHN KERRY, made this case so well last week to, effectively, a deaf audience in the Senate. Cutting tax revenues by a trillion and half dollars jeopardizes our ability to respond to these needs.

The American people cry out for action on many other basic priorities, but the tax breaks being passed by the Republican Congress would make fair action on all those priorities virtually impossible. Republicans are well aware that their tax-cutting extravaganza would not survive if it were honestly weighed against the nation's real priorities. That is why Republicans resort to gross distortion of the facts.

They apply the phony label "death tax" of trying to deal with family farms and small businesses. Republicans told story after story about how the estate tax hurts owners of small businesses and family farms. Our Democratic alternative would grant them protection, but it wasn't enough for Republicans. Their position was to basically hold small business owners and small farmers hostage until they could get the larger breaks for the largest estates and the wealthiest individuals in the country.

They know this President is going to veto this measure, and instead of truly doing something that would benefit those small family farms and small businesses, they say: Oh, we would rather have it vetoed. We will serve those small family farms up rather than deal with them. They know this is true in the marriage tax penalty as well.

Listen to this: They apply the phony label "marriage tax penalty" to the current bill even though 58 percent of the tax cuts go to couples who pay no marriage penalty at all. Do my colleagues hear that? Fifty-eight percent of the benefits of this measure, according to the Joint Tax Committee, a measure which we will start voting at 6:30 this evening, will go to couples who pay no marriage tax penalty at all.

The Democrats have a simple alternative to address the marriage penalty: Let them file as a single person if it will mean it lowers their taxes. What in the world could be simpler than that? If one is paying more because of their marriage situation as a result of commingling of the funds, Democrats say: OK, file as single individuals. That will solve it. There is no red tape and no administrative bureaucracy. It is simple. It meets a particular challenge.

The Republicans: Oh, no. We want our program which will provide this extraordinary windfall to the wealthiest individuals.

Our Democratic alternative would cost $11 billion a year less than the Republican bill—but it would provide greater marriage tax penalty relief to families with incomes below $150,000 a year. But, our sensible Democratic approach does not overwhelmingly benefit the wealthy so the Republicans reject it. Republicans intentionally designed their bill to give 78 percent of the total tax savings to the wealthiest 20 percent of taxpayers.

Ending the marriage tax penalty is a thinly veiled pretext to their latest installment of massive tax breaks for the wealthy. We saw the same tactics during the debate on the estate tax. We heard story after story of how the estate tax will hurt owners of small businesses and family farms.

I found Senator CONRAD's presentation of our Democratic alternative compelling and effective, virtually unchallenged on the floor of the Senate. Oh, yes, there was a challenge saying: Look, why are we supporting that because all of the various groups evidently support the Republican position?

I thought that was very interesting coming after our debate on HMO reform where we had 330 organizations support our HMO reform, and this particular Senate voted against it when they did not have a single one supporting their proposal and the responses by Senator CONRAD were responsive to this challenge.

They are holding small businesses and farmers hostage to their flagrant scheme to help the super-rich even while they talk piously of helping the middle class.

This Republican Congress is the trillion-dollar-travesty Congress. Fortunately, President Clinton and AL GORE are here—in this case, President Clinton—with a veto pen to burst their bubble. But thank goodness that working families, middle-income families, have a President who really cares about the economic and financial situation in this country.

I take pride that I was one of 11 Members of the Senate who voted against the Reagan tax cut that took us from $400 billion to $4 trillion in debt. That is why I am always interested in listening to those on the other side talk about what wonderful economic programs we have had over the recent times.

Let me finally use these charts to demonstrate, once again, what this repeal of the estate tax will cost. It is $55 billion per year that we are effectively giving the wealthiest individuals by the year 2010. This could fund every program in the Department of Education.

We are not saying that just throwing money at it answers all the problems. But it is a pretty clear indication about what a nation's priorities are, about how we are going to allocate resources. We could have fully done that, funded all of education, on this. We could have funded the total cost of prescription drug medicines for every beneficiary and had $15 billion left over. We could have had funding for all the beneficiaries, for all of our senor citizens. We could have provided the funding for the $20 billion which takes care of all the medical research in the National Institutes of Health, and you would still have $35 billion left.

This is an indication of priorities. This is another indication.

This chart depicts that from the Republican estate tax, those who are going to benefit from it, benefit from it to the average of $268,000. All we are trying to get is a Medicare prescription drug benefit that will be valued for our senior citizens at $900.

Here it is: $268,000, by 2010, for those who will benefit under the Republican tax cut. All we are trying to do is get $900 for our senior citizens, our 40 million senior citizens we will have at that time. Or to put it another way, the beneficiaries will have the estates worth $2.3 million. The people we are trying to help average $13,000 a year. They are the people we are trying to look out for.

This is the contrast. I believe, as I have said, never has so much been given to so few in such a short period of time—without, I think, the fair, adequate national debate or discussion in terms of what is really necessary, in terms of meeting the human needs of families in this country, the educational needs, the health needs, of what is needed in terms of housing for working families and what is necessary in terms of prescription drugs.

How are we going to have clean air? How are we going to have clean water? How are we going to clean up the brownfields? How are we going to make sure people are going to continue to have an opportunity to work in employment and have the training and the skills in order to be able to compete in the new economy?

All of those priorities have been washed away. With $1.3 trillion, we would be able to provide the investments for the American people. We have given that away. We have given that away without adequate and fair consideration of these priorities. I welcome the fact that we have a President who is going to veto those measures.

I yield the floor.

## DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2001—Continued

The PRESIDING OFFICER (Mr. ROBERTS). The Senator from Rhode Island.

### AMENDMENT NO. 3798

Mr. REED. Mr. President, I have amendment No. 3798 at the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Rhode Island [Mr. REED] proposes an amendment numbered 3798.

Mr. REED. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To increase funding for weatherization assistance grants, with an offset)

On page 182, beginning on line 9, strike "$761,937,000" and all that follows through "$138,000,000" on line 17 and insert "$769,937,000, to remain available until expended, of which $2,000,000 shall be derived by transfer from unobligated balances in the Biomass Energy Development account and $8,000,000 shall be derived by transfer of a proportionate amount from each other account for which this Act makes funds available for travel, supplies, and printing expenses: *Provided*, That $172,000,000 shall be for use in energy conservation programs as defined in section 3008(3) of Public Law 99–509 (15 U.S.C. 4507): *Provided further*, That notwithstanding section 3003(d)(2) of Public Law 99–509, such sums shall be allocated to the eligible programs as follows: $146,000,000".

Mr. REED. Mr. President, I ask unanimous consent that Senator KENNEDY and Senator SCHUMER be added as cosponsors of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REED. Mr. President, this amendment would provide an additional $8 million for the Department of Energy's Weatherization Assistance Program.

Across the country this summer, Americans have faced unacceptably high gasoline prices. Last winter, our constituents, particularly in the Northeast, saw extraordinary increases in home heating oil prices.

Members of this body have offered various proposals to address this issue, ranging from urging OPEC to increase production; increasing domestic crude oil production, by drilling in new areas; building up our refining capacity; and expanding our use of ethanol and alternative fuels. Essentially, all of these proposals are supply side proposals, increasing the supply of energy.

In fact, we are reaching a point now where the proposal to encourage OPEC might be running out of time. I note that the Saudi Arabians are asking for a meeting of OPEC in the next few days, because if there is not a meeting immediately, even if there is an increase in production, it will be insufficient in terms of reaching our markets for the winter heating season.

All of these supply side proposals are interesting, but we are neglecting an important aspect of the overall composition of the heating market—and that is demand.

The weatherization program goes right to this critical issue of demand. By weatherizing homes, by making them more energy efficient, we are literally cutting down the demand for energy, and typically foreign energy.

As Congress debates these proposals for supply relief, we should also start thinking seriously about demand reduction. That is critically involved in the whole issue of energy efficiency and weatherization. At the same time, our weatherization program protects the most vulnerable people in our society because they are aimed at the elderly, individuals with disabilities, children, all of them being subject to huge increases in heating costs, not only in the wintertime—that is the case in the Northeast—but in the Southeast and Southwest and the very hot parts of this country in the summertime.

In fact, it was not too long ago—several years ago—in Chicago where there was an extraordinary heat spell. People literally died because they could not afford to keep their air-conditioners running, if they had air-conditioning. Or they could not afford to keep paying exorbitant energy costs because their homes were inefficient in terms of retaining the cool air from air-conditioning. So this is a program that cuts across the entire country.

The Weatherization Assistance Program supports the weatherization of over 70,000 low-income homes each year. To date, over 5 million American homes have been weatherized with Federal funds, and also local funds, which must be part of the formula in order to provide this type of assistance for American homes.

Last December, I had a chance to witness this program in action. I was in Providence, RI, with Secretary of Energy Bill Richardson. We went to a low-income home in Providence. In just a few hours, a contractor was able to blow in insulation between the walls; they were able to caulk windows and doorways; they were able to conduct tests to ensure that the energy efficiency of the structure had increased dramatically.

This was a home of a family of first-generation Americans. They had come from Southeast Asia in the turmoil of the war in Southeast Asia. The father was in his late 40s, early 50s, and had several children—all of them American success stories. The children were in college. His mother was living with them. She was disabled, suffering from Alzheimer's.

This is typically the type of families—low-income families, struggling, working hard with jobs, trying to get kids through college—who are the beneficiaries of this program. It is an excellent program. It is a program that is terribly needed by these low-income families.

Typically, low-income families will spend about 15 percent of their income on heat—or in the summer, air-conditioning—more than four times the average of more affluent families. Over 90 percent of the households that are served by this weatherization program have annual incomes of less than $15,000. This is a program that works. It works for these individual families.

Not only that, it also works for us. It creates jobs. About 8,000 jobs throughout the country have been created because of this weatherization program. It also saves us from consuming and wasting energy.

I argue, as I have initially, one should look at the supply side complications of the energy crisis. One should implore OPEC to increase production. One should have sensible problems to ensure supply. But if we neglect the demand part of the equation, we are not only missing the boat, but I think we are deficient in our responsibility to formulate a comprehensive approach to energy efficiency in this country.

In 1996, the budget was $214 million, but because of cuts generated by the Contract With America, and other proposals, it dipped down to about $111 million—a significant cut. This was one of those programs that was devastated by the budget policies of the mid-1990s.

Since that time, we have added money back because, again, I believe this body particularly recognizes both the fairness and the efficiency of this program. But still we are at about $135 million in fiscal year 2000.

That is still 37 percent below the 1996 figure.

If we can afford, as Senator KENNEDY said, at length and eloquently, to engage in trillion-dollar tax cuts, multibillion-dollar benefits that go to the very wealthiest Americans, we should be able to at least increase our weatherization funding by $8 million to cover additional families, low-income families, families who have disabled members, families who are working hard trying to get by and need this type of assistance.

Again, as we look over the last several weeks, and even this week, talking about relief for the marriage penalty, estate tax relief, it reminds me of a play on Winston Churchill's famous line about the RAF, "never have so many owed so much to so few." We seem to be in a position of saying, never have so few gotten so much from so many.

I want to ensure that at least when it comes to weatherization we are responding to the critical needs of families across this country. I had hoped we could move towards the President's request of $154 million. That would be about a 14-percent increase over our present level of $135 million. My amendment does not seek that full increase. It simply seeks an additional $8 million. I think the money will be well spent. The program works. It puts people to work. It helps low-income families. It helps us address a problem which is growing with increasing importance, and that is to control our insatiable demand for energy, particularly petroleum.

For all these reasons, I urge my colleagues to support this amendment. I hope, perhaps, we can even work out a way in which this amendment can be accepted by the chairman and his colleagues.

If it is appropriate, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, just under 2 hours ago, at the outset of this debate, the distinguished Senator from Tennessee, Mr. THOMPSON, came to the floor with an eloquent plea about the lack of money to properly manage Great Smokey National Park and pointed out the tremendous challenges to that major national park in our system. The Senator from Nevada, the other Mr. REID, spoke in agreement with that proposition. The Senator from Tennessee did not have an amendment to increase the appropriations for Great Smokey National Park or for any other.

I have found it curious that in the several years I have managed this bill and written this bill, almost without exception the amendments that are brought to the floor are amendments to increase the amount of money we donate to other units of Government for their primary purposes and almost never do they express a concern for increasing the amount of money to support the functions of the Government of the United States itself.

I have gone a long way—my committee has gone a long way—in drafting this bill at least to begin to make up for the deferred maintenance in our national parks and in our national forests and with respect to our Indian reservations and our Indian programs and the management of the Bureau of Public Lands. I think we have at least turned the corner. As I said in my opening remarks on the bill, this is our primary function and our primary goal; that is, to see to it that we manage the public lands of the United States and the other functions in this bill that are exclusively Federal functions first and deal with other matters later.

I sympathize with the eloquent statement of the Senator from Rhode Island. In fact, I have supported that case in this bill for several years. When one compares this appropriation with that in the first year during which I managed this bill, it is increased by a good 20 percent. But here we have a proposal to add another $8 million, which will come out of every program for which the U.S. Government has exclusive responsibility. It will mean there will be less—not much less, but there will be less —for Great Smokey National Park. There will be less for the Fish and Wildlife Service and its multitude of obligations. There will be less for the Smithsonian Institution. There will be less for research and development of the very programs for energy efficiency which are the key to providing both energy independence and the proper and efficient use of energy.

With all respect to the Senator from Rhode Island, this has nothing to do with the tax debate. We have a budget resolution and a set of allocations that have given this committee a fixed number of dollars with which to work. I repeat that: a fixed number of dollars with which to work. It is all spent in this bill. So we can't just add this $8 million or $18 million to the bill and say, well, let's take it out of a tax cut or out of a budget surplus or the like. The Senator from Rhode Island recognizes that. He has a match for this $8 million. But I simply have to repeat: The match is from the primary functions of the Federal Government, the management of our national parks and forests, the energy research we undertake, the cultural institutions of the United States. That is from where this match comes.

A year ago, we said: If this program is so important to the States, let's require them to match what we come up with by 25 percent. Let them come up with 25 percent. Some States do provide some money for this. We had to postpone that for a year. In this bill we have had to have a way to grant State waivers, when States regard this program evidently as so lacking in importance that they are not willing to put up 25 percent of the money for their own citizens for something that is primarily their responsibility.

As I said, we are $3 million above the level for the current year. The House is $5 million above the level for the current year. If we end up with a larger allocation—and, personally, I hope for a larger allocation—by the time the conference committee has completed its work, we will have a modestly larger amount of money for this program in a final conference committee report. But it is not responsible to take it out of our National Park System. It is not responsible to take it out of our existing energy research. It is not responsible to take it out of the cultural institutions of the United States. That is precisely what this does.

Mr. REED. Will the Senator yield?

Mr. GORTON. Certainly.

Mr. REED. Mr. President, I do applaud the Senator's efforts over many years to increase this account. He has done that. I think it makes a great deal of sense to provide a local match, which he has, and we would encourage more local participation. It is true we have provided an offset because I recognize that we do not have unlimited free money to put back into the budget.

We have taken money from every Federal agency. But I am told that our cut represents .05 percent per agency coming out of travel pay, coming out of administrative overhead. I think that is probably something they could well absorb. I daresay it would not require them to either turn down the heat or turn off the air-conditioning, whereas we are talking about a situation of homes throughout this country where they don't have that luxury.

So I agree in principle that we are taking it from agencies, but we are taking such a minute fraction that I think it would be readily absorbed. And we are putting it into a program that is both worthwhile and necessary in so many cases, and also going to the heart of ensuring that people can go into this heating season —particularly in the Northeast—with a little more confidence. I am concerned we are going to see tremendous oil heating price hikes which will force people into very difficult choices between heating or eating. This is a way, I believe, in which we can begin to start addressing this point.

Again, I recognize that the chairman has very diligently and sincerely tried to increase these funds. I hope we can do better. I don't think we are penalizing the agencies, and I don't anticipate a park being shut down by the loss of .5 percent of their travel expenses and other overhead.

Mr. GORTON. Mr. President, first, there is another far more important program and far more expensive program that goes to these very issues. The appropriations bill for military construction included many other matters. There was $600 million more for the direct assistance to people with their heating oil bills. In some respects, this is every bit as important a program because it tries to lower the bills in the first place.

The Senator from Rhode Island is correct; this is a small percentage of the budgets for the national parks. It is also the subject of match for several other amendments here because it is so easy. We don't say this program is much more important than another program, so let's cut the other program; we just say, in effect, cut them all across the board. But it is $8 million more in deferred maintenance for our national parks, or for our other national lands. And since this is a program that, over the course of the last 5 years, has increased more rapidly, bluntly, than the amount of money we have for these primary responsibilities, that is the reason we came up with the amount that we did.

Would I have liked to come up with more? Yes. If I have a larger allocation later, I will. Will there be more? There will be. I don't think at this point, for a State program, that many States aren't matching—and the requirement for match is only 25 percent—that this is as important as the national priorities that are the subject of the rest of this bill.

The PRESIDING OFFICER. The distinguished Senator from Wyoming is recognized.

Mr. THOMAS. Mr. President, I ask unanimous consent that the pending amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

### AMENDMENT NO. 3800

Mr. THOMAS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Wyoming [Mr. THOMAS], for himself, Mr. CRAIG, Mr. GRAMS, Mr. CRAPO, and Mr. ENZI, proposes an amendment numbered 3800.

Mr. THOMAS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide authority for the Secretary of the Interior to conduct a study on the management of conflicting activities and uses)

On page 125, line 25 strike "$58,209,000" through page 126, line 2 and insert in lieu thereof "$57,809,000, of which $2,000,000 shall be available to carry out the Urban Park and Recreation Recovery Act of 1978 (16 U.S.C. 2501 et seq.).

**SEC. . MANAGEMENT STUDY OF CONFLICTING USES.**

(a) SNOW MACHINE STUDY.—Of funds made available to the Secretary of the Interior for the operation of National Recreation and Preservation Programs of the National Park Service $400,000 shall be available to conduct a study to determine how the National Park Service can:

(1) minimize the potential impact of snow machines and properly manage competing recreational activities in the National Park System; and

(2) properly manage competing recreational activities in units of the National Park System.

(b) LIMITATION OF FUNDS PENDING STUDY COMPLETION.—No funds appropriated under this Act may be expended to prohibit, ban or reduce the number of snow machines from units of the National Park System that allowed the use of snow machines during any one of the last three winter seasons until the study referred to in subsection (a) is completed and submitted to the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate.

Mr. THOMAS. Mr. President, I come to the floor today to talk about an issue that is very important to many people. It is certainly important to me as chairman of the parks subcommittee in the Senate and as a supporter of parks. Having grown up right outside of Yellowstone Park, the parks there are very much a part of our lives.

Let me quickly summarize what this amendment does. I can do it very quickly because it is quite simple. It deals with the idea and the concept of having access to national parks, when it is appropriate, for the use of individual snow machines—something we have done for some 20 years—frankly, without any particular objection until this last year, and without any real evidence that we can't make some changes that would allow us to continue to do that.

Unfortunately, rather than looking for an opportunity to bring about some changes in the machines, or some changes in the way they are used, or to manage the way they are used, this administration has simply said: We are going to bring about a regulation unilaterally that will eliminate the use of snow machines in the parks of the United States.

What this amendment does, simply, is provide some money—$400,000; and we have found a place to get that money—to conduct a study to determine how the national parks can do a couple of things: One, minimize the potential impact of snow machines and properly manage competing recreational activities in the National Park System. That is pretty logical stuff. In fact, you can almost ask yourself, haven't they done this? The answer is that they have not. Two, properly manage competing recreational activities in units of the national park. Again, that is pretty easy to do. In Yellowstone Park, where there is a great demand for using snow machines, on the one hand, and cross-country skiing, on the other, with management you can separate these two so that they are not conflicting uses. Of course, that requires some management.

So then the second part of it is that no funds may be appropriated until such time, basically, as the Park Service has completed their study and submitted it back to the Committee on Appropriations in the House of Representatives and the Committee on Appropriations in the Senate. So this doesn't put any long-time restriction on what can be done. It simply says: Here is some money; take a look at where we are, what the problems are, and what we can do about them, and bring that back and make some management decisions. It is fairly simple and, I think, fairly reasonable. That is what this amendment is all about.

I guess the real issue comes about due to the fact that we have had a considerable amount of activity. What really brings it about is a winter use study that is going on now in Yellowstone and the Teton Parks. It has to do with the broad aspect of winter use and with buffalo moving out of the park and what kinds of things can be done there; and how people can get in and out of the parks and utilize them in the wintertime, which really brought about this whole thing. The Assistant Secretary of the Interior went out to look and came back with an idea—I think mostly of his own—that we ought to do away with snowmobile use. He did this without having any facts, science, or looking at what could be done so that you could be consistent with the purpose of the park.

The purpose of a park is basically to maintain the resource and to maintain it in such a way that its owners can enjoy the use of it. Those things are not inconsistent. Those things are not inconsistent with snowmobiles, in my judgment. But whether it is my judgment or not, more importantly, the idea to come to the conclusion that they are inconsistent without any facts is something we ought not to accept.

I am a little surprised that someone in this Congress would rise to defend the authority of the executive branch to go around the Congress and to do something without even including the Congress or the people. That is not the way this place is set up. That is not what we are here for. That is why we have a division between the executive and the legislative and the judicial—a very important division. It is, frankly, being ignored by this administration not only on this issue but on many of them. They are overtly saying: If we don't get approval, we will just do it. That is not the way things are supposed to happen.

I am also a little surprised, frankly, that a representative of a public lands State would be interested in having the agencies that manage—in the case of Nevada—nearly 90 percent of the land and, in Wyoming, over half, making decisions without involving some of the people who should be involved, who are involved with living in these areas.

I think we are really talking about a system of rulemaking—a system of regulation—and one that needs to be based on facts and based on the idea that you take a look at issues. Frankly, the substantial amount of evidence about what has been said about snowmobiles in west Yellowstone and other places simply isn't factual. I could go through all of that stuff, but I will not. But it is terribly important that we try to do things based on real facts.

The Department of Interior has announced that it intends to ban snowmobiles in all but 12 of about 30 parks—not all in the West, as a matter of fact. We sent a letter to the Secretary of the Interior some time ago with 12 signatures on it. They quickly came to the Senate from Maine, from Minnesota, from the west coast, and some from the Rocky Mountains. It is not only in the area that has limited interest; it has interest from all over the whole country.

The Department claims that only a complete ban to curb snowmobiles on issues and noise will protect the wildlife. That simply isn't the only alternative that is available.

I want to make it very clear that it is not my position, nor would I defend the notion that snowmobiles ought to continue to be used as they are currently being used. They can be changed substantially. We have had meetings with the manufacturers, which, by the way, have a very strong presence in Minnesota. Lots of jobs and lots of issues are involved. Jobs isn't really the issue. The issue is access to the land that belongs to the people of this country, but they can be changed.

One of the things that has not happened and that should happen is there ought to have been some standard established for snowmobiles, saying here is the level of emissions that is acceptable, and here is the level of noise that is acceptable. If you want to use your machine in the park, you have to have one that complies with these regulations. There have been none.

The same thing could be said about where you use the machine. If you are going to be in the same track as deer, it doesn't need to be that way.

We have had failure on the part of management of the Park Service to do something to make these kinds of uses compatible with the purposes of the parks. Rather than do that, or rather than making efforts to do that, they simply say, no. They are just going to cut it out; they aren't going to do that.

I object to that process. I don't think that is the kind of process that we ought to look forward to in this country—whether it is snowmobiles, or water, or whether it is automobiles, or whether it is food regulations, or whatever. We have to have something better. Interior has never considered a single management scheme to be able to make it better.

Certainly I hear all the time: Well, the snow machine people should have done something better. Maybe so. I don't argue with that. However, if you were a developer of snow machines, if you were a manufacturer and you were going to invest a good deal of money to make changes in them, I think it would be important to you to know what the standard is going to be so you are able to meet those requirements and continue to be able to put out the machine that would comply.

We have had hearings. We have met with those manufacturers. They testified they can and will produce and market the machine, if EPA will set the standard.

It is kind of interesting that most of the parks, such as Yellowstone, are full of cars, buses, and all kinds of things in the summertime which do not seem to have an impact here. But in the wintertime, it seems that something much less in terms of numbers is what we are going to cut off.

I want to deal largely with the concept that we ought to really pay attention to the purpose of these resources—to make them available, to have access to them, that we need to have a system that is based on findings of fact and science, and be able to come up with alternatives rather than simply making the bureaucrat decision downtown that we are going to do away with this or we are going to do away with that.

We ought to put into effect a time that this agency can study this issue, look at the alternatives, provide some money to do that, have them bring their findings back, and then certainly make some choices.

This amendment is simple and straightforward. I think that is better than the bureaucratic approach of just deciding somewhere in the bowels of the Interior Department we are going to do something.

I find a great deal of reaction to it in my State, of course, and the surrounding States which are very much impacted.

This is not a partisan issue. I have worked with the majority leader and the Senator from Montana to try to find a solution. We are looking for solutions. That is really what we need some time to be able to do.

Mr. GRAMS. Mr. President, I rise in support of the amendment to reverse the snowmobile ban in our national parks and provide funding for a study to determine how the National Park Service can minimize the impact of snow machines and properly manage competing recreational activities in the National Park System. I want to thank Senators THOMAS and CRAIG for their efforts to bring this important amendment before the Senate for consideration.

While the Interior Department's ill-conceived ban will not immediately affect snowmobiling in Minnesota's Voyageurs National Park, it will impact snowmobiling in at least two units of the Park System in my home state—Grand Portage National Monument and the St. Croix National Scenic Riverway. In addition, this decision will greatly impact Minnesotans who enjoy snowmobiling, not only in Minnesota, but in many of our National Parks, particularly in the western part of our country.

When I think of snowmobiling in Minnesota, I think of families and friends. I think of people who come together on their free time to enjoy the wonders of Minnesota in a way no other form of transportation allows them. I also think of the fact that in many instances snowmobiles in Minnesota are used for much more than just recreation. For some, they're a mode of transportation when snow blankets our state. For others, snowmobiles provide a mode of search and rescue activity. Whatever the reason, snowmobiles are an extremely important aspect of commerce, travel, recreation, and safety in my home state.

Minnesota, right now, is home to over 280,000 registered snowmobiles and 20,000 miles of snowmobile trails. According to the Minnesota United Snowmobilers Association, an association with over 51,000 individual members, Minnesota's 311 snowmobile riding clubs raised $264,000 for charity in 1998 alone. Snowmobiling creates over 6,600 jobs and $645 million of economic activity in Minnesota. Minnesota is home to two major snowmobile manufacturers—Arctic Cat and Polaris. And yes, I enjoy my own snowmobiles.

People who enjoy snowmobiling come from all walks of life. They're farmers, lawyers, nurses, construction workers, loggers, and miners. They're men, women, and young adults. They're people who enjoy the outdoors, time with their families, and the recreational opportunities our diverse climate offers. These are people who not only enjoy the natural resources through which they ride, but understand the important balance between enjoying and conserving our natural resources.

Just three years ago, I took part in a snowmobile ride through a number of cities and trails in northern Minnesota. While our ride didn't take us through a unit of the National Park Service, it did take us through parks, forests, and trails that sustain a diverse amount of plant and animal species. I talked with my fellow riders and I learned a great deal about the work their snowmobile clubs undertake to conserve natural resources, respect the integrity of the land upon which the ride, and educate their members about the need to ride responsibly.

The time I spent with these individuals and the time I've spent on my own snowmobiles have given me a great respect for both the quality and enjoyment of the recreational experience and the need to ride responsibly and safely. It has also given me reason to strongly disagree with the approach the Park Service has chosen in banning snowmobiles from our National Parks.

I was stunned to read of the severity of the Park Service's ban and the rhetoric used by Assistant Secretary Donald J. Barry in announcing the ban. In the announcement, Assistant Secretary Barry said, "The time has come for the National Park Service to pull in its welcome mat for recreational snowmobiling." He went on to say that snowmobiles were, "machines that are no longer welcome in our national parks." These are the words of a bureaucrat whose agenda has been handwritten for him by those opposed to snowmobiling.

The last time I checked, Congress is supposed to be setting the agenda of the federal agencies. The last time I checked, Congress should be determining who is and is not welcome on our federal lands. And the last time I checked, the American people own our public-lands—not the Clinton administration and certainly not Donald J. Barry.

I can't begin to count the rules, regulations, and executive orders this Administration has undertaken without even the most minimal consideration for Congress or local officials. It has happened in state after state, to Democrats and Republicans, and with little or no regard for the rule or the intent of law. I want to quote Interior Secretary Bruce Babbitt from an article in the National Journal, dated May 22, 1999. In the article, Secretary Babbitt was quoted as saying:

> When I got to town, what I didn't know was that we didn't need more legislation. But we looked around and saw we had authority to regulate grazing policies. It took 18 months to draft new grazing regulations. On mining, we have also found that we already had authority over, well, probably two-thirds of the issues in contention. We've switched the rules of the game. We're not trying to do anything legislative.

As further evidence of this Administration's abuse of Congress—and therefore of the American people—Environmental Protection Agency Administrator Carol Browner was quoted in the same article as saying:

> We completely understand all of the executive tools that are available to us—And boy do we use them.

While Ms. Browner's words strongly imply an intent to work around Congress, at least she did not join Secretary Babbitt in coming right out and admitting it.

Well, Mr. President, I for one am getting a little sick and tried of watching this Administration force park users out of their parks, steal land from our states and counties, impose costly new regulations on farmers and businesses without scientific justification, and force Congress to become a spectator on many of the most controversial and important issues before the American people. Quite frankly, I'm getting a little sick and tired of this Administration's positions of zero-cut, zero-access, and zero-fun on public lands.

When forging public policy, those of us in Congress often have to consider the opinions of the state and local officials who are most impacted. If I'm going to support an action on public land, I usually contact the state and local official who represent the area to see what they have to say. I know that if I don't get their perspective, I might miss a detail that could improve my efforts are necessary or if they're misplaced. They can alert me to areas where I need to forge a broader consensus and of ways in which my efforts might actually hurt the people I represent. I think that is a prudent way to forge public policy and a fair way to deal with state and local officials.

I know, however, that no one from the Park Service ever contacted me to see how I felt about banning snowmobiling in Park Service units In Minnesota. I was never consulted on snowmobile usage in Minnesota or on any complaints that I might have received from my constituents. While I've not checked with every local official in Minnesota, not one local official has called me to say that the Park Service contacted them. In fact, while I knew the Park Service was considering taking action to curb snowmobile usage in some parks, I had no idea the Park Service was considering an action so broad, and so extreme, nor did I think they would issue it this quickly.

This quick, overreaching action by the Park Service, I believe, was unwarranted. It did not allow time for federal, state, or local officials to work together on the issue. It didn't bring snowmobile users to the table to discuss the impact of the decision. It didn't allow time for Congress and the Administration to look at all of the available options or to differentiate between parks with heavy snowmobile usage and those with occasional usage. This decision stands as a dramatic example of how not to conduct policy formulation and is an affront to the consideration American citizens deserve from their elected officials.

That is why this amendment is so important. It reverses the dark of night, back room tactics used by this Administration to arrive at this decision. We cannot simply stand by and watch as the administration continues its quest for even greater power at the expense of the deliberative legislative processes envisioned by the founders of our country. Secretary Babbitt, Administrator Browner, and Donald J. Barry may believe they're above working with Congress, but only we can make sure they're reminded, in the strongest possible terms, that when they neglect Congress they're neglecting the American people. This amendment does just that.

Mr. ENZI. Mr. President, I rise in support of the amendment introduced by the Senator from Wyoming, Senator CRAIG THOMAS, regarding a study on snowmobile use within our National Parks.

The development of the Yellowstone and Grand Tetons National Parks winter use plan draft environmental impact statement has been a landmark exercise for inclusion and cooperation between state, local and Federal Agencies involved in the land management planning process. While this endeavor has not progressed without flaws, it has established that local and state governments possess the expertise and ability to respond in a timely and educated manner to address issues critical to the development of a comprehensive land-use document.

In spite of these efforts, however, the United States Department of the Interior has announced a decision to usurp this process and has chosen to implement an outright ban on all snowmobiles, in virtually all national parks, including Yellowstone.

I must admit I am not surprised at the over-reaching nature of this action. In fact, several months ago I predicted that the Park Service would ban snowmobiles in Yellowstone Park and would extend its ban on snowmobiles to all national parks. I am further concerned that this action will spread to include other public land including the national forests. In fact, discussions with National Forest supervisors surrounding Yellowstone indicate that all it will take is an adverse opinion by the U.S. Fish and Wildlife Service to ban snowmobiles altogether.

The United States Forest Service could claim that increased snowmobile use on our national forests will impact the Canadian lynx, or some other threatened or endangered species, without proof or documentation to put such a ban in place.

After a ban in the forests, we can expect action on BLM lands. After snowmobiles, what next? A ban on automobiles and then even on bicycles? If that sounds farfetched, think back just three years ago when we were assured that snowmobiles would not be banned in Yellowstone Park. Soon, we may even expect that bans on other types of recreation will follow and our public lands will no longer be available to the public.

As one of the Senators representing the bulk of Yellowstone, I feel it is my duty to correct some of the misconceptions that surround this proposal by the federal government to prohibit access to our nation's oldest and dearest of national parks.

Millions of visitors come to Yellowstone National Park each year to experience first hand the park's unique and awesome beauty. They come from all over the world to see Earth's largest collection of geothermal features and to witness some of the largest free-roaming bison and elk herds in the United States.

In a proposal announced March 24, 2000 the U.S. Department of the Interior declared its plan to permanently ban snowmobiles from the park beginning in 2002. This announcement was followed by a later statement, on April 27, 2000, where the Department of Interior expanded a proposed ban to dozens of other national parks across the country. If federal officials and national special interest groups have their way, however, a visit to Yellowstone National Park may become as rare and endangered as the trumpeter swan or black footed ferret.

There is little evidence to support claims that this proposal was made to protect the environment or to reduce the impact on Park animals. In fact, later statements by park personnel indicate that the main reason for this ban was to comply with changing Park Service policy which was developed to supersede ongoing efforts to reach a reasonable compromise on national park winter use.

As I stated earlier, the decision to ban snowmobiles was announced before the Park Service had completed its review of comments on a draft environmental impact statement created by the park and adjacent states and counties to address concerns over winter use in Yellowstone and its neighbor, Grand Teton National Park. The announcement also came before officials could incorporate revisions and amendments to major studies that the Park Service relied on in drafting the draft environmental impact statement.

The Park Service admits these initial studies were seriously flawed and exaggerated snowmobile pollution estimates. The original draft study on snowmobile emissions erroneously computed emissions amounts using pounds instead of grams as is used to compute all standard emission amounts.

So what is the real reason for banning snowmobiles from Yellowstone and all other national parks? The Park Service's proposal to ban snowmobiles is all about deciding who will have the privilege of experiencing the Park up close and in person, and who will be forced to stay home. Unfortunately, this will leave an even larger segment of the United States ignorant of how vast and wonderful our parks really are.

It is vitally important, therefore, that a true picture be painted for the American public to understand what is really being taken away from them.

One poll touted by national environmental organizations claims most Americans favor banning snowmobiles, partially based on an image of snowmobiles as heinous, smog producing, noisy devices used to run down poor, defenseless animals and lacking a conception of the size of the park and the limited number of snowmobiles accessing the park on any given day.

The administration failed to inform the public of other alternatives to an outright ban that were in the works. For example: snowmobile manufacturers are interested in cleaner, quieter machines. There was also discussion about reducing the number of snowmobiles that could access the park every winter. Not many people realize that local leaders were very involved in trying to resolve the situation to avoid implementing a full fledged ban.

In addition, the snowmobile industry has been working for several years to develop air and noise standards with the Environmental Protection Agency so there is a clear target for cleaner, quieter machines. Industry has stated time and time again that once they have clearly defined standards they will develop the technology to meet those standards (assuming some reasonableness to the standard) One company even gave the Park Service some advanced model snowmobiles to test.

Right now, snowmobiles are only allowed on groomed roads, the same roads used by cars in the summer and average less than two-thousand snowmobiles a day. A speed limit of 45 miles per hour is strictly enforced. Any driver who puts one ski off the designated trails is subject to fines and possible arrest. The same goes for speeding.

This is a significant point to make by the way, because the Executive order this ban is based on regulates off-road vehicle use on our national parks, and as I just noted, snowmobiles are not off-road vehicles in national parks.

What a snowmobile ban really does is deny access for old and young riders with physical limitations that preclude them from snowshoeing or cross country skiing into the park. The only alternative left for those visitors unable to snowshoe or ski into the park will only be able to access the park via a mass transit vehicle known as a snow coach.

Because of its size, and the type of terrain, it is incredibly impractical to limit access to Yellowstone to just snow coaches or cross country skis and snowshoes. Yellowstone is made up of approximately 2.2 million acres, most of which is already closed to public access other than by foot, snow shoe or skis, and has less than 2,000 snowmobiles inside the park on any given day.

By comparison, the State of Connecticut is slightly larger than Yellowstone Park with more than 3.3 million people, many of which drive a car every day. Perspective is important.

On its face, and in the safety of your own living room, the idea of riding a van-sized, over snow vehicle may sound like a romantic mode of travel, but in reality, snow coaches are large, cumbersome vehicles that grind, scrape, and shake their way across high mountain passes. It is impossible to ride in a snow coach for long periods of time.

As a result, the proposal to only access the park by means of mass transit further restricts time and access to the park by virtually eliminating all entrances to Yellowstone except for the gate at West Yellowstone, Montana. The terrain and elevation at Wyoming's East Gate is so rugged and high that it is impractical for snow coaches to travel in that area of the park. Sylvan Pass reaches an elevation of 8,530 feet and is surrounded by mountains that rise well over 10,000 feet on one side, and gorges with sheet drops of several thousand feet on the other. This is definitely not a place for a snow coach.

Furthermore, by moving the southern access point from Flag Ranch to Colter Bay, the Park Service makes any southern day trip into Yellowstone an impossible 113 miles round trip. This also creates a serious safety problem for Idaho snow groomers who, in the past, filled up their gas tanks at Flag Ranch. Under the current proposal, these facilities will be closed and the groomers will not have enough gas to make one complete round trip. This creates a serious safety problem and shuts off access to more than 60 miles of non-Park Service trails.

Once again, I would like to reiterate that the complete banning of snowmobiles is not the only available alternative for national park recreational winter use. For the past three years, I have worked with the communities surrounding Yellowstone to develop a more practical and more inclusive approach to Yellowstone winter use. After holding dozens of meetings with residents and business owners, we have been able to create a proposal that preserves the park's environmental health while at the same time ensuring future access—for everyone. This amendment will enable the Park Service to rethink its actions and hopefully incorporate a more positive approach to winter management.

I grew up spending time in Yellowstone where grandparents camped inside the park all summer. I have been back many times since, sometimes on a snowmobile. In fact, I get there every year. Over the years the park has improved, not been overrun or run down as efforts mostly to get additional funds imply. Anyone who knows and loves Yellowstone like I do can attest to the fact that there is room enough for wildlife, snowmobiles, snowshoers, cross country skiers and snow coaches in Yellowstone, and a reasonable compromise can be reached to include all of these uses, that is unless federal officials don't step in first and ensure everyone is excluded. Wildlife and human enjoyment of the wildlife are not mutually exclusive. Good administration would accommodate both.

The study outlined in this amendment would establish a necessary first step in restoring access, not just to the park, but to the land planning process, for those people who will bear the brunt of the Park Service's decision to ban snowmobiles. Clearly, the Park Service's decision in this matter is an arbitrary decision that bypassed local communities, counties, states and even Congress. The Park Service needs the direction provided for in this amendment.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The distinguished Senator from Idaho is recognized.

Mr. CRAIG. Mr. President, I stand in support of my colleague from Wyoming on his amendment.

I was quite surprised when Senator REID of Nevada spoke on the floor about this issue because I heard what he was saying before. It was given in testimony before the Subcommittee on Parks, chaired by the Senator from Wyoming, by the national environmental groups. He was following their script. Their script says: Get all of the snowmobiles out of the park. For some reason that impacts the parks. I have ridden snowmobiles in Yellowstone. I am not sure the Senator from Nevada has. I am not sure many Senators have. I don't dispute the need to manage the number of snowmobiles and the entry of snowmobiles where they travel.

But arbitrarily and without justification, Assistant Secretary Barry—who has now fled to the Wilderness Society once he tried to accomplish his damage here in this administration with the Park Service—came before the committee and emphatically said they had to go. In a press conference a few days prior to that hearing in almost a defiant, arrogant way, he said he was going to take all of them out of the parks, finish the rulemaking in Yellowstone, and so be it—failing to recognize the industries that have built up around snowmobiling at both entrances to Yellowstone Park; failing to deal with them in a responsible, cooperative way—so that he could ensure the mantra of the Clinton administration, and that public lands generate economies in recreation and tourism.

Here quite the opposite was going on—no economy, everything for the environment, even though the facts bear out that you can still have an economy, meaning people on snowmobiles in Yellowstone in the wintertime, and still protect the environment.

How do you accomplish that? You work with the industry. What do you do with the industry? You ask them to redesign their sleds so they make little to no noise and very little pollution—if there is any of consequence that would damage the environment to begin with.

What does the industry say? They can do it. In fact, last winter they were operating in Yellowstone with a prototype put out by one of the snowmobile manufacturers. It was a four-cycle instead of a two-cycle engine. The Senator from Nevada was bemoaning the pollution of the two-cycle. We now know they can produce a four-cycle that will be certainly less environmentally damaging. They are willing to do that.

The moment the industry said to the Park Service we can supply you with a new sled that meets these standards, the Park Service says: Oh, well, it wasn't air pollution, it wasn't noise pollution, it was wildlife harassment.

Somehow the wildlife of Yellowstone is going through some emotional problem as a result of snowmobiles trafficking by recreationists on a daily basis. I am not quite sure they have had any examples of these wildlife species in therapy. But somehow they seem to know a great deal about it.

The bottom line is simply this: The environmentalists have told this administration they want snowmobiles out of the parks.

I suggest to the National Park Service that they have a real problem on their hands in management. In other words, they are denying public access to parks that were designed to protect the environment and also allow public access. They have a crisis in management.

They don't have an environmental problem in Yellowstone, they have a management problem, a failure on the part of this administration, and certainly this President, to recognize the cooperative balance between the environment and the public and how one benefits from creating this kind of balance for all to benefit from.

Mr. GORTON. Will the Senator yield?

Mr. CRAIG. I am happy to yield to the Senator.

Mr. GORTON. Mr. President, I note another Senator interested in the subject. I note there are 55 minutes between now and 6:15. I have a minimum of 3 amendments that I know are going to be debated and will require votes, and perhaps five. While there are no limitations on this, I appreciate it being concluded relatively quickly so we can go to the Senator from Nevada. His amendment will be contested, and there will be more after that. We are scheduled to go off this bill, for good, except for votes, at 6:15.

Mr. CRAIG. I thank the chairman of the subcommittee for giving an evaluation of the time remaining on the amendments that must be dealt with. I know the chairman has been struggling since around 3:15 to get Senators to debate the amendments, and now all of a sudden they appear on the floor in the last minutes.

I conclude my debate. The Senator from Montana, I know, wants to speak to this issue. It impacts his State and the economy of his State. Once again I say to the administration, shame on you for taking people out of the environment, all in the name of the environment. It doesn't seem a very good solution to me, if you are going to tout tourism and recreation to us western States as an alternative to the elimination of the extractive resource industries that have provided economies to our States for the last 100-plus years.

The PRESIDING OFFICER. The distinguished Senator from Montana is recognized.

Mr. BURNS. It will not take long to make the point. I will facilitate everything, as the chairman of the subcommittee wants.

If Members want to talk about wildlife in Yellowstone, you will see very little variety in wildlife in Yellowstone in the wintertime. If you have been there, you know that about the only thing you will see is bison. Let me tell you, you don't bother them with a little old snowmobile. They are just walking around, and they go wherever they want to, whenever they want to. So let's not be worried about the bison. Whether you agree with it or not, there are too many bison in the park. We have grazed that country right into the ground.

I remind Members that those who operate the snowmobiles out of West Yellowstone have gone to the Park Service and said: We will make arrangements to prevent line-ups at the gate, we will get new, cleaner, quieter machines, we will work with you in order to protect the environment of Yellowstone Park.

There will be more people in a week this summer through the park than all of next winter. You cannot even get through that park for traffic right now. One of these days, you will have to go to a gate and pick a number and they call your number and you get to go to the park. The impact is in the summer, not in the winter, no matter what you are riding. It could be an old gray horse or a snowmobile, it doesn't make any difference. And are we concerned about that?

Let's not be shocked. The Senator from Wyoming has a good idea. It is time we take a realistic look at this, do the study, and go forward with the recommendations that are made.

Mr. REID. Mr. President, the Environmental Protection Agency has issued proposed regulations governing the emissions of snowmobiles in our National Park System. It is very clear that these vehicles cause big problems. Why do I say that? A single snowmobile belches out the same pollution that 20 automobiles do. One snowmobile equals the pollution of 20 passenger cars.

Also, my friend from Tennessee earlier talked about the air pollution in the Great Smoky Mountains because of coal-fired generating plants in that area. There isn't much that can be done, at this stage at least, to stop those longstanding power producers from generating the emissions they do. But there is something we can do to stop air pollution from developing as it has in our National Park System.

It is a national disgrace that the levels of toxic pollution, such as carbon monoxide—in Yellowstone National Park, to pick just one—rival major urban centers such as Los Angeles and Denver. I repeat, it is a national disgrace that levels of toxic pollutants such as carbon monoxide, in our national parks—especially Yellowstone—at times, rival major urban centers such as Los Angeles and Denver. That is significant.

But what is being proposed by the Environmental Protection Agency is nothing that is going to eliminate snowmobiling in our country.

For example, of the more than 130,000 miles of designated snowmobile trails in the United States, less than 1,000 of those miles are in national parks—to be exact, there are 600 miles. So this furor, and the offering of this amendment, to eliminate this proposal to stop the air pollution of snowmobiles in national parks is really a red herring. There are other places you can ride snowmobiles. In fact, you can ride them over 129,000 miles in the United States alone. We need not ride them this 600 miles in national parks.

Appropriate access to national parks is important, but such access does not include all forms of transportation at all times. Protecting parks from air, water, and noise pollution, for the enjoyment of all Americans, should be our No. 1 goal.

I am very happy that the Senator from Tennessee spoke earlier about how important national parks are. I agree with him. We are the envy of the rest of the world with our national parks.

Yosemite, Great Basin National Park, Yellowstone National Park—these wonderful gems of nature, that we are attempting to preserve, need to be preserved.

The amendment would prohibit the Park Service from doing its job to protect some of America's most awe-inspiring national treasures. The landscape of our national parks should reflect the wonders of our Creator, which I think we have an obligation to protect. National parks do not need to serve as racetracks for noisy, high-polluting snow machines.

The State of Nevada shares Lake Tahoe with California. We wish we had all of Lake Tahoe, but we do not mind sharing it with California. It is a wonderful, beautiful lake. There is only one other lake like it in the world, and that is Lake Bakal in the former Soviet Union, now Russia, an alpine glacial lake. Lake Tahoe it is very deep—not as deep as Lake Bakal, which is over 5,000 feet deep, but very deep. It was only 35 years ago they found the bottom of Lake Tahoe. It is extremely cold. It is beautiful. It is emerald colored.

But one of the things contributing to the ruination of Lake Tahoe is two-stroke engines. They were outlawed last year. I am glad they were outlawed. People may complain: What are we going to do for recreation?

There are plenty of things to do for recreation without these two-stroke engines. They are gone now. The lake is less polluted. It sounds better. Two-stroke engines are also the engines that snowmobiles use. They have been outlawed at Lake Tahoe. Why? Because they are inefficient, highly polluting, and contribute disproportionately to the decline of the lake's legendary clarity and degradation of its water quality.

Our national parks deserve similar protection from the pollution produced by these snow machines.

In sum, the use of snowmobiles currently prevents adequate protection of air and water quality for wildlife. Damage is being done to national parks not some time in the future but right now. The unnecessary delay caused by this amendment would allow further damage to our parks.

Congress should allow individual parks that currently allow snowmobiling to go through a public comment process to determine what course of action is appropriate. This amendment would eliminate that.

EPA agrees that the Park Service has the primary and immediate duty to take action to protect parks from snowmobile impacts. In comments on the draft EIS for winter use at Yellowstone, EPA said:

> We encourage the National Park Service to take the steps necessary to protect human health and the environment immediately rather than to depend on future regulations of off-highway vehicle engines from EPA.

They are saying let's not wait for us to do it. The Park Service has an obligation to do it right now. Postponing Park Service action on the snowmobile issue is a delay tactic, pure and simple.

The amendment we are debating assumes there is an inherent right of snowmobiles to run wild in the national parks, irrespective of their impact on other users and the environment. This is a very flawed assumption. They have no inherent right to run wild in national parks.

All Americans have the right to enjoy our national parks but only in ways that do not damage the parks. Prohibiting snowmobiles in national parks will have an insignificant impact on recreational opportunities available to snowmobilers. Again, there are more than 130,000 miles of designated trails in the United States, and less than 1,000 of those miles are in national parks. That is less than 1 percent.

Because millions of acres of public lands are already open to public snowmobiling, banning snow machines in national parks does not prevent recreationists from using their vehicles. It just prevents them from using the most sensitive and heavily visited public lands.

Arguing that every form of recreational access should be allowed in national parks is silly. Visitors do not need to jet boat in Crater Lake National Park. Visitors do not need to ride dirt bikes in the Grand Canyon. Visitors do not need to bungee jump from the Washington Monument.

Prohibitions against such activities do not restrict Americans' access to our parks; rather, they indicate a willingness to protect parks for the enjoyment of all visitors.

Great Basin National Park in Nevada already prohibits snowmobile use. Glacier and Yosemite Parks do not allow snowmobile use.

What are some of the environmental problems caused by snowmobiles in national parks?

Environmental analyses done at Yellowstone and elsewhere have shown that snowmobiles can seriously damage park resources. According to the Environmental Protection Agency, existing scientific evidence "clearly and convincingly demonstrates [that] current snowmobile use is adversely affecting the natural . . . aesthetic . . . and scenic values" in Yellowstone.

Air pollution: Yellowstone and several other national parks are recognized as Class I airsheds under the Clean Air Act. The Park Service is required by law to protect these areas from any degradation. The presence of snowmobiles in the park makes that task virtually impossible.

Air quality monitors at Yellowstone's west entrance have found carbon monoxide levels that rival or exceed those found in major urban areas such as Denver and Los Angeles.

Snowmobiles account for up to 68 percent of Yellowstone's annual carbon monoxide emissions and up to 90 percent of hydrocarbon emissions, even through automobiles out number them 16 to 1.

Water pollution: Every winter, snowmobiles spew unburned fuel into the snow in national parks and ultimately into their rivers and lakes.

Contaminants released by snowmobiles two-stroke engines include polycyclic aromatic hydrocarbons (PAH) and methyl tertiary butyl ether.

PAHs in water are toxic to aquatic life, and MTBE is an identified human health hazard

Noise pollution: The preservation of natural sounds is a major national park management objective,

A study of snowmobile noise interfered with visitors' ability to hear natural sounds at 12 out of 13 popular locations, including Morning Glory Pool, Grand Prismatic Spring, and other destinations. At Old Faithful, the world's most famous geyser, snowmobile engines were the dominant sound 100 percent of the time.

Wildlife impacts: The NPS Biological Resources Division found that "snowmobile usage adversely affects wildlife."

Noise and the physical presence of snowmobiles cause animals to alter their activity patterns, This behavioral response is of concern because snowmobile use occurs when food supplies are low and an animal's ability to conserve energy may be critical to its survival.

Heavily used snowmobile routes can cut off winter migration paths used by park wildlife.

Conflicts with other park visitors: Snowmobiles detract from other people's experience in the national parks. A 1996 visitor use study conducted in Yellowstone found many people who reported that encounters with snowmobiles were the least enjoyable part of their park visit because of the noise, pollution, and impact on wildlife viewing.

How will restrictions on national parks affect other recreational snowmobiling opportunities?

According to the International Snowmobile Manufacturers Association there are approximately 230,000 miles of groomed and marked snowmobile trails in North America, and about 130,000 miles in the United States. This does not include areas such as national forest roads that are open to snowmobiles but not explicitly designated for snowmobiles. In contrast, there are only about 600 miles of roads and waterways open to snowmobile in national parks in the continental United States, and 300 of those miles are excluded from the NPS April 26 announcement. Closing national parks will not diminish recreation opportunities for snowmobiles, but it will help reduce noise, pollution, and congestion in Yellowstone and other parks.

Many states have thousands of miles of designated trails for snowmobilers to enjoy. Promotional material from the state of Wyoming does not even mention Yellowstone National Park, but does promise that "with over 2,200 miles of snowmobile trails, you can access some of the most scenic backcountry in the world."

Snowmobile opportunities in other States include: Colorado, over 3,000 miles of trails; Idaho, over 7,200 miles of trails; Maine, over 12,000 miles of trails; Michigan, 5,800 miles of trails; Minnesota, 14,000 miles of trails; and Montana, over 2,500 miles of trails.

How much snowmobile use is there in the national parks?

There are 42 units of the National Park System that allow snowmobiles, 28 of these parks are in the continental U.S. Over 175,000 snowmobiles use these 28 parks annually. The five parks with the most annual use are: Yellowstone, 65,000 are 1.5 million registered snowmobiles in the United States.

How will this affect individual national parks?

The National Park Service action DOES NOT immediately ban snowmobile use in all national parks. Late this summer, the Park Service plans to release a proposed rule that will amend its overall snowmobile regulation, 36 CFR 2.18 and address each of the parks that currently allow snowmobiles. This proposed rule would modify or amend those special regulations to bring parks into compliance with the Executive Orders, statutes, and regulations. Public comments will be incorporated before the rule is made final.

For example, approximately 80 percent of existing snowmobile use at Pictured Rocks National Lakeshore is expected to continue. and at St. Croix National Scenic Riverway, an annual "Winterfest" celebration that includes snowmobiles is expected to continue under a special use permit.

There are arguments by opponents of Park Service regulations.

Argument: A snowcoach system in Yellowstone would deny visitors access to the park.

Response: The snowcoach system proposed by the Park Service for Yellowstone and Grand Teton national parks will provide park visitors access to all of the areas currently open to snowmobile visitors.

The only access proposed to be limited is that of backcountry ski and snowshoe visitors in off-trail areas of critical winter wildlife habitat.

The snowcoach system will allow the same number, if not more, of visitors to enter the park each winter, while reducing the number of vehicles by 90 percent, assuming average capacities of one person per snowmobile and the ten per snowcoach.

There is a tendency to confuse access with recreational use. Snowmobiles as currently used are a form of recreation. The parks have a duty to determine the means of access to park attractions that cause the least damage to resources. In no way is public access being eroded, rather a recreational pursuit is being eliminated due to its negative impacts on park resources. A less damaging mode of transportation will be substituted to allow visitor access to the parks.

Proposals to allow snowmobiles but to cap their numbers would essentially limit the numbers of winter visitors to the park. People are not the problem in the parks. Noisy, polluting machines are what's needed to be limited.

In relation to economic impacts—argument: The Yellowstone gateway communities are uniformly opposed to the removal of snowmobiles because it will destroy their winter economies.

Response: Scores of businesspeople in West Yellowstone, MT, the main winter gateway to Yellowstone, have raised their voices in support of removal of snowmobiles from the park. Several representatives of the community/business owner organization West Yellowstone Citizens for a Healthy Park traveled to Washington, D.C. this spring to tell Congress that the health of their local economy depends on the health of Yellowstone National Park.

Current snowmobile use in Yellowstone creates numerous problems of safety, noise and air pollution in gateway communities. A change in winter park transportation will allow for much-desired diversification of gateway economies.

In relation to improved technology—Argument: The regulation of snowmobiles in national parks should be delayed until new snowmobile technologies are available.

Response: The EPA has explicitly told the Park Service not to wait for upcoming EPA regulations: "This DEIS includes extensive analysis of the effects from current winter use and that analysis demonstrates significant environmental and human health impacts. We encourage NPS to take the steps necessary to protect human health and the environment immediately rather than to depend on future regulation of OHV engines from EPA." EPA comments on Draft EIS for Winter Use Plans, Yellowstone and Grand Teton National Parks and John D. Rockefeller Jr. Memorial Parkway, Region 8 EPA, Denver, CO.

EPA regulations will not address noise emissions from snowmobiles and may not require air emissions stringent enough to protect park air quality.

Compliance with park regulations and laws regarding wildlife, noise and visitor conflict will not be addressed by the development of snowmobiles with less air pollution.

Less polluting snowmobiles would not address the mass transit needs of the parks. Many parks are adopting mass transit using the cleanest, quietest technologies available; this is also the case in Yellowstone. Transportation alternatives to the one-person, one vehicle model have been implemented in Acadia and Denali, and will soon be in place in Grand Canyon, Zion and Yosemite National Parks. The NPS should be a leader in promoting clean, quiet and affordable modes of group transportation that are protective of the natural qualities of the parks.

Recognizing that it is the vehicles, not the people at the root of the problem, Yellowstone in winter is a natural place to look next for expansion of the alternative transportation program already taking place in the Park System.

In relation to the history of Snowmobiling in Yellowstone National Park, in 1963, the first snowmobile enters Yellowstone. In 1973–1974, 30,000 snowmobiles enter Yellowstone. In 1972 the National Park Service Regional Director asked all parks to devise winter use plans. Glacier National Park undertook such a review and noted the variety of problems caused by snowmobiling in the park including air and noise pollution, wildlife disturbance and conflicts with other park users. For these reasons and because of strong public sentiment against disrupting the quiet and beauty of Glacier National Park with snowmobiles, the park decided to ban them. Yosemite, Sequoia/Kings Canyon, Lassen and others followed suit.

Yellowstone, however, did not follow the directive to assess the impact of snowmobiles on park resources. Complaints from visitors and park rangers concerning air and noise pollution grew commonplace and the first studies documenting adverse impacts to wildlife from snowmobile use were completed. Future superintendents of Yellowstone allowed further expansion of snowmobiling in the park despite ongoing concerns about air and noise pollution and wildlife impacts. Finally, in the 1990s conditions in Yellowstone and Grand Teton grew so bad that the parks were forced to take action.

Mr. DASCHLE. Mr. President, I wanted to take a few minutes to discuss the rulemaking that has been proposed by the National Park Service to limit the use of snowmobiles in national parks.

National parks are the crown jewels of our nation's system of public lands. They harbor diverse wildlife, rare and beautiful species of plants and spectacular geological formations. In my home state of South Dakota, the Badlands National Park is home to a rich trove of ancient fossils and it provides important habitat for the black-tailed prairie dog and black-footed ferret.

I support the efforts of the National Park Service to ensure that these lands remain pristine so that future generations of Americans can enjoy them. I also understand the strong desire of many snowmobilers to continue to have wintertime access to these lands, where the activity has been enjoyed for many years.

While snowmobiling does not currently take place in national parks in South Dakota, there is a great deal of interest in this issue in the state and support for appropriately managed access to national parks. By carefully managing the parks, I believe that we can provide this access in a manner that is sensitive to the needs of the environment and to those who go to public lands in search of solitude and quiet.

Today, Secretary Bruce Babbitt wrote me to describe in greater detail how the National Park Service intends to proceed in coming months. I believe that it is critical for the agency to review a variety of options for managing snowmobiles and to ensure a full opportunity for public comment. According to the Secretary's letter, the agency does not intend to ban snowmobiles, but will proceed with a rulemaking and public comment period that will allow a full analysis of this issue and provide options for the controlled use of snowmobiles in national parks. I look forward to continuing to discuss this issue with my colleagues, the administration, representatives of environmental groups and snowmobiling enthusiasts.

I ask unanimous consent that a letter from Secretary Babbitt be included in the RECORD at this time.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF THE INTERIOR,
*Washington, July 17, 2000.*

Hon. THOMAS A. DASCHLE,
*U.S. Senate, Washington, DC.*

DEAR SENATOR DASCHLE: I am responding to your recent request for clarification of the status of National Park Service actions on the use of snowmobiles in national parks. Since there have been some misperceptions about what the Service has done, I appreciate the opportunity to provide this clarification.

In response to a petition for a rulemaking, the National Park Service has reviewed the snowmobile use that is now allowed in 42 of the 379 units of the national park system. That review, including a review by the Office of the Solicitor of the Department, had led us to conclude that much of the snowmobile use that is now occurring is not consistent with the requirements of Executive Orders 11644 and 11898, issued by Presidents Nixon and Carter, and other legal requirements. Accordingly, in April the Department and the Service announced that we would undertake a new rulemaking to modify the existing system-wide general rule (36 CFR 2.18), and additional park-specific special rules, to bring them into compliance with the applicable legal requirements. We did not announce that any decision had been made, but instead that we intend to initiate a rulemaking process. In that process, we will comply with all established requirements for rulemaking, including the requirements for seeking and considering public comments. It is our current intent to publish by mid-September a proposed rule, for public comment, to begin the formal process of making these changes.

Until a new rulemaking is completed, the existing rules on snowmobile use in the national parks remain in effect.

We will seek public comment on a proposed rule generally following the format of the existing rule, which prohibits snowmobile use in national parks except in certain instances. The draft rule has not yet been completed, but, when finalized, it would not affect snowmobile use opportunities in national park system areas for the following purposes: For access to private, or other nonfederal property; for access across national parks to reach private or other public lands that are open to snowmobiles use; where the roads through national parks are not under federal jurisdiction; and as authorized in specific national park enabling statutes (i.e., with respect to national parks in Alaska and Voyaguers National Park).

In addition, as a result of settlement of litigation, the National Park Service is in the final stages of preparing a Winter Use Management Plan and EIS for Yellowstone and Grand Teton National Parks. The final decisions on winter use have not been made there, but those decisions will determine future winter use management in these two parks, including the use of snowmobiles.

If we do propose a rule containing these elements, and if, following public comment, we finalize a rule along these lines, the net effect would be that some level of snowmobile use would continue in about 30 of the 42 national parks where it is now allowed. Of course, since the proposed rule will be subject to public review and comment, we are likely to consider additional alternatives during this process and a different outcome could result.

To summarize, the National Park Service has not made any final decisions on what changes to make in the snowmobile use that is allowed in national parks, and any decisions we make will be made following public comment and in compliance with other requirements for agency rulemaking. I appreciate the opportunity to clarify this.

Sincerely,

BRUCE BABBITT.

Mr. BAUCUS. Mr. President, I would like to take a moment to comment on the issue of snowmobiling in Yellowstone.

It is pretty clear to anyone who has visited Yellowstone during the winter that changes need to be made to protect the park. I have met with folks on all sides of this issue, and I think that most people agree that the noise, air pollution and wildlife impacts are unacceptable and have to be addressed.

Yellowstone is the engine for local economies and is part of our national heritage. We owe it to our children and grandchildren to make sure that we don't harm the park and its wildlife.

That having been said, I don't think we need an outright ban. I believe that we can protect the park and its wildlife in other ways. Already, people have put forth a number of creative alternatives to meet these goals, including limiting the number of snowmobiles allowed in the park, requiring clean and quiet machines, and using guided tours.

I think we need to explore all these alternatives and work together to strike a common-sense balance that best serves Yellowstone and Montana. A balance that protects the Park, the local economies and involves people on all sides of this issue.

As my colleagues in this body know, I am not in favor of legislating on appropriations bills. I am pleased that the Senate has decided to not pursue that route for the time being. It is my hope that the current administrative process that is underway for Yellowstone will produce an administrative compromise that protects Yellowstone National Park and provides for a broad range of visitor uses of the Park.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

### AMENDMENT NO. 3800, WITHDRAWN

Mr. THOMAS. I thank the Senator from Montana and the other Members who have joined.

There is no one in this place who is a stronger supporter of national parks than I. I continue to support the national parks. Here is a chance to find some alternative ways to do that.

I thank the chairman of the subcommittee for giving time.

I do not intend to ask for a vote.

Mr. GORTON. Is the Senator withdrawing the amendment?

Mr. THOMAS. I will withdraw the amendment. I intend to withdraw the amendment to try to find a mutual resolution.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

Mr. GORTON. I thank the Senator from Wyoming for that gesture. I support the cause to which he has spoken. If there is a way to get at least part of that adopted, I will try to find it.

I express my appreciation to my friend from Nevada to whom I made a promise about debating this amendment earlier that I could not keep. He has been most understanding.

Mr. BRYAN. I appreciate the distinguished leader's comments. The Senator from Washington has honored his commitment because, as the Senator knows, I had a previous commitment earlier in the day. I thank the Senator for his accommodation.

As I understand the parliamentary status, I will need to seek unanimous consent to set aside the pending amendment for the purpose of offering an amendment.

The PRESIDING OFFICER. The Senator is correct.

Mr. BRYAN. I ask unanimous consent that the pending amendment be set aside.

The PRESIDING OFFICER. Without objection, the Senator is recognized.

### AMENDMENT NO. 3883

Mr. BRYAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. BRYAN], for himself, and Mr. FITZGERALD, proposes an amendment numbered 3883.

Mr. BRYAN. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To reduce the Forest Service timber sale budget by $30,000,000 and increase the wildland fire management budget by $15,000,000)

On page 164, line 19, strike "$1,233,824,000," and insert "$1,203,824,000,".

On page 164, line 23, strike "(16 U.S.C. 460l6a(i)):" and insert "(16 U.S.C. 460l6a(i)), of which $220,844,000 shall be available for forest products:".

On page 165, beginning on line 6, strike "*Provided*" and all that follows through "accomplishment:" on lines 11 and 12.

On page 165, line 25, strike "$618,500,000, to remain available until expended:" and insert "$633,500,000, to remain available until expended, of which $419,593,000 shall be available for preparedness and fire use functions:".

Mr. BRYAN. Mr. President, today I am offering an amendment with my colleague from Illinois that is a win-win for the American taxpayer and for those communities that reside near our National Forests.

The Bryan-Fitzgerald amendment will cut $30 million from the Forest Service's money losing timber program and shift $15 million to needed fire planning and preparedness activities.

Thee is a crucial need for increased fire planning on our National Forests.

Our amendment responds to the findings of a recent internal Forest Service report that found that the agency was violating its own National Fire Management Policy due to the lack of "Fire Management Plans" for each national forest.

The report indicated that fire management planning has not been a priority within the Forest Service, with less than 5 percent of the National Forests having current, approved fire plans.

The Federal Wildland Fire Management Policy calls for "every area with burnable vegetation [to] have an approved Fire Management Plan."

The Wildland Fire program protects life, property, and natural resources on the 192 million acres of National Forest System lands as well as an additional 20 million acres of adjacent State and private lands that are protected through fee or reciprocal protection agreements.

In my home state of Nevada, we have a multi-jurisdictional firefighting organization known as the Sierra Front, which is comprised of federal, state, and local fire management agencies. I might say, parenthetically, in my experience both as a former Governor and as a member of this body, the Sierra Front has done an extraordinary job in terms of coordinating and preparing its own activities and is relied upon by local, State, as well as national forest administrators for a coordinated effort.

There are similar organizations in other States, and all of these organizations depend heavily on Federal fire preparedness funds for necessary training and organizational planning activities.

The amendment we offer will provide an additional $15 million for the Forest Service to enhance its capability to prevent, detect, or take prompt, effective, official suppression action on wildlife fires.

There is a financial benefit, a cost-benefit analysis that needs to be considered. I bring my colleagues' attention to an internal Forest Service report issued earlier this year entitled "Policy implications of large fire management, the strategic assessment of factors influencing the cost." I think our colleagues will be interested to know that this report concludes that estimates have shown that for every dollar of appropriated preparedness dollars received, there is a savings of $5 to $7 in fire suppression and emergency rehabilitation funds spent.

The point that needs to be made is, a little fire management planning goes a long way to reduce and to minimize the overall impact when fire comes because of the training, the planning, and the preparedness activities that go on as a result of that. That is a dollar savings to the American taxpayer and, in my judgment, is a very prudent expenditure of Federal dollars.

Unfortunately, notwithstanding this assessment, the myth that commercial logging is the best method of fuels reduction is driving some of my colleagues to appropriate more funds for the timber program at the expense of needed fire plans for national forests, increased education for residents on wildland boundaries, and on fire preparedness activities. In fact, to the contrary, it is widely recognized in the scientific community that past commercial logging and associated road-building activities are the prime culprits for the severity of many of our wildfires.

Commercial logging removes the least flammable portion of trees—their main stems or trunks, while leaving behind their most flammable portions—their needles and limbs, directly on the ground. Untreated logging slash can adversely affect fire behavior for up to 30 years following the logging operations.

According to the Sierra Nevada Ecosystem Project report, issued in 1996 by the Federal Government,

> timber harvest, through its effects on forest structure, local microclimate and fuel accumulation, has increased fire severity more than any other recent human activity.

In addition, a recent GAO report stated that:

> Mechanically removing fuels through commercial timber harvesting and other means can also have adverse effects on wildlife habitat and water quality in many areas. Officials told GAO that, because of these effects, a large-scale expansion of commercial timber harvesting alone for removing materials would not be feasible. However, because the Forest Service relies on the timber program for funding many of its other activities, including reducing fuels, it has often used this program to address the wildfire problem. The difficulty with such an approach, however, is that the lands with commercially valuable timber are often not those with the greatest wildfire hazards.

Logging causes adverse changes in forest composition—intensive thinning and clearcutting dry out soils and leave behind debris that becomes tinder dry in open clearcuts.

Congress should invest in proactive fire planning and non-commercial hazardous fuels reduction projects as the best means of avoiding the high costs to taxpayers, damage to ecosystems, and risk to firefighters from reactive, unplanned, emergency fire suppression actions.

This bill contains $250 million for the administration of the timber sale program, which is more than $30 million above the Administration's budget request.

These expenditures for a money losing timber program are an enormous drain on the Treasury.

In their most recent Forest Management Program Annual Report, July, 1998, the Forest Service admits to losing $88.6 million from their timber program in FY97.

This was the second consecutive year that the Forest Service reported a loss.

In addition to the reported loss, the $88.6 million figure excludes a full accounting of all costs associated with logging.

In past fiscal years, independent analyses estimate the loss from below-cost timber sales are far greater than those reported by the Forest Service.

The General Accounting Office estimated that the timber program cost taxpayers at least $2 billion from 1922 to 1997, and in recent testimony they indicated that "[t]he Forest Service is still years away from providing the Congress and the public with a clear understanding of what is being accomplished with taxpayer dollars."

Our amendment would reduce funding for the Forest Service's timber program by $30 million to the level requested by the Administration.

In spite of the fact that our National Forest supply a mere 4% of our nation's annual timber harvest, this bill continues to reflect the dominance of the timber program at the expense of other programs designed to improve forest health and enhance the public's enjoyment of our national forest.

Over 380,000 miles of roads criss-cross the national forests—that is over eight times the distance of the Federal Interstate Highway System—and, in addition, there are an additional 40,000 miles of uninventoried roads.

The Forest Service estimates that over 80% of these roads are not maintained to public safety and environmental standards.

As a matter of public policy, I would argue that it makes more sense to maintain the roads we already have than to spend money building new roads we don't need for a logging program that costs taxpayers millions of dollars each year.

I urge my colleagues to support the Bryan-Fitzgerald amendment to cut wasteful subsidies for the commercial timber industry and to enhance the Forest Service's ability to combat the devastating wildfires confronting many of our communities in the West.

I yield the floor.

The PRESIDING OFFICER. The distinguished Senator from Idaho is recognized.

Mr. CRAIG. Mr. President, I have been listening with great interest for the last several minutes as the Senator from Nevada made his presentation in relation to an amendment to take $30 million out of the timber program. He has given the reason that we have a catastrophic situation in the West today—some 39 million acres of our public timbered lands are in a critical situation as it relates to stand-altering fires, and we ought to do better planning. Therefore, we ought to take the money out to do better planning so we could circumvent this situation. And, oh, by the way, logging exacerbates that problem by leaving some slash on the ground.

The argument of the Senator might have some modicum of validity if we had not done what we did last week. Last week, we passed Senator PETE DOMENICI's bill for which the Senator from Nevada voted. We put $240 million, not $30 million—$240 million in a fuel reduction program. In fact, the Forest Service says it funds entirely, Senator BRYAN, all that they can do. It even provides additional money for planning. So, really, the fire issue should be set aside in your debate, based on the actions of the Senate last week. I think what the Senate did last week is responsible, to put that kind of money into fuel reduction, especially in the urban interface and in those areas of the kind we saw at Los Alamos, in New Mexico, where we saw hundreds of homes go up in smoke as a result of bad policy and bad management on the part of this administration coming together.

What are we talking about, then, if the fire issue has been dealt with appropriately by this Senate? If what we are talking about is the existing timber program that obviously the Senator from Nevada opposes, as do many environmental groups that he finds himself here on the floor today representing, then the fire issue I think is relatively moot. So let's talk about the timber sale program.

What the Senator from Nevada is doing when he talks about it being a money loser is he is taking money out of a program from a portion of the program that really is the money maker. So he is fulfilling a prophesy of argument that somehow this will continue to be a money loser, and most assuredly it will be if you take money from that kind of program.

Let me talk about the program for a few moments, where it is as a part of an overall forest policy in our Nation, and why it is important we keep some approach to a timber program, whether it is for green sales to supply dimensional timber to the housing industry of our Nation, or whether it is for the purpose of thinning and reducing the overall burden of the number of trees within a stand of timber, therefore increasing the viability of forest health in our Nation's forests.

Those 39 million acres of timberland that are in critical condition today across our Nation are, in fact, a result of the overstocking of these acreages. Some 400-plus trees per acre now exist on land that 100 years ago, long before man was out there logging them, had only 60 trees per acre.

As a result, we need a concentrated program of management for fuels reduction for fire, but I also think we can reasonably argue that we can take some of those trees out for timber, logging, home building, purposes for the Nation's economy.

Let me give an example of where we are with the industry at this moment and why I think it is important we discuss it.

On this first chart, it shows in 1989 there were about 150,000 jobs in the timber industry nationwide. In 1997, that had been reduced to about 55,000 timber jobs, almost a two-thirds reduction in overall employment that is in direct correspondence, in part, to the amount of logging that goes on.

Since the Clinton administration has come to Washington, its timber policies have reduced logging on our national forests by over 80 percent nationwide—an 80-percent reduction nationwide in overall logging.

What does that mean on a State-by-State basis? Let me give an example of what it means in at least three States. It does not mean much in the State of Nevada. They do not have trees to log, except in very limited ways. This is what it means in the State of Washington from 1989 to present: It means 55 mills closed and 3,285 primary mill jobs. That is what that kind of policy means. In my State of Idaho, 13 mills closed, 1,083 people. In the State of Oregon, 111 mills closed and 11,600 people. That is even after the President's new plan.

Remember, when he came to office, he held a big timber summit in Oregon: Save the trees and save the jobs. They have not been able to produce the jobs. In fact, they had to backtrack and even back away from their own policy because of the pressure from environmental groups. They were unwilling to support their own policy. The Senator from Nevada is now on the floor trying to argue for a major reduction in that policy.

In the State of California, 46 mills and 4,427 jobs. It will not affect Nevada. They do not cut trees there, or cut very few.

I have worked with the Senator from Nevada on an area that I think is tremendously important. The Committee on Energy and Natural Resources just reported out S. 1925, the Lake Tahoe

Restoration Act. The Senator from Nevada and his colleague have been extremely concerned about the health of the forest in the Greater Tahoe Basin, and he should be. That forest is an overmature, climax forest. In other words, it is beyond the point of healthy adulthood. Trees are dying; trees are too thick. There is an urban interface with beautiful big recreational homes built amongst the stands of timber. They have a silviculture problem with the potential of massive wildfires in the Tahoe Basin, losing those beautiful homes, and creating a catastrophic environmental situation that could badly damage the beautiful Lake Tahoe itself.

The Senator from Nevada has a problem. He has a bill that authorizes work to be done in the basin, but he has no money. What he is doing tonight is cutting out of one of the budgets of the Forest Service, some of the very money that will go to restore Lake Tahoe and the Tahoe Basin. I am not quite sure he can get it both ways.

I have worked with the Senator from Nevada to try to assure the Tahoe Basin restoration program will go forward and that we will have adequate moneys to begin to do the kinds of silviculture programs, the thinnings and the necessary efforts, that will create a higher level of forest health in the Tahoe Basin. We cannot do it tonight because the Senator from Nevada is cutting $30 million to the detriment of his own program.

I suggest when he was approached by the environmental groups to do this amendment that was not a factor, but what is a factor is that the Senator from Nevada has not had money appropriated for his project. He will hand it over to the Forest Service at large. It is a bill that will authorize the Forest Service to move in that area, and he is even cutting the budgets of the Forest Service, or attempting to as we speak.

That is frustrating. It is extremely frustrating to this Senator who has worked very closely with the Senator from Nevada to assure that his Tahoe Basin project is authorized because it is necessary and it is appropriate.

Last week, the Senator from Nevada joined with us to put over $240 million into a fire reduction program and a program to allow the Forest Service to study even greater amounts of fire suppression by reduction of the fuel loading on our national forest floors.

Yet today he comes back with that argument. Let me suggest this argument is for one purpose and one purpose only, and his amendment will serve for one purpose and one purpose only. We find it right here in a letter from the United Brotherhood of Carpenters and Joiners of America. This labor union—men and women who work for the forest products industries—says:

> The Bryan amendment places thousands of forest product jobs at risk and jeopardizes the social and economic stability of rural communities.

You are darned right it does. In the rural communities of Idaho, Oregon, and Washington that still have mill jobs, that still ought to be cutting trees. We have 13 and 14 percent unemployment, and this will drive the unemployment up even further.

No, those communities are not reaping the benefit of the current full employment economy. The mills on the eastern side of Washington are not reaping the benefit of the high-tech jobs of western Washington. The mills in north Idaho are not reaping the benefits of the high-tech jobs of south Idaho, and so on.

What we have attempted to do with reasonably consistent and environmentally sound policy is to ensure a balance. The Senator from Nevada denies us that balance by refusing to allow the Forest Service to have the very tools necessary to properly manage the current timber program.

This is not about new roads. There is a road moratorium. The Senator from Nevada knows that. The environmental community last week claimed a major victory with the President's new roadless area initiative. The Senator knows there is not going to be any new roads built. So roads are not the argument, not now and not for the near future.

What is at stake is the very jobs that produce the dimensional lumber that comes to the markets that builds the homes of America. It is right and reasonable to assume that some of it ought to come from the forests of Idaho, Oregon, Washington, and California.

I hope the Senator, recognizing that this whole issue has shifted pretty dramatically in the last 72 hours, will recognize that his amendment no longer has carrying with it the validity that his argument might have had just last week.

Mr. President, $240 million later, this Congress, in a responsible fashion, has addressed the catastrophic fire situation that might now exist in our public lands and are willing to deal with it. Those are the issues at hand that are so very important to all of us.

Lastly, the very money the Senator will eliminate from the projects and from the programs—here is a letter from the Society of American Foresters saying that the fire in Los Alamos that cost us 235 homes clearly demonstrates that if we had been allowed to have used the stewardship timber sales programs that, in part, the Senator's amendment will now deny us, we could have reduced the fuel loading and, in many instances, we might have saved those homes. That is exactly what we are trying to deal with here.

I hope my colleagues will vote with me in voting down the Bryan amendment. There is no basis for the arguments that are placed today that relate to the amendment itself. I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. BRYAN. Mr. President, I will be very brief. I must say I have difficulty following the arguments of my friend from Idaho. First, I have no objection to—in fact, I am very supportive of it—the amendment offered by Senator DOMENICI last week. That has to do with hazardous fuels reduction, $120 million going to the Forest Service, $120 million going to BLM. I am for that.

As the Senator knows, that is a separate budget category entirely than the issue of the Bryan-Fitzgerald amendment. That is a subcategory of fire operations. What we are talking about is preparedness money, a totally different concept.

The issue is not whether Lake Tahoe could be harmed. Lake Tahoe does not have a commercial harvest timber program as such. It is minimal. We are talking about the money that is necessary to do the hazardous fuels reduction. The Senator from Nevada is very supportive of that. The Senator from Nevada wants to see more money set aside for preparedness and planning which is cost effective.

Let me, by way of an additional comment, point out that the program which the Senator from Nevada supports is cost effective; that is, it saves taxpayers dollars. It is a savings. The argument that the Senator from Idaho made refers to a program that has cost taxpayers, between 1992 and 1997, $2 billion. We are subsidizing them. I do not think that is a particularly good value.

But even though I might not think it is a particularly good value, I have not sought to eliminate that program. That program would be funded, if the Bryan-Fitzgerald amendment were offered, for $220 million. That is what the President recommended.

So what we are simply trying to do is to reprogram some of that money into an area that would be cost effective, in terms of planning and preparedness—something that all of the agencies that interface with the urban, forest, local, State, and Federal support and favor—and simply reduce, by the amount of $30 million, the amount that would go into a timber harvest program that has been found, by the GAO, and other internal reports, to be cost ineffective in a substantial subsidy.

So the issue is not, as my colleague from Idaho suggested, whether you favor timber harvest in the national forests—that is not the issue we are debating today; maybe he wants to make that the issue—but the question of where you allocate the funds.

Mr. CRAIG. Will the Senator yield?

Mr. BRYAN. I will yield.

Mr. CRAIG. We checked with the Forest Service when we prepared the

Forest Service budget, and their preparedness program has been fully budgeted for the year. They told us that it was adequate to meet their needs, and the current needs.

Does the Senator know otherwise?

Mr. BRYAN. The Senator from Nevada believes it is not adequate. Indeed, I think the amount of money that has been——

Mr. CRAIG. Even though the chief and his budget people say it is? I see. That is what we understood. Does the Senator now have information from the Forest Service that says otherwise?

Mr. BRYAN. If the Senator follows that line of reasoning, would he not agree the same managers will tell you that $220 million is adequate for the timber harvest program, would the Senator agree with that?

Mr. CRAIG. No, not at all, because what we did with the $220 million——

Mr. BRYAN. Did they argue for more?

Mr. CRAIG. Are you talking about timber harvest or the fuel reduction program?

Mr. BRYAN. The program that is called timber harvest.

Mr. CRAIG. I am quite sure they would say that it is funded adequately because this administration does not want to cut trees commercially.

Mr. BRYAN. You can't have it both ways.

Mr. CRAIG. Yes, we can, because I am giving categorical facts that the President's chief of the Forest Service said the preparedness program was fully funded. That is all I am saying.

Mr. BRYAN. I would say to the Senator from Idaho, I thought we were all Americans, and these positions did not represent a particular party; they represent the entire country. The national forests belong not to Democrats or Republicans.

Mr. CRAIG. Now, the chief is a political appointee.

Will the Senator yield for another question?

Mr. BRYAN. I would yield for one more question.

Mr. CRAIG. In the Tahoe Basin Restoration Program, that is near and dear to the Senator—and it is to me; it is a beautiful part of our country.

Mr. BRYAN. It is indeed.

Mr. CRAIG. Where trees must be removed—merchantable timber—there are areas where thinning is clearly necessary and so proscribed under the act.

Mr. BRYAN. The Senator from Nevada would agree with that.

Mr. CRAIG. Those would be under the commercial logging program because they could be done for less money and more efficiently. And that is the point of my argument, I say to the Senator. That is the program you are cutting.

Mr. BRYAN. I am not sure I would agree with the Senator from Idaho. Clearly, the hazardous fuels reduction program, in which we have provided, as you pointed out, 120 million additional dollars, would be the program that would address that issue, in my judgment.

I know other colleagues need to speak.

Mr. CRAIG. We yield the floor.

Mr. NICKLES. Mr. President, I know my colleague from Connecticut has an amendment, so I will defer to him.

The PRESIDING OFFICER. The distinguished Senator from Connecticut is recognized.

Mr. LIEBERMAN. I thank the extremely distinguished occupant of the chair. I also thank my friend from Oklahoma. I will try to respond to his graciousness by being brief.

### AMENDMENT NO. 3811

Mr. LIEBERMAN. Mr. President, I call up amendment No. 3811, which I filed at the desk.

The PRESIDING OFFICER. Without objection, the pending amendment is set aside.

The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Connecticut [Mr. LIEBERMAN] proposes an amendment numbered 3811.

Mr. LIEBERMAN. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide funding for maintenance of a Northeast Home Heating Oil Reserve, with an offset)

On page 183, strike line 15 and insert "$165,000,000, to remain available until expended, of which $8,000,000 shall be derived by transfer of unobligated balances of funds previously appropriated under the heading "NAVAL PETROLEUM AND OIL SHALE RESERVES", and of which $8,000,000 shall be available for maintenance of a Northeast Home Heating Oil Reserve.".

On page 225, between lines 11 and 12, insert the following:

**SEC. 3. STRATEGIC PETROLEUM RESERVE PLAN.**

(a) IN GENERAL.—For purposes of Amendment No. 6 to the Strategic Petroleum Reserve Plan transmitted by the Secretary of Energy on July 10, 2000, under section 154 of the Energy Policy and Conservation Act (42 U.S.C. 6234), the Secretary may draw down product from the Regional Distillate Reserve only on a finding by the President that there is a severe energy supply interruption.

(b) SEVERE ENERGY SUPPLY INTERRUPTION.—

(1) IN GENERAL.—For the purposes of subsection (a), a severe energy supply interruption shall be deemed to exist if the President determines that—

(A) a severe increase in the price of middle distillate oil has resulted from an energy supply interruption; or

(B)(i) a circumstance other than that described in subparagraph (A) exists that constitutes a regional supply shortage of significant scope or duration; and

(ii) action taken under this section would assist directly and significantly in reducing the adverse impact of the supply shortage.

(2) SEVERE INCREASE IN THE PRICE OF MIDDLE DISTILLATE OIL.—For the purposes of paragraph (1)(A), a severe increase in the price of middle distillate oil" shall be deemed to have occurred if—

(A) the price differential between crude oil and residential No. 2 heating oil in the Northeast, as determined by the Energy Information Administration, increases by—

(i) more than 15 percent over a 2-week period;

(ii) more than 25 percent over a 4-week period; or

(iii) more than 60 percent over its 5-year seasonally adjusted rolling average; and

(B) the price differential continues to increase during the most recent week for which price information is available.

Mr. LIEBERMAN. Mr. President, I rise to offer an amendment along with my colleague from Connecticut, Senator DODD, and Senator LEAHY of Vermont. I ask unanimous consent Senators DODD and LEAHY be added as cosponsors to the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LIEBERMAN. Mr. President, we think this amendment is critical for the energy security of the Northeastern United States. Last winter, in the Northeast, we were really whacked by oil market whims, as we saw the prices of home heating oil soar, and we hovered dangerously close to heating oil supply shortages.

In New England, the price of home heating oil rose from an average of $1.18 a gallon to about $1.79 a gallon in just 3 weeks' time.

Some residents of my State were actually paying over $2 for a gallon of heating oil, which meant they were spending almost $500—some of them—to fill their tanks. Of course, lower income residents and fixed-income residents, including thousands of elderly, were faced with the tough choice of buying heating oil for their homes or food for their tables.

This burdensome situation was caused by high crude oil prices, resulting from low crude oil supplies and low stocks of home heating oil converging with a downward turn in the weather that led to these price shocks that so disrupted the Northeast.

There were a series of meetings and much concern last winter. I think one of the best ideas that emerged was to build on the strategic crude oil reserve that we have and to create a regional Northeast home heating oil reserve in which the Government would possess home heating oil, which at times of crisis could be moved out into the market to increase supply and therefore reduce price.

I recall that one of the places that this idea was discussed was at a bipartisan meeting of Members of Congress from the Northeast with the President at the White House. He said he would take this under advisement. In fact, President Clinton did act to create a Northeast home heating oil reserve earlier this month, pursuant to his congressionally authorized authority under the Energy Policy and Conservation Act.

This amendment, which Senators DODD and LEAHY and I offer, would appropriate $4 million to maintain the Northeast heating oil reserve that the President has now created. The President has directed that the reserve be filled with home heating oil by conducting oil exchanges with the Strategic Petroleum Reserve. Therefore, there is no initial cost of filling the reserve.

However, the funding that is made possible by this amendment is critical for maintaining the reserve. The reserve itself is an integral piece of ensuring that if we do encounter exorbitant prices and short supplies again this winter, we will be able to count on our own publicly owned reserves of heating oil to get us through the crisis.

In fact, the following Energy Information Agency report, unfortunately, indicates that the industry at the current time is way below the desirable level of building up inventories of home heating oil, which means that if this continues as we head toward the winter and the weather turns cold, people in our region of the country are going to be suffering economically and physically. So that is the intention of offering this amendment.

I do want to indicate that I am exercising my prerogative as sponsor of the amendment to modify the amendment by striking the section of the amendment that begins on line 8 on the first page, and ends at the end of the document. This section describes an appropriate trigger mechanism for releasing the home heating oil reserve. In addition, I want to change the amount of funding requested from $8 million to $4 million. Finally, I would like to specify that the offset for these funds would come from unobligated funds from the Strategic Petroleum Reserve petroleum account in the amount of $3 million, and $1 million from the Naval Petroleum Reserve and oil shale reserves.

AMENDMENT NO. 3811, AS MODIFIED

Mr. President, I send to the desk, therefore, a copy of the amendment as it emerges after the modifications that I have just announced, which is effectively a $4 million appropriation for this regional reserve the President has created.

The PRESIDING OFFICER. Is there objection to the modification?

Without objection, it is so modified.

The amendment, as modified, is as follows:

On page 183, strike line 15 and insert "$165,000,000, to remain available until expended, of which $3,000,000 shall be derived by transfer of unobligated balances of funds previously appropriated under the heading "STRATEGIC PETROLEUM RESERVES PETROLEUM ACCOUNT", and of which $1,000,000 shall be derived by transfer of unobligated balances of funds previously appropriated under the heading "NAVAL PETROLEUM AND OIL SHALE RESERVES", and of which $4,000,000 shall be available for maintenance of a Northeast Home Heating Oil Reserve.".

Mr. LIEBERMAN. Mr. President, I rise today to offer an amendment to the Interior appropriations bill that I think is critical for the energy security of the Northeastern United States. My amendment would fund the Northeast Home Heating Oil Reserve, which was created by the President on Monday, July 10. The President created this reserve under his Congressionally authorized authority under the Energy Policy and Conservation Act.

The Northeast region of the country is heavily dependent upon home heating oil—instead of natural gas, as is the case in much of the rest of the country—for heating homes and other buildings during cold months of the year. As heating oil is refined from crude oil that is produced both domestically and abroad, the price of heating oil is subject to the same market whims that we have seen and continue to see in gasoline and other petroleum products. The difference, however, is that when a family runs out of heating oil, they literally run out of heat. This is a dangerous situation in the Northeast, where people may face days at a time of icy-cold weather.

This part winter in the Northeast, we got a taste of market whims as we saw the prices of home heating oil soar, and as we hovered dangerously close to heating oil supply shortages. The price of home heating oil rose from an average in New England of $1.18 per gallon to about $1.79 per gallon in three weeks. Some residents were paying over $2.00 for a gallon of heating oil. Lower-income residents were faced with buying heat for their homes versus food for their tables. In this instance, we saw high crude oil prices and low stocks of heating oil converge with extremely cold weather, leading to the price shocks that so disrupted the Northeast. We saw a similar situation in 1996, when prices of heating oil soared.

I want to offer my amendment to ensure that this type of problem does not happen again. My amendment would appropriate four million dollars to maintain the Northeast heating oil reserve that the President has created. The President has directed that the reserve be filled with home heating oil by conducting oil exchanges with the Strategic Petroleum Reserve. Therefore, there is no initial cost to filling the reserve. However, this funding is critical for maintaining the reserve. The reserve itself is an integral piece to ensuring that if we do encounter exorbitant prices and short supplies again, we will be able to count on our own reserves of heating oil to get us through the crisis.

I would like to exercise my prerogative to modify my amendment by striking the section of the amendment that begins on line 8 on the first page and ends at the end of the document—this section describes an appropriate trigger mechanism for releasing home heating oil from the regional reserve. In addition, I would like to change the amount of funding requested from eight million dollars to four million dollars. Finally, I would like to specify that the offset for these funds will come from unobligated funds from the Strategic Petroleum Reserve Petroleum Account in the amount of three million dollars and from the Naval Petroleum and Oil Shale Reserves in the amount of one million dollars.

Senator DODD joins me in offering this amendment.

I thank the Chair and yield the floor.

The PRESIDING OFFICER (Mr. L. CHAFEE). The Senator from Washington.

Mr. GORTON. Mr. President, I thank the Senator from Connecticut for his explanation and for the modifications which have at least brought this amendment within the parameters of the bill itself. I must say, without going into it, I think there are several serious policy questions about this amendment, but more than that I think it needs to be resolved in the context of a reauthorization of the Energy Policy and Conservation Act. I understand the Senator from Connecticut is working with the chairman of the committee on that, and so we can defer our final decision until tomorrow.

Mr. CRAPO. Mr. President, I rise today in opposition to an amendment that would make drastic cuts to the timber program.

While we have heard a lot of rhetoric regarding the timber program, it is important to understand the context within which these cuts to the timber sale and road construction programs are being considered. Federal timber sales are in a steep and devastating decline. Forest health is increasingly at risk from fire, insects and disease.

Both the economic and ecological contexts created by this reduction are undesirable.

More than 80,000 jobs have been lost and a 1999 General Accounting Office study reported that over forty million acres of National Forest system lands are at risk of catastrophic wildfire. Another twenty-six million acres are at risk from insects and disease. The recent fires in New Mexico and in other states provide alarming evidence of the impact of increased fuel loads in our forests. Already this year, more than four-and-a-half million acres have burned. Active management is vital to forest health, and it is irresponsible for the federal government to reduce the management options available to local forest managers who best know how to deal with their specific situations.

It is confounding that additional cuts in the federal timber sale program are being considered at a time when the industry and those working men and women who depend on it has already been crippled by deep cuts and our forests are suffering from lack of active management that includes responsible timber harvest. Since the early 1990s, the timber program has been reduced by 70 percent and more than 75 percent of the National Forest system is off-limits to timber harvest. The federal timber supply has dropped from twelve billion board-feet harvested to three billion board-feet harvested annually. This amendment would jeopardize 55,000 jobs and $2 billion in employment income, mostly in rural areas. In addition, national forests have 50 percent of our nation's softwood growing stock, which is used for home construction. New reductions in the availability of this supply will hurt housing prices.

In my home State of Idaho, small, rural communities continue to suffer devastating reductions in Forest Service Payments-to-states funds from timber sales. In rural Idaho and America, schools are going without needed renovation, county governments are struggling, and basic services are already being jeopardized by steep reductions in federal timber harvest in recent years. This amendment would further reduce payments to rural counties by $7 million and returns to the treasury by $30 million.

While some will claim that recreation receipts can replace timber receipts, this simply is not true in Idaho. Eight counties in Idaho derive more than 20 percent of their employment activity from the primary timber industry. There are only two counties in Idaho that have more than a 5 percent dependence on the recreation industry.

This amendment is also counterintuitive from an environmental perspective. Active forest management, including thinning and other timber harvest, has widely acknowledge benefits. In fact, most timber sales are currently designed to attain other stewardship objectives. Interestingly enough, it is the sales that have been planned to focus on stewardship objectives that have been criticized as below cost. Timber sales are the most economical, efficient, and effective method available to local resource managers to treat and control many insect epidemics. These harvests contribute greatly to reducing the risk of catastrophic wildfire and promoting diverse stands.

Each year, the National Forest system grows 23 billion board-feet. Six billion board-feet die naturally. Only 3 billion board-feet are harvested annually. Tree growth in the National Forest system exceeds harvest by 600 percent. There is no need, environmental or otherwise, to further cripple this important program. I urge my colleagues to vote against this amendment and for the health of rural economies and the forests within the National Forest system.

Mr. ENZI. Mr. President, I rise in opposition to the amendment introduced by the Senator from Nevada, Senator BRYAN, that would cut funding for the United States Forest Service's Timber Sale program. Our Nation is experiencing a renaissance in Forest Health initiatives. The terrible tragedies suffered in New Mexico earlier this summer have awakened our understanding of the current state of our forests.

These forests, that traditionally housed wildlife and produced valuable resources used in building our Nation, have become deadly fire time bombs. The Forest Service itself has reported that more than 40 million acres of our National Forest System are at high risk of destruction by catastrophic wildfire and an additional 23 million acres are at risk from insects and disease. And yet, at a time when national awareness is up, and we have an increased commitment to improve forest health, there are still those critics who would remove the Forest Service's single most effective tool for restoring forest health.

The use of modern silviculture practices in regards to Federal timber sales are designed to accomplish a number of goals and objectives in regards to forest management. And they do so in a way that provides jobs for local communities, and money for rural schools and counties. We have also just begun to realize the value that a well-designed and carefully conducted timber sale can have on things like water quality and the future of a healthy water table.

The city of Denver had to learn this the hard way. Several years ago a fire swept through the city's watershed and turned the surrounding ecosystem into ashes. Since then, the city has had to pay millions of dollars to dredge and remove silt and other particles carried into its water supply. What the city learned is that fires, not timber sales are the biggest threat to watershed health. The city now actively manages its watershed and conducts regular assessment and thinnings to maintain a healthy, fire resilient forest.

Notice I said fire resilient, not fire resistant. Fire can be an invaluable management tool when conducted under the proper circumstances. Those conditions, however, do not exist in Western forests, nor will they exist until our forest managers are allowed to thin out the forests and remove the dense undergrowth and some of the increasingly taller layers of trees that create the deadly fuel ladders that feed catastrophic fires.

I am also deeply concerned about the impact this amendment could have on rural economies. The United States is importing more and more wood every year as a result of declines in federal timber sales. This means that the American lumber market is being fed by highly-subsidized timber that was produced under conditions that do not meet our Nation's high environmental standards. As a result, not only do we loose the environmental benefits that federal timber sales can produce, but we are feeling negative social and economic effects as America jobs are lost and moved offshore. The brunt of these losses are felt most keenly in rural areas, where forest products jobs are concentrated.

In closing, Mr. President, I would like to add that the Federal Timber Sale Program is not a subsidy for the forest products industry. Federal timber contractors do not receive any special benefit, nor do they pay less money for the timber they harvest on federal lands. Federal timber is sold by means of a competitive bid system. As a result, these auction sales are the most likely of any type of commercial transaction to generate the returns that meet or exceed market value. Because timber sales are designed to generate market value prices, we therefore must conclude that there is no subsidy.

Furthermore, the forest products industry has consistently demonstrated that the benefits gained by the public through the Federal timber sale program far outweigh the costs to the Federal treasury. I therefore urge my colleagues to oppose Senator BRYAN's amendment and to support our National Forest and rural communities.

### AMENDMENT NO. 3884

Mr. NICKLES. Mr. President, I ask unanimous consent to set aside the pending amendment, and I send an amendment to the desk.

The PRESIDING OFFICER. Without objection, the clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oklahoma [Mr. NICKLES] proposes an amendment numbered 3884.

Mr. NICKLES. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To defend the Constitutional system of checks and balances between the Legislative and Executive branches)

At the appropriate place, add the following:

**SEC. . FUNDING FOR NATIONAL MONUMENTS.**

Notwithstanding any other provision of law, no funds shall be used to establish or expand a national monument under the Act of June 8, 1906 (16 U.S.C. 431 et seq.) after July 17, 2000, except by Act of Congress.

Mr. NICKLES. Mr. President, this amendment basically says: Notwithstanding any other provision of law, no funds shall be used to establish or expand a national monument under the act of June 8, 1906, the Antiquities Act, after July 17, 2000, except by an Act of Congress.

What I am trying to do is to make sure we don't have additional national monuments declared by this administration without some congressional input.

I will insert a copy of the Antiquities Act for the RECORD. It was passed in 1906. The Antiquities Act states:

> The President of the United States is authorized, in his discretion, to declare by public proclamation historic landmarks, historic and prehistoric structures, and other objects of historic or scientific interest that are situated upon the lands owned or controlled by the Government of the United States to be national monuments, and may reserve as a part thereof parcels of land, the limits of which in all cases shall be confined to the smallest area compatible with the proper care and management of the objects to be protected.

That is the Antiquities Act.

This administration, particularly this year, has added millions of acres under the designation of national monuments without congressional authorization or approval, without consent of Governors, without consent of local entities. I am saying there is another process. I happen to serve on the Energy Committee with Chairman MURKOWSKI and others. We pass land bills all the time. I urge the President, if he wants to pass or declare something a national monument, send it to Congress. We are happy to look at it. We are happy to pass it. This is a committee that works in a bipartisan fashion. We pass land bills all the time. This week we are supposed to mark up 17. We do that in a bipartisan fashion.

I also will include for the RECORD a comparison of lands that have been added as national monuments during all the Presidents.

This Antiquities Act passed under Theodore Roosevelt in 1906. It is interesting to note, Theodore Roosevelt, who was quite the conservationist, made some very significant additions to the national monuments, the total acreage of which was 1.5 million acres. President Clinton has done more than that this year alone. As a matter of fact, President Clinton has already designated 3.7 million acres. He has done more than any other President of the United States, with the exception of President Carter, who added a lot of land in the State of Alaska.

It is also interesting to note that the State of Alaska Senators had amended the Antiquities Act to say no lands should be made into a national monument that exceeds 5,000 acres unless there is an act of Congress. That doesn't apply to the rest of the country.

This administration, while they had designated 1.7 million acres in the first 7 years, in this year, since January, has already declared 2 million acres a national monument. There is some talk that there are additional monuments in the works. If there are, great. If this amendment passes—I hope and expect that it will—I am sure Congress will be happy to receive the request from the President. We will review it. We will consider it. We will have hearings. We will go through the legislative process. We will hear from the Governors. We will hear from local entities. We will make a decision, as the process should be.

I believe the President's actions, particularly this year, have greatly exceeded what is called for in the Antiquities Act. Again, in the Antiquities Act, it says, that the area:

> . . . in all cases should be confined to the smallest area compatible with the proper care and management of the objects to be protected.

We should abide by this law. When the President has added 2 million acres this year alone, I don't believe he is in compliance with it. I think Congress has a legitimate role. If not, are we going to allow the President to declare wilderness areas, millions of acres?

My point is, I may well agree with the President on every single designation he has made, but the process needs congressional authorization. It needs congressional input; it needs congressional hearings. It needs input from local officials and people who are directly impacted.

I hope our colleagues will support this amendment. I appreciate the leadership of my friend and colleague, Senator GORTON of Washington, and also Senator BYRD. I used to chair the subcommittee. It is a challenging subcommittee, one which the Senator from Washington and the Senator from West Virginia have handled with a great deal of professionalism and expertise. I compliment them on their efforts. I urge our colleagues to supports this amendment.

I ask unanimous consent to print in the RECORD a list of Presidents and what they have added to the national monuments under the Antiquities Act.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

PRESIDENTS AND THE ANTIQUITIES ACT

The following lists units and approximate acreage affected by each President. Where acreage figures are not given they are not available.

| | *Acreage* |
|---|---|
| Theodore Roosevelt (1906 (Antiquities Act enacted)-1909) | |
| Chaco Canyon National Monument | 10,643.13 |
| Cinder Cone National Monument | 5,120 |
| Devil's Tower National Monument | 1,152.91 |
| El Morro National Monument | 160 |
| Gila Cliff Dwellings National Monuments | 160 |
| Grand Canyon I National Monuments | 808,120 |
| Lassen Peak National Monument | 1,280 |
| Lewis & Clark National Monument | 160 |
| Montezuma Castle National Monument | 161.39 |
| Mount Olympus National Monument | 639,000 |
| Muir Woods National Monument | 295 |
| Natural Bridges National Monument | 120 |
| Petrified Forest National Monument | 60,776.02 |
| Pinnacles National Monument | 1,320 |
| Tonto National Monument | 640 |
| Tumacacori National Monument | 10 |
| Wheeler National Monument | 300 |
| Total | 1,529,418.45 |
| William H. Taft (1909–1913) | |
| Big Hole National Monument | 655.61 |
| Colorado National Monument | 13,466.21 |
| Devils Postpile National Monument | 798.46 |
| Gran Quivara National Monument | 183.77 |
| Lewis & Clark National Monument | 160 |
| Mount Olympus National Monument | |
| Mukuntuweap (Zion) National Monument | 16,000 |
| Natural Bridges National Monument | 120 |
| Navajo National Monument | 360 |
| Oregon Caves National Monument | 465.80 |
| Petrified Forest National Monument | |
| Rainbow Bridges National Monument | 160 |
| Shoshone Cavern National Monument | 210 |
| Sitka National Monument | 51.25 |
| Total | 32,631.10 |
| Woodrow Wilson (1913–1921) | |
| Bandelier National Monument | 23,352 |
| Cabrillo National Monument | .50 |
| Capulin Mountain National Monument | 640.42 |
| Casa Grande National Monument | 480 |
| Dinosaur National Monument | 80 |
| Gran Quivira National Monument | |
| Katmai National Monument | 1,088,000 |
| Mount Olympus National Monument | |
| Mukuntuweap (Zion) National Monument | 76,800 |
| Natural Bridges National Monument | 2,740 |
| Old Kasaan National Monument | 43 |
| Papago Saguaro National Monument | 2,050.43 |
| Scotts Bluff National Monument | 2,503.83 |
| Sieur de Monts National Monument | 5,000 |
| Walnut Canyon National Monument | 960 |
| Verendrye National Monument | 253.04 |

| | *Acreage* |
|---|---|
| Yucca House National Monument | 10 |
| Total | 1,202,913.22 |
| W.G. Harding (1921–1923) | |
| Bryce Canyon National Monument | 7,440 |
| Carlsbad Cave National Monument | 719.22 |
| Fossil Cycad National Monument | 320 |
| Hovenweep National Monument | 285.80 |
| Lehman Caves National Monument | 593.03 |
| Mound City Group National Monument | 57 |
| Papago Saguaro | −110 |
| Pinnacles National Monument | |
| Pipe Spring National Monument | 0 |
| Timpanogos Cave National Monument | 250 |
| Total | 9,555.05 |
| Calvin Coolidge (1923–1929) | |
| Castale Pinckney National Monument | 3.50 |
| Chaco Canyon National Monument | |
| Chiricahua National Monument | 3,655.12 |
| Craters of the Moon National Monument | 22,651.80 |
| Dinosaur National Monument | |
| Father Millet Cross National Monument | .0074 |
| Fort Marion (Castillo de San Marcos) National Monument | 18.51 |
| Fort Matanzas National Monument | 1 |
| Fort Pulaski National Monument | 20 |
| Glacier Bay National Monument | 2,560,000 |
| Lava Beds National Monument | 45,589.92 |
| Meriwether Lewis National Monument | 50 |
| Pinnacles National Monument | |
| Statue of Liberty National Monument | 2.50 |
| Wupatki National Monument | 2,234.10 |
| Total | 2,634,226.4574 |
| Herbert Hoover (1929–1933) | |
| Arched National Monument | 4,520 |
| Bandelier National Monument | |
| Black Canyon of the Gunnison National Monument | 10,287.95 |
| Colorado National Monument | |
| Crater of the Moon National Monument | |
| Death Valley National Monument | 1,601,800 |
| Grand Canyon II National Monument | 273,145 |
| Geat Sand Dunes National Monument | 35,528.36 |
| Holy Cross National Monument | 1,392 |
| Katmai National Monument | |
| Mount Olympus National Monument | |
| Petrified Forest National Monument | 11,010 |
| Pinnacles National Monument | |
| Saguaro National Monument | 53,510.08 |
| Scotts Bluff National Monument | |
| Sunset Crater National Monument | 3,040 |
| White Sands National Monument | 131,486.84 |
| Total | 2,125,720.23 |
| Franklin Delano Roosevelt (1933–1945) | |
| Arches National Monument | 29,160 |
| Big Hole Battlefield National Monument | 195 |
| Black Canyon of the Gunnison National Monument | 2,860 |
| Capitol Reef National Monument | 37,060 |
| Ceder Breaks National Monument | 5,701.39 |
| Channel Island National Monument | 1,119.98 |
| Crater of the Moon (Deletion of unknown size) | |
| Death Valley National Monument | 305,920 |
| Fort Jefferson National Monument | 47,125 |
| Fort Laramie National Monument | 214.41 |
| Fort Matanzas National Monument | |
| Glacier Bay National Monument | 904,960 |
| Grand Canyon II | −71,854 |
| Jackson Hole National Monument | 210,950 |
| Joshua Tree National Monument | 825,340 |
| Katmai National Monument | |
| Meriwether Lewis National Monument | 33,631.20 |
| Montezuma Castle National Monument | |
| Mukuntuweap (Zion) National Monument | 49,150 |
| Organ Pipe Cactus National Monument | 330,690 |
| Pinnacles National Monument | 4,589.26 |
| Scotts Bluff National Monument | 46.17 |
| Santa Rosa Island National Monument | 5,500.00 |
| Statute of Liberty National Monument | |
| Tonto National Monument | |
| Tuzigoot National Monument | 42.67 |
| Walnut Canyon National Monument | |
| White Sands National Monument | 158.91 |
| Total | 2,626,559.7 |
| Harry S. Truman (1953–1961) | |
| Aztec Ruins National Monument | 1 |
| Channel Island National Monument | 25,600 |
| Death Valley National Monument | 40 |
| Effigy Mounds National Monument | 1,204 |
| Fort Matanzas National Monument | 179 |
| Great Sand Dunes National Monument | |
| Hovenweep National Monument | 80 |
| Hovenweep National Monument | 81 |
| Lava Beds National Monument | 211 |
| Muir Woods National Monument | 504 |
| Sitka National Monument | 54.30 |
| Total | 27.954.30 |
| Dwight D. Eisenhower (1953–1961) | |
| Arches National Monument | −240 |
| Bandelier National Monument | 3,600 |
| Black Canyon of the Gunnison National Monument | −470 |
| Cabrillo National Monument | 80 |
| Capitol Reef National Monument | 3,040 |
| Chesapeake and Ohio Canal National Monument | 4,800 |
| Colorado National Monument | −91 |
| Edison Laboratory National Monument | 1 |
| Fort Pulaski National Monument | |
| Glacier Bay National Monument | −24,925 |
| Great Sand Dunes National Monument | −8,805 |
| Hovenweep National Monument | |
| White Sands National Monument | 478 |
| Total | −22,530 |
| John F. Kennedy (1961–1963) | |
| Bandelier National Monument | −1,043 |
| Buck Island Reef National Monument | 850 |
| Crater of the Moon National Monument | 5,360 |
| Gila Cliff Dwelling National Monument | 375 |
| Natural Bridges National Monument | 4,916 |
| Russell Cave National Monument | 310 |
| Saguaro National Monument | 5,360 |
| Timpanogos Cave National Monument | |
| Total | 26,128 |
| Lyndon B. Johnson (1963–1969 | |
| Arches National Monument | 48,943 |
| Capitol Reef National Monument | 215,056 |
| Katmai National Monument | 54,547 |

| | Acreage |
|---|---|
| Marble Canyon National Monument | 26,080 |
| Statue of Liberty National Monument | 48 |
| Total | 344,674 |
| Richard M. Nixon (1969–1973) | 0 |
| Gerald R. Ford (1973–1977) | |
| Buck Island National Monument | 30 |
| Cabrillo National Monument | 56 |
| Total | 86 |
| Jimmy Carter (1977–1981) | |
| Admiralty Island National Monument | 1,100,000 |
| Aniakchak National Monument | 350,000 |
| Becharof National Monument | 1,200,000 |
| Bering Land Bridge National Monument | 2,590,000 |
| Cape Krusenstern National Monument | 560,000 |
| Denali National Monument | 3,890,000 |
| Gates of the Arctic National Monument | 8,220,000 |
| Glacier Bay National Monument | 550,000 |
| Katmai National Monument | 1,370,000 |
| Kenai Fjords National Monument | 570,000 |
| Kobuk Valley National Monument | 1,710,000 |
| Lake Clark National Monument | 2,500,000 |
| Misty Fiords National Monument | 2,285,000 |
| Noatak National Monument | 5,800,000 |
| Wrangell-St. Elias National Mlonument | 10,950,000 |
| Yukon-Charley National Monument | 1,730,000 |
| Yukon Flats National Monument | 10,600,000 |
| Total | 55,975,000 |
| Ronald W. Reagan (1981–1989) | 0 |
| George Herbert Walker Bush (1989–1993) | 0 |
| William Jefferson Clinton (1993–Present) | |
| Aquafria National Monument—established January 11, 2000 | 71,100 |
| California Coastal National Monument (acreage unspecified) established January 11, 2000 | |
| Canyon of the Ancients—established June 9, 2000 | 164,000 |
| Cascade-Siskiyou National Monument—established June 9, 2000 | 52,000 |
| Grand Canyon-Parashant National Monument—established January 11, 2000 | 1,014,000 |
| Giant Sequoia National Monument—established April 15, 2000 | 327,769 |
| Grand Staircase-Escalante National Monument—established September 18, 1996 | 1,700,000 |
| Hanford Reach National Monument—established June 9, 2000 | 195,000 |
| Ironwood Forest National Monument—established June 9, 2000 | 129,000 |
| Pinnacles National Monument—established January 11, 2000 | 7,900 |
| Total | 3,789,669 |

Mr. NICKLES. I mentioned all of the Presidents. President Clinton has greatly exceeded the amount of new additions compared to any President, with the one exception of President Carter. To give a comparison, President Ford added 86 acres in national monuments in his tenure as President. President Reagan and President Bush added zero. Teddy Roosevelt added 1.5 million acres; William Taft, 32,000 acres. I could go on down the list. My point is, the amount President Clinton has added this year alone exceeds what almost any other President has done.

I ask unanimous consent to print in the RECORD a copy of the Antiquities Act.

There being no objection, the act was ordered to be printed in the RECORD, as follows:

ANTIQUITIES ACT

TITLE 16—CONSERVATION

CHAPTER 1—NATIONAL PARKS, MILITARY PARKS, MONUMENTS, AND SEASHORES

Subchapter LXI—National and International Monuments and Memorials

**SEC. 431. NATIONAL MONUMENTS; RESERVATION OF LANDS; RELINQUISHMENT OF PRIVATE CLAIMS.**

The President of the United States is authorized, in his discretion, to declare by public proclamation historic landmark, historic and prehistoric structures, and other objects of historic or scientific interest that are situated upon the lands owned or controlled by the Government of the United States to be national monuments, and may reserve as a part thereof parcels of land, the limits of which in all cases shall be confined to the smallest area compatible with the proper care and management of the objects to be protected. When such objects are situated upon a tract covered by a bona fide unperfected claim or held in private ownership, the tract, or so much thereof as may be necessary for the proper care and management of the object, may be relinquished to the Government, and the Secretary of the Interior is authorized to accept the relinquishment of such tracts in behalf of the Government of the United States.

(June 8, 1906, ch. 3060, Sec. 2, 34 Stat. 225.)

Mr. CRAIG. Mr. President, will the Senator yield?

Mr. NICKLES. I am happy to yield.

Mr. CRAIG. I thank the Senator for the leadership he has taken in this area. It is so critically important.

About a month and a half ago, I got a call from the Secretary of the Interior, Bruce Babbitt, who said: I am headed to Idaho. I am going to look at the Craters of the Moon National Monument. I might want to expand it.

"I might want to expand it," was what he said. It is currently 54,000 acres. He has recommended that it be expanded to 754,000 acres. He doesn't take into consideration grazing. He wants to overlay Park Service and BLM management into a confusing new kind of configuration.

Most importantly—this is the point the Senator from Oklahoma has just made—there have been no public hearings, no local input. He went around and held some meetings with some affected or potentially affected parties.

If the Congress were handling this, we would have the full NEPA process. We would have an EIS. We would incorporate our county governments. We would look at the kind of impact this designation would have. The Senator is right, he and I might ultimately agree with it, but what about the county roads that go through it and some of the private roads that go through it and the elimination or the blockage of those roads. Those are the kinds of issues this President and this Secretary have totally ignored in the name of the Clinton legacy.

I hope this amendment will pass. It is time we halt this action and bring this through the Congress to an appropriate public process to sort out all these difficulties. That is what the committee on which the Senator from Oklahoma and I serve has the responsibility of doing: refining and crafting public policy.

I thank the Senator.

Mr. NICKLES. I thank my colleague, Mr. President.

I know the chairman of the subcommittee wants to address this and perhaps other issues.

One other comment: The President did this first in September of 1996 prior to the election. I know my colleague from Nevada might remember this because he did it with a press conference overlooking the Grand Canyon, talking about the addition of a new national monument, except the monument he was talking about was not in Arizona, not in the Grand Canyon; it was actually in Utah. It was the Grand Staircase National Monument, 1.7 million acres. It happened to have billions of dollars of raw materials.

Interestingly enough, the Utah Governor was not consulted. The Utah congressional delegation was not consulted. People in the community were not consulted. We had a massive land grab, power mineral grab—you name it—by the President of the United States for a photo op for election purposes that, in my opinion, may have been granted but needed congressional input and authorization. That is the purpose of the amendment, to make sure this type of thing does not continue without at least some input from other local officials.

I yield the floor.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, we have about 5 minutes remaining. The Senator from Nevada is going to introduce two additional amendments, quite appropriately, before that.

In connection with this amendment, however, I need to say that this amendment causes a conflict on my part more than any other here. I agree with the amendment. I think the power has been misused. I am not sure it can be reversed by another President. The Senator from Idaho seems to feel that it can be. But I believe we have had a number of actions that have raised far more questions than they have actually settled.

By the same token, I know perfectly well if this amendment is in the bill that goes to the President, the President will veto the bill. I simply say, since I know my friend from Nevada will be on the conference committee, I don't intend to send a bill to the President that we don't believe he ought to sign, at the very least. I just have to leave that notice at this point.

We have 4 more minutes. I will say one other thing. At least in theory, amendments can be brought up and discussed to this bill—the amendments that are listed in the unanimous consent agreement—and they could be further discussed after the end of the many votes that we have tonight.

I yield the floor to the Senator from Nevada so he can introduce the remaining amendments.

The PRESIDING OFFICER. Without objection, the pending amendment will be temporarily set aside.

### AMENDMENT NO. 3885

Mr. REID. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Mrs. BOXER, proposes an amendment numbered 3885.

Mr. REID. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place insert the following:

None of the funds appropriated under this Act may be used for the preventive application of a pesticide containing a known or probable carcinogen, a category I or II acute nerve toxin or a pesticide of the organophosphate, carbamate, or organochlorine class as identified by the Environmental Protection Agency in National Parks in any area where children may be present.

### AMENDMENT NO. 3886 TO AMENDMENT NO. 3885

Mr. GORTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Washington [Mr. GORTON], for Mr. BOND, proposes an amendment numbered 3886 to amendment No. 3885.

Mr. GORTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To prohibit use of funds for application of unapproved pesticides in certain areas that may be used by children)

In lieu of the matter proposed to be inserted, insert the following:

**SEC. . PROHIBITION ON USE OF FUNDS FOR APPLICATION OF UNAPPROVED PESTICIDES IN CERTAIN AREAS THAT MAY BE USED BY CHILDREN.**

(a) DEFINITION OF PESTICIDE.—In this section, the term "pesticide" has the meaning given the term in section 2 of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136).

(b) PROHIBITION ON USE OF FUNDS.—None of the funds appropriated under this Act may be used for the application of a pesticide that is not approved for use by the Environmental Protection Agency in any area owned or managed by the Department of the Interior that may be used by children, including any national park.

(c) COORDINATION.—The Secretary of the Interior shall coordinate with the Administrator of the Environmental Protection Agency to ensure that the methods of pest control used by the Department of the Interior do not lead to unacceptable exposure of children to pesticides.

Mr. BOND. Mr. President, my bipartisan amendment, cosponsored by Senators LINCOLN, KERREY of Nebraska, and ROBERTS, prevents funds from being used for the application of any pesticide that is not approved for use by the Environmental Protection Agency in any area managed by the U.S. Park Service that may be used by children. Further, it directs the Secretary of the Interior to coordinate with EPA to ensure that pest control methods do not lead to unacceptable exposure of children to pesticides.

Let there be no mistake that every member of this Senate supports the protection of children. It is the mandate of the EPA to do so. They are already required by law to do so.

The strict standard that mandates EPA on product approval is: "reasonable certainty of no harm." That is a tall hurdle.

The shocking thing about this underlying amendment by the Senator from California is that its premise holds that the EPA, is not, I repeat, not, doing its job protecting children. Let me repeat, this is a referendum on whether EPA is protecting children. Now, I think, that if the EPA were paying attention, it would be news to the EPA Administrator that her agency is not protecting children. As Chairman of the Appropriations Subcommittee on VA/HUD, I have listened to countless hours of testimony about the Administrator's devotion to protecting children. I would think, that if we had a Sense of the Senate that Administrator Browner is not doing her job protecting children, we would defeat that.

I asked the nominee (James V. Aidala) to be Assistant Administrator for Toxic Substances of the Environmental Protection Agency if the EPA already protects children on military bases from harmful pesticides and we got the following response:

> The protection of children is one of our highest priorities. When we register, re-register, or reassess tolerances for existing pesticides we try to ensure that our actions are protective of all consumers, especially children.

He continued on to say that,

> FQPA requires special protections for infants and children including: an explicit determination that tolerances are safe for children; an additional safety factor, if necessary, to account for uncertainty in data relative to children; and consideration of children's special sensitivity and exposure to pesticide chemicals.

Let the record also show that the reason that many pesticides are used is to protect children from bacteria and disease including asthma, encephalitis, malaria, lyme disease, Legionnaires' disease, and other diseases all of which that occur here in the U.S.

Mr. President, what is a pesticide? According to EPA,

> . . . all of these common products are considered pesticides. Cockroach sprays and baits; insect repellents for personal use; rat and other rodent poisons; flea and tick sprays, powders, and pet collars; kitchen, laundry, and bath disinfectants and sanitizer; products that kill mold and mildew; some lawn and garden products, such as week killers; and, some swimming pool chemicals.

Pesticides eradicate a wide variety of pests, including cockroaches, biting insects, algae, bacteria, poisonous Brown Recluse Spiders—as found in the U.S. Capitol buildings—and infectious microbes which result in unsanitary and unhealthy conditions at food and medical care facilities.

Many common cleaners, disinfectants and sanitizer are used to eradicate infectious microbes, bacteria, and algae in bathroom and kitchens and nursing homes, hospitals and other health care facilities. Cooling systems and water supplies are treated. Chlorine, which is registered as a pesticide by EPA could be affected by the underlying amendment. Products that sterilize medical equipment are carcinogenic and would thus also be affected.

Used according to EPA—label instructions, pesticides not only prevent property damage from termites, but also protect our children. West Nile virus and encephalitis, which have been detected throughout the mid-Atlantic, are carried by mosquitoes. Deer ticks carry lyme disease, and cockroaches have been linked to the worsening of asthma symptoms.

According to the New York Times, asthma is now the most common cause of hospitalization among American children affecting a total of five million. Deaths among children with the condition rose 78 percent from 1980 to 1993.

Again, these pesticides are approved by the EPA following a rigorous and science-based process to determine what is safe and what is not safe. With our concern for the safety of our children in mind, this body passed the Food Quality Protection Act (FQPA) unanimously in 1996. FQPA was designed to update the safety standards of pesticides especially with respect to children and other vulnerable sub-populations. The Environmental Protection Agency has been implementing this law for the past four years. In the regulatory review process EPA reviews data from up to 120 tests conducted on pesticides prior to registration.

When registration decisions are made, the EPA includes additional safety factors for children. According to EPA, ". . . these specific requirements in the statute will help EPA in its efforts to implement the NAS report and ensure that risks to infants and children are always considered. . . ." And, under FIFRA, EPA has the authority to immediately cancel the use of any pest control product that it believes poses an imminent risk to public health.

Obviously, EPA has the authority to protect children. Obviously, EPA believes that the law protects children. Obviously, EPA believes they are protecting children.

Since the new law in 1996, EPA has re-reviewed thousands of products. We are spending about $50 million in taxpayer money to pay full-time experts at the EPA to Administer the FQPA and to re-review the products. They tell us what is safe and what is not safe.

Contrary to what was mistakenly represented in previous debate, EPA does NOT support this amendment. According to EPA in answers in response to questions I submitted for the RECORD on June 30, 2000, ". . . the amendment has not been subject to a full review by the Administration, nor has the Administration taken a position on the amendment."

With this extensive regulatory process in place and recently updated, I cannot support the Senator's proposal to regulate further pesticides by completely ignoring and circumventing EPA's aggressive implementation of FQPA, as well as the Clinton Administration's entire regulatory process. The Senator from California's proposal will effectively regulate pesticides from the Senate floor on an appropriations bill, which is not only bad science, but bad public policy as well, and a process we all should want to avoid. I think if we are going to have a referendum on whether the EPA protect's children, we should have some cursory review of the subject first.

I am also not an expert on asthma or encephalitis or lyme's disease or salmonella, or e. Coli or Legionnaires' disease or the West Nile virus.

If the Senator from California has some information that says that the EPA is not doing their job, then I think the information should be reviewed and the EPA should have the opportunity to respond and comment and defend itself. If there is an emergency that the Senator from California is aware of, EPA has the regulatory authority to deal with it and they should. If EPA is not appropriately dealing with an emergency, perhaps we should ask the Administrator to tell us why that is the case. Absent that, it is not a very good idea for us to be substituting our scientific judgment for the judgment of Administrator Browner's scientists as to what is and is not safe.

We also know that according to industry and EPA, there is no legal or regulatory or industry "term of art" for a "category I or category II acute nerve toxin." If we are going to tell EPA to prohibit something, EPA should understand what we want them to prohibit. If we are going to tell industry that they cannot use a product, they should know what product they are forbidden to use.

One organophosphate, for example, is Raid. Organochlorides, I am told, are products that contain carbon and chlorine which wipes out all hard surface disinfectants. One such hard surface disinfectant which is used daily to clean our bathrooms is Lysol disinfectant. Some of the same products are used to clean our cafeteria. Some carcinogens are used to sterilize medical equipment.

The chairman of the House Committee on Appropriations has just received a bipartisan letter from the Chairmen and Ranking Members of the House committee of jurisdiction stating that this is an issue under their jurisdiction which should be dealt with solely through the authorization process. The bipartisan letter was signed by Congressmen COMBEST, STENHOLM, GOODLATTE and CLAYTON.

Mr. President, I am continuously amazed at the knowledge and dedication of my Senate colleagues but I will admit that I am not an expert on organophosphates or nerve toxins. I fear that this issue about nerve toxins and organophosphates and "probable carcinogens" may be a mystery to a good number of my colleagues and it is a horrible precedent for regulation, which will impact not only the urban uses of pest control products, but also the agricultural uses for our Nation's farmers.

We know that the EPA does not support this amendment. It has not reviewed it and I don't expect them to review it during an election year.

My amendment protects children by allowing Carol Browner and her cops on the beat to do their job.

We have a dreadful picture of a bite from a Brown recluse spider. This spider is bad news as the picture indicates. This poisonous spider was found in the Capitol on more than one occasion and it is called a recluse spider because it is hard to discover. In the last three weeks, a Senate appropriations staffer was bitten by this spider.

Used according to EPA-label instructions, pesticides protect our children by controlling harmful pests like disease carrying insects, infectious bacteria, poison ivy, and other noxious weeds.

This underlying Boxer amendment would prohibit the use of products that have been scientifically tested and approved for use by the EPA to help prevent disease and improve the quality of life for all Americans, especially children. The EPA has a sound regulatory process in place that protects children and provides safe, effective pest control tools for use in the farmer's field, the cafeteria, hospitals, playgrounds, and the home. To undermine the process of the strictest pesticide regulations in the world would not only set a misguided precedent, but would indeed threaten the health of our children. It would also send a shocking message that our EPA is not following its legal mandate and its perpetually-articulated mission of protecting children.

In summary, the underlying amendment it is unnecessary, it is overly-broad, it is a horrible precedent and it is encumbered with far-reaching unintended negative consequences that are harmful to children.

I just do not believe the U.S. Senate should take an action which makes the visitor's centers of our national parks the largest cockroach hotels on the planet.

My amendment prohibits the use of any pesticide not approved by Administrator Browner's team and ensures consultation to ensure that pest control methods do not lead to unacceptable exposure of children to pesticides. I urge my colleagues to support my amendment and preserve the effectiveness and the integrity of the science-based regulatory system.

I ask unanimous consent to print in the RECORD a letter from the Farm Bureau opposing the underlying amendment.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN FARM BUREAU FEDERATION,
*Washington, DC, July 17, 2000.*
Hon. CHRISTOPHER S. BOND,
*U.S. Senate, Washington, DC.*

DEAR SENATOR BOND: On behalf of the American Farm Bureau Federation, I am writing to express our deep concern and opposition to the Boxer amendment to the Interior Appropriations bill. The amendment as proposed would stop the use of pesticides on public lands, pesticides use to prevent and control noxious weeds, invasive species and other pests that threaten the health and long-term sustainability of those lands. The amendment is without merit or scientific basis and should be defeated.

This amendment is misguided and would be harmful to the public interest. The current federal laws governing pesticide use, specifically the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA) and the Food Quality Protection Act (FQPA) require scores of tests and large amounts of scientific data to be submitted to the Environmental Protection Agency (EPA) before a pesticide is approved for public use. Products used in accordance with the label are safe. It is essential for public confidence that pesticide decisions be based on sound science and objective regulatory review. This amendment arbitrarily circumvents the regulatory process and creates confusion in the public mind.

Agricultural producers who farm and ranch on or adjacent to public land face increased threats to their economic viability. The spread of pests, noxious weeds and invasive species represents a real economic burden to farming and ranching operations in many areas, particularly where they are near public lands. Additionally, they pose a substantial environmental and public health risk if left uncontrolled. For example, efforts to control mosquitoes carrying the deadly West Nile encephalitis virus could be threatened by this amendment, as could efforts to control pests such as the Gypsy Moth Caterpillar and Asian Longhorned Beetle that have devastated hardwoods in both our urban and rural areas.

Please oppose the Boxer amendment to the Interior Appropriations bill.

Sincerely,

BOB STALLMAN,
*President.*

Mr. REID. Mr. President, the amendment I offered on behalf of Senator BOXER would limit the use of dangerous pesticides in our national parks. In particular, it prohibits the routine use of highly toxic pesticides—those containing known or probable carcinogens, acute nerve toxins, organophosphates, carbamates, or organochlorines—in our national parks, where children may be present.

Such pesticides could be used in the case of an emergency. This is already the policy of the National Park Service. This amendment would codify this important policy.

Mr. GORTON. Mr. President, the Bond second-degree amendment prevents funds from being used for the application of any pesticide that is not approved for use by the Environmental Protection Agency in any area managed by the Park Service that may be used by children, and directs the Secretary of Interior to coordinate with EPA to assure pest control methods do not lead to unacceptable exposure of children to pesticides.

Mr. REID. Mr. President, I ask unanimous consent that the pending amendments be temporarily set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

### AMENDMENT NO. 3887

Mr. REID. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Mr. BINGAMAN, proposes an amendment numbered 3887.

Mr. REID. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To express the sense of the Senate regarding the protection of Indian program monies from judgment fund claims)

On page 163, after line 23, add the following:

SEC. . (a) FINDINGS.—The Senate makes the following findings:

(1) in 1990, pursuant to the Indian Self Determination and Education Assistance Act (ISDEA), 25 U.S.C. et seq., a class action lawsuit was filed by Indian tribal contractors and tribal consortia against the United States, the Secretary of Interior and others seeking redress for failure to fully pay for indirect contract support costs (Ramah Navajo Chapter v. Babbitt, 112 F.3d 1455 (10th Cir. 1997));

(2) the parties negotiated a partial settlement of the claim totaling $76,200,000 which was approved by the court on May 14, 1999;

(3) the partial settlement was paid by the United States on September 14, 1999, in the amount of $82,000,000;

(4) the Judgment Fund, 31 U.S.C. 1304, was established to pay for legal judgments awarded to plaintiffs who have filed suit against the United States;

(5) the Contract Disputes Act of 1978 requires that the Judgment Fund be reimbursed by the responsible agency following the payment of an award from the Fund;

(6) because the potential exists that Indian program funds in the Bureau of Indian Affairs (BIA) and the Indian Health Service (IHS) would be used in Fiscal Year 2001 to reimburse the Judgment Fund, resulting in significant financial and administrative disruptions in the BIA, the IHS, and the Indian tribes who rely on such funds;

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the Secretary of the Interior and the Secretary of the Department of Health and Human Services should declare Indian program funds unavailable for purposes of reimbursing the judgment fund; and

(2) if the Secretary of the Interior and the Secretary of the Department of Health and Human Services determines that there are no other available funds, the agencies through the Administration should seek an appropriation of funds from Congress to provide for reimbursement of the judgment fund.

### KYOTO PROTOCOL RESTRICTIONS

Mr. LEAHY. Mr. President, as the Senate debates the FY 2001 Interior and Related Appropriations Act, I would like to take a moment to ask the distinguished subcommittee Chairman and Ranking Member a clarifying question concerning Section 329 of the bill. That section, as my colleagues know, contains language concerning the implementation of the Kyoto Protocol.

Mr. President, the Senate has clearly expressed its views regarding the Kyoto Protocol in S. Res. 98, the Byrd-Hagel resolution adopted unanimously by the Senate on July 25, 1997. That resolution calls on the Administration to support an approach to climate change that protects the economic interests of the United States and seeks commitments from developing countries to reduce greenhouse gas emissions. The Administration is aggresively engaging developing countries to reduce greenhouse gas emissions through international projects and activities emphasizing market-based mechanisms and environmental technology. Furthermore, the U.S. is currently engaged in climate change negotiations to ensure meaningful participation of developing countries and to ensure that greenhouse gas emissions reductions are achieved in the most cost-effective manner.

Mr. President, I ask my friend from West Virginia if my understanding is correct that Section 329 of the FY 2001 Interior bill is not intended to restrict the Administration from engaging in these international negotiations related to both the Framework Convention on Climate Change, which was ratified by the Senate in 1992, and the Kyoto Protocol to that Convention? Am I also correct in my understanding that Section 329 is not intended to restrict international programs or activities to encourage commitments by developing countries to reduce greenhouse gas emissions?

Mr. BYRD. Mr. President, I appreciate the question from my distinguished colleague from Vermont, whose background in international affairs is well known and impressive, indeed. In response, I say to my friend that his understanding is correct, Section 329 is not intended to restrict U.S. negotiations or the other activities such as he has described. On the contrary, the section is intended to prevent the Administration from implementing the Kyoto Protocol prior to itss ratification by the Senate.

Mr. GORTON. Mr. President, I concur with the statement just provided by the Senator from West Virginia.

### SEA TURTLE CONSERVATION

Mr. BREAUX. Mr. President, will the distinguished Chairman of the Interior Appropriations Subcommittee yield for a question?

Mr. GORTON. Mr. President, I will gladly yield to a question from my good friend from Louisiana.

Mr. BREAUX. Mr. President, I thank the distinguished Chairman. I want to commend the gentleman from Washington and the distinguished ranking member for the great leadership they have demonstrated in crafting the FY2001 Interior Appropriations bill. Gentlemen, last year you were both instrumental in securing funds for a project of great personal interest to Senator LOTT and myself, the Kemp's ridley sea turtle project. The project, funded in part through the U.S. Fish and Wildlife Service is a twenty-year-old on-going success story in the recovery of a highly endangered species. Since 1978, the United States Fish and Wildlife Service has spearheaded the sea turtle conservation work at Rancho Nuevo, Mexico. This collaborative conservation project with the Mexican government and the U.S. shrimp industry, through the National Fisheries Institute, protects Kemp's ridley sea turtle nests and females from predation and other hazards, and ensures that young turtles make it into the sea. I am pleased to report that this Spring, the project has reached an all time success level with some 750 turtles laying eggs in over 5,000 nests, a record in the past 40 years. However, this year, despite the demonstrable success of the project, the Fish and Wildlife Service did not request funds for the Kemp's ridley sea turtle project. I am extremely concerned and want to express my strong support for continued funding for this valuable conservation effort.

Mr. GORTON. It is clear from my friend's statement that he knows much about the sea turtle conservation protect, and I share his enthusiasm for these important efforts to project the Kemp's ridley sea turtle. While I am keenly aware of the fiscal constraints on the Fish and Wildlife Service, I once again encourage the Service to consider providing whatever support it can within these existing budget constraints.

Mr. BYRD. I agree with my colleagues from Washington and Louisiana. The Fish and Wildlife Service should make every effort to support this project in order to uphold a scientifically justified success in endangered species management.

### REGARDING THE NEED FOR EMERGENCY FUNDING FOR THE WASHAKIE DAM IN WYOMING'S WIND RIVER RESERVATION

Mr. ENZI. Mr. President, I would like to thank my colleague, Senator GORTON, for helping me address the need for emergency funding for the Shoshone and Arapaho Tribes of Central Wyoming. On June 1, 2000, Gary Collins, Director of Tribal Water Engineers Office for the Shoshone and Arapaho Tribes on the Wind River Indian Reservation in central Wyoming announced the need to evacuate homes down river from the Washakie Dam. The evacuation was the result of a "first fill" test being conducted by the tribe for the newly refurbished Washakie Dam. In accordance with first fill protocol and criteria, the dam was filled to the first of two target levels and then held at that first level for a specified number of days to allow inspection of the dam's operation. Because of unusually high seepage at a key structural point—50 gallons per minute at the toe of the dam, however, the tribe implemented its Emergency Action Plan, ordered the down stream evacuation and conducted temporary repairs to stop the flow. The repairs were successful and the immediate danger temporarily abated.

While the seep is now under control, the first fill protocol is still to be completed. Under normal conditions, the tribe would have restarted the first fill protocol and would have refilled the dam to test it again for additional seepage or any other problems. There is not enough water, however, to complete the first fill on the Washakie Dam. Wyoming, along with the rest of the west is suffering from a serious drought situation. The first fill test will not be completed until next spring when, hopefully, we will have enough snowfall to generate the water needed to fill the reservoir.

As with the first fill of any dam, there is always a concern that some unanticipated event will occur which requires immediate action to protect life and property. The reconstruction project was finished ahead of time, and under budget, but the remaining funds will be inadequate to respond to any catastrophic incident. It makes much more sense to set aside funds up front to mitigate a possible catastrophe, than to spend millions of additional dollars, and possibly lose human life, for a disaster that could have been averted.

The decision by Congress to provide emergency funding for incidents before they occur is not without precedent. For example, in 1997 the U.S. Congress provided funds to prevent flooding in and around Devil's Lake in North Dakota. No actual disaster had occurred, but impending weather conditions threatened surrounding communities and we provided the means to avert disaster.

I am therefore asking my colleague for his thoughts on what we can do to help out the Eastern Shoshone and Northern Arapaho Tribes and ensure the safety of the residents living around the Washakie Dam.

Mr. GORTON. Mr. President, I appreciate the comments of my colleague and recognize the potential severity of the situation at the Washakie Dam.

I would like to assure my colleague that I will work with him to ensure that adequate funding is available to make any necessary repairs to the dam or to conduct other activities necessary to ensure the safety of people living in the vicinity of the dam.

### HAZARDOUS FUEL REMOVAL

Mr. KYL. Mr. President, I'm pleased to sponsor Senator DOMENICI's amendment, number 3782, to the fiscal year 2001 Interior and Related Agencies Appropriations bill which adds critical funding to the budgets of the Bureau of Land Management and the Forest Service for hazardous fuel removal. These funds are necessary to address the immediate threats to wildland/urban interface areas across the country which are surrounded by public lands choking with natural fuels build-up from a half-century of fire suppression. The Los Alamos fire was a tragic reminder of the threat that exists today around many communities. In my own state of Arizona, which has the largest ponderosa pine forest in the world, the communities of Flagstaff, Tucson, Summer Haven, Pinetop-Lakeside, Showlow, and countless others are virtually surrounded by the national forest.

The work being done by the Ecological Restoration Institute at Northern Arizona University to address forest ecosystem restoration is world-class. I believe my colleagues are aware of the forest treatment and public education programs there. I understand that an agreement was reached to provide $8.8 million directly to the Ecological Restoration Institute for its ongoing efforts from within the funds made available to the Bureau of Land Management. Is this correct?

Mr. DOMENICI. I'm glad to have the Senator from Arizona as a sponsor of my amendment, which does provide additional necessary funding to the BLM and the Forest Service for fuels reduction. And I am aware of the work being done by the Ecological Restoration Institute. My staff met with the director of the program. It is my understanding that, from within funds provided for the Bureau of Land Management in this amendment, $8.8 million is provided for the Ecological Restoration Institute.

Mr. GORTON. That is what we have agreed to, with the concurrence of Senator BYRD.

Mr. BYRD. I am in agreement with that understanding.

### HISTORICAL SITES IN NEW JERSEY

Mr. TORRICELLI. Mr. President, I rise to ask the distinguished managers of the bill if they would consider a request I have concerning the conference.

Mr. GORTON; I would be happy to consider a request from my colleague from New Jersey.

Mr. TORRICELLI. I rise to talk about two sites in New Jersey which are worthy of federal funding for their protection. I would hope that should additional funding become available, the Senate would consider providing federal funding to contribute to the acquisition of these sites.

The first is The Historic New Bridge Landing, located in Bergen County, New Jersey. I am concerned that this site will be lost unless federal protection is afforded to it. In November 1776, reeling from a series of devastating defeats in Brooklyn and Manhattan, the Continental Army fled across the Hudson River to New Jersey. The Red Coats, in hot pursuit, continually forced Washington to retreat.

After crossing New Bridge, Washington instructed a contingent of troops to dismantle the bridge and protect the army's rear. Though unable to destroy the bridge, Washington's troops held off the British long enough to allow the Army to escape.

This bridge called "The Bridge that Saved a Nation," was strategically situated at the narrows of the Hackensack River. The bridge and surrounding area were a hotly contested battleground, encampment ground, military intelligence post and headquarters. In 1780, when the Continental army regained control of the area surrounding the New Bridge, Washington used the Steuben house as a headquarters and stayed in a second floor bedroom.

This property has been the object of attention for historians and preservationists for many years. The historical significance of this has been confirmed; the site is listed on both the New Jersey and National Registers of Historic Places. In addition, in 1999, the site was named among the 10 Most Endangered Historic Sites in New Jersey by Preservation New Jersey, a private state-wide historic preservation organization. Finally, this site is included in the National Park Service's Revolutionary War and War of 1812 Battlefield study, which aims to catalog important sites in need of protection.

New Bridge Landing encompasses 18 acres on both sides of the Hackensack River in Central Bergen County, New Jersey. Commercial development, neglect and time, have combined to erode and threaten to destroy this historically significant site. Since 1995, the Historic New Bridge Landing Commission has been working toward the establishment of a major new historic and cultural park at Historic New Bridge Landing, in Central Bergen County, NJ. The Commission has established a General Management Plan which outlines the objectives of the proposed park.

Today, this site remains a hotly contested battleground, and while the nature of the battle is different, the importance of prevailing is no less important. New Jersey has undergone a revolution from "Garden State" to "Suburban State," More than 40 percent of New Jersey is developed. New Jersey is by far the most built-over state in the nation and it is number 1 in the rate at which it is losing its open space. Since 1961, New Jersey has lost over half a million acres to sprawl. The area adjacent to New Bridge Landing have not been spared. Virtually all of the land adjacent to the site has been developed. This development is visible from the site, altering its character and diminishing the visitor's experience of the park's historic landscape.

Mr. President, I would like to introduce this letter from the National Park Service testifying to the importance of Historic New Bridge Landing, and the need for federal efforts to preserve and protect it. Historic New Bridge Landing is worthy of our protection, and I would hope that the Senate would consider providing funding for the protection of this important site.

The second site which I rise today to speak in support of, is the Glen Gray Boy Scout Camp, located in the heart of the Ramapo Mountains, in New Jersey.

Much like the rest of my state, this 850 acre tract is threatened with development. Sprawl threatens to eat away at this pristine site, and the remainder of the Highlands. New Jersey knows all too well the peril of sprawl and has paid a terrible price at the hands of developers of shopping malls and subdivisions.

An average of 10,000 acres of rural/agricultural land is being developed piecemeal every year in New Jersey. The NY-NJ Highlands has seen a 60 percent increase in urbanization in the last 25 years, and is expected to absorb a 14 percent increase in population by 2010. Years ago, we made an important step in the preservation of the Highlands with the effort to protect Sterling Forest. This effort was aided by a study of the New York-New Jersey Highlands Region, conducted by the Forest Service.

That study also found the Highlands to be of national significance due to the diversity and quality of its natural resources and landscape. In addition, the study confirmed threats from development to water quality, critical open space, and recreational resources.

The Highlands regional study has shown us that this region is deserving of federal funding to allow for its protection. I am hopeful that the Committee will share my concern for this region, and commit funding for its protection.

I realize that the Committee faces many demands when putting this bill together. While these requests were not included in the bill, I would ask the Committee to consider funding for these worthy projects in the Conference.

Mr. GORTON. I thank the Senator from New Jersey and assure him that the Committee recognizes the importance of protecting threatened lands throughout the country.

### IDAHO PROGRAMS

Mr. CRAIG. Mr. President, would the distinguished Chairman of the Subcommittee yield for a colloquy regarding several important, proposed projects under the jurisdiction of the Interior Subcommittee?

Mr. GORTON. I would be pleased to yield to the Senator from Idaho to discuss this important issue.

Mr. CRAIG. First, allow me to thank the Chairman and the Ranking Member for their hard work on the Fiscal year 2001 Interior and Related Agencies Appropriations bill. Despite scarce resources and tough choices, they came up with a fiscally responsible bill that meets important priorities, which I support.

There are some important projects to be funded in this bill that I would like to work with the Chairman on.

We are proud to be the home of Lake Coeur d'Alene in North Idaho. It has become a world-class destination for all sorts of outdoor activities—from golf to water sports to mountain biking. This tourism is important to the local economy and the ability to partake in these activities is vital to the local residents' quality of life. I know the Chairman is very familiar with the area, since it is a short distance from Spokane, Washington and is a popular recreation destination for many of his constituents.

The problem we have encountered is a lack of public boat launching facilities. Most of the lake front land around the lake is privately owned, so land for public launch facilities is scarce. However, the Bureau of Land Management has purchased land for a boat launch facility and has completed all of the appropriate studies and planning; they are simply lacking the funds to build the facility. The local community, including many residents of Washington State, tenaciously support the project and are willing to provide about $700,000 toward the project.

In the same part of the great State of Idaho, mining has been and, hopefully, will continue to be a substantial part of the local economy—providng the minerals we all need. The University of Idaho and Washington State University want to work with the U.S. Geological Survey to develop new high-tech methods of modeling geology, to be tested in North Idaho, but eventually applied world-wide, to provide better exploration and modeling techniques to find groundwater, minerals, etc.

In the Southern part of Idaho, we are very concerned about the proposed listing of the Sage Grouse as an endangered species. The U.S. Fish and Wildlife Service has been petitioned to list the species, which would have a dramatic impact on the lives of the people of Southern Idaho, as well as future BLM and Forest Service operations. It becomes readily apparent when you visit Southern Idaho that the entire region is habitat for Sage Grouse.

Local working groups have been formed across Southern Idaho to find local, collaborative projects to restore Sage Grouse habitat and the species which would make a listing under the Endangered Species Act unnecessary. To be successful, this effort appropriately requires some federal support.

Finally, also in Southern Idaho, there is an urgent need to re-open the

BLM's air tanker resupply base at the Twin Falls airport. This base was closed in 1998, after an internal inspection indicated unsafe conditions. This is the only such base within 100 miles of most of the Idaho-Nevada border, which uniquely suits it to provide the fastest possible response and turnaround times in this area during the fire season. In this vast expanse of vulnerable landscape, in the dry season, a small accident rapidly could become a major fire disaster. We've seen that happen in other parts of the country and we should take steps here to prevent it. The community has worked diligently with the local BLM office to re-open the base as soon as possible. However, in the national office, this project has been slipped back from year to year and down the priority list. Everyone agrees this base must be replaced. Our concern is simply that it should be done now, rather than be subject to further postponement.

I hope the chairman will work with me when this bill goes to conference to find funds for all of these important and fiscally responsible projects.

Mr. GORTON. I appreciate the Senator from Idaho's interest in these projects. I am familiar with them and recognize their value.

I would be happy to work with the Senator to make sure appropriate consideration is given to these projects in the Conference Committee.

Mr. CRAIG. I thank the Chairman.

### CLEAN COAL TECHNOLOGY

Mr. BYRD. Mr. President, as the Senate considers the Fiscal Year 2001 Interior and Related Agencies appropriations bills, I wish to take a moment to address the Department of Energy's Clean Coal Technology Demonstration program, one of the most successful public-private research ventures ever undertaken, and one of the more important projects funded in this legislation.

Fundamentally, the goal of the Clean Coal program is simple: Encourage the private sector to design and demonstrate advanced technologies which will use coal, our most abundant fossil energy resource, more cleanly and efficiently. To achieve that goal, I initiated the Clean Coal Technology Demonstration program in 1984 with an initial appropriation of $750 million. In subsequent years, I was able to add to those funds for a total amount in excess of $2.0 billion. I am pleased to recall that then-President Ronald Reagan joined with me in endorsing the Clean Coal Technology Demonstration program.

As established, the program calls for the cost of clean coal demonstration projects to be shared equally between the Federal government and the private sector. Forty clean coal projects have been selected through a series of competitive solicitations issued by the Department of Energy. And while Congress required industry to contribute 50 percent of the cost of selected projects, I am proud to say that, in toto, industry has in fact contributed more than 66 percent of the total cost. Moreover, project sponsors are required to repay the Federal government's share of the project cost if and when the technologies are commercialized.

Beyond the successes that have come from the Clean Coal program, though, a few simple facts will also underscore the real necessity of the program as well. Our nation has approximately 274 billion tons of recoverable coal reserves. At current rates of consumption those reserves amount to more than a 200-year supply. Furthermore, more than one half—54 percent to be exact—of the electricity generated in this country last year came from coal. Mr. President, those are staggering statistics which prove that American coal is, and will remain, an abundant and critically important energy source. But those statistics also suggest that our reliance on coal must be carried out in a manner which utilizes the cleanest and most efficient technologies possible. And that is what the Clean Coal program is intended to accomplish.

In furtherance of that objective, the Committee on Appropriations, through its report accompanying this bill, has directed the Department of Energy to issue a report to Congress by March 1, 2001, depicting the nature and content of a potential new round of Clean Coal Technology projects. This information is vital if we in the Congress are to direct the Department to utilize funds already available in the Clean Coal program for the purpose of funding additional demonstration projects.

Indeed, Mr. President, I have heard from a number of companies interested in coal and the development of technologies that will allow this nation to make the best use of this abundant energy resource. These companies, some of which are in my own state of West Virginia, have recommended that any new clean coal solicitation be focused principally upon technologies that will reduce the environmental impacts from existing, as well as new, coal-fired facilities. In addition, I believe that we ought to be encouraging newer technologies that are even more advanced than the clean coal technologies that have been demonstrated thus far. A new solicitation should therefore encourage technologies capable of reducing emissions of sulfur dioxide ($SO_2$), nitrogen oxide (NOx), or mercury, as well as increasing the operating efficiency of coal-fired power plants thereby reducing—and through technologies, working to eliminate—carbon dioxide emissions.

Mr. DORGAN. Mr. President, I, too, would like to join my distinguished colleague from West Virginia in addressing the Clean Coal Technology program. I would also like to commend the Chairman of the Interior Subcommittee, Senator GORTON, and of course the Ranking Member, Senator BYRD for their work relating to the Clean Coal Technology Demonstration program.

Mr. President, I share the optimism of the leaders of the Interior Appropriations Subcommittee with respects to the innovations that could be made with further clean coal technology projects. I specifically want to draw attention to one area in which I think that there is great potential—lignite energy development. In my state of North Dakota, the lignite industry provides a low-cost, reliable energy source for more than 2 million people in the upper Midwest. This industry directly employs 3,000 people in North Dakota and has great potential to increase the efficiency of coal-fired power plants while reducing the emissions with the application of new coal technologies.

Mr. President, because of the importance of lignite coal, I would urge the Department of Energy to specifically explore the development of low-rank coals, coals containing high-sodium, and mine-mouth applications and concepts in any new round of Clean Coal Technology projects. I also believe, and I would hope the Department would agree, too, that preference should be given to those states that have lignite research and development programs requiring public and private collaboration. This kind of work should be aspects of the study that the Committee report requires of the Department.

Mr. BYRD. Mr. President, I appreciate the comments of the distinguished Senator from North Dakota and I agree that the lignite energy industry has the potential to develop more environmentally sound and economically efficient technologies. I certainly welcome efforts to ensure that the lignite energy industry is given due consideration by the Energy Department as it develops its criteria for further Clean Coal Technology projects.

Mr. President, does the Chairman of the Interior Subcommittee agree with us about the need to consider the potential of lignite energy technologies in any new round of Clean Coal Technology projects?

Mr. GORTON. Mr. President, I recognize that the Clean Coal Technology program is an important priority for Senator BYRD and Senator DORGAN and I urge the Department of Energy to consider the viability of concepts not fully developed on low-rank coals and coals containing high sodium as it works on the study we have requested.

Mr. BYRD. Mr. President, I thank the Senator for his consideration, and wonder if he would answer a question or two to help clarify the Committee's directive regarding the Clean Coal Technology Demonstration program?

Mr. GORTON. Mr. President, I would be happy to answer the Senator's questions. I know he is a champion of coal and the Clean Coal Technology program, and I am also aware of his abiding interest in the environmentally sound use of coal as a source of power for this nation.

Mr. BYRD. Mr. President, would it be the Senator's thought that the Department should support technologies which control emissions from coal use or increase the operating efficiency of coal-based power plants?

Mr. GORTON. In response, let me say, Mr. President, that those are certainly the types of technologies that the Department should address.

Mr. BYRD. Would the distinguished Senator also agree with me that further demonstrations projects should be at a size that would permit immediate scale up to commercial capacity? And also, in that instance where the technology is to be applied to an existing plant, that the technology should be widely applicable to a very significant number of existing coal-fired generating facilities?

Mr. GORTON. Mr. President, again, I agree with the Senator. Given pending environmental requirements applicable to these coal-fired units, it would be my hope that the Department of Energy would consider larger scale projects able to be commercialized immediately. Also, any program should be aimed at developing technologies that could be applied to the greatest number of existing units possible.

Mr. BYRD. Mr. President, I thank the Senator from Washington for his courtesy in answering my inquiries.

Mr. BENNETT. I would like to ask the Chairman a question about the language concerning the 1994 Desert Tortoise Recovery Plan on page 18 of the report accompanying this legislation. It is the Chairman's understanding that the language refers specifically to certain tasks which the Fish and Wildlife Service committed in the Recovery Plan to complete by 1999 and, to my knowledge, have not even begun?

Mr. GORTON. The Senator is correct.

Mr. BENNETT. As the Chairman knows, I am deeply troubled that the United States Fish and Wildlife Service, Bureau of Land Management, and other federal agencies have moved very quickly to impose the land use controls recommended in the Recovery Plan, but have failed to undertake the basic tasks called for in that document to determine whether those land use controls are truly appropriate and are proving to be effective. I am speaking of three tasks: the desert tortoise monitoring that the Plan called "crucial to determining if desert tortoise populations are stationary, declining, or increasing"; the desert tortoise population estimations that the Plan stated would be made every three to five years; and the Plan's reassessment that also was to be conducted every three to five years.

Mr. GORTON. The Senator is correct. The Committee fully expects the USFWS to fulfill its commitments in the Recovery Plan to carry out the desert tortoise monitoring, population estimation, and Recovery Plan reassessment. Additionally, the Committee expected the plan called for in the report language will focus solely on those three tasks.

Mr. BENNETT. One last point. To ensure that appropriated funds are spent wisely, I want to voice my concern that any methodology to be employed in conducting the monitoring be designed to permit correlation of the new data with the data gathered between 1980 and 2000. This will ensure that population trends, and the efficacy of programs and mitigation undertaken since 1980, can be determined.

Mr. GORTON. The Senator makes an excellent point. The Committee agrees that the desert tortoise monitoring methodology should be designed as you suggest.

Mr. BENNETT. I thank the Senator.

### LAND AND WATER CONSERVATION FUNDS FOR IDAHO

Mr. CRAPO. Mr. President, would the distinguished Chairman of the Subcommittee yield for a colloquy regarding Land and Water Conservation Funds for Idaho?

Mr. GORTON. I would be pleased to yield to the Senator to discuss this important issue.

Mr. CRAPO. First, allow me to commend the Chairman for his leadership and hard work on this bill. He and the Subcommittee have had to make difficult decisions with scarce resources and have worked hard to do so in a fair manner. I appreciate the Chairman's efforts and diligence.

Idaho is a state of spectacular natural beauty and wildlife habitat. As the Chairman knows, an opportunity exists to use Land and Water Conservation Funds (LWCF) to acquire easements in the state to protect these valuable habitats and scenic values.

While I am concerned regarding the level of funding appropriated, I appreciate the Subcommittee's recognition of the importance of funding easements in the Sawtooth National Recreation Area, near the Snake River Birds of Prey National Conservation Area, and on the Lower Salmon River. However, many other LWCF projects in the state were not funded. Protecting deer habitat in the Soda Springs Hills, acquiring inholdings to protect elk range and address historic mining activities in the Silver Spar Land Acquisition, securing easements along the Upper Snake River and South Fork of the Snake River, and acquiring private land, the Sulfur Creek Ranch, within the Frank Church River of No Return Wilderness area are all important projects. These projects are all locally-driven, with wide-spread support, and anxious willing-sellers.

I recognize that the Subcommittee is operating under significant financial restraints and that, unfortunately, not all worthy projects can be funded. It is my hope that if additional LWCF money becomes available, the Chairman can revisit these important Idaho projects. I would ask the Chairman if he would work with us in conference to evaluate these requests, with an eye toward inclusion in the conference report.

Mr. GORTON. I appreciate Senator CRAPO's interest in these projects. I am familiar with these projects and recognize the value in protecting these lands.

I would be happy to work with the Senator to reevaluate these projects in the conference committee. If additional LWCF funding becomes available, we will consider what can be done to address these needs.

Mr. CRAPO. I thank the Chairman.

Mrs. MURRAY. Mr. President, our Nation is blessed with many natural treasures that hold unique scientific or cultural value.

That's why in 1906 the Congress passed and the President signed the Antiquities Act to give us a way to protect these unique lands.

Since 1906, presidents of all parties have used the act to designate over 100 national monuments—including several which Congress later designated as National Parks including the Grand Canyon, Grand Teton and Olympic National Parks.

Each year, more than 50 million visitors enjoy our country's national monuments. Today, there are other unique areas throughout our country that hold similar value. Unfortunately, some of these remarkable areas are threatened by growth, development, and harvesting.

I believe we have a responsibility to protect these natural treasures. I believe we have a responsibility to be a good steward of these lands and to pass them on—untarnished—to future generations

I'm proud that Washington state is home to the Hanford Reach—which is the last-free flowing stretch of the Columbia River. During World War II and the Cold War, the people of the Tri-Cities made sacrifices that helped our nation end World War II and win the Cold War. Because of the high security around the nuclear facility, for decades this part of the Columbia River and the surrounding land was protected from development. Unfortunately, its future was not certain.

The Hanford Reach is a key salmon spawning ground and as many of my colleagues know we are working in the Pacific Northwest to help recover our once-abundant salmon stocks. I was pleased that the President used his authority—under the Antiquities Act—to designate the Hanford Reach as a National Monument.

Mr. President, it was the right thing to do.

That designation will help us recover salmon stocks, will ensure families can continue to enjoy the Reach, and will share the history of the Tri-Cities with the American public. And of course, the designation will preserve a unique habitat for future generations.

I hope that in the future, the Hanford Reach National Monument receives the attention and recognition that it deserves. The Olympic National Park began as a National Monument—one of the first—designated by President Roosevelt in 1909. Many generations of Americans have enjoyed the natural splendor that the Olympics and the surrounding area offer. I hope that the Hanford Reach will also become a destination for Americans eager to learn more about our past.

Unfortunately, the Nickles' amendment would deny the possibility of such protection to other deserving areas around the country. It is clear that supporters of this amendment are unhappy with the President's use of the Antiquities Act. But in the end, the President has legally exercised the authority vested in him by the Act.

If this Congress is really unhappy with the Antiquities Act, it could amend the Act itself or override particular designations. But we all know that won't happen. The reason it won't happen is because the majority of Americans believe that the lands protected under the Antiquities Act are deserving of such protection.

The Grand Canyon, Devils Tower, Mt. Olympus, Jackson Hole, Death Valley, Joshua Tree—have all been named as national monuments. Few would argue these areas are not worthy of such recognition and protection. The fact is many of these designations have been so popular that Congress later designated them as national parks, often expanding them at the same time. Again, Olympic National Park in my home state is an example of such Congressional action.

In 1906, Congress had the wisdom to grant the President the power to protect important natural and historic areas of our country. The need for such power is not at an end. Threats of development and impacts from other activities will continue and in some cases will lead to the recognition that greater protection for certain federal lands is warranted. At that time, the President, who ever she or he may be, should have the ability to act as every President has since 1906. Indeed, since the Antiquities Act was passed 14 of the 17 Presidents have used its powers.

If it is indeed the will of Congress to limit this historic power of the Presidency, then let us do so after a full and public legislative process. This amendment is simply a back-door attempt to accomplish what the sponsor and supporters know they cannot do through a stand alone bill.

Despite some controversy, the President's designations have had the support of members of Congress and the public. In fact, I—along with many members of my state's delegation in the House—supported the President's recent designation of the Hanford Reach as a national monument. This designation was also supported by many people in the Tri-Cities and across the state.

Before I close I remind my colleagues that a similar amendment was included in the House Interior bill as it was reported by the Committee. Fortunately, thanks to the leadership of Congressman DICKS and Congressman BOEHLERT, that amendment was removed from the House bill. However, before the amendment's removal, the House bill received a veto threat because of this provision. We can certainly expect a similar veto threat from the Administration if this amendment is adopted.

For the first time in years, we have the opportunity to pass a free standing Interior Appropriations bill into law. This amendment would seriously compromise that possibility.

We should stand up for the people and communities who are eager to share in the benefits of these national monuments.

Mr. President, I urge my colleagues to reject this amendment.

Mr. TORRICELLI. Mr. President, I rise in support of the Bryan amendment, which would ensure protection of our nations forests. This amendment would cut $30 million from the National Forest System's forest products program and would redirect $15 million to the Wildland Fire Management's fire preparedness program. The amendment would return the remaining funds to the Treasury to reduce the national debt. There are many reasons why I support this amendment, but let me discuss just two.

First, is the need to end corporate welfare. It is estimated that within the federal budget corporate welfare makes up anywhere from $86 billion (CATO Institute) to $265 billion (Progressive Policy Institute). A recent report by the Green Scissors Coalition estimates that over a five year period the Federal government will spend $36 billion on wasteful and environmentally harmful projects such as the forest products program.

Second, simply, is that by passing this amendment, we enact good environmental policy. The continual construction of new roads required to access our nation's forests removes ground cover and creates a channel for water to run down, accelerates soil erosion, weakens hillsides and fouls steams, destroying the foundation of our recreational and commercial fisheries. Logging roads are a major source of non-point source water pollution. According to the National Forest Service, 922 communities receive their drinking water from streams within the national forests-streams that are polluted from contaminated run-off associated with construction.

The protection of our roadless areas is important because they represent an important legacy for future generations. Areas without roads are becoming scarce in this country and in our national forests. Roadless areas provide significant benefits including: opportunities for dispersed recreation, clean, clear sources of public drinking water; large undisturbed landscapes that provide privacy and seclusion; bulwarks against the spread of invasive species; habitat for fish and game and other rare plant and animal species.

While I would prefer to see this program eliminated completely, at the minimum timber companies should not be subsidized by the taxpayers. The timber industry, like any other business, should bear its own costs. At a time when we are asking all Americans to do more with less, we should have the courage to ask the special interests to at least pay their own way. I support the Bryan amendment, and ask my colleagues to join me by voting for this important initiative.

While I have the floor, I will take a moment to comment on legislation that the Senate will soon consider. The Conservation and Reinvestment Act would guarantee full funding for the Land and Water Conservation Fund, and afford permanent protection to our nation's threatened natural, cultural, and historical treasures.

In 1964, Congress made the decision to reinvest revenue from the development of non-renewable resources into acquisition and permanent protection of key land, water, and open space. In the 30 years since its creation, the Land and Water Conservation Fund (LWCF) has been responsible for the acquisition of nearly seven million acres of parkland-contributing to the creation of the Appalachian Trail, Everglades and Rocky Mountain National Parks. In New Jersey, it helped fund the acquisition of Sterling Forest, and the Cape May and Walkill National Wildlife Refuges.

However, the LWCF is not a true trust fund in the way "trust fund" is generally understood by the public. Despite the fact that by law, the revenues are supposed to go to the LWCF, Congress must appropriate the money before it can be spent; if appropriations are not made, the revenues instead go to the General Treasury, to be spent on defense, or roads, or whatever Congress decides. The practical effect is that historically, only a small portion of the funds in the LWCF has actually been used for land preservation.

At no time has full funding of the LWCF been more needed than today, as the demands of development and suburbanization jeopardize land preservation efforts. The United States loses 50 acres an hour to development. In New Jersey, we know all too well the effects of suburban sprawl. Since 1961, New Jersey has lost half a million acres to sprawl. This is not surprising when you consider that New Jersey ranks 9th in terms of population. The reality is that sprawl is settling in over our open space.

In a very exciting development, the House of Representatives recently passed LWCF legislation, and this bill now stands in the Senate. I am hopeful that the Senate will mark up its legislation this week, and I urge the Leadership to schedule floor time for this landmark initiative as soon as possible.

Inscribed in one of the hallways of our nation's Capitol are the words of Theodore Roosevelt. He said: "The nation behaves well if it treats the natural resources as assets which it must turn over to the next generation increased, and not impaired in value." Let us act on this vision and pass this extraordinary initiative during the 106th Congress.

Mr. GRAMS. Mr. President, every year at this time it seems we're here on the Senate floor debating another attack on the Forest Service's Timber Management Program. Every year those who wish to eliminate logging in our National Forests come up with another angle which they claim helps protect the environment by eliminating "wasteful" spending on logging practices. Every year people throughout northern Minnesota and forested regions across the country see their jobs and their livelihoods threatened in the name of preservation or conservation. And every year, those of us who represent the good people of the timber and paper industry in our states have to fight, scratch, and claw our way to a narrow victory that saves those jobs and those families from economic ruin.

I come from a state in which the forest and paper industry is vital to our economy. The reduction in the timber program on National Forests has had a dramatic impact over the past ten years on the number of jobs and the economic vitality of northern Minnesota. According to Minnesota Forest Industries (MFI), jobs provided by the timber program in Minnesota dropped from over 1,900 in 1987 to less than 1,100 last year, and they continue to decline.

The reduction in timber harvests on federal lands has had an equally dramatic effect on unrealized economic impacts. MFI estimates that unrealized economic benefits include over $10 million from timber sales, $25 million in federal taxes, $2.5 million in payments to states, and $116 million in community economic impact in Minnesota alone.

It's important to point out that the timber program in National Forests have a very positive impact on the amount of federal money that goes to rural counties and schools. Nationally, the program contribute $225 million to counties and schools each year through receipts from timber sales in national forests. In Minnesota, the timber program provided roughly $1.7 million to counties and schools in 1998 alone. If the timber program would have met its allowable sale quantity in 1998, that number would have risen to nearly $2.5 million.

I'm fascinated by the claims of some of my colleagues that the timber program is a subsidy to wealthy timber and paper companies and the claims that the timber program loses money because we're giving timber away to these companies. If you truly believe that, I challenge you to visit forested regions and speak with the families who have lost their mills and the loggers who have lost their jobs. Talk to the counties and the private landowners who cannot access to their own property because the Forest Service doesn't have enough money to do the environmental reviews. Or talk directly to the Forest Service personnel and let them tell you how lengthy and costly environmental reviews and the overwhelming number of court challenges to those reviews are making the timber program so costly.

Then go speak with state or county land managers and ask them why their timber programs are so successful. Ask them why their lands are so much more healthy than the federal lands and why they're able to make money with their timber programs. In Minnesota, St. Louis County only has to spend 26 cents in order to generate one dollars of revenue in their timber program and the State of Minnesota spend 75 cents to generate one dollar of revenue. The Superior National Forest, on the other hand, spend one dollar and three cents to get the same results.

I cannot see how my colleagues can stand here on the Senate floor and tell me that the forest and paper industry in our country, and its employees, are the bad guys. The forest and paper industry in America employs over 1.5 million people and ranks among the top ten manufacturing employers in 46 states. These are good, traditional jobs that help a family make a living, allow children to pursue higher education, help keep rural families in rural areas, and provide a legitimate a base from which rural counties can fund basic services. These are jobs that we in Congress should be working diligently not only to protect, but to grow.

Unfortunately, many Members of Congress who advocate these ideas have never taken the time to understand the positive economic and environmental benefits of science-based timber harvests. They've never sat down.with a county commissioner who doesn't know where he is going to get the money for some of the most basic services the county provides to its citizens. They've never considered that for every 1 million board feet in timber harvest reductions in Minnesota, 10 people lose their jobs and over $570,000 in economic activity is lost. And they've never taken the time to go into a health forest where prudent logging practices have been essential to ensuring the vitality and diversity of species.

If Members of this body want to make the timber program profitable across the country, then we should have an honest debate about what works and does not work in the program. We should discuss frankly the ridiculous number of hoops public land managers have to jump through in order to process a timber sale. I think we need to discuss the fact that under the Alaska National Interest Lands Conservation Act the federal government must provide access across federal lands for state, county, and private landowners to access their land. Yet in Minnesota, those landowners either have to wait a number of years or pay for the environmental reviews themselves because the Forest Service claims it doesn't have enough money. We should also discuss openly the dramatic impact court challenges are having on the ability of the Forest Service to do its job and to carry out the timber program in a cost-effective manner. On top of that, it's clear that under this Administration the Forest Service doesn't want a timber program that shows a profit and they've done an effective job of using the powers of the Executive Branch to vilify both the timber program and the men and women of my state who rely upon that program in order to meet their most basic needs.

Virtually everyone in this body, including this Senator, is committed to the protection of our environment and to the conservation of our wildlife species and wildlife habitat. I believe we can expand upon our commitment to wildlife and provide additional resources for habitat protection. But I do not believe we must do so on the backs of timber and paper workers throughout the nation. I am willing to work with anybody in this chamber towards those conservation efforts, but let's not do it by pitting timber and paper workers against conservationists.

We cannot simply stand here and claim that the Bryan amendment is an easy way to throw some money towards planning for the threat of forest fires. Rather, this amendment is going to take jobs from my constituents and hurt the economy of the northern part of my state. The Bryan amendment is just one more step down the road toward eliminating logging on federal land. This amendment is going to reduce the ability of a number of rural counties in my state to make ends meet and to provide necessary services to residents. These are just a few of the realities of the Bryan amendment and just a few of the reasons why I cannot and will not support its passage.

### ARCHIE CARR NATIONAL WILDLIFE REFUGE FUNDING

Mr. GRAHAM. Mr. President, I would like to first thank my colleagues, Senators GORTON and BYRD for their support in obtaining $2 million in the Fiscal Year 2001 Interior Appropriations bill for the Archie Carr National Wildlife Refuge.

Archie Carr National Wildlife Refuge was established in 1991. It is 900 acres in Brevard County Florida which makes up the twenty mile section of coastline from Melbourne Beach to Wabasso Beach in Florida. It is the most important nesting area for loggerhead sea turtles in the western hemisphere and the second most important nesting beach in the world.

Mr. MACK. I would like to join my colleague in thanking Senators GORTON and BYRD and the Interior Appropriations Subcommittee for their support for the Archie Carr National Wildlife Refuge. Twenty percent of all loggerhead sea turtle and 35% of all green sea turtle nests in the United States occur in this twenty mile zone. Nesting densities of 1,000 nests per mile have been recorded. Approximately half of this area is available for acquisition. The funds in this legislation will be critical in our ability to move forward on these acquisitions.

Mr. GRAHAM. Despite the importance of this refuge to the loggerhead sea turtle, there is no refuge station at Archie Carr. The result is both a lack of educational opportunities for visitors and a lack of security at the refuge. I join my colleague, Senator MACK, in proposing that $200,000 of the funds provided by the Fiscal Year 2001 Interior Appropriations bill for the Archie Carr National Wildlife Refuge be available for use by the U.S. Fish and Wildlife Service for the purpose of site evaluation for a visitor center/research and education center.

Mr. GORTON. Thank you, Senators MACK and GRAHAM. I share your desire to support the need of our National Wildlife Refuges, in particular the needs of Archie Carr National Wildlife Refuge, and will work with Senators MACK and GRAHAM to see if funds can be identified to support site evaluation for a visitor center/research and education center.

Mr. BYRD. Thank you, Senator GORTON. I, too, share the goal of ensuring that our National Wildlife Refuge System receives the funds it requires to preserve the critical habitat it was designed to protect. I concur with your position on the proposal made by Senators GRAHAM and MACK.

### NORTH CAROLINA'S STREAM GAUGES AND MONITORING EQUIPMENT

Mr. EDWARDS. I thank you for including my amendment to provide $1,800,000 in emergency funds for the United States Geological Survey to repair and replace stream monitoring equipment damaged by natural disasters. As you know, your Committee recommended a significant increase in the USGS's Real Time Hazards Initiative, including $3,100,000 for new or upgraded stream gauging stations.

1999 was a devastating year for North Carolina. Hurricanes Floyd, Dennis and Irene did extensive damage across eastern North Carolina. And early indications are that this hurricane season will be just as active for North Carolina as last year. North Carolina's stream gauges and monitoring equipment are in desperate need of upgrade and enhancement. I respectfully request that the Committee recommend that the United States Geological Survey give special consideration to North Carolina's needs and address the need for upgrades and enhancements through this appropriation.

Mr. GORTON. I understand that the USGS is willing to address North Carolina's specific needs for stream gauges and monitoring equipment through the Real Time Hazards Initiative. The Committee recognizes the unique danger in North Carolina and, therefore, strongly encourages the USGS to ensure that North Carolina's stream gauges and monitoring devices are enhanced or upgraded to the degree possible within appropriations provided for these types of activities.

### ELECTRO-CATALYTIC OXIDATION (ECO)

Mr. DEWINE. Mr. President, I would like to ask my colleagues, Senator GORTON, Chairman of the Interior Appropriations Subcommittee; and Senator BYRD, the Ranking Member of the Subcommittee, about a new and innovative technology. Mr. Chairman, are you aware of an emerging technology known as electro-catalytic oxidation (ECO), which has the potential to reduce emissions, as well as unusable byproducts at coal-fired power plants?

Mr. GORTON. Mr. President, I would inform the Senator from Ohio that I have been made aware of ECO.

Mr. DEWINE. I ask if he concurs that the Secretary of Energy should participate in a full-scale demonstration of this technology that is planned for the near future.

Mr. GORTON. I would certainly encourage the Department to take a close look at this technology within the context of its coal research programs, and consider carefully any related research or demonstration proposal that may be submitted.

Mr. DEWINE. As the senior Senator from West Virginia is aware, the early tests of this technology show a significant reduction of nitrogen oxide (Nox), sulfur dioxide (SO2), mercury, and fine particulate matter. Would the Senator agree that a cost-effective reduction of these emissions is in the best interest of coal-fired power consumers as well as the coal industry?

Mr. BYRD. I would agree with the Senator from Ohio.

Mr. DEWINE. I thank the very distinguished senior Senator from West Virginia and would note that the Senator from New Hampshire, the state were ECO was developed, is optimistic about the potential of the technology. Would the Senator agree?

Mr. SMITH (of New Hampshire). I would agree with my colleague from Ohio and add that I applaud the innovative efforts that have led to the development of this emerging emissions control technology. As many of you know, the Senate Environment and Public Works Committee is currently working to develop a bill that will address the significant problem of the hodge-podge of overlapping Clean Air Act regulation on utilities. Our goal is to draft a comprehensive, multi-pollutant bill to provide a more sensible emission control regime on utilities while at the same time achieving greater reductions of pollutants than is currently possible under the Clean Air Act. New technologies, much as electro-catalytic oxidation will be critically important to our ability to successfully revise our approach to utility emission control. I would support any efforts to expedite the development of this technology.

Mr. DEWINE. Mr. President, I thank the Chairman of the Environment and Public Works Committee for his support of this important technology, and I would welcome the opportunity to more closely examine his proposals related to Clean Air reauthorization, and comment on them at a future time. I also thank the Chairman of the Interior Subcommittee and the senior Senator from West Virginia and would encourage them to consider the benefits of ECO to consumers of coal-fired power as well as coal producing states when this bill moves to conference with the other body.

### FY 2001 INTERIOR APPROPRIATIONS FOR MAINE PROJECTS

Ms. SNOWE. Mr. President, Maine and the nation have an opportunity to accomplish an enormously meaningful level of forest protection in Maine's 10 million acre Northern Forest if significant funding for Forest Service accounts is allocated for Maine projects in fiscal year 2001. In the last two years, an astounding 20 percent of Maine's total forestland acreage has changed ownership, an occurrence that represents a significant shift in the pattern of stable long-term ownership and use that has characterized the Maine woods for at least the last hundred years.

Ms. COLLINS. The Senior Senator for Maine is correct, Mr. Chairman. This tremendous turnover calls into question whether the traditional use of these lands for forestry and for outdoor recreational activities will continue. We are fortunate that the present owners of these valuable lands are offering an opportunity to secure their lasting protection and productivity. I, along with Senator SNOWE, support these efforts through funding from the Forest Legacy Program and the Forest Service's land acquisition program and hope we can work together during this appropriations process to take advantage of the opportunity afforded us at this time.

Ms. SNOWE. Mr. President, I want to thank you for your strong support for Forest Legacy funding in FY 2000 in approving $3 million Title 6 funding for Maine for Phase I of the 656,000 acre West Branch project. This funding, along with the $2 million already allocated from the state grant portion of LWCF, will complement the $4 million being secured through non-federal sources for the conservation and protection of 70,000 acres of undeveloped forestland, including more than 100 miles of undeveloped shoreline along Moosehead Lake, Seboomook Lake, and several smaller lakes.

Ms. COLLINS. Phase II of the West Branch project consists of the remaining acreage of approximately 580,000 acres of what is one of the largest contiguous blocks of forest under single management in the eastern United States and has sustained a flow of timber products for more than 100 years.

Mr. GORTON. I appreciate the Senators' interest in this worthy project and I would be happy to work with the Senators to ensure appropriate consideration is given to these projects in Conference.

Ms. SNOWE. The second Forest Legacy project, Mr. Chairman, known as Mt. Blue/Tumbledown Mountain, is a two-phase project totaling approximately 33,400 acres and will protect some of Maine's most scenic areas—including Tumbledown Mountain, Jackson Mountain, Blueberry Mountain and trailheads leading to these peaks.

Ms. COLLINS. An amount of $1.2 million in Forest Legacy funding will allow the acquisition in fee of 3,600 acres immediately adjacent to Maine's Mt. Blue State Park, and will bring needed protections to Maine's scenic and popular Western Mountain region. I want to express my strong support for the project.

Mr. GORTON. Once again, I appreciate the Senators' interest in this worthy project and I would be pleased to work with the Senators to see that this project is considered fully in Conference.

Ms. SNOWE. I also want to thank you for your appropriations support for funds for the Pingree Forest, which is an excellent example of private sector cooperation and conservation, while at the same time preserving the working forests of our State. The Pingree Family of Maine has been exemplary in the way it has managed its lands for seven generations—160 years. As you are aware, the Pingree Family has entered into the Pingree Forest Partnership with the New England Forestry Foundation, which has committed to raise $30 million for a conservation easement on 754,673 acres of land in Northern and Western Maine.

Ms. COLLINS. The New England Forestry Foundation is within $11.5 million of its goal, which, under the terms of the partnership agreement with the Pingree family, must be met by December 31 of this year. I would note that the Pingree Family has agreed to sell this easement on their land at only $37.10 an acre.

Mr. GORTON. I am very much in support of what the parties are trying to preserve—a way of life through forestry in Maine and the conservation of the magnificent Northeast forests of this nation—and I will carry that support into conference. Funding of this project is certainly a wise use of federal funds for the conservation of outstanding undeveloped lands, and also keeping the Maine woods in sustainable forestry.

Ms. SNOWE. I thank you for your close scrutiny of the merits of this project and your support for what is currently the largest single land conservation project in the world. I would like to point out that, for any appropriation to work under the agreement, I urge you to allocate the funds through the National Fish and Wildlife Foundation to the New England Forestry Foundation, which will hold the easement for the Pingree land.

Ms. COLLINS. I would like to add that, in the past, all of NFWF's federal grants have been appropriated through a designation to the U.S. Fish and Wildlife Service's Land and Water Conservation Fund, and NFWF has received funds from the Forest Service for grants over the past ten years. NFWF's excellent track record gives me confidence that it is the right steward of this important project.

Mr. GORTON. I agree that this clarification is necessary and agree that the funds should be allocated through NFWF.

Ms. SNOWE. Once again, I thank my distinguished colleague from Washington State and praise his continuing efforts for the conservation of our nation's private lands, especially those of great importance to the people of Maine.

Ms. COLLINS. I also thank you for your support, Mr. Chairman, for supporting these appropriations that will enable Pingree land to continue to supply area mills and support the local economy while allowing the public continued recreational access.

Mr. SANTORUM. Mr. President, I would like to engage in a brief colloquy with the distinguished Chairman of the Interior Appropriations Subcommittee, Senator GORTON, concerning future demonstration projects under the Clean Coal Technology program. Mr. President, clarifying the intent of the program will be helpful in my efforts to ensure that a very worthwhile initiative in Pennsylvania received full consideration by the Department of Energy.

The lack of a coherent and consistent energy policy has contributed to the high fuel prices that have hit the working families in Pennsylvania and across the nation very hard. It is the lack of a national energy policy that has led to our nation's reliance on foreign oil. Today, we import 56 percent of our fuel. This is the highest level in the history of our country. For a historical perspective, we only imported 36 percent of our oil during the energy crisis of the 1970s.

Mr. President, we must reduce our reliance on imported oil. We must conserve energy resources, improve energy efficiencies, and increase domestic energy supplies. We also need to aggressively expand our research and development efforts to encourage the use of domestic renewable energy sources.

The Pennsylvania initiative that I referred to would do just that by developing a facility that would convert Anthracite culm to a clean diesel fuel. The project would produce 1.4 million barrels a year of zero-sulfur, high-energy diesel fuel, at the same time reclaiming land now rendered unusable and environmentally damaging. Additionally, it would create 1,000 construction and 150 permanent jobs.

Would the Senator agree that the establishment of such a facility, whose principal focus is to develop domestic renewable energy sources by transforming coal and coal waste into high quality diesel fuel, is the type of activity that the Clean Coal Technology program should encourage?

Mr. GORTON. I agree with my friend that the Clean Coal Technology program is meant to encourage projects that develop environmentally-friendly technologies, such as coal conversion. I believe that the Department of Energy should use its limited funding resources to expand its efforts to encourage the development of domestic renewable energy sources.

Mr. SANTORUM. As this bill moves forward into conference, is it the Senator's intention to seek adequate funding for the Clean Coal Technology program so that the Department of Energy can begin a new round of demonstration projects, including a project such as the Pennsylvania initiative I have described here today?

Mr. GORTON. As my colleague is aware, the Senate report accompanying the FY 2001 Interior bill directs the Department to report on options for a new solicitation in the Clean Coal program. In the context of preparing this report, and in conducting any future solicitation, I would expect the Department to give full consideration to such worthwhile projects as the one described by my friend from Pennsylvania.

Mr. President, with 1 minute to spare, that concludes the introduction of all amendments pursuant to the unanimous consent agreement of last week.

I repeat, if Members wish to speak to these amendments, they may do so after the conclusion of all of the votes on H.R. 4810, which will begin almost immediately. These amendments, to the extent that they require rollcall votes, will be voted on tomorrow, with the exception of the Bingaman amendment. It has 15 minutes for debate tomorrow.

Mr. REID. If the Senator will yield, I think we agree that we have heard adequate explanation previous times about these amendments. The Senator is not soliciting more comments, is he?

Mr. GORTON. The Senator from Nevada states my position perfectly.

## MARRIAGE TAX PENALTY RELIEF RECONCILIATION ACT OF 2000

The PRESIDING OFFICER. Under the previous order, the hour of 6:15 p.m. having arrived, the Senate will resume consideration of H.R. 4810.

The assistant legislative clerk read as follows:

> A bill (H.R. 4810) to provide for reconciliation pursuant to section 103(a)(1) of the concurrent resolution on the budget for fiscal year 2001.

## AMENDMENT NO. 3876, WITHDRAWN

Mr. REID. Mr. President, I ask unanimous consent, on behalf of Senator DODD, that his amendment No. 3876 be withdrawn from consideration with respect to H.R. 4810.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. President, what is the regular order?

The PRESIDING OFFICER. The question is on the motion to waive by the Senator from Delaware.

### AMENDMENTS NOS. 3868 THROUGH 3873, WITHDRAWN

Mr. STEVENS. Mr. President, I ask unanimous consent to withdraw all six of my pending amendments.

The PRESIDING OFFICER. Is there objection?

Mr. MOYNIHAN. I second the motion.

The PRESIDING OFFICER. Without objection, it is so ordered.

There are 2 minutes of debate equally divided on the motion of the Senator from Delaware to waive.

Mr. REID. I couldn't hear the Chair. What did the Chair say?

The PRESIDING OFFICER. There are 2 minutes of debate equally divided.

Mr. REID. But the amendments of the Senator from Alaska were withdrawn. Is that right?

The PRESIDING OFFICER. Yes.

### MODIFICATION OF MOTION

Mr. ROTH. Mr. President, it was my intention when I moved to raise this point of order, the waiver for the Lott wraparound amendment, that it be a comprehensive waiver to this point of order for the different permutations of the earned-income tax proposals contained in both the majority and minority proposals. However, the majority leader subsequently offered an amendment that will be considered later.

I ask unanimous consent that the Lott amendment be included in the original waiver that I raised.

Specifically, the new motion is to waive all points of order under the budget process arising from the earned-income credit component in this pending tax—the amendment by Senator MOYNIHAN, the amendment offered by Senator LOTT, the House companion bill, any amendment between the Houses, and any conference reports thereon.

The PRESIDING OFFICER. Is there objection to the modification?

Mr. REID. Reserving the right to object, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Delaware has the floor.

Does he yield for a quorum call?

Mr. REID. Isn't his minute up?

Mr. MOYNIHAN. Mr. President, there is no quorum call.

I urge the adoption of the chairman's proposal.

The PRESIDING OFFICER. The chairman has requested a modification of the motion.

Is there objection?

Mr. MOYNIHAN. As modified, sir.

The PRESIDING OFFICER. Without objection, the motion is so modified.

Mr. ROTH. Mr. President, I ask that we vitiate the yeas and nays on the motion.

The PRESIDING OFFICER. Is there objection to the substance of the motion, which is now a unanimous consent request?

Without objection, it is so ordered.

The revisions are so adopted.

Mr. MOYNIHAN. That is the spirit. Let's get on with it.

Mr. ROTH. All right.

### MOTION TO COMMIT

The PRESIDING OFFICER. The question is now on the motion of the Senator from Wisconsin to commit the bill to the Finance Committee.

Who yields time?

Mr. WARNER. Mr. President, the Senate is again considering legislation that will provide, at long last, relief from the marriage tax penalty.

The marriage tax penalty unfairly affects middle class married working couples. For example, a manufacturing plant worker makes $30,500 a year in salary. His wife is a tenured elementary school teacher, also bringing home $30,500 a year in salary. If they both file their taxes as singles they would pay 15 percent in income tax. But if they choose to live their lives in holy matrimony and file jointly, their combined income of $61,000 pushes them into a higher tax bracket of 28%. The result is a tax penalty of approximately $1,400.

The Republican marriage penalty relief bill eliminates this unfairness without shifting of the tax burden and without increasing taxes on any individual. Middle and low income families would benefit as much as earners with higher incomes.

According to the Congressional Budget Office, almost half of all married couples—21 million—are affected by the marriage penalty. Over 640,000 couples in Virginia are affected, according to one study.

Most of the tax relief under our plan goes to the middle class. The Congressional Joint Committee on Taxation's distribution analysis estimates that couples making under $75,000 annually will be the biggest winners. Additionally, the Joint Tax Committee estimates that couples earning between $20,000 and $30,000 will receive the biggest percentage reduction in their federal taxes out of any income level, with couples making between $30,000-$40,000 fairing almost as well.

This money belongs to the taxpayers. With a surplus of over $2 trillion, not including Social Security, all taxpayers are entitled to a return of their tax overpayment. In addition, the federal government, through tax policy, should not discourage either parent from staying at home with children. The government should not penalize a family simply because it takes both spouses working outside of the home to make ends meet. Being a stay at home parent should be rewarded.

The Congressional Budget Office estimates that taxpayers will send Uncle Sam almost $2 trillion in additional surplus taxes over the next ten years—after Congress has locked up 100% of Social Security surplus and paid down the public debt. This proposal gives back to the middle class families just 10 cents out of every surplus dollar they send to Washington. As I have said before, the Federal government should not put a price tag on the sacrament of marriage.

Mr. MOYNIHAN. Mr. President, are there 2 minutes equally divided for the rest of the evening?

The PRESIDING OFFICER. That is correct.

Mr. MOYNIHAN. Mr. President, I yield 1 minute to the Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, this motion requires we do first things first. It says we should pass marriage penalty relief, but it also says we should substantially extend the solvency of Social Security and Medicare at the same time. By 2037, the Social Security trust fund will have consumed all of its assets. By 2025, the Medicare HI trust fund will have consumed all of its assets.

To fix Social Security and Medicare, we can make small changes now or big changes later. That is why President Clinton was right when he said "save Social Security first." It would be irresponsible to enact tax cuts this size before doing anything about Social Security and Medicare. Before the Senate passes tax cuts this size, the Finance Committee should report a plan to extend Social Security and Medicare. We should do first things first. That is what this motion requires.

The PRESIDING OFFICER. Who yields time in opposition?

Mr. ROTH. Mr. President, Senator FEINGOLD's motion to commit to the Finance Committee will not accomplish its stated purpose of Social Security and Medicare reform. The bill before the Senate is limited under the budget resolution to tax cuts. As chairman of the Finance Committee, I can tell you we are actively pursuing a real bipartisan Medicare reform package. Our efforts are not a political stunt, like this motion. On Social Security reform, everyone believes that it is a worthy goal but not one where there is currently a bipartisan consensus. I urge my colleagues to reject Senator FEINGOLD's motion.

Mr. FEINGOLD. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Oklahoma (Mr. INHOFE), the Senator from Arkansas (Mr. HUTCHINSON), the Senator from Texas (Mrs. HUTCHISON) and the Senator from Virginia (Mr. WARNER), are necessarily absent. I further announce that the Senator from Georgia (Mr. COVERDELL) is absent due to illness.

I further announce that, if present and voting, the Senator from Oklahoma (Mr. INHOFE), would vote "no."

Mr. REID. I announce that the Senator from West Virginia (Mr. ROCKEFELLER) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 45, nays 49, as follows:

[Rollcall Vote No. 198 Leg.]

YEAS—45

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Bryan
Byrd
Chafee L.,
Cleland
Conrad
Daschle
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Sarbanes
Schumer
Torricelli
Voinovich
Wellstone
Wyden

NAYS—49

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Cochran
Collins
Craig
Crapo
DeWine
Domenici
Enzi
Fitzgerald
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Jeffords
Kyl
Landrieu
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond

NOT VOTING—6

Coverdell
Hutchinson
Hutchison
Inhofe
Rockefeller
Warner

The motion was rejected.

Mr. ROTH. I move to reconsider the vote and move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Delaware.

### AMENDMENT NO. 3849 WITHDRAWN

Mr. ROTH. Mr. President, I ask unanimous consent to withdraw Senator BROWNBACK's amendment No. 3849.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New York.

Mr. MOYNIHAN. Mr. President. I ask unanimous consent that the Democratic alternative, amendment No. 3863, and related amendments and motions be considered next, and that amendment No. 3863 be considered germane.

The PRESIDING OFFICER. Is there an objection?

Without objection, it is so ordered.

Mr. ROTH. Mr. President, what is the pending business?

### MOTION TO WAIVE

The PRESIDING OFFICER. The pending business is the Roth motion to waive the Budget Act for the amendments that would strike the sunset provisions in the bill and the Democratic alternative.

Mr. ROTH. Mr. President, the Finance Committee complied with the Byrd rule by terminating or sunsetting the tax cuts in the bill generally on December 31, 2004. I note the Finance Committee Democratic alternative contained a similar sunset provision. The case before us that benefits a simple, broad-based tax policy change that reduces some of the tax burden placed on married couples, outweighs the implications of the Byrd rule.

Frankly, I think there are few more compelling cases for waiving the Byrd rule. Clearly, though, we differ on how to deliver it. Every Senator should place an importance on permanent marriage tax relief. I urge my colleagues to strike a blow for permanent marriage tax relief and support my motion to waive the Byrd rule.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. I regret that I have to disagree with my chairman. The Byrd rule has proved such an important measure to maintain budgetary discipline. It has brought about the present happy circumstances; and this is no time, in our view, to move back to earlier practices which were so devastating in their effect during the 1980s.

Mr. ROTH. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. They have not.

Mr. ROTH. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is on agreeing to the motion. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Oklahoma (Mr. INHOFE), the Senator from Arkansas (Mr. HUTCHINSON), the Senator from Texas (Mrs. HUTCHISON), and the Senator from Virginia (Mr. WARNER) are necessarily absent.

I further announce that the Senator from Georgia (Mr. COVERDELL) is absent due to illness.

I further announce that if present and voting, the Senator from Oklahoma (Mr. INHOFE) would vote "yes."

The PRESIDING OFFICER (Mr. BROWNBACK). Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 48, nays 47, as follows:

[Rollcall Vote No. 199 Leg.]

YEAS—48

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Cochran
Collins
Craig
Crapo
DeWine
Domenici
Enzi
Fitzgerald
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Jeffords
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond

NAYS—47

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer

Breaux
Bryan
Byrd
Chafee, L.
Cleland
Conrad
Daschle
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Torricelli
Voinovich
Wellstone
Wyden

NOT VOTING—5

Coverdell
Hutchinson
Hutchison
Inhofe
Warner

The PRESIDING OFFICER. On this motion, the yeas are 48, the nays 47. Three-fifths of the Senate duly chosen and sworn not having voted in the affirmative, the motion is rejected.

Mr. SANTORUM. Mr. President, I move to reconsider the vote.

Mr. BURNS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. STEVENS. Mr. President, I ask unanimous consent to have 30 seconds to make an announcement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, tomorrow, in S–128, models of the National World War II Memorial will be on display for all Members and staff to see. We encourage you to take a look at the models of this new memorial that will be on The Mall soon, we hope.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. ROTH. Mr. President, I yield back my time.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I yield back our time, and I raise a point of order that the Roth amendment No. 3864 to strike would worsen the Nation's fiscal position in years beyond those reconciled in the budget resolution and, thus, violates section 313(b)(1)(e) of the Congressional Budget Act of 1974.

The PRESIDING OFFICER. The point of order is sustained and the amendment falls.

Mr. ROTH. Mr. President, on amendment No. 3865, I yield back the time and I will make a point of order that it is in violation of the Byrd rule.

The PRESIDING OFFICER. Does the Senator from New York yield back his time?

Mr. MOYNIHAN. Yes.

Mr. ROTH. Again, I make a point of order that this amendment is in violation of the Byrd rule of the Budget Act.

The PRESIDING OFFICER. The point of order is sustained.

### AMENDMENT NO. 3863

Mr. MOYNIHAN. Mr. President, I will exercise a brief 1 minute to describe the Democratic alternative, which is now to be offered.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. MOYNIHAN. Mr. President, this amendment can be described in one sentence. There are not many such, and I would hope the body might hear me: We propose that married couples be enabled to file jointly or singly, period, end of subject.

There are, sir, 65 marriage penalties in the Tax Code. This amendment abolishes them all. It would not allow the alternative minimum tax to take away the benefits of marriage penalty relief either. Whereas we have before us as a basic amendment that which would only take care of one marriage penalty and touch two others, here is the opportunity to get rid of them all.

In our tax system, no matter how large or small, whatever we do, we must see that the American public believes the tax system is fair. If there is a considerable judgment anywhere that something is not fair, then it ought to be corrected. Our amendment will do that, sir.

Thank you.

Mr. ROTH. Mr. President, this amendment is the same one we considered in the Finance Committee. Supporters of this amendment claim it is preferable because it is more targeted, that it only benefits certain married families, and that it provides more comprehensive marriage penalty relief.

I do not shy away from the fact that our bill benefits virtually every American family. I welcome it. The Joint Committee on Taxation tells us that our bill will help over 45 million families. They also tell us the Democratic alternative will assist only 24 million.

Our bill also addresses the marriage penalty without creating a new penalty—a so-called homemaker penalty. With our approach, all married couples with the same income will be treated alike. This cannot be said of the alternative.

Finally, the Democratic alternative includes that income cap. If we are serious about addressing the inequity of this tax, we should not make this an issue of rich versus poor. Our bill is fair, it is comprehensive, and it is the right thing to do. I urge my colleagues to oppose this Democratic substitute.

The PRESIDING OFFICER. All time has expired.

Mr. ROTH. Have the yeas and nays been ordered?

The PRESIDING OFFICER. No.

Mr. ROTH. I so request.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

Mr. MOYNIHAN. Mr. President, we are now having 10-minute votes, under the previous order; is that right?

The PRESIDING OFFICER. The Senator is correct.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 3863 of the Senator from New York. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arkansas (Mr. HUTCHINSON), the Senator from Texas (Mrs. HUTCHISON), and the Senator from Oklahoma (Mr. INHOFE), are necessarily absent.

I further announce that the Senator from Georgia (Mr. COVERDELL) is absent due to illness.

I further announce that, if present and voting, the Senator from Oklahoma (Mr. INHOFE) would vote "no."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 46, nays 50, as follows:

[Rollcall Vote No. 200 Leg.]

YEAS—46

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Bryan
Byrd
Chafee, L.
Cleland
Conrad
Daschle
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Torricelli
Wellstone
Wyden

NAYS—50

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Cochran
Collins
Craig
Crapo
DeWine
Domenici
Enzi
Fitzgerald
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Jeffords
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

NOT VOTING—4

Coverdell
Hutchinson
Hutchison
Inhofe

The amendment (No. 3863) was rejected.

Mr. ROTH. I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LOTT. Mr. President, before we proceed, I don't want to delay the proceedings too long, but we are all very much aware our friend and colleague is undergoing a difficult recovery at this time and I know he has been on our mind. I appreciate the Chaplain including him in the opening prayer this morning. Could I ask my colleagues to join me now in a moment of silence for our colleague, a silent prayer, for his speedy recovery.

(Moment of silence.)

Mr. LOTT. I thank my colleagues.

### AMENDMENT NO. 3845

The PRESIDING OFFICER. The pending business is the amendment of the Senator from Wisconsin, Senator FEINGOLD, amendment No. 3845. There are 2 minutes equally divided between each side.

The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, this amendment cuts taxes for 7 of 10 taxpayers who take a standard deduction and ensures that many working Americans would not owe any income taxes at all. It would increase the standard deduction for individuals by $250, and would also increase the standard deduction for heads of households. It would continue to increase the standard deduction for married couples to twice that of an individual. It is paid for by striking the provision in the bill that benefits only taxpayers in the top quarter of the income distribution by expanding tax brackets.

My amendment better targets the marriage penalty relief and would simplify taxes and free many from paying income taxes altogether. The tradeoff is clear. Strike the new benefits for the best off quarter of taxpayers to fund benefits for 7 out of 10 taxpayers.

Mr. ROTH. Mr. President, this amendment would strike the increase in the rate brackets of the underlying bill. As my colleagues may know, in dollar terms, the greatest source of marriage penalty for American families is the rate brackets. Under current law, for instance, the 15 percent rate bracket ends for singles at $26,250; it ends for couples at $43,850. Our bill has remedied that unfairness by phasing in a doubling of the married couples' rate bracket so that it ends at twice the ending point of the single's bracket.

While I agree that a further increase in the standard deduction is a good idea, I do not believe we should do it at the expense of the increase in the rate brackets. Accordingly, I must oppose this amendment.

Mr. FEINGOLD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to amendment No. 3845. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Oklahoma (Mr. INHOFE), the Senator from Arkansas (Mr. HUTCHINSON), and the Senator from Texas (Mrs. HUTCHISON) are necessarily absent.

I further announce that the Senator from Georgia (Mr. COVERDELL) is absent due to illness.

I further announce that, if present and voting, the Senator from Oklahoma (Mr. INHOFE) would vote "no."

The PRESIDING OFFICER (Mr. FITZGERALD). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 40, nays 56, as follows:

[Rollcall Vote No. 201 Leg.]

YEAS—40

Akaka
Boxer
Breaux
Byrd
Chafee, L.
Cleland
Daschle
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Torricelli
Wellstone
Wyden

NAYS—56

Abraham
Allard
Ashcroft
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Brownback
Bryan
Bunning
Burns
Campbell
Cochran
Collins
Conrad
Craig
Crapo
DeWine
Domenici
Enzi
Fitzgerald
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Jeffords
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

NOT VOTING—4

Coverdell
Hutchinson
Hutchison
Inhofe

The amendment (No. 3845) was rejected.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

### AMENDMENT NO. 3846

The PRESIDING OFFICER (Mr. FITZGERALD). There are now 2 minutes evenly divided on the Feingold amendment No. 3846.

The Senator from Wisconsin.

Mr. FEINGOLD. The vital program known as COBRA helps ensure that people who lose their jobs do not lose their health insurance at the same time.

Mr. BYRD. Mr. President, can we have order in the Senate so we can hear what the Senator is saying?

The PRESIDING OFFICER. The Senate will be in order. Senators will please take their conferences off the floor.

The Senator from Wisconsin.

Mr. FEINGOLD. The vital program known as COBRA helps ensure that people who lose their jobs do not lose their health insurance at the same time. My amendment would expand access to affordable health insurance through COBRA in two ways. First, it would expand COBRA to cover retirees whose employer-sponsored coverage is terminated.

Employers who promise retiree coverage and then drop it will have to allow early retirees to have COBRA-continued coverage until they qualify for Medicare.

Second, it would create a 25-percent tax credit for COBRA premiums generally. This credit will improve access to and affordability of health insurance for this very vulnerable group. The amendment pays for this health coverage by eliminating an inequitable tax loophole: the percentage depletion allowance for hard rock minerals mined on Federal public lands.

I thank the Chair.

The PRESIDING OFFICER. Who yields time in opposition?

Mr. ROTH. I yield such time as the Senator from Nevada may use.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, this amendment would be devastating to one of the finest industries in America today: hard rock mining. It is a net exporter of gold especially. Tens of thousands of jobs will be wiped out. These are the highest paid blue-collar jobs in America.

This amendment is bad. We should do everything we can to defeat it. Therefore, Mr. President, I move that the pending amendment is not germane and raise a point of order that the amendment violates section 305(b)(2) of the Congressional Budget Act of 1974.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, pursuant to section 904(c) of the Congressional Budget Act, I move to waive the applicable section of that act for consideration of my amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is on agreeing to the motion. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arkansas (Mr. HUTCHINSON) is necessarily absent.

I further announce that the Senator from Georgia (Mr. COVERDELL) is absent due to illness.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 30, nays 68, as follows:

[Rollcall Vote No. 202 Leg.]

YEAS—30

Akaka
Biden
Boxer
Breaux
Collins
Daschle
Dodd
Durbin
Edwards
Feingold
Graham
Harkin
Johnson
Kennedy
Kerry
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Murray
Reed
Robb
Sarbanes
Schumer
Snowe
Torricelli
Wellstone
Wyden

NAYS—68

Abraham
Allard
Ashcroft
Baucus
Bayh
Bennett
Bingaman
Bond
Brownback
Bryan
Bunning
Burns
Byrd
Campbell
Chafee, L.
Cleland
Cochran
Conrad
Craig
Crapo
DeWine
Domenici
Dorgan
Enzi
Feinstein
Fitzgerald
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hollings
Hutchison
Inhofe
Inouye
Jeffords
Kerrey
Kohl
Kyl
Lincoln
Lott
Lugar
Mack
McCain
McConnell
Moynihan
Murkowski
Nickles
Reid
Roberts
Rockefeller
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Specter
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

NOT VOTING—2

Coverdell
Hutchinson

The PRESIDING OFFICER. On this vote, the yeas are 30, the nays are 68. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected. The amendment would add new subject matter to the bill and is therefore not germane. The point of order is sustained. The amendment falls.

The Senator from West Virginia.

EXPLANATION FOR NOT VOTING

Mr. ROCKEFELLER. Mr. President, on vote No. 198, I was unavoidably detained. I apologize for that. I missed the first vote. Had I been present, I would have voted aye.

The PRESIDING OFFICER. The Senator from Iowa.

AMENDMENT NO. 3847

Mr. HARKIN. Mr. President, I call up my amendment.

The PRESIDING OFFICER. Amendment No. 3847 is pending. The Senator has 1 minute.

Mr. HARKIN. Mr. President, if we are for equal pay for women and men who do the same work, then this is the amendment to do it—the Paycheck Fairness Act, which was introduced under Senator DASCHLE's leadership. It provides stronger remedies in wage discrimination cases and provides resources to educate employers on wage discrimination. It ensures that women cannot be retaliated against for sharing their pay information with fellow employees.

It is time to stop giving America's women lipservice for equal pay for equal work, but to actually do something to make it happen. That is what this amendment does. I urge its adoption.

Mr. DASCHLE. Mr. President, as we discuss the tax code and the issue of fairness for families, Senator HARKIN has offered an important amendment to address an issue of fairness faced by millions of working women and their families. Senator HARKIN and I have worked hard to craft legislation that addresses the wage gap between men and women in this country. This amendment is modeled after my bill, S. 74, the Paycheck Fairness Act. In an era characterized by economic opportunity, it is time for the Senate to consider how America's prosperity can be broadly and fairly shared.

While much has changed over the past 35 years, one thing has remained the same: the wage gap between men and women. When President Kennedy signed the Equal Pay Act in 1963, a woman earned only 59 cents for every dollar earned by a man. This landmark bill reduced the pay gap and helped women make great strides to narrow the pay gap. Nonetheless, 35 years later, women, on average, continue to earn only 73 cents for every dollar earned by a man. This disparity is patently unfair. The time has come to improve and strengthen President Kennedy's landmark law.

Some have suggested that the pay gap is insignificant, but working women know better. Even after accounting for differences in education and the amount of time in the workforce, a woman's pay still lags far behind the pay of a man doing the same work. This persistent wage gap doesn't shortchange just women. It shortchanges families. The wage gap causes the average American working family to lose more than $4000 a year. In fact, it is women's salaries that often bring children and families out of poverty. And families suffer more in South Dakota than in most states because we have the highest percentage in the nation of working mothers with children under the age of 6. These mothers deserve equal pay for equal work.

To address this serious problem, the Paycheck Fairness Act uses a simple approach: we believe that the pay gap will decrease if women and men have more information about it; we believe the pay gap will decrease if we enable women to pursue meaningful suits against employers that have discriminatory practices; and we believe that the pay gap will decrease if employers are educated and rewarded for doing their part to end wage discrimination.

My bill is a modest but needed step in the fight against wage discrimination. The simple fact remains—working families face the problem of wage discrimination every day and lose billions of dollars in wages because of it. Instead of the risky tax scheme the Senate is considering today, we should give women and American families a much needed raise. We should pass the Harkin amendment today and continue to work towards the day when the pay gap is eliminated.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I yield my time to the Senator from Oklahoma.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, this amendment that my colleague from Iowa has offered amends the Fair Labor Standards Act but it has never had a hearing before the Labor Committee. It has never been marked up by the Labor Committee. It is legislation that would make the trial lawyers very happy because it authorizes unlimited punitive and compensatory damages for discrimination cases brought under the Equal Pay Act. In fact, it would authorize remedies not available in any title VII discrimination case or Americans with Disabilities Act case because damages under those statutes are capped. It would also make it easier for trial lawyers to create class action lawsuits. It is bad legislation and it does not belong on this bill. I encourage my colleagues to support the point of order and reject the amendment.

Mr. President, I make a point of order that the amendment offered by my colleague from Iowa is not germane to the underlying bill and would, therefore, result in a section 305(b)(2) point of order under the Budget Act. I, therefore, raise a point of order against the amendment pursuant to section 305(b)(2) of the Congressional Budget Act of 1974.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, pursuant to section 904 of the Congressional Budget Act of 1974, I move to waive the applicable sections of that act for the consideration of the pending amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arkansas (Mr. HUTCHINSON) is necessarily absent.

I further announce that the Senator from Georgia (Mr. COVERDELL) is absent due to illness.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 45, nays 53, as follows:

[Rollcall Vote No. 203 Leg.]

YEAS—45

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Bryan
Byrd
Cleland
Conrad
Daschle
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Torricelli
Wellstone
Wyden

NAYS—53

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Chafee, L.
Cochran
Collins

Craig
Crapo
DeWine
Domenici
Enzi
Fitzgerald
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchison
Inhofe
Jeffords
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

NOT VOTING—2

Coverdell
Hutchinson

The PRESIDING OFFICER. On this vote, the yeas are 45, the nays are 53. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected. The amendment would add new subject matter to the bill and is therefore not germane. The point of order is sustained and the amendment falls.

Mr. ROTH. Mr. President, I move to reconsider the vote.

Mr. CRAIG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. REID. Mr. President, I ask the two managers to yield to the Senator from Louisiana for a unanimous consent request.

AMENDMENT NO. 3888

Ms. LANDRIEU. Mr. President, I ask unanimous consent that the amendment I send to the desk be in order and that it take the place of a Dodd amendment that was removed from the list.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The amendment is as follows:

AMENDMENT NO. 3888

(Purpose: To amend the Internal Revenue Code of 1986 to expand the adoption credit to provide assistance to adoptive parents of special needs children, and for other purposes)

At the appropriate place, insert the following:

**SEC.   . EXPANSION OF ADOPTION CREDIT.**

(a) SPECIAL NEEDS ADOPTION.—

(1) CREDIT AMOUNT.—Paragraph (1) of section 23(a) of the Internal Revenue Code of 1986 (relating to allowance of credit) is amended to read as follows:

"(1) IN GENERAL.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter—

"(A) in the case of a special needs adoption, $10,000, or

"(B) in the case of any other adoption, the amount of the qualified adoption expenses paid or incurred by the taxpayer.".

(2) YEAR CREDIT ALLOWED.—Section 23(a)(2) of such Code (relating to year credit allowed) is amended by adding at the end the following new flush sentence:

"In the case of a special needs adoption, the credit allowed under paragraph (1) shall be allowed for the taxable year in which the adoption becomes final.".

(3) DOLLAR LIMITATION.—Section 23(b)(1) of such Code is amended—

(A) by striking "subsection (a)" and inserting "subsection (a)(1)(B)", and

(B) by striking "($6,000, in the case of a child with special needs)".

(4) DEFINITION OF SPECIAL NEEDS ADOPTION.—Section 23(d) of such Code (relating to definitions) is amended by adding at the end the following new paragraph:

"(4) SPECIAL NEEDS ADOPTION.—The term 'special needs adoption' means the final adoption of an individual during the taxable year who is an eligible child and who is a child with special needs.".

(5) DEFINITION OF CHILD WITH SPECIAL NEEDS.—Section 23(d)(3) of such Code (defining child with special needs) is amended to read as follows:

"(3) CHILD WITH SPECIAL NEEDS.—The term 'child with special needs' means any child if a State has determined that the child's ethnic background, age, membership in a minority or sibling groups, medical condition or physical impairment, or emotional handicap makes some form of adoption assistance necessary.".

(b) INCREASE IN INCOME LIMITATIONS.—Section 23(b)(2) of the Internal Revenue Code of 1986 (relating to income limitation) is amended —

(1) in subparagraph (A)—

(A) by striking "$75,000" and inserting "$63,550 ($105,950 in the case of a joint return)", and

(B) by striking "$40,000" and inserting "the applicable amount", and

(2) by adding at the end the following new subparagraph:

"(C) APPLICABLE AMOUNT.—For purposes of subparagraph (A), the applicable amount, with respect to any taxpayer, for the taxable year shall be an amount equal to the excess of—

"(i) the maximum taxable income amount for the 31 percent bracket under the table contained in section 1 relating to such taxpayer and in effect for the taxable year, over

"(ii) the dollar amount in effect with respect to the taxpayer for the taxable year under subparagraph (A)(i).

"(D) COST-OF-LIVING ADJUSTMENT.—

"(i) IN GENERAL.—In the case of a taxable year beginning after 2001, each dollar amount under subparagraph (A)(i) shall be increased by an amount equal to—

"(I) such dollar amount, multiplied by

"(II) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2000' for 'calendar year 1992' in subparagraph (B) thereof.

"(ii) ROUNDING RULES.—If any amount after adjustment under clause (i) is not a multiple of $1,000, such amount shall be rounded to the next lower multiple of $1,000.".

(c) ADOPTION CREDIT MADE PERMANENT.—Subclauses (A) and (B) of section 23(d)(2) of the Internal Revenue Code of 1986 (defining eligible child) are amended to read as follows:

"(A) who has not attained age 18, or

"(B) who is physically or mentally incapable of caring for himself.".

(d) CONFORMING AMENDMENTS.—

(1) Section 23(a)(2) of the Internal Revenue Code of 1986 is amended by striking "(1)" and inserting "(1)(B)".

(2) Section 23(b)(3) of such Code is amended by striking "(a)" each place it appears and inserting "(a)(1)(B)".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

Mr. REID. Mr. President, if I may have the attention of the Members, these 10-minute votes have been going much closer to 15, 16, or 17 minutes. At this late hour, I ask the Senators to stay in the Chamber or someplace nearby. We are having to vote long periods of time with people coming from offices and other places. We can do better and save a lot of time if we can vote within the 10-minute period.

AMENDMENT NO. 3818

The PRESIDING OFFICER. The question is on the Kennedy amendment No. 3848.

The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, we are talking about relief from the so-called marriage penalty in the Tax Code. But low-income married parents face a more serious marriage penalty under Medicaid. Under the current law, parents who are married lose their health coverage under Medicaid in some 14 States. In other States, they lose their health coverage under Medicaid if they work more than 100 hours a month. That is wrong.

Our answer to this problem is to provide States with the resources and authority to expand S-CHIP and Medicaid to the parents of the children who are covered under these programs. It is a sensible system. The President has paid for it in his budget. It provides needed relief from the health marriage and work penalty under Medicaid. I urge my colleagues to support it.

Mr. ROTH. Mr. President, the FamilyCare initiative prematurely doubles the size and scope of the new State Children's Health Insurance Program. S-CHIP has been enrolling children for less than 3 years—and it has not reached its goals in terms of covering eligible children. Let us make sure the S-CHIP model works before we expand it so dramatically.

In fact, Mr. President, it is worth noting that if the states want to extend coverage to parents, they may do so now under Medicaid waivers, or even under S-CHIP, if that coverage is "cost-effective".

In addition to program concerns, FamilyCare raises a fundamental question. Should parenthood be the driving factor in terms of eligibility for health insurance coverage? FamilyCare rewards parenthood and disadvantages working poor individuals who decide to postpone having families until they are better able to afford to raise a child.

Finally, this new initiative is extremely costly. We are talking about creating a new program with a cost of $50 billion over ten years—all without holding hearings on the bill and without any discussion of priorities.

Mr. President, I make a point of order that the Kennedy amendment is neither germane nor relevant to the reconciliation bill, it is in violation of 305(b)(2) of the Budget Act.

Mr. KENNEDY. Mr. President, pursuant to section 904 of the Congressional Budget Act of 1974, I move to waive the applicable sections of that act for the consideration of the pending amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arkansas (Mr. HUTCHINSON), is necessarily absent.

I further announce that the Senator from Georgia (Mr. COVERDELL) is absent due to illness.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 51, nays 47, as follows:

[Rollcall Vote No. 204 Leg.]

YEAS—51

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Bryan
Byrd
Chafee, L.
Cleland
Collins
Conrad
Daschle
DeWine
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Jeffords
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Snowe
Specter
Torricelli
Wellstone
Wyden

NAYS—47

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Cochran
Craig
Crapo
Domenici
Enzi
Fitzgerald
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchison
Inhofe
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

NOT VOTING—2

Coverdell
Hutchinson

The PRESIDING OFFICER. On this vote the yeas are 51, and the nays are 47. Three-fifths of the Senators present and voting, not having voted in the affirmative, the motion to waive the Budget Act is not agreed to. The amendment would add new subject matter to the bill and is therefore not germane. The point of order is sustained. The amendment falls.

Mr. ROTH. I move to reconsider the vote.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

### AMENDMENT NO. 3851 TO AMENDMENT NO. 3850

The PRESIDING OFFICER. The question is on agreeing to the Bond second-degree amendment to the Durbin amendment.

The Senator from Missouri.

Mr. BOND. Mr. President, it is not fair that a self-employed person cannot deduct 100 percent of health care costs when a large business can. A self-employed person is denied that deductibility, even though we have worked since 1995 when this body accepted my amendment at that time to increase the deductibility of insurance costs for the self-employed. Still, only 60 percent of the health insurance cost is deductible by the self-employed.

I have talked to a lot of these people. They cannot wait until 2003 when they will get 100-percent deductibility. My amendment says there is 100-percent deductibility this year and makes sure that the 5 million Americans in households headed by self-employed can get health care coverage, including 1.3 million children.

It also corrects a disparity in current law which says if a self-employed person is eligible for health coverage from another plan, a second job, or a spouse's plan, they cannot deduct. This says you can deduct so long as you do not participate in another health care plan.

I thank my colleagues on both sides and my colleague from Illinois.

I urge this body to accept the amendment.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. The Senator from Missouri has taken a very good amendment and made it even better. I hope Members will join in supporting the second-degree amendment by Senator BOND to my amendment, for the full deductibility of the health insurance premiums for the self-employed. I hope you will resist efforts, if we are successful, to remove this amendment at a later time.

The PRESIDING OFFICER. The question is on agreeing to the second-degree amendment.

The amendment (No. 3851) was agreed to.

Mr. BOND. I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

### AMENDMENT NO. 3850

The PRESIDING OFFICER. Who yields time on the first-degree amendment?

Mr. DURBIN. Mr. President, I yield back my time and ask for a favorable vote on the Durbin amendment, as amended.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as amended.

The amendment (No. 3850), as amended, was agreed to.

Mr. MOYNIHAN. I move to reconsider the vote.

Mr. BOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

### AMENDMENT NO. 3852

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. I have another amendment at the desk, which if I am not mistaken, is next in order on the list for consideration.

The PRESIDING OFFICER. The question is on amendment 3852.

The Senator from Illinois.

Mr. DURBIN. Mr. President, there are 44 million Americans without health insurance. Among uninsured workers, most of them work for small businesses. This amendment creates a tax credit for small businesses which will offer health insurance for their employees. The tax credits especially favor those businesses which have not offered it in the past. I think it is a good investment to help small businesses take care of their No. 1 concern: health insurance for the owners of the business, health insurance for the employees of the small business.

I urge my colleagues in the Senate to support this amendment.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I look at my colleague's amendment, and he says for health care we will make it a tax credit. That means it is more valuable than wages; that means it is more valuable than any other expenditure for an employer.

We passed several tax provisions to encourage employers and individuals to buy health care. We passed that with the Patients' Bill of Rights. We passed it with minimum wage. The amendment of my colleague from Illinois, in my opinion, is misdirected and very expensive. We have not had a hearing in the Finance Committee. I think it happens to be bad policy. It says for this type of expenditure, it is more important than any other that an employer would make.

I make a budget point of order under section 305 that it is in violation of the Budget Act.

Mr. DURBIN. Mr. President, pursuant to section 904 of the Congressional Budget Act of 1974, I move to waive the applicable sections of the act for consideration of the pending bill, and I seek the yeas and nays.

The PRESIDING OFFICER (Mr. SMITH of New Hampshire). Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Georgia (Mr. COVERDELL) is absent due to illness.

Mr. REID. I announce that the Senator from New Jersey (Mr. TORRICELLI) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 49, nays 49, as follows:

[Rollcall Vote No. 205 Leg.]

YEAS—49

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Bryan
Byrd
Chafee, L.
Cleland
Collins
Conrad
Daschle
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Jeffords
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Snowe
Specter
Wellstone
Wyden

NAYS—49

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Cochran
Craig
Crapo
DeWine
Domenici
Enzi
Fitzgerald
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

NOT VOTING—2

Coverdell
Torricelli

The PRESIDING OFFICER. On this vote, the yeas are 49, the nays are 49. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected. The amendment would add new subject matter to the bill and is, therefore, not germane. The point of order is satisfied. The amendment fails.

Mr. ROTH. Mr. President, I move to reconsider the vote.

Mr. BURNS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3853

The PRESIDING OFFICER. The next amendment is amendment No. 3853 offered by the Senator from Virginia, Mr. ROBB.

Mr. REID. Mr. President, will the Senator withhold for a moment? It is my understanding this is going to be the last vote tonight, is that correct, I ask the Chairman?

Mr. ROTH. Yes, that is correct.

Mr. REID. There are going to be some other votes that do not require rollcalls after this?

Mr. ROTH. Yes.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. ROBB. Mr. President, recognizing this is the last rollcall vote of the evening, I will not take the time of this Chamber. It is a very simple amendment. A majority of this body has already gone on record saying that we will make certain we pass a prescription drug benefit for seniors before we pass all of these other tax cuts. We passed a major tax cut on Friday. We are proposing to pass tomorrow morning another major tax cut.

All this amendment says is, before these tax cuts go into effect, we will have actually delivered on the promise to provide a prescription drug benefit.

I hope it will be the pleasure of this Senate to adopt this amendment and keep the faith with our seniors.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, this is an amendment that undermines, not advances, progress on two important issues. Its only effect will be to stop tax cuts for families while not advancing by a day Medicare reform that should include a prescription drug benefit. If anything, it slows down Medicare reform by politicizing the issue.

Prescription drugs should not be pitted against family tax cuts. We can and should be for both. The budget surplus allows for both. The budget passed by Congress allows for both and both are necessary policies, but they must first each be correctly thought through.

Now is the time to pass marriage tax relief, an issue on which we have been working for years. Now is the time to be working together on Medicare reform, as we are in the Finance Committee. Working together we can succeed on both policies. Seeking division we will fail on each. Notwithstanding any policy objections, the pending amendment offered by the Senator from Virginia is not germane to the underlying bill and would, therefore, result in a section 305(b)(2) point of order under the Budget Act. Therefore, I raise a point of order against the amendment pursuant to section 305(b)(2) of the Congressional Budget Act of 1974.

Mr. ROBB. Mr. President, pursuant to section 904 of the Congressional Budget Act of 1974, I move to waive the applicable sections of that act for the consideration of the pending amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Georgia (Mr. COVERDELL) is absent due to illness.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 49, nays 50, as follows:

[Rollcall Vote No. 206 Leg.]

YEAS—49

Abraham
Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Bryan
Byrd
Chafee, L.
Cleland
Conrad
Daschle
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Jeffords
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Schumer
Snowe
Specter
Wellstone
Wyden

NAYS—50

Allard
Ashcroft
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Cochran
Collins
Craig
Crapo
DeWine
Domenici
Enzi
Fitzgerald
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Stevens
Thomas
Thompson
Thurmond
Torricelli
Voinovich
Warner

NOT VOTING—1

Coverdell

The PRESIDING OFFICER. On this vote, the yeas are 49, the nays are 50. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected. The amendment makes provisions of this act contingent upon enactment of other legislation. Therefore, it is nongermane. The point of order is sustained and the amendment falls.

Mr. ROTH. Mr. President, I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENTS NOS. 3854, 3855, 3859, 3860, 3877, AND 3888

Mr. ROTH. Mr. President, I ask unanimous consent that the following amendments be agreed to en bloc, the motions to reconsider be laid upon the table, and any statements relating to the amendments be printed in the RECORD. The amendments are the following: Nos. 3854, 3855, 3859, 3860, 3877, and 3888.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments (Nos. 3854, 3855, 3859, 3860, 3877, and 3888) were agreed to.

AMENDMENT NO. 3859

Mr. CLELAND. Mr. President, The Cleland Savings Bond Tax-Exclusion for Long-Term Care Services Amendment would exclude United States savings bond income from being taxed if used to pay for long-term health care expenses. Current law provides an income exclusion for savings bond income used to pay for qualified higher education expenses. This amendment expands the tax code section 135 to allow the savings bond income exclusion for eligible long-term care expenses as well. This measure will assist individuals struggling to accommodate costs associated with many chronic medical conditions and the aging process. A staggering 5.8 million Americans are afflicted with the financial burdens of long-term care.

This legislation will assist families by:

Providing a tax exclusion for savings bonds used to pay for long-term care;

Allowing families to use their savings bond assets to face the dual challenge of paying for long-term care services and higher education expenses.

Thank you and I urge you to support this proposal to provide tax relief to Americans burdened by the financial constraints of providing long-term care and higher education expenses. I yield the floor.

### AMENDMENT NO. 3860

Mr. CLELAND. Mr. President, we have on the books today a special enhanced tax deduction for individuals and corporations which donate computers to our nation's elementary and secondary schools. This deduction—which helps to keep America on the cutting-edge in technology—is scheduled to expire at the end of the year. The amendment I am offering is twofold: it would extend this tax deduction for five years and it would expand it to include computer donations to public libraries and non-profit and governmental community centers as well.

My amendment will help to close the "digital divide" which exists in this country by providing a viable alternative for Americans who are being left behind because they do not have access in their homes to computer and Internet use. We know, for example, that Americans earning less than $20,000 who use the Internet outside the home are twice as likely to get their access through a public library or community center. And Americans who are not in the labor force, such as retirees or homemakers, are twice as likely to use public libraries for on-line access.

I urge my colleagues to support this amendment. It would extend a tax deduction which has proved invaluable in boosting efforts by individuals and companies to donate computer equipment and web access to our Nation's schools. And it will help to keep this Nation a leader in the global economy by helping to close the gap between the technological haves and the have nots.

### AMENDMENTS NOS. 3856, 3857, 3861, 3862, 3866, 3867, 3876, 3879, 3880, AND 3882 WITHDRAWN

Mr. ROTH. Mr. President, I further ask unanimous consent that the following amendments be withdrawn: Nos. 3856, 3857, 3861, 3862, 3866, 3867, 3876, 3879, 3880, and 3882.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that Senators DASCHLE and JOHNSON be added as cosponsors of the Dorgan amendment No. 3877.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that Senator JOHNSON be added as a cosponsor of the Moynihan amendment No. 3863.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, I want to make a few comments about the reconciliation bill before us containing marriage penalty tax relief.

This is an issue about fairness, Mr. President for around thirty years our Tax Code has been penalizing people just becuase they happen to be married. This is a perfect example of how broken our Tax Code is. Just like the earnings limitation that discriminated against older Americans, this unfiar Tax needs to be dumped. It took a Republican-led Congress to repeal the Social Security earnings limit.

And now, it's the same Republican-led Congress that's talking the lead in repealing the marriage penalty tax. We tried it a couple of months ago, but we were blocked by the Democratic side from passing the bill. Now, we're back under reconciliation instructions that prevent the other side from gridlocking the Senate.

Of course, the minority side wants you to believe they're all for getting rid of the marriage penalty tax. Of course, they had control of the Congress for decades and never once tried to repeal it.

What's worse, now they're using the old bait-and-switch routine. They say they're for this tax relief, but not until Social Security and Medicare are fixed.

We all know neither the administration nor the Democratic side have comprehensive proposals to fix Social Security and Medicare, so this is just a delyaing tactic to kill the bill so, they say they're for marriage penalty relief—but only sometime in the unknown future. That's Washington D.C. double-talk.

Delaying this tax relief really means no tax relief at all.

Mr. President, we've heard other misleading arguments that under the majority bill, married couples would get a tax cut, but single mothers with kids would not get one. However, an important part of our bill repeals the alternative minimum tax for over then million people. Many of those helped will be single mothers. But, guess what's even more interesting? The Democrat alternative bill is the bill that doesn't help single mothers at all.

In addition, it's important to note that the Democrat alternative discriminates against stay-at-home moms. That's right, the Democrat proposal only helps two earner couples. So, it not only doesn't helpt those single mothers the other side was crying crocodile tears over—it hurts those families where one partent decides to stay at home with the children.

I hope all of you stay-at-home parents out there listening understand what the Democratic alternative will do to them.

Mr. President, we're going to pass this tax relief measure anad send it to President Clinton.

This begs the question—where is the Clinton-Gore administration on providing this tax reljief to working Americans? Well, a few weeks ago, the administration offered to accept mariiage penalty tax relief for a Medicare prescription drug benefit. This is the same tax relief bill the Clinton-Gore administration and Democrats have been attacking and deriding for months. Now, they're saying, forget all those bad things we said, we're ready to deal.

This just shows the Clinton-Gore administration either doesn't have any principles, or they're willing to trade them to the highest bidder.

Of course, for years this administration has been saying they would work with Congress to save social security and medicare. But, here we are near the end of this administration, and it has no comprehensive plan to save either program. They're reduced to trying to salvage a legacy by creating a hugely expensive entitlement program that could end up draining the hard-earned surplus. This is a surplus earned bythe American people, not the Government, who wants to spend it all. Interestingly, a recent polly said that 60 percent of Americans credit American workers and businesse for our successful economy. Only 39 percent credit the administration, who would like you to believe they did it all.

I think the American people are finally figuring out the Clinton-Gore charade.

We're going to see more and more of these con-games as sthe Year winds down, and this tired, worn-out administration desperately tries to reshape its disappointing place in history.

Mr. President, the time for delay is over. The time for gridlock is over. Now is the time to pass this important tax relief measure, and I urge the members of this body to come together and do what's right, by passing this legislation.

Ms. SNOWE. Mr. President, I rise in strong support of H.R. 4810—legislation that would dramatically reduce one of the most insidious aspects of the tax code: the marriage penalty.

As my colleagues are aware, there are several primary causes of the "marriage penalty" within the tax code, including different tax rate schedules and different standard deductions for joint filers versus single filers.

In terms of the impact of these differing tax provisions, the marriage penalty is most pronounced for two-earner couples in which the husband and wife have nearly equal incomes. While this may not have been as noticeable in society 30 or 40 years ago, the demographic changes that have occurred since the 1960s—with more married women entering the workforce to help support their families—has led to a significant increase in the share of couples who suffer from the marriage penalty.

Make no mistake, the impact of the marriage penalty is severe. According to the Congressional Budget Office (CBO), 42% of married couples incur marriage penalties that average nearly $1,400.

When measured by income category, fully 12% of couples with incomes below $20,000 incurred a marriage penalty in 1996; 44% of couples with incomes of $20,000 to $50,000; and 55% of couples with incomes above $50,000.

In addition, according to CBO, empirical evidence suggests that the marriage penalty may affect work patterns, particularly for a couple's second earner. Specifically, because filing a joint return often imposes a substantially higher tax rate on a couple's second earner, the higher rate reduces the second earner's after-tax wage and may cause that individual to work fewer hours or not at all. As a result, economic efficiency is harmed in the overall economy.

Furthermore, while I would hope that the tax code would not be a factor in a couple's decision to marry or stay single, the simple fact is that a couple's tax status could worsen if married and could, therefore, impact a couple's decision to marry. Therefore, we should eliminate this potential barrier to marriage and ensure that couples make one of life's biggest decisions based on their values and beliefs—not on the federal tax code.

As a strong opponent of the marriage penalty, I am an original cosponsor of S. 15, legislation introduced by Senator HUTCHISON that eliminates the marriage penalty through a proposal known as "income splitting." Under this approach, a married couple would add up all their income and then split it in half. Each spouse would then file as a single individual and pay taxes on his or her half of the total income, with exemptions, deductions and credits being split evenly between the two spouses.

Last year, to advance this legislation or any other proposal that would provide marriage penalty relief, I offered an amendment during the markup of the FY 2000 budget resolution that ensured a significant reduction in—or the outright elimination of—the marriage penalty would be a central component of any tax cut package adopted during last year's reconciliation process.

Later that summer, in accordance with my budget amendment, the $792 billion tax cut reconciliation package that was passed by the Senate included such relief, as did the final House-Senate conference report. However, just as President Clinton vetoed the tax bill in 1995 that included marriage penalty relief, last year's tax bill was vetoed as well.

In an effort to address this issue outside a broader tax package, the House of Representatives passed legislation earlier this year—by a bipartisan vote of 268 to 158—that would reduce the marriage penalty. The Senate considered its version of the legislation in April, but a Democratic filibuster prevented us from bringing the bill to a final vote. Today, we are considering nearly identical legislation yet again, but—thanks to the budget reconciliation process—we are assured it will come to a final vote.

Mr. President, H.R. 4810 would dramatically reduce the marriage penalty by doubling the standard deduction for married couples relative to single filers; expanding the 15 percent and 28 percent income tax brackets for married couples to twice the size of the corresponding tax brackets for single filers; increasing the phase-out range of the Earned Income Credit for couples filing joint returns; and permanently exempting family tax credits from the individual Alternative Minimum Tax.

I am especially pleased that the legislation does not penalize families in which a spouse foregoes an income to raise children. Unfortunately, the proposal that is being espoused by the minority would do just that.

Specifically, by allowing married couples to file their taxes as if they were single, the substitute proposal would provide relief only to families in which both spouses have taxable incomes. As a result, if a spouse has no earned income by virtue of the fact that he or she is working at home to raise the family's children—but doesn't actually earn a salary for each of the myriad of tasks this profession entails—the couple would receive none of the benefits of the larger tax brackets or standard deduction that a single taxpayer currently receives because only one-half of the couple has an income to report.

I believe a spouse's decision to work outside the home and utilize daycare, or work at home to raise children, should be made with only the best interests of the family in mind—not the tax code. We should not take a significant step to eliminate the marriage penalty only to replace it with a "homemaker penalty"—and I'm pleased that H.R. 4810 ensures that the benefits it provides can be used by all couples, including those in which a spouse foregoes an income to raise a family.

It is my hope that, by considering this package of marriage penalty relief proposals as a stand-alone bill—and not as part of a broader, and potentially controversial, tax cut package—we will not only pass this legislation with strong bipartisan support, but ultimately send a bill to the President that he will sign for the benefit of all married couples.

The bottom line is that we should not condone or accept a tax code that penalizes married couples or discourages marriage, and this bill provides the Senate with the opportunity to correct this inequity in a straightforward manner.

Ultimately, the bill we are considering is not simply about providing the American people with a reasonable and rational tax cut—rather, it is about correcting a gross discrepancy in the tax code that unfairly impacts married couples. Accordingly, even though individual members of this body disagree on a wide variety of tax cuts policies, I would hope we would all agree that the act of marriage should not be penalized by the Internal Revenue Code—and would support S. 4810 accordingly.

Mr. CRAPO. Mr. President, I rise today to express my strong support for this pro-family, pro-economic growth legislation. It is unfortunate that government continues to burden its citizens with excessive and unfair taxation. Indeed, America's income tax system reduces freedom and economic growth. An embarrassing example of this inequity is the marriage penalty—essentially, a quirk in the income tax code that causes some married couples to be penalized and taxed at higher rates, simply because they marry.

The treatment of marriage provides an important example of why we need to support equity in the tax code. Consider that two couples who are exactly the same—except one is married and the other couple is not. A peculiar feature in our tax code is that these two couples may pay different taxes. Simply put, when a man and woman get married, their tax liability can rise and the federal government can take more of the married couple's money. This is a fundamental problem in the tax code. I believe in fairness and simplicity when it comes to taxes. A married couple should not pay more taxes than an unmarried couple with the same total income. This is poor policy.

Marriage neutrality is the principle that when two people get married, their total bill should not change. Unfortunately, the U.S. income tax is not marriage neutral. According to the Congressional Budget Office, almost half of all married couples—22 million—suffered from the marriage penalty last year. In my home state of Idaho, 129,710 couples were adversely affected because of this system. These married couples on average paid an extra $1,500 in income tax. Moreover, as women are working hard to achieve salary equity, it is unfortunate that as women approach income levels similar to their husbands, the marriage penalty increasingly kicks in and the federal government simply takes their money back.

Under this bill, beginning next year, Congress will restore marriage neutrality to the code. The Marriage Tax Penalty Relief Reconciliation Act will increase the standard deduction for married couples to approximately $8,800. This is twice the basic standard deduction for a single tax filer. The bill will also widen the 15 percent and 28 percent income tax brackets for married couples filing a joint return to twice the size of the corresponding rate brackets of single individuals. This is a commonsense solution to ending any disparity for married couples who find they are paying a penalty. Fortunately for them, the rules under which we are debating the Marriage Tax Penalty Relief Reconciliation Act will also shield senators from excess delay and we will have an up-or-down vote. True to the bill's name, we are here to reconcile an unfair tax provision that is counterproductive to our goal of equity and fairness.

Today, we have finally put an end to expensive entitlements and the reckless fiscal behavior that created large deficits in the 1970s, 1980s, and early 1990s. Indeed, the surging U.S. economy has produced an unprecedented tidal wave of federal tax receipts. This year, the country will see a $76 billion dollar surplus—over the next ten years the non-social security surplus is estimated at $1.9 trillion. This raises the question: when will the government start returning money to the people? With these surpluses there is no doubt that there is room for marriage tax relief and additional debt reduction. Therefore, we should seize this opportunity to return these surplus dollars, before the bureaucrats in town start spending them. If we do not, an opportunity to restore horizontal equity to the tax code will be lost, because surpluses—like we have today—will certainly invite an irresponsible flurry of new spending.

Americans have historically and consistently expressed their discontent for excessive and unfair taxation. I have stacks of letters in my office from honest and hard-working Idahoans who rightfully want to know where their tax cut is. Let us take this opportunity to return something to those American families who are married and working to support families and loved ones. Let us make good on our constituent promise by voting to eliminate the marriage tax penalty and let us give the President an opportunity to honor his State of the Union promise by signing this bill.

The federal tax code remains intrusive, overly complicated, and excessively burdensome. As part of my effort to bring tax relief to the American people, I have co-sponsored or voted for legislation to reduce the death tax, gas tax, beer tax, and telephone excise tax. Today, we have an opportunity to vote for a bill that I hope will have broad bipartisan support. Senators should be mindful of the opportunity to provide needed relief to married couples. Death and taxes are certainties in life. Let us vote to ensure that fairness is too. I urge my colleagues to support repeal of the marriage tax penalty. It is the right thing to do.

Mr. KYL. Mr. President, it was about two-and-a-half years ago that I came to the Senate floor to call on the Senate to repeal two of the most egregious and unfair taxes imposed by the nation's Tax Code: the steep taxes imposed on people when they get married and when they die. The good news is, for the second time in two years, the Senate has cleared legislation to repeal the death tax. And this week, for the third time, we will clear a measure to repeal the marriage penalty.

In 1995, Congress passed legislation that would have provided a tax credit to married couples to offset this penalty somewhat. President Clinton vetoed that bill.

In 1999, Congress again approved a measure to provide married couples with some relief. Last year's bill would have set the standard deduction for couples at twice the deduction allowed for singles. It would also have set the lowest income-tax bracket for married couples at twice that allowed for single taxpayers. President Clinton vetoed that measure last September.

According to the nonpartisan Tax Foundation, the total tax burden borne by American taxpayers dipped slightly in 1998. That is the good news. The bad news is that Americans still spent more on federal taxes than on any of the other major items in their household budgets. For the median-income, two-earner family, federal taxes still amounted to 39 percent of the family budget—more than what they spent on food, housing, and medical care combined. One of the reasons why they paid so much is the continuation of the marriage penalty that exists in the Nation's tax code.

According to the Congressional Budget Office, nearly half of all married taxpayers—about 21 million couples—filing a joint return paid a higher tax than they would have if each spouse had been allowed to file as a single taxpayer.

The marriage penalty hits the working poor particularly hard. Two-earner families making less than $20,000 often must devote a full eight percent of their income to pay the marriage penalty. Eight percent is an extraordinary amount for couples that count on every dollar to make ends meet.

Let me stop here and give an example of the marriage penalty at work. In this example, the penalty comes about because workers filing as single taxpayers get a higher standard deduction, and because income-tax bracket thresholds for married couples are lower than the threshold for singles. Consider a married couple in which each spouse earns about $30,000 a year. They would have paid $7,655 in federal income taxes last year. By comparison, two individuals earning the same amount, but filing single returns, would have paid only $6,892 between the two of them. That is a marriage penalty of $763.

The average penalty—average penalty—paid by couples is even higher than that—about $1,400 a year, according to the Congressional Budget Office. Think what families could do with an extra $1,400. They could pay for three or four months of day care if they choose to send a child outside the home—or make it easier for one parent to stay at home to take care of the children, if that is what they decide is best for them. They could make four or five payments on their car or minivan. They could pay their utility bill for nine months.

The bill before us is the most comprehensive effort yet to eliminate the marriage penalty. It would expand the standard deduction for married couples filing jointly; widen the tax brackets for such couples; and increase the income phase-outs for the earned income credit.

Unlike President Clinton's so-called relief bill, the plan Chairman ROTH brings to us today does not neglect married couples who choose to have one parent stay at home to raise the children. It gives them relief, and, in so doing, it lets them know we value the choice they have made to stay home and raise a family.

Unlike the Clinton plan, which would preserve the penalty for many couples, our plan would eliminate the marriage penalty in its entirety. Sure, that means the revenue loss associated with this legislation is greater than the President proposed, but the smaller cost of providing relief under the Clinton plan is also indicative of just how little it would do to solve the problem. We should not be stingy when attempting to ensure fairness in the tax code.

Passage of this legislation would continue the good progress we have made this year in making the tax code fairer. First, we passed the measure to repeal the Social Security earnings limitation, a tax that has unfairly penalized seniors for more than 60 years, simply because they wanted to earn some extra income to supplement their monthly retirement checks. That measure is now law.

Last week, we voted to eliminate the death tax, which unfairly taxes people simply because they die. We voted to substitute a capital-gains tax so that inherited assets are taxed at the appropriate time—when they are sold, and when income is actually realized.

Hopefully, the marriage-penalty repeal bill, like the death-tax repeal, will pass with a strong, bipartisan majority, and President Clinton will rethink his opposition and sign it when it reaches his desk.

We can debate the merits of any number of changes in the tax code: whether a flat tax is preferable to a sales tax; whether tax rates should be reduced across the board; or whether we should make the tax code more conducive to savings and investment. There are legitimate points to be made on both sides.

But when it comes to fairness, we need to do what is right. The marriage penalty, like the earnings limit and the death tax, is wrong, it is unfair, and it is time to put it to rest. I urge support for the marriage-penalty repeal bill.

Mr. BYRD. Mr. President, today the Senate will consider legislation to address the anomaly in the tax code known as the marriage penalty. The Senate will consider this legislation in light of recent budget projections that show a windfall in federal budget surpluses over the next ten years, and under expedited rules that will almost guarantee passage of some form of marriage penalty relief.

First, I am, as are many other Senators, concerned about the so-called marriage penalty. I can think of no reason why a married couple should have a higher tax liability simply because they have chosen to make a lifelong commitment together through the sacred bond of marriage. I doubt that any Senator would refute the assertion that the promotion of marriage and family stability benefits the nation at large. Indeed, the marriage bond as recognized in the Judaeo-Christian tradition, as well as in the legal codes of the world's most advanced societies, is a cornerstone on which societies build their morals and values. The Bible tells us in 1 Corinthians 7 to ". . . let every man have his own wife, and let every woman have her own husband. Let the husband render unto the wife due benevolence: and likewise also the wife unto the husband. The wife hath not power of her own body, but the husband: and likewise also the husband hath not power of his own body, but the wife. Defraud ye not one the other, except it be with consent for a time, that ye may give yourselves to fasting and prayer; and come together again, that Satan tempt you not for your incontinency." The institution of marriage was prized in the Bible, and likewise, by the ancient world in Rome, and more particularly, in Greece. "There is nothing nobler or more admirable than when two people who see eye to eye keep house as man and wife, confounding their enemies and delighting their friends," wrote Homer in The Odyssey (9th Century BC).

Our federal government has no official policy on marriage with respect to taxing or subsidizing the institution. Still, what can only be referred to as a quirk in the tax code causes some married couples to pay higher taxes than they would if they were single. I have always believed that the federal income tax code should, at the very least, be marriage neutral. Unfortunately, marriage neutrality has proven to be an elusive goal. The reason is that marriage neutrality is incompatible with a progressive tax system that allows for joint tax returns. When two single taxpayers are married, their incomes increase and can, in some cases, push the couple into a higher tax bracket than when they filed as separate singles. The opposite can also happen, where married couples find themselves in a lower tax bracket than when they were single.

Both the Republican and Democratic proposals before the Senate today attempt to balance the competing interests of progressive taxation, joint tax returns, and marriage neutrality in the best way possible. The Republican proposal, for example, reduces the marginal tax rates for married couples so that recently married couples would not be bumped up into a higher tax bracket. This would effectively eliminate the marriage penalty relating to marginal tax rates. The trade-off is that marriage bonuses, which occur when a married couple pay less in taxes than they would if they filed as two single taxpayers, would be increased.

While some Senators would argue that the Republican proposal is a tax giveaway to households that already receive favorable tax treatment because of marriage, marriage bonuses provide increased assistance for families who make the difficult choice to forgo a second income or career and for one parent to stay at home with their children. Families in this situation ought to be extended tax incentives just the same as those families with a limited income and a child in the child care system. Raising children to be responsible, caring, law-abiding adults is one of the most important tasks that any of us will ever undertake. As we can see daily from the steady stream of frightening newspaper headlines on schoolyard shootings and gang activities, it is also one of the hardest. The fabric of our society, the warp of family closeness and the woof of community, is torn and frayed. If a family makes the increasingly difficult choice to allow one parent to stay at home and focus on child rearing, then, frankly, I think we ought to make it easier for them to do so. We certainly should not make it harder, or more financially punitive! It is too important for the continued strength of our society. I am pleased that this bill takes this important step of recognizing the role of the stay-at-home parent by providing these families with a small amount of relief to assist with the costs of raising a child.

The Democratic proposal also attempts to balance the goals of joint tax entitles and progressive taxation with marriage neutrality. This proposal would allow married couples to calculate their income tax as either a married couple or as two singles, depending on which method would be less costly. The effect of this approach would be the elimination for eligible couples of all sixty-five marriage penalty provisions in the tax code, while maintaining the existing marriage bonuses.

Both proposals provide marriage penalty relief to families of all income levels. In the Republican proposal, lower-income families who receive the earned income tax credit would benefit from marriage penalty relief, while the elimination of the marriage penalty caused by the standard deduction would benefit middle-income households. The Democratic proposal, however, is more targeted to lower- and middle-income households because the marriage penalty relief is phased out for couples with an income above $150,000 per year.

But, make no mistake, both proposals, even in the glow of recent surplus projections, would be extremely expensive. The Republican proposal would cost $248 billion over ten years, and $39 billion per year thereafter. The Democratic proposal is slightly less expensive because of the income cap, but would still cost $54.2 billion over five years. My concern is not so much the cost of these proposals, because I think that the cost would be justified by the marriage incentives provided in each, but that marriage penalty relief could open the floodgates to other, more massive tax cuts. Most Senators are aware that the Office of Management and Budget announced during the week of June 26 that projected budget surpluses would exceed estimates made just four months ago by $1.3 trillion, and the Congressional Budget Office is close to releasing its projections that are likely to predict similar results. These new projections raise the estimate of surpluses that will be collected by the government over the next ten years (excluding Social Security) to $1.9 trillion, and, consequently, have fanned the furor for massive tax cuts.

These surplus projections can have an intoxicating effect, so much so that massive tax cuts seem suddenly affordable. What is forgotten is the fact that these surplus projections are highly volatile, and subject to dramatic change. Just since last year, these ten-year surplus projections have increased by almost $2 trillion. Some of that increase stemmed from an increase in tax revenues from the strong economy, but most resulted from simple changes in expectations about how well the economy would perform five and ten years out into the future. These expectations could easily change in the next few years so that, just as quickly as these surpluses appeared, they could disappear.

I think that it is unfortunate that higher-than-expected surpluses have paved the way for the enactment of massive tax cuts. The repeal of the estate tax, for example, which was recently passed by this body, if enacted into law, would cost $105 billion over ten years, and then $50 billion per year thereafter. No hearings were held on this proposal in the Senate. Little consideration was given to an alternative plan that would have been less costly and would have more expeditiously addressed the plight of farmers and small businesses by eliminating most from estate tax rolls. Little, if any, consideration was given to the negative effect that repealing the estate tax would have on charitable contributions, which are deductible from the gross value of an estate under current law. Yet, this body repealed the estate tax under the guise that it was necessary to protect small family farmers and businesses, when much less costly proposals might have done the job just as well.

Let us disabuse ourselves of the idea that all tax cuts are good policy because they are politically popular. They are not. It is easy to vote for tax cuts. It does not require courage. And, in the end, the American people will not thank us for acting in a fiscally irresponsible manner. As I have said on many occasions, while budget projections look rosy now, the future is fraught with peril as the baby-boomers exit the economy, and the Social Security and Medicare programs become unable, as presently structured, to pay full benefits to recipients. The Social Security and Medicare Board of Trustees projected last March that Social Security payroll taxes by themselves would not be enough to cover benefit payments by 2015, and that the Social Security trust fund would be insolvent by 2037. Likewise, the trustees projected that the Medicare Hospital Insurance trust fund would be insolvent by 2025.

While I support eliminating any marriage penalties that may exist in the tax code, my preference would be to delay enactment of these costly proposals until the long term solvency of Social Security and Medicare have been addressed. However, in order to meet the political deadline of the upcoming Party conventions, the Senate is acting on this legislation today, which is unfortunate.

I support marriage penalty relief, and I believe that both the Republican and Democratic proposals would provide substantial relief. However, I object to the fashion in which these proposals are being considered. As I said before, these proposals are extremely expensive. They should be debated in a way that would allow for many amendments and ample debate time. Unfortunately, they were brought up under reconciliation protections to avoid such restrictions. While the intent of the legislation may be worthwhile, I object to legislation being pushed through in this manner. The fast-track reconciliation procedures that were enacted in the Congressional Budget Act of 1974 were never intended to be used as a method to enact massive tax cuts that could not be passed without a thorough debate and amendment process. I know, because I helped to write the Congressional Budget Act of 1974, and it was never my contemplation that the reconciliation process would be used in this way and for these purposes—never! I would not have supported it. I would have voted against it.

In fact, I would have left some loopholes in the process that would have saved us from this spectacle every year, where tax legislation with wide-ranging ramifications on domestic and defense spending priorities that should be debated at great length and amended many times is rushed through this Chamber in order to fulfill a political party's agenda. Reconciliation has become a bear trap that cuts off senators from debate and ensures that legislation will be voted upon regardless of whether there has been ample debate. Reconciliation typically allows for only twenty hours of debate, equally divided between the two leaders, which can be yielded back by the leaders under a nondebatable motion. This year, the reconciliation bill will be voted upon after only two hours and twenty-two minutes of debate. Less than two and one-half hours on a measure that would cost $248 billion over ten years. We owe the American people the assurance that their representatives are enacting legislation that will substantively address the marriage penalty problem in the most cost-efficient method possible.

I spoke in April on marriage penalty relief and the majority party's insistence on pushing this particular legislation through the Senate. While I supported marriage penalty relief then, I still opposed cloture to end debate on the underlying bill to allow senators to offer amendments, debate those amendments, and then vote on those amendments. Incidentally, this legislation was withdrawn from the floor after the minority party insisted on these rights, which is why this marriage penalty relief bill is now being considered in this fashion, under reconciliation protection. I made remarks in April on the marriage penalty relief bill, and made reference to James Madison's ideas on popular government, and the irony of how pushing through marriage penalty relief based on the notion that it is politically popular represented Madison's most profound worries about the character of republican politics. A fear of impulsive and dangerous influence that runaway public opinion could exert over legislation lay at the core of his thinking in 1787 and 1788. Indeed, Madison searched for the proper mechanics for the safe expression of public opinion to prevent popular majorities from pursuing their purposes through means that wore away the bonds that might otherwise restrain them. I think it is also fair to say that Madison would have opposed legislating in this fashion, and the enactment of tax legislation under reconciliation instructions because it removes the bonds that ordinarily would prevent the majority party from pushing through legislation which happens to be the hot political issue of the moment. The Senate will learn one day the detrimental cost of legislating in this fashion.

Nonetheless, as I have said before, I will support both marriage penalty relief proposals in order to eliminate what can only be described as an unintended and unfair consequence of the income tax code. However, I do so with a certain degree of reluctance out of concern that my support would, in any way, be considered an endorsement of this style of legislating or that it would indicate my willingness to forsake fiscal responsibility relating to Social Security and Medicare in order to finance massive tax cuts.

Mr. ROTH. Mr. President, I ask unanimous consent that votes occur in relation to the following amendments in the following sequence, beginning immediately after the adoption of the Interior appropriations bill, with 2 minutes prior to each vote for explanation: Burns No. 3872, Hollings No. 3875, Lott No. 3881, final passage.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH. Mr. President, I further ask unanimous consent that following passage, the Senate insist on its amendment, request a conference with the House, and the Chair be authorized to appoint conferees on the part of the Senate, with those conferees being ROTH, LOTT, and MOYNIHAN.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH. Therefore, there will be no further votes, as already has been announced, this evening. Up to 11 votes will occur in a stacked sequence beginning at 9:45 a.m. on Tuesday.

## ORDER OF PROCEDURE

Mr. ROTH. Mr. President, I ask unanimous consent that the Senate now turn to the Interior appropriations bill and I be recognized to call up the managers' package of amendments which is at the desk, the amendments be reported and agreed to, the motions to reconsider be laid upon the table, and the Senate then turn to H.R. 4516, the legislative appropriations bill, for Senator BOXER to offer her amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

## DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2001—Continued

### AMENDMENTS NOS. 3778; 3779, AS MODIFIED; 3784, AS MODIFIED; 3786, AS MODIFIED; 3787, AS MODIFIED; 3788; 3789; 3891; 3892; 3893; 3894; 3895; 3896; 3897; 3898; 3899; 3900; 3901; 3902; 3903; 3904; 3905; 3906; 3907; AND 3908

The amendments, en bloc, were agreed to as follows:

### AMENDMENT NO. 3778

(Purpose: To designate funds for the United Sioux Tribes of South Dakota Development Corporation for the purpose of employment assistance)

On page 138, line 1, insert "; and of which not to exceed $108,000 shall be for payment to the United Sioux Tribes of South Dakota Development Corporation for the purpose of providing employment assistance to Indian clients of the Corporation, including employment counseling, follow-up services, housing services, community services, day care services, and subsistence to help Indian clients become fully employed members of society" before the colon.

### AMENDMENT NO. 3779 AS MODIFIED

On page 168, line 13, insert the following before the colon: ", of which $1,000,000 shall be for the acquisition of lands on the Pisgah National Forest and not to exceed $1,000,000 shall be for Forest Holdings".

### AMENDMENT NO. 3784 AS MODIFIED

(Purpose: To provide for the management of the Valles Caldera National Preserve)

On page 165, after line 18, add the following:

For an additional amount to cover necessary expenses for implementation of the Valles Caldera Preservation Act, $990,000, to remain available until expended, which shall be available to the Secretary for the management of the Valles Caldera National Preserve: *Provided*, That any remaining balances be provided to the Valles Caldera Trust upon its assumption of the management of the Preserve: *Provided further*, That the amount available in this bill to the Office of the Solicitor within the Department of the Interior shall not exceed $39,206,000.

### AMENDMENT NO. 3786 AS MODIFIED

(Purpose: To direct monies from the federal subsistence account to the State of Alaska to provide effective dual management under the federal subsistence fisheries program)

On page 170, line 3 insert before the period the following: ", *Provided*, That $750,000 shall be transferred to the State of Alaska Department of Fish and Game as a direct payment for administrative and policy coordination and an additional $250,000 shall be transferred to United Fishermen of Alaska as a direct payment".

### AMENDMENT NO. 3787 AS MODIFIED

(Purpose: To authorize the accrual of interest on escrow accounts established under section 1411 of the Alaska National Interest Lands Conservation Act and relating to re-withdrawn lands)

At the end of Title I, insert the following new section:

Sec. (a) All proceeds of Oil and Gas Lease sale 991, held by the Bureau of Land Management on May 5, 1999, or subsequent lease sales in the National Petroleum Reserve—Alaska within the area subject to withdrawal for Kuukpik Corporation's selection under section 22(j)(2) of the Alaska Native Claims Settlement Act, Public Law 92-203 (85 Stat. 688), shall be held in an escrow account administered under the terms of section 1411 of the Alaska National Interest Lands Conservation Act, Public Law 96-487 (94 Stat. 2371), without regard to whether a withdrawal for selection has been made, and paid to Arctic Slope Regional Corporation and the State of Alaska in the amount of their entitlement under law when determined, together with interest at the rate provided in the aforementioned section 1411, from the date of receipt of the proceeds by the United States to the date of payment. There is authorized to be appropriated such sums as are necessary to carry out the purposes of this section.

(b) This section shall be effective as of May 5, 1999.

### AMENDMENT NO. 3788

(Purpose: To provide a monies to the City of Craig, Alaska in lieu of municipal land entitlements authorized under the Alaska Statehood Act)

On page 168, line 18 insert before the period the following: "; *Provided further*, That of the amounts appropriated and available, the Secretary of Agriculture shall transfer as a direct payment to the City of Craig at least $5,000,000 but not to exceed $10,000,000 in lieu of any claims or municipal entitlement to land within the outside boundaries of the Tongass National Forest pursuant to section 6(a) of Public Law 85-508, the Alaska Statehood Act, as amended; Provided further, That should the directive in the preceding proviso conflict with any provision of existing law the preceding proviso shall prevail and take precedence".

### AMENDMENT NO. 3789

(Purpose: To provide for the relief of Harvey R. Redmond)

At the end of Title I insert the following new section:

"Sec. . Notwithstanding any other provision of law, the Secretary of the Interior shall covey to Harvey R. Redmond of Girdwood, Alaska, at no cost, all right, title, and interest of the United States in and to United States Survey No. 12192, Alaska, consisting of 49.96 acres located in the vicinity of T. 9N., R., 3E., Seward Meridian, Alaska.".

### AMENDMENT NO. 3891

On page 125, line 25, strike "58,209,000," and insert the following: "63,249,000, of which $1,000,000 shall be for the Lewes Maritime Historic Park".

### AMENDMENT NO. 3892

(Purpose: To provide funding to carry out exhibitions at and acquire interior furnishings for the Rosa Parks Library and Museum, Alabama, with an offset)

On page 125, line 25, before "of which" insert the following: "of which $1,000,000 shall be available to carry out exhibitions at and acquire interior furnishings for the Rosa Parks Library and Museum, Alabama, and".

### AMENDMENT NO. 3893

(Purpose: To provide funding for acquisition of land around the Bon Secour National Wildlife Refuge, Alabama, with an offset)

On page 122, line 9, before the period, insert the following: ", of which $1,000,000 shall be used for acquisition of land around the Bon Secour National Wildlife Refuge, Alabama, and of which not more than $6,500,000 shall be used for acquisition management".

### AMENDMENT NO. 3894

(Purpose: To set aside funding for the development of a preservation plan for Cane River National Heritage Area, Louisiana)

On page 125, line 25, after "$58,209,000," insert "of which not less than $500,000 shall be used to develop a preservation plan for the Cane River National Heritage Area, Louisiana, and".

### AMENDMENT NO. 3895

(Purpose: To set aside funding for the National Center for Preservation Technology and Training for the development of a model for heritage education through distance learning)

On page 126, line 2, before the period at the end, insert ", and of which $250,000 shall be available to the National Center for Preservation Technology and Training for the development of a model for heritage education through distance learning".

### AMENDMENT NO. 3896

On page 165, at the end of line 25 before the colon: "of which not less than $2,4000,000 shall be made available for fuels reduction activities at Sequoia National Monument".

### AMENDMENT NO. 3897

On page 215, line 24, strike "or" and insert "and", and on page 216, line 1, strike "at" and insert "of".

### AMENDMENT NO. 3898

(Purpose: To create a curriculum for the instruction of Federal Land Managers in Alaska on the contents and legislative history of the Alaska National Interest Lands Conservation Act)

At the end of Title III, add the following:

"Sec. . Of the funds appropriated in Title I of this Act, the Secretary shall provide $300,000 in the form of a grant to the Alaska Pacific University's Institute of the North for the development of a curriculum on the Alaska National Interest Lands Conservation Act (ANILCA). At a minimum this ANILCA curriculum should contain components which explain the law, its legislative history, the subsequent amendments, and the principal case studies on issues that have risen during 20 years of implementation of the Act; examine challenges faced by conservation system managers in implementing the Act; and link ANILCA to other significant land and resource laws governing Alaska's lands and resources. In addition, within the funds provided, Alaska Pacific University's Institute of the North shall gather the oral histories of key Members of Congress in 1980 and before to demonstrate the intent of Congress in fashioning ANILCA, as well as members of President Carter's and Alaska Governor Hammond's Administrations, Congressional staff and stakeholders who were involved in the creation of the Act."

### AMENDMENT NO. 3899

(Purpose: To set aside additional funding for the Roosevelt Campobello International Park Commission)

On page 125, line 25, after "$58,209,000", insert ", of which not less than $730,000 shall be available for use by the Roosevelt Campobello International Park Commission, and".

### AMENDMENT NO. 3900

At the end of Title I, add the following:

**"SEC. . CLARIFICATION OF TERMS OF CONVEYANCE TO NYE COUNTY, NEVADA.**

Section 132 of the Department of the Interior and Related Agencies Appropriations Act, 2000 (113 Stat. 1535, 1501A-165), is amended by striking paragraph (1) and inserting the following:

"(1) Conveyance.—

"(A) In general.—The Secretary shall convey to the County, subject to valid existing rights, all right, title, and interest in and to the parcels of public land described in paragraph (2).

"(B) Price.—The conveyance under paragraph (1) shall be made at a price determined to be appropriate for the conveyance of land for educational facilities under the Act of June 14, 1926 (commonly known as the "Recreation and Public Purposes Act") (43 U.S.C. 869 et seq.).".

AMENDMENT NO. 3901

On page 164, line 23 of the bill, immediately preceding the ":" insert "and of which not less than an additional **$500,000** shall be available for law enforcement purposes on the Pisgah and Nantahala national forests.".

AMENDMENT NO. 3902

On page 130, add the following after line 24: "For an additional amount for "Surveys, Investigations, and Research", **$1,800,000**, to remain available until expended, to repair or replace stream monitoring equipment and associated facilities damaged by natural disasters; *Provided*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended."

AMENDMENT NO. 3903

(Purpose: To provide that funding shall be available to complete an updated study of the New York-New Jersey highlands under this Forest Stewardship Act of 1990)

On page 164, line 14, before the period at the end insert ", of which not less than **$750,000** shall be available to complete an updated study of the New York-New Jersey highlands under section 1244(b) of the Food, Agriculture, Conservation, and Trade Act of 1990 (104 Stat. 3547)".

AMENDMENT NO. 3904

On page 125, line 11, strike "$1,443,795,000," and insert the following: "$1,443,995,000, of which **$200,000** shall be available for the conduct of a wilderness suitability study at Apostle Islands National Lakeshore, Wisconsin, and".

AMENDMENT NO. 3905

(Purpose: To set aside funding for the design and consideration of educational and informational displays for the Missouri Recreation Rivers Research and Education Center, Nebraska)

On page 126, line 22, before the period at the end, insert ": *Provided further*, That not less than **$2,350,000** shall be used for construction at Ponca State Park, Nebraska, including **$1,500,000** to be used for the design and construction of educational and informational displays for the Missouri Recreation Rivers Research and Education Center, Nebraska".

AMENDMENT NO. 3906

On page 159, strike lines 13 through 19 and insert the following:

"Sec. 119. None of the funds in this Act may be used to establish a new National Wildlife Refuge in the Kankakee River basin unless a plan for such a refuge is consistent with a partnership agreement between the Fish and Wildlife Service and the Army Corps of Engineers entered into on April 16, 1999 and is submitted to the House and Senate Committees on Appropriations thirty (30) days prior to the establishment of the refuge."

AMENDMENT NO. 3907

(Purpose: To help ensure general aviation aircraft access to Federal land and the airspace over that land)

On page 225, between lines 11 and 12, insert the following:

**SEC. 3 . BACKCOUNTRY LANDING STRIP ACCESS.**

(a) In General.—None of the funds made available by this Act shall be used to take any action to close permanently an aircraft landing strip described in subsection (b).

(b) Aircraft Landing Strips.—An aircraft landing strip referred to in subsection (a) is a landing strip on Federal land administered by the Secretary of the Interior or the Secretary of Agriculture that is commonly known and has been or is consistently used for aircraft landing and departure activities.

(c) Permanent Closure.—For the purposes of subsection (a), an aircraft landing strip shall be considered to be closed permanently if the intended duration of the closure is more than 180 days in any calendar year.

AMENDMENT NO. 3908

On page 130, line 4, strike "**$847,596,000**" and insert "**$846,596,000**";

On page 165, line 25, strike "**$618,500,000**" and insert "**$613,500,000**";

On page 164, line 19, strike "**$1,233,824,000**" and insert "**$1,231,824,000**".

## LEGISLATIVE BRANCH APPROPRIATIONS ACT, 2001

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of H.R. 4516, an act making appropriations for the legislative branch for the fiscal year ending September 30, 2001, and for other purposes.

The text of H.R. 4516 is amended with the text of S. 2603, as follows:

On page 2 after "Title 1 Congressional Operations" insert page 2, line 6 of S. 2603 through page 13, line 14

On page 8, line 8 of H.R. 4516, strike through line 12, page 23

Insert line 15, page 13 of S. 2603 through line.11, page 23

In H.R. 4516, strike line 17, page 23 through line 6, page 45

Insert line 12 page 23 of S. 2603 through line 17, page 76.

The amendments were agreed to.

The PRESIDING OFFICER. Under the previous order, the Senator from California, Mrs. Boxer, is recognized.

AMENDMENT NO. 3909

Mrs. BOXER. Mr. President, I will take but 2 minutes of the Senate's time, given that it is so late this evening.

I thank the managers of the legislative appropriations bill for accepting this amendment. I think the Chair would be interested in it as well, given the fact that he is the chairman of the Environment Committee on which I proudly serve.

This amendment merely says that we would limit the use of dangerous pesticide spraying here at the Capitol and on the Capitol Grounds where we have so many children and so many families visiting us every year. My amendment prohibits the routine use of highly toxic pesticides. Those are the ones that contain known or probable carcinogens. They are acute nerve toxins and others that contain highly toxic chemicals.

We do permit the spraying of such highly toxic chemicals in the rare case of an emergency. If there were a sudden emergency, if there were an outbreak where we needed to go to those highly toxic pesticides, under my amendment we would be allowed to do that. But for routine spraying, we would go to the mildest forms of these pesticides, the ones which are classified by the EPA as having the greatest risk to public health.

I could cite studies that show how vulnerable children are to these various compounds. Children are not little adults. They are changing; their bodies are changing. They react very badly to these toxic chemicals.

Seven to ten million people visit the Capitol and surrounding buildings every year. A million take guided tours of our historic buildings. We don't know how many of those are children, but just by looking at the crowds, quite a number are. I know in my office alone—and I am sure the Chair has thousands of youngsters visiting in his office—we studied it, and we have visits by over 33,000 school-age children every year. I think by adopting this amendment, we are setting a valuable example here at the Capitol that I hope all the State capitols will follow. We will begin to see that we can in fact control these pests in a way that is much more friendly to our children.

In closing, there is a wonderful organization in California named after a beautiful little child who died of environmental causes several years ago. Her parents founded this organization. It is called CHEC, the Children's Health Environmental Coalition. They are the ones, years ago, who got me interested in this area. What we are trying to do on every bill that we can is to set this example and say we won't be using this highly toxic form of controlling pests. Tomorrow I will have a debate with one of my colleagues on the other side of the aisle. I am trying to offer a similar amendment to the Interior bill, but we may get into a bit of a debate then.

Tonight is the night for me to say thank you to you, Mr. President, for your indulgence, and to the managers who are here late this evening handling this. I will yield back my time, and I expect we will have a voice vote and I would like to be present for that, if we could do that.

I yield back my time and ask that we have a voice vote at this time.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3909) was agreed to, as follows:

### AMENDMENT NO. 3909

(Purpose: limit funds for pesticide use)

At the appropriate place, insert the following:

"None of the funds appropriated under this Act may be used for the preventative application of a pesticide containing a known or probable carcinogen, a category I or II acute nerve toxin or a pesticide of the organophosphate, carbamate, or organochlorine class as determined by the U.S. Environmental Protection Agency to U.S. Capitol buildings or grounds maintained or administered by the Architect of the U.S. Capitol."

### PESTICIDES AMENDMENT

Mrs. BOXER. Mr. President, I want to thank the managers of the Legislative Branch Appropriations bill for agreeing to my amendment to limit the use of toxic pesticides on U.S. Capitol buildings and grounds. My amendment prohibits the preventive use of pesticides containing a known or probable carcinogen, a class I or II acute nerve toxin or a pesticide of the organophosphate, carbamate or organocholorine class as identified by the Environmental Protection Agency. Such pesticides could be used, however, in the case of an emergency.

Every year, approximately 7 to 10 million people visit the Capitol, many of them children. The National Academy of Sciences has found that children are particularly vulnerable to the harmful effects of toxic pesticides, that current Environmental Protection Agency pesticide standards are not protective of children and that up to 25% percent of childhood learning disabilities may be attributable to a combination of exposure to toxic chemicals like pesticides and genetic factors. My amendment will help protect young visitors to Washington from the harmful effects of toxic pesticides by limiting the use of such pesticides at the U.S. Capitol.

Mr. President, I thank the managers for their support and I hope that they will work to ensure that this amendment is preserved in conference. May I inquire of the distinguished Ranking Member of the Subcommittee if she will support the amendment in conference with the House?

Mrs. FEINSTEIN. I thank my colleague from California for her question. I assure her that I will work in conference to retain the Senator's amendment on pesticide use at the U.S. Capitol.

Mrs. BOXER. Mr. President, I move to reconsider the vote.

Mr. ROTH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The provisions of the unanimous consent agreement are executed.

The bill (H.R. 4516), as amended, was read the third time and passed, as follows:

*Resolved*, That the bill from the House of Representatives (H.R. 4516) entitled "An Act making appropriations for the Legislative Branch for the fiscal year ending September 30, 2001, and for other purposes.", do pass with the following amendments:

(1)Page 2, after line 5, insert:

### SENATE

### EXPENSE ALLOWANCES

*For expense allowances of the Vice President, $10,000; the President Pro Tempore of the Senate, $10,000; Majority Leader of the Senate, $10,000; Minority Leader of the Senate, $10,000; Majority Whip of the Senate, $5,000; Minority Whip of the Senate, $5,000; and Chairmen of the Majority and Minority Conference Committees, $3,000 for each Chairman; and Chairmen of the Majority and Minority Policy Committees, $3,000 for each Chairman; in all, $62,000.*

### REPRESENTATION ALLOWANCES FOR THE MAJORITY AND MINORITY LEADERS

*For representation allowances of the Majority and Minority Leaders of the Senate, $15,000 for each such Leader; in all, $30,000.*

### SALARIES, OFFICERS AND EMPLOYEES

*For compensation of officers, employees, and others as authorized by law, including agency contributions, $92,321,000, which shall be paid from this appropriation without regard to the below limitations, as follows:*

### OFFICE OF THE VICE PRESIDENT

*For the Office of the Vice President, $1,785,000.*

### OFFICE OF THE PRESIDENT PRO TEMPORE

*For the Office of the President Pro Tempore, $153,000.*

### OFFICES OF THE MAJORITY AND MINORITY LEADERS

*For Offices of the Majority and Minority Leaders, $2,742,000.*

### OFFICES OF THE MAJORITY AND MINORITY WHIPS

*For Offices of the Majority and Minority Whips, $1,722,000.*

### COMMITTEE ON APPROPRIATIONS

*For salaries of the Committee on Appropriations, $6,917,000.*

### CONFERENCE COMMITTEES

*For the Conference of the Majority and the Conference of the Minority, at rates of compensation to be fixed by the Chairman of each such committee, $1,152,000 for each such committee; in all, $2,304,000.*

### OFFICES OF THE SECRETARIES OF THE CONFERENCE OF THE MAJORITY AND THE CONFERENCE OF THE MINORITY

*For Offices of the Secretaries of the Conference of the Majority and the Conference of the Minority, $590,000.*

### POLICY COMMITTEES

*For salaries of the Majority Policy Committee and the Minority Policy Committee, $1,171,000 for each such committee; in all, $2,342,000.*

### OFFICE OF THE CHAPLAIN

*For Office of the Chaplain, $288,000.*

### OFFICE OF THE SECRETARY

*For Office of the Secretary, $14,738,000.*

### OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER

*For Office of the Sergeant at Arms and Doorkeeper, $34,811,000.*

### OFFICES OF THE SECRETARIES FOR THE MAJORITY AND MINORITY

*For Offices of the Secretary for the Majority and the Secretary for the Minority, $1,292,000.*

### AGENCY CONTRIBUTIONS AND RELATED EXPENSES

*For agency contributions for employee benefits, as authorized by law, and related expenses, $22,337,000.*

### OFFICE OF THE LEGISLATIVE COUNSEL OF THE SENATE

*For salaries and expenses of the Office of the Legislative Counsel of the Senate, $4,046,000.*

### OFFICE OF SENATE LEGAL COUNSEL

*For salaries and expenses of the Office of Senate Legal Counsel, $1,069,000.*

### EXPENSE ALLOWANCES OF THE SECRETARY OF THE SENATE, SERGEANT AT ARMS AND DOORKEEPER OF THE SENATE, AND SECRETARIES FOR THE MAJORITY AND MINORITY OF THE SENATE

*For expense allowances of the Secretary of the Senate, $3,000; Sergeant at Arms and Doorkeeper of the Senate, $3,000; Secretary for the Majority of the Senate, $3,000; Secretary for the Minority of the Senate, $3,000; in all, $12,000.*

### CONTINGENT EXPENSES OF THE SENATE

### INQUIRIES AND INVESTIGATIONS

*For expenses of inquiries and investigations ordered by the Senate, or conducted pursuant to section 134(a) of Public Law 601, Seventy-ninth Congress, as amended, section 112 of Public Law 96–304 and Senate Resolution 281, agreed to March 11, 1980, $73,000,000.*

### EXPENSES OF THE UNITED STATES SENATE CAUCUS ON INTERNATIONAL NARCOTICS CONTROL

*For expenses of the United States Senate Caucus on International Narcotics Control, $370,000.*

### SECRETARY OF THE SENATE

*For expenses of the Office of the Secretary of the Senate, $2,077,000.*

### SERGEANT AT ARMS AND DOORKEEPER OF THE SENATE

*For expenses of the Office of the Sergeant at Arms and Doorkeeper of the Senate, $71,261,000, of which $2,500,000 shall remain available until September 30, 2003.*

### MISCELLANEOUS ITEMS

*For miscellaneous items, $8,655,000.*

### SENATORS' OFFICIAL PERSONNEL AND OFFICE EXPENSE ACCOUNT

*For Senators' Official Personnel and Office Expense Account, $253,203,000.*

### OFFICIAL MAIL COSTS

*For expenses necessary for official mail costs of the Senate, $300,000.*

### ADMINISTRATIVE PROVISIONS

*SECTION 1. SEMIANNUAL REPORT. (a) IN GENERAL.—Section 105(a) of the Legislative Branch Appropriations Act, 1965 (2 U.S.C. 104a) is amended by adding at the end the following:*

*"(5)(A) Notwithstanding the requirements of paragraph (1) relating to the level of detail of statement and itemization, each report by the Secretary of the Senate required under such paragraph shall be compiled at a summary level for each office of the Senate authorized to obligate appropriated funds.*

*"(B) Subparagraph (A) shall not apply to the reporting of expenditures relating to personnel compensation, travel and transportation of persons, other contractual services, and acquisition of assets.*

*"(C) In carrying out this paragraph the Secretary of the Senate shall apply the Standard Federal Object Classification of Expenses as the Secretary determines appropriate.".*

*(b) EFFECTIVE DATE AND APPLICATION.—*

*(1) IN GENERAL.—Subject to paragraph (2), the amendment made by this section shall take effect on the date of enactment of this Act.*

*(2) FIRST REPORT AFTER ENACTMENT.—The Secretary of the Senate may elect to compile and submit the report for the semiannual period during which the date of enactment of this section occurs, as if the amendment made by this section had not been enacted.*

*SEC. 2. SENATE EMPLOYEE PAY ADJUSTMENTS. Section 4 of the Federal Pay Comparability Act of 1970 (2 U.S.C. 60a–1) is amended—*

*(1) in subsection (a)—*

*(A) by inserting "(or section 5304 or 5304a of such title, as applied to employees employed in the pay locality of the Washington, D.C.-Baltimore, Maryland consolidated metropolitan statistical area)" after "employees under section 5303 of title 5, United States Code,"; and*

*(B) by inserting "(and, as the case may be, section 5304 or 5304a of such title, as applied to employees employed in the pay locality of the Washington, D.C.-Baltimore, Maryland consolidated metropolitan statistical area)" after "the President under such section 5303";*

*(2) by redesignating subsection (e) as subsection (f); and*

*(3) by inserting after subsection (d) the following:*

*"(e) Any percentage used in any statute specifically providing for an adjustment in rates of pay in lieu of an adjustment made under section 5303 of title 5, United States Code, and, as the case may be, section 5304 or 5304a of such title for any calendar year shall be treated as the percentage used in an adjustment made under such section 5303, 5304, or 5304a, as applicable, for purposes of subsection (a).".*

*SEC. 3. (a) Section 6(c) of the Legislative Branch Appropriations Act, 1999 (2 U.S.C. 121b–1(c)) is amended—*

*(1) by striking "and agency contributions" in paragraph (2)(A), and*

*(2) by adding at the end the following:*

*"(3) Agency contributions for employees of Senate Hair Care Services shall be paid from the appropriations account for 'SALARIES, OFFICERS AND EMPLOYEES'."*

*(b) This section shall apply to pay periods beginning on or after October 1, 2000.*

*SEC. 4. (a) There is established in the Treasury of the United States a revolving fund to be known as the Senate Health and Fitness Facility Revolving Fund ("the revolving fund").*

*(b) The Architect of the Capitol shall deposit in the revolving fund—*

*(1) any amounts received as dues or other assessments for use of the Senate Health and Fitness Facility, and*

*(2) any amounts received from the operation of the Senate waste recycling program.*

*(c) Subject to the approval of the Committee on Appropriations of the Senate, amounts in the revolving fund shall be available to the Architect of the Capitol, without fiscal year limitation, for payment of costs of the Senate Health and Fitness Facility.*

*(d) The Architect of the Capitol shall withdraw from the revolving fund and deposit in the Treasury of the United States as miscellaneous receipts all moneys in the revolving fund that the Architect determines are in excess of the current and reasonably foreseeable needs of the Senate Health and Fitness Facility.*

*(e) Subject to the approval of the Committee on Rules and Administration of the Senate, the Architect of the Capitol may issue such regulations as may be necessary to carry out the provisions of this section.*

*SEC. 5. For each fiscal year (commencing with the fiscal year ending September 30, 2001), there is authorized an expense allowance for the Chairmen of the Majority and Minority Policy Committees which shall not exceed $3,000 each fiscal year for each such Chairman; and amounts from such allowance shall be paid to either of such Chairmen only as reimbursement for actual expenses incurred by him and upon certification and documentation of such expenses, and amounts so paid shall not be reported as income and shall not be allowed as a deduction under the Internal Revenue Code of 1986.*

*SEC. 6. (a) The head of the employing office of an employee of the Senate may, upon termination of employment of the employee, authorize payment of a lump sum for the accrued annual leave of that employee if—*

*(1) the head of the employing office—*

*(A) has approved a written leave policy authorizing employees to accrue leave and establishing the conditions upon which accrued leave may be paid; and*

*(B) submits written certification to the Financial Clerk of the Senate of the number of days of annual leave accrued by the employee for which payment is to be made under the written leave policy of the employing office; and*

*(2) there are sufficient funds to cover the lump sum payment.*

*(b)(1) A lump sum payment under this section shall not exceed the lesser of—*

*(A) twice the monthly rate of pay of the employee; or*

*(B) the product of the daily rate of pay of the employee and the number of days of accrued annual leave of the employee.*

*(2) The Secretary of the Senate shall determine the rates of pay of an employee under paragraph (1) (A) and (B) on the basis of the annual rate of pay of the employee in effect on the date of termination of employment.*

*(c) Any payment under this section shall be paid from the appropriation account or fund used to pay the employee.*

*(d) If an individual who received a lump sum payment under this section is reemployed as an employee of the Senate before the end of the period covered by the lump sum payment, the individual shall refund an amount equal to the applicable pay covering the period between the date of reemployment and the expiration of the lump sum period. Such amount shall be deposited to the appropriation account or fund used to pay the lump sum payment.*

*(e) The Committee on Rules and Administration of the Senate may prescribe regulations to carry out this section.*

*(f) In this section, the term—*

*(1) "employee of the Senate" means any employee whose pay is disbursed by the Secretary of the Senate, except that the term does not include a member of the Capitol Police or a civilian employee of the Capitol Police; and*

*(2) "head of the employing office" means any person with the final authority to appoint, hire, discharge, and set the terms, conditions, or privileges of the employment of an individual whose pay is disbursed by the Secretary of the Senate.*

*SEC. 7. (a) Agency contributions for employees whose salaries are disbursed by the Secretary of the Senate from the appropriations account "JOINT ECONOMIC COMMITTEE" under the heading "JOINT ITEMS" shall be paid from the Senate appropriations account for "SALARIES, OFFICERS AND EMPLOYEES".*

*(b) This section shall apply to pay periods beginning on or after October 1, 2000.*

*SEC. 8. Section 316(b) of Public Law 101–302 (40 U.S.C. 188b–6(b)) is amended by striking "shall" and inserting "may".*

(2)Page 8, strike out all after line 7, over to and including line 12 on page 23, and insert:

### *JOINT ITEMS*

*For Joint Committees, as follows:*

### *JOINT CONGRESSIONAL COMMITTEE ON INAUGURAL CEREMONIES OF 2001*

*For all construction expenses, salaries, and other expenses associated with conducting the inaugural ceremonies of the President and Vice President of the United States, January 20, 2001, in accordance with such program as may be adopted by the joint committee authorized by Senate Concurrent Resolution 89, agreed to March 2, 2000 (One Hundred Sixth Congress), and Senate Concurrent Resolution 90, agreed to March 2, 2000 (One Hundred Sixth Congress), $1,000,000 to be disbursed by the Secretary of the Senate and to remain available until September 30, 2001. Funds made available under this heading shall be available for payment, on a direct or reimbursable basis, whether incurred on, before, or after, October 1, 2000: Provided, That the compensation of any employee of the Committee on Rules and Administration of the Senate who has been designated to perform service for the Joint Congressional Committee on Inaugural Ceremonies shall continue to be paid by the Committee on Rules and Administration, but the account from which such staff member is paid may be reimbursed for the services of the staff member (including agency contributions when appropriate) out of funds made available under this heading.*

### *JOINT ECONOMIC COMMITTEE*

*For salaries and expenses of the Joint Economic Committee, $3,315,000, to be disbursed by the Secretary of the Senate.*

### *JOINT COMMITTEE ON TAXATION*

*For salaries and expenses of the Joint Committee on Taxation, $6,686,000, to be disbursed by the Chief Administrative Officer of the House.*

*For other joint items, as follows:*

### *OFFICE OF THE ATTENDING PHYSICIAN*

*For medical supplies, equipment, and contingent expenses of the emergency rooms, and for the Attending Physician and his assistants, including: (1) an allowance of $1,500 per month to the Attending Physician; (2) an allowance of $500 per month each to three medical officers while on duty in the Office of the Attending Physician; (3) an allowance of $500 per month to one assistant and $400 per month each not to exceed 11 assistants on the basis heretofore provided for such assistants; and (4) $1,159,904 for reimbursement to the Department of the Navy for expenses incurred for staff and equipment assigned to the Office of the Attending Physician, which shall be advanced and credited to the applicable appropriation or appropriations from which such salaries, allowances, and other expenses are payable and shall be available for all the purposes thereof, $1,835,000, to be disbursed by the Chief Administrative Officer of the House.*

### *CAPITOL POLICE BOARD*

### *CAPITOL POLICE*

#### *SALARIES*

*For the Capitol Police Board for salaries of officers, members, and employees of the Capitol Police, including overtime, hazardous duty pay differential, clothing allowance of not more than $600 each for members required to wear civilian attire, and Government contributions for health, retirement, Social Security, and other applicable employee benefits, $102,700,000, of which $51,350,000 is provided to the Sergeant at Arms of the House of Representatives, to be disbursed by the Chief Administrative Officer of the House, and $51,350,000 is provided to the Sergeant at Arms and Doorkeeper of the Senate, to be disbursed by the Secretary of the Senate: Provided, That, of the amounts appropriated under this heading, such amounts as may be necessary may be transferred between the Sergeant at Arms of the House of Representatives and the Sergeant at Arms and Doorkeeper of the Senate, upon approval of the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate.*

### GENERAL EXPENSES

*For the Capitol Police Board for necessary expenses of the Capitol Police, including motor vehicles, communications and other equipment, security equipment and installation, uniforms, weapons, supplies, materials, training, medical services, forensic services, stenographic services, personal and professional services, the employee assistance program, not more than $2,000 for the awards program, postage, telephone service, travel advances, relocation of instructor and liaison personnel for the Federal Law Enforcement Training Center, and $85 per month for extra services performed for the Capitol Police Board by an employee of the Sergeant at Arms of the Senate or the House of Representatives designated by the Chairman of the Board, $6,884,000, to be disbursed by the Capitol Police Board or their delegee: Provided, That, notwithstanding any other provision of law, the cost of basic training for the Capitol Police at the Federal Law Enforcement Training Center for fiscal year 2001 shall be paid by the Secretary of the Treasury from funds available to the Department of the Treasury.*

### ADMINISTRATIVE PROVISIONS

*SEC. 101. Amounts appropriated for fiscal year 2001 for the Capitol Police Board for the Capitol Police may be transferred between the headings "SALARIES" and "GENERAL EXPENSES" upon the approval of—*

*(1) the Committee on Appropriations of the House of Representatives, in the case of amounts transferred from the appropriation provided to the Sergeant at Arms of the House of Representatives under the heading "SALARIES";*

*(2) the Committee on Appropriations of the Senate, in the case of amounts transferred from the appropriation provided to the Sergeant at Arms and Doorkeeper of the Senate under the heading "SALARIES"; and*

*(3) the Committees on Appropriations of the Senate and the House of Representatives, in the case of other transfers.*

*SEC. 102. APPOINTMENT OF CERTIFYING OFFICERS OF THE CAPITOL POLICE. The Capitol Police Board shall appoint certifying officers to certify all vouchers for payment from Capitol Police appropriations and funds.*

*SEC. 103. CERTIFYING OFFICERS OF THE CAPITOL POLICE; ACCOUNTABILITY; RELIEF BY COMPTROLLER GENERAL. Each officer or employee of the Capitol Police, who has been duly authorized in writing by the Capitol Police Board to certify vouchers for payment from appropriations and funds, shall (1) be held responsible for the existence and correctness of the facts recited in the certificate or otherwise stated on the voucher or its supporting papers and for the legality of the proposed payment under the appropriation or fund involved; (2) be held responsible and accountable for the correctness of the computations of certified vouchers; and (3) be held accountable for and required to make good to the United States the amount of any illegal, improper, or incorrect payment resulting from any false, inaccurate, or misleading certificate made by him, as well as for any payment prohibited by law or which did not represent a legal obligation under the appropriation or fund involved: Provided, That the Comptroller General of the United States may, at his discretion, relieve such certifying officer or employee of liability for any payment otherwise proper whenever he finds (1) that the certification was based on official records and that such certifying officer or employee did not know, and by reasonable diligence and inquiry could not have ascertained, the actual facts, or (2) that the obligation was incurred in good faith, that the payment was not contrary to any statutory provision specifically prohibiting payments of the character involved, and the United States has received value for such payment.*

*SEC. 104. ENFORCEMENT OF LIABILITY OF CERTIFYING OFFICERS OF THE CAPITOL POLICE. The liability of these certifying officers or employees shall be enforced in the same manner and to the same extent as now provided by law with respect to enforcement of the liability of disbursing and other accountable officers; and they shall have the right to apply for and obtain a decision by the Comptroller General on any question of law involved in a payment on any vouchers presented to them for certification.*

### CAPITOL GUIDE SERVICE AND SPECIAL SERVICES OFFICE

*For salaries and expenses of the Capitol Guide Service and Special Services Office, $2,371,000, to be disbursed by the Secretary of the Senate: Provided, That no part of such amount may be used to employ more than 43 individuals: Provided further, That the Capitol Guide Board is authorized, during emergencies, to employ not more than two additional individuals for not more than 120 days each, and not more than 10 additional individuals for not more than 6 months each, for the Capitol Guide Service.*

### STATEMENTS OF APPROPRIATIONS

*For the preparation, under the direction of the Committees on Appropriations of the Senate and the House of Representatives, of the statements for the second session of the One Hundred Sixth Congress, showing appropriations made, indefinite appropriations, and contracts authorized, together with a chronological history of the regular appropriations bills as required by law, $30,000, to be paid to the persons designated by the chairmen of such committees to supervise the work.*

## OFFICE OF COMPLIANCE

### SALARIES AND EXPENSES

*For salaries and expenses of the Office of Compliance, as authorized by section 305 of the Congressional Accountability Act of 1995 (2 U.S.C. 1385), $2,066,000.*

## CONGRESSIONAL BUDGET OFFICE

### SALARIES AND EXPENSES

*For salaries and expenses necessary to carry out the provisions of the Congressional Budget Act of 1974 (Public Law 93–344), including not more than $2,500 to be expended on the certification of the Director of the Congressional Budget Office in connection with official representation and reception expenses, $27,113,000: Provided, That no part of such amount may be used for the purchase or hire of a passenger motor vehicle.*

### ADMINISTRATIVE PROVISION

*SEC. 105. Beginning on the date of enactment of this Act and hereafter, the Congressional Budget Office may use available funds to enter into contracts for the procurement of severable services for a period that begins in one fiscal year and ends in the next fiscal year and may enter into multi-year contracts for the acquisition of property and services, to the same extent as executive agencies under the authority of section 303L and 304B, respectively, of the Federal Property and Administrative Services Act (41 U.S.C. 253l and 254c).*

## ARCHITECT OF THE CAPITOL

### CAPITOL BUILDINGS AND GROUNDS

### CAPITOL BUILDINGS

### SALARIES AND EXPENSES

*For salaries for the Architect of the Capitol, the Assistant Architect of the Capitol, and other personal services, at rates of pay provided by law; for surveys and studies in connection with activities under the care of the Architect of the Capitol; for all necessary expenses for the maintenance, care and operation of the Capitol and electrical substations of the Senate and House office buildings under the jurisdiction of the Architect of the Capitol, including furnishings and office equipment, including not more than $1,000 for official reception and representation expenses, to be expended as the Architect of the Capitol may approve; for purchase or exchange, maintenance and operation of a passenger motor vehicle; and not to exceed $20,000 for attendance, when specifically authorized by the Architect of the Capitol, at meetings or conventions in connection with subjects related to work under the Architect of the Capitol, $44,191,000, of which $4,255,000 shall remain available until expended.*

### CAPITOL GROUNDS

*For all necessary expenses for care and improvement of grounds surrounding the Capitol, the Senate and House office buildings, and the Capitol Power Plant, $5,512,000, of which $225,000 shall remain available until expended.*

### SENATE OFFICE BUILDINGS

*For all necessary expenses for the maintenance, care and operation of Senate office buildings; and furniture and furnishings to be expended under the control and supervision of the Architect of the Capitol, $63,974,000, of which $21,669,000 shall remain available until expended.*

**(3)Page 23, strike out all after line 16, over to and including line 6 on page 45, and insert:**

### CAPITOL POWER PLANT

*For all necessary expenses for the maintenance, care and operation of the Capitol Power Plant; lighting, heating, power (including the purchase of electrical energy) and water and sewer services for the Capitol, Senate and House office buildings, Library of Congress buildings, and the grounds about the same, Botanic Garden, Senate garage, and air conditioning refrigeration not supplied from plants in any of such buildings; heating the Government Printing Office and Washington City Post Office, and heating and chilled water for air conditioning for the Supreme Court Building, the Union Station complex, the Thurgood Marshall Federal Judiciary Building and the Folger Shakespeare Library, expenses for which shall be advanced or reimbursed upon request of the Architect of the Capitol and amounts so received shall be deposited into the Treasury to the credit of this appropriation, $39,569,000, of which $523,000 shall remain available until expended: Provided, That not more than $4,400,000 of the funds credited or to be reimbursed to this appropriation as herein provided shall be available for obligation during fiscal year 2001.*

## LIBRARY OF CONGRESS

### CONGRESSIONAL RESEARCH SERVICE

### SALARIES AND EXPENSES

*For necessary expenses to carry out the provisions of section 203 of the Legislative Reorganization Act of 1946 (2 U.S.C. 166) and to revise and extend the Annotated Constitution of the United States of America, $73,374,000: Provided, That no part of such amount may be used to pay any salary or expense in connection with any publication, or preparation of material therefor (except the Digest of Public General Bills), to be issued by the Library of Congress unless such publication has obtained prior approval of either the Committee on House Administration of the House of Representatives or the Committee on Rules and Administration of the Senate.*

## GOVERNMENT PRINTING OFFICE

### CONGRESSIONAL PRINTING AND BINDING

*For authorized printing and binding for the Congress and the distribution of Congressional information in any format; printing and binding for the Architect of the Capitol; expenses necessary for preparing the semimonthly and session index to the Congressional Record, as authorized by law (44 U.S.C. 902); printing and* binding of Government publications authorized by law to be distributed to Members of Congress; and printing, binding, and distribution of Government publications authorized by law to be distributed without charge to the recipient, $73,297,000: Provided, That this appropriation shall not be available for paper copies of the permanent edition of the Congressional Record for individual Representatives, Resident Commissioners or Delegates authorized under 44 U.S.C. 906: Provided further, That this appropriation shall be available for the payment of obligations incurred under the appropriations for similar purposes for preceding fiscal years: Provided further, That notwithstanding the 2-year limitation under section 718 of title 44, United States Code, none of the funds appropriated or made available under this Act or any other Act for printing and binding and related services provided to Congress under chapter 7 of title 44, United States Code, may be expended to print a document, report, or publication after the 27-month period beginning on the date that such document, report, or publication is authorized by Congress to be printed, unless Congress reauthorizes such printing in accordance with section 718 of title 44, United States Code.

This title may be cited as the "Congressional Operations Appropriations Act, 2001".

## TITLE II—OTHER AGENCIES

### BOTANIC GARDEN

#### SALARIES AND EXPENSES

For all necessary expenses for the maintenance, care and operation of the Botanic Garden and the nurseries, buildings, grounds, and collections; and purchase and exchange, maintenance, repair, and operation of a passenger motor vehicle; all under the direction of the Joint Committee on the Library, $3,653,000, of which $150,000 shall remain available until expended.

### LIBRARY OF CONGRESS

#### SALARIES AND EXPENSES

For necessary expenses of the Library of Congress not otherwise provided for, including development and maintenance of the Union Catalogs; custody and custodial care of the Library buildings; special clothing; cleaning, laundering and repair of uniforms; preservation of motion pictures in the custody of the Library; operation and maintenance of the American Folklife Center in the Library; preparation and distribution of catalog records and other publications of the Library; hire or purchase of one passenger motor vehicle; and expenses of the Library of Congress Trust Fund Board not properly chargeable to the income of any trust fund held by the Board, $267,330,000, of which not more than $6,500,000 shall be derived from collections credited to this appropriation during fiscal year 2001, and shall remain available until expended, under the Act of June 28, 1902 (chapter 1301; 32 Stat. 480; 2 U.S.C. 150) and not more than $350,000 shall be derived from collections during fiscal year 2001 and shall remain available until expended for the development and maintenance of an international legal information database and activities related thereto: Provided, That the Library of Congress may not obligate or expend any funds derived from collections under the Act of June 28, 1902, in excess of the amount authorized for obligation or expenditure in appropriations Acts: Provided further, That the total amount available for obligation shall be reduced by the amount by which collections are less than the $6,850,000: Provided further, That of the total amount appropriated, $10,398,600 is to remain available until expended for acquisition of books, periodicals, newspapers, and all other materials including subscriptions for bibliographic services for the Library, including $40,000 to be available solely for the purchase, when specifically approved by the Librarian, of special and unique materials for additions to the collections: Provided further, That of the total amount appropriated, $2,506,000 is to remain available until expended for the acquisition and partial support for implementation of an Integrated Library System (ILS): Provided further, That of the total amount appropriated, $10,000,000 is to remain available until expended for salaries and expenses to carry out the Russian Leadership Program enacted on May 21, 1999 (113 STAT. 93 et seq.).

### COPYRIGHT OFFICE

#### SALARIES AND EXPENSES

For necessary expenses of the Copyright Office, $38,332,000, of which not more than $21,000,000, to remain available until expended, shall be derived from collections credited to this appropriation during fiscal year 2001 under 17 U.S.C. 708(d): Provided, That the Copyright Office may not obligate or expend any funds derived from collections under 17 U.S.C. 708(d), in excess of the amount authorized for obligation or expenditure in appropriations Acts: Provided further, That not more than $5,783,000 shall be derived from collections during fiscal year 2001 under 17 U.S.C. 111(d)(2), 119(b)(2), 802(h), and 1005: Provided further, That the total amount available for obligation shall be reduced by the amount by which collections are less than $26,783,000: Provided further, That not more than $100,000 of the amount appropriated is available for the maintenance of an "International Copyright Institute" in the Copyright Office of the Library of Congress for the purpose of training nationals of developing countries in intellectual property laws and policies: Provided further, That not more than $4,250 may be expended, on the certification of the Librarian of Congress, in connection with official representation and reception expenses for activities of the International Copyright Institute and for copyright delegations, visitors, and seminars.

### BOOKS FOR THE BLIND AND PHYSICALLY HANDICAPPED

#### SALARIES AND EXPENSES

For salaries and expenses to carry out the Act of March 3, 1931 (chapter 400; 46 Stat. 1487; 2 U.S.C. 135a), $48,711,000, of which $14,154,000 shall remain available until expended.

#### FURNITURE AND FURNISHINGS

For necessary expenses for the purchase, installation, maintenance, and repair of furniture, furnishings, office and library equipment, $4,892,000.

#### ADMINISTRATIVE PROVISIONS

SEC. 201. Appropriations in this Act available to the Library of Congress shall be available, in an amount of not more than $202,300, of which $60,500 is for the Congressional Research Service, when specifically authorized by the Librarian of Congress, for attendance at meetings concerned with the function or activity for which the appropriation is made.

SEC. 202. Appropriated funds received by the Library of Congress from other Federal agencies to cover general and administrative overhead costs generated by performing reimbursable work for other agencies under the authority of sections 1535 and 1536 of title 31, United States Code, shall not be used to employ more than 65 employees and may be expended or obligated—

(1) in the case of a reimbursement, only to such extent or in such amounts as are provided in appropriations Acts; or

(2) in the case of an advance payment, only—

(A) to pay for such general or administrative overhead costs as are attributable to the work performed for such agency; or

(B) to such extent or in such amounts as are provided in appropriations Acts, with respect to any purpose not allowable under subparagraph (A).

SEC. 203. Of the amounts appropriated to the Library of Congress in this Act, not more than $5,000 may be expended, on the certification of the Librarian of Congress, in connection with official representation and reception expenses for the incentive awards program.

SEC. 204. Of the amount appropriated to the Library of Congress in this Act, not more than $12,000 may be expended, on the certification of the Librarian of Congress, in connection with official representation and reception expenses for the Overseas Field Offices.

SEC. 205. (a) For fiscal year 2001, the obligational authority of the Library of Congress for the activities described in subsection (b) may not exceed $92,845,000.

(b) The activities referred to in subsection (a) are reimbursable and revolving fund activities that are funded from sources other than appropriations to the Library in appropriations Acts for the legislative branch.

SEC. 206. Section 1 of the Act entitled "An Act to authorize acquisition of certain real property for the Library of Congress, and for other purposes", approved December 15, 1997 (2 U.S.C. 141 note) is amended by adding at the end the following new subsection:

"(c) TRANSFER PAYMENT BY ARCHITECT.—Notwithstanding the limitation on reimbursement or transfer of funds under subsection (a) of this section, the Architect of the Capitol may, not later than 90 days after acquisition of the property under this section, transfer funds to the entity from which the property was acquired by the Architect of the Capitol. Such transfers may not exceed a total of $16,500,000.".

SEC. 207. The Librarian of Congress may convert to permanent positions 84 indefinite, time-limited positions in the National Digital Library Program authorized in the Legislative Branch Appropriations Act, 1996 for the Library of Congress under the heading, "Salaries and Expenses" (Public Law 104–53). Notwithstanding any other provision of law regarding qualifications and methods of appointment of employees of the Library of Congress, the Librarian may fill these permanent positions through the noncompetitive conversion of the incumbents in the "indefinite-not-to-exceed" positions to "permanent" positions.

### ARCHITECT OF THE CAPITOL

#### LIBRARY BUILDINGS AND GROUNDS

#### STRUCTURAL AND MECHANICAL CARE

For all necessary expenses for the mechanical and structural maintenance, care and operation of the Library buildings and grounds, $16,347,000, of which $5,000,000 shall remain available until expended.

### GOVERNMENT PRINTING OFFICE

#### OFFICE OF SUPERINTENDENT OF DOCUMENTS

#### SALARIES AND EXPENSES

For expenses of the Office of Superintendent of Documents necessary to provide for the cataloging and indexing of Government publications and their distribution to the public, Members of Congress, other Government agencies, and designated depository and international exchange libraries as authorized by law, $30,255,000: Provided, That travel expenses, including travel expenses of the Depository Library Council to the Public Printer, shall not exceed $175,000: Provided further, That amounts of not more than $2,000,000 from current year appropriations are authorized for producing and disseminating Congressional serial sets and other related publications for 1999 and 2000 to depository and other designated libraries.

#### GOVERNMENT PRINTING OFFICE REVOLVING FUND

The Government Printing Office is hereby authorized to make such expenditures, within the limits of funds available and in accord with the law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 9104 of title 31, United States Code, as may be necessary in carrying out the programs and purposes set forth in the budget for the current fiscal year for the Government Printing Office revolving fund: *Provided*, That not more than $2,500 may be expended on the certification of the Public Printer in connection with official representation and reception expenses: *Provided further*, That the revolving fund shall be available for the hire or purchase of not more than 12 passenger motor vehicles: *Provided further*, That expenditures in connection with travel expenses of the advisory councils to the Public Printer shall be deemed necessary to carry out the provisions of title 44, United States Code: *Provided further*, That the revolving fund shall be available for temporary or intermittent services under section 3109(b) of title 5, United States Code, but at rates for individuals not more than the daily equivalent of the annual rate of basic pay for level V of the Executive Schedule under section 5316 of such title: *Provided further*, That the revolving fund and the funds provided under the headings "OFFICE OF SUPERINTENDENT OF DOCUMENTS" and "SALARIES AND EXPENSES" together may not be available for the full-time equivalent employment of more than 3,285 workyears (or such other number of workyears as the Public Printer may request, subject to the approval of the Committees on Appropriations of the Senate and the House of Representatives): *Provided further*, That activities financed through the revolving fund may provide information in any format: *Provided further*, That the revolving fund shall not be used to administer any flexible or compressed work schedule which applies to any manager or supervisor in a position the grade or level of which is equal to or higher than GS–15: *Provided further*, That expenses for attendance at meetings shall not exceed $75,000.

### ADMINISTRATIVE PROVISION

SEC. 208. (a) Section 1708 of title 44, United States Code, is amended to read as follows:

**"§ 1708. Prices for sales copies of Government information products; resale by dealers; sales agents**

"(a) Sales prices for Government information products will be established by the Public Printer to cover the costs of production, dissemination, and other appropriate costs associated with this service, including the offering of sales discounts and any other costs associated with the Sales Program.

"(b) The Superintendent of Documents may prescribe terms and conditions under which he authorizes the resale of Government information products by book dealers, and he may designate any Government officer his agent for the sale of Government information products under regulations agreed upon by the Superintendent of Documents and the head of the respective department or establishment of the Government.".

(b) The table of sections for chapter 17, of title 44, United States Code, is amended by striking the item relating to section 1708 and inserting the following:

"1718. Prices for sales copies of Government information products; resale by dealers; sales agents.".

## GENERAL ACCOUNTING OFFICE

### SALARIES AND EXPENSES

For necessary expenses of the General Accounting Office, including not more than $7,000 to be expended on the certification of the Comptroller General of the United States in connection with official representation and reception expenses; temporary or intermittent services under section 3109(b) of title 5, United States Code, but at rates for individuals not more than the daily equivalent of the annual rate of basic pay for level IV of the Executive Schedule under section 5315 of such title; hire of one passenger motor vehicle; advance payments in foreign countries in accordance with section 3324 of title 31, United States Code; benefits comparable to those payable under sections 901(5), 901(6), and 901(8) of the Foreign Service Act of 1980 (22 U.S.C. 4081(5), 4081(6), and 4081(8)); and under regulations prescribed by the Comptroller General of the United States, rental of living quarters in foreign countries, $384,867,000: *Provided*, That not more than $1,900,000 of reimbursements received incident to the operation of the General Accounting Office building shall be available for use in fiscal year 2001: *Provided further*, That notwithstanding section 9105 of title 31, United States Code, hereafter amounts reimbursed to the Comptroller General pursuant to that section shall be deposited to the appropriation of the General Accounting Office then available and remain available until expended, and not more than $1,100,000 of such funds shall be available for use in fiscal year 2001: *Provided further*, That this appropriation and appropriations for administrative expenses of any other department or agency which is a member of the National Intergovernmental Audit Forum or a Regional Intergovernmental Audit Forum shall be available to finance an appropriate share of either Forum's costs as determined by the respective Forum, including necessary travel expenses of non-Federal participants. Payments hereunder to the Forum may be credited as reimbursements to any appropriation from which costs involved are initially financed: *Provided further*, That this appropriation and appropriations for administrative expenses of any other department or agency which is a member of the American Consortium on International Public Administration (ACIPA) shall be available to finance an appropriate share of ACIPA costs as determined by the ACIPA, including any expenses attributable to membership of ACIPA in the International Institute of Administrative Sciences.

### ADMINISTRATIVE PROVISIONS

SEC. 209. SENIOR LEVEL POSITIONS. (a) Subchapter III of chapter 7 of subtitle I of title 31, United States Code, is amended by inserting after section 732 the following:

**"§ 732a. Critical positions**

"The Comptroller General may establish senior-level positions to meet critical scientific, technical or professional needs of the Office from the positions authorized under sections 731(d), (e)(1), (e)(2), and 732(c)(4) of this title. An individual serving in such a position shall—

"(1) be subject to the laws and regulations applicable to the General Accounting Office Senior Executive Service established under section 733 of this title, with respect to rates of basic pay, performance awards, ranks, carry over of annual leave, benefits, performance appraisals, removal or suspension, and reduction in force;

"(2) have the same rights of appeal to the General Accounting Office Personnel Appeals Board that are provided to the General Accounting Office Senior Executive Service;

"(3) be exempt from the same provisions of law made inapplicable to the General Accounting Office Senior Executive Service under section 733(d) of this title, except for section 732(e) of this title;

"(4) be entitled to receive a discontinued service retirement under chapter 83 or 84 of title 5 as if a member of the General Accounting Office Senior Executive Service; and

"(5) be subject to reassignment by the Comptroller General to any Senior Executive Service position created under section 733 of this title as the Comptroller General determines necessary and appropriate.".

(b) The table of sections for chapter 7 of title 31, United States Code, is amended by inserting after the item relating to section 732 the following:

"732a. Critical positions.".

SEC. 210. REASSIGNMENT TO SENIOR LEVEL POSITIONS. Section 733(a) of title 31, United States Code, is amended—

(1) by striking "and" at the end of paragraph (6);

(2) by redesignating paragraph (7) as paragraph (8); and

(3) by inserting after paragraph (6) the following:

"(7) the Comptroller General may reassign a member of the Senior Executive Service to any senior-level position created under section 732a of this title as the Comptroller determines necessary and appropriate; and".

SEC. 211. EXPERTS AND CONSULTANTS. Section 731(e) of title 31, United States Code, is amended—

(1) by striking "not more than 3 years" in paragraph (1) and inserting "3-year renewable terms"; and

(2) by striking "level V" in paragraph (2) and inserting "level IV".

SEC. 212. VOLUNTARY EARLY RETIREMENT AUTHORITY. Section 732 of title 31, United States Code, is amended by adding at the end the following:

"(i)(1) An officer or employee of the General Accounting Office who is separated from the service under conditions described in paragraph (2) of this subsection after completing 25 years of service or after becoming 50 years of age and completing 20 years of service is entitled to an annuity in accordance with the provisions of chapter 83 or 84 of title 5, as applicable.

"(2) Paragraph (1) of this subsection applies to an officer or employee who—

"(A) has been employed continuously by the General Accounting Office for more than 30 days before the date on which the Comptroller General makes the determination required under subparagraph (D);

"(B) is serving under an appointment that is not limited by time;

"(C) has not received a decision notice of involuntary separation for misconduct or unacceptable performance that is pending decision; and

"(D) is separated from the service voluntarily during a period in which the Comptroller General offers the officer or employee an early retirement for the purpose of realigning the agency workforce in order to meet mission needs, correcting skill imbalances, or reducing high-grade, managerial, or supervisory positions.

"(3) For purposes of chapters 83 and 84 of title 5 (including for purposes of computation of an annuity under such chapters), an officer or employee entitled to an annuity under this subsection shall be treated as an employee entitled to an annuity under section 8336(d) or 8414(b) of such title, as applicable.

"(4) The Comptroller General shall promulgate regulations to implement paragraph (1) that provide for offers of early retirement to any individual employee or groups of employees based on skills, knowledge, performance, or other similar factors or combination of such factors determined by the Comptroller General.

"(5) As used in this subsection, the terms 'employee' and 'annuity' shall have the same meaning as defined in chapters 83 and 84 of title 5, as applicable. The term 'officer' shall have the same meaning as 'employee.'

"(6) The Comptroller General may not utilize the authority granted under this subsection to grant voluntary early retirements to more than 10 percent of the workforce of the General Accounting Office in any fiscal year.".

SEC. 213. SEPARATION PAY. Section 732 of title 31, United States Code, as amended by section

*212 of this Act, is amended by adding at the end the following:*

*"(j) The Comptroller General may offer separation pay to an officer or employee under this subsection subject to such limitations or conditions as the Comptroller General may require for purposes of realigning the workforce in order to meet mission needs, correcting skill imbalances, or reducing high-grade, managerial, or supervisory positions. Such separation pay—*

*"(1) shall be paid, at the option of the officer or employee, in a lump sum or equal installment payments;*

*"(2) shall be equal to the lesser of—*

*"(A) an amount equal to the amount the officer or employee would be entitled to receive under section 5595(c) of title 5 if the officer or employee were entitled to payment under such section; or*

*"(B) $25,000;*

*"(3) shall not be a basis for payment, and shall not be included in the computation, of any other type of Government benefit;*

*"(4) shall not be taken into account for purposes of determining the amount of any severance pay to which an individual may be entitled under section 5595 of title 5 based on any other separation;*

*"(5) shall only be paid to an officer or employee serving under an appointment without time limitation, who has been currently employed for a continuous period of at least 12 months, but does not include—*

*"(A) a reemployed annuitant under subchapter III of chapter 83 of title 5, chapter 84 of title 5, or another retirement system for employees of the Government; or*

*"(B) an officer or employee having a disability on the basis of which such officer or employee is or would be eligible for disability retirement under any of the retirement systems referred to in subparagraph (A);*

*"(6) shall terminate, upon reemployment in the Federal Government, during receipt of installment payments;*

*"(7) shall be repaid in its entirety upon reemployment in the Federal Government or working for any agency of the Government through personal services contract within 5 years after the date of the separation on which payment of the separation pay is based, except that—*

*"(A) if the employment is with an Executive agency, the Director of the Office of Personnel Management may, at the request of the head of the agency, waive the repayment if the individual involved possesses unique abilities and is the only qualified applicant available for the position;*

*"(B) if the employment is with an entity in the legislative branch, the head of the entity or the appointing official may waive the repayment if the individual involved possesses unique abilities and is the only qualified applicant available for the position;*

*"(C) if the employment is with the judicial branch, the Director of the Administrative Office of the United States Courts may waive the repayment if the individual involved possesses unique abilities and is the only qualified applicant available for the position; or*

*"(D) if the employment is without compensation, the appointing official may waive the repayment;*

*"(8) shall be paid under regulations providing that offers of separation pay shall be based on skills, knowledge, performance, or other similar factors or combination of such factors determined by the Comptroller General;*

*"(9) shall be paid upon the condition that the General Accounting Office remit to the Office of Personnel Management for deposit in the Treasury to the credit of the Civil Service Retirement and Disability Fund an amount equal to 45 percent of the final annual basic pay for each employee covered under subchapter III of chapter 83 or chapter 84 of title 5 to whom separation pay has been paid under this section and—*

*"(A) such remittance shall be in addition to any other payments which the General Accounting Office is required to make under subchapter III of chapter 83 or chapter 84 of title 5; and*

*"(B) for purposes of this paragraph the term 'final basic pay' with respect to an employee means the total amount of basic pay which would be payable for a year of service by such employee, computed using the employee's final rate of basic pay, and, if last serving on other than a full-time basis, with appropriate adjustment therefore;*

*"(10) shall not be paid to more than 5 percent of the workforce of the General Accounting Office in any fiscal year; and*

*"(11) shall be paid to employees under this section for a period of 5 years following the enactment of this section unless Congress renews the authority for an additional period of time.".*

*SEC. 214. REDUCTION IN FORCE. Section 732(h) of title 31, United States Code, is amended to read as follows:*

*"(h)(1) Notwithstanding the provisions of subchapter I of chapter 35 of title 5, the Comptroller General shall prescribe regulations for the release of officers and employees of the General Accounting Office in a reduction in force which is carried out for downsizing, realigning, or correcting skill imbalances. The regulations shall give effect to military preference and may take into account such other factors as skills, knowledge, and performance in such a manner and to such an extent as the Comptroller General determines necessary and appropriate.*

*"(2) Except as provided under paragraph (3), an employee may not be released, due to a reduction in force, unless such employee is given written notice at least 60 days before such employee is so released. Such notice shall include—*

*"(A) the personnel action to be taken with respect to the employee involved;*

*"(B) the effective date of the action;*

*"(C) a description of the procedures applicable in identifying employees for release;*

*"(D) the employee's ranking relative to other competing employees, and how that ranking was determined; and*

*"(E) a description of any appeal or other rights which may be available.*

*"(3) The Comptroller General may, in writing, shorten the period of advance notice required under paragraph (2) with respect to a particular reduction in force, if necessary because of circumstances not reasonably foreseeable, except that such period may not be less than 30 days.".*

*SEC. 215. ANNUAL REPORT. Section 719 of title 31, United States Code, is amended—*

*(1) in subsection (a)—*

*(A) in paragraph (1) by striking "and" after the semicolon;*

*(B) in paragraph (2) by striking the period and inserting "; and"; and*

*(C) by adding at the end the following:*

*"(3) appropriate legislative changes to sections 732(h), (i), and (j) of this title."; and*

*(2) in subsection (b)(1)—*

*(A) in subparagraph (B) by striking "and" after the semicolon;*

*(B) in subparagraph (C) by striking the period and inserting "; and"; and*

*(C) by adding at the end the following:*

*"(D) a description of the actions taken under sections 732 (h), (i), and (j) of this title, including information on the number of employees who received voluntary early retirements and separation pay under sections 732(i) and (j) and who were released under a reduction in force action under section 732(h), and an assessment of the effectiveness and usefulness of these human capital initiatives in achieving the agency's mission, meeting its performance goals, and fulfilling its strategic plan.".*

*SEC. 216. FIVE-YEAR ASSESSMENT. (a) Not later than 5 years after the date of the enactment of this Act, the Comptroller General shall submit to Congress a report concerning the implementation and effectiveness of sections 209 through 214 of this Act.*

*(b) The report under this section shall include—*

*(1) a summary of the portions of the annual reports required under sections 719(a)(3) and (b)(1)(D) of title 31, United States Code;*

*(2) recommendations for continuation of or legislative changes to sections 732(h), (i), and (j) of title 31, United States Code; and*

*(3) any assessments or recommendations of the General Accounting Office Personnel Appeals Board and interested employee groups or associations within the General Accounting Office.*

### *TITLE III—GENERAL PROVISIONS*

*SEC. 301. No part of the funds appropriated in this Act shall be used for the maintenance or care of private vehicles, except for emergency assistance and cleaning as may be provided under regulations relating to parking facilities for the House of Representatives issued by the Committee on House Administration and for the Senate issued by the Committee on Rules and Administration.*

*SEC. 302. No part of the funds appropriated in this Act shall remain available for obligation beyond fiscal year 2001 unless expressly so provided in this Act.*

*SEC. 303. Whenever in this Act any office or position not specifically established by the Legislative Pay Act of 1929 is appropriated for or the rate of compensation or designation of any office or position appropriated for is different from that specifically established by such Act, the rate of compensation and the designation in this Act shall be the permanent law with respect thereto: Provided, That the provisions in this Act for the various items of official expenses of Members, officers, and committees of the Senate and House of Representatives, and clerk hire for Senators and Members of the House of Representatives shall be the permanent law with respect thereto.*

*SEC. 304. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.*

*SEC. 305. (a) It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.*

*(b) In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.*

*(c) If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a "Made in America" inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, such person shall be ineligible to receive any contract or subcontract made with funds provided pursuant to this Act, pursuant to the debarment, suspension, and ineligibility procedures described in section 9.400 through 9.409 of title 48, Code of Federal Regulations.*

*SEC. 306. Such sums as may be necessary are appropriated to the account described in subsection (a) of section 415 of Public Law 104-1 to pay awards and settlements as authorized under such subsection.*

*SEC. 307. Amounts available for administrative expenses of any legislative branch entity which participates in the Legislative Branch Financial Managers Council (LBFMC) established by charter on March 26, 1996, shall be available to finance an appropriate share of LBFMC costs as determined by the LBFMC, except that the total LBFMC costs to be shared among all participating legislative branch entities (in such allocations among the entities as the entities may determine) may not exceed $252,000.*

*SEC. 308. Section 316 of Public Law 101–302 is amended in the first sentence of subsection (a) by striking "2000" and inserting "2001".*

*SEC. 309. RUSSIAN LEADERSHIP PROGRAM. Section 3011 of the 1999 Emergency Supplemental Appropriations Act (Public Law 106–31; 113 Stat. 93) is amended—*

*(1) by striking "fiscal years 1999 and 2000" in subsections (a)(1), (b)(4)(B), (d)(3), and (h)(1)(A) and inserting "fiscal years 2000 and 2001"; and*

*(2) by striking "2001" in subsection (a)(2), (e)(1), and (h)(1)(B) and inserting "2002".*

*SEC. 310. CAPITOL SECURITY CONSOLIDATION. (a) SHORT TITLE.—This section may be cited as the "Capitol Security Consolidation Act of 2000".*

*(b) DEFINITIONS.—In this section—*

*(1) the term "Act of August 4, 1950" means the Act entitled "An Act relating to the policing of the buildings and grounds of the Library of Congress", approved August 4, 1950 (2 U.S.C. 167 et seq.);*

*(2) the term "GPO police employee"—*

*(A) means an employee of the Government Printing Office designated to serve as a special policeman under section 317 of title 44, United States Code (as in effect immediately before the effective date of this section); and*

*(B) does not include any civilian employee performing support functions;*

*(3) the term "function" means any duty, obligation, power, authority, responsibility, right, privilege, activity, or program; and*

*(4) the term "LOC police employee"—*

*(A) means an employee of the Library of Congress designated as police under the first section of the Act of August 4, 1950 (2 U.S.C. 167) (as in effect immediately before the effective date of this section); and*

*(B) does not include any civilian employee performing support functions.*

*(c) TRANSFER OF PERSONNEL AND FUNCTIONS.—There are transferred to the United States Capitol Police—*

*(1) each LOC police employee and each GPO police employee;*

*(2) any—*

*(A) functions performed under section 317 of title 44, United States Code, and the first section and section 9 of the Act August 4, 1950 (2 U.S.C. 167) (as in effect immediately before the effective date of this section); and*

*(B) related functions designated in the applicable memorandum of understanding under subsection (h); and*

*(3) any civilian employee of the Library of Congress or the Government Printing Office who—*

*(A) performs security support functions; and*

*(B) is designated for transfer by the Chief of the Capitol Police in the applicable memorandum of understanding under subsection (h).*

*(d) MEMBERS OF CAPITOL POLICE.—Subject to subsection (e), each LOC police employee and GPO police employee transferred under subsection (c) shall be a member of the Capitol Police.*

*(e) QUALIFICATION DETERMINATIONS.—*

*(1) IN GENERAL.—Subsection (d) shall not apply to any individual who the Chief of the Capitol Police determines does not meet the qualifications required to be a member of the Capitol Police.*

*(2) AGE LIMITATION.—For purposes of this subsection, the Chief of the Capitol Police may waive the application to any individual of the maximum age limitation of 37 years for hiring a member of the Capitol Police.*

*(3) TRAINING.—During the 1-year period beginning on the date of enactment of this Act, the Capitol Police Board may waive any regulation, standard, guideline, or other limitation prescribed by the Capitol Police Board relating to the training of a member of the Capitol Police with respect to any LOC police employee or GPO police employee transferred under this section.*

*(4) APPLICATION FOR QUALIFICATION DETERMINATION.—Not later than October 1, 2000, any LOC police employee or GPO police employee who is transferred under this section may file an application for a qualification determination under this subsection with the Chief of the Capitol Police.*

*(f) TRANSITION PROVISIONS.—*

*(1) TRANSFER AND ALLOCATIONS OF APPROPRIATIONS.—The unexpended balances of appropriations, authorizations, allocations, and other funds employed, used, held, arising from, available to, or to be made available in connection with the functions transferred by this section shall be transferred to the appropriations accounts for the Capitol Police under the subheadings "SALARIES" and "GENERAL EXPENSES" under the heading "CAPITOL POLICE" under the heading "CAPITOL POLICE BOARD", as applicable. Funds for salaries shall be provided in equal amounts to the Sergeant at Arms and Doorkeeper of the Senate, to be disbursed by the Secretary of the Senate, and the Sergeant at Arms of the House of Representatives, to be disbursed by the Chief Administrative Officer of the House of Representatives. Unexpended funds transferred under this section shall be used only for the purposes for which the funds were originally authorized and appropriated.*

*(2) REORGANIZATION.—The Capitol Police Board is authorized to allocate or reallocate any function transferred under this section among members of the Capitol Police, and to establish, consolidate, alter, or discontinue such organizational entities in the Capitol Police as may be necessary or appropriate.*

*(3) INTERIM ASSIGNMENTS.—During the period beginning on October 1, 2000, through September 30, 2001, each LOC police employee or GPO police employee may perform any function transferred under subsection (c)(2), as applicable, under the direction of the Chief of the Capitol Police. Any such employee performing such functions who is not a member of the Capitol Police at the close of September 30, 2001, shall be separated from service at that time.*

*(4) HIGH RANKING LOC AND GPO POLICE OFFICERS.—The Capitol Police Board may reduce the rank of any LOC police employee or GPO police employee who holds the rank of lieutenant (or the equivalent of such rank) or higher immediately before the effective date of this section.*

*(5) NONREDUCTION IN PAY.—Except as provided under paragraph (3), the transfer of any employee under this section shall not cause that employee to be separated or reduced in pay before October 1, 2002.*

*(6) REFERENCES.—Reference in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or relating to the Librarian of Congress, the Public Printer, the Library of Congress, or the Government Printing Office with regard to functions transferred under this section, shall be deemed to refer to the Capitol Police Board.*

*(g) LOC AND GPO POLICE JURISDICTION.—*

*(1) LIBRARY OF CONGRESS.—*

*(A) DESIGNATION OF LOC POLICE EMPLOYEES.—The first section of the Act of August 4, 1950 (2 U.S.C. 167) is repealed.*

*(B) JURISDICTION OF LOC POLICE EMPLOYEES.—Section 9 of the Act of August 4, 1950 (2 U.S.C. 167h) is amended by striking "The police provided" through "Provided, That the" and inserting "The".*

*(C) REGULATIONS.—Section 7(a) of the Act of August 4, 1950 (2 U.S.C. 167f(a)) is amended by striking "the Librarian of Congress" and inserting "the Capitol Police Board, in consultation with the Librarian of Congress,".*

*(2) GOVERNMENT PRINTING OFFICE.—*

*(A) IN GENERAL.—Section 317 of title 44, United States Code, is amended to read as follows:*

***"§317. Protection of persons and property***

*"The Capitol Police shall protect persons and property in premises and adjacent areas occupied by or under the control of the Government Printing Office, in accordance with the Capitol Security Consolidation Act of 2000.".*

*(B) TECHNICAL AND CONFORMING AMENDMENT.—The table of contents for chapter 3 of title 44, United States Code, is amended by striking the item relating to section 317 and inserting the following:*

*"317. Protection of persons and property.".*

*(h) MEMORANDA OF UNDERSTANDING.—*

*(1) IN GENERAL.—Not later than October 1, 2000, the Chief of the Capitol Police shall enter into—*

*(A) a memorandum of understanding with the Librarian of Congress; and*

*(B) a memorandum of understanding with the Public Printer of the Government Printing Office*

*(2) CONTENT.—Each memorandum under paragraph (1) shall—*

*(A) provide for the performance of law enforcement functions relating to the Library of Congress or the Government Printing Office, as the case may be, by members of the Capitol Police;*

*(B) ensure that such members are under the direction of the Chief of the Capitol Police;*

*(C) designate the related functions transferred under subsection (c)(2);*

*(D)(i) provide for the interim assignment under subsection (f)(3) of any LOC police employee or GPO police employee, as the case may be;*

*(ii) coordinate the functions performed by such employees on interim assignments with members of the Capitol Police and civilian employees; and*

*(iii) ensure that such employees on interim assignments are under the direction of the Capitol Police;*

*(E) provide for—*

*(i) the designation of civilian employees of the Library of Congress or the Government Printing Office, as the case may be, for transfer under subsection (c)(3); and*

*(ii) the assignment of functions of such employees as civilian employees of the Capitol Police;*

*(F) provide for the coordination of any security-related functions performed by civilian employees of the Library of Congress or the Government Printing Office, as the case may be, with—*

*(i) law enforcement functions performed by members of the Capitol Police; and*

*(ii) any support functions performed by civilian employees of the Capitol Police;*

*(G) provide for procedures for determining rank and pay and providing necessary training for individuals transferred under this section;*

*(H) maintain or improve the public safety of the Library of Congress or the Government Printing Office, as the case may be; and*

*(I) provide for the efficient implementation of the transfer of employees and functions under this section.*

*(3) LIBRARY OF CONGRESS REGULATIONS.—The memorandum of understanding between the Chief of the Capitol Police and the Librarian of Congress shall provide for the enforcement of, and any modifications to, regulations prescribed under section 7 of the Act of August 4, 1950 (2 U.S.C. 167f).*

*(i) CAPITOL POLICE BOARD.—*

*(1) IN GENERAL.—Section 9 of the Act entitled "An Act to define the area of the United States Capitol Grounds, to regulate the use thereof, and for other purposes", approved July 31, 1946 (40 U.S.C. 212a) is amended by adding at the end the following:*

*"The Librarian of Congress and the Public Printer of the Government Printing Office shall be nonvoting ex officio members of the Capitol Police Board.".*

*(2) EFFECTIVE DATE.—This subsection shall take effect with respect to the Librarian of Congress and the Public Printer of the Government Printing Office on the date on which the applicable officer signs the memorandum of understanding described under subsection (h), respectively.*

*(j) RETIREMENT BENEFITS.—*

*(1) SERVICE DEEMED TO BE SERVICE AS CAPITOL POLICE.—Any period of service performed by an individual as a LOC police employee or a GPO police employee (including any period of service performed by that individual on interim assignment under subsection (f)(3)) shall be deemed to be service performed as a member of the Capitol Police for purposes of chapters 83 and 84 of title 5, United States Code, if—*

*(A) the individual becomes a member of the Capitol Police under this section;*

*(B) not later than 90 days after the date of the qualification determination under subsection (e), the individual makes an election to be covered under this paragraph; and*

*(C) the individual makes the payment under paragraph (2).*

*(2) EMPLOYEE CONTRIBUTIONS.—An individual who makes an election under paragraph (1)(A) to be covered under that paragraph shall pay an amount determined by the Office of Personnel Management equal to—*

*(A) the difference between—*

*(i) the amount deducted and withheld from basic pay under chapters 83 and 84 of title 5, United States Code, for the period of service described under paragraph (1); and*

*(ii) the amount that would have been deducted and withheld during that period, if service during that period had been performed as a member of the Capitol Police; and*

*(B) interest as prescribed under section 8334(e) of title 5, United States Code, based on the amount determined under subparagraph (A).*

*(3) AGENCY CONTRIBUTIONS.—The Capitol Police shall pay an amount for applicable agency contributions based on payments made under paragraph (2).*

*(4) DEPOSIT OF PAYMENTS.—Payments under paragraphs (2) and (3) shall be deposited in the Civil Service Retirement and Disability Fund.*

*(5) AGE LIMITATION.—During the period beginning on October 1, 2000, through September 30, 2002, sections 8335(d) and 8425(c) of title 5, United States Code, shall not apply to any individual who becomes a member of the Capitol Police under this section (including an individual who makes an election under paragraph (1)(A) of this subsection to be covered under that paragraph).*

*(6) REGULATIONS.—After consultation with the Capitol Police Board, the Office of Personnel Management shall prescribe regulations to carry out this subsection, including regulations relating to employee contributions under paragraph (2) that are similar to regulations under section 8334 of title 5, United States Code.*

*(k) LEAVE.—Any annual or sick leave to the credit of an individual transferred under this section may be transferred to the credit of that individual as a member of the Capitol Police as determined by the Capitol Police Board.*

*(l) EFFECTIVE DATE.—*

*(1) IN GENERAL.—Except as otherwise provided in this section, this section and the amendments made by this section shall take effect on October 1, 2000.*

*(2) DATE OF ENACTMENT.—Subsections (e) and (h) shall take effect on the date of enactment of this Act.*

*SEC. 311. (a)(1) Any State may request the Joint Committee on the Library of Congress to approve the replacement of a statue the State has provided for display in Statuary Hall in the Capitol of the United States under section 1814 of the Revised Statutes (40 U.S.C. 187).*

*(2) A request shall be considered under paragraph (1) only if—*

*(A) the request has been approved by a resolution adopted by the legislature of the State and the request has been approved by the Governor of the State, and*

*(B) the statue to be replaced has been displayed in the Capitol of the United States for at least 25 years as of the time the request is made.*

*(b) If the Joint Committee on the Library of Congress approves a request under subsection (a), the Architect of the Capitol shall enter into an agreement with the State to carry out the replacement in accordance with the request and any conditions the Joint Committee may require for its approval. Such agreement shall provide that—*

*(1) the new statue shall be subject to the same conditions and restrictions as apply to any statue provided by a State under section 1814 of the Revised Statutes (40 U.S.C. 187), and*

*(2) the State shall pay any costs related to the replacement, including costs in connection with the design, construction, transportation, and placement of the new statue, the removal and transportation of the statue being replaced, and any unveiling ceremony.*

*(c) Nothing in this section shall be interpreted to permit a State to have more than 2 statues on display in the Capitol of the United States.*

*(d)(1) The Joint Committee on the Library of Congress may approve the transfer to a State of the ownership of any statue being replaced under this section if the State includes a request for the approval of such transfer at the same time a request is made under subsection (a).*

*(2) If any statue is removed from the Capitol of the United States as part of a transfer of ownership under paragraph (1), then it may not be returned to the Capitol for display unless such display is specifically authorized by Federal law.*

### *ADMINISTRATIVE PROVISION*

*SEC. 312. (a) Section 201 of the Legislative Branch Appropriations Act, 1993 (40 U.S.C. 216c note) is amended by striking "$10,000,000" each place it appears and inserting "$14,500,000".*

*(b) Section 201 of such Act is amended—*

*(1) by inserting "(a)" before "Pursuant", and*

*(2) by adding at the end the following:*

*"(b) The Architect of the Capitol is authorized to solicit, receive, accept, and hold amounts under section 307E(a)(2) of the Legislative Branch Appropriations Act, 1989 (40 U.S.C. 216c(a)(2)) in excess of the $14,500,000 authorized under subsection (a), but such amounts (and any interest thereon) shall not be expended by the Architect without approval in appropriation Acts as required under section 307E(b)(3) of such Act (40 U.S.C. 216c(b)(3)).".*

*SEC. 313. CENTER FOR RUSSIAN LEADERSHIP DEVELOPMENT. (a) ESTABLISHMENT.—*

*(1) IN GENERAL.—There is established in the legislative branch of the Government a center to be known as the "Center for Russian Leadership Development" (the "Center").*

*(2) BOARD OF TRUSTEES.—The Center shall be subject to the supervision and direction of a Board of Trustees which shall be composed of 9 members as follows:*

*(A) 2 members appointed by the Speaker of the House of Representatives, 1 of whom shall be designated by the Majority Leader of the House of Representatives and 1 of whom shall be designated by the Minority Leader of the House of Representatives.*

*(B) 2 members appointed by the President pro tempore of the Senate, 1 of whom shall be designated by the Majority Leader of the Senate and 1 of whom shall be designated by the Minority Leader of the Senate.*

*(C) The Librarian of Congress.*

*(D) 4 private individuals with interests in improving United States and Russian relations, designated by the Librarian of Congress.*

*Each member appointed under this paragraph shall serve for a term of 3 years. Any vacancy shall be filled in the same manner as the original appointment and the individual so appointed shall serve for the remainder of the term. Members of the Board shall serve without pay, but shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of their duties.*

*(b) PURPOSE AND AUTHORITY OF THE CENTER.—*

*(1) PURPOSE.—The purpose of the Center is to establish, in accordance with the provisions of paragraph (2), a program to enable emerging political leaders of Russia at all levels of government to gain significant, firsthand exposure to the American free market economic system and the operation of American democratic institutions through visits to governments and communities at comparable levels in the United States.*

*(2) GRANT PROGRAM.—Subject to the provisions of paragraphs (3) and (4), the Center shall establish a program under which the Center annually awards grants to government or community organizations in the United States that seek to establish programs under which those organizations will host Russian nationals who are emerging political leaders at any level of government.*

*(3) RESTRICTIONS.—*

*(A) DURATION.—The period of stay in the United States for any individual supported with grant funds under the program shall not exceed 30 days.*

*(B) LIMITATION.—The number of individuals supported with grant funds under the program shall not exceed 3,000 in any fiscal year.*

*(C) USE OF FUNDS.—Grant funds under the program shall be used to pay—*

*(i) the costs and expenses incurred by each program participant in traveling between Russia and the United States and in traveling within the United States;*

*(ii) the costs of providing lodging in the United States to each program participant, whether in public accommodations or in private homes; and*

*(iii) such additional administrative expenses incurred by organizations in carrying out the program as the Center may prescribe.*

*(4) APPLICATION.—*

*(A) IN GENERAL.—Each organization in the United States desiring a grant under this section shall submit an application to the Center at such time, in such manner, and accompanied by such information as the Center may reasonably require.*

*(B) CONTENTS.—Each application submitted pursuant to subparagraph (A) shall—*

*(i) describe the activities for which assistance under this section is sought;*

*(ii) include the number of program participants to be supported;*

*(iii) describe the qualifications of the individuals who will be participating in the program; and*

*(iv) provide such additional assurances as the Center determines to be essential to ensure compliance with the requirements of this section.*

*(c) ESTABLISHMENT OF FUND.—*

*(1) IN GENERAL.—There is established in the Treasury of the United States a trust fund to be known as the "Russian Leadership Development Center Trust Fund" (the "Fund") which shall consist of amounts which may be appropriated, credited, or transferred to it under this section.*

*(2) DONATIONS.—Any money or other property donated, bequeathed, or devised to the Center under the authority of this section shall be credited to the Fund.*

*(3) FUND MANAGEMENT.—*

*(A) IN GENERAL.—The provisions of subsections (b), (c), and (d) of section 116 of the Legislative Branch Appropriations Act, 1989 (2 U.S.C. 1105 (b), (c), and (d)), and the provisions of section 117(b) of such Act (2 U.S.C. 1106(b)), shall apply to the Fund.*

*(B) EXPENDITURES.—The Secretary of the Treasury is authorized to pay to the Center from amounts in the Fund such sums as the Board of Trustees of the Center determines are necessary and appropriate to enable the Center to carry out the provisions of this section.*

*(d) EXECUTIVE DIRECTOR.—The Board shall appoint an Executive Director who shall be the chief executive officer of the Center and who shall carry out the functions of the Center subject to the supervision and direction of the Board of Trustees. The Executive Director of the Center shall be compensated at the annual rate specified by the Board, but in no event shall such rate exceed level III of the Executive Schedule under section 5314 of title 5, United States Code.*

*(e) ADMINISTRATIVE PROVISIONS.—*

*(1) IN GENERAL.—The provisions of section 119 of the Legislative Branch Appropriations Act, 1989 (2 U.S.C. 1108) shall apply to the Center.*

*(2) SUPPORT PROVIDED BY LIBRARY OF CONGRESS.—The Library of Congress may disburse funds appropriated to the Center, compute and disburse the basic pay for all personnel of the Center, provide administrative, legal, financial management, and other appropriate services to the Center, and collect from the Fund the full costs of providing services under this paragraph, as provided under an agreement for services ordered under sections 1535 and 1536 of title 31, United States Code.*

*(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.*

*(g) TRANSFER OF FUNDS.—Any amounts appropriated for use in the program established under section 3011 of the 1999 Emergency Supplemental Appropriations Act (Public Law 106–31; 113 Stat. 93) shall be transferred to the Fund and shall remain available without fiscal year limitation.*

*(h) EFFECTIVE DATES.—*

*(1) IN GENERAL.—This section shall take effect on the date of enactment of this Act.*

*(2) TRANSFER.—Subsection (g) shall only apply to amounts which remain unexpended on and after the date the Board of Trustees of the Center certifies to the Librarian of Congress that grants are ready to be made under the program established under this section.*

*SEC. 314. SENSE OF SENATE COMMENDING CAPITOL POLICE. (a) The Senate finds that—*

*(1) the United States Capitol is the people's house, and, as such, it has always been and will remain open to the public;*

*(2) millions of people visit the Capitol each year to observe and study the workings of the democratic process;*

*(3) the Capitol is the most recognizable symbol of liberty and democracy throughout the world and those who guard the Capitol guard our freedom;*

*(4) on July 24, 1998, Officer Jacob Chestnut and Detective John Michael Gibson of the United States Capitol Police sacrificed their lives to protect the lives of hundreds of tourists, Members of Congress, and staff;*

*(5) the officers of the United States Capitol Police serve their country with commitment, heroism, and great patriotism;*

*(6) the employees of the United States working in the United States Capitol are essential to the safe and efficient operation of the Capitol building and the Congress;*

*(7) the operation of the Capitol and the legislative process are dependent on the professionalism and hard work of those who work here, including the United States Capitol Police, congressional staff, and the staff of the Congressional Research Office, the General Accounting Office, the Congressional Budget Office, the Government Printing Office, and the Architect of the Capitol; and*

*(8) the House of Representatives should restore the cuts in funding for the United States Capitol Police, congressional staff, and congressional support organizations.*

*(b) It is the sense of the Senate that—*

*(1) the United States Capitol Police and all legislative employees are to be commended for their commitment, professionalism, and great patriotism; and*

*(2) the conferees on the legislative branch appropriations legislation should maintain the Senate position on funding for the United States Capitol Police and all legislative branch employees.*

(4) Page 45, after line 6, insert:

*SEC. 315. None of the funds appropriated under this Act may be used for the preventative application of a pesticide containing a known or probable carcinogen, a category I or II acute nerve toxin or a pesticide of the organophosphate, carbamate, or organochlorine class as determined by the United States Environmental Protection Agency to United States Capitol buildings or grounds maintained or administered by the Architect of the United States Capitol.*

The PRESIDING OFFICER. Under the previous order, the Senate insists on its amendments, requests a conference with the House, and the Chair appoints Mr. BENNETT, Mr. STEVENS, Mr. CRAIG, Mr. COCHRAN, Mrs. FEINSTEIN, Mr. DURBIN, and Mr. BYRD, as conferees on the part of the Senate.

## MORNING BUSINESS

Mr. ROTH. Mr. President, I now ask unanimous consent that the Senate proceed to a period of morning business with Senators permitted to speak therein for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

## VICTIMS OF GUN VIOLENCE

Mr. REID. Mr. President, it has been more than a year since the Columbine tragedy, but still this Republican Congress refuses to act on sensible gun legislation.

Since Columbine, thousands of Americans have been killed by gunfire. Until we act, Democrats in the Senate will read some of the names of those who lost their lives to gun violence in the past year, and we will continue to do so every day that the Senate is session.

In the name of those who died, we will continue this fight. Following are the names of some of the people who were killed by gunfire one year ago today.

July 17: Reggie Allen, 20, Miami-Dade County, FL; Brady Ball, 25, New Orleans, LA; Lynn Beck, 16, Dallas, TX; Sherron Britt, 31, St. Louis, MO; Khary Daley, 24, Boston, MA; Willie Ennett, 23, Detroit, MI; Monroe Gibson, 23, New Orleans, LA; Hemenorio Gonzalez, 45, San Antonio, TX; Wilbert Hooten, 64, Chicago, IL; Fernando Marquez, 32, Chicago, IL; Jim Rest, 58, Minneapolis, MN; Terrence Roberts, Detroit, MI; Paul Trapp, 50, Detroit, MI; Sam Wright, 35, Detroit, MI; Unidentified male, 77, Nashville, TN.

## SURFACE TRANSPORTATION BOARD'S RAIL MERGER MORATORIUM

Mr. HOLLINGS. Mr. President, I rise to commend the Surface Transportation Board for issuing its rail merger moratorium, which has just been upheld by the D.C. Circuit Court of Appeals. We on the Commerce Committee have been watching the railroad industry closely these last several years and we believe time is needed to reevaluate where the industry has been and where it should be going. To have moved forward with a new round of mergers now would have been shortsighted and not in the public interest. I am pleased that the Board had the courage to call a time-out on rail mergers to reexamine its rail merger policy before proceeding further at this important crossroads for the rail sector. I am also gratified that the Court shared my view, and the view of many of us in the Senate, that the Board has the authority to do what needs to be done.

## WILDLIFE AND SPORT FISH RESTORATION PROGRAMS IMPROVEMENT ACT OF 2000

Mr. BURNS. Mr. President, today I rise on behalf of the men and women of this country who value hunting and fishing as an important part of their lives. I am one of them, and I know I am not alone in the Senate. Many of my colleagues have joined me as members of the Sportsmen's Caucus, and I am pleased that we enjoy such strong support. In my home state of Montana, hunting and fishing are incredibly important. These are some of the activities we engage in to enjoy our beautiful outdoors. Hunting and fishing give us the chance to spend time with our families, and to take part in the traditions that generations of Montanans have enjoyed.

It is this strong tradition that brings me here today. There has been a grave injustice dealt to America's sportsmen.

I am referring to the abuse of Pittman-Robertson and Dingell-Johnson funds by the U.S. Fish and Wildlife Service. These are funds from the Wildlife and Sport Fish Restoration Programs which impose an excise tax on the equipment hunters and fishermen buy. Then the tax monies from the sporting goods are used for things like wildlife habitat and hunter safety programs. These programs were started in 1937, with the strong support of both the sportsmen who pay the tax and the states who administer the projects.

As years went by, the U.S. Fish and Wildlife Service which manages the programs, started straying further and further from the original intent of Pittman-Robertson funds. After an oversight investigation by House Committee on Resources, chaired by Mr. YOUNG of Alaska, it was found that the Fish and Wildlife Service was using Pittman-Robertson for purposes far outside the intent of the law. Funds were used for everything from foreign travel to grants for anti-hunting groups and programs that work against the interests of hunters. This is just plain wrong, and goes against everything the program was originally intended to accomplish.

In response to the abuse uncovered by his Committee, Mr. YOUNG introduced legislation to fix the problems. Part of the legislation caps the administrative expenses for the program and sets in stone what is an authorized administrative expense. This is a step in the right direction, because it will restore the integrity to this program. His bill, H.R. 3671, passed the House on April 5th with an overwhelming vote of 423–2.

I am proud to be included as a cosponsor of the Senate version of this bill, S. 2609. My colleagues from Idaho, Mr. CRAIG and Mr. CRAPO, have modeled it after H.R. 3671 and included provisions for valuable programs like hunter safety, as well as a multi-state conservation grant program. This bill ensures that the money sportsmen pay for wildlife conservation and hunter safety is actually used for those purposes and restores the accountability that has been missing for too long. It is time we made this right, and earned back the trust of the people we are here to serve.

## THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business Friday, July 14, 2000, the Federal debt stood at $5,666,749,557,909.16 (Five trillion, six hundred sixty-six billion, seven hundred forty-nine million, five hundred fifty-seven thousand, nine hundred nine dollars and sixteen cents).

One year ago, July 14, 1999, the Federal debt stood at $5,624,307,000,000 (Five trillion, six hundred twenty-four billion, three hundred seven million).

Five years ago, July 14, 1995, the Federal debt stood at $4,933,039,000,000 (Four trillion, nine hundred thirty-three billion, thirty-nine million).

Twenty-five years ago, July 14, 1975, the Federal debt stood at $531,818,000,000 (Five hundred thirty-one billion, eight hundred eighteen million) which reflects a debt increase of more than $5 trillion—$5,134,931,557,909.16 (Five trillion, one hundred thirty-four billion, nine hundred thirty-one million, five hundred fifty-seven thousand, nine hundred nine dollars and sixteen cents) during the past 25 years.

## ADDITIONAL STATEMENTS

## HEALTHY CULTURE INITIATIVE

• Mr. BROWNBACK. Mr. President, I rise to recognize the ground-breaking and encouraging work being performed by the Healthy Culture Initiative, a non-profit group with which I am honored to be associated. The Healthy Culture Initiative (HCI) is an organization committed to strengthening and improving the health of America's culture by recognizing and replicating the many innovative, local initiatives aimed at solving community challenges.

The Healthy Culture Initiative recognizes that there are many challenges we face as a nation—over the last thirty years, we have seen huge increases in family breakdown, out-of-wedlock births, single parent families, teen suicide, drug abuse, violence, and civic disengagement. But for every problem in America, there is already a solution—a solution that is in place in neighborhoods across America. Indeed, many of the most effective solutions to the complex social problems of crime, drug abuse, family breakdown, teen suicide, illegitimacy, and poverty arise from the committed efforts of a small group of individuals working within their own community.

The Healthy Culture Initiative seeks to recognize these exciting efforts, and encourage their replication. HCI has four primary objectives:

First, through a series of Success Summits to be held in cities across America, the Healthy Culture Initiative will recognize, and help replicate, community-based solutions to pressing social challenges.

Second, the Healthy Culture Initiative will jump-start important civic dialogue about ways that ordinary people, working alone or in small groups, can help strengthen families, schools, neighborhoods, and ultimately, our Nation.

Third, HCI will measure the success of new initiatives. In conjunction with the Gallup organization, the Healthy Culture Initiative will work to quantify the actual results of each new initiative launched, so that resources and attention can be concentrated on the most effective efforts.

And finally, HCI will develop a network of information resources, including web links and educational materials, to assist community activists in initiating new programs in their neighborhoods.

I can personally attest to the exciting work undertaken by the Healthy Culture Initiative, in that I and Senator JOE LIEBERMAN, currently serve as honorary co-chairs. I am excited by the caliber and quality of individuals who are leading this initiative—including Don Clifton, President and CEO of the Gallup Corporation; Charles Krulak, former Commandant of the United States Marine Corps, Executive Director Cindy Cobb; Don Eberly, CEO of the National Fatherhood Initiative, Curt Smith of the Hudson Institute, Jay Speigel of the Reserve Officers Association, and many others.

The plans of the Healthy Culture Initiative are ambitious and wide-ranging. It is my hope that by celebrating the many exciting success stories taking place in our communities across America, we can encourage their replication—and build a healthier culture, and a stronger America.•

## 225TH ANNIVERSARY OF THE U.S. ARMY

• Mr. SMITH of Oregon. Mr. President, I rise today to commemorate the 225th Anniversary of the United States Army and ask unanimous consent that an article written by the Chief of Staff of the Army, General Eric K. Shinseki, which pays due tribute to the U.S. Army and its contributions to our freedoms be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[Copyright 2000 The Baltimore Sun Company, The Baltimore Sun, Thurs., June 15, 2000]

### THE ARMY AT 225: A NEW PATRIOTISM

(By Eric K. Shinseki)

WASHINGTON—In two weeks, Mel Gibson's latest movie, "The Patriot," opens nationwide. Set during the American Revolution, it is the story of a colonist who becomes a militia leader when the sweep of war and the advance of the British endanger his farm and family.

Whether by design or mere coincidence, the release of "The Patriot" comes at a particularly fitting time in our nation's history because this month marks the 225th anniversary of the birth of our Army.

The birth of our Nation and the birth of our Army are inseparably linked.

A year before we formally declared our independence, we had already begun fighting for it at Lexington and Concord and the Battle of Bunker Hill, the bloodiest single engagement of the Revolution. On that small piece of ground, over the course of one day, the British lost a staggering 1,054 regulars. The colonists lost about 440.

After Bunker Hill, the British would never again underestimate the tenacity and fighting spirit of the American soldier. These early engagements surprised the British, who saw themselves as professionally trained soldiers and the militiamen as little more than a disorganized rabble.

But let us not forget that we surprised ourselves as well. Despite our dogged determination to confront the foe, we were unproven and uncertain of our abilities. Who could have imagined that our ill-equipped and untrained colonial militia would fare as well as it did? Our success in those early battles was significant.

The victories strengthened national pride, engendered new confidence and bolstered the will to fight. When word spread down the coast that New England farmers had successfully stood up to the well-equipped and well-trained British regulars, colonists everywhere were filled with newfound courage and patriotic fervor. Frustration turned to motivation, and from that point on, the cry for independence simply would not be quelled.

On June 14, 1775, Congress took the first formal step in the march toward independence by voting to establish what was then the Continental Army.

In those days, the term patriot more closely equated to insurgent. A patriot was a revolutionary who promoted the independence of his people from the country or union of countries that controlled them.

From the British perspective, patriots were criminals; to them, the term was an epithet carrying the negative connotation of disloyalty. Thus, in 1775, when George Washington dubbed the original rag-tag band of fighters "the patriot army," he was making a profoundly political and deliberately inflammatory statement; this newborn army would win independence for America.

Over time, the word "patriot" evolved to a more heroic meaning—a person who loves his country and who defends and promotes its interests. It is especially applied to soldiers who fight for love of country. Thanks to the success of the American Revolution, the connotation of that simple term changed from one of disloyalty to one of allegiance.

Since the end of the Revolution, American soldiers, imbued with the spirit of the original patriots, have pledged their allegiance to this nation through their sacrifices in uniform. In doing so, hundreds of thousands of them have given their last full measure of devotion in ultimate demonstration of love for country.

Today, thousands of soldiers serve around the globe to maintain our freedom and to provide the promise of a better life to others for whom liberty is but a dream. They are the finest men and women the nation has to offer—active, guard and reserve soldiers doing the heavy lifting so we can enjoy the comforts and freedoms of our way of life.

They are unknown to most of us, but they sacrifice daily in places like Kosovo, Saudi Arabia, Bosnia, East Timor, Kuwait, Korea and Macedonia in order to promote democracy and to preserve peace and stability.

These men and women are our patriots. They are prepared to defend our country, and they are also the best ambassadors for democracy we could have, carrying the same torch of liberty that was lit 225 years ago. In the remotest corners of the globe, American soldiers command respect because they symbolize the traits of our forefathers; a passion for liberty and a willingness to fight to protect freedom.

As we reflect on the Army's 225th birthday, let us remember that with our Army was born a nation; with that nation was born democracy; and with democracy was born the hope that peace and liberty could someday be attained by all oppressed peoples of the world.●

## MESSAGE FROM THE PRESIDENT

A message from the President of the United States was communicated to the Senate by Ms. Evans, one of his secretaries.

### EXECUTIVE MESSAGE REFERRED

As in executive session the presiding officer laid before the Senate a message from the President of the United States submitting a nomination which was referred to the Committee on Commerce.

(The nomination received today is printed at the end of the Senate proceedings.)

## MESSAGES FROM THE HOUSE

### ENROLLED BILLS SIGNED

At 8:22 p.m., a message from the House of Representatives, delivered by Mr. Hayes, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

H.R. 3544. An act to authorize a gold medal to be presented on behalf of the Congress to Pope John Paul II in recognition of his many and enduring contributions to peace and religious understanding, and for other purposes.

H.R. 3591. An act to provide for the award of a gold medal on behalf of the Congress to former President Ronald Reagan and his wife Nancy Reagan in recognition of their service to the Nation.

H.R. 4391. An act to amend title 4 of the Untied States Code to establish souring requirements for State and local taxation of mobile telecommunication services.

The enrolled bills were signed subsequently by the President pro tempore (Mr. THURMOND).

## MEASURE REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 3323. An act to designate the Federal building located at 158–15 Liberty Avenue in Jamaica, Queens, New York, as the "Floyd H. Flake Federal Building."

## PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–551. A resolution adopted by the Assembly of the State of Wisconsin relative to the Washington Juneteenth 2000 National Holiday Observance; ordered to lie on the table.

### ASSEMBLY RESOLUTION 29

Whereas, more than 130 years old, Juneteenth, National Freedom Day is the oldest and only African-American holiday observance in the United States, which is also known as "Emancipation Day," "Emancipation Celebration," "Freedom Day," "Jun-Jun" and "Juneteenth"; and

Whereas, Juneteenth National Freedom Day commemorates the survival, due to God-given strength and determination, of African-Americans, who were first brought to this country stacked in the bottom of slave ships in a month-long journey across the Atlantic Ocean, known as the "Middle Passage"; and

Whereas, approximately 11,500,000 African-Americans survived the voyage to the New World (the number that died is likely greater), only to be subjected to whipping, castration, branding, rape, tearing apart of families and forced submission to slavery for more than 200 years after arrival in the United States; and

Whereas, Juneteenth commemorates the day on which freedom was proclaimed to all slaves in the South by Union General Granger, on June 19, 1865, in Galveston, Texas, more than 2.5 years after the signing of the Emancipation Proclamation by President Abraham Lincoln; and

Whereas, for the first time, in over 130 years of the annual celebration, Juneteenth has finally been "officially recognized" as Juneteenth Independence Day in America by the President and Congress of the United States; and

Whereas, this reality is particularly underscored by the fact that it was in the 1st Session of the 105th Congress, via the bipartisan cooperation of former Congresswoman Barbara Rose-Collins (D-Michigan, former Senator Carol Mosley-Braun (D-Illinois), Congressman J.C. WATTS (R-Oklahoma), former House Speaker Newt Gingrich (R-Georgia), Senate Majority Leader TRENT LOTT (R-Mississippi) and Senate Minority Leader TOM DASCHLE (D-South Dakota), that Senate Joint Resolution 11 and House Joint Resolution 56 were successfully shepherded through both houses of Congress, in a successful effort to officially recognize Juneteenth as the Independence Day observance of Americans of African descent in 1997; and

Whereas, Americans of all colors, creeds, cultures, religions and countries-of-origin share in a common love of, and respect for, "freedom," as well as a determination to protect their right to freedom through democratic institutions, by which the "tenets-of-freedom" are guaranteed and protected; and

Whereas, the "19th of June" or Juneteenth Independence Day, along with the "4th of July," completes the "cycle of freedom" for America's Independence Day observances; and

Whereas, "Until All are Free, None are Free" is an oft-repeated maxim that can be used to highlight the significance of the end of the era of slavery in the United States; and

Whereas, the National Juneteenth Observance Foundation is sponsoring the premier celebration, concert, worship services and campaign to commemorate America's 2nd Independence Day observance, the "19th of June," as one which completes the cycle of America's 18th century Independence Movement, initiated with the "4th of July," 1776, "Declaration of Independence" and to recognize this country's movement towards a "One America," advanced by a sincere dialogue of the realization of what Juneteenth historically means to all Americans, promoting racial healing, restoration and justice: Now, therefore, be it

*Resolved by the assembly*, That the members of the Wisconsin assembly support this historic recognition and encourage participation of our members, families and communities in the "officially recognized" Washington Juneteenth 2000 National Holiday Observance, on the National Mall, Lincoln Memorial and U.S. capital grounds, scheduled for Saturday, June 17, 2000, from 8 a.m. until 5 p.m., which will be followed by a Sunday evening Juneteenth Fathers' Day Benefit Concert honoring African-American Fathers, and a Monday, June 19, 2000, noon rally in support of National Juneteenth Independence Day holiday legislation and a series of evening Juneteenth prayer and praise worship services in churches and houses of worship throughout the Washington, D.C., area and the country; and, be it further

*Resolved*, That the assembly chief clerk shall provide a copy of this resolution to the president and secretary of the U.S. senate, to the speaker and clerk of the U.S. house of representatives and to each member of the congressional delegation from this state attesting the adoption of this resolution by the 1999 assembly of the state of Wisconsin.

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POM–552. A resolution adopted by the General Assembly of the State of New Jersey relative to flood areas and flood victims; to the Committee on Banking, House, and Urban Affairs.

ASSEMBLY RESOLUTION NO. 200

Whereas, Tremendous damage was caused in the State of New Jersey by the high winds, waves, storm surge, severe flooding and fires associated with Hurricane Floyd; and

Whereas, Up to 13 inches of rain fell in portions of the State, causing rivers and other inland waterways to flood streets, homes and businesses, and high winds downed many trees and damaged many structures; and

Whereas, The President of the United States declared certain counties in this State, including Bergen, Essex, Hunterdon, Mercer, Middlesex, Morris, Passaic, Somerset, and Union, to be federal disaster areas, and this federal disaster declaration allows for the federal funding of disaster relief to public entities, businesses and individuals, as well as funding for mitigation against future similar disasters; and

Whereas, The damages in the State resulting from Hurricane Floyd and its associated flooding are estimated by the Federal Emergency Management Agency to be approximately $500,000,000 and this estimate is rising as more assessments are conducted and verified; and

Whereas, The total number of houses, apartments and businesses destroyed, damaged or affected by Hurricane Floyd and its associated flooding exceeds 70,000; and

Whereas, United States Senator Frank Lautenberg and United States Representative Marge Roukema have proposed federal legislation to help small businesses and farmers recover from the damage inflicted by Hurricane Floyd and its associated flooding, which legislation would make available, through the Federal Emergency Management Agency, one-time grants to small businesses and farmers in amounts up to $50,000 or at least 50 percent of the cost to replace non-insured contents and inventory or to carry out repairs, provided that the grant is not used to relocate the business outside of the community and provided that the grant recipient purchases and maintains flood insurance coverage; and

Whereas, Individuals and businesses have suffered extraordinary hardships, and it is in the public interest to assist individuals and businesses recovering from the devastating effects of Hurricane Floyd in the most expeditious manner possible; and

Whereas, It is in the best interest of the residents of the State to urge the President, the Congress of the United States, and the Federal Emergency Management Agency to take all available steps to provide financial assistance in the most expeditious manner possible to New Jersey's flood areas and flood victims; now, therefore, be it

*Resolved by the General Assembly of the State of New Jersey:*

1. This House urges the President and the Federal Emergency management Agency to provide financial assistance in the most expeditious manner possible to provide relief to New Jersey's flood areas and flood victims. This House also urges the President and the Federal Emergency Management Agency to not deduct any State monies provided for flood relief from the calculation of federal monies allocated to New Jersey to recover from the devastating effects of Hurricane Floyd and its aftermath.

2. This House urges the Congress of the United States to act swiftly on legislation proposed by United States Senator Frank Lautenberg and United States Representative Marge Roukema to help small business and farmers recover from the damage inflicted by Hurricane Floyd and its associated flooding.

3. A duly authorized copy of this resolution, signed by the Speaker of the General Assembly and attested by the Clerk thereof, shall be transmitted to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, the majority and minority leaders of the United States Senate and the United States House of Representatives, the Director of the Federal Emergency Management Agency, and each member of Congress elected from the State of New Jersey.

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POM–553. A joint resolution adopted by the General Assembly of the Commonwealth of Virginia relative to consumer credit reporting agencies; to the Committee on Banking, Housing, and Urban Affairs.

HOUSE JOINT RESOLUTION NO. 310

Whereas, the Fair Credit Reporting Act established a statutory framework for protecting the rights of consumers to fair disclosure of credit information; and

Whereas, the Fair Credit Reporting Act permits credit reporting agencies to report information related to a consumer's credit history; and

Whereas, credit reporting agencies provide an overall rating of the consumer's credit risk on the consumer's credit report; and

Whereas, credit reporting agencies consider the number of inquiries into a consumer's credit report when determining the overall rating; and

Whereas, the number of inquiries requesting a consumer's credit report is not substantially related to a consumer's credit risk and is often outside the consumer's control; and

Whereas, creditors rely on the information reported by credit reporting agencies to evaluate the credit risk of a consumer; and

Whereas, many consumers are denied credit based on a credit reporting agency's rating of that consumer: Now, therefore be it

*Resolved by the House of Delegates, the Senate concurring;* That the Congress of the United States be urged to amend the Fair Credit Reporting Act to prohibit credit reporting agencies from using information related to the number of inquires in a consumer's credit report to determine the consumer's overall rating; and, be it

*Resolved further*, That the General Assembly of Virginia most fervently urge and encourage each state legislative body of the United States of America to enact this resolution, or one similar in context and form, as a show of solidarity in petitioning the federal government for greater protection for consumers in obtaining credit; and, be it

*Resolved finally*, That the Clerk of the House of Delegates transmit copies of this resolution to the President of the United States, the Speaker of the United States House of Representatives, the President of the United States Senate, the Secretary of the United States Department of Labor, each member of the Virginia Congressional Delegation, and to the Chairman of the Council of State Governments, requesting that he distribute copies of this resolution to the presiding officer of each house of each state legislative body in the United States of America in order that they may be apprised of the sense of the General Assembly of Virginia in this matter.

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POM–554. A concurrent resolution adopted by the Legislature of the State of Hawaii, relative to community goals and outcomes; to the Committee on Governmental Affairs.

SENATE CONCURRENT RESOLUTION NO. 12

Whereas, the Hawaii State Legislature has recognized the importance of measuring progress towards shared outcomes through the establishment of the Hawaii Performance Partnerships Board by Act 160, Session Laws of Hawaii 1999, and the adoption of House Concurrent Resolution No. 38 by the Legislature in 1998; and

Whereas, a memorandum of agreement has been executed between the federal, state, county, community, and business sectors to encourage and facilitate cooperation to redesign and test an outcomes-oriented approach to intergovernmental service delivery; and

Whereas, the federal government, through the efforts of the National Partnership for Reinventing Government, has empowered federal agencies to provide incentives, such as decreased state matching funds, waived regulations, or additional federal funds to state agencies in partnership with community-based organizations that measure progress towards shared outcomes through initiatives such as Boost4Kids; and

Whereas, Hawaii's aloha spirit connects its people in a unique manner, by guiding our decisions and actions; and

Whereas, Hawaii's communities have joined together to create outcomes and goals to improve the well-being of Hawaii's people in several different efforts, such as Ke Ala Hoku, Education Goals 2000, Healthy 2010, Hawaii Family Touchstones; and

Whereas, the acceptance of a common set of desired outcomes, compatible with statutory mandates, will enable state, county, and community agencies to focus on achieving positive results that exemplify Hawaii's uniqueness; and

Whereas, achieving results require creation of accountability systems that cross agency boundaries to measure the combined efforts of many partners, both public and private; and

Whereas, the Hawaii Performance Partnerships Board has considered the achievements of many of Hawaii's people in creating outcomes and goals: Now, therefore, be it

*Resolved by the Senate of the Twentieth Legislature of the State of Hawaii, Regular Session of 2000, the House of Representatives concurring*, That the following key community outcomes are hereby endorsed by the Legislature as state policy:

(1) A safe, nurturing social environment;

(2) A healthy, natural environment;

(3) A thriving, diverse, sustainable economy;

(4) Educated people; and

(5) Civic vitality;

*Be it further resolved*, That public and private agencies committed to improving the well-being of Hawaii's peoples be encouraged to utilize these outcomes as a basis for policy and program development, planning, and for budgeting; and be it further

*Resolved*, that all public and private agencies are encouraged to form partnerships and measure progress towards the outcomes most appropriate to their individual missions; and be it further

*Resolved*, That certified copies of this concurrent resolution be transmitted to the Governor, the Vice President of the United States, the United States Secretary of Agriculture, the United States Secretary of Education, the United States Secretary of Health and Human Services, the Hawaii Performance Partnerships Board, the Mayor of the County of Maui, the Mayor of the City and County of Honolulu, the Mayor of the County of Kauai, the Mayor of the County of Hawaii, Aloha United Way, the Hawaii Community Foundation, HMSA Foundation/Hawaii Medical Service Association, The Chamber of Commerce of Hawaii, all state departments, Partnering for Outcomes, State Procurement Office, Good Beginnings Alliance, Interdepartmental Council, Hawaii Primary Care Association, and Covering Kids.

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POM–555. A resolution adopted by the Council of the City of Mayfield Heights, Ohio relative to a United Nations Convention, to the Committee on Foreign Relations.

POM–556. A joint resolution adopted by the Legislature of the State of California relative to East Timorese refugees; to the Committee on Foreign Relations.

### ASSEMBLY JOINT RESOLUTION NO. 54

Whereas, In 1975, after the former Portuguese colony of East Timor gained its independence, Indonesian forces invaded East Timor and occupied the country despite the call of the United Nations Security Council for Indonesia to withdraw its forces; and

Whereas, In 1976 the Indonesian government admitted that 60,000 East Timorese had been killed since the invasion and President Suharto signed legislation declaring East Timor as Indonesia's 27th province; and

Whereas, In the 1970's and 1980's tens of thousands of East Timorese died of starvations, military bombardment, and executions as thousands of other suffered malnutrition, sterilization, relocation in settlement camps, and arrest and torture at the hands of the Indonesian forces; and

Whereas, Despite continued military attacks on East Timorese civilians during 1999 and fears of widespread violence against voters, a heavy turnout at the polls on August 30, 1999, provided almost an 80 percent vote for the independence of East Timor from Indonesia; and

Whereas, Within hours of the announcement of the election results on September 4, 1999, a systematic campaign of terror was launched against the East Timorese by the Indonesian armed forces and their allied militias during which three-quarters of the population was displaced. In a coordinated manner, the Indonesian military and militias forced hundreds of thousands of East Timorese at gunpoint to board trucks, boats, and airplanes for transportation to West Timor and other parts of Indonesia; and

Whereas, By the end of 1999, United Nations agencies reported that over 125,000 East Timorese had returned home; however, more than 100,000 East Timorese remain unable to return home, many months after the announcement of the referendum results and despite repeated pledges by the Indonesian government to remedy the situation. Thousands of East Timorese taken to other areas of Indonesia remain unaccounted for now, therefore, be it

*Resolved by the Assembly and Senate of the State of California, jointly*, That the Legislature of the State of California respectfully requests the President and the Congress of the United States to employ diplomatic and other resources to persuade the Indonesian government to expedite the return of all East Timorese refugees in Indonesia who wish to return home; and be it further

*Resolved*, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, and to each Senator and Representative from California in the Congress of the United States.

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POM–557. A concurrent resolution adopted by the Legislature of the State of Hawaii relative to Pearl Harbor Naval Shipyard; to the Committee on Armed Services.

### SENATE CONCURRENT RESOLUTION NO. 102

Whereas, Pearl Harbor Naval Shipyard is strategically located in the Pacific Ocean and the Naval Base is in the best interest of the National Security; and

Whereas, Pearl Harbor Naval Shipyard is the largest industrial employer in the State of Hawaii; and

Whereas, Pearl Harbor Naval Shipyard employed 6,900 employees in 1989, and has since experienced a 58% reduction of the workforce, and currently employs 3,200 employees; and

Whereas, Pearl Harbor Naval Shipyard was the Homeport for 41 Navy ships and submarines in 1989, and currently is the Homeport for 31 navy ships and submarines; and

Whereas, Pearl Harbor Naval Shipyard provided Navy contract work for 65 to 75 percent of the private ship repair industry in Hawaii; and

Whereas, Pearl Harbor Naval Shipyard spends in excess of $350 million in material purchases, contracts with local businesses, and payroll costs; and

Whereas, Pearl Harbor Naval Shipyard provides for trade and skills training for the youth of Hawaii through the Apprentice program in partnership with the University of Hawaii; and

Whereas, Pearl Harbor Naval Shipyard resolves a quality of life issue for the military by accomplishing the ship repair overhauls and repairs in Hawaii and the Homeport of the Navy ships; and

Whereas, Pearl Harbor Naval Shipyard has the capacity to accomplish more Navy work in Pearl Harbor with the skilled workforce and the availability of the Homeport ships; and

Whereas, Pearl Harbor Naval Shipyard needs to be "right sized" for its current and future workload to allow Pearl Harbor and the Navy to maintain and overhaul ships in Hawaii; and

Whereas, Pearl Harbor Naval Shipyard would require the hiring of 700 to 800 permanent civilian employees over the next two years to obtain the necessary skilled personnel to execute the Navy work; and

Whereas, Pearl Harbor Naval Shipyard has an application list of 1,000 qualified local applicants seeking employment at Pearl Harbor Naval Shipyard: Now, therefore, be it

*Resolved by the Senate of the Twentieth Legislature of the State of Hawaii, Regular Session of 2000, the House of Representatives concurring*, That this body hereby urges the United States Navy to increase the workload and employment in Pearl Harbor Naval Shipyard to utilize the full capacity of the Hawaiian ship repair industry; and be it further

*Resolved*, That the United States Navy is requested to brief the Legislature and community business leaders on the future work load plans for Pearl Harbor Naval Shipyard; and be it further

*Resolved*, That certified copies of this Concurrent Resolution be transmitted to the President and Vice President of the United States, the Hawaii Congressional Delegation, the Governor, and the United States Navy through the chain of command to the Chief of Naval Operations, the Secretary of the Navy, and the Secretary of Defense.

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POM–558. A resolution adopted by the House of the Legislature of the State of Hawaii relative to toxic waste; to the Committee on Armed Services.

### HOUSE RESOLUTION NO. 124

Whereas, the United States and the people of Hawaii have had long historical, cultural, and economic ties with the people of the Philippines as part of the Pacific-Asia community; and

Whereas, Filipinos all over the world, including the Filipino-American community in Hawaii and the United States and their friends, commemorated the centennial of the birth of the Republic of the Philippines (June 12, 1898), a culmination of the Filipino peoples' struggle for freedom and independence against Spanish colonial rule; and

Whereas, in December 1992, United States military forces withdrew from Clark Air Base and Subic Naval Base, thus ending almost a century of United States military presence in the Philippines; and

Whereas, reports from the United States General Accounting Office, United States Department of Defense, the World Health Organization, United States experts, environmental baseline surveys conducted by American firms, and recent media reports, including those conducted by the Boston Globe and CNN, identified serious contamination at forty-six sites at both Clark and Subic bases; and

Whereas, many of the chemicals identified, such as polychlorinated biphenyls (PCBs) Aldrin, Dieldrin, Benzene, and Heptachlor, are part of the family chemicals known as persistent organic pollutants (POPs) because of their persistence in the environment and association with health problems like cancer, reproductive failure, and behavior disorders; and

Whereas, a "Health for All" survey conducted by internationally-recognized health expert Doctor Rosalie Bertell on behalf of the Canadian Institute for the Concern for Public Health and released in November 1998, found conspicuously high and disparate levels of kidney, urinary, nervous, and female system health problems among 716 families surveyed in the Clark Air Base area alone; and

Whereas, on January 27, 1999, the Philippines House of Representatives Committee on Ecology released a report holding the United States responsible for toxic wastes left behind in the former United States military bases at Clark and Subic, which threaten to make these areas economically devastated, largely uninhabitable, and unusable; and

Whereas, the Filipino-American community, including the National Federation of Filipino American Associations (NFFAA) and various church groups, such as the

Church Coalition for Human Rights in the Philippines and the 20th General Synod of the United Church of Christ (United States), have expressed grave concern for the United States government's lack of response and responsibility over its legacy of toxic wastes in the Philippines; and

Whereas, The Filipino Coalition for Solidarity, Inc., a civil rights group based in Hawaii, is spearheading the information campaign in Hawaii regarding this issue: Now, therefore, be it

*Resolved by the House of Representatives of the Twentieth Legislature of the State of Hawaii, Regular Session of 2000,* That the Legislature expresses its strong concern for the serious environmental problems caused by toxic wastes left behind by the United States and the grave threat these wastes pose to public health in the communities adjoining its former bases in Clark and Subic; and be it further

*Resolved,* That the Legislature calls on the United Sates government to assist the Philippines, which has neither the funds nor the technical capacity to conduct an environmental clean up, as it has already done in cleaning up toxic contamination in overseas United States military bases in Germany, Italy, the United Kingdom, and in other countries; and be it further

*Resolved,* That certified copies of this Resolution be transmitted to the President of the United States, the President pro tempore of the United States Senate, the Speaker of the United States House of Representatives, the Secretary of State, the Secretary of Defense, the Administrator of the Environmental Protection Agency, the members of Hawaii's congressional delegation, the Governor of Hawaii, the President of the Philippines, the President of the Philippines Senate, and the Speaker of the Philippines Senate, and the Speaker of the Philippines House of Representatives.

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POM–559. A joint resolution adopted by the General Assembly of the Commonwealth of Virginia relative to the United States Army Museum; to the Committee on Armed Services.

### HOUSE JOINT RESOLUTION NO. 207

Whereas, the Department of the Army has been granted approval by Congress to establish a national United States Army Museum; and

Whereas, several sites are being considered by Congress for the location of this museum, including Fort Belvoir in Fairfax County; and

Whereas, Fort Belvoir is located near Mount Vernon, the residence of George Washington, the first President of the United States and Commander-in-Chief; and

Whereas, locating the United States Army Museum in Virginia would enhance Virginia's tourism and economic development efforts; and

Whereas, locating the United States Army Museum at Fort Belvoir is a logical choice due to its proximity to Washington, D.C., the Pentagon, and Arlington Cemetery: Now, therefore, be it

*Resolved by the House of Delegates, the Senate concurring,* That the Congress of the United States be urged to establish the national United States Army Museum at Fort Belvoir, Virginia; and, be it

*Resolved further,* That the Clerk of the House of Delegate transmit copies of this resolution to the Speaker of the United States House of Representatives, the President of the United States Senate, and the members of the Virginia Congressional Delegation in order that they may be apprised of the sense of the General Assembly of Virginia in this matter.

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POM–560. A joint resolution adopted by the Legislature of the State of California relative to commercial marketing; to the Committee on Commerce, Science, and Transportation.

### ASSEMBLY JOINT RESOLUTION NO. 50

Whereas, The death penalty was originally instituted in California in 1851 under the Criminal Practices Act and reinstated in 1978; and

Whereas, Due to the heinous nature of crimes that are punishable by the death penalty, only 5 percent of murderers reside on death row; and

Whereas, The international retail corporation, the United Colors of Benetton, has glamorized death row inmates through photos and interviews, in order to sell Benetton products; and

Whereas, Such "shock marketing" perversely profiles criminals who have committed grossly inhuman acts of murder; and

Whereas, The 26 criminals profiled by Benetton have murdered at least 45 innocent victims; and

Whereas, The advertisement campaign is causing unnecessary pain and distress to the family and friends of the murder victims; and

Whereas, This marketing constitutes a flippant "style statement" in what has been, and should remain, a serious issue for responsible public debate; and

Whereas, A good corporate citizen must maintain a good standard of ethics and respect the bounds of responsible discourse concerning matters of policy dealing with the lives of citizens and the values of law-abiding citizens; and

Whereas, The glamorization of death row inmates in Benetton's marketing campaign does not appear to be consistent with being a good corporate citizen: Now, therefore, be it

*Resolved by the Assembly and Senate of the State of California Jointly,* That Benetton's glorification of criminals for profit is both inappropriate and insensitive to the families of the victims; and be it further

*Resolved,* That the Members of the Assembly and Senate of the State of California encourage all citizens in California to express to the United Colors of Benetton, in whatever manner they deem most effective, their opinion of the inappropriate and insensitive death row marketing campaign and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, the Majority Leader of the Senate, the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, to the President of the United States Chamber of Commerce, the President of the California Chamber of Commerce, the Chairman of the New York Stock Exchange, and the Chairman of the Board of the United Colors of Benetton.

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POM–561. A joint resolution adopted by the General Assembly of the State of Colorado relative to the Federal Communications Commission; to the Committee on Commerce, Science, and Transportation.

### SENATE JOINT RESOLUTION 00–031

Whereas, According to its comprehensive plan and its duly adopted zoning regulations, the Board of County Commissioners of Jefferson County, Colorado denied an application by Lake Cedar Group, LLC, to rezone land on Lookout Mountain from residential and agricultural zoning to planned development zoning in order to allow construction of an 854-foot telecommunications supertower and a 26,000 square foot support building; and

Whereas, Such decision was a quasi-adjudicative decision based on factual evidence presented to the Jefferson County Board of County Commissioners and application of applicable legal standards and as such can be appealed judicially to Jefferson County District Court, which court is fully empowered to grant full and appropriate relief to the appellant if appropriate under the facts of the case; and

Whereas, Lake Cedar Group filed an appeal of Jefferson County's decision in Jefferson County District Court, which appeal is now pending the filing of briefs by the parties; and

Whereas, Despite the pending judicial appeal, and after Jefferson County spent several months preparing the voluminous record of proceedings for the Jefferson County District Court action, Lake Cedar Group, without notifying the Jefferson County Board of County Commissioners or any other interested party, filed a petition with the Federal Communications Commission (FCC) requesting the FCC to "preempt" Jefferson County's decision and to declare Jefferson County's decision "prohibited and unenforceable"; and

Whereas, By Public Notice dated April 10, 2000, the FCC seeks public comment on Lake Cedar Group's petition; and

Whereas, In the United States, control over individual land use decisions is firmly vested in local governments, through statutory delegation from state governments; and

Whereas, The FCC is barred by the 10th Amendment to the United States Constitution from attempting to preempt decisions made by local governments on individual land use applications because the United States Congress has not directed or authorized the FCC to preempt such local decisions; and

Whereas, The FCC lacks not only the authority, but also the expertise and any adopted standards to second-guess and invalidate local government land use decisions; and

Whereas, Any attempt by the FCC to preempt local government land use decision-making in this manner would represent an illegal, unauthorized, and unjustified attack on state- and local-government land use authority; Now, therefore, be it

*Resolved by the Senate of the Sixty-second General Assembly of the State of Colorado, the House of Representatives concurring herein:* That the General Assembly of the State of Colorado hereby encourages the FCC not to preempt local government land use decision-making and state judicial processes, thus overriding local and state government authority; and be it further

*Resolved,* That copies of this Joint Resolution be sent to the President of the United States Senate; the Speaker of the United States House of Representatives; each member of Colorado's Congressional delegation; each member of the House of Representatives Subcommittee on Telecommunications, Trade and Consumer Protection of the Committee on Commerce; the Governor of Colorado; and the Commissioners of the Federal Communications Commission.

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POM–562. A concurrent resolution adopted by the Legislature of the State of Louisiana relative to Internet taxation; to the Committee on Commerce, Science, and Transportation.

HOUSE CONCURRENT RESOLUTION NO. 9

Whereas, the Internet is a collection of computer networks that enables people to communicate electronically with people in other states and nations around the world and millions of organizations and consumers are taking advantage of this technological innovation to transact electronic interstate commerce; and

Whereas, business-to-consumer sales transacted through the Internet have increased the interstate commerce of items which have traditionally been sold in intrastate commerce, increasing competition between traditional "main street" family businesses and interstate mail order and electronic commerce businesses; and

Whereas, under current federal court decisions, some Internet vendors and other remote sellers cannot be legally compelled to collect sales and use taxes from consumers in other states; and

Whereas, the difficulties in requiring sales and use tax collections from remote sellers place local "main street" merchants at an unfair competitive disadvantage and the Internet and Internet vendors should not receive preferential tax treatment at the expense of such merchants; and

Whereas, state sales and use tax collections comprise a substantial percentage of state revenues; and

Whereas, states have the primary responsibility for the delivery of education, public safety, transportation, and health and human services; and

Whereas, the projected growth of electronic commerce transactions will have a substantial negative impact on state sales and use tax collections; and

Whereas, the federal Internet Tax Freedom Act has temporarily limited the states' ability to design new taxing schemes to keep up with today's rapidly transforming technology-drive economy; and

Whereas, prior to the end of the moratorium period imposed by the Internet Tax Freedom Act, the United States Congress will be charged with the responsibility to decide the future course of taxation of the Internet, possibly to the detriment of state and local governments and traditional "main street" merchants: Therefore, be it

*Resolved*, That the Louisiana Legislature does hereby memorialize the United States Congress to consider the needs of state and local governments and local "main street" retailers when determining a course of action regarding Internet taxation; be it further

*Resolved*, That a copy of this Resolution be transmitted to the presiding officers of the Senate and the House of Representatives of the Congress of the United States of America and to each member of the Louisiana congressional delegation.

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POM-563. A concurrent resolution adopted by the Legislature of the State of Louisiana relative to the Migratory Bird Treaty Act; to the Committee on Appropriations.

HOUSE CONCURRENT RESOLUTION NO. 23

Whereas, the Migratory Bird Treaty Act of 1972 as amended (16 U.S.C. 701 et seq.) was enacted to protect and manage migratory birds in the United States and includes the regulation of taking, possessing, transporting, shipping, exporting, and importing of migratory birds; and

Whereas, the enforcement of those laws and regulations is essential to the goal of the Migratory Bird Treaty Act, enforcement which, in the state of Louisiana, is the responsibility of the enforcement division of the Department of Wildlife and Fisheries; and

Whereas, the hunting of migratory birds is a widespread recreational and tourist activity in the state of Louisiana with an economic impact in the state in excess of $131 million, including an annual harvest of over 3.5 million birds by more than 128,000 hunters participating in over 1.7 million hunting trips; and

Whereas, with that level of activity in the state of Louisiana, the enforcement division of the Department of Wildlife and Fisheries is confronted with the monumental task of enforcement of the provisions of the Migratory Bird Treaty Act, violations of which are estimated to have an annual negative impact on the state's economy of nearly $8.2 million; and

Whereas, the enforcement division of the Department of Wildlife and Fisheries has performed this responsibility through the years and, in fact, has issued more than eighty-nine percent of the citations issued for violations of the Migratory Bird Treaty Act, all without the benefit of federal monetary support for its efforts: Therefore, be it

*Resolved*, That the Louisiana Legislature does hereby memorialize the U.S. Congress to authorize and appropriate sufficient funds to the enforcement division of the Department of Wildlife and Fisheries to enable the enforcement of the Migratory Bird Treaty Act, and to enable efforts for conservation and protection of the migratory birds required by that Act; be it further

*Resolved*, That a copy of this Resolution be forwarded to the presiding officers of the House of Representatives and the Senate of the U.S. Congress and to each member of the Louisiana congressional delegation.

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POM-564. A joint resolution adopted by the General Assembly of the Commonwealth of Virginia relative to highway rest stops; to the Committee on Appropriations.

HOUSE JOINT RESOLUTION NO. 103

Whereas, it is a well-established fact that driver fatigue is a major factor contributing to highway accidents; and

Whereas, federal law prescribes limits on the number of continuous hours truckers may drive and the length of time they must rest before driving again; and

Whereas, one of the most convenient places where long-haul truckers could break their trip and get the rest they need to operate safely is rest stops along interstate highways; and

Whereas, this option is not realistically open to truckers, because the Commonwealth limits vehicle stays at these rest stops to no more than two hours; and

Whereas, the cost of motel rooms and the inability of many motel parking lots to accommodate large tractor-trailer combinations make use of motels an impractical option for truckers seeking to get their required rest as prescribed by federal law; and

Whereas, construction of additional interstate highway rest stops and expansion of existing facilities would enable truckers to comply with federal hours-of-service requirements safely and inexpensively, resulting in fewer highway accidents and improved safety for the motoring public: Now, therefore, be it

*Resolved by the House of Delegates, the Senate concurring*, That the Congress of the United States be urged to provide federal funding for expansion of certain highway rest stops and for construction of additional interstate highway rest stops and, be it

*Resolved further*, That the Clerk of the House of Delegates transmit copies of this resolution to the Speaker of the United States House of Representatives, the President of the United States Senate, and the members of the Virginia Congressional Delegation in order that they may be apprised of the sense of the General Assembly of Virginia in this matter.

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POM-565. A joint resolution adopted by the Legislature of the State of California relative to hemophilia relief; to the Committee on Appropriations.

ASSEMBLY JOINT RESOLUTION NO. 55

Whereas, The Ricky Ray Hemophilia Relief Fund Act of 1998 (P.L. 105-369) was enacted by Congress to provide for compassionate payments to individuals with blood-clotting disorders, such as hemophilia, who contracted the human immunodeficiency virus due to contaminated blood products; and

Whereas, In its review of the events surrounding the HIV infection of thousands of people with blood-clotting disorders, such as hemophilia, a 1995 study, entitled "HIV and the Blood Supply," of the Institute of Medicine found a failure of leadership and an inadequate institutional decisionmaking process in the system responsible for ensuring blood safety, concluding that a failure of leadership led to less than effective donor screening, weak regulatory actions, and insufficient communication to patients about the risk of AIDS; and

Whereas, It is important for both the federal and state government to halt immediately the funding of a product or program if they become aware of a risk of infection when using the product and have not informed the public; and

Whereas, This legislation, named after a teenage hemophiliac who died from AIDS, was enacted to provide financial relief to the families of hemophiliacs who were devastated by the federal government's policy failure in its handling of the AIDS epidemic; and

Whereas, Although the relief bill has been enacted into law, Congress has been reluctant to fund it: Now, therefore, be it

*Resolved by the Assembly and Senate of the State of California, jointly*, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to fully fund the Ricky Ray Hemophilia Relief Fund, enacted into law under the Ricky Ray Hemophilia Relief Fund Act of 1998, so that there is no delay between the authorization and the timely appropriation of this relief; and be it further

*Resolved*, That the President and the Congress of the United States are respectfully urged to withhold the appropriation of funds to programs that have not clearly disclosed to the consumer the risks of infection for a product the program manufactures or distributes; and be it further

*Resolved*, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

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## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCAIN, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute.

S. 2487: A bill to authorize appropriations for Fiscal year 2001 for certain maritime programs of the Department of Transportation (Rept. No. 106–345).

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. SMITH of New Hampshire (for himself, Mr. BAUCUS, Mr. CRAPO, Mr. WARNER, Mr. GRAHAM, Mr. L. CHAFEE, Mr. LIEBERMAN, Mr. REID, Mr. LAUTENBERG, and Mrs. BOXER):

S. 2878. A bill to commemorate the centennial of the establishment of the first national wildlife refuge in the United States on March 14, 1903, and for other purposes; to the Committee on Environment and Public Works.

By Ms. COLLINS (for herself, Mr. BREAUX, Mr. ABRAHAM, Mr. BUNNING, and Mr. CRAIG):

S. 2879. A bill to amend the Public Health Service Act to establish programs and activities to address diabetes in children and youth, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. CONRAD (for himself and Mr. DORGAN):

S. 2880. A bill to provide construction assistance for a project for a water transmission line from the Missouri River to the city of Williston, North Dakota; to the Committee on Environment and Public Works.

By Mr. SMITH of Oregon:

S. 2881. A bill to update an existing Bureau of Reclamation program by amending the Small Reclamation Projects Act of 1956, to establish a partnership program in the Bureau of Reclamation for small reclamation projects, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. SMITH of Oregon (for himself and Mr. WYDEN):

S. 2882. A bill to authorize Bureau of Reclamation to conduct certain feasibility studies to augment water supplies for the Klamath Project, Oregon and California, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. CRAPO (for himself, Mr. SMITH of New Hampshire, Mr. HUTCHINSON, Mr. CRAIG, Mr. SHELBY, Mr. COVERDELL, Mr. ENZI, Mr. GRAMM, and Mr. INHOFE):

S.J. Res. 50. A joint resolution to disapprove a final rule promulgated by the Environmental Protection Agency concerning water pollution; to the Committee on Environment and Public Works.

## SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. LOTT (for himself and Mr. DASCHLE):

S. Res. 337. A resolution relative to the death of the Honorable John O. Pastore, formerly a Senator from the State of Rhode Island; considered and agreed to.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SMITH of New Hampshire (for himself, Mr. BAUCUS, Mr. CRAPO, Mr. WARNER, Mr. GRAHAM, Mr. L. CHAFEE, Mr. LIEBERMAN, Mr. REID, Mr. LAUTENBERG, and Mrs. BOXER):

S. 2878: A bill to commemorate the centennial of the establishment of the first national wildlife refuge in the United States on March 14, 1903, and for other purposes; to the Committee on Environmental and Public Works.

### NATIONAL WILDLIFE REFUGE SYSTEM CENTENNIAL COMMEMORATION ACT OF 2000

Mr. SMITH of New Hampshire. Mr. President, I am proud to come before the Senate today to introduce the "National Wildlife Refuge System Centennial Commemoration Act of 2000". This landmark bill commemorates the centennial of the first national wildlife refuge in the United States, established on March 14, 1903, by a great man and conservationist, President Theodore Roosevelt. By setting aside land at Indian River Lagoon on Pelican Island, Florida as a haven for birds, President Roosevelt began a conservation legacy known as the National Wildlife Refuge System.

Today, the National Wildlife Refuge System has evolved into the most comprehensive system of lands devoted to wildlife protection and management in the world—spanning nearly 93 million acres across the United States and its territories. By placing special emphasis on conservation, our nation's network of refuges ensures the continued protection of our wildlife resources, including threatened and endangered species, and land areas with significant wildlife-oriented recreational, historical and cultural value.

Currently, there are more than 500 refuges in the United States and its territories, providing important habitat for 700 bird species, 220 mammal species, 250 species of amphibians and reptiles, and over 200 fish species. The Refuge System also hosts some of our country's premiere fisheries, and serves a vital role in the protection of threatened and endangered species by preserving their critical habitats.

Approximately 98 percent of the Refuge System land is open to the public. Each year, the System attracts more than 34 million visitors to participate in a variety of recreational activities that include observing and photographing wildlife, fishing, hunting and taking part in system-sponsored educational programs. By providing the public with an opportunity to participate in these activities, refuges promote a sense of appreciation for the natural wonders of this nation and emphasize our important role as stewards of these lands.

The bill that I introduce today marks a milestone in the history of conservation and celebrates 100-years of the National Wildlife Refuge System on March 14, 2003. The bill commemorates the Refuge System by creating a Commission that will oversee the Centennial anniversary and promote public awareness and understanding of the importance of refuges to our nation. Additionally, the bill directs the Fish and Wildlife Service to prepare a long-term plan for the Refuge System that will enable the Service to look ahead and determine the future needs and priorities of the system network.

This bill celebrates the legacy of our national refuge lands, and recognizes the tireless efforts of numerous dedicated individuals from both the private and public sectors who have worked to preserve this invaluable national heritage. I encourage my colleagues to show your support for the National Wildlife Refuge System by co-sponsoring this legislation. I ask unanimous consent to print the text of the bill in the appropriate place in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2878

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "National Wildlife Refuge System Centennial Commemoration Act of 2000".

**SEC. 2. FINDINGS.**

Congress finds that—

(1) President Theodore Roosevelt began an American wildlife conservation legacy by establishing the first national wildlife refuge at Indian River Lagoon on Pelican Island, Florida, on March 14, 1903;

(2) the National Wildlife Refuge System is comprised of more than 93,000,000 acres of Federal land managed by the United States Fish and Wildlife Service in more than 520 individual refuges and thousands of Waterfowl Production Areas located in all 50 States and the territories of the United States;

(3) the System is the only network of Federal land that—

(A) is dedicated singularly to wildlife conservation; and

(B) has wildlife-dependent recreation and environmental education as priority public uses;

(4) the System serves a vital role in the conservation of millions of migratory birds, hundreds of endangered and threatened species, some of the premier fisheries of the United States, marine mammals, and the habitats on which those species depend;

(5)(A) each year the System provides millions of Americans with opportunities to participate in wildlife-dependent recreation, including hunting, fishing, and wildlife observation; and

(B) through those activities, Americans develop an appreciation for the natural wonders and wildlife heritage of the United States;

(6) the occasion of the centennial of the beginning of the System, in 2003, presents a historic opportunity to enhance natural resource stewardship and expand compatible public enjoyment of the national wildlife refuges of the United States; and

(7) the United States Fish and Wildlife Service—

(A) recognizes that the System has a backlog of unmet critical operations and maintenance needs;

(B) has worked to prioritize those needs; and

(C) has made efforts to control the extent of the backlog.

### SEC. 3. DEFINITIONS.

In this Act:

(1) COMMISSION.—The term "Commission" means the National Wildlife Refuge System Centennial Commission established by section 4.

(2) SYSTEM.—The term "System" means the National Wildlife Refuge System established by the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd et seq.).

### SEC. 4. ESTABLISHMENT OF COMMISSION.

(a) ESTABLISHMENT.—There is established a commission to be known as the "National Wildlife Refuge System Centennial Commission".

(b) MEMBERSHIP.—The Commission shall be composed of the following members:

(1) The Secretary of the Interior.

(2) The Director of the United States Fish and Wildlife Service.

(3) The Executive Director of the National Fish and Wildlife Foundation established by the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3701 et seq.).

(4) Up to 10 individuals, recommended by the Secretary of the Interior and appointed by the President, who—

(A) are not officers or employees of the Federal Government; and

(B) shall be broadly representative of the diverse beneficiaries of the System and have outstanding knowledge or appreciation of wildlife, fisheries, natural resource management, or wildlife-dependent recreation.

(5) The Chairman and Ranking Member of the Committee on Environment and Public Works of the Senate and the Chairman and Ranking Member of the Committee on Resources of the House of Representatives, who shall be nonvoting members.

(c) TERM; VACANCIES.—

(1) TERM.—A member shall be appointed for the life of the Commission.

(2) VACANCIES.—A vacancy on the Commission—

(A) shall not affect the powers of the Commission; and

(B) shall be filled in the same manner as the original appointment was made.

(d) INITIAL MEETING.—Not later than 30 days after the date on which all members of the Commission have been appointed, the Commission shall hold the initial meeting of the Commission.

(e) MEETINGS.—The Commission shall meet at the call of the Chairperson.

(f) CHAIRPERSON.—The Secretary of the Interior shall serve as Chairperson of the Commission.

### SEC. 5. DUTIES.

(a) IN GENERAL.—The Commission shall—

(1) develop and carry out, in cooperation with Federal, State, local, and nongovernmental entities (including public and private associations and educational institutions), a plan to commemorate, on March 14, 2003, the centennial of the beginning of the System;

(2) provide, in cooperation with the entities, host services for conferences on the System and assist in the activities of the conferences;

(3) make recommendations to the Secretary of the Interior concerning the long-term plan for the System required under section 9; and

(4) make recommendations to the Secretary of the Interior concerning measures that can be taken to enhance natural resources stewardship and expand compatible public enjoyment of the System.

(b) REPORTS TO CONGRESS.—

(1) ANNUAL REPORTS.—Not later than December 31 of the first calendar year that begins after the date on which the Commission holds its initial meeting, and December 31 of each calendar year thereafter through 2003, the Commission shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Resources of the House of Representatives a report on the activities and plans of the Commission.

(2) FINAL REPORT.—Not later than December 31, 2004, the Commission shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Resources of the House of Representatives a final report on the activities of the Commission, including an accounting of all funds received and expended by the Commission.

### SEC. 6. POWERS.

(a) MEETINGS.—The Commission may hold such meetings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers advisable to carry out this Act.

(b) INFORMATION FROM FEDERAL AGENCIES.—

(1) IN GENERAL.—The Commission may secure directly from a Federal agency such information as the Commission considers necessary to carry out this Act.

(2) PROVISION OF INFORMATION.—On request of the Chairperson of the Commission, the head of the agency shall provide the information to the Commission.

(c) FINANCIAL AND ADMINISTRATIVE SERVICES.—Subject to subsection (e)(2), the Secretary of the Interior, acting through the Director of the United States Fish and Wildlife Service, shall provide to the Commission financial and administrative services (including services relating to budgeting, accounting, financial reporting, personnel, and procurement).

(d) POSTAL SERVICES.—The Commission may use the United States mails in the same manner and under the same conditions as other agencies of the Federal Government.

(e) GIFTS.—

(1) ACCEPTANCE.—The Commission may accept, use, and dispose of gifts or donations of services or property to carry out this Act.

(2) ADMINISTRATION OF FUNDS.—The National Fish and Wildlife Foundation shall administer, on behalf of the Commission, any gifts of funds received under paragraph (1) in accordance with the rules and procedures of the Foundation.

(f) APPLICABLE LAW.—Federal laws (including regulations) governing procurement by Federal agencies shall not apply to the Commission, except for laws (including regulations) concerning working conditions, wage rates, and civil rights.

### SEC. 7. COMMISSION PERSONNEL MATTERS.

(a) COMPENSATION OF MEMBERS.—A member of the Commission shall serve without compensation for the services of the member to the Commission.

(b) STAFF.—

(1) EXECUTIVE DIRECTOR.—The Chief of the National Wildlife Refuge System of the United States Fish and Wildlife Service shall serve as the Executive Director of the Commission.

(2) OTHER PERSONNEL.—The Chairperson of the Commission may, without regard to the civil service laws (including regulations), appoint and terminate such personnel as are necessary to enable the Commission to perform the duties of the Commission.

(3) COMPENSATION.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the Chairperson of the Commission may fix the compensation of the personnel appointed under paragraph (2) without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates.

(B) MAXIMUM RATE OF PAY.—The rate of pay for the personnel appointed under paragraph (2) shall not exceed the rate payable for level V of the Executive Schedule under section 5316 of title 5, United States Code.

(c) TRAVEL EXPENSES.—Each member, the Executive Director, and other personnel of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for an employee of an agency under subchapter I of chapter 57 of title 5, United States Code, while away from the home or regular place of business of the individual in the performance of the duties of the Commission.

### SEC. 8. TERMINATION OF COMMISSION.

(a) DATE.—The Commission shall terminate 90 days after the date on which the Commission submits the report of the Commission under section 5(b)(2).

(b) DISPOSITION OF COMMISSION PROPERTY.—

(1) MEMORABILIA.—On termination of the Commission and after consultation with the Archivist of the United States and the Secretary of the Smithsonian Institution, the Executive Director may—

(A) deposit all books, manuscripts, miscellaneous printed matter, memorabilia, relics, and other similar materials of the Commission relating to the centennial of the beginning of the System in a Federal, State, or local library or museum; or

(B) make other disposition of such materials.

(2) OTHER PROPERTY.—The Executive Director may—

(A) use property that is acquired by the Commission and remains on termination of the Commission (other than property described in paragraph (1)) for the purposes of the System; or

(B) dispose of such property as excess or surplus property.

### SEC. 9. LONG-TERM PLAN FOR SYSTEM.

After taking into consideration the recommendations of the Commission under section 5(a)(3), the Secretary of the Interior shall develop a long-term plan for the System to address—

(1) the priority staffing and operational needs as determined through—

(A) the refuge operating needs system; and

(B) comprehensive conservation plans for refuges required under section 4(e) of the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd(e));

(2) the priority maintenance and construction needs as identified in the maintenance management system, the 5-year deferred maintenance list, and the 5-year construction list, developed by the Secretary of the Interior; and

(3) any transition costs as identified by the Secretary of the Interior in conducting analyses of newly acquired refuge lands.

### SEC. 10. DESIGNATION OF YEAR OF THE WILDLIFE REFUGE.

(a) IN GENERAL.—Congress designates 2003 as the "Year of the Wildlife Refuge".

(b) PROCLAMATION.—Congress requests the President to issue a proclamation calling on the people of the United States to celebrate the Year of the Wildlife Refuge with appropriate ceremonies and programs.

**SEC. 11. AUTHORIZATION OF APPROPRIATIONS.**

There are authorized to be appropriated to carry out the activities of the Commission under this Act—

(1) $100,000 for fiscal year 2001; and

(2) $250,000 for each of fiscal years 2002 through 2004.

Mr. BAUCUS. Mr. President, I am pleased to join Chairman SMITH and others to introduce the "National Wildlife Refuge System Centennial Commemoration Act of 2000."

First established by that great conservation leader, President Theodore Roosevelt in 1903, the National Wildlife Refuge System has grown today to be the premier system of reserves for the conservation of wildlife habitat and biological diversity in the world.

There are more than 500 refuges today, supporting over 1500 vertebrate species and thousands of species of plants. Open to the public, these refuges are the focal point of thousands of visitors each year that participate in wildlife viewing, photography, hunting, fishing or biking. They are places where families go to introduce youngsters to nature and to teach them the meaning of stewardship.

In some cases, refuges provide the last habitats for endangered species. In all cases, the nearly 93 million acres in the National Wildlife Refuge system provide special places for wildlife, fish, plants and people. These lands provide a buffer against ever-increasing development and are reserved for future generations to enjoy and learn from.

In Montana, we have seven National Wildlife Refuges including the 2,800 acre Lee Metcalf Refuge, the 15,500 acre Bowdoin National Wildlife Refuge in the Central Flyway, and the National Bison Range, originally set aside to protect the last of the great bison herds.

Mr. President, the bill that we are introducing today will celebrate the last 100 years of the National Wildlife Refuge System on Mary 14, 2003. In addition, the bill establishes a commission to look ahead and plan for the future, including a review of the backlog of maintenance needs at our refuges. It is my hope that this bill will increase public awareness and understanding of these national treasures.

I encourage my colleagues to support this bill.

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By Ms. COLLINS (for herself, Mr. BREAUX, Mr. ABRAHAM, Mr. BUNNING, and Mr. CRAIG)

S. 2879. A bill to amend the Public Health Service Act to establish programs and activities to address diabetes in children and youth, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

### PEDIATRIC DIABETES RESEARCH AND PREVENTION ACT

Ms. COLLINS. Mr. President, today, on behalf of myself, Senator BREAUX, and Senator ABRAHAM, I am pleased to introduce the Pediatric Diabetes Research and Prevention Act. Both Senator BREAUX and Senator ABRAHAM have been leaders in the fight against diabetes.

Our legislation will help us reduce the tremendous toll that diabetes takes on our Nation's children and young people. Diabetes is a devastating, lifelong condition that affects people of every age, race, and nationality.

Sixteen million Americans suffer from diabetes, and about 800,000 new cases are diagnosed each year. It is one of our nation's most costly diseases in both human and economic terms. Diabetes is the leading cause of kidney failure, blindness in adults, and amputations not related to injury. It is a major risk factor for heart disease and stroke and shortens life expectancy up to 15 years. Moreover, diabetes costs our nation more than $105 billion a year in health-related expenditures. More than one out of every ten health care dollars and about one out of four Medicare dollars are spent on people with diabetes.

Unfortunately, there is no method to prevent or cure diabetes, and available treatments have only limited success in controlling its devastating consequences. The burden of diabetes is particularly heavy for children and young adults with type I, or insulin dependent diabetes, also known as juvenile diabetes. In type I diabetes, the immune system attacks the insulin-producing beta cell in the pancreas and destroys them. As a consequence, the pancreas produces little or no insulin. Juvenile diabetes is the second most common chronic disease affecting children. Moreover, it is one that they never outgrow.

As the founder of the Senate Diabetes Caucus, I have met many children with diabetes who face a daily struggle to keep their blood glucose levels under control: kids like nine-year-old Nathan Reynolds, an active young boy from North Yarmouth who was Maine's delegate to the Juvenile Diabetes Foundation's Children's Congress last year. Nathan was diagnosed with diabetes in December of 1997, which forced him to change both his life and his family's life. He has learned how to take his blood—something his four-year-old brother reminds him to do before every meal—check his blood sugar level, and give himself an insulin shot on his own, sometimes with the help of his parents or his school nurse. Nathan told me that his greatest wish was that, just once, he could take a "day off" from his diabetes.

The sad fact is that children like Nathan with diabetes can never take a day off from their disease. There is no holiday from dealing with their diabetes. They face a lifetime of multiple daily finger pricks to check their blood sugar levels and daily insulin shots. Moreover, insulin is not a cure for diabetes, and it does not prevent the onset of serious complications. As a consequence, children like Nathan also face the possibility of lifelong disabling complications, such as kidney failure and blindness.

Reducing the health and human burden of diabetes as well as its enormous economic impact depends upon identifying the factors responsible for the disease and developing new methods for prevention, better treatment, and ultimately a cure. The Pediatric Diabetes Research and Prevention Act, which I am introducing today, will do just that.

One of the most important actions we can take is to establish a type I diabetes monitoring system. Currently, there is no way to track the incidence of type I diabetes across the country. As a consequence, the estimates for the number of people with type I diabetes from the American Diabetes Association, the Juvenile Diabetes Foundation, the Centers for Disease Control and Prevention, and the National Institutes of Health vary enormously—from 123,000 to over 1.5 million, a 13-fold variation.

According to noted epidemiologist Alex Languimer, "Good monitoring does not necessarily ensure the making of right decisions, but it does reduce the risk of wrong ones." One of the best ways to define the prevalence and incidence of a disease, as well as to characterize and study populations, is to establish a registry specific to that disease. The bill I am introducing today directs the Secretary of Health and Human Services (HHS), acting through the Centers for Disease Control and Prevention (CDC), to create a National Registry on Juvenile Diabetes so that we can develop a national database on type I diabetes, including information about incidence and prevalence. The Secretary would also be directed to establish an advisory board of epidemiologists, clinicians, ethicists, patients and others to help guide this effort.

Obesity and inadequate physical activity—both major problems in the United States today—are important risk factors for type 2, or non-insulin dependent diabetes. Unfortunately, obesity is a significant and growing problem among children in the United States, which has led to a disturbing increase in the incidence of type 2 diabetes among young people. This is particularly alarming since type 2 diabetes has long been considered an "adult" disease. Nearly all of the documented cases of type 2 diabetes in young people have occurred in obese children, who are also at increased risk for the complications associated with the disease. Moreover, these complications will likely develop at an earlier age than if these children had developed type 2 diabetes as adults.

The Pediatric Diabetes Research and Prevention Act will direct the Secretary of HHS to implement a national public health effort to address type 2 diabetes among children, including: 1) enhanced surveillance systems and expanded research to better assess the prevalence of type 2 diabetes in young people and determine the extent to which type 2 diabetes is incorrectly diagnosed as type 1 diabetes among children; 2) assistance to States to establish coordinated school health programs and physical activity and nutrition demonstration projects to control weight and to increase physical activity among school children; and 3) development and improvement of laboratory methods to assist in diagnosis, treatment, and prevention of diabetes.

In addition, the Collins, Breaux, Abraham legislation calls for long-term studies of persons with type 1 diabetes at the National Institutes of Health (NIH) where these individuals will be followed for 10 years or more. These long-term studies will examine disease manifestations, medical histories, environmental factors, development of complications, and other factors. This long-term analysis of type 1 diabetes will provide an invaluable basis for the identification of potential environmental triggers thought to precipitate the disease. It will also provide for the delineation of clinical characteristics or lab measures associated with the complications of diabetes as well as help to identify a potential study population for clinical trials.

Type 1 diabetes is considered an autoimmune disease, which results when the body's system for fighting infection turns against a part of the body. A variety of promising new approaches to treatment and prevention of autoimmune responses are currently under development. For the most part, however, these studies are conducted in adult populations. Moreover, at present, there is an insufficient infrastructure to conduct the clinical trials necessary to take advantage of new therapeutic approaches.

The Pediatric Diabetes Research and Prevention Act directs the Secretary of HHS, acting through the Director of the NIH, to support regional clinical centers for the cure of type 1 diabetes and through these centers, provides for: (1) a population of children appropriate for study; (2) well-trained clinical scientists able to conduct such trials; (3) appropriate clinical settings to house these studies; and (4) appropriate statistical capability, data, safety and other monitoring capacity.

And finally, the legislation directs the Secretary of HHS to provide for a national effort to develop a vaccine for type 1 diabetes. Animal studies suggest great promise for the development of a new vaccine to prevent type 1 diabetes in humans. The Pediatric Diabetes Research and Prevention Act provides for a combination of increased efforts in research and development of candidate vaccines, coupled with an enhanced ability to conduct large clinical trials in children.

The Pediatric Diabetes Research and Prevention Act will help us to better understand and ultimately conquer this disease which has had such a devastating impact on millions of American children and their families. I urge all of my colleagues to join me in cosponsoring this important legislation.

Mr. CRAIG. Mr. President, will the Senator yield to me?

Ms. COLLINS. I am happy to yield to the Senator from Idaho.

Mr. CRAIG. Mr. President, I thank the Senator from Maine, and I want to recognize her leadership in this area.

In the last couple of years, I have begun to focus my attention on childhood type 1 diabetes. What the Senator from Maine is offering today is clearly moving us well in advance.

I ask the Senator to allow me to be a sponsor of her legislation.

The Senator's effort struck a particularly loud chord with me, because it was exactly one year ago today that the Senate and I lost a friend and colleague, Ken Foss, related to his diabetes.

This Senate and this Congress should focus on diabetes, as we have cancer and other health areas in our country, to move more quickly toward a cure.

The Senator is so right in recognizing we have already moved a long way and there is a great deal known. My rather limited reading suggests that the great push forward might well break us into those areas of remedy, at least for type 1, and there is a great deal of work going on. My congratulations to the Senator for her leadership in that area. I stand to help in any way I can.

Ms. COLLINS. Mr. President, I very much appreciate the kind, supportive words from my colleague. I am very honored to add him as a cosponsor of my bill.

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By Mr. CONRAD (for himself and Mr. DORGAN):

S. 2880. A bill to provide construction assistance for a project for a water transmission line from the Missouri River to the city of Williston, North Dakota; to the Committee on Environment and Public Works.

### CONSTRUCTION ASSISTANCE WATER PROJECT IN WILLISTON, NORTH DAKOTA

### THE WILLISTON WATER TRANSMISSION LINE

Mr. CONRAD. Mr. President, I rise today to introduce legislation to authorize the Army Corps of Engineers to construct a new water transmission line from the Missouri River to the city of Williston. This project is very important to the reliability of the water supply for the residents of Williston and is needed to mitigate long-term consequences from construction of the Garrison Dam.

The construction of the Garrison Dam and creation of Lake Sakakawea by the Corps forced the city of Williston to relocate its water intake and treatment plant to its present location approximately five miles upstream of the city. As a requirement of the new location, a large-diameter transmission line was constructed to convey the entire city's water supply from the treatment plant to the city.

All of the water for the city's residents and businesses must flow through this single transmission line. As a result, the existing transmission line is the only link between the water treatment plant and the city's water distribution system.

The existing transmission line has been in service for nearly 40 years with limited maintenance to date in part because the line runs through an area near the river that has become supersaturated due to the rising water table behind the dam. As the transmission line continues to age, it has become susceptible to failures, as demonstrated in April 1998.

On April 8, 1998, maintenance crews discovered a major leak in the transmission line near the water treatment plant. City officials immediately alerted residents of the problem and imposed water restrictions to essential water uses only. Through an emergency declaration, the National Guard was enlisted to install an overland pipeline to help provide temporary water for the city. The high water table from Lake Sakakawea made repairs difficult with extensive pumping and dewatering procedures needed to locate and fix the broken pipeline. It took more than two weeks to make the necessary repairs. If the failure had occurred during the winter, repairs and temporary water service would have been almost impossible to provide. This experience supports the need for Williston to have a second transmission line from the water treatment plant to the city's water distribution system.

The bill I am introducing today will authorize the Corps to construct a new transmission line. The city has identified a new route for the line that provides improved access, avoids unstable site conditions, provides potential service for future industrial sites, while minimizing the length and cost of the new transmission line.

Mr. President, I believe the Federal government has a responsibility to assist communities mitigate the adverse consequences resulting from the construction of the Garrison Dam and creation of Lake Sakakawea. The Corps of Engineers built the Garrison Dam which resulted in the need for this project, and in my view the Corps should be responsible for addressing the unintended consequences of building that dam. This bill will help the

Federal government live up to its responsibility and ensure that the residents of Williston have a reliable water supply. I urge my colleagues to review this legislation quickly so we can pass it this year, before there is another disruption to the city's water supply.

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By Mr. SMITH of Oregon (for himself and Mr. WYDEN):

S. 2882. A bill to authorize Bureau of Reclamation to conduct certain feasibility studies to augment water supplies for the Klamath Project, Oregon and California, and for other purposes; to the Committee on Energy and Natural Resources.

### THE KLAMATH BASIN WATER SUPPLY ENHANCEMENT ACT OF 2000

Mr. SMITH of Oregon. Mr. President, today I am introducing legislation, cosponsored by my colleague Mr. WYDEN, to authorize the Bureau of Reclamation, an agency of the Department of the Interior, to conduct feasibility studies in the Klamath basin.

The Klamath Project in Oregon and California is one of the earliest federal reclamation projects. The Secretary of the Interior authorized development of the project on May 15, 1905, under provisions of the Reclamation Act of 1902. The project irrigates over 200,000 acres of farmland in south-central Oregon and north-central California. The two main sources of water supply for the project are Upper Klamath Lake and the Klamath River, as well as Clear Lake Reservoir, Gerber Reservoir, and Lost River, which are located in a closed basin. The total drainage area is approximately 5,700 square miles. The Klamath River is subject to an interstate compact between the States of Oregon and California.

There are also several wildlife refuges in the basin that are an important part of the western flyway. There are listed suckers in Upper Klamath Lake that require the lake to be maintained at certain levels throughout the summer. There are also salmon in the Klamath River for which federal agencies are seeking additional flow. It is my understanding that there will be significant additional flow requirements next year.

The Upper Basin has not been adjudicated by the State of Oregon, which is trying to use an alternative process to formal adjudication. The tribes in the basin are also seeking a resolution of their water rights claims.

In recent years, there has been growing concern about meeting the competing needs of various water uses in the Basin, including the needs of the farmers, the fish, the tribes and the wildlife refuges. There is a consensus in the basin about the need to increase overall water supplies in order to meet these growing needs and enhance the environment.

The bill I am introducing today is an effort to build on this consensus. I have discussed the concepts in this bill with a number of the stakeholders in the Upper Basin, and I am committed to a legislative process that will consider the views of the various interest groups in the basin. I know that there will be other issues that stakeholders will want considered, and I will endeavor to do so.

I believe it is vitally important, however, that we take the first step to enable the Department of the Interior to study ways to improve both the water quality and the water quantity in the Upper Klamath basin. There is significant private irrigation in the Upper Basin as well, and I am committed to a process that includes these water users as well.

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By Mr. CRAPO (for himself, Mr. SMITH of New Hampshire, Mr. HUTCHINSON, Mr. CRAIG, Mr. SHELBY, Mr. COVERDELL, Mr. ENZI, Mr. GRAMM, and Mr. INHOFE):

S.J. Res. 50. A joint resolution to disapprove a final rule promulgated by the Environmental Protection Agency concerning water pollution; to the Committee on Environment and Public Works.

### DISAPPROVING A FINAL RULE PROMULGATED BY THE ENVIRONMENTAL PROTECTION AGENCY CONCERNING WATER POLLUTION

● Mr. CRAPO. Mr. President, I rise today to introduce a joint resolution, co-sponsored by Senators BOB SMITH, HUTCHINSON, CRAIG, SHELBY, COVERDELL, ENZI, GRAMM, and INHOFE, revoking the Environmental Protection Agency's (EPA) rule on Total Maximum Daily Loads under the Clean Water Act.

I strongly support the EPA's goal of cleaning up our nation's water bodies but disagree with its approach. We must accelerate cleanup of our rivers, lakes, and streams; unfortunately, the EPA's rule will not accomplish that goal. In fact, the EPA's hastily completed rule will divert billions of dollars from programs that are working to an unreasonable, prohibitively-expensive, and technically-unworkable program.

Since the EPA's draft TMDL rule was first published in August 1999, many stakeholders including states, industry, environmental organizations, the public, and Congress have all raised serious concerns. The EPA received over 34,000 public comments, most overwhelmingly in opposition to the rule. Twenty public forums were conducted; again, sentiments ran overwhelmingly in opposition to the EPA's rule. Twelve congressional hearings were held, revealing that the proposal is unreasonable and unworkable. The National Governors' Association denounced the rule as an inflexible, unfunded mandate that will eliminate opportunities to reduce overall pollution. In a May 19 letter, six environmental groups urged the EPA to "withdraw the current version of the proposed rule, which is so fundamentally flawed that it would weaken the existing TMDL program."

When it became clear that the EPA was ignoring concerns and proceeding to fast-track its rule, even in the fact of such serious opposition, Congress, rightly, exercised its oversight responsibility by including specific language in the Fiscal Year 2001 Military Construction Supplemental Appropriations bill to prevent finalization of the rule. Similar language was also passed by the House in the FY 2001 VA-HUM-Independent Agencies Appropriations bill. In clear defiance of Congress, the EPA promulgated the rule on July 11, 2000.

The Congressional Review Act, 5 U.S.C. 801–808 provides for expedited congressional review of agency rulemaking; specially, Section 802 provides a legislative procedure by which Congress can disapprove an agency's rule. This congressional review statute was approved in the 104th Congress for situations just such as this to reserve to Congress a mechanism for exercising its agency oversight responsibility.

It is important that we work to develop a program that will enhance, not hinder, our cleanup efforts. Repeatedly, the EPA was urged to repropose a rule that will accomplish our goal of more clean water more quickly; revoking the hurriedly completed rule will allow the EPA to focus its efforts on a program that will actually achieve the goals of the Clean Water Act. I urge my colleagues to join me in opposing the EPA's efforts to circumvent Congress and encouraging it to develop an effective proposal in collaboration with the public.●

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## ADDITIONAL COSPONSORS

### S. 74

At the request of Mr. DASCHLE, the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of S. 74, a bill to amend the Fair Labor Standards Act of 1938 to provide more effective remedies to victims of discrimination in the payment of wages on the basis of sex, and for other purposes.

### S. 85

At the request of Mr. BUNNING, the names of the Senator from Arizona (Mr. KYL) and the Senator from Illinois (Mr. FITZGERALD) were added as cosponsors of S. 85, a bill to amend the Internal Revenue Code of 1986 to reduce the tax on vaccines to 25 cents per dose.

### S. 555

At the request of Mr. DEWINE, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 555, a bill to amend title 38, United States Code, to authorize the Secretary of Veterans Affairs to continue payment of monthly educational assistance benefits to veterans enrolled at educational institutions during periods between terms if the interval between such periods does not exceed eight weeks.

S. 1016

At the request of Mr. DEWINE, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 1016, a bill to provide collective bargaining for rights for public safety officers employed by States or their political subdivisions.

S. 1020

At the request of Mr. GRASSLEY, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 1020, a bill to amend chapter 1 of title 9, United States Code, to provide for greater fairness in the arbitration process relating to motor vehicle franchise contracts.

S. 1109

At the request of Mr. MCCONNELL, the name of the Senator from Pennsylvania (Mr. SPECTER) was added as a cosponsor of S. 1109, a bill to conserve global bear populations by prohibiting the importation, exportation, and interstate trade of bear viscera and items, products, or substances containing, or labeled or advertised as containing, bear viscera, and for other purposes.

S. 1322

At the request of Mr. DASCHLE, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 1322, a bill to prohibit health insurance and employment discrimination against individuals and their family members on the basis of predictive genetic information or genetic services.

S. 1571

At the request of Mr. JEFFORDS, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 1571, a bill to amend title 38, United States Code, to provide for permanent eligibility of former members of the Selected Reserve for veterans housing loans.

S. 1592

At the request of Mr. DURBIN, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 1592, a bill to amend the Nicaraguan Adjustment and Central American Relief Act to provide to certain nationals of El Salvador, Guatemala, Honduras, and Haiti an opportunity to apply for adjustment of status under that Act, and for other purposes.

S. 2061

At the request of Mr. BIDEN, the names of the Senator from North Carolina (Mr. EDWARDS) and the Senator from Georgia (Mr. CLELAND) were added as cosponsors of S. 2061, a bill to establish a crime prevention and computer education initiative.

S. 2217

At the request of Mr. CAMPBELL, the name of the Senator from Vermont (Mr. JEFFORDS) was added as a cosponsor of S. 2217, a bill to require the Secretary of the Treasury to mint coins in commemoration of the National Museum of the American Indian of the Smithsonian Institution, and for other purposes.

S. 2274

At the request of Mr. GRASSLEY, the name of the Senator from Tennessee (Mr. FRIST) was added as a cosponsor of S. 2274, a bill to amend title XIX of the Social Security Act to provide families and disabled children with the opportunity to purchase coverage under the medicaid program for such children.

S. 2288

At the request of Mr. ABRAHAM, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 2288, a bill to amend the Internal Revenue Code of 1986 and the Social Security Act to repeal provisions relating to the State enforcement of child support obligations and the disbursement of such support and to require the Internal Revenue service to collect and disburse such support through wage withholding and other means.

S. 2358

At the request of Mr. INHOFE, the name of the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of S. 2358, a bill to amend the Public Health Service Act with respect to the operation by the National Institutes of Health of an experimental program to stimulate competitive research.

S. 2408

At the request of Mr. BINGAMAN, the names of the Senator from Nevada (Mr. REID), the Senator from Wyoming (Mr. ENZI) and the Senator from Alaska (Mr. STEVENS) were added as cosponsors of S. 2408, a bill to authorize the President to award a gold medal on behalf of the Congress to the Navajo Code Talkers in recognition of their contributions to the Nation.

S. 2591

At the request of Mr. JEFFORDS, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 2591, a bill to amend the Internal Revenue Code of 1986 to allow tax credits for alternative fuel vehicles and retail sale of alternative fuels, and for other purposes.

S. 2609

At the request of Mr. CRAIG, the name of the Senator from Montana (Mr. BURNS) was added as a cosponsor of S. 2609, a bill to amend the Pittman-Robertson Wildlife Restoration Act and the Dingell-Johnson Sport Fish Restoration Act to enhance the funds available for grants to States for fish and wildlife conservation projects, and to increase opportunities for recreational hunting, bow hunting, trapping, archery, and fishing, by eliminating chances for waste, fraud, abuse, maladministration, and unauthorized expenditures for administration and implementation of those Acts, and for other purposes.

S. 2690

At the request of Mr. LEAHY, the names of the Senator from Connecticut (Mr. DODD) and the Senator from California (Mrs. BOXER) were added as cosponsors of S. 2690, a bill to reduce the risk that innocent persons may be executed, and for other purposes.

S. 2700

At the request of Mr. L. CHAFEE, the names of the Senator from Hawaii (Mr. INOUYE) and the Senator from Indiana (Mr. BAYH) were added as cosponsors of S. 2700, a bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to promote the cleanup and reuse of brownfields, to provide financial assistance for brownfields revitalization, to enhance State response programs, and for other purposes.

S. 2703

At the request of Mr. AKAKA, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 2703, a bill to amend the provisions of title 39, United States Code, relating to the manner in which pay policies and schedules and fringe benefit programs for postmasters are established.

S. 2709

At the request of Mr. BAUCUS, the name of the Senator from Wyoming (Mr. THOMAS) was added as a cosponsor of S. 2709, to establish a Beef Industry Compensation Trust Fund with the duties imposed on products of countries that fail to comply with certain WTO dispute resolution decisions.

S. 2725

At the request of Mr. SMITH of New Hampshire, the name of the Senator from Rhode Island (Mr. REED) was added as a cosponsor of S. 2725, a bill to provide for a system of sanctuaries for chimpanzees that have been designated as being no longer needed in research conducted or supported by the Public Health Service, and for other purposes.

S. 2739

At the request of Mr. LAUTENBERG, the names of the Senator from Wisconsin (Mr. FEINGOLD) and the Senator from Connecticut (Mr. DODD) were added as cosponsors of S. 2739, a bill to amend title 39, United States Code, to provide for the issuance of a semipostal stamp in order to afford the public a convenient way to contribute to funding for the establishment of the World War II Memorial.

S. 2743

At the request of Mr. KENNEDY, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 2743, a bill to amend the Public Heath Service Act to develop an infrastructure for creating a national voluntary reporting system to continually reduce medical errors and improve patient safety to ensure that individuals receive high quality health care.

### S. 2829

At the request of Mr. HUTCHINSON, the name of the Senator from New Hampshire (Mr. SMITH) was added as a cosponsor of S. 2829, a bill to provide of an investigation and audit at the Department of Education.

### S. 2842

At the request of Mr. REID, the name of the Senator from Nevada (Mr. BRYAN) was added as a cosponsor of S. 2842, a bill to direct the Secretary of Agriculture to convey certain land to Lander County, Nevada, for continued use as a cemetery.

### S. 2868

At the request of Mr. FRIST, the name of the Senator from Wyoming (Mr. ENZI) was added as a cosponsor of S. 2868, a bill to amend the Public Health Service Act with respect to children's health.

### S.J. RES. 48

At the request of Mr. CAMPBELL, the names of the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Ms. LANDRIEU), the Senator from Illinois (Mr. DURBIN), the Senator from Ohio (Mr. VOINOVICH), the Senator from Montana (Mr. BAUCUS) , the Senator from Nevada (Mr. REID), the Senator from New York (Mr. MOYNIHAN), the Senator from Minnesota (Mr. WELLSTONE), the Senator from Mississippi (Mr. COCHRAN), the Senator from New Mexico (Mr. BINGAMAN), the Senator from Arizona (Mr. MCCAIN), the Senator from Indiana (Mr. LUGAR) and the Senator from Mississippi (Mr. LOTT) were added as cosponsors of S.J.Res. 48, a joint resolution calling upon the President to issue a proclamation recognizing the 25th anniversary of the Helsinki Final Act.

### S. RES. 294

At the request of Mr. ABRAHAM, the names of the Senator from Oklahoma (Mr. NICKLES) and the Senator from Massachusetts (Mr. KENNEDY) were added as cosponsors of S.Res. 294, a resolution designating the month of October 2000 as "Children's Internet Safety Month."

### S. RES. 301

At the request of Mr. SANTORUM, his name was added as a cosponsor of S. Res. 301, a resolution designating August 16, 2000, as "National Airborne Day."

### S. RES. 304

At the request of Mr. BIDEN, the names of the Senator from Mississippi (Mr. COCHRAN) and the Senator from Maryland (Mr. SARBANES) were added as cosponsors of S.Res. 304, a resolution expressing the sense of the Senate regarding the development of educational programs on veterans' contributions to the country and the designation of the week that includes Veterans Day as "National Veterans Awareness Week" for the presentation of such educational programs.

### AMENDMENT NO. 3457

At the request of Mr. LEVIN, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of amendment No. 3457 intended to be proposed to S. 2536, an original bill making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2001, and for other purposes.

### AMENDMENT NO. 3798

At the request of Mr. REED, the names of the Senator from Massachusetts (Mr. KENNEDY) and the Senator from New York (Mr. SCHUMER) were added as cosponsors of amendment No. 3798 proposed to H.R. 4578, a bill making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2001, and for other purposes.

### AMENDMENT NO. 3811

At the request of Mr. LIEBERMAN, the names of the Senator from Vermont (Mr. JEFFORDS) and the Senator from New Jersey (Mr. TORRICELLI) were added as cosponsors of amendment No. 3811 proposed to H.R. 4578, a bill making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2001, and for other purposes.

At the request of Ms. SNOWE, her name was added as a cosponsor of amendment No. 3811 proposed to H.R. 4578, supra.

### AMENDMENT NO. 3845

At the request of Mr. ROBB, his name was added as a cosponsor of amendment No. 3845 proposed to H.R. 4810, a bill to provide for reconciliation pursuant to section 103(a)(1) of the concurrent resolution on the budget for fiscal year 2001.

### AMENDMENT NO. 3848

At the request of Mr. KENNEDY, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of amendment No. 3848 proposed to H.R. 4810, a bill to provide for reconciliation pursuant to section 103(a)(1) of the concurrent resolution on the budget for fiscal year 2001.

### AMENDMENT NO. 3849

At the request of Mr. JOHNSON, his name was added as a cosponsor of amendment No. 3849 proposed to H.R. 4810, a bill to provide for reconciliation pursuant to section 103(a)(1) of the concurrent resolution on the budget for fiscal year 2001.

### AMENDMENT NO. 3853

At the request of Mr. ROBB, the name of the Senator from Nevada (Mr. BRYAN) was added as a cosponsor of amendment No. 3853 proposed to H.R. 4810, a bill to provide for reconciliation pursuant to section 103(a)(1) of the concurrent resolution on the budget for fiscal year 2001.

### AMENDMENT NO. 3855

At the request of Mr. TORRICELLI, the name of the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of amendment No. 3855 proposed to H.R. 4810, a bill to provide for reconciliation pursuant to section 103(a)(1) of the concurrent resolution on the budget for fiscal year 2001.

### AMENDMENT NO. 3860

At the request of Mr. CLELAND, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of amendment No. 3860 proposed to H.R. 4810, a bill to provide for reconciliation pursuant to section 103(a)(1) of the concurrent resolution on the budget for fiscal year 2001.

### AMENDMENT NO. 3863

At the request of Mr. JOHNSON, his name was added as a cosponsor of amendment No. 3863 proposed to H.R. 4810, a bill to provide for reconciliation pursuant to section 103(a)(1) of the concurrent resolution on the budget for fiscal year 2001.

### AMENDMENT NO. 3874

At the request of Mr. JOHNSON, his name was added as a cosponsor of amendment No. 3874 proposed to H.R. 4810, a bill to provide for reconciliation pursuant to section 103(a)(1) of the concurrent resolution on the budget for fiscal year 2001.

### AMENDMENT NO. 3876

At the request of Mr. JOHNSON, his name was added as a cosponsor of amendment No. 3876 proposed to H.R. 4810, a bill to provide for reconciliation pursuant to section 103(a)(1) of the concurrent resolution on the budget for fiscal year 2001.

### AMENDMENT NO. 3877

At the request of Mr. DORGAN, the name of the Senator from South Dakota (Mr. DASCHLE) was added as a cosponsor of amendment No. 3877 proposed to H.R. 4810, a bill to provide for reconciliation pursuant to section 103(a)(1) of the concurrent resolution on the budget for fiscal year 2001.

At the request of Mr. JOHNSON, his name was added as a cosponsor of amendment No. 3877 proposed to H.R. 4810, supra.

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## SENATE RESOLUTION 337—RELATIVE TO THE DEATH OF THE HONORABLE JOHN O. PASTORE, FORMERLY A SENATOR FROM THE STATE OF RHODE ISLAND

By Mr. LOTT (for himself and Mr. DASCHLE) submitted the following resolution; which was considered and agreed to:

### S. RES. 337

*Resolved*, That the Senate has heard with profound sorrow and deep regret the announcement of the death of the Honorable John O. Pastore, formerly a Senator from the State of Rhode Island.

*Resolved*, That the Secretary of the Senate communicate these resolutions to the House of Representatives and transmit an enrolled copy thereof to the family of the deceased.

*Resolved*, That when the Senate adjourns today, it stand adjourned as a further mark of respect to the memory of the deceased Senator.

Mr. LOTT. Mr. President, tonight, as we adjourn, we do so in memory of John O. Pastore, who served the people of Rhode Island here in the Senate from 1950 to 1976.

Senator Pastore's life was in many ways a realization of the American dream—characterized by humble beginnings, hard work, opportunity, and accomplishment. His father was an immigrant tailor who passed away when John was a young boy. From that time on, he and his four siblings were reared by their mother, who supported the family as a seamstress.

Senator Pastore earned his law degree from Northeastern University, through evening classes the school offered at the Providence YMCA. The family home was his first law office.

Senator Pastore, was initially elected to office in 1934, when he became a Member of the Rhode Island House of Representatives. He subsequently served as assistant state attorney general, lieutenant governor, and in 1945 became governor when his predecessor resigned for another office. Senator Pastore was then elected to two terms in his own right.

In 1950, he was elected to the U.S. Senate to fill a vacant seat. Two years later, he won the first of four full terms in this institution. He never lost an election.

Many individuals have passed through the doors of this great chamber, and each has left a unique imprint. Senators for years to come will think of John Pastore whenever the "Pastore rule", relating to germaneness of debate, is invoked.

Senator Pastore will be remembered in the United States Senate as a servant of the people and a man committed to his beliefs.

Today, the thoughts and prayers of the Senate are with his family and his constituents.

## AMENDMENTS SUBMITTED

## DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

### BRYAN (AND FITZGERALD) AMENDMENT NO. 3883

Mr. BRYAN (for himself and Mr. FITZGERALD) proposed an amendment to the bill (H.R. 4578) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2001, and for other purposes; as follows:

On page 164, line 19, strike "$1,233,824,000," and insert "$1,203,824,000,".

On page 164, line 23, strike "(16 U.S.C. 460l6a(i)):" and insert "(16 U.S.C. 460l6a(i)), of which $220,844,000" shall be available for forest products:".

On page 165, beginning on line 6, strike "*Provided*" and all that follows through "accomplishment:" on lines 11 and 12.

On page 165, line 25, strike "$618,500,000, to remain available until expended:" and insert "$633,500,000, to remain available until expended, of which $419,593,000 shall be available for preparedness and fire use functions:".

### NICKLES AMENDMENT NO. 3884

Mr. NICKLES proposed an amendment to the bill, H.R. 4578, supra; as follows:

At the appropriate place, add the following:

**SEC. . FUNDING FOR NATIONAL MONUMENTS.**

Notwithstanding any other provision of law, no funds shall be used to establish or expand a national monument under the Act of June 8, 1906 (16 U.S.C. 431 et seq.) after July 17, 2000, except by Act of Congress.

### BOXER AMENDMENT NO. 3885

(Ordered to lie on the table.)

Mr. REID (for Mrs. BOXER) proposed an amendment to the bill, H.R. 4578, supra; as follows:

At the appropriate place insert the following:

None of the funds appropriated under this Act may be used for the preventive application of a pesticide containing a known or probable carcinogen, a category I or II acute nerve toxin or a pesticide of the organophospate, carbamate, or organo- chlorine class as identified by the Environmental Protection Agency in National Parks in any area where children may be present.

### BOND AMENDMENT NO. 3886

Mr. GORTON (for Mr. BOND) proposed an amendment to the amendment proposed by Mrs. BOXER to the bill, H.R. 4578, supra; as follows:

In lieu of the matter proposed to be inserted, insert the following:

**SEC. . PROHIBITION ON USE OF FUNDS FOR APPLICATION OF UNAPPROVED PESTICIDES IN CERTAIN AREAS THAT MAY BE USED BY CHILDREN.**

(a) DEFINITION OF PESTICIDE.—In this section, the term "pesticide" has the meaning given the term in section 2 of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136).

(b) PROHIBITION ON USE OF FUNDS.—None of the funds appropriated under this Act may be used for the application of a pesticide that is not approved for use by the Environmental Protection Agency in any area owned or managed by the Department of the Interior that may be used by children, including any national park.

(c) COORDINATION.—The Secretary of the Interior shall coordinate with the Administrator of the Environmental Protection Agency to ensure that the methods of pest control used by the Department of the Interior do not lead to unacceptable exposure of children to pesticides.

### BINGAMAN AMENDMENT NO. 3887

Mr. REID (for Mr. BINGAMAN) proposed an amendment to the bill, H.R. 4578, supra; as follows:

On page 163, after line 23, add the following:

SEC. . (a) FINDINGS.—The Senate makes the following findings:

(1) in 1990, pursuant to the Indian Self Determination and Education Assistance Act (ISDEA), 25 U.S.C. et seq., a class action lawsuit was filed by Indian tribal contractors and tribal consortia against the United States, the Secretary of the Interior and others seeking redress for failure to fully pay for indirect contract support costs (Ramah Navajo Chapter v. Babbitt, 112 F.3d 1455 (10th Cir. 1997));

(2) the parties negotiated a partial settlement of the claim totaling $76,200,000 which was approved by the court on May 14, 1999;

(3) the partial settlement was paid by the United States on September 14, 1999, in the amount of $82,000,000;

(4) the Judgment Fund, 31 U.S.C. 1304, was established to pay for legal judgments awarded to plaintiffs who have filed suit against the United States;

(5) the Contract Disputes Act of 1978 requires that the Judgment Fund be reimbursed by the responsible agency following the payment of an award from the Fund;

(6) because the potential exists that Indian program funds in the Bureau of Indian Affairs (BIA) and the Indian Health Service (IHS) would be used in Fiscal Year 2001 to reimburse the Judgment Fund, resulting in significant financial and administrative disruptions in the BIA, the IHS, and the Indian tribes who rely on such funds.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the Secretary of the Interior and the Secretary of the Department of Health and Human Services should declare Indian program funds unavailable for purposes of reimbursing the judgment fund; and

(2) if the Secretary of the Interior and the Secretary of the Department of Health and Human Services determines that there are no other available funds, the agencies through the Administration should seek an appropriation of funds from Congress to provide for reimbursement of the judgment fund.

## MARRIAGE TAX PENALTY RELIEF RECONCILIATION ACT OF 2000

### LANDRIEU AMENDMENT NO. 3888

Ms. LANDRIEU proposed an amendment to the bill (H.R. 4810) to provide for reconciliation pursuant to section 103(a)(1) of the concurrent resolution on the budget for fiscal year 2001; as follows:

At the appropriate place, insert the following:

**SEC. . EXPANSION OF ADOPTION CREDIT.**

(a) SPECIAL NEEDS ADOPTION.—

(1) CREDIT AMOUNT.—Paragraph (1) of section 23(a) of the Internal Revenue Code of 1986 (relating to allowance of credit) is amended to read as follows:

"(1) IN GENERAL.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter—

"(A) in the case of a special needs adoption, $10,000, or

"(B) in the case of any other adoption, the amount of the qualified adoption expenses paid or incurred by the taxpayer.".

(2) YEAR CREDIT ALLOWED.—Section 23(a)(2) of such Code (relating to year credit allowed) is amended by adding at the end the following new flush sentence:

"In the case of a special needs adoption, the credit allowed under paragraph (1) shall be allowed for the taxable year in which the adoption becomes final.".

(3) Dollar limitation.—Section 23(b)(1) of such Code is amended—

(A) by striking "subsection (a)" and inserting "subsection (a)(1)(B)", and

(B) by striking "($6,000, in the case of a child with special needs)".

(4) Definition of special needs adoption.—Section 23(d) of such Code (relating to definitions) is amended by adding at the end the following new paragraph:

"(4) Special needs adoption.—The term 'special needs adoption' means the final adoption of an individual during the taxable year who is an eligible child and who is a child with special needs.".

(5) Definition of child with special needs.—Section 23(d)(3) of such Code (defining child with special needs) is amended to read as follows:

"(3) Child with special needs.—The term 'child with special needs' means any child if a State has determined that the child's ethnic background, age, membership in a minority or sibling groups, medical condition or physical impairment, or emotional handicap makes some form of adoption assistance necessary.".

(b) Increase in Income Limitations.—Section 23(b)(2) of the Internal Revenue Code of 1986 (relating to income limitation) is amended —

(1) in subparagraph (A)—

(A) by striking "$75,000" and inserting "$63,550 ($105,950 in the case of a joint return)", and

(B) by striking "$40,000" and inserting "the applicable amount", and

(2) by adding at the end the following new subparagraph:

"(C) Applicable amount.—For purposes of subparagraph (A), the applicable amount, with respect to any taxpayer, for the taxable year shall be an amount equal to the excess of—

"(i) the maximum taxable income amount for the 31 percent bracket under the table contained in section 1 relating to such taxpayer and in effect for the taxable year, over

"(ii) the dollar amount in effect with respect to the taxpayer for the taxable year under subparagraph (A)(i).

"(D) Cost-of-living adjustment.—

"(i) In general.—In the case of a taxable year beginning after 2001, each dollar amount under subparagraph (A)(i) shall be increased by an amount equal to—

"(I) such dollar amount, multiplied by

"(II) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2000' for 'calendar year 1992' in subparagraph (B) thereof.

"(ii) Rounding rules.—If any amount after adjustment under clause (i) is not a multiple of $1,000, such amount shall be rounded to the next lower multiple of $1,000.".

(c) Adoption Credit Made Permanent.—Subclauses (A) and (B) of section 23(d)(2) of the Internal Revenue Code of 1986 (defining eligible child) are amended to read as follows:

"(A) who has not attained age 18, or

"(B) who is physically or mentally incapable of caring for himself.".

(d) Conforming Amendments.—

(1) Section 23(a)(2) of the Internal Revenue Code of 1986 is amended by striking "(1)" and inserting "(1)(B)".

(2) Section 23(b)(3) of such Code is amended by striking "(a)" each place it appears and inserting "(a)(1)(B)".

(e) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

## DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

### ASHCROFT AMENDMENT NO. 3889

Mr. ROTH (for Mr. Ashcroft) proposed an amendment to the bill, H.R. 4578, supra; as follows:

On page 164, line 23, strike "6a(i):" and insert "6a(i), of which not less than an additional $500,000 shall be available for use for law enforcement purposes in the national forest that, during fiscal year 2000, had both the greatest number of methamphetamine dumps and the greatest number of methamphetamine laboratcry law enforcement actions in the national forest system:

### HATCH (AND BINGAMAN) AMENDMENT NO. 3890

Mr. ROTH (for Mr. Hatch (for himself and Mr. Bingaman)) proposed an amendment to the bill, H.R. 4578, supra; as follows:

On page 126, line 2, before the period, insert the following: ", and of which $2,250,000 shall be used to construct and maintain the Four Corners Interpretive Center authorized by Public Law 106–143".

### ROTH AMENDMENT NO. 3891

Mr. ROTH proposed an amendment to the bill, H.R. 4578, supra; as follows:

On page 125, line 25, strike "58,209,000," and insert the following: "63,249,000, of which $1,000,000 shall be for the Lewes Maritime Historic Park,".

### SESSIONS AMENDMENTS NOS 3892–3893

Mr. ROTH (for Mr. Sessions) proposed two amendments to the amendments to the bill, H.R. 4578, supra; as follows:

Amendment No. 3892

On page 125, line 25, before "of which" insert the following: "of which $1,000,000 shall be available to carry out exhibitions at and acquire interior furnishings for the Rosa Parks Library and Museum, Alabama, and".

Amendment No. 3893

On page 122, line 9, before the period, insert the following: ", of which $1,000,000 shall be used for acquisition of land around the Bon Secour National Wildlife Refuge, Alabama and of which not more than $6,500,000 shall be used for acquisition management."

### LANDRIEU (AND BREAUX) AMENDMENTS NOS. 3894–3895

Mr. ROTH (for Ms. Landrieu (for herself and Mr. Breaux)) proposed two amendments to the bill, H.R. 4578, supra: as follows:

Amendment No. 3894

On page 125, line 25, after $58,209,000," insert "of which not less than $500,000 shall be used to develop a preservation plan for the Cane River National Heritage Area, Louisiana, and".

Amendment No. 3895

On page 126, line 2, before the period at the end, insert ", and of which $250,000 shall be available to the National Center for Preservation Technology and Training for the development of a model for heritage education through distance learning".

### FEINSTEIN AMENDMENT NO. 3896

Mr. ROTH (for Mrs. Feinstein) proposed an amendment to the bill, H.R. 4578, supra; as follows:

On page 165, at the end of line 25 colon, insert: "of which not less than $2,400,000 shall be made available for fuels reduction activities at Sequoia National Monument.

### CHAFEE AMENDMENT NO. 3897

Mr. ROTH (for Mr. L. Chafee) proposed an amendment to the bill, H.R. 4578, supra; as follows:

On page 215, line 24, strike "or" and insert "and", and on page 216, line 1, strike "at" and insert "of".

### MURKOWSKI AMENDMENT NO. 3898

Mr. ROTH (for Mr. Murkowski) proposed an amendment to the bill, H.R. 4578, surpa; as follows:

"Sec. . Of the funds appropriated in Title I of this Act, The Secretary shall provide $300,000 in the form of a grant to the Alaska Pacific University's Institute of the North for the development of a curriculum on the Alaska National Interest Lands Conservation Act (ANILCA). At a minimum this ANILCA curriculum should contain components which explain the law, its legislative history, the subsequent amendments, and the principal case studies on issues that have risen during 20 years of implementation of the Act; examine challenges faced by conservation system managers in implementing the Act; and link ANILCA to other significant land and resource laws governing Alaska's lands and resources. In addition, within the funds provided, Alaska Pacific University's Institute of the North shall gather the oral histories of key Members of Congress in 1980 and before to demonstrate the intent of Congress in fashioning ANILCA, as well as members of President Carter's and Alaska Governor Hammond's Administrations, Congressional staff and stakeholders who were involved in the creation of the Act."

### SNOWE AMENDMENT NO. 3899

Mr. ROTH (for Ms. Snowe) proposed an amendment to the bill H.R. 4578, supra; as follows:

On page 125, line 25, after "$58,209,000", insert ", of which not less than $730,000 shall be available for use by the Roosevelt Campobello International Park Commission, and".

### REID AMENDMENT NO. 3900

Mr. ROTH (for Mr. Reid) proposed an amendment to the bill, H.R. 4578, supra; as follows:

At the end of title I, add the following:

**"SEC. . CLARIFICATION OF TERMS OF CONVEYANCE TO NYE COUNTY, NEVADA.**

"Section 132 of the Department of the Interior and Related Agencies Appropriations

Act, 2000 (113 Stat. 1535, 1501A–165), is amended by striking paragraph (1) and inserting the following:

"(1) CONVEYANCE.—

"(A) IN GENERAL.—The Secretary shall convey to the County, subject to valid existing rights, all right, title, and interest in and to the parcels of public land described in paragraph (2).

"(B) PRICE.—The conveyance under paragraph (1) shall be made at a price determined to be appropriate for the conveyance of land for educational facilities under the Act of June 14, 1926 (commonly known as the "Recreation and Public Purposes Act") (43 U.S.C. 869 et seq.).".

## EDWARDS AMENDMENTS NOS. 3901–3902

Mr. ROTH (for Mr. EDWARDS) proposed two amendments to the bill, H.R. 4578, supra; as follows:

### AMENDMENT NO. 3901

On page 164, line 23 of the bill, immediately preceding the ":" insert "and of which not less than an additional $500,000 shall be available for law enforcement purposes on the Pisgah and Nantahala national forests".

### AMENDMENT NO. 3902

Intended to be proposed by Mr. EDWARDS On page 130, add the following after line 24:

"For an additional amount for "Surveys, Investigations, and Research", $1,800,000, to remain available until expended, to repair or replace stream monitoring equipment and associated facilities damaged by natural disasters: *Provided*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended."

## TORRICELLI AMENDMENT NO. 3903

Mr. ROTH (for Mr. TORRICELLI) proposed an amendment to the bill, H.R. 4578, supra; as follows:

On page 164, line 14, before the period at the end insert ", of which not less than $750,000 shall be available to complete an updated study of the New York-New Jersey highlands under section 1244(b) of the Food, Agriculture, Conservation, and Trade Act of 1990 (104 Stat. 3547)".

## FEINGOLD (AND KOHL) AMENDMENT NO. 3904

Mr. ROTH (for Mr. FEINGOLD (for himself and Mr. KOHL)) proposed an amendment to the bill, H.R. 4578, supra; as follows:

On page 125, line 11, strike "$1,443,795,000," and insert the following: "$1,443,995,000, of which $200,000 shall be available for the conduct of a wilderness suitability study at Apostle Islands National Lakeshore, Wisconsin, and".

## KERREY (AND HAGEL) AMENDMENT NO. 3905

Mr. ROTH (for Mr. KERREY (for himself and Mr. HAGEL)) proposed an amendment to the bill, H.R. 4578, supra; as follows:

On page 126, line 22, before the period at the end, insert ": *Provided further*, That not less than $2,350,000 shall be used for construction at Ponca State Park, Nebraska, including $1,500,000 to be used for the design and construction of educational and informational displays for the Missouri Recreation Rivers Research and Education Center, Nebraska".

## DURBIN AMENDMENT NO. 3906

Mr. ROTH (for Mr. DURBIN) proposed an amendment to the bill, H.R. 4578, supra; as follows:

On page 159, strike lines 13 through 19 and insert the following:

"SEC. 119. None of the funds in this Act may be used to establish a new National Wildlife Refuge in the Kankakee River basin unless a plan for such a refuge is consistent with a partnership agreement between the Fish and Wildlife Service and the Army Corps of Engineers entered into on April 16, 1999 and is submitted to the House and Senate Committees on Appropriations thirty (30) days prior to the establishment of the refuge."

## CRAPO AMENDMENT NO. 3907

Mr. ROTH (for Mr. CRAPO) proposed an amendment to the bill, H.R. 4578, supra; as follows:

On page 225, between lines 11 and 12, insert the following:

**SEC. 3 . BACKCOUNTRY LANDING STRIP ACCESS.**

(a) IN GENERAL.—None of the funds made available by this Act shall be used to take any action to close permanently an aircraft landing strip described in subsection (b).

(b) AIRCRAFT LANDING STRIPS.—An aircraft landing strip referred to in subsection (a) is a landing strip on Federal land administered by the Secretary of the Interior or the Secretary of Agriculture that is commonly known and has been or is consistently used for aircraft landing and departure activities.

(c) PERMANENT CLOSURE.—For the purposes of subsection (a), an aircraft landing strip shall be considered to be closed permanently if the intended duration of the closure is more than 180 days in any calendar year.

## GORTON (AND BYRD) AMENDMENT NO. 3908

Mr. ROTH (for Mr. GORTON (for himself and Mr. BYRD)) proposed an amendment to the bill, H.R. 4578, supra; as follow:

On page 130, line 4, strike "$847,596,000" and insert "$846,596,000";

On page 165, line 25, strike "$618,500,000" and insert "$613,500,000";

On page 164, line 19, strike "$1,233,824,000" and insert "$1,231,824,000".

## LEGISLATIVE BRANCH APPROPRIATIONS ACT, 2001

## BOXER AMENDMENT NO. 3909

Mrs. BOXER proposed an amendment to the bill (H.R. 4516) making appropriations for the Legislative Branch for the fiscal year ending September 30, 2001, and for other purposes; as follows:

At the appropriate place, insert the following:

"None of the funds appropriated under this Act may be used for the preventative application of a pesticide containing a known or probable carcinogen, a category I or II acute nerve toxin or a pesticide of the organophosphate, carbamate, or organochlorine class as determined by the U.S. Environmental Protection Agency to U.S. Capitol buildings or grounds maintained or administered by the Architect of the U.S. Capitol."

## NOTICES OF HEARINGS

### COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LUGAR. Mr. President, I would like to announce that the Committee on Agriculture, Nutrition, and Forestry will meet on July 27, 2000 in SR–328a at 9:00 a.m. The purpose of this hearing will be to review proposals to establish an international school lunch program.

### COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LUGAR. Mr. President, I would like to announce that the Committee on Agriculture, Nutrition, and Forestry will meet on July 26, 2000 in SR–328a at 9:00 a.m. The purpose of this hearing will be to review the federal sugar program.

### COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LUGAR. Mr. President, I would like to announce that the Committee on Agriculture, Nutrition, and Forestry will meet on July 20, 2000 in SD–106 at 9:00 a.m. The purpose of this meeting will be to examine the implications of high energy prices on U.S. agriculture.

### COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

### SUBCOMMITTEE ON PRODUCTION AND PRICE COMPETITIVENESS

Mr. LUGAR. Mr. President, I would like to announce that the Committee on Agriculture, Nutrition, and Forestry subcommittee on Production and Price Competitiveness will meet on July 18, 2000 in SR–328a at 2:30 p.m. The purpose of this hearing will be to review proposals to examine the future of U.S. agricultural export programs.

## AUTHORITY FOR COMMITTEES TO MEET

### SPECIAL COMMITTEE ON AGING

Mr. GORTON. Mr. President, I ask unanimous consent that the Special Committee on Aging be authorized to meet today, July 17, 2000 from 1:30 p.m.–4:30 p.m. in Dirksen 628 for the purpose of conducting a hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

## RELATIVE TO THE DEATH OF FORMER SENATOR JOHN O. PASTORE

Mr. ROTH. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of S. Res. 337, submitted earlier by Senator LOTT and Senator DASCHLE.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 337) relative to the death of the Honorable John O. Pastore, formerly a Senator from the State of Rhode Island.

The Senate proceeded to consider the resolution.

Mr. LOTT. Mr. President, tonight, as we adjourn, we do so in memory of John O. Pastore, who served the people of Rhode Island here in the Senate from 1950 to 1976.

Senator Pastore's life was in many ways a realization of the American dream—characterized by humble beginnings, hard work, opportunity, and accomplishment. His father was an immigrant tailor who passed away when John was a young boy. From that time on, he and his four siblings were reared by their mother, who supported the family as a seamstress.

Senator Pastore earned his law degree from Northeastern University, through evening classes the school offered at the Providence YMCA. The family home was his first law office.

Senator Pastore was initially elected to office in 1934, when he became a Member of the Rhode Island House of Representatives. He subsequently served as assistant state attorney general, lieutenant governor, and in 1945 became governor when his predecessor resigned for another office. Senator Pastore was then elected to two terms in his own right.

In 1950, he was elected to the U.S. Senate to fill a vacant seat. Two years later, he won the first of four full terms in this institution. He never lost an election.

Many individuals have passed through the doors of this great chamber, and each has left a unique imprint. Senators for years to come will think of John Pastore whenever the "Pastore rule", relating to germaneness of debate, is invoked.

Senator Pastore will be remembered in the United States Senate as a servant of the people and a man committed to his beliefs.

Today, the thoughts and prayers of the Senate are with his family and his constituents.

Mr. ROTH. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and a statement of explanation appear at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 337) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 337

*Resolved*, That the Senate has heard with profound sorrow and deep regret the announcement of the death of the Honorable John O. Pastore, formerly a Senator from the State of Rhode Island.

*Resolved*, That the Secretary of the Senate communicate these resolutions to the House of Representatives and transmit an enrolled copy thereof to the family of the deceased.

*Resolved*, That when the Senate adjourns today, it stand adjourned as a further mark of respect to the memory of the deceased Senator.

## ORDERS FOR TUESDAY, JULY 18, 2000

Mr. ROTH. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:15 a.m. on Tuesday, July 18.

I further ask unanimous consent that on Tuesday, immediately following the prayer, the Journal of the proceedings be approved to date, the morning hour be deemed to have expired, the time for the two leaders be reserved for their use later in the day, and the Senate then resume consideration of the Interior appropriations bill under the previous order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH. Mr. President, further, I ask unanimous consent that the Senate stand in recess from 12:30 p.m. until 2:15 p.m. for the weekly party conferences to meet.

The PRESIDING OFFICER. Without objection, it is so ordered.

## PROGRAM

Mr. ROTH. Mr. President, upon convening at 9:15 a.m., the Senate will immediately resume debate on the Interior appropriations bill, with Senators FEINGOLD and BINGAMAN in control of 15 minutes each to offer and debate their amendments. Following that debate, at approximately 9:45, the Senate will proceed to rollcall votes on the remaining amendments to the Interior appropriations bill, as well as on final passage. Following the disposition of the Interior appropriations bill, the Senate will begin the final four votes on the reconciliation bill. Therefore, Senators should be prepared to stay in the Chamber for up to 12 votes, with all votes after the first vote limited to 10 minutes each.

For the remainder of the day, it is expected that the Senate will begin consideration of the Agriculture appropriations bill.

## ADJOURNMENT UNTIL 9:15 A.M. TOMORROW

Mr. ROTH. Mr. President, if there is no further business to come before the Senate, I now ask that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 9:44 p.m., adjourned until Tuesday, July 18, 2000, at 9:15 a.m.

## NOMINATIONS

Executive nominations received by the Senate July 17, 2000:

DEPARTMENT OF COMMERCE

NORMAN Y. MINETA, OF CALIFORNIA, TO BE SECRETARY OF COMMERCE, VICE WILLIAM M. DALEY.

# HOUSE OF REPRESENTATIVES—*Monday, July 17, 2000*

The House met at 12:30 p.m. and was called to order by the Speaker pro tempore (Mrs. BIGGERT).

## DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
*July 17, 2000.*

I hereby appoint the Honorable JUDY BIGGERT to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
*Speaker of the House of Representatives.*

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate has passed without amendment bills of the House of the following titles:

H.R. 8. An act to amend the Internal Revenue Code of 1986 to phaseout the estate and gift taxes over a 10-year period.

H.R. 4391. An act to amend title 4 of the United States Code to establish sourcing requirements for State and local taxation of mobile telecommunication services.

The message also announced that the Senate has passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 4205. An act to authorize appropriations for fiscal year 2001 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 4205) "An Act to authorize appropriations for fiscal year 2001 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. WARNER, Mr. THURMOND, Mr. MCCAIN, Mr. SMITH of New Hampshire, Mr. INHOFE, Mr. SANTORUM, Ms. SNOWE, Mr. ROBERTS, Mr. ALLARD, Mr. HUTCHINSON, Mr. SESSIONS, Mr. LEVIN, Mr. KENNEDY, Mr. BINGAMAN, Mr. BYRD, Mr. ROBB, Mr. LIEBERMAN, Mr. CLELAND, Ms. LANDRIEU, and Mr. REED, to be the conferees on the part of the Senate.

## MORNING HOUR DEBATES

The SPEAKER pro tempore. Pursuant to the order of the House of January 19, 1999, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 30 minutes, and each Member, except the majority leader, the minority leader, or the minority whip, limited to not to exceed 5 minutes.

The Chair recognizes the gentleman from Florida (Mr. STEARNS) for 5 minutes.

## GAS PRICES

Mr. STEARNS. Madam Speaker, I am here to speak on a growing controversy, the controversy of who is to blame for the high gas prices, particularly in the Midwest, the high spikes. Some say it is big oil and others say it is the result of the EPA forcing through Phase II formulated gasoline.

Let us this afternoon analyze the facts and begin to see where the responsibility lies. Let me cite from an internal Energy Department memo that proves that the administration knew that the new formulated gasoline, RFG, as required by EPA was a major reason for the spikes in the Midwest.

The memo was circulated while the administration was publicly blasting the big oil companies for gouging Americans. The Washington Times obtained the June 5 memo that was written for Secretary Richardson of the Department of Energy by the Department's acting policy director, Ms. Kenderdine.

This memo mirrors what analysts and oil companies have been stating; the mix of high demand and low supply has led to high prices for all gasoline. We all realize that; that makes sense. Of course, that is part of the cycle in a free market experience. The disturbing part of that memo goes on to say, and let me quote, Madam Speaker, "the Milwaukee and Chicago areas supply situation is further affected by, among other things, an RFG formulation specific to the area that is more difficult to produce."

Despite the clear-cut facts in the memo, the administration has claimed that the price hikes and spikes were unexplainable. In fact, they have openly speculated that it is probably big business beating up on poor citizens again. When, in fact, it is big government beating up on the American taxpayers again.

Refineries have been working to capacity to produce a new EPA-mandated gasoline and have been strained to meet the summer demands. This has left reserve supplies in a dangerous position.

According to the DOE memo, Chicago refineries do not have the capacity to step up production when there is a shortage and the specifically formulated gasoline mixed with the ethanol in the region could not be imported from other areas because few make the unique blend of fuel.

The most damaging evidence is the conclusion in that memo from June 5 that supplies were sufficient to meet overall demand at the time. The market was "sufficiently tight," he went on later to say "that any disruption in the distribution system could contribute to Phase II RFG shortages" throughout the summer. So there we have it, that is where the spikes came from.

The White House has attempted to rely on a strategy to deflect blame from the real culprit, themselves. Considering the gasoline problems facing Americans today, I am very surprised at the timing of the EPA and this administration to move forward with the implementation of this new blend, this RFG Phase II.

I do not think the administration intentionally did this, but I am not sure. Where is their energy plan today? Where are the steps that could have prevented this from happening? Why did the EPA simply not postpone changing the gas formulas until such a time as the oil market had leveled off? Also, why did St. Louis, Missouri receive a waiver while, to my knowledge, no other city did?

Another shocking piece of this show is on Friday, June 30, the EPA released in a proposed rulemaking a comment period on whether reformulated gasoline is needed to meet the air quality standards. In other words, they are saying is this even needed. What? I mean, here they are mandating they be put in place, yet now they are issuing a memo to say is it needed. You mean to tell me that they insisted on moving forward with Phase II of RFG without knowing if they even needed to keep the program?

When will the EPA do their homework before they force regulations upon the American people? It appears to me from the evidence that the spiked prices in the Midwest were due to the EPA forcing a new formulation, a new blend of gasoline, during this time of high OPEC prices and low supplies.

The EPA should accept responsibility for putting the public through the expensive process of reformulated gasoline without proof that the gasoline would help improve our air and should withhold moving forward with any other new RFG regulations in any other cities.

Madam Speaker, the EPA and Department of Energy must formulate a plan and study to make sure their plan is effective before they gouge the American people at the pumps.

## LIVABLE COMMUNITIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. BLUMENAUER) is recognized for 5 minutes.

Mr. BLUMENAUER. Madam Speaker, the Federal Government has no greater priority than to be a good partner to promote livable communities.

The morning paper carried a story about another independent study to chart the ecological vital signs of our national park systems.

Madam Speaker, I think this is an important area to pose attention to, first, because it shows how the Federal Government can lead by example, and, second, it serves as a powerful refutation that somehow the United States, being a huge and wealthy Nation, does not have to worry about things like sprawl and congestion, unplanned growth and loss of farmland, that we just pave more, continue to expand, create more of whatever land we wish of farm, housing or roads.

Madam Speaker, it is reminiscent of Alice in Wonderland's experience with the Mad Hatter's tea party. "Yes, that's it" said the Hatter with a sigh, "it's always tea time and we've no time to wash the things between whiles."

"Then you keep moving round, I suppose?" said Alice.

"Exactly so," said the Hatter, "as the things get used up."

"But what happens when you come to the beginning again?" Alice ventured to ask.

"Suppose we change the subject," the March Hare interrupted, yawning. "I'm getting tired of this. I vote the young lady tells us a story."

Our tea party with the built and natural environment is not solved with more stories. We are going to have to face realities in our mature cities, small town America, fraying suburbs, even in our national parks. There are limits to the strains we can put on the land in our transportation systems.

The numbers are staggering in our national parks and other federally-managed sites. In 1997, over 370 million visitors increasingly jammed on clogged parking lots, jammed highways, fragile and irreplaceable resources suffering damage from too many vehicles and too many people. Nearby gateways communities are also negatively impacted by trafficking, decreased air quality, but there is a new trend in thinking about how we solve these problems.

Part of the TEA-21 Transportation Equity Act for the 21st Century called for a coordination and study between the Department of Transportation and the Secretary of the Interior. They have already produced recommendations for public transportation services at 128 sites that will enhance the visitor experience and protect the environment.

Madam Speaker, this new broach to transportation has already produced tangible results in a number of areas.

The Zion National Park in Utah, which has suffered from severe congestion, gridlock and destruction of natural resources, has helped to implement a new program, a shuttle bus system initiated in May of this year helps protect the fragile natural resources and protect visitors away as they visit from the canyon and provide services to the gateway community of Springdale.

The National Park Service has proposed a light rail transit system for the south rim of the Grand Canyon. It will allow visitors to leave their cars outside the park and ride the light rail train to a canyon view information plaza, there they can view exhibits, ride alternatively-fueled vehicles and hike along the canyon's rim. Construction has already begun on the information plaza in April, and the light rail system is expected to be in place by the spring of 2004.

It is also a priority to reduce traffic congestion in the Yosemite National Park. It is already implemented a 2-year demonstration program for a regional transportation system that would allow visitors to leave their cars outside the park and travel by shuttle bus into and around the Yosemite Valley.

Together activities like this will reduce reliance on private automobiles for visitors, allow for sustainable use and enjoyment of our public lands, improve the livability and quality of life in nearby communities, and allow visitors to better enjoy their experience.

Unlike the Mad Hatter, we cannot continue to just move to the next place at the party. Fortunately, this leadership shows how we can achieve this, not just for national parks, but as a model for American communities to make them safer, healthier and more economically secure.

## RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until 2 p.m.

Accordingly (at 12 o'clock and 41 minutes p.m.), the House stood in recess until 2 p.m.

□ 1400

## AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. MILLER of Florida) at 2 p.m.

## PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Lord, our God, our history as a people has been great. We are humbled by reflecting upon the events of the past. Fill us with hope and vision.

Preserve us from making the mistakes of the past. Grant us greater judgment that we may be children born of freedom and strong in virtue.

May we honor the heroic men and women of the past who, when insulted, did not return insult; and, when threatened, handed themselves over to You, the One who judges justly. In them we have come to recognize Your grace shining through human weakness.

May those who suffered for justice' sake receive the beatitude's reward; and may those who cried out in the void of justice, today be heard that a new day of peace may be born rooted in justice, for You live and are attentive to our cries now and forever. Amen.

## THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

## PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Nevada (Mr. GIBBONS) come forward and lead the House in the Pledge of Allegiance.

Mr. GIBBONS led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

## COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
*Washington, DC, July 14, 2000.*

Hon. J. DENNIS HASTERT,
*The Speaker, House of Representatives,*
*Washington, DC.*

DEAR MR. SPEAKER: Pursuant to the permission granted to Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, the Clerk received the following message from the Secretary of the Senate on July 14, 2000 at 9:05 a.m.

That the Senate Passed without amendment H.R. 3544.

That the Senate Passed without amendment H.R. 3591.

With best wishes, I am

Sincerely,

JEFF TRANDAHL,
*Clerk of the House.*

## AMERICA'S FOREIGN OIL DEPENDENCY

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, Americans are paying more for gas now than at any other time in our history. Families like David and Jenny Davis of Reno, Nevada are being forced to eliminate their vacation plans and change their daily schedules, like eliminating after-school programs for their children, just to save money on gas; and all of this when our country's dependency on foreign oil is at an all-time high.

Yet, for 8 years, the Clinton-Gore administration has refused to address and reduce our dependence on foreign oil or to prevent foreign oil price-fixing schemes. Instead, the administration continues to support oil-producing countries, even though they blatantly banned together to raise oil prices.

Now American families are paying for the administration's actions or inactions. Our hard-working families should not have to sacrifice their livelihoods just because the administration refuses or fails to stand up to foreign oil pricing nations.

I yield back the administration's national policy which continues to cost Americans precious money every time they go to the gas pump.

## STOP GIVING TECHNOLOGICAL CHARITY TO CHINA

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Something is wrong, Mr. Speaker. China has already stolen our nuclear secrets; and what they have not stolen, the White House has given to them, specifically, supercomputer and satellite technology that enhances China's missile program, and they have missiles pointed at us.

Now, if that is not enough to download your hard drive, news reports now confirm that the White House will allow private sector high-tech companies to hire Chinese scientists involved with their military technologies.

Beam me up. What is next? Will we give China our Star Wars umbrella?

Mr. Speaker, I yield back both the danger and the stupidity of this charity to China.

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered or on which the vote is objected to under clause 6 of rule XX.

Any record votes on postponed questions will be taken after debate has concluded on all motions to suspend the rules, but not before 7 p.m. today.

## INTERNET GAMBLING PROHIBITION ACT OF 2000

Mr. GOODLATTE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3125) to prohibit Internet gambling, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3125

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Internet Gambling Prohibition Act of 2000".

**SEC. 2. PROHIBITION ON INTERNET GAMBLING.**

(a) IN GENERAL.—Chapter 50 of title 18, United States Code, is amended by adding at the end the following:

**"§ 1085. Internet gambling**

"(a) DEFINITIONS.—In this section the following definitions apply:

"(1) BETS OR WAGERS.—The term 'bets or wagers'—

"(A) means the staking or risking by any person of something of value upon the outcome of a contest of others, a sporting event, or a game predominantly subject to chance, upon an agreement or understanding that the person or another person will receive something of greater value than the amount staked or risked in the event of a certain outcome;

"(B) includes the purchase of a chance or opportunity to win a lottery or other prize (which opportunity to win is predominantly subject to chance);

"(C) includes any scheme of a type described in section 3702 of title 28; and

"(D) does not include—

"(i) a bona fide business transaction governed by the securities laws (as that term is defined in section 3(a)(47) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(47))) for the purchase or sale at a future date of securities (as that term is defined in section 3(a)(10) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(10)));

"(ii) a transaction on or subject to the rules of a contract market designated pursuant to section 5 of the Commodity Exchange Act (7 U.S.C. 7);

"(iii) a contract of indemnity or guarantee;

"(iv) a contract for life, health, or accident insurance; or

"(v) participation in a simulation sports game or an educational game or contest that—

"(I) is not dependent solely on the outcome of any single sporting event or nonparticipant's singular individual performance in any single sporting event;

"(II) has an outcome that reflects the relative knowledge and skill of the participants with such outcome determined predominantly by accumulated statistical results of sporting events and nonparticipants accumulated individual performances therein; and

"(III) offers a prize or award to a participant that is established in advance of the game or contest and is not determined by the number of participants or the amount of any fees paid by those participants.

"(2) CLOSED-LOOP SUBSCRIBER-BASED SERVICE.—The term 'closed-loop subscriber-based service' means any information service or system that uses—

"(A) a device or combination of devices—

"(i) expressly authorized and operated in accordance with the laws of a State, exclusively for placing, receiving, or otherwise making a bet or wager described in subsection (f)(1)(B); and

"(ii) by which an individual located within any State must subscribe and be registered with the provider of the wagering service by name, address, age, and appropriate billing information to be authorized to place, receive, or otherwise make a bet or wager, and must be physically located within that State in order to be authorized to do so;

"(B) a secure and effective customer verification and age verification system, updated to remain current with evolving technology, expressly authorized and operated in accordance with the laws of the State in which it is located, to ensure that all applicable Federal and State legal and regulatory requirements for lawful gambling are met; and

"(C) appropriate data security standards to prevent unauthorized access by any person who has not subscribed or who is a minor.

"(3) FOREIGN JURISDICTION.—The term 'foreign jurisdiction' means a jurisdiction of a foreign country or political subdivision thereof.

"(4) GAMBLING BUSINESS.—The term 'gambling business' means—

"(A) a business that is conducted at a gambling establishment, or that—

"(i) involves—

"(I) the placing, receiving, or otherwise making of bets or wagers; or

"(II) the offering to engage in the placing, receiving, or otherwise making of bets or wagers;

"(ii) involves 1 or more persons who conduct, finance, manage, supervise, direct, or own all or part of such business; and

"(iii) has been or remains in substantially continuous operation for a period in excess of 10 days or has a gross revenue of $2,000 or more from such business during any 24-hour period; and

"(B) any soliciting agent of a business described in subparagraph (A).

"(5) INFORMATION ASSISTING IN THE PLACING OF A BET OR WAGER.—The term 'information assisting in the placing of a bet or wager'—

"(A) means information that is intended by the sender or recipient to be used by a person engaged in the business of betting or wagering to place, receive, or otherwise make a bet or wager; and

"(B) does not include—

"(i) information concerning parimutuel pools that is exchanged exclusively between or among 1 or more racetracks or other parimutuel wagering facilities licensed by the State or approved by the foreign jurisdiction in which the facility is located, and 1 or more parimutuel wagering facilities licensed by the State or approved by the foreign jurisdiction in which the facility is located, if that information is used only to conduct common pool parimutuel pooling under applicable law;

"(ii) information exchanged exclusively between or among 1 or more racetracks or other parimutuel wagering facilities licensed by the State or approved by the foreign jurisdiction in which the facility is located, and a support service located in another State or foreign jurisdiction, if the information is used only for processing bets or wagers made with that facility under applicable law;

"(iii) information exchanged exclusively between or among 1 or more wagering facilities that are licensed and regulated by the State in which each facility is located, and any support service, wherever located, if the information is used only for the pooling or processing of bets or wagers made by or with the facility or facilities under each State's applicable law;

"(iv) any news reporting or analysis of wagering activity, including odds, racing or event results, race and event schedules, or categories of wagering; or

"(v) any posting or reporting of any educational information on how to make a bet or wager or the nature of betting or wagering.

"(6) INTERACTIVE COMPUTER SERVICE.—The term 'interactive computer service' means any information service, system, or access software provider that operates in, or uses a channel or instrumentality of, interstate or foreign commerce to provide or enable access by multiple users to a computer server, which includes the transmission, storage, retrieval, hosting, linking, formatting, or translation of a communication made by another person, and including specifically a service, system, or access software provider that—

"(A) provides access to the Internet; or

"(B) is engaged in the business of providing an information location tool (which means a service that refers or links users to an online location, including a directory, index, reference, pointer, or hypertext link).

"(7) INTERACTIVE COMPUTER SERVICE PROVIDER.—The term 'interactive computer service provider' means any person that provides an interactive computer service, to the extent that such person offers or provides such service.

"(8) INTERNET.—The term 'Internet' means the international computer network of both Federal and non-Federal interoperable packet switched data networks.

"(9) PERSON.—The term 'person' means any individual, association, partnership, joint venture, corporation (or any affiliate of a corporation), State or political subdivision thereof, department, agency, or instrumentality of a State or political subdivision thereof, or any other government, organization, or entity (including any governmental entity (as defined in section 3701(2) of title 28)).

"(10) PRIVATE NETWORK.—The term 'private network' means a communications channel or channels, including voice or computer data transmission facilities, that use either—

"(A) private dedicated lines; or

"(B) the public communications infrastructure, if the infrastructure is secured by means of the appropriate private communications technology to prevent unauthorized access.

"(11) STATE.—The term 'State' means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or a commonwealth, territory, or possession of the United States.

"(12) SUBSCRIBER.—The term 'subscriber'—

"(A) means any person with a business relationship with the interactive computer service provider through which such person receives access to the system, service, or network of that provider, even if no formal subscription agreement exists; and

"(B) includes registrants, students who are granted access to a university system or network, and employees or contractors who are granted access to the system or network of their employer.

"(13) SOLICITING AGENT.—The term 'soliciting agent' means any agent who knowingly solicits for a gambling business described in paragraph (4)(A) of this subsection.

"(b) INTERNET GAMBLING.—

"(1) PROHIBITION.—Subject to subsection (f), it shall be unlawful for a person engaged in a gambling business knowingly to use the Internet or any other interactive computer service—

"(A) to place, receive, or otherwise make a bet or wager; or

"(B) to send, receive, or invite information assisting in the placing of a bet or wager.

"(2) PENALTIES.—A person engaged in a gambling business who violates this section shall be—

"(A) fined in an amount equal to not more than the greater of—

"(i) the total amount that such person bet or wagered, or placed, received, or accepted in bets or wagers, as a result of engaging in that business in violation of this section; or

"(ii) $20,000;

"(B) imprisoned not more than 4 years; or

"(C) both.

"(3) PERMANENT INJUNCTIONS.—Upon conviction of a person under this section, the court may enter a permanent injunction enjoining such person from placing, receiving, or otherwise making bets or wagers or sending, receiving, or inviting information assisting in the placing of bets or wagers.

"(c) CIVIL REMEDIES.—

"(1) JURISDICTION.—The district courts of the United States shall have original and exclusive jurisdiction to prevent and restrain violations of this section by issuing appropriate orders in accordance with this section, regardless of whether a prosecution has been initiated under this section.

"(2) PROCEEDINGS.—

"(A) INSTITUTION BY FEDERAL GOVERNMENT.—

"(i) IN GENERAL.—The United States may institute proceedings under this subsection to prevent or restrain a violation of this section.

"(ii) RELIEF.—Upon application of the United States under this subparagraph, the district court may enter a temporary restraining order or an injunction against any person to prevent or restrain a violation of this section if the court determines, after notice and an opportunity for a hearing, that there is a substantial probability that such violation has occurred or will occur.

"(B) INSTITUTION BY STATE ATTORNEY GENERAL.—

"(i) IN GENERAL.—The attorney general of a State (or other appropriate State official) in which a violation of this section allegedly has occurred or will occur, after providing written notice to the United States, may institute proceedings under this subsection to prevent or restrain the violation.

"(ii) RELIEF.—Upon application of the attorney general (or other appropriate State official) of an affected State under this subparagraph, the district court may enter a temporary restraining order or an injunction against any person to prevent or restrain a violation of this section if the court determines, after notice and an opportunity for a hearing, that there is a substantial probability that such violation has occurred or will occur.

"(C) INDIAN LANDS.—Notwithstanding subparagraphs (A) and (B), for a violation that is alleged to have occurred, or may occur, on Indian lands (as that term is defined in section 4 of the Indian Gaming Regulatory Act (25 U.S.C. 2703))—

"(i) the United States shall have the enforcement authority provided under subparagraph (A); and

"(ii) the enforcement authorities specified in an applicable Tribal-State compact negotiated under section 11 of the Indian Gaming Regulatory Act (25 U.S.C. 2710) shall be carried out in accordance with that compact.

"(D) EXPIRATION.—Any temporary restraining order or preliminary injunction entered pursuant to subparagraph (A) or (B) shall expire if, and as soon as, the United States, or the attorney general (or other appropriate State official) of the State, as applicable, notifies the court that issued the order or injunction that the United States or the State, as applicable, will not seek a permanent injunction.

"(3) EXPEDITED PROCEEDINGS.—

"(A) IN GENERAL.—In addition to any proceeding under paragraph (2), a district court may, in exigent circumstances, enter a temporary restraining order against a person alleged to be in violation of this section upon application of the United States under paragraph (2)(A), or the attorney general (or other appropriate State official) of an affected State under paragraph (2)(B), without notice and the opportunity for a hearing as provided in rule 65(b) of the Federal Rules of Civil Procedure (except as provided in subsection (d)(3)), if the United States or the State, as applicable, demonstrates that there is probable cause to believe that the use of the Internet or other interactive computer service at issue violates this section.

"(B) HEARINGS.—A hearing requested concerning an order entered under this paragraph shall be held at the earliest practicable time.

"(d) INTERACTIVE COMPUTER SERVICE PROVIDERS.—

"(1) IMMUNITY FROM LIABILITY FOR USE BY ANOTHER.—

"(A) IN GENERAL.—An interactive computer service provider described in subparagraph (B) shall not be liable, under this section or any other provision of Federal or State law prohibiting or regulating gambling or gambling-related activities, for the use of its facilities or services by another person to engage in Internet gambling activity or advertising or promotion of Internet gambling activity that violates such law—

"(i) arising out of any transmitting, routing, or providing of connections for gambling-related material or activity (including intermediate and temporary storage in the course of such transmitting, routing, or providing connections) by the provider, if—

"(I) the material or activity was initiated by or at the direction of a person other than the provider;

"(II) the transmitting, routing, or providing of connections is carried out through an automatic process without selection of the material or activity by the provider;

"(III) the provider does not select the recipients of the material or activity, except as an automatic response to the request of another person; and

"(IV) the material or activity is transmitted through the system or network of the provider without modification of its content; or “(ii) arising out of any gambling-related material or activity at an online site residing on a computer server owned, controlled, or operated by or for the provider, or arising out of referring or linking users to an online location containing such material or activity, if the material or activity was initiated by or at the direction of a person other than the provider, unless the provider fails to take expeditiously, with respect to the particular material or activity at issue, the actions described in paragraph (2)(D) following the receipt by the provider of an order under paragraph (2)(B).

“(B) Eligibility.—An interactive computer service provider is described in this subparagraph only if the provider—

“(i) maintains and implements a written or electronic policy that requires the provider to terminate the account of a subscriber of its system or network expeditiously following the receipt by the provider of an order under paragraph (2)(B) alleging that such subscriber has violated or is violating this section; and

“(ii) with respect to the particular material or activity at issue, has not knowingly permitted its computer server to be used to engage in activity that the provider knows is prohibited by this section, with the specific intent that such server be used for such purpose.

“(2) Court Order to interactive computer service providers.—

“(A) Application.—A Federal or State law enforcement agency, acting within its authority and jurisdiction and having reason to believe that a particular online site residing on a computer server owned, controlled, or operated by or for the provider is being used by another person to violate this section, may apply ex parte to a United States magistrate judge for an order to such provider under this paragraph to take the actions described in subparagraph (D).

“(B) Order.—The magistrate judge shall issue the order sought under subparagraph (A) upon a showing of probable cause to believe the particular on line site is being so used.

“(C) Notice.—Seventy-two hours after the latter of—

“(i) giving notice to the alleged violator of the order under subparagraph (B); or

“(ii) making reasonable efforts to notify the alleged violator of the order;

the law enforcement agency shall give the provider a copy of the court order. At that time the order shall take immediate effect. An alleged violator may, however, contest the order by requesting an expedited hearing from the court during that 72-hour period. If the alleged violator does so, the court shall as soon as possible hold the hearing, at which the law enforcement agency shall have the burden of establishing by a preponderance of the evidence that the on line site is being used in violation of this section.

“(D) Scope of Order.—An order under this paragraph shall require that the provider expeditiously—

“(i) remove or disable access to the material or activity residing at that online site that allegedly violates this section; or

“(ii) in any case in which the provider does not control the site at which the subject material or activity resides, the provider, through any agent of the provider designated in accordance with section 512(c)(2) of title 17, or other responsible identified employee or contractor—

“(I) notify the Federal or State law enforcement agency that the provider is not the proper recipient of such order; and

“(II) upon receipt of a subpoena, cooperate with the Federal or State law enforcement agency in identifying the person or persons who control the site.

“(E) Contents of order.—An order issued under this paragraph shall—

“(i) identify the material or activity that allegedly violates this section;

“(ii) provide information reasonably sufficient to permit the provider to locate (and, as appropriate, in an order issued under subparagraph (D)(i) to block access to) the material or activity;

“(iii) be supplied to any agent of a provider designated in accordance with section 512(c)(2) of title 17, if information regarding such designation is readily available to the public; and

“(iv) provide information that is reasonably sufficient to permit the provider to contact the law enforcement agency that obtained the order, including the name of the law enforcement agency, and the name and telephone number of an individual to contact at the law enforcement agency (and, if available, the electronic mail address of that individual).

“(F) Postorder hearing.—An alleged violator that has not contested an order under subparagraph (C) may, not later than 60 days after the order takes effect, apply to have the order rescinded. A United States magistrate judge shall hear and determine that application. At that hearing the law enforcement agency that sought the order shall have the burden to show, by a preponderance of the evidence, that the site was being used by that alleged violator to violate this section.

“(3) Injunctive relief.—

“(A) In general.—The United States, or a State law enforcement agency acting within its authority and jurisdiction, may, not less than 24 hours following the issuance to an interactive computer service provider of an order described in paragraph (2)(B), in a civil action, obtain a temporary restraining order, or an injunction to prevent the use of the interactive computer service by another person in violation of this section.

“(B) Limitations.—Notwithstanding any other provision of this section, in the case of any application for a temporary restraining order or an injunction against an interactive computer service provider described in paragraph (1)(B) to prevent a violation of this section—

“(i) arising out of activity described in paragraph (1)(A)(i), the injunctive relief is limited to—

“(I) an order restraining the provider from providing access to an identified subscriber of the system or network of the interactive computer service provider, if the court determines that there is probable cause to believe that such subscriber is using that access to violate this section, by terminating the specified account of that subscriber; and

“(II) an order restraining the provider from providing access, by taking reasonable steps specified in the order to block access, to a specific, identified, foreign online location;

“(ii) arising out of activity described in paragraph (1)(A)(ii), the injunctive relief is limited to—

“(I) the orders described in clause (i)(I);

“(II) an order restraining the provider from providing access to the material or activity that violates this section at a particular online site residing on a computer server operated or controlled by the provider; and

“(III) such other injunctive remedies as the court considers necessary to prevent or restrain access to specified material or activity that is prohibited by this section at a particular online location residing on a computer server operated or controlled by the provider, that are the least burdensome to the provider among the forms of relief that are comparably effective for that purpose.

“(C) Considerations.—The court, in determining appropriate injunctive relief under this paragraph, shall consider—

“(i) whether such an injunction, either alone or in combination with other such injunctions issued, and currently operative, against the same provider would significantly (and, in the case of relief under subparagraph (B)(ii), taking into account, among other factors, the conduct of the provider, unreasonably) burden either the provider or the operation of the system or network of the provider;

“(ii) whether implementation of such an injunction would be technically feasible and effective, and would not materially interfere with access to lawful material at other online locations;

“(iii) whether other less burdensome and comparably effective means of preventing or restraining access to the illegal material or activity are available; and

“(iv) the magnitude of the harm likely to be suffered by the community if the injunction is not granted.

“(D) Notice and ex parte orders.—Injunctive relief under this paragraph shall not be available without notice to the service provider and an opportunity for such provider to appear before the court, except for orders ensuring the preservation of evidence or other orders having no material adverse effect on the operation of the communications network of the service provider.

“(4) Advertising or promotion of non-Internet gambling.—

“(A) Definitions.—In this paragraph:

“(i) Conducted.—With respect to a gambling activity, that activity is ‘conducted’ in a State if the State is the State in which the gambling establishment (as defined in section 1081) that offers the gambling activity being advertised or promoted is physically located.

“(ii) Non-internet gambling activity.—The term ‘non-Internet gambling activity’ means—

“(I) a gambling activity in which the placing of the bet or wager is not conducted by the Internet; or

“(II) a gambling activity to which the prohibitions of this section do not apply.

“(B) Immunity from liability for use by another.—

“(i) In general.—An interactive computer service provider described in clause (ii) shall not be liable, under any provision of Federal or State law prohibiting or regulating gambling or gambling-related activities, or under any State law prohibiting or regulating advertising and promotional activities, for—

“(I) content, provided by another person, that advertises or promotes non-Internet gambling activity that violates such law (unless the provider is engaged in the business of such gambling), arising out of any of the activities described in paragraph (1)(A) (i) or (ii); or

“(II) content, provided by another person, that advertises or promotes non-Internet gambling activity that is lawful under Federal law and the law of the State in which such gambling activity is conducted.

“(ii) Eligibility.—An interactive computer service is described in this clause only if the provider—

“(I) maintains and implements a written or electronic policy that requires the provider to terminate the account of a subscriber of its system or network expeditiously following the receipt by the provider of a notice described in paragraph (2)(B) alleging that such subscriber maintains a website on a computer server controlled or operated by the provider for the purpose of engaging in advertising or promotion of non-Internet gambling activity prohibited by a Federal law or a law of the State in which such activity is conducted;

“(II) with respect to the particular material or activity at issue, has not knowingly permitted its computer server to be used to engage in the advertising or promotion of non-Internet gambling activity that the provider knows is prohibited by a Federal law or a law of the State in which the activity is conducted, with the specific intent that such server be used for such purpose; and

“(III) at reasonable cost, offers residential customers of the provider's Internet access service, if the provider provides Internet access service to such customers, computer software, or another filtering or blocking system that includes the capability of filtering or blocking access by minors to online Internet gambling sites that violate this section.

“(C) Notice to interactive computer service providers.—

“(i) Notice from Federal law enforcement agency.—If an interactive computer service provider receives from a Federal law enforcement agency, acting within its authority and jurisdiction, a written or electronic notice described in paragraph (2)(B), that a particular online site residing on a computer server owned, controlled, or operated by or for the provider is being used by another person to advertise or promote non-Internet gambling activity that violates a Federal law prohibiting or regulating gambling or gambling-related activities, the provider shall expeditiously take the actions described in paragraph (2)(A) (i) or (ii) with respect to the advertising or promotion identified in the notice.

“(ii) Notice from State law enforcement agency.—If an interactive computer service provider receives from a State law enforcement agency, acting within its authority and jurisdiction, a written or electronic notice described in paragraph (2)(B), that a particular online site residing on a computer server owned, controlled, or operated by or for the provider is being used by another person to advertise or promote non-Internet gambling activity that is conducted in that State and that violates a law of that State prohibiting or regulating gambling or gambling-related activities, the provider shall expeditiously take the actions described in paragraph (2)(A) (i) or (ii) with respect to the advertising or promotion identified in the notice.

“(D) Injunctive relief.—The United States, or a State law enforcement agency, acting within its authority and jurisdiction, may, not less than 24 hours following the issuance to an interactive computer service provider of a notice described in paragraph (2)(B), in a civil action, obtain a temporary restraining order, or an injunction, to prevent the use of the interactive computer service by another person to advertise or promote non-Internet gambling activity that violates a Federal law, or a law of the State in which such activity is conducted that prohibits or regulates gambling or gambling-related activities, as applicable. The procedures described in paragraph (3)(D) shall apply to actions brought under this subparagraph, and the relief in such actions shall be limited to—

“(i) an order requiring the provider to remove or disable access to the advertising or promotion of non-Internet gambling activity that violates Federal law, or the law of the State in which such activity is conducted, as applicable, at a particular online site residing on a computer server controlled or operated by the provider;

“(ii) an order restraining the provider from providing access to an identified subscriber of the system or network of the provider, if the court determines that such subscriber maintains a website on a computer server controlled or operated by the provider that the subscriber is knowingly using or knowingly permitting to be used to advertise or promote non-Internet gambling activity that violates Federal law or the law of the State in which such activity is conducted; and

“(iii) an order restraining the provider of the content of the advertising or promotion of such illegal gambling activity from disseminating such advertising or promotion on the computer server controlled or operated by the provider of such interactive computer service.

“(E) Applicability.—The provisions of subparagraphs (C) and (D) do not apply to the content described in subparagraph (B)(i)(II).

“(5) Effect on other law.—

“(A) Immunity from liability for compliance.—An interactive computer service provider shall not be liable for any damages, penalty, or forfeiture, civil or criminal, under Federal or State law for taking in good faith any action described in paragraphs (2)(A), (4)(B)(ii)(I), or (4)(C) to comply with a notice described in paragraph (2)(B), or complying with any court order issued under paragraph (3) or (4)(D).

“(B) Disclaimer of obligations.—Nothing in this section may be construed to impose or authorize an obligation on an interactive computer service provider described in paragraph (1)(B)—

“(i) to monitor material or use of its service; or

“(ii) except as required by a notice or an order of a court under this subsection, to gain access to, to remove, or to disable access to material.

“(C) Rights of subscribers.—Nothing in this section may be construed to prejudice the right of a subscriber to secure an appropriate determination, as otherwise provided by law, in a Federal court or in a State or local tribunal or agency, that the account of such subscriber should not be terminated pursuant to this subsection, or should be restored.

“(e) Availability of Relief.—The availability of relief under subsections (c) and (d) shall not depend on, or be affected by, the initiation or resolution of any action under subsection (b), or under any other provision of Federal or State law.

“(f) Applicability.—

“(1) In general.—Subject to paragraph (2), the prohibition in this section does not apply to—

“(A) any otherwise lawful bet or wager that is placed and received, or otherwise made wholly intrastate for a State lottery, or for a multi-State lottery operated jointly between 2 or more States in conjunction with State lotteries if—

“(i) each such lottery is expressly authorized, and licensed or regulated, under applicable State law;

“(ii) the bet or wager is placed on an interactive computer service that uses a private network or a closed-loop subscriber based service regulated and operated by the State lottery or its expressly designated agent for such activity;

“(iii) each person placing or otherwise making that bet or wager is physically located when such bet or wager is placed at a facility that is open to the general public; and

“(iv) each such lottery complies with sections 1301 through 1304, and other applicable provisions of Federal law;

“(B) any otherwise lawful State-regulated parimutuel wagering activities on live horse or dog racing, or live jai alai, conducted on a closed-loop subscriber-based system, provided that the type of wagering activity has been authorized by the State.

“(C) any otherwise lawful bet or wager (other than a bet or wager described in subparagraph (A)) that is placed, received, or otherwise made wholly intrastate, if such bet or wager, or the transmission of such information, as applicable is—

“(i) expressly authorized, and licensed or regulated by the State in which such bet or wager is initiated and received, under applicable Federal and such State's laws; and

“(ii) placed on a closed-loop subscriber based service; or

“(D) any otherwise lawful bet or wager (other than a bet or wager in any class III game conducted by a tribe that is not explicitly authorized by an applicable tribal-State compact between that tribe and the State where the tribe is located) that is—

“(i) placed on a closed-loop subscriber based service or a private network; and

“(ii) is lawfully received by a federally recognized Indian tribe, or the sending, receiving, or inviting of information assisting in the placing of any such bet or wager, if the game is permitted under and conducted in accordance with the Indian Gaming Regulatory Act, so long as each person placing, receiving, or otherwise making such a bet or wager, or transmitting such information, is physically located on Indian lands (as that term is defined in section 4 of the Indian Gaming Regulatory Act) when such person places, receives, or otherwise makes the bet or wager.

“(2) Bets or wagers made by agents or proxies.—

“(A) In general.—Paragraph (1) does not apply in any case in which a bet or wager is placed, received, or otherwise made by the use of an agent or proxy using the Internet or an interactive computer service.

“(B) Qualification.—Nothing in this paragraph may be construed to prohibit the owner operator of a parimutuel wagering facility that is licensed by a State from employing an agent in the operation of the account wagering system owned or operated by the parimutuel facility.

“(3) Advertising and promotion.—The prohibition of subsection (b)(1)(B) does not apply to advertising, promotion, or other communication by, or authorized by, anyone licensed to operate a gambling business in a State.

“(g) Rule of Construction.—Nothing in this section may be construed to affect any prohibition or remedy applicable to a person engaged in a gambling business under any other provision of Federal or State law.”.

(b) Technical Amendment.—The analysis for chapter 50 of title 18, United States Code, is amended by adding at the end the following:

“1085. Internet gambling.”.

### SEC. 3. REPORT ON ENFORCEMENT.

Not later than 3 years after the date of enactment of this Act, the Attorney General shall submit to Congress a report, which shall include—

(1) an analysis of the problems, if any, associated with enforcing section 1085 of title 18, United States Code, as added by section 2 of this Act;

(2) recommendations for the best use of the resources of the Department of Justice to enforce that section; and

(3) an estimate of the amount of activity and money being used to gamble on the Internet.

**SEC. 4. SEVERABILITY.**

If any provision of this Act, an amendment made by this Act, or the application of such provision or amendment to any person or circumstance is held to be unconstitutional, the remainder of this Act, the amendments made by this Act, and the application of this Act and the provisions of such amendments to any other person or circumstance shall not be affected thereby.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Virginia (Mr. GOODLATTE) and the gentleman from Michigan (Mr. CONYERS) each will control 20 minutes.

The Chair recognizes the gentleman from Virginia (Mr. GOODLATTE).

Mr. GOODLATTE. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, the Internet Gambling Prohibition Act is designed to respond to a major scourge on the Internet. There are now, more than 700 unregulated out-of-control Internet casino-style gambling sites on the Internet. Sports betting may be even larger than the casino gambling. The proposals now, not by any of the States, but by some who would ask that the States begin to provide the sale of lottery tickets online in people's homes, something that a great many people are very concerned about.

The bill allows the use of the Internet by the States for the sale of lottery tickets in public places where children can be screened out. But there are those who stand to make tens of millions of dollars selling lottery services to the States to sell those tickets online. No State does that today. This bill prevents that from occurring.

The bill is supported by a wide array of organizations, including the National Collegiate Athletic Association, the National Football League, the National Basketball Association, Major League Baseball, the National Hockey League, all concerned about sports betting online, particularly by children.

The bill is supported by a wide array of religious organizations, the National Council of Churches, the Presbyterian Church of the United States, the Family Research Council, Focus on the Family, the Christian Coalition, Jerry Falwell Ministries, the American Family Association, the United Methodist Church, the Southern Baptist Convention, the Home School Legal Defense Association.

But the bill's original purpose is served by the request of the National Association of Attorneys General, NAAG, who came to Senator KYL in the Senate and to myself in the House and said that the 1961 Wire Act prohibiting gambling interstate on electronic means of communications is out of date and needs to be updated. That is what this bill responds to. They strongly support the legislation, as does the National Coalition Against Gambling Expansion.

I would like to thank a number of Members for their help with this legislation: the gentleman from Virginia (Mr. WOLF); the gentleman from Louisiana (Mr. TAUZIN), chairman of the Subcommittee on Telecommunications, Trade and Consumer Protection from the Committee on Commerce, which helped to work out additional language to make it absolutely clear that this legislation does not expand gambling in any way, shape, or form; the gentleman from New York (Mr. NADLER) who helped to work out new language in the legislation related to due process rights for those who may have their sites taken down or blocked.

I would like to thank the gentleman from Florida (Mr. WEXLER) and the gentleman from Florida (Mr. HASTINGS) for their leadership on this issue as well as the gentleman from Virginia (Mr. BOUCHER) who has been very supportive.

I would like to thank the gentleman from Texas (Mr. ARMEY), the majority leader, and the gentleman from Illinois (Mr. HYDE), chairman of the Committee on the Judiciary, for their support of this legislation, which I believe will pass with overwhelmingly strong bipartisan support.

Mr. CONYERS. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, let me say from the outset that I believe that it is highly inappropriate to consider a controversial deeply flawed bill on the Suspension Calendar. This is the wrong process because I and other Members have amendments we want to offer that we are foreclosed from offering in this process.

So on that basis alone, I believe this suspension ought to be rejected. The most controversial aspect of it are the carve-outs for the powerful special interests.

Mr. Speaker, I yield 4 minutes to the distinguished gentleman from Rhode Island (Mr. KENNEDY).

Mr. KENNEDY of Rhode Island. Mr. Speaker, the gentleman from Michigan just pointed out that there are carve-outs for horse racing and Jai-Alai and dog racing. How are we going to have a realistic bill if Jai-Alai and dog racing and all these others have exemptions carved out?

The real rub in this bill is that, while those have exceptions, State lotteries do not. I think we would also agree that our State lotteries are perhaps the best form of gaming we have out there and that they are giving legitimate dollars to our States, for the education of our kids, for education, for housing.

Now, no one disputes that we ought to regulate these offshore gambling casino interests in the Antilles and Antigua. No one disputes that we ought to have that on the books.

Let me say at the beginning that I applaud the gentleman from Virginia (Mr. GOODLATTE) and applaud the gentleman from Louisiana (Mr. TAUZIN) for their efforts to put those provisions in this bill.

But do my colleagues know what? In creating those provisions, they have created numerous other problems by carving out all these exemptions for these special interests gaming operations. Really, this language has come from the Christian Coalition. I thought that the Congress ought to be the one that writes legislation, not the Christian Coalition. It is ironic that the Christian coalition wants to have an exception for dog racing. The Christian Coalition does not seem to have a problem with that, but they have a problem with State lotteries providing necessary educational funds for their kids in the different States.

In addition to that, this legislation also does not do enough to protect the important sovereignty that exists between Native American tribes and our Federal Government, something that the majority continues to trample on at every single turn.

As vice chair of the Native American Caucus, I just am so upset that this bill would ignore the important sovereignty provisions that the States have worked out with these tribes, the Federal tribe relationship. It is a sovereign relationship.

Finally, the gentleman from Virginia (Mr. GOODLATTE) understands that these Internet service providers, the very people that are charged with policing this bill, are unequipped to deal with this. The fact is that we have an Internet that is in its infancy. We all know the Internet is in its infancy. My colleagues are going to put the regulatory burden, the enforcement burden for these regulations on these Internet service providers, many of whom are woefully inadequate to do so. So it is going to create a real hell of a time for these Internet service providers.

So let me just say that, while my colleagues have the Attorneys General on their side, we have the governors. Every governor, the Governors' Association, has written strongly opposing this legislation because it would absolutely gut the funding for the necessary programs that many of these governors rely on in order to provide our very constituencies with the educational funding that we need.

Finally, let me just say we need more money in education. The thought that my colleagues are going to take money away from education in our States at a time when we need more of it is just absolutely incredible to me. The fact that they carve out exceptions for these other gambling operations, while not carving out an exemption, for example, for State lotteries, to me, it just does not make any sense. State lotteries ought to be the ones that we at least carve out an exemption for, not these others.

So I just cannot say that this is a good bill. I agree with the gentleman from Michigan (Mr. CONYERS), we ought to consider this bill on regular calendar and regular order so that we can have a deeper dialog and discussion about the very controversial nature of this legislation.

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Mr. GOODLATTE. Mr. Speaker, I yield myself 1 minute to say to the gentleman that not every governor agrees. In fact, we have a real problem here with forged letters from governors, as indicated on the front page of Roll Call and in The New York Times, with a letter being circulated by opponents of this legislation claiming that Governor Jeb Bush of Florida wrote a letter in opposition to the bill when in point of fact no such thing occurred. The Florida Department of Law Enforcement is now investigating the matter.

I would also say to the gentleman that there are no exemptions in this legislation for horse racing. That is why all of these groups are supporting this legislation. And who would know better than the reporters for the racing industry. Here is the headline in the Daily Racing Form: "Internet bill said to lose exemption for racing." Blood Horse Magazine: "Racing to lose Internet bill exemptions."

The fact of the matter is this bill has been carefully crafted with the assistance of the gentleman from Louisiana (Mr. TAUZIN) to make it absolutely clear that while parimutuel betting is treated fairly, they are not in any way exempt or carved out under this legislation.

Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. WEXLER).

Mr. WEXLER. Mr. Speaker, I rise today in support of H.R. 3125.

I strongly support this bill for three primary reasons: first, it gives law enforcement the ability to block offshore casino Web sites; second, the bill protects children from gambling; and, third, it protects the rights of States to continue governing a legal, regulated, taxpaying industry, the parimutuel industry.

Parimutuel gaming is and always has been a State issue. States control parimutuel gaming, and they control it effectively. It is an industry that is highly regulated, pays taxes and has a respectable place in the States many of us represent. States do not, however, control casinos on Indian reservations. They certainly do not control offshore casino Web sites, of which there are at least 700, many of them in the Caribbean, which are not regulated and not taxed.

I have heard concerns about cheating on the Internet. Parimutuel bets, however, are safe bets, equally safe made in person or at a simulcast.

Finally, we do not have to worry about children logging on to the parimutuels and placing bets. Individuals would have to participate in a closed-loop subscriber-based service to wager on horses, greyhounds, or Jai-Alai. It does not get brought into the home unless a person wants it.

The bill strikes a perfect balance for what is needed, a prohibition on Internet casino gambling and a preservation of the rights of States to regulate the parimutuel industry.

References were made by my respected colleague and friend with respect to the effect of education dollars of this bill. Speaking as a representative of the State of Florida, let there be no mistake, the State lottery of Florida has not added, relatively, a single penny to the schools and to the education coffers of the State of Florida. Just the opposite.

Mr. Speaker, I urge support of the bill.

Mr. CONYERS. Mr. Speaker, I yield myself 15 seconds.

It may be that my friend from Virginia is not aware of the latest version of his bill that eliminates the requirements that wagers on horse racing, dog racing, and Jai-Alai be initiated from a State in which such betting or wagering is lawful and received in a State in which such betting is lawful.

Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK of Massachusetts. Mr. Speaker, I hope people approaching the Capitol will be careful because they might stumble on the increasingly growing pile of discarded Republican ideas.

In Sunday's Washington Post, there was an excellent article by Stephen Moore of the Cato Institute documenting the extent to which the Republican Party in the House has abandoned its notion of controlling spending. I recommend people read Mr. Moore's article. He used to be a consultant to the Republicans on the Committee on the Budget. He said the Republicans have given up really on controlling spending. They spend it wrong, in some ways; but they spend a lot of it.

In this morning's Washington Post, we have another Republican idea of yore biting the dust: term limits. Some people with very long memories, inconvenient ones, will remember term limits. It used to be part of the Contract With America. Some people do not remember the Contract With America, or the contract of Mr. Gingrich; but term limits has also been discarded. It cited cases of the Republican leadership urging Members to break their pledge with regard to term limits.

Well, today two more old Republican principles bite the dust. One was not that old, because the Internet is not that old. But we used to hear about freedom of the Internet. We used to hear how important it was that people be allowed to do what they want on the Internet. Now we understand the true principle. It is important that people be able to do what the Republican Party wants them to do on the Internet. If the Republican Party has no objection, then they can do it. But if the Republican Party thinks there are pictures they should not look at, or perhaps booze they should not buy, or bets they should not make, then freedom for the Internet goes away.

This is a very intrusive regulation of the Internet. This notion that citizens ought to be able to make their own decisions about what to do over the Web now stands revealed as a very insufficient idea. In fact, we were told we must protect children against this because children live in houses with parents with computers, and we must not allow the parents to be the ones who decide what their children do. We, the Federal Government, will step in and we will protect children from that Internet, which will reach out and grab them when their parents are not looking.

Another principle that appears to be on its last legs that the Republican Party sometimes professes support for is that of States' rights. I understand the governor of Florida has said that was not an accurate letter from him. I also understand that we would need subpoena power to get the governor of Florida to tell us what he really thinks about this. And since I, at least, do not have that vote, I cannot tell. The governor of Florida has said he will not tell us his position, but most of the governors are against it.

And I was particularly struck when my friend from Florida said, well, parimutuel betting should be an exemption, although it is an exemption that the author of the bill says does not exist. But the gentleman from Florida, defending that nonexistent exemption, says, well, parimutuel betting is controlled by the States and Jai-Alai is controlled by the States. Well, are lotteries run by the States not controlled by the States? This bill makes it illegal for States to decide that they wish to use the Internet for their lotteries.

Now, remember, the State would have a decision to stay off the Internet if it want wanted to. So here we have a bill that says to the States that we will tell them, the States, that they may not use the Internet for their lottery distribution. What a two-fer: two great principles with one stone. First of all, freedom of the Internet; secondly, States' rights. Bang, they both go with this bill.

Here we say to the States we will let parimutuel gambling go on, because that is a closed loop, and that is okay because States have regulated that. And my friend from Florida said the State lottery in Florida has not given Florida enough money for education, has not given them any money for education. I am sorry about that, but I will tell my colleague that in the State of Massachusetts the lottery has, I think, been very helpful for education. I do not understand why this Congress ought to interfere with the decision by the people of Massachusetts and the governor and the legislature of Massachusetts to use the Internet.

Now, understand what we have been told. If the States want to act to make sure that retailers in a downtown are not disadvantaged in the collection of sales taxes, we will get in their way. But if the States want to put their lottery on the Internet, we, the Federal Government, will interfere, if this bill passes; and we will tell them to forget all that stuff they read about Internet freedom because if the Federal Government does not like what the States are doing on the Internet, to use a technical parliamentary term "freedom schmeedom." We will interpose our superior morality and tell the States that gambling is not right; and, therefore, while the State may choose to have a lottery, and individuals may choose to use the Internet for that lottery, we, the Federal Government, know better than the States and we know better than the individuals.

I do not think that I have seen in one piece of legislation a more stunning repudiation of principles.

Mr. GOODLATTE. Mr. Speaker, I yield 1½ minutes to the gentleman from Nevada (Mr. GIBBONS).

Mr. GIBBONS. Mr. Speaker, I thank the gentleman for yielding me this time, and I rise in strong support of the Internet Gambling Prohibition Act. As an original cosponsor, I urge all my colleagues to support this very important bill.

After listening to my colleague from Massachusetts, I hope we can all come back to reality for just a minute. Everyone, including Republicans and Democrats, would agree the Internet is a great educational tool and a valuable source of information and communication. However, American families must be protected from the dangers associated with unrestricted and unregulated gaming.

In States like Nevada, the gaming industry is well regulated and its activities are tightly monitored. However, allowing gambling to be conducted on the Internet would open the floodgates for corruption, abuse, and fraud. Not only could unscrupulous operators bilk millions of unsuspecting customers, but our children could easily obtain their parents' credit cards, turn their bedrooms into casinos, and with these sites unknowingly squander their families' hard-earned money.

The Internet Gambling Prohibition Act provides the necessary tools for law enforcement officials to crack down on these fly-by-night Internet gambling sites. I urge my colleagues to support this bipartisan bill which will protect our children, our homes, and our technology from fraudulent, unscrupulous, and unregulated Internet gaming and gambling site operators.

Mr. CONYERS. Mr. Speaker, I yield 3 minutes to the gentleman from Virginia (Mr. SCOTT), the ranking member of the subcommittee.

Mr. SCOTT. Mr. Speaker, I thank the gentleman for yielding me this time, and I rise in opposition to the bill.

Unfortunately, H.R. 3125 will actually do nothing to stem the tide of Internet gambling. In fact, the bill constitutes a significant step backwards for several reasons.

First, it provides for extended Internet gambling in the areas of horse racing, dog racing, and Jai-Alai. And there seems to be some question about that, so I will just read from the bill, starting on page 34: "The prohibition in this section does not apply to," and when we turn to page 35 it says, "any otherwise lawful State regulated parimutuel waging activities on live horse or dog racing or live Jai-Alai conducted on a closed-loop subscriber-based system." That closed-loop subscriber-based system is about as hard to get on as opening up an Internet brokerage account to trade stocks. About anybody can do it. As a result of these exemptions, the bill will proliferate rather than prohibit gambling over the Internet, and that is because people would rather gamble at home rather than having to go all the way to the track.

In addition, the bill will not effectively prohibit those gambling interests it actually seeks to stop because offshore the Federal Government has no authority to close those particular Web sites. We can tell AOL or another company to shut down a domestic site, but we have no authority to shut down something offshore in a rogue nation for which we have no diplomatic relations. That will give them essentially a complete exclusive franchise to run these operations.

Lastly, the bill is not effective because it provides no individual liability. While it makes activities by certain gambling entities running the operation illegal, it does not make it illegal for the individual to gamble.

For that reason, Mr. Speaker, the title of the bill, the Internet Gambling Prohibition Act, is one that I am sure a lot of Americans will support. But this bill will actually expand gambling for horse racing, dog racing, and Jai-Alai. It will be ineffective in stopping casino gambling and sports betting run by offshore businesses and, as a result, the Internet Gambling Prohibition Act is more sound bite than reality; and, therefore, I must oppose the legislation.

Mr. GOODLATTE. Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. HASTINGS).

Mr. HASTINGS of Florida. Mr. Speaker, I thank the gentleman for yielding me this time, and I thank him for his leadership on this particular measure.

Mr. Speaker, today I have come to the floor to speak on behalf of H.R. 3125, the Internet Gambling Prohibition Act. As my colleagues may know, unregulated Internet gambling through virtual casino games has become a very lucrative business.

□ 1430

These Web sites are not regulated, taxed or licensed by the States and are available to the public, including those who are underage and would not be allowed in an actual gambling facility, on the open Internet.

New sites offering games such as blackjack and roulette crop up each day, and the industry has plans for major expansion next year if the issue is not addressed legislatively by Congress in this session.

H.R. 3125 effectively addresses the problems created by these sites, clarifies Federal law, and gives the authorities the tools necessary to regulate Internet gambling activities. At the same time, the bill establishes a regulatory framework for Internet gaming activities that recognizes the leadership role that should be played by the individual States in regulating legal gaming activities they have already authorized.

Mr. Speaker, the Senate companion bill passed the Senate late last year by unanimous consent and we are ripe to enact legislation clarifying the complex issue of Internet gambling. If H.R. 3125 is not passed this year, it will likely be too late to stop the problems caused by these unregulated gambling businesses. H.R. 3125 is a good bill that works, as is evidenced by the broad level of support that it has garnered from various groups and on both sides of the aisle.

I would like to urge my colleagues to join me in voting for this practical and necessary legislation and working to enact the Internet Gambling Prohibition Act into law.

I also would like to clarify the fact that lotteries are not affected. Lotteries are regressive. And we all know that.

Mr. GOODLATTE. Mr. Speaker, it is my pleasure to yield 3 minutes to the gentleman from Virginia (Mr. WOLF) a real champion in the fight against gambling.

Mr. WOLF. Mr. Speaker, this will not expand gambling. I rise in strong support. I can stand here all day to categorize the number of hurt and pain and suffering and agony and even death of many young people who get involved in gambling. Gambling hits the poor, the elderly and, sadly, the young.

I want to share that every Member of this body who was here when the National Gambling Commission was established, voted for the National Gambling Commission, which issued a report, and it said as follows: Simply put, "Adolescent gamblers are more likely to become problem or pathological gamblers. Several studies have shown the link between youth gambling and its association with alcohol and drug use, truancy, low grades, illegal activities to finance gambling."

The Commission goes on to strongly support the bill of the gentleman from Virginia (Mr. GOODLATTE). The Commission reported in 28 percent of the cases where children carried a gun to school, gambling was a factor.

This legislation would address an industry that has grown overnight on the Web virtually without anyone focusing on it until the gentleman from Virginia (Mr. GOODLATTE) did.

As the gambling commission noted, youth gambling like youth smoking is often an issue of accessibility and marketing. Nothing is more accessible to young people that we now have than the Internet.

I urge my colleagues, if we miss this opportunity, more children will be hurt and go through pain and suffering and agony and even death. This is an opportunity to do what the National Commission says we should do. This is an opportunity to do what most people know is absolutely right.

I urge my Members, particularly those who say they are for strong family values and they care about the future of young people and they care about all these issues, to come to the House tonight when we vote and vote aye on the Goodlatte bill.

I would like to also put a list of the stories we have taken off the wire service in the last few months of the hurt and the pain and the suffering and the agony of the people who have gotten involved in gambling.

### SAMPLE NEWS CLIPS ON GAMBLING

"As many as 500,000 Michigan adults could be 'lifetime compulsive gamblers,' and the number could swell with two new Detroit casinos in operation and a third to open soon, says a new state report. The survey, released Wednesday, also found that well over half of those with gambling problems began young. 'When we asked compulsive gamblers "When did you start having a problem?" we were startled to learn that 77% of them said they were already compulsive by the time they were 18,' said Jim McBryde, special assistant for drug policy in the Michigan Department of Community Health." (Detroit News, 1/13/00)

"As allies of the National Collegiate Athletic Association push legislation that would ban wagering on college sports, a new study found that one out of every four male student-athletes may be engaging in illegal sports betting—and that one in 20 places bets directly through illegal bookies. And though prevalent among student-athletes, the study found that sports wagering activity is higher among ordinary students—39% among male nonstudent athletes.

"The study surveyed 648 student-athletes and 1,035 students, both male and female, at three midwestern universities. The study also found that 12% of male student-athletes—roughly the same portion as nonathletes—showed signs of problem gambling. About 5% of the overall athlete sample demonstrated signs of pathological gambling disorders." (Las Vegas Sun, 7/6/00).

"More than 850 Internet gambling sites worldwide had revenues in 1999 of $1.67 billion, up more than 80% from 1998, according to Christiansen Capital Advisors, who track the industry. Revenues are expected to top $3 billion by 2002." (Reuters, 5/31/00).

"Will Torres Jr. spends part of his day listening to sad stories. As the director of the Terrebonne Parish (La.) District Attorney's Office's Bad Check Enforcement Program, Torres has heard some doozies. "I've seen people lose their homes, their retirements wiped out, their marriage. People losing everything they have,' Torres said. Gambling, specifically video poker, is starting to catch up with drugs and alcohol as a precursor to local crime . . . "Torres and the District Attorney's Office recently noticed an interesting trend while profiling bad-check writers: a large number of their suspects are video poker addicts. 'We're not talking about people who mistakenly write a check for groceries at Winn-Dixie for $25.33,' Torres said. 'We're talking about people who are writing checks for $25 or $30 eight times a day at locations with video machines or places in close proximity of video poker machines.' "So far this year, Torres' office has collected $320,000 for Terrebonne Parish merchants who were given 3,600 worthless checks. Torres said about 30% of those bad checks are connected to gambling. " 'It's eating people up,' he said. 'It's real sad when people don't have a dollar. No money for food because of gambling addictions. I've seen it up close, and video poker plays a large role in the problem.' " (The Courier [Houma, La.], 8/28/99)

"Rodney Stout, 25, of Pine Bluff (Ark.) was sentenced Friday to 30 years in prison for abducting Stacey Polston of Jacksonville and her 18-month-old daughter at gunpoint and stealing Polston's van. . . . Stout was under financial pressure, he said. He had a 'gambling problem' that came to a head when he gambled away $5,000 he had set aside for moving expenses." (Arkansas Democrat-Gazette, 5/9/00).

"Former University of Southern California baseball player Shon Malani was sentenced Wednesday to two years in federal prison for stealing nearly $500,000 from the federal credit union where he worked. U.S. District Judge Helen Gillmor rejected a request for leniency made by Malani's attorney, who said he stole the money to pay off gambling debts totaling hundreds of thousands of dollars." (Associated Press, 3/1/00).

"One third of 120 compulsive gamblers participating in a pioneering treatment study have either filed for bankruptcy or are in the process of filing, a University of Connecticut researcher said Tuesday. . . . . (Nancy) Petry said she recently gave a talk to a group of bankruptcy lawyers who estimated that as many as 20% of their clients had mentioned gambling as a reason for their problems." (Hartford Courant, 6/14/00).

"Of all the heroes who emerged from the 1984 Los Angeles Olympics, perhaps none was more inspirational than Henry Tillman. A big, tough hometown kid, he had plunged into serious trouble when he was rescued in a California Youth Authority lockup by a boxing coach who saw a young man of uncommon heart and untapped talent. In a little more than two years, he would stand proudly atop the Olympic platform at the Sports Arena, just blocks from his boyhood home, the gold medal for heavyweight boxing dangling from his neck.

"But two years after his mediocre pro career ended, he was back behind bars. And now he stands accused of murder in a case that could put him away for life.

"[G]ambling got Tillman into trouble. He was arrested in January 1994 for passing a bad credit card at the Normandie. He pleaded no contest and got probation. In 1995, he pleaded guilty to using a fake credit card in an attempt to get $800 at the Hollywood Park Casino in Inglewood.

"I have suffered from a long history of gambling addiction, which I am very ashamed had taken over my life,' Tillman wrote in a letter to the court." (Los Angeles Time, 1/26/00)

"More than half the state's adult population has visited a casino, either in Michigan or elsewhere, a statewide poll shows. . . . People at the top and bottom of the income scale are the biggest spenders at the casinos Those making less than $15,000 a year spend $172 per visit, and those earning more than $100,000 per year spend $161 per visit. People in the $30,000–$45,000 income bracket spend the least, reporting an average of $87.40 per visit. "Pollster Ed Sarpolus noted that the age groups most likely to visit casinos are between 18 and 24, and between 50 and 54." (Detroit Free Press, 11/17/99)

"Tethered to his post by a curly plastic cord that stretched from his belt loop to a frequent-player card inserted in a Black, Widow slot machine, James Lint pondered. What happens to the little guy when casinos come to town?

"'I see a lot of people leave with tears in their eyes,' said the Georgia businessman, taking a short break from the machine in Biloxi's Beau Rivage casino. 'They come here too much, and they spend too much money.'

"Lint, who flies his private plan to Biloxi three times a year to kick back at the casinos, doesn't count himself among the ranks of those who gamble away what they cannot afford. But some people do lose their grocery money to slot machines, and no one—not casino operators, not gung-ho promoters of the industry—denies it.

"It would be hard to: The Mississippi Coast has been at the center of several high-profile compulsive gambling incidents, including one involving two famous writers, brothers who squandered an inheritance worth more than $250,000 at blackjack and slots.

"It is a hard-edged reality that happens—at casinos, at racetracks, at church bingos, at state lottery outlets. The Mississippi Coast has seen a 26-fold increase in the number of Gamblers Anonymous meeting—to 13 a week—since the first casino opened in 1992." (Lexington [Ky.] Herald-Leader, 9/12/99)

"There is an ugly undercurrent that's sweeping away thousands of Missourians-people whose addiction to gambling has led to debt, divorce and crime. This is a world of people like Vicky, 36, a St. Charles woman who regularly left her newborn son with baby sitters to go to the casinos and who considered suicide, after losing $100,000. "And Kathy, a homemaker and mother of two from Brentwood, who would drop her kids at school and spend the entire day at a casino playing blackjack. She used a secret credit card that her husband didn't know about to rack up more than $30,000 in debt. . . .

"In a three-month look at compulsive gambling, the Post-Dispatch found that . . . Fast-cash machines on casino floors can hasten a problem gambler's descent into debt, prompting the nation's largest machine supplier last month to let people deactivate their cards in casinos. Hard Numbers on gambling-related crimes are elusive, but fraud detectives in St. Louis say they're seeing an increase in workers with access to money taking it to support gambling habits." (St. Louis Post-Dispatch, 2/6/99)

"The battle against domestic violence is gaining ground, and work by University of Nebraska Medical Center researcher Dr. Robert Muelleman is helping. . . . Muelleman worked on a . . . study at the UNMC hospital this summer. The study has not been published yet, so the results are not entirely concluded, he said, but some preliminary inferences can be drawn. 'It looks as if problem gambling in the partner is going to be as much a risk factor as problem alcohol and that's really new information.' he said." (Daily Nebraskan, 1/13/00)

"A Charlotte, N.C., postal worker is suing First Citizens Bank and Visa for his Internet gambling debts—because he says it's illegal for the bank and Visa to let their credit cards be used for gambling online. . . . Lawers for (Mark) Eisele filed the suit, which seeks class action status, in the U.S. District Court in San Francisco, where Visa International is based. . . . The suit claims Visa and First Citizens, which issued Eisele's credit card, violated the federal Wire Act, which prohibits use of wire communications services for some gambling." (Las Vegas Review-Journal, 8/18/99)

"A California bank robber returned to his old habits after being released from a New Jersey prison to travel to a halfway house in his home state, according to bank robbery charges in at least two states. . . .

"[Noel] Miller, who had been staying at a New Orleans motel, told investigators he was robbing banks to finance his gambling habit and to support himself." (Associated Press, 6/1/00)

"A casino executive who fudged his tax returns should have his license renewed anyway, New Jersey's top casino regulator said Monday. James Hurley, chairman of the state Casino Control Commission, said Mirage Resorts Inc.-Atlantic City president Mark Juliano demonstrated 'extremely poor judgment and an acute lack of sensitivity regarding his financial reporting responsibilities.' But Hurley said it wasn't serious enough to deny Juliano a license to work in New Jersey casinos. Juliano, 44, of Haddonfield, a former president of Caesars Atlantic City Hotel Casino, wrote off $8,965 for a 'phantom' personal computer, reported gambling losses as a business expense and told the IRS he drove 180,000 miles on a car found to have traveled only 69,000 total miles, according to an investigation by the state Division of Gaming Enforcement." (Associated Press, 6/19/00)

"Brian Dean Gray, a former Richmond (Va.) stockbroker, pleaded guilty yesterday in U.S. District Court to all three federal fraud charges against him for stealing more than $850,000 from clients and gambling much of it away. . . . He used more than $350,000 to gamble on horse racing, at New Jersey casinos and in card games." (Richmond Times-Dispatch, 6/3/00)

"Before casino gambling, (Atlantic City) was home to numerous thriving churches of various denominations. But in recent years, churches and synagogues have begun to close. . . . The Rev. Patrick J. Hunt, pastor at (the Church of the Ascension), said the casino industry is helping society gradually erode. 'We want anybody to come to church,' Hunt said. 'But gambling is a vice and the casinos do their darndest to make sure we don't exist and that every other church doesn't exist.' " (Atlantic City Press, 10/11/99)

"A Florida man who lost about $50,000 while gambling [in Atlantic City] during the past two days died Tuesday after he jumped seven floors from a Trump Plaza Hotel and Casino roof onto Columbia Place, officials said." (Atlantic City Press, 8/18/99)

"A German tourist jumped to his death off a 10-story casino parking garage Wednesday in the third such suicide in Atlantic City in eight days." On Aug. 17, a gambler who had lost $87,000 jumped to his death off a Trump Plaza roof. On Monday, a dealer at Caesar's Atlantic City Hotel Casino committed suicide by leaping off the casino's parking garage.

"It wasn't clear if the most recent victim had been gambling. He left no suicide note." (Associated Press, 8/25/99)

"A Kanawha County (W.V.) woman admitted she skimmed $40,000 from her group's bingo and raffle games Thursday, unveiling an ongoing state and federal investigation of groups that operate such games. Donna J. Hopkins, 50, was secretary of the Marmet Soccer Association when she embezzled the money." ([Charleston, W.V.] Gazette, 3/3/00)

Mr. CONYERS. Mr. Speaker, I yield myself 15 seconds, mainly to remind my friend from Virginia that the gambling commission advocated a ban on Internet gambling without exception. And that is not this bill.

Mr. Speaker, I yield 3 minutes to the gentleman from Utah (Mr. CANNON).

Mr. CANNON. Mr. Speaker, I would like to begin by saying that I agree with the comments of my friend the gentleman from Virginia (Mr. WOLF). Gambling is a pernicious vice.

H.R. 3125, the Internet Gambling Prohibition Act of 2000, is well-intentioned but I do not think it succeeds in what it is attempting to do. Instead, this legislation creates legislation that is unenforceable and places great regulatory burdens on Internet service providers and represents the first full-blown regulation of the Internet passed by this body.

This bill will expand gambling online and undermine the State's authority to regulate gambling. The carve out for parimutuel betting will allow for parimutuel betting nationwide even in those States where gambling is currently illegal.

A business licensed and regulated in one State will be allowed to take bets from someone located in other States regardless of whether the State where the bettor is located has authorized such activity. All the bettor would need to do is dial into the licensed business taking the bets. This would constitute a closed loop. Anyone who so desires would be able to load the software to be able to perform this function on his computer and the States would not be able to enforce their laws.

Internet service providers are burdened by being required by the Government to act as enforcers of this law. By passing this bill, we will be deputizing ISPs with the task of denying their customers access to any site that allows wagering. The courts will need to issue a court order to each and every ISP in the country telling them to shut off access to any offending site, and the ISP will be required to put in place filters to ensure that none of their subscribers can gain access.

What is the cost? Let me assure my colleagues that it is not just monetary. ISPs, in order to be in full compliance with this law, will need to monitor what sites its customers are visiting. Keeping up with the sites that allow gaming will be impossible for most ISPs. AOL may have the resources to monitor the activity on every site accessed by its servers, but Rocky Mount Internet based in Utah does not.

ISPs now have or will soon have the technology to shield the identity of its customers. People will be able to access gambling sites anonymously, rendering it impossible for this law to be enforced. With this technology, both the gambling site as well as the subscriber will be able to mask the address from Federal agents. Any filters required by the law will, therefore, be rendered useless.

This legislation is harmful and ultimately unenforceable. We should reject this legislation.

Mr. GOODLATTE. Mr. Speaker, I yield myself 30 seconds to say to the gentleman from Michigan (Mr. CONYERS) that the National Gambling Impact Study Commission said the Federal Government shall prohibit without new or expanded exemptions Internet gambling not already authorized.

This legislation, thanks to the good work of the gentleman from Louisiana (Mr. TAUZIN), makes it perfectly clear that there are no exemptions for anyone under this legislation.

I would say to the gentleman from Utah (Mr. CANNON) that we have worked very closely with Internet service providers and we will continue to do that to make sure that the burdens are manageable, and they have seen and worked with us on the language contained in this bill.

Mr. Speaker, I yield 1 minute to the gentleman from Florida (Mr. STEARNS).

Mr. STEARNS. Mr. Speaker, let me say in the beginning, let us not let the perfect become the enemy of the good here.

I commend the gentleman from Virginia (Mr. GOODLATTE) for his bill and the gentleman from Louisiana (Mr. TAUZIN) for crafting a compromise that we can support. So I hope all the folks will come on board here. We can mend this bill later on if they are not happy with it.

Opponents of this legislation cry out there is special legislation here creating carve-outs for specific industries.

And I say, Mr. Speaker, the carve-outs that they cite are not carve-outs. Rather, they allow for activity that is already lawful under existing law to continue.

This legislation permits parimutuel wagering to operate as it has for many, many years under Federal and State laws. This legislation is mindful of States' rights and sovereignty and allows States their rights to regulate activity within their border, and that is currently legal. So there are no carve-outs here.

As such, the bill does not expand or promote gambling on the Internet. Instead it allows for those activities as currently permitted by States to exist. This legislation has the support of a lot of groups. I urge my colleagues to support it.

Mr. Speaker, let me start off by stating let's not let the perfect become the enemy of the good. The Internet Gambling Prohibition Act before us today is not a perfect bill. But it is a step in the right direction and I commend my friend from Virginia, Mr. GOODLATTE, and my good friend from Louisiana, Mr. TAUZIN, for crafting a compromise we can support.

Some of the opponents of this legislation will say that this bill promotes or expands gambling on the Internet. Nothing can be further from the truth. The legislation before us today in no way expands gambling on the Interent. First and foremost, the legislation offered by my friend from Virginia prohibits gambling businesses from using the Internet to place, receive, or otherwise make a bet or wager. It does not create new government laws, or additional regulations on the Internet, it merely brings the interstate gambling ban up to date. H.R. 3125 in no way expands gambling on the Interent and permits only activities that are otherwise lawful and regulated by the states.

Opponents of this legislation cry that H.R. 3125 is special favor legislation creating carve outs for specific industries. Mr. Speaker, the carve outs they cite are not carve outs, rather, it allows for activity that is already lawful under existing law to continue. This legislation permits parimutuel wagering to operate as it has for many years under federal and state laws. This legislation is mindful of states' rights and sovereignty, and allows states their right to regulate activity within their borders that is currently legal. As such, the bill does not expand or promote gambling on the Internet, instead, it allows for those activities as currently permitted by states.

This legislation has the support of the National Football League, Major League Baseball, National Association of Attorneys General, the Christian Coalition, the Family Research Council, as well as numerous other organizations.

Mr. Speaker, I urge my colleagues to vote in favor of this legislation. Though not perfect, ti certainly is a step in the right direction, and it is the first step in battling the proliferation of illegal gambling on the Internet—with future Congresses free to revisit this matter and amend this legislation as necessary.

Mr. CONYERS. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I would hope that this vote would turn only on the question of whether or not there are exemptions created in the bill.

This is the administration's beginning statement. "The administration strongly opposes H.R. 3125, which appears to be designed to protect certain forms of Internet gambling that are currently illegal while potentially opening the floodgates for other forms of illegal gambling. The administration is especially troubled by the exemptions included in the bill for parimutuel wagering on activities such as horse races, dog races and Jai-Alai. These exemptions could have the effect of allowing individuals to bet on dog and horse racing from their homes, giving children and other vulnerable populations unsupervised, unlimited access to such gambling activities."

That is an exemption. There is no policy justification for such exemptions.

Mr. GOODLATTE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I think the best response to the comments of the gentleman from Michigan (Mr. CONYERS) would come from the gentleman from Louisiana (Mr. TAUZIN) who has played a critical role in making it absolutely clear that the language in this bill does not provide any exemptions.

Mr. Speaker, it is my pleasure to yield 3 minutes to the gentleman from Louisiana (Mr. TAUZIN) the chairman of the Subcommittee on Telecommunications, Trade and Consumer Protection, a subcommittee of the Committee on Commerce.

Mr. TAUZIN. Mr. Speaker, I thank my friend for yielding me the time.

Mr. Speaker, I rise in support of H.R. 3125, the Internet Gambling Prohibition Act. It is a good bill. I urge my colleagues to vote for it this afternoon.

Back in June the subcommittee I am honored to chair, the Subcommittee on Telecommunications, Trade and Consumer Protection, was afforded the opportunity to hold a hearing on this bill. At the hearing, we learned many things regarding current State and Federal law as it applied to both interstate and intrastate gambling activities.

While the existing framework governing such activity is not always a model of clarity, our hearing revealed that this bill as it came to us to the committee explicitly legalized certain interstate parimutuel gaming activities that the Justice Department believes are prima facie illegal under current Federal law, namely the Wire Act.

As a result, the administration did, in fact, oppose H.R. 3125 when we held our hearings and they opposed it on the grounds that first it did then expand gambling beyond and above what is allowed by existing law according to Justice's interpretation of the Wire Act and, secondly, that it was not technologically neutral and that it made legal on the Internet activities that might be illegal when conducted on phone wire.

In response to these criticisms, my good friend the gentleman from Virginia (Mr. GOODLATTE) and I, along with the gentleman from Virginia (Chairman BLILEY), the gentleman from Illinois (Mr. HYDE) and the gentleman from Florida (Mr. MCCOLLUM) and their staffs, recrafted the parimutuel gaming provisions of the bill as we see them today.

Working with the sports leagues, many religious interests and the parimutuel gaming interests themselves, we are happy to report that we were successful in coming up with the compromise language that makes it clear that the bill no longer draws any legal distinction between the Internet and wire line gaming activities and, as a result, in no way expands gambling beyond the present limits whatever those limits are according to the Justice Department or the courts of the land.

This language now added to H.R. 3125 in the form of a managers amendment clarifies the bill prohibits all online gambling and only permits otherwise lawful, State regulated, live parimutuel wagering activities that are conducted on a closed subscriber-based loop.

By the way, I should also point out it does allow the Internet intrastate for the use of the lottery activities provided that they are conducted in a public place. With this language, H.R. 3125 now addresses the administration's concerns and places an appropriate ban on gambling activities that is badly needed for the country and needs to be adopted.

In the past couple years, online gambling has flourished into a $1 billion industry with more than 700 sites in existence. The sports-related casino style gambling taking place over the Internet today has, as the gentleman from Virginia (Mr. WOLF) pointed out, ruined the lives of many Americans young and old.

If we fail to present the President with this legislation this year, the proliferation will be enormous. Make no mistake. This bill needs to be passed. It is neutral. It does not expand gambling. It needs to be addressed.

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Mr. CONYERS. Mr. Speaker, I yield myself 30 seconds, merely to advise my friend from Louisiana as well as the gentleman from Virginia that the changes that they made made the expansion of gambling worse. That came from the Department of Justice, whom you thought you were trying to satisfy. The Department has received a copy of the language, they say, which we believe constitutes the amendment intended to resolve concerns over the exemption of horse racing, dog racing, and Jai-Alai. It is our position that this amendment may be even more problematic than the current version of the bill.

Mr. GOODLATTE. Mr. Speaker, I yield myself 30 seconds to respond to the gentleman and say that the Justice Department says that the Wire Act covers these situations but does not prosecute anyone. Under this legislation, they would have new tools requested by the National Association of Attorneys General to combat this very serious problem on the Internet, and that is exactly what we intend to give them with this legislation. There are no exemptions. We certainly do not expand gambling. We attack the multibillion dollar industry that is growing on the Internet, the 700 cybercasinos, the sports betting, the threat of sales of lottery tickets in people's homes.

Mr. CONYERS. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from California (Mr. Cox).

Mr. COX. Mr. Speaker, I thank the gentleman from Michigan for yielding me this time, and I thank my colleagues on both sides of the aisle for trying to do the right thing here today, because I share the concerns of my colleagues about the spread of illegal Internet gambling. But I rise in reluctant opposition to this legislation because while it is well intentioned, it is bad telecommunications policy.

This legislation would create enormous, if unintentional, regulatory problems. First, it proposes to treat online and offline gambling under different rules. That is a violation of the fundamental tenet of the Internet Nondiscrimination Act that this House passed very recently by the overwhelming vote of 352–75. Regulating commerce on the Internet under different rules from commerce in the offline world is a dangerous precedent that invites significant new regulation of the Internet such as we have not yet seen.

Second, the bill expands gambling opportunities to make legal certain types of bets over the Internet that would be illegal if they were made over the telephone. Third, the bill would unfairly make Internet service providers and search engines and other interactive service providers, ISPs, who have nothing to do with gambling, people who have nothing to do with gambling, it would make them responsible for policing the behavior of their subscribers. This is the principle that we rejected when then Representative WYDEN and I brought the Internet Freedom and Family Empowerment Act to the floor so that we could stop the approach that the Senate had adopted with the Communications Decency Act, later rejected by the Supreme Court.

In this bill in order to avoid criminal prosecution, ISPs and other interactive services would have to make sure that they are not hosting or linking to Web sites containing gambling advertising or information. To avoid criminal prosecution, they would have to block users from accessing foreign Web sites over which they have no control, an especially dangerous precedent while the United States at this very moment is seeking to oppose efforts by foreign governments to do that to our Web sites.

Fourth, this bill would have the Federal Government dictate, indeed amend, the terms and conditions on which ISPs today offer service. It would require that every ISP terminate the account of any subscriber who is suspected of using the service to gamble. Fifth, the bill contains price controls. It requires every ISP to offer gambling filtering software at, quote, "reasonable cost," putting the Federal Government in an unspecified way in charge of determining what is a reasonable price for filtering software.

For the mom-and-pop Internet service providers who constitute the vast majority of America's thousands of ISPs, the legal and regulatory costs of complying with this new Federal regulatory scheme are significant. That is why this imperfect bill remains opposed by so many groups, the Computer and Communications Industry Association, AT&T, the Center for Democracy and Technology, the Electronic Privacy Information Center, the Traditional Values Coalition, the Free Congress Foundation, the Seniors Coalition, and Americans for Tax Reform.

Oppose this legislation.

Mr. GOODLATTE. Mr. Speaker, I yield myself the balance of my time.

First, let me respond to the gentleman from California for whom I have great respect but with whom I must disagree on every single point raised. This legislation does not treat online gambling unfairly compared to offline gambling. In fact, the activities complained of have been going on on the telephone lines for decades and this legislation is simply designed to bring the Wire Act, written in 1961 when the Wire Act was a good description of telecommunications in this country, into the modern age when telecommunications takes on a whole host of different ramifications, including the Internet. It does not in any way expand gambling on the Internet. We have made that perfectly clear time and time again. Why else would the National Coalition Against Gambling Expansion support this legislation?

The bill retrenches gambling on the Internet by fighting 700 online cybercasinos, by giving law enforcement new tools to deal with sports betting online, by stopping the efforts of some who stand to make tens of millions of dollars selling services to State lotteries to sell tickets online in people's homes.

I want to make the point perfectly clear that we do not tell the States that they cannot use the Internet. We simply say that when they use the Internet, they have to use it in public places, like convenience stores or other places where children can be screened out and they cannot buy tickets online as they could at home. That is why the Home School Legal Defense Association supports the legislation, the Southern Baptist Convention supports it, and many, many other religious and family organizations.

Furthermore, we do not require Internet service providers to police the Internet. We simply require them to cooperate with law enforcement. And we do not require them to shut down suspected sites, because the bill provides due process requirements of notice and hearing before a judge, and a judge finding that an action should be taken before an Internet service provider can be required to take down or block a site.

The legislation has been carefully crafted to be sensitive to the Internet industry, which I am very supportive of. After all, I am the chairman of the Congressional Internet Caucus and have worked on many issues with the gentleman and others to promote the Internet. But one way to promote the Internet is to make sure that the seamy side of life is dealt with on the Internet. Just like child pornography has to be dealt with on the Internet, so does unregulated, out-of-control, illegal gambling. That is why the National Collegiate Athletic Association, the National Football League, Major League Baseball, the National Hockey League, and the National Basketball Association support this legislation because of the renewed threat to amateur and professional sports in America brought on by an incredible explosion in gambling and sports betting because of the Internet. These new tools are needed by law enforcement. That is why the National Association of Attorneys General have asked us for this legislation. That is why I ask my colleagues to support it.

It is also important to note that this legislation treats Indian gaming fairly. Every word in this legislation has been signed off on by the gentleman from Alaska (Mr. YOUNG), the chairman of the Committee on Resources.

I urge my colleagues to support this effective legislation to fight gambling on the Internet.

Mr. SHAW. Mr. Speaker, I rise today in support of H.R. 3125, the Internet Gambling Prohibition Act of 2000. This legislation is necessary to stem the rising tide of Internet gambling, which is largely unregulated and unreachable by American authorities.

Mr. Speaker, Internet gambling has the potential to make thousands of Americans who enjoy video games into gambling addicts. All that an Internet gambler needs to play casino-style games on the Internet is a computer, a modem, and a credit card—and therein lies the dangerous allure of this type of wagering.

Unlike a glitzy casino where playing games of chance is a social experience, Internet gambling is usually done alone, with the only limit being the limit on one's credit card. I believe that gambling over the Internet has the potential to turn a generation of children who are addicted to video games into a generation of adults addicted to playing casino-style games over the Internet.

Furthermore, most of the cyber-casinos are located in the Caribbean, so that the few gamblers who do win have no recourse if there is a dispute. Mr. Speaker, banning Internet gambling now will prevent much more serious social problems later. For that reason, I urge all of my colleagues to vote for passage of H.R. 3125.

Ms. ESHOO. Mr. Speaker, I rise in opposition to H.R. 3125, The Internet Gambling Prohibition Act, a bill that threatens the continued growth of e-commerce as well as the privacy rights of individuals.

The Department of Justice, high-tech companies and socially conservative organizations agree—H.R. 3125 is fatally flawed. By prohibiting some types of gambling and expanding others, H.R. 3125 puts an inappropriate burden on high tech companies and interferes with the civil liberties of Americans.

The legislation is rife with loopholes. Betting on horses and dogs is allowed; sports and casino-style games are not. Jai-alai is in, while state lotteries are out. This arbitrary patchwork of exemptions and prohibitions seems to be rooted in the degree of power of a particular interest group rather than sound public policy.

H.R. 3125 imposes new and unprecedented regulatory burdens on the Internet that are shortsighted and threaten our civil liberties. The notice and take-down provisions are overbroad, too burdensome for ISPs, and give the government too much power.

Finally, the blocking provisions in H.R. 3125 threaten to intrude on individual privacy. This Congress is still in the process of drafting legislation aimed at assuring the privacy of individuals using the Internet. H.R. 3125 would leap over that thoughtful process and attempt to regulate what many Members have vowed to allow—freedom on the Internet. H.R. 3125 puts artificial boundaries on the Internet when the Internet is designed specifically to transcend boundaries.

I share my colleagues's desire to protect society from the dangers of abusive gambling which can be a corrosive agent, both culturally and personally. However, H.R. 3125 does not do what it purports to do. If Congress wants to ban gambling on the Internet then it should ban all gambling on the Internet. The piecemeal approach embodied in H.R. 3125 is an exercise in hypocrisy. I urge my colleagues to vote against H.R. 3125.

Mr. SENSENBRENNER. Mr. Speaker, I rise today in support of H.R. 3125, the Internet Gambling Prohibition Act. During Judiciary Committee mark-up, I brought up my concerns relating to the tribal gaming exemption. I am pleased that the Gentleman from Virginia, Mr. GOODLATTE, and the Gentleman from Alaska, Mr. YOUNG, were willing to work with me to include language which addresses my concerns about what I believe was an ambiguous section of the bill.

I would like to take a moment to explain my concerns and how, through the manager's amendment, these concerns were addressed. The provision exempting gambling on a closed loop system requires both the sender and the receiver to be on Indian lands. This is not limited to the Indian lands on which the game is conducted, therefore, it would allow linking of all Indian lands nationwide. My concern with this language was how multi-Tribal linking could impact individual Tribal/State gaming Compacts.

Let me provide an example: If State A's Compact allows for slots, and State B's Compact allows for blackjack and slots, absent clarification, the tribe in State A could argue it can now participate in blackjack. Included in the manager's amendment is additional language on this section to ensure that no Class III gaming activity can occur without the explicit authorization of a Tribal/State Compact. This language does not require Tribes to renegotiate their Compacts with states; rather it reinforces the Tribal/State Compact.

In conclusion, the Indian gaming language has been clarified so that the carefully negotiated Tribal/State compacts are not at risk. I urge my colleagues to support the bill.

Mr. BACA. Mr. Speaker, I oppose H.R. 3125, the Internet Gambling Prohibition Act.

I am concerned that the bill creates unfair carve outs. In-home gambling on horse and dog races is allowed, but tribal Internet gaming is prohibited. I fail to see how dog races are acceptable but tribal gaming is not. This bill does not deserve our support.

The bill is so riddled with exemptions it is opposed by the Traditional Values Coalition, which says that the bill does little to address the problems it purports to solve.

Tribal gaming has been essential in furthering economic development on our reservations. It has allowed for medical clinics and upgrading of substandard housing. It has lifted Native Americans from poverty. It has given them self-determination over their destiny. It has furthered Native American sovereignty.

It is important we recognize all Native Americans have given to this country. For that reason, earlier in the year I introduced H. Res. 487 to honor Native Americans.

Native Americans have shown their willingness to fight and die for this nation in foreign lands. They honor the American flag at every powwow.

Native Americans should be treated fairly. We should not burden them with restrictions we are unwilling to place on others.

The bill is opposed by the Department of Justice, AT&T, the San Manuel Band of Mission Indians, Computer and Communications Industry Association, Covad Communications, Center for Democracy and Technology, National Congress of American Indians, Electronic Privacy Information Center, ACLU, Traditional Values Coalition, Seniors Coalition, Free Congress Foundation, Americans for Tax Reform, CATO Institute, American Association of Concerned Tax Payers, and Coalition for Constitutional Liberties.

For all of the above reasons, I am opposing H.R. 3125.

Mr. UDALL of New Mexico. Mr. Speaker, today I rise in opposition to H.R. 3125, which could more appropriately be re-titled the Internet Gambling Proliferation Act.

What this proposed legislation does is impose a new set of laws that selectively privilege some forms of gambling by exempting them from these laws. At the same time, other forms of gambling are condemned. What Congress should do is work with the states to enact legislation, which deals rationally with prohibiting or regulating Internet gambling.

Furthermore, in my home State of New Mexico—as in many other states—this legislation would unnecessarily complicate the ability of states and tribal governments to work out a rational regulatory scheme.

The SPEAKER pro tempore (Mr. MILLER of Florida). The question is on the motion offered by the gentleman from Virginia (Mr. GOODLATTE) that the House suspend the rules and pass the bill, H.R. 3125, as amended.

The question was taken.

Mr. CONYERS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8, rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

## GENERAL LEAVE

Mr. GOODLATTE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 3125.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

## SEMIPOSTAL AUTHORIZATION ACT

Mr. McHUGH. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4437) to grant to the United States Postal Service the authority to issue semipostals, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4437

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the ``Semipostal Authorization Act''.

**SEC. 2. AUTHORITY TO ISSUE SEMIPOSTALS.**

(a) IN GENERAL.—Chapter 4 of title 39, United States Code, is amended by adding at the end the following:

**“§ 416. Authority to issue semipostals**

``(a) DEFINITIONS.—For purposes of this section—

``(1) the term 'semipostal' means a postage stamp which is issued and sold by the Postal Service, at a premium, in order to help provide funding for a cause described in subsection (b); and

``(2) the term 'agency' means an Executive agency within the meaning of section 105 of title 5.

``(b) DISCRETIONARY AUTHORITY.—The Postal Service is hereby authorized to issue and sell semipostals under this section in order to advance such causes as the Postal Service considers to be in the national public interest and appropriate.

"(c) Rate of Postage.—The rate of postage on a semipostal issued under this section shall be established by the Governors, in accordance with such procedures as they shall by regulation prescribe (in lieu of the procedures under chapter 36), except that—

"(1) the rate established for a semipostal under this section shall be equal to the rate of postage that would otherwise regularly apply, plus a differential of not to exceed 25 percent; and

"(2) no regular rates of postage or fees for postal services under chapter 36 shall be any different from what they otherwise would have been if this section had not been enacted.

The use of any semipostal issued under this section shall be voluntary on the part of postal patrons.

"(d) Amounts Becoming Available.—

"(1) In general.—The amounts becoming available from the sale of a semipostal under this section shall be transferred to the appropriate agency or agencies under such arrangements as the Postal Service shall by mutual agreement with each such agency establish.

"(2) Identification of appropriate causes and agencies.—Decisions concerning the identification of appropriate causes and agencies to receive amounts becoming available from the sale of a semipostal under this section shall be made in accordance with applicable regulations under subsection (e).

"(3) Determination of amounts.—

"(A) In general.—The amounts becoming available from the sale of a semipostal under this section shall be determined in a manner similar to that provided for under section 414(c)(2) (as in effect on July 1, 2000).

"(B) Administrative costs.—Regulations under subsection (e) shall specifically address how the costs incurred by the Postal Service in carrying out this section shall be computed, recovered, and kept to a minimum.

"(4) Other funding not to be affected.—Amounts which have or may become available from the sale of a semipostal under this section shall not be taken into account in any decision relating to the level of appropriations or other Federal funding to be furnished to an agency in any year.

"(5) Recovery of costs.—Before transferring to an agency in accordance with paragraph (1) any amounts becoming available from the sale of a semipostal over any period, the Postal Service shall ensure that it has recovered the full costs incurred by the Postal Service in connection with such semipostal through the end of such period.

"(e) Regulations.—

"(1) In general.—Except as provided in subsection (c), the Postal Service shall prescribe any regulations necessary to carry out this section, including provisions relating to—

"(A) which office or other authority within the Postal Service shall be responsible for making the decisions described in subsection (d)(2);

"(B) what criteria and procedures shall be applied in making those decisions; and

"(C) what limitations shall apply, if any, relating to the issuance of semipostals (such as whether more than 1 semipostal may be offered for sale at the same time).

"(2) Notice and comment.—Before any regulation is issued under this section, a copy of the proposed regulation shall be published in the Federal Register, and an opportunity shall be provided for interested parties to present written and, where practicable, oral comment. All regulations necessary to carry out this section shall be issued not later than 30 days before the date on which semipostals are first made available to the public under this section.

"(f) Annual Reports.—

"(1) In general.—The Postmaster General shall include in each report rendered under section 2402, with respect to any period during any portion of which this section is in effect, information concerning the operation of any program established under this section.

"(2) Specific requirement.—If any semipostal ceases to be offered during the period covered by such a report, the information contained in that report shall also include—

"(A) the commencement and termination dates for the sale of such semipostal;

"(B) the total amount that became available from the sale of such semipostal; and

"(C) of that total amount, how much was applied toward administrative costs.

For each year before the year in which a semipostal ceases to be offered, any report under this subsection shall include, with respect to that semipostal (for the year covered by such report), the information described in subparagraphs (B) and (C).

"(g) Termination.—This section shall cease to be effective at the end of the 10-year period beginning on the date on which semipostals are first made available to the public under this section.".

(b) Reports by Agencies.—Each agency that receives any funding in a year under section 416 of title 39, United States Code (as amended by this section) shall submit a written report under this subsection, with respect to such year, to the congressional committees with jurisdiction over the United States Postal Service. Each such report shall include—

(1) the total amount of funding received by such agency under such section 416 during the year;

(2) an accounting of how any funds received by such agency under such section 416 were allocated or otherwise used by such agency in such year; and

(3) a description of any significant advances or accomplishments in such year that were funded, in whole or in part, out of amounts received by such agency under such section 416.

(c) Reports by the General Accounting Office.—

(1) Interim report.—The General Accounting Office shall submit to the President and each House of Congress an interim report on the operation of the program established under section 416 of title 39, United States Code (as amended by this section) not later than 4 years after semipostals are first made available to the public under such section.

(2) Final report.—The General Accounting Office shall transmit to the President and each House of Congress a final report on the operation of the program established under such section 416, not later than 6 months before the date on which it is scheduled to expire. The final report shall contain a detailed statement of the findings and conclusions of the General Accounting Office, together with any recommendations it considers appropriate.

(d) Clerical Amendment.—The table of sections for chapter 4 of title 39, United States Code, is amended by adding at the end the following:

"416. Authority to issue semipostals.".

(e) Effective Date.—The program under section 416 of title 39, United States Code (as amended by this section) shall be established within 6 months after the date of enactment of this Act.

### SEC. 3. EXTENSION OF AUTHORITY TO ISSUE SEMIPOSTALS FOR BREAST CANCER RESEARCH.

(a) In General.—Section 414(g) of title 39, United States Code, is amended to read as follows:

"(g) This section shall cease to be effective after July 29, 2002, or the end of the 2-year period beginning on the date of enactment of the Semipostal Authorization Act, whichever is later.".

(b) Reporting Requirement.—No later than 3 months and no earlier than 6 months before the date as of which section 414 of title 39, United States Code (as amended by this section) is scheduled to expire, the Comptroller General of the United States shall submit to the Congress a report on the operation of such section. Such report shall be in addition to the report required by section 2(b) of Public Law 105-41, and shall address at least the same matters as were required to be included in that earlier report.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. McHugh) and the gentleman from Florida (Mr. Hastings) each will control 20 minutes.

The Chair recognizes the gentleman from New York (Mr. McHugh).

### GENERAL LEAVE

Mr. McHUGH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 4437.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. McHUGH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as with any measure of this magnitude, the point at which a bill comes to the floor of this House, of course, is realized only through the concerted efforts and a great deal of hard work by a number of good people, and that is certainly the case here today.

In that regard, I want to begin by expressing my deepest appreciation particularly to the ranking member on the subcommittee, the gentleman from Pennsylvania (Mr. Fattah), his staff, the staff of the full subcommittee, for their efforts, for their support and most importantly their substantive and constructive input. I would say not only is the gentleman from Pennsylvania (Mr. Fattah) a primary cosponsor of this legislation, he is indeed one of the primary authors; and frankly his input, his participation made what I think is a good piece of legislation even better.

I also want to thank the chairman of the full committee, the gentleman from Indiana (Mr. Burton), and, of course, his colleague, the gentleman from California (Mr. Waxman), the ranking member on the full committee, for their cooperation and for their efforts in helping to bring this very worthy piece of legislation before us today.

The bill before us, Mr. Speaker, seeks to achieve two very important objectives. The first is to extend the authorization of the highly successful breast cancer research stamp. It was not that long ago in the 105th Congress under the guidance of two of our former colleagues, a fellow State associate of mine, the gentlewoman Susan Molinari from New York, and Vic Fazio, the gentleman from California, who worked so hard in realizing what became the first ever semipostal issuance in the history of the United States. Since that time, since the creation of the breast cancer research stamp, the proceeds from the sales of these issues from voluntary purchases has resulted in some $15 million in additional funds made available for breast cancer research.

There is truly, Mr. Speaker, not a person in this country that has not in some way been touched by the cruel hand of this disease, a wife, a mother, a close friend, a loved one or, in my own case, a grandmother. Those dollars, willingly donated by millions upon millions of caring individuals, will hopefully bring us ever closer to the day when this scourge is but a sad and very frightening memory. Without our action here through this bill, Mr. Speaker, the current authorization will end at the conclusion of this month, on July 29, in fact.

So many in this House, so many in this Nation have called upon us to act further. In the House, I would say we owe particular thanks to the gentleman from New Hampshire (Mr. BASS), who gathered 117 of our colleagues calling for this extension. In fact, the authorization for such an action contained in this bill is modeled on the gentleman from New Hampshire's bill and would extend the current program for an additional 2 years.

As I mentioned, our presence here today also comes through the urging and support of many, many others, far too many to properly credit them all by name. But we certainly want to thank and commend each and every one of those folks. But I do want to pay particular tribute to just a few, if I might. Ms. Betsey Mullen, who was here with us in Washington earlier today, I believe and I hope she still is, and her colleague at the Women's Information Network Against Breast Cancer, Dr. Bodai, for their untiring efforts. I would also like to thank Ms. Mullen's 6½-year-old nephew and her 8½-year-old niece who took the time out of what I know are their busy lives and busy summers to actually address handwritten letters to all of us here in Congress urging our continued efforts on behalf of this semipostal.

Mr. Speaker, I include the letters in their entirety for the RECORD.

DEAR CONGRESS, Girls and boys can get breast cancer and I don't want girls and boys and the President and his wife, cat and dog to get sick. Keep the stamp going.

From Brendon Fisher.

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JULY 16, 2000.

DEAR CONGRESS, I think it's very important to keep the stamp because if we don't every girl is going to worry about it or maybe get brest cancer. But if we keep it we will get money to cure to stop it. My Aunt Betsey risked her life on it and I'm proud of her. If you think about it no one likes it because you can die from it. I think and a lot of other people agree with me that it would be best to keep the stamp and then things will go perfect.

Hope my letter makes a difference because not just me is counting on this.

By Paige Fisher, 8 in a half years old, MD.

If I might, I would like to read a part of both of those.

"Dear Congress:

"Girls and boys can get breast cancer and I don't want girls and boys and the President and his wife, cat and dog to get sick. Keep the stamp going."

That is from Brendon Fisher, who is, as I said, 6½ years old.

☐ 1500

And this one: "Dear Congress, I think it is very important to keep the stamp, because if we don't, every girl is going to worry about it or maybe get breast cancer. But if we keep it, we will get money to cure, to stop it. My Aunt Betsey risked her life on it and I'm proud of her. If you think about it, no one likes it because you can die from it. I think, and a lot of other people agree with me, that it would be best to keep the stamp and then things will go perfect. I hope my letter makes a difference, because not just me is counting on this. By Paige Fisher, 8½ years old."

Paige, I want to let you know that yours and Brendon's efforts have indeed made a difference. As I said, I have many to thank.

I would like to give a personal thanks to a special individual, a lady by the name of Jennifer Katz, who has a tangential professional interest in this cause, but who long before this question evolved, Mr. Speaker, through her own life experiences taught me and I suspect many, many others how to learn from her efforts that through tragedy one can identify important goals and challenges and learn in life some things so personal that can become bigger than self, and to thank her for helping me better understand that reality.

Lastly, Mr. Speaker, and certainly not least, we all owe our thanks to the dedicated administration and employees of the Postal Service, because it was through their selfless commitment, through their efforts that this program in its initial stages has reached the historic levels that it has. Yes, Mr. Speaker, many, many thanks to so many people.

The second equally important part and important section of this bill would establish a permanent process and give defined authority within the Postal Service to regularly and formally establish future semipostals that will serve similar purposes in the national American public interest.

The success of the Breast Cancer Research Stamp has understandably led many of our colleagues to propose similar initiatives that are designed to benefit many other worthy causes. And, indeed, this year alone in this Congress, we have had some 14 bills introduced into both bodies that attempt to achieve just such a goal.

Mr. Speaker, I will read from them briefly: the gentlewoman from California (Ms. MILLENDER-MCDONALD) on AIDS research; the gentleman from Pennsylvania (Mr. WELDON) on diabetes; the gentleman from Rhode Island (Mr. WEYGAND) on Alzheimer's; the gentleman from California (Mr. CUNNINGHAM) on prostate cancer; the gentlewoman from Texas (Ms. JACKSON-LEE) on emergency food relief; the gentlewoman from Maryland (Mrs. MORELLA) on organ and tissue donation; the gentlewoman from California (Ms. LOFGREN) on World War II memorial; the gentleman from Ohio (Mr. TRAFICANT) on the American Battle Monuments Commission; the gentleman from Colorado (Mr. HEFLEY) on domestic violence. And in the other body, Mr. LOTT on Highway-Rail Grade crossing safety; Mr. NIGHTHORSE-CAMPBELL on domestic violence; Mr. DEWINE on organ and tissue donation, and the list goes on and on.

Clearly, Mr. Speaker, all of these are very worthy initiatives, and I think it is just that fact that perhaps most clearly of all calls for the passage of this bill. I fear absent our action, Mr. Speaker, that none of these may be achieved, that in the perhaps regrettable, but I think undeniable political reality of this Congress as we push back and forth toward trying to achieve our own personal and sometimes equally laudable goals, none of them may be passed.

Mr. Speaker, through this legislation, we can say to the postal service, we must establish a system that must consider these kinds of initiatives and they must issue them on a regular basis. In this fashion, Mr. Speaker, I think we can most assuredly guarantee that these kinds of initiatives will indeed continue into the future, as I think they should.

Mr. Speaker, I would say, while the Breast Cancer Research Stamp Initiative has gone exceedingly well, it has not been without its flaws. Some observers including the General Accounting Office have found that some of the procedural and administrative surroundings have been less than perfectly implemented. This bill seizes upon a report done by the GAO that calls for certain reforms within future issuances, providing for better accounting methods to make sure that both the expenditure and the revenue side are clearly defined and clearly recorded, a provision for full reporting on the program, including regularly reports to both bodies in this Congress, methods to ensure full costs coverage, so that those who choose not to participate in the stamp are not somehow burdened with added costs, to ensure that any future, postal increases necessitated are not a result of semipostals no matter how worthy the cause.

In sum, Mr. Speaker, I do firmly believe that this is a balanced and well-reasoned and in my humble opinion a very worthy and necessary piece of legislation, and I would urge its passage here today.

Mr. Speaker, I reserve the balance of my time.

Mr. HASTINGS of Florida. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, first let me thank the gentleman from New York (Mr. McHUGH), the chairman of this committee, for being forthcoming with reference to this legislation. Additionally, I would like to thank the delegate, the gentlewoman from the District of Columbia (Ms. NORTON), my good friend, for graciously allowing me to manage the time on this important measure.

I would like to join the gentleman from New York (Mr. McHUGH) in the consideration of H.R. 4437, the Semipostal Authorization Act, legislation, granting the postal service the discretionary authority to issue semipostals. This measure was unanimously reported from the committee on June 29, 2000.

I am pleased to note that on June 29, the gentleman from New York (Mr. McHUGH) reported out an amendment in the nature of a substitute to H.R. 4437, which made a number of important changes to the original text. We owe our interests in semipostals to Dr. Ernie Bodai, chief of surgery at the Kaiser Permanente Medical Center in Sacramento, California, and one of our former colleagues, former Congressman Vic Fazio from California.

Mr. Speaker, Dr. Bodai first proposed the idea of a semipostal with the money raised going toward breast cancer research. He took his idea to Congressman Vic Fazio; and on May 7, 1996, Congressman Fazio introduced the first semipostal bill, H.R. 3401, the Breast Cancer Research Stamp Act.

He was joined in this effort by Senator DIANNE FEINSTEIN when she sponsored identical legislation in the Senate. Congressman Fazio subsequently reintroduced his bill in the 105th Congress as H.R. 407. On May 13, 1997, Representative Fazio joined Representative Susan Molinari from New York, former Congresswoman, in sponsoring H.R. 1585, Stamp Out Breast Cancer Act.

The bill, as amended, and passed by the House on July 22, 1997, by a vote of 423-3 permitted the postal service to establish a special rate of postage for first class mail, not to exceed 25 percent of the original first class rate of postage. Stamps issued under this special rate are available for purchase by the public on a voluntary basis and as an alternative to regular postage.

After deducting an amount sufficient to cover reasonable costs attributable to the printing, sale, and distribution of the stamps, the postal service would transfer 70 percent of the amount generated to the National Institutes of Health and 30 percent to the Department of Defense for breast cancer research.

The National Institutes of Health designated the money to support innovative pilot studies that will further breast cancer awareness. The Department of Defense designated the money for awards intended to encourage innovative approaches to breast cancer research.

H.R. 1585 was subsequently enacted into law, Public Law 105-41, in addition to authorizing the breast cancer research stamp for 2 years, required the General Accounting Office to submit a report to Congress that evaluated the effectiveness and the appropriateness of this method of fund-raising.

In its April 2000 report, entitled "Breast Cancer Research Stamp, Millions Raised for Research, But Better Costs Recovery Criteria Needed," the GAO determined that the semipostal was successful. It is expected that by July 28, 2000, well over 215 million stamps will have been sold and more than 15 million in revenue raised.

GAO further determined that the semipostal was an effective and appropriate way to fund-raise.

Mr. Speaker, the incidence of breast cancer continues to far outstrip available resources and funds. The statistics are as sobering as they are rising. Breast cancer is still the number one cancer killer of women between the ages of 15 and 24. The disease claims another woman's life every 15 minutes in the United States. More than 2 million women are living with breast cancer in America today, yet 1 million of them have not been diagnosed.

More and more people are joining the ranks of breast cancer survivors rather than breast cancer victims due in large part to breakthroughs in cancer research. According to the American Association for Cancer Research, 8 million people are alive today as a result of cancer research. The bottom line is that every dollar we continue to raise will save lives.

Clearly, the American public by purchasing more than 215 million breast cancer semipostal stamps believes this is a good cause and one worthy of contributions. I would urge on behalf of the gentlewoman from the District of Columbia (Ms. NORTON) and the committee that we move quickly and pass H.R. 4437.

Mr. Speaker, I reserve the balance of my time.

Mr. McHUGH. Mr. Speaker, I would ask the gentleman from Florida (Mr. HASTINGS) if he has any further requests for time.

Mr. HASTINGS of Florida. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. McHUGH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I have no further requests, but before yielding back, let me compliment and express my appreciation to the gentleman from Florida (Mr. HASTINGS) for his invaluable assistance here and to associate myself with his remarks about not just the importance of this bill in its two major aspects but to the invaluable contributions of both our former colleagues, Mr. Fazio and Ms. Molinari, as I attempted to state in my remarks, but also as I said, the gentleman from Pennsylvania (Mr. FATTAH), the gentlewoman from the District of Columbia (Ms. NORTON), and others for the great assistance that they have given and urge all of our colleagues to join us in expressing their support of this bill.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MILLER of Florida). The question is on the motion offered by the gentleman from New York (Mr. McHUGH) that the House suspend the rules and pass the bill, H.R. 4437, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

## VICKI COCEANO POST OFFICE BUILDING

Mr. McHUGH. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3985) to designate the facility of the United States Postal Service located at 14900 Southwest 30th Street in Miramar City, Florida, as the "Vicki Coceano Post Office Building".

The Clerk read as follows:

H.R. 3985

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. VICKI COCEANO POST OFFICE BUILDING.**

(a) DESIGNATION.—The facility of the United States Postal Service located at 14900 Southwest 30th Street in Miramar, Florida, shall be known and designated as the "Vicki Coceano Post Office Building".

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the facility referred to in subsection (a) shall be deemed to be a reference to the "Vicki Coceano Post Office Building".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from

New York (Mr. McHUGH) and the gentleman from Florida (Mr. HASTINGS) each will control 20 minutes.

The Chair recognizes the gentleman from New York (Mr. McHUGH).

GENERAL LEAVE

Mr. McHUGH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3985.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. McHUGH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I had the honor of standing on this floor just last week as we proposed four similar naming bills and made the comment that I felt very strongly then, and I continue to believe in that we are indeed fortunate to have the efforts of so many Members of this body from across the country who work so hard and have done such a tremendous job in identifying truly worthy individuals to which and upon whom we can extend this honor of a post office naming.

□ 1515

I would like to pay my compliments and thanks to the gentleman from Florida (Mr. HASTINGS), the primary sponsor of this legislation, for keeping us on track in that regard and for helping us to uphold a record in which we all take a great deal of pride.

As the Clerk has read, Mr. Speaker, this bill does indeed designate the United States Postal Service building located at 14900 Southwest 30th Street in Miramar, Florida, as the Vicki Coceano Post Office Building.

H.R. 3985 was amended by the full committee but only as a result of a necessary technical correction to the address that was originally identified by the Postal Service, and has no other substantive impact upon the bill itself.

We are indeed fortunate, as we just heard on the previous piece of legislation, to have the gentleman from Florida (Mr. HASTINGS) with us, and I know that he is prepared to make a very full statement about Ms. Coceano. I do not want to take away from that opportunity, but let me note that as we attempt to do on all of these bills we have looked over the background and the contributions of this very special lady, a special lady, who I understand is affectionately known in her community as Mayor Vicki, which I think speaks volumes about the affection and the respect of those who know her best and how they view this very, very unique individual.

As a resident of South Florida for some 40 years, I understand that is a fairly remarkable achievement in a State that benefits from the migration of many people from my State, for example. So she has been there for 4 decades contributing to her community, as her nickname suggests, serving in public office and serving in a distinguished way, but clearly her contributions extend far beyond that of running for mayor or some other public position. She has been a contributor, a volunteer and a doer in a wide range of activities that have certainly benefited her community. But through such efforts as on the White House Conference on Aging and others, she has not limited her scope and her influence to the wonderful community of Miramar but has attempted to serve this entire nation.

So it is with a great deal of pride that I rise today to put forward this bill and to commend, as I said, the gentleman from Florida (Mr. HASTINGS) and the entire Florida delegation who have joined in the cosponsoring of the bill, and I urge all of our colleagues to join us in supporting this initiative.

Mr. Speaker, I reserve the balance of my time.

Mr. HASTINGS of Florida. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, first let me thank the gentleman from New York (Mr. McHUGH) for his warm and generous comment. I am deeply appreciative. Additionally, I would like to thank our full committee chairman, the gentleman from Indiana (Mr. BURTON), for assisting my office in expediting this matter before the end of this portion of our session.

I would also like to thank the gentlewoman from the District of Columbia (Ms. NORTON) again for giving me the privilege of going forward today in this regard, as well as the ranking member, the gentleman from Pennsylvania (Mr. FATTAH), who has been extremely helpful to us.

Mr. Speaker, I rise today in strong support of H.R. 3985. I introduced this bill earlier in the year to name a post office in my hometown of Miramar, Florida, for Vicki Coceano. The city commission of the City of Miramar passed a resolution overwhelmingly supportive of this measure before I undertook any action at all. Additionally, my colleague, the gentleman from Florida (Mr. DEUTSCH), in whose district this facility actually exists, was also extremely supportive.

For me, it becomes a moment of personal privilege. I am now in my fourth term here in the United States Congress. And I have had the good fortune of doing a significant number of things on behalf of the people that I represent in the district that I am privileged to serve. And I would hope on behalf of this Nation and indeed the entire Earth that some of my actions have been helpful. But none gives me any greater pride than to offer this measure today for indeed as is the case with a lot of Members who come forward with legislation, today it is a point of real privilege for me because Vicki Coceano is a person that I have known for 38 years. And I have known her to be more than forthright as a citizen. In the days of segregation, it was Vicki Coceano that spoke out frequently with reference to matters of this kind.

So, Mr. Speaker, and I would also say to my dear friends in South Florida, this honor is altogether fitting and appropriate.

In the few minutes that I have, let me say a little more about a wonderful woman in South Florida, Vicki Coceano, that the gentleman from New York (Mr. McHUGH) so rightfully brought up, Mayor Vicki. Mayor Vicki, as she is affectionately known by some, Vicki by some of us, and has preferred it that way, has resided in South Florida for more than 40 years and has generously given both her time and talents throughout that period to make Broward County, which its largest city is Fort Lauderdale but its proudest city is Miramar, during that period of time to make it a better place to live and work.

She was elected to serve as a Miramar city commissioner in 1977 and elected mayor in 1989, serving the people of Miramar for more than 20 years, indeed all of its existence. There is one who has departed, former Mayor Calhoun, who I know is looking down on us today as we take this action and is proud of the fact that Vicki is being a recipient of this honor.

Vicki has also served on many boards at the Federal, State and county levels, including the Blue Ribbon Committee for Broward County Schools, the Area Agency on Aging and the White House Conference on Aging.

Above all, Vicki has always been interested in our Nation's youth, recognizing that they are tomorrow's leaders and that our future rests in their hands.

She spearheaded a successful fundraising campaign to build a youth center and has since been honored with a Spirit of Life Humanitarian Award.

Though struggling with illness at this time, Mayor Vicki is still very much involved with the planning and zoning board; serves on the executive committee of the Area Agency on Aging and is a volunteer at the Broward County Humana Hospital.

For Vicki Coceano, civil service is part of a life blended with optimism, fervency and genuine care for those she serves. Her commitment has both shaped her legacy and the life of Miramar's residents.

Coceano was recently awarded the Spirit of Life Humanitarian Award at a banquet in which the proceeds will benefit the Mayor Vicki Coceano Cancer Research Fellowship at the National Medical Center and Beckman Research Institute.

In addition, her name brandishes both the Broward County Hall of Fame and the Broward County Women's Hall of Fame.

The new post office in Miramar will service the transactions and connections people forge each day. If we can add Mayor Vicki's name to this building, it would certainly be fitting for a leader who understands the power of communicating the language of change and articulating its power through her actions, commitments and spirit.

Mr. Speaker, I am proud that all 22 of my Florida colleagues have cosponsored this bill with me, and I am equally proud that Senator BOB GRAHAM has introduced an identical bill in the Senate.

Clearly, Floridians know and wish to honor Vicki Coceano. I am delighted to see this honor bestowed today upon a delightful woman that has served us so much.

Mr. Speaker, I yield back the balance of my time.

Mr. MCHUGH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in conclusion, let me again thank the gentleman from Florida (Mr. HASTINGS) for bringing to us the name of an individual, as we heard in some detail, who really does bespeak what is good and right about this country and, more importantly, good and right about its people. We are indebted to him and to all of his colleagues who joined with him in supporting it.

Finally, I would urge of all of our Members here today to support us in passing this very worthy bill.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MILLER of Florida). The question is on the motion offered by the gentleman from New York (Mr. MCHUGH) that the House suspend the rules and pass the bill, H.R. 3985, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read:

> "A bill to redesignate the facility of the United States Postal Service located at 14900 Southwest 30th Street in Miramar, Florida, as the 'Vicki Coceano Post Office Building'.".

A motion to reconsider was laid on the table.

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## SENSE OF HOUSE REGARDING NATIONAL SECURITY POLICY AND PROCEDURES

Mr. SPENCE. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 534) expressing the sense of the House of Representatives that the recent nuclear weapons security failures at Los Alamos National Laboratory demonstrate that security policy and security procedures within the National Nuclear Security Administration remain inadequate, that the individuals responsible for such policy and procedures must be held accountable for their performance, and that immediate action must be taken to correct security deficiencies.

The Clerk read as follows:

H. RES. 534

Whereas two computer hard drives containing a large quantity of sensitive classified nuclear weapons data at the Department of Energy's Los Alamos National Laboratory, Los Alamos, New Mexico, were recently missing for an undetermined period of time, exposing them to possible compromise;

Whereas the President's Foreign Intelligence Advisory Board, in its report dated June 1999 on security problems at the Department of Energy, concluded that "the Department of Energy and the weapons laboratories have a deeply rooted culture of low regard for and, at times, hostility to security issues";

Whereas in response to longstanding security problems with the nuclear weapons complex and to recommendations made by the President's Foreign Intelligence Advisory Board in that report, Congress enacted the National Nuclear Security Administration Act (title XXXII of Public Law 106-65) to establish a semi-autonomous National Nuclear Security Administration with responsibility for the administration of programs for the national security applications of nuclear energy;

Whereas the Special Oversight Panel on Department of Energy Reorganization of the Committee on Armed Services of the House of Representatives concluded in February 2000 that the Department's plan to implement the provisions of that Act "taken as a whole appears to allow continued DOE authority, direction, and control over the NNSA and retain current DOE management, budget, and planning practices and organizational structures";

Whereas the Secretary of Energy has recognized the need to address nuclear weapons security problems within the Department of Energy and has sought to make improvements;

Whereas the Secretary of Energy, in fulfilling the duties and functions of the Under Secretary for Nuclear Security, and the Director of the Office of Security and Emergency Operations of the Department of Energy, in serving as the Chief of Defense Nuclear Security of the National Nuclear Security Administration, were responsible for nuclear weapons security policies and implementation of those policies while the computer hard drives were missing;

Whereas the effective protection of nuclear weapons classified information is a critical responsibility of those individuals entrusted with access to that information; and

Whereas the compromise of the nuclear weapons data stored on the computer hard drives, if confirmed, would constitute a clear and present danger to the national security of the United States and its allies: Now, therefore, be it

*Resolved*, That it is the sense of the House of Representatives that—

(1) the security failures at Los Alamos National Laboratory revealed to Congress on June 9, 2000, demonstrate the continued inadequacy of nuclear weapons security policy and procedures within the National Nuclear Security Administration and at facilities of the Administration;

(2) individuals responsible for the implementation, oversight, and management of nuclear weapons security policy and procedures within the Administration and its facilities must be held accountable for their performance; and

(3) the Administrator for Nuclear Security must take immediate action to improve procedures for the safeguarding of classified nuclear weapons information and correct all identified nuclear weapons security deficiencies within the Administration.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from South Carolina (Mr. SPENCE) and the gentleman from Missouri (Mr. SKELTON) each will control 20 minutes.

The Chair recognizes the gentleman from South Carolina (Mr. SPENCE).

### GENERAL LEAVE

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H. Res. 534, the resolution under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. SPENCE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, 5 weeks ago the Department of Energy informed Congress that two computer hard drives containing a large quantity of classified nuclear weapons data were missing from the Los Alamos National Laboratory and had been missing for at least 6 weeks. This breach of security was just the last in a long and sorry history of lax security at our nuclear weapons laboratories.

In direct response, Congress last year created a semi-autonomous agency, the National Nuclear Security Administration, and charged it with the responsibility to better manage the Nation's nuclear weapons complex.

Secretary of Energy Bill Richardson opposed this new organization from the beginning and has sought to undermine the implementation of NNSA at every step. Contrary to congressional direction, he declared himself as the administrator for nuclear security and he dual hatted his own chiefs of security and counterintelligence to serve in these positions for both the DOE and NNSA.

While this arrangement is directly counter to the law, it leaves no doubt as to who was running the new administration and who was responsible for security at the labs in June.

In fact, Secretary Richardson and the senior DOE leadership told Congress repeatedly that the security problems at the nuclear weapons laboratories were being fixed. In May of 1999, Secretary Richardson stated that the safeguards of national secrets have been dramatically strengthened and improved.

On March 2, 2000, Secretary Richardson testified to the Committee on Armed Services, quote, "that we have reached a point where we have very strong security procedures," unquote;

and, quote, "there is no longer a culture of lax security. That has ended," unquote.

Furthermore, the Secretary's independent oversight office recently reviewed security practices at Los Alamos National Laboratory and stated that they were, quote, "first class," unquote.

Of course, Mr. Speaker, this latest episode at Los Alamos has demonstrated that these assertions were not true. Through briefings and hearings, the Committee on Armed Services determined that security procedures at the labs continued to be unacceptably lax and ineffective. We learned that no log was kept of the individuals who entered the vault where the hard drives were stolen; that the Department was not even aware of how many people have access to the vault; and that the vault was inadequately secure.

□ 1530

I simply cannot understand how any reasonably comprehensive review of a laboratory's security procedures would conclude that such procedures were adequate, much less first class.

Mr. Speaker, H. Res. 534 appropriately expresses concern by the House of Representatives over security matters within the national nuclear laboratories and calls for immediate corrective action. It also expresses the view that those responsible for these serious lapses in security must be held accountable.

The senior leadership of the Department chose to accept responsibility for the management of NSA and eagerly and erroneously claimed credit for improving security. They must now accept responsibility for their failures as well.

Mr. Speaker, I urge my colleagues to support H. Res. 534.

Mr. Speaker, I reserve the balance of my time.

Mr. SKELTON. Mr. Speaker, I yield myself such time as I may consume.

I rise today in support of this resolution, which is a resolution expressing the sense of the House concerning recent security lapses at the Energy Department, particularly at the Los Alamos National Laboratory.

On June 9 of this year, the Committee on Armed Services was notified by the Department of Energy that two computer hard drives containing classified, restricted data were missing from a document storage vault located in the weapons design "X Division" at the Los Alamos National Laboratory. The information on these hard drives relates to the development, design, and manufacture and use of nuclear weapons. In a very real sense, the information on these computer disks represents the "keys to the kingdom." Fortunately, the missing hard drives have been recovered, but we still do not know whether they were simply misplaced or whether they were copied or otherwise used by those with hostile intentions toward the United States.

The security lapses that led to the apparently temporary loss of the two computer disks containing highly sensitive nuclear weapons secrets are inexcusable. I am especially distressed that a culture continues to exist at the Los Alamos National Laboratory that relegates security concerns to secondary importance. Something must be done to change that culture. I applaud Secretary Richardson's efforts to improve security and get the Department of Energy on the right track; but obviously, the steps he has taken so far are somewhat inadequate to ensure that our nuclear secrets are adequately safeguarded.

The protection of nuclear weapons information is a critical responsibility for all of those with access to that information. The compromise of the data on the missing hard drives could seriously jeopardize the national security of our country and of our allies.

Mr. Speaker, the resolution before the House today, which the gentleman from South Carolina (Mr. SPENCE) and I have cosponsored, expresses the sense of the House that the security failures at the Los Alamos National Laboratory show that our existing nuclear weapons security policy is inadequate, that the individuals responsible for implementing that security policy should be held accountable, and that the administrator of the Nuclear Security Administration must take immediate action to improve our procedures concerning the safeguarding of nuclear weapons information.

It is my sincere hope that Secretary Richardson and others with the responsibility for security matters within the Department will heed the words of this resolution and take prompt steps to ensure that we do not again suffer security breaches such as that involving the loss of hard drives at Los Alamos. Our Nation simply cannot afford lax security when it comes to our nuclear secrets.

Mr. Speaker, I urge my colleagues to support H. Res. 534.

Mr. Speaker, I reserve the balance of my time.

Mr. SPENCE. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from Texas (Mr. THORNBERRY), who is chairman of the Special Oversight Panel of the Department of Energy Reorganization.

Mr. THORNBERRY. Mr. Speaker, I appreciate my chairman yielding me this time.

Mr. Speaker, I think it is perfectly appropriate for the House to express its concern over the recent incidents at Los Alamos. A number of people in the country perhaps have lost sight of the fact that nuclear weapons continue to constitute the central element of this country's security apparatus around which the rest of our defense efforts support, and to have an incident like this at Los Alamos I think is both shocking and frustrating for a number of Members. It is shocking because once we get into some of the details, there are several common sense sort of measures that are simply not employed; and the difficulty for us is how we legislate common sense into the day-to-day activities of these facilities.

But it has also been very frustrating, because this is not an isolated incident; this is simply the latest in a long series, a long string of incidents. Last year, as the chairman mentioned, Congress, to try to stop this long string, enacted reforms in the Department of Energy which have not been implemented to the letter and spirit of the law. So there is a great sense of frustration that we continue to have security lapses while we continue to do business as usual, which has not worked, for the past 20 years.

Mr. Speaker, we have to break this stream. Recently, General John Gordon has been installed as the administrator of the Nuclear Security Administration and we need to support him to make sure that he can take the necessary action to break this string.

Mr. Speaker, this resolution includes two important points. One is that we have to hold individuals accountable, and that is exactly the principle of the reforms we passed last year, to have a clear chain of command, more like a military-style chain of command, but also a system of accountability, so that if somebody messes up, we know who to hold responsible for those lapses.

The second element here urges the administrator to take appropriate action quickly. It is appropriate for him to do so, and General Gordon is beginning to go around to all of the sites and try to get a clear picture of the strengths and weaknesses in our current nuclear weapons complex.

However, Congress cannot legislate the details of every silly thing that may cause a security lapse. It is up to the administrator, General Gordon, supported by Congress and others within the administration, to change this culture which the chairman talked about, to make the institutional reforms. That is really the answer.

So I support this resolution. I think it is an appropriate expression of the deep concern we have, but it also gets at the heart of what it is going to take to fix it.

Mr. SKELTON. Mr. Speaker, I yield 3 minutes to the gentleman from Guam (Mr. UNDERWOOD).

Mr. UNDERWOOD. Mr. Speaker, I thank the distinguished ranking member for yielding me this time.

I too today rise in support of House Resolution 534, which focuses attention on the recent nuclear weapons security failures at Los Alamos National Lab and calls for improvements of the current system, especially increased accountability by those in charge.

However, while I am in strong support of the need to improve efforts to protect and preserve our national security, these efforts should not impinge on the civil rights for all Americans, especially those of Asian and Pacific Islander ancestry. The security procedures at the Los Alamos National Lab have had a significant impact on the Asian-American community. The case of Wen Ho Lee, a Chinese American scientist who was arrested last year for mishandling classified data at Los Alamos, clearly indicates the nature of these effects. The effects of Lee's case on other Asian-American scientists was immediate and of sufficient concern for the Department of Energy to take action to address charges of racial profiling and treatment of Asian-Pacific Americans in DOE national labs.

In Sunday's New York Times, James Glanz reported several APA groups have called to boycott the labs and are urging Asian and Asian-American scientists not to seek employment there. I do not support this policy; but while I do not support it, it is important to note the impact of this case on the recruitment and retention of Asian-Pacific Americans in the labs. The number of Asian applicants decreased from an average of 28 in 1998 and 1999 to three in the first half of the year 2000. And with Sandia and Livermore laboratories included, the percentage of postdoctoral appointments of Asian Americans fell from 14 percent in 1998 to half this year. These declines are disturbing, since Asian-Americans are a huge source of talent and have contributed more in a disproportionate way to the security of this country, and they earn over a quarter of all Ph.D.s in science and technology at American universities each year.

The charges of racial profiling and discriminatory investigation at hand illustrate just how much security procedures have had an effect on the Asian-Pacific American community. All employees should be held accountable, regardless of race or ethnicity, but no one should be held additionally responsible either. Let us make sure that our nuclear weapons security and any subsequent activities in the labs in the name of security remain the focus of this resolution. Let us make sure that political posturing or advantage does not intimidate this effort, and let us make sure that a commitment to justice and fairness for all citizens is not sacrificed in the pursuit of national security.

Mr. Speaker, I include the following article for the RECORD:

[From the New York Times, July 16, 2000]

## AMID RACE PROFILING CLAIMS, ASIAN-AMERICANS AVOID LABS

(By James Glanz)

Asian and Asian-American scientists are staying away from jobs at national weapons laboratories, particularly Los Alamos, saying that researchers of Asian descent are systematically harassed and denied advancement because of their race.

The issue has long simmered at the laboratories, but it came to a boil last year with the arrest of Dr. Wen Ho Lee, who is accused of mishandling nuclear secrets at Los Alamos. Though officials vehemently deny it, many Asian-Americans said Dr. Lee, a naturalized citizen born in Taiwan, was singled out because of his ethnicity.

In any event, Asians and Asian-Americans said, security procedures implemented after Dr. Lee's arrest fall hardest on them. Since the arrest, some scholarly groups have even called for a boycott of the laboratories, urging Asian and Asian-American scientists not to apply for jobs with them.

Whether because of the calls for a boycott, the underlying claims of discrimination, or both, all three national weapons laboratories—Los Alamos, Lawrence Livermore and Sandia—have seen declines in Asian and Asian-American applicants for postdoctoral positions, according to their own statistics. Other Asian and Asian-American scientists have left voluntarily.

Los Alamos, for example, has seen the number of Asian applicants (those granted formal reviews by committees) dwindle to 3 in the first half of 2000 from an average of 28 in 1998 and 1999. The number accepting jobs at Los Alamos fell from 18 in 1998 to 9 in 1999 to 3 in the first half of 2000.

The combined acceptances of Asians and Asian-Americans at Sandia and Livermore, which compile statistics by fiscal years ending in late September, are similar to Los Alamos, falling to 3 so far in 2000 from 21 in 1998. At Los Alamos, the number of Asians applying for jobs declined in percentage as well, to 4 percent of total applications from 12 percent in 1998. Over all, postdoctoral appointments of Asian and Asian-American fell to 7 percent from 14 percent when the three laboratories, with their slightly different recordkeeping, are combined.

"To me, this is an indicator that some of the best have decided either not to apply, or even when they do apply, not to come when they're offered a position," said Dr. John C. Browne, director of Los Alamos.

The decline is troubling for two reasons. First, Asians and Asian-Americans represent a huge pool of talent—more than a quarter of all Ph.D.'s awarded in science and technology at American universities each year. Second, postdoctoral appointments, which are generally filled by researchers who have recently earned Ph.D.'s are an essential source of candidates for permanent positions. The appointments constitute "the primary means of recruiting future scientists and engineers for Los Alamos," said Jim Danneskliold, a spokesman for the laboratory.

In May, the National Science Foundation, a major source of research money, reported that "heightened security concerns" at the laboratories were hindering efforts to recruit and retain Asian and Asian-American scientists.

And last week, speaking before a panel of the House Armed Services Committee on reorganizing the Energy Department, Representative Ellen O. Tauscher, Democrat of California, referred to suspicions of racial profiling at Livermore and Sandia.

Mrs. Tauscher said there was "the sense that Asian-Americans are targeted or scapegoated as potentially coming to work at the labs because they can spy," adding that the problem "has a deleterious effect on our ability to recruit and retain."

Observers say they are not surprised by the comments.

"There's no question in my mind that the Asian-Americans are conscientiously avoiding working in Los Alamos and the other labs like the plague," said Prof. L. Ling-chi Wang, chairman of the department of ethnic studies and director of the Asian American studies program at the University of California at Berkeley.

Two organizations, the Asian Pacific Americans in Higher Education and the Association for Asian American Studies, have called for a boycott, urging Asian-Americans not to work at the laboratories.

Professor Wang, who helped organize the boycott calls, is not alone in thinking that they have contributed to the flight from the laboratories.

Dr. Browne said that an "overall black cloud" caused by the boycott was driving Asian and Asian-American scientists away, but said that the did not believe racial profiling had occurred at Los Alamos.

Still, it is difficult to say whether anger over security measures is the sole reason for the sharp drop in Asian and Asian-American applicants, particularly with laboratory budget cuts and a booming economy creating lucrative jobs in private industry. But the impact is apparent.

"The labs are falling apart," said Dr. Jonathan Medalia, a specialist in national defense at the Congressional Research Service and the author of a study on the laboratories, which he presented at a conference but has not yet delivered to Congress.

The loss of talent is most severe in computer science, Dr. Medalia said, and if it continues, could threaten the nation's ability to ensure the safety and reliability of its nuclear weapons.

He said that tightened security measures increased the losses among all ethnic groups, but that the economy and other effects contributed.

Accusations of racism have also led to formal complaints.

In December, nine Asian-American scientists and engineers at Livermore filed a discrimination complaint with the State of California that the California Department of Fair Employment and Housing is investigating.

The federal Equal Employment Opportunity Commission has also begun an investigation, said officials at the laboratory and a lawyer for the scientists.

Secretary of Energy Bill Richardson, whose agency oversees the laboratories, conceded that political pressures from Congress had created "an atmosphere of fear" among foreign-born scientists.

A year ago, Mr. Richardson named a committee to investigate complaints of racial profiling, and he appointed Dr. Jeremy Wu, a former official in the Agriculture Department's office of civil rights, as the department's ombudsman to review diversity issues and hear employee complaints. But the problems are so ingrained, scientists said, that those measures are not enough.

"For years, a lot of these things have festered, and it was typical of the Asian way to say nothing," said Kalina Wong, an American-born scientist of Chinese and Hawaiian descent who tracks inventories of nuclear materials at Livermore, and one of the employees who filed the complaint. Now, Ms. Wong said, "Pandora's Box is open."

Laboratory officials deny any systematic discrimination. If anything, they said, administrators are eager to promote members of ethnic groups.

### THE COMPLAINTS—A HISTORY OF DISCRIMINATION

The new security directives do not explicitly mention Asian-Americans or any other group; moreover, Mr. Richardson accompanied the directives with a warning that they should not be seen as an excuse to question the "loyalty and patriotism" of Asian-Americans as a group.

But the directives required scientists to report "close and continuing contact" with nationals of sensitive countries—a designation that overs Russia and most countries in Asia, but few countries in Europe.

"If you have relatives in sensitive countries, you are under the microscope," said Dr. Aaron Lai, a climate researcher at Los Alamos and a naturalized citizen born in Taiwan. "Before the Wen Ho Lee case, the chance of getting promoted was very low," Dr. Lai said. But with the new rules, he said, "it's getting worse."

Joel Wong, an engineer at Livermore, who is from Hong Kong and is now an American citizen, said, "They associate foreign-born with being a threat."

The 19-member committee appointed by Mr. Richardson, issued a report earlier this year, based on interviews with workers. Its recommendations included appointing an ombudsman, as Mr. Richardson has done, and compiling data on minority groups across the department. Existing data are sketchy at best. The report also described pervasive feelings of unease and fear.

In October, the Congressional Asian Pacific American Caucus heard from several scientists who said Asian-Americans faced discrimination at the laboratories.

Ms. Wong, the Livermore scientist, told the group of a lagging salary, racially insensitive comments from officials, her removal from sensitive projects and an unexplained erosion of authority.

"The whole Chinese spy allegation has set us back further," said Ms. Wong, whose family has been in the United States for five generations and who has worked at Livermore for more than two decades. "It seems now that there is license to do as was done to me because we Asians are potential spies."

Livermore officials said racial bias has not played a role in the treatment of scientists, either before or after the Lee case.

"There is no underlying discrimination," a Livermore spokeswoman, Susan Houghton, said. "If anything, it's the opposite. It is still very much a goal to increase minority representation in management."

In an interview, Ms. Houghton and Tommy Smith, a mechanical engineer who is the laboratory's director of affirmative action and diversity, said Livermore had established goals for increasing the numbers of Asians and other minorities in management and held a one-day workshop for employees in April. "Obviously, we can always do a better job," Ms. Houghton said.

She also noted that the investigations into discrimination claims were not proof of wrongdoing.

Los Alamos has about 7,000 employees, including 3,500 scientists, said Mr. Danneskiold, the laboratory spokesman.

Over all, Asians or Pacific Islanders make up 2.4 percent of the staff and about 4 percent of the scientists, he said.

But of 99 senior managers, only 1 is of Asian descent, Mr. Danneskiold said. And of 322 leaders of technical groups, a lower rung in management, only 3 are Asian-American.

Similar if somewhat less pronounced disparities exist at Livermore; at Sandia, the proportion of Asians in management and the laboratory are nearly the same.

Michael Trujillo, the equal employment opportunity officer at Los Alamos, also rejected the idea that Asian-Americans' relatively low representation in management was a result of bias. But Mr. Trujillo said he could not offer an explanation. "I don't think that there's an easy answer on that," he said.

### THE RULES—RESPONSE THAT SOME CALLED RACIAL PROFILING

The Energy Department ombudsman, Dr. Wu, said in an interview that he believed new security rules had infringed on "individual rights and scientific freedom" and added that he hoped he could improve the situation.

He has been on the job since January, but he began visiting the laboratories last year and has already investigated several bias complaints. In two cases, involving the loss of a security clearance and the termination of a grant, rulings against Asian and Asian-American scientists have been overturned, he said.

Edward J. Curran, who directs the Energy Department's counterintelligence office, said a review almost two years ago led to increased reporting requirements for many employees and to polygraph testing of some scientists. He said the rules were intended to make intelligence officials aware of any unusual inquiries from foreign nationals and to help catch any American scientists who were spying, whatever their ethnicity.

Among the directives are two that Mr. Richardson issued last July in which scientists are required to report certain "close and continuing contact" during unclassified visits with people from countries deemed sensitive.

Dr. Al West, a security director at Sandia, said that at least one Asian-American scientist, whose fiancée was from Hong Kong, left for a longstanding job offer in private industry "because they got tired of dealing with all the inquiries into their personal affairs" as a result of the new rule.

And Dr. Shao-Ping Chen, a physicist at Los Alamos, criticized a requirement to list all contacts and relationships with people in sensitive countries.

"Where it should stop is not easy to tell," said Dr. Chen, originally from Taiwan but now an American citizen. "If you have a big family, those people are large numbers."

Henry Tang, chairman of the Committee of 100, a group of Chinese-Americans engaged in public policy issues, said that in enforcing the new rules, security officials "are no different than a highway patrolman suspecting someone merely by virtue of their physical characteristics."

Dr. Paul D. Moore, who was the F.B.I.'s chief of Chinese counterintelligence analysis for more than 20 years and is now at the Center for Counterintelligence and Security Studies, a nongovernmental training center in Alexandria, Va., said that belief was mistaken. But Dr. Moore said that it had ultimately taken root because, in his view, the Chinese government specifically courts ethnic Chinese in the United States when looking for potential spies. As a result, he said, counterintelligence agents focus on Chinese-Americans. "It's unfair," he said, "but what are you going to do?"

### THE BOYCOTT—A MIXED REACTION AMONG SCIENTISTS

As racism accusations simmer, the moves that have sparked the most discussion—and dissension—are the calls for a boycott.

Dr. Shujia Zhou, who left Los Alamos last year, said, "The Asian people feel hit hard."

Dr. Zhou published research in journals like Science and Physical Review Letters but said he left the laboratory because officials made continuing his work difficult, revoking his computer access, for example, and because the atmosphere had soured for Asians.

He easily found another job, Dr. Browne, the Los Alamos director, said that revoking computer privileges for some Asian scientists was an "unfortunate" overreaction and that fairer procedures had been put in place.

The calls for a boycott have generated mixed reactions at the laboratories. Dr. Manvendra K. Dubey, a Los Alamos scientist and chairman of its Asian-American Working Group, said he opposed a boycott "because if we disappear from within, we will have no voice." Some say the heightened sensitivity to race may eventually help the laboratories.

But for now, the security concerns about Asian countries, the lack of data on where and how Asian-American scientists work, and the near-absence of Asians in upper ranks are hindering progress at the laboratories, many Asian-American scientists say.

Perhaps more pernicious, they add, is the idea, prevalent among some Americans of European descent, that rational scientists must be immune to ordinary racial bias. That visceral difference in viewpoint may pose the most elusive but enduring barrier to improvements, some Asian scientists say.

"I think it's hard for a white person to appreciate the bias," said Dr. Huan Lee, a Chinese-American scientist at Los Alamos.

Mr. SPENCE. Mr. Speaker, I have no further speakers at this time.

Mr. SKELTON. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK of Massachusetts. Mr. Speaker, I am very pleased to be speaking right after the delegate from Guam, because I very much agree with the points he made.

As I read the resolution, I do not disagree with much of what it says, but I am troubled by the climate that brought it forward and by the climate I think it will exacerbate.

First, I believe there has been a substantial exaggeration of the threat to national security that has so far occurred from mistakes made at Los Alamos. I do not believe that we have any showing that America's security has been, in fact, jeopardized by the errors that have happened. I also think that we are likely to see our security jeopardized if we overreact in a way that drives first-rate scientists away from participating in the national security enterprise, and I fear we are coming close to that point.

There is, after all, a tension between security and the kind of intellectual freedom and creativity that is necessary for science to flourish. Of course, we must not sacrifice security, but neither can we focus only on security and disregard the negative impact an excessively harsh and rigid regime can have on those scientists who especially today have many other choices.

They do not have to come to work for the Federal Government. They do not have to come to work in these laboratories. If we make the mistake of treating them as perspective spies and criminals, we drive them away.

I must say I am especially concerned about the anti-Asian-American impact of some of these efforts. I, like the gentleman from Guam, was disturbed to read in The New York Times, in effect, admissions by some of those concerned with security that there was, in fact, an anti-Asian bias. Indeed, I was interested to see when the Federal Government was forced to produce its potential list of countries with whom Wen Ho Lee may have dealt that it was clear that his own ethnicity was irrelevant to this. Even in the allegations, it was not a case of some idealogical or homeland betrayal; the allegation is that Dr. Lee was a man afraid of losing his job and he may have behaved improperly in pursuit of another job with a range of countries. I have no knowledge of these accusations, and I obviously should not and would not talk about them. But it is interesting to say that even in this most prominent case, no allegation that his ethnicity and his being of Chinese ancestry was at all relevant.

Yes, it is important for us to preserve security. It is also important for us not to exaggerate and promote fear because there has not been any showing that our security has, in fact, been damaged; and it is especially important to avoid even the hint of prejudice against our Asian-American fellow citizens. We have had too many cases in American history in which Asian-Americans have been singled out and in every single one of them they have been shown to be unfair.

So if this resolution goes forward, it in and of itself does no harm. But the climate that brought it forward and the climate it may produce must be resisted.

Mr. SKELTON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

□ 1545

Mr. SPENCE. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. THORNBERRY).

Mr. THORNBERRY. Mr. Speaker, I just want to briefly comment on some of the things we have heard here on the floor.

The first thing is, of course, there is nothing in this resolution which promotes or in any way encourages the sorts of concerns that both the gentlemen have talked about. Of course, none of us want to do that.

In fact, Mr. Speaker, I fully agree and I think the committee and Congress fully agrees that we want to be very cautious about saying to any particular group "We don't want you," because the fact is, we have to get and keep top quality people in our National Laboratories and plants. We can afford to do nothing to drive them away.

But I think it is important to get back to the principles that are in this resolution, which include individual accountability. That is, if not a group but an individual makes a mistake or worse, then that individual will be held accountable for it.

That is what our national security requires. It requires that we get and keep the best quality people, but once they are there and privy to some of the most sensitive information in the country, that we hold them accountable for how they treat that information. That is the principle I think that General Gordon will move ahead with as he tries to reach that difficult balance of doing the work in these facilities and also balancing the security, and bringing it all together to see that our security is not compromised.

I think that there is a concern that all of us share. We want to get and keep the best quality people, but this resolution does not hinder that. In fact, I would argue that it helps it by moving towards and encouraging individual accountability.

Mr. BEREUTER. Mr. Speaker, will the gentleman yield?

Mr. THORNBERRY. I yield to the gentleman from Nebraska.

Mr. BEREUTER. Mr. Speaker, I thank the gentleman for yielding.

I had not intended to participate in this discussion, but as a member of the Cox Select Committee, I do have to say that we developed extraordinary evidence in a unanimous report from that committee, a bipartisan committee, that indeed there were grave security losses from and inappropriate security procedures at the Los Alamos Lab.

I would also like to mention that there was no specific reference to Mr. Lee made in that report. An investigation conducted by the Federal Bureau of Investigation was the way that, I believe, there was the first time his identity was ever mentioned in the media or anyplace else. The Cox Committee made no recommendations.

I do think the people who suggest in some fashion that Congress has been identifying particular ethnic group as responsible for espionage or as security risks, is inappropriate and inaccurate.

Mr. SPENCE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MILLER of Florida). The question is on the motion offered by the gentleman from South Carolina (Mr. SPENCE) that the House suspend the rules and agree to the resolution, H. Res. 534.

The question was taken.

Mr. SPENCE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

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## SMALL WATERSHED REHABILITATION AMENDMENTS OF 2000

Mr. LUCAS of Oklahoma. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 728) to amend the Watershed Protection and Flood Prevention Act to authorize the Secretary of Agriculture to provide cost share assistance for the rehabilitation of structural measures constructed as part of water resource projects previously funded by the Secretary under such Act or related laws, as amended.

The Clerk read as follows:

H.R. 728

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Small Watershed Rehabilitation Amendments of 2000".

### TITLE I—DAM REHABILITATION

**SEC. 101. REHABILITATION OF WATER RESOURCE STRUCTURAL MEASURES CONSTRUCTED UNDER CERTAIN DEPARTMENT OF AGRICULTURE PROGRAMS.**

The Watershed Protection and Flood Prevention Act (16 U.S.C. 1001 et seq.) is amended by adding at the end the following new section:

**"SEC. 14. REHABILITATION OF STRUCTURAL MEASURES NEAR, AT, OR PAST THEIR EVALUATED LIFE EXPECTANCY.**

"(a) DEFINITIONS.—For purposes of this section:

"(1) REHABILITATION.—The term 'rehabilitation', with respect to a structural measure constructed as part of a covered water resource project, means the completion of all work necessary to extend the service life of the structural measure and meet applicable safety and performance standards. This may include (A) protecting the integrity of the structural measure or prolonging the useful life of the structural measure beyond the original evaluated life expectancy, (B) correcting damage to the structural measure from a catastrophic event, (C) correcting the deterioration of structural components that are deteriorating at an abnormal rate, (D) upgrading the structural measure to meet changed land use conditions in the watershed served by the structural measure or changed safety criteria applicable to the structural measure, or (E) decommissioning the structure, if requested by the local organization.

"(2) COVERED WATER RESOURCE PROJECT.—The term 'covered water resource project' means a work of improvement carried out under any of the following:

"(A) This Act.

"(B) Section 13 of the Act of December 22, 1944 (Public Law 78-534; 58 Stat. 905).

"(C) The pilot watershed program authorized under the heading 'FLOOD PREVENTION' of the Department of Agriculture Appropriation Act, 1954 (Public Law 156; 67 Stat. 214).

"(D) Subtitle H of title XV of the Agriculture and Food Act of 1981 (16 U.S.C. 3451 et seq.; commonly known as the Resource Conservation and Development Program).

"(3) STRUCTURAL MEASURE.—The term 'structural measure' means a physical improvement that impounds water, commonly known as a dam, which was constructed as part of a covered water resource project, including the impoundment area and flood pool.

"(b) Cost Share Assistance for Rehabilitation.—

"(1) Assistance authorized.—The Secretary may provide financial assistance to a local organization to cover a portion of the total costs incurred for the rehabilitation of structural measures originally constructed as part of a covered water resource project. The total costs of rehabilitation include the costs associated with all components of the rehabilitation project, including acquisition of land, easements, and rights-of-ways, rehabilitation project administration, the provision of technical assistance, contracting, and construction costs, except that the local organization shall be responsible for securing all land, easements, or rights-of-ways necessary for the project.

"(2) Amount of assistance; limitations.—The amount of Federal funds that may be made available under this subsection to a local organization for construction of a particular rehabilitation project shall be equal to 65 percent of the total rehabilitation costs, but not to exceed 100 percent of actual construction costs incurred in the rehabilitation. However, the local organization shall be responsible for the costs of water, mineral, and other resource rights and all Federal, State, and local permits.

"(3) Relation to land use and development regulations.—As a condition on entering into an agreement to provide financial assistance under this subsection, the Secretary, working in concert with the affected unit or units of general purpose local government, may require that proper zoning or other developmental regulations are in place in the watershed in which the structural measures to be rehabilitated under the agreement are located so that—

"(A) the completed rehabilitation project is not quickly rendered inadequate by additional development; and

"(B) society can realize the full benefits of the rehabilitation investment.

"(c) Technical Assistance for Watershed Project Rehabilitation.—The Secretary, acting through the Natural Resources Conservation Service, may provide technical assistance in planning, designing, and implementing rehabilitation projects should a local organization request such assistance. Such assistance may consist of specialists in such fields as engineering, geology, soils, agronomy, biology, hydraulics, hydrology, economics, water quality, and contract administration.

"(d) Prohibited Use.—

"(1) Performance of operation and maintenance.—Rehabilitation assistance provided under this section may not be used to perform operation and maintenance activities specified in the agreement for the covered water resource project entered into between the Secretary and the local organization responsible for the works of improvement. Such operation and maintenance activities shall remain the responsibility of the local organization, as provided in the project work plan.

"(2) Renegotiation.—Notwithstanding paragraph (1), as part of the provision of financial assistance under subsection (b), the Secretary may renegotiate the original agreement for the covered water resource project entered into between the Secretary and the local organization regarding responsibility for the operation and maintenance of the project when the rehabilitation is finished.

"(e) Application for Rehabilitation Assistance.—A local organization may apply to the Secretary for technical and financial assistance under this section if the application has also been submitted to and approved by the State agency having supervisory responsibility over the covered water resource project at issue or, if there is no State agency having such responsibility, by the Governor of the State. The Secretary shall request the State dam safety officer (or equivalent State official) to be involved in the application process if State permits or approvals are required. The rehabilitation of structural measures shall meet standards established by the Secretary and address other dam safety issues. At the request of the local organization, personnel of the Natural Resources Conservation Service of the Department of Agriculture may assist in preparing applications for assistance.

"(f) Ranking of Requests for Rehabilitation Assistance.—The Secretary shall establish such system of approving rehabilitation requests, recognizing that such requests will be received throughout the fiscal year and subject to the availability of funds to carry out this section, as is necessary for proper administration by the Department of Agriculture and equitable for all local organizations. The approval process shall be in writing, and made known to all local organizations and appropriate State agencies.

"(g) Prohibition on Certain Rehabilitation Assistance.—The Secretary may not approve a rehabilitation request if the need for rehabilitation of the structure is the result of a lack of adequate maintenance by the party responsible for the maintenance.

"(h) Authorization of Appropriations.—There is authorized to be appropriated to the Secretary to provide financial and technical assistance under this section—

"(1) $5,000,000 for fiscal year 2001;

"(2) $10,000,000 for fiscal year 2002;

"(3) $15,000,000 for fiscal year 2003;

"(4) $25,000,000 for fiscal year 2004; and

"(5) $35,000,000 for fiscal year 2005.

"(i) Assessment of Rehabilitation Needs.—The Secretary, in concert with the responsible State agencies, shall conduct an assessment of the rehabilitation needs of covered water resource projects in all States in which such projects are located.

"(j) Recordkeeping and Reports.—

"(1) Secretary.—The Secretary shall maintain a data base to track the benefits derived from rehabilitation projects supported under this section and the expenditures made under this section. On the basis of such data and the reports submitted under paragraph (2), the Secretary shall prepare and submit to Congress an annual report providing the status of activities conducted under this section.

"(2) Grant recipients.—Not later than 90 days after the completion of a specific rehabilitation project for which assistance is provided under this section, the local organization that received the assistance shall make a report to the Secretary giving the status of any rehabilitation effort undertaken using financial assistance provided under this section.".

## TITLE II—DAM SAFETY

### SEC. 201. DAM SAFETY.

(a) Inventory and Assessment of Other Dams.—

(1) Inventory.—The Secretary of the Army (in this section referred to as the "Secretary") shall establish an inventory of dams constructed by and using funds made available through the Works Progress Administration, the Works Projects Administration, and the Civilian Conservation Corps.

(2) Assessment of rehabilitation needs.—In establishing the inventory required under paragraph (1), the Secretary shall also assess the condition of the dams on such inventory and the need for rehabilitation or modification of the dams.

(b) Report to Congress.—Not later than 2 years after the date of enactment of this Act, the Secretary shall transmit to Congress a report containing the inventory and assessment required by this section.

(c) Interim Actions.—

(1) In general.—If the Secretary determines that a dam referred to in subsection (a) presents an imminent and substantial risk to public safety, the Secretary is authorized to carry out measures to prevent or mitigate against such risk.

(2) Exclusion.—The assistance authorized in paragraph (1) shall not be available to dams under the jurisdiction of the Department of the Interior.

(3) Federal share.—The Federal share of the cost of assistance provided under this subsection shall be 65 percent of such cost.

(4) Authorization of appropriations.—There is authorized to be appropriated to carry out this section a total of $25,000,000 for fiscal years beginning after September 30, 1999, of which not more than $5,000,000 may be expended on any 1 dam.

(d) Coordination.—In carrying out this section, the Secretary shall coordinate with the appropriate State dam safety officials and the Director of the Federal Emergency Management Agency.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Oklahoma (Mr. Lucas) and the gentleman from Texas (Mr. Stenholm) each will control 20 minutes.

The Chair recognizes the gentleman from Oklahoma (Mr. Lucas).

Mr. LUCAS of Oklahoma. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I appreciate the efforts of the gentleman from Texas (Chairman Combest) and the ranking member, the gentleman from Texas (Mr. Stenholm), in helping me bring forward H.R. 728, the Small Watershed Rehabilitation Amendments.

I also appreciate the support of the gentleman from Pennsylvania (Chairman Shuster) and the gentleman from New York (Mr. Boehlert) for this very important bill.

Seeing the need for rehabilitation of aging dams built across the State of Oklahoma and the country, I introduced H.R. 728. This legislation will give the Secretary of Agriculture the authority to provide financial assistance to local organizations for up to 65 percent of the total rehabilitation construction costs for those dams built under the Small Watershed Program.

H.R. 728 will authorize a total of $90 million over the next 5 years, beginning in 2001, to help us rehabilitate our Nation's watershed projects and ensure that we and our communities continue to enjoy the benefits that watershed projects offer.

My predecessors left a legacy with the Small Watershed Program. They realized the impact that this program would have on both the State of Oklahoma and the Nation as whole.

I was raised in and still live in Roger Mills County, Oklahoma. One of the things I most clearly recall from growing up there was the sight of these flood control dams near my home. I did not know it at the time, but those dams were built because community and political leaders knew from firsthand experience the importance of flood control. They had witnessed the horrible floods that washed across Oklahoma's watersheds in the 1930s and 1940s, terrifying events that inspired them to take the necessary steps to reduce the threats that flooding poses to people, land, and water quality.

Since 1944, over 10½ thousand small watershed dams have been built in the United States. Over 2,000 of those dams are located in Oklahoma. Many of these dams were planned and designed with a lifespan of 50 years. Fifty years ago there was little concern about what to do when these dams reached their life expectancy.

During the week of July 4, 1998, a celebration in Cordell, Oklahoma, marked the 50th anniversary of America's first United States Department of Agriculture small watershed dam. This is just one of a thousand dams that will reach the end of their 50-year life expectancy within the next 10 years.

Although the Federal government paid for the construction costs of these dams, under current law, there is no Federal authority or funds to rehabilitate them. Repair costs are far beyond the budgets of the local sponsors.

The Federal government clearly has a responsibility to ensure dam safety. We cannot wait until a disaster happens. If rehabilitation is not done, we may be faced with the awesome and awful possibilities of flooding, loss of wildlife habitat, water shortages, and pollution. Far more regrettable in the case of failure, we might be confronted with the loss of life, and yes, property, crops, and livestock.

The economic impact of dam failures on communities and local economies would be devastating. We must act before any of these situations occur.

The small watershed program is one of our Nation's most successful public and private partnerships. In fact, these completed small watershed projects have provided over $2.20 in benefits for every $1 in cost. Very few government programs can make that claim. We must continue to build on this partnership.

Today the Small Watershed Program represents an $8.5 billion Federal investment and an estimated $6 billion local investment in the infrastructure of our Nation. We do not allow our highways to crumble, nor should we ignore our small watershed dams. It is time we address the rehabilitation needs of these structures.

The fact is, these small watersheds have done such a good job that most people do not even realize they exist as they drive by them, as they go up and down the highways. There are not many programs that have that kind of a success factor.

We must continue to build on this program that our predecessors started over 50 years ago. It has been a great privilege to champion this cause here in our Nation's capital that will have such a direct impact on my home county, my home State, and our Nation as a whole. I look forward to seeing this legislation passed into law, and continuing to build on one of the most successful programs our government has known.

Mr. Speaker, I reserve the balance of my time.

Mr. STENHOLM. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of H.R. 728, the Small Watershed Rehabilitation Amendments of 2000. This bill amends the Watershed Protection and Flood Control Protection Act, also known as P.L. 566 program, to authorize the Secretary of Agriculture to provide financial assistance to eligible local organizations to cover a portion of the total cost for the rehabilitation of structural measures originally constructed as part of the Department of Agriculture's USDA water resource project.

Under current law, the Secretary of Agriculture, acting through the Natural Resources Conservation Service, is authorized to provide technical and financial assistance to local organizations in planning and carrying out small watershed projects for flood protection, agriculture and water management, recreation, municipal and industrial water supply, and wildlife enhancement.

Many of the 10,000-plus dams built under this program are reaching the end of their 50-year design life and are in need of rehabilitation. In fact, some now pose a threat to public health and safety.

During the Committee on Agriculture's markup of this legislation, I offered an amendment to protect the privacy of information provided to USDA by the farmers and ranchers participating in the Department's voluntary programs or receiving technical assistance.

My amendment, which was accepted by the committee, was designed to protect the trust established between the USDA and America's farmers and ranchers resulting in the high level of participation we currently enjoy in our voluntary conservation programs.

When landowners come in on a voluntary basis to work on their local NRCS, Farm Service Agency, or conservation district office to implement conservation measures on their farms and ranches, they need to be assured that the information they provide remains confidential. Concerns have been raised that if this information was transferred to other agencies or entities, it would lose its confidential nature and could be made public.

The provision I offered would not have prevented other Federal agencies from collecting data under their own statutory authority. It would merely protect from disclosure to other Federal regulatory entities the confidential information provided to USDA, local conservation districts, or RC&D councils by a farmer, rancher, or landowner who has participated in the USDA conservation program.

Without this protection, the billions of dollars in technical and financial assistance spent every year by the taxpayers to help the Nation's landowners protect our soil and water resources could be jeopardized because of the unwillingness of producers to participate in our voluntary programs. In short, my amendment would have ensured that our voluntary, incentive-based programs are kept separate from the regulatory efforts of other agencies.

If Members doubt the callous disregard that some Federal agencies have for the American farmer, rancher, and the average citizen in general, look no further than EPA's persistence with the total maximum daily load (TMDL) regulations.

After a dozen congressional hearings, 35,000 written comments, and clear intent from Congress via the military construction conference report that the proposed TMDL regulations needed to be withdrawn and thoroughly re-examined, the EPA persisted in their policy to put forth these tainted regulations.

We need to send a strong message that information provided on a voluntary basis for purposes of receiving assistance from USDA should remain confidential to all parties working in cooperation with USDA. While it is unfortunate that this could not be accomplished here today on this worthy bill, this issue must be addressed by Congress.

I want to applaud and thank my colleague, the gentleman from Oklahoma (Mr. LUCAS), for his hard work in working to draft and pass this legislation. I urge my colleagues to support H.R. 728.

Mr. Speaker, I reserve the balance of my time.

Mr. LUCAS. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania (Mr. SHERWOOD).

Mr. SHERWOOD. Mr. Speaker, on behalf of the Committee on Transportation and Infrastructure, I rise in support of H.R. 728, the Small Watershed Rehabilitation Amendments of 2000.

First let me congratulate the gentleman from Oklahoma (Mr. LUCAS) and his colleagues, and commend the leadership of the Committee on Transportation and Infrastructure and the Committee on Agriculture for moving forward with this important legislation.

□ 1600

H.R. 728 responds to a growing crisis in water resources infrastructure throughout this Nation. There are over 10,000 dams constructed under national resource conservation service programs; many are in need of critical repair and are presenting flooding and environmental threats to communities.

This bill responds in two ways. Title I authorizes NRCS to rehabilitate aging and deteriorating dams constructed under the agency's small watershed program. Title II authorizes the Corps of Engineers to inventory and assess the condition of dams constructed decades ago under other authorities, such as the Work Projects Administration and the Civilian Conservation Corps, and in the interim, to provide emergency measures to prevent risks to the public.

A good example of these aging dams is the Mountain Springs dam right on the edge of my congressional district. It is a dam that has provided flood control and watershed qualities throughout 60 years, and now it is about to be drained because it is deemed dangerous. We need these things attended to.

Mr. Speaker, I would also like to emphasize that these projects should be performed in the most cost-effective manner that accomplishes the rehabilitation objective. However, the Secretary is not required to develop a cost benefit ratio analysis or a cost benefit ratio.

Mr. Speaker, this bill is about restoring infrastructure, enhancing public safety, and protecting the environment. America's rural communities in particular will benefit.

For all of these reasons, Mr. Speaker, I strongly urge my colleagues to support H.R. 728.

Mr. LUCAS of Oklahoma. Mr. Speaker, I yield 5 minutes to the gentleman from Nebraska (Mr. BEREUTER).

Mr. BEREUTER. Mr. Speaker, I thank the gentleman from Oklahoma for yielding me this time.

Mr. Speaker, I rise in strong support of H.R. 728. I want to thank the distinguished gentleman from Oklahoma (Mr. LUCAS) for his outstanding initiative and effort in introducing this legislation and the leadership of the two committees for advancing it.

As a cosponsor of this legislation, this Member certainly supports the goals of this measure. It is clearly appropriate to provide necessary resources to aid in the rehabilitation of the small watershed structures which have been constructed over the past 50 years. These small dams and other structures, constructed under the P.L. 566 program, have provided numerous benefits over the past decades, including flood control, wildlife habitat, recreation, irrigation and water supplies.

This program has been especially important to Nebraska. Over the years, the P.L. 566 program has resulted in the installation of 880 dams and other structures in Nebraska. In fact, this Member is proud to point out that his district, the First Congressional District of Nebraska, has more P.L. 566 dams and structures than any other district in the Nation. The more than 700 structures in this Member's district provides flood protection, reduces erosion and provides many useful benefits.

Throughout Nebraska, it is estimated that the State realizes a minimum of $27 million in annual direct benefits as a result of these structures. Documentation and examples of those benefits are found in the report by the National Resource Conservation Service, the NRCS, of the USDA, entitled "Protecting the 'Good Life' through P.L. 566; The Watershed Protection and Flood Prevention Act across Nebraska."

As just mentioned, during the previous 50 years, more than 10,000 upstream flood control dams have been built throughout the United States. The NRCS has provided cost-sharing and technical assistance while local sponsors have assumed responsibility for the operation and maintenance of the structures when they were completed. Unfortunately, many of those structures are now reaching the end of their 50-year designed life. Without significant rehabilitation, much of this investment could be lost.

This act authorizes the Secretary of Agriculture to cover a portion of the total costs incurred for the rehabilitation of those structures. The bill does not allow any assistance to be provided to perform operation and maintenance activities, a limitation this Member strongly supports.

During a hearing of the Subcommittee on Water and Environment of the Committee on Transportation and Infrastructure, this Member shared with the subcommittee a letter from Dayle Williamson who, until very recently, was the outstanding, highly respected director of the State of Nebraska's Natural Resources Commission, he just retired, which emphasized that the sponsors of Nebraska's projects have been providing adequate maintenance over the years for the structures. Therefore, he suggested, and this Member agrees, that they should not be penalized for their stewardship by allowing other States to tap into scarce resources to perform routine operation and maintenance which they routinely should have been providing. The gentleman from Oklahoma (Mr. LUCAS) has taken that fully into consideration. Another outstanding feature of this legislation.

This Member additionally asked for specific safeguards to ensure that funding would not be used for the purposes of routine operation and maintenance. I am pleased, therefore, to note that a provision was added to the legislation which states that the Secretary of Agriculture may not approve a rehabilitation request if it is determined that the need for rehabilitation of the structure is the result of a lack of adequate maintenance by the party responsible for the maintenance.

Nevertheless, it is clear that there are a great many instances where assistance is appropriate and necessary. This Member believes that H.R. 728 recognizes this growing need and provides a far-sighted approach in addressing these problems. By providing additional assistance now, we can ensure that the original investments will continue to pay dividends well into the future.

Mr. Speaker, this Member urges his colleagues to support H.R. 728 and again commends the gentleman from Oklahoma (Mr. LUCAS) for his outstanding initiative.

Mr. STENHOLM. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me just say again in reiteration of what all of my colleagues who have testified in favor of this legislation today and the Subcommittee on Water Resources and Environment of the Committee on Transportation and Infrastructure, I do also thank them for their work and input into this very important legislation.

I know, speaking from back home in Texas, the importance of these projects has been demonstrated time and time again over these 50 years, but now particularly as cities like Dallas and Fort Worth begin to look at some very serious flood concerns that they have and how they might address that. Other cities all over the United States, most communities will find, when one looks at how to solve a problem of flood control that one will find the small watershed projects would be right at the top of the list.

Now, when we have these large number of dams that have been built and are in need of rehabilitation, this legislation only make makes very, very serious common sense.

So I appreciate, again, the gentleman from Oklahoma (Mr. LUCAS) for bringing this legislation to all of our attention, and all of the cooperation that has been made to reach it to the point to where we are today. I encourage the House to support the bill.

Mr. Speaker, I yield back the balance of my time.

Mr. LUCAS of Oklahoma. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in conclusion, I wish once again to express my appreciation of the gentleman from Texas (Mr. STENHOLM), the gentleman from Nebraska (Mr. BEREUTER), and the gentleman from Pennsylvania (Mr. SHERWOOD) and all of the members of the various committees and subcommittees who worked on this.

From a concept that initially came together in July of 1998 at a gathering to celebrate 50 years of successful service by one of these structures to the bill, that was then filed again in February of 1999, that has worked its way through subcommittee and full Committee on Agriculture, subcommittee and full Committee on Transportation and Infrastructure, that has been examined by resources, a bill that is, if there is such a thing, a textbook way of reviewing legislation, we have at one point or other in the last year and a half examined every facet of this concept, I think, from every perspective.

The legislation that we have today, thanks to the gentleman from Texas (Mr. STENHOLM), ranking member, and the gentleman from Texas (Chairman COMBEST), and many other Members, is a good solid piece of legislation that will do the things that need to be done in this country and in a fashion we will all be proud of.

Mr. Speaker, I urge all of my colleagues to support the continued program that has been so successful for half a century now or more.

Mr. SHUSTER. Mr. Speaker, I rise in support of H.R. 728, the small watershed rehabilitation amendments of 2000. The bill takes steps to improve the nation's deteriorating water resources infrastructure and requires the Secretary of Agriculture to rehabilitate aging dams built under programs of the Natural Resources Conservation Service.

The bill also requires the Secretary of the Army to inventory and assess certain dams from the Great Depression era and authorizes actions to mitigate against immediate threats to public safety.

I commend Representative FRANK LUCAS and his colleagues for championing this legislation and the leadership of the Agriculture Committee for their cooperation, as well. Thanks should also go to my colleagues on the Transportation and Infrastructure Committee, in particular Representative JIM OBERSTAR, the ranking Democrat, Representative SHERRY BOEHLERT, the chairman of the Water Resources and Environment Subcommittee, and Representative BOB BORSKI, the subcommittee's ranking member.

The Transportation and Agriculture Committees share jurisdiction over the NRCS's small watershed program and worked together closely to revise and improve title I of this critically important legislation. I also appreciate the Agriculture Committee's cooperation with respect to title II, relating to the Army Corps of Engineers' authorities regarding dam safety and included by the Transportation and Infrastructure Committee.

Mr. Speaker, the needs are great. Rehabilitating the nation's dams will not be cheap but the benefits will be enormous. With over 10,000 small watershed dams in need of rehabilitation, H.R. 728 takes an important and timely first step. We anticipate NRCS and affected local communities will undertake cost-effective rehabilitation measures and coordinate closely with State dam safety officials. We also anticipate that, if funded, this bill will make communities safer and cleaner as flooding and sedimentation risks are reduced.

Mr. Speaker, I support passage of H.R. 728, and urge my colleagues to do the same.

Mr. BOEHLERT. Mr. Speaker, I rise in strong support of H.R. 728, the Small Watershed Rehabilitation Amendments of 2000. H.R. 728 authorizes the Department of Agriculture, through the Natural Resources Conservation Service, to rehabilitate dams constructed as part of their small watershed program and other conservation programs.

This bill also authorizes additional dam safety measures for the Corps of Engineers. H.R. 728 requires the Secretary of the Army to inventory and assess the condition of certain dams and to take interim actions to prevent threats to public safety.

This bill invests in our nation's aging dam infrastructure. It will increase public health and safety and environmental protection. It will bring jobs, piece of mind and environmental benefits to communities with deteriorating dams.

The final language, essentially what the Transportation and Infrastructure Committee reported last November, is the result of extensive input from engineers, construction contractors, environmental advocates, dam safety officials, local government representatives, and Federal agencies. It includes, among other things, important flexibility in defining "rehabilitation" so that environmentally sound and locally supported options, such as "decommissioning," may be considered.

I congratulate Representative FRANK LUCAS and his colleagues for pursuing this legislation and I thank the Transportation and Infrastructure Committee and the Agriculture Committee for their cooperation and leadership. In particular, I thank the leadership of the Agriculture Committee and Chairman BUD SHUSTER, Ranking Democrat JIM OBERSTAR, Ranking Democrat of the Water Resources and Environment Subcommittee, Representative BOB BORSKI, for their interest and support. From the beginning, our Subcommittee on Water Resources and Environment, which I chair, recognized H.R. 728 could help make communities safer and cleaner.

For all these reasons, I urge my colleagues to pass this important, critically-needed legislation.

Mr. WATKINS. Mr. Speaker, I stand before you today in full support of H.R. 728, the Small Watershed Rehabilitation Amendments of 1999. Most importantly, I want to stress to my colleagues why this piece of legislation is vital to so many rural areas of the United States.

Since the 1940's, over 100,000 small watershed dams have been built under USDA programs. Small watershed dams provide great benefit to their surrounding areas. These dams provide downstream flood protection, water quality improvement, irrigation water, and rural water supplies. In flood control alone, the Natural Resources Conservation Service and the USDA estimate the small watershed dams prevent more than $800 million in damages each year. People can also enjoy increased recreation and wildlife habitat.

The bad news is that many have reached or are rapidly approaching their fifty year life span. Numerous structures are in need of rehabilitation to ensure the continued environmental and economic benefits that our country currently enjoys. Action must be taken to prevent the loss of life, water supply, and flood control that these dams afford to many rural areas.

Currently, no funding source exists to restore watershed projects, and local sponsors do not have the resources to attempt to save these dams. H.R. 728 establishes financial assistance for the assessment and rehabilitation of small watershed dams over the next ten years. With federal cost sharing, local sponsors will now have the opportunity to repair these crucial watersheds.

The necessity of federal attention to this problem is critical, and I thank my friend and Oklahoma colleague Mr. LUCAS for his leadership of this matter and his support and commitment to the restoration of these structures. I call upon my colleagues to recognize the importance of this legislation with their support of H.R. 728.

Mr. LUCAS of Oklahoma. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MILLER of Florida). The question is on the motion offered by the gentleman from Oklahoma (Mr. LUCAS) that the House suspend the rules and pass the bill, H.R. 728, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read:

"A bill to amend the Watershed Protection and Flood Prevention Act to authorize the Secretary of Agriculture to provide cost share assistance for the rehabilitation of structural measures constructed as part of water resource projects previously funded by the Secretary under such Act or related laws, and for other purposes.".

A motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. LUCAS of Oklahoma. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 728, the bill just adopted.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

## CONGRATULATING REPUBLIC OF LATVIA ON 10TH ANNIVERSARY OF REESTABLISHMENT OF INDEPENDENCE FROM FORMER SOVIET UNION

Mr. BEREUTER. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 319) congratulating the Republic of Latvia on the 10th anniversary of the reestablishment of its independence from the rule of the former Soviet Union.

The Clerk read as follows:

### H. CON. RES. 319

Whereas the United States had never recognized the forcible incorporation of the Baltic states of Estonia, Latvia, and Lithuania into the former Soviet Union;

Whereas the declaration on May 4, 1990, of the reestablishment of full sovereignty and independence of the Republic of Latvia furthered the disintegration of the former Soviet Union;

Whereas Latvia since then has successfully built democracy, passed legislation on human and minority rights that conform to European and international norms, ensured the rule of law, developed a free market economy, and consistently pursued a course of integration into the community of free and democratic nations by seeking membership in the North Atlantic Treaty Organization (NATO); and

Whereas Latvia, as a result of the progress of its political and economic reforms, has made, and continues to make, a significant contribution toward the maintenance of international peace and stability by, among other actions, its participation in NATO-led peacekeeping operations in Bosnia and Kosovo: Now, therefore, be it

*Resolved by the House of Representatives (the Senate concurring)*, That the Congress—

(1) congratulates Latvia on the occasion of the 10th anniversary of the reestablishment of its independence and the role it played in the disintegration of the former Soviet Union; and

(2) commends Latvia for its success in implementing political and economic reforms, which may further speed the process of that country's integration into European and Western institutions.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Nebraska (Mr. BEREUTER) and the gentleman from California (Mr. LANTOS) each will control 20 minutes.

The Chair recognizes the gentleman from Nebraska (Mr. BEREUTER).

GENERAL LEAVE

Mr. BEREUTER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H. Con. Res. 319.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. BEREUTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this Member rises in very strong support for H. Con. Res. 319, a resolution congratulating the Republic of Latvia on the 10th anniversary of the reestablishment of its independence from the former Soviet Union. This Member is pleased to be a cosponsor of this important statement of support.

Mr. Speaker, the Baltic States of Latvia, Lithuania, and Estonia had been prosperous and progressive independent nations, a set of three nations, prior to the infamous Molotov-Ribbentrop Pact, an agreement that heralded 5 decades of repression.

The United States, of course, never recognized this unlawful act of international aggression. By 1990, the Soviet terror machine no longer held sway, and the long-standing courage and determination of the Latvian people was finally rewarded with freedom. Again, it was the United States that was among the first to recognize their independence when they broke free.

No one could have predicted the rapid reintegration with the West. Free elections have now become the norm, and the Saeima acts as a fully-functioning parliament. Inflation has been reduced, and Latvia has made major strides in privatization.

While the export market to Russia has collapsed, important new trading partnerships have been found in Poland, Germany and the West. Much remains to be done, but Latvians and Latvian-Americans can take justifiable pride at what has thus far been accomplished in Latvia.

For our part, the United States continues to work for the Baltic nations to deepen and broaden our relationship. As but one example, NATO military officers, including Americans, continue to work with the Latvian military directly and through NATO's Partnership For Peace program.

Latvia-Americans should also be proud of their contributions, with some retired military officers actually serving in key positions in the Latvian Armed Forces and the Ministry of Defense.

As the NATO Summit in Washington, D.C. last year concluded, Latvia joined in the Enhanced and More Operational Partnership, EMOP, a program designed to speed the day when Latvia can become a full contributing member of the North Atlantic Treaty Organization. The goal, which this Member strongly endorses, is to move beyond the expressions of support and facilitate the concrete steps that will result in Latvia's further integration into the West.

In other areas of cooperation, Peace Corps volunteers now teach Latvian schools and help Latvian small businessmen and women with such basic tasks as accounting and marketing. This Member is particularly pleased that the United States has created a Baltic American Enterprise Fund designed to underwrite fledgling entrepreneurs from Lithuania, Latvia, and Estonia.

Finally, this Member would point out that the House of Representatives has been and is assisting the Latvian Saeima with such basic necessities as law books and computers, various kinds of library assistance.

In 1995, this Member was part of a bipartisan House task force which approved and oversaw this assistance to this parliamentary body, as we did in the other two Baltic States, and visited Latvia for that and other foreign policy security purposes. It should be noted, additionally, that such assistance most assuredly is not a hand-out. Rather, we are offering a helping hand to a nation with historically close ties to the United States. We are helping Latvians build a future where their country can continue to progress in its rightful place as a full member of the European family of democratic nations.

Mr. Speaker, this Member congratulates, in particular, the distinguished gentleman from Illinois (Mr. SHIMKUS) for crafting a resolution that merits the support of all Members of this body. This Member urges support for H. Con. Res. 319.

Mr. Speaker, I reserve the balance of my time.

Mr. LANTOS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me at the outset congratulate the gentleman from Illinois (Mr. SHIMKUS) for crafting this very excellent resolution. I want to thank the gentleman from Nebraska (Mr. BEREUTER) for his eloquent and cogent and strong statement. I want to associate myself with the comments of the gentleman from Nebraska, and I call on all of my colleagues to support H. Con. Res. 319.

As we congratulate Latvia on the 10th anniversary of its renewed independence, I think it is important to recognize proudly that the United States stood on principle at the time of the beginning of the Second World War in refusing to accept the incorporation of Latvia, Lithuania and Estonia into the Soviet Union.

Not many of our fellow citizens know that the embassies of these three Baltic countries continued to function during the long decades of both the Second World War and the Cold War here in Washington, D.C., underscoring the principled commitment of the United States under Republican and Democratic administrations to the independence of the Baltic States.

□ 1615

Mr. Speaker, Latvia, along with Lithuania and Estonia, has made enormous progress in developing an economy that was stifled by the nonfunctional Soviet system and building an increasingly democratic and open and free society. I have had the privilege and the pleasure of visiting Latvia, Lithuania, and Estonia during the crucial days of their attempted breaking away from Soviet control; and I have had the privilege of visiting in the Baltics repeatedly since, most recently just a few months ago.

It is reassuring, Mr. Speaker, that democracy is taking hold; that the orientation of Latvia and her two Baltic neighbors to democratic principles is strong; their desire to become admitted to the Europe Union is great; to become members of NATO; these are all manifestations of positive developments.

There is one aspect of development in these three countries that I would like to touch upon, which is as yet unfinished business. At the time of the early days of the Second World War, the Baltic states were whipsawed between Hitler's Germany and Stalin's Soviet Union. As the German forces occupied the Baltic states, understandably perhaps, large numbers of citizens in these countries greeted the Nazis with joy because they represented liberation from the Soviet Union. Many joined Nazi military units.

Now, time has gone on, and most of the members of these military units are no longer alive. But some are, and it has been critical to remind our friends in the Baltic states that it is their moral and legal obligation to bring the perpetrators of crimes against humanity to justice, irrespective of their age and medical condition.

I have had the privilege of working with the presidents of all three Baltic countries and with members of parliament and, on the whole, I want to commend them for approaching this important remaining assignment from the dark period of the Second World War with diligence and sincere commitment. There is no doubt in my mind that under the current leadership of these three countries, with three strong democratically oriented presidents and strong democratically controlled parliaments, this job will be done and the three Baltic states will occupy their proper role in the family of democratic nations within the framework of the European Union and within the framework of NATO.

It is in that spirit that I want to congratulate the people of Latvia and the government of Latvia for the remarkable progress they have made during the course of the last decade, and I strongly urge all of my colleagues to approve this resolution.

Mr. Speaker, I reserve the balance of my time.

Mr. BEREUTER. Mr. Speaker, I yield myself such time as I may consume to commend the gentleman from California (Mr. LANTOS), the distinguished gentleman who gave a very articulate extemporaneous remark. He has followed the history of these Baltic states, and he has certainly followed their evolution since in fact they have gained their freedom; and I thank him for his outstanding remarks.

Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. SHIMKUS), the distinguished gentleman who, by his activism, by his leadership, and by his heritage has been recognized already in his time here in the House as a leader on matters related to the Baltic states.

Mr. SHIMKUS. Mr. Speaker, it is with great pleasure that I rise today in strong support of House Concurrent Resolution 319, congratulating the Republic of Latvia on the 10th anniversary of the reestablishment, and I underscore reestablishment, of its independence from Russia.

I want to take this opportunity also to thank my colleagues, the gentleman from New York (Mr. GILMAN), the gentleman from Nebraska (Mr. BEREUTER), but especially the gentleman from California (Mr. LANTOS), who is the conscience of the House and who has been a good friend as we negotiated these new areas, which are unchartered waters for me. And I would be remiss if I did not mention the gentleman from Ohio (Mr. KUCINICH), who is the cochair of the Baltic Caucus. I appreciate his friendship and support, as well as all of the original cosponsors of this legislation.

Mr. Speaker, Latvia lost its freedom on August 23, 1939, when Nazi Germany and the U.S.S.R. signed a nonaggression pact and the Baltic states were placed in the Soviet sphere of influence. By August 1940, the nation had been placed under Soviet military occupation and was incorporated as a republic of the U.S.S.R. The United States never recognized the incorporation of these independent countries into the Soviet Union, and the Russian Federation currently has no claims on these independent countries today.

For the subsequent 50 years, the brave people of Latvia endured the slaughter of innocent citizens, deportations to Siberia, and heavy political oppression. Despite these hardships, the Latvian people kept independence alive in their minds and spirits, resisting occupation in silent and public ways, serving as a secret weapon against the tyranny of the Soviet Union.

On May 4, 1990, the people of Latvia solidified their full sovereignty, which served to further the disintegration of the Soviet Union. In just one decade, Latvia has successfully pursued policies to build a strong democracy, protect human rights, expand the rule of law, develop a free market system, and pursue a course of integration into the community of free and democratic nations, including the seeking of membership in the European Union and the North Atlantic Treaty Organization.

Latvia, together with the Republics of Estonia and Lithuania, continues to make a significant contribution toward maintaining peace and stability in the surrounding region, notably in peacekeeping operations in Bosnia and Kosovo. I applaud their participation and signature on the Vilnius statement signed on May 19 of this year, especially their commitment to individual liberty, the free market, and the rule of law.

Latvia is a nation that has made tremendous progress since its independence and has unlimited potential and optimism for the future. The story of Latvian independence deserves to be widely acknowledged and remembered as a successful nonviolent model for social and political change.

In the United States, we have imperfect individuals attempting to form a more perfect union. In Latvia, the attempt by imperfect individuals to form a more perfect democracy should be commended. That is why I urge my colleagues to join with me in passing House Concurrent Resolution 319 and remembering the good people of Latvia for all their perseverance and triumph over the monstrosity of communism.

Mr. LANTOS. Mr. Speaker, I yield myself such time as I may consume to thank my very good friend, the gentleman from Nebraska (Mr. BEREUTER), for his most generous comments, as well as my very good friend and colleague, the gentleman from Illinois (Mr. SHIMKUS).

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BEREUTER. Mr. Speaker, I yield myself such time as I may consume to thank the gentleman for his remarks earlier, and also the gentleman from Illinois (Mr. SHIMKUS), as I said, for his leadership and his outstanding statement.

I take particular pleasure in being able to manage this legislation. Not only do we have a significant Lithuanian community in both Lincoln and Omaha, and a small Estonian one in Lincoln; but we have a relatively larger community of Latvians in Lincoln. They came to Nebraska in the early part of the 20th century for freedom, to escape religious persecution, and for economic benefits.

As a part of that immigration, shortly following them was a young dissident from Latvia. His name was Karlis Ulmanis. After receiving his bachelor's degree from the University of Nebraska, he worked for some time in Nebraska and Texas before returning to Latvia. There he became the president of Latvia between World War I and World War II.

He was long-tenured, and an outstanding and benevolent leader of Latvia during that period of time. When the Soviets came in, they seized him; and that is the last the world knew of what happened to Karlis Ulmanis.

Later, it was only justice that his grandnephew became the recent president of Latvia. For a period of time, his mother and he had to change their name in order to escape persecution from the Soviets. But the second Ulmanis did became a very distinguished and able president, and the Lincoln community is very pleased and proud of both the Ulmanises for their outstanding leadership of Latvia.

Finally, Mr. Speaker, I thank my Latvian-American constituents for their outstanding support for the cause of freedom over the years for the Baltic states.

Mr. KNOLLENBERG. Mr. Speaker, I rise today to support this resolution and to commend the success the Republic of Latvia has achieved since the May 4, 1990 reestablishment of its full sovereignty and independence from the former Soviet Union.

Since the declaration of its independence, Latvia has established a democratic government, passed legislation on human and minority rights, ensured the rule of law and sustained the development of its free market economy.

Latvia has also consistently pursued a course of integration into the community of free and democratic nations by seeking membership in the North Atlantic Treaty Organization (NATO). I support admitting the Baltic states into NATO and I hope my colleagues here in the House will support their entry also in the next round of NATO expansion.

Latvia has made great strides over the last ten years and this resolution helps to highlight this success. I thank Representative SHIMKUS for his efforts to bring House Concurrent Resolution 319 to the floor and the opportunity to congratulate Latvia on the last ten years of progress.

Mr. GILMAN. Mr. Speaker, I rise in support of House Concurrent Resolution 319, which congratulates the Republic of Latvia on the 10th anniversary of its independence from the rule of the former Soviet regime.

I am certain that all of us in this Congress appreciate how difficult it has been for countries such as Latvia to move forward with badly-needed political and economic reforms over the last decade.

But, many of us can also recall the terrific challenges the Latvian people and their neighbors in Lithuania and Estonia had to overcome to regain their independence ten years ago.

This Resolution congratulates the Latvian people for their success—against all odds—in regaining their rightful independence, and commends them for carrying forward since then with the reforms that should lay the foundation for their full integration into European and Western institutions.

Mr. Speaker, I support the Resolution and urge my colleagues to join in its adoption.

Mr. BEREUTER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MILLER of Florida). The question is on the motion offered by the gentleman from Nebraska (Mr. BEREUTER) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 319.

The question was taken.

Mr. BEREUTER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

## CONDEMNING 1994 ATTACK ON AMIA JEWISH COMMUNITY CENTER IN BUENOS AIRES, ARGENTINA

Ms. ROS-LEHTINEN. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 531) condemning the 1994 attack on the AMIA Jewish Community Center in Buenos Aires, Argentina, urging the Argentine Government to punish those responsible, and for other purposes, as amended.

The Clerk read as follows:

### H. RES. 531

Whereas on July 18, 1994, 86 innocent human beings were killed and 300 were wounded when the AMIA Jewish Community Center was bombed in Buenos Aires, Argentina;

Whereas the United States welcomes Argentine President Fernando de la Rua's political will to pursue the investigation of the bombing of the AMIA Jewish Community Center to its ultimate conclusion;

Whereas circumstantial evidence attributes the attack to the terrorist group Hezbollah, based in Lebanon and sponsored by Iran;

Whereas evidence indicates that this bombing could not have been carried out without local assistance from elements of the Argentine security forces, some of which are reported to be sympathetic to anti-Semitic positions and to have participated in the desecration of Jewish cemeteries in recent years;

Whereas additional evidence indicates that the tri-border area where Argentina, Paraguay, and Brazil meet, and which is known to be rife with terrorist activity as well as drug and arms smuggling, was used to channel resources for the purpose of carrying out the bombing attack;

Whereas the 6 years since the bombing have been marked by efforts to minimize the involvement of these Argentine security elements;

Whereas Argentine officials have acknowledged that there was negligence in the initial phases of the investigation and that the institutional and political conditions must be created to advance the investigation of this terrorist attack;

Whereas failure to duly punish the culprits of this act serves merely to reward these terrorists and help spread the scourge of terrorism throughout the Western Hemisphere;

Whereas the democratic leaders of the Western Hemisphere issued mandates at the 1994 and 1998 Summits of the Americas that they condemn terrorism in all its forms and that they will, using all legal means, combat terrorist acts anywhere in the Americas with unity and vigor;

Whereas the Government of Argentina supports the 1996 Declaration of Lima To Prevent, Combat and Eliminate Terrorism, which refers to terrorism as a serious form of organized and systematic violence that is intended to generate chaos and fear among the population, results in death and destruction, and is a reprehensible criminal activity, as well as the 1998 Commitment of Mar del Plata which calls terrorist acts serious common crimes that erode peaceful and civilized coexistence, affect the rule of law and the exercise of democracy, and endanger the stability of democratically elected constitutional governments and the socioeconomic development of our countries;

Whereas the Government of Argentina was successful in enacting a law on cooperation from defendants in terrorist matters, a law that will be helpful in pursuing full prosecution in this and other terrorist cases; and

Whereas it is the long-standing policy of the United States to stand firm against terrorist attacks wherever and whenever they occur and to work with its allies to ensure that justice is done: Now, therefore, be it

*Resolved*, That the House of Representatives—

(1) reiterates its condemnation of the attack on the AMIA Jewish Community Center in Buenos Aires, Argentina, in July 1994, and honors the victims of this heinous act;

(2) strongly urges the Government of Argentina to fulfill its international obligations and its promise to the Argentine people by pursuing the local and international connections to this act of terrorism, wherever they may lead, and to duly punish all those who were involved;

(3) calls on the President to continue to raise this issue in bilateral discussions with Argentine officials and to underscore the United States concern regarding the 6-year delay in the resolution of this case;

(4) recommends that the United States Representative to the Organization of American States seek support from the countries comprising the Inter-American Committee Against Terrorism to assist, if required by the Government of Argentina, in the investigation of this terrorist attack;

(5) encourages the President to direct United States law enforcement agencies to provide support and cooperation to the Government of Argentina, if requested, for purposes of the investigation into this bombing and terrorist activities in the tri-border area; and

(6) desires a lasting, warm relationship between the United States and Argentina built on mutual abhorrence of terrorism and commitments to peace, stability, and democracy in the Western Hemisphere.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Florida (Ms. ROS-LEHTINEN) and the gentleman from California (Mr. LANTOS) each will control 20 minutes.

The Chair recognizes the gentlewoman from Florida (Ms. ROS-LEHTINEN).

### GENERAL LEAVE

Ms. ROS-LEHTINEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on House Resolution 531.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Florida?

There was no objection.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, tomorrow marks the sixth anniversary of the heinous terrorist act against the AMIA Jewish Community Center in Buenos Aires, Argentina. Six years ago, on July 18, 1994, a dark cloud of fear and anguish enveloped this South American city when 86 innocent human beings, including frail little girls and boys, were killed, and 300 were wounded as a result of the bombing.

However, 6 years later, Mr. Speaker, sorrow, despair and frustration still permeate the air. Six years later, justice, peace, and security continue to be elusive abstract concepts. But as Argentina's current president, Fernando de la Rua, has stated, it is imperative to keep the memory alive, because forgetfulness is a shelter for impunity.

This leads to the primary reason why I introduced this resolution, to renew and redirect international attention in order to ensure that justice will be finally served. Further, this resolution serves to honor and remember the victims; to outline the evidence supporting the international and local connections to the bombing; to bring to the forefront reported attempts by elements of the Argentine security forces to derail the main investigation by hiding evidence and creating false leads.

The need to effectively address the alleged Argentine participation for this terrorist act was underscored by the de la Rua administration in April of this year when it established a task force to look into the corrupt police officers and their possible role in the financing of the attack, in providing the vehicle used in the bombing. This task force will also pursue undeveloped leads and information regarding the international Iranian terrorist network which has orchestrated and carried out horrific acts against defenseless human beings.

□ 1630

It was clear from the onset that this attack and the earlier one on the Israeli Embassy were part of a campaign of violence targeted at the Jewish community in Argentina and throughout the world by radical militant groups in the Middle East. Circumstantial evidence would later support this connection, attributing the bombing to the terrorist group Hezbollah based in Lebanon and sponsored by Iran.

Additional evidence indicates that the tri-border area, where Argentina, Paraguay and Brazil meet, were used to channel resources for the purpose of carrying out this terrorist attack. Other circumstantial data indicates that this bombing could not have been carried out without local assistance from elements of the Argentine security forces. This link was supported by the indictment of 15 military and police officers, with five described as "necessary parties to the bombing" charged with multiple counts of murder, conspiracy and corruption.

The wounds will not begin to heal until the investigation into the AMIA bombing is pursued with vigor and determination and until effective action is taken by all to ensure that justice is served. The scars will serve as a constant reminder of the need for vigilance in our hemisphere, of the need for democratic countries to unite in condemning such horrid acts and work together to protect the right of every citizen in every society to live in peace and liberty free from the threat of terrorism.

This resolution is an important first step toward achieving that goal. It is a call to action. It sends an unequivocal message to all that the United States considers the resolution of this case to be a priority, that it is prepared to take the necessary steps to ensure this end, working both with regional neighbors as well as with the Argentine government, providing them with assistance when requested.

Six years have passed. We cannot wait any longer. It is time for the rule of law to be seen and to be heard in this important case. We cannot allow justice to be held captive by inaction.

For the sake of the victims, for the sake of hemispheric and global security, and for the sake of justice, I ask our colleagues to support this resolution today.

Mr. Speaker, I reserve the balance of my time.

Mr. LANTOS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, first I want to commend my very good friend and distinguished colleague from Florida (Ms. ROS-LEHTINEN) for crafting a very important, very powerful, and very eloquent resolution. And, of course, I rise in strong support of this resolution.

Mr. Speaker, a dark cloud hangs over the honor of Argentina. This neighbor of ours in this hemisphere has tolerated now two heinous terrorist acts, a terrorist act against the Embassy of Israel and the terrorist act against the Jewish Community Center in Argentina, to go unpunished for years.

The evidence is clear. Although the direct perpetrators are most likely to have been members of the terrorist group Hezbollah, supported by the Government of Iran, the complicity and participation of Argentinian police and security forces is beyond any doubt. This corrupt, far right-wing partnership with Islamic terrorism in our hemisphere cannot be tolerated.

I welcome the statement of the new president of Argentina assuring us that he will do his utmost at this late stage to bring the perpetrators to justice and to attempt to clean and clear the honor and reputation of Argentina. But we will not rest until these things happen.

Eighty-six innocent men, women and children lost their lives. Over 300 innocent men, women and children were wounded for no reason except their religious affiliation. There is no room in this hemisphere for terrorist acts of any kind, certainly for terrorist acts as hate crimes directed against various religious groups. It is long overdue for the authorities in Argentina to close this chapter, which is a chapter that has brought infamy to that nation.

Following the bombing of the Israeli Embassy, this bombing of a community center in the heart of Argentina brings back memories of the darkest days of the Second World War when innocent men, women and children, for no reason whatsoever, were massacred and murdered.

Argentina must come clean. The new President of Argentina now has an opportunity to instruct all authorities to pursue this case with diligence and determination. Until the perpetrators are brought to justice, a question mark will hang over the relationship of Argentina to all other civilized nations.

I commend my colleague, the gentlewoman from Florida (Ms. ROS-LEHTINEN), and I call on all of my colleagues to approve this resolution.

Mr. Speaker, I reserve the balance of my time.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield such time as he may consume to the gentleman from Nebraska (Mr. BEREUTER).

Mr. BEREUTER. Mr. Speaker, I rise in strong support of H. Res. 531, for it properly places the U.S. Congress on record in marking the tragic occasion of the sixth anniversary of the July 18, 1994, terrorist bombing of the AMIA Jewish Community Center in Buenos Aires. Eighty-seven people lost their lives, and 200 to 300 people were injured in that attack.

This Member thanks his colleague, the gentlewoman from Florida (Ms. ROS-LEHTINEN), from the Committee on International Relations, the distinguished chairwoman of the Subcommittee on International Policy and Trade, for introducing this resolution.

Last year, the Argentine Congress passed important legislation that allows Investigating Judge Juan Jose Galeano to engage in plea bargaining. Nonetheless, the trial of the Argentinian citizens charged with complicity in this terrorist bombing has, regrettably, been much delayed.

During a recent visit to the United States, Argentina's president, Fernando de la Rua, made a point of visiting the Holocaust museum and issuing a public apology for the role Argentina played in harboring Nazis during World War II.

President De la Rua said, "Today, before you and before the world, I want to express my most sincere pain and to ask forgiveness that this happened, that Nazis were hidden among us."

Solving this terrible crime and bringing those responsible to justice is the proper way to bring healing to the still open wounds in Argentina.

Mr. Speaker, this Member urges his colleagues to join in unanimously supporting this resolution. Again, I commend my colleague the gentleman from California (Mr. LANTOS) for his outstanding statement and especially the distinguished gentlewoman from Florida (Ms. ROS-LEHTINEN) for her eloquant statement and for her introduction and able movement of this legislation to the House floor.

Mr. LANTOS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to thank my good friend the gentleman from Nebraska (Mr. BEREUTER) for his powerful and eloquent statement. I want to thank the gentlewoman from Florida (Ms. ROS-LEHTINEN) for her diligent and outstanding work on this issue.

I urge all of my colleagues to support this resolution.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to thank my colleague the gentleman from California (Mr. LANTOS) for his eloquent words, for his skilled leadership, and for his deep knowledge of history that has helped us to pass this resolution today. I also thank our colleague the gentleman from Nebraska (Mr. BEREUTER) for his constant support of all items worthy of support, and certainly our fight against terrorism is on that list. I thank the gentleman for that.

I also thank the gentleman from California (Chairman GILMAN) for his assistance in allowing this resolution to be brought up to the floor so rapidly.

Mr. Speaker, in conclusion, I would like to quote from Ambassador Aviran of Israel, whom I believe encapsulated the need for this resolution and for justice. He said, "Crimes that go unpunished are crimes that get repeated."

The time to act is now. Six years more should not be allowed to pass before the guilty are brought to justice.

I would like to especially commend the organization B'nai B'rith for its efforts on behalf of the Argentine Jewish community and on behalf of justice in this case. May that day of justice come quickly.

Therefore, I ask my colleagues to support House Resolution 531.

Mr. GILMAN. Mr. Speaker, this resolution properly places the U.S. Congress on record in marking the tragic occasion of the sixth anniversary of the July 18, 1994 terrorist bombing of the AMIA Jewish Community Center in Buenos Aires, Argentina. Eight-seven people lost their lives and two hundred people were injured in this attack.

I thank my colleague from our International Relations Committee, the distinguished chairwoman of the Subcommittee on International Economic Policy and Trade, Ms. ROS-LEHTINEN of Florida, for introducing this resolution.

I have long been interested in seeing that this heinous crime is resolved and those responsible are brought to justice.

Last year, the Argentine Congress passed important legislation that allows Investigating Judge Juan José Galeano to engage in plea bargaining. Nonetheless, the trial of the Argentine citizens charged with complicity in this terrorist bombing has, regrettably, been unduly delayed. Six years is too long a time to let pass without justice.

When the local trial does finally get underway, I urge Argentina's authorities to invite and permit international observers to witness the trial proceedings.

During a recent visit to the United States, Argentina's president, Fernando de la Rua, made a point of visiting the Holocaust museum and issuing a public apology for the role Argentina played in harboring Nazis after World War II.

President De La Rua said, "Today, before you and before the world, I want to express my most sincere pain and to ask forgiveness that this happened, that Nazis were hidden among us."

I believe in President De La Rua's sincerity and thank him for his important statement.

Solving this terrible crime and bringing those responsible to justice is the proper way to bring healing to the still open wounds in Argentina.

I urge my colleagues to join me in adopting this important resolution.

Mr. ACKERMAN. Mr. Speaker, I rise in support of H. Res. 531 and would like to add my voice to those marking the sixth anniversary of the cowardly bombing of the AMIA Jewish Community Center in Buenos Aries, Argentina. This searing event horrified the world and has, unfortunately, become a barometer for the political culture of Argentina.

While we commend the statements of interest and commitment made by President Fernando de la Rua, I, along with many in this House, remain wary, in light of the six years of stumbling, ineffectual investigation and the reality of justice denied. The truth in this matter points unmistakably to elements within the Argentine state and unfortunately, this reality has been a source of delay and obfuscation rather than a catalyst for action by Agentine investigators.

In addition to this disturbing procrastination on the part of investigators to dig deep into the roots of official involvement, the search for justice in Argentina has also skipped lightly over the possible involvement of Hizbollah, Iran and Syria. Notwithstanding the myriad statements pledging an absolute commitment to the search for truth and justice, the reality of the Argentine investigation has been a half-hearted, poorly funded, undermanned, uninspired, slow-motion search for answers.

Mr. Speaker, six years ago in Buenos Aires, 86 people were killed and hundreds more were injured by a car bomb created and delivered by an unknown group of conspirators, who targeted their victims because of their Jewish faith. Cowardly and offensive, the bombing of the AMIA Jewish Community Center came little more than two years after the bombing of the Israeli embassy in the same city. By all accounts, Argentina's response to these two horrific crimes has been lackadaisical and disappointing. The victims of these crimes, old and young, male and female, deserve better than to have their quest for justice fade in a bureaucratic haze.

I want to commend my colleagues Congresswoman ROS-LEHTINEN and Congressman LANTOS for their excellent leadership on this important resolution, which I strongly urge this House to adopt. Putting the House on record on this matter is a vital step toward ensuring a genuine and effective investigation, and ultimately, a fair trial which provides just punishment for the guilty parties.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MILLER of Florida). The question is on the motion offered by the gentlewoman from Florida (Ms. ROS-LEHTINEN) that the House suspend the rules and agree to the resolution, H. Res. 531, as amended.

The question was taken.

Ms. ROS-LEHTINEN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

## RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until approximately 7 p.m.

Accordingly (at 4 o'clock and 41 minutes p.m.), the House stood in recess until approximately 7 p.m.

□ 1900

## AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. SHIMKUS) at 7 p.m.

## MAKING IN ORDER AT ANY TIME ON JULY 18, 2000, OR ANY DAY THEREAFTER, CONSIDERATION OF H.J. RES. 103, AUTHORIZING EXTENSION OF NONDISCRIMINATORY TREATMENT (NORMAL TRADE RELATIONS TREATMENT) TO PEOPLE'S REPUBLIC OF CHINA

Mr. DREIER. Mr. Speaker, I ask unanimous consent that it be in order at any time on July 18 of 2000, or any day thereafter, to consider in the House the joint resolution (H.J. Res. 103) disapproving the extension of the waiver authority contained in section 402(c) of the Trade Act of 1974 with respect to the People's Republic of China; that the joint resolution be considered as read for amendment; that all points of order against the joint resolution and against its consideration be waived; that the joint resolution be debatable for 2 hours equally divided and controlled by the Chairman of the Committee on Ways and Means, in opposition of the joint resolution, and a Member in support of the joint resolution; that pursuant to section 152 and 153 of the Trade Act of 1974, the previous question be considered as ordered on the joint resolution to final passage without intervening motion; and that the provision of section 152 and 153 of the Trade Act of 1974 shall not otherwise apply to any joint resolution disapproving the extension of the waiver authority contained in section 402(c) of the Trade Act of 1974 with respect to the People's Republic of China for the remainder of the second session of the 106th Congress.

Mr. Speaker, let me say that it is the intention of this unanimous consent request that the 2 hours of debate be yielded fairly between Members of the majority and the minority parties on both sides of this issue.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

### ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will now put the question on each motion to suspend the rules on which further proceedings were postponed earlier today.

Votes will be taken in the following order:

H. Res. 534, by the yeas and nays;

H. Con. Res. 319, by the yeas and nays;

H. Res. 531, by the yeas and nays;

H.R. 3125, de novo.

The Chair will reduce to 5 minutes the time for any electronic vote after the first such vote in this series.

### SENSE OF HOUSE REGARDING NATIONAL SECURITY POLICY AND PROCEDURES

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to resolution, H. Res. 534.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from South Carolina (Mr. SPENCE) that the House suspend the rules and agree to the resolution, H. Res. 534, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 391, nays 5, answered "present" 2, not voting 36, as follows:

[Roll No. 401]

YEAS—391

Aderholt
Allen
Andrews
Archer
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Camp
Canady
Cannon
Capps
Capuano
Cardin
Castle
Chabot
Chambliss
Chenoweth-Hage
Clay
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Filner
Fletcher
Foley
Forbes
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Green (TX)
Green (WI)
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E.B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kind (WI)
King (NY)
Kingston
Kleczka
Knollenberg
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCrery
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Oxley
Packard
Pallone
Pascrell
Pastor
Paul
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaffer
Schakowsky
Scott
Sensenbrenner
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Spence
Stabenow
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thornberry
Thune
Thurman
Tiahrt
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wolf
Woolsey
Wu
Wynn
Young (AK)

NAYS—5

Frank (MA)
McDermott
Murtha
Stark
Visclosky

ANSWERED "PRESENT"—2

Dixon
Wilson

NOT VOTING—36

Abercrombie
Ackerman
Barton
Blagojevich
Calvert
Campbell
Carson
Clayton
Coburn
Cook
Danner
Dickey
Dicks
Ehrlich
Ford
Gillmor
Granger
Gutierrez
Hutchinson
Kilpatrick
Klink
Markey
Martinez
McCollum
McIntosh
McNulty
Rush
Serrano
Sessions
Smith (WA)
Spratt
Thompson (MS)
Vento
Waxman
Wise
Young (FL)

□ 1926

Mr. STARK changed his vote from "yea" to "nay."

Messrs. GORDON, OWENS and RAHALL changed their vote from "nay" to "yea."

Mr. DIXON changed his vote from "nay" to "present."

So (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

### ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SHIMKUS). Pursuant to clause 8 of rule XX, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on each additional motion to suspend the rules on which the Chair has postponed further proceedings.

### CONGRATULATING THE REPUBLIC OF LATVIA ON 10TH ANNIVERSARY OF REESTABLISHMENT OF INDEPENDENCE FROM THE FORMER SOVIET UNION

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the concurrent resolution, H. Con. Res. 319.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Nebraska (Mr. BEREUTER) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 319, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 398, nays 0, not voting 36, as follows:

[Roll No. 402]

YEAS—398

Aderholt
Allen
Andrews
Archer
Armey
Baca
Bachus
Baird
Baker

Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Camp
Canady
Cannon
Capps
Capuano
Cardin
Castle
Chabot
Chambliss
Chenoweth-Hage
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dickey
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Filner
Fletcher
Foley
Forbes
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Green (TX)
Green (WI)
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kind (WI)
King (NY)
Kingston
Kleczka
Knollenberg
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Oxley
Packard
Pallone
Pascrell
Pastor
Paul
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaffer
Schakowsky
Scott
Sensenbrenner
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Spence
Stabenow
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (AK)

NOT VOTING—36

Abercrombie
Ackerman
Barton
Blagojevich
Calvert
Campbell
Carson
Coburn
Cook
Danner
Dicks
Ehlers
Ehrlich
Ford
Gillmor
Goodling
Granger
Gutierrez
Hutchinson
Kilpatrick
Klink
Markey
Martinez
McCollum
McIntosh
McNulty
Porter
Rush
Serrano
Sessions
Smith (WA)
Spratt
Vento
Waxman
Wise
Young (FL)

□ 1934

So (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. EHLERS. Mr. Speaker, on rollcall No. 402, had I been present, I would have voted "yea."

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## CONDEMNING 1994 ATTACK ON THE AMIA JEWISH COMMUNITY CENTER IN BUENOS AIRES, ARGENTINA

The SPEAKER pro tempore (Mr. SHIMKUS). The pending business is the question of suspending the rules and agreeing to the resolution, House Resolution 531, as amended.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Florida (Ms. ROS-LEHTINEN) that the House suspend the rules and agree to the resolution, H. Res. 531, as amended, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 402, nays 1, not voting 31, as follows:

[Roll No. 403]

YEAS—402

Aderholt
Allen
Andrews
Archer
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Camp
Canady
Cannon
Capps
Capuano
Cardin
Castle
Chabot
Chambliss
Chenoweth-Hage
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dickey
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Filner
Fletcher
Foley
Forbes
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Green (TX)
Green (WI)
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kind (WI)
King (NY)
Kingston
Kleczka
Knollenberg
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Oxley
Packard
Pallone
Pascrell
Pastor
Payne

Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaffer
Schakowsky
Scott
Sensenbrenner
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Spence
Stabenow
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (AK)

NAYS—1

Paul

NOT VOTING—31

Abercrombie
Ackerman
Barton
Blagojevich
Calvert
Campbell
Carson
Coburn
Cook
Dicks
Ehrlich
Ford
Granger
Gutierrez
Hutchinson
Kilpatrick
Klink
Markey
Martinez
McCollum
McIntosh
McNulty
Rush
Serrano
Sessions
Smith (WA)
Spratt
Vento
Waxman
Wise
Young (FL)

☐ 1941

So (two-thirds having voted in favor thereof) the rules were suspended and the resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## INTERNET GAMBLING PROHIBITION ACT OF 2000

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 3125, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Virginia (Mr. GOODLATTE) that the House suspend the rules and pass the bill, H.R. 3125, as amended.

The question was taken.

Mr. CONYERS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 245, nays 159, not voting 30, as follows:

[Roll No. 404]

YEAS—245

Aderholt
Allen
Armey
Bachus
Baker
Baldacci
Ballenger
Barcia
Barrett (NE)
Bartlett
Bass
Bateman
Bereuter
Berkley
Berry
Bilirakis
Bishop
Bliley
Boehlert
Boehner
Bonilla
Boswell
Boucher
Brady (TX)
Brown (FL)
Bryant
Burr
Burton
Buyer
Callahan
Canady
Castle
Chambliss
Coble
Collins
Combest
Condit
Cooksey
Costello
Cramer
Cubin
Cunningham
Danner
Davis (FL)
Deal
DeFazio
DeLauro
DeMint
Deutsch
Diaz-Balart
Dickey
Dixon
Dooley
Duncan
Dunn
Edwards
Ehlers
Emerson
Etheridge
Everett
Ewing
Farr
Fletcher
Foley
Forbes
Fowler
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Green (WI)
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hinojosa
Hobson
Hoekstra
Holt
Hooley
Horn
Hostettler
Hulshof
Hunter
Hyde
Isakson
Istook
Jackson-Lee (TX)
John
Johnson (CT)
Jones (NC)
Kelly
King (NY)
LaFalce
LaHood
Lampson
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
McCarthy (MO)
McCarthy (NY)
McCrery
McHugh
McInnis
McIntyre
McKeon
Meek (FL)
Menendez
Metcalf
Mica
Miller (FL)
Miller, Gary
Miller, George
Minge
Mollohan
Moran (KS)
Moran (VA)
Morella
Myrick
Nadler
Nethercutt
Northup
Norwood
Nussle
Ortiz
Ose
Oxley
Packard
Pallone
Pascrell
Pease
Peterson (MN)
Peterson (PA)
Phelps
Pickering
Pickett
Pitts
Pomeroy
Porter
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Regula
Reynolds
Riley
Roemer
Rogan
Rogers
Ros-Lehtinen
Rothman
Roukema
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sandlin
Saxton
Sensenbrenner
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shows
Shuster
Sisisky
Skelton
Smith (NJ)
Smith (TX)
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Strickland
Stump
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Thurman
Tiahrt
Traficant
Turner
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watts (OK)
Weldon (FL)
Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Young (AK)

NAYS—159

Andrews
Archer
Baca
Baird
Baldwin
Barr
Barrett (WI)
Becerra
Bentsen
Berman
Biggert
Bilbray
Blumenauer
Blunt
Bonior
Bono
Borski
Boyd
Brady (PA)
Brown (OH)
Camp
Cannon
Capps
Capuano
Cardin
Chabot
Chenoweth-Hage
Clay
Clayton
Clement
Clyburn
Conyers
Cox
Coyne
Crane
Crowley
Cummings
Davis (IL)
Davis (VA)
DeGette
Delahunt
DeLay
Dingell
Doggett
Doolittle
Doyle
Dreier
Engel
English
Eshoo
Evans
Fattah
Filner
Fossella
Frank (MA)
Gejdenson
Gephardt
Gonzalez
Green (TX)
Greenwood
Hayworth
Hilliard
Hinchey
Hoeffel
Holden
Houghton
Hoyer
Inslee
Jackson (IL)
Jefferson
Jenkins
Johnson, E. B.
Johnson, Sam
Jones (OH)
Kanjorski
Kaptur
Kasich
Kennedy
Kildee
Kind (WI)
Kingston
Kleczka
Knollenberg
Kolbe
Kucinich
Kuykendall
Lantos
Larson
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Mascara
Matsui
McDermott
McGovern
McKinney
Meehan
Meeks (NY)
Millender-McDonald
Mink
Moakley
Moore
Murtha
Napolitano
Neal
Ney
Oberstar
Obey
Olver
Owens
Pastor
Paul
Payne
Pelosi
Petri
Pombo
Portman
Rangel
Reyes
Rivers
Rodriguez
Rohrabacher
Roybal-Allard
Royce
Sanchez
Sanders
Sanford
Sawyer
Scarborough
Schaffer
Schakowsky
Scott
Sherman
Simpson
Skeen
Slaughter
Smith (MI)
Snyder
Stark
Stupak
Tauscher
Thompson (CA)
Thompson (MS)
Tierney
Toomey
Towns
Udall (CO)
Udall (NM)
Upton
Velázquez
Watt (NC)
Weiner
Weldon (PA)
Weygand
Woolsey
Wu
Wynn

NOT VOTING—30

Abercrombie
Ackerman
Barton
Blagojevich
Calvert
Campbell
Carson
Coburn
Cook
Dicks
Ehrlich
Ford
Granger
Gutierrez
Hutchinson
Kilpatrick
Klink
Markey
Martinez
McCollum
McIntosh
McNulty
Rush
Serrano
Sessions
Smith (WA)
Vento
Waxman
Wise
Young (FL)

☐ 1951

Mr. KINGSTON changed his vote from "aye" to "no."

So (two-thirds not having voted in favor thereof), the motion was rejected.

The result of the vote was announced as above recorded.

## PERSONAL EXPLANATION

Ms. KILPATRICK. Mr. Speaker, due to official business in my district, I was unable to record my vote on the following bills: H. Res. 534 (rollcall No. 401); H. Con. Res. 319 (rollcall No. 402); H. Res. 531 (rollcall No. 403); and H.R. 3125 (rollcall No. 404). Had I been present I would have voted "aye" on rollcall No. 401; "aye" on rollcall No. 402; "aye" on rollcall No. 403; and "no" on rollcall No. 404.

## PERMISSION TO FILE CONFERENCE REPORT ON H.R. 4576, DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2001

Mr. LEWIS of California. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight, July 17, 2000, to file a conference report on the bill (H.R. 4576) making appropriations for the Department of Defense for the fiscal year ending September 30, 2001, and for other purposes.

The SPEAKER pro tempore (Mr. SHIMKUS). Is there objection to the request of the gentleman from California?

There was no objection.

## SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

## ON THE NEED FOR MORE BORDER PATROL AGENTS ON AMERICA'S NORTHERN BORDER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. METCALF) is recognized for 5 minutes.

Mr. METCALF. Mr. Speaker, I do not have to remind this House about the fine work of our border patrol officers. They put their lives at risk every day to slow the flow of illegal drugs into this country and to keep our border safe from dangerous aliens. Their work in helping to arrest a suspected terrorist near Port Angeles, Washington, last December was exemplary.

Due to the current inept management of the INS, however, the jobs of these officers are made much, much more difficult. Over the past two fiscal years, Congress has appropriated funds for the INS to hire 2,000 new Border Patrol Agents. The agency has failed to hire anywhere near that number, and the vast majority of the new agents they have hired have been assigned to the southern border.

There is no reason why northern border staffing should not be greatly increased. Since 1996, I have sent numerous communications to President Clinton, Attorney General Reno, and INS Commissioner Doris Meissner demanding a permanent end to the transfers of Northwestern Border Patrol Agents and urging higher staffing levels on the northern border.

Instead, Commissioner Meissner has recently ordered another reassignment of agents from the northern to the southern border. In addition, she has ordered every Border Patrol plane moved from the State of Washington. In a month's time, every plane along the entire northern border will be moved south.

A few days ago, in protest to these moves, the entire delegation from the State of Washington wrote to Immigration and Naturalization Service Commissioner Doris Meissner protesting her recent decision to transfer Washington State Border Patrol Agents and equipment to the Mexican border.

Ms. Meissner's latest raid on the northern border is unconscionable, especially because a July 8 story in the Seattle Times reports that "When Meissner made this decision, she possessed a confidential February report by the Department of Justice's Office of the Inspector General which determined that 'The 311 Border Patrol Agents along the northern border cannot adequately patrol the approximately 4,000 mile border with Canada.'"

The February report also notes that between 1993 and 1998, agents along the northern border were nine times more likely to encounter someone smuggling drugs and 14 times more likely to encounter someone smuggling weapons than agents along the southwest border.

Despite this overwhelming discrepancy, more than 95 percent of INS's Border Patrol Agents are on the southern border. In addition, INS Commissioner Meissner's decision to move personnel was made knowing that last year's arrest of suspected terrorist Ahmed Ressam highlighted additional reasons to maintain maximum coverage on the northern border.

I have also previously asked Commissioner Meissner to hire additional northern border agents, for which Congress has already appropriated the money. She has not only not hired additional agents, she has again relocated some of the few agents we have.

□ 2000

In addition, she removed all of the patrol planes from the Washington border. Most outrageous of all, it turns out she has made these relocations while refusing to release the contents of a Department of Justice report that specifically highlights the severe personnel shortages on the U.S.-Canadian border.

Relocating agents and equipment while hiding details of the dangerous understaffing problem at the northern border is a dereliction of duty. It is risky. It is wrong. It is irresponsible. If Commissioner Meissner cannot do an adequate job on our northern border, then we must get someone in the position who can.

## UNITED NATIONS SECURITY COUNCIL ADDRESSES HIV/AIDS

The SPEAKER pro tempore (Mr. SHIMKUS). Under a previous order of the House, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, today I had the honor of joining the Ambassador of the United States to the United Nations, along with the gentlewoman from California (Ms. LEE) and the gentlewoman from New York (Mrs. MALONEY), in New York.

We were invited to witness a historic debate at the U.N. Security Council on an issue of peacekeeping and security addressing the question of HIV/AIDS. For the first time, the world voice, the United Nations, took a unanimous stand to fight HIV/AIDS in the peacekeeping forces around the world.

Although we applaud their bravery, we realize that the military personnel that travel from one developing nation to another without the proper education and training are in harm's way, not only in terms of war, but in terms of the devastation of disease. Based upon our work, we are delighted that this kind of effort was made on behalf of the United Nations.

Mr. Speaker, I yield to the distinguished gentlewoman from California (Ms. LEE) who has been the moving force on fighting AIDS in this Congress.

Ms. LEE. Mr. Speaker, let me thank the gentlewoman from Texas (Ms. JACKSON-LEE) for her leadership and also for her efforts in helping the orphans and the children of Africa who are suffering now as a result of their parents dying of AIDS. I thank the gentlewoman for her leadership.

We participated in a mission last year. During that time in Southern Africa, we realized that we had to come back and do something. We looked in the eyes of babies, and there was no way that we could let these children live like this without us at least trying to do something for them.

This morning, I had the honor and the privilege to participate with the gentlewoman from Texas (Ms. JACKSON-LEE) and the gentlewoman from New York (Mrs. MALONEY) in actually witnessing the United Nation's Security Council's historic discussion and vote regarding the importance of HIV and AIDS education and prevention as it relates to peacekeeping forces.

We all know that an ounce of prevention is really worth a pound of cure. We should be proud of the fact that our own ambassador, Ambassador Holbrooke, has and continues to take the lead in raising the moral concerns, the humanitarian concerns, and, yes, the security concerns of the AIDS pandemic. He has done remarkable work in little time to educate the world community; and that is, definitely, he has put forth and set forth a course to actually break the silence in the world with regard to this pandemic.

We were waging war on this. I am proud of the Congress in terms of our bipartisan efforts to wage war on this deadly disease. I think today the resolution that was passed by the Security

Council really takes us one step forward in waging the battle that we must wage on this.

Ms. JACKSON-LEE of Texas. Mr. Speaker, might I say that the leadership of the gentlewoman from California (Ms. LEE) in the United States Congress, along with the amendment on debt relief offered by the gentlewoman from California (Ms. WATERS) and the gentlewoman from California (Ms. PELOSI) last week brought us to where we needed to be by adding $42 million back into the Foreign Operations appropriations.

I think it is important for the American people to understand that as the world is endangered by the devastation of the elimination of large populations by HIV/AIDS, we need to recognize here in America that we are fully impacted.

I know for many it seems as if we are looking distant, far away, but AIDS can be compared to the times historically of the bubonic plague when large numbers of Europeans were devastated and eliminated with this disease.

This disease is killing one in five in South Africa. Forty million children will be orphaned. I am very proud that the Ambassador to the United Nations joined in the causes with, first, the Vice President speaking before the United Nations, then our respective Senators, the gentlewoman from California (Ms. LEE), who has just returned from Durban, South Africa, to say that we really are in a war.

As we fight for peace, peace is intertwined in fighting against this devastating disease. I would hope that we will continue this effort. I thank the gentlewoman from California (Ms. LEE) for her leadership, and, of course, I applaud the United Nations for its effort.

## REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF A MOTION TO GO TO CONFERENCE ON H.R. 4810, MARRIAGE TAX PENALTY ELIMINATION RECONCILIATION ACT OF 2000

Ms. PRYCE of Ohio, from the Committee on Rules, submitted a privileged report (Rept. No. 106–752) on the resolution (H. Res. 553) providing for consideration of a motion to go to conference on any Senate amendments to the bill (H.R. 4810) to provide for reconciliation pursuant to section 103(a)(1) of the concurrent resolution on the budget for fiscal year 2001, which was referred to the House Calendar and ordered to be printed.

## TAKE BACK CONTROL OF URANIUM ENRICHING FACILITIES BEFORE AMERICA BECOMES DEPENDENT ON FOREIGN SOURCES FOR ENERGY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. STRICKLAND) is recognized for 5 minutes.

Mr. STRICKLAND. Mr. Speaker, I represent a district in Southern Ohio that is a part of the Appalachian area. I am very proud of my constituents.

Many of my constituents throughout the long years of the Cold War worked at a facility in southern Ohio which enriches uranium. During the early days of the Cold War, that facility enriched uranium which went into our nuclear weapons. In more recent years, that facility has produced enriched uranium necessary to create the fuel that produces the nuclear power generated in this country, the electricity through nuclear power.

Two years ago, this administration and this Congress privatized that industry; and just a few weeks ago, this new privatized corporation announced that it was closing the facility in my district, thereby terminating the employment of some nearly 2,000 men and women. These are individuals who have served our country well. Many of them have been exposed to dangerous chemicals and to radiation. They have developed cancers. Many have lost their lives.

Later on this week, Mr. Speaker, I am introducing legislation which will set in motion a process whereby this government can once again assume ownership of this industry. Why would I do this, and why is it important to the economic and energy security of our Nation? It is because some 23 percent of the electricity generated in this country is generated through nuclear power. Only two facilities in this country enrich the uranium which is necessary to produce the fuel for these nuclear power plants.

The direction of this privatized corporation troubles me. I am very concerned that their ultimate goal is not to be producers of enriched uranium, but simply to become brokers of enriched uranium. It is my concern that their ultimate goal is, not only to close my facility, but also to close the facility in Paducah, Kentucky.

If that were to happen, Mr. Speaker, this Nation would become totally dependent on foreign sources for at least 20 percent of all of the electricity that is generated in this country. We cannot let that happen. As a body, as a group of elected Representatives of the people, we must not allow ourselves to become dependent on foreign sources for a huge portion of all of the electricity generated within this country.

I am calling tonight upon my colleagues to join me in the introduction of this legislation. It is essential and necessary. We made a mistake when we privatized this vital industry. We made a mistake when we turned it over to the private sector who are not necessarily loyal to this country or to the objectives of this government. They are not necessarily loyal to the energy security need of this Nation. Their primary objective is to their investors and their stockholders.

I am deeply troubled, Mr. Speaker, that the individual that oversaw the privatization process, the individual who was the CEO of the public corporation before it became private, was dealing with a major, major conflict of interest. As a government employee, he was making approximately $350,000 a year. Once this became a privatized corporation, his salary skyrocketed to $2.48 million a year. Not only that, but he convinced the board of directors to give him a golden parachute of $3.6 million. If he is fired or he loses his job, he can walk away with $3.6 million.

The workers in my district, many of them who have served this country as Cold War warriors who have exposed themselves to dangerous conditions, are being terminated of their jobs, many with only weeks to go before they qualify for retirement. It is simply wrong. It is wrong for my constituents. It is wrong for this Nation.

I urge my colleagues to join me in the efforts to once again take over the ownership of this vital industry and protect our country from being so totally dependent on foreign sources for energy.

## UNITED NATIONS SECURITY COUNCIL SEES HIV/AIDS AS GLOBAL CRISIS, NOT JUST A HEALTH PROBLEM

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Mrs. MALONEY) is recognized for 5 minutes.

Mrs. MALONEY of New York. Mr. Speaker, I am really here to join two previous speakers, the gentlewoman from Texas (Ms. JACKSON-LEE) and the gentlewoman from California (Ms. LEE), who were with me today at the United Nations Security Council in New York where the United Nation's Security Council for the first time in history voted for a united effort and attack on the AIDS crisis in the world and saw it as a security problem, not just a health challenge before us. It recognized a that HIV/AIDS is more than a health problem but actually a global crisis. It set a very important target to work towards the reduction of AIDS by 25 percent by the year 2010 in the age group of 15 to 24.

It was a very significant and groundbreaking action, but it is by no means an end. It is a beginning of many more steps that we have to take.

Earlier in January, I was there when Vice President GORE announced his support for this effort, and I applaud the leadership, not only of the Vice President, but of Ambassador Holbrooke who have worked with the Security Council to bring it to the vote today on this important resolution.

It will look at AIDS as a long-term and domestic policy. It will set up a tracking system around the world. It will focus on training and education around the world, but also on the peacekeepers, testing voluntarily the peacekeepers, and making them aware of the crisis and the harm that it can be to their own health and to many others.

I might add that this body has also acted to combat the AIDS crisis. The Department of Defense legislation contained $10 million to really work, in a joint effort, with military organizations around the world to educate and combat AIDS. Just last week, in the Foreign Operations bill, there was a vote of $244 million for USAID to combat AIDS.

I also applaud the hard work of the gentlewoman from California (Ms. LEE) on her "Marshal Plan" against AIDS, which was reported out of the Committee on Banking and Financial Services with strong bipartisan support with $100 million authorization for 1 year and $500 million over 5 years. That legislation is currently before the Senate. We hope it will likewise receive strong bipartisan support.

I wanted to join my colleagues in really applauding the first-ever action by the Security Council in recognizing AIDS as a health problem, a security problem in our new world of interdependence and globalization, in a very positive step that they took today in passing out this resolution which I will place in the RECORD as follows:

### DRAFT SECURITY COUNCIL RESOLUTION ON HIV/AIDS

The Security Council,

Recalling its meeting of 10 January 2000 chaired by the Vice President of the United States, at which it was briefed the President of the World Bank, the Administrator of the United Nations Development Program, and the Executive Director of the Joint United Nations Programme on the connection between the spread of HIV/AIDS and peace and security in Africa,

Deeply concerned by the extent of the HIV/AIDS pandemic worldwide and by the severity of the crisis in Africa in particular,

Bearing in mind that it has the primary responsibility under the Charter of the United Nations for international peace and security,

Recalling in this context, the Statement of its President on the role of the Security Council in the prevention of armed conflicts (S/PRST/1999/34),

Reaffirming the importance of a coordinated international response to the economic, health, social, cultural and humanitarian problems which are often the root causes of armed conflict,

Recognizing that the adverse effects of the spread of HIV/AIDS on all sectors of society, including individuals, families, workers, political leadership, and the military, have weakened the capacity of affected countries to maintain domestic and regional peace and security,

Further Recognizing that the spread and impact of the HIV/AIDS pandemic is greatly exacerbated by poverty and lack of development,

Further Recognizing that the HIV/AIDS pandemic not only poses a threat to stability and security, but is also exacerbated by conditions of violence and instability,

Recognizing that HIV/AIDS poses a truly global risk to all continents and peoples both civilian and military,

Expressing Concern at the damaging impact of HIV/AIDS on international peacekeeping operations.

Welcoming the March report of the UN Special Committee on Peacekeeping which affirmed the need to incorporate HIV/AIDS prevention training in aspects of the UNDPKO training for peacekeepers,

Welcoming the Report of the Secretary-General for the Millennium Assembly of the United Nations, and in particular, those sections where he notes that the spread of HIV/AIDS is a truly global crisis, that unless action is taken HIV/AIDS will be even more damaging in the future, and his call for coordinated and intensified international action to reduce the rate of new HIV infections by 25% by the year 2010,

Commending the efforts by UNAIDS to coordinate and intensify the work of the world's states and the UN organizations against the HIV/AIDS pandemic,

Commending the efforts of the United Nations Department of Peacekeeping Operations to address this issue, including providing HIV/AIDS prevention awareness information to peacekeepers through its train-the-trainers courses and materials:

1. Requests the Secretary-General ensure the provision of mission-specific training of all peacekeepers on issues related to the prevention of the spread of HIV/AIDS, and ensure the further development of pre-deployment and on-going training of all peacekeepers on issues related to the prevention of the spread of HIV/AIDS,

2. Urges all states to acknowledge the problem of HIV/AIDS directly, including in uniformed national military forces, and develop, in consultation with the international community and UNAIDS, effective civilians and military personnel on the prevention of the spread of HIV/AIDS,

3. Urges all member states to institute voluntary and confidential counseling and testing for HIV/AIDS for civilians and members of uniformed national military forces, especially for troops to be deployed to international peacekeeping missions, because of the proven effects of testing to reduce high-risk behaviors,

4. Further urges countries to increase international cooperation among national military organizations to assist with the creation and execution of HIV/AIDS prevention, testing and treatment policies within the militaries,

5. Requests the Secretary General ensure that UNAIDS cooperate with member states, including those states that contribute peacekeeping troops, to establish voluntary consultations and a database to track these countries' HIV/AIDS prevention education, testing, deployment, counseling and treatment policies,

6. Calls upon the leadership of all UN organizations to address the HIV/AIDS pandemic in the context of their organization's respective mandates and to adjust their organization's activities accordingly to ensure they are assisting wherever possible in the global efforts against the HIV/AIDS pandemic

Decides to remain seized of the matter and to continue to seek information and guidance on this issue from all appropriate sources.

☐ 2015

## CONGRATULATIONS TO REVEREND VASHTI M. McKENZIE OF BALTIMORE

The SPEAKER pro tempore (Mr. PITTS). Under a previous order of the House, the gentleman from Maryland (Mr. CUMMINGS) is recognized for 5 minutes.

Mr. CUMMINGS. Mr. Speaker, tonight I rise to salute and pay tribute to a friend, Bishop Vashti McKenzie, who was just elevated to be a bishop in the African Methodist Episcopal Church in Cincinnati just a few days ago. She is the first woman to achieve this high goal, and she is certainly very deserving.

Bishop Vashti McKenzie, whose church is within one block of my house in the 7th Congressional District of Maryland, for many, many years has labored in the vineyards of lifting up people, pastoring the Payne Memorial A.M.E. Church and being a wonderful, wonderful pastor, a wonderful wife, and one who has constantly been about the business of empowering not only her church members but her community.

Bishop McKenzie is a member of the Delta Sigma Theta sorority, and she has been a very active member and she has constantly done things within the 7th Congressional District to address the question of how to empower people. She recently spent a tremendous amount of time working with the banks in Baltimore trying to make sure that they were not redlining. She spent a tremendous amount of effort pulling together banks and making sure that their lending practices were consistent throughout the entire Baltimore metropolitan area.

But more important than that, even when she was not even considering running for the position of bishop, she constantly worked in the vineyards. I have often said that when one is unknown, unseen, unappreciated and unapplauded, it is what they do in those moments that really count. So I take a moment not only to salute Bishop Vashti McKenzie, but I also take a moment to salute the African Methodist Episcopal Church. There are so many churches that do not even want women to be pastors, and here is a church that not only have many pastors throughout these United States but has decided to elevate one of its daughters to be a bishop.

It is with great honor that I recognize and thank Bishop Vashti McKenzie for all of her work; and, Mr. Speaker, it is my pleasure to congratulate her for her accomplishments.

## TAXES AND THEIR IMPACT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from Colorado (Mr. McINNIS) is recognized for 60 minutes as the designee of the majority leader.

Mr. McINNIS. Mr. Speaker, I have just come back from the district, and I spent my entire weekend traveling throughout the district. Interestingly, the subject that came up time and time again were the death taxes. So this evening I am going to talk a little about taxes. I think it is a good forum for us to discuss really four basic taxes, and so I am going to address those with my colleagues here this evening.

The first, of course, is the death tax. I will go into some detail about what that exactly encompasses and why it is so punitive on the citizens of this country; why it is an unjust tax; why there is no justification for the death tax in our tax system; what it does to open space and to the preservation of open space in districts such as mine, the Third Congressional District of the State of Colorado.

Then I will move on and talk about the capital gains tax reduction that the Republicans put into place and what capital gains means as far as creation of capital and why it is critical for the economic well-being of our country.

From there, I will move on to talk a little about the marriage penalty. To the best of my knowledge, only in the United States of America, only in the United States of America do we tax couples because they are married. This, by the way, is the leading country in the world which advocates family. We advocate marriage. We want people to get together and tie that bond, the very basic entity of the family foundation which has made this country great. But Uncle Sam comes along, not to be left out of the game, and puts a tax on it. We will talk a little about that.

Finally, I also want to talk about our homes. Every homeowner, every one of our constituents, colleagues, who are homeowners out there in this fine country of ours, we need to talk about what happens when they sell that home for a profit; what used to happen and what now happens as a result of the Republican leadership. And, frankly, that was a bipartisan vote, but it is a Republican bill; and we will discuss what it did to those homeowners and how it helps homeowners in this country.

It has some bearing for every one of my colleagues in this Chamber because the majority of our constituents own homes. And in these good economic times, a lot of our constituents have the opportunity to sell their homes; or if they sell their home, they will sell it for a profit.

But first of all let us begin with the tax that I think is without justification, a tax which was initiated as a vendetta, as a way to get even with the wealthy families, the families who met success in America: the Fords, the Carnegies, the Vanderbilts, the Rockefellers.

Back then the feeling was, how dare those people make that much money; we have to figure out a way, without working for it, to take the wealth from them and transfer it to us, the Government, in Washington, D.C. What better approach than to put a tax on them on the day they die. The day that person dies, Uncle Sam will be at the door, right behind the mortician, except that Uncle Sam gets to collect before the mortician, by the way, on the death tax.

So we will talk a little about what this death tax means; how it impacts things in the environment, like open space in Colorado; how it devastates families who were brought up and who lived the American Dream; how everyone's dream, those my age, is to leave something for the generation behind them, and how that dream has been dashed; what the impact is for the generation ahead of me that wanted to leave something for this generation to get kind of a head start, how it has been demolished in many cases; and what the impact is of death tax transferring, spinning money right out of the community to be transferred, without work, without value, simply transferred from our local community to the bureaucracy in Washington, D.C. under the death tax.

One of the best articles I have read is out of a newspaper which I read on a regular basis, the Wall Street Journal. Excellent editorials, by the way, colleagues. I would urge all my colleagues to read those. It was interesting to me that the TV talk host, Oprah Winfrey, is quoted as saying, "I think it is irritating that once I die 55 percent of my money goes to the government of the United States."

Why is that irritating? Because that individual may have already paid nearly 50 percent. What Oprah is referring to is that the money being taxed upon that person's death, if that estate qualifies, is property upon which that individual may have already paid taxes on. It is not money that was put away in some little chuckhole somewhere and not had taxes paid on it. It is money, in many cases, that has been taxed not only once, but twice and sometimes three times.

Let me go on with her quote: "When you leave a house or money to people, then they're taxed at 55 percent. So you've got to leave them enough so once they're taxed they still have some money."

When we talk about taxes in a country, we have to look around the world. It is, after all, America that is the symbol of free enterprise. It is the dream in America that a person can start out and if they can figure out a better mousetrap, a better way of doing things, a product that will benefit the people, give value to the people, then that person is rewarded the fruits of their labor. That is the American concept.

Look at other countries. Look at some of the countries that have the reputations for high taxes in this world. Look at Switzerland. Not only Switzerland, but look at Germany, or look at Belgium. Even their death taxes are lower than the United States. Only one country that I can find in research, as cited by the Wall Street Journal article, Japan, has a higher rate than the United States.

Now, as my colleagues know, the administration, the President and the Vice President, as a team, are prepared to veto the elimination of the death tax. The U.S. House, by a bipartisan vote, meaning Democrats and Republicans, supported the Republican bill to eliminate the death tax. The Senators, both Democrats and Republicans, adopted the Senate bill, the Republican Senate bill, to eliminate the death tax. Yet this bipartisan effort will be vetoed in the next few days by the President and Vice President team.

A lot of us hoped, however, that they would just leave it alone. When we started this year, we were surprised when we got the President and Vice President's budget, which not only of course does not call for elimination of the death tax, it increases the death tax, and increases it by $9.5 billion. Today we are sending them a bill that will finally allow equity in regards to this, to eliminate it; but the President and the Vice President see fit to veto it.

Now, some of my colleagues or their constituents out there may say, well, that does not impact me, the death tax is only for the wealthy. Interesting statistic I saw the other day. The American Association of General Contractors pointed out that a contractor, somebody who wants to go out and dig some dirt, who purchases the three basic tools necessary to move dirt, a bulldozer, a dump truck and a front-end loader, that contractor in America that buys a front-end loader, a bulldozer and a dump truck, their estate is now in the status that it will be faced with the death tax upon their death.

Look, colleagues, this does not just apply to the wealthiest of Americans, this applies to a lot of Americans; and it applies to Americans who do not necessarily have high cash flow. This contractor who has a bulldozer, a dump truck, and a backhoe may have no cash flow, or their business is just breaking even, and upon the death of this contractor, the Federal Government comes in and they will crush that business because the only way that estate can pay that estate tax is to sell the bulldozer or sell the dump truck or sell the front-end loader. Now, how, as a contractor, when the business needs those three basic pieces of equipment, how can the business be operated with just two of the three? It cannot.

The same thing applies to ranchers and farmers, in particular, in rural

America. My State, for example: Colorado, the district I represent, the Third Congressional District of Colorado, geographically larger than the State of Florida, essentially all the mountains of Colorado. Do my colleagues understand what is happening to our ranching community out there because of this death tax?

I wish the President's policy wonks and the Vice President's policy wonks would come out to Colorado and see what they are doing to open space. They are forcing it to go into 35-acre ranchettes because the family, who is part of a ranching operation, does not have heavy cash flow. In some cases, not even positive cash flow. When the head of the family passes away and the estate is activated for the death tax, what choice do they have? It is like the contractor who has to sell one of the three or maybe two of the three pieces of equipment.

□ 2030

It demolishes it. The contractor's business is gone. And that is what is happening to ranches in Colorado. Yet our President and Vice President decided that it was appropriate not only to have a death tax imposed upon all of us but to increase the death tax this year in their budget by $9.5 billion.

Let us go on with this article. I think it is very interesting. "Then there are casualties," speaking about the death tax, again from the Wall Street Journal, July 29, 1999, "then there are casualties in small business, particularly family businesses. Hardest hit are owners of asset-rich enterprises and areas like farming or timber that, while growing, may not throw off much cash. In theory, again, the law provides a break for these families. However, the reality is that prohibitive estate taxes force the heirs to dismantle their legacy to pay the taxes on it."

That is what is happening to Colorado ranches. That is what is happening to ranches all around this country. Let me tell you, the very wealthiest people in this country are the ones that can afford the legions of attorneys and accountants to figure out how to preserve that, but the middle class in America who does not have the money to acquire the attorneys and the CPAs for the protection of that estate are suffering.

Why should they suffer? It is one thing, we all have a tax burden. The citizens of this country acknowledge and know that we have to pay our fair share in taxes and the people who acquire these estates under the umbrella of the American dream they know they have to pay taxes and they pay them as they acquire their property. But then at the end, for the United States Government to step in through the door of death and say now that you have died it has become a taxable event, we all know what are taxable events. If you buy something at the store, you pay, it is a taxable event. If you buy a car, it is taxed, it is a taxable event. You get a license plate, it is a taxable event.

But the U.S. Government and the President and Vice President think that the policy should be that when you die, it is an event so remarkable that it should be taxed, so remarkable that it should be taxed, regardless of the impacts of what that tax does.

I have heard and I have read some editorials lately, not many, most of the editorials I read support doing away with the death tax, but I read a couple that say, hey, what are you talking about? All you are doing is hitting the rich people. How wrong those people are.

Interestingly, one of those articles I saw in the Wall Street Journal, and it was not an editorial but it was a guest comment; and I thought to myself, I wonder if the author of that article had ever been outside of the boundaries of the Potomac River to the farmlands and to the ranchlands and to the small businesses in America and asked those people what is it going to be like when mom or dad dies and you have got to pay estate taxes? What kind of impact does it have on your community?

Let us talk about that for a minute. What happens to the community? Some people as they write in these editorials think that the only impact is upon the family with whom the death occurred. My gosh, they need to open their eyes, my colleagues, because it goes much further than just the family that has the death.

I will give my colleagues an example. In my district, I had a friend of mine who lived the American dream, who went out with soil in his hand and worked it and worked hard; and he was rewarded through life. He figured out a better mousetrap. He figured out how to build a better road. He knew how to work harder. He knew how to count his pennies. And, as a result, he got the fruits of his labor.

Do you know what he did with the fruits of his labor, the money that he made? He made some money. Do you know what he did with it? He invested it in the community. He underwrote 75 percent of the local Episcopal church budget, 75 percent of it, every year. You could go to my buddy Joe and he would write the check. The United Way, the Cancer Society, the Lung Society, M.S., high school yearbook, you name it, Joe helped provide in that community. And it was money that Joe made but he kept in the community and it circulated.

Joe also gave people jobs. He hired people to work in his construction company. He hired people to help him on his land. And those people then took their money home to their families in that community. That money was important to that community.

And what happened when Joe died? Guess who comes in from Washington, D.C., as if they reserved a private jet just to fly into this small community in Colorado to go and smile over the deceased because it is a taxable event. They came into that community and they hit his estate, when you combine it with capital gains at a rate in excess of 80 percent, 80 cents on every dollar, and by the way, every dollar that had already been taxed at the time it was accumulated, any interest or investment or return since then was taxed, 80 percent on every dollar.

Do you know what happened to the 57 percent of the local Episcopal church budget that was underwritten? Gone overnight. Do you know what happened to your major contributions, to your charities and the community, the United Way, the Cancer Society, Lung Society? Gone overnight. Do you know what happened to jobs in that community that were there as a result of the investments that he made in that community? Gone overnight.

And yet our President and our Vice President are willing to stand down there and veto the elimination of this unjustified death tax. It is not fair.

I have a wonderful little niece. She is 2 years old. She has a way of crossing her arms and looking you in the eye and she says, "it's not fair." That is exactly what is happening here.

How can you justify in any regard other than the fact that you want to be vindictive against people who have been successful in our society, how can you justify a taxable event upon their death? How can you look at the surviving members of their family or how can we look at the young people, look at the 20-some-year-olds in this country who are out there working 60 and 70 hours a week, who have the energy that we all my age remember well, the opportunity to be something, the opportunity to make it your own way, you want it your way, make it your way, the American free enterprise system, only to know that your goal, and it was a goal I have had ever since my wife and I had our first child, it was a mutual goal, and that is we dedicated ourselves a certain portion of the hard-earned money that we made, and we are not wealthy, but the hard-earned money we made we dedicated a portion of that because we wanted the next generation to maybe have a home or maybe our son and daughter who wants to be a contractor and go out and buy those three basic pieces of equipment, a backhoe, a dump truck and a bulldozer.

Whoever dreamed when we were young and those were the days, whoever dreamed when those were the days that it would be the United States Government that, upon your death, would call it a taxable event and come in and take away the dreams that you and your spouse have had for a long time, take away the prosperity that a community enjoys?

Where does that money go? It spends right out of your community, right out of your family, right out of your estate. It spends East where and it comes to Washington, D.C., to be redistributed by the Government.

Is it fair? Of course it is not fair.

Let me go on. I am particularly addressing right now ethnic minority groups. It is worth noting that a good share of those people who are vulnerable are owned by two groups whom high tax leftists claim to protect, women and minorities.

A survey of black-owned businesses by Kenneshaw State College in Georgia found six in ten firms by women and minorities, six in ten firms reported that the estate tax makes the survival of their business after the current generation significantly more difficult or impossible. Close to a third of those people said their heirs would have to sell their businesses just to pay the taxes.

Let me read a few letters that I have gotten in my office that are right on point when we talk about the impact that happens by this Government upon its own people. Colleagues, it is happening to our constituents simply because they die and simply because they have lived the American dream and they have had success.

Now, look, if you want to be vindictive, if you are against people being successful, then I guess you are satisfied with this death tax. And apparently that is perhaps the policy of the White House, because they are going to veto a bipartisan bill, Democrat and Republican. Although it is a Republican bill, the Democrats voted for it, some of them; and in the Senate Republican bill, some Democrats voted for it. The President still chooses to veto it.

This gentleman is named Mr. Roberts. "My family has ranched in northern Colorado for 125 years. My sons are the sixth generation to work this land. We want to continue, but the Internal Revenue Service is forcing almost all ranchers and many farmers out of business. The problem is the death tax. The demand for our land is very high, and 35-acre ranchettes are selling in this area for as high as $4,500 per acre. We have many thousands of acres. We want to keep it as open space, but the United States Government is making it impossible because we will have to pay 55 percent of the valuation of that acreage upon my parents' death.

"Ranchers are barrel scrapping by these days, anyway. But since we want to save the ranch, we are in trouble. The family has been able to scrape up the death taxes as each generation dies up to now. This time I think we're done for. Our only other option is to give the ranch to a nonprofit organization. And they all want it.

"My dad is 90. We don't have much time left. We are one of only two or three ranchers left around this area. Most ranches have been subdivided. One of the last to go was a family that had been there as long as ours. When the old folks died, the kids borrowed money to pay the taxes. Soon they had to start selling cattle to pay the interest. When they ran out of cattle, their ranch was foreclosed on and is now being developed. The family now lives in a trailer near town, and the father works as a highway flagman.

"If you want to stop sprawl, you better ask the U.S. Government to get off the backs of family farms and ranches."

The next letter, Ron Edwards:

"Dear Representative McInnis,

I'm writing to bring to your attention an issue of utmost importance to me and my family, employees, and the businesses: elimination of the death tax. I urge you to support and pass the death tax repeal legislation this year. Family-owned businesses need relief from those death taxes now. We are celebrating 66 years in business."

Now, that is the American dream. That is the American dream, Mr. Speaker, 66 years in business. Six generations in this letter, six generations on the same ranch. Do my colleagues want to be a part of the team that ruins those six generations? Do they want to be a part of the team that comes in here after 66 years of business? Let me continue.

"My grandfather, Vic Edwards, started with a fruit and vegetable farm in 1933 at our location in Colorado. The business grew into a grocery store and then a lawn and garden center. My father, Vic Edwards, is 80 years old, and he is in poor health. No business can remain competitive in a tax regime that imposes rates as high as 55 percent upon the death of the owner. Our tax law should encourage rather than discourage the perpetuation of these businesses."

Let me repeat that. Our tax laws, Mr. Speaker, should encourage the continuity of these businesses, not discourage the continuity. This guy works in his family grocery store and that is what he is telling us, Mr. Speaker. He is saying we should encourage the continuity of these businesses, encourage them to go on, not destroy it.

□ 2045

If you support that death tax, you are going to destroy a lot of these family businesses. Leonard Harris, first-generation owner of a food center in Chicago, Illinois. His store is one of less than 20 African-American-owned supermarket companies in the United States. Mr. Harris has said, my focus has been putting my earnings back into grow the business. For this reason, cash resources to pay the Federal death taxes based on the valuation, the way valuation is made, would force my family to sell the store in order to pay the IRS within 9 months of my death. Our yearly earnings would not cover the payment of this tax. I should know. I started my career as a certified public accountant. So here is an African American, first generation in business, taking the cash flow, the profits out of that business, putting it back into the business to create more business, to create capital, to create jobs, to create an economic solid block in a community. Now he is saying, "Look, it isn't going to go beyond one generation if this government continues to put the death tax on us."

Rich Newman, Sr. Our company was founded in 1917 by Rich Newman's father and uncle and currently operates 33 grocery stores in Illinois, Missouri, Kansas and Iowa and provides jobs for 3,000 people. 3,000 people. When Rich's father passed away suddenly in 1969, the family was faced with a death tax of several hundred thousand dollars which by law was due within several months. The Newman family had to use all of the resources from the sale of the company's wholesale operations to pay the death tax bill. These proceeds could have been put to a better use by being reinvested in retail stores and new jobs. The sale of the wholesale side of the business provided the funds to pay the estate taxes. Now Mr. Newman, to preserve what is left of the business, has estimated over the years he has spent in excess of $600,000 just on accountants and CPAs to help him figure out how to pass that business on to the next generation without the death tax.

Brookhart Building Centers in Grand Junction and Montrose, Colorado. Those are two thriving communities in my district out in Colorado. Last September the Brookhart Building Centers had to be sold in order to avoid paying the death tax. The owner said that it was the hardest decision the family had made in 52 years of business. And it was a decision that was not brought on by their failure because maybe they did not work hard enough. The decision to sell was not brought on because they did not have a good product to sell. It was not brought on because they could not service the community. It was not brought on by dissatisfaction of consumers. It was brought on by the Federal bureaucracy in Washington, D.C. which decided that they are going to tax this family upon the death and they are going to break that business apart. Watt said the current death taxes forced his father to make the sale prior to his father's death in order to protect our family. Can you believe that? We have a constituent, colleagues, talking about in order to protect our family from the government, in order to protect our family from a death tax, from a taxable event which was put in in the early 1900s just as a vindictive tool to get at the Rockefellers and the Carnegies, in order to protect our family and our employees.

Remember what I said about the community impact? To protect our employees, too, and our community from a forced liquidation upon the death of the father and the wife, Betty, the best thing now would be to sell the company. And it was sold.

Let me conclude with one other article and then we will move on to some other taxes. But listen to this. I do not like reading from scripts. But this is an important one. I hope you have the patience to listen to this. I think it is very moving. I think it shows you exactly how punishing, how punitive the death tax is and how unfair and how unjustified they are and how the President and the Vice President of this country with their policy can not only veto the bill, bipartisan bill to get rid of it, the President and the Vice President have actually proposed raising the death tax by 9.5 billion in their budget they proposed. This came out of the Aspen Times.

There are lots of tales to be told about the conversion of former ranches into luxury homes or golf courses throughout the valley. Sometimes it was a simple financial decision, a choice to take advantage of soaring development values in the face of plummeting cattle prices, but for other families the passing of a parent meant the passing of a way of life. Listen to that sentence, colleagues. But for other families, the simple death of a parent meant the death of a way of life. The death of a parent meant the death of a way of life for the whole family. We have been around a long time, said Dwight. The family roots are dug deep along Capital Creek Road in Old Snow Mass and for nearly a century, heritage and hard work were enough to sustain those who lived on our 13-acre stretch of land. But it all changed. Until Dwight's father's death, each generation, each generation in that 100 years, presided over a working cattle ranch which was both the lifeblood and the livelihood of the clan, the Monron clan. His later years were lean times for Dwight's father but the fate of this ranch was not at risk until the government came around to collect its due on the death of Dwight. The tax bill came to $750,000. And what it took to pay the bill was this. We had to sell half the ranch, the ability of the Monron cattle to migrate in the winter months in 10 years, until we were able to pay our final last installment. What those taxes took was also something very vital, the ability of the next generation to support their family by working the land that had been theirs for such a long, long time.

So the government came in and not only took the money but they took away the future ability of this family to continue ranching operations. It is just like the contractor. If you come in and you have the three pieces of equipment, the bulldozer, the dump truck and the backhoe and you take one of those pieces of equipment away, you can no longer function as a construction operation. What those taxes have done to our family is exactly that. Now one of our heirs works full time as a mechanic, the son, works full time as a mechanic for the school district and then works on the ranch when he gets home at night. He doesn't mind the long hours he has to put in. What does get under his skin is the memory of how IRS agents overseeing his father's taxes either didn't recognize the devastation that was about to occur or didn't care. It was just pay us or we'll seize everything. If anything's left over, you can keep it, or if you can't make ends meet on what's left, you can hit the streets. He has no intention of selling the remaining 640 acres but he wonders if his daughters will be willing to go through what he has gone through just to keep the ranch intact. With only half of the land to graze and falling beef prices, the ranch itself is only making enough to cover its operating costs and annual property taxes. It is the day job at the school district that pays the doctor bills, the car insurance, the grocery bills and everything else. There has always been hope that things will change before his daughters have to make decisions. But he wonders if people really think about the permanent changes that take place when the ranch is sold. It's not just a loss to the family, it is a loss to the community. It is a loss to the people who work on that ranch. There are some movements in the right direction but are they moving quickly enough? Because once our land is sold to developers, it is gone forever. It will never again have the integrity of a ranch.

That is what your estate, those death taxes are doing. Some of you out there, colleagues, who are supporters of the death tax and claim to be guardians of the environment, well, you are not doing it in rural America because in rural America you are costing us, you are forcing us to develop those communities. By now you should have drawn the conclusion, I hope, that the death tax is fundamentally flawed. There is no basis for it. There is no justification for it. The only reason really it came about were two reasons: One, vindictively to settle a score with the wealthy people. It was jealousy in my opinion that drove it. And, two, the government as usual looks for an easy way to take money without earning it and transfer it to somebody else who did not work for it. Remember that every time you give a dollar to somebody that is not working, you are taking it from somebody who is. Every debit has a credit, every credit has a debit. That is exactly what we are doing with this death tax. We ought to, every one of us to the person in these chambers, ought to stand up to the President and the Vice President of this country and say, sign the bill to eliminate the death tax, Mr. President and Mr. Vice President. Quit standing by and letting our small businesses, our family ranches and our family farms be destroyed. Quit standing by, Mr. President and Mr. Vice President, with this policy and letting our communities, our minority communities who are now finally getting the opportunity, the fair opportunities that should have been given to them a long time ago only to find out now that the very government which espouses its push for affirmative action and equality and so on and on forth is the very one who steps in on the day of death and says, come here, we want the money, we want the money to transfer.

Let us move on to another tax I want to visit with you about. This one you will feel good about. It is a big break if you own a home. There are a lot of young people out here today. Our country now has homeowners that I think probably are the youngest age in the history of our country, or certainly in recent years. I mean people in their 20's, early 20's are able to buy a home, and economically it is probably the largest investment most of those families will make during their lifetime. Let me show you what happened in the past if you sold that home for a profit. We will just take a couple of examples here. Let us say as an individual you have bought a home for $100,000 and over time you sold the home, let us say 10 years later you sold the home for $350,000. So your profit, and this applies to every homeowner in the country, your profit if you own a home was $250,000 and you were taxed on $250,000, although you could defer the tax by rolling it over into a home of greater or higher value or if you were over, I think, 62, you got a once-in-a-lifetime exemption I think of $125,000. We felt that this was punitive. Let me say to you, I am not up here to get in a partisan battle. But the Democrats, frankly, you could have gotten rid of that death tax a long time ago, and you could have done something when you held control for 40 something years on these home taxes. But I am proud to say you joined us, you joined the Republicans in doing away with this tax. In my opinion, this tax break on the profit of your home when you sold it is probably the biggest tax break that you have seen in our tax structure, I would guess in the last 15 years.

How so? We changed the law completely. It is the Republicans' position that, sure we need to have taxes, we do not disagree with taxes. But we believe we are under a fiduciary duty to take the taxes that are necessary to give you the functions that you demand. But beyond that, we think you should have the tax back. The money in your pocket works a lot more effectively than the money back here. Take, for example, if you won the lottery and you won $2 million, do you think for one minute, any one of my colleagues out here, that you would take that $2 million and send it to the government in Washington, D.C. to invest? Of course you would not. Or even to distribute. Of course you would not. If you wanted to give it to the poor people, would you send your money to Washington to be distributed to the poor people? Of course not. Because of the inefficiencies. This is one of the inefficiencies we saw in the government. So what we did is we put in a tax bill. Let us take the same example. The individual, again, buys the house for $100,000, again sells the home for $350,000, realizing a profit of $250,000. Under our bill, which became law, it is the law today, this is not a hope, it is not a dream we are hoping for, it is here. The Republican tax break passed. Your taxes today, zero. The amount you were taxed on before, $250,000. What we have said today, and everyone out there who owns a home, listen up, colleagues. Any of you that own a home now under our tax law as a result of that Republican bill, and I am proud of it, I am proud as a Republican to say we did this, now as a result of that, you get to take the first $250,000 of net profit, not gross profit, of net profit from the sale of your home per person. So, remember, most homes are owned by individuals.

□ 2100

In those cases, it is $500,000, the $250,000 per person doubled, $500,000, we get to take the first $500,000 of our net profit. I said net income, I meant net profit, I stand corrected, of your net profit; and we get to put it into your pocket taxfree. That is great.

Mr. Speaker, that is a tremendous tax benefit that many, many people in this country do not realize; but, colleagues, every time we go back to our districts, we should tell homeowners, which are most of the people that we represent, we should tell them what an opportunity now exists out there for them. They are not going to be penalized when they sell their home at a profit up to $500,000.

The benefit of what we did in this bill is it is renewable every 2 years. If we have a colleague outside of maybe Vail or Aspen, Colorado, where we have really escalating profits, or the Hamptons, most people are not going to make that kind of money every 2 years, there is maybe an exception here and there; but the reality of it is, this is a blue collar working family, middle income, lower income tax break of significant portions. I am very proud of that.

Mr. Speaker, keep that in mind, any of my colleagues, any of our constituents that we hear, they are saying we are selling our home or we are getting ready to move or we may have some constituents that say to us, we are getting ready to buy a new house; and in a lot of those cases, they are also selling their old house.

We ought to take just a moment and explain to our constituents what a great tax benefit they have ahead of them. In fact, they do not have to roll it over. It goes straight to their pocket. By the way, unless our constituent takes that money and digs a hole and puts it in the ground, that is the only exception, unless that happens, the money then will regurgitate in the community; they will take their money; they will put it in the bank. The bank will loan it out or they will take their money and build a bigger and better house, so we will have contractors and workers going. That money circulates.

The beauty of this tax break, the big beauty of this tax break is it keeps the money in your community; that is one of my issues with the death taxes. The death tax, taxing death as an event takes the money from your local community and moves it east to Washington, D.C. This took money from your local community and moved it from your community east to Washington, D.C.

This law that we have passed and if the President and Vice President will sign the repeal of the death tax, it will keep money in your community. It will be money that will be used for our local charities, not for the national ones. It will be money that will keep local people employed. It is money in your community. It spends in your community. It is worth it.

### MARRIAGE PENALTY

Let me talk for a moment about something else, the marriage penalty. Can we believe it? I mean, can we really believe it that in the United States a country that prides itself upon encouragement of family, that talks about the great foundation, accurately talks about the great foundation of our country is family, and yet this government always is looking for a taxable event, always trying to figure out how to put another tax on us. They figured out well, we take them on death. Guess what else, there is another ceremony.

Mr. Speaker, I think they look at ceremonies. There is a ceremony called a wedding. Let us go ahead and put a tax on a marriage. That certainly is a good way to espouse family relations; that certainly is a good way to encourage people to be married and living as a family unit. Our government actually penalizes people for being married. They tax them for being married.

We have had a long time to change that. It has not changed. Again, I stand proud as a Republican. One of our priorities was to eliminate not just the death tax, not just give a break on the sale of your home, which is now a law, but also to go out to those people that are being taxed as a result of being married and say this is a mistake in policy.

We are not above ourselves to admit that Washington sometime back made a mistake. Washington should have never taxed the marriages. Washington should not have a death tax. The House tax was excessive. Let us get rid of the marriage tax. I was surprised that we would have opposition to that.

I was also surprised that we had no votes on the repeal for the death tax. Frankly, I was shocked that the President not only did not oppose eliminating the death tax, but also proposed a $9 billion increase. We actually had people on this floor back to the marriage tax who opposed it who said we ought to be penalized.

Mr. Speaker, remember, here we are, we are penalized at death, and now when we get married on that great day. We have a bill working its way through. We have a bill which will take the eraser to the death tax, that will be in front of the President in the next 3 or 4 days. He has promised to veto it, unfortunately. I hope we all remember the President's and the Vice President's policy is to support the death tax.

We also have another bill making its way down to the White House, and that is to eliminate the marriage penalty. We want to get rid of the marriage penalty. Now, the President also has promised to veto on that; although, in the last few weeks the President and Vice President said let us make a deal, kind of like the movie show, "Let Us Make a Deal," we go ahead and support a brand new massive spending program for prescription care in this country. It is a massive obligation of taxpayer dollars, billions and billions and billions of dollars, and we will be fair and eliminate the marriage tax penalty. No deal; no bargain.

The marriage penalty is a tax that is not justified. It should not be there. The same way with the death tax; no deal. It is not right. It is not fair. It is not justified. Stand up, Washington, D.C., and have enough gumption to say these things are not good tax policy. It does not work out in theory, and it does not work out in reality.

I would urge the President and the Vice President to change their policy. I would urge the Vice President and the President to repeal, to get rid of the death tax, join Republicans, by the way, Democrats, join Republicans and Democrats in the House of Representatives and then in the United States Senate to get rid of the death tax. Join Republicans on the Republican bill, Democrats in both the House and Senate to get rid of the marriage penalty.

I say to the President and the Vice President that the President down there has an opportunity to change it; do not play let us make a deal. On its face, standing alone the marriage penalty is fundamentally flawed, and obviously the death tax is unfair.

### CAPITAL GAINS TAXATION

Let me, with my remaining time, speak about another issue, and that is called capital gains taxation. Now, capital gains taxation really used to be a description that we applied to the wealthy people who had lots of investments. Those were the ones that made the so-called capital gains.

Guess what has happened? The small, little things happened in the last few years with the economic boom; a lot of people in America are now facing capital gains. There are mutual funds. There are retirement funds, the sale of their land or the sale of investments. Investments in this country are not restricted to the upper class or to the wealthy. And more than ever in the history of our country, the middle class and even the lower-income class are now making investments, monetary investments.

Mr. Speaker, we felt that in order to encourage this, that is what creates capital, not taxation, taxation does not create capital. Taxation is simply a transfer from your pocket to the Government's pocket. What creates capital is us out there plowing a field or making a product or delivering a service, but we felt the encouragement out there was being disassembled by a punitive tax called the capital gains tax. That tax was at 28 percent.

Mr. Speaker, 28 cents on every dollar, 28 cents out of every dollar that we made on the sale of an investment went east to Washington, D.C.; that is right where it went. We felt that tax was too punitive. We felt the tax should be eliminated.

If we eliminate the tax, what happens to the 28 cents? The 28 cents, it does not go to Washington, D.C. No, it stays in your community. It stays at home where it is going to be invested, where it is going to create jobs.

We had to have negotiations on this. The President would not agree with us, the President and the Vice President. They would not go with our bill of no capital gains, and we had to have their signature or enough votes to override the veto which we did not have. So we made a compromise. We at least have gotten this far. We dropped the 28 cents to 20 cents.

Mr. Speaker, that does not sound like a lot, but wait until we sell our investment and the tax, the IRS comes knocking on your door, all of a sudden 8 cents on the dollar savings, it adds up. It makes a difference.

Now, our goal is not to be satisfied with the 20-cent capital gains, because capital gains, the taxation itself simply is not a creation of wealth, it is a transfer of wealth. Again, it moves the money from our community to Washington, D.C.

Our idea, and we will not stop until we get to this point, our idea is eliminate the capital gains taxation, so when we make money on our investment we send zero dollars to D.C.; we keep all of the money, all of it, 100 percent of it in our community to invest in new projects.

I will give my colleagues an idea. There is a farming family in New Castle, Colorado, a good, good, family. I was out visiting them not long ago, actually, about 3 or 4 years ago. I remember to this day what the father said. He said, You see those fields, Scott. He said they are not being worked, they are being wasted. He said, by all rights, there should be a young couple, a couple that has just gotten married, 23, 24 years old, a kid or two, and they want to work the land. There should be a young couple working on that land up there.

He said, But because of the capital gains taxation and the government, because of the taxing policy of the government, I cannot afford to sell it. So as a result, that land sits empty, and that young couple will never have the opportunity that my wife and I had many years ago when the ranching generation or farming generation ahead of us allowed us to go up and work the field, allowed us to have our turn with our hand in the soil. It makes a difference.

Let me wrap up this evening with the time that I have remaining telling my colleagues why I talked about taxes. I am so focused on what is good at the local level, at the community level. Our Federal Government is important, and we have to finance the Federal Government to operate. But we have seen over the years a vast expansion of what the Federal Government is expected to do in our lives.

We have seen a dramatic dilution of individual responsibility; and more than that, we have seen a focus shifting government from the local level to the Federal level and a lot of that follows tax dollars. I think that the best government is the government at the communitywide level, at the State level.

Obviously, we need to have that Federal Government; but our real focus of power in this country should be at the local level, not the Federal level. In order to do that, we need to come up with policy that encourages money to stay in the community, that encourages money that stays in the community to create capital, not take the capital from the community in a transfer transaction and send it to Washington, D.C. for redistribution, because the dollar that goes out of our community, one, is a transfer, it is not a creation. The dollar that goes out of our community will never come back to our community as a dollar; some of it is necessary.

We need a national defense. We need a national commerce system. We need a national highway system. We need a commitment to education. We need a commitment to certain health care with closely defined parameters; but we also need to recognize that taxes, if they are unfair, are punitive or if they are in the excess, then we ought to have enough courage to stand up to the American people.

By the way, it is not an act of courage. It is a fiduciary responsibility of all of us in these Chambers to stand up and say, hey, we collected too many tax dollars. We are overcharging our constituents.

□ 2115

It is a fiduciary duty of us to stand up and say, is it right, colleagues, for us to tax people because they are married? It is a fiduciary responsibility on our part to stand up and say, is it really a taxable event because somebody dies and they leave property that has been taxed and taxed already? Is that a taxable event?

It is a fiduciary responsibility of ours to stand up and say, gosh, does the 28 percent capital gains rate really make sense? Does it really encourage American free enterprise? Does it encourage those young people, those couples just starting out, individuals starting out in their early twenties, does it really encourage them to be prosperous?

Remember, when our people in this country are prosperous, our country as a whole is prosperous. If our local communities are prosperous, then our States are prosperous. When our States are prosperous, the Federal government is. It makes sense to keep those dollars in the community.

In conclusion, Mr. Speaker, I urge all Members tomorrow to pick up a phone and call the President and the Vice President and say to them, Mr. President and Mr. Vice President, they need to listen to the American people. Let us get rid of this death tax. Death should not be a taxable event. Hang up the phone, pick it back up and call them back, Mr. President and Mr. Vice President, it is not fair to tax people in this country for being married. Regardless of the ramifications to the dollars coming in, it is fundamentally not fair to tax on death and it is fundamentally not fair to tax on marriage. It is a big difference. We have an obligation to be fair to the people we represent.

I hope all Members take me up on that challenge and make every attempt they can to persuade the President and the Vice President to change their policies and not veto our bipartisan effort to eliminate the marriage penalty, and to not veto our bipartisan effort to get rid of the death tax.

## THE NEED OF SENIOR CITIZENS TO HAVE A MEDICARE PRESCRIPTION DRUG BENEFIT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from New Jersey (Mr. PALLONE) is recognized for

60 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, I would like to call the attention of the House this evening, as I have many times, to the need for senior citizens to have a Medicare prescription drug benefit.

I do not really think it is necessary tonight to go into the reasons why this is necessary. We all know that the price of prescription drugs continues to rise, that seniors as a particular group have tremendous out-of-pocket expenses, and that many of them do not have access not only not under Medicare but in general to any kind of prescription drug insurance.

Many times seniors have to make choices between whether they are going to pay their bills, the rent, buy food, as opposed to having access and being able to buy prescription drugs that are really important for them to survive, for them to be able to live a decent life and to not have to worry about whether they are going to be here the next day. The President, President Clinton, has made it quite clear that this is a major priority if not the number one priority for him.

I listened to the previous speaker, the gentleman from Colorado, talk about the marriage penalty, the estate tax repeal. I would remind my colleagues and the American people that the Republicans are in the majority. It is very difficult for us as Democrats to get a proposal up and considered unless the Republicans who are in the majority allow that, allow us to bring it to the floor.

The President and myself and most of the Democrats have not been happy with the marriage penalty repeal and the estate tax repeal that the Republican leadership has proposed, not because we do not want to see changes with regard to tax on married couples, not because we do not want to see changes in the estate tax, because we have proposed changes, but the President has said and the Democratic leadership has said that the bills that the Republicans have proposed essentially spend too much and spend too much on a small percentage of the people impacted by the estate tax who are very wealthy, whereas the Democratic proposal protects the small business owner, the ranchers, the people, the overwhelming majority that are paying the estate tax. The same is true for the marriage penalty.

But the President is making an effort to try to get something accomplished around here, because I think most people know that not a great deal is being accomplished in this Congress. The Republicans, my colleague, the gentleman from Colorado (Mr. McINNIS) brings up his proposal for the marriage penalty, his proposal for the estate tax. It differs from the Democratic proposal, so we do not come to agreement. Nothing gets accomplished.

What the President has said is, Look, I will take some form of estate tax repeal, I will take some sort of adjustment in the marriage penalty that benefits the average person, but along with that we want the Republican leadership to agree to provide a Medicare prescription drug plan, the one that the President and the one that the Democrats have proposed.

I ask my colleagues, not only my friend, the gentleman from Colorado (Mr. McINNIS), but my colleagues in general, what better way to try to accomplish something, what better way than to take some of the Republican proposals and take some of the Democratic proposals, particularly this one on prescription drugs, and try to accomplish that goal?

In fact, last week when we voted on the Republican marriage penalty legislation the Democrats proposed a motion to recommit that would do just that, that would even take the Republican plan, as long as the Medicare prescription drug proposal was added to it. And, of course, the Republicans rejected that and nothing was accomplished.

If we are going to accomplish anything, we have to work out things together. The most important thing for the Democrats, certainly one of the most important things for the Democrats, is that we get a Medicare prescription drug plan passed so our seniors have access and everyone is covered; just like they are covered now by Medicare for hospitalization, for their doctors' bills, that they get a prescription drug benefit. It is absolutely crucial that that happen, and certainly we can afford it if we all get together and figure out how to deal with this budget.

I wanted to point out that, unfortunately, when the Republicans a few weeks ago proposed a prescription drug program and had a vote on the House floor with regard to their prescription drug program, which is not part of Medicare, that they would not allow the Democratic proposal to be considered. Once again, we were shut out. Once again, the Democrats were told no, they do not even want to consider our proposal on the House floor.

What are they afraid of? I think their problem is that they are afraid that if we look at the Democratic plan, which seeks to include prescription drugs within Medicare, that ultimately there would be overwhelming support for it with the American people and probably even within the Republican caucus among the Republicans here as well, if they only had a chance to vote on it; to have the opportunity for us to be heard and to explain it and to finally have a vote.

What the Republicans have done instead is they decided maybe a month ago, I actually have an article that was in the June 15 New York Times, about 2 weeks ago or maybe 3 weeks ago they asked a pollster to do a poll. Basically the pollster came back, this was Glenn Bolger, a pollster with Public Opinion Strategies, a Virginia firm, and warned the House Republicans that the prescription drug issue was a political problem for them.

In other words, they realized that politically if they ran for reelection in November and they did not have a prescription drug plan of some sort, that they would probably be defeated and would no longer be the majority here in the House of Representatives.

So Mr. Bolger basically told them that the best thing to do is to at least start talking about the prescription drug issue, talk about how seniors are negative impacted, seniors suffer, and we have to do something about the problem.

In fact, Mr. Bolger went so far as to advise, and I quote from this New York Times article on June 15, "It is more important to communicate that you have a plan than it is to communicate what is in the plan." Basically what Mr. Bolger said is, "Look, come up with some rhetoric, if you will, about prescription drugs, suggest some sort of program, but do not worry too much about what is in it, or certainly do not worry about whether it will ever pass or be signed by the President. Just bring something up on the floor of the House and vote on it, talk about it, and nothing will ever happen, but at least you will have something. You can say you approved something, so when you go to the voters in November you will have something to say."

This is the impetus, if you will, for the House Republican prescription drug plan called the Medicare RX 2000 Act. It is an illusory plan. It provides no real prescription drug coverage to anyone, to seniors or anyone. Instead, what it does is it says, "We will give you some money, depending on your income, and you can go out and see if you can get, with your own money and the little bit that we subsidize, see if you can get a drug company to sell you a prescription drug-only policy."

Think about that a minute. We have this great program called Medicare that was started in the sixties and that almost all seniors take advantage of which provides for their hospitalization, which provides for their doctor bills, most of their doctor bills to be cared for.

Instead of doing what the Democrats say, which is just bring prescription drugs under the rubric of Medicare and administer it essentially under Medicare, which is a proven program, instead, the Republicans say, no, go out and see if you can get a private insurance company to sell you a drugs-only policy.

Now, what the Republican leadership forgot to tell anyone is that the insurance industry itself does not want to sell those policies. We had representatives from the insurance lobby that came to the Committee on Commerce, that has jurisdiction over Medicare prescription drugs, and they basically told the committee, we do not want to sell these drug prescription policies. We will not sell them.

There is a good reason why they will not sell them: They cannot make any money. It is like some of my colleagues use the analogy of a haircut. Everybody gets a haircut. Everybody who is a senior, or at least 99, 95 percent, needs some kind of prescription drugs. So insurance companies do not want to underwrite something that is essentially a benefit that everybody is getting because they cannot make any money. They operate on risk. They assume some people will get coverage and others will not, and they pool their resources, and they make money because some people do not take advantage of the benefit.

We cannot do that with prescription drugs with seniors. Almost everybody is going to have the benefit and need the benefit. That is certainly why it makes sense to include it as a benefit under Medicare. Just like we include hospitalization and we include doctor bills, we include prescription drugs as a benefit.

Let me just talk a little bit about the Democratic proposal and explain really how very simple it is and why it makes sense.

Right now if one is over 65 and signs up for Medicare, which almost everyone does, they get their hospitalization through Part A, and if they pay a monthly premium of about $45 or so, they get their doctor bills paid for mostly under Part B.

What Democrats are saying, "We will do the same thing. You pay a certain amount per month and we will set up a program called Part C or Part D of Medicare whereby we will pay a certain percentage of the prescription drugs," just like they get their doctor bills paid for.

What the Democrats say is that we will guarantee the benefit. Not only will we guarantee the benefit through Medicare if they want it, if they voluntarily sign up for it like they do for Part B, but it covers all the medicines that are medically necessary as determined by their doctor, not the insurance company. So they sign up, they are guaranteed the prescription drug benefit, and the nature of what kind of drugs they get, what kind of medicine they get, is determined by their physician in consultation with them, not by the insurance company.

Now, the Republican bill not only is not under Medicare, not only will not work because what insurance company is going to sell it, but beyond that, they do not even say to the insurance company what they have to cover. The insurance company, if they decide to sell a policy, they may decide, well, we will give certain drugs and we will determine what prescription drugs they need. They do not define what the benefit is, is essentially what I am trying to get across.

But most important, the Republican proposal, which just says, go out and shop around and see if you can find an insurance company that will sell you a policy, does not address the issue of price. We know that one of the major problems right now with prescription drugs is that seniors who do not get prescription drug coverage through their pension or their employer after they retire, or because they may sign up with an HMO, if they have prescription drug coverage, that is the way they usually get it. But if one has to go out and buy prescription drugs themselves because one does not have an HMO or coverage through their employer where they have worked over the years, they pay a much higher price for the drugs than the HMO or those employer pension benefit plans because they do not have the ability basically to negotiate a price.

□ 2130

Well, what the Democrats are saying is we are going to address that price issue, too, because we are going to say that the agency that is in charge of the Medicare program can negotiate a price or at least can set up in different regions of the country someone who will negotiate a better price for you because now there are so many people in the Medicare program, 30 million, 40 million seniors who these drug companies essentially we are at the mercy of, because if they want to sell them and sell to the government program, they have to offer the better price that they are offering to the HMO or to the employer benefit plan.

So the Democratic plan basically operates under the rubric of Medicare, is voluntary if one wants to sign up, guarantees one the benefit, guaranteeing all medical care, medically necessary drugs as determined by one's physician and also seeks to address the problem of price.

The Republican bill does none of the above. Frankly, I would say that the Republican proposal would never work and is nothing more than an effort to try to talk about something and try to give the impression that they care.

But most important, going back to what I said initially, the Republican proposal passed the House of Representatives, but it is not moving in the Senate. The President is not going to sign it. Why do we not try to get together, Democrat and Republican, and come up with a proposal like what the President has suggested where we have the Medicare prescription drug program, and then we address the issue of the marriage penalty and the estate tax in a way that benefits the average American.

Now, I wanted to, just in case my colleagues doubt that when I talk about this Republican proposal for prescription drugs to be doomed to failure, there was a very interesting article that appeared, I think it was the Saturday before last, July 8, in the New York Times on the front page which talked about the Nevada experience.

I think a lot of my colleagues know that what often happens in Congress is that one or more of the 50 States tries something within their own State to see if it works; and if it does, then Members usually from that State look at the idea and say, gee, that is a good idea, why do we not try it on the Federal level.

Well, interestingly enough, within the State of Nevada, within the last 6 months, they decided to implement, on a State level, something that is almost exactly like what the Republicans propose for a prescription drug program here; in other words, basically giving some money, depending on one's income, that one will put with whatever other resources one has to go out and buy a prescription drug only insurance policy.

It has not worked. Not only when I say it has not worked, I do not mean that it even has a chance at working, because when the State of Nevada put out this proposal to the insurance company and said, okay, we will entertain proposals from insurance companies to sell this kind of insurance, not one single insurance company in the whole State offered to do it.

I think they had one company that did not qualify under the law for some reason that asked to do it, and the State knew that they were not qualified to do it, so they did not consider it. But not one insurance company that was qualified offered to do it.

Now, what better reason could one have to not adopt that type of a program? But what do the Republicans do here in Congress? They see the Nevada example, which was adopted by Republicans, their Republican Governor, and they seek to enact it into law here.

Usually what we do in Congress is, if the States are doing something that is good, we copy it, and we institute it on a national level. I cannot think of a single circumstance where we had a State try something that failed and then we adopted it anyway. It makes no sense to me other than going back to what I said before, which is the Republicans did not really want to pass something that would actually be enacted into law and become a law and actually be utilized by anybody. So they did not. They just wanted something to talk about.

I wanted to, just interesting, if I could, just quote a little bit from this New York Times article. But this was in the New York Times on July 8 of this year, about a week or 2 ago, and I am just going to read from a few quotes here. I do not usually like to quote, but this is so appropriate.

It says, "Nevada has adopted a prescription drug program for the elderly very similar to one approved last month by the United States House of Representatives, but is off to a rocky road.

"Insurance companies have spurned Nevada's invitation to provide coverage. The risks and the costs are too high, they say, and the subsidies offered by the state are too low.

Nevada's experience offers ominous lessons for Congress, especially Republicans, who want to subsidize insurance companies to entice them into providing drug benefits for elderly and disabled people on Medicare."

"In March, the State invited hundreds of insurance companies to bid for its business providing drug coverage for 10,000 to 14,000 people age 62 or older. Only one company responded, but it was ineligible because it was not licensed to sell insurance in Nevada."

Now, what they did in Nevada is, within the legislature, they set up a task force that was going to review whatever proposals came forward by insurance companies to see if they qualified.

Barbara F. Buckley, a state assemblywoman who co-chairs this task force monitoring what was going on said, "I have my doubts that an insurance company will be able to offer meaningful drug benefits under this program. If an insurance company does bid on it but the benefits are paltry, senior citizens will be up in arms."

The article goes on and on. But the point is well made. This does not work. No insurance company wants to offer it. This is a ruse. This is a sham. This is not a serious effort to address the issue.

The Democrats have a serious plan. But we do not have an opportunity to bring it up. We will continue to be here every night until we have that opportunity.

Mr. Speaker, I yield to the gentleman from Maine (Mr. ALLEN) who really, more than anybody else in the Congress, brought this issue to the forefront and particularly pointed out the problem with price discrimination that exists for many seniors and the problem of, because he is in the State of Maine, and he so witnessed it firsthand, about how people will go over into Canada and be able to buy drugs for significantly less than in the United States. That is simply not fair.

Mr. ALLEN. Mr. Speaker, I thank the gentleman from New Jersey for yielding to me, and I thank him for all the good work he has done on this issue. He has been a real leader and has been sort of pounding away.

We have learned, have we not, since our time here in the Congress that the status quo is the status quo, and it is very hard to change. It only gets changed if people speak out again and again and again about an injustice until something is done about it.

While the gentleman from New Jersey was talking about the State of Nevada, and its failed effort to rely on private insurance companies to provide prescription drug coverage, I was reminded how proud I am of my home State of Maine, which has taken a different tact.

Basically what the State of Maine did in the last legislative session through the leadership of Chellie Pingree, a State Senator, Mark Lawrence who is running for the U.S. Senate, and some others, was to adopt a law which provides that the State of Maine will negotiate lower prices for all of those people, seniors and others, who are not now covered with prescription drug insurance of one kind or another. So about 300,000 people in Maine would be covered under this plan.

The way the law is written, the State would essentially act as what is calmed as a pharmacy benefit manager. They would negotiate prices with the pharmaceutical industry to get a reduced price based on the fact that they represent 300,000 people, the kinds of discounts that Aetna and Cigna and United negotiate for their beneficiaries, and the kind of discount that I have suggested we really should do for Medicare beneficiaries here.

The bill I have introduced, H.R. 664, the Prescription Drug Fairness for Seniors Act, is very simple. It involves the creation of no new bureaucracy. It does not involve any significant expenditure of Federal money, but it would allow pharmacies to buy drugs for Medicare beneficiaries at the best price given to the Federal Government. The best price is usually what the VA pays for drugs or what Medicaid pays for drugs for people who qualify for their programs.

It is real simple, a real simple idea. If one is part of a big pool, one ought to get a decent discount. That is all we are suggesting for Medicare beneficiaries. But that is only through that piece of legislation. But that is only part of a solution.

The other part of the solution, of course, is to get a real Medicare reform, a benefit under Medicare so that those people for whom a discount is not enough would be able to get assistance in covering their prescription drugs.

Basically, the Maine legislation is a path that would get discounted prices for our seniors without a significant cost to the government.

I was listening earlier to some of the commentary from folks on the other side of the aisle about tax cuts, tax cuts, tax cuts, how, with this huge new surplus, we really need to, first thing, is to have tax cuts, tax cuts larger than any we have seen certainly in my lifetime here in the Congress. We see them in a variety of different proposals.

A year ago, the Republican majority came to us with a suggestion for a tax cut that was $800 billion. Now they have carved it up into pieces, but the total is still $800 billion. What is really tragic about this proposal is, not that there are tax cuts themselves, because there should be tax cuts. We ought to eliminate the marriage penalties. We ought to reduce the estate taxes. We can provide relief in a number of other ways. But we should not take the whole on-budget surplus and spend it all on tax cuts.

Why? Because we learn something, we teach our kids something that we hopefully learned ourselves; and that is, when we have responsibilities to others, we need to meet those responsibilities before we give ourselves presence. What I mean by that is this, Medicare is going to be under increasing pressure. Right now, there are 39 million Medicare beneficiaries. But when we get out to about 2030, there will be close to 75 million to 80 million Medicare beneficiaries. At that point, it is obvious Medicare needs to be shored up. It needs more funding. We cannot get there just going along the way we are right now.

The real tragedy, the real tragedy, in New Jersey, we see it all across this country, and I am glad that people from Maine pointed it out to me so long ago now, too many seniors just cannot do it. They cannot take their prescription drugs. While folks on the other side of the aisle are talking about an estate tax repeal that would benefit primarily the 1 percent of the wealthiest taxpayers in the country, though I believe we should have estate tax relief, still our priority ought to be let us take care of those people who simply cannot afford to take the medical care that their doctors tell them they have to take.

Every day in this country, people are trying to decide, can I afford to buy the food I need today? Can I afford to pay the electric bill? Can I afford to pay the rent? Or can I somehow scrape together enough to take the full dosage of the prescription drugs that I am supposed to?

When I talk to people in Maine, many of them are taking one pill out of three. They are cutting pills in half. They are not filling their prescriptions, because they cannot do it.

That is not what health care is supposed to be like in this country. It is not supposed to be like that. In this country, one would have thought, the wealthiest country on earth, at the moment in its history when it is most prosperous, we could at least provide prescription drugs for our seniors.

The truth is we can. There is no question, with the surpluses that are projected, that we can provide a Medicare prescription drug benefit for our seniors. Absolutely no question.

What have we got? We have got the kind of proposal that went through here a few weeks ago on a three-vote margin, not even close to a bipartisan approach, that basically said, what we need to do for our seniors for prescription drugs is turn them over to HMOs and insurance companies; and if we give enough money to the HMOs and insurance companies, maybe, just maybe, we will not require it, but maybe, just maybe, they will provide insurance for our seniors.

Now, this might seem logical except that the insurance industry says, no, there is no way we are going to provide insurance for prescription drugs for seniors. No way. That is what Chip Kahn, the head of the Health Insurance Association of America has said. Leaders of the Blue Cross plans have made the same point. Why? Because everybody is a claimant. If one is a senior, the chances are good, 85 percent, that one is on some form of prescription medication. So everybody is a claimant.

I say to people in Maine, if Maine were a low-lying State, and every year 85 percent of the people made a claim for flood insurance, one would not be able to buy flood insurance in Maine, not at all, not at any price. Well, the same is true for prescription medication for seniors, and the health insurance industry knows that.

Who does not know it in this country? Well, the pharmaceutical industry does not know it because the pharmaceutical industry is out there basically promoting this private insurance scheme. The Republicans from this House do not get it either, because they are basically proposing a plan that the health insurance industry is saying we will never comply with, we will never provide this kind of insurance.

I come back to what I said about responsibility. This country at this moment in its history can afford to provide prescription drug coverage for seniors, not to pay for all of the drugs that every senior needs, but a decent health care plan. We can afford it.

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And what holds us back, what holds us back is the view of the majority that the one thing we cannot tolerate in this country is strengthening Medicare; the one thing we cannot tolerate is strengthening a government health care plan for our seniors. It has to be done through the private sector.

Well, look at the private sector. I do not know in how many States this is true, but I know it is true in a lot of places; but as of July 1, 700,000 people in this country who had some form of prescription drug coverage through their HMO simply got dropped by their HMO. Why? Because it was not profitable to cover them.

In Maine, there were a grand total of 1,700 people under Medicare managed care, under an Aetna plan. And as of July 1, Aetna announced they are pulling out of the State of Maine. So there will be no coverage under managed care plans in Maine for seniors who need prescription drug coverage.

What that means for my State is probably about 50 percent of all the seniors in Maine have absolutely no coverage at all for their prescription drugs. And many of the people that I know are supposed to take $200, $300, $400, $600, $1,000 a month in prescription medications. They cannot begin to do that.

What we have in this country now is a rationing system that rations prescription drugs by wealth, by how wealthy we are. What kind of system is that? It is not fair, it is not right, it is completely antithetical to what we should have in terms of health care for our seniors in this country.

People can stand up here and talk about the need to eliminate what they call the death tax. I am not talking about relief, because I think we need relief for our small businesses. I think we need relief for family farmers. I think the rate should come down, and I think the exemption should go up. Reform is one thing, but repeal is another. What repeal does is put Bill Gates and Steve Forbes and the mega-billionaires in this country ahead of people who today cannot afford their prescription drugs, cannot afford the medication that keeps them out of the hospital, that extends their lives, that improves their lives. They cannot do it.

We are stuck in this Congress. We are stuck because the majority simply cannot abide strengthening Medicare. The majority simply cannot abide having Medicare benefits receive the same kind of discounts and benefits that the people who are lucky enough to have private health insurance through Aetna or Cigna get. And there are lots of complaints about health care in this country. Individuals working for a company that provides a quality health care plan, they get their prescription drugs covered. But seniors, 12 percent of the population, buy a third of all prescription drugs, and somewhere between 40 and 60 percent have either no coverage at all or very inadequate coverage.

We need to act. We need to act this year. There is no reason why we cannot. The Democratic plan was a comprehensive plan that would have provided a benefit, would have provided a discount, would have worked, did not rely on insurance companies saying they would not do anything. That plan should have come to this floor and been debated, the way substitutes to Republican legislation normally is, but the Republican majority would not allow a full debate and vote on that particular issue. I think that is the scandal. That is the real scandal.

We have a responsibility here to take the most serious problems in this country and deal with them. We ought to be thinking about the country as a whole, what will strengthen this country; what will be the best for our citizens; and deal with our responsibilities: to improve Social Security, to strengthen Medicare, to provide a prescription drug benefit, to invest in education, and, sure, to have some targeted tax cuts and to pay down the debt. Do not squander this moment of prosperity simply on tax cuts, which inevitably are weighted to wealthier people in this country.

There is a real choice, a real debate going on in this House right now, and it seems to me that what we are trying to do on the Democratic side is live up to a wide range of responsibilities. We are trying to figure out what is best for all of us, all Americans, all the people in this country together. We are not saying, as the other side is, me, me, me. Give me money. We are saying we. We are saying we have got to hang together. And when we have our parents and grandparents unable to buy, unable to take medication that their doctors tell them they have to take, we ought to do something about it. And we ought to do it this year, now, before we go home.

I thank the gentleman very much for all he is doing on this topic. I still hope, I still hope that as we get closer to November that we will have some of our colleagues on the Republican side come forward with a plan, and not a plan that is a showpiece, not a plan that is just there to basically look like something has been done even if it is not understood, but a plan that will mean something to millions of American seniors who today simply cannot take the medication they should, cannot eat well, cannot pay the rent, cannot do all those things that they expected to do in their retirement years.

So I thank the gentleman very much.

Mr. PALLONE. I want to thank my colleague from Maine. The gentleman mentioned a number of things that I wanted to comment on. The tragedy is, of course, that what we really want to do is get something done around here. That is what the gentleman has said and that is what the Democrats have been saying.

I do not know if the gentleman was here earlier when our colleague from Colorado delivered his special order before me; but I think, as my colleague just mentioned, he talked about the marriage penalty and the estate tax, and I do not think the President could be more plain when a couple of weeks ago he said, look, I will take a version of the marriage tax penalty repeal, and I want to eliminate the estate tax for most of the people that are now paying it, so give me that with the prescription drug plan under Medicare, that the gentleman and I have been talking about; and I will sign it as one big package, which accomplishes all these goals in one fell swoop. But the Republicans will not do it.

The only reason I can think that they will not do it goes back to what the gentleman said before, which is, for some reason, ideologically they just do not like Medicare. When Medicare was started by Lyndon Johnson in the 1960s, with a Democratic Congress, most of the Republicans voted against it because they said it was government-controlled or socialism.

Obviously, this idea of prescription drug-only insurance policies is not going to work, because the insurance companies would not sell them. But even if they did, what we would essentially be doing is privatizing Medicare. We would set the stage to go back to that old Republican ideology that says that we should not have any kind of government health program for the seniors. So who is to say they would not next say, okay, let us privatize the doctor bills. Instead of having a part B, seniors can go out and buy insurance coverage for that. Or let us privatize hospital care, so go out and buy insurance for that.

It is a very dangerous precedent. I just think that they have a problem with the Medicare program.

Mr. ALLEN. If the gentleman will yield once again. I find talking to people in Maine, where we have had a number of changes, and I hear about this from other colleagues here in the House as well, by and large, there are a lot of mergers going on in the health care insurance industry. Lots of mergers. We are getting now to about five major companies plus the Blue Cross plans, and that is about all there is in terms of companies that really represent more than 4 or 5 million people in this country. But what happens every time there is a change, and this happened with my parents and other people I know, it throws the seniors into a position of trying to figure out what to do next.

If they have to change their health care plan, the first question that comes up is, well, will a new health care plan allow me to see the doctor I am seeing now. Sometimes yes, sometimes no. It is that kind of change, where the benefits change and the premiums change and the way claims are handled changes that just really frustrate and upset so many seniors.

Not to mention, not to mention the small business people and the self-employed in this country who are now buying catastrophic coverage only because they cannot afford the cost of health care, of group health insurance, or sometimes individual insurance, which is now vanishing from Maine as well. But what I am really troubled by is costs are going up everywhere. And it is one thing for people who are employed to cope with those changes, but it is another for seniors to try to cope with the constant changes with changes in plans, with being pushed off one insurance plan into another plan, if they can find it, for supplemental coverage, I mean, and it is just too much. It is too much.

Medicare works. Its administrative costs are 3 percent. Turn to the private insurance market, and we are talking administrative costs of roughly 30 percent. Medicare is efficient. Now, one of the strengths of Medicare is its stability and predictability and equity, and one of its weaknesses is it has not changed very often, and there are all sorts of problems with it. I do not disagree with that. But it is there. It does not cover only those people in urban areas. It covers every senior in this country who signs up.

Basically, it provides the equity. It can be strengthened; it can work. We simply need to make it work before we go home.

Mr. PALLONE. One of the things I was looking at in that article that talks about the Nevada experience that I quoted before, it is interesting, I just noticed that Nevada is the only State that has gone this route of trying to get to buy private insurance. It mentioned there are 14 States, including my own State of New Jersey that have programs to help older people obtain prescription medicines, but in every one of those cases the State is the insurer. The State is running the program. Just like Medicare, essentially. Obviously, Nevada's proposal does not work, so why would we want to emulate that when the other 14 States are doing the opposite?

The other thing the gentleman pointed out, which I think is real important, is we actually have some statistics about the HMOs that are quitting Medicare. And, of course, we make the same argument as Democrats. Right now, the HMOs, which is a form of private insurance that a lot of seniors have relied on to get their prescription drug coverage, they are pulling out all over the place. This study that came out, I guess within the last couple of weeks, said that in the last 2 years, HMOs have pulled out of more than 400 counties and at least 33 States, directly affecting 734,000 Medicare beneficiaries.

And they say that as of July 1, or I guess it is July 3, which was the deadline when they had to notify if they wanted to get out by January 1 of 2001, we have Cigna, which I think the gentleman mentioned, Cigna Corporation is ending coverage for 104,000 Medicare beneficiaries, including those in my State. They are dropping 4,800 in northern New Jersey alone, not just the whole State. And Aetna, with 676,000 Medicare beneficiaries, said it would pull out of some markets also. And we have to, I guess, get more information about that. So we are getting hundreds of thousands of seniors that were relying on HMOs to provide their drug coverage that are now canceling.

One of the things I hear from the Republicans is, they say, well, we want to give seniors choice. That is what we want to let them go out and buy private insurance because they will have choice. But even for seniors who are in HMOs now, or who have employer plans that they are getting it through after they retire, we provide under other Democratic proposal for the majority of the prescription drug costs for those plans. It is anything from like 51 percent to 70 percent, depending, that we are going to be paying for by the Federal Government under our proposal.

So I would argue they will have more choice. Because the bottom line is they will have no choice with the Republican plan, because no insurance company will provide it. With us, if they want to stay in their HMO or if they want to stay in their employer plan, they are more likely to offer it because we are going to be paying anywhere from 50 percent to two-thirds of the cost. So to argue that somehow we are not providing choice, we are providing choices, lots of choices, in addition to the fact that they can just stay in their regular Medicare and get the prescription drug plan.

So I am more and more convinced every day that the Republicans are just talking, going back to that original pollster memo. They are not really serious; they are just talking about it. And that is basically it.

I wanted to thank the gentleman for joining me. This is certainly not the last our colleagues will hear from us. We tried last week to put our prescription description drug plan on the marriage penalty, and we are going to try every maneuver we can to get it up here and voted on before this session is completed.

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## CONFERENCE REPORT ON H.R. 4576

Mr. LEWIS of California submitted the following conference report and statement on the bill (H.R. 4576) making appropriations for the Department of Defense for the fiscal year ending September 30, 2001, and for other purposes:

### CONFERENCE REPORT (H. REPT. 106–754)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4576) "making appropriations for the Department of Defense for the fiscal year ending September 30, 2001, and for other purposes", having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

*That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September*

*30, 2001, for military functions administered by the Department of Defense, and for other purposes, namely:*

## *TITLE I*

## *MILITARY PERSONNEL*

### *Military Personnel, Army*

*For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Army on active duty (except members of reserve components provided for elsewhere), cadets, and aviation cadets; and for payments pursuant to section 156 of Public Law 97–377, as amended (42 U.S.C. 402 note), to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and to the Department of Defense Military Retirement Fund, $22,175,357,000.*

### *Military Personnel, Navy*

*For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Navy on active duty (except members of the Reserve provided for elsewhere), midshipmen, and aviation cadets; and for payments pursuant to section 156 of Public Law 97–377, as amended (42 U.S.C. 402 note), to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and to the Department of Defense Military Retirement Fund, $17,772,297,000.*

### *Military Personnel, Marine Corps*

*For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Marine Corps on active duty (except members of the Reserve provided for elsewhere); and for payments pursuant to section 156 of Public Law 97–377, as amended (42 U.S.C. 402 note), to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and to the Department of Defense Military Retirement Fund, $6,833,100,000.*

### *Military Personnel, Air Force*

*For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Air Force on active duty (except members of reserve components provided for elsewhere), cadets, and aviation cadets; and for payments pursuant to section 156 of Public Law 97–377, as amended (42 U.S.C. 402 note), to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and to the Department of Defense Military Retirement Fund, $18,174,284,000.*

### *Reserve Personnel, Army*

*For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Army Reserve on active duty under sections 10211, 10302, and 3038 of title 10, United States Code, or while serving on active duty under section 12301(d) of title 10, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty or other duty, and for members of the Reserve Officers' Training Corps, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund, $2,473,001,000.*

### *Reserve Personnel, Navy*

*For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Navy Reserve on active duty under section 10211 of title 10, United States Code, or while serving on active duty under section 12301(d) of title 10, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty, and for members of the Reserve Officers' Training Corps, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund, $1,576,174,000.*

### *Reserve Personnel, Marine Corps*

*For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Marine Corps Reserve on active duty under section 10211 of title 10, United States Code, or while serving on active duty under section 12301(d) of title 10, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty, and for members of the Marine Corps platoon leaders class, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund, $448,886,000.*

### *Reserve Personnel, Air Force*

*For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Air Force Reserve on active duty under sections 10211, 10305, and 8038 of title 10, United States Code, or while serving on active duty under section 12301(d) of title 10, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty or other duty, and for members of the Air Reserve Officers' Training Corps, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund, $971,024,000.*

### *National Guard Personnel, Army*

*For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Army National Guard while on duty under section 10211, 10302, or 12402 of title 10 or section 708 of title 32, United States Code, or while serving on duty under section 12301(d) of title 10 or section 502(f) of title 32, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing training, or while performing drills or equivalent duty or other duty, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund, $3,782,536,000.*

### *National Guard Personnel, Air Force*

*For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Air National Guard on duty under section 10211, 10305, or 12402 of title 10 or section 708 of title 32, United States Code, or while serving on duty under section 12301(d) of title 10 or section 502(f) of title 32, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing training, or while performing drills or equivalent duty or other duty, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund, $1,641,081,000.*

## *TITLE II*

## *OPERATION AND MAINTENANCE*

### *Operation and Maintenance, Army*

*(INCLUDING TRANSFER OF FUNDS)*

*For expenses, not otherwise provided for, necessary for the operation and maintenance of the Army, as authorized by law; and not to exceed $10,616,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Army, and payments may be made on his certificate of necessity for confidential military purposes, $19,144,431,000 and, in addition, $50,000,000 shall be derived by transfer from the National Defense Stockpile Transaction Fund: Provided, That of the funds made available under this heading, $5,000,000, to remain available until expended, shall be transferred to "National Park Service—Construction" within 30 days of enactment of this Act, only for necessary infrastructure repair improvements at Fort Baker, under the management of the Golden Gate Recreation Area: Provided further, That of the funds appropriated in this paragraph, not less than $355,000,000 shall be made available only for conventional ammunition care and maintenance.*

### *Operation and Maintenance, Navy*

*(INCLUDING TRANSFER OF FUNDS)*

*For expenses, not otherwise provided for, necessary for the operation and maintenance of the Navy and the Marine Corps, as authorized by law; and not to exceed $5,146,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Navy, and payments may be made on his certificate of necessity for confidential military purposes, $23,419,360,000 and, in addition, $50,000,000 shall be derived by transfer from the National Defense Stockpile Transaction Fund.*

### *Operation and Maintenance, Marine Corps*

*For expenses, not otherwise provided for, necessary for the operation and maintenance of the Marine Corps, as authorized by law, $2,778,758,000.*

### *Operation and Maintenance, Air Force*

*(INCLUDING TRANSFER OF FUNDS)*

*For expenses, not otherwise provided for, necessary for the operation and maintenance of the Air Force, as authorized by law; and not to exceed $7,878,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Air Force, and payments may be made on his certificate of necessity for confidential military purposes, $22,383,521,000 and, in addition, $50,000,000, shall be derived by transfer from the National Defense Stockpile Transaction Fund: Provided, That notwithstanding any other provision of law, that of the funds available under this heading, $500,000 shall only be available to the Secretary of the Air Force for a grant to Florida Memorial College for the purpose of funding minority aviation training.*

### *Operation and Maintenance, Defense-Wide*

*(INCLUDING TRANSFER OF FUNDS)*

*For expenses, not otherwise provided for, necessary for the operation and maintenance of activities and agencies of the Department of Defense (other than the military departments), as authorized by law, $11,844,480,000, of which not to exceed $25,000,000 may be available for the CINC initiative fund account; and of which not to exceed $30,000,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of Defense, and payments may be made on his certificate of necessity for confidential military purposes: Provided, That of the amount provided under this heading, $5,000,000, to remain* *available until expended, is available only for expenses relating to certain classified activities, and may be transferred as necessary by the Secretary of Defense to operation and maintenance, procurement, and research, development, test and evaluation appropriations accounts, to be merged with and to be available for the same time period as the appropriations to which transferred: Provided further, That the transfer authority provided under this heading is in addition to any other transfer authority provided in this Act.*

### *Operation and Maintenance, Army Reserve*

*For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Army Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications, $1,562,118,000.*

### *Operation and Maintenance, Navy Reserve*

*For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Navy Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications, $978,946,000.*

### *Operation and Maintenance, Marine Corps Reserve*

*For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Marine Corps Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications, $145,959,000.*

### *Operation and Maintenance, Air Force Reserve*

*For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Air Force Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications, $1,903,659,000.*

### *Operation and Maintenance, Army National Guard*

*For expenses of training, organizing, and administering the Army National Guard, including medical and hospital treatment and related expenses in non-Federal hospitals; maintenance, operation, and repairs to structures and facilities; hire of passenger motor vehicles; personnel services in the National Guard Bureau; travel expenses (other than mileage), as authorized by law for Army personnel on active duty, for Army National Guard division, regimental, and battalion commanders while inspecting units in compliance with National Guard Bureau regulations when specifically authorized by the Chief, National Guard Bureau; supplying and equipping the Army National Guard as authorized by law; and expenses of repair, modification, maintenance, and issue of supplies and equipment (including aircraft), $3,333,835,000.*

### *Operation and Maintenance, Air National Guard*

*For operation and maintenance of the Air National Guard, including medical and hospital treatment and related expenses in non-Federal hospitals; maintenance, operation, repair, and other necessary expenses of facilities for the training and administration of the Air National Guard, including repair of facilities, maintenance, operation, and modification of aircraft; transportation of things, hire of passenger motor vehicles; supplies, materials, and equipment, as authorized by law for the Air National Guard; and expenses incident to the maintenance and use of supplies, materials, and equipment, including such as may be furnished from stocks under the control of agencies of the Department of Defense; travel expenses (other than mileage) on the same basis as authorized by law for Air National Guard personnel on active Federal duty, for Air National Guard commanders while inspecting units in compliance with National Guard Bureau regulations when specifically authorized by the Chief, National Guard Bureau, $3,474,375,000.*

### *Overseas Contingency Operations Transfer Fund*

*(including transfer of funds)*

*For expenses directly relating to Overseas Contingency Operations by United States military forces, $3,938,777,000, to remain available until expended: Provided, That the Secretary of Defense may transfer these funds only to military personnel accounts; operation and maintenance accounts within this title; the Defense Health Program appropriation; procurement accounts; research, development, test and evaluation accounts; and to working capital funds: Provided further, That the funds transferred shall be merged with and shall be available for the same purposes and for the same time period, as the appropriation to which transferred: Provided further, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation: Provided further, That the transfer authority provided in this paragraph is in addition to any other transfer authority contained elsewhere in this Act.*

### *United States Court of Appeals for the Armed Forces*

*For salaries and expenses necessary for the United States Court of Appeals for the Armed Forces, $8,574,000, of which not to exceed $2,500 can be used for official representation purposes.*

### *Environmental Restoration, Army*

*(including transfer of funds)*

*For the Department of the Army, $389,932,000, to remain available until transferred: Provided, That the Secretary of the Army shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris of the Department of the Army, or for similar purposes, transfer the funds made available by this appropriation to other appropriations made available to the Department of the Army, to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred: Provided further, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation.*

### *Environmental Restoration, Navy*

*(including transfer of funds)*

*For the Department of the Navy, $294,038,000, to remain available until transferred: Provided, That the Secretary of the Navy shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris of the Department of the Navy, or for similar purposes, transfer the funds made available by this appropriation to other appropriations made available to the Department of the Navy, to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred: Provided further, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation.*

### *Environmental Restoration, Air Force*

*(including transfer of funds)*

*For the Department of the Air Force, $376,300,000, to remain available until transferred: Provided, That the Secretary of the Air Force shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris of the Department of the Air Force, or for similar purposes, transfer the funds made available by this appropriation to other appropriations made available to the Department of the Air Force, to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred: Provided further, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation.*

### *Environmental Restoration, Defense-Wide*

*(including transfer of funds)*

*For the Department of Defense, $21,412,000, to remain available until transferred: Provided, That the Secretary of Defense shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris of the Department of Defense, or for similar purposes, transfer the funds made available by this appropriation to other appropriations made available to the Department of Defense, to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred: Provided further, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation.*

### *Environmental Restoration, Formerly Used Defense Sites*

*(including transfer of funds)*

*For the Department of the Army, $231,499,000, to remain available until transferred: Provided, That the Secretary of the Army shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris at sites formerly used by the Department of Defense, transfer the funds made available by this appropriation to other appropriations made available to the Department of the Army, to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred: Provided further, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation.*

### *Overseas Humanitarian, Disaster, and Civic Aid*

*For expenses relating to the Overseas Humanitarian, Disaster, and Civic Aid programs of the Department of Defense (consisting of the programs provided under sections 401, 402, 404, 2547, and 2551 of title 10, United States Code), $55,900,000, to remain available until September 30, 2002.*

### *Former Soviet Union Threat Reduction*

*For assistance to the republics of the former Soviet Union, including assistance provided by contract or by grants, for facilitating the elimination and the safe and secure transportation and storage of nuclear, chemical and other weapons; for establishing programs to prevent* *the proliferation of weapons, weapons components, and weapon-related technology and expertise; for programs relating to the training and support of defense and military personnel for demilitarization and protection of weapons, weapons components and weapons technology and expertise, $443,400,000, to remain available until September 30, 2003: Provided, That of the amounts provided under this heading, $25,000,000 shall be available only to support the dismantling and disposal of nuclear submarines and submarine reactor components in the Russian Far East.*

### *QUALITY OF LIFE ENHANCEMENTS, DEFENSE*

*For expenses, not otherwise provided for, resulting from unfunded shortfalls in the repair and maintenance of real property of the Department of Defense (including military housing and barracks), $160,500,000, for the maintenance of real property of the Department of Defense (including minor construction and major maintenance and repair), which shall remain available for obligation until September 30, 2002, as follows:*

*Army, $100,000,000;*
*Navy, $20,000,000;*
*Marine Corps, $10,000,000;*
*Air Force, $20,000,000; and*
*Defense-Wide, $10,500,000:*

*Provided, That notwithstanding any other provision of law, of the funds appropriated under this heading for Defense-Wide activities, the entire amount shall only be available for grants by the Secretary of Defense to local educational authorities which maintain primary and secondary educational facilities located within Department of Defense installations, and which are used primarily by Department of Defense military and civilian dependents, for facility repairs and improvements to such educational facilities: Provided further, That such grants to local educational authorities may be made for repairs and improvements to such educational facilities as required to meet classroom size requirements: Provided further, That the cumulative amount of any grant or grants to any single local education authority provided pursuant to the provisions under this heading shall not exceed $1,500,000.*

## *TITLE III*

## *PROCUREMENT*

### *AIRCRAFT PROCUREMENT, ARMY*

*For construction, procurement, production, modification, and modernization of aircraft, equipment, including ordnance, ground handling equipment, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes, $1,571,812,000, to remain available for obligation until September 30, 2003: Provided, That of the $189,601,000 appropriated under this heading for the procurement of UH-60 helicopters, $78,520,000 shall be available only for the procurement of eight such aircraft to be provided to the Army Reserve.*

### *MISSILE PROCUREMENT, ARMY*

*For construction, procurement, production, modification, and modernization of missiles, equipment, including ordnance, ground handling equipment, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes, $1,320,681,000, to remain available for obligation until September 30, 2003.*

### *PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY*

*For construction, procurement, production, and modification of weapons and tracked combat vehicles, equipment, including ordnance, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes, $2,472,524,000, to remain available for obligation until September 30, 2003.*

### *PROCUREMENT OF AMMUNITION, ARMY*

*For construction, procurement, production, and modification of ammunition, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including ammunition facilities authorized by section 2854 of title 10, United States Code, and the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes, $1,220,516,000, to remain available for obligation until September 30, 2003.*

### *OTHER PROCUREMENT, ARMY*

*For construction, procurement, production, and modification of vehicles, including tactical, support, and non-tracked combat vehicles; the purchase of not to exceed 35 passenger motor vehicles for replacement only; and the purchase of 12 vehicles required for physical security of personnel, notwithstanding price limitations applicable to passenger vehicles but not to exceed $200,000 per vehicle; communications and electronic equipment; other support equipment; spare parts, ordnance, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes, $4,497,009,000, to remain available for obligation until September 30, 2003.*

### *AIRCRAFT PROCUREMENT, NAVY*

*For construction, procurement, production, modification, and modernization of aircraft, equipment, including ordnance, spare parts, and accessories therefor; specialized equipment; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway, $8,477,138,000, to remain available for obligation until September 30, 2003.*

### *WEAPONS PROCUREMENT, NAVY*

*For construction, procurement, production, modification, and modernization of missiles, torpedoes, other weapons, and related support equipment including spare parts, and accessories therefor; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway, $1,461,600,000, to remain available for obligation until September 30, 2003.*

### *PROCUREMENT OF AMMUNITION, NAVY AND MARINE CORPS*

*For construction, procurement, production, and modification of ammunition, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including ammunition facilities authorized by section 2854 of title 10, United States Code, and the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes, $498,349,000, to remain available for obligation until September 30, 2003.*

### *SHIPBUILDING AND CONVERSION, NAVY*

*For expenses necessary for the construction, acquisition, or conversion of vessels as authorized by law, including armor and armament thereof, plant equipment, appliances, and machine tools and installation thereof in public and private plants; reserve plant and Government and contractor-owned equipment layaway; procurement of critical, long leadtime components and designs for vessels to be constructed or converted in the future; and expansion of public and private plants, including land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title, as follows:*

*Carrier Replacement Program, $4,053,653,000;*
*Carrier Replacement Program (AP), $21,869,000;*
*NSSN, $1,198,012,000;*
*NSSN (AP), $508,222,000;*
*CVN Refuelings, $698,441,000;*
*CVN Refuelings (AP), $25,000,000;*
*Submarine Refuelings, $210,414,000;*
*Submarine Refuelings (AP), $72,277,000;*
*DDG–51 destroyer program, $2,703,559,000;*
*DDG–51 destroyer program (AP), $456,843,000;*
*LPD–17 (AP), $560,700,000;*
*LHD–8, $460,000,000;*
*ADC(X), $338,951,000;*
*LCAC landing craft air cushion program, $15,615,000; and*
*For craft, outfitting, post delivery, conversions, and first destination transformation transportation, $291,077,000;*

*In all: $11,614,633,000, to remain available for obligation until September 30, 2005: Provided, That additional obligations may be incurred after September 30, 2005, for engineering services, tests, evaluations, and other such budgeted work that must be performed in the final stage of ship construction: Provided further, That none of the funds provided under this heading for the construction or conversion of any naval* *vessel to be constructed in shipyards in the United States shall be expended in foreign facilities for the construction of major components of such vessel: Provided further, That none of the funds provided under this heading shall be used for the construction of any naval vessel in foreign shipyards: Provided further, That the Secretary of the Navy is hereby granted the authority to enter into a contract for an LHD–1 Amphibious Assault Ship which shall be funded on an incremental basis: Provided further, That the amount made available for the LPD–17 program may be obligated for expenditure for the procurement of contractor furnished and government furnished material and equipment, and necessary advance construction activities.*

### *OTHER PROCUREMENT, NAVY*

*For procurement, production, and modernization of support equipment and materials not otherwise provided for, Navy ordnance (except ordnance for new aircraft, new ships, and ships authorized for conversion); the purchase of not to exceed 63 passenger motor vehicles for replacement only, and the purchase of one vehicle required for physical security of personnel, notwithstanding price limitations applicable to passenger vehicles but not to exceed $200,000; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway, $3,557,380,000, to remain available for obligation until September 30, 2003.*

### *PROCUREMENT, MARINE CORPS*

*For expenses necessary for the procurement, manufacture, and modification of missiles, armament, military equipment, spare parts, and accessories therefor; plant equipment, appliances, and machine tools, and installation thereof in public and private plants; reserve plant and Government and contractor-owned equipment layaway; vehicles for the Marine Corps, including the purchase of not to exceed 33 passenger motor vehicles for replacement only; and expansion of public and private plants, including land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title, $1,233,268,000, to remain available for obligation until September 30, 2003.*

### *AIRCRAFT PROCUREMENT, AIR FORCE*

*For construction, procurement, lease, and modification of aircraft and equipment, including armor and armament, specialized ground handling equipment, and training devices, spare parts, and accessories therefor; specialized equipment; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes including rents and transportation of things, $7,583,345,000, to remain available for obligation until September 30, 2003.*

### *MISSILE PROCUREMENT, AIR FORCE*

*For construction, procurement, and modification of missiles, spacecraft, rockets, and related equipment, including spare parts and accessories therefor, ground handling equipment, and training devices; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes including rents and transportation of things, $2,863,778,000, to remain available for obligation until September 30, 2003.*

### *PROCUREMENT OF AMMUNITION, AIR FORCE*

*For construction, procurement, production, and modification of ammunition, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including ammunition facilities authorized by section 2854 of title 10, United States Code, and the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes, $647,808,000, to remain available for obligation until September 30, 2003.*

### *OTHER PROCUREMENT, AIR FORCE*

*For procurement and modification of equipment (including ground guidance and electronic control equipment, and ground electronic and communication equipment), and supplies, materials, and spare parts therefor, not otherwise provided for; the purchase of not to exceed 173, passenger motor vehicles for replacement only, and the purchase of one vehicle required for physical security of personnel, notwithstanding price limitations applicable to passenger vehicles but not to exceed $200,000; lease of passenger motor vehicles; and expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon, prior to approval of title; reserve plant and Government and contractor-owned equipment layaway, $7,763,747,000, to remain available for obligation until September 30, 2003.*

### *PROCUREMENT, DEFENSE-WIDE*

*For expenses of activities and agencies of the Department of Defense (other than the military departments) necessary for procurement, production, and modification of equipment, supplies, materials, and spare parts therefor, not otherwise provided for; the purchase of not to exceed 115 passenger motor vehicles for replacement only; the purchase of 10 vehicles required for physical security of personnel, notwithstanding price limitations applicable to passenger vehicles but not to exceed $250,000 per vehicle; expansion of public and private plants, equipment, and installation thereof in such plants, erection of structures, and acquisition of land for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway, $2,346,258,000, to remain available for obligation until September 30, 2003.*

### *DEFENSE PRODUCTION ACT PURCHASES*

*For activities by the Department of Defense pursuant to sections 108, 301, 302, and 303 of the Defense Production Act of 1950 (50 U.S.C. App. 2078, 2091, 2092, and 2093), $3,000,000 only for microwave power tubes and the wireless vibration ,sensor supplier initiative and to remain available until expended.*

### *NATIONAL GUARD AND RESERVE EQUIPMENT*

*For procurement of aircraft, missiles, tracked combat vehicles, ammunition, other weapons, and other procurement for the reserve components of the Armed Forces, $100,000,000, to remain available for obligation until September 30, 2003: Provided, That the Chiefs of the Reserve and National Guard components shall, not later than 30 days after the enactment of this Act, individually submit to the congressional defense committees the modernization priority assessment for their respective Reserve or National Guard component.*

## *TITLE IV*

## *RESEARCH, DEVELOPMENT, TEST AND EVALUATION*

### *RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY*

*For expenses necessary for basic and applied scientific research, development, test and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, $6,342,552,000, to remain available for obligation until September 30, 2002.*

### *RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY*

*For expenses necessary for basic and applied scientific research, development, test and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, $9,494,374,000, to remain available for obligation until September 30, 2002: Provided, That funds appropriated in this paragraph which are available for the V–22 may be used to meet unique requirements of the Special Operation Forces.*

### *RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE*

*For expenses necessary for basic and applied scientific research, development, test and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, $14,138,244,000, to remain available for obligation until September 30, 2002.*

### *RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE*

*For expenses of activities and agencies of the Department of Defense (other than the military departments), necessary for basic and applied scientific research, development, test and evaluation; advanced research projects as may be designated and determined by the Secretary of Defense, pursuant to law; maintenance, rehabilitation, lease, and operation of facilities and equipment, $11,157,375,000, to remain available for obligation until September 30, 2002.*

### *OPERATIONAL TEST AND EVALUATION, DEFENSE*

*For expenses, not otherwise provided for, necessary for the independent activities of the Director, Operational Test and Evaluation in the direction and supervision of operational test and evaluation, including initial operational test and evaluation which is conducted prior to, and in support of, production decisions; joint operational testing and evaluation; and administrative expenses in connection therewith, $227,060,000, to remain available for obligation until September 30, 2002.*

## *TITLE V*

## *REVOLVING AND MANAGEMENT FUNDS*

### *DEFENSE WORKING CAPITAL FUNDS*

*For the Defense Working Capital Funds, $916,276,000: Provided, That during fiscal year 2001, funds in the Defense Working Capital Funds may be used for the purchase of not to exceed 330 passenger carrying motor vehicles for replacement only for the Defense Security Service.*

### *NATIONAL DEFENSE SEALIFT FUND*

*For National Defense Sealift Fund programs, projects, and activities, and for expenses of the*

*National Defense Reserve Fleet, as established by section 11 of the Merchant Ship Sales Act of 1946 (50 U.S.C. App. 1744), $400,658,000, to remain available until expended: Provided, That none of the funds provided in this paragraph shall be used to award a new contract that provides for the acquisition of any of the following major components unless such components are manufactured in the United States: auxiliary equipment, including pumps, for all shipboard services; propulsion system components (that is; engines, reduction gears, and propellers); shipboard cranes; and spreaders for shipboard cranes: Provided further, That the exercise of an option in a contract awarded through the obligation of previously appropriated funds shall not be considered to be the award of a new contract: Provided further, That the Secretary of the military department responsible for such procurement may waive the restrictions in the first proviso on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes.*

### *National Defense Airlift Fund*

*(INCLUDING TRANSFER OF FUNDS)*

*For National Defense Airlift Fund programs, projects, and activities, $2,840,923,000, to remain available until expended: Provided, That these funds shall only be available for transfer to the appropriate C–17 program P–1 line items of Title III of this Act for the purposes specified in this section: Provided further, That the funds transferred under the authority provided within this section shall be merged with and shall be available for the same purposes, and for the same time period, as the appropriation to which transferred: Provided further, That the transfer authority provided in this section is in addition to any other transfer authority contained elsewhere in this Act.*

## *TITLE VI*

## *OTHER DEPARTMENT OF DEFENSE PROGRAMS*

### *Defense Health Program*

*For expenses, not otherwise provided for, for medical and health care programs of the Department of Defense, as authorized by law, $12,117,779,000, of which $11,414,393,000 shall be for Operation and maintenance, of which not to exceed 2 percent shall remain available until September 30, 2002; of which $290,006,000, to remain available for obligation until September 30, 2003, shall be for Procurement; of which $413,380,000, to remain available for obligation until September 30, 2002, shall be for Research, development, test and evaluation, and of which $10,000,000 shall be available for HIV prevention educational activities undertaken in connection with U.S. military training, exercises, and humanitarian assistance activities conducted in African nations.*

### *Chemical Agents and Munitions Destruction, Army*

*For expenses, not otherwise provided for, necessary for the destruction of the United States stockpile of lethal chemical agents and munitions in accordance with the provisions of section 1412 of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521), and for the destruction of other chemical warfare materials that are not in the chemical weapon stockpile, $980,100,000, of which $600,000,000 shall be for Operation and maintenance to remain available until September 30, 2002, $105,700,000 shall be for Procurement to remain available until September 30, 2003, and $274,400,000 shall be for Research, development, test and evaluation to remain available until September 30, 2002: Provided, That of the funds available under this heading, $1,000,000 shall be available until expended each year only for a Johnston Atoll off-island leave program: Provided further, That the Secretaries concerned shall, pursuant to uniform regulations, prescribe travel and transportation allowances for travel by participants in the off-island leave program: Provided further, That the amount available under Operation and maintenance shall also be available for the conveyance, without consideration, of the Emergency One Cyclone II Custom Pumper truck subject to Army Loan DAAMO1–98–L–0001 to the Umatilla Indian Tribe, the current lessee.*

### *Drug Interdiction and Counter-Drug Activities, Defense*

*(INCLUDING TRANSFER OF FUNDS)*

*For drug interdiction and counter-drug activities of the Department of Defense, for transfer to appropriations available to the Department of Defense for military personnel of the reserve components serving under the provisions of title 10 and title 32, United States Code; for Operation and maintenance; for Procurement; and for Research, development, test and evaluation, $869,000,000: Provided, That the funds appropriated under this heading shall be available for obligation for the same time period and for the same purpose as the appropriation to which transferred: Provided further, That the transfer authority provided under this heading is in addition to any other transfer authority contained elsewhere in this Act.*

### *Office of the Inspector General*

*For expenses and activities of the Office of the Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $147,545,000, of which $144,245,000 shall be for Operation and maintenance, of which not to exceed $700,000 is available for emergencies and extraordinary expenses to be expended on the approval or authority of the Inspector General, and payments may be made on the Inspector General's certificate of necessity for confidential military purposes; and of which $3,300,000 to remain available until September 30, 2003, shall be for Procurement.*

## *TITLE VII*

## *RELATED AGENCIES*

### *Central Intelligence Agency Retirement and Disability System Fund*

*For payment to the Central Intelligence Agency Retirement and Disability System Fund, to maintain the proper funding level for continuing the operation of the Central Intelligence Agency Retirement and Disability System, $216,000,000.*

### *Intelligence Community Management Account*

*(INCLUDING TRANSFER OF FUNDS)*

*For necessary expenses of the Intelligence Community Management Account, $148,631,000, of which $22,577,000 for the Advanced Research and Development Committee shall remain available until September 30, 2002: Provided, That of the funds appropriated under this heading, $34,100,000 shall be transferred to the Department of Justice for the National Drug Intelligence Center to support the Department of Defense's counter-drug intelligence responsibilities, and of the said amount, $1,500,000 for Procurement shall remain available until September 30, 2003, and $1,000,000 for Research, development, test and evaluation shall remain available until September 30, 2002: Provided further, That the National Drug Intelligence Center shall maintain the personnel and technical resources to provide timely support to law enforcement authorities to conduct document exploitation of materials collected in federal, state, and local law enforcement activity.*

### *Payment to Kaho'olawe Island Conveyance, Remediation, and Environmental Restoration Fund*

*For payment to Kaho'olawe Island Conveyance, Remediation, and Environmental Restoration Fund, as authorized by law, $60,000,000, to remain available until expended.*

### *National Security Education Trust Fund*

*For the purposes of title VIII of Public Law 102–183, $6,950,000, to be derived from the National Security Education Trust Fund, to remain available until expended.*

## *TITLE VIII*

## *GENERAL PROVISIONS*

*Sec. 8001. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes not authorized by the Congress.*

*Sec. 8002. During the current fiscal year, provisions of law prohibiting the payment of compensation to, or employment of, any person not a citizen of the United States shall not apply to personnel of the Department of Defense: Provided, That salary increases granted to direct and indirect hire foreign national employees of the Department of Defense funded by this Act shall not be at a rate in excess of the percentage increase authorized by law for civilian employees of the Department of Defense whose pay is computed under the provisions of section 5332 of title 5, United States Code, or at a rate in excess of the percentage increase provided by the appropriate host nation to its own employees, whichever is higher: Provided further, That this section shall not apply to Department of Defense foreign service national employees serving at United States diplomatic missions whose pay is set by the Department of State under the Foreign Service Act of 1980: Provided further, That the limitations of this provision shall not apply to foreign national employees of the Department of Defense in the Republic of Turkey.*

*Sec. 8003. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year, unless expressly so provided herein.*

*Sec. 8004. No more than 20 percent of the appropriations in this Act which are limited for obligation during the current fiscal year shall be obligated during the last 2 months of the fiscal year: Provided, That this section shall not apply to obligations for support of active duty training of reserve components or summer camp training of the Reserve Officers' Training Corps.*

*(TRANSFER OF FUNDS)*

*Sec. 8005. Upon determination by the Secretary of Defense that such action is necessary in the national interest, he may, with the approval of the Office of Management and Budget, transfer not to exceed $2,000,000,000 of working capital funds of the Department of Defense or funds made available in this Act to the Department of Defense for military functions (except military construction) between such appropriations or funds or any subdivision thereof, to be merged with and to be available for the same purposes, and for the same time period, as the appropriation or fund to which transferred: Provided, That such authority to transfer may not be used unless for higher priority items, based on unforeseen military requirements, than those for which originally appropriated and in no case where the item for which funds are requested has been denied by the Congress: Provided further, That the Secretary of Defense shall notify the Congress promptly of all transfers made pursuant to this authority or any other authority in this Act: Provided further, That no part of the funds in this Act shall be available to prepare or present a request to the Committees on Appropriations for reprogramming of funds, unless for higher priority items, based on unforeseen military requirements, than* *those for which originally appropriated and in no case where the item for which reprogramming is requested has been denied by the Congress.*

*(TRANSFER OF FUNDS)*

*SEC. 8006. During the current fiscal year, cash balances in working capital funds of the Department of Defense established pursuant to section 2208 of title 10, United States Code, may be maintained in only such amounts as are necessary at any time for cash disbursements to be made from such funds: Provided, That transfers may be made between such funds: Provided further, That transfers may be made between working capital funds and the "Foreign Currency Fluctuations, Defense" appropriation and the "Operation and Maintenance" appropriation accounts in such amounts as may be determined by the Secretary of Defense, with the approval of the Office of Management and Budget, except that such transfers may not be made unless the Secretary of Defense has notified the Congress of the proposed transfer. Except in amounts equal to the amounts appropriated to working capital funds in this Act, no obligations may be made against a working capital fund to procure or increase the value of war reserve material inventory, unless the Secretary of Defense has notified the Congress prior to any such obligation.*

*SEC. 8007. Funds appropriated by this Act may not be used to initiate a special access program without prior notification 30 calendar days in session in advance to the congressional defense committees.*

*SEC. 8008. None of the funds provided in this Act shall be available to initiate: (1) a multiyear contract that employs economic order quantity procurement in excess of $20,000,000 in any 1 year of the contract or that includes an unfunded contingent liability in excess of $20,000,000; or (2) a contract for advance procurement leading to a multiyear contract that employs economic order quantity procurement in excess of $20,000,000 in any 1 year, unless the congressional defense committees have been notified at least 30 days in advance of the proposed contract award: Provided, That no part of any appropriation contained in this Act shall be available to initiate a multiyear contract for which the economic order quantity advance procurement is not funded at least to the limits of the Government's liability: Provided further, That no part of any appropriation contained in this Act shall be available to initiate multiyear procurement contracts for any systems or component thereof if the value of the multiyear contract would exceed $500,000,000 unless specifically provided in this Act: Provided further, That no multiyear procurement contract can be terminated without 10-day prior notification to the congressional defense committees: Provided further, That the execution of multiyear authority shall require the use of a present value analysis to determine lowest cost compared to an annual procurement.*

*Funds appropriated in title III of this Act may be used for multiyear procurement contracts as follows:*

*Javelin missile; M2A3 Bradley fighting vehicle; DDG-51 destroyer; and UH-60/CH-60 aircraft.*

*SEC. 8009. Within the funds appropriated for the operation and maintenance of the Armed Forces, funds are hereby appropriated pursuant to section 401 of title 10, United States Code, for humanitarian and civic assistance costs under chapter 20 of title 10, United States Code. Such funds may also be obligated for humanitarian and civic assistance costs incidental to authorized operations and pursuant to authority granted in section 401 of chapter 20 of title 10, United States Code, and these obligations shall be reported to the Congress on September 30 of each year: Provided, That funds available for operation and maintenance shall be available for providing humanitarian and similar assistance by using Civic Action Teams in the Trust Territories of the Pacific Islands and freely associated states of Micronesia, pursuant to the Compact of Free Association as authorized by Public Law 99-239: Provided further, That upon a determination by the Secretary of the Army that such action is beneficial for graduate medical education programs conducted at Army medical facilities located in Hawaii, the Secretary of the Army may authorize the provision of medical services at such facilities and transportation to such facilities, on a nonreimbursable basis, for civilian patients from American Samoa, the Commonwealth of the Northern Mariana Islands, the Marshall Islands, the Federated States of Micronesia, Palau, and Guam.*

*SEC. 8010. (a) During fiscal year 2001, the civilian personnel of the Department of Defense may not be managed on the basis of any end-strength, and the management of such personnel during that fiscal year shall not be subject to any constraint or limitation (known as an end-strength) on the number of such personnel who may be employed on the last day of such fiscal year.*

*(b) The fiscal year 2002 budget request for the Department of Defense as well as all justification material and other documentation supporting the fiscal year 2002 Department of Defense budget request shall be prepared and submitted to the Congress as if subsections (a) and (b) of this provision were effective with regard to fiscal year 2002.*

*(c) Nothing in this section shall be construed to apply to military (civilian) technicians.*

*SEC. 8011. Notwithstanding any other provision of law, none of the funds made available by this Act shall be used by the Department of Defense to exceed, outside the 50 United States, its territories, and the District of Columbia, 125,000 civilian workyears: Provided, That workyears shall be applied as defined in the Federal Personnel Manual: Provided further, That workyears expended in dependent student hiring programs for disadvantaged youths shall not be included in this workyear limitation.*

*SEC. 8012. None of the funds made available by this Act shall be used in any way, directly or indirectly, to influence congressional action on any legislation or appropriation matters pending before the Congress.*

*SEC. 8013. (a) None of the funds appropriated by this Act shall be used to make contributions to the Department of Defense Education Benefits Fund pursuant to section 2006(g) of title 10, United States Code, representing the normal cost for future benefits under section 3015(d) of title 38, United States Code, for any member of the armed services who, on or after the date of the enactment of this Act, enlists in the armed services for a period of active duty of less than 3 years, nor shall any amounts representing the normal cost of such future benefits be transferred from the Fund by the Secretary of the Treasury to the Secretary of Veterans Affairs pursuant to section 2006(d) of title 10, United States Code; nor shall the Secretary of Veterans Affairs pay such benefits to any such member: Provided, That these limitations shall not apply to members in combat arms skills or to members who enlist in the armed services on or after July 1, 1989, under a program continued or established by the Secretary of Defense in fiscal year 1991 to test the cost-effective use of special recruiting incentives involving not more than 19 noncombat arms skills approved in advance by the Secretary of Defense: Provided further, That this subsection applies only to active components of the Army.*

*(b) None of the funds appropriated by this Act shall be available for the basic pay and allowances of any member of the Army participating as a full-time student and receiving benefits paid by the Secretary of Veterans Affairs from the Department of Defense Education Benefits Fund when time spent as a full-time student is credited toward completion of a service commitment: Provided, That this subsection shall not apply to those members who have reenlisted with this option prior to October 1, 1987: Provided further, That this subsection applies only to active components of the Army.*

*SEC. 8014. None of the funds appropriated by this Act shall be available to convert to contractor performance an activity or function of the Department of Defense that, on or after the date of the enactment of this Act, is performed by more than 10 Department of Defense civilian employees until a most efficient and cost-effective organization analysis is completed on such activity or function and certification of the analysis is made to the Committees on Appropriations of the House of Representatives and the Senate: Provided, That this section and subsections (a), (b), and (c) of 10 U.S.C. 2461 shall not apply to a commercial or industrial type function of the Department of Defense that: (1) is included on the procurement list established pursuant to section 2 of the Act of June 25, 1938 (41 U.S.C. 47), popularly referred to as the Javits-Wagner-O'Day Act; (2) is planned to be converted to performance by a qualified nonprofit agency for the blind or by a qualified nonprofit agency for other severely handicapped individuals in accordance with that Act; or (3) is planned to be converted to performance by a qualified firm under 51 percent ownership by an Indian tribe, as defined in section 450b(e) of title 25, United States Code, or a Native Hawaiian organization, as defined in section 637(a)(15) of title 15, United States Code.*

*(TRANSFER OF FUNDS)*

*SEC. 8015. Funds appropriated in title III of this Act for the Department of Defense Pilot Mentor-Protege Program may be transferred to any other appropriation contained in this Act solely for the purpose of implementing a Mentor-Protege Program developmental assistance agreement pursuant to section 831 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 10 U.S.C. 2301 note), as amended, under the authority of this provision or any other transfer authority contained in this Act.*

*SEC. 8016. None of the funds in this Act may be available for the purchase by the Department of Defense (and its departments and agencies) of welded shipboard anchor and mooring chain 4 inches in diameter and under unless the anchor and mooring chain are manufactured in the United States from components which are substantially manufactured in the United States: Provided, That for the purpose of this section manufactured will include cutting, heat treating, quality control, testing of chain and welding (including the forging and shot blasting process): Provided further, That for the purpose of this section substantially all of the components of anchor and mooring chain shall be considered to be produced or manufactured in the United States if the aggregate cost of the components produced or manufactured in the United States exceeds the aggregate cost of the components produced or manufactured outside the United States: Provided further, That when adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis, the Secretary of the service responsible for the procurement may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations that such an acquisition must be made in order to acquire capability for national security purposes.*

*SEC. 8017. None of the funds appropriated by this Act available for the Civilian Health and Medical Program of the Uniformed Services*

*(CHAMPUS) or TRICARE shall be available for the reimbursement of any health care provider for inpatient mental health service for care received when a patient is referred to a provider of inpatient mental health care or residential treatment care by a medical or health care professional having an economic interest in the facility to which the patient is referred: Provided, That this limitation does not apply in the case of inpatient mental health services provided under the program for persons with disabilities under subsection (d) of section 1079 of title 10, United States Code, provided as partial hospital care, or provided pursuant to a waiver authorized by the Secretary of Defense because of medical or psychological circumstances of the patient that are confirmed by a health professional who is not a Federal employee after a review, pursuant to rules prescribed by the Secretary, which takes into account the appropriate level of care for the patient, the intensity of services required by the patient, and the availability of that care.*

*SEC. 8018. Funds available in this Act may be used to provide transportation for the next-of-kin of individuals who have been prisoners of war or missing in action from the Vietnam era to an annual meeting in the United States, under such regulations as the Secretary of Defense may prescribe.*

*SEC. 8019. Notwithstanding any other provision of law, during the current fiscal year, the Secretary of Defense may, by executive agreement, establish with host nation governments in NATO member states a separate account into which such residual value amounts negotiated in the return of United States military installations in NATO member states may be deposited, in the currency of the host nation, in lieu of direct monetary transfers to the United States Treasury: Provided, That such credits may be utilized only for the construction of facilities to support United States military forces in that host nation, or such real property maintenance and base operating costs that are currently executed through monetary transfers to such host nations: Provided further, That the Department of Defense's budget submission for fiscal year 2002 shall identify such sums anticipated in residual value settlements, and identify such construction, real property maintenance or base operating costs that shall be funded by the host nation through such credits: Provided further, That all military construction projects to be executed from such accounts must be previously approved in a prior Act of Congress: Provided further, That each such executive agreement with a NATO member host nation shall be reported to the congressional defense committees, the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate 30 days prior to the conclusion and endorsement of any such agreement established under this provision.*

*SEC. 8020. None of the funds available to the Department of Defense may be used to demilitarize or dispose of M–1 Carbines, M–1 Garand rifles, M–14 rifles, .22 caliber rifles, .30 caliber rifles, or M–1911 pistols.*

*SEC. 8021. No more than $500,000 of the funds appropriated or made available in this Act shall be used during a single fiscal year for any single relocation of an organization, unit, activity or function of the Department of Defense into or within the National Capital Region: Provided, That the Secretary of Defense may waive this restriction on a case-by-case basis by certifying in writing to the congressional defense committees that such a relocation is required in the best interest of the Government.*

*SEC. 8022. In addition to the funds provided elsewhere in this Act, $8,000,000 is appropriated only for incentive payments authorized by section 504 of the Indian Financing Act of 1974 (25 U.S.C. 1544): Provided, That a subcontractor at any tier shall be considered a contractor for the purposes of being allowed additional compensation under section 504 of the Indian Financing Act of 1974 (25 U.S.C. 1544).*

*SEC. 8023. During the current fiscal year, funds appropriated or otherwise available for any Federal agency, the Congress, the judicial branch, or the District of Columbia may be used for the pay, allowances, and benefits of an employee as defined by section 2105 of title 5, United States Code, or an individual employed by the government of the District of Columbia, permanent or temporary indefinite, who—*

*(1) is a member of a Reserve component of the Armed Forces, as described in section 10101 of title 10, United States Code, or the National Guard, as described in section 101 of title 32, United States Code;*

*(2) performs, for the purpose of providing military aid to enforce the law or providing assistance to civil authorities in the protection or saving of life or property or prevention of injury—*

*(A) Federal service under sections 331, 332, 333, or 12406 of title 10, United States Code, or other provision of law, as applicable; or*

*(B) full-time military service for his or her State, the District of Columbia, the Commonwealth of Puerto Rico, or a territory of the United States; and*

*(3) requests and is granted—*

*(A) leave under the authority of this section; or*

*(B) annual leave, which may be granted without regard to the provisions of sections 5519 and 6323(b) of title 5, United States Code, if such employee is otherwise entitled to such annual leave:*

*Provided, That any employee who requests leave under subsection (3)(A) for service described in subsection (2) of this section is entitled to such leave, subject to the provisions of this section and of the last sentence of section 6323(b) of title 5, United States Code, and such leave shall be considered leave under section 6323(b) of title 5, United States Code.*

*SEC. 8024. None of the funds appropriated by this Act shall be available to perform any cost study pursuant to the provisions of OMB Circular A–76 if the study being performed exceeds a period of 24 months after initiation of such study with respect to a single function activity or 48 months after initiation of such study for a multi-function activity.*

*SEC. 8025. Funds appropriated by this Act for the American Forces Information Service shall not be used for any national or international political or psychological activities.*

*SEC. 8026. Notwithstanding any other provision of law or regulation, the Secretary of Defense may adjust wage rates for civilian employees hired for certain health care occupations as authorized for the Secretary of Veterans Affairs by section 7455 of title 38, United States Code.*

*SEC. 8027. None of the funds appropriated or made available in this Act shall be used to reduce or disestablish the operation of the 53rd Weather Reconnaissance Squadron of the Air Force Reserve, if such action would reduce the WC–130 Weather Reconnaissance mission below the levels funded in this Act.*

*SEC. 8028. (a) Of the funds for the procurement of supplies or services appropriated by this Act, qualified nonprofit agencies for the blind or other severely handicapped shall be afforded the maximum practicable opportunity to participate as subcontractors and suppliers in the performance of contracts let by the Department of Defense.*

*(b) During the current fiscal year, a business concern which has negotiated with a military service or defense agency a subcontracting plan for the participation by small business concerns pursuant to section 8(d) of the Small Business Act (15 U.S.C. 637(d)) shall be given credit toward meeting that subcontracting goal for any purchases made from qualified nonprofit agencies for the blind or other severely handicapped.*

*(c) For the purpose of this section, the phrase "qualified nonprofit agency for the blind or other severely handicapped" means a nonprofit agency for the blind or other severely handicapped that has been approved by the Committee for the Purchase from the Blind and Other Severely Handicapped under the Javits-Wagner-O'Day Act (41 U.S.C. 46–48).*

*SEC. 8029. During the current fiscal year, net receipts pursuant to collections from third party payers pursuant to section 1095 of title 10, United States Code, shall be made available to the local facility of the uniformed services responsible for the collections and shall be over and above the facility's direct budget amount.*

*SEC. 8030. During the current fiscal year, the Department of Defense is authorized to incur obligations of not to exceed $350,000,000 for purposes specified in section 2350j(c) of title 10, United States Code, in anticipation of receipt of contributions, only from the Government of Kuwait, under that section: Provided, That upon receipt, such contributions from the Government of Kuwait shall be credited to the appropriations or fund which incurred such obligations.*

*SEC. 8031. Of the funds made available in this Act, not less than $21,417,000 shall be available for the Civil Air Patrol Corporation, of which $19,417,000 shall be available for Civil Air Patrol Corporation operation and maintenance to support readiness activities which includes $2,000,000 for the Civil Air Patrol counterdrug program: Provided, That funds identified for "Civil Air Patrol" under this section are intended for and shall be for the exclusive use of the Civil Air Patrol Corporation and not for the Air Force or any unit thereof.*

*SEC. 8032. (a) None of the funds appropriated in this Act are available to establish a new Department of Defense (department) federally funded research and development center (FFRDC), either as a new entity, or as a separate entity administrated by an organization managing another FFRDC, or as a nonprofit membership corporation consisting of a consortium of other FFRDCs and other non-profit entities.*

*(b) No member of a Board of Directors, Trustees, Overseers, Advisory Group, Special Issues Panel, Visiting Committee, or any similar entity of a defense FFRDC, and no paid consultant to any defense FFRDC, except when acting in a technical advisory capacity, may be compensated for his or her services as a member of such entity, or as a paid consultant by more than one FFRDC in a fiscal year: Provided, That a member of any such entity referred to previously in this subsection shall be allowed travel expenses and per diem as authorized under the Federal Joint Travel Regulations, when engaged in the performance of membership duties.*

*(c) Notwithstanding any other provision of law, none of the funds available to the department from any source during fiscal year 2001 may be used by a defense FFRDC, through a fee or other payment mechanism, for construction of new buildings, for payment of cost sharing for projects funded by Government grants, for absorption of contract overruns, or for certain charitable contributions, not to include employee participation in community service and/or development.*

*(d) Notwithstanding any other provision of law, of the funds available to the department during fiscal year 2001, not more than 6,227 staff years of technical effort (staff years) may be funded for defense FFRDCs: Provided, That of the specific amount referred to previously in this subsection, not more than 1,009 staff years may*

be funded for the defense studies and analysis FFRDCs.

(e) The Secretary of Defense shall, with the submission of the department's fiscal year 2002 budget request, submit a report presenting the specific amounts of staff years of technical effort to be allocated for each defense FFRDC during that fiscal year.

SEC. 8033. None of the funds appropriated or made available in this Act shall be used to procure carbon, alloy or armor steel plate for use in any Government-owned facility or property under the control of the Department of Defense which were not melted and rolled in the United States or Canada: Provided, That these procurement restrictions shall apply to any and all Federal Supply Class 9515, American Society of Testing and Materials (ASTM) or American Iron and Steel Institute (AISI) specifications of carbon, alloy or armor steel plate: Provided further, That the Secretary of the military department responsible for the procurement may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes: Provided further, That these restrictions shall not apply to contracts which are in being as of the date of the enactment of this Act.

SEC. 8034. For the purposes of this Act, the term "congressional defense committees" means the Armed Services Committee of the House of Representatives, the Armed Services Committee of the Senate, the Subcommittee on Defense of the Committee on Appropriations of the Senate, and the Subcommittee on Defense of the Committee on Appropriations of the House of Representatives.

SEC. 8035. During the current fiscal year, the Department of Defense may acquire the modification, depot maintenance and repair of aircraft, vehicles and vessels as well as the production of components and other Defense-related articles, through competition between Department of Defense depot maintenance activities and private firms: Provided, That the Senior Acquisition Executive of the military department or defense agency concerned, with power of delegation, shall certify that successful bids include comparable estimates of all direct and indirect costs for both public and private bids: Provided further, That Office of Management and Budget Circular A–76 shall not apply to competitions conducted under this section.

SEC. 8036. (a)(1) If the Secretary of Defense, after consultation with the United States Trade Representative, determines that a foreign country which is party to an agreement described in paragraph (2) has violated the terms of the agreement by discriminating against certain types of products produced in the United States that are covered by the agreement, the Secretary of Defense shall rescind the Secretary's blanket waiver of the Buy American Act with respect to such types of products produced in that foreign country.

(2) An agreement referred to in paragraph (1) is any reciprocal defense procurement memorandum of understanding, between the United States and a foreign country pursuant to which the Secretary of Defense has prospectively waived the Buy American Act for certain products in that country.

(b) The Secretary of Defense shall submit to the Congress a report on the amount of Department of Defense purchases from foreign entities in fiscal year 2001. Such report shall separately indicate the dollar value of items for which the Buy American Act was waived pursuant to any agreement described in subsection (a)(2), the Trade Agreement Act of 1979 (19 U.S.C. 2501 et seq.), or any international agreement to which the United States is a party.

(c) For purposes of this section, the term "Buy American Act" means title III of the Act entitled "An Act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes", approved March 3, 1933 (41 U.S.C. 10a et seq.).

SEC. 8037. Appropriations contained in this Act that remain available at the end of the current fiscal year as a result of energy cost savings realized by the Department of Defense shall remain available for obligation for the next fiscal year to the extent, and for the purposes, provided in section 2865 of title 10, United States Code.

(INCLUDING TRANSFER OF FUNDS)

SEC. 8038. Amounts deposited during the current fiscal year to the special account established under 40 U.S.C. 485(h)(2) and to the special account established under 10 U.S.C. 2667(d)(1) are appropriated and shall be available until transferred by the Secretary of Defense to current applicable appropriations or funds of the Department of Defense under the terms and conditions specified by 40 U.S.C. 485(h)(2) (A) and (B) and 10 U.S.C. 2667(d)(1)(B), to be merged with and to be available for the same time period and the same purposes as the appropriation to which transferred.

SEC. 8039. The President shall include with each budget for a fiscal year submitted to the Congress under section 1105 of title 31, United States Code, materials that shall identify clearly and separately the amounts requested in the budget for appropriation for that fiscal year for salaries and expenses related to administrative activities of the Department of Defense, the military departments, and the defense agencies.

SEC. 8040. Notwithstanding any other provision of law, funds available for "Drug Interdiction and Counter-Drug Activities, Defense" may be obligated for the Young Marines program.

(INCLUDING TRANSFER OF FUNDS)

SEC. 8041. During the current fiscal year, amounts contained in the Department of Defense Overseas Military Facility Investment Recovery Account established by section 2921(c)(1) of the National Defense Authorization Act of 1991 (Public Law 101–510; 10 U.S.C. 2687 note) shall be available until expended for the payments specified by section 2921(c)(2) of that Act: Provided, That none of the funds made available for expenditure under this section may be transferred or obligated until 30 days after the Secretary of Defense submits a report which details the balance available in the Overseas Military Facility Investment Recovery Account, all projected income into the account during fiscal years 2001 and 2002, and the specific expenditures to be made using funds transferred from this account during fiscal year 2001.

SEC. 8042. Of the funds appropriated or otherwise made available by this Act, not more than $119,200,000 shall be available for payment of the operating costs of NATO Headquarters: Provided, That the Secretary of Defense may waive this section for Department of Defense support provided to NATO forces in and around the former Yugoslavia.

SEC. 8043. During the current fiscal year, appropriations which are available to the Department of Defense for operation and maintenance may be used to purchase items having an investment item unit cost of not more than $100,000.

SEC. 8044. (a) During the current fiscal year, none of the appropriations or funds available to the Department of Defense Working Capital Funds shall be used for the purchase of an investment item for the purpose of acquiring a new inventory item for sale or anticipated sale during the current fiscal year or a subsequent fiscal year to customers of the Department of Defense Working Capital Funds if such an item would not have been chargeable to the Department of Defense Business Operations Fund during fiscal year 1994 and if the purchase of such an investment item would be chargeable during the current fiscal year to appropriations made to the Department of Defense for procurement.

(b) The fiscal year 2002 budget request for the Department of Defense as well as all justification material and other documentation supporting the fiscal year 2002 Department of Defense budget shall be prepared and submitted to the Congress on the basis that any equipment which was classified as an end item and funded in a procurement appropriation contained in this Act shall be budgeted for in a proposed fiscal year 2002 procurement appropriation and not in the supply management business area or any other area or category of the Department of Defense Working Capital Funds.

SEC. 8045. None of the funds appropriated by this Act for programs of the Central Intelligence Agency shall remain available for obligation beyond the current fiscal year, except for funds appropriated for the Reserve for Contingencies, which shall remain available until September 30, 2002: Provided, That funds appropriated, transferred, or otherwise credited to the Central Intelligence Agency Central Services Working Capital Fund during this or any prior or subsequent fiscal year shall remain available until expended.

SEC. 8046. Notwithstanding any other provision of law, funds made available in this Act for the Defense Intelligence Agency may be used for the design, development, and deployment of General Defense Intelligence Program intelligence communications and intelligence information systems for the Services, the Unified and Specified Commands, and the component commands.

SEC. 8047. Of the funds appropriated by the Department of Defense under the heading "Operation and Maintenance, Defense-Wide", not less than $10,000,000 shall be made available only for the mitigation of environmental impacts, including training and technical assistance to tribes, related administrative support, the gathering of information, documenting of environmental damage, and developing a system for prioritization of mitigation and cost to complete estimates for mitigation, on Indian lands resulting from Department of Defense activities.

SEC. 8048. Amounts collected for the use of the facilities of the National Science Center for Communications and Electronics during the current fiscal year pursuant to section 1459(g) of the Department of Defense Authorization Act, 1986, and deposited to the special account established under subsection 1459(g)(2) of that Act are appropriated and shall be available until expended for the operation and maintenance of the Center as provided for in subsection 1459(g)(2).

SEC. 8049. None of the funds appropriated in this Act may be used to fill the commander's position at any military medical facility with a health care professional unless the prospective candidate can demonstrate professional administrative skills.

SEC. 8050. (a) None of the funds appropriated in this Act may be expended by an entity of the Department of Defense unless the entity, in expending the funds, complies with the Buy American Act. For purposes of this subsection, the term "Buy American Act" means title III of the Act entitled "An Act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes", approved March 3, 1933 (41 U.S.C. 10a et seq.).

(b) If the Secretary of Defense determines that a person has been convicted of intentionally affixing a label bearing a "Made in America" inscription to any product sold in or shipped to the United States that is not made in America, the Secretary shall determine, in accordance with section 2410f of title 10, United States Code, whether the person should be debarred from contracting with the Department of Defense.

(c) In the case of any equipment or products purchased with appropriations provided under this Act, it is the sense of the Congress that any entity of the Department of Defense, in expending the appropriation, purchase only American-made equipment and products, provided that American-made equipment and products are cost-competitive, quality-competitive, and available in a timely fashion.

SEC. 8051. None of the funds appropriated by this Act shall be available for a contract for studies, analysis, or consulting services entered into without competition on the basis of an unsolicited proposal unless the head of the activity responsible for the procurement determines—

(1) as a result of thorough technical evaluation, only one source is found fully qualified to perform the proposed work;

(2) the purpose of the contract is to explore an unsolicited proposal which offers significant scientific or technological promise, represents the product of original thinking, and was submitted in confidence by one source; or

(3) the purpose of the contract is to take advantage of unique and significant industrial accomplishment by a specific concern, or to insure that a new product or idea of a specific concern is given financial support:

Provided, That this limitation shall not apply to contracts in an amount of less than $25,000, contracts related to improvements of equipment that is in development or production, or contracts as to which a civilian official of the Department of Defense, who has been confirmed by the Senate, determines that the award of such contract is in the interest of the national defense.

SEC. 8052. (a) Except as provided in subsections (b) and (c), none of the funds made available by this Act may be used—

(1) to establish a field operating agency; or

(2) to pay the basic pay of a member of the Armed Forces or civilian employee of the department who is transferred or reassigned from a headquarters activity if the member or employee's place of duty remains at the location of that headquarters.

(b) The Secretary of Defense or Secretary of a military department may waive the limitations in subsection (a), on a case-by-case basis, if the Secretary determines, and certifies to the Committees on Appropriations of the House of Representatives and Senate that the granting of the waiver will reduce the personnel requirements or the financial requirements of the department.

(c) This section does not apply to field operating agencies funded within the National Foreign Intelligence Program.

SEC. 8053. Funds appropriated by this Act, or made available by the transfer of funds in this Act, for intelligence activities are deemed to be specifically authorized by the Congress for purposes of section 504 of the National Security Act of 1947 (50 U.S.C. 414) during fiscal year 2001 until the enactment of the Intelligence Authorization Act for Fiscal Year 2001.

SEC. 8054. Notwithstanding section 303 of Public Law 96–487 or any other provision of law, the Secretary of the Navy is authorized to lease real and personal property at Naval Air Facility, Adak, Alaska, pursuant to 10 U.S.C. 2667(f), for commercial, industrial or other purposes: Provided, That notwithstanding any other provision of law, the Secretary of the Navy may remove hazardous materials from facilities, buildings, and structures at Adak, Alaska, and may demolish or otherwise dispose of such facilities, buildings, and structures.

(RESCISSIONS)

SEC. 8055. Of the funds provided in Department of Defense Appropriations Acts, the following funds are hereby rescinded as of the date of enactment of this Act, or October 1, 2000, whichever is later, from the following accounts in the specified amounts:

"Aircraft Procurement, Army, 2000/2002", $7,000,000;

"Missile Procurement, Army, 2000/2002", $6,000,000;

"Procurement of Weapons and Tracked Combat Vehicles, Army, 2000/2002", $7,000,000;

"Procurement of Ammunition, Army, 2000/2002", $5,000,000;

"Other Procurement, Army, 2000/2002", $16,000,000;

"Aircraft Procurement, Navy, 2000/2002", $24,125,000;

"Weapons Procurement, Navy, 2000/2002", $3,853,000;

"Procurement of Ammunition, Navy and Marine Corps, 2000/2002", $1,463,000;

"Shipbuilding and Conversion, Navy, 2000/2004", $19,644,000;

"Other Procurement, Navy, 2000/2002", $12,032,000;

"Procurement, Marine Corps, 2000/2002", $3,623,000;

"Aircraft Procurement, Air Force, 2000/2002", $32,743,000;

"Missile Procurement, Air Force, 2000/2002", $5,500,000;

"Procurement of Ammunition, Air Force, 2000/2002", $1,232,000;

"Other Procurement, Air Force, 2000/2002", $19,902,000;

"Procurement, Defense-Wide, 2000/2002", $6,683,000;

"Research, Development, Test and Evaluation, Army, 2000/2001", $20,592,000;

"Research, Development, Test and Evaluation, Navy, 2000/2001", $35,621,000;

"Research, Development, Test and Evaluation, Air Force, 2000/2001", $53,467,000;

"Research, Development, Test and Evaluation, Defense-Wide, 2000/2001", $36,297,000;

"Defense Health Program, 2000/2002", $808,000; and

"Chemical Agents and Munitions Destruction, Army, 2000/2002", $1,103,000:

Provided, That these reductions shall be applied proportionally to each budget activity, activity group and subactivity group and each program, project and activity within each appropriation account: Provided further, That such proportionate reduction shall not be applied to any funds that will not remain available for obligation beyond fiscal year 2000: Provided further, That the following additional amounts are hereby rescinded as of the date of enactment of this Act, or October 1, 2000, whichever is later, from the following accounts in the specified amounts:

"Other Procurement, Army, 1999/2001", $3,000,000;

"Aircraft Procurement, Air Force, 1999/2001", $12,300,000;

"Other Procurement, Air Force, 1999/2001", $8,000,000;

"Procurement of Weapons and Tracked Combat Vehicles, Army, 2000/2002", $23,000,000;

"Other Procurement, Army, 2000/2002", $29,300,000;

"Aircraft Procurement, Navy, 2000/2002", $6,500,000;

"Aircraft Procurement, Air Force, 2000/2002", $24,000,000;

"Missile Procurement, Air Force, 2000/2002", $36,192,000;

"Other Procurement, Air Force, 2000/2002", $20,000,000;

"Research, Development, Test and Evaluation, Army, 2000/2001", $22,000,000;

"Research, Development, Test and Evaluation, Air Force, 2000/2001", $30,000,000; and

"Reserve Mobilization Income Insurance Fund", $13,000,000.

SEC. 8056. None of the funds available in this Act may be used to reduce the authorized positions for military (civilian) technicians of the Army National Guard, the Air National Guard, Army Reserve and Air Force Reserve for the purpose of applying any administratively imposed civilian personnel ceiling, freeze, or reduction on military (civilian) technicians, unless such reductions are a direct result of a reduction in military force structure.

SEC. 8057. None of the funds appropriated or otherwise made available in this Act may be obligated or expended for assistance to the Democratic People's Republic of North Korea unless specifically appropriated for that purpose.

SEC. 8058. During the current fiscal year, funds appropriated in this Act are available to compensate members of the National Guard for duty performed pursuant to a plan submitted by a Governor of a State and approved by the Secretary of Defense under section 112 of title 32, United States Code: Provided, That during the performance of such duty, the members of the National Guard shall be under State command and control: Provided further, That such duty shall be treated as full-time National Guard duty for purposes of sections 12602(a)(2) and (b)(2) of title 10, United States Code.

SEC. 8059. Funds appropriated in this Act for operation and maintenance of the Military Departments, Combatant Commands and Defense Agencies shall be available for reimbursement of pay, allowances and other expenses which would otherwise be incurred against appropriations for the National Guard and Reserve when members of the National Guard and Reserve provide intelligence or counterintelligence support to Combatant Commands, Defense Agencies and Joint Intelligence Activities, including the activities and programs included within the National Foreign Intelligence Program (NFIP), the Joint Military Intelligence Program (JMIP), and the Tactical Intelligence and Related Activities (TIARA) aggregate: Provided, That nothing in this section authorizes deviation from established Reserve and National Guard personnel and training procedures.

SEC. 8060. During the current fiscal year, none of the funds appropriated in this Act may be used to reduce the civilian medical and medical support personnel assigned to military treatment facilities below the September 30, 2000 level: Provided, That the Service Surgeons General may waive this section by certifying to the congressional defense committees that the beneficiary population is declining in some catchment areas and civilian strength reductions may be consistent with responsible resource stewardship and capitation-based budgeting.

(INCLUDING TRANSFER OF FUNDS)

SEC. 8061. None of the funds appropriated in this Act may be transferred to or obligated from the Pentagon Reservation Maintenance Revolving Fund, unless the Secretary of Defense certifies that the total cost for the planning, design, construction and installation of equipment for the renovation of the Pentagon Reservation will not exceed $1,222,000,000.

SEC. 8062. (a) None of the funds available to the Department of Defense for any fiscal year for drug interdiction or counter-drug activities may be transferred to any other department or agency of the United States except as specifically provided in an appropriations law.

(b) None of the funds available to the Central Intelligence Agency for any fiscal year for drug interdiction and counter-drug activities may be transferred to any other department or agency of the United States except as specifically provided in an appropriations law.

(TRANSFER OF FUNDS)

SEC. 8063. Appropriations available in this Act under the heading "Operation and Maintenance, Defense-Wide" for increasing energy and water efficiency in Federal buildings may, during their period of availability, be transferred to other appropriations or funds of the Department of Defense for projects related to increasing energy and water efficiency, to be merged with and to be available for the same general purposes, and for the same time period, as the appropriation or fund to which transferred.

SEC. 8064. None of the funds appropriated in fiscal year 2000 and by this Act may be used for the procurement of vessel propellers and ball and roller bearings other than those produced by a domestic source and of domestic origin: Provided, That the Secretary of the military department responsible for such procurement may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate, that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes: Provided further, That this restriction shall not apply to the purchase of "commercial items", as defined by section 4(12) of the Office of Federal Procurement Policy Act, except that the restriction shall apply to ball or roller bearings purchased as end items.

SEC. 8065. Notwithstanding any other provision of law, funds available to the Department of Defense shall be made available to provide transportation of medical supplies and equipment, on a nonreimbursable basis, to American Samoa, and funds available to the Department of Defense shall be made available to provide transportation of medical supplies and equipment, on a nonreimbursable basis, to the Indian Health Service when it is in conjunction with a civil-military project.

SEC. 8066. None of the funds in this Act may be used to purchase any supercomputer which is not manufactured in the United States, unless the Secretary of Defense certifies to the congressional defense committees that such an acquisition must be made in order to acquire capability for national security purposes that is not available from United States manufacturers.

SEC. 8067. Notwithstanding any other provision of law, the Naval shipyards of the United States shall be eligible to participate in any manufacturing extension program financed by funds appropriated in this or any other Act.

SEC. 8068. Notwithstanding any other provision of law, each contract awarded by the Department of Defense during the current fiscal year for construction or service performed in whole or in part in a State (as defined in section 381(d) of title 10, United States Code) which is not contiguous with another State and has an unemployment rate in excess of the national average rate of unemployment as determined by the Secretary of Labor, shall include a provision requiring the contractor to employ, for the purpose of performing that portion of the contract in such State that is not contiguous with another State, individuals who are residents of such State and who, in the case of any craft or trade, possess or would be able to acquire promptly the necessary skills: Provided, That the Secretary of Defense may waive the requirements of this section, on a case-by-case basis, in the interest of national security.

SEC. 8069. During the current fiscal year, the Army shall use the former George Air Force Base as the airhead for the National Training Center at Fort Irwin: Provided, That none of the funds in this Act shall be obligated or expended to transport Army personnel into Edwards Air Force Base for training rotations at the National Training Center.

SEC. 8070. (a) LIMITATION ON TRANSFER OF DEFENSE ARTICLES AND SERVICES.—Notwithstanding any other provision of law, none of the funds available to the Department of Defense for the current fiscal year may be obligated or expended to transfer to another nation or an international organization any defense articles or services (other than intelligence services) for use in the activities described in subsection (b) unless the congressional defense committees, the Committee on International Relations of the House of Representatives, and the Committee on Foreign Relations of the Senate are notified 15 days in advance of such transfer.

(b) COVERED ACTIVITIES.—This section applies to—

(1) any international peacekeeping or peace-enforcement operation under the authority of chapter VI or chapter VII of the United Nations Charter under the authority of a United Nations Security Council resolution; and

(2) any other international peacekeeping, peace-enforcement, or humanitarian assistance operation.

(c) REQUIRED NOTICE.—A notice under subsection (a) shall include the following:

(1) A description of the equipment, supplies, or services to be transferred.

(2) A statement of the value of the equipment, supplies, or services to be transferred.

(3) In the case of a proposed transfer of equipment or supplies—

(A) a statement of whether the inventory requirements of all elements of the Armed Forces (including the reserve components) for the type of equipment or supplies to be transferred have been met; and

(B) a statement of whether the items proposed to be transferred will have to be replaced and, if so, how the President proposes to provide funds for such replacement.

SEC. 8071. To the extent authorized by subchapter VI of chapter 148 of title 10, United States Code, the Secretary of Defense may issue loan guarantees in support of United States defense exports not otherwise provided for: Provided, That the total contingent liability of the United States for guarantees issued under the authority of this section may not exceed $15,000,000,000: Provided further, That the exposure fees charged and collected by the Secretary for each guarantee shall be paid by the country involved and shall not be financed as part of a loan guaranteed by the United States: Provided further, That the Secretary shall provide quarterly reports to the Committees on Appropriations, Armed Services, and Foreign Relations of the Senate and the Committees on Appropriations, Armed Services, and International Relations in the House of Representatives on the implementation of this program: Provided further, That amounts charged for administrative fees and deposited to the special account provided for under section 2540c(d) of title 10, shall be available for paying the costs of administrative expenses of the Department of Defense that are attributable to the loan guarantee program under subchapter VI of chapter 148 of title 10, United States Code.

SEC. 8072. None of the funds available to the Department of Defense under this Act shall be obligated or expended to pay a contractor under a contract with the Department of Defense for costs of any amount paid by the contractor to an employee when—

(1) such costs are for a bonus or otherwise in excess of the normal salary paid by the contractor to the employee; and

(2) such bonus is part of restructuring costs associated with a business combination.

SEC. 8073. (a) None of the funds appropriated or otherwise made available in this Act may be used to transport or provide for the transportation of chemical munitions or agents to the Johnston Atoll for the purpose of storing or demilitarizing such munitions or agents.

(b) The prohibition in subsection (a) shall not apply to any obsolete World War II chemical munition or agent of the United States found in the World War II Pacific Theater of Operations.

(c) The President may suspend the application of subsection (a) during a period of war in which the United States is a party.

SEC. 8074. None of the funds provided in title II of this Act for "Former Soviet Union Threat Reduction" may be obligated or expended to finance housing for any individual who was a member of the military forces of the Soviet Union or for any individual who is or was a member of the military forces of the Russian Federation.

(INCLUDING TRANSFER OF FUNDS)

SEC. 8075. During the current fiscal year, no more than $30,000,000 of appropriations made in this Act under the heading "Operation and Maintenance, Defense-Wide" may be transferred to appropriations available for the pay of military personnel, to be merged with, and to be available for the same time period as the appropriations to which transferred, to be used in support of such personnel in connection with support and services for eligible organizations and activities outside the Department of Defense pursuant to section 2012 of title 10, United States Code.

SEC. 8076. For purposes of section 1553(b) of title 31, United States Code, any subdivision of appropriations made in this Act under the heading "Shipbuilding and Conversion, Navy" shall be considered to be for the same purpose as any subdivision under the heading "Shipbuilding and Conversion, Navy" appropriations in any prior year, and the 1 percent limitation shall apply to the total amount of the appropriation.

SEC. 8077. During the current fiscal year, in the case of an appropriation account of the Department of Defense for which the period of availability for obligation has expired or which has closed under the provisions of section 1552 of title 31, United States Code, and which has a negative unliquidated or unexpended balance, an obligation or an adjustment of an obligation may be charged to any current appropriation account for the same purpose as the expired or closed account if—

(1) the obligation would have been properly chargeable (except as to amount) to the expired or closed account before the end of the period of availability or closing of that account;

(2) the obligation is not otherwise properly chargeable to any current appropriation account of the Department of Defense; and

(3) in the case of an expired account, the obligation is not chargeable to a current appropriation of the Department of Defense under the provisions of section 1405(b)(8) of the National Defense Authorization Act for Fiscal Year 1991, Public Law 101–510, as amended (31 U.S.C. 1551 note): Provided, That in the case of an expired account, if subsequent review or investigation discloses that there was not in fact a negative unliquidated or unexpended balance in the account, any charge to a current account under the authority of this section shall be reversed and recorded against the expired account: Provided further, That the total amount charged to a current appropriation under this section may not exceed an amount equal to 1 percent of the total appropriation for that account.

SEC. 8078. The Under Secretary of Defense (Comptroller) shall submit to the congressional defense committees by February 1, 2001, a detailed report identifying, by amount and by separate budget activity, activity group, subactivity group, line item, program element, program, project, subproject, and activity, any activity for which the fiscal year 2002 budget request was reduced because the Congress appropriated *funds above the President's budget request for that specific activity for fiscal year 2001.*

*SEC. 8079. Funds appropriated in title II of this Act and for the Defense Health Program in title VI of this Act for supervision and administration costs for facilities maintenance and repair, minor construction, or design projects may be obligated at the time the reimbursable order is accepted by the performing activity: Provided, That for the purpose of this section, supervision and administration costs includes all in-house Government cost.*

*SEC. 8080. During the current fiscal year, the Secretary of Defense may waive reimbursement of the cost of conferences, seminars, courses of instruction, or similar educational activities of the Asia-Pacific Center for Security Studies for military officers and civilian officials of foreign nations if the Secretary determines that attendance by such personnel, without reimbursement, is in the national security interest of the United States: Provided, That costs for which reimbursement is waived pursuant to this section shall be paid from appropriations available for the Asia-Pacific Center.*

*SEC. 8081. (a) Notwithstanding any other provision of law, the Chief of the National Guard Bureau may permit the use of equipment of the National Guard Distance Learning Project by any person or entity on a space-available, reimbursable basis. The Chief of the National Guard Bureau shall establish the amount of reimbursement for such use on a case-by-case basis.*

*(b) Amounts collected under subsection (a) shall be credited to funds available for the National Guard Distance Learning Project and be available to defray the costs associated with the use of equipment of the project under that subsection. Such funds shall be available for such purposes without fiscal year limitation.*

*SEC. 8082. Using funds available by this Act or any other Act, the Secretary of the Air Force, pursuant to a determination under section 2690 of title 10, United States Code, may implement cost-effective agreements for required heating facility modernization in the Kaiserslautern Military Community in the Federal Republic of Germany: Provided, That in the City of Kaiserslautern such agreements will include the use of United States anthracite as the base load energy for municipal district heat to the United States Defense installations: Provided further, That at Landstuhl Army Regional Medical Center and Ramstein Air Base, furnished heat may be obtained from private, regional or municipal services, if provisions are included for the consideration of United States coal as an energy source.*

*SEC. 8083. Notwithstanding 31 U.S.C. 3902, during the current fiscal year, interest penalties may be paid by the Department of Defense from funds financing the operation of the military department or defense agency with which the invoice or contract payment is associated.*

*SEC. 8084. None of the funds appropriated in title IV of this Act may be used to procure end-items for delivery to military forces for operational training, operational use or inventory requirements: Provided, That this restriction does not apply to end-items used in development, prototyping, and test activities preceding and leading to acceptance for operational use: Provided further, That this restriction does not apply to programs funded within the National Foreign Intelligence Program: Provided further, That the Secretary of Defense may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that it is in the national security interest to do so.*

*SEC. 8085. Notwithstanding any other provision in this Act, the total amount appropriated in this Act is hereby reduced by $800,000,000 to reflect working capital fund cash balance and rate stabilization adjustments, to be distributed as follows:*

*"Operation and Maintenance, Army", $40,794,000;*

*"Operation and Maintenance, Navy", $271,856,000;*

*"Operation and Maintenance, Marine Corps", $5,006,000;*

*"Operation and Maintenance, Air Force", $294,209,000;*

*"Operation and Maintenance, Defense-Wide", $10,864,000;*

*"Operation and Maintenance, Navy Reserve", $31,669,000;*

*"Operation and Maintenance, Marine Corps Reserve", $563,000;*

*"Operation and Maintenance, Air Force Reserve", $43,974,000;*

*"Operation and Maintenance, Army National Guard", $15,572,000; and*

*"Operation and Maintenance, Air National Guard", $85,493,000.*

*SEC. 8086. Notwithstanding any other provision of this Act, the amounts provided in all appropriation accounts in titles III and IV of this Act are hereby reduced by 0.7 percent: Provided, That these reductions shall be applied on a pro-rata basis to each line item, program element, program, project, subproject, and activity within each appropriation account: Provided further, That not later than 60 days after the enactment of this Act, the Under Secretary of Defense (Comptroller) shall submit a report to the congressional defense committees listing the specific funding reductions allocated to each category listed in the preceding proviso pursuant to this section.*

*SEC. 8087. None of the funds made available in this Act may be used to approve or license the sale of the F–22 advanced tactical fighter to any foreign government.*

*SEC. 8088. (a) The Secretary of Defense may, on a case-by-case basis, waive with respect to a foreign country each limitation on the procurement of defense items from foreign sources provided in law if the Secretary determines that the application of the limitation with respect to that country would invalidate cooperative programs entered into between the Department of Defense and the foreign country, or would invalidate reciprocal trade agreements for the procurement of defense items entered into under section 2531 of title 10, United States Code, and the country does not discriminate against the same or similar defense items produced in the United States for that country.*

*(b) Subsection (a) applies with respect to—*

*(1) contracts and subcontracts entered into on or after the date of the enactment of this Act; and*

*(2) options for the procurement of items that are exercised after such date under contracts that are entered into before such date if the option prices are adjusted for any reason other than the application of a waiver granted under subsection (a).*

*(c) Subsection (a) does not apply to a limitation regarding construction of public vessels, ball and roller bearings, food, and clothing or textile materials as defined by section 11 (chapters 50–65) of the Harmonized Tariff Schedule and products classified under headings 4010, 4202, 4203, 6401 through 6406, 6505, 7019, 7218 through 7229, 7304.41 through 7304.49, 7306.40, 7502 through 7508, 8105, 8108, 8109, 8211, 8215, and 9404.*

*SEC. 8089. Funds made available to the Civil Air Patrol in this Act under the heading "Drug Interdiction and Counter-Drug Activities, Defense" may be used for the Civil Air Patrol Corporation's counterdrug program, including its demand reduction program involving youth programs, as well as operational and training drug reconnaissance missions for Federal, State, and local government agencies; for administrative costs, including the hiring of Civil Air Patrol Corporation employees; for travel and per diem expenses of Civil Air Patrol Corporation personnel in support of those missions; and for equipment needed for mission support or performance: Provided, That the Department of the Air Force should waive reimbursement from the Federal, State, and local government agencies for the use of these funds.*

*SEC. 8090. Notwithstanding any other provision of law, the TRICARE managed care support contracts in effect, or in final stages of acquisition as of September 30, 2000, may be extended for 2 years: Provided, That any such extension may only take place if the Secretary of Defense determines that it is in the best interest of the Government: Provided further, That any contract extension shall be based on the price in the final best and final offer for the last year of the existing contract as adjusted for inflation and other factors mutually agreed to by the contractor and the Government: Provided further, That notwithstanding any other provision of law, all future TRICARE managed care support contracts replacing contracts in effect, or in the final stages of acquisition as of September 30, 2000, may include a base contract period for transition and up to seven 1-year option periods.*

*SEC. 8091. None of the funds in this Act may be used to compensate an employee of the Department of Defense who initiates a new start program without notification to the Office of the Secretary of Defense, the Office of Management and Budget, and the congressional defense committees, as required by Department of Defense financial management regulations.*

*SEC. 8092. (a) PROHIBITION.—None of the funds made available by this Act may be used to support any training program involving a unit of the security forces of a foreign country if the Secretary of Defense has received credible information from the Department of State that the unit has committed a gross violation of human rights, unless all necessary corrective steps have been taken.*

*(b) MONITORING.—The Secretary of Defense, in consultation with the Secretary of State, shall ensure that prior to a decision to conduct any training program referred to in subsection (a), full consideration is given to all credible information available to the Department of State relating to human rights violations by foreign security forces.*

*(c) WAIVER.—The Secretary of Defense, after consultation with the Secretary of State, may waive the prohibition in subsection (a) if he determines that such waiver is required by extraordinary circumstances.*

*(d) REPORT.—Not more than 15 days after the exercise of any waiver under subsection (c), the Secretary of Defense shall submit a report to the congressional defense committees describing the extraordinary circumstances, the purpose and duration of the training program, the United States forces and the foreign security forces involved in the training program, and the information relating to human rights violations that necessitates the waiver.*

*SEC. 8093. The Secretary of Defense, in coordination with the Secretary of Health and Human Services, may carry out a program to distribute surplus dental equipment of the Department of Defense, at no cost to the Department of Defense, to Indian health service facilities and to federally-qualified health centers (within the meaning of section 1905(l)(2)(B) of the Social Security Act (42 U.S.C. 1396d(l)(2)(B))).*

*SEC. 8094. Notwithstanding any other provision in this Act, the total amount appropriated in this Act is hereby reduced by $856,900,000 to reflect savings from favorable foreign currency fluctuations, to be distributed as follows:*

*"Military Personnel, Army", $177,200,000;*

*"Military Personnel, Navy", $53,400,000;*

*"Military Personnel, Marine Corps", $14,200,000;*

*"Military Personnel, Air Force", $147,600,000;*

*"Operation and Maintenance, Army", $272,200,000;*

*"Operation and Maintenance, Navy", $47,000,000;*

*"Operation and Maintenance, Marine Corps", $2,200,000;*

*"Operation and Maintenance, Air Force", $96,000,000;*

*"Operation and Maintenance, Defense-Wide", $26,400,000; and*

*"Defense Health Program", $20,700,000.*

*SEC. 8095. None of the funds appropriated or made available in this Act to the Department of the Navy shall be used to develop, lease or procure the ADC(X) class of ships unless the main propulsion diesel engines and propulsors are manufactured in the United States by a domestically operated entity: Provided, That the Secretary of Defense may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes or there exists a significant cost or quality difference.*

*SEC. 8096. Of the funds made available in this Act, not less than $65,200,000 shall be available to maintain an attrition reserve force of 18 B–52 aircraft, of which $3,200,000 shall be available from "Military Personnel, Air Force", $36,900,000 shall be available from "Operation and Maintenance, Air Force", and $25,100,000 shall be available from "Aircraft Procurement, Air Force": Provided, That the Secretary of the Air Force shall maintain a total force of 94 B–52 aircraft, including 18 attrition reserve aircraft, during fiscal year 2001: Provided further, That the Secretary of Defense shall include in the Air Force budget request for fiscal year 2002 amounts sufficient to maintain a B–52 force totaling 94 aircraft.*

*SEC. 8097. The budget of the President for fiscal year 2002 submitted to the Congress pursuant to section 1105 of title 31, United States Code, and each annual budget request thereafter, shall include separate budget justification documents for costs of United States Armed Forces' participation in contingency operations for the Military Personnel accounts, the Overseas Contingency Operations Transfer Fund, the Operation and Maintenance accounts, and the Procurement accounts: Provided, That these budget justification documents shall include a description of the funding requested for each anticipated contingency operation, for each military service, to include active duty and Guard and Reserve components, and for each appropriation account: Provided further, That these documents shall include estimated costs for each element of expense or object class, a reconciliation of increases and decreases for ongoing contingency operations, and programmatic data including, but not limited to troop strength for each active duty and Guard and Reserve component, and estimates of the major weapons systems deployed in support of each contingency: Provided further, That these documents shall include budget exhibits OP–5 and OP–32, as defined in the Department of Defense Financial Management Regulation, for the Overseas Contingency Operations Transfer Fund for fiscal years 2000 and 2001.*

*SEC. 8098. None of the funds appropriated or otherwise made available by this or other Department of Defense Appropriations Acts may be obligated or expended for the purpose of performing repairs or maintenance to military family housing units of the Department of Defense, including areas in such military family housing units that may be used for the purpose of conducting official Department of Defense business.*

*SEC. 8099. Notwithstanding any other provision of law, funds appropriated in this Act under the heading "Research, Development, Test and Evaluation, Defense-Wide" for any advanced concept technology demonstration project may only be obligated 30 days after a report, including a description of the project and its estimated annual and total cost, has been provided in writing to the congressional defense committees: Provided, That the Secretary of Defense may waive this restriction on a case-by-case basis by certifying to the congressional defense committees that it is in the national interest to do so.*

*SEC. 8100. Notwithstanding any other provision of law, for the purpose of establishing all Department of Defense policies governing the provision of care provided by and financed under the military health care system's case management program under 10 U.S.C. 1079(a)(17), the term "custodial care" shall be defined as care designed essentially to assist an individual in meeting the activities of daily living and which does not require the supervision of trained medical, nursing, paramedical or other specially trained individuals: Provided, That the case management program shall provide that members and retired members of the military services, and their dependents and survivors, have access to all medically necessary health care through the health care delivery system of the military services regardless of the health care status of the person seeking the health care: Provided further, That the case management program shall be the primary obligor for payment of medically necessary services and shall not be considered as secondarily liable to title XIX of the Social Security Act, other welfare programs or charity based care.*

*SEC. 8101. During the current fiscal year—*

*(1) refunds attributable to the use of the Government travel card and refunds attributable to official Government travel arranged by Government Contracted Travel Management Centers may be credited to operation and maintenance accounts of the Department of Defense which are current when the refunds are received; and*

*(2) refunds attributable to the use of the Government Purchase Card by military personnel and civilian employees of the Department of Defense may be credited to accounts of the Department of Defense that are current when the refunds are received and that are available for the same purposes as the accounts originally charged.*

*SEC. 8102. (a) REGISTERING INFORMATION TECHNOLOGY SYSTEMS WITH DOD CHIEF INFORMATION OFFICER.—None of the funds appropriated in this Act may be used for a mission critical or mission essential information technology system (including a system funded by the defense working capital fund) that is not registered with the Chief Information Officer of the Department of Defense. A system shall be considered to be registered with that officer upon the furnishing to that officer of notice of the system, together with such information concerning the system as the Secretary of Defense may prescribe. An information technology system shall be considered a mission critical or mission essential information technology system as defined by the Secretary of Defense.*

*(b) CERTIFICATIONS AS TO COMPLIANCE WITH CLINGER-COHEN ACT.—(1) During the current fiscal year, a major automated information system may not receive Milestone I approval, Milestone II approval, or Milestone III approval, or their equivalent, within the Department of Defense until the Chief Information Officer certifies, with respect to that milestone, that the system is being developed in accordance with the Clinger-Cohen Act of 1996 (40 U.S.C. 1401 et seq.). The Chief Information Officer may require additional certifications, as appropriate, with respect to any such system.*

*(2) The Chief Information Officer shall provide the congressional defense committees timely notification of certifications under paragraph (1). Each such notification shall include, at a minimum, the funding baseline and milestone schedule for each system covered by such a certification and confirmation that the following steps have been taken with respect to the system:*

*(A) Business process reengineering.*

*(B) An analysis of alternatives.*

*(C) An economic analysis that includes a calculation of the return on investment.*

*(D) Performance measures.*

*(E) An information assurance strategy consistent with the Department's Global Information Grid.*

*(c) DEFINITIONS.—For purposes of this section:*

*(1) The term "Chief Information Officer" means the senior official of the Department of Defense designated by the Secretary of Defense pursuant to section 3506 of title 44, United States Code.*

*(2) The term "information technology system" has the meaning given the term "information technology" in section 5002 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1401).*

*(3) The term "major automated information system" has the meaning given that term in Department of Defense Directive 5000.1.*

*SEC. 8103. During the current fiscal year, none of the funds available to the Department of Defense may be used to provide support to another department or agency of the United States if such department or agency is more than 90 days in arrears in making payment to the Department of Defense for goods or services previously provided to such department or agency on a reimbursable basis: Provided, That this restriction shall not apply if the department is authorized by law to provide support to such department or agency on a nonreimbursable basis, and is providing the requested support pursuant to such authority: Provided further, That the Secretary of Defense may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that it is in the national security interest to do so.*

*SEC. 8104. None of the funds provided in this Act may be used to transfer to any nongovernmental entity ammunition held by the Department of Defense that has a center-fire cartridge and a United States military nomenclature designation of "armor penetrator", "armor piercing (AP)", "armor piercing incendiary (API)", or "armor-piercing incendiary-tracer (API–T)", except to an entity performing demilitarization services for the Department of Defense under a contract that requires the entity to demonstrate to the satisfaction of the Department of Defense that armor piercing projectiles are either: (1) rendered incapable of reuse by the demilitarization process; or (2) used to manufacture ammunition pursuant to a contract with the Department of Defense or the manufacture of ammunition for export pursuant to a License for Permanent Export of Unclassified Military Articles issued by the Department of State.*

*SEC. 8105. Notwithstanding any other provision of law, the Chief of the National Guard Bureau, or his designee, may waive payment of all or part of the consideration that otherwise would be required under 10 U.S.C. 2667, in the case of a lease of personal property for a period not in excess of 1 year to any organization specified in 32 U.S.C. 508(d), or any other youth, social, or fraternal non-profit organization as may* be approved by the Chief of the National Guard Bureau, or his designee, on a case-by-case basis.

SEC. 8106. Notwithstanding any other provision of law, that not more than 35 percent of funds provided in this Act, may be obligated for environmental remediation under indefinite delivery/indefinite quantity contracts with a total contract value of $130,000,000 or higher.

(TRANSFER OF FUNDS)

SEC. 8107. Of the funds made available under the heading "Operation and Maintenance, Air Force", $10,000,000 shall be transferred to the Department of Transportation to enable the Secretary of Transportation to realign railroad track on Elmendorf Air Force Base and Fort Richardson.

SEC. 8108. None of the funds appropriated by this Act shall be used for the support of any nonappropriated funds activity of the Department of Defense that procures malt beverages and wine with nonappropriated funds for resale (including such alcoholic beverages sold by the drink) on a military installation located in the United States unless such malt beverages and wine are procured within that State, or in the case of the District of Columbia, within the District of Columbia, in which the military installation is located: Provided, That in a case in which the military installation is located in more than one State, purchases may be made in any State in which the installation is located: Provided further, That such local procurement requirements for malt beverages and wine shall apply to all alcoholic beverages only for military installations in States which are not contiguous with another State: Provided further, That alcoholic beverages other than wine and malt beverages, in contiguous States and the District of Columbia shall be procured from the most competitive source, price and other factors considered.

SEC. 8109. During the current fiscal year, under regulations prescribed by the Secretary of Defense, the Center of Excellence for Disaster Management and Humanitarian Assistance may also pay, or authorize payment for, the expenses of providing or facilitating education and training for appropriate military and civilian personnel of foreign countries in disaster management, peace operations, and humanitarian assistance: Provided, That not later than April 1, 2001, the Secretary of Defense shall submit to the congressional defense committees a report regarding the training of foreign personnel conducted under this authority during the preceding fiscal year for which expenses were paid under the section: Provided further, That the report shall specify the countries in which the training was conducted, the type of training conducted, and the foreign personnel trained.

SEC. 8110. (a) The Department of Defense is authorized to enter into agreements with the Veterans Administration and federally-funded health agencies providing services to Native Hawaiians for the purpose of establishing a partnership similar to the Alaska Federal Health Care Partnership, in order to maximize Federal resources in the provision of health care services by federally-funded health agencies, applying telemedicine technologies. For the purpose of this partnership, Native Hawaiians shall have the same status as other Native Americans who are eligible for the health care services provided by the Indian Health Service.

(b) The Department of Defense is authorized to develop a consultation policy, consistent with Executive Order No. 13084 (issued May 14, 1998), with Native Hawaiians for the purpose of assuring maximum Native Hawaiian participation in the direction and administration of governmental services so as to render those services more responsive to the needs of the Native Hawaiian community.

(c) For purposes of this section, the term "Native Hawaiian" means any individual who is a descendant of the aboriginal people who, prior to 1778, occupied and exercised sovereignty in the area that now comprises the State of Hawaii.

SEC. 8111. None of the funds appropriated or otherwise made available by this Act or any other Act may be made available for reconstruction activities in the Republic of Serbia (excluding the province of Kosovo) as long as Slobodan Milosevic remains the President of the Federal Republic of Yugoslavia (Serbia and Montenegro).

SEC. 8112. In addition to the amounts provided elsewhere in this Act, the amount of $7,500,000 is hereby appropriated for "Operation and Maintenance, Defense-Wide", to be available, notwithstanding any other provision of law, only for a grant to the United Service Organizations Incorporated, a federally chartered corporation under chapter 2201 of title 36, United States Code. The grant provided for by this section is in addition to any grant provided for under any other provision of law.

SEC. 8113. Of the funds made available in this Act under the heading "Operation and Maintenance, Defense-Wide", up to $5,000,000 shall be available to provide assistance, by grant or otherwise, to public school systems that have unusually high concentrations of special needs military dependents enrolled: Provided, That in selecting school systems to receive such assistance, special consideration shall be given to school systems in States that are considered overseas assignments.

SEC. 8114. In addition to the amounts provided elsewhere in this Act, the amount of $5,000,000 is hereby appropriated for "Operation and Maintenance, Defense-Wide", to be available, notwithstanding any other provision of law, only for a grant to the High Desert Partnership in Academic Excellence Foundation, Inc., for the purpose of developing, implementing, and evaluating a standards and performance based academic model at schools administered by the Department of Defense Education Activity.

SEC. 8115. (a) IN GENERAL.—Notwithstanding any other provision of law, the Secretary of the Air Force may convey at no cost to the Air Force, without consideration, to Indian tribes located in the States of North Dakota, South Dakota, Montana, and Minnesota relocatable military housing units located at Grand Forks Air Force Base and Minot Air Force Base that are excess to the needs of the Air Force.

(b) PROCESSING OF REQUESTS.—The Secretary of the Air Force shall convey, at no cost to the Air Force, military housing units under subsection (a) in accordance with the request for such units that are submitted to the Secretary by the Operation Walking Shield Program on behalf of Indian tribes located in the States of North Dakota, South Dakota, Montana, and Minnesota.

(c) RESOLUTION OF HOUSING UNIT CONFLICTS.—The Operation Walking Shield program shall resolve any conflicts among requests of Indian tribes for housing units under subsection (a) before submitting requests to the Secretary of the Air Force under paragraph (b).

(d) INDIAN TRIBE DEFINED.—In this section, the term "Indian tribe" means any recognized Indian tribe included on the current list published by the Secretary of Interior under section 104 of the federally Recognized Indian Tribe Act of 1994 (Public Law 103–454; 108 Stat. 4792; 25 U.S.C. 479a–1).

SEC. 8116. Of the amounts appropriated in the Act under the heading "Research, Development, Test and Evaluation, Defense-Wide", $51,000,000 shall be available for the purpose of adjusting the cost-share of the parties under the Agreement between the Department of Defense and the Ministry of Defence of Israel for the Arrow Deployability Program.

SEC. 8117. The Secretary of Defense shall fully identify and determine the validity of health care contract liabilities, requests for equitable adjustment, and claims for unanticipated health care contract costs: Provided, That the Secretary of Defense shall establish an equitable and timely process for the adjudication of claims, and recognize actual liabilities during the Department's planning, programming and budgeting process: Provided further, That not later than March 1, 2001, the Secretary of Defense shall submit a report to the congressional defense committees on the scope and extent of health care contract claims, and on the action taken to implement the provisions of this section: Provided further, That nothing in this section should be construed as congressional direction to liquidate or pay any claims that otherwise would not have been adjudicated in favor of the claimant.

SEC. 8118. Funds available to the Department of Defense for the Global Positioning System during the current fiscal year may be used to fund civil requirements associated with the satellite and ground control segments of such system's modernization program.

(INCLUDING TRANSFER OF FUNDS)

SEC. 8119. Of the amounts appropriated in this Act under the heading, "Operation and Maintenance, Defense-Wide", $115,000,000 shall remain available until expended: Provided, That notwithstanding any other provision of law, the Secretary of Defense is authorized to transfer such funds to other activities of the Federal Government.

SEC. 8120. (a) REPORT TO THE CONGRESSIONAL DEFENSE COMMITTEES.—Not later than May 1, 2001, the Secretary of Defense shall submit to the congressional defense committees a report on work-related illnesses in the Department of Defense workforce, including the workforce of Department contractors and vendors, resulting from exposure to beryllium or beryllium alloys.

(b) PROCEDURE, METHODOLOGY, AND TIME PERIODS.—To the maximum extent practicable, the Secretary shall use the same procedures, methodology, and time periods in carrying out the work required to prepare the report under subsection (a) as those used by the Department of Energy to determine work-related illnesses in the Department of Energy workforce associated with exposure to beryllium or beryllium alloys. To the extent that different procedures, methodology, and time periods are used, the Secretary shall explain in the report why those different procedures, methodology, or time periods were used, why they were appropriate, and how they differ from those used by the Department of Energy.

(c) REPORT ELEMENTS.—The report shall include the following:

(1) A description of the precautions used by the Department of Defense and its contractors and vendors to protect their current employees from beryllium-related disease.

(2) Identification of elements of the Department of Defense and of contractors and vendors to the Department of Defense that use or have used beryllium or beryllium alloys in production of products for the Department of Defense.

(3) The number of employees (or, if an actual number is not available, an estimate of the number of employees) employed by each of the Department of Defense elements identified under paragraph (2) that are or were exposed during the course of their Defense-related employment to beryllium, beryllium dust, or beryllium fumes.

(4) A characterization of the amount, frequency, and duration of exposure for employees identified under paragraph (3).

(5) Identification of the actual number of instances of acute beryllium disease, chronic beryllium disease, or beryllium sensitization that have been documented to date among employees

*of the Department of Defense and its contractors and vendors.*

*(6) The estimated cost if the Department of Defense were to provide workers' compensation benefits comparable to benefits provided under the Federal Employees Compensation Act to employees, including former employees, of Government organizations, contractors, and vendors who have contracted beryllium-related diseases.*

*(7) The Secretary's recommendations on whether compensation for work-related illnesses in the Department of Defense workforce, including contractors and vendors, is justified or recommended.*

*(8) Legislative proposals, if any, to implement the Secretary's recommendations under paragraph (7).*

*SEC. 8121. Of the amounts made available in title II of this Act for "Operation and Maintenance, Army", $1,900,000 shall be available only for the purpose of making a grant to the San Bernardino County Airports Department for the installation of a perimeter security fence for that portion of the Barstow-Daggett Airport, California, which is used as a heliport for the National Training Center, Fort Irwin, California, and for installation of other security improvements at that airport.*

*SEC. 8122. The Secretary of Defense may during the current fiscal year and hereafter carry out the activities and exercise the authorities provided under the demonstration program authorized by section 9148 of the Department of Defense Appropriations Act, 1993 (Public Law 102–396; 106 Stat. 1941).*

*SEC. 8123. (a) Not later than 90 days after the date of the source selection for the Interim Armored Vehicle program (also referred to as the Family of Medium Armored Vehicles program), the Secretary of the Army shall submit to the congressional defense committees a detailed report on that program. The report shall include the following:*

*(1) The required research and development cost for each variant of the Interim Armored Vehicle to be procured and the total research and development cost for the program.*

*(2) The major milestones for the development program for the Interim Armored Vehicle program.*

*(3) The production unit cost of each variant of the Interim Armored Vehicle to be procured.*

*(4) The total procurement cost of the Interim Armored Vehicle program.*

*(b) The Chairman of the Joint Chiefs of Staff shall submit to the congressional defense committees a report (in both classified and unclassified versions) on the joint warfighting requirements to be met by the new medium brigades for the Army. The report shall describe any adjustments made to operational plans of the commanders of the unified combatant commands for use of those brigades. The report shall be submitted at the time that the President's budget for fiscal year 2002 is transmitted to Congress.*

*SEC. 8124. None of the funds made available in this Act or the Department of Defense Appropriations Act, 2000 (Public Law 106–79) may be used to award a full funding contract for low-rate initial production for the F–22 aircraft program until—*

*(1) the first flight of an F–22 aircraft incorporating Block 3.0 software has been conducted;*

*(2) the Secretary of Defense certifies to the congressional defense committees that all Defense Acquisition Board exit criteria for the award of low-rate initial production of the aircraft have been met; and*

*(3) upon completion of the requirements under (1) and (2) above, the Director of Operational Test and Evaluation submits to the congressional defense committees a report assessing the adequacy of testing to date to measure and predict performance of F–22 avionics systems, stealth characteristics, and weapons delivery systems.*

*SEC. 8125. (a) The total amount expended by the Department of Defense for the F–22 aircraft program (over all fiscal years of the life of the program) for engineering and manufacturing development and for production may not exceed $58,028,200,000. The amount provided in the preceding sentence shall be adjusted by the Secretary of the Air Force in the manner provided in section 217(c) of Public Law 105–85 (111 Stat. 1660). This section supersedes any limitation previously provided by law on the amount that may be obligated or expended for engineering and manufacturing development under the F–22 aircraft program and any limitation previously provided by law on the amount that may be obligated or expended for the F–22 production program.*

*(b) The provisions of subsection (a) apply during the current fiscal year and subsequent fiscal years.*

*SEC. 8126. Notwithstanding any other provision in this Act, the total amount appropriated in this Act under Title IV for the Ballistic Missile Defense Organization (BMDO) is hereby reduced by $14,000,000 to reflect a reduction in system engineering, program management, and other support costs.*

*SEC. 8127. The Ballistic Missile Defense Organization and its subordinate offices and associated contractors, including the Lead Systems Integrator, shall notify the congressional defense committees 15 days prior to issuing any type of information or proposal solicitation under the NMD Program with a potential annual contract value greater than $5,000,000 or a total contract value greater than $30,000,000.*

*SEC. 8128. Up to $3,000,000 of the funds appropriated under the heading, "Operation and Maintenance, Navy" in this Act for the Pacific Missile Range Facility may be made available to contract for the repair, maintenance, and operation of adjacent off-base water, drainage, and flood control systems critical to base operations.*

*SEC. 8129. In addition to amounts appropriated elsewhere in this Act, $20,000,000 is hereby appropriated to the Department of Defense: Provided, That the Secretary of Defense shall make a grant in the amount of $20,000,000 to the National Center for the Preservation of Democracy for the renovation of buildings and for other purposes to assist in carrying out the intent of 50 U.S.C. App. 1989.*

*SEC. 8130. Of the funds made available under the heading "Operation and Maintenance, Air Force", not less than $7,000,000 shall be made available by grant or otherwise, to the North Slope Borough, to provide assistance for health care, monitoring and related issues associated with research conducted from 1955 to 1957 by the former Arctic Aeromedical Laboratory.*

*SEC. 8131. None of the funds appropriated in this Act under the heading "Overseas Contingency Operations Transfer Fund" may be transferred or obligated for Department of Defense expenses not directly related to the conduct of overseas contingencies: Provided, That the Secretary of Defense shall submit a report no later than thirty days after the end of each fiscal quarter to the Committees on Appropriations of the Senate and House of Representatives that details any transfer of funds from the "Overseas Contingency Operations Transfer Fund": Provided further, That the report shall explain any transfer for the maintenance of real property, pay of civilian personnel, base operations support, and weapon, vehicle or equipment maintenance.*

*SEC. 8132. In addition to amounts made available elsewhere in this Act, $1,000,000 is hereby appropriated to the Department of Defense to be available for payment to members of the uniformed services for reimbursement for mandatory pet quarantines as authorized by law.*

*(TRANSFER OF FUNDS)*

*SEC. 8133. The Secretary of the Navy may transfer funds from any available Department of the Navy appropriation to any available Navy ship construction appropriation for the purpose of liquidating necessary ship cost changes for previous ship construction programs appropriated in law: Provided, That the Secretary may transfer not to exceed $300,000,000 under the authority provided by this section: Provided further, That the funding transferred shall be available for the same time period as the appropriation from which transferred: Provided further, That the Secretary may not transfer any funds until 30 days after the proposed transfer has been reported to the Committees on Appropriations of the Senate and the House of Representatives: Provided further, That the transfer authority provided by this section is in addition to any other transfer authority contained elsewhere in this Act.*

*SEC. 8134. In addition to amounts appropriated elsewhere in this Act, $2,100,000 is hereby appropriated to the Department of Defense: Provided, That the Secretary of Defense shall make a grant in the amount of $2,100,000 to the National D-Day Museum.*

*SEC. 8135. In addition to amounts appropriated elsewhere in this Act, $5,000,000 is hereby appropriated to the Department of Defense: Provided, That the Secretary of the Army shall make available a grant of $5,000,000 only to the Chicago Public Schools for conversion and expansion of the former Eighth Regiment National Guard Armory (Bronzeville).*

*SEC. 8136. In addition to the amounts provided elsewhere in this Act, the amount of $10,000,000 is hereby appropriated for "Operation and Maintenance, Navy", to accelerate the disposal and scrapping of ships of the Navy Inactive Fleet and Maritime Administration National Defense Reserve Fleet: Provided, That the Secretary of the Navy and the Secretary of Transportation shall develop criteria for selecting ships for scrapping or disposal based on their potential for causing pollution, creating an environmental hazard and cost of storage: Provided further, That the Secretary of the Navy and the Secretary of Transportation shall report to the congressional defense committees no later than June 1, 2001 regarding the total number of vessels currently designated for scrapping, and the schedule and costs for scrapping these vessels.*

*SEC. 8137. Section 8106 of the Department of Defense Appropriations Act, 1997 (titles I through VIII of the matter under subsection 101(b) of Public Law 104–208; 110 Stat. 3009–111, 10 U.S.C. 113 note) shall continue in effect to apply to disbursements that are made by the Department of Defense in fiscal year 2001.*

*SEC. 8138. PRIVACY OF INDIVIDUAL MEDICAL RECORDS. None of the funds provided in this Act shall be used to transfer, release, disclose, or otherwise make available to any individual or entity outside the Department of Defense for any non-national security or non-law enforcement purposes an individual's medical records without the consent of the individual.*

*SEC. 8139. Of the amount available under title II under the heading "OPERATION AND MAINTENANCE, DEFENSE-WIDE", $1,000,000 shall be available only for continuation of the Middle East Regional Security Issues program.*

*SEC. 8140. Of the funds available in title II under the heading "OPERATION AND MAINTENANCE, DEFENSE-WIDE", $20,000,000 may be available for information security initiatives: Provided, That, of such amount, $5,000,000 is available for the Institute for Defense Computer Security and Information Protection of the Department of Defense, and $15,000,000 is available for the Information Security Scholarship Program of the Department of Defense.*

*SEC. 8141. In addition to the amounts appropriated or otherwise made available in this Act, $5,000,000, to remain available until September 30, 2001, is hereby appropriated to the Department of Defense: Provided, That the Secretary of Defense shall make a grant in the amount of $5,000,000 to the American Red Cross for Armed Forces Emergency Services.*

*SEC. 8142. Of the amounts appropriated under title II under the heading "Operation and Maintenance, Defense-Wide", $2,000,000 may be made available, subject to the enactment of authorizing legislation, for the Bosque Redondo Memorial in accordance with the provisions of title II of the bill S. 964 of the 106th Congress, as passed the Senate on November 19, 1999.*

*SEC. 8143. Of the funds provided within title I of this Act, such funds as may be necessary shall be available for a special subsistence allowance for members eligible to receive food stamp assistance, as authorized by law.*

*SEC. 8144. Section 8093 of the Department of Defense Appropriations Act, 2000 (Public Law 106–79; 113 Stat. 1253) is amended by striking subsection (d), relating to a prohibition on the use of Department of Defense funds to procure a nuclear-capable shipyard crane from a foreign source.*

*SEC. 8145. Notwithstanding any other provision of law—*

*(1) from amounts made available for Research, Development, Test and Evaluation, Air Force in this Act and the Department of Defense Appropriations Act, 2000 (Public Law 106–79), an aggregate amount of $99,700,000 (less any proportional general reduction required by law and any reduction required for the Small Business Innovative Research program) shall be available only for the B–2 Link 16/Center Instrument Display/In-Flight Replanner program; and*

*(2) the Secretary of the Air Force shall not be required to obligate funds for potential termination liability in connection with the B–2 Link 16/Center Instrument Display/In-Flight Replanner program.*

*SEC. 8146. Notwithstanding any other provision of law, not less than $233,637,000 of the funds provided in this Act shall be available only for the Airborne Laser program.*

*SEC. 8147. (a) IN GENERAL.—Section 106 of title 38, United States Code, is amended by adding at the end the following new subsection:*

*"(f) Service as a member of the Alaska Territorial Guard during World War II of any individual who was honorably discharged therefrom under section 8147 of the Department of Defense Appropriations Act, 2001, shall be considered active duty for purposes of all laws administered by the Secretary.".*

*(b) DISCHARGE.—(1) The Secretary of Defense shall issue to each individual who served as a member of the Alaska Territorial Guard during World War II a discharge from such service under honorable conditions if the Secretary determines that the nature and duration of the service of the individual so warrants.*

*(2) A discharge under paragraph (1) shall designate the date of discharge. The date of discharge shall be the date, as determined by the Secretary, of the termination of service of the individual concerned as described in that paragraph.*

*(c) PROHIBITION ON RETROACTIVE BENEFITS.—No benefits shall be paid to any individual for any period before the date of the enactment of this Act by reason of the enactment of this section.*

*SEC. 8148. UNITED STATES-CHINA SECURITY REVIEW COMMISSION. Subject to authorization, there are hereby appropriated, out of any funds in the Treasury not otherwise appropriated, $3,000,000, to remain available until expended, to the United States-China Security Review Commission for fiscal year 2001 to carry out its functions.*

*SEC. 8149. Section 1621 of Public Law 92–204 (43 U.S.C. 1621), the Alaska Native Claims Settlement Act, as amended, is further amended by inserting at the end the following:*

*"(m) LICENSES HELD BY ALASKA NATIVE REGIONAL CORPORATIONS.—An Alaska Native regional corporation organized pursuant to the Alaska Native Claims Settlement Act, or an affiliate thereof, that holds a Federal Communications Commission license in the personal communications service as of the date of enactment of this section and has either paid for such license in full or has complied with the payment schedules for such license shall be permitted to transfer or assign without penalty such license to any transferee or assignee. No economic penalties shall apply to any transfer or assignment authorized under this section. Any amounts owed to the United States for the initial grant of such licenses shall become immediately due and payable upon the consummation of any such transfer or assignment. Any application for such a transfer or assignment shall be deemed granted if not denied by the Commission within 90 days of the date on which it was initially filed. Any provision of law or regulation to the contrary is hereby amended.".*

*SEC. 8150. For purposes of implementing section 206(b) of H. Con. Res. 290 (106th Congress), the limits provided in section 302(a)(3)(A) of the Congressional Budget Act of 1974 shall not apply with respect to fiscal year 2001.*

*SEC. 8151. (a) DESIGNATION.—The consolidated operations center planned for construction at Redstone Arsenal, Huntsville, Alabama, to house the Army's Space and Missile Defense Command and for other purposes, shall be known and designated as the "Wernher von Braun Complex".*

*(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the complex referred to in subsection (a) shall be deemed to be a reference to the "Wernher von Braun Complex".*

*SEC. 8152. Of the funds provided in this Act under the heading "Research, Development, Test and Evaluation, Defense-Wide" for the Pacific Disaster Center, $300,000 shall be made available for a grant, to be awarded not later than 60 days after enactment of this Act, to the Circum-Pacific Council for the Crowding the Rim Summit Initiative.*

*SEC. 8153. Upon enactment of this Act, the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2000 (as enacted into law by section 1000(a)(1) of Public Law 106–113) is amended under the heading "Small Business Administration, Business Loans Program Account" in the first paragraph by striking "Provided, That of the total provided, $6,000,000 shall be available only for the cost of guaranteed loans under the New Markets Venture Capital program and shall become available for obligation only upon authorization of such program by the enactment of subsequent legislation in fiscal year 2000:".*

*SEC. 8154. In addition to amounts appropriated elsewhere in this Act, $1,650,000 is hereby appropriated to the Department of Defense, only for a competitively awarded grant to a medical research institution for research among persons who served on active duty in the Southwest Asia theater of operations during the Persian Gulf War on (1) the possible health effect of exposure to low levels of hazardous chemicals, including chemical warfare agents and other substances, and (2) the individual susceptibility of humans to such exposure under environmentally controlled conditions.*

*SEC. 8155. In addition to the amounts appropriated elsewhere in this Act, $2,000,000, to remain available until expended, is hereby appropriated to the Department of Defense: Provided, That notwithstanding any other provision of law, the Secretary of Defense shall make available a grant of $2,000,000 to the Oakland Military Institute, Oakland, California.*

*SEC. 8156. In addition to the amounts provided elsewhere in this Act, the amount of $10,000,000 is hereby appropriated for "Operation and Maintenance, Army" and shall be available to the Secretary of the Army, notwithstanding any other provision of law, only to be provided as a grant to the City of San Bernardino, California, contingent on the resolution of the case City of San Bernardino v. United States, pending as of July 1, 2000, in the United States District Court for the Central District of California (C.D. Cal. Case No. CV 96–8867).*

*SEC. 8157. The Secretary of Defense may transfer, at no cost, the title/ownership of the alloying material being stored at the Brownfield site in Bethlehem, Pennsylvania to the Bethlehem Development Corporation: Provided, That the net proceeds from the disposition of the materials are only for redevelopment of the Brownfield site.*

*SEC. 8158. In addition to amounts provided in this Act, $2,000,000 is hereby appropriated for "Defense Health Program", to remain available for obligation until expended: Provided, That notwithstanding any other provision of law, these funds shall be available only for a grant to the Fisher House Foundation, Inc., only for the construction and furnishing of additional Fisher Houses to meet the needs of military family members when confronted with the illness or hospitalization of an eligible military beneficiary.*

*SEC. 8159. The Office of Economic Adjustment may amend a grant awarded in 1998 to the Commonwealth of Pennsylvania for Industrial Modernization of Philadelphia Shipyard for the purpose of undertaking community economic adjustment activities to provide for the acquisition of equipment that would further the overall purpose of the grant: Provided, That such amendment shall not increase the grant period or the total amount of the grant award and shall be deemed, for all purposes, to be within the scope of the original grant.*

*SEC. 8160. The appropriation under the heading "Defense Reinvestment for Economic Growth" in the Supplemental Appropriations Act of 1993 (Public Law 103–50) is amended by striking "that date" and inserting "December 1, 2004": Provided, That the amendment, made by this section shall be effective as of July 2, 1993.*

*(INCLUDING TRANSFER OF FUNDS)*

*SEC. 8161. In addition to the amounts appropriated elsewhere in this Act, $2,000,000, to remain available until expended, is hereby appropriated to the Department of Defense: Provided, That not later than October 15, 2000, the Secretary of Defense shall transfer these funds to the Department of Energy appropriation account "Fossil Energy Research and Development", only for a proposed conceptual design study to examine the feasibility of a zero emissions, steam injection process with possible applications for increased power generation efficiency, enhanced oil recovery and carbon sequestration.*

*SEC. 8162. Section 104 of the Emergency Supplemental Appropriations Act, 2000 (in title I, chapter 1, of division B of Public Law 106–246) is amended to read as follows: after "Procurement of Weapons and Tracked Combat Vehicles, Army", insert the following: ", to remain available for obligation until September 30, 2002,".*

*SEC. 8163. Notwithstanding any other provision in this Act, the total amount appropriated in this Act is hereby reduced by $71,367,000, to reduce cost growth in consulting and advisory services and other contract growth, to be distributed as follows:*

*"Operation and Maintenance, Army", $20,000,000;*

*"Operation and Maintenance, Navy", $10,000,000;*

*"Operation and Maintenance, Marine Corps", $367,000; and*

*"Operation and Maintenance, Air Force", $41,000,000.*

*SEC. 8164. Notwithstanding any other provision in this Act, the total amount appropriated in this Act is hereby reduced by $92,700,000, to reduce excess funded carryover, to be distributed as follows:*

*"Operation and Maintenance, Army", $40,500,000; and*

*"Operation and Maintenance, Air Force", $52,200,000.*

*SEC. 8165. Notwithstanding any other provision in this Act, the total amount appropriated in this Act is hereby reduced by $159,076,000, to reduce growth in headquarters and administrative activities, to be distributed as follows:*

*"Operation and Maintenance, Army", $56,700,000;*

*"Operation and Maintenance, Navy", $12,376,000; and*

*"Operation and Maintenance, Air Force", $90,000,000.*

*SEC. 8166. Of the amounts provided in title II of this Act, the following account is hereby reduced by the specified amount:*

*"Overseas Contingency Operations Transfer Fund", $1,100,000,000.*

## TITLE IX

## ADDITIONAL FISCAL YEAR 2000 EMERGENCY SUPPLEMENTAL APPROPRIATIONS FOR THE DEPARTMENT OF DEFENSE

*The following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to provide additional emergency supplemental appropriations for the Department of Defense for the fiscal year ending September 30, 2000, and for other purposes, namely:*

### DEPARTMENT OF DEFENSE—MILITARY OPERATION AND MAINTENANCE

### OVERSEAS CONTINGENCY OPERATIONS TRANSFER FUND

(INCLUDING TRANSFER OF FUNDS)

*For an additional amount for the "Overseas Contingency Operations Transfer Fund", $1,100,000,000, to remain available until expended: Provided, That the Secretary of Defense may transfer the funds provided herein only to appropriations for military personnel; operation and maintenance accounts; procurement; research, development, test and evaluation; the Defense Health Program; and to working capital funds: Provided further, That the funds transferred shall be merged with and shall be available for the same purposes and for the same time period, as the appropriation to which transferred: Provided further, That the transfer authority provided in this paragraph is in addition to any other transfer authority available to the Department of Defense: Provided further, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation: Provided further, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: Provided further, That the entire amount shall be available only to the extent that an official budget request for a specific dollar amount, that includes designation of the entire amount of the request as an emergency requirement as defined by such Act, is transmitted by the President to the Congress.*

### GENERAL PROVISIONS—THIS TITLE

*SEC. 9001. (a) In addition to amounts appropriated or otherwise made available for the Department of Defense elsewhere in this Act, the Department of Defense Appropriations Act, 2000 (Public Law 106–79), and the Emergency Supplemental Act, 2000 (division B of Public Law 106–246), there is hereby appropriated to the Department of Defense $679,000,000, as follows:*

*(1) For military personnel accounts, to remain available for obligation until September 30, 2001, $50,000,000, only for "Military Personnel, Navy".*

*(2) For operation and maintenance accounts, to remain available for obligation until September 30, 2001, $529,000,000, as follows:*

*(i) For depot-level maintenance and repair, $234,000,000, as follows:*

*"Operation and Maintenance, Army", $50,000,000;*

*"Operation and Maintenance, Navy", $162,000,000 (of which $20,000,000 is for aviation depot maintenance and $142,000,000 for ship depot maintenance);*

*"Operation and Maintenance, Marine Corps", $22,000,000.*

*(ii) For readiness spares kits, $45,000,000, only for "Operation and Maintenance, Air Force".*

*(iii) For real property maintenance, $250,000,000, as follows:*

*"Operation and Maintenance, Army", $70,000,000;*

*"Operation and Maintenance, Navy", $70,000,000;*

*"Operation and Maintenance, Marine Corps", $40,000,000; and*

*"Operation and Maintenance, Air Force", $70,000,000.*

*(3) For the Defense Health Program, to remain available for obligation until September 30, 2001, $100,000,000.*

*(b) EMERGENCY DESIGNATION.—The entire amount made available in this section—*

*(1) is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended; and*

*(2) shall be available only if the President transmits to the Congress an official budget request for $679,000,000, which includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.*

*SEC. 9002. Notwithstanding any other provision of this Act, funds appropriated by this title, or made available by the transfer of funds in this title, for intelligence activities are deemed to be specifically authorized by the Congress for purposes of section 504 of the National Security Act of 1947 (50 U.S.C. 414).*

*This Act may be cited as the "Department of Defense Appropriations Act, 2001".*

And the Senate agree to the same.

Jerry Lewis,
Bill Young,
Joe Skeen,
Dave Hobson,
Henry Bonilla,
George R. Nethercutt, Jr.,
Ernest J. Istook, Jr.,
Randy "Duke" Cunningham,
Jay Dickey,
Rodney Frelinghuysen,
John P. Murtha,
Norman D. Dicks,
Martin Olav Sabo,
Julian C. Dixon,
Peter J. Visclosky,
James P. Moran,
*Managers on the Part of the House.*

Ted Stevens,
Thad Cochran,
Arlen Specter,
Pete V. Domenici,
Christopher S. Bond,
Mitch McConnell,
Richard C. Shelby,
Judd Gregg,
Kay Bailey Hutchison,
Daniel K. Inouye,
Ernest Hollings,
Robert C. Byrd,
Patrick J. Leahy,
Frank R. Lautenberg,
Tom Harkin,
Byron L. Dorgan,
Richard J. Durbin,
*Managers on the Part of the Senate.*

## JOINT EXPLANATORY STATEMENT

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4576), making appropriations for the Department of Defense for the fiscal year ending September 30, 2001, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

The conference agreement on the Department of Defense Appropriations Act, 2001, incorporates some of the provisions of both the House and Senate versions of the bill. The language and allocations set forth in House Report 106–644 and Senate Report 106–298 should be complied with unless specifically addressed in the accompanying bill and statement of the managers to the contrary.

Senate Amendment: The Senate deleted the entire House bill after the enacting clause and inserted the Senate bill. The conference agreement includes a revised bill.

### DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

The conferees agree that for the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99–177) as amended by the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (Public Law 100–119) and by the Budget Enforcement Act of 1990 (Public Law 101–508), the term program, project, and activity for appropriations contained in this Act shall be defined as the most specific level of budget items identified in the Department of Defense Appropriations Act, 2001, the accompanying House and Senate Committee reports, the conference report and accompanying joint explanatory statement of the managers of the Committee of Conference, the related classified annexes and reports, and the P–1 and R–1 budget justification documents as subsequently modified by Congressional action. The following exception to the above definition shall apply:

For the Military Personnel and the Operation and Maintenance accounts, the term "program, project, and activity" is defined as the appropriations accounts contained in the Department of Defense Appropriations Act. At the time the President submits his budget for fiscal year 2002, the conferees direct the Department of Defense to transmit to the congressional defense committees budget justification documents to be known as the "M–1" and "O–1" which shall identify, at the budget activity, activity group, and subactivity group level, the amounts requested by the President to be appropriated to the Department of Defense for operation and maintenance in any budget request, or amended budget request, for fiscal year 2002.

### CONGRESSIONAL SPECIAL INTEREST ITEMS

The conferees direct that projects for which funds are provided as indicated in the tables or paragraphs of the Conference Report in any appropriation account are special interest items for the purpose of preparation of the DD Form 1414. The conferees also direct that the funding adjustments outlined in the tables shall be provided only for the specific purposes outlined in the table.

## TITLE I -- MILITARY PERSONNEL

The conferees agree to the following amounts for the Military Personnel accounts:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| Active Personnel: | | | | |
| Army .................. | 22,198,457 | 22,242,457 | 22,173,929 | 22,175,357 |
| Navy ...................., | 17,742,897 | 17,799,297 | 17,877,215 | 17,772,297 |
| Marine Corps.......... | 6,822,300 | 6,818,300 | 6,831,373 | 6,833,100 |
| Air Force ............... | 18,282,834 | 18,238,234 | 18,110,764 | 18,174,284 |
| Reserve Personnel: | | | | |
| Army ..................... | 2,433,880 | 2,463,320 | 2,458,961 | 2,473,001 |
| Navy ...................... | 1,528,385 | 1,566,095 | 1,539,490 | 1,576,174 |
| Marine Corps ............ | 436,386 | 440,886 | 446,586 | 448,886 |
| Air Force ................. | 981,710 | 980,610 | 963,752 | 971,024 |
| National Guard Personnel: | | | | |
| Army.................. | 3,747,636 | 3,719,336 | 3,781,236 | 3,782,536 |
| Air Force ............. | 1,627,181 | 1,635,681 | 1,634,181 | 1,641,081 |
| | | | | |
| Total, Military Personnel | 75,801,666 | 75,904,216 | 75,817,487 | 75,847,740 |
| | | | | |

### ITEMS ADDRESSED IN SUPPLEMENTAL ACTS

The recently passed Military Construction Appropriations Act, 2001 (Public Law 106–246), included the Emergency Supplemental Act, 2000 for the Department of Defense. This Supplemental addressed shortfalls in military personnel, recruiting, advertising, and retention by providing a total of $134,400,000 in the Military Personnel accounts, and $373,000,000 in the Operation and Maintenance accounts. In this Act, the conferees have agreed to include a total of $50,000,000 for "Military Personnel, Navy", also designated as emergency supplemental appropriations in Title IX of this Act.

### PERSONNEL UNDEREXECUTION SAVINGS

The conferees recommended a total reduction of $243,800,000 to the Active Military Personnel accounts due to lower than budgeted fiscal year 2000 end strengths, and differences in the actual grade mix of officers and enlisted recommended in the budget request. The General Accounting Office estimates that the active components will have approximately 3,500 fewer personnel on board to begin fiscal year 2001, and as a result, the fiscal year 2001 pay and allowances requirements for personnel are incorrect and the budgets overstated.

### Force Structure Changes

The conferees recommend a total of $160,000,000 in the Military Personnel and Operation and Maintenance accounts for force structure that was not included in the budget request, as follows:

(In thousands of dollars)

| | MILPERS | O&M | PROC. | TOTAL |
|---|---|---|---|---|
| Navy USS HOUSTON Submarine……. | 3,500 | --- | --- | 3,500 |
| Navy Recruiter Manning ……………… | 15,000 | --- | --- | 15,000 |
| Air Force B-52 aircraft………………….. | 3,200 | 36,900 | 25,100 | 65,200 |
| Army Reserve Full-Time Support………. | 10,000 | 20,500 | --- | 30,500 |
| Marine Corps Reserve Active Reserve …… | 1,900 | --- | --- | 1,900 |
| Air Force Reserve AGR's RED HORSE…..… | 400 | 1,800 | --- | 2,200 |
| Air Force Reserve Recruiters……………..… | 1,700 | --- | --- | 1,700 |
| Army National Guard Full-Time Support .. | 17,500 | 20,500 | --- | 38,000 |
| Air National Guard Full-Time Support……. | 2,000 | --- | --- | 2,000 |
| Totals ……………………………… | 55,200 | 79,700 | 25,100 | 160,000 |

Active End Strength
(Fiscal Year 2001)

| | Budget | Conference | Conference vs. Budget |
|---|---|---|---|
| Army .......................... | 480,000 | 480,000 | --- |
| Navy .......................... | 372,000 | 372,642 | +642 |
| Marine Corps ................ | 172,600 | 172,600 | --- |
| Air Force ..................... | 357,000 | 357,000 | --- |
| Total, Active Personnel..... | 1,381,600 | 1,382,242 | +642 |
| | | | |

## MILITARY PERSONNEL, ARMY

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| 50 MILITARY PERSONNEL, ARMY | | | | |
| 100 ACTIVITY 1: PAY AND ALLOWANCES OF OFFICER | | | | |
| 150 BASIC PAY | 3,762,693 | 3,762,693 | 3,762,693 | 3,762,693 |
| 200 RETIRED PAY ACCRUAL | 1,113,757 | 1,113,757 | 1,113,757 | 1,113,757 |
| 350 BASIC ALLOWANCE FOR HOUSING | 659,623 | 659,623 | 659,623 | 659,623 |
| 400 BASIC ALLOWANCE FOR SUBSISTENCE | 149,691 | 149,691 | 149,691 | 149,691 |
| 450 INCENTIVE PAYS | 80,787 | 80,787 | 80,787 | 80,787 |
| 500 SPECIAL PAYS | 200,661 | 200,661 | 200,661 | 200,661 |
| 550 ALLOWANCES | 66,874 | 66,874 | 66,874 | 66,874 |
| 600 SEPARATION PAY | 66,100 | 66,100 | 66,100 | 66,100 |
| 650 SOCIAL SECURITY TAX | 286,086 | 286,086 | 286,086 | 286,086 |
| 700 TOTAL, BUDGET ACTIVITY 1 | 6,386,272 | 6,386,272 | 6,386,272 | 6,386,272 |
| 750 ACTIVITY 2: PAY AND ALLOWANCES OF ENLISTED PERSONNEL | | | | |
| 800 BASIC PAY | 8,107,923 | 8,107,923 | 8,107,923 | 8,107,923 |
| 850 RETIRED PAY ACCRUAL | 2,399,945 | 2,399,945 | 2,399,945 | 2,399,945 |
| 1000 BASIC ALLOWANCE FOR HOUSING | 1,314,050 | 1,314,050 | 1,314,050 | 1,314,050 |
| 1050 INCENTIVE PAYS | 68,203 | 68,203 | 68,203 | 68,203 |
| 1100 SPECIAL PAYS | 368,377 | 439,377 | 436,377 | 401,377 |
| 1150 ALLOWANCES | 404,783 | 404,783 | 404,783 | 404,783 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| 1200 SEPARATION PAY | 264,275 | 264,275 | 264,275 | 264,275 |
| 1250 SOCIAL SECURITY TAX | 613,669 | 613,669 | 613,669 | 613,669 |
| 1300 TOTAL, BUDGET ACTIVITY 2 | 13,541,225 | 13,612,225 | 13,609,225 | 13,574,225 |
| 1350 ACTIVITY 3: PAY AND ALLOWANCES OF CADETS | | | | |
| 1400 ACADEMY CADETS | 41,697 | 41,697 | 41,697 | 41,697 |
| 1500 ACTIVITY 4: SUBSISTENCE OF ENLISTED PERSONNEL | | | | |
| 1550 BASIC ALLOWANCE FOR SUBSISTENCE | 800,746 | 800,746 | 800,746 | 800,746 |
| 1600 SUBSISTENCE-IN-KIND | 395,151 | 395,151 | 395,151 | 395,151 |
| 1650 TOTAL, BUDGET ACTIVITY 4 | 1,195,897 | 1,195,897 | 1,195,897 | 1,195,897 |
| 1700 ACTIVITY 5: PERMANENT CHANGE OF STATION TRAVEL | | | | |
| 1750 ACCESSION TRAVEL | 133,294 | 133,294 | 133,294 | 133,294 |
| 1800 TRAINING TRAVEL | 39,345 | 39,345 | 39,345 | 39,345 |
| 1850 OPERATIONAL TRAVEL | 145,814 | 145,814 | 145,814 | 145,814 |
| 1900 ROTATIONAL TRAVEL | 545,458 | 545,458 | 545,458 | 545,458 |
| 1950 SEPARATION TRAVEL | 164,494 | 164,494 | 164,494 | 164,494 |
| 2000 TRAVEL OF ORGANIZED UNITS | 1,517 | 1,517 | 1,517 | 1,517 |
| 2050 NON-TEMPORARY STORAGE | 33,033 | 33,033 | 33,033 | 33,033 |
| 2100 TEMPORARY LODGING EXPENSE | 28,469 | 28,469 | 28,469 | 28,469 |
| 2160 EXCESS PCS REQUIREMENTS | --- | --- | -22,000 | --- |
| 2200 TOTAL, BUDGET ACTIVITY 5 | 1,091,424 | 1,091,424 | 1,069,424 | 1,091,424 |
| 2250 ACTIVITY 6: OTHER MILITARY PERSONNEL COSTS | | | | |
| 2300 APPREHENSION OF MILITARY DESERTERS | 946 | 946 | 946 | 946 |
| 2350 INTEREST ON UNIFORMED SERVICES SAVINGS | 216 | 216 | 216 | 216 |
| 2400 DEATH GRATUITIES | 2,856 | 2,856 | 2,856 | 2,856 |
| 2450 UNEMPLOYMENT BENEFITS | 86,391 | 84,291 | 84,663 | 84,291 |
| 2500 SURVIVOR BENEFITS | 7,042 | 7,042 | 7,042 | 7,042 |
| 2550 EDUCATION BENEFITS | 20,700 | 20,700 | 20,700 | 20,700 |
| 2600 ADOPTION EXPENSES | 252 | 252 | 252 | 252 |
| 2650 OTHER | 4,800 | 4,800 | 4,800 | 4,800 |
| 2700 TOTAL, BUDGET ACTIVITY 6 | 123,203 | 121,103 | 121,475 | 121,103 |
| 2750 LESS REIMBURSABLES | -181,261 | -181,261 | -181,261 | -181,261 |
| 2770 PERSONNEL UNDEREXECUTION | --- | -24,900 | -68,800 | -68,800 |
| 2805 BASIC ALLOWANCE FOR HOUSING | --- | 12,800 | --- | 12,800 |
| 2815 BAH OUT-OF-POCKET HOUSING COSTS | --- | 10,200 | --- | --- |
| 2820 DISLOCATION ALLOWANCE | --- | 2,000 | --- | 2,000 |
| 2825 UNOBLIGATED/UNEXPENDED FUND BALANCES | --- | -25,000 | --- | --- |
| 2840 TOTAL, MILITARY PERSONNEL, ARMY | 22,198,457 | 22,242,457 | 22,173,929 | 22,175,357 |

## Adjustments to Budget Activities

Adjustments to the budget activities are as follows:

(In thousands of dollars)

| | | |
|---|---|---|
| Budget Activity 2: Pay and Allowances of Enlisted Personnel | | |
| 1100 | Special Pays/Selective Reenlistment Bonuses | 20,000 |
| 1100 | Special Pays/Loan Repayment Program | 6,000 |
| 1100 | Special Pays/Special Duty Assignment Pay | 7,000 |
| Budget Activity 6: Other Military Personnel Costs: | | |
| 2450 | Unemployment Benefits | –2,100 |
| Undistributed: | | |
| 2770 | Personnel Underexecution | -68,800 |
| 2805 | Basic Allowance for Housing | 12,800 |
| 2820 | Dislocation Allowance | 2,000 |

## MILITARY PERSONNEL, NAVY

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| 2850 MILITARY PERSONNEL, NAVY | | | | |
| 2900 ACTIVITY 1: PAY AND ALLOWANCES OF OFFICER | | | | |
| 2950 BASIC PAY | 2,607,730 | 2,607,730 | 2,607,730 | 2,607,730 |
| 3000 RETIRED PAY ACCRUAL | 771,888 | 771,888 | 771,888 | 771,888 |
| 3150 BASIC ALLOWANCE FOR HOUSING | 579,923 | 579,923 | 579,923 | 579,923 |
| 3200 BASIC ALLOWANCE FOR SUBSISTENCE | 102,700 | 102,700 | 102,700 | 102,700 |
| 3250 INCENTIVE PAYS | 151,054 | 151,054 | 151,054 | 151,054 |
| 3300 SPECIAL PAYS | 225,670 | 225,670 | 232,670 | 225,670 |
| 3350 ALLOWANCES | 68,361 | 68,361 | 68,361 | 68,361 |
| 3400 SEPARATION PAY | 50,921 | 50,921 | 50,921 | 50,921 |
| 3450 SOCIAL SECURITY TAX | 195,639 | 195,639 | 195,639 | 195,639 |
| 3500 TOTAL, BUDGET ACTIVITY 1 | 4,753,886 | 4,753,886 | 4,760,886 | 4,753,886 |
| 3550 ACTIVITY 2: PAY AND ALLOWANCES OF ENLISTED PERSONNEL | | | | |
| 3600 BASIC PAY | 6,491,397 | 6,491,397 | 6,491,397 | 6,491,397 |
| 3650 RETIRED PAY ACCRUAL | 1,919,086 | 1,919,086 | 1,919,086 | 1,919,086 |
| 3800 BASIC ALLOWANCE FOR HOUSING | 1,494,544 | 1,494,544 | 1,515,544 | 1,494,544 |
| 3850 INCENTIVE PAYS | 91,992 | 91,992 | 91,992 | 91,992 |
| 3900 SPECIAL PAYS | 617,996 | 641,496 | 777,996 | 643,996 |
| 3950 ALLOWANCES | 415,302 | 415,302 | 415,302 | 415,302 |
| 4000 SEPARATION PAY | 129,091 | 129,091 | 129,091 | 129,091 |
| 4050 SOCIAL SECURITY TAX | 493,333 | 493,333 | 493,333 | 493,333 |
| 4100 TOTAL, BUDGET ACTIVITY 2 | 11,652,741 | 11,676,241 | 11,833,741 | 11,678,741 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| 4150 ACTIVITY 3: PAY AND ALLOWANCES OF MIDSHIPMEN | | | | |
| 4200 MIDSHIPMEN | 38,990 | 38,990 | 38,990 | 38,990 |
| 4300 ACTIVITY 4: SUBSISTENCE OF ENLISTED PERSONNEL | | | | |
| 4350 BASIC ALLOWANCE FOR SUBSISTENCE | 527,447 | 527,447 | 527,447 | 527,447 |
| 4400 SUBSISTENCE-IN-KIND | 294,417 | 294,417 | 294,417 | 294,417 |
| 4450 TOTAL, BUDGET ACTIVITY 4 | 821,864 | 821,864 | 821,864 | 821,864 |
| 4500 ACTIVITY 5: PERMANENT CHANGE OF STATION TRAVEL | | | | |
| 4550 ACCESSION TRAVEL | 55,107 | 55,107 | 55,107 | 55,107 |
| 4600 TRAINING TRAVEL | 44,108 | 44,108 | 44,108 | 44,108 |
| 4650 OPERATIONAL TRAVEL | 149,713 | 149,713 | 149,713 | 149,713 |
| 4700 ROTATIONAL TRAVEL | 209,121 | 209,121 | 209,121 | 209,121 |
| 4750 SEPARATION TRAVEL | 120,679 | 120,679 | 120,679 | 120,679 |
| 4800 TRAVEL OF ORGANIZED UNITS | 16,409 | 16,409 | 16,409 | 16,409 |
| 4850 NON-TEMPORARY STORAGE | 14,401 | 14,401 | 14,401 | 14,401 |
| 4900 TEMPORARY LODGING EXPENSE | 6,118 | 6,118 | 6,118 | 6,118 |
| 4950 OTHER | 4,780 | 4,780 | 4,780 | 4,780 |
| 4955 EXCESS PCS REQUIREMENTS | --- | --- | -12,500 | --- |
| 5000 TOTAL, BUDGET ACTIVITY 5 | 620,436 | 620,436 | 607,936 | 620,436 |
| 5050 ACTIVITY 6: OTHER MILITARY PERSONNEL COSTS | | | | |
| 5100 APPREHENSION OF MILITARY DESERTERS | 853 | 853 | 853 | 853 |
| 5150 INTEREST ON UNIFORMED SERVICES SAVINGS | 200 | 200 | 200 | 200 |
| 5200 DEATH GRATUITIES | 1,500 | 1,500 | 1,500 | 1,500 |
| 5250 UNEMPLOYMENT BENEFITS | 59,115 | 57,715 | 57,933 | 57,715 |
| 5300 SURVIVOR BENEFITS | 2,919 | 2,919 | 2,919 | 2,919 |
| 5350 EDUCATION BENEFITS | 6,823 | 6,823 | 6,823 | 6,823 |
| 5400 ADOPTION EXPENSES | 272 | 272 | 272 | 272 |
| 5470 OTHER | 1,800 | 1,800 | 1,800 | 1,800 |
| 5500 TOTAL, BUDGET ACTIVITY 6 | 73,482 | 72,082 | 72,300 | 72,082 |
| 5550 LESS REIMBURSABLES | -218,502 | -218,502 | -218,502 | -218,502 |
| 5580 PERSONNEL UNDEREXECUTION | --- | --- | -40,000 | -20,000 |
| 5610 BASIC ALLOWANCE FOR HOUSING | --- | 4,300 | --- | 4,300 |
| 5625 USS HOUSTON MANNING | --- | 3,500 | --- | 3,500 |
| 5630 ADDITIONAL RECRUITER MANNING | --- | 15,000 | --- | 15,000 |
| 5631 BAH OUT-OF-POCKET HOUSING COSTS | --- | 9,500 | --- | --- |
| 5632 DISLOCATION ALLOWANCE | --- | 2,000 | --- | 2,000 |
| 5640 TOTAL, MILITARY PERSONNEL, NAVY | 17,742,897 | 17,799,297 | 17,877,215 | 17,772,297 |

### Adjustments to Budget Activities

Adjustments to the budget activities are as follows:

(In thousands of dollars)

| | |
|---|---|
| Budget Activity 2: Pay and Allowances of Enlisted Personnel | |
| 3900 Special Pays/Selective Reenlistment Bonuses | 20,000 |
| 3900 Special Pays/Special Duty Assignment Pay | 6,000 |
| Budget Activity 6: Other Military Personnel Costs | |
| 5250 Unemployment Benefits | –1,400 |
| Undistributed: | |
| 5580 Personnel Underexecution | -20,000 |
| 5610 Basic Allowance for Housing | 4,300 |
| 5625 USS HOUSTON Manning | 3,500 |
| 5630 Additional Recruiter Manning | 15,000 |
| 5632 Dislocation Allowance | 2,000 |

## MILITARY PERSONNEL, MARINE CORPS

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| 5650 MILITARY PERSONNEL, MARINE CORPS | | | | |
| 5700 ACTIVITY 1: PAY AND ALLOWANCES OF OFFICER | | | | |
| 5750 BASIC PAY | 858,648 | 858,648 | 858,648 | 858,648 |
| 5800 RETIRED PAY ACCRUAL | 254,157 | 254,157 | 254,157 | 254,157 |
| 5950 BASIC ALLOWANCE FOR HOUSING | 155,678 | 155,678 | 155,678 | 155,678 |
| 6000 BASIC ALLOWANCE FOR SUBSISTENCE | 34,653 | 34,653 | 34,653 | 34,653 |
| 6050 INCENTIVE PAYS | 41,292 | 41,292 | 41,292 | 41,292 |
| 6100 SPECIAL PAYS | 1,561 | 1,561 | 1,561 | 1,561 |
| 6150 ALLOWANCES | 23,743 | 23,743 | 23,743 | 23,743 |
| 6200 SEPARATION PAY | 12,793 | 12,793 | 12,793 | 12,793 |
| 6250 SOCIAL SECURITY TAX | 65,978 | 65,978 | 65,978 | 65,978 |
| 6300 TOTAL, BUDGET ACTIVITY 1 | 1,448,503 | 1,448,503 | 1,448,503 | 1,448,503 |
| 6350 ACTIVITY 2: PAY AND ALLOWANCES OF ENLISTED PERSONNEL | | | | |
| 6400 BASIC PAY | 2,879,975 | 2,879,975 | 2,879,975 | 2,879,975 |
| 6450 RETIRED PAY ACCRUAL | 850,513 | 850,513 | 850,513 | 850,513 |
| 6600 BASIC ALLOWANCE FOR HOUSING | 428,605 | 428,605 | 428,605 | 428,605 |
| 6650 INCENTIVE PAYS | 8,356 | 8,356 | 8,356 | 8,356 |
| 6700 SPECIAL PAYS | 92,617 | 100,617 | 122,217 | 118,217 |
| 6750 ALLOWANCES | 177,333 | 177,333 | 177,333 | 177,333 |
| 6800 SEPARATION PAY | 57,341 | 57,341 | 57,341 | 57,341 |
| 6850 SOCIAL SECURITY TAX | 219,995 | 219,995 | 219,995 | 219,995 |
| 6900 TOTAL, BUDGET ACTIVITY 2 | 4,714,735 | 4,722,735 | 4,744,335 | 4,740,335 |

(In thousands of dollars)

| | | Budget | House | Senate | Conference |
|---|---|---|---|---|---|
| 6950 ACTIVITY 4: SUBSISTENCE OF ENLISTED PERSONNEL | | | | | |
| 7000 BASIC ALLOWANCE FOR SUBSISTENCE | 259,333 | 259,333 | 259,333 | 259,333 | |
| 7050 SUBSISTENCE-IN-KIND | 161,385 | 161,385 | 161,385 | 161,385 | |
| 7100 TOTAL, BUDGET ACTIVITY 4 | 420,718 | 420,718 | 420,718 | 420,718 | |
| 7150 ACTIVITY 5: PERMANENT CHANGE OF STATION TRAVEL | | | | | |
| 7200 ACCESSION TRAVEL | 32,319 | 32,319 | 32,319 | 32,319 | |
| 7250 TRAINING TRAVEL | 6,806 | 6,806 | 6,806 | 6,806 | |
| 7300 OPERATIONAL TRAVEL | 65,212 | 65,212 | 65,212 | 65,212 | |
| 7350 ROTATIONAL TRAVEL | 73,675 | 73,675 | 73,675 | 73,675 | |
| 7400 SEPARATION TRAVEL | 46,950 | 46,950 | 46,950 | 46,950 | |
| 7450 TRAVEL OF ORGANIZED UNITS | 1,031 | 1,031 | 1,031 | 1,031 | |
| 7500 NON-TEMPORARY STORAGE | 4,473 | 4,473 | 4,473 | 4,473 | |
| 7550 TEMPORARY LODGING EXPENSE | 5,941 | 5,941 | 5,941 | 5,941 | |
| 7600 OTHER | 1,765 | 1,765 | 1,765 | 1,765 | |
| 7610 EXCESS PCS REQUIREMENTS | --- | --- | -5,000 | --- | |
| 7650 TOTAL, BUDGET ACTIVITY 5 | 238,172 | 238,172 | 233,172 | 238,172 | |
| 7700 ACTIVITY 6: OTHER MILITARY PERSONNEL COSTS | | | | | |
| 7750 APPREHENSION OF MILITARY DESERTERS | 905 | 905 | 905 | 905 | |
| 7800 INTEREST ON UNIFORMED SERVICES SAVINGS | 15 | 15 | 15 | 15 | |
| 7850 DEATH GRATUITIES | 942 | 942 | 942 | 942 | |
| 7900 UNEMPLOYMENT BENEFITS | 26,328 | 25,628 | 25,801 | 25,628 | |
| 7950 SURVIVOR BENEFITS | 1,400 | 1,400 | 1,400 | 1,400 | |
| 8000 EDUCATION BENEFITS | 1,631 | 1,631 | 1,631 | 1,631 | |
| 8050 ADOPTION EXPENSES | 47 | 47 | 47 | 47 | |
| 8120 OTHER | 500 | 500 | 500 | 500 | |
| 8150 TOTAL, BUDGET ACTIVITY 6 | 31,768 | 31,068 | 31,241 | 31,068 | |
| 8200 LESS REIMBURSABLES | -31,596 | -31,596 | -31,596 | -31,596 | |
| 8230 PERSONNEL UNDEREXECUTION | --- | -8,100 | -15,000 | --- | |
| 8255 BASIC ALLOWANCE FOR HOUSING | --- | 1,500 | --- | 1,500 | |
| 8260 MARINE CORPS EXECUTION REPRICING | --- | -8,000 | --- | -16,100 | |
| 8265 BAH OUT-OF-POCKET HOUSING COSTS | --- | 2,800 | --- | --- | |
| 8270 DISLOCATION ALLOWANCE | --- | 500 | --- | 500 | |
| 8290 TOTAL, MILITARY PERSONNEL, MARINE CORPS | 6,822,300 | 6,818,300 | 6,831,373 | 6,833,100 | |

Adjustments to Budget Activities

Adjustments to the budget activities are as follows:

(In thousands of dollars)

| | | |
|---|---|---|
| Budget Activity 2: Pay and Allowances of Enlisted Personnel | | |
| 6700 | Special Pays/Enlistment Bonuses | 2,000 |
| 6700 | Special Pays/Selective Reenlistment Bonuses | 13,000 |
| 6700 | Special Pays/Marine Corps College Fund | 6,600 |
| 6700 | Special Pays/Special Duty Assignment Pay | 4,000 |
| Budget Activity 6: Other Military Personnel Costs | | |
| 7900 | Unemployment Benefits | -700 |
| Undistributed: | | |
| 8255 | Basic Allowance for Housing | 1,500 |
| 8260 | Marine Corps Execution Repricing | -16,100 |
| 8270 | Dislocation Allowance | 500 |

## MILITARY PERSONNEL, AIR FORCE

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| 8300 MILITARY PERSONNEL, AIR FORCE | | | | |
| 8350 ACTIVITY 1: PAY AND ALLOWANCES OF OFFICER | | | | |
| 8400 BASIC PAY | 3,473,866 | 3,473,866 | 3,473,866 | 3,473,866 |
| 8450 RETIRED PAY ACCRUAL | 1,028,264 | 1,028,264 | 1,028,264 | 1,028,264 |
| 8600 BASIC ALLOWANCE FOR HOUSING | 637,900 | 637,900 | 637,900 | 637,900 |
| 8650 BASIC ALLOWANCE FOR SUBSISTENCE | 135,485 | 135,485 | 135,485 | 135,485 |
| 8700 INCENTIVE PAYS | 304,250 | 304,250 | 295,500 | 295,500 |
| 8750 SPECIAL PAYS | 196,975 | 196,975 | 196,975 | 196,975 |
| 8800 ALLOWANCES | 65,445 | 65,445 | 65,445 | 65,445 |
| 8850 SEPARATION PAY | 112,077 | 112,077 | 112,077 | 112,077 |
| 8900 SOCIAL SECURITY TAX | 262,956 | 262,956 | 262,956 | 262,956 |
| 8950 TOTAL, BUDGET ACTIVITY 1 | 6,217,218 | 6,217,218 | 6,208,468 | 6,208,468 |
| 9000 ACTIVITY 2: PAY AND ALLOWANCES OF ENLISTED PERSONNEL | | | | |
| 9050 BASIC PAY | 6,228,883 | 6,228,883 | 6,228,883 | 6,228,883 |
| 9100 RETIRED PAY ACCRUAL | 1,843,749 | 1,843,749 | 1,843,749 | 1,843,749 |
| 9250 BASIC ALLOWANCE FOR HOUSING | 1,197,616 | 1,197,616 | 1,197,616 | 1,197,616 |
| 9300 INCENTIVE PAYS | 36,737 | 36,737 | 36,737 | 36,737 |
| 9350 SPECIAL PAYS | 274,776 | 311,276 | 321,276 | 313,776 |
| 9400 ALLOWANCES | 347,371 | 347,371 | 347,371 | 347,371 |
| 9450 SEPARATION PAY | 97,901 | 97,901 | 97,901 | 97,901 |
| 9500 SOCIAL SECURITY TAX | 476,510 | 476,510 | 476,510 | 476,510 |
| 9550 TOTAL, BUDGET ACTIVITY 2 | 10,503,543 | 10,540,043 | 10,550,043 | 10,542,543 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| 9600 ACTIVITY 3: PAY AND ALLOWANCES OF CADETS | | | | |
| 9650 ACADEMY CADETS | 38,493 | 38,493 | 38,493 | 38,493 |
| 9750 ACTIVITY 4: SUBSISTENCE OF ENLISTED PERSONNEL | | | | |
| 9800 BASIC ALLOWANCE FOR SUBSISTENCE | 691,392 | 691,392 | 691,392 | 691,392 |
| 9850 SUBSISTENCE-IN-KIND | 110,450 | 110,450 | 110,450 | 110,450 |
| 9900 TOTAL, BUDGET ACTIVITY 4 | 801,842 | 801,842 | 801,842 | 801,842 |
| 9950 ACTIVITY 5: PERMANENT CHANGE OF STATION TRAVEL | | | | |
| 10000 ACCESSION TRAVEL | 59,407 | 59,407 | 59,407 | 59,407 |
| 10050 TRAINING TRAVEL | 58,707 | 58,707 | 58,707 | 58,707 |
| 10100 OPERATIONAL TRAVEL | 142,829 | 142,829 | 142,829 | 142,829 |
| 10150 ROTATIONAL TRAVEL | 440,651 | 440,651 | 440,651 | 440,651 |
| 10200 SEPARATION TRAVEL | 103,090 | 103,090 | 103,090 | 103,090 |
| 10250 TRAVEL OF ORGANIZED UNITS | 5,963 | 5,963 | 5,963 | 5,963 |
| 10300 NON-TEMPORARY STORAGE | 21,363 | 21,363 | 21,363 | 21,363 |
| 10350 TEMPORARY LODGING EXPENSE | 36,712 | 36,712 | 36,712 | 36,712 |
| 10400 OTHER | 2,727 | 2,727 | 2,727 | 2,727 |
| 10405 EXCESS PCS REQUIREMENTS | --- | --- | -17,500 | --- |
| 10450 TOTAL, BUDGET ACTIVITY 5 | 871,449 | 871,449 | 853,949 | 871,449 |
| 10500 ACTIVITY 6: OTHER MILITARY PERSONNEL COSTS | | | | |
| 10550 APPREHENSION OF MILITARY DESERTERS | 100 | 100 | 100 | 100 |
| 10600 INTEREST ON UNIFORMED SERVICES SAVINGS | 595 | 595 | 595 | 595 |
| 10650 DEATH GRATUITIES | 1,506 | 1,506 | 1,506 | 1,506 |
| 10700 UNEMPLOYMENT BENEFITS | 26,010 | 25,410 | 25,490 | 25,410 |
| 10750 SURVIVOR BENEFITS | 3,475 | 3,475 | 3,475 | 3,475 |
| 10800 EDUCATION BENEFITS | 4,076 | 4,076 | 4,076 | 4,076 |
| 10850 ADOPTION EXPENSES | 800 | 800 | 800 | 800 |
| 10920 OTHER | 3,642 | 3,642 | 3,642 | 3,642 |
| 10950 TOTAL, BUDGET ACTIVITY 6 | 40,204 | 39,604 | 39,684 | 39,604 |
| 11000 LESS REIMBURSABLES | -189,915 | -189,915 | -189,915 | -189,915 |
| 11020 PERSONNEL UNDEREXECUTION | --- | -59,600 | -195,000 | -155,000 |
| 11030 B-52 FORCE STRUCTURE | --- | --- | 3,200 | 3,200 |
| 11080 BASIC ALLOWANCE FOR HOUSING | --- | 12,100 | --- | 12,100 |
| 11115 UNOBLIGATED/UNEXPENDED FUND BALANCES | --- | -42,000 | --- | --- |
| 11120 BAH OUT-OF-POCKET HOUSING COSTS | --- | 7,500 | --- | --- |
| 11125 DISLOCATION ALLOWANCE | --- | 1,500 | --- | 1,500 |
| 11140 TOTAL, MILITARY PERSONNEL, AIR FORCE | 18,282,834 | 18,238,234 | 18,110,764 | 18,174,284 |

Adjustments to Budget Activities

Adjustments to the budget activities are as follows:

(In thousands of dollars)

| | |
|---|---|
| Budget Activity 1: Pay and Allowances of Officer | |
| 8700 Incentive Pays/Excess Aviation Continuation Pay.... | –8,750 |
| Budget Activity 2: Pay and Allowances of Enlisted Personnel | |
| 9350 Special Pays/Selective Reenlistment Bonuses.......... | 29,000 |
| 9350 Special Pays/Special Duty Assignment Pay............ | 4,000 |
| 9350 Special Pays/Loan Repayment Program ................ | 6,000 |
| Budget Activity 6: Other Military Personnel Costs | |
| 10700 Unemployment Benefits ................................... | -600 |
| Undistributed: | |
| 11020 Personnel Underexecution ............................... | -155,000 |
| 11030 B-52 Force Structure .................................... | 3,200 |
| 11080 Basic Allowance for Housing ............................. | 12,100 |
| 11125 Dislocation Allowance .................................. | 1,500 |

## National Guard and Reserve Forces

The conferees agree to provide $10,892,702,000 in Reserve Personnel appropriations, $11,398,892,000 in Operation and Maintenance appropriations, and $100,000,000 in the National Guard and Reserve Equipment appropriation. These funds support a Selected Reserve end strength of 866,338 as shown below.

Selected Reserve End Strength
(Fiscal Year 2001)

| | Budget | Conference | Conference vs. Budget |
|---|---|---|---|
| Selected Reserve: | | | |
| Army Reserve............. | 205,000 | 205,300 | +300 |
| Navy Reserve ............. | 88,900 | 88,900 | --- |
| Marine Corps Reserve..... | 39,500 | 39,558 | +58 |
| Air Force Reserve .......... | 74,300 | 74,470 | +170 |
| Army National Guard...... | 350,000 | 350,088 | +88 |
| Air National Guard......... | 108,000 | 108,022 | +22 |
| Total .................... | 865,700 | 866,338 | +638 |
| | | | |
| AGR/TARS: | | | |
| Army Reserve ............. | 12,806 | 13,106 | +300 |
| Navy Reserve .............. | 14,649 | 14,649 | --- |
| Marine Corps Reserve...... | 2,203 | 2,261 | +58 |
| Air Force Reserve .......... | 1,278 | 1,336 | +58 |
| Army National Guard...... | 22,448 | 22,974 | +526 |
| Air National Guard......... | 11,148 | 11,170 | +22 |
| Total ...................... | 64,532 | 65,496 | +964 |
| | | | |
| Technicians: | | | |
| Army Reserve ............... | 6,444 | 7,094 | +650 |
| Air Force Reserve ........... | 9,733 | 9,733 | --- |
| Army National Guard ...... | 23,957 | 24,728 | +771 |
| Air National Guard .......... | 22,547 | 22,547 | --- |
| Total ........................ | 62,681 | 64,102 | +1,421 |
| | | | |

## RESERVE PERSONNEL, ARMY

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| 11150 RESERVE PERSONNEL, ARMY | | | | |
| 11200 ACTIVITY 1: UNIT AND INDIVIDUAL TRAINING | | | | |
| 11250 PAY GROUP A TRAINING (15 DAYS & DRILLS 24/48)........ | 964,427 | 964,427 | 984,008 | 981,008 |
| 11300 PAY GROUP B TRAINING (BACKFILL FOR ACTIVE DUTY)...... | 36,479 | 36,479 | 36,479 | 36,479 |
| 11350 PAY GROUP F TRAINING (RECRUITS)...................... | 145,204 | 145,204 | 143,204 | 143,204 |
| 11400 PAY GROUP P TRAINING (PIPELINE RECRUITS)............ | 12,156 | 12,156 | 12,156 | 12,156 |
| 11500 TOTAL, BUDGET ACTIVITY 1............................ | 1,158,266 | 1,158,266 | 1,175,847 | 1,172,847 |
| 11550 ACTIVITY 2: OTHER TRAINING AND SUPPORT | | | | |
| 11600 MOBILIZATION TRAINING................................ | 13,604 | 13,604 | 13,604 | 13,604 |
| 11650 SCHOOL TRAINING...................................... | 106,286 | 106,286 | 106,286 | 106,286 |
| 11700 SPECIAL TRAINING..................................... | 90,982 | 90,982 | 90,982 | 90,982 |
| 11750 ADMINISTRATION AND SUPPORT........................... | 912,447 | 924,847 | 909,947 | 909,947 |
| 11800 EDUCATION BENEFITS................................... | 40,773 | 40,773 | 50,773 | 50,773 |
| 11850 ROTC - SENIOR, JUNIOR, SCHOLARSHIP................... | 65,624 | 65,624 | 65,624 | 65,624 |
| 11900 HEALTH PROFESSION SCHOLARSHIP PROGRAM................ | 24,896 | 24,896 | 24,896 | 24,896 |
| 11950 OTHER PROGRAMS....................................... | 21,002 | 21,002 | 21,002 | 21,002 |
| 12000 TOTAL, BUDGET ACTIVITY 2............................ | 1,275,614 | 1,288,014 | 1,283,114 | 1,283,114 |
| 12020 FULL TIME SUPPORT/AGR'S.............................. | --- | 10,000 | --- | 10,000 |
| 12045 JROTC PROGRAM........................................ | --- | 1,300 | --- | 1,300 |
| 12055 COLLEGE FIRST PROGRAM................................ | --- | 5,000 | --- | 5,000 |
| 12060 BASIC ALLOWANCE FOR HOUSING.......................... | --- | 740 | --- | 740 |
| 12090 TOTAL RESERVE PERSONNEL, ARMY....................... | 2,433,880 | 2,463,320 | 2,458,961 | 2,473,001 |

## Adjustments to Budget Activities

Adjustments to the budget activities are as follows:

(In thousands of dollars)

| | |
|---|---|
| Budget Activity 1: Unit and Individual Training | |
| 11250 Pay Group A Training/Annual Training | 8,000 |
| 11250 Pay Group A Training/Additional Training Periods/RMPs | 2,000 |
| 11250 Pay Group A Training/IDT for Military Funeral Honors | 2,700 |
| 11250 Pay Group A Training/Inactive Duty Training | 4,000 |
| 11250 Pay Group A Training/Excess Annual Training, Travel | -119 |
| 11350 Pay Group F Training/Initial Active Duty for Training | -2,000 |
| Budget Activity 2: Other Training and Support | |
| 11750 Administration and Support/Excess PCS Requirements | -2,500 |
| 11800 Education Benefits/MGIB Shortfall | 3,000 |
| 11800 Education Benefits/MGIB Kicker | 7,000 |
| Undistributed: | |
| 12020 Full Time Support/AGRs | 10,000 |
| 12045 JROTC Program | 1,300 |
| 12055 College First Program | 5,000 |
| 12060 Basic Allowance for Housing | 740 |

## RESERVE PERSONNEL, NAVY

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

| | | Budget | House | Senate | Conference |
|---|---|---|---|---|---|
| 12100 | RESERVE PERSONNEL, NAVY | | | | |
| 12150 | ACTIVITY 1: UNIT AND INDIVIDUAL TRAINING | | | | |
| 12200 | PAY GROUP A TRAINING (15 DAYS & DRILLS 24/48) | 635,712 | 635,712 | 647,634 | 642,057 |
| 12350 | TOTAL, BUDGET ACTIVITY 1 | 635,712 | 635,712 | 647,634 | 642,057 |
| 12400 | ACTIVITY 2: OTHER TRAINING AND SUPPORT | | | | |
| 12450 | MOBILIZATION TRAINING | 3,590 | 3,590 | 3,590 | 3,590 |
| 12500 | SCHOOL TRAINING | 6,599 | 6,599 | 8,599 | 9,599 |
| 12550 | SPECIAL TRAINING | 31,027 | 31,027 | 31,027 | 31,027 |
| 12600 | ADMINISTRATION AND SUPPORT | 790,101 | 790,101 | 786,651 | 789,101 |
| 12650 | EDUCATION BENEFITS | 5,538 | 5,538 | 7,272 | 7,272 |
| 12700 | ROTC - SENIOR, JUNIOR, SCHOLARSHIP | 30,855 | 30,855 | 30,855 | 30,855 |
| 12750 | HEALTH PROFESSION SCHOLARSHIP PROGRAM | 24,147 | 24,147 | 23,046 | 24,147 |
| 12800 | OTHER PROGRAMS | 816 | 816 | 816 | 816 |
| 12820 | TOTAL BUDGET ACTIVITY 2 | 892,673 | 892,673 | 891,856 | 896,407 |
| 12880 | JROTC PROGRAM | --- | 600 | --- | 600 |
| 12895 | BASIC ALLOWANCE FOR HOUSING | --- | 310 | --- | 310 |
| 12900 | CINC ACTIVE DUTY FOR TRAINING | --- | 13,400 | --- | 13,400 |
| 12910 | ANNUAL TRAINING | --- | 23,400 | --- | 23,400 |
| 12940 | TOTAL, RESERVE PERSONNEL, NAVY | 1,528,385 | 1,566,095 | 1,539,490 | 1,576,174 |

## Adjustments to Budget Activities

Adjustments to the budget activities are as follows:

(In thousands of dollars)

| | | |
|---|---|---|
| Budget Activity 1: Unit and Individual Training | | |
| 12200 | Pay Group A Training/Additional Training Periods/RMPs | 4,000 |
| 12200 | Pay Group A Training/ IDT for Military Funeral Honors | 1,000 |
| 12200 | Pay Group A Training/Unjustified Subsistence | -155 |
| 12200 | Pay Group A Training/Inactive Duty Training | 1,500 |
| Budget Activity 2: Other Training and Support | | |
| 12500 | School Training/Active Duty Training | 3,000 |
| 12600 | Administration and Support/Excess PCS Requirements | -2,000 |
| 12600 | Administration and Support/Active Duty for Special Work | 1,000 |
| 12650 | Education Benefits/MGIB Kicker | 1,734 |
| Undistributed: | | |
| 12880 | JROTC Program | 600 |
| 12895 | Basic Allowance for Housing | 310 |
| 12900 | CINC Active Duty for Training | 13,400 |
| 12910 | Annual Training | 23,400 |

## RESERVE PERSONNEL, MARINE CORPS

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| 12950 RESERVE PERSONNEL, MARINE CORPS | | | | |
| 13000 ACTIVITY 1: UNIT AND INDIVIDUAL TRAINING | | | | |
| 13050 PAY GROUP A TRAINING (15 DAYS & DRILLS 24/48)........ | 162,444 | 162,444 | 166,444 | 166,444 |
| 13100 PAY GROUP B TRAINING (BACKFILL FOR ACTIVE DUTY)...... | 18,056 | 18,056 | 18,056 | 18,056 |
| 13150 PAY GROUP F TRAINING (RECRUITS)...................... | 63,940 | 63,940 | 63,940 | 63,940 |
| 13200 PAY GROUP P TRAINING (PIPELINE RECRUITS)............. | 257 | 257 | 257 | 257 |
| 13300 TOTAL, BUDGET ACTIVITY 1............................ | 244,697 | 244,697 | 248,697 | 248,697 |
| 13350 ACTIVITY 2: OTHER TRAINING AND SUPPORT | | | | |
| 13400 MOBILIZATION TRAINING................................ | 2,124 | 2,124 | 2,124 | 2,124 |
| 13450 SCHOOL TRAINING...................................... | 9,823 | 9,823 | 9,823 | 9,823 |
| 13500 SPECIAL TRAINING..................................... | 23,590 | 23,590 | 24,590 | 23,590 |
| 13550 ADMINISTRATION AND SUPPORT........................... | 123,440 | 123,440 | 127,640 | 125,740 |
| 13600 EDUCATION BENEFITS................................... | 16,364 | 16,364 | 17,364 | 17,364 |
| 13650 ROTC - SENIOR, JUNIOR, SCHOLARSHIP................... | 4,356 | 4,356 | 4,356 | 4,356 |
| 13700 OTHER PROGRAMS....................................... | 11,992 | 11,992 | 11,992 | 11,992 |
| 13750 TOTAL, BUDGET ACTIVITY 2............................ | 191,689 | 191,689 | 197,889 | 194,989 |
| 13780 JROTC PROGRAM........................................ | --- | 300 | --- | 300 |
| 13795 PERSONNEL UNDEREXECUTION............................. | --- | -700 | --- | --- |
| 13800 ACTIVE DUTY FOR SPECIAL WORK......................... | --- | 3,000 | --- | 3,000 |
| 13805 ACTIVE RESERVE PERSONNEL REASSESSMENT................ | --- | 1,900 | --- | 1,900 |
| 13840 TOTAL, RESERVE PERSONNEL, MARINE CORPS.............. | 436,386 | 440,886 | 446,586 | 448,886 |

## Adjustments to Budget Activities

Adjustments to the budget activities are as follows:

(In thousands of dollars)

| | | |
|---|---|---|
| Budget Activity 1: Unit and Individual Training | | |
| 13050 | Pay Group A Training/Additional Training Periods/RMPs | 1,000 |
| 13050 | Pay Group A Training/IDT Training for Military Funeral Honors | 1,000 |
| 13050 | Pay Group A Training/Annual Training | 2,000 |
| Budget Activity 2: Other Training and Support | | |
| 13550 | Administration and Support/Enlistment Bonuses | 1,000 |
| 13550 | Administration and Support/Selective Reenlistment Bonuses | 1,000 |
| 13550 | Administration and Support/Affiliation Bonuses | 300 |
| 13600 | Education Benefits/MGIB Kicker | 1,000 |
| Undistributed: | | |
| 13780 | JROTC Program | 300 |
| 13800 | Active Duty for Special Work | 3,000 |
| 13805 | Active Reserve Personnel Reassessment | 1,900 |

## RESERVE PERSONNEL, AIR FORCE

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| 13850 RESERVE PERSONNEL, AIR FORCE | | | | |
| 13900 ACTIVITY 1: UNIT AND INDIVIDUAL TRAINING | | | | |
| 13950 PAY GROUP A TRAINING (15 DAYS & DRILLS 24/48)........ | 469,020 | 469,020 | 449,471 | 449,471 |
| 14000 PAY GROUP B TRAINING (BACKFILL FOR ACTIVE DUTY)...... | 86,281 | 86,281 | 86,281 | 86,281 |
| 14050 PAY GROUP F TRAINING (RECRUITS)...................... | 11,683 | 11,683 | 11,683 | 11,683 |
| 14150 TOTAL, BUDGET ACTIVITY 1............................ | 566,984 | 566,984 | 547,435 | 547,435 |
| 14200 ACTIVITY 2: OTHER TRAINING AND SUPPORT | | | | |
| 14250 MOBILIZATION TRAINING................................ | 2,921 | 2,921 | 2,921 | 2,921 |
| 14300 SCHOOL TRAINING...................................... | 71,671 | 71,671 | 71,671 | 71,671 |
| 14350 SPECIAL TRAINING..................................... | 150,670 | 150,670 | 150,670 | 150,670 |
| 14400 ADMINISTRATION AND SUPPORT........................... | 116,583 | 116,583 | 118,090 | 114,340 |
| 14450 EDUCATION BENEFITS................................... | 6,751 | 6,751 | 12,251 | 12,251 |
| 14500 ROTC - SENIOR, JUNIOR, SCHOLARSHIP................... | 41,248 | 41,248 | 41,248 | 41,248 |
| 14550 HEALTH PROFESSION SCHOLARSHIP........................ | 24,882 | 24,882 | 24,882 | 24,882 |
| 14600 TOTAL, BUDGET ACTIVITY 2............................ | 414,726 | 414,726 | 421,733 | 417,983 |
| 14610 PERSONNEL UNDEREXECUTION............................. | --- | -8,100 | --- | --- |
| 14626 JROTC PROGRAM........................................ | --- | 1,200 | --- | 1,200 |
| 14640 AGR PILOT BONUS...................................... | --- | 3,700 | --- | 3,750 |
| 14645 RED HORSE UNIT....................................... | --- | 400 | --- | 400 |
| 14650 ADDITIONAL RECRUITER MANNING......................... | --- | 1,700 | --- | 1,700 |
| 14655 MISPRICED CY01 PAY RAISE............................. | --- | --- | -1,444 | -1,444 |
| 14660 UNJUSTIFIED PROGRAM GROWTH........................... | --- | --- | -3,972 | --- |
| 14690 TOTAL, RESERVE PERSONNEL, AIR FORCE.................. | 981,710 | 980,610 | 963,752 | 971,024 |

## Adjustments to Budget Activities

Adjustments to the budget activities are as follows:

(In thousands of dollars)

| | |
|---|---|
| Budget Activity 1: Unit and Individual Training | |
| 13950 Pay Group A Training/Budget Re-estimation | -1,671 |
| 13950 Pay Group A Training/IDT Training for Military Funeral Honors | 1,380 |
| 13950 Pay Group A Training/Active Duty Training, Travel | -19,258 |
| Budget Activity 2: Other Training and Support | |
| 14400 Administration and Support/Budget Re-estimation | -1,139 |
| 14400 Administration and Support/Excess PCS Requirements | –1,104 |
| 14450 Education Benefits/MGIB Kicker | 5,500 |
| Undistributed: | |
| 14626 JROTC Program | 1,200 |
| 14640 AGR Pilot Program | 3,750 |
| 14645 RED HORSE Unit | 400 |
| 14650 Additional Recruiter Manning | 1,700 |
| 14655 Mispriced CY01 Pay Raise | -1,444 |

## NATIONAL GUARD PERSONNEL, ARMY

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

| | | Budget | House | Senate | Conference |
|---|---|---|---|---|---|
| 14700 | NATIONAL GUARD PERSONNEL, ARMY | | | | |
| 14750 | ACTIVITY 1: UNIT AND INDIVIDUAL TRAINING | | | | |
| 14800 | PAY GROUP A TRAINING (15 DAYS & DRILLS 24/48)........ | 1,693,915 | 1,693,915 | 1,693,915 | 1,693,915 |
| 14850 | PAY GROUP F TRAINING (RECRUITS)...................... | 215,641 | 215,641 | 215,641 | 215,641 |
| 14900 | PAY GROUP P TRAINING (PIPELINE RECRUITS)............. | 13,411 | 13,411 | 13,411 | 13,411 |
| 15000 | TOTAL, BUDGET ACTIVITY 1............................. | 1,922,967 | 1,922,967 | 1,922,967 | 1,922,967 |
| 15050 | ACTIVITY 2: OTHER TRAINING AND SUPPORT | | | | |
| 15100 | SCHOOL TRAINING...................................... | 150,995 | 150,995 | 165,995 | 165,995 |
| 15150 | SPECIAL TRAINING..................................... | 63,907 | 63,907 | 63,907 | 63,907 |
| 15200 | ADMINISTRATION AND SUPPORT........................... | 1,556,056 | 1,568,056 | 1,556,056 | 1,556,056 |
| 15250 | EDUCATION BENEFITS................................... | 53,711 | 53,711 | 53,711 | 53,711 |
| 15350 | TOTAL, BUDGET ACTIVITY 2............................. | 1,824,669 | 1,836,669 | 1,839,669 | 1,839,669 |
| 15360 | PERSONNEL UNDEREXECUTION............................. | --- | -36,100 | --- | --- |
| 15390 | ADDITIONAL FULL-TIME SUPPORT (AGR)................... | --- | 23,500 | 17,500 | 17,500 |
| 15420 | BASIC ALLOWANCE FOR HOUSING.......................... | --- | 1,300 | --- | 1,300 |
| 15430 | UNOBLIGATED/UNEXPENDED FUND BALANCES................. | --- | -29,000 | --- | --- |
| 15440 | EMERGENCY SPILL RESPONSE PROGRAM..................... | --- | --- | 1,100 | 1,100 |
| 15445 | TOTAL, NATIONAL GUARD PERSONNEL, ARMY............... | 3,747,636 | 3,719,336 | 3,781,236 | 3,782,536 |

## Adjustments to Budget Activities

Adjustments to the budget activities are as follows:

(In thousands of dollars)

| | |
|---|---|
| Budget Activity 2: Other Training and Support | |
| 15100 School Training/Advanced Training Shortfall | 15,000 |
| Undistributed: | |
| 15390 Additional Full-Time Support (AGR) | 17,500 |
| 15420 Basic Allowance for Housing | 1,300 |
| 15440 Emergency Spill Response Program | 1,100 |

## Fixed Wing Aviation Requirements

The Chief of the National Guard Bureau is Directed to conduct a study of the future fixed wing aviation requirements of the Army National Guard to deploy and sustain requirements for the assured success of planned missions such as Weapons of Mass Destruction (WMD) and National Missile Defense (NMD), and report back to the Committees on Appropriations by December 1, 2000.

## NATIONAL GUARD PERSONNEL, AIR FORCE

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| 15450 NATIONAL GUARD PERSONNEL, AIR FORCE | | | | |
| 15500 ACTIVITY 1: UNIT AND INDIVIDUAL TRAINING | | | | |
| 15550 PAY GROUP A TRAINING (15 DAYS & DRILLS 24/48) | 687,174 | 687,174 | 687,174 | 687,174 |
| 15600 PAY GROUP F TRAINING (RECRUITS) | 32,814 | 32,814 | 32,814 | 32,814 |
| 15650 PAY GROUP P TRAINING (PIPELINE RECRUITS) | 1,949 | 1,949 | 1,949 | 1,949 |
| 15750 TOTAL, BUDGET ACTIVITY 1 | 721,937 | 721,937 | 721,937 | 721,937 |
| 15800 ACTIVITY 2: OTHER TRAINING AND SUPPORT | | | | |
| 15850 SCHOOL TRAINING | 104,409 | 104,409 | 104,409 | 104,409 |
| 15900 SPECIAL TRAINING | 64,746 | 64,746 | 64,746 | 64,746 |
| 15950 ADMINISTRATION AND SUPPORT | 722,726 | 722,726 | 722,726 | 722,726 |
| 16000 EDUCATION BENEFITS | 13,363 | 13,363 | 13,363 | 13,363 |
| 16100 TOTAL, BUDGET ACTIVITY 2 | 905,244 | 905,244 | 905,244 | 905,244 |
| 16120 PERSONNEL UNDEREXECUTION | --- | -900 | --- | --- |
| 16135 ADDITIONAL FULL-TIME SUPPORT (AGR) | --- | --- | 2,000 | 2,000 |
| 16155 BASIC ALLOWANCE FOR HOUSING | --- | 700 | --- | 700 |
| 16160 AGR PILOT BONUS | --- | 8,700 | --- | 8,700 |
| 16170 AVIATION CONTINUATION PAY | --- | --- | 5,000 | 2,500 |
| 16200 TOTAL, NATIONAL GUARD PERSONNEL, AIR FORCE | 1,627,181 | 1,635,681 | 1,634,181 | 1,641,081 |

## Adjustments to Budget Activities

Adjustments to the budget activities are as follows:

(In thousands of dollars)

Undistributed:

| | | |
|---|---|---|
| 16135 | Additional Full-Time Support (AGR) | 2,000 |
| 16155 | Basic Allowance for Housing | 700 |
| 16160 | AGR Pilot Bonus | 8,700 |
| 16170 | Aviation Continuation Pay | 2,500 |

## TITLE II—OPERATION AND MAINTENANCE

A summary of the conference agreement on the items addressed by either the House or Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conferenc |
|---|---|---|---|---|
| 50000 RECAPITULATION | | | | |
| 50050 O & M, ARMY | 19,073,731 | 19,386,843 | 19,049,881 | 19,144,431 |
| 50100 TRANSFER - STOCKPILE | (50,000) | (50,000) | (50,000) | (50,000 |
| 50150 O & M, NAVY | 23,250,154 | 23,426,830 | 23,398,254 | 23,419,360 |
| 50200 TRANSFER - STOCKPILE | (50,000) | (50,000) | (50,000) | (50,000 |
| 50250 O & M, MARINE CORPS | 2,705,658 | 2,813,091 | 2,729,758 | 2,778,758 |
| 50300 O & M, AIR FORCE | 22,296,977 | 22,316,797 | 22,268,977 | 22,383,521 |
| 50350 TRANSFER - STOCKPILE | (50,000) | (50,000) | (50,000) | (50,000 |
| 50400 O & M, DEFENSEWIDE | 11,920,069 | 11,803,743 | 11,991,688 | 11,844,480 |
| 50500 O & M, ARMY RESERVE | 1,521,418 | 1,596,418 | 1,529,418 | 1,562,118 |
| 50550 O & M, NAVY RESERVE | 960,946 | 992,646 | 968,946 | 978,946 |
| 50600 O & M, MARINE CORPS RESERVE | 133,959 | 145,959 | 141,159 | 145,959 |
| 50650 O & M, AIR FORCE RESERVE | 1,885,859 | 1,921,659 | 1,893,859 | 1,903,659 |
| 50700 O & M, ARMY NATIONAL GUARD | 3,182,335 | 3,263,235 | 3,330,535 | 3,333,835 |
| 50750 O & M, AIR NATIONAL GUARD | 3,446,375 | 3,480,375 | 3,481,775 | 3,474,375 |

(In thousands of dollars)

| | | Budget | House | Senate | Conference |
|---|---|---|---|---|---|
| 50790 | OVERSEAS CONTINGENCY OPERATIONS TRANSFER FUND......... | 4,100,577 | 4,100,577 | 4,100,577 | 3,938,777 |
| 50800 | UNITED STATES COURT OF APPEALS FOR THE ARMED FORCES... | 8,574 | 8,574 | 8,574 | 8,574 |
| 50850 | ENVIRONMENTAL RESTORATION, ARMY....................... | 389,932 | 389,932 | 389,932 | 389,932 |
| 50900 | ENVIRONMENTAL RESTORATION, NAVY....................... | 294,038 | 294,038 | 294,038 | 294,038 |
| 50950 | ENVIRONMENTAL RESTORATION, AIR FORCE.................. | 376,300 | 376,300 | 376,300 | 376,300 |
| 51000 | ENVIRONMENTAL RESTORATION, DEFENSE-WIDE............... | 23,412 | 23,412 | 21,412 | 21,412 |
| 51050 | ENVIRONMENTAL RESTORATION, FORMERLY USED DEFENSE SITES | 186,499 | 196,499 | 231,499 | 231,499 |
| 51200 | OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AID........ | 64,900 | 56,900 | 55,900 | 55,900 |
| 51300 | FORMER SOVIET UNION THREAT REDUCTION.................. | 458,400 | 433,400 | 458,400 | 443,400 |
| 51350 | PENTAGON RENOVATION TRANSFER FUND..................... | --- | --- | --- | --- |
| 51450 | QUALITY OF LIFE ENHANCEMENTS, DEFENSE................. | --- | 480,000 | --- | 160,500 |
| 51600 | GRAND TOTAL, O & M.................................. | 96,280,113 | 97,507,228 | 96,720,882 | 96,889,774 |
| 51650 | TRANSFERS........................................... | (150,000) | (150,000) | (150,000) | (150,000) |
| 51700 | TOTAL FUNDS AVAILABLE, O & M.................... | 96,430,113 | 97,657,228 | 96,870,882 | 97,039,774 |

ADDITIONAL READINESS FUNDING TO ADDRESS SERVICE SHORTFALLS

The conferees note that, in addition to the funding recommended in title II of this Act, the conference agreement includes additional fiscal year 2000 emergency supplemental appropriations in title IX, reflecting critical readiness shortfalls identified by the Chiefs of the Military Departments and addressed by the House during its consideration of H.R. 1398 (Emergency Supplemental Appropriations for fiscal year 2000). These emergency appropriations include $529,000,000 in the services' Operation and Maintenance accounts, including $234,000,000 for depot maintenance, $250,000,000 for real property maintenance, and $45,000,000 for readiness spares kits.

OVERSEAS CONTINGENCY OPERATIONS TRANSFER FUND

The conferees direct the Secretary of Defense to provide the Appropriations Committees and the General Accounting Office reports identifying contingency related expenses no later than 30 days after the end of each month for which contingency costs are incurred.

BIOMETRICS INFORMATION ASSURANCE

The Conferees include in this Title of the bill $7,000,000 for Army, $3,000,000 for Navy, and $3,000,000 for Air Force, and include $12,000,000 in Title III of the bill for Army, all to support the efforts of Army as Executive Agent to lead, consolidate, and coordinate all biometrics information assurance programs of the Department of Defense (DoD), pursuant to the June 12, 2000 United States Army Report on the Biometrics Project (Report) prepared at the request of the Committees on Appropriations, and direct that the near-term and long-term implementation plan defined in the Report be implemented.

Recognizing the concerns expressed in the Report and elsewhere regarding social and legal issues associated with the uses of biometrics in the Government and private sectors, the Conferees support a comprehensive, in-depth legal and social assessment of the issues associated with the current and near-term uses of biometrics in the United States, to include plans for long-term monitoring of human biometrics uses, which are expected to increase substantially, and further recommend that this assessment be initiated as soon as practicable, pursuant to the Report.

To reduce lease costs and to support operating capability of the Biometrics Fusion Center by Fiscal Year (FY) 2004, the Conference recommended that the funds appropriated for this program in FY 2000 be made available immediately to develop specifications and requirements, not later than June 30, 2001, for the acquisition, via lease, of space suitable for the Biometrics Fusion Center Final Operating Capability in acordance with the Report.

## OPERATION AND MAINTENANCE, ARMY

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| 100 OPERATION AND MAINTENANCE, ARMY | | | | |
| 150 BUDGET ACTIVITY 1: OPERATING FORCES | | | | |
| 200 LAND FORCES | | | | |
| 250 DIVISIONS | 1,174,856 | 1,177,856 | 1,179,856 | 1,177,856 |
| 300 CORPS COMBAT FORCES | 321,297 | 321,297 | 321,297 | 321,297 |
| 350 CORPS SUPPORT FORCES | 350,844 | 350,844 | 350,844 | 350,844 |
| 400 ECHELON ABOVE CORPS FORCES | 503,390 | 503,390 | 503,390 | 503,390 |
| 450 LAND FORCES OPERATIONS SUPPORT | 980,512 | 980,512 | 980,512 | 980,512 |
| 500 LAND FORCES READINESS | | | | |
| 550 FORCE READINESS OPERATIONS SUPPORT | 1,144,565 | 1,151,465 | 1,144,565 | 1,138,565 |
| 600 LAND FORCES SYSTEMS READINESS | 531,614 | 531,614 | 527,914 | 535,414 |
| 650 LAND FORCES DEPOT MAINTENANCE | 694,662 | 749,064 | 697,162 | 699,162 |
| 700 LAND FORCES READINESS SUPPORT | | | | |
| 750 BASE OPERATIONS SUPPORT (OPERATING FORCES) | 2,698,913 | 2,702,813 | 2,698,913 | 2,702,813 |
| 800 REAL PROPERTY MAINTENANCE (OPERATING FORCES) | 916,378 | 916,378 | 933,378 | 933,878 |
| 850 MANAGEMENT AND OPERATIONAL HEADQUARTERS | 131,042 | 131,042 | 127,042 | 131,042 |
| 900 UNIFIED COMMANDS | 82,388 | 82,388 | 87,388 | 111,388 |
| 950 ADDITIONAL ACTIVITIES | 50,620 | 50,620 | 50,620 | 50,620 |
| 1045 TOTAL, BUDGET ACTIVITY 1 | 9,581,081 | 9,649,283 | 9,602,881 | 9,636,781 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| 1050 BUDGET ACTIVITY 2: MOBILIZATION | | | | |
| 1100 MOBILITY OPERATIONS | | | | |
| 1200 STRATEGIC MOBILIZATION | 309,219 | 309,219 | 309,219 | 309,219 |
| 1250 ARMY PREPOSITIONED STOCKS | 130,471 | 130,471 | 130,471 | 130,471 |
| 1300 INDUSTRIAL PREPAREDNESS | 66,557 | 46,457 | 57,557 | 78,057 |
| 1325 REAL PROPERTY MAINTENANCE (MOBILITY OPERATIONS) | 20,666 | 20,666 | 20,666 | 20,666 |
| 1350 TOTAL, BUDGET ACTIVITY 2 | 526,913 | 506,813 | 517,913 | 538,413 |
| 1400 BUDGET ACTIVITY 3: TRAINING AND RECRUITING | | | | |
| 1450 ACCESSION TRAINING | | | | |
| 1500 OFFICER ACQUISITION | 73,963 | 73,963 | 73,963 | 73,963 |
| 1550 RECRUIT TRAINING | 15,728 | 15,728 | 15,728 | 15,728 |
| 1600 ONE STATION UNIT TRAINING | 14,618 | 14,618 | 14,618 | 14,618 |
| 1650 SENIOR RESERVE OFFICERS' TRAINING CORPS | 134,581 | 134,581 | 135,831 | 135,831 |
| 1700 BASE OPERATIONS SUPPORT (ACCESSION TRAINING) | 75,468 | 75,468 | 75,468 | 75,468 |
| 1750 REAL PROPERTY MAINTENANCE (ACCESSION TRAINING) | 49,668 | 49,668 | 49,668 | 49,668 |
| 1800 BASIC SKILL/ ADVANCE TRAINING | | | | |
| 1850 SPECIALIZED SKILL TRAINING | 242,799 | 257,799 | 244,299 | 254,299 |
| 1900 FLIGHT TRAINING | 323,414 | 323,414 | 323,414 | 323,414 |
| 1950 PROFESSIONAL DEVELOPMENT EDUCATION | 100,260 | 112,260 | 97,760 | 104,360 |
| 2000 TRAINING SUPPORT | 417,639 | 430,639 | 419,139 | 425,439 |
| 2050 BASE OPERATIONS SUPPORT (BASIC SKILL/ADV TRAINING) | 845,136 | 845,136 | 845,136 | 845,136 |
| 2100 REAL PROPERTY MAINTENANCE (BASIC SKILL/ADV TRAINING) | 264,642 | 264,642 | 264,642 | 264,642 |
| 2150 RECRUITING/OTHER TRAINING | | | | |
| 2200 RECRUITING AND ADVERTISING | 385,251 | 400,251 | 382,251 | 382,251 |
| 2250 EXAMINING | 77,700 | 77,700 | 77,700 | 77,700 |
| 2300 OFF-DUTY AND VOLUNTARY EDUCATION | 87,629 | 87,629 | 87,629 | 87,629 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| 2350 CIVILIAN EDUCATION AND TRAINING | 79,207 | 79,207 | 74,207 | 74,207 |
| 2400 JUNIOR RESERVE OFFICERS' TRAINING CORPS | 77,491 | 81,991 | 84,091 | 81,991 |
| 2450 BASE OPERATIONS SUPPORT (RECRUIT/OTHER TRAINING) | 188,375 | 188,375 | 188,375 | 188,375 |
| 2500 TOTAL, BUDGET ACTIVITY 3 | 3,453,569 | 3,513,069 | 3,453,919 | 3,474,719 |
| 2550 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES | | | | |
| 2600 SECURITY PROGRAMS | | | | |
| 2650 SECURITY PROGRAMS | 472,588 | 472,588 | 472,588 | 472,588 |
| 2700 LOGISTICS OPERATIONS | | | | |
| 2750 SERVICEWIDE TRANSPORTATION | 488,831 | 488,831 | 488,831 | 488,831 |
| 2800 CENTRAL SUPPLY ACTIVITIES | 365,993 | 370,993 | 360,993 | 364,993 |
| 2850 LOGISTIC SUPPORT ACTIVITIES | 356,748 | 383,748 | 366,748 | 383,748 |
| 2900 AMMUNITION MANAGEMENT | 339,518 | 339,518 | 339,518 | 339,518 |
| 2950 SERVICEWIDE SUPPORT | | | | |
| 3000 ADMINISTRATION | 327,113 | 327,113 | 331,113 | 334,113 |
| 3050 SERVICEWIDE COMMUNICATIONS | 466,906 | 466,906 | 468,906 | 468,906 |
| 3100 MANPOWER MANAGEMENT | 164,992 | 164,992 | 163,992 | 163,992 |
| 3150 OTHER PERSONNEL SUPPORT | 154,893 | 154,893 | 154,893 | 154,893 |
| 3200 OTHER SERVICE SUPPORT | 739,315 | 739,315 | 741,315 | 741,315 |
| 3250 ARMY CLAIMS ACTIVITIES | 112,851 | 72,851 | 112,851 | 72,851 |
| 3300 REAL ESTATE MANAGEMENT | 69,439 | 69,439 | 69,439 | 69,439 |
| 3350 BASE OPERATIONS SUPPORT (SERVICEWIDE SUPPORT) | 1,076,077 | 1,076,077 | 1,076,077 | 1,076,077 |
| 3400 REAL PROPERTY MAINTENANCE (SERVICEWIDE SUPPORT) | 177,821 | 177,821 | 182,321 | 182,321 |
| 3550 SUPPORT OF OTHER NATIONS | | | | |
| 3600 INTERNATIONAL MILITARY HEADQUARTERS | 194,381 | 181,981 | 194,381 | 181,981 |
| 3650 MISC SUPPORT OF OTHER NATIONS | 54,702 | 48,402 | 52,702 | 48,402 |

| | | | | | |
|---|---|---|---|---|---|
| 3700 | TOTAL, BUDGET ACTIVITY 4 | 5,562,168 | 5,535,468 | 5,576,668 | 5,543,968 |
| 3710 | CLASSIFIED PROGRAMS UNDISTRIBUTED | --- | 7,000 | 1,000 | -4,000 |
| 3720 | GENERAL REDUCTION, NATIONAL DEFENSE STOCKPILE FUND | -50,000 | -50,000 | -50,000 | -50,000 |
| 3740 | MEMORIAL EVENTS | --- | 700 | --- | 700 |
| 3750 | REAL PROPERTY MAINTENANCE | --- | 273,300 | --- | --- |
| 3760 | CONTRACT AND ADVISORY SERVICES | --- | --- | -20,000 | --- |
| 3780 | MANAGEMENT HEADQUARTERS | --- | -38,700 | --- | --- |
| 3825 | DFAS PROGRAM GROWTH | --- | -19,590 | --- | --- |
| 3830 | CHICAGO MILITARY ACADEMY | --- | 5,000 | --- | --- |
| 3835 | REPAIRS AT FT. BAKER | --- | 6,000 | --- | 5,000 |
| 3840 | CLARA BARTON CENTER | --- | 1,500 | --- | --- |
| 3845 | DEFENSE JOINT ACCOUNTING SYSTEM | --- | -14,000 | --- | -14,000 |
| 3850 | WMD-DISTANCE LEARNING NETWORK | --- | 4,000 | --- | 4,000 |
| 3855 | WMD-COUNTER-TERRORISM TRAINING/TESTING MEMORIAL TUNNEL | --- | 7,000 | 5,000 | 5,000 |
| 3915 | EXCESS CARRYOVER -- DEFENSE WORKING CAPITAL FUNDS | --- | --- | -40,500 | --- |
| 3920 | WMD-CIVIL SUPPORT TEAMS | --- | --- | 5,000 | 5,850 |
| 3940 | UNOBLIGATED BALANCE, PENTAGON RENOVATION | --- | --- | -2,000 | -2,000 |
| 4100 | TOTAL, OPERATION AND MAINTENANCE, ARMY | 19,073,731 | 19,386,843 | 19,049,881 | 19,144,431 |
| 4150 | TRANSFER | (50,000) | (50,000) | (50,000) | (50,000) |
| 4200 | TOTAL FUNDING AVAILABLE | (19,123,731) | (19,436,843) | (19,099,881) | (19,194,431) |

# ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

[In thousands of dollars]

| | |
|---|---|
| Budget Activity 1: Operating Forces: | |
| 250 M-Gator | 3,000 |
| 550 JCS Exercises | -11,000 |
| 550 Integrated Training Area Management | 2,000 |
| 550 Modern Burner Unit | 3,000 |
| 600 Strike force funding | -15,000 |
| 600 GCCS-USFK | 11,300 |
| 600 HEMTT vehicle recapitalization | 7,500 |
| 650 Depot Maintenance Apprenticeship Program | 3,000 |
| 650 Maintenance Automatic Identification Technology | 1,000 |
| 650 LOGTECH | 500 |
| 750 NTC Airhead | 2,000 |
| 750 Security Improvements-NTC Heliport | 1,900 |
| 800 Fort Wainwright Utilidors | 10,000 |
| 800 Fort Greely runway repairs | 6,000 |
| 800 USARAK Power Plant Refurbishment | 1,500 |
| 900 Hunter UAV | 3,000 |
| 900 USARPAC C4I and Information Assurance | 26,000 |
| Budget Activity 2: Mobilization: | |
| 1300 Rock Island UPC subsidy | 11,500 |
| Budget Activity 3: Training and Recruiting: | |
| 1650 Air Battle Captain | 1,250 |
| 1850 Institutional Training-Specialized Skill Training | 5,000 |
| 1850 Military Police School/MCTFT Joint Training | 2,000 |
| 1850 Information Assurance: IT Training and Education | 3,000 |
| 1850 Joint Assessment Neurological Examination Equipment | 1,500 |
| 1950 DLI-Classroom and Office Furnishings | 1,800 |
| 1950 Defense Language Institute | 2,000 |
| 1950 Monterey Regional Educational Initiative | 1,800 |
| 1950 DLI-Office Furnishings for DOIM Computer Center | 1,000 |
| 1950 Professional Development Education, NDU | -2,500 |
| 2000 Institutional Training-Training Support | 5,000 |
| 2000 Distance Learning-CCCE | 1,300 |
| 2000 Armor Officers Distance Learning (Ft. Knox) | 1,500 |
| 2200 Recruiting contracts and studies | -3,000 |
| 2350 Civilian Education and Training | -5,000 |
| 2400 JROTC | 4,500 |
| Budget Activity 4: Administration and Servicewide Activities: | |
| 2800 Pulse Technology | 4,000 |
| 2800 Central Supply Activities | -5,000 |
| 2850 System Technical Support | 10,000 |
| 2850 Supercomputing Work | 6,000 |
| 2850 Logistics and Technology Project | 1,000 |
| 2850 JCALS | 10,000 |
| 3000 Biometrics Support | 7,000 |
| 3050 Information Assurance-USFK IT security | 2,000 |
| 3100 Manpower Management, travel | -1,000 |

| | |
|---|---|
| 3200 Army conservation and ecosystem management | 2,000 |
| 3250 Claims Underexecution | -40,000 |
| 3400 Rock Island Bridge Repairs | 2,500 |
| 3400 Fort Des Moines | 2,000 |
| 3600 NATO Administrative Growth | -12,400 |
| 3650 Administrative Cost Growth in Europe | -6,300 |
| Undistributed: | |
| 3710 Classified Programs Undistributed | -4,000 |
| 3740 Memorial Events | 700 |
| 3835 Repairs at Fort Baker | 5,000 |
| 3845 Defense Joint Accounting System | -14,000 |
| 3850 WMD-Distance Learning Network | 4,000 |
| 3855 WMD-Counter-Terrorism Training and Testing/Memorial Tunnel | 5,000 |
| 3920 WMD Civil Support Teams | 4,000 |
| 3920 WMD Civil Support Teams--Equipment | 1,850 |
| 3940 Unobligated balance; Pentagon Renovation | -2,000 |

### INTEGRATED TRAINING AREA MANAGEMENT

The conferees understand that commanders are consistently reporting reduced ITAM funding as a training readiness issue in the Monthly Readiness Report. Therefore, the conferees recommend an increase of $5,100,000 for ITAM and direct the Army to realign additional resources in order to fully fund the ITAM program.

### TACTICAL MISSILE MAINTENANCE

Of the amount provided for Operation and Maintenance, Army, specifically depot maintenance, the conferees direct that $48,300,000 be applied to Army Tactical Missile Depot Maintenance requirements, to include ground support equipment, at its organic public depots.

### REAL PROPERTY MAINTENANCE

The conferees observe that the Army has reallocated $1,100,000,000 of its operational training funds during fiscal years 1997 through 1999, and failed to meet tank mile training goals by an average of 20 percent. The Army cites that training resources were moved to other operation and maintenance programs such as real property maintenance. The conferees have provided significant real property maintenance and Quality of Life Enhancement resources to the Army for fiscal year 2001, and expects the service to execute the training plan and budget proposed in the budget request. The conferees direct the Army to allocate real property maintenance resources, by major command, at levels not less than those provided in Senate Report 106–298.

### UNDERUTILIZED PLANT CAPACITY

The conferees are aware that the Office of the Secretary of Defense has directed the Army to study the scale and capacity of the arsenals and ammunition plants, in an effort to mitigate the need for further cash subsidies. The Army shall provide this report to the Appropriations Committees no later than September 15, 2000.

### INDUSTRIAL PREPAREDNESS

The conferees do not agree to reductions as proposed in the House and Senate versions of the bill to the Industrial Preparedness subactivity group in Operation and Maintenance, Army.

### AIR BATTLE CAPTAIN

The conferees direct to the Secretary of the Army to submit to the Appropriations Committees a detailed recruitment plan, specifically addressing the Air Battle Captain program, within sixty days of enactment of the conference report.

### ENHANCED SKILLS TRAINING PROGRAM

The conferees understand that the Army has decided to terminate the Enhanced Skills Training Program (ESTP) for students at Historically Black colleges and Universities (HBCU) and to replace it with a distance learning program. Because of the historic role that HBCU's have played in integrating the Army, the conferees direct the Army to maintain through fiscal year 2001 the ESTP as configured during fiscal year 2000. To better understand the benefits of ESTP, the conferees directs the Army to provide a report to the congressional defense committees not later than October 1, 2000, on its long term plans for its partnership with HBCU's in preparing students for the Army.

### OPEN BURN/OPEN DISPOSAL PRACTICES

The conferees are aware of public concern regarding possible health risks to civilian populations associated with the open burning/open detonation (OB/OD) of munitions and equipment at Army depots at various locations in the U.S. Most of these risks are believed to be associated with airborne gases, particles and other contaminants carried downwind of the burn/detonation sites. The Army is directed to study potential alternative closed disposal technologies that do not release into the atmosphere and to report to Congress no later than September 30, 2001 on the possibility of phasing out OB/OD in favor of closed disposal methods. The report should include a review of technologies currently in existence and under development and assess the cost and feasibility of constructing facilities employing those technologies.

### MEDIUM GENERAL PURPOSE TENTS

The conferees direct that $14,000,000 of the funds provided for Operation and Maintenance, Army be made available only for the purpose of meeting prospective requirements for modular general purpose tents (MGPT) associated with wartime and other mobilizations as described in the report accompanying the House-passed Department of Defense Appropriations bill for fiscal year 2001. The conferees also note that the Department has refused to fully obligate previously appropriated funds for the program, citing a lack of firm direction from the Congress. The conferees therefore believe it necessary to clarify their strong support for the MGPT program, and direct the Secretary of the Army to expend the full amount of Operation and Maintenance, Army funds designated for MGPT in the fiscal year 2000 Department of Defense Conference Report without further delay.

### TACONY WAREHOUSE SITE

The conferees direct that of the funds provided in Operation and Maintenance, Army, $5,000,000 shall be available only to demolish the Army's Tacony Warehouse depot site owned by Fort Dix in Philadelphia, Pennsylvania.

## OPERATION AND MAINTENANCE, NAVY

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| 4250 OPERATION AND MAINTENANCE, NAVY | | | | |
| 4300 BUDGET ACTIVITY 1: OPERATING FORCES | | | | |
| 4350 AIR OPERATIONS | | | | |
| 4400 MISSION AND OTHER FLIGHT OPERATIONS | 2,636,230 | 2,636,230 | 2,636,230 | 2,636,230 |
| 4450 FLEET AIR TRAINING | 798,956 | 798,956 | 798,956 | 798,956 |
| 4500 INTERMEDIATE MAINTENANCE | 59,407 | 59,407 | 59,407 | 59,407 |
| 4550 AIR OPERATIONS AND SAFETY SUPPORT | 102,182 | 102,182 | 102,182 | 102,182 |
| 4600 AIRCRAFT DEPOT MAINTENANCE | 648,745 | 668,745 | 653,745 | 653,745 |
| 4650 AIRCRAFT DEPOT OPERATIONS SUPPORT | 22,044 | 27,044 | 22,044 | 24,544 |
| 4800 SHIP OPERATIONS | | | | |
| 4850 MISSION AND OTHER SHIP OPERATIONS | 2,237,075 | 2,237,075 | 2,237,075 | 2,237,075 |
| 4900 SHIP OPERATIONAL SUPPORT AND TRAINING | 539,919 | 539,919 | 539,919 | 539,919 |
| 4950 INTERMEDIATE MAINTENANCE | 393,478 | 393,478 | 393,478 | 395,478 |
| 5000 SHIP DEPOT MAINTENANCE | 2,113,052 | 2,255,052 | 2,145,052 | 2,145,052 |
| 5050 SHIP DEPOT OPERATIONS SUPPORT | 1,050,703 | 1,070,703 | 1,086,703 | 1,102,703 |
| 5200 COMBAT OPERATIONS/SUPPORT | | | | |
| 5250 COMBAT COMMUNICATIONS | 371,080 | 371,080 | 371,080 | 371,080 |
| 5300 ELECTRONIC WARFARE | 16,452 | 16,452 | 16,452 | 16,452 |
| 5350 SPACE SYSTEMS AND SURVEILLANCE | 167,779 | 167,779 | 167,779 | 167,779 |
| 5400 WARFARE TACTICS | 141,835 | 140,835 | 161,835 | 160,835 |
| 5450 OPERATIONAL METEOROLOGY AND OCEANOGRAPHY | 257,981 | 257,981 | 269,981 | 269,981 |
| 5500 COMBAT SUPPORT FORCES | 548,600 | 549,950 | 548,600 | 554,600 |
| 5550 EQUIPMENT MAINTENANCE | 163,062 | 168,062 | 163,062 | 168,062 |
| 5600 DEPOT OPERATIONS SUPPORT | 791 | 791 | 791 | 791 |
| 5750 WEAPONS SUPPORT | | | | |
| 5800 CRUISE MISSILE | 139,779 | 139,779 | 139,779 | 139,779 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| 5850 FLEET BALLISTIC MISSILE | 816,722 | 816,522 | 816,722 | 816,522 |
| 5900 IN-SERVICE WEAPONS SYSTEMS SUPPORT | 48,635 | 48,635 | 48,635 | 48,635 |
| 5950 WEAPONS MAINTENANCE | 381,806 | 395,806 | 403,806 | 403,806 |
| 6100 WORKING CAPITAL FUND SUPPORT | | | | |
| 6150 NWCF SUPPORT | 19,100 | 19,100 | 19,100 | 19,100 |
| 6200 BASE SUPPORT | | | | |
| 6210 REAL PROPERTY MAINTENANCE | 866,050 | 866,050 | 866,050 | 866,050 |
| 6220 BASE SUPPORT | 2,151,215 | 2,160,015 | 2,151,215 | 2,158,015 |
| 6230 TOTAL, BUDGET ACTIVITY 1 | 16,692,678 | 16,907,628 | 16,819,678 | 16,856,778 |
| 6250 BUDGET ACTIVITY 2: MOBILIZATION | | | | |
| 6300 READY RESERVE AND PREPOSITIONING FORCES | | | | |
| 6350 SHIP PREPOSITIONING AND SURGE | 428,418 | 428,418 | 428,418 | 428,418 |
| 6400 ACTIVATIONS/INACTIVATIONS | | | | |
| 6450 AIRCRAFT ACTIVATIONS/INACTIVATIONS | 2,939 | 2,939 | 2,939 | 2,939 |
| 6500 SHIP ACTIVATIONS/INACTIVATIONS | 193,464 | 250,164 | 209,464 | 232,764 |
| 6550 MOBILIZATION PREPAREDNESS | | | | |
| 6600 FLEET HOSPITAL PROGRAM | 23,707 | 23,707 | 23,707 | 23,707 |
| 6650 INDUSTRIAL READINESS | 1,112 | 1,112 | 1,112 | 1,112 |
| 6700 COAST GUARD SUPPORT | 19,294 | 19,294 | 19,294 | 19,294 |
| 6750 TOTAL, BUDGET ACTIVITY 2 | 668,934 | 725,634 | 684,934 | 708,234 |
| 6800 BUDGET ACTIVITY 3: TRAINING AND RECRUITING | | | | |
| 6850 ACCESSION TRAINING | | | | |
| 6900 OFFICER ACQUISITION | 90,121 | 90,121 | 90,121 | 90,121 |
| 6950 RECRUIT TRAINING | 6,594 | 6,594 | 6,594 | 6,594 |
| 7000 RESERVE OFFICERS TRAINING CORPS (ROTC) | 77,918 | 77,918 | 77,918 | 77,918 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| 7150 BASIC SKILLS AND ADVANCED TRAINING | | | | |
| 7200 SPECIALIZED SKILL TRAINING | 276,861 | 279,861 | 281,161 | 284,161 |
| 7250 FLIGHT TRAINING | 342,553 | 342,553 | 342,553 | 342,553 |
| 7300 PROFESSIONAL DEVELOPMENT EDUCATION | 107,625 | 115,370 | 110,625 | 113,625 |
| 7350 TRAINING SUPPORT | 186,225 | 195,225 | 186,225 | 195,225 |
| 7500 RECRUITING, AND OTHER TRAINING AND EDUCATION | | | | |
| 7550 RECRUITING AND ADVERTISING | 180,737 | 180,737 | 180,737 | 180,737 |
| 7600 OFF-DUTY AND VOLUNTARY EDUCATION | 86,613 | 86,613 | 86,613 | 86,613 |
| 7650 CIVILIAN EDUCATION AND TRAINING | 56,234 | 56,234 | 55,234 | 55,234 |
| 7700 JUNIOR ROTC | 31,372 | 33,072 | 34,472 | 34,072 |
| 7820 REAL PROPERTY MAINTENANCE | 198,071 | 198,071 | 198,071 | 198,071 |
| 7830 BASE SUPPORT | 324,715 | 324,715 | 324,715 | 324,715 |
| 7850 TOTAL, BUDGET ACTIVITY 3 | 1,965,639 | 1,987,084 | 1,975,039 | 1,989,639 |
| 7900 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES | | | | |
| 7950 SERVICEWIDE SUPPORT | | | | |
| 8000 ADMINISTRATION | 618,145 | 618,145 | 621,145 | 623,445 |
| 8050 EXTERNAL RELATIONS | 19,987 | 19,987 | 19,987 | 20,987 |
| 8100 CIVILIAN MANPOWER AND PERSON MANAGEMENT | 114,660 | 114,660 | 114,660 | 114,660 |
| 8150 MILITARY MANPOWER AND PERSON MANAGEMENT | 97,812 | 97,812 | 97,812 | 97,812 |
| 8200 OTHER PERSONNEL SUPPORT | 187,270 | 187,270 | 187,270 | 190,270 |
| 8250 SERVICEWIDE COMMUNICATIONS | 308,225 | 308,225 | 308,225 | 308,225 |
| 8450 LOGISTICS OPERATIONS AND TECHNICAL SUPPORT | | | | |
| 8500 SERVICEWIDE TRANSPORTATION | 186,105 | 186,105 | 186,105 | 186,105 |
| 8550 PLANNING, ENGINEERING AND DESIGN | 355,482 | 347,164 | 352,482 | 348,482 |
| 8600 ACQUISITION AND PROGRAM MANAGEMENT | 721,560 | 709,211 | 721,560 | 717,560 |

| | | Budget | House | Senate | Conference |
|---|---|---|---|---|---|
| 8650 | AIR SYSTEMS SUPPORT | 303,087 | 304,473 | 303,087 | 307,587 |
| 8700 | HULL, MECHANICAL AND ELECTRICAL SUPPORT | 61,092 | 59,692 | 61,092 | 61,092 |
| 8750 | COMBAT/WEAPONS SYSTEMS | 47,240 | 47,240 | 47,240 | 47,240 |
| 8800 | SPACE AND ELECTRONIC WARFARE SYSTEMS | 54,260 | 54,260 | 54,260 | 54,260 |
| 8950 | SECURITY PROGRAMS | | | | |
| 9000 | SECURITY PROGRAMS | 622,854 | 622,854 | 622,854 | 622,854 |
| 9150 | SUPPORT OF OTHER NATIONS | | | | |
| 9200 | INTERNATIONAL HEADQUARTERS AND AGENCIES | 8,508 | 8,508 | 8,508 | 8,508 |
| 9220 | REAL PROPERTY MAINTENANCE | 109,485 | 109,485 | 109,485 | 109,485 |
| 9230 | BASE SUPPORT | 157,131 | 157,131 | 157,131 | 157,131 |
| 9250 | TOTAL, BUDGET ACTIVITY 4 | 3,972,903 | 3,952,222 | 3,972,903 | 3,975,703 |
| 9280 | CLASSIFIED PROGRAMS UNDISTRIBUTED | --- | -15,144 | 5,700 | -11,144 |
| 9290 | GENERAL REDUCTION, NATIONAL DEF STOCKPILE FUND | -50,000 | -50,000 | -50,000 | -50,000 |
| 9320 | NAVY ENVIRONMENTAL LEADERSHIP PROGRAM | --- | 5,000 | --- | 3,000 |
| 9360 | MANAGEMENT HEADQUARTERS | --- | -12,376 | --- | --- |
| 9380 | CONTRACT AND ADVISORY SERVICES | --- | -14,061 | -10,000 | --- |
| 9405 | CIVILIAN PERSONNEL UNDEREXECUTION | --- | -49,600 | --- | -49,600 |
| 9410 | IMPROVED SHIPBOARD MATTRESS | --- | 13,000 | --- | 13,000 |
| 9415 | DEFENSE JOINT ACCOUNTING SYSTEM | --- | -7,000 | --- | -7,000 |
| 9420 | COMMUNICATIONS PROGRAM GROWTH | --- | -15,557 | --- | -10,000 |
| 9460 | MTAPP | --- | --- | 2,000 | 2,000 |
| 9475 | UNOBLIGATED BALANCE, PENTAGON RENOVATION | --- | --- | -2,000 | -2,000 |
| 9476 | TURNER JOY MEMORIAL REPAIRS | --- | --- | --- | 750 |
| 9750 | TOTAL, OPERATION AND MAINTENANCE, NAVY | 23,250,154 | 23,426,830 | 23,398,254 | 23,419,360 |
| 9800 | TRANSFER | (50,000) | (50,000) | (50,000) | (50,000) |
| 9850 | TOTAL FUNDING AVAILABLE | (23,300,154) | (23,476,830) | (23,448,254) | (23,469,360) |

## ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

[In thousands of dollars]

| | |
|---|---|
| Budget Activity 1: Operating Forces: | |
| 4600 C-12 Spares program | 5,000 |
| 4650 Object Oriented Simulations/Reengineering Pilot Program | 2,500 |
| 4950 Fire Protective Coatings | 2,000 |
| 5000 LHA Midlife | 32,000 |
| 5050 Berthing & Messing Barge | 15,000 |
| 5050 Ship Depot Operations Support Pearl Harbor Shipyard | 24,000 |
| 5050 Shipyard Apprentice Program | 12,000 |
| 5050 Fire Fighting Foam Applicator | 1,000 |
| 5400 JCS Exercises | -1,000 |
| 5400 Warfare Tactics PMRF Facilities | 20,000 |
| 5450 Meteorology and oceanography | 7,000 |
| 5450 UNOLS | 5,000 |
| 5500 Man Overboard Indicator | 2,500 |
| 5500 Center of Excellence for Disaster Management & Humanitarian Assistance | 5,000 |
| 5500 CINCUSNAVEUR Administrative Growth | -1,500 |
| 5550 Reverse Osmosis Desalinators | 1,000 |
| 5550 Surface Ship Calibration Support | 4,000 |
| 5850 Arms Control | -200 |
| 5950 CWIS Overhauls | 10,000 |
| 5950 Mk 45 Mod 1 Maintenance | 12,000 |
| 6220 Partnership for Rapid Innovation Pilot Project at Navy Region Northwest | 8,000 |
| 6220 Portal Crane Maintenance, Rota | 3,500 |
| 6220 NATO Administrative Cost Growth | -4,700 |
| Budget Activity 2: Mobilization: | |
| 6500 Nuclear Submarine Inactivations (PSNS) | 23,300 |
| 6500 Ship Disposal Project | 16,000 |
| Budget Activity 3: Training and Recruiting: | |
| 7200 Information Assurance: IT Training and Education | 3,000 |
| 7200 Mark 53 (NULKA) training and support | 4,300 |
| 7300 Navy Postgraduate School | 1,000 |
| 7300 NPS-Center for Civil Military Relations | 1,000 |
| 7300 Joint Multi-Dimensional education & Analysis System (Naval War College) | 2,000 |
| 7300 NUWC MBA program | 2,000 |
| 7350 CNET | 5,000 |
| 7350 Distance Learning--CNET | 4,000 |
| 7650 Civilian Education and Training | -1,000 |
| 7700 JROTC | 1,700 |
| 7700 Naval Sea Cadet Program | 1,000 |
| Budget Activity 4: Administration and Servicewide Activities: | |
| 8000 Biometrics Support | 3,000 |
| 8000 Advanced Technology Information Support (ATIS) | 2,300 |
| 8050 Public Service Initiative | 1,000 |
| 8200 Public Benefits Center | 3,000 |
| 8550 Acquisition Management | -7,000 |
| 8600 Acquisition Management | -10,000 |
| 8600 Information Technology Center | 6,000 |

| | |
|---|---|
| 8650 Acquisition Workforce | -8,500 |
| 8650 Configuration Management Information System | 13,000 |
| Undistributed: | |
| 9280 Classified Programs Undistributed | -11,144 |
| 9320 Navy Environmental Leadership Program | 3,000 |
| 9405 Civilian Personnel Underexecution | -49,600 |
| 9410 Improved Shipboard Mattresses | 13,000 |
| 9415 Defense Joint Accounting System | -7,000 |
| 9420 Communications Program Growth | -10,000 |
| 9460 MTAPP | 2,000 |
| 9475 Unobligated balance, Pentagon Renovation | -2,000 |
| 9476 Turner Joy Memorial Repairs | 750 |

ENHANCED SAFETY IN DEPARTMENT OF DEFENSE INDUSTRIAL FACILITIES

Public Law 106–79 directed the Department to initiate programs that improved safety practices at DOD facilities. The conferees again urge the Department to undertake measures to improve the safety of work conditions at DOD industrial facilities. No later than December 1, 2000, the Secretary of Defense shall submit to the congressional defense committees a report regarding the feasibility of establishing pilot programs at maintenance depots and public shipyards to improve worker safety. The report shall include proposals, to include any requisite legislative language, for employing gain sharing incentives for the procurement of professional safety services.

FALLON NAS GREENBELT

The conferees understand that the navy has conducted studies to determine the feasibility of restoring current and previously irrigated lands around the perimeter ("Greenbelt") of Fallon Naval Air Station, Nevada, to its natural ecological condition. Further, the conferees understand that the Commander, NAS Fallon, has consulted with the Army Corps of Engineers concerning their expertise in similar efforts. The conferees direct, as the Secretary of the Navy strives to eliminate the need for irrigation to the "Greenbelt", consistent with aircrew safety and the direction provided in Public Law 101–618, that the Navy continue to cooperate with the Army Corps of Engineers to study the most expedient methods to achieve this non-agricultural, non-irrigated state in the "Greenbelt" lands. The conferees direct that of the funds available to the Department of the Navy under the heading Operation and Maintenance, Navy, $100,000 shall be available to expedite the study described above.

CENTER OF EXCELLENCE FOR DISASTER MANAGEMENT AND HUMANITARIAN ASSISTANCE

The conferees recommend $5,000,000 for the Center for Excellence for Disaster Management and Humanitarian Assistance. Within these funds, $960,000 is to fund the Casualty Care Research Center. The Committee expects the Centers to work collaboratively to provide disaster response services in domestic, international, military and civilian settings.

RESTORATION OF USS TURNER JOY

The conferees direct the Navy to cooperate with the Bremerton Naval Memorial and Historic Ships Association in the repair of the USS Turner Joy. Of the funds available for Operation and Maintenance, Navy, $750,000 shall be available for the maintenance and repair of the USS Turner Joy.

## OPERATION AND MAINTENANCE, MARINE CORPS

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

| | | Budget | House | Senate | Conference |
|---|---|---|---|---|---|
| 9900 | OPERATION AND MAINTENANCE, MARINE CORPS | | | | |
| 9950 | BUDGET ACTIVITY 1: OPERATING FORCES | | | | |
| 10000 | EXPEDITIONARY FORCES | | | | |
| 10050 | OPERATIONAL FORCES | 420,702 | 462,702 | 443,402 | 463,402 |
| 10100 | FIELD LOGISTICS | 235,561 | 250,561 | 235,561 | 244,561 |
| 10150 | DEPOT MAINTENANCE | 97,194 | 119,194 | 97,194 | 97,194 |
| 10200 | BASE SUPPORT | 760,299 | 761,799 | 760,299 | 761,799 |
| 10250 | REAL PROPERTY MAINTENANCE | 394,789 | 394,789 | 394,789 | 394,789 |
| 10300 | USMC PREPOSITIONING | | | | |
| 10350 | MARITIME PREPOSITIONING | 82,390 | 82,390 | 82,390 | 82,390 |
| 10400 | NORWAY PREPOSITIONING | 3,891 | 3,891 | 3,891 | 3,891 |
| 10450 | TOTAL, BUDGET ACTIVITY 1 | 1,994,826 | 2,075,326 | 2,017,526 | 2,048,026 |
| 10500 | BUDGET ACTIVITY 3: TRAINING AND RECRUITING | | | | |
| 10550 | ACCESSION TRAINING | | | | |
| 10600 | RECRUIT TRAINING | 10,655 | 10,655 | 10,655 | 10,655 |
| 10650 | OFFICER ACQUISITION | 300 | 300 | 300 | 300 |
| 10700 | BASE SUPPORT | 55,649 | 55,649 | 55,649 | 55,649 |
| 10750 | REAL PROPERTY MAINTENANCE | 19,782 | 19,782 | 19,782 | 19,782 |
| 10800 | BASIC SKILLS AND ADVANCED TRAINING | | | | |
| 10850 | SPECIALIZED SKILLS TRAINING | 32,975 | 35,975 | 32,975 | 35,975 |
| 10900 | FLIGHT TRAINING | 166 | 166 | 166 | 166 |
| 10950 | PROFESSIONAL DEVELOPMENT EDUCATION | 8,704 | 8,704 | 8,704 | 8,704 |
| 11000 | TRAINING SUPPORT | 84,417 | 84,417 | 84,417 | 84,417 |
| 11050 | BASE SUPPORT | 50,948 | 50,948 | 50,948 | 50,948 |
| 11100 | REAL PROPERTY MAINTENANCE | 28,762 | 28,762 | 28,762 | 28,762 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| 11150 RECRUITING AND OTHER TRAINING EDUCATION | | | | |
| 11200 RECRUITING AND ADVERTISING | 100,001 | 108,101 | 100,001 | 100,001 |
| 11250 OFF-DUTY AND VOLUNTARY EDUCATION | 17,961 | 17,961 | 17,961 | 17,961 |
| 11300 JUNIOR ROTC | 11,917 | 12,517 | 12,817 | 12,817 |
| 11350 BASE SUPPORT | 8,006 | 8,006 | 8,006 | 8,006 |
| 11400 REAL PROPERTY MAINTENANCE | 2,633 | 2,633 | 2,633 | 2,633 |
| 11450 TOTAL, BUDGET ACTIVITY 3 | 432,876 | 444,676 | 433,776 | 436,776 |
| 11500 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES | | | | |
| 11550 SERVICEWIDE SUPPORT | | | | |
| 11650 SPECIAL SUPPORT | 204,293 | 204,293 | 204,293 | 204,293 |
| 11700 SERVICEWIDE TRANSPORTATION | 31,414 | 29,414 | 31,414 | 29,414 |
| 11750 ADMINISTRATION | 25,811 | 25,811 | 25,811 | 25,811 |
| 11800 BASE SUPPORT | 14,157 | 14,157 | 14,157 | 14,157 |
| 11850 REAL PROPERTY MAINTENANCE | 2,281 | 2,281 | 2,281 | 2,281 |
| 11900 TOTAL, BUDGET ACTIVITY 4 | 277,956 | 275,956 | 277,956 | 275,956 |
| 11990 MPS REPLENISHMENT/REPLACEMENT STOCKS | --- | 15,000 | --- | 15,000 |
| 12015 CONTRACT AND ADVISORY SERVICES | --- | -367 | --- | --- |
| 12020 CIVILIAN PERSONNEL SEPARATION | --- | 2,500 | --- | 2,500 |
| 12050 REINTERMENT OF REMAINS | --- | --- | 500 | 500 |
| 12300 TOTAL, OPERATION AND MAINTENANCE, MARINE CORPS | 2,705,658 | 2,813,091 | 2,729,758 | 2,778,758 |

## ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

[In thousands of dollars]

| | |
|---|---|
| Budget Activity 1: Operating Forces: | |
| 10050 Initial Issue Gear | 15,000 |
| 10050 ULCANS | 10,000 |
| 10050 Lightweight Maintenance Enclosures | 8,000 |
| 10050 Modular Command Post System | 2,000 |
| 10050 Joint Service NBC Defense Equipment Surveillance | 3,700 |
| 10050 ECWCS | 4,000 |
| 10100 Equipment Maintenance | 5,000 |
| 10100 Corrosion Control | 4,000 |
| 10200 Urban Warfare Training-Former George AFB Lease | 1,500 |
| Budget Activity 3: Training and Recruiting: | |
| 10850 Information Assurance: IT Training and Education | 3,000 |
| 11300 JROTC | 900 |
| Budget Activity 4: Administration and Servicewide Activities: | |
| 11700 Servicewide Transportation Underexecution | -2,000 |
| Undistributed: | |
| 11990 MPS replenishment/replacement stocks | 15,000 |
| 12020 Civilian Personnel Separation | 2,500 |
| 12050 Reinterment of Remains | 500 |

## OPERATION AND MAINTENANCE, AIR FORCE

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| 12450 OPERATION AND MAINTENANCE, AIR FORCE | | | | |
| 12500 BUDGET ACTIVITY 1: OPERATING FORCES | | | | |
| 12550 AIR OPERATIONS | | | | |
| 12600 PRIMARY COMBAT FORCES | 2,363,665 | 2,363,665 | 2,400,565 | 2,400,565 |
| 12650 PRIMARY COMBAT WEAPONS | 306,379 | 306,879 | 306,379 | 306,879 |
| 12700 COMBAT ENHANCEMENT FORCES | 205,101 | 205,101 | 205,101 | 205,101 |
| 12750 AIR OPERATIONS TRAINING | 774,341 | 774,341 | 774,341 | 774,341 |
| 12775 DEPOT MAINTENANCE | 1,341,224 | 1,356,224 | 1,341,224 | 1,341,224 |
| 12800 COMBAT COMMUNICATIONS | 1,093,924 | 1,097,924 | 1,091,924 | 1,095,924 |
| 12850 BASE SUPPORT | 1,849,247 | 1,849,247 | 1,849,247 | 1,849,247 |
| 12900 REAL PROPERTY MAINTENANCE | 739,807 | 739,807 | 742,607 | 743,107 |
| 12950 COMBAT RELATED OPERATIONS | | | | |
| 13000 GLOBAL C3I AND EARLY WARNING | 680,464 | 688,964 | 680,464 | 688,964 |
| 13050 NAVIGATION/WEATHER SUPPORT | 154,153 | 154,153 | 158,153 | 158,153 |
| 13100 OTHER COMBAT OPS SUPPORT PROGRAMS | 280,971 | 288,971 | 286,071 | 290,971 |
| 13150 JCS EXERCISES | 37,052 | 24,852 | 37,052 | 24,852 |
| 13200 MANAGEMENT/OPERATIONAL HEADQUARTERS | 124,998 | 124,998 | 124,998 | 124,998 |
| 13250 TACTICAL INTEL AND OTHER SPECIAL ACTIVITIES | 259,317 | 259,317 | 259,317 | 259,317 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| 13300 SPACE OPERATIONS | | | | |
| 13350 LAUNCH FACILITIES | 234,395 | 234,395 | 234,395 | 234,395 |
| 13400 LAUNCH VEHICLES | 116,766 | 116,766 | 116,766 | 116,766 |
| 13450 SPACE CONTROL SYSTEMS | 248,564 | 258,564 | 238,564 | 258,564 |
| 13500 SATELLITE SYSTEMS | 53,473 | 53,473 | 53,473 | 53,473 |
| 13550 OTHER SPACE OPERATIONS | 114,729 | 114,729 | 114,729 | 114,729 |
| 13600 BASE SUPPORT | 377,605 | 377,605 | 377,605 | 377,605 |
| 13650 REAL PROPERTY MAINTENANCE | 134,276 | 134,276 | 134,276 | 134,276 |
| 13700 TOTAL, BUDGET ACTIVITY 1 | 11,490,451 | 11,524,251 | 11,527,251 | 11,553,451 |
| 13750 BUDGET ACTIVITY 2: MOBILIZATION | | | | |
| 13800 MOBILITY OPERATIONS | | | | |
| 13850 AIRLIFT OPERATIONS | 1,653,084 | 1,653,084 | 1,656,584 | 1,656,584 |
| 13900 AIRLIFT OPERATIONS C3I | 37,961 | 37,961 | 37,961 | 37,961 |
| 13950 MOBILIZATION PREPAREDNESS | 146,133 | 146,133 | 146,133 | 146,133 |
| 13975 DEPOT MAINTENANCE | 305,244 | 319,344 | 305,244 | 305,244 |
| 14000 PAYMENTS TO TRANSPORTATION BUSINESS AREA | 429,775 | 429,775 | 429,775 | 429,775 |
| 14050 BASE SUPPORT | 466,832 | 466,832 | 466,832 | 466,832 |
| 14100 REAL PROPERTY MAINTENANCE | 120,515 | 120,515 | 120,515 | 120,515 |
| 14150 TOTAL, BUDGET ACTIVITY 2 | 3,159,544 | 3,173,644 | 3,163,044 | 3,163,044 |
| 14200 BUDGET ACTIVITY 3: TRAINING AND RECRUITING | | | | |
| 14250 ACCESSION TRAINING | | | | |
| 14300 OFFICER ACQUISITION | 68,142 | 68,142 | 68,142 | 68,142 |
| 14350 RECRUIT TRAINING | 4,302 | 4,302 | 4,302 | 4,302 |
| 14400 RESERVE OFFICER TRAINING CORPS (ROTC) | 61,522 | 61,522 | 61,522 | 61,522 |
| 14450 BASE SUPPORT (ACADEMIES ONLY) | 68,220 | 68,220 | 61,220 | 61,220 |
| 14500 REAL PROPERTY MAINTENANCE (ACADEMIES ONLY) | 64,655 | 64,655 | 64,655 | 64,655 |
| 14550 BASIC SKILLS AND ADVANCED TRAINING | | | | |
| 14600 SPECIALIZED SKILL TRAINING | 256,003 | 261,003 | 256,003 | 260,003 |
| 14650 FLIGHT TRAINING | 618,293 | 618,293 | 618,293 | 618,293 |
| 14700 PROFESSIONAL DEVELOPMENT EDUCATION | 109,263 | 111,763 | 109,263 | 111,263 |
| 14750 TRAINING SUPPORT | 75,599 | 75,599 | 75,599 | 75,599 |
| 14775 DEPOT MAINTENANCE | 11,626 | 11,626 | 11,626 | 11,626 |
| 14800 BASE SUPPORT (OTHER TRAINING) | 471,268 | 471,268 | 469,268 | 469,268 |
| 14850 REAL PROPERTY MAINTENANCE (OTHER TRAINING) | 127,117 | 127,117 | 127,117 | 127,117 |
| 14900 RECRUITING, AND OTHER TRAINING AND EDUCATION | | | | |
| 14950 RECRUITING AND ADVERTISING | 113,524 | 121,724 | 113,524 | 113,524 |
| 15000 EXAMINING | 3,483 | 3,483 | 3,483 | 3,483 |
| 15050 OFF DUTY AND VOLUNTARY EDUCATION | 87,032 | 87,032 | 87,032 | 87,032 |
| 15100 CIVILIAN EDUCATION AND TRAINING | 69,633 | 69,633 | 68,633 | 68,633 |
| 15150 JUNIOR ROTC | 31,819 | 33,619 | 34,219 | 33,619 |
| 15200 TOTAL, BUDGET ACTIVITY 3 | 2,241,501 | 2,259,001 | 2,233,901 | 2,239,301 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| 15250 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES | | | | |
| 15300 LOGISTICS OPERATIONS | | | | |
| 15350 LOGISTICS OPERATIONS | 985,411 | 980,911 | 985,411 | 981,111 |
| 15400 TECHNICAL SUPPORT ACTIVITIES | 396,144 | 396,144 | 396,144 | 396,144 |
| 15450 SERVICEWIDE TRANSPORTATION | 222,395 | 222,395 | 222,395 | 222,395 |
| 15475 DEPOT MAINTENANCE | 55,398 | 55,398 | 55,398 | 55,398 |
| 15500 BASE SUPPORT | 1,131,172 | 1,131,172 | 1,131,172 | 1,131,172 |
| 15550 REAL PROPERTY MAINTENANCE | 341,091 | 341,091 | 352,091 | 352,091 |
| 15600 SERVICEWIDE ACTIVITIES | | | | |
| 15650 ADMINISTRATION | 153,206 | 153,206 | 156,206 | 156,206 |
| 15700 SERVICEWIDE COMMUNICATIONS | 322,654 | 322,654 | 322,654 | 322,654 |
| 15750 PERSONNEL PROGRAMS | 146,783 | 146,783 | 146,783 | 146,783 |
| 15800 RESCUE AND RECOVERY SERVICES | 59,073 | 59,073 | 59,073 | 59,073 |
| 15900 ARMS CONTROL | 41,094 | 34,194 | 39,094 | 34,194 |
| 15950 OTHER SERVICEWIDE ACTIVITIES | 590,249 | 594,249 | 593,249 | 601,249 |
| 16000 OTHER PERSONNEL SUPPORT | 35,109 | 31,109 | 33,109 | 31,109 |
| 16050 CIVIL AIR PATROL CORPORATION | 13,917 | 13,917 | 19,417 | 19,417 |
| 16100 BASE SUPPORT | 237,050 | 237,550 | 237,050 | 237,550 |
| 16150 MAINTENANCE OF REAL PROPERTY | 25,239 | 25,239 | 25,239 | 25,239 |
| 16200 SECURITY PROGRAMS | | | | |
| 16250 SECURITY PROGRAMS | 685,834 | 685,834 | 685,834 | 685,834 |
| 16300 SUPPORT TO OTHER NATIONS | | | | |
| 16350 INTERNATIONAL SUPPORT | 13,662 | 12,562 | 13,662 | 12,562 |
| 16400 TOTAL, BUDGET ACTIVITY 4 | 5,455,481 | 5,443,481 | 5,473,981 | 5,470,181 |
| 16450 CLASSIFIED PROGRAMS UNDISTRIBUTED | --- | 35,574 | 1,500 | 10,044 |
| 16460 GENERAL REDUCTION, NATIONAL DEF STOCKPILE FUND | -50,000 | -50,000 | -50,000 | -50,000 |
| 16500 READINESS SPARES KITS | --- | 45,000 | --- | --- |
| 16580 MANAGEMENT HEADQUARTERS | --- | -75,000 | --- | --- |
| 16600 CONTRACT AND ADVISORY SERVICES | --- | -4,633 | -37,000 | --- |
| 16620 AIR FORCE MTAP | --- | --- | 4,000 | --- |
| 16655 DFAS PROGRAM GROWTH | --- | -27,521 | --- | --- |
| 16660 DEFENSE JOINT ACCOUNTING SYSTEM | --- | -7,000 | --- | -7,000 |
| 16705 EXCESS CARRYOVER- DEFENSE WORKING CAPITAL FUNDS | --- | --- | -52,200 | --- |
| 16715 UNOBLIGATED BALANCE, PENTAGON RENOVATION | --- | --- | -2,000 | -2,000 |
| 16720 TRAVEL | --- | --- | -5,000 | -5,000 |
| 16730 ELMENDORF AFB TRANSPORTATION INFRASTRUCTURE | --- | --- | 10,000 | 10,000 |
| 16740 COLLEGE/OFFICER CANDIDATE INITIATIVE | --- | --- | 1,500 | 1,500 |
| 16910 TOTAL, O&M, AIR FORCE | 22,296,977 | 22,316,797 | 22,268,977 | 22,383,521 |
| 16920 TRANSFER | (50,000) | (50,000) | (50,000) | (50,000) |
| 16940 TOTAL FUNDING AVAILABLE | (22,346,977) | (22,366,797) | (22,318,977) | (22,433,521) |

## ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

[In thousands of dollars]

| | |
|---|---|
| Budget Activity 1: Operating Forces: | |
| 12600 B-52 Attrition Reserve | 36,900 |
| 12650 Reverse Osmosis Desalinators | 500 |
| 12800 Air Force Battlelabs | 4,000 |
| 12800 Communications, other contracts | -2,000 |
| 12900 Keesler AFB, weatherproofing | 2,800 |
| 12900 Ambient Temperature Cure Glass-MacDill AFB | 500 |
| 13000 Tethered Aerostat Radar System | 8,500 |
| 13050 University Partnering for Operational Support | 4,000 |
| 13100 TACCSF Theater Air Command and Control Simulation Facility | 8,000 |
| 13100 Power Scene | 2,000 |
| 13150 JCS Exercises | -12,200 |
| 13450 Eastern Missile Range Launch Facility Enhancements | 10,000 |
| Budget Activity 2: Mobilization: | |
| 13850 PACAF Airlift Support | 3,500 |
| Budget Activity 3: Training and Recruiting: | |
| 14450 Facility Investment Strategy | -7,000 |
| 14600 Information Assurance: IT Training and Education | 3,000 |
| 14600 IT Workforce Re-Skilling--Aeronautical Systems Center | 1,000 |
| 14700 Joint Multi-Dimensional Education & Analysis System (Air War College) | 2,000 |
| 14800 Base Support and Other Training Underexecution | -2,000 |
| 15100 Civilian Education and Training | -1,000 |
| 15150 JROTC | 1,800 |
| Budget Activity 4: Administration and Servicewide Activities: | |
| 15350 Acquisition Management | -8,800 |
| 15350 REMIS | 2,500 |
| 15350 Engine Reliability & Maintainability Program | 2,000 |
| 15550 RPM Eielson Utilidors | 10,000 |
| 15550 Hickam AFB Alternative Fuel Vehicle Program | 1,000 |
| 15650 Biometrics Support | 3,000 |
| 15900 Arms Control | -6,900 |
| 15950 Manufacturing Technical Assistance Pilot Program | 4,000 |
| 15950 Iodine 131 Experimentation | 5,000 |
| 15950 Iodine Medical Monitoring | 2,000 |
| 16000 Personnel Support Programs Underexecution | -4,000 |
| 16050 CAP | 5,500 |
| 16100 William Lehman Aviation Center | 500 |
| 16350 NATO & International Program Growth | -1,100 |
| Undistributed: | |
| 16450 Classified Programs Undistributed | 10,044 |
| 16660 Defense Joint Accounting System | -7,000 |
| 16715 Unobligated Balance, Pentagon Renovation | -2,000 |
| 16720 Travel | -5,000 |
| 16730 Elmendorf AFB Transportation Infrastructure | 10,000 |
| 16740 College/Officer Candidate Initiative | 1,500 |

NEW ENERGY SAVING TECHNOLOGY

The conferees are aware of the unique energy savings and anticorrosion properties of Ambient Temperature Cure (ATC) Glass coatings for air-conditioning systems. The conference agreement includes $500,000 in Operation and Maintenance, Air Force funding for the 6th Civil Engineering Squadron located at MacDill Air Force Base, Florida, for an energy demonstration of ATC glass coating technology as a follow-on to its initial testing of this technology on air conditioning systems. Accordingly, the conferees direct the Air Force to conduct a before and after test and evaluation of energy savings of ATC glass coated air conditioning-systems, at MacDill Air Force Base, over a three-month period. The evaluation shall measure and document energy consumption and provide comment regarding effectiveness on existing air-conditioning units of varying ages and levels of corrosion. The Secretary of the Air Force shall provide the results of this testing to the House and Senate Committees on Appropriations not later than April 1, 2001.

CONTAMINANT AIR PROCESSING SYSTEM

The conferees commend the Secretary of the Air Force for standardizing mission-critical equipment that allows Air Force personnel to be effectively processed after contact with biological, chemical and nuclear agents. The conferees encourage the Secretary to use existing funds to continue implementation of standardized contaminant air processing systems (CAPS) throughout Air Force installations.

# OPERATION AND MAINTENANCE, DEFENSE-WIDE

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

|  | Budget | House | Senate | Conference |
|---|---|---|---|---|
| 16950 OPERATION AND MAINTENANCE, DEFENSE-WIDE |  |  |  |  |
| 17000 BUDGET ACTIVITY 1: OPERATING FORCES |  |  |  |  |
| 17050 JOINT CHIEFS OF STAFF | 396,489 | 396,489 | 396,489 | 396,489 |
| 17100 SPECIAL OPERATIONS COMMAND | 1,263,572 | 1,263,572 | 1,263,572 | 1,263,572 |
| 17150 TOTAL, BUDGET ACTIVITY 1 | 1,660,061 | 1,660,061 | 1,660,061 | 1,660,061 |
| 17200 BUDGET ACTIVITY 2: MOBILIZATION |  |  |  |  |
| 17250 DEFENSE LOGISTICS AGENCY | 45,677 | 48,677 | 45,677 | 45,677 |
| 17350 BUDGET ACTIVITY 3: TRAINING AND RECRUITING |  |  |  |  |
| 17450 AMERICAN FORCES INFORMATION SERVICE | 10,999 | 10,999 | 10,999 | 10,999 |
| 17460 DEFENSE ACQUISITION UNIVERSITY | 100,331 | 100,331 | 100,331 | 102,331 |
| 17470 DEFENSE FINANCE AND ACCOUNTING SERVICE | 15,354 | 15,354 | 15,354 | 15,354 |
| 17480 DEFENSE HUMAN RESOURCES ACTIVITY | 78,299 | 78,299 | 73,299 | 73,299 |
| 17490 DEFENSE SECURITY SERVICE | 7,445 | 7,445 | 7,445 | 7,445 |
| 17510 DEFENSE THREAT REDUCTION AGENCY | 1,089 | 1,089 | 1,089 | 1,089 |
| 17600 SPECIAL OPERATIONS COMMAND | 49,158 | 49,158 | 57,158 | 51,158 |
| 17650 TOTAL, BUDGET ACTIVITY 3 | 262,675 | 262,675 | 265,675 | 261,675 |
| 17700 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES |  |  |  |  |
| 17750 AMERICAN FORCES INFORMATION SERVICE | 94,525 | 94,525 | 94,525 | 94,525 |
| 17775 CIVIL MILITARY PROGRAMS | 88,431 | 93,131 | 112,500 | 103,000 |
| 17800 CLASSIFIED AND INTELLIGENCE | 4,207,597 | 4,205,275 | 4,187,097 | 4,243,293 |
| 17900 DEFENSE CONTRACT AUDIT AGENCY | 348,658 | 346,658 | 346,658 | 346,658 |
| 17950 DEFENSE FINANCE AND ACCOUNTING SERVICE | 1,416 | 1,416 | 1,416 | 2,416 |
| 18000 DEFENSE HUMAN RESOURCES ACTIVITY | 184,856 | 186,856 | 179,856 | 181,856 |
| 18050 DEFENSE INFORMATION SYSTEMS AGENCY | 755,197 | 758,197 | 755,197 | 758,197 |
| 18150 DEFENSE LEGAL SERVICES AGENCY | 12,596 | 12,596 | 12,596 | 12,596 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| 18200 DEFENSE LOGISTICS AGENCY | 1,143,496 | 1,178,496 | 1,154,496 | 1,145,696 |
| 18300 DEFENSE POW/MISSING PERSONS OFFICE | 14,827 | 14,827 | 14,827 | 14,827 |
| 18310 DEFENSE SECURITY ASSISTANCE AGENCY | 67,598 | 67,598 | 57,598 | 57,598 |
| 18320 DEFENSE SECURITY SERVICE | 126,929 | 126,929 | 126,929 | 126,929 |
| 18475 DEF THREAT REDUCTION & TREATY COMPLIANCE AGENCY | 215,624 | 215,624 | 213,624 | 213,624 |
| 18500 DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION | 1,434,204 | 1,438,804 | 1,443,754 | 1,446,354 |
| 18600 JOINT CHIEFS OF STAFF | 157,883 | 157,361 | 157,883 | 160,361 |
| 18650 OFFICE OF ECONOMIC ADJUSTMENT | 22,495 | 27,495 | 49,495 | 56,995 |
| 18700 OFFICE OF THE SECRETARY OF DEFENSE | 417,126 | 449,430 | 427,626 | 454,030 |
| 18800 SPECIAL OPERATIONS COMMAND | 43,864 | 43,864 | 43,864 | 43,864 |
| 18820 WASHINGTON HEADQUARTERS SERVICE | 299,334 | 289,334 | 299,334 | 289,334 |
| 18860 SPECIAL PROGRAMS | 315,000 | 115,000 | 315,000 | 115,000 |
| 18950 TOTAL, BUDGET ACTIVITY 4 | 9,951,656 | 9,823,416 | 9,994,275 | 9,867,153 |
| 19000 LEGACY | --- | --- | 15,000 | 12,000 |
| 19020 IMPACT AID | --- | 35,000 | 20,000 | 30,000 |
| 19070 MANAGEMENT HEADQUARTERS REDUCTION | --- | -12,586 | --- | -12,586 |
| 19090 CONTRACT AND ADVISORY SERVICES | --- | --- | -10,000 | -4,000 |
| 19160 DEFENSE JOINT ACCOUNTING SYSTEM | --- | -13,500 | --- | -13,500 |
| 19230 UNOBLIGATED BALANCE, PENTAGON RENOVATION | --- | --- | -2,000 | -2,000 |
| 19235 JEFFERSON PROJECT | --- | --- | 3,000 | --- |
| 19350 TOTAL, OPERATION AND MAINTENANCE, DEFENSE-WIDE | 11,920,069 | 11,803,743 | 11,991,688 | 11,844,480 |

## Adjustments to Budget Activities

Adjustments to the budget activities are as follows:

[In thousands of dollars]

Budget Activity 3: Training and Recruiting:

| | | |
|---|---|---|
| 17460 | DAU - IT Organizational Composition Research | 2,000 |
| 17480 | DHRA - DLAMP | -5,000 |
| 17600 | SOCOM - NAVSCIATTS Collateral Equip | 2,000 |

Budget Activity 4: Administration and Servicewide Activities:

| | | |
|---|---|---|
| 17775 | Civil Military - Innovative Readiness Training | 10,000 |
| 17775 | Civil Military - Starbase Youth Program | 4,069 |
| 17775 | Civil Military - Youth Development and Leadership Program | 500 |
| 17800 | Classified and Intelligence | 35,696 |
| 17900 | DCAA - Civilian Personnel Underexecution | -2,000 |
| 17950 | DFAS - MOCAS | 1,000 |
| 18000 | DHRA | -5,000 |
| 18000 | DHRA - Joint Recruiting and Advertising Program | 2,000 |
| 18050 | DISA - Information Assurance: IT Training and | |

| | | |
|---|---|---|
| | Education | 3,000 |
| 18200 | DLA - Equipment Purchases and other Command Initiatives | -4,000 |
| 18200 | DLA - Generalized Emulation of Microcircuits | 2,200 |
| 18200 | DLA - Aging Aircraft Automated Document Conversion Program | 4,000 |
| 18310 | DSAA - DSCA, PfP, SEDM | -10,000 |
| 18475 | DTRA | -2,000 |
| 18500 | DoDEA - Family Advocacy Program | 2,000 |
| 18500 | DoDEA - Galena IDEA | 4,000 |
| 18500 | DoDEA - Math Teacher Leadership | 550 |
| 18500 | DoDEA - Special Education Support | 5,000 |
| 18500 | DoDEA - Math Program Skill Set Kits | 600 |
| 18600 | JCS - Headquarters Personnel Reduction | -522 |
| 18600 | JCS - JMEANS - NDU (Moved from O&M, Army) | 3,000 |
| 18650 | OEA - Adak Reuse Support | 7,000 |
| 18650 | OEA - Fitzsimmons Army Hospital | 10,000 |
| 18650 | OEA - Charleston Naval Shipyard, Buildings 3 and 4 | 10,000 |

| | | |
|---|---|---|
| 18650 | OEA - MCAS El Toro | 1,500 |
| 18650 | OEA - Fort Greely | 1,000 |
| 18650 | OEA - Pico Rivera | 2,000 |
| 18650 | OEA - NAS Cecil Fields | 3,000 |
| 18700 | OSD - Studies and Analysis (excluding the Office of Net Assessment) | -5,000 |
| 18700 | OSD - DESCIM | -5,000 |
| 18700 | OSD - Environmental Security Cooperation | -1,000 |
| 18700 | OSD - Pacific Command Regional Initiative | 20,000 |
| 18700 | OSD - Clara Barton Center | 1,500 |
| 18700 | OSD - Command Information Superiority Architectures (CISA) Program | 5,000 |
| 18700 | OSD - Headquarters Personnel Reduction | -4,446 |
| 18700 | OSD - Energy Savings Performance Contracts | 4,000 |
| 18700 | OSD - National Flag Foundation | 1,000 |
| 18700 | OSD - MASINT Feasibility Study | 10,000 |
| 18700 | OSD - FIRES Data Capture Program (Moved from R&D, DW) | 4,000 |
| 18700 | OSD - CTMA : Depot Level Activities | 6,000 |
| 18700 | OSD - CTMA : Wearable Computers | 850 |

| | | |
|---|---|---|
| 18820 | WHS - Low Priority Programs................. | -10,000 |
| 18860 | Special Programs................................ | -200,000 |
| 19000 | Undistributed - Legacy......................... | 12,000 |
| 19020 | Undistributed - Impact Aid...................... | 30,000 |
| 19070 | Undistributed - Defense Agencies Headquarters Personnel Reduction............ | -12,586 |
| 19090 | Undistributed - CAAS.................... | -4,000 |
| 19160 | Undistributed - Defense Joint Accounting System...................................... | -13,500 |
| 19230 | Undistributed - Unobligated balance, Pentagon Renovation.............................. | -2,000 |

### CIVIL/MILITARY PROGRAMS

The conferees recommend a total of $103,000,000 for the Department's civil/military programs for fiscal year 2001 as shown below. The conferees direct the Department to report to the Committees on Appropriations on the status of the obligation of these funds not later than April 15, 2001.

[In thousands of dollars]

| | |
|---|---|
| National Guard Youth Challenge Program | $62,500 |
| Innovative Readiness Training Program | 30,000 |
| Starbase Program | 10,000 |
| Youth Development and Leadership Program | 500 |
| Total | 103,000 |

### FAMILY ADVOCACY

The conferees recommend $2,000,000 for the Department of Defense Dependents Education account, only for enhancements to Family Advocacy programs for at-risk youth.

### IMPACT AID PROGRAM

The conferees recommend a total of $30,000,000 only for the continuation of the impact aid program currently being executed by the Department of Defense for schools heavily impacted by military dependents.

### NORTHERN EDGE

The Conferees direct the Secretary of Defense to transfer funds from the CJCS exercise fund to the service operation and maintenance accounts to cover the incremental cost of this exercise.

## OPERATION AND MAINTENANCE, ARMY RESERVE

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| 19500 OPERATION AND MAINTENANCE, ARMY RESERVE | | | | |
| 19510 BUDGET ACTIVITY 1: OPERATING FORCES | | | | |
| 19520 LAND FORCES | | | | |
| 19530 DIVISION FORCES | 9,921 | 9,921 | 9,921 | 9,921 |
| 19540 CORPS COMBAT FORCES | 22,544 | 22,544 | 22,544 | 22,544 |
| 19550 CORPS SUPPORT FORCES | 218,697 | 218,697 | 218,697 | 218,697 |
| 19560 ECHELON ABOVE CORPS FORCES | 103,347 | 103,347 | 103,347 | 103,347 |
| 19600 MISSION OPERATIONS | | | | |
| 19610 LAND FORCES OPERATIONS SUPPORT | 325,809 | 325,809 | 325,809 | 325,809 |
| 19630 LAND FORCES READINESS | | | | |
| 19640 FORCES READINESS OPERATIONS SUPPORT | 129,020 | 129,720 | 129,020 | 129,720 |
| 19650 LAND FORCES SYSTEM READINESS | 35,501 | 35,501 | 35,501 | 35,501 |
| 19660 DEPOT MAINTENANCE | 46,767 | 46,767 | 46,767 | 46,767 |
| 19670 LAND FORCES READINESS SUPPORT | | | | |
| 19680 BASE SUPPORT | 345,771 | 345,771 | 345,771 | 345,771 |
| 19690 REAL PROPERTY MAINTENANCE | 114,704 | 114,704 | 114,704 | 114,704 |
| 19720 ADDITIONAL ACTIVITIES | 1,340 | 1,340 | 1,340 | 1,340 |
| 19900 TOTAL, BUDGET ACTIVITY 1 | 1,353,421 | 1,354,121 | 1,353,421 | 1,354,121 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| 19950 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES | | | | |
| 19960 ADMINISTRATION AND SERVICEWIDE ACTIVITIES | | | | |
| 19980 ADMINISTRATION | 34,708 | 34,708 | 34,708 | 34,708 |
| 19990 SERVICEWIDE COMMUNICATIONS | 22,482 | 22,482 | 22,482 | 22,482 |
| 20000 PERSONNEL/FINANCIAL ADMINISTRATION | 41,594 | 41,594 | 41,594 | 41,594 |
| 20010 RECRUITING AND ADVERTISING | 69,213 | 81,213 | 69,213 | 69,213 |
| 20075 TOTAL, BUDGET ACTIVITY 4 | 167,997 | 179,997 | 167,997 | 167,997 |
| 20110 REAL PROPERTY MAINTENANCE | --- | 30,000 | --- | 15,000 |
| 20120 RECRUITING SUPPORT | --- | --- | 8,000 | --- |
| 20140 CINC ODT TRAINING | --- | 2,800 | --- | --- |
| 20145 EXTENDED COLD WEATHER CLOTHING SYSTEM | --- | 9,000 | --- | 4,500 |
| 20150 ADDITIONAL FULL-TIME SUPPORT TECHNICIANS | --- | 20,500 | --- | 20,500 |
| 20700 TOTAL, OPERATION AND MAINTENANCE, ARMY RESERVE | 1,521,418 | 1,596,418 | 1,529,418 | 1,562,118 |

## Adjustments to Budget Activities

Adjustments to the budget activities are as follows:

(In thousands of dollars)

| | |
|---|---|
| Budget Activity 1: Operating Forces | |
| 19640 Forces Readiness Operations Support/Integrated Training Area Management | 700 |
| Undistributed: | |
| 20110 Real Property Maintenance | 15,000 |
| 20145 Extended Cold Weather Clothing System | 4,500 |
| 20150 Additional Full Time Support Technicians | 20,500 |

## OPERATION AND MAINTENANCE, NAVY RESERVE

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| 20850 OPERATION AND MAINTENANCE, NAVY RESERVE | | | | |
| 20900 BUDGET ACTIVITY 1: OPERATING FORCES | | | | |
| 20950 RESERVE AIR OPERATIONS | | | | |
| 21000 MISSION AND OTHER FLIGHT OPERATIONS | 355,803 | 355,803 | 355,803 | 355,803 |
| 21100 INTERMEDIATE MAINTENANCE | 17,381 | 17,381 | 17,381 | 17,381 |
| 21150 AIR OPERATION AND SAFETY SUPPORT | 3,384 | 3,384 | 3,384 | 3,384 |
| 21200 AIRCRAFT DEPOT MAINTENANCE | 101,391 | 101,391 | 101,391 | 101,391 |
| 21250 AIRCRAFT DEPOT OPS SUPPORT | 338 | 338 | 338 | 338 |
| 21400 RESERVE SHIP OPERATIONS | | | | |
| 21450 MISSION AND OTHER SHIP OPERATIONS | 48,182 | 48,182 | 48,182 | 48,182 |
| 21500 SHIP OPERATIONAL SUPPORT AND TRAINING | 621 | 621 | 621 | 621 |
| 21550 INTERMEDIATE MAINTENANCE | 11,207 | 11,207 | 11,207 | 11,207 |
| 21600 SHIP DEPOT MAINTENANCE | 68,721 | 78,721 | 68,721 | 78,721 |
| 21650 SHIP DEPOT OPERATIONS SUPPORT | 1,375 | 1,375 | 1,375 | 1,375 |
| 21700 RESERVE COMBAT OPERATIONS SUPPORT | | | | |
| 21800 COMBAT SUPPORT FORCES | 34,850 | 34,850 | 34,850 | 34,850 |
| 21950 RESERVE WEAPONS SUPPORT | | | | |
| 22000 WEAPONS MAINTENANCE | 5,436 | 5,436 | 5,436 | 5,436 |
| 22030 REAL PROPERTY MAINTENANCE | 63,728 | 63,728 | 63,728 | 63,728 |
| 22040 BASE SUPPORT | 142,681 | 142,681 | 142,681 | 142,681 |
| 22090 TOTAL, BUDGET ACTIVITY 1 | 855,098 | 865,098 | 855,098 | 865,098 |
| 22100 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES | | | | |
| 22150 ADMINISTRATION AND SERVICEWIDE ACTIVITIES | | | | |
| 22200 ADMINISTRATION | 7,004 | 7,004 | 7,004 | 7,004 |
| 22250 CIVILIAN MANPOWER AND PERSONNEL MANAGEMENT | 1,847 | 1,847 | 1,847 | 1,847 |
| 22300 MILITARY MANPOWER AND PERSONNEL MANAGEMENT | 27,713 | 34,413 | 27,713 | 27,713 |
| 22350 SERVICEWIDE COMMUNICATIONS | 63,070 | 63,070 | 63,070 | 63,070 |

(in thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| 22400 COMBAT/WEAPONS SYSTEMS | 5,566 | 5,566 | 5,566 | 5,566 |
| 22450 GENERAL DEFENSE INTELLIGENCE PROGRAM | 648 | 648 | 648 | 648 |
| 22500 LOGISTICS OPERATIONS AND TECHNICAL SUPPORT | | | | |
| 22600 TOTAL, BUDGET ACTIVITY 4 | 105,848 | 112,548 | 105,848 | 105,848 |
| 22670 REAL PROPERTY MAINTENANCE | --- | 15,000 | --- | 5,000 |
| 22680 RECRUITING AND ADVERTISING | --- | --- | 5,000 | --- |
| 22700 FLYING HOUR PROGRAM SHORTFALL | --- | --- | 3,000 | 3,000 |
| 23150 TOTAL, OPERATION AND MAINTENANCE, NAVY RESERVE | 960,946 | 992,646 | 968,946 | 978,946 |

## Adjustments to Budget Activities

Adjustments to the budget activities are as follows:

(In thousands of dollars)

| | |
|---|---|
| Budget Activity 1: Operating Forces | |
| 21600 Ship Depot Maintenance | 10,000 |
| Undistributed: | |
| 22670 Real Property Maintenance | 5,000 |
| 22700 Flying Hour Program Shortfall | 3,000 |

## OPERATION AND MAINTENANCE, MARINE CORPS RESERVE

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| 23300 OPERATION AND MAINTENANCE, MARINE CORPS RESERVE | | | | |
| 23350 BUDGET ACTIVITY 1: OPERATING FORCES | | | | |
| 23400 MISSION FORCES | | | | |
| 23450 TRAINING | 17,938 | 17,938 | 17,938 | 17,938 |
| 23470 INITIAL ISSUE | --- | --- | 5,200 | 5,200 |
| 23500 OPERATING FORCES | 46,561 | 48,361 | 46,561 | 48,361 |
| 23550 BASE SUPPORT | 17,024 | 17,024 | 17,024 | 17,024 |
| 23600 REAL PROPERTY MAINTENANCE | 8,330 | 10,330 | 8,330 | 10,330 |
| 23650 DEPOT MAINTENANCE | 9,014 | 14,014 | 9,014 | 12,014 |
| 23660 MAINTENANCE OF AGING EQUIPMENT | --- | --- | 2,000 | --- |
| 23700 TOTAL, BUDGET ACTIVITY 1 | 98,867 | 107,667 | 106,067 | 110,867 |
| 23750 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES | | | | |
| 23800 ADMINISTRATION AND SERVICEWIDE ACTIVITIES | | | | |
| 23850 RECRUITING AND ADVERTISING | 7,907 | 9,907 | 7,907 | 7,907 |
| 23900 SPECIAL SUPPORT | 11,317 | 11,317 | 11,317 | 11,317 |
| 23950 SERVICEWIDE TRANSPORTATION | 484 | 484 | 484 | 484 |
| 24000 ADMINISTRATION | 7,628 | 7,628 | 7,628 | 7,628 |
| 24050 BASE SUPPORT | 7,756 | 7,756 | 7,756 | 7,756 |
| 24100 TOTAL, BUDGET ACTIVITY 4 | 35,092 | 37,092 | 35,092 | 35,092 |
| 24200 INCREASED USE OF GUARD AND RESERVE | --- | 1,200 | --- | --- |
| 24600 TOTAL, O&M, MARINE CORPS RESERVE | 133,959 | 145,959 | 141,159 | 145,959 |

## Adjustments to Budget Activities

Adjustments to the budget activities are as follows:

(In thousands of dollars)

| | | |
|---|---|---|
| Budget Activity 1: Operating Forces | | |
| 23470 | Initial Issue | 5,200 |
| 23500 | Operating Forces/Single Storage Site for NBC Equipment | 1,800 |
| 23600 | Real Property Maintenance | 2,000 |
| 23650 | Depot Maintenance | 3,000 |

## OPERATION AND MAINTENANCE, AIR FORCE RESERVE

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

| | | Budget | House | Senate | Conference |
|---|---|---|---|---|---|
| 24750 | OPERATION AND MAINTENANCE, AIR FORCE RESERVE | | | | |
| 24800 | BUDGET ACTIVITY 1: OPERATING FORCES | | | | |
| 24850 | AIR OPERATIONS | | | | |
| 24900 | PRIMARY COMBAT FORCES | 1,199,990 | 1,199,990 | 1,199,990 | 1,199,990 |
| 24950 | MISSION SUPPORT OPERATIONS | 49,309 | 49,309 | 49,309 | 49,309 |
| 24970 | DEPOT MAINTENANCE | 281,177 | 296,177 | 285,177 | 288,177 |
| 25000 | BASE SUPPORT | 224,138 | 224,138 | 224,138 | 224,138 |
| 25050 | REAL PROPERTY MAINTENANCE | 45,661 | 45,661 | 45,661 | 45,661 |
| 25150 | TOTAL, BUDGET ACTIVITY 1 | 1,800,275 | 1,815,275 | 1,804,275 | 1,807,275 |
| 25200 | BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES | | | | |
| 25250 | ADMINISTRATION AND SERVICEWIDE ACTIVITIES | | | | |
| 25300 | ADMINISTRATION | 47,817 | 47,817 | 47,817 | 47,817 |
| 25350 | MILITARY MANPOWER AND PERSONNEL MANAGEMENT | 20,094 | 20,094 | 20,094 | 20,094 |
| 25400 | RECRUITING AND ADVERTISING | 10,562 | 14,562 | 10,562 | 10,562 |
| 25450 | OTHER PERSONNEL SUPPORT | 6,457 | 6,457 | 6,457 | 6,457 |
| 25500 | AUDIOVISUAL | 654 | 654 | 654 | 654 |
| 25520 | TOTAL, BUDGET ACTIVITY 4 | 85,584 | 89,584 | 85,584 | 85,584 |
| 25600 | REAL PROPERTY MAINTENANCE | --- | 10,000 | --- | 4,000 |
| 25640 | RED HORSE UNIT | --- | 1,800 | --- | 1,800 |
| 25645 | TECHNICIAN PILOT RETENTION ALLOWANCE | --- | 5,000 | --- | 3,000 |
| 25650 | FLYING HOUR PROGRAM SHORTFALL | --- | --- | 4,000 | 2,000 |
| 25950 | TOTAL, O&M, AIR FORCE RESERVE | 1,885,859 | 1,921,659 | 1,893,859 | 1,903,659 |

## Adjustments to Budget Activities

Adjustments to the budget activities are as follows:

(In thousands of dollars)

| | | |
|---|---|---|
| Budget Activity 1: Operating Forces | | |
| 24970 | Depot Maintenance | 7,000 |
| Undistributed: | | |
| 25600 | Real Property Maintenance | 4,000 |
| 25640 | RED HORSE Unit | 1,800 |
| 25645 | Technician Pilot Retention Allowance | 3,000 |
| 25650 | Flying Hour Program Shortfall | 2,000 |

## OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| 26100 OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD | | | | |
| 26120 BUDGET ACTIVITY 1: OPERATING FORCES | | | | |
| 26140 LAND FORCES | | | | |
| 26180 DIVISIONS | 420,846 | 420,846 | 420,846 | 420,846 |
| 26200 CORPS COMBAT FORCES | 743,303 | 743,303 | 743,303 | 743,303 |
| 26220 CORPS SUPPORT FORCES | 192,504 | 192,504 | 192,504 | 192,504 |
| 26240 ECHELON ABOVE CORPS FORCES | 184,399 | 184,399 | 184,399 | 184,399 |
| 26260 LAND FORCES OPERATION SUPPORT | 98,444 | 98,444 | 98,444 | 98,444 |
| 26280 LAND FORCES READINESS | | | | |
| 26320 LAND FORCES SYSTEM READINESS | 72,247 | 72,247 | 72,247 | 72,247 |
| 26340 DEPOT MAINTENANCE | 190,172 | 190,172 | 190,172 | 190,172 |
| 26360 LAND FORCES READINESS SUPPORT | | | | |
| 26400 BASE OPERATIONS | 460,632 | 463,032 | 460,632 | 463,032 |
| 26420 REAL PROPERTY MAINTENANCE | 202,431 | 202,431 | 202,431 | 202,431 |
| 26440 MANAGEMENT AND OPERATIONAL HEADQUARTERS | 422,376 | 422,376 | 422,376 | 422,376 |
| 26580 TOTAL, BUDGET ACTIVITY 1 | 2,987,354 | 2,989,754 | 2,987,354 | 2,989,754 |

(In thousands of dollars)

| | | Budget | House | Senate | Conference |
|---|---|---|---|---|---|
| 26600 | BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES | | | | |
| 26620 | ADMINISTRATION AND SERVICEWIDE ACTIVITIES | | | | |
| 26660 | STAFF MANAGEMENT | 73,993 | 73,993 | 73,993 | 73,993 |
| 26680 | INFORMATION MANAGEMENT | 20,115 | 25,115 | 20,115 | 27,315 |
| 26720 | PERSONNEL ADMINISTRATION | 33,627 | 33,627 | 33,627 | 33,627 |
| 26740 | RECRUITING AND ADVERTISING | 67,246 | 79,246 | 67,246 | 67,246 |
| 26760 | TOTAL, BUDGET ACTIVITY 4 | 194,981 | 211,981 | 194,981 | 202,181 |
| 26810 | ADDITIONAL FULL-TIME SUPPORT (TECHNICIAN) | --- | 30,500 | 20,500 | 20,500 |
| 26840 | SCHOOL HOUSE SUPPORT | --- | --- | 7,000 | 5,000 |
| 26870 | REAL PROPERTY MAINTENANCE | --- | 15,000 | 32,000 | 22,000 |
| 26890 | EXTENDED COLD WEATHER CLOTHING SYSTEM | --- | 12,000 | 12,000 | 12,000 |
| 26900 | ANGEL GATE ACADEMY | --- | --- | --- | 4,200 |
| 26945 | NATIONAL EMERGENCY AND DISASTER INFORMATION CENTER | --- | 1,000 | --- | 1,000 |
| 26950 | R-2000 ENGINE FLUSH SYSTEMS | --- | 3,000 | --- | 3,000 |
| 26970 | EMERGENCY SPILL RESPONSE | --- | --- | 1,000 | 1,000 |
| 26975 | DISTRIBUTED LEARNING PROJECT | --- | --- | 65,700 | 65,700 |
| 26980 | WMD IMPLEMENTATION PLAN | --- | --- | 10,000 | 7,500 |
| 27350 | TOTAL, OPERATION AND MAINTENANCE, ARMY NAT. GUARD | 3,182,335 | 3,263,235 | 3,330,535 | 3,333,835 |

## Adjustments to Budget Activities

Adjustments to the budget activities are as follows:

(In thousands of dollars)

| | | |
|---|---|---|
| Budget Activity 1: Operating Forces: | | |
| 26400 | Base Operations/Integrated Training Area Management | 2,400 |
| Budget Activity 4: Administration and Servicewide Activities | | |
| 26680 | Information Management/NGB Nationwide Dedicated Fiber Optic Network | 5,000 |
| 26680 | Information Management/Information Operations Program | 2,200 |
| Undistributed: | | |
| 26810 | Additional Full-Time Support (Technicians) | 20,500 |
| 26840 | School House Support | 5,000 |
| 26870 | Real Property Maintenance | 22,000 |
| 26890 | Extended Cold Weather Clothing System | 12,000 |
| 26900 | Angel Gate Academy | 4,200 |
| 26945 | National Emergency and Disaster Information Center | 1,000 |
| 26950 | R-2000 Engine Flush Systems | 3,000 |
| 26970 | Emergency Spill Response | 1,000 |
| 26975 | Distributed Learning Project | 65,700 |
| 26980 | WMD Implementation Plan | 7,500 |

## OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| 27500 OPERATION AND MAINTENANCE, AIR NATIONAL GUARD | | | | |
| 27550 BUDGET ACTIVITY 1: OPERATING FORCES | | | | |
| 27600 AIR OPERATIONS | | | | |
| 27650 AIRCRAFT OPERATIONS | 2,216,504 | 2,216,504 | 2,216,504 | 2,216,504 |
| 27700 MISSION SUPPORT OPERATIONS | 368,761 | 368,761 | 368,761 | 368,761 |
| 27750 BASE SUPPORT | 291,414 | 291,414 | 291,414 | 291,414 |
| 27800 REAL PROPERTY MAINTENANCE | 104,385 | 109,385 | 104,385 | 109,385 |
| 27850 DEPOT MAINTENANCE | 452,932 | 469,432 | 452,932 | 460,932 |
| 27900 TOTAL, BUDGET ACTIVITY 1 | 3,433,996 | 3,455,496 | 3,433,996 | 3,446,996 |
| 27950 BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES | | | | |
| 28000 SERVICEWIDE ACTIVITIES | | | | |
| 28050 ADMINISTRATION | 2,668 | 2,668 | 2,668 | 2,668 |
| 28100 RECRUITING AND ADVERTISING | 9,711 | 14,711 | 9,711 | 9,711 |
| 28110 TOTAL, BUDGET ACTIVITY 4 | 12,379 | 17,379 | 12,379 | 12,379 |
| 28210 C-130 OPERATIONS | --- | 1,500 | 5,000 | 5,000 |
| 28230 RECRUITING SUPPORT | --- | --- | 6,000 | --- |
| 28240 NATIONAL GUARD STATE PARTNERSHIP PROGRAM | --- | 1,000 | --- | 1,000 |
| 28250 PROJECT ALERT | --- | --- | 3,500 | 3,500 |
| 28255 EXTENDED COLD WEATHER CLOTHING SYSTEM | --- | 3,000 | --- | 2,000 |
| 28260 LASER LEVELING | --- | 2,000 | --- | 2,000 |
| 28270 REAL PROPERTY MAINTENANCE BACKLOG | --- | --- | 8,000 | --- |
| 28290 DEPOT MAINTENANCE BACKLOG | --- | --- | 11,400 | --- |
| 28300 ALASKALERT | --- | --- | 1,500 | 1,500 |
| 28550 TOTAL, O&M, AIR NATIONAL GUARD | 3,446,375 | 3,480,375 | 3,481,775 | 3,474,375 |

## Adjustments to Budget Activities

Adjustments to the budget activities are as follows:

(In thousands of dollars)

| | |
|---|---|
| Budget Activity 1: Operating Forces: | |
| 27800 Real Property Maintenance | 5,000 |
| 27850 Depot Maintenance | 8,000 |
| Undistributed: | |
| 28210 C-130 Operations | 5,000 |
| 28240 National Guard State Partnership Program | 1,000 |
| 28250 Project Alert | 3,500 |
| 28255 Extended Cold Weather Clothing System | 2,000 |
| 28260 Laser Leveling | 2,000 |
| 28300 Alaskalert | 1,500 |

### C-130 OPERATIONS

The conferees recommend a total of $5,000,000 for personnel and operation and maintenance costs to support Air National Guard C-130 operational support aircraft and those stand-alone aircraft currently utilized by selected States.

### OVERSEAS CONTINGENCY OPERATIONS TRANSFER FUND

The conferees agree to provide $3,938,777,000 for the Overseas Contingency Operations Transfer Fund. This amount provides for continuing operations in and around Bosnia, Kosovo and Southwest Asia adjusted for unanticipated changes in the number of troops supporting these operations.

The conferees included a general provision which reduces the available funding for overseas contingency operations. The conferees recognize that current levels of deployed forces committed to peacekeeping operations may be reduced during fiscal year 2001. To ensure that current operations are uninterrupted if force levels and commitments are unchanged, the conference agreement provides sufficient emergency funding for overseas contingencies.

### UNITED STATES COURT OF APPEALS FOR THE ARMED FORCES

The conference agreement provides $8,574,000 for the United States Court of Appeals for the Armed Forces.

### ENVIRONMENTAL RESTORATION, ARMY

The conference agreement provides $389,932,000 for Environmental Restoration, Army.

### ENVIRONMENTAL RESTORATION, NAVY

The conference agreement provides $294,038,000 for Environmental Restoration, Navy.

### ENVIRONMENTAL RESTORATION, AIR FORCE

The conference agreement provides $376,300,000 for Environmental Restoration, Air Force.

### FORMER SOVIET UNION THREAT REDUCTION

The conference agreement provides $443,400,000 for the Former Soviet Union Threat Reduction program.

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

| | BUDGET | HOUSE | SENATE | CONFERENCE |
|---|---|---|---|---|
| Strategic Offensive Arms Elimination - Russia | 152,800 | 162,800 | 152,800 | 152,800 |
| Weapons Storage Security - Russia | 89,700 | 89,700 | 89,700 | 69,700 |
| Weapons Transportation Security - Russia | 14,000 | 14,000 | 14,000 | 14,000 |
| Fissile Material Storage Facility - Russia | 57,400 | 57,400 | 57,400 | 57,400 |
| Fissile Material Processing and Packaging - Russia | 9,300 | 9,300 | 9,300 | 9,300 |
| Elimination of Weapons Grade Plutonium - Russia | 32,100 | 32,100 | 32,100 | 32,100 |
| Strategic Nuclear Arms Elimination - Ukraine | 29,100 | 34,100 | 29,100 | 29,100 |
| BW Proliferation Prevention | 12,000 | 12,000 | 12,000 | 12,000 |
| Chemical Weapons Destruction - Russia | 35,000 | — | 35,000 | — |
| Defense and Military Contacts | 14,000 | 9,000 | 14,000 | 9,000 |
| Other Program Support | 13,000 | 13,000 | 13,000 | 13,000 |
| Russian Nuclear Submarine Dismantlement and Disposal | — | — | [25,000] | 25,000 |

# QUALITY OF LIFE ENHANCEMENTS, DEFENSE

The conference agreement provides $160,500,000 for Quality of Life Enhancements, Defense. The conference agreement, which distributes funding as indicated below, includes funding both to reduce the substantial backlog of real property maintenance, and to provide for certain requirements associated with local educational authorities.

[In thousands of dollars]

Quality of Life Enhancements, Defense: Program Increases:

| | |
|---|---|
| Army | $100,000,000 |
| Navy | 20,000,000 |
| Marine Corps | 10,000,000 |
| Air Force | 20,000,000 |
| Defense-Wide | 10,500,000 |

## TITLE III – PROCUREMENT

The conference agreement is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| SUMMARY | | | | |
| ARMY: | | | | |
| AIRCRAFT | 1,323,262 | 1,547,082 | 1,532,862 | 1,571,812 |
| MISSILES | 1,295,728 | 1,240,347 | 1,329,781 | 1,320,681 |
| WEAPONS, TRACKED COMBAT VEHICLES | 1,874,638 | 2,634,786 | 2,166,574 | 2,472,524 |
| AMMUNITION | 1,131,323 | 1,227,386 | 1,212,149 | 1,220,516 |
| OTHER | 3,795,870 | 4,254,564 | 4,060,728 | 4,497,009 |
| TOTAL, ARMY | 9,420,821 | 10,904,165 | 10,302,094 | 11,082,542 |
| NAVY: | | | | |
| AIRCRAFT | 7,963,858 | 8,179,564 | 8,426,499 | 8,477,138 |
| WEAPONS | 1,434,250 | 1,372,112 | 1,571,650 | 1,461,600 |
| AMMUNITION | 429,649 | 491,749 | 471,749 | 498,349 |
| SHIPS | 12,296,919 | 12,266,919 | 11,612,090 | 11,614,633 |
| OTHER | 3,334,611 | 3,433,063 | 3,400,180 | 3,557,380 |
| MARINE CORPS | 1,171,935 | 1,229,605 | 1,196,368 | 1,233,268 |
| TOTAL, NAVY | 26,631,222 | 26,973,012 | 26,678,536 | 26,842,368 |
| AIR FORCE: | | | | |
| AIRCRAFT | 9,539,602 | 10,064,032 | 7,289,934 | 7,583,345 |
| AMMUNITION | 638,808 | 638,808 | 654,808 | 647,808 |
| MISSILES | 3,031,346 | 2,893,529 | 2,920,815 | 2,863,778 |
| OTHER | 7,699,127 | 7,778,997 | 7,605,027 | 7,763,747 |
| TOTAL, AIR FORCE | 20,908,883 | 21,375,366 | 18,470,584 | 18,858,678 |
| DEFENSE-WIDE | 2,275,308 | 2,303,136 | 2,294,908 | 2,346,258 |
| NATIONAL GUARD AND RESERVE EQUIPMENT | --- | --- | 150,000 | 100,000 |
| DEFENSE PRODUCTION ACT PURCHASES | --- | 3,000 | --- | 3,000 |
| TOTAL PROCUREMENT | 59,236,234 | 61,558,679 | 57,896,122 | 59,232,846 |

## ENVIRONMENTAL RESTORATION, DEFENSE-WIDE

The conference agreement provides $21,412,000 for Environmental Restoration, Defense-Wide.

## ENVIRONMENTAL RESTORATION, FORMERLY USED DEFENSE SITES

The conference agreement provides $231,499,000 for Environmental Restoration, Formerly Used Defense Sites.

## OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AID

The conference agreement provides $55,900,000 for Overseas Humanitarian, Disaster, and Civic Aid.

### FOREIGN MILITARY SALES

In 1999, the Department of Defense signed a multi-year contract for the E-2C program. The E-2C multi-year contract assumed a total E-2C purchase which included both Department of the Navy and international aircraft deliveries in future years. The negotiated price for the Navy aircraft reflected the assumption that the international sales would be successfully completed in the future years. This process raises serious concerns that the Department of Defense might negotiate future multi-year contracts with sales prices that presume Congressional approval of potential international sales in future years. Such a practice is unacceptable and would violate the intent and spirit of the Foreign Military Sales notification and approval process.

The conferees direct that any future multi-year contracts shall reflect pricing which assumes only the U.S. military procurement quantities. The Department of Defense is expressly prohibited from negotiating any multi-year contracts which include quantities and pricing that reflect foreign military sales yet to be approved by the Congress.

### INFORMATION ASSURANCE

The House recommended a net increase of $150,000,000 over the President's budget for selected information assurance and computer network security programs. The conferees endorse the high priority given this effort by the House and recommended a net increase of over $150,000,000 for specific information assurance initiatives, to include:

$35,000,000 to purchase hardware and software applications to monitor computer networks for suspicious activity;

$19,000,000 for new digital secure phones to replace the outdated STU-III;

$18,600,000 to accelerate the DOD's Public Key Infrastructure (PKI) program;

$16,400,000 for information security awareness, education and training;

$15,000,000 for the Information Security Scholarship Program;

$10,000,000 to ensure security capabilities are built into new cell phones, rather than retrofitting them later at a significantly higher cost;

$10,000,000 for information operations vulnerability analysis;

$5,000,000 to examine the use of information operations against certain critical target sets;

$5,000,000 for the Institute for Defense Computer Security and Information Protection;

$3,000,000 for additional basic (6.1) research into information assurance; and

$26,000,000 for USARPAC C4I and Information Assurance.

The conferees expect the Department to execute these funds in a coordinated manner, and where possible, to make use of existing institutions and training programs to ensure the maximum benefit from these resources. The conferees understand that even these investments will be of limited value if the software used by the Department has been designed with intentional weaknesses to permit future unauthorized access. The conferees expect the Department to carefully consider the origin of all software used in developing or upgrading information technology or national security systems.

### TELECOMMUNICATIONS INFRASTRUCTURE UPGRADES

The conferees believe that additional cost savings could be realized if DOD tenant agencies would include their telecommunications infrastructure upgrades with those of the parent installation and thus achieve the benefits of economies of scale. The conferees therefore direct DOD agencies that are located on Army, Navy and Air Force installations to coordinate their infrastructure upgrades with those of the installation where they reside.

## AIRCRAFT PROCUREMENT, ARMY

The conference agreement on items addressed by either the House or Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| AIRCRAFT PROCUREMENT, ARMY | | | | |
| AIRCRAFT | | | | |
| FIXED WING | | | | |
| UTILITY F/W (MR) AIRCRAFT | --- | --- | --- | 7,600 |
| ROTARY | | | | |
| UH-60 BLACKHAWK (MYP) | 64,651 | 183,371 | 120,451 | 189,601 |
| UH-60 BLACKHAWK (MYP) (AP-CY) | 22,127 | 22,127 | 22,127 | 22,127 |
| TH-67 TRAINING HELICOPTER | --- | 18,000 | --- | 24,000 |
| TOTAL, AIRCRAFT | 86,778 | 223,498 | 142,578 | 243,328 |
| MODIFICATION OF AIRCRAFT | | | | |
| GUARDRAIL MODS (TIARA) | 22,626 | 22,626 | 22,626 | 22,626 |
| ARL MODS | 6,553 | 6,553 | 6,553 | 6,553 |
| AH1F MODS | 423 | 423 | 423 | 423 |
| AH-64 MODS | 18,516 | 52,616 | 87,516 | 36,016 |
| CH-47 CARGO HELICOPTER MODS (MYP) | 117,083 | 117,083 | 117,083 | 117,083 |
| CH-47 ICH | 57,630 | 57,630 | 57,630 | 57,630 |
| CH-47 ICH (AP-CY) | 26,200 | 26,200 | 26,200 | 26,200 |
| UTILITY/CARGO AIRPLANE MODS | 11,903 | 11,903 | 11,903 | 11,903 |
| OH-58 MODS | 462 | 462 | 462 | 462 |
| AIRCRAFT LONG RANGE MODS | 752 | 752 | 752 | 752 |
| LONGBOW | 709,454 | 709,454 | 709,454 | 726,954 |
| LONGBOW (AP-CY) | 35,000 | 35,000 | 35,000 | 35,000 |
| UH-1 MODS | 4,297 | 4,297 | 4,297 | 4,297 |
| UH-60 MODS | 3,021 | 15,021 | 17,521 | 23,521 |
| KIOWA WARRIOR | 41,816 | 41,816 | 78,216 | 41,916 |
| AIRBORNE AVIONICS | 60,042 | 63,042 | 60,042 | 61,542 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| ASE MODS (SIRFC) | 4,487 | 4,487 | 4,487 | 4,487 |
| GATM | 10,073 | 10,073 | 10,073 | 10,073 |
| SPARE PARTS (AIR) | 15,167 | 15,167 | 15,167 | 15,167 |
| TOTAL, MODIFICATION OF AIRCRAFT | 1,145,505 | 1,194,605 | 1,265,405 | 1,202,605 |
| SUPPORT EQUIPMENT AND FACILITIES | | | | |
| GROUND SUPPORT AVIONICS | | | | |
| AIRCRAFT SURVIVABILITY EQUIPMENT | --- | 14,000 | --- | 10,000 |
| OTHER SUPPORT | | | | |
| AVIONICS SUPPORT EQUIPMENT | --- | 14,000 | 13,900 | 10,000 |
| COMMON GROUND EQUIPMENT | 11,926 | 11,926 | 11,926 | 11,926 |
| AIRCREW INTEGRATED SYSTEMS | 3,490 | 3,490 | 13,490 | 10,390 |
| AIR TRAFFIC CONTROL | 74,144 | 74,144 | 74,144 | 74,144 |
| INDUSTRIAL FACILITIES | 1,419 | 1,419 | 1,419 | 1,419 |
| AIRBORNE COMMUNICATIONS | --- | 10,000 | 10,000 | 8,000 |
| TOTAL, SUPPORT EQUIPMENT AND FACILITIES | 90,979 | 128,979 | 124,879 | 125,879 |
| TOTAL, AIRCRAFT PROCUREMENT, ARMY | 1,323,262 | 1,547,082 | 1,532,862 | 1,571,812 |

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

(In thousands of dollars)

| | Budget Request | House | Senate | Conference |
|---|---|---|---|---|
| UTILITY F/W (MR) AIRCRAFT | 0 | 0 | 0 | 7,600 |
| UC-35 aircraft | | 0 | 0 | 7,600 |
| (Note: House added funds in AP, N) | | | | |
| UH-60 BLACKHAWK (MYP) | 64,651 | 183,371 | 120,451 | 189,601 |
| Army Reserve: 8 UH-60L aircraft | | 78,520 | 0 | 78,520 |
| National Guard: 2 UH-60Q aircraft | | 40,200 | 0 | 26,800 |
| National Guard: 4 UH-60L aircraft | | 0 | 55,800 | 39,260 |
| UH 60L active (2) | | | | -19,630 |
| TH-67 TRAINING HELICOPTER | 0 | 18,000 | 0 | 24,000 |
| Procure training helicopters | 0 | 18,000 | 0 | 24,000 |
| (Note: Senate added funds under the heading Kiowa Warrior) | | | | |
| AH-64 MODS | 18,518 | 52,618 | 87,518 | 36,018 |
| Vibration Management Enhancement Program | | 7,000 | 0 | 5,000 |
| Oil debris detection and burn off system | | 5,000 | 5,000 | 5,000 |
| Longbow internal auxiliary fuel tank | | 10,000 | 0 | 0 |
| Strap pack | | 4,300 | 0 | 0 |
| Funny harness | | 3,400 | 0 | 0 |
| Aerial rocket control system | | 4,400 | 0 | 0 |
| Recapitalization and safety modifications | | 0 | 64,000 | 7,600 |
| (NOTE: $17,500,000 transferred to Longbow) | | | | |
| LONGBOW | 709,454 | 709,454 | 709,454 | 726,954 |
| Recapitalization and safety modifications | | | | 17,500 |
| (Note: House and Senate added funds under AH-64 mods) | | | | |
| UH-60 MODS | 3,021 | 15,021 | 17,521 | 23,521 |
| National Guard: Firehawk | | 3,000 | 0 | 3,000 |
| Extended range fuel system | | 9,000 | 0 | 3,000 |
| 1/207th search and rescue mods | | 0 | 14,500 | 14,500 |
| KIOWA WARRIOR | 41,816 | 41,816 | 78,216 | 41,916 |
| TH-67 Training helicopters | | 0 | 35,000 | 0 |
| (Note: Funds appropriated under the heading TH-67 helicopter) | | | | |
| Crew station mission equipment trainer | | 0 | 2,600 | 1,300 |
| Contract savings | | 0 | -1,200 | -1,200 |
| AIRCRAFT SURVIVABILITY EQUIPMENT | 0 | 14,000 | 0 | 10,000 |
| ASET IV | | 4,000 | 0 | 4,000 |
| AN/AVR-2A Laser detection | | 10,000 | 0 | 6,000 |
| AIRCREW INTEGRATED SYSTEMS | 3,490 | 3,490 | 13,490 | 10,390 |
| Laser eye protection | | 0 | 4,000 | 2,400 |
| HGU/P aircrew integrated helmet systems for Army National Guard | | 0 | 6,000 | 4,500 |

FORWARD LOOKING INFRARED DEVICES

The Horizontal Technology Integration second generation forward looking infrared (FLIR) is being fielded on the M1A2 Abrams tank system enhancement program, M2A3 Bradley Fighting Vehicle, and the long range advanced scout surveillance system. It met the original Apache helicopter FLIR requirements for the proposed upgrade to the AH-64 Apache target acquisition designation sight/pilot night vision system, which the Army subsequently changed. The conferees are concerned that the change in requirements may not result in a significant increase in performance that would outweigh the advantages of commonality between air and land systems in areas such as unit cost, improved logistics support, and life cycle cost savings. The conferees direct the Army to perform a cost-benefit analysis, using the original and revised aviation FLIR requirements, which compares the Horizontal Technology Integration second generation FLIR and the proposed aviation FLIR upgrade. The conferees further direct that none of the funds in this Act may be obligated for an Apache FLIR upgrade that is not common with the FLIR for ground systems unless the Secretary of the Army submits a report to the congressional defense committees which justifies a requirement for a unique FLIR for airborne applications and demonstrates that it is affordable compared to a common system.

## MISSILE PROCUREMENT, ARMY

The conference agreement on items addressed by either the House or Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| MISSILE PROCUREMENT, ARMY | | | | |
| OTHER MISSILES | | | | |
| SURFACE-TO-AIR MISSILE SYSTEM | | | | |
| AVENGER SYSTEM SUMMARY | 29,801 | 29,801 | 29,801 | 29,801 |
| AIR-TO-SURFACE MISSILE SYSTEM | | | | |
| HELLFIRE SYS SUMMARY (MYP) | 285,363 | 285,363 | 285,363 | 285,363 |
| ANTI-TANK/ASSAULT MISSILE SYSTEM | | | | |
| JAVELIN (AAWS-M) SYSTEM SUMMARY (MYP) | 372,248 | 372,248 | 332,248 | 321,248 |
| MLRS ROCKET | 9,413 | 9,413 | 9,413 | 9,413 |
| MLRS LAUNCHER SYSTEMS | 188,689 | 188,689 | 188,689 | 188,689 |
| ARMY TACTICAL MSL SYS (ATACMS) - SYS SUM | 15,044 | 102,044 | 92,444 | 98,044 |
| ATACMS BLKII SYSTEM SUMMARY | 230,334 | 80,000 | 215,334 | 215,334 |
| MULTI PURPOSE INDV MUN (AP-CY) | 3,547 | --- | --- | --- |
| TOTAL, OTHER MISSILES | 1,134,439 | 1,067,558 | 1,153,292 | 1,147,892 |
| MODIFICATION OF MISSILES | | | | |
| MODIFICATIONS | | | | |
| PATRIOT MODS | 22,929 | 22,929 | 22,929 | 22,929 |
| STINGER MODS | 21,838 | 33,338 | 37,038 | 33,338 |
| AVENGER MODS | 6,828 | 6,828 | 6,828 | 6,828 |
| ITAS/TOW MODS (MYP) | 64,562 | 64,562 | 64,562 | 64,562 |
| MLRS MODS | 16,499 | 16,499 | 16,499 | 16,499 |
| TOTAL, MODIFICATION OF MISSILES | 132,656 | 144,156 | 147,856 | 144,156 |
| SPARES AND REPAIR PARTS | 20,785 | 20,785 | 20,785 | 20,785 |
| SUPPORT EQUIPMENT AND FACILITIES | | | | |
| AIR DEFENSE TARGETS | 2,394 | 2,394 | 2,394 | 2,394 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| ITEMS LESS THAN $5 MILLION (MISSILES)................ | 969 | 969 | 969 | 969 |
| MISSILE DEMILITARIZATION............................. | 1,341 | 1,341 | 1,341 | 1,341 |
| PRODUCTION BASE SUPPORT.............................. | 3,144 | 3,144 | 3,144 | 3,144 |
| TOTAL, SUPPORT EQUIPMENT AND FACILITIES............ | 7,848 | 7,848 | 7,848 | 7,848 |
| TOTAL, MISSILE PROCUREMENT, ARMY................... | 1,295,728 | 1,240,347 | 1,329,781 | 1,320,681 |

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

(In thousands of dollars)

| | | | | |
|---|---|---|---|---|
| ARMY TACTICAL MSL SYS (ATACMS) - SYS SUM | 15,044 | 102,044 | 92,444 | 98,044 |
| Procure ATACMS Block I (100 missiles) | | 77,000 | 77,400 | 77,000 |
| Block IV Unitary Warhead | | 10,000 | 0 | 6,000 |

## PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

The conference agreement on items addressed by either the House or Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| PROCUREMENT OF W&TCV, ARMY | | | | |
| TRACKED COMBAT VEHICLES | | | | |
| ABRAMS TRNG DEV MOD | 5,331 | 5,331 | 5,331 | 5,331 |
| BRADLEY BASE SUSTAINMENT | 359,389 | 440,689 | 368,389 | 431,689 |
| BRADLEY BASE SUSTAINMENT (AP-CY) | 20,006 | 20,006 | 20,006 | 20,006 |
| BRADLEY FVS TRAINING DEVICES | 12,098 | 12,098 | 12,098 | 12,098 |
| HAB TRAINING DEVICES | --- | --- | 1,200 | 1,200 |
| BRADLEY FVS TRAINING DEVICES (MOD) | 14,038 | 14,038 | 14,038 | 14,038 |
| ABRAMS TANK TRAINING DEVICES | 10,504 | 10,504 | 10,504 | 10,504 |
| MEDIUM ARMORED VEHICLE FAMILY: MAVF | 537,077 | 600,077 | 637,077 | 637,007 |
| MODIFICATION OF TRACKED COMBAT VEHICLES | | | | |
| CARRIER, MOD | 45,111 | 45,111 | 45,111 | 55,111 |
| FIST VEHICLE (MOD) | 31,898 | 31,898 | 31,898 | 31,898 |
| BFVS SERIES (MOD) | 37,142 | 37,142 | 65,142 | 59,142 |
| HOWITZER, MED SP FT 155MM M109A6 (MOD) | 8,060 | 8,060 | 70,060 | 8,060 |
| FAASV PIP TO FLEET | 5 | 5 | 5 | 5 |
| IMPROVED RECOVERY VEHICLE (M88 MOD) | 68,385 | 76,685 | 68,385 | 74,385 |
| HEAVY ASSAULT BRIDGE (HAB) SYS (MOD) | --- | --- | 77,000 | 77,000 |
| ARMORED VEH LAUNCH BRIDGE (AVLB) (MOD) | 1,692 | 1,692 | --- | --- |
| AVLB SLEP | 15,252 | --- | --- | --- |
| M1 ABRAMS TANK (MOD) | 36,098 | 36,098 | 43,098 | 56,998 |
| M1A1D RETROFIT | 891 | 891 | 891 | 891 |
| SYSTEM ENHANCEMENT PGM: SEP M1A2 | 36,149 | 36,149 | 36,149 | 58,649 |
| ABRAMS UPGRADE PROGRAM | 338,422 | 338,422 | 338,422 | 293,922 |
| ABRAMS UPGRADE PROGRAM (AP-CY) | 174,445 | 174,445 | 174,445 | 174,445 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| SUPPORT EQUIPMENT AND FACILITIES | | | | |
| ITEMS LESS THAN $5 MILLION (TCV-WTCV).................. | 135 | 135 | 10,135 | 7,135 |
| PRODUCTION BASE SUPPORT (TCV-WTCV)..................... | 9,250 | 9,250 | 9,250 | 9,250 |
| ARMY TRANSFORMATION: MEDIUM ARMORED VEHICLE (2nd BDE). | --- | 600,000 | --- | 300,000 |
| TOTAL, TRACKED COMBAT VEHICLES....................... | 1,761,378 | 2,498,726 | 2,038,634 | 2,338,764 |
| WEAPONS AND OTHER COMBAT VEHICLES | | | | |
| ARMOR MACHINE GUN, 7.62MM M240 SERIES.................. | 12,449 | 12,449 | 12,449 | 12,449 |
| MACHINE GUN, 5.56MM (SAW).............................. | --- | 18,300 | 12,180 | 17,000 |
| GRENADE LAUNCHER, AUTO, 40MM, MK19-3................... | 11,835 | 14,335 | 14,335 | 14,335 |
| M16 RIFLE.............................................. | 4,793 | 4,793 | 4,793 | 4,793 |
| XM107, CAL. 50, SNIPER RIFLE........................... | 3,085 | 3,085 | 3,085 | 3,085 |
| 5.56 CARBINE M4........................................ | 5,190 | 7,190 | 5,190 | 6,190 |
| MOD OF WEAPONS AND OTHER COMBAT VEH | | | | |
| MARK-19 MODIFICATIONS.................................. | 1,813 | 1,813 | 1,813 | 1,813 |
| M4 CARBINE MODS........................................ | 2,504 | 2,504 | 2,504 | 2,504 |
| SQUAD AUTOMATIC WEAPON (MOD)........................... | 9,956 | 9,956 | 9,956 | 9,956 |
| MEDIUM MACHINE GUNS (MODS)............................. | 495 | 495 | 495 | 495 |
| HOWITZER, TOWED, 155MM, M198 (MODS).................... | 3,507 | 3,507 | 3,507 | 3,507 |
| M119 MODIFICATIONS..................................... | 4,705 | 4,705 | 4,705 | 4,705 |
| M16 RIFLE MODS......................................... | 9,592 | 9,592 | 9,592 | 9,592 |
| MODIFICATIONS LESS THAN $5 MILLION (WOCV-WTCV)........ | 787 | 787 | 787 | 787 |
| SUPPORT EQUIPMENT AND FACILITIES | | | | |
| ITEMS LESS THAN $5 MILLION (WOCV-WTCV)................. | 1,182 | 1,182 | 1,182 | 1,182 |
| PRODUCTION BASE SUPPORT (WOCV-WTCV).................... | 5,152 | 5,152 | 5,152 | 5,152 |
| INDUSTRIAL PREPAREDNESS................................ | 3,604 | 3,604 | 3,604 | 3,604 |
| SMALL ARMS (SOLDIER ENH PROG).......................... | 3,506 | 3,506 | 3,506 | 3,506 |
| TOTAL, WEAPONS AND OTHER COMBAT VEHICLES............ | 84,155 | 106,955 | 98,835 | 104,655 |
| SPARE AND REPAIR PARTS | | | | |
| SPARES AND REPAIR PARTS (WTCV)......................... | 29,105 | 29,105 | 29,105 | 29,105 |
| TOTAL, PROCUREMENT OF W&TCV, ARMY.................... | 1,874,638 | 2,634,786 | 2,166,574 | 2,472,524 |

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

(In thousands of dollars)

| | Budget Request | House | Senate | Conference |
|---|---|---|---|---|
| BRADLEY BASE SUSTAINMENT | 359,389 | 440,689 | 368,389 | 431,689 |
| National Guard: Bradley A0 to ODS | | 81,300 | | 65,300 |
| National Guard: Bradley A2 to ODS | | | 9,000 | 7,000 |
| CARRIER, MOD | 45,111 | 45,111 | 45,111 | 55,111 |
| M113 upgrades | | | (10,000) | 10,000 |
| BFVS SERIES (MOD) | 37,142 | 37,142 | 65,142 | 59,142 |
| Reactive armor tiles for Bradley fighting vehicles | | 0 | 25,000 | 20,000 |
| Bradley sustainment: DSESTS | | 0 | 3,000 | 2,000 |
| HEAVY ASSAULT BRIDGE (HAB) SYS (MOD) | 0 | 0 | 77,000 | 77,000 |
| Procure HAB | | 0 | 77,000 | 77,000 |
| (Note: The conferees direct the funds appropriated in fiscal year 2000 for Wolverine be used for that purpose) | | | | |
| M1 ABRAMS TANK (MOD) | 36,098 | 36,098 | 43,098 | 56,998 |
| Abrams Test Sets | | | 4,000 | 3,000 |
| Electronic obsolescence | | | 3,000 | 2,000 |
| Transfer of system technical support funding | | | | 15,900 |
| SYSTEM ENHANCEMENT PGM: SEP M1A2 | 36,149 | 36,149 | 36,149 | 58,649 |
| Transfer of system technical support funding | | | | 22,500 |
| ABRAMS UPGRADE PROGRAM | 338,422 | 338,422 | 338,422 | 293,922 |
| Transfer system technical support funding | | | | -44,500 |

## PROCUREMENT OF AMMUNITION, ARMY

The conference agreement on items addressed by either the House or Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| PROCUREMENT OF AMMUNITION, ARMY | | | | |
| AMMUNITION | | | | |
| SMALL/MEDIUM CAL AMMUNITION | | | | |
| CTG 5.56MM, ALL TYPES | 97,758 | 97,758 | 97,758 | 97,758 |
| CTG 5.56MM ARMOR PIERCING M995 | 1,337 | 1,337 | 1,337 | 1,337 |
| CTG 7.62MM, ALL TYPES | 8,990 | 8,990 | 8,990 | 8,990 |
| CTG 9MM, ALL TYPES | 2,487 | 2,487 | 2,487 | 2,487 |
| CTG .50 CAL, ALL TYPES | 10,646 | 20,646 | 13,646 | 16,646 |
| CTG CAL .50 API MK211 MOD 0 | 1,987 | 3,987 | 1,987 | 2,987 |
| CTG 20MM, ALL TYPES | 2,004 | 2,004 | 2,004 | 2,004 |
| CTG 25MM, ALL TYPES | 57,780 | 66,380 | 57,780 | 66,380 |
| CTG 30MM, ALL TYPES | 9,517 | 14,517 | 14,517 | 14,517 |
| CTG 40MM, ALL TYPES | 60,788 | 60,788 | 64,788 | 62,788 |
| NONLETHAL WEAPONS CAPABILITY SET | 8,397 | 10,397 | 8,397 | 10,397 |
| MORTAR AMMUNITION | | | | |
| 60MM MORTAR, ALL TYPES | 28,673 | 36,643 | 31,173 | 33,673 |
| CTG MORTAR 81MM PRAC 1/10 RANGE M880 | 930 | 930 | 930 | 930 |
| CTG MORTAR 120MM HE M934 W/MO FUZE | 45,031 | 45,031 | 49,031 | 48,031 |
| CTG MORTAR 120MM ILLUM XM930 W/MTSQ FZ | --- | 5,600 | 5,000 | 5,000 |
| CTG 120MM WP SMOKE M929A1 | 24,969 | 24,969 | 24,969 | 24,969 |
| TANK AMMUNITION | | | | |
| CTG TANK 120MM TP-T M831/M831A1 | 48,477 | 48,477 | 48,477 | 48,477 |
| CTG TANK 120MM TPCSDS-T M865 | 101,512 | 101,512 | 101,512 | 101,512 |
| ARTILLERY AMMUNITION | | | | |
| CTG ARTY 75MM BLANK M337A1 | 1,807 | 1,807 | 1,807 | 1,807 |
| CTG ARTY 105MM DPICM XM915 | --- | --- | 10,000 | 7,000 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| CTG ARTY 105MM M927 | --- | --- | 5,000 | 3,000 |
| CTG ARTY 105MM ILLUM M314 SERIES | 130 | 130 | 130 | 130 |
| PROJ ARTY 155MM SMOKE WP M825 | 14,682 | 14,682 | 14,682 | 14,682 |
| PROJ ARTY 155MM SADARM M898 | 14,907 | --- | 14,907 | --- |
| REMOTE AREA DENIAL ARTILLERY MUNITION (RADAM) | 47,674 | 47,674 | 15,000 | 27,674 |
| PROJ ARTY 155MM HE M107 | 35,178 | 45,178 | 40,178 | 40,178 |
| MODULAR ARTILLERY CHARGE SYSTEM (MACS) | 27,432 | 37,432 | 42,432 | 39,932 |
| ARTILLERY FUZES | | | | |
| ARTILLERY FUZES, ALL TYPES | 67,005 | 67,005 | 67,005 | 67,005 |
| MINES | | | | |
| MINE, TRAINING, ALL TYPES | 3,892 | 3,892 | 3,892 | 3,892 |
| MINE AT M87 (VOLCANO) | --- | 20,000 | 15,000 | 15,000 |
| WIDE AREA MUNITIONS | 7,284 | 12,284 | 23,284 | 19,284 |
| ROCKETS | | | | |
| BUNKER DEFEATING MUNITION (BDM) | --- | 10,000 | --- | 6,000 |
| ROCKET, HYDRA 70, ALL TYPES | 152,767 | 158,567 | 152,767 | 156,767 |
| OTHER AMMUNITION | | | | |
| DEMOLITION MUNITIONS, ALL TYPES | 16,603 | 17,603 | 17,603 | 17,603 |
| GRENADES, ALL TYPES | 20,260 | 24,760 | 23,260 | 23,260 |
| SIGNALS, ALL TYPES | 13,067 | 13,067 | 13,067 | 13,067 |
| SIMULATORS, ALL TYPES | 3,053 | 3,053 | 3,053 | 3,053 |
| MISCELLANEOUS | | | | |
| AMMO COMPONENTS, ALL TYPES | 6,750 | 6,750 | 6,750 | 6,750 |
| CAD/PAD ALL TYPES | 4,298 | 4,298 | 4,298 | 4,298 |
| ITEMS LESS THAN $5 MILLION | 10,145 | 10,145 | 10,145 | 10,145 |
| AMMUNITION PECULIAR EQUIPMENT | 9,476 | 9,476 | 9,476 | 9,476 |
| FIRST DESTINATION TRANSPORTATION (AMMO) | 5,118 | 5,118 | 5,118 | 5,118 |
| CLOSEOUT LIABILITIES | 5,764 | 5,764 | 5,764 | 5,764 |
| TOTAL, AMMUNITION | 978,575 | 1,071,138 | 1,039,401 | 1,049,768 |
| AMMUNITION PRODUCTION BASE SUPPORT | | | | |
| PRODUCTION BASE SUPPORT | | | | |
| PROVISION OF INDUSTRIAL FACILITIES | 47,748 | 51,248 | 47,748 | 50,748 |
| LAYAWAY OF INDUSTRIAL FACILITIES | 3,215 | 3,215 | 3,215 | 3,215 |
| MAINTENANCE OF INACTIVE FACILITIES | 12,267 | 12,267 | 12,267 | 12,267 |
| CONVENTIONAL AMMO DEMILITARIZATION | 84,799 | 84,799 | 84,799 | 84,799 |
| ARMS INITIATIVE | 4,719 | 4,719 | 24,719 | 19,719 |
| TOTAL, AMMUNITION PRODUCTION BASE SUPPORT | 152,748 | 156,248 | 172,748 | 170,748 |
| TOTAL, PROCUREMENT OF AMMUNITION, ARMY | 1,131,323 | 1,227,386 | 1,212,149 | 1,220,516 |

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| PROVISION OF INDUSTRIAL FACILITIES | 47,748 | 51,248 | 47,748 | 50,748 |
| Riverbank Army Ammunition Plant | | 3,500 | 0 | 3,000 |

(Note: Only to activate the Riverbank AAP grenade line to ensure competition and to meet 40mm submunition requirements)

## OTHER PROCUREMENT, ARMY

The conference agreement on items addressed by either the House or Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| OTHER PROCUREMENT, ARMY | | | | |
| TACTICAL AND SUPPORT VEHICLES | | | | |
| TACTICAL VEHICLES | | | | |
| TACTICAL TRAILERS/DOLLY SETS | --- | --- | 5,000 | 5,000 |
| SEMITRAILER FB BB/CONT TRANS 22 1/2 T | 12,135 | 5,035 | 12,135 | 5,035 |
| SEMITRAILER LB 40T M870A1 (CCE) | 1,912 | 1,912 | 1,912 | 1,912 |
| SEMITRAILER, TANK, 5000G | 30,213 | 30,213 | 30,213 | 30,213 |
| SEMITRAILER, TANK, 7500G, BULKHAUL | 20,010 | 20,010 | 20,010 | 20,010 |
| SEMITRAILER VAN CGO SUPPLY 12T 4WHL M129A2C | 6,147 | 6,147 | 6,147 | 6,147 |
| HI MOB MULTI-PURP WHLD VEH (HMMWV) | 110,746 | 125,046 | 135,746 | 138,046 |
| TRUCK, DUMP, 20T (CCE) | 5,208 | 5,208 | 5,208 | 5,208 |
| FAMILY OF MEDIUM TACTICAL VEH (FMTV) | 438,256 | 475,556 | 475,556 | 475,556 |
| FIRETRUCKS & ASSOCIATED FIREFIGHTING EQUIPMENT | 14,830 | 16,030 | 14,830 | 16,030 |
| FAMILY OF HEAVY TACTICAL VEHICLES (FHTV) | 166,119 | 191,119 | 169,119 | 184,619 |
| ARMORED SECURITY VEHICLES (ASV) | 13,453 | 13,453 | 16,453 | 14,953 |
| TRUCK, TRACTOR, LINE HAUL, M915/M916 | 42,989 | 44,589 | 42,989 | 43,989 |
| HVY EXPANDED MOBILE TACTICAL TRUCK EXT SERV P | 17,233 | 17,233 | 17,233 | 17,233 |
| LINE HAUL ESP | 27,054 | 27,054 | 27,054 | 27,054 |
| MODIFICATION OF IN SVC EQUIP | 28,910 | 36,910 | 38,910 | 42,410 |
| ITEMS LESS THAN $5 MILLION (TAC VEH) | 1,853 | 2,853 | 1,853 | 2,853 |
| NON-TACTICAL VEHICLES | | | | |
| HEAVY ARMORED SEDAN | 2,263 | 2,263 | --- | 1,163 |
| PASSENGER CARRYING VEHICLES | 834 | 834 | 700 | 700 |
| GENERAL PURPOSE VEHICLES | 989 | 989 | 989 | 989 |
| SPECIAL PURPOSE VEHICLES | 1,021 | 1,021 | 1,021 | 6,671 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| TOTAL, TACTICAL AND SUPPORT VEHICLES................ | 942,175 | 1,023,475 | 1,023,078 | 1,045,791 |
| COMMUNICATIONS AND ELECTRONICS EQUIPMENT | | | | |
| COMM - JOINT COMMUNICATIONS | | | | |
| COMBAT IDENTIFICATION PROGRAM......................... | 13,096 | 18,096 | 13,096 | 16,096 |
| JCSE EQUIPMENT (USREDCOM)............................. | 5,553 | 5,553 | 5,553 | 5,553 |
| COMM - SATELLITE COMMUNICATIONS | | | | |
| DEFENSE SATELLITE COMMUNICATIONS SYSTEM (SPACE)....... | 72,034 | 72,034 | 72,034 | 72,034 |
| SHF TERM.............................................. | 38,307 | 14,307 | 14,007 | 28,000 |
| SAT TERM, EMUT (SPACE)................................ | 3,475 | 13,475 | 3,475 | 13,475 |
| NAVSTAR GLOBAL POSITIONING SYSTEM (SPACE)............. | 21,439 | 21,439 | 21,439 | 21,439 |
| SMART-T (SPACE)....................................... | 48,594 | 32,094 | 32,594 | 32,094 |
| SCAMP (SPACE)......................................... | 4,261 | 4,261 | 4,261 | 4,261 |
| GLOBAL BRDCST SVC - GBS............................... | 9,286 | --- | 4,286 | 4,286 |
| MOD OF IN-SVC EQUIP (TAC SAT)......................... | 1,489 | 1,489 | 1,489 | 1,489 |
| COMM - C3 SYSTEM | | | | |
| ARMY GLOBAL CMD & CONTROL SYS (AGCCS)................. | 10,355 | 10,355 | 10,355 | 10,355 |
| COMM - COMBAT COMMUNICATIONS | | | | |
| ARMY DATA DISTRIBUTION SYSTEM (DATA RADIO)............ | 32,675 | 66,875 | 65,275 | 70,175 |
| SINCGARS FAMILY....................................... | 18,340 | 51,840 | 38,340 | 51,840 |
| JOINT TACTICAL AREA COMMAND SYSTEMS................... | 972 | 972 | 972 | 972 |
| ACUS MOD PROGRAM (WIN T/T)............................ | 113,951 | 122,951 | 190,951 | 173,951 |
| COMMS-ELEC EQUIP FIELDING............................. | 3,348 | 3,348 | 3,348 | 3,348 |
| SOLDIER ENHANCEMENT PROGRAM COMM/ELECTRONICS.......... | 4,374 | 19,374 | 4,374 | 19,374 |
| MEDICAL COMM FOR CBT CASUALTY CARE (MC4).............. | 2,459 | 2,459 | 2,459 | 2,459 |
| COMM - INTELLIGENCE COMM | | | | |
| CI AUTOMATION ARCHITECTURE............................ | 1,744 | 1,744 | 1,744 | 1,744 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| INFORMATION SECURITY | | | | |
| TSEC - ARMY KEY MGT SYS (AKMS) | 11,051 | 11,051 | 11,051 | 11,051 |
| INFORMATION SYSTEM SECURITY PROGRAM-ISSP | 54,374 | 75,374 | 71,374 | 80,374 |
| COMM - LONG HAUL COMMUNICATIONS | | | | |
| TERRESTRIAL TRANSMISSION | 2,025 | 2,025 | 2,025 | 2,025 |
| BASE SUPPORT COMMUNICATIONS | 3,945 | 3,945 | 3,945 | 3,945 |
| ARMY DISN ROUTER | 4,339 | 4,339 | 4,339 | 4,339 |
| ELECTROMAG COMP PROG (EMCP) | 431 | 431 | 431 | 431 |
| WW TECH CON IMP PROG (WWTCIP) | 2,855 | 2,865 | 2,865 | 2,865 |
| COMM - BASE COMMUNICATIONS | | | | |
| INFORMATION SYSTEMS | 57,779 | 57,779 | 86,879 | 86,879 |
| DEFENSE MESSAGE SYSTEM (DMS) | 18,836 | 18,836 | 18,836 | 18,836 |
| LOCAL AREA NETWORK (LAN) | 65,975 | 65,975 | 65,975 | 65,975 |
| PENTAGON INFORMATION MGT AND TELECOM | 65,412 | 17,262 | 20,412 | 32,212 |
| ELECT EQUIP - NAT FOR INT PROG (NFIP) | | | | |
| FOREIGN COUNTERINTELLIGENCE PROG (FCI) | 869 | 869 | 869 | 869 |
| GENERAL DEFENSE INTELL PROG (GDIP) | 19,604 | 19,604 | 19,604 | 19,604 |
| ELECT EQUIP - TACT INT REL ACT (TIARA) | | | | |
| ALL SOURCE ANALYSIS SYS (ASAS) (TIARA) | 66,671 | 66,671 | 66,671 | 66,671 |
| JTT/CIBS-M (TIARA) | 26,753 | 26,753 | 26,753 | 26,753 |
| PROPHET GROUND (TIARA) | 9,571 | 12,571 | 9,571 | 10,571 |
| TACTICAL UNMANNED AERIAL VEHICLE (TUAV) | 37,789 | 37,789 | 37,789 | 37,789 |
| JOINT STARS (ARMY) (TIARA) | 66,415 | 66,415 | 66,415 | 66,415 |
| DIGITAL TOPOGRAPHIC SPT SYS (DTSS) (TIARA) | 20,030 | 20,030 | 20,030 | 20,030 |
| TACTICAL EXPLOITATION OF NATIONAL CAPABILITIE | 12,853 | 8,353 | 12,853 | 12,853 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| COMMON IMAGERY GROUND/SURFACE SYSTEM (CIGSS).......... | 2,833 | 2,833 | 2,833 | 2,833 |
| TROJAN (TIARA)...................................... | 4,264 | 4,264 | 4,264 | 4,264 |
| MOD OF IN-SVC EQUIP (INTEL SPT) (TIARA)............... | 224 | 224 | 224 | 224 |
| CI HUMINT AUTOMATED TOOL SET (CHATS) (TIARA).......... | 1,939 | 1,939 | 1,939 | 1,939 |
| ITEMS LESS THAN $5.0M (TIARA)........................ | 484 | 484 | 484 | 484 |
| ELECT EQUIP - ELECTRONIC WARFARE (EW) | | | | |
| SHORTSTOP............................................ | --- | 20,000 | --- | 12,000 |
| COUNTERINTELLIGENCE/SECURITY COUNTERMEASURES.......... | 2,311 | 2,311 | 2,311 | 2,311 |
| ELECT EQUIP - TACTICAL SURV. (TAC SURV) | | | | |
| FAAD GBS............................................. | 24,188 | 27,188 | 24,188 | 26,188 |
| NIGHT VISION DEVICES................................. | 34,146 | 59,546 | 79,146 | 66,146 |
| LONG RANGE ADVANCED SCOUT SURVEILLANCE SYSTEM......... | 46,156 | 46,156 | 46,156 | 46,156 |
| LTWT VIDEO RECON SYSTEM (LWVRS)...................... | 1,199 | 1,199 | 1,199 | 1,199 |
| NIGHT VISION, THERMAL WPN SIGHT...................... | 35,348 | 35,348 | 35,348 | 35,348 |
| COMBAT IDENTIFICATION / AIMING LIGHT................. | 8,040 | 8,040 | 13,040 | 11,040 |
| ARTILLERY ACCURACY EQUIP............................. | 14,405 | 14,405 | 14,405 | 14,405 |
| MOD OF IN-SVC EQUIP (TAC SURV)....................... | 18,530 | 18,530 | 23,530 | 23,530 |
| DIGITIZATION APPLIQUE................................ | 60,802 | 60,802 | 60,802 | 60,802 |
| LIGHTWEIGHT LASER DESIGNATOR/RANGEFINDER (LLD......... | 7,093 | 7,093 | 7,093 | 7,093 |
| COMPUTER BALLISTICS: MORTAR M-30..................... | 1,652 | 1,652 | 1,652 | 1,652 |
| MORTAR FIRE CONTROL SYSTEM........................... | 7,341 | 7,341 | 7,341 | 7,341 |
| INTEGRATED MET SYS SENSORS (IMETS) - TIARA............ | 7,018 | 7,018 | 7,018 | 7,018 |
| ELECT EQUIP - TACTICAL C2 SYSTEMS | | | | |
| TACTICAL OPERATIONS CENTERS.......................... | 17,260 | 17,260 | 25,260 | 22,260 |
| ADV FIELD ARTILLERY TACT DATA SYS (AFATDS)............ | 54,452 | 54,452 | 54,452 | 54,452 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| FIRE SUPPORT ADA CONVERSION | 972 | 972 | 972 | 972 |
| CMBT SVC SUPT CONTROL SYS (CSSCS) | 27,411 | 27,411 | 27,411 | 27,411 |
| FAAD C2 | 17,868 | 17,868 | 29,868 | 29,868 |
| AIR & MSL DEFENSE PLANNING & CONTROL SYS (AMD | 4,859 | 4,859 | 4,859 | 4,859 |
| FORWARD ENTRY DEVICE (FED) | 17,153 | 17,153 | 17,153 | 17,153 |
| STRIKER-COMMAND AND CONTROL SYSTEM | 19,084 | 19,084 | 27,084 | 24,084 |
| LIFE CYCLE SOFTWARE SUPPORT (LCSS) | 1,010 | 1,010 | 1,010 | 1,010 |
| LOGTECH | 7,505 | 7,505 | 7,505 | 7,505 |
| TC AIMS II | 10,376 | 10,376 | 10,376 | 10,376 |
| GUN LAYING AND POS SYS (GLPS) | 8,410 | 8,410 | 8,410 | 8,410 |
| ISYSCON EQUIPMENT | 26,558 | 26,558 | 26,558 | 26,558 |
| MANEUVER CONTROL SYSTEM (MCS) | 22,935 | 31,025 | 22,935 | 31,025 |
| STAMIS TACTICAL COMPUTERS (STACOMP) | 40,015 | 40,015 | 40,015 | 40,015 |
| STANDARD INTEGRATED CMD POST SYSTEM | 35,971 | 47,471 | 41,171 | 47,471 |
| ELECT EQUIP - AUTOMATION | | | | |
| ARMY TRAINING MODERNIZATION | 35,960 | 35,960 | 35,960 | 35,960 |
| AUTOMATED DATA PROCESSING EQUIP | 172,051 | 181,051 | 183,051 | 189,051 |
| RESERVE COMPONENT AUTOMATION SYS (RCAS) | 91,495 | 99,495 | 91,495 | 99,495 |
| ELECT EQUIP - AUDIO VISUAL SYS (A/V) | | | | |
| AFRTS | 1,519 | 1,519 | 1,519 | 1,519 |
| ITEMS LESS THAN $5.0M (A/V) | 3,217 | 3,217 | 3,217 | 3,217 |
| ELECT EQUIP - SUPPORT | | | | |
| PRODUCTION BASE SUPPORT (C-E) | 374 | 374 | 374 | 374 |
| TOTAL, COMMUNICATIONS AND ELECTRONICS EQUIPMENT | 1,847,767 | 1,961,021 | 2,032,367 | 2,118,450 |
| OTHER SUPPORT EQUIPMENT | | | | |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| CHEMICAL DEFENSIVE EQUIPMENT | | | | |
| GEN SMK MECH:MTRZD DUAL PURP M56 | 11,369 | 15,369 | 11,369 | 14,369 |
| GENERATOR, SMOKE, MECH M58 | 5,585 | 5,585 | 5,585 | 5,585 |
| BRIDGING EQUIPMENT | | | | |
| HEAVY DRY SUPT BRIDGE SYSTEM | 19,224 | 19,224 | 19,224 | 19,224 |
| RIBBON BRIDGE | 15,669 | 29,169 | 15,669 | 30,169 |
| FLOAT BRIDGE PROPULSION | 1,942 | 1,942 | 1,942 | 1,942 |
| ENGINEER (NON-CONSTRUCTION) EQUIPMENT | | | | |
| KIT, STANDARD TELEOPERATING | 688 | 10,688 | 688 | 6,688 |
| EXPLOSIVE ORDNANCE DISPOSAL EQPMT (EOD EQPMT) | 5,206 | 5,206 | 5,206 | 5,206 |
| LESS THAN $5M, COUNTERMINE EQUIPMENT | 993 | 993 | 993 | 1,993 |
| BN COUNTERMINE SIP | 7,442 | 7,442 | 7,442 | 7,442 |
| COMBAT SERVICE SUPPORT EQUIPMENT | | | | |
| ENVIRONMENTAL CONTROL UNITS (ECU) | 6,348 | 6,348 | 6,348 | 6,348 |
| LAUNDRIES, SHOWERS AND LATRINES | 12,580 | 17,080 | 12,580 | 16,580 |
| SOLDIER ENHANCEMENT | 3,984 | 3,984 | 3,984 | 3,984 |
| LIGHTWEIGHT MAINTENANCE ENCLOSURE (LME) | 1,999 | 1,999 | 6,599 | 5,599 |
| FORCE PROVIDER | 22,263 | 22,263 | 22,263 | 22,263 |
| FIELD FEEDING AND REFRIGERATION | 11,976 | 11,976 | 11,976 | 11,976 |
| AIR DROP PROGRAM | 3,971 | 3,971 | 3,971 | 3,971 |
| CAMOUFLAGE: ULCANS | --- | --- | 10,000 | 7,000 |
| ITEMS LESS THAN $5.0M (CSS-EQ) | 1,909 | 1,909 | 1,909 | 1,909 |
| PETROLEUM EQUIPMENT | | | | |
| FAMILY OF TANK ASSEMBLIES, FABRIC, COLLAPSIBL | 2,489 | 2,489 | 2,489 | 2,489 |
| DISTRIBUTION SYS, PET & WATER | --- | 3,000 | --- | 2,000 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| QUALITY SURVEILLANCE EQUIPMENT.......................... | 7,120 | 7,120 | 7,120 | 7,120 |
| DISTRIBUTION SYSTEMS, PETROLEUM & WATER............... | 13,516 | 13,516 | 13,516 | 13,516 |
| HOSELINE OUTFIT FUEL HANDLING.......................... | 5,878 | 5,878 | 5,878 | 5,878 |
| INLAND PETROLEUM DISTRIBUTION SYSTEM.................. | 5,618 | 5,618 | 5,618 | 5,618 |
| WATER EQUIPMENT | | | | |
| WATER PURIFICATION SYSTEMS............................. | 40,727 | 40,727 | 40,727 | 40,727 |
| MEDICAL EQUIPMENT | | | | |
| COMBAT SUPPORT MEDICAL................................. | 31,567 | 37,767 | 37,567 | 38,567 |
| MAINTENANCE EQUIPMENT | | | | |
| SHOP EQ CONTACT MAINTENANCE TRK MTD (MYP)............. | 9,650 | 9,650 | 9,650 | 9,650 |
| WELDING SHOP, TRAILER MTD............................. | 6,042 | 6,042 | 6,042 | 6,042 |
| ITEMS LESS THAN $5 MILLION (MAINT EQ)................. | 5,078 | 5,078 | 5,078 | 5,078 |
| CONSTRUCTION EQUIPMENT | | | | |
| MISSION MODULES - ENGINEERING.......................... | 1,489 | 1,489 | 1,489 | 1,489 |
| ROLLER, VIBRATORY, SELF-PROPELLED (CCE)............... | 4,671 | 11,671 | 9,671 | 11,671 |
| LOADERS................................................ | 1,444 | 1,444 | 1,444 | 1,444 |
| HYDRAULIC EXCAVATOR.................................... | 8,282 | 10,582 | 8,282 | 9,782 |
| DEPLOYABLE UNIVERSAL COMBAT EARTH MOVERS.............. | 14,146 | 24,346 | 21,146 | 24,346 |
| CRANES................................................. | 6,089 | 6,089 | 6,089 | 6,089 |
| CRUSHING/SCREENING PLANT, 150 TPH..................... | 89 | 89 | 89 | 89 |
| CONST EQUIP SLEP....................................... | 1,986 | 16,986 | 1,986 | 16,986 |
| ITEMS LESS THAN $5 MILLION (CONST EQUIP).............. | 2,635 | 6,635 | 2,635 | 6,635 |
| RAIL FLOAT CONTAINERIZATION EQUIPMENT | | | | |
| SMALL TUG.............................................. | --- | 9,000 | --- | 9,000 |
| FLOATING CRANES........................................ | --- | 15,000 | --- | 15,000 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| LOGISTICS SUPPORT VESSEL (ESP) | 6,638 | 6,638 | 6,638 | 6,638 |
| CAUSEWAY SYSTEMS | 17,227 | 17,227 | 17,227 | 17,227 |
| ITEMS LESS THAN $5 MILLION (FLOAT/RAIL) | 6,722 | 6,722 | 6,722 | 6,722 |
| GENERATORS | | | | |
| GENERATORS AND ASSOCIATED EQUIP | 85,886 | 90,886 | 85,886 | 88,886 |
| MATERIAL HANDLING EQUIPMENT | | | | |
| ROUGH TERRAIN CONTAINER HANDLER, 53,000 LBS | 40,031 | 40,031 | 40,031 | 40,031 |
| ALL TERRAIN LIFTING ARMY SYSTEM | 24,407 | 24,407 | 24,407 | 24,407 |
| ROUGH TERRAIN CONTAINER CRANE | 2,056 | 2,056 | 2,056 | 2,056 |
| ITEMS LESS THAN $5 MILLION (MHE) | 1,231 | 3,731 | 1,231 | 3,231 |
| TRAINING EQUIPMENT | | | | |
| CTC INSTRUMENTATION SUPPORT | 81,845 | 93,945 | 94,445 | 99,045 |
| TRAINING DEVICES, NONSYSTEM | 91,937 | 104,937 | 103,937 | 116,937 |
| CLOSE COMBAT TACTICAL TRAINER | 81,160 | --- | 20,315 | 42,000 |
| AVIATION COMBINED ARMS TACTICAL TRAINER (AVCA | 14,744 | 14,744 | 14,744 | 14,744 |
| FIRE SUPPORT COMBINED ARMS TACTICAL TRAINER | 1,457 | 1,457 | 1,457 | 1,457 |
| TEST MEASURE AND DIG EQUIPMENT (TMD) | | | | |
| CALIBRATION SETS EQUIPMENT | 18,828 | 18,828 | 18,828 | 18,828 |
| INTEGRATED FAMILY OF TEST EQUIPMENT (IFTE) | 65,381 | 65,381 | 68,381 | 68,381 |
| TEST EQUIPMENT MODERNIZATION (TEMOD) | 18,738 | 18,738 | 18,738 | 18,738 |
| ARMY DIAGNOSTICS IMPROVEMENT PGM (ADIP) | 17,300 | 17,300 | 17,300 | 17,300 |
| RECONFIGURABLE SIMULATORS | 2,330 | 2,330 | 2,330 | 2,330 |
| PHYSICAL SECURITY SYSTEMS (OPA3) | 18,856 | 18,856 | 18,856 | 18,856 |
| BASE LEVEL COM'L EQUIPMENT | 7,399 | 7,399 | 7,399 | 7,399 |
| MODIFICATION OF IN-SVC EQUIPMENT (OPA-3) | 28,008 | 31,008 | 28,008 | 31,008 |
| PRODUCTION BASE SUPPORT (OTH) | 2,367 | 8,367 | 2,367 | 5,367 |
| SPECIAL EQUIPMENT FOR USER TESTING | 24,344 | 24,344 | 24,344 | 24,344 |
| MA8975 | 2,332 | 2,332 | 2,332 | 2,332 |
| TOTAL, OTHER SUPPORT EQUIPMENT | 962,888 | 1,027,328 | 962,243 | 1,089,728 |
| SPARE AND REPAIR PARTS | | | | |
| INITIAL SPARES - C&E | 42,401 | 42,401 | 42,401 | 42,401 |
| INITIAL SPARES - OTHER SUPPORT EQUIP | 639 | 639 | 639 | 639 |
| TOTAL, SPARE AND REPAIR PARTS | 43,040 | 43,040 | 43,040 | 43,040 |
| ARMY TRANSFORMATION: OTHER SUPPORT EQUIP (2nd BDE) | --- | 200,000 | --- | 200,000 |
| TOTAL, OTHER PROCUREMENT, ARMY | 3,795,870 | 4,254,564 | 4,060,728 | 4,497,009 |

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

(In thousands of dollars)

| | Budget Request | House | Senate | Conference |
|---|---|---|---|---|
| TACTICAL TRAILERS/DOLLY SETS | 0 | 0 | 5,000 | 5,000 |
| Heavy expanded mobility ammunition trailer | | 0 | 4,000 | 4,000 |
| M105A3 trailers | | | 1,000 | 1,000 |
| HI MOB MULTI-PURP WHLD VEH (HMMWV) | 110,746 | 125,046 | 135,746 | 138,046 |
| Transformation: Additional HMMWV's | | 9,300 | 0 | 9,300 |
| Army Reserve: Additional HMMWV's | | 5,000 | 0 | 3,000 |
| Uparmored HMMWV's | | 0 | 25,000 | 15,000 |
| FAMILY OF MEDIUM TACTICAL VEH (FMTV) | 438,256 | 475,556 | 475,556 | 475,556 |
| National Guard: Additional FMTV's | | 35,000 | 0 | 35,000 |
| Army Reserves: Additional FMTV'S (5 ton) | | 2,300 | 0 | 2,300 |
| Additional vehicles | | | 37,300 | 0 |
| FAMILY OF HEAVY TACTICAL VEHICLES (FHTV) | 166,119 | 191,119 | 169,119 | 184,619 |
| M3 CROP | | 10,000 | 3,000 | 8,500 |
| Movement Tracking System | | 15,000 | 0 | 10,000 |
| MODIFICATION OF IN SVC EQUIP | 28,910 | 36,910 | 38,910 | 42,410 |
| A8020 fuel injection test stand | | 8,000 | 0 | 6,000 |
| Aluminum mesh liner | | 0 | 10,000 | 7,500 |
| SPECIAL PURPOSE VEHICLES | 1,021 | 1,021 | 1,021 | 6,671 |
| WMD-Civil Support Teams equipment | | | | 5,650 |
| ARMY DATA DISTRIBUTION SYSTEM (DATA RADIO) | 32,875 | 66,875 | 65,275 | 70,175 |
| Army Transformation: EPLRS | | 24,200 | 0 | 24,200 |
| National Guard: EPLRS | | 10,000 | 0 | 8,000 |
| Additional EPLRS | | 0 | 27,300 | 0 |
| Software upgrades | | | 5,300 | 5,300 |
| SINCGARS FAMILY | 18,340 | 51,840 | 38,340 | 51,840 |
| Army Transformation: SINCGARS | | 10,000 | 0 | 10,000 |
| National Guard: SINCGARS | | 20,000 | 20,000 | 20,000 |
| Transformation: FHMUX | | 3,500 | 0 | 3,500 |
| ACUS MOD PROGRAM (WIN T/T) | 113,951 | 122,951 | 190,951 | 173,951 |
| TS-21 Blackjack (AN/UXC-10) | | 9,000 | 14,000 | 9,000 |
| HMDA, single shelter switches and maintenance shelters | | 0 | 63,000 | 51,000 |
| INFORMATION SYSTEM SECURITY PROGRAM-ISSP | 54,374 | 75,374 | 71,374 | 80,374 |
| Information Assurance: Network Intrusion Detection Device | | 8,000 | 0 | 7,000 |
| Information Assurance: Secure Terminal Equipment | | 13,000 | 5,000 | 7,000 |
| Biometrics information assurance | | 0 | 12,000 | 12,000 |
| INFORMATION SYSTEMS | 57,779 | 57,779 | 86,879 | 86,879 |
| NG Distance learning | | 0 | 29,100 | 29,100 |

| | Budget Request | House | Senate | Conference |
|---|---|---|---|---|
| ROLLER, VIBRATORY, SELF-PROPELLED (CCE) | 4,671 | 11,671 | 9,671 | 11,671 |
| Army Reserves: additional systems | | 4,000 | 0 | 4,000 |
| Additional systems | | 3,000 | 5,000 | 3,000 |
| CTC INSTRUMENTATION SUPPORT | 81,845 | 93,945 | 94,445 | 99,045 |
| MOUT | | 3,600 | 3,600 | 3,600 |
| Targetry electronics for the Multi-purpose Range Complex-Heavy | | 3,500 | 0 | 2,000 |
| DFIRST for National Guard Installation #21A95 | | 5,000 | 0 | 3,600 |
| Deployable force-on-force instrumentation | | 0 | 7,000 | 6,000 |
| Deployable range training system | | 0 | 2,000 | 2,000 |
| TRAINING DEVICES, NONSYSTEM | 91,937 | 104,937 | 103,937 | 116,937 |
| Engagement skills trainers for the National Guard | | 8,000 | 0 | 5,000 |
| Laser Marksmanship Training System | | 5,000 | 0 | 4,000 |
| Army Firefighter trainer | | 0 | 5,000 | 4,000 |
| MILES 2000 equipment | | 0 | 7,000 | 7,000 |
| Abrams Full-Crew Interactive Skills Trainer (#3312) | | | (5,000) | 4,000 |
| Guardfist | | | | 1,000 |
| NIGHT VISION DEVICES | 34,148 | 59,548 | 79,148 | 68,148 |
| Miniature Eyesafe Laser Infrared Observation Set | | 5,000 | 0 | 3,000 |
| AN/PVS-7 goggles | | 12,000 | 0 | 8,000 |
| 25mm image intensification tubes | | 8,400 | 0 | 8,000 |
| Night vision devices | | | 45,000 | 15,000 |
| AUTOMATED DATA PROCESSING EQUIP | 172,051 | 181,051 | 183,051 | 189,051 |
| NG Distance Learning Courseware | | 4,000 | 0 | 4,000 |
| Ammunition AIT | | 5,000 | 0 | 3,000 |
| Joint computer-aided acquisition and logistics support (JCALS) | | 0 | 6,000 | 6,000 |
| Maintenance AIT | | | 5,000 | 4,000 |
| RIBBON BRIDGE | 15,669 | 13,500 | 15,669 | 30,169 |
| Ribbon bridges for the Army Reserves | | 13,500 | 0 | 13,500 |
| National Guard: Multi-role bridge companies | | | | 1,000 |
| LESS THAN $5M, COUNTERMINE EQUIPMENT | 993 | 993 | 993 | 1,993 |
| Launched grapnel hooks | | | | 1,000 |
| COMBAT SUPPORT MEDICAL | 31,567 | 37,787 | 37,567 | 38,567 |
| Portable Low-Power Blood Cooling and Storage Devices | | 2,200 | 0 | 2,000 |
| Rapid Intravenous Infusion Pump | | 4,000 | 6,000 | 5,000 |
| ARMY TRANSFORMATION: OTHER SUPPORT EQUIP | 0 | 200,000 | 0 | 200,000 |
| Procures support equipment for the 2nd Brigade | | 200,000 | 0 | 200,000 |

(Note: None of the funds may be obligated without prior notification to the House and Senate Appropriations Committees.)

## AIRCRAFT PROCUREMENT, NAVY

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| AIRCRAFT PROCUREMENT, NAVY | | | | |
| COMBAT AIRCRAFT | | | | |
| AV-8B (V/STOL)HARRIER (MYP) | 226,646 | 226,646 | 302,196 | 262,196 |
| F/A-18E/F (FIGHTER) HORNET (MYP) | 2,818,553 | 2,818,553 | 2,775,953 | 2,775,953 |
| F/A-18E/F (FIGHTER) HORNET (MYP) (AP-CY) | 101,068 | 101,068 | 101,068 | 101,068 |
| V-22 (MEDIUM LIFT) | 1,128,592 | 1,128,592 | 1,128,592 | 1,128,592 |
| V-22 (MEDIUM LIFT) (AP-CY) | 79,858 | 79,858 | 79,858 | 79,858 |
| AH-1W (HELICOPTER) SEA COBRA | 2,452 | 2,452 | 2,452 | 2,452 |
| SH-60R | 162,327 | 152,327 | 249,027 | 211,357 |
| E-2C (EARLY WARNING) HAWKEYE (MYP) | 252,790 | 252,790 | 192,232 | 247,790 |
| E-2C (EARLY WARNING) HAWKEYE (MYP) (AP-CY) | 68,082 | 68,082 | 68,082 | 68,082 |
| TOTAL, COMBAT AIRCRAFT | 4,840,368 | 4,830,368 | 4,899,460 | 4,877,348 |
| AIRLIFT AIRCRAFT | | | | |
| CH-60S (MYP) | 165,071 | 165,077 | 227,846 | 206,921 |
| CH-60S (MYP) (AP-CY) | 80,411 | 80,411 | 80,411 | 80,411 |
| UC-35 | --- | 15,200 | --- | 7,600 |
| C-40A | --- | --- | 110,000 | 55,000 |
| VP-3 REPLACEMENT AIRCRAFT | 50,276 | 50,276 | --- | 50,276 |
| TOTAL, AIRLIFT AIRCRAFT | 295,758 | 310,964 | 418,257 | 400,208 |
| TRAINER AIRCRAFT | | | | |
| T-45TS (TRAINER) GOSHAWK | 268,579 | 268,579 | 317,779 | 301,379 |
| T-45TS (TRAINER) GOSHAWK (AP-CY) | 5,142 | 5,142 | 5,142 | 5,142 |
| JPATS | 74,372 | 74,372 | 81,372 | 81,372 |
| TOTAL, TRAINER AIRCRAFT | 348,093 | 348,093 | 404,293 | 387,893 |
| OTHER AIRCRAFT | | | | |
| KC-130J | 154,818 | 231,118 | 229,418 | 229,418 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| MODIFICATION OF AIRCRAFT | | | | |
| EA-6 SERIES | 203,102 | 203,102 | 186,302 | 189,302 |
| AV-8 SERIES | 40,639 | 40,639 | 81,139 | 120,639 |
| F-14 SERIES | 30,481 | 30,481 | 31,481 | 31,481 |
| ADVERSARY | 6,947 | 6,947 | 6,947 | 6,947 |
| F-18 SERIES | 212,614 | 200,214 | 249,814 | 264,214 |
| H-46 SERIES | 16,556 | 21,556 | 16,556 | 19,556 |
| AH-1W SERIES | 9,758 | 13,758 | 13,758 | 13,758 |
| H-53 SERIES | 19,919 | 22,519 | 25,719 | 24,719 |
| SH-60 SERIES | 21,088 | 39,088 | 23,888 | 37,188 |
| H-1 SERIES | 2,642 | 16,642 | 21,392 | 15,642 |
| H-3 SERIES | 61 | 61 | 61 | 61 |
| EP-3 SERIES | 25,833 | 80,833 | 30,833 | 66,533 |
| P-3 SERIES | 60,710 | 78,710 | 108,310 | 99,760 |
| S-3 SERIES | 79,050 | 64,050 | 79,050 | 69,050 |
| E-2 SERIES | 18,485 | 57,485 | 18,485 | 42,485 |
| TRAINER A/C SERIES | 19,422 | 19,422 | 19,422 | 19,422 |
| C-2A | 2,596 | 2,596 | 2,596 | 2,596 |
| C-130 SERIES | 7,921 | 7,921 | 7,921 | 7,921 |
| FEWSG | 605 | 605 | 605 | 605 |
| CARGO/TRANSPORT A/C SERIES | 7,936 | 7,936 | 7,936 | 7,936 |
| E-6 SERIES | 60,687 | 60,687 | 60,687 | 60,687 |
| EXECUTIVE HELICOPTERS SERIES | 7,632 | 7,632 | 7,632 | 7,632 |
| SPECIAL PROJECT AIRCRAFT | 4,134 | 4,134 | 4,134 | 4,134 |
| T-45 SERIES | 9,057 | 9,057 | 9,057 | 9,057 |
| POWER PLANT CHANGES | 17,062 | 17,062 | 17,062 | 17,062 |
| COMMON ECM EQUIPMENT | 41,889 | 41,889 | 41,889 | 41,889 |
| COMMON AVIONICS CHANGES | 71,620 | 71,620 | 71,620 | 71,620 |
| TOTAL, MODIFICATION OF AIRCRAFT | 998,446 | 1,126,646 | 1,143,696 | 1,251,896 |
| AIRCRAFT SPARES AND REPAIR PARTS | | | | |
| SPARES AND REPAIR PARTS | 941,553 | 947,553 | 941,553 | 941,553 |
| AIRCRAFT SUPPORT EQUIPMENT & FACILITIES | | | | |
| COMMON GROUND EQUIPMENT | 312,411 | 312,411 | 315,411 | 315,411 |
| AIRCRAFT INDUSTRIAL FACILITIES | 8,642 | 8,642 | 8,642 | 8,642 |
| WAR CONSUMABLES | 13,015 | 13,015 | 15,015 | 14,015 |
| OTHER PRODUCTION CHARGES | 37,088 | 37,088 | 37,088 | 37,088 |
| SPECIAL SUPPORT EQUIPMENT | 12,158 | 12,158 | 12,158 | 12,158 |
| FIRST DESTINATION TRANSPORTATION | 1,508 | 1,508 | 1,508 | 1,508 |
| TOTAL, AIRCRAFT SUPPORT EQUIPMENT & FACILITIES | 384,822 | 384,822 | 389,822 | 388,822 |
| TOTAL, AIRCRAFT PROCUREMENT, NAVY | 7,963,858 | 8,179,564 | 8,426,499 | 8,477,138 |

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[in thousands of dollars]

| | Budget | HAC | SAC | Conference |
|---|---|---|---|---|
| AV-8B (V/STOL) HARRIER (MYP) | 226,646 | 226,646 | 302,196 | 262,196 |
| Two (2) Additional AV-8B Modifications | | | 92,000 | 52,000 |
| Non-recurring Cost | | | -12,011 | -12,011 |
| Production Engineering Support Cost Growth | | | -4,439 | -4,439 |
| F/A-18E/F (FIGHTER) HORNET (MYP) | 2,818,553 | 2,818,553 | 2,775,953 | 2,775,953 |
| Production Engineering Support Cost Growth | | | -13,000 | -13,000 |
| Premature IDECM RFCM Production Quantities | | | -29,600 | -29,600 |
| SH-60R | 162,327 | 152,327 | 249,027 | 211,357 |
| Non-recurring cost growth | | -5,000 | | -5,000 |
| Avionics support equipment deferment | | -5,000 | | -5,000 |
| Two (2) Additional SH-60R Modifications | | | 78,600 | 52,400 |
| AQS-22 Airborne Low Frequency Sonar (ALFS) | | | 6,000 | 4,930 |
| Integrated Mechanical Diagnostic System (IMDS) | | | 2,100 | 1,700 |
| E-2C (EARLY WARNING) HAWKEYE (MYP) | 252,790 | 252,790 | 192,232 | 247,790 |
| Delete One (1) Aircraft based on FMS | | | -50,558 | |
| GFE Electronics Cost Growth | | | -10,000 | -5,000 |
| CH-60S (MYP) | 165,071 | 165,071 | 227,846 | 206,921 |
| Two (2) Additional CH-60 Helicopters | | | 62,775 | 41,850 |
| UC-35 | | 15,200 | | 7,600 |
| One additional aircraft | | 15,200 | | 7,600 |
| C-40A | | | 110,000 | 55,000 |
| One additional aircraft | | | 110,000 | 55,000 |
| VP-3 REPLACEMENT AIRCRAFT | 50,276 | 50,276 | | 50,276 |
| T-45TS (TRAINER) GOSHAWK | 268,579 | 268,579 | 317,779 | 301,379 |
| Two (2) Additional Aircraft | | | 49,200 | 32,800 |
| JPATS | 74,372 | 74,372 | 81,372 | 81,372 |
| Three (3) Additional Aircraft | | | 7,000 | 7,000 |
| KC-130J | 154,818 | 231,118 | 229,418 | 229,418 |
| Additional aircraft | | 76,300 | 74,600 | 74,600 |
| EA-6 SERIES | 203,102 | 203,102 | 186,302 | 189,302 |
| Premature ICAP III Training System | | | -16,800 | -16,800 |
| EA-6B Block 89A Ready Room Mission Rehearsal System | | | | 3,000 |
| AV-8 SERIES | 40,639 | 40,639 | 81,139 | 120,639 |
| Litening Targeting Pods | | | 40,500 | 80,000 |
| F-14 SERIES | 30,481 | 30,481 | 31,481 | 31,481 |
| RWR Antenna Replacement and System Enhancement | | | 1,000 | 1,000 |
| F-18 SERIES | 212,614 | 200,214 | 249,614 | 264,214 |
| Tactical Aircraft Moving Map Capability (TAMMAC) | | 5,000 | | 3,000 |
| ATFLIR | | 9,600 | | 7,000 |
| ATARS Procurement (OPEVAL results) | | -27,000 | | 0 |
| ECP-583 Avionics Upgrade for Marine Corps | | | 46,000 | 46,000 |
| Premature ATFLIR Modifications and Installation Equipment | | | -8,800 | -4,400 |
| H-46 SERIES | 16,556 | 21,556 | 16,556 | 19,556 |
| Engine Reliability improvement program risk reduction | | 5,000 | | 3,000 |
| AH-1W SERIES | 9,758 | 13,758 | 13,758 | 13,758 |
| AH-1 Night targeting system | | 4,000 | 4,000 | 4,000 |
| H-53 SERIES | 19,919 | 22,519 | 25,119 | 24,719 |

| | | | | |
|---|---|---|---|---|
| Marine Corps Reserve: CH-53 Night Vision B-kits | | 2,600 | | 1,800 |
| Integrated Mechanical Diagnostic System (IMDS) | | | 5,000 | 3,000 |
| SH-60 SERIES | 21,088 | 39,088 | 23,888 | 37,188 |
| AN/AQS-13F | | 8,000 | | 6,000 |
| Specific Emitter Identification (procurement/installation) | | 10,000 | | 8,000 |
| Integrated Mechanical Diagnostic System (IMDS) | | | 2,800 | 2,100 |
| H-1 SERIES | 2,642 | 16,642 | 21,392 | 15,642 |
| AN/AAQ-22 Upgrade | | 8,000 | 10,000 | 7,000 |
| H-1 Upgrade- reclaim/restore seven (7) airframes | | 6,000 | 8,750 | 6,000 |
| EP-3 SERIES | 25,833 | 80,833 | 30,833 | 66,533 |
| Modification of P-3 to EP-3 configuration | | 55,000 | | 61,000 |
| SSIP/JMOD | | | 5,000 | 5,000 |
| Sensor System Improvement Program | | | | -25,300 |
| (Note: The fiscal year 2001 request for this program was provided | | | | |
| in the Emergency Supplemental Act, 2000 (P.L. 106-246) accordingly, | | | | |
| the funds are no longer necessary and have been reduced.) | | | | |
| P-3 SERIES | 60,710 | 78,710 | 108,310 | 99,760 |
| Digital Recorder Reproducers (DRRs) | | 4,000 | | 2,000 |
| SLAM-ER Weapon Integration | | 8,000 | | 4,000 |
| Digital Instantaneous Frequency Management Upgrade | | 6,000 | | 6,000 |
| Lightweight Environmentally Sealed Parachute Assembly | | 2,000 | | 1,500 |
| Four (4) ASUW Improvement Program (AIP) Kits | | | 44,100 | 22,050 |
| CNS/ATM | | | 3,500 | 3,500 |
| S-3 SERIES | 79,050 | 84,050 | 79,050 | 69,050 |
| Accelerated retirement of S-3 fleet in 2008 | | -15,000 | | -10,000 |
| E-2 SERIES | 18,485 | 57,485 | 18,485 | 42,485 |
| Hawkeye 2000 Upgrade | | 39,000 | | 24,500 |
| SPARES AND REPAIR PARTS | 941,553 | 947,553 | 941,553 | 941,553 |
| Spares for P-3 to EP-3 modification | | 6,000 | | 0 |
| COMMON GROUND EQUIPMENT | 312,411 | 312,411 | 315,411 | 315,411 |
| Direct Support Squadron Readiness Training | | | 3,000 | 3,000 |
| WAR CONSUMABLES | 13,015 | 13,015 | 15,015 | 14,015 |
| High Pressure Pure Air Generator | | | 2,000 | 1,000 |

### COMBAT SEARCH AND RESCUE AIRCRAFT

The conferees note that the Air Force has decided to consider several different aircraft for its combat search and rescue mission, including such existing products as the EH-101 helicopter. The conferees understand that the Navy may be considering alternative to either extend the life of or replace the existing MH-53E helicopters used in the Vertical Onboard Delivery and the dedicated Airborne Mine countermeasures missions. The conferees believe that any such analysis should follow a similar competitive process as used by the Air Force, to ensure that the Navy takes advantage of all existing operational designs to obtain the best rotorcrafts available for those missions.

## WEAPONS PROCUREMENT, NAVY

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| WEAPONS PROCUREMENT, NAVY | | | | |
| BALLISTIC MISSILES | | | | |
| TRIDENT II | 433,932 | 433,932 | 433,932 | 433,932 |
| TRIDENT II (AP-CY) | 28,801 | 28,801 | 9,501 | 9,501 |
| SUPPORT EQUIPMENT AND FACILITIES | | | | |
| MISSILE INDUSTRIAL FACILITIES | 1,232 | 1,232 | 1,232 | 1,232 |
| TOTAL, BALLISTIC MISSILES | 463,965 | 463,965 | 444,665 | 444,665 |
| OTHER MISSILES | | | | |
| STRATEGIC MISSILES | | | | |
| ESSM | 40,001 | 40,001 | 40,001 | 40,001 |
| TACTICAL MISSILES | | | | |
| AMRAAM | 38,943 | 38,943 | 38,943 | 38,943 |
| JSOW | 171,624 | 149,523 | 206,624 | 185,574 |
| SLAM-ER | 27,859 | 27,859 | 27,859 | 27,859 |
| STANDARD MISSILE | 170,365 | 170,365 | 170,365 | 170,365 |
| RAM | 23,067 | 23,067 | 23,067 | 23,067 |
| HELLFIRE | --- | --- | 25,000 | 20,000 |
| AERIAL TARGETS | 58,891 | 58,891 | 58,891 | 58,891 |
| DRONES AND DECOYS | --- | 10,000 | 20,000 | 15,000 |
| OTHER MISSILE SUPPORT | 14,902 | 14,902 | 14,902 | 14,902 |
| MODIFICATION OF MISSILES | | | | |
| SIDEWINDER MODS | 27,532 | 27,532 | 27,532 | 27,532 |
| STANDARD MISSILES MODS | 50,690 | 50,690 | 50,690 | 50,690 |
| SUPPORT EQUIPMENT AND FACILITIES | | | | |
| WEAPONS INDUSTRIAL FACILITIES | 21,269 | 21,269 | 29,469 | 29,469 |
| FLEET SATELLITE COMM FOLLOW-ON | 170,537 | 95,500 | 170,537 | 95,537 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| ORDNANCE SUPPORT EQUIPMENT | | | | |
| ORDNANCE SUPPORT EQUIPMENT | 2,723 | 2,723 | 2,723 | 2,723 |
| TOTAL, OTHER MISSILES | 818,403 | 731,265 | 906,603 | 800,553 |
| TORPEDOES AND RELATED EQUIPMENT | | | | |
| TORPEDOES AND RELATED EQUIP. | | | | |
| ASW TARGETS | 3,180 | 3,180 | 3,180 | 3,180 |
| MOD OF TORPEDOES AND RELATED EQUIP | | | | |
| MK-46 TORPEDO MODS | 7,141 | 7,141 | 7,141 | 7,141 |
| MK-48 TORPEDO ADCAP MODS | 38,926 | 44,926 | 40,926 | 43,926 |
| QUICKSTRIKE MINE | 1,960 | 1,960 | 1,960 | 1,960 |
| SUPPORT EQUIPMENT | | | | |
| TORPEDO SUPPORT EQUIPMENT | 23,740 | 23,740 | 23,740 | 23,740 |
| ASW RANGE SUPPORT | 14,955 | 18,955 | 14,955 | 18,955 |
| DESTINATION TRANSPORTATION | | | | |
| FIRST DESTINATION TRANSPORTATION | 1,842 | 1,842 | 1,842 | 1,842 |
| TOTAL, TORPEDOES AND RELATED EQUIPMENT | 91,744 | 101,744 | 93,744 | 100,744 |
| OTHER WEAPONS | | | | |
| GUNS AND GUN MOUNTS | | | | |
| SMALL ARMS AND WEAPONS | 909 | 909 | 2,409 | 2,409 |
| MODIFICATION OF GUNS AND GUN MOUNTS | | | | |
| CIWS MODS | 964 | 5,964 | 30,964 | 25,964 |
| GUN MOUNT MODS | 4,779 | 14,779 | 34,779 | 29,779 |
| MODS LESS THAN $2 MILLION | --- | --- | 5,000 | 4,000 |
| TOTAL, OTHER WEAPONS | 6,652 | 21,652 | 73,152 | 62,152 |
| SPARE AND REPAIR PARTS | | | | |
| SPARES AND REPAIR PARTS | 53,486 | 53,486 | 53,486 | 53,486 |
| TOTAL, WEAPONS PROCUREMENT, NAVY | 1,434,250 | 1,372,112 | 1,571,650 | 1,461,600 |

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[in thousands of dollars]

| | Budget | HAC | SAC | Conference |
|---|---|---|---|---|
| TRIDENT II (AP-CY) | 28,801 | 28,801 | 9,501 | 9,501 |
| JSOW | 171,624 | 149,523 | 206,624 | 185,574 |
| JSOW-A | | 20,139 | | 35,070 |
| JSOW-B | | -42,240 | | -21,120 |
| HELLFIRE II | | | 25,000 | 20,000 |
| DRONES AND DECOYS | | 10,000 | 20,000 | 15,000 |
| Improved Tactical Air Launched Decoy (ITALD) | | 10,000 | 20,000 | 15,000 |
| WEAPONS INDUSTRIAL FACILITIES | 21,269 | 21,269 | 29,469 | 29,469 |
| ABL Facility Restoration | | | 8,200 | 8,200 |
| FLEET SATELLITE COMM FOLLOW-ON | 170,537 | 95,537 | 170,537 | 95,537 |
| Defer EELV launch services until leadtime away from need per GAO recommendation | | -75,000 | | -75,000 |
| MK-48 TORPEDO ADCAP MODS | 38,926 | 44,926 | 40,926 | 43,926 |
| Increased Procurement | | 6,000 | 2,000 | 5,000 |
| ASW RANGE SUPPORT | 14,955 | 18,955 | 14,955 | 18,955 |
| Northwest Undersea Test Range Upgrade | | 4,000 | | 4,000 |
| SMALL ARMS AND WEAPONS | 909 | 909 | 2,409 | 2,409 |
| MK 43 machine gun conversion | | | 1,500 | 1,500 |
| CIWS MODS | 984 | 5,984 | 30,984 | 25,984 |
| Phalanx CIWS Block IB Upgrade kits | | 5,000 | | 25,000 |
| CIWS | | | 30,000 | 0 |
| GUN MOUNT MODS | 4,779 | 14,779 | 34,779 | 29,779 |
| MK-45 Gun System Mod 4 Upgrade kits | | 10,000 | 30,000 | 25,000 |
| MODS UNDER $2 MILLION | | | 5,000 | 4,000 |
| SMAW Common Practice Round | | | 5,000 | 4,000 |

## PROCUREMENT OF AMMUNITION, NAVY AND MARINE CORPS

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| PROCUREMENT OF AMMO, NAVY & MARINE CORPS | | | | |
| PROC AMMO, NAVY | | | | |
| NAVY AMMUNITION | | | | |
| GENERAL PURPOSE BOMBS | 63,157 | 73,157 | 63,157 | 68,157 |
| JDAM | 24,390 | 24,390 | 24,390 | 24,390 |
| 2.75 INCH ROCKETS | --- | --- | 9,600 | 5,600 |
| AIRBORNE ROCKETS, ALL TYPES | 11,508 | 11,508 | 11,508 | 11,508 |
| MACHINE GUN AMMUNITION | 5,230 | 5,230 | 11,730 | 8,230 |
| PRACTICE BOMBS | 50,600 | 60,600 | 65,600 | 63,100 |
| CARTRIDGES & CART ACTUATED DEVICES | 26,461 | 26,461 | 26,461 | 26,461 |
| AIRCRAFT ESCAPE ROCKETS | 10,635 | 10,635 | 10,635 | 10,635 |
| AIR EXPENDABLE COUNTERMEASURES | 39,293 | 45,793 | 44,293 | 45,793 |
| JATOS | 4,995 | 4,995 | 4,995 | 4,995 |
| 5 INCH/54 GUN AMMUNITION | 14,948 | 14,948 | 14,948 | 14,948 |
| EXTENDED RANGE GUIDED MUNITIONS (ERGM) | 5,723 | 5,723 | 5,723 | 5,723 |
| 76MM GUN AMMUNITION | 8,733 | 8,733 | 8,733 | 8,733 |
| OTHER SHIP GUN AMMUNITION | 5,176 | 5,176 | 5,176 | 5,176 |
| SMALL ARMS & LANDING PARTY AMMO | 8,745 | 8,745 | 8,745 | 8,745 |
| PYROTECHNIC AND DEMOLITION | 6,378 | 6,378 | 6,378 | 6,378 |
| MINE NEUTRALIZATION DEVICES | 7,317 | 7,317 | 7,317 | 7,317 |
| AMMUNITION LESS THAN $5 MILLION | 1,343 | 1,343 | 1,343 | 1,343 |
| CAWCF CLOSURE COSTS | 1,300 | 1,300 | 1,300 | 1,300 |
| TOTAL, PROC AMMO, NAVY | 295,932 | 322,432 | 332,032 | 328,532 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| PROC AMMO, MC | | | | |
| MARINE CORPS AMMUNITION | | | | |
| 5.56 MM, ALL TYPES | 23,456 | 26,456 | 23,456 | 25,456 |
| 7.62 MM, ALL TYPES | 2,039 | 3,039 | 2,039 | 3,039 |
| LINEAR CHARGES, ALL TYPES | 40,945 | 44,945 | 44,945 | 44,945 |
| .50 CALIBER | 7,637 | 8,637 | 8,637 | 8,637 |
| 40 MM, ALL TYPES | 2,034 | 2,034 | 3,034 | 3,034 |
| 60 MM, ALL TYPES | 688 | 688 | 688 | 688 |
| 81 MM, ALL TYPES | 4,981 | 4,981 | 4,981 | 4,981 |
| 120 MM, ALL TYPES | 7,633 | 7,633 | 7,633 | 7,633 |
| CTG 25 MM, ALL TYPES | 3,931 | 3,931 | 3,931 | 3,931 |
| 9 MM ALL TYPES | 2,657 | 2,657 | 2,657 | 2,657 |
| GRENADES, ALL TYPES | 8,358 | 12,358 | 8,358 | 10,858 |
| STINGER SLEP | 3,925 | 3,925 | 3,925 | 3,925 |
| ROCKETS, ALL TYPES | 1,592 | 6,192 | 1,592 | 11,192 |
| ARTILLERY, ALL TYPES | 322 | 18,322 | 322 | 15,322 |
| DEMOLITION MUNITIONS, ALL TYPES | 9,638 | 9,638 | 9,638 | 9,638 |
| FUZE, ALL TYPES | 249 | 249 | 249 | 249 |
| NON LETHALS | 4,480 | 4,480 | 4,480 | 4,480 |
| AMMO MODERNIZATION | 6,900 | 6,900 | 6,900 | 6,900 |
| ITEMS LESS THAN $5 MILLION | 952 | 952 | 952 | 952 |
| CAWCF CLOSURE COSTS | 1,300 | 1,300 | 1,300 | 1,300 |
| TOTAL, PROC AMMO, MC | 133,717 | 169,317 | 139,717 | 169,817 |
| TOTAL, PROCUREMENT OF AMMO, NAVY & MARINE CORPS | 429,649 | 491,749 | 471,749 | 498,349 |

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[in thousands of dollars]

| | Budget | HAC | SAC | Conference |
|---|---|---|---|---|
| GENERAL PURPOSE BOMBS | 63,157 | 73,157 | 63,157 | 68,157 |
| Laser Guided Bombs | | 10,000 | | 5,000 |
| 2.75 INCH ROCKETS | | | 9,600 | 5,600 |
| Hydra Rockets | | | 9,600 | 5,600 |
| MACHINE GUN AMMUNITION | 5,230 | 5,230 | 11,730 | 8,230 |
| PGU-28/M793 | | | 6,500 | 3,000 |
| PRACTICE BOMBS | 50,600 | 60,600 | 65,600 | 63,100 |
| Laser Guided Training Rounds | | 10,000 | 15,000 | 12,500 |
| AIR EXPENDABLE COUNTERMEASURES | 39,293 | 45,793 | 44,293 | 45,793 |
| MJU-52/B IR expendable countermeasures | | 6,500 | 5,000 | 6,500 |
| 5.56 MM, ALL TYPES | 23,456 | 26,456 | 23,456 | 25,456 |
| Increased quantity | | 3,000 | | 2,000 |
| 7.62 MM, ALL TYPES | 2,039 | 3,039 | 2,039 | 3,039 |
| Increased quantity | | 1,000 | | 1,000 |
| LINEAR CHARGES, ALL TYPES | 40,945 | 44,945 | 44,945 | 44,945 |
| Anti-personnel obstacle breaching system | | 4,000 | 4,000 | 4,000 |
| .50 CALIBER | 7,637 | 8,637 | 8,637 | 8,637 |
| Increased quantity | | 1,000 | 1,000 | 1,000 |
| 40 MM ALL TYPES | 2,034 | 2,034 | 3,034 | 3,034 |
| M430 HEDP | | | 1,000 | 1,000 |
| GRENADES, ALL TYPES | 8,358 | 12,358 | 8,358 | 10,858 |
| M67 fragmentation hand grenade | | 4,000 | | 2,500 |
| ROCKETS, ALL TYPES | 1,592 | 6,192 | 1,592 | 11,192 |
| SMAW Common round | | 4,600 | | 4,600 |
| 83 mm HEDP | | | [5,000] | 5,000 |
| ARTILLERY, ALL TYPES | 322 | 18,322 | 322 | 15,322 |
| M795 HE ammunition | | 18,000 | | 15,000 |

## SHIPBUILDING AND CONVERSION, NAVY

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| SHIPBUILDING & CONVERSION, NAVY | | | | |
| OTHER WARSHIPS | | | | |
| CARRIER REPLACEMENT PROGRAM | 4,053,653 | 4,053,653 | 4,053,653 | 4,053,653 |
| CARRIER REPLACEMENT PROGRAM (AP-CY) | 21,869 | 21,869 | 21,869 | 21,869 |
| NEW SSN | 1,203,012 | 1,198,012 | 1,203,012 | 1,198,012 |
| NEW SSN (AP-CY) | 508,222 | 508,222 | 508,222 | 508,222 |
| CVN REFUELING OVERHAULS | 703,441 | 698,441 | 703,441 | 698,441 |
| CVN REFUELING OVERHAULS (AP-CY) | 25,000 | 25,000 | 25,000 | 25,000 |
| SUBMARINE REFUELING OVERHAULS | 210,414 | 210,414 | 210,414 | 210,414 |
| SUBMARINE REFUELING OVERHAULS (AP-CY) | 72,277 | 72,277 | 72,277 | 72,277 |
| DDG-51 (MYP) | 2,713,559 | 2,703,559 | 2,713,559 | 2,703,559 |
| DDG-51 (MYP) (AP-CY) | 356,843 | 356,843 | 500,000 | 456,843 |
| TOTAL, OTHER WARSHIPS | 9,868,290 | 9,848,290 | 10,011,447 | 9,948,290 |
| AMPHIBIOUS SHIPS | | | | |
| LHD-1 AMPHIBIOUS ASSAULT SHIP (AP-CY) | --- | --- | 460,000 | 460,000 |
| LPD-17 | 1,489,286 | 1,479,286 | --- | --- |
| LDP-17 PROGRAM COST GROWTH | --- | --- | 285,000 | --- |
| LPD-17 (AP-CY) | 20,700 | 20,700 | 200,000 | 560,700 |
| TOTAL, AMPHIBIOUS SHIPS | 1,509,986 | 1,499,986 | 945,000 | 1,020,700 |
| AUXILIARIES, CRAFT, AND PRIOR-YEAR PROGRAM | | | | |
| ADC(X) | 338,951 | 348,951 | 338,951 | 338,951 |
| OUTFITTING | 301,077 | 291,077 | 301,077 | 291,077 |
| LCAC SLEP | 15,615 | 15,615 | 15,615 | 15,615 |
| COMPLETION OF PY SHIPBUILDING PROGRAMS | 263,000 | 263,000 | --- | --- |
| TOTAL, AUXILIARIES, CRAFT, AND PRIOR-YEAR PROGRAM | 918,643 | 918,643 | 655,643 | 645,643 |
| TOTAL, SHIPBUILDING & CONVERSION, NAVY | 12,296,919 | 12,266,919 | 11,612,090 | 11,614,633 |

# EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[in thousands of dollars]

| | Budget | HAC | SAC | Conference |
|---|---|---|---|---|
| NEW SSN | 1,203,012 | 1,198,012 | 1,203,012 | 1,198,012 |
| Other Cost Growth | | -5,000 | | -5,000 |
| CVN REFUELING OVERHAULS | 703,441 | 698,441 | 703,441 | 698,441 |
| C4ISR Upgrade, Engineering Services cost growth | | -5,000 | | -5,000 |
| DDG-51 (MYP) | 2,713,559 | 2,703,559 | 2,713,559 | 2,703,559 |
| Basic Construction cost growth | | -10,000 | | -10,000 |
| DDG-51 (MYP) (AP-CY) | 356,843 | 356,843 | 500,000 | 456,843 |
| Advance Procurement | | | 143,157 | 100,000 |
| LHD-1 AMPHIBIOUS ASSAULT SHIP (MYP) | | | 460,000 | 460,000 |
| LHD-8 | | | 460,000 | 460,000 |
| LPD-17 | 1,489,286 | 1,479,286 | 0 | 0 |
| Escalation | | -10,000 | | 0 |
| Defer 2 Ships | | | -1,489,286 | -1,489,286 |
| LPD-17 Cost Growth | | | 285,000 | 0 |
| LPD-17 (AP-CY) | 20,700 | 20,700 | 200,000 | 560,700 |
| Advance Procurement | | | 179,300 | 540,000 |
| ADC(X) | 338,951 | 348,951 | 338,951 | 338,951 |
| Second shipyard support engineering | | 10,000 | | 0 |
| OUTFITTING | 301,077 | 291,077 | 301,077 | 291,077 |
| LPD schedule delays | | -10,000 | | -10,000 |
| COMPLETION OF PY SHIPBUILDING PROGRAMS | 263,000 | 263,000 | 0 | 0 |

## OTHER PROCUREMENT, NAVY

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| OTHER PROCUREMENT, NAVY | | | | |
| SHIPS SUPPORT EQUIPMENT | | | | |
| SHIP PROPULSION EQUIPMENT | | | | |
| LM-2500 GAS TURBINE | 6,995 | 6,995 | 6,995 | 6,995 |
| ALLISON 501K GAS TURBINE | 6,257 | 6,257 | 6,257 | 6,257 |
| PROPELLERS | | | | |
| SUBMARINE PROPELLERS | 3,757 | 3,757 | 3,757 | 3,757 |
| NAVIGATION EQUIPMENT | | | | |
| OTHER NAVIGATION EQUIPMENT | 33,425 | 45,425 | 48,425 | 50,425 |
| UNDERWAY REPLENISHMENT EQUIPMENT | | | | |
| UNDERWAY REPLENISHMENT EQUIPMENT | 9,120 | 9,120 | 9,120 | 9,120 |
| PERISCOPES | | | | |
| SUB PERISCOPES & IMAGING EQUIP | 18,998 | 18,998 | 18,998 | 18,998 |
| OTHER SHIPBOARD EQUIPMENT | | | | |
| FIREFIGHTING EQUIPMENT | 16,837 | 16,837 | 16,837 | 16,837 |
| COMMAND AND CONTROL SWITCHBOARD | 10,486 | 10,486 | 10,486 | 10,486 |
| POLLUTION CONTROL EQUIPMENT | 47,805 | 47,805 | 47,805 | 47,805 |
| SUBMARINE SUPPORT EQUIPMENT | 11,419 | 11,419 | 11,419 | 11,419 |
| SUBMARINE BATTERIES | 12,387 | 12,387 | 12,387 | 12,387 |
| STRATEGIC PLATFORM SUPPORT EQUIP | 6,206 | 21,206 | 6,206 | 18,206 |
| DSSP EQUIPMENT | 5,356 | 5,356 | 5,356 | 5,356 |
| LCAC | 3,559 | --- | 3,559 | 3,559 |
| MINESWEEPING EQUIPMENT | 16,589 | 16,589 | 16,589 | 16,589 |
| ITEMS LESS THAN $5 MILLION | 58,851 | 60,851 | 63,351 | 64,851 |
| SURFACE IMA | 2,010 | 2,010 | 2,010 | 2,010 |
| SUBMARINE LIFE SUPPORT SYSTEM | 4,852 | 4,852 | 4,852 | 4,852 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| REACTOR PLANT EQUIPMENT | | | | |
| REACTOR COMPONENTS | 203,365 | 203,365 | 203,365 | 203,365 |
| OCEAN ENGINEERING | | | | |
| DIVING AND SALVAGE EQUIPMENT | 5,649 | 5,649 | 5,649 | 5,649 |
| SMALL BOATS | | | | |
| STANDARD BOATS | 2,696 | 2,696 | 2,696 | 2,696 |
| TRAINING EQUIPMENT | | | | |
| OTHER SHIPS TRAINING EQUIPMENT | 3,302 | 3,302 | 3,302 | 3,302 |
| PRODUCTION FACILITIES EQUIPMENT | | | | |
| OPERATING FORCES IPE | 2,689 | 2,689 | 2,689 | 19,689 |
| OTHER SHIP SUPPORT | | | | |
| NUCLEAR ALTERATIONS | 80,870 | 80,870 | 80,870 | 80,870 |
| TOTAL, SHIPS SUPPORT EQUIPMENT | 573,480 | 598,921 | 592,980 | 625,480 |
| COMMUNICATIONS AND ELECTRONICS EQUIPMENT | | | | |
| SHIP RADARS | | | | |
| RADAR SUPPORT | --- | 25,000 | 8,000 | 25,000 |
| SHIP SONARS | | | | |
| AN/SQQ-89 SURF ASW COMBAT SYSTEM | 14,291 | 14,291 | 14,291 | 14,291 |
| SSN ACOUSTICS | 106,647 | 114,647 | 106,647 | 112,647 |
| UNDERSEA WARFARE SUPPORT EQUIPMENT | 847 | 2,847 | 847 | 2,847 |
| SONAR SUPPORT EQUIPMENT | --- | 5,000 | --- | 5,000 |
| SONAR SWITCHES AND TRANSDUCERS | 10,726 | 10,726 | 10,726 | 10,726 |
| ASW ELECTRONIC EQUIPMENT | | | | |
| SUBMARINE ACOUSTIC WARFARE SYSTEM | 10,697 | 10,697 | 10,697 | 10,697 |
| FIXED SURVEILLANCE SYSTEM | 29,869 | 29,869 | 29,869 | 29,869 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| SURTASS | 5,516 | 5,516 | 5,516 | 5,516 |
| ASW OPERATIONS CENTER | 6,213 | 6,213 | 6,213 | 6,213 |
| ELECTRONIC WARFARE EQUIPMENT | | | | |
| INFORMATION WARFARE SYSTEMS | 3,901 | 3,901 | 3,901 | 3,901 |
| RECONNAISSANCE EQUIPMENT | | | | |
| SHIPBOARD IW EXPLOIT | 61,524 | 50,024 | 61,524 | 61,024 |
| SUBMARINE SURVEILLANCE EQUIPMENT | | | | |
| SUBMARINE SUPPORT EQUIPMENT PROG | 17,316 | 17,316 | 17,316 | 17,316 |
| OTHER SHIP ELECTRONIC EQUIPMENT | | | | |
| NAVY TACTICAL DATA SYSTEM | --- | 10,000 | --- | 7,000 |
| COOPERATIVE ENGAGEMENT CAPABILITY | 15,853 | 33,853 | 15,853 | 33,853 |
| GCCS-M EQUIPMENT AFLOAT | 37,427 | 37,427 | 37,427 | 37,427 |
| NAVAL TACTICAL COMMAND SUPPORT SYSTEM (NTCSS) | 46,692 | 46,692 | 46,692 | 46,692 |
| ATDLS | 19,153 | 19,153 | 19,153 | 19,153 |
| MINESWEEPING SYSTEM REPLACEMENT | 8,989 | 8,989 | 13,989 | 12,989 |
| SHALLOW WATER MCM | 16,863 | 16,363 | 16,863 | 16,363 |
| NAVSTAR GPS RECEIVERS (SPACE) | 9,607 | 9,607 | 9,607 | 9,607 |
| ARMED FORCES RADIO AND TV | 9,046 | 9,046 | 9,046 | 9,046 |
| STRATEGIC PLATFORM SUPPORT EQUIP | 15,356 | 15,356 | 15,356 | 15,356 |
| TRAINING EQUIPMENT | | | | |
| OTHER SPAWAR TRAINING EQUIPMENT | 1,341 | 1,341 | 1,341 | 1,341 |
| OTHER TRAINING EQUIPMENT | 21,390 | 28,390 | 21,390 | 29,390 |
| AVIATION ELECTRONIC EQUIPMENT | | | | |
| MATCALS | 4,294 | 4,294 | 4,294 | 4,294 |
| SHIPBOARD AIR TRAFFIC CONTROL | 7,945 | 7,945 | 11,945 | 7,945 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| AUTOMATIC CARRIER LANDING SYSTEM | 18,510 | 18,510 | 18,510 | 18,510 |
| NATIONAL AIR SPACE SYSTEM | 30,549 | 30,549 | 30,549 | 30,549 |
| AIR STATION SUPPORT EQUIPMENT | 6,705 | 6,705 | 6,705 | 6,705 |
| MICROWAVE LANDING SYSTEM | 5,124 | 5,124 | 5,124 | 5,124 |
| FACSFAC | 4,315 | 4,315 | 4,315 | 4,315 |
| ID SYSTEMS | 14,280 | 14,280 | 14,280 | 14,280 |
| SURFACE IDENTIFICATION SYSTEMS | --- | 4,000 | --- | 1,500 |
| TAC A/C MISSION PLANNING SYS (TAMPS) | 11,980 | 11,980 | 11,980 | 11,980 |
| OTHER SHORE ELECTRONIC EQUIPMENT | | | | |
| TADIX-B | 32 | 6,032 | 32 | 6,032 |
| NAVAL SPACE SURVEILLANCE SYSTEM | 2,735 | 2,735 | 2,735 | 2,735 |
| COMMON IMAGERY GROUND SURFACE SYSTEMS | 47,022 | 47,022 | 47,022 | 47,022 |
| RADIAC | 8,308 | 8,308 | 8,308 | 8,308 |
| GPETE | 7,356 | 7,356 | 7,356 | 7,356 |
| INTEG COMBAT SYSTEM TEST FACILITY | 4,421 | 4,421 | 4,421 | 4,421 |
| EMI CONTROL INSTRUMENTATION | 5,378 | 8,378 | 5,378 | 8,378 |
| ITEMS LESS THAN $5 MILLION | 4,889 | 11,889 | 4,889 | 11,889 |
| SHIPBOARD COMMUNICATIONS | | | | |
| SHIPBOARD TACTICAL COMMUNICATIONS | --- | --- | --- | 3,000 |
| SHIP COMMUNICATIONS AUTOMATION | 185,143 | 185,143 | 185,143 | 185,143 |
| COMMUNICATIONS ITEMS UNDER $5M | 30,909 | 30,909 | 30,909 | 30,909 |
| SUBMARINE COMMUNICATIONS | | | | |
| SHORE LF/VLF COMMUNICATIONS | 31,433 | 31,433 | 31,433 | 31,433 |
| SUBMARINE COMMUNICATION EQUIPMENT | 77,957 | 77,957 | 77,957 | 77,957 |
| SATELLITE COMMUNICATIONS | | | | |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| SATELLITE COMMUNICATIONS SYSTEMS...................... | 252,695 | 206,606 | 227,695 | 227,695 |
| SHORE COMMUNICATIONS | | | | |
| JCS COMMUNICATIONS EQUIPMENT.......................... | 2,460 | 2,460 | 2,460 | 2,460 |
| NSIPS................................................. | 1,785 | 1,785 | 1,785 | 1,785 |
| JEDMICS............................................... | --- | 12,000 | 4,000 | 12,000 |
| NAVAL SHORE COMMUNICATIONS............................ | 176,132 | 176,132 | 161,732 | 166,132 |
| CRYPTOGRAPHIC EQUIPMENT | | | | |
| INFO SYSTEMS SECURITY PROGRAM (ISSP).................. | 46,563 | 66,563 | 49,563 | 58,563 |
| CRYPTOLOGIC EQUIPMENT | | | | |
| SPECIAL DCP........................................... | 14,964 | 14,964 | 14,964 | 14,964 |
| CRYPTOLOGIC COMMUNICATIONS EQUIP...................... | 17,188 | 17,188 | 17,188 | 17,188 |
| TOTAL, COMMUNICATIONS AND ELECTRONICS EQUIPMENT..... | 1,490,336 | 1,559,247 | 1,474,936 | 1,573,836 |
| AVIATION SUPPORT EQUIPMENT | | | | |
| SONOBUOYS | | | | |
| PASSIVE SONOBUOYS (NON-BEAM FORMING).................. | --- | --- | 3,000 | 3,000 |
| AN/SSQ-62 (DICASS).................................... | --- | --- | 3,000 | 3,000 |
| AN/SSQ-101 (ADAR)..................................... | --- | --- | 3,000 | 3,000 |
| SONOBUOYS - ALL TYPES................................. | 49,466 | 49,466 | 49,466 | 49,466 |
| AIRCRAFT SUPPORT EQUIPMENT | | | | |
| WEAPONS RANGE SUPPORT EQUIPMENT....................... | 15,125 | 26,225 | 25,125 | 28,725 |
| PACIFIC MISSILE RANGE................................. | --- | --- | 10,500 | 10,500 |
| EXPEDITIONARY AIRFIELDS............................... | 3,304 | 3,304 | 3,304 | 3,304 |
| AIRCRAFT REARMING EQUIPMENT........................... | 10,676 | 10,676 | 10,676 | 10,676 |
| AIRCRAFT LAUNCH & RECOVERY EQUIPMENT.................. | 36,433 | 36,433 | 36,433 | 36,433 |
| METEOROLOGICAL EQUIPMENT.............................. | 30,860 | 30,860 | 30,860 | 30,860 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| OTHER PHOTOGRAPHIC EQUIPMENT | 1,682 | 1,682 | 1,682 | 1,682 |
| AVIATION LIFE SUPPORT | 20,374 | 16,674 | 30,274 | 26,574 |
| AIRBORNE MINE COUNTERMEASURES | 32,084 | 32,084 | 32,084 | 32,084 |
| OTHER AVIATION SUPPORT EQUIPMENT | 4,928 | 4,928 | 21,928 | 21,928 |
| TOTAL, AVIATION SUPPORT EQUIPMENT | 204,932 | 212,332 | 261,332 | 261,232 |
| ORDNANCE SUPPORT EQUIPMENT | | | | |
| SHIP GUN SYSTEM EQUIPMENT | | | | |
| GUN FIRE CONTROL EQUIPMENT | 18,287 | 18,287 | 18,287 | 18,287 |
| SHIP MISSILE SYSTEMS EQUIPMENT | | | | |
| NATO SEASPARROW | 21,716 | 22,716 | 21,716 | 22,716 |
| RAM GMLS | 37,309 | 36,809 | 37,309 | 36,809 |
| SHIP SELF DEFENSE SYSTEM | 9,352 | 9,352 | 9,352 | 9,352 |
| AEGIS SUPPORT EQUIPMENT | 36,848 | 36,848 | 19,348 | 31,848 |
| SURFACE TOMAHAWK SUPPORT EQUIPMENT | 70,562 | 70,562 | 70,562 | 70,562 |
| SUBMARINE TOMAHAWK SUPPORT EQUIP | 2,883 | 2,883 | 2,883 | 2,883 |
| VERTICAL LAUNCH SYSTEMS | 6,982 | 6,982 | 6,982 | 6,982 |
| FBM SUPPORT EQUIPMENT | | | | |
| STRATEGIC PLATFORM SUPPORT EQUIP | 2,901 | 2,901 | 2,901 | 2,901 |
| STRATEGIC MISSILE SYSTEMS EQUIP | 166,619 | 166,619 | 166,619 | 166,619 |
| ANTI-SHIP MISSILE DECOY SYSTEM | 33,814 | 33,814 | 38,114 | 38,114 |
| ASW SUPPORT EQUIPMENT | | | | |
| SSN COMBAT CONTROL SYSTEMS | 20,896 | 19,596 | 20,896 | 19,596 |
| SUBMARINE ASW SUPPORT EQUIPMENT | 3,978 | 3,978 | 3,978 | 3,978 |
| SURFACE ASW SUPPORT EQUIPMENT | 6,269 | 6,269 | 13,269 | 13,269 |
| ASW RANGE SUPPORT EQUIPMENT | 6,904 | 6,904 | 6,904 | 6,904 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| OTHER ORDNANCE SUPPORT EQUIPMENT | | | | |
| EXPLOSIVE ORDNANCE DISPOSAL EQUIP | 7,525 | 7,525 | 7,525 | 7,525 |
| ITEMS LESS THAN $5 MILLION | 5,613 | 5,613 | 5,613 | 5,613 |
| OTHER EXPENDABLE ORDNANCE | | | | |
| SURFACE TRAINING DEVICE MODS | 7,941 | 7,941 | 7,941 | 7,941 |
| SUBMARINE TRAINING DEVICE MODS | 31,557 | 31,557 | 34,057 | 34,057 |
| TOTAL, ORDNANCE SUPPORT EQUIPMENT | 497,956 | 497,156 | 494,256 | 505,956 |
| CIVIL ENGINEERING SUPPORT EQUIPMENT | | | | |
| ARMORED SEDANS | 197 | 197 | --- | --- |
| PASSENGER CARRYING VEHICLES | 94 | 94 | 60 | 60 |
| GENERAL PURPOSE TRUCKS | 1,004 | 1,004 | 1,004 | 1,004 |
| CONSTRUCTION & MAINTENANCE EQUIP | 6,238 | 8,238 | 6,238 | 8,238 |
| FIRE FIGHTING EQUIPMENT | 2,477 | 2,477 | 2,477 | 2,477 |
| TACTICAL VEHICLES | 10,458 | 10,458 | 20,458 | 20,458 |
| AMPHIBIOUS EQUIPMENT | 51,615 | 51,615 | 51,615 | 51,615 |
| POLLUTION CONTROL EQUIPMENT | 22,154 | 22,154 | 22,154 | 22,154 |
| ITEMS LESS THAN $5 MILLION | 3,433 | 3,433 | 3,433 | 3,433 |
| TOTAL, CIVIL ENGINEERING SUPPORT EQUIPMENT | 97,670 | 99,670 | 107,439 | 109,439 |
| SUPPLY SUPPORT EQUIPMENT | | | | |
| MATERIALS HANDLING EQUIPMENT | 7,646 | 7,646 | 7,646 | 7,646 |
| OTHER SUPPLY SUPPORT EQUIPMENT | 5,196 | 5,196 | 5,196 | 5,196 |
| FIRST DESTINATION TRANSPORTATION | 4,081 | 4,081 | 4,081 | 4,081 |
| SPECIAL PURPOSE SUPPLY SYSTEMS | 144,885 | 144,885 | 144,885 | 144,885 |
| TOTAL, SUPPLY SUPPORT EQUIPMENT | 161,808 | 161,808 | 161,808 | 161,808 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| PERSONNEL AND COMMAND SUPPORT EQUIPMENT | | | | |
| TRAINING DEVICES | | | | |
| TRAINING SUPPORT EQUIPMENT | 1,562 | 1,562 | 1,562 | 6,762 |
| COMMAND SUPPORT EQUIPMENT | | | | |
| COMMAND SUPPORT EQUIPMENT | 15,592 | 15,592 | 15,592 | 17,592 |
| EDUCATION SUPPORT EQUIPMENT | 2,076 | 5,076 | 4,076 | 5,076 |
| MEDICAL SUPPORT EQUIPMENT | 7,386 | 7,386 | 7,386 | 7,386 |
| INTELLIGENCE SUPPORT EQUIPMENT | 15,993 | 15,993 | 19,993 | 19,993 |
| OPERATING FORCES SUPPORT EQUIPMENT | 25,003 | 25,003 | 25,003 | 25,003 |
| ENVIRONMENTAL SUPPORT EQUIPMENT | 22,247 | 14,747 | 15,247 | 19,247 |
| PHYSICAL SECURITY EQUIPMENT | 9,629 | 9,629 | 9,629 | 9,629 |
| TOTAL, PERSONNEL AND COMMAND SUPPORT EQUIPMENT | 99,488 | 94,988 | 98,488 | 110,688 |
| SPARE AND REPAIR PARTS | | | | |
| SPARES AND REPAIR PARTS | 208,941 | 208,941 | 208,941 | 208,941 |
| TOTAL, OTHER PROCUREMENT, NAVY | 3,334,611 | 3,433,063 | 3,400,180 | 3,557,380 |

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[in thousands of dollars]

| | Budget | HAC | SAC | Conference |
|---|---|---|---|---|
| OTHER NAVIGATION EQUIPMENT | 33,425 | 45,425 | 48,425 | 50,425 |
| WSN-7B Ring Laser Gyro | | 12,000 | 7,000 | 10,000 |
| MSC Thermal Imaging System | | | 8,000 | 7,000 |
| STRATEGIC PLATFORM SUPPORT EQUIP | 6,206 | 21,206 | 6,206 | 18,206 |
| AN/UYQ-70 Submarine Workstations | | 15,000 | | 12,000 |
| LCAC | 3,559 | | 3,559 | 3,559 |
| LCAC SLEP (unobligated balances) | | -3,559 | | |
| ITEMS LESS THAN $5 MILLION | 58,851 | 60,851 | 63,351 | 64,851 |
| Unattended Paint Removal and Application system | | 2,000 | | 2,000 |
| Integrated Condition Assessment System | | | 4,500 | 4,000 |
| OPERATING FORCES IPE | 2,689 | 2,689 | 2,689 | 19,689 |
| Capital Purchase Plan (Pearl Harbor) | | | | 17,000 |
| RADAR SUPPORT | | 25,000 | 8,000 | 25,000 |
| AN/SYS-2 Integrated Tracking System | | 10,000 | | 10,000 |
| SPS-73 (V) Radar | | 14,000 | 8,000 | 14,000 |
| BPS-15H radar enhanced bridge repeaters | | 1,000 | | 1,000 |
| SSN ACOUSTICS | 106,647 | 114,647 | 106,647 | 112,647 |
| TB-23 Array refurbishment | | 8,000 | | 6,000 |
| UNDERSEA WARFARE SUPPORT EQUIPMENT | 847 | 2,847 | 847 | 2,847 |
| Carrier Tactical Surveillance Center (CV-TSC) | | 2,000 | | 2,000 |
| SONAR SUPPORT EQUIPMENT | | 5,000 | | 5,000 |
| New sonar dome windows | | 5,000 | | 5,000 |
| (Note: Funding is only for completion of fabrication of production tooling and first article production dome with the new material system.) | | | | |
| SHIPBOARD IW EXPLOIT | 61,524 | 50,024 | 61,524 | 61,024 |
| Contract Savings/Unobligated balances | | -11,500 | | -500 |
| NAVY TACTICAL DATA SYSTEM | | 10,000 | | 7,000 |
| Land based display emulators | | 10,000 | | 7,000 |
| COOPERATIVE ENGAGEMENT CAPABILITY | 15,853 | 33,853 | 15,853 | 33,853 |
| System life extension, test sites | | 18,000 | | 18,000 |
| MINESWEEPING SYSTEM REPLACEMENT | 8,989 | 8,989 | 13,989 | 12,989 |
| High Resolution Multibeam Side Scanner | | | 5,000 | 4,000 |
| SHALLOW WATER MCM | 16,863 | 16,363 | 16,863 | 16,363 |
| Contract Savings | | -500 | | -500 |
| OTHER TRAINING EQUIPMENT | 21,390 | 24,390 | 21,390 | 29,390 |
| Air Traffic Control On-board trainer | | 3,000 | | 4,000 |
| BFTT electronic warfare trainers | | 4,000 | | 4,000 |
| SHIPBOARD AIR TRAFFIC CONTROL | 7,945 | 7,945 | 11,945 | 7,945 |
| Air Traffic Control On-Board Training Devices | | | 4,000 | |
| SURFACE IDENTIFICATION SYSTEMS | | 4,000 | | 1,500 |
| Shipboard Advanced Radar Target ID system (SARTIS) | | 4,000 | | 1,500 |
| TADIX-B | 32 | 6,032 | 32 | 6,032 |
| Additional procurement of JTT-N terminals | | 6,000 | | 6,000 |
| EMI CONTROL INSTRUMENTATION | 5,378 | 8,378 | 5,378 | 8,378 |
| Mobile Inshore Undersea Warfare System (MIUW) Upgrades | | 3,000 | | 3,000 |
| ITEMS LESS THAN $5 MILLION | 4,889 | 11,889 | 4,889 | 11,889 |

| | Budget | HAC | SAC | Conference |
|---|---|---|---|---|
| Network based shipboard interior secure voice communications (Note: funding is only for procurement of AN/UYQ-70 secure voice technology equipment for land based evaluations.) | | 7,000 | | 7,000 |
| SHIPBOARD TACTICAL COMMUNICATIONS | | | | 3,000 |
| Programmable integrated communication terminals | | | | 3,000 |
| SATELLITE COMMUNICATIONS SYSTEMS | 252,695 | 206,606 | 227,695 | 227,695 |
| Defer procurement of EHF follow-on terminals pending sucessful end-to-end testing per GAO recommendation. | | -46,809 | -25,000 | -25,000 |
| JEDMICS | | 12,000 | | 12,000 |
| JEDMICS Encryption (Note: only for the continued procurement and integration of the same security solution implemented in 1999 and 2000.) | | 12,000 | | 8,000 |
| JEDMICS Enhancements | | | 4,000 | 4,000 |
| NAVAL SHORE COMMUNICATIONS | 176,132 | 176,132 | 161,732 | 166,132 |
| Redundant Systems | | | -14,400 | -10,000 |
| INFO SYSTEMS SECURITY PROGRAM (ISSP) | 46,563 | 66,563 | 49,563 | 58,563 |
| Information Assurance: Network Intrusion Detection Device | | 8,000 | | 7,000 |
| Information Assurance: Secure Terminal Equipment | | 12,000 | 3,000 | 5,000 |
| PASSIVE SONOBUOYS (NON-BEAM FORMING) | | | 3,000 | 3,000 |
| AN/SSQ-62 (DICASS) | | | 3,000 | 3,000 |
| AN/SSQ-101 (ADAR) | | | 3,000 | 3,000 |
| WEAPONS RANGE SUPPORT EQUIPMENT | 15,125 | 26,225 | 25,125 | 28,725 |
| Mobile Remote Emitter Simulator (MRESS) | | 15,000 | | 7,500 |
| (Note: Funding provided is available only to acquire MRESS equipment for the Atlantic Test Range, Patuxent River, Md.) | | | | |
| Underwater Acoustic Telemetry Modem | | -2,700 | | -2,700 |
| GOMEX Mine Warfare Range | | -1,200 | | -1,200 |
| Joint Tactical Combat Training System | | | 5,000 | 5,000 |
| Naval Air Strike and Air Warfare Center | | | 5,000 | 5,000 |
| PACIFIC MISSILE RANGE SUPPORT EQUIPMENT | | | 10,500 | 10,500 |
| General Support | | | 3,000 | 3,000 |
| Mobile Remote Emitter System | | | 7,500 | 7,500 |
| AVIATION LIFE SUPPORT | 20,374 | 16,674 | 30,274 | 26,574 |
| CSEL - contract award slip | | -3,200 | | -3,200 |
| PRC-112 upgrades - contract cancellation | | -500 | | -500 |
| AN/AVS - 9 | | | 9,900 | 9,900 |
| OTHER AVIATION SUPPORT EQUIPMENT | 4,928 | 4,928 | 21,928 | 21,928 |
| Joint Tactical Data Integration | | | 17,000 | 17,000 |
| NATO SEASPARROW | 21,716 | 22,716 | 21,716 | 22,716 |
| Enhancement for Automatic Audio Video Tracking and Non-Cooperative Target Recognition | | 1,000 | | 1,000 |
| RAM GMLS | 37,309 | 36,809 | 37,309 | 36,809 |
| Contract savings | | -500 | | -500 |
| AEGIS SUPPORT EQUIPMENT | 36,848 | 36,848 | 19,348 | 31,848 |
| Total ship monitoring program | | 5,000 | | 5,000 |
| Smartship fielding (unobligated balances) | | -5,000 | | 0 |
| Program Reduction (SMARTSHIP) | | | -17,500 | -10,000 |

| | Budget | HAC | SAC | Conference |
|---|---|---|---|---|
| ANTI-SHIP MISSILE DECOY SYSTEM | 33,814 | 33,814 | 38,114 | 38,114 |
| NUKLA | | | 4,300 | 4,300 |
| SSN COMBAT CONTROL SYSTEMS | 20,896 | 19,596 | 20,896 | 19,596 |
| AN/BSG-1- operational test slip | | -1,300 | | -1,300 |
| SURFACE ASW SUPPORT EQUIPMENT | 6,269 | 6,269 | 13,269 | 13,269 |
| Surface Vessel Torpedo Tubes | | | 7,000 | 7,000 |
| SUBMARINE TRAINING DEVICE MODS | 31,557 | 31,557 | 34,057 | 34,057 |
| Data Management and Conversion | | | 2,500 | 2,500 |
| ARMORED SEDANS | 197 | 197 | | |
| PASSENGER CARRYING VECHICLES | 94 | 94 | 60 | 60 |
| Excessive Growth | | | -34 | -34 |
| CONSTRUCTION & MAINTENANCE EQUIP | 6,238 | 8,238 | 6,238 | 8,238 |
| Laser leveling equipment | | 2,000 | | 2,000 |
| TACTICAL VECHICLES | 10,458 | 10,458 | 20,458 | 20,458 |
| MTVR Trucks | | | 10,000 | 10,000 |
| TRAINING SUPPORT EQUIPMENT | 1,562 | 1,562 | 1,562 | 6,762 |
| F-18 Technical Manual Digitization | | | | 5,200 |
| COMMAND SUPPORT EQUIPMENT | 15,592 | 15,592 | 15,592 | 17,592 |
| Advanced Technical Information System | | | | 2,000 |
| EDUCATION SUPPORT EQUIPMENT | 2,076 | 5,076 | 4,076 | 5,076 |
| Navy recruiting kiosks | | 3,000 | 2,000 | 3,000 |
| INTELLIGENCE SUPPORT EQUIPMENT | 15,993 | 15,993 | 19,993 | 19,993 |
| Cryptology Readiness Training Support | | | 4,000 | 4,000 |
| ENVIRONMENTAL SUPPORT EQUIPMENT | 22,247 | 14,747 | 15,447 | 19,247 |
| Primary ocean prediction system - software delays | | -7,500 | | 0 |
| Program Reduction | | | -7,000 | -3,000 |

## SLQ-32 Electronic Warfare System

The conferees direct the Department of the Navy to provide a report within 120 days which outlines the Navy's assessment of the operational readiness status of the AN/SLQ-32(V) electronic warfare system. The report should include an analysis of the SLQ-32 to meet current threats, together with plans and funding requirements to structure a program which insures the tactical viability of the AN/SLQ-32(V) until it is no longer the primary, shipboard EW system.

## PROCUREMENT, MARINE CORPS

The conference agreement on items addressed by either the House or Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| PROCUREMENT, MARINE CORPS | | | | |
| WEAPONS AND COMBAT VEHICLES | | | | |
| TRACKED COMBAT VEHICLES | | | | |
| AAV7A1 PIP | 83,372 | 83,372 | 83,372 | 83,372 |
| RAPID ACQUISITION PROGRAM | 4,930 | --- | --- | --- |
| LAV PIP | 1,709 | 1,709 | 1,709 | 1,709 |
| IMPROVED RECOVERY VEHICLE (IRV) | 42,623 | 42,623 | 42,623 | 42,623 |
| MODIFICATION KITS (TRKD VEH) | 20,815 | 20,815 | 20,815 | 20,815 |
| ARTILLERY AND OTHER WEAPONS | | | | |
| MOD KITS (ARTILLERY) | 3,891 | 3,891 | 3,891 | 3,891 |
| MARINE ENHANCEMENT PROGRAM | 6,413 | 6,413 | 8,413 | 8,413 |
| WEAPONS AND COMBAT VEHICLES LESS THAN $5 MILLION | 415 | 415 | 415 | 415 |
| WEAPONS | | | | |
| 155 MM LIGHTWEIGHT TOWED HOWITZER | 11,105 | 11,105 | 11,105 | 11,105 |
| OTHER SUPPORT | | | | |
| OPERATIONS OTHER THAN WAR | 1,347 | 1,347 | 1,347 | 1,347 |
| TOTAL, WEAPONS AND COMBAT VEHICLES | 176,620 | 171,690 | 173,690 | 173,690 |
| GUIDED MISSILES AND EQUIPMENT | | | | |
| GUIDED MISSILES | | | | |
| JAVELIN (MYP) | 29,119 | 29,119 | 29,119 | 29,119 |
| PEDESTAL MOUNTED STINGER (PMS) | 10,550 | 10,550 | 10,550 | 10,550 |
| ITEMS LESS THAN $5 MILLION | 949 | 949 | 949 | 949 |
| PREDATOR (SRAW) | 43,355 | 43,355 | 43,355 | 43,355 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| OTHER SUPPORT | | | | |
| MODIFICATION KITS | 3,598 | 3,598 | 3,598 | 3,598 |
| TOTAL, GUIDED MISSILES AND EQUIPMENT | 87,571 | 87,571 | 87,571 | 87,571 |
| COMMUNICATIONS AND ELECTRONICS EQUIPMENT | | | | |
| REPAIR AND TEST EQUIPMENT | | | | |
| AUTO TEST EQUIP SYS | 4,714 | 4,714 | 4,714 | 4,714 |
| GENERAL PURPOSE ELECTRONIC TEST EQUIP | 8,241 | 8,241 | 8,241 | 8,241 |
| INTELL/COMM EQUIPMENT (NON-TEL) | | | | |
| INTELLIGENCE SUPPORT EQUIPMENT | 11,960 | 17,960 | 11,960 | 11,960 |
| MOD KITS (INTEL) | 5,041 | 5,041 | 5,041 | 5,041 |
| ITEMS UNDER $5 MILLION (INTELL) | 402 | 402 | 402 | 402 |
| REPAIR AND TEST EQUIPMENT (NON-TEL) | | | | |
| GENERAL PURPOSE MECHANICAL TMDE | 4,676 | 4,676 | 4,676 | 4,676 |
| OTHER COMM/ELEC EQUIPMENT (NON-TEL) | | | | |
| NIGHT VISION EQUIPMENT | 14,351 | 14,351 | 22,051 | 21,351 |
| OTHER SUPPORT (NON-TEL) | | | | |
| ITEMS LESS THAN $5 MILLION (COMM & ELEC) | 8,320 | 8,320 | 8,320 | 8,320 |
| COMMON COMPUTER RESOURCES | 80,656 | 80,656 | 80,656 | 80,656 |
| COMMAND POST SYSTEMS | 9,507 | 9,507 | 14,507 | 9,507 |
| RADIO SYSTEMS | 3,097 | 9,097 | 17,497 | 16,497 |
| COMM SWITCHING & CONTROL SYSTEMS | 3,152 | 3,152 | 3,152 | 3,152 |
| COMM & ELEC INFRASTRUCTURE SUPPORT | 80,564 | 82,564 | 80,564 | 88,564 |
| MOD KITS MAGTF C41 | 7,484 | 7,484 | 7,484 | 7,484 |
| AIR OPERATIONS C2 SYSTEMS | 3,152 | 3,152 | 3,152 | 3,152 |
| INTELLIGENCE C2 SYSTEMS | 14,666 | 14,666 | 14,666 | 14,666 |
| FIRE SUPPORT SYSTEM | 12,343 | 17,343 | 12,343 | 15,343 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| TOTAL, COMMUNICATIONS AND ELECTRONICS EQUIPMENT..... | 272,326 | 291,326 | 299,426 | 303,726 |
| SUPPORT VEHICLES | | | | |
| ADMINISTRATIVE VEHICLES | | | | |
| COMMERCIAL PASSENGER VEHICLES......................... | 1,397 | 1,397 | 660 | 660 |
| COMMERCIAL CARGO VEHICLES............................ | 23,368 | 23,368 | 23,368 | 23,368 |
| TACTICAL VEHICLES | | | | |
| 5/4T TRUCK HMMWV (MYP)................................ | 124,448 | 149,448 | 124,448 | 139,448 |
| MEDIUM TACTICAL VEHICLE REPLACEMENT (MYP)............ | 325,582 | 325,582 | 325,582 | 325,582 |
| OTHER SUPPORT | | | | |
| ITEMS LESS THAN $5 MILLION............................ | 12,684 | 12,684 | 12,684 | 12,684 |
| TOTAL, SUPPORT VEHICLES............................ | 487,479 | 512,479 | 486,742 | 501,742 |
| ENGINEER AND OTHER EQUIPMENT | | | | |
| ENVIRONMENTAL CONTROL EQUIP ASSORT................... | 3,809 | 3,809 | 3,809 | 3,809 |
| BULK LIQUID EQUIPMENT................................ | 2,704 | 2,704 | 2,704 | 2,704 |
| TACTICAL FUEL SYSTEMS................................ | 7,651 | 7,651 | 7,651 | 7,651 |
| DEMOLITION SUPPORT SYSTEMS............................ | 655 | 655 | 655 | 655 |
| POWER EQUIPMENT ASSORTED.............................. | 9,325 | 10,825 | 9,325 | 10,825 |
| MATERIALS HANDLING EQUIPMENT | | | | |
| COMMAND SUPPORT EQUIPMENT............................. | --- | 2,000 | --- | 2,000 |
| PHYSICAL SECURITY EQUIPMENT........................... | 5,317 | 5,317 | 5,317 | 5,317 |
| GARRISON MOBILE ENGR EQUIP............................ | 5,741 | 5,741 | 5,741 | 5,741 |
| MATERIAL HANDLING EQUIP............................... | 36,311 | 48,411 | 36,311 | 48,411 |
| FIRST DESTINATION TRANSPORTATION...................... | 5,846 | 5,846 | 5,846 | 5,846 |
| GENERAL PROPERTY | | | | |
| FIELD MEDICAL EQUIPMENT............................... | 1,914 | 1,914 | 1,914 | 1,914 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| TRAINING DEVICES | 30,791 | 30,791 | 30,791 | 30,791 |
| CONTAINER FAMILY | 6,902 | 6,902 | 6,902 | 6,902 |
| OTHER SUPPORT<br>ITEMS LESS THAN $5 MILLION | 5,591 | 5,591 | 6,591 | 6,591 |
| TOTAL, ENGINEER AND OTHER EQUIPMENT | 122,557 | 138,157 | 123,557 | 139,157 |
| SPARE AND REPAIR PARTS<br>SPARES AND REPAIR PARTS | 25,382 | 25,382 | 25,382 | 25,382 |
| TRAINING DEVICES | --- | 3,000 | --- | 2,000 |
| TOTAL, PROCUREMENT, MARINE CORPS | 1,171,935 | 1,229,605 | 1,196,368 | 1,233,268 |

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

(In thousands of dollars)

| | Budget Request | House | Senate | Conference |
|---|---|---|---|---|
| NIGHT VISION EQUIPMENT | 14,351 | 14,351 | 22,051 | 21,351 |
| INOD | | | 2,700 | 2,000 |
| AN/PEQ-2A | | | 2,000 | 2,000 |
| Boresight | | | 1,000 | 1,000 |
| M203 tilting bracket | | | 2,000 | 2,000 |
| COMMAND POST SYSTEMS | 9,507 | 9,507 | 14,507 | 9,507 |
| ULCANS | | | 5,000 | 0 |
| (Note: Funds appropriated in OM, MC) | | | | |
| RADIO SYSTEMS | 3,097 | 6,000 | 17,497 | 16,497 |
| Tactical handheld radio | | 6,000 | 8,000 | 7,000 |
| Enhanced position location reporting system | | 0 | 6,400 | 6,400 |
| COMM & ELEC INFRASTRUCTURE SUPPORT | 80,564 | 82,564 | 80,564 | 88,564 |
| Common end user package | | 2,000 | 0 | 2,000 |
| Base telecommunications infrastructure (Camp Pendelton) | | | | 6,000 |

## AIRCRAFT PROCUREMENT, AIR FORCE

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| AIRCRAFT PROCUREMENT, AIR FORCE | | | | |
| COMBAT AIRCRAFT | | | | |
| TACTICAL FORCES | | | | |
| F-22 RAPTOR | 2,149,882 | 2,149,882 | 2,149,882 | 2,149,882 |
| F-22 RAPTOR (AP-CY) | 396,222 | 396,222 | 396,222 | 396,222 |
| F-15A | --- | 400,000 | --- | 400,000 |
| F-16 C/D (MYP) | --- | --- | 183,000 | 122,000 |
| TOTAL, COMBAT AIRCRAFT | 2,546,104 | 2,946,104 | 2,729,104 | 3,068,104 |
| AIRLIFT AIRCRAFT | | | | |
| TACTICAL AIRLIFT | | | | |
| C-17 (MYP) | 2,211,923 | 2,185,823 | --- | --- |
| C-17 (MYP) (AP-CY) | 266,800 | 207,800 | --- | --- |
| C-17 ICS | 412,200 | 412,200 | --- | --- |
| OTHER AIRLIFT | | | | |
| EC-130J | --- | --- | 90,000 | 90,000 |
| C-130J | 208,051 | 208,051 | 84,051 | 208,051 |
| C-40 | --- | --- | 52,000 | 52,000 |
| TOTAL, AIRLIFT AIRCRAFT | 3,098,974 | 3,013,874 | 226,051 | 350,051 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| TRAINER AIRCRAFT | | | | |
| OPERATIONAL TRAINERS | | | | |
| JPATS | 113,825 | 113,825 | 132,725 | 132,725 |
| OTHER AIRCRAFT | | | | |
| HELICOPTERS | | | | |
| V-22 OSPREY | 335,766 | 335,766 | 335,766 | 335,766 |
| V-22 OSPREY (AP-CY) | 27,209 | 27,209 | 22,674 | 22,674 |
| MISSION SUPPORT AIRCRAFT | | | | |
| CIVIL AIR PATROL A/C | 2,548 | 2,548 | 6,348 | 6,348 |
| CINC SUPPORT AIRCRAFT | --- | --- | --- | 60,000 |
| TARGET DRONES | 32,915 | 32,915 | 32,915 | 32,915 |
| E-8C | 260,610 | 250,610 | 260,610 | 250,610 |
| E-8C (AP-CY) | --- | 40,000 | 46,000 | 46,000 |
| HAEUAV | 22,388 | 22,388 | 22,388 | 22,388 |
| PREDATOR UAV | 22,078 | 32,078 | 22,078 | 32,078 |
| TOTAL, OTHER AIRCRAFT | 703,514 | 743,514 | 748,779 | 808,779 |
| MODIFICATION OF INSERVICE AIRCRAFT | | | | |
| STRATEGIC AIRCRAFT | | | | |
| B-2A | 21,723 | 24,723 | 21,723 | 24,723 |
| B-1B | 48,793 | 48,793 | 48,793 | 48,793 |
| B-52 | 8,425 | 20,425 | 33,525 | 42,525 |
| F-117 | 32,005 | 32,005 | 32,005 | 32,005 |
| TACTICAL AIRCRAFT | | | | |
| A-10 | 33,891 | 37,891 | 45,091 | 40,691 |
| F-15 | 258,247 | 305,647 | 306,747 | 322,197 |
| F-16 | 248,830 | 248,830 | 328,020 | 309,030 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| T/AT-37 | 83 | 83 | 83 | 83 |
| AIRLIFT AIRCRAFT | | | | |
| C-5 | 95,401 | 95,401 | 95,401 | 95,401 |
| C-9 | 3,271 | 3,271 | 3,271 | 3,271 |
| C-17A | 97,124 | 97,124 | 108,124 | 97,124 |
| C-21 | 1,883 | 1,883 | 1,883 | 1,883 |
| C-32A | 23,568 | 23,568 | 5,568 | 5,568 |
| C-37A | 376 | 376 | 376 | 376 |
| C-141 | 737 | 737 | 737 | 737 |
| TRAINER AIRCRAFT | | | | |
| T-3 (EFS) AIRCRAFT | 1,949 | --- | 1,949 | --- |
| T-38 | 120,520 | 120,520 | 120,520 | 120,520 |
| T-41 AIRCRAFT | 89 | 89 | 89 | 89 |
| T-43 | 4,929 | 4,929 | 4,929 | 4,929 |
| OTHER AIRCRAFT | | | | |
| KC-10A (ATCA) | 55,370 | 55,370 | 55,370 | 55,370 |
| C-12 | 1,521 | 1,521 | 1,521 | 1,521 |
| C-18 | 345 | 345 | 345 | 345 |
| C-20 MODS | 5,235 | 5,235 | 5,235 | 5,235 |
| VC-25A MOD | 98 | 98 | 98 | 98 |
| C-130 | 91,524 | 94,524 | 103,524 | 102,024 |
| C-135 | 328,232 | 380,232 | 328,232 | 380,232 |
| DARP | 165,540 | 180,276 | 276,640 | 159,276 |
| E-3 | 88,654 | 88,654 | 88,654 | 88,654 |
| E-4 | 31,559 | 31,559 | 31,559 | 31,559 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| E-8 | 33,389 | 33,389 | 33,389 | 33,389 |
| H-1 | 3,535 | 3,535 | 3,535 | 3,535 |
| H-60 | 23,648 | 23,648 | 23,648 | 23,648 |
| OTHER AIRCRAFT | 28,214 | 38,214 | 28,214 | 33,714 |
| OTHER MODIFICATIONS | | | | |
| CLASSIFIED PROJECTS | 16,729 | 16,729 | 16,729 | 16,729 |
| TOTAL, MODIFICATION OF INSERVICE AIRCRAFT | 1,875,437 | 2,019,624 | 2,155,527 | 2,085,274 |
| AIRCRAFT SPARES AND REPAIR PARTS | | | | |
| AIRCRAFT SPARES/REPAIR PARTS | 356,856 | 356,856 | 356,856 | 356,856 |
| AIRCRAFT SUPPORT EQUIPMENT AND FACILITIES | | | | |
| COMMON SUPPORT EQUIPMENT | | | | |
| AIRCRAFT SUPPORT EQ & FACILITIES | 177,943 | 177,943 | 177,943 | 177,943 |
| POST PRODUCTION SUPPORT | | | | |
| B-2A | 18,603 | 18,603 | 18,603 | 18,603 |
| B-2B | 42,700 | 42,700 | 42,700 | 42,700 |
| C-130 | 1,365 | 1,365 | 1,365 | 1,365 |
| E-4 | 1,463 | 1,463 | 1,463 | 1,463 |
| F-15 POST PRODUCTION SUPPORT | 7,267 | 7,267 | 7,267 | 7,267 |
| F-16 POST PRODUCTION SUPPORT | 25,464 | 37,464 | 25,464 | 31,464 |
| INDUSTRIAL PREPAREDNESS | 25,352 | 25,352 | 25,352 | 25,352 |
| WAR CONSUMABLES | 43,015 | 53,015 | 66,115 | 58,015 |
| MISC PRODUCTION CHARGES | 398,474 | 363,553 | 471,374 | 398,474 |
| COMMON ECM EQUIPMENT | 4,836 | 4,836 | 4,836 | 4,836 |
| DARP | 98,410 | 136,674 | 98,410 | 14,074 |
| TOTAL, AIRCRAFT SUPPORT EQUIPMENT AND FACILITIES | 844,892 | 870,235 | 940,892 | 781,556 |
| TOTAL, AIRCRAFT PROCUREMENT, AIR FORCE | 9,539,602 | 10,064,032 | 7,289,934 | 7,583,345 |

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| **F-16 C/D (MYP)** | | | **183,000** | **122,000** |
| Four (4) Block 50/52 aircraft | | | 183,000 | 122,000 |
| **C-17 (MYP)** | **2,211,923** | **2,185,823** | | **0** |
| AF requested transfer to C-17 AP | | -41,000 | | -41,000 |
| Simulator | | 14,900 | | 0 |
| Transfer to National Defense Airlift Fund | | | -2,211,923 | -2,170,923 |
| **C-17 (MYP) (AP-CY)** | **266,800** | **207,800** | | **0** |
| AF requested transfer to C-17 AP | | 41,000 | | 41,000 |
| Revised C-17 AP funding requirements | | -100,000 | | -50,000 |
| Transfer to National Defense Airlift Fund | | | -266,800 | -257,800 |
| **C-17 ICS** | **412,200** | **412,200** | | **0** |
| Transfer to National Defense Airlift Fund | | | -412,200 | -412,200 |
| **EC-130J** | | | **90,000** | **90,000** |
| **C-130J** | **208,051** | **208,051** | **84,051** | **208,051** |
| Funds provided are only for procurement of two C-130J aircraft for Western States firefighting in the ANG and for C-130J support | | (208,051) | | (208,051) |
| Conversion of two (2) aircraft to EC and KC models | | | -124,000 | 0 |
| **CINC SUPPORT AIRCRAFT** | | | | **60,000** |
| 737 for CINCPAC | | | | |
| **B-52** | **8,425** | **20,425** | **33,525** | **42,525** |
| Electronic countermeasures and situational awareness | | 12,000 | | 9,000 |
| Maintain 94 B-52 aircraft | | | 25,100 | 25,100 |
| **F-15** | **258,247** | **305,647** | **306,747** | **322,197** |
| Fighter datalink | | 21,000 | | 12,000 |
| BOL IR for ANG | | 26,400 | | 26,400 |
| E-kit Engine Modifications | | | 48,000 | 36,000 |
| Survivability Enhancements | | | 26,900 | 0 |
| JHMCS Delays and Technical Problems | | | -5,500 | 0 |
| ALQ-135 Delays and Technical Problems | | | -20,900 | -10,450 |
| **F-16** | **248,830** | **248,830** | **328,020** | **309,030** |
| Digital Terrain System (DTS) | | | 18,500 | 12,000 |
| -229 Engine Mods for ANG Block 42 Aircraft | | | 69,000 | 48,700 |
| JHMCS Delays and Technical Problems | | | -11,310 | -4,000 |
| OBOGS Retrofit | | | 5,000 | 3,500 |
| AIRLIFT AIRCRAFT | | | | |
| **C-5** | **95,401** | **95,401** | **95,401** | **95,401** |
| NOTE: The appropriated funds are for the C-5 modification program as presented in the President's Budget | | | | |
| **C-130** | **91,524** | **94,524** | **103,524** | **102,024** |
| Aluminum Mesh Tank Liner System (competitively funded in FLIGHT VEHICLE TECHNOLOGY INTEGRATION in RDT&E,AF) | | 3,000 | | 0 |
| HC-130 FLIR Systems for ANG | | | 4,500 | 3,000 |
| C-130 Simulator | | | 7,500 | 7,500 |
| **C-135** | **328,232** | **380,232** | **328,232** | **380,232** |
| KC-135R reengine for Air National Guard | | 52,000 | | 52,000 |

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| **DARP** | **165,540** | **180,276** | **276,640** | **159,276** |
| RC-135 RIVET JOINT transfer | | 5,077 | | 5,077 |
| U-2 transfer | | -18,341 | | -18,341 |
| RC-135 RIVET JOINT aircrew trainer (AMPd trainer) | | 22,000 | | 0 |
| NOTE: Funding for this project was provided in the Emergency Supplemental Act, 2000 (P.L. 106 - 246). | | | | |
| RC-135 RIVET JOINT Theater Airborne Warning System (TAWS) | | 6,000 | | 0 |
| RC-135 RIVET JOINT Reengining | | | 59,900 | 0 |
| RC-135 COBRA BALL digital processing/receiving | | | 9,000 | 7,000 |
| RC-135 RIVET JOINT mission trainer (EFETS) | | | 15,500 | 0 |
| NOTE: Funding for this project was provided in the Emergency Supplemental Act, 2000 (P.L. 106 - 246). | | | | |
| U-2 SYERS spares | | | 3,000 | 0 |
| COMPASS CALL Block 30/35 mission crew simulator | | | 23,700 | 0 |
| **MISC PRODUCTION CHARGES** | **398,474** | **363,553** | **471,374** | **398,474** |
| Defer Advanced Targeting Pod | | -34,921 | | 0 |
| Precision Attack Targeting System Pods (Funded in USMC) | | | 72,900 | 0 |
| **DARP** | **98,410** | **136,674** | **98,410** | **14,074** |
| U-2 trainer | | 14,000 | | 0 |
| NOTE: Funding for this project was provided in the Emergency Supplemental Act, 2000 (P.L. 106 - 246). | | | | |
| U-2 Sensor improvements & modifications | | | | -111,600 |
| NOTE: The fiscal year 2001 request for this program was provided in the Emergency Supplemental Act, 2000 (P.L. 106 - 246) accordingly, the funds are no longer necessary and have been reduced. | | | | |
| U-2 SYERS spares | | 3,000 | | 3,000 |
| U-2 JSAF 1st Production LBSS/HBSS unit | | 8,000 | | 8,000 |
| RC-135 RIVET JOINT transfer | | -5,077 | | -5,077 |
| U-2 transfer | | 18,341 | | 18,341 |
| U-2 study to reopen line | | | (3,000) | 3,000 |

## RC-135 RIVET JOINT Theater Airborne Warning System (TAWS)

The conferees direct that all of the funds provided for the Theater Airborne Warning System (TAWS) in the Department of Defense Appropriations Act, 2000, may be obligated to purchase sensors and modify COBRA BALL or RIVET JOINT aircraft, whichever is in the best interests of National Security and at the discretion of the Secretary of the Air Force. The conferees further direct that the Future Years Defense Program should fully fund the completion of the TAWS modifications and the fielding of TAWS on whichever aircraft the Secretary determines will be modified with the fiscal year 2000 funds.

## Advanced Targeting Pods

The Air Force requested $34,921,000 for the Advanced Targeting Pod program. The conferees agree to provide this amount subject to the reporting requirements directed by the House. The conferees direct that of the quantity of Advanced Targeting Pods procured with fiscal year 2001 appropriations, no less than 15 pods shall be assigned on a permanent basis to Air National Guard units deployed to Desert Storm which have otherwise not been upgraded to perform the SEAD mission. The conferees further direct the Air Force to implement its proposal to upgrade such units with F-16 Block 30 or better aircraft no later than fiscal year 2003.

## PROCUREMENT OF AMMUNITION, AIR FORCE

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| PROCUREMENT OF AMMUNITION, AIR FORCE | | | | |
| PROCUREMENT OF AMMO, AIR FORCE | | | | |
| ROCKETS | 11,466 | 11,466 | 26,466 | 19,466 |
| CARTRIDGES | 70,090 | 70,090 | 70,090 | 70,090 |
| BOMBS | | | | |
| PRACTICE BOMBS | 32,731 | 32,731 | 33,731 | 33,731 |
| GENERAL PURPOSE BOMBS | 30,745 | 30,745 | 30,745 | 30,745 |
| CAWCF CLOSURE COSTS | 1,400 | 1,400 | 1,400 | 1,400 |
| SENSOR FUZED WEAPON | 107,201 | 107,201 | 107,201 | 107,201 |
| JOINT DIRECT ATTACK MUNITION | 219,848 | 219,848 | 219,848 | 219,848 |
| WIND CORRECTED MUNITIONS DISPENSER | 104,046 | 104,046 | 104,046 | 104,046 |
| FLARE, IR MJU-7B | | | | |
| SPARES AND REPAIR PARTS | 2,431 | 2,431 | 2,431 | 2,431 |
| MODIFICATIONS LESS THAN $5 MILLION | 196 | 196 | 196 | 196 |
| ITEMS LESS THAN $5 MILLION | 7,806 | 7,806 | 7,806 | 7,806 |
| FUZES | | | | |
| FLARES | 37,432 | 37,432 | 37,432 | 37,432 |
| JOINT PROGRAMMABLE FUSE(JPF) | 9,342 | 9,342 | 9,342 | 9,342 |
| TOTAL, PROCUREMENT OF AMMO, AIR FORCE | 634,734 | 634,734 | 650,734 | 643,734 |
| WEAPONS | | | | |
| SMALL ARMS | 4,074 | 4,074 | 4,074 | 4,074 |
| TOTAL, PROCUREMENT OF AMMUNITION, AIR FORCE | 638,808 | 638,808 | 654,808 | 647,808 |

## MISSILE PROCUREMENT, AIR FORCE

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| MISSILE PROCUREMENT, AIR FORCE | | | | |
| BALLISTIC MISSILES | | | | |
| MISSILE REPLACEMENT EQ-BALLISTIC | 42,308 | 11,508 | 42,308 | 22,308 |
| OTHER MISSILES | | | | |
| STRATEGIC | | | | |
| ADVANCED CRUISE MISSILE | 2,006 | 2,006 | 2,006 | 2,006 |
| TACTICAL | | | | |
| JOINT STANDOFF WEAPON | 90,828 | 76,012 | 90,828 | 83,420 |
| AGM-130 POWERED GBU-15 | 96 | 96 | 96 | 96 |
| AMRAAM | 98,687 | 98,687 | 98,687 | 98,687 |
| INDUSTRIAL FACILITIES | | | | |
| INDUSTRIAL FACILITIES | 3,017 | 3,017 | 3,017 | 3,017 |
| MISSILE REPLACEMENT EQUIPMENT - OTHER | | | | |
| MISSILE REPLACEMENT EQ-OTHER | 2,623 | 2,623 | 2,623 | 2,623 |
| TOTAL, OTHER MISSILES | 197,257 | 182,441 | 197,257 | 189,849 |
| MODIFICATION OF INSERVICE MISSILES | | | | |
| CLASS IV | | | | |
| SIDEWINDER (AIM-9X) | 28,428 | 28,428 | 28,428 | 28,428 |
| MM III MODIFICATIONS | 375,129 | 375,129 | 375,129 | 375,129 |
| AGM-65D MAVERICK | 2,042 | 2,042 | 2,042 | 6,042 |
| AIR LAUNCH CRUISE MISSILE | 4,066 | 4,066 | 4,066 | 4,066 |
| PEACEKEEPER (M-X) | 99 | --- | 99 | --- |
| MODIFICATIONS LESS THAN $5 MILLION | 99 | 99 | 99 | 99 |
| TOTAL, MODIFICATION OF INSERVICE MISSILES | 409,863 | 409,764 | 409,863 | 413,764 |
| MISSILE SPARES + REPAIR PARTS | | | | |
| MISSILE SPARES - REPAIR PARTS | 44,026 | 42,354 | 44,026 | 42,354 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| OTHER SUPPORT | | | | |
| SPACE PROGRAMS | | | | |
| WIDEBAND GAPFILLER SATELLITES (SPACE) (AP-CY) | 25,736 | 25,736 | 25,736 | 25,736 |
| SPACEBORNE EQUIP (COMSEC) | 9,765 | 9,765 | 9,765 | 9,765 |
| GLOBAL POSITIONING (SPACE) | 162,068 | 162,596 | 166,637 | 157,137 |
| GLOBAL POSITIONING (SPACE) (AP-CY) | 17,904 | 17,404 | 13,404 | 17,904 |
| NUDET DETECTION SYSTEM | 1,478 | 1,478 | 1,478 | 1,478 |
| DEF METEOROLOGICAL SAT PROG (SPACE) | 68,582 | 68,582 | 68,582 | 68,582 |
| DEFENSE SUPPORT PROGRAM (SPACE) | 106,356 | 106,356 | 106,356 | 106,356 |
| DEFENSE SATELLITE COMM SYSTEM (SPACE) | 22,770 | 22,770 | 22,770 | 22,770 |
| TITAN SPACE BOOSTERS (SPACE) | 469,720 | 469,720 | 384,720 | 409,720 |
| EVOLVED EXPENDABLE LAUNCH VEH (SPACE) | 287,996 | 275,996 | 287,996 | 282,996 |
| MEDIUM LAUNCH VEHICLE (SPACE) | 55,939 | 43,081 | 45,939 | 43,081 |
| SPECIAL PROGRAMS | | | | |
| SPECIAL PROGRAMS | 968,498 | 902,898 | 952,898 | 908,898 |
| SPECIAL UPDATE PROGRAMS | 141,080 | 141,080 | 141,080 | 141,080 |
| TOTAL, OTHER SUPPORT | 2,337,892 | 2,247,462 | 2,227,361 | 2,195,503 |
| TOTAL, MISSILE PROCUREMENT, AIR FORCE | 3,031,346 | 2,893,529 | 2,920,815 | 2,863,778 |

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| **JOINT STANDOFF WEAPON** | **90,828** | **76,012** | **90,828** | **83,420** |
| Decrease anti-armor variant quantity | | -28,160 | | -14,080 |
| Increase baseline variant quantity | | 13,344 | | 6,672 |
| **SIDEWINDER MODS** | **28,428** | **28,428** | **28,428** | **28,428** |
| Note: The conferees direct that future Air Force and Navy budget requests for AIM-9X be included in the new procurement sections of the Missile Procurement Air Force and Weapons Procurement Navy budget accounts rather than the current practice of budgeting AIM-9X as a modification. | | | | |
| **GLOBAL POSITIONING (SPACE)** | **162,068** | **162,596** | **166,637** | **157,137** |
| Amended budget submission | | 10,528 | 4,569 | 69 |
| Program reduction | | -10,000 | | -5,000 |
| **GLOBAL POSITIONING (SPACE) (AP-CY)** | **17,904** | **17,404** | **13,404** | **17,904** |
| Amended budget submission | | -500 | -4,500 | 0 |
| **MEDIUM LAUNCH VEHICLE (SPACE)** | **55,939** | **43,081** | **45,939** | **43,081** |
| Savings from delayed GPS launches (GAO) | | -12,858 | | -12,858 |
| Program reduction | | | -10,000 | 0 |

## OTHER PROCUREMENT, AIR FORCE

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| OTHER PROCUREMENT, AIR FORCE | | | | |
| VEHICULAR EQUIPMENT | | | | |
| PASSENGER CARRYING VEHICLES | | | | |
| SEDAN, 4 DR 4X2 | 254 | 254 | 254 | 254 |
| BUSES | 4,101 | 4,101 | 4,101 | 4,101 |
| AMBULANCES | 646 | 646 | 646 | 646 |
| LAW ENFORCEMENT VEHICLE | 1,706 | 1,706 | 1,706 | 1,706 |
| ARMORED SEDAN | 200 | 200 | --- | --- |
| CARGO + UTILITY VEHICLES | | | | |
| TRUCK MULTI-STOP 1 TON 4X2 | 17,593 | 17,593 | 17,593 | 17,593 |
| FAMILY MEDIUM TACTICAL VEHICLES | 5,869 | 5,869 | 5,869 | 5,869 |
| HIGH MOBILITY VEHICLE (MYP) | 13,435 | 13,435 | 13,435 | 13,435 |
| CAP VEHICLES | 768 | 768 | 768 | 768 |
| ITEMS LESS THAN $5 MILLION | 29,235 | 29,235 | 29,235 | 29,235 |
| SPECIAL PURPOSE VEHICLES | | | | |
| HMMWV, ARMORED | 5,586 | 5,586 | 15,586 | 13,586 |
| TRACTOR, TOW, FLIGHTLINE | 5,042 | 5,042 | 5,042 | 5,042 |
| ITEMS LESS THAN $5 MILLION | 18,373 | 18,373 | 18,373 | 18,373 |
| FIRE FIGHTING EQUIPMENT | | | | |
| TRUCK CRASH P-19 | 8,761 | 8,761 | 8,761 | 8,761 |
| ITEMS LESS THAN $5 MILLION | 3,700 | 3,700 | 3,700 | 3,700 |
| MATERIALS HANDLING EQUIPMENT | | | | |
| TRUCK, F/L 10,000 LB | 4,857 | 4,857 | 4,857 | 4,857 |
| 60K A/C LOADER | 96,948 | 96,948 | 96,948 | 96,948 |
| NEXT GENERATION SMALL LOADER(NGSL) | 24,144 | 11,544 | 14,144 | 24,144 |
| ITEMS LESS THAN $5 MILLION | 4,530 | 4,530 | 4,530 | 4,530 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| BASE MAINTENANCE SUPPORT | | | | |
| TRUCK, DUMP | 1,763 | 1,763 | 1,763 | 1,763 |
| RUNWAY SNOW REMOV AND CLEANING EQUIP | 5,852 | 5,852 | 5,852 | 5,852 |
| MODIFICATIONS | 387 | 387 | 387 | 387 |
| ITEMS LESS THAN $5 MILLION | 8,616 | 18,616 | 8,616 | 13,616 |
| TOTAL, VEHICULAR EQUIPMENT | 262,366 | 259,766 | 262,166 | 275,166 |
| ELECTRONICS AND TELECOMMUNICATIONS EQUIP | | | | |
| COMM SECURITY EQUIPMENT(COMSEC) | | | | |
| COMSEC EQUIPMENT | 23,346 | 23,346 | 27,346 | 23,346 |
| MODIFICATIONS (COMSEC) | 491 | 491 | 491 | 491 |
| INTELLIGENCE PROGRAMS | | | | |
| INTELLIGENCE TRAINING EQUIPMENT | 1,572 | 1,572 | 1,572 | 1,572 |
| INTELLIGENCE COMM EQUIP | 5,530 | 36,730 | 5,530 | 24,530 |
| ELECTRONICS PROGRAMS | | | | |
| AIR TRAFFIC CTRL/LAND SYS (ATCALS) | --- | 6,000 | --- | 6,000 |
| NATIONAL AIRSPACE SYSTEM | 58,663 | 52,663 | 58,663 | 58,663 |
| THEATER AIR CONTROL SYS IMPROVEMENT | 15,431 | 14,997 | 15,431 | 14,997 |
| WEATHER OBSERV/FORCAST | 33,515 | 28,115 | 33,515 | 31,515 |
| STRATEGIC COMMAND AND CONTROL | 20,858 | 20,858 | 20,858 | 20,858 |
| CHEYENNE MOUNTAIN COMPLEX | 602 | 602 | 602 | 602 |
| TAC SIGINT SUPPORT | 1,447 | 1,447 | 1,447 | 1,447 |
| SPECIAL COMM-ELECTRONICS PROJECTS | | | | |
| AUTOMATIC DATA PROCESSING EQUIP | 74,771 | 84,771 | 74,771 | 81,771 |
| AF GLOBAL COMMAND & CONTROL SYS | 14,753 | 14,753 | 14,753 | 14,753 |
| MOBILITY COMMAND AND CONTROL | 8,495 | 8,495 | 8,495 | 8,495 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| AIR FORCE PHYSICAL SECURITY SYSTEM.................... | 34,519 | 34,519 | 34,519 | 34,519 |
| COMBAT TRAINING RANGES................................ | 26,003 | 31,003 | 47,403 | 49,903 |
| MINIMUM ESSENTIAL EMERGENCY COMM NET.................. | 1,584 | 1,584 | 1,584 | 1,584 |
| C3 COUNTERMEASURES.................................... | 15,681 | 15,681 | 15,681 | 15,681 |
| BASE LEVEL DATA AUTO PROGRAM.......................... | 23,788 | 23,788 | 23,788 | 23,788 |
| THEATER BATTLE MGT C2 SYS............................. | 56,820 | 56,820 | 56,820 | 56,820 |
| AIR FORCE COMMUNICATIONS | | | | |
| BASE INFORMATION INFRASTRUCTURE....................... | 177,283 | 177,283 | 177,283 | 177,283 |
| USCENTCOM............................................. | 7,335 | 7,335 | 7,335 | 7,335 |
| DEFENSE MESSAGE SYSTEM (DMS).......................... | 17,947 | 17,947 | 17,947 | 17,947 |
| DISA PROGRAMS | | | | |
| NAVSTAR GPS SPACE..................................... | 9,112 | 2,212 | 9,112 | 4,112 |
| NUDET DETECTION SYS (NDS) SPACE....................... | 2,674 | 2,674 | 2,674 | 2,674 |
| AF SATELLITE CONTROL NETWORK SPACE.................... | 39,094 | 39,094 | 39,094 | 39,094 |
| SPACELIFT RANGE SYSTEM SPACE.......................... | 92,714 | 92,714 | 92,714 | 92,714 |
| MILSATCOM SPACE....................................... | 53,027 | 35,127 | 46,027 | 35,127 |
| SPACE MODS SPACE...................................... | 25,959 | 25,959 | 25,959 | 25,959 |
| ORGANIZATION AND BASE | | | | |
| TACTICAL C-E EQUIPMENT................................ | 101,222 | 98,722 | 101,222 | 98,722 |
| COMBAT SURVIVOR/EVADER LOCATER RADIO.................. | 3,104 | 3,104 | 3,104 | 3,104 |
| RADIO EQUIPMENT....................................... | 16,630 | 16,630 | 16,630 | 16,630 |
| TV EQUIPMENT (AFRTV).................................. | 2,005 | 2,005 | 2,005 | 2,005 |
| CCTV/AUDIOVISUAL EQUIPMENT............................ | 3,227 | 3,227 | 3,227 | 3,227 |
| BASE COMM INFRASTRUCTURE.............................. | 74,301 | 74,301 | 74,301 | 74,301 |
| CAP COM & ELECT....................................... | 386 | 386 | 386 | 386 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| ITEMS LESS THAN $5 MILLION | 7,204 | 7,204 | 7,204 | 7,204 |
| MODIFICATIONS | | | | |
| COMM ELECT MODS | 54,372 | 54,372 | 54,372 | 54,372 |
| TOTAL, ELECTRONICS AND TELECOMMUNICATIONS EQUIP | 1,105,465 | 1,118,531 | 1,123,865 | 1,133,531 |
| OTHER BASE MAINTENANCE AND SUPPORT EQUIP | | | | |
| TEST EQUIPMENT | | | | |
| BASE/ALC CALIBRATION PACKAGE | 10,106 | 10,106 | 10,106 | 10,106 |
| PRIMARY STANDARDS LABORATORY PACKAGE | 1,105 | 1,105 | 1,105 | 1,105 |
| ITEMS LESS THAN $5 MILLION | 9,541 | 9,541 | 9,541 | 9,541 |
| PERSONAL SAFETY AND RESCUE EQUIP | | | | |
| NIGHT VISION GOGGLES | 2,833 | 2,833 | 2,833 | 2,833 |
| ITEMS LESS THAN $5 MILLION | 6,744 | 10,744 | 19,244 | 11,744 |
| PERSONAL SAFETY AND RESCUE EQUIP | --- | --- | --- | 2,500 |
| DEPOT PLANT + MATERIALS HANDLING EQ | | | | |
| MECHANIZED MATERIAL HANDLING EQUIP | 15,118 | 25,118 | 15,118 | 23,118 |
| ITEMS LESS THAN $5 MILLION | 9,241 | 9,241 | 9,241 | 9,241 |
| ELECTRICAL EQUIPMENT | | | | |
| FLOODLIGHTS | 10,718 | 14,718 | 10,718 | 14,918 |
| ITEMS LESS THAN $5 MILLION | 7,187 | 7,187 | 7,187 | 7,187 |
| BASE SUPPORT EQUIPMENT | | | | |
| BASE PROCURED EQUIPMENT | 15,171 | 22,171 | 15,171 | 20,671 |
| MEDICAL/DENTAL EQUIPMENT | 17,025 | 17,025 | 17,025 | 17,025 |
| ENVIRONMENTAL PROJECTS | 941 | 941 | 941 | 941 |
| AIR BASE OPERABILITY | 1,838 | 1,838 | 1,838 | 1,838 |
| PHOTOGRAPHIC EQUIPMENT | 6,037 | 6,037 | 6,037 | 6,037 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| PRODUCTIVITY INVESTMENTS | 8,259 | 8,259 | 8,259 | 8,259 |
| MOBILITY EQUIPMENT | 50,021 | 50,021 | 54,021 | 50,021 |
| AIR CONDITIONERS | 6,217 | 6,217 | 6,217 | 6,217 |
| ITEMS LESS THAN $5 MILLION | 25,350 | 25,350 | 25,350 | 25,350 |
| SPECIAL SUPPORT PROJECTS | | | | |
| INTELLIGENCE PRODUCTION ACTIVITY | 38,629 | 38,629 | 38,629 | 40,629 |
| TECH SURV COUNTERMEASURES EQ | 2,975 | 2,975 | 2,975 | 2,975 |
| DARP RC135 | 12,785 | 27,985 | 12,785 | 15,785 |
| DARP, MRIGS | 89,049 | 89,049 | 89,049 | 89,049 |
| SELECTED ACTIVITIES | 5,794,849 | 5,824,053 | 5,666,049 | 5,788,403 |
| SPECIAL UPDATE PROGRAM | 136,317 | 136,317 | 136,317 | 136,317 |
| DEFENSE SPACE RECONNAISSANCE PROGRAM | 8,985 | 8,985 | 8,985 | 8,985 |
| INDUSTRIAL PREPAREDNESS | 1,148 | 1,148 | 1,148 | 1,148 |
| MODIFICATIONS | 177 | 177 | 177 | 177 |
| FIRST DESTINATION TRANSPORTATION | 11,294 | 11,294 | 11,294 | 11,294 |
| TOTAL, OTHER BASE MAINTENANCE AND SUPPORT EQUIP | 6,299,660 | 6,369,064 | 6,187,360 | 6,323,414 |
| SPARE AND REPAIR PARTS | | | | |
| SPARES AND REPAIR PARTS | 31,636 | 31,636 | 31,636 | 31,636 |
| TOTAL, OTHER PROCUREMENT, AIR FORCE | 7,699,127 | 7,778,997 | 7,605,027 | 7,763,747 |

# EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| **INTELLIGENCE COMM EQUIP** | **5,530** | **36,730** | **5,530** | **24,530** |
| Senior Scout | | 8,200 | | 0 |
| Eagle Vision IV | | 5,000 | | 5,000 |
| Information Assurance: Network Intrusion Detection Device | | 8,000 | | 7,000 |
| Information Assurance: Secure Terminal Equipment | | 10,000 | | 7,000 |
| **COMBAT TRAINING RANGES** | **26,003** | **31,003** | **47,403** | **49,903** |
| Force Operational Readiness and Combat Effectiveness Simulation (FORCES) for ANG | | 5,000 | | 2,500 |
| Unmanned, remotely operable threat emitter | | | 21,400 | 21,400 |
| **NAVSTAR GPS SPACE** | **9,112** | **2,212** | **9,112** | **4,112** |
| Savings from combining 2 contracts into 1 | | -3,800 | | 0 |
| Air Force rephase of alternate station funding | | -3,100 | | 0 |
| Program reduction | | | | -5,000 |
| **MILSATCOM SPACE** | **53,027** | **35,127** | **46,027** | **35,127** |
| SMART T – program delays | | -9,000 | | -9,000 |
| GBS Receivers – program delays in broadcast system | | -4,000 | -7,000 | -4,000 |
| Premature procurement of CCS-Consolidated equipment. Program just starting development. | | -4,900 | | -4,900 |
| **TACTICAL C-E EQUIPMENT** | **101,222** | **98,722** | **101,222** | **98,722** |
| Contract savings in FY 2000 | | -2,500 | | -2,500 |
| **PERSONAL SAFETY AND RESCUE EQUIP** | | | | **2,500** |
| Emergency Support Heli-Basket (transfer from Material Support) | | | | 2,500 |
| **ITEMS LESS THAN $5 MILLION** | **6,744** | **10,744** | **19,244** | **11,744** |
| Lightweight Environmentally Sealed Parachute Assembly (LESPA) for C-130, C-141, C-5, and KC-135 | | 4,000 | | 3,000 |
| CLEPIR Laser Eye Protection | | | 2,500 | 2,000 |
| Supply Assets Tracking System | | | 10,000 | 0 |
| **FLOODLIGHTS** | **10,718** | **14,718** | **10,718** | **14,918** |
| MEANPALS | | 4,000 | | 2,200 |
| Cold Cathode Landing Lights | | | | 2,000 |
| **BASE PROCURED EQUIPMENT** | **15,171** | **22,171** | **15,171** | **20,671** |
| Hazardous Gas Detection | | 3,000 | | 2,000 |
| Ultimate building machines for Air Force and Air National Guard civil engineering units | | 1,000 | | 1,000 |
| Master Crane | | 3,000 | | 2,500 |
| **MOBILITY EQUIPMENT** | **50,021** | **50,021** | **54,021** | **50,021** |
| Emergency Support Heli-Basket (transfer to personal safety and rescue line) | | | 4,000 | 0 |
| **DARP RC135** | **12,785** | **27,985** | **12,785** | **15,785** |
| COMBAT SENT – Install RWR + Calibration Van | | 4,700 | | 3,000 |
| RC-135 RIVET JOINT – mission trainer (EFETS) | | 10,500 | | 0 |

NOTE: Funding for this project was provided in the Emergency Supplemental Act, 2000 (P.L. 106-246).

## PROCUREMENT, DEFENSE-WIDE

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| PROCUREMENT, DEFENSE-WIDE | | | | |
| MAJOR EQUIPMENT | | | | |
| MAJOR EQUIPMENT, OSD/WHS | | | | |
| MOTOR VEHICLES | 321 | 321 | 321 | 321 |
| MAJOR EQUIPMENT, OSD | 64,872 | 116,672 | 39,872 | 107,872 |
| MAJOR EQUIPMENT, WHS | 23,191 | 23,191 | 23,191 | 23,191 |
| MAJOR EQUIPMENT, NSA | | | | |
| DEFENSE AIRBORNE RECONNAISSANCE PROGRAM | 11,535 | 11,535 | 11,535 | 11,535 |
| MAJOR EQUIPMENT, DISA | | | | |
| INFORMATION SYSTEMS SECURITY | 26,655 | 26,655 | 26,655 | 26,655 |
| CONTINUITY OF OPERATIONS | 3,233 | 3,233 | 3,233 | 3,233 |
| DEFENSE MESSAGE SYSTEM | 19,399 | 32,399 | 19,399 | 19,399 |
| GLOBAL COMMAND AND CONTROL SYS | 3,671 | 3,671 | 3,671 | 3,671 |
| GLOBAL COMBAT SUPPORT SYSTEM | 5,136 | 5,136 | 5,136 | 5,136 |
| STANDARD TACTICAL ENTRY POINT | 2,469 | 2,469 | 2,469 | 2,469 |
| ITEMS LESS THAN $5 MILLION | 14,429 | 14,429 | 14,429 | 14,429 |
| MAJOR EQUIPMENT, DLA | | | | |
| DEFENSE SUPPORT ACTIVITIES | 82,863 | 87,863 | 82,863 | 86,363 |
| AUTOMATIC DOCUMENT CONVERSION SYSTEM | --- | 20,000 | 15,000 | 15,000 |
| MAJOR EQUIPMENT, DCAA | | | | |
| ITEMS LESS THAN $5 MILLION | 4,714 | 4,714 | 4,714 | 4,714 |
| MAJOR EQUIPMENT, TJS | | | | |
| MAJOR EQUIPMENT, TJS | 28,171 | 28,171 | 28,171 | 28,171 |
| BALLISTIC MISSILE DEFENSE ORGANIZATION | | | | |
| PATRIOT PAC-3 | 365,457 | 365,457 | 365,457 | 365,457 |
| NATIONAL MISSILE DEFENSE | 74,530 | 74,530 | 74,530 | 74,530 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| C4I | 3,975 | 3,975 | 3,975 | 3,975 |
| DEFENSE THREAT REDUCTION AGENCY | | | | |
| VEHICLES | 145 | 145 | 145 | 145 |
| OTHER MAJOR EQUIPMENT | 44,034 | 44,034 | 44,034 | 44,034 |
| DEFENSE SECURITY COOPERATION AGENCY | | | | |
| OTHER MAJOR EQUIPMENT | 656 | 656 | 656 | 656 |
| MAJOR EQUIPMENT, AFIS | | | | |
| MAJOR EQUIPMENT, AFIS | 4,695 | 4,695 | 4,695 | 4,695 |
| MAJOR EQUIPMENT, DODDE | | | | |
| MAJOR EQUIPMENT, DODDE | 1,546 | 1,546 | 1,546 | 1,546 |
| TOTAL, MAJOR EQUIPMENT | 785,697 | 875,497 | 775,697 | 847,197 |
| SPECIAL OPERATIONS COMMAND | | | | |
| AVIATION PROGRAMS | | | | |
| SOF ROTARY WING UPGRADES | 68,480 | 68,480 | 68,480 | 78,480 |
| SOF TRAINING SYSTEMS | 2,364 | 2,364 | 2,364 | 2,364 |
| MC-130H COMBAT TALON II | 10,403 | 10,403 | 10,403 | 10,403 |
| CV-22 SOF MODIFICATION | 8,533 | 8,533 | 8,533 | 8,533 |
| AC-130U GUNSHIP ACQUISITION | 13,871 | 13,871 | 13,871 | 13,871 |
| C-130 MODIFICATIONS | 26,237 | 26,237 | 26,237 | 26,237 |
| AIRCRAFT SUPPORT | 2,186 | 2,186 | 2,186 | 2,186 |
| SHIPBUILDING | | | | |
| ADVANCED SEAL DELIVERY SYS | 25,500 | 28,800 | 28,800 | 28,800 |
| ADVANCED SEAL DELIVERY SYS (AP-CY) | 22,472 | 22,472 | 22,472 | 22,472 |
| SUBMARINE CONVERSION | 1,559 | 1,559 | 1,559 | 1,559 |
| AMMUNITION PROGRAMS | | | | |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| SOF ORDNANCE REPLENISHMENT | 36,632 | 36,632 | 36,632 | 36,632 |
| SOF ORDNANCE ACQUISITION | 25,978 | 31,978 | 25,978 | 30,978 |
| OTHER PROCUREMENT PROGRAMS | | | | |
| COMM EQUIPMENT & ELECTRONICS | 74,444 | 74,444 | 74,444 | 74,444 |
| SOF INTELLIGENCE SYSTEMS | 32,309 | 35,309 | 32,309 | 35,309 |
| SOF SMALL ARMS & WEAPONS | 11,829 | 33,449 | 21,579 | 32,079 |
| MARITIME EQUIPMENT MODS | 909 | 909 | 909 | 909 |
| SOF COMBATANT CRAFT SYSTEMS | 14,511 | 14,511 | 14,511 | 18,511 |
| SPARES AND REPAIR PARTS | 11,780 | 11,780 | 11,780 | 11,780 |
| SOF MARITIME EQUIPMENT | 5,801 | 5,801 | 5,801 | 5,801 |
| MISCELLANEOUS EQUIPMENT | 14,376 | 18,876 | 17,126 | 18,376 |
| SOF PLANNING AND REHEARSAL SYSTEM | 2,021 | 2,021 | 2,021 | 2,021 |
| CLASSIFIED PROGRAMS | 105,547 | 105,547 | 105,547 | 105,547 |
| PSYOP EQUIPMENT | 7,575 | 7,575 | 7,575 | 7,575 |
| TOTAL, SPECIAL OPERATIONS COMMAND | 525,317 | 563,737 | 541,117 | 574,867 |
| CHEMICAL/BIOLOGICAL DEFENSE | | | | |
| CBDP | | | | |
| INDIVIDUAL PROTECTION | 108,725 | 111,725 | 110,525 | 113,225 |
| DECONTAMINATION | 12,195 | 13,195 | 12,195 | 13,695 |
| JOINT BIO DEFENSE PROGRAM | 141,781 | 141,781 | 141,781 | 141,781 |
| COLLECTIVE PROTECTION | 36,179 | 37,179 | 36,179 | 37,179 |
| CONTAMINATION AVOIDANCE | 175,056 | 175,056 | 177,556 | 175,956 |
| TOTAL, CHEMICAL/BIOLOGICAL DEFENSE | 473,936 | 478,936 | 478,236 | 481,836 |
| CLASSIFIED PROGRAMS | 490,358 | 384,966 | 499,858 | 442,358 |
| TOTAL, PROCUREMENT, DEFENSE-WIDE | 2,275,308 | 2,303,136 | 2,294,908 | 2,346,258 |

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

| | BUDGET | HOUSE | SENATE | QTY | CONFERENCE |
|---|---|---|---|---|---|
| MAJOR EQUIPMENT, OSD | 64,872 | 116,672 | 39,872 | | 107,872 |
| High Performance Computing Modernization [Note: Within this amount, $1,000,000 is only for the Army High Performance Computing Research Center.] | | 48,000 | ---- | | 40,000 |
| Mentor Protégé | | 3,000 | ---- | | 3,000 |
| Information Assurance:JCOATS-IO | | 800 | ---- | | ---- |
| Excessive growth | | ---- | -25,000 | | ---- |
| | | | | | |
| SOF Rotary Wing Upgrades | 68,480 | 68,480 | 68,480 | | 78,480 |
| MH-60L Aerial Refueling Probes and MH-60 internal auxiliary fuel tanks | | | [18,900] | | 10,000 |
| | | | | | |
| SOF SMALL ARMS & WEAPONS | 11,829 | 33,449 | 21,579 | | 32,079 |
| Body Armor Load Carriage System | | 5,000 | 9,750 | | 9,750 |
| Modular Integrated Communications Helmet | | 4,620 | — | | 2,500 |
| Special Operations Peculiar Modification to the M-4 Carbine | | 12,000 | — | | 5,000 |
| ALGL/STRIKER [Transferred from RDTE,DW] | | — | — | | 3,000 |
| | | | | | |
| SOF COMBATANT CRAFT SYSTEMS | 14,511 | 14,511 | 14,511 | | 18,511 |
| Integrated Bridge System for NSW RIB | — | — | [7,000] | | 4,000 |
| | | | | | |
| MISCELLANEOUS EQUIPMENT | 14,376 | 18,876 | 17,126 | | 18,376 |
| Low Profile Night Vision Goggles | | 4,500 | ---- | | 4,000 |
| NAVSCIATTS Collateral Equipment [Note: Funds Appropriated in O&M, DW.] | | — | 2,750 | | ---- |
| | | | | | |
| INDIVIDUAL PROTECTION | 108,725 | 111,725 | 110,525 | | 113,225 |
| MEU E-NBC Capability Sets | | 3,000 | — | | 3,000 |
| C2A1 | | — | 1,800 | | 1,500 |
| | | | | | |
| CONTAMINATION AVOIDANCE | 175,056 | 175,056 | 177,556 | | 175,956 |
| M291 Decontamination kit | | — | 2,500 | | — |
| WMD Civil Support Teams Equipment | | | | | 900 |

## HIGH PERFORMANCE COMPUTING MODERNIZATION

The conferees have provided $79,978,000 for the High Performance Computing Modernization Program, an increase of $40,000,000 above the budget request amount. The conferees direct that $30,000,000 of the increased amount shall be available only for the modernization of the computing equipment at an existing supercomputing center purchased with research, development, test and evaluation funds.

## DEFENSE PRODUCTION ACT

The conferees agree to provide a total of $3,000,000 for the Defense Production Act account. Of this amount $2,000,000 is only for microwave power tubes and $1,000,000 is only for the Wireless Vibration Sensor Supplier Initiative.

# NATIONAL GUARD AND RESERVE EQUIPMENT

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| NATIONAL GUARD & RESERVE EQUIPMENT | | | | |
| RESERVE EQUIPMENT | | | | |
| ARMY RESERVE<br>MISCELLANEOUS EQUIPMENT | --- | --- | 20,000 | 5,000 |
| NAVY RESERVE<br>MISCELLANEOUS EQUIPMENT | --- | --- | 20,000 | 5,000 |
| MARINE CORPS RESERVE<br>MISCELLANEOUS EQUIPMENT | --- | --- | 10,000 | 5,000 |
| AIR FORCE RESERVE<br>MISCELLANEOUS EQUIPMENT | --- | --- | 20,000 | 5,000 |
| TOTAL, RESERVE EQUIPMENT | --- | --- | 70,000 | 20,000 |
| NATIONAL GUARD EQUIPMENT | | | | |
| ARMY NATIONAL GUARD<br>MISCELLANEOUS EQUIPMENT | --- | --- | 50,000 | 50,000 |
| AIR NATIONAL GUARD<br>MISCELLANEOUS EQUIPMENT | --- | --- | 30,000 | 30,000 |
| TOTAL, NATIONAL GUARD EQUIPMENT | --- | --- | 80,000 | 80,000 |
| TOTAL, NATIONAL GUARD & RESERVE EQUIPMENT | --- | --- | 150,000 | 100,000 |

ITEMS OF SPECIAL INTEREST

The conferees agree that each of the Chiefs of the Reserve and National Guard components should exercise control of modernization funds provided in this account including aircraft and aircraft modernization. The conferees further agree that separate submissions of a detailed assessment of its modernization priorities by the component commanders is required to be submitted to the defense committees. The conferees expect the component commanders to give priority consideration to the following items: multiple launch rocket system (MLRS), Paladin, onboard oxygen generating system field evaluation for the Air National Guard, LITENING II targeting pod system, SINCGARS radios, F16 SADL "D", Bradley Fighting Vehicles upgrades, F15 BOL systems, HMMWV Striker Vehicles. support equipment for Patriot missile air defense battalions, Heavy Expanded Mobility Tactical Truck for MLRS units, Army tank recovery vehicle program, fire fighting trucks for Air Guard, air traffic control landing system (ATCALS), maneuver control system, construction equipment service life extension program, family of medium tactical vehicles, C130J procurement, A10 upgrades, F15 E-kit upgrades, F16 BLK 42 engine modification kits, Precision Attack Targeting System (PATS), simulators for Norwich Army, master cranes, modular command post system, laser marksmanship, UH60/UH1 flight simulators, F16 modernization, standard integrated command post system (SICPS), situational awareness data link, KC135 multi-point refueling, Naval Construction Force Communications Equipment, and C212 STOL fixed wing aircraft. Night Vision PVS–7, CH–47 Internal Crashworthy Fuel Cells, Blackhawk External Fuel Tanks, Multi-Purpose Range Targetry Electronics, Armored Security Vehicle, Controlled Environmental Storage Shelters, DRFTP, Quadruple Containers, Pallet Containers, C–141 8.33 Khz Radios, HC130 FLIR (AAQ–22), HH–60 SATCOM (AN/ARC–210 Radios), CH–53 Aircrew Procedures Trainer Flight Simulator, CH–46 Aircrew Procedures Training Flight Simulator, A–10 Lightweight Airborne Recovery System, C–130 ALR–69 Radar Warning Receiver, HC–130 Armor, Scope Shield II Tactical Radios, F–16 Helmet Mounted Cueing System, Mobile Chemical Agent Detector, Multi-Mission Patrol Craft, COTS, DFIRST, A/OA–10, AN/AAQ–29 CH–53E FLIR, P–3C Update III BMUP, RAID Electro-Optical/Infrared Sensor Upgrade Program, CH–47 Fuel tanks, and AFIST XXI.

## TITLE IV - RESEARCH, DEVELOPMENT, TEST AND EVALUATION

The conference agreement is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| RECAPITULATION | | | | |
| RDTE, ARMY | 5,260,346 | 6,025,057 | 5,683,675 | 6,342,552 |
| RDTE, NAVY | 8,476,677 | 9,222,927 | 8,812,070 | 9,494,374 |
| RDTE, AIR FORCE | 13,696,359 | 13,760,689 | 13,931,145 | 14,138,244 |
| RDTE, DEFENSE-WIDE | 10,238,242 | 10,918,997 | 10,952,039 | 11,157,375 |
| DEVELOPMENTAL TEST AND EVALUATION | --- | --- | --- | --- |
| OPERATIONAL TEST AND EVALUATION | 201,560 | 242,560 | 218,560 | 227,060 |
| GRAND TOTAL, RDTE | 37,873,184 | 40,170,230 | 39,597,489 | 41,359,605 |

## JOINT STRIKE FIGHTER

The conferees have provided a total of $688,650,000 to continue JSF development, allocated between the demonstration/validation effort and the engineering and manufacturing development program. The reduction to the total budget request reflects the acknowledged delay of at least three months in moving the program into the EMD phase. The conferees direct that all flight testing should be completed and fully evaluated prior to the selection of a JSF EMD design. The conferees direct that DoD conduct a complete flight test program for the JSF prototypes and perform a full evaluation of all flight test results as part of the EMD proposal review.

The conferees' recommendation includes an increase of $225,000,000 to pay for the industry costs of extending the JSF demonstration/validation effort. The conferees commend DoD for its efforts to maintain financial parity between the JSF airframe competitors. However, the conferees are opposed to DoD plans to require industry to make additional unreimbursed investments in the JSF development program. The conferees direct that the added funds shall only be available to pay each team for the costs of fully executing the demonstration/validation phase and completing all planned and necessary testing.

The conferees endorse the DoD decision to proceed with the original acquisition strategy of selecting a single design, and associated industry team, to develop the Joint Strike Fighter. The conferees continue to believe that industrial base concerns can best be addressed after the source selection decision.

To ensure that Congress is kept apprised of the status of the JSF program, the conferees direct that the Secretary of Defense provide a report on the status of the JSF program with the submission of the Fiscal Year 2002 Defense Budget Request. The report should provide an overview of the status and results of the JSF technical development and flight test program. Based on the results achieved prior to the budget submission, the report should provide a detailed schedule for completion of the dem/val phase as well an updated plan for the EMD program. Finally, the report should provide current estimates for the cost to complete the JSF dem/val and EMD phases as well as a re-validated estimate of the JSF unit flyaway and total production program cost.

## RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY

The conference agreement on items addressed by either the House or Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| RESEARCH, DEVELOPMENT, TEST & EVAL, ARMY | | | | |
| BASIC RESEARCH | | | | |
| IN-HOUSE LABORATORY INDEPENDENT RESEARCH.............. | 14,459 | 14,459 | 14,459 | 14,459 |
| DEFENSE RESEARCH SCIENCES.............................. | 132,164 | 132,164 | 136,414 | 137,914 |
| UNIVERSITY AND INDUSTRY RESEARCH CENTERS.............. | 54,365 | 55,365 | 60,865 | 59,865 |
| TOTAL, BASIC RESEARCH................................ | 200,988 | 201,988 | 211,738 | 212,238 |
| APPLIED RESEARCH | | | | |
| MATERIALS TECHNOLOGY.................................. | 11,557 | 15,557 | 24,557 | 27,557 |
| SENSORS AND ELECTRONIC SURVIVABILITY.................. | 20,722 | 24,722 | 20,722 | 23,222 |
| TRACTOR HIP........................................... | 7,226 | 7,226 | 7,226 | 7,226 |
| AVIATION TECHNOLOGY................................... | 31,080 | 31,080 | 31,080 | 31,080 |
| EW TECHNOLOGY......................................... | 17,310 | 17,310 | 17,310 | 22,210 |
| MISSILE TECHNOLOGY.................................... | 47,183 | 69,183 | 55,183 | 70,683 |
| ADVANCED WEAPONS TECHNOLOGY........................... | 993 | 7,993 | 993 | 6,693 |
| MODELING AND SIMULATION TECHNOLOGY.................... | 30,479 | 32,479 | 35,479 | 36,479 |
| COMBAT VEHICLE AND AUTOMOTIVE TECHNOLOGY.............. | 63,589 | 68,589 | 87,089 | 89,089 |
| BALLISTICS TECHNOLOGY................................. | 49,750 | 49,750 | 55,750 | 53,750 |
| CHEMICAL, SMOKE AND EQUIPMENT DEFEATING TECHNOLOGY.... | 3,530 | 3,530 | 3,530 | 3,530 |
| JOINT SERVICE SMALL ARMS PROGRAM...................... | 5,415 | 5,415 | 10,415 | 5,415 |
| WEAPONS AND MUNITIONS TECHNOLOGY...................... | 33,761 | 48,761 | 38,761 | 48,261 |
| ELECTRONICS AND ELECTRONIC DEVICES.................... | 23,869 | 40,969 | 34,469 | 41,269 |
| NIGHT VISION TECHNOLOGY............................... | 20,465 | 25,465 | 20,465 | 23,965 |
| COUNTERMINE SYSTEMS................................... | 12,386 | 17,786 | 17,786 | 17,886 |
| HUMAN FACTORS ENGINEERING TECHNOLOGY.................. | 15,786 | 19,486 | 15,786 | 18,286 |
| ENVIRONMENTAL QUALITY TECHNOLOGY...................... | 13,994 | 54,494 | 19,994 | 60,994 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| COMMAND, CONTROL, COMMUNICATIONS TECHNOLOGY........... | 23,314 | 23,314 | 23,314 | 23,314 |
| COMPUTER AND SOFTWARE TECHNOLOGY...................... | 3,987 | 3,987 | 3,987 | 3,987 |
| MILITARY ENGINEERING TECHNOLOGY....................... | 42,344 | 47,344 | 53,844 | 55,844 |
| MANPOWER/PERSONNEL/TRAINING TECHNOLOGY................ | 11,869 | 11,869 | 11,869 | 11,869 |
| WARFIGHTER TECHNOLOGY................................. | 24,659 | 28,159 | 26,659 | 28,159 |
| MEDICAL TECHNOLOGY.................................... | 75,729 | 98,729 | 102,229 | 112,729 |
| ARMY ARTIFICIAL INTELLIGENCE TECHNOLOGY............... | 1,338 | 1,338 | 1,338 | 1,338 |
| DUAL USE SCIENCE AND TECHNOLOGY....................... | 10,154 | 10,154 | 10,154 | 10,154 |
| TOTAL, APPLIED RESEARCH............................. | 602,489 | 764,689 | 729,989 | 834,989 |
| ADVANCED TECHNOLOGY DEVELOPMENT | | | | |
| WARFIGHTER ADVANCED TECHNOLOGY........................ | 15,469 | 17,469 | 20,469 | 21,969 |
| MEDICAL ADVANCED TECHNOLOGY........................... | 16,512 | 254,192 | 73,012 | 223,132 |
| AVIATION ADVANCED TECHNOLOGY.......................... | 28,810 | 28,810 | 28,810 | 28,810 |
| WEAPONS AND MUNITIONS ADVANCED TECHNOLOGY............. | 29,738 | 59,738 | 29,738 | 55,738 |
| COMBAT VEHICLE AND AUTOMOTIVE ADVANCED TECHNOLOGY..... | 148,114 | 162,114 | 89,114 | 168,114 |
| COMMAND, CONTROL, COMMUNICATIONS ADVANCED TECHNOLOGY.. | 21,505 | 28,505 | 21,505 | 28,505 |
| MANPOWER, PERSONNEL AND TRAINING ADVANCED TECHNOLOGY.. | 3,072 | 6,072 | 3,072 | 7,072 |
| TRACTOR HIKE.......................................... | 12,217 | 12,217 | 12,217 | 12,217 |
| TRACTOR RED........................................... | 984 | 984 | 984 | 984 |
| TRACTOR ROSE.......................................... | 10,892 | 10,892 | 10,892 | 10,892 |
| MILITARY HIV RESEARCH................................. | 5,889 | 5,889 | 5,889 | 5,889 |
| TRACTOR HIP........................................... | 980 | 980 | 980 | 980 |
| GLOBAL SURVEILLANCE/AIR DEFENSE/PRECISION STRIKE TECH. | 21,307 | 21,307 | 21,307 | 21,307 |
| EW TECHNOLOGY......................................... | 15,359 | 20,359 | 15,359 | 30,859 |
| MISSILE AND ROCKET ADVANCED TECHNOLOGY................ | 25,107 | 25,107 | 47,107 | 52,107 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| TRACTOR CAGE | 3,083 | 3,083 | 3,083 | 3,083 |
| LANDMINE WARFARE AND BARRIER ADVANCED TECHNOLOGY | 20,894 | 20,894 | 20,894 | 20,894 |
| JOINT SERVICE SMALL ARMS PROGRAM | 4,469 | 4,469 | 4,469 | 4,469 |
| LINE-OF-SIGHT TECHNOLOGY DEMONSTRATION | 50,727 | 50,727 | 50,727 | 50,727 |
| NIGHT VISION ADVANCED TECHNOLOGY | 33,341 | 46,141 | 33,341 | 43,141 |
| ENVIRONMENTAL QUALITY TECHNOLOGY DEVELOPMENT | 1,616 | 11,116 | 1,616 | 11,116 |
| MILITARY ENGINEERING ADVANCED TECHNOLOGY | 5,207 | 5,207 | 5,207 | 5,207 |
| ADVANCED TACTICAL COMPUTER SCIENCE AND SENSOR TECH | 15,613 | 15,613 | 15,613 | 15,613 |
| TOTAL, ADVANCED TECHNOLOGY DEVELOPMENT | 490,905 | 811,885 | 515,405 | 822,825 |
| DEMONSTRATION & VALIDATION | | | | |
| ARMY MISSILE DEFENSE SYSTEMS INTEGRATION (DEM/VAL) | 12,573 | 28,173 | 92,573 | 97,273 |
| LANDMINE WARFARE AND BARRIER - ADV DEV | 22,803 | 22,803 | 22,803 | 22,803 |
| TANK AND MEDIUM CALIBER AMMUNITION | 30,139 | 50,139 | 45,139 | 50,139 |
| ADVANCED TANK ARMAMENT SYSTEM (ATAS) | 118,139 | 268,139 | 268,139 | 268,139 |
| ARMY DATA DISTRIBUTION SYSTEM | 17 | 17 | 17 | 17 |
| SOLDIER SUPPORT AND SURVIVABILITY | 13,574 | 13,574 | 13,574 | 13,574 |
| NIGHT VISION SYSTEMS ADVANCED DEVELOPMENT | 10,968 | 10,968 | 16,068 | 14,968 |
| ENVIRONMENTAL QUALITY TECHNOLOGY DEM/VAL | 4,897 | 14,897 | 4,897 | 13,397 |
| NATO RESEARCH AND DEVELOPMENT | 1,920 | 1,920 | 1,920 | 1,920 |
| AVIATION - ADV DEV | 5,848 | 5,848 | 10,848 | 9,848 |
| WEAPONS AND MUNITIONS - ADV DEV | 28,679 | 36,179 | 28,679 | 36,179 |
| LOGISTICS AND ENGINEER EQUIPMENT - ADV DEV | 6,317 | 6,317 | 6,317 | 6,317 |
| COMBAT SERVICE SUPPORT CONTROL SYSTEM EVALUATION | 13,753 | 13,753 | 13,753 | 13,753 |
| MEDICAL SYSTEMS - ADV DEV | 15,259 | 15,509 | 15,259 | 15,509 |
| TRACTOR CAGE (DEM/VAL) | 979 | 979 | 979 | 979 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| ARTILLERY SYSTEMS - DEM/VAL | 355,309 | 355,309 | 200,309 | 355,309 |
| SCAMP BLOCK II DEM/VAL | 20,277 | 20,277 | 20,277 | 20,277 |
| TOTAL, DEMONSTRATION & VALIDATION | 661,451 | 864,801 | 761,551 | 940,401 |
| ENGINEERING & MANUFACTURING DEVEL | | | | |
| AIRCRAFT AVIONICS | 42,280 | 42,280 | 42,280 | 42,280 |
| ARMED, DEPLOYABLE OH-58D | 532 | 532 | 532 | 532 |
| COMANCHE | 614,041 | 614,041 | 614,041 | 614,041 |
| EW DEVELOPMENT | 61,056 | 61,056 | 79,056 | 70,056 |
| JOINT TACTICAL RADIO | 62,218 | 62,218 | 62,218 | 62,218 |
| ALL SOURCE ANALYSIS SYSTEM | 44,084 | 44,084 | 44,084 | 44,084 |
| TRACTOR CAGE | 2,916 | 2,916 | 2,916 | 2,916 |
| MODERNIZED HELLFIRE | 4,969 | 4,969 | 4,969 | 4,969 |
| INFANTRY SUPPORT WEAPONS | 2 | 2 | 2 | 2 |
| MEDIUM TACTICAL VEHICLES | 1,959 | 1,959 | 1,959 | 1,959 |
| SMOKE, OBSCURANT AND TARGET DEFEATING SYS-ENG DEV | 3,461 | 3,461 | 3,461 | 3,461 |
| JAVELIN | 490 | 490 | 490 | 490 |
| LANDMINE WARFARE | 15,902 | 15,902 | 15,902 | 15,902 |
| AIR TRAFFIC CONTROL | 2,026 | 2,026 | 2,026 | 2,026 |
| TACTICAL UNMANNED GROUND VEHICLE (TUGV) | --- | 300 | --- | 300 |
| LIGHT TACTICAL WHEELED VEHICLES | 9,893 | 9,893 | 9,893 | 9,893 |
| ARMORED SYSTEMS MODERNIZATION (ASM)-ENG. DEV | 2,200 | 2,200 | 2,200 | 2,200 |
| ENGINEER MOBILITY EQUIPMENT DEVELOPMENT | --- | --- | 15,000 | 15,000 |
| NIGHT VISION SYSTEMS - ENG DEV | 32,574 | 32,574 | 34,074 | 34,074 |
| COMBAT FEEDING, CLOTHING, AND EQUIPMENT | 86,321 | 86,321 | 89,821 | 89,321 |
| NON-SYSTEM TRAINING DEVICES - ENG DEV | 73,295 | 73,295 | 73,295 | 73,295 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| TERRAIN INFORMATION - ENG DEV.......................... | 6,082 | 6,082 | 6,082 | 6,082 |
| INTEGRATED METEOROLOGICAL SUPPORT SYSTEM............. | 1,771 | 1,771 | 1,771 | 1,771 |
| INTEGRATED BROADCAST SERVICE.......................... | 6,060 | 6,060 | 6,060 | 6,060 |
| AIR DEFENSE COMMAND, CONTROL AND INTELLIGENCE - ENG DE | 16,462 | 16,462 | 16,462 | 16,462 |
| AUTOMATIC TEST EQUIPMENT DEVELOPMENT.................. | 12,956 | 12,956 | 12,956 | 12,956 |
| DISTRIBUTIVE INTERACTIVE SIMULATIONS (DIS) - ENG DEV.. | 20,689 | 20,689 | 20,689 | 20,689 |
| TACTICAL EXPLOITATION OF NATIONAL CAPABILITIES - EMD.. | 57,419 | 43,419 | 57,419 | 58,419 |
| BRILLIANT ANTI-ARMOR SUBMUNITION (BAT)................ | 96,102 | 101,102 | 96,102 | 98,102 |
| JOINT SURVEILLANCE/TARGET ATTACK RADAR SYSTEM......... | 17,898 | 26,898 | 21,898 | 28,898 |
| POSITIONING SYSTEMS DEVELOPMENT (SPACE)............... | 2,420 | 2,420 | 2,420 | 2,420 |
| COMBINED ARMS TACTICAL TRAINER (CATT) CORE............ | 18,498 | 18,498 | 18,498 | 18,498 |
| AVIATION - ENG DEV.................................... | 7,104 | 12,104 | 12,104 | 12,104 |
| WEAPONS AND MUNITIONS - ENG DEV....................... | 22,505 | 30,505 | 31,505 | 33,005 |
| LOGISTICS AND ENGINEER EQUIPMENT - ENG DEV............ | 20,457 | 20,457 | 20,457 | 24,557 |
| COMMAND, CONTROL, COMMUNICATIONS SYSTEMS - ENG DEV.... | 49,316 | 49,316 | 49,316 | 61,816 |
| MEDICAL MATERIEL/MEDICAL BIOLOGICAL DEFENSE EQUIPMENT. | 6,318 | 6,318 | 9,318 | 6,318 |
| LANDMINE WARFARE/BARRIER - ENG DEV.................... | 69,584 | 69,584 | 99,584 | 94,584 |
| SENSE AND DESTROY ARMAMENT MISSILE - ENG DEV.......... | 52,848 | --- | 52,848 | 31,805 |
| COMBAT IDENTIFICATION................................. | 5,362 | 5,362 | 5,362 | 5,362 |
| ARMY TACTICAL COMMAND & CONTROL HARDWARE & SOFTWARE... | 33,420 | 39,420 | 33,420 | 39,420 |
| LOSAT................................................. | 26,800 | 26,800 | 26,800 | 26,800 |
| RADAR DEVELOPMENT..................................... | 8,429 | 8,429 | 13,429 | 13,429 |
| FIREFINDER............................................ | 37,363 | 37,363 | 47,363 | 47,363 |
| ARTILLERY SYSTEMS - EMD............................... | 20,105 | 20,105 | 20,105 | 20,105 |
| INFORMATION TECHNOLOGY DEVELOPMENT.................... | 94,170 | 94,170 | 98,170 | 98,170 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| TOTAL, ENGINEERING & MANUFACTURING DEVEL............ | 1,770,357 | 1,736,809 | 1,878,357 | 1,874,214 |
| RDT&E MANAGEMENT SUPPORT | | | | |
| THREAT SIMULATOR DEVELOPMENT.......................... | 13,901 | 16,101 | 18,801 | 21,001 |
| TARGET SYSTEMS DEVELOPMENT............................ | 13,346 | 13,346 | 10,346 | 10,346 |
| MAJOR T&E INVESTMENT.................................. | 44,019 | 44,019 | 44,019 | 44,019 |
| RAND ARROYO CENTER.................................... | 19,872 | 19,872 | 19,872 | 19,872 |
| ARMY KWAJALEIN ATOLL.................................. | 153,326 | 153,326 | 153,326 | 153,326 |
| CONCEPTS EXPERIMENTATION PROGRAM...................... | 15,410 | 15,410 | 20,410 | 18,910 |
| ARMY TEST RANGES AND FACILITIES....................... | 119,657 | 129,657 | 119,657 | 122,657 |
| ARMY TECHNICAL TEST INSTRUMENTATION AND TARGETS....... | 33,156 | 37,256 | 33,156 | 37,256 |
| SURVIVABILITY/LETHALITY ANALYSIS...................... | 27,248 | 34,748 | 43,248 | 37,248 |
| DOD HIGH ENERGY LASER TEST FACILITY................... | 14,521 | 35,521 | 38,921 | 37,521 |
| AIRCRAFT CERTIFICATION................................ | 3,200 | 3,200 | 3,200 | 3,200 |
| METEOROLOGICAL SUPPORT TO RDT&E ACTIVITIES............ | 6,927 | 6,927 | 6,927 | 6,927 |
| MATERIEL SYSTEMS ANALYSIS............................. | 8,737 | 8,737 | 8,737 | 8,737 |
| EXPLOITATION OF FOREIGN ITEMS......................... | 3,582 | 3,582 | 3,582 | 3,582 |
| SUPPORT OF OPERATIONAL TESTING........................ | 71,079 | 71,079 | 68,779 | 68,779 |
| ARMY EVALUATION CENTER................................ | 26,337 | 26,337 | 26,337 | 26,337 |
| PROGRAMWIDE ACTIVITIES................................ | 73,811 | 73,811 | 73,811 | 73,811 |
| TECHNICAL INFORMATION ACTIVITIES...................... | 26,749 | 30,499 | 26,749 | 30,499 |
| MUNITIONS STANDARDIZATION, EFFECTIVENESS AND SAFETY... | 11,276 | 14,776 | 13,276 | 16,776 |
| ENVIRONMENTAL COMPLIANCE.............................. | --- | 3,000 | --- | 2,500 |
| ARMY ACQUISITION POLLUTION PREVENTION PROGRAM......... | 5,418 | 5,418 | 5,418 | 5,418 |
| MANAGEMENT HEADQUARTERS (RESEARCH AND DEVELOPMENT).... | 5,371 | 5,371 | 8,371 | 8,371 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| TOTAL, RDT&E MANAGEMENT SUPPORT | 696,943 | 751,993 | 746,943 | 757,093 |
| OPERATIONAL SYSTEMS DEVELOPEMENT | | | | |
| MLRS PRODUCT IMPROVEMENT PROGRAM | 59,523 | 59,523 | 75,523 | 69,523 |
| AEROSTAT JOINT PROJECT OFFICE | 24,996 | 24,996 | 26,996 | 26,996 |
| DOMESTIC PREPAREDNESS AGAINST WEAPONS OF MASS DESTRUCT | --- | 3,000 | --- | 3,000 |
| ADV FIELD ARTILLERY TACTICAL DATA SYSTEM | 36,816 | 36,816 | 36,816 | 36,816 |
| COMBAT VEHICLE IMPROVEMENT PROGRAMS | 99,423 | 112,823 | 63,923 | 101,523 |
| MANEUVER CONTROL SYSTEM | 48,910 | 48,910 | 48,910 | 48,910 |
| AIRCRAFT MODIFICATIONS/PRODUCT IMPROVEMENT PROGRAMS | 95,829 | 97,829 | 107,829 | 107,829 |
| AIRCRAFT ENGINE COMPONENT IMPROVEMENT PROGRAM | 2,929 | 7,929 | 2,929 | 5,929 |
| DIGITIZATION | 29,671 | 31,671 | 29,671 | 30,671 |
| FORCE XXI BATTLE COMMAND, BRIGADE AND BELOW (FBCB2) | 63,601 | 63,601 | 63,601 | 64,601 |
| FORCE TWENTY-ONE (XXI), WARFIGHTING RAPID ACQUISITION | 6,021 | --- | --- | --- |
| MISSILE/AIR DEFENSE PRODUCT IMPROVEMENT PROGRAM | 12,365 | 12,365 | 12,365 | 12,365 |
| OTHER MISSILE PRODUCT IMPROVEMENT PROGRAMS | 64,418 | 64,418 | 56,418 | 56,418 |
| TRACTOR CARD | 3,837 | 3,837 | 3,837 | 3,837 |
| JOINT TACTICAL COMMUNICATIONS PROGRAM (TRI-TAC) | 38,926 | 38,926 | 38,926 | 38,926 |
| JOINT TACTICAL GROUND SYSTEM | 6,267 | 6,267 | 6,267 | 6,267 |
| SPECIAL ARMY PROGRAM | 5,215 | 5,215 | 5,215 | 5,215 |
| INFORMATION SYSTEMS SECURITY PROGRAM | 8,140 | 20,440 | 8,140 | 14,640 |
| GLOBAL COMBAT SUPPORT SYSTEM | 71,955 | 71,955 | 71,955 | 71,955 |
| SATCOM GROUND ENVIRONMENT (SPACE) | 43,229 | 43,229 | 43,229 | 43,229 |
| WWMCCS/GLOBAL COMMAND AND CONTROL SYSTEM | 14,234 | 14,234 | 14,234 | 14,234 |
| TRAFFIC CONTROL, APPROACH AND LANDING SYSTEM | 783 | 783 | 783 | 783 |
| TACTICAL UNMANNED AERIAL VEHICLES | 29,427 | 29,427 | 36,427 | 34,427 |
| AIRBORNE RECONNAISSANCE SYSTEMS | 4,898 | 4,898 | 4,898 | 4,898 |
| DISTRIBUTED COMMON GROUND SYSTEMS | 7,894 | 7,894 | 7,894 | 7,894 |
| END ITEM INDUSTRIAL PREPAREDNESS ACTIVITIES | 57,906 | 81,906 | 72,906 | 89,906 |
| TOTAL, OPERATIONAL SYSTEMS DEVELOPEMENT | 837,213 | 892,892 | 839,692 | 900,792 |
| TOTAL, RESEARCH, DEVELOPMENT, TEST & EVAL, ARMY | 5,260,346 | 6,025,057 | 5,683,675 | 6,342,552 |

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[in thousands of dollars]

| | Budget Request | House | Senate | Conference |
|---|---|---|---|---|
| DEFENSE RESEARCH SCIENCES | 132,164 | 132,164 | 136,414 | 137,914 |
| Cold regions military engineering | | 0 | 1,250 | 1,250 |
| Force protection from terrorist weapons | | 0 | 3,000 | 3,000 |
| Display Performance and Environmental Evaluation Project | | | (3,000) | 1,500 |
| UNIVERSITY AND INDUSTRY RESEARCH CENTERS | 54,365 | 55,365 | 60,865 | 59,865 |
| Science-based regulatory compliance study | | 1,000 | 0 | 1,000 |
| Army High Performance Computing Research Center | | (610) | 0 | (610) |
| BH62 electronmechanics and hypervelocity physics | | 0 | 3,000 | 2,000 |
| Army Centers for excellence | | 0 | 500 | 500 |
| National automotive center | | 0 | 3,000 | 2,000 |
| MATERIALS TECHNOLOGY | 11,557 | 15,557 | 24,557 | 27,557 |
| Amorphous metal kinetic energy penetrator | | 4,000 | 0 | 3,000 |
| Composite materials | | 0 | 6,000 | 6,000 |
| Advanced materials processing | | 0 | 7,000 | 7,000 |
| EW TECHNOLOGY | 17,310 | 17,310 | 17,310 | 22,210 |
| Multifuctional intelligence and remote signal sensor | | 0 | 0 | 4,900 |
| (Note: House originally added funds in RDTE, MC PE 06030611M and RDTE, DW PE 1160404BB) | | | | |
| MISSILE TECHNOLOGY | 47,183 | 69,183 | 55,183 | 70,683 |
| Acceleration of development and testing for tactical missile components | | 8,000 | 0 | 8,000 |
| Aero-optics evaluation center | | 5,500 | 0 | 3,500 |
| Low cost guidance and navigation unit | | 6,000 | 0 | 4,500 |
| Enhanced SCRAMJET mixing | | 2,500 | 0 | 1,500 |
| Future Army tactical missile integration program (FMTI) | | 0 | 8,000 | 6,000 |
| ADVANCED WEAPONS TECHNOLOGY | 993 | 7,993 | 993 | 6,693 |
| Minature detection devices and analysis methods for lightweight power sensors and isotope identification techniques | | 3,000 | 0 | 3,000 |
| Zeus laser ordnance neutralization | | 4,000 | 0 | 3,200 |
| Transfer to High Energy Laser in RDTE, DW | | | | -500 |
| MODELING AND SIMULATION TECHNOLOGY | 30,479 | 32,479 | 35,479 | 36,479 |
| STRICOM – Online contract document management | | 2,000 | 0 | 1,000 |
| Photonics | | 0 | 5,000 | 5,000 |
| COMBAT VEHICLE AND AUTOMOTIVE TECHNOLOGY | 63,589 | 68,589 | 87,089 | 89,089 |
| VID/Smart truck | | 2,000 | 0 | 2,000 |
| Advanced tactical transportation technology initiative | | 3,000 | 0 | 3,000 |
| Hybrid electric HMMWV field evaluation and technology insertion | | 0 | 7,000 | 7,000 |
| Alternative vehicle propulsion | | 0 | 10,000 | 8,000 |
| National Automotive Center – Smart Truck | | 0 | 3,500 | 3,500 |
| Full spectrum active protection | | 0 | 3,000 | 2,000 |
| JOINT SERVICE SMALL ARMS PROGRAM | 5,415 | 5,415 | 10,415 | 5,415 |
| Objective crew served weapon | | 0 | 5,000 | 0 |
| (Note: Funds add in PE 0603004A) | | | | |
| WEAPONS AND MUNITIONS TECHNOLOGY | 33,761 | 48,761 | 38,761 | 48,261 |
| Multi-role future combat system armaments system | | 4,000 | 0 | 4,000 |
| Single crystal tungsten alloy penetrators | | 8,000 | 0 | 4,500 |
| Low cost course correction technology for ammunition and rockets | | 3,000 | 0 | 3,000 |
| Weapons and munitions technology program initiatitive | | 0 | 5,000 | 3,000 |
| ELECTRONICS AND ELECTRONIC DEVICES | 23,869 | 40,969 | 34,469 | 41,269 |
| Logistics fuel reformer technology | | 3,000 | 0 | 2,000 |
| "AA" Zinc air battery for military applications | | 1,900 | 1,900 | 1,900 |
| Improved high rate alkaline cell | | 1,200 | 1,200 | 1,200 |
| Rechargeable cylindrical cell systems | | 1,600 | 1,500 | 1,600 |
| Low cost reuseable alkaline manganese -zinc | | 500 | 500 | 500 |
| Phase III of intelligent power control for sheltered systems and vehicles | | 6,900 | 0 | 2,800 |
| (Note: $4,100,000 appropriated under PE 0604804A ) | | | | |
| Extrusion of polymer electrolytes and polymer multilaminate materials | | 2,000 | 0 | 2,000 |
| Lithium carbon monoflouride coin cell | | 0 | 900 | 900 |

| | | | | |
|---|---|---|---|---|
| AA zinc air battery production | | 0 | 2,000 | 2,000 |
| (NOTE: House added funds in PE 0708045A) | | | | |
| Portable hybrid electron power systems | | 0 | 1,500 | 1,500 |
| Polymer extrusion | | 0 | 1,000 | 1,000 |
| COUNTERMINE SYSTEMS | 12,386 | 17,786 | 17,786 | 17,886 |
| Nonlinear acoustic mine detection | | 1,400 | 0 | 1,000 |
| Acoustic mine detection | | 4,000 | 2,500 | 2,500 |
| Landmine warfare and barrier advanced development | | 0 | 2,900 | 2,000 |
| ENVIRONMENTAL QUALITY TECHNOLOGY | 13,994 | 54,494 | 19,994 | 50,994 |
| Sustainable green manufacturing | | 7,000 | 0 | 5,500 |
| Range Safe demonstration program (TACOM-ARDEC) | | 5,000 | 0 | 5,000 |
| Army's heavy metals office initiative | | 6,000 | 0 | 6,000 |
| Proton Exchange Membrane (PEM) fuel cell demonstration | | 5,000 | 0 | 4,000 |
| Demanufacturing of electronic equipment for reuse and recycling (DEER2) | | 12,500 | 0 | 12,500 |
| Technologies to reduce non-hazardous waste | | 5,000 | 0 | 5,000 |
| Environmental quality technology | | 0 | 6,000 | 6,000 |
| Environmental clean up demonstration | | | | 3,000 |
| (Note: Only to demonstrate and validate new environmental clean up technology at Porta Bella) | | | | |
| MILITARY ENGINEERING TECHNOLOGY | 42,344 | 47,344 | 53,844 | 55,844 |
| Fuel cell development | | 5,000 | 0 | 5,000 |
| Cold regions base camps | | 0 | 1,500 | 1,500 |
| Center for Geosciences | | 0 | 3,000 | 0 |
| (NOTE: Funds appropriated in RDTE, DW) | | | | |
| University partnering for operational support | | 0 | 4,000 | 4,000 |
| Thermoelectric power generation for military applications | | 0 | 3,000 | 3,000 |
| WARFIGHTER TECHNOLOGY | 24,659 | 28,159 | 26,659 | 28,159 |
| Combat feeding | | 2,500 | 0 | 1,500 |
| Affordable guided airdrop system | | 1,000 | 0 | 1,000 |
| Blisterguard socks | | 0 | 2,000 | 1,000 |
| MEDICAL TECHNOLOGY | 75,729 | 98,729 | 102,229 | 112,729 |
| Comprehensive breast cancer clinical care project [Note: The conferees support continuation of a public/private effort, in coordination with a rural medical center and a not-for-profit medical foundation, to provide a program in breast care risk assessment, diagnosis, treatment, and research for the Department of Defense. The program shall be a coordinated effort among Walter Reed Army Medical Center, National Naval Medical Center, an appropriate non-profit medical foundation, and a rural primary health care center, with funding management accomplished by the Uniformed Services University of the Health Sciences.] [Transferred to DHP.] | | 7,000 | — | — |
| Emergency Hypothermia for Advanced Combat Casualty and delayed resuscitation | | 3,000 | — | 3,000 |
| IMED Tools | | 6,000 | — | 6,000 |
| Minimally Invasive research [Note: Only to continue research into the development of minimally invasive surgical procedures for the brain, spinal cord, and spine under DAMD 17-99-1-9022.] | | 2,000 | — | 2,000 |
| Real-time heart rate variability | | 5,000 | — | 2,500 |
| Center for Innovative Minimally Invasive Therapy | | — | 12,000 | 12,000 |
| Dye Targeted Laser Fusion | | — | 5,000 | 4,000 |
| Emergency Blood Purification for Combat Casualty Care [Note: Only for deployment of a biocidal hemoperfusion device comprised of a high pressure/thermal iodinated anionic polymers.] | | — | 2,000 | 1,500 |
| Osteoporosis and Bone Disease Research | | — | 7,500 | 6,000 |
| WARFIGHTER ADVANCED TECHNOLOGY | 15,469 | 17,469 | 20,469 | 21,969 |
| Metrology | | 2,000 | 0 | 1,500 |
| Biosciences Technology | | 0 | 5,000 | 5,000 |

| | | | | |
|---|---|---|---|---|
| MEDICAL ADVANCED TECHNOLOGY | 16,512 | 254,192 | 73,012 | 223,132 |
| Advanced Cancer Detection | | 3,500 | — | 3,500 |
| Integrative Medicine Distance-Learning Program [Note: Only to develop a distance-learning partnership in integrative medicine between educational organizations and U.S. military personnel, including doctors, nurses and other health professionals who, for various reasons, are unable to attend a resident program of integrative medicine education. This partnership shall include at least one party with background in both distance-learning and training of doctors, nurses and other health professionals in the fields of complementary and alternative medicine.] | | 1,000 | — | 800 |
| Artificial Hip (Volumetrically Controlled Manufacturing) | | 4,000 | — | 3,500 |
| Biosensor Research [Note: The conferees recommend $2,500,000 only for cooperative efforts with federal and non-federal organizations to support the location, identification, assessment, integration and development of advanced technologies for the remote monitoring, biosensoring and analysis of both normal and abnormal metabolic conditions.] | | 4,000 | — | 2,500 |
| Blood Safety [Note: The conferees recommend $7,000,000 only for improved blood products and safety in systems compatible with military field use.] | | 7,500 | — | 7,000 |
| Cancer Center of Excellence | | 1,000 | — | 1,000 |
| SEATreat Cancer Technology [Note: The conferees recommend $1,500,000 only for a minimally invasive photodynamic therapy system of incorporating real-time tumer visualization and precision dose monitoring for both skin and cervical cancer treatments.] | | 3,000 | — | 1,500 |
| Center for Aging Eye | | 3,000 | — | 2,000 |
| Chronic Fatigue | | 3,000 | — | 1,500 |
| Cervical Cancer Vaccine Research | | 3,000 | — | — |
| Chronic Disease Management | | 5,500 | — | 4,500 |
| Clinical Assessment Recording Environment (CARE) | | — | — | 1,000 |
| Diabetes Project (Joslin) | | 7,000 | — | 7,000 |
| DREAMS | | 10,000 | — | 9,500 |
| Echocardiogram (Far-forward Echocariogram Device) | | 4,000 | — | 2,000 |
| Epidermolysis Bullosa | | 3,000 | — | 3,000 |
| Gallo Alcoholism Research | | 7,000 | — | — |
| Gallo Cancer Center | | 4,000 | — | 4,000 |
| HIV Research | | 15,000 | — | 10,000 |
| Diabetes Project (Pittsburgh) | | 7,000 | — | 7,000 |
| Laser Vision Correction | | 6,000 | — | 5,500 |
| Ligament Healing | | 3,000 | — | 1,500 |
| LSTAT | | 4,000 | — | 4,000 |
| Lung Cancer Detection (CT Scan) | | 7,500 | — | 3,000 |
| Lung Cancer Research – M.D. Anderson Center | | 6,000 | — | 4,500 |
| Medical Free Electron Laser (Duke) | | 3,500 | — | — |
| Minimally Invasive Therapy | | 15,000 | — | — |
| Molecular Genetics and Musculoskeletal Research Program [Note: The conferees recommend $8,000,000 only to continue the Army Molecular Genetics and Musculoskeletal Research Program.] | | 8,000 | — | 8,000 |
| Functional Magnetic Resource Imaging | | 1,000 | — | 500 |
| National Medical Testbed | | 15,000 | — | 15,000 |
| Neurofibromatosis Research | | 17,000 | — | 17,000 |
| Neurotoxin Exposure Treatment | | 15,000 | — | 15,000 |
| Nutrition Research | | 3,750 | — | 1,500 |
| Ovarian Cancer Research | | 10,000 | — | — |
| Remote Acoustic Hemostasis | | — | — | 4,000 |
| Polynitroxilated Hemoglobin [Note: $1,000,000 to continue the development of polynitroxylated hemoglobin as an oxygen-carrying red cell substitute for combat casualty care.] | | 6,000 | — | 1,000 |
| Ocular Fatigue Measurement (PMI) [Note: Only for the acquisition of fatigue measuring devices using controlled light eye testing.] | | 420 | — | 420 |
| Synchrotron-based scanning research [Note: The conferees recommend $7,000,000 only to continue the Army synchrotron-based scanning research technology for treatment of large field tumors, including breast and lung cancers.] | | 7,000 | — | 7,000 |
| Tissue Repair | | 3,000 | — | 2,300 |
| Secure Telemedicine Technology | | 3,000 | — | 2,500 |
| Wound Healing | | 2,000 | — | 1,000 |
| Virtual Retinal Display Technology | | 6,000 | — | 4,000 |
| Molecular and cellular bioengineering research [Note: $600,000 is only for cellular and macromolecular structures research including integration of the geometry and topography of biological complexes as revealed by elecron microscopy, x-ray crystallography, magnetic resonance spectroscopy, and computational analysis.] | | [600] | | 600 |
| Center for Prostate Disease Research at WRAMC | | — | 7,500 | 7,500 |
| Gallo Center for Alcoholism Research | | — | 10,000 | 8,500 |
| Joint Diabetes Project | | — | 14,000 | — |
| Neuroscience Research (NRCH) | | — | 6,000 | 6,000 |
| Life Support for Trauma and Transport (LSTAT) | | — | 1,000 | — |
| MicroPET at UAB | | — | 1,000 | 1,000 |
| Recombinant Vaccine Research | | — | 6,000 | 6,000 |
| Tafenoquine Antimalarial Agent | | — | 2,000 | 2,000 |
| Volume AngioCAT | | — | 6,000 | 6,000 |
| Gallo Prostate Cancer Center | | | 3,000 | — |

| | | | | |
|---|---|---|---|---|
| WEAPONS AND MUNITIONS ADVANCED TECHNOLOGY | 29,738 | 59,738 | 29,738 | 55,738 |
| Multi-role future combat system armaments system | | 10,000 | 0 | 10,000 |
| Precision guided mortar munition | | 8,000 | 0 | 6,000 |
| Viking indirect fire module | | 7,000 | 0 | 5,000 |
| SMAW-D -- concept demonstration testing of confined space propulsion system | | 5,000 | 0 | 5,000 |
| | | | | |
| COMBAT VEHICLE AND AUTOMOTIVE ADVANCED TECHNOLOGY | 148,114 | 162,114 | 89,114 | 168,114 |
| Future Combat System | | 46,000 | 0 | 46,000 |
| Future Scout and Calvary System | | -69,000 | -85,000 | -69,000 |
| National Automotive Center -- university innovative research | | 3,000 | 0 | 3,000 |
| Composite armored vehicle | | 4,000 | 0 | 4,000 |
| Mobile parts hospital | | 10,000 | 8,000 | 8,000 |
| Advanced tactical transportation technology initiative | | 3,000 | 0 | 0 |
| Combat vehicle and automotive technology weight reduction | | 8,000 | 0 | 5,000 |
| IMPACT | | 4,000 | 5,000 | 5,000 |
| Silicon carbide research | | 5,000 | (15,000) | 8,000 |
| National Automotive Center & Warfighting Labs | | 0 | 5,000 | 4,000 |
| Fuel cell auxilary power units | | 0 | 4,000 | 3,000 |
| Advanced combat vehicle technology program | | 0 | 4,000 | 3,000 |
| | | | | |
| COMMAND, CONTROL, COMMUNICATIONS ADVANCED TECHNOLOGY | 21,505 | 28,505 | 21,505 | 28,505 |
| Big Crow Program Office Support | | 3,000 | 0 | 3,000 |
| (Note: Senate added funds in Research, Development, Test and Evaluation, AF) | | | | |
| Intelligence analysis advanced tool set | | 4,000 | 0 | 4,000 |
| | | | | |
| MANPOWER, PERSONNEL AND TRAINING ADVANCED TECHNOLOGY | 3,072 | 6,072 | 3,072 | 7,072 |
| Aircrew coordination Training | | 3,000 | 0 | 2,000 |
| ATSC/Learning Systems Institute reusable educational objects | | | 0 | 2,000 |
| | | | | |
| EW TECHNOLOGY | 15,359 | 20,359 | 15,359 | 30,859 |
| SHORTSTOP | | 5,000 | 0 | 3,000 |
| Multifunctional intelligence and remote signal sensor<br>(Note: House originally added funds in PE 060306111M and PE 1160404BB) | | | | 12,500 |
| | | | | |
| MISSILE AND ROCKET ADVANCED TECHNOLOGY | 25,107 | 25,107 | 47,107 | 52,107 |
| AMCOM technical base | | 0 | 10,000 | 7,500 |
| Counter active protection systems | | 0 | 2,000 | 1,500 |
| Missile simulation technology | | 0 | 10,000 | 8,000 |
| Starstreak/Stinger Live Fire Test | | | (15,000) | 10,000 |
| | | | | |
| NIGHT VISION ADVANCED TECHNOLOGY | 33,341 | 46,141 | 33,341 | 43,141 |
| Helmet mounted infrared sensor (vision technology) | | 3,800 | 0 | 3,800 |
| Backpack UAV for brigade combat tests (BUSTER) | | 9,000 | 0 | 6,000 |
| | | | | |
| ARMY MISSILE DEFENSE SYSTEMS INTEGRATION (DEM/VAL) | 12,573 | 28,173 | 93,273 | 97,273 |
| Full dimensional visualization software | | 9,000 | 0 | 6,000 |
| Aero acoustic instrumentation | | 2,500 | 4,000 | 3,000 |
| Family of systems simulator | | 4,100 | 3,000 | 3,000 |
| Army space control | | 0 | 5,000 | 3,000 |
| Army COE acoustics | | 0 | 3,000 | 2,000 |
| Low cost interceptor | | 0 | 9,000 | 7,000 |
| SMDC Battlelab/Space Tech Integration | | 0 | 15,000 | 11,000 |
| Tactical High Energy Laser (THEL) | | 0 | 15,000 | 15,000 |
| Acoustic Technology Research | | 0 | 4,000 | 4,000 |
| Radar Power Technology | | 0 | 4,000 | 4,000 |
| Supercluster distributed memory technology | | 0 | 2,000 | 1,500 |
| Scramjet acoustic combustion enhancement | | 0 | 2,000 | 1,500 |
| Northern Edge range safety instrumentation | | 0 | 8,400 | 8,400 |
| Northern Edge launch range infrastructure and equipment | | 0 | 6,300 | 6,300 |
| Northern Edge launch range common infrastructure<br>(Note: Senate added funds in RDTE, DW) | | | | 3,000 |
| Payload, Development, Integration, Research<br>(Note: Senate added funds in RDTE, DW) | | | | 4,000 |

| | | | | |
|---|---|---|---|---|
| Eagle eyes– Research for nuclear detection | | | | 2,000 |
| TANK AND MEDIUM CALIBER AMMUNITION | 30,139 | 50,139 | 45,139 | **50,139** |
| XM-1007 | | 20,000 | 15,000 | 17,000 |
| Trajectory correctable munition | | | | 3,000 |
| WEAPONS AND MUNITIONS - ADV DEV | 28,679 | 36,179 | 28,679 | **36,179** |
| Objective crew served weapon | | 7,500 | 0 | 7,500 |
| (Note: Senate added funds in PE#0602623A) | | | | |
| TACTICAL EXPLOITATION OF NATIONAL CAPABILITIES - EMD | 57,419 | 43,419 | 57,419 | **58,419** |
| Semi-Automated imagery processor | | 3,000 | 0 | 2,000 |
| Lower priority projects | | -17,000 | 0 | -1,000 |
| JOINT SURVEILLANCE/TARGET ATTACK RADAR SYSTEM | 17,898 | 26,898 | 21,898 | **28,898** |
| COTS technology insertion | | 9,000 | 0 | 7,000 |
| SCDL systems improvements | | (4,000) | 4,000 | 4,000 |
| WEAPONS AND MUNITIONS - ENG DEV | 22,505 | 30,505 | 31,505 | **33,005** |
| M2HB .50 caliber quick change barrel | | 1,500 | 1,500 | 1,500 |
| Small arms fire control system | | 2,500 | 2,500 | 2,500 |
| 120MM Short Range Practice cartridge | | 4,000 | 0 | 1,500 |
| Mortar anti-personnel/anti-material (MPAM) | | 0 | 5,000 | 5,000 |
| LOGISTICS AND ENGINEER EQUIPMENT - ENG DEV | 20,457 | 20,457 | 20,457 | 24,557 |
| Phase III of intelligent power control for sheltered systems and vehicles | | 0 | 0 | 4,100 |
| (Note: House appropriated funds under PE 0602705A -- Phase III of intelligent power control for sheltered systems and vehicles) | | | | |
| COMMAND, CONTROL, COMMUNICATIONS SYSTEMS - ENG DEV | 49,316 | 49,316 | 49,316 | **61,816** |
| Applied Communications and information networking program | | | | 12,500 |
| (NOTE: Senate added funds in RDTE, N) | | | | |
| SENSE AND DESTROY ARMAMENT MISSILE - ENG DEV | 52,848 | 0 | 52,848 | **31,805** |
| SADARM P3I | | -21,043 | 0 | -21,043 |
| XM982 | | -31,805 | 0 | 0 |
| INFORMATION TECHNOLOGY DEVELOPMENT | 94,170 | 94,170 | 98,170 | **98,170** |
| Joint computer aided acquisition & logistics support | | 0 | 3,000 | 3,000 |
| Electronic commodity pilot | | 0 | 1,000 | 1,000 |
| THREAT SIMULATOR DEVELOPMENT | 13,901 | 16,101 | 18,801 | **21,001** |
| Next generation anti-tank guided missile program (XM-ATGM) | | 2,200 | 0 | 2,200 |
| Threat mine simulator | | 0 | 2,500 | 2,500 |
| Threat information operations simulator | | 0 | 2,100 | 2,100 |
| XM18S | | 0 | -2,700 | -2,700 |
| XM-Millimeter wave jammer | | 0 | 3,000 | 3,000 |
| ARMY TEST RANGES AND FACILITIES | 119,657 | 129,657 | 119,657 | **122,657** |
| White Sands missile range test instrumentation | | 10,000 | 5,000 | 8,000 |
| Stinger Block II | | 0 | -5,000 | -5,000 |
| DOD HIGH ENERGY LASER TEST FACILITY | 14,521 | 35,521 | 38,921 | **37,521** |
| HELSTF | | 3,000 | 4,400 | 3,000 |
| Heat capacity solid state laser program | | 18,000 | 20,000 | 20,000 |
| (NOTE: As directed in the House report, no less than $5,000,000 is only for industrially developed solid state laser diode arrays and no less than $3,000,000 is only for optoelectronics) | | | | |

| | | | | |
|---|---|---|---|---|
| TECHNICAL INFORMATION ACTIVITIES | 26,749 | 30,499 | 26,749 | 30,499 |
| Army High Performance Computing Research Center | | (1,147) | 0 | (1,147) |
| Army High Performance Computing Research Center | | 3,750 | 0 | 3,750 |
| MUNITIONS STANDARDIZATION, EFFECTIVENESS AND SAFETY | 11,276 | 14,776 | 13,276 | 16,776 |
| Cyrofracture anti-personnel mine disposal system | | 3,500 | 0 | 3,500 |
| Munitions standardization | | 0 | 2,000 | 2,000 |
| ENVIRONMENTAL COMPLIANCE | 0 | 3,000 | 0 | 2,500 |
| Natural gas boilers | | 3,000 | 0 | 1,500 |
| Natural gas microturbines | | | | 1,000 |
| (Note: Only for the demonstration of natural gas microturbine and advanced reciprocating engine distributed generation technologies) | | | | |
| COMBAT VEHICLE IMPROVEMENT PROGRAMS | 99,423 | 112,823 | 63,923 | 101,523 |
| Field emission display program | | 5,900 | 0 | 4,000 |
| AN/VVR-1 upgrade | | 4,000 | 0 | 3,000 |
| M1 track development program | | 3,500 | 0 | 3,000 |
| Abrams legacy fleet digitization | | 0 | 4,500 | 4,000 |
| Engine upgrade | | 0 | -40,000 | -20,000 |
| Bradley electronics (Note: Only to develop a VME architecture to reduce military component obsolescence in the Bradley hull and turret) | | | | 2,000 |
| Transfer of system technical support funding from WTCV. A | | | | 6,100 |
| AIRCRAFT MODIFICATIONS/PRODUCT IMPROVEMENT PROGRAMS | 95,829 | 97,829 | 107,829 | 107,829 |
| Tactical integrated broadcast system on Guardrail | | 2,000 | 0 | 2,000 |
| AH-64D Apache Longbow focused modernization | | 0 | 12,000 | 10,000 |
| AIRCRAFT ENGINE COMPONENT IMPROVEMENT PROGRAM | 2,929 | 7,929 | 2,929 | 5,929 |
| Full authority digital engine control | | 3,000 | 0 | 2,000 |
| Variable displacement vane pump & liquid-or-light end air boost pump equipped fuel delivery unit | | 2,000 | 0 | 1,000 |
| FORCE XXI BATTLE COMMAND, BRIGADE AND BELOW (FBCB2) | 63,601 | 63,601 | 63,601 | 64,601 |
| Tactical navigation electronic digital compass system | | | | 1,000 |
| SPECIAL ARMY PROGRAM | 5,215 | 5,215 | 5,215 | 5,215 |
| Comprehensive Analysis Support System (CAAS) | | (4,000) | | (2,000) |
| (Note: From within available funds, $2,000,000 shall be only for the Comprehensive Analysis Support System (CAAS) at the Intelligence Center and School Battle Laboratory) | | | | |
| INFORMATION SYSTEMS SECURITY PROGRAM | 8,140 | 20,440 | 8,140 | 14,640 |
| Information Assurance: PKI | | 4,500 | 0 | 4,500 |
| National Ground Intelligence Center/National Collaborative Environment | | 3,800 | 0 | 2,000 |
| National Ground Intelligence Center/FIRES project | | 4,000 | 0 | 0 |
| (Note: Funds appropriated in O&M, DW) | | | | |
| END ITEM INDUSTRIAL PREPAREDNESS ACTIVITIES | 57,906 | 81,906 | 72,906 | 89,906 |
| TIME | | 4,000 | 10,000 | 7,000 |
| Optics manufacturing | | 3,000 | 0 | 2,000 |
| "AA" zinc air batteries for military applications | | 2,000 | 0 | 0 |
| (Note: Funds appropriated under PE 0602705A) | | | | |
| Continuous manufacturing technology (MANTECH) | | 0 | 3,000 | 3,000 |
| SINCGARS | | 0 | 2,000 | 1,000 |
| Munitions manufacturing | | 15,000 | 0 | 15,000 |
| Printed Wiring Board Manufacturing and Technology Center | | | (5,000) | 3,000 |
| Air compressors | | | | 1,000 |
| (Note: Only to continue a cost-share demonstration by the Army Material Command for environmentally benign natural gas engine-driven air compressor technology) | | | | |

## ARTILLERY SYSTEMS – DEMONSTRATION/VALIDATION

The Conferees direct that 50 percent of the fiscal year 2001 funding for Crusader not be obligated or expended until 30 days after the Secretary of Defense submits to the congressional defense committees a comprehensive Analysis of Alternatives (AOA) on Crusader. The AOA is to include an analysis of Crusader and the Future Combat System (FCS) in the objective force.

## ENHANCED SKILLS TRAINING PROGRAM

The conferees understand that the Army has decided to terminate the Enhanced Skills Training Program (ESTP) for students at Historically Black Colleges and Universities (HBCU) and to replace it with a distance learning program. Because of the historic role that HBCU's have played in integrating the Army, the conferees direct the Army to maintain through fiscal year 2001 the ESTP as configured during fiscal year 2000. To better understand the benefits of ESTP, the conferees direct the Army to provide a report to the congressional defense committees not later than October 1, 2000, on its long term plans for its partnership with HBCU's in preparing students for the Army.

## RESEARCH, DEVELOPMENT,TEST AND EVALUATION, NAVY

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| RESEARCH, DEVELOPMENT, TEST & EVAL, NAVY | | | | |
| BASIC RESEARCH | | | | |
| IN-HOUSE LABORATORY INDEPENDENT RESEARCH.............. | 16,343 | 16,343 | 16,343 | 16,343 |
| DEFENSE RESEARCH SCIENCES............................. | 381,139 | 381,139 | 381,139 | 381,139 |
| TOTAL, BASIC RESEARCH.............................. | 397,482 | 397,482 | 397,482 | 397,482 |
| APPLIED RESEARCH | | | | |
| AIR AND SURFACE LAUNCHED WEAPONS TECHNOLOGY........... | 37,966 | 52,966 | 49,966 | 55,466 |
| SHIP, SUBMARINE & LOGISTICS TECHNOLOGY................ | 44,563 | 47,563 | 59,063 | 56,813 |
| AIRCRAFT TECHNOLOGY................................... | 21,057 | 21,057 | 21,057 | 21,057 |
| MARINE CORPS LANDING FORCE TECHNOLOGY................. | 9,793 | 9,793 | 12,793 | 12,293 |
| COMMUNICATIONS, COMMAND AND CONTROL, INTELLIGENCE..... | 79,905 | 91,905 | 132,905 | 114,905 |
| HUMAN SYSTEMS TECHNOLOGY.............................. | 30,939 | 38,139 | 33,939 | 40,439 |
| MATERIALS, ELECTRONICS AND COMPUTER TECHNOLOGY........ | 68,076 | 92,026 | 87,576 | 106,526 |
| ELECTRONIC WARFARE TECHNOLOGY......................... | 26,043 | 26,043 | 26,043 | 26,043 |
| UNDERSEA WARFARE SURVEILLANCE TECHNOLOGY.............. | 52,488 | 53,388 | 52,488 | 53,388 |
| MINE COUNTERMEASURES, MINING AND SPECIAL WARFARE...... | 50,864 | 50,864 | 50,864 | 50,864 |
| OCEANOGRAPHIC AND ATMOSPHERIC TECHNOLOGY.............. | 60,320 | 68,070 | 65,320 | 77,070 |
| UNDERSEA WARFARE WEAPONRY TECHNOLOGY.................. | 35,028 | 37,028 | 41,228 | 41,028 |
| DUAL USE SCIENCE AND TECHNOLOGY PROGRAM............... | 10,067 | 11,067 | 12,067 | 12,567 |
| TOTAL, APPLIED RESEARCH............................ | 527,109 | 599,909 | 645,309 | 668,459 |
| ADVANCED TECHNOLOGY DEVELOPMENT | | | | |
| AIR SYSTEMS AND WEAPONS ADVANCED TECHNOLOGY........... | 39,667 | 54,667 | 45,367 | 61,167 |
| PRECISION STRIKE AND AIR DEFENSE TECHNOLOGY........... | 68,555 | 68,555 | 68,555 | 68,555 |
| ADVANCED ELECTRONIC WARFARE TECHNOLOGY................ | 17,583 | 17,583 | 17,583 | 17,583 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| SURFACE SHIP & SUBMARINE HM&E ADVANCED TECHNOLOGY..... | 37,432 | 68,232 | 57,232 | 73,432 |
| MARINE CORPS ADVANCED TECHNOLOGY DEMONSTRATION (ATD).. | 54,749 | 61,249 | 58,749 | 61,249 |
| MEDICAL DEVELOPMENT.................................. | 10,110 | 94,110 | 10,110 | 85,610 |
| MANPOWER, PERSONNEL AND TRAINING ADV TECH DEV......... | 26,988 | 42,988 | 29,988 | 45,988 |
| ENVIRONMENTAL QUALITY AND LOGISTICS ADVANCED TECHNOLOG | 24,002 | 39,002 | 42,202 | 52,502 |
| NAVY TECHNICAL INFORMATION PRESENTATION SYSTEM........ | 49,506 | 49,506 | 52,506 | 51,506 |
| UNDERSEA WARFARE ADVANCED TECHNOLOGY................. | 58,296 | 62,296 | 61,296 | 66,796 |
| MINE AND EXPEDITIONARY WARFARE ADVANCED TECHNOLOGY.... | 45,618 | 45,618 | 48,618 | 48,618 |
| ADVANCED TECHNOLOGY TRANSITION........................ | 76,333 | 79,533 | 102,533 | 100,033 |
| C3 ADVANCED TECHNOLOGY................................ | 29,673 | 35,673 | 44,673 | 45,673 |
| TOTAL, ADVANCED TECHNOLOGY DEVELOPMENT............. | 538,512 | 719,012 | 639,412 | 778,712 |
| DEMONSTRATION & VALIDATION | | | | |
| AIR/OCEAN TACTICAL APPLICATIONS....................... | 30,337 | 30,337 | 32,837 | 32,837 |
| AVIATION SURVIVABILITY................................ | 7,536 | 7,536 | 7,536 | 7,536 |
| ASW SYSTEMS DEVELOPMENT............................... | 19,680 | 24,680 | 24,680 | 27,680 |
| TACTICAL AIRBORNE RECONNAISSANCE...................... | 1,956 | 2,356 | 1,956 | 2,356 |
| ADVANCED COMBAT SYSTEMS TECHNOLOGY.................... | 6,943 | 6,943 | 6,943 | 6,943 |
| SURFACE AND SHALLOW WATER MINE COUNTERMEASURES........ | 97,929 | 99,429 | 102,929 | 102,929 |
| SURFACE SHIP TORPEDO DEFENSE.......................... | --- | 11,000 | --- | 16,000 |
| CARRIER SYSTEMS DEVELOPMENT........................... | 148,952 | 152,952 | 148,952 | 150,952 |
| SHIPBOARD SYSTEM COMPONENT DEVELOPMENT................ | 244,437 | 254,437 | 252,437 | 258,437 |
| PILOT FISH............................................ | 107,598 | 107,598 | 107,598 | 107,598 |
| RETRACT LARCH......................................... | 11,895 | 11,895 | 11,895 | 11,895 |
| RADIOLOGICAL CONTROL.................................. | 572 | 572 | 572 | 572 |
| SURFACE ASW........................................... | 6,752 | 6,752 | 6,752 | 6,752 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| SSGN CONVERSION | 34,762 | 34,762 | 39,762 | 37,762 |
| ADVANCED SUBMARINE SYSTEM DEVELOPMENT | 113,269 | 129,769 | 127,769 | 129,269 |
| SUBMARINE TACTICAL WARFARE SYSTEMS | 4,356 | 4,356 | 4,356 | 4,356 |
| SHIP CONCEPT ADVANCED DESIGN | 162 | 5,162 | 162 | 5,162 |
| SHIP PRELIMINARY DESIGN & FEASIBILITY STUDIES | 46,896 | 46,896 | 50,496 | 56,896 |
| ADVANCED NUCLEAR POWER SYSTEMS | 168,483 | 168,483 | 168,483 | 168,483 |
| ADVANCED SURFACE MACHINERY SYSTEMS | 5,635 | 5,635 | 10,135 | 9,635 |
| CHALK EAGLE | 64,770 | 64,770 | 64,770 | 64,770 |
| COMBAT SYSTEM INTEGRATION | 32,966 | 65,966 | 37,966 | 54,966 |
| CONVENTIONAL MUNITIONS | 28,619 | 30,619 | 31,619 | 33,619 |
| MARINE CORPS ASSAULT VEHICLES | 137,981 | 144,281 | 155,481 | 150,481 |
| MARINE CORPS GROUND COMBAT/SUPPORT SYSTEM | 23,216 | 25,216 | 43,516 | 32,716 |
| JOINT SERVICE EXPLOSIVE ORDNANCE DEVELOPMENT | 13,131 | 14,681 | 13,131 | 14,681 |
| COOPERATIVE ENGAGEMENT | 119,257 | 179,257 | 149,257 | 179,257 |
| OCEAN ENGINEERING TECHNOLOGY DEVELOPMENT | 15,371 | 15,371 | 15,371 | 15,371 |
| ENVIRONMENTAL PROTECTION | 62,194 | 62,194 | 62,194 | 62,194 |
| NAVY ENERGY PROGRAM | 4,942 | 7,942 | 4,942 | 7,942 |
| FACILITIES IMPROVEMENT | 1,824 | 1,824 | 1,824 | 1,824 |
| CHALK CORAL | 52,886 | 52,886 | 52,886 | 52,886 |
| NAVY LOGISTIC PRODUCTIVITY | --- | 11,000 | --- | 13,000 |
| RETRACT MAPLE | 125,222 | 125,222 | 125,222 | 125,222 |
| LINK PLUMERIA | 42,372 | 42,372 | 42,372 | 42,372 |
| RETRACT ELM | 13,541 | 13,541 | 13,541 | 13,541 |
| SHIP SELF DEFENSE - DEM/VAL | 6,610 | 6,610 | 6,610 | 6,610 |
| LINK EVERGREEN | 9,712 | 9,712 | 9,712 | 9,712 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| SPECIAL PROCESSES | 62,510 | 62,510 | 62,510 | 62,510 |
| NATO RESEARCH AND DEVELOPMENT | 8,992 | 8,992 | 8,992 | 8,992 |
| LAND ATTACK TECHNOLOGY | 143,044 | 146,044 | 133,244 | 140,244 |
| JOINT STRIKE FIGHTER (JSF) - DEM/VAL | 131,566 | 206,566 | 327,660 | 243,050 |
| NONLETHAL WEAPONS - DEM/VAL | 23,580 | 23,580 | 29,580 | 29,580 |
| ALL SERVICE COMBAT IDENTIFICATION EVALUATION TEAM | 13,110 | 13,110 | 13,110 | 13,110 |
| SPACE AND ELECTRONIC WARFARE (SEW) ARCHITECTURE/ENGINE | 34,100 | 38,100 | 38,100 | 38,100 |
| TOTAL, DEMONSTRATION & VALIDATION | 2,229,666 | 2,483,916 | 2,549,860 | 2,560,800 |
| ENGINEERING & MANUFACTURING DEVEL | | | | |
| OTHER HELO DEVELOPMENT | 24,393 | 38,393 | 24,393 | 36,393 |
| AV-8B AIRCRAFT - ENG DEV | 38,061 | 38,061 | 24,961 | 24,961 |
| STANDARDS DEVELOPMENT | 95,814 | 103,814 | 95,814 | 101,814 |
| MULTI-MISSION HELICOPTER UPGRADE DEVELOPMENT | 69,946 | 79,946 | 79,946 | 83,946 |
| S-3 WEAPON SYSTEM IMPROVEMENT | 455 | 455 | 455 | 455 |
| AIR/OCEAN EQUIPMENT ENGINEERING | 6,051 | 6,051 | 6,051 | 6,051 |
| P-3 MODERNIZATION PROGRAM | 2,906 | 8,906 | 2,906 | 7,406 |
| TACTICAL COMMAND SYSTEM | 57,817 | 60,817 | 57,817 | 59,817 |
| H-1 UPGRADES | 139,680 | 139,680 | 139,680 | 139,680 |
| ACOUSTIC SEARCH SENSORS | 20,766 | 20,766 | 20,766 | 20,766 |
| V-22A | 148,168 | 148,168 | 148,168 | 148,168 |
| AIR CREW SYSTEMS DEVELOPMENT | 17,466 | 34,466 | 16,027 | 28,966 |
| EW DEVELOPMENT | 97,281 | 133,781 | 122,281 | 134,781 |
| SC-21 TOTAL SHIP SYSTEM ENGINEERING | 305,274 | 257,274 | 313,274 | 292,274 |
| SURFACE COMBATANT COMBAT SYSTEM ENGINEERING | 179,684 | 179,684 | 204,684 | 202,184 |
| LPD-17 CLASS SYSTEMS INTEGRATION | 273 | 273 | 273 | 273 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| TRI-SERVICE STANDOFF ATTACK MISSILE.................. | 2,024 | 2,024 | 2,024 | 2,024 |
| STANDARD MISSILE IMPROVEMENTS......................... | 1,194 | 1,194 | 1,194 | 1,194 |
| AIRBORNE MCM.......................................... | 47,312 | 50,312 | 47,312 | 51,312 |
| SSN-688 AND TRIDENT MODERNIZATION..................... | 34,801 | 62,801 | 49,801 | 72,801 |
| AIR CONTROL........................................... | 13,538 | 13,538 | 13,538 | 13,538 |
| ENHANCED MODULAR SIGNAL PROCESSOR..................... | 875 | 875 | 875 | 875 |
| SHIPBOARD AVIATION SYSTEMS............................ | 9,833 | 9,833 | 9,833 | 9,833 |
| COMBAT INFORMATION CENTER CONVERSION.................. | 3,720 | 3,720 | 3,720 | 3,720 |
| SUBMARINE COMBAT SYSTEM............................... | 3,642 | 3,642 | 3,642 | 3,642 |
| NEW DESIGN SSN........................................ | 207,091 | 212,091 | 210,091 | 214,091 |
| SSN-21 DEVELOPMENTS................................... | 6,617 | 6,617 | 6,617 | 6,617 |
| SUBMARINE TACTICAL WARFARE SYSTEM..................... | 20,492 | 26,492 | 20,492 | 26,492 |
| SHIP CONTRACT DESIGN/ LIVE FIRE T&E................... | 62,204 | 72,204 | 72,204 | 78,204 |
| NAVY TACTICAL COMPUTER RESOURCES...................... | 3,291 | 28,291 | 3,291 | 30,891 |
| MINE DEVELOPMENT...................................... | 1,968 | 1,968 | 1,968 | 1,968 |
| UNGUIDED CONVENTIONAL AIR-LAUNCHED WEAPONS............ | 2,581 | 2,581 | 2,581 | 2,581 |
| LIGHTWEIGHT TORPEDO DEVELOPMENT....................... | 9,347 | 9,347 | 9,347 | 9,347 |
| JOINT DIRECT ATTACK MUNITION.......................... | 26,151 | 29,151 | 26,151 | 29,151 |
| JOINT SERVICE EXPLOSIVE ORDNANCE DEVELOPMENT.......... | 7,102 | 7,102 | 7,102 | 7,102 |
| PERSONNEL, TRAINING, SIMULATION, AND HUMAN FACTORS.... | 1,271 | 1,271 | 1,271 | 1,271 |
| NAVY ENERGY PROGRAM................................... | 5,531 | 5,531 | 5,531 | 5,531 |
| BATTLE GROUP PASSIVE HORIZON EXTENSION SYSTEM......... | 2,232 | 2,232 | 2,232 | 2,232 |
| JOINT STANDOFF WEAPON SYSTEMS......................... | 20,823 | 20,823 | 20,823 | 20,823 |
| SHIP SELF DEFENSE - EMD............................... | 85,049 | 85,049 | 87,149 | 87,149 |
| MEDICAL DEVELOPMENT................................... | 5,273 | 27,273 | 11,773 | 27,773 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| NAVIGATION/ID SYSTEM | 18,487 | 18,487 | 18,487 | 18,487 |
| DISTRIBUTED SURVEILLANCE SYSTEM | 20,710 | 35,710 | 40,710 | 40,710 |
| JOINT STRIKE FIGHTER (JSF) - EMD | 295,962 | 145,962 | --- | 101,275 |
| SMART CARD DEV/MOD | 1,240 | 1,240 | 1,240 | 1,240 |
| INFORMATION TECHNOLOGY DEVELOPMENT | 6,833 | 6,833 | 6,833 | 6,833 |
| INFORMATION TECHNOLOGY DEVELOPMENT | 15,259 | 23,259 | 18,259 | 29,259 |
| NAVY STANDARD INTEGRATED PERSONNEL SYSTEM (NSIPS) | 5,917 | 5,917 | 5,917 | 5,917 |
| TOTAL, ENGINEERING & MANUFACTURING DEVEL | 2,152,405 | 2,173,905 | 1,969,504 | 2,201,818 |
| RDT&E MANAGEMENT SUPPORT | | | | |
| THREAT SIMULATOR DEVELOPMENT | 24,293 | 24,293 | 24,293 | 24,293 |
| TARGET SYSTEMS DEVELOPMENT | 41,138 | 41,138 | 41,138 | 41,138 |
| MAJOR T&E INVESTMENT | 40,707 | 44,707 | 43,707 | 45,707 |
| STUDIES AND ANALYSIS SUPPORT - NAVY | 8,056 | 6,056 | 8,056 | 6,056 |
| CENTER FOR NAVAL ANALYSES | 43,889 | 43,889 | 38,889 | 43,889 |
| FLEET TACTICAL DEVELOPMENT | 2,886 | 2,886 | 2,886 | 2,886 |
| TECHNICAL INFORMATION SERVICES | 949 | 10,949 | 949 | 10,949 |
| MANAGEMENT, TECHNICAL & INTERNATIONAL SUPPORT | 17,644 | 17,644 | 17,644 | 17,644 |
| STRATEGIC TECHNICAL SUPPORT | 2,403 | 2,403 | 2,403 | 2,403 |
| RDT&E SCIENCE AND TECHNOLOGY MANAGEMENT | 53,380 | 53,380 | 53,380 | 53,380 |
| RDT&E INSTRUMENTATION MODERNIZATION | 12,045 | 12,045 | 12,045 | 12,045 |
| RDT&E SHIP AND AIRCRAFT SUPPORT | 76,128 | 76,128 | 76,128 | 76,128 |
| TEST AND EVALUATION SUPPORT | 270,327 | 270,327 | 272,327 | 272,327 |
| OPERATIONAL TEST AND EVALUATION CAPABILITY | 8,957 | 8,957 | 8,957 | 8,957 |
| NAVY SPACE AND ELECTRONIC WARFARE (SEW) SUPPORT | 3,262 | 3,262 | 3,262 | 3,262 |
| SEW SURVEILLANCE/RECONNAISSANCE SUPPORT | 12,694 | 7,694 | 12,694 | 11,694 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| MARINE CORPS PROGRAM WIDE SUPPORT | 8,091 | 14,891 | 9,091 | 17,891 |
| TACTICAL CRYPTOLOGIC ACTIVITIES | 4,666 | 4,666 | 4,666 | 4,666 |
| TOTAL, RDT&E MANAGEMENT SUPPORT | 631,515 | 645,315 | 632,515 | 655,315 |
| OPERATIONAL SYSTEMS DEVELOPEMENT | | | | |
| ADVANCED DEVELOPMENT PROJECTS | 207,000 | 207,000 | 207,000 | 207,000 |
| RETRACT VIOLET | 30,161 | 30,161 | 30,161 | 30,161 |
| COMMERCIAL OPERATIONS AND SUPPORT SAVINGS INITIATIVE | 12,485 | 12,485 | 12,485 | 12,485 |
| STRATEGIC SUB & WEAPONS SYSTEM SUPPORT | 42,687 | 54,687 | 44,687 | 53,687 |
| SSBN SECURITY TECHNOLOGY PROGRAM | 31,173 | 31,173 | 31,173 | 31,173 |
| SUBMARINE ACOUSTIC WARFARE DEVELOPMENT | 879 | 879 | 879 | 879 |
| F/A-18 SQUADRONS | 248,093 | 248,093 | 243,093 | 243,093 |
| E-2 SQUADRONS | 18,698 | 37,698 | 18,698 | 50,698 |
| FLEET TELECOMMUNICATIONS (TACTICAL) | 12,012 | 12,012 | 12,012 | 12,012 |
| TOMAHAWK AND TOMAHAWK MISSION PLANNING CENTER (TMPC) | 91,436 | 91,436 | 91,436 | 91,436 |
| INTEGRATED SURVEILLANCE SYSTEM | 16,928 | 27,928 | 16,928 | 27,928 |
| AMPHIBIOUS TACTICAL SUPPORT UNITS | 7,911 | 7,911 | 7,911 | 7,911 |
| CONSOLIDATED TRAINING SYSTEMS DEVELOPMENT | 27,059 | 34,559 | 32,059 | 38,559 |
| ELECTRONIC WARFARE (EW) READINESS SUPPORT | 9,924 | 9,924 | 9,924 | 9,924 |
| HARM IMPROVEMENT | 21,355 | 46,355 | 26,355 | 41,355 |
| TACTICAL DATA LINKS | 26,245 | 26,245 | 26,245 | 26,245 |
| SURFACE ASW COMBAT SYSTEM INTEGRATION | 29,585 | 29,585 | 29,585 | 29,585 |
| MK-48 ADCAP | 15,853 | 15,853 | 15,853 | 15,853 |
| AVIATION IMPROVEMENTS | 51,018 | 51,018 | 51,018 | 51,018 |
| NAVY SCIENCE ASSISTANCE PROGRAM | --- | --- | 19,000 | 19,000 |
| F-14 UPGRADE | 1,228 | 1,228 | 11,228 | 11,228 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| OPERATIONAL NUCLEAR POWER SYSTEMS.................... | 53,435 | 53,435 | 53,435 | 53,435 |
| MARINE CORPS COMMUNICATIONS SYSTEMS.................. | 96,153 | 107,153 | 99,153 | 109,153 |
| MARINE CORPS GROUND COMBAT/SUPPORTING ARMS SYSTEMS.... | 22,124 | 39,424 | 22,124 | 39,424 |
| MARINE CORPS COMBAT SERVICES SUPPORT................. | 2,854 | 2,854 | 2,854 | 2,854 |
| TACTICAL AIM MISSILES................................ | 21,705 | 21,705 | 21,705 | 21,705 |
| ADVANCED MEDIUM RANGE AIR-TO-AIR MISSILE (AMRAAM)..... | 12,140 | 12,140 | 12,140 | 12,140 |
| SATELLITE COMMUNICATIONS (SPACE)..................... | 37,778 | 37,778 | 37,778 | 37,778 |
| INFORMATION SYSTEMS SECURITY PROGRAM................. | 21,530 | 30,130 | 21,530 | 32,130 |
| NAVY METEOROLOGICAL AND OCEAN SENSORS-SPACE (METOC)... | 19,730 | 19,730 | 19,730 | 19,730 |
| JOINT C4ISR BATTLE CENTER (JBC)...................... | 7,795 | 7,795 | 9,795 | 9,795 |
| JOINT MILITARY INTELLIGENCE PROGRAMS................. | 7,000 | 7,000 | 7,000 | 7,000 |
| TACTICAL UNMANNED AERIAL VEHICLES.................... | 113,052 | 129,052 | 113,052 | 123,052 |
| AIRBORNE RECONNAISSANCE SYSTEMS...................... | 4,759 | 15,759 | 8,759 | 23,759 |
| MANNED RECONNAISSANCE SYSTEMS........................ | 27,479 | 65,079 | 27,479 | 46,479 |
| DISTRIBUTED COMMON GROUND SYSTEMS.................... | 4,482 | 4,482 | 4,482 | 4,482 |
| NAVAL SPACE SURVEILLANCE............................. | 2,038 | 1,438 | 2,038 | 1,438 |
| SPACE ACTIVITIES..................................... | --- | --- | 2,000 | 2,000 |
| MODELING AND SIMULATION SUPPORT...................... | 9,106 | 12,106 | 14,106 | 14,106 |
| DEPOT MAINTENANCE (NON-IF)........................... | 34,166 | 34,166 | 34,166 | 34,166 |
| INDUSTRIAL PREPAREDNESS.............................. | 59,626 | 69,626 | 59,626 | 69,626 |
| MARITIME TECHNOLOGY (MARITECH)....................... | 9,366 | 9,366 | 9,366 | 9,366 |
| CLASSIFIED PROGRAMS.................................. | 531,940 | 546,940 | 457,940 | 546,940 |
| TOTAL, OPERATIONAL SYSTEMS DEVELOPEMENT............ | 1,999,988 | 2,203,388 | 1,977,988 | 2,231,788 |
| TOTAL, RESEARCH, DEVELOPMENT, TEST & EVAL, NAVY..... | 8,476,677 | 9,222,927 | 8,812,070 | 9,494,374 |

[in thousands of dollars]

| | Request | HAC | SAC | Conference |
|---|---|---|---|---|
| AIR AND SURFACE LAUNCHED WEAPONS TECHNOLOGY | 37,966 | 52,966 | 49,966 | 55,466 |
| Pulse detonation engine technology | | 4,000 | 7,000 | 5,000 |
| Free electron laser upgrade | | 5,000 | 5,000 | 5,000 |
| Reduction to High Energy Laser | | | | -500 |
| Solid fuel RAMJET | | 6,000 | | 4,000 |
| Spike Urban Warfare System | | | | 4,000 |
| SHIP, SUBMARINE & LOGISTICS TECHNOLOGY | 44,563 | 47,563 | 58,813 | 56,813 |
| Three dimensional printing metalworking technology | | 3,000 | 5,000 | 5,000 |
| Biodegradable Polymers | | | 1,250 | 1,250 |
| Non-Magnetic, Stainless Steel Adv. Double Hull | | | 5,000 | 4,000 |
| Bio-environmental Hazards Research Program (BHRP) | | | 3,000 | 2,000 |
| MARINE CORPS LANDING FORCE TECHNOLOGY | 9,793 | 9,793 | 12,793 | 12,293 |
| Center for Emerging Threats and Opportunities | | | 3,000 | 2,500 |
| COMMUNICATIONS, COMMAND AND CONTROL, INTELLIGENCE | 79,905 | 91,905 | 132,905 | 114,905 |
| Center for Communications and Networking Technologies | | 10,000 | | 0 |
| Optoelectric high definition camera prototypes | | 2,000 | | 2,000 |
| Hyperspectral Research | | | 3,000 | 3,000 |
| Networking Program, ACIN | | | 15,000 | 0 |
| UESA Signal Processing | | | 10,000 | 10,000 |
| Tactical Component Network Demonstration | | | 10,000 | 10,000 |
| E-2C RMP Littoral Surveillance | | | 15,000 | 0 |
| (Note: Funding transferred to PE 204152N) | | | | |
| CEC P3I | | | | 10,000 |
| HUMAN SYSTEMS TECHNOLOGY | 30,939 | 38,139 | 33,939 | 40,439 |
| Biological hazard detection system | | 5,000 | | 3,500 |
| Marine Fire Training Center at the Marine and Environmental Research and Training Station (MERTS) | | 2,200 | | 2,000 |
| Maritime Fire Training/Barbers Point | | | | 2,000 |
| Cognitive Research | | | 3,000 | 2,000 |
| MATERIALS, ELECTRONICS AND COMPUTER TECHNOLOGY | 68,076 | 92,026 | 87,576 | 106,526 |
| Wood composite technology | | 2,000 | 1,500 | 2,000 |
| Silicon carbide semiconductor material | | 5,000 | 4,000 | 4,000 |
| Defense productivity software initiative | | 3,200 | | 3,200 |
| Ceramic and carbon based composites for use in strategic missiles and hypersonic vehicles | | 3,000 | | 2,000 |
| Aerospace Materials Technology Consortium | | 4,000 | | 3,000 |
| Environmentally sound ship program | | 1,250 | | 1,250 |
| Hybrid fiberoptic wireless communications | | 2,500 | | 2,000 |
| Battlespace information display technology initiative development demonstration | | 3,000 | | 3,000 |
| Materials Electronics & Computer Technology Program | | | 2,000 | 1,500 |
| Vacuum Electronics | | | -5,000 | -2,500 |
| Advanced Materials Processing Center | | | 5,000 | 5,000 |
| Innovative Communications Materials | | | 2,000 | 2,000 |
| Intermediate Modulus Carbon Fiber Qualification | | | 2,000 | 2,000 |
| Nanoscale Science and Technology Program | | | 3,000 | 2,500 |
| Composite Storage Module | | | 3,000 | 3,000 |
| Advanced Materials Innovative Communications Materials | | | 2,000 | 1,500 |
| Materials micronization technology | | | | 1,000 |
| Virtual Company LINK | | | | 2,000 |
| UNDERSEA WARFARE SURVEILLANCE TECHNOLOGY | 52,488 | 53,388 | 52,488 | 53,388 |
| Lithium carbon monofluoride coin cells for battery applications | | 900 | | 900 |
| OCEANOGRAPHIC AND ATMOSPHERIC TECHNOLOGY | 60,320 | 68,070 | 65,320 | 77,070 |
| Chemical, optical and physical sensor systems for mine countermeasures | | 6,000 | | 10,000 |

| | Request | HAC | SAC | Conference |
|---|---|---|---|---|
| South Florida Ocean Measurement Center | | 1,750 | | 1,750 |
| Littoral Acoustic Demonstration System | | | 2,000 | 2,000 |
| Distributed Marine Environmental Forecasting System | | | 3,000 | 3,000 |
| UNDERSEA WARFARE WEAPONRY TECHNOLOGY | 35,028 | 37,028 | 41,228 | 41,028 |
| Undersea warfare microelectromechanical systems (MEMS) | | 2,000 | 2,200 | 2,000 |
| Computational Engineering Design | | | 4,000 | 4,000 |
| DUAL USE SCIENCE AND TECHNOLOGY PROGRAM | 10,067 | 11,067 | 12,067 | 12,567 |
| NAVAIR technology commercialization initiative | | 1,000 | | 1,000 |
| Energy and Environmental Technology Initiative | | | 2,000 | 1,500 |
| AIR SYSTEMS AND WEAPONS ADVANCED TECHNOLOGY | 39,667 | 54,667 | 45,367 | 61,167 |
| Aircraft affordability project DP-2 | | 3,500 | | 4,500 |
| IHPTET | | 1,000 | | 1,000 |
| Integrated hypersonic aeromechanics tool program (IHAT) | | 2,500 | | 2,500 |
| Eye safe LADAR | | 8,000 | | 5,000 |
| Precision Strike Navigator | | | 5,700 | 4,500 |
| SAR All Weather Precision Targeting System (AWPTS) | | | | 4,000 |
| SURFACE SHIP & SUBMARINE HM&E ADVANCED TECHNOLOGY | 37,432 | 68,232 | 57,232 | 73,432 |
| Superconducting DC motor | | 10,000 | | 7,500 |
| Portable hybrid electric power systems | | 3,000 | | 2,500 |
| Virtual testbed for reconfiguring ships | | 3,000 | 2,000 | 2,500 |
| Electromagnetic propulsion systems | | 4,000 | | 2,000 |
| Ship service fuel cell | | 2,800 | | 2,000 |
| Project M | | 4,000 | | 3,000 |
| Advanced waterjet propulsor (AWJ-21) | | 4,000 | 4,000 | 4,000 |
| Laser Welding and Cutting | | | 2,800 | 2,000 |
| Modular Composite Hull | | | 4,000 | 3,000 |
| Composite Helo Hangar Door | | | 5,000 | 4,000 |
| Supply Chain Best Practices Program | | | 2,000 | 0 |
| AC Synchronous high-temperature superconductor electric motor | | | [5000] | 3,500 |
| MARINE CORPS ADVANCED TECHNOLOGY DEMONSTRATION (ATD) | 54,749 | 61,249 | 58,749 | 61,249 |
| C3RP | | 1,500 | | 1,500 |
| Spike Urban Warfare System | | 5000 | | |
| (Note: Funding transferred to PE602111N) | | | | |
| Marine Corps Combat Development Command, Project Albert | | | 4,000 | 4,000 |
| Remote precision gun aiming platform | | | | 1,000 |
| MEDICAL DEVELOPMENT | 10,110 | 94,110 | 10,110 | 85,610 |
| National Bone Marrow Program | | 34,000 | | 34,000 |
| Coronary / Prostate Disease Reversal [Transferred to DHP] | | 6,000 | | |
| Disaster Management and Humanitarian Assistance | | 5,000 | | 5,000 |
| Fleet Health Technology | | | | 3,000 |
| Medical Readiness Technology | | 9,000 | | 9,000 |
| (Note: Only for continuation of the medical readiness technology initiatives to verify and validate telemedicine's clinical impact afloat and ashore, and to integrate crucial medical data transfer systems for operations in a joint environment.) | | | | |
| Naval Blood Research Laboratory | | 4,000 | | 4,000 |
| Optical Imaging of Brain | | 4,000 | | 2,000 |
| Post-Polio Syndrome [Transferred to DHP] | | 3,000 | | |
| RobotEyes (Note: Only to integrate RobotEyes optical sensing system with with prosthesis devices to improve opportunities for disabled / handicapped service members to remain on active duty.) | | 1,000 | | 1,000 |
| Rural Health (Note: Includes first responder emergency communications and telerehabilitation.) | | 8,700 | | 8,700 |
| Rural Health Deployed Military Patient Records | | 2,300 | | 2,300 |

| | Request | HAC | SAC | Conference |
|---|---|---|---|---|
| Vectored Vaccine Research (Note: The conferees recommend $3,500,000 only to develop NTVS for non-invasive vaccination at the surface of the skin.) | | 4,000 | | 3,500 |
| Teleradiology (Note: The conferees recommend $3,000,000 only for teleradiation and mammography imaging.) | | 3,000 | | 3,000 |
| MANPOWER, PERSONNEL AND TRAINING ADV TECH DEV | 26,988 | 42,988 | 29,988 | 45,988 |
| Advanced Distributed Learning (Note: Funds are only to continue efforts to standardize distributed learning courseware.) | | 10,000 | | 10,000 |
| WARCON (Note: Funding is only for the continuation of the Distributed Simulation Warfighting Concepts to Future Ship Design (WARCON) program to develop and implement an integrated acquisition environment architecture.) | | 6,000 | | 6,000 |
| RIT Center for Integrated Manufacturing | | | 3,000 | 3,000 |
| ENVIRONMENTAL QUALITY AND LOGISTICS ADVANCED TECHNOLOGY | 24,002 | 39,002 | 42,202 | 52,502 |
| Depleted Uranium Stabilization Technologies (Note: only for field demonstration of this range maintenance technology at China Lake Naval Air Weapons Station and other facilities.) | | 8,000 | | 8,000 |
| Resource Preservation Initiative | | 4,000 | | 2,000 |
| Aviation depot maintenance technology demonstration at NADEP Jacksonville | | 3,000 | | 2,000 |
| Ocean Power Technology | | | 3,000 | 3,000 |
| Hybrid Lidar-Radar | | | 3,000 | 3,000 |
| Geotrack Positioning Technology Program | | | 7,500 | 6,000 |
| Smart base Initiative | | | 2,700 | 2,500 |
| Visualization of Technical Information | | | 2,000 | 2,000 |
| NAVY TECHNICAL INFORMATION PRESENTATION SYSTEM | 49,506 | 49,506 | 52,506 | 51,506 |
| (Note: Up to $2,000,000 is only for the continuation of the Center for Defense Technology and Education at the Naval post-graduate school.) | | [2,000] | | [2,000] |
| Joint Experimentation | | | 3,000 | 2,000 |
| Digitization of F-18 aircraft technical manuals | | | [5,200] | |
| UNDERSEA WARFARE ADVANCED TECHNOLOGY | 58,296 | 62,296 | 61,296 | 66,796 |
| Advanced technology demonstration to prototype a multi-function hull-mounted sonar | | 4,000 | | 3,000 |
| Magnetrestrictive Transduction | | | 3,000 | 2,500 |
| Low frequency broadband acoustic airgun source | | | | 3,000 |
| MINE AND EXPEDITIONARY WARFARE ADVANCED TECHNOLOGY | 45,618 | 45,618 | 48,618 | 48,618 |
| Ocean Modeling for Mine and Expeditionary Warfare | | | 3,000 | 3,000 |
| ADVANCED TECHNOLOGY TRANSITION | 76,333 | 79,533 | 102,533 | 100,033 |
| Vectored thrust ducted propeller | | 3,200 | 3,200 | 3,200 |
| Advanced Hull Form Inshore Demonstrator | | | 8,000 | 8,000 |
| HYSWAC | | | 5,000 | 5,000 |
| USMC ATT Initiative | | | 10,000 | 7,500 |
| C3 ADVANCED TECHNOLOGY | 29,673 | 35,673 | 44,673 | 45,673 |
| Dominant battlespace command initiative | | 6,000 | | 6,000 |
| National Technology Alliance | | | 15,000 | 10,000 |
| AIR/OCEAN TACTICAL APPLICATIONS | 30,337 | 30,337 | 32,337 | 32,837 |
| National Center of Excellence in Hydrography | | | 2,500 | 2,500 |
| ASW SYSTEMS DEVELOPMENT | 19,680 | 24,680 | 24,680 | 27,680 |
| Stochastic Resonance and BEARTRAP Initiatives | | 5,000 | | 4,000 |
| Advanced Periscope Detection | | | 5,000 | 4,000 |
| TACTICAL AIRBORNE RECONNAISSANCE | 1,956 | 2,356 | 1,956 | 2,356 |
| Spares procurement for Predator UAV under Navy testing authority | | 400 | | 400 |
| SURFACE AND SHALLOW WATER MINE COUNTERMEASURES | 97,929 | 99,429 | 102,929 | 102,929 |
| UUV Center of Excellence at NUWC | | 1,500 | | 1,500 |
| Minesweeper integrated Combat Weapon System | | | 5,000 | 3,500 |
| SURFACE SHIP TORPEDO DEFENSE | | 11,000 | | 16,000 |
| Anti-torpedo all-up-round | | 6,000 | | 6,000 |

| | Request | HAC | SAC | Conference |
|---|---|---|---|---|
| Ship-towed tripwire sensor | | 3,000 | | 8,000 |
| Distributed Engineering Center | | 2,000 | | 2,000 |
| CARRIER SYSTEMS DEVELOPMENT | 148,952 | 152,952 | 148,952 | 150,952 |
| ASW tactical decision aids - integrating software/prototype fielding | | 4,000 | | 2,000 |
| SHIPBOARD SYSTEM COMPONENT DEVELOPMENT | 244,437 | 254,437 | 252,437 | 258,437 |
| Permanent magnet motor | | 10,000 | | 7,000 |
| MTTC/IPI | | | 8,000 | 7,000 |
| SSGN CONVERSION | 34,762 | 34,762 | 39,762 | 37,762 |
| Conversion | | | 5,000 | 3,000 |
| ADVANCED SUBMARINE SYSTEM DEVELOPMENT | 113,269 | 129,769 | 127,769 | 129,269 |
| Conformal acoustic velocity sonar (CAVES) | | 5,000 | 5,000 | 5,000 |
| Common Towed Array | | 8,000 | 5,000 | 6,000 |
| High performance brush technology | | 3,500 | 2,000 | 3,000 |
| C128 Advanced Composite Submarine Sail | | | 2,500 | 2,000 |
| SHIP CONCEPT ADVANCED DESIGN | 162 | 5,162 | 162 | 5,162 |
| Human integration information system | | 5,000 | | 5,000 |
| SHIP PRELIMINARY DESIGN AND FEASIBILITY STUDIES | 46,896 | 46,896 | 50,496 | 56,896 |
| Shipboard Simulator for USMC Operations | | | 20,000 | 20,000 |
| JCCX Analysis of Alternatives | | | -16,400 | -10,000 |
| ADVANCED SURFACE MACHINERY SYSTEMS | 5,635 | 5,635 | 10,135 | 9,635 |
| Naval Combat Survivability | | | 4,500 | 4,000 |
| COMBAT SYSTEM INTEGRATION | 32,966 | 65,966 | 37,966 | 54,966 |
| Optically multiplexed wideband radar beamfinder | | 3,000 | | 2,000 |
| Common command and decision functions for theater air and missile defense | | 30,000 | 5,000 | 20,000 |
| (Note: Of the funding made available $10,000,000 is only for continuation of the SBIR Surface Ship Middleware follow-on.) | | | | |
| CONVENTIONAL MUNITIONS | 28,619 | 30,619 | 31,619 | 33,619 |
| Demonstration / validation and production of environmentally safe energetic materials | | 2,000 | | 2,000 |
| Navy Insensitive munitions | | | 3,000 | 3,000 |
| MARINE CORPS ASSAULT VEHICLES | 137,981 | 144,281 | 155,481 | 150,481 |
| Advanced radio antenna interface unit | | 6,300 | | 0 |
| Marine Corp Assault Vehicles | | | 17,500 | 12,500 |
| MARINE CORPS GROUND COMBAT/SUPPORT SYSTEM | 23,216 | 25,216 | 43,516 | 32,716 |
| Advanced modeling and simulation for the USMC integrated infantry combat system program | | 2,000 | | 2,000 |
| SMAW Follow-on | | | 3,000 | 3,000 |
| High Mobility Artillery Rocket System | | | 17,300 | 0 |
| Innovative Stand-off Door Breaching Munition | | | [4,500] | 4,500 |
| JOINT SERVICE EXPLOSIVE ORDNANCE DEVELOPMENT | 13,131 | 14,681 | 13,131 | 14,681 |
| Remote ordnance neutralization system (RONS) | | 1,550 | | 1,550 |
| COOPERATIVE ENGAGEMENT | 119,257 | 179,257 | 149,257 | 179,257 |
| (Note: Only for DII-COE compliance, data analysis for large networks, multi-level secure operations, CEC network node expansion, airborne antennae improvements and planar array production.) | | 60,000 | 20,000 | 60,000 |
| CEC P3I | | | 10,000 | 0 |
| (Note: Funding transferred to PE 602232N) | | | | |
| NAVY ENERGY PROGRAM | 4,942 | 7,942 | 4,942 | 7,942 |
| Proton exchange membrane (PEM) fuel cells (Note: Only to demonstrate domestically produced PEM fuel cells at the Marine Corps Air Ground Combat Center.) | | 3,000 | | 3,000 |
| NAVY LOGISTIC PRODUCTIVITY | | 11,000 | | 13,000 |
| Virtual systems implementation program | | 6,000 | | 6,000 |
| Rapid retargeting logistics technology | | 5,000 | | 3,500 |

| | Request | HAC | SAC | Conference |
|---|---|---|---|---|
| Compatible Processor Upgrade Program (CPUP) | | | [5,000] | 3,500 |
| LAND ATTACK TECHNOLOGY | 143,044 | 146,044 | 133,244 | 140,244 |
| Naval Fires Network Demonstrator and Tactical Dissemination Module | | 3,000 | | 1,000 |
| Extended Range Guided Munition | | | 10,000 | 7,000 |
| ALAM | | | -19,800 | -10,800 |
| JOINT STRIKE FIGHTER (JSF) - DEM/VAL | 131,566 | 206,566 | 327,666 | 243,050 |
| Additional risk reduction and flight test (Note: The Committee designates the Joint Strike Fighter as an item of special congressional interest.) | | 75,000 | | |
| Flight Test Extension | | | 10,000 | |
| Demonstration/Validation Extension | | | 186,094 | |
| Air Vehicle Dem/Val Bridge Contracts | | | | 88,984 |
| Engine Dem/Val Bridge Contracts | | | | 22,500 |
| NONLETHAL WEAPONS DEM/VAL | 23,580 | 23,580 | 29,580 | 29,580 |
| Joint Nonlethal Weapons Laboratory | | | 2,000 | 2,000 |
| Non-lethal Research and Technology | | | 4,000 | 4,000 |
| SPACE AND ELECTRONIC WARFARE (SEW) ARCHITECTURE/ENGINE | 34,100 | 38,100 | 38,100 | 38,100 |
| Navy collaborative integrated information technology initiative | | 4,000 | 4,000 | 4,000 |
| OTHER HELO DEVELOPMENT | 24,393 | 38,393 | 24,393 | 36,393 |
| Upgrade ship ground station at NAWCAD to a ship and air integration facility | | 4,000 | | 2,000 |
| CH-60S airborne mine countermeasures (Note: Only for continued systems engineering development of the CH-60S carriage, stream, tow, and recovery system.) | | 10,000 | | 10,000 |
| AV-8B AIRCRAFT ENG DEV | 38,061 | 38,061 | 24,961 | 24,961 |
| Laser Spot Tracker | | | -13,100 | -13,100 |
| STANDARDS DEVELOPMENT | 95,814 | 103,814 | 95,814 | 101,814 |
| Joint services metrology program | | 5,000 | | 4,000 |
| Calibration and measurement technology for reduced crew size | | 3,000 | | 2,000 |
| MULTI-MISSION HELICOPTER UPGRADE DEVELOPMENT | 69,946 | 79,946 | 79,946 | 83,946 |
| ATIRCM/CMWS integration on the SH-60R | | 5,000 | 6,000 | 5,000 |
| TADIRCM | | 5,000 | | 5,000 |
| Advanced Threat Infrared Countermeasures | | | 4,000 | 4,000 |
| P-3 MODERNIZATION PROGRAM | 2,906 | 8,906 | 2,906 | 7,406 |
| APS-137B(V)5 radar | | 6,000 | | 4,500 |
| TACTICAL COMMAND SYSTEM | 57,817 | 60,817 | 57,817 | 59,817 |
| Ocean surveillance information system (OSIS-OED) | | 3,000 | | 2,000 |
| AIR CREW SYSTEMS DEVELOPMENT | 17,466 | 34,466 | 16,027 | 28,966 |
| Joint helmet mounted queuing system | | 7,000 | | 3,500 |
| Modular flight helmet / Advanced visionics helmet system / Helicopter integrated life support system (HAILSS) | | 6,000 | | 4,000 |
| K-36 ejection seat | | -6,439 | -6,439 | -6,439 |
| Joint ejection seat program | | 10,439 | 5,000 | 10,439 |
| EW DEVELOPMENT | 97,281 | 133,781 | 122,281 | 134,781 |
| Spray cooling technology for EA-6B ICAP III program | | 8,500 | | 8,500 |
| Location of GPS system jammers (LOCO GPSI) | | 6,000 | | 3,000 |
| EA-6B Link-16 connectivity | | 15,000 | 30,000 | 23,000 |
| Integrated defensive electronic countermeasures (IDECM) | | 7,000 | | 3,000 |
| ICAP III Reserve | | | -5,000 | 0 |
| SC-21 TOTAL SHIP SYSTEM ENGINEERING | 305,274 | 257,274 | 313,274 | 292,274 |
| Development cost growth | | -50,000 | | -20,000 |
| Power node control centers | | 2,000 | 3,000 | 3,000 |
| Multi-function Radar (AN/SPY-3) | | | 5,000 | 4,000 |
| SURFACE COMBATANT COMBAT SYSTEM ENGINEERING | 179,684 | 179,684 | 204,684 | 202,184 |
| Aegis Combat System Engineering Upgrade | | | 25,000 | 20,000 |
| Advanced Food Service Technology | | | | 2,500 |

| | Request | HAC | SAC | Conference |
|---|---|---|---|---|
| AIRBORNE MCM | 47,312 | 50,312 | 47,312 | 51,312 |
| Remote technical assistance support to deploying MCM ships | | 3,000 | | 3,000 |
| AQS-20 sonar data recording capability | | | | 1,000 |
| SSN-688 AND TRIDENT MODERNIZATION | 34,801 | 62,801 | 49,801 | 72,801 |
| Advanced food service technology | | 3,000 | | 0 |
| Multi-purpose processor (MPP) SBIR follow-on for advanced processing builds | | 25,000 | | 25,000 |
| ARCI | | | 10,000 | 8,000 |
| Antenna Technology Improvement | | | 5,000 | 5,000 |
| NEW DESIGN SSN | 207,091 | 212,091 | 210,091 | 214,091 |
| MPP-SBIR follow-on for technology insertion and refresh for Virginia SSN combat system | | 5,000 | | 5,000 |
| Submarine Common Architecture | | | 3,000 | 2,000 |
| SUBMARINE TACTICAL WARFARE SYSTEM | 20,492 | 26,492 | 20,492 | 26,492 |
| Integration of advanced tactical software, AN/UYQ-70 and other off the shelf products into backfit submarine combat control systems | | 6,000 | | 6,000 |
| SHIP CONTRACT DESIGN/ LIVE FIRE T&E | 62,204 | 72,204 | 72,204 | 78,204 |
| Littoral support fast patrol craft | | 10,000 | | 8,000 |
| Nuclear Aircraft Carrier Design and Product Modeling | | | 10,000 | 8,000 |
| NAVY TACTICAL COMPUTER RESOURCES | 3,291 | 28,291 | 3,291 | 30,891 |
| AN/UYQ-70 (Note: Only to develop and implement technology refresh capabilities to incorporate into future AN/UYQ-70 workstation production across surface, submarine, and air platforms.) | | 25,000 | | 19,600 |
| Submarine combat system Q-70 retrofits and technology refreshment | | | | 8,000 |
| JOINT DIRECT ATTACK MUNITION | 26,151 | 29,151 | 26,151 | 29,151 |
| DAMASK component packaging | | 3,000 | | 3,000 |
| SHIP SELF-DEFENSE - EMD | 85,049 | 85,049 | 87,149 | 87,149 |
| Anti-Ship Missile Decoy System | | | 2,100 | 2,100 |
| MEDICAL DEVELOPMENT | 5,273 | 27,273 | 11,773 | 27,773 |
| Bone Marrow Transplant Technology (Note: The conferees recommend $3,000,000 only for the unrelated donor marrow transportation clinical trials of graft engineering.) | | 4,000 | | 3,000 |
| Dental Research | | 6,000 | | 4,000 |
| High Resolution Digital Mammography | | 4,000 | | 2,000 |
| Mobile integrated Diagnostic and Data Analysis System (MIDDAS) | | 2,000 | | 1,500 |
| Voice Interactive Device (Note: Only for continued modification, demonstration, and validation of the Naval voice interactive device as a tool for medical personnel on-board ships or in the field to facilitate the collection, processing, storing, and forwarding of critical medical data for treating combat casualties.) | | 6,000 | | 6,000 |
| Smart Aortic Arch Catheter | | | 1,500 | 1,000 |
| Coastal Cancer Control | | | 5,000 | 5,000 |
| DISTRIBUTED SURVEILLANCE SYSTEM | 20,710 | 35,710 | 40,710 | 40,710 |
| ADS-P3I for alternative power source (FDS-C) | | 9,500 | | 0 |
| ADS-risk mitigation/processing software | | 5,500 | | 0 |
| Advanced Deployable system | | | 20,000 | 20,000 |
| (Note: $5,500,000 is available only for SBIR follow-on Field Processing and Automation Technology Insertion and $9,500,000 is only for the Remote Powered-All Optical FDS-C system) | | | | |
| JOINT STRIKE FIGHTER (JSF) - EMD | 295,962 | 145,962 | | 101,275 |
| EMD deferment (Note: The Conferees designate the Joint Strike Fighter as an item of special congressional interest.) | | -150,000 | -295,962 | -194,687 |
| INFORMATION TECHNOLOGY DEVELOPMENT | 15,259 | 23,259 | 18,259 | 29,259 |
| Human Resource Enterprise Strategy | | 8,000 | 3,000 | 9,000 |
| Information Technology Center | | | 8,000 | 0 |
| Distance Learning IT Center at California State University, San Bernardino | | | | 5,000 |

| | Request | HAC | SAC | Conference |
|---|---|---|---|---|
| in conjunction with the Information Technology Center in New Orleans, Louisiana. | | | | |
| MAJOR T&E INVESTMENT | 40,707 | 44,707 | 43,707 | 45,707 |
| Acquisition / installation of refurbished SPS-48E radar systems for test and evaluation support | | 4,000 | | 3,000 |
| Fleet Air Training | | | 3,000 | 2,000 |
| STUDIES AND ANALYSIS SUPPORT - NAVY | 8,056 | 6,056 | | 6,056 |
| Freeze to fiscal year 2000 level | | -2,000 | | -2,000 |
| CENTER FOR NAVAL ANALYSES | 43,889 | 43,889 | 38,889 | 43,889 |
| Program Reduction | | | -5,000 | |
| TECHNICAL INFORMATION SERVICES | 949 | 10,949 | 949 | 10,949 |
| Supply Chain Management | | 4,000 | | 4,000 |
| Commercialization of Advanced Technology (CAT) program (Note: only to establish the CAT program at the Space and Naval Warfare Systems Center.) | | 6,000 | | 6,000 |
| TEST AND EVALUATION SUPPORT | 270,327 | 270,327 | 272,327 | 272,327 |
| PMRF | | | 2,000 | 2,000 |
| SEW SURVEILLANCE/RECONNAISSANCE SUPPORT | 12,694 | 7,694 | 12,694 | 11,694 |
| Lower priority TENCAP projects | | -5,000 | | -1,000 |
| MARINE CORPS PROGRAM WIDE SUPPORT | 8,091 | 14,891 | 9,091 | 17,891 |
| Consequence Management Information System | | 6,800 | | 6,800 |
| Marine Corps University | | | 1,000 | 1,000 |
| CIBRF: Chemical agent warning network | | | [3,000] | 2,000 |
| STRATEGIC SUB & WEAPONS SYSTEM SUPPORT | 42,687 | 54,687 | 44,687 | 53,687 |
| Radiation hardened technology computer aided design program | | 10,000 | | 7,000 |
| Alternate pendulous integrating gyro accelerometer and Hemispherical resonator gyro development | | 2,000 | | 2,000 |
| Reentry Systems Application Program | | | 2,000 | 2,000 |
| F/A 18 SQUADRONS | 248,093 | 248,093 | 243,093 | 243,093 |
| ATFLIR Reserve | | | -4,000 | -4,000 |
| JHMCS Contract Savings | | | -1,000 | -1,000 |
| E-2 SQUADRONS | 18,698 | 37,698 | 18,698 | 50,698 |
| E-2/C-2 eight blade composite propeller | | 8,000 | | 4,000 |
| E-2C Middleware Technology and Advanced Processing Builds | | 5,000 | | 5,000 |
| E-2C RMP Littoral Surveillance | | | | 15,000 |
| Improved Composite Rotordome | | | | 2,000 |
| NCW development, test and evaluation in support of Naval Fires Network Demo | | 6,000 | | 6,000 |
| INTEGRATED SURVEILLANCE SYSTEM | 16,928 | 27,928 | 16,928 | 27,928 |
| Web Centric Warfare (Wecan) technology expansion to other warfare areas and domains. | | 5,000 | | 5,000 |
| ASW Combat Systems Integration - onboard signal processor development | | 6,000 | | 6,000 |
| CONSOLIDATED TRAINING SYSTEMS DEVELOPMENT | 27,059 | 34,559 | 32,059 | 38,559 |
| Battleforce tactical trainer (Note: Only for the continuation of the current upgrade of the BFTT system to a Windows-NT/PC based system to improve the interfaces to other ship and shore based systems.) | | 7,500 | | 7,500 |
| Joint Tactical Training Combat Training System | | | 5,000 | 4,000 |
| HARM IMPROVEMENT | 21,355 | 46,355 | 26,355 | 41,355 |
| AARGM | | 25,000 | | 15,000 |
| Quick Bolt, ACTD Program | | | 5,000 | 5,000 |
| NAVY SCIENCE ASSISTANCE PROGRAM | | | 19,000 | 19,000 |
| LASH | | | 10,000 | 10,000 |
| Range Airship | | | 9,000 | 9,000 |
| F-14 UPGRADE | 1,228 | 1,228 | 11,228 | 11,228 |
| Demonstrate a SAR-podded reconnaissance system | | | 9,000 | 9,000 |

| | Request | HAC | SAC | Conference |
|---|---|---|---|---|
| RWR Antenna Replacement and System Enhancement | | | 1,000 | 1,000 |
| MARINE CORPS COMMUNICATIONS SYSTEMS | 96,153 | 107,153 | 99,153 | 109,153 |
| MEWSS P3I | | 5,000 | | 5,000 |
| Combined Arms Command and Control Training Upgrade (CACTUS) | | 6,000 | | 6,000 |
| (Note: Only for the upgrade of the USMC training facilities to implement the Joint Simulation System for use in the Marine force's CACTUS) | | | | |
| Joint Enhanced Core Communications System | | | 3,000 | 2,000 |
| MARINE CORPS GROUND COMBAT/SUPPORTING ARMS SYSTEMS | 22,124 | 39,424 | 22,124 | 39,424 |
| Expeditionary indirect fire general support weapon system | | 17,300 | | 17,300 |
| INFORMATION SYSTEMS SECURITY PROGRAM | 21,530 | 30,130 | 21,530 | 32,130 |
| Information Assurance - PKI | | 8,600 | | 8,600 |
| Naval Intelligent Agent Security Module | | | | 2,000 |
| JOINT C4ISR BATTLE CENTER (JBC) | 7,795 | 7,795 | 9,795 | 9,795 |
| Interoperability Process Software Tools | | | 2,000 | 2,000 |
| TACTICAL UNMANNED AERIAL VEHICLES | 113,052 | 129,052 | 113,052 | 123,052 |
| MSAG for Tactical Control System (TCS) | | 10,000 | | 7,000 |
| Navy joint operational testbed for UAVs | | 5,000 | | 3,000 |
| Navy UAV display system to combine data retrieved from multiple UAVs into a network. | | 1,000 | | 0 |
| AIRBORNE RECONNAISSANCE SYSTEMS | 4,759 | 15,759 | 8,759 | 23,759 |
| Upgrade Storyfinder/Landmark systems with SEI | | 6,000 | | 3,000 |
| EP-3 upgrade/weight reduction study; redesign of common electronic receivers/tuners; development, design, and flight test of new lightweight equipment racks. | | 5,000 | | 4,000 |
| Hyperspectral Modu!ar Upgrades to Airbrone Reconnaissance System | | | 4,000 | 4,000 |
| Develop/upgrade the sensor to an 18-inch lens and integrate an existing dual band sensor into the TARPS Pod | | | | 5,000 |
| Develop an advanced focal plane array for smaller electro-optical framing size | | | | 3,000 |
| MANNED RECONNAISSANCE SYSTEMS | 27,479 | 65,079 | 27,479 | 46,479 |
| Sensor upgrade on special project aircraft | | 2,600 | | 1,000 |
| Ongoing SHARP development efforts | | 18,000 | | 18,000 |
| (Note: Of which $2,000,000 may be used to study the feasibility of incorporating a small synthetic aperture radar into the SHARP pod.) | | | | |
| Acquisition and test of small SAR for potential SHARP P3I | | 9,000 | | 0 |
| Lens development for longer stand-off range | | 5,000 | | 0 |
| Advanced focal plane array for increased sensor reliability | | 3,000 | | 0 |
| NAVY SPACE SURVEILLANCE | 2,038 | 1,438 | 2,038 | 1,438 |
| SPACE ACTIVITIES | | | 2,000 | 2,000 |
| MODELING AND SIMULATION SUPPORT | 9,106 | 12,106 | 14,106 | 14,106 |
| C4ISR modeling and simulation / SPAWAR Project | | 3,000 | 5,000 | 5,000 |
| INDUSTRIAL PREPAREDNESS | 59,626 | 69,626 | 59,626 | 69,626 |
| Program increase | | 10,000 | | 10,000 |

## Network Centric Warfare (NCW)

The conferees agree to provide a total of $7,000,000 for NCW and a Naval Fires Network Demonstration. The conferees agree that these funds should be used to continue development of the Naval Fires Network Demonstrator, test the tactical dissemination of intelligence for Time Critical Strike capabilities, and refine the NCW concept of operations. The conferees are pleased with the progress the Navy has made in advancing NCW from theory to substance and supports the NCW development and implementation plan through the proposed Executive Integrated Process Team (EIPT) and working group structure.

## Navy Information Technology Center

The Conferees have provided $6,000,000 in Operation and Maintenance, Navy and $9,000,000 in Research, Development, Test and Evaluation, Navy only for continuing the human resource enterprise strategy in accordance with Section 8147 of the 1999 Defense Appropriations Act including operational support costs and equipment needs at the Navy Program Executive Office for Information Technology's (PEO/IT) ITC and the completion of Navy and Naval Reserve manpower and personnel central design activity consolidations.

## RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| RESEARCH, DEVELOPMENT, TEST & EVAL, AF | | | | |
| BASIC RESEARCH | | | | |
| DEFENSE RESEARCH SCIENCES | 206,149 | 216,149 | 208,149 | 213,649 |
| TOTAL, BASIC RESEARCH | 206,149 | 216,149 | 208,149 | 213,649 |
| APPLIED RESEARCH | | | | |
| MATERIALS | 72,815 | 83,515 | 97,415 | 97,315 |
| AEROSPACE FLIGHT DYNAMICS | 48,775 | 52,315 | 49,327 | 53,675 |
| HUMAN EFFECTIVENESS APPLIED RESEARCH | 62,619 | 63,019 | 68,619 | 67,019 |
| AEROSPACE PROPULSION | 116,262 | 118,262 | 128,362 | 124,762 |
| AEROSPACE SENSORS | 65,644 | 69,644 | 65,644 | 67,644 |
| HYPERSONIC TECHNOLOGY PROGRAM | --- | 5,000 | --- | --- |
| SPACE TECHNOLOGY | 57,687 | 61,687 | 68,287 | 69,487 |
| CONVENTIONAL MUNITIONS | 45,223 | 45,223 | 45,223 | 53,223 |
| DIRECTED ENERGY TECHNOLOGY | 32,337 | 32,337 | 32,337 | 32,337 |
| COMMAND CONTROL AND COMMUNICATIONS | 78,749 | 90,549 | 78,749 | 87,249 |
| DUAL USE SCIENCE AND TECHNOLOGY PROGRAM | 10,144 | 10,144 | 10,144 | 10,144 |
| TOTAL, APPLIED RESEARCH | 590,255 | 631,695 | 644,107 | 662,855 |
| ADVANCED TECHNOLOGY DEVELOPMENT | | | | |
| LOGISTICS SYSTEMS TECHNOLOGY | 13,895 | 13,895 | 13,895 | 13,895 |
| ADVANCED MATERIALS FOR WEAPON SYSTEMS | 21,678 | 48,928 | 25,178 | 43,978 |
| AEROSPACE PROPULSION SUBSYSTEMS INTEGRATION | 34,440 | 35,440 | 34,440 | 34,940 |
| ADVANCED AEROSPACE SENSORS | 28,311 | 44,811 | 40,311 | 46,811 |
| FLIGHT VEHICLE TECHNOLOGY | 2,445 | 7,645 | 6,272 | 11,045 |
| AEROSPACE STRUCTURES | 12,961 | 12,961 | 19,161 | 18,461 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| AEROSPACE PROPULSION AND POWER TECHNOLOGY............. | 41,964 | 45,464 | 41,964 | 43,814 |
| PERSONNEL, TRAINING AND SIMULATION TECHNOLOGY......... | 6,491 | 6,491 | 6,491 | 6,491 |
| CREW SYSTEMS AND PERSONNEL PROTECTION TECHNOLOGY...... | 12,479 | 19,479 | 17,479 | 17,479 |
| FLIGHT VEHICLE TECHNOLOGY INTEGRATION................. | 13,184 | 18,184 | 16,184 | 18,126 |
| ADVANCED SENSOR INTEGRATION........................... | 5,350 | 5,350 | 5,350 | 5,350 |
| ELECTRONIC COMBAT TECHNOLOGY.......................... | 25,882 | 27,882 | 25,882 | 26,882 |
| SPACE AND MISSILE ROCKET PROPULSION................... | 24,283 | 28,283 | 24,283 | 28,033 |
| BALLISTIC MISSILE TECHNOLOGY.......................... | --- | 23,000 | --- | 23,000 |
| ADVANCED SPACECRAFT TECHNOLOGY........................ | 97,327 | 60,087 | 117,742 | 63,602 |
| SPACE SYSTEMS ENVIRONMENTAL INTERACTIONS TECHNOLOGY... | 3,412 | 3,412 | 3,412 | 3,412 |
| MAUI SPACE SURVEILLANCE SYSTEM (MSSS)................. | 4,625 | 4,625 | 19,625 | 19,625 |
| CONVENTIONAL WEAPONS TECHNOLOGY....................... | 22,731 | 22,731 | 22,731 | 22,731 |
| ADVANCED WEAPONS TECHNOLOGY........................... | 33,371 | 42,371 | 45,371 | 43,371 |
| ENVIRONMENTAL ENGINEERING TECHNOLOGY.................. | --- | --- | 2,000 | 1,000 |
| AEROSPACE INFO TECH SYS INTEGRATION................... | 7,429 | 7,429 | 8,029 | 7,429 |
| C3I ADVANCED DEVELOPMENT.............................. | 19,468 | 19,468 | 19,468 | 19,468 |
| SPACE-BASED LASER..................................... | 63,216 | 35,000 | 73,216 | 73,216 |
| TOTAL, ADVANCED TECHNOLOGY DEVELOPMENT............. | 494,942 | 532,936 | 588,484 | 592,159 |
| DEMONSTRATION & VALIDATION | | | | |
| INTELLIGENCE ADVANCED DEVELOPMENT..................... | 4,401 | 4,401 | 4,401 | 4,401 |
| AIRBORNE LASER PROGRAM................................ | 148,637 | 148,637 | 241,037 | 233,637 |
| ADVANCED EHF MILSATCOM (SPACE)........................ | 246,396 | 246,396 | 246,396 | 246,396 |
| POLAR MILSATCOM (SPACE)............................... | 26,068 | 26,068 | 26,068 | 26,068 |
| NATIONAL POLAR-ORBITING OPERATIONAL ENVIRONMENTAL..... | 76,654 | 76,654 | 76,654 | 76,654 |
| SPACE CONTROL TECHNOLOGY.............................. | 9,728 | 9,728 | 9,728 | 9,728 |

(in thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| COMMAND, CONTROL, AND COMMUNICATION APPLICATIONS...... | 7,828 | 7,828 | 7,828 | 7,828 |
| INFORMATION OPERATIONS TECHNOLOGY.................... | 991 | --- | 991 | --- |
| COMBAT IDENTIFICATION TECHNOLOGY..................... | 10,933 | 10,933 | 10,933 | 10,933 |
| NATO RESEARCH AND DEVELOPMENT(H)..................... | 5,509 | 5,509 | 5,509 | 5,509 |
| JOINT STRIKE FIGHTER................................. | 129,538 | 204,538 | 325,632 | 243,050 |
| INTEGRATED BROADCAST SERVICE (DEM/VAL)............... | 24,488 | 15,788 | 24,488 | 15,788 |
| INTERCONTINENTAL BALLISTIC MISSILE - DEM/VAL......... | 39,246 | 39,246 | 58,446 | 51,446 |
| WIDEBAND MILSATCOM (SPACE)........................... | 134,029 | 134,029 | 101,029 | 121,029 |
| AIR FORCE/NATIONAL PROGRAM COOPERATION (AFNPC)....... | 3,370 | 1,370 | 3,370 | 2,370 |
| POLLUTION PREVENTION (DEM/VAL)....................... | 2,543 | 2,543 | 2,543 | 2,543 |
| JOINT PRECISION APPROACH AND LANDING SYSTEMS - DEM/VAL | 18,092 | 18,092 | 18,092 | 18,092 |
| TOTAL, DEMONSTRATION & VALIDATION.................. | 888,451 | 951,760 | 1,163,145 | 1,075,472 |
| ENGINEERING & MANUFACTURING DEVEL | | | | |
| JOINT HELMET MOUNTED CUEING SYSTEM (JHMCS)........... | 1,312 | 1,312 | 1,312 | 1,312 |
| INTEGRATED AVIONICS PLANNING AND DEVELOPMENT......... | 712 | --- | 712 | --- |
| NUCLEAR WEAPONS SUPPORT.............................. | 10,133 | 10,133 | 10,133 | 10,133 |
| B-1B................................................. | 168,122 | 158,122 | 168,122 | 158,122 |
| DISTRIBUTED MISSION TRAINING (DMT)................... | 3,782 | 3,782 | 3,782 | 3,782 |
| SPECIALIZED UNDERGRADUATE PILOT TRAINING............. | 23,853 | 23,853 | 23,853 | 23,853 |
| F-22 EMD............................................. | 1,411,786 | 1,411,786 | 1,411,786 | 1,411,786 |
| B-2 ADVANCED TECHNOLOGY BOMBER....................... | 48,313 | 145,313 | 53,313 | 130,313 |
| EW DEVELOPMENT....................................... | 58,198 | 56,298 | 66,198 | 53,098 |
| SPACE BASED INFRARED SYSTEM (SBIRS) HIGH EMD......... | 569,188 | 569,188 | 569,188 | 569,188 |
| SPACE BASED INFRARED SYSTEM (SBIRS) LOW EMD.......... | 241,021 | 241,021 | 241,021 | 241,021 |
| MILSTAR LDR/MDR SATELLITE COMMUNICATIONS (SPACE)...... | 236,841 | 241,841 | 232,841 | 237,341 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| ARMAMENT/ORDNANCE DEVELOPMENT | 8,876 | 25,876 | 8,876 | 21,876 |
| SUBMUNITIONS | 4,775 | 4,775 | 4,775 | 4,775 |
| AGILE COMBAT SUPPORT | 668 | --- | 668 | 3,414 |
| JOINT DIRECT ATTACK MUNITION | 1,157 | 26,157 | 1,157 | 11,157 |
| AEROMEDICAL/CHEMICAL DEFENSE SYSTEMS | 5,929 | 5,929 | 5,929 | 5,929 |
| LIFE SUPPORT SYSTEMS | 14,758 | 26,358 | 17,508 | 26,458 |
| CIVIL, FIRE, ENVIRONMENTAL, SHELTER ENGINEERING | 2,746 | 2,746 | 2,746 | --- |
| JOINT STANDOFF WEAPONS SYSTEMS | 1,498 | 1,498 | 1,498 | 1,498 |
| COMBAT TRAINING RANGES | 12,559 | 16,559 | 16,559 | 16,559 |
| INTEGRATED COMMAND & CONTROL APPLICATIONS (IC2A) | 214 | --- | 5,014 | 8,014 |
| INTELLIGENCE EQUIPMENT | 1,298 | 1,298 | 6,598 | 4,798 |
| JOINT TACTICAL INFORMATION DISTRIBUTION SYSTEM (JTIDS) | 8,745 | 8,745 | 8,745 | 8,745 |
| COMMON LOW OBSERVABLES VERIFICATION SYSTEM (CLOVERS) | 11,621 | 11,621 | 11,621 | 11,621 |
| JOINT INTEROPERABILITY OF TACTICAL COMMAND & CONTROL | 5,825 | 5,825 | 5,825 | 5,825 |
| JOINT STRIKE FIGHTER EMD | 299,540 | 149,540 | --- | 101,275 |
| COMMERCIAL OPERATIONS AND SUPPORT SAVINGS INITIATIVE | 19,851 | 19,851 | 19,851 | 19,851 |
| INTERCONTINENTAL BALLISTIC MISSILE - EMD | 18,325 | 18,325 | 18,325 | 18,325 |
| EVOLVED EXPENDABLE LAUNCH VEHICLE PROGRAM (SPACE) | 332,952 | 332,952 | 332,952 | 332,952 |
| RDT&E FOR AGING AIRCRAFT | 14,204 | 29,204 | 21,204 | 25,704 |
| PRECISION ATTACK SYSTEMS | 3,965 | 3,965 | 3,965 | 3,965 |
| COMBAT SURVIVOR EVADER LOCATOR | 10,842 | 10,842 | 10,842 | 10,842 |
| TOTAL, ENGINEERING & MANUFACTURING DEVEL | 3,553,609 | 3,564,715 | 3,286,919 | 3,483,532 |
| RDT&E MANAGEMENT SUPPORT | | | | |
| THREAT SIMULATOR DEVELOPMENT | 34,785 | 34,785 | 34,785 | 34,785 |
| TARGET SYSTEMS DEVELOPMENT | 191 | --- | 191 | --- |

(In thousands of dollars)

|  | Budget | House | Senate | Conference |
|---|---|---|---|---|
| MAJOR T&E INVESTMENT | 54,057 | 68,807 | 59,057 | 68,257 |
| RAND PROJECT AIR FORCE | 24,080 | 24,080 | 20,080 | 22,080 |
| RANCH HAND II EPIDEMIOLOGY STUDY | 4,356 | 4,356 | 4,356 | 4,356 |
| INITIAL OPERATIONAL TEST & EVALUATION | 28,238 | 33,238 | 20,238 | 33,238 |
| TEST AND EVALUATION SUPPORT | 386,205 | 386,205 | 386,205 | 386,205 |
| ROCKET SYSTEMS LAUNCH PROGRAM (SPACE) | 7,906 | 7,906 | 7,906 | 7,906 |
| SPACE TEST PROGRAM (STP) | 46,476 | 46,476 | 46,476 | 46,476 |
| INTERNATIONAL ACTIVITIES | 3,773 | 3,773 | 3,773 | 3,773 |
|  | ------------ | ------------ | ------------ | ------------ |
| TOTAL, RDT&E MANAGEMENT SUPPORT | 590,067 | 609,626 | 583,067 | 607,076 |
| OPERATIONAL SYSTEMS DEVELOPEMENT |  |  |  |  |
| B-52 SQUADRONS | 50,787 | 50,787 | 60,787 | 50,787 |
| ADVANCED CRUISE MISSILE | 4,182 | 4,182 | 4,182 | 4,182 |
| AIR-LAUNCHED CRUISE MISSILE (ALCM) | 6,457 | 6,457 | 6,457 | 6,457 |
| REGION/SECTOR OPERATION CONTROL CENTER MODERNIZATION | 992 | 992 | 992 | 992 |
| AIR AND SPACE COMMAND AND CONTROL AGENCY (ASC2A) | 24,769 | 24,769 | 24,769 | 24,769 |
| A-10 SQUADRONS | 8,615 | 8,615 | 10,615 | 9,715 |
| F-16 SQUADRONS | 124,903 | 133,903 | 125,903 | 123,903 |
| F-15E SQUADRONS | 61,260 | 68,860 | 66,260 | 68,860 |
| MANNED DESTRUCTIVE SUPPRESSION | 14,670 | 14,670 | 14,670 | 14,670 |
| F-117A SQUADRONS | 3,912 | 3,912 | 3,912 | 3,912 |
| TACTICAL AIM MISSILES | 21,706 | 21,706 | 21,706 | 21,706 |
| ADVANCED MEDIUM RANGE AIR-TO-AIR MISSILE (AMRAAM) | 53,707 | 53,707 | 53,707 | 53,707 |
| AF TENCAP | 9,826 | 16,826 | 9,826 | 13,826 |
| SPECIAL EVALUATION PROGRAM | 75,443 | 75,443 | 75,443 | 75,443 |
| COMPASS CALL | 5,834 | 25,834 | 15,834 | 21,834 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| AIRCRAFT ENGINE COMPONENT IMPROVEMENT PROGRAM | 166,926 | 166,926 | 166,926 | 166,926 |
| EXTENDED RANGE CRUISE MISSILE | --- | --- | 20,000 | 40,000 |
| JOINT AIR-TO-SURFACE STANDOFF MISSILE (JASSM) | 120,281 | 113,281 | 120,281 | 116,281 |
| THEATER AIR CONTROL SYSTEMS | 19,873 | 19,873 | 19,873 | 19,873 |
| AIRBORNE WARNING AND CONTROL SYSTEM (AWACS) | 35,653 | 35,653 | 35,653 | 35,653 |
| ADVANCED COMMUNICATIONS SYSTEMS | 2,867 | 2,867 | 2,867 | 2,867 |
| EVALUATION AND ANALYSIS PROGRAM | 81,027 | 81,027 | 81,027 | 81,027 |
| ADVANCED PROGRAM TECHNOLOGY | 90,713 | 90,713 | 87,713 | 90,713 |
| THEATER BATTLE MANAGEMENT (TBM) C4I | 41,068 | 41,068 | 46,068 | 44,568 |
| JOINT SURVEILLANCE AND TARGET ATTACK RADAR SYSTEM | 144,118 | 151,318 | 151,318 | 149,118 |
| SEEK EAGLE | 19,472 | 19,472 | 19,472 | 19,472 |
| ADVANCED PROGRAM EVALUATION | 266,458 | 266,458 | 261,158 | 265,558 |
| USAF MODELING AND SIMULATION | 17,624 | 18,624 | 17,624 | 18,024 |
| WARGAMING AND SIMULATION CENTERS | 3,874 | 8,874 | 3,874 | 7,874 |
| MISSION PLANNING SYSTEMS | 20,755 | 20,755 | 20,755 | 20,755 |
| INFORMATION WARFARE SUPPORT | 1 | --- | 1 | --- |
| WAR RESERVE MATERIEL - EQUIPMENT/SECONDARY ITEMS | 1,475 | 1,475 | 1,475 | 1,475 |
| THEATER MISSILE DEFENSES | 19,824 | 19,824 | 19,824 | 19,824 |
| TECHNICAL EVALUATION SYSTEM | 98,263 | 98,263 | 98,263 | 98,263 |
| SPECIAL EVALUATION SYSTEM | 74,240 | 74,240 | 74,240 | 74,240 |
| E-4B NATIONAL AIRBORNE OPERATIONS CENTER (NAOC) | 34,410 | 34,410 | 34,410 | 34,410 |
| DEFENSE SATELLITE COMMUNICATIONS SYSTEM (SPACE) | 7,328 | 7,328 | 7,328 | 7,328 |
| AIR FORCE COMMUNICATIONS (AIRCOM) | 11,478 | 11,478 | 11,478 | 11,478 |
| MINIMUM ESSENTIAL EMERGENCY COMMUNICATIONS NETWORK | 15,302 | 15,302 | 15,302 | 15,302 |
| INFORMATION SYSTEMS SECURITY PROGRAM | 7,212 | 25,703 | 12,212 | 29,503 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| GLOBAL COMBAT SUPPORT SYSTEM.......................... | 46,369 | 46,369 | 46,369 | 46,369 |
| GLOBAL COMMAND AND CONTROL SYSTEM..................... | 3,743 | 3,743 | 3,743 | 3,743 |
| COMMUNICATIONS SECURITY (COMSEC)...................... | 4,857 | 4,857 | 4,857 | 4,857 |
| MILSATCOM TERMINALS................................... | 17,797 | 17,797 | 20,797 | 17,797 |
| GLOBAL AIR TRAFFIC MANAGEMENT (GATM).................. | 8,508 | 8,508 | 8,508 | 8,508 |
| SATELLITE CONTROL NETWORK (SPACE)..................... | 58,643 | 58,643 | 58,643 | 58,643 |
| WEATHER SERVICE....................................... | 19,942 | 19,942 | 19,942 | 19,942 |
| AIR TRAFFIC CONTROL, APPROACH, AND LANDING SYSTEM..... | 18,093 | 58,093 | 18,093 | 48,093 |
| SECURITY AND INVESTIGATIVE ACTIVITIES................. | 467 | 467 | 467 | 467 |
| NATIONAL AIRSPACE SYSTEM (NAS) PLAN................... | 200 | --- | 200 | --- |
| TITAN SPACE LAUNCH VEHICLES (SPACE)................... | 25,815 | 25,815 | 25,815 | 25,815 |
| TACTICAL TERMINAL..................................... | 238 | --- | 238 | --- |
| DEFENSE RECONNAISSANCE SUPPORT ACTIVITIES (SPACE)..... | 45,149 | 38,049 | 45,149 | 41,599 |
| DEFENSE METEOROLOGICAL SATELLITE PROGRAM (SPACE)...... | 25,372 | 25,372 | 25,372 | 25,372 |
| NAVSTAR GLOBAL POSITIONING SYSTEM (USER EQUIPMENT) (SP | 66,975 | 66,975 | 66,975 | 66,975 |
| NAVSTAR GLOBAL POSITIONING SYSTEM (SPACE AND CONTROL S | 260,980 | 261,097 | 260,897 | 260,980 |
| SPACELIFT RANGE SYSTEM (SPACE)....................... | 53,654 | 85,154 | 53,654 | 85,154 |
| DRAGON U-2 (JMIP)..................................... | 27,546 | 31,546 | 33,546 | 32,546 |
| ENDURANCE UNMANNED AERIAL VEHICLES.................... | 109,215 | 128,215 | 127,215 | 127,215 |
| AIRBORNE RECONNAISSANCE SYSTEMS....................... | 136,913 | 143,913 | 152,613 | 157,913 |
| MANNED RECONNAISSANCE SYSTEMS......................... | --- | --- | 11,000 | 9,500 |
| DISTRIBUTED COMMON GROUND SYSTEMS..................... | 21,330 | 25,830 | 21,330 | 25,830 |
| NCMC - TW/AA SYSTEM................................... | 19,309 | 19,309 | 19,309 | 19,309 |
| SPACETRACK (SPACE).................................... | 2,553 | 2,553 | 2,553 | 2,553 |
| DEFENSE SUPPORT PROGRAM (SPACE)....................... | 9,462 | 9,462 | 9,462 | 9,462 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| NUDET DETECTION SYSTEM (SPACE) | 17,088 | 12,088 | 17,088 | 12,088 |
| MODELING AND SIMULATION SUPPORT | 1,177 | 1,177 | 1,177 | 1,177 |
| SHARED EARLY WARNING (SEW) | 4,219 | 4,219 | 4,219 | 4,219 |
| C-130 AIRLIFT SQUADRON | 60,496 | 60,496 | 60,496 | 60,496 |
| C-5 AIRLIFT SQUADRONS | 92,530 | 92,530 | 44,901 | 92,530 |
| C-17 AIRCRAFT | 176,439 | 176,439 | 176,439 | 176,439 |
| KC-135S | 487 | 487 | 487 | 487 |
| KC-10S | 19,526 | 19,526 | 19,526 | 19,526 |
| SPECIAL OPERATIONS FORCES | 1,109 | 3,109 | 1,109 | 2,859 |
| DEPOT MAINTENANCE (NON-IF) | 1,515 | 4,515 | 1,515 | 3,515 |
| INDUSTRIAL PREPAREDNESS | 53,082 | 57,582 | 56,082 | 58,882 |
| PRODUCTIVITY, RELIABILITY, AVAILABILITY, MAINTAIN. PRO | 15,227 | 15,227 | 24,227 | 21,227 |
| JOINT LOGISTICS PROGRAM - AMMUNITION STANDARD SYSTEM | 11,238 | 11,238 | 11,238 | 11,238 |
| SUPPORT SYSTEMS DEVELOPMENT | 32,258 | 42,258 | 32,258 | 40,858 |
| COMPUTER RESOURCES SUPPORT IMPROVEMENT PROGRAM (CRSIP) | 2,356 | 7,356 | 2,356 | 3,356 |
| CIVILIAN COMPENSATION PROGRAM | 7,209 | 7,209 | 7,209 | 7,209 |
| COBRA BALL (FLD) | --- | --- | 6,000 | 6,000 |
| NATO JOINT STARS | 3,270 | 3,270 | 3,270 | 3,270 |
| CLASSIFIED PROGRAMS | 4,123,225 | 3,817,778 | 4,126,725 | 4,014,188 |
| TOTAL, OPERATIONAL SYSTEMS DEVELOPEMENT | 7,372,886 | 7,253,808 | 7,457,274 | 7,503,501 |
| TOTAL, RESEARCH, DEVELOPMENT, TEST & EVAL, AF | 13,696,359 | 13,760,689 | 13,931,145 | 14,138,244 |

## EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| **DEFENSE RESEARCH SCIENCES** | **206,149** | **216,149** | **208,149** | **213,649** |
| Sacramento Peak Observatory | | (600) | | (600) |
| Chabot Observatory | | 2,000 | | 1,000 |
| Astronomical Active Optics | | 4,000 | 2,000 | 3,500 |
| Coal based advanced thermally stable jet fuel | | 4,000 | | 3,000 |
| **MATERIALS** | **72,815** | **83,515** | **97,415** | **97,315** |
| IR detectors, RF and power electronics | | 2,000 | | 500 |
| Special Aerospace Materials and Manufacturing Processes | | 5,200 | | 4,500 |
| Thermal Management for Space Structures | | 2,500 | | 1,800 |
| Advanced Physical Vapor Transport Growth Process for SiC | | 1,000 | 5,000 | 3,000 |
| Aircraft Structural Integrity | | | 3,000 | 2,200 |
| Carbon Foam Development for Aircraft/Spacecraft | | | 4,000 | 4,000 |
| Ceramic Matrix Composites | | | 3,600 | 2,000 |
| Laser Processing Tools | | | 4,000 | 3,200 |
| Resin Transfer Molded High Temperature Materials for Engines | | | 2,000 | 1,300 |
| Thermal Protection System for Hypervelocity Vehicles | | | 1,500 | 1,000 |
| Weathering and Corrosion on Aircraft Surfaces and Parts | | | 1,500 | 1,000 |
| **AEROSPACE FLIGHT DYNAMICS** | **48,775** | **52,315** | **49,327** | **53,675** |
| Weapons systems logistics, deployed base systems technology, and force protection | | 3,540 | | 2,900 |
| Aeronautical Research | | | 6,000 | 2,000 |
| Control Techniques and Adaptive Flight Control Algorithms | | | -5,448 | 0 |
| **HUMAN EFFECTIVENESS APPLIED RESEARCH** | **62,619** | **63,019** | **68,619** | **67,019** |
| Altitude protection | | 400 | | 400 |
| Solid Electrolyte Oxygen Seperator | | | 6,000 | 4,000 |
| **AEROSPACE PROPULSION** | **116,262** | **118,262** | **128,362** | **124,762** |
| Lithium Ion Battery | | 2,000 | | 1,000 |
| Magnetic Bearing Cooling Turbine MBCT | | | 6,000 | 3,800 |
| PBO Membrane Fuel Cells | | | 5,000 | 2,600 |
| Fuels and Lubricants | | | 1,100 | 800 |
| Variable Displacement Vane Pump | | | 3,000 | 1,800 |
| Rocket Propulsion Technology | | | -5,000 | -5,000 |
| Hypersonic Electric Power System | | | 2,000 | 3,500 |
| **HYPERSONIC TECHNOLOGY PROGRAM** | | **5,000** | | **0** |
| Hypersonic electric power system (transfer to Aerospace Propulsion) | | 5,000 | | 0 |
| **SPACE TECHNOLOGY** | **57,687** | **61,687** | **68,287** | **69,487** |
| Terabit | | 4,000 | | 4,000 |
| HAARP | | | 7,000 | 7,000 |
| Advanced Aluminum Aerostructures | | | 3,000 | 1,800 |
| Composite Cryogenic Fuel Tanks | | | 2,000 | 1,000 |
| Science and Technology Space Survivability | | | 5,600 | 3,000 |
| Integrated Microsatellite Technology Concepts | | | -7,000 | -5,000 |
| **CONVENTIONAL MUNITIONS** | **45,223** | **45,223** | **57,223** | **53,223** |
| XSS-10 microsatellite technology | | | 12,000 | 8,000 |
| **COMMAND CONTROL AND COMMUNICATIONS** | **78,749** | **90,549** | **78,749** | **87,249** |
| Simulation Based Acquisition | | 11,800 | | 8,500 |
| **ADVANCED MATERIALS FOR WEAPON SYSTEMS** | **21,678** | **48,928** | **25,178** | **43,978** |
| Aging aircraft | | 10,000 | | 6,500 |
| National Composite P4A Initiative | | 3,000 | | 1,800 |
| Advanced Low Observable Coatings | | 6,000 | | 3,900 |
| Special Aerospace Materials and Manufacturing Processes | | 5,250 | | 4,500 |
| National Center for Industrial Competitiveness | | 3,000 | | 1,800 |
| Handheld Holographic Radar Gun (H3G) | | | | 1,000 |
| Next Generation Launch Vehicle Payload F & Shrouds | | | 2,000 | 2,000 |
| Vehicle Health Monitor | | | 1,500 | 800 |
| **ADVANCED AEROSPACE SENSORS** | **28,311** | **44,811** | **40,311** | **46,811** |
| IDAL IR simulator and RF and IR integration | | 6,000 | 6,000 | 3,500 |
| National Radar Signature Production and Research Capability | | 10,500 | | 10,500 |
| Hyperspectral System Development (High Altitude) | | | 6,000 | 4,500 |
| **FLIGHT VEHICLE TECHNOLOGY** | **2,445** | **7,645** | **6,272** | **11,045** |
| Weapons systems logistics, deployed base systems technology, and force protection | | 5,200 | | 4,200 |
| E-SMART Chem/Bio Sensors | | | 4,000 | 3,000 |
| Fiber Optics Control Technology | | | 2,000 | 1,400 |
| Control Techniques and Adaptive Flight Control Algorithms | | | -1,058 | 0 |

| | | | | |
|---|---|---|---|---|
| Autonomous Control | | | -1,115 | 0 |
| **AEROSPACE STRUCTURES** | **12,961** | **12,961** | **19,161** | **18,461** |
| Polymetric Foam Core | | | 4,000 | 4,000 |
| Three Dimensional Bias Woven Platforms | | | 2,200 | 1,500 |
| **AEROSPACE PROPULSION AND POWER TECHNOLOGY** | **41,964** | **45,464** | **41,964** | **43,814** |
| Next generation aerospace research initiative | | 3,000 | | 1,500 |
| Vectored Thrust Ducted Propeller Compound Helicopter demonstration for combat rescue | | 500 | | 350 |
| **CREW SYSTEMS AND PERSONNEL PROTECTION TECHNOLOGY** | **12,479** | **19,479** | **17,479** | **17,479** |
| High Brightness Helmet Display | | 7,000 | 5,000 | 5,000 |
| **FLIGHT VEHICLE TECHNOLOGY INTEGRATION** | **13,184** | **18,184** | **16,184** | **18,126** |
| Trans-Atmospheric Aerospace Plane (TAAP) study by ASC | | 5,000 | | 4,000 |
| Explosion Resistant Fuel Tank Lining Materials | | | 3,000 | 2,000 |
| Control Techniques and Adaptive Flight Control Algorithms (Candidate for UCAV technology initiative) | | | | -1,058 |
| **ADVANCED SPACECRAFT TECHNOLOGY** | **97,327** | **50,087** | **117,742** | **63,602** |
| Discoverer II | | -54,240 | | -54,240 |
| Miniature Satellite Threat Reporting System (MSTRS) | | 3,000 | | 1,500 |
| Satellite survivability | | 4,000 | | 3,000 |
| Upper Stage Flight Experiment | | | 5,000 | 5,000 |
| Scorpius Low Cost Launcher | | 10,000 | 5,000 | 6,500 |
| Solar Orbital Transfer Vehicle (SOTV) | | | 5,000 | 2,600 |
| Space Maneuver Vehicle (SMV) | | | 10,000 | 6,500 |
| Second Integrated Space Technology Demonstration | | | -4,585 | -4,585 |
| **ADVANCED WEAPONS TECHNOLOGY** | **33,371** | **42,371** | **45,371** | **43,371** |
| High Resolution Space Object Imaging Program | | 9,000 | 5,000 | 8,000 |
| FLD Upgrades | | | 7,000 | 7,000 |
| LaserSpark | | | (+5000) | 3,000 |
| Transfer to Joint High Energy Laser Program | | | | -8,000 |
| **AEROSPACE INFO TECH SYS INTEGRATION** | **7,429** | **7,429** | **8,029** | **7,429** |
| Simulation Based Acquisition (transfer to Command, Control, and Communications) | | | 600 | 0 |
| **SPACE-BASED LASER** | **63,216** | **35,000** | **73,216** | **73,216** |
| Program reduction | | -28,216 | | 0 |
| Program increase | | | 10,000 | 10,000 |
| **INFORMATION OPERATIONS TECHNOLOGY** | **991** | | **991** | **0** |
| Transfer funds to 0303140F | | -991 | | -991 |
| **JOINT STRIKE FIGHTER** | **129,538** | **204,538** | **325,632** | **243,050** |
| Risk reduction and flight testing | | 75,000 | | 0 |
| Flight Test Program Extension | | | 10,000 | 0 |
| Demonstration/Validation Program Extension | | | 186,094 | 0 |
| Air Vehicle Dem/Val Bridge Contracts | | | | 91,012 |
| Engine Dem/Val Bridge Contract | | | | 22,500 |
| **INTERCONTINENTAL BALLISTIC MISSILE - DEM/VAL** | **39,246** | **39,246** | **58,446** | **51,446** |
| Northern Edge Exercise Support | | | 10,200 | 10,200 |
| GPS Certification | | | 6,000 | 2,000 |
| Northern Edge Launch Range Communication Instrumentation (Transferred to Army) | | | 3,000 | 0 |
| **WIDEBAND MILSATCOM (SPACE)** | **134,029** | **134,029** | **101,029** | **121,029** |
| Program reduction | | | -18,000 | -8,000 |
| Global Broadcast System | | | -15,000 | -5,000 |
| **B-2 ADVANCED TECHNOLOGY BOMBER** | **48,313** | **145,313** | **53,313** | **130,313** |
| 500lb JDAM integration | | 56,000 | | 56,000 |
| Inflight replanning | | 11,000 | | 11,000 |
| EGBU-28 | | 25,000 | | 15,000 |
| EHF risk reduction | | 5,000 | | 0 |
| EHF Preliminary Design and Risk Reduction Study | | | 5,000 | 0 |
| **EW DEVELOPMENT** | **58,198** | **56,298** | **66,198** | **53,098** |
| CMWS – Air Force withdrawal from program. Prior year funds available to support joint program through FY 2001. | | -19,800 | | -19,800 |
| MALD | | 3,000 | | 1,200 |
| PLAID for ALR-69 | | 14,900 | 8,000 | 10,000 |
| Survivability enhancements (transferred from F-15) | | | | 3,500 |
| **MILSTAR LDR/MDR SATELLITE COMMUNICATIONS (SPACE)** | **236,841** | **241,841** | **232,841** | **237,341** |
| Integrated Satellite Communications Control | | 5,000 | | 4,500 |
| Program reduction | | | -4,000 | -4,000 |

| | | | | |
|---|---|---|---|---|
| **ARMAMENT/ORDNANCE DEVELOPMENT** | **8,876** | **25,876** | **8,876** | **21,876** |
| Cast Ductile Bomb | | 2,000 | | 1,000 |
| Miniature Munitions Capability | | 15,000 | | 12,000 |
| **AGILE COMBAT SUPPORT** | **668** | | **668** | **3,414** |
| Program reduction | | -668 | | 0 |
| Civil, fire, environmental, shelter engineering | | | | 2,746 |
| **JOINT DIRECT ATTACK MUNITION** | **1,157** | **26,157** | **1,157** | **11,157** |
| 500lb JDAM | | 25,000 | | 10,000 |
| NOTE: The conferees hereby approve reprogramming FY 00-20 PA | | | | |
| **LIFE SUPPORT SYSTEMS** | **14,758** | **26,358** | **26,358** | **26,458** |
| K-36/3.5 ejection seat stand-alone program | | -6,250 | -6,250 | -6,250 |
| Joint Ejection Seat Program | | 13,850 | 5,000 | 10,250 |
| Standardized cockpit and crew seats | | 4,000 | 4,000 | 3,700 |
| ACES II ejection seat digital sequencer/structural mods for higher weight | | | | 4,000 |
| **CIVIL, FIRE, ENVIRONMENTAL, SHELTER ENGINEERING** | **2,746** | **2,746** | **2,746** | **0** |
| Transfer to Agile Combat Support | | | | -2,746 |
| **INTEGRATED COMMAND & CONTROL APPLICATIONS (IC2A)** | **214** | | **5,014** | **8,014** |
| Program reduction | | -214 | | 0 |
| ASSET Procurement Automation & iGATM Technology | | | 4,800 | 4,800 |
| NPLACE (transfer) | | | | 2,000 |
| Air Force Product Line Engineering Activity | | | | 1,000 |
| **JOINT STRIKE FIGHTER EMD** | **299,540** | **149,540** | 0 | **101,275** |
| Defer EMD | | -150,000 | | -198,265 |
| Extend DEM/VAL | | | -299,540 | [illegible] |
| **RDT&E FOR AGING AIRCRAFT** | **14,204** | **29,204** | **21,204** | **25,704** |
| Aging aircraft | | 3,000 | | 1,500 |
| Aging landing gear life extension | | 12,000 | 7,000 | 10,000 |
| **TARGET SYSTEMS DEVELOPMENT** | **191** | | **191** | **0** |
| Program reduction | | -191 | | -191 |
| **MAJOR T&E INVESTMENT** | **54,057** | **68,807** | **59,057** | **68,257** |
| Laser Induced Surface Improvement (LISI) | | 2,000 | | 1,100 |
| X-15 test stand at Edwards AFB | | 250 | | 500 |
| Multi-axis thrust stand at Edwards AFB | | 5,000 | | 2,600 |
| Eglin range improvements | | 7,500 | | 6,500 |
| MARIAH II Hypersonic Wind Tunnel Program | | | 5,000 | 3,500 |
| **INITIAL OPERATIONAL TEST & EVALUATION** | **28,238** | **33,238** | **20,238** | **33,238** |
| AFOTEC | | 5,000 | | 5,000 |
| Delayed tests | | | -8,000 | 0 |
| **B-52 SQUADRONS** | **50,787** | **50,787** | **60,787** | **50,787** |
| ALQ-172 Electronic Countermeasure Improvement Program (Transfer to procurement) | | | 10,000 | 0 |
| **F-16 SQUADRONS** | **124,903** | **133,903** | **125,903** | **123,903** |
| TARS podded reconnaissance system | | 9,000 | | 0 |
| OBOGS retrofit | | | 6,000 | 4,000 |
| Auto GCAS | | | -5,000 | -5,000 |
| **F-15E SQUADRONS** | **61,260** | **68,860** | **66,260** | **68,860** |
| BOL IR | | 7,600 | | 7,600 |
| Survivability Enhancements (Transferred to EW Development) | | | 5,000 | 0 |
| **EXTENDED RANGE CONVENTIONAL CRUISE MISSILE** | | | **43,000** | **40,000** |
| ERCCM | | | 43,000 | 40,000 |
| **AF TENCAP** | **9,826** | **16,826** | **9,826** | **13,826** |
| Hyperspectral research on Predator UAV | | 4,000 | | 2,000 |
| Hyperspectral research on high altitude reconnaissance platforms | | 3,000 | | 2,000 |
| **COMPASS CALL** | **5,834** | **25,834** | **15,834** | **21,834** |
| Signal analysis subsystem | | 10,000 | | 8,000 |
| SPEAR System Improvements | | 10,000 | 10,000 | 8,000 |
| **INFORMATION SYSTEMS SECURITY PROGRAM** | **7,212** | **25,703** | **12,212** | **29,503** |
| Transfer from 0603690F | | 991 | | 991 |
| System protection through exploration of adaptive information protection technology using and modifying COTS technology | | 2,000 | | 2,000 |
| Information Assurance: CDAD | | 10,000 | | 10,000 |
| Information Assurance: PKI | | 5,500 | | 5,500 |
| Lighthouse Cyber Security | | | 5,000 | 3,800 |

| | | | | |
|---|---|---|---|---|
| **NAVSTAR GLOBAL POSITIONING SYSTEM (SPACE AND CONTRO** | **260,980** | **261,097** | **260,897** | **260,980** |
| GPS Modernization | | 117 | -83 | 0 |
| DRAGON U-2 | 27,546 | 31,546 | 33,546 | 32,546 |
| U-2 SYERS polarization | | + 4,000 | + 6,000 | + 5,000 |
| **ENDURANCE UNMANNED AERIAL VEHICLES** | **109,215** | **128,215** | **127,215** | **127,215** |
| Replacement of EO/IR sensors on existing Global Hawk UAV | | 12,000 | | 0 |
| Development of dual band sensor capabilities and precision targeting location | | 7,000 | | 0 |
| Global Hawk - Replacement of EO/IR sensors on existing Global Hawk UAV and development of dual band sensor capabilities and precision target location | | | 18,000 | 18,000 |
| **AIRBORNE RECONNAISSANCE SYSTEMS** | **138,913** | **143,913** | **152,613** | **157,913** |
| Wideband integrated common data link | | 7,000 | | 7,000 |
| High Rate Laser Comms | | | 5,700 | 4,000 |
| JSAF LBSS | | | 10,000 | 10,000 |
| **MANNED RECONNAISSANCE SYSTEMS** | | | **11,000** | **9,500** |
| ECARS | | | 11,000 | 9,500 |
| **DISTRIBUTED COMMON GROUND SYSTEMS** | **21,330** | **25,830** | **21,330** | **25,830** |
| Eagle Vision IV | | 4,500 | | 4,500 |
| **DEFENSE SUPPORT PROGRAM (SPACE)** | **9,462** | **9,462** | **9,462** | **9,462** |
| HANDS | | | (2,000) | (2,000) |
| **SPECIAL OPERATIONS FORCES** | **1,109** | **2,109** | **1,109** | **2,859** |
| Universal Biological Sensor | | 1,000 | | 900 |
| AFSOC Aircrew Orientation and Screening | | 600 | | 500 |
| Develop methodology for approving medications for use by aircrew | | 400 | | 350 |
| **INDUSTRIAL PREPAREDNESS** | **53,082** | **57,582** | **56,082** | **58,882** |
| Special Aerospace Materials and Manufacturing Processes | | 4,500 | | 3,800 |
| F-16 Battery Improvement | | | 3,000 | 2,000 |
| **SUPPORT SYSTEMS DEVELOPMENT** | **32,258** | **42,258** | **32,258** | **40,858** |
| Advanced Engine Simulation and Optimization Program | | 2,500 | | 1,800 |
| Aircraft and Systems Support Infrastructure | | 2,500 | | 1,800 |
| IMDS | | 5,000 | | 1,000 |
| Air Force Center of Acquisition Reengineering | | | | 2,000 |
| Air Force Knowledge Management Project | | | | 2,000 |
| **COMPUTER RESOURCES SUPPORT IMPROVEMENT PROGRAM (C** | **2,358** | **7,358** | **2,358** | **3,358** |
| NPLACE (transferred to Integrated Command and Control Applications) | | 4,000 | | 0 |
| Air Resource Rapid Reapplication Tools | | 1,000 | | 1,000 |

INTELLIGENCE, SURVEILLANCE, AND RECONNAISSANCE (ISR) BATTLE MANAGEMENT

The conferees are aware that the Air Force desires to initiate a program called the Intelligence, Surveillance, and Reconnaissance (ISR) Battle Management. The ISR Battle Management is an effort to extend required ISR command and control functions now resident in the Distributed Common Ground System to the Air Operations Center. This program was not identified in the fiscal year 2001 budget request. However, the conferees believe this effort should be initiated and the House and Senate Committees on Appropriations would expeditiously consider a reprogramming request of up to $7,500,000 for this effort.

DISCOVERER II

After careful consideration, the conferees direct that the Discoverer II program be terminated.

To move forward in a more cost-effective manner, the conferees have provided $30,000,000 to the National Reconnaissance Office to undertake steps to further develop and mature low cost electronically scanned array radar technologies for space applications. The conferees further directed the continued participation of the Defense Advanced Research Projects Agency in these efforts.

The Director of the National Reconnaissance Office, in consultation with the Director of the Defense Advanced Research Projects Agency, shall submit a program plan for the development, testing and application of technologies funded under this revised initiative. The conferees direct that none of the funds provided may be used to develop a stand-alone satellite demonstrator.

JOINT EJECTION SEAT PROGRAM

The conferees are concerned about the Defense Department's management of the Joint Ejection Seat Program, including the failure to complete a memorandum of agreement between the Navy and the Air Force concerning operation of the joint program. The conferees have deleted all funds for DoD's separate program to develop the K-36 seat. The conferees have provided a total of $20,689,000 only for the Joint Ejection Seat Program. The conferees direct that the Department of Defense conduct a full and open competition among any and all candidate seats under this program, with no arbitrary restrictions applied by DoD to limit the competition.

The conferees direct that no contract award for the joint ejection seat program using funds provided in fiscal year 2000 be made until 30 days after the Secretary of Defense submits a program plan for the Joint Ejection Seat Program as required by the Department of Defense Appropriations Act, 2000. This program plan should address all specific applications for the ejection seat or ejection seat technology developed under the JESP. Further, the report should specifically address the cost and commonality benefits of using any JESP-developed seat in the Joint Strike Fighter (JSF). None of the funds appropriated in fiscal years 2000 or 2001 may be obligated until the Secretaries of the Navy and Air Force certify to the congressional defense committees that a joint program office is in place to manage the program in a manner which fairly meets both services' requirements. The conferees reiterate that the objective of the Joint Ejection Seat Program is to completely qualify at least two modern and safe ejection seats for potential use in existing and future tactical aircraft.

LIFE SUPPORT SYSTEMS

The conferees have provided an increase of $4,000,000 only for the ACES II ejection seat. These funds are provided only to complete development and testing on discrete modifications of existing ACES II seats to provide digital sequencing capability and to accommodate higher weight individuals. It is not the conferees' intent to fund any activity in this program that would give an unfair advantage to a bidder for the Joint Ejection Seat program.

## RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| RESEARCH, DEVELOPMENT, TEST & EVAL, DEFWIDE | | | | |
| BASIC RESEARCH | | | | |
| IN-HOUSE LABORATORY INDEPENDENT RESEARCH.............. | 2,007 | 2,007 | 2,007 | 2,007 |
| DEFENSE RESEARCH SCIENCES............................. | 90,415 | 100,415 | 102,015 | 109,815 |
| UNIVERSITY RESEARCH INITIATIVES....................... | 253,627 | 289,627 | 263,627 | 292,077 |
| GULF WAR ILLNESS...................................... | 16,978 | 16,978 | 27,978 | 27,978 |
| INFORMATION ASSURANCE................................. | --- | 3,000 | --- | 3,000 |
| GOVERNMENT/INDUSTRY COSPONSORSHIP OF UNIVERSITY RESEAR | 6,715 | 6,715 | 6,715 | 6,715 |
| DEF EXPERIMENTAL PROGRAM TO STIMULATE COMPETITIVE RESE | 9,859 | 19,859 | 25,000 | 22,000 |
| CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM............... | 33,197 | 40,197 | 38,197 | 39,897 |
| TOTAL, BASIC RESEARCH................................ | 412,798 | 478,798 | 465,539 | 503,489 |
| APPLIED RESEARCH | | | | |
| NEXT GENERATION INTERNET.............................. | 15,000 | 15,000 | 15,000 | 15,000 |
| SUPPORT TECHNOLOGIES - APPLIED RESEARCH............... | 37,747 | 50,247 | 56,247 | 56,247 |
| MEDICAL FREE ELECTRON LASER........................... | 15,029 | 25,029 | 15,029 | 20,029 |
| HISTORICALLY BLACK COLLEGES AND UNIVERSITIES (HBCU)... | 14,236 | 14,236 | 17,736 | 17,236 |
| HISPANIC SERVING INSTITUTIONS......................... | --- | 5,000 | --- | 5,000 |
| LINCOLN LABORATORY RESEARCH PROGRAM................... | 18,602 | 18,602 | 20,702 | 20,102 |
| COMPUTING SYSTEMS AND COMMUNICATIONS TECHNOLOGY....... | 376,592 | 335,592 | 343,592 | 334,392 |
| EXTENSIBLE INFORMATION SYSTEMS........................ | 69,282 | 49,282 | 54,319 | 52,282 |
| BIOLOGICAL WARFARE DEFENSE............................ | 162,064 | 166,564 | 150,064 | 168,314 |
| CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM............... | 73,600 | 75,600 | 81,600 | 80,000 |
| TACTICAL TECHNOLOGY................................... | 121,051 | 121,051 | 320,394 | 219,894 |
| INTEGRATED COMMAND AND CONTROL TECHNOLOGY............. | 31,761 | 38,761 | 38,761 | 38,761 |
| MATERIALS AND ELECTRONICS TECHNOLOGY.................. | 249,812 | 259,312 | 255,812 | 264,312 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| NUCLEAR SUSTAINMENT & COUNTERPROLIFERATION TECHNOLOGIE | 230,928 | 225,428 | 219,528 | 221,928 |
| MEDICAL TECHNOLOGY.................................... | 8,680 | 8,680 | 8,680 | 8,680 |
| HIGH ENERGY LASER LASER PROGRAM....................... | --- | --- | --- | 30,000 |
| TOTAL, APPLIED RESEARCH............................. | 1,424,384 | 1,408,384 | 1,597,464 | 1,552,177 |
| ADVANCED TECHNOLOGY DEVELOPMENT | | | | |
| MEDICAL ADVANCED TECHNOLOGY........................... | 2,043 | 2,043 | 2,043 | 2,043 |
| EXPLOSIVES DEMILITARIZATION TECHNOLOGY................ | 8,964 | 23,164 | 19,664 | 30,164 |
| SO/LIC ADVANCED DEVELOPMENT........................... | 8,622 | 8,622 | 8,622 | 8,622 |
| COMBATING TERRORISM TECHNOLOGY SUPPORT................ | 41,307 | 48,307 | 51,307 | 49,307 |
| COUNTERPROLIFERATION ADVANCED DEVELOPMENT TECHNOLOGIES | 77,391 | 77,391 | 77,391 | 77,391 |
| SUPPORT TECHNOLOGIES - ADVANCED TECHNOLOGY DEVELOPMEN | 93,249 | 123,249 | 134,449 | 132,049 |
| SPACE BASED LASERS (SBL).............................. | 74,537 | 58,000 | 74,537 | 74,537 |
| JOINT DOD-DOE MUNITIONS TECHNOLOGY DEVELOPMENT........ | 16,670 | 16,670 | 16,670 | 16,670 |
| AUTOMATIC TARGET RECOGNITION.......................... | 7,534 | 7,534 | 7,534 | 7,534 |
| ADVANCED AEROSPACE SYSTEMS............................ | 26,821 | 26,821 | 30,936 | 34,821 |
| CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM - ADVANCED DEV | 46,594 | 49,344 | 55,694 | 57,894 |
| SPECIAL TECHNICAL SUPPORT............................. | 10,777 | 14,777 | 15,777 | 29,577 |
| ARMS CONTROL TECHNOLOGY............................... | 52,930 | 69,930 | 52,930 | 67,930 |
| GENERIC LOGISTICS R&D TECHNOLOGY DEMONSTRATIONS....... | 23,082 | 47,382 | 37,082 | 48,182 |
| STRATEGIC ENVIRONMENTAL RESEARCH PROGRAM.............. | 51,357 | 57,357 | 51,557 | 59,557 |
| JOINT WARFIGHTING PROGRAM............................. | 7,607 | 7,607 | 7,607 | 7,607 |
| COOPERATIVE DOD/VA MEDICAL RESEARCH................... | --- | 1,000 | --- | 1,000 |
| ADVANCED ELECTRONICS TECHNOLOGIES..................... | 191,800 | 211,800 | 198,300 | 221,500 |
| ADVANCED CONCEPT TECHNOLOGY DEMONSTRATIONS............ | 116,425 | 116,425 | 121,425 | 119,925 |
| HIGH PERFORMANCE COMPUTING MODERNIZATION PROGRAM...... | 164,027 | 164,027 | 177,527 | 173,327 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| COMMAND, CONTROL AND COMMUNICATIONS SYSTEMS.......... | 128,863 | 128,863 | 128,863 | 128,863 |
| SENSOR AND GUIDANCE TECHNOLOGY....................... | 182,225 | 149,125 | 176,225 | 138,125 |
| MARINE TECHNOLOGY.................................... | 30,304 | 30,304 | 30,304 | 30,304 |
| LAND WARFARE TECHNOLOGY.............................. | 134,249 | 134,249 | 133,249 | 133,249 |
| CLASSIFIED DARPA PROGRAMS............................ | 101,387 | 101,387 | 101,387 | 101,387 |
| JOINT WARGAMING SIMULATION MANAGEMENT OFFICE.......... | 56,971 | 56,971 | 64,971 | 62,971 |
| COUNTERPROLIFERATION SUPPORT......................... | 1,483 | 1,483 | 5,483 | 1,483 |
| AGILE PORT DEMONSTRATION............................. | --- | --- | 5,000 | 7,500 |
| TOTAL, ADVANCED TECHNOLOGY DEVELOPMENT............. | 1,657,219 | 1,733,832 | 1,786,534 | 1,823,519 |
| DEMONSTRATION & VALIDATION | | | | |
| PHYSICAL SECURITY EQUIPMENT.......................... | 35,108 | 26,107 | 33,808 | 26,107 |
| JOINT ROBOTICS PROGRAM............................... | 10,294 | 10,294 | 15,294 | 13,794 |
| ADVANCED SENSOR APPLICATIONS PROGRAM................. | 15,534 | 24,534 | 31,034 | 38,334 |
| CALS INITIATIVE...................................... | 1,585 | 1,585 | 8,585 | 8,585 |
| ENVIRONMENTAL SECURITY TECHNICAL CERTIFICATION PROGRAM | 24,906 | 24,906 | 25,406 | 29,256 |
| NAVY THEATER WIDE MISSILE DEFENSE SYSTEM............. | 382,671 | 512,671 | 442,671 | 462,671 |
| MEADS CONCEPTS - DEM/VAL............................. | 63,175 | 53,475 | 63,175 | 53,475 |
| NATIONAL MISSILE DEFENSE - DEM/VAL................... | 1,740,238 | 1,740,238 | 1,879,238 | 1,875,238 |
| FAMILY-OF SYSTEMS ENGINEERING AND INTEGRATION (FOS E&I | 231,248 | 231,248 | 231,248 | 231,248 |
| BMD TECHNICAL OPERATIONS............................. | 270,718 | 292,718 | 304,218 | 313,218 |
| INTERNATIONAL COOPERATIVE PROGRAMS................... | 116,992 | 116,992 | 124,992 | 130,992 |
| THREAT AND COUNTERMEASURES........................... | 22,621 | 22,621 | 22,621 | 22,621 |
| CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM - DEM/VAL..... | 83,800 | 83,800 | 88,800 | 89,800 |
| HUMANITARIAN DEMINING................................ | 12,728 | 12,728 | 12,728 | 12,728 |
| COALITION WARFARE.................................... | 11,839 | 11,839 | --- | 6,000 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| JOINT SERVICE EDUCATION AND TRAINING SYSTEMS DEVELOPME | --- | 3,500 | --- | 3,000 |
| PARTNERSHIP FOR PEACE (PFP) INFORMATION MANAGEMENT SYS | 1,932 | 1,932 | 1,932 | 1,932 |
| PENTAGON RESERVATION.................................. | 4,772 | 4,772 | 4,772 | 4,772 |
| TOTAL, DEMONSTRATION & VALIDATION.................. | 3,030,161 | 3,175,960 | 3,290,522 | 3,323,771 |
| ENGINEERING & MANUFACTURING DEVEL | | | | |
| CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM - EMD......... | 100,815 | 100,815 | 104,315 | 104,015 |
| JOINT ROBOTICS PROGRAM - EMD.......................... | 11,553 | 16,553 | 11,553 | 15,053 |
| ADVANCED IT SERVICES JOINT PROGRAM OFFICE (AITS-JPO).. | 14,685 | 14,685 | 14,685 | 14,685 |
| JOINT TACTICAL INFORMATION DISTRIBUTION SYSTEM (JTIDS) | 16,250 | 16,250 | 16,250 | 16,250 |
| THEATER HIGH-ALTITUDE AREA DEFENSE SYSTEM - TMD - EMD. | 549,945 | 549,945 | 549,945 | 549,945 |
| PATRIOT PAC-3 THEATER MISSILE DEFENSE ACQUISITION - EM | 81,016 | 81,016 | 81,016 | 81,016 |
| NAVY AREA THEATER MISSILE DEFENSE - EMD............... | 274,234 | 274,234 | 274,234 | 274,234 |
| INFORMATION TECHNOLOGY DEVELOPMENT.................... | 12,000 | 13,500 | 12,000 | 12,750 |
| INFORMATION TECHNOLOGY DEVELOPMENT.................... | 1,671 | 1,671 | 1,671 | 1,671 |
| INFORMATION TECHNOLOGY DEVELOPMENT (FIELD ACTIVITY)... | 26,797 | 26,797 | 26,797 | 26,797 |
| INFORMATION TECHNOLOGY DEVELOPMENT (STANDARD PROC..... | 15,772 | 15,772 | 15,772 | 15,772 |
| DEFENSE MESSAGE SYSTEM................................ | 11,340 | 11,340 | 11,340 | 11,340 |
| INFORMATION SYSTEMS SECURITY PROGRAM.................. | 18,210 | 18,210 | 20,710 | 19,610 |
| GLOBAL COMBAT SUPPORT SYSTEM.......................... | 22,287 | 22,287 | 22,287 | 22,287 |
| ELECTRONIC COMMERCE................................... | 28,094 | 28,094 | 28,094 | 28,094 |
| TOTAL, ENGINEERING & MANUFACTURING DEVEL............ | 1,184,669 | 1,191,169 | 1,190,669 | 1,193,519 |
| RDT&E MANAGEMENT SUPPORT | | | | |
| UNEXPLODED ORDNANCE DETECTION AND CLEARANCE........... | 1,204 | 1,204 | 1,204 | 1,204 |
| THERMAL VICAR......................................... | 4,882 | 4,882 | 4,882 | 4,882 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| TECHNICAL STUDIES, SUPPORT AND ANALYSIS.............. | 30,597 | 30,597 | 30,597 | 30,597 |
| CRITICAL TECHNOLOGY SUPPORT........................... | 3,927 | 3,927 | 3,927 | 3,927 |
| BLACK LIGHT........................................... | 5,000 | 5,000 | 5,000 | 5,000 |
| GENERAL SUPPORT TO C3I................................ | 3,769 | 34,469 | 9,769 | 38,769 |
| FOREIGN MATERIAL ACQUISITION AND EXPLOITATION......... | 32,173 | 32,173 | 80,273 | 72,173 |
| AFCC ENGINEERING AND INSTALLATION..................... | 6,000 | 6,000 | 6,000 | 6,000 |
| SPECIAL APPLICATIONS PROGRAM.......................... | 9,122 | 9,122 | 9,122 | 9,122 |
| JOINT THEATER AIR AND MISSILE DEFENSE ORGANIZATION.... | 21,200 | 21,200 | 21,200 | 21,200 |
| CLASSIFIED PROGRAM USD(P)............................. | --- | 8,923 | --- | 8,923 |
| FOREIGN COMPARATIVE TESTING........................... | 31,697 | 31,697 | 31,697 | 31,697 |
| CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM............... | 23,907 | 23,907 | 23,907 | 23,907 |
| CLASSIFIED PROGRAMS - C3I............................. | 641 | 641 | 641 | 641 |
| SMALL BUSINESS INNOVATION RESEARCH ADMINISTRATION..... | 1,728 | 1,728 | 1,728 | 1,728 |
| DEFENSE TECHNOLOGY ANALYSIS........................... | 5,048 | 5,048 | 8,048 | 8,048 |
| DEFENSE TECHNICAL INFORMATION SERVICES (DTIC)......... | 45,350 | 45,350 | 45,350 | 45,350 |
| R&D IN SUPPORT OF DOD ENLISTMENT, TESTING AND EVALUATI | 8,776 | 8,776 | 8,776 | 8,776 |
| DEVELOPMENT TEST AND EVALUATION....................... | 43,915 | 43,915 | 43,915 | 43,915 |
| MANAGEMENT HEADQUARTERS (RESEARCH AND DEVELOPMENT).... | 34,679 | 31,000 | 34,679 | 32,679 |
| TOTAL, RDT&E MANAGEMENT SUPPORT..................... | 313,615 | 349,559 | 370,715 | 398,538 |
| OPERATIONAL SYSTEMS DEVELOPEMENT | | | | |
| COMMERCIAL OPERATIONS AND SUPPORT SAVINGS INITIATIVE.. | 9,629 | 9,629 | 9,629 | 9,629 |
| C3 INTEROPERABILITY................................... | 37,072 | 37,072 | 37,072 | 37,072 |
| JOINT ANALYTICAL MODEL IMPROVEMENT PROGRAM............ | 11,941 | 11,941 | 11,941 | 11,941 |
| NATIONAL MILITARY COMMAND SYSTEM-WIDE SUPPORT......... | 641 | 641 | 641 | 641 |
| DEFENSE INFO INFRASTRUCTURE ENGINEERING AND INTEGRATIO | 5,704 | 5,704 | 5,704 | 5,704 |

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| LONG-HAUL COMMUNICATIONS (DCS) | 1,416 | 1,416 | 1,416 | 1,416 |
| SUPPORT OF THE NATIONAL COMMUNICATIONS SYSTEM | 5,019 | 5,019 | 5,019 | 5,019 |
| MINIMUM ESSENTIAL EMERGENCY COMMUNICATIONS NETWORK | 7,099 | 7,099 | 7,099 | 7,099 |
| INFORMATION SYSTEMS SECURITY PROGRAM | 290,771 | 322,771 | 292,571 | 310,571 |
| C4I FOR THE WARRIOR | 5,486 | 5,486 | 5,486 | 5,486 |
| C4I FOR THE WARRIOR | 405 | 405 | 405 | 405 |
| JOINT SPECTRUM CENTER | 8,735 | 8,735 | 8,735 | 8,735 |
| SPECIAL RECONNAISSANCE CAPABILITIES (SRC) PROGRAM | 3,800 | 3,800 | 3,800 | 3,800 |
| DEFENSE IMAGERY AND MAPPING PROGRAM | 74,975 | 103,975 | 78,975 | 102,975 |
| FOREIGN COUNTERINTELLIGENCE ACTIVITIES | 444 | 444 | 444 | 444 |
| C3I INTELLIGENCE PROGRAMS | 25,182 | 25,182 | 25,182 | 25,182 |
| DRAGON U-2 (JMIP) | 4,379 | 4,379 | 4,379 | 4,379 |
| AIRBORNE RECONNAISSANCE SYSTEMS | 13,514 | 13,514 | 13,514 | 13,514 |
| MANNED RECONNAISSANCE SYSTEMS | 4,543 | 4,543 | 4,543 | 4,543 |
| DISTRIBUTED COMMON GROUND SYSTEMS | 994 | 994 | 994 | 994 |
| TACTICAL CRYPTOLOGIC ACTIVITIES | 95,671 | 95,671 | 95,671 | 95,671 |
| INDUSTRIAL PREPAREDNESS | 7,090 | 9,090 | 7,090 | 9,090 |
| MANAGEMENT HEADQUARTERS (OJCS) | 12,540 | 12,540 | 12,540 | 12,540 |
| JOINT SIMULATION SYSTEM | 24,095 | 24,095 | 24,095 | 42,095 |
| SPECIAL OPERATIONS TECHNOLOGY DEVELOPMENT | 7,360 | 10,360 | 7,360 | 10,260 |
| SPECIAL OPERATIONS ADVANCED TECHNOLOGY DEVELOPMENT | 7,778 | 7,778 | 7,778 | 7,778 |
| SPECIAL OPERATIONS TACTICAL SYSTEMS DEVELOPMENT | 133,520 | 156,620 | 134,820 | 143,470 |
| SPECIAL OPERATIONS INTELLIGENCE SYSTEMS DEVELOPMENT | 3,022 | 9,022 | 3,022 | 8,022 |
| SOF MEDICAL TECHNOLOGY DEVELOPMENT | 2,065 | 2,065 | 2,065 | 2,065 |
| SOF OPERATIONAL ENHANCEMENTS | 87,071 | 95,071 | 59,171 | 79,071 |
| CLASSIFIED PROGRAMS | 1,323,435 | 1,586,234 | 1,379,435 | 1,372,751 |
| TOTAL, OPERATIONAL SYSTEMS DEVELOPEMENT | 2,215,396 | 2,581,295 | 2,250,596 | 2,342,362 |
| INFORMATION TECHNOLOGY CENTER | --- | --- | --- | 20,000 |
| TOTAL, RESEARCH, DEVELOPMENT, TEST & EVAL, DEFWIDE | 10,238,242 | 10,918,997 | 10,952,039 | 11,157,375 |

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

| | BUDGET | HOUSE | SENATE | CONFERENCE |
|---|---|---|---|---|
| DEFENSE RESEARCH SCIENCES | 90,415 | 100,415 | 102,015 | 109,815 |
| Spin Electronics [Note: The conferees have transferred $10,000,000 from PE 601103D8Z from the Nanotechnology Initiative. The conferees recommend $10,000,000 only to strengthen the spin electronics programs.] | | 10,000 | — | 10,000 |
| Advanced Photonics Composites Research | | — | 3,000 | 3,000 |
| Nanoelectronic Science and Technology for QCA | | — | 2,000 | 2,500 |
| High Speed Bandwidth Research | | — | 2,600 | 1,500 |
| Spectral Hole Burning Applications | | — | 3,000 | 1,800 |
| Wireless Technology Research | | — | 1,000 | 600 |
| UNIVERSITY RESEARCH INITIATIVES | 253,627 | 289,627 | 263,627 | 292,077 |
| Advanced Power and Energy Program | | 1,000 | — | 750 |
| Advanced Materials Research | | — | — | 1,000 |
| Multi-disciplinary atmospheric and hydrologic research | | 3,000 | — | 2,000 |
| Computational Neuroscience | | 1,000 | — | 950 |
| National Security Training [Note: $750,000 is only for an educational program to encourage non-traditional and minority students to enter national security and foreign policy careers through a new training partnership between the Department of Defense, a Hispanic Serving Institution located in an empowerment zone, and an institution of higher education that has expertise in international affairs. This program would be focused on a continuum of education and support for successful students at two-year colleges to continue their studies at higher levels in order to expand the pools of minority groups for leadership roles in the Department of Defense.] | | 1,000 | — | 750 |
| Defense Commercialization Research Initiative | | 4,000 | — | 4,000 |
| Electro-Magnetic Nanopulse | | 2,500 | — | 2,300 |
| MEMS | | 1,500 | — | 1,000 |
| MEMS for Rolling Element Bearings | | 1,500 | — | 1,000 |
| MEMS sensors for Radionuclides Detection and Ordnance Monitoring [Note: The conferees recommend $9,500,000 only for Radionuclides Detection and Ordnance Monitoring.] | | 9,500 | — | 9,500 |
| Quantum-Dot Cellular Automata Nanoscience and Technology Research | | 4,000 | — | — |
| Remote Sensing | | 6,000 | [5,000] | 4,900 |
| Technology Insertion Demonstration (SEI) | | 2,000 | — | 2,000 |

| | | | | |
|---|---|---|---|---|
| Desert Environmental Research: [Note: The conferees recommend an increase of $4,000,000 only for a University based GIS program using sensor technology, line distance sampling, and spatial analysis techniques to monitor desert tortoise population related to potential expansion of the Fort Irwin National Training Center.] | | 4,000 | — | 4,000 |
| Spin Electronics [Note: The conferees transfer $10,000,000 from the Nanotechnology Initiative to PE 601103E for Spin electronics programs.] | | -10,000 | — | -10,000 |
| Bioengineering/Nanotechnology Research [Note: Only to establish a program to develop interdisciplinary research and development for bioengineering in advanced medicine, based on nanotechnology and the new synthetic capabilities afforded by molecular self-assembly such as the synthesis of mushroom nanostructures and DNA-like ribbon nanostructures and the discovery of key features of the self-assembly of the cell's cytoskeleton, to address medical problems of concern for national security such as improved treatment for battlefield wounds and better defense against biological warfare.] | | 5,000 | — | 4,000 |
| Active Hyperspectral Imaging Sensor Research | | — | 5,000 | 5,000 |
| Anti-corrosion Studies | | — | 1,500 | 800 |
| Military Personnel Research | | — | 2,000 | 4,000 |
| Nuclear Test Verification Technology | | — | 1,500 | 1,000 |
| Reduction for High Energy Laser | | — | — | -500 |
| CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM | 33,197 | 40,197 | 38,197 | 39,897 |
| Chemical Agent Detection | | 7,000 | — | 5,000 |
| Chemical Agent Detection via Optical Computing | | — | 2,000 | — |
| Next Generation Thin Film Sensor Technology | | — | 3,000 | 1,700 |
| SUPPORT TECHNOLOGIES - APPLIED RESEARCH | 37,747 | 50,247 | 56,247 | 56,247 |
| Wide band Gap Electronics [Amounts appropriated in Support Technology line.] | | 10,000 | — | — |
| Bottom Anti-Reflective Coatings | | 2,500 | 2,500 | 2,500 |
| Photoconduction on Active Pixel Sensors | | — | 7,000 | 7,000 |
| Laser Communication Demonstration | | — | 5,000 | 5,000 |
| Shipboard High Precision Lidar System | | — | 2,000 | 2,000 |
| Wide Band Gap Electronics | | — | 2,000 | 2,000 |
| MEDICAL FREE ELECTRON LASER | 15,029 | 25,029 | 15,029 | 20,029 |
| Program increase [Includes funding for programs funded in House bill under PE 603002A] | | 10,000 | — | 5,000 |
| HISPANIC SERVING INSTITUTIONS | | 5,000 | — | 5,000 |

| | | | | |
|---|---|---|---|---|
| Hispanic Serving Institutions [Note: The conferees recommend $5,000,000 only for Hispanic Serving Institutions.] | | 5,000 | — | 5,000 |
| COMPUTING SYSTEMS AND COMMUNICATIONS TECHNOLOGY | 376,592 | 335,592 | 343,592 | 334,392 |
| Reuse Technology (RTAP) | | 4,000 | 2,000 | 2,800 |
| Program reduction due to program growth | | -45,000 | — | -30,000 |
| Intelligent Software for Multi-lingual and Coalition Environments | | | -15,000 | — |
| Asymmetric Threat | | | -5,000 | — |
| Mobile Autonomous Robot Software | | | -15,000 | -15,000 |
| EXTENSIBLE INFORMATION SYSTEMS | 69,282 | 49,282 | 54,319 | 52,282 |
| Program reduction due to program growth | | -20,000 | — | -17,000 |
| Deeply Networked Systems | | — | -5,000 | — |
| Common Software for Autonomous Robotics | | — | -4,963 | — |
| Large Scale Network Sensors | | — | -5,000 | — |
| BIOLOGICAL WARFARE DEFENSE | 162,064 | 166,564 | 150,064 | 168,314 |
| Biological and Chemical Terrorism Response and Training [Note: The conferees recommend $6,000,000 only for the continuation of a joint biological and chemical terrorism response training program.] | | 10,000 | — | 6,000 |
| Biological and Chemical Terrorism Response and Training [Note: The conferees recommend $7,000,000 only for the continuation of a joint biological and chemical terrorism response training program.] | | 7,000 | — | 7,000 |
| Asymmetrical protocols for biological warfare defense | | 4,000 | — | 3,750 |
| Desalination Research | | 3,500 | — | 3,000 |
| Program reduction due to program growth | | -20,000 | -15,000 | -15,000 |
| DNA chip technology research | | — | 3,000 | 1,500 |
| CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM | 73,600 | 75,600 | 81,600 | 80,000 |
| Improved Detection of WMD | | 2,000 | — | 1,600 |
| CB Point Detectors using thin film technology | | — | 8,000 | 4,800 |
| TACTICAL TECHNOLOGY | 121,051 | 121,051 | 320,394 | 219,894 |
| CEROS | | — | 5,000 | 5,000 |
| Remotely Controlled Combat Systems Initiative | | — | 200,000 | 100,000 |
| Advanced Rotorcraft Technology | | — | -5,657 | -5,657 |
| Compact Lasers | | — | — | -500 |
| MATERIALS AND ELECTRONICS TECHNOLOGY | 249,812 | 259,312 | 255,812 | 264,312 |
| Materials in Sensors and Actuators Technology [Note: The conferees recommend $9,500,000 only for continuation of the Materials in Sensors and Actuators technology.] | | 9,500 | — | 9,500 |
| Strategic Materials | | — | 3,000 | 3,000 |

| | | | | |
|---|---|---|---|---|
| Fabrication of Three-Dimensional Micro Structures | | — | 3,000 | 2,000 |
| NUCLEAR SUSTAINMENT & COUNTERPROLIFERATION TECHNOLOGIES | 230,928 | 225,428 | 219,528 | 221,928 |
| Thermionics | | 5,000 | — | 2,500 |
| Discrete Particle Methods | | 3,500 | — | 2,500 |
| Program reduction due to program growth | | -14,000 | — | -10,000 |
| Nuclear Weapons Effects [Computer Modeling of Nuclear Weapons Effects in Atmosphere and Space Environments.] | | — | 5,000 | 3,000 |
| Program reduction | | — | -16,400 | -11,000 |
| Center for Counterproliferation Studies, Monterey | | — | — | 4,000 |
| HIGH ENERGY LASER PROGRAM | — | — | — | 30,000 |
| EXPLOSIVES DEMILITARIZATION TECHNOLOGY | 8,964 | 23,164 | 19,664 | 30,164 |
| Advanced Cutting Technology | | 1,200 | 1,200 | 800 |
| Contained Detonation | | 10,000 | — | 7,000 |
| Hydrothermal Oxidation [Note: The conferees recommend $3,000,000 only for Hydrothermal Oxidation of Energetics.] | | 3,000 | — | 3,000 |
| Thin Layered Chromotography | | — | 4,000 | 4,000 |
| Hot Gas Decontamination | | — | 1,500 | 1,500 |
| Explosives Demilitarization Technology | | — | 3,000 | 1,500 |
| Adams Process to Destroy Agents, Energetics, and Energetics Contaminated with Agent | | — | 1,000 | 600 |
| Ammo Risk Analysis Capabilities | | | [5,000] | 2,800 |
| COMBATING TERRORISM TECHNOLOGY SUPPORT | 41,307 | 48,307 | 51,307 | 49,307 |
| Blast Mitigation [Note: Only for blast mitigation testing and development programs.] | | 4,000 | 3,000 | 3,000 |
| Facial Recognition | | 3,000 | 2,000 | 2,000 |
| Chem-bio detectors | | — | 5,000 | 3,000 |
| SUPPORT TECHNOLOGIES - ADVANCED TECHNOLOGY DEVELOPMENT | 93,249 | 123,249 | 134,449 | 132,049 |
| Atmospheric Interceptor Technology | | 15,000 | 15,000 | 9,000 |
| Excalibur | | 15,000 | — | 3,500 |
| Silicon Thick Film Mirror Coatings | | — | 5,000 | 5,000 |
| Comprehensive Advanced Radar Technology | | — | 5,000 | 3,500 |
| Excalibur Target & Component Technologies Program | | — | 3,000 | 3,000 |
| RF/IR Data Fusion Testbed | | — | 3,200 | 2,800 |
| Wideband Gap Semiconductor | | — | 10,000 | 10,000 |
| Lightweight X-band Antenna | | — | — | 2,000 |
| ADVANCED AEROSPACE SYSTEMS | 26,821 | 26,821 | 30,936 | 34,821 |
| Supersonic Noise Mitigation | | — | 20,000 | 20,000 |
| Orbital Express | | — | -15,885 | -12,000 |

| | | | | |
|---|---|---|---|---|
| CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM - ADVANCED DEV | 46,594 | 49,344 | 55,694 | 57,894 |
| Chemical and Biological Defense Research | | 2,000 | — | 1,750 |
| Small Unit Biological Detector [Note: The conferees recommend $750,000 only for the Marine Corps Small Unit Biological Detector program for continuation of an industry-based development program for microfluidic devices for chemical and biological agents detection and analysis.] | | 750 | — | 750 |
| Anthrax Vaccine [Note: The conferees recommend $1,000,000 from within available funds only to accelerate the development of a second generation anthrax vaccine at the U.S. Army Medical Research Institute of Infectious Diseases.] | | [1,000] | — | [1,000] |
| Chemical and Biological Individual Sampler | | — | 2,700 | 2,000 |
| Consequence Management Information System | | — | 6,400 | 4,000 |
| Advanced Materials Research | | — | [3,500] | 2,800 |
| SPECIAL TECHNICAL SUPPORT | 10,777 | 14,777 | 15,777 | 29,577 |
| Complex Systems Design/MULTI VIEW - Data Standards for Integrated Digital Environment (DSIDE) | | 4,000 | 5,000 | 4,000 |
| Virtual Worlds Initiative | | — | [2,000] | — |
| Gulf States Initiative [Transferred from Title VI] | | — | — | 14,800 |
| ARMS CONTROL TECHNOLOGY | 52,930 | 69,930 | 52,930 | 67,930 |
| Basic and Applied Research to Support Nuclear Monitoring [Note: Of the amount provided ($6,000,000 in the request plus the increase of $5,000,000) for peer reviewed basic and applied research to support operational nuclear test monitoring requirements: $3,500,000 is only for applied explosion seismology research and $7,500,000 is only for basic research.] | | 6,000 | — | 5,000 |
| Continuation of an Industry-Based Research Program [Note: The conferees recommend $6,000,000 only for innovative technologies and equipment, as part of the effort to ensure compliance with arms control treaties, which is only to be used for the continuation of an industry based research program for developing systems using advances in solid state nuclear detectors, processing electronics, analysis software, and chemical detection and identification technology.] | | 6,000 | — | 6,000 |
| Nuclear Weapons Effects | | 5,000 | — | 4,000 |
| [Note: The conferees support the President's request for the Center for Monitoring Research.] | | | | |
| GENERIC LOGISTICS R&D TECHNOLOGY DEMONSTRATIONS | 23,082 | 47,382 | 37,082 | 48,182 |
| Complementary Metal Oxide Semiconductor Retrofits (CMOS) (DMEA) | | 3,500 | — | 2,500 |
| Computer Assisted Technology Transfer (CATT) | | 4,000 | 4,000 | 3,000 |
| Air Logistics | | 300 | [300] | 300 |
| Gate Array Reverse Engineering (DMEA) | | 3,000 | — | 2,000 |
| Multiple Soft Core Integration (DMEA) | | 4,000 | — | 3,000 |

| | | | | |
|---|---|---|---|---|
| SI28 Super Lattice Research Project | | 3,000 | [2,000] | — |
| Systems Simulation of Electronically Compressed Function (DMEA) | | 3,500 | — | 2,800 |
| Competitive Sustainment Demonstration Program | | 3,000 | 6,000 | 3,000 |
| Corrosion Prevention Control and Information Distribution | | — | 1,000 | 1,000 |
| Silicon-Based Nanostructures | | — | 3,000 | 2,500 |
| F-22 Digitial EW Product Improvement | | — | — | 5,000 |
| STRATEGIC ENVIRONMENTAL RESEARCH PROGRAM | 51,357 | 57,357 | 51,557 | 59,557 |
| Toxic Chemical Cleanup Criteria | | 3,000 | — | 2,000 |
| Environmental clean-up workers safety [Note: Only to continue the research and demonstration program devoted to health and safety issues of environmental clean-up and shipyard workers.] | | 3,000 | — | 3,000 |
| DOD Pollution Prevention Control and Information Distribution | | — | 3,000 | 2,000 |
| Invasive Species Program | | — | -1,400 | -1,400 |
| Proposed Rules/Regulations | | — | -3,400 | -3,400 |
| TRIES | | — | 2,000 | 2,000 |
| Live Fire Pollutants | | — | [5,000] | 4,000 |
| ADVANCED ELECTRONICS TECHNOLOGIES | 191,800 | 211,800 | 198,300 | 221,500 |
| Center for Advanced Microstructures (CAMD) | | 4,000 | — | 2,750 |
| MEMS for Deep Silicon Etch Technology [Note: The conferees recommend an increase of $8,000,000 only for the completion of the deep silicon etch technology MEMS project at the Army Research Laboratory.] | | 8,000 | — | 8,000 |
| Laser Plasma Point Source X-ray Lithography | | 5,000 | — | 5,000 |
| Advanced Lithography Demonstration | | 3,000 | — | 5,000 |
| Laser Plasma Source Stepper | | — | 5,000 | 3,700 |
| Defense Technology Link | | — | 1,500 | 1,250 |
| Navy Center of Excellence in Electro-optics Manufacturing [Note: Only for advanced development of IR technology through the Navy Center of Excellence in Electro-Optics Manufacturing, of which $.4 million is only for femptosecond laser technology.] | | — | — | 4,000 |
| ADVANCED CONCEPT TECHNOLOGY DEMONSTRATIONS | 116,425 | 116,425 | 121,425 | 119,925 |
| WMD Consequence Management [ Note: The conferees recommend $5,200,000 from within available funds only to prepare a WMD Consequence Management program for bases and stations in conjunction with the National Terrorism Preparedness Institute at the Southwest Public Safety Institute to include a pilot program at a base under the Commander in Chief, Pacific Command.] | | [5,200] | — | [5,200] |
| Radar Vision 2000 | | — | 5,000 | 3,500 |
| HIGH PERFORMANCE COMPUTING MODERNIZATION PROGRAM | 164,027 | 164,027 | 177,527 | 173,327 |
| High Performance Visualization Center | | | 3,000 | 3,000 |
| MHPCC Operations | | | 3,000 | 1,600 |
| Multi-Threat Architecture (MTA) system | | | 2,500 | 2,000 |

| | | | | |
|---|---|---|---|---|
| SMDC Simulation Center Upgrade | | | 5,000 | 2,700 |
| SENSOR AND GUIDANCE TECHNOLOGY | 182,225 | 149,125 | 176,225 | 138,125 |
| Large Millimeter Telescope | | 4,000 | 2,000 | 4,000 |
| Discoverer II | | -40,100 | — | -40,100 |
| Radar Vision Technology | | 3,000 | — | — |
| Surface Target Identification for Engagement | | — | -8,000 | -8,000 |
| JOINT WARGAMING SIMULATION MANAGEMENT OFFICE | 56,971 | 56,971 | 64,971 | 62,971 |
| Synthetic Range Study | | — | 3,000 | 3,000 |
| WMD Simulation Capability | | — | 5,000 | 3,000 |
| ADVANCED SENSOR APPLICATIONS PROGRAM | 15,534 | 24,534 | 31,034 | 38,334 |
| Component Development for Active Sensors | | 5,000 | — | 4,000 |
| Technology Integration of High Average Power, Mid Infrared Sources | | 4,000 | — | 3,000 |
| Remote Ocean Sensing Program | | — | 3,000 | 3,000 |
| HAARP | | — | 5,000 | 5,000 |
| Innovative Solid State Laser Technology Development | | — | 4,500 | 3,000 |
| Ultra/Hyperspectal Sensor for Detection of Pathogens | | — | 3,000 | 1,800 |
| Solid State Dye Laser | | — | [7,000] | 3,000 |
| ENVIRONMENTAL SECURITY TECHNICAL CERTIFICATION PROGRAM | 24,906 | 24,906 | 25,406 | 29,256 |
| Badger Army Ammo Plant Clean-up | | — | 500 | 350 |
| UXO Detection | | | [5,000] | 4,000 |
| NAVY THEATER WIDE MISSILE DEFENSE SYSTEM | 382,671 | 512,671 | 382,671 | 462,671 |
| Navy Theater Wide TBM Program | | | 60,000 | — |
| Accelerate Program | | 80,000 | | — |
| Radar Competition | | 50,000 | — | — |
| Program increase for accelerated program and radar competition | | — | — | 80,000 |
| NATIONAL MISSILE DEFENSE | 1,740,238 | 1,740,238 | 1,879,238 | 1,875,238 |
| Risk Reduction | | — | 129,000 | 129,000 |
| NMD C2 Radar Prototyping Program | | — | 10,000 | 6,000 |
| BMD TECHNICAL OPERATIONS | 270,718 | 292,718 | 304,218 | 313,218 |
| Liquid Surrogate Targets | | 3,000 | 5,000 | 2,500 |
| Optical Data/Sensor Fusion | | 4,000 | — | 3,000 |
| Wide Bandwidth Technology | | 15,000 | — | 9,000 |
| PMRF TMD Upgrades | | — | 11,500 | 11,500 |

| | | | | |
|---|---|---|---|---|
| Optical-Electro Sensors | | — | 5,000 | 5,000 |
| Range Data Fusion Upgrade Project | | — | 2,000 | 2,000 |
| ESPRIT | | — | 2,000 | 2,000 |
| Advanced Multi-Sensor Fusion Testbed | | — | 1,500 | 1,500 |
| Kauai Test Facility | | — | [4,000] | [4,000] |
| Advanced Research Center/Simulation Center | | — | 6,500 | 6,000 |
| INTERNATIONAL COOPERATIVE PROGRAMS | 116,992 | 116,992 | 124,992 | 130,992 |
| Arrow System Improvement Program (ASIP) | | — | 8,000 | 8,000 |
| Arrow Enhanced Interoperability | | | [6,000] | 6,000 |
| CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM DEM/VAL | 83,800 | 83,800 | 88,800 | 89,800 |
| FOX Chemical/Bio Training Simulation Suites | | | 5,000 | 4,000 |
| Bioadhesion Reseach to Combat Biological Warfare | | | [3,000] | [3,000] |
| CBMS II Upgrades | | — | — | 2,000 |
| GENERAL SUPPORT TO C3I | 3,769 | 34,469 | 9,769 | 38,769 |
| Information Assurance:JCOATS-IO | | 9,700 | — | 5,000 |
| ASD (C3I) Global Infrastructure Data Capture Initiative [Note: Only for the acquisition and digital conversion of critical engineering and infrastructure data.] | | 21,000 | — | 20,000 |
| Pacific Disaster Center | | — | 6,000 | 10,000 |
| INFORMATION SYSTEMS SECURITY PROGRAM | 290,771 | 322,771 | 292,571 | 310,571 |
| Information Assurance Project Condor | | 20,000 | — | 10,000 |
| Protection of vital data | | 12,000 | — | 6,000 |
| Trusted RUBIX | | — | 1,800 | 1,800 |
| Computer Networks – Centers for Excellence | | — | 3,000 | 2,000 |
| DEFENSE IMAGERY AND MAPPING PROGRAM | 74,975 | 103,975 | 78,975 | 102,975 |
| Exploitation of moving targets | | 2,000 | — | — |
| Visualization for Bomb Blast Protection for Force Protection | | 4,000 | — | 3,000 |
| Commerical Mapping and Visualization Toolkit - upgrade | | 4,000 | — | 3,000 |
| GEOSAR | | 15,000 | — | 15,000 |
| Automated Document Conversion for NIMA libraries | | 4,000 | — | — |
| Pacific Imagery Program for Exploitation | | — | 4,000 | 4,000 |
| Spatio-temporal database research | | | [6,000] | 3,000 |
| SPECIAL OPERATIONS TACTICAL SYSTEMS DEVELOPMENT | 133,520 | 156,620 | 134,820 | 143,470 |
| Tri-Band Antenna Signal Combiner [Note: Funds Appropriated in RDTE, A.] | | 5,100 | — | — |
| Multi-Mode, Multi-band Personal Communications System and Remote Trunking System [Note: Funds Appropriated in RDTE,A.] | | 6,000 | — | — |
| Leading Edge | | 5,000 | — | 3,000 |

| | | | | |
|---|---|---|---|---|
| Autonomous Landing Guidance System Technology | | 6,000 | — | 4,500 |
| Littoral Warfare Craft/ Surface planing wet submersible boat | | 1,000 | — | 750 |
| Advanced Lightweight Grenade Launcher | | — | 5,600 | 2,800 |
| CV-22 Terrain Following Radar Development | | — | 9,200 | 6,000 |
| SOPMOD II Grenade Launcher Mods | | — | 1,500 | 900 |
| CV-22 Post Initial Operational Capability Block 10 changes | | — | -10,000 | -3,000 |
| C-130 Engine Infrared Suppression | | — | -5,000 | -5,000 |
| | | | | |
| SPECIAL OPERATIONS INTELLIGENCE SYSTEMS DEVELOPMENT | 3,022 | 9,022 | 3,022 | 8,022 |
| Tactical Video System Development | | 2,000 | — | 1,000 |
| Joint Threat Warning System | | 4,000 | — | 4,000 |
| ALGL/STRIKER [Transferred to P,DW] | — | — | [6,000] | — |
| | | | | |
| SOF OPERATIONAL ENHANCEMENTS | 87,071 | 95,071 | 59,171 | 79,071 |
| Small Combatant Craft | | 8,000 | — | 5,500 |
| Program Reduction | | — | -27,900 | -13,500 |

### FOCUS PROGRAM

The conferees support the semiconductor Focus Center Program in university research as it moves into full-scale operation. The conferees urge the Department to include funding for this program as it is currently planned in the POM so that the Department may gain the benefits of this highly leveraged long-term research.

### INFORMATION TECHNOLOGY CENTER

The conferees have provided $20,000,000 only for the Joint Information Technology Center Initiative. These funds shall be available only to establish two, Pacific-based Information Technology Centers (ITC's). These centers allow DoD to integrate and implement the many successful logistics and personnel initiatives underway throughout the Department of Defense. The centers will process the wide range and volume of information essential to the day-to-day operations of our military personnel and defense civilians. The centers will allow DoD to eliminate legacy systems and to upgrade to more capable and more flexible information technology tools. The conferees direct that the Secretary of Defense provide a report to the congressional defense committees no later than May 1, 2001, which outlines DoD's plan for proceeding with the establishment of these centers.

### COMMERCIAL MAPPING AND VISUALIZATION TOOLKIT

The conferees agree to provide a total of $6,000,000 over the request for the National Imagery and Mapping Agency (NIMA) Commercial Mapping and Visualization Toolkit. Of these funds $3,000,000 is for upgrades and $3,000,000 is for visualization and bomb blast for force protection. The conferees anticipate that NIMA will pursue all avenues of fair and open competition for the acquisition of the Commercial Mapping and Visualization Toolkit.

### NIMA OMNIBUS CONTRACT PROGRAM

The National Imagery and Mapping Agency (NIMA) has been required to begin using Architectural and Engineering contracting procedures for all production contracts. This has lead to the development of the "Omnibus Contract" program, allowing NIMA to replace 67 individual production contracts with one contract vehicle for all geospatial information and imagery intelligence requirements. The conferees agree that the omnibus contract program is a special congressional interest item.

The conferees understand that NIMA plans to continue efforts for the Shuttle Radar Topography data reduction program and the Feature Foundation DATA program. The conferees strongly support NIMA's efforts to fully fund these important projects in fiscal year 2001 and beyond.

## OPERATIONAL TEST AND EVALUATION, DEFENSE

The conference agreement on items addressed by either the House or the Senate is as follows:

(In thousands of dollars)

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| OPERATIONAL TEST & EVAL, DEFENSE | | | | |
| RDT&E MANAGEMENT SUPPORT | | | | |
| CENTRAL TEST AND EVALUATION INVESTMENT DEVELOPMENT (CT | 121,401 | 147,401 | 136,901 | 135,401 |
| OPERATIONAL TEST AND EVALUATION........................ | 17,172 | 22,172 | 17,172 | 21,172 |
| LIVE FIRE TESTING...................................... | 9,712 | 19,712 | 11,212 | 17,212 |
| DEVELOPMENT TEST AND EVALUATION........................ | 53,275 | 53,275 | 53,275 | 53,275 |
| TOTAL, OPERATIONAL TEST & EVAL, DEFENSE............. | 201,560 | 242,560 | 218,560 | 227,060 |

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS
[In thousands of dollars]

| | BUDGET | HOUSE | SENATE | CONFERENCE |
|---|---|---|---|---|
| CENTRAL TEST AND EVALUATION INVESTMENT DEVELOPMENT | 121,401 | 147,401 | 136,901 | 135,401 |
| Magdalena Ridge | | 7,000 | 10,000 | 7,000 |
| Roadway Simulator | | 12,000 | 13,500 | 12,000 |
| Silent Sentry | | 7,000 | — | 3,500 |
| Big Crow Operations [Transferred to RDTE,A] | | — | 7,000 | — |
| Threat Simulators/Targets | | — | -5,000 | -5,000 |
| Digital Video Laboratory | | — | 5,000 | 2,500 |
| Program Delays | | — | -15,000 | -6,000 |
| OPERATIONAL TEST AND EVALUATION | 17,172 | 22,172 | 17,172 | 21,172 |
| Increase program for improvement of tests | | 5,000 | — | 4,000 |
| LIVE FIRE TESTING | 9,712 | 19,712 | 11,212 | 17,212 |
| Live Fire Testing | | 10,000 | — | 6,000 |
| Reality Fire-fighting Training | | — | 1,500 | 1,500 |
| [Note: Of the funds appropriated for Live Fire Testing, $1,500,000 shall be used only for Reality Fire-fighting Training. The remaining funds appropriated for Live Fire Testing shall be used for those purposes delineated in the President's Budget request.] | | | | |

## TITLE V—REVOLVING AND MANAGEMENT FUNDS

The conferees agree to the following amounts for Revolving and Management Funds programs:

[In thousands of dollars]

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| Defense Working Capital Funds | 916,276 | 916,276 | 916,276 | 916,276 |
| National Defense Sealift Fund | 388,158 | 400,658 | 388,158 | 400,658 |
| National Defense Airlift Fund | | | 2,890,923 | 2,840,923 |
| Total, Revolving and Management Funds | 1,304,434 | 1,316,934 | 4,195,357 | 4,157,857 |

### DEFENSE WORKING CAPITAL FUNDS

The conferees agree to provide $916,276,000 for the Defense Working Capital Fund.

### NATIONAL DEFENSE SEALIFT AND AIRLIFT FUNDS

The appropriation for the 'National Defense Sealift Fund' provides funds for the lease, operation, and supply of prepositioning ships; operation of the Ready Reserve Force; acquisition of large medium speed roll-on/roll-off ships for the Military Sealift Command; and acquisition of ships for the Ready Reserve Force. The budget includes $258,000,000 for Ready Reserve Force and $130,158,000 for acquisition activities in fiscal year 2001.

The conferees have agreed to an expansion of this account to recognize the fact that sea and air mobility are essential ingredients in the Department of Defense's force projection capability. Thus, the conferees have recommended renaming this account to create the 'National Defense Mobility Fund' account. This new account will incorporate the existing 'National Defense Sealfft Fund' account and establish the 'National Defense Airlift Fund' account.

In addition to providing an increase of $12,500,000 to the budget request amount for the 'National Defense Sealift Fund' the conference recommendation also provides an increase of $2,840,923,000 for the 'National Defense Airlift Fund.' This recommendation includes $2,428,723,000 for the acquisition of 12 C–17 aircraft and advance procurement for the fiscal year 2002 purchase of 15 DC–17 aircraft. Further, the increase includes $412,200,000 for the interim contractor support of the existing C–17 fleet. The conferees have directed that the C–17 procurement and fleet support programs continue without any interruption during fiscal year 2001. The conferees have included appropriate legislative authority to permit the transfer of these funds for the continuation of C–17 acquisition and support.

The conferees direct that the Department of Defense budget for all future C–17 procurement and support costs within the National Defense Airlift Fund. The conferees direct that future budget documents for the NDAF should conform to the requirements for other DoD procurement accounts including the content and format of budget exhibits, reprogramming thresholds among procurement, advanced procurement, and interim contractor support line items, application of the procurement full funding policy, and Congressional notification for changes in quantity.

## TITLE VI—OTHER DEPARTMENT OF DEFENSE PROGRAMS

The conference agreement is as follows:

[In thousands of dollars]

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| Defense Health Program | 11,600,429 | 12,143,029 | 12,130,179 | 12,117,779 |
| Chemical Agents and Munitions Destruction, Army | 1,003,500 | 927,100 | 979,400 | 980,100 |
| Drug Interdiction and Counter-Drug Activities, Defense | 836,300 | 812,200 | 933,700 | 869,000 |
| Office of the Inspector General | 147,545 | 147,545 | 147,545 | 147,545 |
| Total, Other Department of Defense Programs | 13,587,774 | 14,029,874 | 14,190,824 | 14,114,424 |

## DEFENSE HEALTH PROGRAM

### EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[In thousands of dollars]

| | BUDGET | HOUSE | SENATE | CONFERENCE |
|---|---|---|---|---|
| OPERATIONS AND MAINTENANCE | | | | |
| Government Computer-Based Patient Records | - | [10,000] | - | [6,000] |
| Comprehensive breast cancer clinical care project [ Note: The conferees support continuation of a public/private effort, in coordination with a rural medical center and a not-for-profit medical foundation, to provide a program in breast care risk assessment, diagnosis, treatment, and research for the Department of Defense. The program shall be a coordinated effort among Walter Reed Army Medical Center, National Naval Medical Center, an appropriate non-profit medical foundation, and a rural primary health care center, with funding management accomplished by the Uniformed Services University of the Health Sciences.] [Transferred from RDT&E,A.] | | 7,000 | - | 7,000 |
| Post-polio Syndrome [Transferred from RDT&E,N.] | | 3,000 | | 3,000 |
| Coronary/ Prostate Disease Reversal [Transferred from RDT&E, N.] | | - | - | 6,000 |
| Community Hospital Telehealth Consortium | | - | - | 1,000 |
| Medicare Eligible Health Options Study | | 2,000 | - | 2,000 |
| Claims Processing Initiative | | 3,600 | - | 3,600 |
| Military Treatment Facilities Optimization | | 134,000 | - | - |
| Reimbursement for Travel Expenses | | 15,000 | - | - |
| Reduced Catastrophic Cap | | 32,000 | - | - |
| Senior Pharmacy Benefit | | 94,000 | - | - |
| Military retiree pharmacy benefit | | - | 137,000 | - |
| Senior Pharmacy Increase | | - | - | 100,000 |
| Outcomes Management Demonstration at WRAMC | | - | 10,000 | 10,000 |
| Pacific Island Health Care Referral Program | | - | 8,000 | 8,000 |
| Automated Clinical Practice Guidelines | | - | 7,500 | 7,500 |
| Hawaii Federal Health Care Network (PACMEDNET) | | - | 7,000 | 7,000 |
| Clinical Coupler Demonstration Project | | - | 5,000 | 5,000 |
| Center of Excellence for Disaster Management and Humanitarian Assistance [Transferred to O&M, Navy.] | | - | 5,000 | - |
| Tri-Service Nursing Research Program | | - | 4,000 | 4,000 |
| Defense and Veterans Head Injury Program | | - | 3,500 | - |
| Graduate School of Nursing | | - | 2,000 | 2,000 |
| Alaska Federal Health Care Network | | - | 1,000 | 1,000 |
| Biomedical Research Center Feasibility Study | | - | 1,000 | 1,000 |
| Oxford House DoD Pilot Project | | - | 750 | 750 |
| Uniformed Services University of the Health Sciences | | - | [6,300] | [6,300] |
| RESEARCH AND DEVELOPMENT | 65,880 | 327,880 | 402,880 | 413,380 |
| Head Injury Program | | 2,000 | - | 3,000 |
| Joint U.S. - Norwegian Telemedicine | | 4,000 | - | 2,000 |
| Cancer Research [Note: Only for cancer research in the integrated areas of signal transduction, growth control and differentiation, molecular carcineogensis and DNA repair, cancer genetics and gene therapy, and cancer invasion and angiogensis.] | | 6,000 | - | 5,500 |
| Army Peer-Reviewed Breast Cancer Research Program | | 175,000 | 175,000 | 175,000 |
| Army Peer-Reviewed Prostate Cancer Research Program | | 75,000 | 100,000 | 100,000 |
| Ovarian Cancer Research Program | | - | 12,000 | 12,000 |
| Peer Reviewed Medical Research Program | | - | 50,000 | 50,000 |

### THE DOD/DVA DISTANCE LEARNING PILOT PROJECT

The conferees are pleased with the progress report on the DoD/DVA Distance Learning pilot project to transition clinical nurse specialists to the role of nurse practitioners. It is noted that 27 students graduated from the first virtual advanced program and 35 new students have been admitted for the second class of distance learning. The conferees encourage further refinement of this program as requirements develop.

### PEER REVIEWED MEDICAL RESEARCH PROGRAM

The conferees have provided $50,000,000 for a Peer Reviewed Medical Research Program. The conferees direct the Secretary of Defense, in conjunction with the service Surgeons General, to establish a process to select medical research projects of clear scientific merit and direct relevance to military health.

Such projects could include: acute lung injury research, arthropod transmitted infectious diseases, biological hazard detection system/bio-sensor microchip, CAT scan technology for lung cancer, childhood asthma, Dengue fever vaccine, digital mammography imaging, freeze dried platelets, Fungi Free (a topical anti-fungal agent effective in mitigating onychomycosis), Gulf War illness research, health system information technology, health care informatics, human imaging institute/magnetoencephalography laboratory, medical surgery technology, medical records management, microsurgery and robotic surgery research, molecular biology for cancer research, neural mechanisms of chronic fatigue syndrome, obesity related disease prevention especially for minorities, Padget's disease, quantum optics, remote emergency medicine ultrasound, smoking cessation, social work research, tissue regeneration for combat casualty care, Venus 3-D technology program, and vitamin D research.

The conferees direct the Department to provide a report to the Congressional Defense Committees by March 1, 2001, on the status of this Peer Reviewed Medical Research Program, to include the corresponding funds provided in previous fiscal years.

### ADDITIONAL DEFENSE HEALTH PROGRAM FUNDING TO ADDRESS SHORTFALLS

In addition to recommending sizable funding increases for the Defense Health Program for fiscal year 2001 over current year levels, the conferees note that the recently enacted Emergency Supplemental Appropriations Act for fiscal year 2000 (Public Law 106-246) included over $1.3 billion to address other critical shortfalls confronting the military health care system. Of this amount, $615,600,000 was provided explicitly to finance existing contract claims for fiscal years 1998-2000 against the Department's TRICARE managed care system. An additional $695,900,000 was provided in section 107 of P.L. 106-246 to address other known DHP funding difficulties. The conferees express their intent that the section 107 funds be used by the Secretary of Defense and the service Surgeons Generals, in conjunction with the funds provided in this conference agreement, to meet the most critical of the remaining outstanding DHP funding needs. These may include financing additional TRICARE contract claims (such as those forecast for fiscal year 2001), unfunded requirement associated with the operations of military treatment facilities, and other needs as identified by the Secretary of Defense and the service Surgeons General.

The conferees further note that in this conference agreement, they have with one exception deferred action on explicitly providing funds for any proposed expansion or modification of the medical benefit for service members and military retirees which would require changes in existing law through the congressional authorization process. The conference agreement does provide funding for an improved pharmacy benefit for military retirees, including those over 65, in recognition of the fact that both the House and Senate-passed versions of the fiscal year 2001 National Defense Authorization Act each provide for this initiative, albeit in differing fashions. The conferees have been advised by both the Secretary of Defense and the Office of Management and Budget that the potential fiscal year 2001 costs of this improved benefit, which was not requested in the President's budget, could be $200,000,000. The conferees recommend addressing this by providing a fiscal year 2001 appropriation of $100,000 for an improved pharmacy benefit in the Defense Health Program appropriation. Title IX of the conference agreement provides an additional $100,000,000 in contingent emergency appropriations, subject to release only if the President submits a budget request pursuant to existing law. The conferees believes this approach strikes the necessary balance needed to ensure that, if authorized, adequate funding has been made available for this important initiative.

## CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, ARMY

The conference agreement is as follows:

(In thousands of dollars)

| | | | | |
|---|---|---|---|---|
| CHEM AGENTS & MUNITIONS DESTRUCTION, ARMY | | | | |
| CHEM DEMILITARIZATION - O&M............................ | 607,200 | 607,200 | 600,000 | 600,000 |
| CHEM DEMILITARIZATION - PROC........................... | 121,900 | 105,700 | 105,000 | 105,700 |
| CHEM DEMILITARIZATION - RDTE........................... | 274,400 | 214,200 | 274,400 | 274,400 |
| | ------------ | ------------ | ------------ | ------------ |
| TOTAL, CHEM AGENTS & MUNITIONS DESTRUCTION, ARMY.... | 1,003,500 | 927,100 | 979,400 | 980,100 |

## DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES, DEFENSE

### EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

| | (In thousands of dollars) | | | | |
|---|---|---|---|---|---|
| | Budget | House | Senate | Conference | |
| | 836,300 | 812,200 | 933,700 | 869,000 | |
| **Increases to the budget:** | | | | | |
| Caper Focus | | 6,000 | | 6,000 | |
| Puerto Rico ROTHR security | | 1,200 | | 1,000 | |
| Southwest Border Fence | | 6,000 | | 5,000 | |
| Southwest Border States Information System | | 6,000 | | 6,000 | |
| Multi-Jurisdictional Counter-drug Task Force | | 4,000 | | 4,000 | |
| Lake County HIDTA | | 1,000 | | 1,000 | |
| Marijuana Eradication | | | | | |
| Hawaii HIDTA | | | 2,500 | 2,500 | |
| Appalachian HIDTA | | 3,600 | 3,600 | 3,600 | |
| National Interagency Civil-Military Institute | | 2,000 | | 2,000 | |
| Tethered Aerostat | | 10,000 | 10,000 | 10,000 | |
| National Counternarcotics Training Center(Hammer) | | 4,000 | 10,000 | 7,500 | |
| Young Marines | | 1,500 | | 1,000 | |
| National Guard Counter-drug Support | | | 20,000 | 20,000 | |
| Gulf States Initative | | | 14,800 | 0 | * |
| Regional Counterdrug Training Academy | | | 2,000 | 2,000 | |
| EO/IR sensors for Air National Guard OH-58 aircraft | | | 5,000 | 4,000 | |
| WV National Guard C-26 aircraft support | | | 6,300 | 6,300 | |
| WV National Guard counterdrug program | | | 3,200 | 3,200 | |
| Northeast Regional Counterdrug Training Center | | | 5,000 | 3,000 | |
| Source and transit zone interdiction operations | | | 15,000 | 0 | |
| **Decreases to the budget:** | | | | | |
| ANG fighter ops Support | | -5,000 | | -5,000 | |
| Special Operations Forces-Patrol Coastal Support | | -3,000 | | -3,000 | |
| GBEGO-Mexico | | -3,000 | | -3,000 | |
| Carribean Support | | -3,000 | | -3,000 | |
| T-AGOS Support | | -14,000 | | 0 | |
| DoD Support to Plan Colombia | | -41,400 | | -41,400 | |
| *Funded in the Defense Intelligence Special Technologies Program | | | | | |

### T–AGOS SUPPORT

The conferees agree to provide $15,026,000 for T-AGOS support. The conferees are aware that changing drug trafficking patterns in the Transit Zone have altered the original operational concept of using T-AGOS ships to detect and monitor aircraft and ships smuggling illegal drugs into the United States and that other methods exist to accomplish this mission. The conferees direct the Department to analyze the operational effectiveness of the currently configured T-AGOS ships to determine if their contribution to the counter-drug mission is the most effective and cost efficient method to accomplish transit zone surveillance and to provide a summary of suggested alternative platforms or assets and their associated costs. The Department is directed to report their findings to the defense committees no later than March 30, 2001.

### NATIONAL GUARD COUNTER-DRUG SUPPORT

The conferees agree to provide an additional $20,000,000 to the budget request for National Guard Counter-drug Support and to concur with language contained in Senate report 106–298 regarding future budget submissions for this project.

Out of the funding provided in the "Drug Interdiction and Counter-drug Activities, Defense" account, the conferees direct that $1,000,000 be provided above its state allocation to the Florida National Guard to support a Port Security prototype project and that $2,000,000 above its state allocation be provided to the Nevada National Guard to allow the Counter-Drug Reconnaissance and Interdiction Detachment unit in northern Nevada to expand operations into southern Nevada.

### CAPER FOCUS

The conferees continue to receive reports on the positive contribution of Operation Caper Focus to drug interdiction efforts. Despite this, Caper Focus continues to be virtually ignored in the budget submission. The conferees direct the Department to provide sufficient funding for this initiative in the fiscal year 2002 budget submission.

### OFFICE OF THE INSPECTOR GENERAL

The conferees agree to provide $147,545,000 for the Office of the Inspector General. Of this amount, $144,245,000 shall be for operation and maintenance and $3,300,000 shall be for procurement.

## TITLE VII—RELATED AGENCIES

The conference agreement is as follows:

[In thousands of dollars]

| | Budget | House | Senate | Conference |
|---|---|---|---|---|
| Intelligence Community Management Account | 137,631 | 224,181 | 177,331 | 148,631 |
| Central Intelligence Agency Retirement & Disability System | 216,000 | 216,000 | 216,000 | 216,000 |
| Payment to Kaho'olawe Island Conveyance, Remediation, and Environmental Restoration Fund | 25,000 | 25,000 | 60,000 | 60,000 |
| National Security Education Trust Fund | 6,950 | 6,950 | 6,950 | 6,950 |

### INTELLIGENCE COMMUNITY MANAGEMENT ACCOUNT

Details of the adjustments to this account are addressed in the classified annex accompanying this report.

## TITLE VIII—GENERAL PROVISIONS

The conference agreement incorporates general provisions of the House and Senate versions of the bill which were not amended. Those general provisions that were amended in conference follow:

The conferees included a general provision (Section 8008) which amends language authorizing multi-year procurements.

The conferees included a general provision (Section 8022) which amends language that appropriates funds authorized by the Indian Financing Act of 1974.

The conferees included a general provision (Section 8053) which amends language authorizing intelligence activities.

The conferees included a general provision (Section 8055) which amends language recommending rescissions. The rescissions agreed to are:

*Revised Economic Estimates, Fiscal Year 2000*

| | *Conference* |
|---|---|
| Aircraft Procurement, Army: Inflation Savings | $7,000,000 |
| Missile Procurement, Army: Inflation Savings | 6,000,000 |
| Procurement of Weapons and Tracked Combat Vehicles, Army: Inflation Savings | 7,000,000 |
| Procurement of Ammunition, Army: Inflation Savings | 5,000,000 |
| Other Procurement, Army: Inflation Savings | 16,000,000 |
| Aircraft Procurement, Navy: Inflation Savings | 24,125,000 |
| Weapons Procurement, Navy: Inflation Savings | 3,853,000 |
| Procurement of Ammunition, Navy and Marine Corps: Inflation Savings | 1,463,000 |
| Shipbuilding and Conversion, Navy: Inflation Savings | 19,644,000 |
| Other Procurement, Navy: Inflation Savings | 12,032,000 |
| Procurement, Marine Corps: Inflation Savings | 3,623,000 |
| Aircraft Procurement, Air Force: Inflation Savings | 32,743,000 |
| Missile Procurement, Air Force: Inflation Savings | 5,500,000 |
| Procurement of Ammunition, Air Force: Inflation Savings | 1,232,000 |
| Other Procurement, Air Force: Inflation Savings | 19,902,000 |
| Procurement, Defense-Wide: Inflation Savings | 6,683,000 |
| Research, Development, Test and Evaluation, Army: Inflation Savings | 20,592,000 |
| Research, Development, Test and Evaluation, Navy: Inflation Savings | 35,621,000 |
| Research, Development, Test and Evaluation, Air Force: Inflation Savings | 53,467,000 |
| Research, Development, Test and Evaluation, Defense-Wide: Inflation Savings | 36,297,000 |
| Defense Health Program: Inflation Savings | 808,000 |
| Chemical Agents and Munitions Destruction, Army: Inflation Savings | 1,103,000 |

*Program Specific Reductions, Fiscal Year 1999*

| | |
|---|---|
| Other Procurement, Army: R2000 Engine Flush System | 3,000,000 |
| Aircraft Procurement, Air Force: JSTARS (Contract Savings) | 12,300,000 |
| Other Procurement, Air Force: RAPCON (Restructuring program) | 8,000,000 |

*Fiscal Year 2000*

| | |
|---|---|
| Procurement of Weapons and Tracked Combat Vehicles, Army: | |
| Command and Control Vehicle | 4,000,000 |
| Breacher System | 19,000,000 |
| Other Procurement, Army: SMART-T (Schedule Slip) | 29,300,000 |
| Aircraft Procurement, Navy: F/A-18 E/F cost savings | 6,500,000 |
| Aircraft Procurement, Air Force: F-16 Advance Procurement | 24,000,000 |
| Missile Procurement, Air Force: | |
| ARMRAAM (Budget Error) | 6,192,000 |
| Titan Launch Vehicle | 30,000,000 |
| Other Procurement, Air Force: | |
| SMART-T (Schedule Slip) | 12,000,000 |
| RAPCON (Restructuring program) | 2,000,000 |
| DCGS Communications Segment Upgrade | 6,000,000 |
| Research, Development, Test and Evaluation, Army: | |
| WRAP (Unobligated balance) | 10,000,000 |
| Stinger Block II | 12,000,000 |
| Research, Development, Test and Evaluation, Air Force: C-130 (Schedule Slip) | 30,000,000 |
| Reserve Mobilization Income Insurance Fund: Unused Balance | 13,000,000 |

The conferees included a general provision (Section 8064) which amends language governing the procurement of ball and roller bearings, and vessel propellers from domestic sources.

The conferees included a general provision (Section 8075) which amends language allowing the transfer of funds for the purpose of Reserve peacetime support to community programs.

The conferees included a general provision (Section 8086) which amends Senate language reducing funds available for titles III and IV of this Act.

The conferees included a general provision (Section 8094) which amends language reducing amounts available for the military personnel and operation and maintenance accounts by $856,900,000 due to favorable foreign currency fluctuation.

The conferees included a general provision (Section 8097) which amends Senate language requiring the Department of Defense to submit certain budget justification materials in support of the Overseas Contingency Operations Transfer Fund.

The conferees included a general provision (Section 8102) which amends House language requiring registration of mission critical or mission essential information technology systems with the Department of Defense Chief Information Officer, and requiring certification of automated data systems; compliance with the Clinger-Cohen Act.

The conferees included a general provision (Section 8112) which amends Senate language appropriating $7,500,000 for the United Services Organization.

The conferees included a general provision (Section 8116) which amends Senate language earmarking funds for the Arrow Deployability Program.

The conferees included a general provision (Section 8117) which amends Senate language requiring the Secretary of Defense to identify, report on, and adjudicate health care contract claims.

The conferees included a general provision (Section 8123) which amends House language requiring certification that the Department of Defense program and budget for the Interim Brigade Combat Teams.

The conferees included a general provision (Section 8126) which amends Senate language reducing funds for the Ballistic Missile Defense Organization for certain overhead functions.

The conferees included a general provision (Section 8127) which amends Senate language requiring the Ballistic Missile Defense Organization to notify the congress prior to issuing any type of information or proposal solicitation.

The conferees included a general provision (Section 8129) which amends Senate language appropriating funds for the Center for the Preservation of Democracy.

The conferees included a general provision (Section 8139) which amends Senate language earmarking funds for the Middle East Regional Security Issues program.

The conferees included a general provision (Section 8140) which amends Senate language earmarking funds for information security initiatives.

The conferees included a general provision (Section 8141) which amends Senate language appropriating $5,000,000 for the American Red Cross.

The conferees included a general provision (Section 8142) which amends Senate language earmarking funds for the Bosque Redondo Memorial.

The conferees included a general provision (Section 8145) which earmarks Research, Development, Test and Evaluation, Air Force funds for the B-2 Link 16/Center Instrument Display/In-Flight Replanner program.

The conferees included a new general provision (Section 8146) which earmarks funds for the Airborne Laser program.

The conferees included a new general provision (Section 8147) which amends section 106 of title 38 U.S.C. concerning the service of the Alaska Territorial Guard.

The conferees included a new general provision (Section 8148) which appropriates $3,000,000 for the United States-China Security Review Commission.

The conferees included a new general provision (Section 8149) which amends the Alaska Native Claims Settlement Act.

The conferees included a new general provision (Section 8150) which modifies applicability of the Congressional Budget Act of 1974.

The conferees included a new general provision (Section 8151) which designates the planned consolidated operations center at Redstone Arsenal as the Wernher von Braun Complex.

The conferees included a new general provision (Section 8152) which earmarks funs in support of the Pacific Disaster Center.

The conference agreement includes section 8153, which strikes a provision in the Departments of Commerce, Justice, and State, the Judiciary and Related Agencies Appropriations Act, 2000, earmarking funds under the Small Business Administration, Business Loans Program Account, for the New Markets Venture Capital program, subject to authorization. By striking this provision, the conferees intend that the $6,000,000 originally earmarked for the New Markets Venture Capital program, which is not yet authorized, shall instead be used for the 7(a) General Business Loan program in fiscal year 2000.

The conferees included a new general provision (Section 8154) which authorizes a grant for the purpose of conducting research on health effects of low level exposure to hazardous chemicals.

The conferees included a new general provision (Section 8155) which appropriates $2,000,000 for the Oakland Military Institute.

The conferees included a new general provision (Section 8156) which provides $10,000,000 for Operation and Maintenance, Army contingent on resolution of the case City of San Bernardino vs. United States.

The conferees included a new general provision (Section 8157) which allows the transfer of alloying materials stored at the Brownfield site to Bethlehem Development Corporation.

The conferees included a new general provision (Section 8158) which appropriates $2,000,000 for the Defense Health Program for the purpose of making a grant to the Fisher House Foundation.

The conferees included a new general provision (Section 8159) which allows the office of Economic Adjustment to amend a grant for Industrial Modernization of the Philadelphia Shipyard.

The conferees included a new general provision (Section 8160) which extends the availability of funds appropriated under the heading Defense Reinvestment for Economic Growth in the Supplemental Appropriations Act of 1993 (Public Law 103-50).

The conferees included a new general provision (Section 8161) which provides $2,000,000 for a proposed conceptual design study to examine the feasibility of a zero emissions, steam injection process that has very promising potential for increasing power generation efficiency, enhanced oil recovery and carbon sequestration. These funds shall be transferred not later than October 15, 2000, to the Fossil Energy Research and Development program within the Department of Energy, to pursue this study through its existing competitive process.

The conferees included a new general provision (Section 8162) which amends availability of funds provided in the Emergency Supplemental Appropriations Act, 2000, for Procurement of Weapons and Tracked Combat Vehicles, Army.

The conferees include a new general provision (Section 8163) which reduces funds available to several Operation and Maintenance accounts by $71,367,000 due to growth in costs associated with consulting and advisory services and other contracts.

The conferees included a new general provision (Section 8164) which reduces funds available to several Operation and Maintenance accounts by $92,700,000 due to excess funded carryover.

The conferees included a new general provision (Section 8165) which reduces funds available to several Operation and Maintenance accounts by $159,076,000 due to growth in the cost of headquarters and administrative activities.

The conferees included a new general provision (Section 8166) which reduces funds available for the Overseas Contingency Operations Transfer Fund by $1,100,000,000.

The conferees included a new title IX which provides additional emergency supplemental appropriations for fiscal year 2000, for unmet military personnel and readiness requirements and potential military medical program costs and contingency operations expenses. Funding in this title has been provided as contingent emergency appropriations, subject to emergency designation by the President before any obligation of funds.

Title IX includes $1,100,000,000 in contingent emergency appropriations for overseas contingency operations, as discussed earlier in the statement of managers under title II, Operation and Maintenance.

Title IX also includes $50,000,000 in contingent emergency appropriations for "Military Personnel, Navy", to meet requirements in the recruiting and retention of personnel. The conferees direct that these funds shall be distributed as follows:

| | |
|---|---|
| Enlistment Bonuses | $12,500,000 |
| Selective Reenlistment Bonuses | 24,000,000 |
| Aviation Career Continuation Pay | 13,500,000 |

Title IX includes $529,000,000 in contingent emergency appropriations for unfunded readiness requirements identified by the military services, as discussed earlier in this statement under Title II, Operation and Maintenance.

Title IX includes $100,000,000 in contingent emergency appropriations for the Defense Health Program, as discussed earlier in this statement under the Defense Health Program.

### CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 2001 recommended by the Committee of Conference, with comparisons to the fiscal year 2000 amount, the 2001 budget estimates, and the House and Senate bills for 2001 follow:

[In thousands of dollars]

| | |
|---|---|
| New budget (obligational) authority, fiscal year 2000 | $273,503,522 |
| Budget estimates of new (obligational) authority, fiscal year 2001 | 284,500,986 |
| House bill, fiscal year 2001 | 288,512,800 |
| Senate bill, fiscal year 2001 | 287,630,500 |
| Conference agreement, fiscal year 2001 | 287,806,054 |
| Conference agreement compared with: | |
| New budget (obligational) authority, fiscal year 2000 | +20,253,694 |
| Budget estimates of new (obligational) authority, fiscal year 2001 | +3,305,069 |
| House bill, fiscal year 2001 | −706,746 |
| Senate bill, fiscal year 2001 | +175,554 |
| Title IX—Fiscal Year 2000 Supplementary | 1,779,000 |

Jerry Lewis,
Bill Young,
Joe Skeen,
Dave Hobson,
Henry Bonilla,
George R. Nethercutt, Jr.,
Ernest J. Istook, Jr.,
Randy "Duke" Cunningham,
Jay Dickey,
Rodney Frelinghuysen,
John P. Murtha,
Norman D. Dicks,
Martin Olav Sabo,
Julian C. Dixon,
Peter J. Visclosky,
James P. Moran,
*Managers on the Part of the House.*

Ted Stevens,
Thad Cochran,
Arlen Specter,
Pete V. Domenici,

CHRISTOPHER S. BOND,
MITCH MCCONNELL,
RICHARD C. SHELBY,
JUDD GREGG,
KAY BAILEY HUTCHISON,
DANIEL K. INOUYE,
ERNEST HOLLINGS,
ROBERT C. BYRD,
PATRICK J. LEAHY,
FRANK R. LAUTENBERG,
TOM HARKIN,
BYRON L. DORGAN,
RICHARD J. DURBIN,
*Managers on the Part of the Senate.*

## LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ABERCROMBIE (at the request of Mr. GEPHARDT) for today on account of official business.

Ms. CARSON (at the request of Mr. GEPHARDT) for today on account of official business.

Mr. MCNULTY (at the request of Mr. GEPHARDT) for today on account of personal reasons.

Mr. SMITH of Washington (at the request of Mr. GEPHARDT) for today and the balance of the week on account of personal matters.

## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. STRICKLAND) to revise and extend their remarks and include extraneous material:)

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

Mr. STRICKLAND, for 5 minutes, today.

(The following Member (at the request of Mr. METCALF) to revise and extend his remarks and include extraneous material:)

Mr. METCALF, for 5 minutes, today, July 18, 19, and 20.

(The following Members (at their own request) to revise and extend their remarks and include extraneous material:)

Mrs. MALONEY of New York, for 5 minutes, today.

Mr. CUMMINGS, for 5 minutes, today.

## ENROLLED BILLS SIGNED

Mr. THOMAS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 3544. An act to authorize a gold medal to be presented on behalf of the Congress to Pope John Paul II in recognition of his many and enduring contributions to peace and religious understanding, and for other purposes.

H.R. 3591. An act to provide for the award of a gold medal on behalf of the Congress to former President Ronald Reagan and his wife Nancy Reagan in recognition of their service to the Nation.

H.R. 4391. An act to amend title 4 of the United States Code to establish sourcing requirements for State and local taxation of mobile telecommunication services.

□ 2200

## ADJOURNMENT

Mr. PALLONE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock p.m.), under its previous order, the House adjourned until Tuesday, July 18, 2000, at 9 a.m., for morning hour debates.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

8615. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting the Department's final rule—Noxious Weeds; Update of Weed and Seed Lists [Docket No. 99-064-2] received May 26, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8616. A letter from the Associate Administrator, Livestock and Seed Program, Department of Agriculture, transmitting the Department's final rule—Changes in Fees for Federal Meat Grading and Certification Services [Docket No. LS-98-12] (RIN: 0581-AB83) received May 30, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8617. A letter from the Associate Administrator, Tobacco Programs, Department of Agriculture, transmitting the Department's final rule—Tobacco Fees and Charges for Mandatory Inspection; Fee Increase [Docket No. TB-00-10] (RIN: 0581-AB87) received May 30, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8618. A letter from the Congressional Review Coordinator, Animal and Plant Inspection Service, Department of Agriculture, transmitting the Department's final rule—Veterinary Services User Fees; Pet Food Facility Inspection and Approval Fees [Docket No. 98-045-2] received June 20, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8619. A letter from the Acting Administrator, Rural Utilities Service, Department of Agriculture, transmitting the Department's final rule—General and Pre-Loan Policies and Procedures Common to Insured and Guaranteed Loans (RIN: 0572-AB52) received May 30, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8620. A letter from the Acting Administrator, Rural Utilities Service, Department of Agriculture, transmitting the Department's final rule—Specifications and Drawings for Underground Electric Distribution—received May 24, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8621. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting the Department's final rule—Hawaii Animal Import Center [Docket No. 98-013-2] received June 20, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8622. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting the Department's final rule—Importation of Gypsy Moth Host Material From Canada [Docket No. 98-110-2] (RIN: 0579-AB11) received June 20, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8623. A letter from the Administrator, Foreign Agriculture Service, Department of Agriculture, transmitting the Department's final rule—Adjustment of Appendices to the Dairy Tariff-Rate Import Quota Licensing Regulation for the 2000 Tariff-Rate Quota Year—received June 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8624. A letter from the Agricultural Marketing Service, Cotton Program, Department of Agriculture, transmitting the Department's final rule—Revision of User Fees for 2000 Crop Cotton Classification Services to Growers [Docket No. CN-99-003] (RIN: 0581-AB57) received June 7, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8625. A letter from the Associate Administrator, Agricultural Marketing Service, Dairy Programs, Department of Agriculture, transmitting the Department's final rule—Fluid Milk Promotion Order; Amendments to the Order [DA-00-07] received June 7, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8626. A letter from the Associate Administrator, Cotton Programs, Agricultural Marketing Service, Department of Agriculture, transmitting the Department's final rule—Grade Standards and Classification for American Pima Cotton [Docket No. CN-00-003] (RIN: 0581-AB82) received June 9, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8627. A letter from the Associate Administrator, Cotton Programs, Agricultural Marketing Service, Department of Agriculture, transmitting the Department's final rule—Revision of Cotton Classification Procedures for Determining Upland Cotton Color Grade [Docket No. CN-00-001] (RIN: 0581-AB67) received June 9, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8628. A letter from the Administrator, Risk Management Agency, Department of Agriculture, transmitting the Department's "Major" rule—Catastrophic Risk Protection Endorsement; Regulations for the 1999 and Subsequent Reinsurance Years; Group Risk Plan of Insurance Regulations for the 2000 and Succeeding Crop Years, and the Common Crop Insurance Regulations; Basic Provisions (RIN: 0563-AB81) received July 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8629. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Cyprodinil; Extension of Tolerance for Emergency Exemption [OPP-301006; FRL-6590-4] (RIN: 2070-AB78) received June 7, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8630. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Imidacloprid; Pesticide Tolerances for Emergency Exemptions [OPP-301004; FRL-6558-4] (RIN: 2070-

AB78) received June 7, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8631. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Pendimethalin; Re-establishment of Tolerance for Emergency Exemptions [OPP-301020; FRL-6596-5] (RIN: 2070-AB78) received July 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8632. A letter from the Director, Office of Regulatory Management and Informtation, Environmental Protection Agency, transmitting the Agency's final rule—Azoxystrobin or Methyl (E)-2-[2-[6-(-cyanophenoxy) pyrimidin-4-yloxy]phenyl]-3-; Extension of Tolerance for Emergency Exemptions [OPP-301012; FRL-6594-1] (RIN: 2070-AB78) received July 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8633. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Tebuconazole; Extension of Tolerance for Emergency Exemptions [OPP-301022; FRL-6596-7] (RIN: 2070-AB) received July 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8634. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Humic Acid, Sodium Salt, Exemption Tolerance [OPP-301017; FRL-6595-9] (RIN: 2070-AB) received July 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8635. A communication from the President of the United States, transmitting the request and availability of the funds in accordance with provisions of Division B of the H.R. 4425, the Emergency Supplemental Act, 2000, and Division C of H.R. 4425, the Cerro Grande Fire Supplemental; (H. Doc. No. 106—267); to the Committee on Appropriations and ordered to be printed.

8636. A letter from the Alternate OSD Federal Register Liaison Officer, Office of the Secretary, Department of Defense, transmitting the Department's final rule—Transactions Other than Contracts, Grants, or Cooperative Agreements for Prototype Projects (RIN: 0790-AG79) received May 26, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

8637. A letter from the Assistant General Counsel for Regulations, Office of the Assistant Secretary for Housing—Federal Housing Commissioner, Department of Housing transmitting the Department's final rule—Tenant Participation in Multifamily Housing Projects [Docket No. FR-4403-F-02] (RIN: 2502-AH32) received June 7, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

8638. A letter from the Director, Office of Legislative Affairs, Federal Deposit Insurance Corporation, transmitting the Corporation's final rule—Minority and Women Outreach Program—Contracting (RIN: 3064-AB12) received May 22, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

8639. A letter from the Managing Director, Office of General Counsel, Federal Housing Finance Board, transmitting the Board's final rule—Office of Finance; Authority of Federal Home Loan Banks to Issue Consolidated Obligations [No. 2000-24] (RIN: 3069-AA88) received June 21, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

8640. A letter from the Secretary, Bureau of Consumer Protection, Division of Financial Practices, Federal Trade Commission, transmitting the Commission's "Major" rule—Privacy of Consumer Financial Information—received June 19, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

8641. A letter from the General Counsel, National Credit Union Administration, transmitting the Administration's final rule—Share Insurance and Appendix—received June 13, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

8642. A letter from the General Counsel, National Credit Union Administration, transmitting the Administration's final rule—Privacy of Consumer Financial Information; Requirements for Insurance [12 CFR Parts 716 and 741] received June 5, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

8643. A letter from the Deputy Secretary, Division of Investment Management; Division of Market Regulation, Securities and Exchange Commission, transmitting the Commission's "Major" rule—Privacy of Consumer Finacial Information (Regulation S-P) [Release Nos. 34-42974, IC-24543, IA-1883; File No. S7-6-00] (RIN: 3235-AH90) received June 27, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

8644. A letter from the Office of Elementary and Secondary Education, Department of Education, transmitting the Department's final rule—Office of Elementary and Secondary Education-Safe and Drug-Free Schools and Communities National Programs-Federal Activities Grants Program-The Challenge Newsletter—received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

8645. A letter from the Office of Elementary and Secondary Education, Department of Education, transmitting the Department's final rule—Office of Elementry and Secondary Education—Safe and Drug Free Schools and Communities National Programs—Federal Activities—Grant Competition to Prevent High-Risk Drinking and Violent Behavior Among College Students—received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

8646. A letter from the Office of Elementary and Secondary Education, Department of Education, transmitting the Department's final rule—Office of Elementary and Secondary Education—Safe and Drug-Free Schools and Communities National Programs—Federal Activities—Effective Alternative Strategies: Grant Competition to Reduce Student Suspensions and Expulsions and Ensure Educational Progress of Students Who Are Suspended or Expelled—received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

8647. A letter from the Office of Elementary and Secondary Education, Department of Education, transmitting the Department's final rule—Office of Elementary and Secondary Education-Safe and Drug-Free Schools and Communities National Programs-Federal Activities-Alcohol and Other Drug Prevention Models on College Campuses Grant Competition—received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

8648. A letter from the Office of Elementary and Secondary Education, Department of Education, transmitting the Department's final rule—Office of Elementary and Secondary Education—Safe and Drug-Free Schools and Communities National Programs-Federal Activities—Middle School Drug Prevention and School Safety Program Coordinators Grant Competition, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

8649. A letter from the General Attorney, Office of Educational Research and Improvement, Department of Education, transmitting the Department's final rule—Jacob K. Javits Gifted and Talented Education Program: National Research and Development Center—June 16, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

8650. A letter from the Secretary of Education, transmitting a legislative proposal entitled, "College Completion Challenge Grant Act of 2000"; to the Committee on Education and the Workforce.

8651. A letter from the Assistant General Counsel for Regulatory Law, Office of Environment, Safety and Health, Department of Energy, transmitting the Department's final rule—Nonreactor Nuclear Safety Design Criteria and Explosives Safety Criteria Guide for use with DOE O 420.1, Facility Safety—received June 7, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8652. A letter from the Assistant General Counsel for Regulatory Law, Office of Environment, Safety and Health, Department of Energy, transmitting the Department's final rule—Department of Energy Badges [DOE N. 473.4] received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8653. A letter from the Assistant General Counsel for Regulatory Law, Office of Defense Procurement, Department of Energy, transmitting the Department's final rule—DOE Specification; Uninterruptible Power Supply (UPS) Systems [DOE-SPEC-3021-97] received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8654. A letter from the Assistant General Counsel for Regulatory Law, Office of Environment, Safety and Health, Department of Energy, transmitting the Department's final rule—DOE STANDARD; Hazard Categorization and Accident Analysis Techniques for Compliance with DOE Order 5480.23 Nuclear Safety Analysis Reports [DOE-STD-1027-92] received June 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8655. A letter from the Assistant General Counsel for Regulatory Law, Office of Environment, Safety and Health, Department of Energy, transmitting the Department's final rule—Guide for the Mitigation of Natural Phenomena Hazards for DOE Nuclear Facilities and Nonnuclear Facilities—received June 7, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8656. A letter from the Assistant General Counsel for Regulatory Law, Office of Environment, Safety and Health, Department of Energy, transmitting the Department's final rule—DOE Standard; Stabilization, Packaging, and Storage of Plutonium-Bearing Materials (RIN: DOE-STD-3013-99) received June 7, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8657. A letter from the Assistant General Counsel for Regulatory Law, Office of Environment, Safety and Health, Department of Energy, transmitting the Department's final rule—DOE Standard; Content of System Design Descriptions (RIN: DOE-STD-3024-98) received June 7, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8658. A letter from the Director, Regulations Policy and Management Staff, FDA, Department of Health and Human Services, transmitting the Department's final rule—Secondary Direct Food Additives Permitted in Food for Human Consumption [Docket No. 00F–0786] received June 2, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8659. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans and Designation of Areas for Air Quality Planning Purposes; Ohio and Kentucky [OH–132–2; KY–116–2; KY–84–2; FRL–6717–1] received June 13, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8660. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of State Plans for Designated Facilities and Pollutants; Arizona; Control of Emissions from Existing Hospital/Medical/Infectious Waste Incinerators [AZ025–MWIa; FRL–6717–7a] received June 13, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8661. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of State Plans for Designated Facilities and Pollutants; Colorado, Montana, South Dakota, Utah, Wyoming; Control of Emissions From Existing Hospital/Medical/Infectious Waste Incinerators [FRL–6717–3] received June 13, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8662. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Clean Air Act Full Approval of Operating Permit Program; Forsyth County (North Carolina) [NC-FORS-T5–2000–01a; FRL–6712–5] received June 13, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8663. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Reopening of Comment Period and Delaying of Effective Date of Revisions to the Interim Enhanced Surface Water Treatment Rule (IESWTR), the Stage 1 Disinfectants and Disinfection Byproducts Rule (Stage 1 DBPR) and Revisions to State Primacy Requirements to Implement the Safe Drinking Water Act (SDWA) Amendments [FRL–6715–4] received June 13, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8664. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Maintenance Plan and Designation of Area for Air Quality Planning Purposes for Carbon Monoxide; State of Arizona [AZ072–0085; FRL–6601–7] received June 1, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8665. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; Pennsylvania; Nitrogen Oxides Allowance Requirements [PA 153–4100a; FRL–6702–3] received May 30, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8666. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of State Plans for Designated Facilities and Pollutants: Alabama; Correction [AL52–200014; FRL–6708–6] received May 30, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8667. A letter from the Director, Office of Regualtory Managment and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans [IN112–1a, FRL–6708–5] received May 30, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8668. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; Indiana [IN117–1a, FRL–6708–2] received May 30, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8669. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of State Air Quality Plans for Designated Facilities and Pollutants; West Virginia; Control of Emissions from Existing Hospital/Medical/Infectious Waste Incinerators [WV–6013a; FRL–6714–2] received June 7, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8670. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Clean Air Act Full Approval of Operating Permit Program; State of Montana [MT–001a; FRL–6714–4] received June 7, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8671. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of State Plans—Alabama: Approval of Revisions to the Alabama State Implementation Plan; Transportation Conformity Interagency Memorandum of Agreement; Correction [AL53–200019(a); FRL–6735–6] received July 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8672. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Rescinding Findings that the 1-Hour Ozone Standard No Longer Applies in Certain Areas [FRL–6733–3] (RIN: 2060–ZA08) received July 6, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8673. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of State Plans for Designated Facilities and Pollutants; Control of Emissions From Hospital/Medical/ Infectious Waste Incinerators (HMIWI); State of Kansas [KS 105–1105a; FRL–6733–9] received July 6, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8674. A letter from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Greeley and Bloomfield, Colorado) [MM Docket No. 99–279; RM–9716] received June 27, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8675. A letter from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), FM Table of Allotments, FM Broadcast Stations. (Saratoga, Green River, Big Piney and La Barge, Wyoming) [MM Docket No. 98–130, MM Docket No. 99–56, RM–9297, RM–9655, RM–9459] received June 27, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8676. A letter from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), FM Table of Allotments, FM Broadcast Stations (Douglas and Guernsey, Wyoming) [MM Docket No. 98–15; RM–9320; RM 9653] received June 27, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8677. A letter from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Eldorado, Beeville, Colorado City, Cotulla , Cuero, Kerrville, Mason, McQueeney and San Angelo, Texas) [MM Docket No. 99–357 RM–9780] received June 27, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8678. A letter from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Whitefield and Northumberland, New Hampshire) [MM Docket No. 99–42; RM–9467; RM–9618] received June 27, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8679. A letter from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), FM Table of Allotments, FM Broadcast Stations (Arnoldsburg, West Virginia) [MM Docket No. 98–216 RM–9381] received June 27, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8680. A letter from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (CampWood and Rocksprings, Texas) [MM Docket No. 99–214; RM–9546; RM–9699] received June 27, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8681. A letter from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Carney, Michigan) [MM Docket No. 99–334 RM–9772] received June 27, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8682. A letter from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Gwinn, Michigan) [MM Docket No. 99–341; RM–9776] received June 27, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8683. A letter from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), FM Table of Allotments, FM

Broadcast Stations. (North Tunica and Friars Point, Mississippi, Kennett, Missouri, Munford, Tennessee, and Marianna, Arkansas) [MM Docket No. 99–140; MM Docket No. 99–146; RM–9490; RM–9724; RM–9725] received June 27, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8684. A letter from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Everglades City, LaBelle, Estero and Key West, Florida) [MM Docket No. 97–116; RM–9050; RM–9123] received June 27, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8685. A letter from the Associate Chief, Wireless Telecommunications Bureau, Federal Communications Commission, transmitting the Commission's "Major" rule—Amendment of the Commission's Rules to Establish New Personal Communications Services, Narrowband PCS [GEN Docket No. 90–314 ET Docket No. 92–100] Implementation of Section 309(j) of the Communications Act—Competitive Bidding, Narrowband PCS [PP Docket No. 93–253] received July 14, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8686. A letter from the Chief, Wireless Telecommunications Bureau, Federal Communications Commission, transmitting the Commission's "Major" rule—Extending Wireless Telecommunications Service To Tribal Lands [WT Docket No. 99–266] received July 14, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8687. A letter from the Associate Managing Director, Performance Evaluation and Records Management, Office of Managing Director, Federal Communications Commission, transmitting the Commision's final rule—Assessment and Collection of Regulatory Fees for Fiscal Year 2000, Report and Order [MD Docket No. 00–58, FCC 00–240] received July 14, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8688. A letter from the Deputy Secretary, Division of Investment Management, Securities and Exchange Commission, transmitting the Commission's final rule—Offer and Sale of Securities to Canadian Tax-Deferred Retirement Savings Accounts [Release Nos. 33–7860, 34–42905, IC–24491; File No. S7–10–00 International Series Release No. 1226] (RIN: 3235–AH32) received June 9, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8689. A letter from the Lieutenant General, Director, Defense Security Cooperation Agency, transmitting notification concerning the Department of the Army's Proposed Letter(s) of Offer and Acceptance (LOA) to Egypt for defense articles and services (Transmittal No. 00–44), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

8690. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed manufacturing license agreement with Turkey [Transmittal No. DTC 024–00], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

8691. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed manufacturing license agreement with Norway, Sweeden, Greece and Turkey (Transmittal No. DTC–022–00), pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

8692. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed Manufacturing License Agreement with Sweden [Transmittal No. DTC 021–00], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

8693. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed Technical Assistance Agreement with Canada [Transmittal No. DTC 058–00], pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

8694. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to United Kingdom [Transmittal No. DTC 29–00], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

8695. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to French Guiana [Transmittal No. DTC 047–00], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

8696. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Germany [Transmittal No. DTC 044–00], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

8697. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Australia and Japan [Transmittal No. DTC 053–00], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

8698. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Egypt [Transmittal No. DTC 062–00], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

8699. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed transfer of major defense equipment from the Government of the Canada and Sweden [Transmittal 35–00], pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

8700. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to France and the United Kingdom [Transmittal No. DTC 31–00], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

8701. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Australia [Transmittal No. DTC 34–00], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

8702. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed Manufacturing License Agreement with France and Germany [Transmittal No. DTC 63–00], pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

8703. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification that effective June 4, 2000, the danger pay rate for Eritrea was designated at the 15% level, pursuant to 5 U.S.C. 5928; to the Committee on International Relations.

8704. A letter from the Assistant Secretary for Export Administration, Department of Commerce, transmitting the Department's final rule—Restrictive Trade Practices or Boycotts [Docket No. 000424111–0111–01] (RIN: 0694–AA11) received May 23, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

8705. A letter from the Assistant Secretary for Export Administration, Department of Commerce, transmitting the Department's final rule—Revisions and Clarifications to the Export Administration Regulations; Commerce Control List [Docket No. 990625176–0029–02] (RIN: 0694–AB86) received May 23, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

8706. A letter from the Attorney-Advisor, Bureau of Educational and Cultural Affairs, Department of State, transmitting the Department's final rule—Fees for Exchange Visitor Program Designation Services [Public Notice 3284] received June 7, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

8707. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 13–359, "Criminal Tax Reorganization Act of 2000" received July 14, 2000, pursuant to D.C. Code section 1—233(c)(1); to the Committee on Government Reform.

8708. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 13–360, "Tax Expenditure Budget Review Act of 2000" received July 14, 2000, pursuant to D.C. Code section 1—233(c)(1); to the Committee on Government Reform.

8709. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 13–363, "Gray Market Cigarette Prohibition Temporary Act of 2000" received July 14, 2000, pursuant to D.C. Code section 1—233(c)(1); to the Committee on Government Reform.

8710. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 13–361, "Retirement Incentive Temporary Act of 2000" received July 14, 2000, pursuant to D.C. Code section 1—233(c)(1); to the Committee on Government Reform.

8711. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 13–362, "Campaign Finance Disclosure and Enforcement Amendment Act of 2000" received July 14, 2000, pursuant to D.C. Code section 1—233(c)(1); to the Committee on Government Reform.

8712. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 13–364, "Underage Drinking Temporary Amendment Act of 2000" received July 14, 2000, pursuant to D.C. Code section 1—233(c)(1); to the Committee on Government Reform.

8713. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 13–365, "Supermarket Tax Exemption Act of 2000" received July 14, 2000, pursuant to D.C. Code section 1—233(c)(1); to the Committee on Government Reform.

8714. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 13-366, "Public Schools Free Textbook Temporary Amendment Act of 2000" received July 14, 2000, pursuant to D.C. Code section 1—233(c)(1); to the Committee on Government Reform.

8715. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 13-367, "New Motor Vehicle Inspection Sticker Renewal Temporary Amendment Act of 2000" received July 14, 2000, pursuant to D.C. Code section 1—233(c)(1); to the Committee on Government Reform.

8716. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 13-373, "Equal Opportunity for Local, Small, or Disadvantaged Business Enterprises Amendment Act of 2000" received July 14, 2000, pursuant to D.C. Code section 1—233(c)(1); to the Committee on Government Reform.

8717. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 13-379, "Closing of a Public Alley in Square 236, S.O. 00-49, Act of 2000" received July 17, 2000, pursuant to D.C. Code section 1—233(c)(1); to the Committee on Government Reform.

8718. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 13-378, "Closing of a Public Alley in Square 288, S.O. 98-163, Act of 2000" received July 17, 2000, pursuant to D.C. Code section 1—233(c)(1); to the Committee on Government Reform.

8719. A letter from the Chairman, Amtrak, transmitting the semiannual report on the activities of the Office of Inspector General for the period October 1, 1999 through March 31, 2000, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

8720. A letter from the Executive Director, Committee For Purchase From People Who Are Blind or Severely Disabled, transmitting the Committee's final rule—Procurement List: Additions—received May 30, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

8721. A letter from the Chair, Board of Directors, Corporation for Public Broadcasting, transmitting the report from the Acting Inspector General covering the activities of his office for the period of October 1, 1999—March 31, 2000, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

8722. A letter from the Secretary, Department of Education, transmitting the Department's final rule—The State Vocational Rehabilitation Services Program (RIN: 1820-AB14) received June 7, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

8723. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Acquisition Regulation [FRL-6712-2] received June 7, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

8724. A letter from the Chairman, Federal Election Commission, transmitting a copy of the annual report in compliance with the Government in the Sunshine Act during the calendar year 1999, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Reform.

8725. A letter from the Chairman, Federal Trade Commission, transmitting the semiannual report on the activities of the Office of Inspector General for the period October 1, 1999 through March 31, 2000, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

8726. A letter from the Chairman, National Endowment for the Arts, transmitting the semiannual report on the activities of the Office of Inspector General for the period October 1, 1999 through March 31, 2000, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

8727. A letter from the Secretary of Education, transmitting the the twenty-second Semiannual Report to Congress on Audit Follow-Up in compliance with the Inspector General Act Amendments of 1988, pursuant to 5 app.; to the Committee on Government Reform.

8728. A letter from the Chairman, Board of Governors, United States Postal Service, transmitting the report from the Acting Inspector General covering the activities of his office for the period of October 1, 1999—March 31, 2000, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

8729. A letter from the Acting Director, Office of Surface Mining, Department of the Interior, transmitting the Department's final rule—Pennsylvania Regulatory Program [PA-129-FOR] received June 21, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8730. A letter from the Assistant Secretary, Land and Minerals Management, Minerals Management Service, Department of the Interior, transmitting the Department's final rule—"Oil and Gas and Sulphur Operations in the Outer Continental Shelf—Production Measurement Document Incorporated by Reference" (RIN: 1010-AC-73) received June 16, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8731. A letter from the General Counsel, Department of Commerce, transmitting a draft bill entitled the "National Oceanic and Atmospheric Administration Fees Act of 2000"; to the Committee on Resources.

8732. A letter from the Acting Director, Office of Surface Mining, Department of Interior, transmitting the Department's final rule—Alabama Regulatory Program [SPATS No. AL-069-FOR] received June 20, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8733. A letter from the Deputy Assistant Administrator for Fisheries, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Northeastern United States; Final 2000 Fishing Quotas for Atlantic Surf Clams, Ocean Quahogs, and Maine Mahogany Quahogs [Docket No. 99128355-0140-02; I.D. 110999C] (RIN: 0648-AM50) received May 30, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8734. A letter from the Acting Director, Office of Sustainable Fisheries, Domestic Fisheries Division, National Oceanic and Atmospheric Administration, transmitting the Department's final rule—Fisheries of the Northeastern United States; Black Sea Bass Fishery; Commercial Quota Harvested for Quarter 2 Period [Docket No. 000119014-0137-02; I.D. 060200A] received June 20, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8735. A letter from the Secretary of the Treasury, transmitting a report entitled, "U.S. Government Debt Collection Activities of Federal Agencies," pursuant to 31 U.S.C. 3716(c)(3)(B); to the Committee on the Judiciary.

8736. A letter from the General Counsel, Department of the Treasury, transmitting a draft bill designed to protect the Department of the Treasury's security printing and engraving program by amending the criminal code to more accurately define the value of items that are used in the manufacture of Bureau of Engraving and Printing (BEP) securities; to the Committee on the Judiciary.

8737. A letter from the Deputy Executive Secretary, Health Resources and Services Administration, Department of Health and Human Services, transmitting the Department's final rule—Ricky Ray Hemophilia Relief Fund Program (RIN: 0906-AA56) received June 9, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

8738. A letter from the Rules Administrator, Bureau of Prisons, Department of Justice, transmitting the Department's final rule—Federal Tort Claims Act [BOP-1098-F] (RIN: 1120-AA94) received June 5, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

8739. A letter from the Treasurer, The Congressional Medal of Honor Society of the United States of America, transmitting the annual financial report of the Society for calendar year 1999, pursuant to 36 U.S.C. 1101(19) and 1103; to the Committee on the Judiciary.

8740. A letter from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting the Department's final rule—Modification and Revocation of VOR and Colored Federal Airways and Jet Routes; AK [Airspace Docket No. 98-AAL-26] (RIN: 2120-AA66) received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8741. A letter from the Program Analyst, Federal Aviation Adminstration, Department of Transportation, transmitting the Department's final rule—Realignment of Jet Route; TX [Airspace Docket No. 99-ASW-33] received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8742. A letter from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting the Department's final rule—Correction to Class E Airspace; Unalaska, AK [Airspace Docket No. 99-AAL-18] received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8743. A letter from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting the Department's final rule—Amendment to Time of Designation for Restricted Area R-7104 (R-7104), Vieques Island, PR [Airspace Docket No. 00-ASO-8] (RIN: 2120-AA66) received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8744. A letter from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting the Department's final rule—Establishment of Class D Airspace; Jackson, WY [Airspace Docket No. 99-ANM-11] received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8745. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Modification of Class D Airspace; Rapid City, SD; modification of Class D Airspace; Rapid City Ellsworth AFB, SD; and modification of Class E Airspace; Rapid City, SD [Airspace Docket No. 00-AGL-03] received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8746. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Yankton, SD [Airspace Docket No. 98-AGL-78] received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8747. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Ely, MN [Airspace Docket No. 00-AGL-04] received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8748. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Modification of Class D Airspace; establishment of Class E Airspace; and modification of Class E Airspace; Belleville, IL [Airspace Docket No. 00-AGL-01] received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8749. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Hampton, IA [Airspace Docket No. 00-ACE-7] received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8750. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Establishment of Class D Airspace; Jackson, WY [Airspace Docket No. 99-ANM-11] received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8751. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Pilatus Aircraft LTd. Models PC-12 and PC-12/45 Airplanes [Docket No. 99-CE-36-AD; Amendment 39-11762; AD 2000-11-14] (RIN: 2120-AA64) received June 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8752. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Air Tractor Incorporated Models AT-301, AT-401, and AT-501 Airplanes [Docket No. 2000-CE-21-AD; Amendment 39-11753; AD 2000-11-05] (RIN: 2120-AA64) received June 12. 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8753. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Honeywell International Inc. (formerly AlliedSignal Inc.) ALF502R and LF507 Series Turbofan Engines [Docket No. 99-NE-36-AD; Amendment 39-11763; AD 2000-11-15] (RIN: 2120-AA64) received June 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8754. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 777-200 Series Airplanes [Docket No. 99-NM-307-AD; Amendment 39-11759; AD 2000-11-11] (RIN: 2120-AA64) received June 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8755. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Eurocopter France Model SA-365N1, AS-365N2, and SA-366G1 Helicopters [Docket No. 99-SW-45-AD; Amendment 39-11765; AD 2000-11-17] (RIN: 2120-AA64) received June 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8756. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Ayres Corporation S2R Series and Model 600 S2D Airplanes [Docket No. 98-CE-56-AD; Amendment 39-11764; AD 2000-11-16] (RIN: 2120-AA64) received June 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8757. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Lockheed Model L-1011-385 Series Airplanes [Docket No. 98-NM-311-AD; Amendment 39-11744; Ad 2000-10-20] (RIN: 2120-AA64) received June 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8758. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Allison Engine Company AE 3007A and AE 3007C Series Turbofan Engines [Docket No. 99-NE-07-AD; Amendment 39-1171; AD 2000-11-22] (RIN: 2120-AA64) received June 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8759. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A319, A320, and A321 Series Airplanes [Docket No. 99-NM-343-AD; Amendment 39-11757; AD 2000-11-09] (RIN: 2120-AA64) received June 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8760. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 747 and 767 Series Airplanes Powered by General Electric Model CF6-80C2 Series Engines [Docket No. 99-NM-228-AD; Amendment 39-11756; AD 2000-11-08] (RIN: 2120-AA64) received June 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8761. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 747-200, -300, and -400 Series Airplanes [Docket No. 99-NM-30-AD; Amendment 39-11755; AD 2000-11-07] (RIN: 2120-AA64) received June 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8762. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 767 Series Airplanes [Docket No. 98-NM-316-AD; Amendment 39-11754; AD 2000-11-06] (RIN: 2120-AA64) received June 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8763. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Dassault Model Falcon 2000, Mystere-Falcon 900, Falcon 900EX, Fan Jet Falcon, Mystere-Falcon 20, and Mystere-Falcon 200 Series Airplanes [Docket No. 2000-NM-109-AD; Amendment 39-11751; AD 2000-11-03] (RIN: 2120-AA64) received June 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8764. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Eurocopter France Model SA-365C, C1, C2, N, and N1; AS-365N2 and N3; and SA-366G1 Helicopters [Docket No. 99-SW-62-AD; Amendment 39-11766; AD 2000-11-18] (RIN: 2120-AA64) received June 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8765. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Fokker Model F.28 Mark 1000, 2000, 3000, and 4000 Series Airplanes [Docket No. 99-NM-358-AD; Amendment 39-11761; AD 2000-11-13] (RIN: 2120-AA64) received June 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8766. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Rolls-Royce plc RB211 Series Turbofan Engines [Docket No. 94-ANE-16-AD; Amendment 39-11758; AD 2000-11-10] (RIN: 2120-AA64) received June 12. 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8767. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Saab Model SAAB SF340A and SAAB 340B Series Airplanes [Docket No. 99-NM-51-AD; Amendment 39-11785; AD 2000-12-07] (RIN: 2120-AA64) received June 23, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8768. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A330 and A340 Series Airplanes [Docket No. 2000-NM-64-AD; Amendment 39-11784; AD 2000-12-06] (RIN: 2120-AA64) received June 23, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8769. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Pratt & Whitney PW4000 Series Turbofan Engines [Docket No. 98-ANE-66-AD; Amendment 39-11780; AD 2000-12-02] (RIN:2120-AA64) received June 23, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8770. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A319, A320, and A321 Series Airplanes [Docket No. 99-NM-351-AD; Amendment 39-11791; AD 2000-12-13](RIN: 2120-AA64) received June 23, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8771. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A300-600 Series Airplanes [Docket No. 98-NM-164-AD; Amendment 39-11789; AD 2000-12-11] (RIN: 2120-AA64) received June 23, 2000, pursuant to

5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8772. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Saab Model SAAB SF340A and SAAB 340B Series Airplanes [Docket No. 2000–NM–25–AD; Amendment 39–11792; AD 2000–12–14] (RIN: 2120–AA64) received June 23, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8773. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 747 Series Airplanes [Docket No. 2000–NM–78–AD; Amendment 39–11794; AD 2000–12–16] (RIN: 2120–AA64) received June 23, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8774. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 767 Series Airplanes [Docket No. 99–NM–182–AD; Amendment 39–11795; AD 2000–12–17] (RIN: 2120–AA64) received June 23, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8775. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Eurocopter France Model SA–365N, SA–365N1, AS–365N2 and AS–365N3 Helicopters [Docket No. 99–SW–86–AD; Amendment 39–11737; AD 2000–10–13] (RIN: 2120–AA64) received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8776. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Eurocopter France Model AS–350B, BA, B1, B2, and D, and Model AS–355E, F, F1, F2, and N Helicopters [Docket No. 99–SW–39–AD; Amendment 39–11734; AD 2000–10–10] (RIN: 2120–AA64) received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8777. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Eurocopter France Model AS350B, BA, B1, B2, B3, D, and AS355E, F, F1, F2, and N Helicopters [Docket No. 99–SW–36–AD; Amendment 39–11733; AD 2000–10–09] (RIN: 2120–AA64) received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8778. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Bell Helicopter Textron Canada (BHTC) Model 222, 222B, 222U, and 230 Helicopters [Docket No. 99–SW–43–AD; Amendment 39–11738; AD 2000–10–14] (RIN: 2120–AA64) received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8779. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Israel Aircraft Industries, Ltd., Model 1124 and 1124A Westwind Airplanes [Docket No. 2000–NM–42–AD; Amendment 39–11728; AD 2000–10–04] (RIN: 2120–AA64) received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8780. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Gulfstream Model G–159 Series Airplanes [Docket No. 99–NM–138–AD; Amendment 39–11735; AD 2000–10–11] (RIN: 2120–AA64) received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8781. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; MD Helicopters Inc. Model MD900 Helicopters [Docket No. 2000–SW–04–AD; Amendment 39–11730; AD 2000–10–06] (RIN: 2120–AA64) received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8782. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model DC–10 Series Airplanes [Docket No. 99–NM–213–AD; Amendment 39–11727; AD 2000–10–03] (RIN: 2120–AA64) received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8783. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Prohibition Against Certain Flights Within the Territory and Airspace of Ethiopia [Docket No. FAA–2000–7340; SFAR No. 87] (RIN: 2120–AH01) received May 24, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8784. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Eurocopter France Model SA–365N1, AS–365N2, and SA–366G1 Helicopters [Docket No. 99–SW–34–AD; Amendment 39–11732; AD 2000–10–08] (RIN: 2120–AA64) received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8785. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Eurocopter Deutschland GmbH (Eurocopter) Model EC 135 Helicopters [Docket No. 99–SW–05–AD; Amendment 39–11731; AD 2000–10–07] (RIN: 2120–AA64) received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8786. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Lockheed Model L–1011–385 Series Airplanes [Docket No. 99–NM–221–AD; Amendment 39–11706; AD 2000–08–20] (RIN: 2120–AA64) received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8787. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; International Aero Engines AG V2500–A1/-A5/-D5 Series Turbofan Engines [Docket No. 98–ANE–45–AD; Amendment 39–11783; AD 2000–12–05] (RIN: 2120–AA64) received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8788. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A300–600 Series Airplanes [Docket No. 99–NM–362–AD; Amendment 39–11719; AD 2000–09–10] (RIN: 2120–AA64) received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8789. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 747–400 and 767–200 and -300 Series Airplanes Powered by Pratt & Whitney Model PW4000 Series Engines [Docket No. 99–NM–208–AD; Amendment 39–11777; AD 2000–11–28] (RIN: 2120–AA64) received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8790. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 747–100, -200, 747SP, and 747SR Series Airplanes Equipped with Pratt & Whitney JT9D–7, -7A, -7F, and -7J Series Engines [Docket No. 99–NM–242–AD; Amendment 39–11717; AD 2000–09–08] (RIN: 2120–AA64) received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8791. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; EMBRAER Model EMB–145 Series Airplanes [Docket No. 99–NM–305–AD; Amendment 39–11718; AD 2000–09–09] (RIN: 2120–AA64) received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8792. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model DC–10–10, -15, -30, -30F, and -40 Series Airplanes, and KC–10A (Military) Airplanes [Docket No. 99–NM–212–AD; Amendment 39–11716; AD 2000–09–07] (RIN: 2120–AA64) received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8793. A letter from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; British Aerospace BAe Model ATP Airplanes [Docket No. 99–NM–230–AD; Amendment 39–11773; AD 2000–11–24] (RIN: 2120–AA64) received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8794. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Raytheon (Beech) Model 400A and 400T Series Airplanes [Docket No. 99–NM–372–AD; Amendment 39–11721; AD 2000–09–12] (RIN: 2120–AA64) received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8795. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A300 B2, A300–B2k, A300 B4–2C, A300 B4–100, and A300 B4–200 Series Airplanes [Docket No. 98–NM–56–AD; Amendment 39–11725; AD 2000–10–01] (RIN: 2120–AA64) received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8796. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airworthiness Directives; CFM International (CFMI) CFM56–2, -2A, -2B, -3, -3B, -3C, -5, -5B, -5C, and -7B Series Turbofan Engines [Docket No. 98–ANE–

38; Amendment 39-11779; AD 2000-12-01] (RIN: 2120-AA64) received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8797. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 747-400 Series Airplanes [Docket No. 2000-NM-75-AD; Amendment 39-11736; AD 2000-10-12] (RIN: 2120-AA64) received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8798. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A319, A320, A321, A330, and A340 Series Airplanes [Docket No. 99-NM-103-AD; Amendment 39-11726; AD 2000-10-02] (RIN: 2120-AA64) received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8799. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 767-200 and -300 Series Airplanes [Docket No. 98-NM-313-AD; Amendment 39-11767; AD 2000-11-19] (RIN: 2120-AA64) received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8800. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Bristish Aerospace Jetstream Model 3201 Airplanes [Docket No. 99-CE-72-AD; Amendment 39-11722; AD 2000-09-13] (RIN: 2120-AA64) received May 25, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8801. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; General Electric Company CF6-45/50 Series Turbofan Engines [Docket No. 98-ANE-32-AD; Amendment 39-11760; AD 2000-11-12] (RIN: 2120-AA64) received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8802. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 767 Series Airplanes [Docket No. 2000-NM-138-AD; Amendment 39-11770; AD 2000-10-51] (RIN: 2120-AA64) received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8803. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Eurocopter France Model AS332L2 Helicopters [Docket No. 99-SW-82-AD; Amendment 39-11781; AD 2000-12-03] (RIN: 2120-AA64) received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8804. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A320-232 and -233 Series Airplanes [Docket No. 2000-NM-22-AD; Amendment 39-11774; AD 2000-11-25] (RIN: 2120-AA64) received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8805. A letter from the Senior Attorney, Office of the Secretary, Department of Transportation, transmitting the Department's final rule—Smoking Aboard Aircraft [Docket No. OST-2000;OST Docket No. 46783; Notice 90-5; OST Docket No. 44778; Notice 91-1] (RIN: 2105-AC85; 2105-AB58) received June 5, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8806. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A300, A310, A300-600 Series Airplanes [Docket No. 99-NM-128-AD; Amendment 39-11772; AD 2000-11-23] (RIN: 2120-AA64) received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8807. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A319, A320, and A321 Series Airplanes [Docket No. 2000-NM-139-AD; Amendment 39-11776; AD 2000-11-27] (RIN: 2120-AA64) received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8808. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A330-A340 Series Airplanes [Docket No. 2000-NM-53-AD; Amendment 39-11775; AD 2000-11-26] (RIN: 2120-AA64) received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8809. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A319, A320, and A321 Series Airplanes [Docket No. 99-NM-331-AD; Amendment 39-11769; AD 2000-11-21] (RIN: 2120-AA64) received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8810. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Changes to the International Aviation Safety Assessment (IASA) [14 CFR Part 129] received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8811. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—National Parks Air Tour Management [14 CFR Part 91] received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8812. A letter from the Senior Attorney, Federal Railroad Administration, Department of Transportation, transmitting the Department's "Major" rule—Railroad Rehabilitation and Improvement Financing Program: Proposed Revisions [Docket No. FRA 1999-5663] (RIN: 2130-AB26) received June 29, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8813. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Modification of the San Francisco Class B Airspace Area; CA [Airspace Docket No. 97-AWA-1] (RIN: 2120-AA66) received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8814. A letter from the Program Analyst, FAA, Department Of Transportation, transmitting the Department's final rule—Airworthiness Directives; Bombardier Model DHC-8-100 and -300 Series Airplanes [Docket No. 98-NM-380-AD; Amendment 39-11768; AD 2000-11-20] (RIN: 2120-AA64) received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8815. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Oil Pollution Prevention and Response; Non-Transportation-Related Facilities [FRL-6707-6] (RIN: 2050-AE64) received June 1, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8816. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Revocation of the Selenium Criterion Maximum Concentration for the Final Water Quality Guidance for the Great Lakes System [FRL-6707-7] (RIN: 2040-AC08) received May 30, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8817. A letter from the Chairman, Office of General Counsel, Federal Maritime Commission, transmitting the Commission's final rule—Interpretations and Statements of Policy Regarding Ocean Transportation Intermediaries [Docket No. 00-06] received June 27, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8818. A letter from the Secretary, Department of Agriculture, transmitting the Department's final rule—Rural Empowerment Zones and Enterprise Communities (RIN: 0503-AA20) received May 24, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8819. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Determination of Issue Price in the Case of Certain Debt Instruments Issued for Property [Rev. Rul. 2000-32] received June 20, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8820. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Department's final rule—Additional Guidance on Cash or Deferred Arrangements—received June 7, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8821. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Administrative, Procedural, and Miscellaneous Reporting IRA Recharacterizations and Reconversions [Notice 2000-30] received June 5, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8822. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Deposits of Excise Tax [TD 8887] (RIN: 1545-AV02) received June 7, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8823. A letter from the Regulations Officer, Social Security Administration, transmitting the Administration's final rule—Federal Old-Age, Survivors and Disability Insurance and Supplemental Security Income for the Aged, Blind, and Disabled; Medical and Other Evidance of Your Impairment (s) and Definition of Medical Consultant [Regulations Nos. 4 and 16] (RIN: 0960-AD91) received May 26, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8824. A letter from the Assistant Attorney General, Department of Justice, transmitting the corrected draft bill, "to establish police powers for Inspector General agents engaged in official duties . . . and an oversight mechanism for the exercise of those powers"; jointly to the Committees on Government Reform and the Judiciary.

8825. A letter from the Deputy Executive Secretary, CHPP, Department of Health and Human Services, transmitting the Department's "Major" rule—Medicare Program; Prospective Payment System for Home Health Agencies [HCFA-1059-F] (RIN: 0938-AJ24) received July 13, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); jointly to the Committees on Ways and Means and Commerce.

8826. A letter from the Deputy Executive Secretary, Center For Health Plans and Providers, Department of Health and Human Services, transmitting the Department's "Major" rule—Medicare Program; Medicare and Choice Program [HCFA 1030-FC] (RIN: 0938-AI29) received July 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); jointly to the Committees on Ways and Means and Commerce.

8827. A letter from the Deputy Executive Secretary, Office of Inspection General, Department of Health and Human Services, transmitting the Department's "Major" rule—Health Care Programs: Fraud and Abuse; Revised OIG Civil Money Penalties Resulting From Public Law 104-191 (RIN: 0991-AA90) received May 3, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); jointly to the Committees on Ways and Means and Commerce.

8828. A letter from the Secretary of Education, transmitting a legislative proposal entitled the, "Student Loan Improvement Act of 2000"; jointly to the Committees on Education and the Workforce, Ways and Means, and the Budget.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BURTON: Committee on Government Reform. H.R. 4437. A bill to grant to the United States Postal Service the authority to issue semipostals, and for other purposes; with an amendment (Rept. 106-734 Pt. 1).

Mr. YOUNG of Alaska: Committee on Resources. H.R. 2671. A bill to provide for the Yankton Sioux Tribe and the Santee Sioux Tribe of Nebraska certain benefits of the Missouri River Basin Pick-Sloan project, and for other purposes (Rept. 106-735). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 2435. A bill to expand the boundaries of the Gettysburg National Military Park to include the Wills House, and for other purposes; with an amendment (Rept. 106-736). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 3468. A bill to direct the Secretary of the Interior to convey to certain water rights to Duchesne City, Utah (Rept. 106-737). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 3817. A bill to redesignate the Big South Trail in the Comanche Peak Wilderness Area of Roosevelt National Forest in Colorado as the "Jaryd Atadero Legacy Trail"; with amendments (Rept. 106-738). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 2773. A bill to amend the Wild and Scenic Rivers Act to designate the Wekiva River and its tributaries of Rock Springs Run and Black Water Creek in the State of Florida as components of the national wild and scenic rivers system; with amendments (Rept. 106-739). Referred to the Committee on the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 2833. A bill to establish the Yuma Crossing National Heritage Area; with an amendment (Rept. 106-740). Referred to the Committee on the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 2919. A bill to promote preservation and public awareness of the history of the Underground Railroad by providing financial assistance, to the Freedom Center in Cincinnati, Ohio; with an amendment (Rept. 106-741). Referred to the Committee on the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 3236. A bill to authorize the Secretary of the Interior to enter into contracts with the Weber Basin Water Conservancy District, Utah, to use Weber Basin Project facilities for the impounding, storage, and carriage of nonproject water for domestic, municipal, industrial, and other beneficial purposes; with an amendment (Rept. 106-742). Referred to the Committee on the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 3291. A bill to provide for the settlement of the water rights claims of the Shivwits Band of the Paiute Indian Tribe of Utah, and for other purposes; with an amendment (Rept. 106-743). Referred to the Committee on the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 3657. A bill to provide for the conveyance of a small parcel of public domain land in the San Bernardino National Forest in the State of California, and for other purposes; with an amendment (Rept. 106-744). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 3999. A bill to clarify the process for the adoption of local constitutional self-government for the United States Virgin Islands and Guam, and for other purposes; with an amendment (Rept. 106-745). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. S. 439. An act to amend the National Forest and Public Lands of Nevada Enhancement Act of 1988 to adjust the boundary of the Toiyabe National Forest, Nevada (Rept. 106-746). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. S. 1629. An act to provide for the exchange of certain land in the State of Oregon (Rept. 106-747). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. S. 1374. An act to authorize the development and maintenance of a multiagency campus project in the town of Jackson, Wyoming (Rept. 106-748). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. S. 1705. An act to direct the Secretary of the Interior to enter into land exchanges to acquire from the private owner and to convey to the State of Idaho approximately 1,240 acres of land near the City of Rocks National Reserve, Idaho, and for other purposes (Rept. 106-749). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 3676. A bill to establish the Santa Rosa and San Jacinto Mountains National Monument in the State of California; with an amendment (Rept. 106-750). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 4115. A bill to authorize appropriations for the United States Holocaust Memorial Museum, and for other purposes; with an amendment (Rept. 106-751). Referred to the Committee of the Whole House on the State of the Union.

Ms. PRYCE of Ohio: Committee on Rules. House Resolution 553. Resolution providing for consideration of a motion to go to conference on any Senate amendments to the bill (H.R. 4810) to provide for reconciliation pursuant to section 103(a)(1) of the concurrent resolution on the budget for fiscal year 2001. (Rept. 106-752). Referred to the House Calendar.

Mr. ARCHER: Committee on Ways and Means. H.R. 4843. A bill to amend the Internal Revenue Code of 1986 to provide for retirement security and pension reform; with an amendment (Rept. 106-753). Referred to the Committee of the Whole House on the State of the Union.

Mr. LEWIS of California: Committee of Conference. Conference report on H.R. 4576. A bill making appropriations for the Department of Defense for the fiscal year ending September 30, 2001, and for other purposes (Rept. 106-754). Ordered to be printed.

### DISCHARGE OF COMMITTEE

Pursuant to clause 5 of rule X the Committees on Commerce and Armed Services discharged. H.R. 4437 referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

## TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X the following action was taken by the Speaker:

H.R. 4437. Referral to the Committees on Commerce and Armed Services extended for a period ending not later than July 17, 2000.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. STUMP (for himself, Mr. EVANS, Mr. QUINN, Mr. FILNER, Mr. BILIRAKIS, Mr. EVERETT, Mr. STEARNS, Mr. HANSEN, Mr. MCKEON, Mr. GIBBONS, Ms. BROWN of Florida, Mr. DOYLE, Mr. PETERSON of Minnesota, Mr. REYES, Mr. SHOWS, Mr. RODRIGUEZ, Ms. BERKLEY, Mr. UDALL of New Mexico, Mr. SPRATT, Mrs. JONES of Ohio, Mr. ROHRABACHER, Mr. DAVIS of Florida, Ms. BALDWIN, Mrs. JOHNSON of Connecticut, Mr. HOBSON, Ms. HOOLEY of Oregon, Mr. UNDERWOOD, Ms. KAPTUR, Mr. CRAMER, Mr. LAZIO, Mr. HOLDEN, Mr. ABERCROMBIE, Mr. MOAKLEY, Ms. ROYBAL-ALLARD, Mr. LUCAS of Oklahoma, Mr. DEFAZIO, Mr. MOLLOHAN, Mr.

NETHERCUTT, Ms. DUNN, Mr. SANDERS, and Mr. SMITH of Texas):

H.R. 4864. A bill to amend title 38, United States Code, to reaffirm and clarify the duty of the Secretary of Veterans Affairs to assist claimants for benefits under laws administered by the Secretary, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. ARCHER (for himself and Mr. SHAW):

H.R. 4865. A bill to amend the Internal Revenue Code of 1986 to repeal the 1993 income tax increase on Social Security benefits; to the Committee on Ways and Means.

By Mr. FLETCHER (for himself, Mr. NUSSLE, Mr. ARCHER, Mr. KASICH, Mr. TANCREDO, Mr. HAYWORTH, Mr. HERGER, Mr. GREEN of Wisconsin, Mr. RAMSTAD, Mr. PORTMAN, Mr. SAM JOHNSON of Texas, and Mr. KUYKENDALL):

H.R. 4866. A bill to provide for reconciliation pursuant to section 103(b)(1) of the concurrent resolution on the budget for fiscal year 2001 to reduce the public debt and to decrease the statutory limit on the public debt; to the Committee on Ways and Means, and in addition to the Committee on the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. CAPPS (for herself, Mr. RANGEL, Mr. DINGELL, Mr. BROWN of Ohio, Mr. WAXMAN, Ms. DEGETTE, Mr. STRICKLAND, Mr. BARRETT of Wisconsin, Mr. STUPAK, and Mr. DEUTSCH):

H.R. 4867. A bill to revise and extend the programs of the Substance Abuse and Mental Health Services Administration, and for other purposes; to the Committee on Commerce.

By Mr. CAPUANO (for himself, Mr. GILCHREST, Mr. UNDERWOOD, Mr. COBLE, Mr. JONES of North Carolina, Mr. SANFORD, Mr. DELAHUNT, Mr. TIERNEY, Mr. GOSS, Mr. WHITFIELD, Mr. TAYLOR of Mississippi, Mr. THOMPSON of California, Mr. SERRANO, Mr. HOEKSTRA, Mr. MCCOLLUM, Mr. KENNEDY of Rhode Island, Mr. ROMERO-BARCELO, Mrs. MEEK of Florida, Mr. FORD, Mr. SPENCE, Mr. STUPAK, Mr. DEFAZIO, Mr. FORBES, Mr. LOBIONDO, Mr. LANTOS, Mr. FOSSELLA, Mr. CALLAHAN, Mr. LAFALCE, Mr. LARSON, Mr. SABO, Ms. KAPTUR, Mr. BATEMAN, Mr. BROWN of Ohio, Mrs. MINK of Hawaii, Mr. TAYLOR of North Carolina, Mr. WOLF, Mr. KING, and Mr. CUMMINGS):

H. Con. Res. 372. Concurrent resolution expressing the sense of the Congress regarding the historic significance of the 210th anniversary of the establishment of the Coast Guard, and for other purposes; to the Committee on Transportation and Infrastructure.

## ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 137: Ms. ROS-LEHTINEN.

H.R. 303: Mr. GILLMOR, Mr. SMITH of Texas, and Mrs. BIGGERT.

H.R. 390: Mr. NEAL of Massachusetts and Mr. HASTINGS of Florida.

H.R. 460: Mr. PAYNE and Mr. DEFAZIO.

H.R. 483: Mr. FRANK of Massachusetts.

H.R. 632: Mr. OWENS.

H.R. 688: Mr. WELDON of Florida.

H.R. 783: Mr. BILBRAY.

H.R. 860: Mr. TOWNS.

H.R. 1102: Mr. WALDEN of Oregon, Mr. BAKER, Mr. COX, Mr. WYNN, Mr. RILEY, Mr. UNDERWOOD, Mr. ROYCE, and Ms. DELAURO.

H.R. 1107: Mr. BRYANT.

H.R. 1116: Mr. MOORE.

H.R. 1227: Mr. WYNN.

H.R. 1495: Ms. MCKINNEY.

H.R. 1525: Ms. MCKINNEY.

H.R. 1824: Mr. BOEHLERT.

H.R. 2121: Mr. ABERCROMBIE, Mr. SANDLIN, and Mr. TURNER.

H.R. 2308: Mr. SOUDER and Mr. NEAL of Massachusetts.

H.R. 2331: Mr. MCCOLLUM.

H.R. 2397: Mr. BERRY, Mr. BISHOP, Mr. CRAMER, Mr. DOOLEY of California, Mr. HALL of Texas, Mr. MCINTYRE, Mr. MORAN of Virginia, and Mr. SKELTON.

H.R. 2594: Mr. WEXLER.

H.R. 2710: Ms. STABENOW.

H.R. 2892: Mr. ALLEN and Mr. PAUL.

H.R. 2969: Mr. SANFORD.

H.R. 3003: Mrs. EMERSON, Mr. ALLEN, and Mr. STUPAK.

H.R. 3032: Ms. MCKINNEY.

H.R. 3044: Mr. KUCINICH.

H.R. 3083: Ms. HOOLEY of Oregon, Mr. OLVER, Mr. BARRETT of Wisconsin, Mr. LARSON, Mr. DICKS, Mr. GUTIERREZ, and Mr. KILDEE.

H.R. 3161: Mr. HOYER.

H.R. 3192: Mr. STENHOLM, Mr. SCOTT, Mr. UDALL of New Mexico, Mr. WEINER, Ms. PELOSI, Mr. UDALL of Colordo, Mr. SPRATT, and Mr. BLAGOJEVICH.

H.R. 3193: Mr. KANJORSKI and Ms. ROYBAL-ALLARD.

H.R. 3463: Mr. ABERCROMBIE and Mr. STUPAK.

H.R. 3540: Mr. SAWYER and Mr. CARDIN.

H.R. 3595: Mr. SCHAFFER.

H.R. 3661: Mr. NETHERCUTT.

H.R. 3875: Mr. FOLEY.

H.R. 3896: Mr. FRANKS of New Jersey.

H.R. 3928: Mrs. CLAYTON.

H.R. 4033: Mr. THOMPSON of Mississippi, Mr. SHOWS, Mr. TERRY, and Mr. PASCRELL.

H.R. 4042: Mrs. MINK of Hawaii.

H.R. 4136: Mr. UDALL of New Mexico.

H.R. 4184: Mr. GOODLATTE and Mr. WELLER.

H.R. 4215: Mr. WHITFIELD.

H.R. 4219: Mr. KILDEE, Mr. HOLT, Mr. PITTS, Mr. LEVIN, Mrs. MYRICK, Mr. JENKINS, and Mr. HINCHEY.

H.R. 4237: Mr. GORDON and Mr. CLEMENT.

H.R. 4239: Mr. ROTHMAN.

H.R. 4277: Mr. KLECZKA, Mr. GILLMOR, Mr. HORN, Mr. ABERCROMBIE, and Mrs. ROUKEMA.

H.R. 4390: Mr. PAYNE and Mr. FALEOMAVAEGA.

H.R. 4471: Mr. MCNULTY.

H.R. 4493: Mr. NETHERCUTT and Ms. RIVERS.

H.R. 4511: Mr. NEY, Mr. SHIMKUS, Mr. WELDON of Pennsylvania, Mr. HOSTETTLER, Mr. WELLER, and Mr. TOWNS.

H.R. 4543: Mr. BACHUS and Mr. HOUGHTON.

H.R. 4548: Mr. COMBEST, Mr. SAXTON, and Mr. LAFALCE.

H.R. 4566: Mr. KUCINICH, Mr. MARTINEZ, Mr. UDALL of New Mexico, and Mr. BISHOP.

H.R. 4598: Mr. PAYNE and Mr. NUSSLE.

H.R. 4613: Mr. KILDEE.

H.R. 4614: Mr. PAYNE, Ms. DELAURO, and Mr. KUCINICH.

H.R. 4651: Mr. WEXLER and Mr. DOYLE.

H.R. 4659: Mr. COOK, Ms. BALDWIN, and Mr. SANDERS.

H.R. 4660: Mr. GIBBONS.

H.R. 4669: Mrs. EMERSON and Mr. BURTON of Indiana.

H.R. 4710: Mr. GARY MILLER of California, Mr. DEMINT, Mr. PITTS, and Mr. ISTOOK.

H.R. 4736: Mr. GEKAS, Mr. TAYLOR of Mississippi, Mr. BLUNT, and Mrs. EMERSON.

H.R. 4759: Mr. MCHUGH, Mr. BACA, and Mr. NORWOOD.

H.R. 4770: Mr. PRICE of North Carolina.

H.R. 4793: Mr. BALDACCI.

H.R. 4802: Mr. SWEENEY and Mr. ENGLISH.

H.R. 4807: Mr. MATSUI, Mr. GREEN of Wisconsin, Mr. KUYKENDALL, Mrs. FOWLER, Mr. KOLBE, Mr. WEXLER, Mr. GREEN of Texas, Mrs. MALONEY of New York, Mr. INSLEE, Mr. MALONEY of Connecticut, Mr. GUTIERREZ, Mr. BECERRA, Mr. FILNER, Mr. DEFAZIO, Ms. ROS-LEHTINEN, Mr. LEACH, Mr. DINGELL, Mr. MCGOVERN, Mr. LARGENT, and Mr. COOKSEY.

H.R. 4820: Mr. OWENS.

H.R. 4841: Mr. THORNBERRY.

H.R. 4848: Mr. DELAHUNT, MR. FILNER, Mr. HASTINGS of Florida, Mr. POMEROY, Mr. THOMPSON of California, Mr. BACA, Mrs. CHRISTENSEN, Mr. CARDIN, Mr. SANDERS, Mr. MASCARA, Mr. CROWLEY, Mr. BRADY of Pennsylvania, Mr. HOLDEN, Mrs. MINK of Hawaii, Mr. GEORGE MILLER of California, and Mrs. CLAYTON.

H.J. Res. 56: Mr. GREENWOOD.

H.J. Res. 102: Mr. DIXON, Mr. CLYBURN, Mrs. MEEK of Florida, Mr. CRAMER, Mr. BROWN of Ohio, Mr. JACKSON of Illinois, Ms. KAPTUR, and Mr. BECERRA.

H. Con. Res. 100: Mrs. ROUKEMA.

H. Con. Res. 115: Mr. REYNOLDS.

H. Con. Res. 159: Mrs. ROUKEMA.

H. Con. Res. 262: Mr. CLEMENT.

H. Con. Res. 271: Ms. PELOSI, Mr. LEACH, Mr. LAFALCE, and Ms. WOOLSEY.

H. Con. Res. 283: Mrs. ROUKEMA.

H. Con. Res. 308: Mr. GIBBONS and Mr. MCNULTY.

H. Con. Res. 313: Mr. FALEOMAVAEGA.

H. Con. Res. 318: Ms. LEE.

H. Con. Res. 340: Mrs. ROUKEMA.

H. Con. Res. 341: Mr. PAYNE, Mrs. CHRISTENSEN, and Mr. MATSUI.

H. Con. Res. 367: Mr. ANDREWS.

H. Con. Res. 368: Mr. KINGSTON, Mr. HALL of Ohio, Mr. UDALL of Colorado, Mr. GREEN of Wisconsin, Mr. SKEEN, Mrs. JACKSON-LEE of Texas, Mr. FROST, Mr. GUTIERREZ, Ms. STABENOW, Ms. MILLENDER-MCDONALD, Mr. EHLERS, Mr. BLUNT, and Mr. JACKSON of Illinois.

H. Con. Res. 370: Mrs. MALONEY of New York, Mr. BILIRAKIS, and Mrs. ROUKEMA.

H. Res. 462: Mr. DEMINT.

H. Res. 486: Mr. FALEOMAVAEGA.

H. Res. 487: Mr. FALEOMAVAEGA.

H. Res. 531: Mrs. LOWEY, Mr. GILMAN, and Mr. GEJDENSON.

H. Res. 543: Mr. LANTOS.

H. Res. 549: Mr. WATTS of Oklahoma, Mr. BRADY of Pennsylvania, Mr. SCARBOROUGH, Mr. ANDREWS, Mr. GIBBONS, Mrs. TAUSCHER, Ms. MCKINNEY, Ms. KAPTUR, Mr. BATEMAN, Mr. FALEOMAVAEGA, Mr. COOKSEY, Mr. BILIRAKIS, Mr. SWEENEY, Mr. TANNER, Mr. CRAMER, Mr. CLEMENT, and Mr. GILMAN.

H. Res. 551: Mr. TRAFICANT, Mr. GARY MILLER of California, and Mr. SMITH of Texas.

# EXTENSIONS OF REMARKS

## SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, July 18, 2000 may be found in the Daily Digest of today's RECORD.

## MEETINGS SCHEDULED

### JULY 19

9:30 a.m.

Energy and Natural Resources

Business meeting to consider pending calendar business.

SD–366

Environment and Public Works

Fisheries, Wildlife, and Drinking Water Subcommittee

To hold oversight hearings on the Fish and Wildlife Services's administration of the Federal Aid Program.

SD–406

Commerce, Science, and Transportation

To hold hearings on the nomination of Norman Y. Mineta, of California, to be a Member of the Board of Directors of the Metropolitan Washington Airports Authority.

SR–253

Health, Education, Labor, and Pensions

Business meeting to consider pending calendar business.

SD–430

10 a.m.

Governmental Affairs

To hold hearings on certain legislative proposals and issues relevant to the operations of Inspectors General, including S. 870, to amend the Inspector General Act of 1978 (5 U.S.C. App.) to increase the efficiency and accountability of Offices of Inspecter General within Federal departments, and an Administrative proposal to grant statutory law enforcement authority to 23 Inspectors General.

SD–342

Banking, Housing, and Urban Affairs

Securities Subcommittee

To hold hearings on adapting a 1930's financial reporting model to the 21st century.

SD–538

2:30 p.m.

Energy and Natural Resources

Water and Power Subcommittee

To hold oversight hearings on the status of the Biological Opinions of the National Marine Fisheries Service and the U.S. Fish and Wildlife Service on the operations of the Federal hydropower system of the Columbia River.

SD–366

Indian Affairs

To hold oversight hearings on activities of the National Indian Gaming Commission.

SR–485

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To hold hearings on proposed legislation authorizing funds for fiscal year 2001 for the National Science Foundation, focusing on current research activities.

SR–253

Foreign Relations

To hold hearings to examine giving permanent normal trade relations status to Communist China, focusing on human rights, labor, trade and economic implications.

SD–419

### JULY 20

9 a.m.

Agriculture, Nutrition, and Forestry

To hold hearings to examine implications of high energy prices on Unites States agriculture.

SD–106

9:30 a.m.

Energy and Natural Resources

To hold oversight hearings on the United States General Accounting Office's investigation of the Cerro Grande Fire in the State of New Mexico, and from Federal agencies on the Cerro Grande Fire and their fire policies in general.

SD–366

Veterans' Affairs

To hold hearings to consider the Department of Veterans' Affairs adjudication, and pending legislation including S. 1810, to amend title 38, United States Code, to clarify and improve veterans' claims and appellate procedures, and S. 2544, to amend title 38, United States Code, to provide compensation and benefits to children of female Vietnam veterans who were born with certain birth defects.

SR–418

Armed Services

To hold closed hearings on the situation in Iraq and U.S. military operations in and around Iraq.

S–407, Capitol

Small Business

To hold hearings to examine the General Accounting Office's performance and accountability review.

SR–428A

Commerce, Science, and Transportation

To hold hearings on purchasing tickets through the Internet, and whether or not it benefits the consumer.

SR–253

10 a.m.

Indian Affairs

To hold hearings on S. 2688, to amend the Native American Languages Act to provide for the support of Native American Language Survival Schools.

SR–485

Health, Education, Labor, and Pensions

To hold hearings on genetic information in the workplace.

SD–430

Judiciary

Business meeting to consider pending calendar business.

SD–226

Banking, Housing, and Urban Affairs

To hold oversight hearings on the conduct of monetary policy by the Federal Reserve.

SH–216

Foreign Relations

Near Eastern and South Asian Affairs Subcommittee

To hold hearings on issues relating to the governement of Afghanistan, focusing on the conduct of the Taliban (Militia tha rules Afghanistan).

SD–419

2 p.m.

Energy and Natural Resources

Forests and Public Land Management Subcommittee

To hold hearings on S. 2757, to provide for the transfer or other disposition of certain lands at Melrose Air Force Range, New Mexico, and Yakima Training Center, Washington; S. 2691, to provide further protections for the watershed of the Little Sandy River as part of the Bull Run Watershed Management Unit, Oregon; S. 2754, to provide for the exchange of certain land in the State of Utah; S. 2834, to authorize the Secretary of the Interior, acting through the Bureau of Reclamation, to convey property to the Greater Yuma Port Authority of Yuma County, Arizona, for use as an international port of entry; H.R. 3023, to authorize the Secretary of the Interior, acting through the Bureau of Reclamation, to convey property to the Greater Yuma Port Authority of Yuma County, Arizona, for use as an international port of entry; and H.R. 4579, to provide for the exchange of certain lands within the State of Utah.

SD–366

Foreign Relations

To hold hearings on inter-American Convention for the Protection and Conservation of Sea Turtles, with Annexes, done at Caracas December 1, 1996, (the "Convention"), which was signed by

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

the United States, subject to ratification, on December 13, 1996 (Treaty Doc. 105-48); international Plant Protection Convention (IPPC), adopted at the Conference of the Food and Agriculture Organization (FAO) of the United Nations at Rome on November 17, 1997 (Treaty Doc. 106-23); food Aid Convention 1999, which was opened for signature at the United Nations Headquarters, New York, from May 1 through June 30, 1999. Convention was signed by the United States June 16, 1999 (Treaty Doc. 106-14); convention (No. 176) Concerning Safety and Health in Mines, adopted by the International Labor Conference at its 82nd Session in Geneva on June 22, 1995 (Treaty Doc. 106-08); and the nomination of Everett L. Mosley, of Virginia, to be Inspector General, Agency for International Development.

SD-419

2:30 p.m.

Intelligence

To hold closed hearings on pending intelligence matters.

SH-219

JULY 21

9:30 a.m.

Energy and Natural Resources

Forests and Public Land Management Subcommittee

To hold oversight hearings on the Draft Environmental Impact Statement implementing the October 1999 announcement by the President to review approximately 40 million acres of national forest for increased protection.

SD-366

JULY 25

9:30 a.m.

Armed Services

To hold hearings to examine the National Missile Defense Program.

SH-216

Energy and Natural Resources

To hold oversight hearings on Natural Gas Supply.

SD-366

10 a.m.

Indian Affairs

To hold oversight hearings on the Native American Graves Protection and Repatriation Act.

SR-485

Finance

Taxation and IRS Oversight Subcommittee

To hold hearings on federal income tax issues relating to proposals to encourage the creation of public open spaces in urban areas and the preservation of farm and other rural lands for conservation purposes.

SD-215

JULY 26

9 a.m.

Small Business

Business meeting to markup S. 1594, to amend the Small Business Act and Small Business Investment Act of 1958.

SR-428A

Agriculture, Nutrition, and Forestry

To hold hearings to review the federal sugar program.

SR-328A

10 a.m.

Governmental Affairs

To hold hearings on S. 1801, to provide for the identification, collection, and review for declassification of records and materials that are of extraordinary public interest to the people of the United States.

SD-342

11 a.m.

Foreign Relations

Business meeting to consider pending calendar business.

SD-419

2:30 p.m.

Energy and Natural Resources

Forests and Public Land Management Subcommittee

To hold oversight hearings on potential timber sale contract liability incurred by the government as a result of timber sale contract cancellations.

SD-366

Indian Affairs

To hold hearings on S. 2526, to amend the Indian Health Care Improvement Act to revise and extend such Act.

SR-485

JULY 27

9 a.m.

Agriculture, Nutrition, and Forestry

To hold hearings to review proposals to establish an international school lunch program.

SR-328A

SEPTEMBER 26

9:30 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs on the Legislative recommendation of the American Legion.

345 Cannon Building